Manitoba Electronics Electrical Equipment Exports Grow

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Bottom Line

On August 5, 2020, Statistics Canada released data on Canada's international merchandise trade for June 2020. While Canada's domestic exports rose sharply to 37.2 billion dollars, this is still 9 per cent below the pre-lockdown level in February 2020. At the same time, imports rose sharply month-over-month to 43.2 billion dollars, only 4 per cent below the February 2020 level.

Month-over-month motor vehicles, and aircraft and transport equipment saw the greatest increase in both Canadian domestic exports and imports. Domestic exports of Mining and products, electronics, electrical equipment, forestry and products, consumer goods, and farm, fishing and food products in June 2020 were above their February 2020 levels. Imports in seven of eleven product groups were higher in June that February 2020.

Canadian domestic exports in June 2020 to **Mexico** and the **USA** compared to Feb 2020 lagged the all destinations average. June 2020 domestic exports to **China** are up 64 per cent from February 2020. Canadian imports from Mexico and the USA are also lagging the all destinations average. June 2020 imports from China were up 42 per cent over their February level.

Manitoba's domestic exports did not decline to the same level as for Canada overall over the February to June 2020 period. June 2020 domestic exports of the following product groups in **Manitoba are above their February 2020 level**:

- Farm, fishing and food products (+11%),
- Aircraft and transport equipment (+21%), and
- Electronics electrical equipment (+44%).1

Manitoba's June 2020 imports of the following product groups are above their February 2020 level; forestry and products (+1%), and Industrial machinery (+14%).

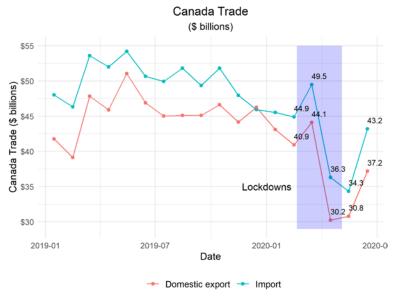
Manitoba's June 2020 domestic exports are still below the February exports to Japan, USA, Mexico and EU select. Other Asia select and other Europe select reached 76 per cent over February exports.

¹ This appears to be related to shipments of electrical power related components. Looked at by month, some months have large dollar values, while others are low.



Trade – All Merchandise and All Destinations

Figure 1: Canada Trade (\$ Billions)

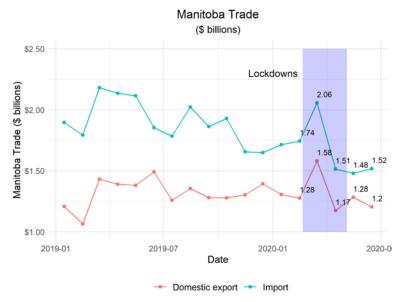


Source: Statistics Canada, Int'll Merchandise Trade by province, commodity and Principal Trading Partners,
Monthly Table 12-10-0119-01, Chart by Chris Ferris

Canada's June 2020 trade numbers made a significant improvement month-overmonth. Canada's domestic exports rose to 37.2 billion dollars, up from 30.8 billion in May. This is still 9 per cent below the pre-lockdown level in Feb 2020 (**Figure 1**).

Canada's imports rose to 43.2 billion dollars in June, up from 34.3 billion in May. June's import numbers are only 4 per cent below that of February 2020.

Figure 2: Manitoba's Trade (\$ Billions)



Source: Statistics Canada, Int'l Merchandise Trade by province, commodity and Principal Trading Partners,
Monthly Table 12-10-0119-01, Chart by Chris Ferris

Manitoba's domestic exports in June 2020 were 1.2 billion dollars, down slightly monthover-month (Figure 2). Manitoba's domestic exports are 6 per cent below their Feb 2020 level. Manitoba's domestic exports did not fall to the same extent as the Canadian average.

Manitoba's June 2020 imports of 1.52 billion dollars were up slightly from 1.48 billion in May. Manitoba's June imports remain 13 per cent below their level in Feb 2020.

Trade by Product

Canada's June 2020 domestic exports and imports both saw significant improvements month-over-month for **motor vehicles**, and **aircraft and transport equipment**.

For Canada's **domestic exports**, five product groups are still lagging the all merchandise Jun/Feb 2020 index of 91 (**Table 1**). These include **energy** (50),



industrial machinery equipment (87), aircraft and transport equipment (88), motor vehicles (89), and chemicals, plastic and rubber (89).

Five product groups are doing better the all merchandise index for Canadian domestic exports. These are mining and products (104), electronics, electrical equipment (105), forestry and products (107), consumer goods (119), and farm, fishing and food products (134).

Table 1: Trade with all destinations by Products (\$ Millions, Index)

		Canada			Manitoba		
Trade	Product Group	2020-02 (\$M)	2020-06 (\$M)	Index (Feb20 = 100)	2020-02 (\$M)	2020-06 (\$M)	Index (Feb20 = 100)
Domestic export	All Merchandise	40,916	37,177	91	1,276	1,204	94
	Aircraft and Transport equip	1,692	1,490	88	32	39	121
	Chemicals, plastic and rubber	2,491	2,207	89	55	53	96
	Consumer goods	4,862	5,780	119	438	417	95
	Electronics electrical equipment	1,492	1,567	105	24	35	144
	Energy	9,205	4,637	50	78	21	27
	Farm, fishing and food products	2,611	3,509	134	305	338	111
	Forestry and products	3,062	3,267	107	53	53	99
	Industrial machinery equipment	2,490	2,177	87	115	112	98
	Mining and products	6,221	6,491	104	37	36	96
	Motor vehicles	6,317	5,621	89	100	72	72
	Special transactions trade	474	431	91	39	29	74
Import	All Merchandise	44,906	43,199	96	1,744	1,517	87
	Aircraft and Transport equip	2,465	2,226	90	226	98	43
	Chemicals, plastic and rubber	3,831	3,269	85	224	188	84
	Consumer goods	9,003	9,947	111	232	224	96
	Electronics electrical equipment	4,884	5,401	111	151	138	92
	Energy	2,522	1,661	66	64	28	45
	Farm, fishing and food products	1,632	1,760	108	75	72	95
	Forestry and products	1,974	2,202	112	97	98	101
	Industrial machinery equipment	4,915	4,921	100	374	425	114
	Mining and products	3,771	4,403	117	109	91	83
	Motor vehicles	9,100	6,402	70	179	146	82
	Special transactions trade	809	1,008	125	12	8	69



For Canada's **imports**, only four product groups are lagging the all merchandise Jun/Feb 2020 index value of 96. These include **energy** (66), **motor vehicles** (70), **chemicals**, **plastic and rubber** (85), and **aircraft and transport equipment** (90). Seven product groups are doing better than the all merchandise index.

For Manitoba, both domestic exports and imports of **motor vehicles** were up sharply month-over-month. Manitoba's domestic exports of **electronics electrical equipment** and **aircraft and transport equipment** were up sharply month-over-month.

For Manitoba's domestic exports, only three of eleven product groups were lagging the all merchandise Jun/Feb 2020 index of 94 (**Table 1**). These were **energy** (27), **motor vehicles** (72), and **special transaction trade** (74). Three of the eight product groups were above their Feb 2020 level. These are **farm**, **fishing and food products** (111), **aircraft and transport equipment** (121), and **electronics electrical equipment** (144).

As for Manitoba's imports, five of the product groups were above the all merchandise Jun/Feb 2020 index value of 87. These include **electronics electrical equipment** (92), **farm, fishing and food products** (95), **consumer goods** (96), **forestry and products** (101), and **industrial machinery equipment** (114).

Looking at the latest twenty-four months data from <u>Trade Data Online for HS codes</u> 8501: 8548, it appears that the boost in trade in electronics and electrical equipment is related to power equipment.

Trade by Destination

When we look at Canada's domestic exports by destination, we see two countries were lagging the all merchandise Jun/Feb 2020 index of 91. These are **USA** (85) and **Mexico** (89). Canada's domestic exports to **China** in June 2020 were 64 per cent above the February 2020 level.

Canada's imports from four countries are below the all merchandise Jun/Feb 2020 index of 96. These are **Japan** (51), **Mexico** (82), **USA** (86) and **Other Europe Select** (91). Imports from China in June 2020 were up 42 per cent above the February 2020 level.

When we look at Manitoba's domestic exports by destination, we see four countries were lagging the all merchandise Jun/Feb 2020 index of 94. These are **Japan** (75), **USA** (90), **Mexico** (91), and **EU select** (93). Canada's domestic exports to **Other Asia select**, **Other Europe select** were both 76 per cent above their Feb 2020 level.

Manitoba's imports from four countries are below the all merchandise Jun/Feb 2020 index of 87. These are **Other Europe Select** (44), **Japan** (50), **Mexico** (77), and **USA** (81). Imports from **EU select** in June 2020 were up 82 per cent above the February 2020 level.



Canada Manitoba Index Index Trade PTP Grouped 2020-02 2020-06 (Feb20 2020-02 2020-06 (Feb20 =100) =100) All countries 40,916 37,177 91 1,276 1,204 94 China 1,444 2,373 164 75 78 104 EU select 3,239 3,335 103 31 29 93 Domestic export 103 76 **75** Japan 842 863 57 Mexico 490 436 89 24 22 91 Oth Asia select 1,198 1,152 96 14 24 176 Oth Europe select 366 384 105 2 4 176 Other 2,286 2,302 101 84 114 137 **United States** 31,053 26,332 85 970 876 90 All countries 1,744 1,517 44,906 43,199 96 87 China 4,464 6,339 142 93 107 116 EU select 4,007 4,564 114 71 130 182 Japan 51 20 10 **50** 1,339 683 82 77 Mexico 2,801 2,291 66 51 Oth Asia select 108 1,668 1,808 29 31 108 Oth Europe select 741 671 91 6 3 44 Other 5,318 5,756 108 70 64 92 24,568 **United States** 21.086 86 1,389 1,121 81

Table 2: Trade of All Merchandise by Destination (Millions of dollars and Index Jun/Feb 2020)²

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- For Winnipeg businesses looking for help accessing government programs, please reach out to our Yes! Winnipeg Team through our <u>Help us</u> help you form if you are not sure who to contact on the Y!W team.
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- For Marketing & Communications Inquiries, please email <u>marketingandbranding@edwinnipeg.com</u>.

² Custom groupings. **EU Select** = (Belgium, France, Germany, Italy, Spain, United Kingdom), **Other Europe select** = (Norway, Russian Federation, Switzerland), **Other Asia Select** = (Hong Kong, India, Indonesia, Singapore, South Korea, Taiwan). **Other** is combines (Australia, Brazil, Peru, Algeria, Iraq, Saudi Arabia, Turkey, and unnamed other countries).

