



TRADE AND INVESTMENT

CANADA–MEXICO

Economic Indicators

- Gross domestic product (GDP) at purchasing power parity (PPP): US\$3.3 trillion (2023)
- GDP per capita at PPP: US\$25,600 (2023)
- Population: 128.5 million (2023)
- International merchandise exports and imports: 67.9% of GDP at official exchange rates (2023)
- Canada's 3rd largest merchandise trade partner (2023)
- Canada's 9th largest services trade partner (2022)

Notable Trade and Investment Agreements Between Canada and Mexico

- *Canada–United States–Mexico Agreement* (2020)
- *Comprehensive and Progressive Agreement for Trans-Pacific Partnership* (2018)
- Canada–Pacific Alliance Free Trade Agreement (under negotiation)

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.

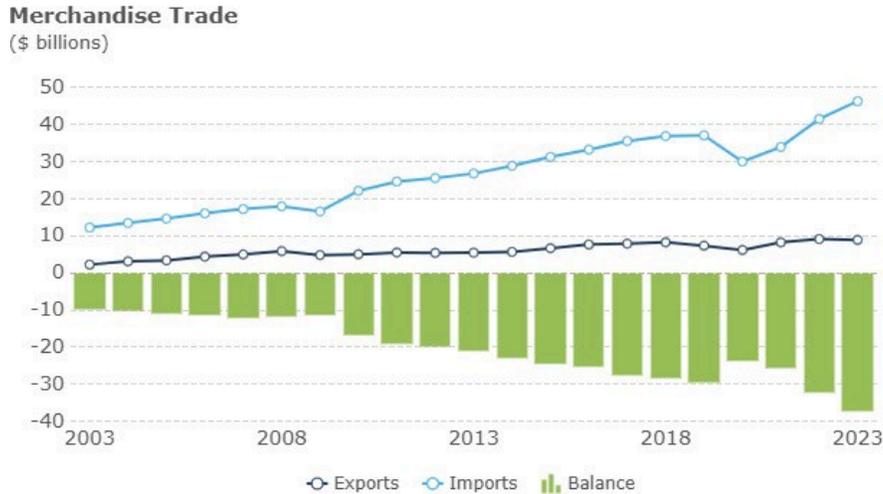
The Sources for the “Economic Indicators” Section

- 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 MEXICO

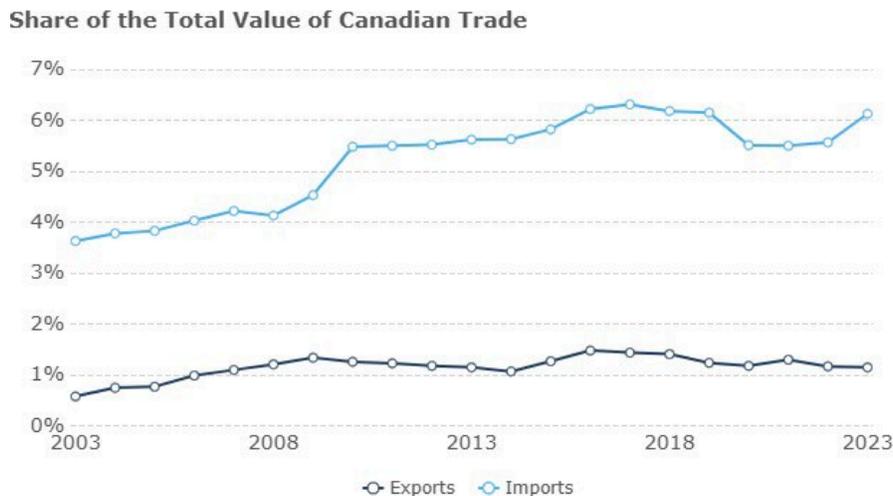
Merchandise Trade

- Bilateral merchandise trade in 2023: \$55.1 billion
 - Exports: \$8.9 billion, a 2.6% decrease from 2022
 - Imports: \$46.2 billion, an 11.5% increase from 2022
- Trade deficit in 2023: \$37.3 billion, an increase from \$32.3 billion in 2022



Share of the Total Value of Canadian Trade

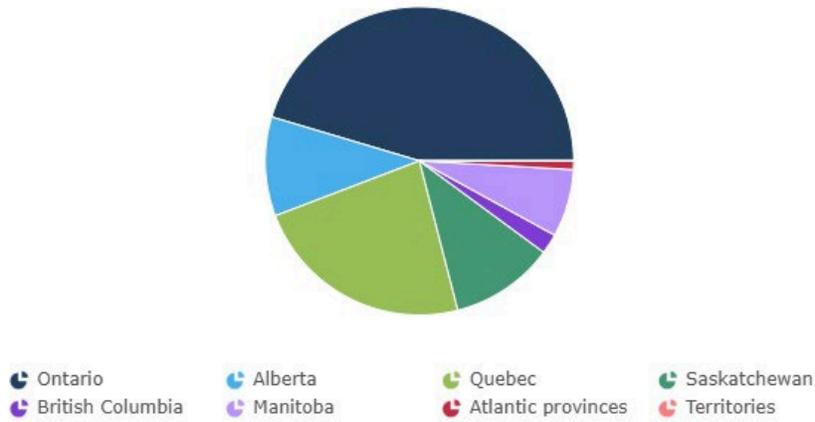
- Exports in 2023: 1.2% of the total value of Canadian exports, unchanged from 2022
- Imports in 2023: 6.1% of the total value of Canadian imports, an increase from 5.6% in 2022



Share of Exports by Province/Territory

- Highest-valued exporters in 2023:
 - Ontario: \$4.0 billion, an increase from \$3.5 billion in 2022
 - Quebec: \$2.1 billion, a decrease from \$2.2 billion in 2022

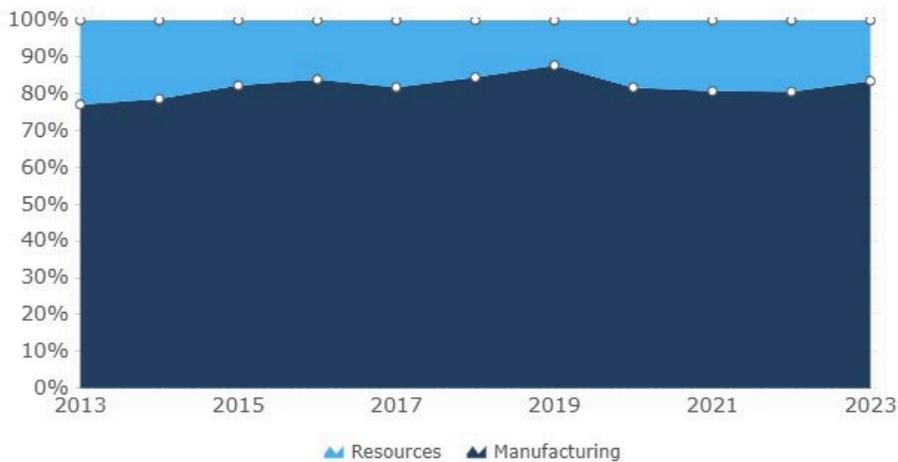
Share of Exports by Province/Territory



Share of Exports by Sector

- Exports in 2023:
 - Resource-based goods: 16.5%, a decrease from 19.4% in 2022
 - Manufactured goods: 83.5%, an increase from 80.6% in 2022

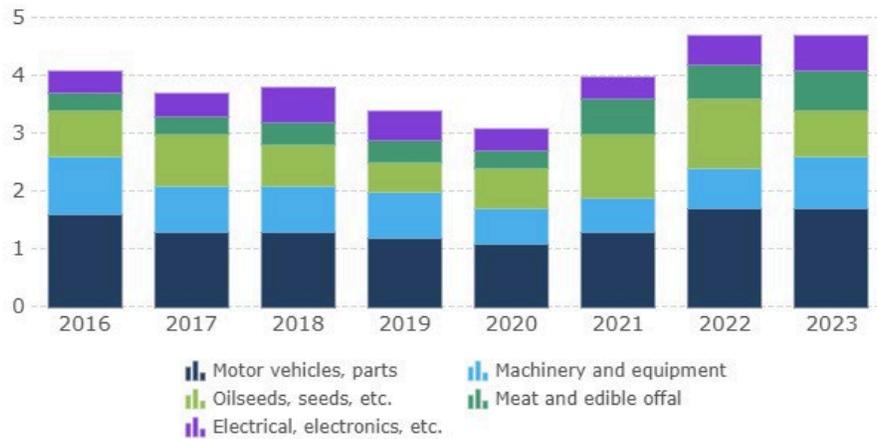
Share of Exports by Sector



Most Highly Valued Exports by Product Category

- Highest-valued exports in 2023: Motor vehicle parts and canola seeds, together accounting for 22.8% of the total value of Canadian exports to Mexico
 - Motor vehicle parts: \$1.3 billion, unchanged from 2022
 - Canola seeds: \$749.0 million, a decrease from \$1.2 billion in 2022

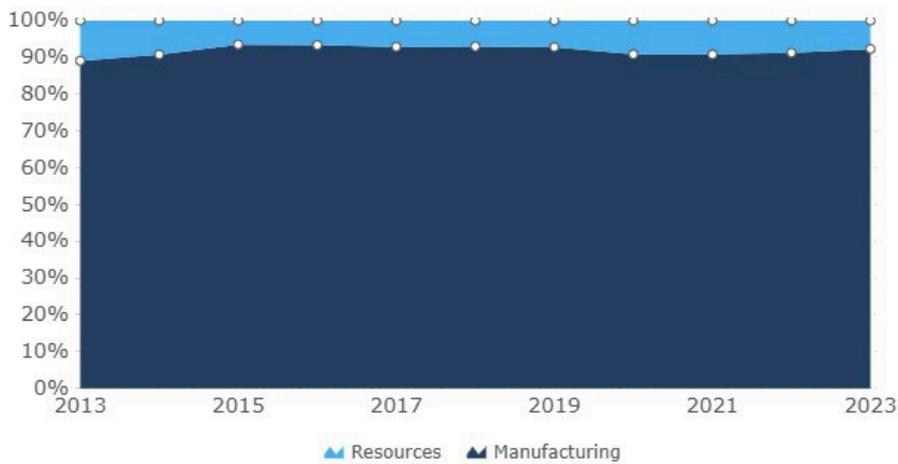
Most Highly Valued Exports by Product Category
(\$ billions)



Share of Imports by Sector

- Imports in 2023:
 - Resource-based goods: 7.7%, a decrease from 8.7% in 2022
 - Manufactured goods: 92.3%, an increase from 91.3% in 2022

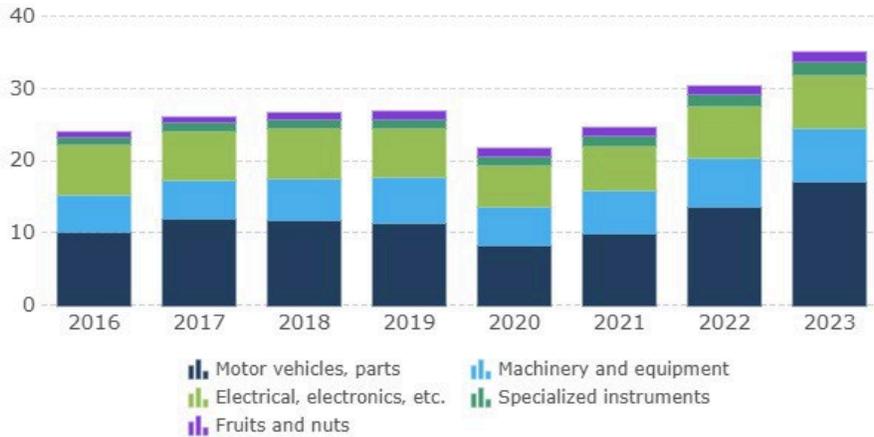
Share of Imports by Sector



Most Highly Valued Imports by Product Category

- Highest-valued imports in 2023: Motor vehicles, and trucks and other goods-transporting vehicles, together accounting for 26.2% of the total value of Canadian imports from Mexico
 - Motor vehicles: \$7.0 billion, an increase from \$5.1 billion in 2022
 - Trucks and other goods-transporting vehicles: \$5.1 billion, an increase from \$4.9 billion in 2022

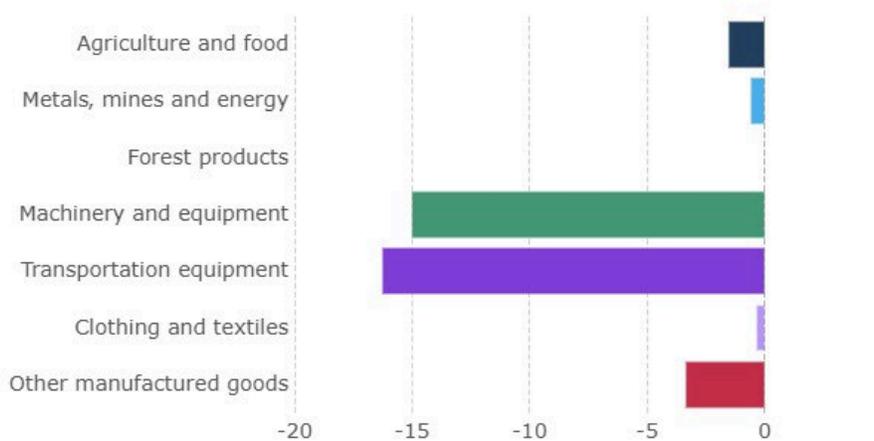
Most Highly Valued Imports by Product Category
(\$ billions)



Trade Balance by Product Category

- Largest merchandise trade deficit in 2023: Transportation equipment, at \$16.3 billion
- Largest merchandise trade surplus in 2023: Forest products, at \$14.2 million

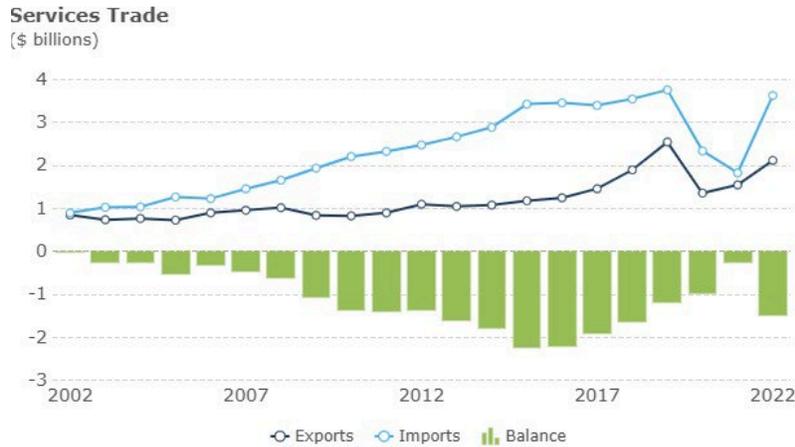
Trade Balance by Product Category
(\$ billions)



CANADA'S SERVICES TRADE WITH MEXICO

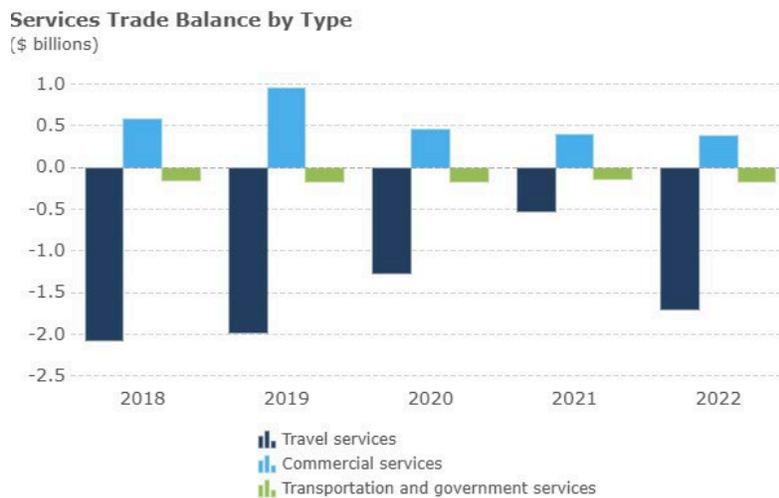
Services Trade

- Bilateral services trade in 2022: \$5.7 billion
 - Exports: \$2.1 billion, a 36.5% increase from 2021
 - Imports: \$3.6 billion, a 98.4% increase from 2021
- Trade deficit in 2022: \$1.5 billion, an increase from \$281 million in 2021



Services Trade Balance by Type

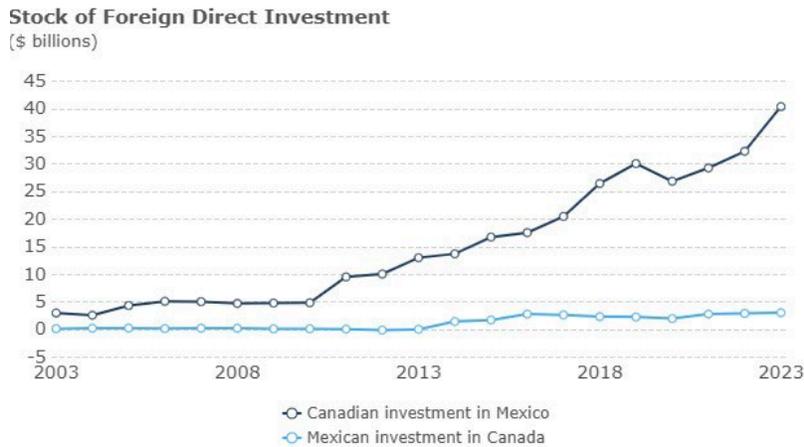
- Services trade deficit in 2022: Largely due to travel services trade
- Travel services: \$832 million in exports and \$2.6 billion in imports
- Commercial services: \$1.2 billion in exports and \$777 million in imports
- Transportation and government services: \$112 million in exports and \$297 million in imports



CANADA'S FOREIGN DIRECT INVESTMENT WITH MEXICO

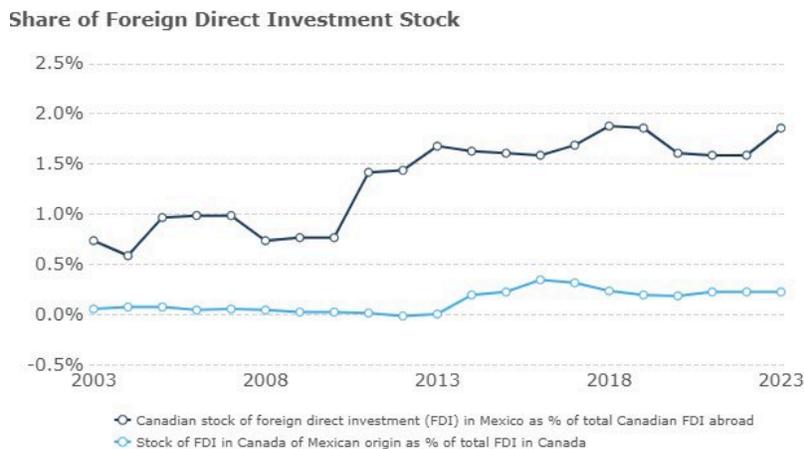
Stock of Foreign Direct Investment

- Mexico as a destination for Canadian foreign direct investment among the 154 countries for which data were available for 2023: 9th largest
 - Stock of Canadian direct investment in Mexico in 2023: \$40.4 billion, a 25.0% increase from 2022
- Mexico as a source of foreign direct investment in Canada among the 97 countries for which data were available for 2023: 28th largest
 - Stock of Mexican direct investment in Canada in 2023: \$3.1 billion, a 4.3% increase from 2022



Share of Foreign Direct Investment Stock

- 1.9% of Canada's foreign direct investment stock was in Mexico in 2023, an increase from 1.6% in 2022
- 0.2% of the foreign direct investment stock in Canada was of Mexican origin in 2023, unchanged from 2022



DEFINITIONS

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 15th 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.