

# Ship Finance Market Update

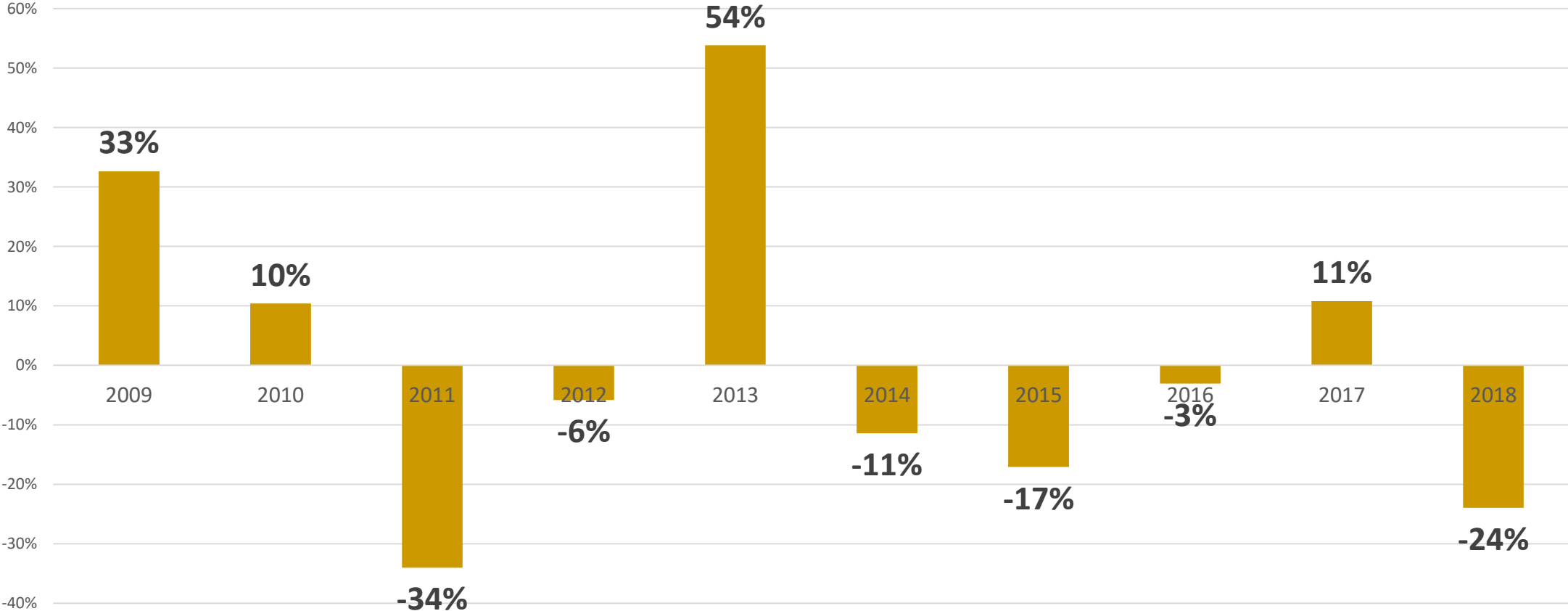


WISTA 2019 AGM

Campbell Houston

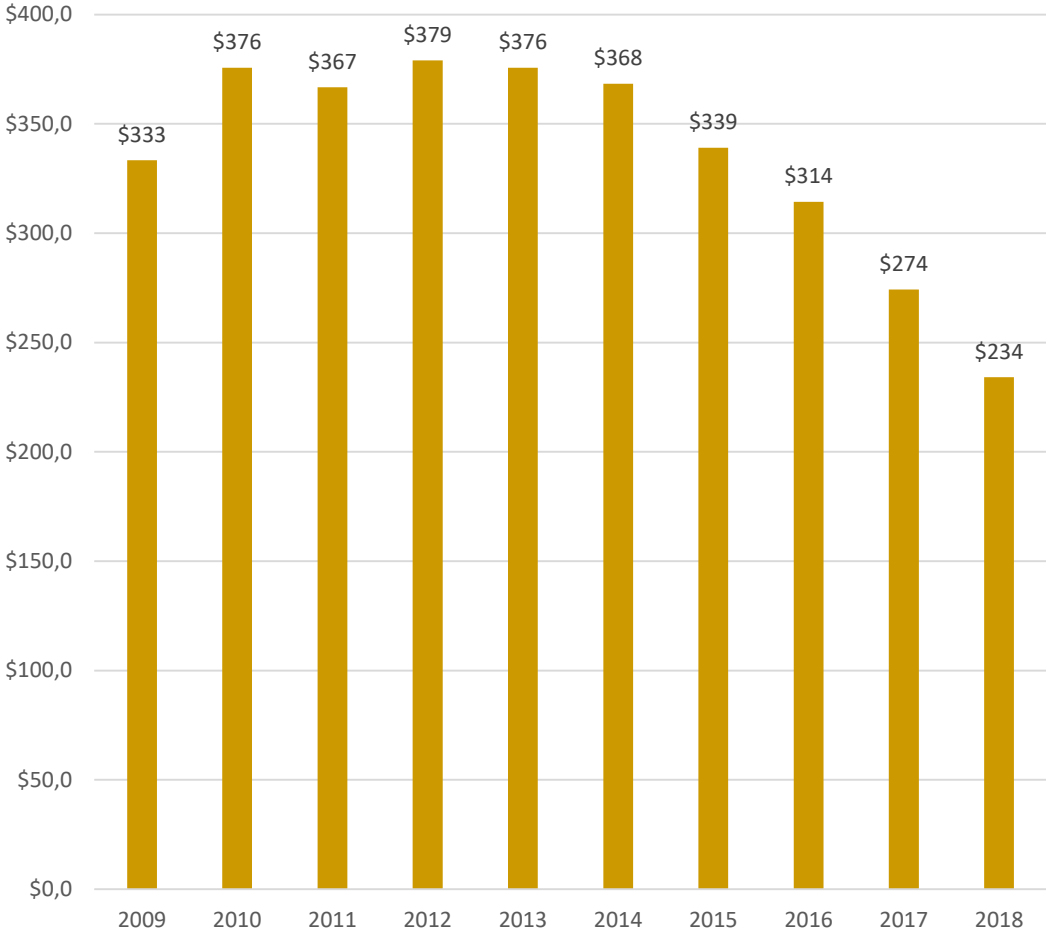
# Destroyer of Capital

Mean Total Return to Shareholders, 2009 - 2018

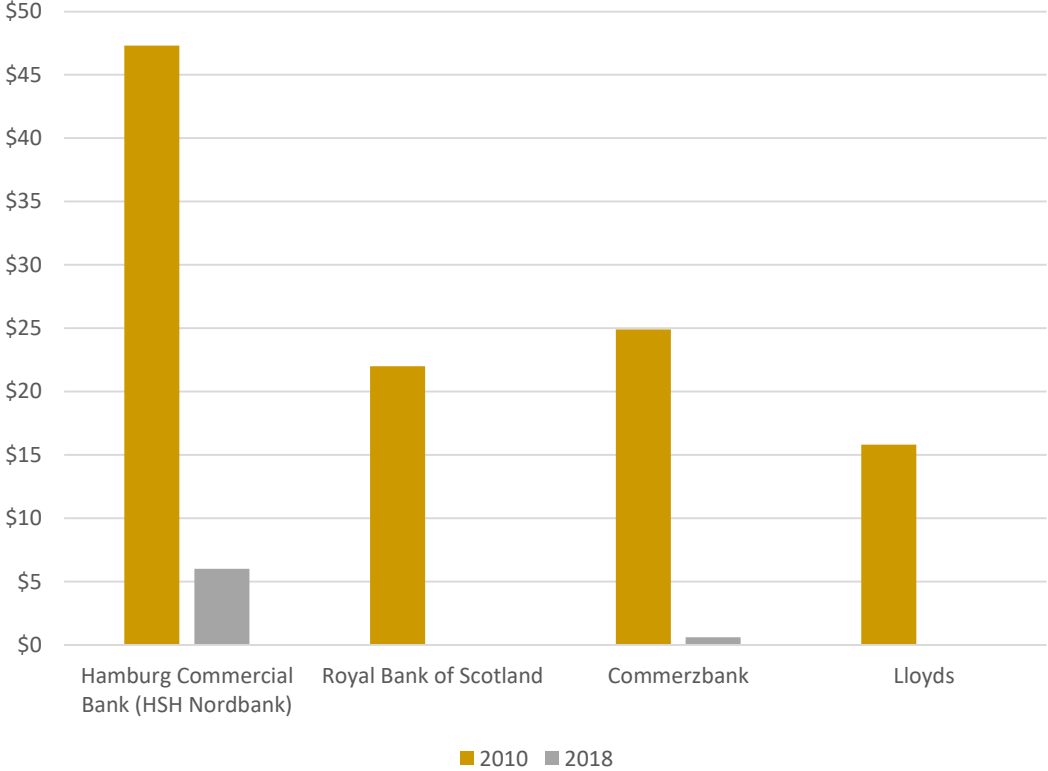


# Shipping Banks Retreat

Total Outstanding Shipping Loans

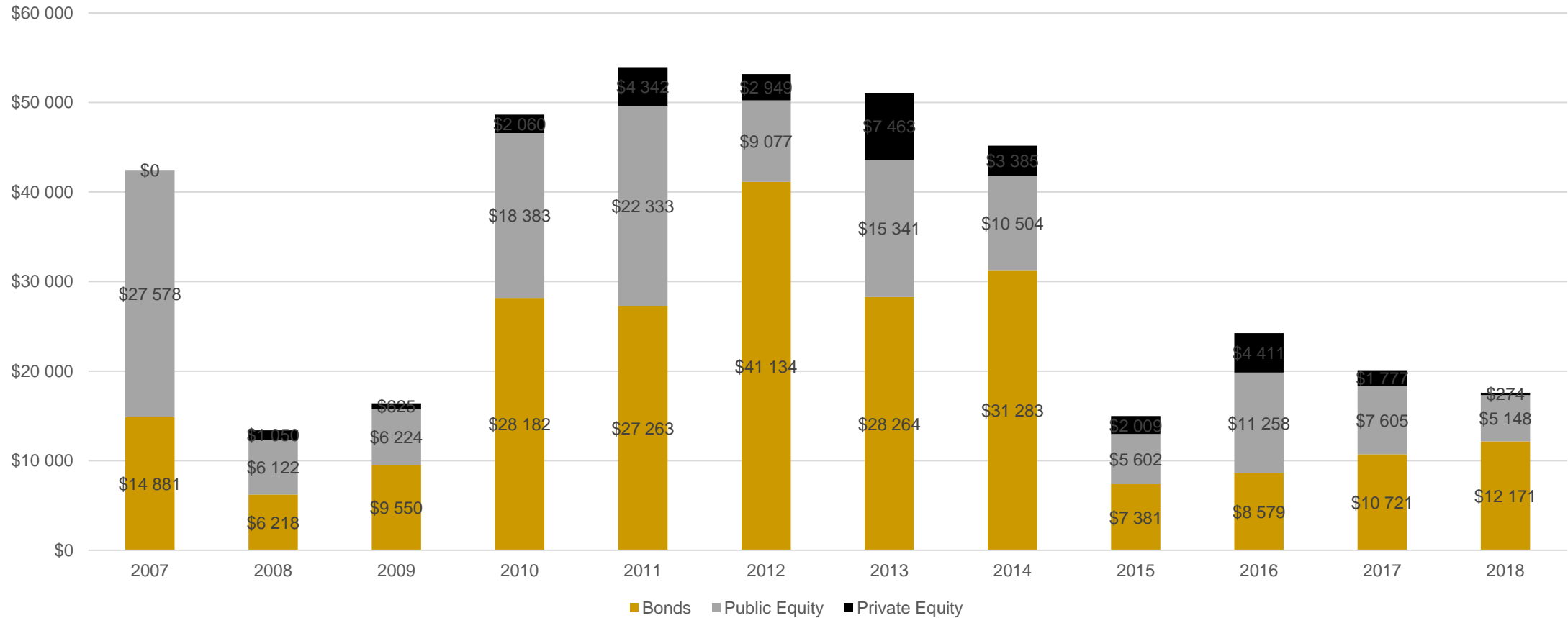


Shipping Bank Exits  
(Billion USD)



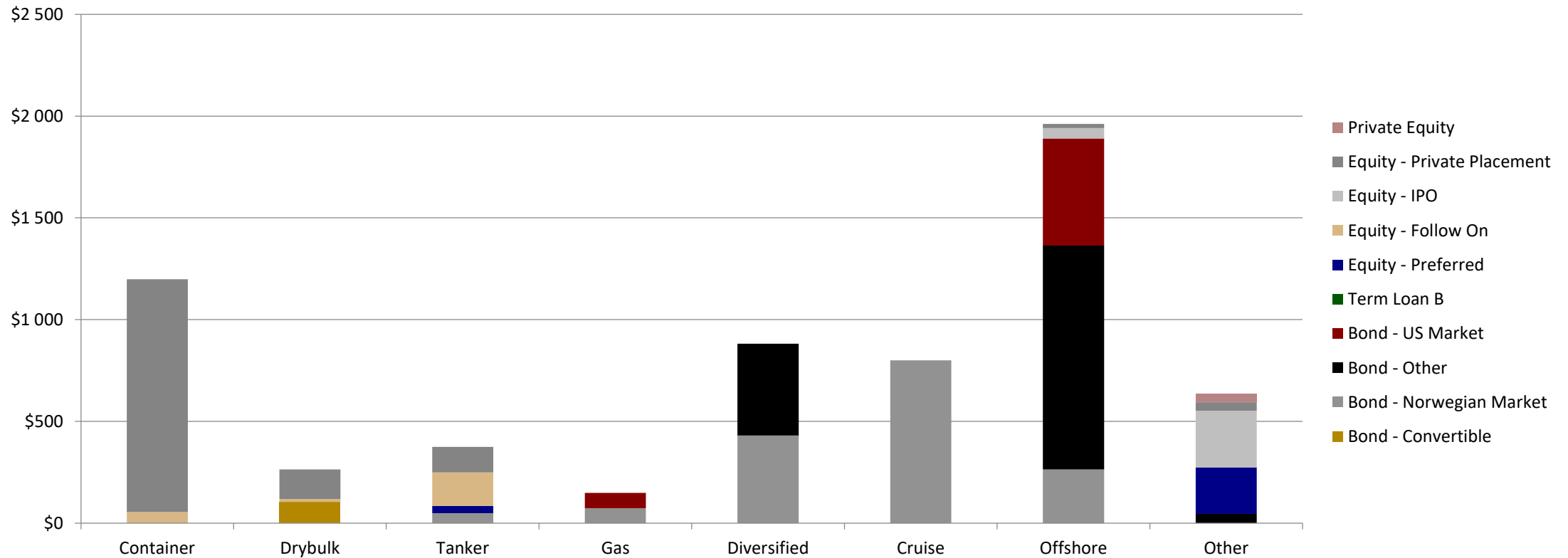
# Capital Markets are Closed

Sources of Capital, 2007 - 2018  
(Million US Dollars)



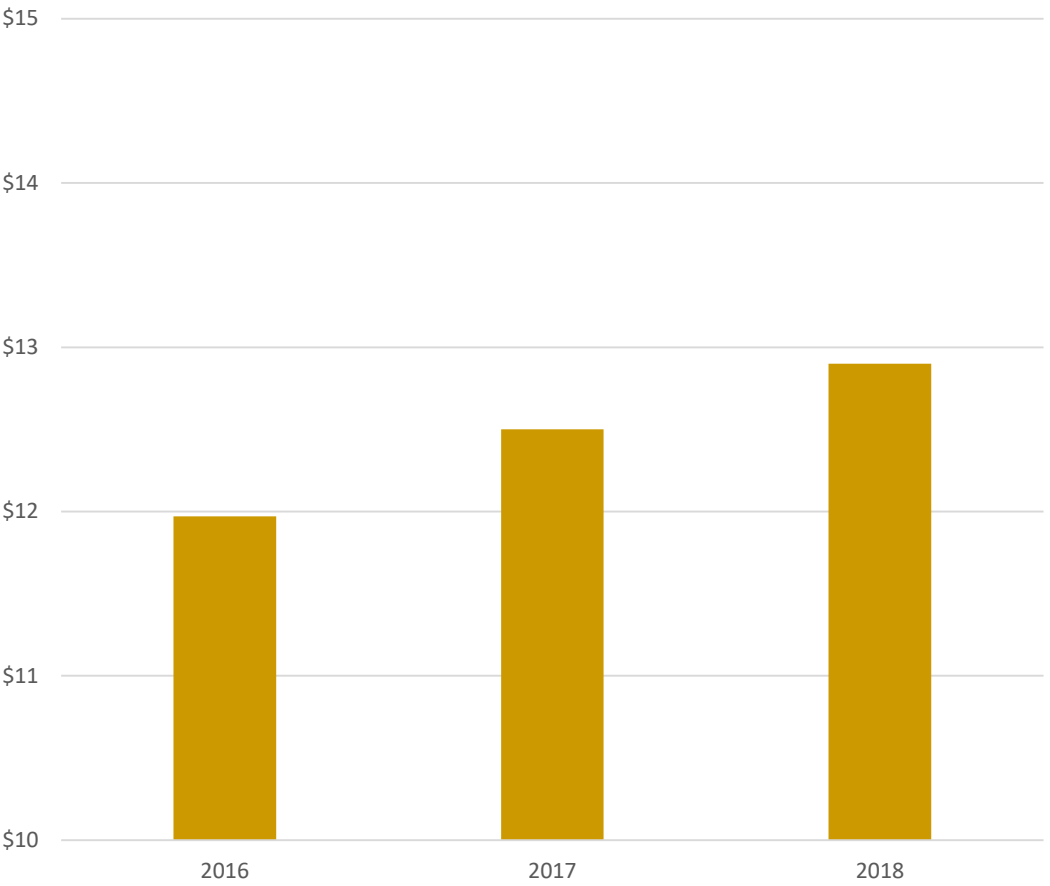
# 2019 First 9 Months

1st 9 Mo. '19 Deals by Sector  
(mUSD)

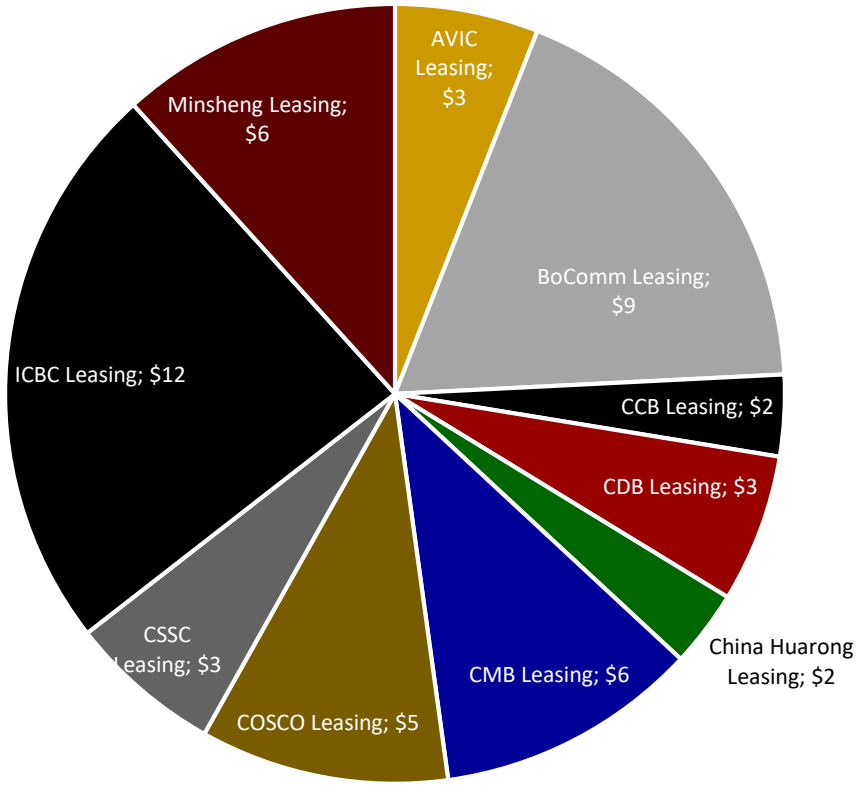


# The Rise of Chinese Leasing

Chinese Leasing New Business Volume (Billion USD)



Chinese Leasing Portfolios



# Alternative Capital for Everyone

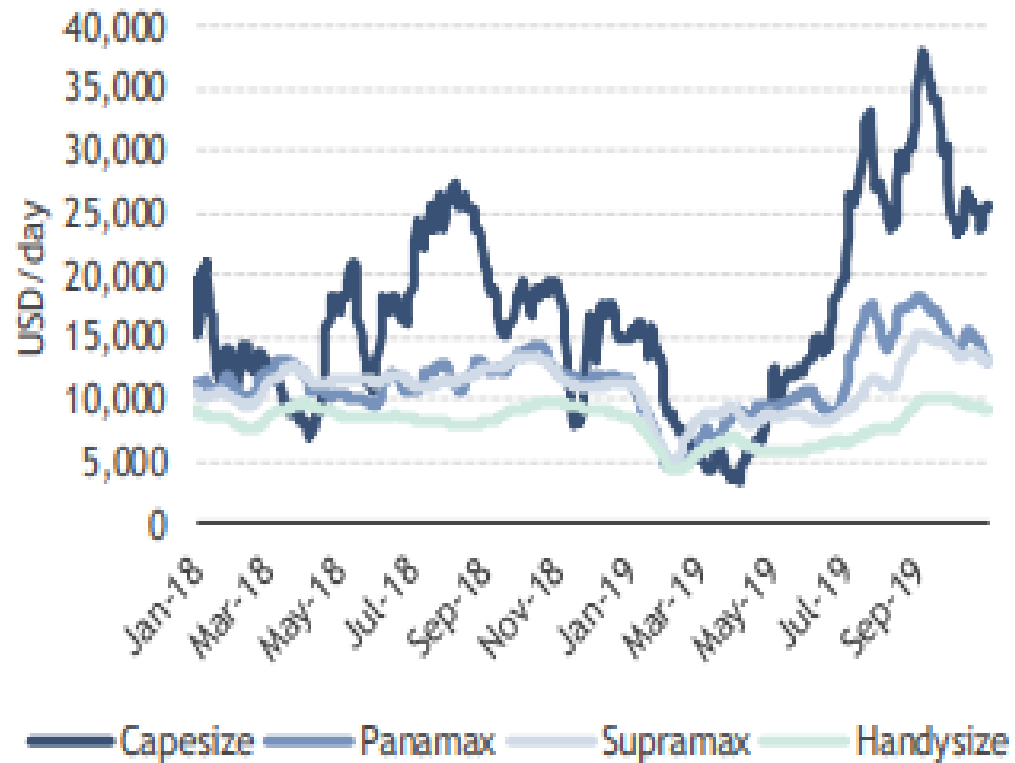
Transaction Size



Cost of Capital

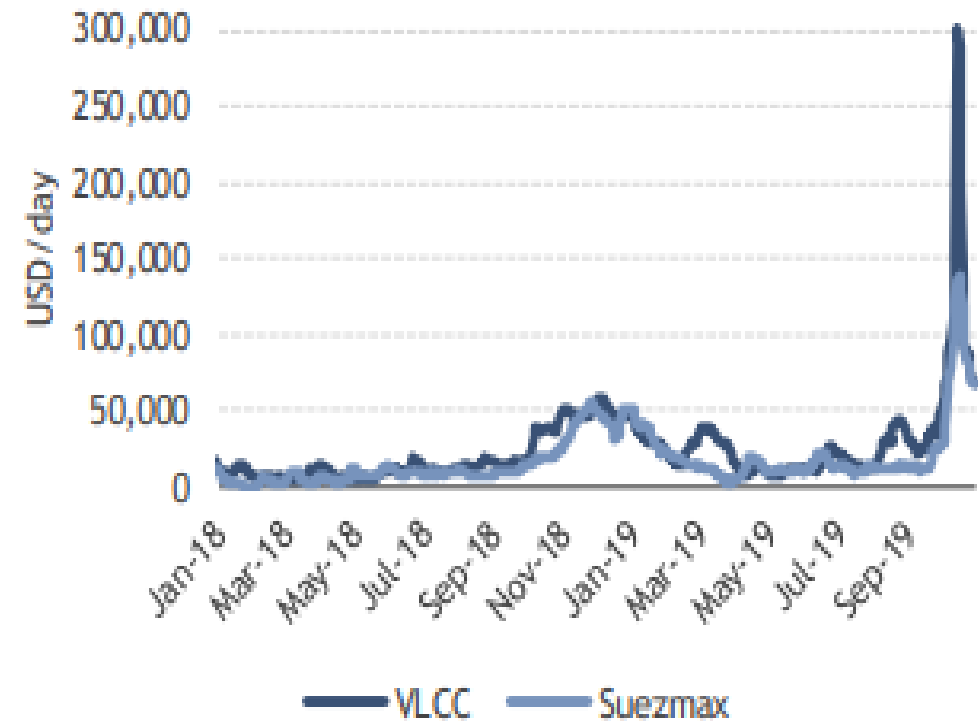
# Freight Rates

## Dry bulk spot rates



Source: Arctic Securities Research, Bloomberg

## Crude tanker spot rates



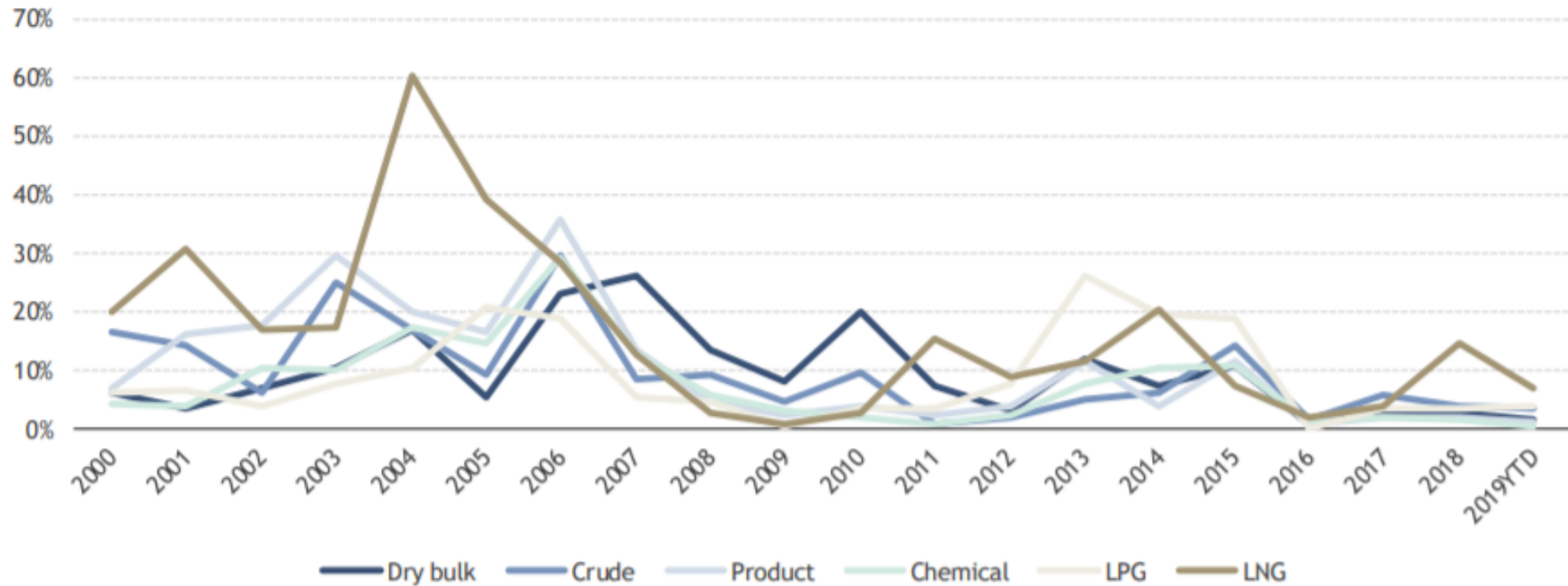
Source: Arctic Securities Research, Bloomberg



# Ordering

## Ordering as % of fleet

Ordering has generally been very low



Source: Arctic Securities Research, Sea-Web

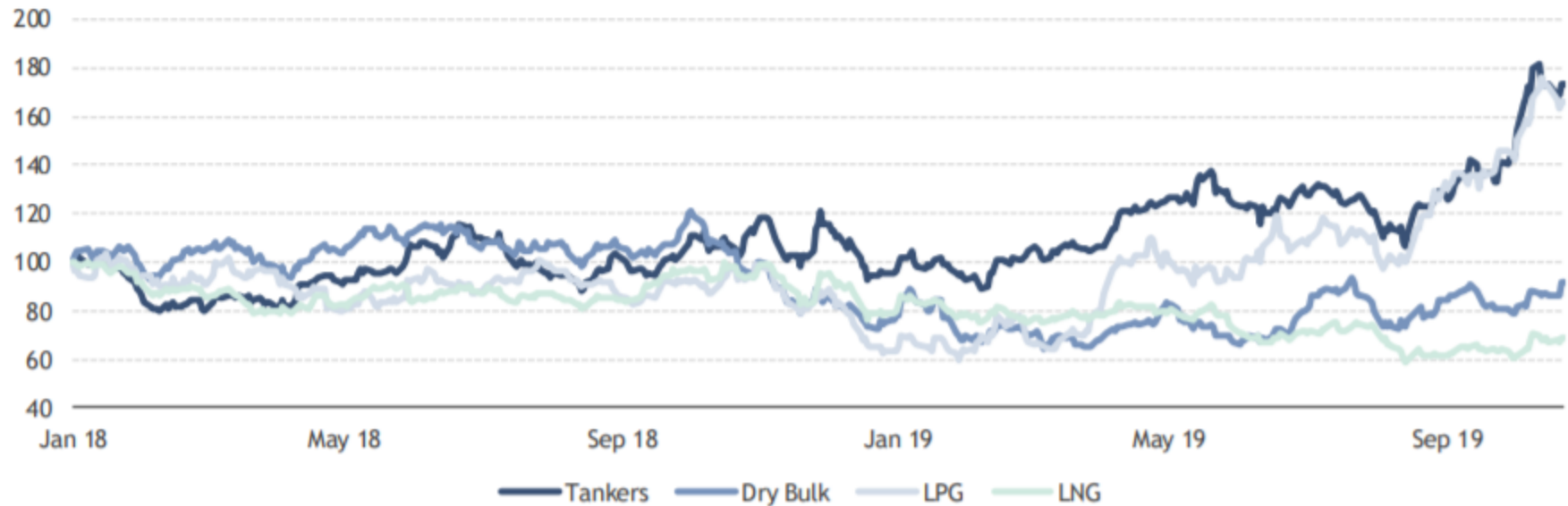
# Steel and Equities on the Rise

## Arctic asset values - y-o-y change

Y-o-Y change	Capesize	Panamax	Supramax	Handysize	VLCC	Suezmax	Aframax	LR2	LR1	MR	Handy
Newbuild	0%	0%	0%	0%	1%	-1%	4%	4%	4%	-3%	-1%
Resale	-4%	0%	0%	0%	5%	8%	10%	10%	5%	5%	6%
5-yr	3%	0%	2%	7%	11%	17%	18%	18%	11%	13%	7%
10-yr	-10%	0%	-10%	-5%	14%	35%	24%	24%	12%	16%	4%
15-yr	-3%	-5%	-20%	8%	19%	19%	25%	25%	15%	11%	7%
Scrap	-13%	-13%	-13%	-13%	-11%	-11%	-11%	-11%	-11%	-11%	-11%

Source: Arctic Securities Research, Arctic Shipping

## Shipping Index Performance



Source: Arctic Securities Research, Bloomberg



- PRINCIPLE 1 - Assessment of climate alignment
- PRINCIPLE 2 - Accountability
- PRINCIPLE 3 - Enforcement
- PRINCIPLE 4 - Transparency

Signatories



Sparebanken Vest