

## Key Facts about UK-China Relations

### Trade and Economic Ties<sup>1</sup>

- Total UK trade (goods and services) with China (inc. HK) fell **12.5%** to **£103 billion** in the four quarters to the end of Q1 2024, making it the UK's **third largest trading partner** after the USA (**£288.1b**) and Germany (**£144.9b**).
- China is the UK's **sixth largest export market**. UK goods and services exports to China fell **3.1%** to **£38 billion** in the four quarters to the end of Q1 2024, and accounted for **5%** of total UK exports.
- China is the UK's **third largest import market** after the **US (£100.5b)** and **Germany (£87.2b)**. The UK imported **£65 billion** worth of Chinese goods and services in the four quarters to the end of Q1 2024.
- UK goods exports to China fell **3.1%** to **£22.1 billion** in the four quarters to the end of Q1 2024. Goods imports from China decreased **20.2%** to **£57 billion** over the same period.
- UK service exports to China fell **3%** to **£15.9 billion** in the four quarters to the end of Q1 2024, service imports from China grew **15%** to **£8 billion**.

China is the UK's  
third largest trading  
partner

China is the UK's  
sixth largest export  
market

China accounts for  
5% of total UK  
exports

### Contribution to the UK Economy

- According to 2020 research by Cambridge Econometrics, the UK's links to China via goods trade, tourism and education support **114,000-129,000** jobs in the UK.

### Investment and Financial Services

- The UK is by far Europe's most popular destination for Chinese FDI; between 2000 and 2023, Chinese firms invested **€75.6 billion (£64.5 billion)** here. The second highest was Germany with **€33.2 billion (£28.3 billion)**.
- The UK received **€2.1 billion** in Chinese FDI in 2021, up **50%** from 2020.
- The UK received **€230 million (£204 million)** worth of Chinese venture capital investment in 2021, the second highest amount in Europe after Germany (**€597 million, or £530 million**).
- In 2021, British firms held FDI positions worth **£78.3 billion** in China, including Hong Kong. The stock of Chinese/Hong Kong FDI in the UK stood at **£21.3 billion**.
- The City of London is the **world's largest hub** for Renminbi trading outside China.

China invested  
€79.6 billion in the  
UK from  
2000-2021

### Education

- There were **151,690** Chinese students enrolled at British universities in the academic year 2021/22, making them the largest cohort of foreign students.
- According to the British Council, Chinese students contributed **£5.4 billion** to the UK economy through tuition and other expenses in 2021.

Chinese students  
added £5.4 billion  
to the economy in  
2021

### General

- China is the world's second largest economy with an estimated GDP of **£13.83 trillion** in 2023.
- The IMF estimates China will grow **5%** this year, nearly the equivalent of adding another Ireland to the world economy.
- McKinsey research shows that **39% (138 million)** of Chinese urban households were upper-middle class or higher (over **£19,100** in annual income) in 2021.

The IMF estimates  
China will grow by  
4.6% in 2024

<sup>1</sup> Trade data sourced from the latest ONS publication of [Trade in goods: country-by-commodity imports](#) and [UK trade in services: service type by partner country, non-seasonally adjusted](#) data. "China" and "Hong Kong" figures combined. Goods categories "3 Fuels" (all energy commodities) and "9 Unspecified Goods" (includes non-monetary gold) removed due to volatility.