Panama Canal Expansion Impact on European Ports

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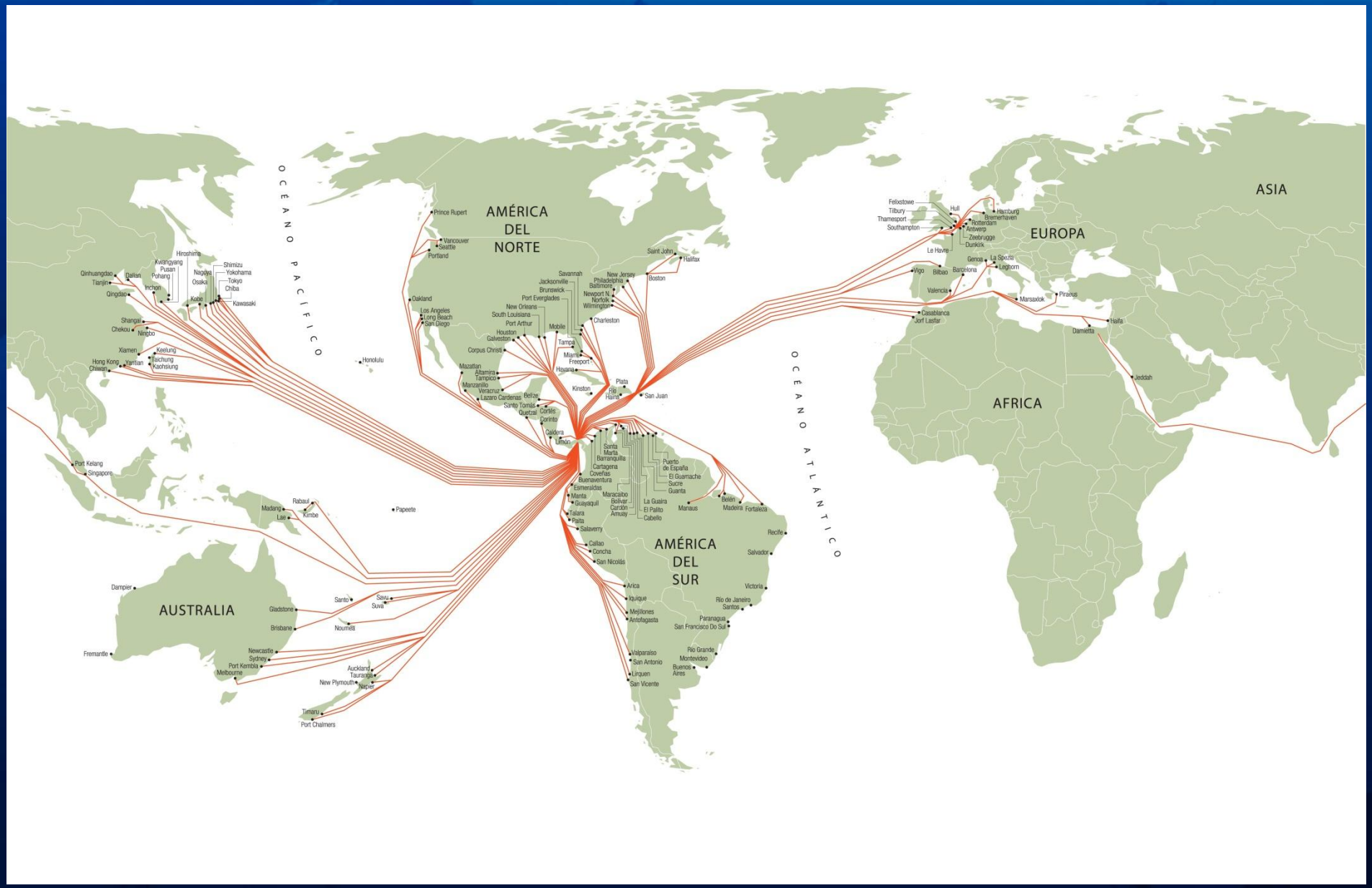
May 15, 2014

The Panama Canal connects 144 trade routes across the globe



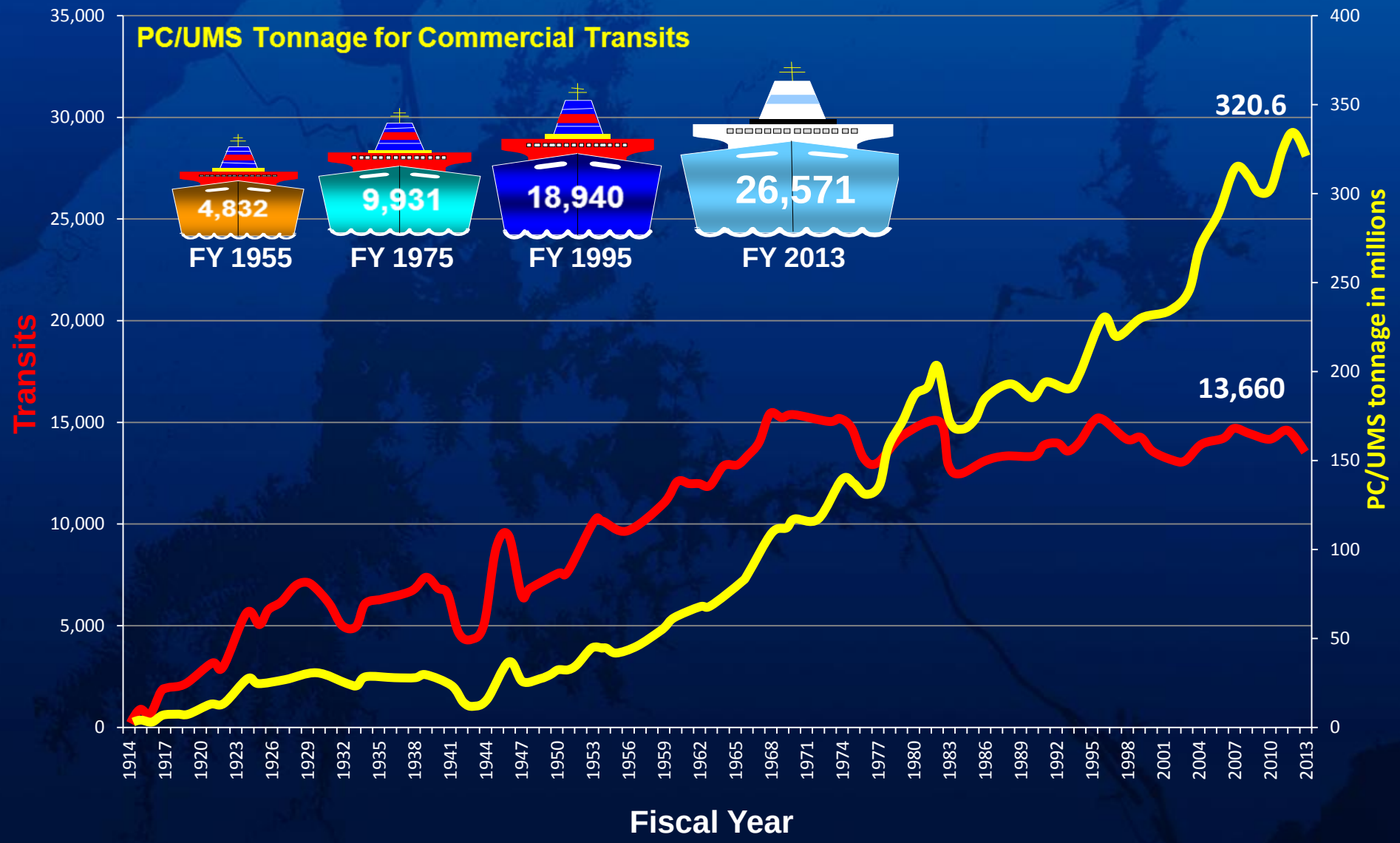
Panama at a Glance

GDP growth rate – last 10 years	**7.5%**
GDP estimated- 2013 (millions of dolllars)	38,633
GDP per capita - 2013 estimated (in dollars)	10,032
Population (millions of persons)	3.8
Unemployment rate (in %)	4.0
Inflation rate - 2013 (in %)	4.08

Source: INEC (Contraloría General de la República) 2013

Transits vs. PC/UMS Tonnage

FY 1914 – FY 2013



Panama Canal Connectivity

1914 - 2013
Transits: 1,043,851
Cargo: 9,435,485,848 LT

FY 2013 Total: 209.9 M (long tons)

Asia - East Coast US	77.0M
West Coast South America - East Coast US	28.1M
West Coast South America - Europe	14.2M
South America Intercoastal	11.6M
West Coast US/Canada - Europe	10.3M

Source: ACP-MEMN/CompairData, April, 2014.

Panama - Europe Connectivity

	Trade Route	Liner Service Name	Shipping Lines	Vessels Deployed	Average Vessel Size	Yearly Capacity
Services Through the Panama Canal	AUST-Europe	RTWPAN	CMA CGM, Delmas, Marfret, ANL	6	2,426	63,085
	USWC-Europe	MPS	Alianca, Hamburg Sud, Hapag-Lloyd	11	3,956	205,736
		California Express	MSC	10	4,340	225,675
	WCSA-Europe	Mediterranean Service	CCNI, CSAV, Libra-Montemar	5	1,728	44,938
		Ecuador Express Service	CSAV, Libra-Montemar, MSC	7	4,234	220,168
		Eurosal Sling 1	Alianca, CMA CGM, Hamburg Sud, Hapag-Lloyd	8	4,120	214,233
		Eurosal Sling 2	Alianca, CMA CGM, Delmas, Hamburg Sud, Hapag-Lloyd	8	3,403	176,950
		ECUBEX	Maersk Line	8	2,582	134,251
		ECUMED	Maersk Line, Safmarine	10	3,049	158,564
		String 1	CSAV, Libra-Montemar, MSC, WEC Lines	9	4,974	258,671
	PENDULUM	PAX	Hapag-Lloyd/NYK/OOCL	15	4,714	245,142
		APX	APL/Hyundai/MOL	13	4,599	239,160
Services Calling Panama and European Ports	Panama - Europe	Mediterranean Caribbean Service	CMA CGM/Marfret -- Delmas	6	2,579	134,091
		CRX	Maersk Line	6	2,569	133,605
		Americas Europe Express	New World Alliance/Maersk Line -- CMA CGM/Delmas	5	4,251	221,062

Full Container Liner Services Through the Canal:	**12**
Avg. Vessel Size	**3,677 TEU**
Yearly Capacity	**2.2 Million TEUs**
Other Services Panama-Europe:	**3**
Avg. Vessel Size	**3,067 TEU**
Yearly Capacity	**488,758 TEUs**
RoRo / PCTC Panama-Europe services:	**8**

Source: ACP-MEMN/CompairData, April, 2014.

Panama Port Development

Source: ACP/MEMN/Panama Maritime Authority 2014

Inventory of Gantry Cranes in Latin America and the Caribbean

Countries with the greatest percentage of gantry cranes:

1.	Panama	22%
2.	Brazil	16%
3.	Mexico	12%
4.	Colombia	7%
5.	Jamaica	6%

Total cranes in the region: 297

Note: Ship-shore gantry and Quay cranes
Source: ACP/MEMN/Containerization International Yearbook 2012 and data provided by Panamanian ports. Last Update: March 2014.

Panama Canal Expansion
January 2016

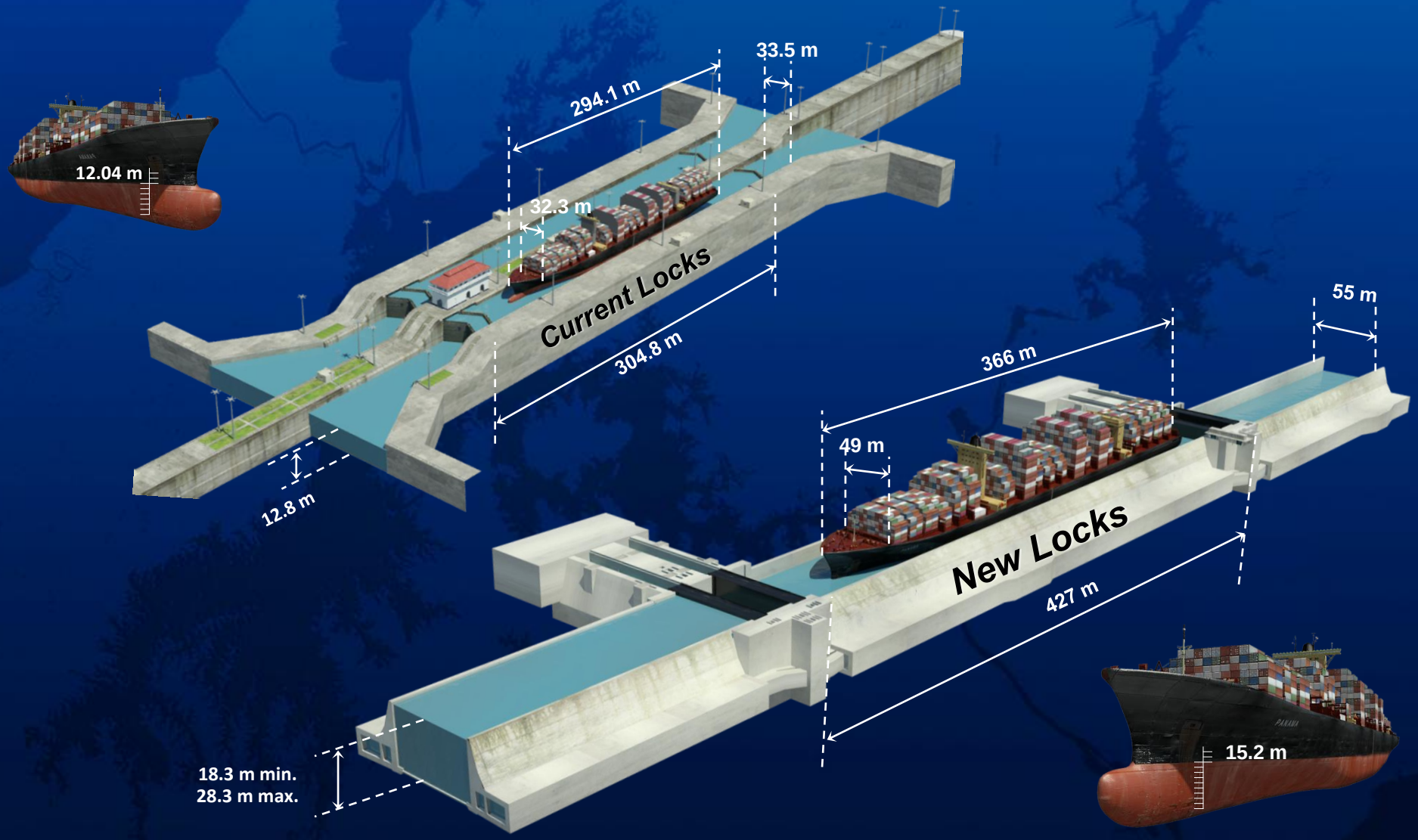
¡It's all about economies of scale!

Impact of Canal Expansion

Reduces transport cost per TEU	Improves productivity and flexibility of carrier	Reduces CO_2 emissions per TEU	Improves the competitive-ness of the Panama route	Improves carrier´s network performance-T/S	Impacts development on ports and land infrastructure

New Locks and Vessel Dimensions

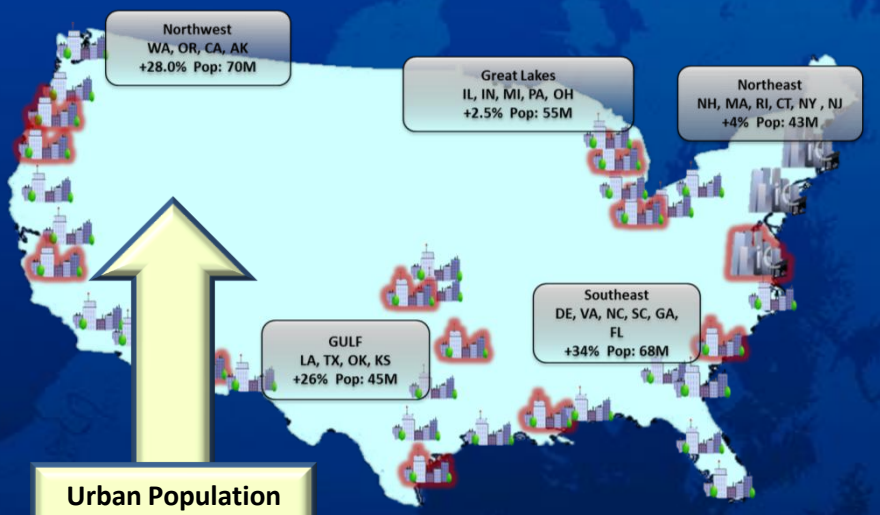
Maximum vessel size of current locks: ***5,100 TEU***



Maximum vessels size of container vessel: ***13,000 – 14,000 TEU***

Urban Population Expected Growth

2010-2030



Urban Population +21%, 353M

Urban population keeps growing

NORTH EUROPE, SPAIN, PORTUGAL, FRANCE, BELGIUM, GERMANY, NETHERLANDS, POLAND, IRELAND, UK, NORWAY, SWEDEN 4.0%
Pop: 363M

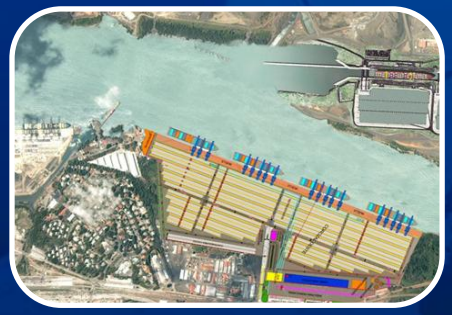
SOUTHERN EUROPE, SWITZERLAND, ITALY, AUSTRIA, SLOV, CROACIA, GREECE, TURKEY +10.0%
Pop: 188M

Urban Population +6%, 550M

Urban Population +19%, 700M

Source: US CENSUS International Database. MEIE analysis of urban population centers 2010-2030

Ancillary Activities Under Analysis



Corozal Container Terminal

RoRo Terminal

Logistics Parks Services

Container Barge Services

Bunkering

LNG Terminal

Top-Off Operations

Vessel Repairs

Panama and the World rank

Quality of port infrastructure

1. Netherlands
2. Singapore
3. Hong Kong
4. **Panama**
5. UAE
6. Belgium
7. Finland
8. Iceland
9. Germany
10. Bahrain
11. Sweden
12. United Kingdom
13. Denmark
14. Spain
15. Malta

Well developed and efficient by international standards

Affordability of financial services

1. Hong Kong
2. **Panama**
3. Luxembourg
4. Taiwan, China
5. Singapore
6. Qatar
7. Bahrain
8. Switzerland
9. Finland
10. Norway
11. Malaysia
12. Puerto Rico
13. United States
14. Saudi Arabia
15. United Kingdom

Ensure the provision of financial services at affordable prices

Soundness of banks

1. Canada
2. South Africa
3. New Zealand
4. **Panama**
5. Australia
6. Finland
7. Hong Kong
8. Singapore
9. Norway
10. Barbados
11. Chile
12. Lebanon
13. Malta
14. Brazil
15. Mauritius

Generally healthy with sound balance sheets

FDI and technology transfer

1. Ireland
2. Qatar
3. **Panama**
4. Singapore
5. Costa Rica
6. UAE
7. Luxembourg
8. Saudi Arabia
9. Slovak Republic
10. Hong Kong
11. Bahrain
12. Hungary
13. Uruguay
14. Israel
15. Mexico

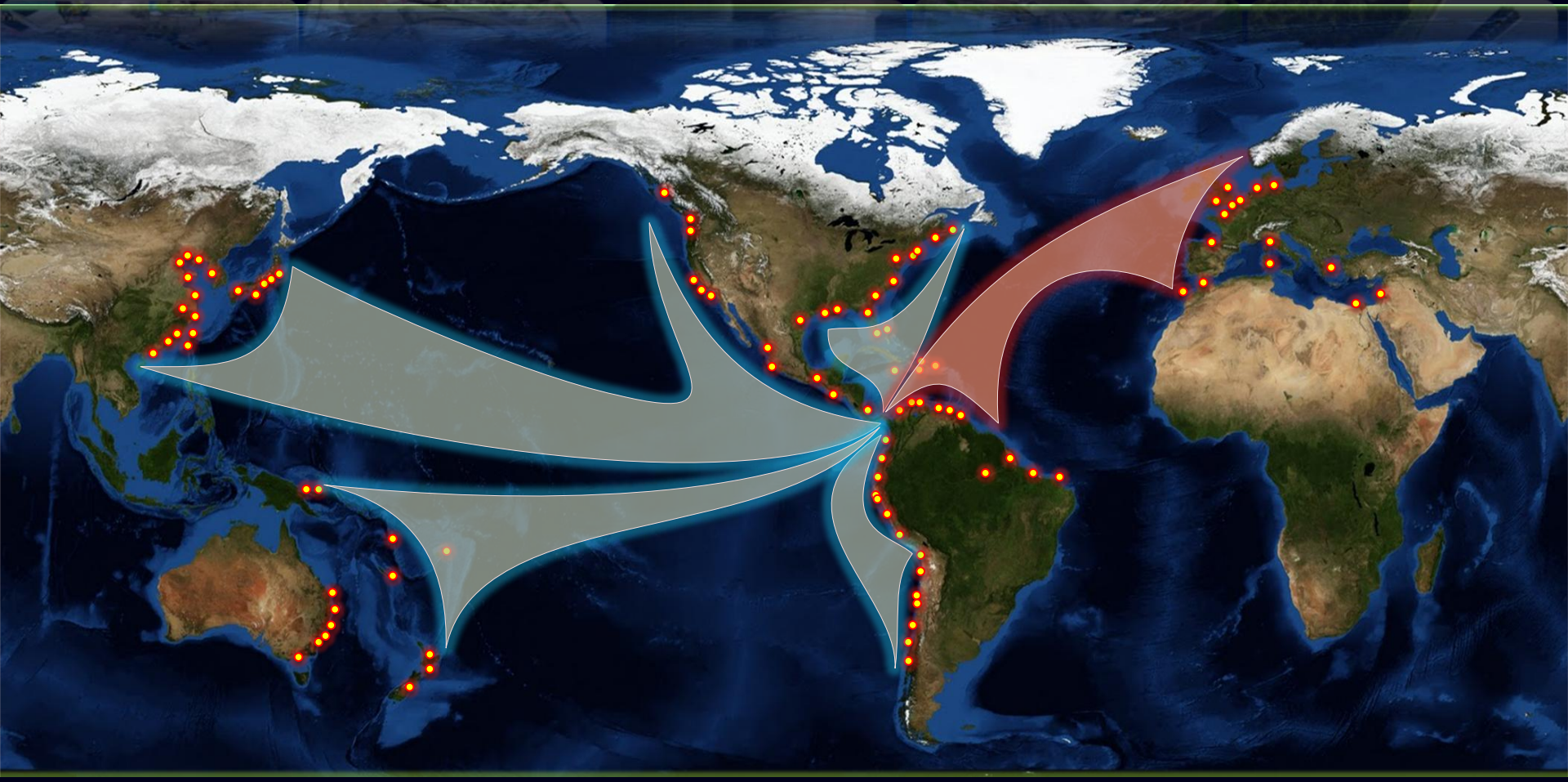
Foreign direct investment (FDI) bring new technology

Business impact of rules on FDI

1. Ireland
2. Singapore
3. Bahrain
4. Hong Kong
5. **Panama**
6. Luxembourg
7. Uruguay
8. Slovak Republic
9. Mauritius
10. Malaysia
11. Taiwan, China
12. Chile
13. United Kingdom
14. UAE
15. Estonia

Rules governing foreign direct investment (FD)

Panama: The Transportation and Logistics Hub of the Americas



Thank you!