



Global Florida Webinar

January 31st, 2019

2019 Global Trade Outlook



DAN TAPIA

Manager, International Strategy & Policy
Florida Chamber of Commerce

dtapia@flchamber.com

Special Thanks To Our Partners



Agenda

- I. **Welcome** | **Dan Tapia**, Manager, International Policy & Strategy, Florida Chamber of Commerce
- II. **Guest Speakers:**
 - **Gonzalo Arance**, Deputy Director, Enterprise Florida (Spain)
 - **Hesam Houryaband**, Deputy Director, Enterprise Florida (Canada)
 - **Alice Ancona**, Director, International Strategy & Policy, Florida Chamber of Commerce
- III. **Audience Comments**
- IV. **Adjourn**



GONZALO ARANCE

Deputy Director
Enterprise Florida (Spain)

Florida Chamber of Commerce

Briefing on Spanish Economy – Enterprise Florida Spain Office



Economic Outlook: Spain



<u>Country</u>	<u>GDP 2018 (US M \$)</u>
1 United States	20,513,000
2 China	13,457,267
3 Japan	5,070,626
4 Germany	4,029,140
5 United Kingdom	2,808,899
6 France	2,794,696
7 India	2,689,992
8 Italy	2,086,911
9 Brazil	1,909,386
10 Spain	1,820,569
11 Canada	1,733,706
12 South Korea	1,655,608
13 Russia	1,576,488

Capital and largest city: Madrid

Official language: Spanish

Government: Constitutional monarchy

Accession to EU: January 1, 1986

Area Total: 505,992 km² / 195,364 sq miles

Population: 2018 census 47,708,964

GDP (PPP) 2018 estimate: Total \$1,82 trillion

Per capita income: \$38,000

Spanish Foreign Trade Sector

Trade Balance between Spain & the USA

	Y 2016	Y 2017	Y 2018
Spain's Exports to the U.S.A.	10,399	11,102	10,975
Spain's Imports from the U.S.A.	13,476	15,636	14,864
Spain's Exports to FLORIDA	871	1217	1356
Spain's Imports from FLORIDA	353	326	315

In millions of \$

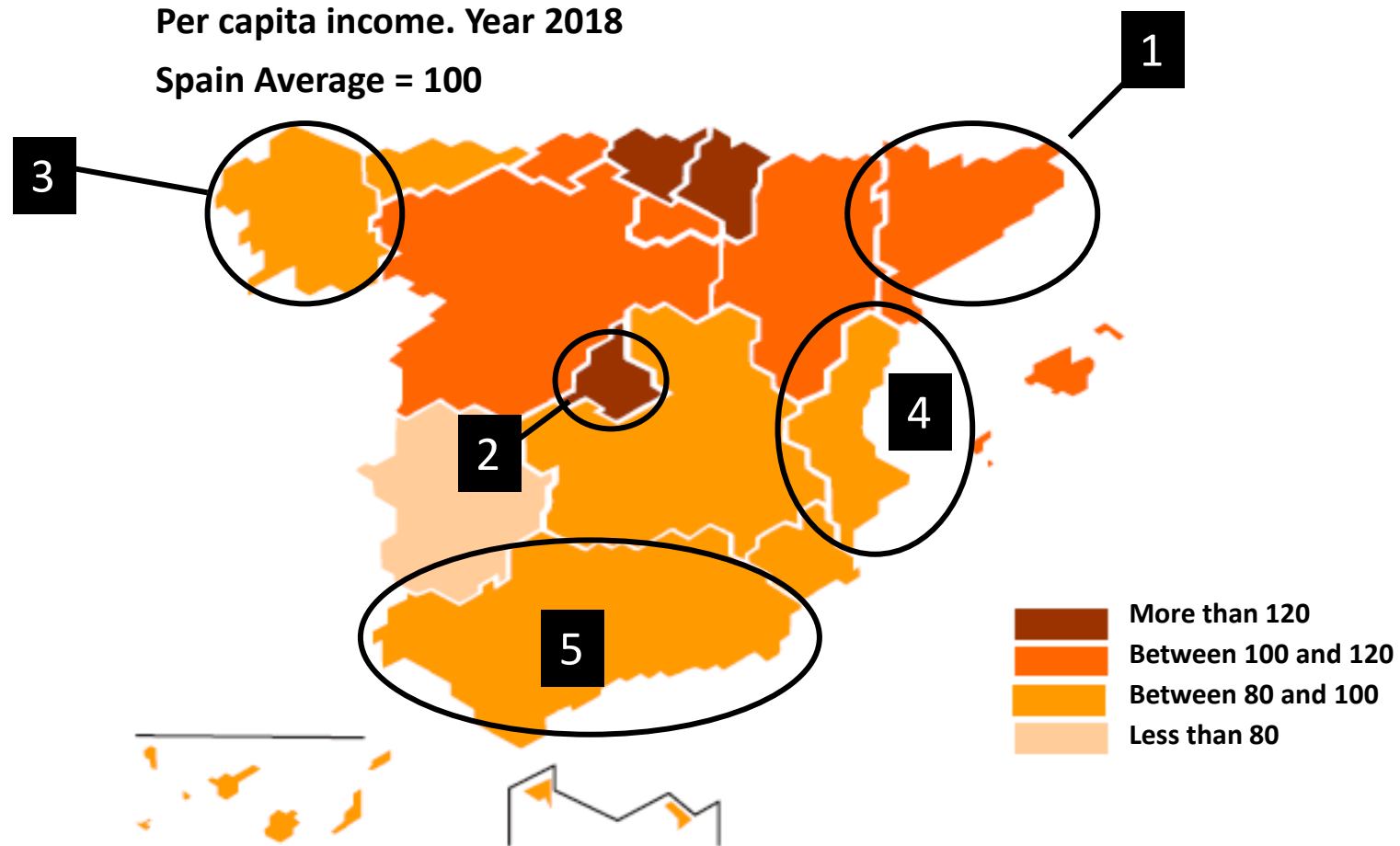
Florida's best exports to Spain

❖ Yachts & other vessels.....	20%
❖ Human Blood, Vaccines.....	12%
❖ Engines from Aircraft & spacecraft	8%
❖ Fruits & Seeds	6%
❖ Paintings & Drawings.....	5%
❖ Aircraft & spacecraft parts.....	4%
❖ Turbojets & Gas Turbines.....	4%

% of total Spanish imports from Florida

Spanish largest importing regions

Where to concentrate the efforts: GDP combined with Population



Spanish largest importing regions TOP 10

Where to concentrate the efforts

Region	Imports in mill. euros	% of total imports
Cataluña	6,441	30%
Madrid	4,779	22%
Galicia	1,973	9%
Valencia	1,600	7.3%
Andalucía	1,502	6.8%
País Vasco	1,315	6%
Castilla y León	842	3.8%
Murcia	704	3.2%
Aragón	609	2.7%
Canarias	420	2%

How Florida's Exporters should approach the Spanish Market

- ❖ Work with somebody Spanish or deep knowledge of the Spanish market and the European Union Regulation.**
- ❖ Presence at Trade Shows in key industry sectors.**
- ❖ Prepare and provide presentations and information about your products or services.**
- ❖ Enterprise Florida's Spain Office participates annually at a minimum of 4 seminars in Spain, promoting Florida products to Spanish companies.**
- ❖ You need to target specific regions in Spain and sectors.**
- ❖ Pre-study the market and the competition (quality, prices, etc...)**

How to conduct businesses in Spain – Useful advices

- Dress formally.
- Most of the business in Spain done over a lunch or dinner.
- Never be in a hurry when doing business with a Spaniard.
- Usually anyone over 50 is not comfortable speaking in English.
- Spaniards never talk politics when doing business.
- Be extremely polite / educated while doing business.
- Spanish companies can be potential partners for doing business in Latin America. 50% of the Latam FDI comes from Spain.



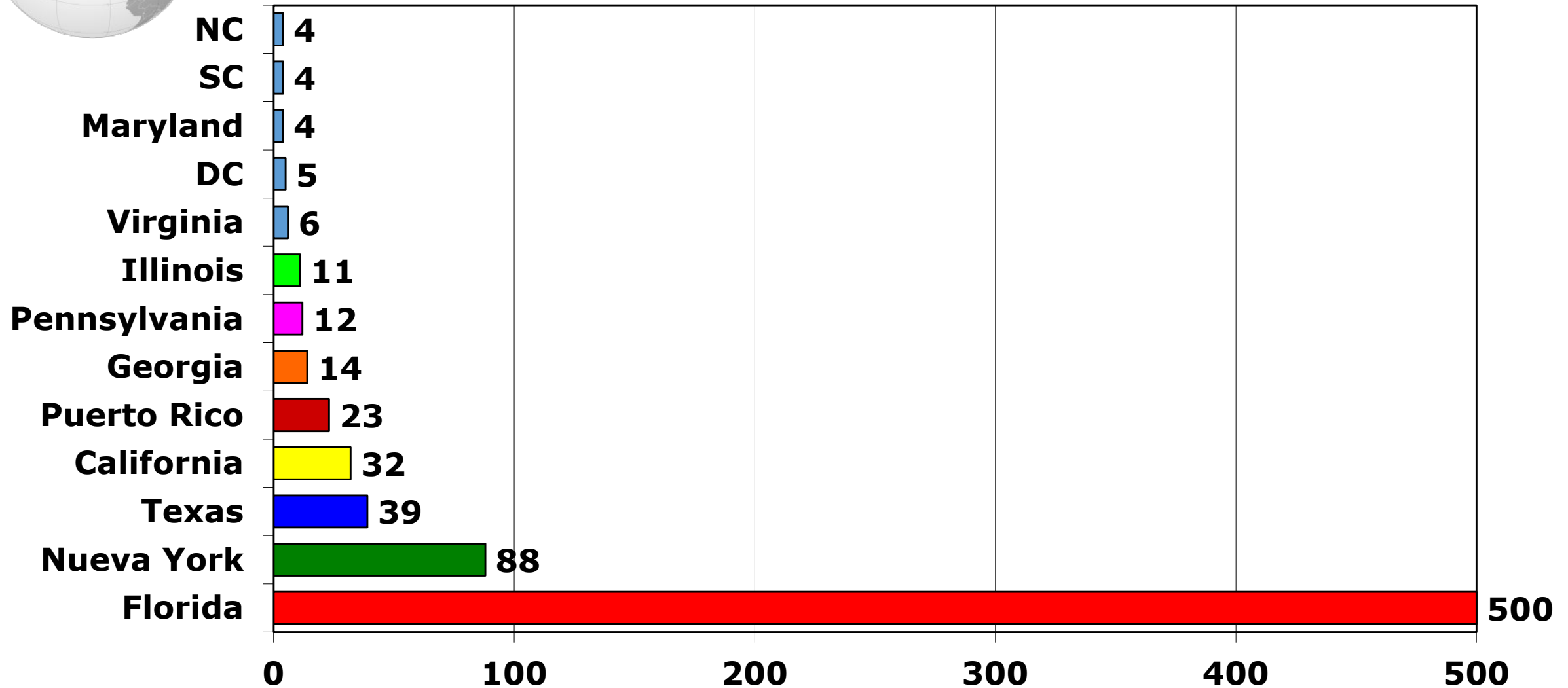
Spanish FDI in the USA

2011	2012	2013	2014	2015	2016	2017
3.307	1.204	1.821	3.360	1.520	5.900	3.100

- Spain was the 4th largest investor in the US in 2007, 6th in 2008 and 9th in 2009.
- 3rd largest investor worldwide in 2008 just behind USA and France.
- 70 billion invested by Spain for the last 30 years.



Spanish FDI in the USA by State: Number of Companies





Spanish FDI in Florida by Sector

Most interesting sectors for Spanish Companies

- **Tiles and Natural Stone**
- **Financial and Banking Services**
- **Furniture**
- **Public Works, Concessions, Construction & Engineering**
- **Food & Beverages**
- **Audiovisual Industries**
- **Real Estate**
- **Logistics**
- **Pharmaceuticals / Biotech / Medical Devices**
- **Information Technologies**



GONZALO ARANCE

Enterprise Florida Spain Office

Paseo de la Castellana 164, 6ºDcha, 28046 Madrid

Tel: 91 781 3483

Email: garance@eflorida.es





HESAM HOURYABAND

Deputy Director
Enterprise Florida (Canada)



Florida's International Business Advantages

Hesam Houryaband, PhD

Deputy Director, Canada Office
Enterprise Florida



Canadian Companies in Florida



Desjardins



Bank Financial Group



Stantec

CIRQUE DU SOLEIL



Progressive
Waste Solutions

BMO



BOMBARDIER



UNI-SELECT

AIR CANADA



LIAISON
CAN/US
TRANSPORT



Sun
Life Financial

ALDO
GROUP



CAE

BlackBerry





Canada-Florida Trade

\$7.6 billion in Total Bilateral Merchandise Trade

Canada is #2 Destination for Florida-Origin Exports standing at

\$3.4 billion annually

Canada is the 3rd Largest Import Partner for Florida with \$4.2 billion

worth of goods annually

Quebec Exports to Florida is at \$1.5 Billion

500 Canadian-Owned Companies in Florida employing more than 42,000

Floridian jobs

Sectorial Investment and Export Opportunities In Canada

Investment

- ❖ Aerospace
 - Production of Aircraft components and supply chain
- ❖ Automotive
- ❖ Agri-food
- ❖ Financial Sector
 - Banking
 - Insurance
 - Securities
- ❖ Energy and Mining
 - Oil and Gas
- ❖ ITECH and FINTECH
 - AI, VR, Software design and development

Export

- ❖ Food and Agricultural Products
 - Fresh vegetables and fruits
 - Prepared food
 - Non-alcoholic beverages
- ❖ Machinery
 - Electrical and non-electrical
- ❖ Vehicles
- ❖ Petrochemicals
- ❖ Plastics

Florida's Top Global Partners

EXPORTS*

Brazil



Canada



Mexico



Colombia



Germany



SERVICES EXPORTS**

United Kingdom



Canada



China



Japan



Mexico



IMPORTS

China



Mexico



Canada



Brazil



Germany



VISITORS

Canada



United Kingdom



Brazil



Argentina



Colombia



INVESTMENT

United Kingdom



Canada



Germany



Spain



France



*2018 (through October) Florida Origin
**2017 Total

Source: U.S. Census & The Trade Partnership

INTERNATIONAL TRADE
& INVESTMENT OFFICE
Florida Chamber of Commerce



Canada-Florida Trade

Florida's Top Exports to Canada

PRODUCT	VALUE (USD in Millions)
Aircraft, engines, and parts	\$367
Mineral and chemical fertilizers	\$361
Optical, medical, and precision instruments	\$259
Vegetables	\$204

Florida's Top Imports from Canada

PRODUCT	VALUE (USD in Millions)
Fuel oil, petroleum products	\$434
Engines, turbines	\$347
Furniture	\$257
Plastics	\$171

Primary Data: U.S. Dept. of Commerce, Foreign Trade Division

Services Offered By Enterprise Florida

Companies Interested in a Florida Expansion or Location

EFI recruits new businesses to the state and helps Florida companies expand. Specific services include:

- Confidential Site Selection
- Industry Sector Expertise
- Property Search Assistance
- Permitting & Regulatory Assistance
- Financing & Incentives Coordination
- International Marketplace Expansion
- Demographic & Workforce Information
- State Agency Liaison

Florida Companies Expanding into the Global Marketplace

EFI provides trade and export assistance to Florida businesses. Support provided includes:

- Export Counseling, Seminars and Conferences
- Export Sales Missions and Trade Shows
- Export Marketing Plans
- Trade Grants
- Online Florida Export Directory
- Trade Events Newsletter
- Certificates of Free Sale and Good Manufacturing Practices
- Network of International Offices

Incentives Offered by The State of Florida



Qualified Target Industry Tax Refund (QTI)

\$3,000-\$6,000 tax refund per full time job created

Quick Response Training (QRT)

Provides grant funding for customized training to new or expanding businesses

Capital Investment Tax Credit (CITC)

An annual credit provided for up to twenty years

Research and Development Tax Credit

Maximum allowable credits for all businesses in 2018 calendar year is \$16.5 million

Machinery and Equipment Sales Tax Exemption

Exemption available for new businesses

Sales Tax Exemptions

Exemption on business purchases, machinery, and R&D equipment



Hesam Houryaband, PhD
DEPUTY DIRECTOR – ENTERPRISE FLORIDA
(CANADA OFFICE)
PHONE (514) 495-5230
EMAIL hhouryaband@enterprise florida.ca

www.enterprise florida.com

FLORIDA | THE FUTURE IS HERE™





Alice Ancona

Director, International Strategy & Policy
Florida Chamber of Commerce

aancona@flchamber.com

**The
Economist**

Venezuela erupts

How to defend Taiwan

India's internet tycoon bets big

Drones: hovering with intent

JANUARY 26TH–FEBRUARY 1ST 2019

Slowbalisation

The future of global commerce



October 8, 2018

WORLD
IMF Lowers Global Growth Forecasts for 2018 and 2019

Fund cites rising trade protectionism and instability in emerging markets in cutting outlook to 3.7% from 3.9% this year



January 21, 2019

Trade worries sour CEOs' mood as leaders converge on Davos



JANUARY 8, 2019

Storm Clouds Are Brewing for the Global Economy



The outlook for the global economy in 2019 has darkened.

International trade and investment have softened. Trade tensions remain elevated. Several large emerging markets underwent substantial financial pressures last year.

Bloomberg

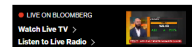
Economics

China's Economic Woes Have Further to Spread Across Asia

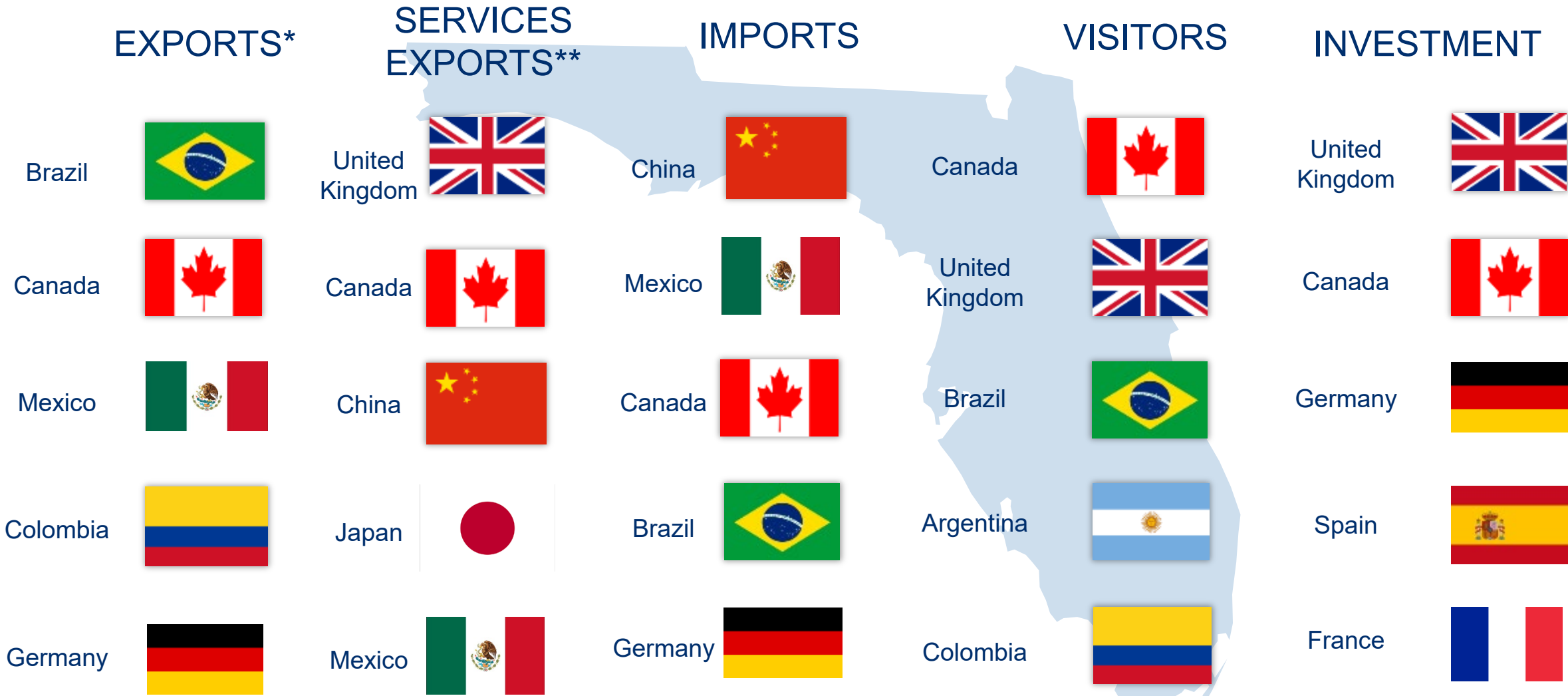
By [Michelle Jamrisko](#)

January 29, 2019, 4:00 PM EST

- ▶ More pain in store with China PMI set to show contraction
- ▶ Companies from Caterpillar to Nvidia reporting weaker demand



Florida's Top Global Partners



*2018 (through October) Florida Origin
**2017 Total

Source: U.S. Census & The Trade Partnership



Florida's Billion Dollar Export Club (origin exports)

2011-2017 (median/nominal)

Brazil		\$4.2B in 2017 \$4.9B median	Coming back	Paraguay		\$2.1B in 2017 \$1.49B median	↑
Canada		\$3.5B in 2017 \$3.8B median	To watch	Argentina		\$1.6B in 2017 \$1.55B median	To watch
Mexico		\$2.9B in 2017 \$2.19B median	↑	UK		\$1.49B in 2017 \$1.16B median	↑ To watch
Colombia		\$2.2B in 2017 \$2.9B median	↓	Peru		\$1.44B in 2017 \$1.6B median	↓
Germany		\$2.35B in 2017 \$1.48B median	↑ To watch	Chile		\$1.8B in 2017 \$1.85B median	↑ To watch

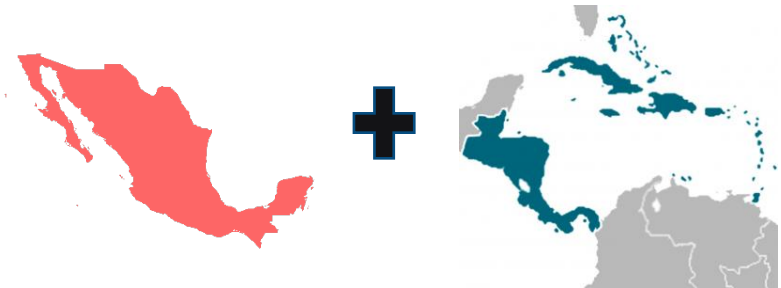
Two way trade flows 2011-2017 (merchandise trade)

(median/nominal)



Central America & Caribbean

Exports	+\$9M
Imports	-\$282M
Total	-\$244M



Central America & Caribbean + Mexico

Exports	-\$3.2B
Imports	+\$188M
Total	-\$3,26B



South America

Exports	-\$4.1B
Imports	-\$952M
Total	-\$5.57B

Estimated \$9 Billion market share loss

Top Performers



Mexico



Paraguay

Coming back



Brazil

To watch



Argentina



Chile

Two way trade flows 2011-2017 (merchandise trade)

(median/nominal)



Europe

Exports	\$601B
Imports	\$2,60B
Total	\$894B

Estimated \$900 Million market share gain

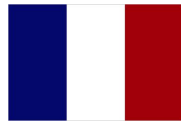
Top Performers

Germany



+\$876M

France



+\$453M

UK



+\$325M

Netherlands



+\$250M

Spain

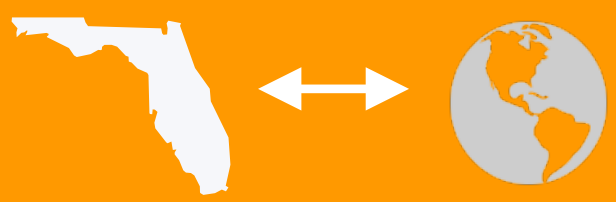


+\$65M

FLORIDA Trade Data *(merchandise trade)*

2018 Merchandise TRADE

	<u>Exports</u>	<u>Imports</u>
Q1	\$18.16	\$19.4B
Q2	\$18.3	\$19.5B
Q3	\$18.6	\$20.4B
Sub-Total	\$55B	\$59.3B



2015-2017 | IMPORTS *(all the stuff bring in)*

2015	\$73.7B
2016	\$74.7B
2017	\$77.4B
% change (16-17)	3.7%



2015-2017 | Florida Merchandise EXPORTS *(all the stuff we export – including stuff we make)*

2015	\$73.3B
2016	\$67.B
2017	\$70.2B
% change (16-17)	3.6%



FLORIDA Trade Data (*merchandise trade*)

Tariff
effect?

2017 Merchandise Trade	Q1	Q2	Q1-Q2 %	Q3	Q2-Q3 %
Imports	18.5 B	19B	+3%	18.76B	-1%
Exports	17.19B	16.6B	-3%	17.34B	+4%

Q1 2017-18
Imports 5%
Exports 6%

Q2 2017-18
Imports 2%
Exports 10%

Q3 2017-18
Imports 5%
Exports 7%

2018 Merchandise Trade	Q1	Q2	Q1-Q2 %	Q3	Q2-Q3 %
Imports	19.49B	19.3B	-1%	19.79B	+3%
Exports	18.16B	18.3B	+1%	18.6B	+2%

FLORIDA Trade Data (*origin exports*)

2018 Florida Origin EXPORTS

(*stuff we make & export*)

	Exports
Q1	\$14.35B
Q2	\$14.4B
Q3	\$13.8B
Sub-Total	\$42.5B



2015-2017 | Florida Origin EXPORTS

(*stuff we make & export*)

2015	\$53.8B
2016	\$52B
2017	\$55B



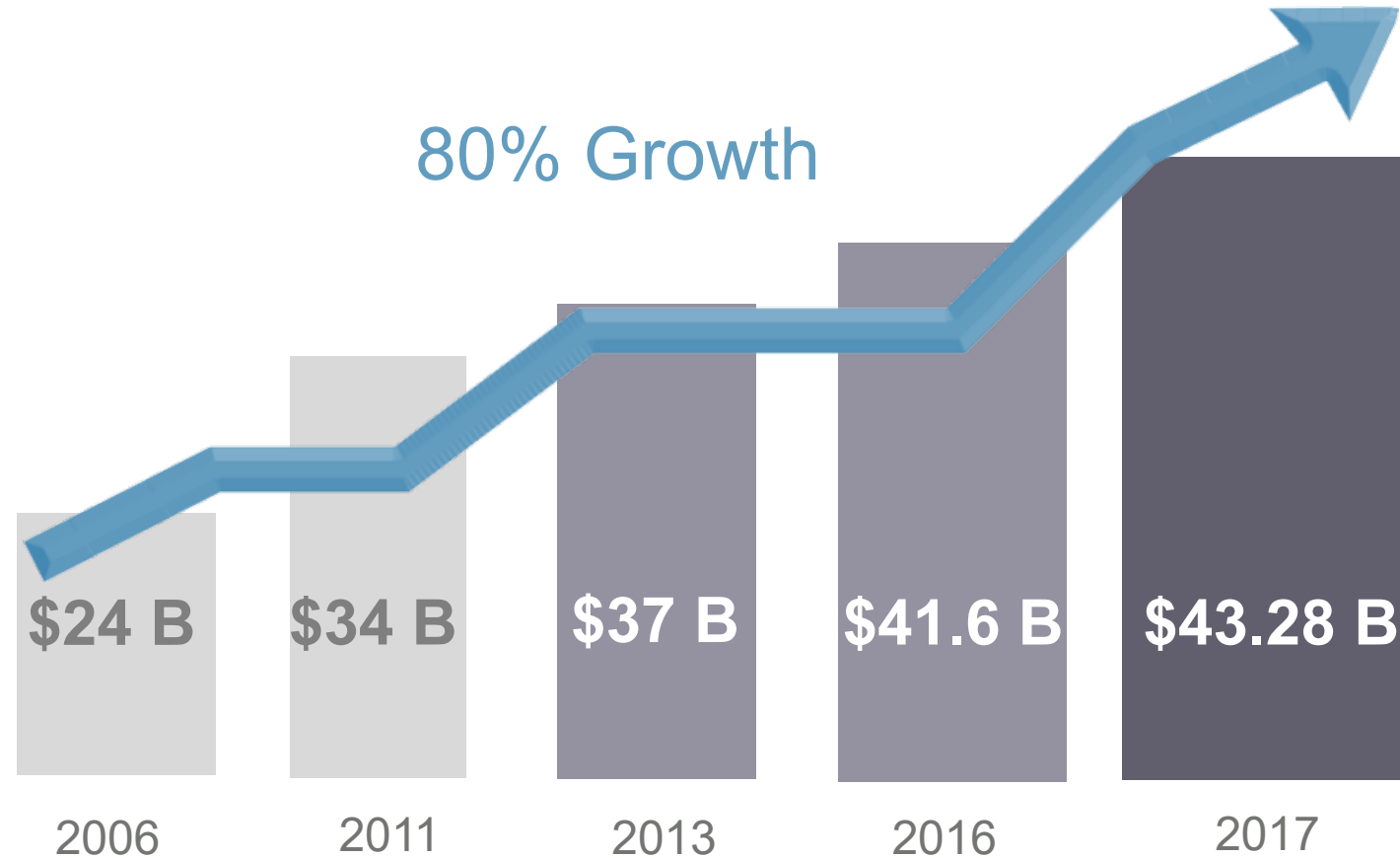
Florida Services EXPORTS

2013	\$37B
2016	\$41.6B
2017	\$43.28B



Florida Services Exports

If you can't make it, mine it or grow it – it's a service.



\$9.28 billion in services exports growth from 2011-17



Florida Services Exports

If you can't make it, mine it or grow it – it's a service.

United Kingdom



Canada



China



Japan



Mexico



Partner	2016 Value	2017 Value	% Change
United Kingdom	\$3.56B	\$3.6B	+1%
Canada	\$3.08B	\$3.27B	+6%
China	\$3.2	\$3.23B	+1%
Japan	\$3.0B	\$3.17B	+3%
Mexico	\$2.3B	\$2.39B	+4%



Florida Services Exports

If you can't make it, mine it or grow it – it's a service.



Travel	-5%
Transportation Services	5%
Financial Services	21%
Equipment Installation, Maintenance & Repair	11%
Telecommunications, Computer & Information Services	4%
Royalties & License Fees	4%
Insurance Services	14%

Year over year percentage growth (2016-17)



Travel	7%
Business, Professional & Technical Services	11%
Transportation Services	8%
Royalties & License Fees	5%
Telecommunications, Computer & Information Services	20%
Financial Services	16%



Florida Services Exports

If you can't make it, mine it or grow it – it's a service.

Year over year percentage growth (2016-17)



Travel	-1%
Transportation Services	5%
Royalties & License Fees	7%
Financial Services	27%
Telecommunications, Computer & Information Services	17%



Transportation Services	5%
Business, Professional & Technical Services	5%
Royalties & License Fees	5%
Insurance Services	22%
Equipment Installation, Maintenance & Repair	8%
Telecommunications, Computer & Information Services	19%
Financial Services	11%



Travel	3%
Transportation Services	2%
Business, Professional & Technical Services	11%
Royalties & License Fees	5%
Telecommunications, Computer & Information Services	17%
Financial Services	1%
Insurance Services	13%



Opportunity Watch



MIAMI: January 29, 2019. The Brazilian Post Office (Correios) has launched a global e-commerce service at Miami Airport called 'Compra Fora' (Buy Outside). The country is Latin America's largest economy and was responsible for an estimated 65 percent of the region's e-commerce sales in 2018.

- Classifies all e-commerce exports to Brazil from MIA as domestic cargo – thus expediting their arrival to final destination from weeks to days.
- The Brazilian Government designated MIA as the only airport in the United States able to pre-clear E-commerce to Brazil.

Port Tampa Bay Welcomes New Direct Asian Container Service



Port Tampa Bay is pleased to welcome COSCO Shipping's announcement that it will add Port Tampa Bay to its Gulf of Mexico Express (GME) Transpacific service, with the first vessel M/V COSCO PIRAEUS scheduled to arrive Tampa on January 28, 2019.



Port Everglades Signs MOU with the Honduras National Port Authority

The MOU outlines joint initiatives the two parties may undertake and states that it is within "their mutual interest to establish an alliance of cooperation aimed at facilitating international trade and generating new business by promoting the all-water routes between" Port Everglades and Honduran seaports.

Key joint initiatives will include:

- Marketing activities
- Market studies
- Modernization and improvements
- Training

Questions?

Upcoming Events

- February 19
 - International Business Council Meeting- Tallahassee (Only open to members)
 - Legislative Fly-In- Tallahassee
 - Global Florida Dinner-Tallahassee
- May 22-23 | Florida Business Leaders' Summit on Prosperity and Economic Opportunity- West Palm Beach
- May 30 | Florida International Trade & Investment Conference (FITIC)- Miami

CONTACT US

Get in touch

Miami International Trade & Investment Office

Alice Ancona | Director, International Strategy & Policy

Dan Tapia | Manager, International Strategy & Policy



In Person

Office: 201 Alhambra Circle
Coral Gables, FL 33134



Online

www.flchamber.com



By Email

Email: international@flchamber.com



By Phone

(850) 521-1210

