

EXPORTS CONTINUE TO CLIMB, AND BOOSTED BY DATA REVISION

Canadian exports rose 1.8% to \$40.6 billion in September, driven almost entirely by rising volumes. Even more exciting was that August growth was revised up from 1.8% to 2.4%, pushing it to the largest monthly increase in almost 2 years. Exports are now up 7.2% compared to September of last year, a healthy gain for 2013.

ENERGY AND AIRCRAFT LED THE INCREASE...BUT GAINS BROADLY SHARED

The top performer was the aerospace sector which surged by 20.3%, because of a 39.5% rise in shipments of aircraft. Energy also had a strong month, lifted by natural gas which climbed 17.0% in September alongside a 17.5% gain in refined petroleum products. Agricultural shipments rose 3.5% because of 11.6% gain from live animals and a 16.2% rise in canola exports. Canada's machinery and equipment exports disappointed, falling 3.6%, but the sub-sector results were mixed with agricultural machinery rising 9.0% while construction and mining fell 26%. Overall, eight of eleven major export categories recorded growth on the month.

US SALES STILL RISING, BUT EXPORTS TO EMERGING MARKETS WEAKEN

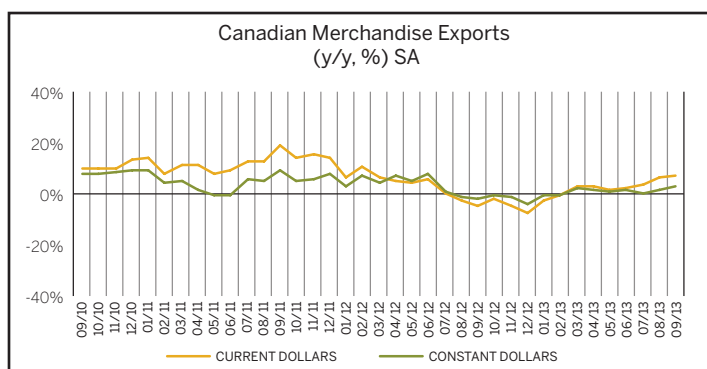
Canada's shipments to the US rose 1.0% in September and other OECD climbed 3.2%, while sales to the Europe and Emerging Markets declined by 3.1% and 3.5% respectively. In fact, the US remains Canada's top performing export market for 2013, up 4.8%, as the US economy gains strength and the effects of fiscal consolidation subside. Next month's exports to the US will be closely watched to see if there is a big impact from government shutdown and the battle over the debt ceiling. The history of these types of shut-downs and disruptive political events shows that impacts on confidence and GDP tends to be mild, lasting no more than a month or two. Consequently, we expect export growth to resume almost right away, as the US is set 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
Energy Products	4.6%	4.7%	2.6%	10.6%	1	4	NL	AB	United Kingdom	74.0%	-23.2%	1	6
Agriculture and Fishing Products	3.5%	2.9%	-3.9%	3.5%	2	5	BC	ON	Other OECD Countries	3.2%	2.3%	2	3
Other consumer goods	1.1%	5.8%	-0.3%	1.1%	3	2	MB	ON	Japan	2.4%	0.3%	3	4
Automotive products	0.3%	-1.0%	-0.3%	2.4%	4	6	ON	MB	United States	1.0%	4.8%	4	1
Forestry Products	-0.3%	9.7%	-0.3%	5.7%	5	1	BC	QC	EU (ex. UK)	-3.1%	-8.4%	5	5
Industrial Products and Materials	-2.4%	5.6%	0.7%	-2.7%	6	3	NB	ON	Emerging Markets	-3.5%	3.9%	6	2
Machinery and equipment	-3.6%	-1.4%	-0.1%	1.2%	7	7	AB	QC					
TOTAL EXPORTS	1.8%	2.6%	0.2%	2.4%			ON	AB	TOTAL EXPORTS	1.8%	2.6%		

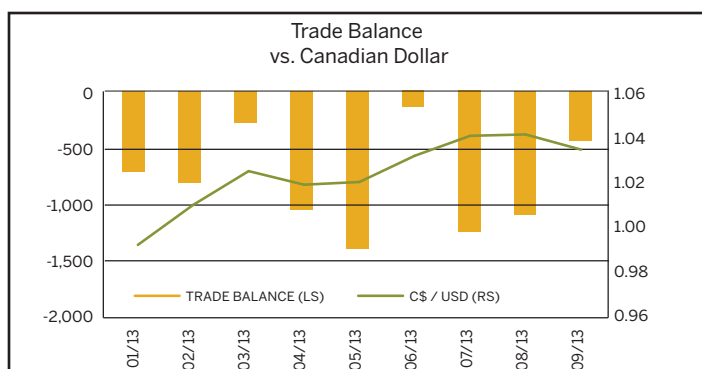
EXPORT PERFORMANCE MONITOR

Economic & Political Intelligence Centre

NOVEMBER 2013



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	11.6%	-0.8%	Energy Products	1.5%	Other consumer goods	-1.1%
PE	5.9%	0.9%	Agriculture and Fishing Products	0.2%	Industrial Products and Materials	0.0%
NS	-2.6%	10.5%	Forestry Products	0.1%	Other Consumer Goods	-0.5%
NB	-6.2%	-3.7%	Industrial Products and Materials	1.4%	Forestry Products	-1.0%
QC	5.4%	4.6%	Energy Products	1.1%	Forestry Products	-1.6%
ON	11.1%	0.2%	Automotive Products	29.9%	Industrial Products and Materials	-4.0%
MB	4.1%	4.3%	Other Consumer Goods	1.4%	Agriculture and Fishing Products	-1.2%
SK	-8.2%	3.1%	Forestry Products	0.0%	Agriculture and Fishing Products	-2.1%
AB	-4.8%	5.9%	Machinery and Equipment	1.4%	Energy Products	-4.1%
BC	8.6%	5.2%	Energy Products	1.0%	Automotive products	0.0%

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