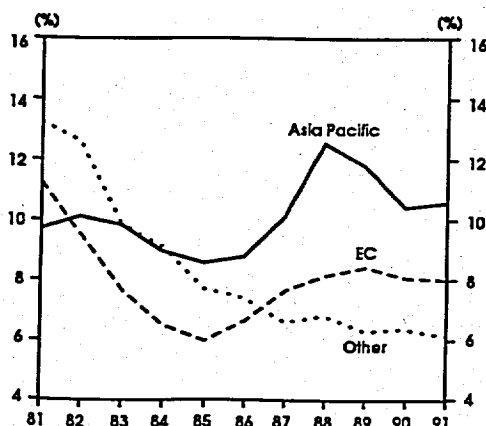


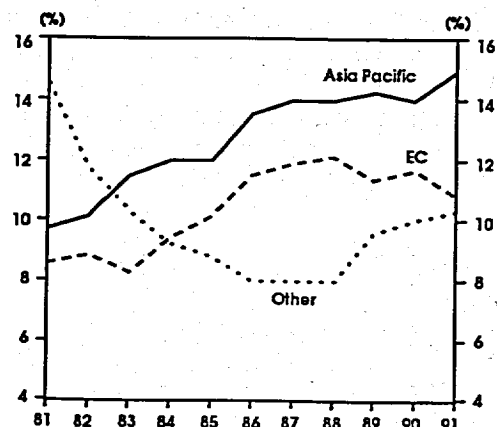
Graph I
MARKETS FOR CANADIAN EXPORTS
Percent of Total



SOURCE: ROYAL BANK OF CANADA

Asia Pacific is now Canada's second largest export market after the United States, accounting for 10.6% of Canadian exports in 1991. Europe has fallen from second place to third, and the rest of the world accounts for only 6% of Canadian exports – less than half the share held 10 years ago.

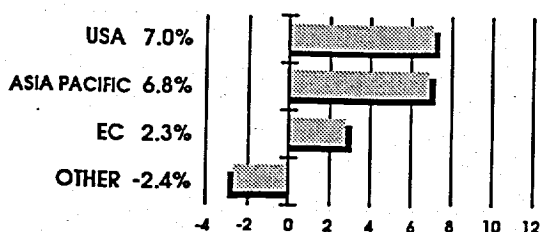
Graph J
MARKETS FOR CANADIAN IMPORTS
Percent of Total



SOURCE: ROYAL BANK OF CANADA

The Asia Pacific region is now the second largest source of Canadian imports after the United States, accounting for 15% of Canadian imports in 1991, compared to only 9.6% in 1981. Europe has also increased its share of the Canadian market over the past ten years, while the United States and the rest of the world have lost market share in Canada.

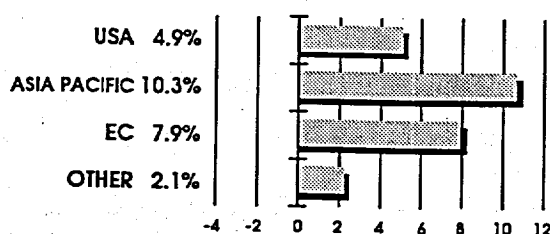
Graph K
CANADIAN MERCHANDISE EXPORTS
Average Annual % Growth, 1981-1991



SOURCE: ROYAL BANK OF CANADA

The Asia Pacific region is Canada's fastest growing market after the United States. Canadian exports to the region grew at an average annual rate of 6.8% between 1981 and 1991, close to the 7% rate recorded for exports to the United States. Canadian exports to Pacific Rim countries other than Japan grew at an average annual rate of 9.1% per year, nearly twice as fast as exports to Japan alone. Exports to Europe increased much more slowly, and Canadian exports to the rest of the world actually declined.

Graph L
CANADIAN MERCHANDISE IMPORTS
Average Annual % Growth, 1981-1991



SOURCE: ROYAL BANK OF CANADA

Canada has also become an increasingly significant market for the Asia Pacific region during the past 10 years. Canadian imports from the region increased at an average annual rate of 10.3% between 1981 and 1991 – faster than from any other major country or region. Growth in imports from Asia Pacific countries other than Japan has slightly exceeded growth in imports from Japan itself.