

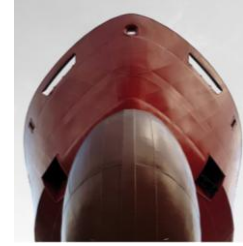


Transport of Energy Commodities – IMSF, Hong Kong, June 2011

Niklas Bengtsson
Director, IHS Fairplay

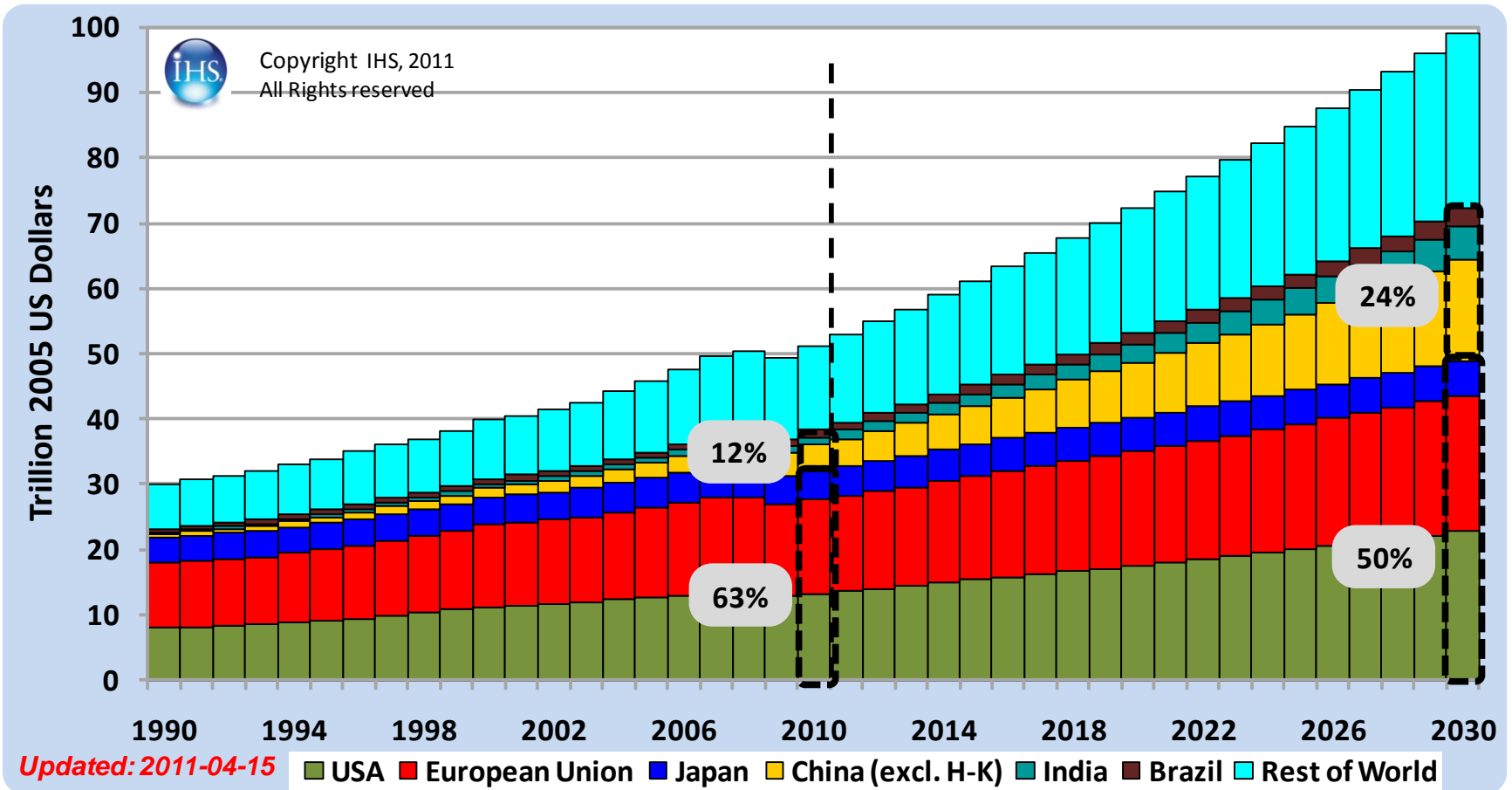
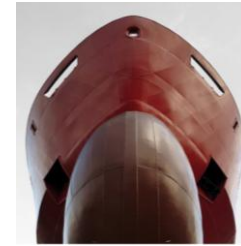


Agenda Overview

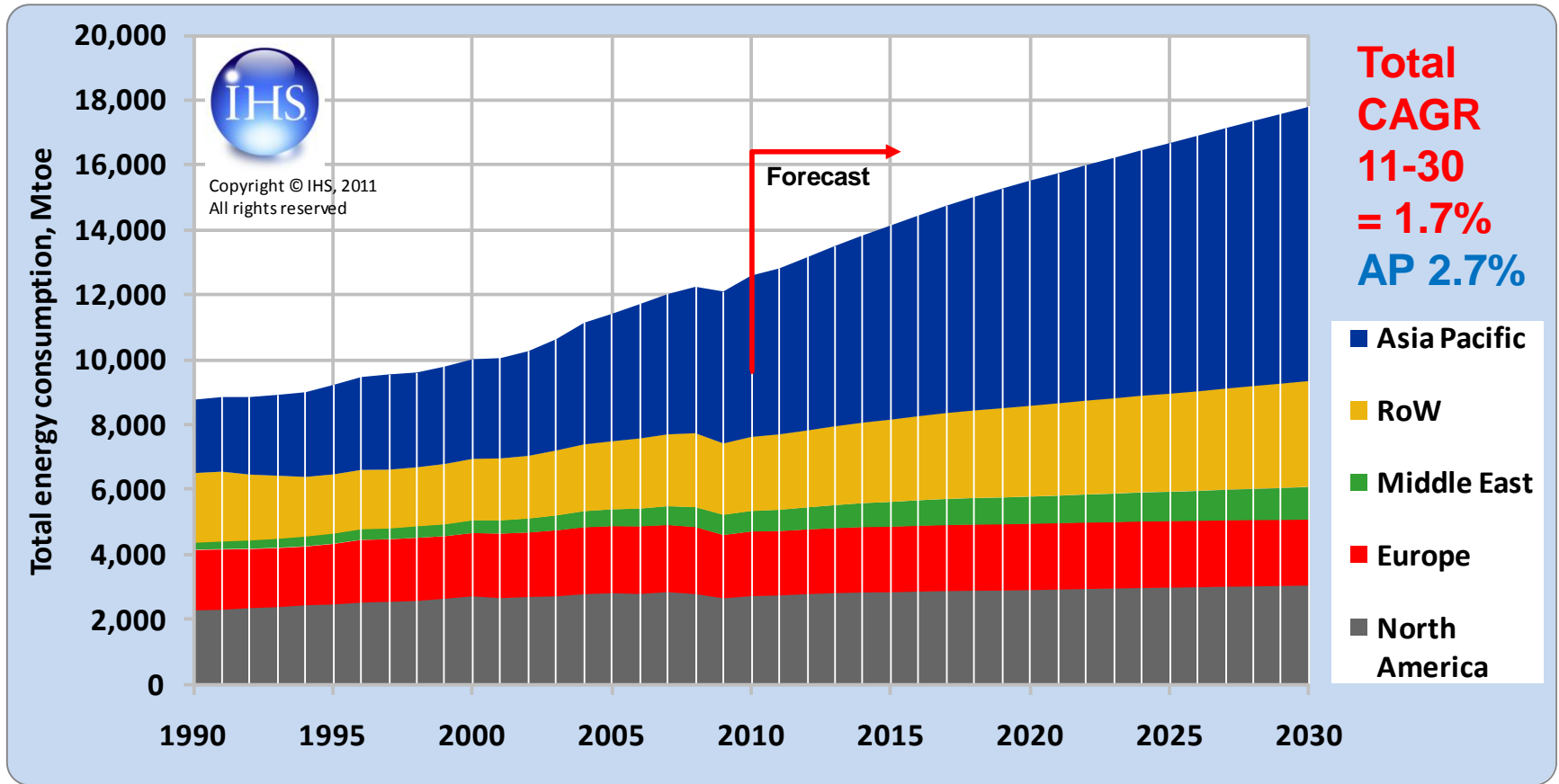
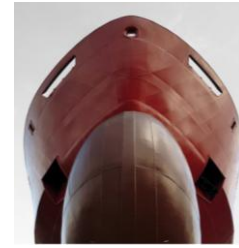


- **Global Redesign:
Economy and Energy**
- **Fleet Development, Energy Carriers**
 - Dry bulk, Coal
 - LNG
 - Oil, Crude and Clean products
- **The Balance: Short to Medium Term**

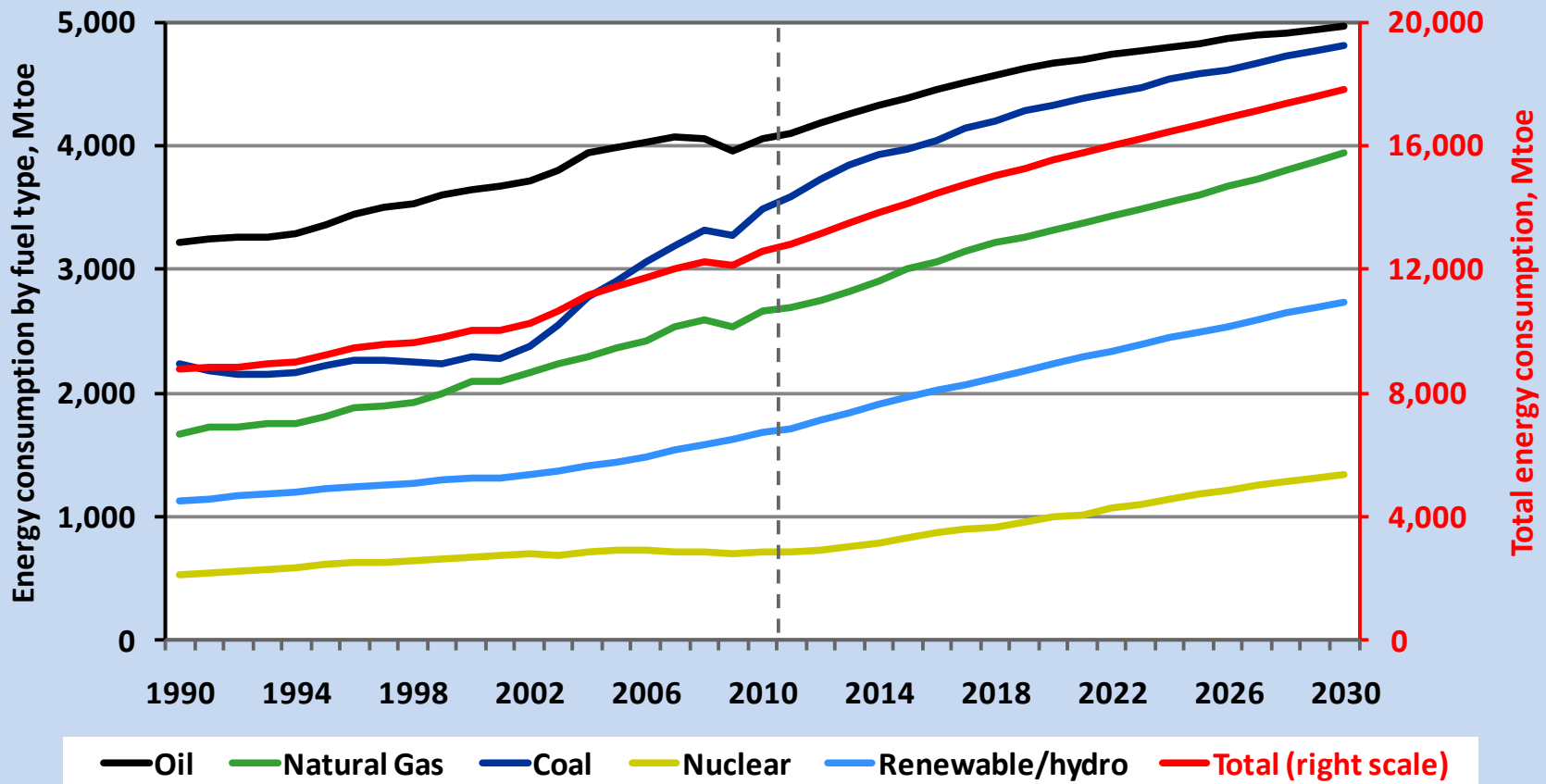
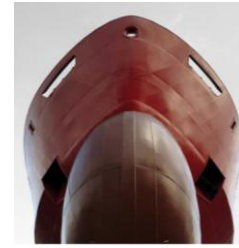
Setting – Global Redesign: Rebalance of GDP – China the Winner



Global Redesign: World Energy Consumption, Moving East,



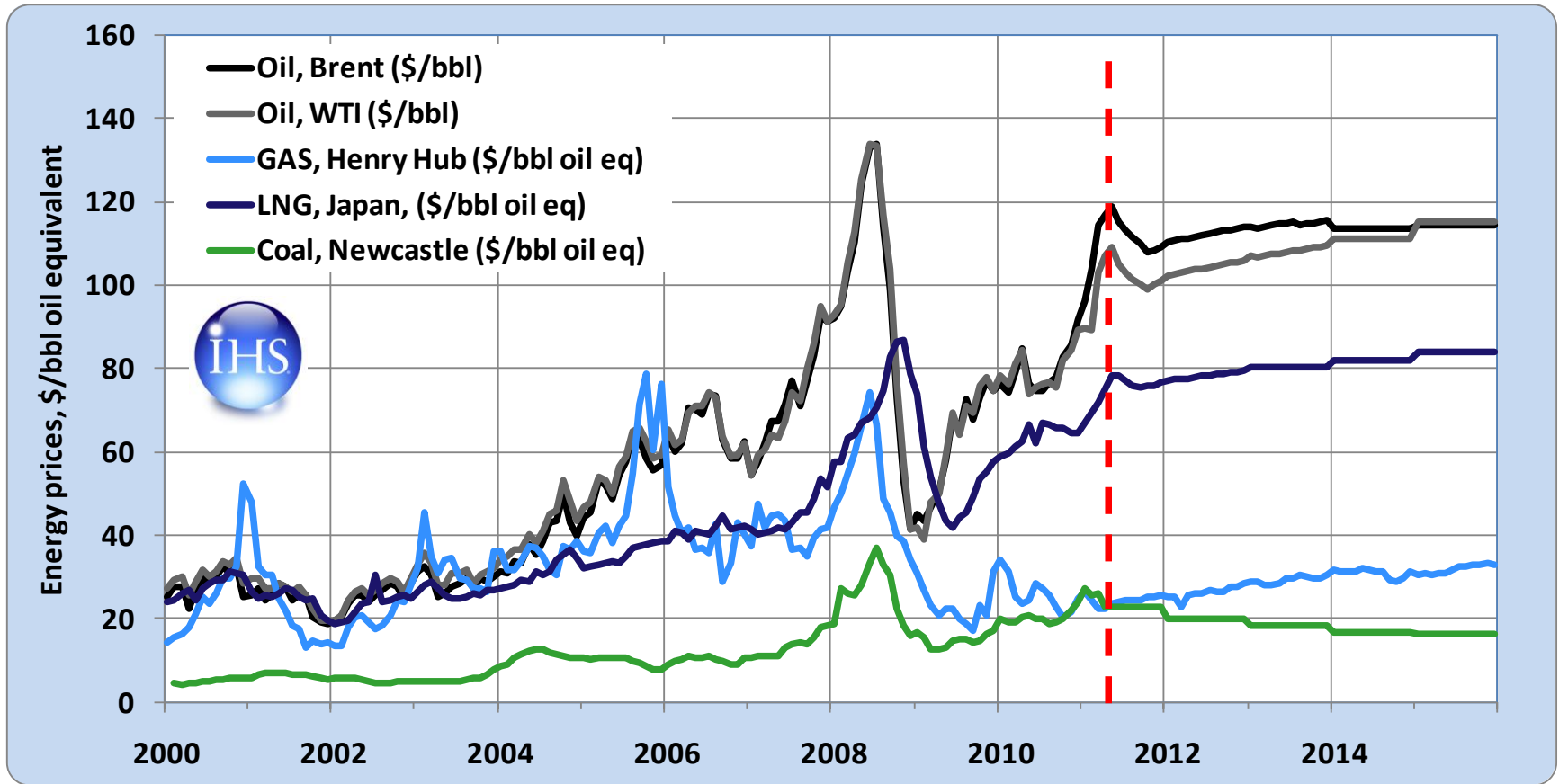
Global Redesign: World Energy Consumption, Source – Oil is Outpaced by Coal



| |
|--------------|
| 11-30 |
| 1.7% |
| 2.0% |
| 1.0% |
| 1.6% |
| 2.5% |
| 3.2% |



Global Redesign – Energy prices



Dry Bulk Shipping Market



Iron ore



Coal



Grain

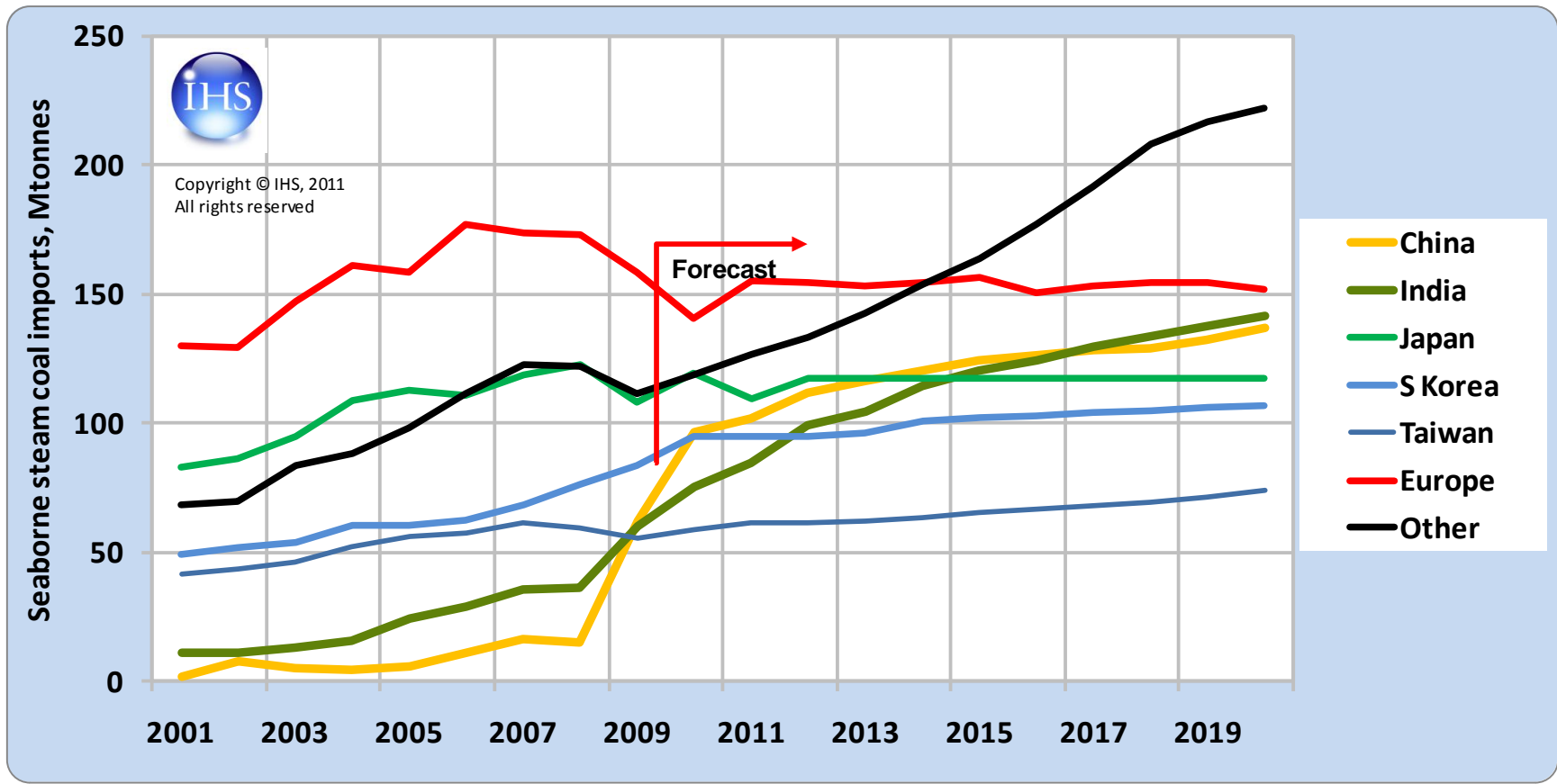
The Demand Side: China is the main driver for demand



- Chinese construction industry
- Chinese manufacturing industry
- BRICKTIM=BRIC
 - + Korea
 - + Turkey
 - + Indonesia
 - + Mexico
- Coal...



China has Been the "Gamechanger" on the Seaborne Coal Market and India will follow . (Total +220Mtonnes/year 2020)

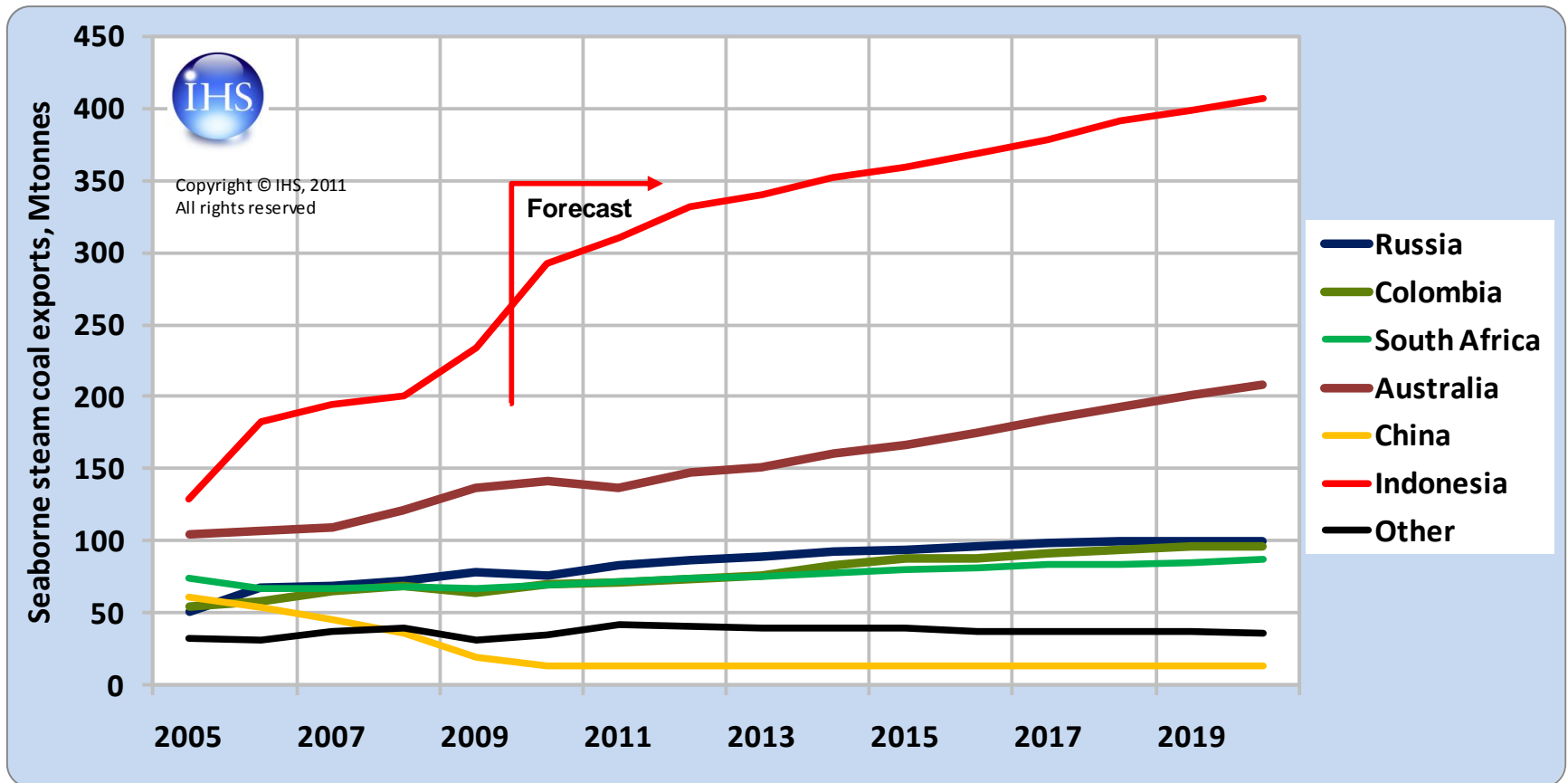


India +100 Mtonnes 2015, + 250? more 2030

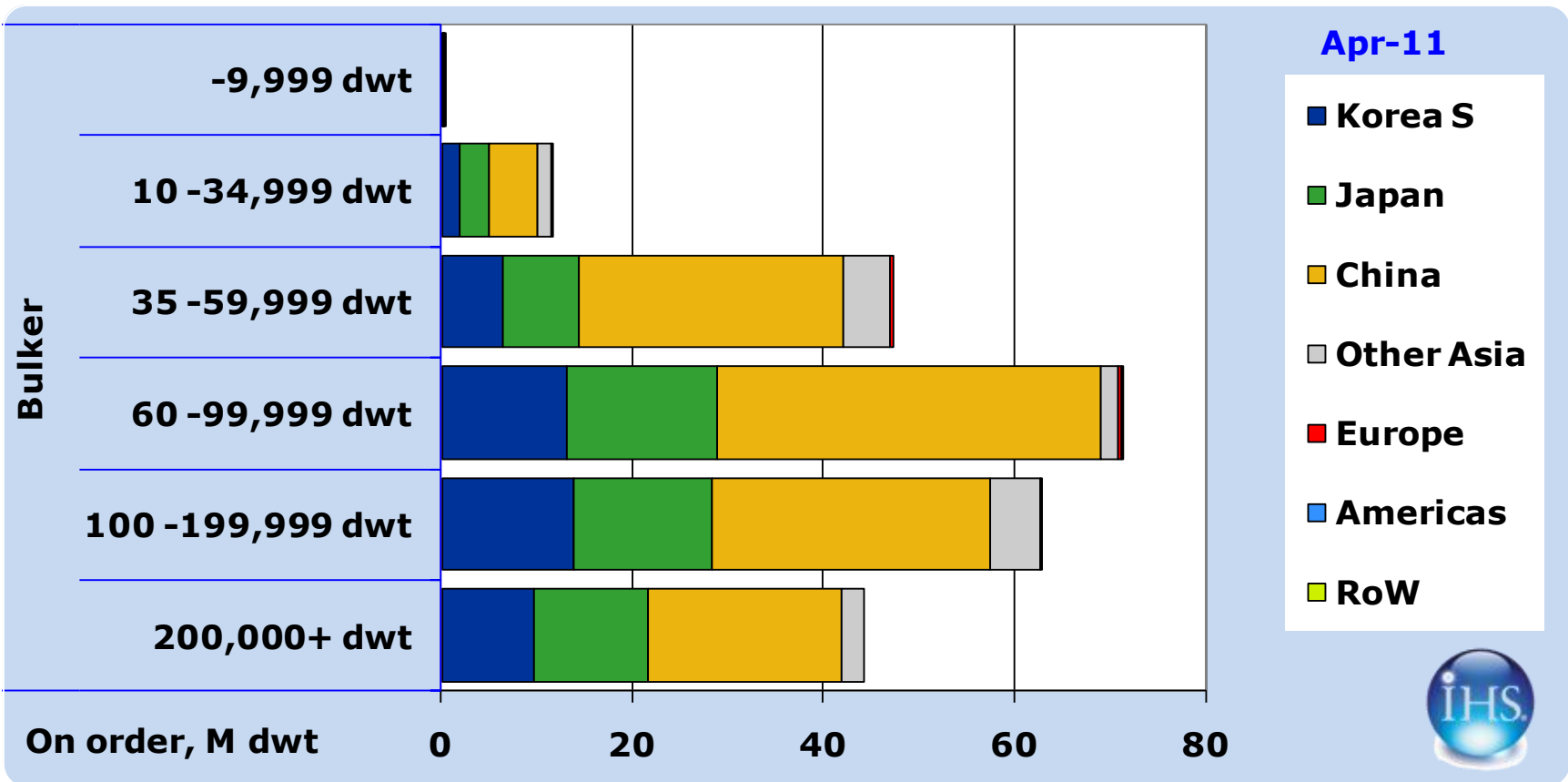
(India Coal Market Watch)



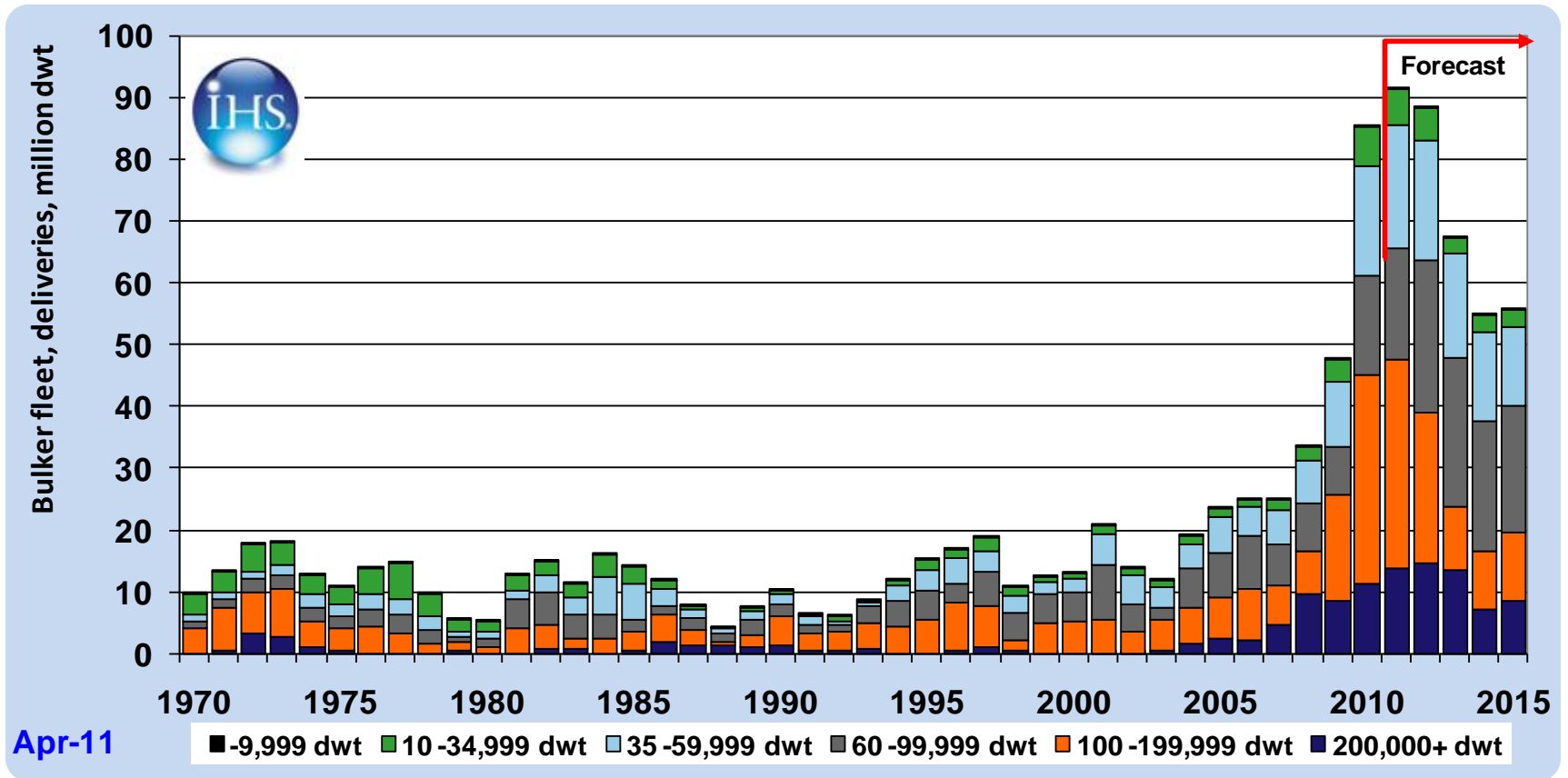
Seaborne coal exports, Indonesia and Australia the largest winners. (+170Mtonnes / year 2020)



How will the future supply of ships look like? – Current Orderbook (50% of fleet)



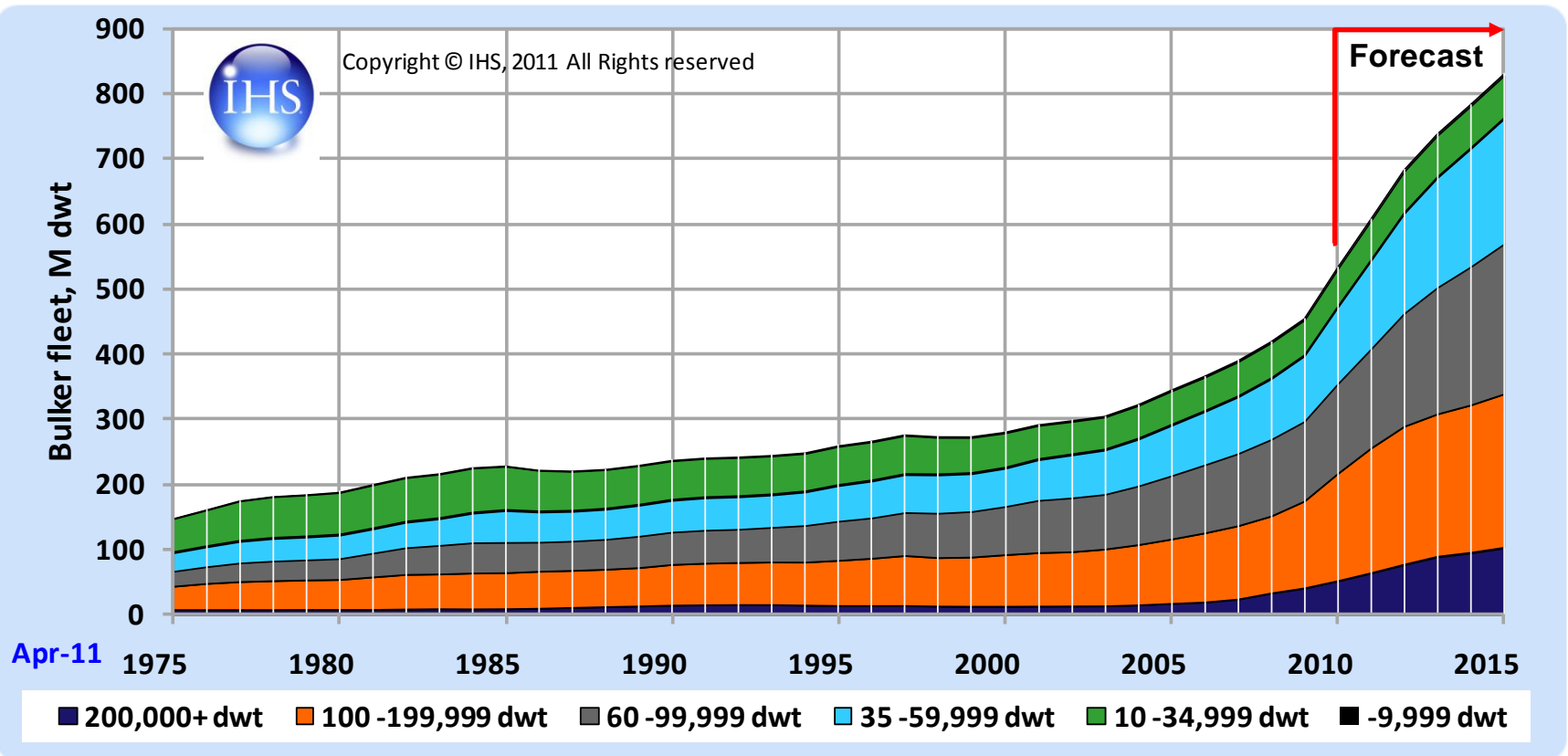
Deliveries 2010 -2012 are Truly Astronomous...



...Which Results in Extraordinary Growth of the Bulk Fleet



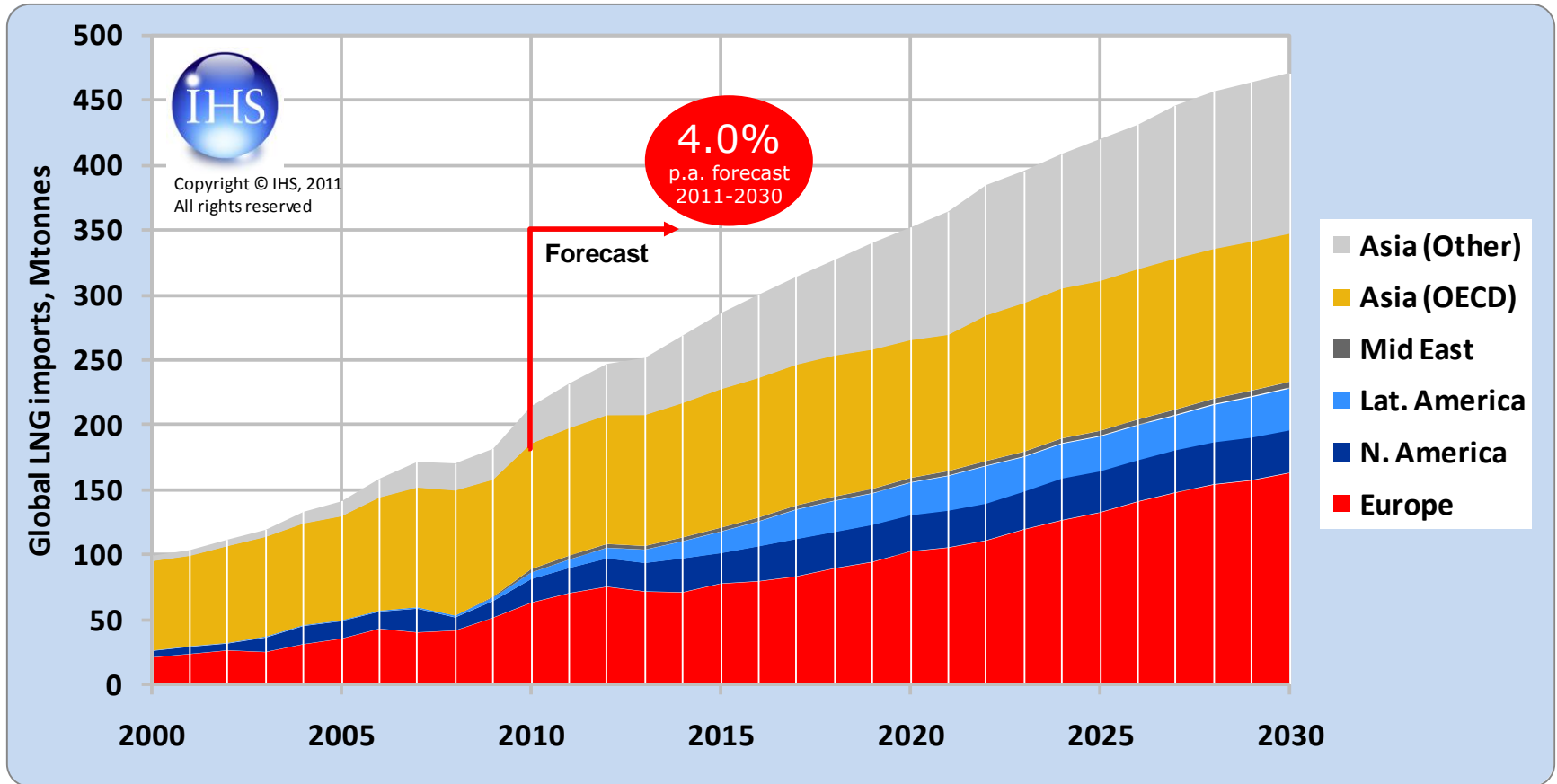
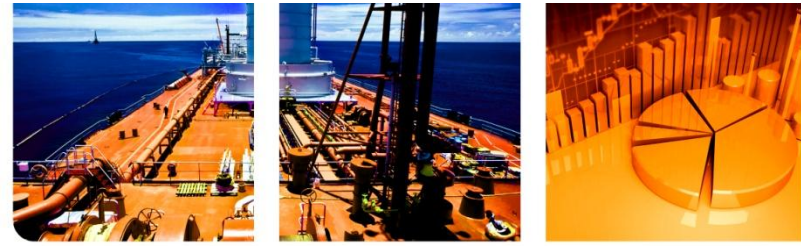
9.3%
forecast
2011-2015



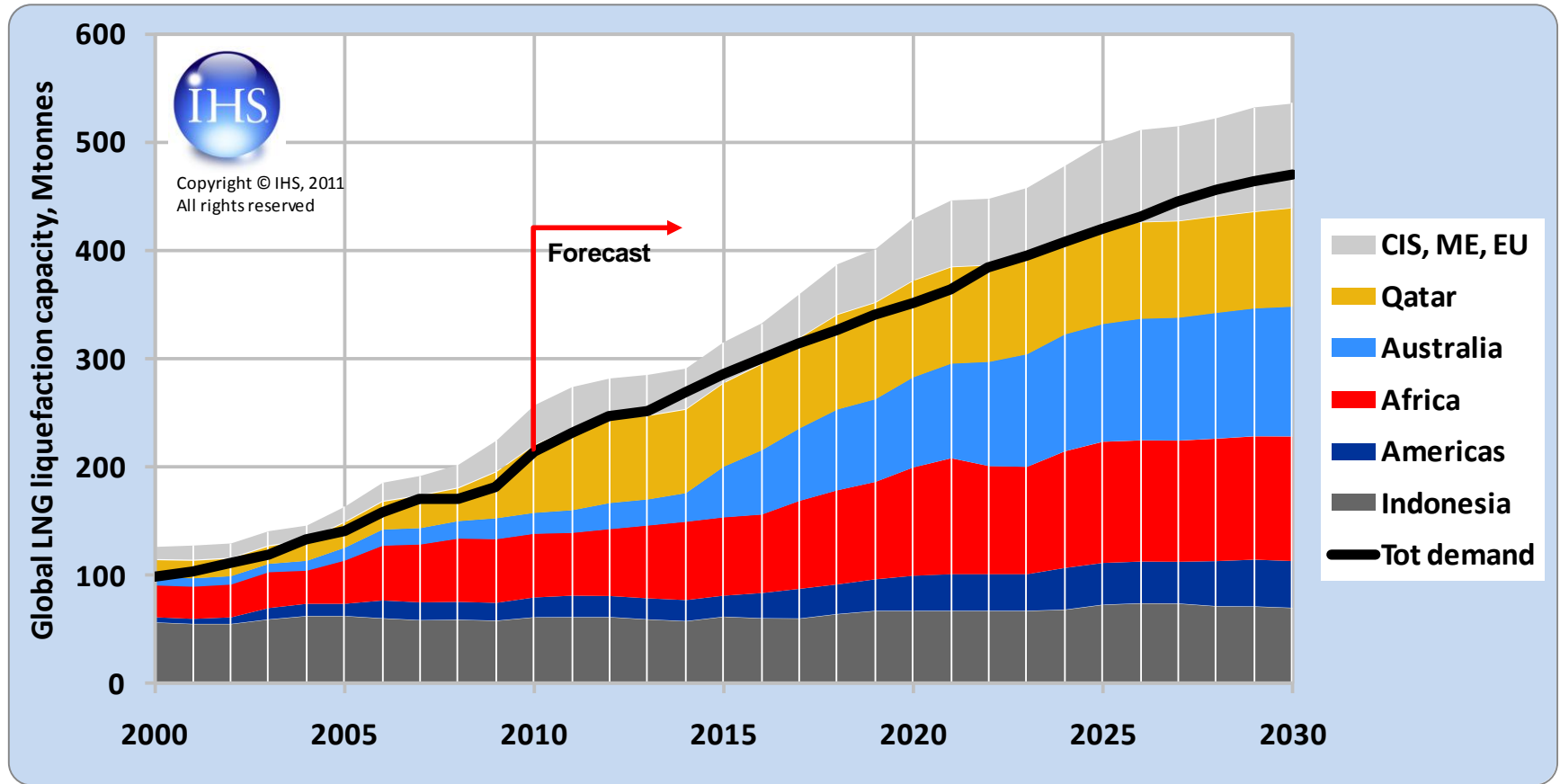
LNG Gas Carriers



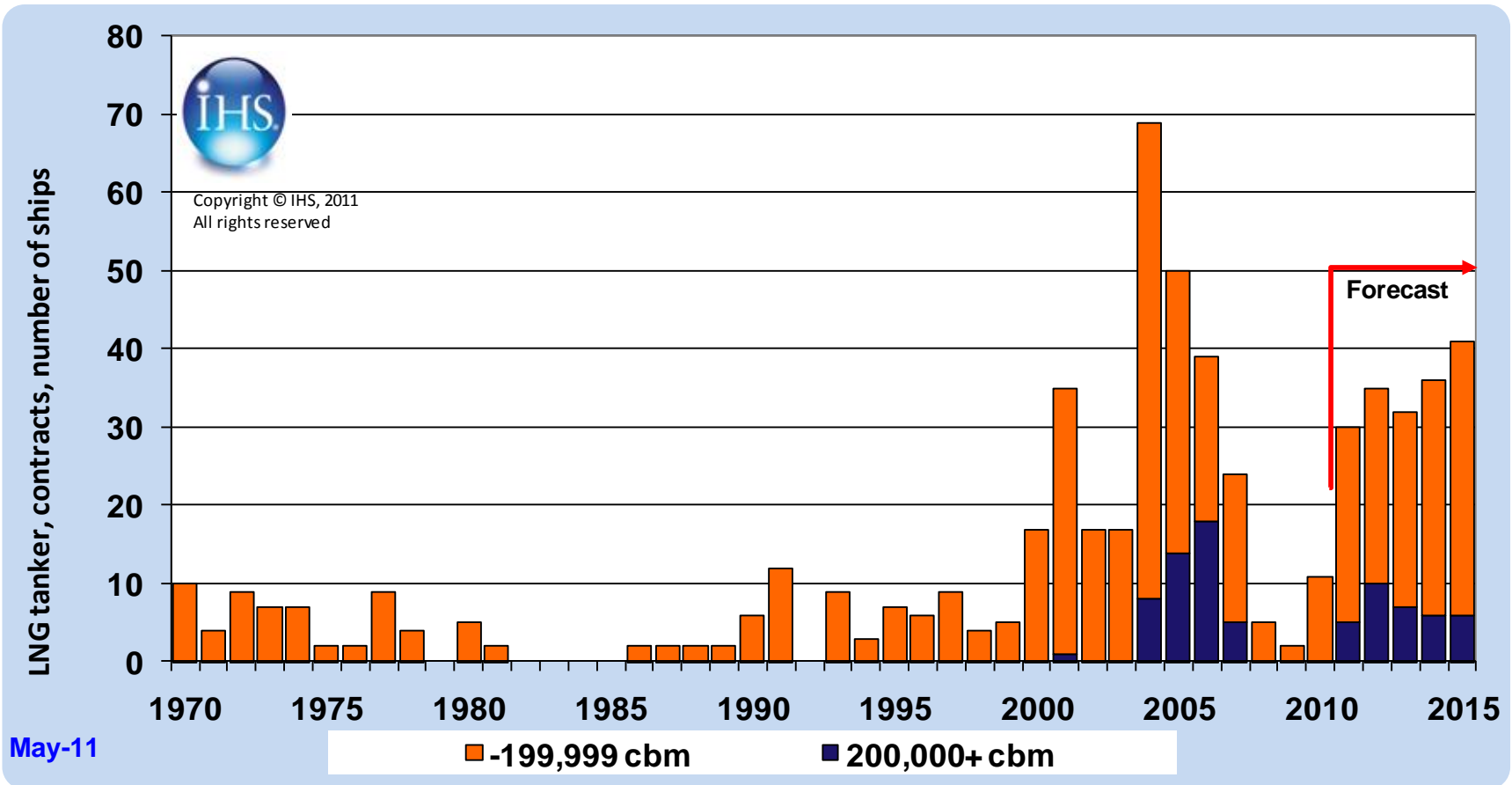
Global Redesign: LNG Demand increases rapidly; China, India and UK the fastest growers



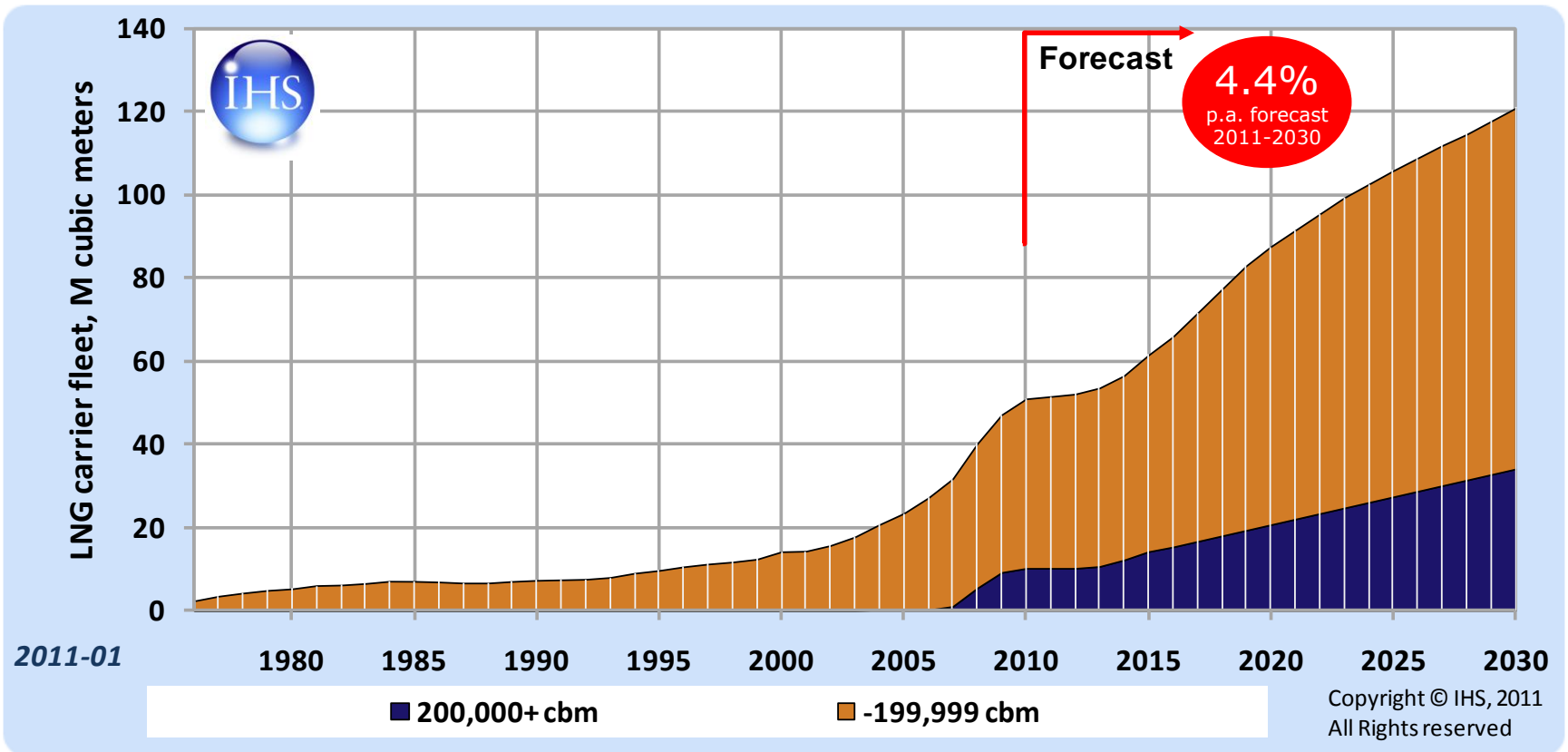
LNG Liquefaction capacity, Utilisation peaks in 2014-2016



LNG, New orders to cope with a redesigned world



...And the LNG fleet follows suit, or slightly above – after all it is shipping



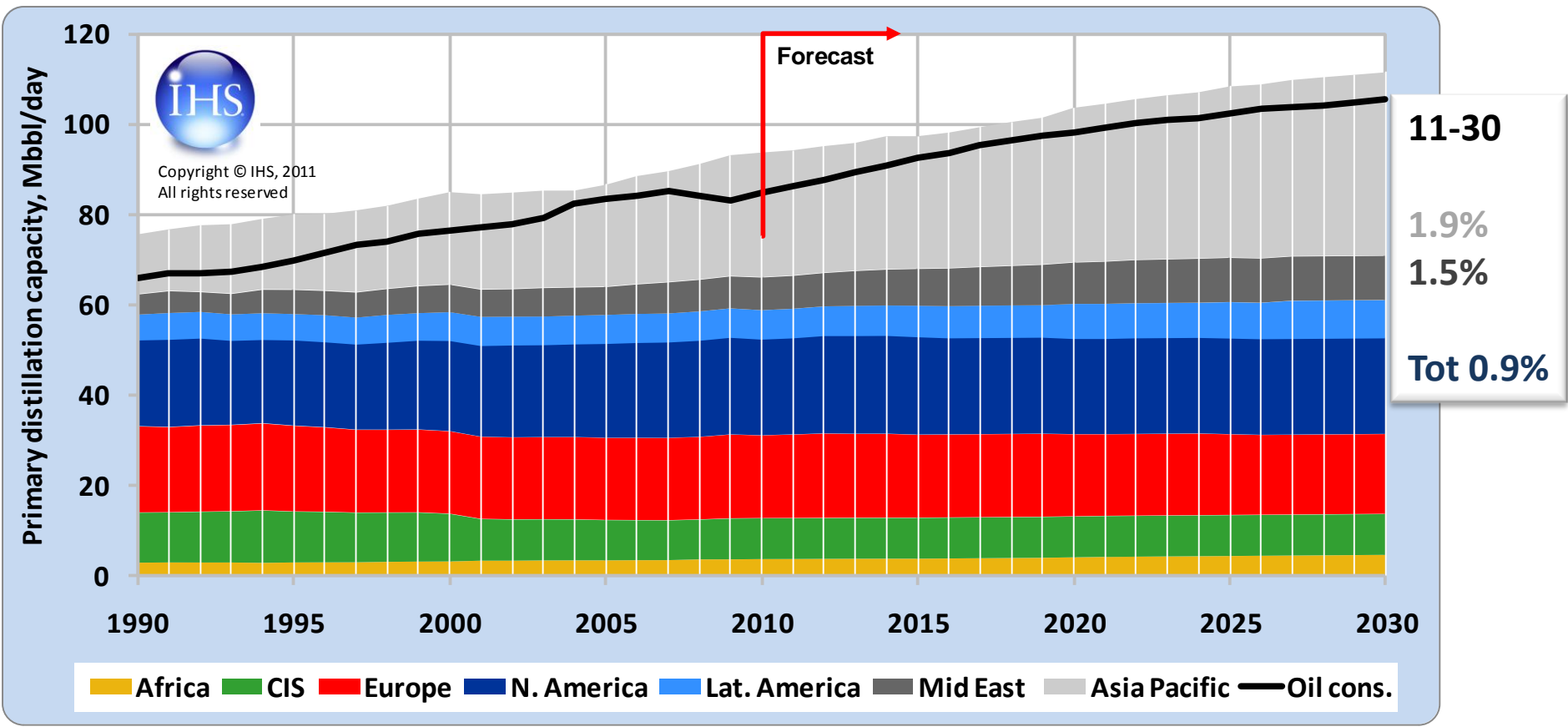
Growth p.a. 11-15: 3.8% 16-20: 7.3% 21-25: 3.9% 26-30: 2.7%



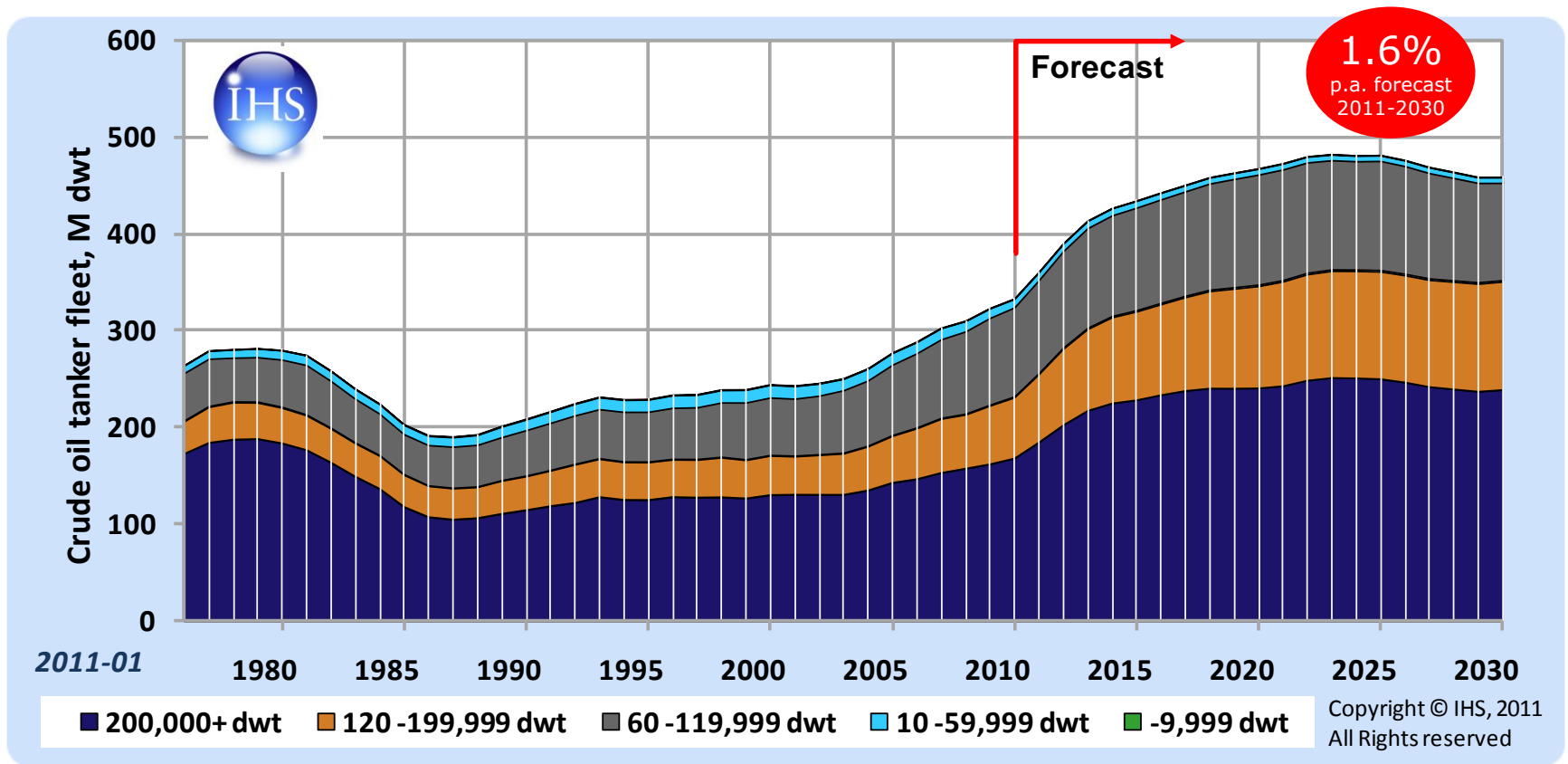
Oil Shipping Market



Global Redesign: World Refining Capacity By Region – It is Moving East



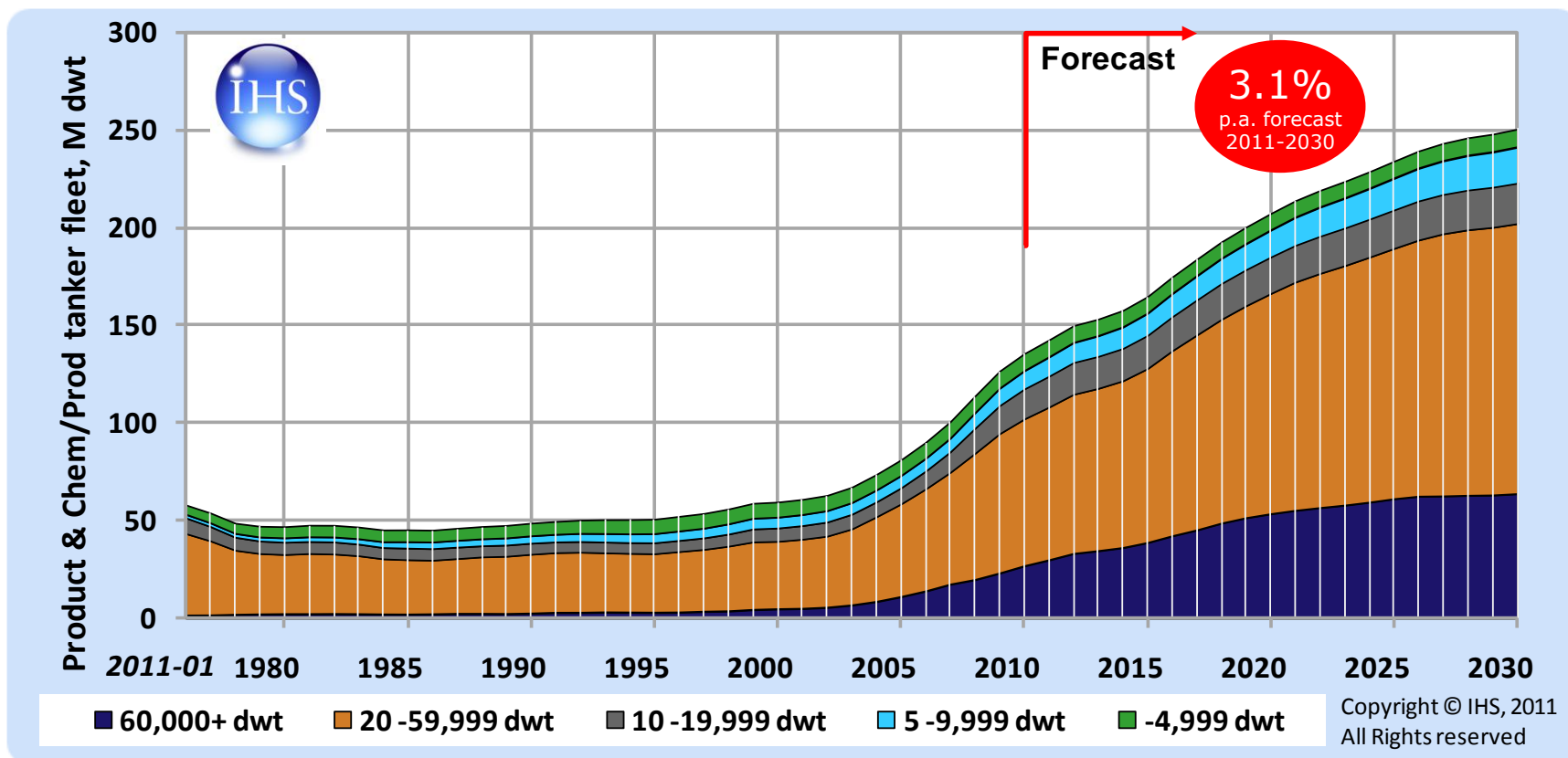
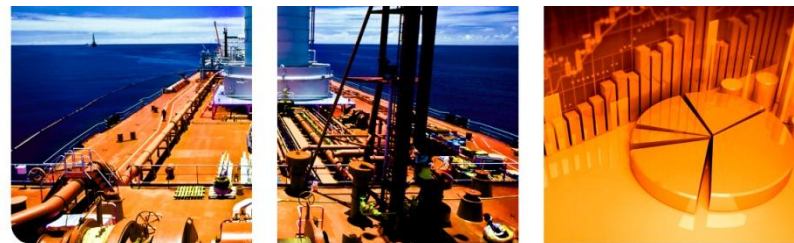
Global Redesign: Crude oil tankers – The fleet size peaks in 2025...



Growth p.a. 11-15: 5.5% 16-20: 1.5% 21-25: 0.6% 26-30: -1.6%



Global Redesign: ... But the clean product tankers will be in demand all through the period




Growth p.a. 11-15: 4.0% 16-20: 4.7% 21-25: 2.5% 26-30: 1.4%



Global Redesign: The balance – Freight Cost Development



- Ample Supply of Tonnage Mid-Term
 - Spot rates comparatively low
 - Demand from BRICKTIM=BRIC
 - + Korea
 - + Turkey
 - + Indonesia
 - + Mexico
- 
- Oil Prices – and its fluctuations, will be the most important factor for energy transportation costs



Thank You!

