



## Book review: Guide to Bunker Credit Risk

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A guide to credit risk in the bunker market, written by the head of the marine credit reporting company **Ocean Intelligence**, is published this month.

Adam Dupré says his book, *An Introduction to Bunker Credit Risk*, is an attempt "to provide the reader with an understanding of the marine fuel market and of the shipping markets it supports."

Shipping markets are "opaque and unique", he claims, but bunker suppliers have to understand them if they are to survive.

The scale of risk faced by suppliers is highlighted Stuart Kenner, Founder of **MRC Business Information Group**.

Writing in the book's foreword, he says: "The global bunker market is worth many, many billions of dollars and it is constantly changing. Individual suppliers are heavily exposed financially and physically.

"One bad debt wipes out the profit on numerous other stems."

Looking at the book in more detail, Kenner says: "We are taken through the crucial distinction between nominal ownership and actual control and the question of who is the actual credit party.

"[The book] outlines the whats and hows regarding the essential need to understand both the micro side – the company being offered credit – and the macro side – the market context such as the sub-sector's tonnage position; hence the company's earnings situation, its worth and its debt position."

He suggests Dupré's guide appears at a timely moment: "Any fool can succeed in a rising market but it takes good management to steer through a falling one and both bunkers and shipping are cyclical businesses."

Chapters cover the factors affecting risk, a review of the shipping markets (courtesy of John Phillips, Credit Manager of **Chemoil International Pte Ltd**), an assessment of risk by country and region and an analysis of the tools available to a risk manager.

"You need to recognise that risk is dynamic," writes Dupré.

"Like fire, it is can be dangerous, but managed properly it can be a power behind increasing and protecting profitability."

*An Introduction to Bunker Credit Risk* is the latest in a series of guides to the bunker industry published by UK-based **Petrospot Ltd**.

More information can be found on [www.petrospot.com/books](http://www.petrospot.com/books).

The website shows the price of book as UK£45 / €50 / \$80 + carriage

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