

GLOBAL MACROECONOMIC SCENARIOS AND WORLD TRADE STATISTICS AND FORECAST

FOR THE

PANAMA CANAL AUTHORITY

Contract SAA-146531

World Sea Trade Outlook

- World Sea Trade Totals
- United States
- China
- Japan
- Ecuador
- Peru
- Chile

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GLOBAL INSIGHT



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TABLE OF CONTENTS

Trade Introduction 3

World Sea Trade Totals 4

Total Trade in Merchandise 4

Total Sea Trade - Tons..... 6

Total Containerized Trade - Tons 8

Container Trade in TEUs..... 9

Total Dry Bulk Trade - Tons 10

Total Liquid Bulk Trade - Tons..... 11

Trade Outlook – 6 Countries..... 14

United States..... 14

 U.S. Imports 14

 U.S. Exports 17

China 21

 Imports 21

 Exports 23

Japan 27

 Imports 27

 Exports 29

Ecuador 33

 Imports 33

 Exports 35

Peru..... 39

 Imports 39

 Exports 42

Chile..... 45

 Imports 45

 Exports 47

Trade Introduction

Global Insight used the Base Case Macroeconomic scenario presented in the companion report to this study to generate the Base Case Trade Forecasts for world sea trade, by commodity and by route. The base case projections, to 2025, for world sea trade, and for some other aggregate measures of world trade, are presented in this report and were developed in February 2005. No alternative scenarios were developed for world trade; only the macroeconomic outlook was simulated to produce a more optimistic and a more pessimistic case, presented separately.

The Global Insight Global Trade Model was used for these projections. While the model produces analysis and forecasts of international air cargo and internal overland movements (e.g. US-Mexico), for this project only seaborne trade was forecast although high-level projections of cargo volumes at the world and regional level, including air cargo, are presented in a companion volume entitled "World Trade Outlook - Overview."

The drivers of each country's international trade consist of the following, in general, although each is weighted differently in each case because the model is based on commodity movements individually, each of which is affected by these drivers in different ways and in different magnitudes. Each of the 77 commodities is modeled independently, and it should be clear that the drivers of grain shipments are different from the drivers of electrical industrial equipments, for example.

Nevertheless, the model includes international trade drivers that include the following:

- Nominal and real economic growth measured by GDP (for the importing country)
- Price changes in dollars per ton over time to capture price swings
- The exporting country's ability to accommodate the import demand from other countries
- For commodities that are sensitive to demographic and income shifts, the model uses population and income variables in the importing countries
- The importing cost is captured to measured each country/region's ability to handle the imported commodity
- The import cost is a function of the distance from origin to destination, by commodity
- Import costs are determined by export prices, import tariffs, and each importing country's foreign exchange rates. Future exchange rates, along with the macroeconomic drivers, come from other Global Insight models.
- Volumes of trade are determined by eliminating price and exchange rate effects, and then modeling the "real value" of each commodity over time.
- An importing country's demand is met by the exporters' trade dynamic (price, ability to process, trade agreements, etc.) when the importing nation's demand exceeds the exporters' ability, and vice versa (importers' trade dynamic) when there is a plentiful supply of each commodity from exporters.

The international trade models are constantly being updated and revised to reflect changes in such matters as trade agreements, commodity prices, infrastructure developments, etc. For this study, the world macroeconomic scenario and the associated global trade outlook were fixed as of February 2005.

The strong development of China as a major importer and exporter since the previous study was completed (2001) signals one of the major changes in the world trade picture. There is sufficient history now to incorporate these changes into the world trade models, something that has been accomplished. Therefore, the growth of China as a trading partner to many of the developed and developing nations is incorporated into the model structure.

Unless otherwise indicated, all units are in metric tons.

World Sea Trade Totals

At the total world level, Global Insight aggregated in tons:

- Total trade in merchandise– all modes
- Total sea trade
- Total containerized cargo
- Total dry bulk trade
- Total liquid bulk trade

as well as TEUs, and developed forecasts through 2025 that are consistent with the baseline macroeconomic scenario discussed in another report from this study. The forecast for each of the above elements of world trade is described below.

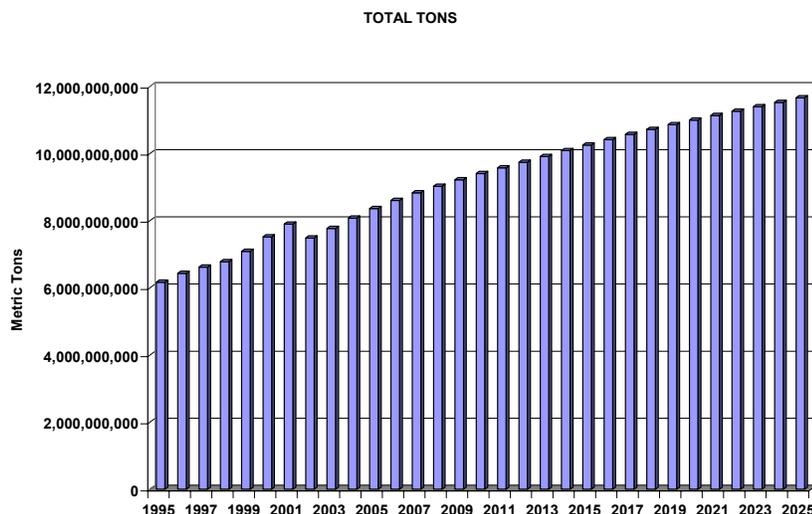
Total Trade in Merchandise

Total international trade almost always grows faster than basic economic growth. This has been the pattern for years, and we expect that it will continue to hold in the future as countries open their borders to the movement of goods and services and as the mantra of free trade becomes codified in formal agreements amongst more and more countries. Free trade agreements have proliferated in the last 5 years, and although the United States has been a major promoter of the concept, the number of actual FTAs in place for the US is only 7 (counting NAFTA as one). These are shown in the table below.

U.S. FTAs in Force	Negotiations Underway or Completed
Israel (1986)	Bahrain
Canada (1988)	Panama
NAFTA (1992)	Thailand
Jordan (2000)	CAFTA - DR
Chile (2004)	S. African Customs Union
Singapore (2004)	Andean Countries
Australia (2005)	Oman and UAE (recently announced)
Morocco (TBD)	Free Trade Area of the Americas

Meanwhile, Mexico has signed 11 FTA agreements, as a counter-example. CAFTA now appears to be on its way for ratification (having squeaked by the US House of Representatives by a 2-vote margin). Regional blocks such as Mercosur and the expanded EU (now 25 countries) also contribute to the growth in international trade shipments because the rules governing tariffs and quotas are generally set at the lowest common level for the member nations. Indeed, no nation would want to become a member of a larger trading bloc if its trade barriers were to be increased (although there are some cases of this happening in the creation of the new, enlarged European Union).

Total world trade is projected to grow by 3.6 percent this year (2005) down from last year's 3.9% growth. This modest slowdown is consistent with the expected slowing of world economic growth this year. No crash landing is expected in China, a major contributor to total world trade, nor is the weak dollar expected to accelerate its decline and to collapse. The reader is referred to the macroeconomic base case scenario on which the trade projections are based. The profile of the future growth in total merchandise trade is shown in the chart below and in the following table in thousands of metric tons showing the volumes:



1995	1996	1997	1998	1999	2000
6,820.95	7,175.77	7,433.93	7,564.35	7,898.21	8,328.37
2001	2002	2003	2004	2005	
8,751.90	8,301.64	8,601.30	8,903.19	9,205.56	
2006	2007	2008	2009	2010	
9,452.74	9,697.33	9,899.79	10,102.32	10,303.73	
2011	2012	2013	2014	2015	
10,488.83	10,670.66	10,866.87	11,067.03	11,251.19	
2016	2017	2018	2019	2020	
11,424.38	11,597.93	11,758.88	11,912.82	12,063.22	
2021	2022	2023	2024	2025	
12,206.02	12,349.12	12,488.94	12,643.41	12,804.68	

The growth pattern in the future is relatively smooth, with growth as shown in the following table, showing compound average growth rates (CAGR) for the multi-year periods:

2003-04	2004-05	2005-2010	2005-2025
3.9%	3.6%	2.4%	1.7%

In short, total world tonnage across all modes is expected to grow in line with world economic growth.

Note: All multi-year rates of growth are expressed as compound average growth rates.

Total Sea Trade - Tons

In 2003, the total tonnage shipped on the open seas (not counting internal national river transport, or lake transport) topped 5.2 billion tons. It had been growing at 3.3% over the previous five years. In 2004, total sea trade grew at 4.3% one of the fastest rates of growth for sea trade in recent history.

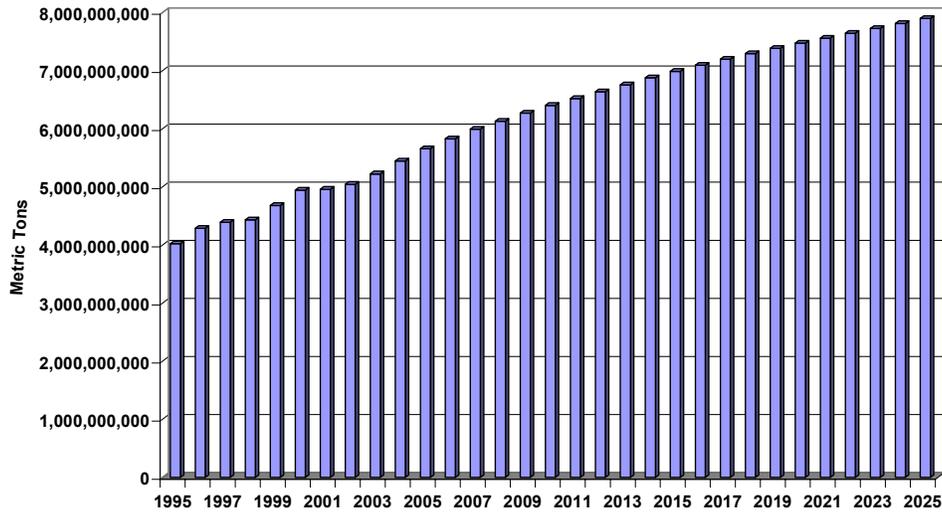
We expect sea trade to resume a more normal pattern of growth in the future, at slower rates as the world economy cools, with the following growth rates:

2003-04	2004-05	2005-2010	2005-2025
4.3%	3.8%	2.5%	1.7%

This is an aggressive pattern but reflects the assumption that the world will become more and more open to international trade, as mentioned above.

The pattern can be seen in the chart below and in the following table, in millions of metric tons.

SEA TONS

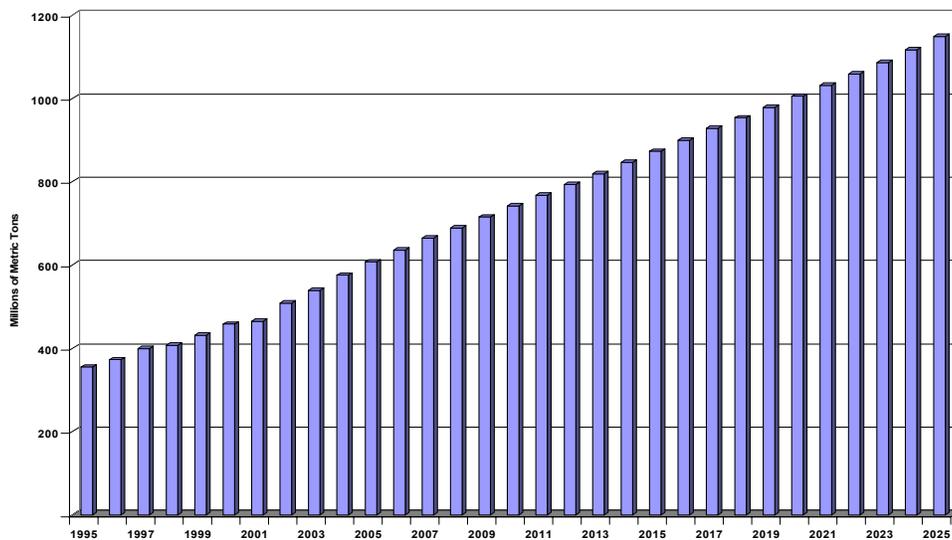


1995	1996	1997	1998	1999	2000
4,020.04	4,283.83	4,386.94	4,428.00	4,678.38	4,942.46
2001	2002	2003	2004	2005	
4,958.23	5,040.97	5,221.05	5,443.77	5,651.88	
2006	2007	2008	2009	2010	
5,824.67	5,988.61	6,128.53	6,266.94	6,399.22	
2011	2012	2013	2014	2015	
6,517.88	6,633.07	6,751.83	6,873.00	6,984.83	
2016	2017	2018	2019	2020	
7,090.56	7,194.81	7,290.17	7,381.76	7,470.94	
2021	2022	2023	2024	2025	
7,556.58	7,640.49	7,722.54	7,808.27	7,894.96	

Total Containerized Trade - Tons

The world trading system has moved more and more goods into containers over the years. We expect this trend to continue, albeit at a slightly slower rate in the longer term. As ports develop the infrastructure to handle containers, the penetration of containers will increase, and this is shown in the forecast of container tons. In 1995, the percentage of sea trade that was containerized was about 8.6% (nearly all of the bulks, both dry and liquid, are not put into containers), and by 2025, this percentage will nearly double to 15.1% in our forecast, slightly lower than in the 2001 forecast. By 2025, the 575 million tons of containerized cargo (2004) will grow to more than 1.1 billion tons. This growth can be seen in the following chart and in the table, in millions of metric tons.

World Total Trade in Container Metric Tons (Millions)



1995	1996	1997	1998	1999	2000
354.56	372.41	398.35	406.32	431.08	457.63
2001	2002	2003	2004	2005	
465.30	508.68	538.81	575.04	607.19	
2006	2007	2008	2009	2010	
635.80	664.63	689.18	715.02	741.89	
2011	2012	2013	2014	2015	
767.27	793.02	819.12	845.98	872.81	
2016	2017	2018	2019	2020	
899.95	927.99	953.21	978.72	1,004.75	
2021	2022	2023	2024	2025	
1,031.16	1,058.32	1,086.07	1,116.49	1,148.74	

And the growth rates for containerized trade implicit in this chart and table are shown below.

2003-04	2004-05	2005-2010	2005-2025
6.7%	5.6%	4.1%	3.2%

Containerized cargo will continue to show the highest growth rates of merchandise trade (second only to air cargo) through the forecast period.

Container Trade in TEUs

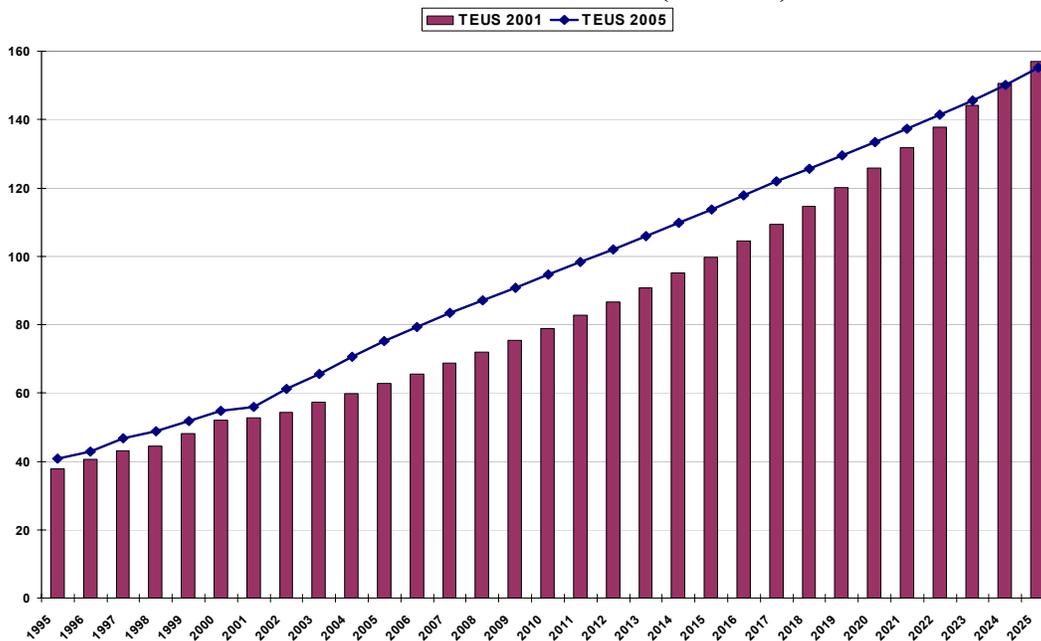
Container tons represent the international trade in commodities that can be containerized. When containerizable trade is measured in TEUs, we have slightly higher growth rates because, on some international sea trade routes, some commodities not normally put into containers are, in fact, containerized.

The number of full TEUs traded internationally in 1995 was about 41 million. This is a revised estimate compared to the 2001 study, when 37.8 million TEUs were estimated for that year. Since 2001, Global Insight has updated the rate of containerization and, in recent years, the growth of China's container trades has added more TEUs to the world total, now estimated to be 70.6 million in 2004.

Also, as the rate of containerization grows, it slows down as more and more of the containerizable goods are shipped, in fact, in containers. Therefore, the long term growth rate for global container trade in TEUs is 3.7%, slightly higher than expected world real economic growth.

The following chart shows the TEU base line estimates in the 2001 as well as the current forecast. The current forecast is higher, but slightly slower-growing, so the difference in 2025 in absolute terms is about 2 million TEUs. The table thereafter shows the volumes of TEUs by year for each of the two projections.

Forecast Comparison: 2001 and 2005
World Total Trade in TEUs (Millions)



(millions)

	1995	1996	1997	1998	1999	2000
TEUS 2001	37.78	40.48	43.18	44.56	48.09	51.96
TEUS 2005	40.90	42.98	46.70	48.89	51.83	54.82
	2001	2002	2003	2004	2005	
TEUS 2001	52.77	54.43	57.24	59.93	62.72	
TEUS 2005	55.82	61.27	65.57	70.58	75.18	
	2006	2007	2008	2009	2010	
TEUS 2001	65.62	68.68	71.93	75.35	78.95	
TEUS 2005	79.34	83.54	87.05	90.76	94.66	
	2011	2012	2013	2014	2015	
TEUS 2001	82.74	86.69	90.85	95.18	99.71	
TEUS 2005	98.33	102.09	105.86	109.74	113.68	
	2016	2017	2018	2019	2020	
TEUS 2001	104.45	109.43	114.63	120.11	125.82	
TEUS 2005	117.71	121.92	125.64	129.43	133.33	
	2021	2022	2023	2024	2025	
TEUS 2001	131.72	137.83	144.13	150.55	157.07	
TEUS 2005	137.30	141.42	145.65	150.26	155.15	

Growth rates appear below.

2003-04	2004-05	2005-2010	2005-2025
7.6%	6.5%	4.7%	3.7%

Containerized cargo (TEUs) remains the fastest growing mode of international seaborne transport.

Total Dry Bulk Trade - Tons

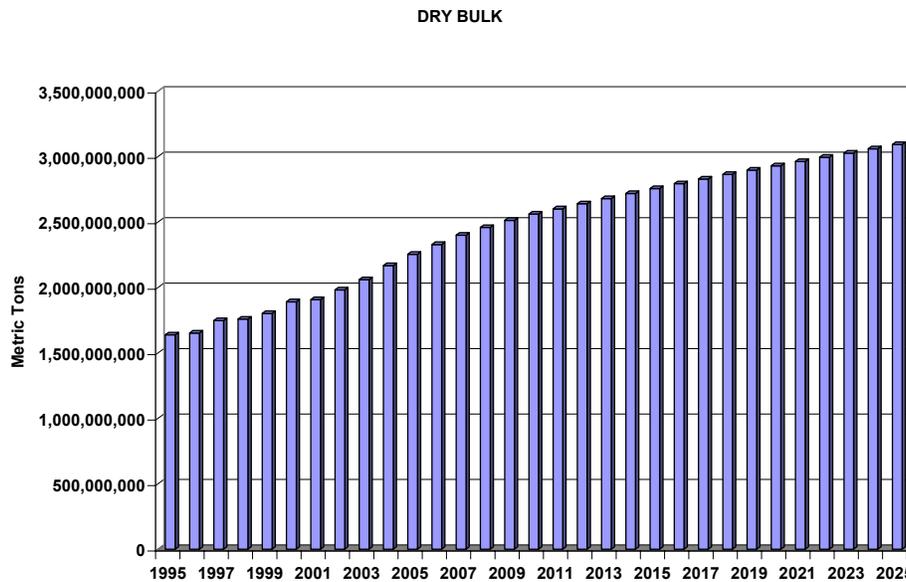
Total dry bulk trade in 1995 was more than 1.6 billion metric tons, and in 2000, it reach nearly 1.9 billion tons. The 2001 recession slowed world demand and, hence, international trade in these commodities, and since then growth has picked up as shown in the table below. By 2025, world dry bulk shipments on the seas will reach 3.9 billion tons, slightly higher than the 2.8 billion tons estimated in the 2001 study.

2003-04	2004-05	2005-2010	2005-2025
5.2%	4.0%	2.6%	1.6%

In the 2001 study, we said the historical growth (1995-2000) averaged 2.8 percent per year, and we are not expecting this rate to be reached again before 2025.

Of course, the recovery of the world economy from the 2001 recession stimulated dry bulk growth as world demand peaked. The revised long-term forecast is slower than overall economic growth in the world, which is consistent with historical patterns.

The following chart shows the pattern of this growth.



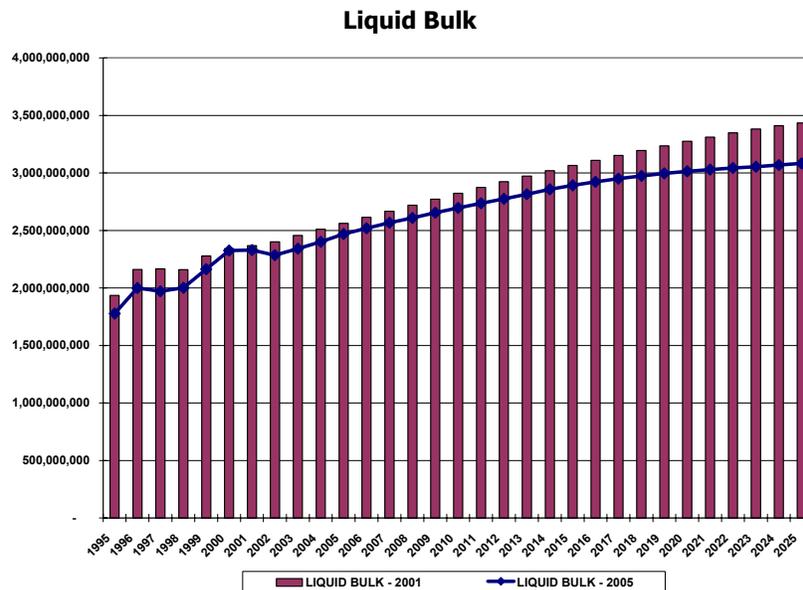
And the following table shows the actual volumes in millions of metric tons.

1995	1996	1997	1998	1999	2000
1,778.71	1,798.28	1,895.13	1,915.02	1,957.08	1,958.69
2001	2002	2003	2004	2005	
1,968.73	2,074.61	2,156.76	2,267.37	2,353.05	
2006	2007	2008	2009	2010	
2,427.70	2,497.61	2,554.16	2,607.41	2,655.02	
2011	2012	2013	2014	2015	
2,695.40	2,733.93	2,774.28	2,815.75	2,854.57	
2016	2017	2018	2019	2020	
2,891.49	2,928.25	2,963.02	2,996.52	3,029.59	
2021	2022	2023	2024	2025	
3,062.52	3,094.75	3,126.61	3,160.86	3,196.11	

Total Liquid Bulk Trade - Tons

The outlook for liquid bulks, primarily crude oil, is depicted in the long-range chart below as a line, in metric tons, with the bars representing the earlier 2001 study results.

The chart shows steady growth but there is less of a downturn in the 2000-2001 period compared to dry bulks, as basic liquid oils and chemicals remain in demand. The longer-term growth rates slow down slightly near the end of the period, as shown in the table of growth rates following.



The increase in crude prices in the first half of 2005 has not (as of this writing), negatively affected the demand for crude and related products. Demand and supply are in balance, but at a higher nominal price than in the last 20 years. As consumers seem unaffected by the high prices, we expect these prices to hold until there are substitute products available and/or alternative propulsion fuels for vehicles, the largest consuming sector of crude oil. The actual history and forecast volumes are shown in the table below in millions of metric tons.

1995	1996	1997	1998	1999	2000
1,777.5	1,999.8	1,970.7	2,001.1	2,162.7	2,325.2
2001	2002	2003	2004	2005	
2,329.4	2,284.7	2,342.0	2,400.5	2,469.6	
2006	2007	2008	2009	2010	
2,519.1	2,567.4	2,609.8	2,653.3	2,696.4	
2011	2012	2013	2014	2015	
2,736.5	2,774.7	2,815.9	2,857.7	2,892.5	
2016	2017	2018	2019	2020	
2,922.3	2,950.0	2,974.2	2,995.6	3,014.6	
2021	2022	2023	2024	2025	
3,029.6	3,043.3	3,055.0	3,068.5	3,082.1	

The growth rates are now slower than previously expected, and the total volumes are lower as well, even for the historical period. In the long term, we expect substitutes for oil to reduce oil consumption growth from the previous growth rates in the earlier study.

We may see oil consumption show very slow growth but we expect higher growth in some liquid bulks such as soybean oil.

The growth rates in international liquid bulk trade are shown in the table below.

2003-04	2004-05	2005-2010	2005-2025
2.5%	2.9%	1.8%	1.1%

Following are more detailed analyses and forecasts of the outlook for international sea trade for each of the six countries

- United States
- China
- Japan
- Ecuador
- Peru
- Chile

Note: All references to the United States are to the total trade for the nation, including east and west coasts.

Trade Outlook – 6 Countries

Following are more detailed analyses and forecasts for international sea trade for each of the six countries

- United States
- China
- Japan
- Ecuador
- Peru
- Chile

Each country is described first in terms of its forecast for dry bulk, liquid bulk, and container tons. Then, the trade potential for each country, using the ACP commodity and route definitions, is presented.

United States

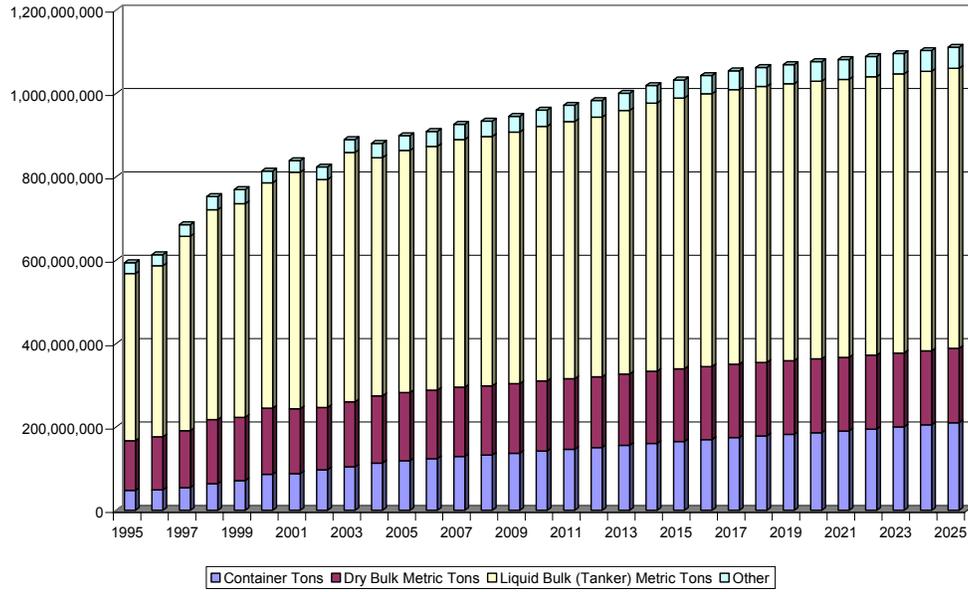
The baseline economic outlook for the United States through 2025, on which this trade outlook is based, is presented in a separate volume of this study. The main drivers of sea trade for the U.S. are the changing exchange rate of the dollar against other industrialized nations (weakening now and likely to weaken through 2008), together with consumer income growth (affecting imports), low interest rates which generate business growth as well as continued growth in the housing sector, and low rates of inflation both now and in the future outlook. Hence the overall business environment, which affects imports, is healthy, although the weaker dollar eventually has a negative effect on imports. Similarly, the weaker dollar is expected to stimulate exports, which are needed to compensate for slower overall output growth as the U.S. moves ahead in the recovery.

The trade outlook for U.S. seaborne trade is presented below. The United States is represented in this discussion as a total, comprised of total imports and exports, with no separation of east and west coasts.

U.S. Imports

The forecast for seaborne imports is shown in the chart below, showing dry and liquid bulk, container tons, and other. "Other" includes general cargo and any other tonnage that is not categorized as container tons, dry bulk, or liquid bulk. The dominance of liquid bulk imports, as a percentage of total US seaborne imports, is clear from the chart below.

U.S. Imports



And the annual volumes of US imports, by segment, are shown in the table below on which the above chart is based.

<i>In Millions of Tons</i>	1995	1996	1997	1998	1999	2000
Container Tons	47.91	48.88	54.50	63.83	71.23	86.45
Dry Bulk Metric Tons	118.65	127.10	136.06	152.96	150.68	157.18
Liquid Bulk (Tanker) Metric Tons	396.49	406.63	463.94	500.57	508.19	534.17
Other	26.20	26.01	27.77	31.55	33.95	27.92
	2001	2002	2003	2004	2005	
Container Tons	87.42	96.84	103.89	114.48	122.72	
Dry Bulk Metric Tons	152.49	147.99	153.12	157.73	160.08	
Liquid Bulk (Tanker) Metric Tons	558.80	533.44	577.92	553.95	563.23	
Other	27.98	29.75	30.84	34.42	35.43	
	2006	2007	2008	2009	2010	
Container Tons	130.23	136.67	140.42	145.20	151.13	
Dry Bulk Metric Tons	160.87	162.83	162.86	163.61	165.07	
Liquid Bulk (Tanker) Metric Tons	567.71	576.83	580.77	586.11	593.14	
Other	36.10	36.93	37.49	38.20	39.05	
	2011	2012	2013	2014	2015	
Container Tons	155.87	160.57	165.99	171.23	176.26	
Dry Bulk Metric Tons	165.94	166.51	168.13	170.05	171.22	
Liquid Bulk (Tanker) Metric Tons	599.04	604.64	613.99	624.23	630.62	
Other	39.81	40.56	41.59	42.73	43.66	
	2016	2017	2018	2019	2020	
Container Tons	181.42	187.11	191.23	195.42	199.87	
Dry Bulk Metric Tons	171.92	172.77	173.23	173.44	173.70	
Liquid Bulk (Tanker) Metric Tons	635.13	639.50	642.62	644.88	646.88	
Other	44.48	45.31	46.01	46.67	47.38	
	2021	2022	2023	2024	2025	
Container Tons	204.27	209.60	214.84	220.08	225.45	
Dry Bulk Metric Tons	173.66	173.94	174.32	174.52	174.73	
Liquid Bulk (Tanker) Metric Tons	647.34	648.76	650.07	651.14	652.21	
Other	48.03	48.78	49.53	50.10	50.57	

The growth rates of the four segments shown in the chart are displayed in this table:

	2003-04	2004-05	2005-10	2005-25
Container Tons	8.3%	5.3%	3.6%	2.9%
Dry Bulk Tons	3.7%	1.3%	0.5%	0.4%
Liquid Bulk (Tanker) Tons	-4.5%	1.6%	1.0%	0.7%
Other	11.1%	2.6%	1.9%	1.8%

This historical growth in container imports (tons) is expected to cool over time but still remain the fastest-growing segment.

US imports from ACP-defined regions are shown in the table below.

US Imports by Region in Total Sea Metric Tons

ORIGIN	DESTINATION	2004	2004-05	2005-10	2010-25	2004-25
Africa and Middle East	United States	237,017,041	1.2%	0.6%	0.4%	0.5%
Canada	United States	66,756,931	1.9%	1.0%	0.4%	0.6%
Central America and Caribbean Basin	United States	150,891,184	2.2%	1.3%	0.5%	0.8%
East Asia	United States	71,298,642	6.9%	4.7%	2.8%	3.4%
Europe	United States	129,731,091	1.5%	1.0%	1.0%	1.0%
Latin America East Coast	United States	133,179,300	1.9%	1.1%	0.7%	0.9%
Latin America West Coast	United States	54,067,402	2.7%	1.7%	1.5%	1.6%
Oceania	United States	7,872,603	0.9%	0.8%	1.2%	1.1%
South and Southeast Asia	United States	29,497,843	-0.6%	0.7%	2.2%	1.7%
World	United States	880,312,038	2.1%	1.3%	1.0%	1.1%

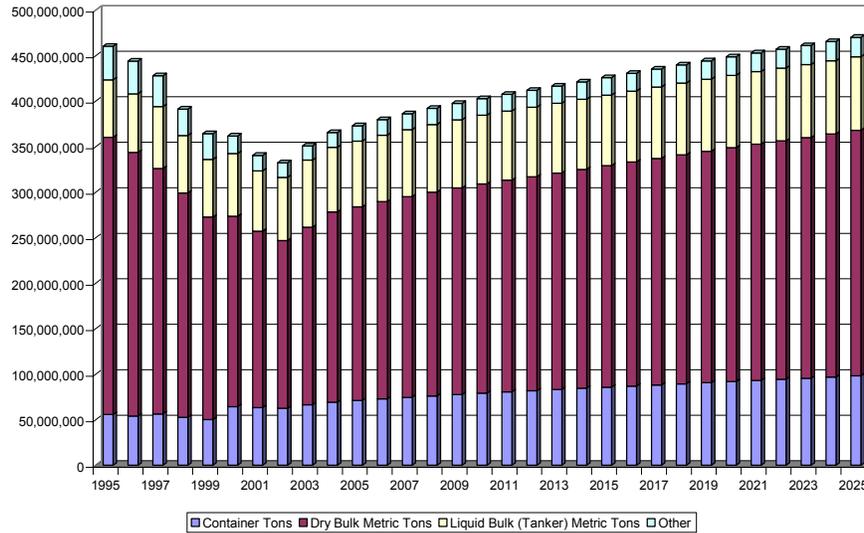
Trade Routes to the U.S. Relevant to the Panama Canal, Sea Tons

	2004	% of Total	2004-25
China	46,543,207	5.4%	5.0%
Japan	11,505,502	1.3%	1.2%
Central America	9,905,239	1.2%	1.9%
Chile	9,651,903	1.1%	2.6%
Other West Coast of S America	9,406,347	1.1%	1.6%
South Korea	9,071,272	1.1%	0.4%
Thailand	7,329,503	0.9%	0.3%
Indonesia	6,652,831	0.8%	0.6%
Taiwan	5,364,231	0.6%	-0.9%

U.S. Exports

The forecast for seaborne exports is shown in the chart below, showing dry and liquid bulk, container tons, and other.

U.S. Exports



The actual historical and forecast volumes are shown in the table below.

Metric Tons (000,000)	1995	1996	1997	1998	1999	2000
Container	55.75	54.05	56.44	52.74	50.24	64.59
Dry Bulk	298.46	284.55	265.03	244.17	221.86	207.91
Liquid Bulk (Tanker)	63.06	62.64	64.58	60.33	59.41	67.28
Other	36.87	35.94	33.94	29.02	28.41	19.37
	2001	2002	2003	2004	2005	
Container	63.29	62.57	66.22	69.40	71.96	
Dry Bulk	193.55	184.15	194.39	207.98	211.56	
Liquid Bulk (Tanker)	65.91	69.26	73.25	71.54	72.96	
Other	17.00	15.88	15.55	16.27	16.74	
	2006	2007	2008	2009	2010	
Container	74.57	76.96	79.20	81.36	83.40	
Dry Bulk	215.52	219.51	222.93	225.94	228.91	
Liquid Bulk (Tanker)	73.85	74.44	75.18	75.90	76.47	
Other	17.12	17.46	17.74	18.00	18.24	
	2011	2012	2013	2014	2015	
Container	85.15	86.77	88.35	89.85	91.19	
Dry Bulk	231.66	234.23	236.86	239.54	242.30	
Liquid Bulk (Tanker)	76.92	77.29	77.71	78.15	78.60	
Other	18.46	18.67	18.91	19.14	19.36	
	2016	2017	2018	2019	2020	
Container	92.51	93.81	95.17	96.52	97.85	
Dry Bulk	245.03	247.81	250.54	253.21	255.81	
Liquid Bulk (Tanker)	79.02	79.44	79.84	80.19	80.51	
Other	19.58	19.80	20.03	20.24	20.45	
	2021	2022	2023	2024	2025	
Container	99.17	100.41	101.67	102.98	104.31	
Dry Bulk	258.37	260.90	263.41	266.00	268.61	
Liquid Bulk (Tanker)	80.79	81.00	81.22	81.46	81.70	
Other	20.64	20.82	21.00	21.18	21.36	

The growth rates of the four segments shown in the chart and table are displayed in this table:

	2003-04	2004-05	2005-10	2005-25
Container Tons	4.0%	2.8%	2.1%	1.6%
Dry Bulk Tons	7.2%	1.7%	1.6%	1.2%
Liquid Bulk (Tanker) Tons	-3.8%	1.9%	0.9%	0.6%
Other	4.1%	2.8%	1.6%	1.2%

Dry bulk exports fell from 305 million tons in 1995 to just 195 million tons in 2003. US coal exports have declined dramatically over history because the US is not competitive in steam coal, even with a weaker dollar, and because many of the Asian importers are turning to other sources such as Australia. Also, now that Europe (and Canada) has signed the Kyoto protocol, its demand for coal will decrease over time. In the future, US coal exports in total should stabilize around 63 million tons per year through 2025.

Container tons clearly show the fastest growth of these shipping segments. This is due to continued containerization of those commodities that can be shipped in such containers, even including some dry bulk goods (e.g. coffee). Additionally, countries that have historically been able to handle container cargo on only self-geared vessels are being improved with on-shore cranes, thereby permitting calls by larger container ships. These factor are captured in the Global Insight model through containerization factors that are reviewed to keep them up to date.

US exports to ACP-defined regions are shown in the following table.

US Exports by Region in Total Sea Metric Tons

ORIGIN	DESTINATION	2004	2004-05	2005-10	2010-25	2004-25
United States	Africa and Middle East	33,047,835	1.3%	1.3%	1.1%	1.2%
United States	Canada	35,155,024	3.4%	1.3%	0.3%	0.7%
United States	Central America and Caribbean Basin	49,860,225	2.0%	0.9%	0.8%	0.9%
United States	East Asia	110,745,421	4.1%	3.1%	1.3%	1.9%
United States	Europe	78,309,823	0.2%	0.5%	0.9%	0.8%
United States	Latin America East Coast	20,466,660	-1.2%	0.2%	0.3%	0.2%
United States	Latin America West Coast	10,425,067	0.3%	1.4%	1.2%	1.2%
United States	Oceania	3,990,509	0.3%	0.5%	1.2%	1.0%
United States	South and Southeast Asia	23,638,404	1.0%	0.9%	1.6%	1.4%
World	United States	365,638,968	2.0%	1.6%	1.0%	1.2%

Trade Routes from the U.S. Relevant to the Panama Canal, Sea Tons

	2004	% of Total	2004-25
Japan	46,227,827	12.7%	0.3%
China	33,103,974	9.1%	4.4%
South Korea	15,581,317	4.3%	1.0%
Indonesia	4,453,002	1.2%	1.1%
Singapore	4,364,896	1.2%	0.0%
Thailand	3,920,003	1.1%	1.7%
Hong Kong	2,896,315	0.8%	0.6%
Philippines	2,773,295	0.8%	2.4%
Malaysia	2,244,927	0.6%	1.1%
Chile	1,966,118	0.5%	0.6%
Peru	1,791,310	0.5%	0.8%
Other West Coast of S America	1,673,182	0.5%	0.8%

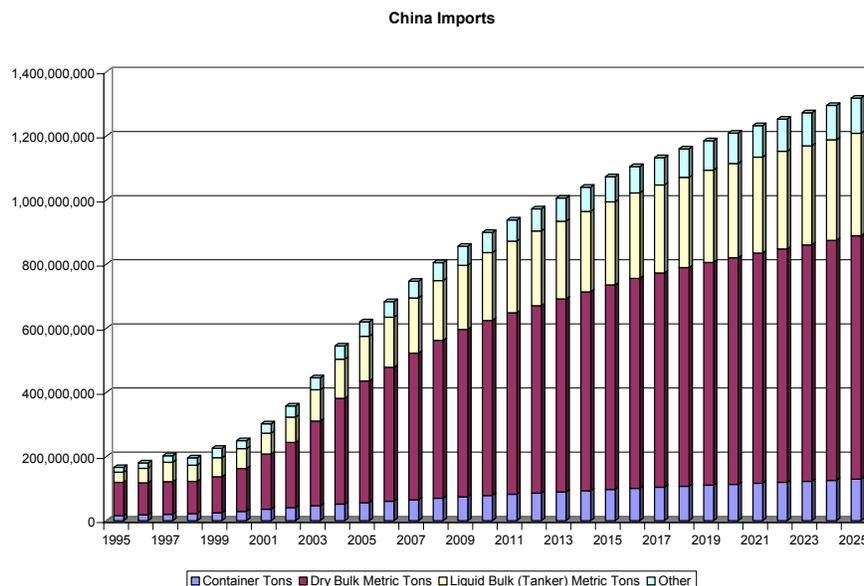
China

The economic outlook for China through 2025, including a comment on the new renminbi scheme, is presented in a separate volume of this study, the macroeconomic baseline forecast. The main drivers of China's international trade (of which nearly 85% is by sea) are:

- continued development of manufacturing capacity at low costs in order to maintain a competitive edge in world markets
- continuation of the current pegged currency rate for the renminbi (until the domestic macroeconomic can withstand a change, perhaps to a managed peg system)
- Increased consumer incomes which will stimulate imports for domestic consumption
- A leveling of international market shares for certain products, such as footwear and electrical appliances, in which China has achieved a near monopoly
- A managed slowdown in overall economic growth (not a hard landing from current growth rates), which will lower import growth in the long term
- Continued imports of oil and other petroleum products to feed the export boom, but this rate will decline over time in line with slower export and domestic growth.

Imports

In 2004, some 98.8% of China's imports were seaborne. The volume of sea traffic was 545 million metric tons, up 22.3% over the 2003 level. The composition of China's imports, during the historical period from 1995 to 2004, showed enormous growth in all segments, and the outlook to 2025 calls for continued strong but slowing growth as the economy cools and become more mature. See the chart below showing how the 3 major segments will evolve.



<i>In Millions of Tons</i>	1995	1996	1997	1998	1999	2000
Container	15.38	17.73	18.95	21.31	24.05	28.28
Dry Bulk	101.61	98.07	100.80	99.49	111.95	134.02
Liquid Bulk (Tanker)	31.67	44.89	56.71	50.11	59.16	62.19
Other	14.39	16.67	19.98	22.06	29.08	24.86
	2001	2002	2003	2004	2005	
Container	35.28	40.22	47.35	52.83	59.04	
Dry Bulk	172.44	203.64	264.12	330.63	379.89	
Liquid Bulk (Tanker)	64.84	78.96	98.01	122.77	140.44	
Other	29.52	34.39	38.26	42.46	46.69	
	2006	2007	2008	2009	2010	
Container	65.13	71.37	77.45	83.36	88.77	
Dry Bulk	418.25	457.47	492.77	522.52	546.28	
Liquid Bulk (Tanker)	157.47	173.77	188.52	202.36	214.77	
Other	50.76	54.98	59.13	63.19	66.89	
	2011	2012	2013	2014	2015	
Container	93.60	98.14	102.37	106.73	110.83	
Dry Bulk	566.58	585.15	602.76	621.17	638.80	
Liquid Bulk (Tanker)	226.01	235.95	244.87	253.13	261.36	
Other	70.30	73.59	76.74	80.19	83.50	
	2016	2017	2018	2019	2020	
Container	114.89	118.65	122.43	126.18	129.86	
Dry Bulk	655.29	669.54	682.90	695.47	707.03	
Liquid Bulk (Tanker)	269.13	276.31	283.44	289.97	295.85	
Other	86.92	90.06	93.25	96.38	99.42	
	2021	2022	2023	2024	2025	
Container	133.57	137.07	140.52	144.26	148.10	
Dry Bulk	718.45	728.62	737.94	748.54	759.29	
Liquid Bulk (Tanker)	301.31	306.18	310.69	315.79	320.99	
Other	102.42	105.25	108.01	110.98	113.99	

Container tons will grow from the 2004 level of 51.2 million tons to 129 million in 2025, averaging 4.3% per year. In terms of TEUs, we expect continued growth (compound average) of about 4.6% per year. See the table below for tons and TEU data.

	2003-04	2004-05	2005-10	2005-25
Container Tons	10.1%	9.6%	6.9%	4.3%
TEUs	10.7%	9.7%	7.2%	4.6%
Dry Bulk Metric Tons	25.2%	14.9%	7.5%	3.5%
Liquid Bulk (Tanker) Metric Tons	25.1%	14.2%	8.8%	4.2%
Other	10.2%	9.1%	6.9%	4.6%

In line with the overall slowing of world economies and trade, China's expected long-term average annual import growth follows a similar pattern, although its rates of growth are still above world averages in the long term. The cooling-off of China, from the overheated period of 2000-05, will occur slowly, thereby mollifying the import growth rates.

China's imports from the ACP-defined regions are shown in the following table.

China's Imports by Region in Total Sea Metric Tons

ORIGIN	DESTINATION	2004	2004-05	2005-10	2010-25	2004-25
Africa and Middle East	China	69,752,209	15.2%	8.4%	2.3%	4.3%
Canada	China	8,006,526	10.4%	8.0%	2.8%	4.4%
Central America and Caribbean Basin	China	1,103,331	6.9%	4.3%	1.4%	2.3%
East Asia	China	80,095,217	10.4%	7.4%	3.2%	4.5%
Europe	China	58,405,341	12.2%	8.9%	3.2%	4.9%
Latin America East Coast	China	80,723,392	15.5%	7.9%	2.3%	4.2%
Latin America West Coast	China	11,907,804	15.5%	7.3%	2.0%	3.9%
Oceania	China	105,675,964	15.9%	6.9%	2.1%	3.8%
South and Southeast Asia	China	96,363,872	13.5%	7.5%	2.8%	4.4%
United States	China	32,955,679	12.2%	7.8%	2.2%	4.4%
World	China	544,989,336	13.8%	7.7%	2.6%	4.3%

Trade Routes to China Relevant to the Panama Canal, Sea Tons

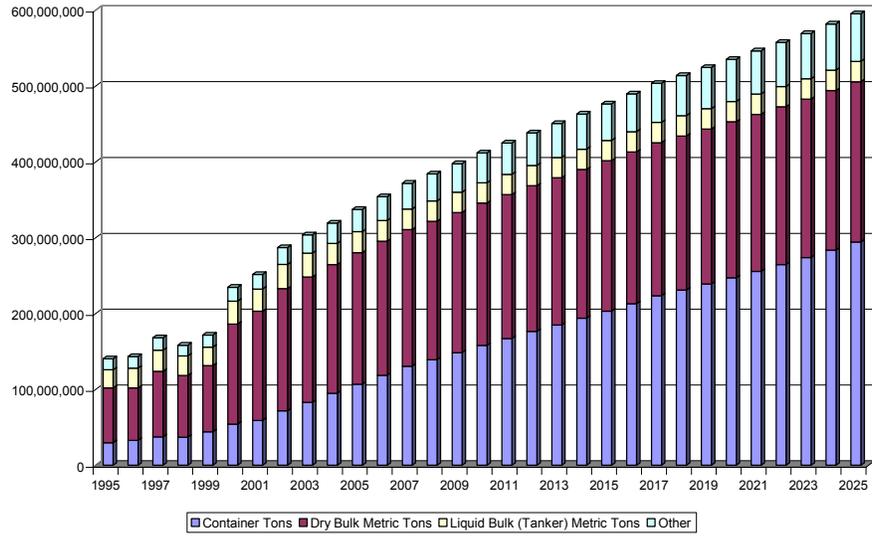
	2004	% of Total	2004-25
Brazil	75,107,495	13.7%	5.4%
United States	32,955,679	6.0%	4.4%
Canada	8,006,528	1.5%	4.4%
Caribbean Basin	940,130	0.2%	1.4%
Venezuela	714,438	0.1%	4.3%
Colombia	31,406	0.0%	4.8%

China's trade is with the entire U.S., all coasts.

Exports

About 92% of China's exports are carried by sea (2004 estimate). There was a very large jump in exports in 2000, and most shipping segments have continued to increase at above-world average rates, as shown in the chart below and the table following, in millions of metric tons.

China Exports



<i>In Millions of Tons</i>	1995	1996	1997	1998	1999	2000
Container Tons	29.31	32.43	36.93	36.68	43.83	54.38
Dry Bulk Metric Tons	71.21	68.20	85.29	79.97	87.01	132.13
Liquid Bulk (Tanker) Metric Tons	23.68	26.06	27.31	25.75	24.25	30.01
Other	14.15	14.90	16.08	13.98	15.65	18.38
	2001	2002	2003	2004	2005	
Container Tons	59.23	71.69	84.05	99.98	116.14	
Dry Bulk Metric Tons	144.25	160.92	165.28	170.44	174.73	
Liquid Bulk (Tanker) Metric Tons	29.24	31.85	31.73	28.46	28.43	
Other	19.08	22.13	24.69	28.11	31.41	
	2006	2007	2008	2009	2010	
Container Tons	131.48	145.12	154.53	164.55	175.40	
Dry Bulk Metric Tons	178.31	181.72	184.20	186.82	189.53	
Liquid Bulk (Tanker) Metric Tons	28.31	28.21	27.96	27.81	27.73	
Other	34.37	37.02	39.05	41.05	43.08	
	2011	2012	2013	2014	2015	
Container Tons	185.22	195.47	204.89	214.55	224.85	
Dry Bulk Metric Tons	191.91	194.23	196.30	198.39	200.39	
Liquid Bulk (Tanker) Metric Tons	27.67	27.65	27.63	27.67	27.71	
Other	44.98	46.92	48.67	50.48	52.33	
	2016	2017	2018	2019	2020	
Container Tons	235.68	247.13	255.45	264.05	273.03	
Dry Bulk Metric Tons	202.18	203.94	205.20	206.42	207.65	
Liquid Bulk (Tanker) Metric Tons	27.75	27.79	27.75	27.72	27.69	
Other	54.17	56.02	57.44	58.86	60.29	
	2021	2022	2023	2024	2025	
Container Tons	282.36	292.13	302.26	312.68	323.46	
Dry Bulk Metric Tons	208.92	209.95	210.98	212.10	213.22	
Liquid Bulk (Tanker) Metric Tons	27.70	27.67	27.64	27.62	27.60	
Other	61.73	63.13	64.57	65.83	66.99	

Container tons represented 29.7% of China's seaborne exports in 2004 (est.) and we expect this share to increase to 49.4% in the final year of the forecast. In terms of TEUs, the growth will be slightly faster, averaging 5.4% per year, well above the world average in the long term, growing from 15.4 million full TEUs in 2004 to 50.6 million in 2025. (Note: the trade model predicts only full TEUs, not empty containers. Therefore, the total number of actual TEUs is larger than those presented here, the difference being empties.) This enormous growth stems from the expected, continued climb in China's penetration of the consumer market and the business/industrial market over time, besides growth in container penetration.

The forecast is summarized by segment in the following table.

	2003-04	2004-05	2005-10	2005-25
Container Tons	14.3%	12.7%	8.1%	5.2%
TEUs	15.0%	13.9%	8.5%	5.4%
Dry Bulk Metric Tons	2.8%	2.2%	1.6%	1.0%
Liquid Bulk (Tanker) Metric Tons	-11.4%	-1.2%	-0.7%	-0.2%
Other	10.7%	9.0%	6.2%	3.9%

China's exports to the ACP-defined regions are shown in the following table.

China's Exports by Region in Total Sea Metric Tons

ORIGIN	DESTINATION	2004	2004-05	2005-10	2010-25	2004-25
China	Africa and Middle East	8,881,294	6.8%	5.6%	3.3%	4.0%
China	Canada	2,495,346	12.5%	10.6%	5.9%	7.3%
China	Central America and Caribbean Basin	12,721,046	11.7%	8.5%	5.0%	6.2%
China	East Asia	162,130,828	3.4%	2.5%	1.5%	1.8%
China	Europe	34,831,786	10.6%	6.5%	3.3%	4.4%
China	Latin America East Coast	5,026,839	1.6%	1.3%	0.9%	1.0%
China	Latin America West Coast	1,012,333	6.5%	6.1%	2.4%	3.5%
China	Oceania	3,336,659	6.3%	3.0%	1.5%	2.1%
China	South and Southeast Asia	44,442,357	2.9%	2.5%	1.8%	2.0%
China	United States	44,526,121	10.5%	6.9%	3.4%	4.6%
China	World	319,404,610	5.6%	4.1%	2.5%	3.0%

Trade Routes from China Relevant to the Panama Canal, Sea Tons

	2004	% of Total	2004-25
United States	44,526,121	14.2%	4.6%
Brazil	4,594,644	1.4%	0.6%
Canada	2,495,346	0.8%	7.3%
Caribbean Basin	538,179	0.2%	1.0%
Colombia	316,216	0.1%	3.8%
Venezuela	89,506	0.0%	4.4%

China's trade is with the entire U.S., all coasts.

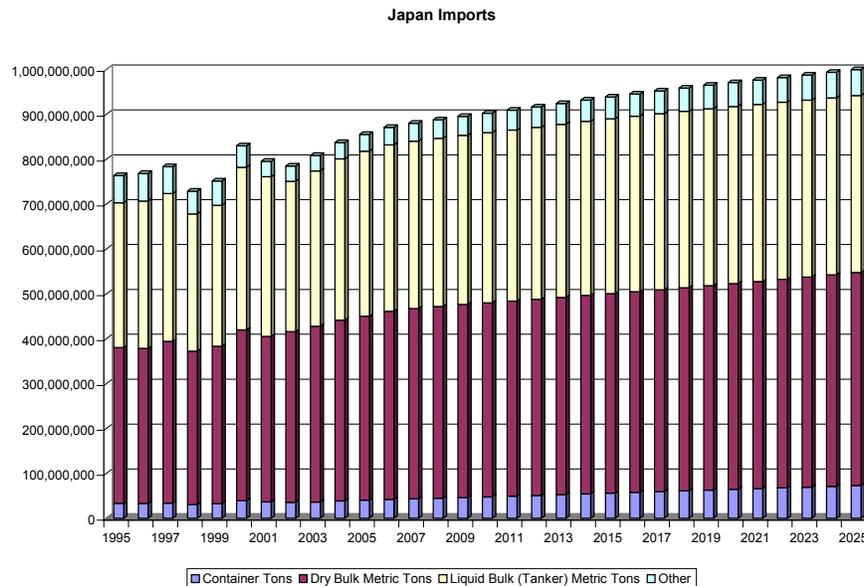
Japan

Japan's economic outlook for the long term is presented in another volume of this study.

The drivers of Japan's international sea trade are GDP which is expected to climb at very slow rates, the dollar-yen exchange rate in which the yen appreciates in the near term, macroeconomic policies that are only moderately stimulative (e.g. interest rates), continued growth in consumer incomes but well below world averages, and a financial sector that will continue to suffer for (perhaps) 10 more years under its cloud of large and bad loans that will need to be worked out of the system without a sudden overhaul.

Imports

Imports into Japan have shown little increase at all in the past, averaging only 0.7% per year, in the face of a feeble economy, weak consumer demand, and very low rates of foreign investment. Also, in view of the perceived risk in Japan, with its over-extended banking system, and with China next door steeling many markets in the world that used to belong to Japan, there is no surprise that the economy has stagnated and this has affected trade as well. The outlook for the major shipping segments is shown in the chart below, where total seaborne trade in tons has grown by 3.5% in 2004, and container tons increased by 7.3%, a remarkable improvement over the previous 8 years. This pattern is shown in the chart below in metric tons, and in the following table in millions of metric tons.



<i>In Millions of Tons</i>	1995	1996	1997	1998	1999	2000
Container Tons	32.98	32.79	33.53	30.25	32.29	39.57
Dry Bulk	347.40	345.56	360.48	341.64	350.94	384.05
Liquid Bulk (Tanker)	321.14	326.92	328.75	306.24	312.63	361.41
Other	60.98	61.47	59.83	50.41	54.15	49.48
	2001	2002	2003	2004	2005	
Container Tons	36.67	35.41	36.03	38.80	41.05	
Dry Bulk	372.61	381.73	393.20	404.07	411.24	
Liquid Bulk (Tanker)	355.76	334.83	346.09	359.37	367.40	
Other	35.69	34.81	35.37	37.15	38.84	
	2006	2007	2008	2009	2010	
Container Tons	42.70	43.97	45.47	47.08	48.70	
Dry Bulk	420.36	425.59	428.75	431.84	434.17	
Liquid Bulk (Tanker)	371.05	372.88	374.97	377.09	379.27	
Other	40.10	41.07	42.20	43.38	44.51	
	2011	2012	2013	2014	2015	
Container Tons	50.30	51.99	53.73	55.54	57.34	
Dry Bulk	436.22	438.62	441.27	443.89	446.18	
Liquid Bulk (Tanker)	381.17	383.25	385.52	388.08	389.91	
Other	45.60	46.73	47.85	48.98	50.09	
	2016	2017	2018	2019	2020	
Container Tons	59.08	60.85	62.62	64.37	66.10	
Dry Bulk	448.62	451.51	454.45	457.38	460.33	
Liquid Bulk (Tanker)	391.36	392.51	393.37	394.05	394.52	
Other	51.16	52.22	53.26	54.26	55.21	
	2021	2022	2023	2024	2025	
Container Tons	67.79	69.45	71.16	72.93	74.74	
Dry Bulk	463.39	466.55	469.87	473.09	476.34	
Liquid Bulk (Tanker)	394.61	394.53	394.41	394.38	394.34	
Other	56.10	56.96	57.81	58.61	59.39	

Total sea trade peaked in 2000 and then slid back, only to recover by 2003. The outlook calls for modest growth under the assumed base case macroeconomic projections.

The expected growth rates for international sea trade are shown in the following table.

	2003-04	2004-05	2005-10	2005-25
Container Tons	7.3%	5.0%	3.3%	3.0%
TEUs	9.0%	6.4%	4.2%	3.7%
Dry Bulk Metric Tons	2.7%	1.8%	1.1%	0.7%
Liquid Bulk (Tanker) Metric Tons	3.8%	2.2%	0.6%	0.4%
Other	4.8%	4.0%	2.7%	2.1%

Trade with China is expanding, even in the face of a weak consumer sector in Japan. Overall, as the economy returns to a modest level of health, we expect imports to grow but Japan's performance will be far from spectacular.

Japan's imports from the ACP-defined regions are shown in the following table.

Japan's Imports by Region in Total Sea Metric Tons

ORIGIN	DEST	2004	2004-05	2005-10	2010-25	2004-25
Africa and Middle East	Japan	254,047,856	2.6%	0.9%	0.4%	0.6%
Canada	Japan	20,424,441	1.0%	0.5%	0.5%	0.5%
Central America and Caribbean Basin	Japan	5,209,875	3.0%	2.3%	1.8%	2.0%
East Asia	Japan	88,356,720	3.0%	1.8%	1.8%	1.9%
Europe	Japan	18,028,284	1.7%	0.7%	0.7%	0.7%
Latin America East Coast	Japan	30,738,422	2.5%	1.2%	0.3%	0.7%
Latin America West Coast	Japan	8,761,957	2.3%	1.1%	0.4%	0.7%
Oceania	Japan	220,282,605	2.3%	1.6%	0.9%	1.1%
South and Southeast Asia	Japan	144,443,969	1.7%	0.4%	0.2%	0.3%
United States	Japan	46,737,933	0.4%	0.1%	0.4%	0.3%
World	Japan	837,032,061	2.2%	1.1%	0.7%	0.8%

Trade Routes to Japan Relevant to the Panama Canal, Sea Tons

	2004	% of Total	2004-25
United States	46,737,933	5.5%	0.3%
Brazil	27,753,786	3.3%	0.7%
Canada	20,424,441	2.4%	0.5%
Mexico	5,025,314	0.6%	2.0%
Venezuela	1,638,716	0.2%	0.0%
Colombia	162,503	0.0%	1.4%

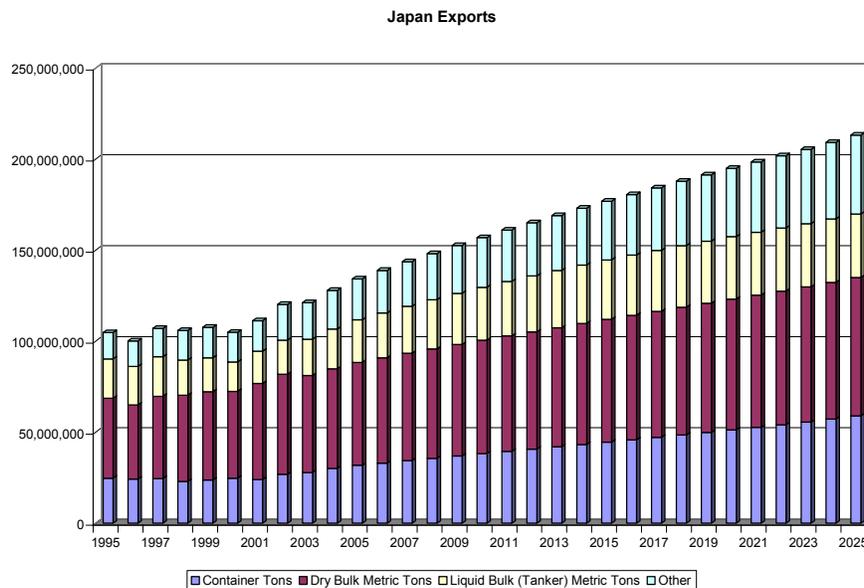
Japan's trade is with the entire U.S., all coasts.

Exports

Japan's exports, at 128 million tons in 2004, were only 15% of its imports. Historically, exports by sea did not grow much at all. Indeed, the following table shows the average annual growth rates for 1995-2003 when total sea trade climbed by only 1.9% per year.

	1995-2003
Seaborne Metric Tons	1.8%
Container Tons	1.5%
TEUs (20 Foot Container Equivalent Units)	1.5%
Dry Bulk Metric Tons	2.5%
Liquid Bulk (Tanker) Metric Tons	-1.0%
Other	4.2%

And these slow rates are shown in the following chart, historically, as well as in the forecast when we foresee increased rates of trade growth but not substantially above world averages.



The table below shows the absolute volumes from the above chart, in millions of metric tons.

<i>In Millions of Tons</i>	1995	1996	1997	1998	1999	2000
Container Tons	24.74	24.26	24.56	22.96	23.74	24.84
Dry Bulk	43.72	40.61	45.01	47.31	48.46	47.76
Liquid Bulk (Tanker)	21.62	21.15	21.72	19.34	18.62	16.18
Other	14.39	13.87	15.49	16.25	16.72	16.28
	2001	2002	2003	2004	2005	
Container Tons	24.22	26.96	28.28	30.68	32.42	
Dry Bulk	52.82	54.93	53.31	54.77	56.58	
Liquid Bulk (Tanker)	17.71	18.70	19.99	21.93	23.45	
Other	16.75	19.64	20.30	21.54	22.74	
	2006	2007	2008	2009	2010	
Container Tons	33.78	35.14	36.44	37.77	39.09	
Dry Bulk	57.90	59.06	60.18	61.32	62.43	
Liquid Bulk (Tanker)	24.74	25.97	27.13	28.23	29.23	
Other	23.75	24.76	25.74	26.71	27.68	
	2011	2012	2013	2014	2015	
Container Tons	40.36	41.62	42.95	44.25	45.52	
Dry Bulk	63.49	64.49	65.52	66.58	67.57	
Liquid Bulk (Tanker)	30.12	30.90	31.60	32.24	32.79	
Other	28.65	29.61	30.60	31.63	32.65	
	2016	2017	2018	2019	2020	
Container Tons	46.80	48.14	49.50	50.86	52.25	
Dry Bulk	68.48	69.40	70.28	71.12	71.96	
Liquid Bulk (Tanker)	33.26	33.64	33.98	34.27	34.49	
Other	33.67	34.71	35.75	36.82	37.90	
	2021	2022	2023	2024	2025	
Container Tons	53.67	55.16	56.67	58.22	59.82	
Dry Bulk	72.77	73.55	74.33	75.14	75.96	
Liquid Bulk (Tanker)	34.69	34.79	34.85	34.98	35.10	
Other	38.99	40.08	41.19	42.31	43.44	

Container tons, and therefore TEUs, will be the fastest-growing part of seaborne exports from Japan, but the rate of growth of these sectors will be only in line with global economic growth in the long term. The projected growth rates, including TEUs, are shown in the following table.

	2003-04	2004-05	2005-10	2005-25
Container Tons	8.0%	5.7%	3.7%	3.1%
TEUs				
(20 Foot Container Equivalent Units)	8.5%	6.0%	4.1%	3.4%
Dry Bulk Metric Tons	2.7%	3.3%	2.0%	1.5%
Liquid Bulk (Tanker) Metric Tons	9.6%	6.9%	4.5%	2.0%
Other	5.8%	5.6%	4.0%	3.3%

Japan's exports from the ACP-defined regions are shown in the following table.

Japan's Exports by Region in Total Sea Metric Tons

ORIGIN	DESTINATION	2004	2004-05	2005-10	2010-25	2004-25
Japan	Africa and Middle East	5,190,525	3.5%	1.9%	1.6%	1.8%
Japan	Canada	1,357,463	7.5%	3.4%	2.9%	3.2%
Japan	Central America and Caribbean Basin	1,448,842	3.0%	0.9%	2.7%	2.3%
Japan	East Asia	71,483,196	6.7%	4.5%	2.2%	3.0%
Japan	Europe	6,475,690	4.8%	2.6%	2.7%	2.8%
Japan	Latin America East Coast	845,782	1.0%	0.7%	1.5%	1.3%
Japan	Latin America West Coast	752,833	1.0%	1.0%	1.7%	1.5%
Japan	Oceania	4,822,057	2.2%	1.1%	1.8%	1.7%
Japan	South and Southeast Asia	24,098,922	1.8%	0.9%	1.7%	1.5%
Japan	United States	11,473,834	2.0%	1.0%	1.2%	1.2%
Japan	World	127,949,144	4.9%	3.2%	2.1%	2.5%

Trade Routes from Japan Relevant to the Panama Canal, Sea Tons

	2004	% of Total	2004-25
United States	11,473,834	8.9%	1.2%
Canada	1,357,463	1.1%	3.2%
Mexico	888,176	0.7%	2.7%
Brazil	716,676	0.6%	0.9%
Colombia	243,838	0.2%	0.6%
Venezuela	46,938	0.0%	1.9%

Japan's trade is with the entire U.S., all coasts.

Ecuador

The economic projections for Ecuador are presented in another volume in this study.

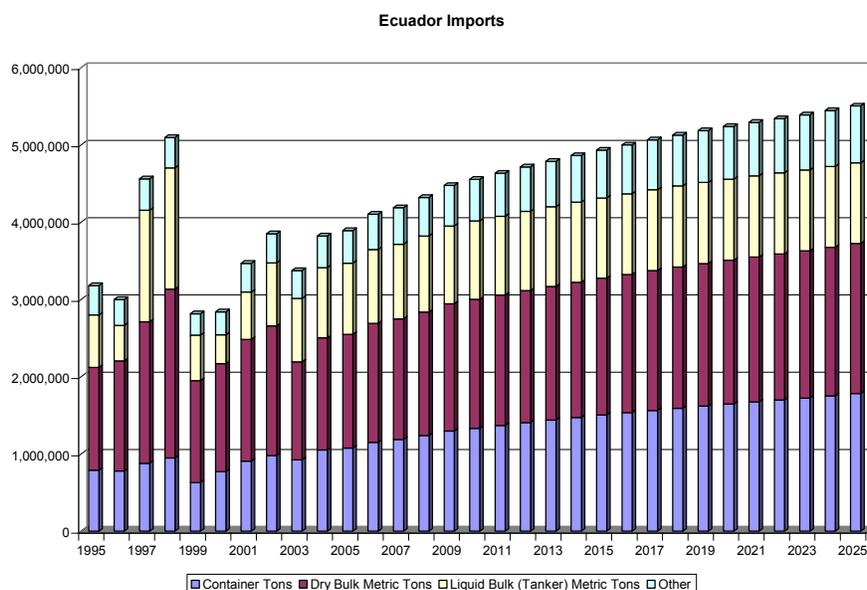
The main drivers of Ecuador's imports and exports are the real GDP growth forecast, population, consumer incomes, and macroeconomic policies which affect direct foreign investment and local costs of doing business. Since bananas are the main export product, there are outside factors (mentioned below under 'Exports') that can affect the projections of this particular commodity, such as free trade agreements and the imposition of import tariffs targeted against bananas from specific nations, including Ecuador.

Imports

Some 69% of Ecuador's imports are seaborne, down from 81% in 1995. We project a continued decline as Ecuador's internal demand is met partially by overland imports. The remarkable economic performance of 2004 cannot be sustained, however, especially in such a small economy that is not forecast to grow substantially in the future.

The historical growth in imports has been marked by some volatility. In fact over the 1995-2003 period, seaborne imports grew at only 0.7% per year on average, even though 1997 grew at 52%. In the trade models, the long-term growth is moderated by expected economic growth that trends to its long-term potential rate, which is modest. Therefore, long-term seaborne imports are expected to average just 1.7% growth. The pattern of historical and future imports can be seen in the following chart.

The real GDP fell in 1999, explaining much of the drop in that year, and the period 2000-03 saw rates between 2.6% and 3.7% per year. Also, following a disastrous 1999 when capital formation collapsed by 22.3%, it rebounded in 2001 and 2002 by 25.6% and 12.0%, respectively, thereby explaining the historical volatility.



The following table shows the absolute volumes, in millions of metric tons, for Ecuador's imports.

<i>In Millions of Tons</i>	1995	1996	1997	1998	1999	2000
Container Tons	0.94	0.95	1.09	1.18	0.82	0.98
Dry Bulk Metric Tons	1.40	1.63	2.09	2.39	1.52	1.58
Liquid Bulk (Tanker)	0.68	0.50	1.48	1.65	0.93	0.44
Other	0.44	0.40	0.49	0.48	0.36	0.34
	2001	2002	2003	2004	2005	
Container Tons	1.06	1.13	1.08	1.23	1.26	
Dry Bulk Metric Tons	1.67	1.84	1.45	1.67	1.69	
Liquid Bulk (Tanker)	0.68	1.35	1.33	1.49	1.51	
Other	0.41	0.42	0.40	0.45	0.47	
	2006	2007	2008	2009	2010	
Container Tons	1.35	1.39	1.45	1.52	1.56	
Dry Bulk Metric Tons	1.77	1.79	1.83	1.89	1.91	
Liquid Bulk (Tanker)	1.58	1.60	1.63	1.68	1.69	
Other	0.50	0.52	0.55	0.58	0.59	
	2011	2012	2013	2014	2015	
Container Tons	1.60	1.65	1.69	1.72	1.76	
Dry Bulk Metric Tons	1.93	1.96	1.98	2.00	2.03	
Liquid Bulk (Tanker)	1.70	1.72	1.73	1.74	1.75	
Other	0.61	0.63	0.65	0.66	0.68	
	2016	2017	2018	2019	2020	
Container Tons	1.80	1.83	1.87	1.90	1.93	
Dry Bulk Metric Tons	2.05	2.07	2.09	2.11	2.13	
Liquid Bulk (Tanker)	1.75	1.76	1.76	1.76	1.76	
Other	0.70	0.71	0.72	0.74	0.75	
	2021	2022	2023	2024	2025	
Container Tons	1.96	1.99	2.02	2.05	2.08	
Dry Bulk Metric Tons	2.15	2.17	2.18	2.20	2.22	
Liquid Bulk (Tanker)	1.75	1.75	1.74	1.74	1.73	
Other	0.76	0.77	0.78	0.80	0.81	

The specific growth rates are shown in the following table, where there is an immediate slowdown in import growth, stemming from much weaker economic performance in 2005, followed by steady but lackluster growth thereafter.

	2003-04	2004-05	2005-10	2005-25
Container Tons	13.8%	2.4%	4.4%	2.6%
TEUs	14.1%	2.8%	4.6%	2.8%
Dry Bulk Metric Tons	14.4%	1.5%	2.5%	1.4%
Liquid Bulk (Tanker) Metric Tons	10.8%	1.1%	2.0%	0.6%
Other	14.0%	3.0%	5.0%	2.8%

Ecuador's imports from the ACP-defined regions are shown in the following table.

Ecuador's Imports by Region in Total Sea Metric Tons

ORIGIN	DESTINATION	2004	2004-05	2005-10	2010-25	2004-25
Africa and Middle East	Ecuador	134,674	0.4%	3.0%	0.4%	1.0%
Canada	Ecuador	264,056	1.3%	2.0%	0.7%	1.0%
Central America and Caribbean Basin	Ecuador	303,919	3.5%	4.3%	2.8%	3.2%
East Asia	Ecuador	278,574	3.2%	4.9%	1.8%	2.6%
Europe	Ecuador	647,675	1.7%	3.2%	1.3%	1.7%
Latin America East Coast	Ecuador	346,239	4.5%	5.0%	2.4%	3.1%
Latin America West Coast	Ecuador	286,868	3.6%	4.2%	2.4%	2.9%
Oceania	Ecuador	11,138	0.8%	0.8%	-0.5%	-0.1%
South and Southeast Asia	Ecuador	43,694	0.8%	1.5%	0.8%	1.0%
United States	Ecuador	1,505,713	0.6%	2.3%	0.3%	0.8%
World	Ecuador	3,822,549	1.8%	3.2%	1.3%	1.8%

Trade Routes to Ecuador Relevant to the Panama Canal, Sea Tons

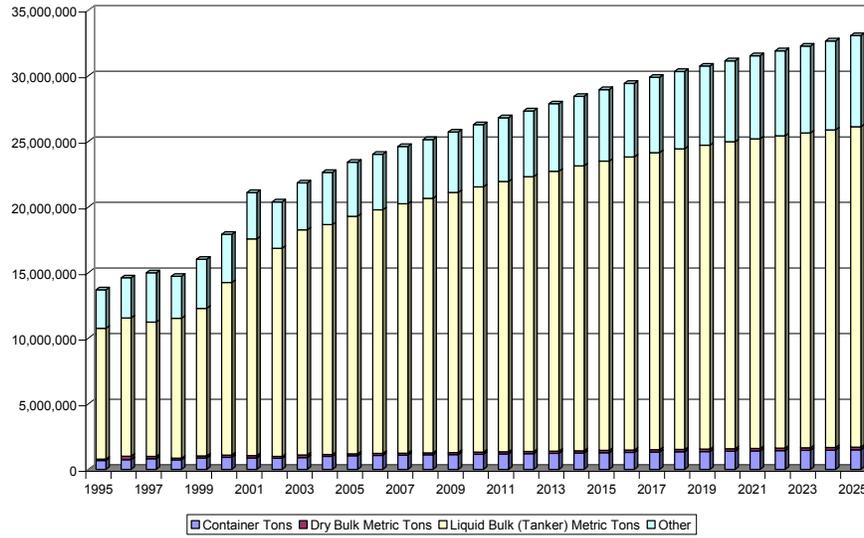
	2004	% of Total	2004-25
United States	1,505,713	34.6%	0.8%
Canada	264,056	5.5%	1.0%
Central America	188,908	3.9%	1.8%
Colombia	174,064	3.6%	3.2%
Brazil	125,987	2.6%	2.9%
Mexico	92,558	1.9%	6.1%
Spain	84,931	1.8%	1.5%
Caribbean Basin	40,976	0.8%	0.6%

Ecuador's trade is with the entire U.S., all coasts.

Exports

Ecuador's export picture differs dramatically from its imports. In particular, exports are dominated by liquid bulk tonnage (crude oil and some petroleum products), and by "other" which, in this case, is conventional bulk reefer ships carrying bananas. As the world's largest producer of bananas, this segment is large, constituting 17.6% of total seaborne exports in tons, a share that we expect to climb to 20% as oil consumption around the world declines as a share of GDP. This growth prospect for bananas is based on an assumption that the fruit finds new markets and is not squelched by trade-distorting tariffs (being proposed, as of this writing, in the EU) or by similarly distorting quotas (recently ruled illegal by the WTO). Under these assumptions and the expected economic growth outlined in another volume of this study, we forecast exports unfolding in a pattern shown in the following chart.

Ecuador Exports



The table following this chart contains the absolute volumes, in millions of metric tons, of Ecuador's historical and forecast sea trade exports.

<i>In Millions of Tons</i>	1995	1996	1997	1998	1999	2000
Container Tons	0.72	0.79	0.87	0.79	0.94	1.00
Dry Bulk Metric Tons	0.49	0.64	0.58	0.54	0.61	0.60
Liquid Bulk (Tanker)	0.17	10.71	10.37	10.95	11.52	13.28
Other	2.97	3.10	3.80	3.24	3.77	3.71
	2001	2002	2003	2004	2005	
Container Tons	0.95	0.93	0.99	1.09	1.14	
Dry Bulk Metric Tons	0.60	0.79	0.74	0.78	0.79	
Liquid Bulk (Tanker)	6.62	15.93	17.22	17.58	18.18	
Other	3.57	3.56	3.61	4.03	4.16	
	2006	2007	2008	2009	2010	
Container Tons	1.17	1.19	1.21	1.24	1.26	
Dry Bulk Metric Tons	0.81	0.83	0.84	0.86	0.87	
Liquid Bulk (Tanker)	8.63	19.07	19.46	19.88	20.28	
Other	4.28	4.41	4.53	4.66	4.79	
	2011	2012	2013	2014	2015	
Container Tons	1.29	1.31	1.34	1.36	1.39	
Dry Bulk Metric Tons	0.89	0.90	0.92	0.94	0.95	
Liquid Bulk (Tanker)	20.66	21.02	21.39	21.77	22.10	
Other	4.92	5.05	5.20	5.35	5.50	
	2016	2017	2018	2019	2020	
Container Tons	1.41	1.44	1.46	1.48	1.51	
Dry Bulk Metric Tons	0.97	0.98	0.99	1.01	1.02	
Liquid Bulk (Tanker)	2.41	22.70	22.97	23.22	23.45	
Other	5.65	5.80	5.94	6.08	6.23	
	2021	2022	2023	2024	2025	
Container Tons	1.53	1.55	1.58	1.60	1.63	
Dry Bulk Metric Tons	1.04	1.05	1.06	1.08	1.09	
Liquid Bulk (Tanker)	23.66	23.86	24.05	24.25	24.45	
Other	6.38	6.53	6.68	6.84	6.99	

Clearly container tonnage is only a small portion of exports, and in 2004, TEUs were only 108,041 (full). Also, liquid bulk (oil) and other (bananas) constitute 95% of the exports (2004).

The long-term growth prospects for all of the shipping segments are very modest and around 2% per year, as shown in the following growth table.

	2003-04	2004-05	2005-10	2005-25
Container Tons	10.6%	4.2%	2.1%	1.8%
TEUs	10.6%	4.3%	2.2%	1.9%
Dry Bulk Metric Tons	-27.6%	2.6%	1.7%	1.7%
Liquid Bulk (Tanker)	2.0%	3.4%	2.2%	1.5%
Other	11.5%	3.3%	2.9%	2.7%

Ecuador's exports to the ACP-defined regions are shown in the following table.

Ecuador's Exports by Region in Total Sea Metric Tons

ORIGIN	DESTINATION	2004	2004-05	2005-10	2010-25	2004-25
Ecuador	Africa and Middle East	131,337	2.1%	2.0%	1.8%	1.8%
Ecuador	Canada	197,745	7.0%	4.1%	3.1%	3.5%
Ecuador	Central America and Caribbean Basin	3,470,954	3.3%	2.3%	1.3%	1.6%
Ecuador	East Asia	6,182,861	5.4%	3.3%	1.7%	2.2%
Ecuador	Europe	2,239,888	2.7%	2.1%	1.8%	1.9%
Ecuador	Latin America East Coast	72,770	1.9%	1.9%	1.1%	1.4%
Ecuador	Latin America West Coast	465,891	3.1%	2.2%	1.8%	1.9%
Ecuador	Oceania	63,886	2.0%	1.8%	1.6%	1.7%
Ecuador	South and Southeast Asia	463,613	1.7%	1.1%	0.8%	0.9%
Ecuador	United States	9,344,263	2.5%	1.7%	1.5%	1.6%
Ecuador	World	22,633,207	3.4%	2.3%	1.5%	1.8%

Trade Routes from Ecuador Relevant to the Panama Canal, Sea Tons

	2004	% of Total	2004-25
United States	9,344,263	40.1%	1.6%
Central America	2,986,631	12.7%	1.7%
Russia	592,171	2.5%	1.7%
Germany	461,816	2.0%	1.5%
Venezuela	455,403	1.9%	1.7%
Italy	305,853	1.3%	2.0%
Colombia	251,921	1.1%	2.4%
Belgium	211,286	0.9%	2.6%
Canada	197,745	0.9%	3.5%

Ecuador's trade is with the entire U.S., all coasts.

Peru

Prior to the writing of this study, Peru has been firing on all cylinders, with real economic growth in 2004 posted at 4.5%, and even faster growth forecast for 2005 (4.8%). The details of the outlook are included in another volume of this study.

The main drivers of Peru's international sea trade, besides real economic growth, are the outlook for oil exports (which are small now but may increase under high prices), consumer incomes which have benefited from recent economic activity, foreign direct investment (which has been hurt by the negative political environment surrounding President Toledo), and macroeconomic policies that may contribute to growth or hinder it. The exchange rate of the sol to the dollar has a small effect, since both have recently slid in value against the world's major currencies.

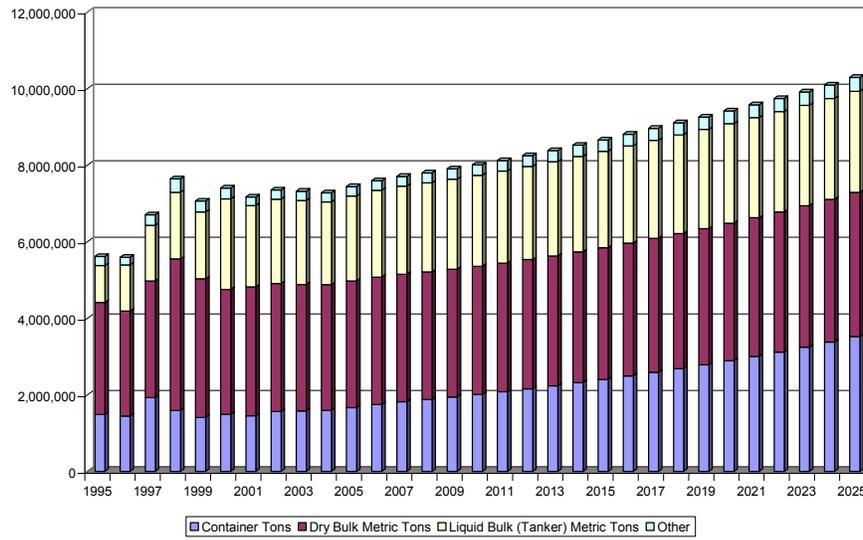
Imports

The outlook for Peru's imports calls for slow growth with total seaborne imports rising from the 2004 level of 7.3 million metric tons to 10.3 million tons in 2025. This represents only 1.6% average yearly growth.

However, the container sector is projected to show faster growth, at 4.2% for TEUs, under the assumption that the country's largest port, Callao, will be modernized (and possibly privatized) in order to handle both the local market and a growing transshipment business. As mentioned in the baseline macroeconomic forecast, Peru has been charging ahead on all cylinders in 2003-04, and despite the political discouragement with President Toledo, domestic demand has improved, and the nation's earnings from increased exports of basic minerals and foods have increased. As for transshipments, Callao is perfectly positioned for handle north- and south-bound container flows, and it can serve as a redistribution port for cargo coming from the Far East, thereby freeing up larger vessels to return to Asia, with new cargoes from the West Coast of South America. Callao's transshipment business has been growing 15-20% per year for the last 5 years.

The import picture is shown in the following forecast chart.

Peru Imports



The table below shows the absolute volumes, in millions of metric tons, for Peru's imports – history and forecast.

<i>In Millions of Tons</i>	1995	1996	1997	1998	1999	2000
Container Tons	1.35	1.44	1.92	1.59	1.41	1.50
Dry Bulk Metric Tons	2.82	2.47	2.83	3.93	3.61	3.24
Liquid Bulk (Tanker)	0.96	1.16	1.45	1.74	1.75	2.37
Other	0.23	0.20	0.27	0.35	0.28	0.28
	2001	2002	2003	2004	2005	
Container Tons	1.46	1.56	1.58	1.60	1.67	
Dry Bulk Metric Tons	3.37	3.33	3.29	3.27	3.30	
Liquid Bulk (Tanker)	2.13	2.21	2.20	2.16	2.22	
Other	0.23	0.24	0.24	0.24	0.25	
	2006	2007	2008	2009	2010	
Container Tons	1.75	1.82	1.88	1.94	2.01	
Dry Bulk Metric Tons	3.32	3.33	3.33	3.33	3.34	
Liquid Bulk (Tanker)	2.26	2.30	2.33	2.35	2.38	
Other	0.25	0.26	0.26	0.27	0.27	
	2011	2012	2013	2014	2015	
Container Tons	2.08	2.16	2.24	2.32	2.40	
Dry Bulk Metric Tons	3.35	3.37	3.39	3.41	3.44	
Liquid Bulk (Tanker)	2.41	2.44	2.46	2.49	2.52	
Other	0.28	0.28	0.29	0.29	0.30	
	2016	2017	2018	2019	2020	
Container Tons	2.49	2.59	2.69	2.79	2.89	
Dry Bulk Metric Tons	3.46	3.49	3.52	3.55	3.59	
Liquid Bulk (Tanker)	2.54	2.56	2.58	2.59	2.60	
Other	0.31	0.31	0.32	0.32	0.33	
	2021	2022	2023	2024	2025	
Container Tons	3.00	3.12	3.25	3.37	3.50	
Dry Bulk Metric Tons	3.62	3.65	3.69	3.73	3.76	
Liquid Bulk (Tanker)	2.61	2.62	2.63	2.63	2.64	
Other	0.34	0.34	0.35	0.35	0.35	

The large dry bulk portion of the imports (45% of total seaborne imports) consists primarily of grains, followed by animal feed and coal. The overall import growth rate is forecast to be rather slow, despite the above-world-average growth in real GDP, as Peru becomes steadily more self-sufficient. TEUs, however, should continue to grow substantially. The projection for imports is shown in the table below.

	2003-04	2004-05	2005-10	2005-25
Container Tons	0.9%	4.4%	3.8%	3.8%
TEUs	1.9%	5.1%	4.4%	4.2%
Dry Bulk Metric Tons	-0.6%	0.8%	0.2%	0.7%
Liquid Bulk (Tanker) Metric Tons	-1.7%	2.7%	1.4%	0.9%
Other	-0.6%	2.8%	2.0%	2.0%

Peru's imports from the ACP-defined regions are shown in the following table.

Peru's Imports by Region in Total Sea Metric Tons

ORIGIN	DEST	2004	2004-05	2005-10	2010-2025	2004-25
Africa and Middle East	Peru	797,641	2.6%	1.1%	0.3%	0.6%
Canada	Peru	243,843	-0.4%	-2.0%	0.5%	-.1%
Central America and Caribbean Basin	Peru	288,425	3.9%	3.5%	4.3%	4.1%
East Asia	Peru	542,362	4.7%	3.8%	2.8%	3.1%
Europe	Peru	816,303	2.3%	1.7%	1.1%	1.3%
Latin America East Coast	Peru	1,904,023	2.6%	1.6%	1.7%	1.7%
Latin America West Coast	Peru	748,049	4.0%	2.6%	2.6%	2.6%
Oceania	Peru	37,479	3.2%	2.5%	2.6%	2.6%
South and Southeast Asia	Peru	108,635	2.1%	0.9%	1.8%	1.6%
United States	Peru	1,792,043	0.2%	0.2%	1.1%	0.8%
World	Peru	7,278,802	2.2%	1.5%	1.7%	1.7%

Trade Routes to Peru Relevant to the Panama Canal, Sea Tons

	2004	% of Total	2004-25
United States	1,792,043	24.6%	0.8%
Venezuela	707,677	9.7%	1.9%
Western Africa	646,811	8.9%	0.7%
Canada	243,843	3.4%	-0.1%
Russia	135,250	1.9%	1.0%
Mexico	123,482	1.7%	6.7%
Brazil	120,992	1.7%	3.5%
Baltics	119,621	1.6%	0.9%
Other Northern Africa	113,527	1.6%	-0.3%

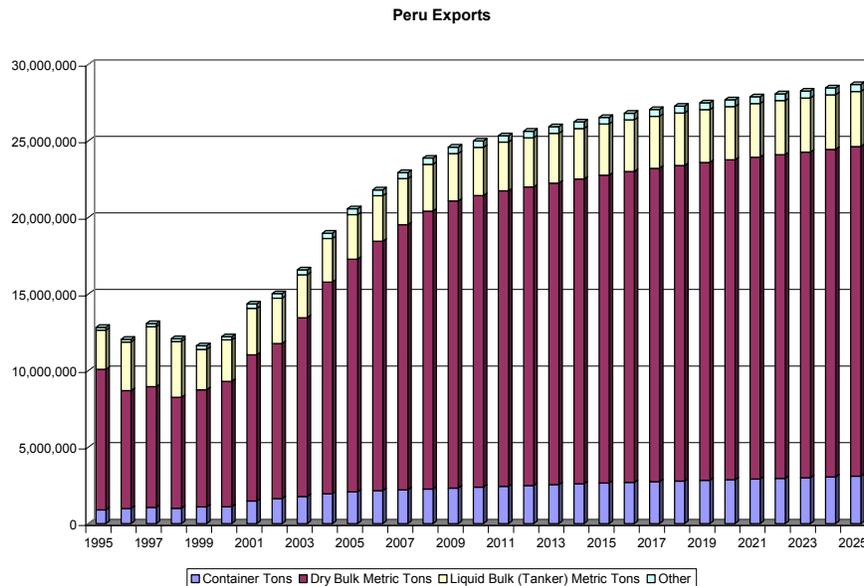
Peru's trade is with the entire U.S., all coasts.

Exports

Peru's exports in metric tons are dominated by dry bulk commodities. Indeed, in 2004, some 73% of Peru's exports were dry bulk commodities, and 81% of this category was comprised of ores and scrap (followed by animal feed and stone, clay, and other crude minerals). While 2004 saw a large increase in Peru's dry bulk exports, we forecast that the long-term outlook is not so sanguine, with average annual growth in the 1.8% area through 2025.

The composition of Peru's exports, as in most countries, will tend to favor containers over time. Indeed, the outlook for TEU exports calls for 2.4% average annual growth through 2025, slower than the world average rate for TEU growth of 4.6% over the full 2003-25 period, but still faster than the other segments.

The composition of the exports is shown in the following chart.



The following table shows the absolute volumes from the chart in millions of tons.

<i>In Millions of Tons</i>	1995	1996	1997	1998	1999	2000
Container Tons	0.89	0.98	1.06	1.00	1.09	1.11
Dry Bulk Metric Tons	9.17	7.66	7.88	7.24	7.65	8.20
Liquid Bulk (Tanker)	2.55	3.18	3.91	3.65	2.64	2.70
Other	0.19	0.17	0.19	0.18	0.24	0.21
	2001	2002	2003	2004	2005	
Container Tons	1.48	1.64	1.77	1.95	2.07	
Dry Bulk Metric Tons	9.55	10.13	11.68	13.83	15.21	
Liquid Bulk (Tanker)	3.03	2.95	2.80	2.85	2.92	
Other	0.29	0.30	0.33	0.36	0.38	
	2006	2007	2008	2009	2010	
Container Tons	2.15	2.21	2.26	2.33	2.39	
Dry Bulk Metric Tons	16.30	17.32	18.16	18.76	19.05	
Liquid Bulk (Tanker)	2.97	3.02	3.06	3.11	3.15	
Other	0.39	0.40	0.41	0.41	0.42	
	2011	2012	2013	2014	2015	
Container Tons	2.44	2.49	2.55	2.60	2.65	
Dry Bulk Metric Tons	19.31	19.51	19.70	19.91	20.13	
Liquid Bulk (Tanker)	3.19	3.23	3.27	3.31	3.34	
Other	0.42	0.43	0.43	0.43	0.44	
	2016	2017	2018	2019	2020	
Container Tons	2.70	2.74	2.79	2.83	2.88	
Dry Bulk Metric Tons	20.32	20.47	20.61	20.77	20.90	
Liquid Bulk (Tanker)	3.38	3.41	3.44	3.46	3.49	
Other	0.44	0.44	0.44	0.45	0.45	
	2021	2022	2023	2024	2025	
Container Tons	2.92	2.96	3.00	3.04	3.09	
Dry Bulk Metric Tons	21.03	21.15	21.27	21.40	21.53	
Liquid Bulk (Tanker)	3.51	3.53	3.55	3.57	3.60	

Other 0.45 0.45 0.45 0.45 0.45

And the expected growth rates for Peru's exports are shown in the table below.

	2003-04	2004-05	2005-10	2005-25
Container Tons	9.7%	6.2%	2.9%	2.0%
TEUs	10.1%	6.4%	3.2%	2.4%
Dry Bulk Metric Tons	18.5%	9.9%	4.6%	1.8%
Liquid Bulk (Tanker) Metric Tons	1.4%	2.7%	1.5%	1.0%
Other	9.1%	5.8%	2.2%	0.9%

The slightly higher growth for containers implies that this segment will grow in terms of its share of exports, from 10% in 2004 to 11% in 2025.

Peru's exports to the ACP-defined regions are shown in the following table.

Peru's Exports by Region in Total Sea Metric Tons

ORIGIN	DESTINATION	2004	2004-05	2005-10	2010-25	2004-25
Peru	Africa and Middle East	195,431	4.9%	3.2%	1.3%	1.9%
Peru	Canada	287,554	5.9%	4.0%	1.5%	2.3%
Peru	Central America and Caribbean Basin	1,550,626	4.0%	1.8%	0.8%	1.2%
Peru	East Asia	10,424,277	12.1%	5.5%	0.9%	2.5%
Peru	Europe	2,029,732	4.6%	2.6%	1.4%	1.9%
Peru	Latin America East Coast	213,880	3.1%	2.5%	1.9%	2.1%
Peru	Latin America West Coast	576,429	2.5%	2.1%	1.8%	1.9%
Peru	Oceania	115,862	5.3%	3.2%	1.8%	2.3%
Peru	South and Southeast Asia	400,996	3.3%	2.7%	2.1%	2.3%
Peru	United States	3,179,969	3.1%	0.8%	0.3%	0.5%
Peru	World	18,974,757	8.4%	4.0%	0.9%	2.0%

Trade Routes from Peru Relevant to the Panama Canal, Sea Tons

	2004	% of Total	2004-25
United States	3,179,969	16.7%	0.5%
Mexico	638,327	3.4%	0.5%
Caribbean Basin	522,580	2.8%	1.7%
Central America	388,365	2.0%	2.5%
Spain	339,991	1.8%	2.5%
Germany	316,312	1.7%	2.4%
Canada	287,554	1.6%	2.3%
Belgium	213,494	1.1%	0.4%
Finland	195,261	1.0%	1.1%
France	185,097	1.0%	1.2%

Peru's trade is with the entire U.S., all coasts.

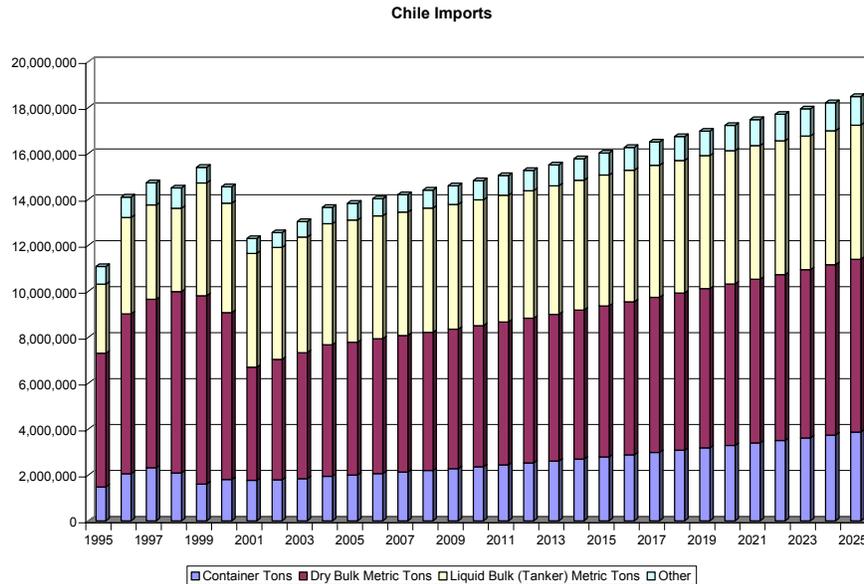
Chile

The economic outlook for Chile, which is one of the more positive in Latin America, is described separately in another volume of this study.

Chile's international sea trade is driven by real GDP growth, real consumer income growth, open trade policies (e.g. a new free trade agreement with the U.S. and with Singapore), lower interest rates that are stimulative to growth but do not cause inflation, careful macroeconomic management, and strong positioning of the nation's particular commodities, such as wine and fruits, in world markets. We are extremely positive about Chile's economic outlook on all of these variables, and since Chile's container exports are rather diversified across the world's major markets, we think that Chile will be insulated from swings in the economic prospects in those markets. In short, even a slowdown in China, while it may cause a slowdown in Chile's mineral exports, is not likely to affect the nation's containerized cargo export forecast.

Imports

Chile's imports are dominated by energy-producing products. In 2004, the top 3 imports in tonnage terms were crude oil, natural gas, and coal. The historical pattern of imports has been a bit rocky, as shown in the chart below.



The absolute volumes, in millions of metric tons, from the 4 segments displayed in the above chart, are contained in the following table.

<i>In Millions of Tons</i>	1995	1996	1997	1998	1999	2000
Container Tons	1.47	2.04	2.30	2.08	1.60	1.81
Dry Bulk Metric Tons	5.77	6.91	7.30	7.88	8.18	7.40
Liquid Bulk (Tanker)	2.98	4.15	4.11	3.63	4.91	4.77
Other	0.76	0.88	0.96	0.88	0.67	0.72
	2001	2002	2003	2004	2005	
Container Tons	1.78	1.79	1.84	1.94	2.00	
Dry Bulk Metric Tons	5.07	5.27	5.51	5.75	5.81	
Liquid Bulk (Tanker)	4.95	4.87	5.03	5.26	5.32	
Other	0.65	0.64	0.68	0.72	0.73	
	2006	2007	2008	2009	2010	
Container Tons	2.06	2.13	2.20	2.27	2.35	
Dry Bulk Metric Tons	5.90	5.98	6.05	6.11	6.19	
Liquid Bulk (Tanker)	5.34	5.37	5.41	5.43	5.47	
Other	0.75	0.77	0.79	0.81	0.83	
	2011	2012	2013	2014	2015	
Container Tons	2.43	2.52	2.60	2.69	2.78	
Dry Bulk Metric Tons	6.27	6.35	6.43	6.53	6.62	
Liquid Bulk (Tanker)	5.51	5.55	5.60	5.65	5.69	
Other	0.86	0.88	0.91	0.94	0.96	
	2016	2017	2018	2019	2020	
Container Tons	2.88	2.98	3.07	3.17	3.28	
Dry Bulk Metric Tons	6.71	6.80	6.89	6.98	7.08	
Liquid Bulk (Tanker)	5.72	5.75	5.77	5.78	5.80	
Other	0.99	1.02	1.04	1.07	1.10	
	2021	2022	2023	2024	2025	
Container Tons	3.39	3.50	3.61	3.73	3.85	
Dry Bulk Metric Tons	7.18	7.27	7.37	7.47	7.57	
Liquid Bulk (Tanker)	5.82	5.82	5.82	5.82	5.83	
Other	1.13	1.16	1.18	1.21	1.23	

The respective shares of inbound traffic by segment will remain roughly constant throughout the forecast period, to 2025. Container imports, as measured in TEUs (full), should climb from the 2004 level of about 246,000 to more than 530,000 in the final year, representing an average annual growth rate of 3.8%.

The drivers of this comparatively strong import growth are strong real economic output growth, increase consumer incomes, a steady political scene, and improved foreign direct investment. Together, these factors make Chile one of the most stable economies in Latin America, and we do not foresee any major changes in these conditions through 2025.

The growth rates for imports by segment are summarized in the table below.

	2003-04	2004-05	2005-10	2005-25
Container Tons	5.7%	2.7%	3.3%	3.4%
TEUs	6.4%	3.2%	3.9%	3.8%
Dry Bulk Metric Tons	4.4%	1.0%	1.2%	1.3%
Liquid Bulk (Tanker) Metric Tons	4.7%	1.0%	0.6%	0.5%
Other	6.2%	2.1%	2.6%	2.7%

Chile's Imports by Region in Total Sea Metric Tons

ORIGIN	DESTINATION	2004	2004-05	2005-10	2010-2025	2004-25
Africa and Middle East	Chile	1,505,397	0.3%	0.2%	-0.4%	-0.2%
Canada	Chile	726,036	0.3%	0.4%	1.0%	0.8%
Central America and Caribbean Basin	Chile	499,585	2.5%	2.9%	3.4%	3.2%
East Asia	Chile	1,080,301	3.2%	2.8%	2.4%	2.5%
Europe	Chile	1,038,597	2.0%	2.3%	2.4%	2.4%
Latin America East Coast	Chile	2,784,445	1.8%	1.5%	1.5%	1.5%
Latin America West Coast	Chile	1,090,673	2.0%	1.9%	2.0%	2.0%
Oceania	Chile	1,502,768	2.3%	2.9%	1.9%	2.2%
South and Southeast Asia	Chile	1,460,282	0.3%	-0.1%	0.8%	0.5%
United States	Chile	1,967,227	-0.6%	0.3%	0.8%	0.6%
World	Chile	13,655,312	1.3%	1.4%	1.5%	1.5%

Trade Routes to Chile Relevant to the Panama Canal, Sea Tons

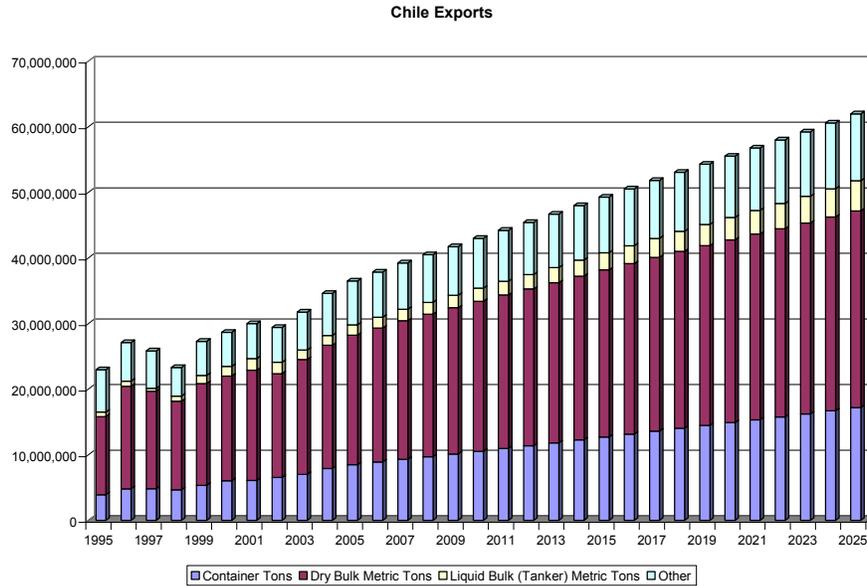
	2004	% of Total	2004-25
United States	1,967,227	14.4%	0.6%
Canada	726,036	10.0%	0.8%
Colombia	484,593	6.7%	2.4%
Venezuela	362,706	5.0%	0.6%
Mexico	302,372	4.2%	4.6%
Brazil	247,196	3.4%	3.7%
Spain	198,756	2.7%	3.2%
Germany	155,757	2.1%	2.0%
Caribbean Basin	118,654	1.6%	0.4%

Chile's trade with the U.S. is with all coasts.

Exports

Chile's exports have grown considerably over the recent past as its position as a major supplier of fruits and vegetables, and food produced derived there from, has improved. Chile now boasts a very robust agricultural sector that exports fruits and vegetables to all parts of the world, with TEU exports distributed fairly evenly to East Asia (26%), Europe (26%), and the US (24%) based on 2004 estimates.

The pattern of future Chile exports is shown in the chart below, where the "other" category includes shipments in bulk reefer ships; this is the reason why this category is much larger for Chile than in the other countries in this study. Over time, much of the bulk reefer cargo will be shifting to reefer containers, and this is one of the reasons why the growth rate for TEUs is higher than that for "other" cargo.



The absolute volumes, in millions of metric tons, are in the following table, by segment.

<i>In Millions of Tons</i>	1995	1996	1997	1998	1999	2000
Container Tons	3.89	4.78	4.78	4.64	5.31	6.04
Dry Bulk Metric Tons	11.85	15.58	14.89	13.51	15.47	16.00
Liquid Bulk (Tanker)	0.53	0.48	0.40	0.75	1.10	1.47
Other	6.35	5.83	5.66	4.30	5.16	5.18
	2001	2002	2003	2004	2005	
Container Tons	6.09	6.55	7.01	7.93	8.51	
Dry Bulk Metric Tons	16.82	15.82	17.54	18.81	19.77	
Liquid Bulk (Tanker)	1.78	1.74	1.39	1.49	1.59	
Other	5.34	5.30	5.79	6.42	6.69	
	2006	2007	2008	2009	2010	
Container Tons	8.94	9.36	9.76	10.17	10.58	
Dry Bulk Metric Tons	20.42	21.13	21.71	22.29	22.87	
Liquid Bulk (Tanker)	1.67	1.75	1.83	1.91	2.01	
Other	6.90	7.09	7.28	7.45	7.62	
	2011	2012	2013	2014	2015	
Container Tons	11.00	11.42	11.86	12.32	12.77	
Dry Bulk Metric Tons	23.41	23.91	24.42	24.96	25.49	
Liquid Bulk (Tanker)	2.11	2.21	2.34	2.47	2.61	
Other	7.80	7.98	8.16	8.34	8.51	
	2016	2017	2018	2019	2020	
Container Tons	13.21	13.66	14.09	14.53	14.96	
Dry Bulk Metric Tons	25.99	26.50	26.98	27.42	27.86	
Liquid Bulk (Tanker)	2.75	2.90	3.07	3.24	3.43	
Other	8.69	8.87	9.04	9.21	9.38	
	2021	2022	2023	2024	2025	
Container Tons	15.40	15.84	16.28	16.74	17.22	
Dry Bulk Metric Tons	28.30	28.70	29.11	29.54	29.98	
Liquid Bulk (Tanker)	3.64	3.85	4.08	4.32	4.58	
Other	9.54	9.71	9.87	10.03	10.18	

The dry bulk sector grows considerably, from the 2004 level of 18.8 million metric tons to 30 million tons in the final year of the forecast. For containers (TEUs) the 13.1% increase in exports (full) in 2004 will not be matched again in the forecast, with growth slowing to an average of 3.4% per year over the full 2005-25 period.

The growth rates for each shipping segment are shown in the table below.

	2003-04	2004-05	2005-10	2005-25
Container Tons	12.9%	7.2%	4.4%	3.6%
TEUs	13.1%	6.9%	4.2%	3.4%
Dry Bulk Metric Tons	7.2%	5.1%	3.0%	2.1%
Liquid Bulk (Tanker) Metric Tons	4.2%	6.3%	4.8%	5.5%
Other	10.8%	4.2%	2.6%	2.1%

Chile's TEUs (full) will grow from the 2004 level of 760,000 to 1.6 million in 2025. To carry out this increase, the ports will certainly have to be expanded and modernized, even though they are now quite modern and efficient.

Chile's Exports by Region in Total Sea Metric Tons

ORIGIN	DESTINATION	2004	2004-05	2005-10	2010-25	2004-25
Chile	Africa and Middle East	438,873	2.7%	1.9%	0.9%	1.3%
Chile	Canada	564,253	6.2%	3.7%	3.0%	3.3%
Chile	Central America and Caribbean Basin	1,320,953	8.0%	3.9%	4.2%	4.3%
Chile	East Asia	14,077,260	7.0%	4.3%	2.2%	2.9%
Chile	Europe	5,639,507	4.4%	2.3%	2.1%	2.2%
Chile	Latin America East Coast	562,859	2.4%	2.7%	2.7%	2.7%
Chile	Latin America West Coast	664,280	4.2%	3.9%	3.4%	3.5%
Chile	Oceania	90,172	3.9%	2.7%	2.4%	2.5%
Chile	South and Southeast Asia	1,590,541	5.2%	4.5%	3.1%	3.5%
Chile	United States	9,645,961	3.9%	2.3%	2.6%	2.6%
Chile	World	34,594,660	5.5%	3.3%	2.5%	2.8%

Trade Routes from Chile Relevant to the Panama Canal, Sea Tons

	2004	% of Total	2004-25
United States	9,645,961	27.9%	2.6%
Mexico	1,104,460	3.2%	4.5%
France	885,183	2.6%	1.9%
Spain	863,607	2.5%	2.5%
Italy	855,053	2.5%	2.2%
Germany	833,904	2.4%	1.7%
Canada	564,253	1.7%	3.3%
United Kingdom	576,760	1.7%	3.3%
Netherlands	369,029	1.1%	2.4%

Chile's trade with the U.S. is with all coasts.