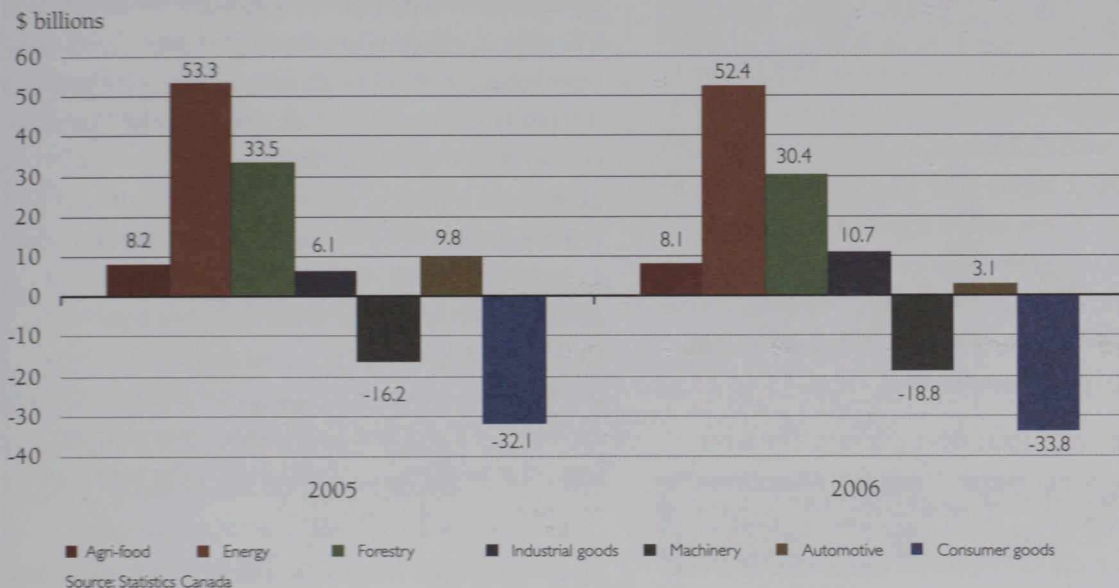


**FIGURE 4-7**  
Goods Trade Balance by Major Groups, 2005-2006



The ultimate impact has been a decrease in the prices of consumer goods and investment goods arriving in Canada. In addition, rapid industrialization in China and other Asian nations has contributed to the boom in commodity prices in recent years, notably for energy and metals.

Some of the changes in recent years have been spectacular. Automotive products which in 1999 had the largest surplus (\$21.4 billion) of all categories,

with the exception of forestry products, reached a modest surplus of \$3.1 billion last year. The surplus in energy products surpassed that in forestry for the first time ever in 2001, and by 2006 was \$20 billion larger, at \$52.4 billion.

Income generated from the boom in energy and metal prices has boosted consumer and business spending. This has pushed the deficit in consumer goods to new highs (\$33.8 billion) while the deficit

**FIGURE 4-8**  
Trade Balance by Major Groups

