



# Which Asset Classes to Invest In and When to Do It

**OSVs vs MODUs: Forecasts for utilization, day rate development & asset values**

**James Frew- Maritime Strategies International (MSI)**

Marine Money Offshore – Oslo, 1<sup>st</sup> June 2017

## Which asset classes to invest in and when to do it?

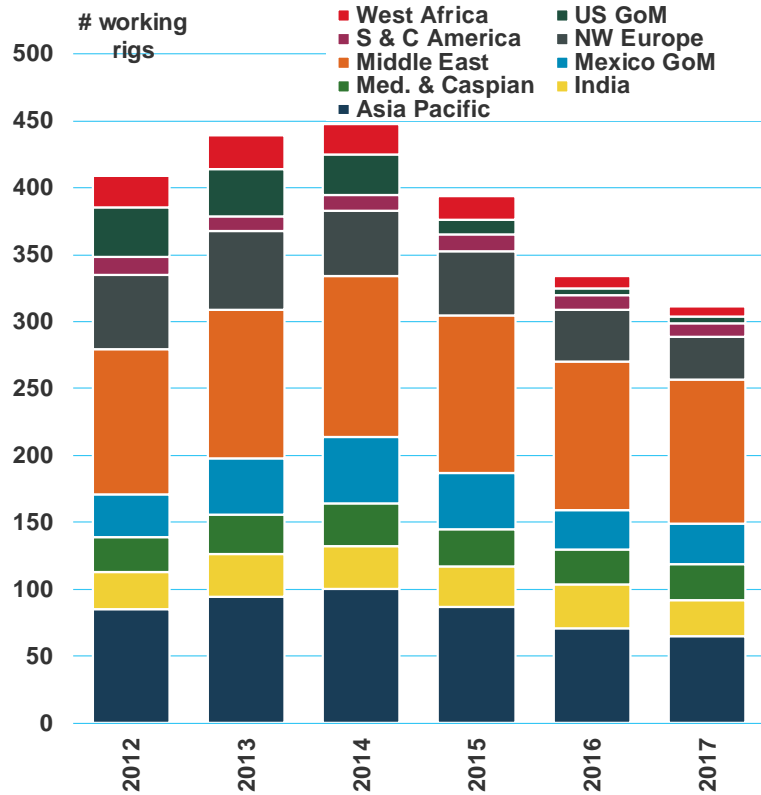


1. The extent of oversupply
2. The impact of the newbuilding market
3. Market drivers
4. Outlook and investment returns

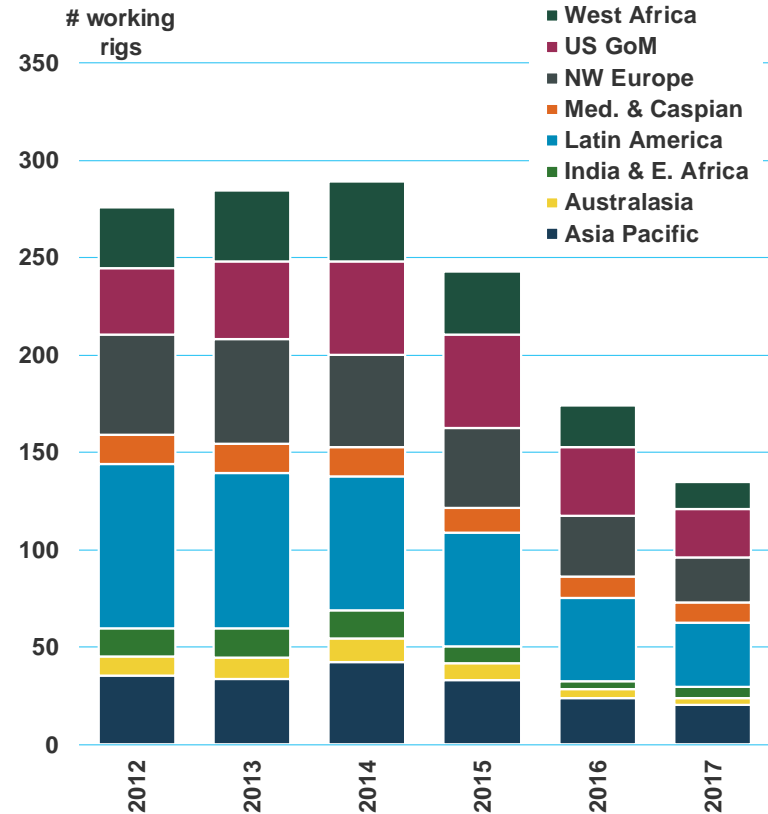
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# The extent of oversupply

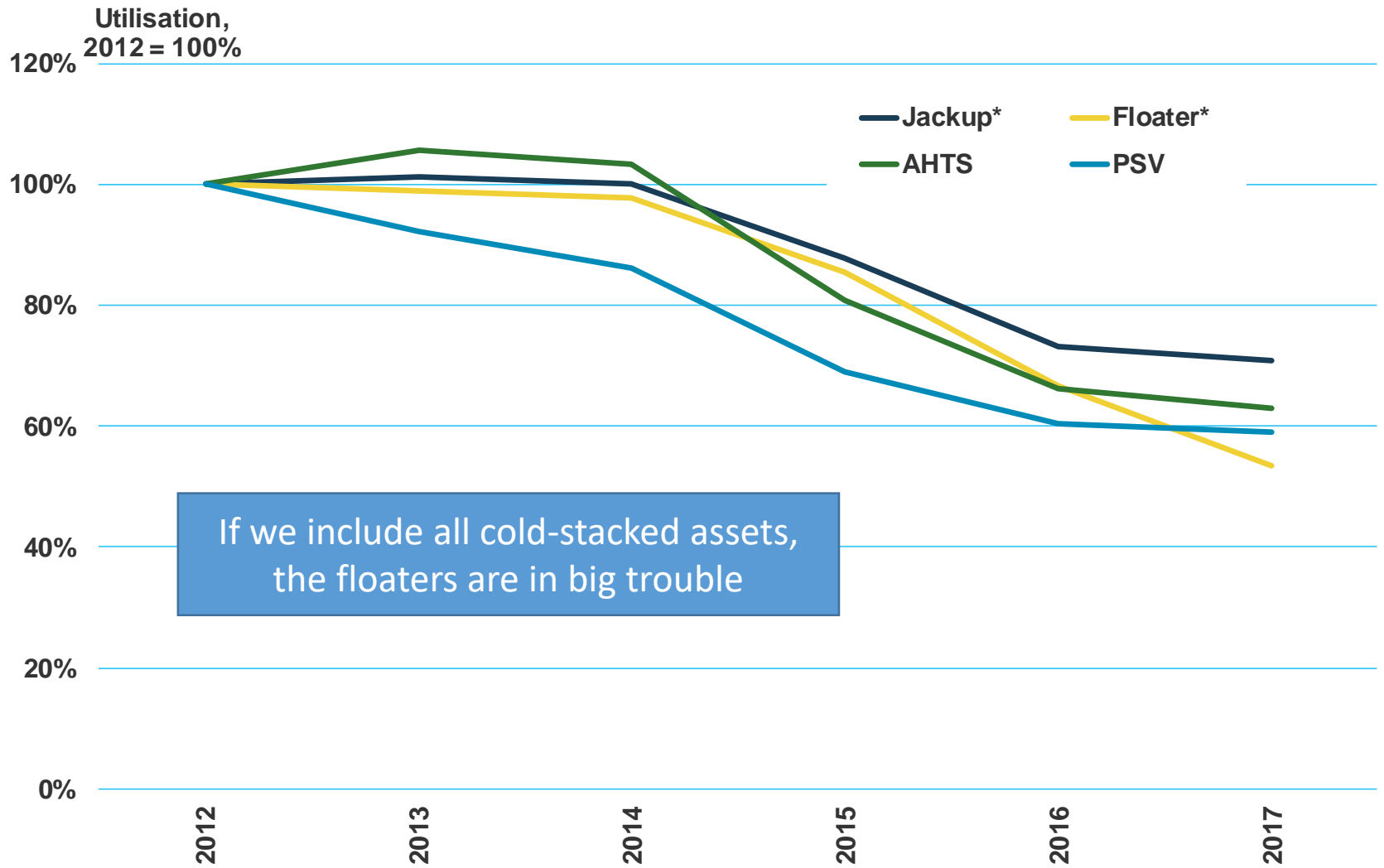
## Jackups



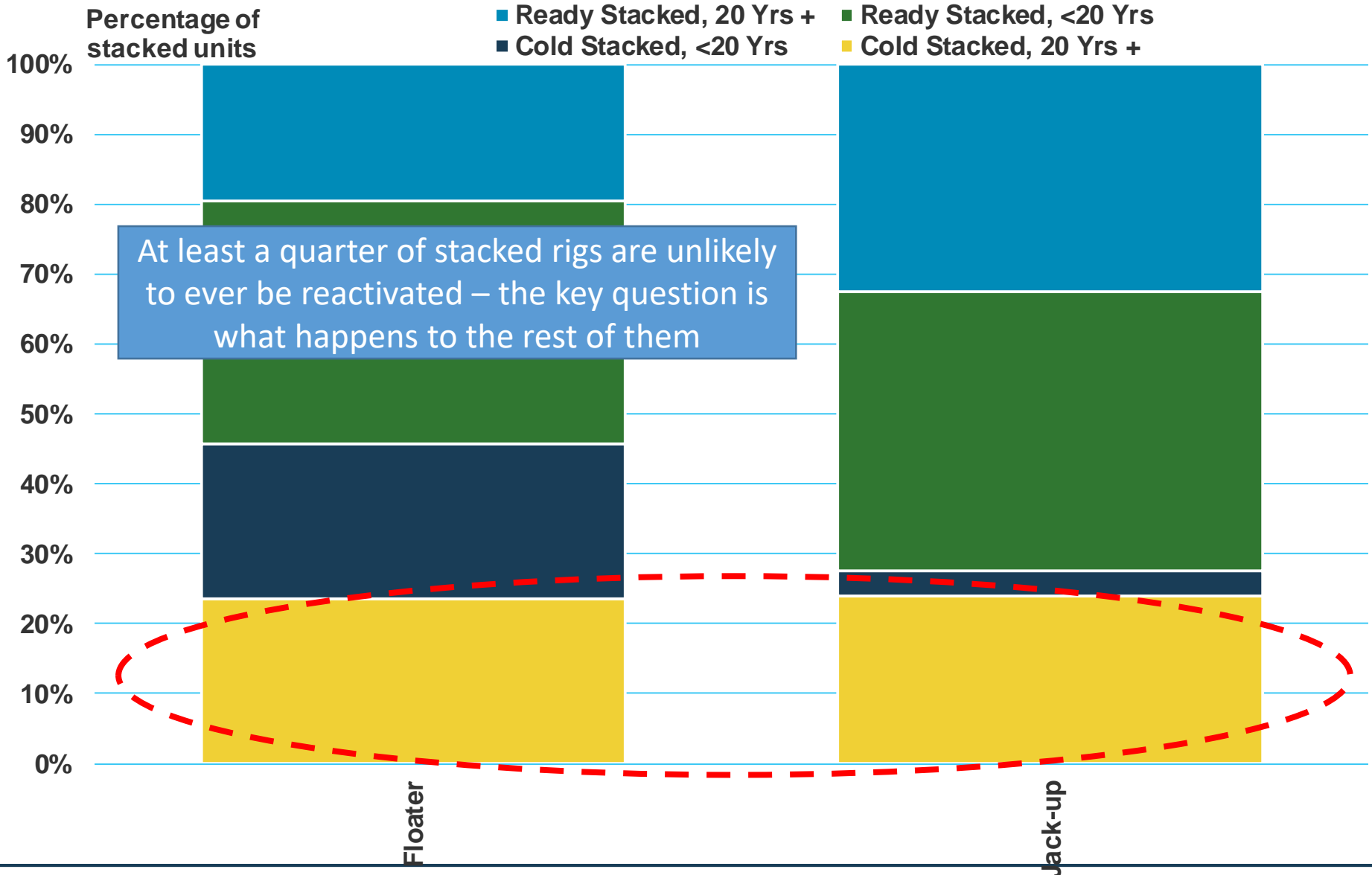
## Floaters

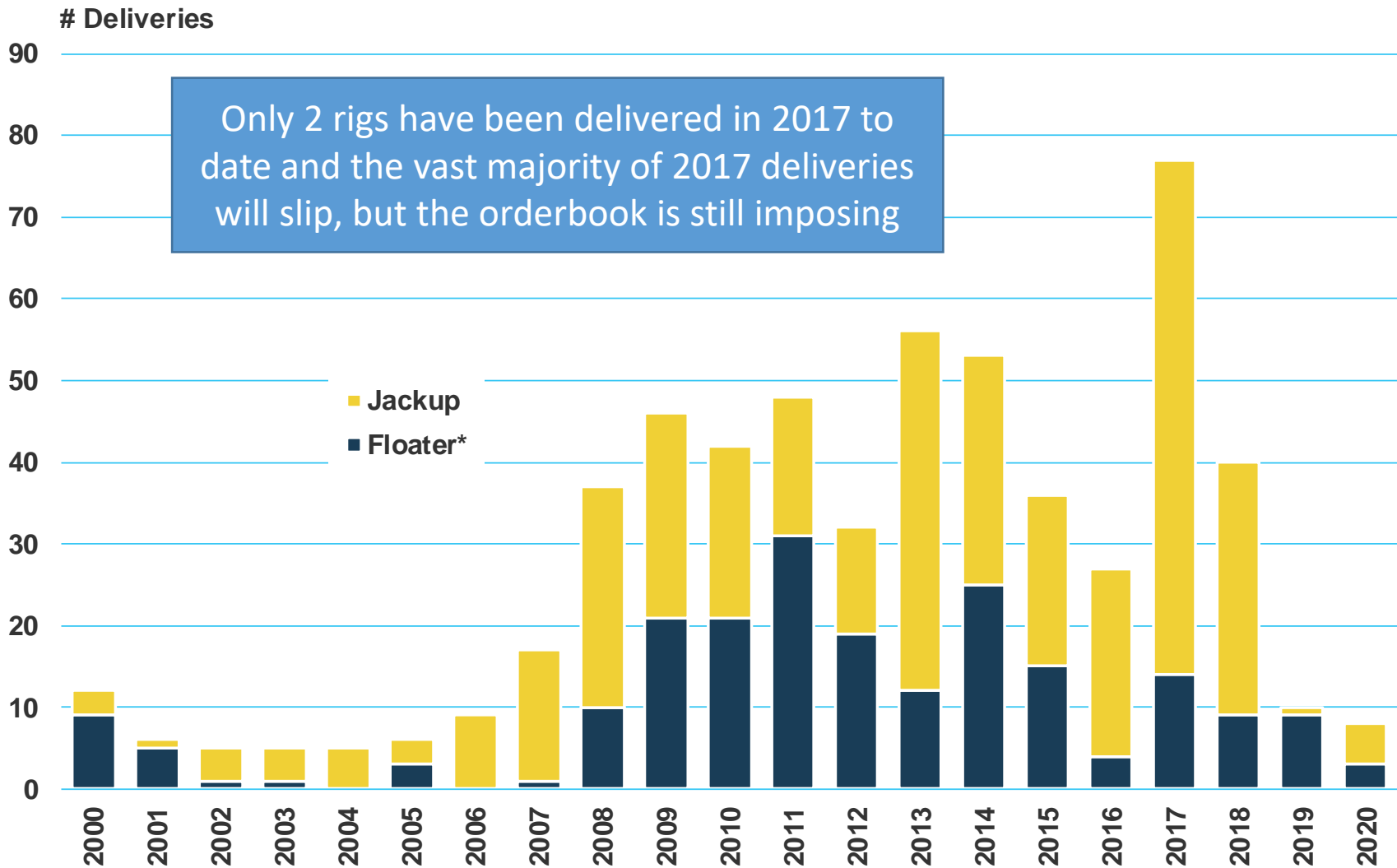


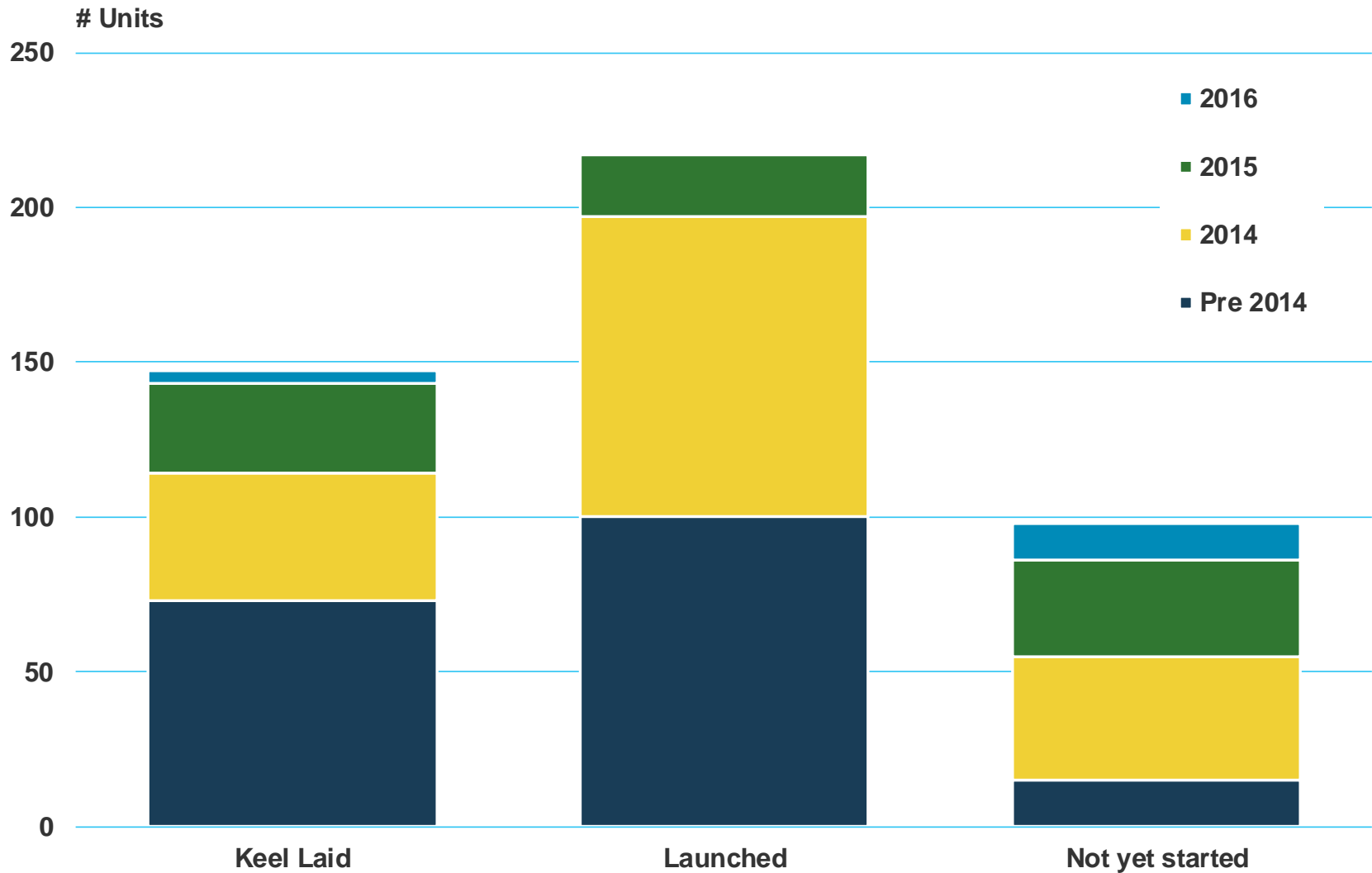
# Which sector is most oversupplied



\*Including cold-stacked assets of all ages



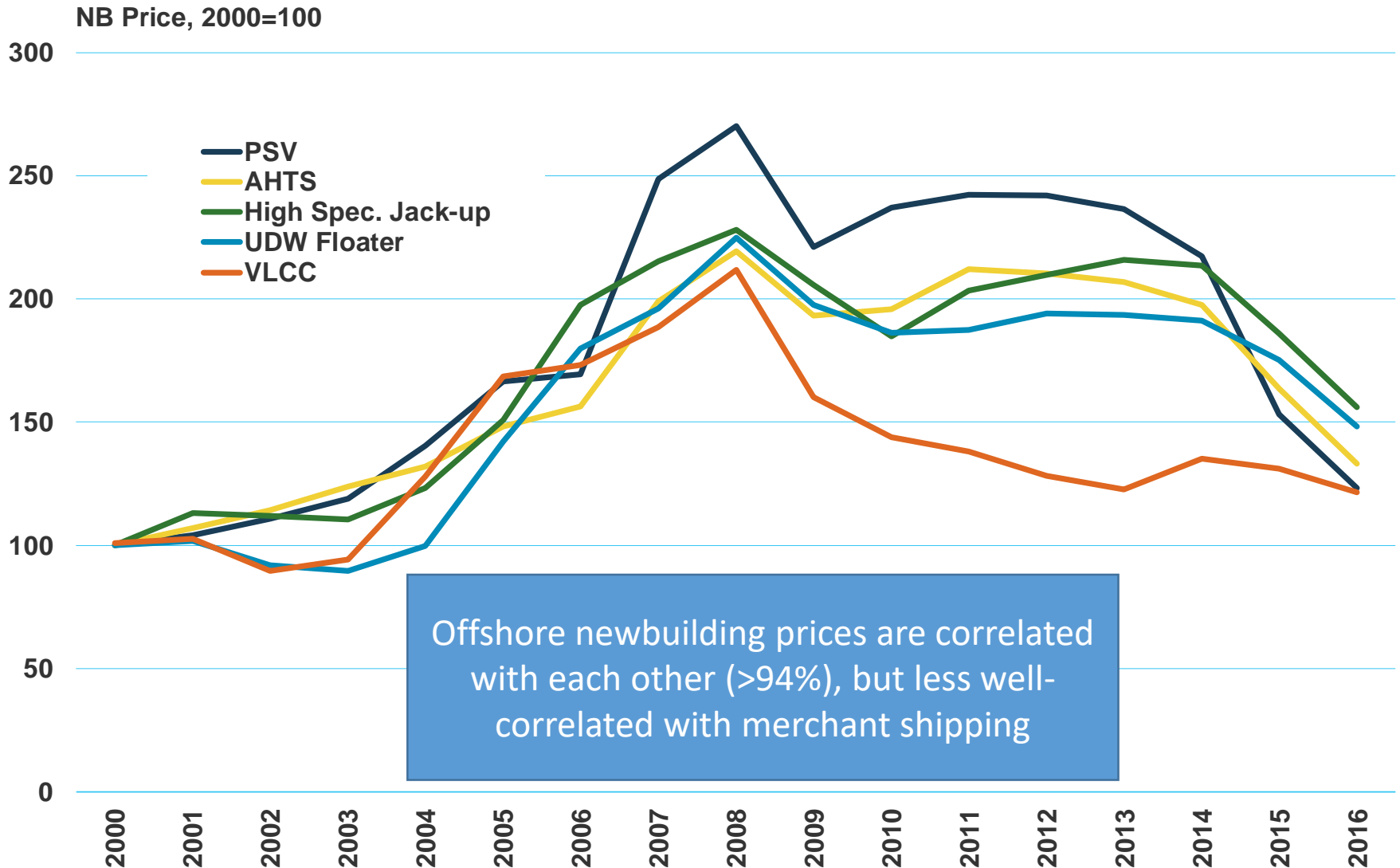




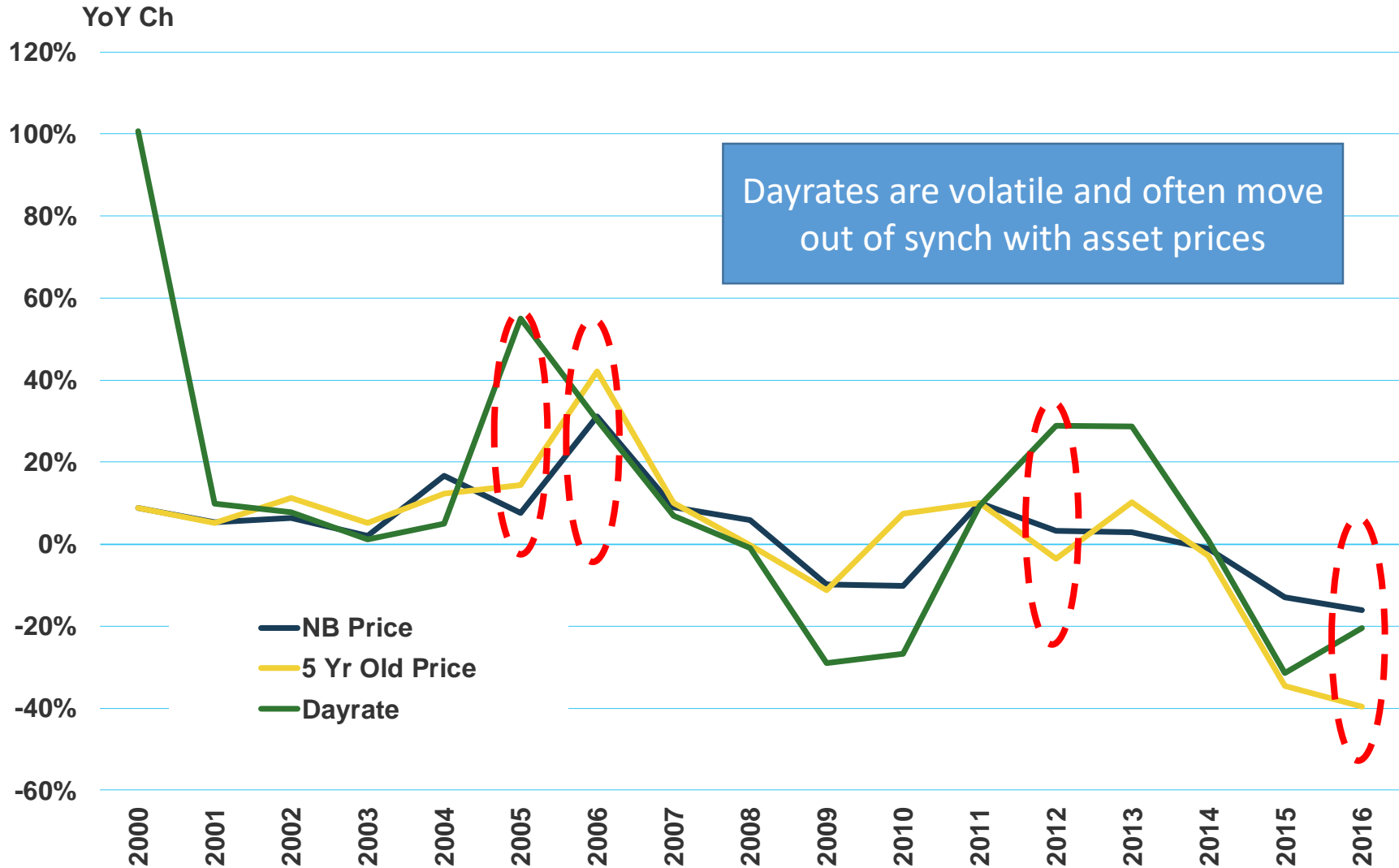
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# The impact of the newbuilding market

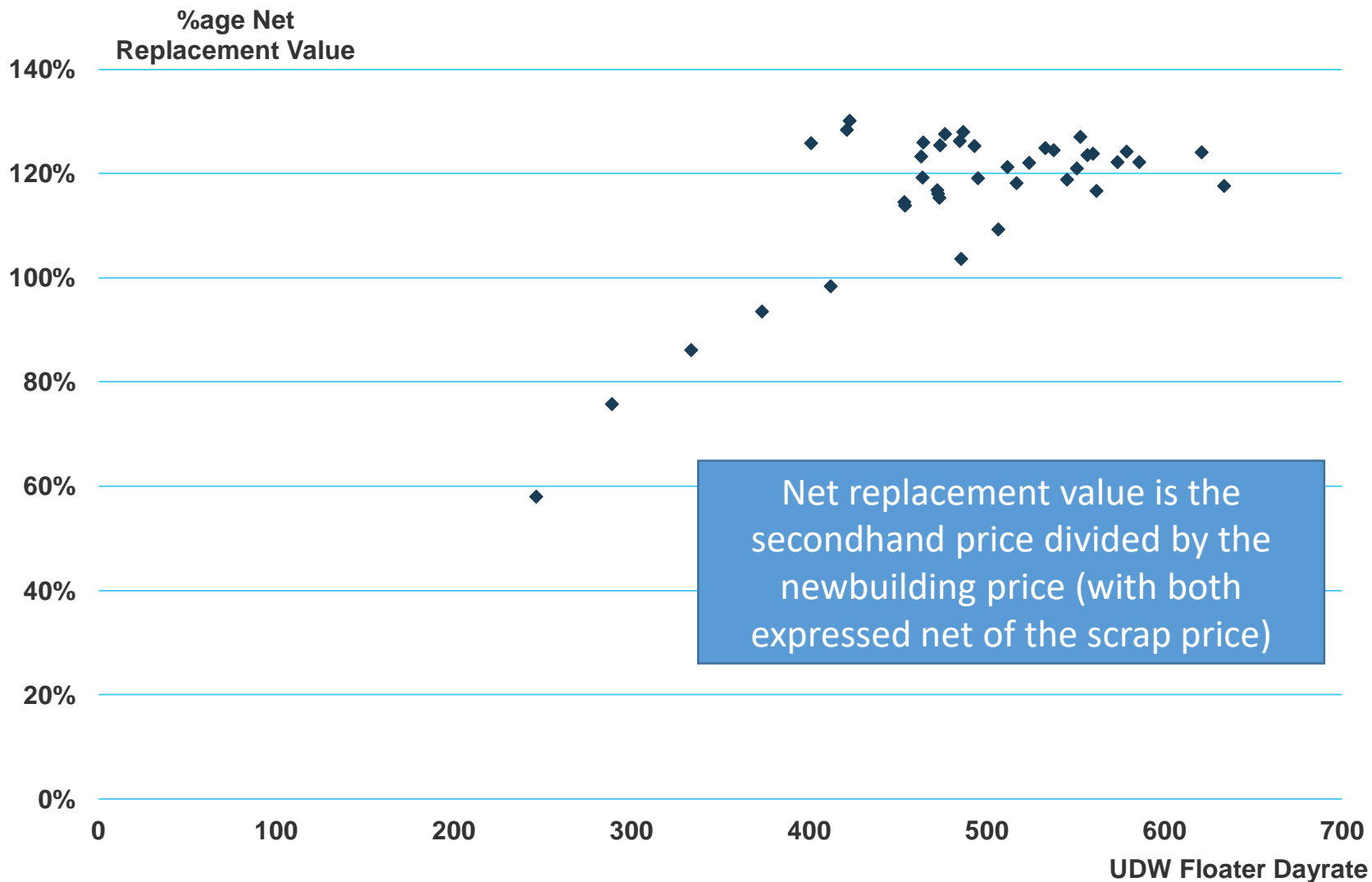
# Newbuilding prices are correlated



# And are key determinants of asset value

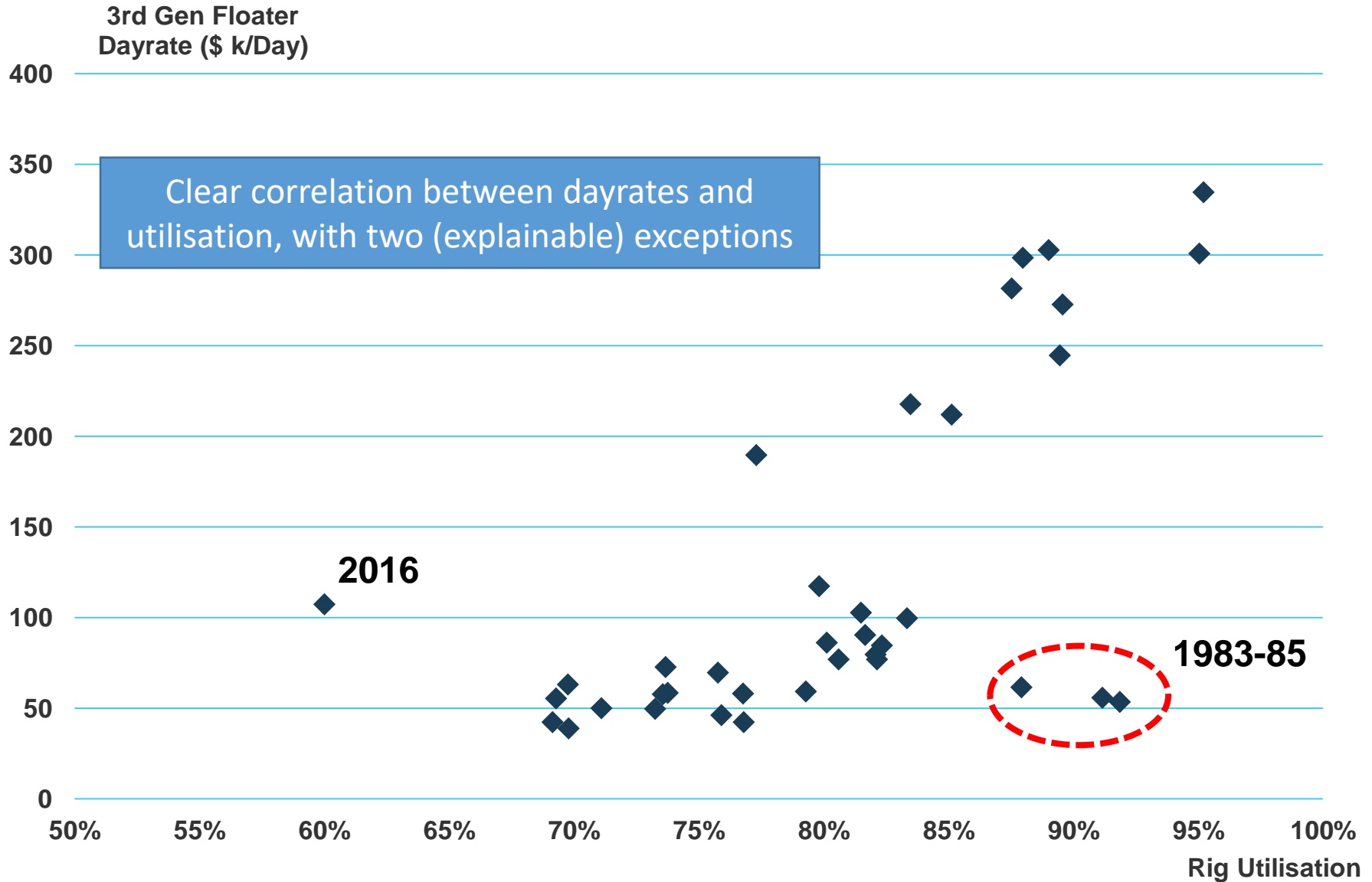


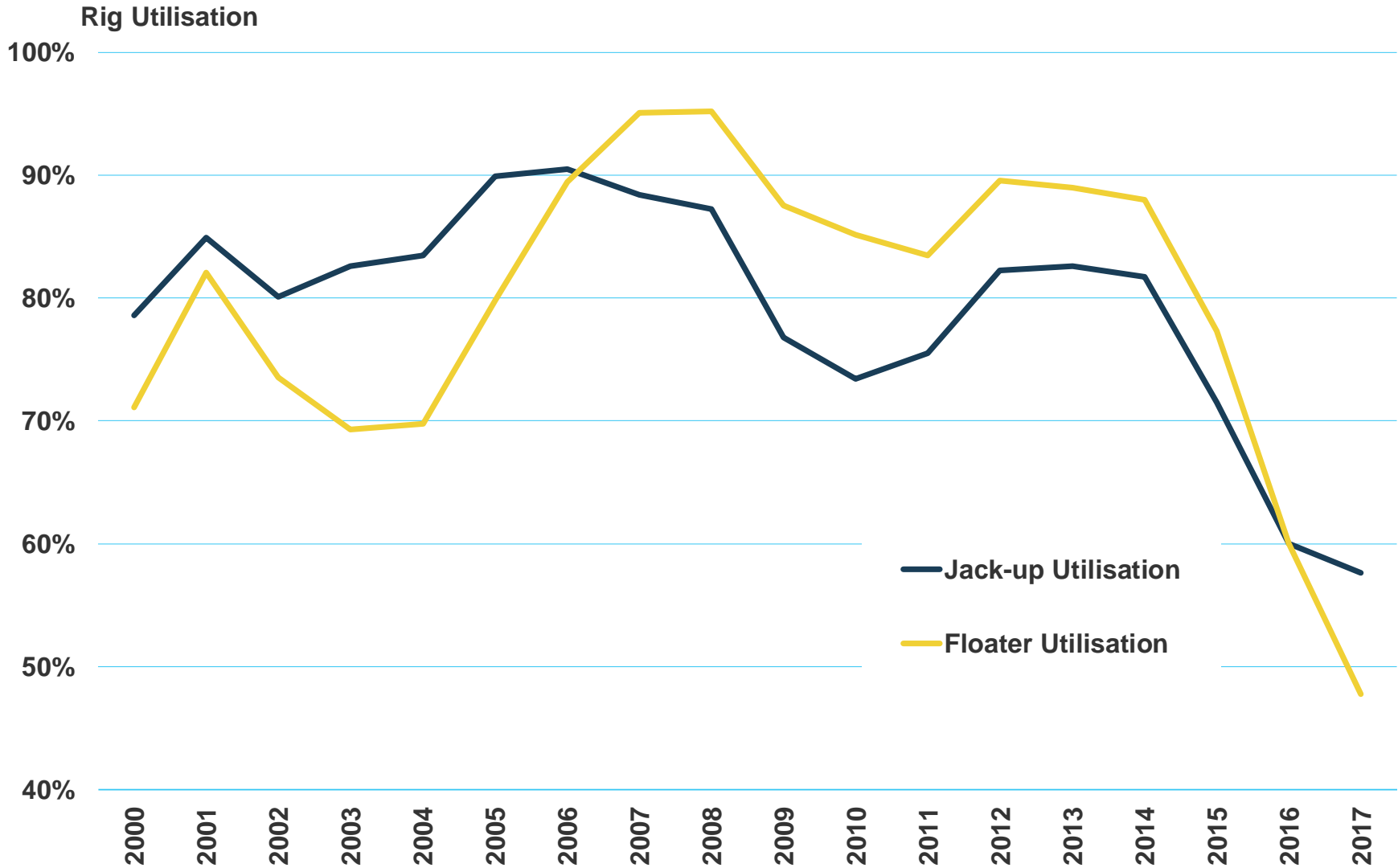
# Framing the window for asset prices

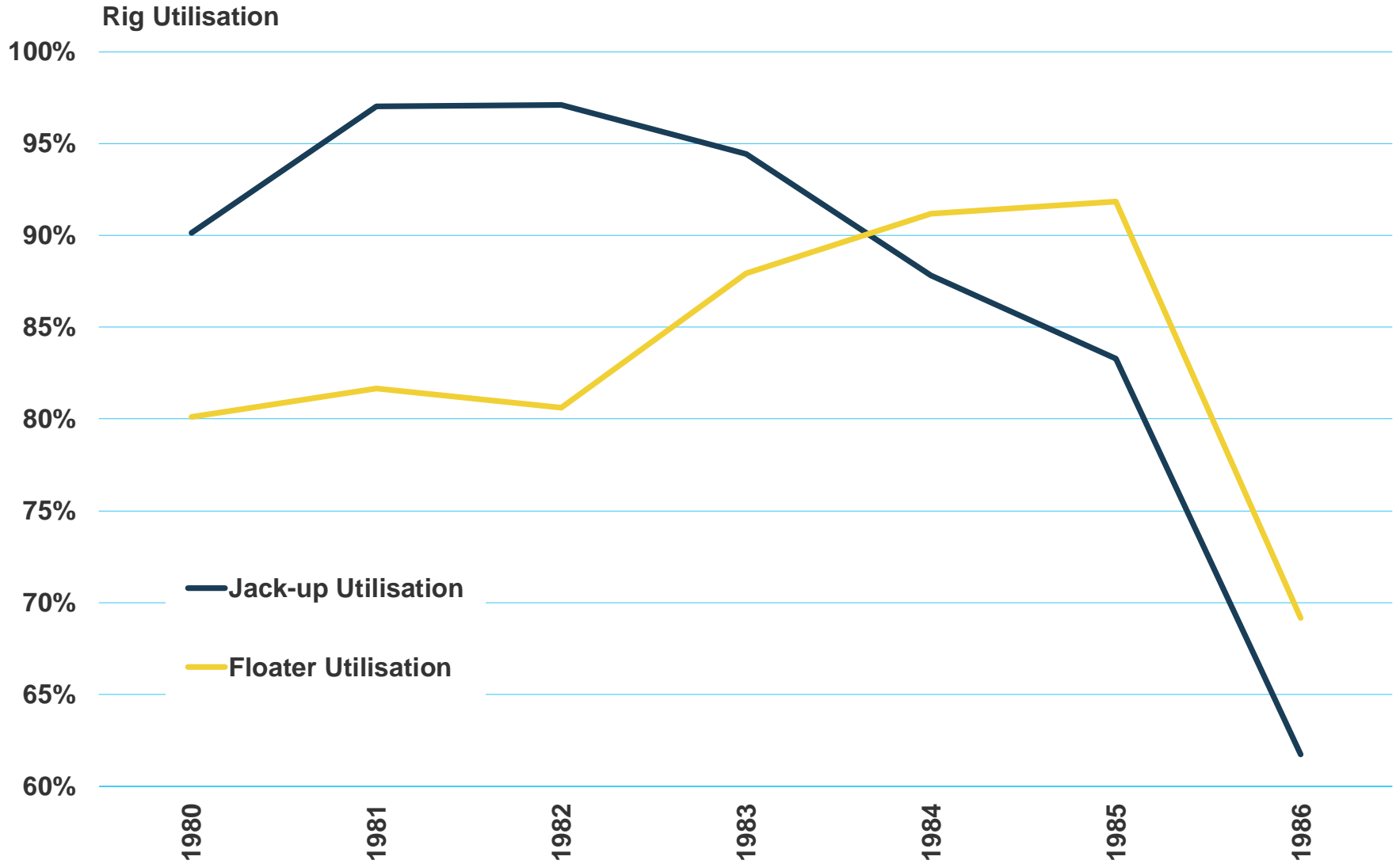


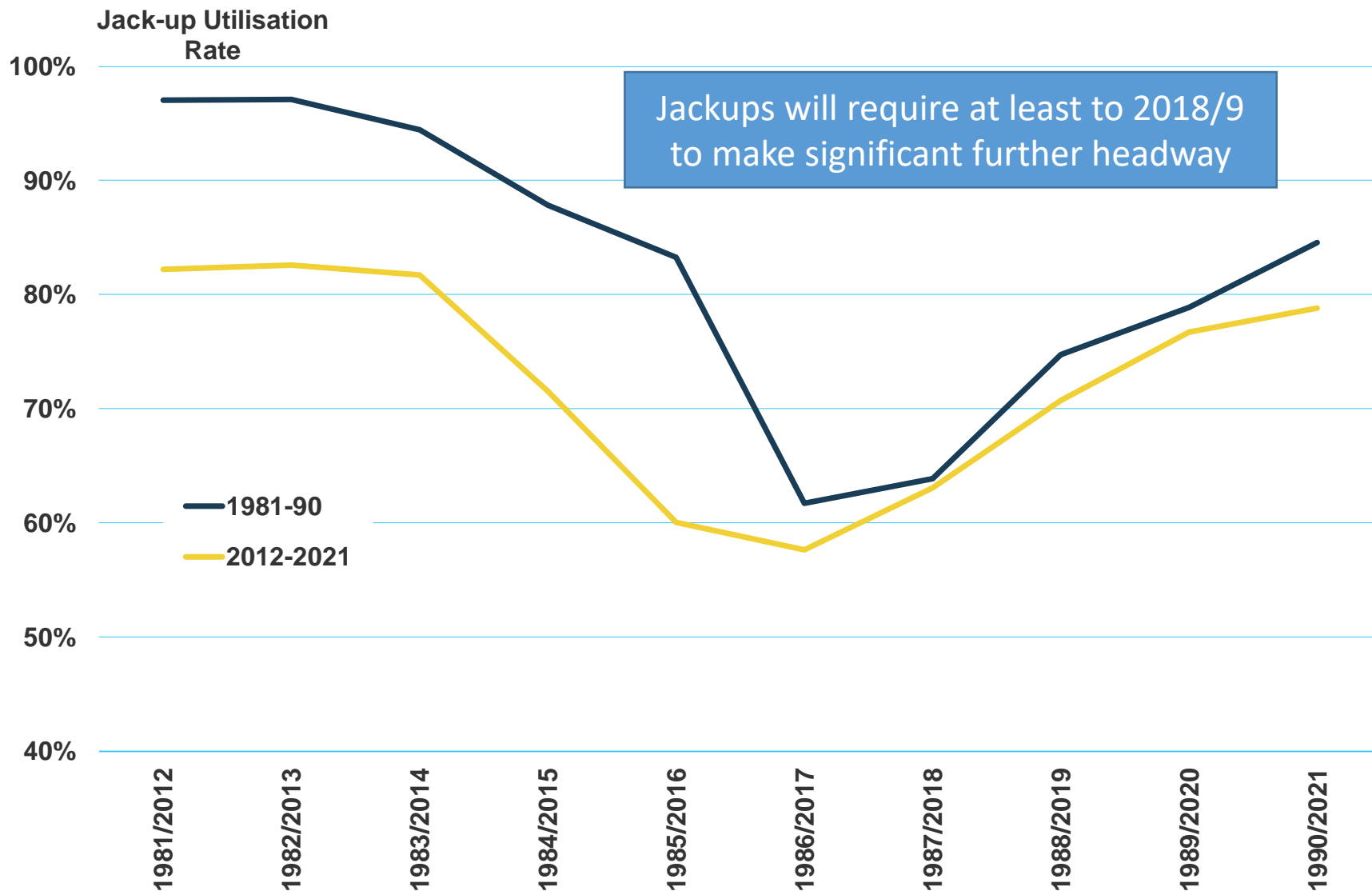
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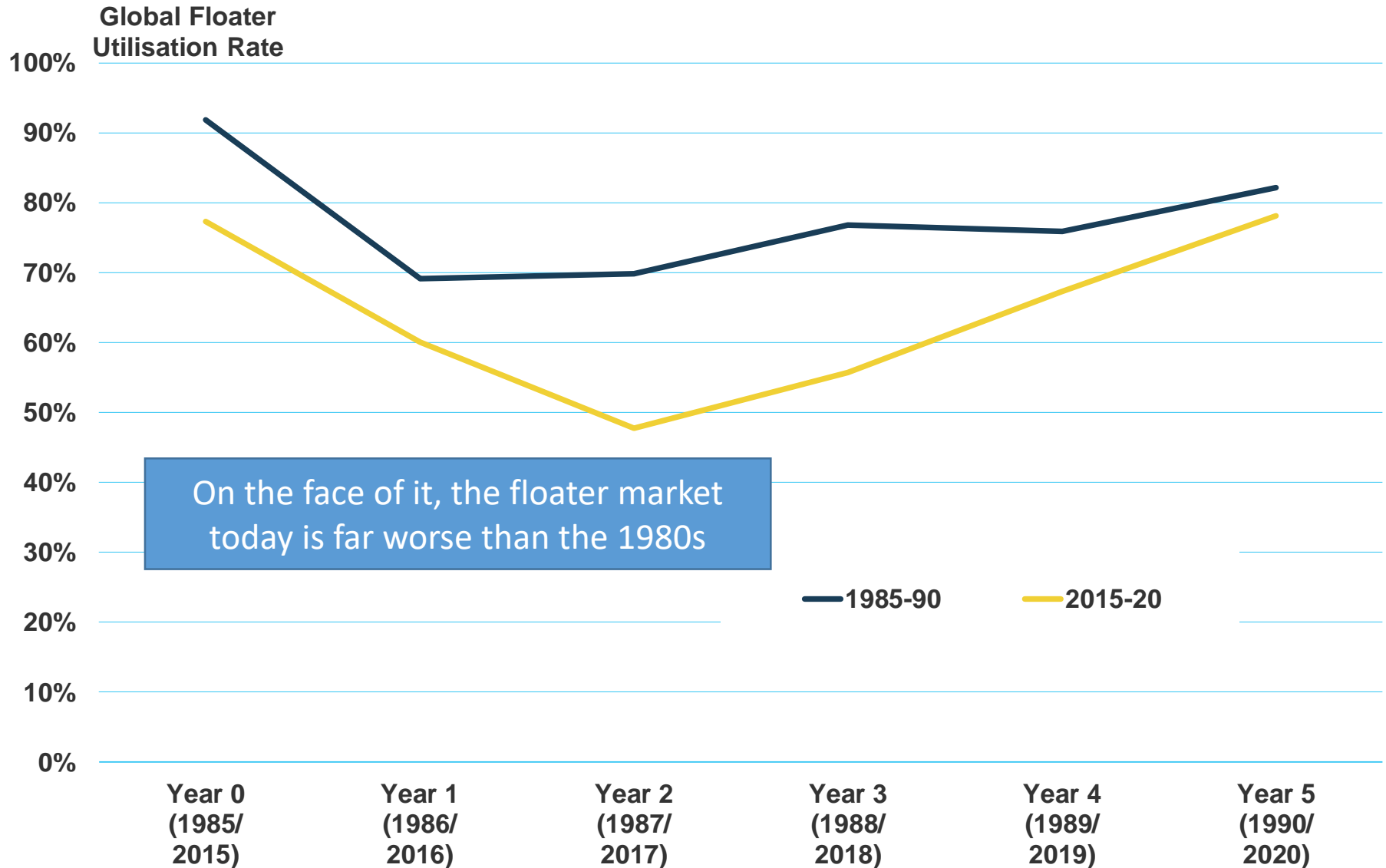
# Market Drivers

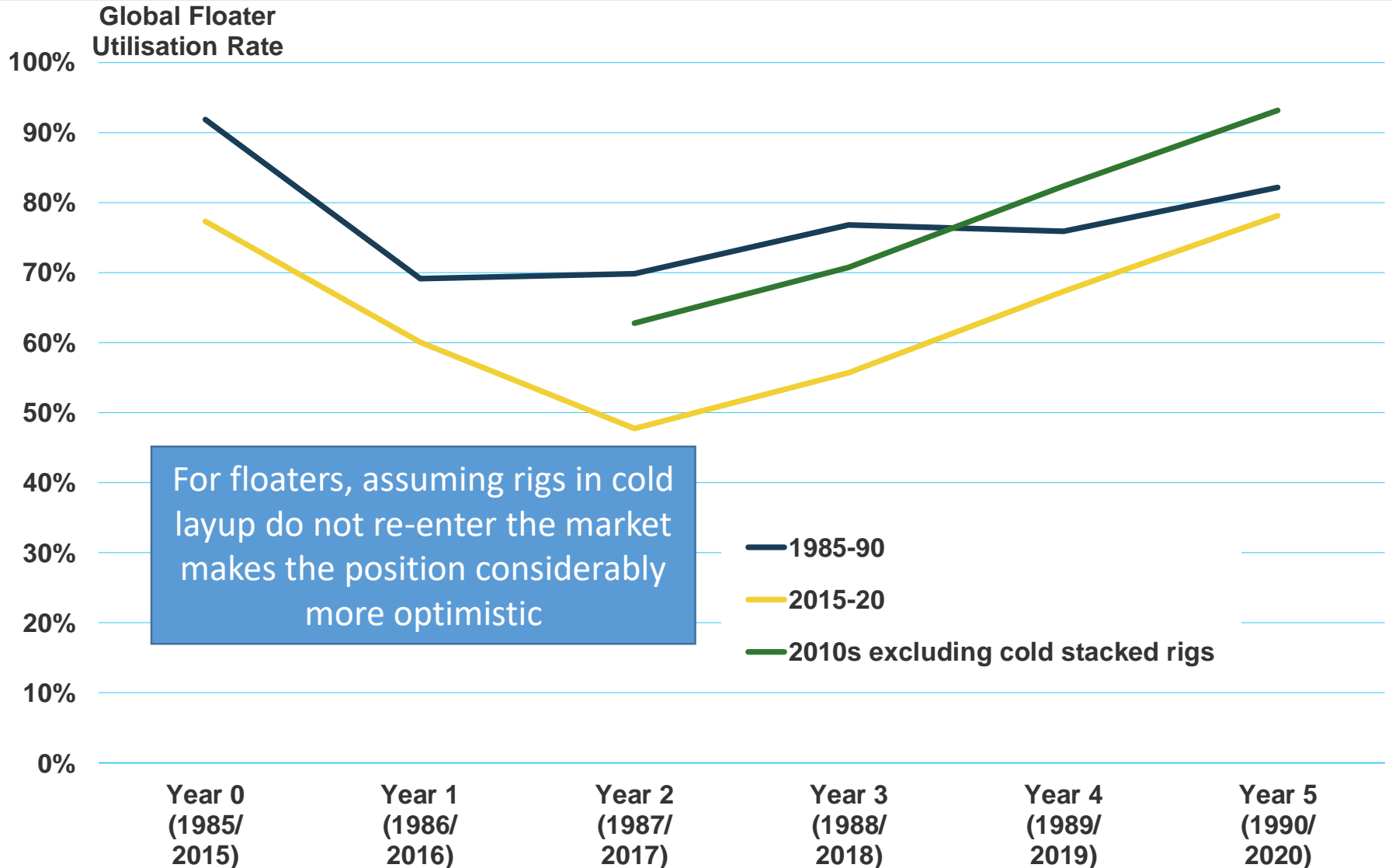


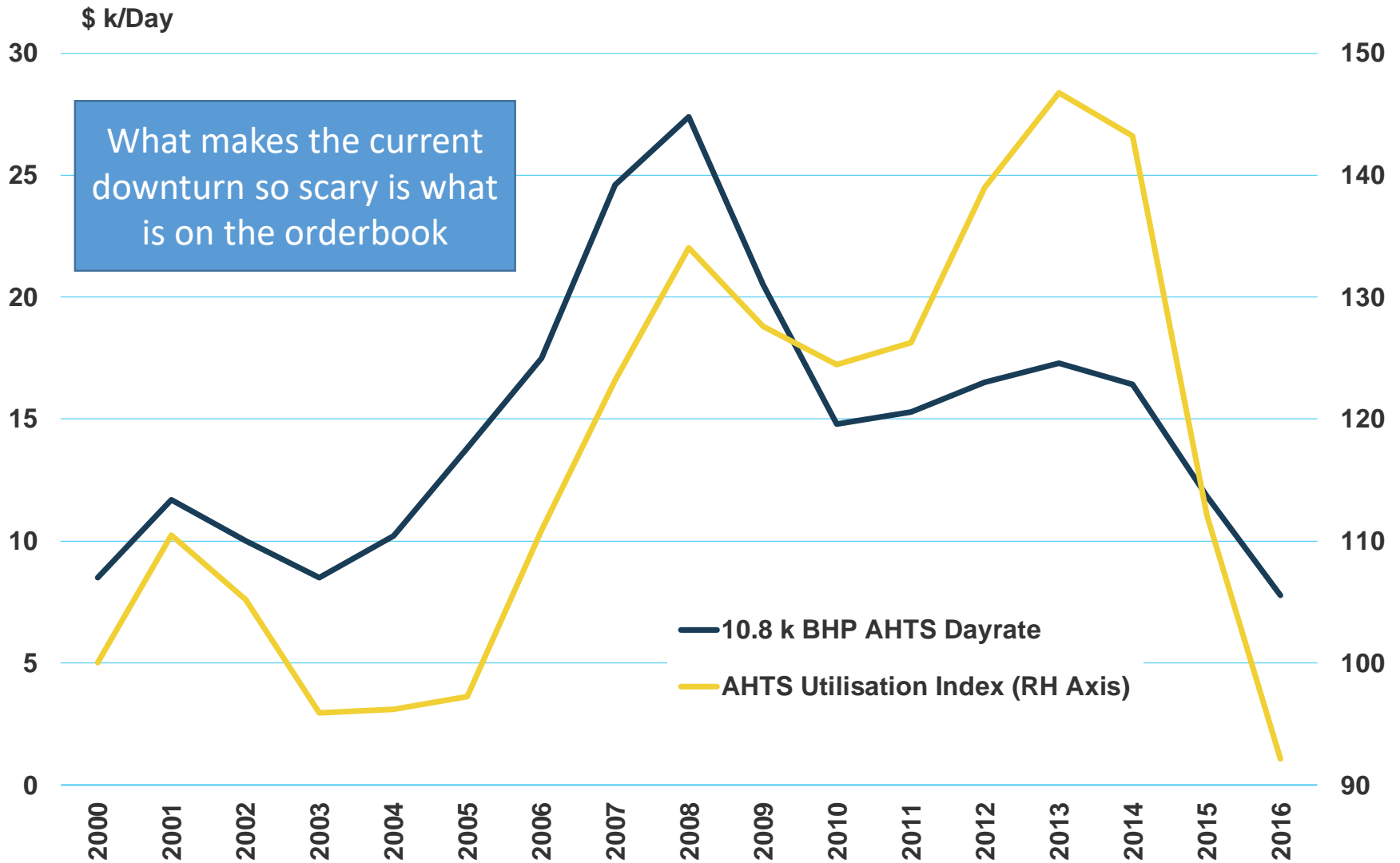












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# Outlook and Investment Returns

- MSI Forecast Marine eValuator (FMV) is the first **web-based** tool to provide **forecast and historical price data** covering virtually all of the deepsea shipping fleet.
- Data includes **forecasts of newbuilding, second-hand prices, 1 year timecharter rates and operating costs** for specific vessels.
- MSI FMV draws on MSI's **proven, proprietary models** and a consistent cross-sectional view across all principal shipping sectors. It puts asset values in the context of the near term market to enable reliable benchmarking with outputs based on annual averages.

- Coverage:



Crude Oil Tanker



Chemical Tanker



Multi Purpose



Product Oil Tanker



LPG Carrier



Containership



Dry Bulk Carrier



LNG Carrier



PCC/PCTC

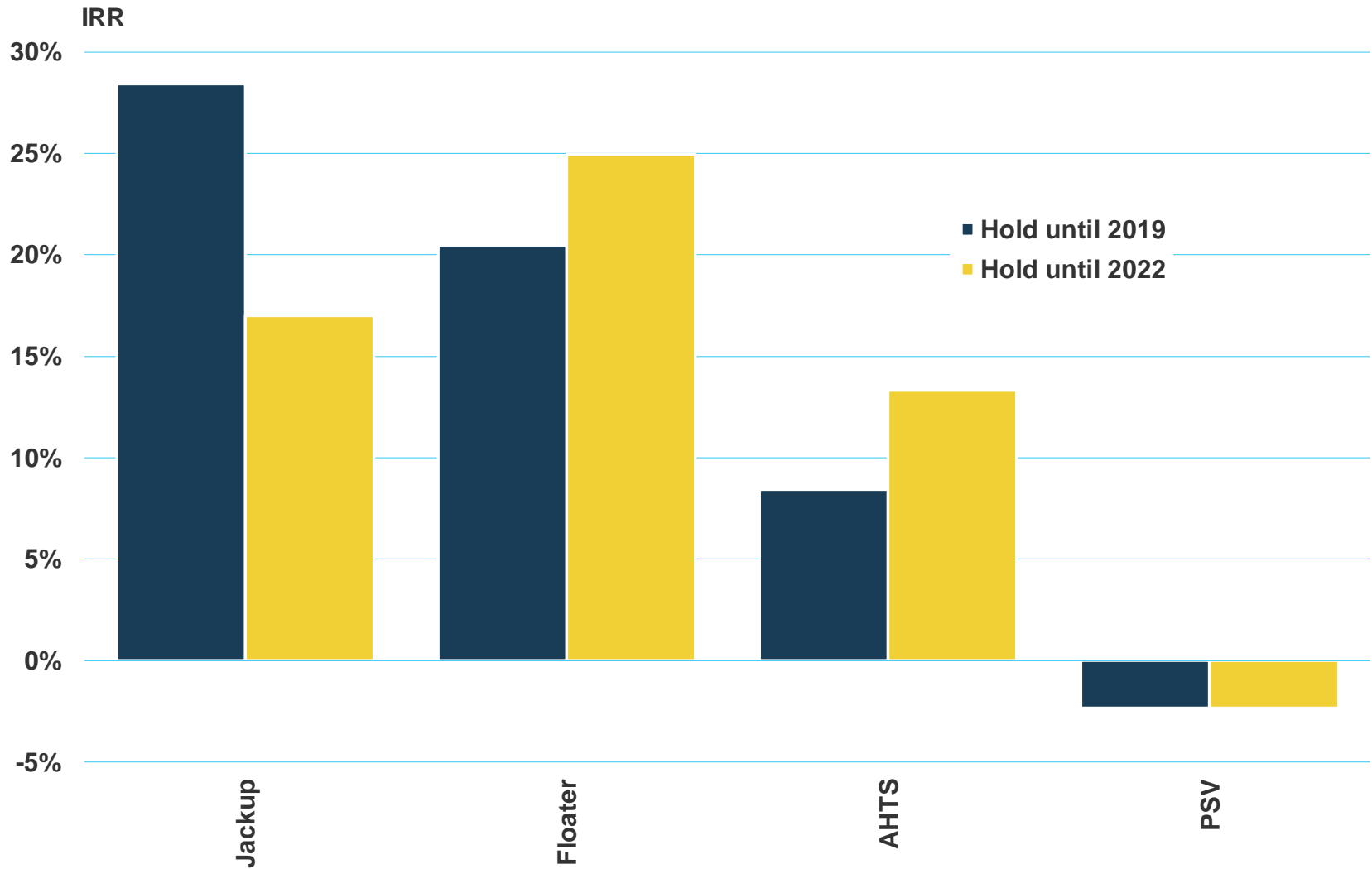


AHTS

[www.msilt.com/fmv](http://www.msilt.com/fmv)



PSV



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MSI's expertise covers a broad range of shipping sectors, providing clients with a combination of sector reports, forecasting models, vessel valuations and bespoke consultancy services.

MSI is staffed by economists and scientists offering a structured quantitative perspective to shipping analysis combined with a wide range of industry experience.

MSI balances analytical power with service flexibility, offering a comprehensive support structure and a sound foundation on which to build investment strategies and monitor/assess exposure to market risks.

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