

FOREIGN TRADE STATISTICS (ECOMEX). JULY 2019

Total exports of goods from the Basque Country decreased by 9.4% in July 2019, and imports by 8.8%

Exports of motor vehicles rose by 19.3%, following 11 months of continuous decrease

In July 2019 there was a 9.4% drop in **exports of goods** from the Basque Country, in year-on-year terms, according to EUSTAT data. They totalled 2,143 million euros compared to 2,367 million in the same month of the previous year. Exports of *Energy products* fell by 34.3% and *non-energy product* exports by 6.6%.

Bizkaia is the province that registered the largest downturn, 26.9%, due to the decrease both in exports of *Energy products* (-34.4%) and *Non-energy products* (-24.8%). In Álava, exports were up by 9.2%, and in Gipuzkoa by 1.0%.

Evolution of the foreign trade of the Basque Country. Thousands of euros. July 2019

	EXPORTS			IMPORTS		
	July			July		
	2018	2019	Δ %	2018	2019	Δ %
BASQUE COUNTRY						
TOTAL MONTH	2.366.967	2.143.463	-9,4	1.761.520	1.606.914	-8,8
ENERGY PRODUCTS	239.921	157.665	-34,3	607.704	416.154	-31,5
NON-ENERGY PRODUCTS	2.127.046	1.985.798	-6,6	1.153.817	1.190.759	3,2
ACCUMULATED YEARLY PERIOD	15.316.046	15.198.358	-0,8	11.701.618	12.033.981	2,8
ENERGY PRODUCTS	1.446.340	1.158.020	-19,9	3.256.910	3.115.242	-4,3
NON-ENERGY PRODUCTS	13.869.707	14.040.338	1,2	8.444.708	8.918.739	5,6
ARABA / ÁLAVA						
TOTAL MONTH	653.857	714.077	9,2	330.574	329.054	-0,5
ACCUMULATED YEARLY PERIOD	4.772.669	4.443.689	-6,9	2.552.290	2.504.735	-1,9
BIZKAIA						
TOTAL MONTH	1.077.427	787.222	-26,9	1.119.807	958.272	-14,4
ACCUMULATED YEARLY PERIOD	6.183.237	5.686.695	-8,0	6.791.503	6.953.831	2,4
GIPUZKOA						
TOTAL MONTH	635.683	642.164	1,0	311.139	319.588	2,7
ACCUMULATED YEARLY PERIOD	4.360.140	5.067.975	16,2	2.357.825	2.575.415	9,2

Source: Eustat. Foreign trade statistics (ECOMEX)

Imports of goods to the Basque Country experienced a drop of 8.8%, and stood at a total of 1,607 million euros. *Energy* imports decreased by 31.5%, and *non-energy* imports rose by 3.2%.

By province, imports were down -14.4% in Bizkaia and -0.5% in Álava, whereas in Gipuzkoa they were up 2.7%

Analysing the largest branches of activity, and in relation to exports, of particular relevance this month was the upturn in exports of products relating to the *Manufacture of motor vehicles*, which rose by 19.3%; this was also the branch with by far the highest volume of exports (29.4% of the total). The sixth largest (5.2% of the total), *Other Transport Material*, also registered a significant increase (35.5%); the second, *General Use Machinery* was down 9.2%, and the third, *Iron and*

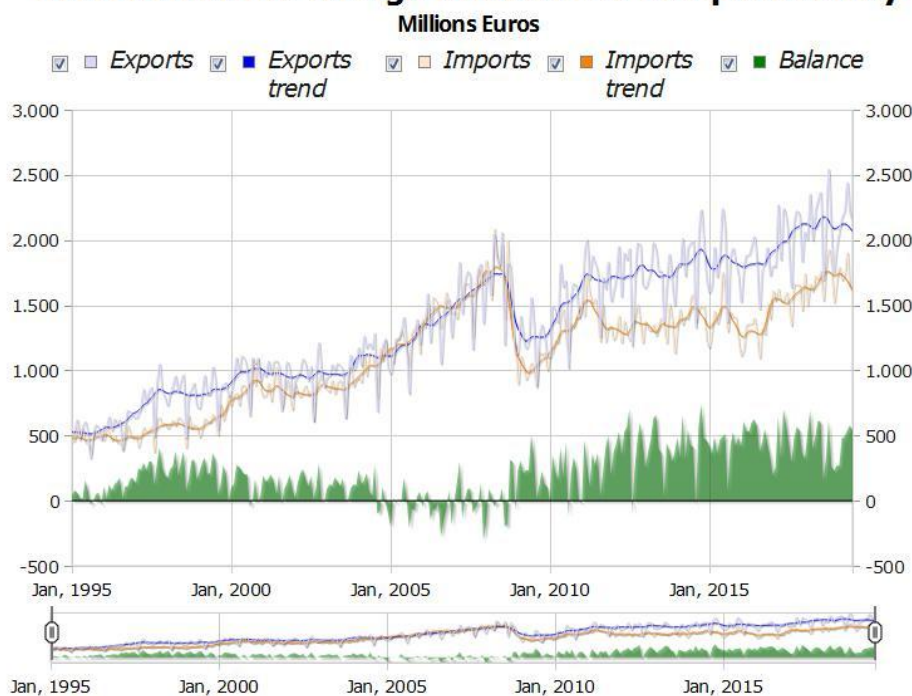
Steel products, also fell by 17.1%. *Coke Plants & Oil Refining* decreased by 22.9% and *Metal Products* by 13.1%.

A more detailed look sees the following appearing amongst the main export duty groups: *Passenger cars with fewer than 10 seats* increased by 19.5%, *Vehicle parts and accessories* was up by 28.2%, *Goods transport vehicles* rose by 9.6%; *Diesel and electric motor units for railway tracks and motorised trams* increased significantly (71.5%). *Petroleum Oils* were down 13.5% and *New Rubber Tyres* decreased by 56.3%; in July, these six groups represented 40.6% of the total, with a combined value of 870.4 million euros.

This month five countries (Germany, France, United States and Italy) absorbed 50.9% of total exports from the Basque Country. Four of them belong to the EU-28, an entity that with 1,394.2 million exported accounts for 65.0% of our exports.

Analysing imports by branches of activity, it can be observed that the largest, *Extraction and Petroleum Industries* (21.6% of the total), saw a drop of 39.7%; however, decreases were also registered in the branches that, by order of importance, follow this, these being: *Iron and Steel Products* (15.3%), *Motor Vehicles* (0.8%) and *General Use Machinery* (21.2%).

Evolution of the foreign trade of the Basque Country



Over the first seven months of 2019 as a whole, foreign trade in goods in the Basque Country had a positive balance of 3,164.4 million euros

For the first seven months of 2019 as a whole, exports from the Basque Country (15,198.4 million) registered a decrease of 0.8% compared to the same period of the previous year, which translated into a reduction of 117.7 million euros. *Energy exports* were the reason for this drop, given that they were down 19.9%, whereas *non-energy exports* were up by 1.2%.

Accumulated imports for the Basque Country as a whole during the period in question amounted to 12,034 million euros. Looking at this figure in year-on-year terms we see that it represents 332.4 million more than that registered in the same period of 2018, which translates into an increase of 2.8%. Imports of *Energy Products* rose by 4.3% and those of *Non-energy Products* fell by 5.6%.

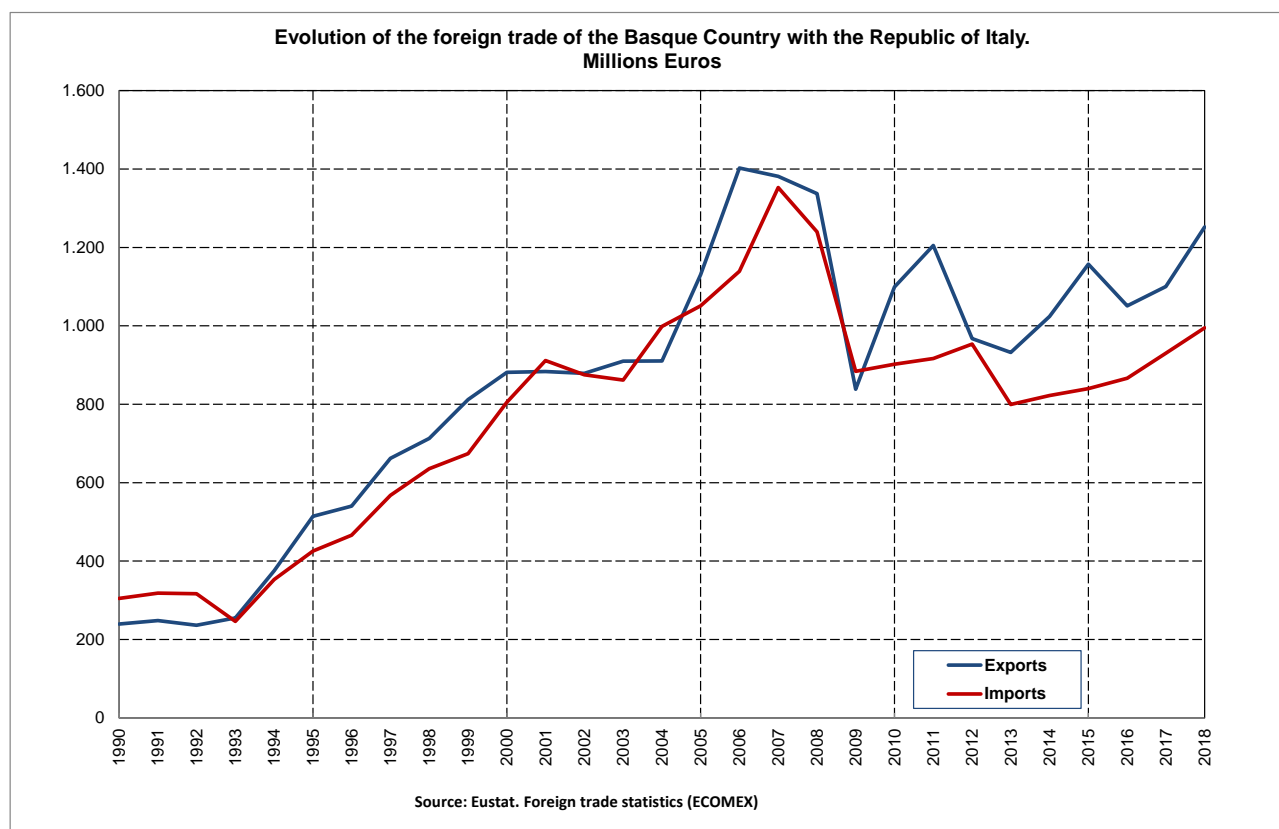
Foreign trade in goods in the Basque Country from January to July 2019 had a positive balance of 3,164.4 million euros, which is equivalent to a coverage rate of 126.3%; in 2018 this stood at 130.9%

ANALYSIS OF THE TRADE FLOW WITH ITALY

Exports:

Since 1990, Italy has held a prominent position as a destination for Basque exports, always occupying between third and fifth position in the export ranking of the Basque Country. In 2018 Italy occupied fifth position with 4.9% of the total exported (1,252 million), and in 2019 so far it has retained this position (4.7% of the total and almost 721 million euros). However, until 2016 its relative weight was greater than at present with percentages in relation to the total exported that fluctuated between 6.5% in 1990 and 8.4% in 2006; since then its weight has slightly decreased as it has been overtaken by the United States, which came ahead of Italy and behind France and Germany. Since 2011 the United States and the United Kingdom have battled for third place. Last year the export ranking was topped by France (15.3% and 3,887 million), Germany (15.0% and 3,835 million) and the aforementioned United States (8.3% and 2,118 million).

If we analyse the products that we export to Italy, we should point out, for 2018, that 123 products had an export value that was over one million euros. Standing out among these as main exported product (customs duty group to 4 digits) were *New rubber tyres* (103.6 million) with 8.3% of the total, followed by, in order, *Passenger cars with less than 10 seats* (98.4 million and 7.9%), *Vehicle parts and accessories* (67.0 million and 5.4%), *Goods transport vehicles* (64.4 million and 5.1%) and *Seamless tubes and hollow profiles made of iron or steel* (45.8 million and 3.7%). These five products account for 30.3% of the total exports to Italy during 2018, of which four belong to what can be classified, in general, as the *vehicle* sector. From January to July 2019 these were the same products that occupied the top five positions in the export ranking and in the same order. It is also worth noting that another three products belonging to the group *Stainless steel bars, profiles and sections* were amongst the top ten positions in the ranking of the customs duty groups, in both 2018 and 2019 so far. In this latter period a new organic chemical product, alloy steel *containing solely nitrogen heteroatoms*, rose to tenth position, with an accumulated total of 16.3 million euros.



Imports:

During 2018, imports from Italy (994.9 million) accounted for 4.9% of the total, a percentage that is below the historical series average, which began in 1990 and stands at 7.0%, with periods (1996 to 2004) when it was between 7.8% and 9.2%. At present, the weight of Italian imports places Italy in fourth position in the import ranking, during the period considered, behind countries such as Germany (14.4%), France (9.4%) and China (5.7%). Italy has always occupied fourth, fifth or sixth position throughout the historic series.

Among the 180 products imported from Italy that have exceeded one million euros in 2018 were the five that appear at the top of the ranking, which were, in order of importance: *Turbo-reactors, turbo-propellers and other gas turbines, and their parts and components* (33.3 million), *Copper bars and profiles* (31.9 million), *Stainless steel alloys in ingots or other primary forms* (26.9 million), *Iron or non-alloy steel bars, forged, twisted or with a circular or rectangular cross-section* (25.5 million) and *Vehicle parts and accessories* (24.3 million). These products also continued to be the most important in the accumulated total of the first seven months of 2019, but their positions changed. 14.3% of Italian imports in 2018 were concentrated in these five products (142 million euros).

As a consequence of this double flow, export-import, generally positive trades balances have been obtained since 1993. This pattern has been maintained up to the present, with the exception of 2001, 2004 and 2009. In 2018 this positive balance stood at 257.3 million euros with a coverage rate of 125.9%. For the period of 2019 for which data is available (January-July) the trade surplus already stands at 147.3 million. This favourable balance with Italy is due to the fact that in the period 1990-2018 imports tripled whilst exports quintuplicated.

For further information:

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