

SPANISH-US TRADE

The year 2002 marked a watershed in Spanish-US trade relations as Spain became a net exporter of goods with a trade surplus of \$450 million, the first trade surplus in Spain's favour since 1986 when it achieved a surplus of \$ 87 million. Since 1986 Spain has run consistent trade deficits with the US averaging just over \$1 billion and reaching a high of \$2,6 billion in 1991.

Year-on-year change in both imports and exports between Spain and the US have been very volatile over the last fifteen years although the average year-on-year change has been 5,2% growth. Since 1985 Spanish exports to and imports from the US have increased by 4,9% and 4,5% compounded annually respectively. That said, overall imports from the US to Spain have decreased by 0,8% on a compound annual basis while Spanish exports to the US have grown by 4,8% compounded annually between 1996 and 2002.

In 2002, Spain exported € 130 billion and imported € 172 billion of goods and services worldwide, increases in absolute terms of 67,3% and 83,5% since 1996. Likewise, the US exported \$ 973 billion and imported \$ 1,408 billion in 2002, increases in absolute terms of 14,2% and 47,6% since 1996. The US leads the world in export and import trade with market shares of 13,0% and 17,5% respectively.

Spain's leading trading partner is France, as has historically been the case, followed by Germany, Italy and the UK, with the US coming in at sixth place. Spain's top 10 trade partners account for 65,9% of total trade. The US's leading trade partners are Mexico and Canada, for both historical and NAFTA reasons, followed by Japan and China. Spain ranked as the US's 37th largest trade partner in 2002. The US's top ten trading partners account for 54,4% of its total trade.

Spanish Imports from US by product type (in \$US millions)

Product Type	1996	1997	1998	1999	2000	2001	2002	CAGR
Food and Live Animals	547,7	586,3	501,5	374,8	353,1	375,4	408,8	-4,8%
Beverages and Tobacco	147,2	116,3	155,4	129,6	142,5	121,1	85,8	-8,6%
Crude Materials, Inedible, Except Fuels	769,5	849,4	766,1	564,2	601,5	563,0	620,4	-3,5%
Mineral Fuels, Lubricants And Related	238,9	263,1	185	156,6	172,3	194,1	214,5	-1,8%
Animal and Vegetable Oils, Fats and Waxes	45,4	46,9	81,2	38,9	24,4	13,4	12,1	-19,8%
Chemicals and Related Products	537,4	555,4	593,1	547,9	593,3	824,7	614,4	2,3%
Manufactured Goods By Material	304,9	331,3	360,8	327,9	340,7	330,5	325,9	1,1%
Machinery and Transport Equipment	2148,1	2085,5	2034,5	3.122,1	3.186,9	2.317,8	2.103,3	-0,4%
Miscellaneous Manufactured Articles	589,1	569,5	618	659,5	698,5	736,2	590,0	0,0%
Commodities and Not Classified	158	158,2	168,7	210,2	209,7	334,8	250,3	8,0%
Total	5.486,2	5.561,9	5.464,3	6.131,6	6.322,8	5.810,9	5.225,7	-0,8%

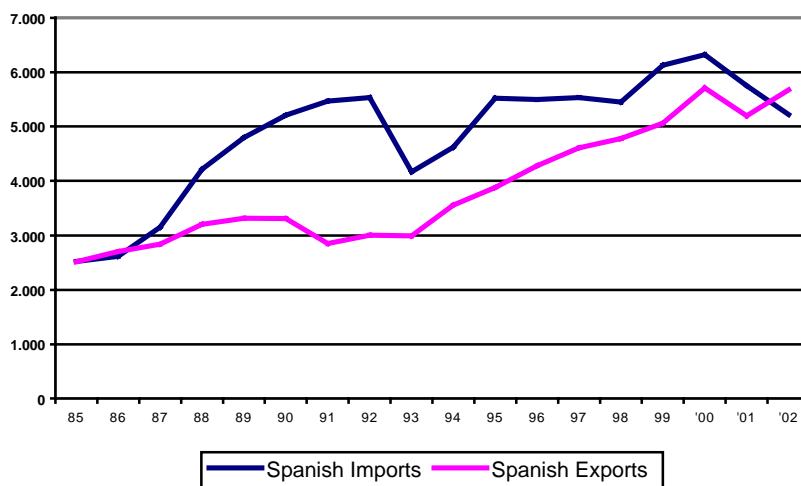
Source: US Commerce Department

Spanish Exports to US by product type (in \$US millions)

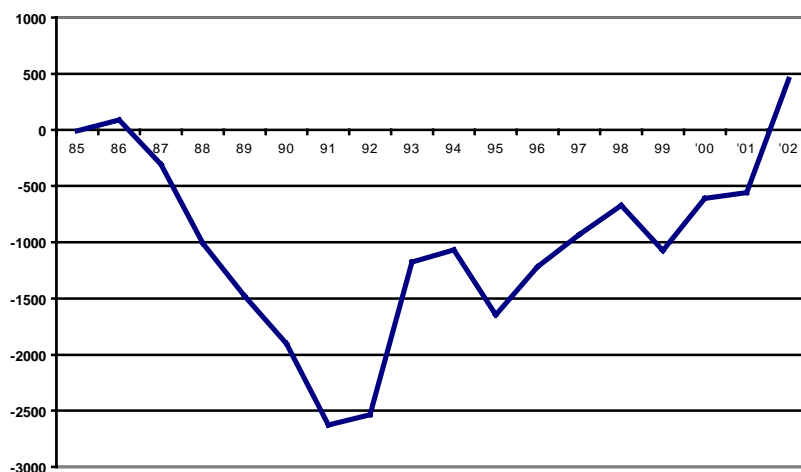
Product Type	1996	1997	1998	1999	2000	2001	2002	CAGR
Food and Live Animals	369,2	389	438,2	537,9	505,5	479,6	512,8	5,6%
Beverages and Tobacco	99,7	115,9	123,3	165,2	151,7	163,7	173,5	9,7%
Crude Materials, Inedible, Except Fuels	54,7	65,4	74,9	79,1	73,8	67,0	78,4	6,2%
Mineral Fuels, Lubricants And Related	241,8	226,7	206,5	137,9	397,1	443,2	260,9	1,3%
Animal and Vegetable Oils, Fats and Waxes	63,8	55,1	54,5	57,2	64,5	56,8	85,1	4,9%
Chemicals and Related Products	315,9	376,1	393,3	437,3	460,0	510,1	781,2	16,3%
Manufactured Goods By Material	1247,8	1351,6	1367,9	1.354,8	1.472,9	1.300,1	1.233,5	-0,2%
Machinery and Transport Equipment	777,7	931,2	994,1	1.035,5	1.240,7	1.081,5	1.195,2	7,4%
Miscellaneous Manufactured Articles	937,4	944,1	967,6	1.043,1	913,9	888,1	1.118,2	3,0%
Commodities and Not Classified	172,6	150,2	163,6	207,2	451,0	201,8	238,7	5,6%
Total	4.280,6	4.605,3	4.783,9	5.055,1	5.731,0	5.191,8	5.677,5	4,8%

Source: US Commerce Department

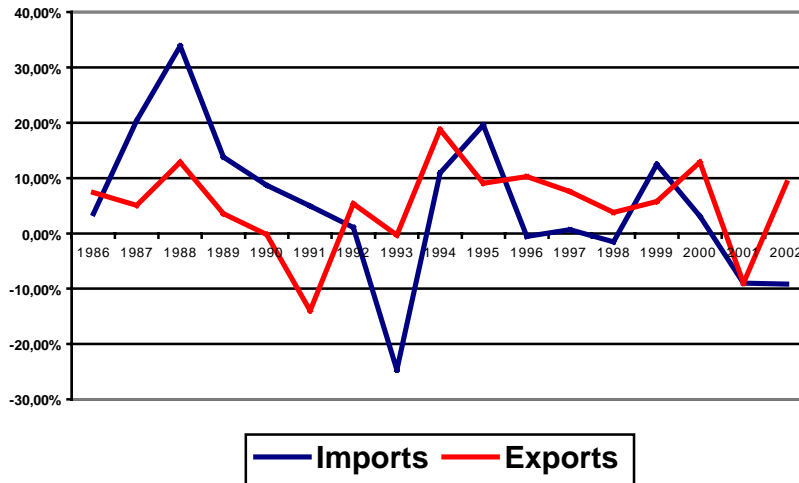
Spanish Trade with the United States (in \$US millions)



Spanish Trade Balance with the United States (in \$US millions)



Spanish Trade Activity with United States (% change y-o-y)



Top Spanish Trade Partners, 2002 (Imports + Exports in \$ US millions)		Top US Trade Partners, 2001 (Imports + Exports in \$US millions)	
France	53.520	Canada	379.692
Germany	43.500	Mexico	232.634
Italy	27.681	Japan	183.925
United Kingdom	23.679	China	121.461
Portugal	18.256	Federal Rep Germany	89.072
United States	12.888	United Kingdom	82.083
Holland	10.994	Korea, South	57.362
Belgium	8.888	Taiwan	51.496
China	6.399	France	50.273
Japan	5.273	Italy	33.706
% of Total	65.9%	% of Total	54.4%
Source: Ministerio de Economía		Source: US Department of Trade	