

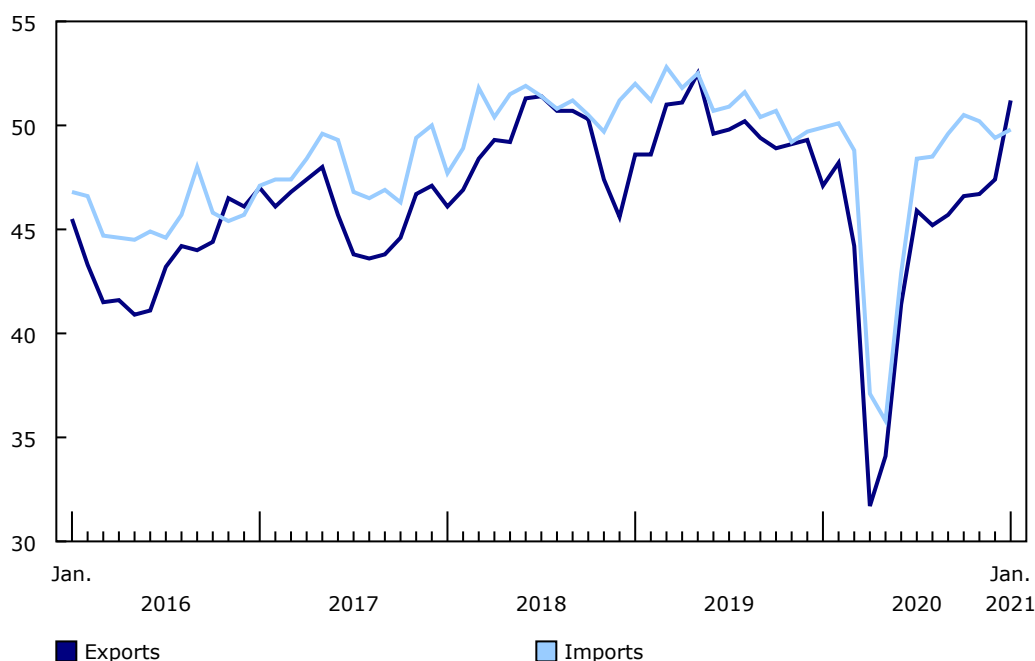
# Canadian international merchandise trade, January 2021

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

Canada posted a trade surplus of \$1.4 billion in January, the first since May 2019, owing to a sharp 8.1% increase in merchandise exports. It was also the largest surplus since July 2014. Imports rose 0.9% in January compared with the previous month.

**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.

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

## Widespread export gains

Total exports rose 8.1% in January to \$51.2 billion, with increases in all product sections. This was the largest percentage increase since the rebound in the summer of 2020 that followed the easing of restrictions following the first wave of the pandemic. Excluding the strong fluctuations in 2020, the January increase was the largest since August 1995. Approximately one-third of the increase in the value of exports was driven by price growth. In real (or volume) terms, exports were up 5.1%.



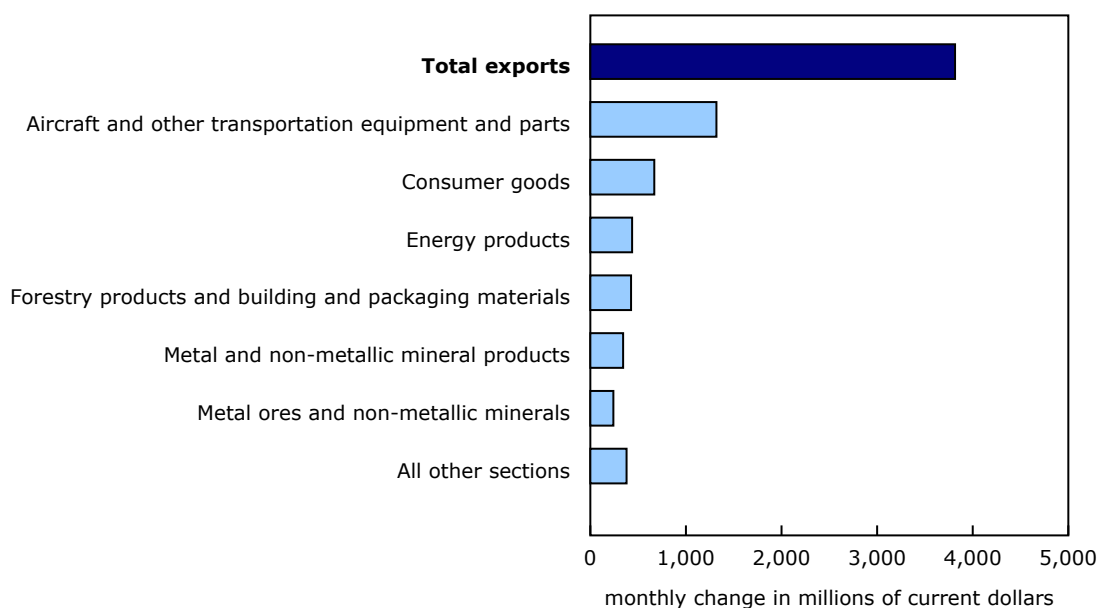
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## Chart 2

## Contribution to the monthly change in exports, by product, January 2021



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

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

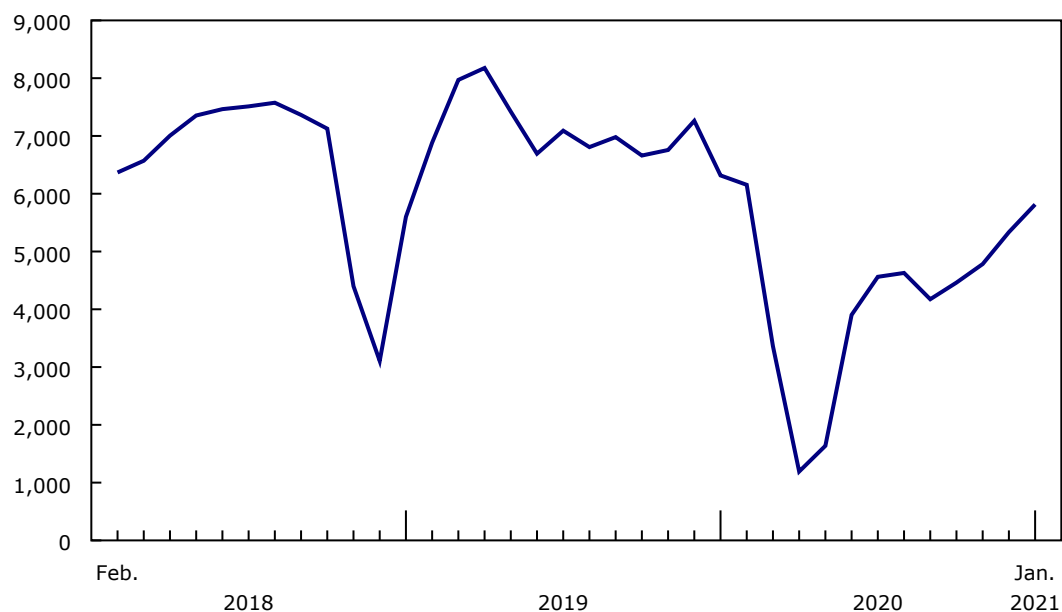
Exports of aircraft and other transportation equipment and parts rose 72.3% in January, mainly on atypical growth in aircraft exports, which more than doubled. A Canadian airline retired a large number of aircraft from its fleet in January, resulting in the export of these used airliners to the United States. Although concentrated exports such as these are unusual for used aircraft, similar shipments are possible over the short and medium term.

Exports of consumer goods were up 11.6% in January, primarily on higher exports of miscellaneous goods and supplies. This category, which includes a wide range of goods, rose by \$437 million in January, the largest increase in five years, on higher exports of gold bars to the United States. This type of bar, sold at the retail level to individual investors, is classified within consumer goods, not metal and non-metallic mineral products, which normally includes gold exports to foreign financial institutions. The increase in exports of gold bars in January coincided with higher demand in the United States for this type of investment product.

Exports of energy products rose 5.9% in January, mainly on higher crude oil exports (+9.0%). Higher prices and volumes both contributed to the growth in crude oil exports in January. While volumes were above pre-pandemic levels, prices still lagged, despite the monthly increase.

**Chart 3**  
**Canadian exports of crude oil and bitumen**

millions of current dollars



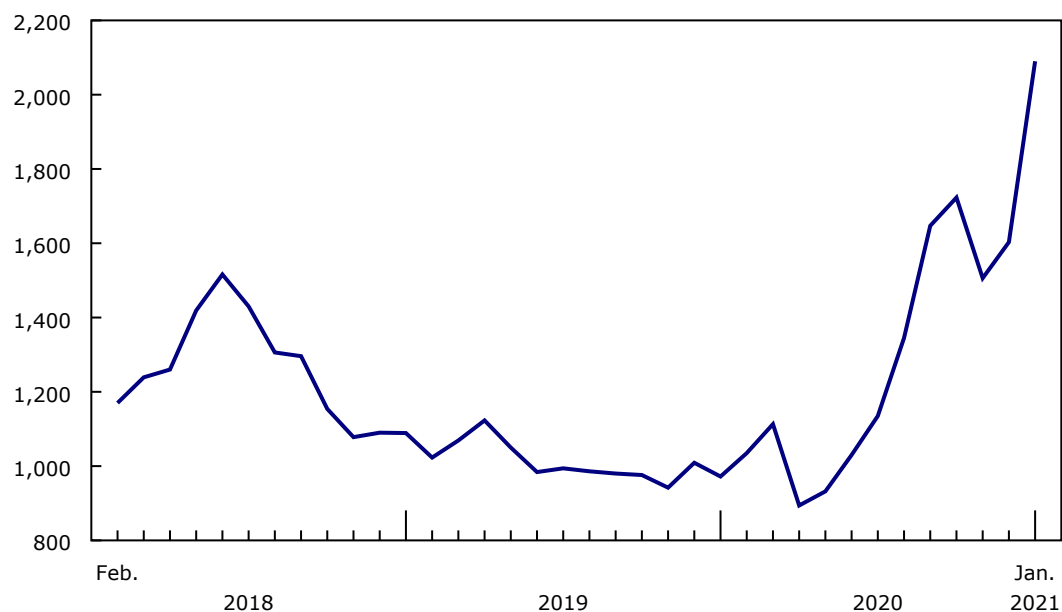
**Note(s):** Data is on balance of payment basis, seasonally adjusted.

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

Exports of forestry products and building and packaging materials (+10.7%) also contributed to widespread growth in January. The increase was largely attributable to lumber exports (+30.4%), which reached a record high \$2.1 billion in January. Since April 2020, exports of lumber have risen every month except one, mainly on strong price growth. As explained in the most recent [Industrial product and raw materials price indexes](#) releases, demand for lumber has been rising consistently for several months. In January, although prices rose again, the increase was largely attributable to higher volumes. Year over year, the value of lumber exports has more than doubled.

## Chart 4 Canadian exports of lumber and other sawmill products

millions of current dollars



**Note(s):** Data is on balance of payment basis, seasonally adjusted.

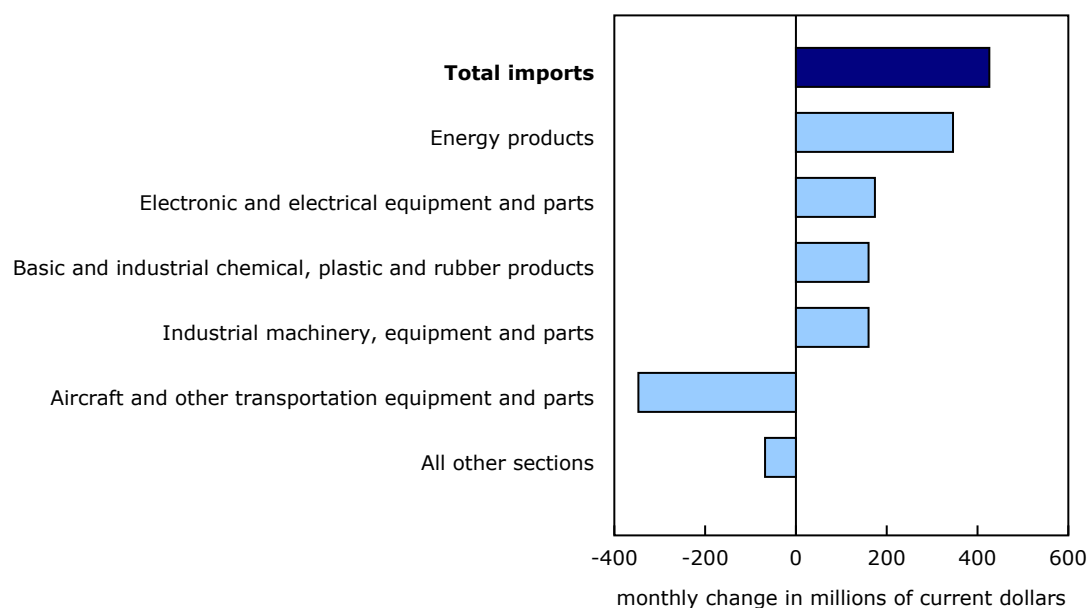
**Source(s):** Table [12-10-0121-01](#).

## Higher imports of refined petroleum products

Following two consecutive months of decline, total imports increased 0.9% in January to \$49.8 billion. Imports rose in 7 of the 11 product sections. In real (or volume) terms, imports were up 1.0%.

## Chart 5

### Contribution to the monthly change in imports, by product, January 2021



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

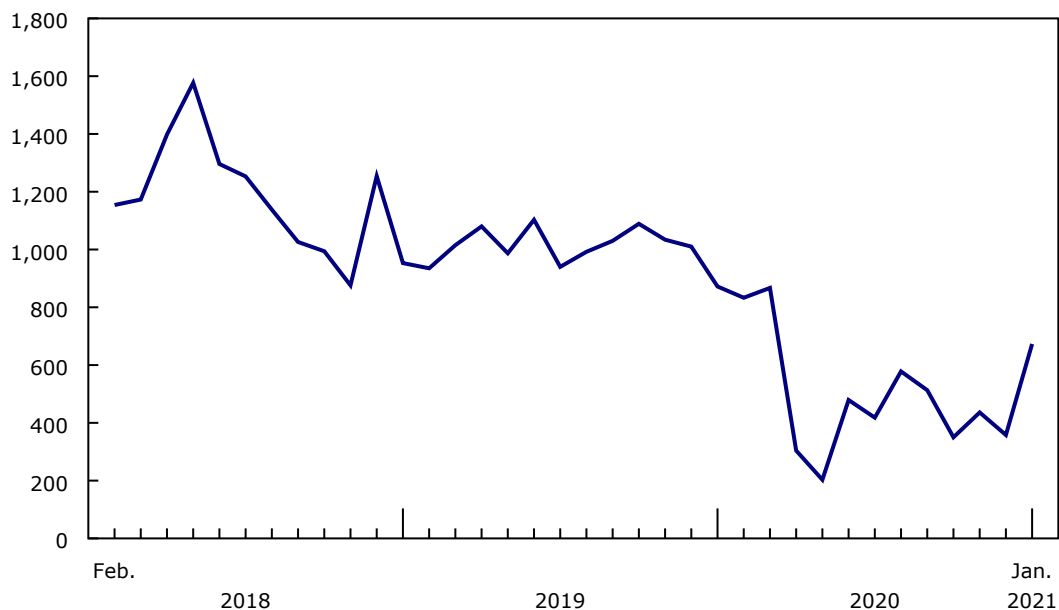
**Source(s):** Table [12-10-0121-01](#).

Imports of energy products (+20.5%) posted the largest gain in January, mainly on higher imports of refined petroleum products (+87.8%). Strong diesel fuel imports contributed the most to the increase in January. Despite the monthly growth, refined petroleum products imports were down 22.9% year over year.

## Chart 6

### Canadian imports of refined petroleum 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.

Imports of electronic and electrical equipment and parts (+2.9%) also contributed to the increase in January. Imports of electronic and electrical parts and of computers and computer peripherals posted the largest increases.

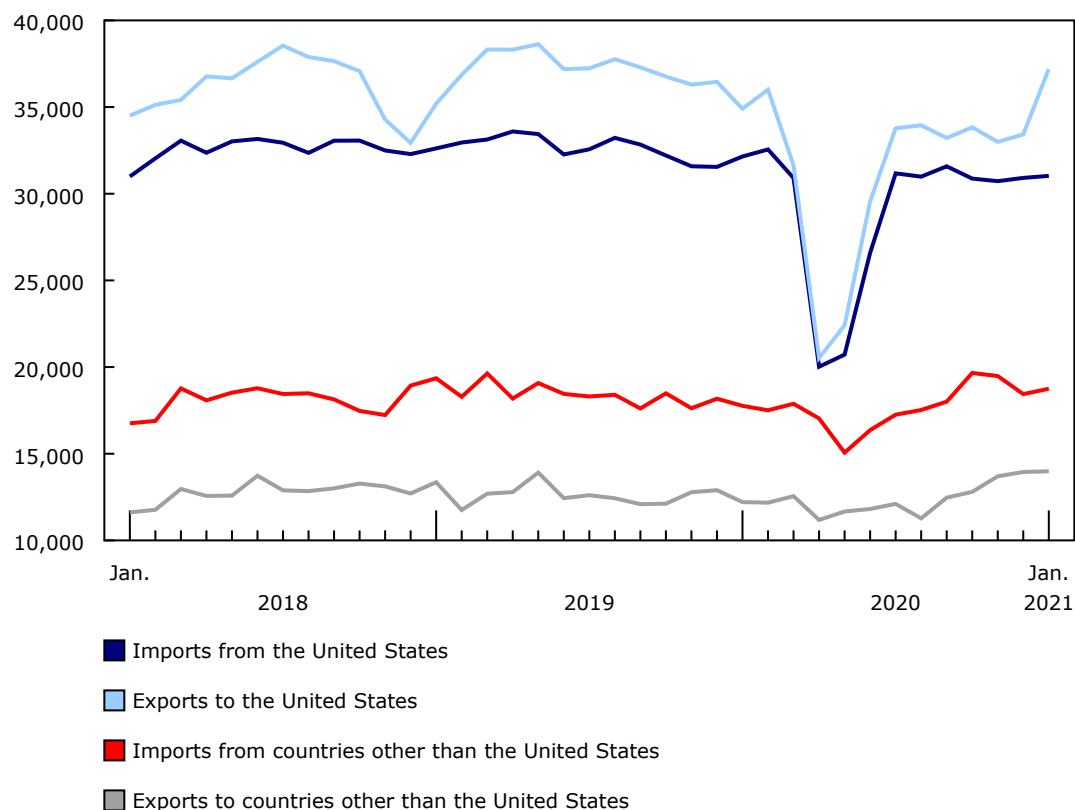
### United States behind the gain in total exports

Exports to the United States rose 11.3% in January to \$37.2 billion, the highest value since September 2019. The spike in exports of aircraft, gold bars, crude oil and lumber was largely due to stronger trade with the United States. Following the steep declines in the spring of 2020, exports to the United States had remained below pre-pandemic levels. For the first time in January, exports to the United States were higher than February 2020 levels.

Imports from the United States edged up 0.4% to \$31.0 billion. As a result, Canada's trade surplus with the United States over doubled from \$2.5 billion in December to \$6.2 billion in January. This was the largest surplus since September 2008.

**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](#).

When the average exchange rates of December and January are compared, the Canadian dollar gained 0.5 US cents relative to the American dollar. This was the fourth consecutive monthly increase for the Canadian dollar.

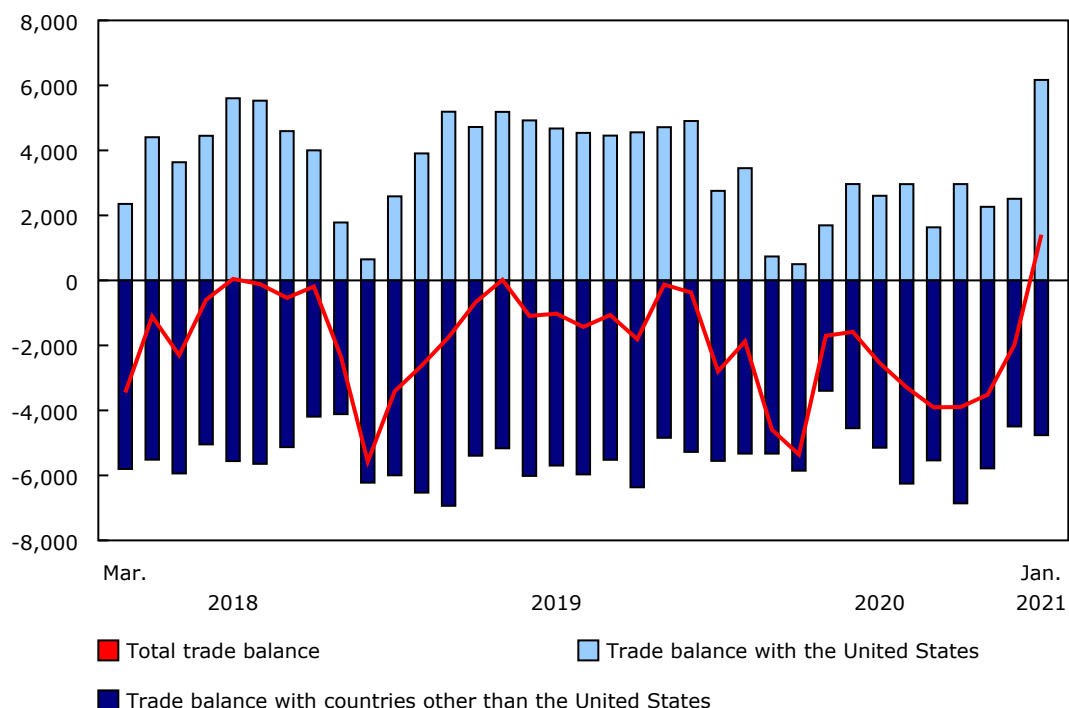
Exports to countries other than the United States, which reached a record high in December 2020, edged up 0.3% in January to \$14.0 billion. Higher exports to Saudi Arabia (other transportation equipment) was largely offset by lower exports to the United Kingdom (aircraft, oilseeds and gold).

Imports from countries other than the United States rose 1.7% in January. Imports from Switzerland (gold) and Nigeria (crude oil) posted the largest increases.

As a result, Canada's trade deficit with countries other than the United States widened from \$4.5 billion in December to \$4.8 billion in January.

**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 as \$49.0 billion in the previous release, were revised to \$49.4 billion in the release for the current reference month. Exports in December, originally reported at \$47.3 billion in the previous release, were revised to \$47.4 billion in the release for the current reference month.

## Trade in medical and protective goods and vaccines

Following a 16.8% decrease in December, imports of medical and protective goods were down 3.2% in January to \$2.6 billion on a customs basis. Although one-quarter (+25.1%) higher year over year, imports in January were at their lowest monthly value since March 2020.

The main contributor to the monthly decline in January was lower imports of diagnostic products (-12.8%). Imports of personal protective equipment (-1.6%) and medical equipment and products (-0.1%) also fell in January.

Exports of medical and protective goods were down 7.3% to \$1.2 billion in January, the third consecutive monthly decrease. Despite this monthly decrease, exports were up 5.6% year over year.

Vaccines for immunization against COVID-19 were imported for the second month in January, following approval for use in Canada in December 2020. Imports of these vaccines are reported under the category "vaccines for human medicine other than for influenza", which includes vaccines for a variety of illnesses other than and including COVID-19.



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In 2018 and 2019, imports in this category declined by over half (-55%) from December to January. This year, imports increased 21.4% to \$56 million, up 73.7% year over year.

It is estimated that Canada's imports of COVID-19 vaccines were approximately \$24 million in January. Without imports of the COVID-19 vaccines, imports of vaccines for human medicine other than influenza would have decreased in January and been at a value on par with the import value in January 2020.

Import values for COVID-19 vaccines are preliminary and are subject to revision. Given that the reporting basis of these data may be different than other publicly available sources of information, caution should be exercised in inferring information based on combining these sources.

## **Monthly trade in services**

In January, monthly [service](#) exports were up 0.5% to \$9.3 billion. Service imports increased 2.7% to \$9.5 billion.

When international trade in goods and international trade in services are combined, exports increased 6.8% to \$60.4 billion in January, while imports rose 1.1% to \$59.3 billion. As a result, Canada's trade surplus with the world for goods and services combined was \$1.2 billion 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 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 March 22.

## Next release

Data on Canadian international merchandise trade for February will be released on April 7.

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

	January 2020 <sup>r</sup>	December 2020 <sup>r</sup>	January 2021	December 2020 to January 2021	January 2020 to January 2021
	millions of dollars			% change	
<b>Total exports</b>	<b>47,113</b>	<b>47,370</b>	<b>51,185</b>	<b>8.1</b>	<b>8.6</b>
United States	34,903	33,424	37,198	11.3	6.6
China	1,906	2,425	2,529	4.3	32.7
United Kingdom	1,970	2,500	2,049	-18.0	4.0
Mexico	673	654	785	20.0	16.6
Japan	1,067	995	1,082	8.8	1.4
Germany	480	450	537	19.2	11.7
South Korea	330	510	397	-22.2	20.1
Netherlands	408	631	504	-20.1	23.6
Italy	213	321	238	-25.9	11.9
Belgium	214	339	201	-40.7	-6.1
<b>Total imports</b>	<b>49,912</b>	<b>49,353</b>	<b>49,779</b>	<b>0.9</b>	<b>-0.3</b>
United States	32,148	30,913	31,030	0.4	-3.5
China	3,421	4,496	4,527	0.7	32.3
United Kingdom	635	837	597	-28.7	-6.0
Mexico	1,671	1,755	1,662	-5.3	-0.5
Japan	1,060	964	926	-3.9	-12.7
Germany	1,331	1,246	1,299	4.3	-2.4
South Korea	698	748	785	5.0	12.6
Netherlands	481	451	391	-13.2	-18.7
Italy	599	627	677	8.0	13.1
Belgium	364	375	433	15.5	19.0
<b>Trade balance</b>	<b>-2,799</b>	<b>-1,983</b>	<b>1,405</b>	<b>...</b>	<b>...</b>
United States	2,755	2,511	6,168	...	...
China	-1,516	-2,071	-1,998	...	...
United Kingdom	1,336	1,663	1,452	...	...
Mexico	-997	-1,100	-876	...	...
Japan	7	32	156	...	...
Germany	-850	-796	-762	...	...
South Korea	-367	-238	-389	...	...
Netherlands	-74	180	113	...	...
Italy	-386	-306	-439	...	...
Belgium	-150	-36	-232	...	...

<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 2019 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 2020 <sup>r</sup>	December 2020 <sup>r</sup>	January 2021	December 2020 to January 2021	January 2020 to January 2021
	millions of dollars			% change	
<b>Total exports</b>	<b>47,113</b>	<b>47,370</b>	<b>51,185</b>	<b>8.1</b>	<b>8.6</b>
Farm, fishing and intermediate food products	3,231	3,858	3,982	3.2	23.2
Energy products	8,488	7,464	7,901	5.9	-6.9
Metal ores and non-metallic minerals	1,560	1,900	2,141	12.7	37.3
Metal and non-metallic mineral products	5,604	6,293	6,636	5.5	18.4
Basic and industrial chemical, plastic and rubber products	2,674	2,754	2,854	3.6	6.7
Forestry products and building and packaging materials	3,316	3,967	4,393	10.7	32.5
Industrial machinery, equipment and parts	3,257	2,992	3,053	2.1	-6.3
Electronic and electrical equipment and parts	2,292	2,231	2,304	3.2	0.5
Motor vehicles and parts	7,227	6,843	6,876	0.5	-4.9
Aircraft and other transportation equipment and parts	2,118	1,825	3,144	72.3	48.5
Consumer goods	5,916	5,792	6,461	11.6	9.2
Special transactions trade <sup>2</sup>	322	305	299	-1.9	-7.1
Other balance of payments adjustments	1,108	1,146	1,139	-0.6	2.8
<b>Total imports</b>	<b>49,912</b>	<b>49,353</b>	<b>49,779</b>	<b>0.9</b>	<b>-0.3</b>
Farm, fishing and intermediate food products	1,792	1,731	1,821	5.2	1.6
Energy products	3,338	1,689	2,035	20.5	-39.0
Metal ores and non-metallic minerals	1,388	1,385	1,498	8.2	7.9
Metal and non-metallic mineral products	3,512	4,295	4,289	-0.1	22.1
Basic and industrial chemical, plastic and rubber products	3,786	3,446	3,606	4.7	-4.8
Forestry products and building and packaging materials	2,162	2,345	2,374	1.2	9.8
Industrial machinery, equipment and parts	5,431	5,317	5,476	3.0	0.8
Electronic and electrical equipment and parts	5,655	5,963	6,137	2.9	8.5
Motor vehicles and parts	9,187	8,926	8,722	-2.3	-5.1
Aircraft and other transportation equipment and parts	1,877	1,328	981	-26.1	-47.7
Consumer goods	9,993	10,930	10,859	-0.7	8.7
Special transactions trade <sup>2</sup>	859	1,036	1,034	-0.2	20.3
Other balance of payments adjustments	931	964	947	-1.7	1.8

<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 payment basis, seasonally adjusted, current dollars**

	December 2020 <sup>r</sup>	January 2020	December to January 2020
	millions of dollars		% change
<b>Exports</b>			
Goods	47,370	51,185	8.1
Services	9,210	9,253	0.5
Goods and services	56,580	60,438	6.8
<b>Imports</b>			
Goods	49,353	49,779	0.9
Services	9,243	9,489	2.7
Goods and services	58,596	59,268	1.1
<b>Balances</b>			
Goods	-1,983	1,405	
Services	-33	-236	
Goods and services	-2,016	1,169	

<sup>r</sup> revised

**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 merchandise 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](mailto:STATCAN.infostats-infostats.STATCAN@canada.ca)).

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; [STATCAN.infostats-infostats.STATCAN@canada.ca](mailto:STATCAN.infostats-infostats.STATCAN@canada.ca)) or Media Relations (613-951-4636; [STATCAN.mediahotline-ligneinfomedias.STATCAN@canada.ca](mailto:STATCAN.mediahotline-ligneinfomedias.STATCAN@canada.ca)).