

# Panama Canal Outlook



Jorge L. Quijano  
Administrator/CEO  
Panama Canal Authority

Japan – November 21, 2014





# Yesterday





Today

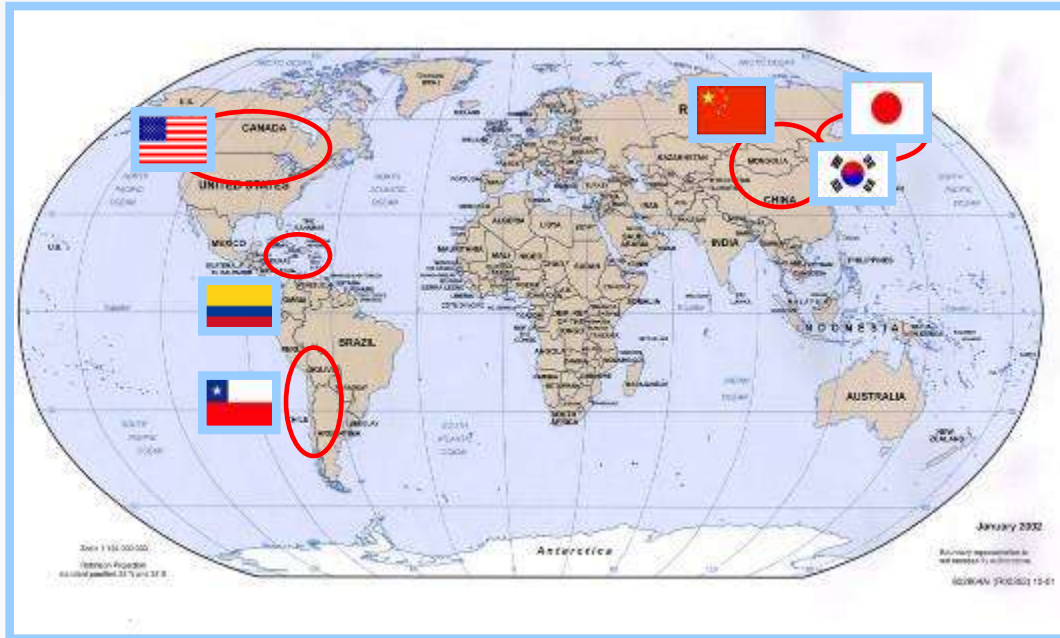


# PANAMA AT A GLANCE



<b>GDP growth rate – last 10 years</b>	<b>7.5%</b>
GDP (P) 2013 (billion of dollars)	\$42.6
GDP per capita - 2013 (P)(in US\$)	\$10,032
Population (million)	3.8
Unemployment Rate (%)	4.0
Inflation Rate 2013 (%)	4.1

# The Panama Canal Trade and Main Users



## Total Cargo Movement FY 2014

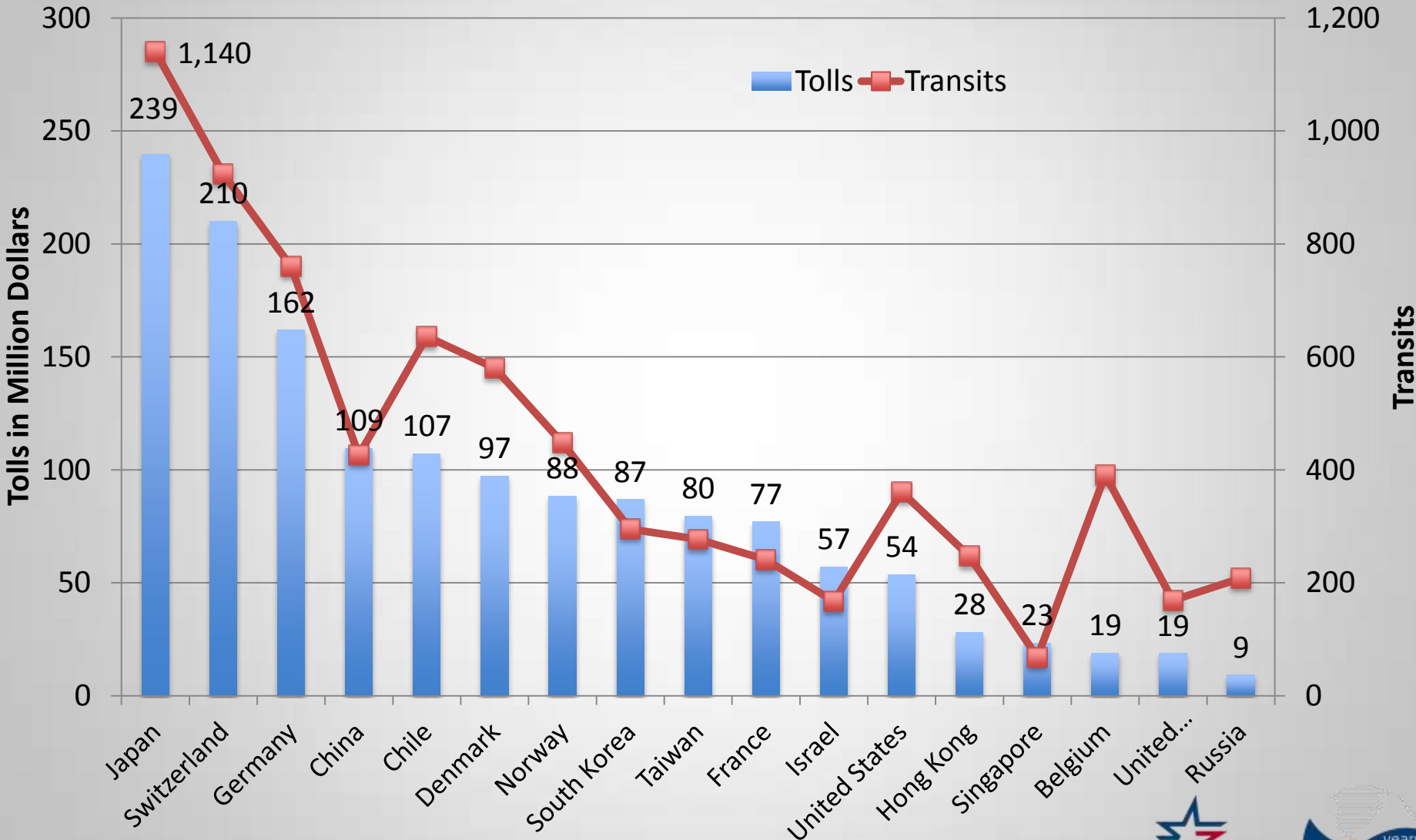
USERS	FY 2013*	FY 2014*	2014 (%)
United States	136.5	154.1	68.5
China	46.4	51.5	22.8
Chile	29.0	29.5	13.1
Japan	20.0	21.7	9.5
Colombia	17.5	19.2	8.6
South Korea	16.8	19.1	8.5

Total Cargo Movements  
224.9 Million Long Tons

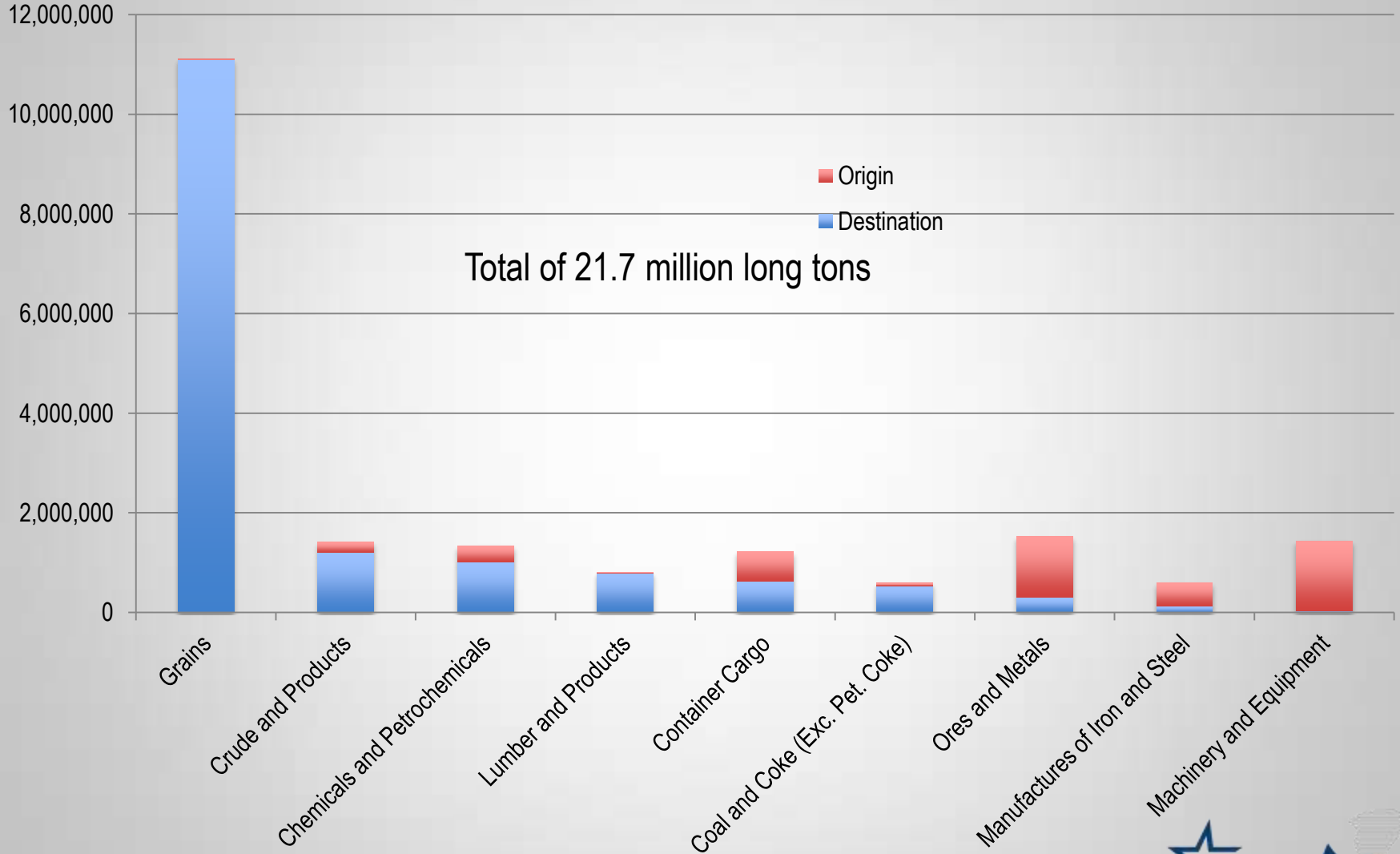
\* Measured in Million of Long Tons



# Composition of Top 40 Customers by Country – In Tolls and Transits



# Main Commodities to and from Japan in FY 2014



# Panama Canal's share of global seaborne trade

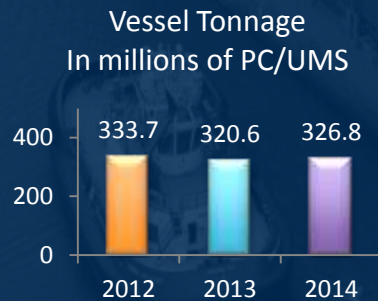
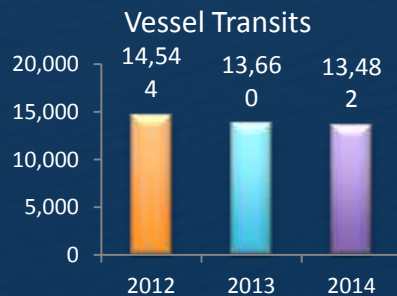
- 3.0% of world maritime trade
- 10.6% of grains
- 5.8% of chemicals
- 4.7% of containers





# The Panama Canal's Performance

<b>2014 Transit Revenues</b> (thousand of US dollars)	\$2,323,931
<b>2014 Other Revenues</b> (thousand of US dollars)	\$305,220
<b>2014 Total Revenues</b> (thousand of US dollars)	\$2,629,151
<b>Employees</b>	10,016



■ Toll Revenues  
■ Transit Related Services Revenues  
■ Other Revenues



# The Panama Canal's value added service

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# The Panama Canal Service Offer

Economies of Scale

Connectivity

Sustainability

y

Reliability

y



# Reliability

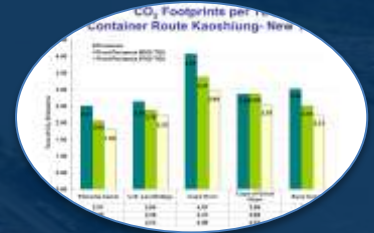
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- Operates 24 hours a day, 7 days a week, 365 days a year
- Safe and secure
- 98% customer satisfaction
- Predictability: Published tariffs and fixed transit date with reservation



# Sustainability – The Green Route

- The CO<sub>2</sub> emission reduction in the planet as a result of the Panama Canal route
- The actions taken by ACP: Environmental management in operations and Canal Watershed sustainability programs
- Become carbon neutral



# Sustainability – Capital Investment Program

## Accumulated Investment – Capex (USD millions)

Dredging



Bridge over Atlantic side



Launches



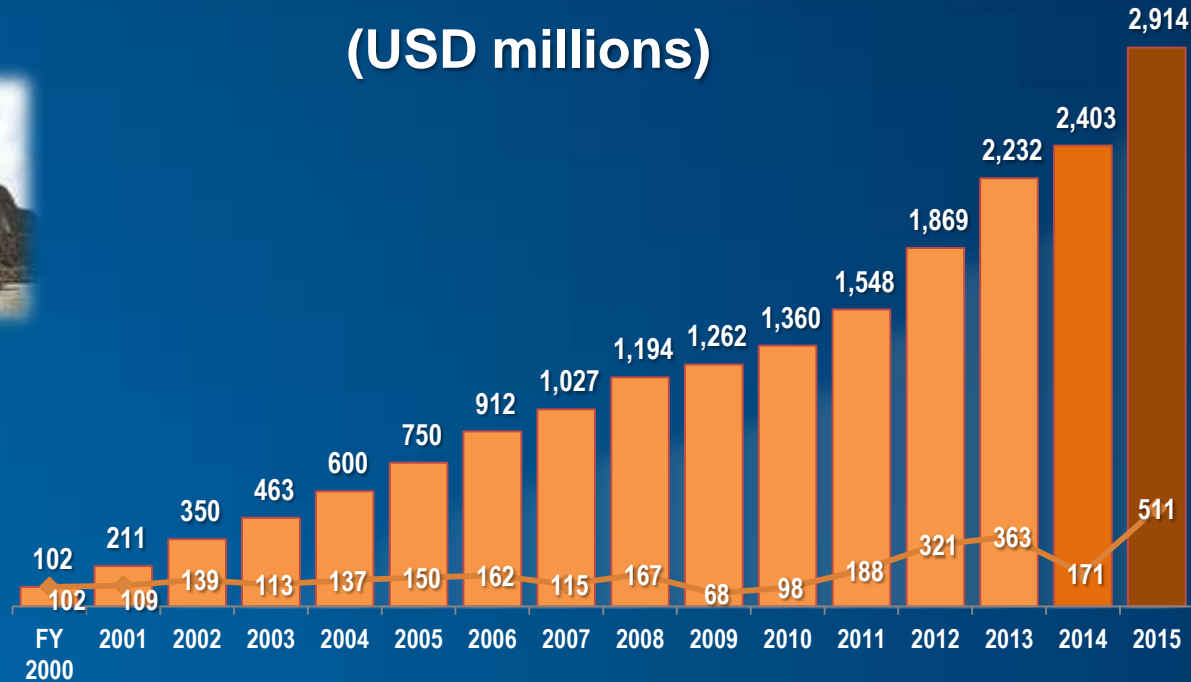
Ground dams



Fuel Pipeline and Tank Farm



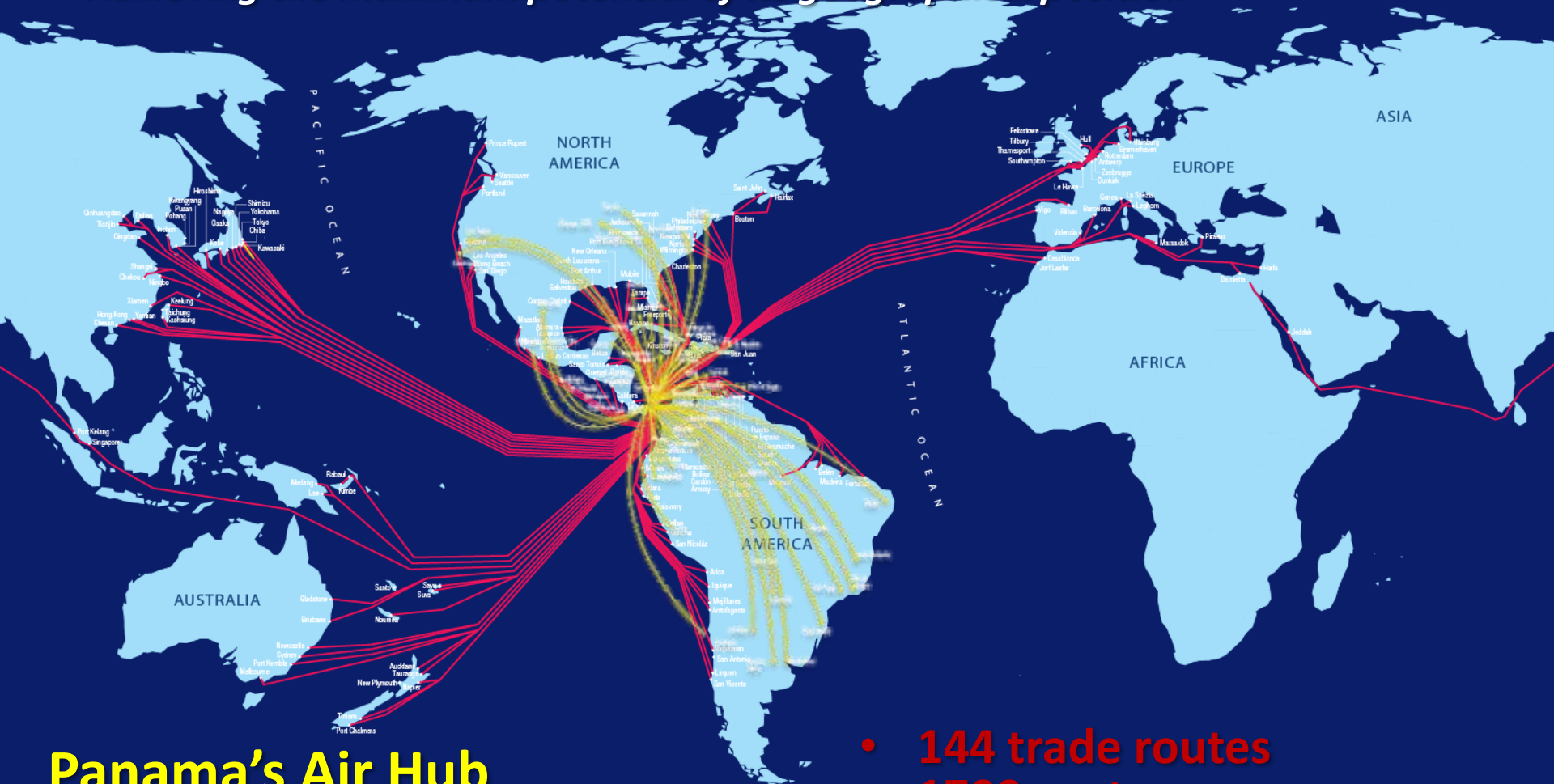
Tugboats



# Connectivity

## Panama: The Transportation and Logistics Hub of the Americas

*Achieving the maximum potential of its geographical position*



### Panama's Air Hub

- 69 destinations
- 30 countries

- 144 trade routes
- 1700 ports
- 160 countries



# Economies of Scale

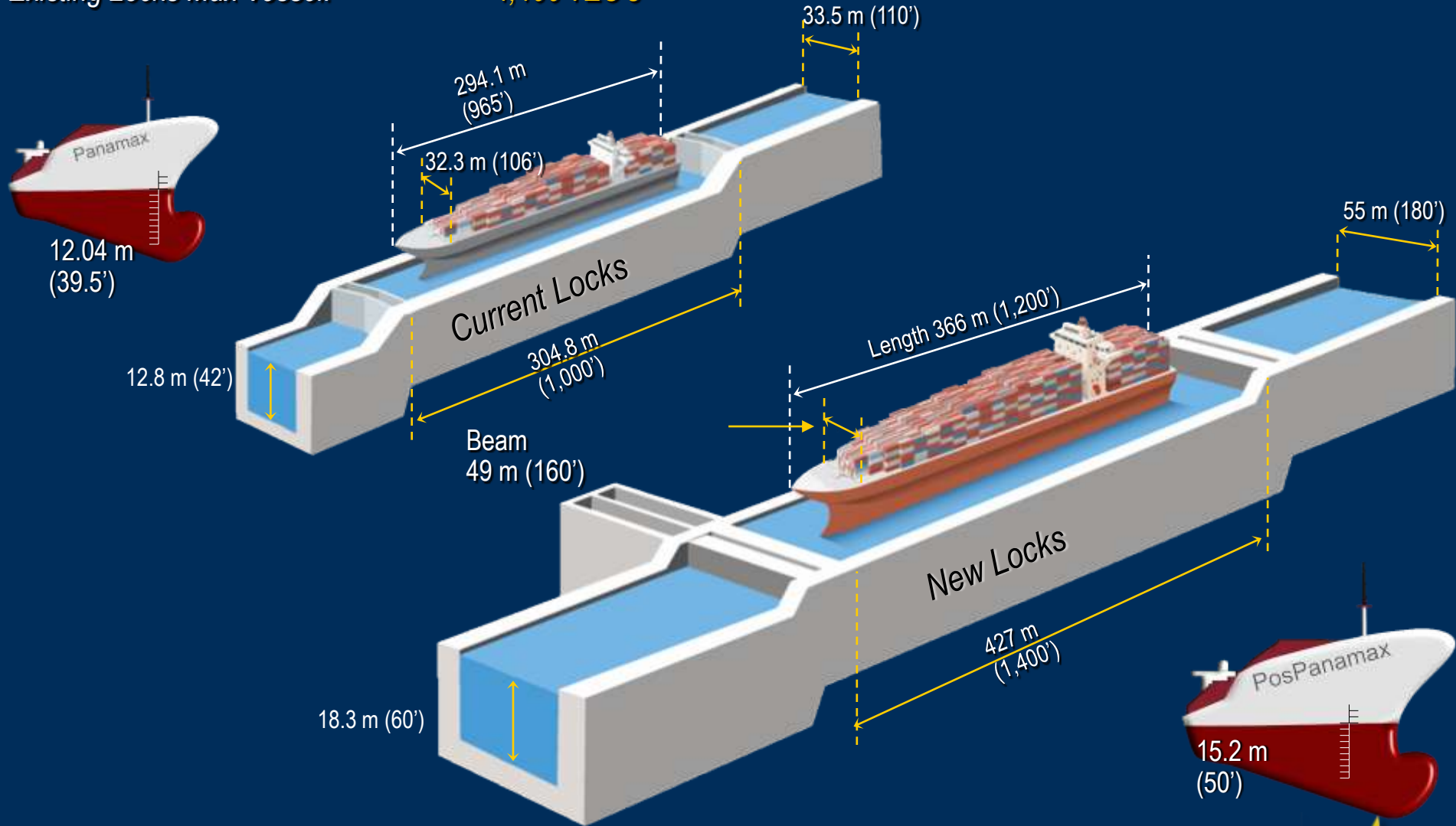
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# Dimensions of Locks and Vessels

Existing Locks Max Vessel:

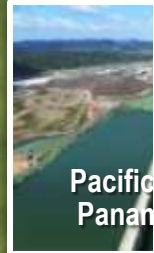
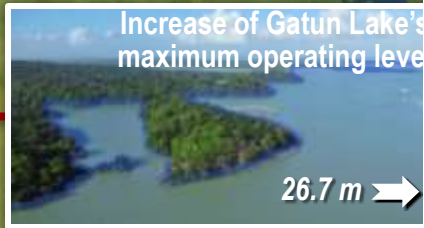
4,400 TEU's



New Locks Max Vessel Size:

13,000 – 14,000 TEU's

# Expansion Program Components



# BENEFITS FROM TRANSPORTATION COST SAVINGS

EXPORTERS



SHIPPING LINES



IMPORTERS



CONSUMERS



Economies of scale; efficiencies in the supply chain; connectivity

# Neopanamax Vessels for New Markets at the Expanded Canal



## Container Vessels

13,000 to 14,000 TEU

New volumes from:

- Latin America

Market Recovery from:

- West Coast United States
- Suez Canal



## Dry Bulk

Up to 170,000 DWT

- Coal from Colombia
- Metallurgical coal from Vancouver
- Iron Ore from Brazil in Minicapesize (85,000-120,000 DWT)



## Liquid Bulk

Up to 150,000 DWT

- Tankers
- Petroleum Products



## LNG/LPG

- LNG Up to 177,000m<sup>3</sup> and VLGC

# Full Containership Services

## Northeast Asia – East Coast of the United States



### Roundtrip:

- Panama Canal: 22,000 nm
- Suez Canal: 26,600 nm

- Approx. 14 days less
- Savings of 4,600 nm
- 2 Vessels less required

### Average roundtrip utilization: 60% full TEU

- Headhaul: 80% full TEU
- Backhaul: 40% full TEU

# Dry Bulk Grain Trade Grain Belt

## New Orleans, USA to Dalian, China



**Panama Canal**  
Sea distance: 10,069 nm

**Savings of 5,284 nm**  
Approx. 16 days less

**Cape of Good Hope**  
Sea distance: 15,353 nm

# Vehicle Carrier Services

## Northeast Asia – East Coast of the United States



Panama Canal: 10,859 nm

Suez Canal: 14,490 nm

Approx. 8 days less

Savings of 3,631 nm





# LNG Trade – U.S. Gulf to Fukuoka, Japan



Panama Canal: 9,623 nm

Savings of 4,494 nm  
Approx. 10 days less

Suez Canal: 14,117 nm

# LPG Trade – U.S. Gulf to Chiba, Japan



Panama Canal: 9,229 nm

Savings of 5,754 nm  
Approx. 15 days less

Cape of Good Hope:  
15,765 nm

Thank you !!!!



CANAL DE PANAMÁ

