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# TRADE AND INVESTMENT



## ***Canada–Brazil***

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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.

# CONTENTS

MERCHANDISE TRADE.....	1
PRODUCTS .....	2
SERVICES AND INVESTMENT .....	3

**Merchandise Trade**

In 2011, Canada-Brazil merchandise trade totalled \$6.7 billion, comprised of \$2.8 billion in Canadian exports to, and \$3.9 billion in imports from, Brazil.

The value of Canada's exports to Brazil increased by 10.9% between 2010 and 2011, while the value of Canada's imports from the country grew by 17.8%.

Brazil was Canada's 11<sup>th</sup> largest export destination worldwide in 2011. In that year, it was Canada's 14<sup>th</sup> largest source of imports globally.

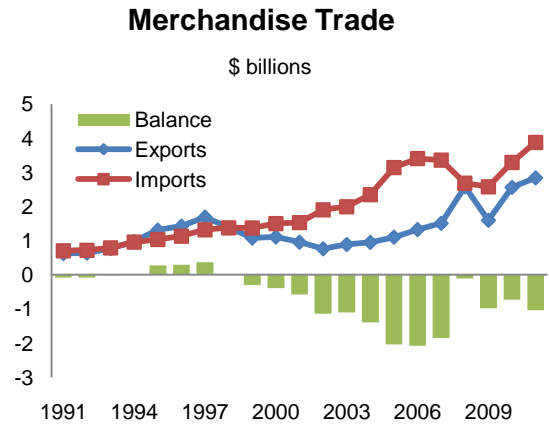
Over the 2006 to 2011 period, the value of Canada's exports to Brazil grew at an average annual rate of 16.4%, compared to 0.3% worldwide. The value of Canada's exports to the country as a share of the value of Canada's total exports increased from 0.3% in 2006 to 0.6% in 2011.

The value of Canada's imports from Brazil increased at an average annual rate of 2.6% over the 2006 to 2011 period, compared to 2.4% worldwide. In 2011, as in 2006, the value of Canada's imports from the country as a share of the value of Canada's total imports was 0.9%.

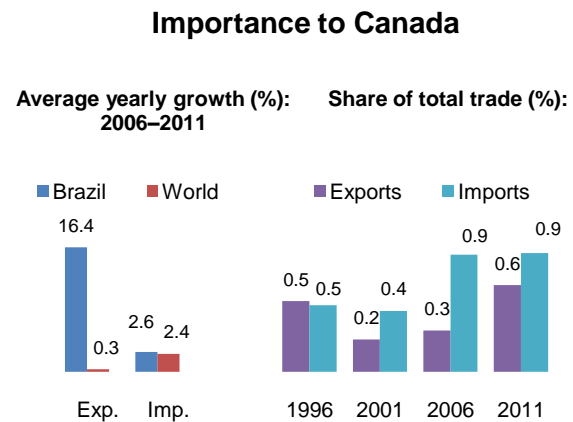
At the provincial/territorial level, British Columbia, Saskatchewan, Quebec and Ontario together accounted for 83.7% of the value of Canada's exports to Brazil in 2011, with exports valued at \$721.0 million, \$593.4 million, \$543.7 million and \$520.8 million respectively.

Over the 2006 to 2011 period, the fastest-growing provincial/territorial exporters to Brazil were Manitoba, Saskatchewan and British Columbia, with average annual growth rates of 43.2%, 28.5% and 22.9% respectively.

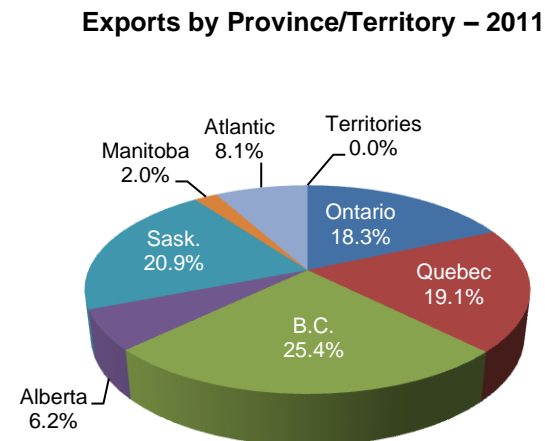
**Figure 1**



**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, resource-based goods accounted for 52.0% of the value of Canada's exports to Brazil, with manufactured goods representing the remaining 48.0%. This composition had changed since 2006, when manufactured goods and resource-based goods accounted for 63.0% and 37.0% respectively of the value of Canada's exports to the country.

Canada's highest-valued exports to Brazil in 2011 were potash, coal and newsprint, which together accounted for 56.2% of the value of Canada's exports to the country. The value of Canadian potash, coal and newsprint exports to Brazil increased from \$215.3 million, \$164.4 million and \$152.8 million respectively in 2006 to \$713.3 million, \$666.8 million and \$215.5 million respectively in 2011.

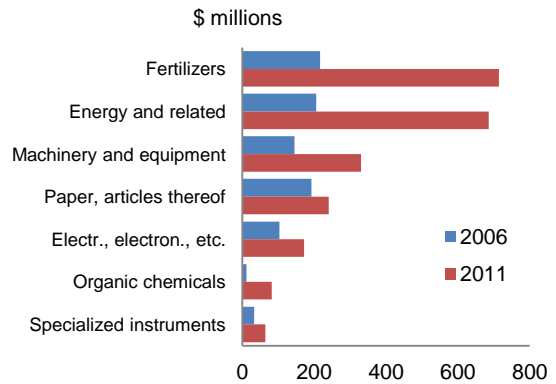
In 2011, manufactured goods represented 71.2% of the value of Canada's imports from Brazil, with resource-based goods accounting for the remaining 28.8%. This composition had changed since 2006, when manufactured goods and resource-based goods represented 91.8% and 8.2% respectively of the value of Canada's imports from the country.

Canada's highest-valued imports from Brazil in 2011 were aluminium oxides and hydroxides, crude oil and sugar, which together accounted for 51.5% of the value of Canada's imports from the country. The value of Canadian aluminium oxide and hydroxide, crude oil and sugar imports from Brazil increased from \$358.4 million, \$0 and \$233.7 million respectively in 2006 to \$767.6 million, \$626.9 million and \$603.2 million respectively in 2011.

In 2011, Canada had a trade surplus with Brazil in the forest products, machinery and equipment, and transportation equipment product categories, and a trade deficit in all other product categories.

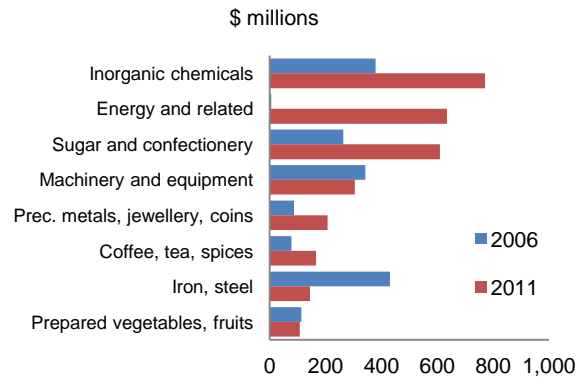
**Figure 4**

**Major Export Products – 2011**



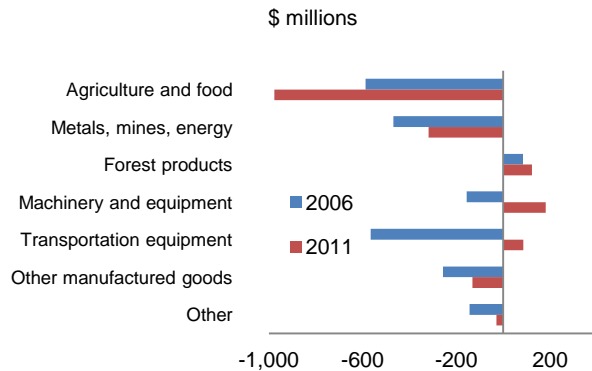
**Figure 5**

**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–Brazil services trade totalled \$528.0 million, comprised of \$358.0 million in Canadian exports to, and \$170.0 million in imports from, Brazil.

The value of Canada’s services exports to Brazil decreased by 4.3% from 2008 to 2009, while the value of Canada’s services imports from the country increased by 3.0%.

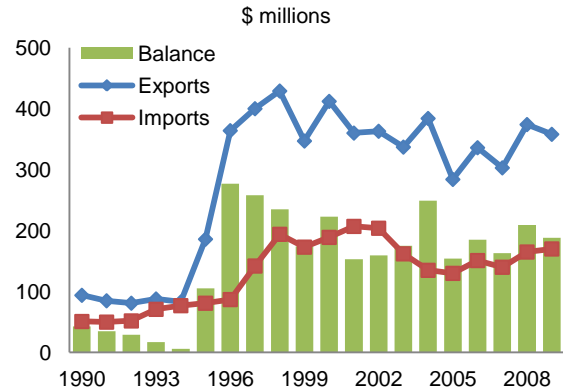
In 2009, Canada had a trade surplus with Brazil in every services category. In that year, Canada exported \$142.0 million, \$137.0 million and \$79.0 million respectively in commercial, travel, and transportation and government services to Brazil. In 2009, Canada imported \$55.0 million, \$51.0 million and \$66.0 million respectively in commercial, travel, and transportation and government services from the country.

The stock of Canadian direct investment in Brazil totalled \$9.8 billion in 2011, making it Canada’s 12<sup>th</sup> largest destination for foreign investment abroad. Canadian direct investment in the country decreased by 5.6% between 2010 and 2011.

In 2011, the stock of Brazilian direct investment in Canada totalled \$18.6 billion, making it the sixth largest source of foreign investment in Canada. Brazilian direct investment in Canada increased by 7.9% between 2010 and 2011.

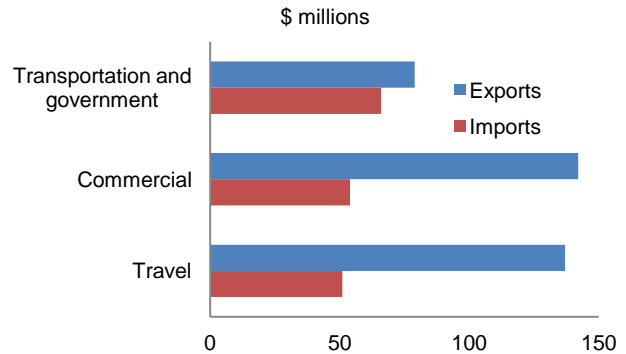
**Figure 7**

**Services Trade**



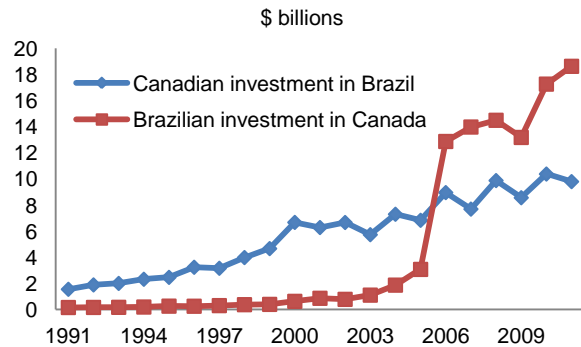
**Figure 8**

**Services Trade by Type – 2009**



**Figure 9**

**Foreign Direct Investment**



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