## 2009 Milestones

### Global Economic Events
- 2009 begins with world financial system in turmoil
- Continued global recession
- Weak consumer demand
- Falling Real Estate values
- High unemployment
- Lackluster retail sales
- Contraction of world trade
- Double digit decrease in containerized shipments, resetting to 2004 levels
- Stock Markets Bottom in March 2009
- Oil Prices start 2009 in steep decline, then rebound
- Excess containership capacity, combined with weak demand, sends freight rates into freefall
- Unsustainably low ocean freight rates

### Impact to Liner Industry
- Record breaking containership capacity (ordered during 2007-2008 peak) being delivered
- Carriers suspend, consolidate, and eliminate services to reduce capacity
- Carriers reduce service speeds and add vessels to surviving services to reduce costs and further absorb capacity
- Idled containership fleet peaks at over 600 vessels, 11.6% % of total capacity
- 2009 containership scrapping hits 370k teu level, exceeding the combined total of previous 10 years
- Future containership deliveries delayed and/or cancelled throughout 2009
- Only 2 small containerships ordered in all of 2009
- Vessel charter rates tumble, carriers renegotiate charter rates
- Liner industry projected to lose a combined $20 billion in 2009
- Several high profile liner operators encounter serious financial difficulties