

Canada, and a market for Canadian commercial services abroad. Worldwide, the United Kingdom is the third largest market for Canadian exports, after the United States and Japan.

- Canada and the United Kingdom co-operate closely to ensure that their respective regional trade agreements, i.e. NAFTA and the European Union, do not become inward looking or affect the relationship between Canada and the United Kingdom. North America is the EU's most important trading partner.
- In 2002, Canadian merchandise exports to the United Kingdom totalled \$4.4 billion, a drop of 12.5 per cent from the previous year. Canadian exports are shifting from commodities to value-added products. In 2002, the most exported product category was machinery, followed by aerospace products, electrical machinery, precious stones (reflecting the growing importance of the Northwest Territories as a diamond producer), metal, nickel, and ores.
- In 2002, Canadian merchandise imports from the United Kingdom totalled \$9.7 billion, a drop of 17 per cent from the previous year. The most important import category was mineral fuel and oil, followed by machinery, aerospace products, electrical machinery, pharmaceutical products, and vehicles.
- British direct investment in Canada for 2002 increased by 4.2 per cent, totalling \$26.3 billion. Almost 30 per cent of this is in the finance and insurance sector. In 2002, the United Kingdom was third, behind the United States and France, as a source of foreign direct investment in Canada.
- Canadian direct investment in the United Kingdom for 2002 amounted to \$45.2 billion, an increase of 13.8 per cent from the previous year.