

Export Data for 2013. Published May 2014

For More Information: Blake Chaffee (651-259-7161), Communications Office.

## Minnesota Exports Were Valued at \$20.7 Billion in 2013

Note: Reports based on 2013 data cover export data based on the Harmonized System, which covers manufactured and non-manufactured exports, such as agriculture and mining, but not services.

Minnesota’s exports – including agricultural, mining and manufactured products – were valued at \$20.7 billion in 2013.

- The state’s exports fell by \$106 million (or 0.5 percent) between 2012 and 2013.
- Minnesota ranked 20<sup>th</sup> largest among all states.
- The state’s manufactured exports grew 3.3 percent to \$19.3 billion and accounted for 93 percent of exports of goods. The state’s manufactured exports were at a record high. U.S. manufactured exports grew 2.4 percent.
- U.S. exports increased 2.1 percent. While exports declined to about half the states, they fell by more than 5 percent to 14 states.

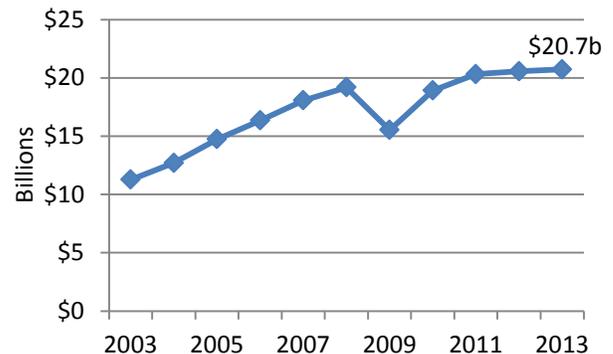
Seven of Minnesota’s top 10 industries (with exports exceeding \$320 million) increased exports between 2012 and 2013.

- Leading exported products were machinery (\$4.0 billion, down 1 percent), optics and medical instruments (\$3.3 billion, up 7 percent), electrical machinery (\$2.5 billion, up 2 percent) and vehicles (\$2.0 billion, up 2 percent).

Exports increased to six of the state’s 10 largest country markets between 2012 and 2013.

- Minnesota’s top five export markets were Canada (\$5.8 billion, down 8 percent), China (\$2.5 billion, down 1 percent), Mexico (\$1.5 billion, up 14 percent), Japan (\$1.1 billion, down 10 percent) and Germany (\$760 million, up 4 percent).

Figure 1. Minnesota Exports\*, 2003-2013



\*Includes manufacturing and non-manufactured industries, such as agriculture and mining, but not services.

More than 8,600 businesses throughout Minnesota exported goods and services in 2012, according to the U.S. Department of Commerce – representing an increase of about 900 exporters since 2009. Exporters’ success on a global scale can impact the local economy by creating new jobs in the state. According to the International Trade Administration at the U.S. Department of Commerce:

- In 2013, U.S. exports of goods and services supported 11.3 million jobs, a record high.
- Every \$1 billion in U.S. exports of goods and services supported 5,590 jobs.
- Minnesota ranked 17<sup>th</sup> among all states by number of jobs (136,900 jobs) generated by manufactured exports in 2011. About 65,100 of these jobs are in manufacturing, while 71,800 jobs are in other industries such as marketing and sales, transportation, and logistics fields – key sectors in delivering goods to markets.

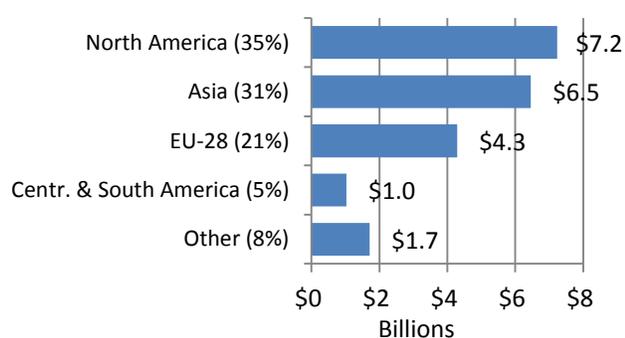
The following sections provide more details on exports by industry, country markets and products.

## Annual Export Statistics: Minnesota Exports Valued at \$20.7 Billion in 2013

### Regional Export Markets

- Minnesota's three main regional markets in 2013 were North America, Asia and the European Union.
- Minnesota exporters sell a greater share of goods to Asia (31 percent vs. 25 percent) and to the European Union (21 percent vs. 17 percent) but a smaller share to Central and South America (5 percent vs. 12 percent) than do U.S. exporters.

**Figure 2. Minnesota Exports, by Major Region (with Distribution Share), 2013**



### North America:

- Export value, 2013: \$7.2 billion.
- Share of state exports: 35 percent.
- State trend, 2012-2013: down 5 percent.
- U.S. trend, 2012-2013: up 4 percent.
- Largest markets: Canada (\$5.8 billion, down 8 percent), Mexico (\$1.5 billion, up 14 percent).

### Asia:

- Export value, 2013: \$6.5 billion.
- Share of state exports: 31 percent.
- State trend, 2012-2013: down 3 percent.
- U.S. trend, 2012-2013: up 4 percent.
- Major markets (among the state's top 10): China (\$2.5 billion), Japan (\$1 billion), South Korea (\$624 million), the Philippines (\$552 million).
- Largest value gains: the Philippines (up \$56 million), Indonesia (up \$51 million), Vietnam (up \$23 million).

### European Union (EU)<sup>1</sup>:

- Export value, 2013: \$4.3 billion.
- Share of state exports: 21 percent.
- State trend, 2012-2013: up 6 percent.
- U.S. trend, 2012-2013: down 1 percent.
- Major markets (among the state's top 10): Germany (\$760 million), Belgium (\$721 million), United Kingdom (\$528 million), the Netherlands (\$521 million).
- Largest value gains: Belgium (up \$80 million), Netherlands (up \$77 million), France (up \$34 million).
- Largest value declines: Sweden (down \$28 million), Austria (down \$19 million).

### Central and South America:

- Export value, 2013: \$1 billion.
- Share of state exports: 5 percent.
- State trend, 2012-2013: up 6 percent.
- U.S. trend, 2012-2013: up 1 percent.
- Major markets: Brazil (\$384 million, up 13 percent), Chile (\$111 million, up 6 percent), Colombia (\$99 million, up 19 percent).

### Other Markets in Europe

- Export value, 2013: \$529 million.
- State trend, 2012-2013: up 17 percent.
- U.S. trend, 2012-2013: up 2 percent.
- Non-EU markets in Europe had the state's second strongest regional export growth rate during this period. (Africa had the highest growth rate, at 30 percent.)
- Major markets: Switzerland (\$215 million), Finland (\$120 million), Russia (\$110 million).
- Largest value gains: Switzerland (up \$56 million).

<sup>1</sup> Croatia joined the European Union officially on July 1, 2013. Croatia is included in the European Union for 2013 annual data, but was included in the region "Other European Countries" for 2013 quarterly export reports.

## Annual Export Statistics: Minnesota Exports Valued at \$20.7 Billion in 2013

**Table 1. Minnesota Exports, by Region, 2013**

Region	Exports (Millions)	Growth, 2012-2013
North America	\$7,232	-5%
Asia	\$6,455	-3%
European Union (EU-28)	\$4,289	6%
Central & South America	\$1,031	6%
Australia-Pacific	\$535	-8%
Other Europe, not EU	\$529	17%
Middle East	\$405	11%
Africa	\$244	30%
<b>Total</b>	<b>\$20,720</b>	<b>-1%</b>

### Top Country Markets

Exports increased to 14 of the state's top 25 markets between 2012 and 2013. There were some notable changes in rankings.

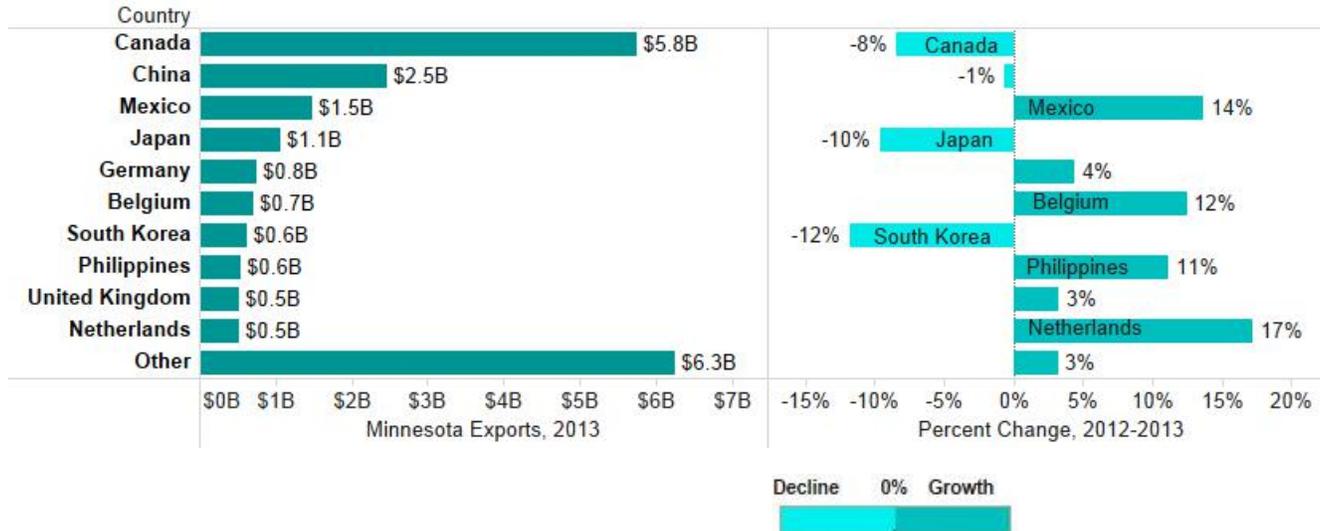
- Jumping into the Top 25: Indonesia (up to 21<sup>st</sup> from 32<sup>nd</sup>), Saudi Arabia (up to 23<sup>rd</sup> from 28<sup>th</sup>).
- Dropping out of the Top 25: Sweden (down to 26<sup>th</sup> from 22<sup>nd</sup>), Russia (down to 28<sup>th</sup> from 25<sup>th</sup>).
- Minnesota has a relatively large share of U.S. exports to the Philippines (6.6 percent), Ireland (5.3 percent), Finland (5.1 percent), Luxembourg (4.7 percent) and Denmark (3.3 percent), compared to the state's share of U.S. exports over all markets (1.3 percent).

**Table 2. Minnesota's Top 25 Export Markets, 2013**

Rank 2012	Rank 2013	Country	Exports, 2013 (millions)	Distribution 2013	Value Change, 2012-2013	MN Percent Change, 2012-2013	US Percent Change, 2012-2013	MN as a Percent of the U.S.
1	1	Canada	\$5,757	28%	-\$530	-8%	3%	1.9%
2	2	China (incl. Hong Kong)	\$2,463	12%	-\$16	-1%	11%	1.5%
3	3	Mexico	\$1,474	7%	\$178	14%	5%	0.7%
4	4	Japan	\$1,068	5%	-\$112	-10%	-7%	1.6%
5	5	Germany	\$760	4%	\$32	4%	-3%	1.6%
7	6	Belgium	\$721	3%	\$80	12%	8%	2.3%
6	7	South Korea	\$624	3%	-\$83	-12%	-2%	1.5%
9	8	Philippines	\$552	3%	\$56	11%	4%	6.6%
8	9	United Kingdom	\$528	3%	\$17	3%	-14%	1.1%
13	10	Netherlands	\$521	3%	\$77	17%	5%	1.2%
11	11	Singapore	\$493	2%	\$9	2%	1%	1.6%
12	12	Australia	\$457	2%	-\$22	-5%	-16%	1.8%
10	13	Taiwan	\$406	2%	-\$83	-17%	5%	1.6%
14	14	France	\$386	2%	\$34	10%	4%	1.2%
15	15	Brazil	\$384	2%	\$44	13%	1%	0.9%
16	16	Ireland	\$353	2%	\$18	5%	-10%	5.3%
17	17	Thailand	\$271	1%	-\$2	-1%	9%	2.3%
18	18	Italy	\$254	1%	\$11	4%	3%	1.5%
20	19	Switzerland	\$215	1%	\$56	35%	2%	0.8%
19	20	India	\$189	1%	-\$14	-7%	-1%	0.9%
32	21	Indonesia	\$135	1%	\$51	61%	14%	1.5%
21	22	Malaysia	\$131	1%	-\$17	-12%	1%	1.0%
28	23	Saudi Arabia	\$130	1%	\$36	38%	6%	0.7%
23	24	Finland	\$120	1%	-\$10	-7%	-8%	5.1%
24	25	United Arab Emirates	\$116	1%	-\$12	-9%	9%	0.5%
		Other	\$2,209	11%	\$97	5%	2%	0.8%
		<b>Total</b>	<b>\$20,720</b>	<b>100%</b>	<b>-\$106</b>	<b>-1%</b>	<b>2%</b>	<b>1.3%</b>

## Annual Export Statistics: Minnesota Exports Valued at \$20.7 Billion in 2013

Figure 3. Minnesota's Top 10 Export Markets, 2013



### Canada (Rank: 1):

- Export value, 2013: \$5.8 billion.
- State trend, 2012-2013: down 8 percent.
- U.S. trend, 2012-2013: up 3 percent.
- Top three products: vehicles (\$1.1 billion), machinery (\$835 million), electrical machinery (\$407 million).
- Largest value gains: beverages (up \$148 million to \$347 million), vehicles (up \$49 million), optics/ medical (up \$44 million to \$279 million).
- Largest value declines: mineral oil, fuel (down \$503 million to \$219 million), ores, slag, ash (down \$220 million to \$155 million).
- Minnesota's exports of ores, slag, ash are primarily iron ores and concentrates, and are primarily sold to Canada. Minnesota is the second-largest state exporter of iron ores and concentrates (HS 2601) to Canada.

### China (including Hong Kong) (2):

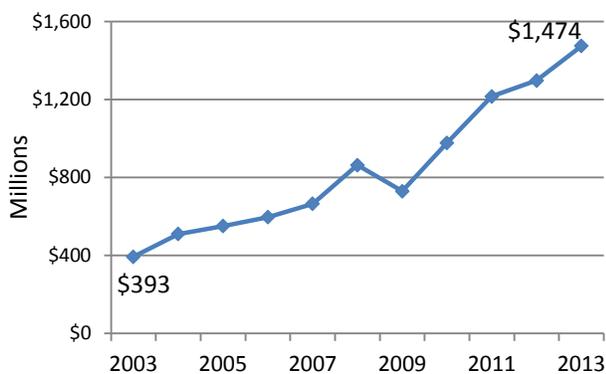
- Export value, 2013: \$2.5 billion.
- State trend, 2012-2013: down 1 percent.
- U.S. trend, 2012-2013: up 11 percent.
- Top three products: machinery (\$600 million), optic, medical products (\$438 million), electrical machinery (\$256 million).
- Largest value gains: machinery (up \$63 million), food by-products (up \$44 million to \$66 million), electrical machinery (up \$23 million).
- Largest value decline: ores, slag, ash (down \$165 million to \$128 million).
- Minnesota was the fifth-largest state exporter of optic and medical products (HS 90) to China.

## Annual Export Statistics: Minnesota Exports Valued at \$20.7 Billion in 2013

### Mexico (3):

- Export value, 2013: \$1.5 billion.
- State trend, 2012-2013: up 14 percent.
- U.S. trend, 2012-2013: up 5 percent.
- Top three products: machinery (\$290 million), electrical machinery (\$210 million), vehicles (\$184 million).
- Largest value gains: machinery (up \$78 million), electrical machinery (up \$56 million), food by-products (up \$21 million to \$74 million).
- Largest value declines: wood pulp (down \$17 million to \$8 million), sugars (down \$17 million to \$4 million).
- In 2008, Mexico broke into Minnesota's top five markets. State exports to Mexico have grown 71 percent since then.

**Figure 4. Minnesota Exports to Mexico, 2003-2013**



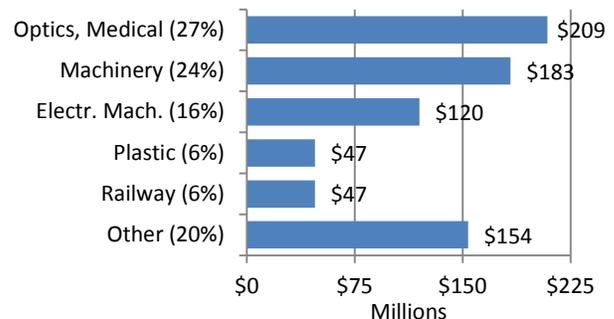
### Japan (4):

- Export value, 2013: \$1.1 billion.
- State trend, 2012-2013: down 10 percent.
- U.S. trend, 2012-2013: down 7 percent.
- Top three products: optic, medical (\$337 million), electrical machinery (\$128 million), machinery (\$118 million).
- Largest value gains: meat (up \$23 million to \$53 million), paper (up \$11 million to \$31 million).
- Largest value decline: cereals (down \$53 million, or 95 percent, due to a persistent fall in demand for Minnesota's corn.) However, sales of corn (HS 1005) to Japan increased strongly from other states (e.g. Illinois, Ohio, Iowa) in 2013.

### Germany (5):

- Export value, 2013: \$760 million.
- State trend, 2012-2013: up 4 percent.
- U.S. trend, 2012-2013: down 3 percent.
- Top three products: optic, medical (\$209 million), machinery (\$183 million), electrical machinery (\$120 million).
- Largest value gains: railway equipment (up \$47 million from \$162,000), stone, plaster (up \$10 million to \$17 million).
- Largest value decline: machinery (down \$26 million).
- Sales of railway equipment were primarily railway maintenance and service vehicles. Minnesota was the top seller of these products to Germany.

**Figure 5. Minnesota Exports to Germany, by Major Product (with Distribution Share), 2013**



### Belgium (6):

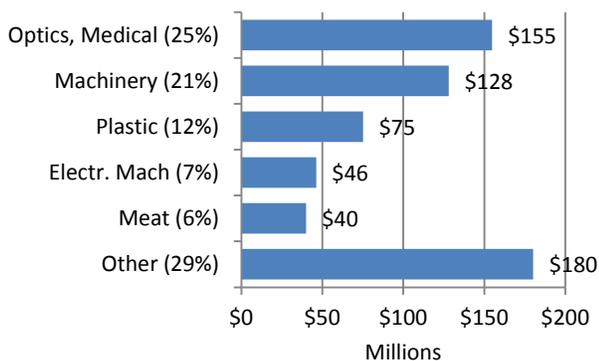
- Export value, 2013: \$721 million.
- State trend, 2012-2013: up 12 percent.
- U.S. trend, 2012-2013: up 8 percent.
- Top three products: optics, medical products (\$384 million), machinery (\$196 million), vehicles (\$75 million).
- Largest value gains: optic, medical products (up \$69 million), machinery (up \$25 million).
- Minnesota was the fourth-largest state exporting optics, medical products to Belgium. Medical/surgical instruments (\$305 million, up 41 percent) was the strongest growing sub-segment.

## Annual Export Statistics: Minnesota Exports Valued at \$20.7 Billion in 2013

### South Korea (7):

- Export value, 2013: \$624 million.
- State trend, 2012-2013: down 12 percent.
- U.S. trend, 2012-2013: down 2 percent.
- Top three products: optic, medical products (\$155 million), machinery (\$128 million), plastic (\$75 million).
- Largest value gains: plastic (up \$5 million, or 7 percent), food by-products (up \$4 million, or 62 percent, to \$10 million).
- Largest value decline: meat (down \$38 million, or 49 percent, to \$40 million).
- U.S. meat exports to Korea fell 12 percent to \$944 million in 2013, with sales for five of the six major states (including Minnesota) of 2012. Colorado was the exception, where meat exports to Korea increased 40 percent to \$117 million.

**Figure 6. Minnesota Exports to South Korea, by Major Product (With Distribution Share), 2013**



### Philippines (8):

- Export value, 2013: \$552 million.
- State trend, 2012-2013: up 11 percent.
- U.S. trend, 2012-2013: up 4 percent.
- Top three products: electrical machinery (\$402 million), food by-products (\$57 million), machinery (\$30 million).
- Largest value gains: food by-products (up \$50 million), machinery (up \$16 million).
- Largest value decline: miscellaneous grains (down \$28 million to \$65,000).
- Minnesota was the second-largest state exporter of electrical machinery to the Philippines, which mainly consisted of electronic integrated circuits (\$364 million).
- For U.S. markets, the Philippines ranked 33<sup>rd</sup>.

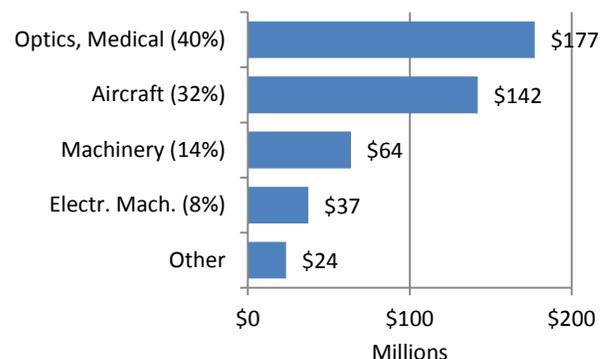
### The United Kingdom (9):

- Export value, 2013: \$528 million.
- State trend, 2012-2013: up 3 percent.
- U.S. trend, 2012-2013: down 14 percent.
- Top three products: electrical machinery (\$105 million), optic, medical products (\$99 million), machinery (\$89 million).
- Largest value gains: optic, medical products (up \$16 million, or 20 percent), vehicles (up \$11 million, or 62 percent, to \$30 million).
- Largest value decline: machinery (down \$39 million, or 31 percent).

### Netherlands (10):

- Export value, 2013: \$521 million.
- State trend, 2012-2013: up 17 percent.
- U.S. trend, 2012-2013: up 5 percent.
- Top three products: optic, medical instruments (\$177 million), aircraft, spacecraft (\$142 million), machinery (\$64 million).
- Largest value gains: aircraft, spacecraft (up \$136 million, or 2,200 percent), albumins, glues, starches (up \$17 million, or 3,274 percent to \$18 million).
- Largest value decline: pharmaceuticals (down \$60 million, or 90 percent, to \$7 million).

**Figure 7. Minnesota Exports to the Netherlands, by Major Product (With Distribution Share), 2013**



## Annual Export Statistics: Minnesota Exports Valued at \$20.7 Billion in 2013

### Fastest-Growing Markets

**Table 3. Minnesota's 10 Fastest Growing Markets, by Growth Rate: 2012-2013\***

Rank 2013	Country	Exports, 2013 (millions)	MN Value Change	MN Pct. Growth	U.S. Pct. Growth
21	Indonesia	\$135	\$51	61%	14%
30	Spain	\$92	\$31	51%	7%
44	Peru	\$51	\$15	42%	8%
35	Vietnam	\$81	\$23	40%	8%
23	Saudi Arabia	\$130	\$36	38%	6%
19	Switzerland	\$215	\$56	35%	2%
29	Colombia	\$99	\$16	19%	14%
10	Netherlands	\$521	\$77	17%	5%
42	Venezuela	\$55	\$7	15%	-25%
33	Turkey	\$84	\$11	15%	-4%

\*Among markets with at least \$50 million in exports (up to rank of 44).

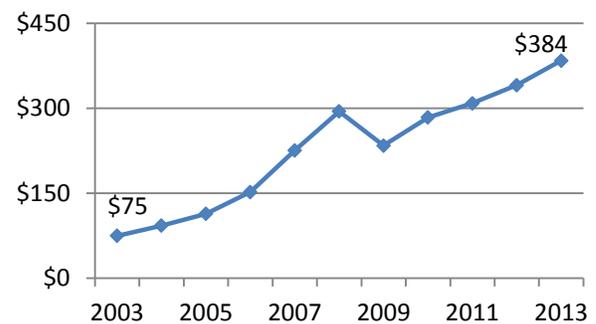
- **Indonesia (21)** moved up 11 spots, based on increased wood pulp exports, up \$48 million, from none in 2012.
- **Spain (30)** moved up nine spots, based on the state's exports of ores, slag, ash exports, which increased to \$24 million, from none in 2012. From exports valued at \$102 million in 2011, exports to Spain are rebounding after dropping to a low of \$62 million in 2012.
- **Peru (44)**: Exports of machinery (\$23 million, up 73 percent), optics, medical products (\$5 million, up 64 percent) and vehicles (\$6 million, up 87 percent) contributed the most to export growth.
- **Vietnam (35)**: Exports of food by-products (\$19 million, up 41 percent), dairy/eggs (\$12 million; up 205 percent), machinery (\$11 million, up 18 percent) and electrical machinery (\$8 million, up 120 percent) accounted for 61 percent of the state's exports to Vietnam.
- **Saudi Arabia (23)**: Growth in sales of aircraft, spacecraft (\$18 million, up 326 percent) and arms, ammunition (\$13 million, up 489 percent) contributed the most to export growth and represented about one-quarter of the state's exports to this country.

- **Switzerland (19)**: Electrical machinery (\$85 million, up 32 percent – especially batteries and electric capacitors), machinery (\$43 million, up 92 percent) and optics, medical products (\$49 million, up 20 percent) were the top exports.
- **Colombia (29)**: Increased exports of machinery (\$37 million, up 32 percent) and cereals (\$5 million, up from none in 2012) fueled growth.
- **Venezuela (42)**: Machinery (\$15 million, up 31 percent) cereals (\$14 million, up 259 percent) and optics, medical products (\$11 million, up 86 percent) were the state's main exports.
- **Turkey (33)**: Almost two-thirds of Minnesota exports to Turkey consisted of machinery (\$34 million, up 36 percent) and optics, medical products (\$20 million, up 97 percent).

### Other Notable Markets

- **Brazil (15)**:
  - Export value, 2013: \$384 million.
  - State trend, 2012-2013: up 13 percent.
  - U.S. trend, 2012-2013: up 1 percent.
  - Top three products: machinery (\$117 million), optic, medical instruments (\$93 million), electrical machinery (\$46 million).
  - Largest value gains: optics, medical (up \$24 million, or 35 percent), cereals (up \$20 million, from \$87,000 in 2012), electrical machinery (up \$14 million, or 43 percent).
  - Brazil ranks seventh among U.S. markets.

**Figure 8. Minnesota Exports to Brazil, 2003-2013**

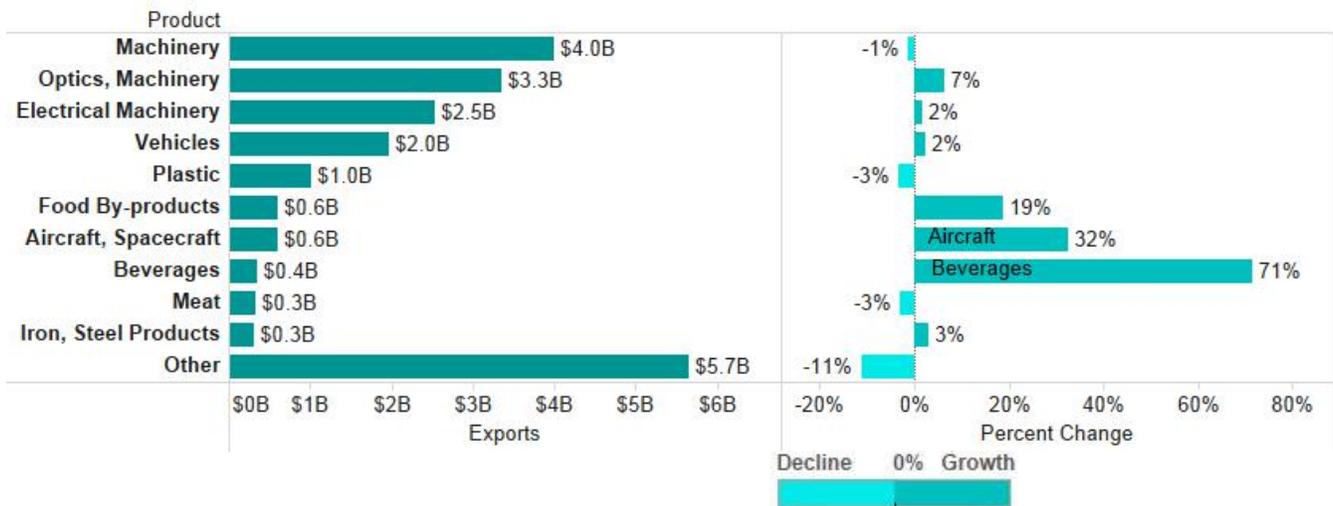


- **Nigeria (52)**: The state's exports increased 81 percent, or \$11 million, to \$25 million. In particular, increased exports of vehicles (\$12 million, up 38 percent) and centrifuges/filters (\$7 million, up 394 percent) drove export growth.

## Annual Export Statistics: Minnesota Exports Valued at \$20.7 Billion in 2013

### Top Product Markets

Figure 9. Minnesota's Exports, by Product, 2013



Growth was mixed among Minnesota's top 20 major products (2-digit Harmonized Series), which accounted for 84 percent of the state's exports of goods in 2013.

Minnesota ranked among the top 15 exporting states in some of its major products:

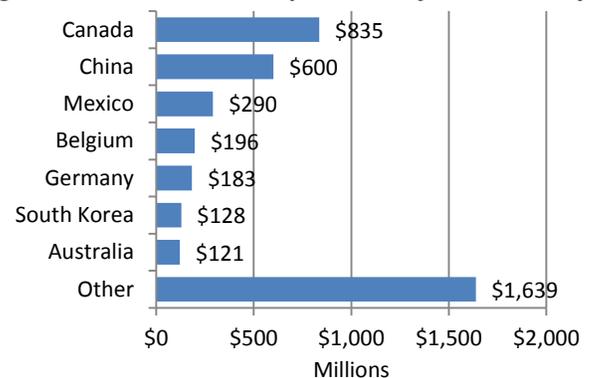
- Ores, Slag and Ash (fifth)
- Food By-products (fifth)
- Beverages (fifth)
- Optic, Medical Products (seventh)
- Dairy, Eggs and Honey (seventh)
- Cereals (incl. wheat) (12<sup>th</sup>)\*
- Miscellaneous grains (incl. soybeans) (14<sup>th</sup>)\*
- Meat (15<sup>th</sup>)
- Iron and Steel Products (15<sup>th</sup>)
- Electrical Machinery (15<sup>th</sup>)
- Wood Pulp (15<sup>th</sup>)

\*For bulky agricultural commodities in particular, this data source may attribute exports to the U.S. port of exit which often may be in a different state than the state of production. For these two products, Louisiana is ranked first. Using different methodology, the U.S. Department of Agriculture (USDA) ranked Minnesota as the third-largest exporter of soybeans and related products and the eighth-largest exporter of wheat and related products, among all states in (fiscal year) 2012. See page 13 of this report for more detail on export data published by the USDA.

### 84 Machinery (Rank: 1)

- Export value, 2013: \$4 billion.
- State trend, 2012-2013: down 1 percent.
- U.S. trend, 2012-2013: down 1 percent.
- Major country markets: Canada (\$835 million), China (\$600 million), Mexico (\$290 million).
- Largest value gains: Mexico (up \$78 million), China (up \$63 million), Belgium (up \$25 million to \$196 million).
- Largest value declines: United Kingdom (down \$40 million to \$89 million), Germany (down \$26 million to \$183 million), Italy (down \$26 million to \$40 million).
- Minnesota was the second-largest state exporter of spraying machinery (HS 8424) to all countries.

Figure 10. Minnesota's Top Markets for Machinery



## Annual Export Statistics: Minnesota Exports Valued at \$20.7 Billion in 2013

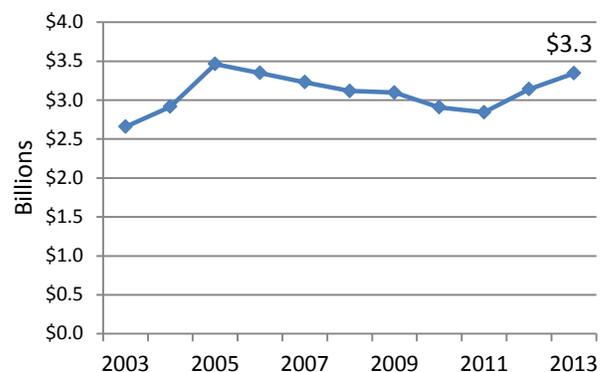
**Table 4. Minnesota's Exports, by 2-Digit Harmonized Series Product, 2013**

2HS Code and Industry Description	Exports, 2013 (millions)	Distribution, 2013	Value Change, 2012-2013 (millions)	MN Percent Change, 2012-2013	U.S. Percent Change, 2012-2013	MN as a Percent of the U.S.
84 Machinery	\$3,993	19%	-\$58	-1%	-1%	1.9%
90 Optic, Medical Instr.	\$3,345	16%	\$205	7%	1%	4.0%
85 Electrical Machinery	\$2,531	12%	\$42	2%	2%	1.5%
87 Vehicles	\$1,965	9%	\$46	2%	0%	1.5%
39 Plastic	\$1,008	5%	-\$35	-3%	3%	1.7%
23 Food By-Products	\$613	3%	\$97	19%	20%	5.2%
88 Aircraft, Spacecraft	\$606	3%	\$148	32%	10%	0.5%
22 Beverages	\$350	2%	\$146	71%	1%	5.0%
02 Meat	\$324	2%	-\$10	-3%	1%	2.0%
73 Iron, Steel Products	\$322	2%	\$10	3%	4%	1.5%
26 Ores, Slag, Ash	\$317	2%	-\$351	-53%	5%	4.3%
48 Paper, Paperboard	\$258	1%	\$4	2%	2%	1.6%
68 Stone, Plaster, Cement	\$243	1%	\$33	16%	5%	6.9%
38 Misc. Chemicals	\$236	1%	\$14	7%	7%	0.9%
27 Mineral Fuel, Oil	\$228	1%	-\$503	-69%	8%	0.2%
Other	\$4,382	21%	\$106	2%	0%	0.8%
<b>Total</b>	<b>\$20,720</b>	<b>100%</b>	<b>-\$106</b>	<b>-1%</b>	<b>2%</b>	<b>1.3%</b>

### 90 Optic, Medical Instruments (2)

- Export value, 2013: \$3.3 billion.
- State trend, 2012-2013: up 7 percent.
- U.S. trend, 2012-2013: up 1 percent.
- Major country markets: China (\$438 million), Belgium (\$384 million), Japan (\$337 million).
- Largest value gains: Belgium (up \$69 million), Canada (up \$44 million to \$279 million), Brazil (up \$24 million to \$93 million).
- The state's exports for a subgroup of HS90, representing a proxy for medical goods (HS9018-HS9033), accounted for 91 percent of HS 90 and increased 10 percent.

**Figure 11. Minnesota Exports of HS 90 Optic and Medical Products, 2003-2013**



## ***Annual Export Statistics: Minnesota Exports Valued at \$20.7 Billion in 2013***

### **85 Electrical Machinery (3)**

- Export value, 2013: \$2.5 billion.
- State trend, 2012-2013: up 2 percent.
- U.S. trend, 2012-2013: up 2 percent.
- Major country markets: Canada (\$407 million), Philippines (\$402 million), China (\$256 million).
- Largest value gains: Mexico (up \$56 million to \$210 million), China (up \$23 million), Switzerland (up \$21 million to \$85 million).
- Largest value declines: Taiwan (down \$68 million to \$44 million – mainly due to integrated circuits plunging 93 percent to \$5 million), Malaysia (down \$12 million to \$27 million), Netherlands (down \$12 million to \$37 million).

### **87 Vehicles (4)**

- Export value, 2013: \$2 billion
- State trend, 2012-2013: up 2 percent.
- U.S. trend, 2012-2013: no change.
- Major country markets: Canada (\$1.1 billion), Mexico (\$184 million), Finland (\$84 million).
- Largest value gains: Canada (up \$49 million), Mexico (up \$19 million).
- Largest value declines: Australia (down \$17 million to \$56 million), Finland (down \$17 million).

### **39 Plastic (5)**

- Export value, 2013: \$1.0 billion.
- State trend, 2012-2013: down 3 percent.
- U.S. trend, 2012-2013: up 3 percent.
- Major country markets: China (\$223 million), Canada (\$144 million), Mexico (\$85 million).
- Largest value gains: Canada (up \$24 million), Mexico (up \$9 million).
- Largest value declines: China (down \$22 million), India (down \$17 million to \$6 million).
- The largest plastics sub-segment was self-adhesive materials (\$367 million, down 15 percent). Although there were sharp declines of self-adhesive products in India, China and Mexico, there were strong gains in Canada, Argentina and other smaller markets.

### **23 Food By-Products (6)**

- Export value, 2013: \$613 million.
- State trend, 2012-2013: up 19 percent.
- U.S. trend, 2012-2013: up 20 percent.
- Major country markets: Canada (\$198 million), Mexico (\$74 million), China (\$66 million).
- Largest value gains: Philippines (up \$50 million to \$57 million), China (up \$44 million), Mexico (up \$21 million).
- Largest value declines: Canada (down \$45 million).
- Food manufacturing by-products (\$274 million, up 20 percent) and soybean by-products (\$210 million, up 15 percent) are the main segments.

### **88 Aircraft, Spacecraft (7)**

- Export value, 2013: \$606 million.
- State trend, 2012-2013: up 32 percent.
- U.S. trend, 2012-2013: up 10 percent.
- Major country markets: Netherlands (\$142 million), France (\$100 million), Singapore (\$38 million).
- Largest value gains: Netherlands (up \$136 million), Singapore (up \$15 million), Saudi Arabia (up \$14 million to \$18 million).
- Largest value declines: South Korea (down \$10 million to \$8 million), China (down \$7 million to \$15 million).
- Demand for aircraft/spacecraft products are volatile from year-to-year, overall and by trading partner.

### **22 Beverages (8)**

- Export value, 2013: \$350 million
- State trend, 2012-2013: up 71 percent.
- U.S. trend, 2012-2013: up 1 percent.
- Major country markets: Canada (\$347 million), accounting for 99 percent of exports.
- Largest value gains: Canada (up \$148 million)
- About 70 percent of these exports consist of denatured alcohol (not for consumption) that is related to ethanol fuel.

## Annual Export Statistics: Minnesota Exports Valued at \$20.7 Billion in 2013

### 02 Meat (9)

- Export value, 2013: \$324 million.
- State trend, 2012-2013: down 3 percent.
- U.S. trend, 2012-2013: up 1 percent.
- Major country markets: China (\$111 million), South Korea (\$40 million), Japan (\$53 million).
- Largest value gains: Japan (up \$23 million), China (up \$12 million).
- Largest value declines: South Korea (down \$38 million), Taiwan (down \$9 million to \$7 million).
- About 91 percent of meat exports are fresh, frozen pork (\$154 million, down 5 percent), edible animal offal (\$84 million, down 5 percent) and poultry (\$58 million).
- Demand for fresh, frozen pork (up 91 percent in Japan, down 52 percent in Korea), and edible animal offal (up 20 percent in China, down 22 percent in South Korea) swung wildly.

### 73 Iron/Steel Products (10)

- Export value, 2013: \$322 million.
- State trend, 2012-2013: up 3 percent.
- U.S. trend, 2012-2013: up 4 percent.
- Major country markets: Canada (\$198 million), Mexico (\$51 million), China (up \$13 million).
- Largest value gain: Mexico (up \$20 million).
- Largest value decline: Canada (down \$15 million).

### 26 Ores, Slag, Ash (11)

- Export value, 2012: \$317 million.
- State trend, 2012-2013: down 53 percent.
- U.S. trend, 2012-2013: up 5 percent.
- Down from seventh-largest ranking in 2012.
- Major country markets: Canada (\$155 million; down 59 percent) and China (\$128 million; down 56 percent).
- Iron ores and concentrates (HS 2601) accounted for 99.8 percent of Minnesota exports of HS 26. Minnesota accounted for 21 percent of U.S. exports of HS 2601, and was the second largest among all states.
- In contrast to the state's trends, iron ore exports jumped to Canada from Michigan and Ohio, and to China from California and West Virginia.

### Fastest-Growing Export Products

**Table 5. Minnesota's 10 Highest Growth Two-Digit HS Products, by Growth Rate: 2012-2013**

Product (2-digit HS)	Exports (millions)	Value Change (millions)	Percent Growth
47 Wood pulp	\$169	164%	\$105
22 Beverages	\$350	71%	\$146
88 Aircraft, Spacecraft	\$606	32%	\$148
04 Dairy, Eggs	\$201	31%	\$47
49 Book, Newspaper	\$101	22%	\$18
23 Food By-Products	\$613	19%	\$97
76 Aluminum	\$154	17%	\$22
68 Stone, Plaster	\$243	16%	\$33
35 Albumins, Starches	\$197	14%	\$24
94 Furniture, Bedding	\$137	11%	\$14

Note: Highest growth rates among two-digit HS products with at least \$100 million in exports.

**Table 6. Minnesota's 10 Highest Growth Four-Digit HS Products, by Growth Rate: 2012-2013**

Product (4-digit HS)	Exports (millions)	Value Change (millions)	Percent Growth
Chemical Wood pulp	\$137	1799401%	\$137.3
Denatured Alcohol	\$244	132%	\$138.7
Mach. for Testing Properties	\$136	46%	\$42.7
Mach. For Sorting Minerals	\$104	34%	\$26.5
Aircraft Parts	\$599	33%	\$147.6
Medical, Surgical Instruments	\$1,156	24%	\$222.3
Semiconductor Devices	\$111	20%	\$18.6
Other Special Purpose Vehicles	\$256	20%	\$42.4
Food Mfg By-products	\$274	20%	\$45.0
Soybeans	\$146	18%	\$22.1

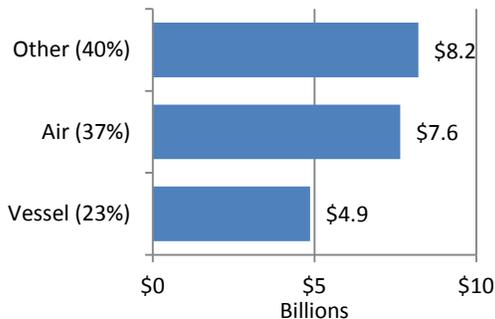
Note: Highest growth rates among four-digit HS products with at least \$100 million in exports.

## Annual Export Statistics: Minnesota Exports Valued at \$20.7 Billion in 2013

### Export Logistics

Exports are shipped via multiple transport modes.

**Figure 12. Minnesota Exports, by Mode of Transport (With Distribution Share), 2013**



- Air shipments were valued at \$7.6 billion. Optic, medical instruments (\$1.8 billion), electrical machinery (\$2.5 billion) and machinery (\$1.6 billion) accounted for 80 percent of air shipments.
- Shipments sent via other modes were valued at \$8.2 billion. Vehicles (\$1.5 billion), machinery (\$1.4 billion) and electrical machinery (\$559 million) were leading products sent by land.
- Vessels carried \$4.9 billion of goods overseas. The four main products sent by vessel were machinery (\$1 billion), plastics (\$441 million), vehicles (\$408 million) and optics, medical (\$297 million).

**Table 7. Exports by Mode of Transport, 2013\***

Product Group	Value (millions)	Air	Ship	Other
Machinery	\$3,993	39%	26%	35%
Optics, Medical	\$3,345	83%	9%	9%
Electrical Mach.	\$2,531	71%	7%	22%
Vehicles	\$1,965	1%	21%	78%
Plastic	\$1,008	31%	44%	25%
Food By-prod.	\$613	0%	45%	55%
Aircraft, Space	\$606	65%	2%	34%
Beverages	\$350	0%	1%	99%
Meat	\$324	0%	83%	17%
Iron, Steel	\$322	12%	10%	79%
Other	\$5,664	13%	34%	53%
<b>Total</b>	<b>\$20,720</b>	<b>37%</b>	<b>23%</b>	<b>40%</b>

\*Percentages show the share of each industry's exports that are sent by that mode of transport (i.e. rows sum to 100 percent). Data show the mode of transport from the United States to the foreign destination, which may not be the same as the mode of transport from Minnesota.

### Peer Performance

In 2013, Minnesota ranked 20<sup>th</sup> among all states, with no change since 2012.

Seven of the top 10 states were among the states contributing the 10 largest export gains, and gained a combined \$36 billion in exports between 2012 and 2013. Texas and Washington (first- and fourth-largest exports, respectively) had the largest gain in value among all states.

Minnesota generated \$3,823 in exports per person in 2013, compared to the U.S. average of \$4,994.

**Table 8. Top 10 Exporting States, 2013**

2013 Rank	State	Exports (Billions)	Exports per capita*	Growth, 2012-2013
1	TX	\$280	\$10,575	6%
2	CA	\$168	\$4,386	4%
3	NY	\$84	\$4,274	3%
4	WA	\$82	\$11,754	8%
5	IL	\$66	\$5,112	-3%
6	LA	\$63	\$13,637	0%
7	FL	\$60	\$3,092	-9%
8	MI	\$58	\$5,907	3%
9	OH	\$51	\$4,369	4%
10	PA	\$41	\$3,204	5%
20	MN	\$21	\$3,823	-1%
	Other	\$605	\$4,088	1%
	<b>Total</b>	<b>\$1,579</b>	<b>\$4,994</b>	<b>2%</b>

\*Based on 2013 population data by the Census Bureau.

**Table 8. States with Highest Export Growth Rates**

Rank 2013	State	Exports (Billions)	Growth, 2012-2013
45	District of Columbia	\$2.7	34.4%
41	New Hampshire	\$4.3	22.6%
18	Kentucky	\$25.3	14.3%
4	Washington	\$81.9	8.4%
29	Kansas	\$12.5	6.5%
33	Colorado	\$8.7	6.4%
39	Delaware	\$5.4	5.7%
1	Texas	\$279.7	5.7%
10	Pennsylvania	\$40.9	5.4%
21	Arizona	\$19.4	5.4%

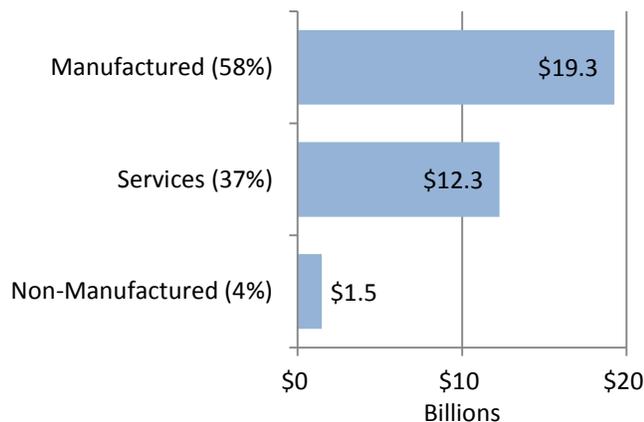
## Annual Export Statistics: Minnesota Exports Valued at \$20.7 Billion in 2013

### The Big Picture in Minnesota Exports

Minnesota's exports from manufacturing, services and agricultural industries were estimated at \$33 billion for 2013.

- Manufactured exports (\$19.3 billion) accounted for 58 percent of the state's total exports.
- Based on the Harmonized export data series in this report, non-manufactured goods (agriculture, forestry, mining, etc.) accounted for about \$1.5 billion in exports. (See sidebar for another source of agricultural export estimates.)
- Exports of services cover transportation-related services, royalties and licenses, and other private services. No official comprehensive state-level export data for services are available. Services exports were estimated at \$12.3 billion for 2013.

**Figure 13. Total Minnesota Exports, by Major Sector (With Distribution Share) 2013**



*Note: DEED estimated Minnesota exports of services by pro-rating U.S. exports of services in 2013 as published in the Survey of Current Business (March 2014), the Bureau of Economic Analysis, U.S. Department of Commerce, based on production shares of major sectors in 2012. The U.S. Chamber of Commerce estimates Minnesota exports of services at \$9.4 billion in 2012 based on different data and methodology (see <http://www.tradesupportsjobs.com/state/MN>).*

### State-level Export Estimates of Agricultural Commodities by the USDA

The Minnesota Department of Agriculture uses another set export data to estimate agricultural and food-related exports, based on data published by the U.S. Department of Agriculture (USDA). The USDA uses different methodology than that used for the Foreign Trade Division and Census Bureau of the U.S. Department of Commerce. Actual production and harvest yields are used in pro-rating overall U.S. exports back to producing states.

The state-level estimates published by the USDA include commodity-level information (such as soybeans, beef, wheat, etc.) but no country-level information. These estimates also combine the commodities with their related manufactured food products, for example, hogs/pigs (commodity) and sausages (manufactured product).

Based on USDA estimates, Minnesota exported \$6.5 billion of agricultural commodities in 2012, excluding manufactured food exports (\$1.6 billion). This is a much higher value than that attributed to non-manufactured goods by the Harmonized Series of export data (less than \$1.5 billion).

State-level data for 2013 will not be available from the USDA until August 2014.

**Minnesota Annual Export Statistics and Minnesota Quarterly Exports Statistics** are the most current resources available for tracking the state export trends and are 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). Since 2012, the quarterly and annual statistics reports have primarily covered export data based on the Harmonized Tariff System (Schedule B), collected by the U.S. Department of Commerce (USDOC) and distributed by the Global Trade Information Services. Reports are available on DEED's website at "Export and Trade Statistics" (<http://mn.gov/deed/data/export-stats/>). Alternate and additional estimates of export data on agricultural industries are available from the Minnesota Department of Agriculture.