
Trading Houses Play A Major Role In Overseas Markets. . .

Their contribution amounts to a substantial share of
Canadian exports. . .

78% Japan

65% South America

47% Africa

37% Middle East

37% Oceania

34% European Economic Community (EEC)

. . . They also play a significant role in some commodity exports

32% Food, feed, beverages, and tobacco

22% Crude materials, inedible

16% Fabricated materials, inedible

Source: *Promoting Canadian Exports: The Trading House Option*

2 Trading Houses — How Do They Make a Profit?

Whether they work for a commission or flat fee, or earn a profit on goods sold, the rates charged by trading houses will be a function of the following factors:

- the cost of services provided;
- the risks involved; and
- the nature of the market.