IUMI 2013 Shipping Statistics – Analysis

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World Fleet

The world fleet continued to grow in 2012 however at a reduced rate compared to preceding years. The number of ships has increased slightly also in 2013 despite a drop in new building deliveries. Scrapping was relatively modest compared to deliveries in 2012, albeit at an all -time high level, to be at the same level in 2013 even though scrapping prices remain relatively high in a 15 years perspective. New building deliveries continue to outnumber scrapping however the curves are moving closer rapidly. In other words, a modest growth can be expected going forward. The average age of the world fleet remains at 19 years however a drastic drop can be noted for bulk carriers, down from 15 years in 2009 to 10 in 2013.

Construction Order Book

The total value of the current new building order-book stands at USD 280 billion as at 1 August 2013. South Korea and China combined account for 65% of the contracting value with South Korea alone exceeding USD 100 billion.

Vessel Values / Earnings

Average earnings for tankers saw no signs of recovery in 2012, in common with bulkers. Freight levels remained at the levels of January 2009 when the sharp drop in 2008 had bottomed out. 2013 has so far not produced any evidence of recovery in either segment. Asset values for both tanker and bulkers - new buildings and second hand ships included - continued to drop evidencing no short term faith in a rising freight market.

Total Losses

The frequency of total losses increased marginally in 2012 compared to preceding years, now standing at 0.18% of the world fleet in terms of numbers. The tonnage lost has however not increased remaining at the same level for the last five years. Whether the trend of reduced total losses over the years has been reversed remains to be seen. Weather continues to be the major cause of the total losses representing 50% of the vessels lost between 2008 and 2012. Grounding is the second most frequent cause accounting for 25% of the cases.

Major Serious Losses

The number of major incidents including total losses continues to fall in 2012 even though the total losses alone have increased slightly in 2012. The major single cause of serious losses remains from incidents occurring to the machinery and in the engine room. This category represents 35% of the cases. Navigation however – groundings and collisions/contacts combined – stands for almost 50% of the claims in terms of numbers.