



FONASBA ANNUAL MEETING

The containership market

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Recap 2014

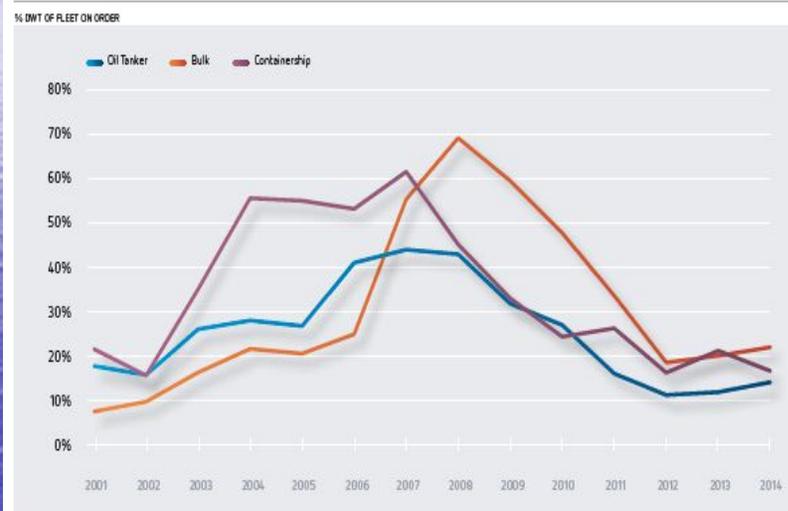
- Rates remained very low, but operators' margins improved, thanks to lower bunker prices.
- New orders, 159 ships representing 16,5 % of the existing fleet.
- Deletions reached 394,000 teu in 2014....
- Fleet grew 6,3 %, 1,1 Mteu, reaching 18,7 Mteu, during 2014.
- Idle fleet at the end of 2014, 118 ships, 227,900 teu, representing 1,3 % of the total cellular fleet in service.
- Bunker prices, falling from u\$d 600 per ton in july 2014, to u\$d 300 by the end of december and further to u\$d 250 per ton, in january 2015.
- Charter rates remained low during 2014, affecting most vessel sizes, except for overpanamax tonnage (> 9000 teu).
- World container throughput grew 5,6 % in 2014 from 641* mi teu in 2013, to 677* mi teu, last year. (* Includes full, empty and transshipment).

Source: Alphaliner

Shipbuilding (recap 2014)

- Ship orders fell 8%, compared to previous year.
- Prices remained almost at same level of previous year.
- Containerships under construction at the end of 2014, 16,5 % of the fleet in service, (tanker 14,1 % and bulk 21,9 %).

Historical evolution of ratio fleet on order / existing fleet (In dwt terms)



(MILLION \$)	1993	Low Q4 2002	Peak Q2 2008	End 2013 China	End 2013 South Korea	End 2014 China	End 2014 South Korea
Tankers							
VLCC	100	64	140/155	85/90	95/100	90/95	95/100
Suezmax	63	44	90/100	57/60	62/65	58/63	65/70
Aframax	45 (A)	34 (A)	70/75 (A)	48/50 (L,R2)	53/55 (L,R2)	50/52 (L,R2)	55/58 (L,R2)
MR Product	32.5	27	48/51	35	37	34/36	36/37

(MILLION \$)	1993	Low Q4 2002	Peak Q2 2008	End 2013 China	End 2013 South Korea	End 2014 China	End 2014 South Korea
Bulkers							
Capesize (205k dwt)	N/A	N/A	N/A	55/60	60/62	55/60	62/65
Capesize (180k dwt)	48	36	90/101	50/55	55/58	50/55	55/58
Panamax (P) / Kamsarmax (K)	29 (P)	21.5 (P)	53/60 (P)	28/30 (P)	32/33 (P)	28/30 (P)	33/34 (P)
Handymax (H) / Supramax (S) / Ultramax (U)	25 (H)	20 (S)	47/50 (S)	27/28 (U)	30/32 (U)	26.5/27.5 (U)	31/32 (U)

Source: BRS Annual Report

Operating margin by carrier 2014

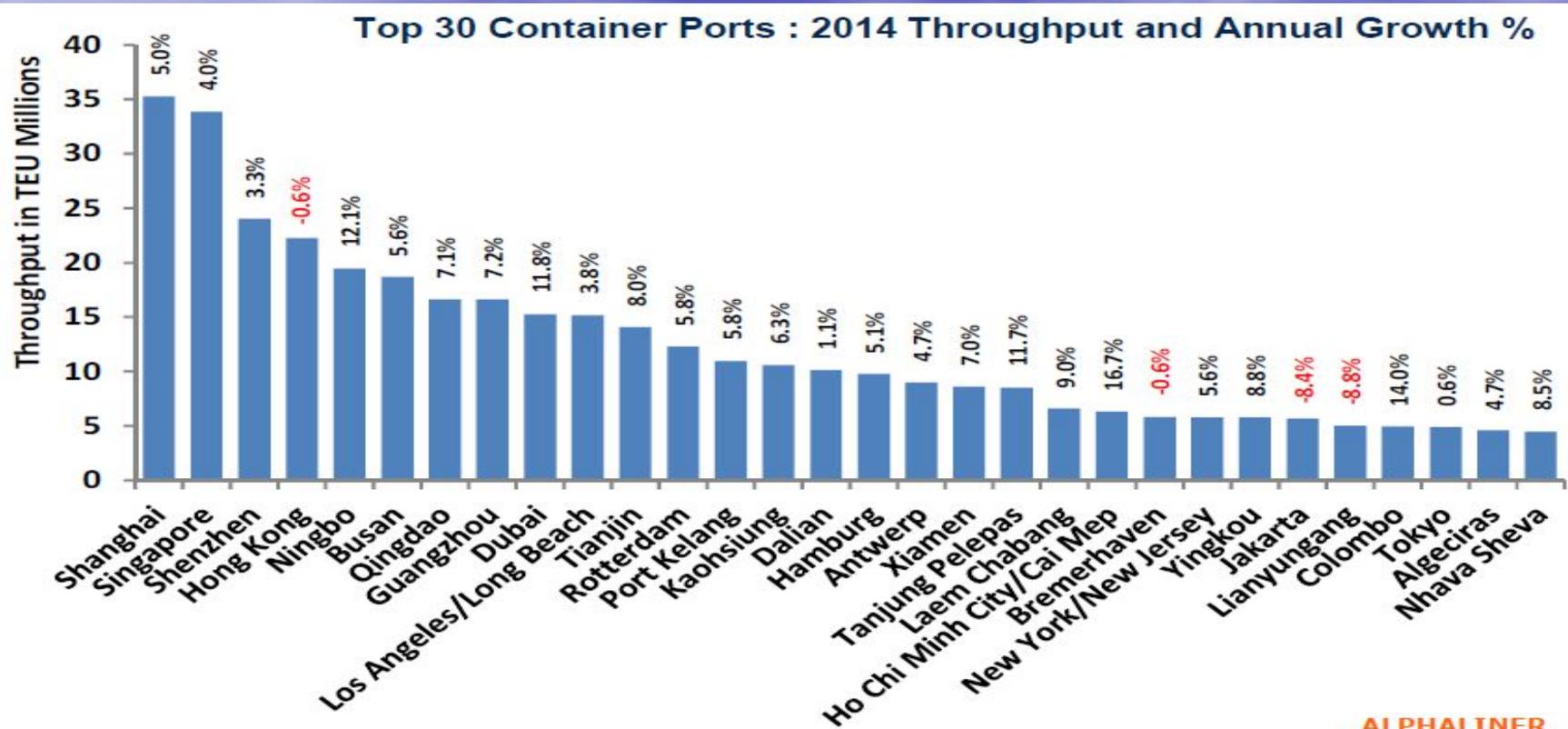
2014 Full Year Results (ranked by operating margin %)

In US\$ millions	Revenue	Operating Profit	Margin %
Maersk	27,351	2,343	8.6%
Wan Hai	2,150	178	8.3%
CMA CGM	16,739	973	5.8%
OOCL	6,495	230	3.5%
K Line	6,139	141	2.3%
COSCO	8,183	165	2.0%
Hanjin	7,411	137	1.8%
EMC	4,754	54	1.1%
NYK	6,382	46	0.7%
CSCS	5,845	23	0.4%
Yang Ming	4,442	-32	-0.1%
Zim	3,409	-11	-0.3%
Hapag-Lloyd	9,045	-149	-1.6%
APL	7,039	-143	-2.0%
HMM	4,787	-99	-2.1%
MOL	7,243	-228	-3.1%
CSAV	2,506	-185	-7.4%

Assessed on container shipping activities only, where separately reported. Operating profit for Japanese carriers based on recurring ordinary profit calculated for calendar year. EMC not consolidated for full Evergreen Group results. MSC, Hamburg Süd, UASC and PIL financial results are not publicly available.

Source: Alphaliner

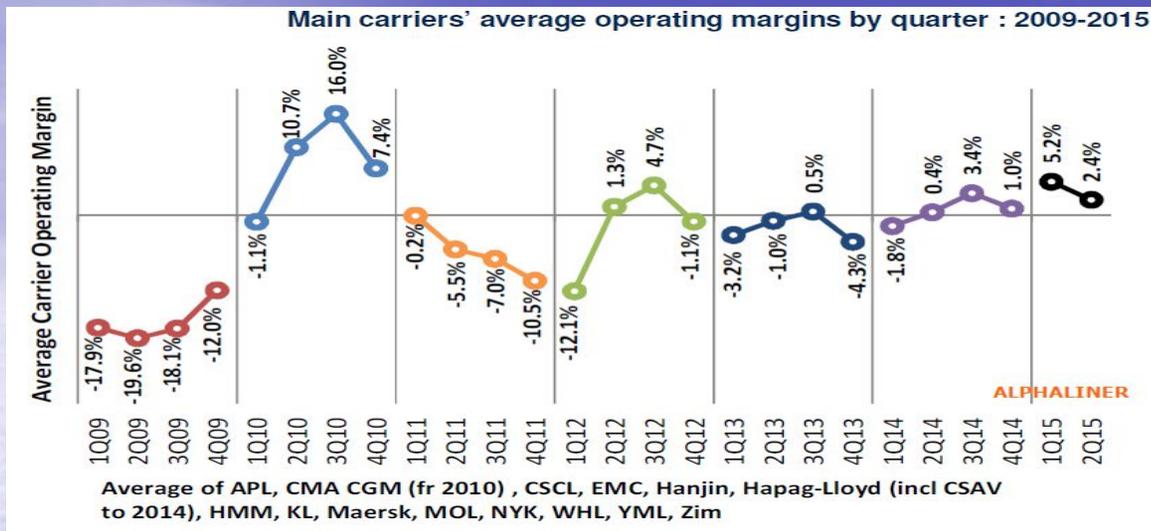
Main Container Ports (2014)



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The top 30 container ports in the world handled a combined volume of 370 Mteu in 2014, for an annual increase of 5.3%. Throughput growth improved from 2013, when the same ports reported total volumes of 351 Mteu, for a growth of 3.3%. The volume handled at these 30 ports account for over half of the total global container throughput, estimated to have reached 700 Mteu in 2015.

Main carriers operating margins 1H 2015



The improved performance is due mainly to a 47% reduction in bunker fuel costs, compared to the first half of last year. Severe freight rate reductions on the spot markets as the year progressed. The declining freight rate trend has been exacerbated by weak cargo demand growth, especially in the European markets as carriers failed in their repeated monthly general rate increase attempts on the Asia-Europe route.

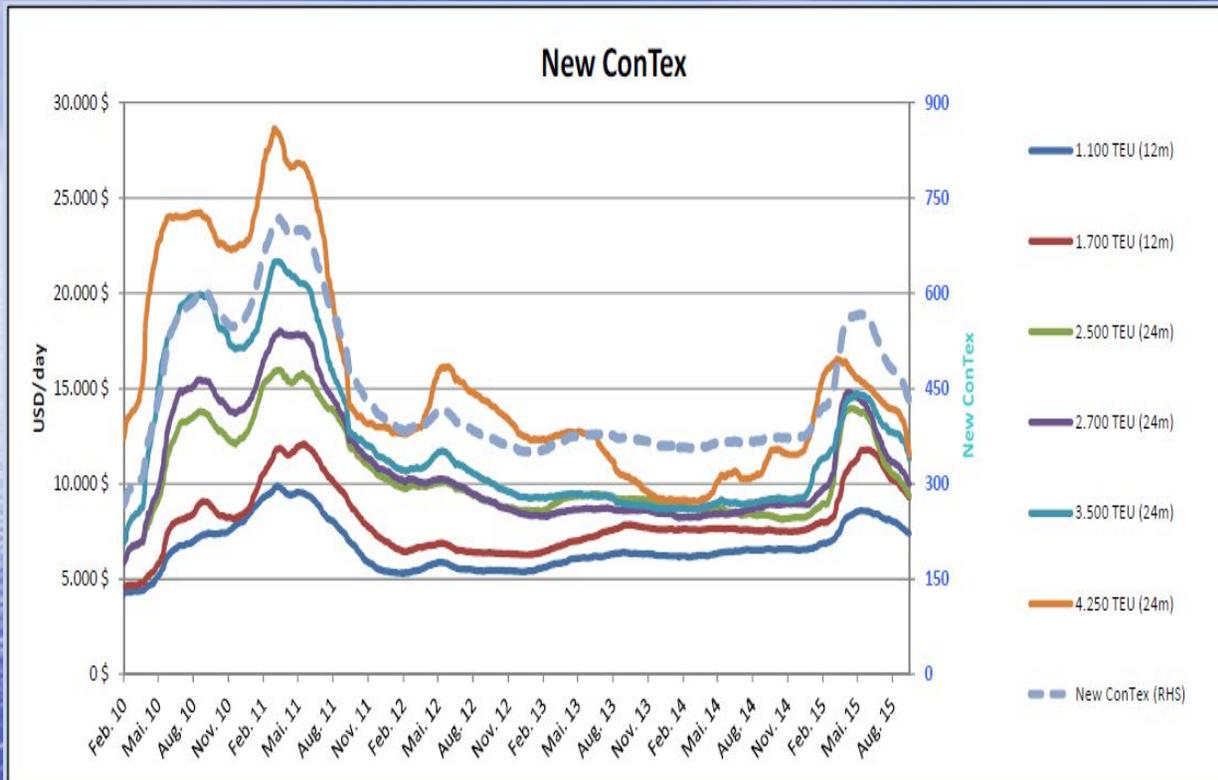
Source: Alphaliner Newsletter

Main Carriers Operating Margins Jan-Jun 2015

In US\$ M	Revenue	Operating Profit	Operating Margin %
Wan Hai	1,078	118	11.0%
Maersk	12,517	1,254	10.0%
CMA CGM	8,124	731	9.0%
OOCL	3,032	222	7.3%
Zim	1,555	111	7.1%
Hanjin	3,457	206	6.0%
Hapag-Lloyd	5,213	269	5.2%
EMC	2,245	61	2.7%
NYK	3,041	65	2.1%
K Line	2,877	54	1.9%
COSCO	3,859	70	1.8%
APL	2,926	33	1.1%
Yang Ming	2,105	8	0.4%
CSCL	2,610	5	0.2%
HMM	2,100	-27	-1.3%
MOL	3,306	-68	-2.1%

Note : Financial results for MSC, Hamburg Süd, PIL and UASC are not publicly available.

Charter rates beg Oct 2015

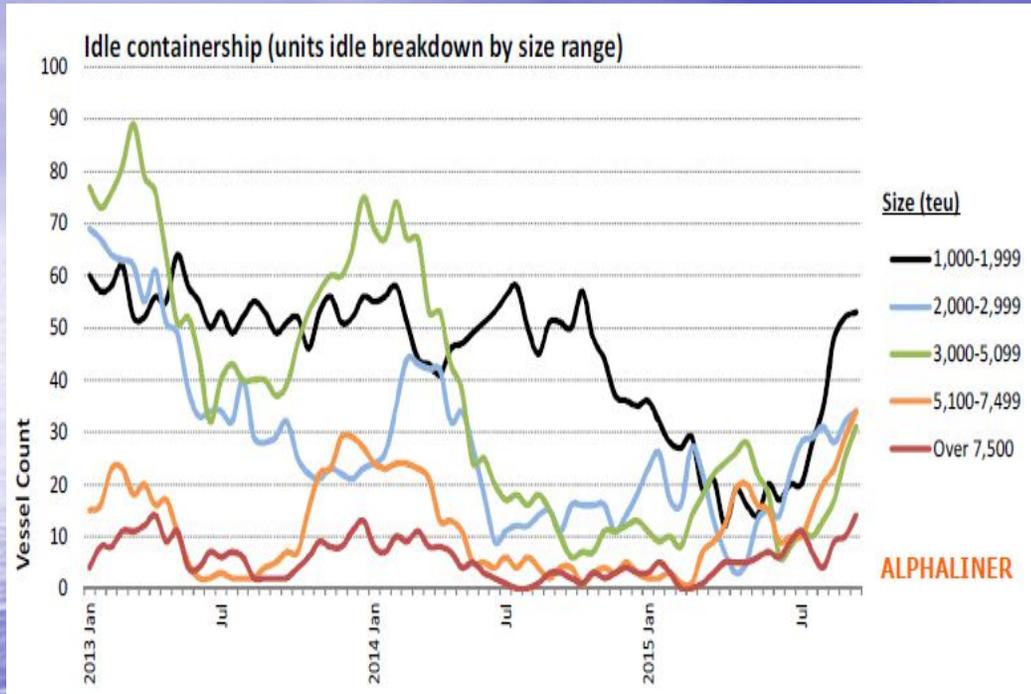


Downward trend at this moment
in almost all segments

Source: New Con Tex

New ConTex*		429	
08.10.15		12 mos	24 mos
Gearless Geared	1100 TEU	\$7.394	n.a.
	1700 TEU	\$9.285	
	2500 TEU	\$8.260	\$9.388
Gearless Geared	2700 TEU	\$8.924	\$10.005
	3500 TEU	\$10.139	\$11.318
	4250 TEU	\$9.999	\$11.565

Idle fleet



Idle containerships > 500 TEU As at 21 Sept 2015

TEU Range	Units idle	of which, NOO Units	%
500-999 teu	42	39	93%
1,000-1,999	53	49	92%
2,000-2,999	34	34	100%
3,000-5,099	31	29	94%
5,100-7,499	34	31	91%
7,500 & over	14	4	29%
Total units idle	208	186	89%
Total TEU idle	673,337	526,087	78%
Idle TEU as % of total fleet	3.4%		

This is the highest level of idling since march 2014.

Further capacity rationalisation is expected to push up the idle fleet stats in the fourth quarter of 2015.

The idle fleet is expected to reach between 0.8 Mteu and 1.2 Mteu at the end of the year.

Source: Alphaliner

The main trade spot rates (sep 2015)

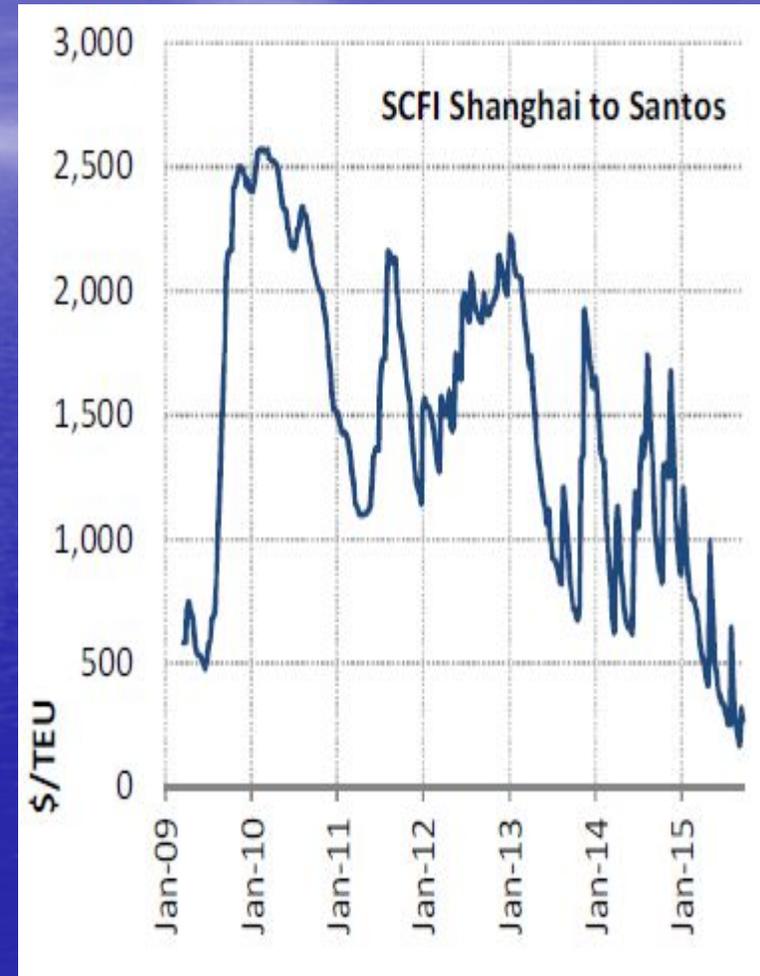


Freight rates close to record lows on several key tradelanes, including the routes from China to Europe, to North America, to South America and to Australia. Because of the very weak freight rate environment, overall carrier profitability is expected to take a hit in the second half of this year - even after accounting for the prevailing low bunker costs. Spot rates fell to below \$150 per teu in June, an all-time low for the Far East-Europe trade and capacity utilization has fallen to 85 % (from 90 % in 2014). The ocean carrier retains some 23% of the fuel cost savings, and 70-80% of the savings are passed on to shippers.

Source: Alphaliner

Excess capacity on South America routes

- Freight rates from China to Brazil are reported to have fallen below \$100/teu, as rates from the Far East to South America have sunk to their lowest levels ever recorded. Surplus capacity is reaching critical levels, with only 60 % utilisation rates reported.
- The increased capacity to South America has been triggered by the introduction of new wide-beam containerships of 9,000-11,000 teu.
- The ships have a loa of 300 m and a beam of 48 m. All of them are fitted with over 1,000 reefer plugs, making them ideally suited for the reefer heavy South American trades.



Source: Alphaliner

The operators

- Maersk, MSC and CMA CGM, who together controls 37,7 % of the total fleet in teu terms, leading the top 20 league as usual (37,1 % last year)
- Maersk increased its share from 15.1 % to 15,3%
- MSC decreased its share from 13.5 % to 13.3 %
- CMA CGM increased its share from 8.7 % to 9,1 %.
- Top 10 operators concentrate 64,2 % of the total fleet. (63,7 % last oct.)
- Most remarkable increases: Hamburg Süd, from 12th to 8th, and UASC from 19th to 15th.
- Most remarkable decrease APL falling 3 steps through the ranking.

Source: Alphaliner

Containership orders

- A total of 190 containership newbuilding contracts with a combined capacity of 2.04 Mteu have been concluded so far this year. This already exceeded the annual (full year) orders for each of the last seven years, as some owners rush to place orders before the upcoming implementation of the new IMO Tier III regulations.
- Vessels with keels laid before 1 January 2016 are not required to comply with the IMO's Marpol Annex VI Tier III requirements, imposed for ships that are intended to sail within the ECAs. The Tier III rules stipulate lower emissions of nitrogen oxides (NO_x).
- While the Tier II NO_x emission limits, implemented universally for new ships in 2011, can be obtained through proper engine tuning, a relatively inexpensive method, Tier III compliance requires more costly solutions.
- Vessel orders need to be firmed before the end of October if they are to meet the 1 January deadline, as yards will need at least two to three months to prepare for the keels to be laid.
- Vessels prices will increase between 2,5/5 %.
- The largest deal involved COSCO, which confirmed orders for 11 ULCS of 19,000 teu for delivery in 2018. (Total 1.5 Bn, avg u\$ 137 M per ship)

Source: Alphaliner

Cellular fleet

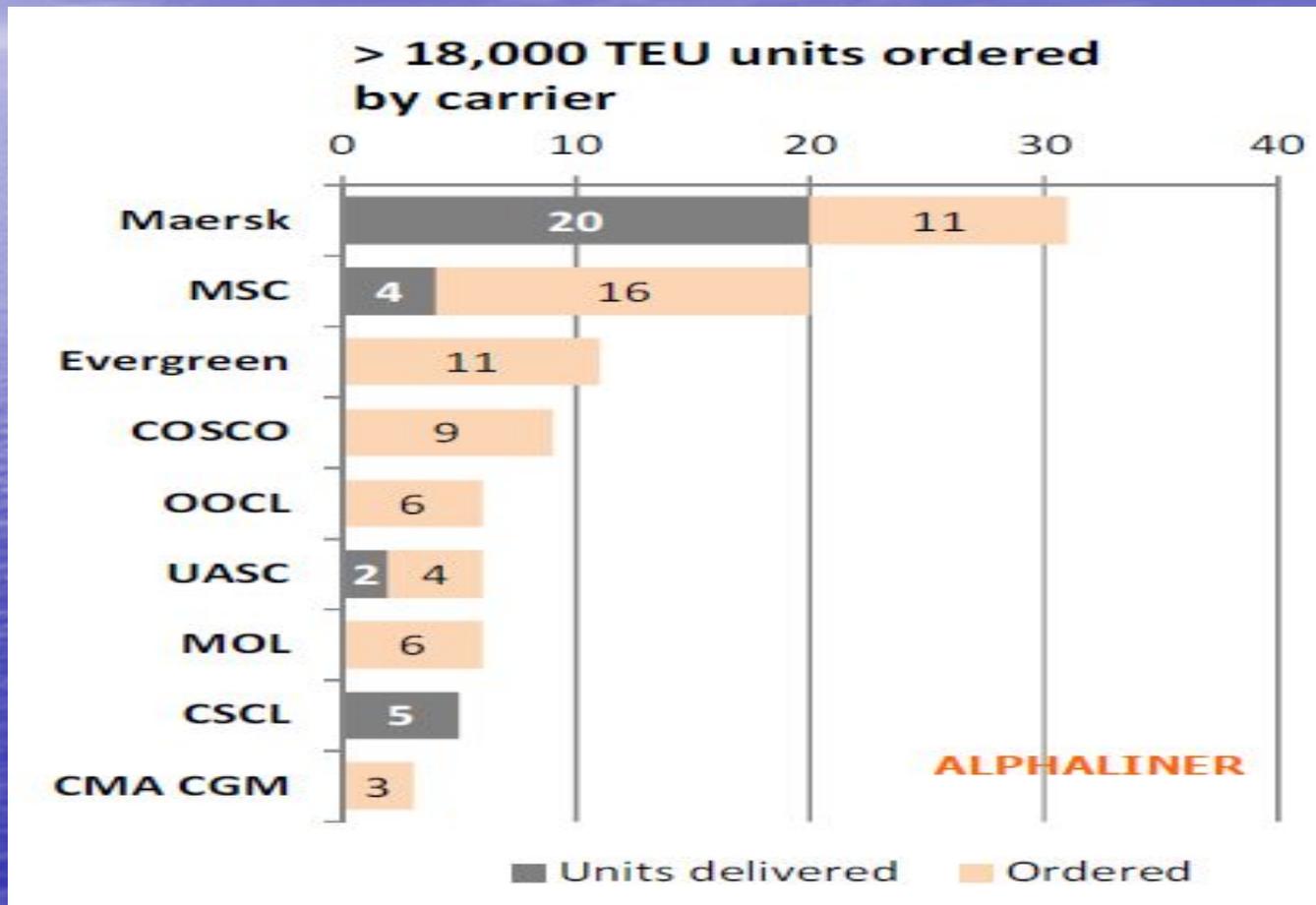
- 203 cellular containerhips (1,47 Mteu) were delivered last year. The cellular fleet has risen 6,3 % during 2014.
- The global liner fleet has breached the 20 Mteu mark at mid september
- Vessel deliveries are expected to reach 262 units for 1,91 Mteu this year.
- The fleet should rise 8.8 % during 2015.
- The order book counts 458 ships for 3,82 Mteu representing 20,1 % of the existing fleet.
- 394.000 teu were scrapped in 2014. Scrappings are estimated to reach 59 units 98.000 teu this year (its lowest since 2011). This is also related to scrap prices down from u\$d 500 per light displacement ton to only u\$d 320 per ldt. Scrapping is expected to increase in 2016.

Source: Alphaliner

World's largest containerships aug 2015

		Nominal TEU tdw	LOA m	Breath m	Depth m	Draft m
<p>BARZAN 6 units in series from Apr 2015</p> 		<p>19,870 teu 199,744 tdw</p>	400.0	58.6	30.6	16.0
<p>Operated by UASC Built by Hyundai Samho/Hyundai H.I.</p>						
<p>MSC OSCAR 12 units in series from Jan 2015</p> 		<p>19,224 teu 197,362 tdw</p>	395.4	59.0	30.3	16.0
<p>Operated by MSC Built by Daewoo (DSME)</p>						
<p>CSCL GLOBE 5 units in series from Nov 2014</p> 		<p>18,982 teu 184,320 tdw</p>	399.7	58.6	30.5	16.0
<p>Operated by CSCL Built by Hyundai H.I.</p>						
<p>Maersk 'EEE' 20 units in series from Jun 2013</p> 		<p>18,340 teu 194,153 tdw</p>	399.2	59.0	30.3	16.0
<p>Operated by Maersk Built by Daewoo (DSME)</p>						
<p>ALPHALINER</p>						

ULCS delivered & ordered by carrier



Some 2015 news

- US west coast port congestion from dec 2014 until may 2015. Delays of between one to four weeks at the affected ports forced carriers to deploy extra loaders to maintain regular sailings during that period. Up to 80 ships with a total capacity of some 500,000 teu were deployed as extra loaders to the US at the peak of the severe congestion.
- Hamburg Süd completed the acquisition of CCNI on march.
- Although rumours regarding a consolidation of the Chinese shipping giants COSCO & CSCL have been circulating since April, both groups have repeatedly denied any plans to merge. This time, the Chinese government appears to have lost its patience with the lack of progress and may now force the two groups to merge.

Some 2015 news (cont)

- The TTP (Trans-Pacific Partnership) just finished between 12 countries with USA and Japan in the lead, will for sure, have an impact in the container transport. 40% of the world trade is involved.
- IMO will impose compulsory container weighing as from July 2016.
- The lifting of the economic sanctions against Iran are prompting the return of international liner shipping companies to the country. Several carriers have responded quickly to the opportunity to resume services to Iran. Last Monday oct 12th, Iranian parliament approved the 5 + 1 agreement .

The New Canals

- The new Suez Canal was officially inaugurated on August 6th. Will reduce vessel waiting times from 11 to three hours. And southbound convoy transit times shortened from 18 to 11 hours.
- The Suez Canal Authority (SCA) predicts that the number of vessels transiting the canal daily will increase from 49 ships currently to 97 ships by 2023.
- The new expanded Panama Canal locks, are due to open in April 2016. The Panama Canal Authority has issued a statement last week, indicating that the planned completion date of the canal expansion project remains unchanged (for now), despite the discovery of water seepage on the new locks.
- The opening of the new locks at Panama next year will allow carriers to replace the current panamax tonnage with much larger ships. In the FE-USEC business, the Panama Canal will therewith have the opportunity to regain most of the market share that it lost to the Suez Canal. The canal expansion project reached 91% completion in July.

Inside de New Panama Canal. Cianam Annual Meeting (April 2015)



Summarizing

- Big order book of large vessel capacity mean that container shipping is set for another three years of overcapacity and financial pain (Drewry).
- Due to slowdown in world trade, the forecast for container shipping growth this year is only 2 %.
- Spot freight rates across most key trades have fallen to historical lows, particularly on the Asia to Europe, Asia to East Coast of South America and Asia to Middle East trades.
- Terminals facing a big challenge

.....So more rationalization is needed to overcome this difficult situation in the container ship market.



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Attachments

- Market figures 2014 vs 2013.
- Top 30 container ports 2014 vs 2013.
- Top 20 league rank.
- Top 20 container shipping lines (ships owned, chartered & orderbook).
- Cellular fleet, existing & orderbook.
- Cellular fleet forecast.
- Main carriers deliveries & orderbook.
- Containership newbuilding prices (sept 2015).
- Capacity operated by top 3 carriers and forecast.
- Noo fleets as at september 2015.
- The Nox emisions.

Market figures 2014 vs 2013

2014 vs 2013 : Key Container Shipping Market Figures

ALPHALINER	Ships	TEU	% Change YoY
Fleet as at 1 Jan 2015	5,035	18,374,572	6.3%
Orderbook as at 1 Jan 2015	454	3,388,087	-12.1%
2014 - Activity			
Ordered 2014	151	1,099,213	-40.0%
<i>Value of new orders</i>		<i>US\$ 10.2 Bn</i>	<i>-39.3%</i>
Delivered 2014	203	1,466,915	6.3%
Deleted 2014	180	394,077	-14.9%
<i>Breakdown</i>			
<i>Scrapped</i>	<i>170</i>	<i>388,419</i>	<i>-12.0%</i>
<i>De-celled</i>	<i>6</i>	<i>3,288</i>	<i>-67.7%</i>
<i>Lost</i>	<i>4</i>	<i>2,370</i>	<i>-79.2%</i>
Average idle fleet 2014		380,595	-36.7%
<i>Idle fleet at end Dec</i>		<i>227,862</i>	<i>-70.8%</i>
Average FO \$/ton 2014 (Rtm/Sin)		547	-9.6%
<i>FO \$/ton end Dec</i>		<i>311</i>	<i>-48.4%</i>

	Ships	TEU	% Change YoY
Fleet as at 1 Jan 2014	5,004	17,285,952	5.8%
Orderbook as at 1 Jan 2014	503	3,855,793	12.4%
2013 - Activity			
Ordered 2013	234	1,833,095	277.3%
<i>Value of new orders</i>		<i>US\$ 16.8 Bn</i>	<i>229.4%</i>
Delivered 2013	222	1,380,180	9.2%
Deleted 2013	211	463,166	31.7%
<i>Breakdown</i>			
<i>Scrapped</i>	<i>194</i>	<i>441,569</i>	<i>31.6%</i>
<i>De-celled</i>	<i>13</i>	<i>10,180</i>	<i>-4.4%</i>
<i>Lost</i>	<i>4</i>	<i>11,417</i>	<i>112.8%</i>
Average idle fleet 2013		601,557	-7.6%
<i>Idle fleet at end Dec</i>		<i>779,230</i>	<i>-3.6%</i>
Average FO \$/ton 2013 (Rtm/Sin)		605	-7.1%
<i>FO \$/ton end Dec</i>		<i>603</i>	<i>0.6%</i>

Source: Alphaliner

Top 30 container Ports Throughput in TEU millions

Rank	Port	2014	2013
1 (1)	Shanghai	35.29	33.62
2 (2)	Singapore	33.87	32.58
3 (3)	Shenzhen	24.04	23.28
4 (4)	Hong Kong	22.23	22.35
5 (6)	Ningbo	19.45	17.35
6 (5)	Busan	18.68	17.69
7 (7)	Qingdao	16.62	15.52
8 (8)	Guangzhou	16.63	15.50
9 (10)	Dubai	15.25	13.64
10 (9)	LA/LB	15.16	14.60
11 (11)	Tianjin	14.05	13.01
12 (12)	Rotterdam	12.30	11.62
13 (13)	Port Kelang	10.95	10.35
14 (14)	Kaohsiung	10.56	9.94
15 (15)	Dalian	10.13	10.02
16 (16)	Hamburg	9.78	9.30
17 (17)	Antwerp	8.98	8.58
18 (18)	Xiamen	8.57	8.01
19 (19)	Tg. Pelepas	8.52	7.63
20 (21)	Laem Chabang	6.58	6.04
21 (25)	HCMC/Cai Mep	6.29	5.39
22 (22)	Bremerhaven	5.80	5.83
23 (24)	NY/NJ	5.77	5.47
24 (26)	Yingkou	5.77	5.30
25 (20)	Jakarta	5.69	6.21
26 (23)	Lianyungang	5.01	5.49
27 (31)	Colombo	4.91	4.31
28 (27)	Tokyo	4.89	4.86
29 (29)	Algeciras	4.55	4.35
30 (32)	Nhava Sheva	4.47	4.12

Source: Alphaliner

Top 20 league (Sept 17th, 2015)

Prev Rnk	Rnk	Operator	TEU	Share	Existing fleet	Orderbook
1	1	APM-Maersk	3,069,083	15.3%		
2	2	Mediterranean Shg Co	2,675,003	13.3%		
3	3	CMA CGM Group	1,825,564	9.1%		
4	4	Evergreen Line	955,568	4.8%		
6	5	Hapag-Lloyd	938,790	4.7%		
5	6	COSCO Container L.	856,437	4.3%		
7	7	CSCL	699,878	3.5%		
12	8	Hamburg Süd Group	639,575	3.2%		
8	9	Hanjin Shipping	628,764	3.1%		
11	10	OOCL	587,984	2.9%		
9	11	MOL	571,692	2.8%		
14	12	Yang Ming Marine Transport Corp.	544,531	2.7%		
10	13	APL	541,149	2.7%		
13	14	NYK Line	507,782	2.5%		
19	15	UASC	470,365	2.3%		
17	16	K Line	394,040	2.0%		
15	17	Hyundai M.M.	380,403	1.9%		
16	18	PIL (Pacific Int. Line)	377,824	1.9%		
18	19	Zim	361,778	1.8%		
21	20	Wan Hai Lines	209,121	1.0%		

Top 20 carriers controls 85,8 % of the total fleet (84,6 % las year).

Source: AXS-Alphaliner

Top 20 container shipping lines

September 17th, 2015

Rnk	Operator	Total		Owned		Chartered			Orderbook		
		TEU	Ships	TEU	Ships	TEU	Ships	% Chart	TEU	Ships	% existing
1	APM-Maersk	3.069.083	608	1.735.686	261	1.333.397	347	43.4%	445.084	35	14.5%
2	Mediterranean Shg Co	2.675.003	506	1.052.055	190	1.622.948	316	60.7%	681.066	52	25.5%
3	CMA CGM Group	1.825.564	471	601.720	87	1.223.844	384	67.0%	303.921	28	16.6%
4	Evergreen Line	955.568	201	547.991	106	407.577	95	42.7%	394.000	41	41.2%
5	Hapag-Lloyd	938.790	174	523.749	71	415.041	103	44.2%	52.500	5	5.6%
6	COSCO Container L.	856.437	163	464.412	85	392.025	78	45.8%	347.386	23	40.6%
7	CSCL	699.878	136	486.802	65	213.076	71	30.4%	108.000	8	15.4%
8	Hamburg Süd Group	639.575	134	292.311	44	347.264	90	54.3%	33.260	6	5.2%
9	Hanjin Shipping	628.764	104	278.102	38	350.662	66	55.8%	36.120	4	5.7%
10	OOCL	587.984	111	357.082	50	230.902	61	39.3%	135.488	7	23.0%
11	MOL	571.692	100	170.446	25	401.246	75	70.2%	140.920	8	24.6%
12	Yang Ming Marine Trans	544.531	102	196.481	42	348.050	60	63.9%	154.480	11	28.4%
13	APL	541.149	86	399.895	51	141.254	35	26.1%			
14	NYK Line	507.782	106	284.516	49	223.266	57	44.0%	140.000	10	27.6%
15	UASC	470.365	56	297.876	32	172.489	24	36.7%	184.431	11	39.2%
16	K Line	394.040	69	80.150	12	313.890	57	79.7%	83.220	6	21.1%
17	Hyundai M.M.	380.403	57	165.080	22	215.323	35	56.6%	60.000	6	15.8%
18	PIL (Pacific Int. Line)	377.824	156	287.015	119	90.809	37	24.0%	97.667	11	25.8%
19	Zim	361.778	81	43.555	10	318.223	71	88.0%			
20	Wan Hai Lines	209.121	89	169.267	72	39.854	17	19.1%			

Source: AXS-Alphaliner

Celular fleet, existing & orderbook



ALPHALINER
The worldwide reference in liner shipping

Cellular Fleet at 1st Jun 2015

- > The cellular fleet counts 5078 ships for 19,03 M teu - of which 49,6 % are chartered from non-operating owners
- > The cellular fleet aggregates 97,8 % of the total capacity deployed on liner trades in teu terms
>> Out of a total of 5,998 ships active on liner trades for 19.47 M teu and 244.4 M tdw
- > The orderbook counts 458 ships for 3,82 M teu representing 20,1 % of the existing fleet) (firm orders only)
- > The orderbook includes 274 ships for 2,36 M teu with charter status representing 61,8 % of the total orderbook

CELLULAR	01 June 2015 - Existing					01 June 2015 - Orderbook					O / E
	All		Of which chartered fm NOO			All		Of which chartered fm NOO			
Size ranges	ships	teu	ships	teu	% Cht	ships	teu	ships	teu	% Cht	
18000-20000	26	482 268	2	38 448	8,0%	62	1 199 330	31	583 720	48,7%	248,7%
13300-17999	93	1 326 060	27	383 772	28,9%	56	816 128	42	603 233	73,9%	61,5%
10000-13299 *	175	2 082 356	78	931 942	44,8%	52	568 240	27	279 190	49,1%	27,3%
7500-9999	423	3 700 856	182	1 573 726	42,5%	82	752 777	71	652 337	86,7%	20,3%
5100-7499	508	3 129 621	251	1 540 872	49,2%	4	27 794	4	27 794	100,0%	0,9%
4000-5099	745	3 380 110	405	1 836 659	54,3%	14	62 658	8	37 958	60,6%	1,9%
3000-3999	263	910 699	151	527 123	57,9%	22	80 043	2	6 842	8,5%	8,8%
2000-2999	641	1 626 395	484	1 229 449	75,6%	73	175 899	34	81 563	46,4%	10,8%
1500-1999	572	976 733	311	533 385	54,6%	55	96 476	38	67 132	69,6%	9,9%
1000-1499	685	795 836	415	486 418	61,1%	32	36 592	14	17 977	49,1%	4,6%
500-999	757	560 427	446	339 393	60,6%	6	4 346	3	2 325	53,5%	0,8%
100-499	190	60 891	39	12 938	21,2%	0	0	0	0		
TOTAL	5 078	19 032 252	2 791	9 434 125	49,6%	458	3 820 283	274	2 360 071	61,8%	20,1%

* Note on neo-panamax - The ships of 13,300 to 14,000 teu with neo-panamax gauge are counted in the 10,000-13,299 teu segment

* Remark : the existing chartered fleet takes into account ships chartered out by non-operating owners to operators, thus it does not take into account 121 ships for 478,240 teu which are normally owned by an owner-operator but are chartered out to another operator, either for operational reasons (operational exchanges within alliances or partnerships) or because they are surplus to their owners requirements.

Celular fleet forecast

 ALPHALINER <small>The worldwide reference in liner shipping</small>												Cellular Fleet Forecast			
<p>This table provides a forecast of the cellular fleet growth</p> <ul style="list-style-type: none"> > The data enclosed in this table is given as guidance only and in good faith without guarantee > This table can be reproduced free of charge provided that the source is mentioned > These figures are derived from the orderbook monitored by Alphaliner, published at www.alphaliner.com 											June 2015				
<p>Cellular fleet projections 2015-2018</p> <p>Based on orderbook as at 01 June 2015 and assuming no ships are deleted after that date (other than those planned)</p>															
<p>SUMMARY</p> <ul style="list-style-type: none"> > The fleet has risen by 6,3% during 2014. > The fleet should rise by 8,8% during 2015, 5,1% during 2016 and 3,5% during 2017. > The average growth for the THREE years from 1/1/2015 to 1/1/2018 stands at 5,8%. 															
Fleet as at :		31 Dec 2014		31 Dec 2015		31 Dec 2016		31 Dec 2017		31 Dec 2018		Rise p.a. (3 years)			
TEU nominal	ships	teu	ships	teu											
18000-21000	15	276 380	36	670 972	48	900 814	73	1 405 078	83	1 591 598		71,9%			
13300-17999 *	81	1 147 483	111	1 602 973	135	1 944 338	140	2 015 338	149	2 142 188		20,7%			
10000-13299	169	2 021 012	181	2 143 846	202	2 361 956	227	2 650 536	227	2 650 536		9,5%			
7500-8999	404	3 527 503	476	4 186 473	503	4 434 751	505	4 453 551	505	4 453 551		8,1%			
6100-7499	501	3 086 765	509	3 137 460	511	3 151 490	511	3 151 490	511	3 151 490		0,7%			
4000-6099	745	3 378 484	749	3 398 562	752	3 411 519	757	3 432 519	760	3 447 519		0,5%			
3000-3999	255	883 731	269	935 613	272	946 331	279	971 531	281	978 731		3,2%			
2000-2999	649	1 550 462	672	1 700 657	704	1 777 891	717	1 811 199	718	1 813 899		3,1%			
1600-1999	575	981 943	590	1 008 029	621	1 062 837	627	1 073 357	627	1 073 357		3,0%			
1000-1499	579	789 299	698	809 919	710	822 928	716	830 488	716	830 488		1,7%			
600-899	766	568 141	762	563 880	764	565 295	764	565 295	764	565 295		-0,2%			
100-499	197	63 076	190	60 835	190	60 835	190	60 835	190	60 835		-1,2%			
TOTAL	6 098	18 374 276	6 243	20 219 218	6 412	21 440 866	6 608	22 421 217	6 631	22 768 487		5,9%			
TOTAL after Exp. Scrap/Slip	6 098	18 374 276	6 174	19 984 834	6 248	21 018 400	6 240	21 748 892	6 185	21 834 802		5,5%			
Rise 12 months	2013 >	8,3%	2014 >	8,8%	2015 >	5,1%	2016 >	3,6%	2017 >	0,4%					

Cellular Fleet Deliveries									
<p>This table provides a forecast of the cellular fleet deliveries</p> <ul style="list-style-type: none"> > The data enclosed in this table is given as guidance only and in good faith without guarantee > This table can be reproduced free of charge provided that the source is mentioned > These figures are derived from the orderbook monitored by Alphaliner, published at www.alphaliner.com 									
<p>Cellular ships deliveries by year : 2015 / 2016 / 2017 / 2018</p> <p>Based on orderbook as at 01 June 2015</p>									
<p>Note - The addition of the capacity by range at 1st Jan 2015 and of the capacity planned for delivery during the year 2015 leads to a figure which is higher than the capacity stated as at 31 Dec 2015. The difference comes from the capacity removed from the fleet (scrappings and losses) since 1st Jan 2015, or committed for scrap at that date. (i.e. 44 ships for 75415 teu).</p>									
		2015 deliveries		2016 deliveries		2017 deliveries		2018 deliveries	
TEU nominal	ships	teu	ships	teu	ships	teu	ships	teu	
18000-21000	21	394 592	12	229 842	25	504 264	10	186 520	
13300-17999 *	30	455 490	24	341 365	5	71 000	9	126 850	
10000-13299	12	122 834	21	218 110	25	288 580			
7500-8999	72	658 970	27	248 278	2	18 800			
6100-7499	8	49 392	2	14 030					
4000-6099	8	37 584	3	12 957	5	21 000	3	15 000	
3000-3999	15	55 233	3	10 718	7	25 200	2	7 200	
2000-2999	31	72 130	32	77 234	13	33 308	1	2 700	
1600-1999	25	43 455	31	54 808	6	10 520			
1000-1499	23	25 525	12	13 009	6	7 560			
600-899	6	3 987	2	1 415					
100-499	1	450							
TOTAL	262	1 919 842	189	1 221 786	84	980 232	25	338 270	
Exp. Slippage	-23	-100 000	23	100 000					
TOTAL after Slippage	229	1 819 842	182	1 321 786	84	980 232			

* Note on neo-panamax - The ships of 13,300 to 14,000 teu with neo-panamax gauge are counted in the 10,000-13,299 teu segment

** Forecast figures take into account delivery deferrals and slippage. *** Rise p.a. (3 years) represents the average per annum growth during the three years 2015-2016-2017.

TOTAL after Exp. Scrap/Slip
 Expected fleet after provision for future scrappings and delivery slippage, based on the following assumptions :
 => Slippage : 23 ships for 100,000 teu planned for delivery in 2015 are assumed to be delayed to the following year.
 => Scrappings and de-celings are estimated to reach 200,000 teu in 2015, 300,000 teu in 2016 and 250,000 teu in 2017-18.

Note - Only actual scrappings or scrapping commitments are accounted for in the breakdown by size ranges

Main carriers deliveries & orderbook

Carrier	Ships	Delivery	Deployment Plans
Maersk	7 x 18,340 teu	2015	Last 7 units of 20 'EEE' class ships have all been delivered in 1H 2015. All the ships are deployed on FE-N. Europe services.
	9 x 14,000 teu	2017	Ordered in July 2015. These neo-overpanamax ships are designed with "a flexible operational profile", which Maersk says can be deployed on either East-West or North-South trades. Likely for FE-North America deployment.
	11 x 19,630 teu	2017-18	Second generation 'EEE' ships slated for FE-N. Europe deployment.
MSC	4 x 15,908 teu	2015	Two units already delivered in 1H 2015, with two more units due in 2H 2015. All slated for FE-N. Europe trade.
	20 x 19,200 teu	2015-17	The 20 ships are ordered at three different yards. First 4 units already delivered with 2 more due in 2015, 11 in 2016 and 3 in 2017. All slated for FE-N. Europe trade.
Evergreen	10 x 14,000 teu	2016	Slated for FE-N. Europe trade, replacing 8,500 teu ships.
	11 x 18,000 teu	2018-19	Slated for FE-N. Europe trade upon delivery in 2018-19.
UASC	10 x 14,993 teu	2015-16	First ship in series delivered in Nov 2014. Remaining 10 units to be delivered in 2015-16. Initially aimed at FE-N. Europe trade, but some could be used for Middle East or FE-North America due to excess supply in Europe.
	6 x 19,870 teu	2015-16	First unit delivered in April 2015. All slated for FE-N. Europe.
CMA CGM	6 x 17,700 teu	2015	Four units already delivered with two more due before the end of 2015. All slated for FE-N. Europe.
	6 x 14,000 teu	2017	These neo-panamax ships are aimed at the FE-North America trade.
	3 x 20,600 teu	2017	Aimed at Asia-Europe route.
Yang Ming	15 x 14,080 teu	2015-16	First of 15 units delivered in April 2015, with all 8 units delivered so far deployed on the Asia-N. Europe trade. Remaining 7 ships to be delivered by October 2016.
COSCON	9 x 20,000 teu	2017-18	First unit to be delivered in mid-2017. Slated for FE-N. Europe trade.
	5 x 14,500 teu	2017-18	Flexible deployment options—likely for FE-N. America trade.
CSCL	3 x 18,980 teu	2015	Last 3 of 5 units delivered in 1H 2015. In FE-N. Europe trade, operating along side UASC units.
	8 x 13,500 teu	2018	Flexible deployment options—likely for FE-N. America trade
K Line	10 x 13,800 teu	2015/18	First five units delivered in 2015. Next 5 units due in 2018. All for FE-N. Europe trade.
NYK	10 x 14,000 teu	2016-18	4 units due in 2016, 3 in 2017 and 3 in 2018. Aimed at FE-N. Europe trade.
OOCL	6 x 21,100 teu	2017	6 units due in 2H 2017, all aimed at FE-N. Europe trade.
MOL	6 x 20,150 teu	2017	6 units due from 1H 2017, also aimed at FE-N. Europe trade.

Source: Alphaliner

Containerships newbuilding prices (September 2015)

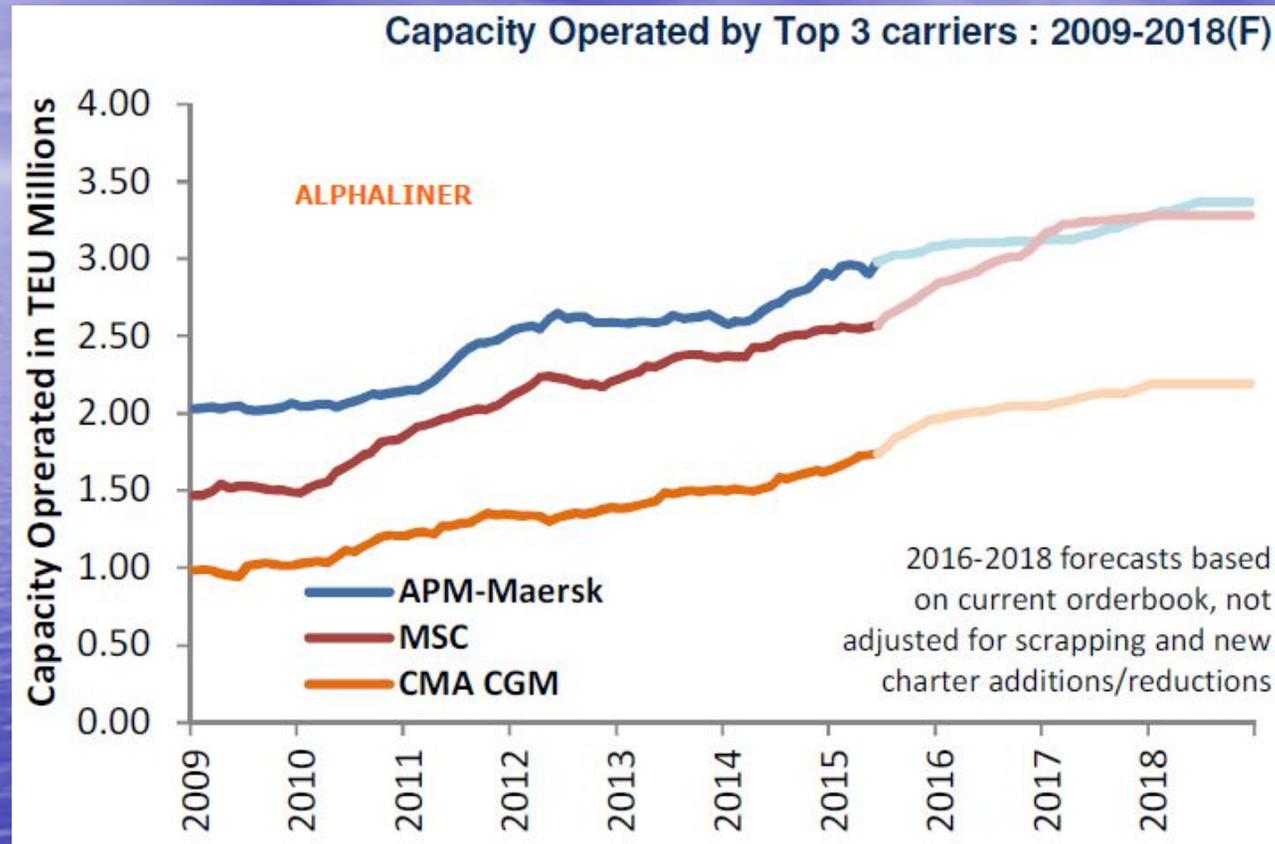
Estimated Newbuilding Prices (USD Million)					
1,800	2,800	4,800	6,600	9,200	14,000
26-28*	35-37*	51-53*	64-66*	87-89*	115-120*
25-27**	32-34**	48-50**	57-59**	83-85**	110-115**
Price Development Since Last Week					
→*	→*	→*	→*	→*	→*
→**	→**	→**	→**	→**	n.a.

Source: Maersk Broker

*based on Korean built vessel for 2017 delivery

**based on Chinese built vessel for 2017 delivery

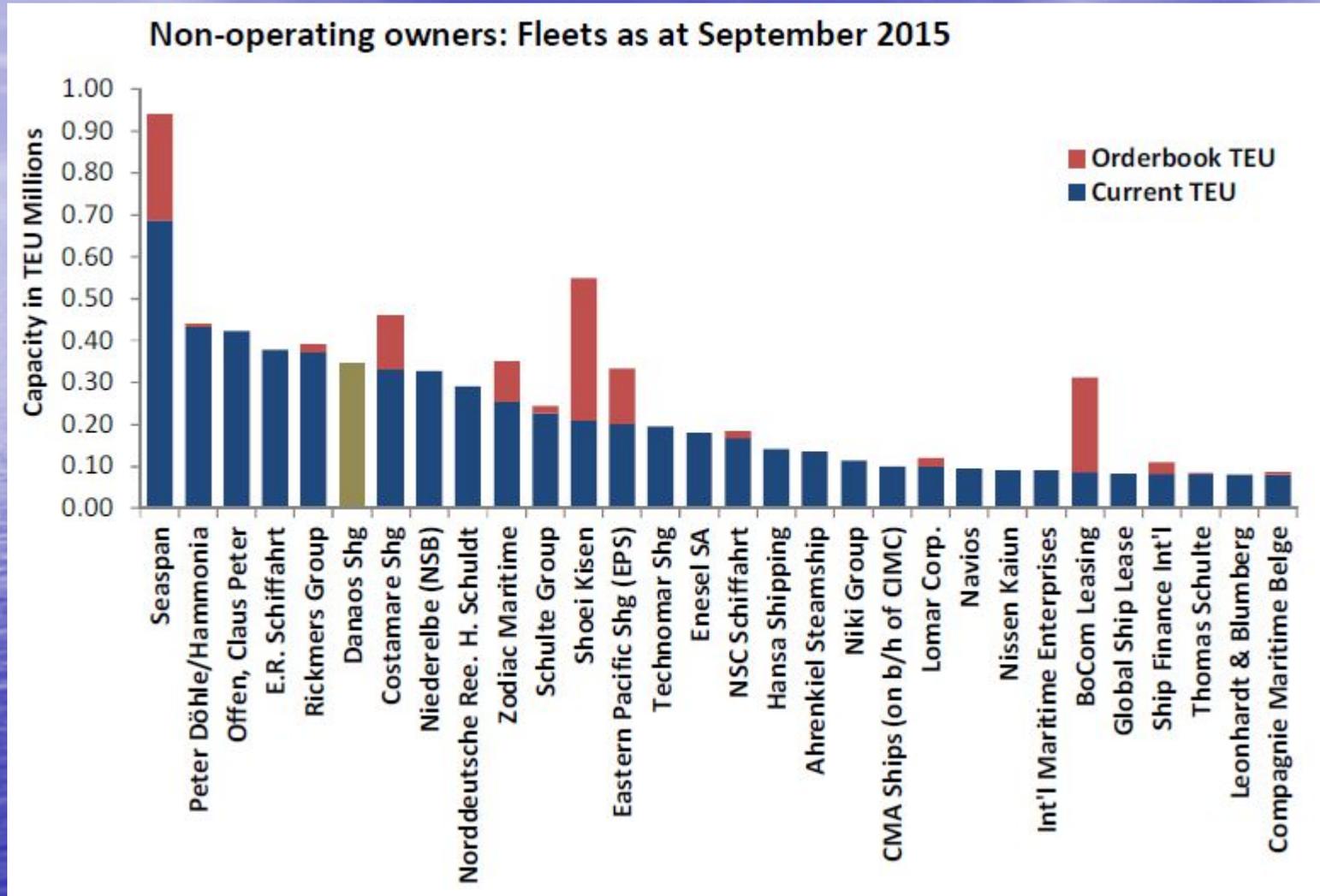
Maersk & MSC + CMA-CGM race



- Maersk and MSC will reach 3.3 Mteu by 2018
- CMA CGM is expected to reach 2.2 Mteu

Source: Alphaliner

Non operating Owners



Source: Alphaliner

What are the NOx

- Nitrogen Oxides (NOx) are an unwanted by-product of the combustion process within the cylinders of diesel engines. In an ideal combustion process, the nitrogen contained in the air is not supposed to be involved in the reaction between the fuel oil and the oxygen, that should, in a perfect world, release only CO₂ and water. However, the process is not perfect and some nitrogen molecules combine at high temperatures with oxygen molecules to form nitrogen oxides. On its side, the fuel oil is charged with sulphur, which combines in with oxygen to form sulphur oxides (SOx). Sulphur oxides are dealt with separately, with a different set of emission rules and specific solutions. Apart from their noxious properties, both NOx and SOx also combine with water at the exhaust of funnels to form nitric acid and sulphuric acid, that feed acid rains. For time being, there is no viable technical equipment that would kill two birds with one stone, i.e. reducing both the Sox and NOx gas contents in a single process. While SOx emissions can be reduced either by using low sulphur fuels (such as MDO or Natural Gas), or SOx scrubbers, NOx emissions of the level required by Tier III need a combination of engine tuning and of treatment in a selective catalytic reduction reactor (SCR).
- A drastic reduction. The NOx emissions of low speed diesel engines with a rotation speed lower than 130 rpm installed on new ships (for which the keel will be laid from January 2016) will have to be reduced to 3.4 g/kWh to respect Tier III requirements. This is a drastic fall from the 14.4 g/kWh so far applied on new ships for which the keel was laid since January 2011.
- A reduction of this magnitude can be only obtained by a specific treatment of the exhaust gases by costly equipment, and not only by engine tuning as is currently the case.