

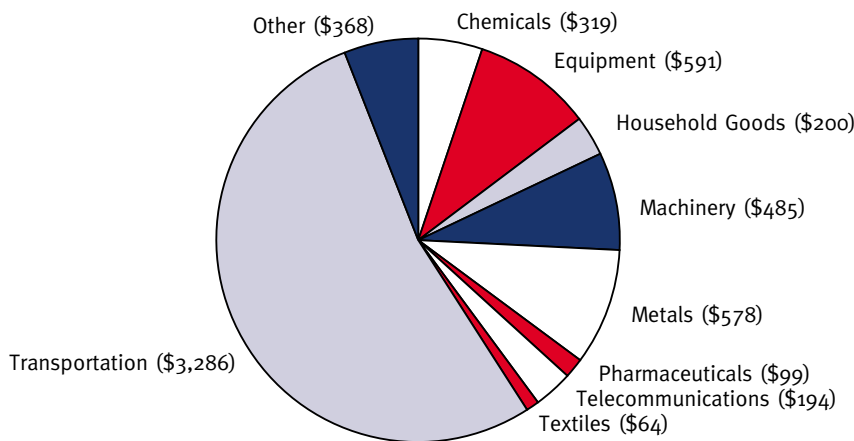


INDIANA

In 1989, the Canada-U.S. Free Trade Agreement went into effect, phasing out all tariffs and many non-tariff barriers to trade. Beginning in 1994, the North American Free Trade Agreement (NAFTA) opened the Mexican market to Canada and the United States. Evidence of the benefits of free trade are clear as two-way trade in goods, services and income between Canada and the United States totalled \$445 billion in 2001, the largest bilateral exchange in the world.

Indiana's Merchandise Exports to Canada

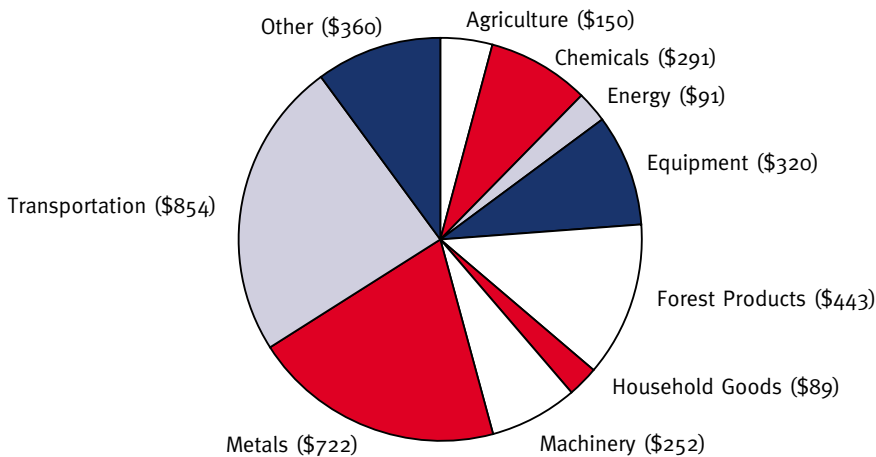
2001, in millions of U.S. dollars



Total Indiana exports to Canada: \$6.2 billion

Indiana's Merchandise Imports from Canada

2001, in millions of U.S. dollars



Total Indiana imports from Canada: \$3.6 billion

Canada is the Hoosier State's most important trading partner, by far.

Indiana exports more goods to Canada than it exports to its next twelve largest export destinations combined. In 2001, Indiana exported \$6.2 billion worth of goods to Canada, a figure that accounts for over 43% of the state's exports. The state imported \$3.6 billion worth of goods, bringing the bilateral trade to \$9.8 billion. On an average day in 2001, \$27 million worth of goods was exchanged between Indiana and Canada. The trade provided essential products and supported thousands of jobs in both economies.

Transportation drives up revenues...

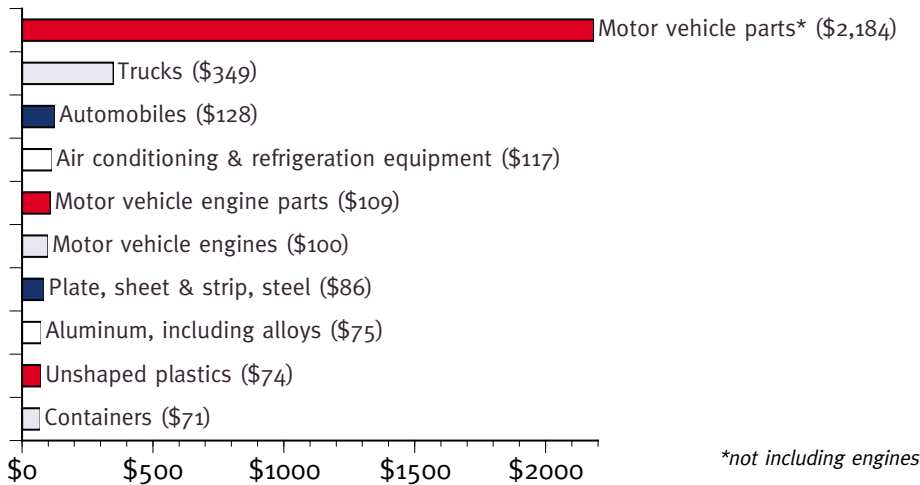
Sales of transportation equipment amounted to nearly \$3.3 billion and accounted for 53% of Indiana's total exports. Motor vehicle parts, excluding engines, were the state's number one export. Other sales included \$349 million worth of trucks, \$128 million in automobiles, and \$109 million worth of motor vehicle engine parts. The state's largest import sector from Canada, in turn, was \$854 million worth of transportation equipment. Sales were led by \$596 million worth of motor vehicle parts, excluding engines, and \$84 million in automobiles.

Canada and Indiana equip one another...

Equipment was the Hoosier State's second largest export sector in 2001. Canada bought \$591 million worth, including \$117 million worth of air conditioning and refrigeration equipment. Other sales included \$59 million in electrical lighting and lamps and \$51 million worth of electrical equipment for engines. Canada supplied the state with \$320 million worth of equipment, including \$76 million worth of electrical lighting equipment and \$75 million in heating and refrigeration equipment.

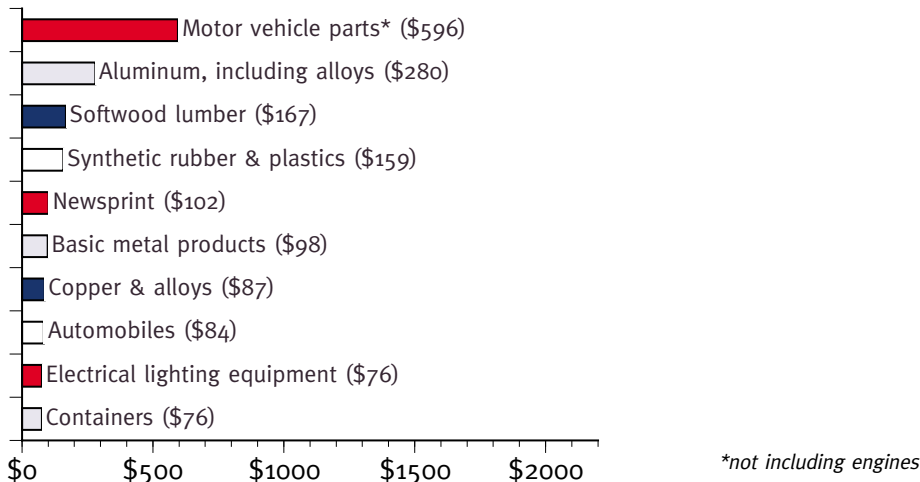
Indiana's Leading Exports to Canada

2001, in millions of U.S. dollars



Indiana's Leading Imports from Canada

2001, in millions of U.S. dollars



Metal sales are a cornerstone of bilateral trade... Canada supplied Indiana with \$722 million worth of metals, an essential input for the state's industries. Leading the sales were \$280 million worth of aluminum, including alloys, and \$87 million worth of copper and alloys. Indiana, in turn, sold \$578 million worth of metals to its northern neighbor, including \$86 million worth of plate, sheet and strip steel and \$75 million in aluminum, including alloys.

Canada and Indiana share a chemical interaction... The Hoosier State sold \$319 million worth of chemicals to Canada, including \$74 million in unshaped plastics and \$40 million in plastic film and sheet. Canada sold \$291 million worth of chemicals, dominated by \$159 million worth of synthetic rubber and plastics.

Travel and tourism add millions to the exchange... Residents of Indiana made nearly 343,000 trips to Canada in 2001 and spent nearly \$79 million. Canadians made over 499,000 visits to the Hoosier State and spent almost \$27 million.

July 2002

All figures are in U.S. dollars. Merchandise trade and tourism figures are from Statistics Canada, converted at the rate of US\$1.00=C\$1.5484. Canada's export ranking is from the Massachusetts Institute for Social and Economic Research (MISER). Figures may not add up due to rounding.

For more information on Canada's trade with Indiana, please contact:

Consulate General of Canada

600 Renaissance Center, Suite 1100 • Detroit, MI 48243-1798
Phone: (313) 567-2340 • Fax: (313) 567-2164
www.detroit.gc.ca

Consulate General of Canada

180 N. Stetson Avenue, Suite 2400 • Chicago, IL 60601-6714
Phone: (312) 616-1860 • Fax: (312) 616-1877
www.chicago.gc.ca

Canadian Embassy / Ambassade du Canada

501 Pennsylvania Avenue, N.W. • Washington, D.C. 20001
www.canadianembassy.org