



# Container market outlook

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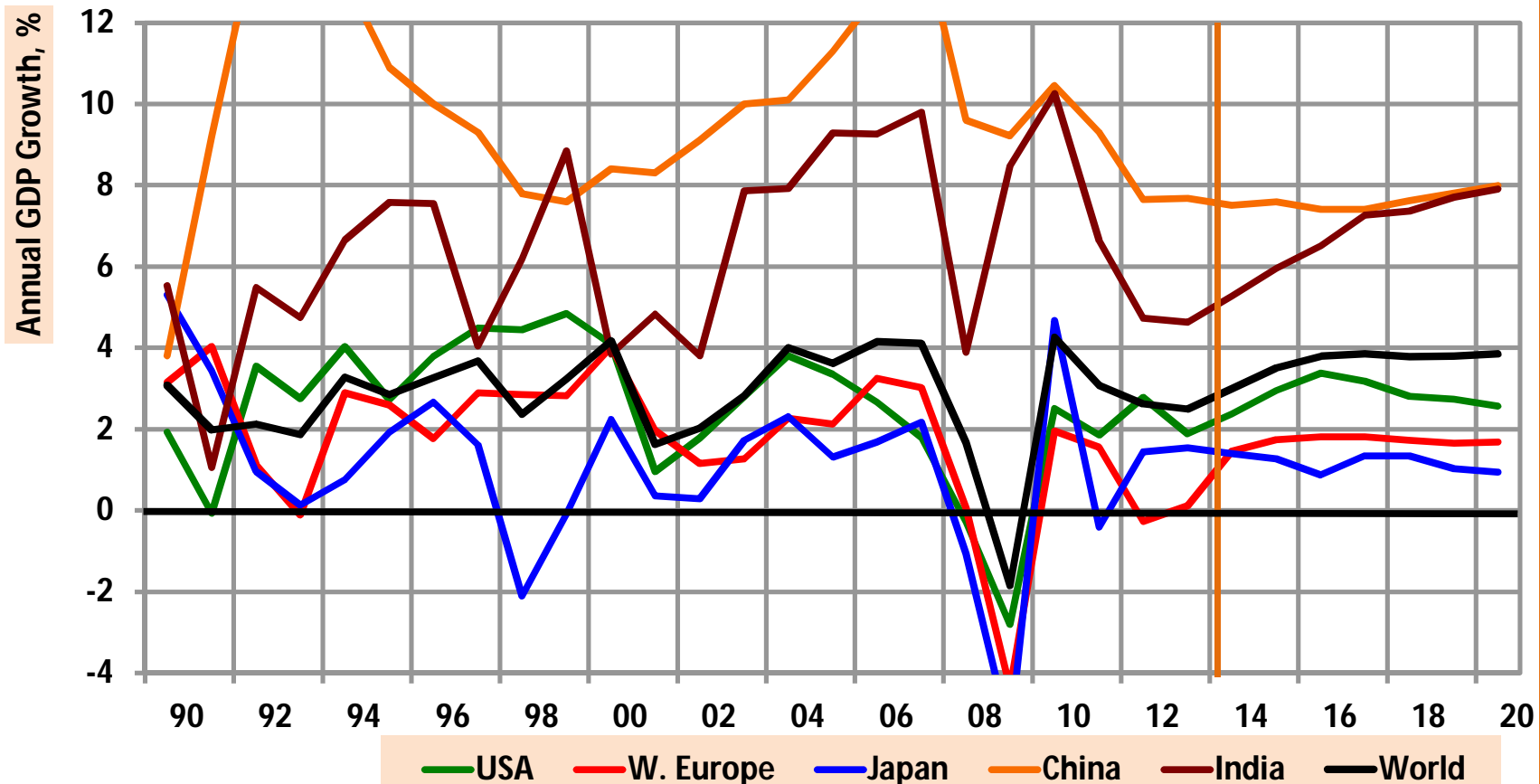
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# Content

- Long term GDP (forecast foundation)
- Seaborne (containerised) trade
- Volumes and rates
- Container fleet development
- Balance
- Key takeaways

# GDP growth, the only way is up...or?

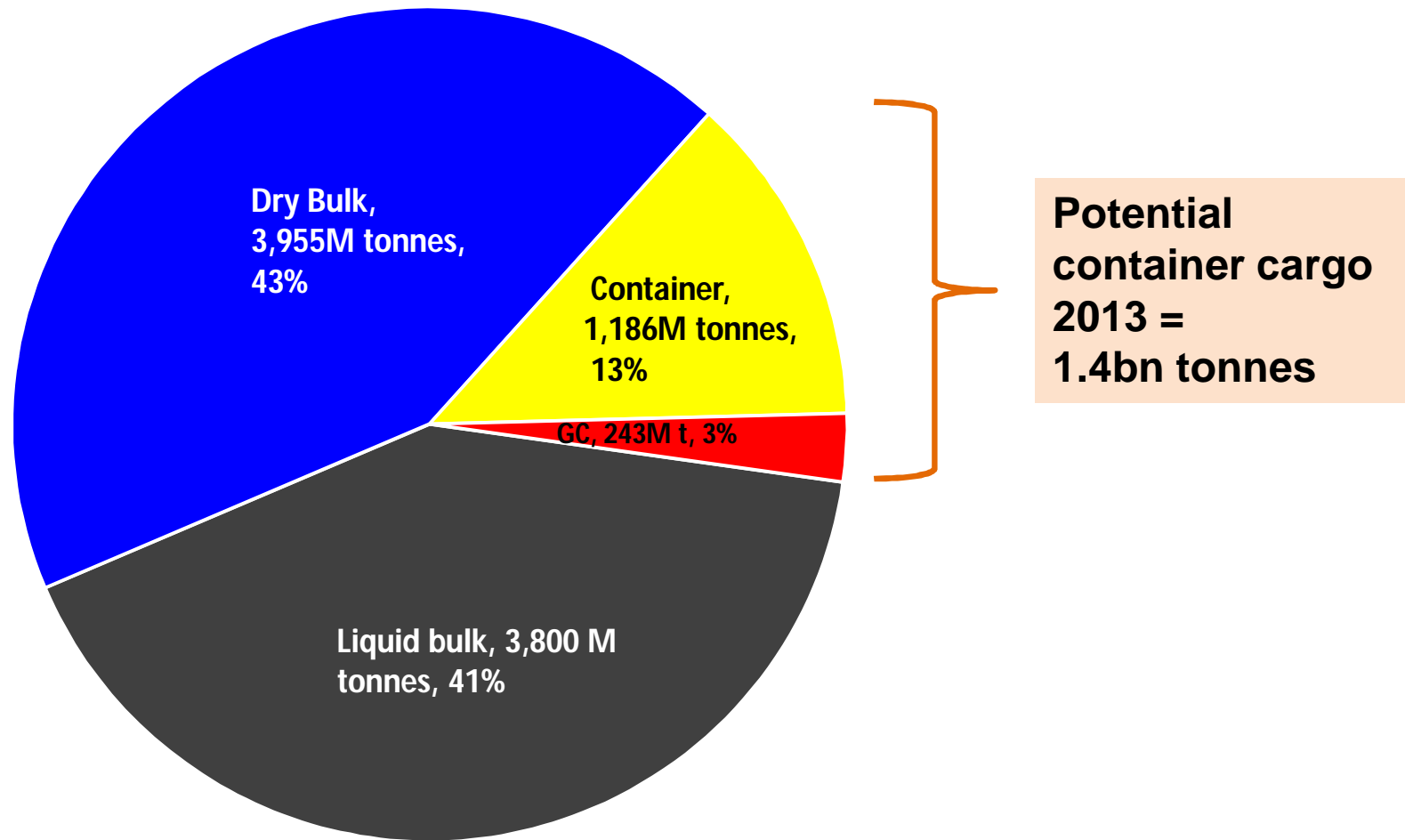
## Long term growth prospects are promising



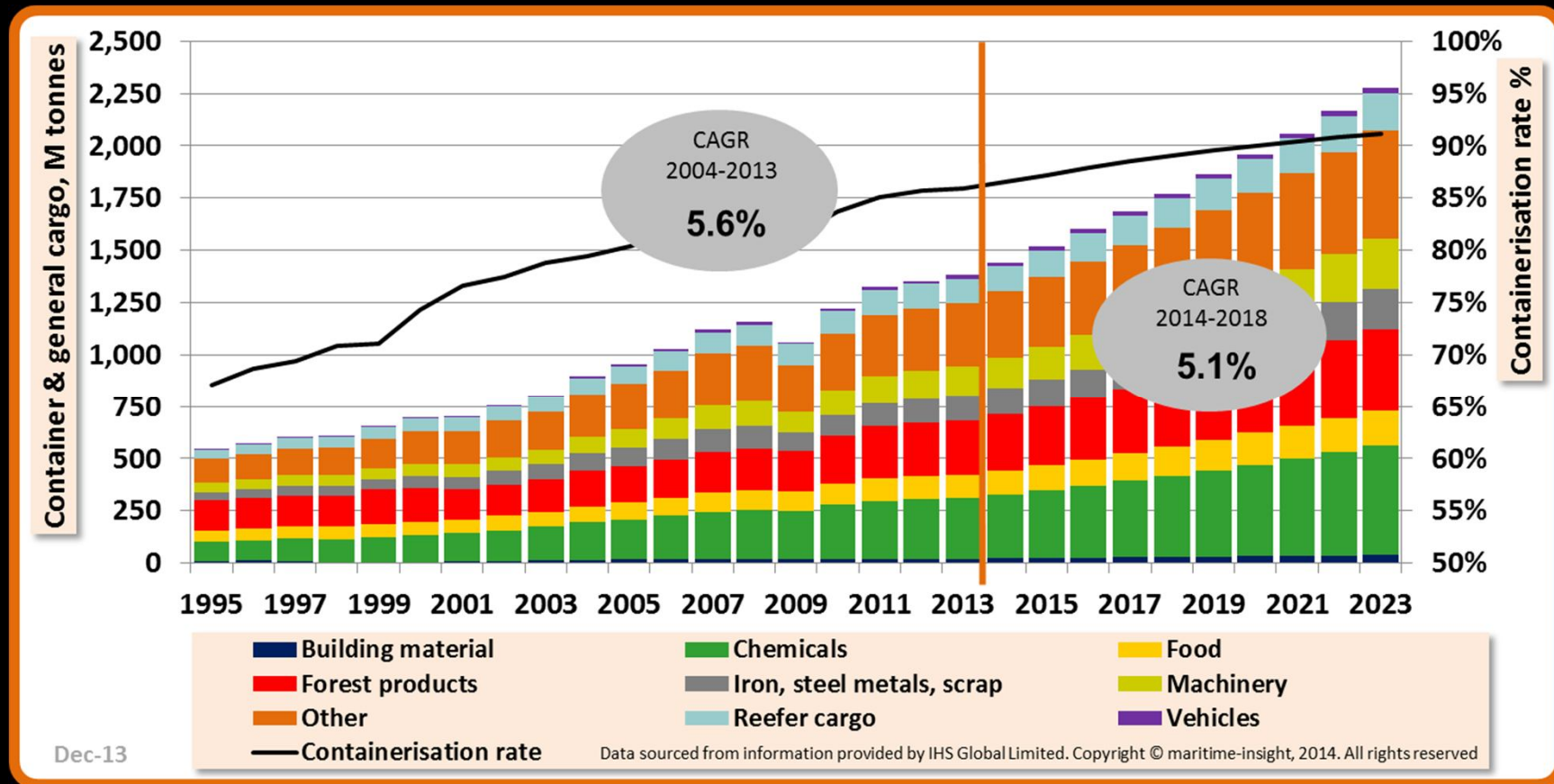
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# World seaborne trade 2013... 9.2 billion tonnes

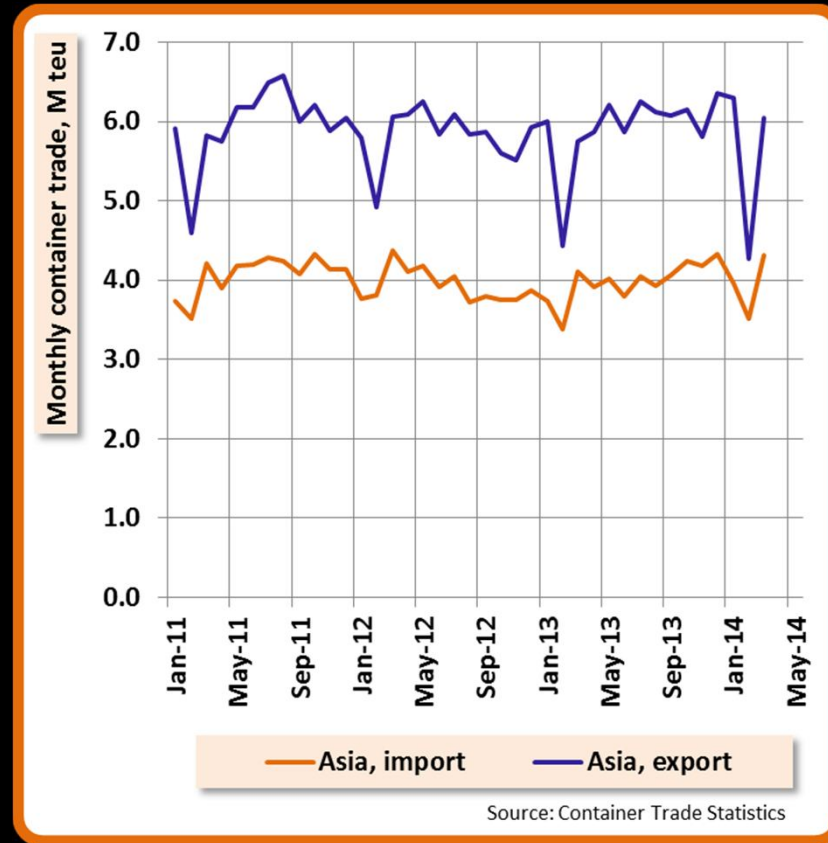
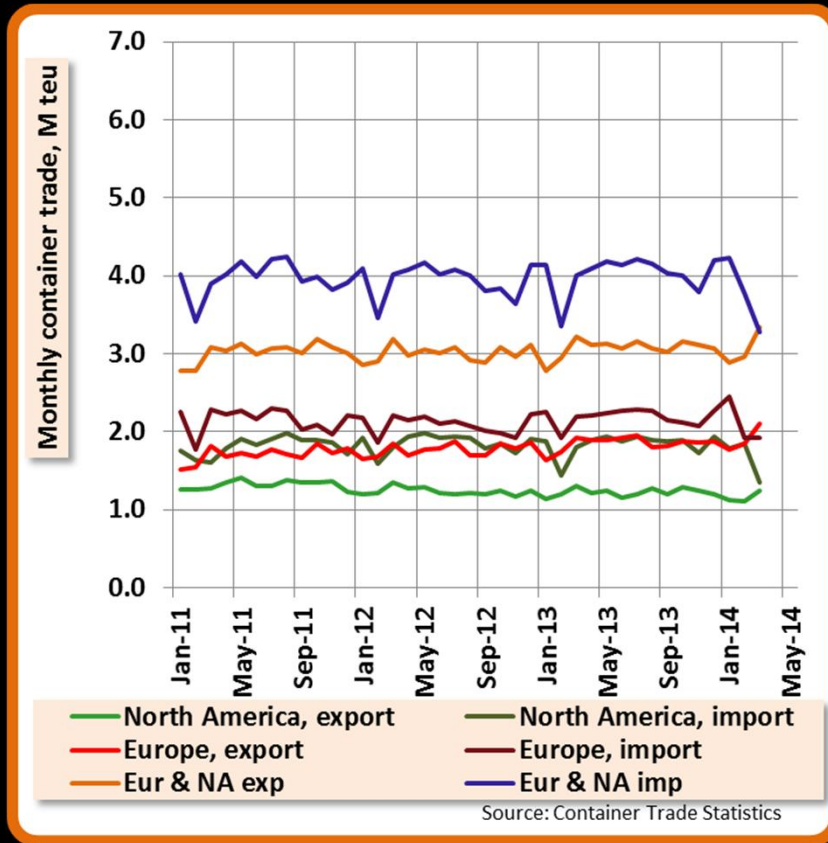


# Containerization rate of general cargo forecast to reach 90% in 10 years

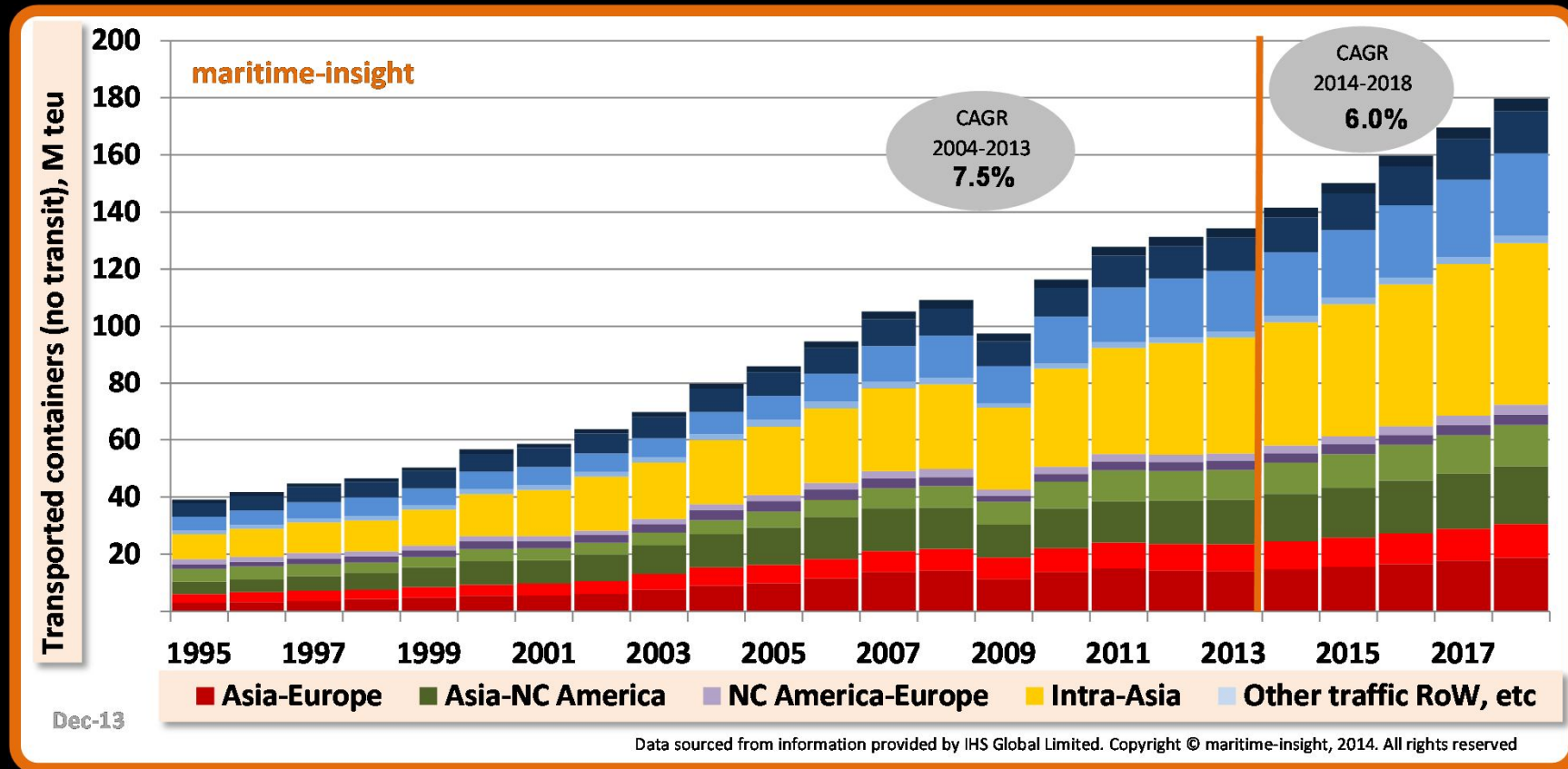


# Container trade flows, monthly

## Marginal growth, when Asian volumes are excluded



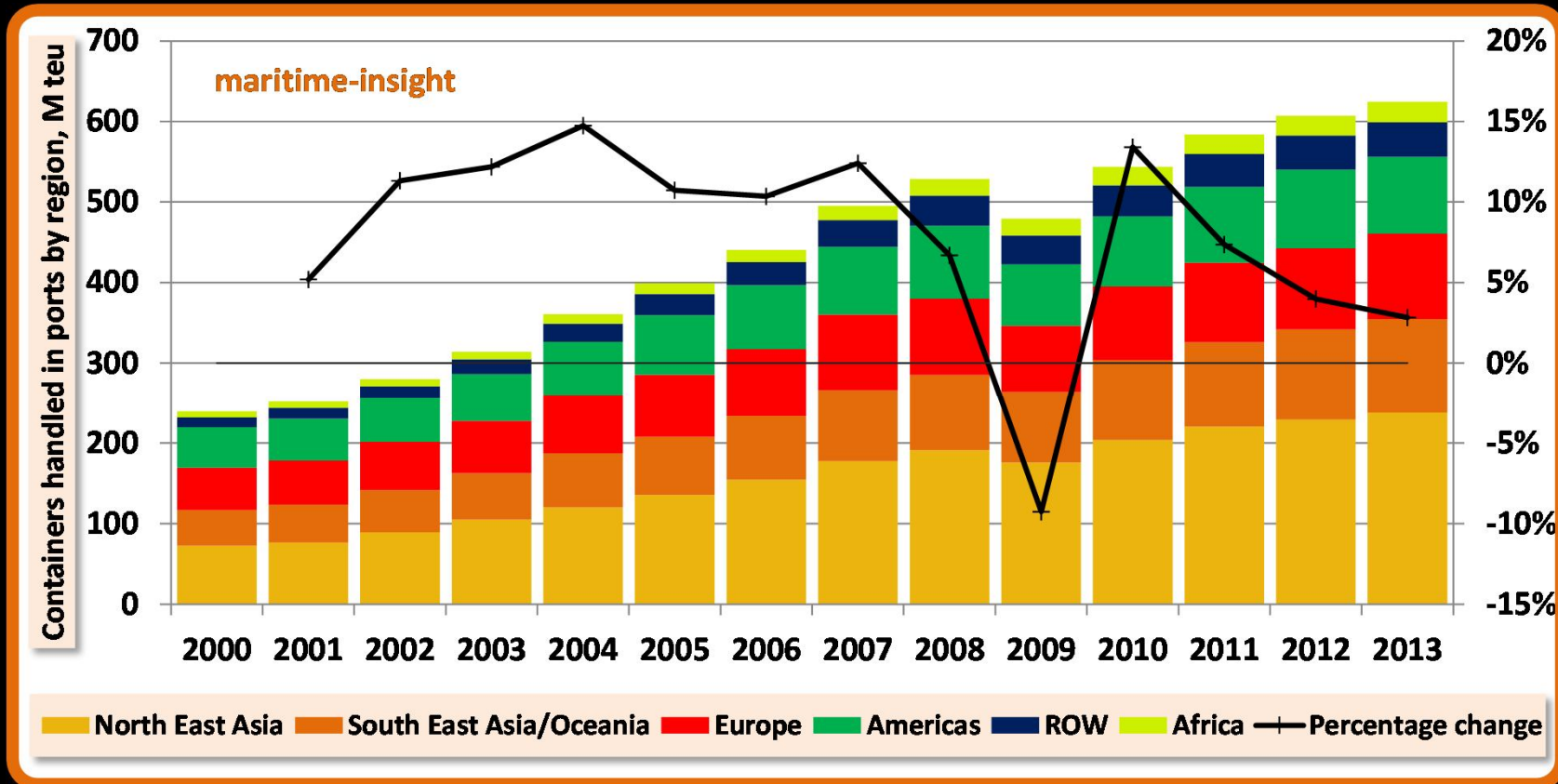
# Container trade, full containers, Export and import, million teu





# Port throughput

## Positive development, but Intra-Asia accounts for the traction



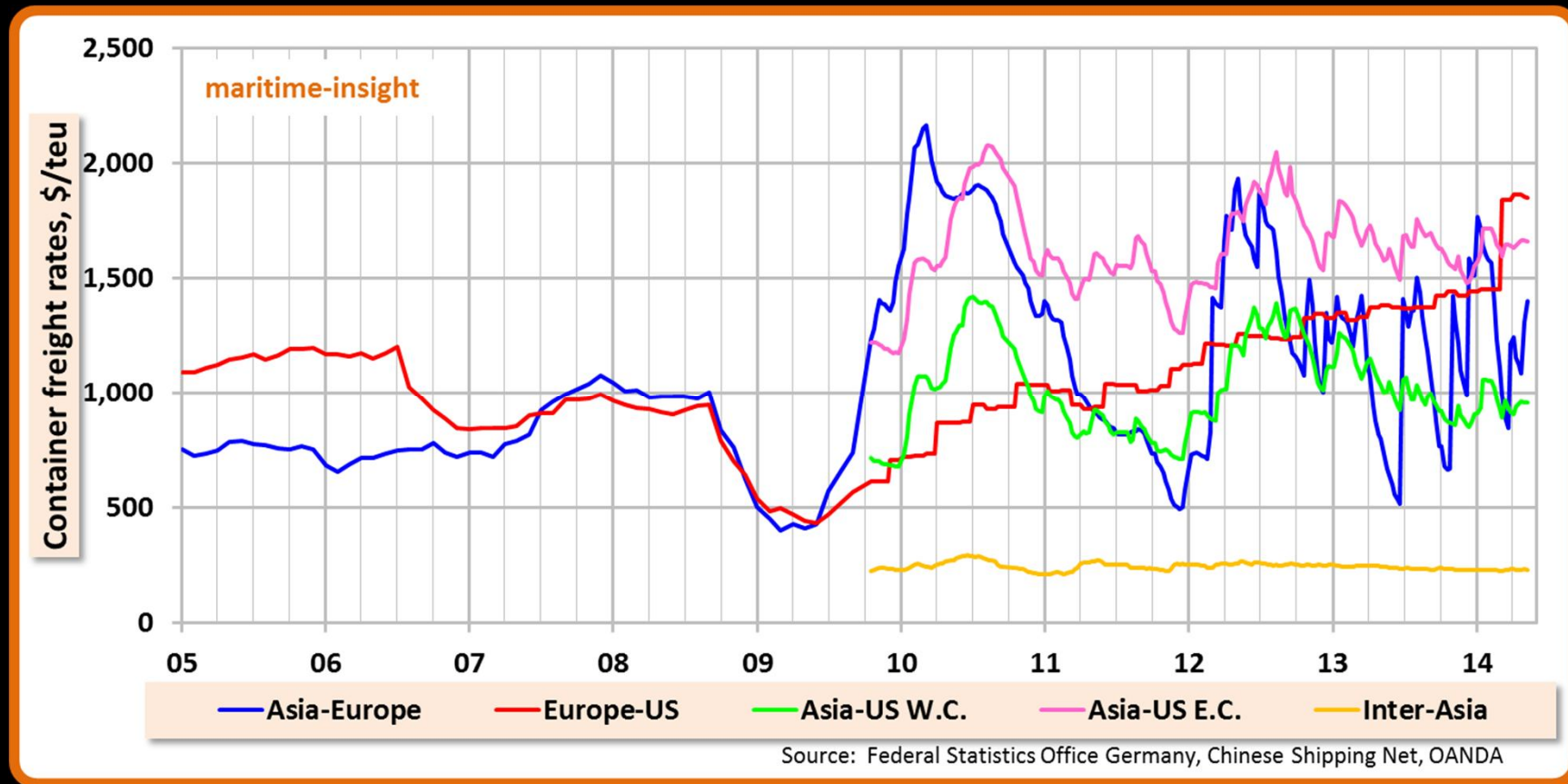
# Charter rates

## Sad story...

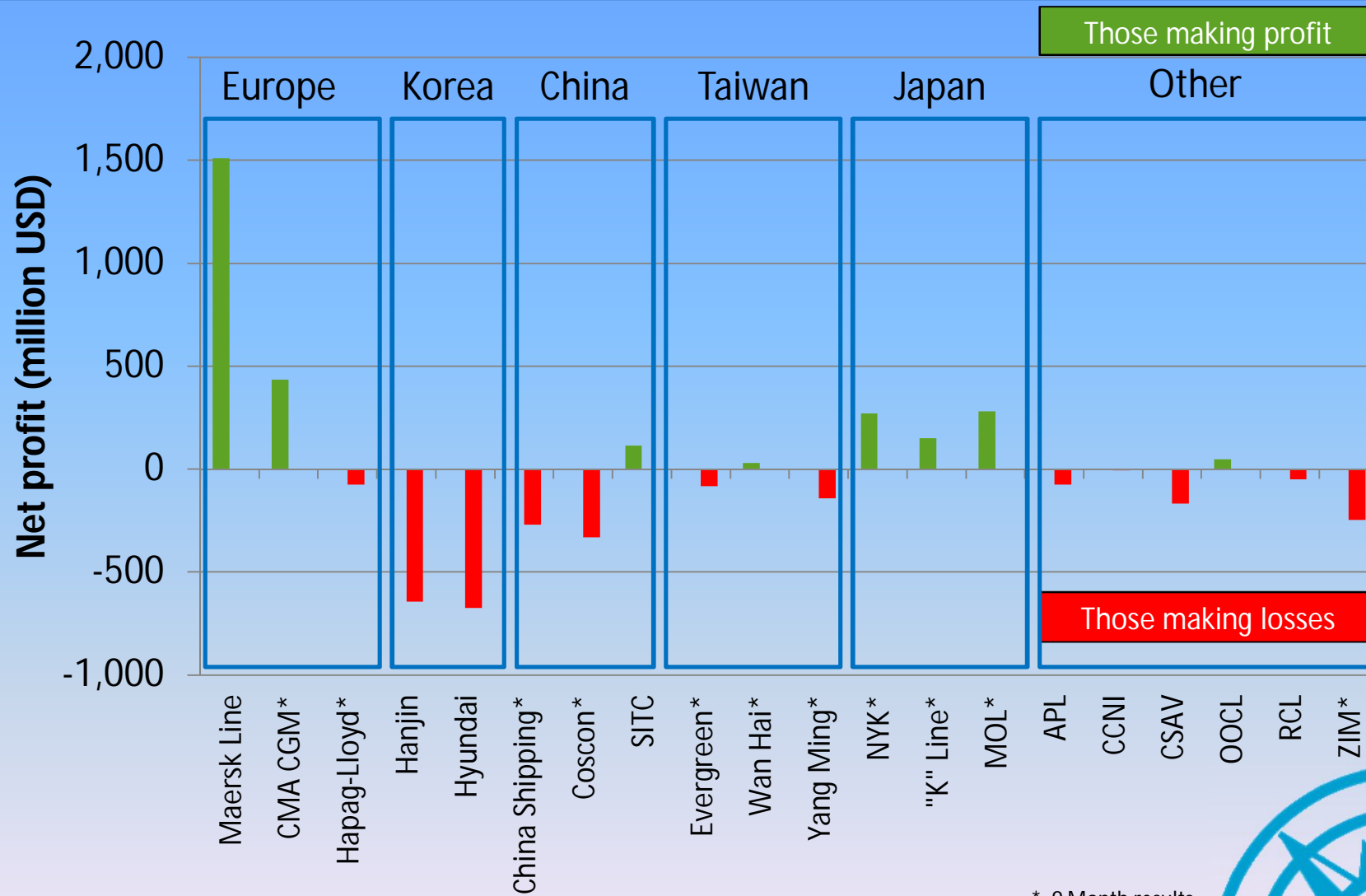


# Freight rates

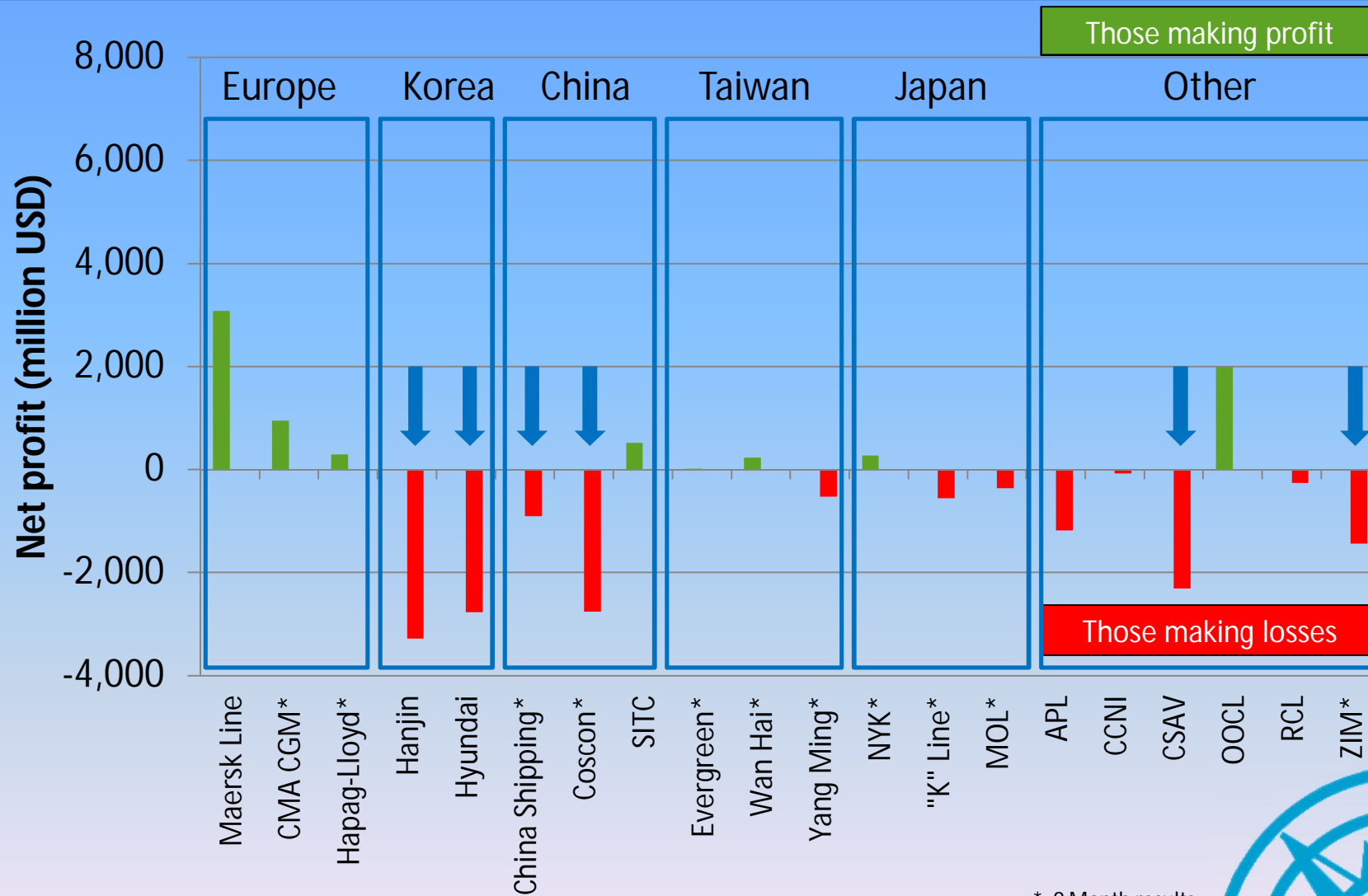
## Same story. Alliances no success yet.



# Net profit/loss 2013 company



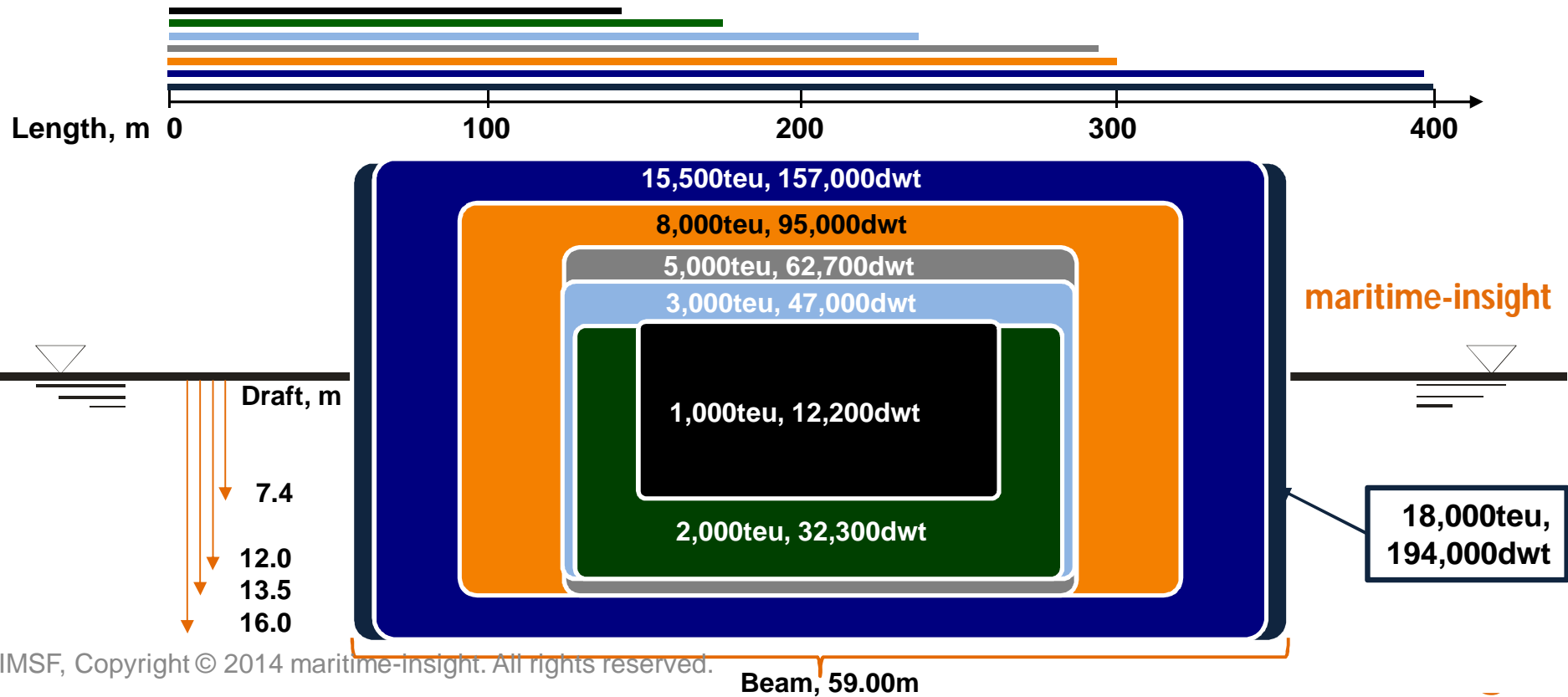
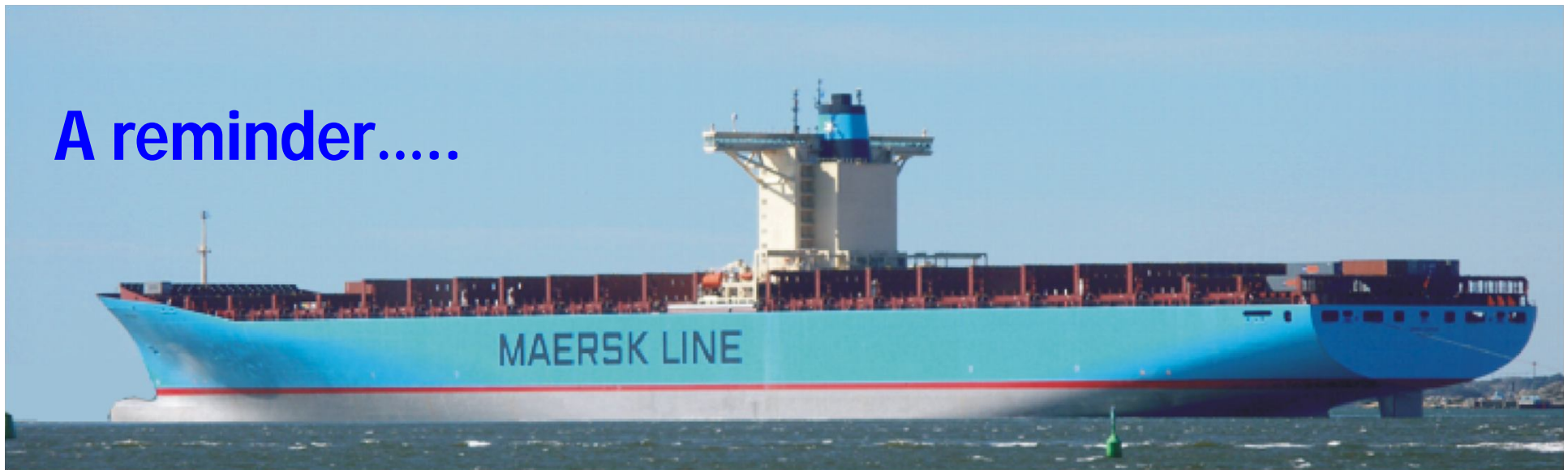
# Accumulated Net profit/loss since 2009



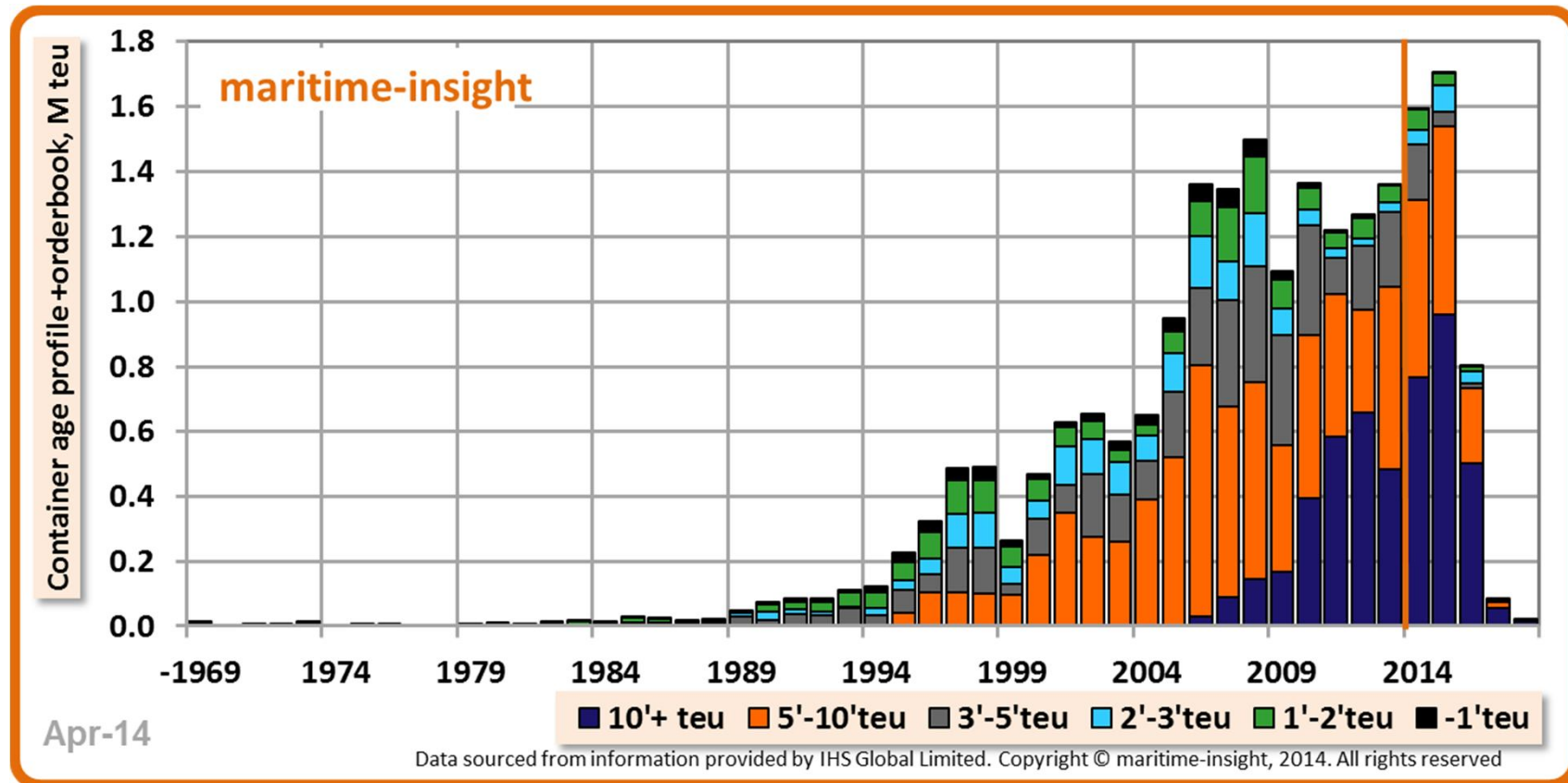
# The problems

- **Low income**
  - Stagnating volumes
  - Low freight rates
  - Overcapacity
- **High costs**
  - High fuel prices
  - Problems in other business segments
  - Bad management

# A reminder.....



# The fleet is young and the orderbook is substantial





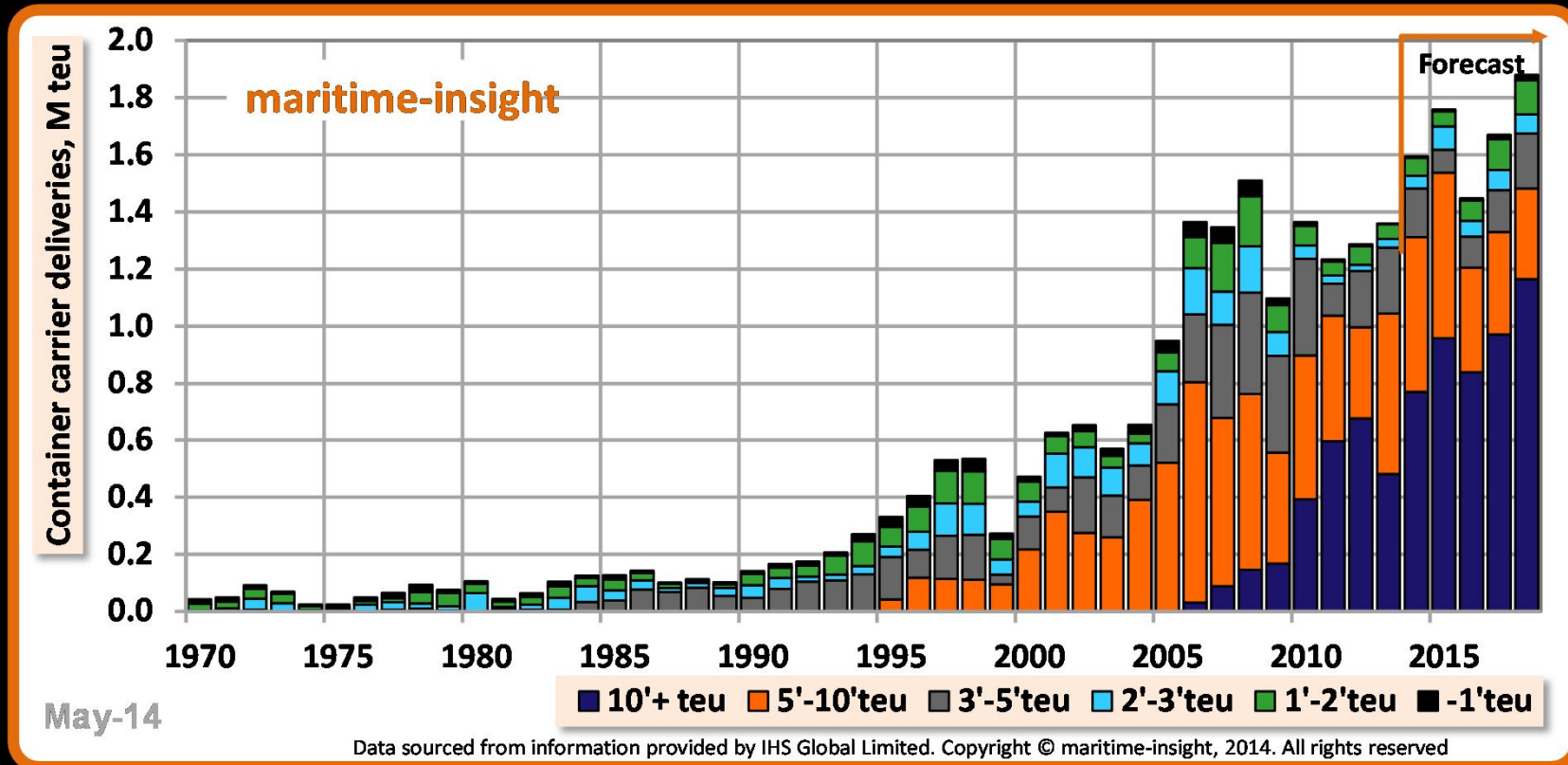
**A young fleet, large orderbook and low charter/freight rates.**

**Why then invest in new container ships?**

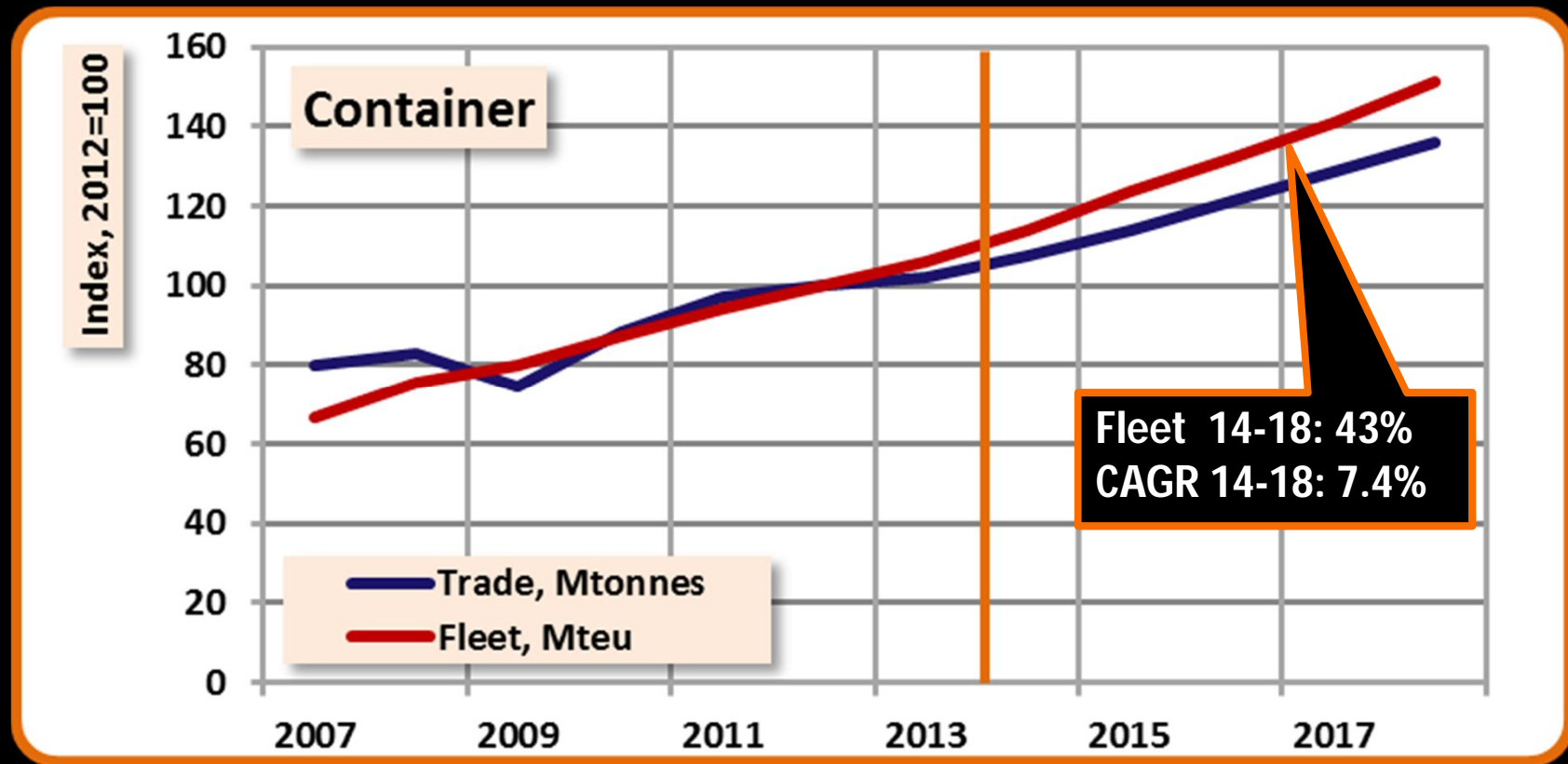
- Scaling up is still a driver.
- Attractive pricing
- Environmental performance/running costs
  - About 100 per year 5,000teu+ ships delivered 2006-2012. Most of them expensive and not efficient enough.
- More feeder ships are needed.
- SECA regulations another driver.

246 container carriers ordered last year...

# The large orderbook and the rationality of ordering new ships gives high deliveries the years ahead



# Supply/Demand ratio puts continued pressure on rates but increases the container's attractiveness



## Container carriers – key takeaways

- Demand growth reasonably strong
- Supply growth even stronger
- Freight rates forecast to be low
- Hard times ahead for many operators – many consequences
  - Changing trading patterns
  - Even more cargo to be containerized
  - M&A, bankruptcies?

**Thank You**

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