



Office of the Chief Economist - Bureau de l'économiste en chef  
 Monthly Merchandise Trade Report – October 2019

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Over the first 10 months of 2019, merchandise exports were up 1.6% while imports were up 1.5%.

**Trade balance**

- Canada's trade deficit with the world narrowed slightly from \$1.2 billion in September to \$1.1 billion in October.

**Exports**

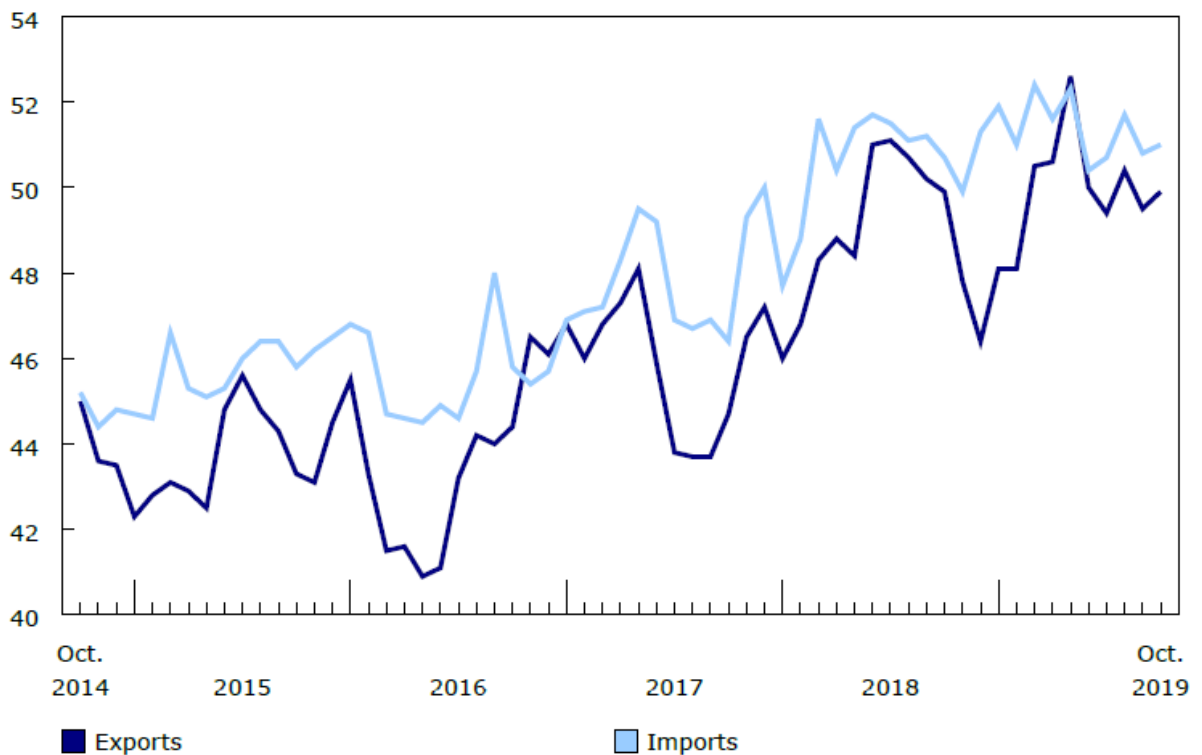
- Exports rose 0.8% in October to reach \$49.9 billion.
  - Export increases were observed in 6 of 11 sectors.
  - Consumer goods, energy and metal and non-metallic mineral products contributed the most to the increase.

**Imports**

- Imports were up 0.5% to \$51.0 billion in October.
  - Energy products contributed the most to the increase.
  - Despite the overall gain, decreases were observed in 7 of 11 sectors.

Chart 1: Value of Canada trade in goods, October 2014 to October 2019

billions of current dollars



Source: Statistics Canada Table 12-10-0011-01, International merchandise trade by Principal Trading Partners, Balance of payments basis, seasonally adjusted.



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**Background**

**Canadian merchandise exports:** increased 0.8% in October, to \$49.9 billion. Increases were observed in 6 of 11 sectors.

Year-to-date, exports were up 1.6% compared to the same period in 2018.

**Canadian merchandise imports:** rose 0.5% to \$51.0 billion in October despite decreases observed in 7 of 11 sectors.

Year-to-date, imports were up 1.5% compared to the same period in 2018.

**United States:**

- Exports to the United States increased 1.0% to \$37.9 billion in October.
- Imports from the United States contracted 1.7% to \$32.4 billion.
- As a result, Canada's merchandise trade surplus with the United States increased from \$4.6 billion in September to \$5.5 billion in October.

**Table 1: Change in Canada trade: monthly, year-to-date and by principal trading partners**

October 2019	Exports (\$M)	Monthly change	Year-to-date % change Previous year	Imports (\$M)	Monthly change	Year-to-date % change Previous year
All countries	49,913	381	1.6%	50,992	231	1.5%
% change	n.a.	0.8%	n.a.	n.a.	0.5%	n.a.
Volume change	n.a.	0.7%	n.a.	n.a.	0.8%	n.a.
Price change	n.a.	0.0%	n.a.	n.a.	-0.4%	n.a.
	(\$M)	(\$M)	(%)	(\$M)	(\$M)	(%)
<b>United States</b>	37,884	369	2.4	32,388	-545	0.7
Mexico	618	-20	-12.0	1,723	100	-2.3
EU	4,260	192	4.5	5,573	358	3.0
UK	1,901	27	18.8	700	6	-0.7
Germany	579	-26	21.0	1,334	62	-1.8
France	289	1	-0.4	438	-9	4.1
India	304	74	21.2	347	30	10.4
China	1,618	-388	-12.3	3,823	-116	3.0
Japan	1,054	-61	-2.8	1,018	-4	-3.6
South Korea	492	11	-2.6	737	1	7.5

**Source:** Statistics Canada Table 12-10-0011-01, International merchandise trade by Principal Trading Partners, Balance of payments basis, seasonally adjusted.

**Countries other than the United States:**

- Exports to non-U.S. countries edged up 0.1% in October.
  - Higher exports to Norway (nickel), India (copper), Hong Kong (gold) and Peru (wheat) were largely offset by lower exports of soybeans and canola to China.
- Imports from countries other than the United States advanced 4.4% in October.
  - Higher imports of pharmaceuticals from Belgium and Switzerland, as well as higher imports of light trucks from Mexico were partially offset by lower imports of various products from China.
- As a result, Canada's trade deficit with countries other than the United States widened from \$5.8 billion in September to \$6.6 billion in October.



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**Commodities / Products**

In October, **exports** grew 0.8% to \$49.9 billion as export volumes increased 0.7%, while export prices were virtually unchanged.

**Exports highlights:**

- Exports of consumer goods rose in October (+5.5%), mainly on higher exports of miscellaneous goods and supplies, which include artwork such as paintings and sculptures.
  - These pieces of fine art were destined to an art fair in New York.
- Exports of energy products also rose in October, mostly on higher exports of crude oil (+2.7%) and refined petroleum (+15.2%).
  - Exports of refined petroleum products were up in October mainly on higher exports of fuel oils and diesel to the U.S.
- Exports of metal and non-metallic mineral products increased in October (+5.7%), as a result of higher exports of gold.
  - Higher exports of refined gold to the U.S. were mostly responsible for the increase.
- Partially offsetting the overall gain, exports of farm and fishing products (-12.6%) posted the largest decline in October, mostly on lower shipments of soybeans to China.

In October, **imports** increased 0.5% to \$51.0 billion as import prices decreased 0.4%, and import volumes rose 0.8%.

**Imports highlights:**

- Imports of energy products increased in October (+8.9%), mainly on higher imports of crude oil and crude bitumen. Imports of natural gas (+46.2%) and refined petroleum (+6.8%) also contributed to the increase.
- Imports of motor vehicles and parts fell in October (-3.3%) to \$9.3 billion, the fifth consecutive monthly decrease.
  - Imports of passenger cars and light trucks (-4.7%) were responsible for most of the decline.

**Table 2: Exports and Imports by commodities – October 2019 and % change October 2018 to October 2019**

Commodity October 2019	Exports (\$M)	% change Previous year	Imports (\$M)	% change Previous year
<b>Resource Products</b>	<b>26,039</b>	<b>-3.2%</b>	<b>15,746</b>	<b>-0.7%</b>
Energy	9,493	0.6%	3,466	6.9%
<b>Non-resource Products</b>	<b>22,493</b>	<b>4.6%</b>	<b>33,299</b>	<b>0.6%</b>
Industrial Machinery & Equipment	3,442	4.0%	5,706	-1.5%
Electronics/Electrical Machinery & Equipment	2,506	0.0%	6,162	3.8%
Motor Vehicles	7,687	-0.5%	9,255	-0.2%
Aircrafts/Other transportation Equip.	2,645	16.6%	1,839	1.4%
Consumer Goods	6,213	9.0%	10,338	0.6%
<b>All commodities</b>	<b>49,913</b>	<b>0.1%</b>	<b>50,992</b>	<b>0.6%</b>

**Source:** Statistics Canada Table 12-10-0121-01, International merchandise trade data by North American Product Classification System (NAPCS) – seasonally adjusted. Totals don't add up as "Special transactions trade" and "Other balance of payments adjustments" are not included.