

FINAL EXAMINATION

Programme Name	:	BSC (HONS) MARITIME BUSINESS (LOGISTICS) 3+0 IN COLLABORATION WITH UNIVERSITY OF PLYMOUTH
Course Code & Name	:	MAL2039 MARITIME ECONOMICS AND INTERNATIONAL TRADE
Duration	:	2 HOURS

INSTRUCTIONS TO CANDIDATES:

1. Please read the instructions given in the question paper **CAREFULLY**.
2. Answer **ONE** question from **SECTION A** and **ONE** question from **SECTION B**.
3. Answers to the questions are to be written into the examination booklet.
4. Electronic dictionaries, lecture notes, files or any unauthorised materials except writing equipment are strictly prohibited.

This question paper must be submitted along with all used and/or unused rough papers and/ or graph papers (if any). Candidates are **NOT ALLOWED** to take any examination paper(s) used or unused out of the examination hall.

WARNING:

The Examination Board of Peninsula College Georgetown regards cheating as a very serious offence and will not hesitate to mete out the appropriate punitive actions according to the severity of the offence committed, and in the accordance with the clauses stipulated in the Students' Handbook, up to and including expulsion from Peninsula College Georgetown.

(This booklet contains 2 printed pages including this page)

DO NOT OPEN THIS BOOKLET UNTIL YOU ARE ALLOWED TO DO SO

Answer ONE question from SECTION A and ONE question from SECTION B. **[100 marks]**

Section A

1. When examining shipping markets, an analyst needs to scrutinise different variables in an individual and collective manner.
 - a) Identify **TEN (10)** key variables (demand and supply). (10 marks)
 - b) Based on the key variables (demand and supply) identified in Question 1 a) explain how these affect the current container market. (40 marks)
Total: [50 marks]

2. Shipping Market cycles have long been cited and identified as explaining why the market is at a certain level and whether it is on an upward or downward trajectory.
 - a) Analyse the various stages of the shipping market cycle. (20 marks)
 - b) Explain the extent to which analysis of shipping market cycles tell us about the future of shipping markets. (30 marks)
Total: [50 marks]

Section B

3. Ship recycling reduces the size of the fleet and therefore there are fewer ships for the same amount of cargo. The result will be rising freight rates as the supply of ships contracts.
 - a) What factors would a shipowner consider when deciding if they should scrap their ship? (15 marks)
 - b) Discuss what may prevent an owner from taking this action. (35 marks)
Total: [50 marks]

4. Ports are maritime hubs where ships can load and discharge cargo and passengers. Ports play a vital role in the global supply chain.
 - a) Taking the Port of Shanghai as an example, discuss **FIVE (5)** factors that make a port successful. (15 marks)
 - b) Discuss the benefits and drawbacks of ports, at both the local and national level. (35 marks)
Total: [50 marks]

- END OF QUESTIONS -