

# Alaska's Role in the Global Marketplace

The Importance of International Trade  
to Alaska's Economy

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# International Trade is Big Business for Alaska

- Annual Worldwide Exports total \$4 billion

This represents:

- Nearly 10% of the Alaska's Gross State Product (GSP)
- New Money into Economy
- Thousands of Direct and Indirect Jobs

Results in:

- Stronger, More diversified Economy



# Why Trade Matters

- Substantial component of Alaska's economy. Exports account for approximately 10% of the GSP. Export total does not include the export of services from Alaska—such as construction, engineering and oil and gas services.
- Exports bring \$4 billion of new money into our economy. New money, not recycled money.
- Export jobs are high paying jobs. Export-related jobs typically pay 13 to 16% more than jobs tied solely to domestic economy.
- Exports allow companies to become larger through expanded markets and customer base.
- For some Alaska companies, their best bet for growth is overseas markets.



# How Does Alaska Rank?

- Alaska is one of the most trade-oriented states in America:
- In absolute terms, at \$3.6 billion (2005 total), Alaska ranks 40th among all states
- On a per-capita basis, Alaska ranks 4<sup>th</sup>
- Exports as a percentage of Gross State Product, Alaska ranks 8th in the nation
- Foreign direct investment: Alaska ranks 12<sup>th</sup> in attracting overseas investment



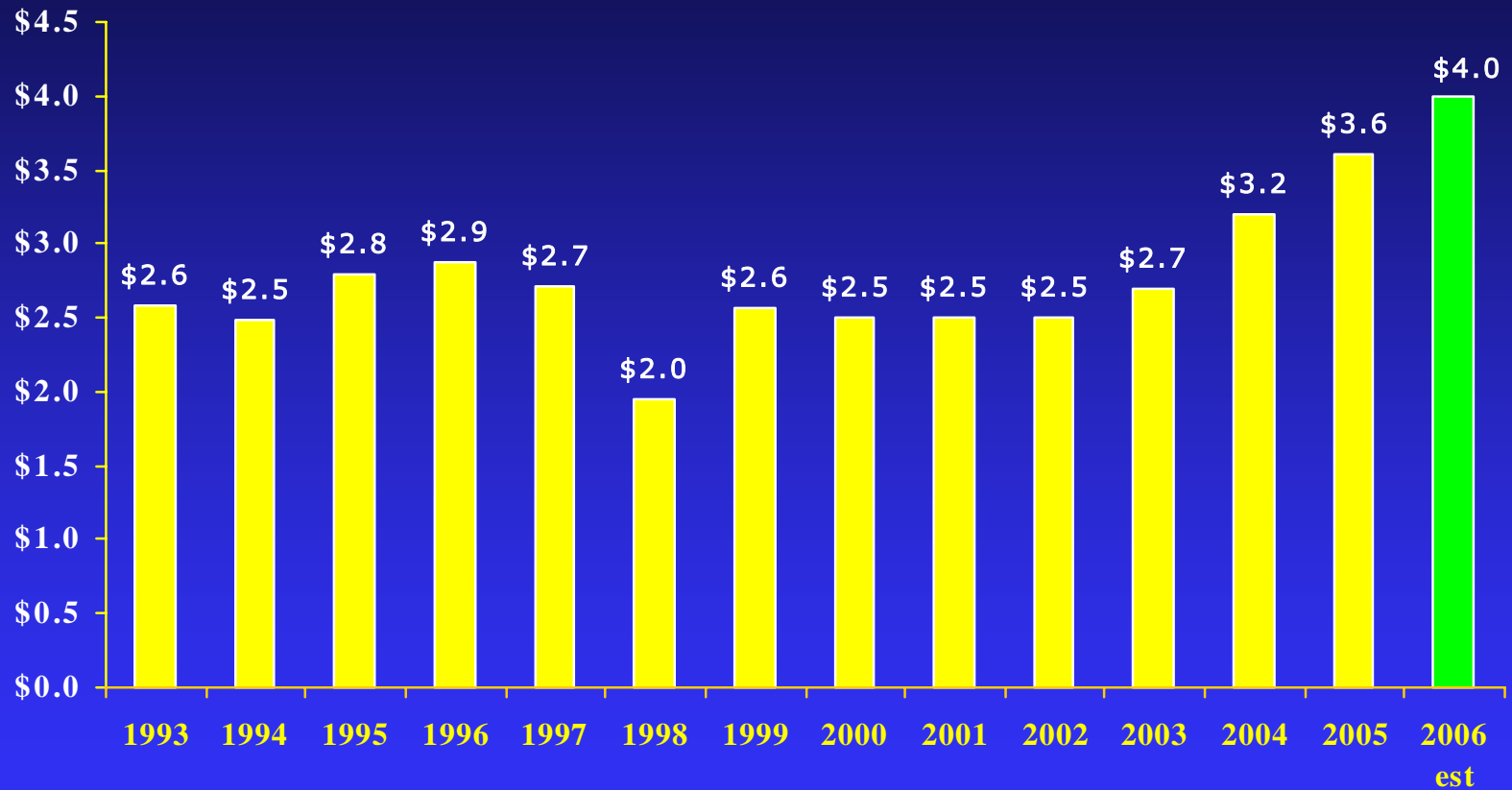
# 2006 Trade Highlights

- Exports reach record \$4 billion-up 12%
- 4th consecutive year of double-digit growth
- Mineral exports doubled
- Increase driven primarily by higher prices (zinc price up 100% '05-'06)
- Exports to Canada up 100%
- Exports to China increased by 41%
- Korean exports reach all-time high



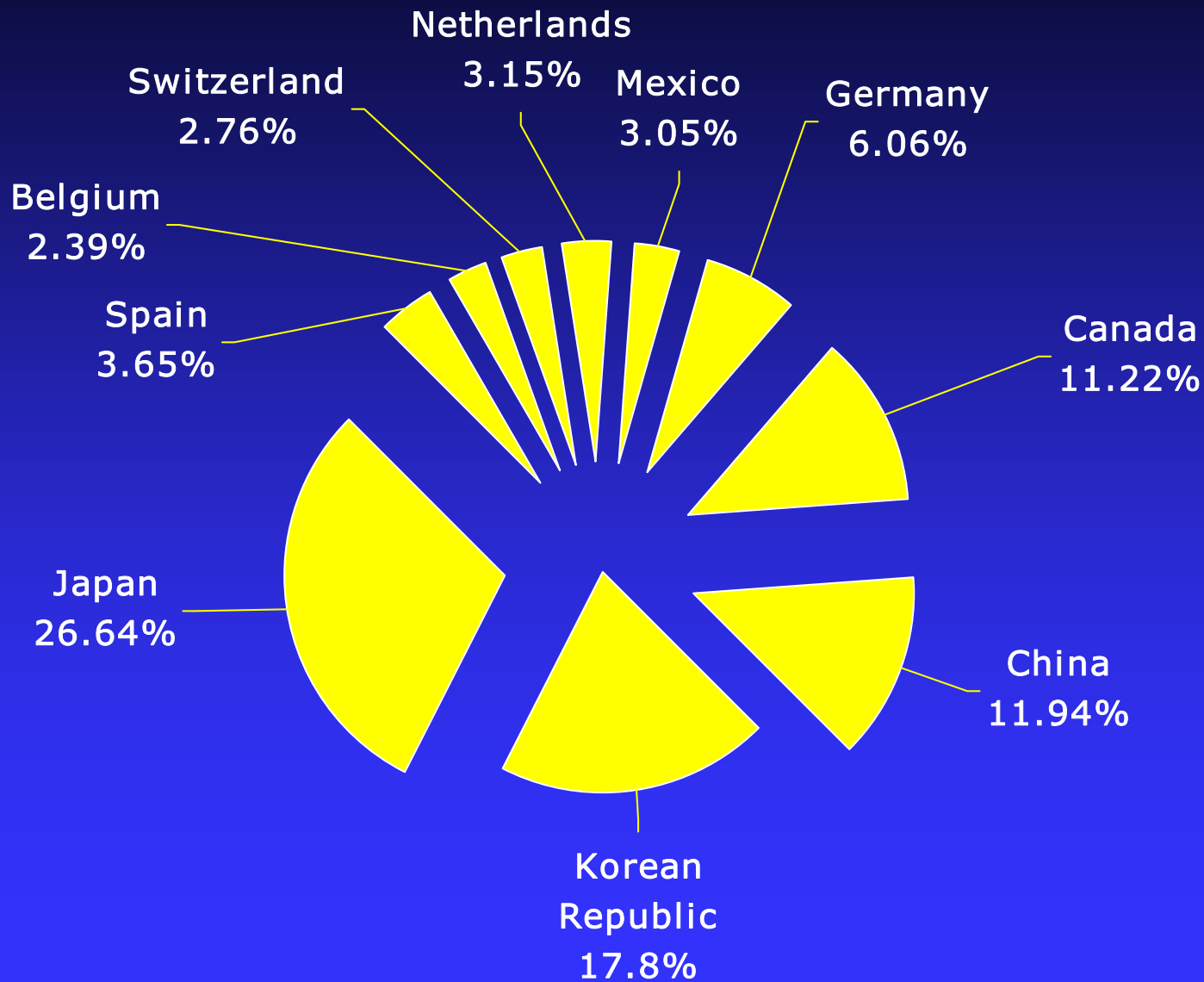
# Alaska Worldwide Exports

In Billions



# Alaska's Top Ten Export Markets 2006

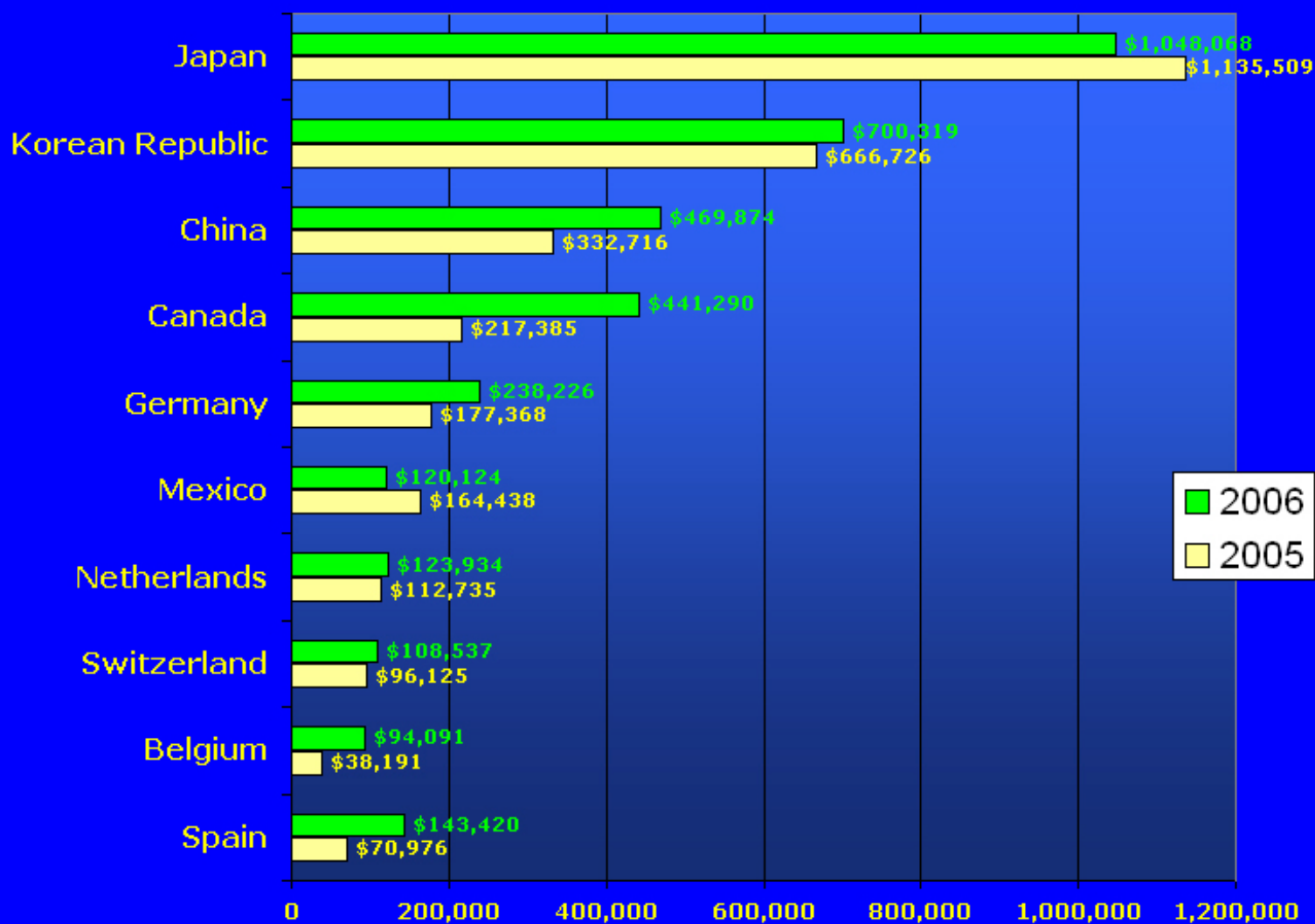
Eleven month January - November



# Alaska's Top Ten Export Markets 2006

Eleven month January - November

In millions





# Alaska's Total Exports to China

## 2004-2006 Comparison

(2006 - Eleven month January - November)

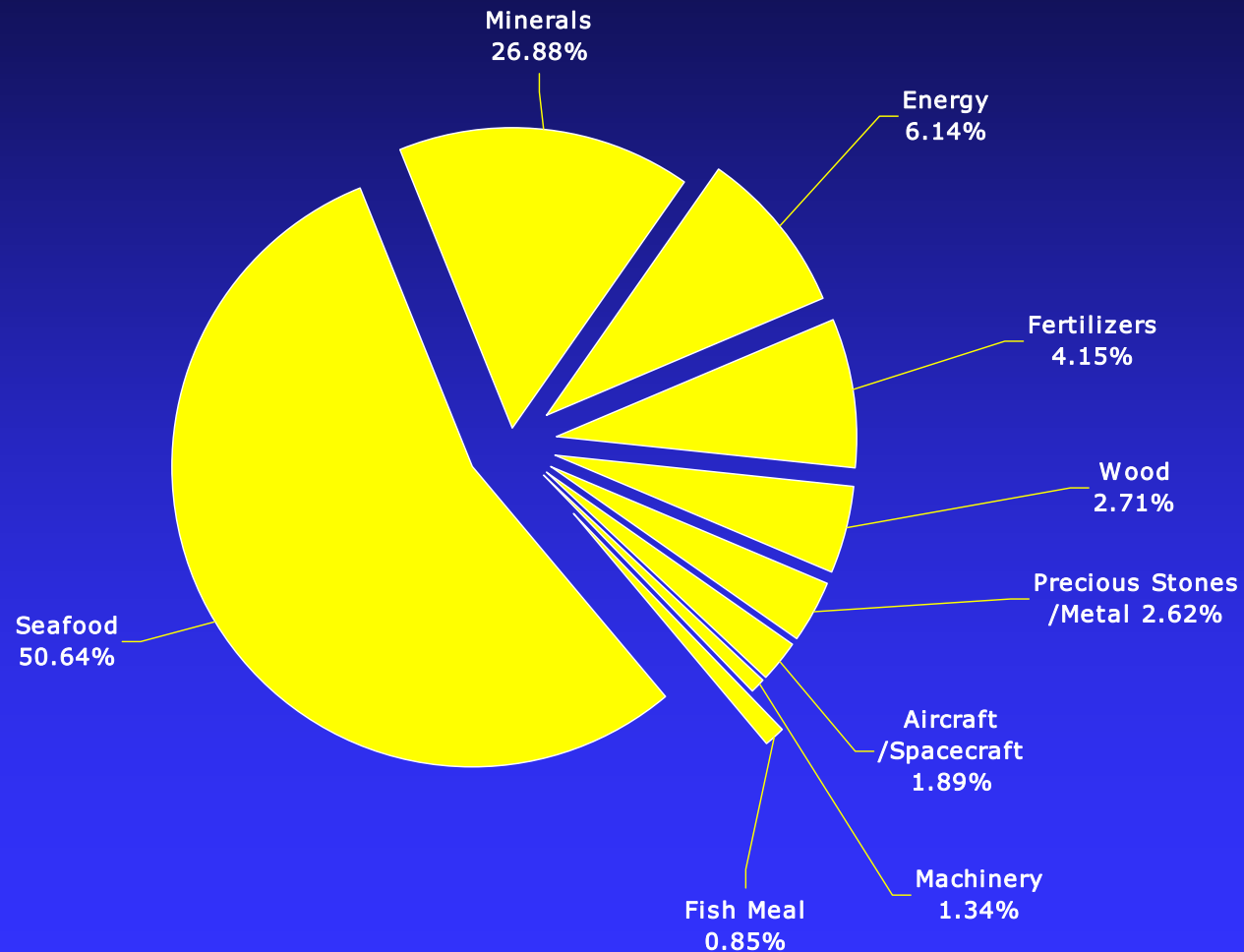


In millions



# Alaska's Top Export Products 2006

Eleven month January - November



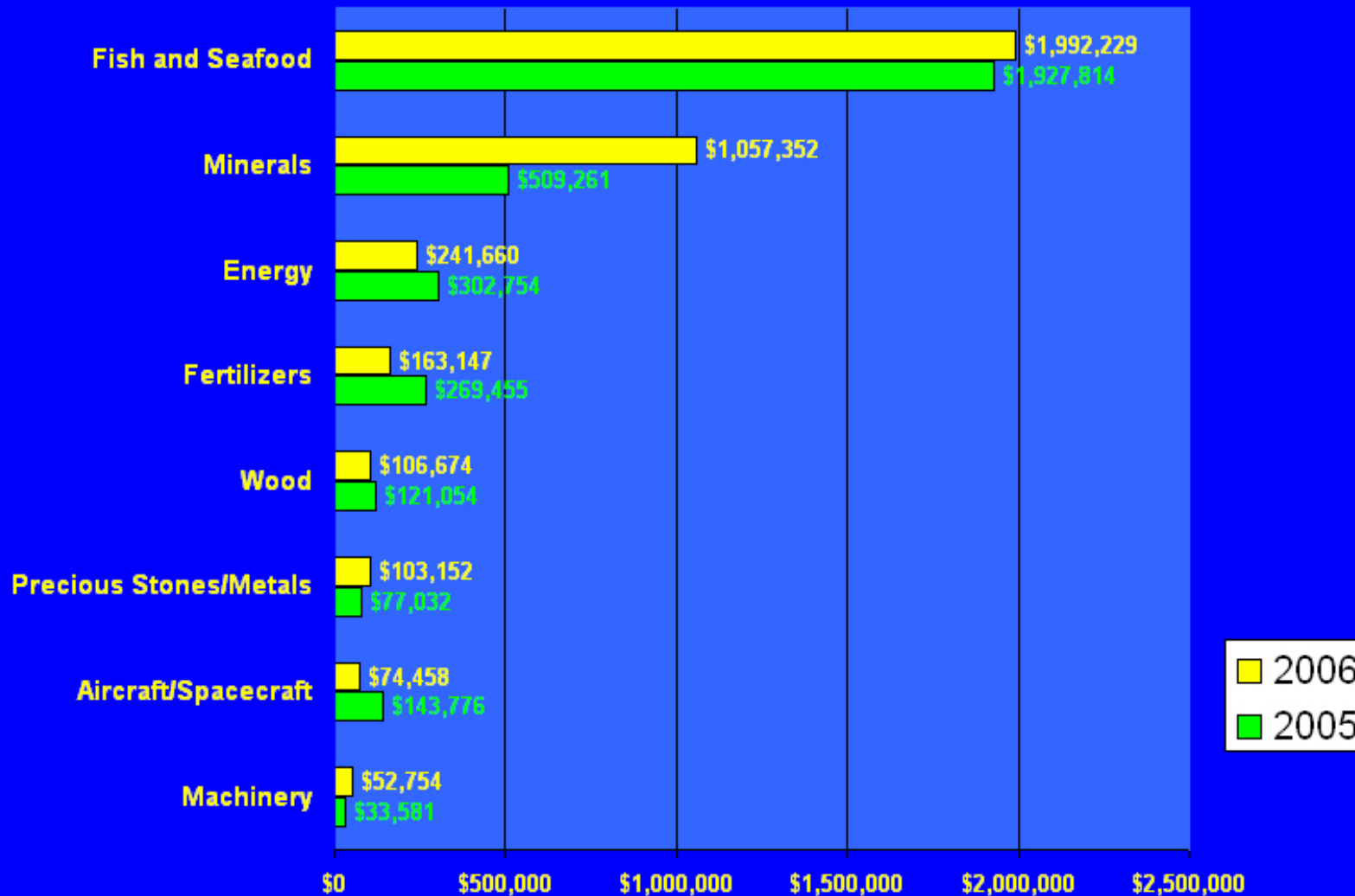
Source : US Census Bureau, State of Origin data



# Alaska's Top Export Products 2006

Eleven month January - November

In millions \$



# Alaska Export Update: Jan – Nov 2006 up 12.76%



Highlights: China (up 41%), Spain (up 102% up), Canada (up 103%).



# 2007 Trade Outlook

- Results will depend heavily on commodity prices-minerals and metals
- Expect continuing growth from China through 2008 (Olympics)
- Watch the dollar-weaker dollar makes U.S. exports relatively cheaper
- Taking a breather: small or no export growth likely in '07
- 2007 Forecast: \$4 billion (+) or (-)

# Trade Development Programs

- China Calling: Assist Alaskan companies identify and pursue business opportunities in the rapidly expanding China market
- New Markets–New Customers: Research and identify emerging markets for Alaskan exports



# Mission

On behalf of members and community partners, the mission of World Trade Center Alaska is to assist Alaskans to successfully compete for trade and investment in the global market place.



# Serving Alaska's Business Community Since 1987



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