

## **Asean Ports and Shipping 2023**

Perspectives on New Economic Initiatives, Trends and Developments in the Intermodal and Ports Industry in the ASEAN Region

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## **Drewry: Maritime Research and Consulting Services**



# **Drewry** is the leading international provider of research and consulting services to the maritime and shipping industry

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Founded in **1970**: More than **50** years continuously charting and assessing the world's maritime markets

**RESEARCH TYPES** 

Annual sector reviews and forecasts

• Spotlight analysis/Special situations

Monthly market insights

• Impact analysis

• Quarterly market forecasts

#### SECTORS COVERED

- Dry Bulk Shipping
- Containers
- Ports and terminals
- Tanker Shipping (Product/Crude)
- Chemical Shipping
- LNG / LPG
- general cargo Shipping
- Ship Operations
- Reefer













#### AREAS OF EXPERTISE

- Market analysis
- Strategy and Planning
- Market entry strategy
- Commercial due diligence
- Technical due diligence
- Transactional and bid support
- IPO support
- Financial advisory





**Global Economic Megatrends** 



### **Megatrends impacting World Economic Growth Outlook**

Higher inflation, higher interest costs and lower economic growth

Aging population and lower population growth

Lower energy and steel intensity

Geopolitical issues/ Trade protectionism

Digital revolution (AI, Robotics, web-enabled services, 3D printing, etc)

Employment & Local Political pressures

**Decarbonization / Energy Transition** 

Environmental regulation and consumer action

Lower growth demand coking and thermal coal

Lower growth in demand for material goods and steel/iron ore

Growth in demand for minor bulk cargoes led by copper, nickel, zinc, lithium etc

Lower growth in demand for crude, and refined products

Al & Digital revolution results in a greater income divide and potentially lower growth in employment

Inflation and interest costs results lower disposable incomes

Cost inflation reduces affordability of material goods

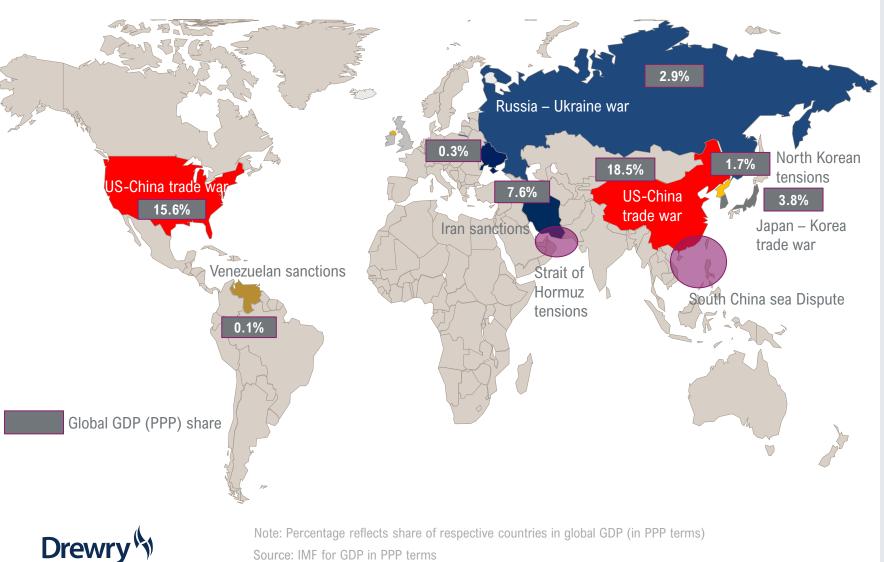
Increased Environmental compliance costs results in increased cost of transportation

Geopolitics & local politics => reversal of Globalization – reshoring & nearshoring New normal of lower growth and changes in global trade/ shipping

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#### Geopolitical developments directly affecting ~ 50% of global GDP



#### Key takeaway

- Geopolitical risk is no longer a tail risk.
  - It is directly affecting over 50% of global GDP.
  - Changes in trade flow
  - Realignment in the supply chain (China+1/2 strategy)

PPP: Purchasing Power Parity

#### Impact of US-China trade war and Russia-Ukraine war

#### **US-China trade war**

| US-China Trade War and its impact                                     |  |   |
|---|--|---|
| Diversified Supply<br>Chain<br>• Increase in<br>investment in SEA, SA | Increase in<br>investment closer to<br>the consumption<br>centres and<br>Friendshoring<br>• Increasing investment<br>in Mexico, E Europe | <ul> <li>De-dollarisation but<br/>will continue to play<br/>an important role</li> <li>Fall in dollar reserve</li> <li>Increasing transaction<br/>in other currencies</li> <li>Increasing bilateral<br/>currency deals</li> </ul> |

#### Russia-Ukraine war

Ban on imports of coal, iron and steel, cement and asphalt from Russia

Price cap related to the maritime transport of Russian oil

Ban on new investment in Russian energy and mining sector

Closure of EU ports to Russian-flagged vessels

Restrictions on Russia's access to the EU's capital and financial market

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### Impact of geopolitical landscape on shipping: hard to quantify

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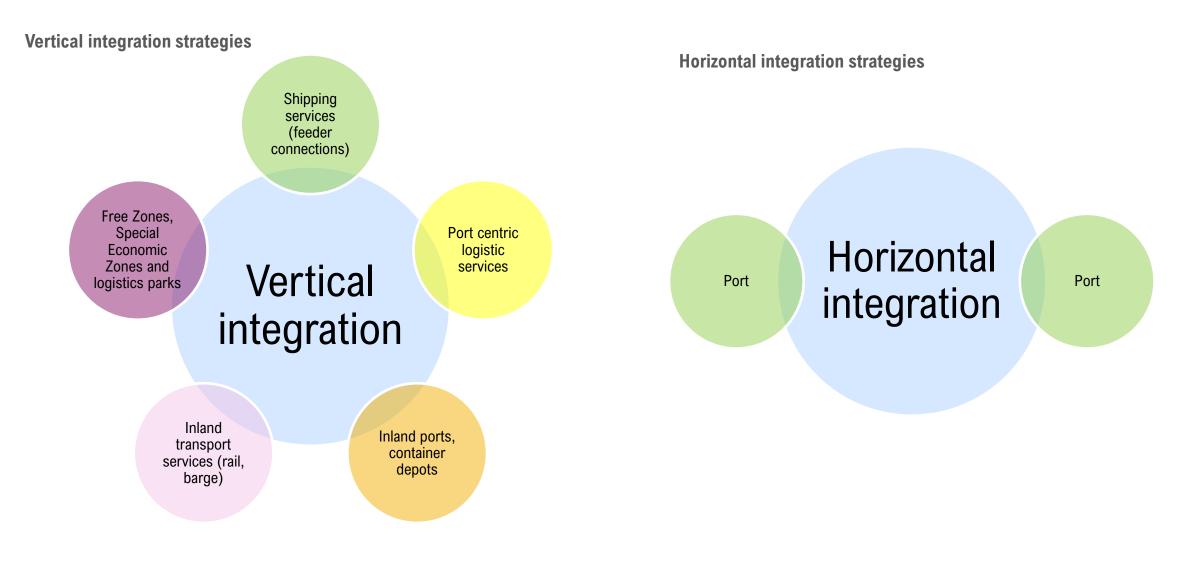
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Trends and Developments in the Intermodal and Ports Industry

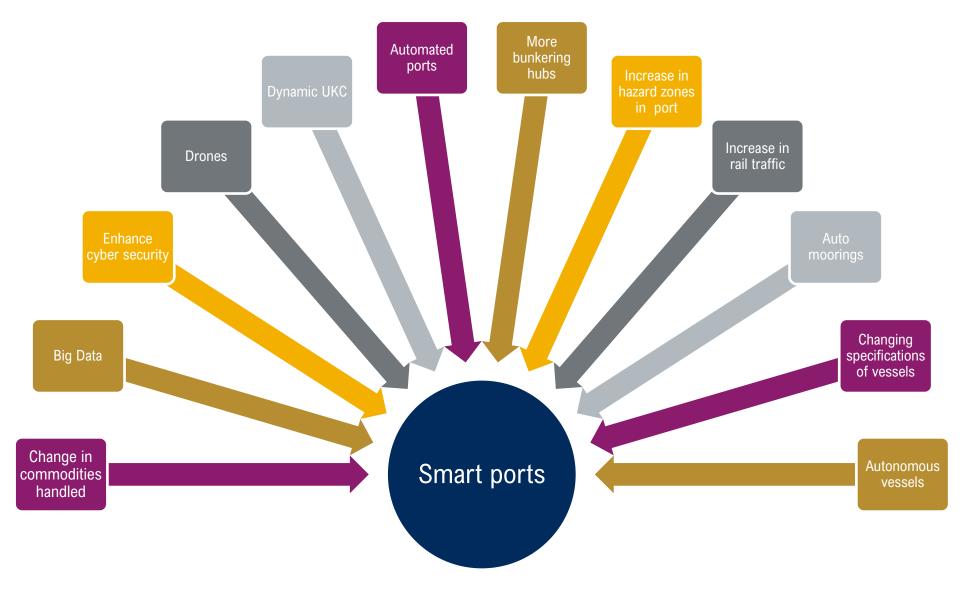


## Vertical and horizontal integration strategies



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### **Emerging trends for ports**





## Thank you!!

## Principal source of material used for the presentation

**Drewry Research Reports** 

- Dry Bulk Forecaster
- Crude Tanker Forecaster
- Product Tanker Forecaster
- Chemical Tanker Forecaster
- LPG Forecaster
- LNG Forecaster
- Container Forecaster
- Ports and Terminal Insight
- Container Freight Rate Insight
- Drewry AIS database



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