

BCC: Widening trade deficit highlights UK's economic imbalances

BCC comments on the trade statistics for March 2017.

11 May 2017

Commenting on the trade statistics for March 2017, released today by the ONS, Suren Thiru, Head of Economics at the British Chambers of Commerce (BCC), said:

“The sharp deterioration in the UK’s net trade position means that trade is likely to have been a drag on UK growth in the first quarter of the year, following a strong performance in the previous quarter. This deterioration reflects a sharp rise in imports in the quarter, and a slight fall in exports.

“While many exporters are benefiting from improving growth outlooks in key trading markets, and the weaker pound is helping to make them more price competitive, our Quarterly Economic Survey shows businesses under pressure from the rising costs of raw materials. The widening in the UK’s trade deficit, and weakening output from the industrial and construction sectors, is further evidence that we are still a long way from achieving a rebalancing of our economy.

“As the UK moves through the Brexit process and beyond, it is vital that more is done to provide greater practical assistance for exporters, including developing an expanded trade mission and fairs programme and funding front-line, face-to-face support for exporters to help get UK businesses trading with the world.”

Ends

Notes to editors:

The British Chambers of Commerce (BCC) sits at the heart of a powerful network of 52 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