

the sector accounted for 23.9 percent of total Canadian goods exports. Metals and alloys led the advances (up 39.8 percent to \$39.2 billion) along with metal ores (up 26.0 percent to \$13.0 billion). Higher prices were behind much of the gains for metal ores, while price and volume increases were responsible for the gains in metals and alloys. The price gains were particularly strong for nickel, copper and zinc—for both ores and metals. A mix of price and volume gains also helped raise the levels of chemicals, plastics and fertilizers exports, which advanced 17.6 percent to \$30.1 billion. For fertilizers, strong volume increases offset an 18.8-percent fall in prices to help pull exports up by 29.4 percent, by value. Miscellaneous industrial goods and materials accounted for the remainder of the increase in industrial goods and materials, with exports up some 13.4 percent. Declines in asbestos and other non-metallic mineral basic products limited the export gains in this category.

Lower price hikes and virtually stagnant volume growth were behind the smaller increase in **energy products**, as energy slipped from the largest export category in 2009 to the second spot last year. Overall, energy exports were up 13.5 percent to \$90.7 billion in 2010. Prices for crude oil recovered somewhat in 2010 after a 31.2-percent correction the previous year. However, a 1.8-percent decline in the volume of exports partly offset the price increases. A 3.0-percent increase in the volume of natural gas exports was not enough to offset a 4.9-percent decline in natural gas prices and resulted in a 2.1-percent decline in the value of natural gas exports.

Machinery and equipment exports fell for a third consecutive year, down \$4.5 billion, or 5.5 percent, to just under \$76.0 billion. This was nearly 20 percent off the peak export level registered in 2007.

Losses were widespread throughout the category. Over 40 percent of the losses, or \$1.8 billion, occurred in aircraft and other transportation equipment, with the bulk of the decline coming from aircraft. Telecom equipment and office machinery exports both declined in 2010 to account for much of the \$1.4-billion loss in other machinery, while industrial equipment and agricultural machinery exports fell \$1.2 billion as exports of both of the principal groups that make up this category declined.

After five years of declines, exports of **automotive products** reversed the trend and registered an increase. Exports were up \$13.0 billion, or 29.6 percent, to \$56.8 billion. Most of the gains came from passenger vehicles, with exports up \$11.3 billion on the strength of a 55-percent increase in the volume of automobiles exported. At the same time, exports of auto parts were up by over a fifth in value terms and by over a quarter in volume terms. It was the first increase in parts exports after seven straight years of declines. Trimming back the gains was a 38.6-percent, or \$1.5 billion, decline in truck exports.

Agricultural and fishing products exports fell for the second straight year in 2010, this time down by \$329 million, or 0.9 percent, to \$36.9 billion. The declines were concentrated in wheat (down \$1.4 billion), barley (down \$128 million), and meat (down \$150 million) while gains were mostly moderate across the other agricultural commodities, with the exception of the other cereal preparations category, which was up \$1.1 billion.

As was the case for automotive products, **forestry products** halted a five-year slide in exports by recording a \$2.3-billion increase (12.0 percent) last year. Forestry product exports returned to \$21.8 billion in 2010. Exports of pulp and lumber accounted