

Canadian international merchandise trade, October 2015

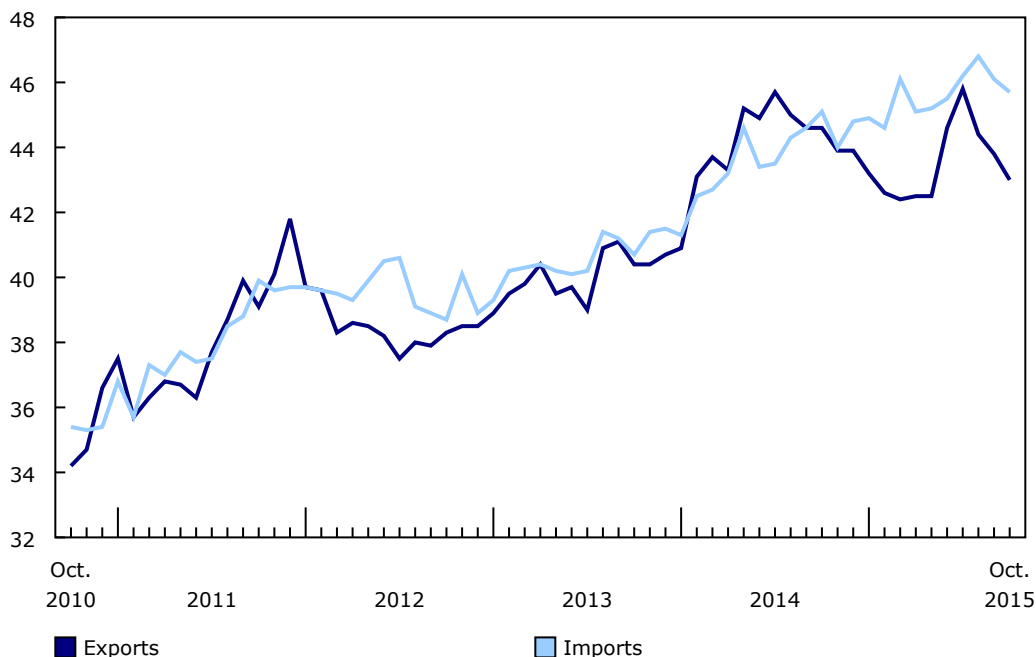
Released at 8:30 a.m. Eastern time in *The Daily*, Friday, December 4, 2015

Canada's overall international trade activity was down in October. Exports decreased 1.8% and imports declined 0.8%. Export volumes decreased 1.5% and prices were down 0.4%. For imports, volumes and prices declined 0.2% and 0.6% respectively.

As a result, Canada's merchandise trade deficit with the world widened from \$2.3 billion in September to \$2.8 billion in October, the 14th consecutive monthly deficit.

Chart 1
Merchandise exports and imports

billions of dollars



Note(s): Data are seasonally adjusted.
Source(s): CANSIM table [228-0069](#).

Trade surplus with the United States narrows

Weakness in exports was concentrated in trade with the United States. Exports to the United States declined 2.8% to \$32.2 billion in October, while imports from the United States edged down 0.3% to \$30.6 billion. Consequently, Canada's trade surplus with the United States narrowed from \$2.4 billion in September to \$1.6 billion in October.

Exports to countries other than the United States increased 1.2% to \$10.8 billion. Exports to the United Kingdom increased 38.8% to \$1.6 billion. Meanwhile, imports from countries other than the United States declined 1.7% to \$15.1 billion. There were lower imports from Saudi Arabia (-96.9%) and Japan (-16.1%). As a result, Canada's trade deficit with countries other than the United States narrowed from \$4.7 billion in September to \$4.3 billion in October.



Widespread declines in exports

Total exports decreased 1.8% to \$43.0 billion in October. There were declines in 10 of 11 sections, with the largest in farm, fishing and intermediate food products; basic and industrial chemical, plastic and rubber products; metal ores and non-metallic minerals; and metal and non-metallic mineral products. Exports excluding energy products were down 2.1%. Year over year, total exports declined 3.5%.

Exports of farm, fishing and intermediate food products fell 7.3% to \$2.5 billion on lower volumes. The main contributor was lower exports of canola, down 33.6% to \$319 million.

Basic and industrial chemical, plastic and rubber products declined 5.6% to \$2.8 billion. Volumes declined 4.9% and prices were down 0.7%. Exports of dyes and pigments; petrochemicals (-20.5%), basic chemicals (-8.2%), and lubricants and other petroleum refinery products (-14.7%) decreased in October.

Exports of metal ores and non-metallic minerals fell 9.4% to \$1.5 billion. The main contributor to the decline was copper ores and concentrates, down 24.5% to \$242 million on lower volumes.

Exports of metal and non-metallic mineral products decreased 2.2% to \$4.6 billion in October. Following a \$109 million increase in September, exports of unwrought copper and copper alloys fell \$110 million to reach \$119 million in October.

Consumer goods lead decline in imports

Total imports declined 0.8% to \$45.7 billion in October. Imports fell in 7 of 11 sections, led by consumer goods. Year over year, imports increased 1.5%.

Imports of consumer goods decreased 3.3% to \$9.9 billion. Overall, volumes declined 3.1% and prices were down 0.2%. There were lower imports of pharmaceutical and medicinal products (-10.1%) and miscellaneous goods and supplies (-4.9%) in October. Year over year, imports in this section were up 7.0%.

Imports of electronic and electrical equipment and parts were down 3.1% to \$5.3 billion on lower volumes. There were widespread declines in imports throughout the section, led by communications and audio and video equipment (-3.8%) and computers and computer peripheral equipment (-6.6%).

Energy products fell 6.8% to \$2.3 billion, the fourth consecutive monthly decline. Imports of natural gas liquids and related products were down \$123 million to reach \$55 million in October. Imports of crude oil and crude bitumen declined 9.2% to \$1.0 billion, the lowest value since September 2003. These declines were partly offset by a 29.8% increase in imports of natural gas to \$272 million. For the section overall, prices fell 8.8% while volumes were up 2.2%.

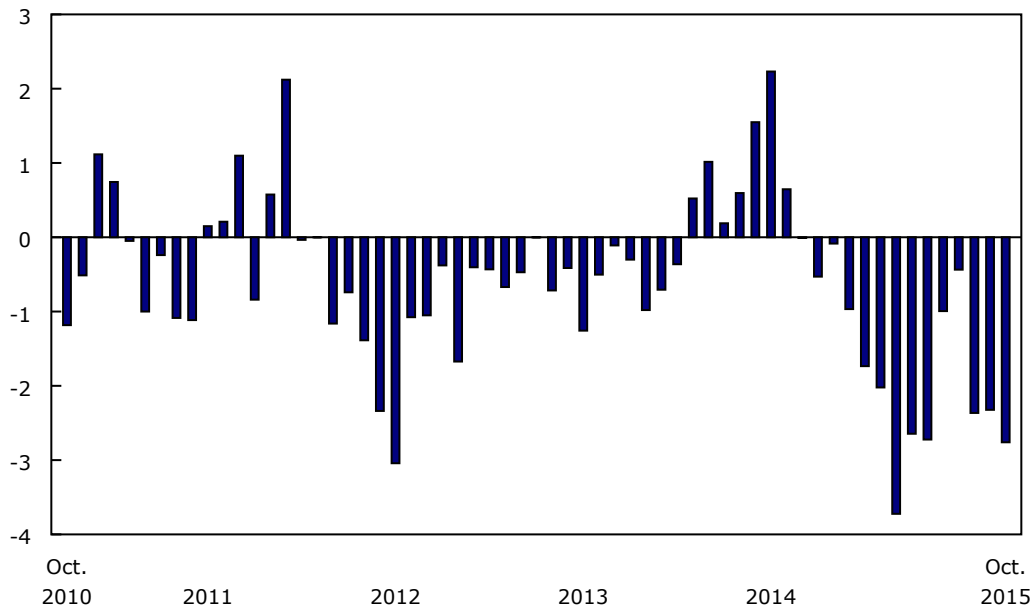
These declines were moderated by a 3.6% increase in imports of metal and non-metallic mineral products to \$3.7 billion in October. For the section overall, volumes rose 3.8%. Imports of unwrought precious metals and precious metal alloys increased 13.1% to \$727 million. Imports of unwrought copper and copper alloys rose \$51 million to reach \$94 million in October.

Revisions to September imports and exports

Revisions reflect initial estimates being updated or replaced with administrative and survey data as they became available, as well as amendments made for late documentation of high-value transactions. September's imports, originally reported as \$46.2 billion in last month's release, were revised to \$46.1 billion with the current month release. Exports, originally reported as \$44.5 billion in last month's release, were revised to \$43.8 billion.

Chart 2
International merchandise trade balance

billions of dollars



Note(s): Data are seasonally adjusted.
Source(s): CANSIM table [228-0069](#).

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 trade data by commodity are available on both a BOP and a customs basis. International trade data by country are available on a customs basis for all countries, and on a BOP basis for Canada's 27 principal trading partners (PTPs). The list of PTPs is based on their annual share of total merchandise trade—imports and exports—with Canada in 2012. 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.

For a BOP versus customs-based data conceptual analysis, see [Balance of Payments trade in goods at Statistics Canada: Expanding geographic detail to 27 principal trading partners](#).

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, March and April reference months. To remain consistent with the Canadian System of macroeconomic accounts, revisions to BOP based data for previous years are released annually in December with the October reference month.

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.

For more information on revisions for crude oil and natural gas, see [Revisions to trade data for crude oil and natural gas](#).

Revised data are available in the appropriate CANSIM tables.

Real-time CANSIM tables

Real-time CANSIM table 228-8059 will be updated on December 15. For more information, consult the document [Real-time CANSIM tables](#).

Next release

Data on Canadian international merchandise trade for November 2015 will be released on January 6, 2016.

Table 1
Merchandise trade: Canada's top 10 principal trading partners – Seasonally adjusted, current dollars

	October 2014 ^r	September 2015 ^r	October 2015	September to October 2015	October 2014 to October 2015
	millions of dollars			% change	
Total exports	44,554	43,784	42,980	-1.8	-3.5
United States	33,369	33,123	32,187	-2.8	-3.5
China	1,672	1,784	1,728	-3.1	3.4
Mexico	490	649	622	-4.1	26.9
United Kingdom	1,828	1,124	1,560	38.8	-14.6
Japan	993	805	737	-8.5	-25.8
Germany	328	360	448	24.3	36.6
South Korea	327	331	276	-16.5	-15.6
Hong Kong	366	459	258	-43.9	-29.5
Netherlands	366	319	373	16.8	1.7
France	296	281	278	-1.0	-6.1
Total imports	45,085	46,107	45,740	-0.8	1.5
United States	30,414	30,709	30,611	-0.3	0.6
China	3,136	3,329	3,251	-2.3	3.7
Mexico	1,493	1,438	1,451	0.9	-2.9
United Kingdom	738	654	638	-2.5	-13.6
Japan	777	929	779	-16.1	0.3
Germany	1,063	1,334	1,296	-2.9	22.0
South Korea	422	573	538	-6.1	27.4
Hong Kong	395	363	338	-6.8	-14.5
Netherlands	383	365	477	30.5	24.6
France	370	375	377	0.5	1.9
Trade balance	-530	-2,323	-2,760	...	...
United States	2,954	2,414	1,576	...	...
China	-1,464	-1,545	-1,523	...	...
Mexico	-1,003	-790	-828	...	...
United Kingdom	1,089	470	922	...	...
Japan	216	-123	-42	...	...
Germany	-735	-974	-848	...	...
South Korea	-95	-242	-261	...	...
Hong Kong	-29	96	-80	...	...
Netherlands	-16	-46	-104	...	...
France	-75	-95	-99	...	...

^r revised

... not applicable

Note(s):

Totals do not equal the sum of their components.

Countries listed are the top 10 principal trading partners of Canada based on annual 2013 total merchandise trade data.

Source(s): CANSIM table [228-0069](#).

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

	October 2014 ^r	September 2015 ^r	October 2015	September to October 2015	October 2014 to October 2015
	millions of dollars			% change	
Total exports	44,554	43,784	42,980	-1.8	-3.5
Farm, fishing and intermediate food products	2,293	2,673	2,479	-7.3	8.1
Energy products	9,965	6,305	6,303	0.0	-36.8
Metal ores and non-metallic minerals	1,594	1,623	1,472	-9.4	-7.7
Metal and non-metallic mineral products	5,320	4,671	4,567	-2.2	-14.1
Basic and industrial chemical, plastic and rubber products	2,954	2,961	2,794	-5.6	-5.4
Forestry products and building and packaging materials	3,185	3,356	3,271	-2.5	2.7
Industrial machinery, equipment and parts	2,619	2,749	2,780	1.1	6.1
Electronic and electrical equipment and parts	2,173	2,380	2,344	-1.5	7.9
Motor vehicles and parts	6,396	7,470	7,436	-0.4	16.3
Aircraft and other transportation equipment and parts	1,940	2,011	1,955	-2.8	0.8
Consumer goods	5,129	6,302	6,294	-0.1	22.7
Special transactions trade ²	192	341	387	13.7	102.0
Other balance of payments adjustments	794	943	897	-4.9	13.0
Total imports	45,085	46,107	45,740	-0.8	1.5
Farm, fishing and intermediate food products	1,312	1,413	1,420	0.5	8.2
Energy products	3,151	2,429	2,264	-6.8	-28.2
Metal ores and non-metallic minerals	1,003	835	911	9.0	-9.2
Metal and non-metallic mineral products	4,080	3,592	3,721	3.6	-8.8
Basic and industrial chemical, plastic and rubber products	3,802	3,789	3,776	-0.3	-0.7
Forestry products and building and packaging materials	1,950	2,055	2,051	-0.2	5.2
Industrial machinery, equipment and parts	4,482	4,508	4,375	-2.9	-2.4
Electronic and electrical equipment and parts	5,107	5,443	5,275	-3.1	3.3
Motor vehicles and parts	7,684	8,431	8,476	0.5	10.3
Aircraft and other transportation equipment and parts	1,724	1,815	1,798	-0.9	4.3
Consumer goods	9,262	10,254	9,915	-3.3	7.0
Special transactions trade ²	634	667	887	33.0	39.7
Other balance of payments adjustments	893	878	872	-0.7	-2.3

^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, and goods returned to country of origin.

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

Source(s): CANSIM table [228-0059](#).

Available in CANSIM: tables [228-0059](#) to [228-0067](#) and [228-0069](#).

Definitions, data sources and methods: survey numbers [2201](#), [2202](#) and [2203](#).

Customs based 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 October 2015 issue of *Canadian International Merchandise Trade*, Vol. 69, no. 10 ([65-001-X](#)), is also available from the *Browse by key resource* module of our website under *Publications*.

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

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