

EXPORTS CLIMB IN DECEMBER ON RISING VOLUMES

Canadian exports rose 0.9% in December to \$39.7 billion because of a 0.8% increase in volumes while prices were essentially flat.

METAL AND MACHINERY EXPORTS SOARED; ENERGY AND AGRICULTURE FELL

The top performer was Canada's metal sector which rose by a massive 19.5% as copper shipments doubled and iron ore rose 7.8%. The industrial machinery sector also had a strong month increasing 3.2% as construction, logging and mining machinery surged by 25% while commercial and service industry machinery gained 5.7%. Rising business investment in the US was the major driver for Canadian machinery. On the downside, Canada's energy exports contracted by 4.5%, the fourth consecutive month of decline as crude oil shipments fell 5% and natural gas decreased by 6.8%. The agriculture sector also retreated by 4.5% as wheat and canola shipments fell by 8.5% and 17.9% respectively. Overall, just three of eleven major export categories recorded growth on the month.

2013 A CHALLENGING YEAR FOR EXPORTERS, BUT A BIG IMPROVEMENT OVER 2012

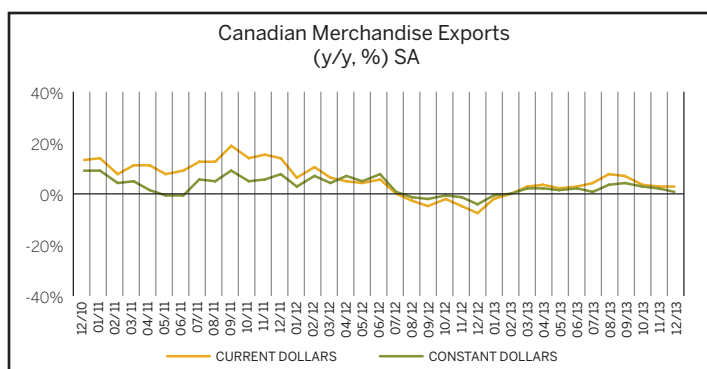
Canada's total exports for 2013 rose 3.2% to \$477.4 billion, a big increase over the 1.3% growth in 2012, but we're still below the \$487.3 billion reached back in 2008. Canada's exports will finally surpass the pre-crisis peak in 2014, particularly because of rising momentum south of the border. In fact, exports to the US grew by 5.3% in 2013, even faster than sales to emerging markets which rose 4.3% and well above shipments to the EU which contracted by 3.6%. Now that the US economy is gaining speed with GDP growth of 4.1% in Q3 and 3.3% in Q4, business investment will pick up while consumption will gain on the improving job market. The EU has come out of recession and confidence is building. With Canada's two largest trading partners gaining economic momentum, the outlook is for a much stronger 2014.

SECTOR PERFORMANCE									REGIONAL PERFORMANCE				
Sector	Growth Rate		Price Change		Rank		Provincial Contribution		Regions	Growth Rate		Rank	
	m/m	YTD	m/m	YTD	Current Month	YTD	Strongest	Weakest		m/m	YTD	Current Month	YTD
Industrial Products and Materials	6.6%	5.8%	0.5%	-2.1%	1	3	NB	SK	Japan	19.7%	1.6%	1	3
Machinery and Equipment	3.2%	0.3%	0.4%	1.7%	2	6	QC	NL	Other OECD Countries	13.2%	1.3%	2	4
Other Consumer Goods	2.1%	7.6%	0.6%	1.1%	3	2	ON	QC	EU (excluding UK)	13.0%	-3.6%	3	5
Forestry Products	0.1%	10.4%	0.5%	4.7%	4	1	SK	AB	United States	1.2%	5.3%	4	1
Automotive products	-1.1%	-0.4%	1.4%	3.6%	5	7	QC	ON	Emerging Markets	-8.1%	4.3%	5	2
Energy Products	-4.5%	5.7%	0.2%	11.1%	6	4	AB	SK	United Kingdom	-15.0%	-25.8%	6	6
Agriculture and Fishing Products	-4.5%	2.5%	1.1%	0.0%	7	5	NS	ON					
TOTAL EXPORTS	0.9%	3.2%	0.7%	1.6%			QC	ON	TOTAL EXPORTS	0.9%	3.2%		

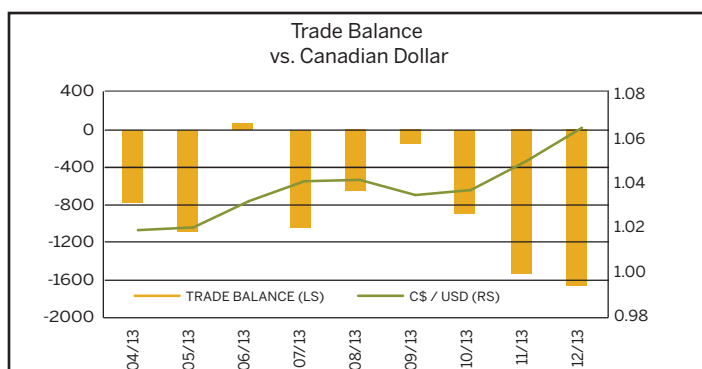
EXPORT PERFORMANCE MONITOR

Economic & Political Intelligence Centre

FEBRUARY 2014



Source: Statistics Canada



Sources: Statistics Canada, Bank of Canada, Haver

PROVINCIAL PICTURE

Province	Growth Rate		Top Contributor		Weakest Contributor	
	m/m	YTD	Sector	Contribution	Current Month	Contribution
NL	32.7%	1.9%	Energy Products	2.4%	Forestry Products	-0.2%
PE	15.1%	6.9%	Machinery and equipment	0.1%	Industrial Products and Materials	0.0%
NS	20.0%	10.3%	Agriculture and Fishing Products	2.5%	Other consumer goods	-0.4%
NB	4.8%	-2.4%	Industrial Products and Materials	3.8%	Energy Products	-0.2%
QC	13.6%	3.6%	Machinery and equipment	2.8%	Agriculture and Fishing Products	-4.6%
ON	-6.6%	0.9%	Other consumer goods	2.7%	Automotive products	-15.9%
MB	-3.3%	11.7%	Machinery and equipment	1.1%	Other consumer goods	-0.9%
SK	-8.8%	4.6%	Forestry Products	0.6%	Agriculture and Fishing Products	-3.2%
AB	2.5%	6.9%	Energy Products	2.9%	Agriculture and Fishing Products	-2.0%
BC	8.1%	6.9%	Machinery and equipment	1.2%	Agriculture and Fishing Products	-2.7%

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