



# **New Growth Segments for the Air Cargo Industry...**

**4<sup>th</sup> Air Cargo Economics Conference**

**Prague, April 22-23, 2004**

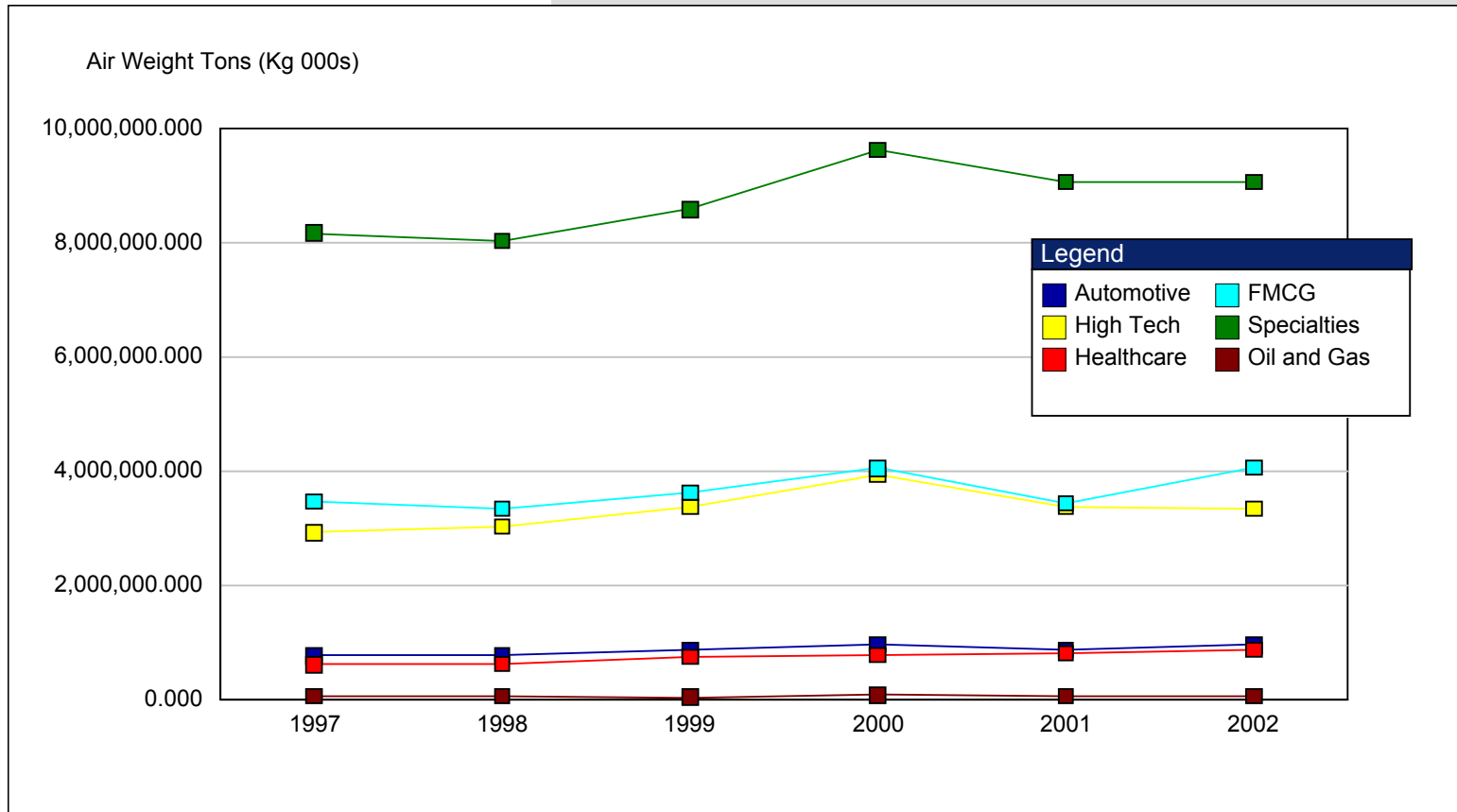
## Assumptions

- Primary commodity sectors and their growth
- Perishables: are they really growing?
- High tech: recovery after the boom?
- Fashion goods: susceptible to world economics?
- Pharmaceuticals: aging society affecting air trade?
- Automotive: Asia gaining ground on USA ?
- Summary & Conclusions



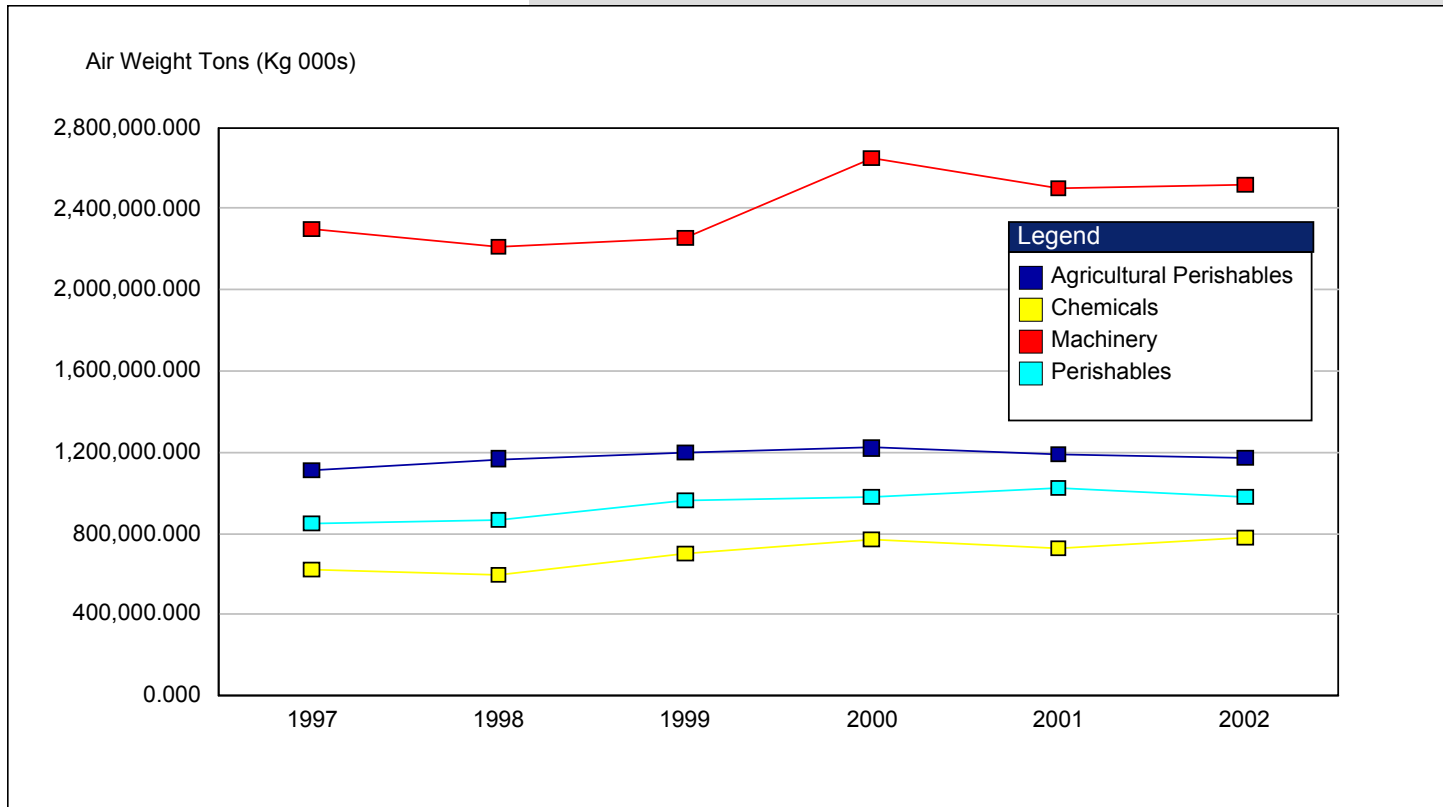
# Specialties strong growth until 2000, then declining

## Worldwide industry sector development from 1997-2002 in air tons



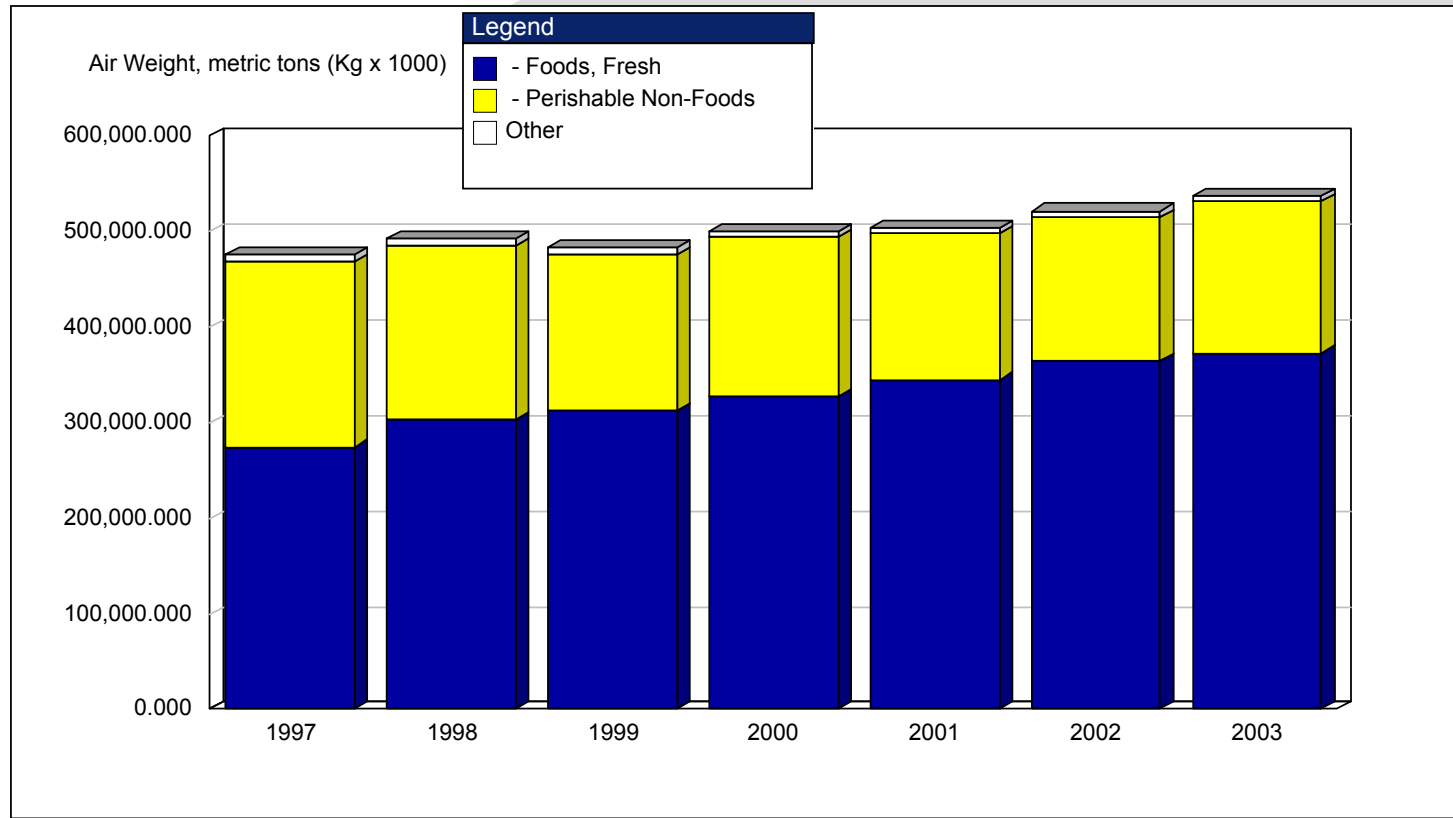
# Machinery showing largest fluctuations, while perishables and chemicals are relatively stable

## Key Specialties air trade from 1997-2002 in tons



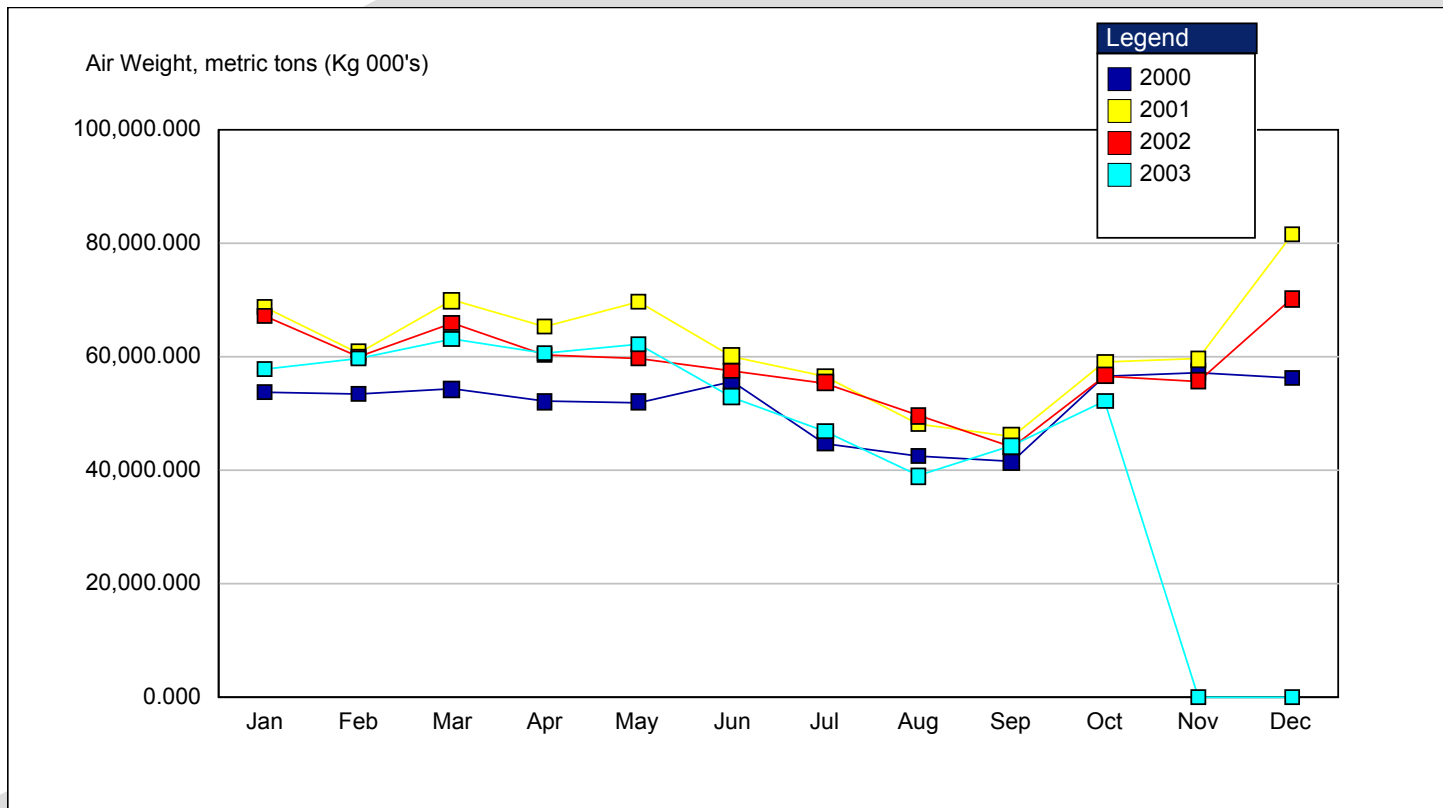
# US Perishable trade only grew 2% on average annually...

## US perishable air imports from 1997-2003 in tons



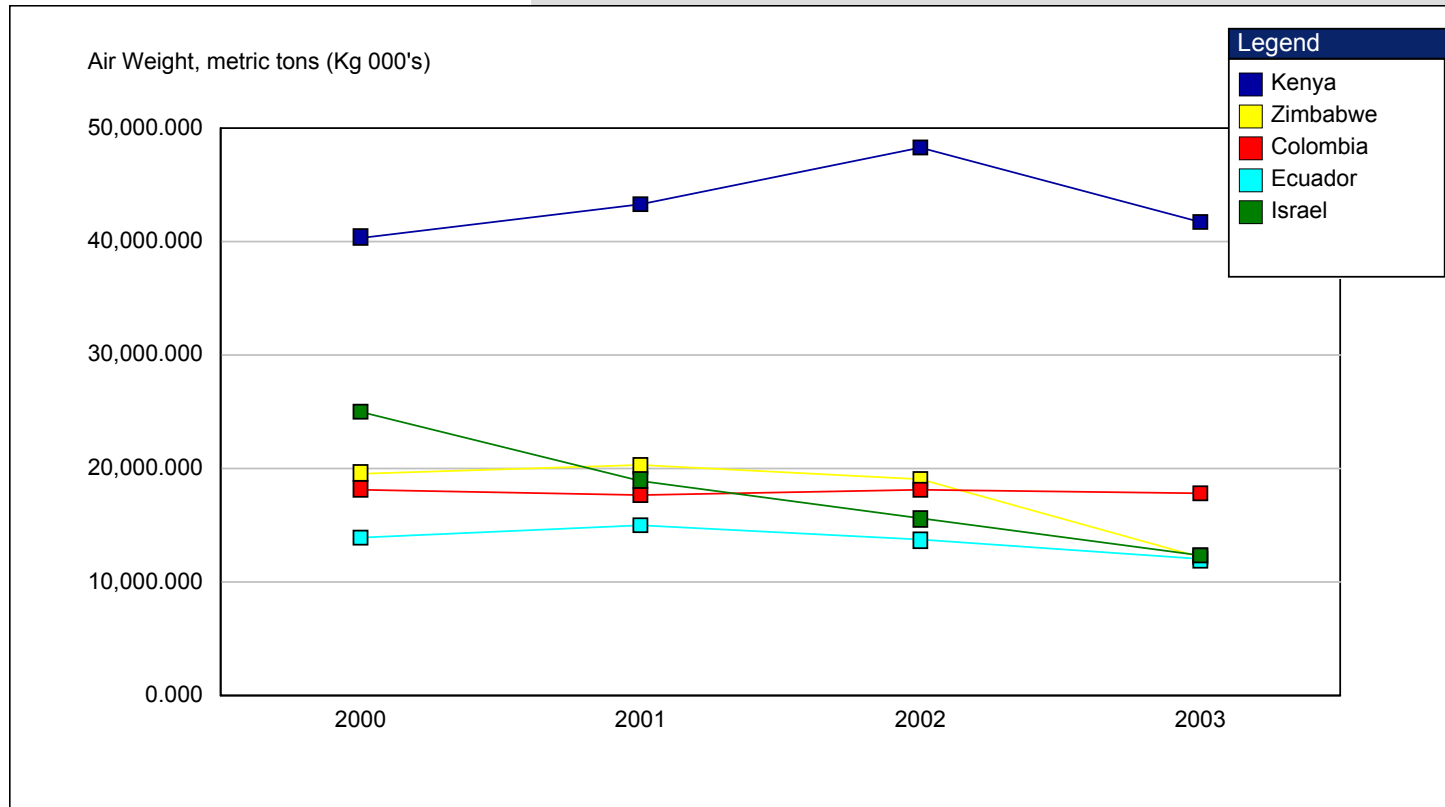
# ...and Europe perishable imports will not reach 2002 levels

## European air imports of perishable goods from January 2000 until October 2003 in tons



# Kenya is the leading flower importer into Europe...

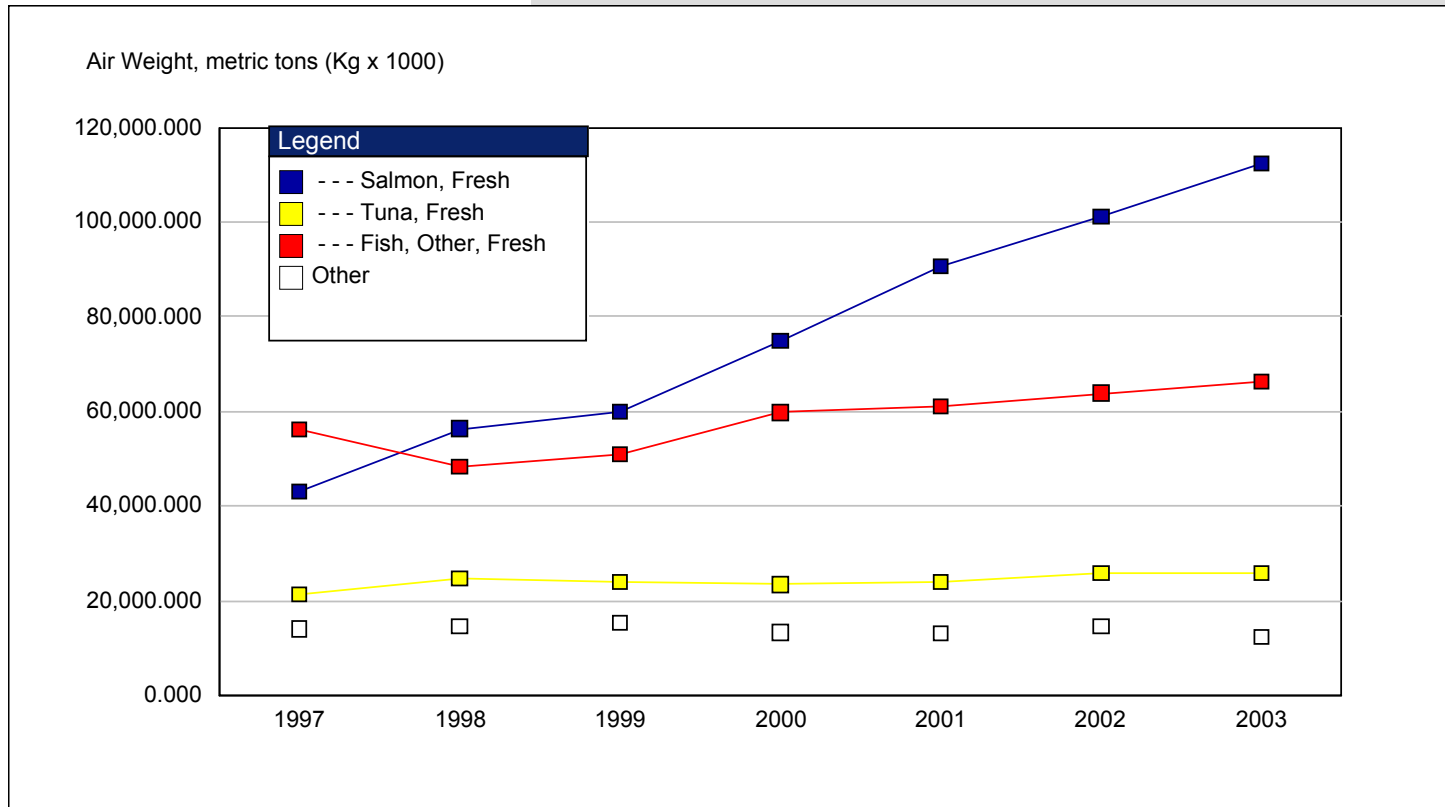
## European imports of cut flowers from January 2000 until October 2003





# Chilean Salmon showing exponential growth...

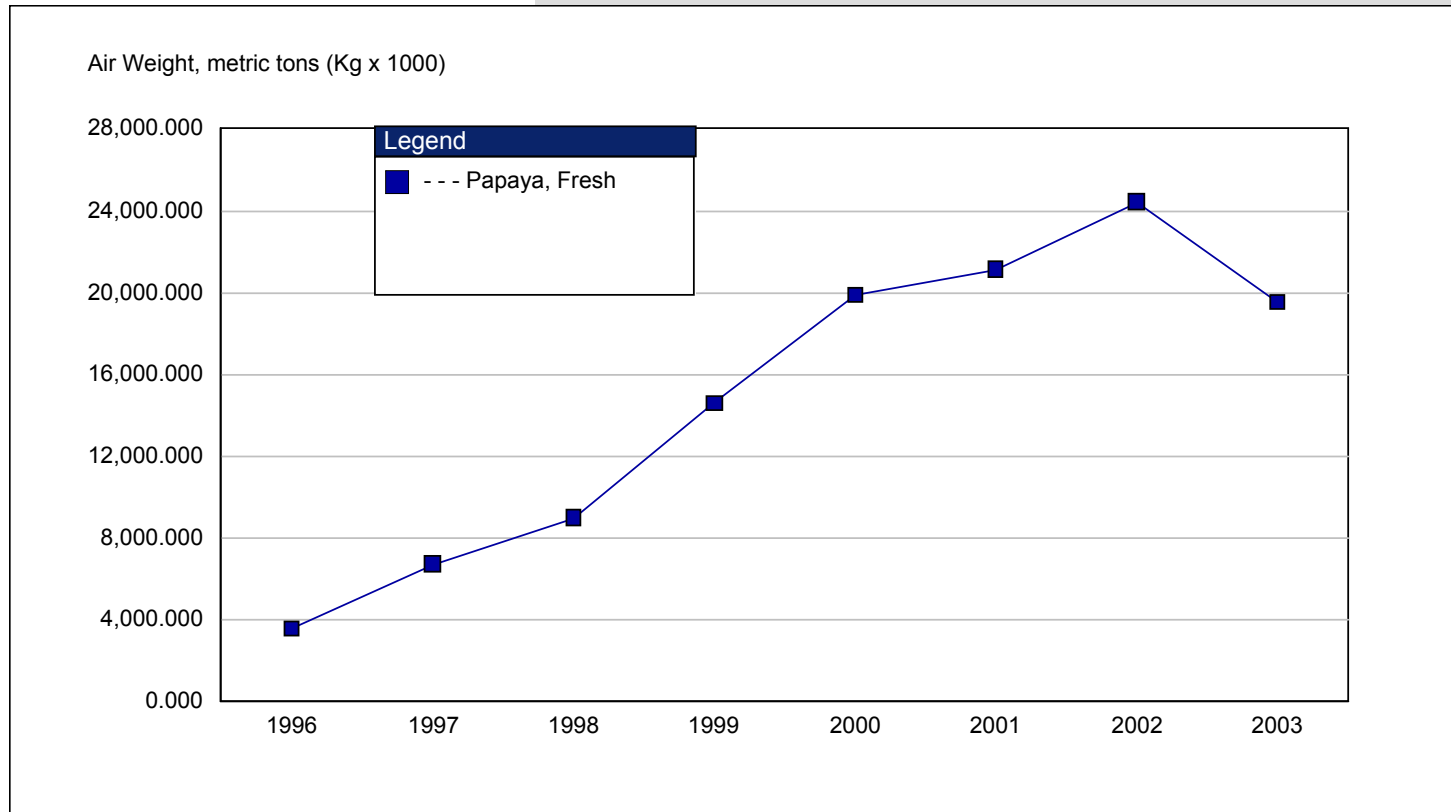
## US fresh fish air imports from 1997-2003 in tons





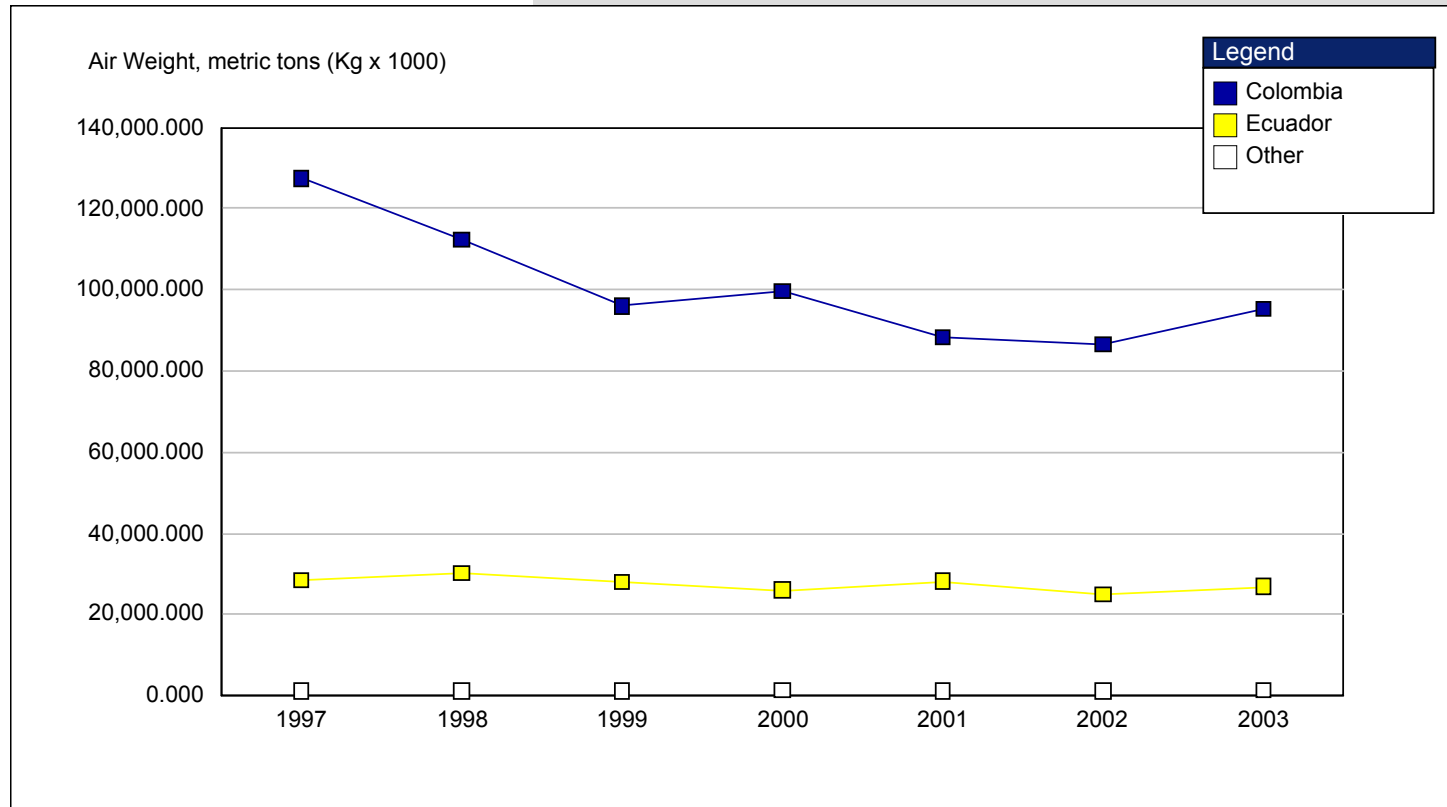
# ...and so are papaya's from Brazil

## Brazil air export of papaya's to the world from 1996-2003



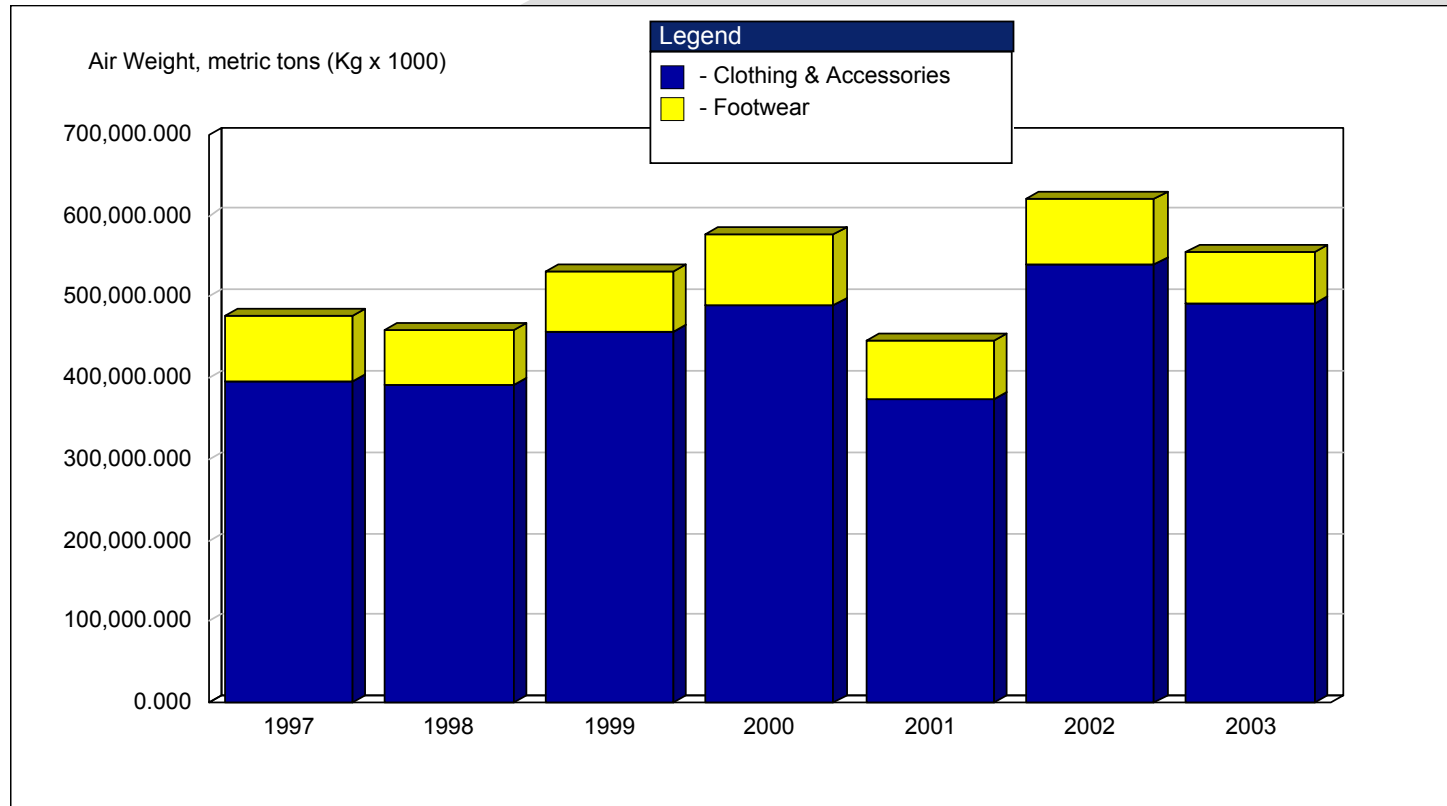
# Colombia flower exports slipping to the US

## US air imports of fresh cut flowers from South America for 1997-2003



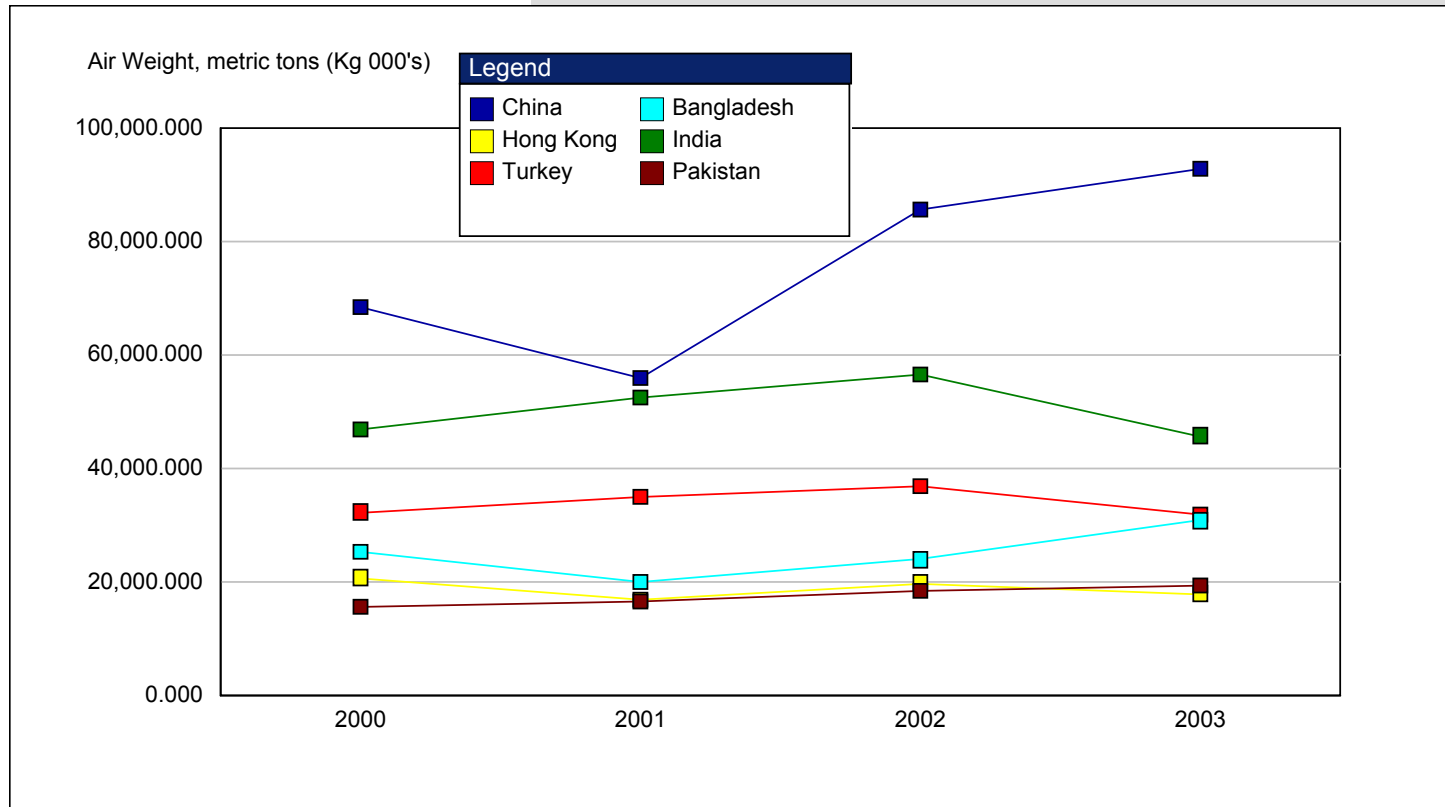
# Fashion air trade susceptible to economic conditions...

## US air imports of fashion goods from 1997-2003



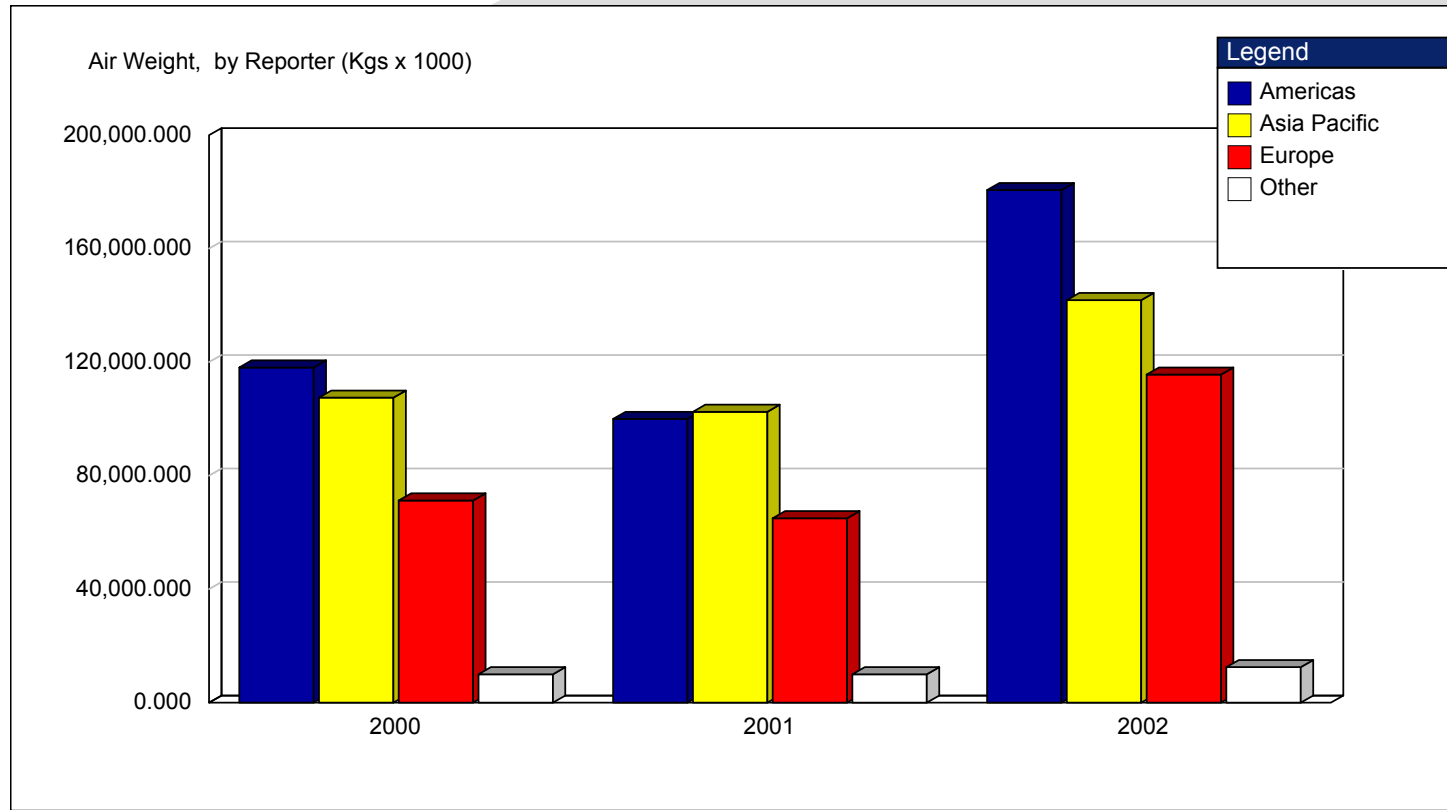
# ...while European import recovery is driven by China

## Europe air imports of fashion goods from key countries from January 2000 – October 2003



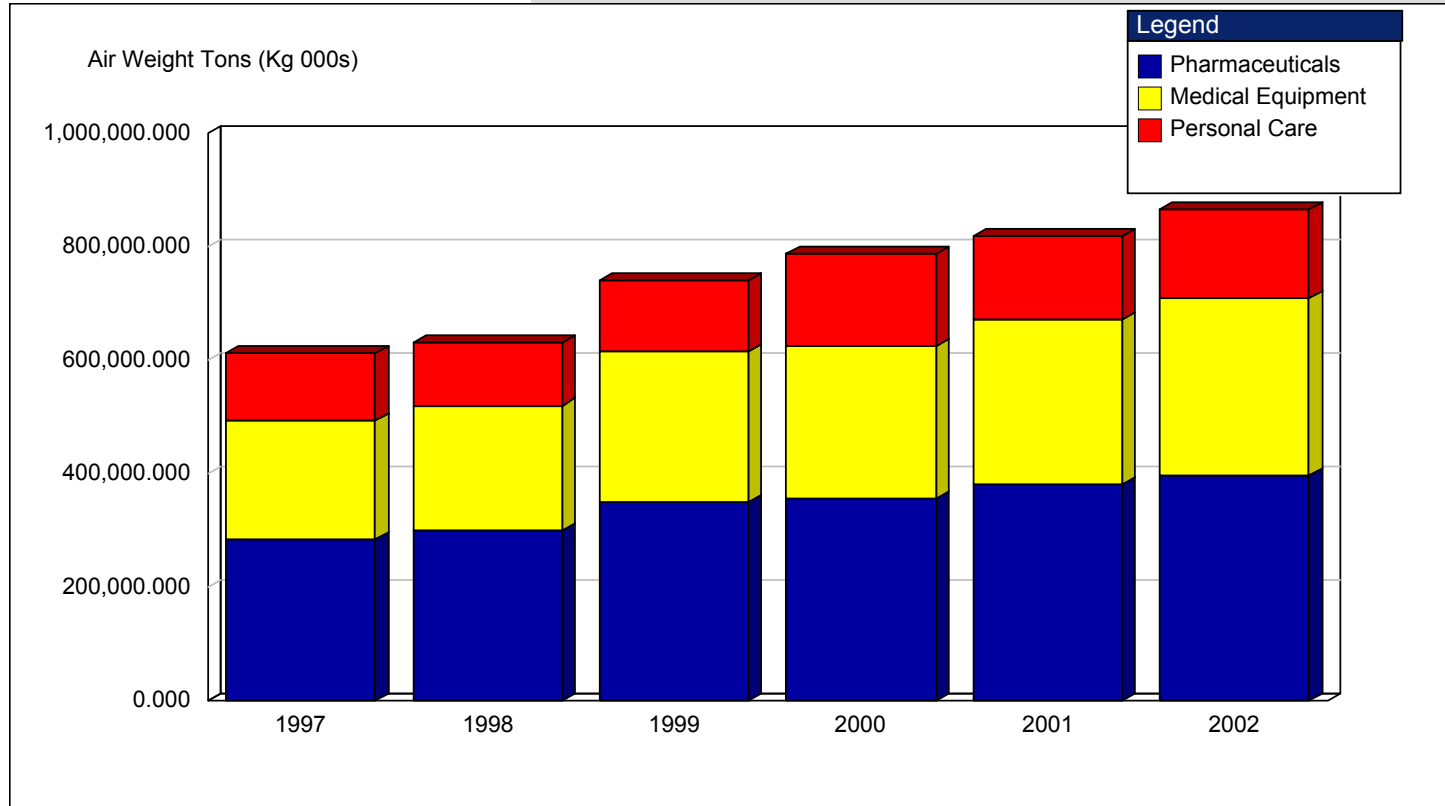
# China and Hong Kong are the fashion producers of the world...

## China and Hong Kong air exports of clothing and accessories to key areas from 2000-2002



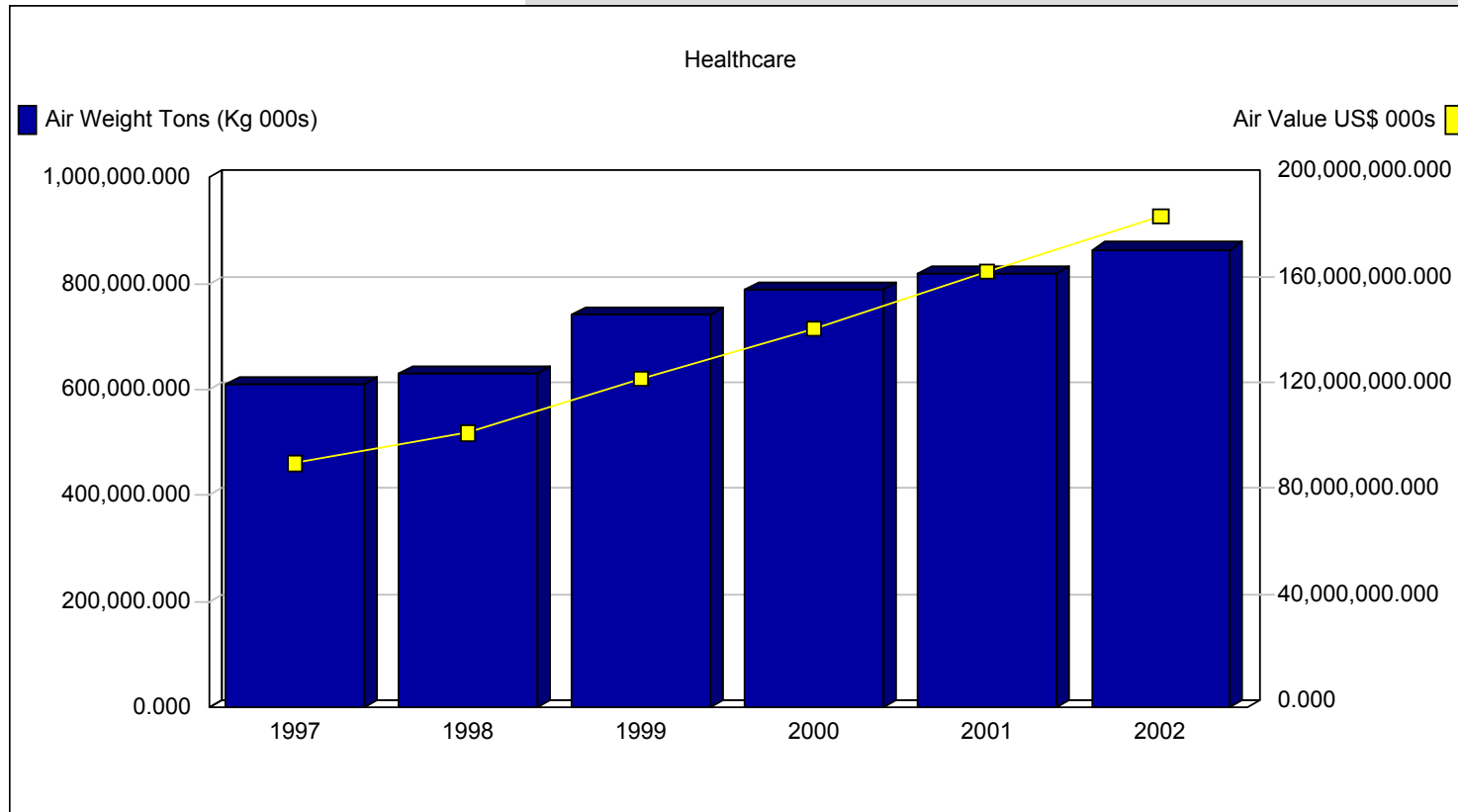
# Healthcare industry sub sectors show strong and stable growth...

## Healthcare Worldwide air trade from 1997-2002



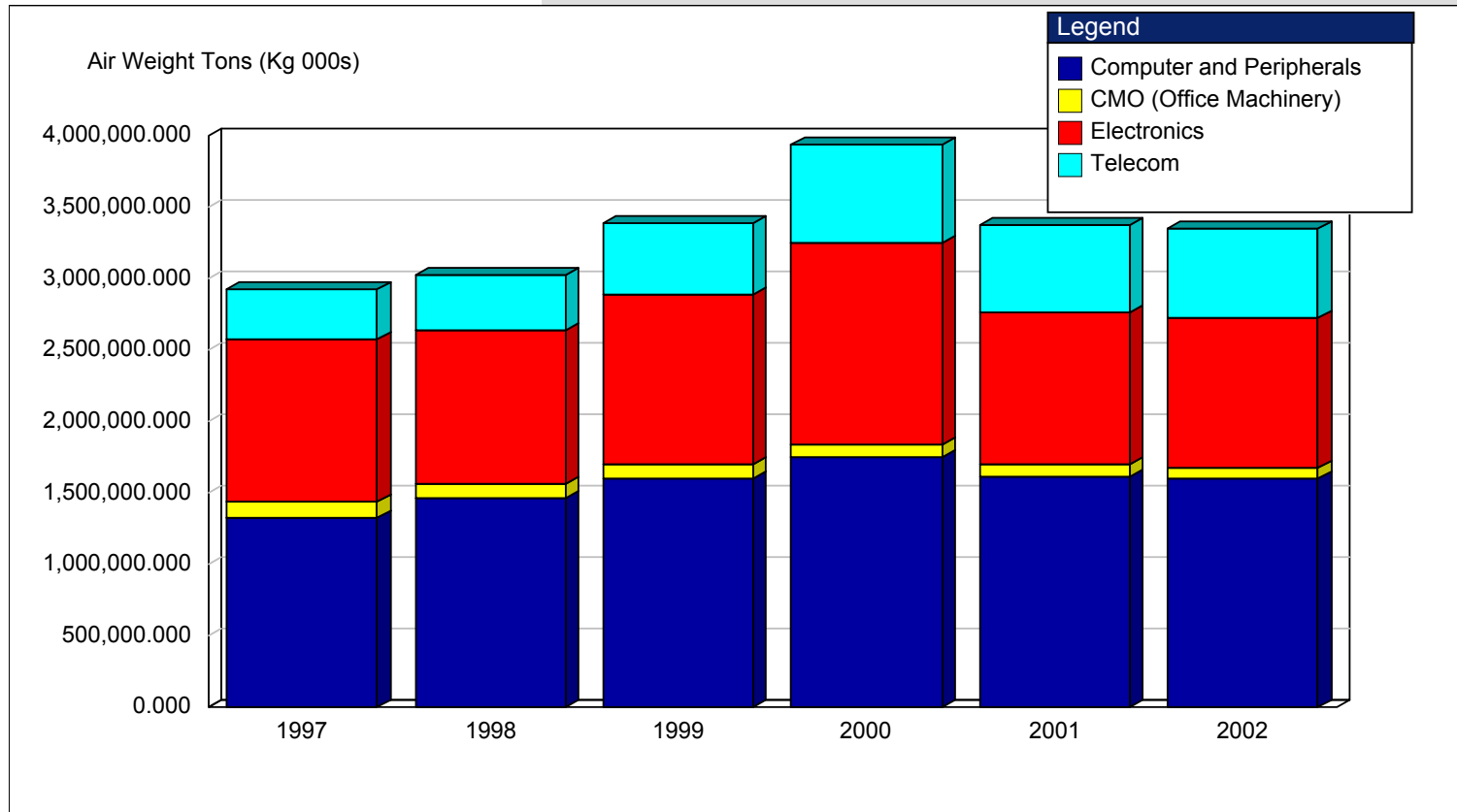
# Healthcare air products increase in value per kg

## Air trade (in tons) and value (\$ 000s) for health care from 1997-2002



# After the high tech boom, slow recovery expected...

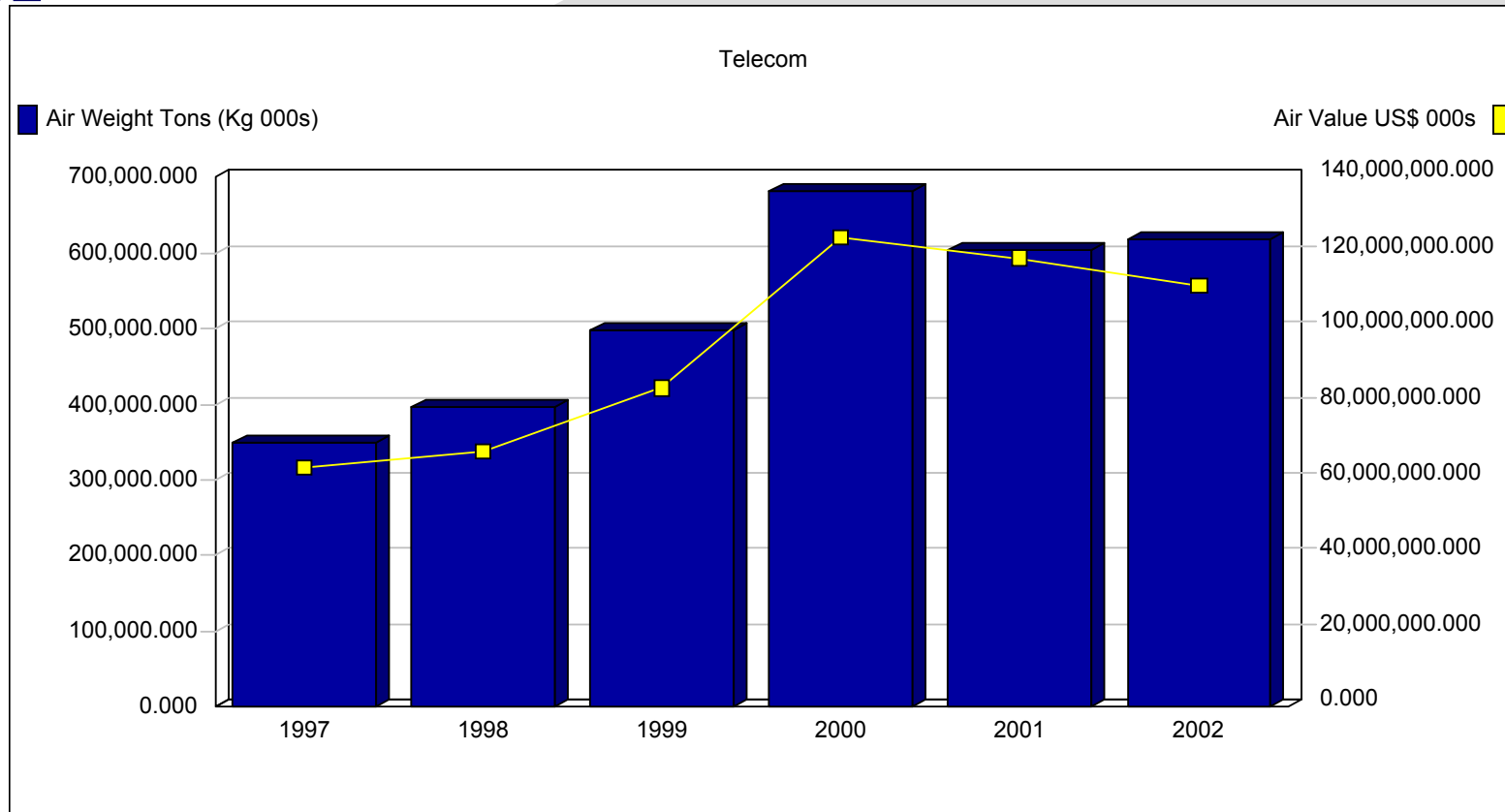
## High Tech air trade worldwide from 1997-2002





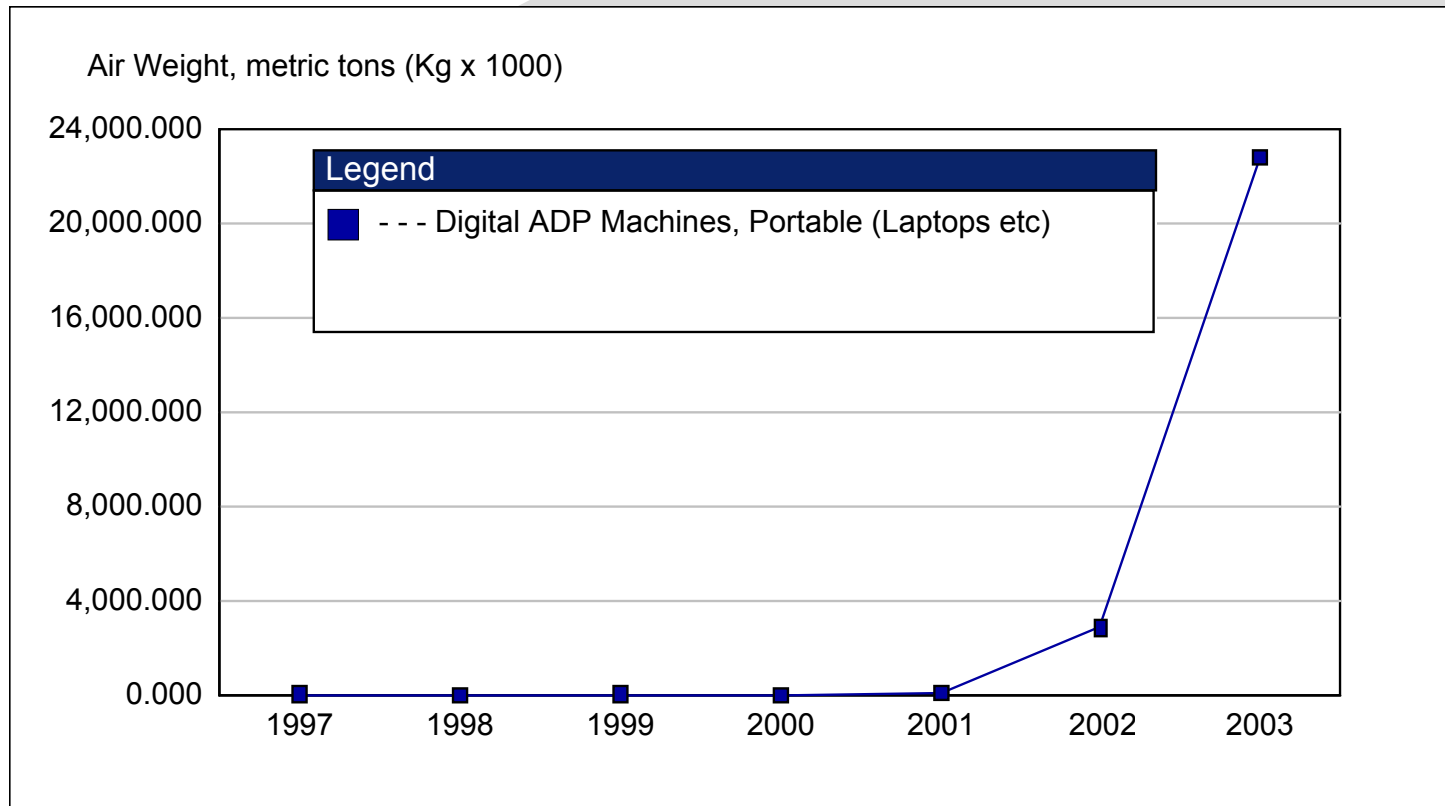
# After the telecom boom, the average value per kg drops slightly...

## Air trade (in tons) and value (\$ 000s) for telecom from 1997-2002



# US companies setting up production facilities in China ...

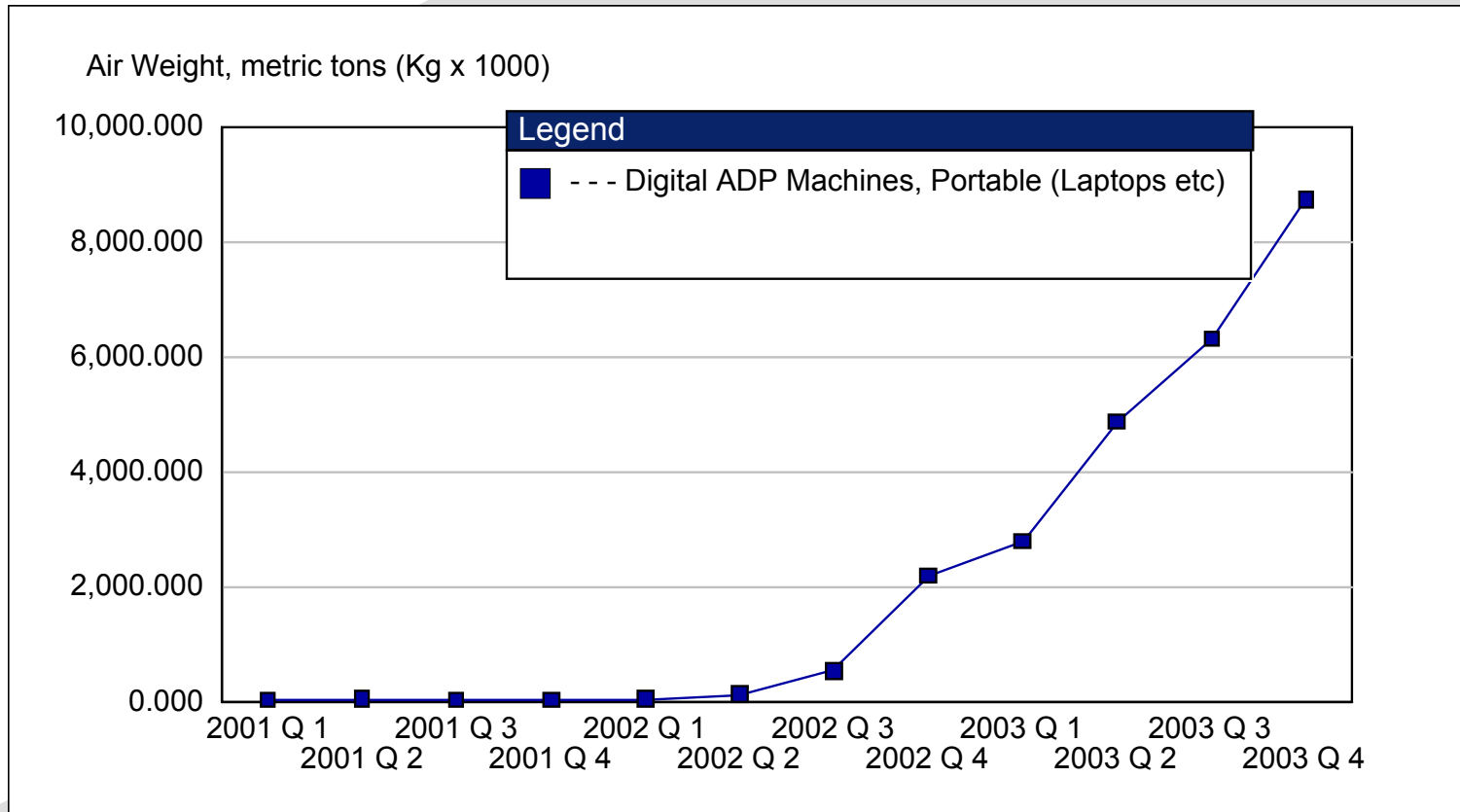
## US air imports of laptops from China from 1997-2003 in tons





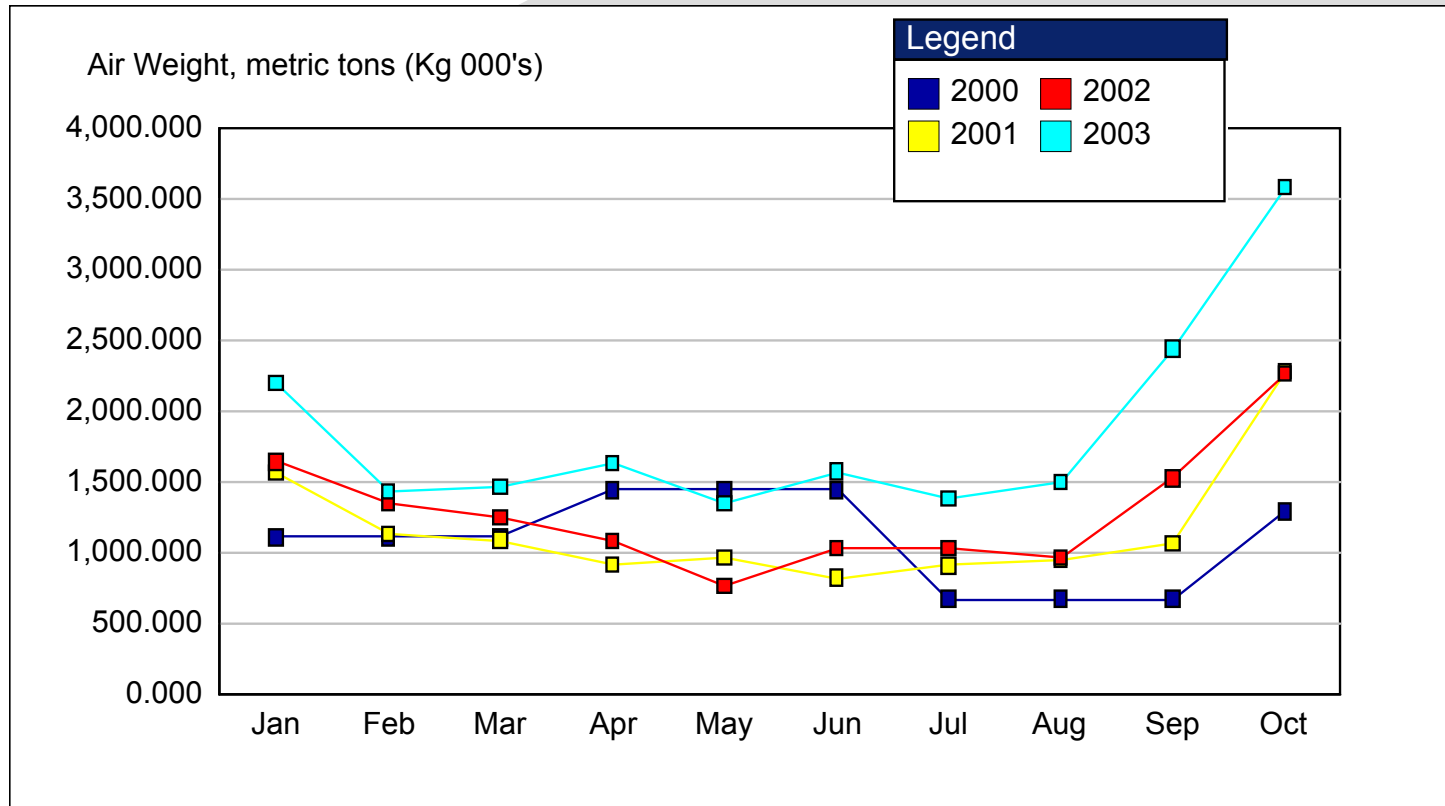
**...for China – USA, 25% quarter over quarter growth is the norm...**

**US air imports of laptops from China from 2001-2003 per quarter in tons**



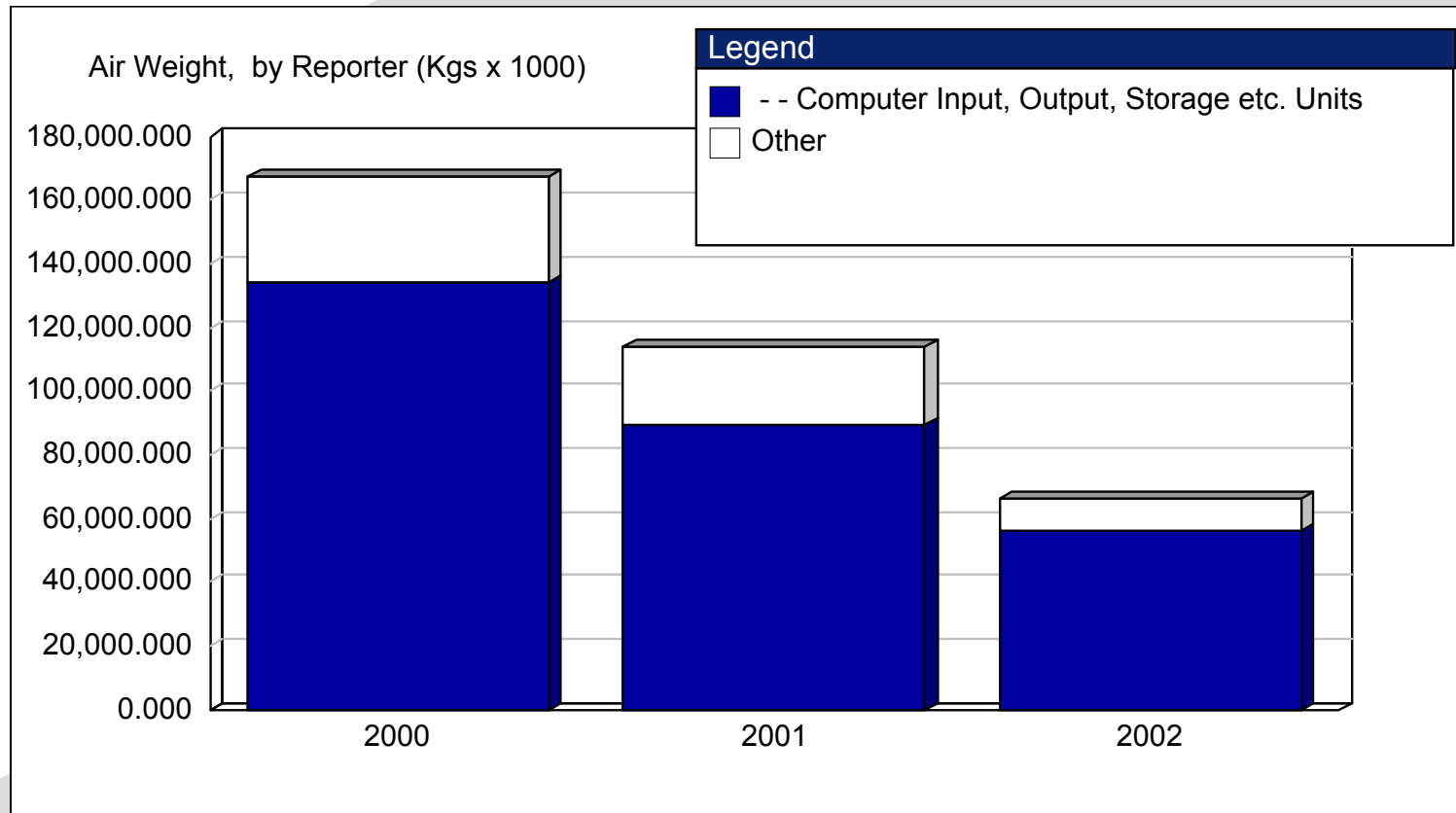
# ...while the European story is almost similar

## Europe air imports of ADP processing units from China from January 2000 until October 2003 in tons



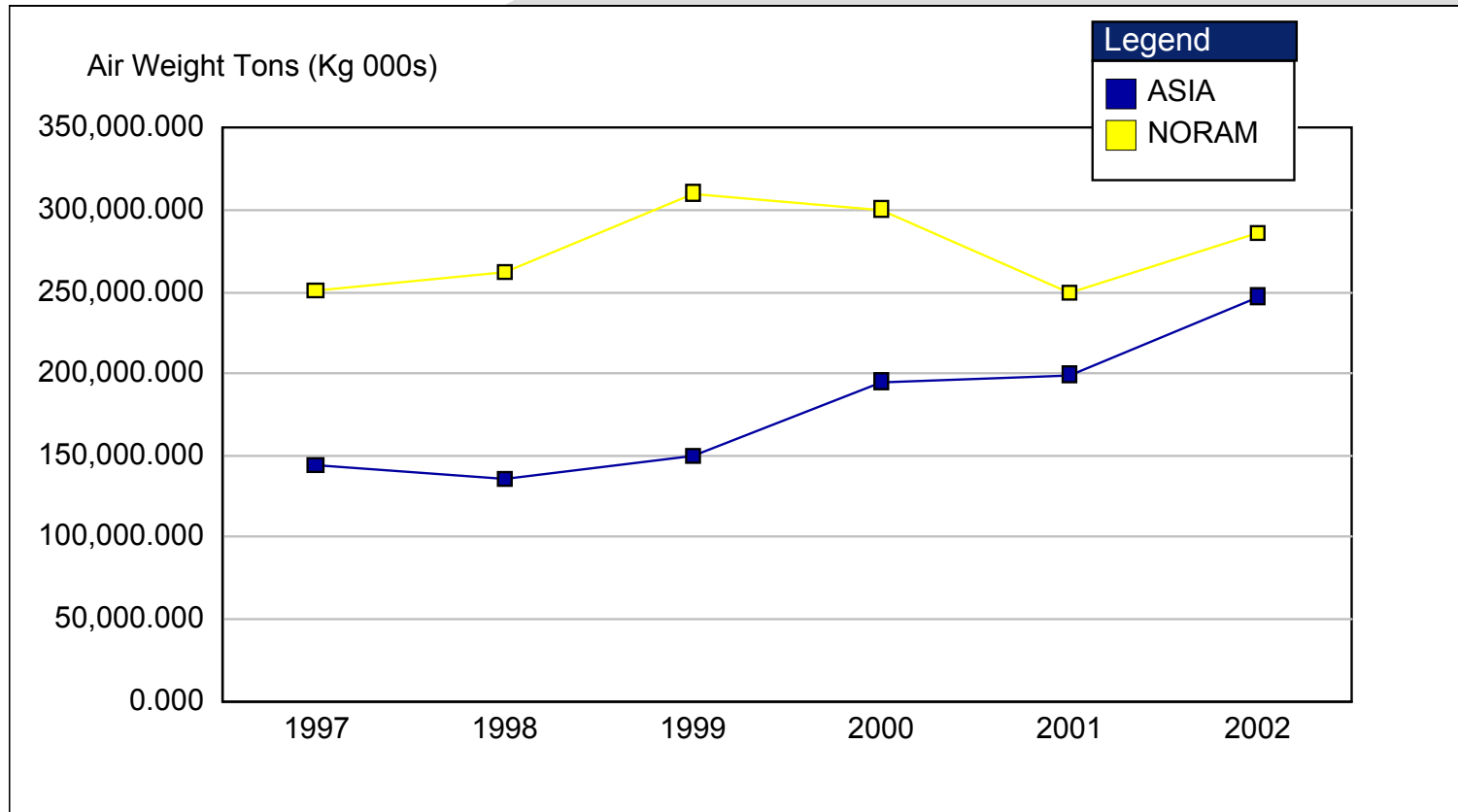
# Japan is losing its position as the exporting country of computer parts

## Japanese air exports of computer related equipment from 2000-2002



# Asia automotive trade almost reaching North America levels...

## Automotive trade for Asia and North America for 2000 – 2002 in air tons



## Summary & Conclusions

- Most industry sector growth in line with economic developments
- Perishables only growing marginally
  - Exceptions for Chile salmon and Brazil papaya's
- High tech recovery will be slow
  - Japan losing ground, China gaining strongly
  - Lap tops from China show extraordinary growth
- Fashion goods: European imports not affected as much as USA
  - China takes leading role as fashion goods exporter
- Pharmaceuticals: strong and stable growth
- Automotive: production location shift to Asia affecting air trade