



ARE THERE BRIGHTER DAYS AHEAD FOR SHIPPING?

Mark Williams

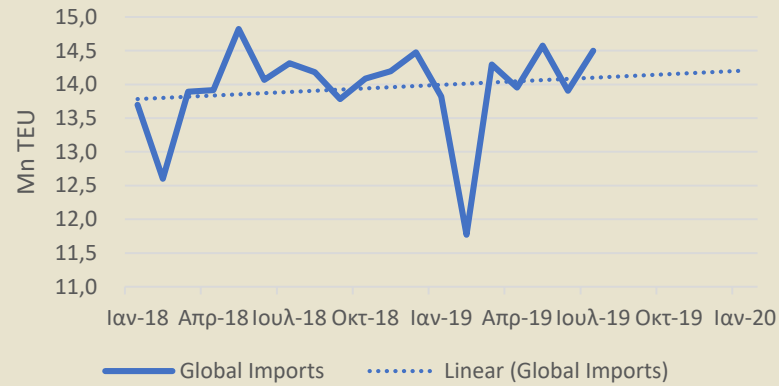
Managing Director, Shipping Strategy Ltd

SYNOPSIS

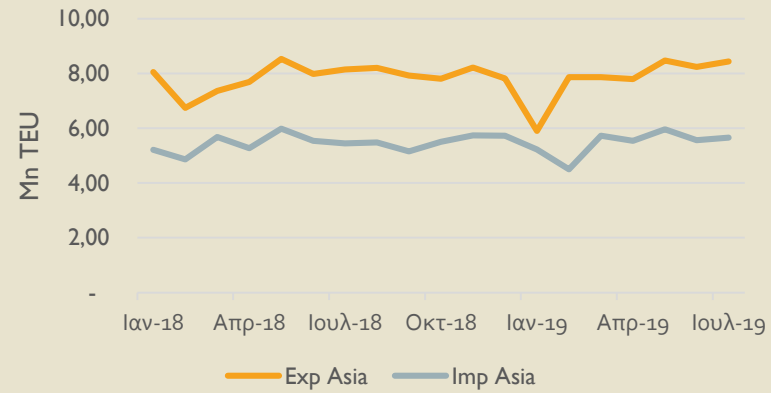
1. Containers
2. Bulk Carriers
3. Oil Tankers
4. Corporatisation
5. Optimisation
6. Finance for the Few?
7. Time for Pearls of Wisdom

CONTAINERS

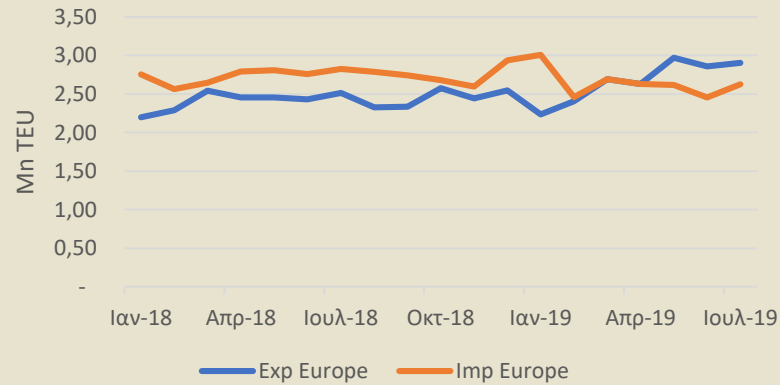
Global Box Trade



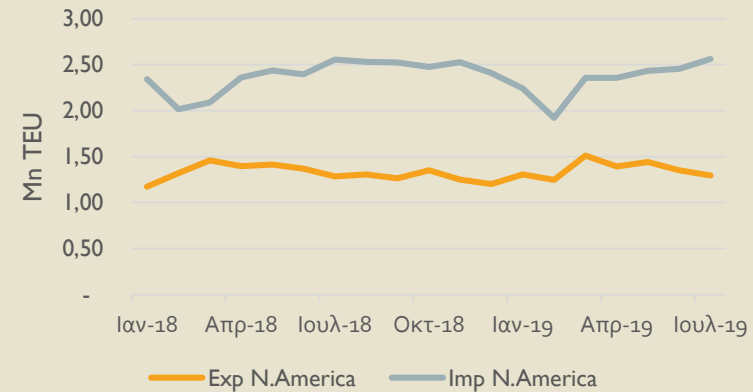
Asian box trade



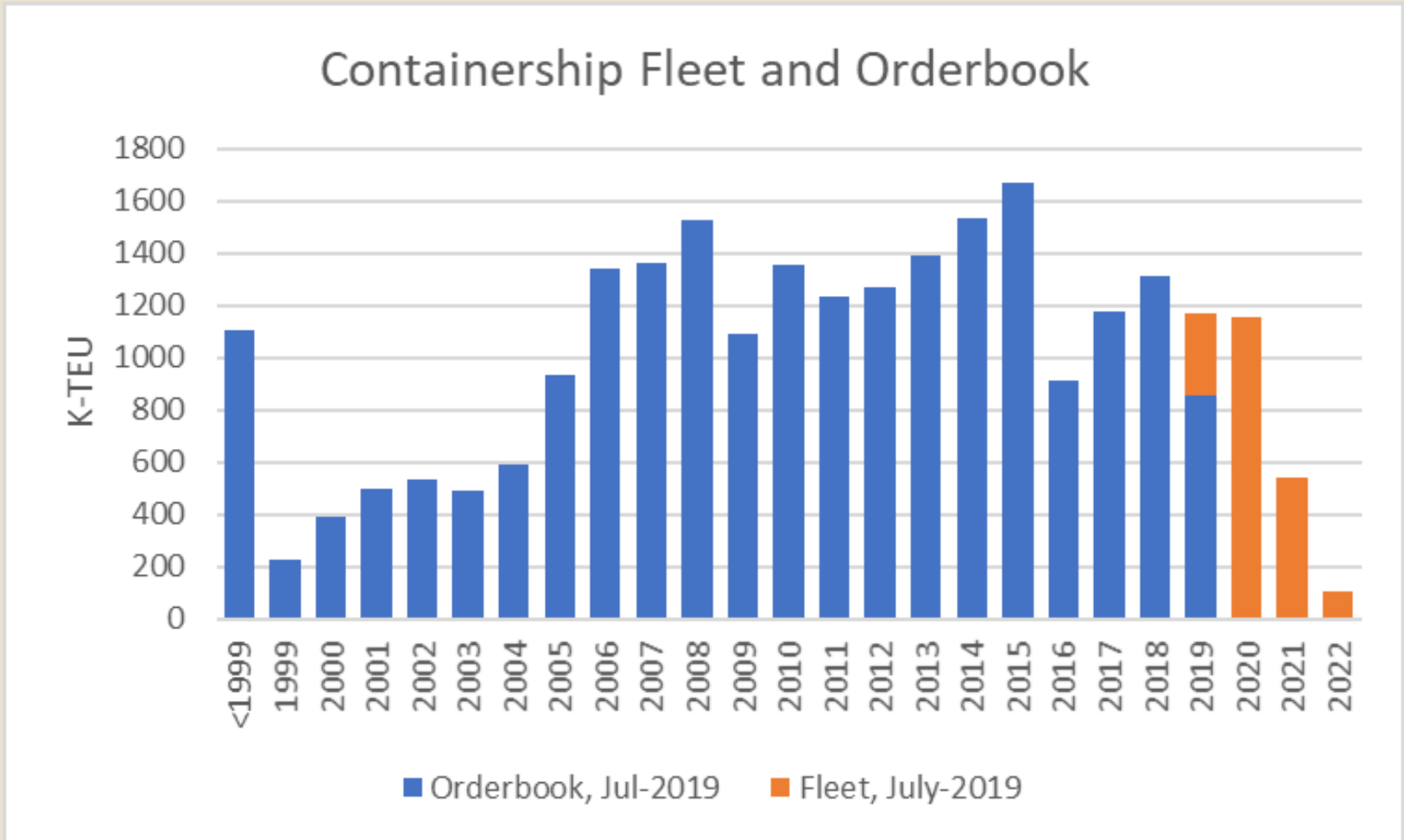
European box trade



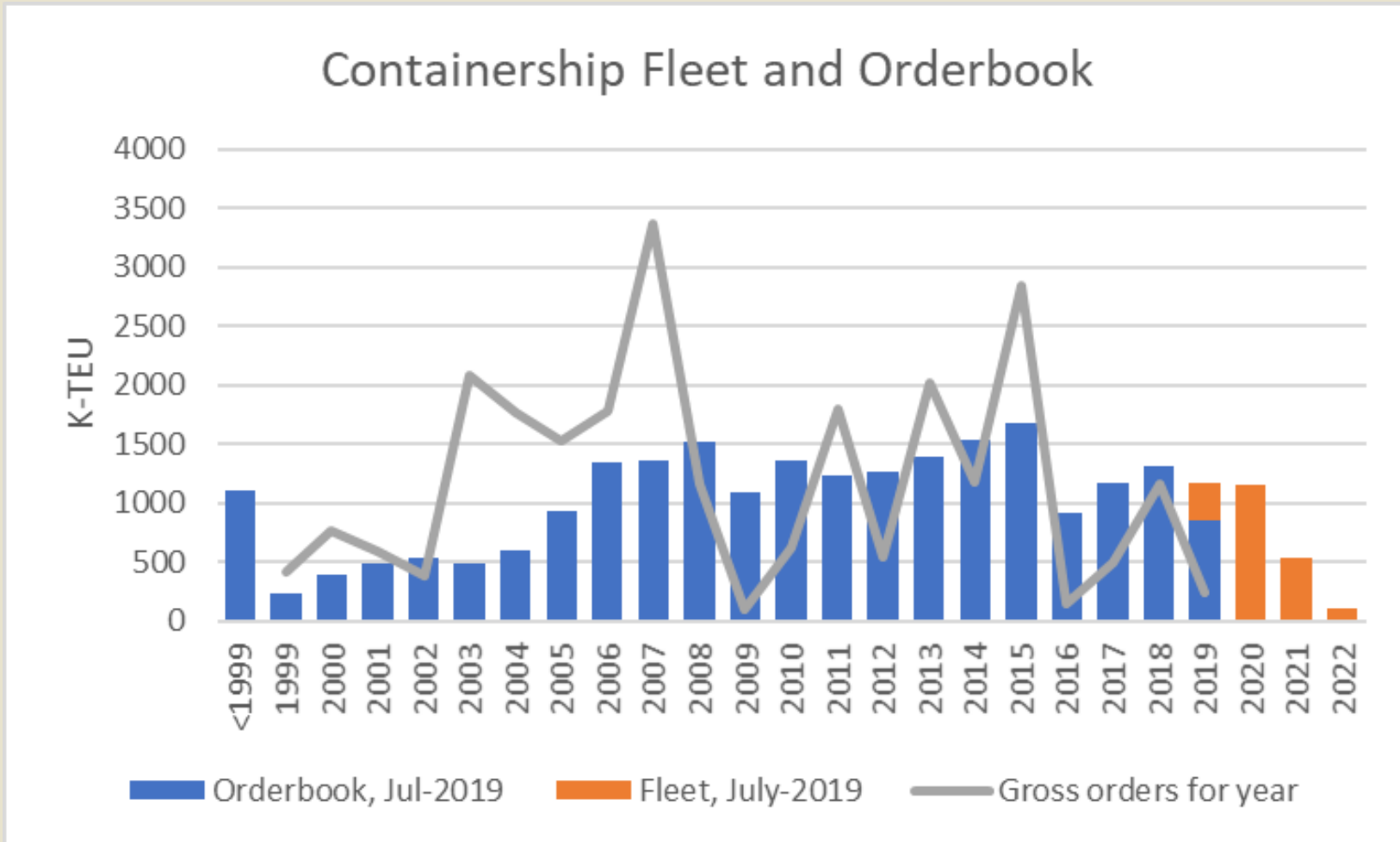
N America box trade



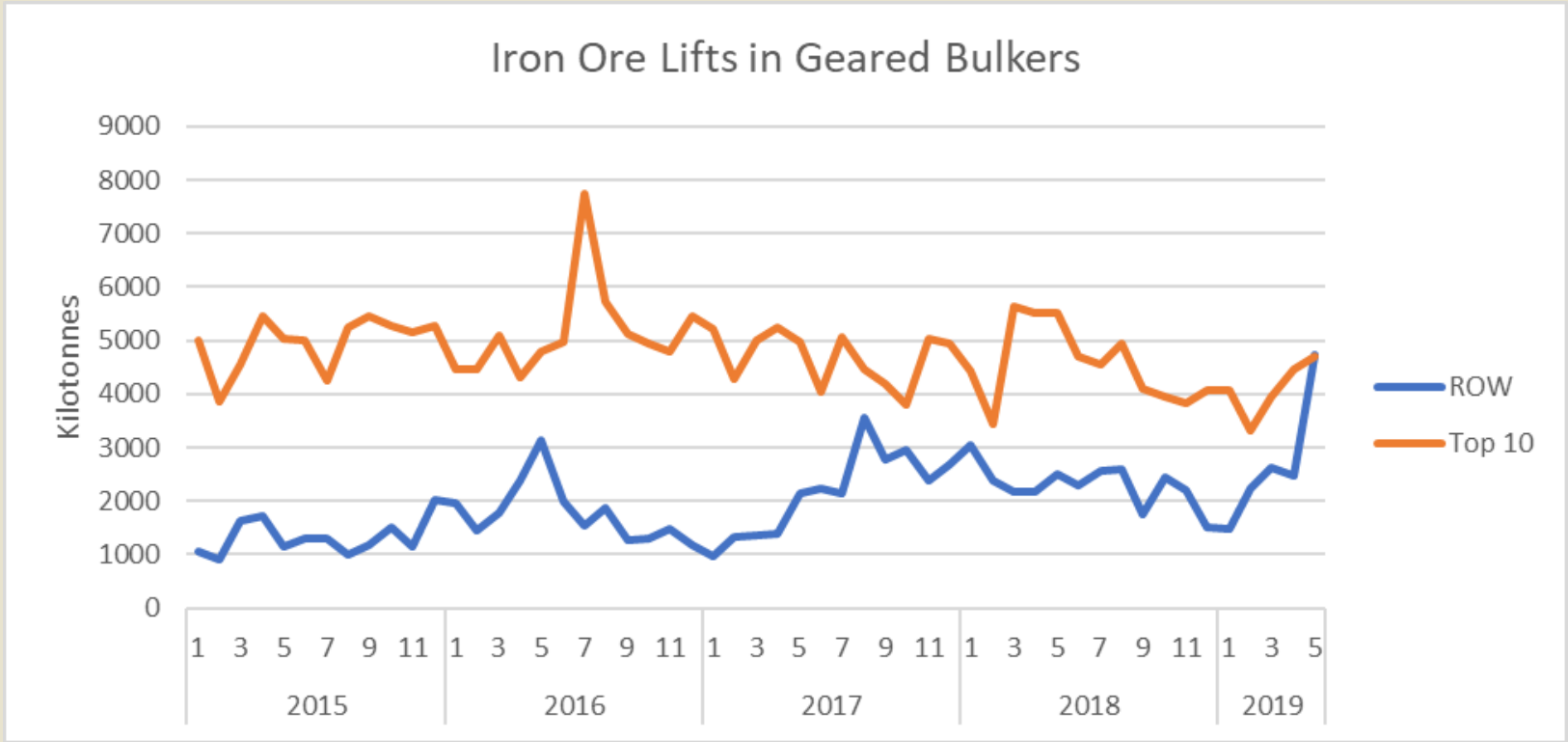
DOES THIS GIVE US COMFORT?



DOES THIS GIVE US COMFORT?



DRY CARGO: CHANGING TRADE LANES?

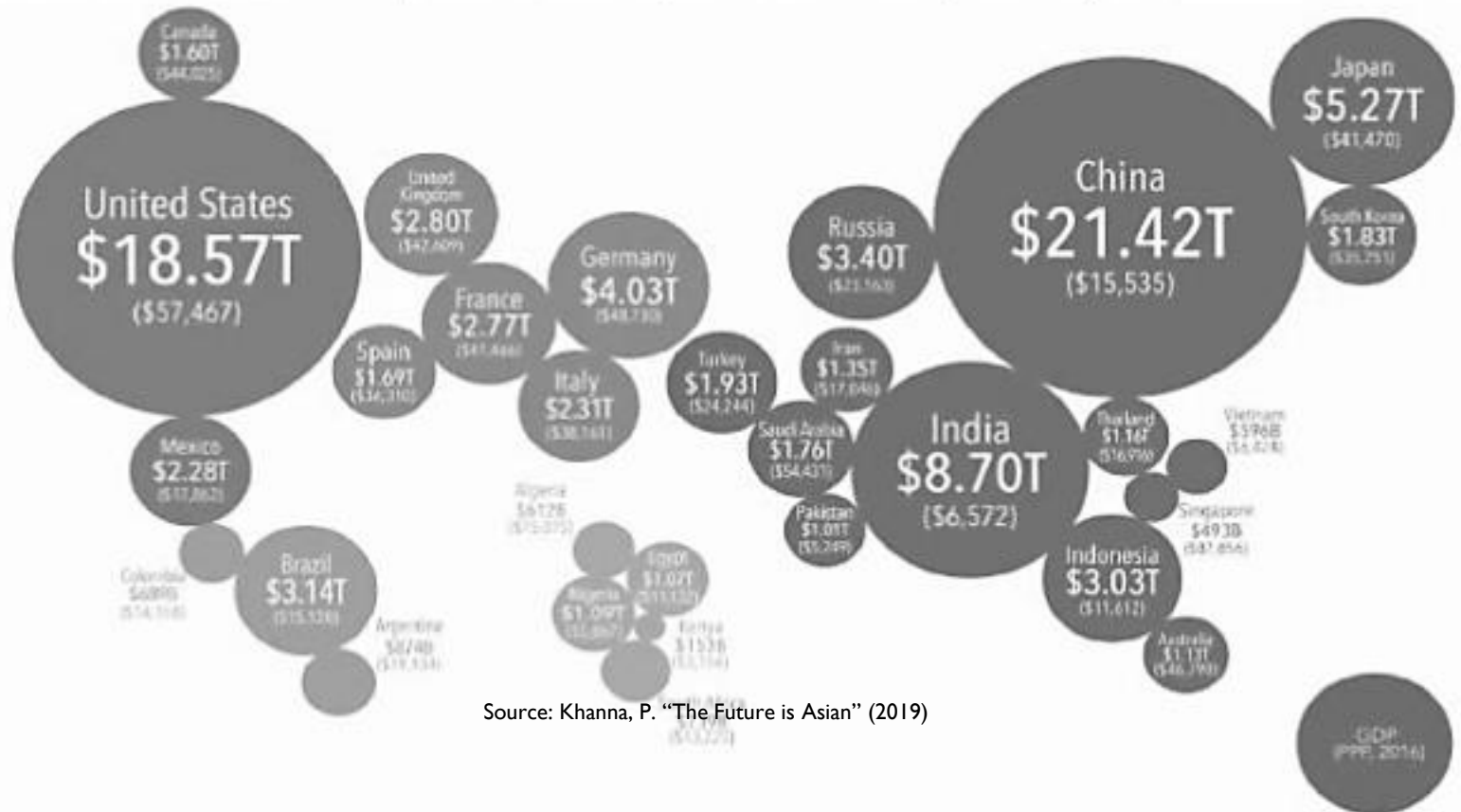


Top 10 load countries are: Australia, Brazil, China, Norway, Oman, Peru, Saudi Arabia, Sierra Leone, South Africa and Ukraine. The biggest step change in May-19 was in Australia and Brazil...a reaction to higher Capesize freight?

ON A PPP BASIS, TODAY BELONGS TO ASIA

THINK PPP FOR GDP: ASIANS PAY ASIAN PRICES FOR ASIAN GOODS.

Measured in PPP terms, China has already surpassed the United States as the world's largest economy, while Asia as a whole represents about half of global GDP. The more Asian economies trade with one another, the better able they are to maintain low prices for goods.

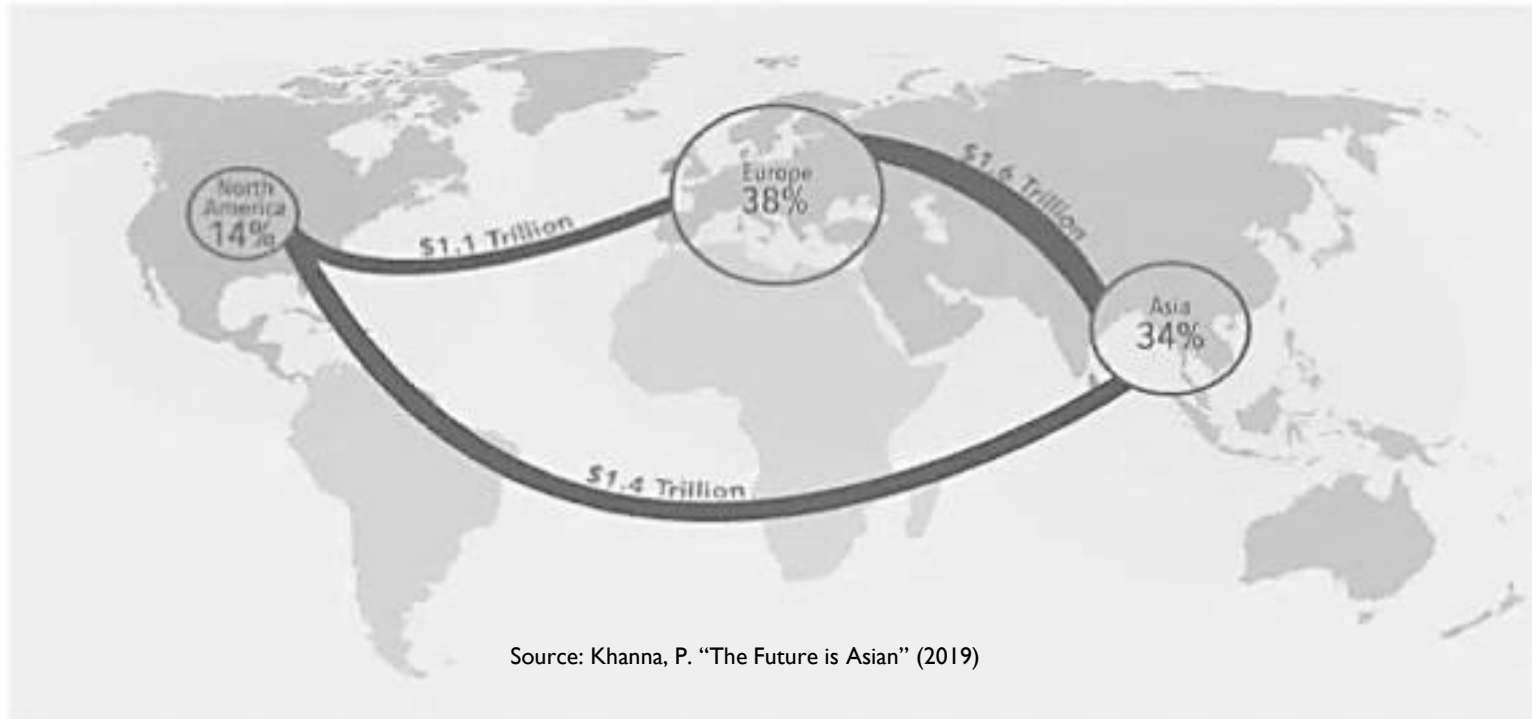


Source: Khanna, P. "The Future is Asian" (2019)

WORLD TRADE CENTRED ON ASIA-EUROPE: THE FUTURE IS EURASIAN

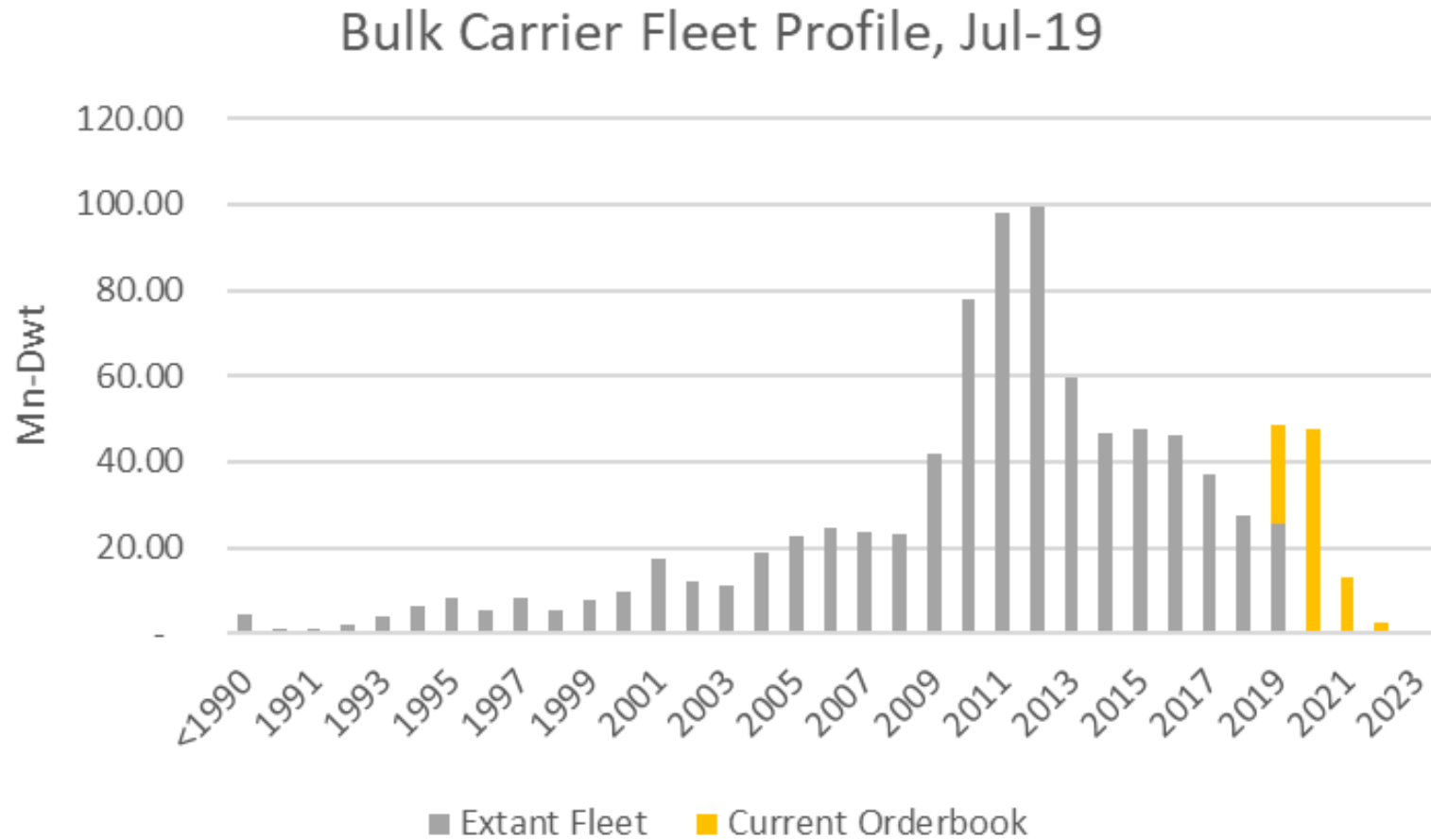
GROWING TOGETHER: EUROPE AND ASIA FORM THE MOST SIGNIFICANT AXIS OF GLOBAL TRADE.

Europe and Asia are the two most significant regions in global trade, and their trade with each other comprises a greater trade volume than any other pair of regions. As infrastructural linkages and trade agreements expand, Eurasian trade is accelerating and far outstripping either region's trade with North America.

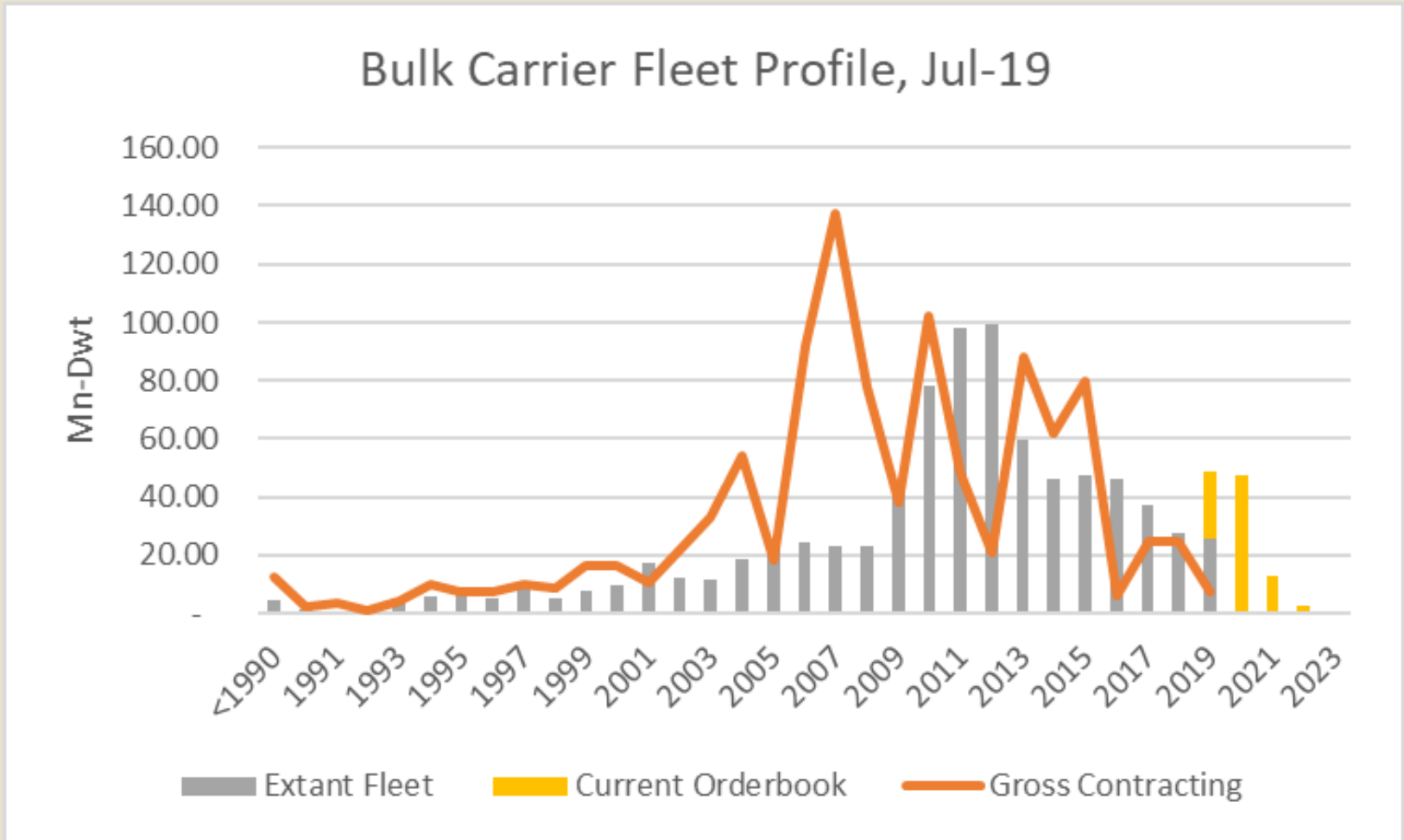


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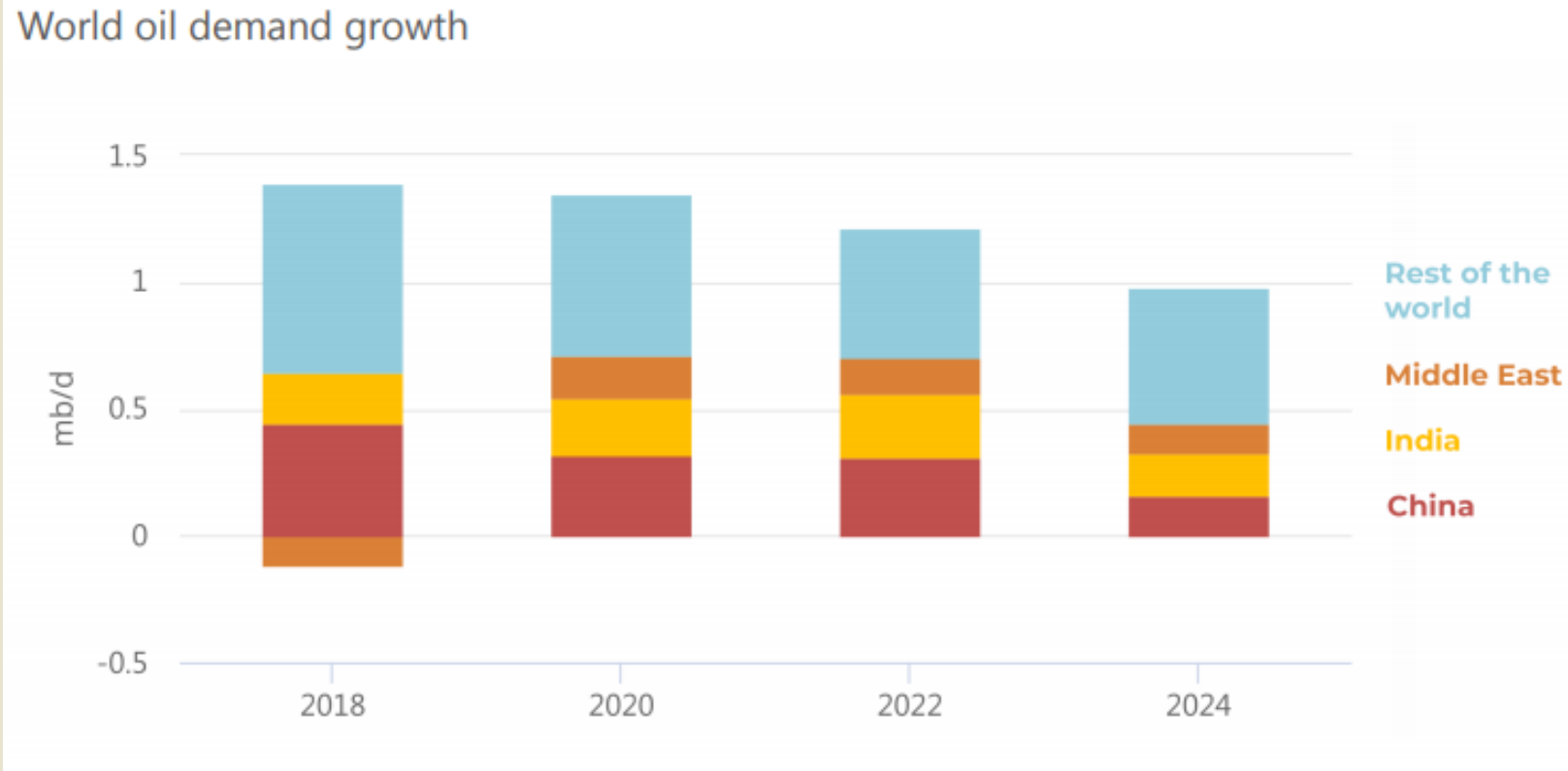
BULKER FLEET PROFILE



BULKER FLEET PROFILE AND CONTRACTING

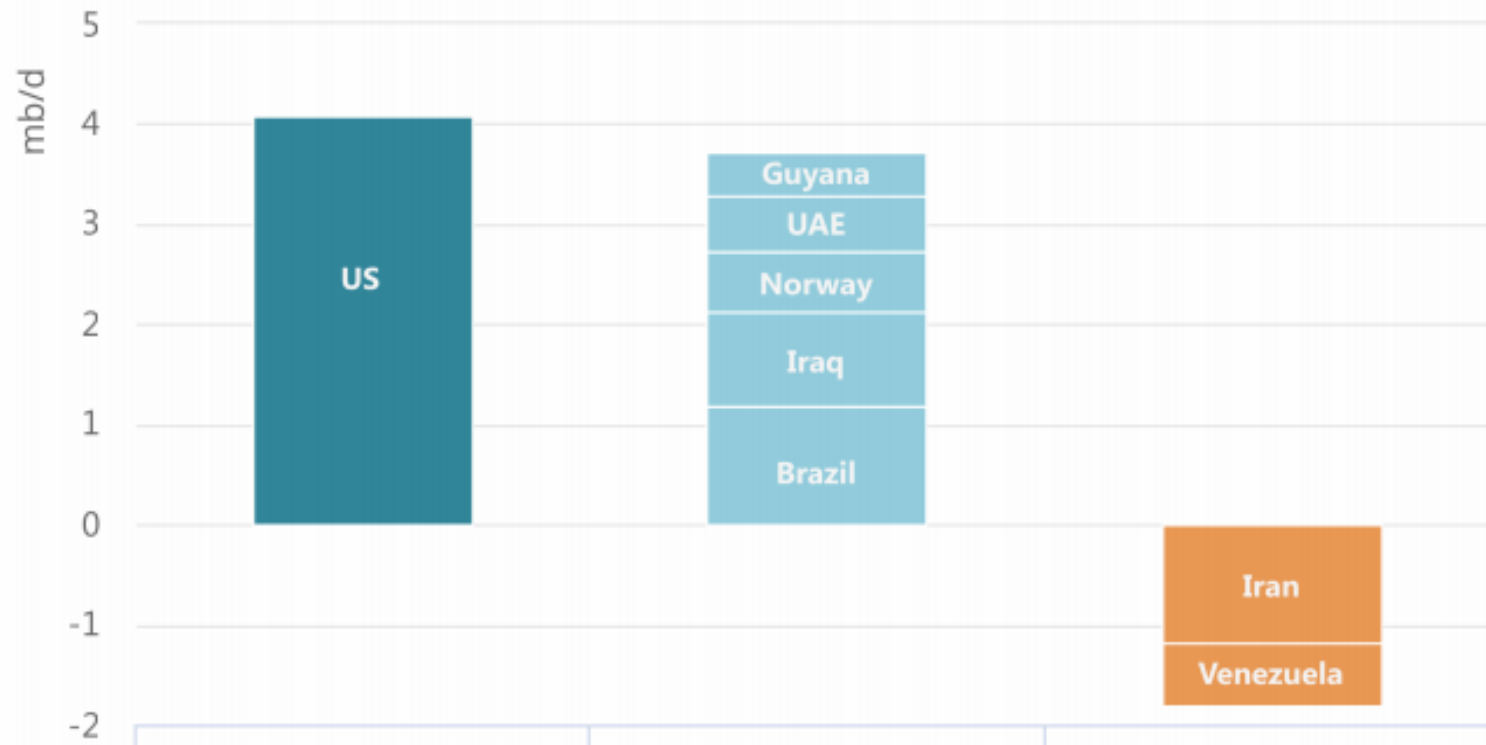


OIL TANKERS: SOLID DEMAND FUNDAMENTALS



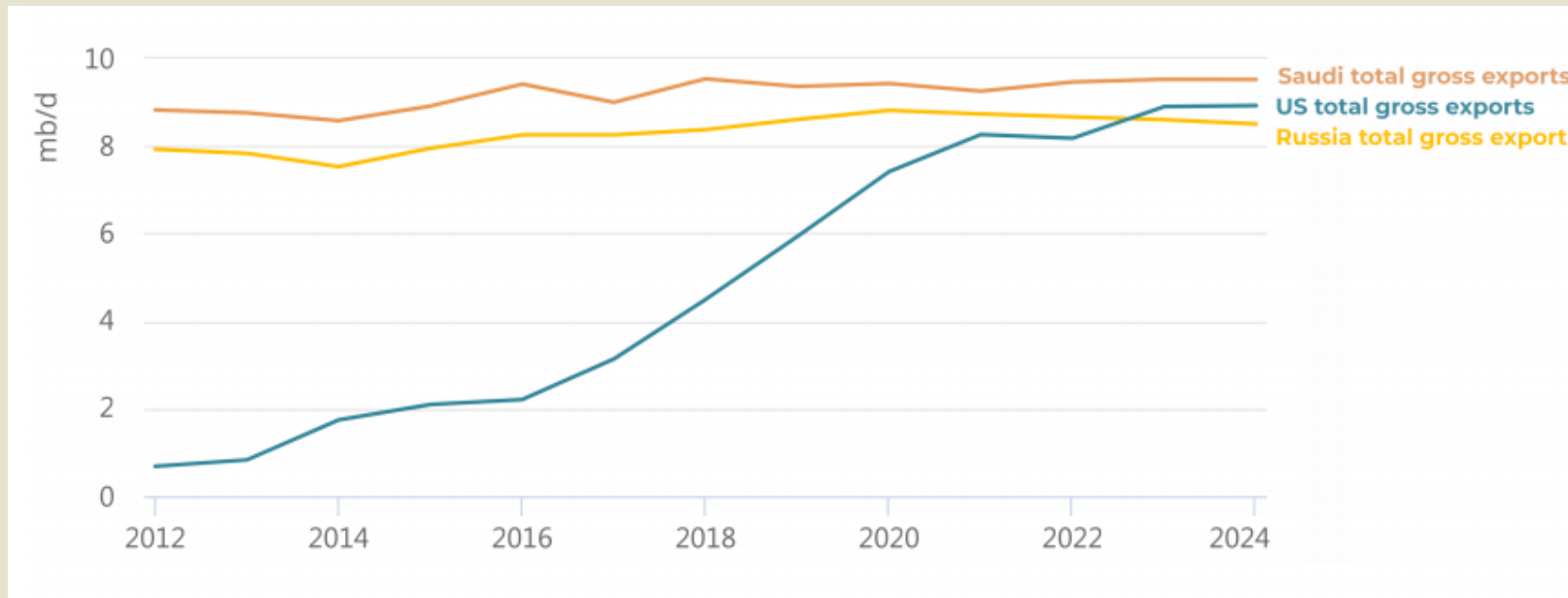
US THE KEY TO OIL SUPPLY GROWTH

Change in total oil supply 2018-24



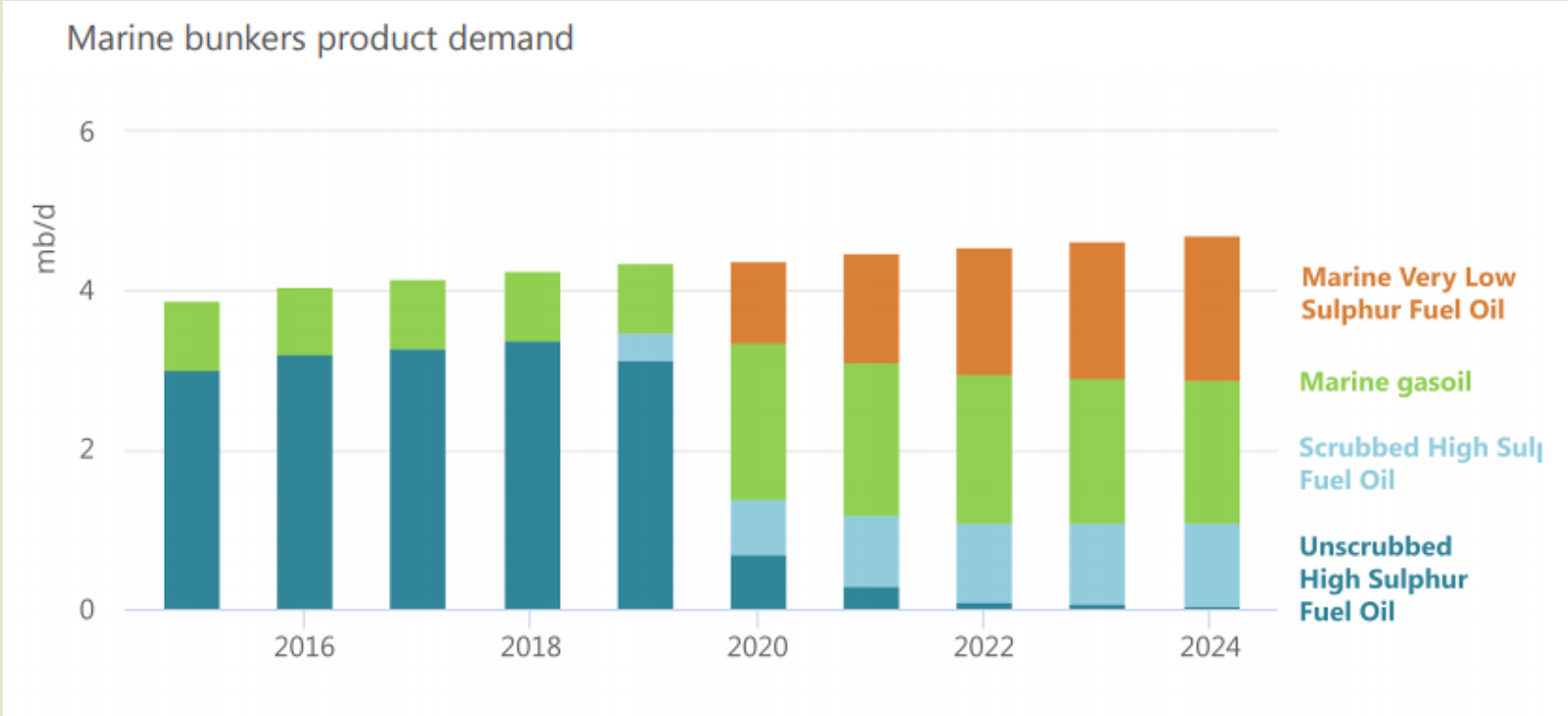
Source: IEA 2019

US EXPORTS TO CATCH SAUDI & RUSSIA



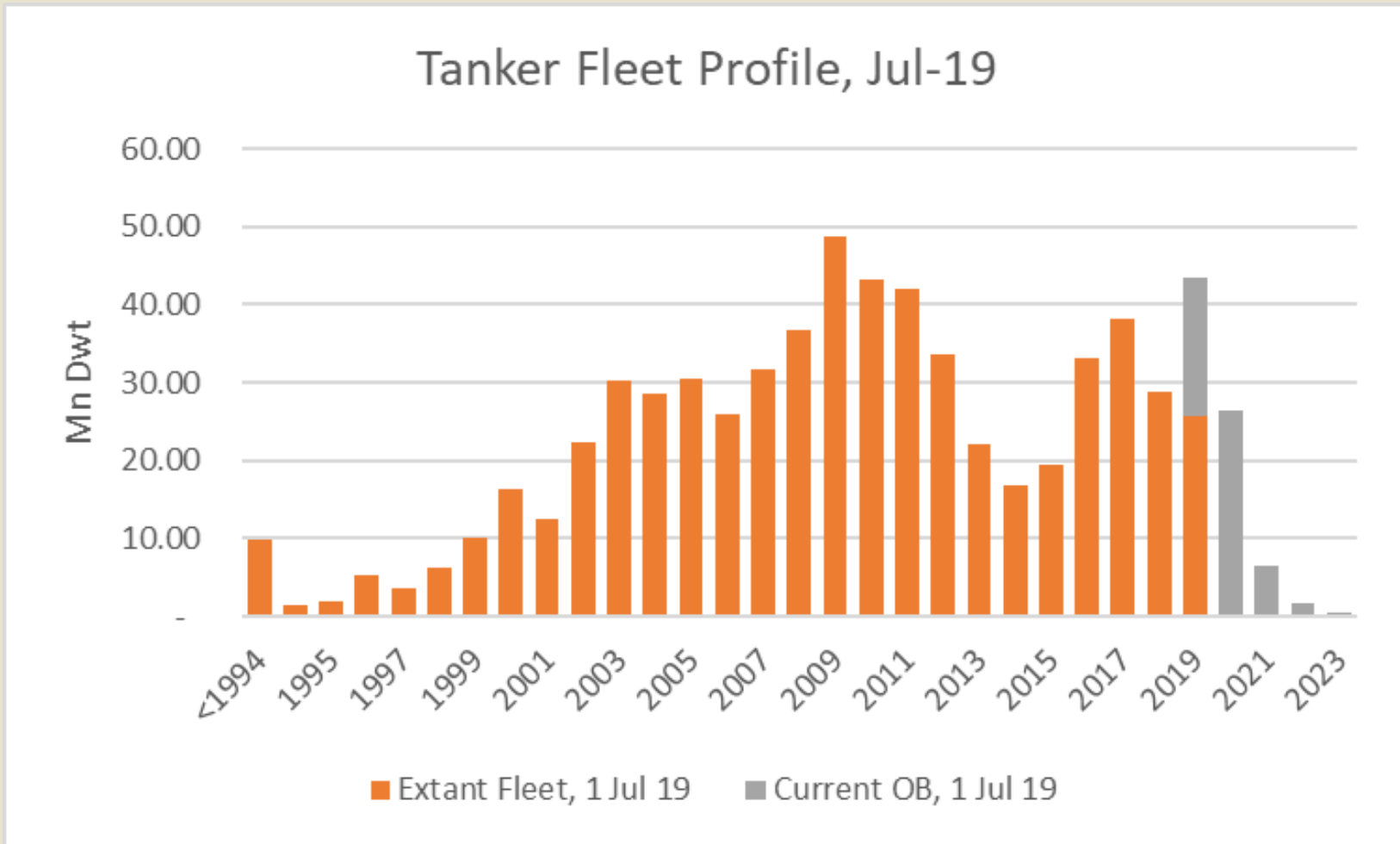
Source: IEA 2019

HOW LONG WILL IMO2020 IMPACT?

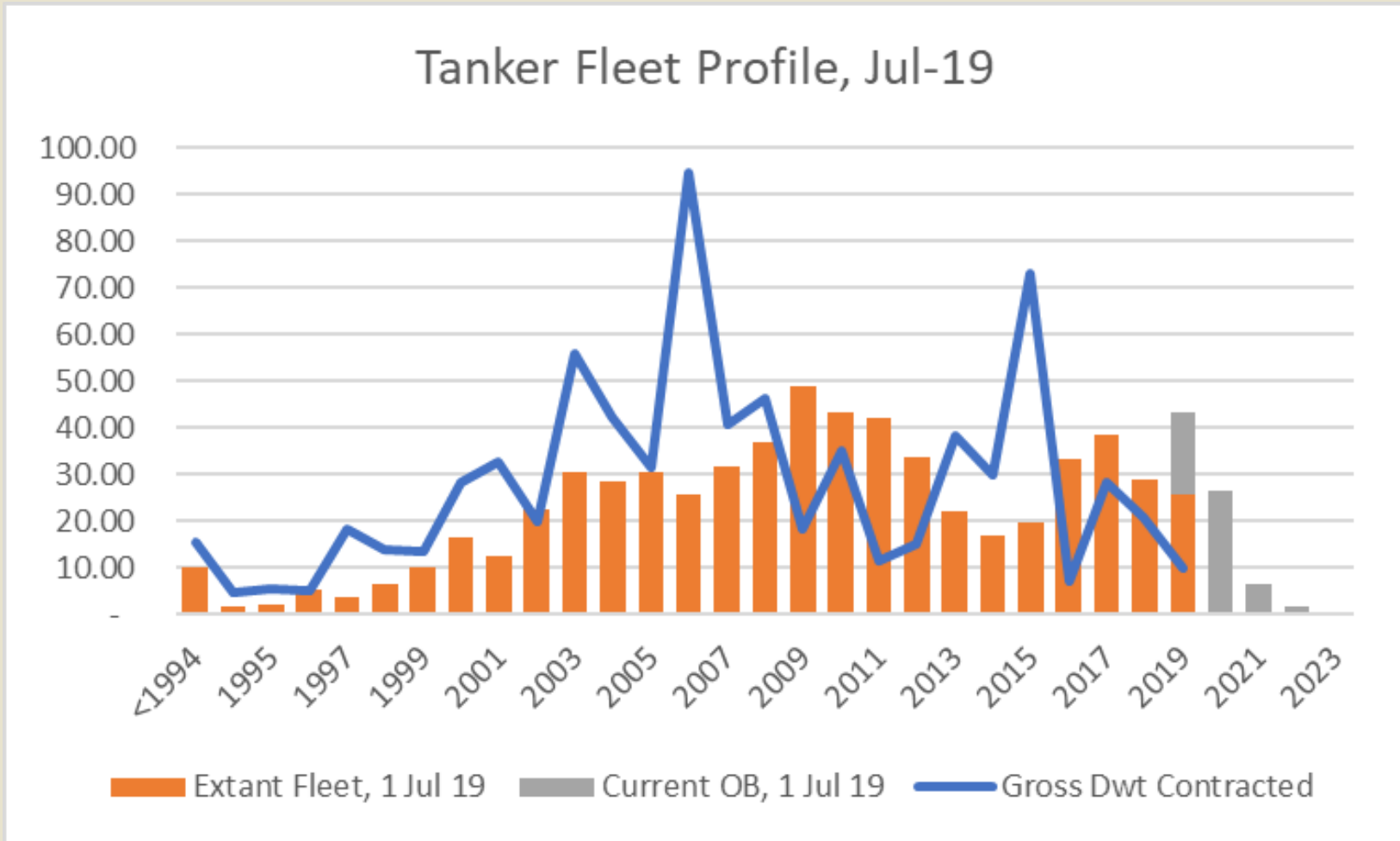


Source: IEA 2019

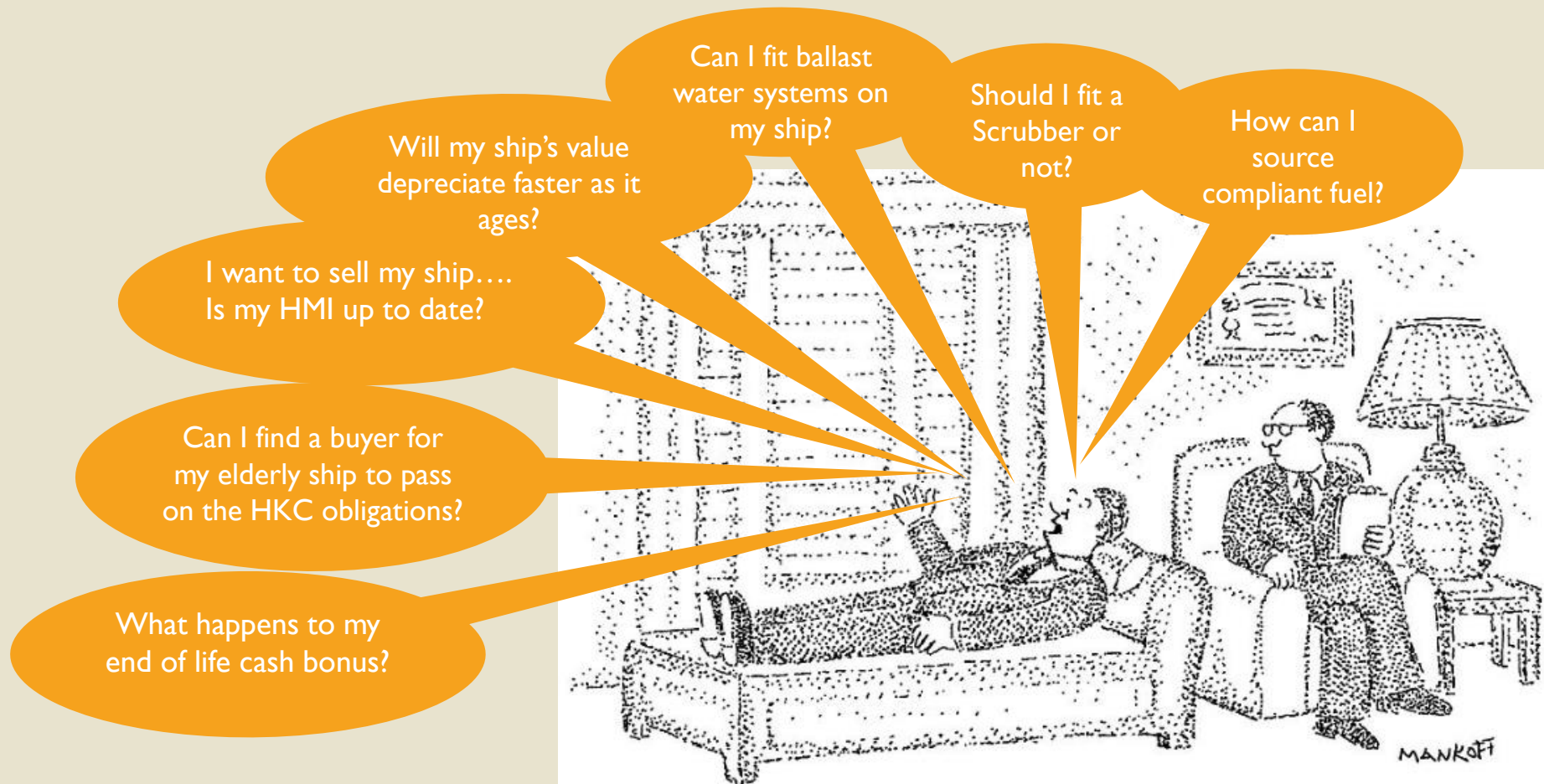
TANKER FLEET PROFILE



TANKER FLEET PROFILE AND CONTRACTING



SHIP OWNERS' ~~WORRIES~~ STRATEGIC CHOICES



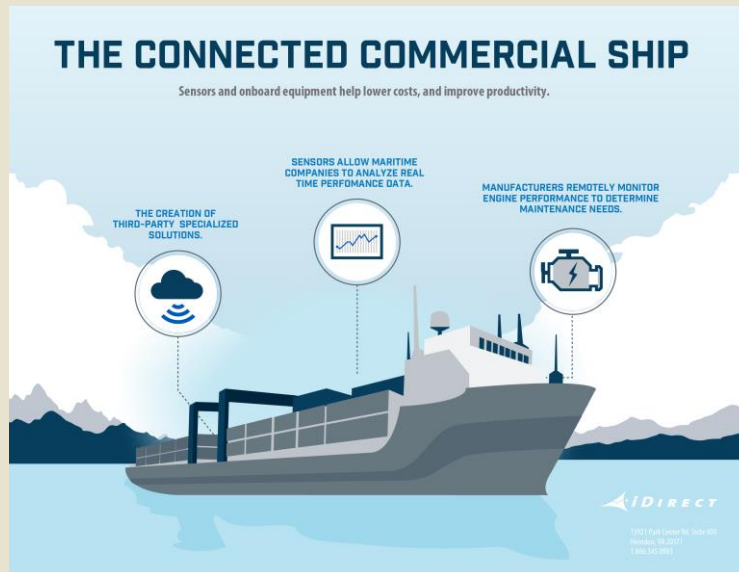
CORPORATISATION: A GOOD THING?

- **March of the Corporations:** big companies want big partners and big suppliers
- **Regulatory environment:** higher barriers undermine independent ship operators due to higher cost ratio
- **Technology:** not in favour of small independent ship owners

OPTIMISATION

Internet of things

- Predictive analytics
- Physical risk management
- End-to-end logistics chains



Interconnectedness

- Automation
- Optimization
- Financial risk management



FINANCE FOR THE FEW?

Decline of traditional sources

+

Oversight from rating agencies

+

State capitalism

+

Poseidon principles

+

Optimisation

=

Finance for the Few

TIME FOR PEARLS OF WISDOM...

Ms Sadan Kaptanoglu, Chairwoman of Kaptanoglu Group & BIMCO President

Mr Mikael Skov, CEO, Hafnia Pte Ltd

Mr Thomas Rehder, Managing Partner, Carsten Rehder Schiffsmakler und Reederei GmbH & Co. KG

Mr Ben Nolan, Managing Director, Maritime & Energy Infrastructure Research, Stifel Financial Corp.

Mr Philippos Philis, President, Cyprus Shipping Chamber

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