



# TRADE AND INVESTMENT

## CANADA–UNITED STATES

### Economic Indicators

- Gross domestic product (GDP) at purchasing power parity (PPP): US\$27.4 trillion (2023)
- GDP per capita at PPP: US\$81,700 (2023)
- Population: 334.9 million (2023)
- International merchandise exports and imports: 19.0% of GDP at official exchange rates (2023)
- Canada’s largest merchandise trade partner (2023)
- Canada’s largest services trade partner (2022)



### Notable Trade and Investment Agreements Between Canada and the United States

- *Canada–United States–Mexico Agreement* (2020)

### Fundamentals

#### This Profile

The merchandise trade data are customs-based; the services trade data and foreign direct investment data are balance of payments–based.

The five most highly valued merchandise export and import categories have been identified using values for 2023.

All figures were prepared using Statistics Canada data available in summer 2024.

For the data tables used to generate the figures, see the HTML version: [Trade and Investment Series](#).

All dollar amounts are in Canadian dollars unless otherwise noted. Numbers have been rounded.

Definitions appear at the end of the profile.

#### The Sources for the “Economic Indicators” Section

- World Bank’s World Development Indicators database: GDP at PPP, GDP per capita at PPP, population, and international merchandise exports and imports as a share of GDP
- Statistics Canada: Merchandise and services trade rankings

## CANADA’S MERCHANDISE TRADE WITH THE UNITED STATES

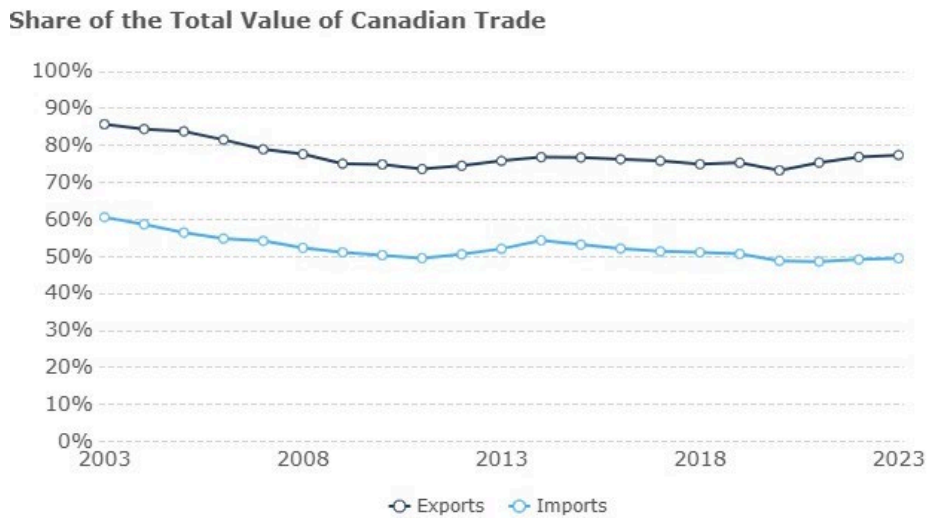
### Merchandise Trade

- Bilateral merchandise trade in 2023: \$968.4 billion
  - Exports: \$594.8 billion, a 0.8% decrease from 2022
  - Imports: \$373.6 billion, a 2.0% increase from 2022
- Trade surplus in 2023: \$221.1 billion, a decrease from \$233.0 billion in 2022



### Share of the Total Value of Canadian Trade

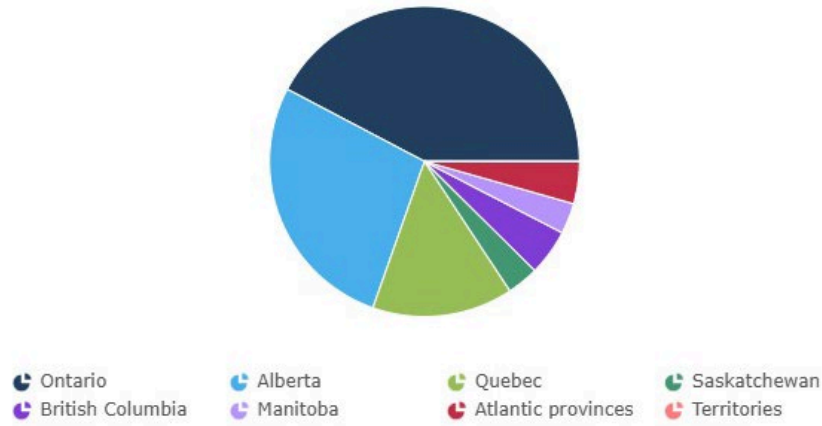
- Exports in 2023: 77.4% of the total value of Canadian exports, an increase from 76.9% in 2022
- Imports in 2023: 49.5% of the total value of Canadian imports, an increase from 49.2% in 2022



## Share of Exports by Province/Territory

- Highest-valued exporters in 2023:
  - Ontario: \$251.8 billion, an increase from \$220.3 billion in 2022
  - Alberta: \$162.2 billion, a decrease from \$183.8 billion in 2022

Share of Exports by Province/Territory



## Share of Exports by Sector

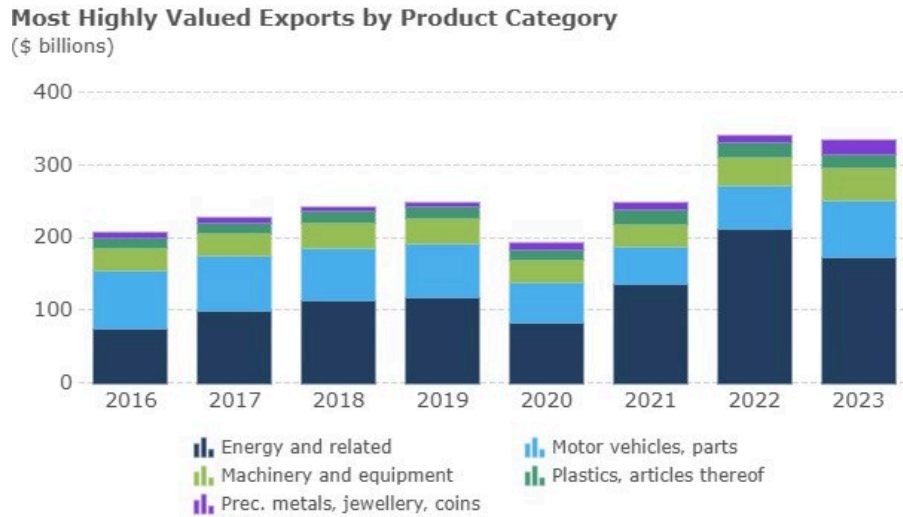
- Exports in 2023:
  - Resource-based goods: 31.3%, a decrease from 35.7% in 2022
  - Manufactured goods: 68.7%, an increase from 64.3% in 2022

Share of Exports by Sector



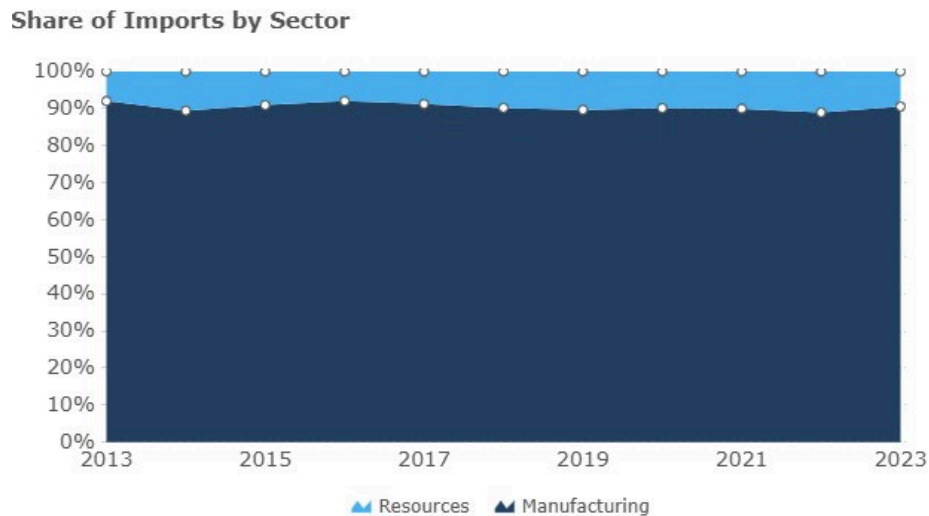
### Most Highly Valued Exports by Product Category

- Highest-valued exports in 2023: Crude oil and motor vehicles, together accounting for 30.0% of the total value of Canadian exports to the United States
  - Crude oil: \$130.4 billion, a decrease from \$152.7 billion in 2022
  - Motor vehicles: \$47.9 billion, an increase from \$35.3 billion in 2022



### Share of Imports by Sector

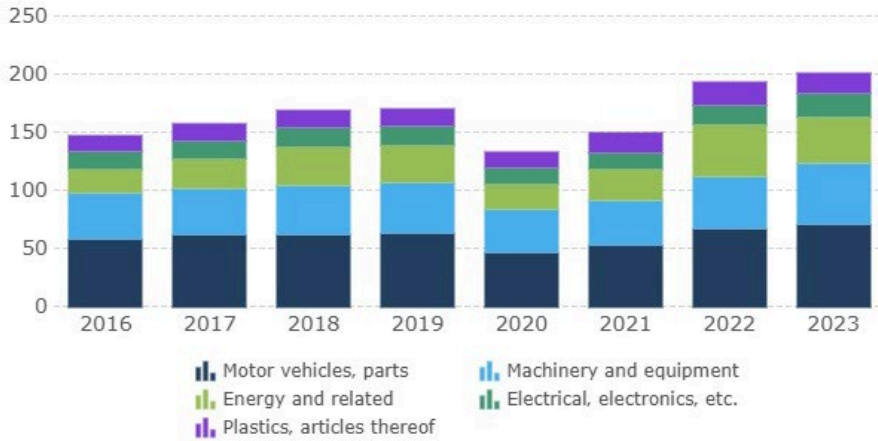
- Imports in 2023:
  - Resource-based goods: 9.5%, a decrease from 11.0% in 2022
  - Manufactured goods: 90.5%, an increase from 89.0% in 2022



### Most Highly Valued Imports by Product Category

- Highest-valued imports in 2023: Motor vehicles, and trucks and other goods-transporting vehicles, together accounting for 11.5% of the total value of Canadian imports from the United States
  - Motor vehicles: \$21.4 billion, a decrease from \$23.1 billion in 2022
  - Trucks and other goods-transporting vehicles: \$21.4 billion, an increase from \$20.0 billion in 2022

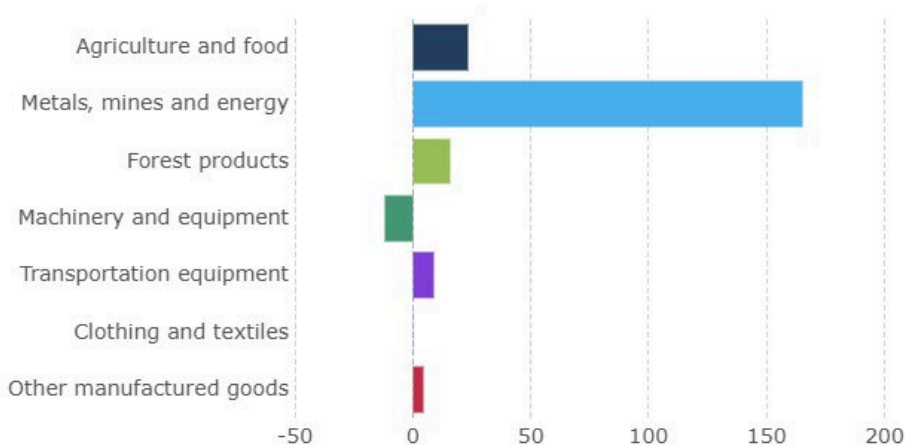
**Most Highly Valued Imports by Product Category**  
(\$ billions)



### Trade Balance by Product Category

- Largest merchandise trade deficit in 2023: Machinery and equipment, at \$12.1 billion
- Largest merchandise trade surplus in 2023: Metals, mines and energy, at \$165.5 billion

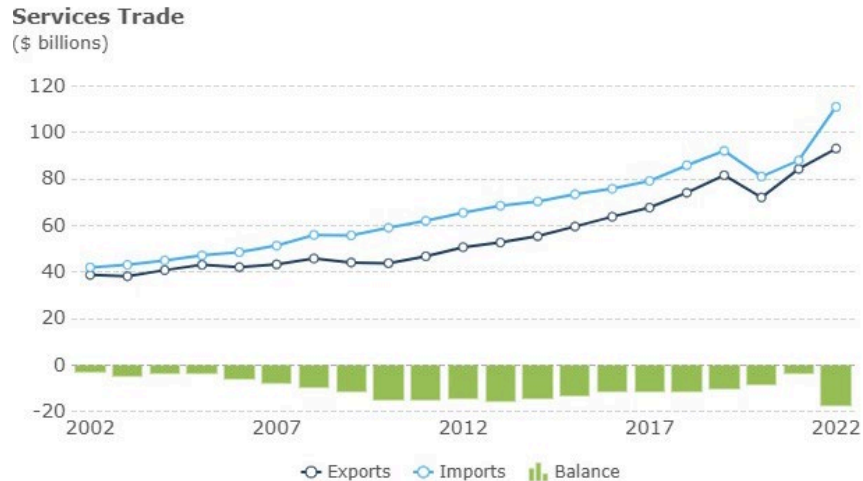
**Trade Balance by Product Category**  
(\$ billions)



## CANADA'S SERVICES TRADE WITH THE UNITED STATES

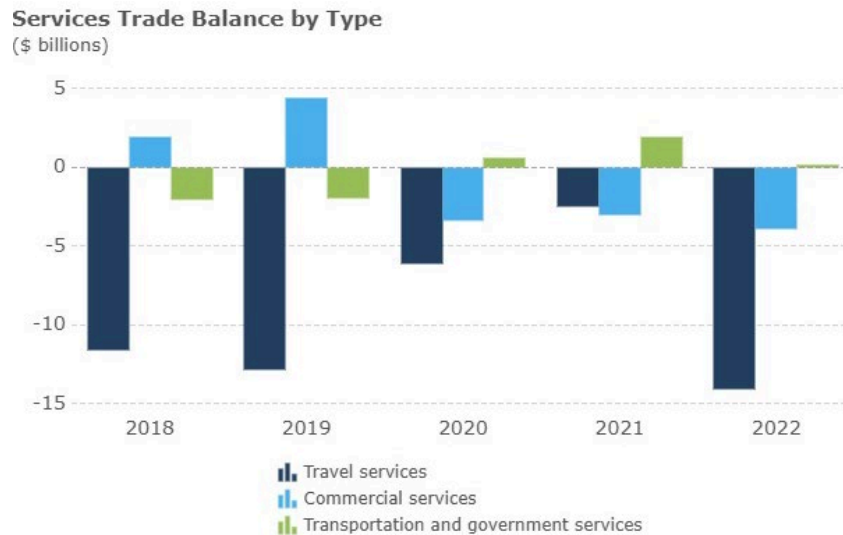
### Services Trade

- Bilateral services trade in 2022: \$204.3 billion
  - Exports: \$93.2 billion, a 10.4% increase from 2021
  - Imports: \$111.1 billion, a 26.2% increase from 2021
- Trade deficit in 2022: \$17.9 billion, an increase from \$3.7 billion in 2021



### Services Trade Balance by Type

- Services trade deficit in 2022: Largely due to travel services trade
- Travel services: \$8.0 billion in exports and \$22.2 billion in imports
- Commercial services: \$75.1 billion in exports and \$79.0 billion in imports
- Transportation and government services: \$10.1 billion in exports and \$9.9 billion in imports



## CANADA’S FOREIGN DIRECT INVESTMENT WITH THE UNITED STATES

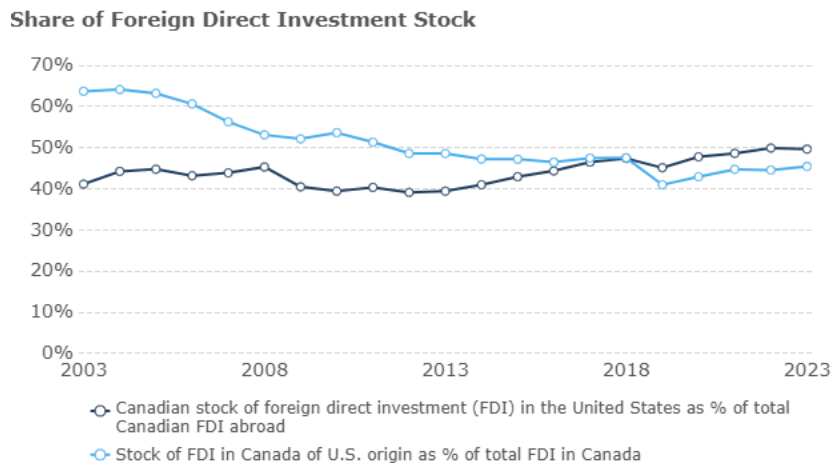
### Stock of Foreign Direct Investment

- United States as a destination for Canadian foreign direct investment among the 154 countries for which data were available for 2023: Largest
  - Stock of Canadian direct investment in the United States in 2023: \$1.1 trillion, a 6.3% increase from 2022
- United States as a source of foreign direct investment in Canada among the 97 countries for which data were available for 2023: Largest
  - Stock of U.S. direct investment in Canada in 2023: \$618.2 billion, a 6.1% increase from 2022



### Share of Foreign Direct Investment Stock

- 49.7% of Canada’s foreign direct investment stock was in the United States in 2023, a decrease from 49.9% in 2022
- 45.5% of the foreign direct investment stock in Canada was of U.S. origin in 2023, an increase from 44.6% in 2022



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## DEFINITIONS

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### Definitions Used Throughout the Series

#### **Balance of payments–based data**

Data that indicate the value of transactions between a country's residents and non-residents.

#### **Customs-based data**

Data compiled from declarations that are filed with the Canada Border Services Agency and that are used to track the flow of goods into and out of Canada, with one exception: exports to the United States. Since 1990, customs-based data on most Canadian exports to the United States have been based on declarations filed with U.S. Customs and Border Protection.

#### **Gross domestic product (GDP)**

Measure of an economy's total production in a given year.

#### **Manufactured goods**

Finished or semi-finished products resulting from the transformation of materials and substances into new products (North American Industry Classification System, or NAICS, codes 31 to 33), and the output of establishments primarily engaged in operating electric, gas and water utilities (NAICS code 22).

#### **Merchandise trade**

Trade in physical goods, such as cars, wheat and iron ore.

#### **Resource-based goods**

Products of the agriculture, forestry, fishing and hunting sector (North American Industry Classification System, or NAICS, code 11), and of the mining, quarrying, and oil and gas extraction sector (NAICS code 21).

#### **Services trade**

Trade in travel, transportation, government and commercial services. Travel services are goods and services purchased abroad by travellers, with one exception: cross-border transportation. Transportation services are the transportation of goods and cross-border travellers, and related services. Government services arise largely from official representation and military activities, and some governmental commercial activities. Commercial services are all other services, such as management, financial or engineering services; this category also includes charges for the use of intellectual property.

#### **Trade balance**

Difference between the value of exports and the value of imports. There is a trade surplus if the value of exports exceeds the value of imports. There is a trade deficit if the value of imports exceeds the value of exports.



## Definitions Specific to the Profiles for Countries and Regions

### Foreign direct investment (FDI)

Investment that provides an investor with ownership of at least 10% voting equity in an enterprise that is located in a country other than the investor's country of residence. The stock of FDI is the value of the accumulated equity owned by investors abroad; the stock changes from year to year based on various factors, including flows of FDI.

### Purchasing power parity (PPP)

Ratio of the prices in two countries for identical goods and services. It is used to adjust economic indicators to account for international price differences. With a calculation of GDP at PPP, a given good or service has the same price in each country.

## Definitions Specific to the Profile for the European Union

### EU-13

The 13 countries that joined the European Union between 2004 and 2013: Bulgaria, Croatia, Cyprus, Czechia, Estonia, Hungary, Latvia, Lithuania, Malta, Poland, Romania, Slovakia and Slovenia.

### EU-14

Fourteen of the 15 countries that became members of the European Union before 2004: Austria, Belgium, Denmark, Finland, France, Germany, Greece, Ireland, Italy, Luxembourg, the Netherlands, Portugal, Spain and Sweden. The 15<sup>th</sup> country, the United Kingdom, withdrew from the European Union on 31 January 2020.

## Definitions Specific to the Profiles for Provinces and Territories

### Basic prices

Prices received by sellers. They exclude both taxes and subsidies on products.

### Market prices

Prices paid by buyers. They include taxes net of subsidies on products.