

SREDA INSIGHTS

▶ October Provincial Exports Jump to Highest Level of 2016

INTRODUCTION

Data released by Statistics Canada this week shows Saskatchewan exports perked up in October, surging to their highest level of the year. This is welcomed news for the economy, particularly since the total value of exports has fallen in 2016 due in large part to lower commodity prices (e.g. oil, potash, uranium).

THE DETAILS

Saskatchewan provincial exports reached \$2.5B in October 2016, an impressive 7% climb from September 2016. However, for year to date 2016 the value of Saskatchewan exports are at \$21.1B, down from \$27.4B for the same period of 2015.

CONTEXT

Saskatchewan's exports are dominated by raw natural resources. In 2015, products exported in order of value were crude oil (\$7.4B), potassium chloride (\$6.6B),

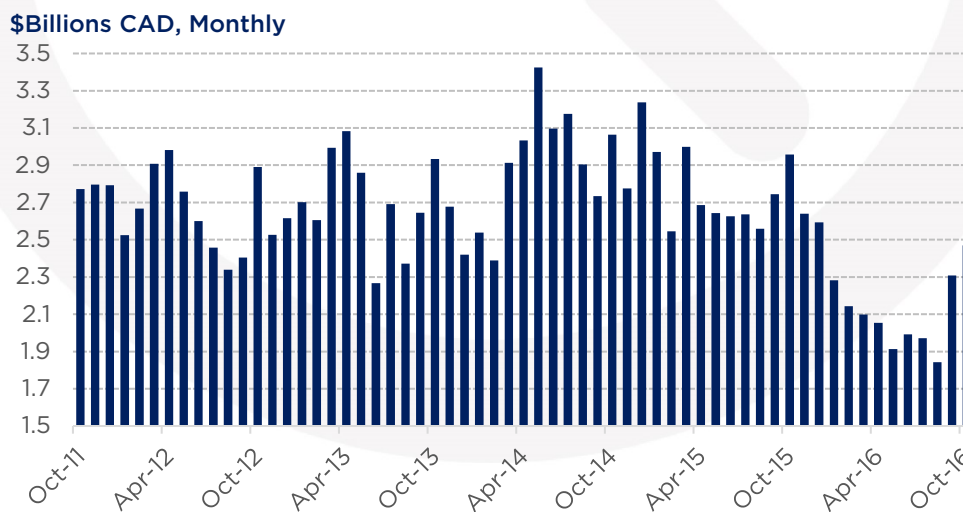
canola seed (\$2.5B), lentils (\$2.5B), wheat (\$2.4B) and durum (\$1.8B). Even with commodity prices down in 2016, Saskatchewan exports an impressive value of goods. For instance, year-to-date Saskatchewan exports are nearly double Manitoba's \$11B in exports.

Although the resources being exported are (mostly) not grown or mined in the Saskatoon Region, Saskatoon companies are heavily involved in the production and export of these products through the provision of services and supply chain activities (e.g. engineering services, legal, finance, transportation, marketing).

IT'S ALL RELATIVE

Looking ahead, the recent rise in oil prices as well as strong crop volumes bode well for the value of Saskatchewan's exports as well as local companies that serve these industries.

SASKATCHEWAN DOMESTIC EXPORTS



Source: Statistics Canada

SREDA Insights provides commentary and analysis on key economic issues influencing Saskatoon Region businesses and industry. By providing timely, digestible and relevant economic analysis, SREDA helps local businesses adapt to changing market conditions. SREDA provides SREDA Insights to its members in conjunction with other ongoing initiatives through its Economic Forecasting & Analysis division.