March 11, 2016 / Week 10

THE VIEW FROM THE BRIDGE

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

A positive week for dry cargo shipping as commodity prices (led by iron ore shooting up some 20% early in the week before retreating), recycling prices, and dry cargo charter rates all firmed this week. Many question if these rallies will be sustained, but it will be interesting to see how these factors affect bulk carrier prices.

The Dryships restructuring saga continues with their creditors. This week it was reported that Dryships had a loss of $528 mill. for the fourth quarter of 2015 (a result of non-cash impairments). Dryships missed the balloon payment on two bank facilities that have matured and suspended repayment of principal on the remainder of its credit facilities.

Paragon Shipping announced that they will sell all six of their operational vessels in order to settle its outstanding debt on the vessels. The ships on the water include 2 x 74,000 DWT Panamaxes built 2006 and 4 x 37,000 DWT handysize bulkers built 2014, 2013, 2012, and 2012. Paragon will also defer delivery of 3 x kamsarmax newbuilding bulkers scheduled for delivery from Jiangsu Yangzijiang Shipbuilding towards the end of 2016.

There are reports that the VALEMAX fleet of 400,000 DWT ore carriers is about to expand significantly from the current 35 units. So far about 20 Valemaxes have been delivered from Rongsheng Heavy Industry and Bohai Shipbuilding in China (12 ships for Vale, 4 ships for Aman shipping and 4 ships for Berge Bulk) plus about 15 Valemaxes have been built at STX and Daewoo in Korea. It has been reported that China Merchants, ICBC Leasing, and China Ore Shipping have ordered another 30 Valemaxes including 14 at Shanghai Waigaoqiao Shipbuilding (SWS), 8 at Beihai Shipbuilding Heavy Industries, and 6 Yangzijiang Shipbuilding, and 2 at CIC Jiangsu Shipyard. The new order prices are estimated at about $85 mill. each compared with the earlier versions which went for about $140 mill. each.

Have a good weekend.

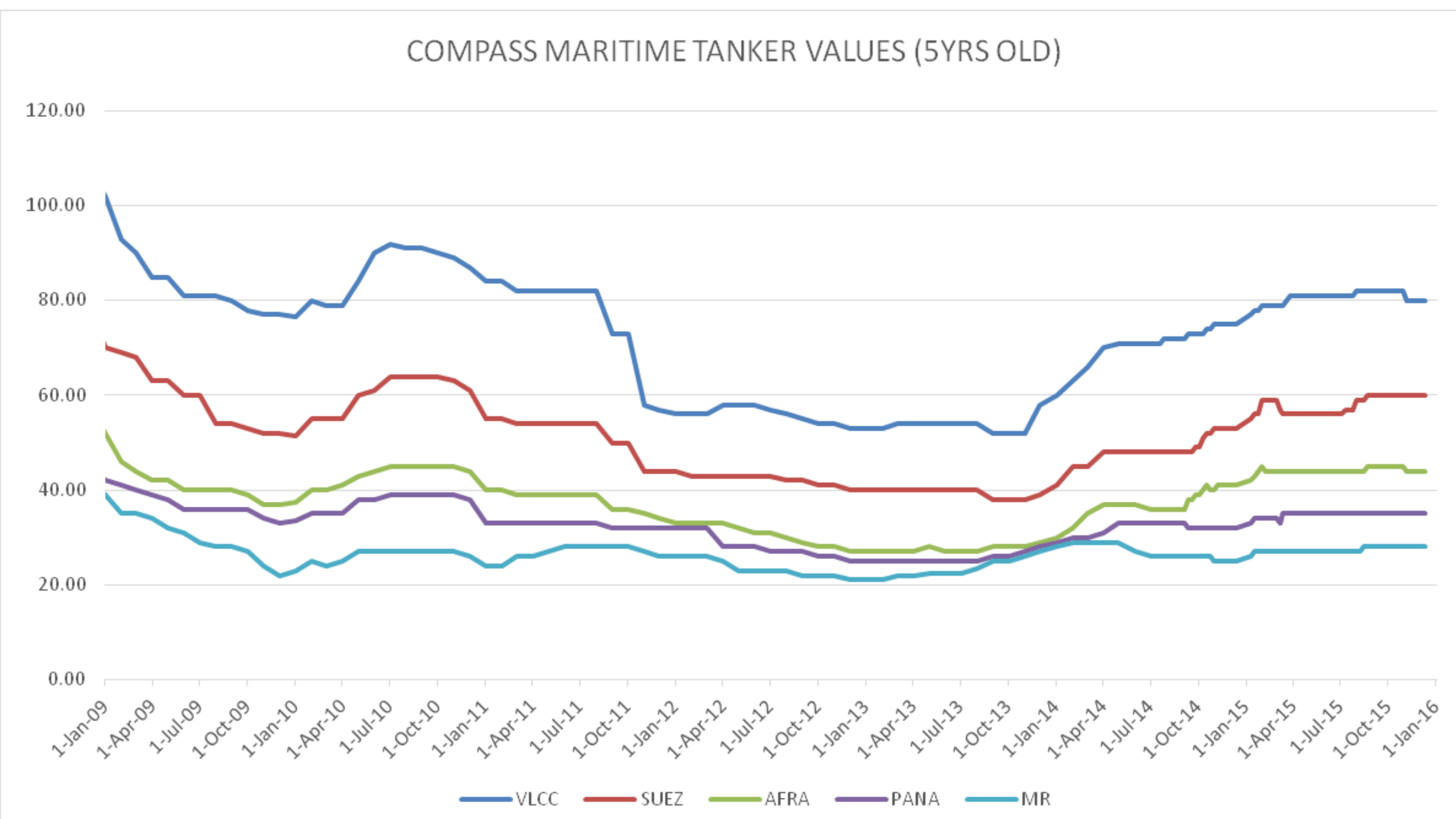
TANKERS

TANKER SALES REPORTED THIS WEEK

Vessel Name	DWT	Year	Built	Engine	Additional Info	Price ($ Mill.)	Buyer
TRIDENT STAR	105,996	2005	Namura	Man B&W	Coiled	$26.5	Undisclosed
GREAT WHITE	104,024	1999	Samsung	Man B&W	17,710 ldt Coiled	$15	Indonesia (Soechi)
KASSOS	95,420	1995	Hyundai Heavy	B&W	16,480 ldt	$8.25	India (Arya)
SEARAMBLER	39,551	2001	Hyundai Mipo	B&W	Coated / Coiled	$11	UAE
KASUGTA	19,882	2004	Fukuoka	B&W	St.Steel 20 Grades	$17.25	China

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	76	50	23
SUEZMAX	160,000	62.5	68	57	40	14
AFRAMAX	110,000	50.5	54	40	27	8
PANAMAX - LR1	70,000	45	46	35	25	7
MR TANKER	51,000	34.5	36	27	19	7



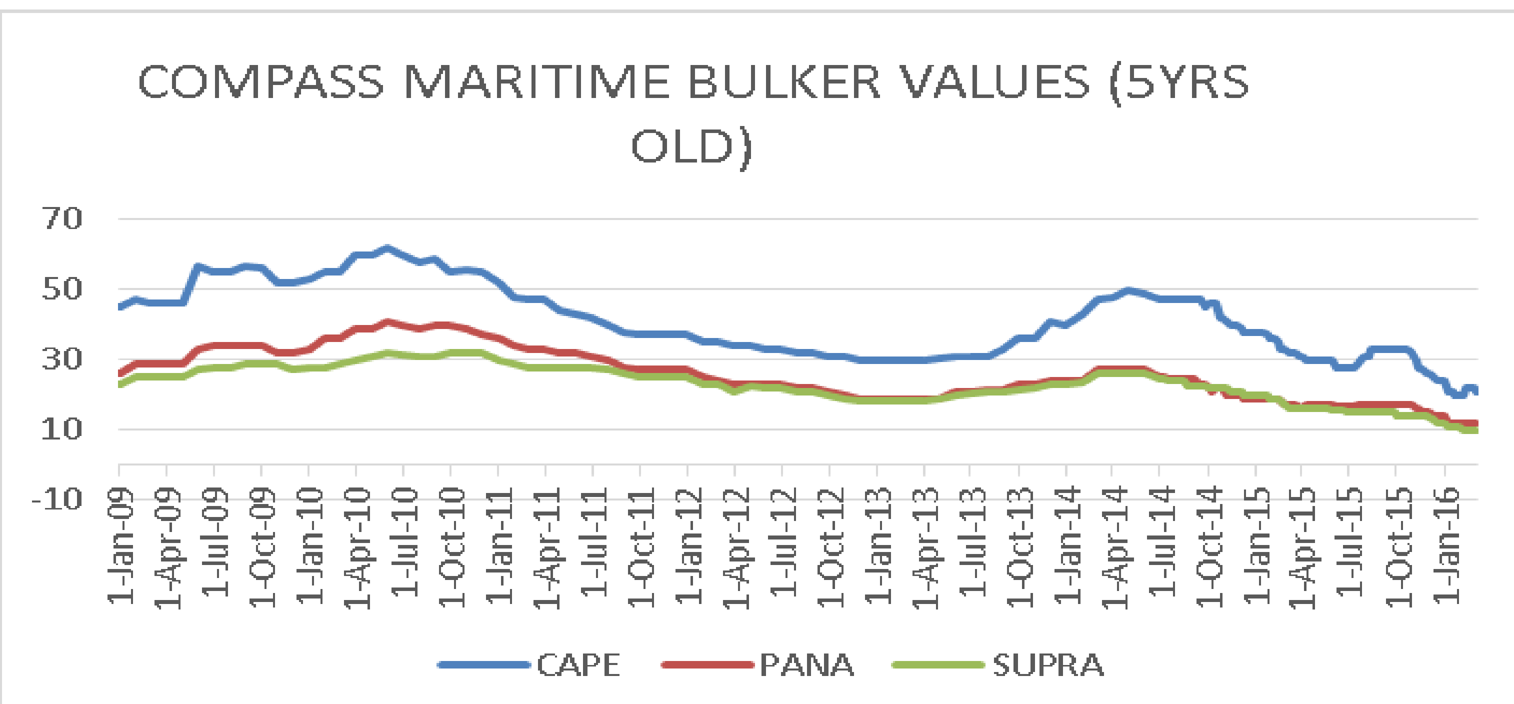
BULK CARRIERS

BULK CARRIERS SALES REPORTED THIS WEEK

Vessel Name	DWT	Year	Built	Engine	H/H	GEAR	Additional Info	Price ($ Mill.)	Buyer
TENSHIN MARU	82,687	2008	Tsuneishi	Man B&W	7/7			$7.9	Greek
LOWLANDS CAMELLIA	76,807	2006	Sasesbo	Man B&W	7/7			$6.5	Greek
RED DAISY	61,000	2016	IWAGI	Man B&W	5/5	4 X 30.7 c		$18.5 incl 2 yrs tc back at usd $6000/day	Japan
GLOBAL ISLAND	53,556	2004	IWAGI	Man B&W	5/5	4 X 30.5 c		$4.5	`Greek
ATLANTIC ALTAMIRA	51,024	2001	Oshima	Sulzer	5/5	4 X 30		$2.5	Undisclosed
AURORA SAPPHIRE	48,893	2000	IHI Tokyo	Sulzer	5/5	4 X 30 c		$2.9	Bangladesh
AEC NB RESALE	37,500	2016	Shimanami	Man B&W	5/5	4 X 31c		$15	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	33	21	12	7
PANAMAX	74,000	24.5	23	12	7	4
SUPRAMAX	56,000	22.5	20	10	6	3



NEWBUILDINGS

NEWBUILDING ACTIVITY REPORTED THIS WEEK

No.	Size	Type	Yard	Delivery	Price (mill)	Comments	Owners
1	170,000	Gas	Hyundai Hi	2017	$223		Hoegh LNG Holdings

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
CAPESIZE (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	794	751	848
BCTI	494	519	567

TANKER 12 MONTHS T/C RATES

	DWT	CURRENT WEEK	LAST WEEK
VLCC	300,000	44,500	46,00
Suezmax	150,000	33,500	34,500
Aframax	110,000	25,000	26,000
LR2	105,000	26,250	27,500
LR1	80,000	21,500	21,750
MR	47,000	16,500	17,750

BULKERS

BALTIC EXCHANGE BULKER FREIGHT INDICES

	CURRENT WEEK	LAST WEEK	LAST YEAR
BDI	388	349	565
BCI	176	164	470
BPI	477	386	487
BSI	420	371	566

BULKER 12 MONTHS T/C RATES

	DWT	CURRENT WEEK	LAST WEEK
CAPE	170,000	4,800	4,800
PANAMAX	75,000	4,500	4,400
SUPRAMAX	52,000	5,000	5,000

RECYCLING ACTIVITY REPORTED THIS WEEK

BANGLADESH - CHITTAGONG

NAME	DWT	YEAR	LDT	ADDITIONAL INFORMATION	PRICE/ LDT (USD)
MV Zambia	82,171	1998	28,544	(80 ton propeller + extra bunkers)	$290
Port Numbay (mpp)	7,920	1983	3,240		$230
Coniston (LPG)	4,801	1991	2,420		$235

CHINA

NAME	DWT	YEAR	LDT	ADDITIONAL INFORMATION	PRICE/ LDT (USD)
MV Sea Glory	27,279	1997	7,442		#130

INDIA

NAME	DWT	YEAR	LDT	ADDITIONAL INFORMATION	PRICE/ LDT (USD)
MV Cape Venus	172,612	1996	21,165		$239
MV Pos Ambition	149,330	1992	17,077	(full range options)	$245
MV Aquaria	73,236	1994	10,593		$240
MV Suerte	72,516	1995	11,343		$260
MV Orient Rich	70,118	1995	9,138		$260
MV Mighty Pleides	68,962	1997	9,543		$247
MV Northern Divinity (cont)	45,117	1997	14,446	as is Singapore	$257
Arnold Schulte (cont)	41,000	2002	13,900	as is Singapore	$270

PAKISTAN

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

MISC

NAME	DWT	YEAR	LDT	ADDITIONAL INFORMATION	PRICE/ LDT (USD)
MV Cape Century	172,683	2001	21,104	(Final destination unknown)	$247
MV MP Panamax 6	68,541	1994	10,306	(as is Dubai, final destination unknown)	$256
MV The Creator	68,371	1995	9,861	(full delivery range options)	$260
Arnold Schulte (cont)	41,000	2002	13,900	rumor sold as is Spore, no price	
Priwall (cont)	39,666	1997	11,371	(as is Mumbai, final destination unknown)	$270

RECYCLING STATISTICS

ASSET CLASS	*THIS DATE 2016*	*THIS DATE 2015*	*2015 TOTAL*	*2014 TOTAL*
ULCC/VLCC	1	2	4	13
SUEZMAX	0	0	1	8
AFRAMAX	0	0	3	26
POST-PANAMAX TANKER	0	0	0	2
PANAMAX TANKER	2	4	5	10
CAPE/COMBO (80K DWT +)	33	26	92	45
PANAMAX BULKER	44	16	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	$125
SUB-CONTINENT	$255	$250	$240

MISCELLANEOUS VESSELS

CONTAINERSHIPS SALES REPORTED THIS WEEK									
Vessel Name	DWT	Year	Built	TEU	Engine	GEAR	Additional Info	Price ($ Mill)	Buyer
OSAKA TRADER	24,376	1996	Shin Kurushima	1,613	Mitsubishi	3 X 40 c		$2.7	Undisclosed
CALA PAGURO	21,442	2007	Imabari	1,577	Man B&W	3 X 45 c		$10	Undisclosed

TWEENDECKERS/ MPC/ Ro-Ro/ MISCELLANEOUS VESSELS										
Vessel Name	DWT	Year	Built	TEU	Engine	H/H	GEAR	Additional Info	Price ($ Mill)	Buyer

BUNKER PRICES

BUNKER PRICES (US$/ton)	ROTTERDAM	FUJAIRAH	SINGAPORE	PIRAEUS
380 CST	143.00	145.00	159.50	158.00
180CST	172.00	195.00	170.50	178.00
MGO	310.00	420.00	316.00	342.00

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