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Global Macroeconomic Impact on Maritime Transport During COVID-19 and the Road to Economic Recovery

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Introduction

Current:



Past:



Introduction

Ocean Shipping Consultants (OSC) is the maritime economic consultancy group of Royal HaskoningDHV, and a leading brand in the maritime sector with more than 35-years of experience

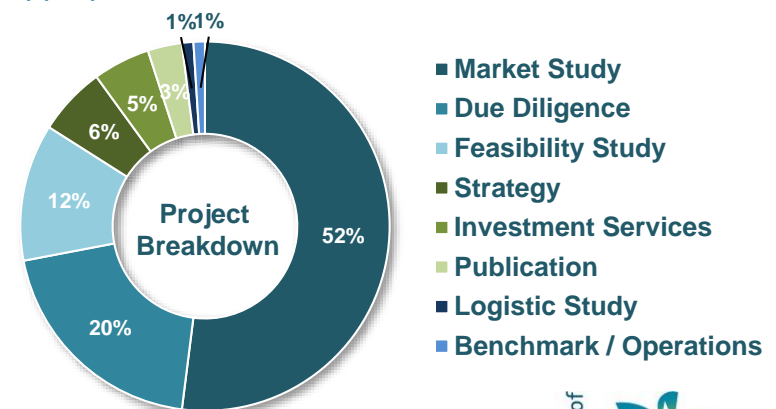
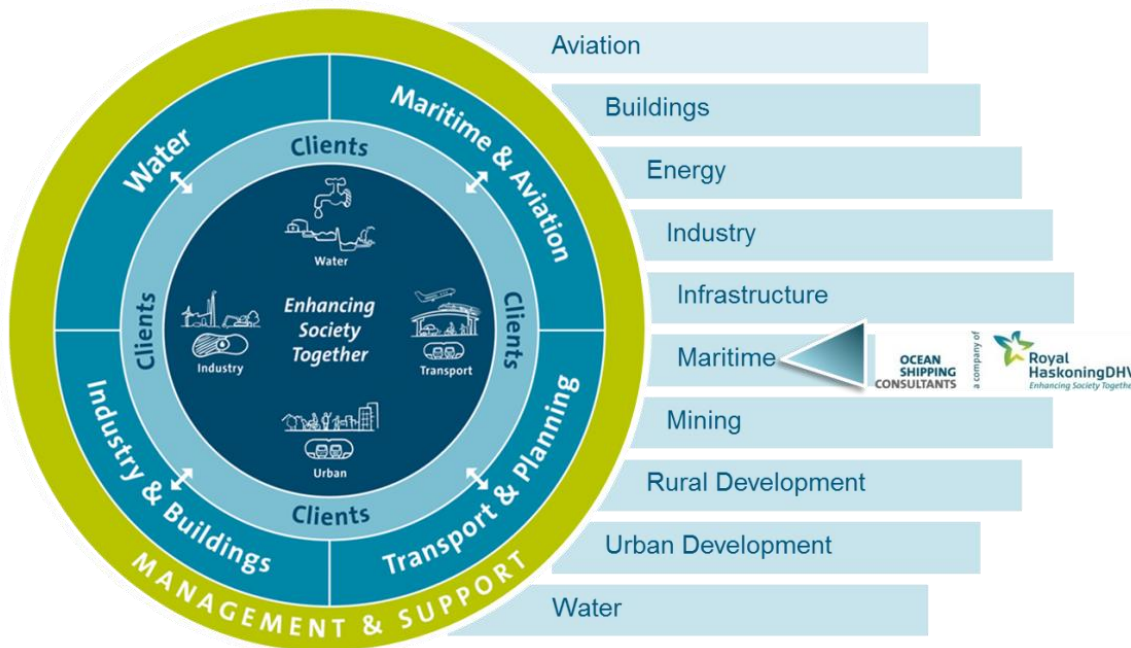
Key profile	Recognition	Resources
<ul style="list-style-type: none"> Originally founded in 1881 138 years of experience Turnover €598m (2018) 	<p>Ranked 2nd in Global Sourcebook – Marine & Ports by ENR (2019)</p>	<ul style="list-style-type: none"> 5,800 employees 100 offices in 35 countries 650 dedicated ports and maritime professionals

OCEAN SHIPPING CONSULTANTS

With over 350 projects in more than 65 countries successfully completed over the last 5 years, OSC provides global bespoke consultancy services from offices in London, the Netherlands and

Singapore to more than 200 different clients, including port authorities, terminal operating companies, governments, shipping lines, logistics operators and the wider financial community.

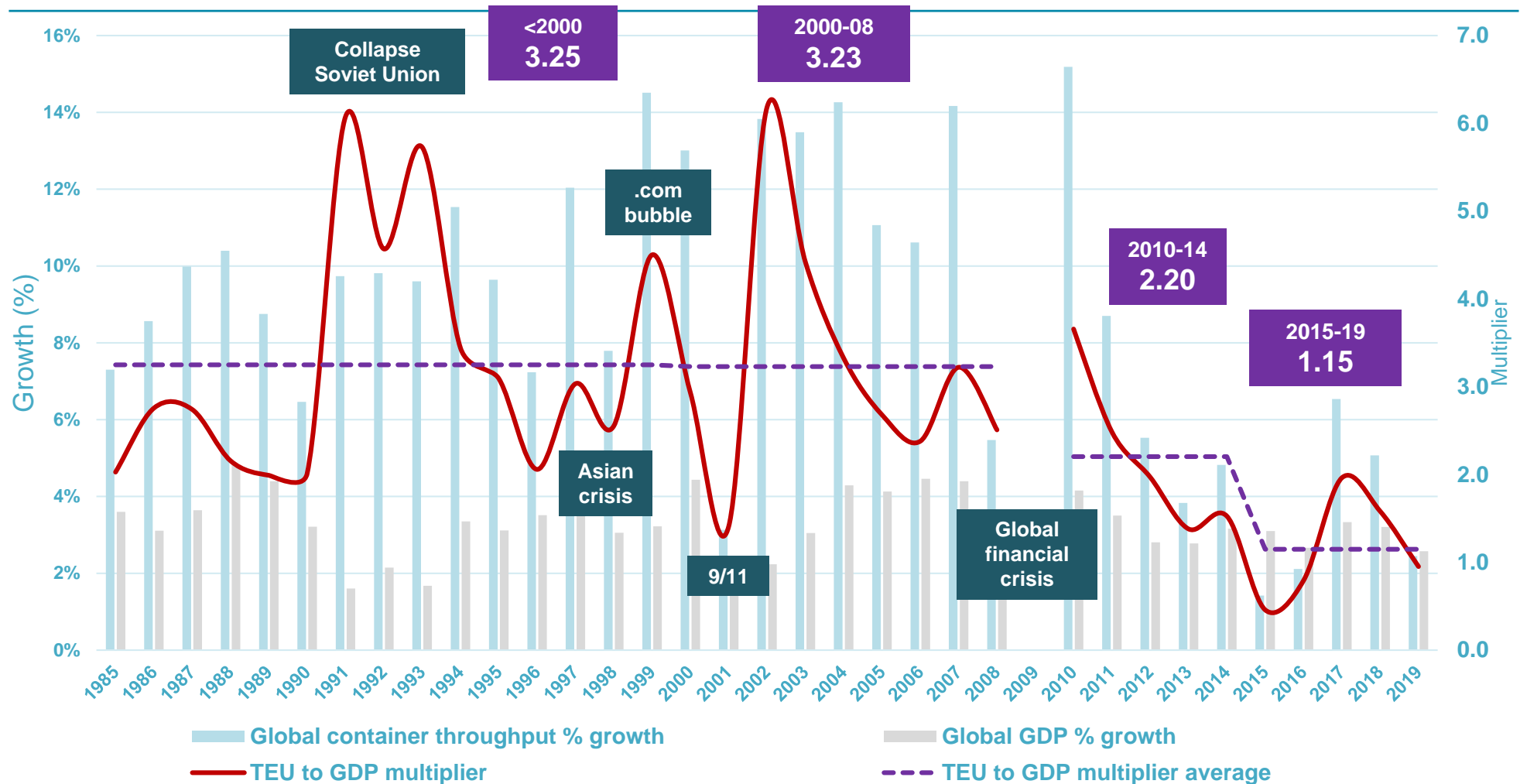
These range of services are undertaken for all cargo types and sectors ensuring that clients are able to make appropriate, well informed decisions at all times.





Global Macroeconomic Impact on Maritime Transport During COVID-19

The declines in the container volume growth is putting pressure on Shipping Lines and Terminal Operators and means lower TEU demand than in previous years.



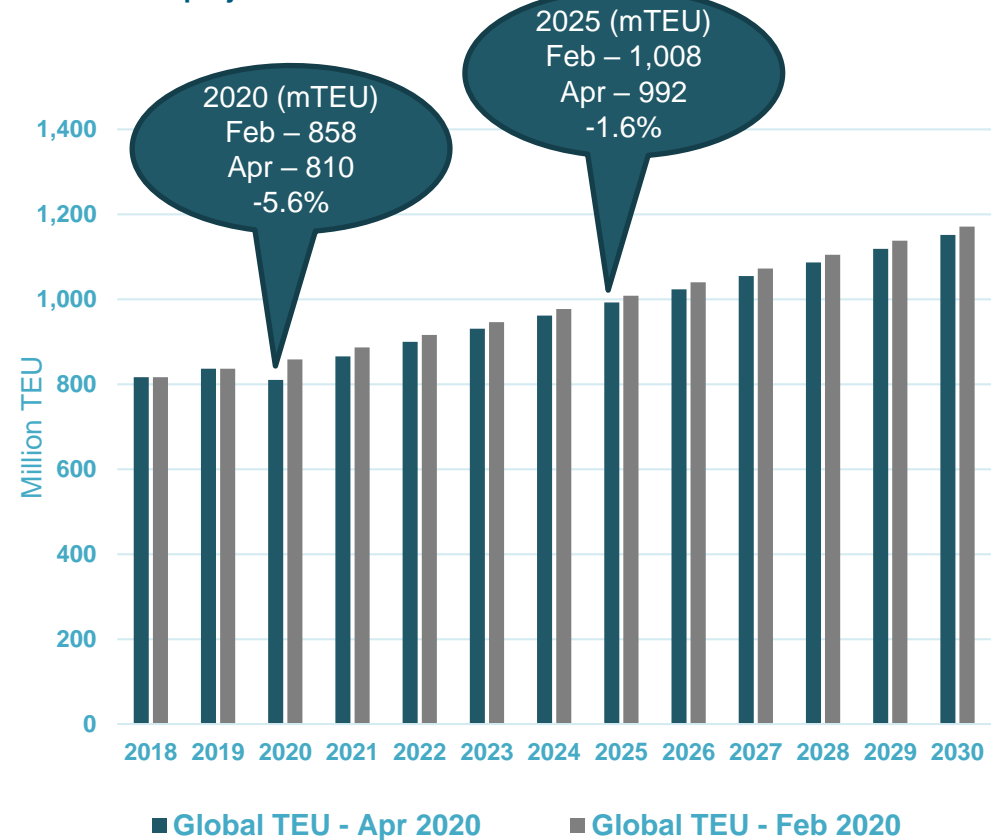
Source: OSC / Clarkson

The declines in the container volume growth is putting pressure on Shipping Lines and Terminal Operators and means lower TEU demand than in previous years.

GDP growth projections (%) – Oxford Economics



Global TEU projections



The declining TEU/GDP multiplier is driven by underlying changes in the market.

Less offshoring, more reshoring:

- Offshoring to lower-cost countries is a onetime effect
- Increased reshoring (e.g. US)
- Chinese economy shifts toward domestic consumption / regional sourcing

Plateauing in the levels of containerization:

- Most commodities suitable for containerized transportation have already been migrated to containers
- Increasing trend toward miniaturization of manufactured goods


Improvement of port facilities to accommodate larger ships:

- Cascading of vessels means larger ships deployed on secondary routes
- More ports can be part of direct main line services
- → reduction in the need for transshipment

Possible long-term impact of Covid-19 on the maritime and logistics sector

- Countries becoming more individualistic
- Further reshoring – supply and demand will adapt to more domestic production
- Threat to globalisation
- Cruise sector in real danger to suffer significant long-term damage
- Innovation: acceleration of development of new technologies
- More focus on impact of climate change and ways to mitigate

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IF DONALD TRUMP HAD
CAPTAINED THE TITANIC

- There is no iceberg.
- We won't hit an iceberg.
- I knew it was an iceberg before anyone else knew.
- No one knows icebergs better than I do.
- The penguins brought the iceberg here.
- No one could have predicted the iceberg.
- We cannot allow an iceberg to stop our ship.
- The crew is spreading fake news about icebergs.
- Some of you have to drown.
- I am the best captain, ask anyone.

*Thank
You!*