

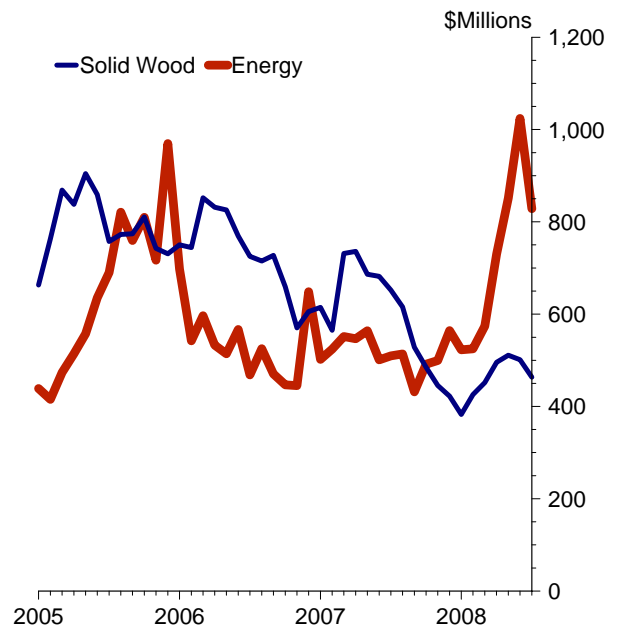
Exports ♦ July 2008

- Although BC origin exports are down 2.1% year-to-date in 2008 compared to the same seven months a year earlier, there have been some positive developments in recent months. In July, there was an increase of 6.7% compared to the same month in 2007.
- There have been two competing forces driving the BC export picture. On the one hand, forest product exports are slumping. Solid wood product shipments have dropped 30.8% year-to-date, as all major wood commodity groups have seen a double-digit decline. Pulp and paper product shipments are also down, falling 6.3% so far this year. Newsprint exports, in particular, are well off last year's pace, slumping 38.5%.
- While forest products have been driving down the value of overall BC exports, the energy sector has been moving in the opposite direction. Overall energy product exports are up 36.7%. The main contributor to the rising fortunes of the energy sector has been coal. The value of coal exports has jumped 65.2% over the first seven months of 2008 compared to the same period last year. Much of the increase is due to a spike in prices for coal, as quantities shipped climbed only 11.8%. Natural gas shipments have also experienced a robust increase, rising 15.5%. However, exports of electricity have bucked the trend, falling 2.7%.
- Elsewhere in the mining sector, exports of metallic mineral products have dropped 5.7%. Copper ores and concentrates (-10.2%), unwrought aluminum (-11.2%) and unwrought zinc (-14.0%) have all experienced double-digit declines in the value of exports.

However, shipments of molybdenum ores and concentrates (+11.7%) and all other metallic mineral products (+18.0%) recorded strong growth. Exports of fabricated metal products also fared well, climbing 17.2%.

- Exports of machinery and equipment have fallen 7.0% year-to-date as shipments of motor vehicles and parts slumped 13.9% and exports of scientific, photographic and measuring equipment dropped 6.8%.
- BC's exports to its largest trading partner, the United States, are down 11.5%. An 11.1% rise in shipments to the countries of the Pacific Rim and a 9.4% jump in exports to the European Union have helped to partially offset the drop in shipments to the United States.

Solid wood product exports have been sliding down, while energy exports are up

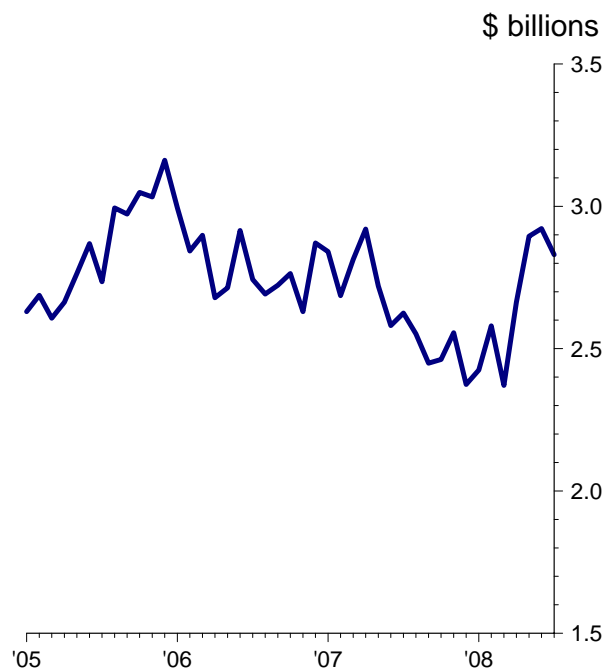


SEASONALLY ADJUSTED EXPORTS

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.

- Commodity exports from BC fell back slightly (-3.1%) in July after strong growth in the previous three months. A 9.4% decline in shipments of industrial and consumer goods, combined with a 5.8% drop in exports of energy products were the main drivers of the overall slump.
- Exports to the US fell 4.1% in July, mainly due to a 16.1% plunge in exports of energy products. Exports to the rest of the world were down 2.0% as a result of a 20.7% decline in industrial and consumer goods shipments.

Exports (adjusted for seasonality) dipped in July



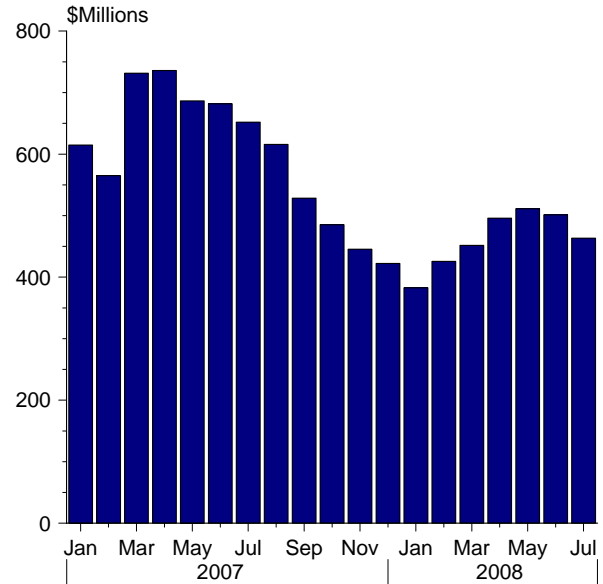
BC Exports, Seasonally Adjusted (\$Millions)

Month	Agriculture & Fish	Energy	Forest Products	Machinery & Equip, Auto	Industrial, Consumer	Total	Exports to USA
Jul 2006	199	492	1,035	350	667	2,743	1,670
Aug	198	502	1,058	338	596	2,692	1,645
Sep	207	504	1,046	375	591	2,723	1,636
Oct	208	443	1,040	393	679	2,764	1,611
Nov	201	452	1,005	352	620	2,630	1,603
Dec	208	550	1,028	381	704	2,871	1,728
Jan 2007	212	521	1,113	362	633	2,841	1,746
Feb	200	578	977	369	563	2,686	1,664
Mar	211	545	1,071	381	605	2,813	1,721
Apr	197	561	1,108	379	674	2,920	1,712
May	189	560	1,014	333	624	2,720	1,627
Jun	180	485	998	342	576	2,581	1,592
Jul	169	532	970	346	609	2,625	1,602
Aug	180	483	989	350	550	2,552	1,578
Sep	196	463	837	358	595	2,449	1,502
Oct	176	494	875	340	577	2,462	1,475
Nov	169	508	878	343	658	2,556	1,453
Dec	188	467	858	318	542	2,374	1,420
Jan 2008	184	548	807	329	558	2,425	1,421
Feb	192	581	856	325	624	2,580	1,511
Mar	180	577	772	313	529	2,371	1,457
Apr	187	753	812	314	597	2,663	1,514
May	181	814	837	312	751	2,895	1,415
Jun	182	943	792	320	685	2,922	1,546
Jul	176	888	824	322	620	2,830	1,482

Charting BC's Exports

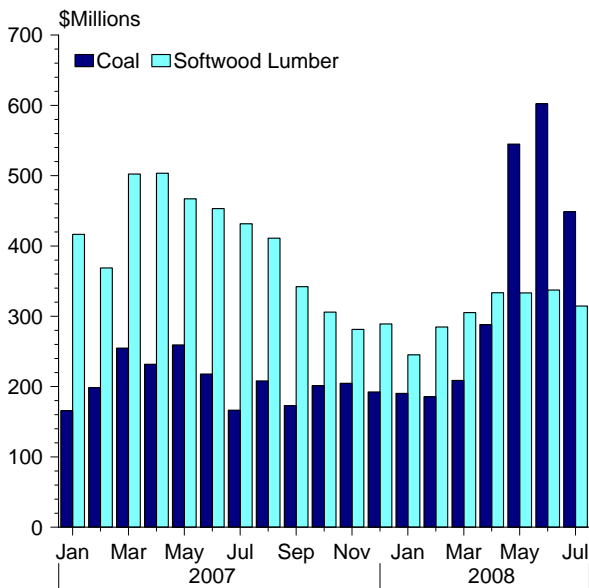
A Canadian dollar near par with its US counterpart and a plunge in demand for housing in the United States has seriously dampened the value of exports of BC forest products. On the other hand, energy product exports are soaring, with coal shipments leading the way. The strong demand for coal has driven up the price and as a result, the value of exports of coal is up 65.2% year-to-date. The value of shipments of coal in the last three months has actually exceeded that of softwood lumber, making coal BC's top export, for the time-being, at least.

Solid wood product exports are well down from amounts shipped in 2007



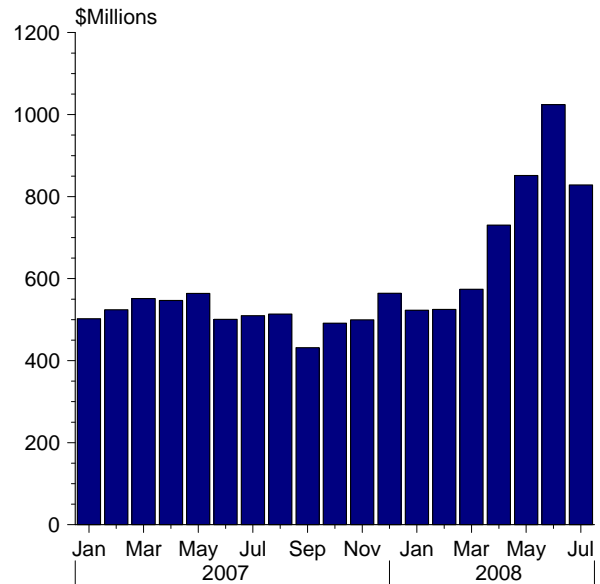
Source: Statistics Canada

The value of coal exports has exceeded that of softwood lumber in the last few months



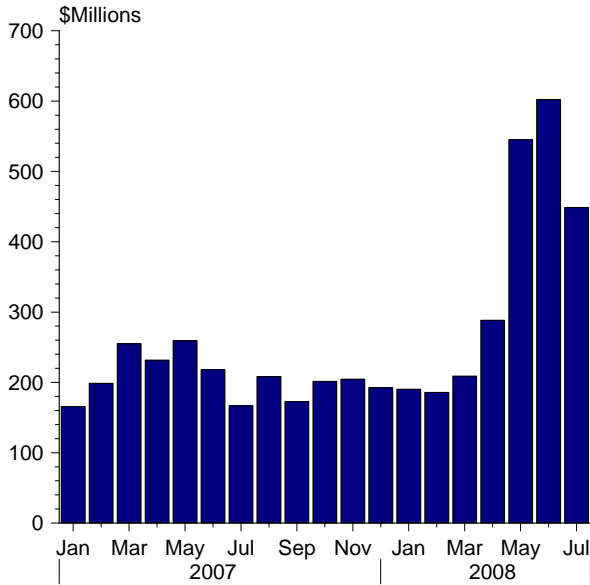
Source: Statistics Canada

The value of energy product exports has soared in recent months



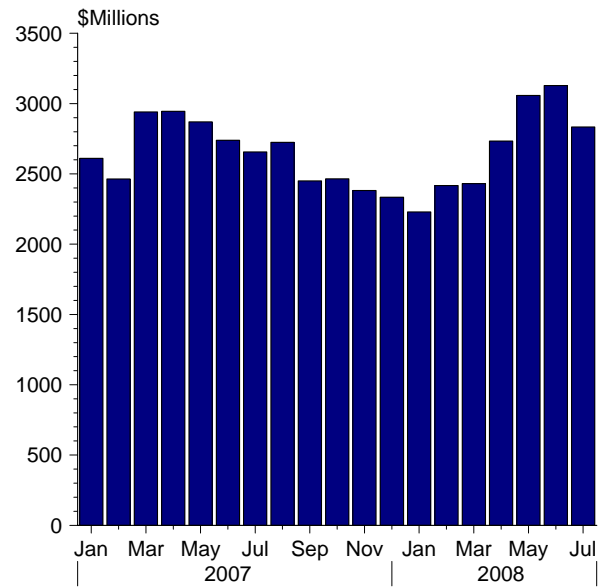
Source: Statistics Canada

A spike in the price of coal has been the main contributor to the jump in energy exports...



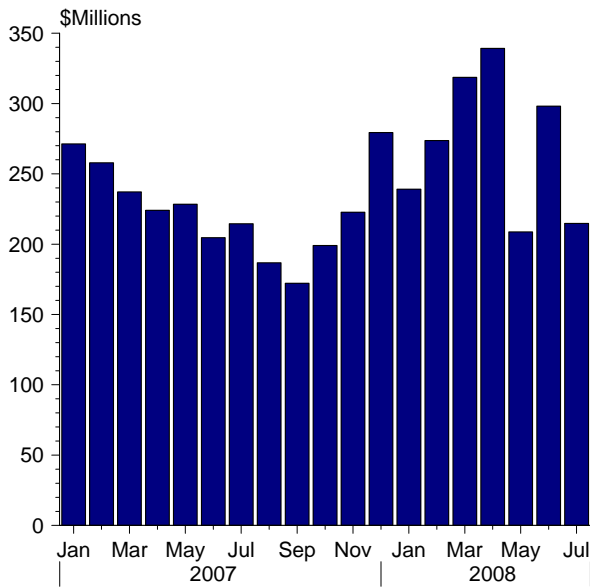
Source: Statistics Canada

Total exports are down year-to-date, but the energy sector has pushed exports up in recent months



Source: Statistics Canada

...However, shipments of natural gas have also experienced a significant increase



Source: Statistics Canada

**Recent Feature Articles in Exports Release
Listed by Statistical Reference Date of Issue**

08-07	<i>Charting BC's Exports</i> (released September 2008)	07-05	<i>Appreciating Dollar Not Appreciated by Exporters</i> (released July 2007)
08-06	<i>Bad News for Newsprint Exports</i> (released August 2008)	07-04	<i>The Greening of BC's Exports</i> (released June 2007)
08-05	<i>Asia Offers Potential as a Destination for BC Exports</i> (released July 2008)	07-03	<i>BC's High Tech Trade</i> (released May 2007)
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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 January 1, 2007: Austria, Belgium, Bulgaria, Cyprus, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Ireland, Italy, Latvia, Lithuania, Luxembourg, Malta, Netherlands, Poland, Portugal, Romania,

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) as well as with the release of the January and February data.

Service Offered for Detailed Trade Statistics

For BC 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 BC, Canada, the United States and other countries. Tabulations can include information on commodities, countries, US states, years, months, mode of transport, etc.