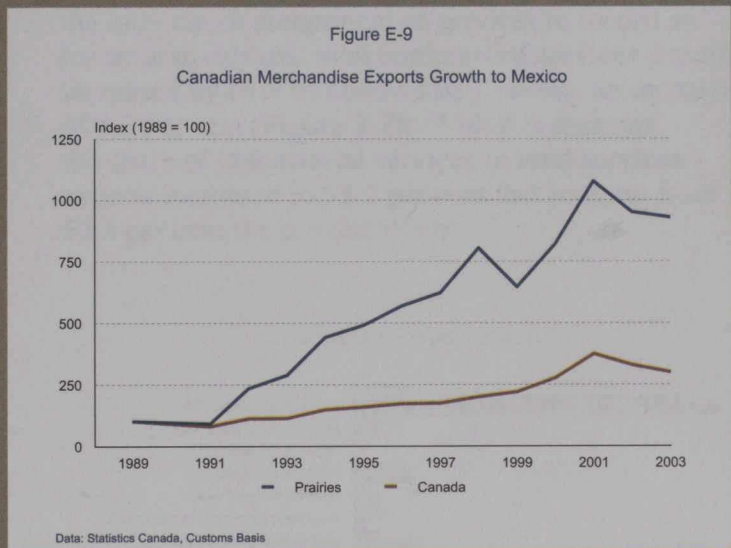


The NAFTA, and the Canada-U.S. FTA before it, along with a booming U.S. economy and declining Canada-U.S. exchange rate all contributed to a rising importance of the U.S. and Mexico for Canada over the past decade-and-a-half. In the last few years, however, we have seen some of these trends show signs of reversing. With the two trade agreements now in place, uncertainty about whether the U.S. will be able to continue to outpace global growth as it had, as well as a change in the direction of exchange rate movements, only time will tell if recent movements are temporary fluctuations or reflect a change in long-term trends.



<sup>1</sup>“NAFTA@10: A Preliminary Report”

<sup>2</sup>On a customs basis.

<sup>3</sup>1992 is the earliest data for which data is available for exports by the NAICS industrial classification while 2001 is the most current data available for manufacturing shipments.

<sup>4</sup>2001 is the most up-to-date balance of payments data available for Mexico.

<sup>5</sup>See Box C: Misallocation and Undercoverage in Merchandise Trade Statistics.