



QUARTERLY EXPORT STATISTICS

Data on Manufacturing Industries for Fourth Quarter 2009 – Published March 2010

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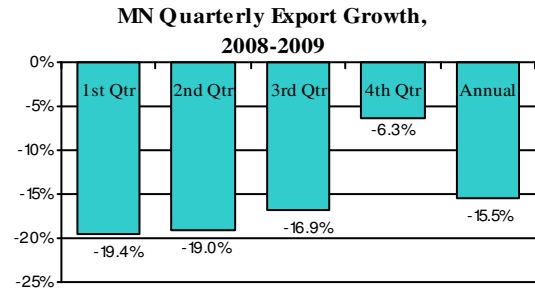
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Signs of Export Recovery, Despite Drop in Fourth Quarter

Minnesota's exports from manufacturing industries were valued at \$3.9 billion in the fourth quarter of 2009, representing a drop of \$263 million (or 6.3 percent) from the fourth quarter of 2008.

U.S. manufactured exports declined 2.2 percent.

The export weakness was not completely widespread as exports increased to Asia and to four of the state's ten largest markets. These strong gains helped to mitigate sharp declines in exports to the Philippines and several major markets in the European Union.



The fourth quarter trend offers an optimistic outlook that exports have recovered from the steep declines of the first three quarters of the year. For the year, Minnesota manufactured exports decreased 15.5 percent to \$14.6 billion in 2009 while U.S. exports fell 18.3 percent.

Promising Signs of Export Recovery as Exports To Asia Grow Strongly

- Among all regions, exports to **Asia** had the strongest performance; exports were valued at \$1.2 billion and gained \$123 million (or 11 percent) between the fourth quarters of 2008 and 2009. The state's exports to the Australia-Pacific region grew 26 percent to \$124 million.
- **China** (up 19 percent to \$363 million), **Malaysia** (up 184 percent to \$81 million) and **Thailand** (up 94 percent to \$71 million) posted the largest gains in export value among all countries for this period. These gains helped to offset the significant decline to **the Philippines** (down 51 percent to \$99 million).
- The state's exports fell to \$957 million to the **European Union**, representing a drop of 22 percent during this period. Shrinking sales to **Ireland** (down 31 percent), the **United Kingdom** (down 26 percent), **Belgium** (down 23 percent) and the **Netherlands** (down 28 percent) impacted this overall trend the most.

Growth in Manufactured Exports, by Country Between Fourth Quarters of 2008 and 2009

Country	Exports (millions)	4 th Qtr 2008 to 4 th Qtr 2009		2008-2009 MN Change
		MN	US	
Canada	\$ 1,039	-1.0%	-3.0%	-20.7%
China	363	18.6%	29.8%	0.5%
Japan	226	5.9%	-6.9%	-7.5%
Mexico	184	-16.4%	0.8%	-16.5%
Germany	169	-6.9%	-9.1%	-10.6%
Ireland	168	-30.6%	-3.6%	1.5%
U.K.	140	-26.4%	2.9%	-21.1%
Korea	129	20.4%	15.8%	-0.4%
Belgium	122	-23.4%	-15.8%	-14.0%
Australia	112	31.0%	10.8%	4.7%
Other	1,261	-11.3%	-7.2%	-21.0%
Total	\$ 3,912	-6.3%	-2.2%	-15.5%

Top Growing Country-Industry Markets, 4th Qtr 2008 to 4th Qtr 2009 (Ranked by Value Change, Over \$15 million)

Country	Industry	Exports (millions)	Percent Change	Value Change (millions)
Malaysia	Computers, Electronics	\$62	307%	\$47
Thailand	Computers, Electronics	\$47	168%	\$29
China	Miscellaneous	\$39	115%	\$21
Brazil	Transportation	\$27	198%	\$18
France	Transportation	\$22	458%	\$18
China	Food	\$38	83%	\$17

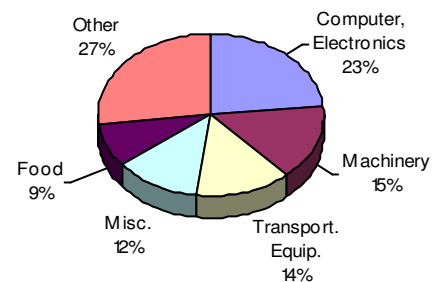
Growth in Exports of Transportation Equipment Helps to Offset Declines in Other Industries

- Between the fourth quarters of 2008 and 2009, strong growth in sales of **transportation equipment** helped to bolster the state's exports in the face of heavy export declines in **computers and electronics** and **machinery**.
- The strong export gains of **computers and electronics** products in **Malaysia** and **Thailand** were welcome news given the sharp declines to **the Philippines** (down 56 percent to \$83 million), **Germany** (down 28 percent to \$71 million), **France** (down 44 percent to \$29 million), and other countries.
- **Canada** purchases almost 60 percent of the state's exports of transportation equipment. With strong bursts of demand, **Brazil** (up 198 percent to \$27 million, ranked seventh in the fourth quarter of 2008) and **France** (up 458 percent to \$22 million, 16th in the fourth quarter of 2008) jumped to the second and third-largest markets, respectively, for these products.

Growth in Manufactured Exports, by NAICS Industry Between Fourth Quarters of 2008 and 2009

NAICS Industry	Exports (\$ Millions)	4 th Qtr 2008 to 4 th Qtr 2009		2008-2009 MN Change
		MN	US	
Computers, Electronics	\$901	-17.3%	-2.3%	-19.5%
Machinery	579	-19.3%	-14.7%	-16.4%
Transportation Equip.	527	27.1%	0.2%	-18.5%
Miscellaneous	481	-6.2%	-0.4%	-1.2%
Food	335	6.4%	3.1%	-13.3%
Chemicals	235	-0.2%	7.8%	-18.8%
Electrical Equipment	168	-12.5%	-15.7%	-18.2%
Paper	160	23.6%	2.7%	-1.5%
Fabricated Metals	129	-3.5%	-7.4%	-6.9%
Plastics, Rubber	114	10.6%	0.9%	-8.1%
Other	282	-14.9%	-2.1%	-27.5%
Total all Industries	\$3,912	-6.3%	-2.2%	-15.5%

Minnesota's Manufactured Exports Fourth Quarter, 2009: \$3.9 billion



Mixed Trends in Medical Products and Transportation Equipment Segments

- **Medical products:** Performances among different medical product areas were mixed: While exports of medical and surgical instruments were stable during this period, exports of orthopedic products and other artificial body parts shrank 23 percent to \$225 million, and fell particularly to **Ireland**.
- **Transportation Equipment:** The state's exports of trucks jumped 187 percent, while those of passenger vehicles fell 20 percent between the fourth quarters of 2008 and 2009. Demand swings in **Canada** contributed largely to these trends. Sales of aircraft-related parts decreased 12 percent to \$73 million, while sales of railway equipment increased 534 percent to \$37 million.
- **Computers, Related Electronics:** Weaker demand for computer components, integrated circuits, and printed circuits largely contributed to the overall downward trend for these products.
- **Machinery:** Sharply reduced sales of centrifuges and filters (particularly to the **United Kingdom** and **Spain**), liquid-pumping machinery (particularly to **Belgium**), and parts for lifting machinery contributed the most to declining machinery exports this quarter.

Harmonized System Industry	MN Exports (\$ Millions)	4 th Qtr 2008 - 4 th Qtr 2009 Change
Medical, Surgical Instruments	\$ 246	0%
Orthopedic, Artificial Body Parts	225	-23%
Motor Trucks	149	187%
Computers, Components	146	-20%
Passenger Vehicles	139	-20%
Office Machine Parts	128	86%
Integrated Circuits	126	-39%
Centrifuges, Filters	99	-25%
Self Adhesive Materials	97	37%
Liquid/Sand-Dispersing Machinery	85	-15%

Minnesota Quarterly Export Statistics is the most current resource available for tracking the state's manufactured export trends and is prepared for the Minnesota Trade Office (MTO) by the Department of Employment and Economic Development's (DEED) Analysis and Evaluation Office (Thu-Mai Ho-Kim, 651-259-7180). Past issues may be viewed at www.exportminnesota.com/tradestats.htm and results from manufacturing conditions surveys are located at www.deed.state.mn.us/facts/manufacturing.htm on DEED's web site.

Exports by state (and by North American Industry Classification System industries) are collected by the U.S. Department of Commerce (USDOC) and are distributed by the World Institute of Social and Economic Research (WISER). Other export data based on the Harmonized Tariff System (Schedule B) are collected by the USDOC and distributed by the Global Trade Information Services.