TRADE SNAPSHOT

Q3 2021

EXPORTS

- Exports are a strong contributor to food and drink industry growth. However, the new trading relationship with the EU and COVID-19 continue to impact UK exports, with sales in Q3 down 13.5% compared to 2019.
- In the nine months to September, food and drink exports fell 4.1% compared to 2020 and 15.9% compared to pre-COVID 2019 levels - a loss of £2.7bn.
- This was largely driven by a drop in sales to the EU of 13.9% compared to 2020 and 23.7% compared to 2019 - a loss of £2.4bn. Exports to Ireland, Germany, Italy and Spain were particularly badly hit, continuing the trend seen over the last four years.
- Exports to Ireland, the UK's biggest overseas market, fell 21.2% compared to 2020 and 25.1% compared to 2019 - a loss of nearly £0.75bn in sales.
- Exports of whisky and salmon were both up around 21% from 2020 levels. All other major products were down, with the exception of soft drinks which grew 11% from 2020.
- More positively, sales to non-EU markets grew 11% compared to 2020, driven by a return to strong growth in China, Canada, Singapore, Japan and the Gulf.

Data Sources: Her Majesty's Customs & Excise

KEY INDICATORS

	Q3 2021	Change 2019-2021	Change 2020-2021	YTD 2021	Change 2019-2021	Change 2020-2021
All food & drink	£5.3bn	-13.5%	-3.5%	£14.5bn	-15.9%	-4.1%
EU	£3.0bn	-16.9%	-10.5%	£7.9bn	-23.7%	-13.9%
Non-EU	£2.3bn	-8.7%	7.5%	£6.6bn	-4.2%	11.1%
EU share	56.6%	-2.3pp	-4.5pp	54.6%	-5.5pp	-6.2pp
Non-EU share	43.4%	2.3pp	4.5pp	45.4%	5.5pp	6.2pp
Trade balance	-£5.8bn	-13.0%	2.0%	-£17.8bn	-4.1%	3.9%

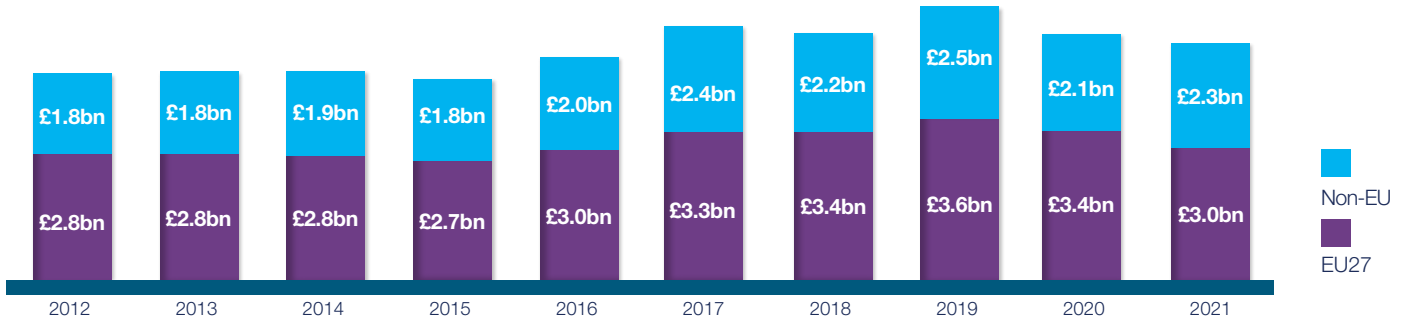
TOP 10 EXPORT PRODUCTS

	YTD 2019	YTD 2020	YTD 2021	Change 2019-2021	Change 2020-2021
Whisky	£3.7bn	£2.7bn	£3.3bn	-11.0%	21.0%
Salmon	£607.1m	£470.9m	£568.3m	-6.4%	20.7%
Chocolate	£568.0m	£537.4m	£527.9m	-7.1%	-1.8%
Pork	£398.6m	£452.3m	£426.6m	7.0%	-5.7%
Cheese	£522.0m	£462.4m	£401.2m	-23.1%	-13.2%
Gin	£513.7m	£431.2m	£386.3m	-24.8%	-10.4%
Soft drinks	£340.9m	£324.4m	£361.6m	6.1%	11.5%
Breakfast cereals	£370.0m	£378.4m	£355.6m	-3.9%	-6.0%
Wine	£491.8m	£359.5m	£334.8m	-31.9%	-6.9%
Beef	£426.1m	£380.0m	£309.9m	-27.3%	-18.4%

TOP 20 EXPORT MARKETS

	YTD 2021	Change 2019-2021	Change 2020-2021
Ireland	£2.2bn	-25.1%	-21.2%
France	£1.6bn	-4.7%	14.2%
United States	£1.4bn	-18.7%	-1.2%
Netherlands	£1.1bn	-12.6%	-3.5%
China	£630.9m	13.4%	22.1%
Germany	£595.5m	-44.5%	-38.6%
Belgium	£431.8m	-17.7%	1.2%
Spain	£363.5m	-50.6%	-26.3%
Australia	£302.5m	-9.3%	-6.0%
Poland	£290.1m	-8.2%	-10.9%
Canada	£271.9m	5.8%	0.7%
Singapore	£266.3m	-10.5%	5.4%
Hong Kong	£256.4m	-9.5%	1.1%
Italy	£243.2m	-43.3%	-28.9%
UAE	£217.6m	-3.5%	18.3%
Japan	£211.5m	-9.0%	10.6%
Norway	£206.9m	44.2%	4.2%
Taiwan	£205.6m	0.2%	21.8%
Sweden	£182.6m	-16.3%	-6.5%
Denmark	£166.7m	-31.0%	-20.0%

Q3 EXPORTS



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FIDEA
Food & Drink Exporters Association

TRADE SNAPSHOT

Q3 2021

IMPORTS

- The new trading relationship with the EU and COVID-19 have had similar impacts for imports of food and drink, with imports in Q3 down 5.9% compared to 2019.
- In the nine months to September, imports were down 4% compared to 2020 and 5.9% compared to pre-COVID in 2019 - a fall of £2bn.
- This was driven by a large drop in imports from the EU of 8.4% compared to 2020 and 10.8% compared to 2019 - a decline of more than £2.5bn in two years.
- Imports from the Netherlands, Ireland and Germany have been hardest hit over the last two years, while France has seen a small increase of 1.7% since 2020.
- Imports of products of animal origin have been most heavily impacted, with the exception of beef which has seen an increase of 6.1% since 2020.
- Imports from non-EU markets have increased 5.5% since 2020. Notably, imports from Norway have doubled, while Brazil, Argentina, India, Turkey and Canada have all seen strong growth since 2019.

Data Sources: Her Majesty's Customs & Excise

KEY INDICATORS

	Q3 2021	Change 2019-2021	Change 2020-2021	YTD 2021	Change 2019-2021	Change 2020-2021
All food & drink	£11.1bn	-1.4%	-2.6%	£32.3bn	-5.9%	-4.0%
EU	£7.4bn	-5.7%	-6.3%	£21.0bn	-10.8%	-8.4%
Non-EU	£3.8bn	8.1%	5.6%	£11.3bn	4.7%	5.5%
EU share	66.1%	-3.0pp	-2.6pp	65.0%	-3.6pp	-3.2pp
Non-EU share	33.9%	3.0pp	2.6pp	35.0%	3.6pp	3.2pp

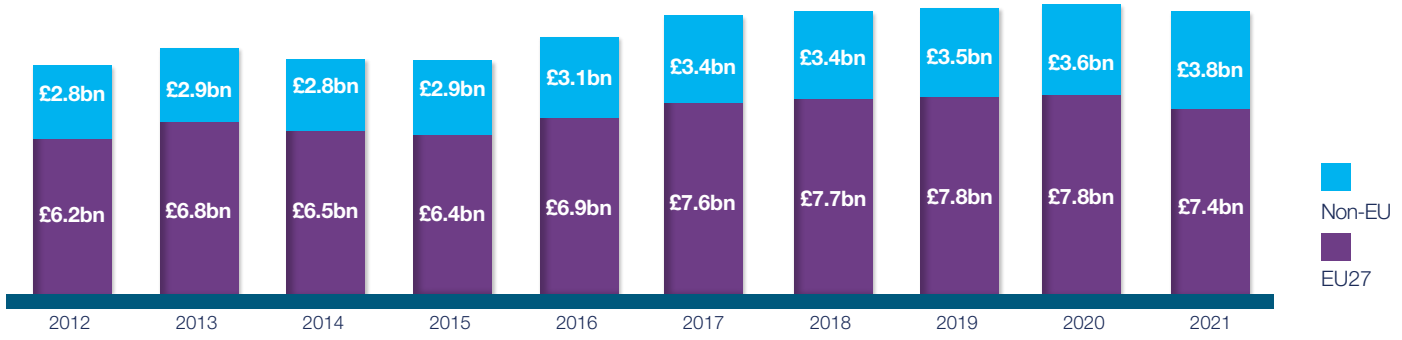
TOP 10 IMPORT PRODUCTS

	YTD 2019	YTD 2020	YTD 2021	Change 2019-2021	Change 2020-2021
Fruit	£3.2bn	£3.2bn	£3.0bn	-5.6%	-5.2%
Wine	£2.3bn	£2.3bn	£2.3bn	-1.0%	2.2%
Vegetables	£2.0bn	£2.0bn	£1.9bn	-6.2%	-4.8%
Chocolate	£1.2bn	£1.2bn	£1.2bn	6.8%	3.9%
Chicken	£1.6bn	£1.4bn	£1.2bn	-22.7%	-13.3%
Pork	£1.4bn	£1.4bn	£1.1bn	-19.9%	-16.4%
Cheese	£1.3bn	£1.2bn	£1.0bn	-17.2%	-14.5%
Savoury snacks	£1.0bn	£1.0bn	£968.3m	-5.7%	-5.6%
Vegetable oils	£844.1m	£862.5m	£950.0m	12.5%	10.1%
Beef	£838.9m	£807.7m	£856.8m	2.1%	6.1%

TOP 20 IMPORT MARKETS

	YTD 2021	Change 2019-2021	Change 2020-2021
Netherlands	£3.1bn	-19.0%	-13.9%
France	£2.9bn	-6.7%	1.7%
Ireland	£2.6bn	-20.1%	-16.4%
Spain	£2.3bn	-6.3%	-7.0%
Germany	£2.2bn	-33.1%	-30.1%
Italy	£2.1bn	4.7%	2.0%
Belgium	£1.9bn	4.6%	7.3%
Poland	£1.4bn	14.3%	6.9%
United States	£885.9m	-17.5%	-10.5%
Denmark	£778.1m	-14.6%	-13.0%
Brazil	£616.7m	27.9%	1.6%
South Africa	£597.3m	6.2%	-1.2%
Argentina	£592.1m	37.2%	18.3%
China	£570.6m	-11.3%	-9.4%
Thailand	£496.8m	-18.1%	-11.1%
India	£489.2m	12.2%	13.9%
Turkey	£430.3m	21.1%	11.5%
Norway	£427.9m	102.8%	156.0%
Canada	£388.5m	11.1%	29.1%
New Zealand	£380.9m	-16.4%	-17.8%

Q3 IMPORTS



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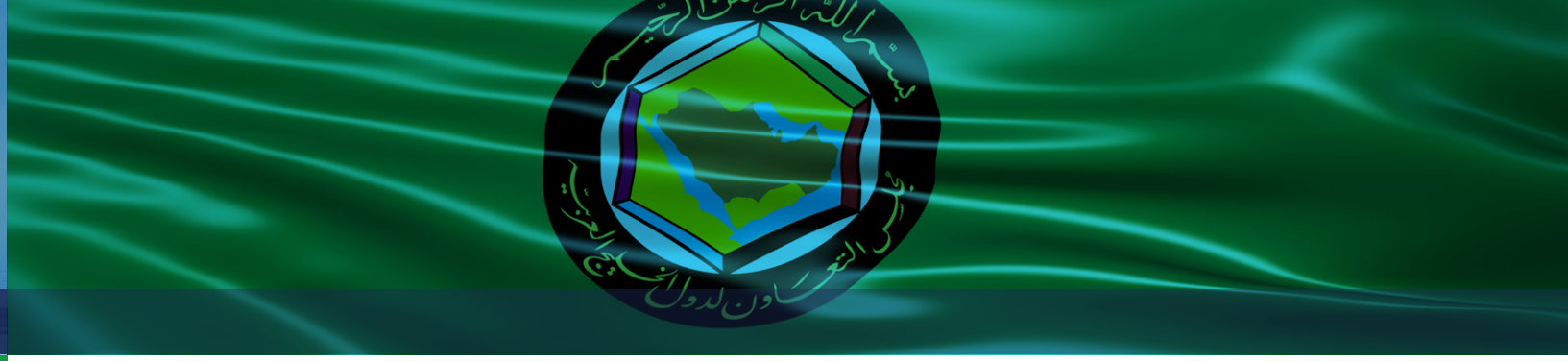
TRADE SNAPSHOT

Q3 2021



GULF COOPERATION COUNCIL (GCC)

- The Gulf Cooperation Council (GCC) is a political and economic union of six Gulf states. Exports to GCC countries increased 6% since 2020 to £451m driven by strong growth to the UAE.
- Exports to the UAE have returned to growth, and are up 18.3% since 2020. Saudi Arabia and Kuwait have seen the strongest performance since 2019, rising 9.4% and 8.3% respectively.
- Sales of whisky have improved in the last year, with growth of 39.3%. However exports are still down 29.6% on pre-COVID levels from 2019.
- Exports of UK chocolate have been a major driver of export growth, with sales up nearly three quarters since 2019, with strong growth in Saudi Arabia, UAE and Kuwait.
- There remains strong potential for further export growth to GCC countries. A comprehensive trade agreement that removes costly tariffs and non-tariff barriers could unlock valuable opportunities for UK manufacturers.

EXPORTS TO GCC COUNTRIES

	YTD 2019	YTD 2020	YTD 2021	Change 2019-2021	Change 2020-2021
GCC Total	£466.3m	£426.0m	£451.4m	-3.2%	6.0%
UAE	£225.4m	£184.0m	£217.6m	-3.5%	18.3%
Saudi Arabia	£122.0m	£133.2m	£133.5m	9.4%	0.3%
Kuwait	£33.7m	£37.5m	£36.5m	8.3%	-2.8%
Qatar	£47.2m	£38.8m	£35.2m	-25.4%	-9.4%
Bahrain	£19.1m	£17.1m	£15.3m	-19.5%	-10.3%
Oman	£19.0m	£15.4m	£13.3m	-30.1%	-14.0%

TOP 5 EXPORTS TO GCC COUNTRIES

	YTD 2019	YTD 2020	YTD 2021	Change 2019-2021	Change 2020-2021
Breakfast cereals	£59.7m	£65.9m	£63.2m	5.9%	-4.0%
Whisky	£85.3m	£43.1m	£60.1m	-29.6%	39.3%
Chocolate	£31.2m	£40.6m	£54.0m	72.8%	33.0%
Sweet biscuits	£24.7m	£21.2m	£22.9m	-7.4%	7.8%
Oats	£11.9m	£13.8m	£14.3m	20.6%	3.4%

TOP 3 EXPORTS TO UAE

	YTD 2019	YTD 2020	YTD 2021	Change 2019-2021	Change 2020-2021
Whisky	£68.9m	£37.7m	£55.5m	-19.5%	47.3%
Breakfast cereals	£24.5m	£25.1m	£28.4m	16.2%	13.5%
Chocolate	£11.9m	£11.1m	£15.1m	26.3%	35.4%

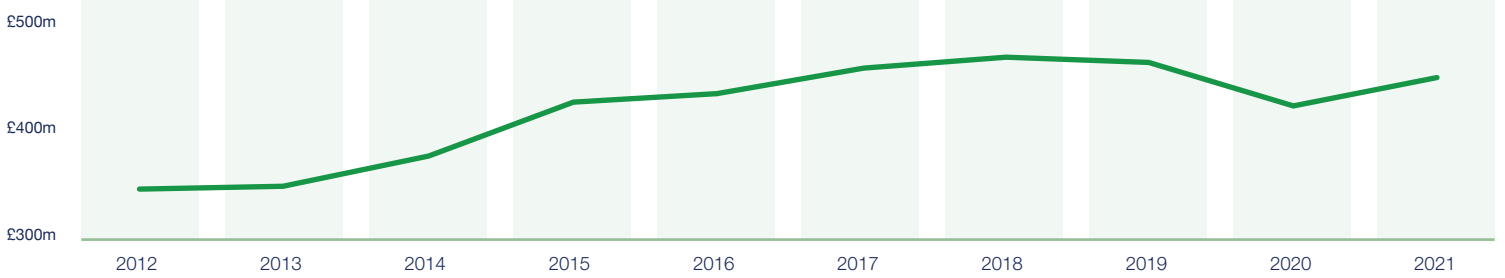
TOP 3 EXPORTS TO SAUDI ARABIA

	YTD 2019	YTD 2020	YTD 2021	Change 2019-2021	Change 2020-2021
Chocolate	£10.9m	£20.4m	£28.9m	166.4%	41.8%
Breakfast cereals	£17.5m	£19.9m	£16.9m	-3.3%	-14.8%
Oats	£7.1m	£9.2m	£10.2m	43.6%	10.6%

TOP 3 EXPORTS TO KUWAIT

	YTD 2019	YTD 2020	YTD 2021	Change 2019-2021	Change 2020-2021
Breakfast cereals	£6.1m	£8.9m	£6.8m	11.0%	-24.1%
Chocolate	£3.8m	£4.8m	£4.8m	27.1%	1.7%
Sweet biscuits	£3.8m	£3.1m	£2.9m	-25.1%	-6.8%

YTD EXPORTS TO GCC COUNTRIES



Data Sources: Her Majesty's Customs & Excise

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TRADE SNAPSHOT

Q3 2021

ASSOCIATION OF SOUTHEAST ASIAN NATIONS (ASEAN)

- The Association of Southeast Asian Nations (ASEAN) is an economic union of 10 Southeast Asian member states. Exports to ASEAN countries have seen a strong return to growth, increasing 19% to £535.2m since 2020.
- However, imports from ASEAN countries are down 4.8% since 2020, with UK sales from largest partner Thailand, falling 11.1% since 2020.
- Exports of whisky improved, with growth of 13.2% over the past year, however sales are still down 21.8% on 2019 levels.
- Strong export growth has been driven by sales of products of animal origin, with pork up 332% from 2020, while beef has more than doubled since 2020.
- Sales to the Philippines have been particularly strong, driven by exports of pork, beef and fish.
- The UK's planned accession to the Trans-Pacific trade bloc (CPTPP) could present opportunities for UK businesses to grow their trade with Singapore, Malaysia, Vietnam and Brunei.

Data Sources: Her Majesty's Customs & Excise

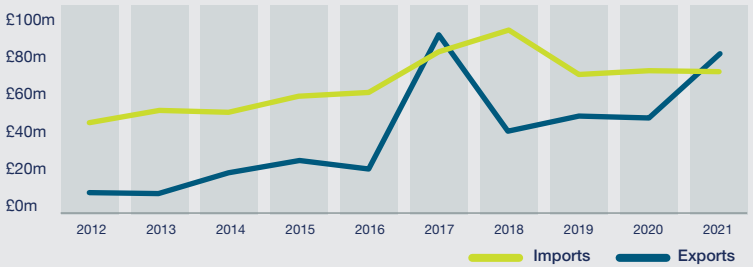
EXPORTS TO ASEAN COUNTRIES

	YTD 2019	YTD 2020	YTD 2021	Change 2019-2021	Change 2020-2021
ASEAN-10	£531.9m	£448.4m	£535.2m	0.6%	19.4%
Singapore	£297.3m	£252.6m	£266.3m	-10.5%	5.4%
The Philippines	£45.8m	£45.7m	£75.2m	64.3%	64.6%
Thailand	£66.3m	£49.6m	£58.8m	-11.3%	18.5%
Vietnam	£42.2m	£41.8m	£50.3m	19.2%	20.4%
Malaysia	£49.0m	£31.1m	£47.4m	-3.4%	52.4%
Indonesia	£13.3m	£11.4m	£18.8m	40.7%	64.5%
Cambodia	£3.7m	£5.0m	£8.8m	137.0%	75.3%
Myanmar	£9.4m	£7.3m	£6.7m	-28.8%	-8.8%
Brunei	£4.8m	£3.9m	£2.9m	-40.3%	-26.1%
Laos	£0.1m	£0.0m	£0.2m	138.2%	815.0%

TOP 5 EXPORTS TO ASEAN COUNTRIES

	YTD 2019	YTD 2020	YTD 2021	Change 2019-2021	Change 2020-2021
Whisky	£278.3m	£192.3m	£217.6m	-21.8%	13.2%
Wine	£23.4m	£22.3m	£37.0m	58.3%	65.9%
Pork	£10.6m	£7.4m	£31.9m	200.8%	332.2%
Beef	£4.2m	£4.5m	£10.0m	137.3%	120.2%
Sweet biscuits	£10.1m	£9.8m	£9.6m	-4.8%	-1.6%

TRADE WITH THE PHILIPPINES



TOP 5 EXPORTS TO THE PHILIPPINES

	YTD 2021	Change 2020-2021	
Pork	£30.5m	412.1%	↑
Beef	£9.5m	114.7%	↑
Whisky	£3.9m	-11.3%	↓
Fish	£3.8m	135.5%	↑
Salmon	£3.0m	-6.7%	↓