

Black Sea exports affected as war fears escalate

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The pre-arranged Russian naval drill exercises in the Black Sea which Ukrainian officials denounced last week, before claiming that they had not affected trade into and out of the Sea of Azov, looked to have had a measurable effect on Black Sea exports, according to VesselsValue (see IMN, Friday February 11th).

Drewry meanwhile has said that more than 700 dry bulk vessels are loaded at Russian and Ukrainian ports every month. If there were war, even a short-term disruption of shipments could result in these vessels looking for alternate cargoes elsewhere, which could increase effective supply by more than 4%, according to Drewry, that therefore could see the dry bulk market facing a sharp decline in trade and a surge in supply that has the potential to bring rates down.

“The data shows that trade from the Black Sea is suffering at least a partial blockade,” VesselsValue said.