

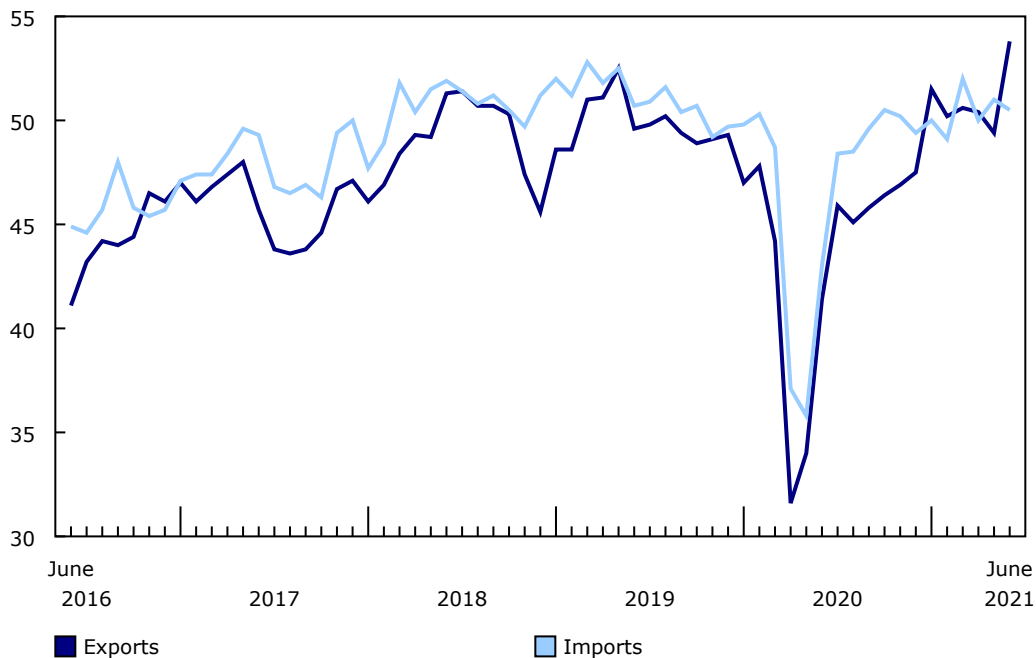
Canadian international merchandise trade, June 2021

Released at 8:30 a.m. Eastern time in *The Daily*, Thursday, August 5, 2021

In June, a sharp increase in exports resulted in Canada's merchandise trade balance returning to a surplus position, reaching \$3.2 billion. This follows a \$1.6 billion deficit in May. Exports of goods rose 8.7% in June, while imports decreased 1.0%.

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.

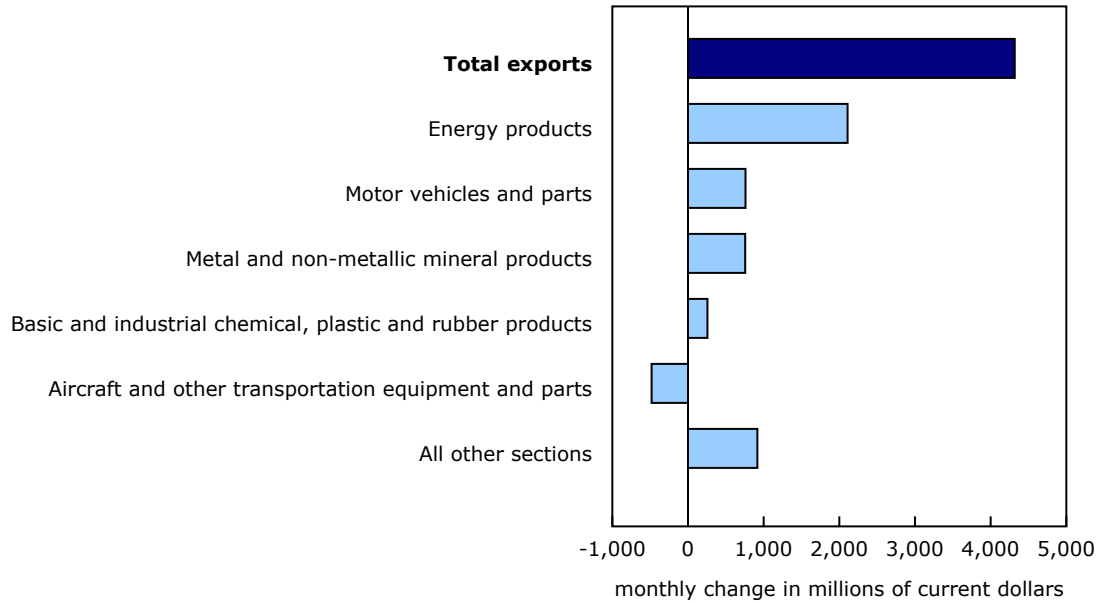
Consult the "[International trade monthly interactive dashboard](#)" to explore the most recent results of Canada's international trade in an interactive format.

Record high in exports

Total exports reached a record \$53.8 billion in June, up 8.7% or \$4.3 billion compared with the previous month. Excluding the strong fluctuations of 2020, the increase in value in June was the largest on record. Exports were up in 9 of the 11 product sections and non-energy exports rose 5.5%. In real (or volume) terms, total exports increased 7.0%.



Chart 2
Contribution to the monthly change in exports, by product, June 2021

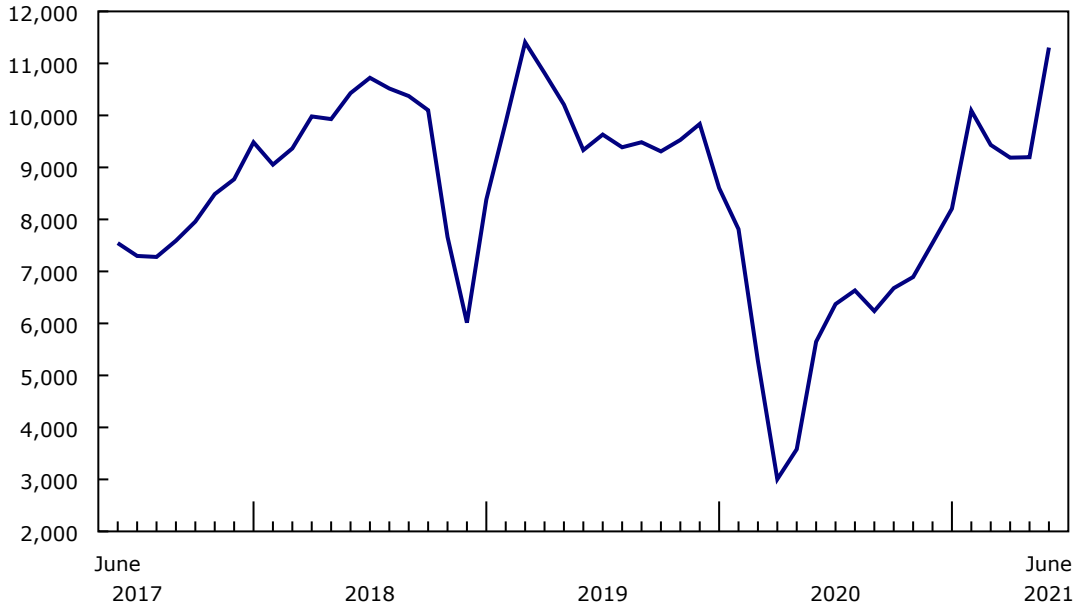


Note(s): Data are on a balance-of-payments basis and are seasonally adjusted.
Source(s): Table 12-10-0121-01.

Exports of energy products (+22.9%) increased sharply to \$11.3 billion in June, the highest level since March 2019. The \$2.1 billion rise, which accounted for almost half of the gain in total exports, was mainly attributable to a 25.7% increase in crude oil exports. While crude oil prices increased in June, the rise in export value was mainly the result of higher volumes, which were up following a slowdown in crude oil production in Canada in April and May. Exports of refined petroleum energy products (+37.1%) and natural gas (+23.3%) also increased in June.

Chart 3
Canadian exports of energy products

millions of current dollars

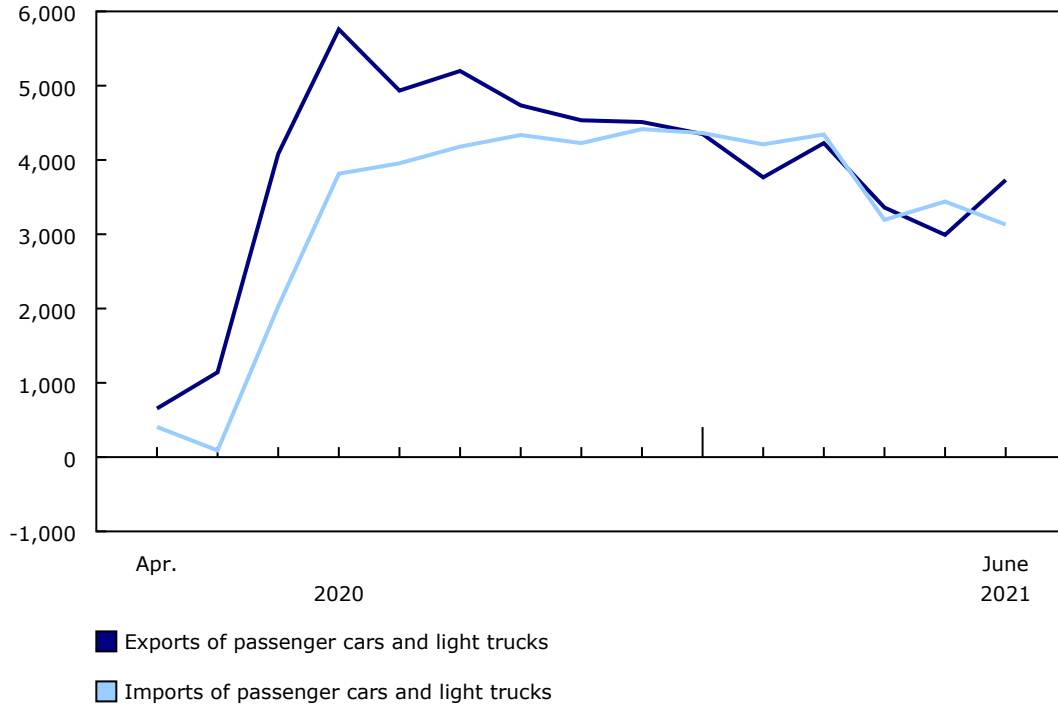


Note(s): Data are on a balance-of-payments basis and are seasonally adjusted.
Source(s): Table [12-10-0121-01](#).

Exports of motor vehicles and parts rose 14.9% in June. Following recent monthly declines related to shutdowns caused by supply chain issues (in particular the global microchip shortage), exports of passenger cars and light trucks increased 24.6% in June. Work stoppages at Canadian assembly plants in June were less severe than in April and May. Despite the monthly gain, exports of passenger cars and light trucks remained more than 8% lower than in June 2020, when the Canadian auto industry had not yet fully recovered from the pandemic-related lockdowns.

Chart 4
Exports and imports of passenger cars and light trucks

millions of current dollars



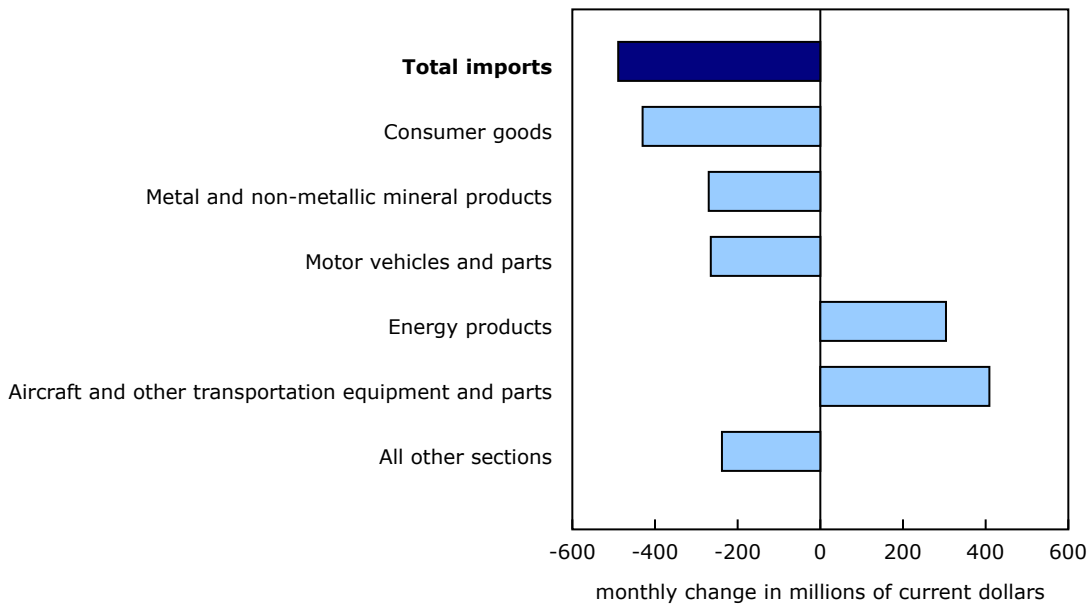
Note(s): Data are on a balance-of-payments basis and are seasonally adjusted.
Source(s): Table 12-10-0121-01.

Exports of metal and non-metallic mineral products increased 12.7% in June to a record \$6.7 billion. Exports of unwrought gold, silver, and platinum group metals, and their alloys—a category mainly composed of gold—contributed the most to the gain. These were up 23.2%, mostly on higher exports of gold to Hong Kong and the United Kingdom. Higher asset transfers within the banking sector and increased sales of refined gold were behind these gains in June. Exports of unwrought aluminum and aluminum alloys (+19.0%) also rose in June, mostly on higher exports to the United States and the Netherlands.

Offsetting movements in imports

Total imports decreased 1.0% in June to \$50.5 billion. Imports were down in 7 of the 11 product sections. In real (or volume) terms, total imports fell 2.2% in June.

Chart 5
Contribution to the monthly change in imports, by product, June 2021



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

Imports of consumer goods (-3.7%) contributed the most to the overall decline in June. Following a 16.5% increase in May, imports of miscellaneous goods and supplies (-18.7%) posted the largest decrease. This product group, which includes a wide range of goods, fell on lower imports of articles of precious metals from the United States, and lower imports of personal protective equipment. Imports of clothing, footwear and accessories (-26.6%) also decreased in June amid retail restrictions in parts of Canada and port disruptions in Asia related to COVID-19 outbreaks. These declines were partially offset by higher imports of pharmaceutical and medicinal products (+24.5%), which reached a record high in June on higher imports of "vaccines for human medicine other than for influenza." Imports in this category, which include COVID-19 vaccines, rose 74.5% to \$745 million (on a customs basis and not seasonally adjusted), a value 21 times higher than in June 2020.

Imports of motor vehicles and parts decreased 3.8% in June. After an increase of 7.7% in May, imports of passenger cars and light trucks fell 9.0% in June, mainly on lower imports from countries other than the United States. After being heavily affected in 2020 by forced closures related to the pandemic, the global auto industry is currently dealing with a significant shortage of parts, which has been slowing down Canadian imports of passenger cars and light trucks. In the second quarter of 2021, imports of passenger cars and light trucks decreased 24.4%.

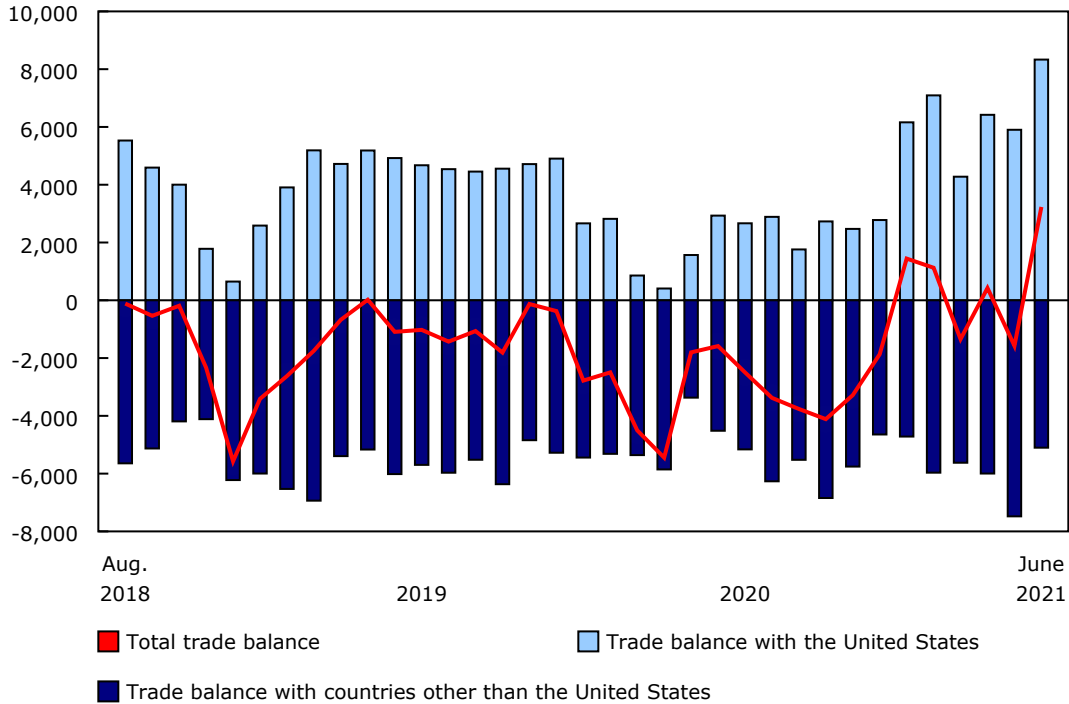
Partially offsetting these declines, imports of aircraft and other transportation equipment and parts rose 28.0% in June. Aircraft imports (+\$458 million) were behind this increase, with five new commercial airliners as well as three cargo aircraft imported in June.

Higher surplus with the United States, lower deficit with countries other than the United States

Exports to the United States rose 8.2% to a record \$39.7 billion in June, supported by higher exports of crude oil and of passenger cars and light trucks. Imports from the United States increased 1.9%. As a result, Canada's trade surplus with the United States widened from \$5.9 billion in May to \$8.3 billion in June, the largest surplus since August 2008.

Chart 6
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](#).

When the average exchange rates of May and June are compared, the Canadian dollar lost 0.7 US cents relative to the American dollar.

Exports to countries other than the United States increased 10.2% in June, with higher exports to Hong Kong (gold), the Netherlands (aluminum, iron ores and crude oil), China (copper ores and canola), and the United Kingdom (gold).

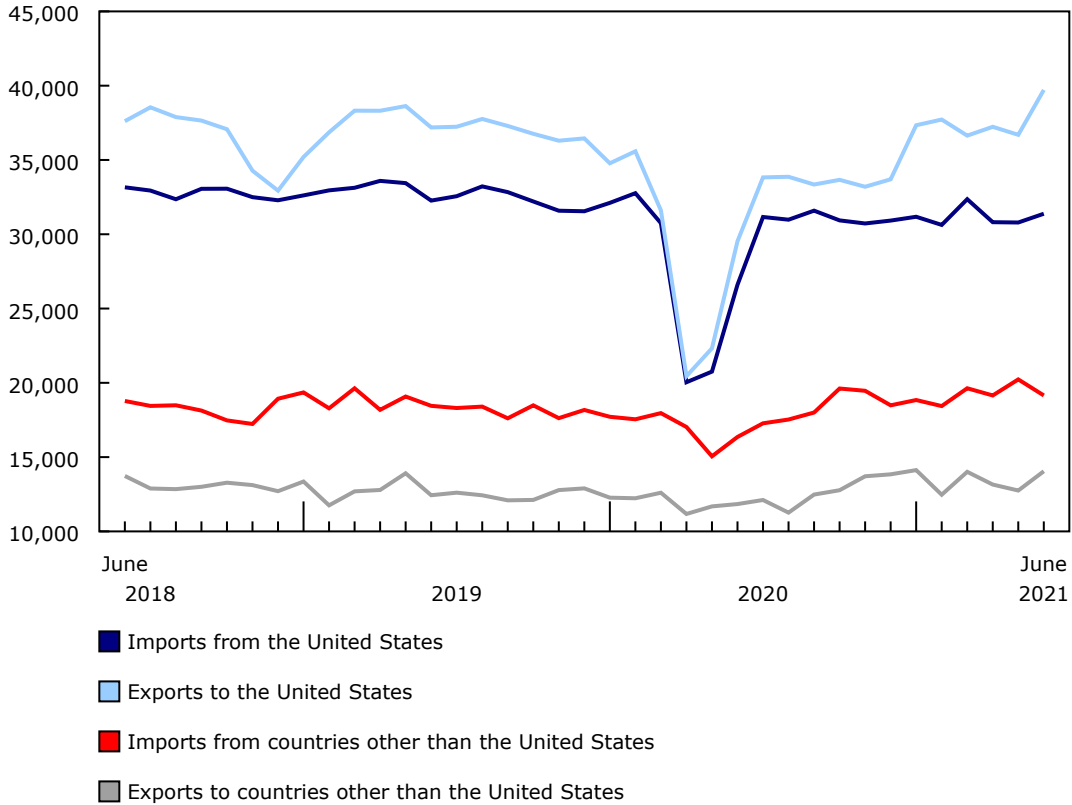
Imports from countries other than the United States decreased 5.3% in June, with declines observed for most Asian countries that are included in the principal trading partner classification. Imports from China (-9.6%) posted the largest decrease, which coincided with port disruptions in China in June related to COVID-19 outbreaks.

Canada's trade deficit with countries other than the United States narrowed from a record \$7.5 billion in May to \$5.1 billion in June.

Chart 7

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.

Decline in trade of motor vehicles and parts limits quarterly growth

Following an 8.1% increase in the first quarter of 2021, total exports rose 0.8% to a record \$153.6 billion in the second quarter. Higher exports of forestry products (+15.1%) and energy products (+7.1%) were partially offset by a sharp decline in exports of motor vehicles and parts (-14.8%).

Quarterly imports edged up 0.3% to \$151.5 billion in the second quarter of 2021. Lower imports of motor vehicles and parts (-18.4%) were offset by increases in several other product sections, including basic and industrial chemical, plastic and rubber products (+14.3%) and metal and non-metallic mineral products (+11.1%).

Canada's quarterly merchandise trade surplus went from \$1.2 billion in the first quarter of 2021 to \$2.1 billion in the second quarter.

Exports in constant dollars (using the Fisher formula) fell 4.7% in the second quarter, while quarterly imports in constant dollars were down 0.6%.

Revisions to May merchandise export and import data

Imports in May, originally reported at \$50.9 billion in the previous release, were revised to \$51.0 billion in the release for the current reference month. Exports in May, originally reported at \$49.5 billion in the previous release, were revised to \$49.4 billion in the current month's release.

Monthly trade in services

In June, monthly [service](#) exports edged down 0.1% to \$9.3 billion. Service imports increased 3.5% to \$10.0 billion.

When international trade in goods and international trade in services were combined, exports rose 7.4% to \$63.0 billion in June, while imports decreased 0.2% to \$60.5 billion. As a result, Canada's trade balance with the world for goods and services went from a deficit of \$2.0 billion in May to a surplus of \$2.5 billion in June.

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 online CIMT 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 August 16, 2021.

Next release

Data on Canadian international merchandise trade for July will be released on September 2, 2021.

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

	June 2020	May 2021 ^r	June 2021	May to June 2021	June 2020 to June 2021
	millions of dollars			% change	
Total exports	41,370	49,444	53,762	8.7	30.0
United States	29,530	36,693	39,713	8.2	34.5
China	2,437	2,467	2,727	10.6	11.9
United Kingdom	1,929	1,078	1,280	18.7	-33.7
Mexico	558	741	824	11.1	47.6
Japan	919	1,109	1,223	10.3	33.0
Germany	518	573	662	15.4	27.6
South Korea	423	561	380	-32.3	-10.2
Netherlands	439	272	538	97.8	22.6
Italy	217	242	212	-12.6	-2.3
Belgium	228	449	283	-36.9	23.9
Total imports	42,955	51,020	50,531	-1.0	17.6
United States	26,599	30,791	31,381	1.9	18.0
China	4,276	4,666	4,219	-9.6	-1.3
United Kingdom	652	760	832	9.4	27.6
Mexico	1,170	1,629	1,552	-4.7	32.7
Japan	395	1,112	1,052	-5.4	166.3
Germany	1,139	1,268	1,312	3.5	15.2
South Korea	519	726	604	-16.8	16.4
Netherlands	335	432	502	16.3	50.0
Italy	465	713	581	-18.4	25.0
Belgium	983	424	454	7.0	-53.8
Trade balance	-1,585	-1,576	3,231	...	...
United States	2,931	5,902	8,332	...	...
China	-1,839	-2,200	-1,492	...	...
United Kingdom	1,278	318	448	...	...
Mexico	-612	-888	-728	...	...
Japan	524	-3	171	...	...
Germany	-621	-695	-651	...	...
South Korea	-96	-164	-224	...	...
Netherlands	104	-160	36	...	...
Italy	-248	-470	-369	...	...
Belgium	-754	24	-171	...	...

^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

	June 2020	May 2021 ^r	June 2021	May to June 2021	June 2020 to June 2021
	millions of dollars			% change	
Total exports	41,370	49,444	53,762	8.7	30.0
Farm, fishing and intermediate food products	3,620	3,882	3,957	1.9	9.3
Energy products	5,649	9,196	11,304	22.9	100.1
Metal ores and non-metallic minerals	1,848	1,918	2,173	13.3	17.6
Metal and non-metallic mineral products	5,176	5,969	6,726	12.7	29.9
Basic and industrial chemical, plastic and rubber products	2,322	3,041	3,298	8.4	42.0
Forestry products and building and packaging materials	3,158	5,226	5,454	4.4	72.7
Industrial machinery, equipment and parts	2,612	2,914	2,974	2.1	13.9
Electronic and electrical equipment and parts	2,143	2,219	2,199	-0.9	2.6
Motor vehicles and parts	6,050	5,119	5,879	14.9	-2.8
Aircraft and other transportation equipment and parts	1,622	2,323	1,842	-20.7	13.6
Consumer goods	5,871	6,200	6,413	3.4	9.2
Special transactions trade ²	284	282	293	3.9	3.1
Other balance of payments adjustments	1,017	1,155	1,249	8.1	22.8
Total imports	42,955	51,020	50,531	-1.0	17.6
Farm, fishing and intermediate food products	1,711	1,865	1,879	0.7	9.8
Energy products	1,541	2,092	2,396	14.5	55.4
Metal ores and non-metallic minerals	1,438	1,215	1,139	-6.2	-20.8
Metal and non-metallic mineral products	3,530	5,301	5,031	-5.1	42.5
Basic and industrial chemical, plastic and rubber products	3,233	4,273	4,304	0.7	33.2
Forestry products and building and packaging materials	2,068	2,442	2,440	-0.1	18.0
Industrial machinery, equipment and parts	4,605	5,685	5,585	-1.8	21.3
Electronic and electrical equipment and parts	5,383	5,868	5,674	-3.3	5.4
Motor vehicles and parts	5,395	7,005	6,740	-3.8	24.9
Aircraft and other transportation equipment and parts	2,223	1,459	1,868	28.0	-15.9
Consumer goods	10,217	11,659	11,229	-3.7	9.9
Special transactions trade ²	809	1,222	1,309	7.1	61.8
Other balance of payments adjustments	804	935	938	0.3	16.6

^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-payments basis, seasonally adjusted, current dollars

	May 2021 ^r	June 2021	May to June 2021
	millions of dollars		% change
Exports			
Goods	49,444	53,762	8.7
Services	9,252	9,262	0.1
Goods and services	58,696	63,024	7.4
Imports			
Goods	51,020	50,531	-1.0
Services	9,664	10,002	3.5
Goods and services	60,684	60,533	-0.2
Balances			
Goods	-1,576	3,231	...
Services	-412	-740	...
Goods and services	-1,988	2,491	...

^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: [12-10-0011-01](#), [12-10-0099-01](#), [12-10-0119-01](#), [12-10-0121-01](#) to [12-10-0130-01](#) , [12-10-0132-01](#), [12-10-0133-01](#), [12-10-0136-01](#), [12-10-0140-01](#), [12-10-0143-01](#) 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* release.

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. It 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 Benoît Carrière (613-951-4636; STATCAN.mediahotline-ligneinfomedias.STATCAN@canada.ca), International Accounts and Trade Division.