

BCC comments on trade statistics

Commenting on the trade statistics for March 2018, released today by the ONS, Suren Thiru, Head of Economics at the British Chambers of Commerce (BCC), said:

“The narrowing in the UK’s trade deficit in the quarter is a welcome improvement from the weaker performance in the previous quarter, and mainly reflects a fall in goods imports from non-EU countries. However, short term trade data is often subject to significant revisions and should be treated with caution.

“Despite the narrowing in the UK’s trade deficit in Q1, with the construction sector in recession and manufacturing output slowing, this is further confirmation that the UK’s economic performance in the opening months of 2018 has been underwhelming.

“While export activity remains strong amid improving global trading conditions, the UK’s net trade position is likely to remain under pressure from strong import growth, with little sign that businesses or consumers are switching away from imports towards domestic alternatives, despite their higher cost.

“As a consequence, the lack of import substitution is likely to limit trade’s contribution to UK economic growth over the near term and means that a sustained rebalancing of the UK economy remains a long way off.

“More needs to be done to help firms compete on the global stage by addressing the longstanding issues, from the UK’s skills gap to our creaking digital and physical infrastructure, that continue to undermine the UK’s trade potential.”

Ends

Notes to editors:

The British Chambers of Commerce (BCC) sits at the heart of a powerful network of 53 Accredited Chambers of Commerce across the UK, representing thousands of businesses of all sizes and within all sectors. Our Global Business Network connects exporters with nearly 40 markets around the world. For more information, visit: www.britishchambers.org.uk

The BCC has launched a campaign aimed at eradicating not-spots for mobile voice coverage. Add your not-spot [here](#).

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