

Laredo

Gateway
to
Mexico



Important Facts:

- The Port of Laredo is the largest port of entry on the U.S.-Mexico border, and the third largest inland border port of entry behind Detroit, MI and Buffalo, NY.
- The Port of Laredo handles almost 40 % of U.S.-Mexico trade.
- Over 9,000 trucks cross at the Port of Laredo daily.

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Vision 2008

Economic Outlook Report

Formulating a Vision

The Purpose of the Vision 2008 Conference and Trade Mission

During the past two centuries, Laredo has been at the crossroads of U.S.-Mexico trade and commerce. As the city of 220,534 inhabitants enters the new millennium, Laredo will continue to shape the destiny of the region. Tremendous efforts are underway to maintain a competitive business environment. In this regard, extensive participation by the business community will hallmark how well we are prepared to address both the increase in growth and commerce.

The Laredo Chamber of Commerce, over 700 members strong, has a vision and goal to foster the ongoing betterment of the community and region as well as encourage and promote the maintenance of a competitive business sector. There are three prime factors that bode well for the future of Laredo: first is the growing active work force, second the continued diversification of all economic sectors, and third, a significant public-private infrastructure initiative to enhance all areas of the region's transportation corridors and support services.

The 2008 Vision Conference intends to focus on the dynamic commercial viability of the city and the traditional linkages with counterparts in Mexico and the South Texas region. The membership of the Laredo Chamber of Commerce looks forward to continued regional and transnational cooperation. Thus, this publication is a snapshot of Laredo's recent growth and trade activities.

Laredo's Economy: Where Are We Heading?

By Andres Rivas, Interim Coordinator, Texas Center for Border Economic and Enterprise Development Texas A&M International University

The Laredo economy expanded at a slightly slower pace in 2007. Gross industry sales reached \$6.0 billion, up 7.9 percent from 2006. Laredo's employment growth increased during 2007 by 1.6 percent. Although last years numbers point to a decrease in job creation, Laredo still remained one of the most active cities on the border in 2007. New residential, commercial and industrial construction topped \$286.8 million. Retail sales remained constant at \$3.3 billion.

International Trade and Commerce

U.S.-Mexico trade grew 4.5 percent in 2007, reaching a new high of \$347.3 billion (Chart 13). Eighty percent of the trade passed through U.S.-Mexico border ports. Laredo continues leading all border ports with about 40 percent of the market share (\$110.5). El Paso was a distant second at \$49.1 billion (Table 1). Despite the U.S.-Mexico trade growth, Laredo truck crossings (Chart 3), rail crossings (Chart 4) and

(Continued on page 2)

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air cargo (Chart 5) declined 3.1, 1.4, and 2.5 percent respectively in 2007.

Pedestrian and vehicle crossings have continued their downward trend begun in the early 2000s. In 2007, pedestrian crossing (Chart 1) flattened while vehicle crossings (Chart 2) were down, 7.5 percent. This might be the result of increased delays at the border due to stepped-up security. After four years of increase in retail sales, the 2007 figures remained constant. Cross-border shoppers may be crossing less but spending more. In recent years, bridge fees have been increased, offsetting somewhat the loss in bridge revenues due to fewer crossings. However, in 2007, the effect of fewer pedestrian and vehicular crossings have affected bridge revenues by mustering only a slight increase of 1.8 percent.

After declining 6.8 percent in 2003, truck crossings recovered and grew in 2004 through 2006. However, in 2007 truck crossing declined 3.1 percent (Chart 3). Af-

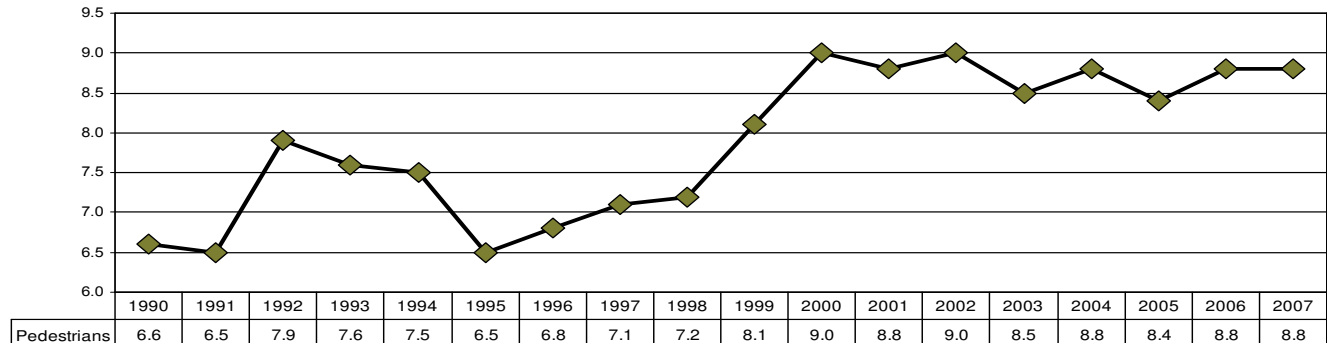
ter increasing 7.8 percent in 2003, rail crossings (Chart 4) have had a long-term decrease pattern in which 2007 figures show a decline of 1.4 percent. Air cargo (gross landed weight), after growing sharply 34.4 percent in 2004, started a decreasing trend slowing growth to 3.4 percent in 2005, and then declining 3.5 and 2.5 percent in 2006 and 2007 respectively (Chart 5).

To put Laredo's border crossings in perspective, in 1990, 18,135 pedestrians, 33,122 vehicles, 2,049 trucks, and 268 railcars passed through the Laredo Port of Entry daily. However, in 2007, 24,023 pedestrians (32.47 percent increase since 1990), 30,286 vehicles (decrease of 8.56 percent since 1990), 8,451 trucks (302.10 percent increase since 1990), and 1,084 railcars (303.43 percent increase since 1990), passed through the Laredo Port of Entry daily.

Laredo's overall growth in international trade and commerce, local bridge revenues (Chart 6) have steadily increased since 1990. Notwithstanding an 18.9 percent

PEDESTRIAN CROSSINGS

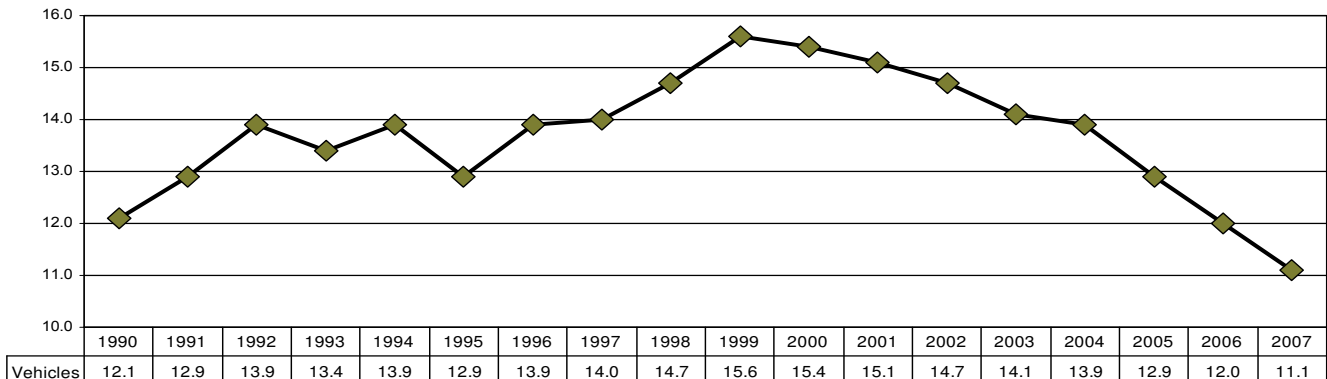
**Chart 1
Pedestrian Crossings at Laredo
(North and South)**



Source: Laredo Bridge System and Mexico's Oficina de Caminos y Puentes data compiled by the Texas Center at Texas A&M International University.

VEHICLE CROSSINGS

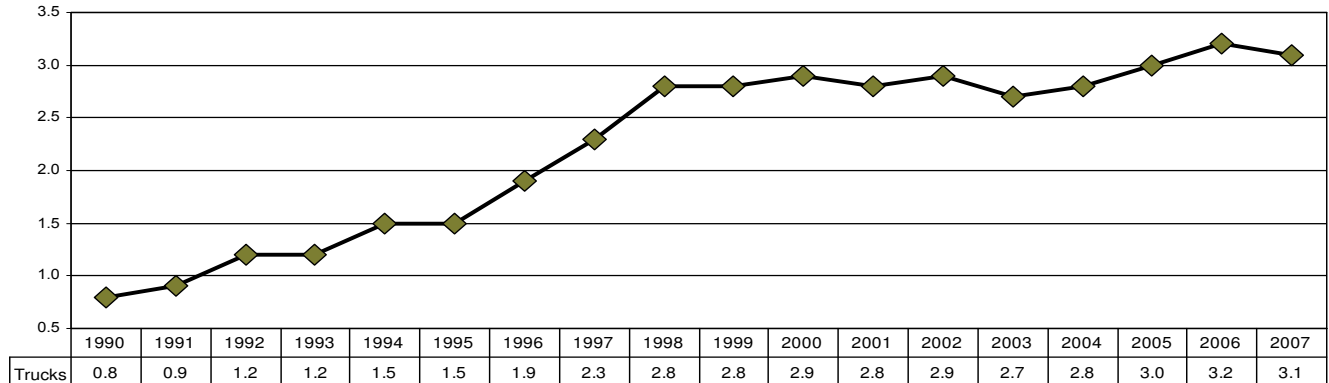
**Chart 2
Vehicle Crossings at Laredo
(North and South)**



Source: Laredo Bridge System and Mexico's Oficina de Caminos y Puentes data compiled by the Texas Center at Texas A&M International University.

TRUCK CROSSINGS

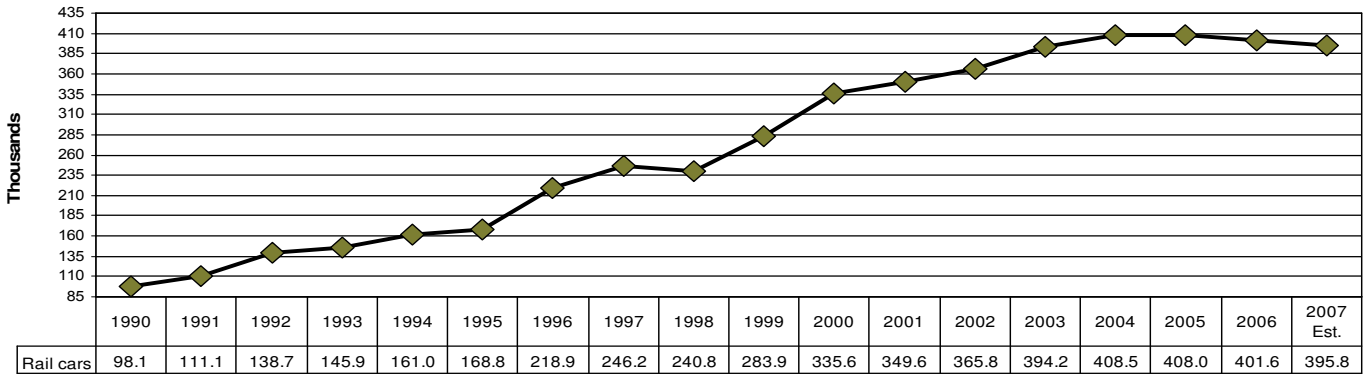
Chart 3
Truck Crossings at Laredo
(North and South)



Source: Laredo Bridge System and U.S. Customs Service data compiled by the Texas Center at Texas A&M International University.

RAIL CAR CROSSINGS

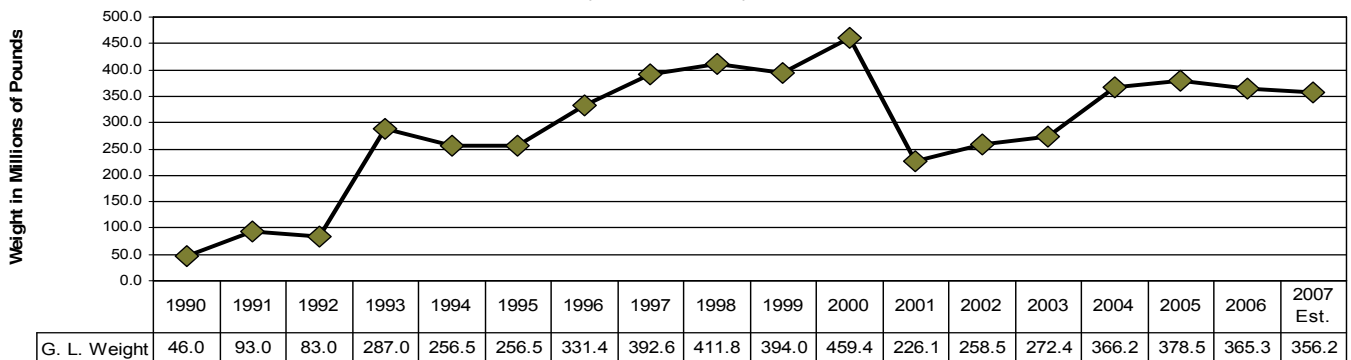
Chart 4
Rail Car Crossings at Laredo
(North and South)



Source: Data provided by railroad companies and compiled by the Texas Center at Texas A&M International University.

INTERNATIONAL AIR CARGO

Chart 5
Gross Landed Weight at Laredo International Airport
(Millions of Pounds)



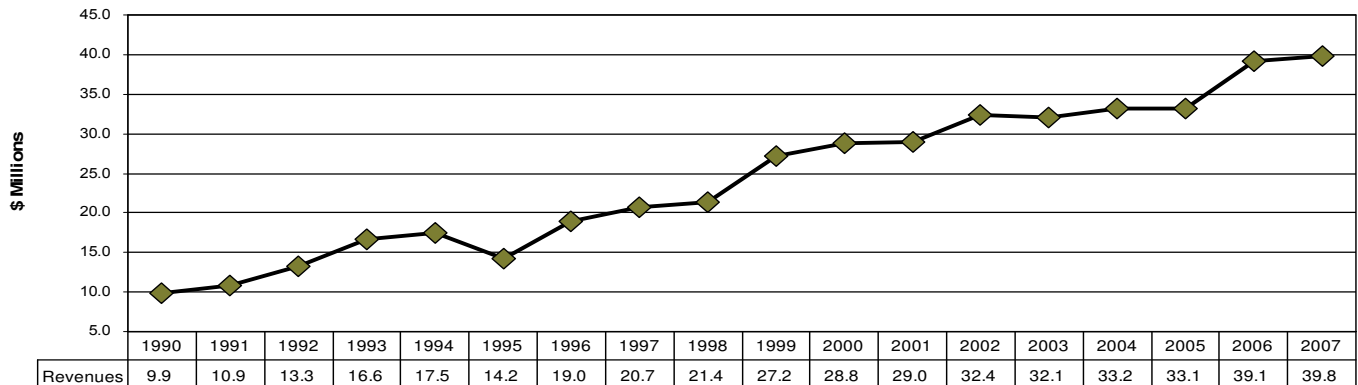
Source: Data provided by the Laredo International Airport.

drop in revenues 1995, Laredo's bridge system posted a 191 percent increase in revenues for the 1990s. Following modest growth (0.7 percent) in 2001, bridge revenues grew 11.7 percent in 2002, reaching an all-time

high of \$32.4 million. In 2007, bridge revenues set a new high of \$39.8. Local bridge revenues are an important source of revenue for the city.

BRIDGE REVENUES

Chart 6
Bridge Revenues for Laredo



Source: Laredo Bridge System data compiled by the Texas Center at Texas A&M International University.

Local Economic Activity

Laredo's economy has continued to expand stimulated by strong population growth from 133,239 in 1990 to 237,396 in 2007, an increase of about 79 percent. This growth has brought with it great economic opportunities to Laredo. Laredo's building and construction activity (Chart 7), retail sales (Chart 9), and employment (Chart 11) have gradually increased over the past 17 years.

In general, Laredo's building and construction industry (Chart 7) has had an unprecedented growth. Laredo's building and construction industry (Chart 7) progressively increased the building permit values from 1990 topping with \$95.9 million to 2002 with \$354 million. In 2003, building permit values plummeted 27.8 percent. In 2004 the building and construction activity rebounded, rising 52.8 percent, to a new high of \$390.8 million. During 2005 and 2006 there has been a steady growth, with building permit values increasing 9.62 and 3.73 percent respectively. However, in 2007 building and construction activity shows a decline of 1.44 percent to \$438 million compared to \$444 million in 2006.

Despite the slight decline in the industry, projections look good for future years since plans are being drawn-up for new construction, expansions, and improvements in the community's infrastructure including ambulatory health care, health care facilities, schools, local university, community college, and major retail development such as Piazza del Sol.

The warehousing/industrial subsector (Chart 8) has experienced very dynamic fluctuations between 1994 and 2007. After declines of 73 percent and 40 percent in 1995 and 1996 respectively, the warehouse/industrial subsector rebounded 253 percent reaching \$14.4 million in 1997. After a growth trend from 1997 to 1999, the warehouse industry began to fluctuate reaching \$45.2 million in 2002 and dropping 72 percent the following year. 2007 has been an excellent year for the warehouse industry since it reached the highest building permits with \$59.1 million, which represents a 203 percent increase compared to 2006.

Despite the swings of the multi-family subsector (Chart 8) from 1994 to 2002, the industry presented an upward trend reaching the highest \$33 million in 2002. The multi-family subsector suffered a decline of 25% in 2003 and rebounded 38% in 2004. In 2005 and 2006, again the industry declined to \$21.3 and \$20.9 millions respectively. 2007 represented a very interesting year for the multi-family building permit recovering 56% to reach \$32.5 million.

Commercial/retail (Chart 8) had a 376.3 percent spread between the highest (2001) and lowest (1994) year. In 2006 after a decline in the industry, the commercial/retail building permits recovered reaching \$104.3 million. 2007 estimates show that the industry will decline 69 percent to reach \$32.3 million. Single

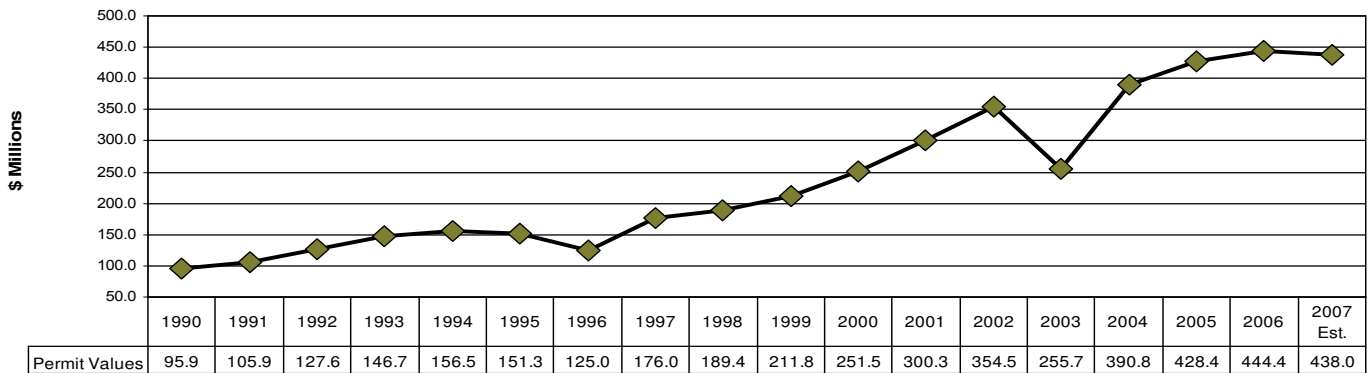
and two family (Chart 8) had a decline in 1995 of 28 percent. Afterward there has been an upward trend with 340 percent spread between the highest (2006) and the lowest (1995). 2007 reflected a decline of 23 percent with building permits of \$162.9 million.

In summary, although total building permit values have risen consistently over the past 17 years, note that

fluctuations in trends are a result of the variant behaviors within the sub-sectors (Chart 8)—warehousing/industrial, commercial/retail, multi-family and single and two family. This might be due to the fact that building and construction decision commonly require months and sometimes years of study and planning. Different factors should be taken into consideration to understand

BUILDING AND CONSTRUCTION

Chart 7
Laredo Building Permit Values (All Structures)



Source: City of Laredo's data compiled by the Texas Center at Texas A&M International University.

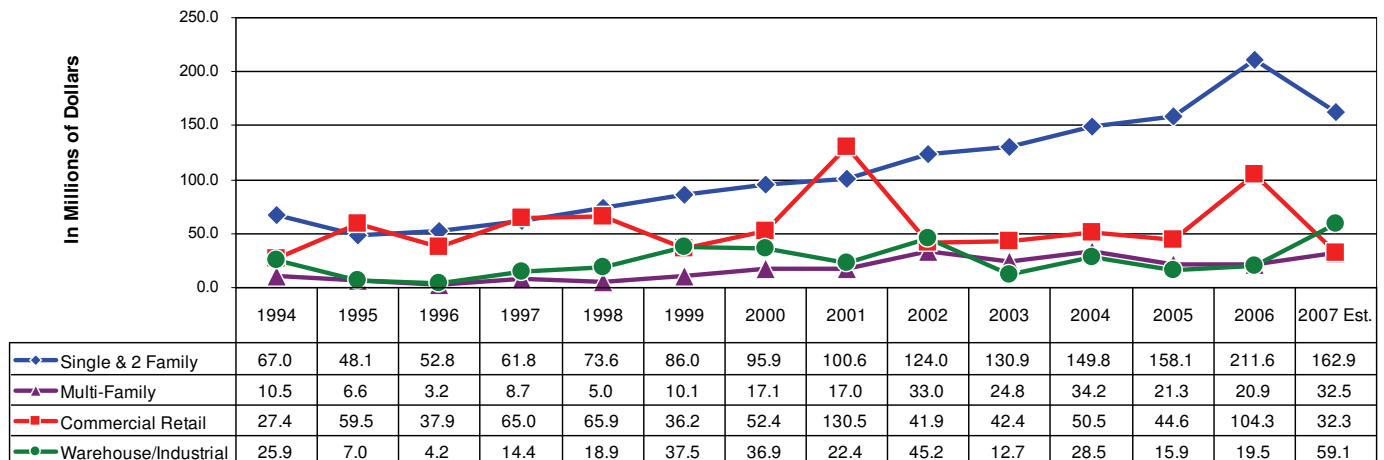
the performance of the industry subsectors. For example, building and construction decisions in the warehouse/industrial and commercial/retail subsectors are affected by current and future growth trends in the local economy, the cost of financing and, of course, competition. However, for building and construction decisions in the

multi-family and single and two family subsectors, factors such as population growth, consumer purchasing power, and affordable financing are relevant. The latter will play a very crucial role in the economic future of Laredo, especially with the nation's banking industry in financial crisis.

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BUILDING PERMITS BY INDUSTRY SUBSECTOR

Chart 8
Laredo Building Permit Values by Industry Subsector



Source: City of Laredo and Laredo Development Foundation data.

U.S.-China Trade and the Port of Laredo

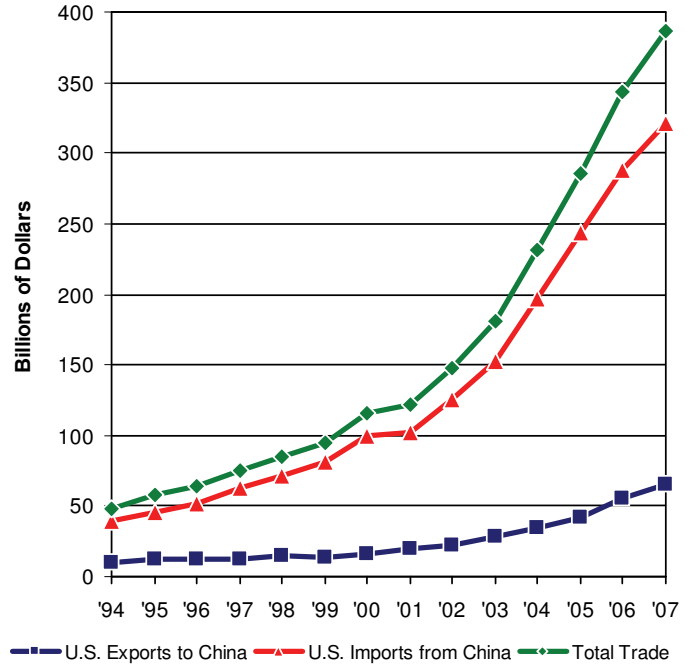
By Baldomero G. Garcia, Jr., MBA-IT

China has become a hot topic at the international level because of its surge into the world markets—as an exporter and consumer of goods. A look at the trade trends between the U.S. and China from 1994 to 2007 shows the dramatic increase that took place right after the year 2001 (See Chart 1). As indicated in the chart, trade between the partners has grown, but it has been one-sided with U.S. imports from China outperforming U.S. exports to China.

The U.S. has gone from a \$29.5 billion deficit in 1994 to a \$256.3 billion deficit in 2007, due to the imbalance of trade. Table 1 shows U.S. exports went from \$9.3 billion (1994) to \$65.2 billion (2007), an increase of 601.1 percent, and U.S. imports were worth \$38.8 billion, in 1994, grew to \$321.5 billion in 2007, an increase of 728.6 percent. U.S. exports to China have increased since 1994 but not at the rate of U.S. imports from China. Table 2 exhibits the year-to-year percent increases of U.S.-China trade over the same period. Table 3 points to the percent changes over three set periods and indicates the greatest period of growth was between the year 2000 and 2007.

During this same period, has the Port of Laredo participated in the handling of any of this trade between the U.S. and China? As incredulous as it may sound, the inland port of Laredo has processed Chinese goods destined for the U.S. and U.S. goods headed to China. Table 4 delineates the flow of goods between the U.S. and China at the Port of Laredo from 1994-2007. Although it has grown, the percent share of the total trade dollar value of all U.S.-China trade passing through Laredo has not surpassed 0.15 percent, which was the highest

Chart 1
Total U.S.-China Trade, 1994-2007



Source: U.S. Department of Commerce data compiled by the Texas Center at Texas A&M International University.

Table 1
U.S.-China Trade, 1994-2007
Yearly Aggregates
(In Billions of U.S. Dollars)

	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
U.S. Exports to China	9.3	11.8	12.0	12.9	14.2	13.1	16.2	19.2	22.1	28.4	34.7	41.9	55.2	65.2
U.S. Imports from China	38.8	45.5	51.5	62.6	71.2	81.8	100.0	102.3	125.2	152.4	196.7	243.5	287.8	321.5
Total Trade	48.1	57.3	63.5	75.4	85.4	94.9	116.2	121.5	147.3	180.8	231.4	285.4	343.0	386.7

Table 2
U.S.-China Trade, 1994-2007
Year-to-Year Percent Change

	'94-'95	'95-'96	'96-'97	'97-'98	'98-'99	'99-'00	'00-'01	'01-'02	'02-'03	'03-'04	'04-'05	'05-'06	'06-'07
U.S. Exports to China	26.9	1.7	7.5	10.1	-7.7	23.7	18.5	15.1	28.5	22.2	20.7	31.7	18.1
U.S. Imports from China	17.3	13.2	21.6	13.7	14.9	22.2	2.3	22.4	21.7	29.1	23.8	18.2	11.7
Total Trade	19.1	10.8	18.7	13.3	11.1	22.4	4.6	21.2	22.7	28.0	23.3	20.2	12.7

Table 3
U.S.-China Trade, 1994 vs. 2007
Percent Change

	94 vs. 07	94 vs. 99	00 vs. 07
U.S. Exports to China	601.1	11.0	302.5
U.S. Imports from China	728.6	79.8	221.5
Total Trade	704.0	65.6	232.8

Source: Tables 1-3, U.S. Department of Commerce data compiled by the Texas Center at Texas A&M International University.

recorded percent share historically in 2003. The percent share was 0.14 percent in 2007. Table 4 shows the dollar values of goods traversing the Port of Laredo, and the majority of the trade activity has been overwhelmingly U.S. imports from China.

Table 5 lists the top 25 products handled at the Port of Laredo in 2007. The types of U.S. exports to China channeled through Laredo were few and evident by only six categories listed. The amount of U.S.-China trade processed by the Port of Laredo is small in comparison with the trade of goods between the U.S. and Mexico at this port. Nonetheless, the trade of these goods has existed.

With the astronomical increases in Chinese merchandise entering the U.S. markets and the strains and delays put on the

west coast ports of the United States as a result, one alternative proposed is the re-routing of Chinese merchandise to seaports on the Mexican west coast for unloading and transshipping to U.S. ports of entry for final destinations in the U.S. The port most touted as the logical seaport of choice with the capabilities of handling such shipments is the port of Lazaro Cardenas in the State of Michoacan, Mexico, with its logistical connections to the number one inland port on the U.S.-Mexico border, the Port of Laredo.

If this scenario comes to fruition, it will be of great interest to see the dollar value of Chinese merchandise handled at the Port of Laredo in the future. ✓

—Baldomero G. Garcia, Program Manager, Texas Center for Border Economic and Enterprise Development, TAMIU

Table 4
U.S.-China Trade, 1994-2007
Yearly Totals Through the Port of Laredo
(In Millions of U.S. Dollars)

	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
U.S. Exports to China	0.056	0.000	0.000	0.000	0.000	0.000	0.043	0.097	0.191	0.006	0.142	0.038	0.136	0.406
U.S. Imports from China	3.059	4.711	4.316	104.817	169.634	109.644	98.901	88.247	71.485	264.591	577.847	465.289	313.982	544.845
Total Trade	3.116	4.711	4.316	104.817	169.634	109.644	98.944	88.344	71.676	264.597	577.989	465.327	314.118	545.251

*Note the 0.000 are actual zero values.

Table 5
U.S.-China Trade, 2007
Top 25 Products (SITC 2-Digit) Processed Through the Port of Laredo
(In U.S. Dollars)

U.S. Exports to China			
Rank	SITC	Product Description	U.S. \$ Value
1	26	Textile fibers (other than wool tops and other combed wool) and their wastes (not manufactured into yarn or fabric)	222,392
2	69	Manufactures of metals, N.E.S.	82,091
3	77	Electrical machinery, apparatus and appliances, N.E.S., and electrical parts thereof (including non-electrical...	34,330
4	89	Miscellaneous manufactured articles, N.E.S.	27,721
5	76	Telecommunications and sound-recording and reproducing apparatus and equipment	20,755
6	75	Office machines and automatic data-processing machines	18,795
U.S. Imports from China			
1	76	Telecommunications and sound-recording and reproducing apparatus and equipment	253,023,199
2	75	Office machines and automatic data-processing machines	114,512,205
3	77	Electrical machinery, apparatus and appliances, N.E.S., and electrical parts thereof (including non-electrical...	64,687,945
4	74	General industrial machinery and equipment, N.E.S., and machine parts, N.E.S.	34,205,225
5	89	Miscellaneous manufactured articles, N.E.S.	26,366,362
6	93	Special transactions and commodities not classified according to kind	9,974,559
7	88	Photographic apparatus, equipment and supplies and optical goods, N.E.S.; watches and clocks	6,382,500
8	78	Road vehicles (including air-cushion vehicles)	5,526,552
9	54	Medicinal and pharmaceutical products	5,385,541
10	69	Manufactures of metals, N.E.S.	4,884,051
11	29	Crude animal and vegetable materials, N.E.S.	3,896,144
12	67	Iron and steel	2,957,734
13	84	Articles of apparel and clothing accessories	2,556,048
14	65	Textile yarn, fabrics, made-up articles, N.E.S., and related products	1,152,261
15	66	Non-metallic mineral manufactures, N.E.S.	1,120,424
16	64	Paper, paperboard and articles of paper pulp, of paper or of paperboard	1,058,546
17	12	Tobacco and tobacco manufactures	1,049,515
18	83	Travel goods, handbags and similar containers	932,321
19	81	Prefabricated buildings; sanitary, plumbing, heating and lighting fixtures and fittings, N.E.S.	844,515
20	87	Professional, scientific and controlling instruments and apparatus, N.E.S.	724,910
21	62	Rubber manufactures, N.E.S.	569,691
22	71	Power-generating machinery and equipment	471,472
23	72	Machinery specialized for particular industries	398,283
24	52	Inorganic chemicals	348,303
25	63	Cork and wood manufactures (excluding furniture)	312,975

Source: Tables 4 and 5, U.S. Department of Commerce data compiled by the Texas Center at Texas A&M International University.

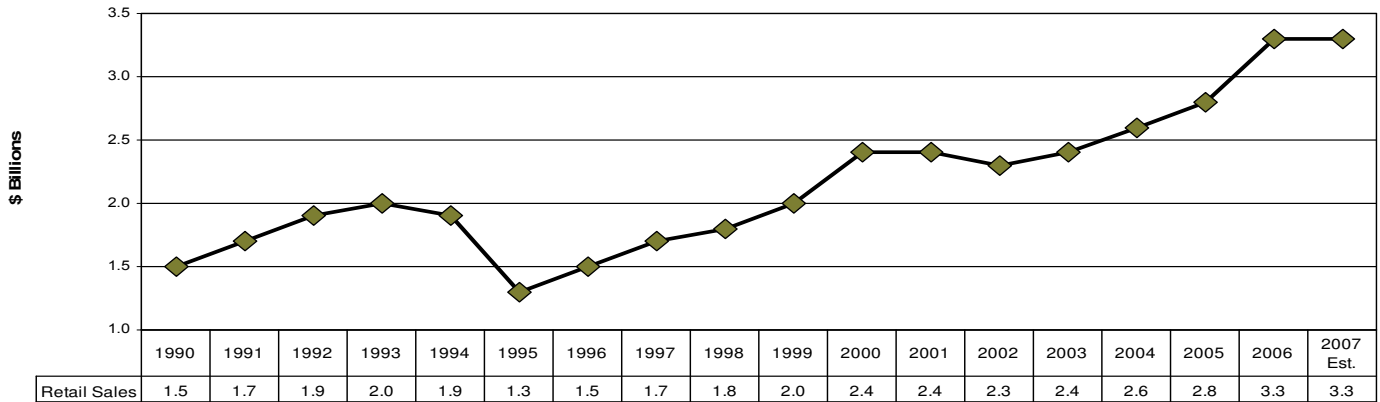
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Three important sources of revenue for Laredo's economy are local and cross-border retail sales, retail sales tax and local bridge revenues. Local and cross-border retail sales constitute a major component of Laredo's economy. They provide income and employment opportunities to over a quarter of the area's residents. The local and cross-border retail sales has shown a gradual increase from \$1.5 billion in 1990 to \$3.3 billion in 2007, which represents an increase of 120 per-

cent. Despite the weakening of the Laredo retail sales by 32 percent, in 1995 following Mexico's peso devaluation, the retail sector was able to recover reaching a new high of \$3.3 billion in 2006 representing an increase of 156 percent with respect to 1995. The year 2007 will remain steady, as in 2006, at \$3.3 billion as our estimates predict. Even after accounting for the economy's slowdown and the tightening of the border following the September 11th terrorist attacks, retail sales for 2001 did not fall below their 2000 level.

RETAIL SALES

Chart 9
Laredo Retail Sales



Source: Texas Comptroller of Public Accounts

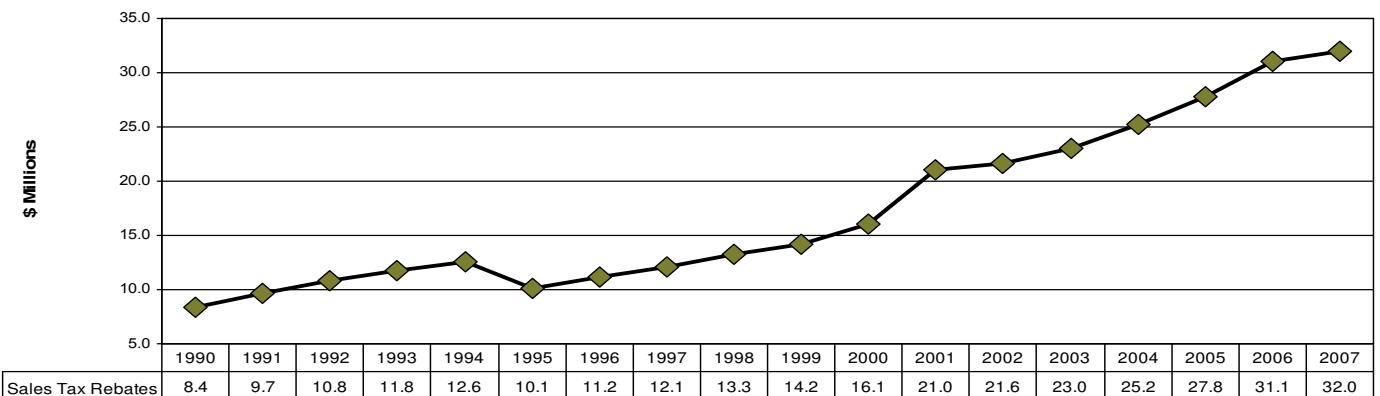
Laredo's sales tax rebates (Chart 10) has followed the same pattern as the local and cross-border retail sales. It reached a new record high of \$32 million increasing 3 percent compared to 2006. Today, Laredo's retail sector is much more insulated from the wild shifts of past years when the economy was more heavily dependent on cross-border Mexican shoppers. The special demographics present in Laredo such as sizeable, young and

growing local population has provided the stability needed in the area economy and retail sector.

Between 1990 and 2007, funds available to the City of Laredo from local bridge revenues and retail sales tax rebates together grew 292 percent, from \$18.3 million to \$71.8 million. In 2005, on a per capita basis, the dollars available from these two sources was \$302.4, about 2.5 times the amount (\$136.04) available in 1990.

SALES TAX REBATES

Chart 10
Sales Tax Rebates for Laredo



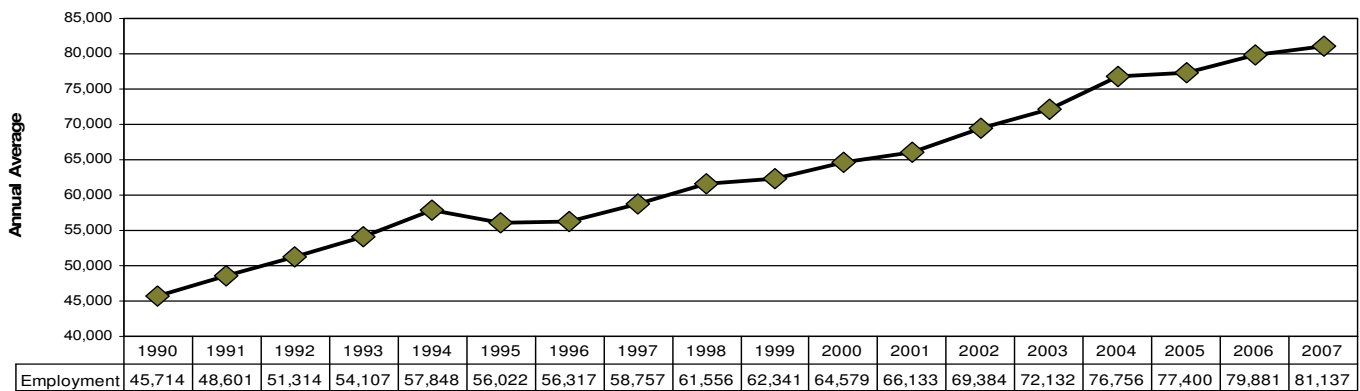
Source: Texas Comptroller of Public Accounts

Laredo's employment has shown a steady growth. It has been argued that the ability to generate jobs is a measure of the strength of a local economy. Laredo's economy has created 35,423 (Chart 11) new jobs between 1990 and 2007, which represent an increase of 77.5 percent. In 2005, Laredo's employment growth decreased 0.8 percent compared to 2004. However, it accelerated during 2006, and although the latest numbers are pointing to a drop off in job creation, Laredo is poised to stay as one of the most vibrant cities of the

border cities during 2007. Keith Phillips, senior economist with the Federal Reserve Bank of Dallas in San Antonio, projected that Laredo's labor force would grow by 4 percent in 2008. The economist believes private sector employment in Laredo will improve during the second half of the year due to the increased trade with Mexico in addition to growth in the health care industry. Furthermore, Laredo's unemployment rate already strikes the historical low level it reached during the late 1990's expansion and continues to push those limits.

EMPLOYMENT

Chart 11
Laredo City Employment



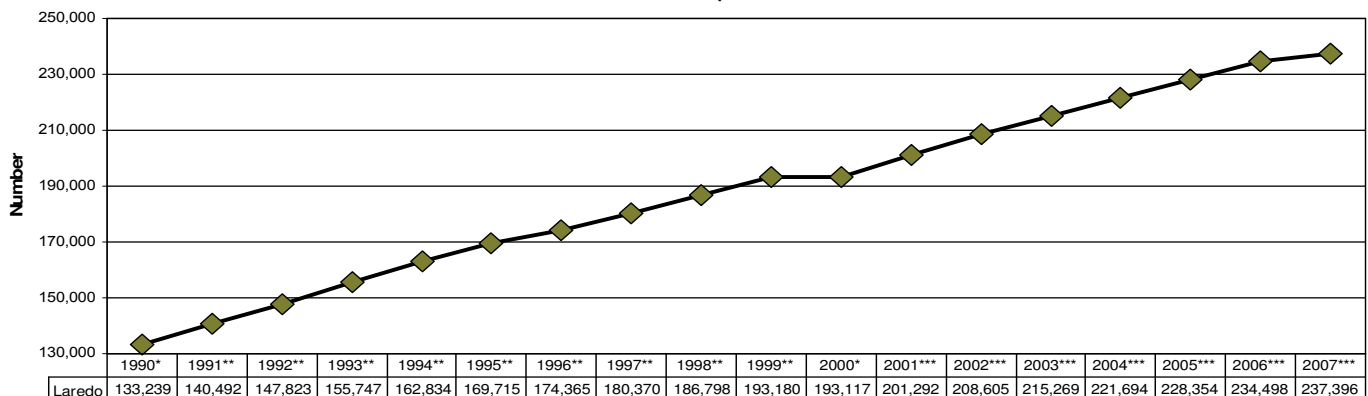
Source: Texas Workforce Commission data compiled by the Texas Center at Texas A&M International University.

While the strength of the economy has slowed down compared to the rates achieved during the 1990s, with Laredo's annual population (Chart 12) growing at a rate of 3.45 percent, over the past 17 years, about four times that of the State—0.894 percent; the continued expansion of U.S.-Mexico trade; Mexico's commitment to improve its trade infrastructure; the expansion of manufactures in

the Mexican states bordering Laredo; the rate of growth of new firms established; and new construction investment; Laredo can expect to remain one of the fastest growing metropolitan areas in the nation and even more important would be able to reach growth and sustainability. ✍

POPULATION

Chart 12
Laredo MSA Population



Source: *U.S. Census Bureau, 1990 and 2000 Census Count
 ** Population Estimates Program, Population Division, U.S. Bureau of the Census, Washington, DC 20233
 ***The Texas State Data Center, The Texas State Population Estimates and Projections Program (for July 1, 2001 - January 1, 2007)

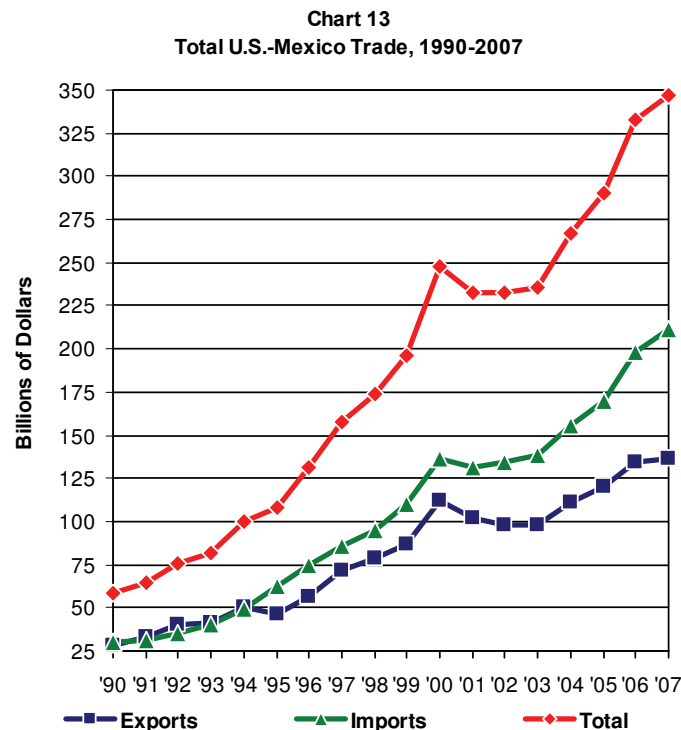
Port of Laredo: U.S.-Mexico Merchandise Trade in 2007 by Baldomero G. Garcia

After Mexico joined the General Agreement on Tariffs and Trade (GATT) in 1986, removed import restrictions and switched to an open economy, trade between the United States and Mexico grew expansively. Even with setbacks, such as the peso devaluation in mid-December of 1994 and just before the start of NAFTA in January 1995, and the U.S. economic slowdown during 2000-2003, the trade flow slowed but did not stop.

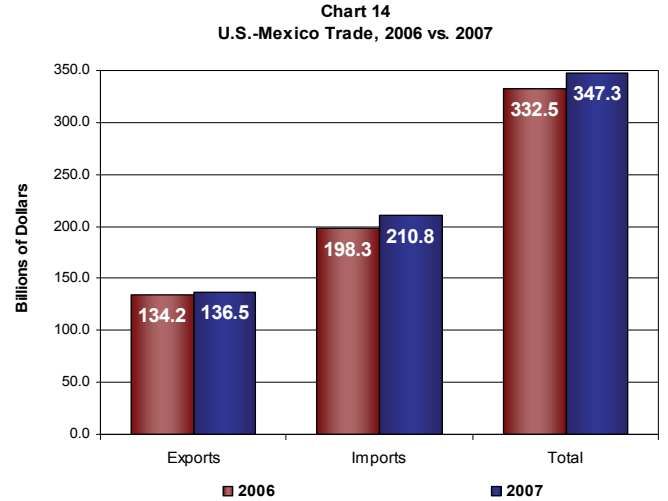
Since the economic downturn ended in 2003, the rate of growth in the dollar value of trade varied back and forth from single-digit to double-digits. In 2007, this growth was in the single-digits for both U.S. exports to Mexico and U.S. imports from Mexico. Nonetheless, the U.S.-Mexico dollar value of trade ended as the highest on record (See Chart 13).

In 2007, total trade between the U.S. and Mexico equaled \$347.3 billion, an increase of 4.5 percent over 2006. The total trade value was comprised of \$136.5 billion in U.S. exports to Mexico—a 1.7 percent increase, and \$210.8 billion in U.S. imports from Mexico—a 6.3 percent increase (See Chart 14)

Of the \$347.3 billion of total trade between the U.S. and Mexico, \$277.7 billion of this trade was handled by U.S.-Mexico ports of entry. The twenty-seven ports of entry along the U.S.-Mexico border have processed the



Source: U.S. Census Bureau, Foreign Trade Division, Data Dissemination Branch, Washington, D.C.

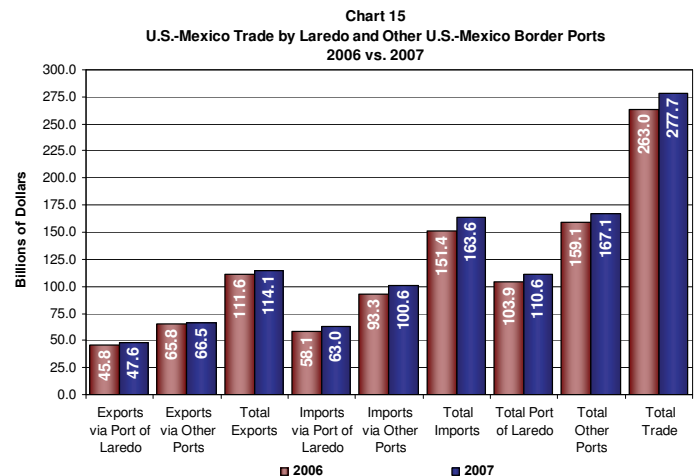


Source: U.S. Department of Commerce data compiled by the Texas Center at Texas A&M International University.

majority of the merchandise passing between the borders—80.0 percent of the total trade dollar value (See Chart 15).

The Port of Laredo historically known as the number one inland port on the southern U.S. border continued as the main inland port. In 2007, the Port of Laredo continued at the number one spot with El Paso, TX a distant second and Otay Mesa Station, CA an even more distant third (See Table 1). The Port of Laredo handled \$110.5 billion in the total trade dollar value between the trading partners or 39.8 percent of the value of trade along the U.S.-Mexico border for the 2007 year (See Chart 16). In comparison, El Paso percent share was 17.7 percent while Otay Mesa was 11.1 percent.

As for the composition of the merchandise that traversed the Port of Laredo, Tables 2 and 3 list the products



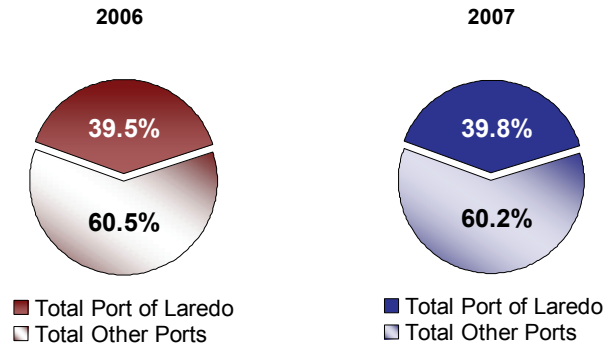
Source: U.S. Department of Commerce data compiled by the Texas Center at Texas A&M International University.

Table 1
Total Trade (Imports Plus Exports), 2006 vs. 2007
Billions of Dollars

	2006	2007
Laredo, TX	104.1	110.5
El Paso, TX	46.8	49.1
Otay Mesa Station, CA	28.6	30.8
Hidalgo, TX	20.0	21.9
Nogales, AZ	18.9	18.2
Brownsville, TX	12.6	13.3
Eagle Pass, TX	11.2	12.0
Calexico-East, CA	11.6	11.9
Del Rio, TX	3.1	3.2
Santa Teresa, NM	1.2	1.4

Source: U.S. Department of Commerce data compiled by the Texas Center at Texas A&M International University.

Chart 16
Percent Share of U.S.-Mexico Trade by U.S.-Mexico Border Ports
2006 vs. 2007



Source: U.S. Department of Commerce data compiled by the Texas Center at Texas A&M International University.

according to Standard International Trade Classification (SITC) 2-digit code and product description. The top-ten exports accounted for 61.7 percent of the total dollar value and the top-ten imports for 76.0 percent handled at the Port of Laredo. The two products that dominated both

U.S. exports to Mexico and U.S. imports from Mexico in 2007 were road vehicles (SITC - 78) and electrical machinery, apparatus and appliances (SITC - 77). ✍

—Baldomero G. Garcia, Program Manager, Texas Center for Border Economic and Enterprise Development, TAMU

Table 2
U.S. Exports to Mexico via the Port of Laredo, 2007
Billions of Dollars

Rank	SITC	Product Description	U.S. \$ Value
1	78	Road vehicles (including air-cushion vehicles)	8.2
2	77	Electrical machinery, apparatus and appliances, N.E.S., and electrical parts thereof (including non-electrical...	4.1
3	57	Plastics in primary forms	2.9
4	71	Power-generating machinery and equipment	2.9
5	74	General industrial machinery and equipment, N.E.S., and machine parts, N.E.S.	2.9
6	75	Office machines and automatic data-processing machines	2.0
7	68	Non-ferrous metals	1.9
8	89	Miscellaneous manufactured articles, N.E.S.	1.6
9	76	Telecommunications and sound-recording and reproducing apparatus and equipment	1.5
10	69	Manufactures of metals, N.E.S.	1.3

Source: U.S. Department of Commerce data compiled by the Texas Center at Texas A&M International University.

Table 3
U.S. Imports from Mexico via the Port of Laredo, 2007
Billions of Dollars

Rank	SITC	Product Description	U.S. \$ Value
1	78	Road vehicles (including air-cushion vehicles)	16.5
2	77	Electrical machinery, apparatus and appliances, N.E.S., and electrical parts thereof (including non-electrical...	7.8
3	76	Telecommunications and sound-recording and reproducing apparatus and equipment	6.1
4	71	Power-generating machinery and equipment	4.4
5	74	General industrial machinery and equipment, N.E.S., and machine parts, N.E.S.	4.3
6	68	Non-ferrous metals	2.1
7	69	Manufactures of metals, N.E.S.	1.8
8	82	Furniture and parts thereof; bedding, mattresses, mattress supports, cushions and similar stuffed furnishings	1.7
9	75	Office machines and automatic data-processing machines	1.7
10	87	Professional, scientific and controlling instruments and apparatus, N.E.S.	1.5

Source: U.S. Department of Commerce data compiled by the Texas Center at Texas A&M International University.

Note: Values may not match due to rounding.



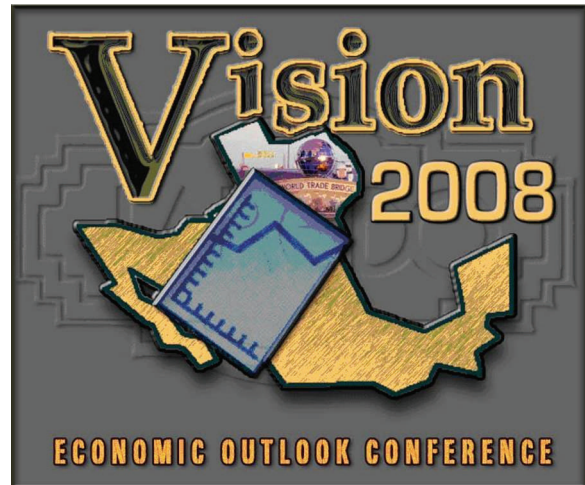
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Vision 2008: Economic Outlook Report

Partnership

By Ray M. Keck III, President
Texas A&M International University
Laredo, Texas



The **Vision 2008: Economic Outlook Report** is a joint effort between the Laredo Chamber of Commerce and Texas A&M International University. The Chamber of Commerce and Texas A&M International University share the common goal of providing business/economic information and analysis to decision makers on a timely basis. We believe that informed decisions taken today by businessmen and women, public officials, and policy makers will determine Laredo's opportunities of tomorrow.

The Laredo Chamber of Commerce and Texas A&M International University are committed to pursuing partnerships, including conferences, workshops, research projects and reports, that will enhance Laredo's ability to meet the challenges and opportunities of the future.

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