
China shipbuilders still in doldrums

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China Daily quoted Clarkson Research Service said that China's fledgling shipbuilding industry is set for more hard times as industry insiders have indicated that the global shipbuilding industry is unlikely to recover in the near future. New shipbuilding orders received by China in the first quarter of this year fell 98.3% YoY to 0.19 million deadweight tonnes. New orders worldwide in the first quarter have fallen by 97% to 1.33 million DWT.

Mr Zhu Rujing researcher, China Shipbuilding Economy Research Center said "New orders worldwide will be less than 5 million DWT in the first half of this year and it will be quite optimistic if the figure reaches 15 million DWT for the full year. He estimated that 204.6 million DWT orders Chinese shipyards have pooled by the end of 2008 will decline to 150 million DWT.

Mr Zhu said "The global shipbuilding depressions will last three years at least or even more than five years."

Although major shipyards in China have pooled enough orders for production till 2011 order cancellations may increase as clients are facing cash problems.

Mr Zhang Guangqin president, China Association of the National Shipbuilding Industry "In 2009, Chinese shipyards will deliver vessels of 56 million DWT as planned, but I guess 5% of them will be cancelled."

(Source: China Daily)

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