

Economic Development Committee

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| Date: | 1 November 2000 |
| Venue: | Committee Room 2, National Assembly Building |
| Title: | Economic Development Minister's report to the Economic Development Committee. New regional trade data |

1. On 26 October Customs and Excise published figures for the value of exports in the second quarter of this year from each region of the UK. These figures have only been published since the beginning of 1999, and are **not** seasonally adjusted.

Main Points

- The value of exports from **Wales** to countries **outside the EU** were £15m (3.6 per cent) higher in 2000 Q2 than the same quarter a year earlier. The value of **UK exports outside the EU** over the same period rose by 26 per cent.
- The value of exports from **Wales** to the **EU** were £99m higher (9.6 per cent) in Q2 2000 than in the same quarter a year earlier. The value of **UK exports to the EU** over the same period rose by 14.6 per cent.

2. [For latest quarter on previous quarter both figures for Wales were very slightly down, but since the numbers are not seasonally adjusted they are not comparable quarter on quarter.]

Comment

3. Despite the weak Euro, UK trade has been holding up well, with the value of exports to the EU rising over the year to the second quarter, by 14.6 per cent. The pound has in fact fallen relative to the dollar and the yen over this period, giving a competitive boost to UK trade, and the value of exports to countries outside the EU (42 per cent of the value of UK exports) has risen by 26 per cent.
4. The value of exports from Wales has increased but by proportionately less than in the UK as a whole. A smaller proportion of Welsh exports go outside the EU (28 per cent) than for the UK as a whole, so Wales is relatively more affected by the euro-sterling exchange rate. But this alone is **not** sufficient to explain Welsh performance, which has been below the UK

average in both EU and non-EU markets. However it should be borne in mind that these are relatively new statistics so we have no substantial period to make historical comparisons or assess how variable regional export performance can be over periods as short as a year.