

Intelligence Hub

International Strategy Evidence Base
October 2024



GLASGOW
CITY REGION

Content

Key Takeaways:

- 1. Robust Export Performance:** GCR's total export value of £14,273 million is the 4th highest among UK city regions.
- 2. Significant Trade Surplus:** GCR achieved a total trade surplus of £5,076 million in 2021, ranking 2nd among UK Core City Regions. This surplus is largely attributed to the services sector, which has a surplus of £4,255 million.
- 3. Key Export Markets and Trade Partners:** The United States is the largest market for GCR exports, with a trade surplus of £2,498 million, driven by strong demand for high-value services such as financial, professional, and technology services.
- 4. Higher Education's Global Reach:** GCR's higher education institutions attract over 32,330 international students with graduates from these institutions are working across the globe, showcasing Glasgow as an exporter of skilled labour.

Contents:

A. Current Trade Landscape

B. Regional Comparison

C. Sectoral Breakdown

D. Trends in Trade

E. International Emerging Economy

F. Higher Education's International Reach

G. Conclusions

Current Trade Landscape

Glasgow City Region Achieves a Robust Trade Surplus Driven by Strong Services Exports, with a Strategic Shift Towards Non-EU Markets.

Trade Surplus: Combining goods and services, Glasgow City Region's total exports are **£14,273 million**, while total imports are **£9,197 million**.

- **This leads to a robust trade surplus overall, driven by the substantial surplus in services trade, particularly with non-EU countries.**
- **This suggests that the GCR international trade is highly focused on services, which is consistent with the economic shift away from traditional manufacturing industries and towards a service-oriented economy.**

EU Market: The data also indicates that non-EU markets are more critical for Glasgow's export performance than the EU, particularly in services. However, both goods and services exports to the EU remain significant, and maintaining strong relationships with these markets post-Brexit will be important. The region's trade deficit in goods with the EU highlights an area of reliance of Regional goods.

Glasgow City Region's Trade Split (£m) 2021

EU	Goods	Services	EU Total
Export	£2,439 (21%)	£2,102 (17.8%)	£4,541
Imports	£2,455 (21%)	£1,293 (10.9%)	£3,748
Balance	-£16	£809	£793
Non-EU	Goods	Services	Non-EU Total
Export	£3,801 (33%)	£5,931 (50.2%)	£9,732
Imports	£2,964 (25%)	£2,485 (21%)	£5,449
Balance	£837	£3,446	£4,283
Total	Goods	Services	GCR Total
Export	£6,240 (54%)	£8,033 (68%)	£14,273
Imports	£5,419 (46%)	£3,778 (32%)	£9,197
Balance	£821	£4,255	£5,076

Sources: ONS Subnational Trade in Goods and Services

Current Trade Landscape

Glasgow City Region's Strong Trade Surplus with the United States Highlights Its Competitive Edge in High-Value Services.

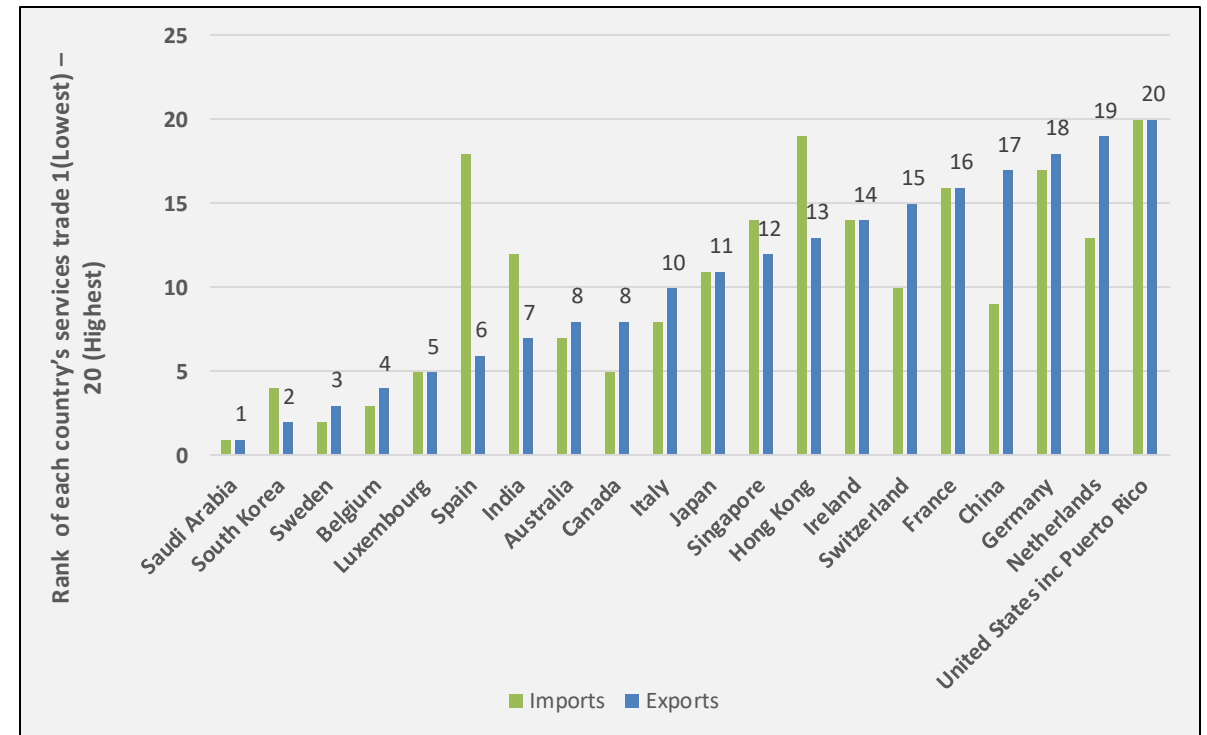
Glasgow City Region's trade relationships are strong with economies like the United States, EU member states, and emerging markets in Asia. Trade deficits typically exist in countries that export beverages, food and consumer goods, like Spain.

Largest Trade Surplus: GCR has its largest trade surplus with the United States, amounting to **£2,498 million**. This substantial surplus reflects the region's strong export performance, with exports to the U.S. reaching **£3,397 million** compared to imports of **£899 million**.

➤ **The surplus is likely driven by high-value service sectors such as financial services, technology, education.**

Largest Deficit: With imports of **£240 million** and exports of **£122 million**, Glasgow has a trade deficit of **£118 million**. This could suggest strong imports in areas like food, beverages, or consumer goods, where local production may not be sufficient.

GCR's International Trading Partners 2021



Sources: ONS Subnational Trade in Goods and Services

Regional Comparison

Glasgow City Region Ranks Among the Top UK Exporters, Showcasing Strong Performance in Both Goods and Services Trade.

Goods: Glasgow City Region ranks 4th in goods exports, with a total value of £6,240 million, and 4th in services exports, totalling £8,033 million. The region's export performance in services reflects its diversified economy.

- **Glasgow's total exports of £14,273 million make the 4th leading exporter among UK city regions.**

Imports: In terms of imports, Glasgow City Region ranks 6th for goods imports at £5,419 million and 4th for services imports at £3,778 million.

Overall Position: Glasgow City Region shows a relatively balanced trade position between goods and services, with strong performance in both.

- **GCR's goods trade ranks it comfortably in the middle range among UK city regions, while its services trade positions it as a leader.**

UK Core City Region Trade Split (£m) 2021

Export	Goods	Services	Total
Glasgow City Region	£6,240 (4th)	£8,033 (4th)	£14,273 (4th)
West Yorkshire	£6,176 (5 th)	£13,104 (3 rd)	£19,280 (3 rd)
West of England	£3,319 (8 th)	£4,038 (6 th)	£7,357 (8 th)
Liverpool City Region	£6,154 (6 th)	£3,722 (8 th)	£9,876 (7 th)
North of Tyne	£2,241 (9 th)	£2,448 (9 th)	£4,689 (9 th)
Greater Manchester	£6,811 (3 rd)	£17,640 (1th)	£24,451 (2 nd)
West Midlands	£13,038 (1st)	£14,516 (2 nd)	£27,554 (1st)
Cardiff Capital Region	£7,511 (2 nd)	£3,961 (7 th)	£11,472 (6 th)
Edinburgh and South East Scotland City Region	£5,830 (7 th)	£7,935 (5 th)	£13,765 (5 th)
Import	Goods	Services	Total
Glasgow City Region	£5,419 (6th)	£3,778 (4th)	£9,197 (5th)
West Yorkshire	£9,518 (3 rd)	£7,202 (3 rd)	£16,720 (3 rd)
West of England	£3,817 (8 th)	£2,442 (6 th)	£6,259 (8 th)
Liverpool City Region	£7,717 (4 th)	£2,387 (7 th)	£10,104 (4 th)
North of Tyne	£1,697 (9 th)	£913 (9 th)	£2,610 (9 th)
Greater Manchester	£14,373 (2 nd)	£9,794 (1st)	£24,167 (1st)
West Midlands	£16,341 (1st)	£7,220 (2 nd)	£23,561 (2 nd)
Cardiff Capital Region	£6,186 (5 th)	£1,704 (8 th)	£7,890 (6 th)
Edinburgh and South East Scotland City Region	£3,892 (7 th)	£3,076 (5 th)	£6,968 (7 th)

Sources: ONS Subnational Trade in Goods and Services

Glasgow City Region Secures a Top Position Among UK City Regions with Strong Trade Surpluses in Both Goods and Services.

Strong Trade Surplus: The Glasgow City Region demonstrates a competitive edge in trade among UK core city regions, ranking third in overall trade surplus.

- ***With a total trade surplus of £5,076 million in 2021, Glasgow outperforms many other major city regions, including Greater Manchester and the West Midlands.***

Goods Trade: Glasgow achieves a surplus of £821 million, positioning it third among UK city regions. This reflects the strength of its manufacturing and engineering sectors, which continue to export high-value products globally.

Services Trade: Meanwhile, the region excels in services trade, with a significant surplus of £4,255 million, also ranking third. This is underpinned by strong exports in financial services, professional services, and technology, showcasing Glasgow's capacity to lead in high-value, knowledge-intensive sectors.

UK Core City Region Trade Balance (£m) 2021

Balance	Goods	Service	Total
Glasgow City Region	£821 (3rd)	£4,255 (5th)	£5,076 (2nd)
West Yorkshire	£-3,342 (8 th)	£5,902 (3 rd)	£2,560 (5 th)
West of England	£-498 (5 th)	£1,596 (7 th)	£1,098 (7 th)
Liverpool City Region	£-1,563 (6 th)	£1,335 (9 th)	£-228 (9 th)
North of Tyne	£544 (4 th)	£1,535 (8 th)	£2,079 (6 th)
Greater Manchester	£-7,562 (9 th)	£7,846 (1st)	£284 (8 th)
West Midlands	£-3,303 (7 th)	£7,296 (2 nd)	£3,993 (3 rd)
Cardiff Capital Region	£1,325 (2 nd)	£2,257 (6 th)	£3,582 (4 th)
Edinburgh and South East Scotland City Region	£1,938 (1st)	£4,859 (4 th)	£6,797 (1st)

Sources: ONS Subnational Trade in Goods and Services

Sectoral Breakdown

Glasgow City Region's Sectoral Trade Profile is Dominated by High-Value Services and Manufacturing, with Significant Surpluses Driven by Financial, Professional Services.

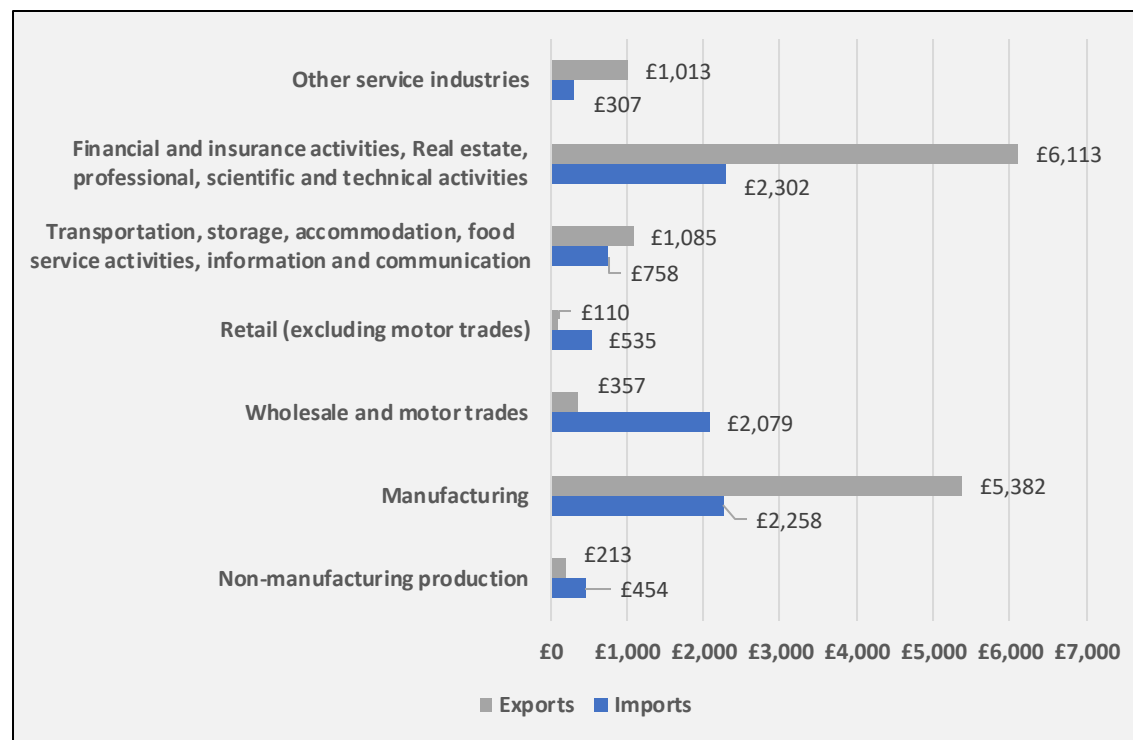
The sectoral trade split of GCR shows a strong export orientation in high-value service sectors and manufacturing.

Professional Activities: The financial and insurance activities, real estate, professional, scientific, and technical activities sector is by far the largest contributor to Glasgow City Region's exports, with a significant **£6,113 million** in exports compared to **£2,302 million** in imports.

➤ **This results in a substantial trade surplus of £3,811 million, showing Glasgow's high-value services like financial services, consultancy, and scientific research.**

Manufacturing: The manufacturing sector is another critical area for Glasgow, with exports valued at **£5,382 million** and imports at **£2,258 million**. This results in a robust trade surplus of **£3,124 million**. Glasgow's manufacturing sector includes traditional industries such as shipbuilding and more advanced manufacturing in aerospace, renewable energy technology.

GCR's Trade Split by Sector (£m) 2021



Sources: ONS Subnational Trade in Goods and Services

Trends in Trade

Glasgow City Region's Export Trends Highlight Significant Growth in Non-EU Markets Post-Brexit, Reflecting Strategic Diversification Amidst Global Economic Challenges.

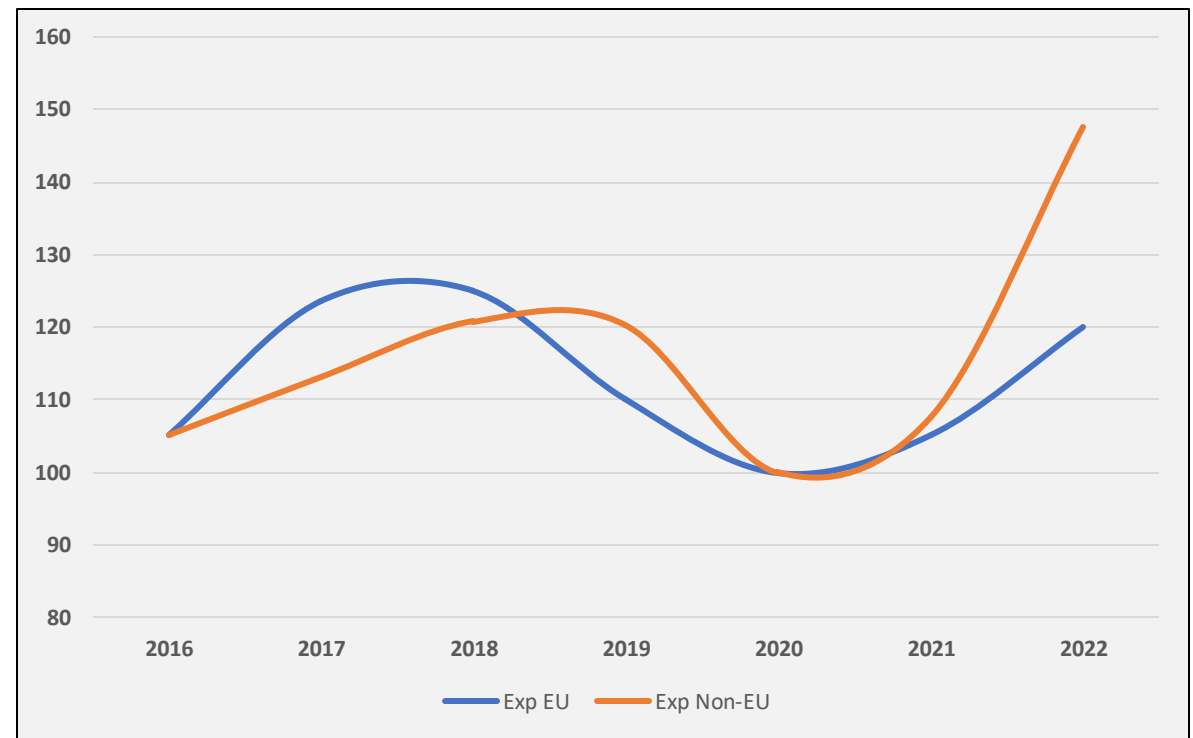
The chart illustrates the Glasgow City Region Export Index from 2016 to 2022, with 2016 set as the base year (index value = 100)

Trade with EU: The analysis shows a clear divergence in export growth trends between EU and non-EU markets, particularly in the later years. Exports to non-EU markets (represented by the red line) have shown more volatility but significant growth by 2022, while exports to the EU (represented by the blue line) have seen more stable but modest growth.

Impact of Brexit and COVID: The differences in the trends between EU and non-EU exports suggest that Brexit may have had a more dampening effect on trade with the EU compared to non-EU markets.

- **Non-EU exports were able to recover and grow more robustly after the initial shock of Brexit and the COVID-19 pandemic, indicating a successful strategy of market diversification.**

GCR's Export Index (2016=100)



Sources: ONS Subnational Trade in Goods and Services

Trends in Trade

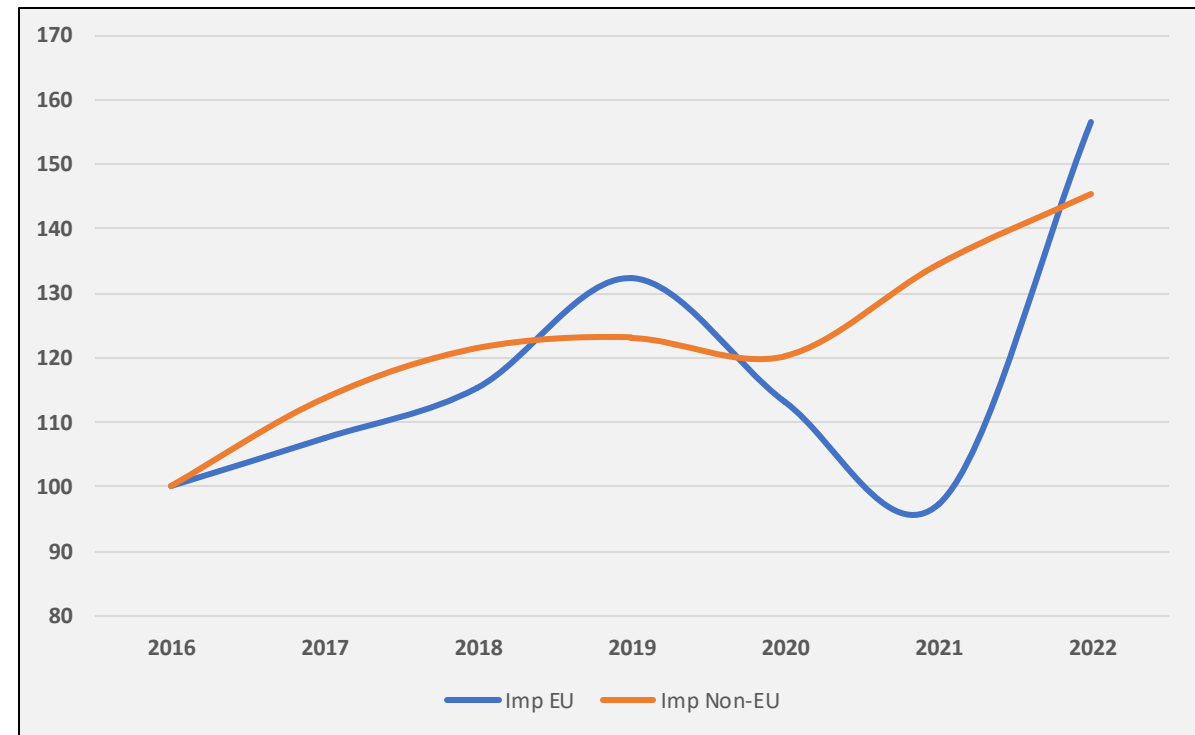
Glasgow City Region's Import Trends Shows a Shift Post-Brexit, With a Strong Recovery in EU Imports and Steady Growth in Non-EU Imports Indicating Market Diversification.

EU Imports: Imports from the EU exhibit more volatility over the period. From 2016 to 2018, there is a steady increase in imports, reaching an index value of around 120.

- **However, there was a sharp decline around 2019–2020, with the index dropping to its lowest point, approximately 90.**
- **This decline could be attributed to the impact of Brexit, which introduced new trade barriers, customs checks, and regulatory complexities, as well as the COVID-19 pandemic that disrupted supply chains.**

Post Brexit: The analysis shows a shift in import post-Brexit, with a sharp recovery in EU imports after an initial downturn and steady growth in non-EU imports. While the EU is an important trading partner, Glasgow has successfully moved its base towards non-EU markets. The sharp recovery in EU imports indicates adaptability in overcoming disruptions.

GCR's Import Index (2016=100)



Sources: ONS Subnational Trade in Goods and Services

International Emerging Economy

Growth in Glasgow's Emerging Sectors is Amplified by Exports, Highlighting Advanced Manufacturing and Health & Life Sciences as Key Drivers of GCR's International Identity.

The table opposite captures both the value of exports generated by each cluster and the impact of foreign holdings associated with these sectors*.

Advanced Manufacturing: The Advanced Manufacturing & Precision Engineering cluster is the largest contributor to exports, rising from **£221.53 million in 2018 to £373.21 million in 2022**. This growth reflects both robust export activity and significant foreign holdings in the region. Glasgow's strong engineering and manufacturing base, coupled with high graduate.

Health & Life Sciences: This cluster shows a notable increase from £53.66 million in 2018 to a peak of £117.70 million in 2021 before declining to £104.50 million in 2022.

➤ ***The spike in 2021 could also be related to heightened global demand for healthcare and life sciences products due to the COVID-19 pandemic.***

GCC's Emerging Sector Exports* Since 2018 (£m)

Cluster	2018	2019	2020	2021	2022
Advanced Manufacturing & Precision Engineering	£221.53	£256.13	£258.46	£320.22	£373.21
Digital Creative Industries	£0.76	£0.58	£0.31	£0.27	£0.18
Digital & Enabling Technologies & Services	£29.68	£33.75	£49.71	£37.19	£56.62
Energy & Net Zero	£36.63	£34.78	£38.62	£59.47	£28.23
Health & Life Sciences	£53.66	£10.38	£81.38	£117.70	£104.50
Total	£342.25	£335.62	£428.48	£534.85	£562.73

Sources: Data City, HMRC

*This data also captures foreign holdings by firms

International Emerging Economy

The Region's emerging and most innovative firms are firmly engaged in international markets.

Advanced Manufacturing: The data highlights that Advanced Manufacturing is a leading sector, with nearly 30% of the businesses in this cluster engaged in export activities. This suggests that the sector is well-established and globally competitive, leveraging Glasgow's industrial base to integrate advanced technologies and innovative production methods.

➤ ***The sector's strong export performance indicates that Glasgow is becoming a hub for high-value manufacturing, providing opportunities for further investment and expansion.***

Health and Life Sciences: Health and Life Sciences also show significant export potential, with 27% of businesses in this cluster involved in exports. This reflects the region's strengths in research and development and its ability to attract investment in biotechnology and medical technologies. The data suggests that Glasgow is capitalising on global healthcare trends and increasing demand for advanced medical solutions, making it a critical area for future growth.

GCRs' Emerging Clusters % Exporting Firms

Cluster	Total	Exporters	%
<i>Adv Manufacturing</i>	166	49	29.5%
<i>Digital Creative</i>	122	0	0.0%
<i>Digital Enabling Tech</i>	216	19	8.8%
<i>Energy and Net Zero</i>	127	18	14.2%
<i>Health and Life Sciences</i>	78	21	26.9%

Sources: Data City, HMRC

International Emerging Economy

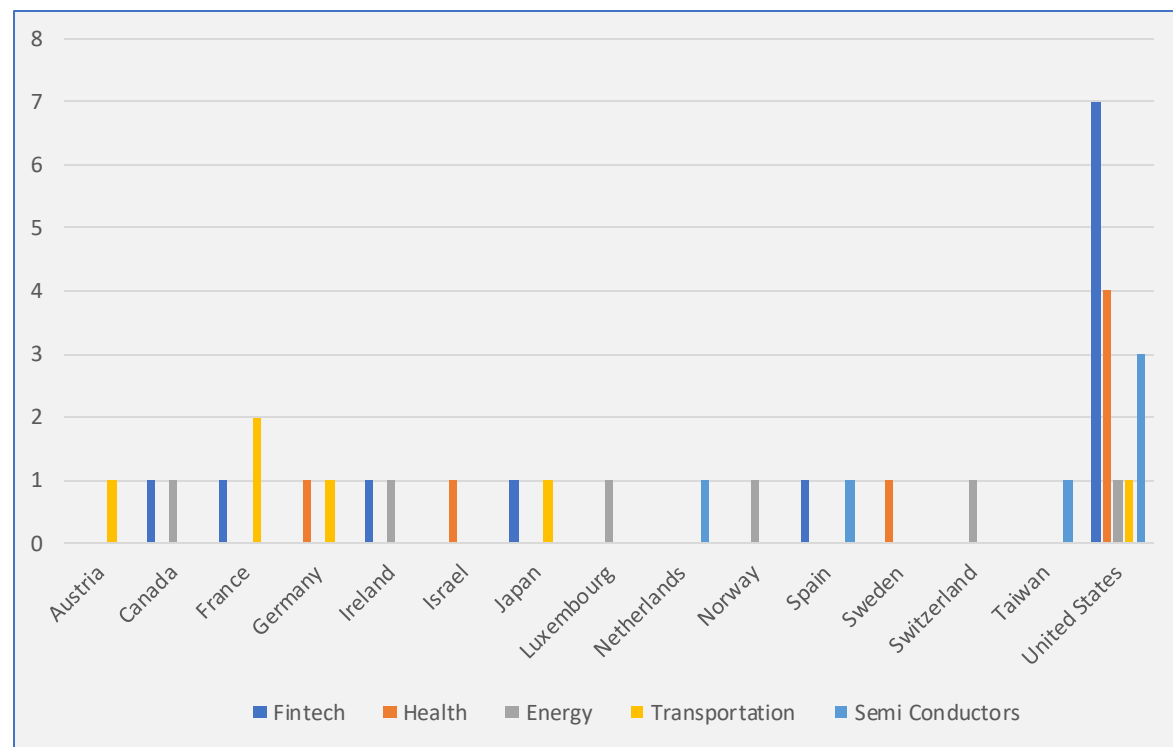
Glasgow's emerging economy is supported and powered by firms that operate in the Region but owned by foreign companies.

Foreign Ownership: Glasgow's emerging economy is significantly bolstered by foreign-owned firms that operate within the region, driving growth across multiple key sectors.

➤ *The influence of international companies is evident, particularly those headquartered in the United States, which dominate in fintech and health sectors. These foreign firms are instrumental in diversifying Glasgow's industrial base, with notable presence from countries like France, Germany, and the Netherlands in the fields of energy, transportation, and semiconductors.*

The chart highlights the distribution of these foreign firms across Glasgow's top five industries: **fintech, health, energy, transportation, and semiconductors**. The United States stands out as the most prominent contributor, showcasing the critical role of American investments in Glasgow's regional economic landscape. European countries, including Germany, France, and the Netherlands, also provide substantial support, particularly in energy and transportation.

Firm Count of Glasgow's Top 5 Industry by Country of HQ



Sources: Dealroom

Higher Education's International Reach

GCR is as a global education hub, fostering cultural exchange and contributing to the internationalisation of the student experience.

Higher Education: GCR's higher education institutions demonstrate a substantial international reach, attracting students from across the globe.

In 2021/22, GCR had a total of 32,330 foreign students attending Regional HE institutions. The University of Glasgow had total of **17,340 international students**. The largest contingent comes from Asia, accounting for **11,730 students, followed by substantial numbers from North America (1,255) and the EU (2,585)**. The University of Strathclyde follows with a total of 5,270 international students, also showing a significant presence from Asia (2,730) and the EU (870). Glasgow Caledonian University and the University of the West of Scotland exhibit similar patterns of international enrolment, with notable representation from Africa, at 905 and 1,045 students, respectively.

- ***This diversity across all these institutions reflects GCR's broad appeal to students worldwide, driven by a combination of academic excellence, cultural experiences, and strategic recruitment efforts.***

Non-UK domiciled HE students for each HE provider in the UK*

Regional Higher Education	EU	Other EU	Africa	Asia	AA	ME	NA	SA	Total
<i>The University of Glasgow</i>	2,585	325	505	11,730	30	780	1,255	130	17,340
<i>The University of Strathclyde</i>	870	120	460	2,730	35	660	345	50	5,270
<i>Glasgow Caledonian University</i>	660	20	905	1,665	10	100	155	10	3,525
<i>Glasgow School of Art</i>	215	25	5	530	5	10	45	0	835
<i>Royal Conservatoire of Scotland</i>	125	15	0	90	15	5	100	0	350
<i>The University of the West of Scotland</i>	375	35	1,045	3,495	0	20	35	5	5,010

Source: Intelligence Hub Analysis of HESA [data](#)

*AA – Australasia, ME – Middle East, NA – North America, SA – South America

Higher Education's International Reach

Mapping Global Student Mobility shows the international reach of GCR's student population

Global influence: This map focuses on where graduates from the Glasgow City Region are currently employed, demonstrating a wide dispersion across the globe.

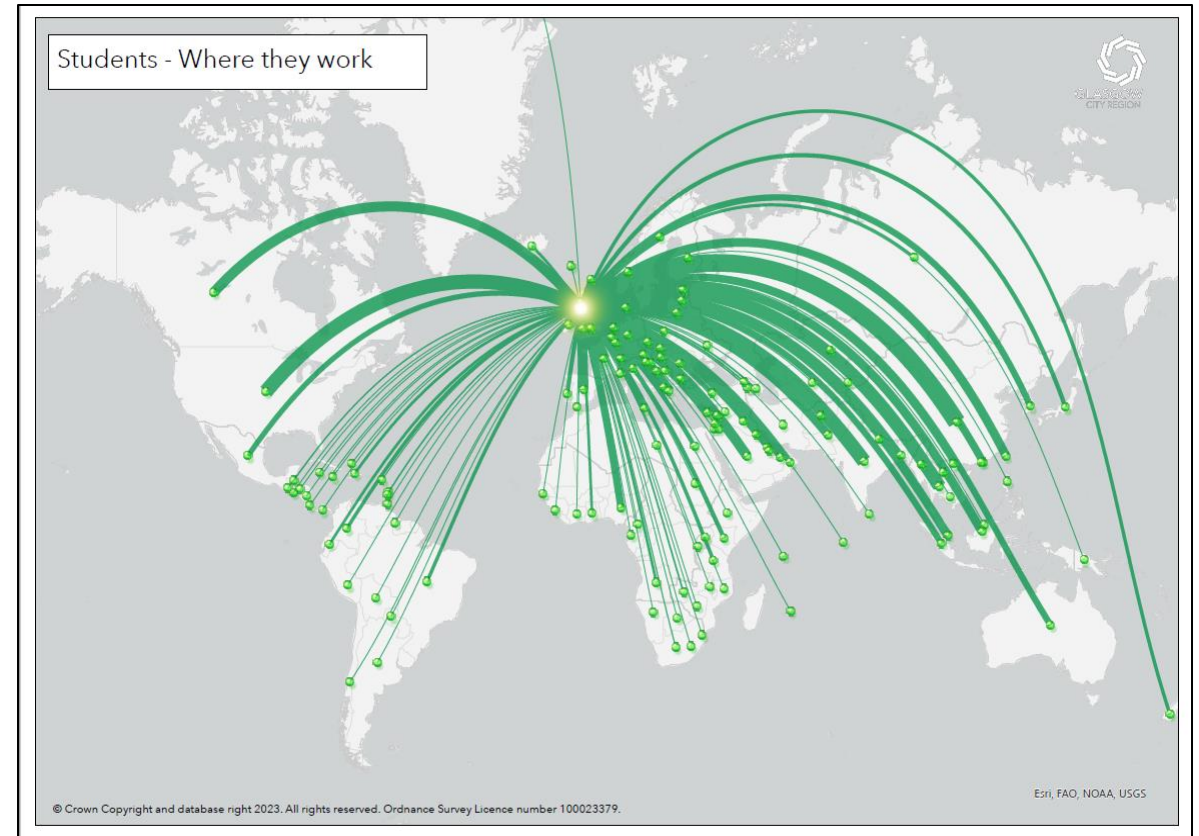
- ***The data reveals that graduates have taken up positions in key economic regions such as North America, Europe, Asia, and Australia.***

These global pathways underscore the strong international appeal and the high employability of graduates from Glasgow-based universities, who are contributing their skills and knowledge to economies around the world.

- ***The presence of Glasgow graduates in diverse areas of the world reinforces the Regions influence as an exporter of skilled workers for the global economy.***

It highlights the ability of its universities to prepare students for international careers and underscores GCR's influence in shaping a globally connected workforce.

Where GCR's graduates went onto work after graduation



Source: *Intelligence Hub Analysis of HESA [data](#)*

Conclusions

Glasgow City Region's Focus on High-Value Services and Talent positions the Region as a key player in the global economy.

GCR's International Identity: Glasgow City Region (GCR) showcases a robust and adaptable trade performance, strongly rooted in high-value service sectors. With a total **trade surplus of £5,076 million**, GCR ranks as the 2nd highest among UK Core City Regions. This significant surplus is driven by the region's strengths in Financial and Professional Services, which have consistently underpinned growth and established GCR as a specialised leader in these fields.

Exporter of Talent: GCR is also an exporter of talent. The region's universities and educational institutions attract a diverse array of international students, who often move on to global careers after graduation. This flow of highly skilled graduates into international markets reinforces Glasgow's global connections and impact, contributing to a well-distributed network of professionals worldwide who have ties to the city.

➤ ***This dual role as an exporter of both services and people positions Glasgow City Region as a vital player in the global economy.***

Key Metrics and Insights

Key Trade Metrics	Value	Insight
Total Export Value	£14,273 million	Glasgow's total exports of £14,273 million makes the 4th highest exporters among UK city regions.
Total Import Value	£9,197 million	Glasgow's total imports of £9,197 million makes the 5th highest importers among UK city regions.
Trade Surplus	£5,076 million	The 2nd highest trade surplus among UK Core City Regions
Top Export Sectors	Financial & Professional Services (£6,113 million)	Largest contributor to exports, driven by sectors like financial services, real estate, and consultancy.
Largest Trade Surplus Market	United States (£2,498 million)	Strong export performance to the U.S., especially in high-value sectors such as technology and finance.
Largest Trade Deficit Market	Spain (£118 million)	High imports in food, beverages, and consumer goods , showing strong local demand.

Further Information

For queries and further information, please contact Will Harkiss

william.harkiss@glasgow.gov.uk



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