

**TABLE 1**  
Top 10 Bilateral Merchandise Trade Relationships

2002		2011	
Trade Relationship	Total Trade (Billions \$)	Trade Relationship	Total Trade (Billions \$)
U.S.-Canada	\$546.8	U.S.-Canada	\$533.9
U.S.-Mexico	\$378.7	U.S.-China	\$511.8
U.S.-Japan	\$281.5	U.S.-Mexico	\$432.7
U.S.-China	\$239.4	China-Japan	\$374.3
China-Japan	\$181.1	China-South Korea	\$245.4
Germany-France	\$172.3	Germany-Netherlands	\$245.0
China-Hong Kong	\$155.6	China-Hong Kong	\$227.9
U.S.-Germany	\$144.9	Germany-France	\$225.7
Germany-Netherlands	\$141.4	U.S.-Japan	\$201.1
U.S.-U.K.	\$128.9	China-Germany	\$180.1

Japan was the final country with multiple entries in the top ten for 2011: it ranked fourth (with China) and ninth (with the United States).

Canada (first), Mexico (third), Korea (fifth), the Netherlands (sixth), and Hong Kong (eighth) all occupied one spot among the top ten in 2011.

The well-documented emergence of China as a force in world trade is also reflected in the rankings of the top ten bilateral trade relations. Comparing the number of top ten pairs involving China between 2002 and 2011, China has brought two new partnerships into the top ten—with Korea and Germany—while displacing the U.S.-Germany and the U.S.-U.K. pairs from the top ten. As of 2011, China appeared more than any other country in the top rankings, a reflection of China's growing influence as a trading powerhouse.

In terms of value of trade, the Canada-U.S. bilateral merchandise trade pair was the largest in 2002 by a very wide margin. At \$547 billion, bilateral merchandise trade between these two partners was \$168 billion above the closest contender: the \$379-billion U.S.-Mexico trade pair. Moreover, the value of Canada-U.S. trade was more than double (\$307 billion more) the \$239-billion value of U.S.-China trade. By 2011, the gap between the largest and the second-largest trade pairs had closed to \$22 billion as trade between the U.S. and China vaulted over that between the U.S. and Japan, and displaced the U.S.-Mexico trade pair as the world's second-largest trade relationship.

During the 2002-2011 period, U.S.-China bilateral trade grew at an average annual rate of 8.8 percent. In comparison, Canada-U.S. bilateral trade posted an