The deep sea container freight market

Finance, Market

The deep sea container fright market is actually similar to the wet bulk market because both of them depend on fixed price charges. However, like the wet bulk market, the deep sea market is also susceptible to some market fluctuations and the like. It should be noted that most of these commodities may not necessarily be in line.

The nature of the products being sold in the market can be reduced or increased due to factors within the market or those lying outside it. Some external factors include political regulations where certain countries have laws that either inhibit this trade or encourage it.

In other instances, environmental regulations can also increase or decrease supply of services. For instance, when an oil spills occurs by a certain vessel, then countries react to the oil spill by creating stricter laws that impede trade in the sector. (Jones, 1999)

Demand in the deep sea freight market is also influenced by availability of the commodity. Since substantial amounts of commodities transported through this method happens to be oil, then demand for the transportation service will be affected by presence of oil drilling activities in any one location. If oil drilling ceases, then the demand for the service diminishes too. Read about Carson Container company