

Canada's merchandise exports hit another record level in May, with the value of goods reaching \$48.7 billion and up by 1.3% compared to a month earlier. May was the third consecutive month that exports grew and also in which 8 of 11 major industry categories increased, an indicator of the broad-based nature of export growth. Since June of 2016, exports have grown at a scorching compounded annual growth rate of 19.4%.

While exports increased, the increase in merchandise imports was even stronger in May at 2.4%. This resulted in Canada's trade balance with the world deteriorating to \$1.1 billion in May from \$552 million in April. However, the growth in imports is a sign of both strong domestic demand within Canada and a leading indicator of future exports.

On an industry basis, export growth was led by exports of gold which boosted metal and non-metallic mineral products by 11%. Exports of industrial machinery and equipment (9%) and agricultural and agrifood products (8%) also experienced strong growth and the always volatile exports of aircraft saw strong double digit growth in May.

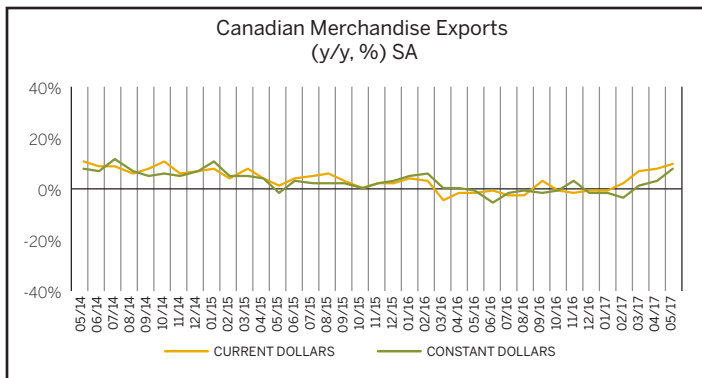
Exports of energy products were the largest drag on the otherwise strong exports story. Lower crude oil prices, a weaker Canadian dollar and softer volumes all contributed to a 15% fall in crude oil exports which pulled down overall energy exports. Excluding energy products, overall exports increased by 3.6% in May.

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
<b>Machinery and Equipment</b>	9.0%	3.2%	0.5%	0.3%	1	5	AB	ON	<b>United Kingdom</b>	48.2%	14.8%	1	4
<b>Agriculture and Fishing Products</b>	7.6%	5.9%	1.4%	0.0%	2	3	ON	QC	<b>Germany</b>	30.0%	20.4%	2	1
<b>Automotive products</b>	3.6%	-1.6%	0.8%	0.4%	3	6	ON	QC	<b>EU (excluding UK)</b>	21.0%	10.2%	3	5
<b>Other Consumer Goods</b>	1.5%	-3.0%	1.3%	2.7%	4	7	AB	ON	<b>Japan</b>	2.1%	18.6%	4	3
<b>Industrial Products and Materials</b>	1.1%	6.2%	0.1%	-0.4%	5	2	ON	NB	<b>United States</b>	-0.3%	9.1%	5	6
<b>Forestry Products</b>	-3.8%	5.4%	1.9%	3.1%	6	4	QC	SK	<b>China</b>	-4.3%	19.2%	6	2
<b>Energy Products</b>	-9.0%	65.7%	-4.3%	13.7%	7	1	AB	QC					
<b>TOTAL EXPORTS</b>	<b>1.3%</b>	<b>10.6%</b>	<b>0.4%</b>	<b>3.4%</b>			AB	MB	<b>TOTAL EXPORTS</b>	<b>1.3%</b>	<b>10.6%</b>		

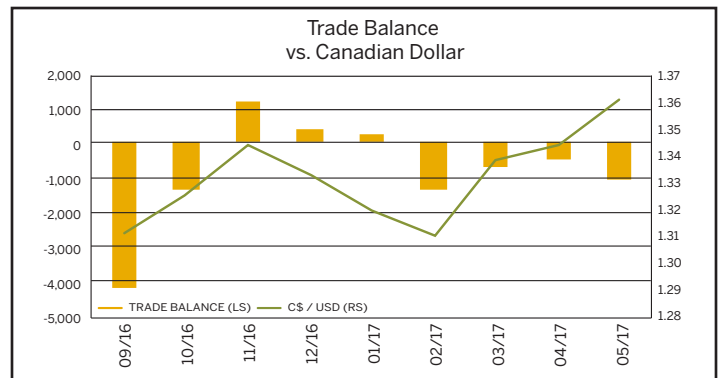
# EXPORT PERFORMANCE MONITOR

Economic & Political Intelligence Centre

JULY 2017



Source: Statistics Canada



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## PROVINCIAL PICTURE

Province	Growth Rate		Top Contributor		Weakest Contributor	
	m/m	YTD	Sector	Contribution	Sector	Contribution
NL	26.0%	46.3%	Energy Products	1.3%	Agriculture and Fishing Products	0.0%
PE	-4.3%	7.1%	Other consumer goods	0.1%	Agriculture and Fishing Products	0.0%
NS	9.8%	0.8%	Forestry Products	0.1%	Energy Products	0.0%
NB	2.1%	20.5%	Energy Products	0.1%	Industrial Products and Materials	-1.0%
QC	-1.2%	8.4%	Forestry Products	1.5%	Agriculture and Fishing Products	-1.9%
ON	1.4%	-0.5%	Agriculture and Fishing Products	2.2%	Other consumer goods	-2.1%
MB	-7.1%	1.4%	Forestry Products	0.1%	Agriculture and Fishing Products	-1.8%
SK	-2.3%	16.6%	Agriculture and Fishing Products	1.1%	Forestry Products	-0.2%
AB	12.2%	45.7%	Energy Products	9.6%	Automotive products	0.1%
BC	19.0%	23.7%	Energy Products	3.2%	Industrial Products and Materials	0.1%

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