

Export and Investment Promotion Planning System

87/88 Trade and Economic Overview

Mission: 602 CHICAGO

Country: 577 UNITED STATES OF AMERICA

RECENT ECONOMIC PERFORMANCE IN THE POST TERRITORY HAS BEEN SLIGHTLY BELOW THE NATL AVERAGE. MIDWEST STATES HAVE BEEN HEAVILY AFFECTED BY THE EROSION OF THE COMPETITIVENESS OF AMERICA'S TRADITIONAL INDUSTRIES. SOFTNESS IN THE AGRICULTURAL SECTOR HAS ALSO HAD AN IMPACT. LOWER INTEREST RATES, CONTINUED CONSUMER BUOYANCY, AND A STRONG HOUSING MKT HAVE KEPT THE CONSUMER SERVICES, RETAILING AND THE CONSTRUCTION TRADES BOUYANT. STATE GOVTS HAVE ASSIDUOUSLY AND SUCCESSFULLY PURSUED NEW INVESTMENT IN THE AUTOMOTIVE INDUSTRY, INCLUDING INVESTMENT FROM CDA. STRENGTH IN THE FINANCIAL SECTOR WAS REPRESENTED IN THE IMPROVED ASSET AND EQUITY RATIOS OF CHICAGO'S MAJOR BANKS. NEW PRODUCTS AND SERVICES WERE INTRODUCED IN THE CHICAGO FUTURES INDUSTRY ENHANCING THE CITY'S REPUTATION AS AN INTL FINANCIAL CENTRE. FROM THE CDN EXPORT PERSPECTIVE, THE CHICAGO POST TERRITORY REMAINS A HIGHLY ATTRACTIVE MKT. CHICAGO IS THE COUNTRY'S THIRD LARGEST MKT, AND TOGETHER WITH ST. LOUIS, MILWAUKEE AND KANSAS CITY, THE POST TERRITORY INCLUDES 4 OF THE COUNTRY'S TOP 17 METRO MKTS. THE DYNAMISM OF THE ELECTRONICS, SOFTWARE, RESEARCH AND DEVELOPMENT, PHARMACEUTICAL, ROBOTICS AN OTHER HIGH TECH INDUSTRIES IS SUBSTANTIAL, BOTH IN THE ABSOLUTE NUMBER OF JOBS GENERATED, AS WELL AS RELATIVE TO OTHER U.S. STATES. CORPORATE AND PUBLIC ATTITUDES TOWARDS CDNS AND CDN PRODUCTS & SERVICES REMAINS POSITIVE. THERE HAS BEEN NO LOCAL PROTECTIONIST BACKLASH AGAINST ANY CDN PRODUCTS. MEDIA COVERAGE ON RECENT TRADE RELATIONS DIFFICULTIES HAS BEEN POSITIVE AND SYMPATHETIC TO CDN VIEWS. PROCUREMENT & SPECIFYING OFFICIALS IN GOVT AGENCIES APPEAR WELL DISPOSED TO SERIOUSLY CONSIDERING CDN BIDS. MANY THE MIDWEST COS HAVE LIMITED TRADE OR INVESTMENT LINKS ABROAD. TOGETHER WITH COS WHO MAY BE RATIONALIZING THEIR NORTH AMERICAN AND/OR GLOBAL OPERATIONS, THESE COS REPRESENT SIGNIFICANT POTENTIAL FOR NEW INVESTMENT AND TECH. INFLOWS INTO CANADA. AS NORTH AMERICA'S MAJOR CORPORATE MEETING AND INDUSTRIAL EXHIBITION CENTRE, CHICAGO CONTINUES AS A MAJOR FOCAL POINT FOR CANADIAN INDUSTRIAL DEVELOPMENT ACTIVITY.