

Ebury Monthly Goods Trade Monitor

Trade with Latin America shows strong growth driven by surging imports of Peruvian LNG

- 12-month import and export volumes with Latin America up by over a quarter, as UK enters talks with Mexico over new trade deal
- UK imported £472 million of gas from Peru in March 2022 – total imports between Jan2018-Oct2021 totalled £80 million
- Exports to Latin America also rising – exports of machinery and transport equipment to Peru increasing sharply

The second edition of the **Monthly Goods Trade Monitor** from Ebury – the global financial services firm helping to simplify international trade – uncovers growing imports of LNG from, and exports of machinery to, Peru as the country becomes increasingly important part of the UK's global energy strategy.

The second edition of the **Ebury Monthly Goods Trade Monitor** reveals surging gas imports from Peru and exports of machinery to the country are driving increasing trade with Latin America, while the UK's new trade negotiations with Mexico could also boost exports to the region.

Country or trading bloc	Imports to the UK				Exports from the UK				Balance	
	Monthly		12-Month (Mar-Feb)		Monthly		12-Month (Mar-Feb)		Monthly	12-Month (Mar-Feb)
	£mn	%	£mn	%	£mn	%	£mn	%	£mn	£mn
EU	25,297	8%	245,526	9%	15,204	2%	163,649	8%	-10093	-81877
China	5,789	5%	63,740	5%	1,314	-2%	17,907	2%	-4475	-45833
Scandinavia	6,141	26%	48,854	95%	1,068	-10%	12,101	3%	-5073	-36753
United States	4,986	7%	45,128	27%	3,971	1%	47,047	6%	-1015	1919
Commonwealth	3,777	-1%	37,968	17%	2,894	6%	31,130	18%	-883	-6838
CEE	2,331	6%	25,685	8%	1,151	8%	11,466	3%	-1180	-14219
Russia	545	-70%	11,507	25%	95	-65%	2,868	24%	-450	-8639
India	1,038	21%	9,105	51%	487	-4%	5,350	55%	-551	-3755
Latin America	1,210	71%	8,005	26%	773	42%	5,770	27%	-437	-2235
Total	53,209	6%	520,249	19%	29,312	2%	332,974	11%	-23897	-187275

The ONS' latest trade statistics for March 2022 show that imports from Latin America increased 71% compared to February 2022, with exports up 42% over the same period.

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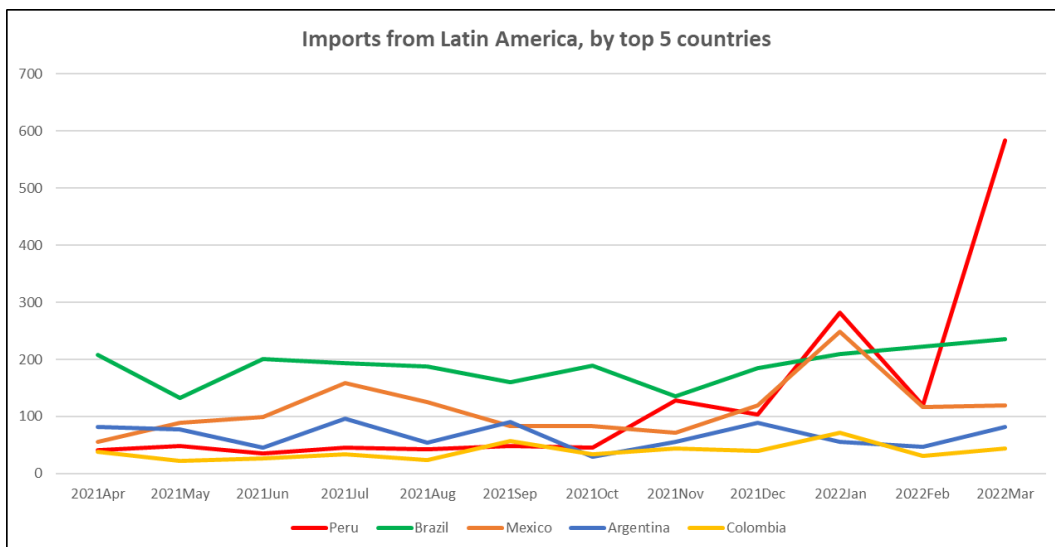
For the 12-months Apr'21-Mar'22, imports (26%) and exports (27%) were up by over a quarter compared to the year before.

Further analysis of these headline figures reveal Peruvian gas imports could be a major driver behind both trends.

The UK only imported a total of £80 million of gas from Peru between January 2018 and October 2021. However, it imported a further £1,089 million between November 2021 and March 2022, including £472 million in March 2022 – nearly 40% of the UK's total imports from Latin America through the month.

Exports of machinery and transport equipment to Peru also surged in March rising to £95 million from a long-term average of around £5 million a month. With rising gas imports from the country, it appears the UK is deepening its ability to import LNG from Peru by supporting its investment in infrastructure.

Gas prices have been surging in Europe, exacerbated by fears over supply following Russia's invasion of Ukraine at the start of the year.




Jack Sirett, Head of Dealing at Ebury, the global financial services firm which recently acquired the Brazilian fintech Bexs to deepen its ability to support companies trading in Latin America, said the findings revealed the UK's desire to deepen its gas inventories ahead of next Winter and diversify its energy supply chain.

"On the face of it, the ONS' latest data shows a striking increase in trade between the UK and the Latin America region. However, rising imports have largely been driven by a surge in the

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volume of LNG being imported from Peru, while exports to the region were driven by rises in the exports of machinery to Peru and of fuels to Colombia.

“The war in Ukraine has seen many European countries re-evaluate their gas supplies, and the UK has seen high volumes of LNG imported from the US, Qatar and Algeria alongside Peru. The recent expansion of the Panama Canal has improved the ability for Peru to export LNG to Europe, and for the UK it is a now comparable distance to Qatar meaning it could become an increasingly important trading partner.

“We are also starting to see an increased appetite for businesses in the UK to look further afield and trade with countries in Latin America, especially in Brazil and Mexico as gateways to the region. Trade with these countries remains relatively limited in global terms, but we expect this to improve especially with the government starting to negotiate a new free trade deal with Mexico to boost exports of business services and goods, such as electric vehicles and Scotch whisky.”

– ENDS –

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About Ebury

Ebury is a leading fintech company specialized in international payments, collections, and foreign exchange services. It offers financial solutions aimed mainly at SMEs and midcaps. Ebury offers foreign exchange activity in over 130 currencies - for both major and emerging markets - as well as cash management strategies, trade finance, and foreign exchange risk management. Founded in London in 2009 by Spanish entrepreneurs Juan Lobato and Salvador García, the company has grown its global market presence to a network of 29 offices in 20 countries and more than 1,300 employees. In 2020, Santander became a shareholder on the London fintech based company. During the last year, the volume of transactions executed by Ebury amounted to \$21 Bn. Throughout its history, the company has received more than 20 international awards, including the Financial Times 1000 Europe's fastest-growing companies 2020 or The Sunday Times Tech Track 100. All these recognitions place Ebury as one of the leading European financial technology companies.

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