

Gains in precious metals and stones were led by gold (up almost \$2.0 billion) and silver (up \$1.1 billion), with coins and precious metals waste and scrap contributing to most of the remaining gains.

Merchandise exports to the **United Kingdom**, which continued to be Canada's second-largest destination, increased to \$16.4 billion in 2010, or 4.1 percent of all exports. Exports were up by 35.7 percent (or \$4.3 billion). Precious metals and stones led the gains, up \$3.5 billion, with gold (up \$3.0 billion) accounting for the lion's share of the advance. Nickel (up \$0.7 billion) and aircraft (up \$0.4 billion) also registered notable gains.

China retained third place among Canada's largest export destinations, accounting for 3.3 percent of all merchandise exports. Exports to China advanced \$2.1 billion to \$13.2 billion. Pulp, fats and oils, wood, and mineral fuels and oils accounted for much of the gains, advancing \$0.7 billion, \$0.6 billion, \$0.5 billion and \$0.4 billion, respectively. However, exports of oil seeds posted a sizeable loss (\$0.7 billion), due entirely to reductions in canola seed shipments. Over the five-year period 2006-2010, China's share of Canadian exports has risen from 1.8 percent to 3.3 percent.

Japan was Canada's fourth-largest export destination in 2010. Exports to Japan were valued at \$9.2 billion, up \$0.9 billion (or 10.6 percent) over 2009. Mineral ores accounted for the largest increase, at \$331 million, followed by wood, at \$164 million. Japan was the destination for 2.3 percent of all Canadian shipments abroad in 2010.

Mexico was in fifth spot for Canadian exports. Exports to Mexico grew the slowest among the top ten destinations, as they expanded by only 4.2 percent (up \$204 million) to just over \$5.0 billion. Strong gains in oil seeds (up \$188 million) and aluminum (up \$104 million) were offset by losses in mechanical machinery and appliances

(down \$201 million) and electrical machinery and equipment (down \$154 million). Smaller gains in other categories, led by iron and steel, meat, and motor vehicles, accounted for the overall increase in exports.

Germany ranked sixth in 2010. Exports to Germany were up \$201 million (5.4 percent) to \$3.9 billion. Strong gains in mineral ores (up \$314 million) and inorganic chemicals (up \$122 million) were largely offset by a \$379-million reduction in exports of aircraft and parts.

Exports to seventh-ranked **Korea** advanced \$182 million (5.2 percent) to \$3.7 billion. A \$160-million gain in cereal exports was largely offset by a \$134 million decline in machinery and appliances. Lesser gains were registered for pulp (up \$82 million), mineral fuels and oils (up \$60 million), and wood (up \$46 million), which contributed to the overall increase.

The **Netherlands** ranked eighth in 2010, the same as in 2009. Exports to the Netherlands were up \$490 million (17.8 percent) to \$3.2 billion. Strong gains in aluminum (up \$226 million), oil seeds (up \$215 million), nickel (up \$153 million) and inorganic chemicals (up \$115 million) were partially offset by a \$228-million decline in exports of mineral fuels and oils.

Brazil broke into the top ten Canadian export markets for the first time in 2010, placing 9th—a considerable jump from 14th place in 2009. Exports vaulted 60.4 percent, or \$967 million, to nearly \$2.6 billion. Three products accounted for the bulk of the increase: fertilizers, up \$301 million (180.9 percent); pharmaceutical products, up \$281 million (3,158.6 percent); and mineral fuels and oils, up \$192 million (94.7 percent). For the most part, Canada recouped all of its exports to Brazil lost during the global recession of 2009.