

Annual Data on Minnesota Exports for 2019 – Published March 2020

For More Information: ***Eric Lightner, 651-259-7149***

# State Exports Fall 2% to $22 Billion in 2019

* Minnesota exports (including agricultural, mining and manufactured products) were valued at $22 billion in 2019, representing a decrease of 2% between 2018 and 2019. U.S. exports slid 1%.
* Minnesota ranked 21st highest in exports among U.S. states in 2019, down from 20th in 2018.
* In 2019, the state exported about 1,050 different products (4-digit HS codes) to 207 countries.
* Exports of goods supported more than 118,000 jobs in Minnesota (2016). State manufactured exports dropped 2% to $21 billion in 2019.Figure 1. Exports Drop from 29 States in 2019

 

*MN: -2%*

*U.S.: -1%*

*Decline 0% Growth*



## *State Exports Increase to Europe, Africa and Australia – Countering Decline to Asia*

* Disruptive U.S. trade tariffs, foreign countermeasures and uncertain trade policies impacted trade in 2019.
* Exports to **Asia** sank 5% between 2018 and 2019, to $8 billion. Exports to **China** tumbled the most, with combined demand for **electrical equipment, soybeans, machinery** and **plastics** shrinking by $205 million.
* Sales to **North America** were unchanged: the 4% gain to **Mexico** balanced the 2% dip to **Canada**.
* Exports were stable to the **EU** and grew 10% to **other European** **markets** (such as **Turkey**, **Uzbekistan** and **Kazakhstan**). Solid growth to **Germany**, **Italy** and **France** masked declines to the **U.K.**, **Poland** and **Belgium.**
* **Australia** leaped into the state’s top 10 markets, as **the Philippines** (down 9%) dropped from 10th to 14th. Otherwise, there was minimal change in the rankings of the state’s other top 10 markets.
* Outreach in **Morocco, Egypt**, **South Africa** and **Tunisia** shaped trends in **Africa** ($225 million, up 26%).
* Other strong performers included **Costa Rica** (up 22%) in **Central & South America** ($944 million, down 13%) and **Saudi Arabia** (up 14%) in the **Middle East** ($416 million, down 4%).

Figure 2. Exports and Trends for Minnesota’s Top 10 Markets, 2019



## *Mineral Fuels, Optic/Medical, Pharmaceuticals, Glass and Ammunition Lead Gains*

* **Optic/medical goods** sales surged to **China** and **Europe** (including to **France, Turkey, the Netherlands** and **Ireland**). Increased exports of **orthopedic/artificial body parts,** **medical/surgical instruments** and **testing instruments** countered lower **measuring** and **regulating instruments,** **optical fibers** and **breathing equipment** exports.
* **Pharmaceutical** demandjumped 7%, propelled by **China** ($250 million, up 10%) and **the Netherlands** ($29 million, up 208%). High-growth segments included **blood products** and **drugs**.

 Figure 3. Top Exported Optic/Medical Products

* **Canada** ($280 million, up 142% - mainly **light oils**) steered growth in **mineral fuels** ($320 million, up 106%)**.**
* Almost 60% of **glass goods** ($154 million, up 26%) were shipped to **Canada** (up 24%) and **Mexico** (up 124%). **Multi-walled glass units** ($79 million, up 33%) and **glass fibers** ($34 million, up 28%) drove growth.
* **Australia** ($25 million, up 148%) fueled much of the increase in **arms/ammunition** ($103 million, up 38%).
* Other fast-growing areas were **fats/oils** (up $26 million, due to **Mexico**), **wood pulp** (up $23 million, due to **Indonesia**), **fertilizers** (up $15 million, due to **Canada**) and **other edibles** (up $15 million, due to **Canada**).
* Four of the top five products dragged exports down, with each plummeting by $90 million to $200 million. Demand for **electrical equipment** weakened the most, particularly to **China, Germany** and the **U.K**., and for product segments such as **integrated circuits**, **telecommunications equipment** and **electric capacitors.**
* More sales of **centrifuges/filters** and **road construction machinery** to **Australia**, and **dairy equipment** to **Canada,** provided relief against slumping sales of **heating, spraying** and **pumping machinery** to **China.**
* Large losses in **plastics** to **Mexico**, **Poland, Brazil** and **China** hindered strong gains to **Germany** and **Costa Rica**. Demand for **primary** **polymers & resins** and various **plastic sheets & film** faltered, in contrast to 2018.
* **Passenger** and **special vehicles** sales lost ground in **Canada**, while **vehicle parts** gained traction in **Mexico.**
* **Oil seeds, misc. grain** exports plunged $89 million, as sales of **soybeans** (down$57 million – driven by **China**) and **soybean meal** (down $29 million,in part due to **Morocco** and **Colombia**) contracted.

#### Figure 4. Exports and Trends for Minnesota’s Top 10 Products, 2019

|  |
| --- |
| Minnesota Export Statistics is the most current resource available for tracking the state’s trends of exports of goods and is prepared for the Minnesota Trade Office (MTO) by the Department of Employment and Economic Development’s (DEED) Economic Analysis Unit (by Thu-Mai Ho-Kim). The quarterly and annual statistics reports primarily cover export data based on the Harmonized Tariff System (Schedule B), collected by the U.S. Department of Commerce (USDOC) and distributed by IHS Markit. Reports are available on DEED’s website at “Export and Trade Statistics” (<http://mn.gov/deed/data/export-stats/>). Additional Notes: The U.S. Department of Agriculture (USDA) publishes alternate annual agricultural export estimates based on different methodology. USDA estimated that Minnesota exported $6.9 billion in agricultural and related food products in 2017, ranking fifth highest among all states. Data on services exports are limited. The Coalition of Services Industries, a national industry group, estimated Minnesota services exports at $11 billion in 2017. DEED estimated Minnesota’s services exports at $14 billion for 2019, based on pro-rating U.S. services exports data, using the state’s GDP industry shares. |

#### PRODUCT  Exports (billions)  Percent Change, 2018 to 2019 TOTAL  $22.2  -2% Optics, Medical  $4.6  2% Machinery  $3.4  -3% Electrical Equipment  $2.9  -6% Plastics  $1.4  -8% Vehicles  $1.3  -7% Pharmaceuticals  $0.7  7% Food By-Products  $0.6  0% Ores, Slag, Ash  $0.6  0% Aircraft, Spacecraft  $0.5  -3% Meat  $0.4  -3% Other  $5.8  -1%