



Highlights

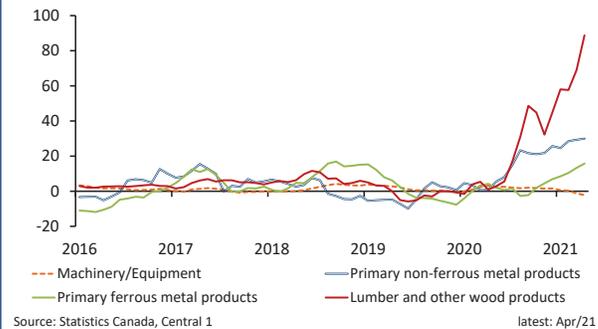
- Current export trends are firm; 20 per cent above pre-pandemic February levels
- International goods trade in B.C. shone through April, driven by resource sector demand and high commodity prices
- Forestry sector continues to drive growth momentum
- Year-to-date exports rose 24 per cent on a 56 per cent increase in wood products and 41 per cent gain in metallic and non-metallic mineral product exports

International goods trade in B.C. shined through April as resource sector demand and high commodity prices supported elevated exports and imports. Dollar-volume exports surged 35 per cent year-over-year to \$4.03 billion after decelerating in March. While a portion of this gain reflects base year effect as exports declined sharply last April when the pandemic brought global economic activity to a standstill, current export trends are firm. On a seasonally-adjusted basis, we calculate that exports rose 3.5 per cent from March to extend the positive trend observed since mid-2020. Levels are trending at the highest level since the second half of 2018 and 20 per cent above pre-pandemic February. Nationally, exports fell one per cent decline from March as semi-conductor shortages chipped away at broader manufacturing associated with motor vehicles and related goods.

B.C. export growth momentum continues to be supported by gain in resource-sector oriented sales. Forestry exports came in 72 per cent higher from a year ago, while exports of metals and minerals, and mining products rose more than 40 per cent from a year ago. Higher demand due to a growing global economy and rapid commodity price growth, particularly in the forestry sector has driven the upshift. Industrial product price indices highlight the latter as lumber and wood product prices up nearly 90 per cent from a year ago, while metal products rose 30 per cent, suggesting much of topline

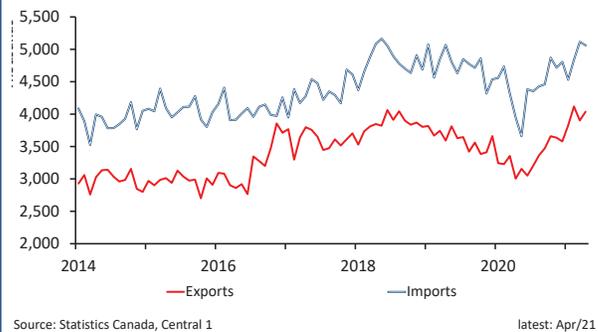
Price growth in commodity-related products lifts export volume

Canada industrial product price index, y/y % change



B.C. international trade flows remain robust in April

International Goods Trade, \$(millions)

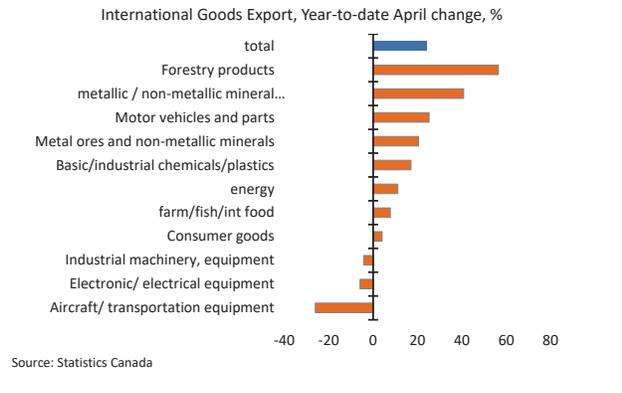


gains from higher prices. Meanwhile, industrial machinery and equipment, and electronics exports also gained traction after recent weakness, suggesting broader gains as the global economy expands.

With the latest increase, year-to-date exports rose 24 per cent on a 56 per cent increase in wood products and 41 per cent gain in metallic and non-metallic mineral product exports.

Import flow rose 28 per cent, year-over-year basis, but eased compared to March. Year-to-date, imports were up nearly 12 per cent on large gains in consumer goods (20 per cent), machinery and industrial products and raw metals and minerals. In part these gains are facilitating export growth in exports. Pandemic base-year effects are inflating year-over-year gain of both year-to-date exports and imports.

Resources lead export growth through April



Trade flows are likely to remain elevated as the global economy continues to recover from the pandemic although supply chain disruptions remain a threat. Broader economic restarts will favour service sector activity, rotating growth away from goods activity, while commodity prices are expected to ease as high prices induce increased production.

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