



Canada-Iowa Trade



→ Trade between Canada and Iowa was worth nearly \$6.4 billion in 2006. Of this, total trade in agriculture and agri-food products totaled \$865.8 million. Canada imported \$399.3 million in agricultural goods from Iowa, while Iowa purchased \$466 million in Canadian products.

→ Iowa continues to dominate U.S. production and exports of corn. In 2006, this state produced 19.4 percent of U.S. corn and 16.3 percent of the nation's soybeans. Canada is one of the top five markets for U.S. corn exports, and supported Iowa's farmers in 2006 by purchasing \$23.1 million in corn. Canada also purchased \$113.2 million worth of soybean oilcake and \$9.9 million worth of soybean oils.

→ Canada sent 3.7 million head of live swine to Iowa in 2006, of a total of 5.8 million head of live swine that went to the entire U.S. In other words, 11 percent of the U.S. herd originated from Canada in 2006. Canada is the third largest market for U.S. pork exports, and in 2006 Canada purchased \$44.1 million worth from Iowa, and \$292.7 million in fresh or frozen pork cuts from the entire U.S.

→ The proof of Canada and Iowa's valuable trading relationship is in the pudding. In 2006, Canada purchased \$10.8 million worth of pudding from Iowa processors. Iowa also sold Canada \$3.58 million in soda biscuits, \$20.3 million in prepared cereals, \$16.7 million in sugars, \$11.9 million in sugar confectionery and \$8.0 million in chocolate foods.

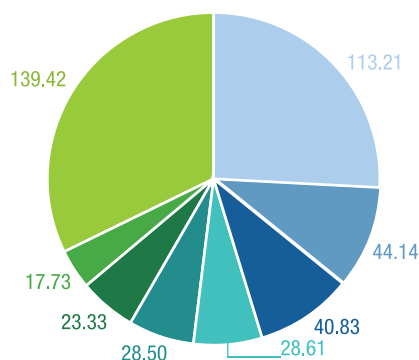
→ In 2006, Canadian exports to Iowa were concentrated in a handful of key products: \$206.7 million in live pigs, chickens, turkeys and cattle, \$98.8 million in oats, corn, wheat and other cereals, \$48.2 million in various meat cuts including beef, chicken and pork, and \$11.3 million in waffles and wafers.

A COMPLEMENTARY HOG INDUSTRY

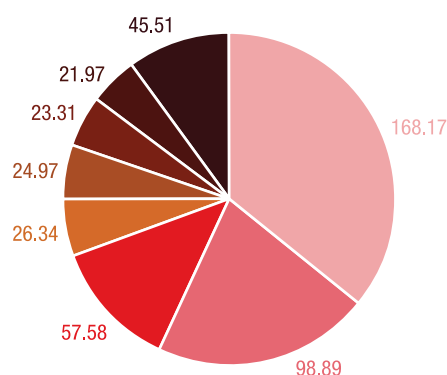
Canada's climate and herd size makes Canadian pork highly competitive. USDA researchers have found that the cooler climate up north is a good explanation for Canada's highly efficient hog-breeding industry. Lower density Canadian herds also give each animal more room to grow. In 2006, Canadian producers averaged 1.5 pigs per sow per year more than their American counterparts. While Canada excels at breeding piglets, the U.S. has particularly efficient finishing operations given the availability of high-quality, low-cost feeds, while open borders allow U.S. packers to bid for Canadian slaughter hogs. It is a natural partnership in an integrated market.

CONSIDER THIS

15 percent of the entire U.S. corn crop is directly exported each year, while nearly half is used as livestock feed. Livestock nourished on this feed are often destined for slaughter. According to a report tabled in January 2007 by the Iowa Farm Bureau Women's Delegates, at the American Farm Bureau Federation's annual convention, this means that meat exports represent an additional 17 percent of U.S. corn crop usage. A similar story is true for soybeans. Whole bean exports represent approximately 30 percent of soybean use, while almost 40 percent is used for livestock feed. In this case, 12 percent of U.S. soybean production is exported in the value-added form of meat. Thus, the U.S. sells more of its crop production to its major trading partners, including Canada, than meets the eye.



Exports to Canada \$435.78 million



Imports from Canada \$466.75 million



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Pie Chart Data Source: World Trade Atlas (WTA), product group: Agri-food and Seafood, retrieved July 2007.

Canada-US state trade data sourced from WTA, product group: Agri-food and Seafood, retrieved Oct. 2007.

Additional sources include: USDA, Iowa Farm Bureau, U.S. Meat Export Federation, Statistics Canada.

**Variations in pie chart data and general trade information may occur due to dates when data was retrieved.



Canada