Japan is Canada's third-largest source of direct investment (C\$10 billion) and its second-largest source of portfolio investment (US\$54 billion). Automotive companies alone have invested \$1.8 billion in Canada.

#### China

 Sales of capital goods to China increased from \$125.7 million in 1987 to \$430.5 million in 1992, with the upward trend continuing in 1993.

## **EUROPE**

- Canadian merchandise exports to Europe totalled \$13.4 billion in 1993, representing over 7 percent of all Canadian exports.
- In 1993, Canada imported \$18.6 billion worth of merchandise from Europe, 11 percent of Canada's total imports.
- Canadian direct investment in Europe, at the end of 1992, was \$22.1 billion, while total European direct investment in Canada totalled \$37.8 billion.

# **United Kingdom**

- The United Kingdom is Canada's third-largest export market, totalling \$2.8 billion in 1993.
- The U.K. is the second-largest foreign investor in Canada with holdings estimated at \$17.5 billion, 13 percent of total investment in Canada.

#### Germany

 Germany ranks as Canada's fourth-largest trading partner, in both imports and exports. Canadian exports to Germany in 1993 totalled \$2.4 billion. Major exports include aircraft and spacecraft, machinery and engine parts, and paper.

### France

 In 1993, France was Canada's eight-largest trading partner based on merchandise exports and its sixth-largest trading partner in imports, with trade between the two countries exceeding \$3.5 billion in 1993.

#### Russia

 In 1993, Canadian non-grain exports to Russia totalled \$400 million, a fourfold increase from 1992, and exports of services are estimated at over \$250 million.

### LATIN AMERICA AND THE CARIBBEAN

- By the year 2000, the population of Latin American and Caribbean countries is expected to exceed 600 million, representing purchasing power of more than US\$1 trillion.
- Canadian exports to Latin America and the Caribbean reached \$3.3 billion in 1993.

#### Mexico

 Mexico is Canada's most important trading partner in Latin America, with two-way merchandise trade expected to increase to over \$5 billion in the near future.

Source: Department of Foreign Affairs and International Trade, June 1994.