

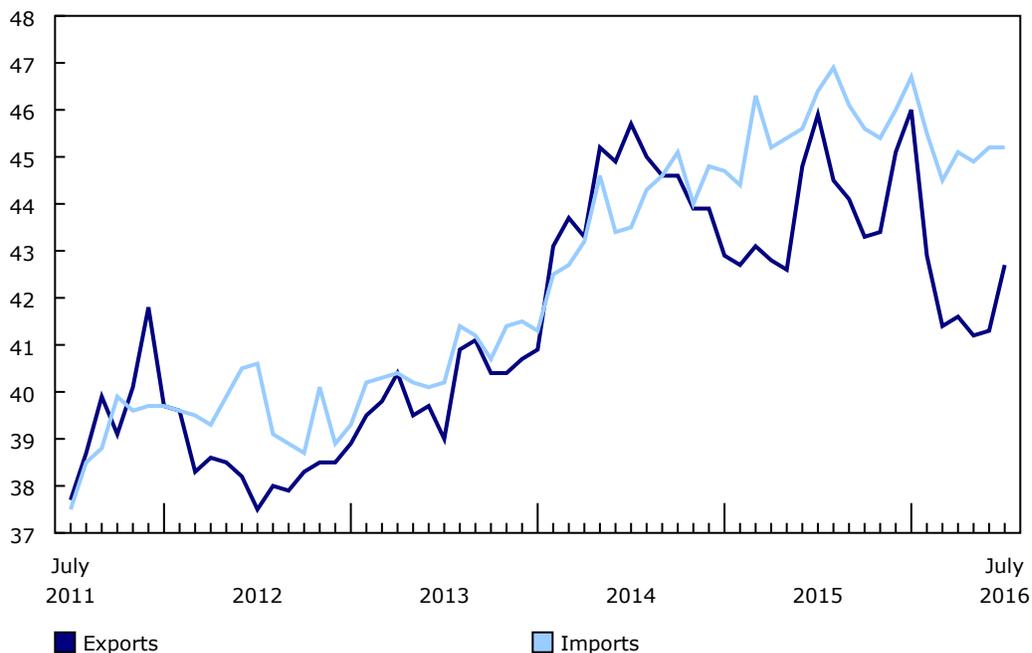
# Canadian international merchandise trade, July 2016

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Canada's exports increased 3.4% to \$42.7 billion in July. Export volumes were up 3.7%, while prices were down 0.3%. Imports edged down 0.1% to \$45.2 billion, as volumes were down 1.2% and prices were up 1.1%. As a result, Canada's merchandise trade deficit with the world narrowed from a record \$4.0 billion in June to \$2.5 billion in July.

**Chart 1**  
**Merchandise exports and imports**

billions of dollars



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

## Exports increase to both the United States and non-US countries

Exports to the United States increased 3.3% to \$32.5 billion and imports were down 0.5% to \$29.9 billion. Consequently, Canada's trade surplus with the United States widened from \$1.4 billion in June to \$2.6 billion in July.

Exports to countries other than the United States rose 3.9% to \$10.2 billion in July. Higher exports to the United Kingdom (+\$381 million) and China (+\$143 million) were partially offset by lower exports to Germany (-\$107 million) and South Korea (-\$107 million). Imports from countries other than the United States were up 0.6% to \$15.3 billion in July. Higher imports from Saudi Arabia (+\$148 million) and Australia (+\$97 million) were partially offset by lower imports from the Netherlands (-\$118 million). As a result, Canada's trade deficit with countries other than the United States narrowed from \$5.4 billion in June to \$5.1 billion in July.



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## Non-energy products lead the growth in exports

Total exports were up 3.4% to \$42.7 billion in July, with 9 of 11 sections reporting gains. Contributing to the overall increase were higher exports of motor vehicles and parts; metal and non-metallic mineral products; aircraft and other transportation equipment and parts; and industrial machinery, equipment and parts. Excluding energy products, exports were up 4.1%, the strongest increase since December 2015. However, on a year-over-year basis, total exports were down 7.0%.

Following five consecutive monthly decreases, exports of motor vehicles and parts increased 6.2% to \$8.3 billion in July. The main contributor was passenger cars and light trucks, up 7.9% to \$5.8 billion, the highest level since February 2016. Shorter seasonal shutdowns in July at some Canadian automobile manufacturing plants contributed to the increase in the month. For the section as a whole, volumes rose 5.3% and prices were up 0.8%.

Exports of metal and non-metallic mineral products, up 9.7% to \$4.7 billion, also contributed to the increase in July. Widespread increases throughout the section were led by unwrought precious metals and precious metal alloys, up 19.2% to \$1.6 billion. Higher exports of unwrought gold to the United Kingdom were mainly responsible for the gain. Overall, both volumes and prices were up 4.7%.

In July, exports of aircraft and other transportation equipment and parts rose 9.6% to \$2.2 billion, the fifth increase in six months. Exports of aircraft led the increase, up 23.3% to \$993 million, the highest level since December 2015.

Also contributing to the overall increase, exports of industrial machinery, equipment and parts rose 6.0% to \$2.8 billion in July. There were higher exports of other general-purpose machinery and equipment (+8.4%) and agricultural, lawn and garden machinery and equipment (+39.6%). For the section as a whole, volumes rose 5.4% and prices were up 0.5%.

## Slight decrease in imports in July

Total imports edged down 0.1% to \$45.2 billion in July, despite gains in 6 of 11 sections. Lower imports of consumer goods; motor vehicles and parts; and electronic and electrical equipment and parts were partially offset by higher imports of metal ores and non-metallic minerals. Year over year, total imports decreased 2.6%.

In July, imports of consumer goods decreased 2.0% to \$9.8 billion, the lowest level since July 2015. There were lower imports of clothing, footwear and accessories (-3.4%); pharmaceutical and medicinal products (-3.3%); and miscellaneous goods and supplies (-2.1%). Overall, volumes were down 2.2%, while prices edged up 0.2%.

Following a record monthly high in June, imports of motor vehicles and parts fell 1.7% to \$8.9 billion in July. After reporting seven consecutive increases, imports of passenger cars and light trucks decreased 3.5% to \$4.0 billion. For the section as a whole, volumes were down 3.2%, while prices rose 1.5%.

Also contributing to the overall decrease were imports of electronic and electrical equipment and parts, down 2.6% to \$5.2 billion in July. Widespread decreases throughout the section were led by electronic and electrical parts (-7.6%) and electrical components (-4.5%). Overall, volumes were down 2.0% and prices decreased 0.6%.

Partially offsetting these decreases, imports of metal ores and non-metallic minerals were up 21.1% to \$986 million, mainly on higher volumes. There were higher imports of other metal ores and concentrates, up 23.0% to \$690 million in July. Higher imports of precious metal ores from the Dominican Republic were primarily responsible for the increase.

## Real trade balance back to a surplus in July

In real (or volume) terms, exports increased 3.7% in July, mostly on higher exports of motor vehicles and parts, energy products, and metal and non-metallic mineral products. Import volumes were down 1.2% on lower imports of motor vehicles and parts and consumer goods. Consequently, Canada's trade balance with the world in real terms went from a \$1.1 billion deficit in June to a \$773 million surplus in July.

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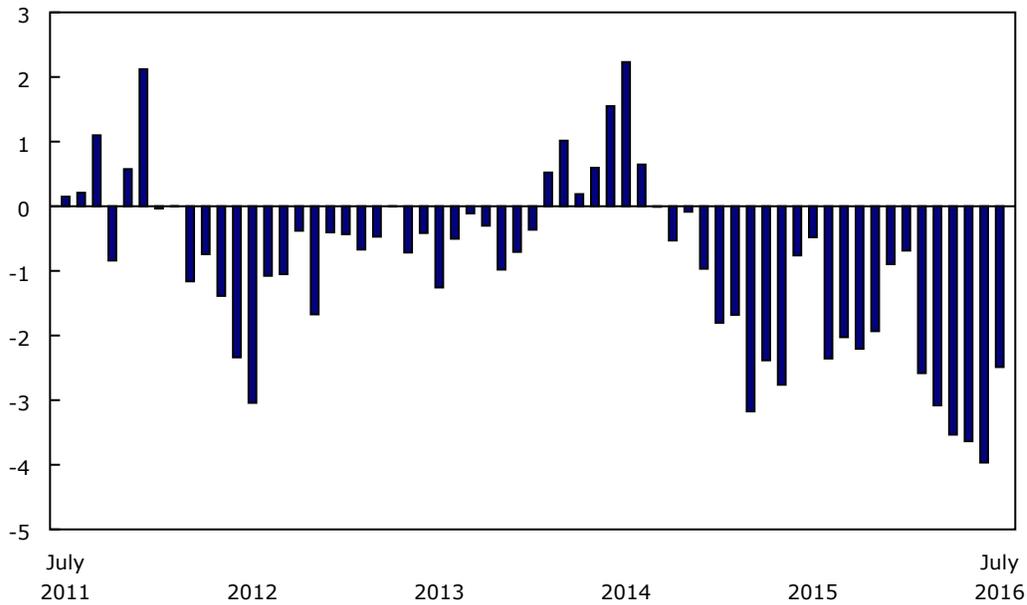
## Revisions to June imports and exports

Revisions reflected initial estimates being updated with or replaced by administrative and survey data as they became available and amendments made for late documentation of high-value transactions. Imports in June, originally reported as \$45.0 billion in last month's release, were revised to \$45.2 billion with the current month's release. Exports, originally reported as \$41.4 billion in last month's release, were revised to \$41.3 billion.

### Chart 2 International merchandise trade balance

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billions of dollars



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

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

For more information on these and other macroeconomic concepts, see the *Methodological Guide: Canadian System of Macroeconomic Accounts (13-607-X)* and *User Guide: Canadian System of Macroeconomic Accounts (13-606-G)*, available from the Browse by key resource module of our website, under Publications.

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 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 and on a quarterly basis. The previous two years of customs based data are revised annually and revisions 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 information on data 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 September 19. For more information, consult the document, [Real-time CANSIM tables](#).

## Next release

Data on Canadian international merchandise trade for August will be released on October 5.

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

	July 2015	June 2016 <sup>r</sup>	July 2016	June to July 2016	July 2015 to July 2016
	millions of dollars			% change	
<b>Total exports</b>	<b>45,928</b>	<b>41,279</b>	<b>42,703</b>	<b>3.4</b>	<b>-7.0</b>
United States	35,157	31,478	32,522	3.3	-7.5
China	1,937	1,728	1,871	8.3	-3.4
United Kingdom	1,562	1,160	1,541	32.9	-1.3
Mexico	712	707	737	4.3	3.5
Japan	828	799	852	6.7	2.9
Germany	360	403	296	-26.5	-17.7
South Korea	375	436	329	-24.4	-12.3
Italy	227	130	162	24.5	-28.8
Hong Kong	312	165	167	1.2	-46.6
Netherlands	252	239	237	-0.8	-5.7
<b>Total imports</b>	<b>46,407</b>	<b>45,245</b>	<b>45,191</b>	<b>-0.1</b>	<b>-2.6</b>
United States	31,009	30,051	29,906	-0.5	-3.6
China	3,256	3,128	3,107	-0.7	-4.6
United Kingdom	528	651	542	-16.9	2.5
Mexico	1,625	1,602	1,652	3.2	1.7
Japan	886	939	955	1.7	7.7
Germany	1,246	1,211	1,163	-3.9	-6.6
South Korea	563	523	442	-15.5	-21.6
Italy	466	459	461	0.5	-1.1
Hong Kong	355	334	329	-1.3	-7.3
Netherlands	400	427	309	-27.5	-22.7
<b>Trade balance</b>	<b>-479</b>	<b>-3,966</b>	<b>-2,488</b>	<b>...</b>	<b>...</b>
United States	4,148	1,426	2,617	...	...
China	-1,319	-1,400	-1,236	...	...
United Kingdom	1,033	508	999	...	...
Mexico	-913	-895	-915	...	...
Japan	-58	-140	-102	...	...
Germany	-886	-808	-867	...	...
South Korea	-188	-87	-113	...	...
Italy	-239	-329	-299	...	...
Hong Kong	-43	-169	-163	...	...
Netherlands	-149	-187	-72	...	...

<sup>r</sup> revised

... not applicable

**Note(s):**

Totals do not equal the sum of their components.

Countries listed are Canada's top 10 principal trading partners based on annual 2014 total merchandise trade data.

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

**Table 2**  
**Merchandise trade: North American Product Classification System<sup>1</sup> – Seasonally adjusted, current dollars**

	July 2015	June 2016 <sup>r</sup>	July 2016	June to July 2016	July 2015 to July 2016
	millions of dollars			% change	
<b>Total exports</b>	<b>45,928</b>	<b>41,279</b>	<b>42,703</b>	<b>3.4</b>	<b>-7.0</b>
Farm, fishing and intermediate food products	2,837	2,607	2,660	2.1	-6.2
Energy products	7,377	5,355	5,311	-0.8	-28.0
Metal ores and non-metallic minerals	1,428	1,192	1,241	4.1	-13.1
Metal and non-metallic mineral products	5,042	4,265	4,678	9.7	-7.2
Basic and industrial chemical, plastic and rubber products	3,028	2,829	2,833	0.1	-6.4
Forestry products and building and packaging materials	3,235	3,330	3,474	4.3	7.4
Industrial machinery, equipment and parts	2,845	2,613	2,770	6.0	-2.6
Electronic and electrical equipment and parts	2,268	2,312	2,318	0.3	2.2
Motor vehicles and parts	7,692	7,795	8,278	6.2	7.6
Aircraft and other transportation equipment and parts	2,480	1,966	2,154	9.6	-13.1
Consumer goods	6,542	5,870	5,856	-0.2	-10.5
Special transactions trade <sup>2</sup>	276	323	322	-0.4	16.4
Other balance of payments adjustments	878	821	809	-1.4	-7.8
<b>Total imports</b>	<b>46,407</b>	<b>45,245</b>	<b>45,191</b>	<b>-0.1</b>	<b>-2.6</b>
Farm, fishing and intermediate food products	1,307	1,371	1,399	2.1	7.1
Energy products	2,884	2,485	2,563	3.1	-11.1
Metal ores and non-metallic minerals	896	814	986	21.1	10.0
Metal and non-metallic mineral products	3,720	3,502	3,499	-0.1	-5.9
Basic and industrial chemical, plastic and rubber products	3,790	3,650	3,701	1.4	-2.4
Forestry products and building and packaging materials	2,071	1,951	1,969	0.9	-5.0
Industrial machinery, equipment and parts	4,353	4,082	4,024	-1.4	-7.6
Electronic and electrical equipment and parts	5,642	5,371	5,232	-2.6	-7.3
Motor vehicles and parts	8,634	9,072	8,914	-1.7	3.2
Aircraft and other transportation equipment and parts	1,825	1,443	1,508	4.6	-17.3
Consumer goods	9,747	9,985	9,786	-2.0	0.4
Special transactions trade <sup>2</sup>	658	658	757	15.0	15.2
Other balance of payments adjustments	881	863	854	-1.0	-3.0

<sup>r</sup> revised

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

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 228-0064](#), [228-0066](#), [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 July 2016 issue of *Canadian International Merchandise Trade*, Vol. 70, no. 7 ([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](mailto:STATCAN.infostats-infostats.STATCAN@canada.ca)).

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