

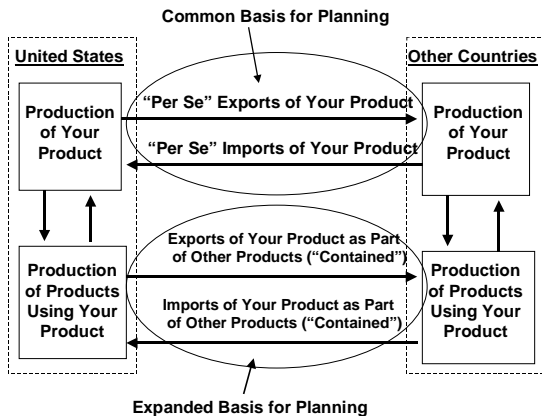


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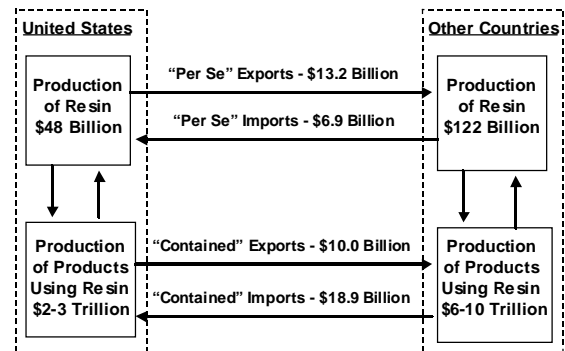
NEW MODEL AND DATABASE HELP YOU UNDERSTAND HIDDEN FOREIGN TRADE IMPACTS ON YOUR U.S. BUSINESS

This unique analysis addresses “contained trade” along with “per se” trade, providing a comprehensive picture of 454 products and services

INTERNATIONAL TRADE IN YOUR PRODUCT



EXAMPLE: TRADE IN RESIN, 2003

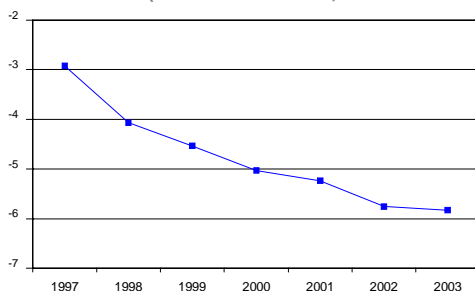


Executives commonly base planning decisions on “per se” trade data (reported imports and exports in their company’s actual products), without realizing that they are only seeing half the picture. They are missing trade in goods that “contain” their company’s products. Trends in “contained” trade are often more important to the future of their company than trends in “per se” trade.

This New Information Will Help Your Company Plan by:

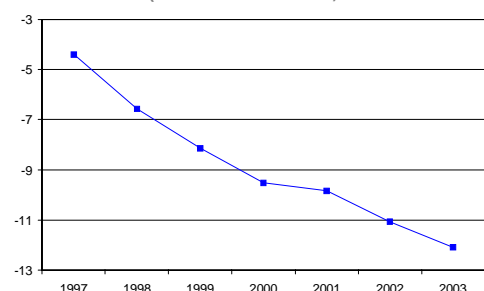
- (1) showing your industry’s true trade balance;
- (2) identifying the downstream industries that are most and least vulnerable to contained trade back-flows;
- (3) indicating how badly your business is being impacted;
- (4) anticipating pricing pressures from affected customer segments;
- (5) helping you decide how much support to give to present customers;
- (6) pinpointing opportunities to supply raw materials and intermediates to the overseas industries and countries that are taking over your downstream markets;
- (7) providing insights and data to guide industry-wide efforts to reverse negative trends.

EXAMPLE: U.S. NET EXPORTS OF PAPER & PAPERBOARD PER SE* (BILLIONS OF DOLLARS)



*“Per se” means trade in pure paper & paperboard, not including products made from paper & paperboard

EXAMPLE: U.S. NET EXPORTS OF CONTAINED PAPER & PAPERBOARD* (BILLIONS OF DOLLARS)

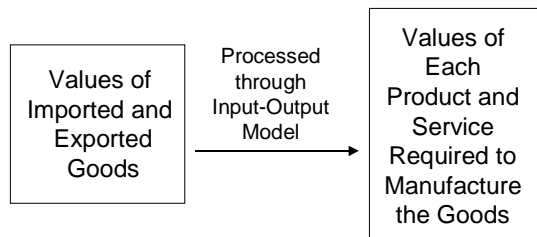


*“Contained” means paper & paperboard contained in other products

The Probe Approach: U.S. Trade Data Analyzed with an Input-Output Model

Probe starts with data on U.S. domestic export value on an FAS basis and the value of U.S. imports for consumption on a CIF basis, for approximately 470 product categories, defined by 6-digit NAICS code. The model computes the normal “per se” trade balance of the U.S. in each product category individually with 234 trading-partner countries. (Per se means trade in the product “as is,” not including trade that is contained in other products.) Probe then uses a 454-sector input-output model to determine how much of each product was used to make, package or ship every other product. This tells the user, for instance, that the cars or TV sets that are being shipped to the U.S. contain so much plastic, so much non-ferrous metal and so much glass, etc. A simplified depiction of the Probe model and sample output can be seen in the following diagram:

INPUT-OUTPUT METHODOLOGY



DATABASE

- 454 Products and Services
- 234 U.S. Trading Partner Countries
- Annual Dollar Values 1997-2003

MODEL

- Proprietary Input-Output Model
- User Selects the Countries and Products
- Output Data on Excel™ Spreadsheets

The following sectors are included in the model (the number in parentheses represents the number of products or services* that fall within the sector):

Agriculture, Forestry & Fisheries (18)	Other Machinery Manufacturing (17)
Energy & Mining (11)	Electronic Components & Equipment (11)
Utilities (3)	Instruments (8)
Construction, Maintenance & Repair (11)	Household Lighting & Appliances (8)
Food Processing (39)	Electrical Equipment (11)
Beverages & Tobacco (7)	Transportation Equipment (18)
Textiles & Apparel (20)	Furniture & Cabinets (13)
Wood Products (12)	Medical & Dental Equipment (5)
Pulp & Paper (12)	Other Manufacturing (10)
Printing (6)	Transportation & Delivery Services (9)
Petroleum Refining (5)	Retail Trade (1)
Chemicals (24)	Publishing & Media (12)
Plastic & Rubber Products (10)	Finance & Insurance (7)
Ceramics & Refractories (9)	Professional & Technical Services (19)
Non-Metallic Minerals (12)	Support Services (9)
Iron, Steel & Products (5)	Other Business Services (8)
Non-Ferrous Metals (13)	Education, Health Care & Social Services (10)
Metal Fabricating (35)	Amusement, Gambling & Recreation (7)
Industrial Machinery (13)	Other Services (15)
Commercial & Service Machinery (9)	Private Households (1)
Molds & Metal Working Machinery (6)	Government (6)

* A complete list of the 454 products and services can be viewed at www.ProbeEconomics.com/TradeList.



HIDDEN U.S. TRADE: DELIVERABLES

For each of the 454 products and services selected by the user, the following information is provided:

An Adobe™ pdf file containing a short report including:

- Graphs of the per se and contained trade in the product or service. (See page one of this brochure.)
- Identification of the countries and products that account for most contained U.S. imports and exports.
- Discussion of trade trends and their rationale.

An Excel™ file containing the following eleven (11) sheets:

- Per Se Imports, Exports and Net Exports by Country (3)
- Contained Imports, Exports and Net Exports by Country (3)
- Contained Net Exports Ranked by Country (1)
- Contained Imports, Exports and Net Exports by Type of Containing Product (3)
- Contained Net Exports Ranked by Type of Containing Product (1)

Special runs requested by the client: Excel™ files for up to five (5) individual countries or regions

The following are samples from two of the tables:

U.S. Contained Net Exports by Country Millions of U.S. Dollars of Product X Contained

<u>Country</u>	<u>1997</u>	<u>1998</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>
Algeria	0.0	-1.2	-7.8	-13.7	-16.8	-13.5	-29.1
Andorra	1.5	1.2	0.0	0.3	0.1	0.0	0.0
Angola	-5.4	-2.7	-2.1	-3.2	-2.0	-2.7	-2.9
Anguilla	0.1	0.1	0.1	0.1	0.1	0.1	0.1
Antigua Barbuda	0.4	0.4	0.4	1.1	0.4	0.3	0.4
Argentina	70.1	70.5	55.9	64.3	56.0	20.6	31.4
(228 More Countries are Included. List Can Be Sorted and Ranked.)							
World Total, \$Millions	870.7	316.2	-162.9	-153.9	-300.3	-541.6	-814.8

U.S. Contained Net Exports by Containing Product (Ranked, Biggest 2003 Deficit on Top) Millions of U.S. Dollars of Product X Contained

<u>Containing Product</u>	<u>1997</u>	<u>1998</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>
Automobiles and Light Duty Motor Vehicles	-284.7	-325.9	-392.3	-441.4	-422.1	-436.5	-431.9
Games, Toys, and Children's Vehicles	-184.5	-197.2	-208.6	-219.5	-249.4	-272.7	-252.8
Audio and Video Equipment	-114.8	-127.5	-154.4	-186.3	-175.5	-209.2	-223.1
All Other Plastics Products	6.6	10.7	5.5	22.1	-24.6	-75.0	-122.1
Petrochemicals	-35.1	-34.9	-47.9	-91.8	-75.9	-86.4	-106.9
Crude Petroleum and Natural Gas	-46.7	-33.3	-40.4	-72.1	-70.0	-70.3	-99.8
Reconstituted Wood Products	-27.0	-44.4	-60.4	-56.2	-52.2	-57.7	-92.4
Dolls and Stuffed Toys	-97.3	-109.7	-108.1	-103.6	-93.3	-91.1	-91.7
(446 More Products are Included.)							
World Total, \$Millions	870.7	316.2	-162.9	-153.9	-300.3	-541.6	-814.8



PROBE ECONOMICS, INC.

ABOUT PROBE

Probe Economics, Inc., has provided industry forecasting and consulting services since 1976. Probe combines state-of-the-art industry models with many years of industry experience. Our professionals have held senior operating, staff or teaching positions in industry, government, academia and consulting. For more information, visit our website, www.probeeconomics.com.

ORDER FORM (CONTACT US IF YOUR INDUSTRY SECTOR IS NOT INCLUDED HERE)

_____ **Hidden U.S. Trade in Chemicals, 1997-2003** (Excel™ and pdf Files for 24 Products) -- \$4,000

_____ **Hidden U.S. Trade in Plastics and Rubber Products, 1997-2003** (Excel™ and pdf Files for 10 Products) -- \$2,000

_____ **Hidden U.S. Trade in Pulp and Paper, 1997-2003** (Excel™ and pdf Files for 12 Products) -- \$2,500

_____ **Hidden U.S. Trade in Selected Products and Services, 1997-2003** (Excel™ and pdf Files for Products or Services Selected by User) -- \$1,000 for the First Product or Service, \$700 for Each Additional Product or Service. Please list products or services here. (A full list of the 454 products and services is available at www.ProbeEconomics.com/TradeList):

Total Amount Due: _____ (Add appropriate sales tax for New York State locations)

_____ Provide information about special model runs (on individual countries or regions, for instance), other sector groupings, package discounts, or other data and services. Please tell us what you want:

Name _____ City/State _____

Title _____ Country/Postal Code _____

Company _____ Phone No. _____

Address _____ Fax No. _____

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