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TRADE AND INVESTMENT



Canada–Argentina

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The Library of Parliament ***Trade and Investment*** series provides information on Canada's trade and investment relationship with selected countries. Particular attention is paid to bilateral merchandise trade, trade in services, and foreign investment. These publications are prepared by the Parliamentary Information and Research Service, which carries out research for and provides information and analysis to parliamentarians and Senate and House of Commons committees and parliamentary associations.

* Katie Meredith, formerly of the Library of Parliament, contributed to the preparation of this document.

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Merchandise Trade

In 2011, Canada-Argentina merchandise trade totalled \$2.9 billion, comprised of \$495.3 million in Canadian exports to, and \$2.4 billion in imports from, Argentina.

The value of Canada's exports to Argentina increased by 74.5% between 2010 and 2011, while the value of Canada's imports from the country grew by 51.6%.

Argentina was Canada's 38th largest export destination worldwide in 2011. In that year, it was Canada's 25th largest source of imports globally.

Over the 2006 to 2011 period, the value of Canada's exports to Argentina grew at an average annual rate of 20.8%, compared to 0.3% worldwide. The value of Canada's exports to the country as a share of the value of Canada's total exports grew from 0.04% in 2006 to 0.11% in 2011.

The value of Canada's imports from Argentina increased at an average annual rate of 32.8% over the 2006 to 2011 period, compared to 2.4% worldwide. The value of Canada's imports from the country as a share of the value of Canada's total imports increased from 0.14% in 2006 to 0.53% in 2011.

At the provincial/territorial level, Newfoundland and Labrador and Ontario together accounted for 73.1% of the value of Canada's exports to Argentina in 2011, with exports valued at \$236.3 million and \$125.6 million respectively.

Over the 2006 to 2011 period, the fastest-growing provincial/territorial exporters to Argentina were Nunavut, Newfoundland and Labrador, and New Brunswick, with average annual growth rates of 850.1%, 359.6% and 89.6% respectively.

Figure 1

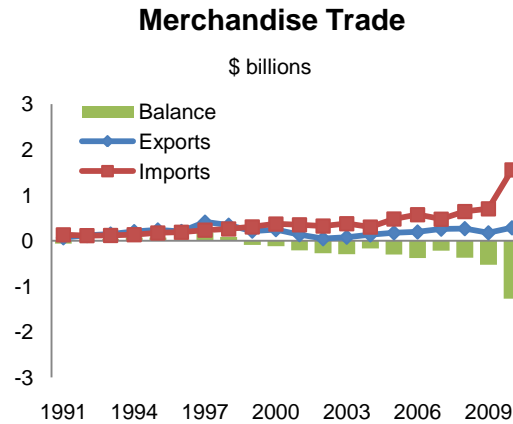


Figure 2

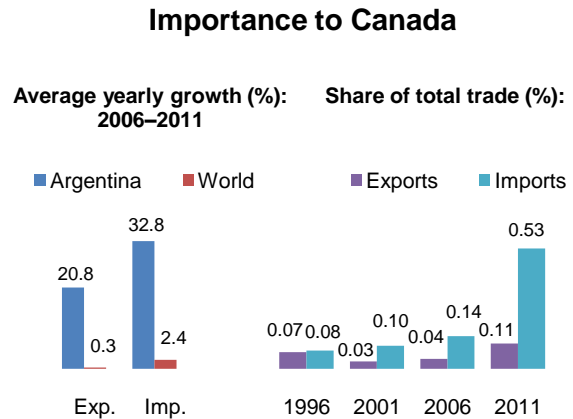
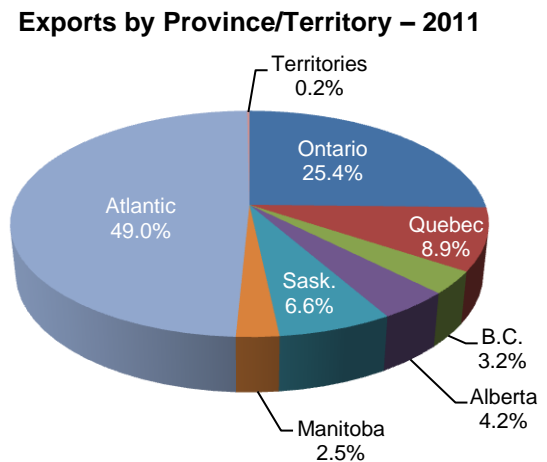


Figure 3



All figures were prepared using 2011 data, based on Statistics Canada annual figures released in spring 2012. The merchandise trade data are customs-based; the services trade and foreign direct investment data are balance of payments-based.

Products

In 2011, manufactured goods accounted for 95.2% of the value of Canada's exports to Argentina, with resource-based goods representing the remaining 4.8%. This composition was consistent with 2006, when manufactured goods and resource-based goods accounted for 95.9% and 4.1% respectively of the value of Canada's exports to the country.

Canada's highest-valued exports to Argentina in 2011 were non-crude petroleum oil, telephone sets and fertilizers, which together accounted for 56.0% of the value of Canada's exports to the country. The value of Canada's exports to Argentina of non-crude petroleum oil, telephone sets and fertilizers increased from \$0.3 million, \$10.0 million and \$2.4 million respectively in 2006 to \$239.2 million, \$27.3 million and \$11.1 million respectively in 2011.

In 2011, manufactured goods represented 18.5% of the value of Canada's imports from Argentina, with resource-based goods accounting for the remaining 81.5%. This composition had changed significantly since 2006, when manufactured goods and resource-based goods accounted for 74.7% and 25.3% respectively of the value of Canada's imports from the country.

Canada's highest-valued imports from Argentina in 2011 were gold, wine, and iron and steel pipes, which together accounted for 86.3% of the value of Canada's imports from the country. The value of Canadian gold and wine imports from Argentina increased from \$54.1 million and \$36.9 million respectively in 2006 to \$1.8 billion and \$99.0 million respectively in 2011; the value of iron and steel pipe imports decreased from \$98.1 million in 2006 to \$93.4 million in 2011.

In 2011, Canada had relatively small trade surpluses with Argentina in the machinery and equipment, transportation equipment and other manufactured goods categories; it had trade deficits with the country in all of the other product categories.

Figure 4

Major Export Products – 2011

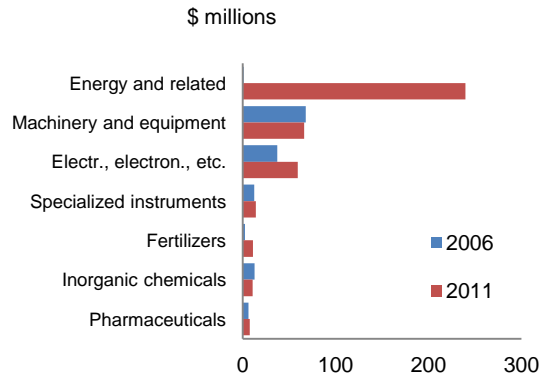


Figure 5

Major Import Products – 2011

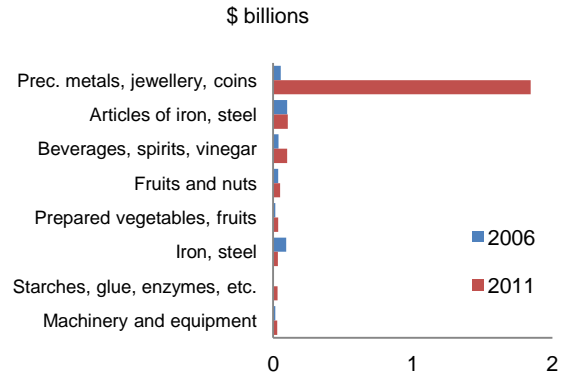
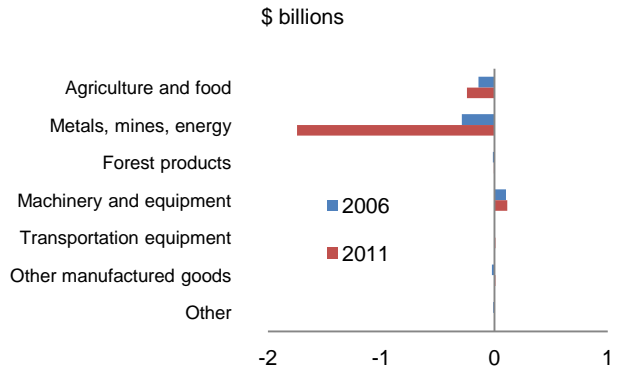


Figure 6

Balance by Category – 2011



All figures were prepared using 2011 data, based on Statistics Canada annual figures released in spring 2012. The merchandise trade data are customs-based; the services trade and foreign direct investment data are balance of payments-based.

Services and Investment

In 2009, the most recent year for which data are available, Canada-Argentina services trade totalled \$162.0 million, comprised of \$82.0 million in Canadian exports to, and \$80.0 million in imports from, Argentina.

The value of Canada's services exports to Argentina decreased by 10.9% from 2008 to 2009, while the value of Canada's services imports from the country declined by 16.7%.

In 2009, Canada's trade surplus in services with Argentina was the result of trade in commercial services and in transportation and government services. Canada's exports of commercial services and of transportation and government services to the country were valued at \$41.0 million and \$15.0 million respectively, while such imports from the country were valued at \$28.0 million and \$10.0 million respectively. In that year, Canada had a trade deficit with Argentina in travel services.

The stock of Canadian direct investment in Argentina totalled \$2.7 billion in 2011, making it Canada's 27th largest destination for foreign investment abroad. Canadian direct investment in the country increased by 0.1% between 2010 and 2011.

In 2011, the stock of Argentine direct investment in Canada totalled \$19.0 million, making it the 35th largest source of foreign investment in Canada. Argentine direct investment in Canada remained consistent from 2010 to 2011.

Figure 7

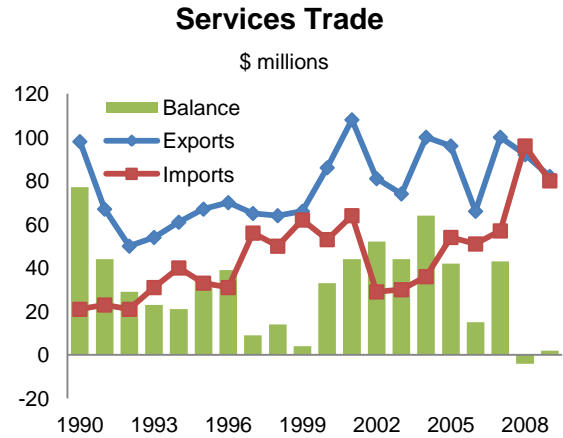


Figure 8

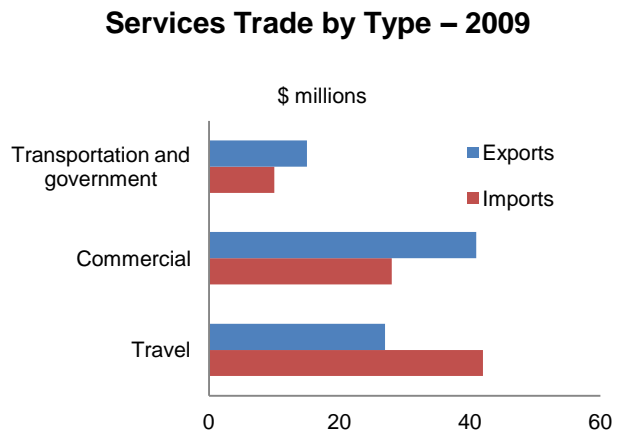


Figure 9



All figures were prepared using 2011 data, based on Statistics Canada annual figures released in spring 2012. The merchandise trade data are customs-based; the services trade and foreign direct investment data are balance of payments-based.