

COMPASS MARITIME WEEKLY REPORT



March 24, 2016 / Week 12

THE VIEW FROM THE BRIDGE

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

The highlights of the week were the record setting attendance at the annual Connecticut Maritime Association (CMA) conference in Stamford and the sold out Commodore Award Dinner honoring Paddy Rogers of Euronav NV. One of the panel discussions focused on the lack of ship finance available from traditional lenders such as commercial banks and how ship owners will have to find alternative sources (with higher costs) for future funding. We have recently seen an increased number of bulk carrier sales in the second hand market, so it will be interesting to see how this funding slowdown will affect the S&P market in the future.

European banks provide the majority of lending to shipping and they face new regulations on their capitalization and risk profiles. Large shipping companies with solid balance sheets and strong credit ratings can obtain financing, but the smaller ship owners are finding it difficult. Pricing of ship loans may move from current LIBOR plus 3% levels on bank loans to LIBOR plus 7% to 8% (or even higher depending on the source) to get a loan from the non-traditional sources of capital.

There was a lot of discussion about the future role of private equity investors in shipping, but much of the first wave of public equity investments in shipping have been driven by funds with shorter time horizons and the need to make quick exits.

Have a good Easter weekend.

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TANKERS

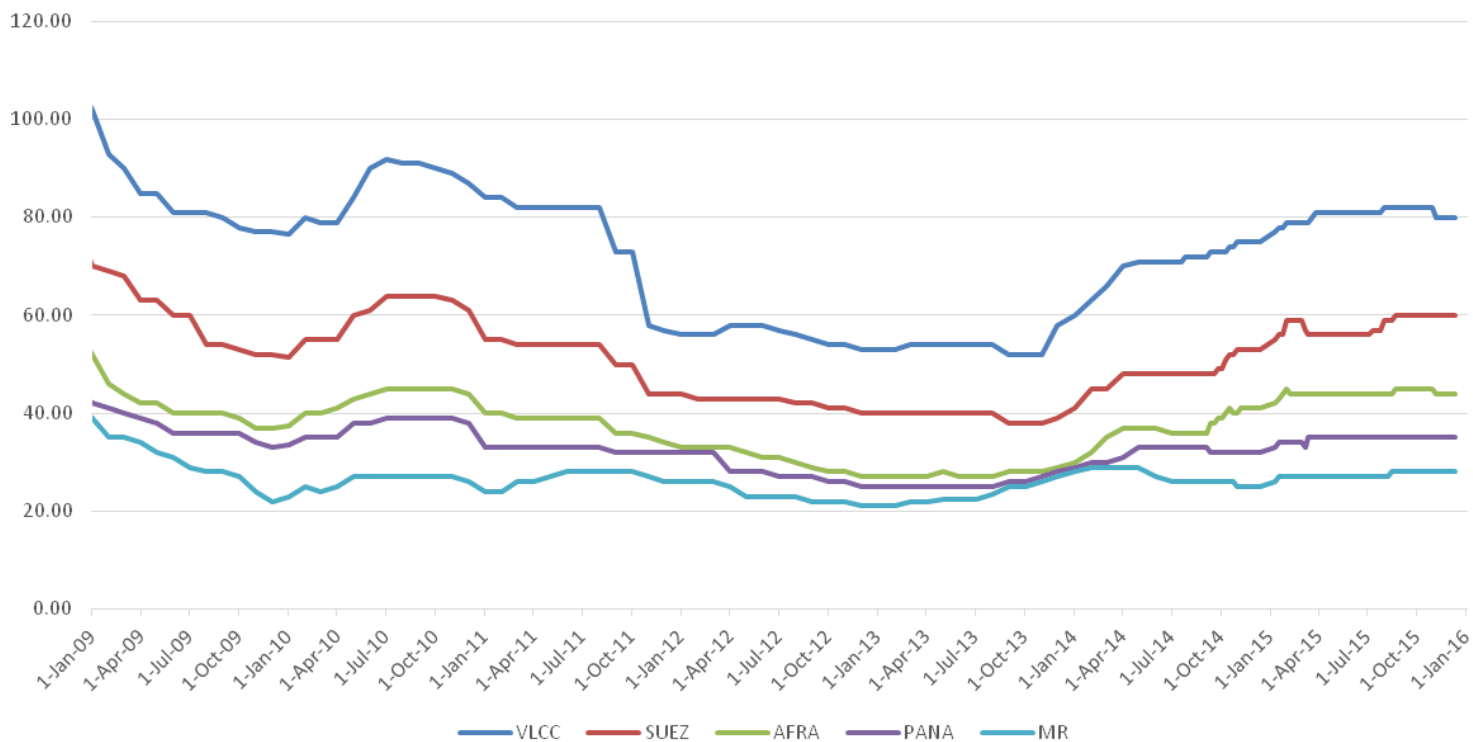
TANKER SALES REPORTED THIS WEEK

Vessel Name	DWT	Year	Built	Engine	Additional Info	Price (\$ Mill.)	Buyer
CE-MERAPI / CE-BREEZE	105,275	1996	Namura	Sulzer	Coiled / 16,520 LDT	\$9 each	Turkey

COMPASS MARITIME TANKER VALUES

COMPARISON OF 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	95	75	50	23
SUEZMAX	160,000	62	66	55	40	14
AFRAMAX	110,000	50	54	40	27	8
PANAMAX - LR1	70,000	44	45	34	25	7
MR TANKER	51,000	34	36	27	19	7

COMPASS MARITIME TANKER VALUES (5YRS OLD)



COMPASS MARITIME WEEKLY REPORT

BULK CARRIERS

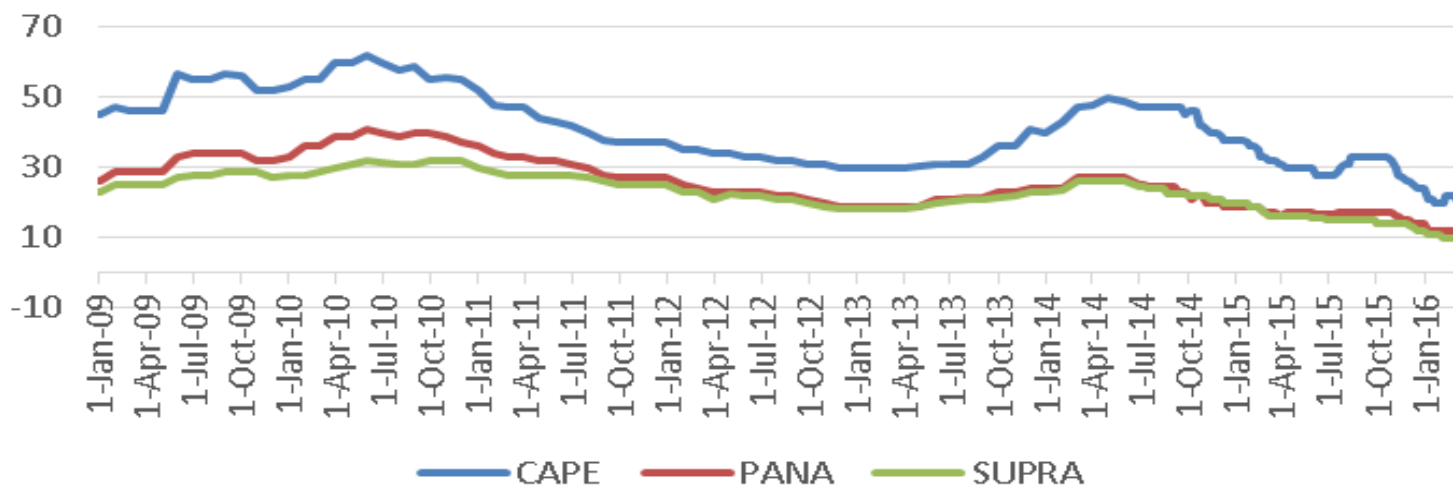
BULK CARRIERS SALES REPORTED THIS WEEK

Vessel Name	DWT	Year	Built	Engine	H/H	GEAR	Additional Info	Price (\$ Mill.)	Buyer
LIBERTY DESIRE/ LIBERTY DREAM	81,650	2012/2013	Daewoo	MAN/B+W	7/7	N/A		\$12 / \$13 each resp.	Greek (Embirikos)
LIBERTY DAWN / LIBERTY DESTINY	81,650	2012 / 2013	Daewoo	MAN/B+W	7/7	N/A		\$12 / \$13 each resp	Greek (Thenamaris)
F.D. ISABELLA	82,000	2009			7/7	N/A		\$9,2	China (Beibu Gulf)
H-G BUELOW	56,890	2011	Hantong	MAN/B+W	5/5	4x30 CR		\$6,8	China
JULIUS OLDENDORFF	53,700	2005	Xiamen	B+W	5/5	4x30 CR		\$3,5	Bangladesh

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	33	21	12	6
PANAMAX	74,000	24	22	11	7	4
SUPRAMAX	56,000	22	20	10	6	3

COMPASS MARITIME BULKER VALUES (5YRS OLD)





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	803	872	848
BCTI	499	501	567

TANKER 12 MONTHS T/C RATES

	DWT	CURRENT WEEK	LAST WEEK
VLCC	300,000	45,000	44,500
Suezmax	150,000	32,000	33,500
Aframax	110,000	25,000	25,000
LR2	105,000	26,000	26,250
LR1	80,000	21,000	21,500
MR	47,000	16,500	16,500

BULKERS

BALTIC EXCHANGE BULKER FREIGHT INDICES			
	CURRENT WEEK	LAST WEEK	LAST YEAR
BDI	406	395	565
BCI	203	197	470
BPI	466	463	487
BSI	473	449	566

BULKER 12 MONTHS T/C RATES

	DWT	CURRENT WEEK	LAST WEEK
CAPE	170,000	4,700	4,800
PANAMAX	75,000	5,100	4,500
SUPRAMAX	52,000	5,500	5,000

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RECYCLING ACTIVITY REPORTED THIS WEEK

BANGLADESH - CHITTAGONG

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

CHINA

NAME	DWT	YEAR	LDT	ADDITIONAL INFORMATION	PRICE/LDT
MV Sea Success	27,287	1998	7,475		\$ 145

India

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

PAKISTAN

NAME	DWT	YEAR	LDT	ADDITIONAL INFORMATION	PRICE/ LDT
MV Ocean Queen	168,148	1996	21,051		\$270
MV Goodwill	149,401	1992	16,738		\$280
MV Trident Navigator	75,607	2000	9,812	Sold basis delivery full range Sub-Continent	\$275
MV Anatoli	47,116	1998	8,750		\$275

MISC

NAME	DWT	YEAR	LDT	ADDITIONAL INFORMATION	PRICE/ LDT
Mv Voge Freeway	75,607	1998	7,921	Sold 'as is' Malta	\$180

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	1	0	3	26
POST-PANAMAX TANKER	0	0	0	2
PANAMAX TANKER	2	4	5	10

CAPE/COMBO (80K DWT +)	38	27	92	45
PANAMAX BULKER	46	18	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	\$140	\$135	\$130
SUB-CONTINENT	\$280	\$275	\$275

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>
STADT BREMEN / STADT FLENSBURG	12,895	2003	Romania	1,100	MAN	2x40 CR	4,850 LDT	\$3 each	

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

BUNKER PRICES (US\$/ton)	ROTTERDAM	FUJAIRAH	SINGAPORE	PIRAEUS
380 CST	166.00	170.00	181.00	181.00
180CST	191.50	200.00	190.50	202.00
MGO	358.50	420.00	355.00	382.00

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