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March 2022

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Facts and figures: UK financial services trade

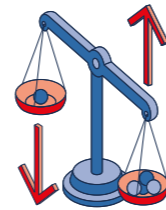
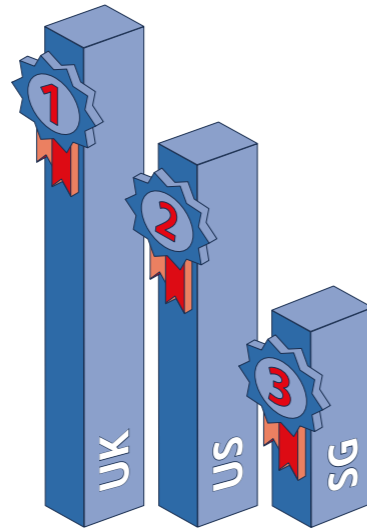
The UK is the largest net exporter of financial services in the world

The UK continued to be the largest net exporter of financial services in the world in 2020.

It generated a trade surplus of **£63.7bn**

This accounted for almost half of the entire UK services surplus, demonstrating the importance of financial services to the wider UK economy.

It was followed by the **US with £52.2bn** and **Singapore with £19.4bn**.



The UK exported over

4 times

the worth of financial services than it imported.

The **United States** is by far the UK's largest export market, purchasing

£28.2bn

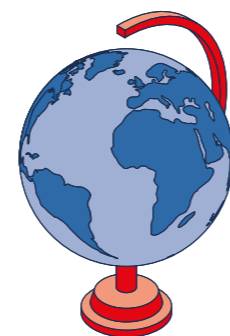
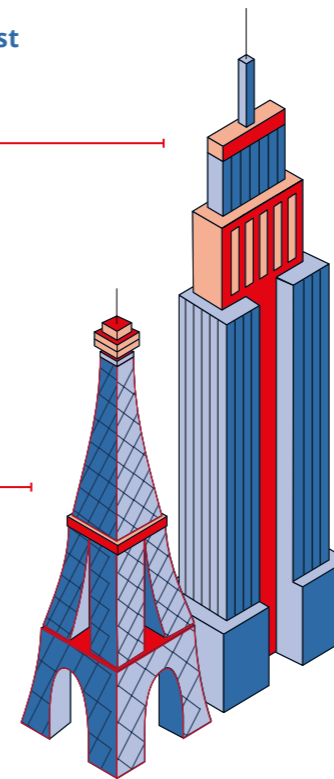
worth in financial services. An increase of £1.4bn vs 2019 - **up 5%**. It accounted for **34% of the UK's total financial services exports**.

The **EU** remains a top region for UK financial services exports, purchasing

£24.7bn

in 2020 - a decrease of 7% vs 2019. It accounted for **30% of the UK's total financial services exports**.

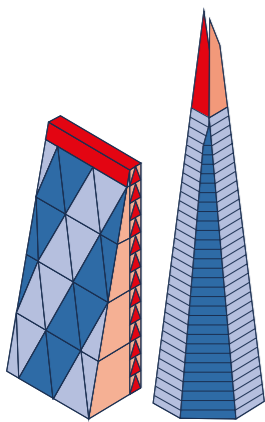
France, Luxembourg, the Netherlands, Germany and Ireland are the next largest export markets both within the EU and globally.



In 2020, **Asian countries** continued to be key growth markets for UK financial services exports.

South Korea (up 45% vs 2019), **Taiwan** (up 44%), **Hong Kong** (up 13%), and **Japan** (up 7%) recorded some of the largest increases in financial services exports from last year, a total of

£783m



London is the UK's largest financial services export hub, exporting

£41.4bn

of financial services in 2019. It accounted for **45% of all UK financial services exports**.

Outside London, financial services is also a key export across the UK.

Edinburgh

53%

of its services exports
£4.1bn

West Midlands

48%

of its services exports
£3.6bn

West Yorkshire

52%

of its services exports
£3.5bn

Cardiff

44%

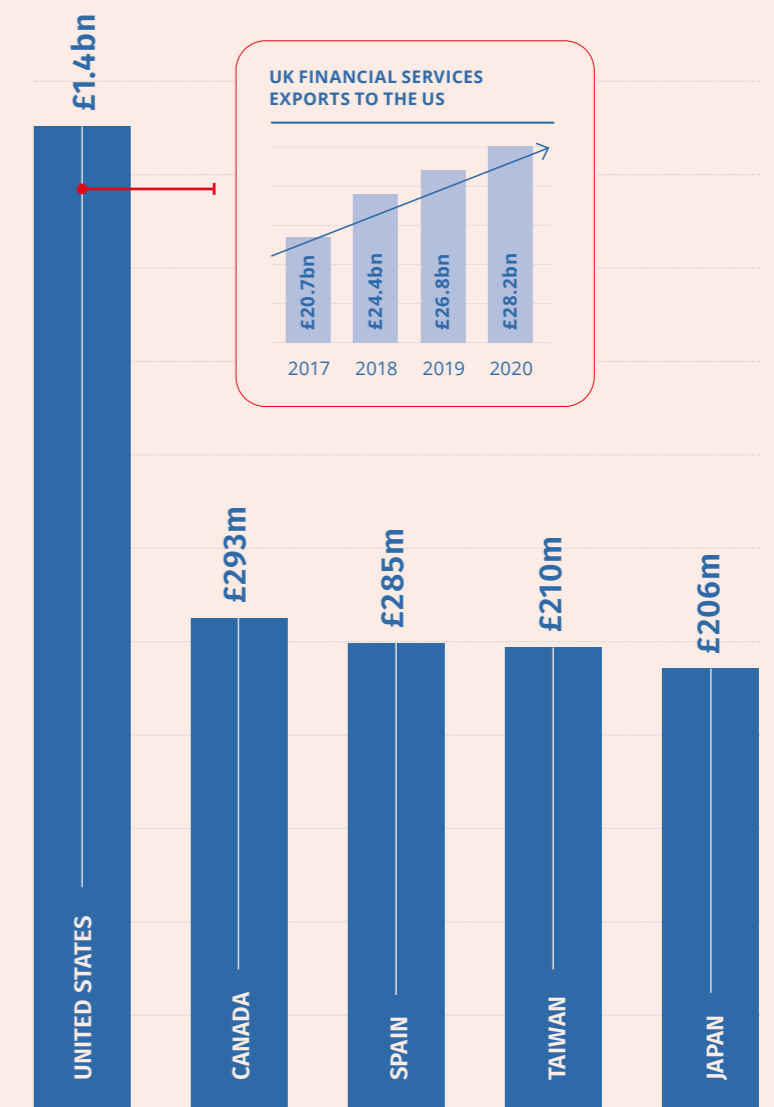
of its services exports
£1.9bn



Top 5 highest growth markets for UK financial services exports

(absolute change, 2019-2020)

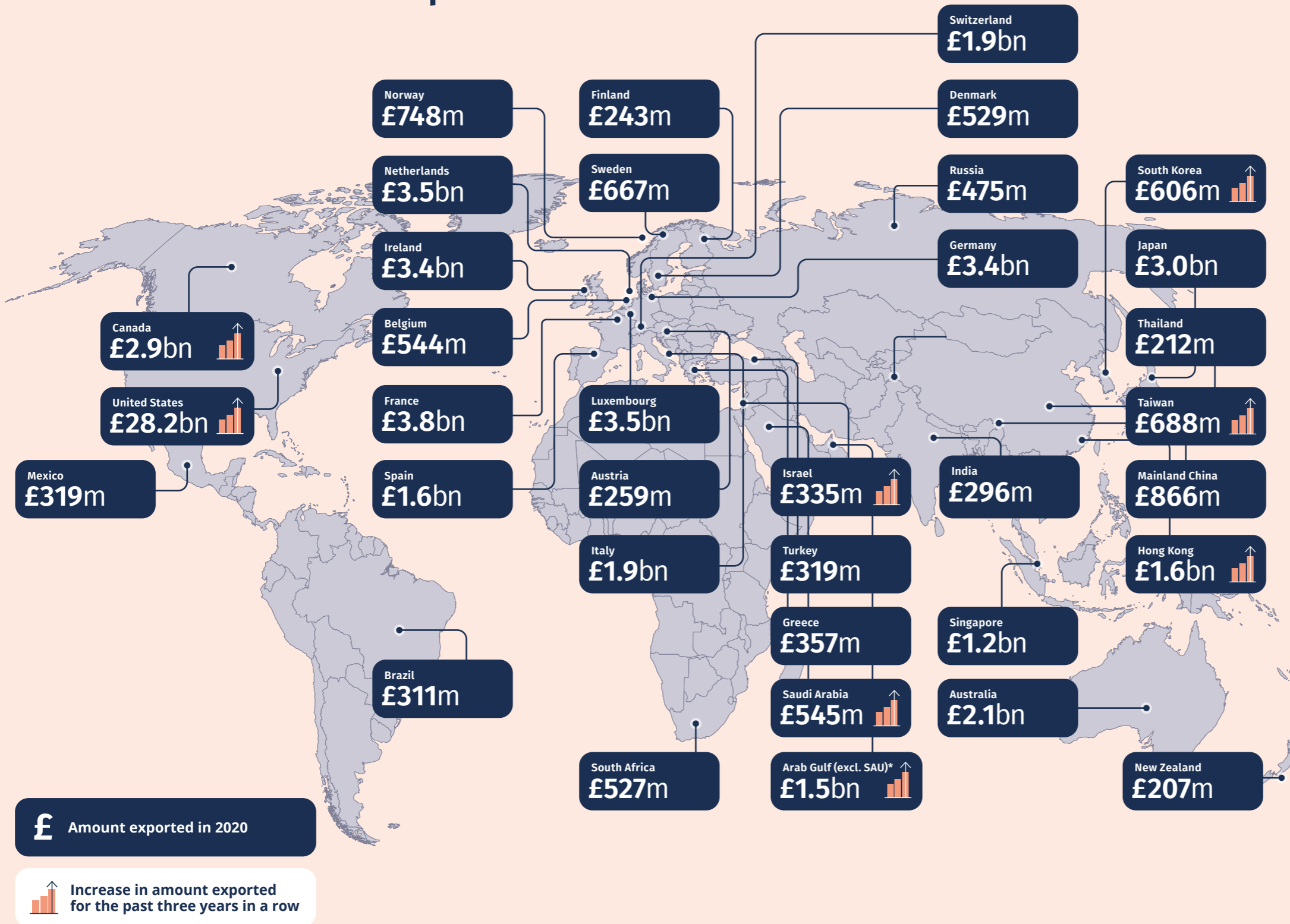
With the largest absolute increase in 2020 and consecutive year-on-year growth from 2017, the US continues to be a top growth market. Canada has also seen consistent growth from 2017, having previously featured in the top 5 in 2018, while Spain, Taiwan and Japan are new top growth markets as of 2020.



Sources: ONS Pink Book, Chapter 9: Geographical breakdown of the current account, 2020 data, released October 2021. UNCTAD, International Trade in Services, 2020. ONS, International trade in services by subnational areas of the UK, 2019 data, released November 2021.

Notes: Financial services refers to financial and insurance services. Currency conversions for net exports have been made using the average annual exchange rate for the relevant year. Total services exports for regional/subnational data excludes travel services. UK subnational data based on UK City Regions as per ONS definitions. Historical data is based on revised figures and may vary from earlier releases.

Global connections: UK's financial services exports



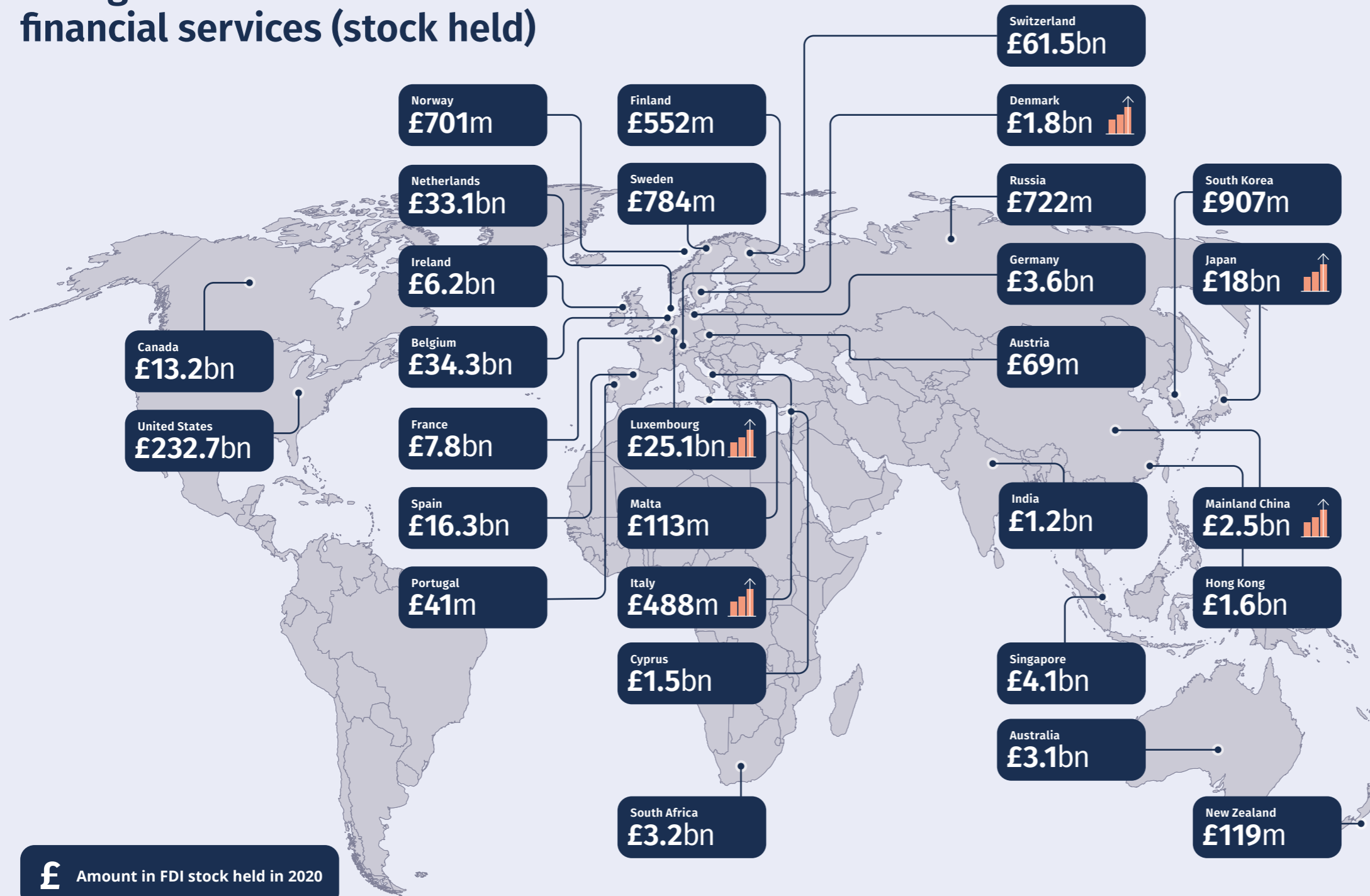
£82.4bn 28%
total financial services exports in 2020 of all service exports

£24.7bn 30%
total financial services exports to the EU in 2020 of total financial services exports

- Top 10 countries for biggest share of UK financial services exports (average 2017-2020)**
- 1 **United States**
 - 2 **Netherlands**
 - 3 **France**
 - 4 **Germany**
 - 5 **Japan**
 - 6 **Ireland**
 - 7 **Luxembourg**
 - 8 **Canada**
 - 9 **Switzerland**
 - 10 **Australia**
- These 10 countries accounted for around two-thirds of the UK's total financial services exports across this period.

Source: ONS Pink Book, Chapter 3: Trade in Services, Chapter 9: Geographical breakdown of the current account, 2020 data, released October 2021.
 Notes: This map covers the top 35 export markets for UK financial services. Financial services refers to financial and insurance services. Historical data is based on revised figures and may vary from earlier releases.
 * The Arab Gulf region refers to the ONS's "Residual Gulf Arabian Countries" which includes Bahrain, Iraq, Kuwait, Oman, Qatar, the UAE and Yemen, but excludes Saudi Arabia.

Global connections: Foreign direct investment in UK's financial services (stock held)



£ Amount in FDI stock held in 2020

Increase in FDI stock held for the past three years in a row

£588bn 30%
total foreign direct investment (FDI) stocks in financial services in 2020 of all FDI stock in the UK

£132bn 22%
total FDI stocks in financial services from the EU in 2020 of total financial services FDI stock in the UK

Top 10 countries for biggest share of UK financial services FDI stock (average 2017-2020)

- 1 **United States**
- 2 **Switzerland**
- 3 **Netherlands**
- 4 **Spain**
- 5 **Luxembourg**
- 6 **Japan**
- 7 **Germany**
- 8 **Canada**
- 9 **France**
- 10 **Ireland**

These 10 countries accounted for around three-quarters of the total inward investment in UK financial services across this period.

Source: ONS, Inward Foreign Direct Investment (FDI) Involving UK Companies, 2020 (directional), released February 2022.
Notes: Foreign Direct Investment (FDI) stock is the value of the stock of investment held at a point in time. The map covers the stock of FDI in the UK controlled by foreign companies at the end of 2020. Some origins of FDI are not included due to non-disclosed data. Absolute value changes not provided this year for growth comparisons due to ONS methodology changes for 2020 data.