

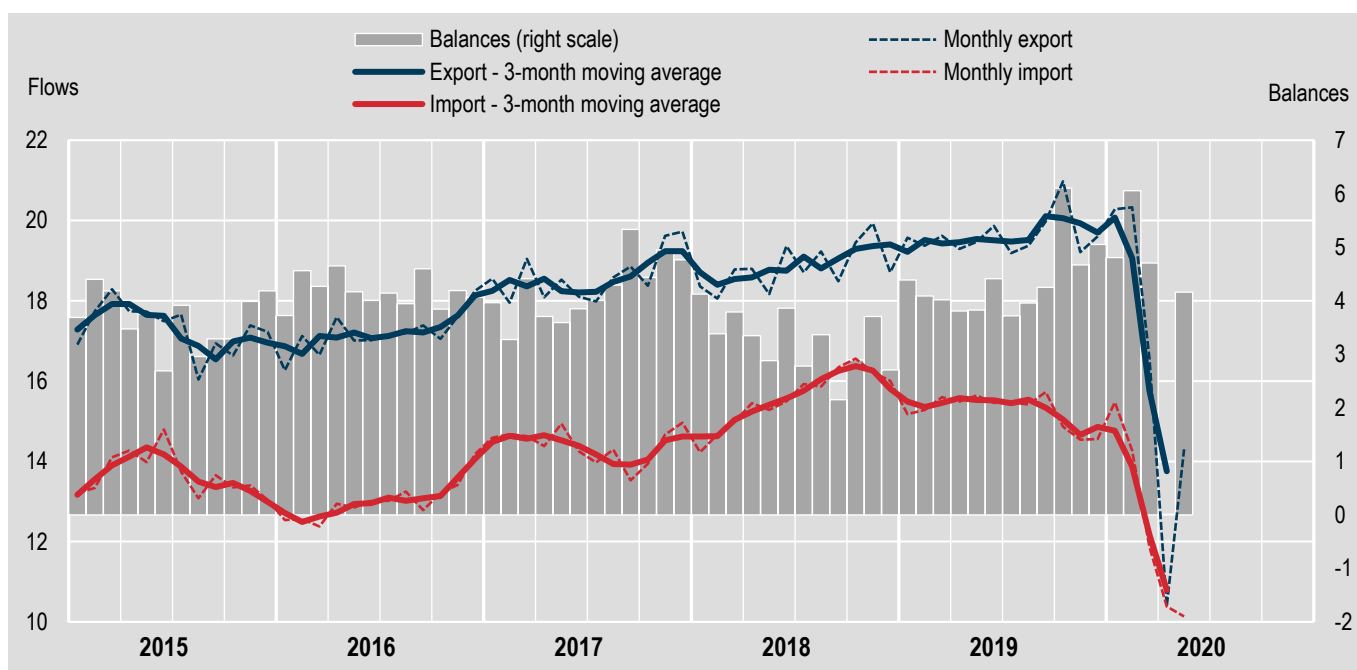
May 2020

## FOREIGN TRADE WITH NON-EU COUNTRIES

- Data on Italy's foreign trade with non-EU27<sup>1</sup> countries in May 2020 are preliminary. The results of the survey on total foreign trade in May 2020 will be disseminated on coming 16 July 2020.
- In May 2020 exports to non-EU27 countries decreased by 31.0% and imports decreased by 37.9% compared with the same month of the previous year.
- The trade balance showed a surplus of 4.149 million euro compared with a 4,334 million euro surplus in the same month of 2019.
- In May 2020, in seasonally adjusted terms, exports increased by 37.6% and imports decreased by 2.4% compared with April 2020. Over the last three months, seasonally adjusted data showed a 31.5% decrease in outgoing flows and a 26.9% decrease in incoming flows in comparison with the previous three months.
- In May 2020 excluding energy, the trade balance showed a surplus of 5,230 million euro compared to the surplus of 7,806 million euro of May 2019.
- For the former non-EU28 area, which does not include the United Kingdom, in May 2020, exports decreased by 31.0% and imports decreased by 37.7% compared with the same month of the previous year. In seasonally adjusted terms, exports increased by 38.1% and import reduced by 2.5% compared with April 2020. The trade balance showed a surplus of 3.183 million euro (there was a 3,099 million euro surplus in May 2019).

### CHART 1. TRADE FLOWS WITH NON-EU27 COUNTRIES AND TRADE BALANCES

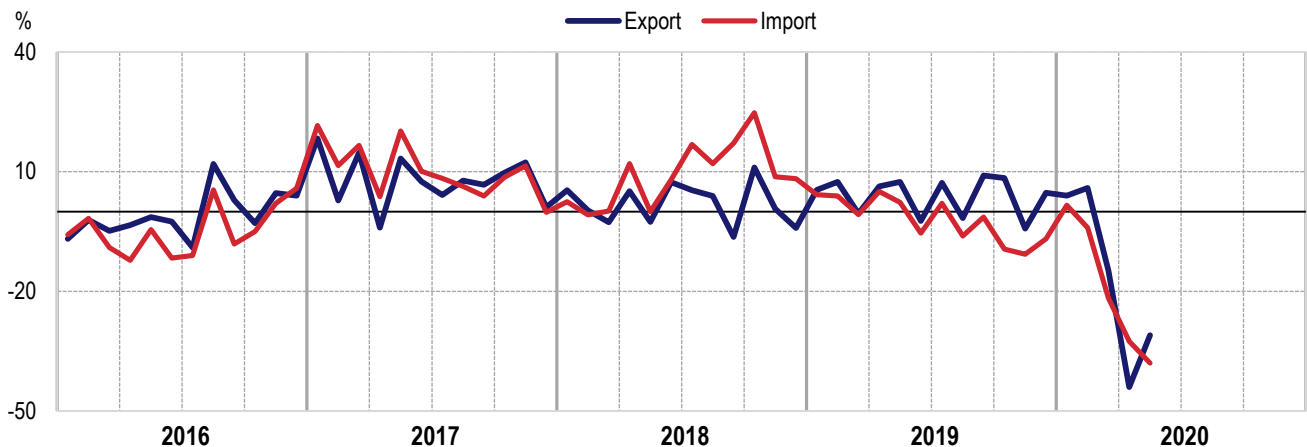
January 2015 - May 2020, monthly import and export, 3 months moving average (left scale) and trade balances in billions of euros (right scale), seasonally adjusted data



<sup>1</sup> As explained in the Methodological Note, preliminary data for the new non-EU27 area include estimated values for the United Kingdom. With their first revision in the following month and dissemination on the Press Release Foreign Trade and Import Prices, they will include the United Kingdom data, processed on the basis of the information that becomes available.

**CHART 2. TRADE FLOWS WITH NON-EU27 COUNTRIES, MONTH ON SAME MONTH A YEAR AGO PERCENTAGE CHANGES**

January 2016 - May 2020, non- seasonally adjusted data



**TABLE 1. EXPORTS, IMPORTS AND TRADE BALANCE WITH NON-EU27 COUNTRIES**

May 2020, months on same months a year ago and months on previous months percentage changes, trade balance in millions of euros

	SEASONALLY ADJUSTED			NON-SEASONALLY ADJUSTED			
	Millions of euros	Months on previous months		Millions of euros	Months on same months a year ago	Months on same months a year ago	
		May 2020	May 20 Apr. 20			Mar.-May 20 Dec. 19-Feb. 20	May 2020
Exports	+14,297	+37.6	-31.5	+14,496	+78,662	-31.0	-16.8
Imports	+10,135	-2.4	-26.9	+10,347	+63,577	-37.9	-19.2
Trade balance	+4,162			+4,149	+15,085		

**TABLE 2. EXPORTS, IMPORTS AND TRADE BALANCE WITH NON-EU27 COUNTRIES BY MAIN INDUSTRIAL GROUPINGS**

May 2020, shares, months on same months a year ago percentage changes, trade balance in millions of euros

MIGS	EXPORTS			IMPORTS			TRADE BALANCES	
	Share (a)	Months on same months a year ago		Share (a)	Months on same months a year ago		Millions of euros	
		May 20 May 19	Jan.-May 20 Jan.-May 19		May 20 May 19	Jan.-May 20 Jan.-May 19	May 2020	Jan.-May 20
Consumer goods	17.9	-30.9	-15.5	11.3	-26.0	-9.4	+1,959	+10,217
- consumer durables	3.2	-53.1	-35.7	1.7	-58.3	-32.2	+279	+1,723
- consumer non durables	14.7	-26.1	-11.2	9.6	-18.4	-5.1	+1,680	+8,494
Capital goods	17.2	-36.1	-22.5	8.4	-36.0	-19.8	+2,601	+13,691
Intermediate goods	12.8	-22.1	-10.9	12.9	-26.4	-16.0	+670	+1,826
Energy	1.5	-57.2	-18.0	10.7	-67.4	-33.1	-1,081	-10,649
Total (except energy)	47.8	-30.3	-16.8	32.5	-28.7	-14.7	+5,230	+25,734
<b>Total</b>	<b>49.3</b>	<b>-31.0</b>	<b>-16.8</b>	<b>43.2</b>	<b>-37.9</b>	<b>-19.2</b>	<b>+4,149</b>	<b>+15,085</b>

(a) Calculated on 2019 total foreign trade.

**TABLE 3. EXPORTS, IMPORTS AND TRADE BALANCES WITH NON-EU27 COUNTRIES BY MAIN TRADE PARTNER**  
May 2020, shares, months on same months a year ago percentage changes for imports and exports and trade balance in millions of euros

COUNTRIES	EXPORTS			IMPORTS			TRADE BALANCE	
	Share (a)	Months on same months a year ago		Share (a)	Months on same months a year ago		Millions of euros	
		May 20	Jan.-May 20		May 20	Jan.-May 20	May 2020	Jan.-May 20
		May 19	Jan.-May 19		May 19	Jan.-May 19		
European non-EU countries	16.2	-49.6	-21.3	12.5	-56.6	-28.4	+1,371	+8,088
United Kingdom (b)	5.2	-30.6	-20.5	2.5	-42.1	-28.7	+967	+5,118
Russian Fed.	1.7	-23.4	-11.3	3.4	-45.8	-26.5	-142	-1,890
Switzerland	5.5	-18.1	-14.6	2.6	-43.9	-19.2	+1,251	+5,015
Turkey	1.8	-44.4	-11.5	2.2	-54.2	-29.7	+85	+49
North Africa	2.5	-35.8	-20.8	3.4	-59.2	-39.4	+139	-131
Other African countries	1.2	-36.7	-15.8	1.6	-62.3	-23.5	+57	-459
North America	10.5	-27.3	-8.0	4.4	-33.6	-6.7	+2,162	+11,217
United States	9.6	-26.8	-7.8	4.0	-36.3	-8.8	+2,014	+10,358
Central and South America	2.9	-51.9	-26.6	2.3	-17.1	-14.5	-111	+466
Middle Eastern countries	3.7	-27.8	-17.8	4.1	-66.8	-28.9	+630	+681
Other Asian countries	10.2	-32.7	-22.2	14.4	-20.9	-9.6	-1,512	-8,243
China	2.7	-25.6	-21.9	7.5	+4.0	-3.3	-1,936	-8,477
Japan	1.6	-32.9	-10.2	1.0	-36.0	-17.3	+224	+1,103
India	0.8	-58.0	-33.9	1.2	-71.1	-24.1	-12	-727
Oceania and other territories	2.1	-33.2	-17.9	0.5	-19.6	-13.1	+448	+2,499
OPEC	3.3	-26.5	-15.3	5.2	-68.3	-37.3	+308	-769
MERCOSUR	1.1	-51.7	-23.6	1.1	-14.1	-18.7	-139	-107
ASEAN	1.8	-29.4	-19.9	2.2	-27.0	-9.0	-100	-914
<b>Total</b>	<b>49.3</b>	<b>-31.0</b>	<b>-16.8</b>	<b>43.2</b>	<b>-37.9</b>	<b>-19.2</b>	<b>+4,149</b>	<b>+15,085</b>

(a) Calculated on 2019 total foreign trade.

(b) The United Kingdom data are estimated. Detected data will be available in the next Press Release Foreign Trade and Import Price.

## Data Sources and legal framework

The survey on international trade of goods with non-EU countries is carried out according to the following EU legislation, Regulation (EU) n.1724/2016 and Regulation n. 2119/2016, amending Regulation (EC) of the European Parliament and of the Council n. 471/2009; Regulation (EU) n. 1253/2016, amending Commission Regulation (EU) n. 92/2010; Regulation (EU) n. 2119/2016 amending Regulation no. 113/2010.

The extrastat monthly survey is carried out processing fiscal-administrative data (Single Administrative Document - SAD) according to statistical definitions and classifications.

Since 2000, in accordance with the EU legislation, exports and imports below the exclusion thresholds (commercial transactions values less than 1.000 Euros, starting since 2010) are monthly included as aggregate data.

Since September 2011, a new approach for the compilation of external trade statistics on natural gas in gaseous state and electricity has been implemented. Data on physical quantities are monthly collected from reliable sources, while for the other variables required by EU regulations (total trade in values and breakdown of volumes and values by partner countries) new estimation procedures have been developed.

Starting from data of February 2020, with the exit of the United Kingdom from the European Union on 1 February 2020, Istat begin to publish foreign trade data for the new non-EU27 area, in line with Eurostat's dissemination policy.

Since, according to the withdrawal agreement ratified by the European Parliament on 29 January 2020, the United Kingdom will continue to be part of the customs and tax territory (VAT and excise duties) of the European Union until 31 December 2020 and since, therefore, only after this date - unless otherwise agreed - the movement of goods between the United Kingdom and the EU will be considered trade with a third country, trade flows to and from the United Kingdom are recorded, until 31 December 2020, by Intrastat declarations.

Given the different timing of receipt of Intrastat and Extrastat sources, which does not make available Intrastat declarations at the time of the first publication of foreign trade data for non-EU countries, the processing and the first dissemination of these data - for the reference months from February to December 2020 - makes it necessary to estimate trade flows with the United Kingdom by means of forecasting statistical models.

Therefore, at the time of the first publication on this press release, preliminary data for the non-EU27 area include estimated values for the United Kingdom. With their first revision in the following month and dissemination on the Press Release Foreign Trade and Import Prices, foreign trade data for the new area include actual trade data with the United Kingdom, collected from Intrastat declarations.

## Data population and classifications system

In compliance with the EU Regulations, the main classifications used in foreign trade statistics are based on the elementary information concerning the type of goods, the statistical partner country and the province of origin or destination of the goods.

Trade of goods with non-EU countries is classified by country of origin for imports and country of destination for exports.

Geographical and the geo-economic areas are defined according to the Nomenclature of countries and territories for the external trade statistics of the Community and statistics of trade between Member States, known as Geonomenclature.

The Combined Nomenclature (CN) is the primary nomenclature for traded goods used by the EU Member States, defined by the European Union and annually updated.

Since January 2009, products aggregations are defined according to the classification of the economic activities Ateco 2007, adapted to foreign trade (CPA), Ateco 2007 is the national version of the European nomenclature NACE rev,2 published in the Official Journal on 2 December 2006 (Regulation (EC) No. 1893/2006 of the European Parliament and of the Council of 20/12/2006), Ateco 2007 corresponds to Nace rev,2 up to the fourth digit, Data are released according to a timely intermediate breakdown of the sections.

In 2003, Istat adopted the classification for economic destination "Main Industrial Groupings (MIGS)", defined by Commission Regulation n. 586/2001 (Official Journal of the European Communities of 27/03/2001), amended by Regulation (EC) no. 656/2007 of 14/06/2007 following the entry into force of Nace Rev. 2.

The Main Industrial Groupings (MIGS) are:

1. Consumer durables;
2. Consumer non-durables;
3. Capital goods;
4. Intermediate goods;
5. Energy.

As for Ateco 2007, the MIGS classification has been adapted to the statistics on foreign trade.

## Data processing

With the first release, starting from the data of February 2020 until to December 2020, the raw data published for the non-EU27 area include estimated data for the United Kingdom. For the reference month, the estimates of trade flows with the United Kingdom by main industrial groupings are obtained both by applying ARIMA-type one-month forecasting models and by applying to UK data the trends recorded for trade flows with the other main European countries non EU. Estimates of total flows with the United Kingdom are obtained by aggregating estimated flow data by main industrial groupings.

Both raw and seasonally adjusted trade values are published, TRAMO-SEATS procedure for Linux (February 2010 version) provides seasonally adjusted data.

Since 2012, some substantial process and product innovations have been introduced in the seasonal adjustment procedures, aimed to improving the accuracy of the estimates and providing users with a wider detail of the statistical indicators at main industrial groupings level for the short-term analysis of foreign trade.

Seasonally adjusted data are monthly revised, The models are annually reviewed in November, with the final revision of raw data, The TRAMO-SEATS procedure's specifications used by Istat are available to users under request.

With the press release for February 2020, on the occasion of the entry of the United Kingdom into the non-EU area and the consequent revision of the entire aggregated series, the annual review of the seasonal adjustment models was carried out.

In order to manage the discontinuities produced by the Covid-19 crisis on time series, a further revision of the seasonal adjustment models was carried out, following Eurostat guidelines available in the web page [Covid-19: Support for statisticians](#). Taking into account the extraordinary dynamics in extra-EU exports and imports recorded in May, as done for April and March, models for time series treatment included additional regressors when necessary. This procedure may continue in the next months until the information collected will offer a clear insight and therefore statistical models for seasonal adjustment might be revised. Therefore, in the coming months, revisions of the seasonally-adjusted data may be larger than usual.

## Output

Data monthly released include monetary values, year-on-year and month-on-month variations of international trade in goods, Collected or estimated monetary statistical values (Cif, Fob) in current prices are reported.

Provisional data are released at approximately 25 days after the end of the reference month.

## Confidentiality

Since 2000, Istat has defined new procedures for processing and dissemination of confidential data related to foreign trade in goods statistics, according to the current national regulatory framework (Law No. 675/96, Legislative Decrees N. 322/89, 281/99 and 196/03).

In particular, the new procedures bring to a significant reduction of the risk of identification, indirect and accidental, of confidential data and, at the same time, limiting the loss of information available for external users.

In addition to the protection of confidential information according to the principle of passive confidentiality, Istat provides a specific dissemination plan for international trade of goods at national and territorial level, designed in such a way to reduce the risk of indirect identification of confidential trade, Further information on the protection of privacy is available at the following link <https://www.coeweb.istat.it>

## For technical and methodological information

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