The share of exports destined for the United States from Canada's small businesses has also decreased since 1999. In 2009, the United States received 66 percent of the total value of Canadian small business exports, down from 75 percent in 2008 and 82 percent in 1999. In contrast, exports to Japan, China and South Korea have become increasingly important for Canada's small businesses over the last decade. In 2009, these firms exported disproportionally more than medium-sized or large firms to a number of key emerging markets. For example, small firms accounted for 65 percent of the value of Canadian exports to India, 63 percent to Egypt and 60 percent to Turkey.

vehicles, gold and certain energy products (e.g. natural gas and crude oil). The resource-based products were affected by price changes in 2010. For crude oil, prices were up last year, helping to underpin the expansion of the trade balance for this product. Likewise, prices of precious metals were on the rise in 2010, with the price of gold up from US$973 per troy ounce in 2009 to US$1225 per troy ounce in 2010.[4] Natural gas prices fell over 2010 while experiencing a modest increase in export volumes, resulting in a small increase in value of natural gas exports; however with imports up by more, the balance narrowed. For passenger cars, most of which were destined for the United States, the gain was a result of volumes increasing while prices fell. Overall, these four products registered a $63.5-billion trade surplus, up $16.1 billion over the previous year.

Products for which Canada typically reports large exports and smaller imports are largely composed of non-energy resources such as potash, metals, and wheat. Many of these products benefited from strong price gains along with improving demand conditions as production began to pick up coming out of the global recession. For pulp, strong demand from China helped push exports up. By contrast, wheat exports fell in 2010, as both export prices and volumes fell last year. Finally, sales of big ticket items such as aircraft were likely impacted by the recession. The trade surplus for these products grew by $4.8 billion to $45.6 billion.

Products with substantial trade flows but for which Canada registers a trade deficit include telecommunications equipment, medicines, and motor vehicle parts. The subsiding of fears of a global influenza pandemic may explain the fall in trade of dosage-sized medicaments, while the pickup in the North American automotive market likely explains the strong increases in auto parts trade. However, the overseas business environment is generally weak as compared to Canada; this might lie behind the increase in telecom imports at the same time as exports were down. Overall, the increase in exports of auto parts was offset by the declines in medicaments and telecom equipment and the value of exports of these products was little changed over the year while imports increased, resulting in a $4.1-billion widening of the deficit for these products.

Products for which Canada typically reports large imports and smaller exports are largely composed of manufactured goods. For most categories, Canadian demand was up while foreign demand was off. Overall, the trade deficit for these products widened by $7.8 billion to $30.4 billion.

4 Statistics Canada Cat. No.: 65-208, *International Merchandise Trade: Annual Review 2010.*