

10 August 2022

Northern Ireland exporters up, but revenues down

UK Exporter Monitor, August 2022

According to the latest UK Exporter Monitor by Coriolis Technologies and The Institute of Export & International Trade (IOE&IT), Northern Ireland (NI) exporter numbers increased more than any UK nation in the past month. However, these same exporters fared worse than their counterparts in other UK nations over July with revenues dropping by nearly 7% and employment by 4%.

Over the last year, according to the rate of change, NI's exporters have suffered less than exporters in other nations (see appendix A-4). Although NI exporter activity has faltered from June to July particularly in revenue and employment, over the course of the year their overall momentum has outperformed all other UK nations in both number of exporters and employment. This suggests that despite the current headwinds from supply chain shortages and uncertainties around the NI protocol, they remain more resilient.

The total number of UK businesses exporting increased by 1% but revenues decreased by 2%.

Total exporter revenues across the UK fell by another 2% since last month, an overall loss of £58.46m. Northern Ireland's revenues fell by 7% (£3.5m), followed by a loss of 4% in Wales (£1.6m), a decrease of 2% in Scotland (£4.2m), and a loss of 1% in England (£49m).

As outlined in our Q2 UK Exporter Monitor release last month, this activity sits against a backdrop of lower overall volumes of exports. An increase in the cost of imports against a decline in volumes is putting pressure on what consumers have to pay and adding to the cost living crisis.

Institute of Export & International Trade Director General Marco Forgiione said:

“Our latest Exporter Monitor suggests that Northern Ireland's businesses are remaining resilient in the face of adversity, as exporter numbers continue rise. However, the decline in revenue is concerning. Our members are reporting that because of the global logistics problems it is more difficult to diversify their supply chains, something we are addressing through education and training.

“In partnership with SERC we recently opened an office in Bangor, Northern Ireland, and are already actively helping NI Businesses to grow their international trade.”

Coriolis Technologies Chief Executive Dr Rebecca Harding said: “UK exporters continue to face difficult conditions. Within this we are seeing regional variations and despite facing additional uncertainties around the NI Protocol over the past twelve months Northern Ireland's exporters have suffered less than their UK counterparts.

Challenges remain for all exporters and as a result we expect future Exporter Monitors to show a further decrease in the number of UK exporters.”

The findings in detail:



Figure 1: Counts of Exporters over time, July 2020-July 2022
 NOTE: The data for England, Scotland, Wales and Northern Ireland are given in the Appendix

Exporter counts increased by 1% across the UK since last month, totalling 64,262. Northern Ireland saw the biggest increase across the UK at 4% with 22 more exporters, England’s exporter counts rose by 1% with 762 more exporters, Wales experienced an increase of 1% with 30 more exporters, and Scotland’s exporter counts saw a small uptick of 0.2% with 5 more exporters.



Figure 2: Exporter employment over time, July 2020-July 2022
 NOTE: The data for England, Scotland, Wales and Northern Ireland are given in the Appendix

Exporting employment fell by 2% across the UK since last month. This translates to 319,160 fewer employees compared to June and brings the total to 13,857,628.

Northern Ireland and Scotland both experienced a decrease of 4%, meaning 6,581 and 23,397 fewer employees respectively. Employment in exporting fell by 2% in England with 287,656 fewer employees and fell by 1% in Wales with 1,526 fewer employees.

It should be noted that the employment figures correlate to the number of exporting companies. This means that employment increases when new companies start exporting, and employment decreases when companies stop exporting.



Figure 3: Exporter revenues over time, July 2020-July 2022

NOTE: The data for England, Scotland, Wales and Northern Ireland are given in the Appendix

Total exporter revenues across the UK fell by another 2% since last month, an overall loss of £58.46m. Northern Ireland’s revenues fell by 7% (£3.5m), followed by a loss of 4% in Wales (£1.6m), a decrease of 2% in Scotland (£4.2m), and a loss of 1% in England (£49m).

In comparison to July 2021, England’s exporter revenues have increased by £98.81m (2%), Northern Ireland’s have fallen by £0.63m (-1.3%), Wales’ have decreased by £0.96m (-2.4%), and Scotland’s exporter revenues have dropped by £52.98m (-19.3%). This translates to an overall increase of 0.9% with £44.22m more in exporter revenues across the UK since July 2021.

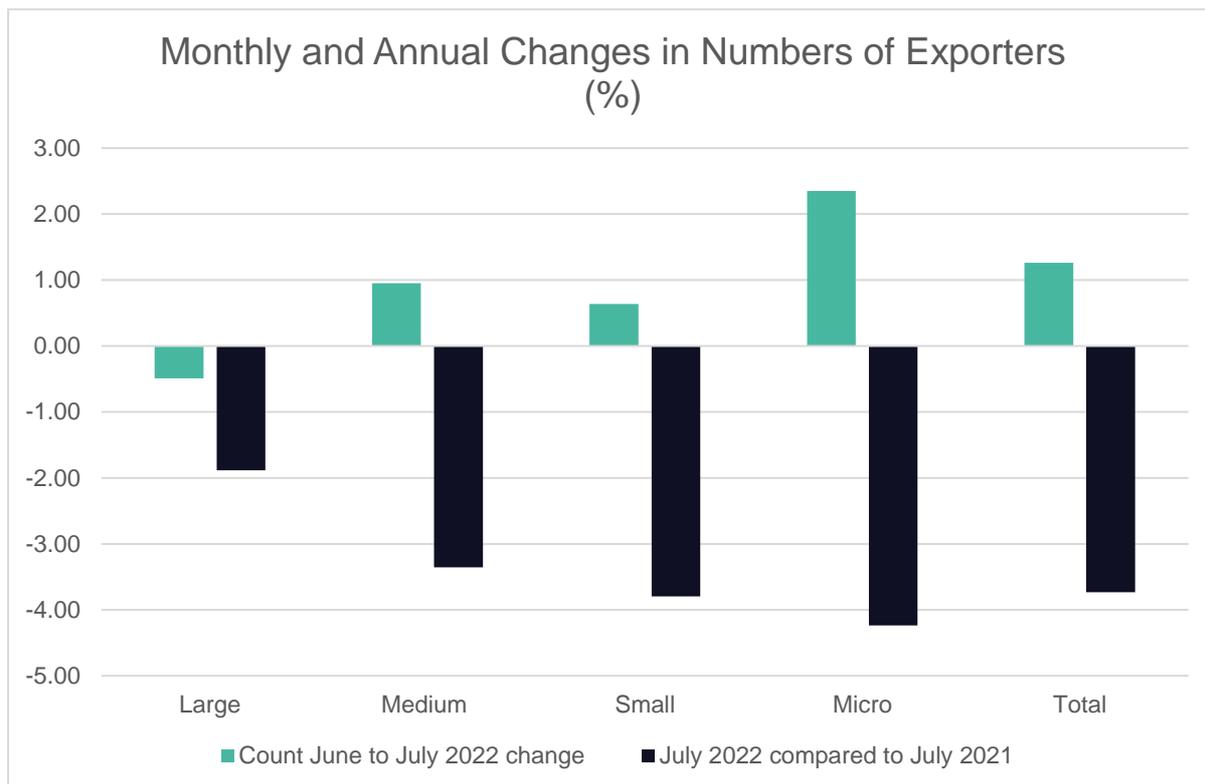


Figure 4: Monthly and annual changes in numbers of exporters (%)

Since last month, micro companies saw an increase in exporter counts by 2.3%, followed by medium companies with 0.9%, small companies with 0.6%, and large companies experience a decrease of 0.5%. Overall, this is a 1% increase since June.

Compared to July 2021, exporter counts in micro, small, medium, and large companies fell by 4.2%, 3.8%, 3.4%, and 1.9% respectively, totalling an overall year-on-year drop of 3.7%.

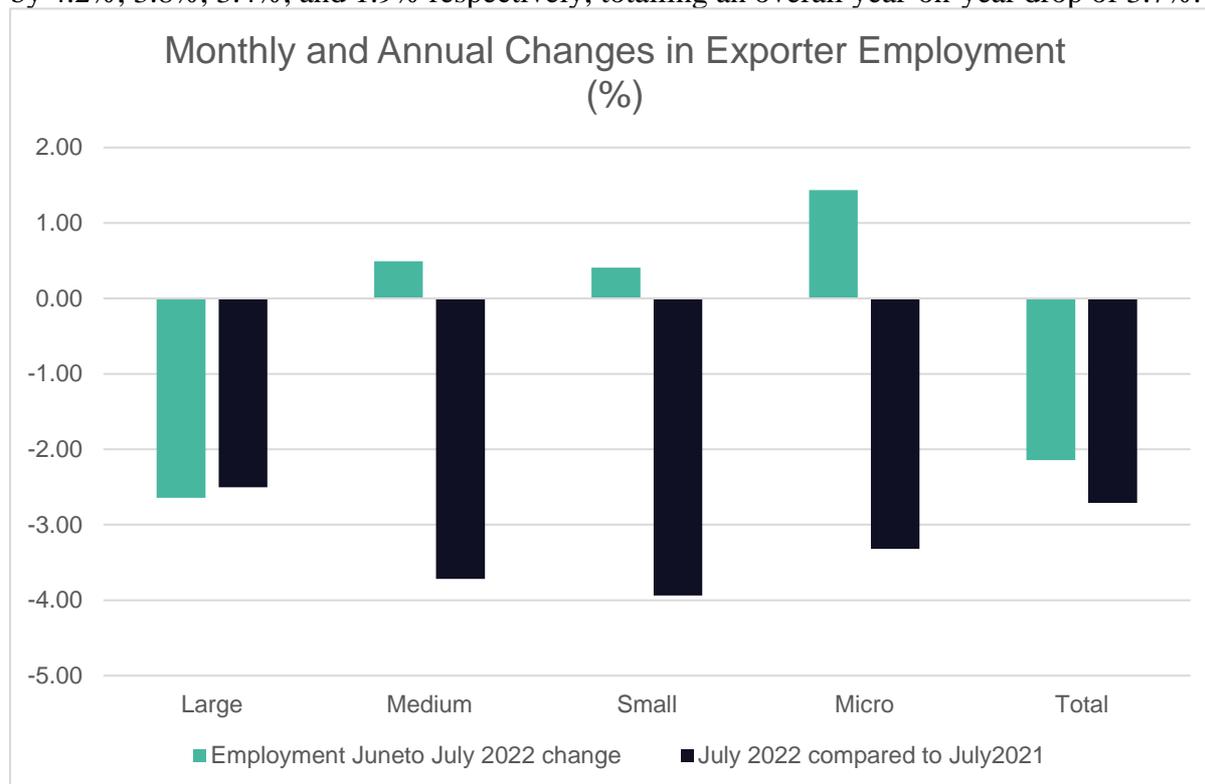


Figure 5: Monthly and annual changes in exporter employment (%)

Since last month, micro, small, and medium companies have increased their exporter employment by 1.4%, 0.4%, and 0.5% respectively. Although large companies were the only ones to increase their employment last month, this month they are now the only kind to hire fewer exporter staff (-2.6%).

In comparison to July 2021, all sized companies are hiring fewer exporter staff, with micro, small, medium, and large companies experiencing a drop of 3.3%, 3.9%, 3.7%, and 2.5% respectively.

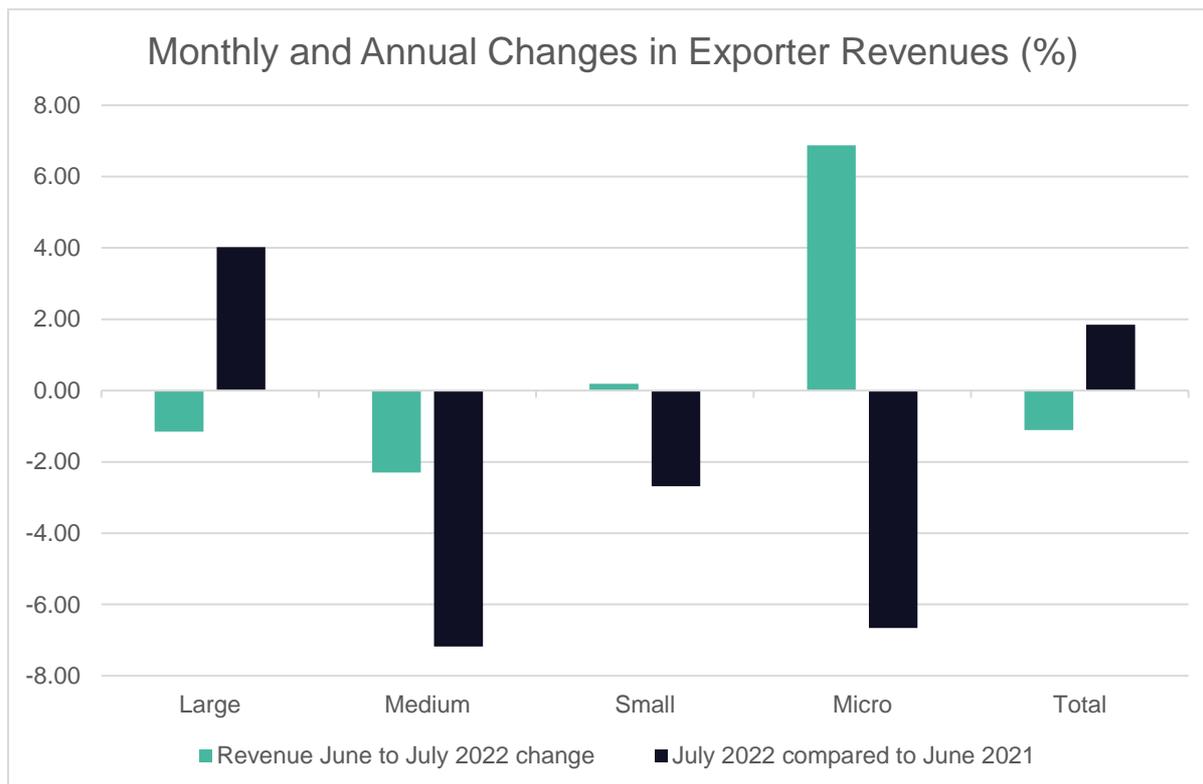


Figure 6: Monthly and annual changes in exporter revenues (%)

Since last month, micro and small companies have increased their revenue by 6.8% and 0.2% respectively and medium and large companies have seen a decrease by 2.3% and 1.2% respectively. In comparison to July 2021, micro, small, and medium companies experienced a fall in revenue of 6.6%, 2.7%, and 7.2% respectively, and large companies saw an increase of 4%.

Next month, we predict a small decrease in exporter counts and a small uptick in both employment and revenue.

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About Coriolis Technologies:

Founded in 2017, Coriolis Technologies is the leading source of trade, corporate, geopolitical risk and trade-related economic data globally for the trade finance sector. Coriolis Technologies provides clear intelligence and insight into trade flows, supply chains and disruptions for trade and trade finance.

About The Institute of Export & International Trade:

The Institute was established over 85 years ago to support UK businesses in growing their international markets and trade. The Institute is the leading association of exporters and importers providing education and training to professionalise the UK’s international traders.

Notes to editors:

- *Method:*

Coriolis Technologies has matched UK exporter data from Customs and Excise sources with Bill of Lading data and large-scale publicly available datasets. UK HMRC data covers the names and addresses of all UK exporters who send products through customs and excise. These names were matched to Bureau van Dijk FAME data to establish turnover and employment levels. To establish the numbers of service sector companies with export revenues, Coriolis took those businesses in the FAME database with international turnover to collect sector and employment as well as turnover information. The sector distribution of exporters in goods and services was then applied to the sample of companies which did not have turnover or employment data to scale the whole dataset to establish counts, turnover and employment for the UK as a whole. Companies were taken from an HMRC sample going back to 2017 and any duplicates with international turnover data from FAME data removed.
- The forecasts are based on a statistical “General Additive” modelling framework which decomposes each time series (each exporter count group) into a couple of main components:
 - trend
 - seasonality - effect of calendar month or season
 - changepoints - moments where the trend shifts
 - special calendar events
- These effects are smoothed, added together and extrapolated into the future to create forecasted values for each exporter group separately. The model is optimized to explain as much variability in the time series with as simple model as possible.
- The estimated forecasting error is within 1.7% of the actual value, back-tested on the actual forecasting performance over the past 2 years for the aggregate forecasts and for the forecasts by size and UK nation

Data Appendix

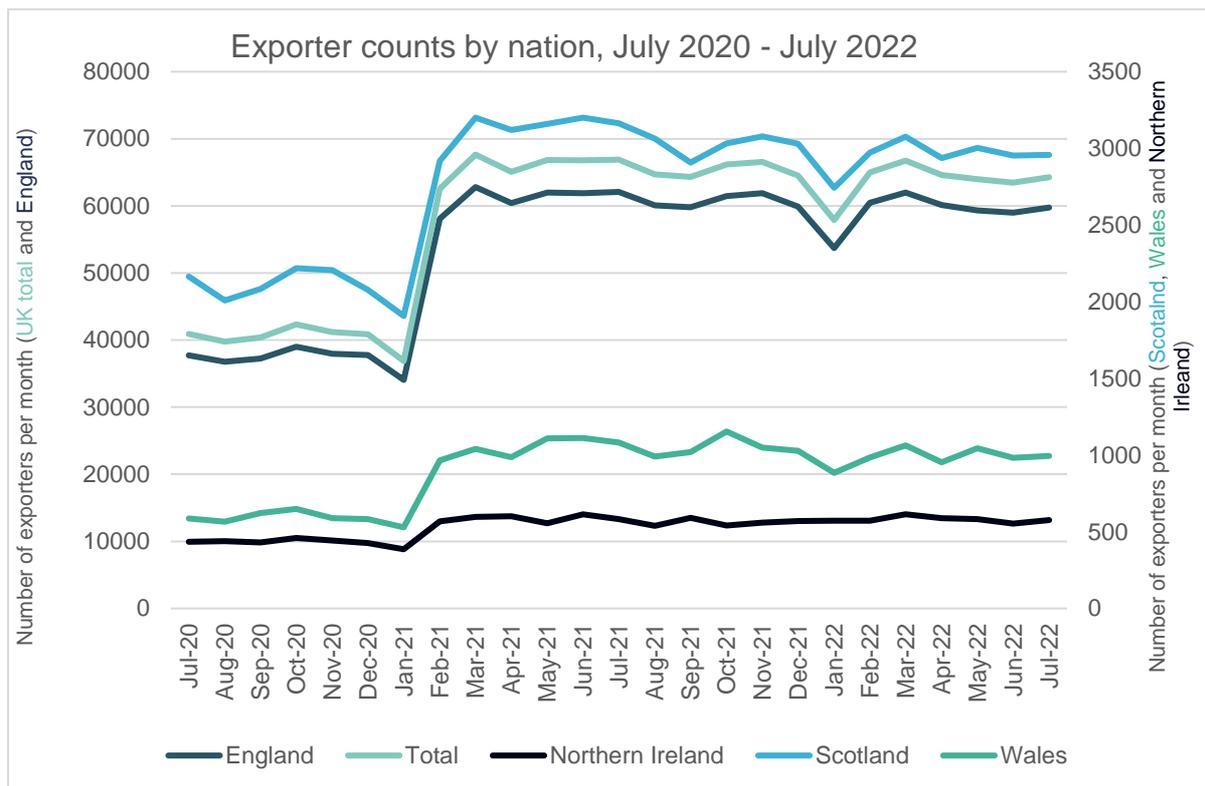


Figure A-1 : UK exporter counts by UK nation, June 2020-June 2022

NOTE : data is presented for England on the left hand vertical axis, and for Scotland, Wales and Northern Ireland on the right hand axis for ease of trend comparison

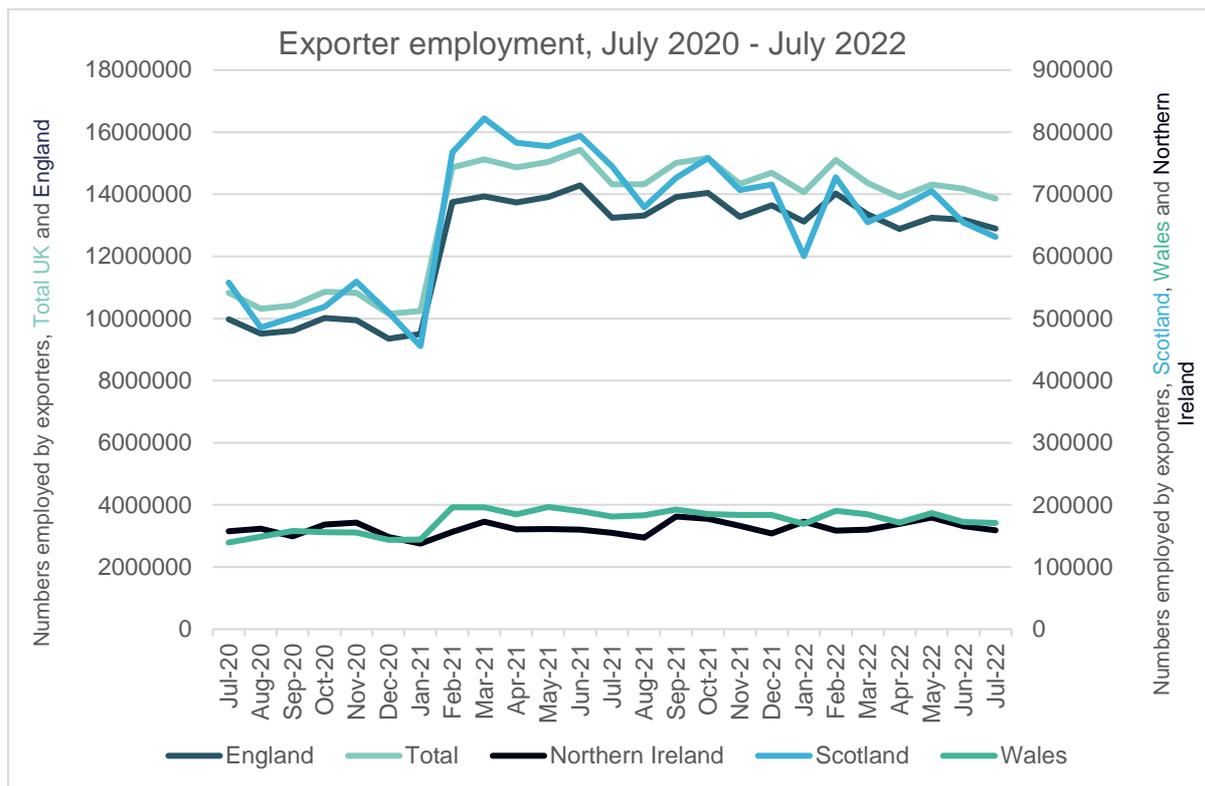


Figure A-2 : UK exporter employment by UK nation, June 2020-June 2022
 NOTE : data is presented for England on the left hand vertical axis, and for Scotland, Wales and Northern Ireland on the right hand axis for ease of trend comparison

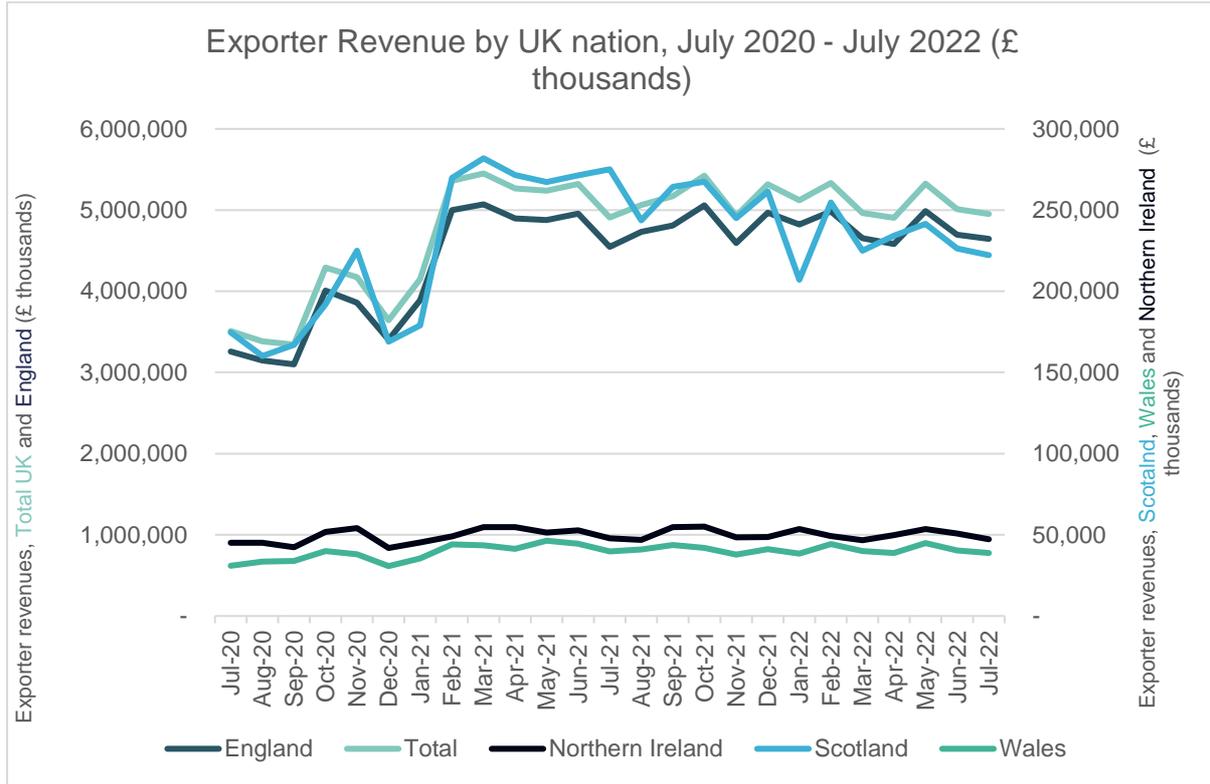


Figure A-3 UK exporter revenues by UK nation (£ thousands), June 2020- June 2022
 NOTE : data is presented for England on the left hand vertical axis, and for Scotland, Wales and Northern Ireland on the right hand axis for ease of trend comparison

Exporter Revenue by UK nation, (Percentage)

	Month on Month	Year-on-year
Count		
England	1.3	-3.8
Northern Ireland	4.0	-1.0
Scotland	0.2	-6.5
Wales	1.1	-8.0
Total	1.3	-3.9
Employment		
England	-2.2	-2.6
Northern Ireland	-4.0	2.6
Scotland	-3.6	-15.2
Wales	-0.9	-5.8
Total	-2.3	-3.3
Revenues		
England	-1.0	2.2
Northern Ireland	-7.0	-1.3
Scotland	-1.9	-19.3
Wales	-4.0	-2.4
Total	-1.2	0.9

Figure A-4 UK exporter Rate of Change by UK nation (Percentage),
 Note: Rate of change is an in indicator of momentum and other trends.