

# Canadian international merchandise trade, January 2023

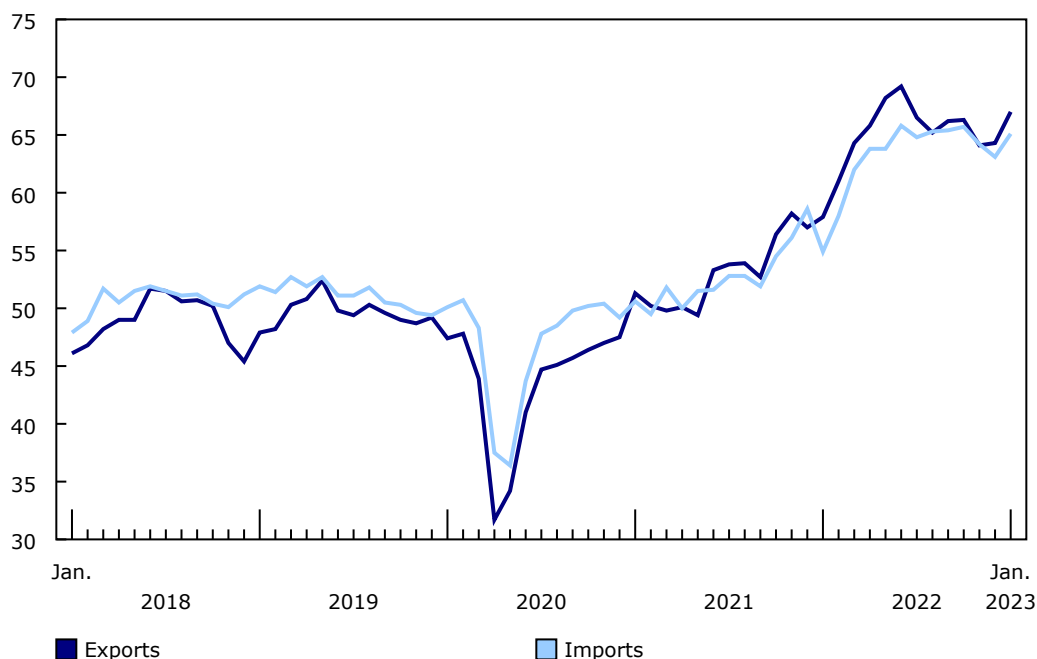
Released at 8:30 a.m. Eastern time in *The Daily*, Wednesday, March 8, 2023

In January, Canada's merchandise exports increased 4.2%, while imports were up 3.1%. As a result, Canada's merchandise trade surplus with the world widened from a revised \$1.2 billion in December 2022 to \$1.9 billion in January 2023.

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

## 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](#).

## Exports of farm, fishing and intermediate food products rise for the fourth time in five months

Total exports rose 4.2% in January to reach \$67.0 billion. The increase was widespread in January, with all product sections increasing except energy products. Farm, fishing and intermediate food products, motor vehicles and parts, and metal and non-metallic mineral products all contributed roughly equally to the increase, and were responsible for more than two-thirds of the gain in total exports. Exports excluding energy products rose 6.1% to \$51.6 billion, an all-time high. Total exports in real (or volume) terms were up 5.3% in January.



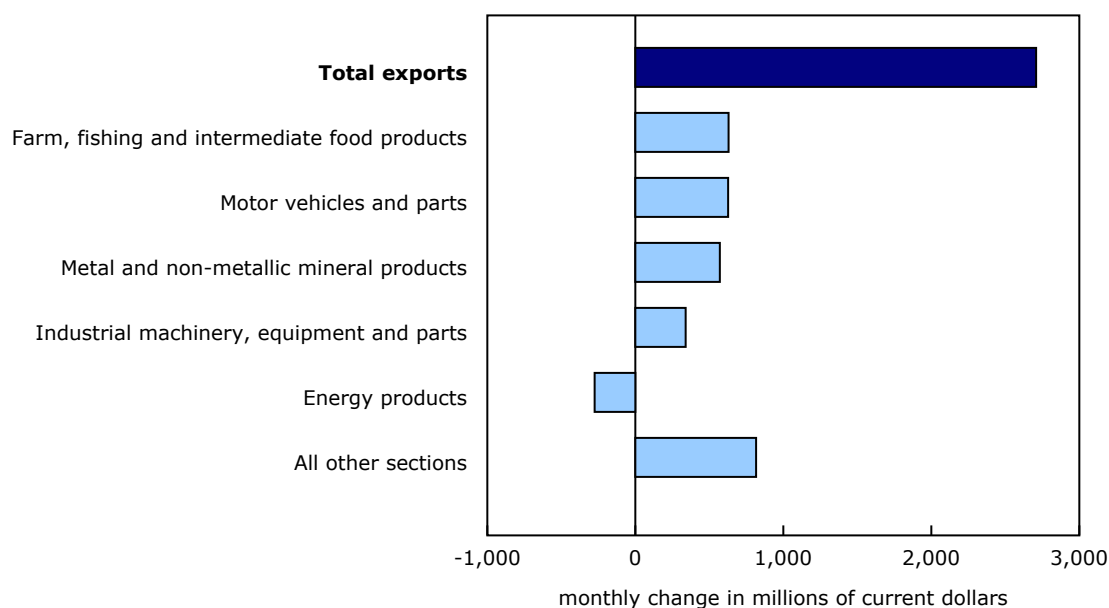
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Chart 2

Contribution to the monthly change in exports, by product, January 2023



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

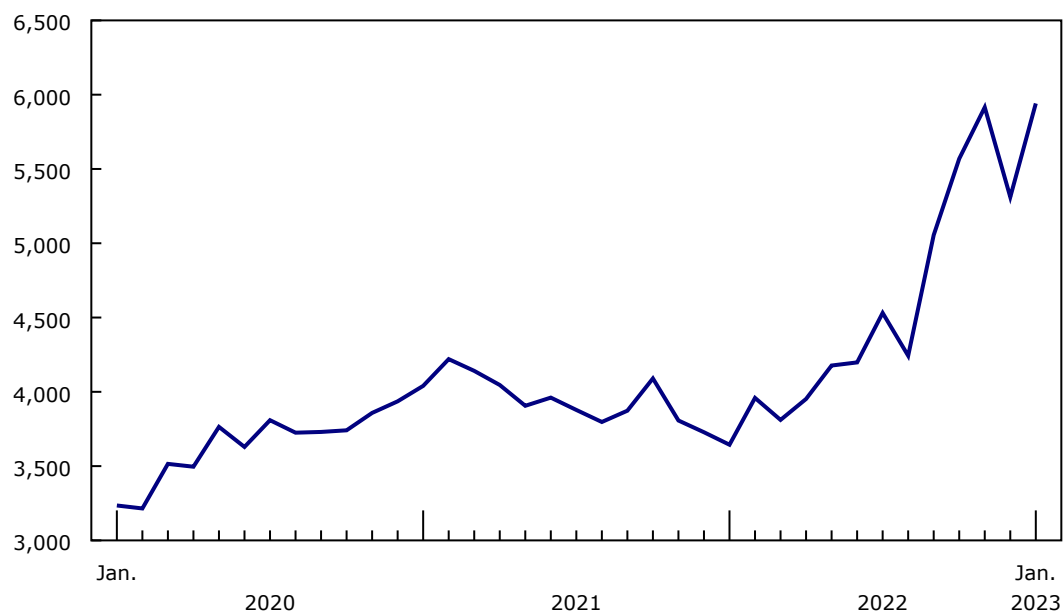
**Source(s):** Table 12-10-0121-01.

Following its first decrease in four months in December, exports of farm, fishing and intermediate food products increased 11.9% to reach \$5.9 billion in January, a record level slightly higher than the one observed in November. Amid a harvest that largely exceeded the previous one, as well as high global demand, production of farm products ramped up in the fall of 2022 and has been driving exports since. In January 2023, exports of wheat, intermediate food products (canola oil) and other crop products (soybeans) contributed the most to the gain.

### Chart 3

#### Exports of farm, fishing and intermediate food products

millions of current dollars



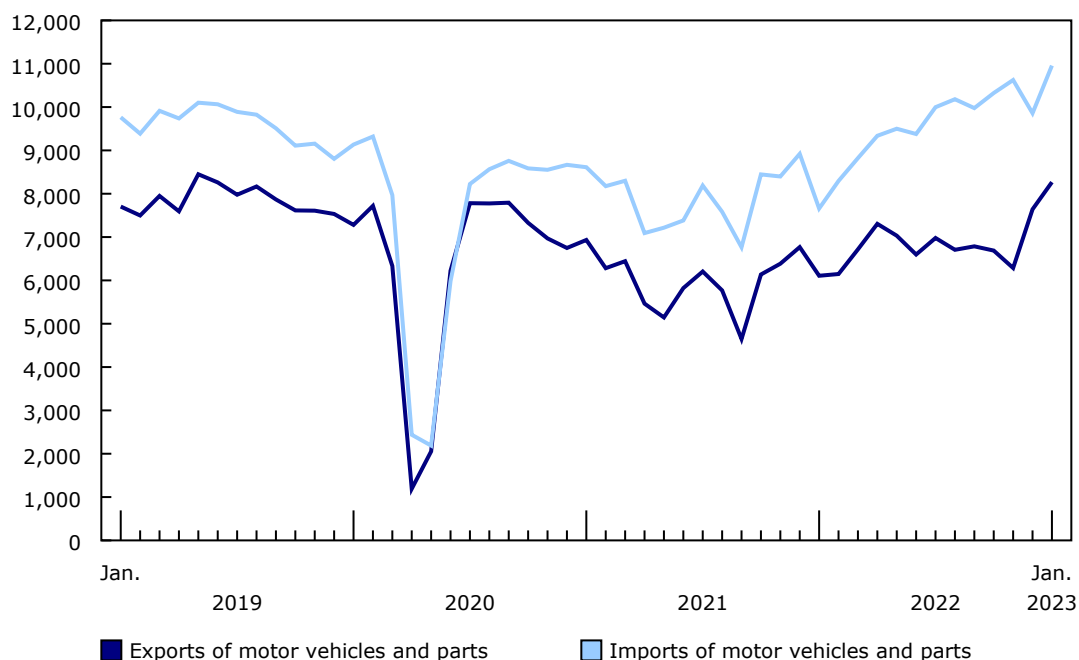
**Note(s):** Data are on a balance-of-payments basis and are seasonally adjusted.

**Source(s):** Table [12-10-0121-01](#).

Exports of motor vehicles and parts increased 8.2% in January to \$8.3 billion, which was the highest level since May 2019. Exports of passenger cars and light trucks (+18.7%) drove the increase in the product section in January 2023. The rise in exports of passenger cars and light trucks corresponded with a larger increase in Canadian production in January compared with the same month in recent years. For several years now, January production in Canada has been affected by either the COVID-19 pandemic or disruptions related to parts shortages. With less downtime in January 2023, the monthly increase in production in the month was comparable to the one observed in the same month in 2019, prior to the pandemic.

**Chart 4**  
Imports and exports of motor vehicles and parts

millions of dollars



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

Following a 6.7% decline in December, exports of metal and non-metallic mineral products rose 8.3% in January. Exports of unwrought gold, silver, and platinum group metals, and their alloys (+17.9%)—a category mainly composed of unwrought gold—contributed the most to the monthly gain in this product section. The growth observed in January was mainly because of an increase in exports of refined gold to the United Kingdom.

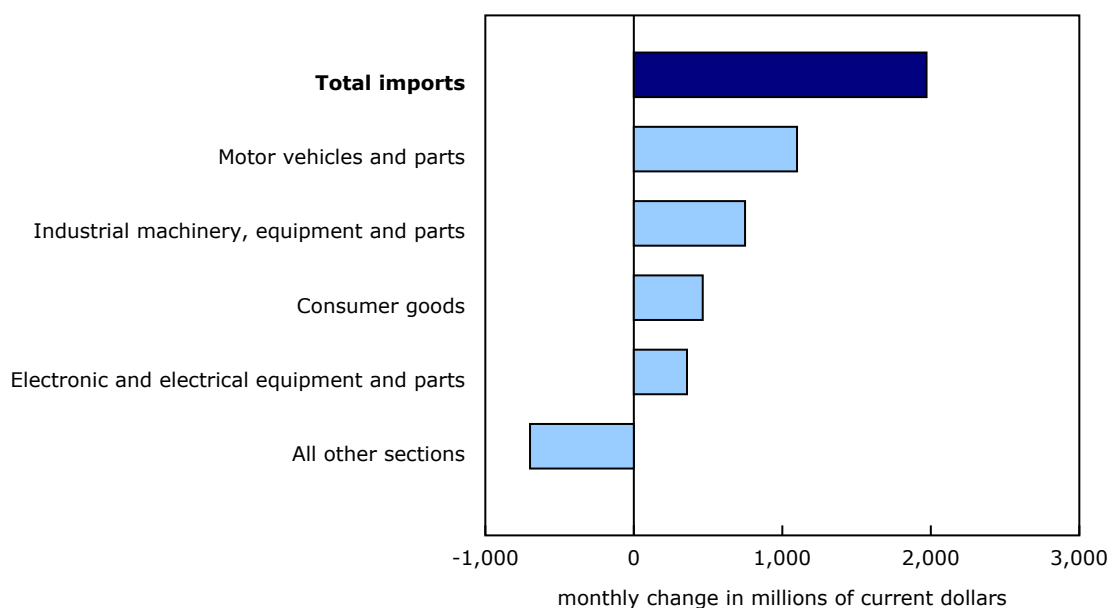
The gain in total exports in January was partially offset by lower exports of energy products (-1.8%). Exports of natural gas (-32.9%) were behind the decrease in energy product exports in January, in large part because of a drop in prices. Natural gas prices declined in January after reaching a peak in December 2022, when severe winter weather in the United States caused a spike in demand as well as challenges in natural gas production during the month. This led to extreme volatility in natural gas prices within certain US markets, and thus a large increase in the value of these exports (+64.7%) in December. Natural gas export values, which are estimated in the current reference month, were revised upward for December 2022 following the receipt of actual data. Larger revisions to natural gas exports are common when price volatility is high, and extreme weather in the United States may contribute to this volatility again in February and March.

### Imports of motor vehicles and parts reach a record

Following two consecutive monthly declines, total imports increased 3.1% to \$65.1 billion in January. Increases were observed in 6 of the 11 product sections. In real (or volume) terms, total imports were up 4.1%.

Chart 5

## Contribution to the monthly change in imports, by product, January 2023



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

**Source(s):** Table [12-10-0121-01](#).

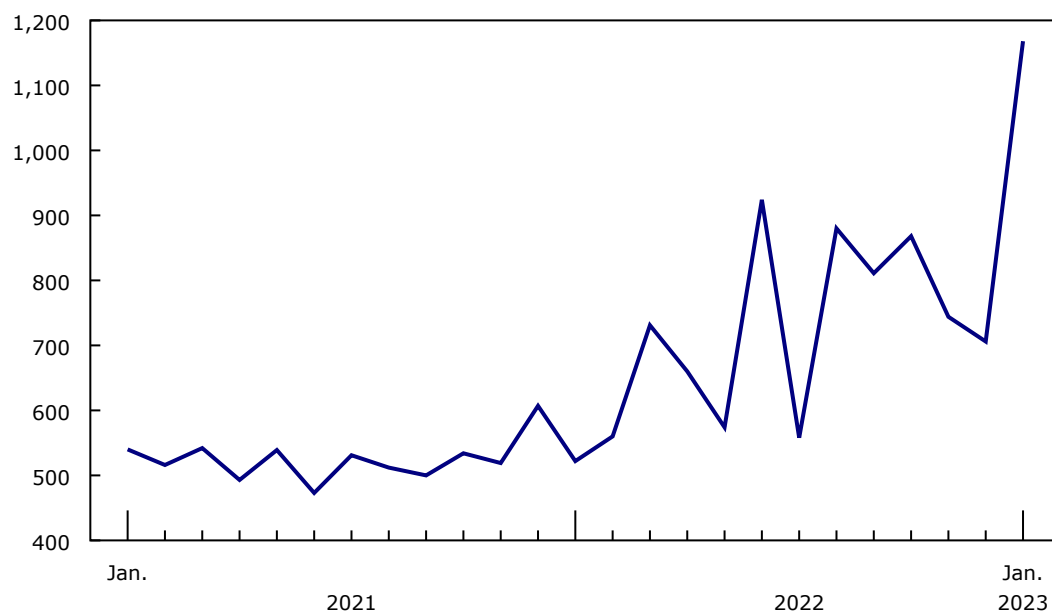
After posting a 7.2% decrease in December, imports of motor vehicles and parts rose 11.1% in January to reach a record \$11.0 billion. Both engines and parts (+13.1%) and passenger cars and light trucks (+8.4%) contributed to the monthly increase. Higher imports of engines and parts reflected increased vehicle production in Canada, and higher imports of passenger cars and light trucks reflected above-average auto sales in Canada for a month of January. On a year-over-year basis, imports of motor vehicles and parts were up 43.1% compared with January 2022.

Imports of industrial machinery, equipment and parts increased 10.0% in January 2023. While all subcategories increased, the overall growth was driven by higher imports within the "other industry-specific manufacturing machinery" product group (+65.4%). Large monthly movements have been observed in this category since the beginning of 2022, primarily due to imports of machinery and parts for the new liquefied natural gas terminal currently being constructed in British Columbia. Since high value deliveries for this project do not occur every month, they cause variations in the monthly import levels for this product category.

## Chart 6

### Imports of other industry-specific manufacturing machinery

millions of current dollars



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

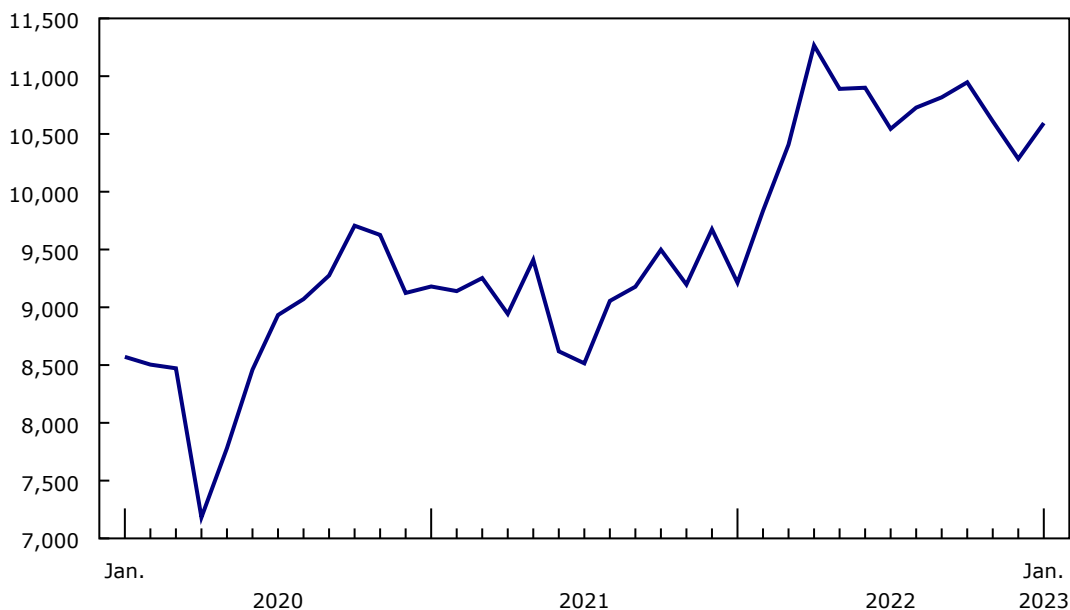
**Source(s):** Table [12-10-0121-01](#).

Imports of electronic and electrical equipment and parts were up 5.1% in January. Communication, and audio and video equipment (+11.7%), a product group which is mainly composed of cellphones, contributed the most to the gain, as new cellphone models were released earlier than usual this year. Computer and computer peripherals (+9.7%), which is mainly composed of laptops, tablets, and other processing units, also contributed to the increase, reflecting changing patterns in the supply of parts that are inputs to these products, such as semi-conductor chips.

Following three consecutive monthly declines, imports of consumer goods increased 3.8% in January. While the largest increase occurred in imports of pharmaceutical products (+7.6%), several other product groupings also posted gains. Excluding pharmaceutical products, imports of consumer goods were still up by more than 3% in January.

## Chart 7 Imports of consumer goods excluding pharmaceutical 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](#).

## Trade with countries other than the United States rebounds

Exports to countries other than the United States were up 7.2% in January, reaching a record \$16.7 billion. Exports to China (canola oil and coal), the United Kingdom (gold) and Germany (aircraft and crude oil) posted the largest increases.

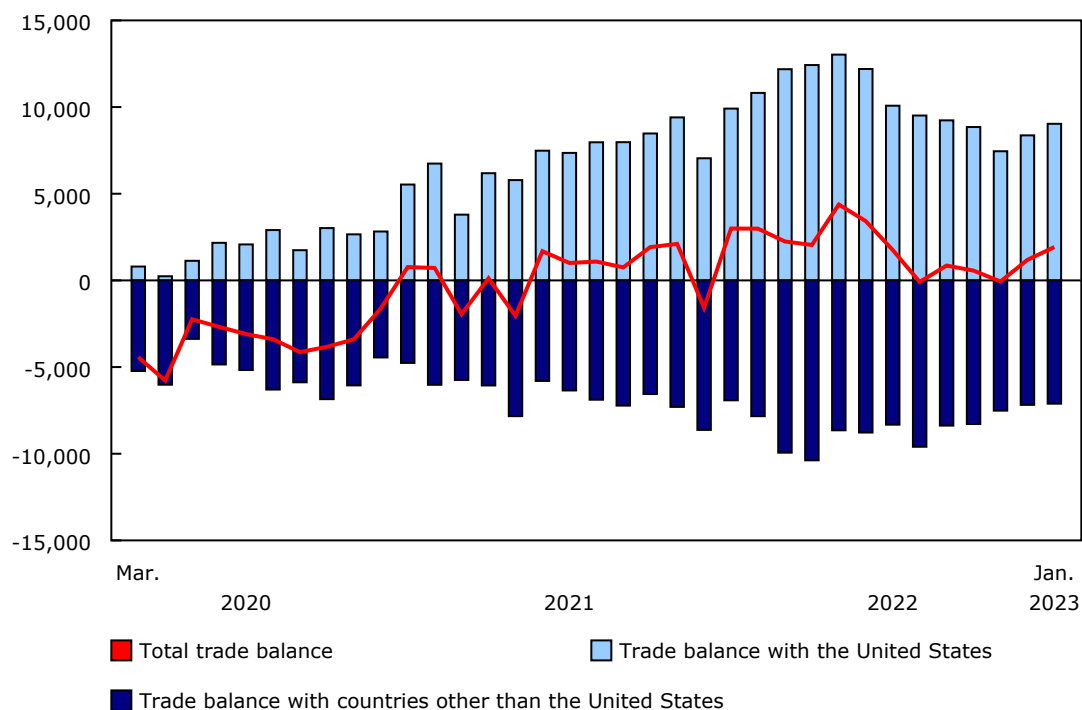
Imports from countries other than the United States rose 4.6% in January. Imports from Mexico (trucks) and Switzerland (pharmaceutical products) led the increase.

Canada's trade deficit with countries other than the United States narrowed for a fifth consecutive month, edging down from \$7.2 billion in December to \$7.1 billion in January.

Exports to the United States increased 3.3% in January, while imports from the same country rose 2.3%. As a result, Canada's merchandise trade surplus with the United States widened from \$8.4 billion in December to \$9.0 billion in January. This is the second consecutive monthly widening of the trade surplus with the United States following six months of narrowing.

**Chart 8**  
**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 December merchandise export and import data

Imports in December, originally reported at \$63.1 billion in the previous release, were essentially unchanged in the current reference month. Exports in December, originally reported at \$63.0 billion in the previous release, were revised to \$64.3 billion in the current reference month's release, mainly because estimates for natural gas exports were replaced with actual data.

## Monthly trade in services

In January, [monthly service exports were down 1.3%](#) to \$14.0 billion. Meanwhile, service imports increased 5.2% to \$16.3 billion.

When international trade in goods and services were combined, exports increased 3.2% to \$81.1 billion in January, while imports were up 3.5% to \$81.4 billion. As a result, Canada's trade deficit with the world went from \$119 million in December to \$378 million in January.



## 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. The seasonal adjustment parameters are reviewed and updated annually and applied with the October reference month release.

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 March 20.

## Next release

Data on Canadian international merchandise trade for February will be released on April 5.

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

	January 2022 <sup>r</sup>	December 2022 <sup>r</sup>	January 2023	December 2022 to January 2023	January 2022 to January 2023
	millions of dollars			% change	
<b>Total exports</b>	<b>57,914</b>	<b>64,316</b>	<b>67,023</b>	<b>4.2</b>	<b>15.7</b>
United States	45,004	48,724	50,316	3.3	11.8
China	1,995	2,501	3,019	20.7	51.3
Mexico	827	981	754	-23.2	-8.9
United Kingdom	1,529	1,274	1,732	36.0	13.3
Japan	1,459	1,440	1,512	5.0	3.7
Germany	429	456	692	51.8	61.4
South Korea	717	611	555	-9.3	-22.7
Netherlands	734	688	540	-21.6	-26.4
Switzerland	181	459	567	23.5	213.4
Italy	190	305	230	-24.3	21.4
<b>Total imports</b>	<b>54,921</b>	<b>63,130</b>	<b>65,101</b>	<b>3.1</b>	<b>18.5</b>
United States	35,093	40,357	41,282	2.3	17.6
China	4,392	5,260	5,198	-1.2	18.3
Mexico	1,700	1,871	2,344	25.3	37.8
United Kingdom	682	920	989	7.5	44.9
Japan	903	1,021	1,043	2.1	15.5
Germany	1,270	1,700	1,854	9.0	45.9
South Korea	914	776	860	10.8	-5.9
Netherlands	466	371	544	46.7	16.8
Switzerland	558	518	756	45.9	35.4
Italy	636	746	917	22.8	44.0
<b>Trade balance</b>	<b>2,993</b>	<b>1,186</b>	<b>1,923</b>	<b>...</b>	<b>...</b>
United States	9,911	8,367	9,034	...	...
China	-2,397	-2,758	-2,179	...	...
Mexico	-873	-889	-1,590	...	...
United Kingdom	847	354	744	...	...
Japan	556	419	470	...	...
Germany	-842	-1,245	-1,163	...	...
South Korea	-197	-165	-305	...	...
Netherlands	268	317	-4	...	...
Switzerland	-378	-59	-189	...	...
Italy	-447	-441	-686	...	...

<sup>r</sup> 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 2020 total merchandise trade data.

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

**Table 2****Merchandise trade: North American Product Classification System<sup>1</sup> – Balance-of-payments basis, seasonally adjusted, current dollars**

	January 2022 <sup>r</sup>	December 2022 <sup>r</sup>	January 2023	December 2022 to January 2023	January 2022 to January 2023
	millions of dollars			% change	
<b>Total exports</b>	<b>57,914</b>	<b>64,316</b>	<b>67,023</b>	<b>4.2</b>	<b>15.7</b>
Farm, fishing and intermediate food products	3,643	5,311	5,941	11.9	63.1
Energy products	14,912	15,735	15,459	-1.8	3.7
Metal ores and non-metallic minerals	2,194	2,650	2,779	4.9	26.7
Metal and non-metallic mineral products	6,562	6,885	7,456	8.3	13.6
Basic and industrial chemical, plastic and rubber products	3,397	3,603	3,731	3.5	9.8
Forestry products and building and packaging materials	4,691	4,391	4,435	1.0	-5.5
Industrial machinery, equipment and parts	3,339	3,954	4,293	8.6	28.6
Electronic and electrical equipment and parts	2,405	2,810	2,901	3.2	20.6
Motor vehicles and parts	6,107	7,640	8,267	8.2	35.4
Aircraft and other transportation equipment and parts	1,372	2,223	2,294	3.2	67.2
Consumer goods	7,702	7,437	7,705	3.6	0.0
Special transactions trade <sup>2</sup>	349	330	314	-4.7	-10.1
Other balance of payments adjustments	1,240	1,347	1,447	7.4	16.7
<b>Total imports</b>	<b>54,921</b>	<b>63,130</b>	<b>65,101</b>	<b>3.1</b>	<b>18.5</b>
Farm, fishing and intermediate food products	2,143	2,319	2,312	-0.3	7.9
Energy products	3,000	4,430	4,256	-3.9	41.9
Metal ores and non-metallic minerals	1,550	1,618	1,562	-3.5	0.8
Metal and non-metallic mineral products	4,728	5,052	5,108	1.1	8.1
Basic and industrial chemical, plastic and rubber products	4,889	5,345	5,196	-2.8	6.3
Forestry products and building and packaging materials	2,658	2,894	2,921	0.9	9.9
Industrial machinery, equipment and parts	6,026	7,491	8,241	10.0	36.8
Electronic and electrical equipment and parts	6,564	7,069	7,427	5.1	13.2
Motor vehicles and parts	7,659	9,858	10,957	11.1	43.1
Aircraft and other transportation equipment and parts	1,654	2,235	1,969	-11.9	19.0
Consumer goods	11,912	12,326	12,790	3.8	7.4
Special transactions trade <sup>2</sup>	1,139	1,390	1,259	-9.4	10.6
Other balance of payments adjustments	999	1,102	1,103	0.1	10.4

<sup>r</sup> 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**

	December 2022 <sup>r</sup>	January 2023	December 2022 to January 2023
	millions of dollars		% change
<b>Exports</b>			
Goods	64,316	67,023	4.2
Services	14,225	14,036	-1.3
Goods and services	78,541	81,059	3.2
<b>Imports</b>			
Goods	63,130	65,101	3.1
Services	15,530	16,337	5.2
Goods and services	78,660	81,438	3.5
<b>Balances</b>			
Goods	1,186	1,923	...
Services	-1,305	-2,301	...
Goods and services	-119	-378	...

<sup>r</sup> 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 [12-10-0144-01](#).

**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.

The Canadian International Merchandise Trade online database is no longer available. It has been replaced by the [Canadian International Merchandise Trade Web Application](#) ([71-607-X](#)), a modern tool that provides trade data users with a number of enhancements.

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 charts 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, or to enquire about the concepts, methods or data quality of this release, contact us (toll-free 1-800-263-1136; 514-283-8300; [infostats@statcan.gc.ca](mailto:infostats@statcan.gc.ca)) or Media Relations ([statcan.mediahotline-ligneinfomedias.statcan@statcan.gc.ca](mailto:statcan.mediahotline-ligneinfomedias.statcan@statcan.gc.ca)).