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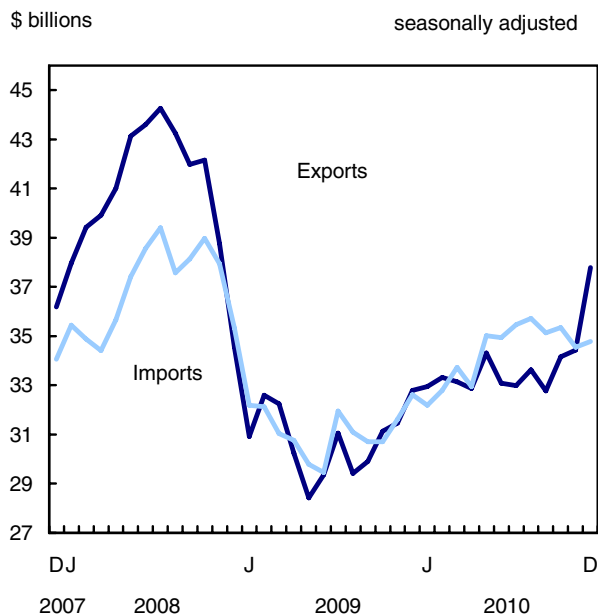
Releases

Canadian international merchandise trade

December 2010

Canada's merchandise exports rose 9.7% to \$37.8 billion in December, led by a 16.5% gain in volumes of energy products. Export volumes, up 6.6%, increased in most sectors. Prices rose 2.9%. Both volumes and prices have risen in 8 of the past 12 months.

Exports and imports



Energy products accounted for over half the growth in the value of exports, followed by industrial goods and materials, which reached a record high. Notable increases were also recorded in exports of machinery and equipment, agricultural and fishing products as well as forestry products.

The value of imports edged up 0.7% to \$34.8 billion. Import prices rose 0.4%, following four months of decline, while volumes increased 0.3%.

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 produced for the energy sector 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.

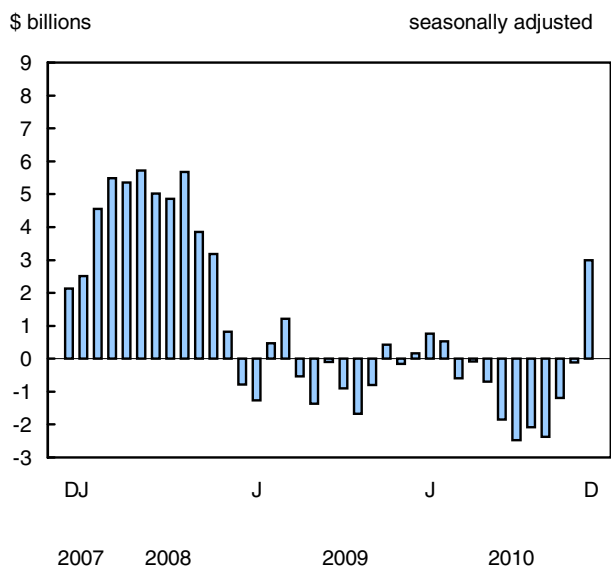
All import sectors except other consumer goods posted gains in December. The main sources of growth were energy products, agricultural and fishing products as well as automotive products.

As a result, Canada's trade balance with the world went from a deficit of \$115 million in November to a surplus of \$3.0 billion in December, the first trade surplus since February 2010.

On the strength of energy products, exports to the United States rose 10.8% to \$26.7 billion, the highest value since November 2008, while imports were up 2.3%. Consequently, Canada's trade surplus with the United States increased from \$3.0 billion in November to \$5.1 billion in December, the largest trade surplus since October 2008.

Exports to countries other than the United States increased 7.3%, the sixth consecutive monthly gain, while imports declined 1.9%. Canada's trade deficit with countries other than the United States declined from \$3.1 billion in November to \$2.1 billion in December.

Trade balance



Higher volumes of energy products boost exports

Energy products exports rose 25.1% to \$8.6 billion, the third consecutive monthly gain, with volumes accounting for almost two-thirds of the increase. Widespread gains throughout the sector were led by exports of crude petroleum, which increased 24.2% to \$5.0 billion, the highest level since December 2009. Exports of petroleum and coal products also contributed to the gain, as production resumed at some refineries following maintenance work.

Exports of industrial goods and materials increased 7.0% to a record high of \$10.3 billion, as exports of precious metals and copper ores reached unprecedented levels. Prices in the sector rose 4.5%, while volumes increased 2.4%. Exports of precious metals rose 25.8% during the month and have more than doubled since January 2010. Exports of nickel ores and copper ores also increased in December, following large declines in November.

Exports of machinery and equipment increased 8.2% to \$6.9 billion, as volumes rose 8.6%. Exports of aircraft, engines and parts accounted for over three-quarters of the sector's gain.

Exports of agricultural and fishing products increased 7.6% to \$3.5 billion. Gains throughout

the sector were led by higher exports of wheat, which have been rising for five consecutive months. Wheat prices have been trending upwards since April 2010.

Forestry products exports rose 9.7% to \$2.0 billion, as volumes increased 10.8%. Exports of wood pulp and other wood products grew to \$621 million in December, the highest value since August 2007, reflecting higher demand from China.

Other consumer goods moderate the growth in imports

Imports of energy products increased 3.5% to \$3.3 billion in December, the result of higher prices. Imports of crude petroleum grew 18.6%, following the completion of maintenance work in some refineries. Imports of coal and other related products, namely natural gas, declined after a strong gain in November.

After three consecutive months of decreases, imports of agricultural and fishing products rose 3.5% to a record high of \$2.6 billion. The growth in the sector was led by higher imports of crude vegetable products. In contrast, imports of sugar and sugar preparations fell during the month.

Imports of automotive products increased 0.8% to \$5.4 billion, as volumes rose. The gain was the result of higher imports of motor vehicle parts, as production resumed following some plant shutdowns in November.

Imports of other consumer goods decreased 1.7% to \$4.9 billion. Imports of miscellaneous end products, which include medicinal and pharmaceutical products, led the decline.

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

The merchandise imports and exports data in the following tables are presented in dollar values.

Tables 228-0001 to 228-0003: Customs and balance of payments basis, by major groups and principal trading areas for all countries; monthly, quarterly, and annual.

Table 228-0033: Imports, customs-based, by province of clearance, monthly.

Table 228-0034: Domestic exports, customs-based, by province of origin, monthly.

Tables 228-0041 to 228-0043: Customs and balance of payments basis, by sector and sub-sector, for all countries; monthly, quarterly, and annual.

The merchandise imports and exports data in the following tables are indexes (2002=100).

Tables 228-0047 to 228-0049: Balance of payments and customs-based price and volume indexes for all countries; monthly, quarterly, and annual.

Tables 228-0050 to 228-0052: Customs-based price indexes, Canada and United States trade, and Standard International Trade Classification (SITC revision 3) price indexes for all countries and United States; monthly, quarterly, and annual.

Tables 228-0053 to 228-0055: Price and volume indexes customs and balance of payments basis, by sector and sub-sector, for all countries; monthly, quarterly, and annual.

Tables 228-0056 and 228-0057: Balance of payments basis, by sector, seasonally adjusted, Fisher formula, chained 2002 dollars, for all countries; monthly and quarterly.

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 2010 issue of *Canadian International Merchandise Trade*, Vol. 64, 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 10.

The 2010 annual review for Canadian international merchandise trade will be released on April 7.

For further information regarding Canada's international merchandise trade data, contact Statistics Canada's National Contact Centre (613-951-8116; toll-free 1-800-263-1136; fax: 613-951-0581; toll-free 1-877-287-4369; TTY: 1-800-363-7629; infostats@statcan.gc.ca).

Our agents are available Monday to Friday (except holidays) from 8:30 a.m. to 4:30 p.m.

To enquire about the concepts, methods or data quality of this release, contact Mychèle Gagnon (613-951-0994), International Trade Division.

Merchandise trade: Principal trading areas

	December 2009	November 2010 ^r	December 2010	November to December 2010	December 2009 to December 2010
Seasonally adjusted, \$ current					
	\$ millions		% change		
Principal trading areas					
Exports					
United States	24,817	24,088	26,680	10.8	7.5
Japan	689	857	924	7.8	34.1
European Union ¹	2,494	3,971	3,793	-4.5	52.1
Other OECD countries ²	1,348	1,403	1,735	23.7	28.7
All other countries	3,437	4,115	4,651	13.0	35.3
Total	32,785	34,433	37,784	9.7	15.2
Imports					
United States	20,267	21,101	21,590	2.3	6.5
Japan	842	821	841	2.4	-0.1
European Union ¹	3,505	3,585	3,413	-4.8	-2.6
Other OECD countries ²	2,530	2,438	2,465	1.1	-2.6
All other countries	5,472	6,603	6,476	-1.9	18.3
Total	32,615	34,548	34,785	0.7	6.7
Balance					
United States	4,550	2,987	5,090	...	...
Japan	-153	36	83	...	...
European Union ¹	-1,011	386	380	...	...
Other OECD countries ²	-1,182	-1,035	-730	...	...
All other countries	-2,035	-2,488	-1,825	...	...
Total	170	-115	2,999	...	...

^r 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.

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

Merchandise trade: Principal commodity groupings

	December 2009	November 2010 ^r	December 2010	November to December 2010	December 2009 to December 2010
Seasonally adjusted, \$ current					
	\$ millions			% change	
Exports					
Agricultural and fishing products	2,914	3,213	3,457	7.6	18.6
Energy products	8,605	6,870	8,593	25.1	-0.1
Forestry products	1,623	1,828	2,005	9.7	23.5
Industrial goods and materials	6,803	9,660	10,332	7.0	51.9
Machinery and equipment	6,086	6,387	6,910	8.2	13.5
Automotive products	4,436	4,367	4,373	0.1	-1.4
Other consumer goods	1,377	1,346	1,335	-0.8	-3.1
Special transactions trade ¹	513	309	282	-8.7	-45.0
Other balance of payments adjustments	427	452	497	10.0	16.4
Total	32,785	34,433	37,784	9.7	15.2
Imports					
Agricultural and fishing products	2,396	2,486	2,574	3.5	7.4
Energy products	3,410	3,203	3,315	3.5	-2.8
Forestry products	201	207	214	3.4	6.5
Industrial goods and materials	6,451	7,567	7,599	0.4	17.8
Machinery and equipment	8,483	9,671	9,686	0.2	14.2
Automotive products	5,734	5,313	5,357	0.8	-6.6
Other consumer goods	4,847	4,982	4,896	-1.7	1.0
Special transactions trade ¹	410	413	390	-5.6	-4.9
Other balance of payments adjustments	683	706	755	6.9	10.5
Total	32,615	34,548	34,785	0.7	6.7

^r revised

1. 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.

Export and import price indexes

December 2010

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 2010 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 2010. Included with the US commodity indexes are the 10 all-countries and US-only Standard International Trade Classification section indexes.

Available on CANSIM: tables 228-0047 to 228-0055.

Merchandise imports and exports data in the following tables are indexes (2002=100).

Tables 228-0047 to 228-0049: Balance of payments and customs-based price and volume indexes for all countries; monthly, quarterly and annual.

Tables 228-0050 to 228-0052: Customs-based price indexes, Canada and the United States trade, and Standard International Trade Classification (SITC revision 3) price indexes for all countries and the United States; monthly, quarterly and annual.

Tables 228-0053 to 228-0055: Price and volume indexes, customs and balance of payments basis, by sector and sub-sector, for all countries; monthly, quarterly and annual.

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

The December 2010 issue of *Canadian International Merchandise Trade*, Vol. 64, no. 12 (65-001-X, free),

is now available from the *Key resource* module of our website under *Publications*.

Data on Canadian international merchandise trade for January will be released on March 10.

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 2010

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.

Tables 228-0056 and 228-0057: Balance of payments basis, by sector, seasonally adjusted, Fisher formula, chained 2002 dollars, for all countries; monthly and quarterly.

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

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New products and studies

Canadian International Merchandise Trade,
December 2010, Vol. 64, no. 12
Catalogue number 65-001-X (PDF, free; HTML, free)

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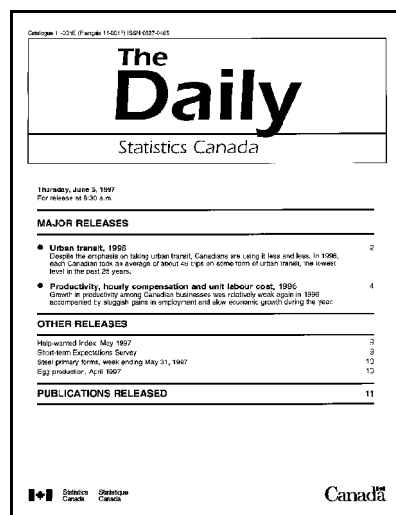
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Release dates: February 14 to 18, 2011

(Release dates are subject to change.)

Release date	Title	Reference period
14	New motor vehicle sales	December 2010
16	Monthly Survey of Manufacturing	December 2010
16	Canada's international transactions in securities	December 2010
16	Leading indicators	January 2011
17	Wholesale trade	December 2010
17	Employment Insurance	December 2010
17	Travel between Canada and other countries	December 2010
18	Consumer Price Index	January 2011