

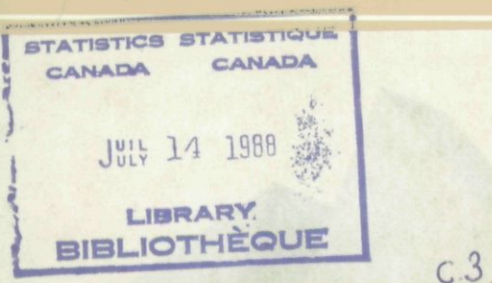


Preliminary Statement of Canadian International Trade

(H.S. Based)

May 1988

Not for release before 7 a.m. E.S.T.
Thursday, July 14, 1988



Data in Many Forms...

Statistics Canada disseminates data in a variety of forms. In addition to publications, both standard and special tabulations are offered on computer print-outs, microfiche and microfilm, and magnetic tapes. Maps and other geographic reference materials are available for some types of data. Direct access to aggregated information is possible through CANSIM, Statistics Canada's machine-readable data base and retrieval system.

How to Obtain More Information

Inquiries about this publication and related statistics or services should be directed to:

Trade Information Unit,
International Trade Division,

Statistics Canada, Ottawa, K1A 0T6 (Telephone: 951-9647) or
to the Statistics Canada reference centre in:

St. John's	(772-4073)	Winnipeg	(983-4020)
Halifax	(426-5331)	Regina	(780-5405)
Montreal	(283-5725)	Edmonton	(495-3027)
Ottawa	(951-8116)	Calgary	(292-6717)
Toronto	(973-6586)	Vancouver	(666-3691)
Sturgeon Falls	(753-4888)		

Toll-free access is provided in all provinces and territories, for users who reside outside the local dialing area of any of the regional reference centres.

Newfoundland and Labrador	1-800-563-4255
Nova Scotia, New Brunswick and Prince Edward Island	1-800-565-7192
Quebec	1-800-361-2831
Ontario	1-800-268-1151
Manitoba	1-800-542-3404
Saskatchewan	1-800-667-7164
Alberta	1-800-282-3907
Southern Alberta	1-800-472-9708
British Columbia (South and Central)	1-800-663-1551
Yukon and Northern B.C. (area served by NorthwTel Inc.)	Zenith 0-8913
Northwest Territories (area served by NorthwTel Inc.)	Call collect 403-495-2011

How to Order Publications

This and other Statistics Canada publications may be purchased from local authorized agents and other community bookstores, through the local Statistics Canada offices, or by mail order to Publication Sales, Statistics Canada, Ottawa, K1A 0T6.

1(613)951-7276

National toll free order line 1-800-267-6677

Toronto
Credit card only (973-8018)

Statistics Canada
International Trade Division

Preliminary Statement of Canadian International Trade

(H.S. Based)

May 1988

Published under the authority of
the Minister of Supply and
Services Canada

© Minister of Supply
and Services Canada 1988

Extracts from this publication may be reproduced
for individual use without permission provided the
source is fully acknowledged. However, reproduction
of this publication in whole or in part for purposes
of resale or redistribution requires written permission
from the Publishing Services Group, Permissions Officer,
Canadian Government Publishing Centre,
Ottawa, Canada K1A 0S9.

July 1988

Price: Canada, \$5.50, \$55.00 a year

Other Countries, \$6.50, \$65.00 a year

Payment to be made in Canadian funds or equivalent

Catalogue 65-001P, Vol. 4, No. 5

ISSN 0828-1998

Ottawa

Table of Contents

	Page
Highlights	4
Charts	5
Commentary	6
Tables	
1. Merchandise Trade of Canada	8
2. Merchandise Trade by principal Trading Areas	9
3. Export by Commodity Groupings	10
4. Imports by Commodity Groupings	11
5. Constant Dollars and Laspeyres Price Indexes	12

Note to users

With the introduction of the Harmonized Commodity Description and Coding System which represents a major departure from the previous commodity classification and starting with January 1988 and at least for the balance of 1988;

- users should interpret levels and month-to-month movements in commodity data with caution;
- revisions to imports and exports have been greater than usual but should settle down to more normal levels in the months to come.

Users should also note as a further caution to interpretation of 1988 data as related to 1987 that:

- recording of imports is now based on the date the merchandise is released by Customs and not on the Customs stamp date as before January 1988.

In order to maintain continuity in concepts and definitions:

- the Balance of Payments data continue to be presented on a consignment basis.
- both raw and seasonally adjusted data for the previous periods reflect the above changes where applicable.

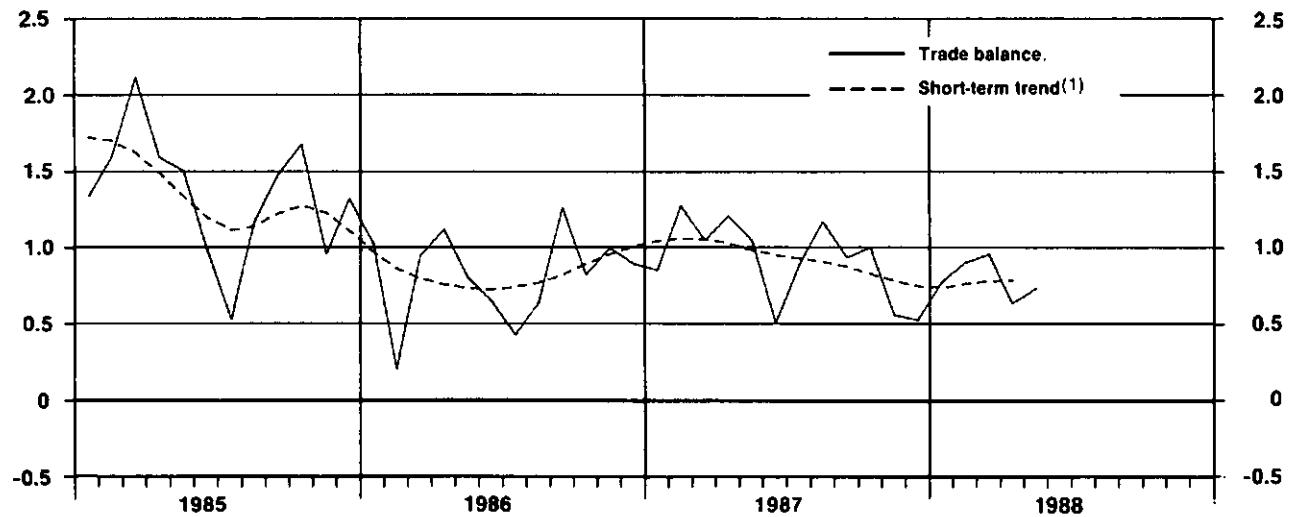
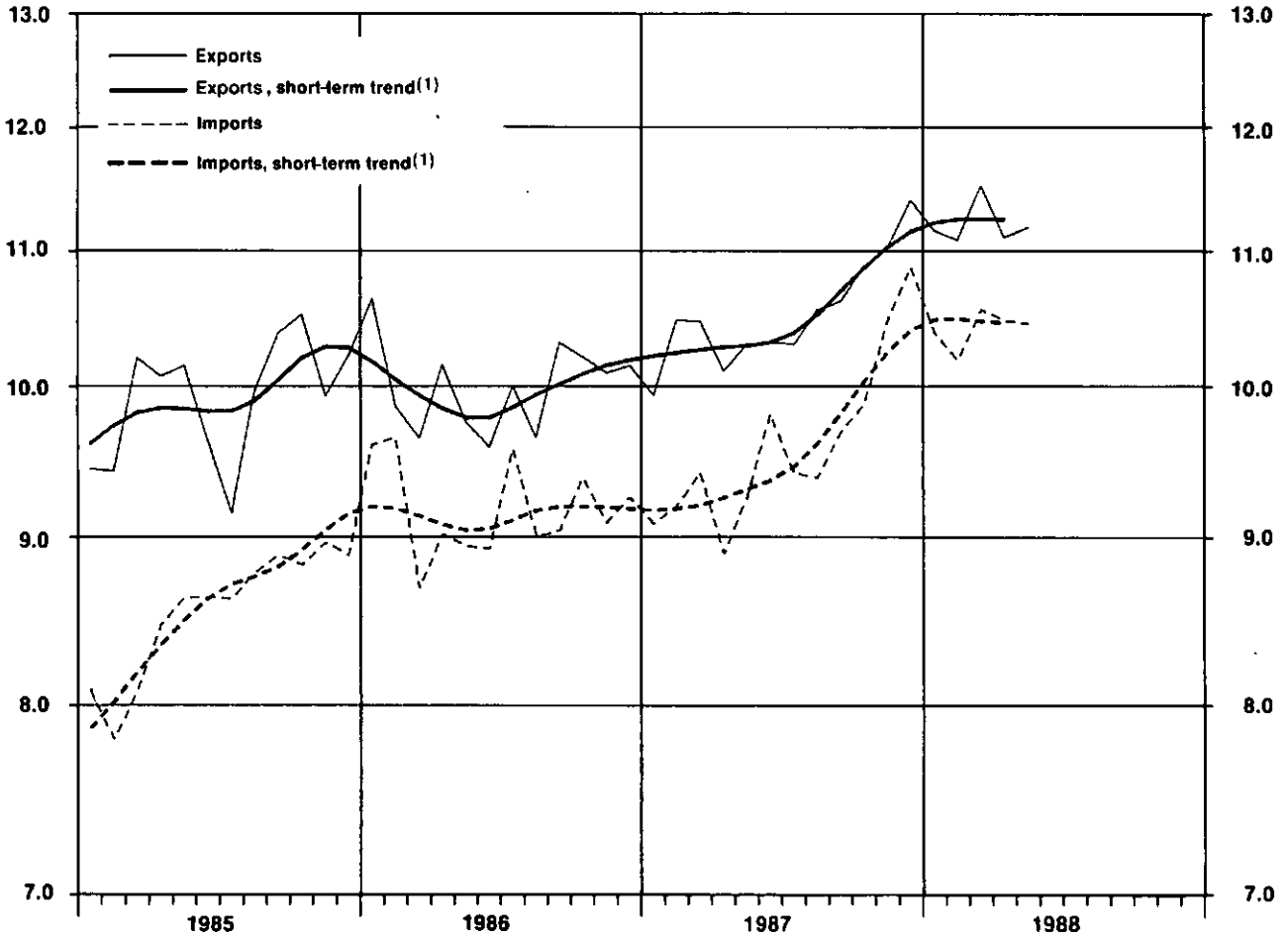
Highlights

- Canada's trade surplus was \$728 million in May, an increase of \$99 million from April.
- Exports totalled \$11.2 billion, an increase of 0.7%.
- Imports declined slightly in May, dropping 0.2% to \$10.4 billion.
- The short-term trend for exports was down for the first time in almost two years, while the trend for imports posted a second straight decline.
- Imports of crude petroleum fell by \$91 million in May to \$206 million.
- Canada's trade deficit with Japan was \$273 million for the first five months of 1988, down from the \$619 million deficit recorded for the same period of 1987.

Imports, Exports, and Trade Balance, All Countries, Seasonally Adjusted Balance of Payments Basis

Billions of dollars

Billions of dollars



(1) The short-term trend gives a clearer picture of the direction and rate of change of trade by averaging the substantial monthly fluctuations which frequently occur in trade. The trend for the last month is not shown in the charts above since it frequently changes significantly with the addition of succeeding months of data.

Preliminary Statement of Canadian International Trade

Seasonally Adjusted, Balance of Payments Basis
May 1988

Month-to-month Overview

Seasonally adjusted international trade statistics indicate that Canada's trade surplus with all its trading partners for May 1988 was \$728 million, an increase of \$99 million from the previous month. However, this was a slight decline from the average surplus of \$813 million recorded for the first four months of 1988. The increase in the surplus for May 1988 was caused by a rise in exports, primarily to "other countries," while imports, particularly from Japan, were down slightly.

The marked rise in exports of precious metals largely contributed to the 0.7% growth of total exports in May, contrasting with the 3.5% decrease noted in the revised total for April. This increase pushed total exports in May to \$11.2 billion.

Imports edged down slightly in May, dropping 0.2% from the revised level for April to \$10.4 billion. Crude materials and energy products strongly contributed to this decline in imports in May.

Canada's cumulative trade surplus for the first five months of 1988 was \$4 billion, \$1.4 billion less than during the first five months of 1987.

Short-term trend (excludes latest month)

The monthly movements shown for the short-term trend may differ from those shown for seasonally adjusted values published in other sections of this report. The short-term trend is the result of a weighted moving average of thirteen terms, and it is therefore possible that seasonally adjusted series and their corresponding trends may not point in the same direction.

Exports

The short-term trend for exports fell by 0.1% in April, the first decrease in almost two years. The decline was reflected primarily in export trends for trucks, other ores and paper, other than those listed in the breakdown by summary categories, and motor vehicle parts. For exports of motor vehicle parts, this was the seventh straight decline in the trend. The most notable increases recorded were in the trend for exports of passenger automobiles, wheat and organic chemicals. The trend for exports of passenger automobiles has been up since August 1987, while wheat exports have been rising since September 1987.

Imports

The short-term trend for imports was down in April for the second straight month, posting a decline of 0.1% from the preceding month, compared to 0.2% in March. The largest decreases were those for imports of motor vehicle parts, aircraft and crude petroleum. The trend for imports of crude petroleum has been down since October 1987, the rate of decrease rising gradually from 0.5% in October 1987 to 3.6% in April 1988. The largest increases recorded were in the trends for imports of passenger automobiles, iron and steel products and industrial machinery other than those indicated in the breakdown by summary categories.

Commodity Highlights

Exports

Seasonally adjusted exports totalled \$11.2 billion in May, an increase of \$78 million from April. This recovery of exports in May following a substantial decline in April (-\$403 million) was primarily attributable to the inedible fabricated materials sector. The largest increase, \$109 million, was posted for exports of precious metals, followed by exports of organic chemicals (+\$58 million) and newsprint paper (+\$50 million). Exports of organic chemicals totalled \$194 million in May, setting a new record. Exports of automotive products posted an overall increase of \$74 million, rising to \$3.0 billion. Exports of lumber and aircraft fell by \$71 billion, while exports of wood products other than those indicated in the breakdown by summary categories dropped by \$38 million. In May, overall exports of forest products declined by \$85 million to \$1.7 billion, the lowest level in the past four months.

Imports

Except for the increase noted in March, imports declined since the beginning of 1988. Imports totalled \$10.4 billion in May, a decrease of \$21 million from April. Imports of crude petroleum alone fell by \$91 million to \$206 million, the lowest level since December 1986. Imports of passenger automobiles were down by \$88 million to \$1 billion, while imports of equipment other than that indicated in the breakdown by summary categories declined by \$40 million to \$768 million. The largest gains posted were for imports of aircraft (+\$104 million), apparel (+\$38 million) and beverages (+\$29 million). Imports of beverages rose to \$63 million, a new record high.

Trading Partner Highlights

Exports

Exports to the United States totalled \$8.3 billion in May, virtually unchanged from the level for April. Increases were recorded in exports to "other countries" (+\$136 million), "other OECD countries" (+\$46 million) and the United Kingdom (+\$1 million). Exports were down to "other EEC countries" (-\$84 million) and Japan (-\$17 million). Exports to Japan during the first five months of 1988 totalled \$3.1 billion, or 5.6% of the total for Canada's trading partners. Japan's share for the first five months of 1987 was 4.8%.

Imports

Imports from the United States rose by \$19 million to \$7.2 billion. Imports were up by \$64 million from "other EEC countries" and by \$59 million from "other OECD countries". Declines were posted in imports from Japan (-\$138 million), "other countries" (-\$23 million) and the United Kingdom (-\$1 million). This drop in imports from Japan brings their value for the first five months of 1988 to \$3.4 billion, or 6.6% of total imports compared to a share of 6.7% during the same period of 1987.

Balance

Canada's trade surplus with the United States for the first five months of 1988 totalled \$6.2 billion, a decrease of \$1.4 billion from the corresponding period of 1987. Canada posted a deficit of \$273 million in international merchandise trade with Japan for the first five months of 1988, down from the \$619 million deficit recorded for the same period of 1987.

Available on CANSIM: matrices 3633-3642, 3651-3678, 3685-3713, 3718, 3719, 3887 to 3913

For more detailed information on this release, order the May 1988 issue of the **Summary of Canadian International Trade** (H.S. Based) (65-001, \$16.50/\$165), which will be available the first week of August 1988, or contact Gordon Blaney (613-951-9647), Trade Information Unit, or Jean-Pierre Simard (613-951-1711) (for analysis information), or John Butterill (613-951-4808) (for price-index information), Trade Measures and Analysis Section, International Trade Division.

Table 2. Merchandise Trade by Principal Trading Areas, Seasonally Adjusted
Balance of Payments Basis

			Period-to-period change				Year-to-Date	Change over previous year	
	April 1988	May 1988	April 1988	May 1988	April 1988	May 1988		Date	
	\$ millions		%	%	\$ millions	\$ millions	%	\$ millions	
Exports to: (1)									
United States	8,325.4	8,322.5	-1.7	0.0	-144.8	-2.9	41,819.2	6.3	2,460.7
United Kingdom	275.1	276.1	-0.7	0.3	-1.9	0.9	1,364.9	6.7	85.6
Japan	605.4	588.0	-12.9	-2.9	-89.5	-17.4	3,145.1	27.8	684.2
EEC'86 excl. UK	587.4	503.4	0.9	-14.3	5.4	-84.0	2,761.4	6.5	169.1
Other OECD'86	205.4	251.2	-14.8	22.3	-35.7	45.8	1,205.5	18.9	191.2
Other countries	1,078.7	1,214.5	-11.2	12.6	-136.3	135.8	5,602.8	24.4	1,100.7
Total	11,077.4	11,155.6	-3.5	0.7	-402.9	78.2	55,898.9	8.2	4,681.5
Imports from: (1)									
United States	7,226.1	7,244.7	1.7	0.3	122.8	18.6	35,653.4	12.2	3,883.5
United Kingdom	372.8	372.0	-21.9	-0.2	-104.7	-0.8	2,016.7	13.2	235.7
Japan	794.9	656.6	19.1	-17.4	127.5	-138.4	3,418.0	11.0	338.4
EEC'86 excl. UK	818.0	882.0	-7.3	7.8	-64.1	63.9	4,282.2	17.6	640.5
Other OECD'86	264.8	324.2	-15.4	22.4	-48.3	59.3	1,464.9	17.1	214.4
Other countries	871.0	947.7	-10.5	-2.4	-114.1	-23.3	5,084.4	19.3	821.3
Total	10,447.8	10,427.2	-0.6	-0.2	-80.9	-20.6	51,919.7	13.4	6,133.8
Balance with:									
United States	1,099.3	1,077.7			-267.7	-21.5	6,165.7		-1,422.9
United Kingdom	-97.7	-95.9			102.8	1.7	-651.8		-150.1
Japan	-189.5	-68.5			-217.0	121.0	-272.8		345.9
EEC'86 excl. UK	-230.6	-378.5			69.5	-147.9	-1,520.8		-471.4
Other OECD'86	-59.6	-73.1			12.6	-13.5	-259.4		-23.2
Other countries	107.7	266.8			-22.2	159.1	518.3		278.4
Total	629.6	728.4			-322.0	98.8	3,979.2		-1,442.3

(1) Exports to "Other OECD Countries" and imports from the United Kingdom, "Other OECD Countries" and "Other Countries" do not have seasonality. Consequently, these series are not seasonally adjusted.

Note: - Portugal and Spain are included in the EEC.

- Imports for May 1988 by country of origin from the United States (including Puerto Rico and the U.S. Virgin Islands) amounted to \$7,507.8 million. This represents the starting figure from which the Canada/United States reconciliation takes place.

Table 3. Exports by Commodity Groupings, Balance of Payments Basis

	Seasonally adjusted					Raw values		
	March 1988	April 1988	May 1988	Year-to-date		May '88/ May '87	May '87/ May '86	May '86/ May '85
				Value	% change			
	\$ millions							
Agricultural and fishing products	1,064.4	1,092.3	1,131.6	5,361.6	7.8	23.3	10.8	-7.0
Wheat	375.6	413.3	426.8	1,848.2	29.7	61.4	37.6	-40.5
Other agricultural and fishing products	688.8	679.0	704.7	3,413.4	-1.7	4.6	1.1	16.8
Energy products	1,111.0	995.9	992.3	5,162.9	11.6	-0.8	6.4	-35.3
Crude petroleum =	348.8	362.8	374.2	1,791.7	0.8	-17.0	39.9	-40.3
Natural gas	253.0	236.5	210.6	1,178.0	18.5	3.9	1.0	-44.7
Other energy products	509.2	396.6	407.5	2,193.2	18.3	18.6	-17.8	-24.7
Forestry products	1,808.0	1,748.4	1,663.9	8,610.3	7.6	4.8	15.1	6.8
Lumber and sawmill products	633.1	646.4	528.2	2,972.4	2.2	-7.2	4.5	7.7
Wood pulp and other wood products	457.6	494.6	486.4	2,401.1	10.8	11.3	42.3	10.6
Newsprint and other paper and paperboard	717.3	607.4	649.3	3,236.8	10.5	12.7	11.7	3.7
Industrial goods and materials	2,504.4	2,207.3	2,371.2	11,716.7	20.3	13.1	11.6	-4.6
Metal ores	411.0	326.8	362.3	1,965.7	7.0	2.9	-3.9	15.1
Chemicals, plastics and fertilizers	611.2	532.5	575.3	2,763.9	29.0	20.7	21.9	-4.9
Metals and alloys	960.2	823.7	914.8	4,402.2	19.1	13.2	10.1	-2.9
Other industrial goods and materials	522.0	524.3	518.8	2,584.9	25.2	13.3	19.0	-20.2
Machinery and equipment	1,761.9	1,744.0	1,668.2	8,610.8	10.1	8.0	2.3	-1.4
Industrial and agricultural machinery	441.1	408.1	407.4	2,092.6	19.7	17.1	-7.6	0.6
Aircraft and other transportation equip.	312.9	371.1	326.4	1,651.2	-13.1	-7.5	0.9	-1.1
Other machinery and equipment	1,007.8	964.8	934.4	4,857.0	16.8	10.9	7.9	-2.5
Automotive products	2,946.7	2,904.4	2,978.6	14,622.1	7.9	16.7	-10.9	3.0
Passenger autos and chassis	1,465.7	1,496.8	1,535.0	7,324.6	22.2	43.3	-26.2	8.7
Trucks and other motor vehicles	607.2	562.0	596.8	3,039.0	24.8	18.7	4.3	-4.7
Motor vehicle parts	873.8	845.6	846.8	4,258.5	-17.0	-13.5	4.3	-0.5
Other consumer goods	247.6	233.4	208.3	1,156.9	7.3	-6.5	14.8	20.0
Special transactions trade =	76.5	63.4	172.8	424.8	181.2	417.1	40.6	-30.5
Unallocated BOP adjustments =	-43.4	85.0	-34.5	216.7	-82.8	-118.7	44.8	-44.0
Total	11,480.3	11,077.4	11,155.6	55,898.8	9.2	10.4	3.9	-5.4

= Series with no seasonality and, therefore, not seasonally adjusted.

Short-term Trend of Export Value Index, Major Country Groupings (Monthly, 1986 to 1988)

Index (average of 1986) = 100

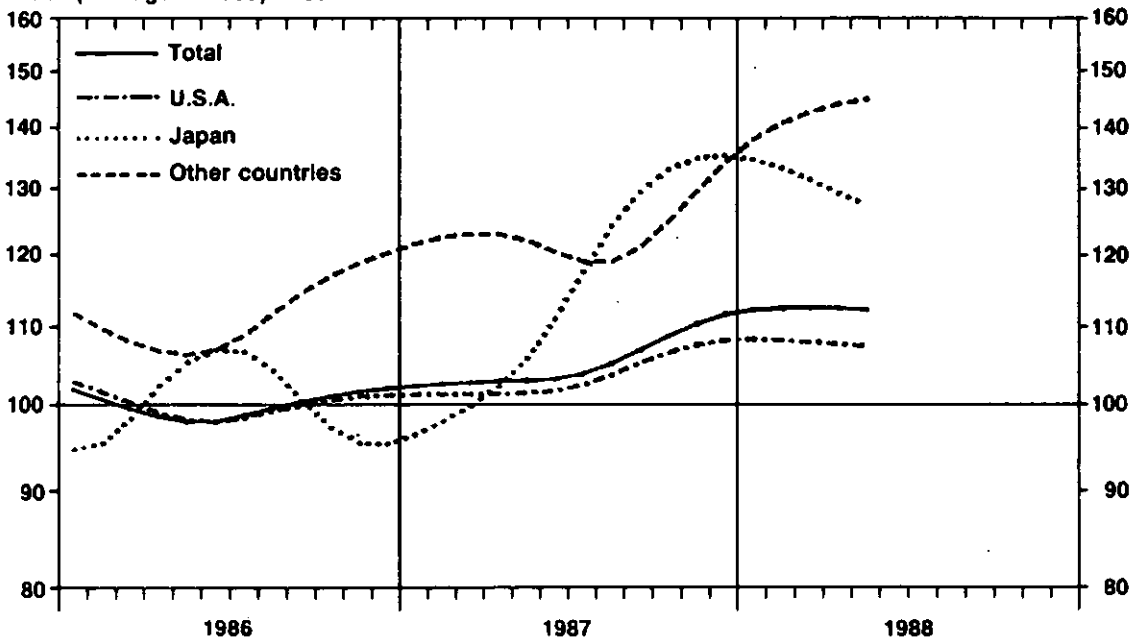


Table 4. Imports by Commodity Groupings, Balance of Payments Basis

	Seasonally adjusted					Raw values percentage changes		
	March 1988	April 1988	May 1988	Year-to-date		May '88/ May '87	May '87/ May '86	May '86/ May '85
				Value	% change			
	\$ millions							
Agricultural and fishing products	623.4	602.3	660.6	3,068.5	2.0	14.2	-5.1	10.5
Fruits and vegetables	203.0	212.0	214.0	1,041.8	4.0	11.5	-2.7	6.5
Other agricultural and fishing products	420.4	390.3	446.6	2,026.7	1.1	15.8	-6.4	12.8
Energy products	517.7	476.7	370.1	2,258.4	-1.0	-17.6	24.7	-45.7
Crude petroleum	322.4	296.9	205.6	1,398.6	1.1	-27.7	30.0	-54.5
Other energy products	195.3	179.8	164.5	859.8	-4.3	-7.7	19.9	-34.1
Forestry products	107.1	123.3	123.0	559.7	22.6	32.0	17.6	8.2
Industrial goods and materials	2,016.9	2,120.9	2,075.6	10,049.7	24.9	27.7	-4.6	5.1
Metals and metal ores	629.2	713.6	655.3	3,191.5	37.6	37.4	-12.2	13.2
Chemicals and plastics	575.7	617.2	586.2	2,859.2	17.0	17.6	-2.0	3.4
Other industrial goods and materials	812.0	790.1	834.1	3,999.0	21.9	28.4	-0.1	0.2
Machinery and equipment	3,333.6	3,128.7	3,136.3	15,850.0	21.4	22.5	0.3	3.4
Industrial and agricultural machinery	1,073.5	1,044.4	1,017.7	5,110.1	13.1	15.0	-6.4	12.2
Aircraft and other transportation equip.	549.4	341.4	435.6	2,286.4	31.9	30.4	8.6	-2.3
Office machines and equipment	496.4	492.4	463.7	2,338.4	16.2	18.0	3.1	-0.6
Other machinery and equipment	1,214.3	1,250.5	1,219.3	6,115.1	27.7	28.7	4.0	-1.8
Automotive products	2,651.8	2,770.3	2,690.8	13,786.4	2.5	-2.3	3.4	4.9
Passenger autos and chassis	945.3	1,136.7	1,048.7	5,033.1	0.9	0.3	10.2	8.8
Trucks and other motor vehicles	300.4	290.7	291.1	1,527.3	-4.0	-13.8	20.7	4.7
Motor vehicle parts	1,406.2	1,342.8	1,351.0	7,236.0	5.1	-1.6	-5.3	1.4
Other consumer goods	1,132.3	1,102.4	1,132.7	5,534.3	9.3	13.8	-3.7	10.2
Apparel and footwear	263.9	248.2	297.0	1,336.0	6.6	18.4	-0.7	19.6
Miscellaneous consumer goods	868.4	854.2	835.7	4,198.3	10.2	12.8	-4.3	8.3
Special transactions trade *	200.8	163.8	242.2	992.1	34.1	50.2	4.2	7.1
Unallocated BOP adjustments *	-58.2	-43.3	-7.2	-204.2	-35.9	-88.3	-7.4	-17.5
Total	10,528.7	10,447.8	10,427.2	51,919.7	13.4	13.6	0.7	2.2

* Series with no seasonality and, therefore, not seasonally adjusted.

Short-term Trend of Import Value Index,
Major Country Groupings (Monthly, 1986 to 1988)
Index (average of 1986) = 100

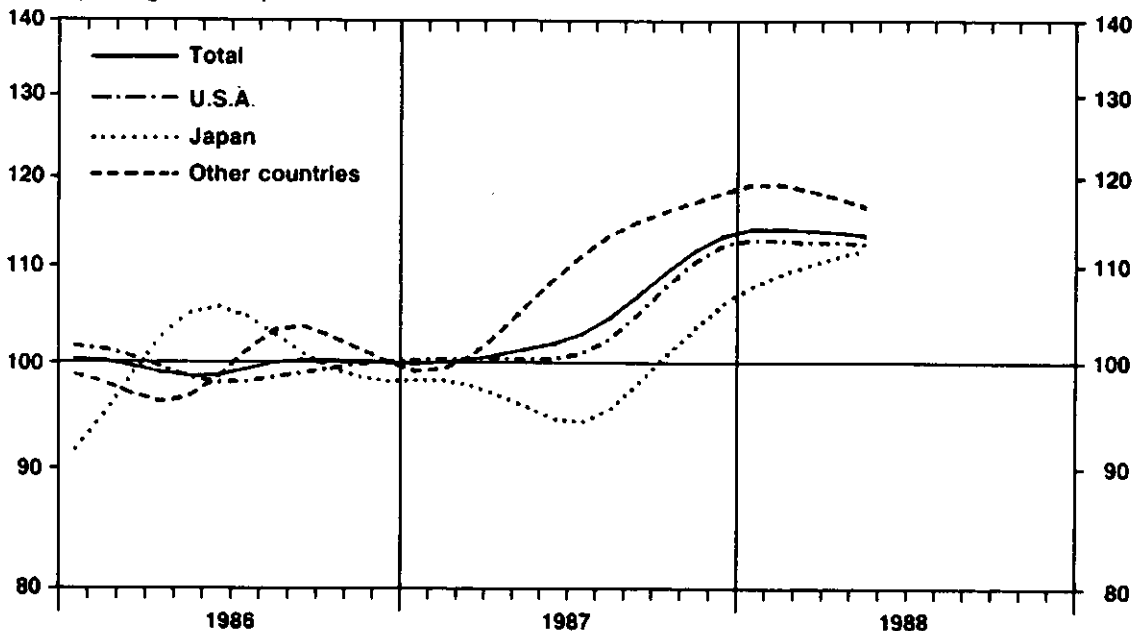


Table 5. Merchandise Trade of Canada, Constant Dollars and Laspeyres Price Indexes
Seasonally Adjusted, Balance of Payments Basis

	Constant (1981) dollars (1)				Laspeyres price indexes (2)					
	Exports (3)		Imports		Period-to-period change (4)		1981=100.0		Period-to-period change (4)	
							Exports (3)	Imports	Exports (3)	Imports
	\$ millions		%				%			
1983	90,194	71,526	7.4	11.1	100.8	103.7	0.0	-0.6		
1984	106,931	85,581	18.6	19.7	105.0	109.6	4.2	5.7		
1985	113,829	94,123	6.5	10.0	105.0	113.4	1.0	3.5		
1986	118,110	101,545	3.8	7.9	104.0	112.8	-2.0	-0.5		
1987	126,027	109,825	6.7	8.2	105.1	112.3	1.1	-0.4		
1986										
First quarter	29,105	25,282	-0.7	4.2	105.1	116.2	-0.8	1.0		
Second quarter	29,050	24,805	-0.2	-1.9	103.8	112.2	-1.2	-3.4		
Third quarter	29,640	25,630	2.0	3.3	103.5	112.2	-0.3	0.0		
Fourth quarter	30,314	25,829	2.3	0.8	103.9	112.7	0.4	0.5		
1987										
First quarter	31,049	26,177	2.4	1.3	102.8	111.6	-1.0	-1.0		
Second quarter	30,829	26,688	-0.7	2.0	104.8	112.3	2.0	0.6		
Third quarter	31,340	27,267	1.7	2.2	105.8	112.7	0.9	0.4		
Fourth quarter	32,809	29,693	4.7	8.9	105.8	113.4	0.9	0.6		
1988										
First quarter	33,941	29,989	3.5	1.0	106.7	111.1	-0.1	-2.1		
1987										
January	10,054	8,555	-0.9	-2.1	103.1	112.3	-0.5	-0.3		
February	10,391	8,653	3.2	1.2	102.6	111.5	-0.6	-0.6		
March	10,594	8,868	2.0	3.6	102.9	111.0	0.3	-0.5		
April	10,268	8,531	-3.1	-4.9	103.5	110.9	0.7	-0.1		
May	10,299	8,812	0.3	3.3	105.2	112.4	1.6	1.3		
June	10,252	9,345	-0.4	6.1	105.7	113.2	0.5	0.7		
July	10,260	9,009	0.0	-3.6	105.8	112.5	0.1	-0.6		
August	10,534	8,990	2.7	-0.2	105.7	113.2	-0.1	0.6		
September	10,547	9,269	0.1	3.1	105.8	112.7	0.1	-0.4		
October	10,916	9,400	3.5	1.4	105.9	113.0	0.1	0.2		
November	10,838	9,898	-0.7	5.3	107.3	113.7	1.4	0.6		
December	11,055	10,395	2.0	5.0	107.6	113.5	0.2	-0.2		
1988										
January	11,145	9,775	0.8	-6.0	105.6	112.4	-0.9	-0.9		
February	11,059	9,822	-0.7	0.5	107.1	110.8	0.4	-1.3		
March	11,725	10,402	5.9	5.9	106.6	110.0	-0.5	-0.9		
April	11,163	10,317	-4.8	-0.8	105.2	109.9	-0.3	-0.1		
May	11,341	10,014	1.5	-2.8	106.2	110.8	-0.1	0.9		
Year-to-date										
1987	51,616	43,520	5.9	4.1						
1988	56,444	50,330	9.4	15.6						

1 The Pasche current weighted price index used to calculate constant dollars can be derived by dividing current values in table 1 by the constant dollars above.

2 The Laspeyres price index uses fixed weights based on 1981 trade and therefore reflects changes in price only.

3 Exports = Domestic Exports + Re-exports.

4 Year-to-year, quarter-to-quarter, month-to-month.

Note: Due to rounding, monthly data may not add up to quarterly data and quarterly data may not add up to annual data.