

# Latin America Trade Overview

Los Angeles Chamber of Commerce

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## Basic Trade Logistics

# Port of Los Angeles



# LA Customs District ...

## Trade with the Americas

<u>Country</u>	<u>Billions \$</u>
• Mexico	• \$ 2.78
• Brazil	• \$ 2.59
• Ecuador	• \$ 2,54
• Chile	• \$ 1.26
• Guatemala	• \$ 0.78
• Peru	• \$ 0.61
• Costa Rica	• \$ 0.60
• Venezuela	• \$ 0.50
• Colombia	• \$ 0.46

# Services from San Pedro Bay Ports

## Container Lines:

- **To & From Los Angeles and West Coast Central & South American Ports**

## Breakbulk Refrigerated Ships:

- **From Chile to Los Angeles with Fruit (November through March)**

## Dry Bulk Ships:

- **From Brazil to Los Angeles with Steel Slabs**

# MEXICO



# Mexico

- California and Mexico are major trading partners
- But LA Customs District is only Number 10 !
- 95 % of Cargo moves via Truck or Rail
- Most California – Mexico Cargoes move via Nogales, El Paso & Laredo !

# Mexico

- Cargo destined for assembly at Maquiladora factories transits primarily via the Ports of LA and LB
- Maquiladora sector had been recovering up until the recent global economic downturn

# Mexico

- **Major Mexico West Coast Ports:  
Lazaro Cardenas & Manzanillo**
- **The Punta Colonet Port Project**
- **The Panama Canal Expansion  
Project**

# Mexico Cargoes via LA Customs District

## Export Cargoes

- Aircraft & Parts
- Computers & Parts
- Electronic Circuits
- Oil
- Cellular Equipment
- Electrical Supplies
- Cash Registers
- Calculators

## Import Cargoes

- Crude Oil
- Oil
- Steel & Iron  
(Semi-Finished)
- Gold
- Liquors
- Cellular Equipment
- Computers
- Seafood

# Mexico

## Strategic Issues

- ❑ **Mexico strongly wishes to use the NAFTA platform to deepen trade with the U.S.**
- ❑ **A key motive is concern that China ( & Asia ) may impair the manufacturing export sector of their economy**

# Mexico

- **Logistics opportunities exist to convert truck transport to ocean:**
  - \* **geographic sectors**
  - \* **specific commodities**  
(i.e., refrigerated agricultural products )

# CHILE



# CHILE

- **US – Chile Free Trade Agreement**
- **Positive Balance of Trade for US & California**
- **Sister Port Agreement with Port of Valparaiso**
- **Importation through the Port of Fresh Produce**
  - ❖ **November through April**
  - ❖ **Grapes, Stone Fruit and Kiwis**

# BRAZIL



# BRAZIL

- **Steel Slab for CSI (Fontana) is a Major Import for the Port**
- **LA Customs District**
  - **\$ 1.76 Billion ( \$ 1 Billion = Crude Oil )**
  - **\$ .82 Billion**
- **Imports**
  - **Crude Oil, Steel Slab, Granite, Meat (preserved), Tires, Footwear, Leather, Fruit (preserved), Nuts**
- **Exports**
  - **Aircraft Parts, Electronic Circuits, Computers & Parts, Platinum, Petroleum Products, Medicine**

# BRAZIL

- **Strategic Importance to the U.S.**
  - **Economic Source of Alternative Fuel**
    - **Sugar – based Ethanol**
  - **Strategic Source for Petroleum**
  - **Key Source for Woodpulp**
  - **Emerging Strength of Currency**
  - **Improved Financial & Political Stability**

# ECUADOR



# ECUADOR

- **Historically the largest source of banana imports**
- **LA Customs District is the No. 1 Trade Gateway between Ecuador and the US**
  - **Imports = \$ 2.45 Billion**
  - **Exports = \$ .79 Billion**
- **Major Imports = Crude Oil, Bananas, Live Seafood, Caviar, Fresh – Cut Flowers, Fruit, Fresh & Frozen Fish**
- **Major Exports = Refined Oil, Tractors, Cotton, Video Games, Fertilizers, Grapes, Copper, Plastic Tableware, Sports Equipment**