



Welsh exports year ending June 2017

9 Nov 2017
SB 63/2017

Key points

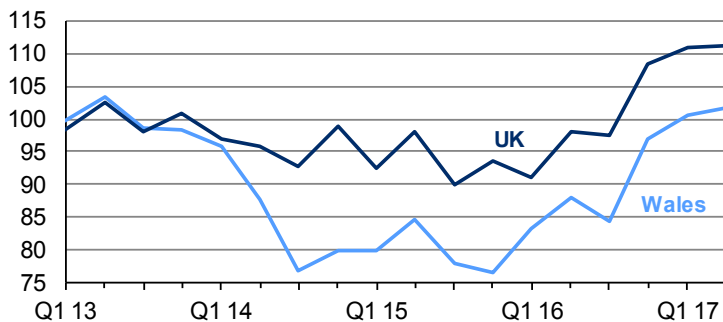
- The value of Welsh exports was £15.9 billion in the year ending June 2017, an increase of £2.39 billion from the year ending June 2016. Exports increased to EU countries by 1.27 billion (15.4 per cent) and to non-EU countries by £1.12 billion (21.2 per cent). Exports to the EU accounted for 59.8 per cent of Welsh exports compared to 49.2 per cent for the UK.
- Revisions to the methodology used by HMRC have led to a relatively large change in the overall level of exports, and the proportion exported to the EU, each year since 2013. Please see [key quality section](#) for more details.
- Germany was the top export destination accounting for 19.4 per cent of exports, a decrease from 21.9 per cent for the previous year.
- Exports from Wales are dominated by *Other Transport Equipment* which made up 26.6 per cent of exports.

Value of exports, Wales and UK

		Amounts (£ billions)		Percentage Change
		Year Ending June 2016	Year Ending June 2017	
Wales:	EU	8.2	9.5	15.4%
	Non-EU	5.3	6.4	21.2%
	Total	13.5	15.9	17.7%
UK:	EU	134.6	155.0	15.2%
	Non-EU	139.9	160.1	14.5%
	Total	274.4	315.1	14.8%

Source: WG analysis of Regional Trade Statistics, HMRC

Index of exports by quarter, Wales and UK (2013 = 100)



Source: WG analysis of Regional Trade Statistics, HMRC

¹ Under the old methodology Welsh EU exports accounted for 39.2 per cent of exports for the year ending June 2016, compared with 60.9 per cent under the new methodology. Data is available under the new methodology from 2013 quarter 1 and it is inappropriate to compare current data with data prior to 2013.

About this bulletin

This bulletin summarises HM Revenue and Customs estimates of goods exports from Wales for the year ending June 2017, providing comparisons with the UK.

This bulletin uses revised HMRC methodology to allocate trade to UK countries and regions. It is now based on the proportion of employees rather than the head office location¹.

Figures relate to goods exported to destinations outside the UK.

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1. Welsh exports by destination

The value of exports from Wales for the year ending June 2017 increased by £2.39 million (17.7 per cent) to £15.9 billion when compared to the year ending June 2016. Exports to EU countries were up £1.27 billion (15.4 per cent) and exports to non-EU countries up by £1.12 billion (21.2 per cent). The value of exports for the UK also increased over this period, up 14.8 per cent, with exports to EU countries up by 15.2 per cent and exports to non-EU countries up by 14.5 per cent. (*Table 1.1*)

Table 1.1: Exports by quarter and destination, Wales and UK (£millions)

		Wales			UK		
		EU	Non-EU	Total	EU	Non-EU	Total
2013	Qtr 1	2,507 (r)	1,638 (r)	4,145 (r)	38,143 (r)	34,274 (r)	72,416 (r)
	Qtr 2	2,478 (r)	1,818 (r)	4,296 (r)	37,836 (r)	37,682 (r)	75,518 (r)
	Qtr 3	2,441 (r)	1,649 (r)	4,090 (r)	37,402 (r)	34,800 (r)	72,202 (r)
	Qtr 4	2,410 (r)	1,669 (r)	4,079 (r)	36,815 (r)	37,499 (r)	74,314 (r)
	Total	9,836 (r)	6,774 (r)	16,610 (r)	150,195 (r)	144,255 (r)	294,450 (r)
2014	Qtr 1	2,431 (r)	1,547 (r)	3,978 (r)	38,045 (r)	33,423 (r)	71,468 (r)
	Qtr 2	2,172 (r)	1,474 (r)	3,647 (r)	37,571 (r)	32,904 (r)	70,475 (r)
	Qtr 3	1,888 (r)	1,301 (r)	3,190 (r)	34,858 (r)	33,493 (r)	68,351 (r)
	Qtr 4	1,822 (r)	1,499 (r)	3,321 (r)	35,961 (r)	36,806 (r)	72,767 (r)
	Total	8,314 (r)	5,822 (r)	14,135 (r)	146,435 (r)	136,625 (r)	283,060 (r)
2015	Qtr 1	2,030 (r)	1,291 (r)	3,321 (r)	33,718 (r)	34,437 (r)	68,155 (r)
	Qtr 2	2,138 (r)	1,373 (r)	3,511 (r)	34,124 (r)	38,031 (r)	72,154 (r)
	Qtr 3	1,902 (r)	1,339 (r)	3,241 (r)	32,236 (r)	33,967 (r)	66,203 (r)
	Qtr 4	1,927 (r)	1,253 (r)	3,181 (r)	33,323 (r)	35,580 (r)	68,903 (r)
	Total	7,997 (r)	5,256 (r)	13,253 (r)	133,401 (r)	142,014 (r)	275,414 (r)
2016	Qtr 1	2,125 (r)	1,328 (r)	3,453 (r)	33,848 (r)	33,195 (r)	67,044 (r)
	Qtr 2	2,287 (r)	1,367 (r)	3,654 (r)	35,148 (r)	37,150 (r)	72,298 (r)
	Qtr 3	2,083 (r)	1,417 (r)	3,500 (r)	35,848 (r)	36,012 (r)	71,861 (r)
	Qtr 4	2,357 (r)	1,664 (r)	4,022 (r)	38,249 (r)	41,548 (r)	79,797 (r)
	Total	8,852 (r)	5,777 (r)	14,630 (r)	143,093 (r)	147,906 (r)	290,999 (r)
2017	Qtr 1 (p)	2,582	1,596	4,179	40,662	40,933	81,595
	Qtr 2 (p)	2,490	1,730	4,220	40,233	41,632	81,865
	Total	5,073	3,326	8,398	80,896	82,565	163,460

Change latest 4 quarters to previous 4 quarters:						
Change (£m)	1,272	1,120	2,391	20,438	20,234	40,671
Change (%)	15.4	21.2	17.7	15.2	14.5	14.8

Source: WG analysis of Regional Trade Statistics, HMRC

In the year ending June 2017, Germany was the largest export market for Welsh products followed by France, USA (including Puerto Rico), Ireland and the Netherlands.¹ Compared to the year ending June 2016, exports to all top five countries increased. Exports to France showed the largest absolute increase, up £590 million or 29.1 per cent. The increase in exports to France was driven by exports of *Other Transport Equipment*.

Outside the top five destinations (but inside the top 30), exports to Taiwan had the largest fall, down £31 million (32.9 per cent) followed by exports to Saudi Arabia, down £8 million (4.9 per cent). Exports to the United Arab Emirates increased by £216 million (54.0 per cent) and Canada by £161 million (69.9 per cent). (*Table 1.2*)

¹ Under the previous HMRC methodology to allocate trade to UK countries and regions, the top three export destinations for Wales in 2015 were the USA (£2,791m), United Arab Emirates (£1,049m) and Germany (£1,044m).

Table 1.2: Top 30 destinations for Welsh exports (£m)

Country	Year ending June 2016	Year ending June 2017	Change	
			Level	Percentage
Germany	2,966	3,084	118	4.0%
France	2,027	2,617	590	29.1%
USA (including Puerto Rico)	1,979	2,322	343	17.4%
Ireland	871	955	83	9.5%
Netherlands	530	672	142	26.8%
United Arab Emirates	399	615	216	54.0%
Belgium	438	465	27	6.2%
Spain	342	465	122	35.7%
Canada	231	392	161	69.9%
Turkey	216	318	102	47.2%
China	260	311	51	19.8%
Italy	272	283	10	3.8%
Sweden	222	261	39	17.6%
South Korea	187	251	64	34.4%
Qatar	149	172	23	15.4%
Singapore	158	170	13	8.2%
Japan	165	166	1	0.9%
Poland	117	160	43	37.1%
Saudi Arabia	158	150	-8	-4.9%
Australia	96	138	42	44.3%
Hong Kong	124	134	11	8.7%
Switzerland	115	128	13	11.4%
Russia	70	95	25	35.1%
India	95	94	-1	-1.4%
Czech Republic	60	75	15	25.2%
Brazil	72	66	-6	-7.9%
Taiwan	95	64	-31	-32.9%
Denmark	55	63	8	13.6%
Austria	55	62	7	12.7%
Norway	53	62	9	16.7%

Source: WG analysis of Regional Trade Statistics, HMRC

2. Welsh exports by product

Other Transport Equipment was the highest value export category for Wales in the year ending June 2017, followed by *Power Generating Machinery & Equipment*. None of the top thirty sectors declined in the year ending June 2017 compared with the year ending June 2016. The overall increase in exports from Wales was mainly due to increases in *Other Transport Equipment* (up £610 million, 16.8 per cent), *Power Generating Machinery & Equipment* (up £464 million, 28.6 per cent), and *Petroleum, Petroleum Products & Related Materials* (up £335 million, 27.6 per cent).

The *Non-Metallic Mineral Manufactures* sector had the smallest absolute increase in the top 30 sectors, up £400,000 (0.3 per cent). ([Table 2.1](#))

Table 2.1: Top 30 sectors for Welsh exports (£m)

Product sector	Year ending	Year ending	Change	
	June 2016	June 2017	Level	Percentage
Other Transport Equipment	3,632	4,242	610	16.8%
Power Generating Machinery & Equipment	1,624	2,088	464	28.6%
Petroleum, Petroleum Products & Related Materials	1,202	1,537	335	27.9%
Iron & Steel	754	816	62	8.2%
Electric Machinery, Apparatus & Appliances & Electric Parts Thereof N.E.S	678	727	49	7.3%
Medicinal & Pharmaceutical Products	511	684	173	33.9%
Road Vehicles, incl. Air Cushion Vehicles	427	542	115	26.9%
Miscellaneous Manufactured Articles N.E.S.	367	420	53	14.4%
Professional, Scientific & Controlling Ins & Apparatus N.E.S.	343	385	43	12.5%
Non-Ferrous Metals	304	337	32	10.6%
Manufactures Of Metal N.E.S	303	330	27	8.8%
Machinery Specialized For Particular Industries	295	304	10	3.3%
General Industrial Machinery & Equipment & Machine Parts N.E.S	247	265	18	7.1%
Organic Chemicals	257	261	4	1.6%
Chemical Materials & Products N.E.S	211	247	36	16.9%
Plastics In Primary Forms	204	236	31	15.3%
Furniture & Parts Thereof, Bedding & Mattresses etc.	174	206	32	18.3%
Metalliferous Ores & Metal Scrap	145	179	34	23.8%
Office Machines & ADP Machines	163	169	6	3.4%
Plastics In Non-Primary Forms	133	168	35	26.6%
Essential Oils & Perfume Materials, Toilet Preparations etc.	134	146	13	9.4%
Rubber Manufactures N.E.S	116	138	22	19.1%
Non-Metallic Mineral Manufactures N.E.S	136	136	0	0.3%
Paper, Paperboard & Manufactures Thereof	128	130	1	1.0%
Telecomms & Sound Recording & Reproducing Apparatus & Equipment	85	116	31	36.2%
Articles Of Apparel & Clothing Accessories	98	110	12	12.0%
Dairy Products & Birds' Eggs	87	105	18	20.7%
Meat & Meat Preparations	92	104	12	12.8%
Dyeing, Tanning & Colouring Materials	59	84	25	41.6%
Miscellaneous Edible Products & Preparations	46	75	29	63.0%
Total	13,253	14,630	1,376	10.4%

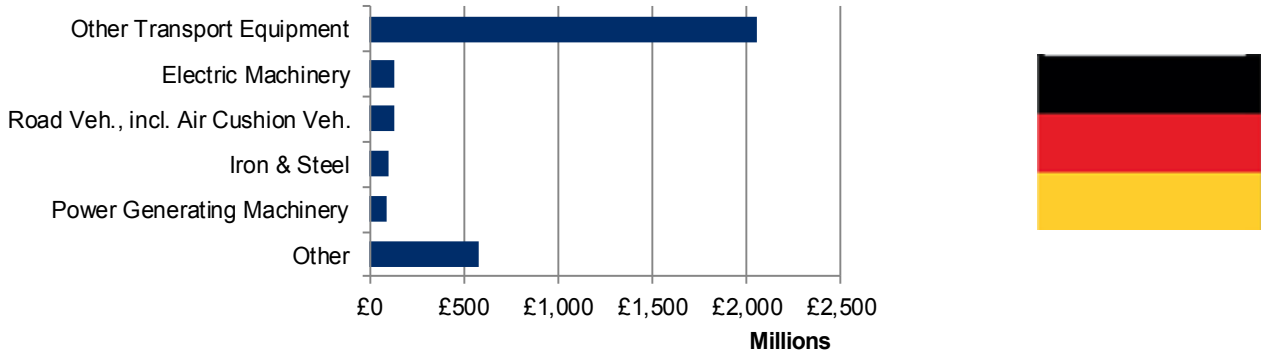
WG analysis of Regional Trade Statistics, HMRC

Other Transport Equipment had the largest absolute increase over this period, up £610 million (16.8 per cent) with the largest increases being to France, Germany and Australia. The second largest increase was in *Power Generating Machinery & Equipment*, up £464 million (28.6 per cent) with the largest increases being to the UAE, the USA and Turkey.

3. Welsh exports by destination and product²

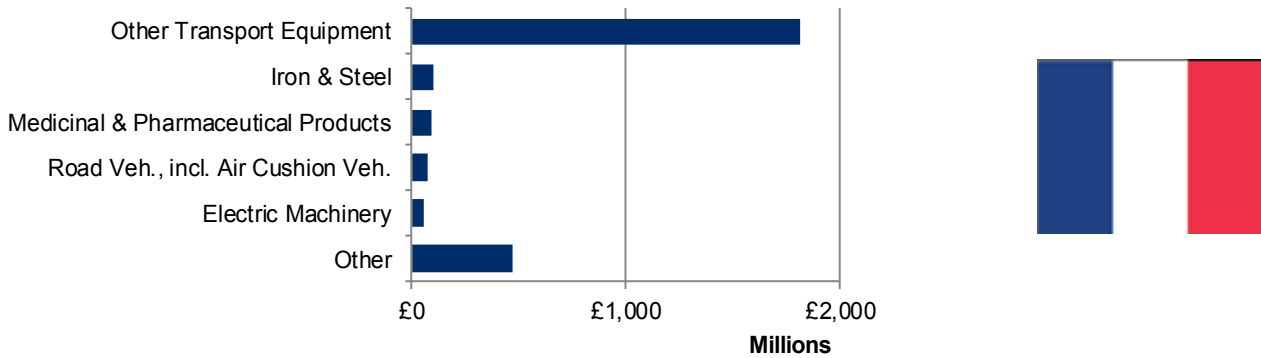
The three largest export countries for Wales are Germany, France and USA. The largest export sector to Germany and France is *Other Transport Equipment* and the largest sector to the USA is *Petroleum, Petroleum Products & Related Materials*. (Charts 3.1 - 3.3)

Chart 3.1: Welsh exports to Germany



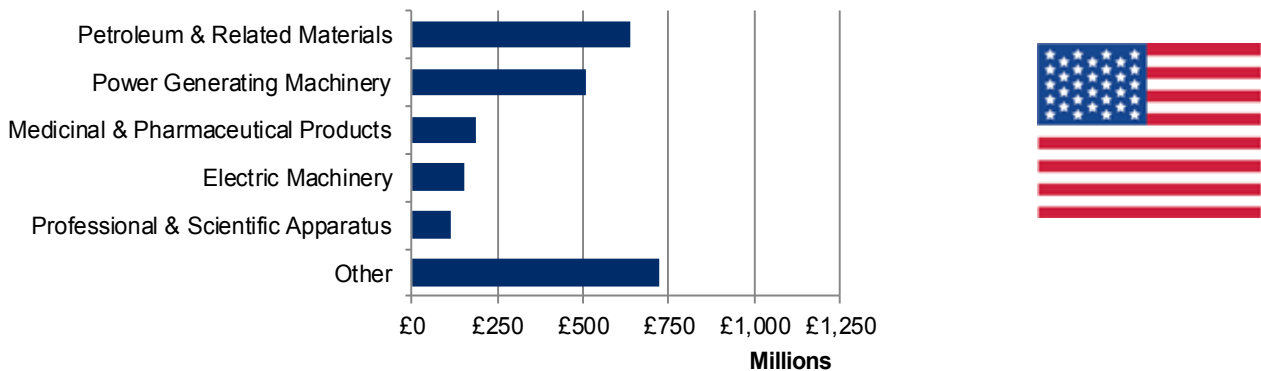
Source: WG analysis of Regional Trade Statistics, HMRC

Chart 3.2: Welsh exports to France



Source: WG analysis of Regional Trade Statistics, HMRC

Chart 3.3: Welsh exports to the USA (including Puerto Rico)

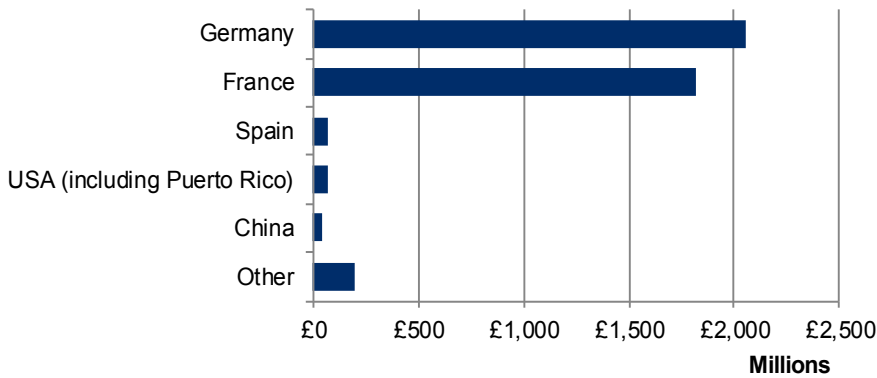


Source: WG analysis of Regional Trade Statistics, HMRC

² Category names have been shortened on charts. *Petroleum & Related Materials* is *Petroleum, Petroleum Products and Related Materials*; *Electric Machinery* is *Electric Machinery, Apparatus and Appliances and Electric Parts Thereof NES*; *Professional & Scientific Apparatus* is *Professional, Scientific and Controlling Ins and Apparatus NES*.

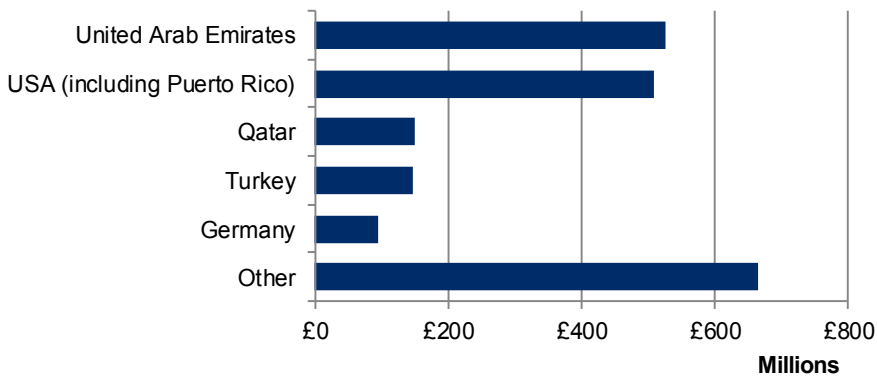
The three largest export sectors for Wales are *Other Transport Equipment*, *Power Generating Machinery & Equipment* and *Petroleum, Petroleum Products & Related Materials*. Germany receives 49 per cent of Welsh exports of *Other Transport Equipment* and the United Arab Emirates receives 25 per cent of Welsh exports in *Power Generating Machinery & Equipment*. The USA receives 41 per cent of Welsh exports of *Petroleum, Petroleum Products & Related Materials*. (Charts 3.4 - 3.6)

Chart 3.4: Welsh exports in *Other Transport Equipment*



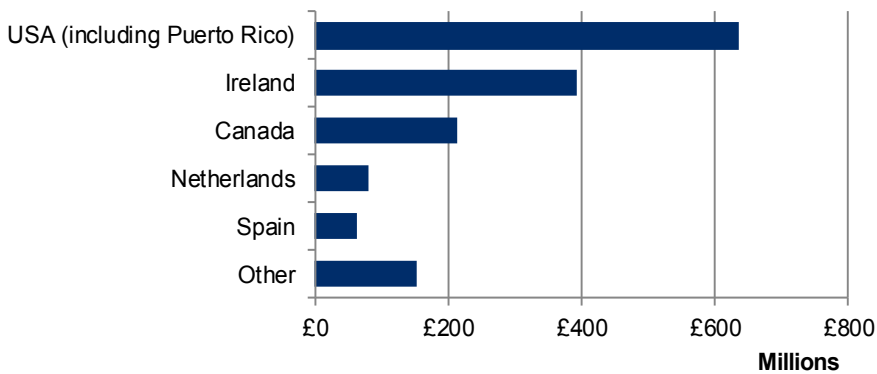
Source: WG analysis of Regional Trade Statistics, HMRC

Chart 3.5: Welsh exports in *Power Generating Machinery & Equipment*



Source: WG analysis of Regional Trade Statistics, HMRC

Chart 3.6: Welsh exports in *Petroleum, Petroleum Products & Related Materials*



Source: WG analysis of Regional Trade Statistics, HMRC

Key quality information

Relevance

This bulletin contains analysis of [HMRC](#) Regional Trade Statistics (RTS) data for the year ending June 2017. These statistics are used by the Welsh Government to monitor the performance statistics in goods exports for Wales as well as providing comparisons to the UK and other regions. This bulletin is also used by other public sector organisations, businesses, academia and private individuals.

Accuracy

The data in this bulletin are the Regional Trade in Goods Statistics (RTS) published by HMRC. These statistics refer to goods that have crossed the UK frontier. This means that exports from Wales to other parts of the UK are not included and there is no element included for components produced in Wales when the final product is completed in and then exported from another part of the UK. HMRC do not receive information in respect of goods that move wholly within the UK. Further, these figures do not contain any information on the export of services such as banking or tourism.

Timeliness and punctuality

Regional Trade Statistics are published quarterly by HMRC in March, June, September and December. Headline exports statistics are published by the Welsh Government at the same time.

Accessibility and clarity

Exports data is published on [StatsWales](#). The Headline Statistics and Statistical Bulletin are available on the [Welsh Government](#) Internet site. The latest HMRC quarterly [Regional Trade Statistics \(RTS\) release is available here](#).

Comparability and coherence

1. Comparable measures for other UK countries are published on [StatsWales](#).
2. Data shown for the European Union (EU) are based on the 28 member states which comprised the EU (that is the 28 states less the UK, as only exports to destinations outside the UK are covered). This includes Croatia which joined the EU on 1 July 2013.
3. The quarterly totals of the value for RTS do not equate to the totals already published as the UK-wide Overseas Trade Statistics. Certain goods, such as North Sea crude oil, ships and aircraft stores, and those not in free circulation, that are shipped to EU countries using traditional Customs declarations, are not allocated to a UK region. Exports relating to overseas companies, registered for VAT in the UK, but with no place of business in the UK, have been excluded. Channel Islands and Isle of Man trade is also excluded. In addition, some exports to countries outside the EU cannot be allocated to a region because the VAT registration numbers have not been properly declared. These exclusions mean that it is not possible to reconcile total figures for regional trade against figures for UK trade.
4. Data are collated using the Standard International Trade Classification ([SITC](#)) system.

Revisions

From 1 May 2016, there was a methodological change to the way the Non-EU trade-in-goods statistics are compiled. Following a change in legislation, the Non-EU trade-in-goods statistics have changed from the 'General Trade' system of compilation to the 'Special Trade' system. For further information on the differences between General and Special Trade, please see the HMRC's [Methodology Paper for Overseas Trade Statistics](#). Special Trade data is only available for 2012 Q1 onwards. All data in this bulletin is Special Trade.

HMRC have revised the methodology used to calculate Regional Trade Statistics. Business trade is now allocated to a region based on the proportion of employees in that region rather than where the location of the Head Office of the business is. Under the old methodology Welsh EU exports accounted for 39.2 per cent reported for the four quarters ending in June 2016. The new methodology stands at 60.9 per cent for the four quarters ending in June 2016. Data are available under the new methodology from 2013Q1. It is inappropriate to compare current data with data prior to 2013 and it has been excluded from this bulletin. Further information on the quality, revisions and methodology of the data can be found on the [HMRC website](#).

Impact assessment of latest revisions

The Regional Trade statistics released on 12 October 2017 by HM Revenue & Customs included the first provisional estimates of trade-in-goods for quarter 2 2017. Following the identification of an error in the calculation of these statistics, HMRC revised their data from 2013 quarter 1 to 2017 quarter 1 alongside publication on the 12 October 2017.

This section outlines the differences between previously published data and the revised data and should be used to consider the impact of this revision. Caution should be taken when interpreting the changes to the 2016 data, as this data was already provisional due to the result of late trade declarations in respect of EU destinations and so changes may not entirely be due to the change in methodology

Table 1 presents the monetary value of Welsh exports (in £bs). The 2013 data shows a 34% increase (£4.2 billion) in the value of exports between the previously published and revised data; similar changes are seen for the remaining years, but to a lesser extent.

Table 3 – Value of Welsh exports by year (£b)

	Pre-revised data	Revised data	Difference (£)	Percentage change
2013	12.4	16.6	4.2	34%
2014	11.8	14.1	2.3	19%
2015	11.6	13.3	1.6	14%
2016	12.4	14.6	2.2	18%

Source: Welsh Government analysis of Regional Trade statistics

The revision has also caused a change in the percentage of Welsh exports to the EU for each year since 2013. Looking at 2016 data, Wales continues to be more dependent on EU markets for its exports of goods (61%) than the UK is (49%), but to a lesser extent than previously shown in the pre-revised data.

Table 4 - Percentage of Welsh exports to the EU by year

	Pre-revised data	Revised data	Difference
2013	63%	59%	-4%
2014	64%	59%	-6%
2015	67%	60%	-6%
2016	67%	61%	-7%

Source: Welsh Government analysis of Regional Trade statistics

Data for previous quarters have been revised in accordance with the HMRC revision policy where data on exports for the current calendar year may be validated and revised at any time, while data on exports for the previous calendar may be validated and revised until just after the second quarter figures for the current calendar year are published.

Any figures which are currently provisional are marked with '(p)' and are subject to revision. Revisions to the data arise as a result of including trade amendments and late submissions received by HM Revenue and Customs. Figures are provisional for up to 18 months.

For data from our own outputs, we follow [Welsh Government revisions policy](#).

National Statistics status

The [United Kingdom Statistics Authority](#) has designated these statistics as National Statistics, in accordance with the Statistics and Registration Service Act 2007 and signifying compliance with the [Code of Practice for Official Statistics](#).

National Statistics status means that official statistics meet the highest standards of trustworthiness, quality and public value.

All official statistics should comply with all aspects of the Code of Practice for Official Statistics. They are awarded National Statistics status following an assessment by the UK Statistics Authority's regulatory arm. The Authority considers whether the statistics meet the highest standards of Code compliance, including the value they add to public decisions and debate.

It is Welsh Government's responsibility to maintain compliance with the standards expected of National Statistics. If we become concerned about whether these statistics are still meeting the appropriate standards, we will discuss any concerns with the Authority promptly. National Statistics status can be removed at any point when the highest standards are not maintained, and reinstated when standards are restored.

Well-being of Future Generations Act (WFG)

The Well-being of Future Generations Act 2015 is about improving the social, economic, environmental and cultural well-being of Wales. The Act puts in place seven well-being goals for Wales. These are for a more equal, prosperous, resilient, healthier and globally responsible Wales, with cohesive communities and a vibrant culture and thriving Welsh language. Under section (10)(1) of the Act, the Welsh Ministers must (a) publish indicators ("national indicators") that must be applied for the purpose of measuring progress towards the achievement of the Well-being goals, and (b) lay a copy of the national indicators before the National Assembly. The 46 national indicators were laid in March 2016.

Information on indicators and associated technical information - [How do you measure a nation's progress? - National Indicators](#)

Further information on the [Well-being of Future Generations \(Wales\) Act 2015](#).

The statistics included in this release could also provide supporting narrative to the national indicators and be used by public services boards in relation to their local well-being assessments and local well-being plans.

Further details

The document is available at: <http://gov.wales/statistics-and-research/welsh-exports/?lang=en>

A comprehensive [data sources guide](#) which provides a summary of the main official data sources used by the Economic and Labour Market Statistics branch as well as useful links has been published online.

Next update

We are reviewing our outputs on exports and imports and will continue to ensure this data is available in future.

We want your feedback

We welcome any feedback on any aspect of these statistics which can be provided by email to economic.stats@gov.wales

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