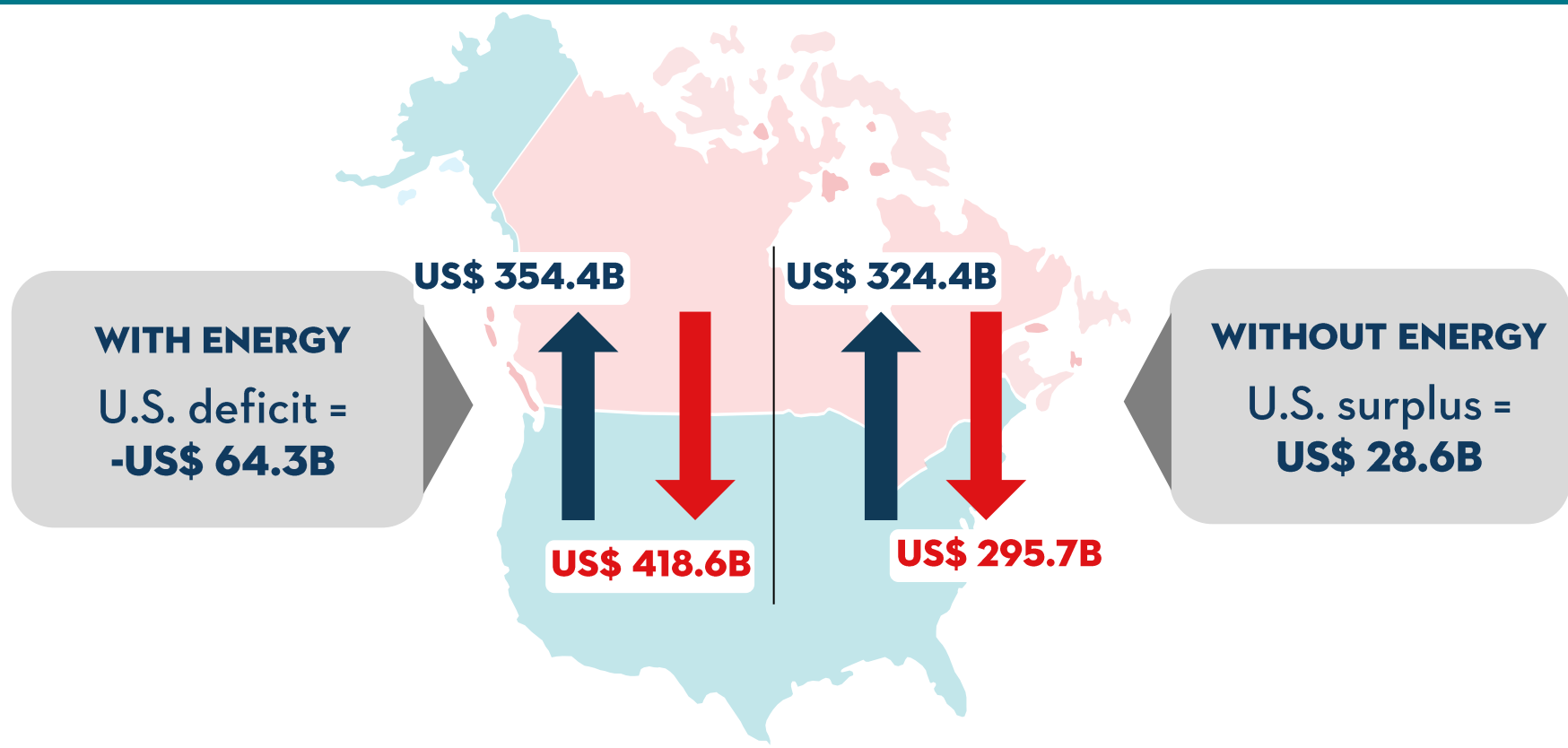


U.S. – CANADA TRADE BALANCES

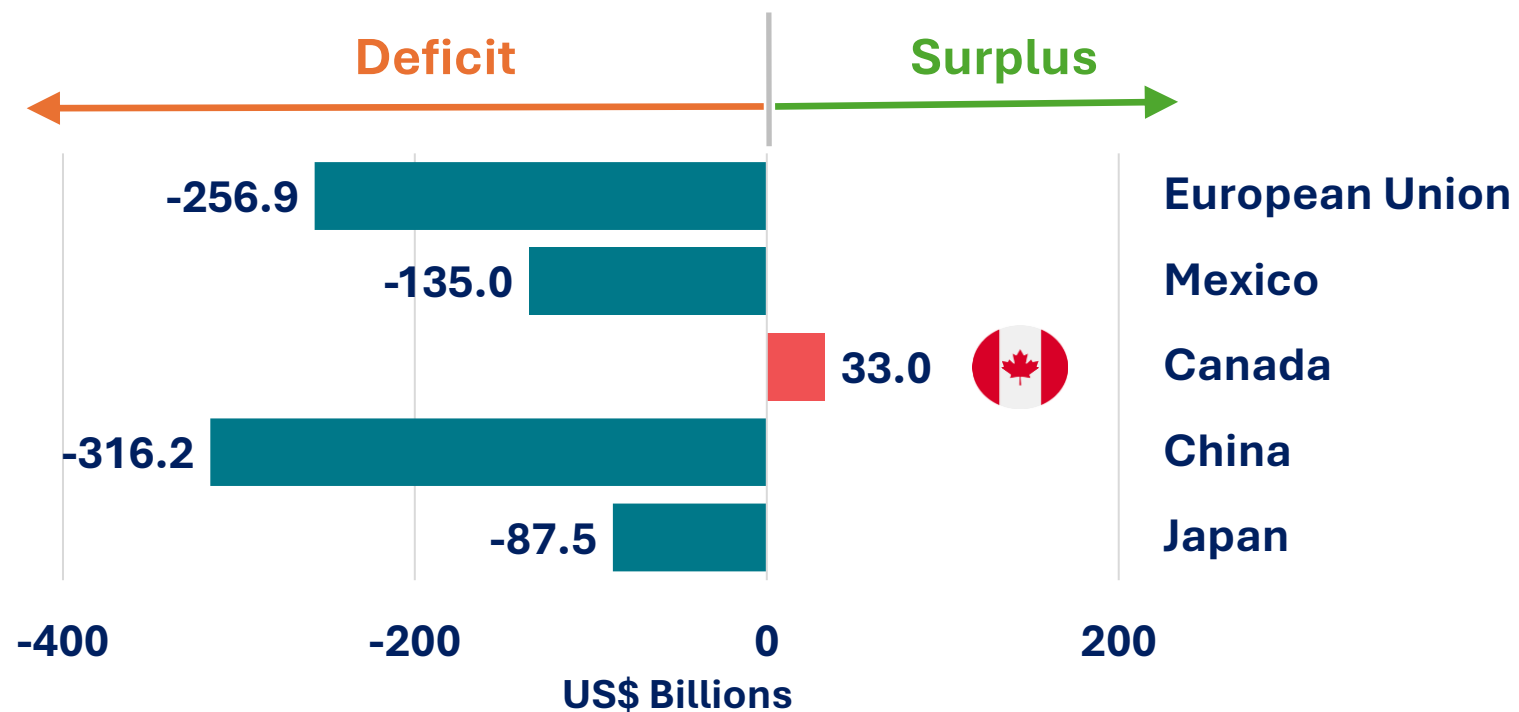
U.S. - Canada Trade in Merchandise (2023)



What the U.S. Department of Commerce numbers say

- In 2023, the U.S. merchandise trade deficit with Canada was US\$ 64.3 billion (B) and **entirely driven by energy products**.
 - Trade in energy represents a U.S. trade deficit of US\$ 92.9B in 2023.
 - Excluding energy**, the U.S. has had a merchandise **trade surplus** with Canada since 2007 and standing at US\$ 28.6B in 2023.
- In contrast, the U.S. has had a **surplus for manufacturing** since 2007. It stood at US\$ 33B in 2023, including US\$21.6B in machinery.
 - Canada was **the only top 5 trade partner** with whom the U. S. ran a trade surplus in manufacturing.
- Canadian natural resources fuel American manufacturing** of products stamped “Made in the USA” by American workers.
- The U.S. has had a **services trade surplus** with Canada for more than the last two decades. This surplus stood at US\$ 31.7B in 2023.

U.S. Trade Balances in Manufacturing (2023)



Key Takeaways

- In 2023, the **U.S. trade deficit with Canada (US\$ 64.3B)** was **significantly smaller** than those with China (US\$ 279.1B) and Mexico (US\$ 152.5B).
- The U.S.-Canada trade deficit was balanced by **an important surplus in foreign direct investment (US\$ 220.1B)** in 2023; Canada’s investment in the U. S. (US\$ 671.7B) significantly exceeded U.S. investment in Canada (US\$ 451.6B).
- Canada-U.S. trade makes U.S. industry stronger** and more globally competitive. Canada sells inputs to the U.S. that it **turns into higher-valued “Made in the USA” goods** to export abroad. The U.S. does not give anything for free by trading with Canada.

Note: “Manufacturing” corresponds to NAICS 31, 32 and 33
 Data: U.S. Department of Commerce, Bureau of Economic Analysis. Bureau of Census
 Source: Office of the Chief Economist, Global Affairs Canada

Canada Matters for the U.S.

CANADA BUYING FROM THE U.S. & INVESTING IN THE U.S.

U.S. Exports to Canada, 2023

Canadian Investment, 2023



Exports of goods and services.

Foreign direct investment position on a historical-cost basis.

Top 10 U.S. Merchandise Exports to Canada, 2023

Product Group	Export Value (Billions US\$)
Automotives	\$58.9
Machinery	\$53.3
Energy	\$30.0
Electronics	\$29.8
Plastics	\$15.5
Precision Instruments	\$10.7
Aircraft	\$9.2
Precious Stones & Metals	\$8.6
Iron & Steel Products	\$7.5
Misc. Chemicals	\$6.7

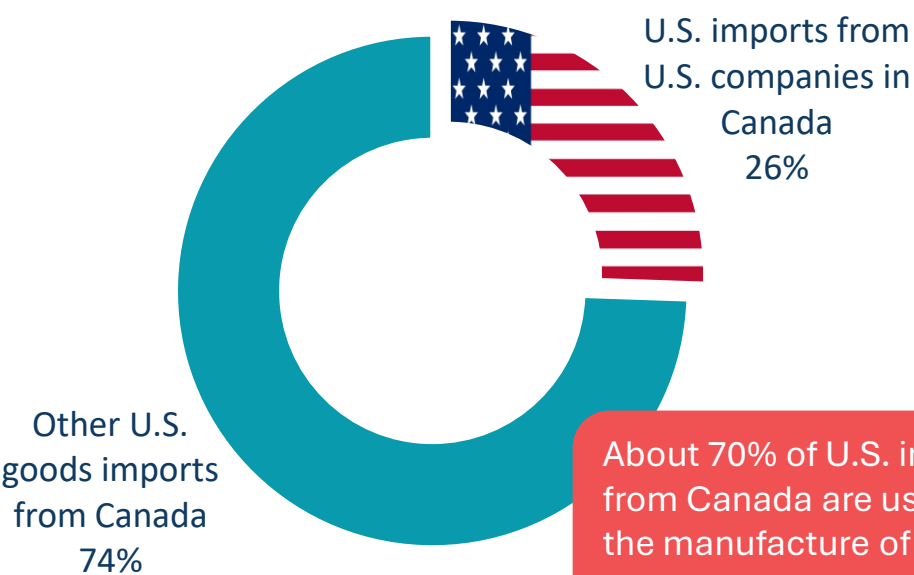
Top 10 U.S. Merchandise Imports from Canada, 2023

Product Group	Import Value (Billions US\$)
Energy	\$122.9
Automotives	\$56.0
Machinery	\$31.7
Plastics	\$13.5
Precious Stones & Metals	\$13.1
Aluminum	\$11.1
Wood	\$11.0
Electronics	\$9.8
Iron & Steel	\$8.3
Aircraft	\$7.9

Canada – U.S. Trade in 2023

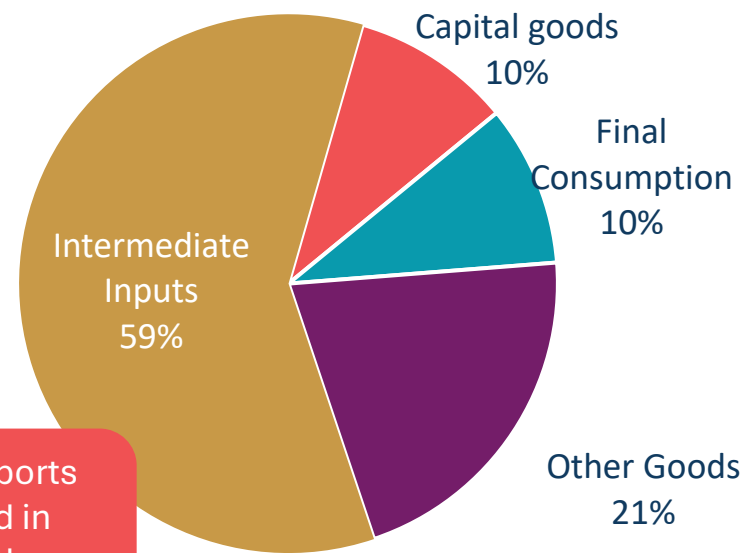
- Canada and the U.S. share the largest bilateral trading relationship in the world.
- Nearly US\$ 2.5 billion worth of goods and services crosses the Can-U.S. border each day.
- Canada and the U.S. traded almost US\$ 1 trillion in goods & services in 2023, representing 13.3% of total U.S. trade.
- 8 million U.S. jobs are tied to trade with Canada.
- The U.S. sells more to Canada than to any other country.

U.S. goods imports from Canada produced by U.S. affiliates, 2022



About 70% of U.S. imports from Canada are used in the manufacture of other goods.

U.S. imports from Canada by product use, 2023



STATES WITH CANADA AS THEIR TOP EXPORT MARKET, 2023

