

November 12, 2010

**OP'S ADVISORY TO SHIPPING No. A-19-2010**

**TO : All Steamship Agents, Owners, and Operators**

**SUBJECT: Monthly Canal Operations Summary – OCTOBER 2010**

1. Panama Canal Statistical Summary:

a. Transit Pilot Force .....	284
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	36.68	50	29
Oceangoing Transits	36.35	42	32
Canal Waters Time (hours)	33.87	57.34	19.11
In-Transit Time (hours)	11.41	16.54	9.33

<b>Distribution of Oceangoing Transits:</b>	<u>Total</u>	<u>Average Daily</u>	<u>Percentage</u>
Vessels of less than 91' Beam	369	11.90	32.74%
Vessels 91' Beam and Over	758	24.45	67.26%
<b>Total Oceangoing Transits:</b>	<b>1127</b>	<b>36.35</b>	
Vessels 100' Beam and Over	656	21.16	58.21%
Vessels 900' Length and Over	139	4.48	12.33%

<b>Booking Slots:</b>	<u>Available</u>	<u>Used</u>	<u>Percentage</u>
Large Vessels (beam 91' and over)	527*	487* <sup>1</sup>	92.41%
Regular Vessels (beam < 91')	248*	194* <sup>1</sup>	78.23%

\*Does not include additional auctioned booking slots

<sup>1</sup> 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 November 30, 2010.

**ORIGINAL SIGNED**

Manuel E. Benitez  
Executive Vice President of Operations

<b>ONE YEAR SCHEDULE OF LOCKS MAINTENANCE WORK</b>						
<b>Dates</b>	<b>Days</b>	<b>Miraflores</b>	<b>Pedro Miguel</b>	<b>Gatun</b>	<b>Estimated Transit Capacity<sup>1</sup></b>	<b>Status</b>
Sept. 20-30, 2010	10			West Sidewall Culvert	29-33	Completed
Nov. 15, 2010	1/2	West Lane			30-32	Confirmed
Nov. 18, 2010	1/2	West Lane			30-32	Confirmed
Nov. 22, 2010	1/2	East Lane			30-32	Confirmed
Nov. 25, 2010	1/2	East Lane			30-32	Confirmed
Dec. 16, 2010	1/2	East Lane			30-32	Tentative
Dec. 20, 2010	1/2	East Lane			30-32	Tentative
June 14-24, 2011	10			Centerwall Culvert	29-33	Tentative
June 16-19, 2011	4	East Lane			26-28	Tentative

<sup>1</sup>The normal transit capacity of the Panama Canal is 38-40 vessels per 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.

**PANAMA CANAL AUTHORITY SIGNS PARTNERSHIP AGREEMENT WITH THE PORT OF GALVESTON**

***ALLIANCE AIMS TO FOSTER INTERNATIONAL TRADE AND GENERATE NEW BUSINESS BY PROMOTING THE “ALL-WATER ROUTE”***

Panama Canal Authority (ACP) Administrator/CEO Alberto Alemán Zubieta and Port of Galveston Director Steven M. Cernak signed a Memorandum of Understanding (MOU) during an official ceremony in Panama City, Panama, today. Held at the ACP Administration Building and attended by senior officials, the event marked the beginning of a new partnership between the two entities. The MOU aims to facilitate international trade and generate new business by promoting the “All-Water Route,” the route from Asia to the U.S. East and Gulf Coasts via the Panama Canal.

“Today’s MOU signing further emphasizes our commitment to provide quality service and meet the demands of the global trade and cruise industries,” said Mr. Alemán Zubieta. “We look forward to building upon our existing relationship with the Port of Galveston, which is a strategic geographic partner located only nine miles from the open Gulf of Mexico. We will work to maximize this agreement to continue providing innovative solutions for our customers and promoting growth for our respective regions.”

The MOU includes initiatives in joint marketing, data interchange, market studies, modernization and improvements, training and technological interchange. Collaborative activities could include joint advertising, cross-training, or information-sharing regarding select trade-related data and forecasting.

In an effort to sustain economic growth and generate new business and job opportunities, the ACP and the Port of Galveston, which is situated on the Gulf Intracoastal Waterway, will undertake a series of activities aimed at improving customer service and business practices.

“As the ‘Gateway to the Gulf,’ the Port of Galveston facilitates the movement of a varied mix of domestic and international cargo, generating an economic impact of more than \$1 billion annually to the State of Texas,” said Mr. Cernak. “We, too, look forward to this new partnership with the ACP and the opportunities it will bring for continued fiscal growth and viability for both Panama and Texas.”

This strategic alliance is valid for two years and is renewable upon mutual agreement.

The Panama Canal, which recently commemorated its one-millionth transit, is currently undergoing an historic \$5.25 billion expansion. The project will add a new lane of traffic with the construction of a new set of locks, doubling the capacity of the waterway and allowing for the transit of longer, wider ships.

Often called “The Cruise Capital of Texas,” the Port of Galveston serves as the primary point of embarkation for cruises to the western Caribbean and welcomes nearly 800 thousand cruise passengers each year. Current average annual cargo volumes at the Port total approximately 508 million short tons.