

New patterns of trade

Once we start the relaxations of the lock down, new patterns of trade and business are likely to emerge.

There will be more suspicion of reliance on imports, given the disruption to international trade and travel we have experienced. More people are likely to want local food and products, and more businesses will take some travel risk out of their supply chains.

There will be more concerns about Chinese technology and our dependence on a lot of Chinese manufactures, given the history of the virus and the rows over Chinese involvement in 5G programmes.

There will also be a governmental wish to promote overseas trade again after the big decline, with a more balanced range of counterparties. People will remember which companies and countries were most helpful during the period of virus need.

It is good to hear that the EU/UK trade talks will resume this week by teleconference. I trust the government will also pick up the pace again with the USA, Australia, New Zealand and Japan. These are all important partners, with an enthusiasm to improve trade terms mutually once we are out of the EU customs union.

With governments wanting to promote more trade and with more customers concerned about overseas sourcing, the stage is set for better deals to act as inducements. The better deals will come from the friendlier countries, which in turn will be the more reliable trade partners.