

Newbuilding

2015-05-12

JM Keynes - HOW TO GET OUT OF SEVERE RECESSION?



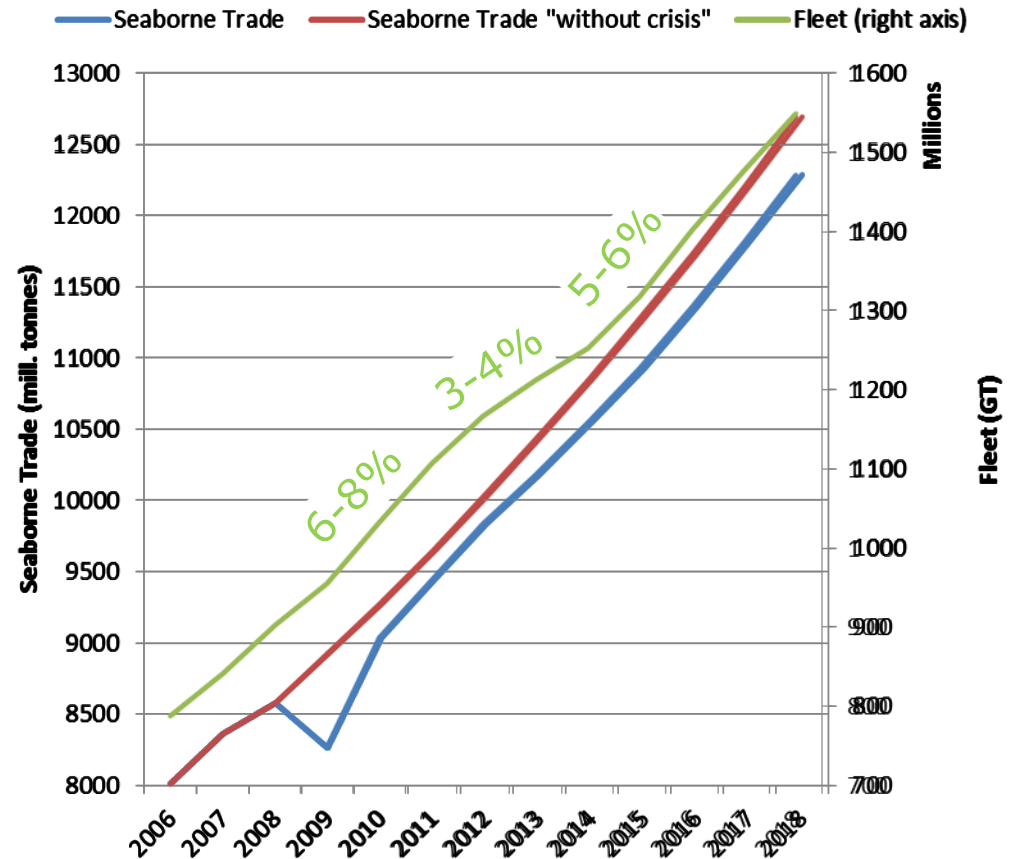
John May
British ec
1883-194



Demand vs Supply

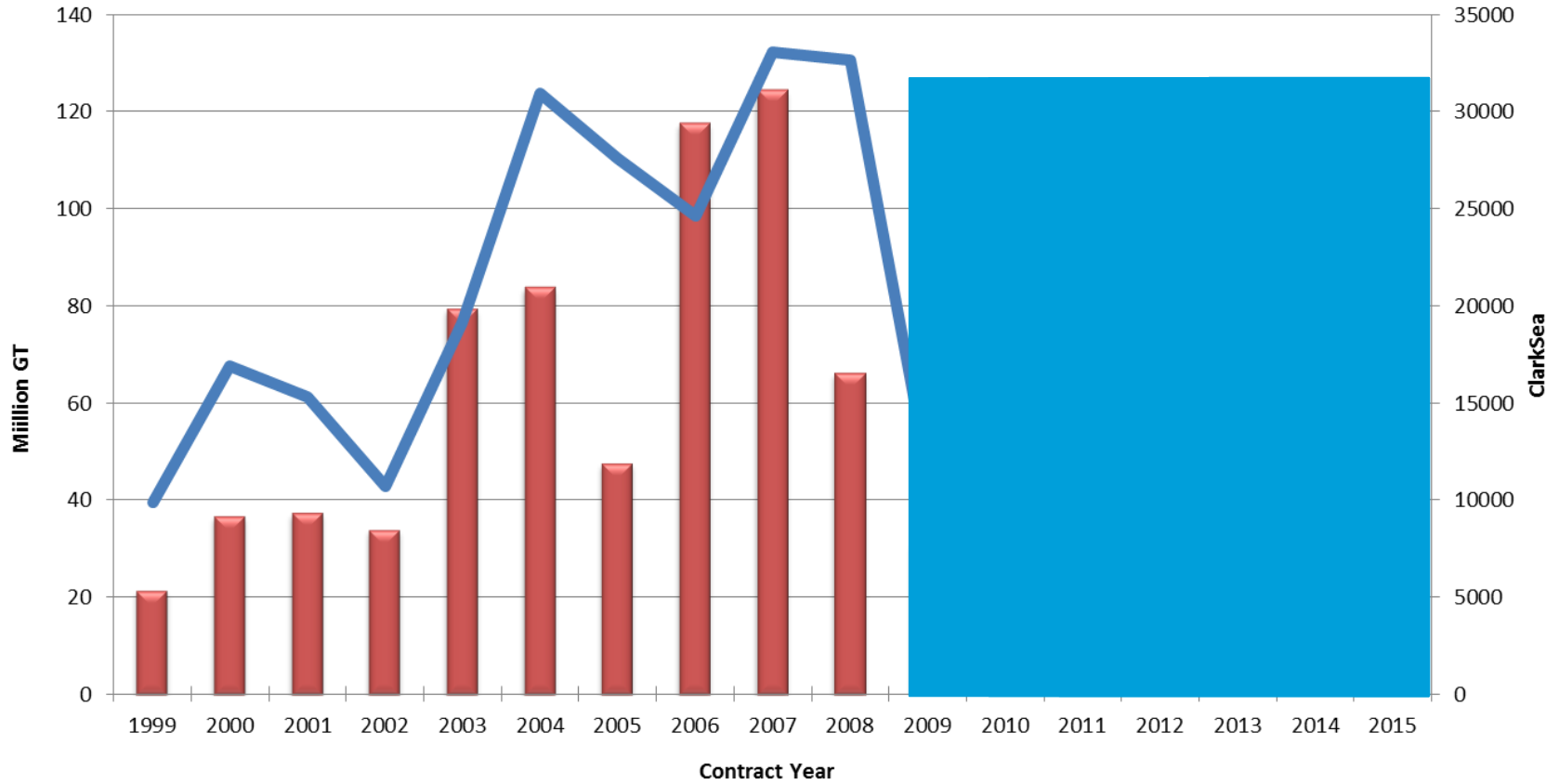
- Seaborne trade growth has been satisfactory, with annual growth 3-4%
- Sizable drop in world trade in 2009 is casually neglected
- Yet the fleet growth is notoriously faster than demand
- There seems to always be a reason to contract a new ship

Seaborne Trade & Fleet development



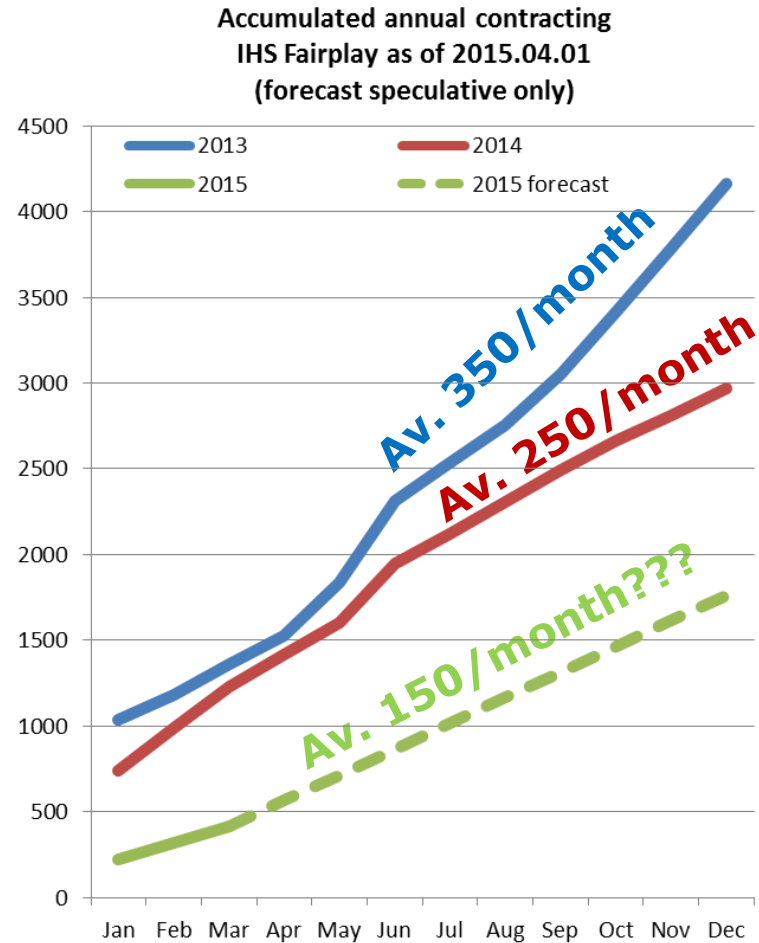
Where is the parallel to shipping?

Annual contracting and ClarkSea Index



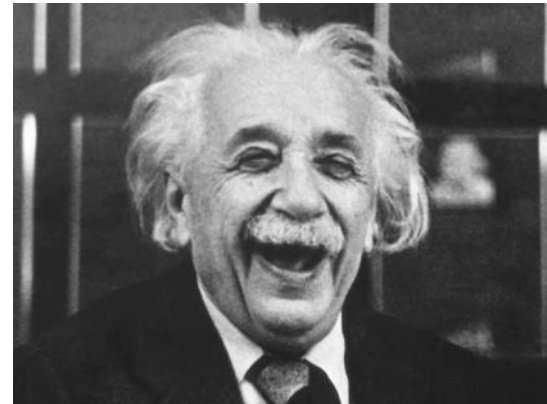
Contracting 2015 1Q (number of contracts)

- Continued slow-down in the NB market
- Substantially lower volume of contracts
 - 1Q 2015 over 50% below 1Q 2014
- China - 34% of contracts:
 - bulkers, AHTS, container, crude
- South Korea - 12% of contracts
 - crude, containers, LPG
- Japanese - 24% of contracts
 - crude, containers, LPG



INSANITY

*"doing the same thing over and over again,
each time expecting different results"*

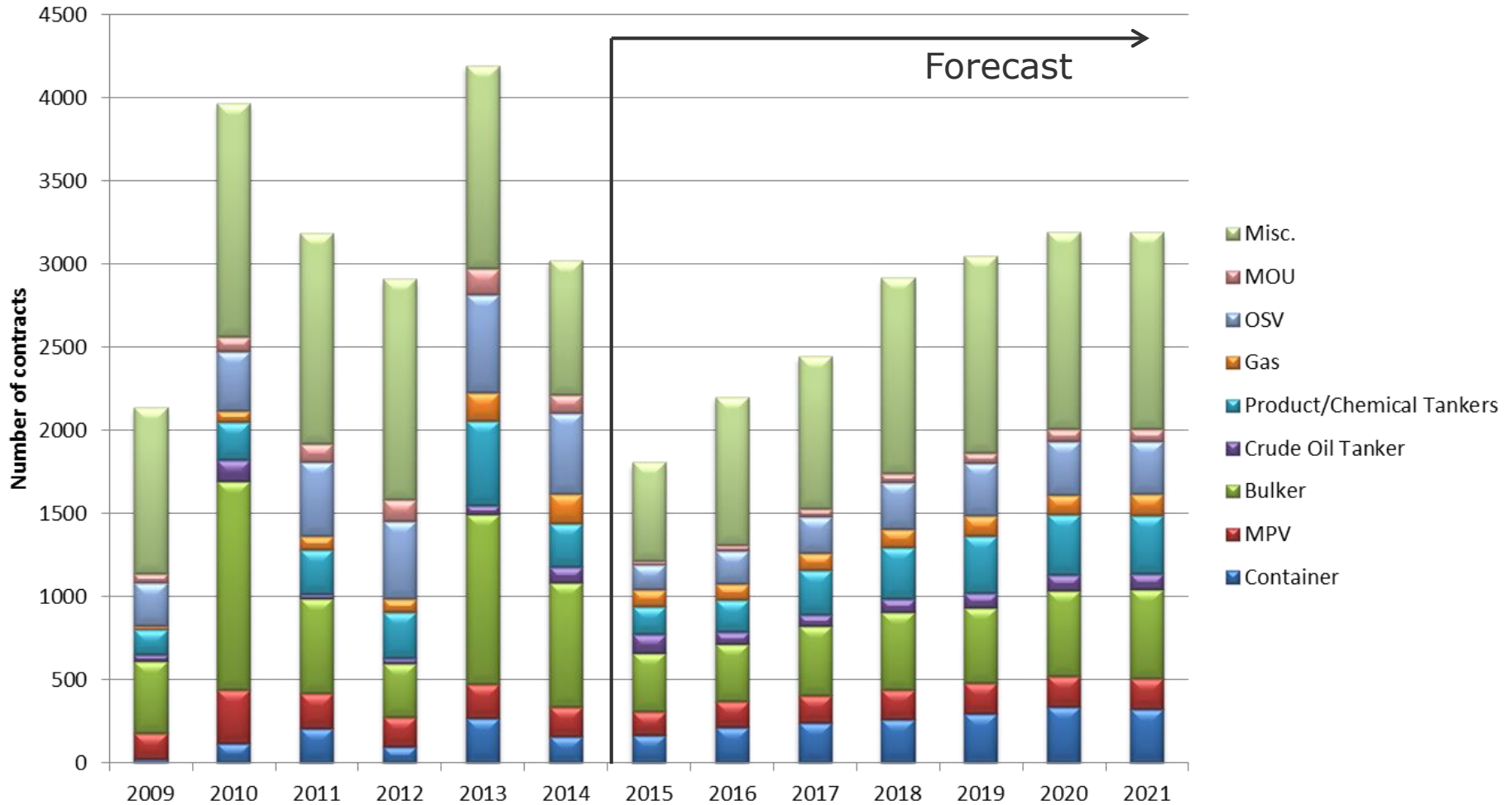


Just a few thoughts...



Contracting

Annual contracting (incl. forecast)



*Shipping is all about the long run,
However you need be able to survive the short distance first,
Don't make your decisions based upon "imagined" demand,
Unless you are a Keynesian...
And a true Keynesian asked about the long run has only one answer:*

"in the long run we are all dead"

*...and on that bombshell we finish today's program
(tribute to Top Gear)*

Thank You

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SAFER, SMARTER, GREENER