

COMPASS MARITIME WEEKLY REPORT



February 26th, 2016 / Week 8

THE VIEW FROM THE BRIDGE

Full report can be viewed on the Market Reports tab at the following link: www.compassmar.com

Crude tanker spot rates continue to soften this week while clean tanker rates remained steady. Scorpio Tankers (NYSE: STNG) announced the sale of five MR product tankers (52,000 DWT/Built 2014 at Hyundai Mipo) to The National Shipping Company of Saudi Arabia (Bahri) for \$166 mill. en bloc or about \$33.3 mill. each. The sale will strengthen their balance sheet as net debt to capital drops to about 50% (from 54%) with these sales. These 5 vessels will be added to the Bahri fleet that consists of 36 VLCC's, 4 Mr's, and one aframax on the water plus 10 VLCC's under construction at Hyundai Samho that will be delivered in 2017-2018. Bahri also picked up a 5 year old VLCC for \$75 mill.

The BDI had a second week of steady but small improvement and closed at the 327 level. However, sentiment is still negative and the bulker market remains in the deep doldrums. Time charter rates for Pacific rounds for Cape bulkers are still in the low \$2,000/day levels.

Hyundai Group has confirmed the sale of their bulk carrier business for almost \$450 mill. to private equity group Hanh & Co. (owner of H-Line Shipping) in an inter Korea deal. The package includes Hyundai Merchant Marine's twelve bulk carriers plus three more bulkers on order as well as long-term contracts with steel producer POSCO and logistics company Hyundai Glovis. HMM will get \$100 mill. and Hanh & Co. will take HMM's debt of \$350 mill. Hanh & Co. transports iron ore, coal, LNG and other raw materials with its fleet of thirty-six vessels of which twenty-nine are bulk carriers.

Have a good weekend.

COMPASS MARITIME WEEKLY REPORT

TANKERS

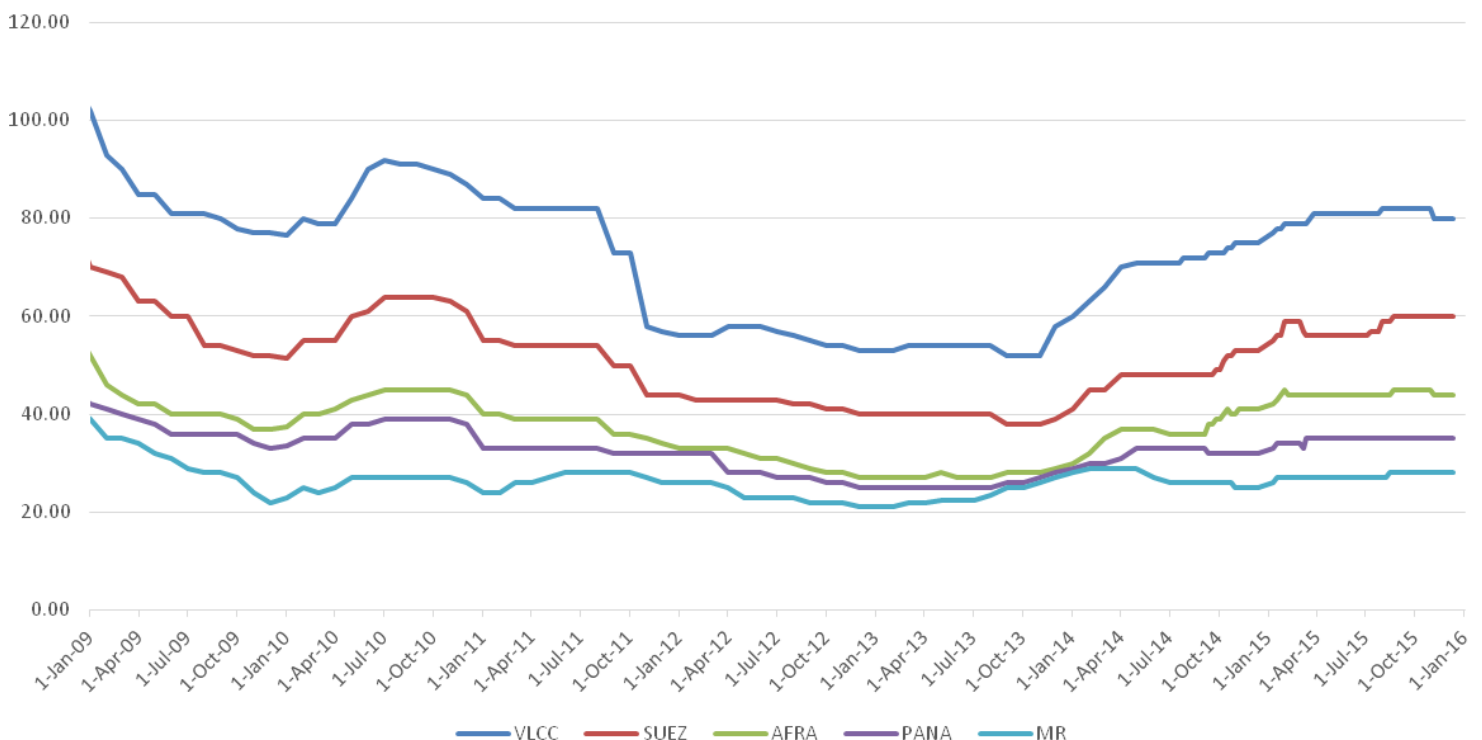
TANKER SALES REPORTED THIS WEEK

Vessel Name	DWT	Year	Built	Engine	Additional Info	Price (\$ Mill.)	Buyer
HANJIN RAS TANURA	317,660	2011	Hyundai Heavy	Wartsila		\$75	Saudi Arabia (Bahri)
TAKACHIHO II	280,889	1998	IHI	Sulzer	38,726 ldt	\$21.5	Greek
STI MYTHOS STI LEXINGTON STI CHELSEA STI POWAL STI CHALLENGER	49,990	2014	Hyundai Mipo	Man B&W	IMO III	\$33.3 each	Saudi Arabia (Bahri)
MARIDA MULBERRY MARIDA MAGNOLIA	13,226	2008	Jinse, Korea	Man B&W	IMO II/III	\$9.5 each	Norway (Monjasa)

COMPASS MARITIME TANKER VALUES

ASSET CLASS	NB CONTRACT		NB PROMPT DELIVERY	5 YEAR	10 YEAR	20 YEAR
TANKERS	SIZE (DWT)	(All Numbers in US \$ Millions)				
VLCC	300,000	91.5	96	77	50	23
SUEZMAX	160,000	62.5	68	58	40	14
AFRAMAX	110,000	50.5	54	42	27	8
PANAMAX - LR1	70,000	45	46	35	25	7
MR TANKER	51,000	34.5	36	27	19	7

COMPASS MARITIME TANKER VALUES (5YRS OLD)



COMPASS MARITIME WEEKLY REPORT

BULK CARRIERS

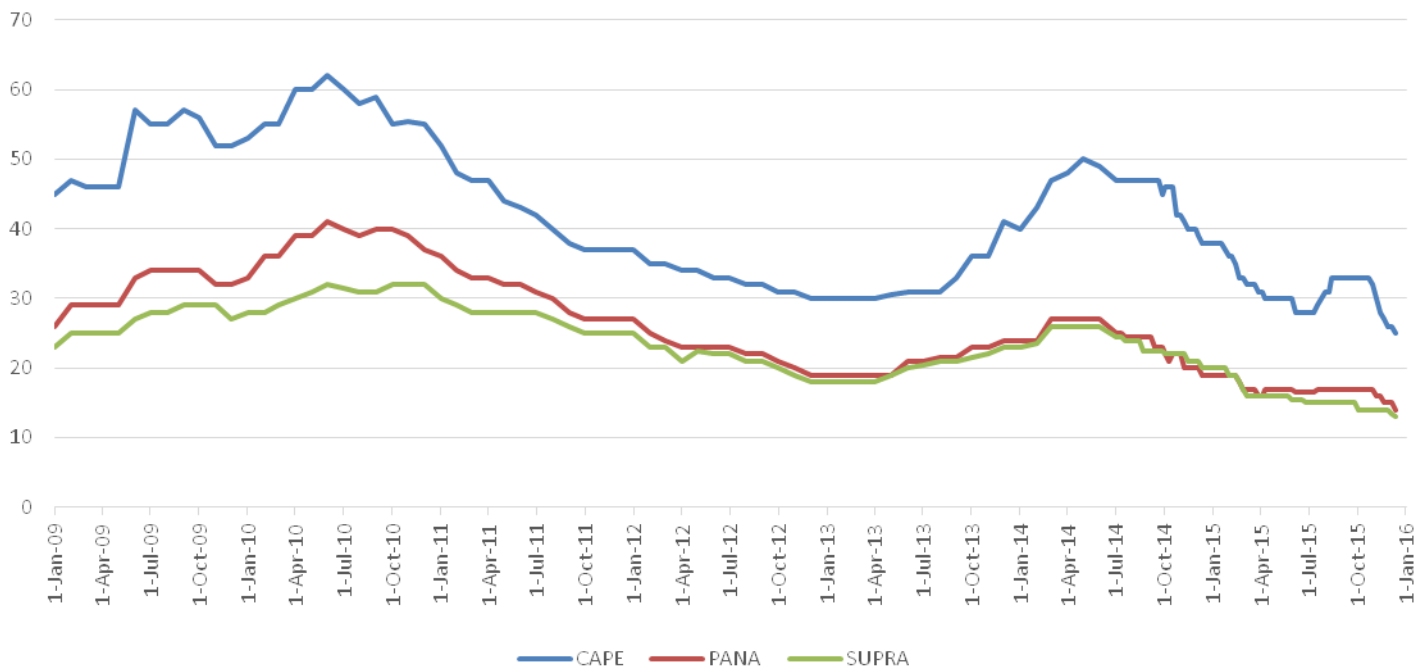
BULK CARRIERS SALES REPORTED THIS WEEK

Vessel Name	DWT	Year	Built	Engine	H/H	GEAR	Additional Info	Price (\$ Mill.)	Buyer
SHIN-SHO	177,489	2006	Mitsui Chiba	Man B&W	9/9			\$11.5	Greek
TENSEI MARU	52,454	2007	Tsuneishi	Man B&W	5/5	4 X 30 c		\$6.5	Bangladesh
MAGIC ORIENT	28,399	1995	Imabari	B&W	5/5	4 X 30.5 c	6,000 ldt	\$1.6	Undisclosed

COMPASS MARITIME BULK CARRIER VALUES

ASSET CLASS		NB CONTRACT	NB PROMPT DELIVERY	5 YEAR	10 YEAR	20 YEAR
BULK	SIZE (DWT)	(All Numbers in US \$ Millions)				
CAPE	170,000	44.5	34	22	12	7
PANAMAX	74,000	24.5	23	12	7	4
SUPRAMAX	56,000	22.5	20	10	6	3

COMPASS MARITIME BULKER VALUES (5YRS OLD)



COMPASS MARITIME WEEKLY REPORT

NEWBUILDINGS

NEWBUILDING ACTIVITY REPORTED THIS WEEK

<u>No.</u>	<u>Size</u>	<u>Type</u>	<u>Yard</u>	<u>Delivery</u>	<u>Price (mill)</u>	<u>Comments</u>	<u>Owners</u>

NEWBUILDING STATISTICS - TANKERS

ASSET CLASS	2016	2017	2018	2019
VLCC (200k+ dwt)	66	46	22	2
SUEZMAX (120k-199k dwt)	40	56	6	3
AFRAMAX (80k-119k dwt)	64	65	30	1
PANAMAX (60k-79k dwt)	32	28	10	0
MR TANKER (35k-59k dwt)	158	83	16	9
0-34K DWT	85	49	25	3

NEWBUILDING STATISTICS - BULKERS

ASSET CLASS	2016	2017	2018	2019
CAPE SIZE (100k+ dwt)	184	35	18	2
80-100K DWT	220	66	18	1
PANAMAX (65k-79k dwt)	22	3	0	0
SUPRAMAX (40k-64k dwt)	441	132	14	3
HANDYSIZE (10k – 39k dwt)	243	87	30	12

CHARTERING MARKET SNAPSHOT

TANKERS

BALTIC EXCHANGE TANKER FREIGHT INDICES

	CURRENT WEEK	LAST WEEK	LAST YEAR
BDTI	751	740	863
BCTI	519	950	577

TANKER 12 MONTHS T/C RATES

	DWT	CURRENT WEEK	LAST WEEK
VLCC	300,000	47,500	50,000
Suezmax	150,000	35,000	35,000
Aframax	110,000	27,000	29,250
LR2	105,000	28,000	29,000
LR1	80,000	22,500	23,750
MR	47,000	17,750	18,000

BULKERS

BALTIC EXCHANGE BULKER FREIGHT INDICES

	CURRENT WEEK	LAST WEEK	LAST YEAR
BDI	327	315	530
BCI	177	207	630
BPI	352	355	499
BSI	333	286	436

BULKER 12 MONTHS T/C RATES

	DWT	CURRENT WEEK	LAST WEEK
CAPE	170,000	4,800	4,800
PANAMAX	75,000	4,400	4,300
SUPRAMAX	52,000	5,000	4,900

COMPASS MARITIME WEEKLY REPORT

RECYCLING ACTIVITY REPORTED THIS WEEK

BANGLADESH - CHITTAGONG

NAME	DWT	YEAR	LDT	ADDITIONAL INFORMATION	PRICE/ LDT (USD)
MV Winning Friend	152,034	1993	18,538		\$232

CHINA

NAME	DWT	YEAR	LDT	ADDITIONAL INFORMATION	PRICE/ LDT (USD)
No sales to report					

INDIA

NAME	DWT	YEAR	LDT	ADDITIONAL INFORMATION	PRICE/ LDT (USD)
MV Varva	71,862	1994	9,917		\$225
(cont) HH Emilia	67,680	1991	20,711		\$248
MV Starford 8	25,357	1984	5,593		\$214
MV Haj Walid	23,418	1985	5,358		\$222

PAKISTAN

NAME	DWT	YEAR	LDT	ADDITIONAL INFORMATION	PRICE/ LDT (USD)
MV Sunny Star	149,515	1991	18,448	w/ about 600 tons bunkers	\$237

MISC

NAME	DWT	YEAR	LDT	ADDITIONAL INFORMATION	PRICE/ LDT (USD)
MV Huitai	149,155	1996	18,232	Buyer has full sub-cont delivery options, about 800 tons fuel	\$237
(cont) MOL Advantage	66,332	2001	27,750	“as is” HK with undisclosed quantity of extra fuel	\$252

TURKEY

NAME	DWT	YEAR	LDT	ADDITIONAL INFORMATION	PRICE/ LDT (USD)
No sales to report					

RECYCLING STATISTICS

ASSET CLASS	THIS DATE 2016	THIS DATE 2015	2015 TOTAL	2014 TOTAL
ULCC/VLCC	1	0	4	13
SUEZMAX	0	0	1	8
AFRAMAX	0	0	3	26
POST-PANAMAX TANKER	0	0	0	2
PANAMAX TANKER	0	0	5	10

CAPE/COMBO (80K DWT +)	28	16	92	45
PANAMAX BULKER	33	14	96	62
POST PANAMAX BULKER	1	2	8	4

ESTIMATED RECYCLING PRICES (US \$ / LDT)

LOCATION	TANKERS 15-20,000 LDT	TANKERS 6-10,000 LDT	BULK CARRIERS
CHINA	\$135	\$130	\$120
SUB-CONTINENT	\$245	\$245	\$230

COMPASS MARITIME WEEKLY REPORT

MISCELLANEOUS VESSELS

CONTAINERSHIPS SALES REPORTED THIS WEEK

<u>Vessel Name</u>	<u>DWT</u>	<u>Year</u>	<u>Built</u>	<u>TEU</u>	<u>Engine</u>	<u>GEAR</u>	<u>Additional Info</u>	<u>Price (\$ Mill)</u>	<u>Buyer</u>
MARCO R	67,712	2000	Kvaerner	5,468	Sulzer	N/A	25,201 ldt	\$13	Greek
SPIRIT OF PIRAEUS	30,554	2001	China Shipbuilding	11,634	B&W	3 X 45 c	11,634 ldt	\$3.5	Undisclosed

TWEEDECKERS/ MPC/ Ro-Ro/ MISCELLANEOUS VESSELS

<u>Vessel Name</u>	<u>DWT</u>	<u>Year</u>	<u>Built</u>	<u>TEU</u>	<u>Engine</u>	<u>H/H</u>	<u>GEAR</u>	<u>Additional Info</u>	<u>Price (\$ Mill)</u>	<u>Buyer</u>

BUNKER PRICES

<u>BUNKER PRICES (US\$/ton)</u>	<u>ROTTERDAM</u>	<u>FUJAIRAH</u>	<u>SINGAPORE</u>	<u>PIRAEUS</u>
380 CST	145.00	150.00	153.50	155.00
180CST	168.00	200.00	165.50	173.00
MGO	299.00	415.00	312.50	322.00

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