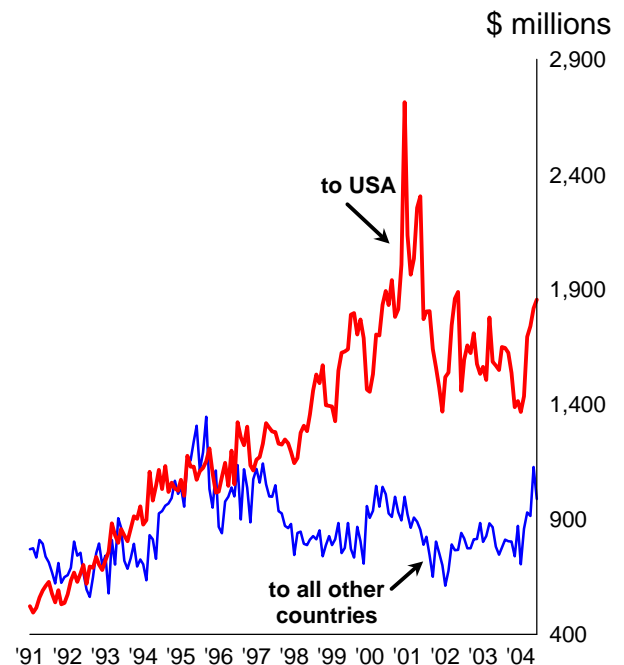


Exports ♦ June 2004

- BC origin exports continued their sharp climb in June, rising 23.9% compared to the same month a year earlier. As a result of robust growth in the last few months, the value of exports over the first half of 2004 is up 6.8% compared to the first six months of 2003.
- Strong demand for softwood lumber is one of the main reasons for the large increase in overall BC exports. Lumber exports to the United States have jumped 35.0% in the first half of 2004 compared to the same period last year. This is despite the combined countervailing and anti-dumping duties of 27.2% assessed on imports of Canadian softwood lumber into the United States. The US Department of Commerce has indicated that it will substantially reduce countervailing duties from 18.79% to 7.82% in order to comply with a NAFTA ruling, which is good news for Canadian lumber producers. However, if the ruling by NAFTA that Canadian lumber does not pose a threat to the American industry stands, that figure should fall to zero.
- Exports of metallic mineral products have increased 32.5% year-to-date, based on strong demand and a corresponding rise in prices. International shipments of copper (+56.9%), aluminum (+35.1%), and zinc (+14.5%) have all recorded substantial growth, while exports of molybdenum have more than doubled (+112.1%).
- The value of exports of energy products (-15.8%) continues to wane as prices for both natural gas and electricity have fallen. In the case of natural gas, quantities shipped are also down (-14.5%).
- In the first half of 2004, exports to several Asian destinations are substantially higher compared to the same period in 2003. Shipments to China (+56.0%), Hong Kong (+71.5%), South Korea (+17.3%) and India (+14.4%) have experienced considerable expansion; however, growth in exports to Japan (-0.4%) has been flat.

BC origin exports have climbed significantly in the first half of 2004, mainly on the strength of forest products and metals

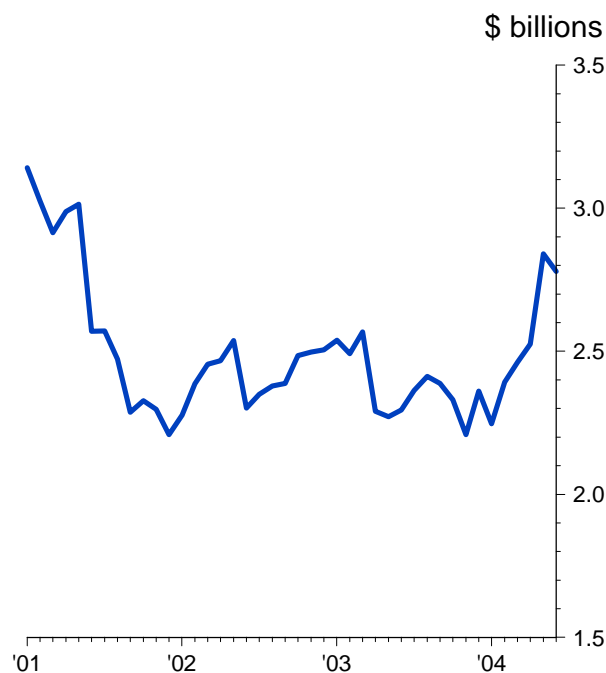


SEASONALLY ADJUSTED EXPORTS

Seasonally adjusted BC exports slipped slightly in June after soaring in May

Seasonal adjustment supplies a means of making month-to-month comparisons by removing the regular periodic seasonal fluctuations that occur. Variations from normal seasonal patterns are revealed in the seasonally adjusted data series.

- BC exports adjusted for seasonal variation slipped 2.2% in June, unable to sustain the tremendous growth (+12.5%) achieved in May. Exports to the United States continued to climb in June (+3.9%), while exports to other destinations fell 11.7%.
- A drop in exports of industrial and consumer goods (-8.6%) was responsible for much of the overall decline, but shipments of energy (-4.9%) and forest products (-0.9%) also contributed to the weaker performance in June.



BC Exports, Seasonally Adjusted

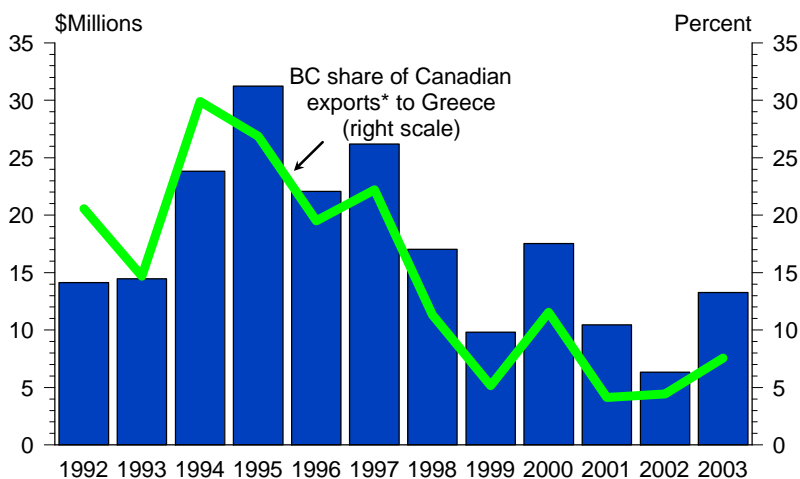
Month	Agriculture & Fish	Energy	Forest Products	Machinery & Equip, Auto	Industrial, Consumer	Total	Exports to USA
Jun 2002	189	293	1,044	332	443	2,301	1,453
Jul	192	288	1,091	344	435	2,349	1,521
Aug	208	261	1,125	355	430	2,379	1,579
Sep	193	310	1,071	373	441	2,388	1,620
Oct	206	370	1,096	350	464	2,485	1,661
Nov	200	406	1,098	349	444	2,497	1,669
Dec	219	368	1,127	360	431	2,505	1,659
Jan 2003	218	400	1,115	348	459	2,539	1,669
Feb	214	396	1,079	342	461	2,492	1,637
Mar	204	561	1,035	333	437	2,568	1,746
Apr	191	366	962	328	442	2,290	1,449
May	177	400	975	329	390	2,271	1,504
Jun	179	447	953	322	394	2,295	1,548
Jul	206	412	976	324	445	2,363	1,586
Aug	189	425	1,028	311	459	2,412	1,583
Sep	187	380	1,061	312	448	2,388	1,592
Oct	169	380	1,046	307	428	2,330	1,523
Nov	171	306	1,026	291	416	2,209	1,461
Dec	204	369	1,002	307	478	2,361	1,511
Jan 2004	167	325	1,014	304	437	2,247	1,477
Feb	181	322	1,049	328	512	2,392	1,498
Mar	174	348	1,156	311	473	2,461	1,603
Apr	178	334	1,175	319	520	2,525	1,634
May	183	400	1,350	342	567	2,841	1,723
Jun	194	381	1,338	348	518	2,779	1,791

Canada's Trade with Greece

All eyes are on Greece as that country hosts the Olympic games, but for Canadian exporters and importers it has far less importance. In 2003, two-way trade (exports plus imports) between Canada and Greece amounted to only \$299 million, which amounts to less than one-tenth of one percent of total Canadian trade in goods. British Columbia was the source of only 7.5% of domestic commodity exports to Greece with less than \$13.3 million worth of merchandise shipped from BC to the Olympics' host country in 2003. The province's share of Canadian exports has fallen from a peak of 29.9% in 1994, but even in that year BC exports to Greece amounted to less than \$24 million. In 2003, Greece ranked 43rd in the world as a destination for BC commodity exports.

Greece is not a significant trade partner for Canada

BC exports relatively few goods to Greece



BC's share of Canadian exports of goods to Greece has been falling over the last decade

* Excluding re-exports

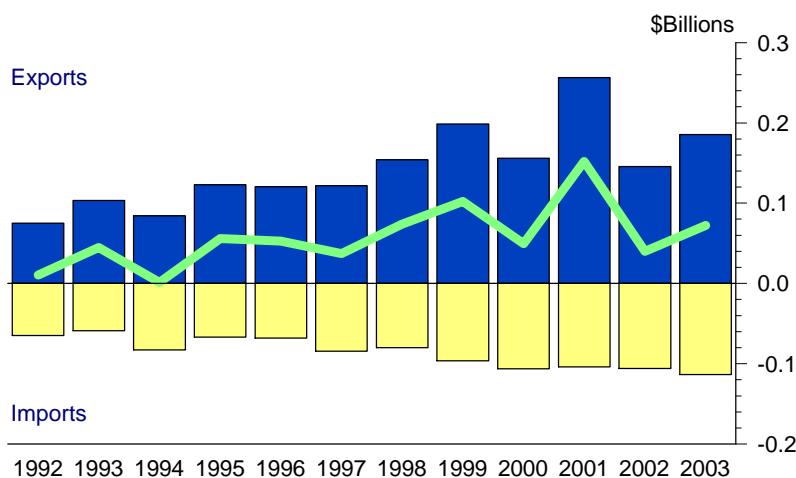
The top Canadian export to Greece in 2003 was wheat. Canada shipped about \$68 million worth of wheat to Greece, or 39% of total goods exported to that country. For British Columbia, pulp was the top export, representing 64% of all shipments from the province to Greece. The only other significant commodity exports from BC to Greece were agricultural and food products (13%) and machinery and equipment (12%).

In terms of imports, olives were the main component of about a fifth (21%) of goods entering Canada from Greece, whether in the form of olive oil, fresh or preserved olives.

2003 Exports to Greece - Selected Commodities -

	BC (\$,000)	% of Total	Canada (\$,000)	% of Total	BC Percent of Canadian Exports
SOLID WOOD PRODUCTS	259.5	2%	2,538.8	1%	10%
Softwood Lumber	198.0	1%	237.6	5%	83%
Panel Products	23.7	0%	218.5	13%	11%
Selected Value Added Wood Products	37.8	0%	642.8	0%	6%
Other Solid Wood Products	0.0	0%	1,439.9	13%	0%
PULP & PAPER PRODUCTS	8,770.3	66%	23,388.6	13%	37%
Pulp	8,428.2	64%	9,401.0	5%	90%
Newsprint	0.0	0%	12,354.0	7%	0%
Paper, Paperboard, Exc. Newsprint	342.0	3%	1,368.6	1%	25%
Other Pulp & Paper Products	0.0	0%	265.0	0%	0%
AGRICULTURE & FOOD (including FISH)	1,710.6	13%	83,967.3	48%	2%
Vegetables	13.2	0%	7,794.4	4%	0%
Other Agriculture & Non-Fish Food	606.1	5%	72,157.5	41%	1%
Fish Products	1,091.3	8%	4,015.4	2%	27%
METALLIC MINERAL PRODUCTS	0.0	0%	218.3	0%	0%
ENERGY PRODUCTS	0.0	0%	352.5	0%	0%
MACHINERY AND EQUIPMENT	1,604.3	12%	28,842.1	16%	6%
Motor Vehicles & Parts	80.3	1%	8,606.2	5%	1%
Electrical & Electronic / Communications	139.1	1%	5,560.1	3%	3%
Other Machinery & Equipment	1,384.9	10%	14,675.8	8%	9%
PLASTICS & ARTICLES OF PLASTIC	160.6	1%	1,881.4	1%	9%
APPAREL & ACCESSORIES	6.6	0%	244.2	0%	3%
OTHER BC EXPORT COMMODITIES	744.3	6%	34,293.3	20%	2%
GRAND TOTAL	13,256.1	100%	175,726.5	100%	8%

Canada has a commodity trade surplus with Greece...

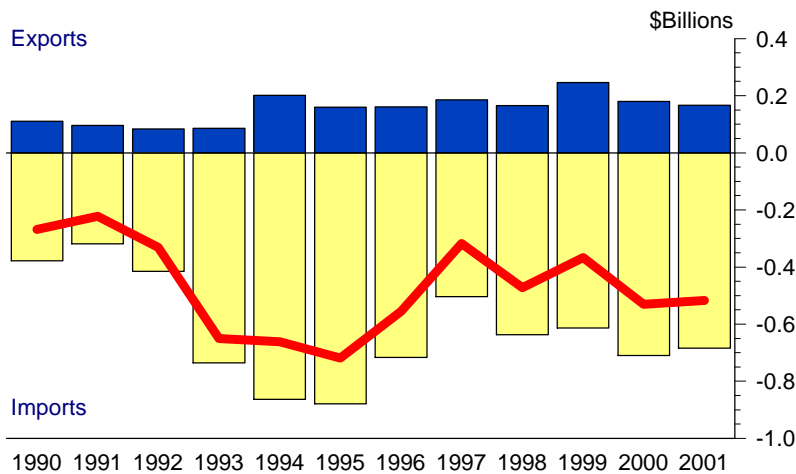


Canada has generally had a commodity trade surplus with Greece

Note: Exports include re-exports

Canada generally exports more goods to Greece than it imports. In 2003, Canada had a commodity trade surplus of about \$72.3 million with Greece. However, Canada is in a deficit situation in terms of trade in services. In 2001, the last year for which data on trade in services is available, Canada's service trade deficit stood at \$517 million as Canada exported only \$167 million in services from Greece, but imported \$684 million. With the Olympics situated in Greece, the services trade deficit will probably increase even further as tourists flock to the region.

...but has a deficit in trade in services



Canada imports far more services from Greece than it exports

Although Greece is currently not a significant trading partner with Canada, its membership in the European Union may help bolster two-way trade in the future as Canada negotiates further trade agreements with the EU. The recent expansion of the EU to 25 members (from 15) has emphasized the importance of maintaining a good trading relationship with that economic region and the Canadian government is working on developing closer ties with the EU.¹ Perhaps trade with Greece will increase as a result.

¹ See the article "Expanded European Union Could be Both Good and Bad for BC" in the March 2004 issue of *Exports* for more information.

**Recent Feature Articles in British Columbia Origin Exports Release
Listed By Statistical Reference Date of Issue**

04-06	<i>Canada's Trade with Greece</i> (released August 2004)	03-03	<i>Canada Talks Trade With Turkey</i> (released May 2003)
04-05	<i>Hollywood North Thrives in 2003</i> (released July 2004)	03-02	<i>Rising Log Exports Fuel Controversy</i> (released April 2003)
04-04	<i>Port of Prince Rupert: Down, But Not Out</i> (released June 2004)	03-01	<i>Review and Outlook for BC Exports</i> (released March 2003)
04-03	<i>Expanded European Union Could be Both Good and Bad for BC</i> (released May 2004)	02-12	<i>Team Canada Returns to Europe</i> (released February 2003)
04-02	<i>BC's Animal Agriculture Exports Facing Trade Restrictions</i> (released April 2004)	02-11	<i>Canada Courts the European Union for Freer Trade</i> (released January 2003)
04-01	<i>China Offers Considerable Opportunities for Trade</i> (released March 2004)	02-10	<i>Lumber Battle Takes an Unexpected Turn</i> (released December 2002)
03-12	<i>Rising Commodity Prices Could Signal Turnaround for BC Exports</i> (released February 2004)	02-09	<i>Canada Looking to Shed Light on Trade With the Dark Continent</i> (released November 2002)
03-11	<i>The Lows of High Tech Trade</i> (released January 2004)	02-08	<i>Canada's Share of US Softwood Lumber Market Slipping</i> (released October 2002)
03-10	<i>Is Global Free Trade Possible?</i> (released December 2003)	02-07	<i>FTAA: Free Trade for the Western Hemisphere?</i> (released September 2002)
03-09	<i>Relatively Few Small Businesses in BC are Exporters</i> (released November 2003)	02-06	<i>The Changing Face of BC Exports</i> (released August 2002)
03-08	<i>Where's the Beef?</i> (released October 2003)	02-05	<i>Japan's Economic Woes Translate to Reduced Trade for BC</i> (released July 2002)
03-07	<i>A Summary of the NAFTA Panels' Decisions on Lumber Duties</i> (released September 2003)	02-04	<i>Team Canada Promotes Trade With Mexico</i> (released June 2002)
03-06	<i>Natural Gas Heats Up British Columbia's Exports</i> (released August 2003)	02-03	<i>Chile Warms Up to Trade With Canada</i> (released May 2002)
03-05	<i>Value Added Wood Production in BC Lagging Rest of Canada</i> (released July 2003)	02-02	<i>The Threat of American Protectionism</i> (released April 2002)
03-04	<i>Exports and the Rising Dollar</i> (released June 2003)	02-01	<i>Canada Seeks to Increase Trade With India</i> (released March 2002)

NOTES

Countries Included Within World**Regions:**

(1) Western Europe: United Kingdom, Ireland, Austria, Belgium, Denmark, Finland, France, Germany, Greece, Iceland, Italy, Luxembourg, Netherlands, Norway, Portugal, Spain, Sweden, Switzerland.

(2) Eastern Europe: other Europe, including all of Russia, Georgia, Kazakhstan, Kyrgyzstan, Moldova, etc.

(3) South East Asia: Malaysia, Brunei Darussalam, Singapore, Myanmar, Kampuchea, Laos, Indonesia, Philippines, Thailand, Vietnam.

(4) Africa: continental Africa, excluding Ethiopia, Libya, Somalia, Sudan, Egypt.

(5) South America: continental South America from Colombia and Venezuela south to Chile and Argentina, including offshore islands, but not Caribbean.

(6) Central America and Caribbean: from Guatemala and Belize to Panama, plus Caribbean Islands.

(7) Pacific Rim (including Japan): Japan, Hong Kong, Malaysia, Brunei Darussalam, Singapore, Laos, Mongolia, China, Indonesia, North Korea, South Korea, Philippines, Macau, Taiwan, Thailand, Vietnam, Australia, Fiji, New Zealand.

(8) Pacific Rim: as above, but excluding Japan.

(9) Middle East: from Turkey and Iran south through the Arabian Peninsula. Excluding Afghanistan and Pakistan, but including Cyprus, Ethiopia, Egypt, Somalia, Sudan and Libya.

The **European Union** is the membership as of May 1, 2004: Austria, Belgium, Cyprus, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Ireland, Italy, Latvia, Lithuania, Luxembourg, Malta,

Netherlands, Poland, Portugal, Slovakia, Slovenia, Spain, Sweden, United Kingdom.

'Selected Value-added Wood Products' category includes prefabricated houses, doors, windows, furniture, moulding, siding, etc. It does not include panel products, shakes, shingles or any pulp and paper products.

Revisions

Statistics Canada revises trade data for the previous three data years with release of the December data. The revision number is indicated in the footer of the tables (e.g., Rev 1 is the first annual revision, etc., and Prelim indicates it is the first release of data to December for that year). In addition to annual revisions, Statistics Canada revises the data for the previous data year every quarter (indicated in the footer by Rev Q1, etc).

Service Offered for Detailed Trade Statistics

For B.C. government statistics users requiring more detailed information on exports or imports, a special report service is offered through the address below:

Dan Schrier

BC STATS

P.O. Box 9410 Stn Prov Govt

Victoria, B.C. V8W 9V1

(250) 387-0376

This service is provided through the Trade Research and Inquiry Package (TRIP) computer reporting system. TRIP offers user-defined tabulations of export or import statistics for British Columbia, Canada, the United States and other countries. Tabulations can include information on commodities, countries, U.S. states, years, months, mode of transport, etc.