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About YPSN

The YPSN monthly newsletter aims to provide you with the latest developments affecting our members in shipping in Hong Kong and broader China.

If you are interested in registering as a member, sponsoring an event or suggesting activities for YPSN to organize, please feel free to get in touch with us on youngprofessionals.shipping@gmail.com

YPSN Wishes You a Merry Christmas!

As Christmas and the New Year fast approach, we would like to look back at yet another very successful year for the YPSN.

This year saw a steady 15% growth of our membership now comprising of 850+ members in Hong Kong and 400+ members in Shanghai and Beijing as part of our sister organization in China, YPSN PRC. Along with the numerous seminars and networking events that the YPSN are reputable for, this year also saw a very successfully organized and executed Pacific Basin Soccer Sixes football competition in Hong Kong, a trip to Poseidonia 2014 in Athens, Greece, as part of a Hong Kong government delegation to promote the city as an international shipping hub, the initiation of an affiliated integrated social networking platform dedicated to professionals in the maritime industry called Entership and, of course, the production of our very own YPSN newsletter!



Mother and son watch with anticipation at PB Sixes

In February 2014, the YPSN occupied the last few hours of the China Maritime 2014 conference in Hong Kong and gave the floor to three young professionals who spoke to a packed room about the legal challenges faced in increasingly utilizing the Northern Sea route as a commercial and viable trading route, the effect of government policy on marine insurance practices and procedures and the global marine trends that are expected to shape the shipping industry by 2030. The conference was followed by a hugely popular networking event that night at the now defunct Socialito bar in Central. In May 2014, the YPSN organized the 'Women in Shipping and Trade Roundtable Luncheon' with the support of WISTA and The Women's Foundation to discuss pressing issues facing women in the shipping industry. That same month the YPSN PRC held their fourth successful networking event in Shanghai bringing together over 200 shipping professionals. Then in June 2014 the YPSN organized the 3rd Pacific Basin Soccer Sixes tournament which consisted of sixteen shipping company teams competing for the top prize. The turnout this year exceeded that of previous years with over 150 spectators and the top prize going to co-organizers, Pacific Basin. Also in June 2014, the YPSN was invited to join a delegation visit to Greece and London which included Secretary for Housing and Transport, Professor Anthony Cheung and Under Secretary for Transport and Housing, Mr. Yau Shing Mu. The purpose of the visit was to reaffirm Hong Kong's considerable benefits as an international maritime center and the YPSN was very proud to represent Hong Kong's young shipping professionals in Europe.



YPSN awarding winners of PB Sixes

In July 2014, as Hong Kong was getting hot and sticky, the YPSN held their Summer Networking Social in a newly opened venue in Wan Chai. Turnout to the event was a record 234 people which reaffirmed once again that Hong Kong's young shipping community is as active as ever. That was followed by a busy schedule in November 2014 that saw the YPSN hold a seminar on 'Risk in the Shipping Industry' as part of the Asia Logistics and Maritime Conference (ALMC), Asia's largest conference for logistics and maritime services, as well as an educational seminar at the Hong Kong Maritime Museum as part of Maritime Awareness Week, a careers orientated event aimed at promoting shipping careers and encouraging the younger generations into the industry.



Tabitha Logan and Su Yin Anand of YPSN



Natasha Lippens of YPSN PRC and Wei Zhuang of BIMCO

It has been a fruitful year for the YPSN HK and YPSN PRC but despite all our successes, we want to do more. In 2015 we will continue to provide you with insightful seminars and industry updates and hold some of the most successful networking events for young professionals in shipping in Hong Kong and China. Early in 2015 we will also be launching a new initiative, Entership, which we believe will transform the recruiting landscape for shipping professionals in Hong Kong and abroad and will provide easier access for talented professionals to enter and be promoted in the shipping industry. Entership, currently in development stages, is an integrated social networking and recruitment platform dedicated to professionals in the maritime industry. All that and more in 2015, and of course, you can be sure to read about everything we do in our monthly YPSN newsletter!



YPSN and friends

We would like to thank all the people who contributed articles and other content to our newsletter this year and we wish you all a Merry Christmas and a Happy New Year! See you all in 2015!!

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What Will 2015 Bring?

Shipping is a peculiar industry, it really is. If we look at the recent past, that being the last 50 years, the norm was for owners to make a decent living running their ships and, from one generation to another, there was an upgrade in average age or in larger fleet size. It was a hard slog to make a profit but that was what we knew and we were happy doing it. And then came the five years from 2003 to 2008 which transformed shipping into a money machine. Obscene profits were made by doing nothing more than operating ships. Old or new, big or small, it didn't matter. You made a fortune. Those with more units made more, those with fewer units still made plenty. Those wise enough cash-cow'd the existing vessels, or even sold them; those less smart invested the easy profits into newbuilds. Family-run businesses which had for generations been trading a handful of second-hand, even elderly ships, found themselves with a fleet of newbuilds and more on order. The banks were more than happy to grease the cogs. Then, of course, came the crash and the next five-year cycle of 2009 - 2014. Misery for most, bankruptcies, banks foreclosing, low freight rates, too many ships.

This time last year we were hopeful that 2014 would bring better days. We were saying that perhaps it was the year to invest and that 2015 and beyond would bring better markets, and higher rates and investments made in 2013 and 2014 would reap rewards. How wrong we were. Here we are on the brink of 2015 and we seem further away from any real recovery than ever.

Each year, Moore Stephens issue their survey on shipping confidence and this time confidence is at a two-year low. The survey highlights a few things which are impacting on the sober result; a host of new regulations which are about to hit the industry in the next year or two, still too many vessels and more to be delivered, the uncertainties relating to the declining oil price, generally too many ships chasing too little cargo and in an environment which sees increasing costs. It was not only the owners who showed a decline in confidence, but also the charterers.

So what does 2015 bring to the table? It will be an interesting year for sure, that is certain. Every year in shipping is interesting and more often than not what has happened by December is not that which is expected from January. So in the true spirit of the oracle of Delphi we give you ten enigmatic prophecies for 2015 from Marine Money Asia:

- **The decline in the price of oil will be good for the pessimists and bad for the optimists**
- **The number of vessels delivered will decline but the number of vessels in operation will increase**
- **Finance to the shipping industry will be sufficient to meet the needs of the transactions which worthy it**
- **Big is not always beautiful but it does create opportunity**
- **Compelling shipping stories will receive the greatest attention from financiers and investors**
- **Investments too early in the cycle may run out of time, or out of money**
- **Market direction may be misted over by over-optimism or constant pessimism**
- **The brave and the brightest may survive the storm, but the victorious will be those who steer a steady path**
- **The eco-story may boomerang with oil prices at \$70**

The Moore Stephens survey reported feedback from some of the respondents which gave rise to the declining confidence in shipping. Quoted amongst other things, were that the market remains directionless, that the drop in oil price may discourage some who may have been considering scrapping their vessels, only low interest rates are keeping the industry alive, market fundamentals do not justify the continued ordering and more and more regulation means increased operating expenses and even substantial CAPEX for old and new vessels alike.

That it will be a difficult year ahead, that looks inevitable. That opportunities will be few and far between, that looks likely. That we will survive and will be talking about the year ahead in December 2015, that is certain.

Written by Kevin Oates, Managing Director

Marine Money Asia

(re-publication of article from Marine Money Asia newsletter 15/12/2014)

HKMM Launches Corporate Partner Programme

The Hong Kong Maritime Museum (“HKMM”) has announced the launch of a new fundraising programme aimed at public and private corporate sponsors. Named “CSR Partner Programme,” the initiative is designed to match corporate social responsibility (CSR) priorities and commitments to Museum programmes focused on serving the community. Specifically, four programme categories have been identified: education and public programmes; the arts, environmental awareness and social enterprise endeavours; exhibitions, artefacts and academic pursuits; and capital and operational improvements.

Since relocating to Pier 8 in February 2013, Museum programming has expanded exponentially with visitor numbers set to reach 100,000 in the 2015-2014 fiscal year. A dedicated public and education team develops programming that serves local and international schools, community groups, families and adults. Donation dollars will help expand these efforts and create new programming for the elderly, the underprivileged and children, and improve disabled access to the Museum. Social enterprise initiatives include Café 8, the Museum’s rooftop café run by the Nesbitt Centre. Artistic and environmental programmes are also opportunities for the Museum to broaden the discussion of Hong Kong’s maritime history, the protection of our oceans, and the continuing role of the shipping industry to the growth of Hong Kong.

Inaugural partners that have enthusiastically joined to date include Cathay Pacific Airways, Chugoku Marine Paints (HK) Ltd, Valles Steamship Co., Ltd, Pacific Basin Shipping (HK) Limited and A. Bilbrough & Co. Ltd.

Benefits to partner participants include the use of the Museum for an event, invitations to exhibition openings, lectures and discounts, among other benefits. The programme is annual and recurring in nature and is priced at HK\$25,000 and HK\$50,000.



Public Talk at HKMM



Visitors at HKMM Resource Centre

Commenting on expanding the Museum’s development and outreach efforts, Richard Wesley, Director, said, “The Museum is in a unique position to match the interests of public and private companies to our programmes and initiatives. Specifically, corporate CSR and philanthropic efforts that seek to serve education, the community, the environment and the arts match well-developed programmes already in place at the Museum.”



School Group Visit HKMM

The Museum’s development efforts have the support of a revitalised Fundraising Committee whose members include Messrs. Ian Shiu, Director of John Swire & Sons and Chairman of HKMM, Andrew Y. Chen, Chairman and Managing Director Grand Seatrade Shipping Company, David C.C. Koo, Managing Director, Valles Steamship Co., Ltd, Anthony Hardy, former Chairman of Wallem and Chairman Emeritus of HKMM and Richard Wesley, Director of the Museum. In January 2014, Ms. Jennifer L. Schlueter was appointed Head of Development, a newly established role that is expanding fundraising efforts with the broader business community and sourcing public and private grants. Jennifer brings more than 20 years of business experience, including in-house and advisory roles with public shipping companies in the U.S. and Asia.

For media and programme enquiries, please contact:

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YPSN EVENTS

JANUARY 2015

**YPSN PRC Networking Social**

Thursday 15 January 2015

92/F, Shanghai Lounge, Shanghai World Financial Center, Shanghai

natasha.lippens@marentas.com

INDUSTRY EVENTS

JANUARY 2015

**IMCC & PolyU Public Policy Research Seminar**

Tuesday 20 January 2015 (14:00 - 16:30)

FJ620, Chan Tai Ho Building, The Hong Kong Polytechnic University, Hung Hom

Enquiry: ling.zhu@polyu.edu.hk

Register: imcc.centre@polyu.edu.hk

**SCLP Speaker Luncheon: Hong Kong Port 2030 Strategic Plan**

Wednesday 28 January 2015 (12:30 - 14:00)

Delaney's, 1 Capital Place, 18 Luard Road, Wan Chai

mark@markmillar.com

**Marine Money: 6th Annual London Ship Finance Forum**

Wednesday 28 January 2015

The Dorchester, Park Lane, London, UK

mia@marine-marketing.gr

