

Article

UK trade with China: 2021

A closer look at the goods and services the UK trades with China.

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1. Main points

- In 2021, China was the UK's largest import partner and sixth-largest export partner for goods.
- The UK imported £63.6 billion of goods from China in 2021 (13.3% of all goods imports to the UK) and exported £18.8 billion of goods (5.8% of all goods exports from the UK).
- The main goods import from China in 2021 was machinery and transport equipment (£27.5 billion), primarily office machinery and telecoms and sound equipment; machinery and transport equipment was also the main goods export (£7.7 billion).
- In 2021, the UK imported £2.5 billion of services from China (1.4% of all services imports) and exported £8.2 billion of services (2.7% of all services exports).
- The main services import from China was other business services (£1.1 billion), while the main services export was travel (£2.8 billion), specifically personal travel.
- China is one of the UK's largest trading partners, accounting for £93.0 billion (7.3%) of the UK's total trade in 2021.
- The UK had a £39.1 billion trade deficit with China in 2021, which means we imported more than we exported; we had a £44.8 billion trade deficit in goods which was offset by a £5.7 billion surplus in services.

2. UK trade in goods with China

In 2021, the UK imported £63.6 billion of goods from China. This accounted for 13.3% of all goods imports, making China our largest importing partner. There were £18.8 billion of goods exports to China (5.8% of all goods exports), making China our sixth-largest exporting partner.

The UK imported £27.5 billion of machinery and transport equipment from China in 2021 (Figure 1), accounting for 17.5% of all imports of this commodity. The imports of machinery and transport equipment were primarily office machinery which includes items such as laptops and computers, and telecoms and sound equipment which includes mobile phones and smartphones (Table 1).

The UK imported £17.9 billion of miscellaneous manufactures from China in 2021, accounting for 26.2% of all imports of this commodity. This consisted of consumer manufactures (£5.5 billion), which includes video games consoles, exercise equipment and toys; while clothing accounted for £3.5 billion of the miscellaneous manufactures imports.

The main exports from the UK to China in 2021 were machinery and transport equipment (£7.7 billion) and fuels (£4.0 billion). Cars accounted for £3.6 billion of the machinery and transport equipment exports; 15.3% of the UK's total exports of cars in 2021. The fuel exports were almost entirely crude oil (£3.9 billion), making up 22.1% of all UK exports of crude oil in 2021.

Figure 1: The main commodity imported from and exported to China in 2021 was machinery and transport equipment

Trade in goods with China by commodity type, imports and exports

Download the data

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Table 1: Office machinery was the most imported commodity from China in 2021 Trade in goods with China by detailed commodity type, top five imports and exports, 2021

Imports			Exports			
Commodity	Value (£bn)	Percentage of commodity	Commodity	Value (£bn)	Percentage of commodity	
Office machinery (capital)	6.8	51.1%	Crude oil	3.9	22.1%	
Telecoms and sound equipment (capital)	6.7	41.1%	Cars	3.6	15.3%	
Other manufactures (consumer)	5.5	39.5%	Medicinal and pharmaceutical products	1.6	7.4%	
Other chemicals	4.0	38.7%	Non-ferrous metals	1.1	7.0%	
Clothing	3.5	20.8%	Mechanical power generators (intermediate)	0.7	3.4%	

Source: Office for National Statistics - UK trade statistics, current prices, non-seasonally adjusted

3. UK trade in services with China

In 2021, the UK imported £2.5 billion of services from China (1.4% of all services imports), making China our 17th-largest importing partner. Over the same period there were £8.2 billion of services exports to China (2.7% of all services exports), making China our seventh-largest exporting partner.

The main service type imported from China in 2021 was other business services (Figure 2), with imports of £1.1 billion, while financial services (£0.4 billion) were the next largest services import. Specifically, this was explicitly charged and other financial services (Table 2). This service type includes fund managers and monetary financial institutions and refers to explicit fees and commissions that do not require special calculation, for example, early and late repayment fees and account charges.

Travel (£2.8 billion) was the largest services export to China in 2021, accounting for 17.1% of all UK imports of this service type. This was almost entirely personal travel. Transportation and other business services each accounted for £1.4 billion of services exports from China in 2021. The transportation exports were primarily sea transportation (£1.0 billion), while other business services exports mainly consisted of architectural, engineering and scientific services as well as those other business services not included in other categories.

Figure 2: Travel was the primary services export to China in 2021

Trade in goods with China by service type, imports and exports

Download the data

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Table 2: Personal was the main service type exported to China in 2021 Trade in services with China by detailed service type, top 5 imports and exports

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Imports			Exports		
Service type	Value (£bn)	Percentage of service type	Service type	Value (£bn)	Percentage of service type
Other business services not included elsewhere	0.5	1.4%	Personal travel	2.8	19.0%
Explicitly charged and other financial services	0.4	3.0%	Sea transportation	1.0	11.7%
Direct insurance	0.3	12.6%	Explicitly charged and other financial services	0.9	1.7%
Professional and management consulting services	0.2	0.8%	Architectural, engineering, scientific and other technical services	0.5	5.2%
Services between affiliated enterprises not included elsewhere	0.2	0.9%	Other business services not included elsewhere	0.3	0.7%

Source: Office for National Statistics - UK trade statistics, current prices, non-seasonally adjusted

4. UK trade in goods with China interactive content

Use our interactive map to get a better understanding of what goods the UK traded with China in 2021. You can explore the full data, which break down UK trade in goods with 234 countries by 125 commodities, using our interactive tools. Select a country by hovering over it or using the drop-down menu.

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You can also explore the 2021 trade in goods data by commodity, such as office machinery imports from and crude oil exports to China.

Select a commodity from the drop-down menu or click through the levels to explore the data.

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5. UK trade data

Trade in goods: country-by-commodity imports

Dataset | Released 12 May 2022

Monthly import country-by-commodity data on the UK's trade in goods, including trade by all countries and selected commodities, non-seasonally adjusted.

Trade in goods: country-by-commodity exports

Dataset | Released 12 May 2022

Monthly export country-by-commodity data on the UK's trade in goods, including trade by all countries and selected commodities, non-seasonally adjusted.

UK trade in services: service type by partner country, non-seasonally adjusted

Dataset | Released 28 April 2022

Quarterly estimates of service type by partner country, non-seasonally adjusted.

6. Glossary

Exports

Goods or services sold to other countries, the opposite of imports.

Imports

Purchases of foreign goods and services, the opposite of exports.

Total trade

The value of total trade between two trading partners (that is, exports plus imports).

Trade balance

The trade balance is the difference between exports and imports or exports minus imports. When the value of exports is greater than the value of imports, the trade balance is in surplus. When the value of imports is greater than the value of exports, the trade balance is in deficit.

Precious metals and non-monetary gold

Precious metals include precious metals, silver, platinum and palladium, and it forms part of the commodity group "unspecified goods". Non-monetary gold comprises the majority of this group and is the technical term for gold bullion not owned by central banks.

7. Data sources and quality

Data within this article are in current prices, which means they have not been adjusted to remove the effects of inflation.

Data sources

Trade is measured through both exports and imports of goods and services. Data are supplied by over 30 sources including several administrative sources.

Data from the quarterly International Trade in Services (ITIS) Survey make up over 50% of trade in services data and data from the International Passenger Survey (IPS) are the main source for travel services, making up around 8% of total trade.

Data from HM Revenue and Customs (HMRC) make up over 90% of trade in goods value and are the main source. View the <u>UK trade QMI</u> for more detail on data sources and methods.

Methods

More quality and methodology information on strengths, limitations, appropriate uses, and how the data were created is available in the <u>UK trade QMI</u>.

For more information about our methods and how we compile these statistics, please see <u>Trade in goods, country-by-commodity experimental data: 2011 to 2016</u>. Users should note that the data published alongside this release are no longer experimental.

These data are our best estimate of these bilateral UK trade flows. Users should note that alternative estimates are available, in some cases, via the statistical agencies for bilateral countries or through central databases such as <u>UN Comtrade</u>.

The interactive charts in <u>Section 4</u> denote country boundaries in accordance with statistical classifications set out within Appendix 4 of the <u>Balance of Payments (BoP) Vademecum (PDF, 1.1MB)</u> and does not represent the UK policy on disputed territories.

8. Future developments

This article is the third in a collection of <u>Focus on UK trade articles</u>, with another future article planned on UK imports of fuels.

9. Related links

UK trade: March 2022

Bulletin | Released 12 May 2022

Total value of UK exports and imports of goods and services in current prices, chained volume measures and implied deflators.

What did the UK trade with Ukraine in 2021?

Article | Released 30 March 2022

A closer look at the goods and services the UK trades with Ukraine.

UK trade with Russia: 2021

Article | Released 22 March 2022

A closer look at the goods and services the UK trades with Russia.

World trade explorer

Interactive | Updated 27 April 2020

Use our interactive to understand how the UK trades with the rest of the world.

Trade and investment factsheets

Factsheet | Last updated 18 May 2022

A full set of country trade and investment factsheets covering UK trade in goods and services and foreign direct investments from the Department for International Trade (DIT). The timings of data included may be different across publications.