

BCC: UK's trade position remains underwhelming

BCC's Head of Economics, Suren Thiru, comments on the trade statistics for June 2017.

10 August 2017

Commenting on the trade statistics for June, 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 in June was disappointing, and means the trade deficit in the second quarter of this year came in slightly higher than in the previous quarter. Taken together with the recent jump in the current account deficit, signals the continued weakness of the UK's external position. The widening in the UK trade deficit in June was largely driven by a sharp rise in imports.

"Businesses continue to report that the slump in the value of sterling since the EU referendum remains something of a double-edged sword, as many exporters are also importers, and so face higher input costs due to the weakening currency. While stronger global economic growth may help to boost UK export performance over the second half of the year, it is unlikely to be sufficient to prevent an overall weakening in UK growth.

"As the Brexit negotiations unfold, safeguarding the favourable terms of trade that UK firms currently enjoy with partners and markets in Europe and beyond must be a key priority. More must also be done to provide greater practical and front-line assistance to UK businesses looking to trade in both current and new markets."

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

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