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 Project #1

Canadian Interdependence Ratio

Year	X (B.USD)	M (B.USD)	GDP (B.USD)	IntDep Ratio
1970	1.926E+10	1.706E+10	86303952531	0.420885128
1971	2.091E+10	1.93E+10	97473757180	0.412480062
1972	2.406E+10	2.306E+10	1.11034E+11	0.424372003
1973	2.989E+10	2.807E+10	1.28943E+11	0.44950991
1974	3.861E+10	3.839E+10	1.57503E+11	0.488866384
1975	3.829E+10	4.128E+10	1.70685E+11	0.466210885
1976	4.492E+10	4.637E+10	2.02834E+11	0.450093503
1977	4.817E+10	4.853E+10	2.07779E+11	0.465405276
1978	5.377E+10	5.297E+10	2.14673E+11	0.497229221
1979	6.416E+10	6.282E+10	2.38669E+11	0.532010859
1980	7.551E+10	7.053E+10	2.68893E+11	0.543115239
1981	8.093E+10	7.875E+10	3.00668E+11	0.531088493
1982	7.91E+10	6.711E+10	3.07902E+11	0.474852511
1983	8.498E+10	7.411E+10	3.33809E+11	0.476618067
1984	9.942E+10	8.718E+10	3.47141E+11	0.537548211
1985	1.006E+11	9.233E+10	3.55704E+11	0.542409731
1986	1.027E+11	9.916E+10	3.68867E+11	0.547351334
1987	1.131E+11	1.081E+11	4.2153E+11	0.524607791
1988	1.331E+11	1.293E+11	4.98167E+11	0.526769141
1989	1.427E+11	1.425E+11	5.55514E+11	0.513371789
1990	1.504E+11	1.497E+11	5.82723E+11	0.51496718
1991	1.503E+11	1.537E+11	5.98208E+11	0.508127762
1992	1.57E+11	1.592E+11	5.79532E+11	0.545593022
1993	1.703E+11	1.703E+11	5.63665E+11	0.604162083
1994	1.92E+11	1.853E+11	5.64494E+11	0.668256639
1995	2.204E+11	2.016E+11	5.90517E+11	0.714559997
1996	2.356E+11	2.109E+11	6.13762E+11	0.727479017
1997	2.518E+11	2.393E+11	6.37536E+11	0.770193252
1998	2.556E+11	2.433E+11	6.16766E+11	0.808847911
1999	2.856E+11	2.614E+11	6.61265E+11	0.827083764
2000	3.304E+11	2.887E+11	7.24919E+11	0.854042024
2001	3.115E+11	2.704E+11	7.15424E+11	0.813411513
2002	3.053E+11	2.729E+11	7.34662E+11	0.787129902
2003	3.301E+11	2.975E+11	8.65873E+11	0.724816288
2004	3.812E+11	3.384E+11	9.92226E+11	0.725299906
2005	4.287E+11	3.864E+11	1.13376E+12	0.718934814
2006	4.62E+11	4.299E+11	1.27861E+12	0.697563094
2007	4.978E+11	4.702E+11	1.42407E+12	0.679772802
2008	5.277E+11	5.048E+11	1.50268E+12	0.68711278

2009	3.845E+11	4.071E+11	1.33758E+12	0.591801097
2010	4.641E+11	4.938E+11	1.57704E+12	0.607398831
2011	5.404E+11	5.614E+11	1.77779E+12	0.61974499
2012	5.413E+11	5.763E+11	1.82142E+12	0.613591345

Two observations can be made from Canada's trade information: there has been a steady rise in GDP since 1970 and Canada imports almost equally as much as it exports.

Canada's GDP has risen from 86 billion to 1 trillion in steady increments over the past five decades. There have been no significant/dramatic spikes up or down in its GDP history which illustrates the increasing stability and wealth of the country's economy

Exports and imports have also increased steadily within the last 50 years but it is interesting to see what happens with the interdependence ratio within the 90s. Between 1995 and 2000, there is a spike in the interdependence ratio, this can be paralleled to the increase in globalization in the 90s due to the rapid growth in telecommunications and transportation. However, the ratio has decreased and steadied at the 0.6 range. Another intriguing observation is that Canada makes as much as it sells, it does not import more than it exports or vice versa. This could mean that it is either a country that is stable enough to survive without trade or it needs as much goods as it provides to the rest of the world.

Further research on the Canadian economy shows that Canada 's openness to global trade and commerce is fairly institutionalized and the stability of its economy has made the country quite attractive to investors.

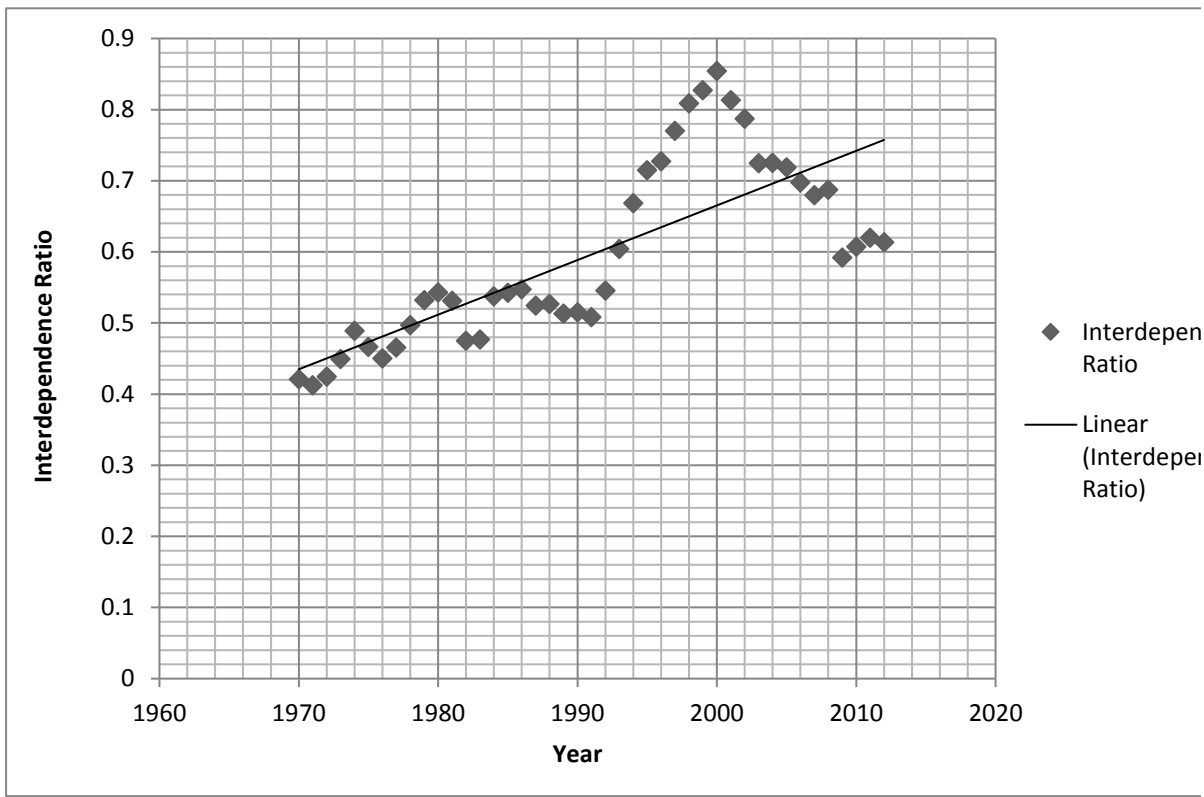
It is interesting to see how it was only slightly affected by the recession in 2009 with the IntDep ratio down to .59 compared to the previous .68 since exports were lowered by 200 billion and imports by 100 billion USD. However, it recovered quickly and increased its imports/exports/GDP after 2009.

Sources:

<http://www.tradingeconomics.com/canada/gdp>

<http://databank.worldbank.org/data/views/reports/tableview.aspx#>

<http://business.financialpost.com/tag/canadian-economy/>





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