

Shipping Man

New novel 'The Shipping Man' by Matthew McLeery will be hard to put down for anybody who's been in the shipping business. Whether one of the characters reminds you of someone you've done business with, seen at a conference, or just read about, you will want to keep reading. The plot hinges on a series of improbable encounters and events; but, on reflection, how different is that from real-life shipping?

Part shipping finance textbook, the fast-paced novel poses the central question – how does shipping attract that scarce resource of capital, from hardened banking insiders or from outsiders unfamiliar with life in the lower decks? Central character is a New York hedge fund manager who accidentally types BDI (as in Baltic Dry Index) into his terminal. Instead of the stock quote he was seeking, he gets an obsession.

Purists will note some un-fixed details, particularly as the characters are parsing charter parties and MOA's. But, so what? Certainly industry outsiders will not care about the finer points of documents.

The book is entertaining throughout with the action set in pirate-infested seas and inspector-happy ports, as well as against the backdrop of traditional maritime cities like Hamburg, Oslo and Athens. One deal-maker who slithers through the book seems to be a consummate insider who knows where all the bodies are buried. Sound familiar?

ASRY celebrates 35th birthday

Eminent guests gathered in Bahrain to celebrate the Arab Ship Repair Yard's (ASRY) 35th anniversary and the commissioning of a new 1.38km repair quay in mid-December.

Chairman of the Board Shaikh Daij bin Salman Al Khalifa – pictured here presenting a gold and silver model of the first pump used to extract oil in Bahrain to HRH Prince Salman bin Hamad Al Khalifa, Deputy of His Majesty the King and Crown Prince – was in upbeat mood. He told guests that the decision taken two and a half years ago to invest \$188m in new facilities (see also Bahrain report) would ensure that the yard is well placed when the inevitable upturn in the ship repair sector arrives.

ASRY has high hopes for its diversification into offshore projects and in particular for its new initiative to build power barges, developed in a joint venture with the UK's Centrax. Sheik Daij told Seatrade that discussions were underway with a number of partners for orders that could be worth 'billions.' The yard is so



Shaikh Daij (right) and HRH Prince Salman bin Hamad Al Khalifa

confident that it is building the first two units 'on spec,' and it is understood that these may be contracted for up river locations in Nigeria.

The high value units, believed to cost \$130-140m each, are a result of two and a half years' work between the partners. They are designed for port, river and sheltered coastal locations and can be used as permanent generating stations, supplementary power

sources, or in emergencies eg following natural disasters. Two Rolls Royce Trent 60 gas turbine powered generating sets, manufactured by Centrax, will be installed on board ASRY built barges, worth \$40-50m each, to produce a total of 125MW. Individual barges can be linked together in multiples, supplied by tanker or LNG storage barges, and can either stand alone or be linked to a local electricity grid. ●

8th China World Shipping Summit

The 8th World Shipping (China) Summit 2011 held last November presented delegates with an encouraging theme amid a gloomy outlook for the shipping market.

The slogan 'balance and breakthrough' is indeed the medicine for the shipping industry. Balance is needed on the supply-demand equation as the industry struggles with severe overcapacity and muted demand; breakthrough in freight rates is a long-awaited adjustment as operators are getting less revenue to

sustain their operations.

Hundreds of industry players gathered at the sunny island of Hainan, China for the conference and lamented that the industry is undergoing a 'long winter' and wondered when will 'spring' arrive.

China's minister for transport Li Shenglin said the global shipping market could be facing its worst moment in history.

Wei Jiafu (pictured), chairman of China's Cosco Group, which organised the conference, urged the industry to be cooperative



Wei Jiafu

and stop the building of new ships to prevent aggravating the overtonnaging problem. Shipping companies with the ability to build and own vessels should look to charter existing vessels instead, he says.