

Fast growth in the inter-Americas biofuels trade is being driven by sugar-based ethanol from the Caribbean, Central America and South America

Feedstock price trends

The markets for ethanol trade in different parts of America are growing at impressive rates. Although most news and analyses concerning ethanol in the Americas have focused on rising feedstock price concerns and the food versus fuel debate, another key trend has been largely overlooked in

the media – emerging import and export growth.

Although Brazil represents the largest volume of ethanol exports to the US, some of the fastest growth is coming from the Caribbean and Central American countries. These growth trends are largely due to competitively priced ethanol from sugar-based feedstocks. Another key driver is the

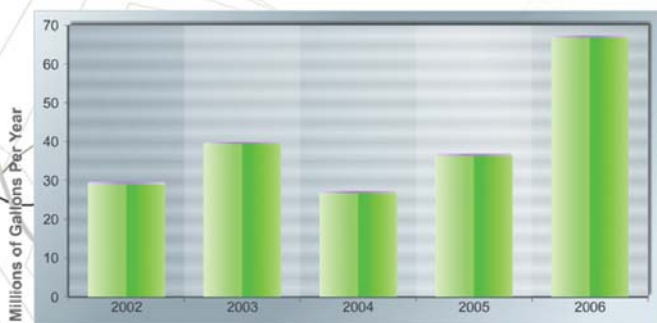
revision of US government mandate targets to replace 20% of transportation fuels over the next 10 years with biofuels.

The recent formation of the Inter-Americas Ethanol Commission will eventually contribute to these growth trends by promoting regional trade, inter-governmental cooperation, and addressing growing regional and US

demand. Over the next 10 years, lower cost ethanol from sugarcane from Central America and the Caribbean (along with Brazil) will make a major contribution to help meet ambitious US targets. From an investment perspective, if these trends continue the outlook for ethanol trade in the Americas is likely to remain favourable for the foreseeable future. ●

Jamaican ethanol exports to the US

Market growth and trends in import-export 2002 to 2006

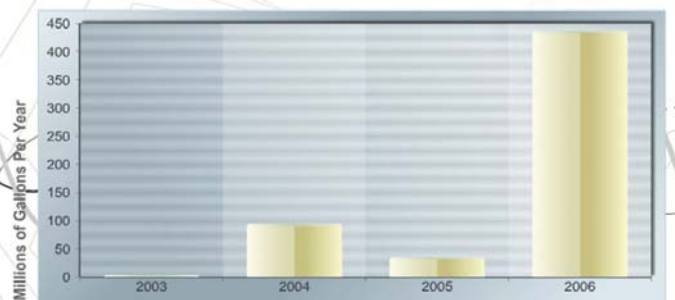


Source: Emerging Markets Online, Ethanol 2020: A Global Market Survey, RFA

Traditionally, Jamaica's best known exports are bauxite, reggae music and rum. Biofuels growth and exports from Jamaica to the U.S. are on the rise and are expected to accelerate based on recently revised trade accords, and increasing demand for ethanol from the U.S.

Brazilian ethanol exports to the US

Market growth and import-export trends 2003 to 2006

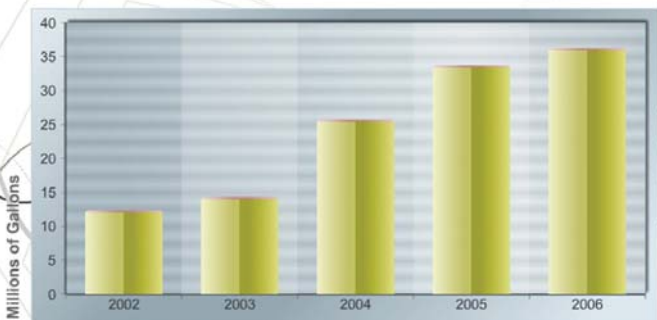


Source: Emerging Markets Online, Ethanol 2020: A Global Market Survey, RFA

Brazil's ethanol markets are legendary in terms of growth, feedstock price competition and technology. Despite U.S. import duties on Brazilian ethanol, import volumes are rising. The U.S. imported approximately 450 million gallons in 2006, nearly 10% of all ethanol consumed in the U.S. in the same year. Brazil's lower feedstock prices are driving U.S. import growth.

Costa Rican ethanol exports to the US

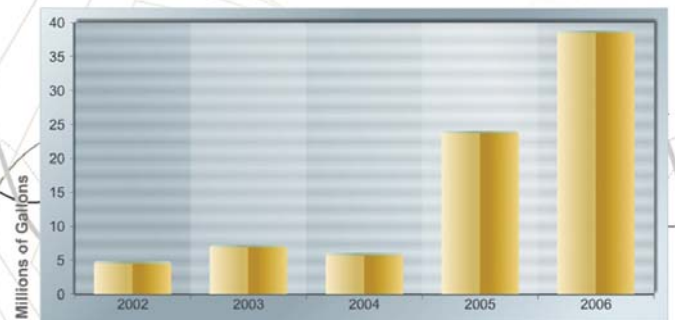
Market growth and import-export trends 2002 to 2006



Source: Emerging Markets Online, Ethanol 2020: A Global Market Survey, RFA

El Salvador ethanol exports to the US

Market growth and import-export trends 2002 to 2006



Source: Emerging Markets Online, Ethanol 2020: A Global Market Survey, RFA