INSTITUTE OF CHARTERED SHIPBROKERS

APRIL 2011 EXAMINATIONS
WEDNESDAY 13 APRIL – MORNING

ECONOMICS OF SEA TRANSPORT
& INTERNATIONAL TRADE

Time allowed – Three hours
Answer any FIVE questions – All questions carry equal marks

1. Consider and discuss the implications for world economic recovery and shipping, if the price of crude oil continues upward to ever increasing levels.

2. “World-wide the private sector is recognised as an efficient provider of service. So, is the private sector not the most appropriate to operate ports?” Choosing a port/s known to you evaluate this statement.

3. Using diagrams, show how maritime economists assess the condition of the shipping market by reference to the responsiveness of shipping tonnage to freight rate movements.

4. “It is not only the financial crisis that affects world trade but also currencies and exchange rates, with far reaching impacts on financial results of shipping companies around the world.” Discuss.

5. What, in your opinion, are the main arguments in defence of antitrust exemptions for liners outside the EU?

6. Identify the demand factors that influence a Lay-Up decision and comment on the costs incurred when a vessel is laid up.

7. Discuss the structure of the world dry bulk trade and include comments on thermal coal, iron ore, grain and bauxite.

8. Using appropriate examples, explain the concept of ‘opportunity cost’ as it applies to the shipping industry.