

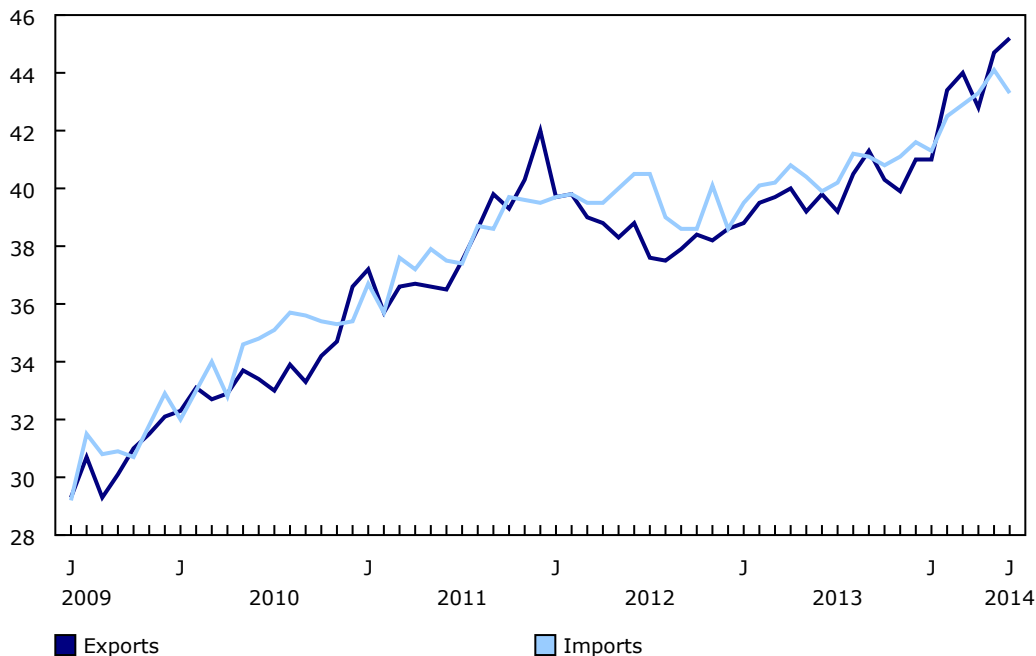
Canadian international merchandise trade, June 2014

Released at 8:30 a.m. Eastern time in *The Daily*, Wednesday, August 6, 2014

Canada's merchandise exports rose 1.1% in June, while imports declined 1.8%. As a result, Canada's trade surplus with the world widened from \$576 million in May to \$1.9 billion in June.

Chart 1
Exports and imports

billions of dollars



Note(s): Data are seasonally adjusted.

Exports increased to a record high \$45.2 billion, led by metal and non-metallic mineral products, consumer goods, and energy products. Volumes increased 1.0% and prices edged up 0.2%.

Imports decreased to \$43.3 billion, as declines were recorded in 8 of 11 sections. Volumes fell 1.7% and prices edged down 0.1%.

European Union leads gain in exports

Exports to countries other than the United States grew 4.8% to \$11.1 billion, led by the European Union (+12.1%). Imports from countries other than the United States fell 7.8% to \$14.3 billion as declines were recorded for the principal trading area "all other countries" (-8.3%) and the European Union (-10.8%). Consequently, Canada's trade deficit with countries other than the United States narrowed from \$4.9 billion in May to \$3.1 billion in June.

Exports to the United States were unchanged at \$34.1 billion in June, while imports were up 1.5% to a record high \$29.1 billion. As a result, Canada's trade surplus with the United States narrowed from \$5.4 billion in May to \$5.0 billion in June.



Exports up on higher volumes

Exports of metal and non-metallic mineral products increased 9.7% to \$4.8 billion in June, as volumes rose 10.2%. Higher exports of unwrought precious metals and precious metal alloys (+14.8%) and unwrought nickel and nickel alloys (+35.8%) were the main contributors.

Exports of consumer goods rose 8.3% to \$5.1 billion on higher volumes. Exports of consumer goods have been trending up since November 2012. Pharmaceutical and medicinal products (+23.4%), prepared and packaged seafood products (+37.6%) and miscellaneous goods and supplies (+19.4%) all contributed to the section's gains. The increases for all three commodity groupings were entirely the result of higher volumes, as was the case for the section as a whole.

Exports of energy products were up 2.5% to \$11.9 billion. Crude oil and crude bitumen increased 2.8% to a record high \$8.9 billion, as prices rose 2.2%.

Partially offsetting these increases, exports of motor vehicles and parts fell 6.3% to \$6.2 billion in June after recording four consecutive monthly gains. The main factor behind the decrease in June was passenger cars and light trucks, which fell 8.8% to \$4.1 billion.

Imports decline on lower volumes

Imports of metal ores and non-metallic minerals fell 25.3% to \$752 million in June, following an increase of 45.4% in May. Volumes declined 21.7% in June. The commodity grouping "other metal ores and concentrates" (-35.8%), primarily lead ores and gold bullion, was the main contributor to the section's decrease in imports.

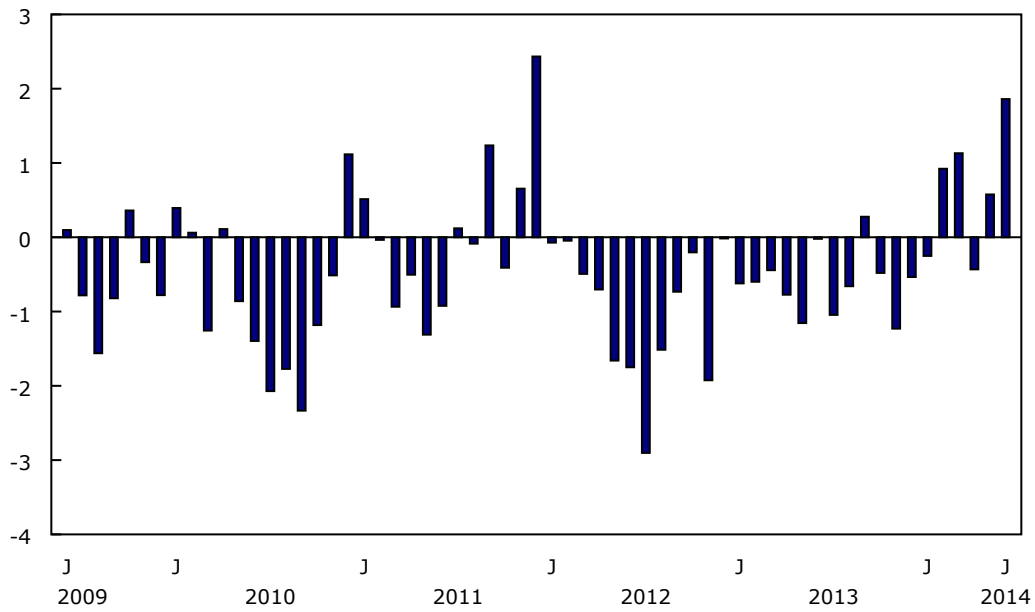
Electronic and electrical equipment and parts declined 4.5% to \$4.7 billion on lower volumes. The decrease in imports was widespread throughout the section, with communications and audio and video equipment (-5.4%) contributing the most.

Imports of motor vehicles and parts decreased 2.5% to \$7.6 billion, following four consecutive monthly increases. An 8.8% decline in motor vehicle engines and motor vehicle parts was partially offset by a 4.1% increase in passenger cars and light trucks.

Imports of consumer goods were down 2.2% to \$8.8 billion, a second consecutive monthly decrease after a record high in April. Volumes and prices both declined. Lower imports were reported for pharmaceutical and medicinal products (-6.3%) and clothing, footwear and accessories (-5.4%).

Chart 2
Trade balance

billions of dollars



Note(s): Data are seasonally adjusted.

Note to readers

Merchandise trade is one component of Canada's international balance of payments (BOP), which also includes trade in services, investment income, current transfers as well as capital and financial flows.

International merchandise trade data by country are available on both a BOP and a customs basis for the United States, Japan and the United Kingdom. Trade data for all other individual countries are available on a customs basis only. BOP data are derived from customs data by making adjustments for factors such as valuation, coverage, timing and residency. These adjustments are made to conform to the concepts and definitions of the Canadian System of National Accounts.

Data in this release are on a BOP basis, seasonally adjusted and in current dollars. Constant dollars are calculated using the Laspeyres volume formula (2007=100).

For more information on seasonal adjustment, see [Seasonally adjusted data – Frequently asked questions](#).

Revisions

In general, merchandise trade data are revised on an ongoing basis for each month of the current year. Current year revisions are reflected in both the customs and BOP based data.

The previous year's customs data are revised with the release of the January and February reference months as well as on a quarterly basis. The previous two years of customs based data are revised annually and are released in February with the December reference month.

The previous year's BOP based data are revised with the release of the January, February and March reference months. To remain consistent with the Canadian System of macroeconomic accounts, annual revisions will take place in December with the October reference month rather than in June, as was previously the case.

Factors influencing revisions include late receipt of import and export documentation, incorrect information on customs forms, replacement of estimates produced for the energy section with actual figures, changes in classification of merchandise based on more current information, and changes to seasonal adjustment factors.

Revised data are available in the appropriate CANSIM tables.

Table 1
Merchandise trade: Principal trading areas – Seasonally adjusted, current dollars

	June 2013	May 2014 ^r	June 2014	May to June 2014	June 2013 to June 2014
	millions of dollars			% change	
Total exports	39,847	44,693	45,203	1.1	13.4
United States	29,721	34,064	34,067	0.0	14.6
Japan	842	890	959	7.7	13.8
European Union ¹	3,073	3,200	3,589	12.1	16.8
Other OECD countries ²	1,652	1,777	1,800	1.3	9.0
All other countries	4,559	4,761	4,789	0.6	5.0
Total imports	39,869	44,117	43,344	-1.8	8.7
United States	25,652	28,626	29,064	1.5	13.3
Japan	814	875	756	-13.6	-7.1
European Union ¹	3,655	4,594	4,096	-10.8	12.1
Other OECD countries ²	2,988	2,916	2,909	-0.3	-2.7
All other countries	6,759	7,105	6,518	-8.3	-3.6
Trade balance	-21	576	1,860	...	...
United States	4,069	5,438	5,004	...	...
Japan	28	15	202	...	...
European Union ¹	-582	-1,393	-508	...	...
Other OECD countries ²	-1,337	-1,139	-1,108	...	...
All other countries	-2,200	-2,344	-1,730	...	...

^r revised

... not applicable

1. The European Union includes Austria, Belgium, Bulgaria, Croatia, Cyprus, the Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Ireland, Italy, Latvia, Lithuania, Luxembourg, Malta, the Netherlands, Poland, Portugal, Romania, Slovakia, Slovenia, Spain, Sweden and the United Kingdom.

2. Other countries in the Organisation for Economic Co-operation and Development (OECD) include Australia, Canada, Chile, Iceland, Israel, Mexico, New Zealand, Norway, South Korea, Switzerland and Turkey.

Note(s): Totals may not equal the sum of their components.

Table 2
Merchandise trade: North American Product Classification System¹– Seasonally adjusted, current dollars

	June 2013	May 2014 ^r	June 2014	May to June 2014	June 2013 to June 2014
	millions of dollars			% change	
Total exports	39,847	44,693	45,203	1.1	13.4
Farm, fishing and intermediate food products	2,041	2,738	2,733	-0.1	34.0
Energy products	9,209	11,623	11,918	2.5	29.4
Metal ores and non-metallic minerals	1,545	1,491	1,568	5.2	1.5
Metal and non-metallic mineral products	4,681	4,358	4,779	9.7	2.1
Basic and industrial chemical, plastic and rubber products	2,976	2,953	2,970	0.6	-0.2
Forestry products and building and packaging materials	2,629	3,191	3,000	-6.0	14.1
Industrial machinery, equipment and parts	2,235	2,426	2,439	0.5	9.1
Electronic and electrical equipment and parts	1,918	1,969	1,916	-2.7	-0.1
Motor vehicles and parts	5,806	6,595	6,179	-6.3	6.4
Aircraft and other transportation equipment and parts	1,758	1,709	1,682	-1.6	-4.3
Consumer goods	4,212	4,684	5,072	8.3	20.4
Special transactions trade ²	188	180	181	0.2	-4.0
Other balance of payments adjustments	650	777	765	-1.4	17.9
Total imports	39,869	44,117	43,344	-1.8	8.7
Farm, fishing and intermediate food products	1,072	1,264	1,254	-0.8	17.0
Energy products	3,635	3,615	3,699	2.3	1.7
Metal ores and non-metallic minerals	720	1,006	752	-25.3	4.4
Metal and non-metallic mineral products	3,171	3,709	3,639	-1.9	14.8
Basic and industrial chemical, plastic and rubber products	3,172	3,849	3,792	-1.5	19.5
Forestry products and building and packaging materials	1,700	1,868	1,889	1.1	11.2
Industrial machinery, equipment and parts	3,802	4,245	4,104	-3.3	7.9
Electronic and electrical equipment and parts	4,817	4,932	4,711	-4.5	-2.2
Motor vehicles and parts	7,041	7,800	7,602	-2.5	8.0
Aircraft and other transportation equipment and parts	1,341	1,383	1,501	8.5	11.9
Consumer goods	8,027	8,988	8,793	-2.2	9.5
Special transactions trade ²	546	575	742	29.0	35.8
Other balance of payments adjustments	825	882	867	-1.7	5.1

^r revised

1. International merchandise trade data are based on the North American Product Classification System 2007.

2. These are mainly low-valued transactions, value of repairs to equipment as well as goods returned to the country of origin.

Note(s): Totals may not equal the sum of their components.

Available in CANSIM: tables 228-0058 to 228-0068.

Definitions, data sources and methods: survey numbers 2201, 2202 and 2203.

These data are now available in the *Canadian International Merchandise Trade Database* (65F0013X). From the *Browse by key resource* module of our website, choose *Publications*.

The June 2014 issue of *Canadian International Merchandise Trade*, Vol. 68, no. 6 (65-001-X), is also available from the *Browse by key resource* module of our website under *Publications*.

Data on Canadian international merchandise trade for July will be released on September 4.

For more information, contact us (toll-free 1-800-263-1136; 514-283-8300; infostats@statcan.gc.ca).

To enquire about the concepts, methods or data quality of this release, contact Alec Forbes (613-951-0325), International Accounts and Trade Division.