

September 9, 2010

OP'S ADVISORY TO SHIPPING No. A-15-2010

TO : All Steamship Agents, Owners, and Operators

SUBJECT: Monthly Canal Operations Summary – AUGUST 2010

1. Panama Canal Statistical Summary:

a. Transit Pilot Force	285
b. Pilots in Training	0
c. Tugs	30
d. Locomotives	100

2. Traffic Statistics:

	<u>Average Daily</u>	<u>High Daily</u>	<u>Low Daily</u>
Arrivals	32.97	47	19
Oceangoing Transits	32.93	37	27
Canal Waters Time (hours)	20.47	26.42	14.99
In-Transit Time (hours)	9.39	10.79	7.37

Distribution of Oceangoing Transits:	<u>Total</u>	<u>Average Daily</u>	<u>Percentage</u>
Vessels of less than 91' Beam	373	12.03	36.53%
Vessels 91' Beam and Over	648	20.90	63.47%
Total of Oceangoing Transits:	1021	32.93	
Vessels 100' Beam and Over	550	17.74	53.66%
Vessels 900' Length and Over	118	3.81	11.51%

Booking Slots:	<u>Available</u>	<u>Used</u>	<u>Percentage</u>
Large Vessels (beam 91' and over)	527*	194* ¹	36.81%
Regular Vessels (beam < 91')	248*	81* ¹	32.60%

*Does not include additional auctioned booking slots

¹ Includes booked transits only

3. The following page provides the scheduled locks maintenance work and other items of interest to the shipping community.

4. This advisory will be canceled for record purposes on September 30, 2010.

ORIGINAL SIGNED

Abdiel Perez B.
Acting Executive Vice-President of Operations

ONE YEAR SCHEDULE OF LOCKS MAINTENANCE WORK						
Dates	Days	Miraflores	Pedro Miguel	Gatun	Estimated Transit Capacity¹	Status
Sept. 20-30, 2010	10			West Sidewall Culvert	29-33	Confirmed
June 14-24, 2011	10			Centerwall Culvert	29-33	Tentative

Starting September 6, 2010, and for approximately six weeks, a portion of the Gaillard Cut will be closed for shipping between 2200 hours and 0600 hours Sunday to Friday, due to dredging operations in Cucaracha and Paraiso reaches. As a result, the estimated transit capacity will be 32-34 vessels, depending on vessel mix and transit restrictions.

¹The normal transit capacity of the Panama Canal is 38-40 vessels each day, depending on vessel mix and other factors. This capacity is reduced during locks maintenance work, as indicated in the above table. Consequently, vessels may experience delays in transiting. Normally, during these periods, the Panama Canal Transit Reservation System slots are fully utilized. Whenever a set of locks requires a major outage of one of its two lanes for dry chamber inspection, miter gate repairs, tow track work or other major maintenance/improvement projects, advantage may be taken of this requirement to perform simultaneous single lane outages for additional maintenance at other locks.

Requirements for BAPLIE files

At the request of several shipping agencies, the ACP has agreed to increase the time allowed to submit updated BAPLIE files for full container vessels docking at ports located at the terminal ends of the Panama Canal. These vessels shall submit the updated BAPLIE files before arriving at the last set of locks.

All other full container vessels are required to submit their BAPLIE files prior to their arrival to Panama Canal waters.

For additional information regarding these requirements, please refer to Advisory to Shipping No. A-09-2010.

PANAMA CANAL CELEBRATES 96 YEARS OF SERVICE TO GLOBAL TRADE; PANAMA CANAL AUTHORITY RELEASES FISCAL YEAR 2010 THIRD QUARTER METRICS

On August 15, the Panama Canal celebrated 96 years of safe, reliable and efficient service to global trade.

The SS Ancon, pictured left, officially inaugurated the waterway on its first transit August 15, 1914.

The Canal continues as a viable global transportation and logistics leader, connecting more than 144 different trade routes and uniting the world.

As the historic \$5.25 billion Expansion Program continues forward, the Panama Canal Authority looks optimistically to the future and remains committed to providing top-notch service for years to come.

The Panama Canal Authority (ACP) released third quarter (Q3) operational metrics for fiscal year 2010. In Q3, Canal Waters Time (CWT), the average time it takes a vessel to transit the Canal (including waiting time for passage) for booked transits decreased. While total transits and net tonnage declined marginally, there was growth in some key segments. The metrics are based on operations from April through June 2010, the third quarter of the ACP's 2010 fiscal year, and are compared with Q3 of fiscal year 2009.

Overall CWT increased 5.8 percent – to 21.12 hours from 19.96 hours. CWT for booked vessels, those ships holding reservations, experienced a decline in time – to 13.10 hours from 14.53 hours, or a 9.9 percent reduction.

Total Canal transits slightly declined 2.8 percent – to 3,476 transits from 3,576. Transits of supers, larger ships that require greater time and navigation skills to transit the Canal, decreased 3.1 percent – to 1,758 transits from 1,815.

With regard to key segments, general cargo and vehicle carrier transits increased, while transits of dry bulk, containers, refrigerated cargo (reefers), tankers and passenger vessels decreased.

“In Q3 of 2010, we saw minor fluctuations in overall transits and tonnage when compared to Q3 of 2009, an indicator that we are experiencing some signs of stability. We also saw growth in a few key segments, namely general cargo and vehicle carriers,” said ACP Executive Vice President of Operations Manuel Benítez. “We expect to see these same trends into the last quarter of this fiscal year and will continue to monitor global markets and their impact on the waterway. The ACP remains wholly committed to providing the most safe, reliable and efficient service for our customers.”

Panama Canal/Universal Measurement System (PC/UMS) tonnage dropped 3.5 percent – to 71.08 million PC/UMS tons from 73.68 million PC/UMS tons.

The official accident rate increased to 2.59 accidents per 1,000 transits from 1.96. An official accident is one in which a formal investigation is requested and conducted.

Utilization of the booking system for the Canal decreased 18.8 percent – to 43.21 percent utilization from 53.19 percent.