Overview

2009 was a difficult year for the global tanker industry. While strong freight markets during 2008 led ship owners to place record newbuild orders, the global credit crisis and the economic downturn saw shipping markets fall off the proverbial cliff. In 2009, reduced international trade and scarcity of bank debt have compounded the situation as tanker owners are faced with weak demand, sharply lower cash flows and restricted access to much needed capital.

The severity of the financial crisis dramatically impacted both the supply and demand of crude oil and petroleum based products. Going into 2010 and beyond, tanker owners are searching for clues as to when and where ton-mile demand will recover. The much anticipated retirement of the single-hull tanker fleet continues to dominate the tanker supply side analysis. Today however, the tanker sector faces record orders for the delivery of vessels over the next several years. The investment required to fund these deliveries is well in excess of previous requirements but with subdued investor risk appetite the ship finance markets remain highly volatile and uncertain.

Understanding what the future may bring is now more critical than ever, however, market forecasting is by definition inaccurate and imprecise. In the current environment the challenges are magnified. Amidst this uncertainty, firms must develop a sound strategy for their future business activities and for projecting their performance.

Each year McQuilling Services publish the McQuilling Tanker Market Outlook which examines 11 tanker trades for eight tanker sectors over the next five year period. McQuilling have arranged for a complimentary online seminar to present the results of this work. We will take listeners through oil supply and demand, tanker tonnage supply and demand, asset markets and an overall tanker market outlook. A discussion on the global economic context for the outlook, methodology and quantitative results will be included. A question and answer session will follow the main presentation.

The Discussion Will Cover Oil Tanker Fundamentals:

- Supply & demand of crude and petroleum based products (both refined and unrefined)
- Supply & demand of tankers, including newbuild orderbook, exits & short term supply factors
- Overview of equipment prices and tanker sale and purchase market
- FFA derivative market overview and outlook
- Oil tanker market outlook

Participants

- Ship Owners
- Ship Yards
- Trading Houses
- Investment Banks
- Investors
- Media
- Marine Equipment Suppliers
- Hedge Funds
- Private Equity Firms
- Equipment Lease Funds
- Consulting Firms
- Sovereign Wealth Funds

Featured Panelists

- John M. Schmidt
  President – McQuilling Partners
- David J. Saginaw
  Commercial Director – McQuilling Services
- James Ronan
  GFI McQuilling – Head of Freight Derivatives

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Wednesday, January 27, 2010 11:00 AM EST


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