

**Data on Minnesota Exports for Third Quarter 2023 – Published December 2023**

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# Drop in Mineral Fuel and Oil Exports Drives State Exports Down 17%

* Minnesota exports of goods (including agricultural, mining and manufactured products) were valued at $6.1 billion in the third quarter of 2023, representing a drop of 17% (or down $1.3 billion) over the third quarter of 2022.
* U.S. exports of goods fell 6% in the third quarter, as exports from 30 states declined between the third quarters of 2022 and 2023.
* For the year to date, state exports slipped 6.6% between 2022 and 2023, compared to a drop of 2.5% for the nation.
* Minnesota’s manufactured exports slid 16% to $5.3 billion in the third quarter of 2023, while U.S. manufactured exports fell 3%.

#### Figure 1. Exports Declined from 30 States



***MN: -17%***

***U.S.: -6%***

  *Decline 0% Growth*



## *Strong Growth to Latin American Markets and Australia, Amid Widespread Decline*

* Minnesota’s exports dropped sharply to **North America** ($2.4 billion, down 26%), despite solid growth to **Mexico** (up 15%). Sales plunged to **Canada** (down 37%), driven by **mineral fuel, oil** (down $895 million, a category that includes **motor fuel products**).
* Demand tumbled across **Asia** ($1.6 billion, down 18%) as demand weakened, especially in **Japan,** **Taiwan**, **Korea** and **China**. The **Philippines** (up 25%) and **Malaysia** (up 6%) were isolated in their strong performances.
* Exports also fell to the **European Union** (down 18%), the **Middle East** (down 12%) and **Africa** (down 7%).
* Growing markets in the **Caribbean, Central and South America** ($407 million, up 41%) and **Australia** ($163 million, up 42%; the state’s 7th largest market) helped bolster state exports.

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



## *Gains in Vehicles, Optic/Medical, Machinery and Ores Help Sustain Exports*

* Despite widespread decline, some key products performed moderately well, to strongly well, in the third quarter – led by **vehicles** (up 48%), **optic, medical products** (up 4%), **machinery** (up 3%), **ores, slag, ash** (up 11%) and **aircraft, spacecraft** (up 9%).
* Sales of **mineral fuel, oil** sank $1.1 billion (down 91%) to $114 million. These exports fell sharply to **Canada** (down 98%, the dominant market) – as well as to the **Netherlands**, **Spain**, and **Lithuania** – but jumped $54 million to **Germany**.
* **Electrical equipment** (down 12%), **meat** (down 40%) and **fertilizers** (down 59%) also tumbled.

Figure 3. Minnesota Exports of Vehicles

* Sales of **vehicles** gained traction in **Canada** (up 48%), **Mexico** (up 22%), **Australia** (up 397%) and **Brazil** (up 993%). The strongest segments included **large passenger vehicles,** **special purpose vehicles** and **tractors**.
* **Optic, medical** goodsswelled in **Costa Rica** (up $17 million), **Ireland** (up $12 million), **Turkey** (up $9 million), **France** (up $9 million) but buckled to **Taiwan** (down 40%) and **Belgium** (down 15%). Global demand surged for **medical, surgical instruments** (up 12%) and **instruments for physical and chemical analysis** (up 34%)**.**
* **Machinery** exporters made strong inroads in **Chile** ($74 million, up 1,240%), **Saudi Arabia** ($19 million, up 464%) and **Turkey** ($7 million, up 208%) **–** offsetting large declines in Asia, such as in **Korea**, **Singapore, China** and **the Philippines.** Leading segments included **centrifuges and filters** (up 14%)and **specialized machinery** (up 56%).
* **Canada** (up 7%) – with a market share of 97% – lifted exports of **ores, slag, ash** (mainly **iron ores**).
* Top markets for **aircraft, spacecraft** boosted exports: **Mexico** (up 67%), **the U.K.** (up 63%) and **Germany** (up 19%).
* **Glucose products** sold to **Mexico** (up $8 million) propelled **sugar, confectionary** sales ($25 million, up 45%).
* Robust sales of **cereals** to **Mexico** (up $68 million) offset downward trends in **Canada**, **Indonesia** and **Italy.**
* **Integrated circuits** (down 26%) and **electric generators** (down 36%) impacted **electrical equipment** the most**.**

### Figure 4. Export Trends for Minnesota’s Top 10 Products, Third 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/>).  |