

Quebec: Volume exports up in November

Nominal trade balance:

Nov.: -\$693M Oct.: -\$1.092B Sept.: -\$682M

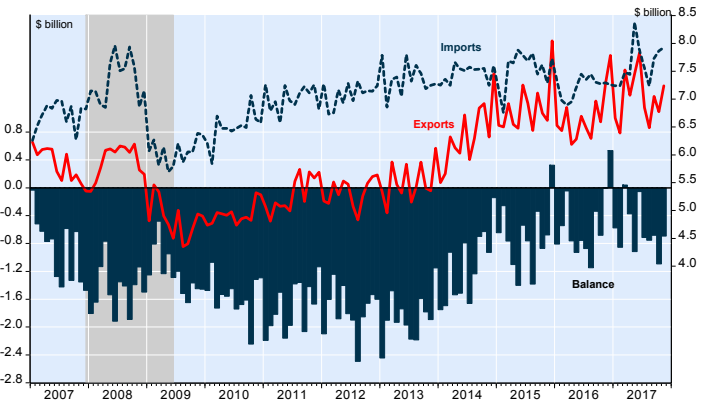
FACTS: The Institut de la statistique du Québec (ISQ) reports that Quebec ran an international merchandise trade deficit of \$693 million in November, down \$399 million from October (top chart). Exports were up \$463 million (+6.8%; rest of Canada +3.2%) to \$7.2 billion. Exports rose in 21 of the 31 categories of goods, accounting for 81% of all exports. The main contributors were oilseeds (+\$157 million) and aerospace products (+\$167 million). Imports were up \$64 million (+0.8%), with rises in 17 of the 31 categories, accounting for 51% of all imports. The overall rise of imports was limited by a \$211-million decline in energy imports that offset a \$184-million rise in metal-ore imports. In volume terms, the trade deficit narrowed \$367 million to \$460 million, with exports up \$207 million (+3.4%) and imports down \$160 million (-2.3%). Export prices rose 3.4% and import prices rose 3.2%.

OPINION: Quarterly volume exports did not trend up in the first 11 months of 2017, even excluding aerospace products (middle chart). However, if aerospace exports rebound in December (as they did in each of the last four Decembers), 2017 volume exports could end the year with a solid gain. Eleven months into the year, volume international trade had subtracted from economic growth in each of the four quarters of 2017 (bottom chart). That said, we continue to expect 2017 Quebec economic growth to come in at 3.0%, well above the growth of potential output.

Marc Pinsonneault

Quebec: Nominal trade balance

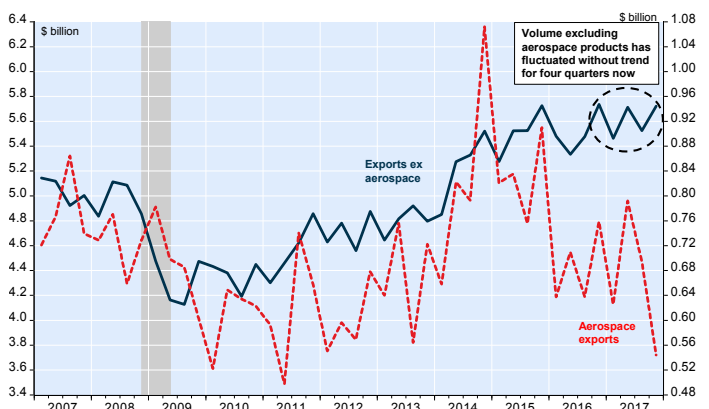
Customs basis



NBF Economy and Strategy, ISQ data

Quebec: Volume merchandise exports

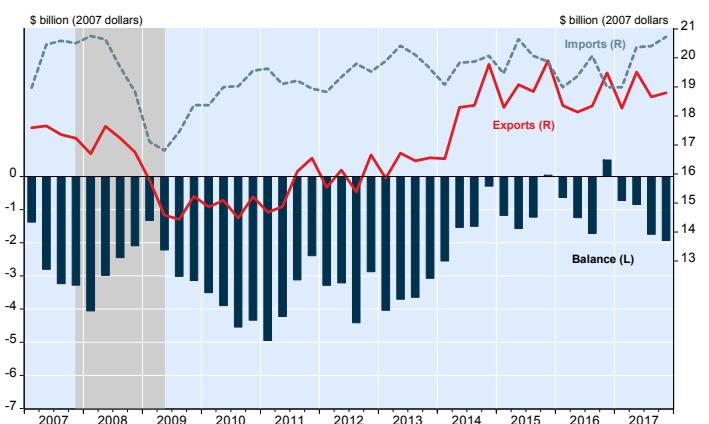
Customs basis. Monthly average. T4 2017: October and November



NBF Economy and Strategy, ISQ data

Quebec: Volume trade balance

Quarterly, customs basis



NBF Economy and Strategy, ISQ data

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