

# 21<sup>st</sup> Annual Marine Money Week Asia

## 27<sup>th</sup> & 28<sup>th</sup> September 2022, St. Regis, Singapore

### EVENT REPORT

## NEW SHIPPING HORIZONS AND LANDSCAPES

### Marine Money Week Asia 2022

Our Marine Money Week Asia conference roared back to life again as 350 speakers and delegates enjoyed again the opportunity of a physical meet. We had over 140 delegates from overseas and the bustle in the networking areas was as lively as ever, and the discussion in the conference room enthralling.

The sessions were recorded and can be seen on our YouTube channel at

<https://www.youtube.com/user/MarineMoney>

As a brief indication, some key points were as follows:

- The nature of globalization is changing and economic and geopolitical risks are increasing
- The cost of insurance is going up, cost of trade is going up, cost of finance is going up so although globalization is still ongoing, it is much more expensive
- There is also a paradigm shift in the “war” on decarbonization
- China, unlike the rest of the world, is seeing a reduction in interest rates so we can expect a turnaround in China from 2023
- Asia Pacific will account for over 50% of world GDP growth through to 2025 and China for half of this
- China was saved by shipping and shipping was saved by China. That will continue but at a different scale from the past 20 years
- There is no second China, India is not a replacement
- The world fleet order book is 13% overall – with scrapping added in the net growth over the next two years is modest
- Demand growth is only at about 1% so the strong markets area supply story



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- Cost is the big issue going forward – cost of freight, cost of investment, cost of decarbonization, cost of fuel
- Regarding decarbonization the industry has moved forward, policy has not
- If governments do not decide a price for carbon, then all else will be delayed
- The container trades are closest to the consumer so they will drive the transition
- What the industry needs is collaboration and optionality
- Shipping has plenty data, but we don't use it well
- The industry needs a mindset of fuel flexibility – we can't bet on one fuel, we need adaptability
- Improving existing ships with proven and available technology is sound business – don't see it as another layer of cost, see it as a saving of costs
- We need more efficiency, efficiency, efficiency
- As well as modest supply, many inefficiencies have driven high freight rates over the past two years, the main one being port congestion
- Congestion is now unwinding and this will bring rates off recent highs
- There will be a huge increase in the demand for carbon credits in the next 10 – 20 years, and at the same time a lack of carbon projects

**See you again next year at our 22<sup>nd</sup> Annual Marine Money Week Asia in September 2023!**



## **PRESS COVERAGE (AS AT 3 OCTOBER 2022)**

### **SPLASH 24/7**

#### **Shipping can no longer rely on China for all its trade growth: Splash Extra**

<https://splash247.com/shipping-can-no-longer-rely-on-china-for-all-its-trade-growth-splash-extra/>

#### **The world must accept shipping is getting more expensive**

<https://splash247.com/the-world-must-accept-shipping-is-getting-more-expensive/>

#### **DHL predicts China's share of global trade growth will slide 50% by 2026**

<https://splash247.com/dhl-predicts-chinas-share-of-global-trade-growth-will-slide-50-by-2026/>

### **LLOYD'S LIST**

#### **Shipping should keep a wary eye on China's uncertain outlook**

*Bigger risks may be lurking beneath the economic slowdown in China and will have a more profound impact on shipping*

<https://lloydslist.maritimeintelligence.informa.com/LL1142401/Shipping-should-keep-a-wary-eye-on-Chinas-uncertain-outlook>

#### **Shipping warned over slowdown in China**

*The Chinese economy is expected to grow at the slowest pace in more than three decades. Concerns are mounting about what this means for shipping*

<https://lloydslist.maritimeintelligence.informa.com/LL1142361/Shipping-warned-over-slowdown-in-China>

#### **Tanker companies more worried about recession than ending war**

*Tonnage supply will be kept tight given that there is a historically low orderbook and limited deliveries over the next two years. The removal of inefficiencies may lead to more scrapping*

<https://lloydslist.maritimeintelligence.informa.com/LL1142373/Tanker-companies-more-worried-about-recession-than-ending-war>

#### **Banks willing to share risks on new shipping technologies**

*Standard Chartered has funded a number of shipping projects that involve new technology, says banker*

<https://lloydslist.maritimeintelligence.informa.com/LL1142372/Banks-willing-to-share-risks-on-new-shipping-technologies>

#### **Shipping on 'pause' amid market uncertainty**

*Fundraising and lending activities are at minimal levels as participants wait for clear signals, says Transport Capital executive*

<https://lloydslist.maritimeintelligence.informa.com/LL1142356/Shipping-on-pause-amid-market-uncertainty>

#### **Stay ahead of the game on ESG or risk dropping out**

*Emissions and other environmental, social and governance metrics will become more important than freight rates as customers demand greater accountability*

<https://lloydslist.maritimeintelligence.informa.com/LL1142360/Stay-ahead-of-the-game-on-ESG-or-risk-dropping-out>

#### **Banks increasingly influenced by ESG profiles when making loan decisions**

*Pricing penalties may be imposed on shipping companies that fail to meet sustainability targets*

<https://lloydslist.maritimeintelligence.informa.com/LL1142367/Banks-increasingly-influenced-by-ESG-profiles-when-making-loan-decisions>

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**Lila Global planning 51% fleet expansion by 2025**

*Shipowner subsidiary of GMS willing to spend up to \$250m to finance expansion*

<https://lloydslist.maritimeintelligence.informa.com/LL1142351/Lila-Global-planning-51-fleet-expansion-by-2025>

**More communication needed on meeting CII standards**

*Operational efficiency discussions need to be expedited. Ideally, standards and benchmarks need to be written into contracts*

<https://lloydslist.maritimeintelligence.informa.com/LL1142371/More-communication-needed-on-meeting-CII-standards>

**Shipping decarbonisation requires greater industry collaboration**

*While industry is moving in the right direction on decarbonisation, challenges remain when it comes to co-operation*

<https://lloydslist.maritimeintelligence.informa.com/LL1142352/Shipping-decarbonisation-requires-greater-industry-collaboration>

**S&P GLOBAL PLATTS**

**INTERVIEW: Maersk Tankers will not raise pool fees to cover decarbonization, says CCO**

<https://www.spglobal.com/commodityinsights/en/market-insights/latest-news/shipping/093022-interview-maersk-tankers-will-not-raise-pool-fees-to-cover-decarbonization-says-cco>

**SEATRADE**

**Odfjell: \$1m vessel efficiency upgrades investment bring \$7m in savings**

*Tanker owner Odfjell is not put its eggs in one basket when it comes to future fuels and stresses the gains that can be made from efficiency upgrades to existing vessels.*

<https://www.seatrade-maritime.com/sustainability-green-technology/odfjell-1m-vessel-efficiency-upgrades-investment-bring-7m-savings>

**TRADEWINDS**

**Petreddec says Avance stake building gave it confidence to go for IPO**

*VLGC owner said the more conversations it had with investors and banks, the more comfortable it got with the process*

<https://www.tradewindsnews.com/finance/petreddec-says-avance-stake-building-gave-it-confidence-to-go-for-ipo/2-1-1321685>

**Thank you once more to our sponsors and speakers and to all those who attended our 22<sup>nd</sup> Annual Marine Money Week Asia.**