

Statistical bulletin

UK Trade: February 2015

The total value of UK imports and exports of goods together with indices of volume and price, including an early monthly estimate of the value of trade in services.

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Table of contents

1. [Main points](#)
2. [Main figures](#)
3. [Summary](#)
4. [Longer-term perspective](#)
5. [Revisions](#)
6. [Value of UK trade in goods](#)
7. [Trade in goods - analysis by area](#)
8. [Trade in goods - geographical analysis](#)
9. [Volume of total trade in goods, excluding oil and erratics](#)
10. [Export and import prices for trade in goods \(not seasonally adjusted\)](#)
11. [Trade in oil](#)
12. [Trade in services](#)
13. [Records sheet](#)
14. [Background notes](#)

1. Main points

- UK Trade shows the extent of import and export activity and is a key contributor to the overall economic growth of the UK
- Seasonally adjusted, the UK's deficit on trade in goods and services was estimated to have been £2.9 billion in February 2015, compared with £1.5 billion in January 2015. This reflects a deficit of £10.3 billion on goods, partially offset by an estimated surplus of £7.5 billion on services
- The widening of the trade deficit between January and February 2015 mainly reflects a fall in exports of goods to non-EU countries, particularly to the United States. In terms of commodities, the main decreases were in the exports of miscellaneous manufactures, material manufactures and chemical manufactures
- In the 3 months to February 2015, the total trade deficit narrowed by £0.4 billion to £6.5 billion. The narrowing reflects an increase in goods exported to countries outside the EU; specifically chemicals (up £0.9 billion) and a decrease in goods imported from outside the EU. Exports of services also increased over the same period. The narrowing was partially offset by a fall in exports of goods to the EU
- In the 3 months to February 2015, the trade in goods deficit between the UK and countries within the EU reached a record high of £21.1 billion, since comparable records began in 1998. The widening of £1.5 billion mainly reflects a 5.6% fall in exports (particularly exports of oil)

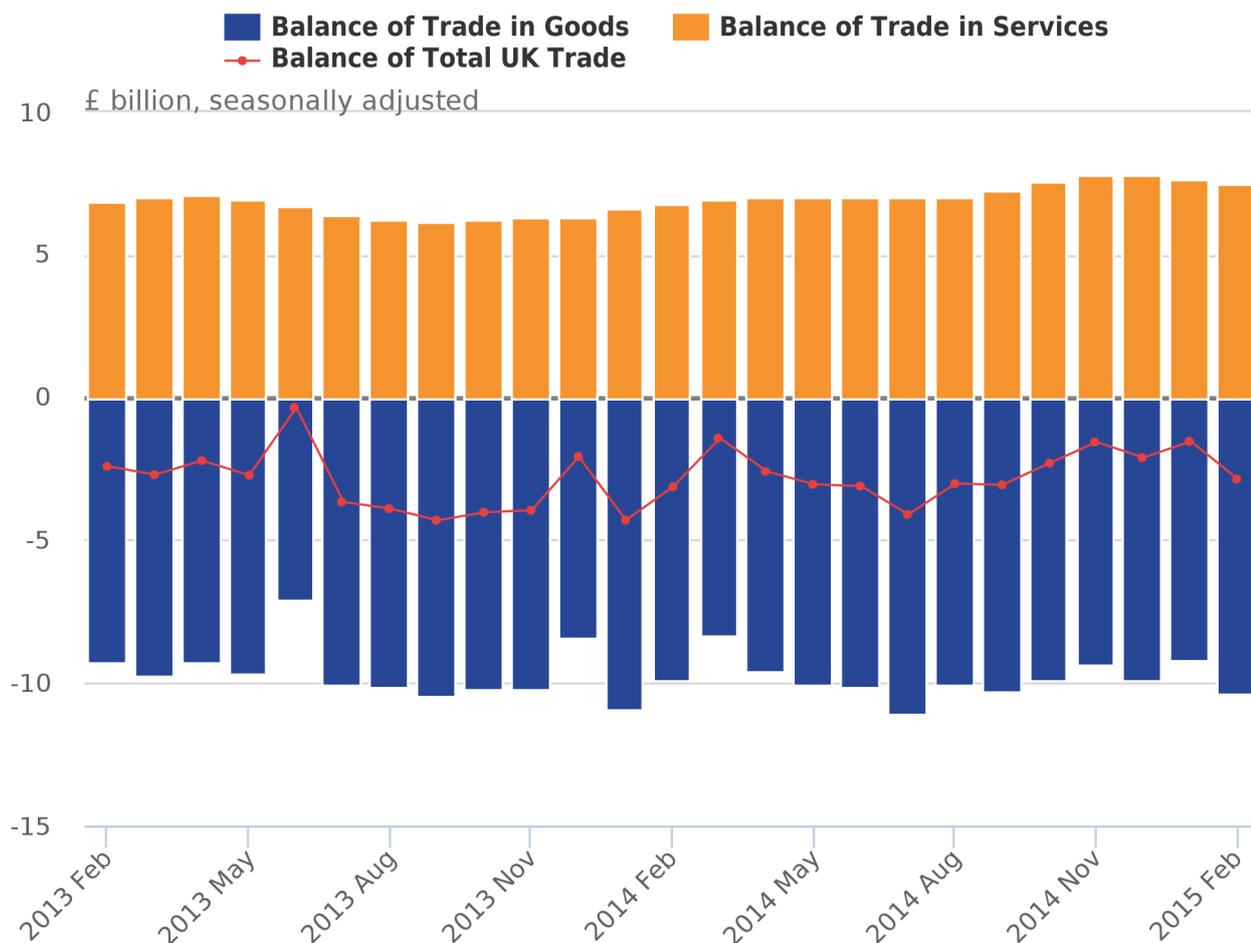
2. Main figures

Table 1: Balance of UK Trade in Goods and Services, February 2015

	Balance of trade in goods			Balance of trade in services	Total trade balance
	EU	Non-EU	Total		
2014 Feb	-6.9	-3	-9.9	6.8	-3.1
Dec	-6.8	-3.1	-9.9	7.8	-2.1
2015 Jan	-7.2	-2	-9.2	7.6	-1.5
Feb	-7.1	-3.2	-10.3	7.5	-2.9

Source: Office for National Statistics

Figure 1: Balance of UK Trade



Source: Office for National Statistics

3. Summary

The deficit of trade in goods and services for February 2015 widened to £2.9 billion from £1.5 billion in the previous month. The trade position reflects exports minus imports. This widening between January and February is the largest monthly widening since January 2014. Between January and February, exports decreased by £1.0 billion to £41.3 billion and imports increased by £0.3 billion to £44.2 billion.

The deficit on trade in goods was £10.3 billion in February 2015, widening by £1.2 billion from January. Exports fell by £0.9 billion between January and February, whilst imports rose by £0.3 billion over the same period.

In detail, exports of goods fell by £0.9 billion to £23.2 billion in February 2015, the lowest since September 2010. The decrease reflects a £1.1 billion fall in exports of manufactured goods; in particular miscellaneous manufactures (down £0.4 billion) and material manufactures (down £0.4 billion). Fuel exports partially offset the fall in manufacturing exports with an increase of £0.3 billion from January.

Imports of goods rose by £0.3 billion in February 2015, mainly reflecting a £0.4 billion increase in imports of fuels; specifically oil imports (up £0.4 billion) and a £0.2 billion increase in imports of machinery and transport equipment. These increases were partially offset by a £0.2 billion decrease in imports of material manufactures.

Focusing on trade in oil, the monthly deficit on oil was virtually unchanged at £0.7 billion in February 2015. Despite both exports and imports increasing from the previous month, the value of both transactions in the 3 months to February are the lowest for some time; 3 monthly export levels are the lowest since May 2009 and 3 monthly imports are the lowest since March 2010.

In February 2015, exports to countries within the EU fell by £0.1 billion to £11.0 billion. Decreases in almost all main commodities, particularly manufactured goods (down £0.3 billion) were offset by a £0.4 billion increase in the export of fuels. Imports from EU countries fell by £0.1 billion between January and February. Decreases in material manufactures (down £0.2 billion) and chemical manufactures (down £0.1 billion) were partially offset by increases in fuels and machinery and transport equipment.

Outside the EU, exports fell by £0.9 billion. Miscellaneous manufactures fell by £0.4 billion, material manufactures fell by £0.2 billion and chemical manufactures fell by £0.1 billion. These decreases were accompanied by other, less substantial falls in the remaining main commodities. Imports from countries outside of the EU rose by £0.4 billion, reflecting a £0.2 billion rise in the import of fuels.

Trade statistics for any one month can be erratic. For that reason, it is recommended to compare the latest three months against the preceding three months and the same three months of the preceding year.

In the 3 months to February 2015, the trade in goods deficit narrowed by £0.1 billion to £29.4 billion. The narrowing reflects a £1.2 billion fall in exports and a £1.3 billion fall in imports. At the commodity level, the fall in exports over the 3 months to February reflects a £2.2 billion decrease in exports of fuels, which was partly offset by a £1.1 billion rise in exports of chemicals. Over the same period, imports of fuels fell by £2.4 billion and imports of unspecified goods fell by £0.5 billion. Imports of machinery and transport equipment partially offset these falls with an increase of £2.0 billion.

By area, the UK's deficit with the EU widened by £1.5 billion; mainly reflecting a £2.0 billion fall in exports (in particular, fuel exports, which fell by £1.8 billion) and a £0.6 billion fall in imports (in particular, fuel imports, which fell by £0.7 billion). The UK's deficit with non-EU countries narrowed by £1.6 billion in the 3 months to February as exports rose by £0.9 billion; £0.9 billion of this increase is attributed to exports of chemicals and £0.6 billion to unspecified goods, partially offset by falls in material manufactures and fuels. Over the same period, imports from countries outside of the EU fell by £0.7 billion; reflecting a £1.7 billion decrease in fuel imports that was partially offset by a rise in machinery and transport equipment.

This bulletin also reports on trade in services. However, the information on trade in services is mainly obtained from quarterly surveys, in some cases underpinned by larger annual surveys. That means that the data for the latest months are inevitably uncertain.

The surplus on trade in services was estimated to be £7.5 billion in February 2015; a £0.2 billion narrowing from the previous month. The slight fall in the surplus reflects a £0.1 billion decrease in exports and a £0.1 billion increase in imports.

4. Longer-term perspective

The value of trade in goods grew steadily from the beginning of 2007 to mid-2008. The onset of the global economic downturn in mid-2008 affected the economic performance of the UK's major trading partners and the value of both UK exports and imports fell sharply until Q2 2009. Growth in the value of trade in goods resumed from mid-2009 with improving global economic conditions. However, the value of both UK exports and imports has remained largely flat since mid-2011 with the continuing difficulties in many economies.

5. Revisions

The total trade balance in January was revised downwards by £0.9 billion from the January 2015 UK Trade release. The revision was primarily due to the value of imports being revised for both goods and services, whilst exports were relatively unchanged. Imports of goods were revised upwards by £0.7 billion in January 2015, due mainly to new data for trade in manufactured goods. Estimates of services imports were revised upwards by £0.2 billion.

Annually, imports of services for 2014 have been revised upwards by £1.6 billion reflecting revisions from ONS International Trade in Services Survey within other business services and telecommunication, computer and information services. These were partially offset by downward revisions to insurance services.

6. Value of UK trade in goods

In February 2015, the UK's deficit on trade in goods was £10.3 billion, widening by £1.2 billion from January 2015.

Total exports decreased by £0.9 billion (3.7%) to £23.2 billion and total imports increased by £0.3 billion (0.8%) to £33.5 billion.

At the commodity level, the data are shown in Table 2.

Table 2: Change in Key Commodity Value, February 2015 compared with January 2015

	Exports (£m)	Imports (£m)
Oil (see section on 'trade in oil')	+312	+361
Cars	-4	+97
Consumer goods other than cars	-381	+72
Intermediate goods	-33	+26
Capital goods	-83	-141
Chemicals	-182	-97
Semi-manufactured goods other than chemicals	-356	-230

Source: Office for National Statistics

In the 3 months ending February 2015, the deficit on trade in goods was £29.4 billion, narrowing by £0.1 billion from the 3 months ending November 2014.

Total exports decreased by £1.2 billion (1.6%) to £72.4 billion and total imports decreased by £1.3 billion (1.2%) to £101.8 billion.

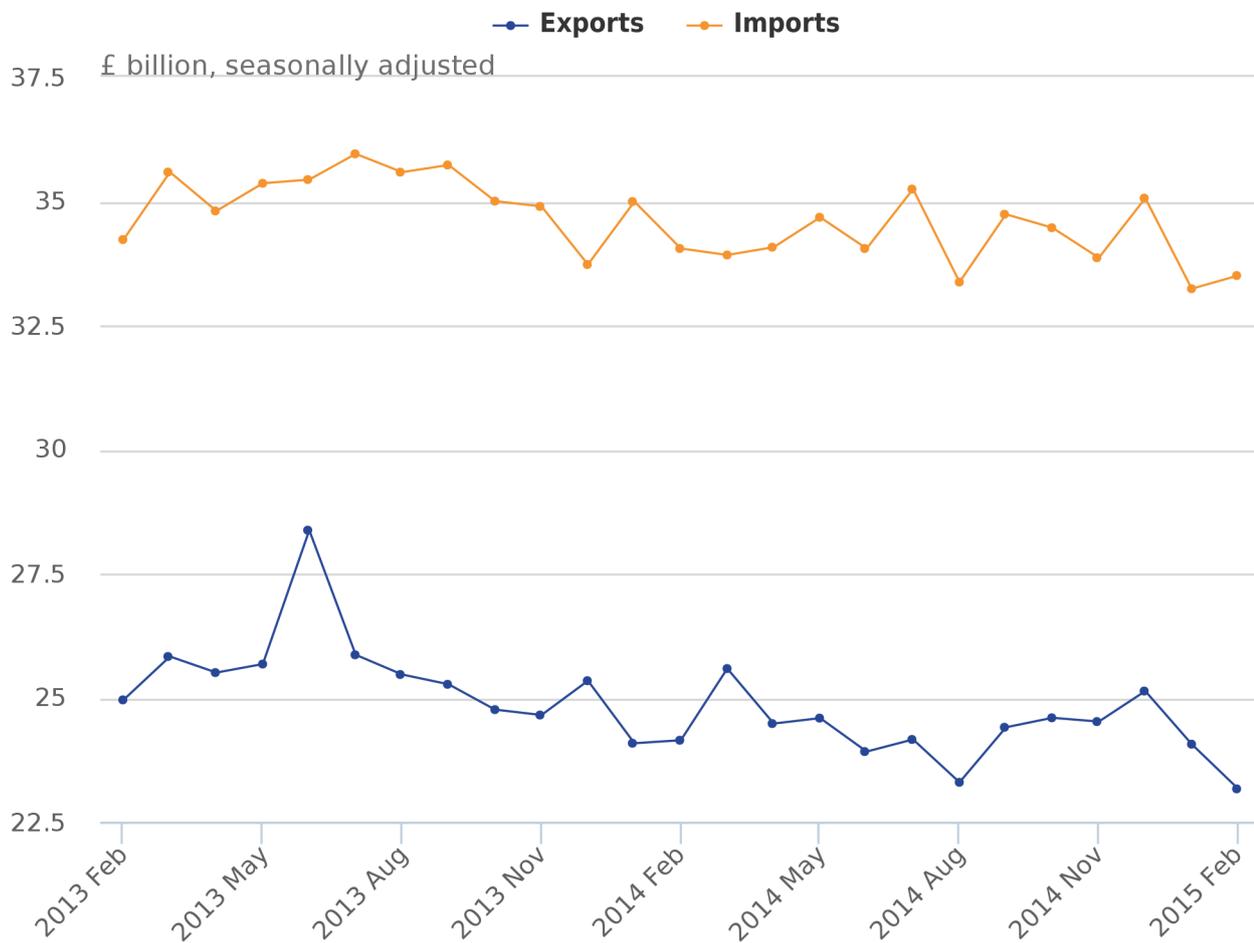
At the commodity level, the data are shown in Table 3.

Table 3: Change in key commodity value, December 2014 to February 2015 compared with September to November 2014

	Exports (£m)	Imports (£m)
Oil (see section on 'trade in oil')	-1,977	-2,482
Cars	-14	+403
Consumer goods other than cars	-49	-18
Intermediate goods	+399	+449
Capital goods	-170	+193
Chemicals	+1,065	+57
Semi-manufactured goods other than chemicals	-644	-253

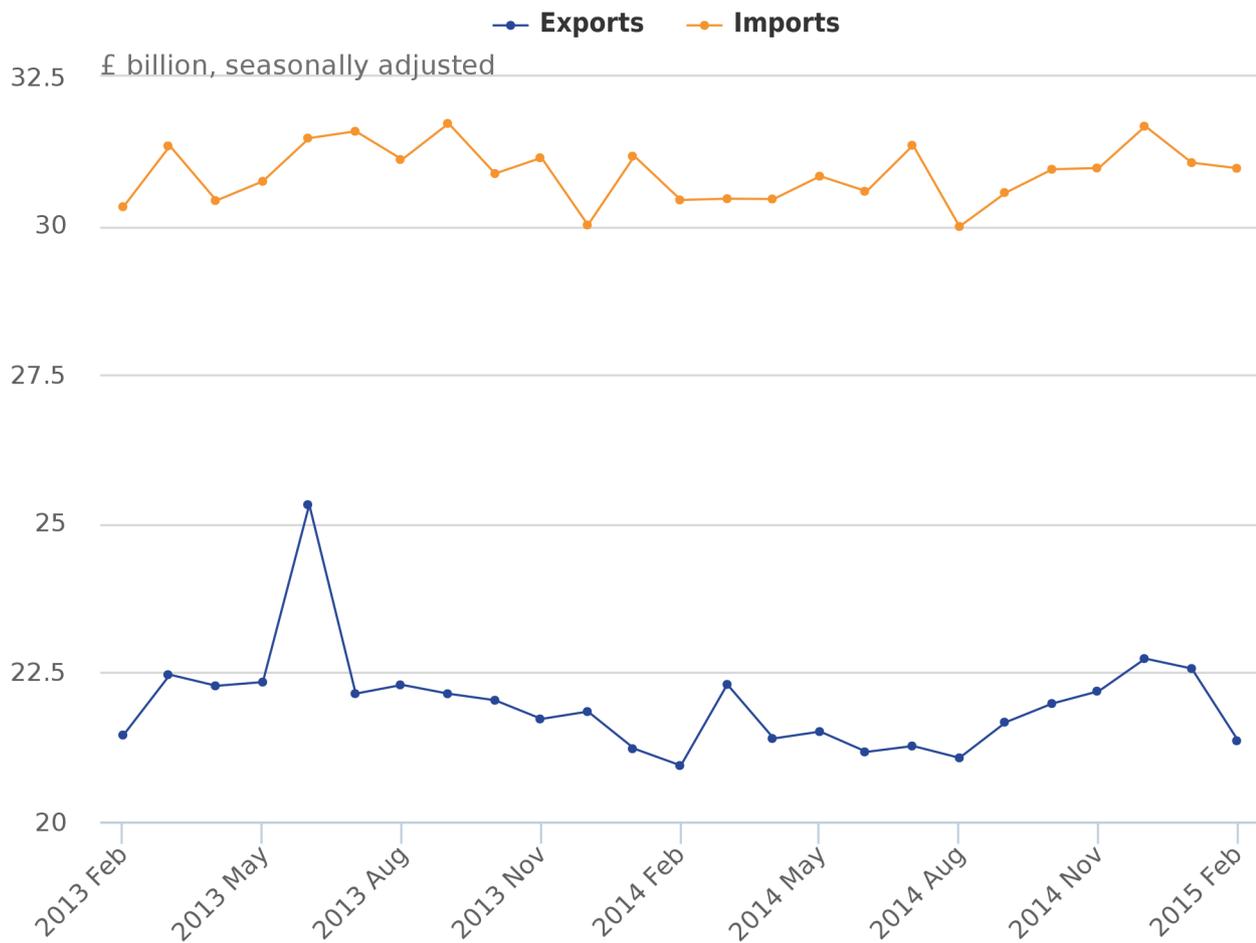
Source: Office for National Statistics

Figure 2: Value of UK trade in goods



Source: Office for National Statistics

Figure 3: Value of UK trade in goods excluding oil



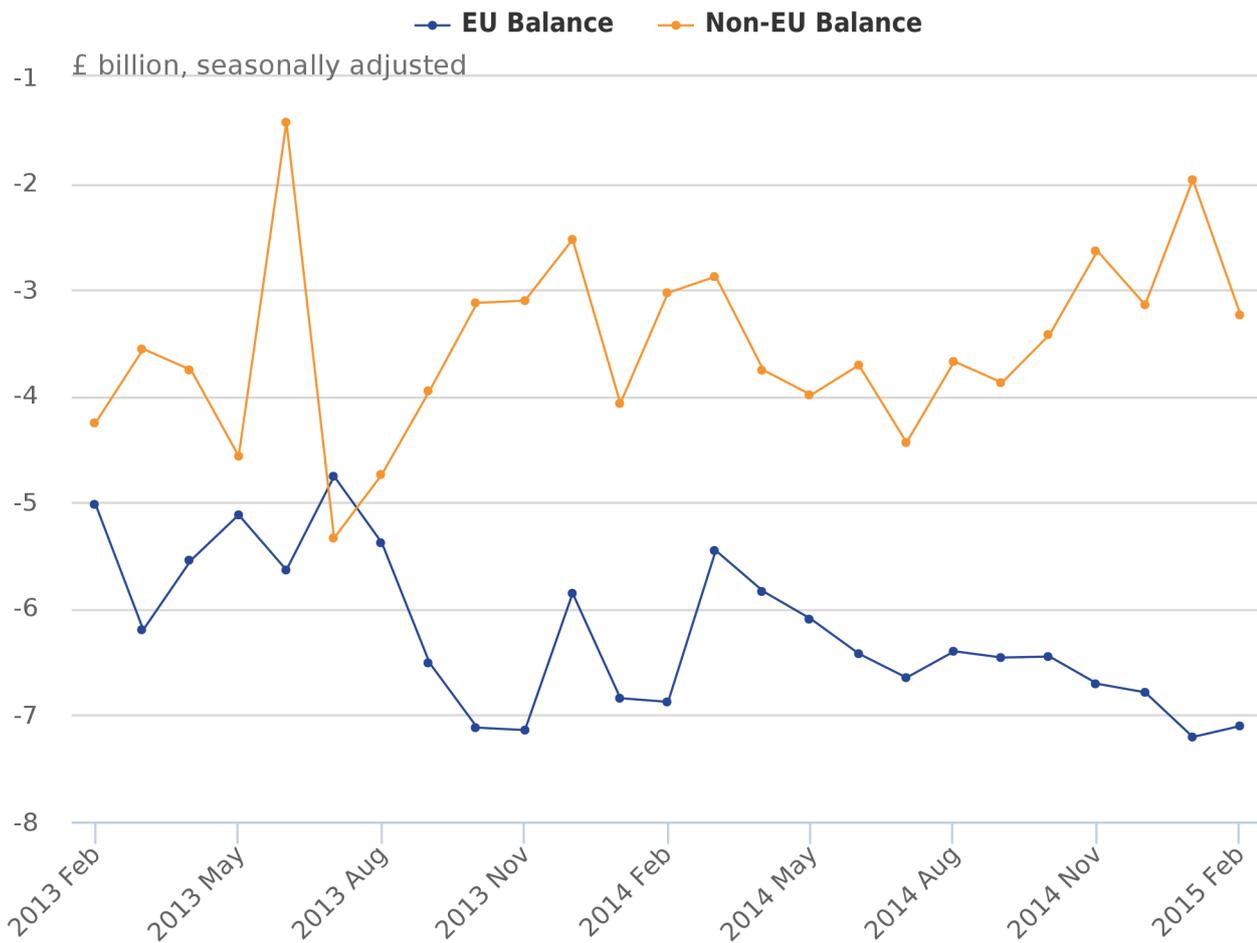
Source: Office for National Statistics

7. Trade in goods - analysis by area

Monthly analysis

In February 2015, the deficit on trade in goods with EU countries narrowed by £0.1 billion to £7.1 billion. The deficit on trade in goods with non-EU countries widened by £1.3 billion to £3.2 billion (Figure 4).

Figure 4: Balance of trade in goods - EU and non-EU countries



Source: Office for National Statistics

Between January and February 2015, exports to the EU decreased by £38.0 million (0.3%) to £11.0 billion. Exports to Germany, Greece and Sweden all decreased by £0.1 billion. These decreases were partially offset by an increase in exports to the Netherlands of £0.2 billion.

Between January and February 2015, imports from the EU decreased by £0.1 billion (0.8%) to £18.1 billion. Imports from Germany, the Irish Republic and Italy all decreased by £0.1 billion. These decreases were partially offset by an increase in exports to Belgium and Luxembourg (combined) and to France, both of £0.1 billion.

At the commodity level, the data are shown in Table 4.

Table 4: Change in key commodity value (EU), February 2015 compared with January 2015

	Exports (£m)	Imports (£m)
Oil (see section on 'trade in oil')	+361	+124
Cars	-33	+113
Consumer goods other than cars	-42	-28
Intermediate goods	-76	-47
Capital goods	-44	-180
Chemicals	-45	-118
Semi-manufactured goods other than chemicals	-108	-193

Source: Office for National Statistics

Between January and February 2015, exports to non-EU countries decreased by £0.9 billion (6.6%) to £12.1 billion. Exports to the USA decreased by £0.7 billion, and exports to Hong Kong, Japan and Saudi Arabia all decreased by £0.1 billion.

Between January and February 2015, imports from non-EU countries increased by £0.4 billion (2.7%) to £15.4 billion. Imports from China increased by £0.2 billion and from Nigeria, Norway and Russia by £0.1 billion.

At the commodity level, the data are shown in Table 5.

Table 5: Change in key commodity value (Non-EU), February 2015 compared with January 2015

	Exports (£m)	Imports (£m)
Oil (see section on 'trade in oil')	-49	+237
Cars	+29	-16
Consumer goods other than cars	-339	+100
Intermediate goods	+43	+73
Capital goods	-39	+39
Chemicals	-137	+21
Semi-manufactured goods other than chemicals	-248	-37

Source: Office for National Statistics

3 Monthly Analysis

In the 3 months ending February 2015, the deficit on trade in goods with EU countries widened by £1.5 billion to £21.1 billion.

Between the 3 months ending November 2014 and the 3 months ending February 2015, exports to the EU decreased by £2.0 billion (5.6%) to £34.4 billion. Exports to the Netherlands decreased by £0.7 billion, France by £0.6 billion, to the Irish Republic by £0.4 billion, and to Belgium and Luxembourg (combined) by £0.3 billion.

Between the 3 months ending November 2014 and the 3 months ending February 2015, imports from the EU decreased by £0.6 billion (1.0%) to £55.5 billion. Imports from Belgium and Luxembourg (combined) decreased by £0.4 billion, and from Denmark and Sweden by £0.2 billion each. These decreases were partially offset by an increase in imports from the Irish Republic of £0.2 billion.

At the commodity level, the data are shown in Table 6.

Table 6: Change in key commodity value (EU), December 2014 to February 2015 compared with September 2014 to November 2014

	Exports (£m)	Imports (£m)
Oil (see section on 'trade in oil')	-1,546	-527
Cars	+52	+325
Consumer goods other than cars	-266	+31
Intermediate goods	-16	+167
Capital goods	-55	-106
Chemicals	+181	-61
Semi-manufactured goods other than chemicals	-87	-216

Source: Office for National Statistics

In the 3 months ending February 2015, the deficit on trade in goods with non-EU countries narrowed by £1.6 billion to £8.3 billion.

Between the 3 months ending November 2014 and the 3 months ending February 2015, exports to non-EU countries increased by £0.9 billion (2.4%) to £37.9 billion. Exports to the USA increased by £1.9 billion and Saudi Arabia by £0.4 billion. These increases were partially offset by a decrease in exports to Switzerland of £1.7 billion, China of £0.7 billion and to Hong Kong of £0.4 billion.

Between the 3 months ending November 2014 and the 3 months ending February 2015, imports from non-EU countries decreased by £0.7 billion (1.5%) to £46.3 billion. Imports from Canada decreased by £0.8 billion and from Nigeria and Russia by £0.3 billion. These decreases were partially offset by an increase in imports from the USA of £0.7 billion and from Qatar of £0.4 billion.

At the commodity level, the data are shown in Table 7.

Table 7: Change in key commodity value (Non-EU), December 2014 to February 2015 compared with September to November 2014

	Exports (£m)	Imports (£m)
Oil (see section on 'trade in oil')	-431	-1,955
Cars	-66	+78
Consumer goods other than cars	+217	-49
Intermediate goods	+415	+282
Capital goods	-115	+299
Chemicals	+884	+118
Semi-manufactured goods other than chemicals	-557	-37

Source: Office for National Statistics

8. Trade in goods - geographical analysis

The UK's top 5 export trading partners were unchanged in February 2015 when compared with January 2015. An increase in exports to the Netherlands of £0.2 billion and an increase of £17.0 million to France (Table 8), meant the 2 countries switched as the 3rd and 4th largest exporters when compared with January 2015. Outside the top 5, China replaced Belgium and Luxembourg (combined) as the UK's 6th largest export trading partner, due to an increase in exports of £0.1 billion.

Outside the top 10, exports to Greece were at a record low in February 2015 with a fall of £0.1 billion (41.7%) when compared with January 2015. This contributed to a record low trade surplus between the UK and Greece, which stood at £10.0 million in February 2015.

The UK's top 5 import trading partners were also unchanged in February 2015 when compared with January 2015. Germany remains the UK's top import trading partner, with imports of £4.9 billion. An increase in imports from China of £0.2 billion led to a record high trade deficit of £2.3 billion in February 2015. Outside the top 5, a £0.1 billion increase in imports sees Norway rise from being the UK's 10th largest import trading partner in January 2015 to the 8th largest this month (Table 8). Anecdotal evidence suggests this was due to an increase in the import of ships and boats.

Outside the top 10, imports from the Czech Republic were at a record high of £0.4 billion, reflecting an increase in imports of passenger motor cars. This increase in imports contributed to the record highest trade deficit between the UK and the Czech Republic of £0.3 billion in February 2015.

In the 3 months ending February 2015, there were record exports to Saudi Arabia and the United Arab Emirates. Exports to Saudi Arabia increased by £0.4 billion to £1.2 billion, contributing to a record high UK trade surplus of £0.8 billion. Exports to the United Arab Emirates increased by £0.2 billion to £1.7 billion.

In the 3 months ending February 2015, there were also record imports from both the Czech Republic and the USA. Imports from the Czech Republic increased by £0.1 billion to £1.3 billion and imports from the USA increased by £0.7 billion to £8.4 billion.

Table 8: Change in monthly trade with significant partner countries, February 2015 compared with January 2015

		Exports (£m)	
		February 2015 Value	1-month Change
1	USA	3,560	-708
2	Germany	2,415	-107
3	Netherlands	1,670	230
4	France	1,462	17
5	Irish Republic	1,321	-12
6	China	959	50
7	Belgium and Luxembourg	920	-24
8	Spain	743	-15
9	Italy	700	8
10	Switzerland	615	31

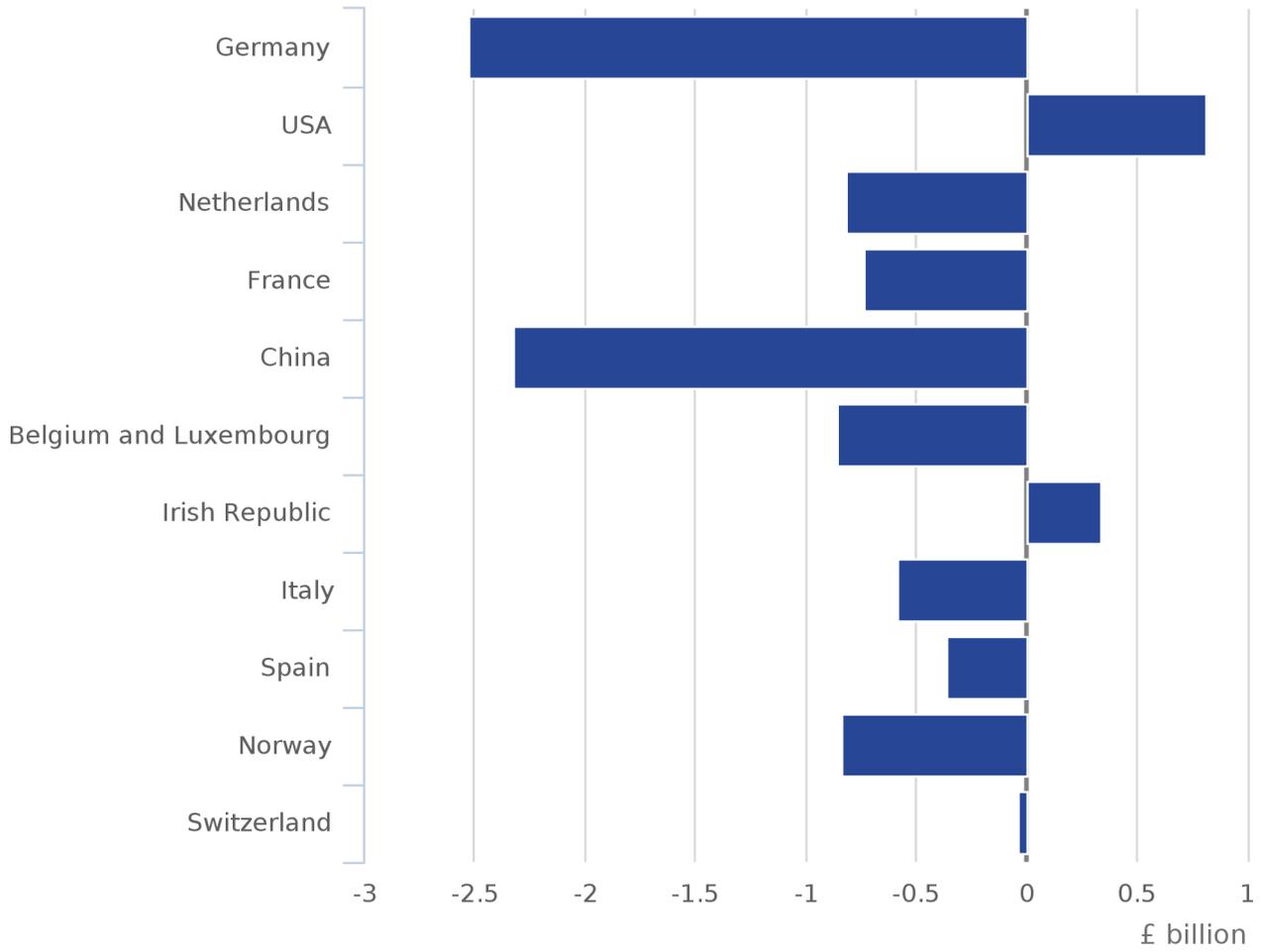
		Imports (£m)	
		February 2015 Value	1-month Change
1	Germany	4,941	-119
2	China	3,279	226
3	USA	2,740	3
4	Netherlands	2,483	-16
5	France	2,197	96
6	Belgium and Luxembourg	1,773	118
7	Italy	1,280	-52
8	Norway	1,118	134
9	Spain	1,095	-33
10	Irish Republic	981	-141

Source: Office for National Statistics

Notes:

1. Significant trading partners defined as top 10 export markets & import sources 2014 (see attached table 14)
2. USA includes Puerto Rico

Figure 5: Significant partner countries, one-month balances, February 2015



Source: Office for National Statistics

Table 9: Change in 3-monthly trade with significant partner countries, December 2014 to February 2015 compared with September to November 2014

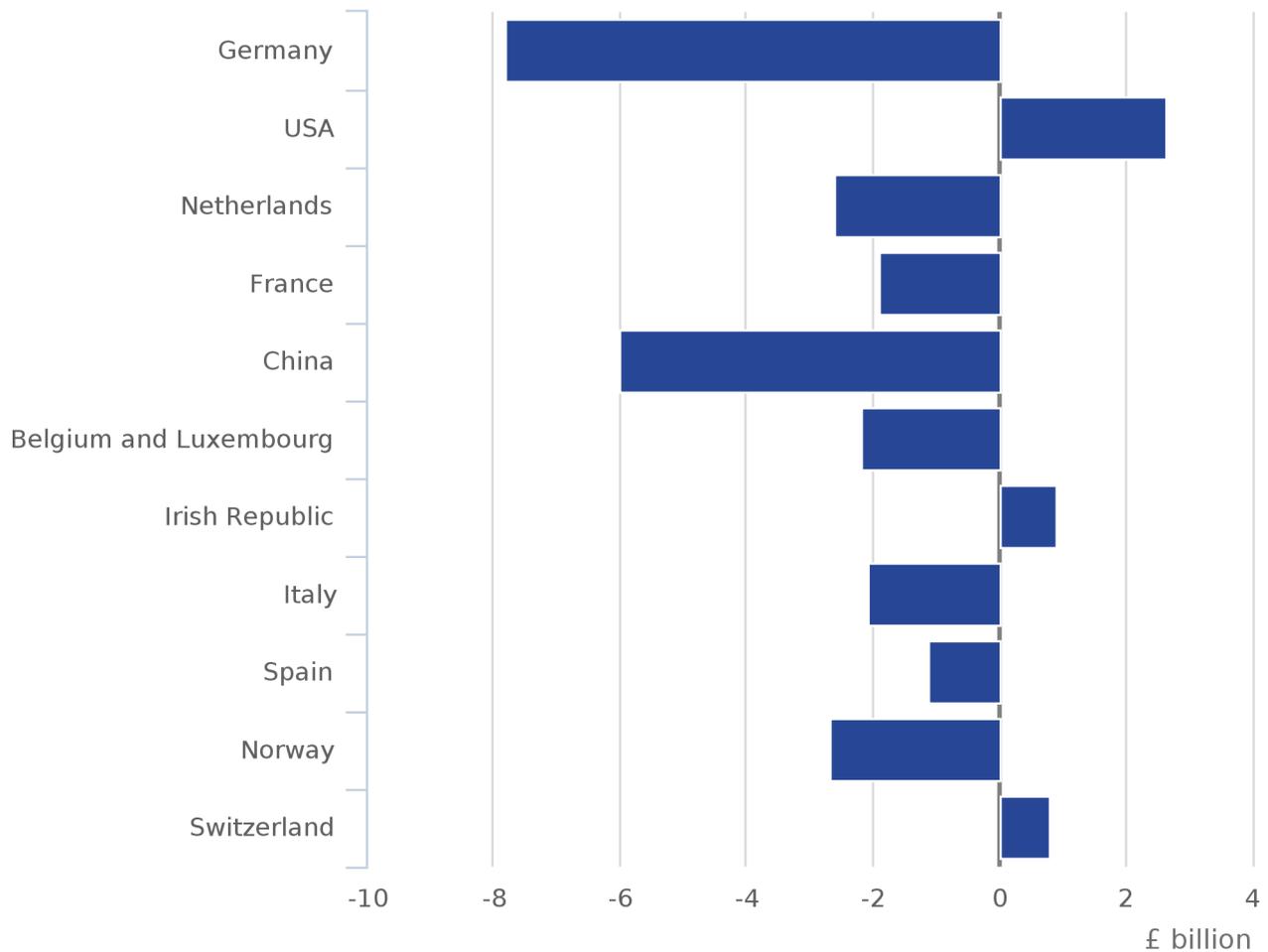
		Exports (£m)	
		December 2014 - February 2015 Value	3-Month Change
1	USA	11,027	1915
2	Germany	7,583	160
3	Netherlands	4,998	-721
4	France	4,430	-554
5	Irish Republic	4,121	-444
6	China	3,111	-718
7	Belgium and Luxembourg	2,996	-296
8	Switzerland	2,805	-1658
9	Spain	2,233	27
10	Italy	2,135	46
		Imports (£m)	
		December 2014 - February 2015 Value	3-Month Change
1	Germany	15,400	82
2	China	9,118	235
3	USA	8,369	663
4	Netherlands	7,589	-118
5	France	6,331	7
6	Belgium and Luxembourg	5,149	-427
7	Italy	4,201	-44
8	Norway	3,457	75
9	Spain	3,323	-124
10	Irish Republic	3,204	155

Source: Office for National Statistics

Notes:

1. Significant trading partners defined as top 10 export markets & import sources 2014 (see attached table 14)
2. USA includes Puerto Rico

Figure 6: Significant partner countries, 3-month balances, December 2014 to February 2015



Source: Office for National Statistics

9. Volume of total trade in goods, excluding oil and erratics

Between January and February 2015, the total volume of exports decreased by 3.1% and the total volume of imports increased by 0.6%.

At the commodity level, the data are shown in Table 10.

Table 10: Change in key commodity volume, February 2015 compared with January 2015

	Exports % change	Imports % change
Food, beverages and tobacco	+2.2	-1.0
Basic materials	-18.3	-2.9
Semi-manufactured goods; of which	-5.7	-2.0
Chemicals	0.0	-2.0
Finished manufactured goods; of which	-2.8	+3.4
Cars	+1.6	+7.3
Consumer goods other than cars	-13.3	+3.8
Intermediate goods	0.0	+0.9
Capital goods	-2.0	-1.8

Source: Office for National Statistics

In the 3 months ending February 2015, the volume of exports increased by 2.4% and the volume of imports increased by 1.7% when compared with the previous 3 months.

At the commodity level, the data are shown in Table 11.

Table 11: Change in key commodity volume, December 2014 to February 2015 compared with September to November 2014

	Exports % change	Imports % change
Food, beverages and tobacco	-0.7	-0.6
Basic materials	-0.8	-1.9
Semi-manufactured goods; of which	+2.7	+1.3
Chemicals	+11.3	+2.7
Finished manufactured goods; of which	+1.3	+3.5
Cars	-1.1	+9.0
Consumer goods other than cars	+1.1	-0.6
Intermediate goods	+3.7	+2.8
Capital goods	-1.0	+0.6

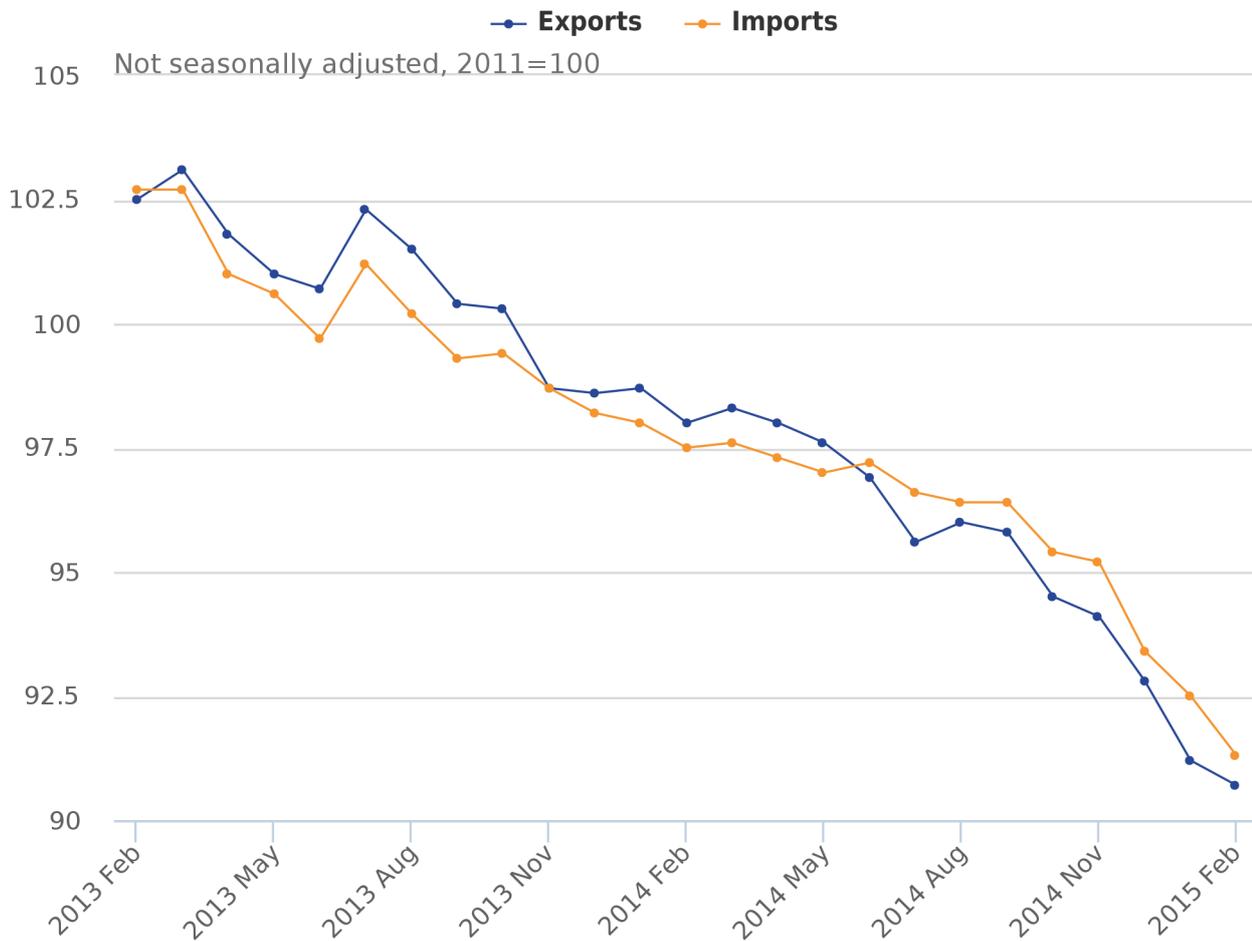
Source: Office for National Statistics

10. Export and import prices for trade in goods (not seasonally adjusted)

In February 2015, compared with January 2015, export prices decreased by 0.5% and import prices decreased by 1.3%. Excluding the oil price effect, export prices decreased by 1.3% and import prices decreased by 1.9%.

In the 3 months ending February 2015, when compared with the previous 3 months, export and import prices both decreased by 3.4%. Excluding the oil price effect, export prices decreased by 0.2% and import prices decreased by 0.3%.

Figure 7: UK trade in goods export and import prices



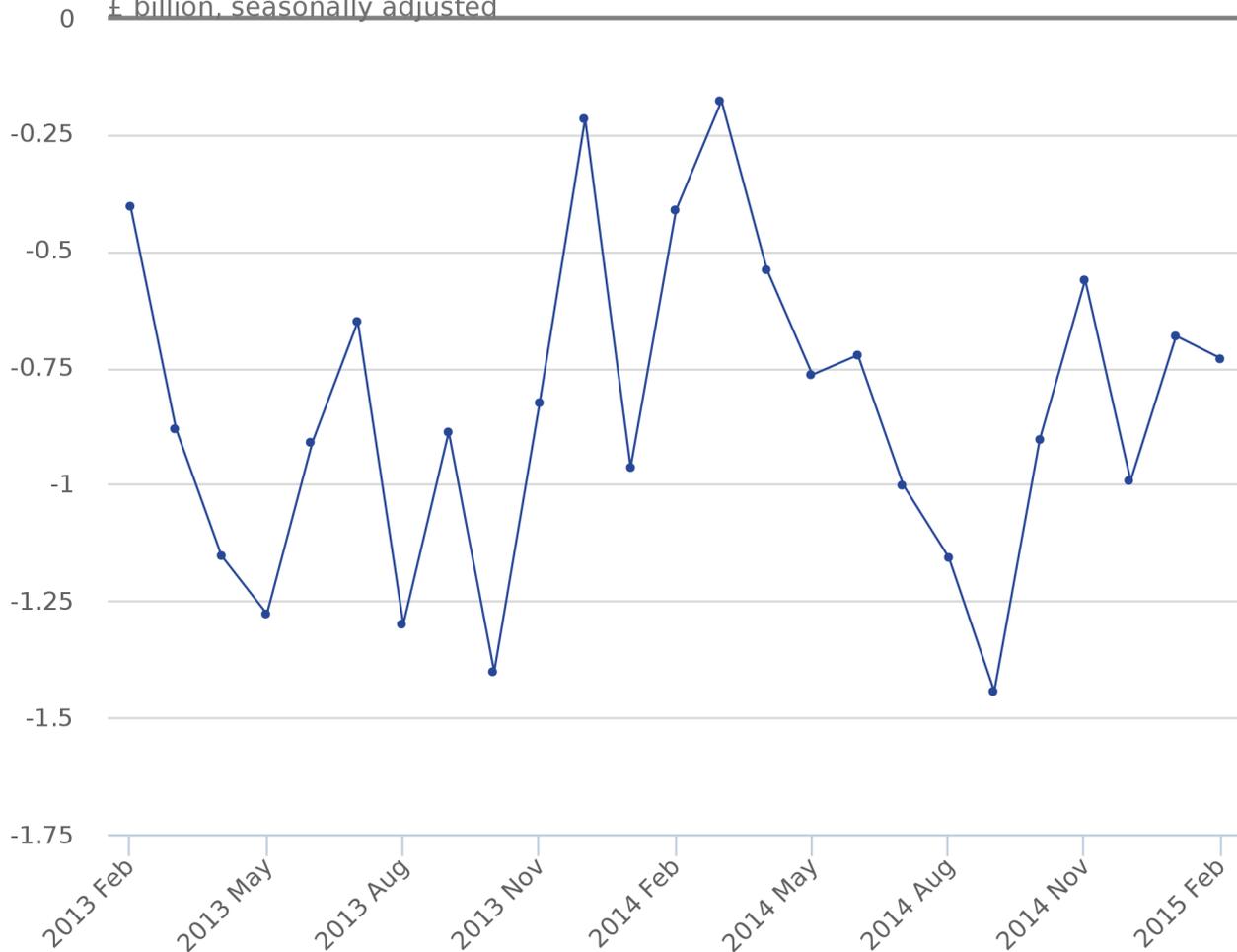
Source: Office for National Statistics

11. Trade in oil

In February 2015, the balance on trade in oil was in deficit by £0.7 billion, virtually unchanged when compared with January 2015. Oil exports increased by £0.3 billion to £1.8 billion and oil imports increased by £0.4 billion to £2.5 billion.

In the 3 months ending February 2015, the balance on trade in oil was in deficit by £2.4 billion, narrowing by £0.5 billion when compared with the previous 3 months. Oil exports decreased by £2.0 billion to £5.7 billion and oil imports decreased by £2.5 billion to £8.1 billion.

Figure 8: Balance of trade in oil
£ billion, seasonally adjusted



Source: Office for National Statistics

12. Trade in services

In February 2015, the UK's estimated surplus on trade in services was £7.5 billion.

Exports in February 2015 were estimated to have been £18.2 billion and imports £10.7 billion.

In the 3 months ending February 2015, the estimated surplus on trade in services was £22.9 billion.

In the 3 months ending February 2015, exports were estimated to have been £54.8 billion and imports £31.8 billion.

Figure 9: Value of UK trade in services



Source: Office for National Statistics

Revisions

Trade in services data have been revised from January 2014.

For 2014, exports of services were revised upwards by £0.1 billion, however there were offsetting revisions throughout the year. 2014 Q4 was revised upwards by £0.6 billion and 2014 Q2 revised downwards by £0.4 billion. For 2014 as a whole financial services were revised upwards partially offset by revisions in transport services. Quarterly Insurance estimates were also revised as a result of updated survey data.

Annually, imports of services for 2014 have been revised upwards by £1.6 billion reflecting revisions from ONS International Trade in Services Survey within other business services and telecommunication, computer and information services. These were partially offset by downward revisions to insurance services.

13. Records sheet

The [UK Trade record information for February 2015 \(35.5 Kb Excel sheet\)](#) can be accessed on our website.

14. Background notes

1. What's new?

The UK Statistics Authority [suspended the National Statistics designation of UK Trade](#) on 14 November 2014. The Authority's re-assessment of UK Trade against the Code of Practice for Official Statistics is now underway. More details are available from the [Authority's website](#).

EMU enlargement

As of 1 January 2015, Lithuania joined the European Monetary Union (EMU). Therefore the EMU totals in this UK Trade release include Lithuania.

Related publications

On 6 February 2015, ONS published an article on the [Rotterdam effect](#) and its potential impact on the UK trade in goods estimates.

On 23 January 2015, ONS published a short story exploring [the reasons behind the UK Trade deficit](#).

Erratics

Non-monetary gold is now included in the erratics series; along with ships, aircraft, precious stones and silver. In compliance with the BPM6 changes, non-monetary gold which is held as a store of wealth, is now recorded within trade in goods.

Non-monetary gold

To comply with international statistical guidelines, we introduced estimates for trade in non-monetary gold and other precious metals into the quarterly national accounts from 30 September 2014, and the monthly UK Trade statistics released on 10 October 2014. In developing these estimates further it had been proposed to use data from a Bank of England (BoE) survey, collecting estimates of physical holdings of gold and other precious metals for the reporting period March 2013 onwards, as described in the article '[Measurement of Non-monetary Gold](#)' published on 23 January 2014.

However, on receiving the aggregated survey results, the data were volatile with large monthly changes that, despite being on a net trade basis, significantly distorted the estimated monthly trade balance. Due to this volatility and given that the survey is relatively new, having only commenced from the reporting period March 2013, it has been decided to undertake further work to quality assure these data and to review the methods used to measure non-monetary gold and other precious metals more generally. In addition, further disclosure assessment is required to ensure the confidentiality of businesses within the survey is maintained. So, the method used for the series pre-2013, derived from BoE information of gold as a store of wealth by UK MFIs, has been extended with the survey information being used to inform the movements of the later periods, but rescaled to the level of the pre-2013 data.

We will keep users informed of progress and it is likely we will seek views on how best to proceed.

Revisions

In this release, periods from January 2014 are open for revision.

2. Missing Trader Intra-Community (MTIC) Fraud

Users should be aware that in some periods, the monthly data does not sum precisely to the quarters (or the quarters to the annual), for the MTIC series due to rounding.

Deflation

It is common for the value of a group of financial transactions to be measured in several time periods. The values measured will include both the change in the volume sold and the effect of the change of prices over that year. Deflation is the process whereby the effect of price change is removed from a set of values.

Chain-linked indices (chained volume measures) which are indexed to form the volume series in this bulletin differ from fixed base indices in that the growth from one year to the next is estimated by weighting the components using the contribution to value of trade in the immediately preceding year (effectively re-

basing every year). This series of annually re-weighted annual growths is then 'chain-linked' to produce a continuous series.

The implied price deflators derived by comparing current price data to chained volume measures data are not the same as the price indices published in this statistical bulletin because the former are current weighted while the latter are base (2011) weighted.

Changes in trade associated with VAT MTIC fraud mean that comparisons of volume and prices (both including and excluding trade associated with VAT MTIC fraud) should be treated with a great deal of caution.

3. Special events

An article outlining the [ONS policy on special events](#) is available on our website.

4. Code of Practice for Official Statistics

National Statistics are produced to high professional standards set out in the [Code of Practice for Official Statistics](#). They undergo regular quality assurance reviews to ensure that they meet customer needs. They are produced free from any political interference. © Crown copyright 2015.

5. Short guide to UK trade

Ever since statistics on exports and imports of goods were first collected in 1697, UK trade has been one of the country's key economic indicators.

All information included in the monthly UK Trade statistical bulletin is on a Balance of Payments (BoP) basis and is seasonally adjusted unless otherwise specified. The release contains tables showing the total value of trade in goods together with index numbers of volume and price, figures analysed by broad commodity group (values and indices) and according to geographical area (values only). In addition the UK Trade statistical bulletin also includes early monthly estimates of the value of trade in services.

Data appearing in the UK Trade statistical bulletin are also used as a direct input into the quarterly Balance of Payments and National Accounts.

Interpreting the data

In months where quarterly and 3 monthly ending percentage changes for index data coincide, there may be small differences between the data for methodological reasons. Quarterly data are the indexed form of an underlying constant price (for volume indices) or consistent quantity (for price indices) series. 3 month ending data are the average of the index data in that period.

VAT Missing Trader Intra-Community (MTIC) fraud

Import figures for trade in goods include adjustments to allow for the impact of VAT MTIC fraud.

The adjustments to trade in goods relate only to part of the carousel version of VAT MTIC fraud. This fraud leads to under recording of imports as fraudsters import goods from the EU, which they then sell on before disappearing without paying VAT on that sale. The goods are eventually exported. Such exports are declared and are therefore already reflected in the UK's trade in goods statistics.

Changes to the pattern of trading associated with MTIC fraud can make it difficult to analyse trade by commodity group and by country as changes in the impact of activity associated with this fraud affect both imports and exports. However, the MTIC trade adjustments are added to the EU import estimates derived from Intrastat returns as it is this part of the trading chain that is not generally recorded. In particular, adjustments affect trade in capital goods and intermediate goods—these categories include mobile phones and computer components, which are still the most widely affected goods.

International convention determines that the treatment of the impact is to adjust imports upwards by the relevant amounts of missing declarations (non-response). However, users may wish to interpret short-term movements in imports excluding that part of the fraudulent activity that is not included in the import estimates. For this purpose, an analysis of the import figures with the VAT MTIC adjustments excluded is shown in Table 13.

Definitions and explanations

A glossary of terms is published in the [UK Balance of Payments - The Pink Book, 2014](#).

Use of the data

UK Trade is a key economic indicator due to the importance of international trade to the UK economy. It is also a very timely statistic, providing an early indicator of what is happening more generally in the economy.

In addition, it is a major component of two other key economic statistics: UK gross domestic product (GDP) and the UK Balance of Payments. This means that there is a threefold potential for UK Trade statistics to inform the government's view of the UK economy, as well as the views of others, such as economists, City analysts, academics, the media and international organisations.

Notes on tables

Rounding: The sum of constituent items in tables does not always agree exactly with the totals shown due to rounding.

Symbols:

.. Not applicable

- Nil or less than half the final digit shown.

6. Methods

Composition of the data

Detailed methodological notes are published in the [UK Balance of Payments - The Pink Book, 2014](#).

Seasonal adjustment

Seasonal adjustment aims to remove effects associated with the time of the year or the arrangement of the calendar so that movements within a time series may be more easily interpreted.

7. Quality

Basic quality information

Accuracy: Trade in goods figures for the most recent months are provisional and subject to revision in the light of:

- late trader data, revisions to trade prices and revised estimates of trading associated with VAT MTIC fraud
- revisions to seasonal adjustment factors which are re-estimated every month

Trade in services estimates have been derived from a number of monthly and quarterly sources. For components where no monthly data are available, estimates have been derived on the basis of recent trends. The results should be used with appropriate caution, as they are therefore likely to be less reliable than those for trade in goods.

Reliability: Revisions to data provide one indication of the reliability of key indicators. The table below shows summary information on the size and direction of the revisions which have been made to the data covering a five-year period. A statistical test has been applied to the average revision to find out if it is statistically significantly different from zero. An asterisk (*) shows that the test is significant.

On 9 May 2005, ONS published an article explaining the [past revisions performance for UK Trade statistics](#) and what is being done to improve the first published estimates, on 9 May 2005.

Table 12: Revisions analysis, UK trade, February 2015

	Value in latest period	Revisions between first publication and estimates 12 months later		£million
		Average over the last 5 years (mean revision)	Average over the last 5 years without regard to sign (average absolute revision)	
Total trade exports (IKBH)	41,314	646		884
Total trade imports (IKBI)	44,173	303		564
Total trade balance (IKBJ)	-2,859	346		650

Source: Office for National Statistics

The table covers estimates of UK trade first published from May 2010 (for March 2010) to April 2014 (for January 2014). [Revision spreadsheets](#) giving these estimates and the calculations behind the averages in the table are available on the ONS website.

The May 2007 edition of Economic and Labour Market Review, published by ONS, includes an article [analysing past revisions to quarterly balance of payments current account data \(2.33 Mb Pdf\)](#).

More [information about revisions](#) material in this statistical bulletin can be found on our website.

8. EMU coverage

The coverage of EMU countries was extended to cover Cyprus and Malta from July 2008, Slovakia from January 2009, Estonia from January 2011, Latvia from January 2014 and Lithuania from January 2015. Some EU and non-EU breakdowns of commodity data for chained volume measures which are available on request may be less reliable than the current price data. Please consult Katherine Kent on +44 (0)1633 455829 if you are considering using them.

Data have been combined for the United States and Puerto Rico and for Dubai, Abu Dhabi and Sharjah (the United Arab Emirates) from January 2009 onwards. Estimates are separately available for the United States and Dubai up to the end of 2008 on request.

9. Summary quality report

A [Summary Quality Report \(91.3 Kb Pdf\)](#) for this statistical bulletin and associated data can be found on the ONS website.

10. National Accounts revisions policy

[National Accounts revision policy \(43.3 Kb Pdf\)](#) can be found on the ONS website.

11. Revisions

Revisions Table 17R shows revisions to the main aggregates since the last Trade Statistical Bulletin of 12 March 2015. The revisions to trade in goods from January 2015 reflect revised data from Her Majesty's Revenue and Customs and other data suppliers, revised estimates of trading associated with VAT MTIC fraud, later survey data on trade prices and a re-assessment of seasonal factors.

Trade in services data have been revised from January 2014 onwards as a result of taking on various updated survey estimates, which, in some cases, replaced forecasts. Further details can be found in the trade in services section.

12. Publication policy

A list of the organisations given [pre-publication access](#) to the contents of this bulletin can be found on our website.

13. Accessing data

Supplementary quarterly data analysed by industry according to the Classification of Product by Activity (08) ([UK Trade in Goods by Classification of Product by Activity](#)) are also available.

The complete run of data in the tables of this statistical bulletin are also available to view and download in other electronic formats free of charge using the [ONS Time Series Data](#) website service. Users can download the complete statistical bulletin in a choice of zipped formats, or view and download their own selections of individual series.

We are constantly aiming to improve this release and its associated commentary. We would welcome any feedback you might have and would be particularly interested in knowing how you make use of these data to inform your work. To provide feedback on the bulletin or to request further information, please contact us via email on trade.in.goods@ons.gsi.gov.uk

Overseas Trade Statistics

HM Revenue and Customs (HMRC) publish [Overseas Trade Statistics](#) on the same day as ONS release the UK Trade data each month. The aggregate estimates here will differ slightly from those that are published by the Office for National Statistics as part of the [Balance of Payments](#) (BoP), as the two sets of data are compiled to different sets of rules. The BoP publication shows a high level picture of UK trade-in-goods, whereas the OTS publication shows a detailed picture of the UK's trade-in-goods by commodity and partner country.

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17. Details of the policy governing the release of new data are available by visiting www.statisticsauthority.gov.uk/assessment/code-of-practice/index.html or from the Media Relations Office email: media.relations@ons.gsi.gov.uk