

EUROPE, AFRICA AND MIDDLE EAST



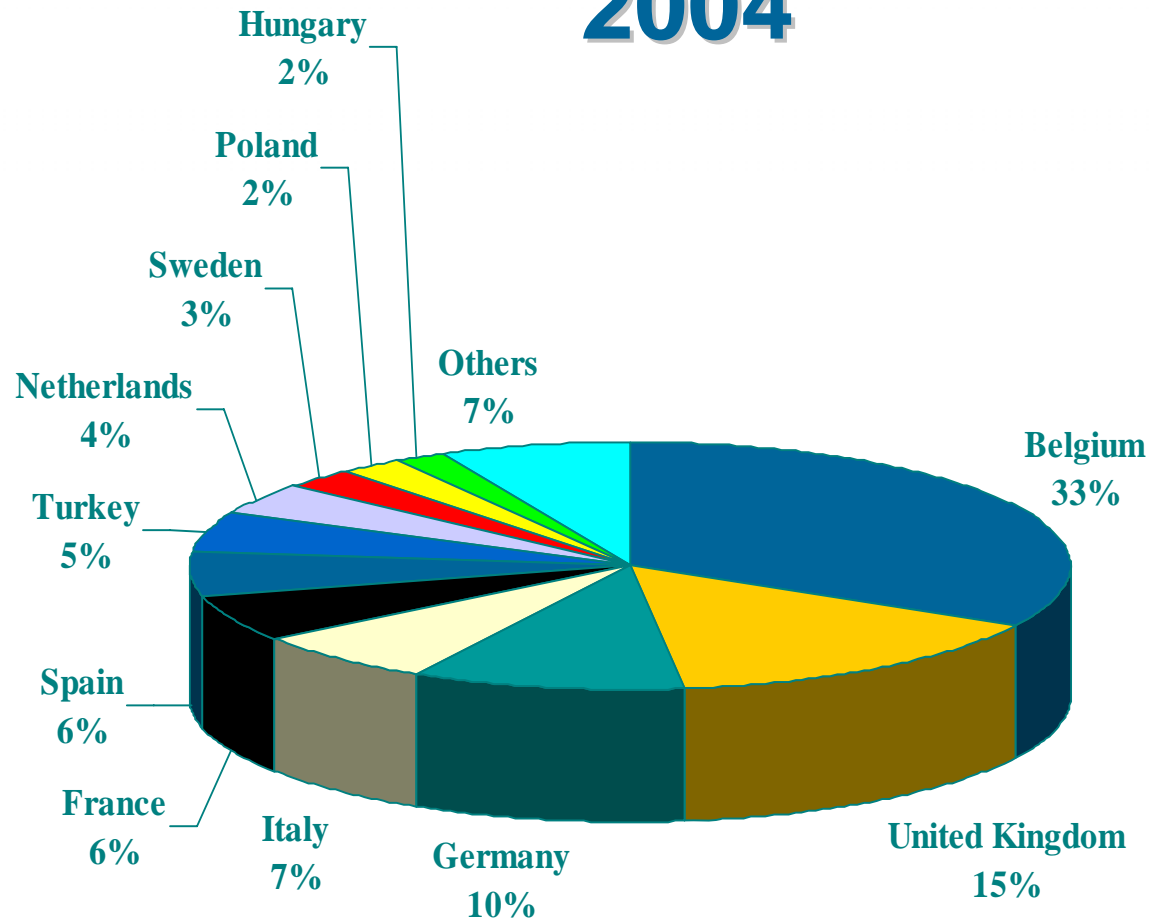
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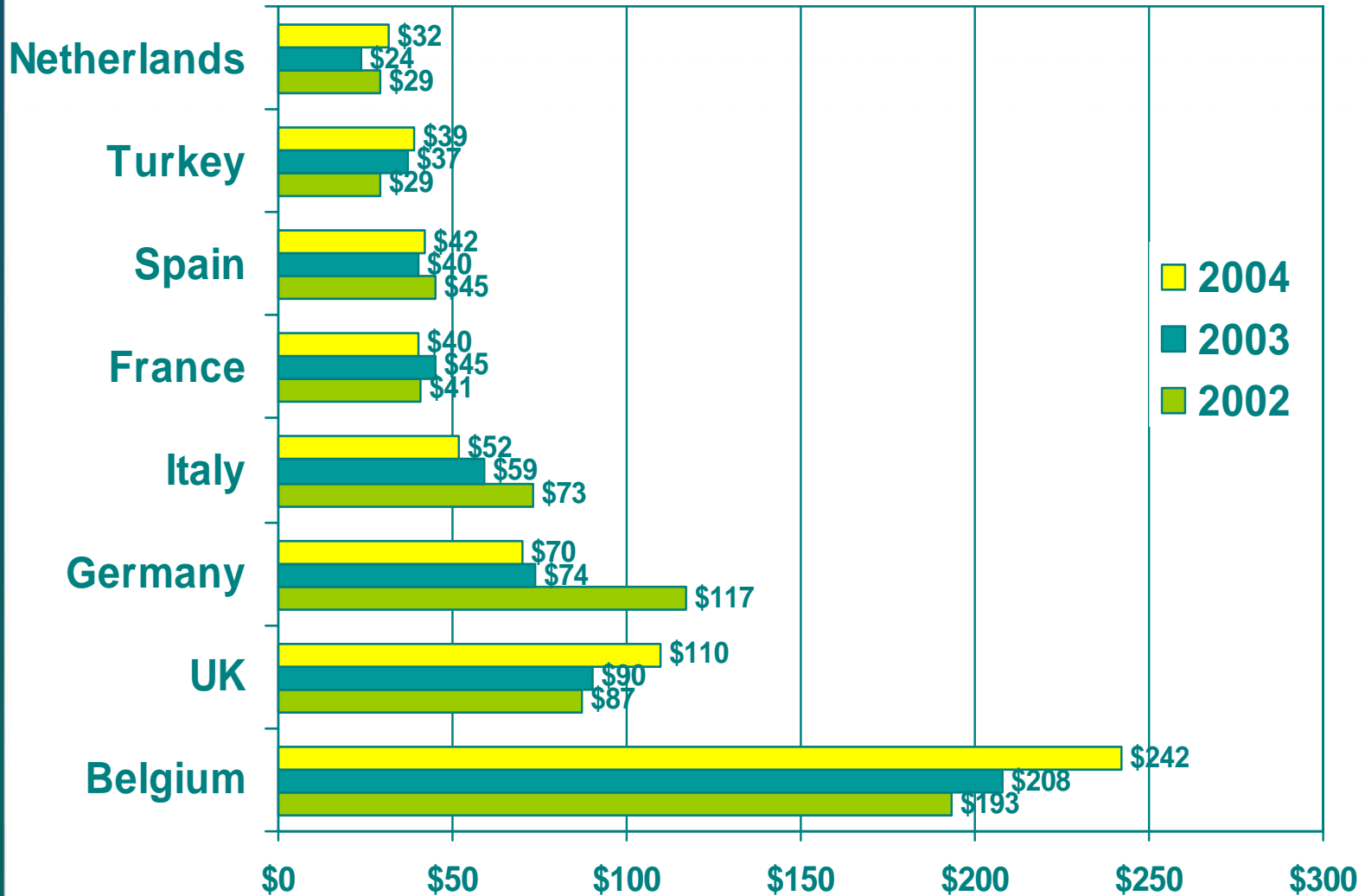
Market Overview- Europe

- Over 1/4 of MS exports destined to this region.
- Mississippi firms exported over \$1 billion to this region in 2004.
- Belgium has been Mississippi's top trading partner in Europe since 1999 superseding the UK.
- Mississippi exports to top European trading partners increased on average by 22% in 2004.

Mississippi Exports to Europe 2004



Top Mississippi European Export Markets



Top Mississippi Exports to Europe

Description	2003	2004	2003	2004	2004/2003
Tanning, Dye, Paint, Putty	175,213,864	204,271,820	28.53	30.33	16.58
Woodpulp	115,597,462	151,318,394	18.82	22.47	30.9
Machinery	63,775,638	76,732,610	10.38	11.39	20.32
Mineral Fuel/Oil	7,376,451	30,553,764	1.2	4.54	314.21
Furniture and Bedding	23,528,129	29,208,981	3.83	4.34	24.14
Paper/Paperboard	22,794,453	28,047,983	3.71	4.16	23.05
Electrical Machinery	36,464,686	18,464,522	5.94	2.74	49.36
Rubber	11,133,412	11,013,631	1.81	1.64	1.08
Misc. Chemical Products	18,146,623	9,464,695	2.95	1.41	47.84
Wood	10,813,298	9,249,263	1.76	1.37	14.46
Plastic	4,417,476	9,137,009	0.72	1.36	106.84

Dupont

Akzo Nobel Coatings

Georgia-Pacific

Highside Chemicals

Lane Furniture

Benchcraft

Taylor Machine Works

Engelhard Corporation

Caterpillar

La-Z-Boy

Top Mississippi Exports to Europe

- **Chemicals**

- Organic Pigments

- **Woodpulp**

- **Machinery**

- Pump Parts

- Automatic Banknote Dispenser

- Hand-held tools

- **Furniture and Bedding**

- **Paper**

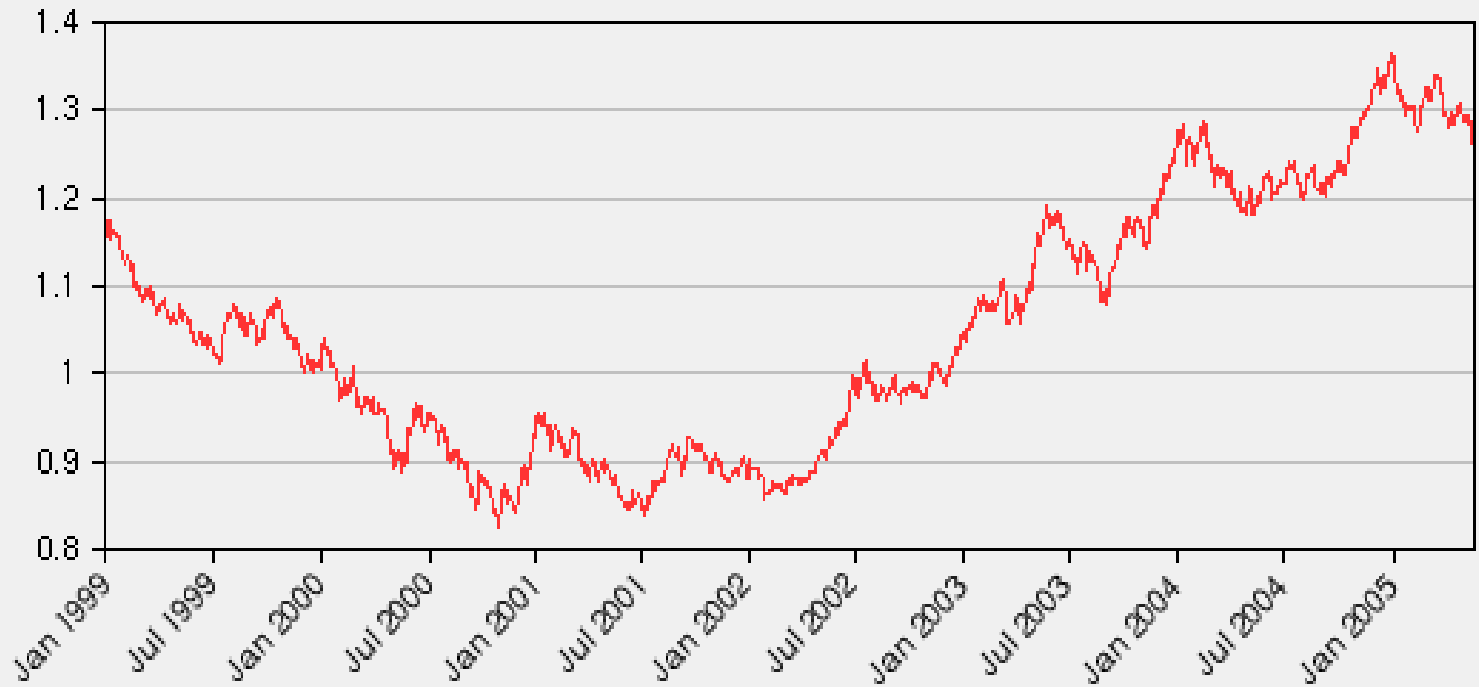
Top Mississippi Exports to Europe- Continued

- **Electrical Machinery**
 - Connectors, Plugs
 - Amplifiers, microphones, speakers
- **Wood**
- **Plastics**

The Euro

Euro Foreign Exchange Rate in US Dollar

(c)2002 – European Central Bank



Min=0.8252 (26 Oct 2000) - Max=1.3633 (28 Dec 2004)

Impact of the Euro exchange rate on Exports

- Lower dollars vs Euro makes competing US export sectors more competitive
- Recent strength of the Euro vs The Dollars has helped Mississippi Exporters to the Eurozone.
- This trend should continue for the remainder of 2004 and the beginning of 2005.

France

- Fifth largest industrialized economy
- Mississippi's 5th largest European trading partner accounting for \$42 million.
- Large population (61 million) with a high disposable income (USD 29,000/capita)
- Best prospects for Mississippi:
 - Woodpulp
 - Machinery
 - Chemicals
 - Plastics

United Kingdom

- Fourth largest economy in the world
- Mississippi's sixth largest trading partner accounting for \$110 million in 2004
- Free and market-driven economy
- Possible gateway to the rest of the EU
- Best Prospects for Mississippi:
 - Machinery
 - Woodpulp
 - Chemicals
 - Furniture
 - Plastics

Belgium

- Mississippi's 3rd largest trading partner and the largest European trading partner, with exports totaling \$242 million, an increase of 16% from 2004
- Its open economy depends largely on recovery in the EU and US
- Distribution hub for Europe
- Best Prospects for Mississippi:
 - Machinery
 - Chemicals
 - Information Technology
 - Plastics

The Netherlands

- Prosperous and open economy depending heavily on foreign trade
- Strategic commercial location; Rotterdam, world's largest port
- United States's 8th trading partner (USD 24 billion) and Mississippi's 8th European trading partner totaling (USD 32 million).
- Best Prospect for Mississippi:
 - Plastics
 - Electrical Machinery
 - Chemicals
 - Information Technology
 - Furniture

Poland

- EU Membership in May 2004
- 5% growth projected for year 2005
- Strong economic & commercial ties with the US
- Accounting for half of the population and nearly half of the economic output of the 10 new EU members.
- Mississippi's largest Eastern European trading partner, with exports totaling USD 15 million.
- Best prospects for Mississippi:
 - Information Technology
 - Chemicals
 - Electrical Machinery
 - Plastics

Hungary

- EU Membership in 2004
- Prediction of strong economic growth
- 3rd largest economy in Eastern Europe after Poland and Czech Republic.
- Central distribution point for Eastern Europe.
- Mississippi exports to Hungary account for USD 14 million an increase of USD 13 million from 2003.
- Best Prospects for Mississippi
 - Machinery
 - Plastics
 - Electrical Machinery
 - Information Technology

Top Mississippi Exports to Middle East

- **Furniture**
- **Machinery**
 - Compressors
 - Automotive Engine parts
- **Aircraft/Parts**
 - Airplane and Helicopter parts
- **Chemicals**
- **Electrical Machinery**
 - Furnace Parts
 - Starters, Switches

Saudi Arabia

- Prediction of 5% economic growth
- Industry based economy
- US exports to Saudi Arabia exceeded \$5.2 billion in 2004.
- Mississippi exports to Saudi Arabia account for \$16 million.
- Best Prospects for Mississippi
 - Machinery
 - Furniture
 - Electrical Machinery
 - Information Technology
 - Oil and Gas related equipment

United Arab Emirates

- Oil based economy
- Large per capita purchasing power (\$25,000 or 35th in the world).
- United States exports to UAE are a little over \$4 billion, a 16% increase from 2004.
- Mississippi exports to UAE were \$11 million in 2004.
- Best prospects for Mississippi
 - Machinery
 - Plastics
 - Electrical Machinery
 - Information Technology

Israel

- Technologically advanced economy
- Economy heavily dependent on imports
- United States is traditionally Israel's largest trading partner
- US exports to Israel in 2004 were \$9 billion, a 34% increase from 2003.
- Mississippi exports exceeded \$11 million
- Best prospects for Mississippi
 - Information Technology
 - Machinery
 - Chemicals

Top Mississippi Exports to Africa- 2004

- Machinery
- Chemicals
- Woodpulp

Nigeria, the largest market for Mississippi exports, included the purchase of an offshore oil/gas drilling platform.

Top markets include: Nigeria, Egypt and South Africa.

Target Markets

Western Europe

- Belgium & The Netherlands
- France
- United Kingdom

Middle East

- Saudi Arabia
- United Arab Emirates
- Israel

Eastern Europe

- Poland
- Hungary
- Czech Republic

Africa

- Egypt
- South Africa

Schedule of Activities

- **Fall 2005** – Basic Business French seminar series
- **TBD** – *Trade Mission* – Belgium & The Netherlands
- **January 2006** – *Power-GEN Middle East* – Abu Dhabi, UAE
- **February** – Europe, Africa & Middle East Market Briefing
- **March 9-16, 2006** – *CeBIT 2006 Show* – Hanover, Germany
- **Summer 2006** – Education Seminar on Importing
- **On-Going** company calls and assistance

THANK YOU!

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