



Passport to Profit



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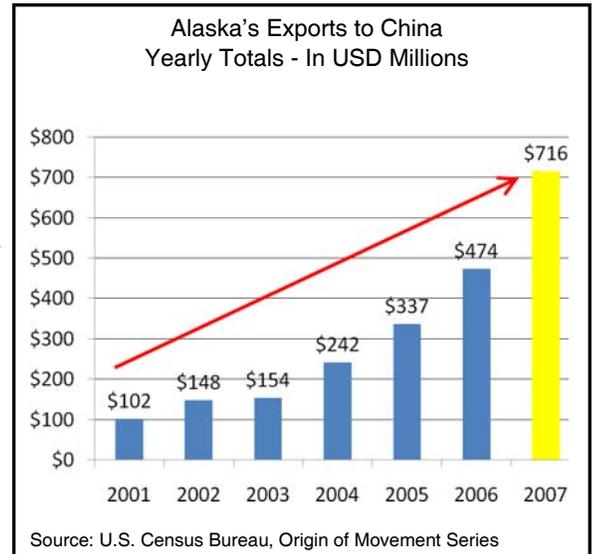
China Rising

Alaska's "China Era" in Full Swing as Exports Reach Record Level

By Greg Wolf

Flashback to February 2006: In our inaugural **Passport to Profit Special Report**, entitled, **Enter the Dragon**, we stated that the 2000's would be Alaska's "China Era." In the report, we noted that the state's exports to the Middle Kingdom were on the rise and that we projected that for the full year 2005, these would amount to \$335 million. We were close; when the results for the year were tallied up, the total hit \$337 million.

Flash Forward to Today: We've just received the year-end statistics for 2007 and Alaska's exports to China have soared to a record \$716 million, a whopping 51% increase over the previous year! As a result, China has become Alaska's second largest trading partner, the position held for decades by Korea. China is Alaska's fastest growing major market.



Seafood is the primary export from Alaska to China. In 2007, at \$411 million, seafood accounted for 57% of the state's total exports to the country. Some of the seafood sent to China is processed and then re-exported while another part remains in the country to be sold in stores and restaurants. At 24%, minerals are the second-largest category, amounting to \$172 million, and consisting primarily of zinc and lead. Energy is the third sizable export category with shipments of refined fuel products totaling \$90 million. Other important exports commodities are fishmeal and forest products. (See graph below).

As we have mentioned in previous reports, we expect Alaska's commercial ties with China not only to grow in size but also in scope. We anticipate that Chinese firms will seek to invest in Alaskan energy and minerals development projects. Chinese investments are occurring in many other parts of the world where natural resources are abundant. There is ample reason to believe that the hungry dragon will increasingly cast its eyes on Alaska's attractive, yet largely untapped, potential.

World Trade Center Alaska has made China a major focus of its efforts. Five years ago, we launched the "China Calling" program as an ongoing series of events, activities and research designed to give Alaskans the information, contacts, and "hands on" assistance necessary to pursue business opportunities in this exciting growth market. In the box below, please find advance information about the upcoming **4th Annual Alaska-China Business Conference**.

4th Annual Alaska-China Business Conference

December 11, 2008

The Alaska-China Business Conference features presentations by Chinese and U.S. Government officials, private sector executives already doing business in China, and a number of other speakers to help attendees better understand the opportunities, challenges, and resources available to assist their exploration or trade with China. The conference is an important opportunity for attendees to gain valuable insights, ideas, and advice on doing business in China—Alaska's fastest growing export market.

