

Call for collaboration

Trade asymmetries research and Trade deflator research

John Jeremy

Trade Asymmetries
Global Trade and Investment
Office for National Statistics (ONS)

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Overview

- What are Trade Asymmetries?
- Current ONS approach
- How can we help each other?

What are Trade Asymmetries?

Asymmetries = difference between estimates of partner countries when recording a trade flow.

- Exports recorded by one country and the imports recorded by partner country should be identical.
 - Rarely the case – this is known as an asymmetry.
- Trade asymmetries are **inevitable**
 - Consequence of a range of conceptual and measurement differences.

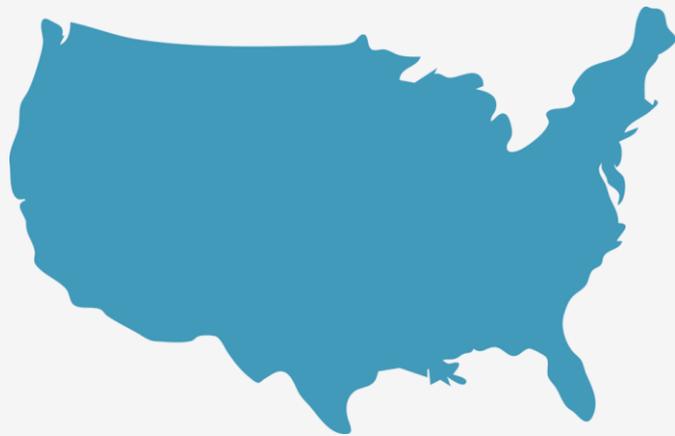
What are trade asymmetries?

When goods and services are traded (imported and exported) between countries, the transactions are reported twice: once by each country in the bilateral relationship.

Simplistically the credits (exports) and debits (imports) that each country records should be identical.

In reality, this is rarely the case and the discrepancy is known as an “asymmetry”.

For example:



USA estimates credits
(exports) to UK of £20bn



UK estimates debits
(imports) from USA of £16bn



UK Import Asymmetry (UK perspective) is
£16bn - £20bn = -£4bn

UK Import asymmetry = UK estimates of imports from partner country – Partner country estimates of exports to the UK

UK Export asymmetry = UK estimates of exports to partner country – Partner country estimates of imports from the UK

Asymmetries - What are ONS doing?

- Understanding Service Types
 - Current focus on Services
 - How do business behave?
 - How is service provided changing?
- Understand methods/data differences
 - What is the impact of these differences?
- Bringing Statistical Compilers together
 - OECD Expert Group on Asymmetries

Evolving Evidence/Knowledge base

- Outputs from ONS published on ONS website
 - Available to international community
- Deliverables from OECD group being developed
 - Options being considered
 - Considering developing a Wiki
 - Looking to feed into future compilers guides

Similar research to deflator development

- **Opportunities to share work**
- **Promote consistency**

How can we help each other?

Development work is Challenging!

Could help each other by:

- Sharing research – Avoid Duplication
- Keeping everyone updated on pertinent issues
 - Changes to Services
 - New data sources, etc.
- Consider wider SNA compilation
 - Consistency between areas of National Accounts
 - Consistency in trade statistics compilation

Action

We propose:

- Sharing information as development progresses (where possible)
 - Provide access to ONS/OECD/Voorburg findings, minutes, etc.,
- ONS provides update at Voorburg Meetings
- Considering an informal link between the OECD Expert Group and Voorburg Group
 - OECD Group still taking shape
- **Emphasise the importance of considering wider statistical outputs**
 - **Members to actively consider and promote this**

Questions and comments are welcome!

- Do group members feel that there is value in this collaboration?
- Any other ideas or suggestions?
- Feel free to contact me if you would like to discuss further:
John.Jeremy@ons.gov.uk