

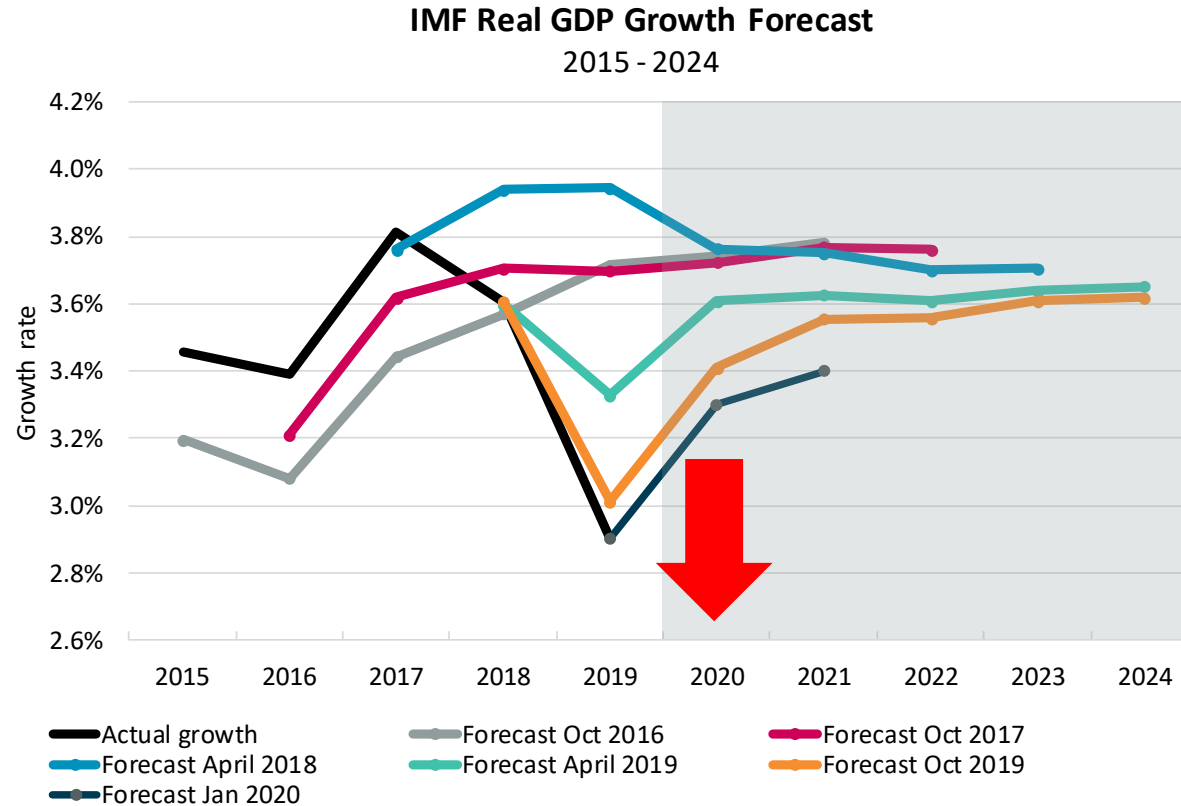
The background of the slide features a tall, black and white striped lighthouse on the left side, illuminated from within. The lighthouse is set against a dark, cloudy sky. A large, solid blue triangle is positioned on the right side of the slide, partially overlapping the lighthouse and the sky. The overall color palette is dark and moody, with the blue triangle providing a contrasting element.

A very different world: Macroeconomics

Perspectives and insights on shipping amidst a pandemic

14 April 2020, Webinar

The other way round – from + to -



Source: BIMCO, IMF

Coronavirus pandemic economic fallout 'way worse than the global financial crisis,' IMF chief says

Global GDP fell by -0.1% in 2009

Coming Soon: April 2020 World Economic Outlook

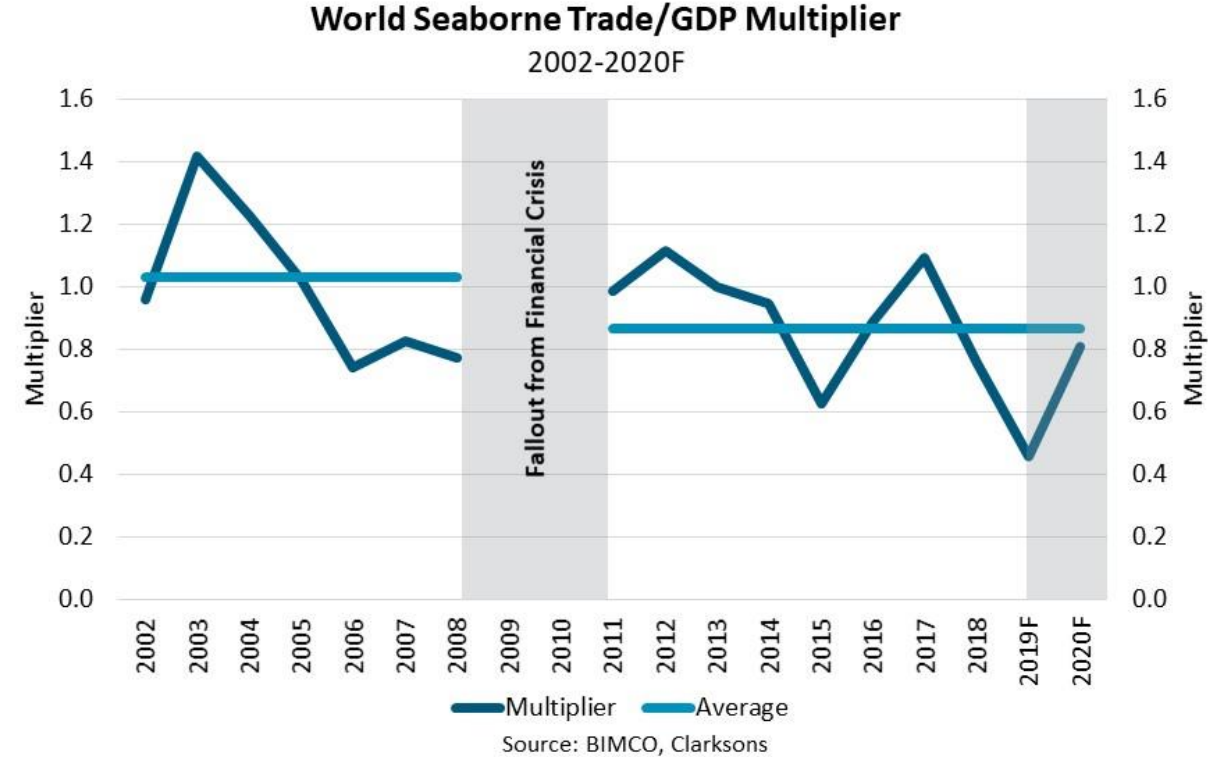
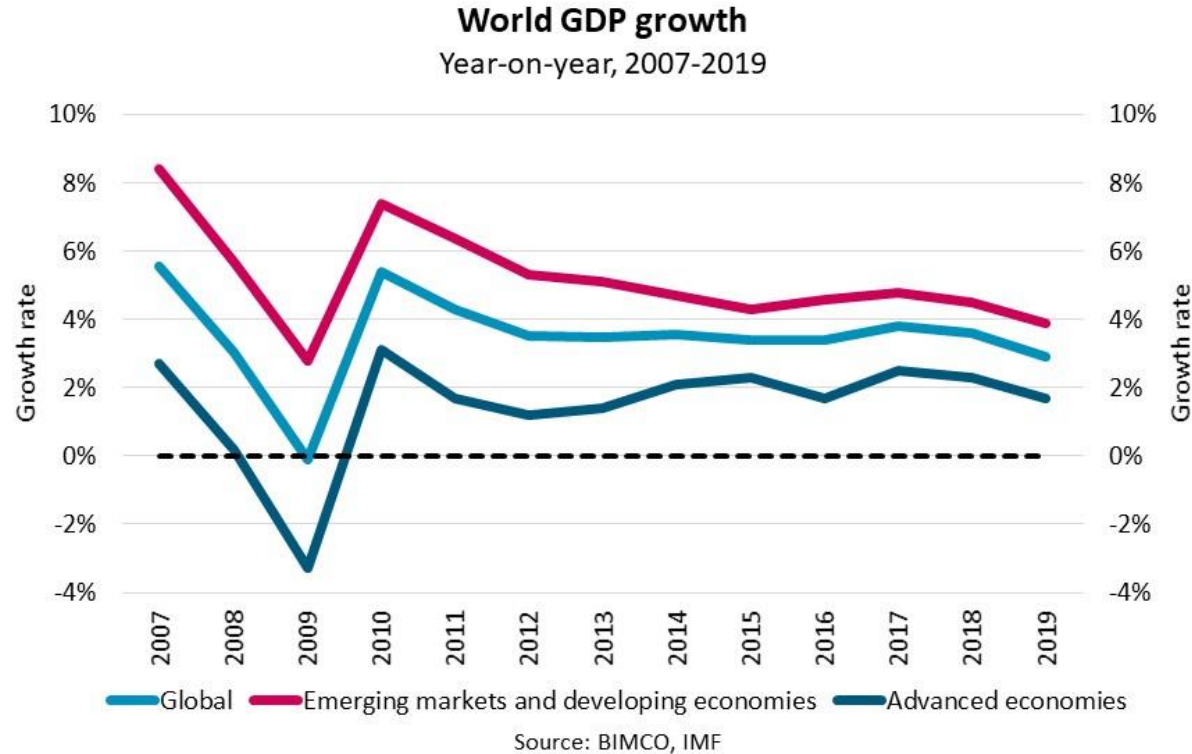
WORLD ECONOMIC OUTLOOK
April 2020

Tuesday, April 14, 2020, 8:30am ET

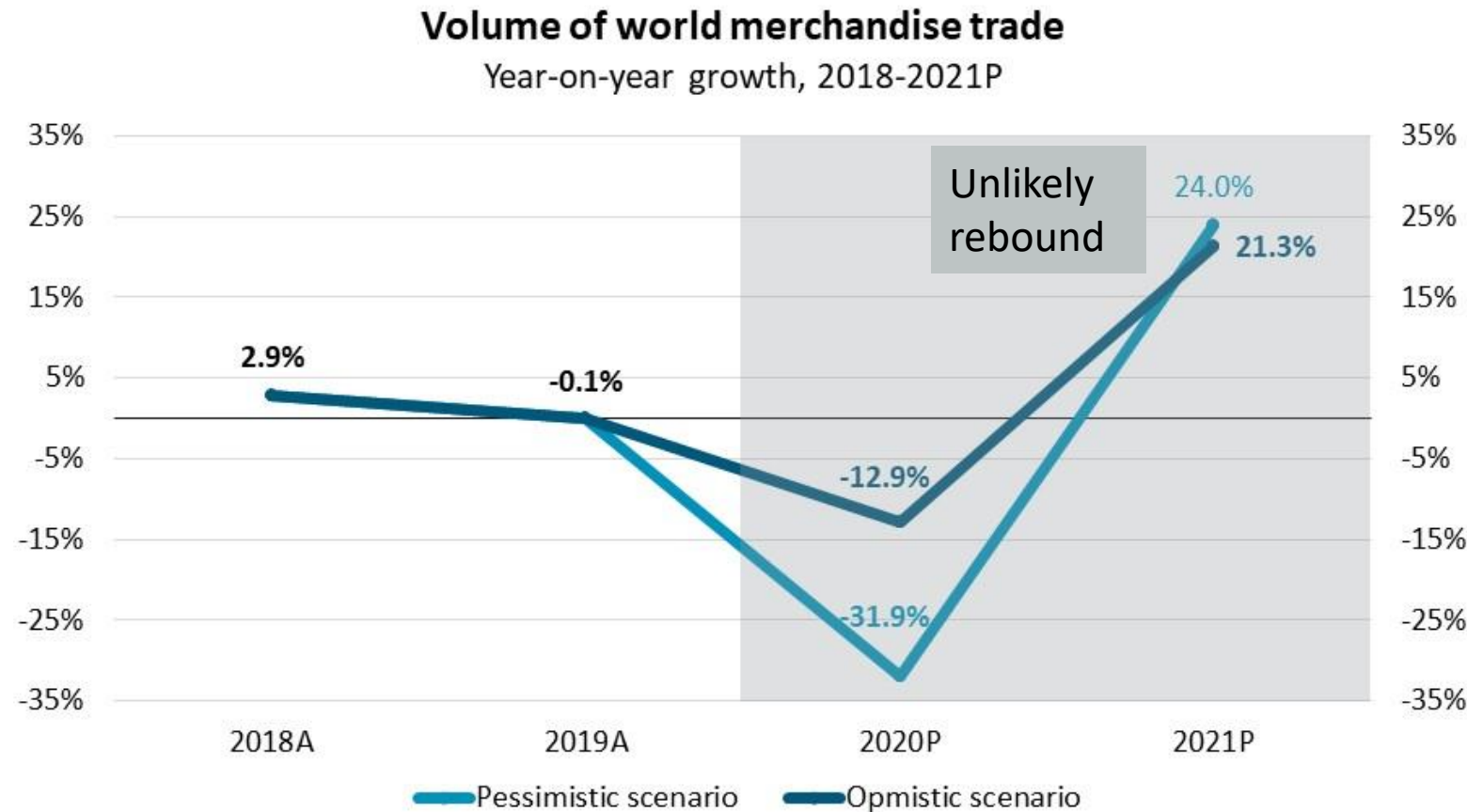
Tune in for a presentation by IMF Chief Economist Gita Gopinath on the latest outlook for the global economy.

**** WATCH THE LIVE WEBCAST AND READ THE REPORT ON THIS PAGE ****

The trade-to-GDP multiplier is declining



Trade will suffer: A V-shaped recovery is not in the cards



Source: BIMCO, WTO

Note: Figures for 2020 and 2021 are projections

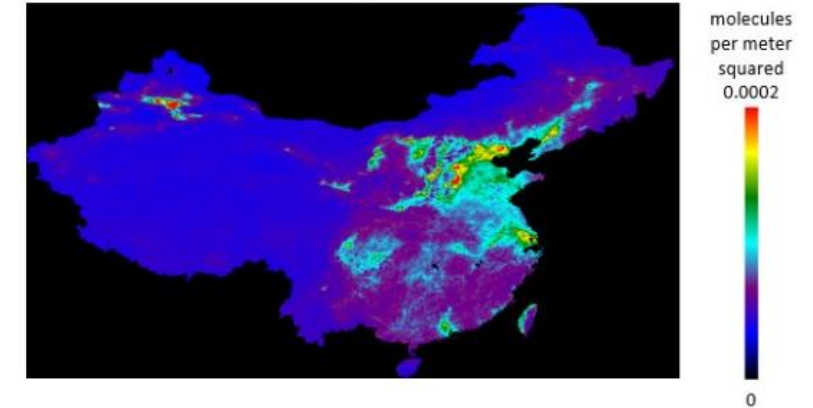
Containment measures hurting the economy

BIMCO

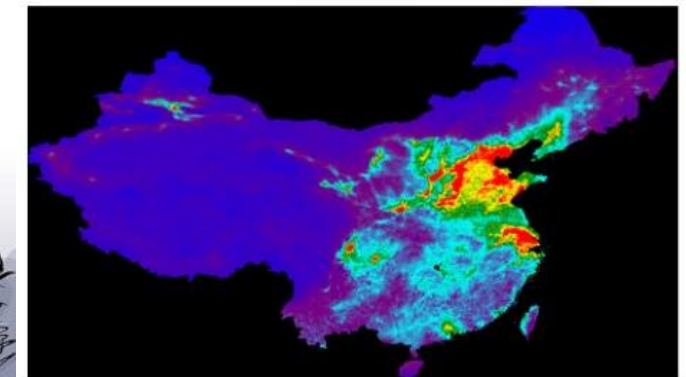


(nitrogen dioxide concentration)

February 2020



March 2020



Sources: Copernicus Sentinel-5P (processed by ESA), 2018, TROPOMI Level 2 Nitrogen Dioxide total column products. Version 01. European Space Agency (<https://doi.org/10.5270/S5P-s4ljg54>) and IMF staff calculations.

Note: Nitrogen dioxide concentration in the atmosphere is an indicator of emissions from fossil fuel and biomass burning. As such, it can be a proxy measure for changes in industrial and transport activity given the existing state of technology. The figures show the average concentrations over the calendar days 1-21 within the indicated month. Credit Jiaxiang Yao.

It hits fast and hard, negatively impacting global shipping demand across the board



Coronavirus job losses surge

Jobs created since
Great Recession trough
(2/1/2010 - 2/1/2020)

24.8M

Initial jobless claims
(latest three weeks)

3.3M
(Week
ended
Mar. 21)

6.9M
(Week ended
Mar. 28)

6.6M
(Week ended
Apr. 4)

Great Recession
total job losses
(peak to trough)

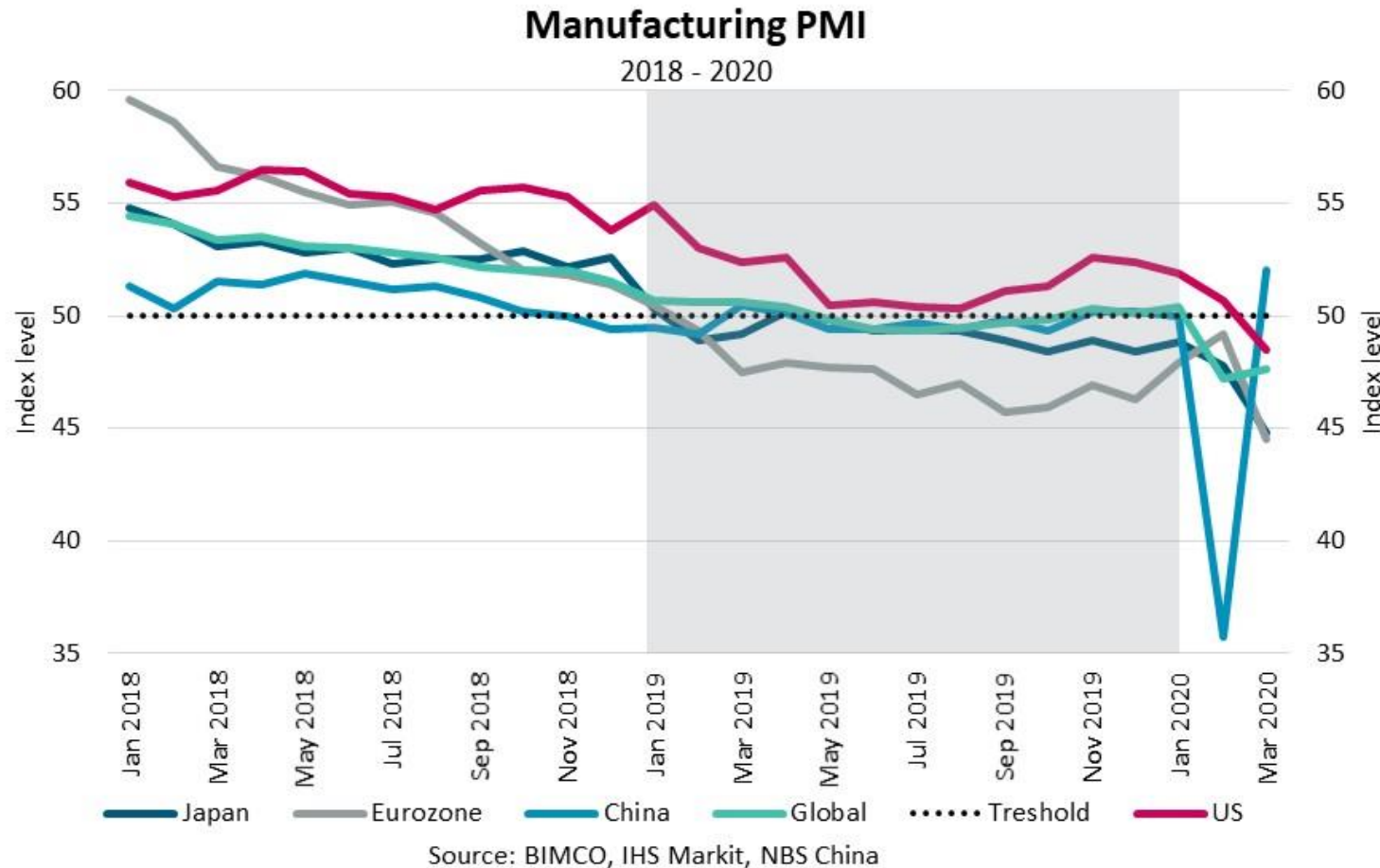
8.7M

SOURCE: BLS, St Louis Federal Reserve



Public debt will rise as such measures are costly – but you should worry even more about the future *if widespread layoffs and bankruptcies* results in a severe global recession.

Composite and export orders sharply down



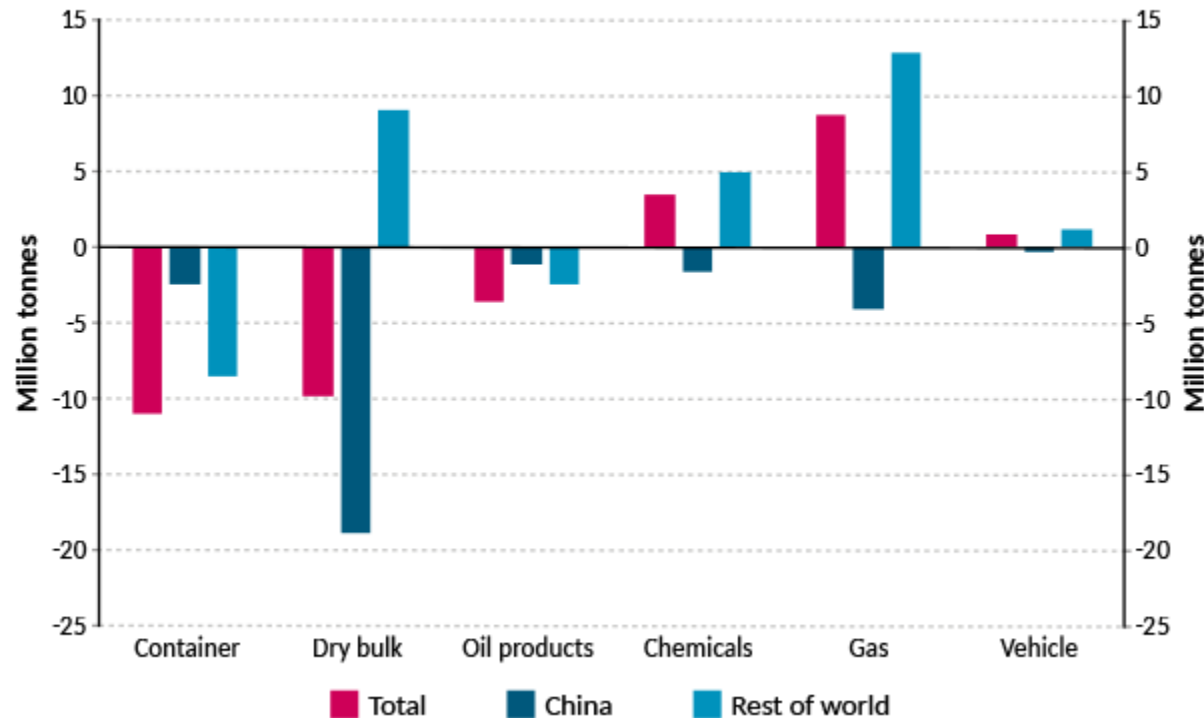
| | Manufacturing PMI March 2020 |
|----------|------------------------------|
| Global | 47.6 (-0.4) |
| US | 48.5 (-2.2) |
| China | 52 (+16.3) |
| Eurozone | 44.5 (-4.7) |
| Japan | 44.8 (-3) |

The 52-level recorded in March indicates that while Chinese manufacturing grew compared to February, it remains far below January levels.

Don't forget the Trade War(s)

Changes in volumes of US seaborne exports
of goods tariffed in China

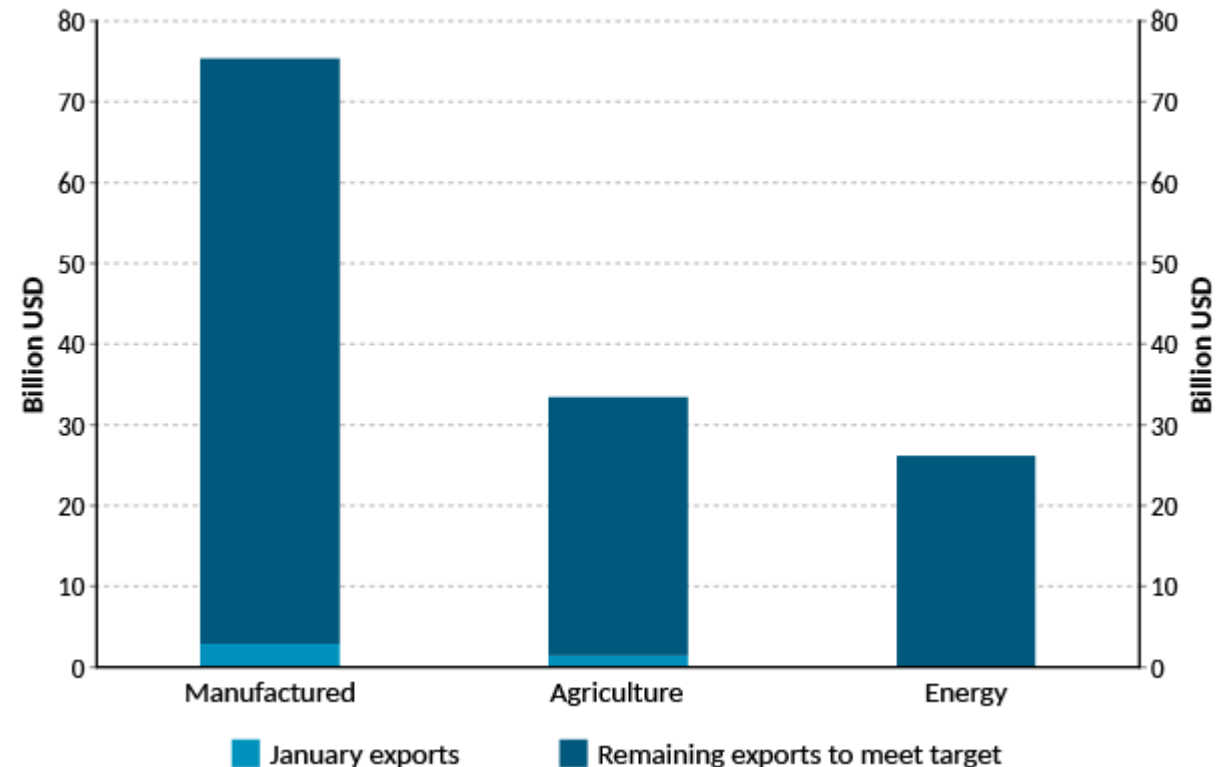
2019 compared to 2017



Source: BIMCO, US Census Bureau

US exports to China under Phase 1 agreement

2020



Source: BIMCO, US Census Bureau, MOFCOM

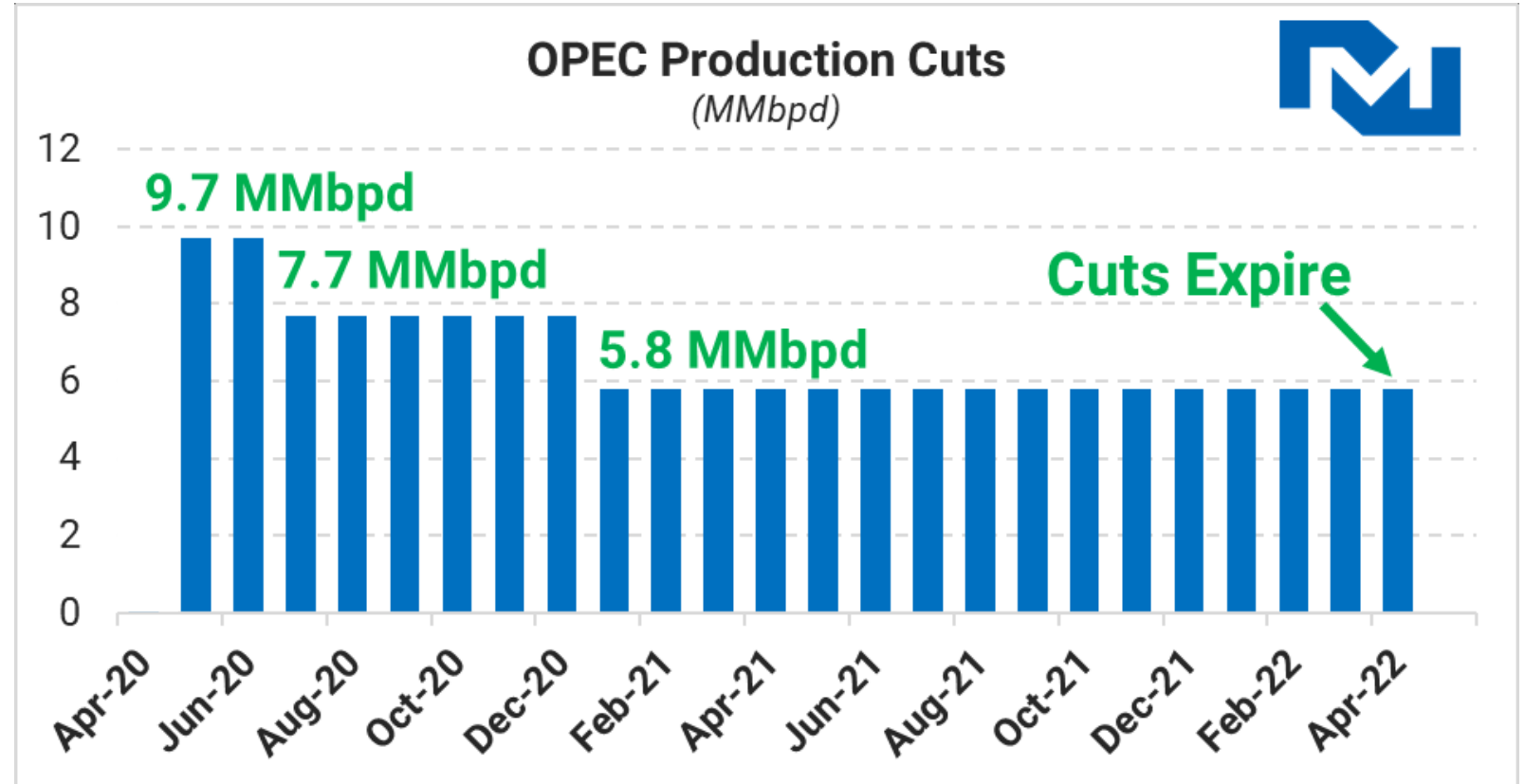
The background of the slide features a tall, cylindrical lighthouse with a black and white spiral pattern. The lighthouse is illuminated from within, and its light is visible at the top. The lighthouse is situated on a grassy area with some trees and a small building in the background. The sky is dark and cloudy. The entire image is overlaid with a large, semi-transparent blue shape that covers the right side and bottom of the slide.

A very different world: Oil Tanker Market

Perspectives and insights on shipping amidst a pandemic

14 April 2020, Webinar

A crazy couple of month behind us ...is floating storage still relevant?

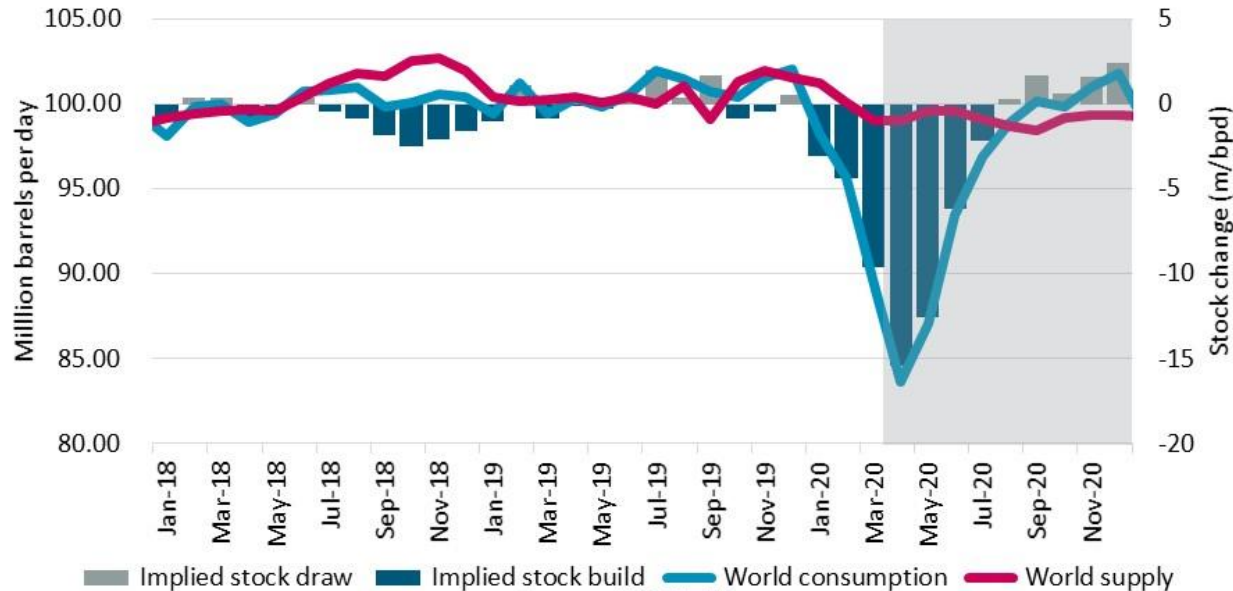


As growth consumption declines, stockpiles rise



World supply and consumption of liquid fuels

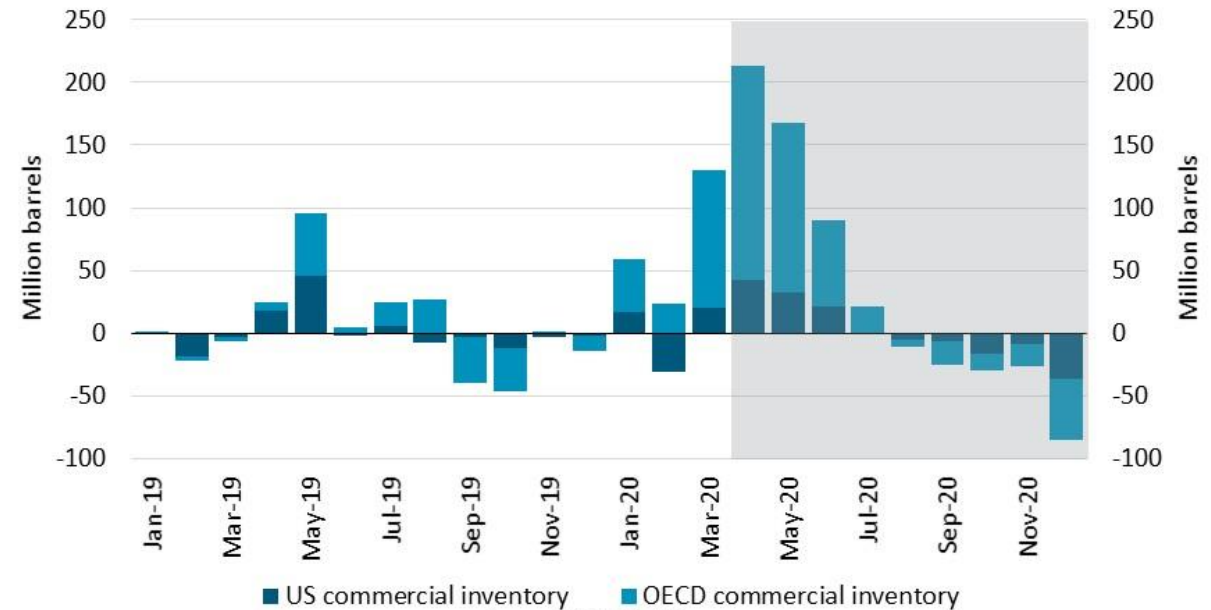
Million barrels per day, 2018-2020F



Source: BIMCO, EIA
Note: Figures from April 2020 and onwards are forecasts and subject to revision.

Commercial crude oil and other liquids inventories

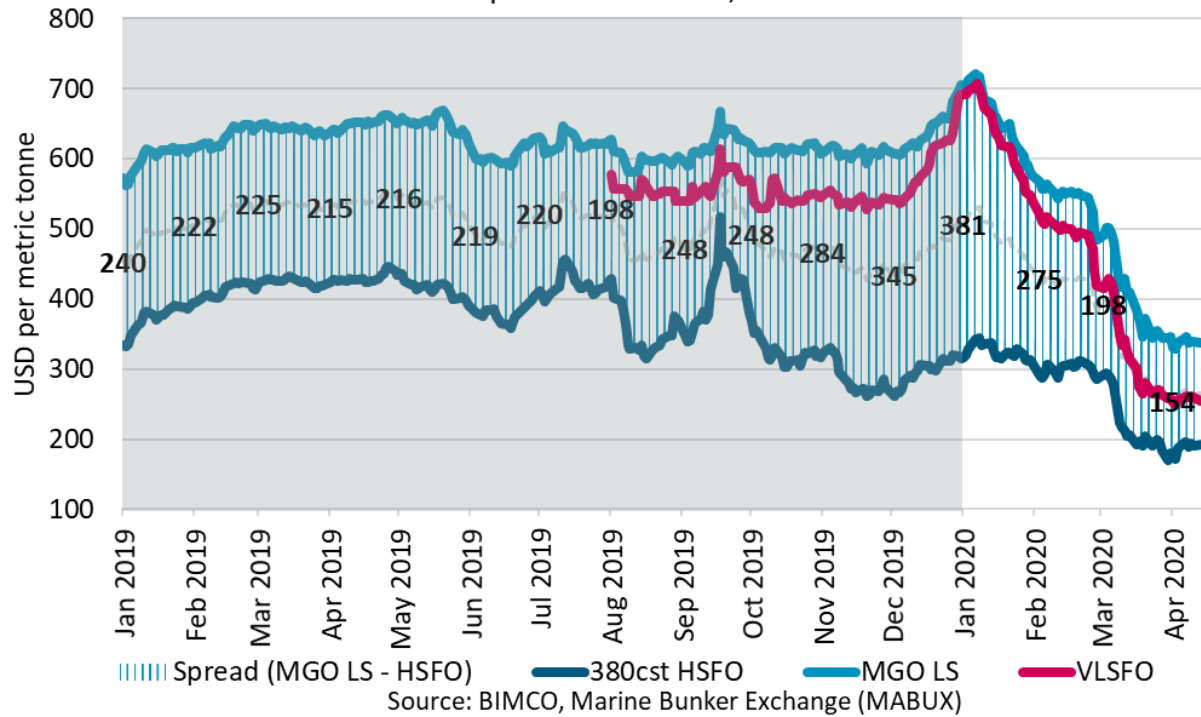
Monthly change, 2019-2020



Source: BIMCO, EIA
Note: The figures from April 2020 and onwards are forecasts and subject to revision

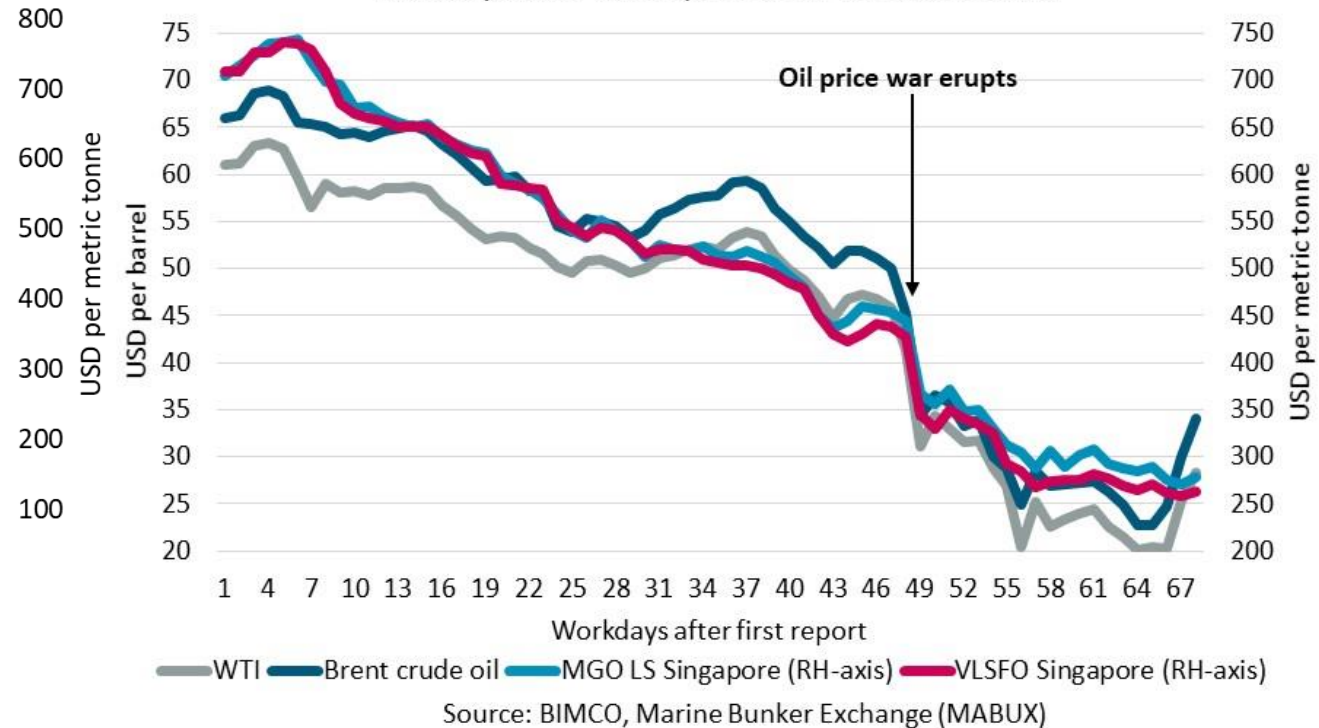
Oil volatility at all-time high

Bunker prices in major bunkering hubs
USD per metric tonne, 2019-2020

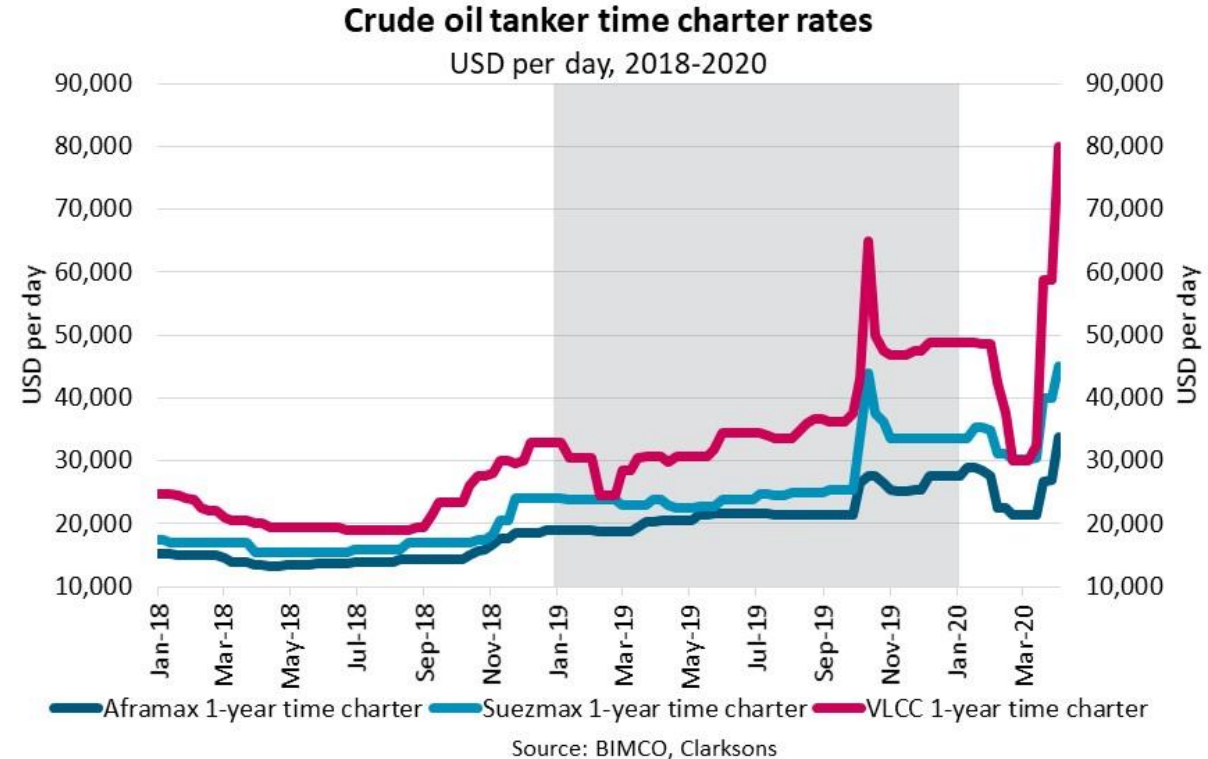
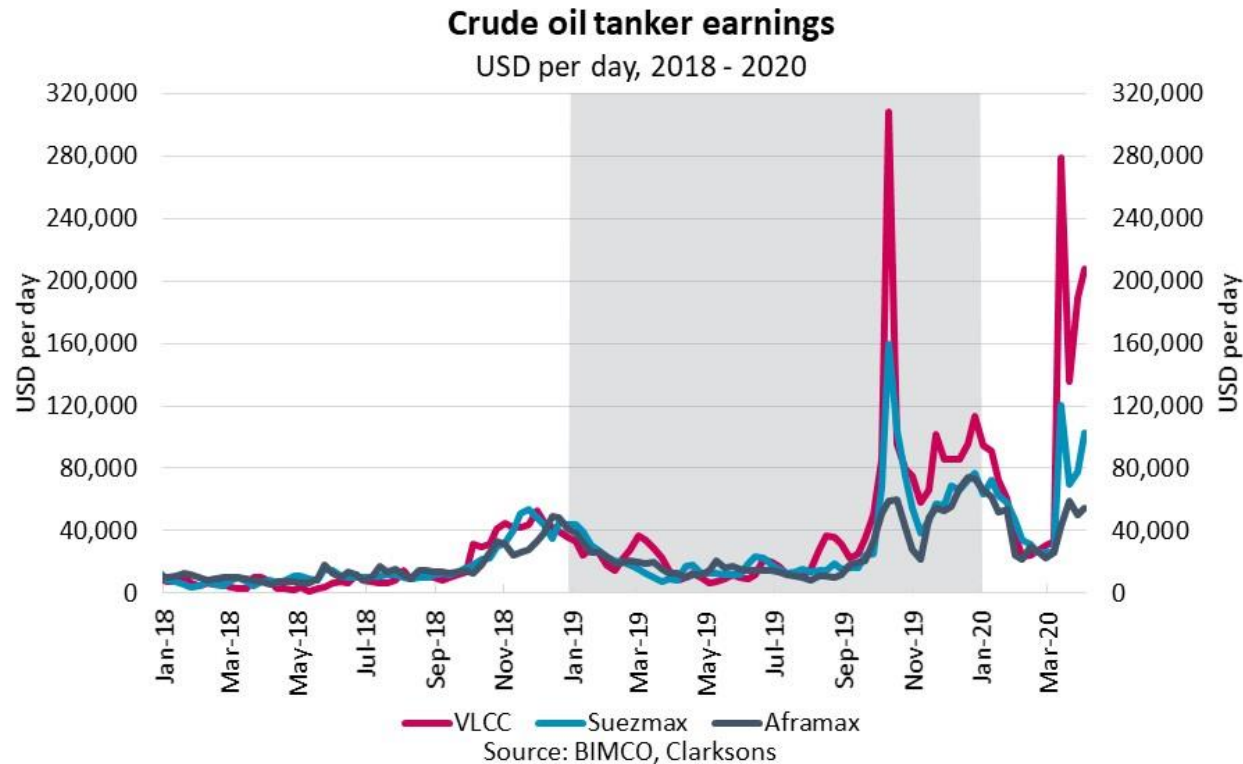


Note: The prices are averages based on quoted bunker prices in Singapore, Rotterdam and Fujairah.

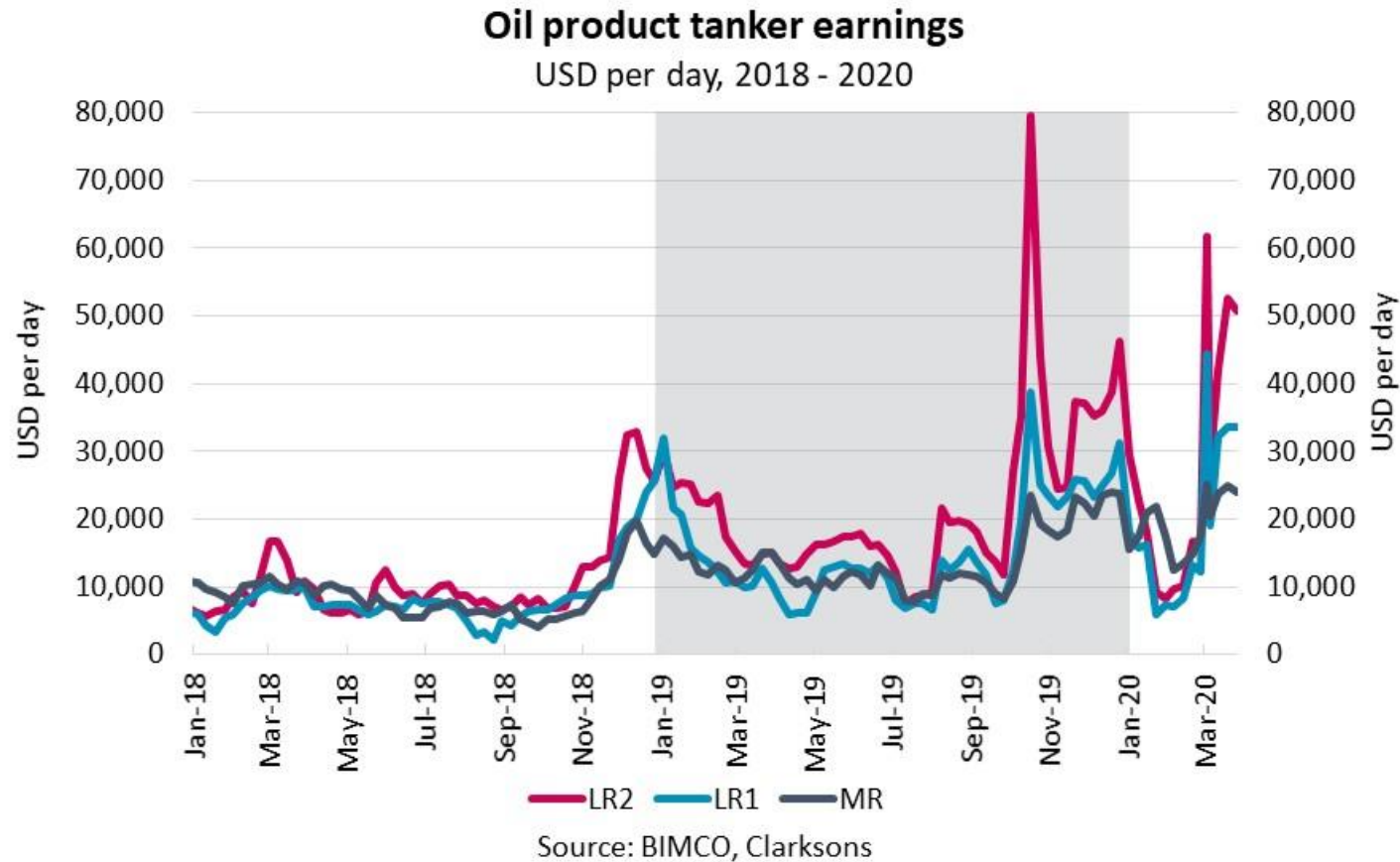
Oil prices and bunker prices after Coronavirus outbreak
Workdays after first report on 31 December 2019



Chartering spree from Saudi Arabia



Any IMO 2020 upside left?!...

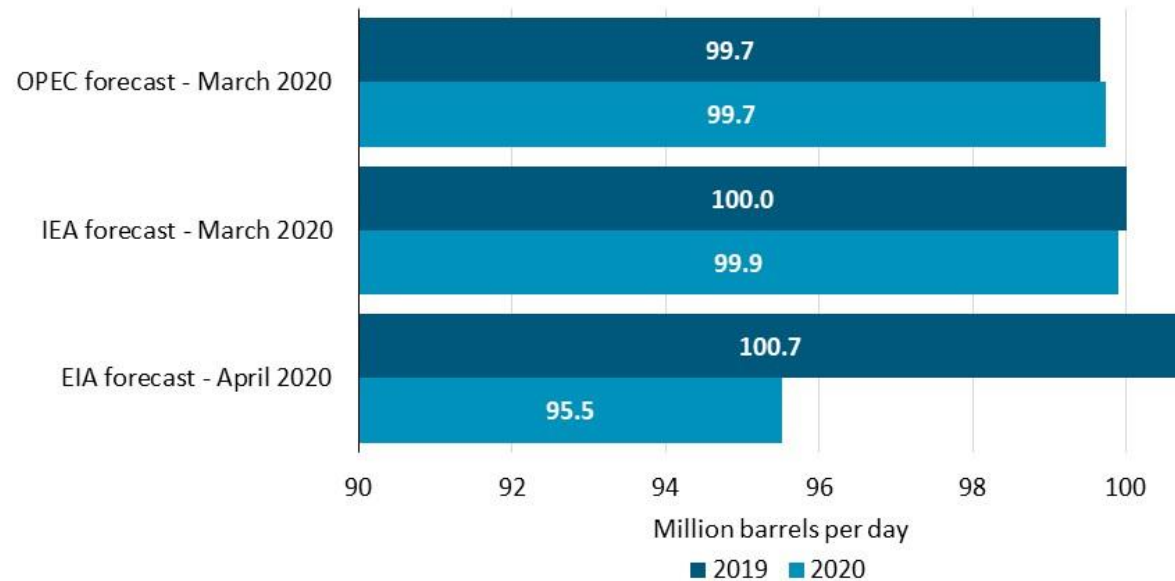


Dwarfed by pandemic effects

Scrubber/availability and quality

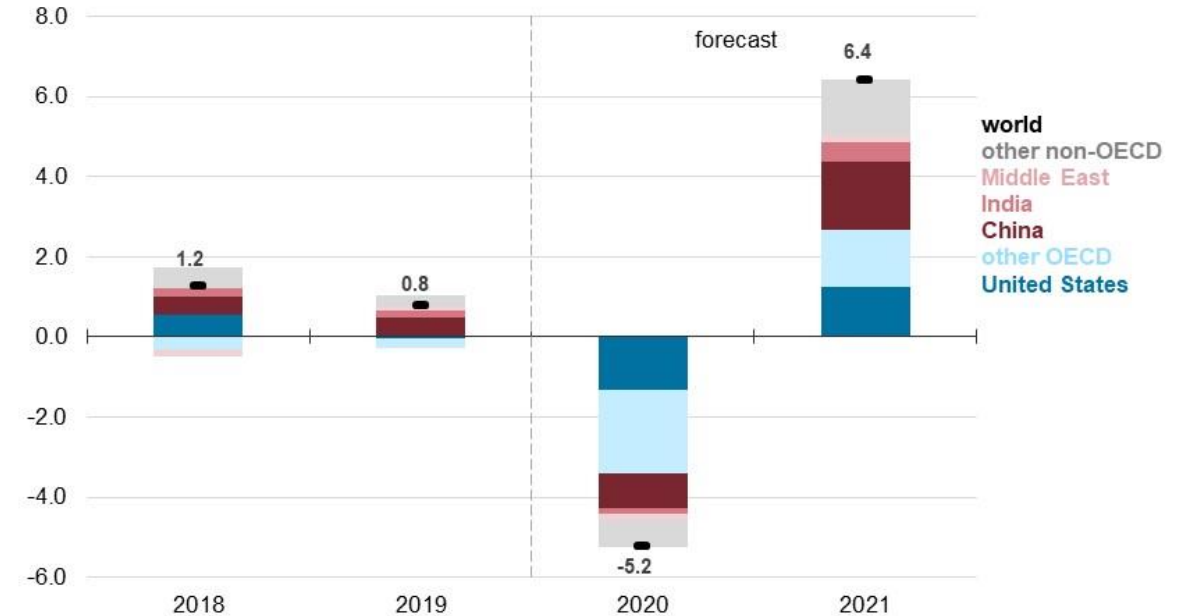
The outlook for 2020 and 2021

Forecasted oil demand growth
Million barrels per day, 2020



Source: BIMCO, OPEC, EIA, IEA
Note: The figures are forecasts and subject to revision

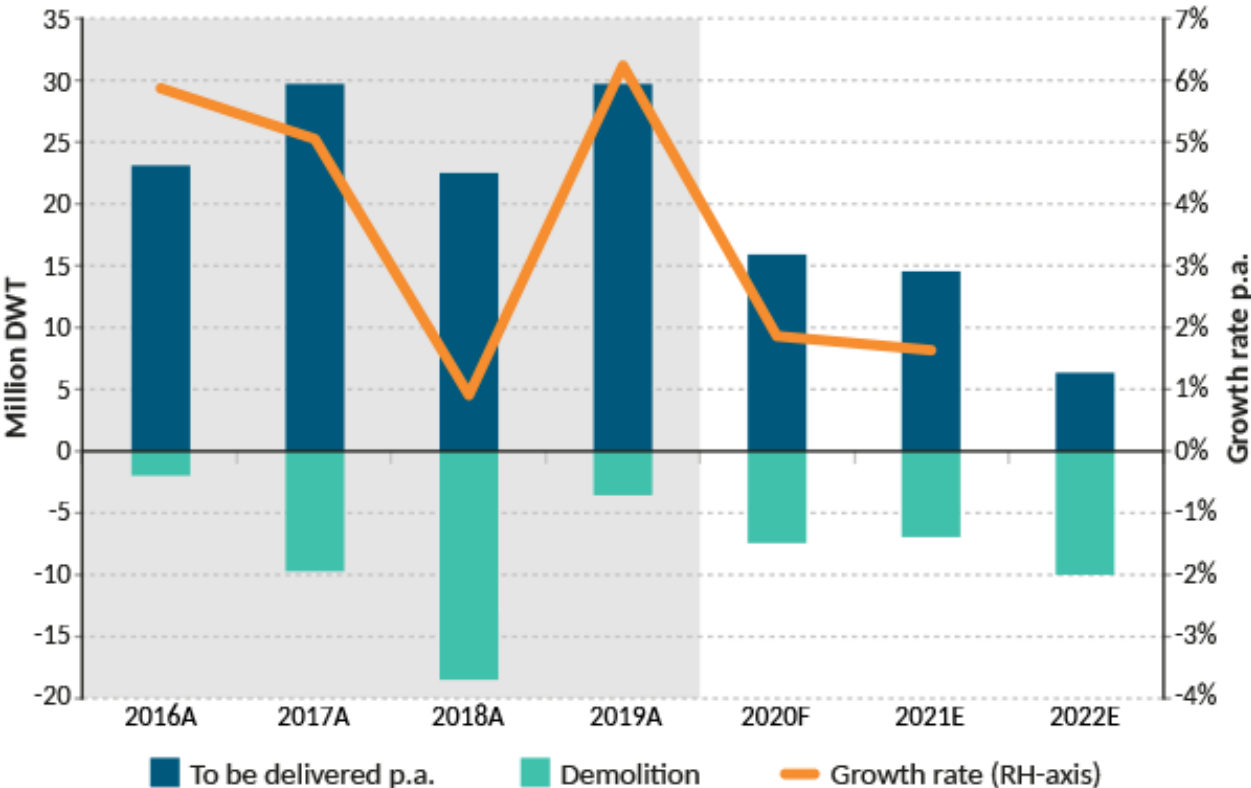
Annual change in world liquid fuels consumption
million barrels per day



Source: Short-Term Energy Outlook, April 2020

As geopolitical “support” evaporates ...

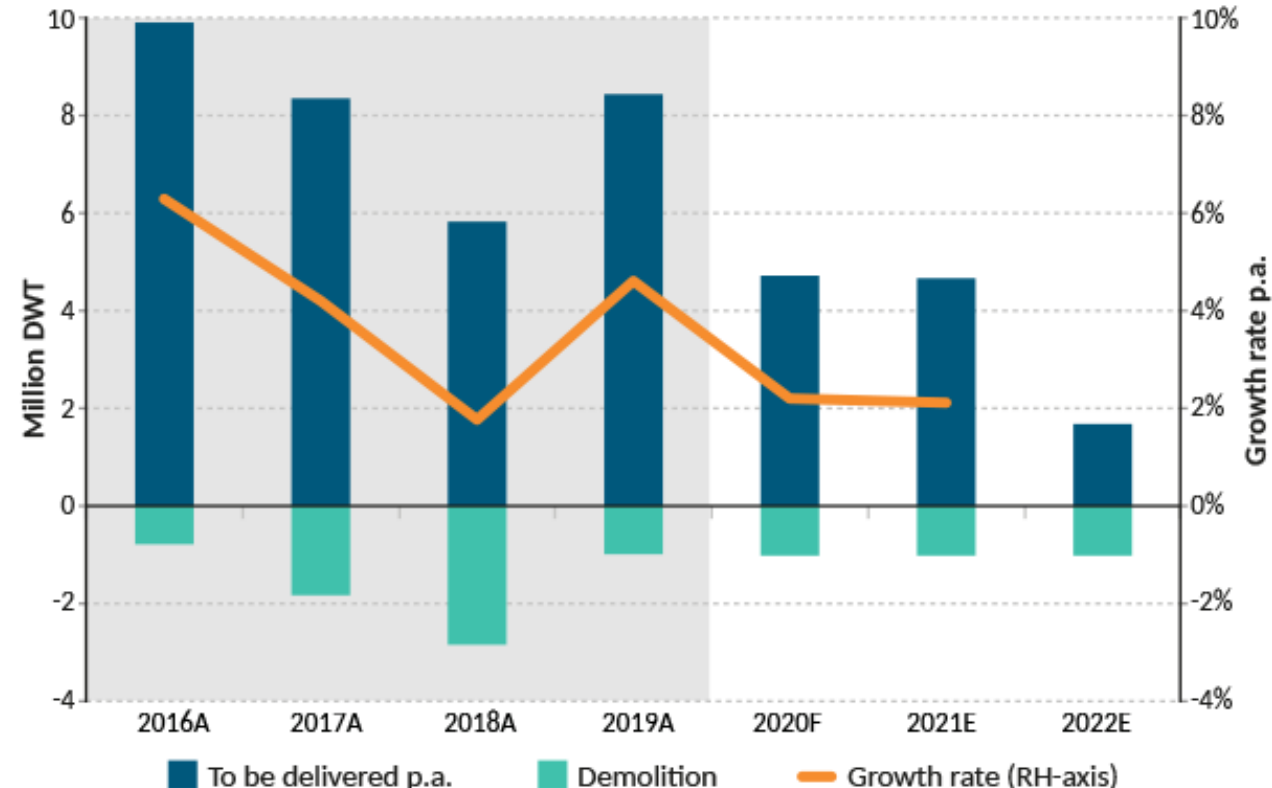
Crude oil tanker fleet growth 2016A-2022E



Source: BIMCO estimates on Clarkson's raw data

A is actual. F is forecast. E is estimate which will change if new orders are placed. The supply growth for 2020-2022 contains existing orders only and is estimated under the assumptions that the scheduled deliveries fall short by 10% due to various reasons and 25% of the remaining vessels on order are delayed/postponed.

Oil product tanker fleet growth 2016A-2022E



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Stay up to date at www.BIMCO.org/Covid19



Coronavirus (COVID-19)

Coronavirus (COVID-19)

- › COVID-19 Advice on charter parties and other contracts
- › COVID-19 Q&A on BIMCO's Infectious or Contagious Diseases Clauses
- › BIMCO answers top 5 questions on contracts and COVID-19
- › Infectious or contagious diseases
- › Coronavirus (COVID-19) - implementation measures for sea transport
- › Coronavirus (COVID-19) - crew challenges
- › Coronavirus (COVID-19) - quick guidance
- › COVID-19; Implications on statutory ship certificates, surveys, inspections and audits
- › BIMCO advises shipowners to check ballast water system installation plans

LATEST RELATED NEWS

Time charter and infectious and contagious diseases

07 April 2020

BIMCO has over recent weeks published a lot of information about COVID-19 and which measures different countries have implemented in an effort to curtail the spread of the virus. An overview can be found on BIMCO's website.

ADVICE CORONAVIRUS - COVID-19 TIME CHARTER

BIMCO webinar: coronavirus pandemic effects on shipping markets

07 April 2020

BIMCO will host the Perspectives and insights on shipping amidst a pandemic webinar on 14 April 2020. The free 1-hour webinar will touch upon how the coronavirus has impacted the commercial shipping markets and what the future may hold.

MARKET ANALYSIS MARKET REPORTS TANKER CONTAINER DRY CARGO

CORONAVIRUS - COVID-19

RELATED EVENT

Perspectives and insights on shipping amidst a pandemic

14 April, 2020



BIMCO will host its own webinar, featuring relevant industry speakers, about the impact of the coronavirus on the commercial shipping markets on 14 April 2020...

MORE INFO

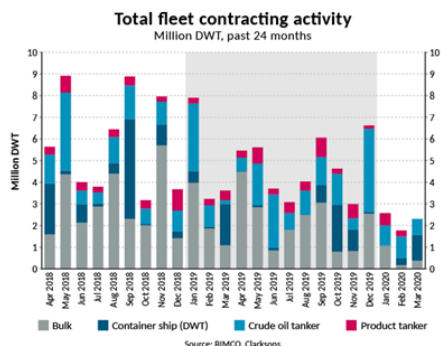
RELATED PUBLICATION

COVID-19 guidelines for office workspaces



BIMCO has produced posters and guidelines to protect employees and visitors in offices and office buildings against Coronavirus (COVID-19).

Lots of market analysis at BIMCO.org



Coronavirus is disrupting the supply of ships as well as demand

06 April 2020

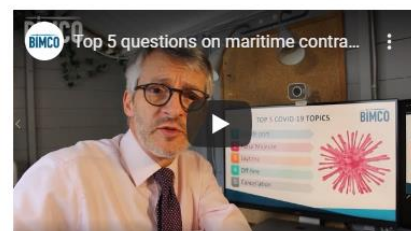
The coronavirus outbreak has affected all aspects of the shipping industry, lowering, if not wiping out, demand growth prospects for the year across all segments. The outbreak has also affected fleet development.

Occurring in the freight market, debating a range of issues including freight rates in USD per tonnes against the TCE quotes. Who pays what in the market? Non-scrubber-fitted ships being the benchmark ship but what does that mean to the ones with a scrubber on board?

MULTIMEDIA

Top 5 questions on maritime contracts and COVID-19

31 March 2020



The Top 5 questions BIMCO receives related to contracts and the coronavirus are:

- Are ports considered unsafe?
- Is this a 'force majeure' situation?
- What about laytime - will it run?
- Will a ship remain on hire?
- Can the charter party be cancelled?

Protecting Maritime Borders From COVID-19

24 March 2020



On 24 March 2020, Peter Sand featured on the Windward web "Protecting Maritime Borders from COVID-19", where he preps insight on how the shipping markets have been impacted by the of the novel coronavirus.

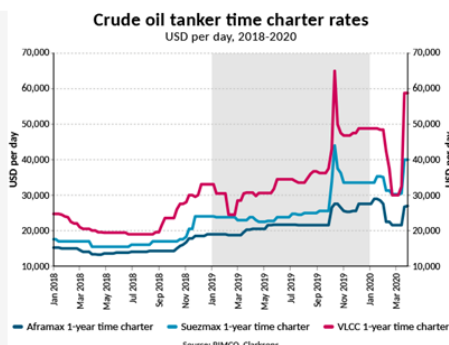
LATEST MARKET REPORTS

- China's manufacturing PMI rises to 52 in March
- Bunker prices
- Containership report March 2020
- Demolition report dated 3 April 2020
- Dry cargo market report dated 3 April 2020
- Newbuilding report dated 7 April 2020
- Sale & purchase report dated 7 April 2020
- Tanker market report dated 3 April 2020

As oil prices plummet, crude oil tanker time charter rates skyrocket

02 April 2020

Geopolitics is the dominating variable in the tanker market these days. With the OPEC+ negotiations falling apart and Saudi Arabia initiating an oil price war, the crude oil tanker spot freight rates, and time charter (TC) rates have soared.



The commercial aspects that matter to the future shipping industry

30 January 2020

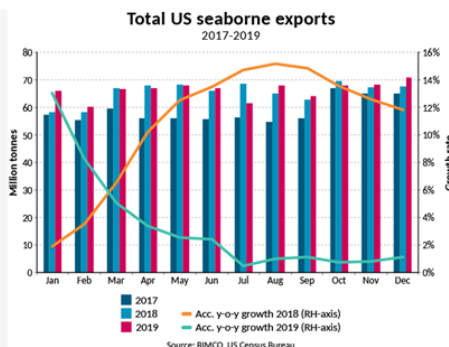


Peter Sand provides his take on the commercial aspects that matter to the future shipping industry at the Slide2Open Shipping Finance Conference on 30 January 2020

US seaborne exports slow as the trade war takes hold

26 March 2020

Before the coronavirus outbreak, shipping was already facing headwinds, including those caused by the trade war which has lowered volumes and changed trade patterns, both interesting developments which will continue into the future even as the world adjusts to the new reality.



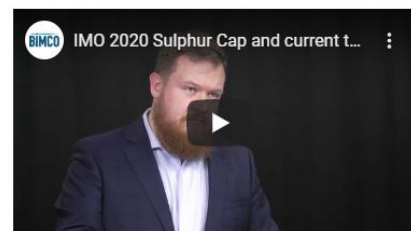
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Register for updates about market analysis

SUBSCRIBE

IMO 2020 Sulphur Cap and current technical challenges

10 March 2020



BIMCO's Christian Bækmark Schiølborg from BIMCO Marine Environment department focuses on the technical and fuel related challenges shipowners are faced with right now. Schiølborg is joined by Managing Director Rahul Choudhuri from VPS in Singapore, who shares an update on the situation in Singapore and at large.

BIMCO Market Analysis Webinar - Container Ship Market Outlook Q1 2020

26 February 2020



Peter Sand, BIMCO's Chief Market Analyst, speaks about the state of the container shipping market.

BIMCO



Thank you!

Contact BIMCO at
www.bimco.org

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