After Brexit, China has replaced Germany as the UK's biggest trading partner

China overtook Germany to become the UK's biggest import market as trade in goods with European Union member states plunged because of Brexit and the COVID-19 pandemic, official data show.

According to <u>Britain's Office for National Statistics (ONS)</u>, total trade in goods with EU countries decreased by over 23 per cent between the first three months of 2018 and the first three months of 2021 but only by 0.8 per cent for non-EU countries.

Germany, traditionally the UK's largest trading partner, saw its import to the UK start to decline in 2019 as uncertainty over the country's exit from the bloc dampened business enthusiasm.

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The COVID-19 pandemic and measures imposed to curb its spread which severely weakened economies worldwide accelerated the trend, prompting Germany to lose its title as the UK's largest trading partner in mid-2020.

- UK economy to record best year since 1941, Bank of England says
- Quarter of small UK firms have temporarily suspended EU sales due to post-Brexit rules: survey

Overall, imports to the UK from Germany were down 11.8 percent in the first quarter of this year compared to three years ago to total £12.5 billion (€14.4 billion). During that same period, imports from China jumped nearly 66 per cent to reach

£16.9 (€19.5 billion) to account for 16.1 per cent of UK goods imports in the first quarter.

The ONS noted that although imports from China had been on an upwards trajectory for years, they accelerated in the second half of last year, "likely because of the relatively limited impact of the COVID-19 pandemic on Chinese exports."

"This, coupled with increasing demand for commodities produced by China such as electronic machinery (telecommunication and sound equipment) likely explains the increasing imports seen in 2020."

"Additionally, UK imports of textile fabrics from China jumped in 2020, boosted by demand for face masks and personal protective equipment," it added.

China recovered fairly quickly from the pandemic and was the only major economy worldwide to post growth in trade goods in 2020.