

**Data on Minnesota Exports for Fourth Quarter 2023 – Published May 2024**

**For More Information**: ***Mary Haugen (mary.haugen@state.mn.us)***

# Minnesota Exports Fall 14% in Fourth Quarter

* Minnesota exports of goods (including agricultural, mining and manufactured products) were valued at $6.2 billion in the fourth quarter of 2023, representing a decrease of 14% (or down $974 million) since the fourth quarter of 2022.
* The state’s fourth quarter trend was most impacted by the 80% drop in mineral fuel, oil –

without which the state’s exports would have been unchanged from the fourth quarter of 2022.

* U.S. exports of goods fell 1% in the fourth quarter, as states were split between growth and declines.
* Overall, between 2022 and 2023, state exports slipped 8%, while U.S. exports fell 2%.

#### Figure 1. Gains in Exports for Half of States



*Decline 0% Growth*

***MN: -14%***

***U.S.: -1%***



## *Widespread Weaker Demand Across Major Regions, Some Bright Spots*

* Minnesota’s exports dropped 12% to **North America** ($2.6 billion) as gains to **Mexico** (up 9%) were outweighed by the persistent large declines in **mineral fuel, oil** exports (down $558 million) to **Canada**,
* Demand tumbled across **Asia** ($1.6 billion, down 18%) as sales dropped to top markets such as to **Korea, China, Taiwan** and **Japan**. **Thailand** (up 42%) and **Cambodia** (up 224%) stood out as growth markets in Asia.
* Sales of Minnesota goods also fell to the **European Union** ($1 billion, down 25%) and the **Caribbean, Central and South America** ($328 million, down 11%). European countries such as **Italy, Germany** and **Spain**; and Latin American countries such as **Uruguay, Costa Rica** and **Chile**, suffered the largest declines in their regions.
* Other growth regions included **Africa** ($110 million, up 139%) and the **Australia-Pacific** ($179 million, up 32%).

### Figure 2. Export Trends for Minnesota’s Top 10 Markets, Fourth Quarter 2023



## *Vehicles, Cereals, Medical Products and Aircraft Grow Strongly*

* Despite significant declines in four top 10 export products, some core export areas still performed strongly – led by **vehicles** (up 41%), **cereals** (up 53%), **optic, medical goods** (up 5%) and **aircraft, spacecraft** (up 46%).
* Sales of **mineral fuel, oil** sank $990 million (down 80%) to $251 million –driven by trends in the dominant market, **Canada** (down 70%), but also in **Korea, Spain, Italy, Taiwan** and **France**, where exports fell 100% – representing losses of $50 million to $120 million in each of these markets.
* Sales of **vehicles** surged to **Canada** (up $82 million, **Australia** (up $59 million), **Ukraine** (up $11 million), **Saudi Arabia** (up $10 million) and **South Africa** (up $9 million). Segments such as **large passenger (10+) vehicles** (up415%), **special purpose vehicles** (up 208%) and **tractors** (up 187%) fueled these gains.
* Exports of **cereals** (mainly **corn (maize)** and **wheat**) made robust strides to **Canada** (up 223%), **Algeria** ($44 million, up from none), **Morocco** ($16 million, up from none), offsetting losses to **Yemen, Italy** and **Mexico**.
* **Optic, medical goods** grew strongly to **Asia** (up 14%), driven by markets such as **China**, **Korea** and **Taiwan. Ireland** and **France** in the EU, as well as **Australia** and **Mexico**, also showed solid gains. **Medical, surgical instruments** (up 40%) and various **analytical, measuring, and testing instruments** contributed the most gains.
* **Aircraft, spacecraft** exports tend to be volatile. Exporters made notable inroads in **Germany** (up $14 million), **Canada** (up $14 million), **Turkey** (up $11 million), and **Japan** (up $11 million) **–** offsetting large declines to **Portugal, Mexico,** and **Australia.** These exports were largely **civilian aircraft, engines** and **parts**.
* Strong gains in exports of **miscellaneous chemicals** ($140 million, up 22%)were driven by **China** ($75 million, up 30%) and its demand for **diagnostic and lab reagents**.Figure 3. Markets for Aircraft, Spacecraft

### Figure 4. Export Trends for Minnesota’s Top 10 Products, Fourth Quarter 2023



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| Minnesota Export Statistics reports track the state’s trends in exports of goods and is prepared for the Minnesota Trade Office by DEED’s Economic Analysis Unit (Thu-Mai Ho-Kim). The quarterly and annual reports primarily cover export data based on the Harmonized Tariff System (Schedule B), collected by the Foreign Trade Division, Census Bureau, U.S. Dept of Commerce and accessed through USA Trade Online (Census Bureau) and Trade Data Monitor (TDM). Historical reports are available on DEED’s website at “Export and Trade Statistics” (<http://mn.gov/deed/data/export-stats/>).  |