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ASIAN SHIPPER

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Flemming Jacobs to run GSL - new CMA CGM-invested box ship venture

FORMER AP Moller partner and one-time-NOL boss Flemming Jacobs is expected to become chairman of Global Ship Lease (GSL) while ex-CP Ships CFO Ian Webber becomes its CEO when the company gets under way after listing later this

month on the New York Stock Exchange.

GSL is the result of CMA CGM selling part of its fleet. The new company, registered in the Marshall Islands is based in London, according to a filing with the US Securities and Exchange Commission. It is expected to raise US\$350 million and have a total of US\$1 billion behind when it commences operations.

The new company will own 12 ships, totalling 36,322-TEU, according to a Lloyds List report with another four older vessels and one newbuild added later. Ships will vary in size from 2,207-10,960 TEU, the report said.

All of these are to be leased to CMA CGM, for initial terms of between five and 17 years, but the goal is to broaden the portfolio to cover ships chartered to a number of different lines.

GSL's chief financial officer will be Susan Cook and Thomas Lister is to be chief commercial officer. Ib Fruergaard will be on the board. All senior officers have long experience in shipping.

CMA CGM, the world's third largest liner company will hold 30 per cent of the outstanding common shares in GSL after selling a portion of its fleet to the new venture. The cost of the initial fleet is \$573 million, to be financed by a 3.3 million share sale to CMA CGM, plus \$335 million from borrowings.



Foreign trade of Fujian up 18pc in first three quarters

STATISTICS of Fuzhou customs show total import and export value of Fujian province increased 17.9 per cent to US\$53.5 billion in the first three quarters of this year, Logistics Week reported.

Exports grew 21.5 per cent to \$35.91 billion, while imports rose 11.3 per cent to \$17.68 billion, the report said.

Import and export value of foreign invested companies in Fujian increased 13.6 per cent to \$32.9 billion, which was followed by private companies' at \$12.3 billion trailed by state-own enterprises at \$8.2 billion.

The five largest export markets of Fujian in terms of export value were the US, EU, Japan, ASEAN and Hong Kong, while the top five import markets were Taiwan, ASEAN, Japan, US and South Korea, the report said.



Port of Qinzhou's throughput rises 50pc cent by October

DURING the first three quarters, the port of Qinzhou in south China's Guangxi Autonomous Region handled eight million tons, a surge of 50 per cent over the corresponding period a year ago, Xinhua reported.

The increase is said to be a result of the port operator's efforts in enhancing and promoting its service, which has helped it win many new cargo sources. Meanwhile, commencement of operations of two new 70,000-ton berths as well as the city's higher demand for material import and product export, has also spurred the port's throughput.

Qinzhou's throughput is estimated to surpass 11 million tons by the end of this year.



Shuozhou-Huanghua railway to expand capacity

THE railway connecting inland China's major coal production base of Shanxi province's city of Shuozhou to northeast China's port of Huanghua is to undergo capacity expansion, Xinhua reported.

The project will cost CNY12.5 billion (US\$1.7 billion) and is divided into two phases each of which is scheduled to last two years.

The first phase project will raise the railway's capacity to 230 million tons, allowing 10,000-ton trains to travel on it, bringing its annual cargo transport volume up to 225.7 million tons.

After the second phase is finished, the capacity will rise higher to 360 million tons. The 600-kilometre-long Shuozhou-Huanghua railway mostly moves coal and is connected to another line that links up to Tianjin.



TNT reports strong profit growth of 11pc to US\$275.8 million

TNT EXPRESS has reported strong volume and revenue growth in the third quarter that pushed up group earnings before depreciation and amortisation (EBITDA) by 11.1 per cent to EUR190 million (US\$275.8 million). Express operating income increased from EUR128 million to EUR134 million.

"The development of our results is satisfactory, certainly compared to the very strong Q3 of last year. Both express and mail revenues showed good organic growth and we continued to invest in emerging businesses," said TNT chief executive Peter Bakker.

"In the Netherlands, we are continuing discussions with trade unions on the new master plan. The Mobility Agreement, which will be part of the overall collective labour agreement, has now been agreed between the unions and ourselves," he said.

Group revenues increased 10.5 per cent in the third quarter to EUR2.6 billion. Operating income of EUR258 million was in line with the third quarter of 2006, despite incremental start-up investments of EUR12 million in high growth areas, said a company statement.



Singapore's Terminal 3 holds open house November 12-December 9

THE CIVIL Aviation Authority of Singapore (CAAS) has invited the public to tour Changi Airport's new Terminal 3 (T3) before next year's commencement of commercial operations.

Visitors will be able to visit Terminal 3 during an open house from November 12 to December 9 from 10am to 5pm weekdays and 9am to 6pm Saturdays and Sundays.

"Through the open house, we hope to provide an opportunity for a first-hand view of the terminal before it opens," said CAAS chief executive Lim Kim Choon.

"The last time Singapore celebrated the opening of a new airport terminal was more than 15 years ago when Terminal 2 started operations in 1990," he said in a CAAS statement.

Visiting the public areas of T3 will be free of charge. Those interested in visiting the transit (restricted) areas may purchase an admission ticket at T3's departure check-in hall. The tickets will cost S\$1 (US\$0.69) for access or S\$3 for a guided tour lasting 45 minutes.

For more information on the T3 Open House, visit www.changiairport.com/t3.



UPS third quarter net profit up 3.7pc to US\$1.08 billion

UNITED Parcel Service (UPS) recently announced a net profit increased of 3.7 per cent in the third quarter of this year.

Driven by the strong overseas demand and the good performance in the supply chain and cargo transportation department, the net profit of UPS in the third quarter grew to US\$1.08 billion from last year's \$1.04 billion, UPS said in a company statement.

While total revenue of the company increased 4.7 per cent to \$12.21 billion in the third quarter, up from last year's \$11.66 billion, the report said.

Although the economic growth of the United States slowed down, UPS's small package delivery business improved with revenue rising to \$7.55 billion and international package delivery revenue climbing to \$2.53 billion, the report said.

BALtrans expect 40pc growth in the Netherlands in 2007

HONG KONG's freight forwarding and logistics group BALtrans is forecasting that its operations in the Netherlands will grow 40 per cent growth in turnover and freight volume in 2007.

The optimist outlook comes on the back of achieving the largest increase in revenue in the current International Air Transport Association (IATA) league table of Dutch airfreight agents, said a company release. BALtrans Netherlands' performance in 2006 enabled it to jump 48 places from number 71 to the 23rd spot in the Dutch rankings.

"This is a tremendous achievement of which we are very proud. It symbolises recognition both from the market and our airline service partners, and was the direct result of the sheer hard work of the entire BALtrans Netherlands team," said Michel Loots, BALtrans regional managing director.

"After such a positive start, we are very optimistic that we can maintain our fast growth with the support of the growing BALtrans worldwide network, said the company release."

BALtrans Netherlands started in October 2005 and the company now employs 45 in at its Amsterdam and Rotterdam facilities, which include a total of 7,500 square metres of warehouse space.

In addition to its main airfreight forwarding business, BALtrans Netherlands provides ocean forwarding, LCL groupage, and third-party logistics services, which focus on providing urgent ship spares to a number of major shipowners.



MOL liner operation seeks bigger Black Sea market share

JAPANESE multi-modal transport company MOL has announced the appointment of Panta Rhei as its agent to promote the company's liner business on the Black Sea in Romania, Ukraine and Moldova.

A statement said the appointment of Panta Rhei's is part of MOL's ongoing plan to expand coverage into the fast-growing south east European market.

Panta Rhei runs offices in Romania in the port of Constanza, as well as Bucharest and operates in Ukraine from Odessa.

"These markets are experiencing strong growth and this trend is expected to continue," said MOL trade director Jochen Veldmann. "As a global carrier we look to offer high quality and reliable services to established and emerging markets across the globe."



Container shipping to soar in coming years, says Evergreen chairman

BARRING unexpected disasters, the container market looks set to flourish in the years ahead, with China's economic boom continuing to drive growth in container transport and other industries, according to Arnold Wang, chairman of Evergreen Marine Corporation, who spoke at the World Shipping Summit (China) 2007 on November 2 in Tianjin.

Mr Wang noted that over the past decade China's remarkable economic growth has brought structural changes to global container shipping and other related industries, including shipbuilding and terminal operations.

"In 2006 container throughput in all Chinese ports reached 80 million TEU, or one-fifth of the global volume. For cargo from Asia to Europe and North America, China's exports have accounted for more than half of market volumes.

Over 10 years, the rise of Chinese mainland has forced changes in port operations and in shipyards, he said. The centre of world shipping centre is moving to the east Asia, he said and this has resulted in dramatic increase in mainland's throughput and has led to the reshuffle of the world's port throughput ranking. Statistics show that by 2015, Shenzhen and Shanghai will probably be the world's second largest ports at the same time.

He added that China's labour force is also making the local shipbuilding industry competitive. China, Korea, Japan and Europe are the four largest shipbuilders in the world.

In the latest ship order wave, the orders for 10,000-TEU ships have increased obviously, said Mr Wang. As to the first half of 2007, a cumulative total of US\$51.2 billion had been invested in new vessels, 114 of which are 10,000-TEU ships or

above. According to French shipping consultancy, Alphaliner, orders for such ships will surpass 150 by the end of this year.

The shipping consultancy's statistics show, from the third quarter of this year to 2011, the number of 10,000-TEU ships will increase from 6 to 152. These ships will mainly be deployed on Far East-Europe lines since volume on these trade lanes is expected to grow.

Commenting on the question of overcapacity, Mr Wang said that world trade will grow 6.7 to 7.4 per cent over five years, resulting in a cargo volume growth of 10 to 11 per cent, therefore supply and demand should be in balance unless there is an unforeseen disaster.



Foreign trade value of northeast China up 27pc

TOTAL foreign trade value of the three Northeast China provinces, including Liaoning, Jilin and Heilongjiang, rose 27.1 per cent year on year to US\$63.8 billion from January to September this year, accounting for 4.1 per cent of the total foreign trade value of China, Logistics Week reported.

Exports surged 34.1 per cent to \$38.07 billion, accounting for 4.3 per cent of the nation's total export value; while imports grew 18.1 per cent to \$25.77 billion, representing 3.7 per cent of the value of mainland China's imports.

Among the three provinces, Liaoning exports grew 29.4 per cent to \$26.1 billion and imports up 18.1 per cent to \$17.2 billion; Jilin exports mounted 30.5 per cent to \$2.6 billion and imports increased 21.6 per cent to \$4.6 billion; while Heilongjiang exports jumped 50.5 per cent to \$9.3 billion and imports up 13.9 per cent to \$3.8 billion.



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