

May 4, 2007

MR'S ADVISORY TO SHIPPING No. A-07-2007

TO : All Steamship Agents, Owners, and Operators

SUBJECT: Monthly Canal Operations Summary – APRIL 2007

1. Panama Canal Statistical Summary:

a. Transit Pilot Force	275
b. Pilots in Training	0
c. Tugs	24
d. Locomotives	100

2. Traffic Statistics:

	<u>Average Daily</u>	<u>High Daily</u>	<u>Low Daily</u>
Arrivals	38.63	55	23
Oceangoing Transits	38.07	44	23
Canal Waters Time (hours)	24.68	38.46	17.97
In-Transit Time (hours)	10.29	13.97	8.97

Distribution of Oceangoing Transits:	<u>Total</u>	<u>Average Daily</u>	<u>Percentage</u>
Vessels of less than 80' Beam	389	12.97	34.06
Vessels 80' Beam and Over	<u>753</u>	<u>25.10</u>	65.94
Total of Oceangoing Transits:	1142	38.07	
Vessels 100' Beam and Over	501	16.70	43.87
Vessels 900' Length and Over	145	4.84	12.70

Note: For the purpose of this report, the term "oceangoing transits" is equivalent to the number of locomotive transits.

Booking Slots:	<u>Available</u>	<u>Used</u>	<u>Percentage</u>
Large Vessels (beam 91' and over)	438*	429*	97.95
Regular vessels (beam < 91')	261*	238*	91.19

*Does not include additional auctioned booking slots

3. The following page provides the scheduled locks maintenance work and other items of interest to the shipping community.
4. This advisory will be canceled for record purposes on May 31, 2007.

ORIGINAL SIGNED

Manuel E. Benítez
Operations Director

TENTATIVE SCHEDULE OF LOCKS MAINTENANCE WORK FOR FY 2007						
Dates	Outage Days	Miraflores	Pedro Miguel	Gatun	Estimated Transit Capacity	Status
May 3-5	2			Lane Outage (36 Hrs.)	26-28	Confirmed
June 13-22	3	Lane with restrictions (10d)	Lane Outage June 20-22 (3d)		32-36 during restrictions* 26-28 during outage	Tentative
July 11-20	3	Lane with restrictions (10d)	Lane Outage July 18-20 (3d)		32-36 during restrictions* 26-28 during outage	Tentative
Aug. 8-10	2			Lane Outage (2d)	26-28	Tentative
Aug. 14-23	3	Lane with restrictions (10d)	Lane Outage Aug. 21-23 (3d)		32-36 during restrictions* 26-28 during outage	Tentative
Sept. 5-15	6		Lane Outage Sept. 5- 10 (6d)	Lane with restrictions Sept. 5-15 (10d)	32-36 during restrictions* 26-28 during outage	Tentative
Sept. 26-28	2			Lane Outage(2d)	26-28	Tentative

*** Note:** Actual transit capacity will depend on the type of restriction imposed during work.

Transit Capacity: The normal capacity of the Panama Canal is 38 transits per day. This capacity is reduced during locks outages, as indicated in the above table. Consequently, vessels may experience delays in transiting. Normally, during these periods, the Panama Canal Transit Reservation System slots are fully utilized. Whenever a set of locks requires a major outage of one of its two lanes for dry chamber inspection, miter gate repairs, tow track work or other major maintenance/improvement projects, advantage may be taken of this requirement to perform simultaneous single lane outages for additional maintenance at other locks. Two-day lane outages have no significant impact on Canal vessel backlog, therefore are not normally included in this chart.

CABINET COUNCIL OF PANAMA APPROVES PANAMA CANAL TOLL INCREASE

IMPLEMENTATION OF NEW PRICING FOR CERTAIN SEGMENTS MOVED FROM MAY TO JULY 2007, IN RESPONSE TO INDUSTRY REQUESTS

NEW TOLLS MOVE THE CANAL’S PRICE CLOSER TO THE VALUE OF SERVICE PROVIDED

On April 26, 2007, following a recommendation from the Board of Directors of the Panama Canal Authority (ACP), the Cabinet Council of the Republic of Panama approved a proposal to restructure the Panama Canal’s pricing system and certain regulations.

“With the new pricing system, the Canal will be charging its customers a price closer to the value of service provided. We reached this decision through an open and transparent process, providing the industry with multiple opportunities to comment. The new system, approved yesterday by the Cabinet Council, reflects this open dialogue, incorporating several of the requests we received from the industry over the past few months,” said ACP Administrator/CEO Alberto Alemán Zubieta.

As the world becomes more interconnected, barriers dropping, tariffs reduced, the value of the Panama Canal and its role in the global supply chain continues to grow. Shippers moving goods from the U.S. Gulf Coast to Asia can save up to 10 voyage days via the Panama Canal, and vessels traveling from the West Coast of South America to the U.S. East Coast save an estimated eight to 16 voyage days as compared to alternate routes. Given the cost increases in shipbuilding, fuel and vessel operations, the route through the Panama Canal has significantly increased in value to its users.