

Key Facts about UK-China Relations

Trade and Economic Ties¹

- China (including Hong Kong) is the UK's **third largest trading partner** for goods and services after the USA (**£283.1b**) and Germany (**£141.7b**), with total trade amounting to **£103.1 billion** (-11% YoY) in the four quarters ending Q2 2024.
- China is the UK's **sixth largest export market**, with exports worth **£38.6 billion** (-2.2% YoY) in the four quarters ending Q2 2024, equal to **6.5%** of total UK exports.
- China is the UK's **third largest import market** after the US (**£99.2b**) and Germany (**£85.4b**). The UK imported **£64.5 billion** worth of Chinese goods and services in the four quarters ending Q2 2024.
- UK goods exports to China fell **2.7% YoY** to **£22.4 billion** in the four quarters ending Q2 2024, while goods imports from China decreased **18% YoY** to **£56.7 billion**.
- UK service exports to China fell **1.5% YoY** to **£16.2 billion** in the four quarters ending Q2 2024, while service imports from China grew **6.8% YoY** to **£7.8 billion**.

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China is the UK's
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China accounts for
6.5% 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 **£64.5 billion** here. The second highest was Germany with **£28.3 billion**.
- The UK received **£1.3 billion** in Chinese FDI in 2021, up **51%** from 2019.
- The UK received **£204 million** worth of Chinese venture capital investment in 2021, the second highest amount in Europe after Germany (**£530 million**).
- In 2022, British firms held FDI positions worth **£108.7 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 **172,260** Chinese (including Hong Kong) students enrolled at British universities in the academic year 2022/23, making them the second 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.

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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 **4.8%** 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
4.8% in 2024

¹ 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.