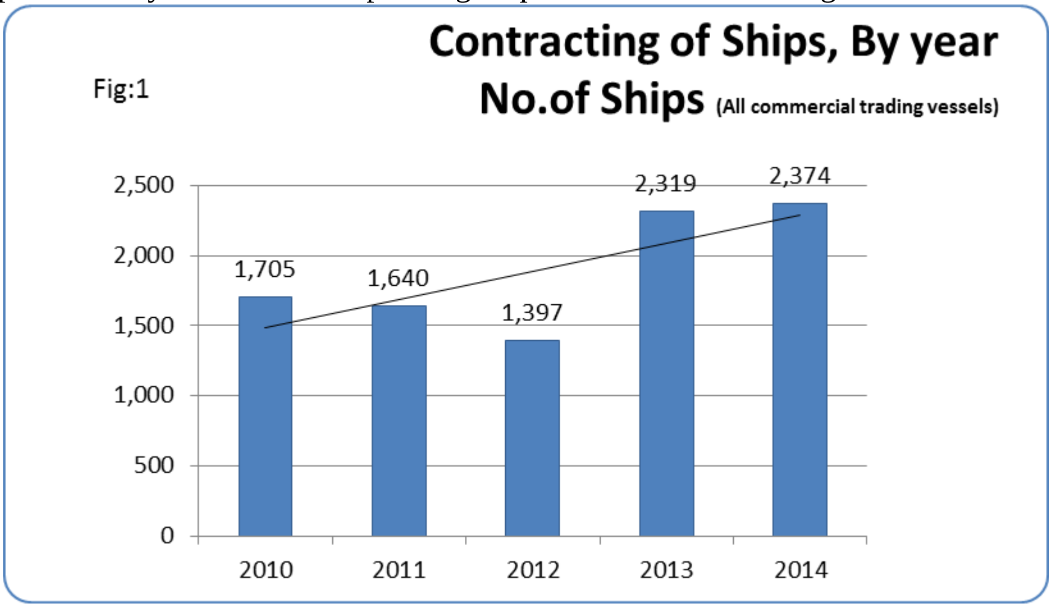
Shipping Consultants

Newbuilding Market Survey December 2014

Prepared exclusively for The Danish Export Association, Danish Marine Group

CONCLUSIONS

2104 will go down as a promising start but by the end of the year problems were mounting for the maritime industry. Are we in for a worsening situation in 2015? The crystal ball for the immediate future seems as fractured and blurred as ever. Predictions are impossible for the long term but uncertainty favours nobody. Who would ever have thought that the price oil would have halved in a year from US$100 to just under US$50 a barrel. One thing is certain, this will continue for the first half of 2015 and is even expected to go lower while Saudi Arabia and other OPEC members refuse to cut production. The low price is very welcome for operating shipowners but in the long run is a double edged sword throwing up winners and losers. In the short term there will be more winners. Then in Europe, Scandinavia and the US we have the new emission control areas (EMCA) legislation impacting from the start of 2015. Owners are in a quandary as to how much it will affect them especially in terms of vessel fuel modifications to comply. How rigorous will the inspection regime be and will staff levels be sufficient to cope. A level playing field is far from certain and less likely than more likely. Nobody can justifiably argue with the ultimate objective of tackling climate change but it all seems a bit rushed after the smooth running of reduction in sulphur content in fuels to 0.5 per cent in three years. Now the new regulations will increase reduction to 0.1 per cent. Not all port facilities are likely to be able to cope initially so the hapless shipowner has to find a solution either by documentation proof or take the risk of no inspection. So far there is no real evidence of a grace period. Provision for EMCA and other legislative measures such as ballast water treatment systems upgrades and suitable approved scrubbers all add to the cost of newbuildings when cash flow is still tight with many small and medium owners. Depending on vessel and size up to US$1 million can be added to the newbuilding cost. Fortunately shipbuilders bring out their new designs with provision for the new features but generally are unable to raise their prices against a background of mounting losses. The majors in South Korea and China have been forced to cut back drastically as more shipyards went bankrupt in the last quarter of 2014. The one bright spot was Japan where the country has already taken measures to increase competitiveness over its two main rivals. China has confirmed a second tranche of shipbuilders seeking approval of financial health after 50 shipyards were passed as “fit for purpose” under the so called “white list”. It looks as if this will go beyond rhetoric as China looks to mean business and is now witnessing the harsh reality of tough times. Nobody is really immune from this never ending recession.



Have governments got it wrong though? You cannot keep pouring money into failing industries on the back of the hard pressed tax payer. Finally such debts will come back to haunt you. Some argue, although circumstances may be different, that we risk another 2008 financial crash. Odds are about 50/50 on this but the US economy is on the move at last and the shale gas revolution was and still is a huge boost for the tanker industry. This is one reason why Saudi Arabia will not cut production in an effort to combat US production. Such a move however is liable to hurt everyone in industry in the long run and the world is awash with oil. Ironically this has given a major boost the tanker industry including crude. A steady stream of orders have materialised with owners hedging their bets. There is at last recognition that the hybrid size LR1 panamax is an attractive proposition. Relatively few have been ordered in recent years but the newbuilding market was saturated with a plethora of medium range MR1 products carriers. The game now looks to be up for the MR1 which is also under attack from the ever popular aframax coated unit. Unfortunately the market realised too late that history was repeating itself with a saturated MR1 fleet and a lot of damage has been done to freight rates as a result. The big surprise was a resurgence in crude earnings when the oil price is as low as US$50 a barrel. Owners have waited long enough and ended the year on a positive note with some VLCC charter rates yielding US$60-70,000 daily – the highest since the financial crash but only for spot trading. Suezmax newbuildings continued a steady rise boosted by the lack of ordering over a two year period and these look set to come into a more buoyant trading market than now as oil prices will again rise by the end of 2015. Ideally the oil price needs to settle at US$90-100 a barrel. Longer haul voyages, the rise of US exports, demand for more crude from China and different loading options globally especially from West Africa all contributed.

Cheaper oil prices have spurred an increased spending spree by consumers which economies badly need. However it is too early to say if the Christmas period was a blip on the radar or will continue longer term. 2015 could still see a turning point in market conditions. It will be a slow process but this is no bad thing after the turmoil of the last six years but political turmoil and global hot spots can easily upset prediction. Optimism and evidence no matter how small will satisfy investors, shipowners and shipbuilders that the market is moving in the right direction and this is what is needed as a foundation stone for the start of better times. In the current situation owners are better placed through experience to withstand market troughs and crises.

We have long argued that large orders of bulk carriers for Chinese ownership where the latter is private equity or companies with no previous experience are damaging for overall stability. Through the year several of these were cancelled as financial positions deteriorated. Lessons must be learned..

Shipbuilders are running up losses and are stuck with a dilemma. Shipowners are under pressure but have moved into the driving seat at the moment. The problem is that the appetite to order has faded due to uncertainty over new legislation and extra costs involved. In the US non compliance on fuel choice for ECA’s is not an option with so sign of any softening in this tough stance. The US however will be a strong trading region for crude and oil products in 2015 as exports and imports increase. Recently we monitored newbuildings where the contract date was as far back as 2009 underling our corrent opinion over what is a cancelled ship. There is still an unwanted legacy for ships ordered before or immediately after the 2008 crash. Another problem for builders is legal proceedings for refund guarantees several of which drag on through the courts. Private equity continues to play a substantial part in new and secondhand purchases. You can still say we are in an era of cheap ships and there are definitely pockets of trade where profits can be made. Currently the tanker market is having a long overdue more prosperous time baffling some experts.

One confidence booster is the return of big hitters like John Fredriksen deciding the time is right to order newbuildings for entry into a recovering market. The price of crude oil oil will eventually rise so gains in profits are expected tempting investors to open their pockets. Sentiment is now lower for bulk carriers although they remain the mainstay of employment. Gas will continue to boom but offshore is facing its first major setback as the lower price of oil is a disaster for gaining employment. Many offshore support vessels have gone into lay up and a trickle of newbuilding contracts have been cancelled due to cut backs on exploration projects and cancellations of previously agreed employment or negotiations for same. It is too early to say how deep this will go but prospects are not good at the moment.

Statistically the ordering rate did slow down towards the end of 2014 after a 15 month surge. It is probable that 2015 will get off to a slow start but encouragement to order is still there price wise. After end of year adjustments where every entry is scrutinised for current status the orderbook backlog dropped by 1,000 ships to 5,592 vessels aggregating 327,129,926 vessels of all types. Whilst this may seem a large increase the end of year due diligence always throws up a decrease in the order backlog position. Also you have to consider three facts viz: deletions through cancellation, small vessels such as tugs and yachts and deliveries which are still leaving the shipyards at quite a pace. The comparable figure at the end of 3Q 2014 stood at 6,592 vessels totalling 364,302,977 dwt. In terms of vessel contracting but in numbers only for all vessel types 2014 just overtook 2013 by 2,374 units to 2,319 ships so order intake on this basis held its own. This is likely to decline for the major vessel types in 2015 but the question is by how much? Within 2014 1,496 vessels of types were delivered. So the decline in deliveries since 2010 continues. Factors for an improvement in balance between supply and demand are improving and this is largely bringing about better earnings for shipowners. Consumer confidence is still low but showing signs of improvement. Either way fragile would be the most appropriate description of today’s market. No change there then!! More gamblers \are required to play the Russian roulette of the shipping market. Currently there is a still a good case for investment if you are in it for the long term. Currently it is the tanker, gas and containership owners who have the most encouraging messages to preach to potential investors.

FIG: 2 CURRENT NEWBUILD ORDERBOOK, BY EXPECTED DELIVERY YEAR

Current Orderbook by Vessel Category, Vessel Count, DWT by Expected Delivery Year (20Jan15)

Vessel Category	Total No.	Total Dwt	2015 No	2016 No	2017 No	2018 No	2019 No	2020 No
Bulk Carrier	**1,901**	**171,710,697**	987	696	185	28	5	
Car Carrier	**54**	**841,859**	24	20	9			1
Container	**491**	**40,504,588**	271	155	56	9		
Cruise	**55**	**422,800**	16	16	11	9	2	1
Cruise Inland	**1**	**0**	1					
Dredger	**20**	**56,100**	13	4	3			
Dry Cargo	**188**	**2,298,180**	102	57	21	8		
Fast Ferry	**15**	**0**	12	3				
Ferry	**2**	**0**	2					
Fishing	**7**	**1,300**	6	1				
Gas LNG	**160**	**12,873,605**	44	37	54	19	6	
Gas LPG	**230**	**7,498,444**	106	98	25	1		
Heavy Lift	**16**	**405,500**	7	6	3			
Luxury Yacht	**61**	**300**	41	17	3			
Miscellaneous	**76**	**127,365**	44	15	10	5	2	
Offshore AHTS	**195**	**548,387**	129	46	19	1		
Offshore Drill Ship	**46**	**1,438,625**	28	11	5	2		
Offshore FPSO	**14**	**350,000**	6	6	2			
Offshore Gas	**10**	**808,460**	5	2	3			
Offshore Miscellaneous	**235**	**1,248,633**	166	54	15			
Offshore Rig	**147**	**209,042**	80	51	12	4		
Offshore Supply	**397**	**1,556,881**	305	87	5			
Offshore Support	**101**	**368,758**	77	22	2			
Reefer	**1**	**7,500**	1					
RoPax	**59**	**124,224**	30	21	8			
RoRo Freight	**1**	**24,750**	1					
Tanker	**983**	**83,690,221**	462	354	141	18	4	4
Tug	**126**	**13,707**	98	21	3	4		
Total Orderbook	**5,592**	**327,129,926**	**3,064**	**1,800**	**595**	**108**	**19**	**6**

CONTRACTING OF SHIPS BY SHIP TYPE

BULK CARRIERS

Owners will always keep faith with bulk carriers but towards the end of 2014 confidence was waning a little. China continues to build this type in abundance finding favour with niche sizes with wider dimensions for extra cargo and ability to transit a wider Panama Canal in 18 months time. Cape sizes and Newcastlemax ore carriers remain in demand. Now that the Valemax dispute for discharging in China has been resolved Chinese builders have eveolved a new 400,000 dwt design and will expect to gain some orders from Brazilian giant Vale in 2015. Handysize gained more ground as owners sense that lack of ordering in large numbers opens up new prospects for demand in certain trades.

Market Tone: Still firm for all types but freight rates are volatile marking a pause in ordering. There is a feeling in some sectors that too many ships have been ordered at the current time which could depress rates further when delivered. China is building up its self-sufficiency at a rapid rate reducing dependence on foreign charters. Potential contractors are likely to turn attention to better prospects with tankers. Already shipbuilders are being asked to change cape size and very large ore carriers into crude oil tankers so there will be contract changes in 2015.

Statistics: A total of 97 bulk carriers were contracted in 4Q 2014 compared with 303 in the previous 3Q 2014. This drastically underlines in vessel type terms the sharp fall in the fourth quarter of 32% in bulk carriers with the boom over for the time being. Worries are mounting over too much capacity in the longer term. Mitigating circumstances were a general slow down in orders as 2014 ended, the Christmas period and uncertainty over increased costs through new legislation.

TANKERS

The end of the year saw a flurry of orders as confidence in a recovering tanker market induced more interest. For once tanker owners could afford a smile as it finally looked like a significant corner had been turned. When shipping magnates like John Fredriksen are spending the market takes notice. Owners are expressing reservations about placing orders at some South Korean yards given recurring debt problems and more reliance on state intervention. STX Dalian and Samjin Weihai have had to abandon building sites in China due to bankruptcy of the South Korean owners. Both yards at the time were custodians of 100 ships between them. Some owners have managed to extract refunds on contracting deposits through arbitration in the courts. Three products carriers lost by John Fredriksen at STX Dalian yielded around US$33 million in refunds. The bankruptcies dented confidence on South Korea for a while. STX has since been rehabilitated and has gained some significant new business since. Some see this as an easy way out of debt problems through court intervention and unfair practice against competitors.

Tanker business was brisk in 4Q2014 in contrast to the decline in dry bulk contracting. Products has been encouraging for some time but the big surprise is that crude oil carriers are back in vogue. Suezmax and VLCC business is recording steady gains and those owners wise enough to gamble on crude will begin to reap dividends despite the unprecedented low price of crude. Deliveries of the newbuildings will enter a market of recovery as oil prices eventually settle at a higher level.

Japanese yards, which until comparatively recently lagged behind South Korea and China, have had their competiveness boosted by the yen's 25% devaluation against the US dollar. Japan Marine United has resumed VLCC construction at the former Hitachi Zosen's Ariake site. Pricing level is around US$96 million which is still a bargain for a VLCC and some US$3 million cheaper than South Korea. China's huge VLCC programme is said to involve up to 50 such vessels all contracted at under US$90 million and subsidised by the state. Korean yards have had to hike prices to alleviate financial pressure. Owners with options at Korean yards are increasingly exercising them as they were agreed at prices lower than quoted today. The newbuilding market in general is unlikely to see a large increase in prices as a fragile market will not absorb such a move.

There is a general consensus that the medium (MR1) products sector is over-tonnaged. A total of 320 MR1 product carriers are on order, half of which are due to delivery in 2015. The prospect of a collapse in freight rates has been offset to a degree by the boom in US shale gas and related products. Spot rates have held up well and this is expected to continue. The massive fall in crude oil prices to US$50 a barrel has stunned the market. The world is awash in oil, notleast because OPEC countries led by Saudi Arabia continue to pump more. This is despite OPEC forecasts that demand for its crude oil will be lower next year, falling to 29.2 million barrels a day from 29.5 million in 2014.

This presents owners with a double edged sword. Undoubtedly the biggest bonus is lower bunkering and operational expenses. It also remains the Middle East that importers of crude are no longer dependent on this region as the prime supplier. Most owners agree that for stable earnings crude oil needs to be back to US$90-100 million a day. Looking ahead, brokers and charterers are confident pf firming spot rates especially with the onset of winter in the US and Europe.

There was more evidence of owners shifting their focus to LR1 and LR2 options. LR1's, in particular, are attracting renewed interest, as their hybrid size, between MR1 and LR2, will lend themselves to trading through a wider Panama Canal in 2016. Aframax designs with coated tanks in this range also offer more flexible trading options in dirty products and raw crude.

Statistics: Respective order backlogs for all tankers at the end of 2013 and 2014 stood at 1,008 vessels totalling 80,054,717 dwt compared with 983 units aggregating 83,690,221 dwt reflecting slightly decreased vessel intake but increased dwt underlining suezmax and VLCC contracting. Overall the dwt increase was due to improving trading conditions, private equity interest and improvement in crude prospects moving forward. On a like for like quarterly basis the figures for 2014 were 53 (Q4) and 91 (Q3) but there was a significant switch to large crude carriers giving fewer numbers but increased capacity.

Market Tone: Firming at a steady rate with emphasis on VLCC's and suezmaxes plus a supporting cast of LR1 and LR2 products carriers. Danger is that more bulk carrier owners will switch negotiations in favour of better prospects in tankers which could undermine the promising crude revival.

PRODUCTS CARRIERS

There is a total change of emphasis here as owners realise that MR1's (50,000 dwt) products carriers are considerably outstripping availability of supply. The US situation as a growing exporter has brought some relief together with cheaper operating costs through the fall in bunker prices. LR1 (Panamax) has brought a new dimension to trade as the hybrid between medium range and aframax sizes and owners are at lads realising the potential gain in operating LR1's. There is also the bonus of extra capacity through wider beam vessels which will be ready for a wider Panama Canal. Aframax continues to be popular with coated tank units offering versatile choice between dirty products and crude cargoes. Some owners are considering stainless steel tanks in aframax tankers in order to widen the variety of products carried but there is no sign of firm orders to date.

CHEMICAL TANKERS

It is still tough going in this specialist business. More capacity is being mothballed or closed in Europe which is not good news. Coastal trade is better with small and medium tanker owners enjoying reasonable earnings. The biggest winner for stainless steel chemical tonnage continues to be Japan. China's effort to compete more in the stainless steel sector has not really impacted so far. This is not a speculative business and you really need long term experience. In some instances a few newcomers wanting to enter the chemical sector are ordering new ships or negotiating business but seek long term operators with established experience. Only two orders were added in 4Q 2014 but the very nature of operational experience means that newbuildings are never high in this trading sector.

LNG CARRIERS

LNG CARRIERS ON ORDER BY EXPECTED DELIVERY YEAR, BY COUNTRY OF SHIPBUILDER

Country of Shipbuilder	2015		2016		2017		2018		2019		Grand Total		Grand Total 3Q 14	
	no	cu.m.	no	cu.m.	no	cu.m.	No	cu.m.	no	cu.m.	no	cu.m.	no	cu.m.
China	16	602,600	6	515,400	13	1,481,000	2	348,000	3	522,000	40	3,469,000	35	3,195,800
Japan	4	649,400	4	649,400	6	1,015,700					14	2,314,500	16	2605598
Korea (South)	24	3,926,700	27	4,586,798	35	6,003,800	17	2,946,400	5	850,000	108	18,313,698	94	15,853,342
Netherlands					1	5,800					1	5,800		
Total	**44**	**5,178,700**	**37**	**5,751,598**	**55**	**8,506,300**	**19**	**3,294,400**	**8**	**1,372,000**	**163**	**24,102,998**	**145**	**21,654,740**

The dash for gas saw 2014 go down as one of the busiest years ever for contracting. Some had predicted that by the end of 2014 the ordering spree would end but this is now not likely to prove the case. Historically low oil prices have so far not impacted on this clean fuel alternative and the strong trend in ordering will continue in 2015. The major talking point was conclusion of the final five LNG carriers for the Russian Yamal project. Financial sanctions meant that Sovcomflot (SCF) will go ahead but the deal initially with Daewoo will be financed by Singapore based Novatek and Total under the trading house of Yamal Trade. SCF is expected to assume ownership of the vessels at a later date. Fifteen vessels in total will now be built by Daewoo for Yamal stretching deliveries into 2019

The bonus for shipyards is the large series involved with Daewoo the leading builder taking full advantage over rivals Samsung and Hyundai as they face financial problems. BP followed up at Daewoo by firming six plus optional three 174,000 cu.m. LNG carriers priced at a very keen US$200 million apiece. A staggering 39 LNG carriers were firmed with Daewoo alone in 2014 underlining its undisputed credentials as LNG king. The strength of LNG is underlined by a record 163 vessels currently on order.

Market Tone: Continuing very firm.

LPG CARRIERS

Across the board the LPG sector is also enjoying strong interest resulting in a steady stream of newbuildings in the small, medium and large size markets. The weaker yen assisted Japan to win more orders for smaller types while South Korea snapped up many of the very large gas carriers. Owners have switched attention to more medium size 25-30,000 cu.m. types.

Market Tone: Continuing very firm.

LPG CARRIERS ON ORDER BY EXPECTED DELIVERY YEAR, BY COUNTRY OF SHIPBUILDER

	2015		2016		2017		2018		Total Orderbook		Total Orderbook 3Q 14	
Country of Shipbuilder	**No**	**cu.m.**	**no**	**cu.m.**	**No**	**cu.m.**	**no**	**cu.m.**	**no**	**cu.m.**	**no**	**cu.m.**
Brazil	8	60,000							8	60,000	10	68,000
China	18	878,500	28	1,310,000	5	110,000			51	2,298,500	61	2,458,500
Japan	25	310,429	16	495,420	5	269,900			46	1,075,749	51	1,099,369
Korea (South)	51	2,793,000	52	3,730,800	12	402,100			115	6,925,900	121	7,401,200
Netherlands	2	5,400							2	5,400	2	5,400
Philippines	2	77,000	2	77,000	3	115,500	1	38,500	8	308,000	8	308,000
Total	**106**	**4,124,329**	**98**	**5,613,220**	**25**	**897,500**	**1**	**38,500**	**230**	**10,673,549**	**253**	**11,340,469**

CONTAINERSHIPS

Despite poor earnings especially on the lucrative Asia/Europe route owners are looking to the future and rewarding shipyards with more mega containerships. Entry of CSCL GLOBE into service at 19,100 teu capacity marked a new milestone. However this size parameter was soon passed with the commissioning of MSC OSCAR at 19,200 teu. Others in this size range are due to follow. South Korea's big three of Hyundai, Daewoo and Samsung are the only builders able to accommodate these behemoths but that is due to change with a new shipbuilding site by Imabari at Marugame, Japan. (See more under CONTRACTING OF SHIPS BY SHIPBUILDING COUNTRY).

A limit has been set at 24,000 teu simply due to the fact that no existing building docks can accommodate a larger size. Even this drawing board size is difficult to comprehend. However, a new milestone was passed in 4Q 2014 when a series of 20,500 teu vessels were ordered in South Korea and Japan.

Market Tone: Feeder – strong. Panamax – weak. Mid-size variable. Mega Post Panamax – signs of strengthening.

Mega and feeder sizes will continue to provide more orders in 2015. Indeed feeder sizes have now moved up to 4,000 teu. China will increase its self-sufficiency in feeder fleets. The latter offers the advantage of wide beam construction for higher loads and will continue to benefit from port congestion due to slower turnaround time of the giant containerships. How many more post 20,000 teu containerships is anybody's guess but the hunger for economy of scale will dictate that more orders will follow in 2015. Freight rates will still fluctuate although reefer routes are likely to remain strong. Here competition will continue to hot up with dedicated reefer operators like Hamburg-Sud looking at more newbuildings or charter tonnage above the current 10,600 teu ceiling.

REEFER SHIPS

Market Tone: No change likely. Dead.

Trickle of orders for fish carriers. Conventional operators finally switching to fully cellular tonnage due to higher expense if only chartering slot space.

CAR CARRIERS

Market Tone: Firming.

Steady revival in this sector with renewal of fleets with newbuildings sought by the major transporters. Steady ordering will continue in 2015.

MULTI-PURPOSE DRY CARGO SHIPS

Market Tone: Firm

These general jack of all trades continue to find favour being able to serve a variety of roles. Several orders will materialise in 2015. German owners are making a comeback following the debacle of KG funded tonnage. Multiple orders have been placed for teu, general cargo and heavy lift capability vessels offering craneage from 75 to 250 tonnes SWL capacity. China is building up its fleet in substantial numbers as the nation promotes a scrap and build policy.

CRUISE SHIPS

The cruise liner industry more than consolidated its vibrant position and ordered more ships in 2014. Indeed ocean going cruise liners on order now number 38 as the big operators seek to dominate even more. In some cases there has been co-operation between rivals for more penetration on relatively new destinations. Smaller operators are beginning to feel squeezed even more especially with credit finance that more difficult to secure unless you are truly established. What is certain is that Europe will retain its dominant position for construction even more in the immediate future after failed attempts from Japan and South Korea to successfully penetrate this sector.

The current orderbook speaks for itself on the buoyancy of cruise liner operations yet expansion still continues apace and important changes have taken place in 2014 with the sale of STX owned shipbuilders on bankruptcy of the former. Waiting in the wings are more orders for liners in the mega capacity range. Cruising has never been more popular with the public and the recent drop in oil prices globally can only assist inducement of lower fares.

South Korea has so far failed to attract its maiden cruise ship contract whilst Japan is likely to withdraw from this market following huge losses on construction of two cruise liners for Aida Cruises under assembly at Mitsubishi due to interior design changes. In the current financial year losses on the two vessels have reached a staggering US$585 million. Against this background European builders can take heart as they continue to protect specialist cruise ship construction. There can be no relaxing however as China would appear to be closer to building a new cruise liner. China State Shipbuilding Corporation (CSSC) has long cherished an ambition to build the nation’s first passenger liner as Chinese travellers will account for half the world cruise market in the medium term. Going it alone is not really an option which is why CSSC has signed a joint memorandum of understanding with cruise giants Carnival Corporation and Fincantieri. China’s cruise industry is predicted to reach 4.5 million passengers by 2020 and has long been a marketing objective by top operators such as Carnival and Royal Caribbean Cruise. The MOU is expected to firm and another aspect to the three way alliance is the possibility of creation of a domestic Chinese cruise company. If the MOU is formalised it will mark the first three nation collaboration in which Fincantieri will provide shipbuilding and design expertise and overall specifications to change the landscape of shipbuilding in China. There is also the possibility of subsidy support from the Chinese government.

Such is the plethora of new ship contracting in Europe that takeover changes after the sale of assets from bankrupt STX have been welcome in terms of not only providing a secure future but also squeezing a bit more capacity for construction. Older vessels are finding it more difficult to survive on the grounds of capacity as well as age.

Today it is the big vessels that attract the business unless you are in a specialist market such as discovery cruises where smaller, shallow draft vessels for penetration of small ports remain very popular. German KG funded cruise liners are now finding it difficult to remain operational as new investors cannot be found and debts mount. For the engine designers a steady stream of four stroke dual propulsion orders is very welcome. Some owners are mulling over LNG use in dual fuel considerations but lack of shore infrastructure still holds back employment of LNG. Wartsila and MAN battle in competition for business.

Fast expanding Meyer Werft took a 70% majority stake in the former STX Turku yard with the takeover made possible by Finnish state intervention of 30% of the purchase price. Both participants are committed to injecting substantial funding for the future. The strength of Meyer's German orderbook is well illustrated by eight cruise liners for delivery between May 2015 and October 2019 and they welcome the opportunity of more capacity now at Turku. Already construction of three 2,500 pax cruise liners for TUI Cruises, Germany have been allocated to Turku lifting the German builder's current cruise backlog to eleven vessels. The Finnish complex is now known as Meyer Turku and the initial TUI vessels will experience earlier deliveries than would have proved possible from Papenburg. TUI recently entered into a joint venture with Royal Caribbean Cruises for the latest two cruise ships ordered this year. The German owner may order two more ships for delivery by 2020.

CRUISE LINES ON ORDER				
Owner	**No**	**Builder**	**PAX**	**Year**
Aida Cruises Ltd, Germany	2	Mitsubishi, Japan	3,250	2015-2016
Carnival Cruise Line, USA	2	Fincantieri, Italy	4,000	2016-2018
Holland America Line, USA	1	Fincantieri, Italy	2,660	2016
Celebrity Cruises, Greece	2	STX France, France	2,900	2018-2019
Iles du Ponant, France	1	Fincantieri, Italy	2,640	2015
MSC, Switzerland	2	Fincantieri, Italy	5,300	2017-2018
MSC, Switzerland	2	STX France, France	5,700	2017-2019
Norwegian Cruise Line, USA	4	Meyer Werft, Germany	4,200	2015-2019
P.& O. Cruises, United Kingdom	1	Fincantieri, Italy	3,611	2015
Princess Cruises Inc., USA	1	Fincantieri, Italy	3,560	2017
Regent Seven Seas Cruises, USA	1	Fincantieri, Italy	738	2016
Royal Caribbean Cruises, USA	2	Meyer Werft, Germany	2,500	2015-2016
Royal Caribbean Cruises, USA	2	STX France, France	6,360	2016-2018
Seabourn Cruise, USA	1	Fincantieri, Italy	604	2016
Silversea Cruises, USA	3	Fincantieri, Italy	0	2017-2018
Star Cruises, Malaysia	2	Meyer Werft, Germany	4,200	2016-2017
TUI AG, Germany	3	Meyer Werft Finland	2,500	2015-2017
Viking Ocean Cruises, USA	6	Fincantieri, Italy	944	2015-2017

The sale of STX France is still pending and struck problems because the French government has a stake in ownership. A letter of intent was signed by MSC for two plus optional two 5,700 pax cruise liners at STX Saint Nazaire. These would represent easily the biggest in the fleet and expand MSC capacity by 31 per cent. Construction is due to start in spring 2015 after agreement was reached on competitive labour terms. The current twelve vessel MSC fleet has previously been built entirely at Saint Nazaire. The French since won an order for a fourth 6,360 pax OASIS class cruise liner which is stemmed for 2018 delivery. Meanwhile MSC since contracted two new cruise liners at Fincantieri. Known as the "Seaside" class two plus optional one 5,300 pax liners will be delivered in November 2017 and May 2018. Construction will be at Monfalcone. These vessels represent the largest built by Fincantieri underlining the trend towards bigger ships.

Already the cruise companies are moving towards equipping ships to meet the emission control standards and cap on sulphur content of fuel oil at 0.1 per cent. This will bring a boost to ship repair yards. Carnival Corporation has allocated US$400 million to fit exhaust gas cleaning scrubbers to over 70 vessels. Instalment will take place over a three year period. Allocation of ship ownership involved is Carnival (22) Holland American Line (9), Princess Cruises (7), Cunard (3), AIDA (10), Costa Cruises (6) plus others. Carnival Corporation has pioneered the ECO Exhaust Gas Cleaning (ECO-EGC) system which it has adopted for its ability to remove major pollutants from exhaust gases at any operating condition of a ship at sea including manoeuvring and in port situations.

Market Tone:

RORO

Market Tone: Freight only – quiet. RoPax ferries lively.

freight only business will remain quiet but there is renewed interest in ropax ferries. Some owners operating traditional routes have withdrawn to due to the high expenses which would be incurred under new emission control area (ECA) regulations reducing sulphur content to just 0.1 per cent and now implemented in Europe with USA set to follow. Scandinavian owners are looking to replace older tonnage with newbuildings. Several end of year orders materialised with Turkey a surprise beneficiary especially for Norwegian owned tonnage.

OFFSHORE

After an impressive performance throughout the recession driven by deep sea exploration projects the seemingly endless of run of success in the OSV sector is about to be halted. Confidence has been adversely affected by the dramatic fall in the price of oil and there is little sign of this ending in the near future. Drastic rethinking by the oil majors is already being evidenced by a growing number of cancellations and postponements of vessels, charters and future exploration projects. It is too early to say what the future may hold but the portals are not good.

Orders have virtually dried up. On top of the brake on potential business, reduced earnings due to the low oil price mean that previously agreed charter rates at the current time have been negotiated at losses by the oil majors. The situation could quickly change but nobody is optimistic with the downward spiral expected to last through much of 2015. Time charters for newbuildings in this climate are no longer secure. Existing arrangements are also under threat with pleas already confirmed by owners to annul or reduce rates or periods of charter. Existing tonnage is already in warm lay up when normally this would be among the busiest periods for spot work but employment rates have collapsed. Shipbuilders will be worried also as one reason OSV's have enjoyed a boom is due to the plethora of drilling rigs ordered in the last few years.

For the moment the impact on newbuildings is hardly noticeable. However previously arranged charter business which brought the orders has been cancelled. The vessels have been left on order but with delays in construction in the hope that other period employment can be secured. Cancellations are creeping in. This is not to say the OSV's will not be built in due course for a different owner as there is a distinct difference between owner cancellation and whether the shipbuilder removes the projected vessels from its building schedule which is a non construction true cancellation. From smaller builders it is doubtful that owners have refund guarantees in place. Singapore's ASL Marine Holdings reached mutual agreement with an Asian owner for cancellation of two OSV's in advanced state of construction for delivery in the first two quarters of 2015. New employment and a buyer will be sought otherwise prepaid revenues will be wiped out according to the yard. Optional business attached to current business is also being cancelled especially for drilling rigs. A slump in newbuilding intake for the latter would be disastrous as OSV employment is dependent on a healthy drilling rig situation. By contrast some would argue that a short, sharp shock could be good for the industry as some sectors are over supplied with OSV's. But will it be short? This is the question nobody knows for certain and uncertainty for the future is detrimental to confidence. Investors in the energy industry are beginning to worry.

Norway still stands firm in a position of strength but will not be unscathed if the crisis escalates. Havyard Ship Technology signed a contract with an undisclosed owner for two more of its Havyard 843 ice offshore vessels valued in total at US$147 million. A first unit was ordered in November 2013. More orders are expected as exploration extends to more ice bound regions. Kleven Verft continues to keep pace with Havyard in successfully building its orderbook portfolio. Ulsteinvik is to build a second expedition support vessel placed by New Zealand billionaire Graeme Hart. Marin Teknikk designed the vessel known as MT 5006 MKII ESV in collaboration with New Zealand architects. Construction is already well advanced on a near sister at Ulsteinvik which will deliver in June 2105. The new unit is almost 10 metres longer than the prototype with strong Norwegian input from Rolls-Royce, Hareid Group, Jets and Sperre and will be commissioned in July 2016.

Kleven was also successful in attracting a contract from Ocean Yield ASA to convert the 2010 built OSV AKER WAYFARER into a deepwater subsea equipment support vessel. Myklebust Verft, now a member of the Kleven group, will carry out the work and, in so doing, drydock the biggest ever vessel to date. On redelivery the vessel will continue its long term charter to AKOFS Offshore.

Once the chemical tanker construction king in Europe, Turkey is gaining more ground now in offshore highlighting this sector as one of its goals for prosperity. Norwegian co-operation is to the fore in bringing a revival. Turkey has progressed from small beginnings with subcontracted hulls to complete assembly of sophisticated OSV's. The latest success centres on the building of one Rolls-Royce Ulstein UT 7521 WP OSV for Norwegian owner Myklebust Management. Rolls-Royce will provide design, integrated power, propulsion systems and equipment under a contract valued at US$19 million. Cost of the vessel, which will be built by Besiktas Shipyard, was not revealed. The 6,000 dwt OSV will deliver in the second half of 2016.

Market tone: Very uncertain.

The boom may be over due to the dramatic drop in oil prices. Oil and gas exploration is not worthwhile at the current time and it remains to be seen how long this will continue. Already there is evidence of delays and cancellations for previously placed OSV's while drilling rig business could come to a halt. Norway's OSV and Singapore's drilling rig construction boom will likely be halted but it is still too early to predict. The first six months of 2015 however is unlikely to see much change in the declining oil price situation.

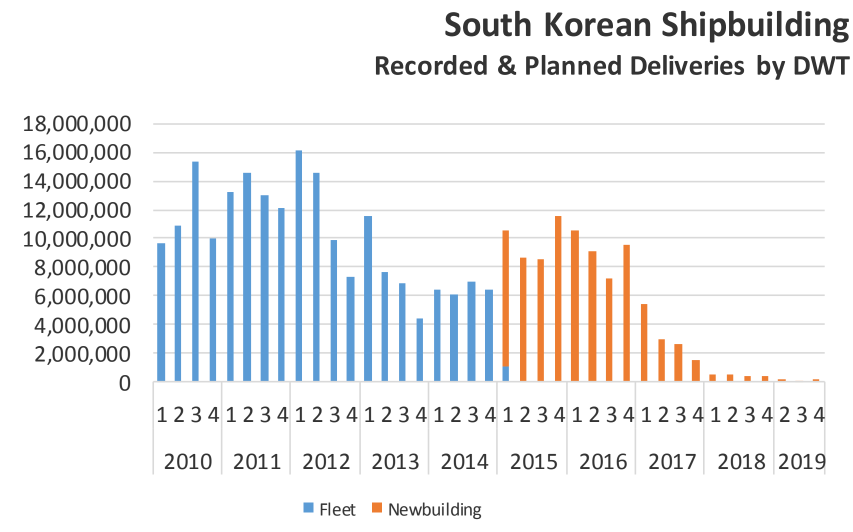
SOUTH KOREA

SUCCESS AND UNCERTAINTY

For South Korea 2014 was a mixed year of success and uncertainty. The huge debts the larger builders find themselves in cannot be ignored simply due to the sheer scale as we are talking billions not millions of dollars. The abandonment of owned sites in China by STX and Samjin left around 100 ships suddenly abandoned. This knocked owner confidence. STX is well advanced in a rehabilitation programme which guarantees debts incurred under the bankruptcy and has allowed new orders to be taken. It is too early to say what will happen with Samjin but because its shipbuilding site is only in China it is difficult to predict an outcome. The Chinese have announced they have made moves over the shipbuilding complex but it looks likely Samjin as a builder will cease. Some 50 ships are currently stranded.

These are indeed troubling days for the world's leading shipbuilding country. The emphasis on chasing high value added contracts especially in offshore is coming back to haunt shipyards. The fall in oil price and underestimation of cost overruns has already resulted in extra money being supplied by the state to cover deficits. Korean orderbooks remain in a strong position but not in terms of cash flow. The current market will not allow prices rises for newbuildings which exacerbates a worsening situation. The big three of Hyundai, Samsung and Daewoo are experiencing differing situations. Daewoo has pulled its financial problems of 18 months ago right round and now has employment into 2019 thanks to a backlog of 37 very large LNG carriers. All three shipbuilders are expected to show a gradual improvement in 2015 on expectancy of more high value business especially for gas carriers although the trio generally expect ordering to decrease for all types. Difficulty in reaching the 2014 orders target was due to falling oil prices and more competition from China and Japan. By the end of 2014 only 75% of the orders target for all three yards had been met. The big three combined won orders collectively valued at US$30.8 billion. Disappointingly orders fell for drillships and offshore plant by 17.6% incurring a fall of US$2.4 billion over 2013 intake. Poor prospects are likely to continue while the oil price stays at a low level. Some hope is on the horizon through more gas carriers and mega containerships indicated by owners. Maersk already seeks as many 30 containerships and LNG carriers will yield more business although not necessarily all in the jumbo category. Shipbuilders are set to receive a potential 18 VLCC's as more owners seek to take advantage of a growing revival in crude. In the early weeks of 2015 but just missing our 4Q 2014 statistics. In the meantime four VLCC's were committed to letter of intent status in early January. Additionally nine suezmaxes are poised while a further seven suezmaxes are at negotiation stage. A further eight aframax LR2 tankers were contracted with two more attached as options. The successful builders are Hyundai, Samsung, Daewoo and Sungdong giving a tremendous boost as South Korea's industry seeks to repair recent damage to finances.

Fig.3



HYUNDAI

Orders continue to flow in but losses mount for the Hyundai shipbuilding group. In the first nine months of 2014 an operating loss of US$2.7 billion was recorded. This has resulted in its three divisions suffering big management redundancies to try to stem red ink and new cost cutting measures to increase efficiency introduced. Strikes have occurred by the work force for the first time in 19 years after a demand for wage increases has so far been refused. Performance has deteriorated due to fierce competition for shipbuilding contracts from China and to a lesser extent Japan. Currently the orderbook in unit terms for all vessels stands at Hyundai (135), Hyundai Mipo (158), and Hyundai Samho (82) totalling 375.

SAMSUNG

Overall the order backlog currently stands at 102 vessels. Samsung finances are improving and the shipbuilder intends to build its first overseas shipyard by 2017. A decision is expected on location in 2015 with Indonesia, Vietnam and Malaysia all under scrutiny. The emphasis will be on offshore construction but will the timing be right with the current gloomy prospects currently prevailing? Behind Daewoo Samsung is reaping dividends from chasing high value added LNG carriers having added 30 to the current orderbook. Hopes are pinned on these types fending off the growing challenges from China and Japan. The future target is niche markets and an expansion into LNG projects in order to remain competitive.

DAEWOO

Little doubt that Daewoo enjoyed its best ever year boosted by a record number of LNG carrier orders. No fewer than 37 LNG orders were taken in 2014 taking employment into 2019. Indeed only three delivery slots for 2018 are left available. The orderbook currently stands at 145 vessels dominated by 52 high value LNG carriers. Full advantage has been taken over the financial problems and restructuring dogging Hyundai and Samsung.

SUNGDONG

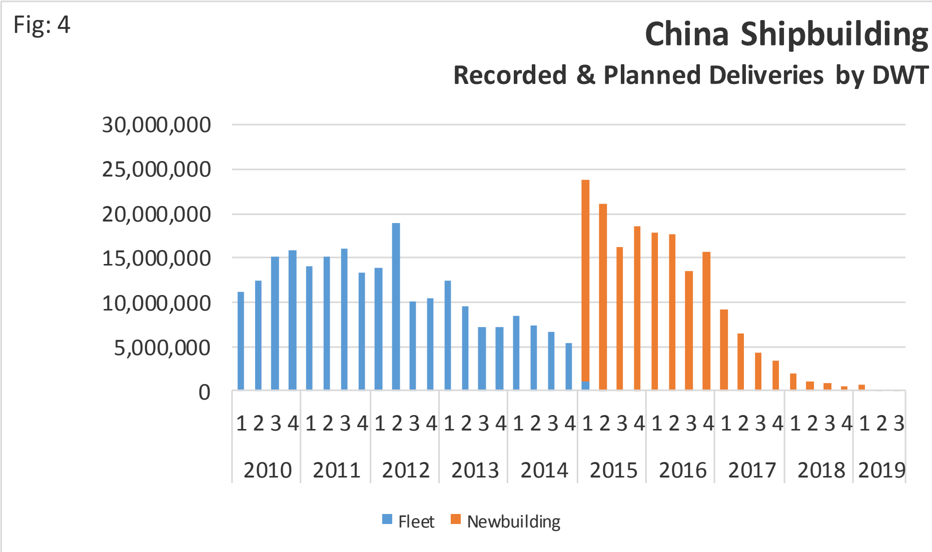
This shipyard, teetering on bankruptcy a year ago and the subject of merger rumours, has now emerged in a stronger position with an order backlog of 99 vessels of which 69 are suezmax and aframax tankers. The yard has concentrated on owners seeking LR2 products carriers and suezmax crude carriers reaping welcome dividends.

CHINA

STEADY AS SHE GOES

Currently all eyes are on China's shipbuilding reform programme. The first "white list" of 51 shipbuilders was introduced and all but one passed scrutiny. These comprised mainly the state owned yards. A second group of nine builders has passed the "white list" test. They are CSSC Xijiang Ship Industry, Tian Xingang Shipbuilding Heavy Industry, Cosco Zhoushan Shipyard, Avic Weihai Shipyard, Jiangsu Hongqiang Heavy Industry, CSSC Chengxi Shipyard, Guangdong Yuexin Ocean Engineering,Taizhou Maple Leaf Shipbuilding and Chongqing Chuandong Shipbuilding Industry.

China remains the largest global builder but, of late, has been losing out to stronger competition from South Korea and Japan especially for bigger ships. In the first nine months of 2014 government statistics confirmed that newbuilding orders rose by 37.9% over the same period in 2013. The worry is that penetration for export business is not as strong as it might be. Another worry is that too many bulk carriers have been ordered and some cancellations may ensue or contracts changed. Currently China holds an orderbook for all vessel types of 2,524 ships of which 654 or around 25% are for domestic ownership. An increase in new orders does not necessarily mean prosperity for the industry. The message is getting through that realistic pricing must be offered for new ships. More yards are facing bankruptcy with the latest being Nantong Mingde. Other closures are mainly at smaller yards. Profits of 87 leading shipyards in China have dropped by 13.6 per cent. China's 5% profit margin was unlikely to be achieved in 2014. Builders are still cutting prices to win orders which is a suicidal policy. The 8-10% pricing difference is still apparent over South Korea and Japan. China's largest private shipbuilder China Rongsheng secured a cash lifeline to a maximum of US$416.6 million. The state is supporting rehabilitation of Rongsheng as it would be an embarrassing closure sitting on 43 ships. Measures are planned by the government to ensure more financial strength for yards building offshore platforms.



China's state owned Export-Import Bank of China (Exim Bank) recently granted US$355 million loans to the shipbuilding industry. China's GDP remains slightly above 7% and if it falls below this figure it will send shock waves through the globe. So much is dependent on a strong China. A scrap and build policy has been introduced to upgrade Chinese fleets and provide more orders.

JAPAN

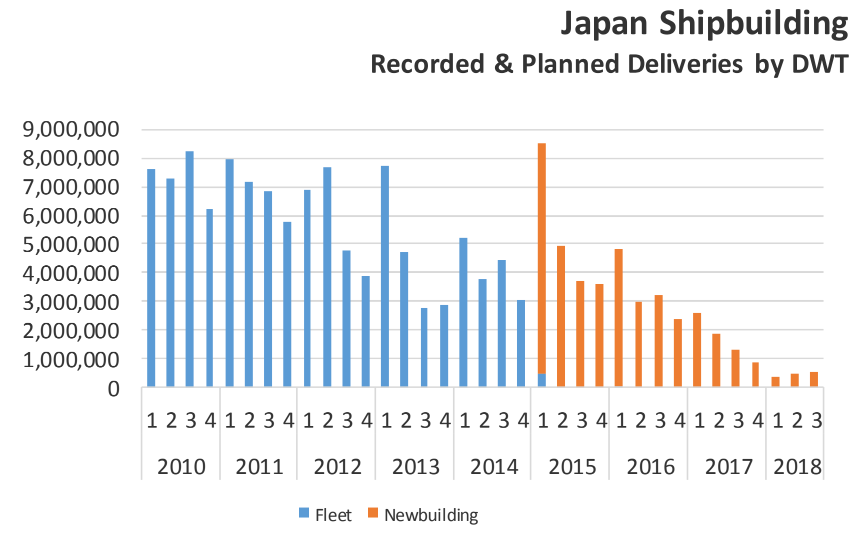
STEADY SUCCESS CONTINUES

Shipowners are pleased to have another competitive choice from Japan which in 4Q 2014 raised its game and reaped considerable dividends. The 25% devaluation of the yen against the US$ is still making its mark against rivals South Korea and China. Both are cheaper than Japan but the latter has the advantage of offering earlier delivery times and still has a technological lead in construction of certain types. Export contracts are building and the return of Japanese owners to domestic yards has also given a welcome boost.

In order to maintain momentum some previously mothballed capacity has been reactivated as the government pursues a bullish stance in shipbuilding despite a general economy still struggling. VLCC's are now being built again by Japan Marine United at Hitachi's old Ariake site.

A major breakthrough occurred for Imabari as a series of 20,500 teu containerships will be built by the shipowning subsidiary Shoei Kisen for long term charter to Mitsui OSK and Evergreen Marine. Up to 11 ships could be involved. Hitherto it was felt that only South Korea;s big three of Hyundai, Daewoo and Samsung were capable of construction of such behemoths. Imabari's answer to winning this prestigious order putting Japan back in the big league is to construct a new shipyard at Marugame. Approval has already been given for construction to begin and complete in 2017 to fit contractual obligations of the two charterers. More evidence of commissioning of building docks to cope with increased demand and competitive pricing was the reactivation by Mitsui of its Chiba yard to handle FPSO and gas carrier construction.

Fig: 5



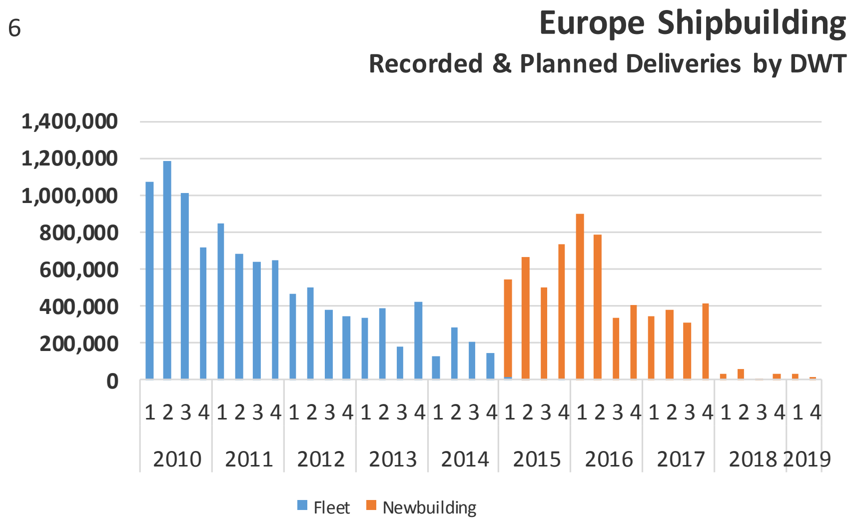
With capacity demand under the microscope to build bigger ships and reduce costs it is already known that Oshima will commission a new shipyard in Vietnam. Tsuneishi, which already operates highly successful shipbuilding complexes in the Philippines and China, will now build a new shipyard in Indonesia. There is a belief that the planned economic integration of the Association of Southeast Asian Nations will boost demand for passenger travel and cargo ships. The new shipyard will be constructed in Pinrang on Sulawesi Island. Ship repair will begin initially in 2016 with full blown shipbuilding possible in 2019.

EUROPEAN SHIPBUILDING

SPECIALIST SUCCESS CONTINUES

The hallmark of success in Europe continued in the form of specialist construction. The drop in oil process may hit Norwegian builders hard. Already a trickle of contracts have been cancelled. Turkey is making a comeback but surprisingly in construction of ropax ferries.

Fig: 6



Three vessels were secured from Norwegian owner Basto which would otherwise have been ordered in Norway. Others followed from Seaspan Canada and Tallinn port. Turkey also added to its offshore portfolio taking more orders for Norwegian OSV's. Eight new cruise liners were captured towards the end of 2014 cementing Europe's dominant position for this type. In total 38 deep sea cruise liners are ordered of which 36 are contracted in Europe. The odd two out are for Aida Cruises at Mitsubishi which will lose the builder US$1 billion and force its withdrawal from similar bids for cruise liners. Aida will return to Europe for future cruise vessels.

TOTAL WORLD ORDERBOOK

VIETNAM REVIVAL?

An action plan has been implemented by Vietnam's government to restore growth and confidence in the country's shipbuilding industry. The twin target is to revive the industry and change the perception that it can only build low grade ships. In order to realise this vision three specialised shipbuilding complexes will shortly be established in the north, centre and south of Vietnam which will focus on building ships based on existing infrastructure and with support from Japan and South Korea which is interesting.

Fig: 7

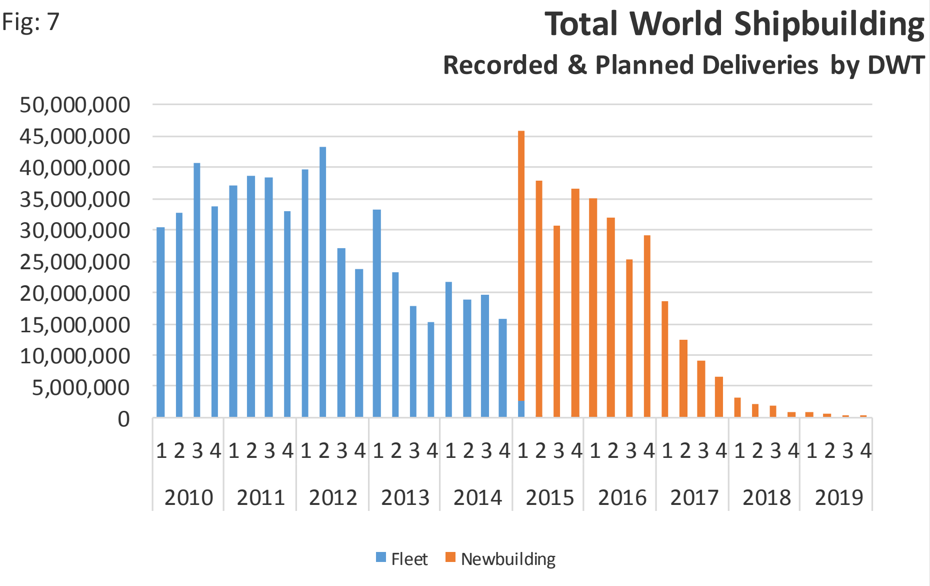


FIG: 8 SURVEY OF ORDERS BY TYPES OF SHIPS

Contracting of Ships By Year/Month and Ship Categories/Ship Type									
Unit: Number of Ships In the Period (all commercial ships)									
		Year/Month of Contracting							
Ship Categories/Ship type		Data as Per End December 2014					Last 3 months		
Vessel Kind	Vessel Type	2010	2011	2012	2013	2014	10	11	12
Bulk Carrier	Bulk Carrier	842	554	342	807	817	32	30	32
Bulk Carrier	Cement Carrier	0	0	3	4	4	0	0	1
Bulk Carrier	Limestone Carrier	0	0	1	0	1	0	0	0
Bulk Carrier	Ore Carrier	6	10	1	15	23	2	0	0
Bulk Carrier	Self-Unloader	7	3	2	13	2	0	0	1
Bulk Carrier	Wood Chip	14	0	5	1	3	0	0	0
Car Carrier	Car Carrier	18	6	25	33	25	3	0	0
Container	Container	109	217	95	245	186	14	5	16
Cruise	Cruise	11	10	9	9	29	6	3	9
Cruise	Cruise Inland	1	2	5	1	0	0	0	0
Cruise	Sail Cruise	0	0	0	2	0	0	0	0
Cruise	Sail Training Vessel	0	0	1	1	0	0	0	0
Dredger	Cutter Suction	1	0	1	2	1	0	0	0
Dredger	Dredger	0	2	0	0	1	0	0	0
Dredger	Fall-pipe	1	1	0	0	0	0	0	0
Dredger	Hopper Dredger	2	1	0	2	1	1	0	0
Dredger	Trailing/Suction/Hopper	4	1	1	0	9	0	2	2
Dry Cargo	Dry Cargo	4	3	0	2	0	0	0	0
Dry Cargo	Multi-purpose	60	52	29	73	80	3	2	14
Dry Cargo	River Sea	8	13	0	0	6	0	6	0
Ferry	Fast Ferry Catamaran	2	4	0	8	10	0	0	0
Ferry	Ferry	0	0	0	1	1	0	0	0
Ferry	Ferry RoPax	0	5	4	6	33	2	7	2
Ferry	Ferry RORO Freight	6	1	0	0	0	0	0	0
Ferry	High Speed	0	1	0	0	0	0	0	0
Ferry	RoPax	25	9	16	11	1	0	0	0
Ferry	Train Ferry	0	1	0	0	0	0	0	0
Fishing	Fish Carrier	0	1	3	3	1	1	0	0
Fishing	Fishery Research	0	0	0	1	0	0	0	0
Fishing	Purse Seiner	0	0	2	0	0	0	0	0
Fishing	Trawler	3	1	2	3	2	0	1	0
Fishing	Tuna Fishing	0	0	1	1	0	0	0	0
Gas	Liquid Natural Gas	13	42	27	48	70	12	0	22
Gas	LNG / LPG	0	1	0	4	4	0	2	0
Gas	LPG Carrier	25	14	28	81	96	3	4	0
Gas	LPG/Ammonia	1	0	6	3	4	0	0	0
Gas	LPG/Ethylene Carrier	16	6	15	20	22	0	0	0
Heavy Lift	Heavy Lifting	9	5	4	3	10	0	2	5
Miscellaneous	Buoy Tender	0	0	1	0	3	3	0	0
Miscellaneous	Cable Laying	0	0	1	3	0	0	0	0
Miscellaneous	Hospital Vessel	0	0	0	0	1	0	0	0
Miscellaneous	Icebreaker	0	5	3	2	0	0	0	0
Miscellaneous	Livestock Carrier	1	4	0	0	3	0	0	1
Miscellaneous	Miscellaneous	0	0	1	3	5	1	0	2
Miscellaneous	Passenger / Cargo	1	2	0	0	1	0	0	0
Miscellaneous	Patrol	1	5	11	12	10	0	1	5
Miscellaneous	Pilot Tender	3	0	0	0	0	0	0	0
Miscellaneous	Training Vessel	0	0	0	0	2	0	0	0
Offshore	Accommodation	0	0	4	7	8	0	0	0
Offshore	Anchor-Handling	61	87	66	72	73	27	0	6
Offshore	Construction Vessel	8	5	15	14	7	0	0	2
Offshore	Crane Vessel	0	0	0	1	0	0	0	0

Offshore	Crewboat	2	18	28	17	32	7	0	3
Offshore	Diving Support	7	2	1	7	7	5	0	0
Offshore	Drill Ship	5	29	19	21	6	0	0	0
Offshore	Drilling Rig	1	5	3	2	0	0	0	0
Offshore	Floating LNG Production	0	0	0	0	1	0	0	1
Offshore	Floating Storage Offshore	0	2	1	0	0	0	0	0
Offshore	Flotel	0	0	1	0	0	0	0	0
Offshore	FPSO	0	5	3	4	3	0	0	0
Offshore	FSRU	0	5	4	4	2	0	1	0
Offshore	Geological Research Vessel	1	0	0	0	0	0	0	0
Offshore	Jackup Drilling Rig	8	47	21	53	35	3	5	0
Offshore	Logistical Support	0	0	0	1	0	0	0	0
Offshore	Maintenance Support	0	0	2	0	0	0	0	0
Offshore	Mining vessel	0	0	0	0	1	1	0	0
Offshore	Oceanographic Research	1	0	1	1	1	0	0	0
Offshore	Offshore	0	1	1	8	5	0	0	1
Offshore	Offshore Fallpipe	0	0	0	0	1	0	0	0
Offshore	Offshore Liftboat	0	0	1	0	4	0	0	0
Offshore	Offshore Support	15	25	39	47	29	1	2	4
Offshore	Oil Platform	0	0	0	1	0	0	0	0
Offshore	Oil Recovery	0	1	0	4	9	0	5	0
Offshore	Pipelayer	2	0	4	4	3	0	0	3
Offshore	Platform Supply	64	168	181	131	141	10	0	0
Offshore	Platform Support	15	7	6	0	0	0	0	0
Offshore	Pollution Control	0	0	1	0	0	0	0	0
Offshore	Rescue Vessel	0	0	0	1	0	0	0	0
Offshore	Research	4	2	3	0	0	0	0	0
Offshore	Seismic Research	3	12	10	10	1	0	0	0
Offshore	Seismic Surveyor	3	1	3	1	0	0	0	0
Offshore	Semi-submersible / Heavy Lift	1	0	2	0	10	4	0	0
Offshore	Semi-submersible Rig	0	2	14	5	1	0	0	0
Offshore	Standby Vessel	8	7	1	4	0	0	0	0
Offshore	Subsea Maintenance	0	0	2	2	0	0	0	0
Offshore	Survey Vessel	0	0	0	2	0	0	0	0
Offshore	Utility	0	5	4	2	0	0	0	0
Offshore	Well Stimulation	1	0	1	1	3	0	1	0
Offshore	Wind Farm Jack-up	1	0	0	0	0	0	0	0
Offshore	Wind Turbine Installer	4	1	3	1	1	1	0	0
Offshore	Work/Repair	2	4	0	1	0	0	0	0
Reefer	Reefer	0	0	3	0	1	0	0	0
Tanker	Asphalt carrier	2	1	1	1	9	0	1	1
Tanker	Bitumen Carrier	9	4	2	0	4	0	2	2
Tanker	Bunkering	18	5	21	0	1	0	0	1
Tanker	Chemical Carrier	7	14	18	63	123	6	0	3
Tanker	Crude Oil	68	14	9	27	56	2	6	5
Tanker	Fruit Carrier Vessel	0	0	2	0	0	0	0	0
Tanker	Parcel	0	0	10	0	0	0	0	0
Tanker	Products Carrier	114	110	118	276	165	7	0	16
Tanker	Replenishment	0	0	4	0	0	0	0	0
Tanker	Shuttle	7	14	6	1	15	3	1	6
Tanker	Tanker	8	1	22	5	0	0	0	0
Tanker	VLCC	41	10	23	43	42	0	4	0
Tug	ATB	0	0	0	0	4	0	0	0
Tug	Harbour Tug	15	27	49	29	77	8	10	5
Tug	Pusher	0	1	1	0	0	0	0	0
Tug	Salvage Tug	0	0	0	0	4	4	0	0
Tug	Tractor	1	14	2	0	0	0	0	0
Tug	Tug	3	0	0	0	0	0	0	0
Yacht	Luxury Yacht	1	2	16	22	22	2	2	3
Totals:		**1,705**	**1,640**	**1,397**	**2,319**	**2,374**	**174**	**105**	**174**

FIG: 9 SURVEY OF DELIVERIES BY TYPES OF SHIPS

Delivery of Ships By Year/Month and Ship Categories/Ship Type

Unit: Number of Ships In the Period (all commercial ships)

		Year/Month of Delivery							
Ship Categories/Ship type		Data as Per End December 2014					Last 3 months		
Vessel Kind	Vessel Type	2010	2011	2012	2013	2014	10	11	12
Bulk Carrier	Aluminium Carrier	1	1	0	1	0	0	0	0
Bulk Carrier	Bulk Carrier	854	933	961	560	407	38	21	12
Bulk Carrier	Cement Carrier	7	2	1	0	6	0	0	0
Bulk Carrier	ContainerBulk	11	1	1	0	1	0	0	0
Bulk Carrier	Limestone Carrier	0	0	0	1	0	0	0	0
Bulk Carrier	Ore Carrier	1	16	26	19	11	1	1	1
Bulk Carrier	Self-Unloader	2	1	3	6	1	0	0	1
Bulk Carrier	Wood Chip	3	1	3	10	7	0	0	0
Car Carrier	Car Carrier	53	40	36	12	21	2	1	1
Container	Container	251	184	195	200	195	14	12	18
Cruise	Cruise	15	9	12	6	5	2	0	0
Cruise	Cruise Inland	1	1	2	4	1	0	0	0
Cruise	Sail Training Vessel	0	0	0	0	1	1	0	0
Dredger	Cutter Suction	2	3	1	1	0	0	0	0
Dredger	Dredger	0	1	0	1	0	0	0	0
Dredger	Fall-pipe	0	0	1	1	0	0	0	0
Dredger	Hopper Dredger	10	3	3	1	0	0	0	0
Dredger	Hopper Suction Dredger	1	0	0	0	0	0	0	0
Dredger	Stone Dumping	0	1	0	0	0	0	0	0
Dredger	Trailing/Suction/Hopper	2	3	1	2	0	0	0	0
Dry Cargo	Dry Cargo	3	1	3	4	2	1	0	0
Dry Cargo	Multi-purpose	173	159	132	74	30	2	0	0
Dry Cargo	Pallet Carrier	0	0	1	0	0	0	0	0
Dry Cargo	River Sea	8	15	6	11	1	0	0	0
Dry Cargo	RoLo	2	0	0	0	0	0	0	0
Ferry	Fast Ferry Catamaran	4	4	2	1	4	2	0	0
Ferry	Ferry RoPax	0	0	0	5	9	0	0	2
Ferry	Ferry RORO Freight	21	22	19	3	2	0	1	0
Ferry	High Speed	0	1	0	0	0	0	0	0
Ferry	RoPax	27	17	22	13	7	0	3	0
Ferry	Train Ferry	1	0	0	1	0	0	0	0
Fishing	Fish Carrier	0	0	1	2	3	1	0	0
Fishing	Fishery Research	0	0	1	0	0	0	0	0
Fishing	Purse Seiner	0	0	0	0	2	0	0	0
Fishing	Trawler	0	2	2	0	2	0	0	0
Fishing	Tuna Fishing	0	0	0	0	2	0	0	1
Gas	Liquid Natural Gas	23	12	4	17	26	4	3	1
Gas	LNG / LPG	2	2	0	1	0	0	0	0
Gas	LPG Carrier	52	33	25	22	26	1	2	2
Gas	LPG/Ammonia	0	2	0	2	3	0	0	0
Gas	LPG/Ethylene Carrier	6	2	6	15	17	2	0	3
Heavy Lift	Heavy Lifting	6	10	7	1	5	0	0	3
Miscellaneous	Buoy Laying	0	1	1	0	0	0	0	0
Miscellaneous	Buoy Tender	1	0	0	0	0	0	0	0
Miscellaneous	Cable Laying	1	0	1	0	3	2	0	1
Miscellaneous	Coastguard Vessel	2	0	0	0	0	0	0	0
Miscellaneous	Icebreaker	1	0	0	0	1	0	0	0
Miscellaneous	Livestock Carrier	1	0	0	2	2	0	0	0
Miscellaneous	Miscellaneous	0	1	0	0	1	0	1	0
Miscellaneous	Nuclear Fuel Vessel	2	1	0	0	0	0	0	0
Miscellaneous	Passenger / Cargo	0	1	0	0	2	0	0	1
Miscellaneous	Patrol	7	2	3	2	0	0	0	0
Miscellaneous	Pilot Tender	2	2	3	1	1	0	0	0

Offshore	Accommodation	0	0	1	1	1	0	0	1
Offshore	Anchor-Handling	229	147	113	117	54	5	2	2
Offshore	Construction Vessel	6	8	5	8	11	0	1	0
Offshore	Crane Vessel	1	2	1	0	0	0	0	0
Offshore	Crewboat	36	16	34	37	28	0	1	4
Offshore	Diving Support	8	9	2	5	7	0	1	0
Offshore	Drill Ship	9	10	5	11	22	1	3	2
Offshore	Drilling Rig	0	1	0	4	1	0	1	0
Offshore	Floating Storage Offshore	0	0	0	1	1	0	0	0
Offshore	Flotel	0	1	0	0	1	0	0	0
Offshore	FPSO	1	0	1	0	1	1	0	0
Offshore	FSRU	0	0	0	0	6	1	1	0
Offshore	Geological Research	0	0	0	0	1	0	0	0
Offshore	Geophysical Survey	1	1	0	0	0	0	0	0
Offshore	Jackup Drilling Rig	8	3	2	23	22	1	1	2
Offshore	Maintenance Support	1	0	0	0	0	0	0	0
Offshore	Oceanographic Research	0	0	0	1	0	0	0	0
Offshore	Offshore	0	0	0	1	3	0	0	1
Offshore	Offshore Fallpipe	0	1	0	0	0	0	0	0
Offshore	Offshore Liftboat	0	0	0	0	1	0	0	0
Offshore	Offshore Support	28	13	15	24	31	3	5	2
Offshore	Oil Platform	0	0	0	0	1	0	1	0
Offshore	Pipelayer	2	2	1	1	5	0	0	1
Offshore	Platform Supply	122	106	114	163	197	9	13	13
Offshore	Platform Support	6	7	14	19	8	0	0	0
Offshore	Pollution Control	0	0	0	1	1	0	0	0
Offshore	Rescue Vessel	0	1	0	0	0	0	0	0
Offshore	Research	1	0	2	3	3	0	0	0
Offshore	Seismic Research	5	5	4	4	5	1	0	1
Offshore	Seismic Surveyor	2	3	0	2	3	0	0	0
Offshore	Semi-submersible/HeavyLift	0	3	2	2	1	0	0	0
Offshore	Semi-submersible Platform	1	0	0	0	0	0	0	0
Offshore	Semi-submersible Rig	3	2	2	0	0	0	0	0
Offshore	Standby Vessel	3	1	11	2	6	0	0	1
Offshore	Subsea Maintenance	1	1	0	1	2	1	0	0
Offshore	Survey Vessel	0	0	0	0	1	0	0	0
Offshore	Utility	0	7	6	1	2	1	0	0
Offshore	Well Stimulation	1	1	3	1	1	0	0	0
Offshore	Wind Farm Jack-up	0	0	0	0	1	0	0	0
Offshore	Wind Turbine Installer	0	2	5	0	0	0	0	0
Offshore	Work/Repair	0	2	5	5	0	0	0	0
Reefer	Reefer	3	2	0	3	0	0	0	0
Tanker	Asphalt carrier	3	0	4	1	2	0	0	0
Tanker	Bitumen Carrier	1	5	6	6	2	0	0	0
Tanker	Bunkering	8	2	7	19	16	1	1	0
Tanker	Chemical Carrier	113	70	38	22	15	1	0	1
Tanker	Combination Carrier	5	3	0	0	0	0	0	0
Tanker	Crude Oil	55	76	66	24	11	2	1	0
Tanker	Fruit Carrier Vessel	0	1	0	0	2	0	0	0
Tanker	Parcel	4	1	0	0	1	0	0	1
Tanker	Products Carrier	245	143	138	115	134	13	10	8
Tanker	Replenishment	0	0	1	0	1	0	0	0
Tanker	Shuttle	6	6	8	12	2	0	1	0
Tanker	Tanker	29	21	7	4	1	0	0	0
Tanker	VLCC	51	63	38	31	18	0	5	0
Tug	Harbour Tug	59	31	18	12	46	5	3	6
Tug	Pusher	0	0	1	1	0	0	0	0
Tug	Salvage Tug	2	0	0	0	0	0	0	0
Tug	Tractor	0	0	1	10	6	1	0	0
Tug	Tug	6	4	3	2	3	0	0	2
Yacht	Luxury Yacht	2	1	2	0	1	0	0	0
Totals:		**2,626**	**2,274**	**2,171**	**1,702**	**1,496**	**120**	**96**	**95**

FIG: 10 SURVEY OF SHIPYARDS' ORDER INTAKE

Contracting of Ships By Year/Month and Region/Shipbuilder Country									
Unit: Number of Ships In the Period (all commercial ships)									
		Year/Month of Contracting							
Region/Shipbuilder Country		Data as Per End December 2014					Last 3 months		
Build Region	Build Country	2010	2011	2012	2013	2014	10	11	12
Africa	South Africa	0	0	1	0	7	0	0	0
Asia	Bangladesh	3	12	0	2	5	0	2	0
Asia	India	5	16	14	9	0	0	0	0
Asia	Indonesia	16	2	8	13	0	0	0	0
Asia	Kazakhstan	0	0	1	0	0	0	0	0
Asia	Malaysia	9	10	22	26	12	12	0	0
Asia	Singapore	16	47	37	37	34	0	2	1
Asia	Sri Lanka	3	6	0	0	6	2	0	0
Australasia	Australia	2	8	2	1	4	0	0	0
Australasia	New Zealand	0	0	0	1	0	0	0	0
Central America	Mexico	0	0	0	1	4	0	0	0
Europe	Croatia	10	3	1	15	17	3	0	6
Europe	Denmark	6	1	0	0	1	0	0	0
Europe	Estonia	0	2	1	0	0	0	0	0
Europe	Finland	3	6	2	4	5	0	0	1
Europe	France	3	1	3	5	7	0	1	2
Europe	Germany	22	10	15	13	21	6	0	6
Europe	Italy	5	9	13	15	19	1	5	5
Europe	Latvia	0	1	0	0	0	0	0	0
Europe	Lithuania	2	0	1	0	0	0	0	0
Europe	Netherlands	14	23	16	42	74	6	13	12
Europe	Norway	33	40	58	22	37	7	2	5
Europe	Poland	9	6	16	11	11	0	2	0
Europe	Romania	8	12	27	21	15	0	0	0
Europe	Russian Federation	26	36	10	27	13	7	0	0
Europe	Slovakia	4	0	0	0	0	0	0	0
Europe	Spain	11	21	11	8	10	0	0	2
Europe	Turkey	12	20	16	15	29	7	6	2
Europe	Ukraine	0	3	0	0	0	0	0	0
Europe	United Kingdom	2	3	2	0	10	0	0	1
Far East	China	696	612	484	1033	1074	47	33	48
Far East	Hong Kong	5	2	2	5	2	2	0	0
Far East	Japan	225	236	247	258	409	35	11	12
Far East	Korea (South)	420	345	231	518	373	25	15	42
Far East	Philippines	36	14	11	63	34	0	0	12
Far East	Taiwan	12	4	2	20	14	4	0	0
Far East	Thailand	3	0	0	0	0	0	0	0
Far East	Vietnam	18	12	11	24	32	2	0	5
Middle East	Azerbaijan	0	0	0	0	4	0	0	0
Middle East	Egypt	0	0	0	2	0	0	0	0
Middle East	Saudi Arabia	0	1	0	0	0	0	0	0
Middle East	United Arab Emirates	11	17	16	15	20	2	12	0
North America	Canada	0	0	1	2	2	0	0	0
North America	USA	31	65	42	63	36	2	1	7
South America	Brazil	22	32	72	28	29	4	0	5
South America	Chile	0	2	0	0	4	0	0	0
Undisclosed	Undisclosed	2	0	1	0	0	0	0	0
Totals:		**1,705**	**1,640**	**1,397**	**2,319**	**2,374**	**174**	**105**	**174**

FIG: 11 SURVEY OF SHIPYARDS' DELIVERIES

Delivery of Ships By Year/Month and Region/Shipbuilder Country									
Unit: Number of Ships In the Period (all commercial ships)									
		Year/Month of Delivery							
Region/Shipbuilder Country		Data as Per End December 2014					Last 3 months		
Build Region	Build Country	2010	2011	2012	2013	2014	10	11	12
Africa	Nigeria	1	0	0	0	0	0	0	0
Asia	Bangladesh	2	4	4	5	1	0	0	0
Asia	India	26	26	26	15	10	0	1	0
Asia	Indonesia	36	13	19	31	35	3	0	2
Asia	Malaysia	42	30	20	15	14	0	0	1
Asia	Singapore	42	41	38	70	53	3	1	2
Asia	Sri Lanka	5	2	3	4	3	0	0	1
Australasia	Australia	3	3	3	1	4	0	0	0
Central America	Mexico	1	0	0	0	0	0	0	0
Europe	Bulgaria	3	4	1	0	0	0	0	0
Europe	Croatia	13	13	10	5	4	0	1	1
Europe	Denmark	6	5	5	1	0	0	0	0
Europe	Estonia	2	2	0	1	0	0	0	0
Europe	Finland	2	0	5	4	2	0	0	0
Europe	France	4	1	2	2	0	0	0	0
Europe	Germany	42	26	29	14	16	1	2	2
Europe	Italy	28	10	7	7	5	2	0	0
Europe	Lithuania	0	0	2	0	0	0	0	0
Europe	Netherlands	41	25	30	17	32	6	1	3
Europe	Norway	53	36	40	40	39	5	5	0
Europe	Poland	17	6	9	10	8	0	1	2
Europe	Romania	12	14	13	12	17	0	2	4
Europe	Russian Federation	16	10	19	16	10	3	0	0
Europe	Slovakia	9	1	2	0	0	0	0	0
Europe	Spain	33	18	14	22	15	0	0	2
Europe	Turkey	33	27	8	14	10	0	0	0
Europe	Ukraine	0	0	0	2	0	0	0	0
Europe	United Kingdom	1	0	2	3	1	0	0	0
Far East	China	1047	936	893	639	483	35	32	33
Far East	Hong Kong	8	10	5	2	3	0	2	0
Far East	Japan	434	369	368	272	247	29	5	7
Far East	Korea (South)	489	516	446	350	315	22	32	22
Far East	Philippines	24	22	34	18	37	2	1	1
Far East	Taiwan	14	14	16	8	13	0	0	2
Far East	Thailand	1	2	3	1	0	0	0	0
Far East	Vietnam	31	32	28	20	18	2	1	1
Middle East	Egypt	0	0	0	1	0	0	0	0
Middle East	Iran	0	0	1	0	0	0	0	0
Middle East	Israel	2	0	0	1	0	0	0	0
Middle East	Saudi Arabia	5	1	5	2	0	0	0	0
Middle East	United Arab Emirates	13	7	7	16	18	2	0	3
North America	Canada	3	0	0	0	1	0	0	0
North America	USA	56	26	32	42	57	4	8	2
South America	Brazil	21	19	19	19	22	1	1	4

South America	Chile	1	1	0	0	1	0	0	0
Undisclosed	Undisclosed	4	2	3	0	2	0	0	0
Totals:		**2,626**	**2,274**	**2,171**	**1,702**	**1,496**	**120**	**96**	**95**

FIG: 12 SURVEY OF SHIPOWNERS' ORDERING

Contracting of Ships By Year/Month and Region/Shipowner Country									
Unit: Number of Ships In the Period (all commercial ships)									
		Year/Month of Contracting							
Region/Shipowner Country		Data as Per End December 2014					Last 3 months		
Owner Region	Owner Country	2010	2011	2012	2013	2014	10	11	12
Africa	Algeria	2	0	0	0	3	0	0	0
Africa	Angola	1	1	0	0	2	0	0	0
Africa	Ethiopia	0	9	0	0	0	0	0	0
Africa	Libya	0	0	1	0	0	0	0	0
Africa	Mauritius	1	0	0	0	0	0	0	0
Africa	Nigeria	3	1	5	9	3	0	0	0
Africa	South Africa	2	3	0	5	13	1	0	0
Africa	Tanzania	1	0	0	2	0	0	0	0
Africa	Tunisia	1	0	0	0	0	0	0	0
Asia	Bangladesh	2	12	2	1	4	0	2	0
Asia	Brunei Darussalam	0	0	1	1	0	0	0	0
Asia	India	17	14	11	8	9	0	1	0
Asia	Indonesia	14	13	6	24	6	1	0	0
Asia	Kazakhstan	0	0	1	1	0	0	0	0
Asia	Malaysia	14	29	22	24	30	5	0	3
Asia	Pakistan	0	0	0	9	0	0	0	0
Asia	Singapore	120	143	87	210	198	14	4	24
Asia	Sri Lanka	0	1	0	0	5	0	1	0
Asia	Turkmenistan	1	0	1	2	0	0	0	0
Atlantic Islands	Bermuda	14	8	7	29	17	0	0	2
Australasia	Australia	14	19	8	1	15	0	0	0
Australasia	New Zealand	0	0	0	3	3	0	0	1
Australasia	Papua New Guinea	0	0	5	0	0	0	0	0
Caribbean	Bahamas	0	2	1	1	0	0	0	0
Caribbean	Trinidad and Tobago	0	0	0	1	0	0	0	0
Caribbean	Virgin Islands (British)	0	0	0	0	14	2	0	0
Central America	Mexico	4	5	14	17	17	2	0	1
Central America	Panama	0	15	0	0	0	0	0	0
Europe	Belgium	20	2	6	11	14	0	1	1
Europe	Bulgaria	0	0	0	0	4	0	0	0
Europe	Croatia	5	0	0	15	9	0	0	6
Europe	Cyprus	8	2	6	4	6	0	0	0
Europe	Denmark	32	38	20	36	62	6	2	5
Europe	Estonia	0	0	1	0	5	0	4	1
Europe	Faroes	2	1	4	1	0	0	0	0
Europe	Finland	3	4	0	4	2	0	0	0
Europe	France	14	35	40	11	9	0	0	0
Europe	Germany	52	58	39	112	134	1	0	11
Europe	Greece	205	157	65	269	235	10	13	9
Europe	Greenland	1	0	0	5	0	0	0	0
Europe	Iceland	0	2	1	2	1	0	0	0
Europe	Ireland	4	10	1	10	4	0	0	0
Europe	Italy	14	7	25	29	14	0	0	0
Europe	Lithuania	0	0	1	0	0	0	0	0
Europe	Luxembourg	0	2	0	0	0	0	0	0
Europe	Malta	0	0	0	0	3	0	0	0
Europe	Monaco	6	11	17	118	55	0	5	0
Europe	Montenegro	0	2	0	0	0	0	0	0
Europe	Netherlands	49	35	30	39	55	4	3	16
Europe	Norway	79	103	127	161	133	8	7	12
Europe	Norway NIS	0	0	0	1	0	0	0	0
Europe	Poland	4	1	0	4	13	0	0	5
Europe	Portugal	1	0	0	0	5	2	0	0

Europe	Romania	2	1	3	0	0	0	0	0
Europe	Russian Federation	33	45	15	29	26	10	0	0
Europe	Spain	1	1	4	5	4	0	0	0
Europe	Sweden	10	3	15	7	8	0	1	0
Europe	Switzerland	17	12	14	11	31	8	0	4
Europe	Turkey	44	45	12	23	23	0	0	0
Europe	Ukraine	1	1	4	0	0	0	0	0
Europe	United Kingdom	66	51	79	106	87	1	8	16
Far East	China	258	172	136	237	281	12	11	10
Far East	Hong Kong	46	33	15	64	57	14	4	0
Far East	Japan	213	167	138	88	178	11	2	10
Far East	Korea (South)	66	55	36	103	66	11	0	2
Far East	Philippines	0	3	1	1	1	0	1	0
Far East	Taiwan	61	29	33	58	38	3	2	0
Far East	Thailand	3	7	3	4	17	0	0	0
Far East	Vietnam	1	1	0	2	0	0	0	0
Middle East	Azerbaijan	1	2	1	1	3	0	0	0
Middle East	Egypt	5	3	1	2	0	0	0	0
Middle East	Iraq	0	3	0	2	0	0	0	0
Middle East	Israel	4	5	7	5	6	0	0	0
Middle East	Kuwait	2	0	33	14	7	0	0	0
Middle East	Oman	0	0	4	1	0	0	0	0
Middle East	Qatar	2	4	6	10	2	0	0	0
Middle East	Saudi Arabia	8	10	8	1	0	0	0	0
Middle East	United Arab Emirates	9	15	15	52	49	15	12	4
North America	Canada	23	34	21	35	21	0	4	1
North America	USA	83	117	114	148	155	4	6	12
Pacific Islands	New Caledonia	0	1	0	0	0	0	0	0
Pacific Islands	Tuvalu	0	0	0	0	1	0	0	0
South America	Argentina	1	0	0	0	0	0	0	0
South America	Brazil	24	38	66	22	29	4	0	5
South America	Chile	2	1	2	9	7	0	0	0
South America	Colombia	0	1	4	0	0	0	0	0
South America	Peru	0	0	0	5	0	0	0	0
South America	Uruguay	0	0	0	1	0	0	0	0
South America	Venezuela	0	3	0	0	10	0	0	0
Undisclosed	Undisclosed	9	32	52	93	165	25	11	13
Totals:		**1,705**	**1,640**	**1,397**	**2,319**	**2,374**	**174**	**105**	**174**

FIG: 13 CONTAINERSHIPS ON ORDER 10,000 TEU AND ABOVE

Containerships On Order 10,000 TEU and Above (20-Jan-15)

Shipbuilder Country	Shipbuilder	Owner	No. of Vessels	Total TEU
China	China Shpg. Ind.Corp.	China Shpg. Group	2	20,000
	Jiangnan Changxing	COSCO	5	72,500
		CSSC Shpg. (Hong Kong)	2	33,744
	Jiangsu New Yangzijiang	Seaspan International	11	110,000
	Shanghai Waigaoqiao	CSSC Shpg. (Hong Kong)	1	16,872
China Total			**21**	**253,116**
Japan	Imabari	Kawasaki Kisen	10	138,830
		Shoei Kisen Kaisha	4	82,000
	Japan Marine United	N.Y.K. Line	8	112,000
	Japanese Yard	Sumitomo Corp.	7	98,000
Japan Total			**29**	**430,830**
Korea (South)	Daewoo	China Bank of Communications	5	92,000
		Hamburg-Sud	3	31,500
		Hong Kong Asset Mgmt.	2	36,000
		Minsheng Financial Leasing	3	57,000
		Moller, A. P.	6	109,620
		Zodiac Maritime	5	50,000
	Hyundai	China Shpg. Container	3	55,200
		Seaspan International	10	138,000
		United Arab Shipping	5	85,400
	Hyundai Samho	United Arab Shipping	10	158,300
	Samsung	CMA CGM	3	48,000
		Costamare Shpg. Co.	9	154,000
		Quantum Scorpio Box	6	115,200
		Zim Integrated Shpg.	9	113,400
	STX Shipbuilding	Zodiac Maritime	4	64,000
Korea (South) Total			**83**	**1,307,620**
Philippines	Hanjin Subic Bay	Costamare Shpg. Co.	4	44,040
		Oceanbulk Maritime	2	22,020
Philippines Total			**6**	**66,060**
Taiwan	China Sb. Corp.	Seaspan International	5	69,000
Taiwan Total			**5**	**69,000**
		GRAND TOTAL	**144**	**2,126,626**

FIG: 14 DEMOLITION SALES DURING 2014

Vessels Sold for Demolition 2014		
vessel type	no	dwt
Anchor-Handling	2	3,560
Bulk Carrier	109	6,857,428
Car Carrier	5	60,106
Chemical Carrier	11	260,726
Combination Carrier	1	134,999
Container	46	1,647,827
ContainerBulk	1	7,415
Crude Oil	36	5,349,467
Cruise	2	5,178
Dry Cargo	28	303,944
Ferry RORO Freight	9	116,546
Floating Storage Offshore	1	91,648
Fruit Tanker	1	25,950
Liquid Natural Gas	2	82,740
LNG / LPG	1	26,800
LPG Carrier	10	39,923
LPG/Ammonia	1	11,800
LPG/Ethylene Carrier	6	46,729
Multi-purpose	2	20,709
Ore Carrier	3	157,697
Platform Supply	1	923
Products Carrier	24	1,207,990
Reefer	3	35,995
RoLo	1	17,566
RoPax	4	11,056
Supply Vessel	1	2,170
Wood Chip	3	130,293
Grand Total	**314**	**16,657,185**

FIG: 15 CONTRACTING OF SHIPS, BY VESSEL CATEGORY

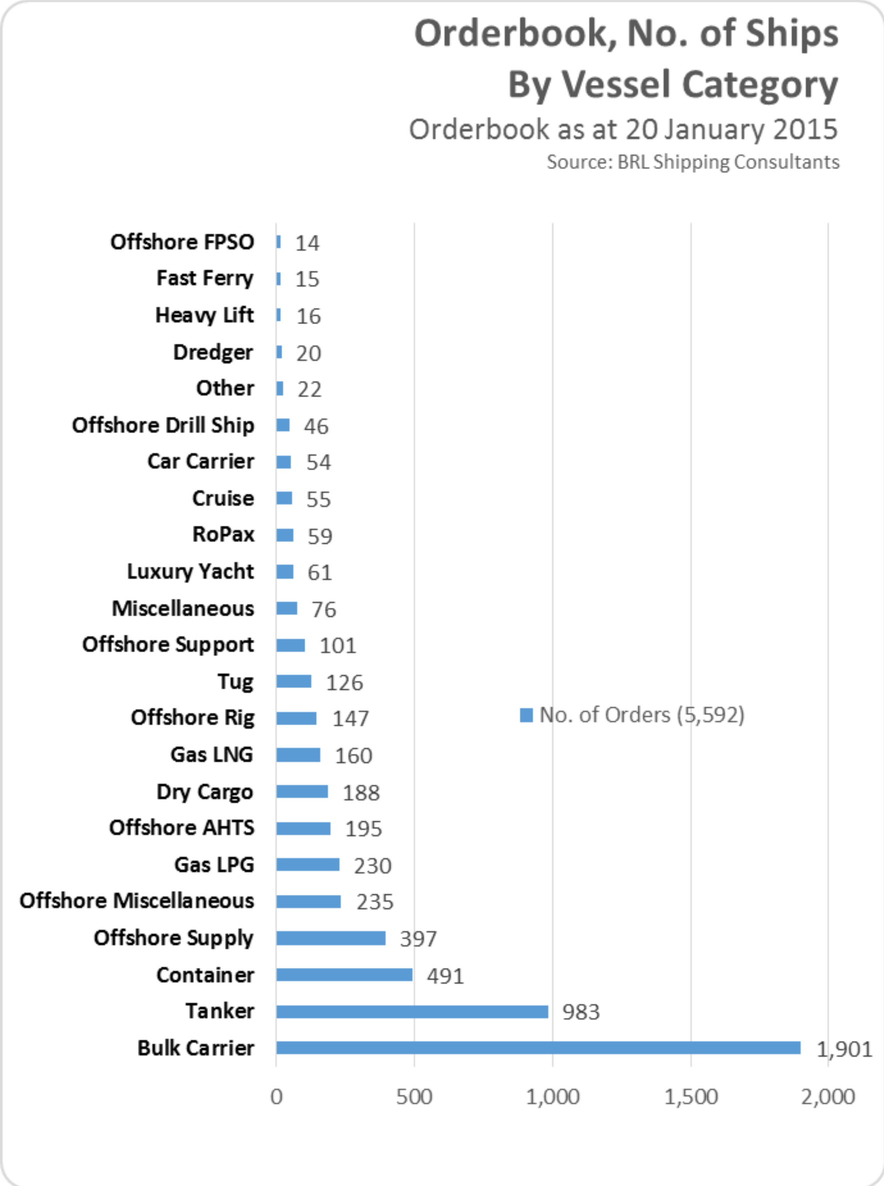


FIG: 16 CONTRACTING OF SHIPS, BY SHIPOWNER COUNTRY

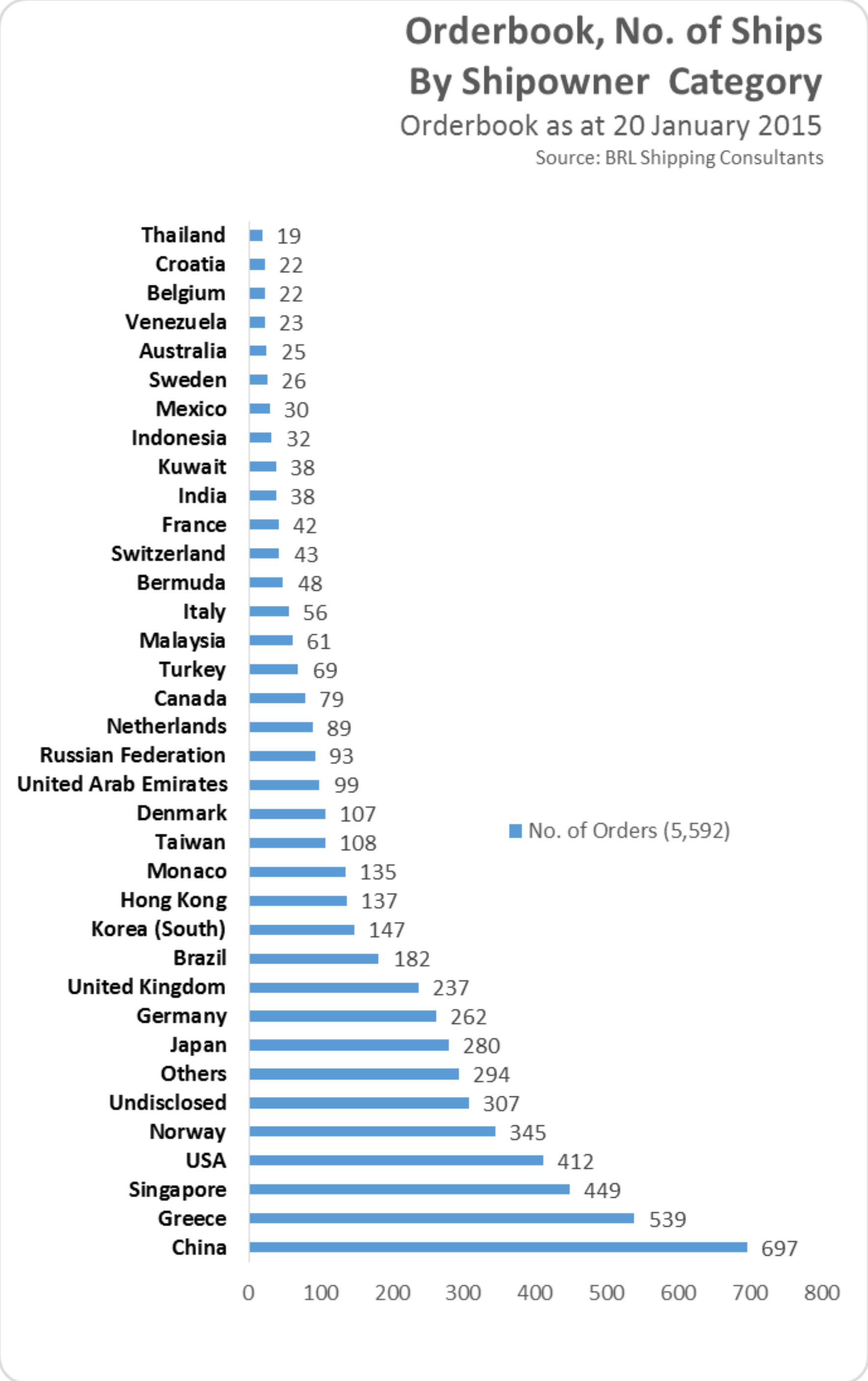
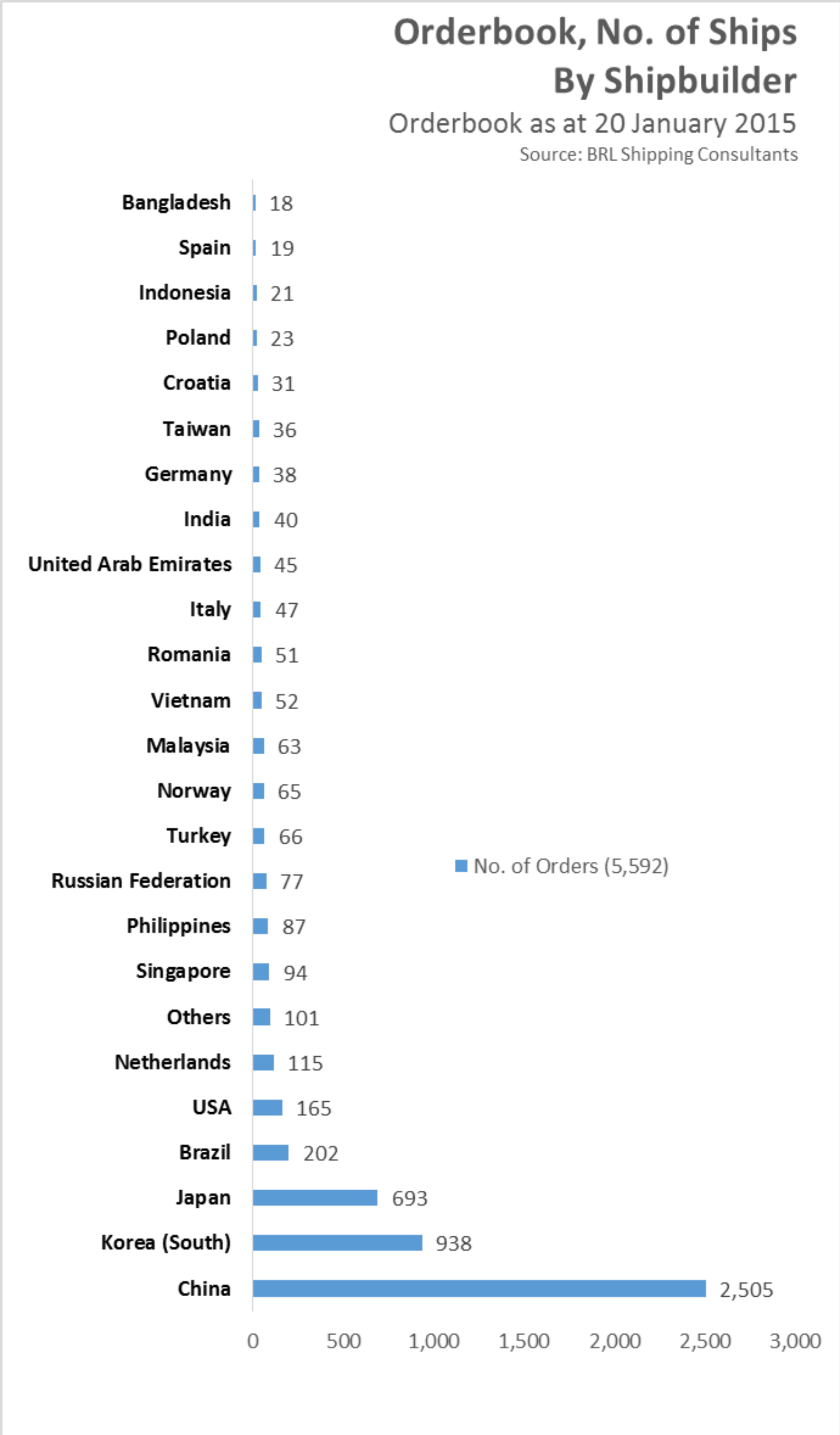


FIG: 17 CONTRACTING OF SHIPS, BY SHIPBUILDER COUNTRY



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