



INSTITUTE OF
CHARTERED
SHIPBROKERS

NOVEMBER 2022 EXAMINATION SESSION
THURSDAY 17TH NOVEMBER 2022 – MORNING

ECONOMICS OF SEA TRANSPORT AND INTERNATIONAL TRADE

Time allowed – three hours

Answer any FIVE questions – all questions carry equal marks

Please read the questions carefully before answering

1. Consider and discuss the impact of high crude oil and energy prices on world economic recovery and shipping.
2. Within the dry bulk market, describe **ALL** of the following:
 - a) The uses of grain;
 - b) The main import and export nations for this cargo;
 - c) The impact of current geopolitical issues, on global grain production, trade and food prices.
3. Explain the concept of "the production possibility frontier", as it relates to international trade and shipping. Use suitable graphs to support your answer.
4. Using a diagram to support your answer, explain how the "break even model" is used to determine the minimum freight rate.
5. Within the tanker market, describe **ALL** of the following:
 - a) LNG Market;
 - b) the main importing and exporting countries of LNG;
 - c) **THREE** factors that impact the LNG market, in the short and long term.
6. Identify and comment on the factors that influence an owner's/operator's choice of flag.

PLEASE TURN OVER

7. Discuss the continued impact of the Russia – Ukraine conflict on world economic recovery, growth and development.
8. Define **ALL** of the following topics:
 - a) Derived demand elasticity;
 - b) Long run cost;
 - c) Supply elasticity;
 - d) Opportunity cost.