

Statistical bulletin

# UK trade in services by partner country experimental data: April to June 2018

Trade in services data, including breakdown of exports and imports by country and geographical region, EU and non-EU.

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# 1 . Main points

- This release covers all the UK economy's trade in services, presenting UK trade in services by 67 countries and 31 service types; this supersedes our previous quarterly release which only used data from the International Trade in Services Survey.
- The value of UK exports and imports of services increased in Quarter 2 (Apr to June) 2018.
- The European Union (EU) remained the UK's largest trading partner for both exports and imports of services in Quarter 2 2018, while the US was the largest trading partner when considering individual countries.
- Other business services not included elsewhere was the largest export service type in Quarter 2 2018.
- Imports of travel services has seen a 34.6% increase in Quarter 2 2018 compared with Quarter 1 (Jan to Mar) 2018, with Spain being the UK's largest import trading partner of travel services.
- By top-level service types, exports to EU countries were similar to exports to non-EU countries in 2017.
- Imports of travel services from the EU accounted for 42.0% of total EU imports in 2017 and imports of other business services from non-EU countries accounted for 27.6% of total non-EU imports.

## 2 . Things you need to know about this release

This release covers all the UK economy's trade in services superseding our previous quarterly release, which included only those industries surveyed by our International Trade in Services Survey (ITIS). ITIS accounts for approximately 58% and 45% of total UK trade in services exports and imports respectively. ITIS does not include industries in travel; transport; banking and other financial institutions; higher education; charities; and most activities within the legal profession.

The UK trade in services data has been produced as part of planned improvements to our trade statistics described in section 3.3 of the [trade development plan](#). In response to user needs, one of our main priorities is to publish detailed trade figures across more dimensions than we do currently; for example, across industries, geographic trade partners and service types. A large focus for the trade development plan is also making improvements to the quality of the trade figures.

This release contains more detailed service types by partner country than has ever been available before with 31 service types by 67 countries. While we currently publish service type by partner country annually in [Pink Book](#), we have increased the level of detail available and produced quarterly data for Quarter 1 (Jan to Mar) 2016 to Quarter 2 (Apr to June) 2018.

We have made significant quality improvements to the UK trade in services by partner country experimental dataset. This was partly through fuller use of the improved quarterly country breakdown derived from the increased and optimised quarterly ITIS survey. In order to deliver at the pace required, the data are closely aligned to the Balance of Payments but are not fully consistent. Improvements that have been made for Quarter 1 2017 to Quarter 2 2018 will be included within the next Balance of Payments release in December. The improvements in the 2016 data will be incorporated into Pink Book 2019, the first opportunity to revise this time period within the wider accounts.

Estimates derived from the International Passenger Survey (IPS) are used to help measure exports and imports of travel services. The International Passenger Survey (IPS) has recently transferred data collection from paper forms to tablet computers. While initial analysis of the new data found no detectable discontinuities, we are continuing to check the data. Therefore, headline trade and other national accounts estimates will continue to include some forecast data for exports and imports of travel services in the most recent periods. More information is available in the [Overseas travel and tourism release](#).

Data are provided in as much detail as possible without disclosing the details of any individual companies, however, this means some figures have been suppressed to protect confidentiality.

You are advised to be cautious when interpreting changes between quarters given that the series are not seasonally adjusted and few data points are presented.

### **3 . The value of UK exports of services increased more than imports in Quarter 2 (Apr to June) 2018 from Quarter 1 (Jan to Mar) 2018**

The value of UK exports of services increased from £66.9 billion in Quarter 1 (Jan to Mar) 2018, to £72.3 billion in Quarter 2 (Apr to June) 2018, an increase of 8.0%, as shown in Table 1.

The value of UK imports of services increased by 10.3% over the same period, from £39.0 billion in Quarter 1 2018 to £43.1 billion in Quarter 2 2018.

Both exports and imports of services were higher in Quarter 2 2018 compared with the same quarter a year ago. Exports rose by 5.4%, from £68.6 billion in Quarter 2 2017 to £72.3 billion in Quarter 2 2018. The percentage of imports increased by slightly more, rising by 5.9% from £40.7 billion in Quarter 2 2017 to £43.1 billion in Quarter 2 2018.

Table 1: Total UK trade in service exports and imports, Quarter 1 (Jan to Mar) 2016 to Quarter 2 (Apr to June) 2018, £ million, UK

	<b>Q1 2016</b>	<b>Q2 2016</b>	<b>Q3 2016</b>	<b>Q4 2016</b>	<b>Q1 2017</b>	<b>Q2 2017</b>	<b>Q3 2017</b>	<b>Q4 2017</b>	<b>Q1 2018</b>	<b>Q2 2018</b>
UK exports	57,710	64,135	66,455	69,588	63,254	68,584	72,781	74,405	66,925	72,311
UK imports	33,576	38,164	46,017	38,366	37,221	40,675	47,596	39,237	39,033	43,062

Source: Office for National Statistics

#### Notes

1. Quarter 1 is January to March, Quarter 2 is April to June, Quarter 3 is July to September and Quarter 4 is October to December. [Back to table](#)

### **4 . Exports of services in Quarter 2 (Apr to June) 2018 were higher than those reported in Quarter 1 (Jan to Mar) 2018 for all geographical regions**

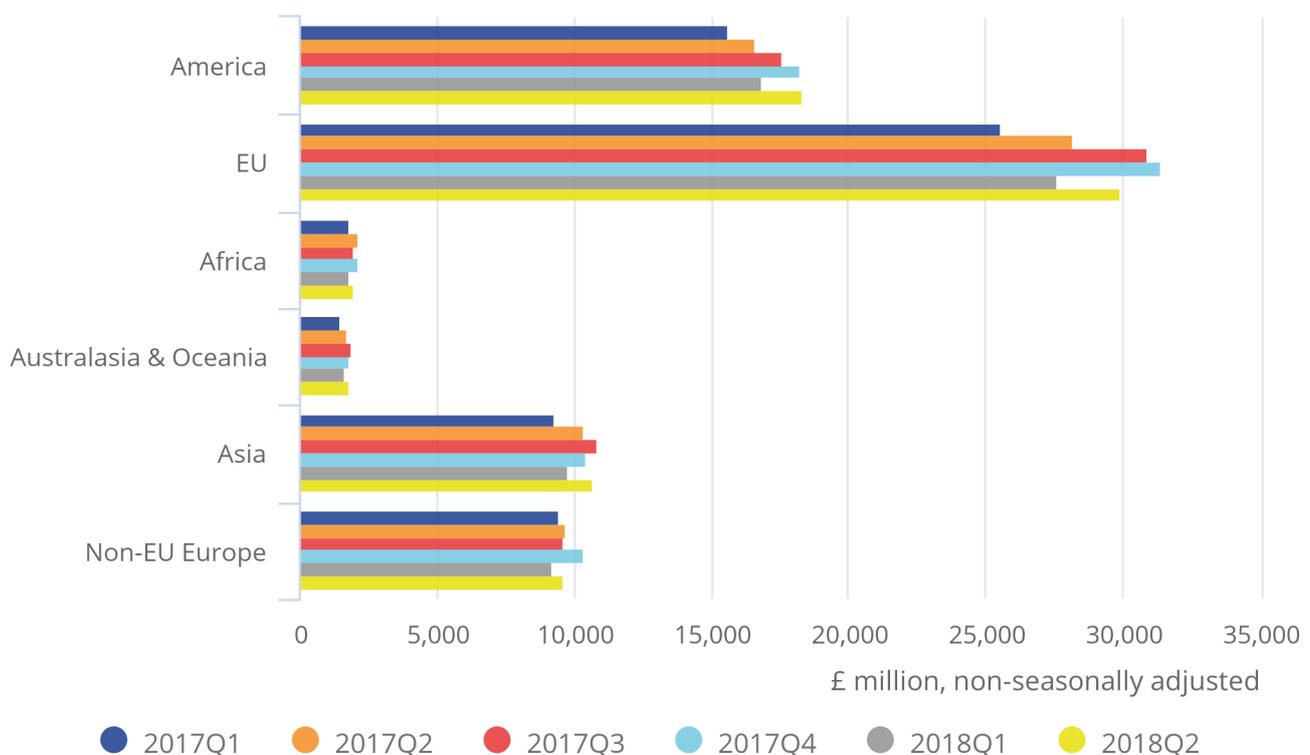
The value of services exports for Quarter 2 (Apr to June) 2018 increased to all geographical regions. The largest increase between Quarter 1 (Jan to Mar) 2018 and Quarter 2 2018 was for exports to the EU, which rose by £2.3 billion; from £27.6 billion to £29.9 billion. This was largely due to increases to Ireland and Italy, most notably in exports of other business services not included elsewhere and personal travel respectively.

Other business services not included elsewhere includes distribution services (water, steam, gas, petroleum) and electricity where provided separately from transmission; air conditioning supply; placement of personnel; security and investigative services; translation and interpretation; photographic services; building cleaning; real estate services to businesses; and any other business services that cannot be classified within other business services.

America saw an increase of £1.5 billion, primarily driven by other business services to the US which increased by £0.7 billion. Asia, Non-EU Europe, Australasia and Oceania and Africa all saw increases in exports of less than £0.9 billion.

**Figure 1: UK exports of services by geographical region, Quarter 1 (Jan to Mar) 2017 to Quarter 2 (Apr to June) 2018**

Figure 1: UK exports of services by geographical region, Quarter 1 (Jan to Mar) 2017 to Quarter 2 (Apr to June) 2018



Source: Office for National Statistics

Notes:

1. International organisations is not included within the geographical regions but can be found in the associated datasets.

It is important to note that these estimates for UK services exports are not seasonally adjusted. Therefore, some variation from quarter to quarter will be explained by the time of the year, where trade in some services could be more common than at other times of the year.

Compared with the same quarter a year ago, exports to the EU saw the largest increase of the geographical regions, rising from £28.1 billion in Quarter 2 2017 to £29.9 billion in Quarter 2 2018. This was primarily driven by an increase in exports to Ireland of other business services not included elsewhere.

Exports to America increased by £1.7 billion in Quarter 2 2018 compared with Quarter 2 2017. Service exports of legal, accounting, management consulting and public relations to the US accounted for £0.9 billion of this increase.

## **5 . The US remains the UK's biggest trading partner for services exports**

The value of exports to the UK's top 10 export destinations increased in Quarter 2 (Apr to June) 2018 compared with Quarter 1 (Jan to Mar) 2018. The only exception was exports to Switzerland which decreased by £0.2 billion.

The US remains the UK's largest export partner, accounting for £15.2 billion, or 21.0% of all UK exports of services in Quarter 2 2018, as shown in Table 2. The value of exports to Germany was the second highest at £4.9 billion, with exports to France the third-highest destination at £4.5 billion. Exports to Germany and France were equivalent to 6.7% and 6.1% of total UK services exports, respectively. Taken together, UK exports to the top three countries accounted for 33.9% of all UK services exports.

Table 2: Largest export partner countries, Quarter 2 (Apr to June) 2017 to Quarter 2 2018, UK

Country	£ million				Cumulative percentages of total services exports		
	Q2 2017	Q3 2017	Q4 2017	Q1 2018	Q2 2018	Q2 2017	Q2 2018
United States	13,709	14,544	15,054	14,117	15,180	20.0	21.0
Germany	4,646	4,954	4,939	4,541	4,861	26.8	27.7
France	4,300	4,473	4,524	4,242	4,470	33.0	33.9
Netherlands	4,255	4,639	4,791	4,312	4,387	39.2	40.0
Ireland	3,249	4,187	4,906	3,432	4,034	44.0	45.5
Switzerland	3,005	3,171	3,410	3,081	2,876	48.4	49.5
Italy	2,389	2,642	2,351	2,072	2,535	51.8	53.0
Spain	1,791	1,914	1,799	1,696	1,848	54.5	55.6
Japan	1,835	1,861	1,788	1,783	1,836	57.1	58.1
Jersey	1,612	1,212	1,256	1,280	1,603	59.5	60.3
Rest of the World	27,793	29,184	29,587	26,369	28,681	100.0	100.0

Source: Office for National Statistics

#### Notes

1. Quarter 1 is January to March, Quarter 2 is April to June, Quarter 3 is July to September and Quarter 4 is October to December. [Back to table](#)
2. United States including Puerto Rico. [Back to table](#)

## 6 . Exports of other business services remains the UK's largest export service type

Other business services, which includes research and development; professional and management consulting services; and technical, trade-related and other business services not included elsewhere, was the largest service type export accounting for 28.0% in Quarter 2 (Apr to June) 2018 of total services exports. This percentage share has remained constant from Quarter 2 2017, showing it is consistently a strong export service for the UK.

Financial services exports, the second-largest export type, has grown slightly between Quarter 2 2018 and Quarter 1 (Jan to Mar) 2018; from £15.3 billion to £16.0 billion.

Travel saw the largest growth of 51.2% in Quarter 2 2018 compared with Quarter 1 2018 after seeing a 25.6% fall in the previous quarter.

Table 3: Largest service type exports, Quarter 2 (Apr to June) 2017 to Quarter 2 2018, UK

Service type	£ million					Cumulative percentages of total services exports	
	Q2 2017	Q3 2017	Q4 2017	Q1 2018	Q2 2018	Q2 2017	Q2 2018
Other Business Services	19,231	19,696	22,940	19,362	20,270	28.0	28.0
Financial	14,815	14,514	15,308	15,279	15,969	49.6	50.1
Travel	9,975	12,973	10,038	7,473	11,300	64.2	65.7
Transportation	7,658	8,151	7,424	7,104	7,641	75.4	76.3
Insurance and Pension	4,970	4,326	4,574	4,923	5,285	82.6	83.6
Other service types	11,935	13,121	14,121	12,784	11,846	100.0	100.0

Source: Office for National Statistics

#### Notes

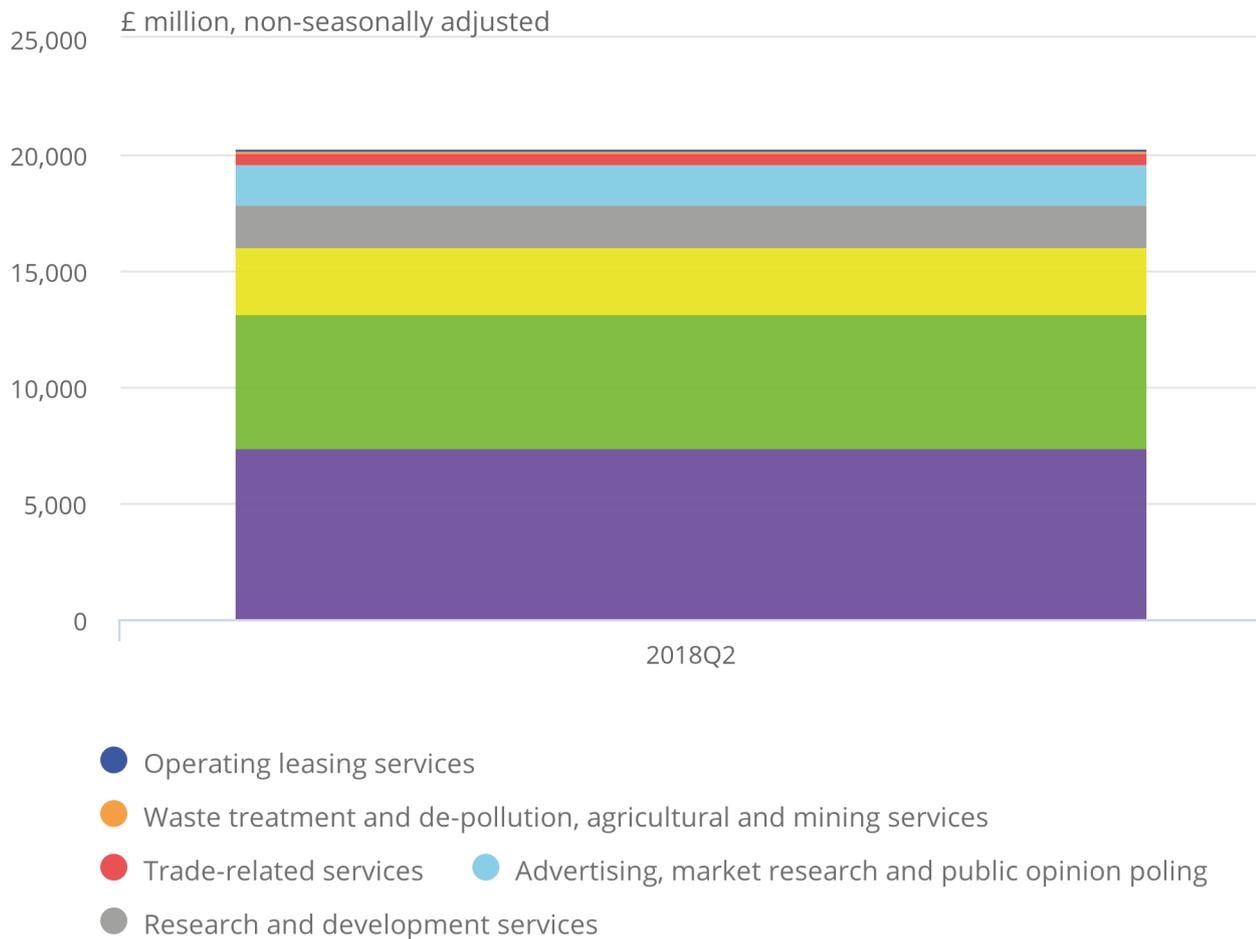
1. Quarter 1 is January to March, Quarter 2 is April to June, Quarter 3 is July to September and Quarter 4 is October to December. [Back to table](#)

Figure 2 shows the value for each component of other business services in Quarter 2 2018. Other business services not included elsewhere accounted for 36.7% of total exports of other business services, followed by legal, accounting, management consulting and public relations which made up 28.2%.

Legal, accounting, management consulting and public relations is a sub-component of professional and management consulting services.

**Figure 2: Total exports of other business services, Quarter 2 (Apr to June) 2018**

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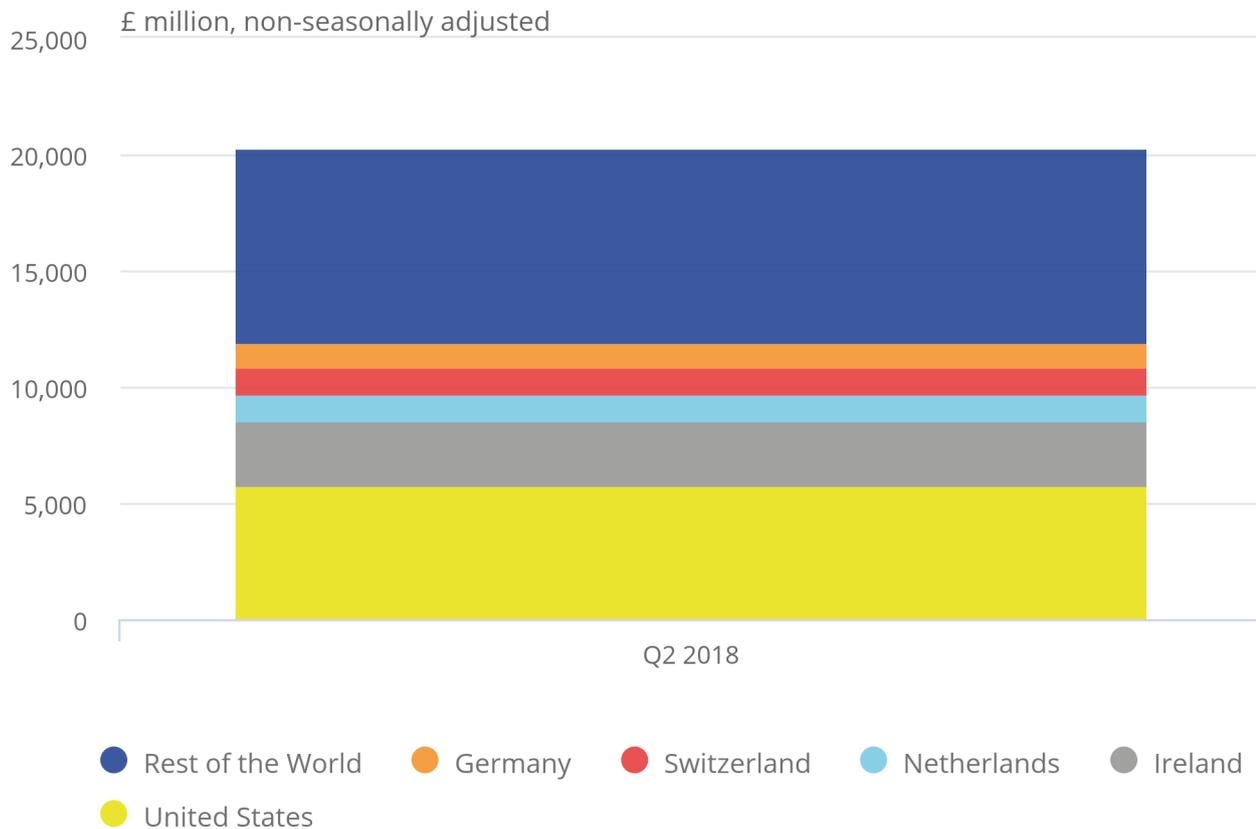
**Source: Office for National Statistics**

In Quarter 2 2018 the US was the largest export partner for other business services, accounting for 28.7%. The £5.8 billion export of other business services to the US was primarily driven by £2.0 billion of legal, accounting, management consulting and public relations.

Ireland was the second-largest export partner for other business services, followed by the Netherlands, Switzerland and Germany, as shown in Figure 3. The top five export partners accounted for 58.8% of total exports of other business services.

**Figure 3: Exports of other business services by partner country, Quarter 2 (Apr to June) 2018**

Figure 3: Exports of other business services by partner country, Quarter 2 (Apr to June) 2018



Source: Office for National Statistics

## 7. Imports of services in Quarter 2 (Apr to June) 2018 were higher than those reported in Quarter 1 (Jan to Mar) 2018

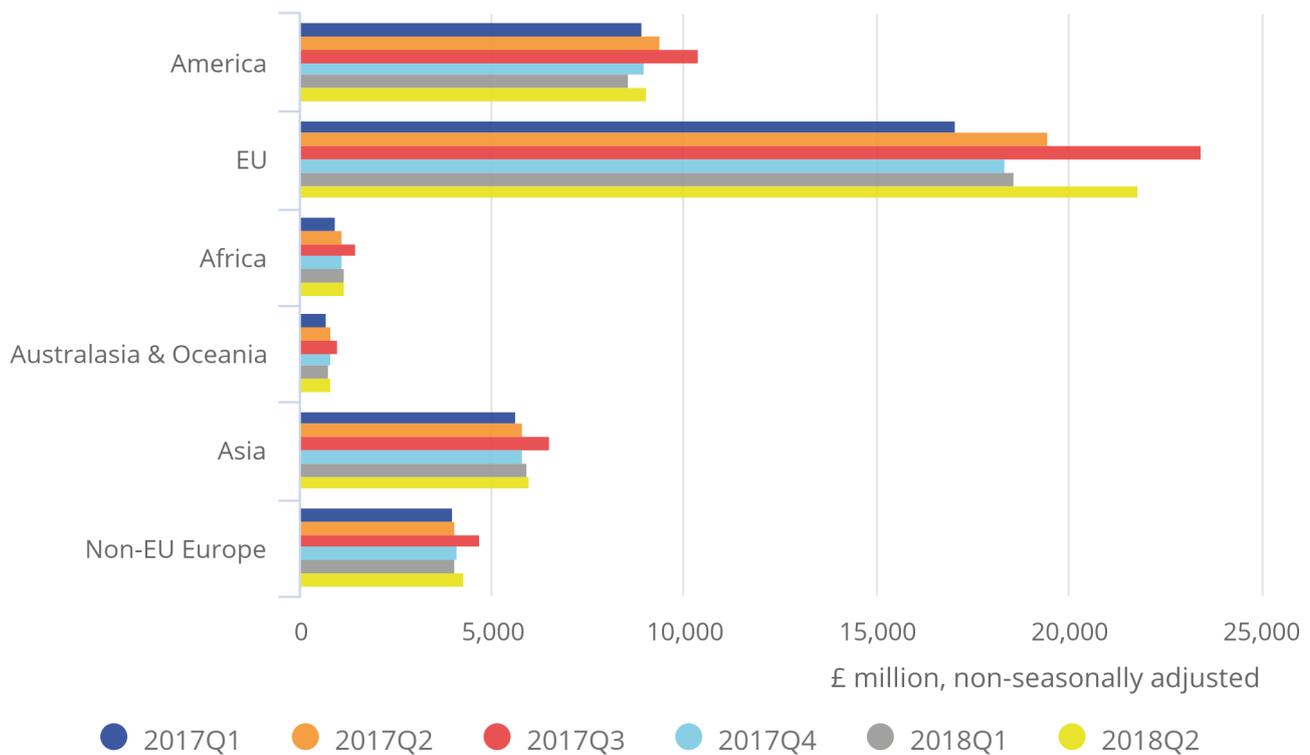
Imports of services increased in Quarter 2 (Apr to June) 2018 compared with Quarter 1 (Jan to Mar) 2018 for all geographical regions, except Africa which saw a small decrease. Of all the geographical regions presented in Figure 4, imports from the EU increased the most over the quarter from £18.6 billion to £21.8 billion; a rise of £3.2 billion. This increase was driven by imports of personal travel services from Spain of £0.7 billion.

Imports of travel covers goods and services provided to UK residents during visits abroad of less than one year, excluding students and medical patients who remain residents of their country of origin, even if the length of stay in another economy is more than a year.

Service imports from the Americas also increased in Quarter 2 2018; from £8.6 billion to £9.0 billion. The increase of £0.5 billion was mainly due to imports of travel services from the US.

**Figure 4: UK imports of services by geographical region, Quarter 1 (Jan to Mar) 2017 to Quarter 2 (Apr to June) 2018**

Figure 4: UK imports of services by geographical region, Quarter 1 (Jan to Mar) 2017 to Quarter 2 (Apr to June) 2018



**Source: Office for National Statistics**

**Notes:**

1. International organisations is not included within the geographical regions but can be found in the associated datasets.

Compared with the same quarter a year ago, imports from the EU saw the largest increase of £2.3 billion, rising from £19.5 billion in Quarter 2 2017 to £21.8 billion in Quarter 2 2018. Service imports from Ireland and Spain saw the largest increases of £0.5 billion and £0.4 billion respectively.

Imports from America saw the largest decrease of £0.4 billion in Quarter 2 2018 compared with Quarter 2 2017. Service imports of other business services not included elsewhere from the US decreased by £0.6 billion; going from £1.9 billion in Quarter 2 2017 to £1.3 billion in Quarter 2 2018.

## 8 . The 10 highest-value trading partners for services imports accounted for almost two-thirds of total service imports

The value of imports to the UK from the UK's top 10 import destinations increased in Quarter 2 (Apr to June) 2018 compared with Quarter 1 (Jan to Mar) 2018. The only exceptions were imports from Japan and India, which decreased by very small amounts.

The US remains the UK's largest import partner, accounting for £7.1 billion, or 16.5% of imports of services. The value of imports from Spain was the second highest, with imports from France the third highest. Imports from Spain and France were equivalent to 9.1% and 8.0% of total UK services imports, as shown in Table 4. The top three countries accounted for 33.6% of all UK services imports.

Table 4: Largest import partner countries, Quarter 2 (Apr to June) 2017 to Quarter 2 2018, UK

Country	£ million					Cumulative percentages of total services imports	
	Q2 2017	Q3 2017	Q4 2017	Q1 2018	Q2 2018	Q2 2017	Q2 2018
United States	7,687	8,003	7,036	6,946	7,121	18.9	16.5
Spain	3,530	4,591	3,087	3,172	3,915	27.6	25.6
France	3,173	3,553	2,967	2,943	3,426	35.4	33.6
Germany	2,186	2,679	2,201	2,074	2,467	40.8	39.3
Ireland	1,769	2,223	1,780	1,690	2,237	45.1	44.5
Netherlands	1,438	1,566	1,376	1,558	1,628	48.6	48.3
Italy	1,310	1,656	1,204	1,259	1,462	51.9	51.7
Japan	1,153	1,278	1,278	1,167	1,163	54.7	54.4
India	775	874	728	1,069	1,067	56.6	56.9
Switzerland	980	1,108	929	948	1,031	59.0	59.3
Rest of the World	16,674	20,065	16,651	16,207	17,545	100.0	100.0

Source: Office for National Statistics

### Notes

1. Quarter 1 is January to March, Quarter 2 is April to June, Quarter 3 is July to September and Quarter 4 is October to December. [Back to table](#)

When compared with the same quarter a year ago, the US saw a decrease in service imports to the UK of 7.4% in Quarter 2 2018. This was primarily driven by falls in imports of other business services not included elsewhere of £0.6 billion.

Of the top 10 countries, Ireland and Spain saw the largest value increase compared with the same quarter a year ago; £0.5 billion and £0.4 billion respectively.

## 9 . Imports of travel services in Quarter 2 2018 accounted for 35.9% of total UK imports

Travel was the largest service type import accounting for 35.9% of total imports in Quarter 2 (Apr to June) 2018. Imports of travel services has seen a 34.6% increase in Quarter 2 2018 compared with Quarter 1 (Jan to Mar) 2018.

Users should note that this data shows the seasonal trends throughout the year with the majority of imports of travel seen in Quarter 2 and Quarter 3. Travel covers goods and services provided to UK residents during visits abroad of less than one year, excluding students and medical patients who remain residents of their country of origin, even if the length of stay in another economy is more than a year. Transport to and from the UK is excluded from travel and shown as passenger services under transportation.

Table 5: Largest service type imports, Quarter 2 (Apr to June) 2017 to Quarter 2 2018, UK

Service type	£ million					Cumulative percentages of total services imports	
	Q2 2017	Q3 2017	Q4 2017	Q1 2018	Q2 2018	Q2 2017	Q2 2018
Travel	13,774	19,339	11,712	11,482	15,454	33.9	35.9
Other Business Services	9,611	9,758	9,616	9,235	8,652	57.5	56.0
Transportation	5,446	6,168	5,261	5,807	6,083	70.9	70.1
Financial	3,697	3,853	3,967	4,103	4,193	80.0	79.8
Telecommunications, computer and information services	2,782	2,839	2,856	2,956	3,075	86.8	87.0
Other service types	5,365	5,639	5,825	5,450	5,605	100.0	100.0

Source: Office for National Statistics

### Notes

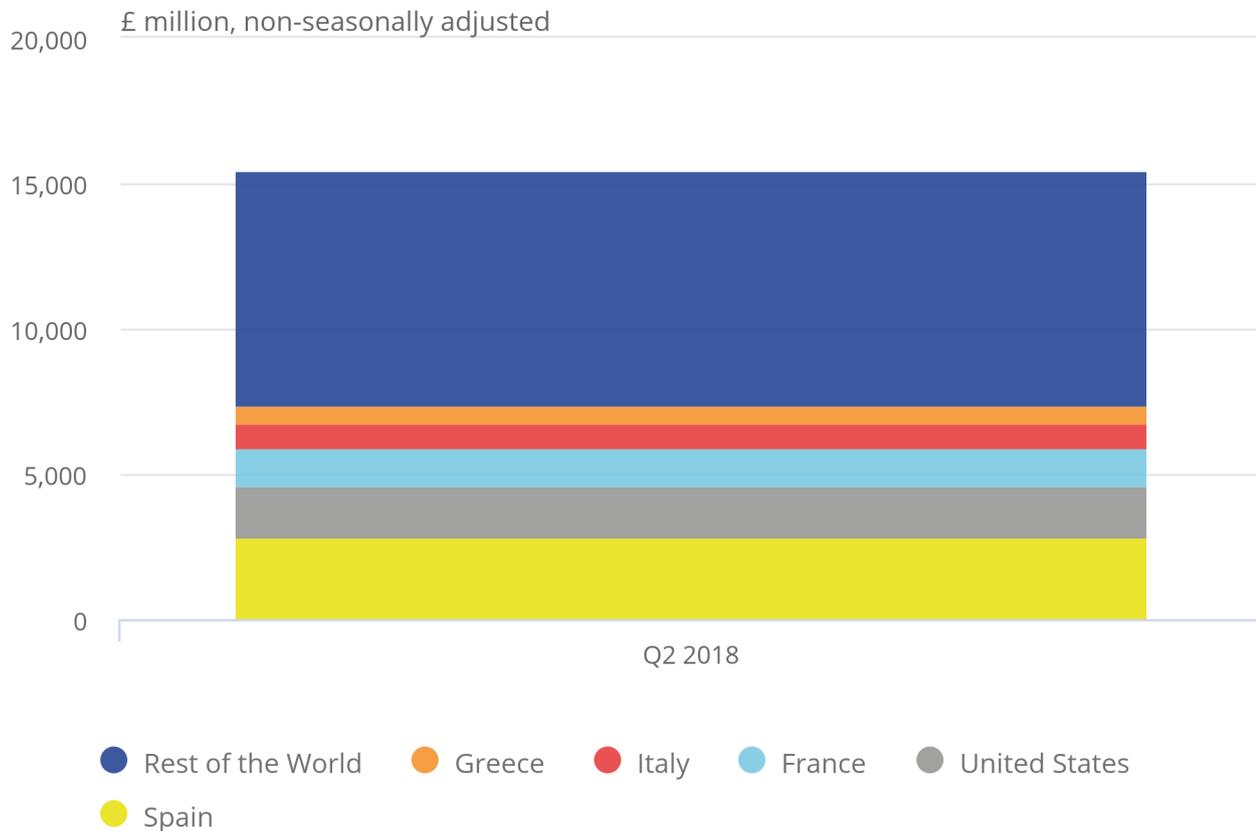
1. Quarter 1 is January to March, Quarter 2 is April to June, Quarter 3 is July to September and Quarter 4 is October to December. [Back to table](#)

In Quarter 2 2018, Spain was the largest import partner for travel services, accounting for 18.5% of total travel services imported. The £2.9 billion imports of travel to Spain was predominantly from £2.5 billion of personal travel.

The US is the second-largest import partner of travel services, followed by France, Italy and Greece. The top five import partners accounted for 47.7% of total imports of travel services.

Figure 5: Imports of travel by partner country, Quarter 2 (Apr to June) 2018

Figure 5: Imports of travel by partner country, Quarter 2 (Apr to June) 2018



Source: Office for National Statistics

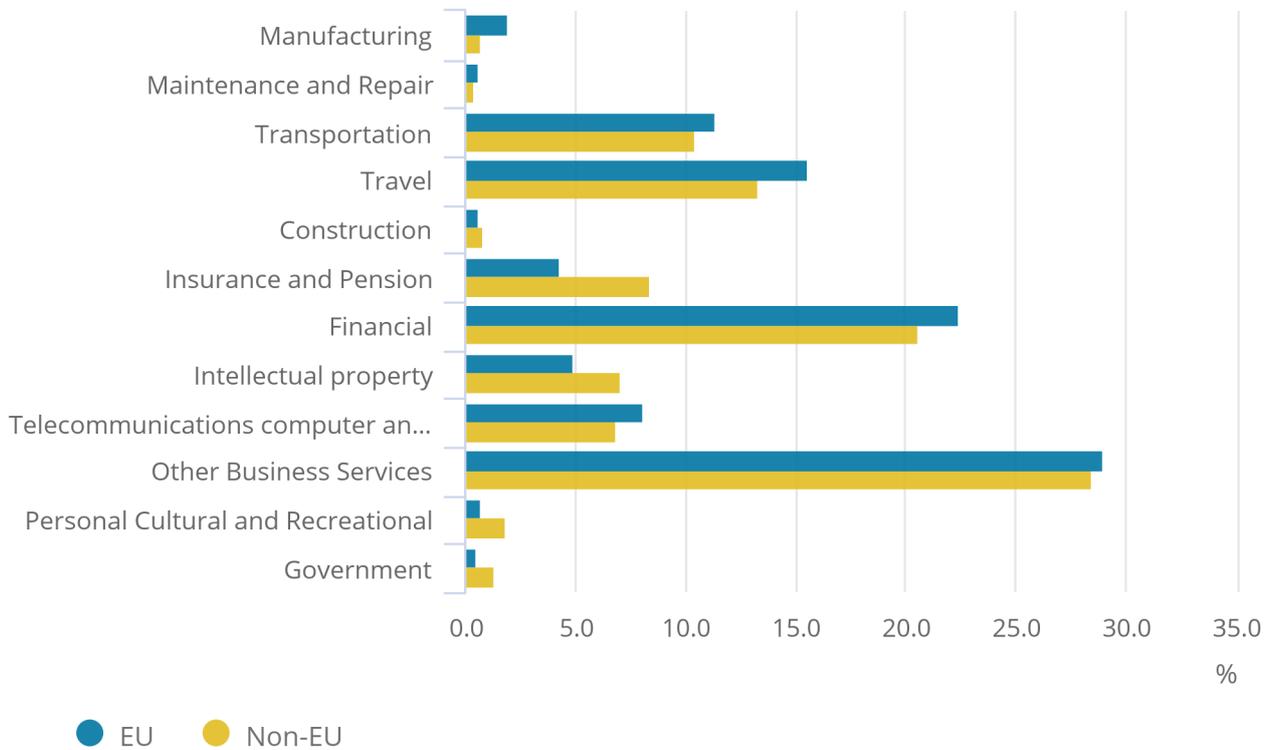
## 10 . In 2017 exports to EU and non-EU countries were similar for top-level service types

In 2017 other business services was the largest export service type for both EU and non-EU countries; 29.0% and 28.4% respectively of their total exports, seen in Figure 6. Within other business services, other business services not included elsewhere is the predominant service type for both EU and non-EU countries, followed by legal, accounting, management consulting and public relations.

Financial services were the second-largest export service type for both EU and non-EU countries, making up 22.4% of EU exports and 20.6% of exports to non-EU countries; this was driven by explicitly charged and other financial services.

**Figure 6: Proportion of exports to EU and non-EU countries by 1-digit service type, 2017**

Figure 6: Proportion of exports to EU and non-EU countries by 1-digit service type, 2017



**Source: Office for National Statistics**

When comparing 2017 with the previous year, exports of services to Ireland increased by £3.1 billion, driven by other business services not included elsewhere. Exports to the US increased by £2.3 billion, which can be attributed to a few service types, primarily financial services, transportation and travel.

Table 6: Largest export partner country value changes in 2017 compared with 2016, UK

	£ million		%	
	2016	2017	Value change	Percentage change
Ireland	12357	15414	3057	24.7
United States	53837	56183	2346	4.4
Netherlands	14977	17287	2310	15.4
Germany	17431	19013	1582	9.1
France	15745	17320	1575	10.0

Source: Office for National Statistics

#### Notes

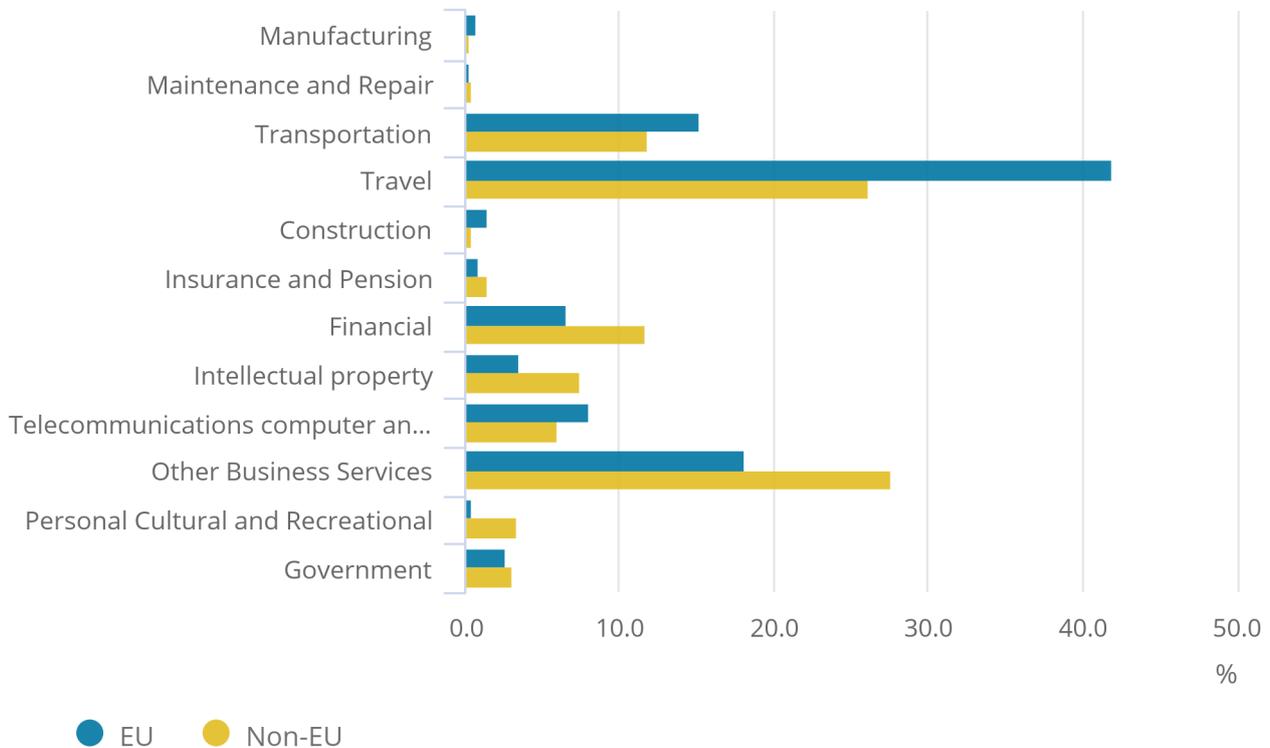
1. United States including Puerto Rico. [Back to table](#)

## 11 . In 2017 travel was the biggest import to the EU whereas other business services was the biggest import to non-EU countries

For imports of services, EU and non-EU countries share the same top two service types of travel and other business services but in a different order. Travel was the EU's largest service type import making up 42.0% of total imports from the EU. For non-EU countries, other business services was the largest service type with 27.6% of total non-EU imports, seen in Figure 7.

**Figure 7: Proportion of imports from EU and non-EU countries by 1-digit service type, 2017**

Figure 7: Proportion of imports from EU and non-EU countries by 1-digit service type, 2017



Source: Office for National Statistics

Imports of services to the US has also increased by £1.3 billion in 2017 when compared with the previous year. Other business services not included elsewhere accounted for £0.7 billion of this increase.

Service imports from Malaysia saw a 111.4% increase; from £0.7 billion in 2016 to £1.4 billion in 2017. This was primarily driven by an increase in other business services not included elsewhere.

Table 7: Largest import partner country value changes in 2017 compared with 2016, UK

	£ million		%	
	2016	2017	Value change	Percentage change
United States	28220	29551	1331	4.7
Japan	3691	4971	1280	34.7
Bermuda	999	2048	1049	105.0
Malaysia	683	1444	761	111.4
Guernsey	1771	1071	-700	-39.5

Source: Office for National Statistics

#### Notes

1. United States including Puerto Rico. [Back to table](#)

## 12 . Explore the new trade in services data with our interactive tools

We have produced some interactive tools to help explore the data. At this stage we are unable to include the country by service type element but will look to develop these further for future releases.

Select a country by hovering over it or using the drop-down menu.

What about trade in a particular service type?

Use our interactive tools to understand UK trade of a particular service type.

Click through the levels to explore the data and see the proportion we traded with the EU.

What questions do you have about the new data? Do you find these tools helpful? Please email [trade@ons.gov.uk](mailto:trade@ons.gov.uk) with your comments.

## 13 . Quality and Methodology

Trade in services covers export and import activity across 12 categories:

- manufacturing
- maintenance and repair services
- transportation
- travel
- construction
- insurance and pension
- financial
- intellectual property
- telecommunications services
- other business services
- personal, cultural and recreational
- government

Trade in services statistics are derived from a variety of sources, though the International Trade in Services (ITIS) Survey and the International Passenger Survey (IPS) form the bulk of these data.

Detailed methodological notes are published in the [UK Balance of Payments, The Pink Book 2018](#).

The [UK trade methodology web pages](#) have been developed to provide detailed information about the methods used to produce UK trade statistics.

The [UK trade Quality and Methodology Information report](#) contains important information on:

- the strengths and limitations of the data and how it compares with related data
- uses and users of the data
- how the output was created
- the quality of the output including the accuracy of the data

The ONS's Data Science Campus designed and built a tool that aids the production of more granular output tables for trade in services. These tables are broken down by type of service and country. The tool assesses the most granular level it is possible to publish, given the requirements of quality and disclosure control.