



# The Irish Maritime Transport Economist

VOLUME 3  
*July, 2006*

ISSN 1649-5225

## The Irish Maritime Development Office

The Irish Maritime Development Office (IMDO) was established by statute in December 1999. The office is the dedicated national body responsible for the promotion and development of the Irish Shipping Services sector and related industries. The office is incorporated as a division within the Marine Institute and is located in its Dublin office.

A key role of the office is to provide assistance to the Irish maritime industry along with its consumers to support and maintain competitiveness in the international marketplace.

As part of its role the IMDO has a statutory remit to;

- Advise the Minister on the development and co-ordination of policy in the shipping and shipping service sector so as to protect and create employment.
- Liase with, support and market the shipping and shipping service sector.
- Carry out policy as may be specified by the Minister relating to shipping and shipping services.

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# The Irish Maritime Transport Economist

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Pat the Cope Gallagher, TD  
MINISTER OF STATE FOR TRANSPORT.

## Minister's Foreword

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I am very pleased to welcome you to this latest edition of the Irish Maritime Transport Economist prepared by the Irish Maritime Development Office. In January this year, responsibility for ports and shipping transferred from the Department of Communications, Marine and Natural Resources to the Department of Transport. This is a move designed to promote integrated transport policy and is one that has been widely welcomed by all sectors of the transport industry.

This report provides further proof that in 2005 our shipping and ports sectors continued to grow and respond to the demand of our export-oriented economy. As an open island economy heavily dependent foreign transport, it is important that we continue to strive to make all elements of our supply chain both seamless and competitive. Maritime transport is a key link in this chain and the important role it plays is recognised by the Government.

In 2005, as Marine Minister, I launched the Government's Ports Policy Statement. The Policy Statement aims to better equip the port sector and its stakeholders to meet national and regional capacity and service needs. It also highlights the fact that one of the key challenges for the Irish maritime sector is the provision of adequate additional port capacity, particularly for unitised trade. This capacity is required to facilitate the ongoing strong growth of our trading economy.

I am pleased to advise you that good progress has been made since the launch of the Ports Policy Statement, following an intensive series of consultations with the ports sector and industry. Fisher Associates completed the study on future unitised freight capacity at ports, commissioned by the Department, in June 2006. The purpose of the study was to help determine whether the future capacity requirement can be met adequately by a combination of projects being planned and progressed by the ports sector. Following submission to Government, the Department will publish a statement of the main conclusions of the report in the coming months.

The Department has also made substantial progress in preparing a new Harbours Bill to support implementation of the Ports Policy Statement and to update existing legislation. It is intended that this Bill will be presented to the Oireachtas in 2007.

I invite you to take a look at the Irish Maritime Development Office's latest publication. I am certain you will find its contents both of value and useful to your company.

A handwritten signature in black ink, reading 'Pat the Cope'.

Pat the Cope Gallagher, TD,  
Minister of State for Transport.

## Executive Summary

The Irish Maritime Development Office (IMDO) of the Marine Institute publishes the Irish Maritime Transport Economist each year to provide a descriptive statistical analysis of the Irish ports and shipping services sector, as well as the many factors influencing its performance

2005 was a year of mixed fortunes for the Irish shipping sector, with the industry thrust headlong into the media spotlight through the acrimonious Irish Ferries dispute. At the same time the clash highlighted the challenges facing certain segments of the shipping sector, in particular the passenger roll-on/roll off market. Nonetheless the overall performance of the ports and shipping sector was positive and buoyed by continued economic growth. The unitised and non-unitised ports sectors in particular appear to reflect the continued upward trend with strong growth recorded across the industry.

The Irish economy experienced further strong growth rates in 2005, with GDP growing at 4.7 per cent and GNP growing at 5.4 per cent. The international economic environment is also of particular importance for an economy as open as Ireland's with its high volume of external trade. Growth in the world economy remains robust with activity (GDP) in the OECD economies this year expected to increase by about 2 1/2 per cent. Most economic commentators have forecast continued headline economic growth this year in Ireland of between 4.5 and 5 per cent. While continued growth in the economy might result in renewed optimism about further growth in the shipping sector, it is important to take note of the caution by the Irish Central Bank in relation to the slowing and broadly static output of the manufacturing sector. After a decade of strong growth and output, this sector, which is an important base for the Irish shipping industry, is now experiencing intensive international competition. This has resulted in the loss of competitiveness in certain sectors with closures and/or relocation of some companies leading to reduced employment and output.

As always, oil price and Euro volatility remain key areas that could impact adversely on growth prospects for the Irish economy. In 2005 oil prices continued to remain high and volatile. Spot oil prices reached new heights in the wake of the effects of hurricane Katrina on oil supplies. Bunker prices on average rose by 45 per cent last year, while prices remained so unpredictable that hedging and forward contracts also proved difficult for many operators. Fuel is a significant operating overhead for all shipowners and the high prices in 2005 impacted on profits, at the same time it also contributed to the closure of least two services in 2005. While the initial fears have abated, oil prices continue to remain at historically very high levels driven mainly by strong demand.

The Euro gradually depreciated against the dollar towards the end of 2005, which appeared to have a positive impact on exports in particular to the US during the second half of 2005. The US was again Ireland's largest export market accounting for 19 per cent of the total value of exports, followed by the United Kingdom. Both markets although hugely important to the economy were however relatively static in terms of any value export growth last year. Elsewhere although still a relatively small market, exports to China increased by 42 per cent while imports from the region also grew by 34 per cent. Overall in terms of our merchandise trade, the total value of exports rose in 2005 by 4.7 per cent to €88 billion which contributed to an overall trade surplus of €32 billion. Compared to previous years the rate of growth in value was modest which is partly attributed to lower growth in the export orientated ICT and chemicals sectors

## Executive Summary

page 5

The Irish ports put in a strong performance in both unitised and non unitised trades. Many of the larger and several smaller ports recorded record throughput in 2005. The non unitised ports in particular seen a 7 per cent increase in growth to 8 per cent compared to the relatively mute performance in 2004 which was just above 1 per cent. In total more than 32 million tons of wet, dry and break bulk was handled by Irish Ports. The Ports which also handle Ireland's container traffic overall enjoyed another year of further growth in both load-on/load off and roll-on/roll off freight with 1.2 million TEU in lolo or 5 per cent growth and 1.6 million trailers in the roro market which equated to 4 per cent growth in that market segment.

As in 2004, the strategic central corridor routes between Ireland-UK and also the Ireland to France Roll-on/Roll-off route witnessed a number of different factors which affected the sector's performance in 2005, such as capacity restructuring, industrial action and external competition from low cost airlines and passenger routes. This resulted in a 5 per cent decline in passenger numbers, however as previously indicated this was offset by the continued growth in freight segment of this particular market which grew by 5 per cent in 05. While the continued decline of the passenger market is an area for concern for the sector, the decline is being partially offset through further strong growth of the international cruise-vessel sector at Irish ports. The total number of passengers grew by 28 per cent to just over 180,000 in 2005.

Meanwhile, after a record year in 2004 for international shipping, the main container, dry and tanker markets enjoyed another profitable year, although the market did not surpass the peaks of 2004.

While the outlook for 2006 remains optimistic for continued growth in the sector, the underlying performance of the sector will be closely linked with the usual caveats of currency fluctuations and pressure on domestic merchandise export performance, while the demons of oil price volatility and its impact on operating costs for ship-owners still loom large.

Finally I would like to thank all our regular contributors to this bulletin and to the IMDO team for their excellent work in preparing this issue.

Glenn Murphy.

Director





## Economic Outlook

## COMMENT

Ireland experienced further strong economic growth rates in 2005, with GDP growing at 4.7 per cent and GNP increasing by 5.4 per cent. GNP in particular, which is a better measure of Ireland's growth, has improved most significantly, reaching its highest growth rate since 2000 (when it was 9.5 per cent).

OECD data shows that Ireland had the highest GDP growth rate when compared to the major OECD economies in 2005. At 5.1 per cent, this is significantly higher than some of our major trading partners, notably the UK where GDP growth was just 1.7 per cent, and the euro area which had relatively sluggish growth of 1.4 per cent. Economic growth was stronger in the US, at 3.6 per cent, which has been spurred by high growth in China.

The Central Bank has forecasted GDP and GNP growth at 5 per cent for 2006. Meanwhile, the OECD has predicted that GDP in Ireland will be 5 per cent for both 2006 and 2007.

This prediction is nearly double the UK forecast growth rate of 2.4 per cent for 2006 and 2.7 per cent in 2007.

Results from the Quarterly National Accounts figures released by the CSO clearly show that consumer demand is still strong with an increase of 5.6 per cent in 2005. What is remarkable is the high level of capital investment, which was 13.1 per cent higher in 2005 than 2004. An issue for concern, however, is the continued decline in net exports (exports minus imports), highlighting a lacklustre performance of exports. In 2005 net exports were €2.3 billion lower than in 2004. According to the CSO the output of distribution transport and communication was up 5.7 per cent in 2005 while output of other services rose by 5.8 per cent highlighting the increasing levels of international trade.

## Economic Outlook

TABLE 1

### National Accounts 1997-2006

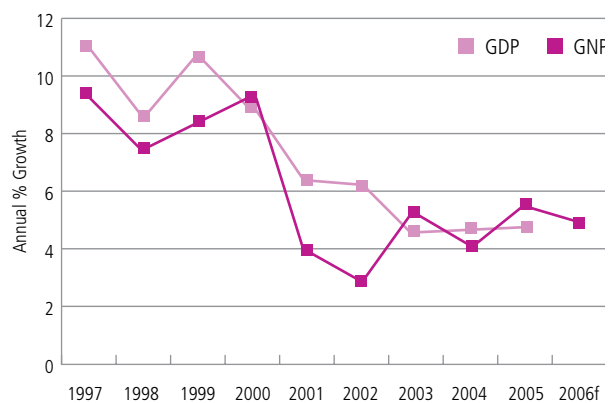
Constant prices (1995) € millions				
Year	GDP €m	Change %	GNP €m	Change %
1997	90,065	11.1	81,003	9.7
1998	97,743	8.5	87,277	7.7
1999	108,223	10.7	94,733	8.5
2000	118,198	9.2	103,716	9.5
2001	125,504	6.2	107,812	3.9
2002	133,178	6.1	110,719	2.7
2003	139,097	4.4	116,374	5.1
2004	145,318	4.5	121,031	4.0
2005	152,091	4.7	127,571	5.4
2006f	159,696	5.0	133,950	5.0

Source: CSO, Central Bank

f Forecast Central Bank of Ireland, Quarterly Bulletin Number 2 2006

GRAPH 1

### Economic Growth Trend 1997 - 2006



Source: CSO Central Bank

f Forecast Central Bank of Ireland, Quarterly Bulletin Number 2 2006

TABLE 2

### Irish GDP Growth Compared to Selected OECD Economies

Country	2005	2006f	2007f
Denmark	3.0	2.7	2.4
France	1.6	2.1	2.2
Germany	1.1	1.8	1.7
Ireland	5.1	5.0	5.0
Italy	0.2	1.1	1.5
Japan	2.4	2.0	2.0
Netherlands	0.7	2.2	2.5
Norway	2.4	2.2	1.8
Poland	3.2	3.7	4.3
Spain	3.4	3.2	3.3
UK	1.7	2.4	2.7
US	3.6	3.5	3.3
Euro Area	1.4	2.1	2.2

Source: OECD Economic Outlook December 2005

GRAPH 2

### Irish GDP of Selected Economies 2005



Source: OECD Economic Outlook December 2005

## COMMENT

The Consumer Price Index (CPI) measurement of inflation put the annual rate of inflation for goods and services in 2005 at 2.5 per cent. This compares with a rate of 2.2 per cent in 2004. The most recent figure for February 2006 puts inflation at 3.3 per cent (up from 3.0 per cent in January). This sharp increase mainly reflects the effect higher mortgage interest payments related to interest rate increases and rising house prices. This localised measure of inflation is significantly higher than the equivalent in other EU countries. This is down to a greater incidence of variable rate mortgage borrowing and high levels of mortgage borrowing related to increased prices for owner occupied housing. As such the Central Bank has forecast that the annual increase in the CPI is likely to remain above 3 per cent for some time.

The EU Harmonised Index of Consumer Prices (HICP), an

alternative measure of price inflation which excludes mortgage interest, building materials and some other items, showed that Ireland had an identical inflation level to the euro area as a whole in 2005, i.e. 2.2 per cent. Early increases in the growth of the HICP, attributed to rising energy prices, are expected to level off during the year and the forecast HICP growth rate is likely to be around 2.2 per cent.

The most notable changes in levels of inflation for the country in 2005 are in the utility bill figures and energy prices. As a result of rising cost of fuel the figure for energy consumption has shot up over 10 per cent in 2005. This is being driven by strong demand for fuel along with predicted future supply shortages. Other areas of inflationary rises are in transport and services; inflation for both has increased by over 3 per cent.

## Economic Outlook

page 9

TABLE 3

### Consumer Price Index 1998-2006

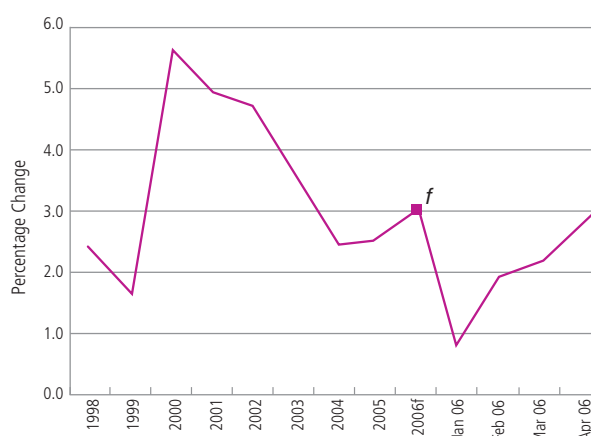
	Index 2001=100	% Change
1998		2.4
1999		1.6
2000		5.6
2001		4.9
2002	102.7	4.6
2003	106.3	3.5
2004	108.6	2.2
2005	111.3	2.5
2006f	114.3	3.0
Jan-06	112.2	0.8
Feb-06	113.4	1.9
Mar-06	113.9	2.3
Apr-06	114.8	3.0

Source: CSO Central Bank

f Forecast Central Bank of Ireland, Quarterly Bulletin Number 2 2006

GRAPH 3

### Consumer Price Index 1998-2006



Source: CSO February 2006

f Forecast Central Bank of Ireland, Quarterly Bulletin Number 2 2006

TABLE 4

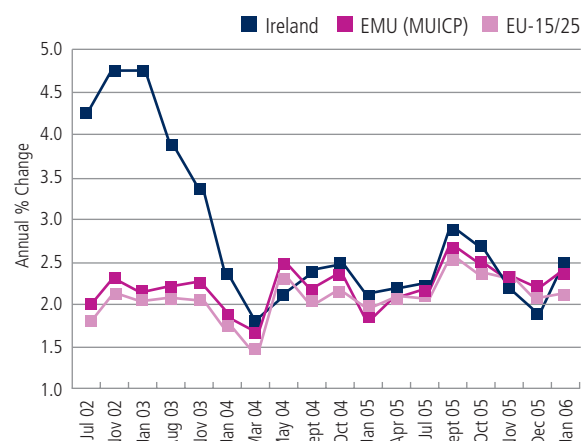
### EU Harmonised Index of Consumer Prices Trend

Annual Percentage Change (%)	Ireland	EMU (MUICP)	EU - 15/25
July 02	4.2	2.0	1.8
Nov 02	4.7	2.3	2.1
Jan 03	4.7	2.1	2.1
Aug 03	3.9	2.1	2.0
Nov 03	3.3	2.2	2.0
Jan 04	2.3	1.9	1.8
March 04	1.8	1.7	1.5
May 04	2.1	2.5	2.3
Sept 04	2.4	2.1	2.0
Oct 04	2.5	2.4	2.2
Jan 05	2.1	1.9	2.0
April 05	2.2	2.1	2.1
July 05	2.2	2.2	2.1
Sep 05	2.8	2.6	2.5
Oct 05	2.7	2.5	2.4
Nov 05	2.2	2.3	2.3
Dec 05	1.9	2.2	2.1
Jan 06	2.5	2.4	2.2

Source: CSO February 2006 bulletin

GRAPH 4

### EU Harmonised Index of Consumer Prices Trend



Source: CSO February 2006

## COMMENT

Table 5 shows that interest rates in the EU during 2005 were significantly lower than in the UK and US. However, the ECB announced an increase of 0.25 of a percentage point in its official interest rate in early December 2005, the first such increase in over five years. This increase was repeated in March of this year, and as such the current rate stands at 2.75 per cent. In April the ECB stated that it will not increase interest rates "at this time" due to the necessity to ensure that medium to long-term inflation expectations in the Euro area are kept at levels consistent with price stability. Nobody can predict with certainty what the ECB will do going forward, but some experts have estimated further increase of between 0.75 and 1 percentage point over the next 12 months.

The rate increases, as mentioned, are in response to inflationary pressures. Of particular concern is the impact of rising energy prices on inflation. In Europe energy prices have pushed inflation rates to levels significantly in excess of 2 per cent suggesting a more lasting impact of energy prices on overall price development.

In the US the FED has been steadily increasing its interest rates from early 2004, although there is less certainty over movements in 2006. The US official interest rate currently stands at 4.5% (as of January 31st 2006). After it had engaged in a gradual series of increases during 2004, the Bank of England has continued to keep interest rates at 4.5 per cent.

# Economic Outlook

TABLE 5

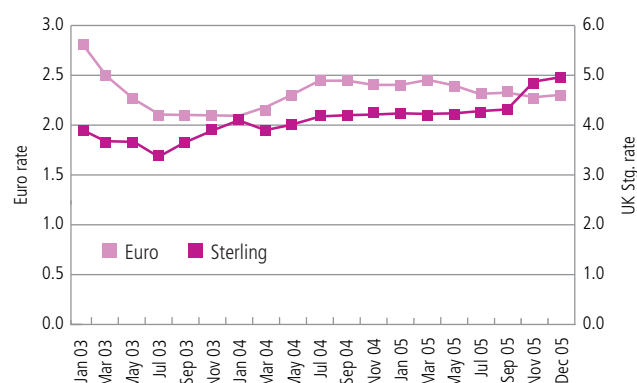
### Selected International Interest Rates

Three-month Interest Rates		Per cent per annum			
		Euro	UK Sterling	US Dollar	Japan Yen
2003	Jan-03	2.79	3.90	1.27	-0.02
	Feb-03	2.52	3.62	1.27	-0.02
	Mar-03	2.51	3.60	1.20	-0.02
	Apr-03	2.53	3.57	1.23	-0.02
	May-03	2.26	3.56	1.20	-0.02
	Jun-03	2.14	3.58	1.04	-0.05
	Jul-03	2.11	3.38	1.04	-0.04
	Aug-03	2.14	3.57	1.07	-0.04
	Sep-03	2.11	3.65	1.06	-0.04
	Oct-03	2.15	3.90	1.09	-0.05
	Nov-03	2.14	3.92	1.10	-0.05
	Dec-03	2.12	3.97	1.10	-0.06
2004	Jan-04	2.06	4.09	1.08	-0.06
	Feb-04	2.00	4.16	1.05	0.01
	Mar-04	1.94	4.30	1.05	0.01
	Apr-04	2.04	4.38	1.11	0.01
	May-04	2.06	4.59	1.19	-0.04
	Jun-04	2.09	4.76	1.52	-0.06
	Jul-04	2.09	4.88	1.64	0.02
	Aug-04	2.10	4.87	1.74	0.02
	Sep-04	2.09	4.85	1.92	0.01
	Oct-04	2.12	4.81	2.09	0.01
	Nov-04	2.14	4.78	2.34	0.01
	Dec-04	2.12	4.78	2.52	-0.02
2005	Jan-05	2.12	4.81	2.69	-0.02
	Feb-05	2.11	4.90	2.87	-0.02
	Mar-05	2.09	4.91	3.04	-0.02
	Apr-05	2.11	4.86	3.17	-0.02
	May-05	2.11	4.80	3.28	-0.02
	Jun-05	2.09	4.73	3.44	-0.02
	Jul-05	2.12	4.55	3.68	-0.02
	Aug-05	2.10	4.53	3.79	-0.02
	Sep-05	2.16	4.58	4.04	0.03
	Oct-05	2.16	4.55	4.23	0.00
	Nov-05	2.44	4.55	4.20	0.03
	Dec-05	2.49	4.60	4.39	-0.01

Source: Central Bank January 2006 Bulletin

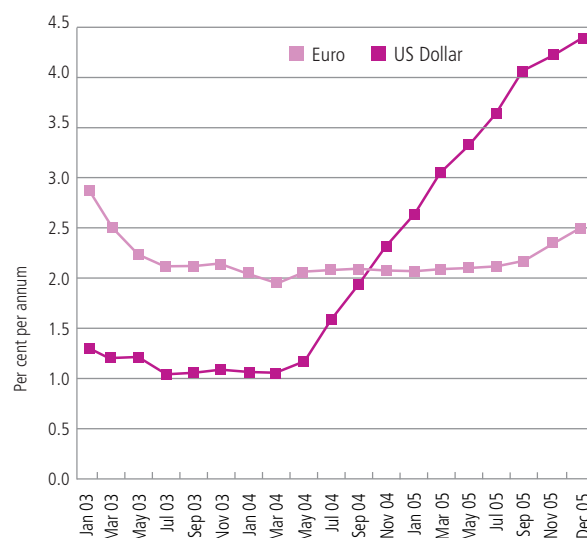
GRAPH 5A

### Euro vs Sterling 3 Month Interest Rate



GRAPH 5B

### Euro vs US\$ 3 Month Interest Rate



## COMMENT

The euro gradually depreciated against the US dollar during 2005. It came from being on an all time high in Q4 of 2004 where one euro bought US \$1.36 to a significantly lower US \$1.18 in December 2005. This depreciation had positive impacts for exports in the latter half of 2005, following a relatively poor performance in early 2005. During the same period the Euro:sterling exchange rate remained fairly static, falling slightly from UK £0.70 to UK £0.68.

According to the Central Bank, the Nominal Trade Weighted Competitiveness Index (NTWCI) which is a measure of the international price competitiveness of the Irish economy, fell by 0.4 per cent in the final quarter of 2005, compared with the previous quarter. The depreciation of the Euro against the dollar was the main driver of this slight improvement in price competitiveness.

The US Dollar has slide this year 6.1 per cent against the

Euro and 2.6 per cent against the yen. At present, due to the large US external deficit measures are being taken in order to promote adjustment without undue disruption. These measures include investment in parts of Asia, stronger growth in the Euro area and exchange rate changes. The Irish Economy has a larger trade exposure to the US dollar and sterling than other euro-area countries and is therefore particularly vulnerable to sharp exchange rates changes. This means that it is important to have a smooth process towards reducing present global imbalances.

The Central Bank warns that the weakening of the euro against the dollar may be short-lived as there is a risk that a dollar appreciation could form part of the adjustment process for the US current account deficit. This would, in effect, decrease our international competitiveness.

## Economic Outlook

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TABLE 6

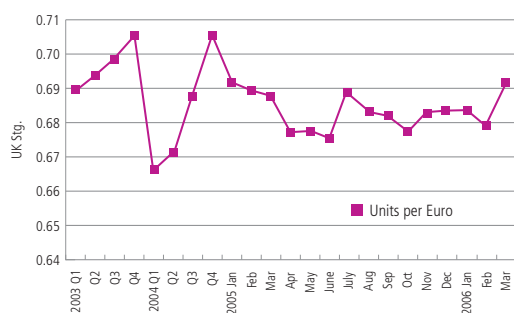
### Exchange Rates: End of Period

Units per Euro		Canadian Dollar	Danish Krone	Japan Yen	Swedish Krona	Swiss Franc	UK Sterling	US Dollar	SDR
2003	Q1	1.6037	7.4264	129.18	9.2608	1.4764	0.6896	1.0895	0.793062
	Q2	1.5506	7.4299	137.32	9.2488	1.5544	0.6932	1.1427	0.815714
	Q3	1.5717	7.4256	128.80	8.9625	1.5404	0.6986	1.1652	0.814943
	Q4	1.6234	7.4450	135.05	9.0800	1.5579	0.7048	1.2630	0.849950
2004	Q1	1.5979	7.4480	126.97	9.2581	1.5594	0.6659	1.2240	0.825660
	Q2	1.6343	7.4326	132.40	9.1451	1.5242	0.6708	1.2155	0.829001
	Q3	1.5740	7.4416	137.17	9.0588	1.5524	0.6868	1.2409	0.844728
	Q4	1.6416	7.4388	139.65	9.0206	1.5429	0.7050	1.3621	0.877072
2005	Jan	1.6167	7.4417	134.96	9.1057	1.5473	0.6912	1.3035	0.857287
	Feb	1.6340	7.4430	138.04	9.0576	1.5392	0.6898	1.3257	0.865345
	Mar	1.5737	7.4495	138.44	9.1430	1.5486	0.6885	1.2964	0.858074
	April	1.6191	7.4460	136.24	9.1805	1.5374	0.6775	1.2957	0.854243
	May	1.5531	7.4423	133.47	9.1608	1.5372	0.6771	1.2331	0.836031
	June	1.4900	7.4515	133.95	9.4259	1.5499	0.6742	1.2092	0.830145
	July	1.4856	7.4591	135.91	9.4048	1.5607	0.6893	1.2093	0.832934
	Aug	1.4552	7.4582	136.06	9.3401	1.5485	0.6829	1.2198	0.835573
	Sep	1.4063	7.4624	136.25	9.3267	1.5561	0.6820	1.2042	0.830790
	Oct	1.4161	7.4623	139.64	9.5360	1.5455	0.6767	1.2023	0.831583
	Nov	1.3741	7.4537	140.80	9.5272	1.5485	0.6822	1.1769	0.826396
	Dec	1.3725	7.4605	138.90	9.3885	1.5551	0.6853	1.1797	0.825389
2006	Jan	1.396	7.436	142.19	9.2584	1.5526	0.6846	1.2172	0.840032
	Feb	1.3715	7.4604	139.11	9.42	1.5602	0.6803	1.1896	0.828652
	Mar	1.4084	7.4624	142.42	9.4315	1.5801	0.6964	1.2104	0.840062

Source: Central Bank of Ireland February 2006 Bulletin

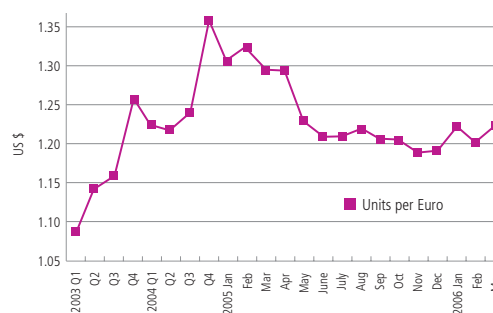
GRAPH 6

### Euro: Stg. Exchange Rate - End of Period 2005



GRAPH 7

### Euro: US \$ Exchange Rate - End of Period 2005





## Trade Outlook

## COMMENT

The total value of Irish merchandise exports in 2005 was €88bn, while the value of imports for the same period was €56bn. This produced an overall trade surplus of almost €32bn. The value of exports in 2005 was 4.7 per cent more than in 2004. This is the second consecutive year the value of exports has increased, albeit a modest one, after a significant downturn in the export market in 2003.

This modest growth reflected a poor performance in the first half of the year, especially in the broad chemical and ICT sectors. Competitive pressures arising from the strength of the euro combined with an already high domestic cost base also had an adverse impact on the performance of the export market in the early part of the year. There was something of a recovery towards the end of the year as both competitiveness pressures and sector specific difficulties eased. Going forward, the Central Bank has forecast that the growth in the volume

of exports will continue at the modest pace of around 5 per cent for 2006 and 2007. The generally positive outlook for demand in most of Ireland's trading partners points to relatively strong export growth. The outlook for foreign direct investment also seems reasonably positive with a steady flow of inward investment projects expected during the year. Also, in the absence of adverse exchange rate movements, competitive pressures are likely to be less acute than at the beginning of 2005. The value of imports in 2005 was €56bn, up 10.5 per cent on the 2004 figure. The increase in imports was mainly due to the demand for machinery goods, transport equipment and fuels: imports of petroleum products increased by 42 per cent and "Other transport equipment" increasing by 32 per cent. The Central Bank is expecting that this pattern is likely to be repeated this year with consumer demand accelerating further and drawing in more imports.

## Trade Outlook

TABLE 8

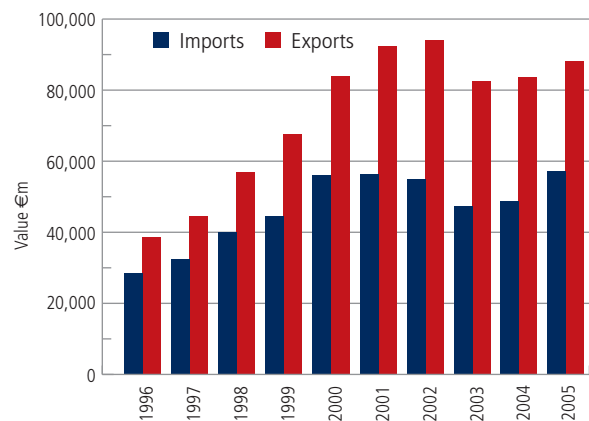
### External Trade Growth 1991-2005

Year	Imports €m	Exports €m	Trade Surplus €m
1991	16,317	19,070	2,753
1992	16,754	21,260	4,506
1993	18,900	25,179	6,279
1994	21,945	28,891	6,946
1995	26,181	35,330	9,149
1996	28,479	38,609	10,130
1997	32,863	44,868	12,004
1998	39,715	57,322	17,607
1999	44,327	66,956	22,629
2000	55,909	83,889	27,980
2001	57,384	92,690	35,306
2002	55,628	93,675	38,047
2003	47,865	82,076	34,212
2004	51,105	84,410	33,304
2005	56,478	88,411	31,933

Source: CSO

GRAPH 8A

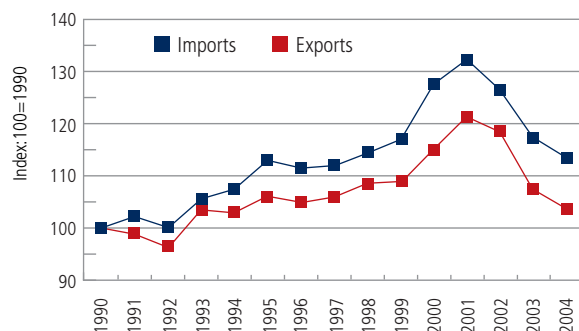
### External Trade Growth 2005



Source: CSO

GRAPH 8B

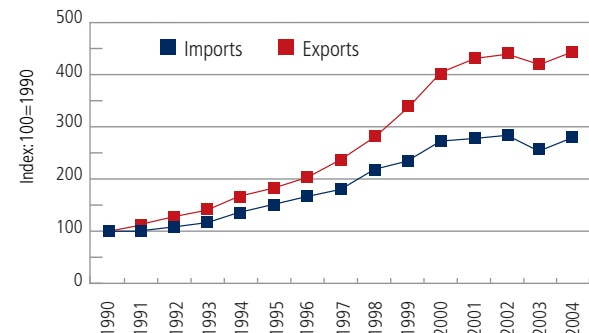
### Imports v Exports Index by Value



Source: CSO

GRAPH 8C

### Imports v Exports Index by Volume



Source: CSO



## COMMENT

Ireland's largest export sector is Chemicals, with four of the top thirteen commodity groups listed in this sector. "Organic Chemicals" has now overtaken "Medicinal and Pharmaceutical Products" accounting for the largest share of Irish merchandise export value; an increase from 17 per cent in 2004 to a 21 per cent share in 2005. The sector also enjoyed strong growth last year with 21 per cent growth in export value compared to 2004. "Medicinal and Pharmaceutical Products" still holds a substantial share of total export value (17 per cent) but it saw a fall of 5 per cent in 2005.

Ireland's third most important export commodity, "Office Machines and Automatic Data Processing Equipment" increased by 4 per cent in 2005. This is an improvement on 2004 where the commodity saw a decrease of nearly 10 per cent.

With regards to imports, high fuel prices have continued to increase the total import value of "Petroleum, Petroleum Products and related Materials" commodities which increased by 42 per cent. Also, "Other Transport Equipment" increased by 32 per cent.

## Trade Outlook

page 15

TABLE 9

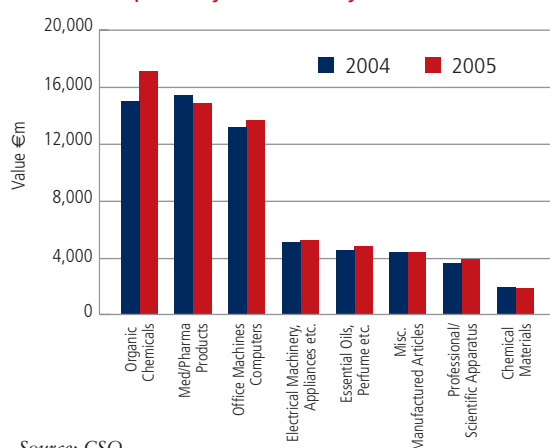
Value of Merchandise Trade by Commodity Group, 2005 Exports

Exports	2004 € m	2005 € m	Change %	Share %
Organic Chemicals	14,651	17,756	21%	21%
Medicinal and Pharmaceutical	15,155	14,425	-5%	17%
Products Office Machines and Automatic Data Processing Equipment	13,383	13,982	4%	16%
Electrical Machinery, Appliances etc., N.E.C.	5,528	5,700	3%	7%
Essential Oils, Perfume Materials; Toilet Preparations etc.	4,762	5,233	10%	6%
Miscellaneous Manufactured Articles, N.E.C.	4,873	4,951	2%	6%
Professional, Scientific and Controlling Apparatus	3,796	4,097	8%	5%
Chemical Materials and Products, N.E.C.	2,300	2,321	1%	3%
Meat and Meat Preparations	2,054	2,180	6%	3%
Telecommunications and Sound Recording, Reproducing Equipment	1,496	1,438	-4%	2%
Miscellaneous Edible Products and Preparations	1,354	1,427	5%	2%
General Industrial Machinery and Parts, N.E.C.	1,182	1,135	-4%	1%
Dairy Products and Birds Eggs	1,056	1,098	4%	1%

Source: CSO

GRAPH 9

Value of Exports by Commodity 2005



Source: CSO

TABLE 10

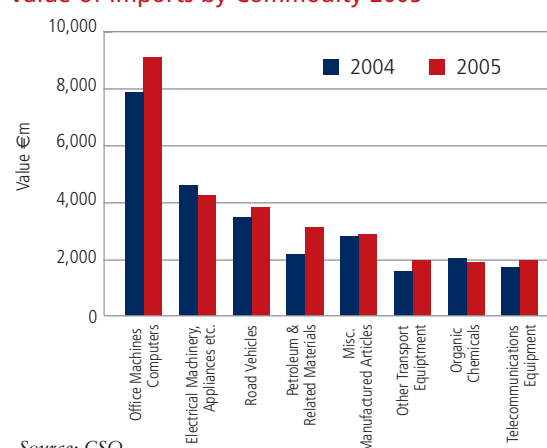
Value of Merchandise Trade by Commodity Group, 2005 Imports

Imports	2003 € m	2004 € m	Change %	Share %
Office Machines and Automatic Data Processing Equipment	7,855	9,141	16%	17%
Electrical Machinery, Appliances etc., N.E.C.	4,721	4,332	-8%	8%
Road Vehicles	3,292	3,768	14%	7%
Petroleum, Petroleum Products and Related Materials	2,255	3,198	42%	6%
Miscellaneous Manufactured Articles, N.E.C.	3,035	3,092	2%	6%
Other Transport Equipment	1,539	2,032	32%	4%
Organic Chemicals	2,209	2,008	-9%	4%
Telecommunications and Sound Recording, Reproducing Equipment	1,678	2,006	20%	4%
Medicinal and Pharmaceutical Products	1,970	1,992	1%	4%
Articles of Apparel and Clothing Accessories	1,307	1,527	17%	3%
General Industrial Machinery and Parts, N.E.C.	1,116	1,372	23%	3%
Machinery Specialised for Particular Industries	1,000	1,158	16%	2%
Manufactures of Metal, N.E.C.	996	1,116	12%	2%

Source: CSO

GRAPH 10

Value of Imports by Commodity 2005



Source: CSO

## COMMENT

The USA continues to be Ireland's largest export market, accounting for 19 per cent of the total value of exports in 2005. This is followed by Great Britain and Belgium (15 per cent each) and Germany (7%). However there was practically no increase in the value of exports to each of these markets, with the exception of Belgium, exports to which increased by 9 per cent.

Along with Belgium, exports to Spain, Switzerland, France and the Netherlands accounted for the majority of the increase in total exports. There was also notable increase in exports to China, up 42 per cent, although this remains one of Ireland's less significant export markets for the time being.

Imports from Ireland's top five suppliers all increased by 10 per cent or more in 2005. The UK retained its place as Ireland's largest supplier with a 29 per cent share. These increases were the driving force behind the 10 per cent increase in imports in 2005. China in particular saw rapid growth with a 34 per cent increase. China continues to strengthen with a 7 per cent share of Ireland's total imports in 2005 (a 1 percentage point increase from 2004). Imports from the Netherlands, Germany and Great Britain remained strong with increases of 16 per cent, 12 per cent and 10 per cent respectively. Also, imports from Norway increased by 54 per cent, the largest change in 2005. Imports from France on the other hand, decreased by 18 per cent in 2005, this contrasts starkly with the 22.5 per cent increase recorded in 2004.

## Trade Outlook

TABLE 11A

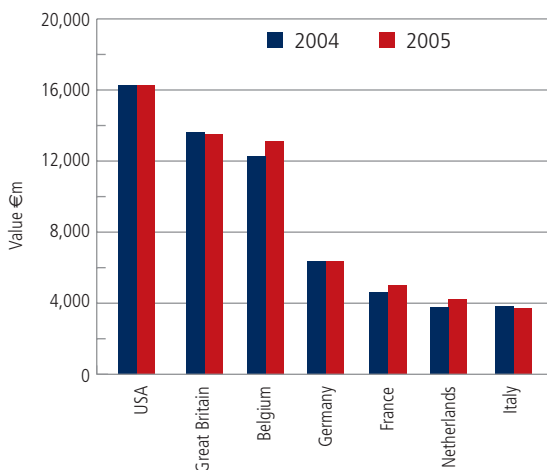
### Exports Trade by Country

Exports	2004 € m	2005 € m	Change %	Share %
USA	16,556	16,545	0%	19%
Great Britain	13,715	13,674	0%	15%
Belgium	12,322	13,374	9%	15%
Germany	6,553	6,618	1%	7%
France	5,041	5,658	12%	6%
Netherlands	3,865	4,254	10%	5%
Italy	3,813	3,625	-5%	4%
Switzerland	2,761	3,206	16%	4%
Spain	2,448	2,949	21%	3%
Japan	2,333	2,335	0%	3%
Northern Ireland	1,484	1,481	0%	2%
All other	13,521	14,691	9%	17%
Total EU	53,009	55,976	6%	63%
of which EU-15	52,241	55,185	6%	62%
Total	84,410	88,411	5%	100%

Source: CSO

GRAPH 11A

### Export Value by Country 2005



Source: CSO

TABLE 11B

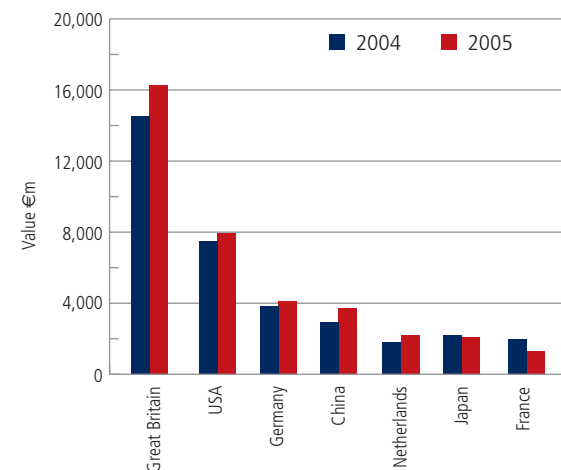
### Imports Trade by Country

Imports	2004 € m	2005 € m	Change %	Share %
Great Britain	14,885	16,413	10%	29%
USA	6,985	7,985	14%	14%
Germany	3,850	4,306	12%	8%
China	2,777	3,711	34%	7%
Netherlands	1,944	2,252	16%	4%
Japan	2,175	2,099	-3%	4%
France	2,344	1,919	-18%	3%
Norway	963	1,482	54%	3%
Italy	1,125	1,224	9%	2%
Northern Ireland	1,149	1,215	6%	2%
All other	12,908	13,872	7%	25%
Total EU1	29,887	32,396	8%	57%
of which EU-15	29,276	31,768	9%	56%
Total	51,105	56,478	11%	100%

Source: CSO

GRAPH 11B

### Import Value by Country 2005



Source: CSO

## Traffic Outlook

## COMMENT

2005 was a record year for a number of Irish ports operating in the bulk sector. Shannon Foynes, Cork and Galway all recorded record throughput, with Galway breaking the 1m tonne milestone for the first time boosted by continued growth in its wet bulk business. In total Irish Ports handled in more than 32 million tonnes of bulk import and exports. This represented an increase of more than 5% in 2005 as opposed to the much lower growth of just 1% for the same period in 2004.

The throughput figures which exclude-unitised cargoes comprise both the wet and dry bulk markets. The figures for the larger bulk ports such as Shannon Foynes, Cork, Dublin, were assisted by the strong performance of the construction materials driven largely by the continued demand in the housing market sector last year. The volume of cargo in the dry bulk market and wet markets are more

or less evenly distributed at about 50% market share. In the dry market Shannon Foynes broke the 11 million ton mark with an increase of 6.9%. As the table below illustrates, total bulk throughput at all Irish ports in 2005 increased by 8 per cent compared to 2004 a significant increase of 7 per cent growth compared to the almost stagnate 2004 figures. Liquid bulk traffic increased by 7 per cent in 2005 aided by the reopening of the Whitegate refinery after essential maintenance. Cork accounts for nearly half of all Ireland's bulk liquid traffic and increased its volume by almost an extra 1 million tonnes last year.

Meanwhile, dry bulk traffic grew by about 2% overall as did the Break Bulk traffic, which accounts for just 6 per cent of total bulk trade also by 6 per cent in 2004.

## Traffic Outlook

TABLE 12

### Non-unitised Traffic by Port & Type 2005

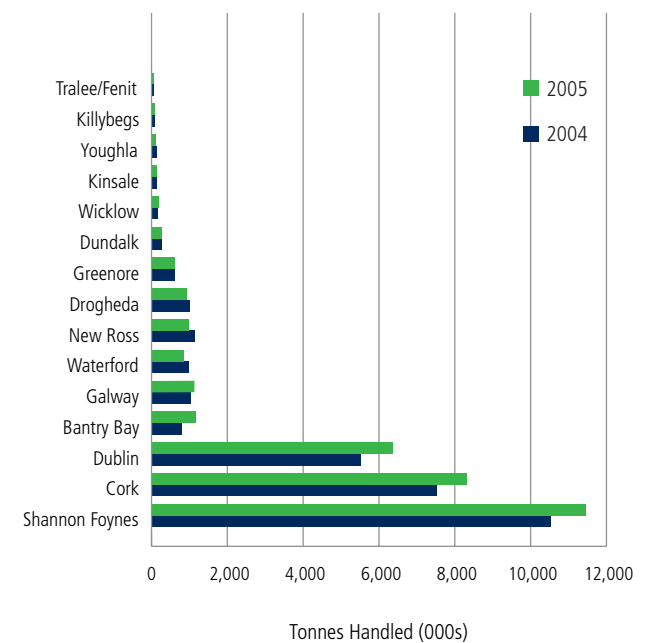
Tonnes (000s)	Bulk			Total 2004	Total 2005	Change %
	Liquid	Dry	Break			
Shannon Foynes	1,835	9,140	326	10,611	1,1301	7%
Cork	6,554	1,562	308	7,559	8,424	11%
Dublin	4,037	2,085	89	5,750	6,211	8%
Bantry Bay	825	316		678	1,141	68%
Galway	953	10	55	961	1,018	6%
Waterford	99	703	172	1,016	974	-4%
New Ross	287	679		1,102	966	-12%
Drogheda	149	357	366	892	873	-2%
Greenore		454	192	660	646	-2%
Dundalk				350	355	0%
Wicklow			282	234	282	21%
Kinsale		122		126	122	-3%
Youghal			98	80	98	23%
Killybegs				62	46	-26%
Tralee/Fenit				9	9	0%
<b>Total</b>	<b>14,739</b>	<b>15,306</b>	<b>1,888</b>	<b>30,160</b>	<b>32,531</b>	<b>8%</b>

Source: Individual Ports & CSO

Source: CSO and Individual Ports

GRAPH 12A

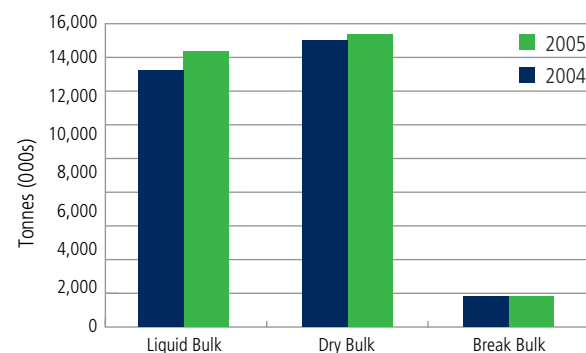
### Bulk Tonnage by Individual Port 2005



Source: CSO and Individual Ports

GRAPH 12B

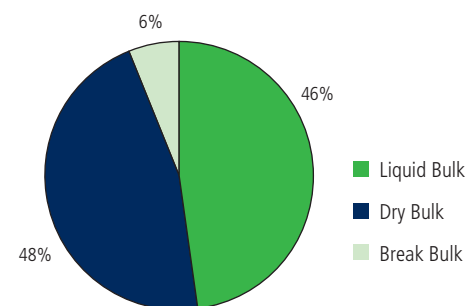
### Bulk Tonnage by Category 2005



Source: CSO and Individual Ports

GRAPH 12C

### Bulk Tonnage by Category 2005



Source: CSO and Individual Ports

## COMMENT

The Irish market experienced strong growth in both the load-on/load off (lo/lo) and roll-on/roll (ro/ro) off freight markets 2005. In the lo-lo market the total volume of container traffic measured by twenty foot equivalent units (TEU's) was 1.2 million units. The overall performance however was mixed between the ports in the North and South with 5% growth in the all Ireland market, which was down by 1.5 per cent from 2004. This could be attributed to a fall in traffic at the Port of Belfast. Taken separately the growth in the Republic of Ireland remained strong up 1 per cent at 7 per cent on 2004.

A number of the ports achieved record throughput in 2005. Dublin Port recorded a significant 9 per cent growth in its lo-lo traffic which is 2 per cent above its own 10 year average figure of 7 per cent growth. Dublin Port handles almost 50 per cent of all the load-on/load off business on the Island. The Port of Cork also returned improved figures

with 17 per cent growth a further 4 per cent increase on 2004. Both Dublin and Cork in particular were boosted by additional capacity being added by existing operators but also notably in June with the commencement of new direct feeder services; APL to Zeebrugge and Rotterdam. Elsewhere Teamlines completed its first full calendar year of operations with its weekly Foynes to Rotterdam service. Belfast's lo-lo traffic was down slightly due to congestion at the port, which resulted in Eucon switching its Rotterdam service to Warrenpoint. A combination of higher fuel and charter costs took its toll on some services throughout the year including the recently formed operator AC Forwarding who ceased its services from Ireland to Rotterdam in 2005.

The total volume of trailers handled on roll-on/roll-off services exceeded over 1.6 million units in 2005. The market share is almost split 50-50 between the ports North and South.

## Traffic Outlook

page 19

TABLE 13

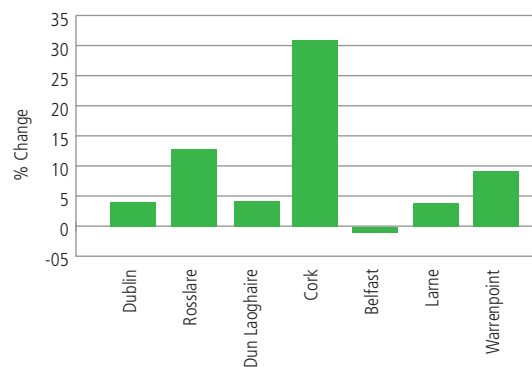
### Roll-on/Roll-off Freight Traffic 2005

Number of Freight Trailers	2004	2005	% Change	% Share
Dublin	608,088	629,747	4%	78%
Rosslare	121,493	137,182	13%	17%
Dun Laoghaire	29,787	31,005	4%	4%
Cork	5,895	7,707	31%	1%
<b>Total ROI</b>	<b>765,263</b>	<b>805,641</b>	<b>5%</b>	<b>100%</b>
Belfast	340,000	338,370	0%	41%
Larne	404,051	418,954	4%	51%
Warrenpoint	58,498	63,889	9%	8%
<b>Total NI</b>	<b>802,549</b>	<b>821,213</b>	<b>2%</b>	<b>100%</b>
<b>Total Ireland</b>	<b>1,567,812</b>	<b>1,626,854</b>	<b>4%</b>	

Source: Individual Ports

GRAPH 13

### Roll-on/Roll-off Freight Performance 2005



Source: Individual Ports

TABLE 14

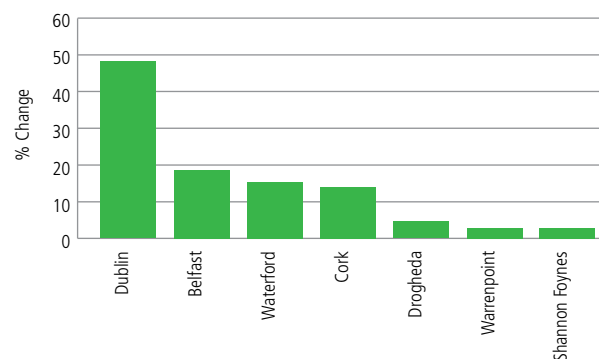
### Container Traffic by Port 2005

Number of TEUs	2004	2005	% Change	% Share
Dublin	540,779	590,367	9%	48%
Waterford	180,216	181,309	1%	15%
Cork	155,081	167,300	8%	14%
Drogheda	48,373	48,138	-0.5%	4%
Shannon Foynes		9,289		1%
<b>Total ROI</b>	<b>924,449</b>	<b>996,403</b>	<b>8%</b>	<b>81%</b>
Belfast	229,000	217,000	-5%	18%
Warrenpoint	11,232	23,149	106%	2%
<b>Total NI</b>	<b>240,232</b>	<b>240,149</b>	<b>-0.03%</b>	<b>19%</b>
<b>Total Ireland</b>	<b>1,164,681</b>	<b>1,236,552</b>	<b>6%</b>	<b>100%</b>

Source: Individual Ports

GRAPH 14

### Market Share - Container Traffic 2005



Source: Individual Ports

## COMMENT

The central corridor route between Ireland and the United Kingdom again experienced another turbulent year. It witnessed major restructuring by operators, including company takeovers and industrial action, while continuing to be challenged by higher fuel costs and intense competition from low cost operators. Irish Ferries announced during the year its plans to introduce a voluntary redundancy scheme seeking replace its Irish crew with outsourced labour from a third party manning agency. The company stated that challenging market conditions required this radical action in order for the company to survive. The ensuing highly publicised dispute also put the spotlight on some of the issues facing sector. Irish Ferries fleet was grounded for a three-week period in December, affecting all of its 15 daily sailings. The dispute was finally resolved in mid December which allowed the company to continue their restructuring plans in the 1st quarter of 2006.

The downward trend in passenger and car demand continued with a 5 per cent and 7 per cent decline in trade. As previously mentioned higher fuel costs forced some operators to cut back on sailings of higher consuming fast craft in off peak periods.

Another major development in the market was the acquisition by Norfolkline of Norse Merchant Group from US funds manager Wayzata Investment Partners. Norfolkline, who are a subsidiary of the AP Moller Maersk Group, already had an interest in the Irish market through its Gesst-Norfolkline lo-lo operations from Waterford, Dublin and Drogheda to the continent.

It was not all doom and gloom ro-ro/passenger sector. The freight segment of the market continued its positive signs of growth with overall volumes up 5 % on the central corridor.

## Traffic Outlook

TABLE 15

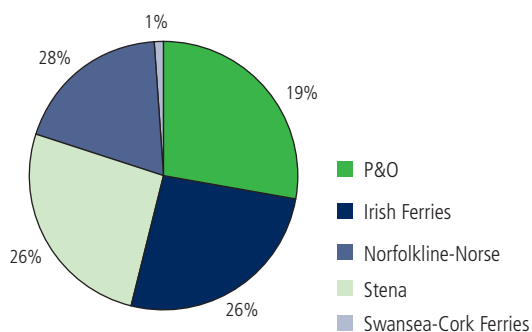
### UK - Ireland Roll-on/Roll-off Traffic by Route 2005

Units Handled	(Number Trailers)			(Number Passengers)			(Number Cars)		
	2004	2005	% Change	2004	2005	% Change	2004	2005	% Change
Moysten-Dublin (P&O Irish Sea)*	18,731	0	-100%	10,104	0	-100%	1,264	0	-100%
Liverpool-Dublin (P&O Irish Sea)	149,951	152,203	2%	80,456	78,745	-2%	13,116	12,189	-7%
<b>Total P&amp;O</b>	<b>168,682</b>	<b>152,203</b>	<b>-10%</b>	<b>90,560</b>	<b>78,745</b>	<b>-13%</b>	<b>14,380</b>	<b>12,189</b>	<b>-15%</b>
Holyhead-Dublin (Irish Ferries)	134,032	136,402	2%	1,021,022	978,947	-4%	224,341	219,922	-2%
Pembroke-Rosslare (Irish Ferries)	67,817	71,911	6%	378,162	322,789	-15%	109,649	94,166	-14%
<b>Total Irish Ferries (Irish Sea)</b>	<b>201,849</b>	<b>208,313</b>	<b>3%</b>	<b>1,399,184</b>	<b>1,301,736</b>	<b>-7%</b>	<b>333,990</b>	<b>314,088</b>	<b>-6%</b>
Liverpool-Dublin (Norse Merchant Ferries)	124,100	137,223	11%	9,800	14,973	53%	4,000	6,971	74%
Heysham-Dublin (Norse Merchant)	64,100	67,666	6%	na	n/a		n/a		
<b>Total Norse Merchant</b>	<b>188,200</b>	<b>204,889</b>	<b>9%</b>	<b>9,800</b>		<b>-100%</b>	<b>4,000</b>		<b>-100%</b>
Holyhead-Dublin (Stena Line)	115,245	135,800	18%	354,338	342,900	-3%	62,390	59,700	-4%
Fishguard-Rosslare (Stena Line)	44,549	51,500	16%	590,604	589,100	0%	153,396	141,900	-7%
Holyhead-Dun Laoghaire (Stena Line)	36,201	37,500	4%	887,740	849,800	-4%	191,317	183,800	-4%
<b>Total Stena Line</b>	<b>195,995</b>	<b>224,800</b>	<b>15%</b>	<b>1,832,682</b>	<b>1,781,800</b>	<b>-3%</b>	<b>407,103</b>	<b>385,400</b>	<b>-5%</b>
Swansea-Cork (Swansea Cork Ferries)	4,526	6,590	46%	113,978	100,320	-12%	38,897	34,627	-11%
<b>Total Swansea-Cork</b>	<b>4,526</b>	<b>6,590</b>	<b>46%</b>	<b>113,978</b>	<b>100,320</b>	<b>-12%</b>	<b>38,897</b>	<b>34,627</b>	<b>-11%</b>
<b>Total route</b>	<b>759,252</b>	<b>796,795</b>	<b>5%</b>	<b>3,446,204</b>	<b>3,262,601</b>	<b>-5%</b>	<b>798,370</b>	<b>746,304</b>	<b>-7%</b>

\* P&O Irish Sea Dublin - Mostyn service closed April 2004

GRAPH 15A

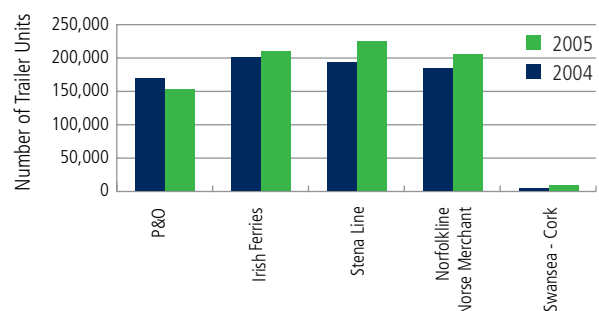
### Market Share – Trailers 2005



Source: Individual Operators

GRAPH 15B

### Ro-Ro Freight Trailer by Operator 2005



Source: Individual Operators

## COMMENT

After a period of uncertainty about the future of the year round services between Ireland and France in 2004, the route total saw an increase of 11 per cent in its freight business in 2005. This compared to a 19 per cent decline over the same period in 2004. However, as with the central corridor routes the downward trend in falling passenger and car demand continued with a 5 per cent decline in passenger numbers, a further 3% decline compared to 2004 and a 4 per cent decline in car traffic which was a slightly slower decrease on the same period.

The Ireland to France Roll-on/Roll-Off continental corridor also witnessed further operational and capacity changes last year. However, industry sources feel that the recent changes have addressed the uncertainty about the future of the route.

Celtic Link who acquired the Rosslare-Cherbourg service from P&O in December 2004 commenced their new service in February 2005. In the first eleven months of operation they increased freight traffic on their service by just over 14 per cent. They have 82 per cent of the market share for freight on the Ireland-France route.

Irish Ferries continental services with mv 'Normandy' were also disrupted by sporadic industrial action over the year. This is likely to have had an impact on the passenger numbers but not significant to change the overall trend. Irish Ferries control 66% of the passenger traffic on this route.

Meanwhile, Brittany Ferries who operate on the Cork – Roscoff route, with their new building 'Pont Aven' were the only operators to show an increase in passenger traffic and car traffic in the overall passenger trade.

## Traffic Outlook

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TABLE 16

### France - Ireland Freight Units by Sea Route 2005

Units Handled	(Number Trailers)			(Number Passengers)			(Number Cars)		
	2004	2005	% Change	2004	2005	% Change	2004	2005	% Change
Cherbourg-Rosslare (Celtic Link)**	12,170	13,909	14%	5,201	6,135	-46%	5,201	2,579	-50%
Dublin-Cherbourg (P&O Irish Sea)*	748	0	-100%	609	0	-100%	609	0	-100%
Cherbourg-Roscoff/Rosslare (Irish Ferries)	1802	2168	20%	49,938	187,191	-4%	49,938	52,560	5%
Roscoff-Cork (Brittany Ferries)	697	961	38%	18,924	91,345	6%	18,924	22,756	20%
<b>Total</b>	<b>15,417</b>	<b>17,038</b>	<b>11%</b>	<b>74,672</b>	<b>284,671</b>	<b>-5%</b>	<b>74,672</b>	<b>77,895</b>	<b>4%</b>

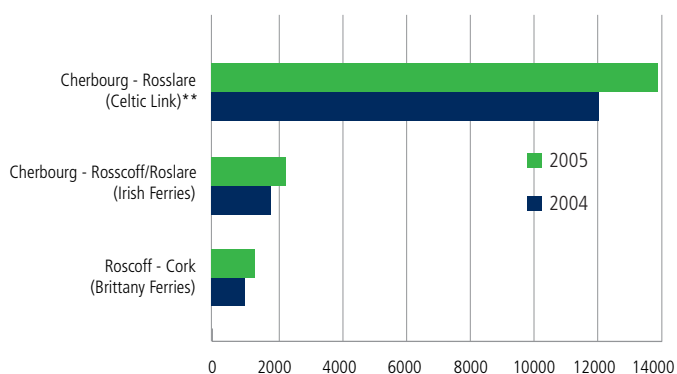
\*Service ceased April 2004

\*\*Operated by P&O till December 2004

Source: Individual Operators

GRAPH 16A

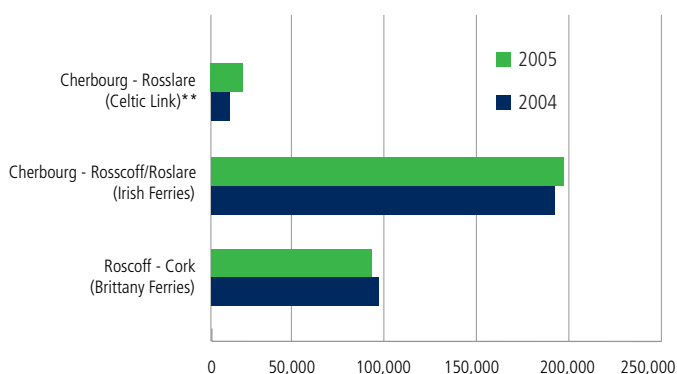
### France - Ireland Ro-Ro Freight Traffic 2005



Source: Individual Operators

GRAPH 16B

### France - Ireland Ro-Ro Passenger Traffic 2005



Source: Individual Operators

## COMMENT

The Northern Ireland to UK market showed a modest increase in 2005 of just below 2 per cent in its freight traffic performance. The average growth rate of ro-ro freight traffic through the Northern corridor over the last 10 years has however been just above 3 per cent.

The takeover by Norfolkline of Norse Merchant Groups Irish operations also included its services from Birkenhead and Heysham to Belfast. Table 17 shows that these combined routes had a 1 per cent increase in traffic in 2005. Through its acquisition, Norfolkline now control 27% of the freight trailer market on the northern corridor. Norse had also been steadily growing its Irish market share with a combined 9% increase in freight trailers on its Liverpool & Heysham routes from Dublin. The company had also added new tonnage to

its Irish sea services in 2005. Norfolkline also expanded their presence in the English Channel Ro-Ro/passenger market with the introduction of new ships in 2005.

In contrast to its strong performance on the central and southern corridors, Stena experienced a 6 per cent decline in its freight trailer traffic on the northern corridor. Its acquisition however of the Fleetwood-Larne route from P&O's has seen it double its total market share on this corridor from 16% to 32 per cent. P&O, traditionally the dominant freight player in the Northern Ireland-UK roll-on/roll-off. Seatruck also equalled this performance with 9 per cent increase in volume from its Warrenpoint base. The company added an additional vessel in 2005 increasing its schedule from two to three sailings per day to Heysham.

## Traffic Outlook

TABLE 17

### Northern Ireland - UK Roll-on/Roll-off Traffic Performance 2005

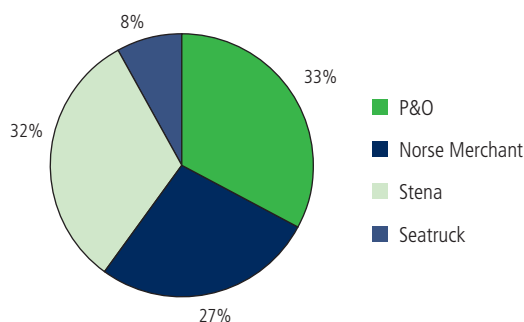
(Number Trailers)	1995	2004	2005	Change %	Share %
Larne-Cairnryan (P&O Irish Sea)	126,373	225,480	246,687	9%	
Larne-Troon (P&O Irish Sea)*	34,000	29,697	28,658	-3%	
<b>Total P&amp;O</b>	<b>255,373</b>	<b>255,177</b>	<b>275,345</b>	<b>8%</b>	<b>33%</b>
Belfast-Heysham (Norse Merchant)	n/a	83,000	83,108	0%	
Belfast-Birkenhead (Norse Merchant)	78,630	141,000	142,765	1%	
<b>Total Norse Merchant</b>	<b>78,630</b>	<b>224,000</b>	<b>225,873</b>	<b>1%</b>	<b>27%</b>
Belfast-Stranraer (Stena Line)	143,200	127,815	125,500	-2%	
Larne-Fleetwood (Stena)*	95,000	148,874	134,612	-10%	
<b>Total Stena</b>	<b>238,200</b>	<b>276,689</b>	<b>260,112</b>	<b>-6%</b>	<b>32%</b>
Warrenpoint-Heysham (Seatruck Ferries)	n/a	58,498	63,889	9%	
<b>Total Seatruck</b>		<b>58,498</b>	<b>68,889</b>	<b>9%</b>	<b>8%</b>
<b>Total Northern Ireland</b>	<b>477,203</b>	<b>814,364</b>	<b>825,219</b>	<b>1%</b>	<b>100%</b>

Source: Individual Operators

\*Fleetwood -Larne Route acquired by Stena Line April 04

GRAPH 17B

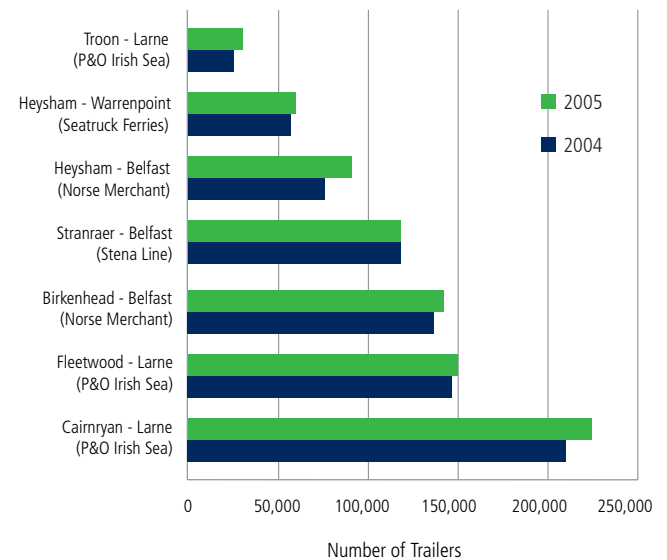
### Freight Market Share N.Ireland - UK Ro-Ro Routes 2005



Source: Individual Operators

GRAPH 17A

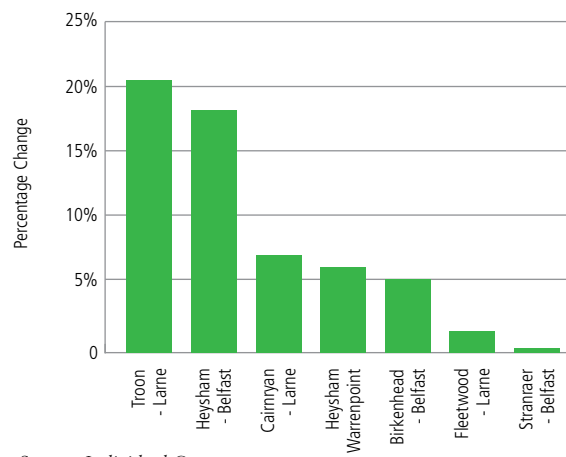
### Northern Ireland - UK Freight Traffic 2005



Source: Individual Carriers

GRAPH 17C

### Northern Ireland - UK Ro-Ro Growth by Route 2005



Source: Individual Operators



## COMMENT

Ireland continued to increase its share of the global cruise market in 2005. The global cruise market is now the fastest growing segment of the tourism/leisure industry with more than 13.4 million passengers worldwide last year.

In 2005 more than 152 cruise ships called at Irish ports North and South. These vessels carried over 180,000 passengers and crew to the island of Ireland, which delivered an increase of 23% compared to the previous year. The cruise business spreads the tourism spend right around the country with places such as Bangor, Foynes and Killybegs also attracting new vessels in 2005.

Cruise Ireland, an Ireland group lead by the Irish Ports but who's membership includes ships, agents and cruise handlers spearhead an annual trade and marketing mission

to target the major cruise line owners.

Dublin Port recorded the largest numbers of passengers in 2005, with 57,346 passengers, followed by Belfast and Cork. Some of the larger vessels now calling at Irish Ports such as the Mv Jewel of the Seas owned and operated by Royal Caribbean Cruise Lines, have visited the island of Ireland since the late 1960s. With the establishment of Cruise Ireland in 1994, Ireland began to actively market the cruise industry as a sector destined for strong growth. An economic study completed in 2004 indicated that the industry was worth €64m to the island's economies.

The trend for the global cruise sector remains buoyant with the demand for cruise passenger space exceeding the supply on key cruising routes 2004.

## Traffic Outlook

page 23

TABLE 18

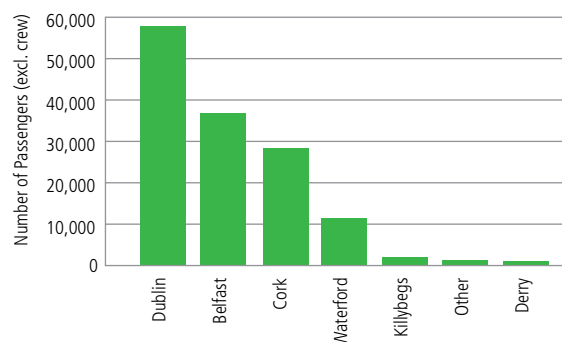
### Cruise Traffic by Port 2005

	Number of Visitors		Number of Calls	
	2004	2005	2004	2005
Dublin	32,000	57,346	54	70
Belfast	16,081	36,072	12	16
Cork	33,522	28,700	36	32
Waterford	13,297	11,167	23	16
Killybegs	755	1,762	2	5
Other	745	750	8	10
Derry	1,981	570	7	3
Total Crew	47,817	27,871		
<b>Total</b>	<b>146,198</b>	<b>164,198</b>	<b>142</b>	<b>152</b>

Source: Cruise Ireland

GRAPH 18A

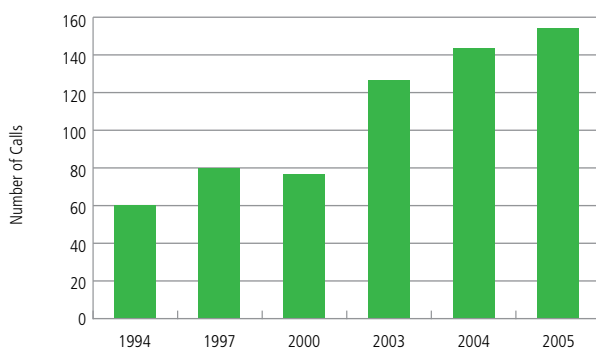
### Number of Cruise Passengers by Port 2005



Source: Cruise Ireland

GRAPH 18B

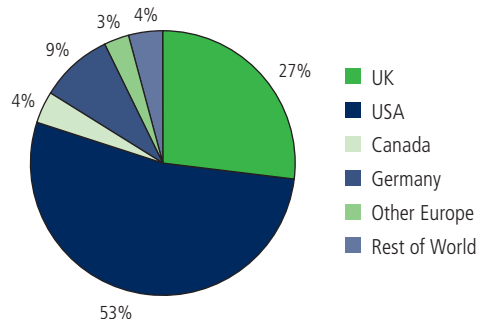
### Number of Cruise Calls to Ireland



Source: Cruise Ireland

GRAPH 18C

### Cruise Passengers by Nationality 2005



Source: Cruise Ireland



## Market Outlook

## COMMENT

**OIL MARKET:** Oil prices in 2005 have remained high and volatile due to high and growing oil demand, tight supply with limited spare capacity, supply disruption and political uncertainties. 2005 world oil demand averaged 83.3 million barrels per day ("mbd"), an increase of 1.0 mbd and 1.2% over 2004. 2006 world oil demand growth is forecast at 84.8 mbd or 1.8% growth over 2005. World oil production remains very close to industry capacity.

Recent market behaviour reflects ongoing concerns regarding the tight supply/demand balance, OPEC agreements to limit production, potential disruptions to supply, and possible higher than forecast oil demand growth. Crude prices averaged \$63-64 per barrel in August-September 2005, Brent crude prices decreased to an average \$57 per barrel in October-December 2005. Prices increased

to an average \$62 per barrel in January-March 2006. The ongoing tight supply / demand balance and supply uncertainties pushed Brent prices to over \$70 per barrel in April 2006, and should keep prices high and volatile in response to market developments and expectations.

**BUNKER PRICES:** In 2005, bunker prices increased by an average 45% in the ports tracked, similar to average of increases of 36% to 47% noted for key benchmark crude prices. The average 2005 marine diesel oil price increased by 46% in Rotterdam and by 44% in Los Angeles and Singapore. The average 2005 IF 380 price (380 centistoke fuel oil) price increased by 51% in Rotterdam, 45% in Singapore, and 41% in Los Angeles.

## Market Outlook

TABLE 19

### Oil Prices 1997 - 2006

Avg. \$US per barrel Year Avg.	Brent	WTI	Bonny	Dubai	Arab Lt	Minas
1997	19.11	20.61	19.56	18.23	18.85	19.42
1998	12.76	14.42	12.88	12.25	12.30	12.44
1999	17.90	19.34	17.78	16.99	17.16	17.57
2000	28.66	30.38	28.36	26.12	26.69	28.69
2001	24.46	25.98	24.54	22.81	23.11	24.09
2002	24.99	26.18	24.98	23.75	22.57	25.42
2003	28.85	31.08	28.78	26.76	26.05	29.63
2004	38.26	41.50	37.99	33.53	33.89	36.73
2005	54.57	56.64	55.55	49.24	49.15	53.90
Oct-05	58.54	62.26	60.74	54.20	52.94	58.62
Nov-05	55.24	58.32	57.52	51.82	50.47	54.43
Dec-05	56.86	59.41	57.45	52.67	51.15	53.85
Jan-06	62.99	65.49	63.26	57.92	57.67	62.36
Feb-06	60.21	61.63	62.83	57.93	56.04	62.14
Mar-06	61.98	62.59	63.38	57.63	57.30	61.94

Source: US Dept. of Energy

TABLE 20

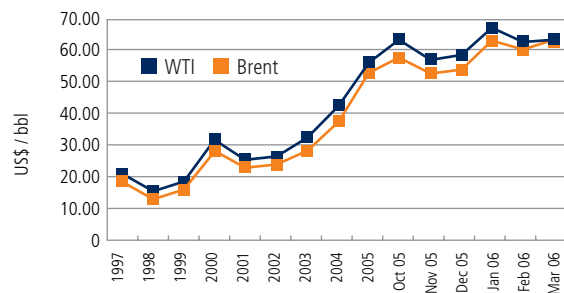
### Bunker Prices (\$/Tonne)

	380 cst \$/tonne			MDO \$/tonne		
	Rotterdam	Singapore	L.A.	Rotterdam	Singapore	L.A.
1997	95.84	102.73	102.02	157.19	178.69	215.87
1998	67.62	70.02	68.45	112.19	115.73	171.64
1999	93.41	101.80	96.60	132.96	141.85	157.82
2000	138.43	158.72	152.10	231.56	248.46	270.50
2001	117.45	133.11	126.08	192.44	205.82	256.58
2002	133.69	148.94	142.35	188.24	197.92	233.60
2003	152.85	172.04	162.05	230.38	242.47	306.88
2004	155.27	180.32	186.44	313.37	334.32	397.97
2005	233.98	261.90	263.32	458.42	481.42	574.39
Oct-05	270.50	319.25	318.50	535.63	558.75	741.25
Nov-05	256.38	303.00	299.00	464.38	498.13	689.38
Dec-05	255.80	289.10	299.20	454.50	482.00	596.00
Jan-06	282.88	307.13	322.88	489.38	525.00	587.50
Feb-06	294.75	318.50	323.88	477.75	502.50	622.50
Mar-06	300.30	331.00	325.30	510.50	529.20	624.30

Source: Clarksons

GRAPH 19A

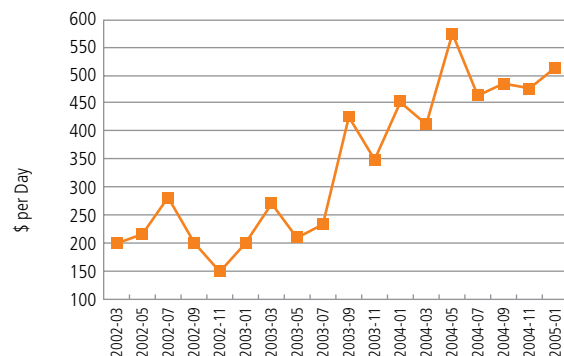
### Crude Prices \$ per Barrel 1997 - 2006



Source: US Dept. of Energy

GRAPH 20

### Marine Diesel Oil Prices



Source: Clarksons

## COMMENT

**TRAILER RATES:** The average door-to-door transport rate for roll-on roll-off import trailers increased by only 6 per cent in 2005 compared to 2003. By comparison, the equivalent rate for export freight moving on roll-on roll-off services increased 13 per cent overall. However, a small number of destinations were primarily responsible for this large increase. If the destinations of Budapest, Prague and Warsaw are excluded the average increase drops to 8 per cent. This higher than average cost for the aforementioned destinations, reflects the difficulties in connecting with suitable return loads. The modest increases shown in 2005, highlight the continuing value-for- money afforded by Roll-on Roll-off driver accompanied services, throughout most of Europe. This in spite of additional taxes and fuel costs. The ratio of freight transport costs of export to imports has not

varied too much since 2003 – 78 per cent over-all compared with a previous 74 per cent.

**CONTAINER RATES:** Export freight transport costs moving on containerised services increased by only 3 per cent in 2005 compared with 2003. This compares to a 9 per cent rise for import movements. The export/import ratio overall decreased a little over 2003 with the cost of exporting by lift-on/lift-off now on average only 69 per cent of the cost of lo/lo imports. That figure was 73 per cent in 2003. As a rule, rates for lift-on/lift-off (Unit load) movements are lower than for driver accompanied roll-on/roll-off movements. The latter movements have faster transit times and are more secure, as they are generally driver accompanied.

## Market Outlook

page 27

TABLE 21

### International Door-to-Door Trailer Rates 2005

Route	2003		2005		% Change	
	Import	Export	Import	Export	Import	Export
Ireland-Amsterdam	2,200	1,470	2,187	1,555	-1%	6%
Ireland-Barcelona	3,000	2,400	3,150	2,487	5%	4%
Ireland-Berlin	2,600	2,050	2,805	2,225	8%	9%
Ireland-Bern	2,850	2,250	2,925	2,500	3%	11%
Ireland-Brussels	2,000	1,500	2,150	1,562	8%	4%
Ireland-Budapest	3,900	2,450	3,460	2,980	-11%	22%
Ireland-Cologne	2,250	1,700	2,417	1,820	7%	7%
Ireland-Copenhagen	2,600	2,050	2,925	2,408	13%	17%
Ireland-Luxemburg	2,200	1,500	2,445	1,687	11%	12%
Ireland-Milan	3,300	2,300	3,225	2,592	-2%	13%
Ireland-Paris	2,100	1,600	2,207	1,575	5%	-2%
Ireland-Prague	2,950	2,250	3,410	3,031	16%	35%
Ireland-Vienna	2,700	2,250	3,006	2,526	11%	12%
Ireland-Warsaw	3,200	2,100	3,380	2,800	6%	33%
Average					6%	13%

Source: Irish International Freight Association - IIFA Feb 2005

TABLE 22

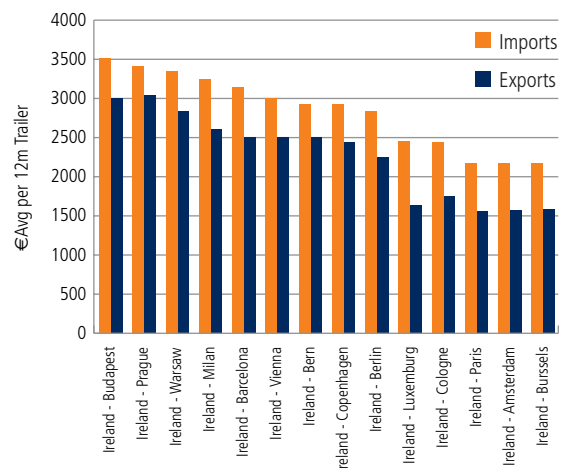
### International Door-to-Door Container Rates 2005

Route	2003		2005		% Change	
	Import	Export	Import	Export	Import	Export
Dublin-Amsterdam	1,065	615	1,240	631	16%	3%
Dublin-Barcelona	2,160	1,560	1,959	1,622	-9%	4%
Dublin-Berlin	1,745	1,295	2,077	1,290	19%	0%
Dublin-Bern	2,125	1,675	2,210	1,630	4%	-3%
Dublin-Brussels	1,080	630	1,222	687	13%	9%
Dublin-Budapest	2,255	1,805	2,400	1,829	6%	1%
Dublin-Copenhagen	1,875	1,425	2,175	1,422	16%	0%
Dublin-Luxemburg	1,320	870	1,482	987	12%	13%
Dublin-Milan	1,785	1,335	2,177	1,452	22%	9%
Dublin-Paris	1,310	860	1,330	858	2%	0%
Dublin-Prague	2,045	1,595	2,160	1,580	6%	-1%
Dublin-Vienna	2,210	1,760	2,410	1,830	9%	4%
Dublin-Warsaw	2,470	2,020	2,544	2,080	3%	3%
Average					9%	3%

Source: Irish International Freight Association - IIFA Feb 2005

GRAPH 21

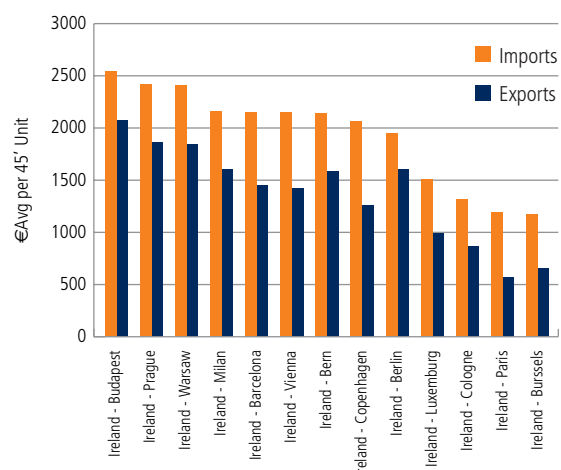
### International Door-to-Door Trailer Rates 2005



Source: IIFA

GRAPH 22

### International Door-to-Door Container Rates 2005



Source: IIFA

## COMMENT

**TRANSATLANTIC TRADE:** It is estimated that by the end of 2005, over 3.3 million TEU's will have moved between Europe and the US, this is an increase of 5 per cent on 2004. The Eastbound Market, in 2005 accounted for almost 2 million TEU's, an increase of 6 per cent on the previous year. The growth rate of transatlantic trade is forecast for this year to be above 5 per cent, 5.5 per cent for westbound trade and 5.7 per cent eastbound. Market analyst's Global Insight forecast westbound trade, in 2006 to grow by 2.8 per cent a dramatic reduction in comparison to 2005 growth rate, the main contributory factor to this being the declining value of the US dollar. For the Eastbound trade Global Insight predict that growth will be 6.7 per cent in 2006 a 1 per cent increase on 2005, indicating that the smaller volume eastbound trade is growing at a faster rate.

**FREIGHT RATES:** In Q3 2005, freight rate changes were a mixed bag when compared to this time last year ranging from a decline of 3 per cent in the rates to an increase of

18 per cent. Rates on the predominant East-West routes were down despite high utilisation of vessels. This figure may have been even worse where it not for the higher fuel surcharges on the routes. Transpacific rates still command the premium rates with total costs of transporting a container from Asia to the west coast of America \$1,906. This rate is a 2 per cent decrease on the same time last year.

The average freight rate on transatlantic routes rose considerably compared to this time last year. Freight rates on the more dominant westbound, Europe to US route increased each quarter with an average increase of 3 per cent per quarter. The rate is higher then the eastbound leg at \$1,769 per TEU in Q4 of 2005. The cost of transporting a container from the US east coast to Europe in Q4 2005 was \$983. This has also increased, 19 per cent compared to Q4 2004, with an average increase of 2 per cent per quarter.

## Market Outlook

TABLE 23

### Europe and North America Trade in TEU 2002-2008

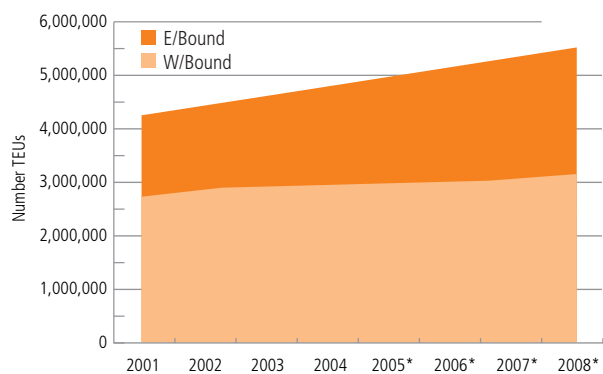
(Number TEUs)				
Date	W/bound	Change	E/bound	Change
2002	2,906,000		1,697,000	
2003	2,955,000	2%	1,718,000	1%
2004	3,184,000	8%	1,700,000	-1%
2005*	3,359,000	5%	1,797,000	6%
2006*	3,452,000	3%	1,917,000	7%
2007*	3,533,000	2%	1,986,000	4%
2008*	3,626,000	3%	2,028,000	2%

Source: Containerisation International September 05

\*Forecast by Global Insight

GRAPH 23

### Europe and North America Trade in TEU 2002-2008



Source: Containerisation International

TABLE 24

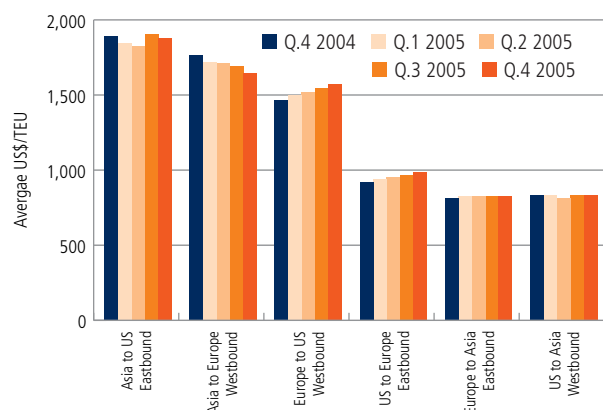
### Inter-Continental Freight Rates 2005

Average \$US Per TEU							Change
	Q3 2004	Q4 2004	Q1 2005	Q2 2005	Q3 2005	Q4 2005	Q4/Q4
Asia to US Eastbound	1,946	1,923	1,867	1,845	1,906	1,878	-2%
Asia to Europe Westbound	1,826	1,838	1,795	1,794	1,778	1,709	9%
Europe to US Westbound	1,436	1,471	1,514	1,611	1,691	1,769	20%
US to Europe Eastbound	810	829	845	872	918	983	19%
Europe to Asia Eastbound	735	769	801	821	815	825	7%
US to Asia Westbound	838	806	800	781	815	815	1%
Average	1,265	1,273	1,270	1,287	1,321	1,330	4%

Source: Containerisation International March 2005

GRAPH 24

### Inter-Continental Freight Rates 2005



Source: Containerisation International March 2005

## COMMENT

**CONTAINER MARKET:** Weakening charter rates in the second half of 2005 were primarily in response to the markets forward looking sentiment with respect to supply and demand balance, rather than actual weakening of demand. The containership market is coming under pressure since the record order book has started to be delivered, (in 2005 it was 60 per cent of the existing fleet). 2005 was the fourth successive year of double-digit growth in the container market with a 10.2 per cent growth in global containers, principally driven by high global economic and trade growth. Far East/ Europe trade is expected to grow by nearly 11 per cent in 2006. Expectations of global container growth of 10.5 per cent in 2006 and 9.9 per cent in 2007 remain historically healthy.

Since the end of 2005 people have been forecasting death for

the container charter market. These have all been proven premature. The cooling down from the high peaks of the second half of 2005 now looks to have been exactly that rather than the collapse expected.

**CONTAINER PRICES:** Dry freight container prices fell sharply in Q4 2005, 24 per cent on Q2 levels. The price for a 40ft container had the largest decrease, from \$3,900 in Q2 to \$2,950 in Q4. The prices for the dry containers in Q4 2005 declined compared with prices in Q4 2004. The drop in rates since the beginning of 2005 was triggered by the fall in the cost of raw materials in particular corten steel coupled with reduced demand in Q3 due to the stock-pile of new box equipment at factories in China. The price of reefer containers similarly fell, with a substantial decrease on this time last year.

## Market Outlook

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TABLE 25

### Container One-Year Charter Rates

US \$ Per day Date	Feeder 350 teu	Feedmax 725 teu	Handy 1000 teu	Handy 1700 teu
2005-01	8,800	13,250	19,000	32,000
2005-02	9,000	13,500	19,250	32,000
2005-03	9,100	13,750	19,500	32,500
2005-04	9,100	13,750	19,500	32,500
2005-05	9,000	13,700	19,500	32,000
2005-06	8,800	13,500	19,200	31,250
2005-07	8,800	13,500	19,200	28,000
2005-08	8,250	13,250	18,500	26,500
2005-09	8,100	13,000	17,250	23,500
2005-10	7,750	10,900	15,500	19,500
2005-11	7,550	10,600	13,000	17,500
2005-12	7,500	10,600	13,000	18,500
2006-01	6,850	10,250	12,750	18,250
2006-02	6,600	10,000	12,500	17,750
2006-03	6,400	9,800	12,000	17,500

Source: Clarksons

TABLE 26

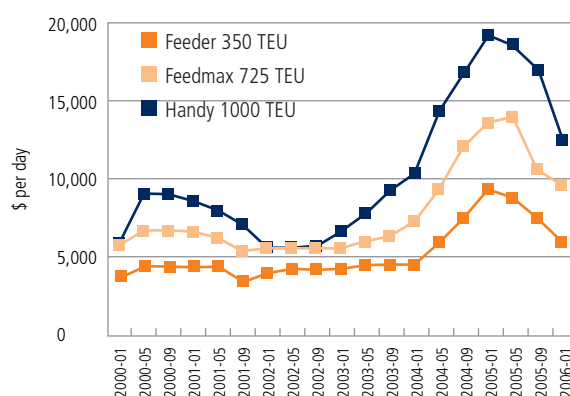
### Container Purchase & Lease Prices 2005

New container prices (China ex-factory) \$US						Change
	Q.4 '04	Q.1 '05	Q.2 '05	Q.3 '05	Q.4 '05	Q4/Q4
GP - 20ft	2,050	2,200	2,300	2,000	1,750	-15%
GP - 40ft	3,280	3,520	3,680	3,200	2,800	-15%
GP - 40 ft HC	3,500	3,750	3,900	3,400	2,950	-16%
IR - 20ft	15,000	15,000	14,800	14,500	14,200	-5%
IR - 40ft HC	18,600	18,600	18,400	18,000	17,500	-6%
Container Term Lease Rates (\$US per day)						Change
	Q.4 '04	Q.1 '05	Q.2 '05	Q.3 '05	Q.4 '05	Q4/Q4
GP - 20ft	0.86	0.92	0.95	0.82	0.7	-19%
GP - 40ft	1.37	1.47	1.5	1.3	1.12	-18%
GP - 40 ft HC	1.48	1.57	1.6	1.4	1.2	-19%
IR - 20ft	6.25	6.25	6.15	6	6	-4%
IR - 40ft HC	7.8	7.75	7.6	7.5	7.25	-7%

Source: Containerisation International 2005

GRAPH 25

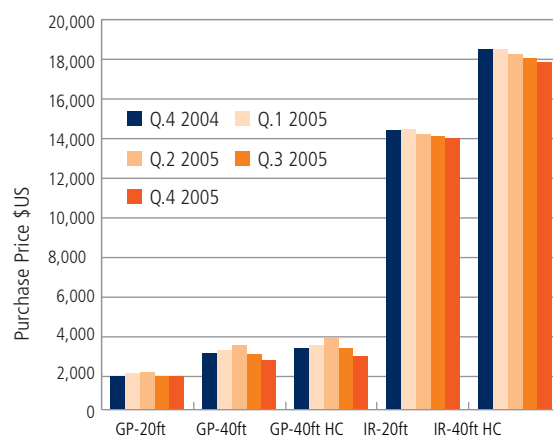
### Container Vessel 6-12 Months Time Charter Rates



Source: Clarksons

GRAPH 26

### New Container Prices 2005



Source: Containerisation International February 2005

## COMMENT

**TANKER MARKET:** Growth in oil demand and effects of the hurricanes in the United States led to high tanker earnings in 2005 and early 2006. Oil demand grew in key tanker markets in 2005 and, according to the IEA, is forecast to grow at higher rates in 2006. North American oil demand, led by the United States, grew by 0.14 million barrels per day (mbd) in 2005, with forecast growth of 0.47 mbd for 2006. Chinese oil demand is estimated to have grown 0.15 mbd in 2005 with growth of 0.39 mbd projected for 2006. Long haul crude oil imports have supplied growth in these regions leading to higher tanker demand. Tanker demand to the US was increased by loss of US Gulf crude oil and refining capacity due to the hurricanes, resulting in additional long haul crude transport to the U.S. and delays to vessels discharging crude after the hurricanes.

The industry tanker fleet grew by about 8% in 2005. Crude tanker time charter rates remained at high levels, with VLCC

one year time charter rates averaging \$47,500 per day in 2005. However, even in a strong year like 2005, spot market tanker earnings decreased quickly during periods of low demand, showing that the market is finely balanced with volatility both up and down. With fleet growth high, any slowdown in the rate of demand growth can result in a prompt weakening of vessel earnings. 2006 spot tanker earnings remained volatile at historically high levels through late March with quick decreases in earnings as noted above seen during April.

**DRY MARKET:** Continued growth in iron ore and coal trade remain the foundation for high dry bulk markets in 2005. High Chinese imports of iron ore and other dry bulk commodities have been supported by commodity trade growth elsewhere. Strong growth in iron ore, coal, and other dry bulk trades have been the result. Port delays have further increased vessel demand.

## Market Outlook

TABLE 27

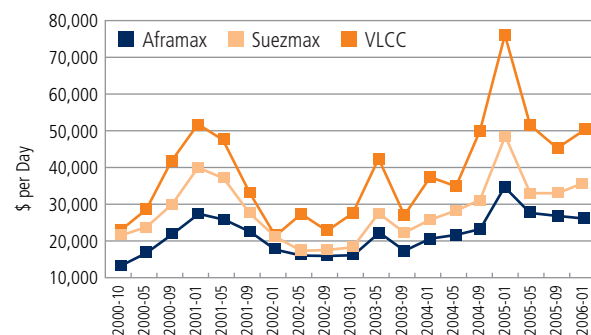
### Tanker 1 Year Time Charter Rates

US \$ Per day Date	1 yr t/c Aframax	1 yr t/c Suezmax	1 yr t/c VLCC
2005-01	28,000	35,500	50,375
2005-02	27,000	36,500	54,375
2005-03	29,000	35,000	50,625
2005-04	29,000	33,400	48,000
2005-05	28,500	35,000	45,625
2005-06	27,500	35,000	45,625
2005-07	27,000	34,000	44,600
2005-08	27,000	34,000	40,750
2005-09	27,000	34,200	46,000
2005-10	27,000	35,500	45,250
2005-11	27,000	36,000	50,250
2005-12	26,200	35,800	48,500
2006-01	23,000	34,500	43,750
2006-02	22,000	34,000	43,875
2006-03	21,600	33,600	41,000

Source: Clarksons

GRAPH 27

### Tanker 1 Year Time Charter Rates



Source: Clarksons

TABLE 28

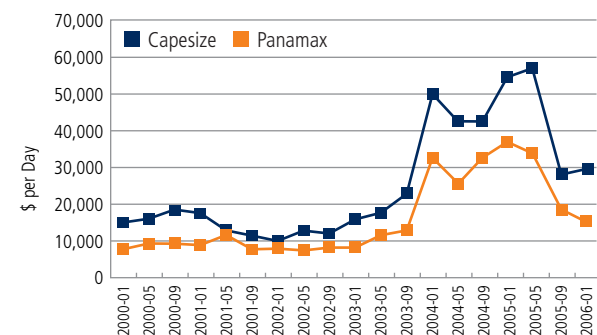
### Dry Bulk 1 Year Time Charter Rates

US \$ Per day Date	Capesize	Panamax
2005-01	53,750	36,875
2005-02	58,125	36,438
2005-03	56,500	37,875
2005-04	56,700	34,000
2005-05	51,625	28,313
2005-06	36,313	24,750
2005-07	31,100	19,400
2005-08	28,938	18,563
2005-09	34,050	20,550
2005-10	38,125	21,188
2005-11	34,688	18,563
2005-12	29,550	16,875
2006-01	25,500	15,938
2006-02	28,000	15,625
2006-03	26,300	16,650

Source: Clarksons

GRAPH 28

### Dry Bulk 1 Year Time Charter Rates



Source: Clarksons



## COMMENT

**CONTAINER FLEET:** Although newbuilding orderbooks remained near record high levels, overall newbuilding demand slowed during 2005 as shipyards maintained high price levels and owners waited for lower prices or a change in their market expectations. High orderbooks for 2008 deliveries at major shipyards helped the yards to maintain their resolve. Bulk vessel contracting in 2005 decreased by about 34% compared to 2004.

Going against the trend, container vessels were one of the more active newbuilding sectors. The container vessel orderbook totals about 4.0 million teu (including about 1.2 million teu of 2008 orders and 0.2 m teu of 2009 orders), about 49% of the total industry fleet capacity smaller vessel ordering was high in 2005 as owners have been tempted by 2007 delivery dates and relatively small orderbooks. (For vessels under 2,000 teu, the orderbook is

about 27% of the existing fleet versus 57% for vessels 2,000 teu and larger.)

**RO-RO FLEET:** In 2005 the majority of ro-ro newbuilding orders were placed in Northern European yards, over 30% share, primarily at, Akre Finnyards, Aker Yards and Mayer Werft. Brittany Ferries have ordered a new €80 million ro-pax vessel from Akre Finnyards with options to purchase a sister ship. Mayer Werft is better known for constructing cruise vessels and as such Celebrity Cruises has placed an order for a new cruise vessel. Chantiers de l'Antique will start construction of 2 X 3,320 pax cruisers for MSC Cruises; this order is the largest ever for a dedicated European cruise operator. In southern Europe the majority of newbuildings will be constructed at Fincantieri in Italy. Already Grimaldi Naples has placed orders for 2 new cruise ferries and 2 ro-pax vessels.

## Market Outlook

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TABLE 29

### World Container Vessel Deliveries and Orders 2005 to 2008 by Vessel Size

Size Range (TEU)	2005		2006		2007		2008		2006-2008	
	No.	TEU	No.	TEU	No.	TEU	No.	TEU	No.	TEU
100-499	3	830	4	1,600	-	-	-	-	4	1,600
500-999	52	41,489	77	63,095	62	50,222	26	20,461	165	133,778
1,000-1,999	52	70,271	82	109,096	105	155,455	72	115,313	259	379,864
2,000-2,999	46	121,416	72	191,894	62	165,019	55	141,380	189	498,293
3,000-3,999	8	25,015	15	50,189	28	93,524	21	73,842	64	217,555
4,000+	116	688,976	134	892,145	151	940,245	149	922,392	434	2,754,782
<b>Total</b>	<b>277</b>	<b>947,997</b>	<b>984</b>	<b>1,308,019</b>	<b>408</b>	<b>1,404,465</b>	<b>323</b>	<b>1,273,388</b>	<b>1,115</b>	<b>3,985,872</b>

Source: Lloyd's Register Fairplay

TABLE 30

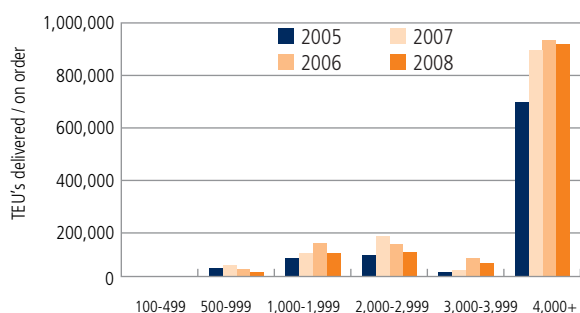
### World Roll-on/Roll-off Fleet Orders by Vessel Type 2005

Vessel Type	Yards (2005 Orders)				No. Ships		% Change	\$US m	Pax	Cars	Lane m	Weight
	Far East	N. Europe	S.Europe	ROW	2004	2005	RoRo Orderbook					
RoRo	35	29	22	4	59	90	53%	4,21n/a	n/a	n/a	304,518	1,303,237
Hi-Speed					31	30	-3%		11,303	1,505		
Ferry	4	15	21	3	47	43	-9%	3,982	43,682	7,440		1,004,253
Cruise	0	14	10	1	20	25	25%	11,205	52,620			2,230,932
Total	39	58	53	8	157	188	20%	19,405	107,605	8,945	304,518	4,538,422

Source: Cruise & Ferry Info 2005. Weight notes: RoRo = tDW; Cruise = GT

GRAPH 29

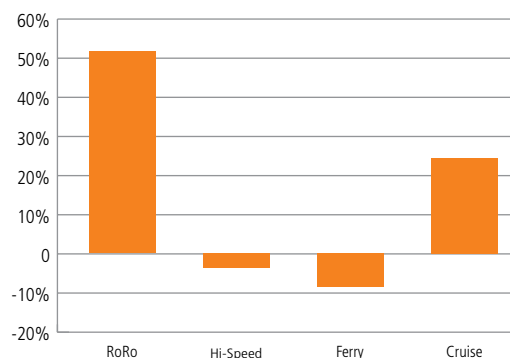
### World Cellular Fleet Deliveries/Orders by Size Range



Source: Lloyd's Register Fairplay

GRAPH 30

### % Change of RoRo Orderbook 2004-2005



Source: Cruise and Ferry Info

## Glossary of Terms

**GDP – Gross Domestic Product** represents the total value added (output) in the production of goods and services in the country. The rate of growth in GDP measures the increase in the value of output produced in the state, irrespective of whether the income generated by this economic activity accrues to residents of the state or not.

**NFI Net Factor Income** from the rest of the world is the difference between investment income (interest, profits etc.) and labour income earned abroad by Irish residents persons and companies (inflows) and similar incomes earned in Ireland by non-residents (outflows). The data are taken from the balance of payment statistics.

**GNP- Gross National Product** is the sum of GDP and NFI. The rate of increase of GNP attempts to capture the increase in the incomes of residents, irrespective of where the activity that generated the income took place. The term ‘resident’ covers not only persons but also firms whose headquarters are located in Ireland.

**Constant Prices:** The deflator used to generate constant figures is based on the implied yearly price index for the exports and goods and services.

**CPI- Consumer Price Index** is designed to measure the change in the average level of prices (inclusive of all indirect taxes) paid for consumer goods and services by all private households in the country and by foreign tourists holidaying in Ireland.

**MUICP – Monetary Union Index of Consumer Prices:** The MUICP is calculated as a weighted average of HICPs of the 12 countries participating in Stage 111 of Economic and Monetary Union (EMU). Country weights are computed every year reflecting the country’s share of private final domestic consumption expenditure in the EMU total.

### TEU - Twenty-foot Equivalent Unit

**RoRo Units** as defined by CSO include HGVs and trailers, unaccompanied trailers, unaccompanied caravans and agricultural and industrial vehicles

**Freight Rates** shown for Inter-Continental Freight Rates are ‘all-in’, including CAFs and BAFs etc, plus THCs and inland haulage where gate/gate or door/door fixed rates have been agreed

### Container Definitions:

**GP** = general purpose, **HC** = high-cube, **IR** = integral reefer;

*GP and IR Lease rates apply to newbuild equipment and cover five-year term; master lease rates for newbuild GP containers are around 100% higher than quoted term lease rates*

*New GP prices refer to full Corten spec and delivery in central/southern China; IR prices refer to stainless steel spec, including integral machinery & delivery in China*

*Source: Central Bank of Ireland, Central Statistics Office, Containerisation International.*



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