Which American Cities Are the Most Export-Dependent on Canada?

The Business Data Lab explores the U.S. cities that would be most impacted by decreased demand from Canada

A trade war initiated by President Trump has created enormous uncertainty for the North American trading system. While we expected some moves on this front, the scale and speed is unprecedented, with sweeping tariffs imposed on U.S. imports from Canada, China, Mexico and the European Union. Many countries have already retaliated, and the situation threatens to slow growth and stoke inflation around the world.

U.S. cities depend on Canada

U.S. metropolitan statistical areas (MSAs) that are heavily tied to Canada and Mexico face significant economic risks from tariffs placed on U.S. goods in response to President Trump's trade war. Trade has long been a cornerstone of growth in these regions, underpinning millions of jobs through exports and intricate cross-border supply chains. Expanding trade provides opportunities and supports employment and economic activity in other industries.

The Business Data Lab ranked the **41 U.S. MSAs that are the most export-dependent on Canada** and would be most impacted from reduced Canadian demand.

North American metropolitan areas altogether account for 77% of the population and an even larger amount (86%) of Gross Domestic Product (GDP).

(See here for results from a similar exercise that identified Canadian cities' exposure to the U.S. market.)

This isn't your grandparents' economy

Nearly 60% of Canadian exports to the U.S. are intermediate goods (i.e. steel, aluminum, lumber, oil, gas, canola); for U.S. exports to Canada, the share is 50%. In some industries, like the automotive sector, parts can cross international borders up to eight times before final assembly. For example, a car might have an engine made in Michigan, a transmission from Ontario, and final assembly in Mexico. This integrated North American supply chain has been in place since the auto pact of 1965.
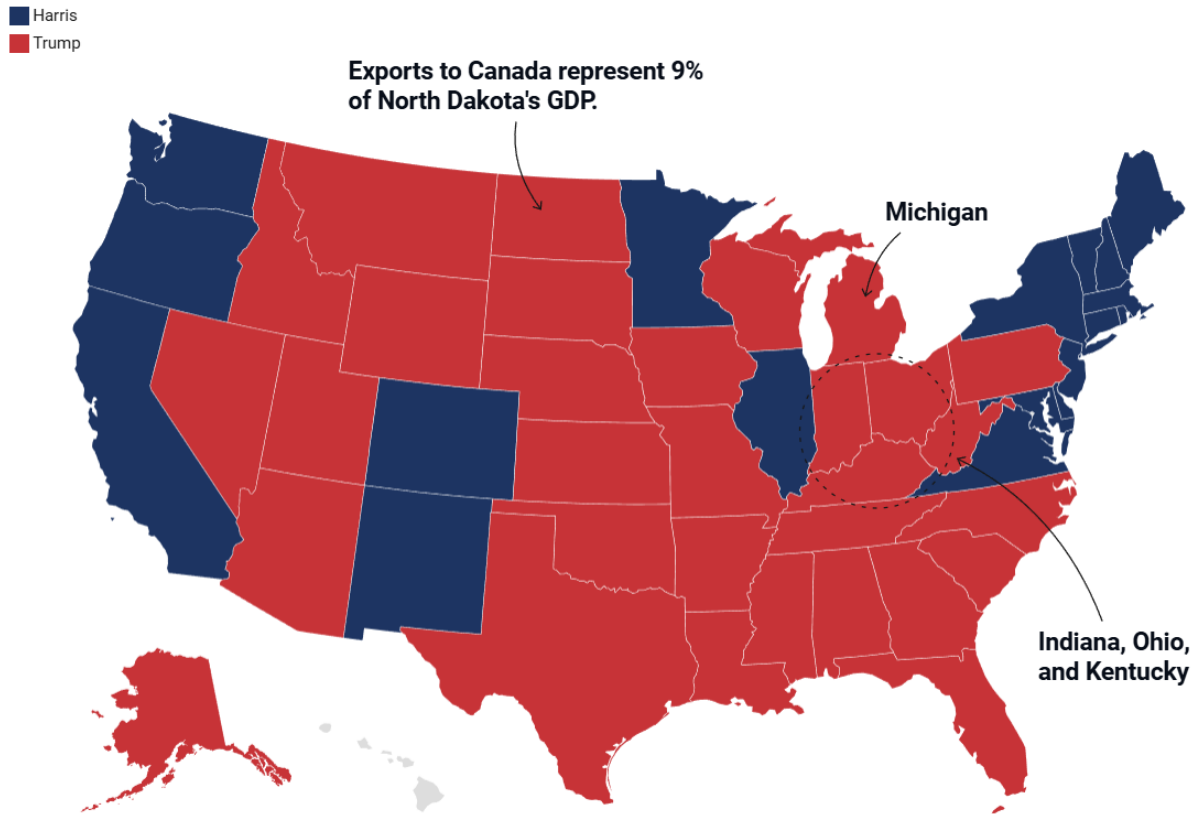
This level of cross-border integration isn't limited to autos or Michigan — advanced manufacturing in sectors like aerospace, automotive, electronics, machinery, and pharmaceuticals require inputs from

around the world, and other metro areas like San Antonio, Texas, and Louisville, Kentucky play key roles in the automotive supply chains.

Top U.S. metros that export the most to Canada

2024 U.S. presidential election state results

■ Harris
■ Trump

Exports to Canada represent 9% of North Dakota's GDP.

Michigan

Indiana, Ohio, and Kentucky

Note: Highlighted states have higher export dependance on Canada. Trade and GDP data is 2023 annual.
Created with Datawrapper

Two-thirds of the metros in our ranking belong to states that voted for Trump. President Trump's focus on historical manufacturing states like Michigan, Pennsylvania, Ohio and Indiana underscores his recent intent on expanding domestic production of steel, aluminum and autos. Canada is the top export destination for these "Rust Belt" states. A Brookings study found that 2018 retaliatory tariffs from countries, put at risk about 650,000 U.S. jobs when accounting for direct export workers and the additional jobs they support.

The ranking

Our ranking of U.S. MSAs is based on a Canada dependence measure that is comprised of two components:

1. **Export dependency:** The share of exports to Canada. Based on 2023 data, average U.S. export dependency on Canada is 18%, much lower than Canada's 75% overall export dependency on the U.S.
2. **Export intensity**: U.S. exports to Canada as a share of that metro's GDP. Average export intensity is 1.3%.

The final ranking of each metro is based on their position relative to these national averages. Sixteen of the 41 metros explored are above the national average and are highly dependent on Canada.

- **San Antonio, Detroit, and Kansas City take the top three spots** as the metros most export-dependent on Canada overall.
- **Houston, Chicago, and Detroit** are the largest exporters to Canada **in terms of value**, with Houston exporting $18 billion to Canada in 2023.
- Both **Detroit, Michigan** and **Laredo, Texas** have the highest export intensity ratio at 5% and serve as crucial commercial border crossings to the north and south.
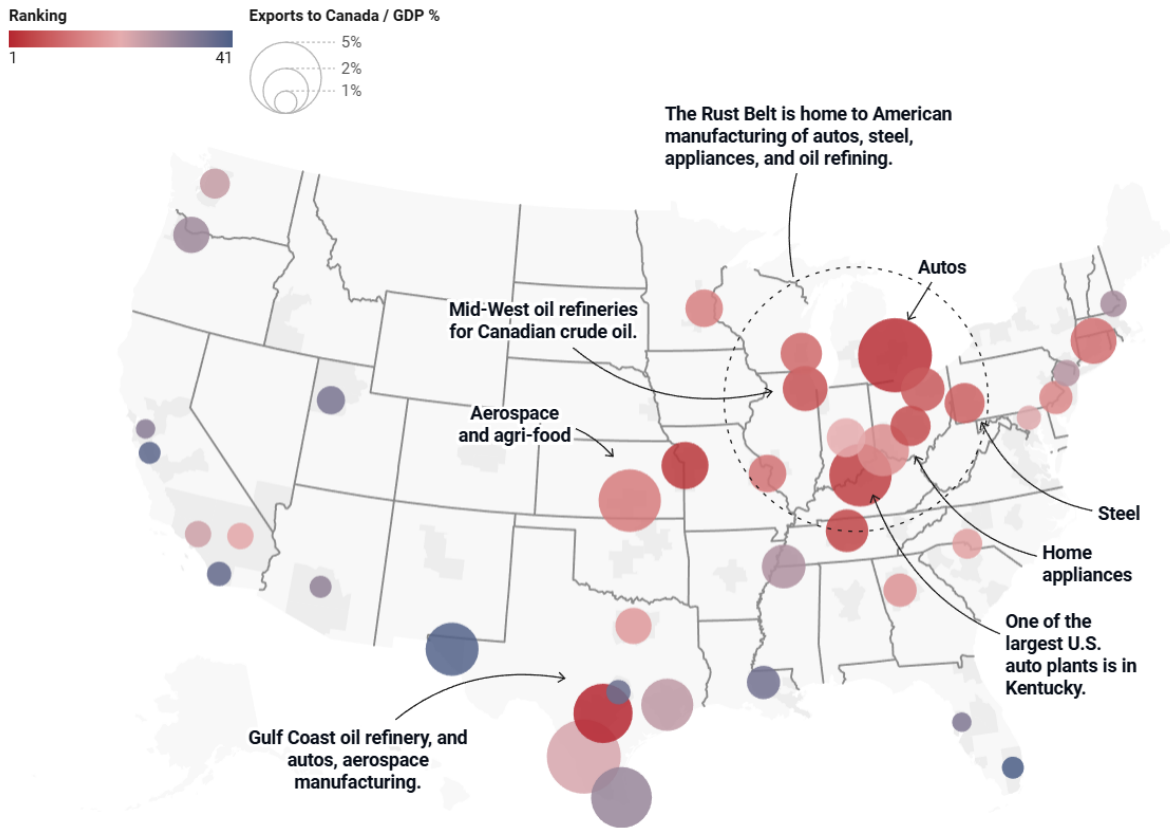
	Metropolitan area	Canada exports / GDP	Canada share of exports	Relative export-dependence on Canada ▼
1	San Antonio-New Braunfels, TX	3.4%	48%	32
2	Detroit-Warren-Dearborn, MI	5.4%	39%	26
3	Kansas City, MO-KS	2.1%	37%	20
4	Louisville/Jefferson County, KY-IN	3.8%	34%	19
5	Nashville-Davidson--Murfreesboro--Franklin, TN	1.7%	33%	16
6	Columbus, OH	1.5%	33%	15
7	Chicago-Naperville-Elgin, IL-IN	1.9%	31%	14
8	Cleveland, OH	1.8%	30%	13
9	Pittsburgh, PA	1.5%	25%	7
10	Milwaukee-Waukesha, WI	1.6%	23%	6
11	Hartford-West Hartford-East Hartford, CT	2.0%	22%	5
12	St. Louis, MO-IL	1.3%	21%	4
13	Wichita, KS	3.8%	19%	4
14	Minneapolis-St. Paul-Bloomington, MN-WI	1.3%	20%	2
15	Philadelphia-Camden-Wilmington, PA-NJ-DE-MD	1.0%	19%	1
16	Cincinnati, OH-KY-IN	2.6%	16%	0
17	Atlanta-Sandy Springs-Roswell, GA	1.0%	18%	0
18	Dallas-Fort Worth-Arlington, TX	1.2%	17%	−1
19	Charlotte-Concord-Gastonia, NC-SC	0.8%	17%	−1
20	Riverside-San Bernardino-Ontario, CA	0.6%	13%	−5
21	Indianapolis-Carmel-Greenwood, IN	1.4%	12%	−5
22	Baltimore-Columbia-Towson, MD	0.5%	13%	−5
23	Laredo, TX	5.4%	8%	−6
24	Los Angeles-Long Beach-Anaheim, CA	0.6%	12%	−6
25	Seattle-Tacoma-Bellevue, WA	0.8%	12%	−6

26	Houston-Pasadena-The Woodlands, TX	2.6%	10%	−6
27	New York-Newark-Jersey City, NY-NJ	0.6%	12%	−6
28	Memphis, TN-MS-AR	1.8%	11%	−6
29	Boston-Cambridge-Newton, MA-NH	0.6%	11%	−8
30	Portland-Vancouver-Hillsboro, OR-WA	1.2%	10%	−8
31	Brownsville-Harlingen, TX	3.6%	7%	−8
32	Phoenix-Mesa-Chandler, AZ	0.4%	9%	−9
33	San Francisco-Oakland-Fremont, CA	0.3%	9%	−9
34	Tampa-St. Petersburg-Clearwater, FL	0.3%	8%	−10
35	Salt Lake City-Murray, UT	0.7%	8%	−10
36	Baton Rouge, LA	1.0%	7%	−11
37	Austin-Round Rock-San Marcos, TX	0.5%	7%	−11
38	San Diego-Chula Vista-Carlsbad, CA	0.5%	7%	−12
39	San Jose-Sunnyvale-Santa Clara, CA	0.4%	7%	−12
40	El Paso, TX	2.7%	4%	−12
41	Miami-Fort Lauderdale-West Palm Beach, FL	0.4%	5%	−13
42	**United States**	1.3%	18%	

The strength of a metro's relationship with Canada is in part due to geography, as northern metros are ranked higher, but interconnected rail networks, ports and highways explain why some southern metros are more trade intensive. For example, the Interstate-75 highway runs through many metros on our list, starting in Georgia before running up through Tennessee, Kentucky, Ohio, and Michigan.

Hover over the interactive map to explore the relative size of each relationship with Canada.

Ranking 1 — 41

Exports to Canada / GDP % — 5% / 2% / 1%

The Rust Belt is home to American manufacturing of autos, steel, appliances, and oil refining.

Autos

Mid-West oil refineries for Canadian crude oil.

Aerospace and agri-food

Steel

Home appliances

One of the largest U.S. auto plants is in Kentucky.

Gulf Coast oil refinery, and autos, aerospace manufacturing.

Note: Cities with a higher dependence on Canada to the U.S. average are in red.

The big three

#1 San Antonio, Texas

San Antonio is a strategic trade hub, home to thriving manufacturing industries including automotive, aerospace, and petroleum refining. Nearly half of its exports are destined for Canada. The city hosts the largest aerospace footprint in Texas and a major U.S. car plant. Located near the PADD 3 oil refining network and major rail infrastructure, San Antonio plays a pivotal role in diverse sectors beyond energy.

#2 Detroit, Michigan

Detroit remains the heart of America's automotive industry, home to the Big Three automakers, alongside nearly one hundred auto parts suppliers. Detroit's auto industry is deeply integrated with Canada, particularly Ontario, forming one of the most interconnected automotive supply chains globally. Together, Michigan and Ontario produce about 22% of North America's vehicles.

#3 Kansas City, Missouri

Nearly 40% of Kansas City's total exports are destined for Canada. The city is home to a major American car assembly plant, and exports significant volumes of chemicals and agri-food products to Canada.

The gateways of trade

#2 Detroit, Michigan: Detroit also serves as a critical artery for Canada-U.S. trade, with the Ambassador Bridge facilitating approximately $323 million USD in goods daily.

#23 Laredo, Texas: The 11th-largest exporter among U.S. cities, Laredo specializes in automotive and electronic manufacturing. Exports to Canada total over $877 million, comprising 8% of its exports and 5.4% of its local economy. As the largest inland port in the U.S., Laredo is pivotal for North American trade, with its World Trade Bridge facilitating daily cross-border trade with Mexico worth $929 million USD.

Lower cities

Cities ranked lower on this list are likely less reliant on Canadian trade because their local economies trade more with other countries, are more diversified or oriented toward services industries. For example, metros like Miami (#41), San Jose (#39), San Diego (#38), and Austin (#37) are economically diversified, with strengths in sectors such as services, technology, tourism, and have trade relationships that are oriented more toward Latin America or Asia rather than Canada.

Looking ahead

No matter where tariffs end up for products like steel, oil and cars, the proximity and relationships between North American companies built over a half of century should supersede all other considerations.

Over 1 million American jobs depend on exports to Canada. From the assembly lines in Michigan to the steel smelters in Pennsylvania to the aerospace hub in Kansas, U.S. metropolitan areas with high export exposure to Canada will face economic consequences if these integrated trade flows are disrupted. Increased protectionist policies could risk the may jobs reliant on trade. Policymakers weighing next moves would do well to remember the livelihoods that hang in the balance and that our geography makes us stronger, together.

Caveats

This exercise is meant to identify which U.S. metropolitan areas have a higher export intensity and dependency than peer metros. The U.S. International Trade Administration and Census Bureau collects data for goods exports originating from 380 MSAs, with limited results for Canada (Top 50 MSAs by destination). Our analysis only includes the 41 MSAs that had 2023 data available, except for Wichita, Kansas, which was included for its importance to advanced manufacturing but uses 2010 data.

Metropolitan areas represent nearly all goods export data at the regional level, but nonmetropolitan areas account for $234 billion in 2023 exports. Data collection is from the address of origin and doesn't necessarily represent the location of production. This means that employment may not be represented in these numbers.

While import data would further add to the analysis to showcase the interconnectedness of supply chains, this analysis is limited to U.S. goods exports and those metros that rely on Canada as a customer.

Select a metropolitan area to learn more about each community's specific economic data:

Canada export-dependence for Atlanta-Sandy Springs-Roswell, GA

Ranks 17 of 41 cities

Metropolitan total goods exports

$32.3 Billion

Ranks 11 of 41 cities

Metropolitan goods exports to Canada

$5.8 Billion

Ranks 8 of 41 cities

Metropolitan Gross Domestic Product (GDP)

$570.7 Billion

Ranks 8 of 41 cities

Metropolitan population

6,307,261

Ranks 6 of 41 cities

Total number of metropolitan exporters

7,987

Ranks 7 of 41 cities

Total number of metropolitan exporters to USMCA countries

3,359

Ranks 9 of 41 cities

Metropolitan exports to Canada % of GDP

1%

Ranks 17 of 41 cities

Metropolitan exports to Canada % of total exports

18%

Ranks 26 of 41 cities