



POSTPONED MAY 2020 EXAMINATION SESSION

WEDNESDAY 8TH JULY 2020 - 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. Explain how global macro-economic and geo-political events impact container trade routes.
2. In the tanker market, describe **ALL** the following:
 - a) The major cargoes
 - b) The main importers and exporters for these cargoes
 - c) The growth, evolution and impact of oil and gas pipelines
 - d) Three factors that impact the market.
3. Identify and explain the five economic characteristics of the dry cargo bulk freight market.
4. Using a diagram to support your answer, explain how the 'break even model' is used to calculate the minimum freight rate.
5. Discuss the impact of piracy on world trade and shipping and the response of the international maritime community to this.
6. Explain the concept of 'the production possibility frontier' as it relates to international trade and shipping. Use suitable graphs to support your answer.
7. Using a major port of your choice, discuss the factors that have impacted its evolution and development in recent years.
8. Consider and discuss the impact that a sustained rise in crude oil prices is likely to have on world economic recovery and shipping.