

More trade, bigger ships

As trade continues to expand, the shipping industry is poised for growth. To meet the demand, it is transitioning to much larger vessels, with the majority of them being built in China. Complicating matters is increased political violence at ports around the world and stricter environmental standards.

BIGGER SHIPS WILL RULE THE WAVES

Almost 30% of all container ships on order worldwide are massive 10,000teu or larger (20 ft equivalent unit), the size of a standard intermodal container. The largest container ships afloat today are 18,270teu, but giant 24,000teu vessels are coming. While they provide economies of scale, they also mean higher risk: the insured value of the cargo aboard a 24,000teu ship could top US\$2 billion.



FUELING THE WORLD'S INSATIABLE APPETITE FOR ENERGY

While just one of seven major categories of cargo, transporting crude oil around the world has been a mainstay of the shipping industry for decades and is forecast to increase 36% by 2030.



HOW RISKY IS SHIPPING?

Risk ratings are on a scale of 0-10 (10 being most risky) 0-3 3-5 5-10

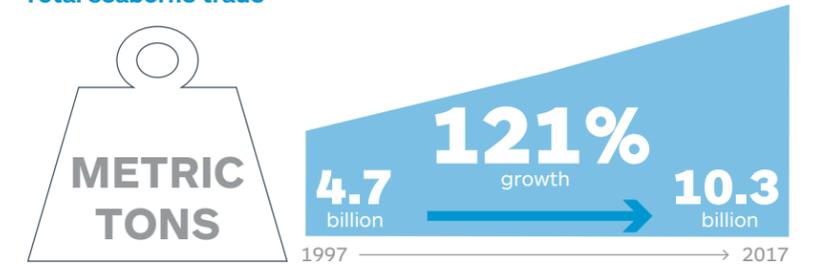
A sample of some of the riskiest and safest ports around the world. The risk ratings are on a scale of 0 to 10, with 10 being the most risky. A rating above 4 should be of concern to shipping companies and the owners of the goods they are carrying. The ratings are based on the combined risk of political violence, civil unrest, terrorism and war.



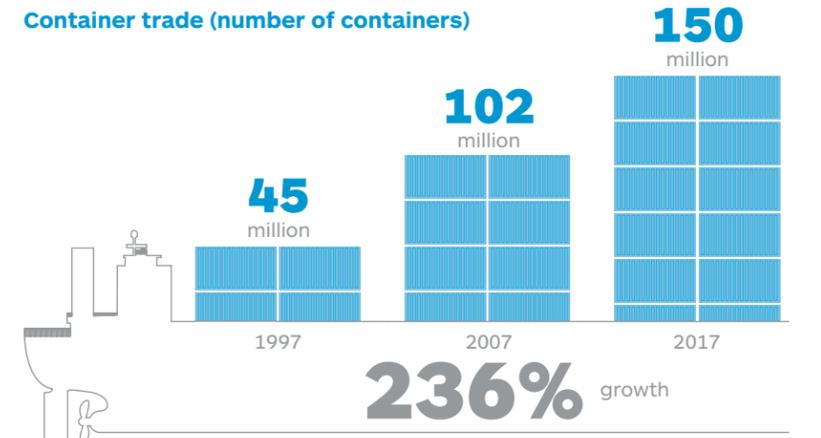
TRADE FLOWS: 1997-2017

No matter how you slice it, maritime trade is growing

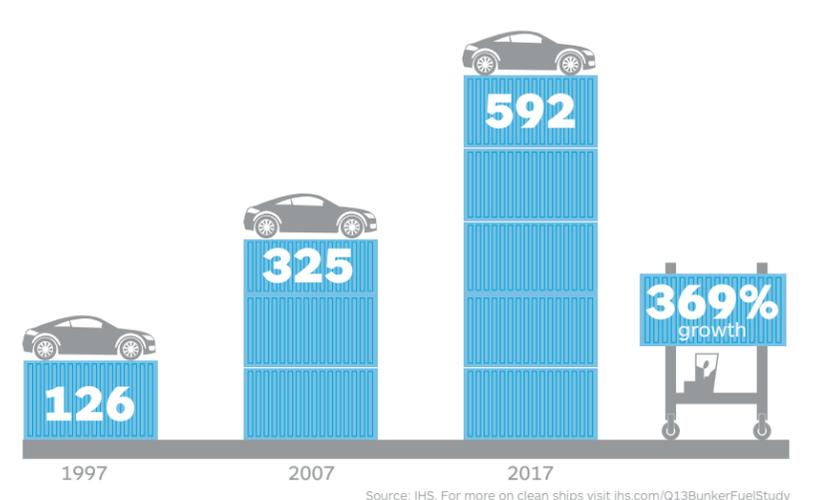
Total seaborne trade



Container trade (number of containers)



Motor vehicles (nominal value in US\$ billions)



CLEANER SHIPS

High-sulfur maritime fuel will be phased out by 2025. Total fuel in millions of tonnes per annum (TPA).

