



Latest news

Product Enhancements

Events

MARITIME & TRADE NEWSLETTER

EDITION 2 | JUNE 2016



WELCOME TO IHS MARITIME & TRADE NEWSLETTER - EDITION 2

Welcome to the 2nd edition of our IHS Maritime & Trade newsletter. I think it is fair to say that our industry continues to experience a wide variety of challenges now more than ever. It has become even more apparent that presumptions and traditional means of market analysis no longer suffice to remain sustainably competitive. A combination of insight, analytics and dynamic modelling framework is now crucial in order to achieve an independent view of future market conditions and market potential as part of your decision making process.

Global market forces and new regulation are shaping the way our industry does business. We continue to monitor container rates, and forecast a weak rate environment at least for the next 12-18 months. Cargo owners are working out how to comply with the container weight regulation, which comes into force on July 1 this year. Meanwhile, depressed commodity prices are forcing a reassessment of the mining and energy industries, and with the Baltic dry cargo index at historically low levels, shipping's ability to stay profitable is proving difficult. From a maritime domain awareness perspective, Europe's migration crisis remains a tough issue for governments and national security agencies to address; our industry is offering as much support as it can.

In this edition of the newsletter we review the dry bulk market and future **freight rates** and a summary of the **SOLAS Container Weights regulation** as well as a summary of our **TPM Conference** held in March.

These industry headline topics are covered in-depth by IHS Maritime & Trade regularly across our solutions, from daily news on fairplay.ihs.com and JOC.com to detailed content reviewed during our industry leading events, including the JOC Container Trade Europe Conference coming up in September 2016 and TPM Asia in October 2016 (see the events section for more information). The success of our industry to develop and continually advance is dependent on our ability to collaborate, and share information. Visit our new **IHS Maritime & Trade Blog** which offers an interactive platform for industry discussions.

We trust you will find this newsletter to be informative and engaging, bringing you the latest industry insight from our subject matter experts and updating you on the enhancements to your services.

Please do not hesitate to contact me should you have any questions or requests for the next edition.

Sincerely,

Stuart Strachan

Senior Vice President, IHS Maritime & Trade

Latest news

Product Enhancements

Events



LATEST INDUSTRY NEWS

Latest news

Product Enhancements

Events

SOLAS Container Weight Verification

Although in the works for years, the shipping industry only recently began to take seriously and prepare for the container weight verification amendment to the International Maritime Organization's Safety of Life at Sea convention that takes effect July 1.

With the implementation deadline approaching, confusion seems only to grow, with governments slow to release guidance on the rule, if they released any at all. The world's two largest economies, China and the United States, have only just recently made their official positions known. In the United States the issue seems still far from settled as the U.S. Coast Guard, responsible for enforcing the law, has approved means of acquiring the Verified Gross Mass - which SOLAS requires be generated by the shipper - not explicitly outlined by the IMO.

Container lines are adamant that they will not accept a container without a VGM, and at least one has rejected one of the means for acquiring VGM recently approved by the U.S. Coast Guard, sowing further unease in the shipping public.

One key concern regarding implementation on a national basis is the "enforcement threshold," or permitted variation between a VGM and container's actual weight, before

penalties for noncompliance kick in. The United States has not declared any threshold, but major economies such as China, Japan, and the United Kingdom have settled on 5 percent. Underscoring how governments can take different approaches worldwide, and create a headache for shippers, is that in India's still-unfinalized guidelines the variation is set at 500 kilograms (approximately 1,100 pounds).

Terminal operators globally are taking different approaches to the issue, with some seizing the rule as an opportunity to charge for value-added services to customers. DP World, for example, has said that it will provide VGM generation services worldwide and is releasing pricing information by region.

As a market leader in the maritime industry, IHS Maritime & Trade has provided unparalleled coverage and analysis of each development regarding this critical issue as they happened.

To keep up to date with the latest developments visit:

www.joc.com/special-topics/container-weights



Latest news

Product Enhancements

Events

ih.com



Dry Bulk Freight Rates

Shipping rates for vessels transporting commodities such as coal, iron ore and grains racked up impressive gains in the first quarter of 2016 after hitting record lows, but the rally could flatten out into the second half as the macroeconomic outlook remains uncertain, the latest IHS Maritime & Trade forecasts show.

Freight rates for large Capesize vessels carrying iron ore along Australia-Far East routes reached \$2.99 per tonne in Q1, 2016 and is expected to hover at \$3.30 per tonne for the rest of Q2, 2016 after an increase of over 11 percent quarter-on-quarter, while average rates for the Transatlantic Brazil-Far East routes reached \$5.8 per tonne in Q1, 2016 and will continue its current upward trend averaging at \$8.5 in Q2, 2016 as higher earnings are expected in April and going into May and June.

Panamax vessels along the Australia-India route for coal deliveries, where average spot rates hit \$6,100 per day in Q1, 2016, is expected to rise to a forecasted \$8,000 in Q2 2016, an approximate 30 percent increase. In contrast, however, Panamax routes loading coal from Indonesia will see a 5 percent decrease in Q2, 2016 as compared to the first quarter, counterbalancing the overall average earnings for an increase of 15 percent or \$6,900 per day in Q2, 2016.

“Short-lived rebounds will bring occasional relief to the market,” said Luciana Salles, principal trade analyst at IHS Maritime & Trade. “Many questions remain, however, as to when the current situation in the dry bulk markets will give rise to more sustainable rates on the whole, and whether the overall macroeconomic situation and the fundamental drivers can engender enough confidence to see a price recovery for a more prolonged period of time.”

To keep up to date with the latest developments visit Fairplay.ih.com and to enquire about our Freight Rate Forecast visit www.ih.com/products/maritime-and-trade-freight-rate-forecast.html



Latest news

Product Enhancements

• Maritime

Events

MARITIME PRODUCT ENHANCEMENTS

MARKET INTELLIGENCE NETWORK (MINT)

New Iron Ore Intelligence Module Now Available

MINT's new Iron Ore intelligence module provides real-time and historical vessel tracking with added analysis for traders, analysts, charterers and marketers. Review macro level intelligence displaying imports and exports at global, regional, country and port level with month-by-month comparisons and drill-down to individual cargoes. MINT uses advanced data analysis and calculated algorithms to identify load and discharge locations of vessels carrying iron ore.

- Quickly identify vessels carrying iron ore
- Understand import and exports at major iron ore ports, terminals and berth locations
- Visualize geographical trade flows and run comprehensive exportable reports that supports in-house analysis
- Rapidly interrogate cargo flows, re-pivot data and understand movements at any level of granularity and compare iron volumes month-on-month
- See the complete picture of iron ore cargo movements between regions, countries and ports
- Monitor customer and competitor activity in real-time

MINT is the industry leading geospatial commodity market intelligence tool, and customers can further enhance a subscription with additional cargo specific modules for Iron, LNG, LPG and Crude Oil. Trials to evaluate MINT are available on request.

www.marketintelligencenetwork.com

1/4



Latest news

Product Enhancements

• Maritime

Events

Lloyd's Register of Ships Directory

First published in 1764 the Lloyd's Register of Ships continues to be the authoritative source of information on the world fleet, providing comprehensive information on all self-propelled, seagoing merchant ships of 100GT and above.

Highlights:

- Receive data from a validated source; IHS Maritime & Trade is the sole issuer of the IMO Ship Company Number and Registered Owner Number
- Names, IMO Number, Ship types and more

List of Shipowners & Managers Directory

A single hardback volume, the List of Shipowners & Managers contains over 1,000 pages of ownership and ship information. A team of experts verifies every entry before adding them to the List of Shipowners & Managers, giving you the assurance that you are using a directory from the world's leading authority.

Highlights:

- 1,000+ pages of ownership/ fleet data for 100GT ships
- Each vessel within a fleet is named and its ship type, year of build and GT are provided

The new editions of the Lloyd's Register of Ships and List of Shipowners & Managers 2016-2017 will be published on the 17th June 2016.

➔ Visit shop.ih.com for more information



Latest news

Product Enhancements

- Maritime

Events

Statistical Report Updates

The 2015 edition of the **World Fleet Statistics** is now available to order - This annual electronic publication provides a statistical summary of the current world fleet of propelled sea-going merchant ships of not less than 100GT as at the 31st December 2015, and includes analysis of those ships completed during the year, as well as those ships lost or broken up. The tables cover breakdown of the world fleet by registration, nationality and shiptype and include a five year time series.

The 2015 edition of the World Casualty Statistics is now available to order - This annual electronic publication provides a statistical summary of all reported losses and disposals of propelled, sea-going merchant ships of 100GT and above. Analysis includes breakdown by registration, nationality of owner and incident types and includes listings of individual ships lost and broken up.

The March 2016 quarter of the **World Shipbuilding Statistics** is now available to order - This is a quarterly publication which provides a statistical summary of the shipbuilding activity for all self-propelled seagoing merchant ships of 100 GT or above. In addition to summaries of the reported world order book (defined as ships currently under construction plus confirmed orders placed but not yet commenced), as at the end of each quarter we also include completions and new orders during the quarter.



Latest news

Product Enhancements

• Trade

Events

TRADE PRODUCT ENHANCEMENTS

PIERS Trade Data Coverage:

- U.S waterborne import and export trade data set covering 100% of U.S. port locations
- 20,747,997 bills of lading processed in 2015 with over 10 billion fields of data
- The data set includes almost 45 million company records with 2.2 million distinct company names
- 3,986,093 US export bills of lading processed in 2015, with over 418,353,584 non-containerized export MTONs collected; with 5,195,210 distinct containers
- 56,844 bills of lading processed (on average) per day

Announcing PIERS Prospects 2.0!

PIERS Prospects 2.0 not only provides aggregate information on maritime importers and exporters, but also delivers an unrivaled level of detail about shipments, partners and demographics for each company. Our customized features will help you to connect with their target partners and grow their business. Key features of the product include:

- Generating quality leads in minutes
- Search importers and exporters by company, commodity, HS or SIC code
- Dun & Bradstreet detailed company information
- Comprehensive, ranked view of International buyers and sells
- Download company search results or Bill of Lading details by company

PIERS combines this transactional trade data with company information that is standardized and updated by Dun & Bradstreet, providing subscribers with a powerful prospecting tool that allows them to isolate potential customers based on their trading activities.

To learn more about this latest product offering by PIERS please register **HERE**



Latest news

Product Enhancements

Events

M&T QUALITY GOALS AND METRICS

Every edition of the IHS Maritime & Trade newsletter we will provide you with an update on our performance against each of the specific goals set. We strive to ensure quality across the 4Cs (Consistency, Currency, Correctness and Completeness). The goals set are allocated into the following categories:

- Ship Ownership & Management
- New Construction & Characteristics
- Ship Registrations & Classifications
- Ports & Berths
- IMO Numbering Scheme

The table on the following page highlights the target score against each of the specific goals and the monthly attainment as it stands year to date.





We are committed to delivering best in class services and our data quality is of key importance.

Latest news

Product Enhancements

Events

Category	Metric	Jan-16	Feb-16	Mar-16	Apr-16	Target Goal	Stretch Goal	Quality Type
Ship Ownership & Management	Up-to-date personnel data for beneficial owners & managers with active vessels (of more than 500gt) to be available in IHS Maritime & Trade data products by end-November 2016	51.00%	50.96%	51.34%	52.24%	60%	70%	Completeness
Ship Registrations & Classification	The average turnaround (from receipt to completion) of major data sources for ship registration, ownership and class data to be maintained at four days or less throughout 2016	3	3	1	5	4	2	Currency
New Construction & Characteristics	To maintain the accuracy of delivery date data for newbuildings at a minimum of 96%.	96.44%	96.12%	96.00%	96.21%	96%	96%	Currency
New Construction & Characteristics	To maintain fuel consumption coverage for in service containerhips, bulk carriers & ore carriers and tankers of over 10,000dwt to a minimum of 85%	85.39%	85.28%	84.96%	88.84%	90%	92%	Completeness
New Construction & Characteristics	To improve coverage on dry docking dates for non-LR classed vessels over 10,000dwt to 55% by end-November 2016	46.85%	48.55%	51.21%	53.48%	55%	60%	Completeness
IMO Numbering Scheme	To maintain our SLA agreements with regards to our management of the ship's IMO Numbering Scheme throughout 2016. IMO ship numbers: 95% within two working days	100.00%	100.00%	100.00%	100.00%	100%	100%	Currency
IMO Numbering Scheme	"To improve on our SLA agreements with regard to our management of the Company IMO Numbering Scheme throughout 2016. IMO Company Numbers: 99% within three working days"	99.00%	98.00%	95.00%	96.00%	99%	100%	Currency
Ports & Berths	To achieve a geo-tagging target of 93% for all large and medium-sized ports by-end November 2016	91.00%	91.25%	92.00%	92.00%	93%	95%	Completeness
Ports & Berths	The updating currency of large and medium-sized ports to be undertaken within an average of 2.5 years by end-Nov 2016	3.50	3.50	3.50	3.13	2.5	2	Currency



Latest news

Product Enhancements

Events

EVENTS

TPM 2016

Now in its 16th year, TPM was held in Long Beach, California in the USA on Feb 28 to March 2 and attracted a record number of attendees. Over 2,100 decision makers gathered at the Long Beach Convention Center and Hyatt Regency to attend the four day event, providing critical analysis and information on the global container shipping industry. With over 600 BCOs/ Shippers, the event cemented its reputation as being the leading container industry event attracting decision makers and experts. On Sunday, the third annual TPM Golf Tournament was held at Pelican Hill golf course, followed by a welcome reception. On Monday to Wednesday, the conference program attracted high level industry experts and was kicked off by the keynote, Dr Frank Appel, CEO, Deutsche Post DHL Group. This was followed by a speech from Dr Nariman Behravesh, Chief Economist at IHS and led into panel sessions with industry thought leaders. High level representatives from all parts of the container supply chain were included on the conference program and included executives from major BCO/shipper companies, railroads, carriers, 3PLs, trucking companies and associations. SOLAS container weight verification proved to be a hot topic in multiple sessions and was a discussion item at many of the networking lunches and receptions that took place over the four days.



Latest news

Product Enhancements

Events

UPCOMING EVENTS

IHS attends and hosts a number of events throughout the year and in multiple locations. Upcoming we have:

- ➔ **Posidonia Exhibition** | Athens, Greece | 6-10 June
Visit us at booth 1.219

- ➔ **JOC Gulf Shipping Conference** | Houston, USA | 13-14 June
Register at events.joc.com/gulfshipping2016

- ➔ **IHS Maritime & Trade South Korea Briefing** | 30th June
Register at IHS.com/seoulbriefing2016

- ➔ **IHS Maritime & Trade Japan Briefing** | 5th July
Register at IHS.com/tokyobriefing2016

- ➔ **SMM Exhibition** | Hamburg, Germany | 6-9 September
Visit us at booth A 1.507

- ➔ **JOC Container Trade Europe Conference** | Hamburg, Germany | 13-14 September
Register at events.joc.com/hamburg2016

- ➔ **TPM Asia Conference** | Shenzhen, China | 11-13 October
Register at events.joc.com/asia2016

- ➔ **JOC Inland Distribution Conference** | Memphis, USA | 8-10 November
Register at events.joc.com/inland2016

- ➔ Save the Date: **17th TPM Annual Conference** | Long Beach, California | 26th Feb-1st March, 2017
More information visit events.joc.com/tpm2017



Latest news

Product Enhancements

Events

ih.com

CONTACT US

At IHS, all of our colleagues are dedicated to ensuring that our customers have a positive customer experience. We remain committed to keeping you FIRST in everything we do by learning how we can best partner with you to provide value and useful, reliable products.

For answers to your questions and information on solutions for your business, contact
IHS Customer Care

