Exports are of particular importance to the Fourth District's economy. In 1997, Ohio ranked seventh in the nation in the value of merchandise exports, while Pennsylvania ranked tenth. From 1993 to 1997, exports from these two states grew at a slightly slower pace than the national average. Kentucky and West Virginia export less merchandise than Ohio or Pennsylvania. Since 1993, however, exports from Kentucky and West Virginia have grown at a much faster pace than the national average, with average annual growth rates of 20.0% and 14.6%, respectively. This growth has been more volatile than that of Pennsylvania or Ohio over the same time period. Both Kentucky and West Virginia suffered declining exports in 1993, then rebounded dramatically in 1994. Since then, export growth in West Virginia has moderated to a rate close to the national average, while export growth in Kentucky remains high.

Nearly all Fourth District metropolitan statistical areas (MSAs) posted increasing levels of exports from 1993 to 1997. Cincinnati and Cleveland exported the greatest volume of merchandise in 1997. Nine of the 16 District MSAs for which data are available experienced annual export growth rates greater than the national average of 10.3% over the same period. Wheeling had the most dramatic growth in exports, averaging almost 80% annually from 1993 to 1997; however, the value of exports from this area remains quite small, and Wheeling still has the lowest value of exports among Fourth District MSAs. The 31.9% annual growth rate seen in Lexington over this time period (continued on next page)
represented a much greater absolute volume of growth.

Destinations of exports vary widely among Fourth District states. Like the rest of the U.S., the largest trading partner for each of the Fourth District states was Canada. However, exports to Canada are much more important to Fourth District states than they are to the U.S. as a whole. In 1997, Kentucky, Ohio, Pennsylvania, and West Virginia exported 34.3%, 41.7%, 29.1%, and 36.8% of their exports to Canada, respectively, compared to the U.S. average of 22.0%. Japan was a significant export destination for all Fourth District states, but especially for Kentucky, which sent 20% of all its exports there in 1997. The U.K. was the second-largest export destination for both Pennsylvania and West Virginia, while Ohio's second-largest export destination was France.

For both Kentucky and Ohio, the transportation equipment industry was the largest exporter, making up 23.2% and 25.2% of all exports, respectively. The largest exporting industry in Pennsylvania was chemical products, comprising 19.5% of all exports. For all three of these states, industrial machinery and computers had the next-highest level of exports. The largest export industries in West Virginia were primary metals (33.4% of the state's total exports) and chemical products (28.8%). Although tobacco products accounted for a relatively small share of exports for most of the District, they remained significant in Kentucky, where they made up 13.0% of all exports in 1997.