

# The Daily

Statistics Canada

Wednesday, February 10, 2010

Released at 8:30 a.m. Eastern time

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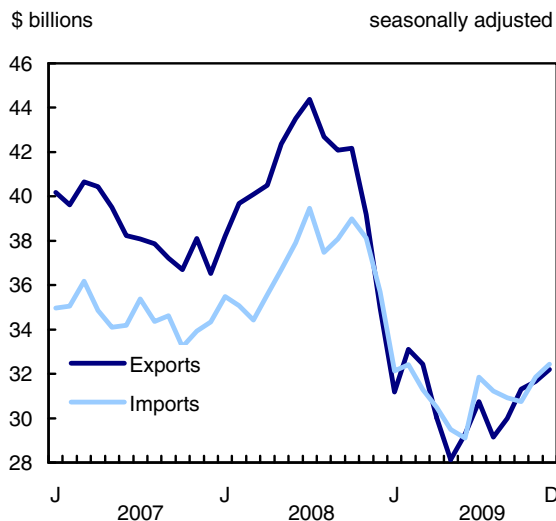
## Releases

### Canadian international merchandise trade

December 2009

Canada's merchandise exports and imports both advanced in December on the strength of automotive products. Exports rose 1.7% and imports increased 1.8%. As a result, Canada's trade deficit with the world widened to \$246 million in December from \$201 million in November.

#### Exports and imports



Exports grew to \$32.2 billion in December from \$31.7 billion in November. This fourth consecutive monthly gain was due to a 2.1% increase in volumes, while prices fell 0.4%. Automotive products were responsible for nearly two-thirds of the growth, and were followed by machinery and equipment and energy products. Exports of industrial goods and materials declined in December.

Since May, with the exception of August, exports have been on the rise. However, the export value for December 2009 remained 8.0% below the value recorded in December 2008.

Imports increased to \$32.4 billion in December from \$31.9 billion in November, the result of volumes rising 1.1% and prices increasing 0.7%. For the second

#### Note to readers

Merchandise trade is one component of Canada's international balance of payments, which also includes trade in services, investment income, current transfers as well as capital and financial flows.

International merchandise trade data by country are available on both a balance of payments and a customs basis for the United States, Japan and the United Kingdom. Trade data for all other individual countries are available on a customs basis only. Balance of payments data are derived from customs data by making adjustments for characteristics such as valuation, coverage, timing and residency. These adjustments are made to conform to the concepts and definitions of the Canadian System of National Accounts.

Data in this release are on a balance of payments basis, seasonally adjusted in current dollars. Constant dollars are calculated using the Laspeyres volume formula.

#### Revisions

In general, merchandise trade data are revised on an ongoing basis for each month of the current year. Current year revisions are reflected in both the customs and balance of payments based data. Revisions to customs based data for the previous year are released on a quarterly basis. Revisions to balance of payments based data for the three previous years are released annually in June.

Factors influencing revisions include late receipt of import and export documentation, incorrect information on customs forms, replacement of estimates with actual figures, changes in classification of merchandise based on more current information, and changes to seasonal adjustment factors.

Revised data are available in the appropriate CANSIM tables.

consecutive month, automotive products led the gain, representing more than half the growth in imports in December. Industrial goods and materials and energy products also increased, while machinery and equipment decreased during the month.

The gain in imports in December represented the second consecutive monthly increase. Overall, imports remained 9.1% below the level registered in December 2008.

Led by passenger cars, exports to the United States rose 2.9% to \$24.1 billion, surpassing the 2.0% gain in imports. As a result, Canada's trade surplus with the United States grew to \$3.7 billion in December from \$3.4 billion in November.

Exports to countries other than the United States fell 1.8%, while imports from these countries increased 1.5%. Consequently, Canada's trade deficit with countries other than the United States widened to \$3.9 billion in December from \$3.6 billion in November.

## Higher volumes of automotive products lead the gain in exports

Exports of automotive products increased 8.1% to \$4.5 billion, as volumes rose 11.3%. Exports of passenger cars increased 11.7% to replenish inventories of strong selling Canadian manufactured models. Exports of passenger cars have been on an upward trend since May 2009. Motor vehicle parts and trucks also posted gains in December.

Exports of machinery and equipment grew 3.4% to \$6.3 billion, due to rising volumes. Higher exports of aircraft and industrial machinery were the main factors behind the increase. Declining exports of telecommunication equipment mitigated the gain in the sector.

Energy products exports were up 1.5% to \$7.8 billion, the result of a 5.7% gain in prices, as volumes fell 3.9%. Exports of natural gas grew 5.8%, and have been rising since May 2009. Before this period, exports of natural gas had declined for 10 consecutive months, as inventories remained high as a result of weak demand. Exports of petroleum and coal products increased 5.0%, while exports of electricity declined 22.6%, moderating the growth in the sector.

Other crude non-metallic minerals largely accounted for the decrease in exports of industrial goods and materials, which fell 1.1% to \$6.8 billion. Exports of nickel ores and precious metals also declined, while iron ores posted a gain.

## Imports rise on the strength of automotive products

Imports of automotive products increased 6.0% to \$5.8 billion, continuing the upward trend that began in June 2009. Imports of motor vehicle parts increased 11.1%, reflecting the higher demand for vehicles from the United States. Imports of passenger cars grew 3.2%, led by imports of cars from overseas. Trucks and other motor vehicles also posted gains.

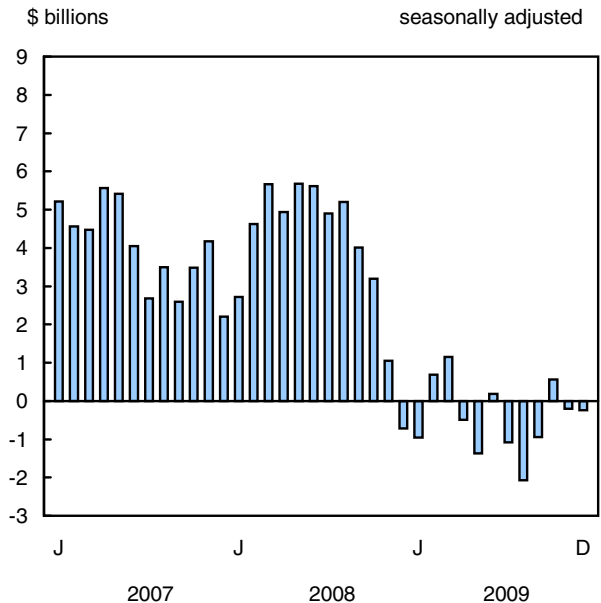
Imports of industrial goods and materials grew 3.0% to \$6.3 billion as volumes increased 2.0%. Imports of metals in ores, namely iron ores, grew 17.1% and were followed by precious metals, which gained 12.9% in December.

Imports of energy products grew 5.4% to \$3.3 billion as prices rose 7.2%. Imports of crude petroleum grew 17.0%, while imports of coal and other related products declined in December. The gain in imports of energy products represented the third consecutive monthly increase.

Imports of machinery and equipment fell 2.4% to \$8.6 billion as imports of aircraft and other transportation equipment declined 16.6%. Other communication equipment, such as high definition flat

panel televisions, smart phones and digital cameras, were also a factor behind the decline in the sector.

## Trade balance



Available on CANSIM: tables 228-0001 to 228-0003, 228-0033, 228-0034, 228-0041 to 228-0043 and 228-0047 to 228-0057.

Definitions, data sources and methods: survey numbers, including related surveys, 2201, 2202 and 2203.

These data are available in the Canadian international merchandise trade database.

The December 2009 issue of *Canadian International Merchandise Trade*, Vol. 63, no. 12 (65-001-X, free), is now available from the *Key resource* module of our website under *Publications*.

Current account data (which incorporate merchandise trade statistics, service transactions, investment income and transfers) are available quarterly in *Canada's Balance of International Payments* (67-001-X, free).

Data on Canadian international merchandise trade for January will be released on March 11. The 2009 annual review for Canadian international merchandise trade will be released on April 6.

For more information, contact Sharon Nevins (toll-free 1-800-294-5583; 613-951-9798). To enquire about the concepts, methods or data quality of this release, contact Mychèle Gagnon (613-951-0994), International Trade Division.

## Merchandise trade

|   | December<br>2008 | November<br>2009 <sup>r</sup> | December<br>2009 | November<br>to<br>December<br>2009 | December<br>2008<br>to<br>December<br>2009 |
|---|------------------|-------------------------------|------------------|------------------------------------|--|
| Seasonally adjusted, \$ current         |                  |                               |                  |                                    |  |
|   | \$ millions      |                               | % change         |                                    |  |
| <b>Principal trading partners</b>       |                  |                               |                  |                                    |  |
| <b>Exports</b>                          |                  |                               |                  |                                    |  |
| United States                           | 25,671           | 23,435                        | 24,109           | 2.9                                | -6.1                                       |
| Japan                                   | 951              | 713                           | 664              | -6.9                               | -30.2                                      |
| European Union <sup>1</sup>             | 3,591            | 2,735                         | 2,629            | -3.9                               | -26.8                                      |
| Other OECD countries <sup>2</sup>       | 1,241            | 1,474                         | 1,335            | -9.4                               | 7.6  |
| All other countries                     | 3,520            | 3,304                         | 3,453            | 4.5                                | -1.9                                       |
| <b>Total</b>                            | <b>34,974</b>    | <b>31,660</b>                 | <b>32,190</b>    | <b>1.7</b>                         | <b>-8.0</b>                                |
| <b>Imports</b>                          |                  |                               |                  |                                    |  |
| United States                           | 22,432           | 20,016                        | 20,411           | 2.0                                | -9.0                                       |
| Japan                                   | 830              | 777                           | 784              | 0.9                                | -5.5                                       |
| European Union <sup>1</sup>             | 3,834            | 3,402                         | 3,369            | -1.0                               | -12.1                                      |
| Other OECD countries <sup>2</sup>       | 2,226            | 2,299                         | 2,349            | 2.2                                | 5.5  |
| All other countries                     | 6,373            | 5,368                         | 5,522            | 2.9                                | -13.4                                      |
| <b>Total</b>                            | <b>35,695</b>    | <b>31,861</b>                 | <b>32,436</b>    | <b>1.8</b>                         | <b>-9.1</b>                                |
| <b>Balance</b>                          |                  |                               |                  |                                    |  |
| United States                           | 3,239            | 3,419                         | 3,698            | ...                                | ...  |
| Japan                                   | 121              | -64                           | -120             | ...                                | ...  |
| European Union <sup>1</sup>             | -243             | -667                          | -740             | ...                                | ...  |
| Other OECD countries <sup>2</sup>       | -985             | -825                          | -1,014           | ...                                | ...  |
| All other countries                     | -2,853           | -2,064                        | -2,069           | ...                                | ...  |
| <b>Total</b>                            | <b>-721</b>      | <b>-201</b>                   | <b>-246</b>      | <b>...</b>                         | <b>...</b>                                 |
| <b>Principal commodity groupings</b>    |                  |                               |                  |                                    |  |
| <b>Exports</b>                          |                  |                               |                  |                                    |  |
| Agricultural and fishing products       | 3,401            | 2,921                         | 2,866            | -1.9                               | -15.7                                      |
| Energy products                         | 6,894            | 7,676                         | 7,793            | 1.5                                | 13.0                                       |
| Forestry products                       | 2,011            | 1,613                         | 1,630            | 1.1                                | -18.9                                      |
| Industrial goods and materials          | 7,139            | 6,900                         | 6,827            | -1.1                               | -4.4                                       |
| Machinery and equipment                 | 8,218            | 6,067                         | 6,273            | 3.4                                | -23.7                                      |
| Automotive products                     | 4,549            | 4,148                         | 4,482            | 8.1                                | -1.5                                       |
| Other consumer goods                    | 1,642            | 1,440                         | 1,374            | -4.6                               | -16.3                                      |
| Special transactions trade <sup>3</sup> | 674              | 495                           | 523              | 5.7                                | -22.4                                      |
| Other balance of payments adjustments   | 446              | 399                           | 423              | 6.0                                | -5.2                                       |
| <b>Imports</b>                          |                  |                               |                  |                                    |  |
| Agricultural and fishing products       | 2,540            | 2,420                         | 2,394            | -1.1                               | -5.7                                       |
| Energy products                         | 3,205            | 3,129                         | 3,299            | 5.4                                | 2.9  |
| Forestry products                       | 215              | 196                           | 198              | 1.0                                | -7.9                                       |
| Industrial goods and materials          | 7,504            | 6,131                         | 6,312            | 3.0                                | -15.9                                      |
| Machinery and equipment                 | 10,609           | 8,799                         | 8,587            | -2.4                               | -19.1                                      |
| Automotive products                     | 5,248            | 5,423                         | 5,751            | 6.0                                | 9.6  |
| Other consumer goods                    | 5,181            | 4,695                         | 4,855            | 3.4                                | -6.3                                       |
| Special transactions trade <sup>3</sup> | 493              | 379                           | 346              | -8.7                               | -29.8                                      |
| Other balance of payments adjustments   | 701              | 688                           | 694              | 0.9                                | -1.0                                       |

<sup>r</sup> revised

... not applicable

1. The European Union includes Austria, Belgium, Bulgaria, Cyprus, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Ireland, Italy, Latvia, Lithuania, Luxembourg, Malta, Netherlands, Poland, Portugal, Romania, Slovakia, Slovenia, Spain, Sweden, and United Kingdom.

2. Other countries in the Organisation for Economic Co-operation and Development (OECD) include Australia, Canada, Iceland, Mexico, New Zealand, Norway, South Korea, Switzerland and Turkey.

3. These are mainly low valued transactions, value of repairs to equipment, and goods returned to country of origin.

**Note:** Totals may not equal the sum of their components.

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## Export and import price indexes

December 2009

Current- and fixed-weighted export and import price indexes (2002=100) on a customs or balance of payments basis are now available. Price indexes are listed from January 2002 to December 2009 for the five commodity sections and the major commodity groups (62 exports and 61 imports).

Current- and fixed-weighted US price indexes (2002=100) are also available on a customs basis. Price indexes are listed from January 2002 to December 2009. Included with the US commodity indexes are the 10 all-countries and US-only Standard International Trade Classification section indexes.

**Available on CANSIM: tables 228-0001 to 228-0003, 228-0033, 228-0034, 228-0041 to 228-0043 and 228-0047 to 228-0057.**

**Definitions, data sources and methods: survey numbers, including related surveys, 2201, 2202 and 2203.**

The December 2009 issue of *Canadian International Merchandise Trade*, Vol. 63, no. 12 (65-001-X, free), is now available from the *Key resource* module of our website under *Publications*.

For more information, or to enquire about the concepts, methods or data quality of this release, contact Client Services (toll-free 1-800-294-5583), International Trade Division. ■

## Chain Fisher real export and import values

December 2009

The monthly chain Fisher real dollar values (reference year 2002) for Canadian international merchandise trade are now available for December.

**Available on CANSIM: tables 228-0056 and 228-0057.**

**Definitions, data sources and methods: survey numbers, including related surveys, 2201, 2202 and 2203.**

The December 2009 issue of *Canadian International Merchandise Trade*, Vol. 63, no. 12 (65-001-X, free), is now available from the *Key resource* module of our website under *Publications*.

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## Heritage institutions

2008

Data on the heritage institutions industry are now available for 2008.

**Available on CANSIM: table 361-0008.**

**Definitions, data sources and methods: survey number 3107.**

The publication *Service bulletin: Heritage institutions*, 2008 (87F0002X, free), will be available in April.

For more information, contact Client Services (toll-free 1-877-801-3282; 613-951-4612; [servicesind@statcan.gc.ca](mailto:servicesind@statcan.gc.ca)). To enquire about the concepts, methods or data quality of this release, contact Meredith Thomas (613-951-6877; [meredith.thomas@statcan.gc.ca](mailto:meredith.thomas@statcan.gc.ca)), Service Industries Division. ■

## New products and studies

Canadian International Merchandise Trade,  
December 2009, Vol. 63, no. 12  
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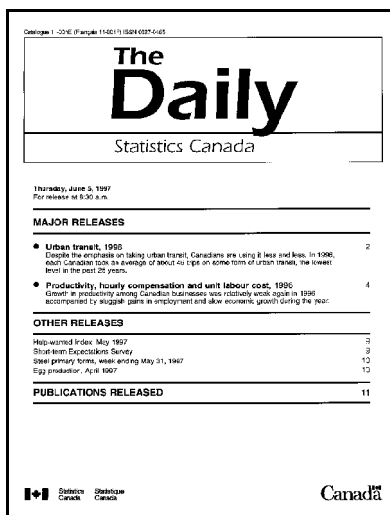
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### Statistics Canada's official release bulletin

Catalogue 11-001-XIE.

Published each working day by the Communications and library Services Division, Statistics Canada, 10G, R.H. Coats Building, 100 Tunney's Pasture Driveway, Ottawa, Ontario K1A 0T6.

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