

Statistical bulletin

UK Trade: May 2015

UK trade in goods - monthly statistics classified according to Standard International Trade Classification (SITC) as well as monthly estimates for total trade in services.

Contact:
Katherine Kent
trade.in.goods@ons.gsi.gov.uk

Release date:
10 July 2015

Next release:
7 August 2015

Table of contents

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

1. Main points

- UK Trade shows the extent of import and export activity and is a main contributor to the overall economic growth of the UK. All data are shown on a seasonally adjusted balance of payments basis at current prices
- The UK's deficit on trade in goods and services was estimated to have been £0.4 billion in May 2015, compared with £1.8 billion in April 2015. This reflects a deficit of £8.0 billion on goods, partially offset by an estimated surplus of £7.6 billion on services. This deficit is the smallest since June 2013 and the narrowing is a result of imports decreasing by £1.4 billion to £43.4 billion, as exports were unchanged at £43.0 billion
- Imports of goods decreased by £1.4 billion in May 2015 to £32.6 billion, the lowest level since April 2011. Most notable decreases were evident in the imports of ships (£0.5 billion) and material manufactures (£0.4 billion)
- In the 3-months to May 2015, the UK's deficit on trade in goods and services was estimated to have been £5.4 billion; narrowing by £1.4 billion from the 3-months to February 2015
- In the 3-months to May 2015, the trade in goods deficit narrowed by £1.9 billion to £28.1 billion. Exports increased by £0.6 billion to £73.1 billion, attributed to an increase in exports of chemicals to countries outside the EU. Imports decreased by £1.4 billion to £101.2 billion over the same period, attributed mainly to decreases in imports of chemicals and material manufactures
- In the 3-months to May 2015, exports to countries outside the EU increased by £1.7 billion, attributed to exports of chemicals which reached a record high of £7.3 billion. Over the same period, the UK's trade in goods surplus with the USA was at a record high of £4.0 billion

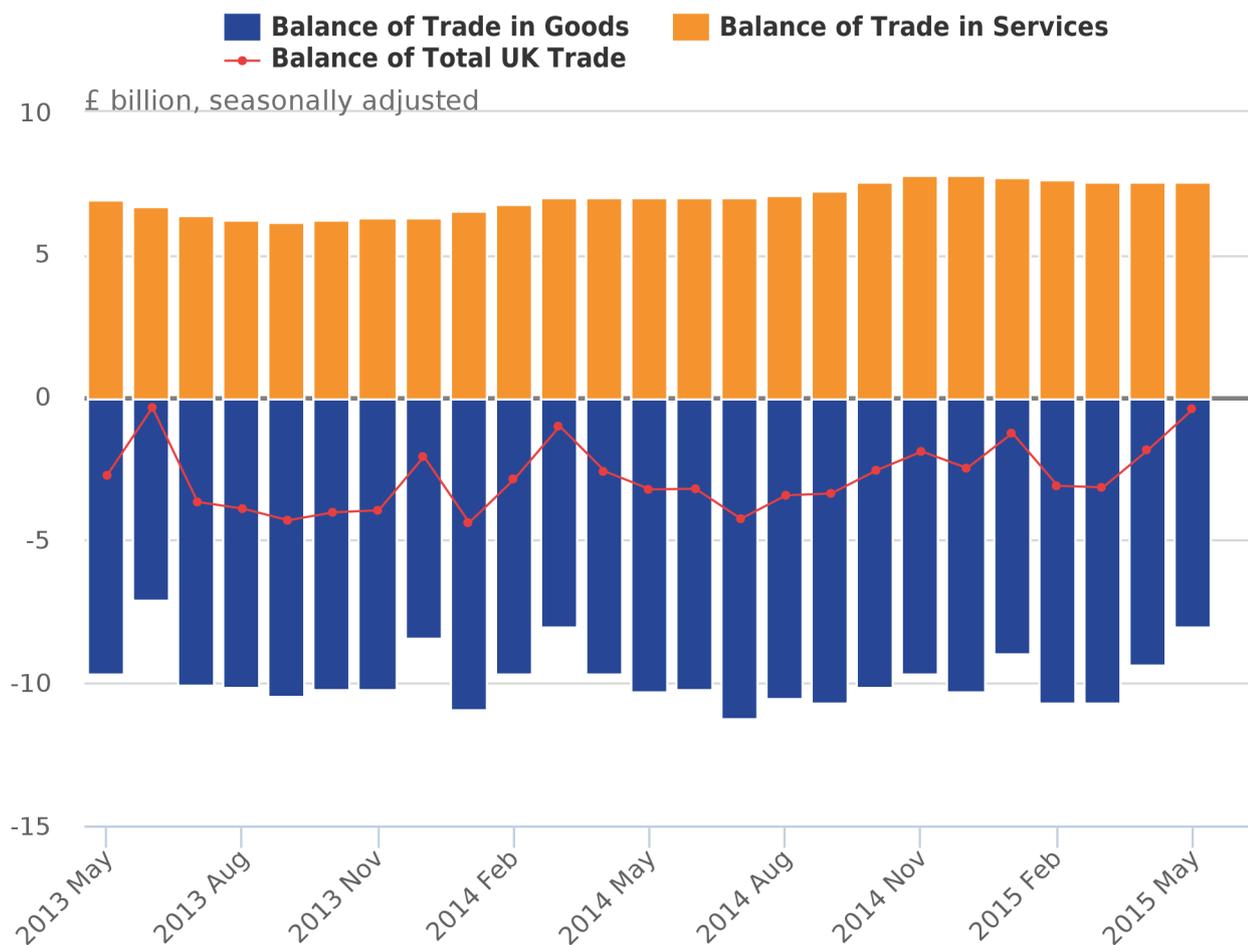
2. Main figures

Table 1: Balance of UK trade in goods and services, May 2015

	Balance of trade in goods			Balance of trade in services	Total trade balance
	£ billion				
	EU	Non-EU	Total		
2014 May	-6.3	-4.0	-10.3	7.0	-3.2
2015 Mar	-7.3	-3.4	-10.7	7.6	-3.2
Apr	-7.0	-2.4	-9.4	7.6	-1.8
May	-6.4	-1.6	-8.0	7.6	-0.4

Source: Office for National Statistics

Figure 1: Balance of UK trade, May 2013 to May 2015



Source: Office for National Statistics

3. Summary

The deficit of trade in goods and services for May 2015 was £0.4 billion, narrowing by £1.4 billion from £1.8 billion when compared with April 2015. The trade position reflects exports minus imports.

The deficit is the smallest since June 2013 and this narrowing is a result of imports decreasing by £1.4 billion to £43.4 billion, as exports were unchanged at £43.0 billion in May 2015.

The monthly changes were attributed to trade in goods as the deficit narrowed by £1.4 billion to £8.0 billion, compared with the surplus on services which increased by £0.1 billion to £7.6 billion in May 2015.

In detail, exports of goods were £24.6 billion in May 2015, unchanged from April 2015, however there were offsetting movements in different commodities. Exports of fuels (specifically oil) increased by £0.5 billion and unspecified goods increased by £0.4 billion, whereas exports of chemicals decreased by £0.3 billion, miscellaneous manufactures (which includes jewellery and works of art) decreased by £0.4 billion and material manufactures decreased by £0.2 billion.

Imports of goods decreased by £1.4 billion in May 2015 to £32.6 billion, the lowest level of imports since April 2011. Imports decreased for all of the main commodity groups including a £0.5 billion decrease in imports of ships and a £0.4 billion decrease attributed to material manufactures.

In May 2015, the trade in goods deficit with the EU narrowed by £0.6 billion to £6.4 billion as imports decreased. The trade in goods deficit with countries outside the EU narrowed £0.8 billion to £1.6 billion, the smallest deficit since June 2013, again attributed to a decrease in imports.

Trade statistics for any 1 month can be erratic. For that reason, it is recommended to compare the latest 3-months against the preceding 3-months and the same 3-months of the preceding year.

In the 3-months ending May 2015, the total trade deficit narrowed by £1.4 billion to £5.4 billion as exports increased and imports decreased.

In the 3-months to May 2015, the trade in goods deficit narrowed by £1.9 billion to £28.1 billion. Exports increased by £0.6 billion to £73.1 billion in the 3-months to May 2015, attributed to an increase in exports of chemicals to countries outside of the EU.

Imports decreased by £1.4 billion to £101.2 billion in the 3-months to May 2015, the lowest since the 3-months to June 2011. Imports of chemicals and material manufactures decreased by £0.5 billion and £0.3 billion respectively, over the period. Despite a decrease in imports of most commodities, imports of cars increased by £0.5 billion in the 3-months to May 2015, reaching a record high of £7.9 billion. Imports of oil also increased by £0.5 billion in the 3-months to May 2015.

By area, the UK's deficit with the EU narrowed by £1.0 billion to £20.7 billion in the 3-months to May 2015, as imports decreased more than exports. In contrast, both exports and imports to countries outside the EU increased, resulting in a narrowing of the trade in goods deficit with countries outside the EU of £0.9 billion to £7.4 billion.

For the 3-months to May 2015, exports of goods to EU countries decreased by £1.2 billion reflecting decreases in oil and semi-manufactured goods (both of £0.6 billion). In contrast, exports to countries outside the EU increased by £1.7 billion, attributed to exports of chemicals, which reached a record high of £7.3 billion for the 3-months to May 2015.

Geographically, in the 3-months to May 2015, the UK's surplus with the USA was at a record high of £4.0 billion, an increase of £1.2 billion when compared with the 3-months to February 2015. This can be attributed mainly to an increase in exports of chemicals and fuels (specifically oil). The UK's deficit with Switzerland widened by £1.5 billion, as exports decreased by £1.1 billion. In contrast, the UK's deficit with France narrowed by £0.9 billion in the 3-months to May 2015, when compared with the 3-months to February 2015.

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 £22.9 billion for quarter 1 January to March 2015. Financial services, at record high of £10.3 billion, were the largest contributor to this surplus.

Between quarter 4 October to December 2014 and quarter 1 January to March 2015, exports of services rose £0.2 billion to a record high of £55.2 billion. The increase mainly reflects a £1.0 billion rise in transport. Imports of services rose by £0.5 billion to £32.3 billion in quarter 1 January to March 2015, attributed to increases in financial services (£0.3 billion) and intellectual property (£0.3 billion).

By area, in quarter 1 January to March 2015, exports to countries within the EU rose by £0.5 billion to £20.6 billion, which was a record high since comparable records began in 1999.

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 quarter 2 April to June 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. Value of UK trade in goods

In May 2015, the UK's deficit on trade in goods was £8.0 billion, narrowing by £1.4 billion from April 2015.

Total exports decreased by £14.0 million (0.1%) to £24.6 billion and total imports decreased by £1.4 billion (4.1%) to £32.6 billion.

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

Table 2: Change in UK main commodity value, May 2015 compared with April 2015

	Exports (£m)	Imports (£m)
Oil (see section on "trade in oil")	+504	-148
Cars	+24	+63
Consumer goods other than cars	-317	-51
Intermediate goods	-149	+11
Capital goods	-60	-248
Chemicals	-321	-123
Semi-manufactured goods other than chemicals	-176	-402

Source: Office for National Statistics

In the 3-months to May 2015, the deficit on trade in goods was £28.1 billion, narrowing by £1.9 billion from the 3-months to February 2015.

Total exports increased by £0.6 billion (0.8%) to £73.1 billion and total imports decreased by £1.4 billion (1.3%) to £101.2 billion.

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

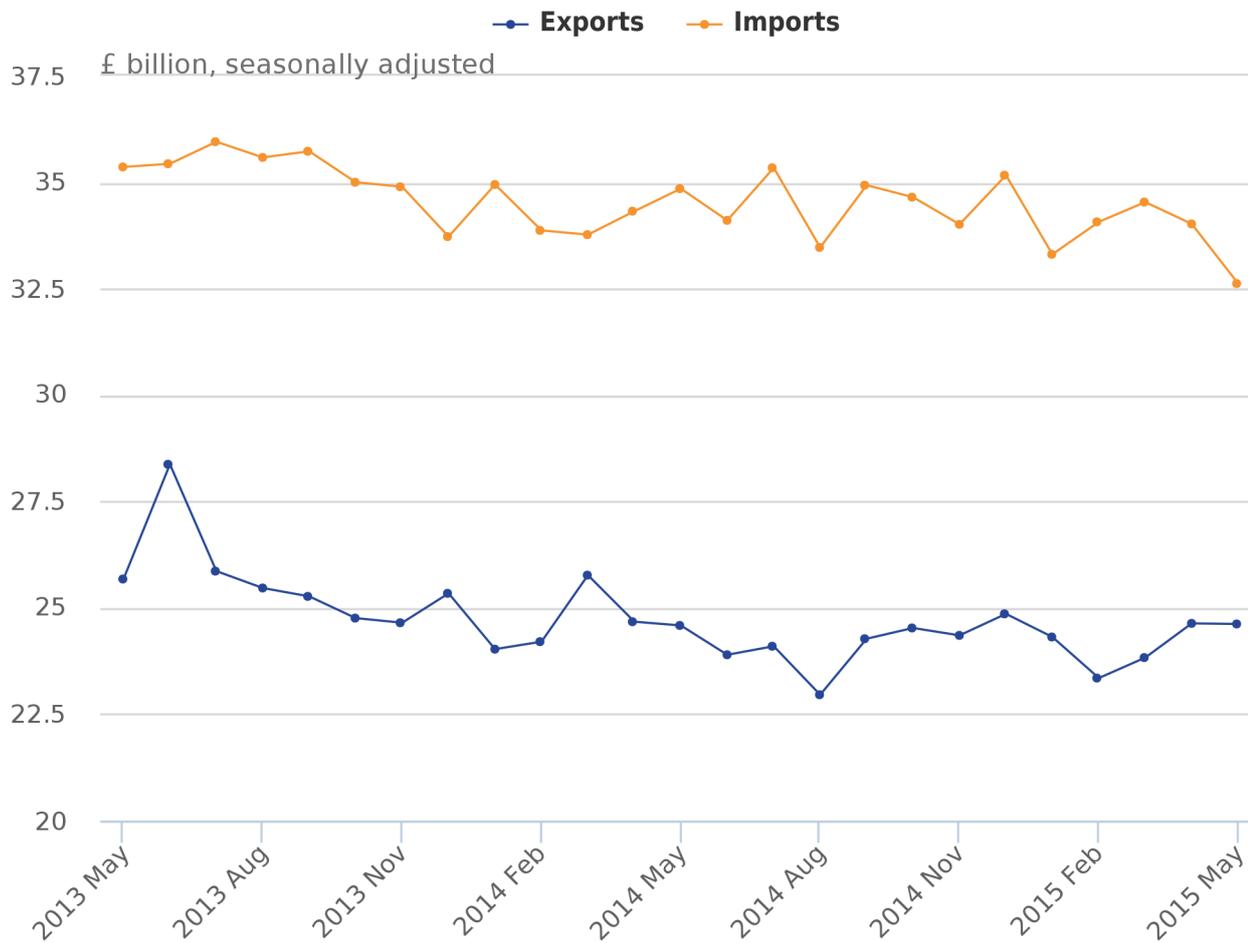
Table 3: Change in UK main commodity value, March 2015 to May 2015 compared with December 2014 to February 2015

	Exports (£m)	Imports (£m)
Oil (see section on "trade in oil")	-165	+462
Cars	+140	+527

Consumer goods other than cars	+80	+399
Intermediate goods	-186	-922
Capital goods	-186	-377
Chemicals	+755	-515
Semi-manufactured goods other than chemicals	-33	-252

Source: Office for National Statistics

Figure 2: Value of UK trade in goods, May 2013 to May 2015



Source: Office for National Statistics

Figure 3: Value of UK trade in goods excluding oil, May 2013 to May 2015



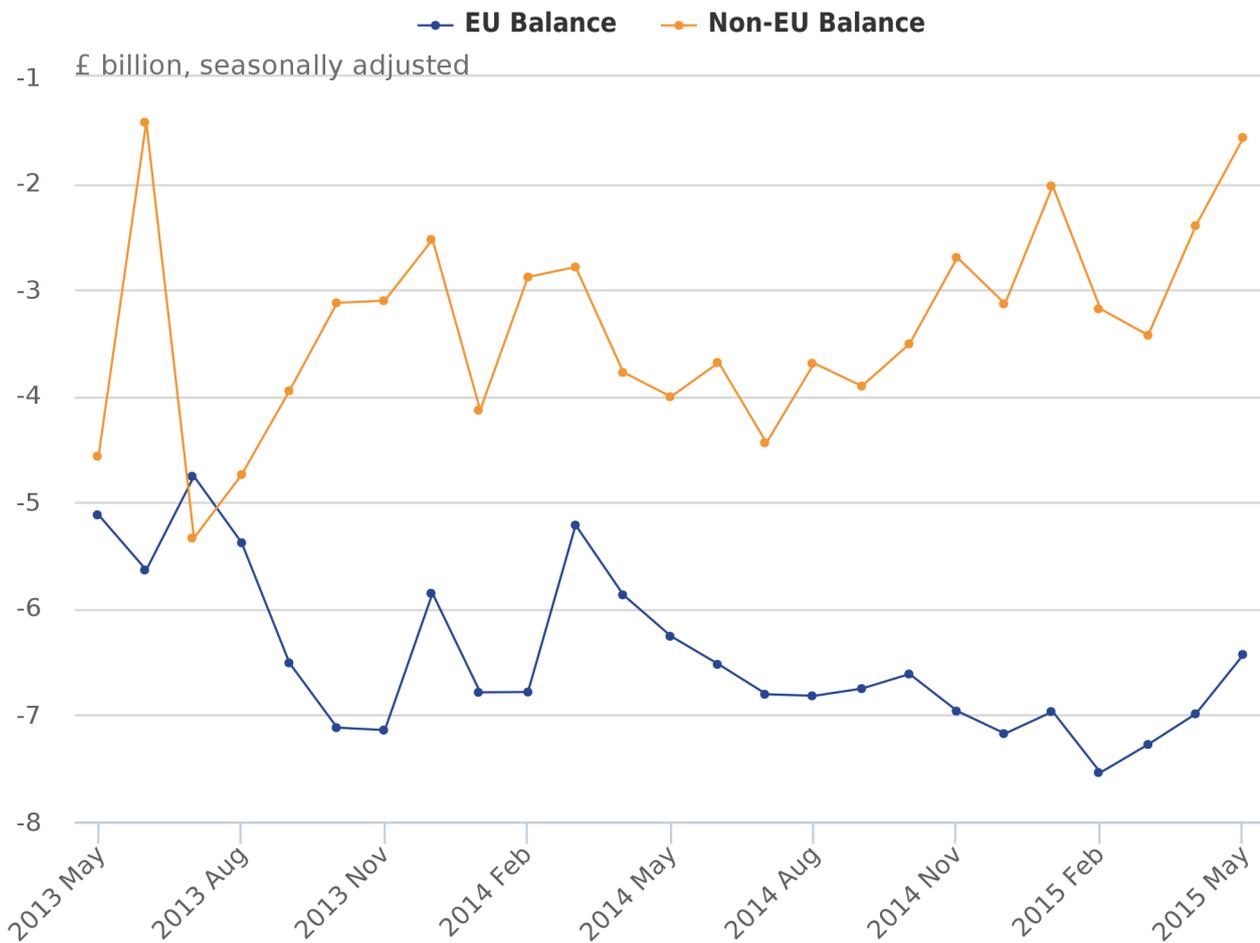
Source: Office for National Statistics

6. Trade in goods – analysis by area

Monthly analysis

In May 2015, the deficit on trade in goods with EU countries narrowed by £0.6 billion to £6.4 billion. The deficit on trade in goods with non-EU countries narrowed by £0.8 billion to £1.6 billion (Figure 4).

Figure 4: Balance of UK trade in goods - EU and non-EU countries, May 2013 to May 2015



Source: Office for National Statistics

Between April 2015 and May 2015, exports to the EU decreased by £35.0 million (0.3%) to £11.2 billion.

Between April 2015 and May 2015, imports from the EU decreased by £0.6 billion (3.3%) to £17.6 billion. Imports from Germany decreased by £0.3 billion and imports from Finland, France and Sweden all decreased by £0.1 billion.

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

Table 4: Change in UK main commodity value (EU), May 2015 compared with April 2015

	Exports (£m)	Imports (£m)
Oil (see section on "trade in oil")	+571	+74
Cars	+62	+33
Consumer goods other than cars	-122	-102
Intermediate goods	-126	-53
Capital goods	-23	-93
Chemicals	-155	+67
Semi-manufactured goods other than chemicals	-79	-233

Between April 2015 and May 2015, exports to non-EU countries increased by £21.0 million (0.2%) to £13.5 billion.

Between April 2015 and May 2015, imports from non-EU countries decreased by £0.8 billion (5.1%) to £15.0 billion. Imports from South Korea decreased by £0.6 billion and from Switzerland by £0.4 billion. These decreases were partially offset by an increase in imports from China, Qatar and the USA, each of £0.2 billion.

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

Table 5: Change in UK main commodity value (non-EU), May 2015 compared with April 2015

	Exports (£m)	Imports (£m)
Oil (see section on 'trade in oil')	-67	-222
Cars	-38	+30
Consumer goods other than cars	-195	+51
Intermediate goods	-23	+64
Capital goods	-37	-155
Chemicals	-166	-190
Semi-manufactured goods other than chemicals	-97	-169

Source: Office for National Statistics

3-monthly analysis

In the 3-months to May 2015, the deficit on trade in goods with EU countries narrowed by £1.0 billion to £20.7 billion.

Between the 3-months to February 2015 and the 3-months to May 2015, exports to the EU decreased by £1.2 billion (3.4%) to £33.4 billion. Exports to the Netherlands decreased by £0.7 billion and to Germany and the Irish Republic each by £0.2 billion. These decreases were partially offset by an increase in exports to France of £0.4 billion.

Between the 3-months to February 2015 and the 3-months to May 2015, imports from the EU decreased by £2.1 billion (3.8%) to £54.1 billion. Imports from France decreased by £0.5 billion, from the Irish Republic by £0.4 billion and from both Italy and the Netherlands by £0.3 billion.

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

Table 6: Change in UK main commodity value (EU), March 2015 to May 2015 compared with December 2014 to February 2015

	Exports (£m)	Imports (£m)
Oil (see section on "trade in oil")	-604	+165
Cars	+158	+524
Consumer goods other than cars	-28	-206

Intermediate goods	-159	-626
Capital goods	-298	-294
Chemicals	-433	-627
Semi-manufactured goods other than chemicals	-193	-605

Source: Office for National Statistics

In the 3-months to May 2015, the deficit on trade in goods with non-EU countries narrowed by £0.9 billion to £7.4 billion.

Between the 3-months to February 2015 and the 3-months to May 2015, exports to non-EU countries increased by £1.7 billion (4.6%) to £39.7 billion. Exports to the USA increased by £1.4 billion, to China by £0.4 billion and to India by £0.3 billion. These increases were partially offset by a decrease in exports to Switzerland of £1.1 billion.

Between the 3-months to February 2015 and the 3-months to May 2015, imports from non-EU countries increased by £0.8 billion (1.7%) to £47.1 billion. Imports from South Korea increased by £0.6 billion and from Switzerland by £0.4 billion. These increases were partially offset by a decrease in imports from Canada and Norway, each by £0.3 billion.

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

Table 7: Change in UK main commodity value (non-EU), March 2015 to May 2015 compared with December 2014 to February 2015

	Exports (£m)	Imports (£m)
Oil (see section on 'trade in oil')	+439	+297
Cars	-18	+3
Consumer goods other than cars	+108	+605
Intermediate goods	-27	-296
Capital goods	+112	-83
Chemicals	+1188	+112
Semi-manufactured goods other than chemicals	+160	+353

Source: Office for National Statistics

7. Trade in goods – geographical analysis

The UK's top 10 export trading partners were unchanged in May 2015 when compared with April 2015.

Outside of the top 10, there were record highs in exports to Egypt and Mexico respectively. Although comparatively small value figures, the £0.1 billion increase in exports to Egypt represents a 105.3% increase when comparing May 2015 with April 2015. An increase of £24.0 million in exports to Mexico represents an 18.0% increase over the same period.

The UK's top 5 import trading partners were also unchanged in May 2015 when compared with April 2015. Germany remains the top import partner with imports of £4.9 billion. Imports from the USA were at a record high of £3.0 billion. Anecdotal evidence suggests this £0.2 billion increase is due to a rise in the import of aircraft.

Outside of the top 10, imports from Poland were at a record high of £0.7 billion, representing a £49.0 million (7.3%) increase when May 2015 is compared with April 2015. Finland recorded a record low in imports with a decrease of £0.1 billion (33.0%) over the same period.

In the 3-months to May 2015, there were record highs in exports to the USA, Mexico and Saudi Arabia. Exports to the USA increased by £1.4 billion (12.2%) to £12.5 billion when comparing with the 3-months to February 2015. Over the same period, exports to Mexico increased by £0.1 billion (53.8%) to £0.4 billion and to Saudi Arabia by £0.1 billion (6.8%) to £1.2 billion.

In the 3-months to May 2015, imports from South Korea, the USA, New Zealand and Pakistan were all at a record high. Imports from South Korea increased by £0.6 billion (62.7%) to £1.5 billion when compared with the 3-months to February 2015. Over the same period, imports from the USA increased by £0.1 billion (1.7%) to £8.5 billion, from New Zealand by £0.1 billion (38.0%) to £0.3 billion and from Pakistan by £6.0 million (2.2%) to £0.3 billion.

Table 8: Change in UK monthly trade with significant partner countries, May 2015 compared with April 2015

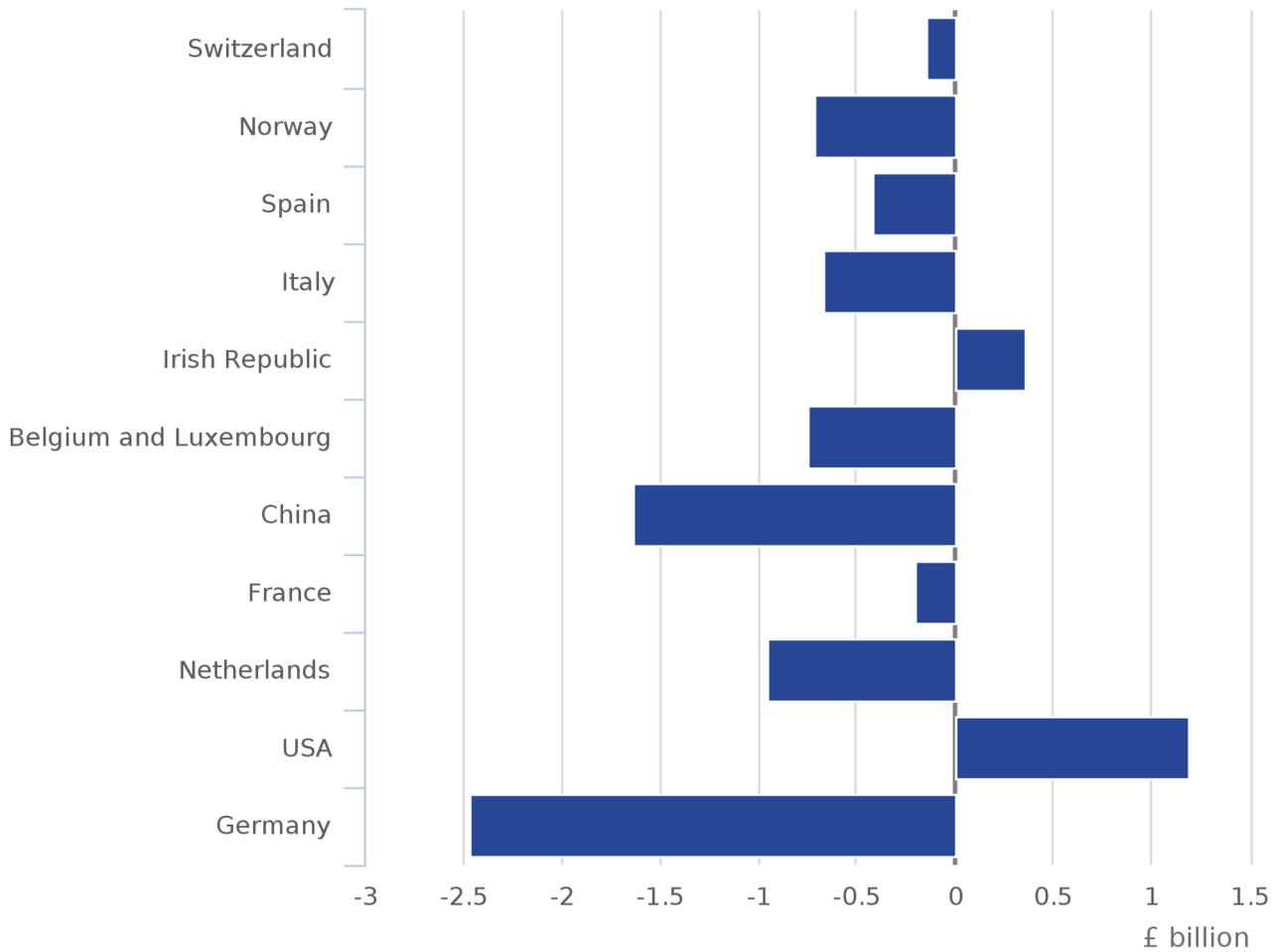
		Exports (£m)	
		May 2015 value	1-month change
1	USA	4,190	-401
2	Germany	2,472	-160
3	France	1,660	92
4	Netherlands	1,526	186
5	Irish Republic	1,321	-23
6	China	1,227	12
7	Belgium and Luxembourg	1,006	-8
8	Spain	715	-10
9	Italy	659	-37
10	Switzerland	440	-159
		Imports (£m)	
		May 2015 value	1-month change
1	Germany	4,935	-320
2	USA	3,003	195
3	China	2,861	215
4	Netherlands	2,471	75
5	France	1,861	-145
6	Belgium and Luxembourg	1,748	55
7	Italy	1,324	-43
8	Spain	1,133	-33
9	Norway	1,033	-12
10	Irish Republic	957	-16

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 UK partner countries, 1-month balances, May 2015

Seasonally adjusted £billion



Source: Office for National Statistics

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

	Exports (£m)	
	March 2015 - May 2015 value	3-month change
1 USA	12,508	+1362
2 Germany	7,612	-184
3 France	4,812	+358
4 Netherlands	4,154	-701
5 Irish Republic	3,999	-154
6 China	3,534	+380
7 Belgium/Luxembourg	2,988	+73

8	Spain	2,194	-27
9	Italy	2,077	-54
10	Switzerland	1,737	-1067

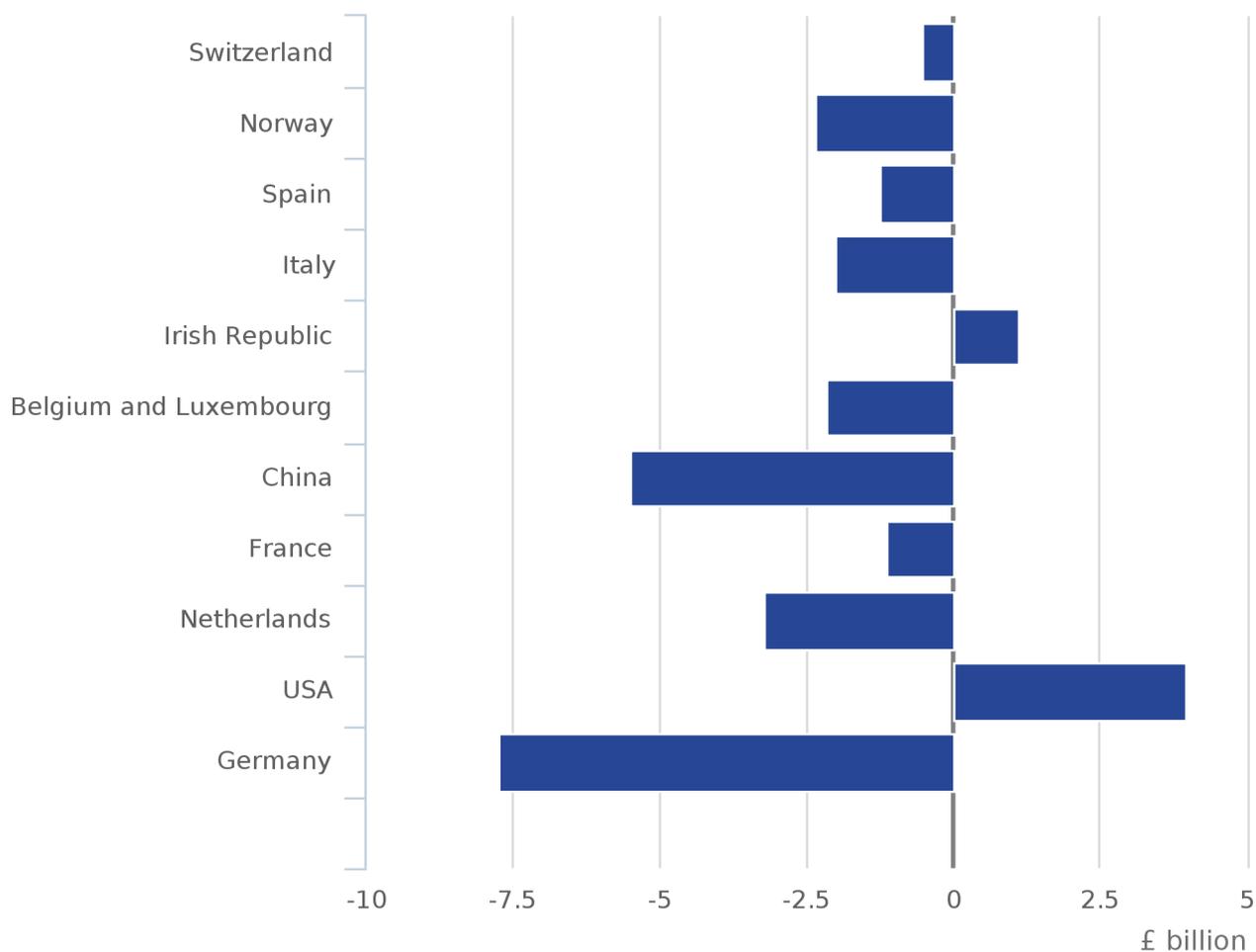
Imports (£m)			
		March 2015 - May 2015 value	3-month change
1	Germany	15,332	-152
2	China	9,013	-48
3	USA	8,531	+141
4	Netherlands	7,357	-298
5	France	5,920	-504
6	Belgium/Luxembourg	5,123	-50
7	Italy	4,059	-264
8	Spain	3,432	+91
9	Norway	3,262	-259
10	Irish Republic	2,862	-350

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 UK partner countries, 3-month balances, March 2015 to May 2015



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

Between April 2015 and May 2015, the total volume of exports decreased by 3.4% and the total volume of imports decreased by 3.5%.

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

Table 10: Change in UK main commodity volume, May 2015 compared with April 2015

	Exports percentage change	Imports percentage change
Food, beverages and tobacco	-1.1	-3.8
Basic materials	+6.5	-12.1
Semi-manufactured goods; of which	-9.1	-6.7
Chemicals	-9.5	-4.8
Finished manufactured goods; of which	-1.8	-3.4
Cars	+3.9	-1.9
Consumer goods other than cars	-11.3	-0.9
Intermediate goods	-3.8	0.0
Capital goods	-2.0	-4.3

Source: Office for National Statistics

Table 11: Change in UK main commodity volume, March 2015 to May 2015 compared with December 2014 to February 2015

	Exports percentage change	Imports percentage change
Food, beverages and tobacco	0.0	-2.5
Basic materials	-8.4	+5.3
Semi-manufactured goods; of which	+9.1	0.0
Chemicals	+11.3	0.0
Finished manufactured goods; of which	+0.6	-0.3
Cars	+3.4	+6.1
Consumer goods other than cars	+1.1	+3.4
Intermediate goods	0.0	-4.5
Capital goods	-2.0	-1.7

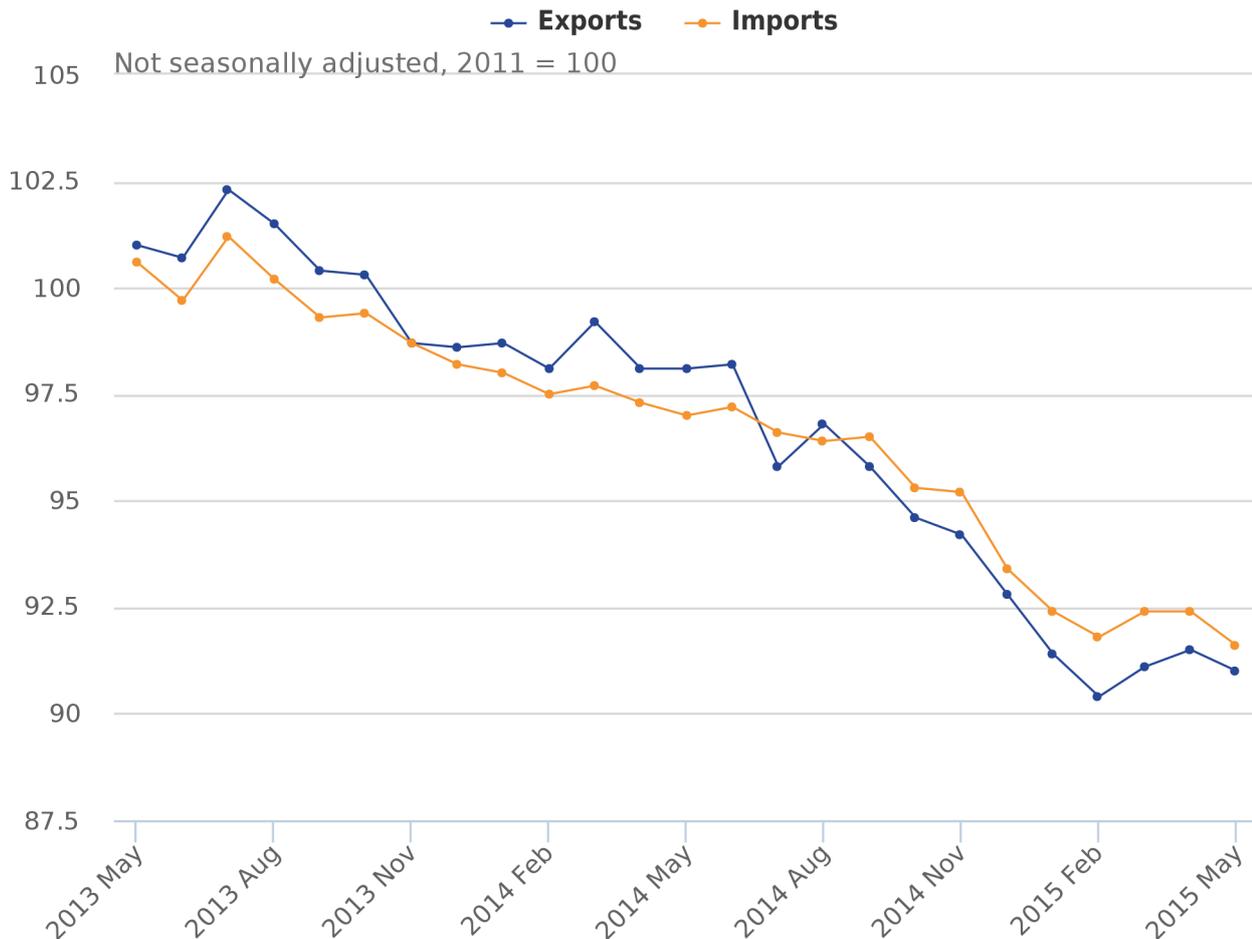
Source: Office for National Statistics

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

In May 2015, compared with April 2015, export prices decreased by 0.5% and import prices decreased by 0.9%. Excluding the oil price effect, export prices decreased by 1.0% and import prices decreased by 0.9%.

In the 3-months to May 2015, when compared with the 3-months to February 2015, export prices and import prices both decreased by 0.4%. Excluding the oil price effect, export prices decreased by 1.0% and import prices decreased by 1.1%.

Figure 7: UK trade in goods export and import prices, May 2013 to May 2015



Source: Office for National Statistics

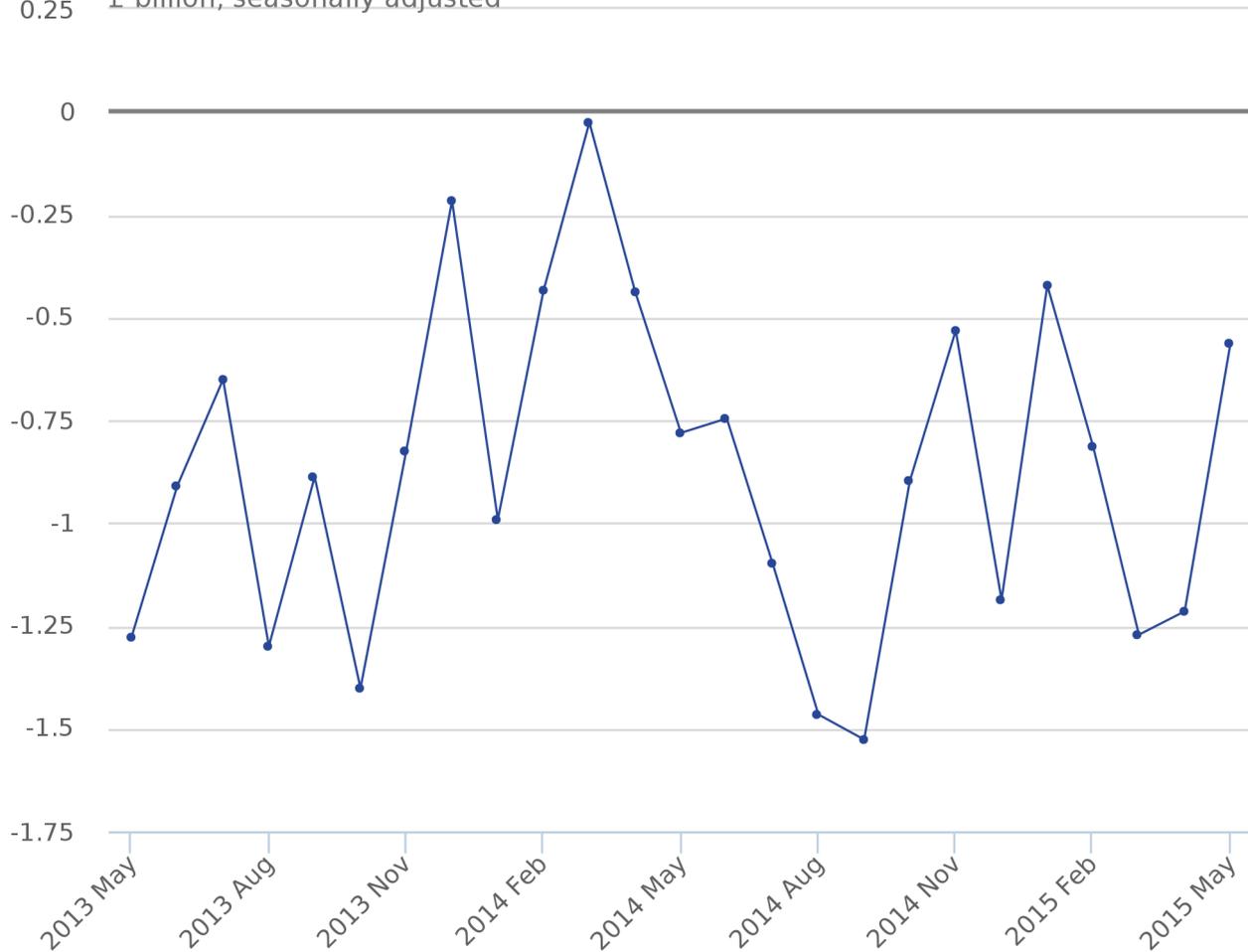
10. Trade in oil

In May 2015, the balance on trade in oil was in deficit by £0.6 billion when compared with a deficit of £1.2 billion in April 2015. Oil exports increased by £0.5 billion to £2.1 billion and oil imports decreased by £0.1 billion to £2.7 billion.

In the 3-months to May 2015, the balance on trade in oil was in deficit by £3.1 billion, widening by £0.6 billion when compared with the 3-months to February 2015. Oil exports decreased by £0.2 billion to £5.4 billion and oil imports increased by £0.5 billion to £8.5 billion.

Figure 8: Balance of UK trade in oil, May 2013 to May 2015

£ billion, seasonally adjusted



Source: Office for National Statistics

11. Trade in services

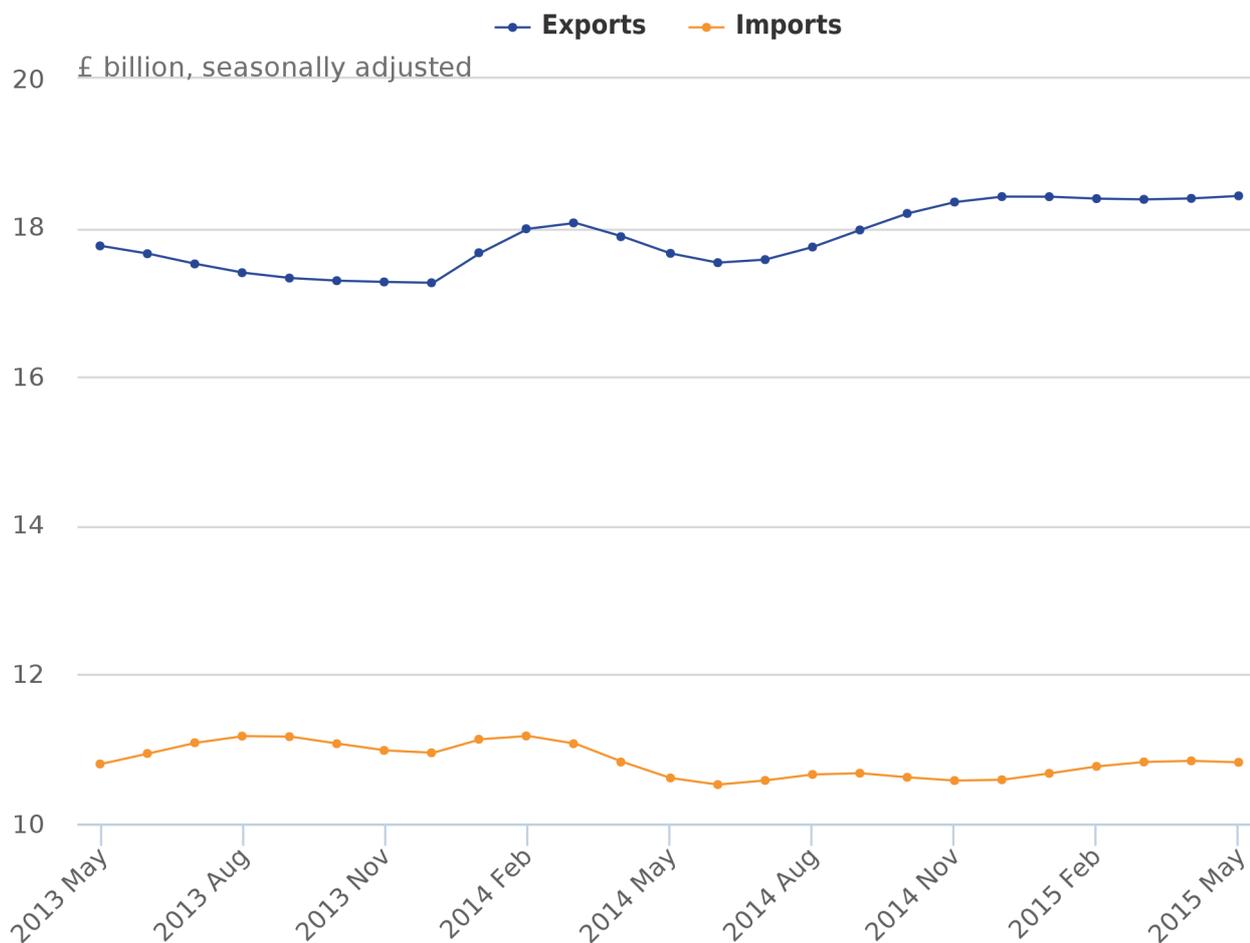
In May 2015, the UK's estimated surplus on trade in services was £7.6 billion.

Exports in May 2015 were estimated to have been £18.4 billion and imports £10.8 billion.

In the 3-months to May 2015, the estimated surplus on trade in services was £22.7 billion.

In the 3-months to May 2015, exports were estimated to have been £55.2 billion and imports £32.5 billion.

Figure 9: Value of UK trade in services, May 2013 to May 2015



Source: Office for National Statistics

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 quarterly data up to and including quarter 1 January to March 2015 are consistent with UKEA B tables and the [Quarterly Balance of Payments](#).

In quarter 1 January to March 2015, the surplus on trade in services was £22.9 billion. Financial services, which at a record high of £10.3 billion, was the largest contributor to this surplus.

In quarter 1 January to March 2015, exports of services rose by £0.2 billion to a record high of £55.2 billion. The increase mainly reflects a £1.0 billion rise in transport. Additionally, record high exports were seen in financial (£13.1 billion), intellectual property (£3.4 billion), and telecommunication, computer and information services (£4.1 billion). For the same period, imports of services also rose by £0.5 billion to £32.3 billion. The main contributors to this increase were financial services (£0.3 billion) and intellectual property (£0.3 billion).

By area, in quarter 1 January to March 2015, exports of services to countries within the EU rose by £0.5 billion to £20.6 billion, which was a record high. Imports from the EU also rose by £0.5 billion in the same period to £16.0 billion.

The balance of trade in services with non-EU countries fell by £0.3 billion in quarter 1 January to March 2015 to £18.3 billion. This decrease reflects a fall in exports to the USA of £0.1 billion and imports from the USA of £0.2 billion. In quarter 1 January to March 2015, record high exports of services were seen in Japan (£1.5 billion) and China (£1.1 billion).

Revisions

Revisions to quarter 1 January to March 2015 mainly reflect updated estimates from the quarterly ONS International Trade in Services Survey and ONS International Passenger Survey. Exports were revised up by £0.2 billion and imports revised up by £0.5 billion.

Revisions to trade in services estimates for 2014 are due to updated transport survey information and administrative sources and a reassessment of seasonal factors, the surplus of services was revised upwards by £0.1 billion.

12. Records sheet

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

13. 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 has been completed.

One of the recommendations of the re-assessment was to consult with users on the use of UK Trade statistics. The [results of this user engagement survey](#) can be found on our website.

HM Revenue and Customs (HMRC) methodology change for Gas and revisions to past years

HMRC Trade Statistics are [amending the mechanism for the data source used in the compilation of Natural Gas traded with non-EU partners](#). We will implement these revisions in a phased approach.

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 26 June 2015, we published a short story on [the importance of EU to UK trade and investment](#).

On 9 June 2015, we published a short story on [the importance of China to the UK economy](#), including value of UK trade with China.

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

On 23 January 2015, we 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 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 main 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 2 other main 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. Table 12 shows summary information on the size and direction of the revisions which have been made to the data covering a 5-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.

Table 12: Revisions analysis, UK trade, May 2015

		Revisions between first publication and estimates 12 months later		£million
	Value in latest period	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)	43,047	712		940*
Total trade imports (IKBI)	43,440	274		663
Total trade balance (IKBJ)	-393	440		666

Source: Office for National Statistics

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

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 our website.

10. National accounts revisions policy

[National Accounts revisions policy](#) (43.3 Kb Pdf) can be found on our website.

11. Revisions

Revisions Table 17R shows revisions to the main aggregates since the last UK Trade statistical bulletin of 9 June 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.

There are revisions to trade in services from January 2014.

12. 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 our [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 we release the UK Trade data each month. The aggregate estimates here will differ slightly from those that are published by us as part of the [balance of payments \(BoP\)](#), as the 2 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.

13. Follow us on [Twitter](#) and receive up to date information about our statistical releases.

Like us on [Facebook](#) to receive our updates in your newsfeed and to post comments on our page.

14. Next publication: 7 August 2015

Issued by: Office for National Statistics, Government Buildings, Cardiff Road, Newport, NP10 8XG

Contact us:

Tel 0845 601 3034

Email info@ons.gsi.gov.uk

[ONS Homepage](#)

15. 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