

UK EXPORT GROWTH SET TO OUTSTRIP LEADING EUROPEAN ECONOMIES IN 2020

- The value of UK exports is expected to grow by USD25bn next year, more than the Netherlands (USD21bn), Germany (USD18bn), Belgium (USD16bn), France (USD11bn) and Spain (USD10bn). This performance in value terms is explained by an acceleration in volume growth of exports, but also by an appreciation of Sterling with respect to the USD.
- Britain sits only behind China (USD90bn), the US (USD87bn) and Canada (USD35bn) in global race
- Growth will spark a recovery for UK trade in 2020, following a -29USDbn contraction in 2019
- The insurer expects global trade volumes to grow by +1.7% in 2020 - with value forecast to rise by +2.3% - after slowest increase in a decade recorded this year

London, 7th January 2019 – Growth in the value of UK exports will outstrip the rest of Europe next year with only China, the US and Canada set to record bigger increases globally, according to research from Euler Hermes, the world's leading trade credit insurance provider.

The insurer, which published the findings in its latest [Global Trade report](#), expects the UK to record a USD25bn rise in the value of goods and services sold overseas in 2020, more than the Netherlands (USD21bn), Germany (USD18bn), Belgium (USD16bn), France (USD11bn), Spain (USD10bn), Switzerland (USD10bn) and Italy (USD10bn).

The UK is placed fourth overall globally behind China (USD90bn), the US (USD87bn) and Canada (USD35bn) in the analysis of the top 25 exporting nations.

The figures are based on the UK leaving the EU under terms agreed in the current deal.

The findings come as the business forecasts global trade volumes to grow by +1.7% in 2020 - with values forecast to rise by +2.3% - after recording the slowest growth in a decade this year (+1.5%).

The research shows that the software and IT services (USD62bn), agrifood (USD41bn) and chemicals (USD37bn) sectors will be the main contributors to the year-on-year growth.

China (-USD67bn), Germany (-USD62bn) and Hong Kong (-USD50bn) were the main victims of the global trade slowdown in 2019, with the UK losing -USD29bn as a result of the uncertainty surrounding Brexit.

Ana Boata, senior European economist at Euler Hermes, said: "We expect the UK to experience a strong rebound in export growth next year as the promise of a deal with the EU lowers the levels of uncertainty for both UK businesses and their customers overseas.

"While threat of a recession still looms and we forecast the economy to contract by -0.1% in the next two quarters, a recovery will follow in the second half of the year with quarterly growth expected to reach +0.6%.

"Globally, the worst is behind us but the resurgence in trade growth will be slow. The so-called phase 1 deal between the U.S. and China, despite being superficial, will help matters. But

renewed threats of tariffs, the US elections and a calendar of global summits will result in more volatility, leaving little hope for sizable improvement this year.”

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Notes to editors

Euler Hermes has calculated export gains in USD using three main indicators: (i) the forecasts of exports in volume terms (higher exports in 2020 mean higher export gains), (ii) the exports deflator (higher prices of exports also boost gains) (iii) and finally the currency exchange rate forecast with the USD (a currency appreciation boosts export gains in USD).

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