1 During 2004 oil prices rose to levels not seen for many years. Discuss some of the various ways that a sustained rise in the global oil price can impact on shipping markets. Your answer should draw out the possible short- and long-term impact as well as discussing the differing effects on the dry bulk, tanker and container trades.

2 In the 1920s and 1930s people believed that by raising trade barriers they were protecting their economies. The result was a slowdown in trade and global economic recession. The GATT was established in 1948 to prevent this happening again. Today the WTO (the new name for the GATT since 1995) continues to fulfil this role. In your view what is the contribution of the WTO today and how can new members like China continue the progress that has been made?

3 Describe the pattern of world dry bulk trade and include comments about coal, grain and iron ore. How does this global demand impact upon commodity supply or demand in your own region?

4 Freight rates in 2003 and 2004 have been high by historical measures. What is the effect of these high freight rates on commodity suppliers? Use graphs to explain.

5 The weakening of the US dollar in 2004 had certain implications for the shipping markets. Discuss these implications and comment on the effect of exchange rate fluctuations on shipping in general and on shipbrokers in particular. How can shipbrokers mitigate the effects of exchange rate volatility?

6 “Many ports and terminals built in the past 20 years have been constructed on sites dedicated to particular trades.” Discuss this statement and comment upon the implications.
7 The tanker market has once again seen extreme volatility in freight rate movements over the past 12 months. Explain the reasons for this volatility in general terms (nb. there is no requirement to comment on any actual events) and comment whether, in your view, this is now an accepted feature of the tanker market.

8 What is meant by “price discrimination” in liner trades? Is price discrimination fair or unfair to cargo shippers.