

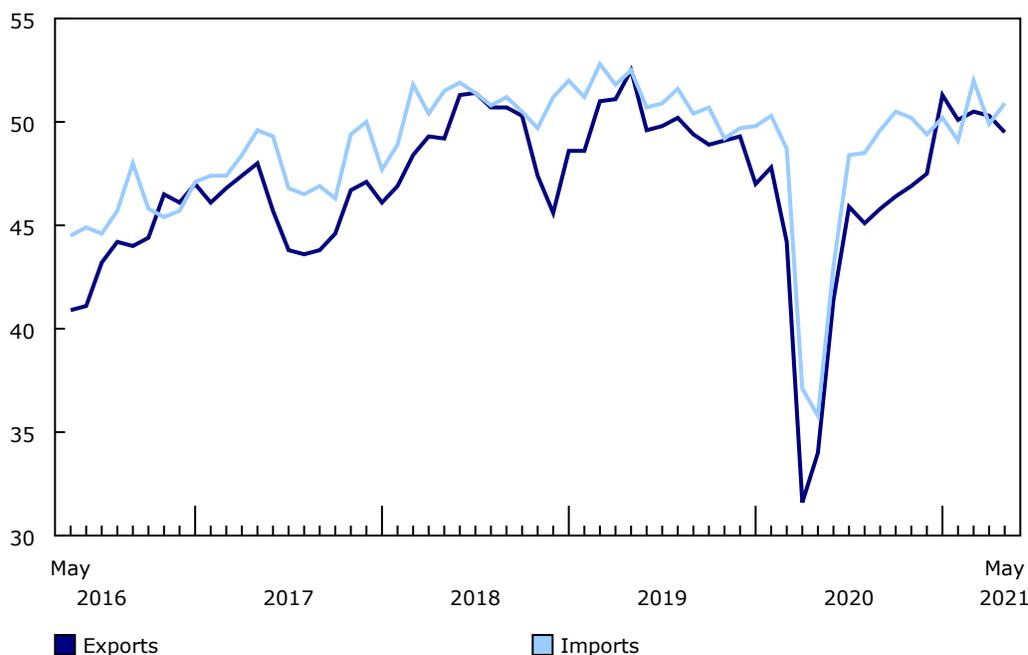
Canadian international merchandise trade, May 2021

Released at 8:30 a.m. Eastern time in *The Daily*, Friday, July 2, 2021

In May, Canada's merchandise imports increased 2.1%, while exports fell 1.6%. As a result, Canada's merchandise trade balance moved from a surplus of \$462 million in April to a deficit of \$1.4 billion in May.

Chart 1 Merchandise exports and imports

billions of current dollars



Note(s): Data are on a balance of payments basis and are seasonally adjusted.

Source(s): Table 12-10-0121-01.

Consult the "[International trade monthly interactive dashboard](#)" to explore the most recent results of Canada's international merchandise trade in an interactive format.

Exchange rate reaches a peak in May

A large proportion of import and export transactions are completed in US dollars and must be converted to Canadian dollars to compile monthly trade statistics. When the Canadian dollar appreciates against the US dollar, converted monthly trade values in Canadian dollars are lower.

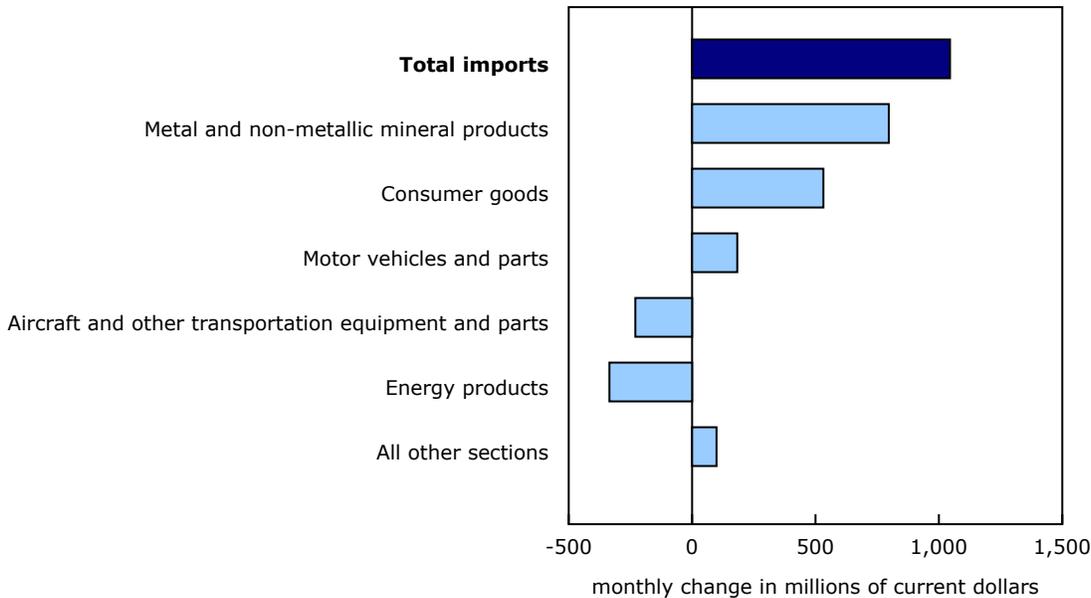
In May, the average value of the Canadian dollar increased 2.4 cents US compared with the average value in April to 82.5 cents US. This was the largest monthly increase since July 2017. When expressed in US dollars, Canadian imports were up 5.2% in May, and exports rose 1.4%.



Metal product imports rise

After falling 4.1% in April, total imports increased 2.1% to \$50.9 billion in May. Imports were up in 7 of the 11 product sections. In real (or volume) terms, total imports rose 2.5% in May.

Chart 2
Contribution to the monthly change in imports, by product, May 2021

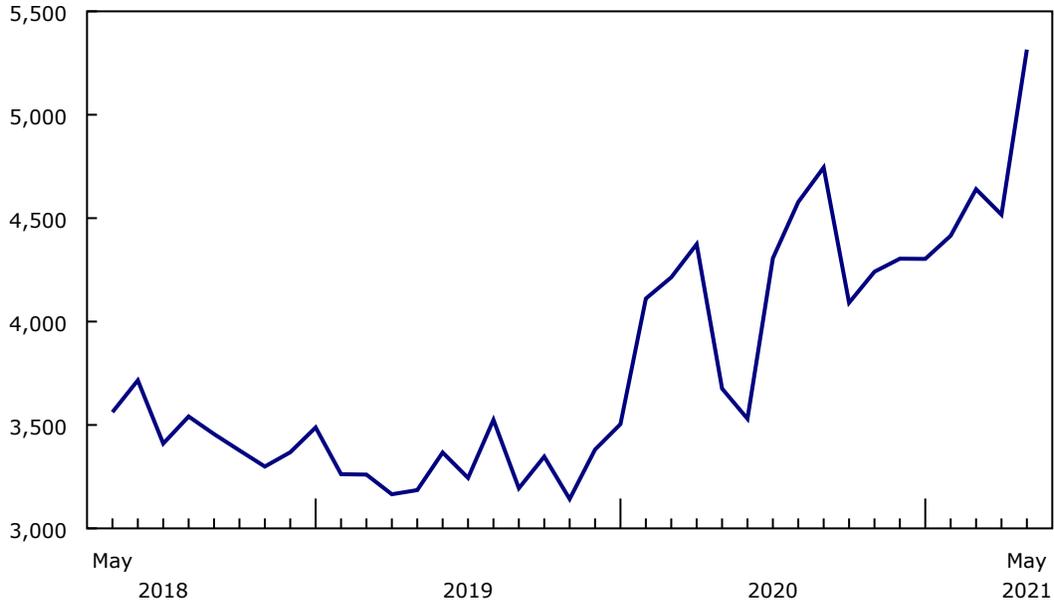


Note(s): Data are on a balance of payments basis and are seasonally adjusted.
Source(s): Table 12-10-0121-01.

Imports of metal and non-metallic mineral products rose 17.7% to reach a record high of \$5.3 billion in May. Large increases were observed in several sub categories in May. Imports of unwrought gold, silver and platinum group metals and their alloys (+28.5%) contributed the most, driven by higher prices. Sustained by increased copper imports from Chile, imports of basic and semi-finished products of non-ferrous metals and non-ferrous metal alloys rose 37.4% in May. Finally, imports of basic and semi-finished iron and steel products increased 16.6%, as a result of higher volumes.

Chart 3
Canadian imports of metal and non-metallic mineral products

millions of current dollars

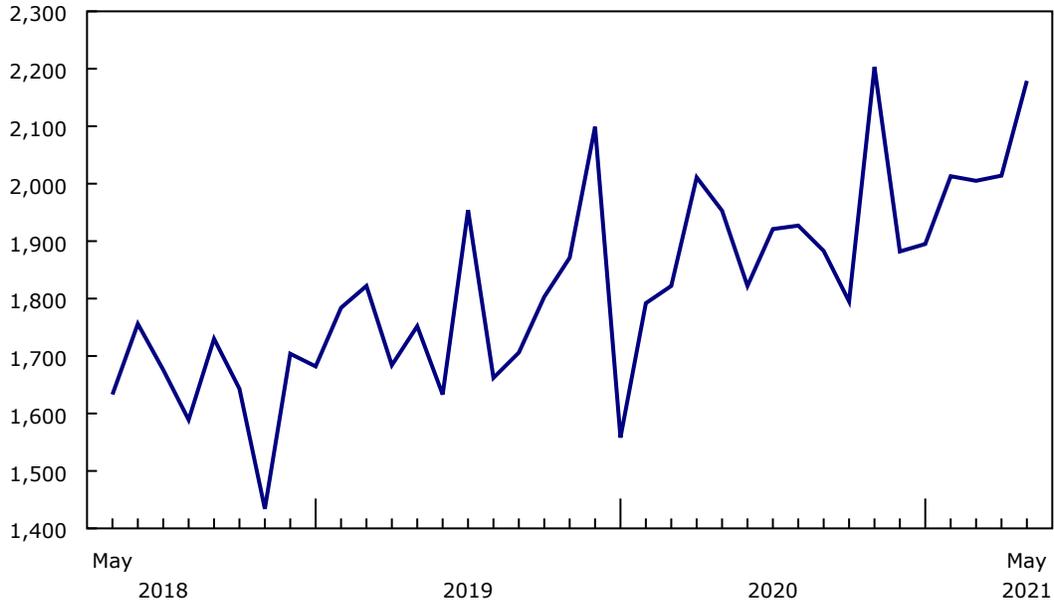


Note(s): Data are on a balance of payment basis and are seasonally adjusted.
Source(s): Table [12-10-0121-01](#).

Imports of consumer goods rose 4.8% in May, led by higher imports of miscellaneous goods and supplies (+15.1%). This product group, which includes a wide range of goods, was pushed upward in part by higher imports of articles of precious metals from the United States. Pharmaceutical and medicinal products (+8.2%) also contributed to the increase in consumer goods imports, primarily on higher imports of "vaccines for human medicine other than for influenza." Imports in this category, which include COVID-19 vaccines, rose 43.6% to \$427 million (on a customs basis and not seasonally adjusted), a value 12 times higher than in May 2020.

Chart 4 Canadian imports of pharmaceutical and medicinal products

millions of current dollars

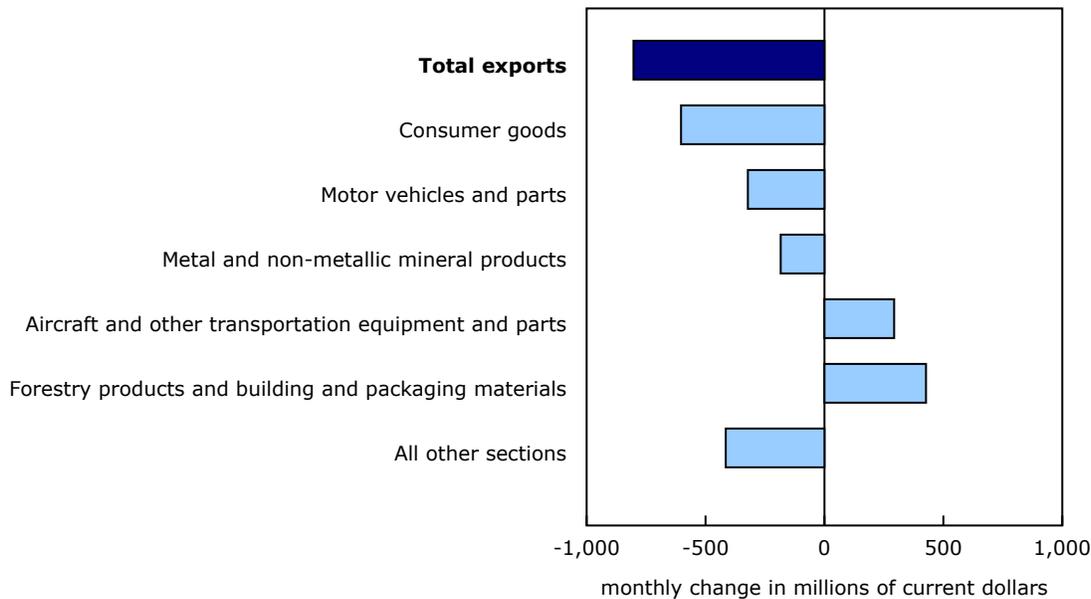


Note(s): Data are on a balance of payment basis and are seasonally adjusted.
Source(s): Table [12-10-0121-01](#).

Seafood exports fall after posting a sharp increase in April

Total exports decreased 1.6% to \$49.5 billion in May. Exports declined in 8 of the 11 product sections. In real (or volume) terms, total exports fell 3.1%.

Chart 5
Contribution to the monthly change in exports, by product, May 2021



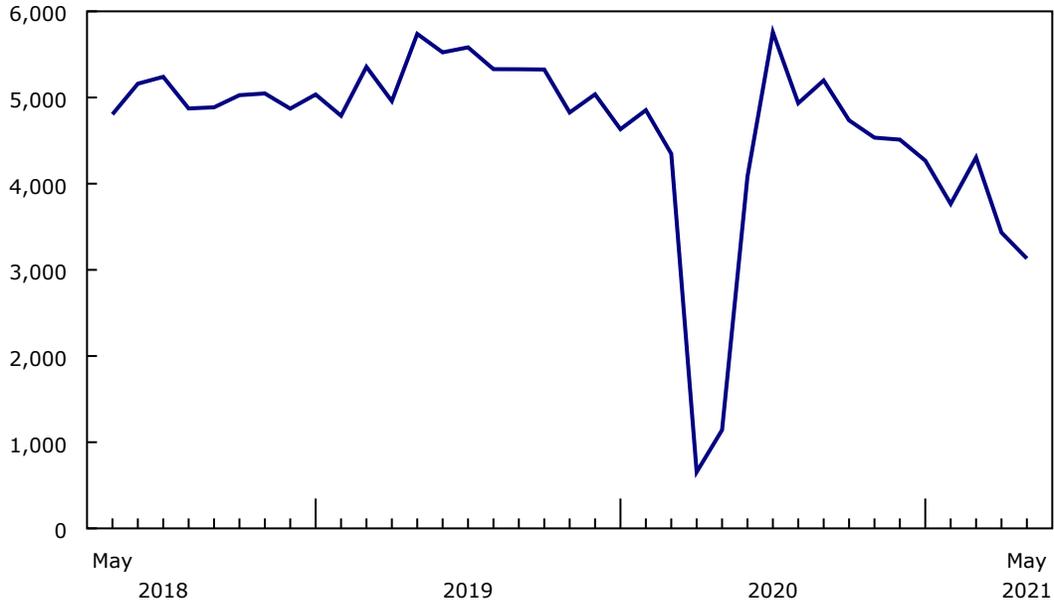
Note(s): Data are on a balance of payments basis and are seasonally adjusted.
Source(s): Table 12-10-0121-01.

Consumer goods (-8.8%) contributed the most to the decline in total exports in May. After more than tripling in April, exports of prepared and packaged seafood products (-46.5%) posted the largest decrease in May. The snow crab fishing season opened earlier this spring, and exports began in April rather than May, which explains the strong opposing monthly movements. Despite the decrease in May, the value of prepared and packaged seafood product exports was nearly twice as high as in May of last year.

Exports of motor vehicles and parts decreased 5.8% in May, the seventh decline in the last eight months. After falling 20.2% in April, exports of passenger cars and light trucks were down 8.8% in May. Although production shutdowns due to the shortage of semiconductor chips were slightly less severe in May than in April, this did not result in an increase in exports. Several factors account for this outcome, including exchange rate effects and the fact that a larger share of production was destined for the Canadian market in May.

Chart 6
Canadian exports of passenger cars and light trucks

millions of current dollars

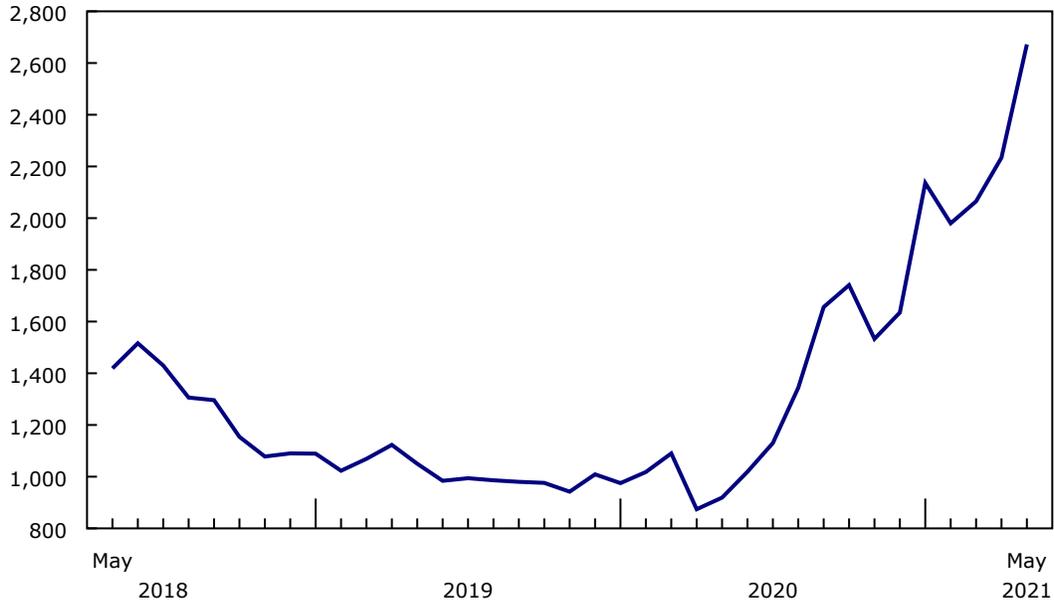


Note(s): Data are on a balance of payment basis and are seasonally adjusted.
Source(s): Table 12-10-0121-01.

Partially offsetting these declines, exports of forestry products and building and packaging materials rose 8.9% to a record \$5.2 billion in May. Exports of lumber (+19.6%) led the increase, on the strength of higher prices. The value of lumber exports has almost tripled in the past year because of rising prices. As explained in the most recent releases of the [Industrial product and raw materials price indexes](#), the persistent demand for lumber combined with low supply is behind the sharp rise in prices. However, lumber prices could fall in the coming months, as several market price indicators have recently decreased.

Chart 7 Canadian exports of lumber and other sawmill products

millions of current dollars



Note(s): Data are on a balance of payment basis and are seasonally adjusted.
Source(s): Table [12-10-0121-01](#).

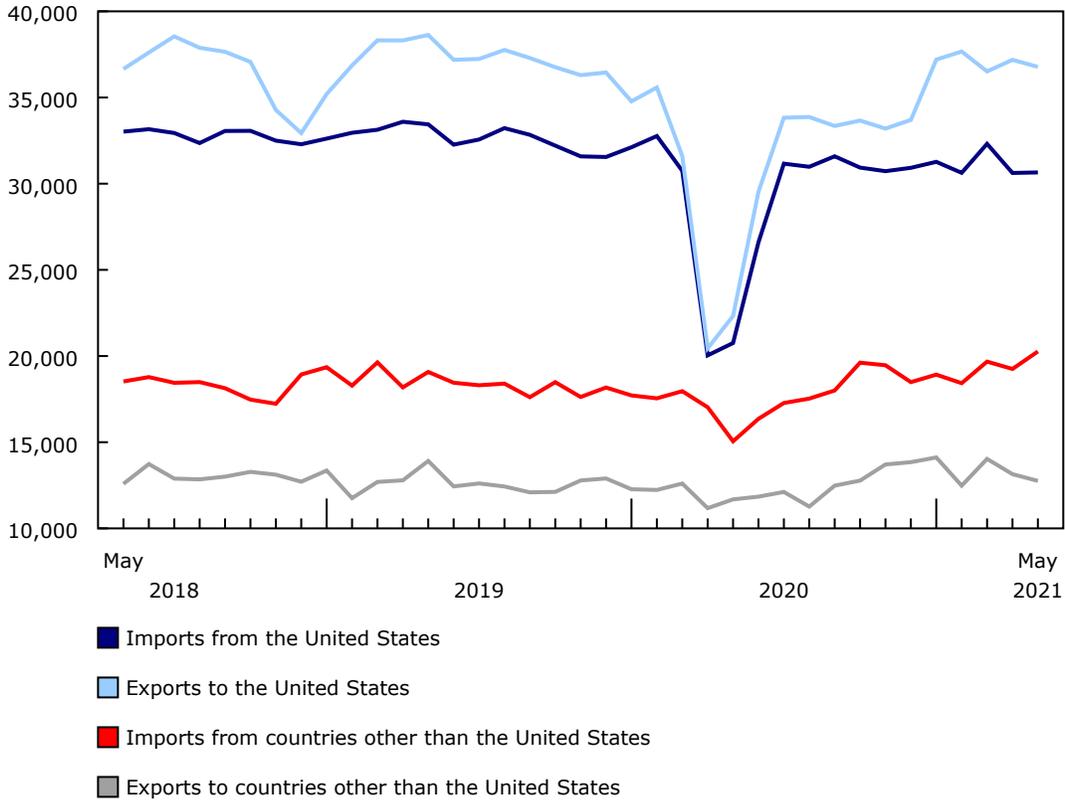
Record deficit with non-US countries

Imports from countries other than the United States, which rose 5.3% in May, drove the growth in total imports. Several countries were behind this increase, including Japan, Italy, Mexico, and China. Exports to non-US countries were down 3.0%, mainly on lower exports to the United Kingdom.

Chart 8

Canada's imports and exports with the United States and countries other than the United States

millions of current dollars



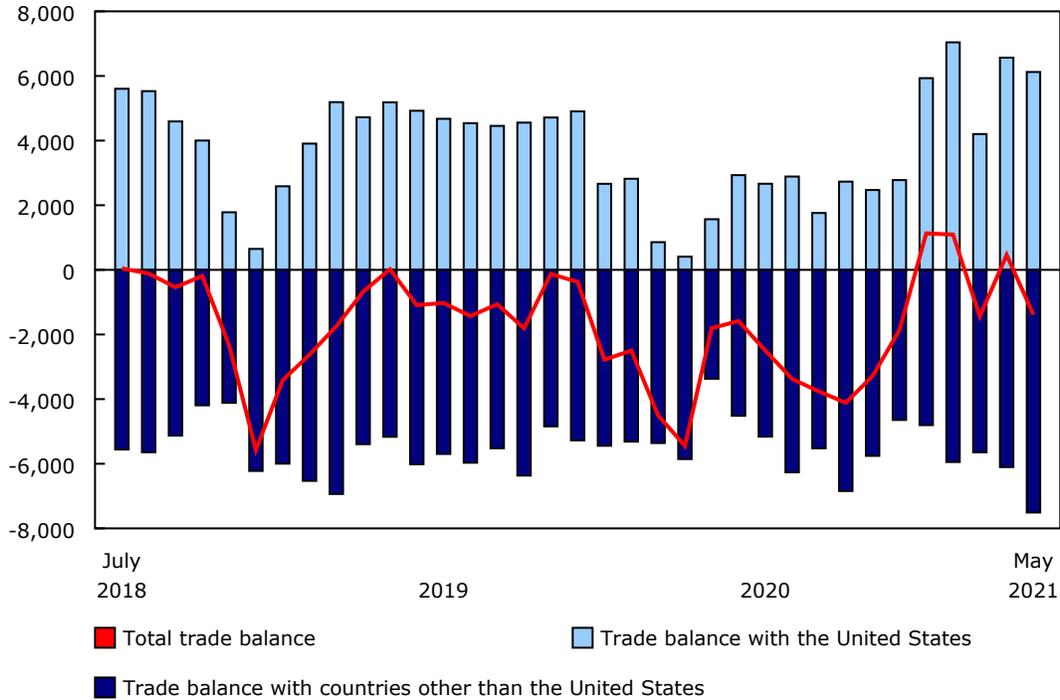
Note(s): Data are on a balance of payments basis and are seasonally adjusted.
Source(s): Table 12-10-0011-01.

Canada's trade deficit with countries other than the United States widened from \$6.1 billion in April to a record \$7.5 billion in May.

Imports from the United States edged up 0.1% in May, while exports to the United States fell 1.1%. As a result, Canada's trade surplus with the United States narrowed from \$6.6 billion in April to \$6.1 billion in May.

Chart 9 International merchandise trade balance

millions of current dollars



Note(s): Data are on a balance of payments basis and are seasonally adjusted.
Source(s): Table 12-10-0011-01.

Revisions to April merchandise export and import data

Imports in April, originally reported as \$49.6 billion in the previous release, were revised to \$49.9 billion in the release for the current reference month. Exports in April, originally reported as \$50.2 billion in the previous release, were revised to \$50.3 billion in the current month's release.

Monthly trade in services

In May, monthly [service](#) exports edged down 0.1% to \$9.3 billion. Service imports increased 0.7% to \$9.7 billion.

When international trade in goods and international trade in services were combined, exports fell 1.4% to \$58.8 billion in May, while imports increased 1.9% to \$60.6 billion. As a result, Canada's trade balance with the world for goods and services went from a surplus of \$159 million in April, to a deficit of \$1.8 billion in May.

Upcoming release of the new Canadian International Merchandise Trade Web Application

In the fall of 2021, Statistics Canada will launch the Canadian International Merchandise Trade (CIMT) Web Application, which will replace the existing CIMT online database. This modernized tool will provide users with a number of enhancements, including access to the full 8-digit (exports) and 10-digit (imports) Harmonized System product categories, as well as insights on CIMT in a more user-friendly, efficient and visually appealing manner. Watch this [video](#) to learn more about the added data and features.

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 adjusting 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-based data 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 the *User Guide: Canadian System of Macroeconomic Accounts (13-606-G)*.

The data in this release are on a BOP basis and are seasonally adjusted. Unless otherwise stated, values are expressed in nominal terms, or current dollars. References to prices are based on aggregate Paasche (current-weighted) price indexes (2012=100). Movements within aggregate Paasche prices can be influenced by changes in the share of values traded for specific goods, with sudden shifts in trading patterns—as observed currently with the COVID-19 pandemic—sometimes resulting in large movements in Paasche price indexes. Volumes, or constant dollars, are calculated using the Laspeyres formula (2012=100), unless otherwise stated.

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-based and the BOP-based data.

The previous year's customs-based data are revised with the release of data for the January and February reference months, and thereafter 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 data for 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 the late receipt of import and export documentation, incorrect information on customs forms, the replacement of estimates produced for the energy section with actual figures, changes in merchandise classification based on more current information, and changes to seasonal adjustment factors.

For information on data revisions for exports of energy products, see [Methodology for Exports of Energy Products within the International Merchandise Trade Program](#).

Revised data are available in the appropriate tables.

Real-time data table

The real-time data table 12-10-0120-01 will be updated on July 19, 2021.

Next release

Data on Canadian international merchandise trade for June will be released on August 5, 2021.

Table 1
Merchandise trade: Canada's 10 principal trading partners – Balance of payments basis, seasonally adjusted, current dollars

	May 2020	April 2021 ^r	May 2021	April to May 2021	May 2020 to May 2021
	millions of dollars			% change	
Total exports	34,005	50,333	49,530	-1.6	45.7
United States	22,322	37,187	36,776	-1.1	64.8
China	2,449	2,464	2,466	0.1	0.7
United Kingdom	1,103	1,434	1,078	-24.8	-2.3
Mexico	376	747	721	-3.5	91.5
Japan	1,049	1,165	1,101	-5.5	4.9
Germany	370	505	572	13.1	54.4
South Korea	462	465	547	17.7	18.4
Netherlands	401	425	271	-36.2	-32.3
Italy	301	179	235	31.5	-21.8
Belgium	222	288	450	56.4	102.4
Total imports	35,808	49,871	50,916	2.1	42.2
United States	20,755	30,621	30,653	0.1	47.7
China	4,603	4,706	4,829	2.6	4.9
United Kingdom	751	741	733	-1.1	-2.4
Mexico	601	1,480	1,625	9.8	170.2
Japan	436	835	1,172	40.4	168.7
Germany	751	1,272	1,259	-1.0	67.7
South Korea	304	741	742	0.1	144.0
Netherlands	316	365	419	14.8	32.7
Italy	462	537	691	28.8	49.8
Belgium	532	974	400	-59.0	-24.9
Trade balance	-1,803	462	-1,386	...	...
United States	1,567	6,566	6,123	...	...
China	-2,153	-2,242	-2,364	...	...
United Kingdom	352	693	345	...	...
Mexico	-225	-733	-904	...	...
Japan	613	330	-72	...	...
Germany	-381	-767	-688	...	...
South Korea	158	-276	-195	...	...
Netherlands	85	60	-148	...	...
Italy	-161	-358	-456	...	...
Belgium	-310	-686	50	...	...

^r revised

... not applicable

Note(s):

Totals may not equal the sum of their components as a result of rounding.

Countries listed are Canada's top 10 principal trading partners based on annual 2019 total merchandise trade data.

Source(s): Table [12-10-0011-01](#).

Table 2

Merchandise trade: North American Product Classification System¹ – Balance of payments basis, seasonally adjusted, current dollars

	May 2020	April 2021 ^r	May 2021	April to May 2021	May 2020 to May 2021
	millions of dollars			% change	
Total exports	34,005	50,333	49,530	-1.6	45.7
Farm, fishing and intermediate food products	3,717	4,019	3,872	-3.7	4.2
Energy products	3,580	9,233	9,259	0.3	158.6
Metal ores and non-metallic minerals	1,493	1,964	1,866	-5.0	25.0
Metal and non-metallic mineral products	4,975	6,091	5,908	-3.0	18.7
Basic and industrial chemical, plastic and rubber products	2,157	3,007	2,996	-0.4	38.9
Forestry products and building and packaging materials	3,054	4,773	5,201	8.9	70.3
Industrial machinery, equipment and parts	2,639	3,014	2,907	-3.5	10.2
Electronic and electrical equipment and parts	2,029	2,312	2,220	-4.0	9.4
Motor vehicles and parts	1,923	5,568	5,247	-5.8	172.8
Aircraft and other transportation equipment and parts	1,604	2,096	2,389	14.0	48.9
Consumer goods	5,681	6,848	6,245	-8.8	9.9
Special transactions trade ²	235	296	282	-4.9	20.0
Other balance of payments adjustments	917	1,112	1,140	2.6	24.4
Total imports	35,808	49,871	50,916	2.1	42.2
Farm, fishing and intermediate food products	1,747	1,859	1,866	0.4	6.8
Energy products	1,033	2,430	2,095	-13.8	102.7
Metal ores and non-metallic minerals	1,454	1,121	1,219	8.7	-16.2
Metal and non-metallic mineral products	3,676	4,517	5,315	17.7	44.6
Basic and industrial chemical, plastic and rubber products	2,870	4,128	4,191	1.5	46.0
Forestry products and building and packaging materials	1,978	2,470	2,440	-1.2	23.3
Industrial machinery, equipment and parts	4,190	5,583	5,675	1.6	35.5
Electronic and electrical equipment and parts	4,869	6,090	5,919	-2.8	21.6
Motor vehicles and parts	1,685	6,754	6,937	2.7	311.7
Aircraft and other transportation equipment and parts	1,148	1,651	1,420	-14.0	23.7
Consumer goods	9,750	11,114	11,646	4.8	19.4
Special transactions trade ²	737	1,203	1,258	4.5	70.7
Other balance of payments adjustments	671	952	937	-1.6	39.5

^r revised

1. International merchandise trade data are based on the 2017 North American Product Classification System.

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

Note(s): Totals may not equal the sum of their components as a result of rounding.

Source(s): Table 12-10-0121-01.

Table 3
Canada's international trade in goods and services – Balance of payment basis, seasonally adjusted, current dollars

	April 2021 ^r	May 2021	April to May 2021
	millions of dollars		% change
Exports			
Goods	50,333	49,530	-1.6
Services	9,277	9,267	-0.1
Goods and services	59,610	58,797	-1.4
Imports			
Goods	49,871	50,916	2.1
Services	9,581	9,651	0.7
Goods and services	59,452	60,567	1.9
Balances			
Goods	462	-1,386	...
Services	-303	-384	...
Goods and services	159	-1,770	...

^r revised

... not applicable

Note(s): Totals may not equal the sum of their components as a result of rounding.

Source(s): Tables [12-10-0011-01](#) and [12-10-0044-01](#).

Available tables: [12-10-0005-01](#), [12-10-0011-01](#), [12-10-0099-01](#), [12-10-0119-01](#), [12-10-0121-01](#) to [12-10-0125-01](#), [12-10-0127-01](#), [12-10-0128-01](#), [12-10-0136-01](#), [12-10-0140-01](#) and [12-10-0144-01](#).

Definitions, data sources and methods: survey numbers [2201](#), [2202](#), [2203](#) and [5295](#).

The product "[International trade monthly interactive dashboard](#)" ([71-607-X](#)) is now available. This new interactive dashboard is a comprehensive analytical tool that presents monthly changes in Canada's international merchandise trade data on a balance of payments basis, fully supporting the information presented every month in the *Daily* text.

The product "[The International Trade Explorer](#)" ([71-607-X](#)) is now available online.

Customs-based data are now available in the [Canadian International Merchandise Trade Database](#) ([65F0013X](#)).

The updated "[Canada and the World Statistics Hub](#)" ([13-609-X](#)) is now available online. This product illustrates the nature and extent of Canada's economic and financial relationship with the world using interactive graphs and tables. This product provides easy access to information on trade, investment, employment and travel between Canada and a number of countries, including the United States, the United Kingdom, Mexico, China, Japan, Belgium, Italy, the Netherlands and Spain.

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

To enquire about the concepts, methods or data quality of this release, contact Christopher Maloney (613-951-4636; STATCAN.mediahotline-ligneinfomedias.STATCAN@canada.ca), International Accounts and Trade Division.