



## Highlights

- Automotive sector rebounds this month; sees 21 per cent export growth and 24 per cent import growth;
- Year-to-date, energy sector grew by 65 per cent
- Omicron creates future economic uncertainty.

## Ontario export and imports see slight increases in October

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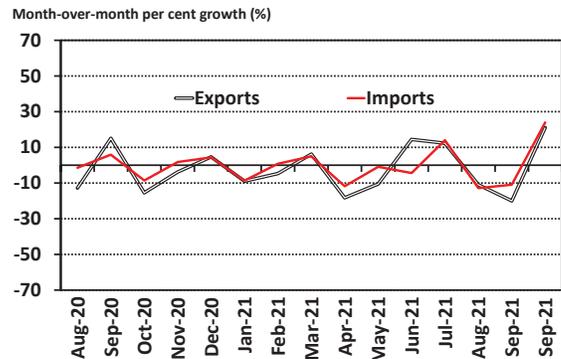
Ontario experienced small increases in export and imports in October, according to the latest merchandise trade estimates released this week. Exports showed a seasonally adjusted 0.6 per cent increase over September (ending two consecutive months of declines) and imports were up by 2.0 per cent, which was above the 2021 monthly average.

The motor vehicle and parts sector was the major contributor to this export growth (up 21.1 per cent over September) but the sector remains 5.4 per cent below the 2021 monthly average as the industry deals with supply chain issues. Export volumes were up 2.1 per cent in industrial machinery, equipment, and parts. All other sectors are seeing volumes drop, led by the energy sector, which is down 18.0 per cent, and the farm/fish/int food sector, which is down 10.1 per cent.

Motor vehicle and parts is also a major contributor of imports and was up 24.0 per cent over the previous month, but this was not enough to make up for the two months of declines seen previously. Metal ores and non-metallic minerals were up 9.0 per cent. All other sectors saw a drop in import volume, with the energy sector (down 13.4 per cent) seeing the largest decline.

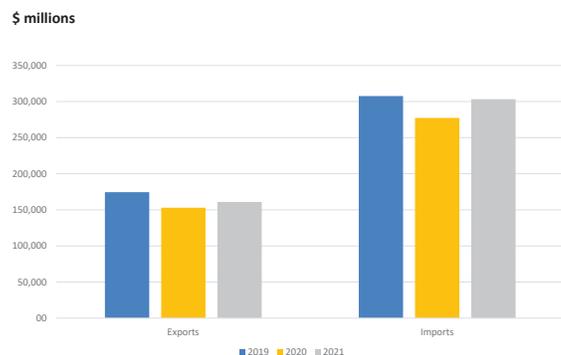
Year to date, Ontario's export volume is up 5.2 per cent. The energy sector grew by 64.7 per cent and basic/industrial chemical/plastic/rubber products were up 25.3 per cent. Motor vehicles and parts, Ontario's largest export by dollar volume, is down 9.6 per cent. Year to date import volume is up 9.6 per cent. The largest per cent growth sector is the energy sector, up

## Motor Vehicle and parts trade, Ontario



Source: Statistics Canada, Central 1 CU. Latest: Oct-21

## Year to Date Exports and Imports, Ontario



Source: Statistics Canada, Central 1 CU. Latest: Oct-21

42.1 percent. Most other sectors are up as well. The two sectors dragging down growth are the Metal ores and non-metallic minerals sector, down 24.3 per cent and the Aircraft and other transportation equipment and parts sector, which is down 17.9 per cent.

The economic and social outlook for the fall and winter months has turned uncertain once again due to the emergence of the Omicron variant. This will very likely continue affecting supply chains as many regions of the world continue to insulate. Greater costs will also likely be funnelled through to buyers, affecting volumes as some buyers will just tamp down purchases if prices continue climbing.

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