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June 22nd, 2018 / Week 25

THE VIEW FROM THE BRIDGE

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

The highlight of the week was the 31st Annual Marine Money ship finance conference in New York which was attended by over 1,000 members of the worldwide shipping community. This year's theme was "Capital for Shipping: Breaking Through". The presentations and panel discussions covered the combination of new technology (yes, scrubbers and low sulphur fuel were included in almost every presentation!), decentralized capital availability, new trade agreements emissions regulations, and many more.

One of the more interesting sessions of the conference was on the topic of “Generating Alpha.” Alpha, (as defined by Investopedia) is the excess return of an investment relative to the return of a benchmark index. Gary Vogel, CEO of Eagle Bulk (NASDAQ: EGLE), helped explain how his company has been able to meaningfully outperform the BSI (Baltic Supramax Index) generating incremental EBITDA (i.e. value) for the business. Eagle’s ability to outperform the market is based on its successful implementation of a multi-strategy approach including vessel-cargo arbitrage, chartering of third party ships, a dynamic hedging strategy using derivatives and creating what the Company calls “asymmetric optionality”.

The Conference ended with a panel of 8-9 leading shipping Equity Analysts each picking their "Top Investment Pick" in a light hearted competition. The leading picks were from all sectors and included Scorpio Tankers (NYSE: STNG), Golden Ocean Group (Nasdaq: GOGL), Navios Maritime Partners (NYSE: NMM), Costamare (NYSE: CMRE). The audience voted two finalists from the gas sector (the influence of surging Chinese demand) and the winner was Navigator Holdings (NYSE: NVGS) from the LPG sector which narrowly edged out Hoegh LNG Holdings (OTCMKTS: HOLHF) from the LNG sector.

Have a good weekend!

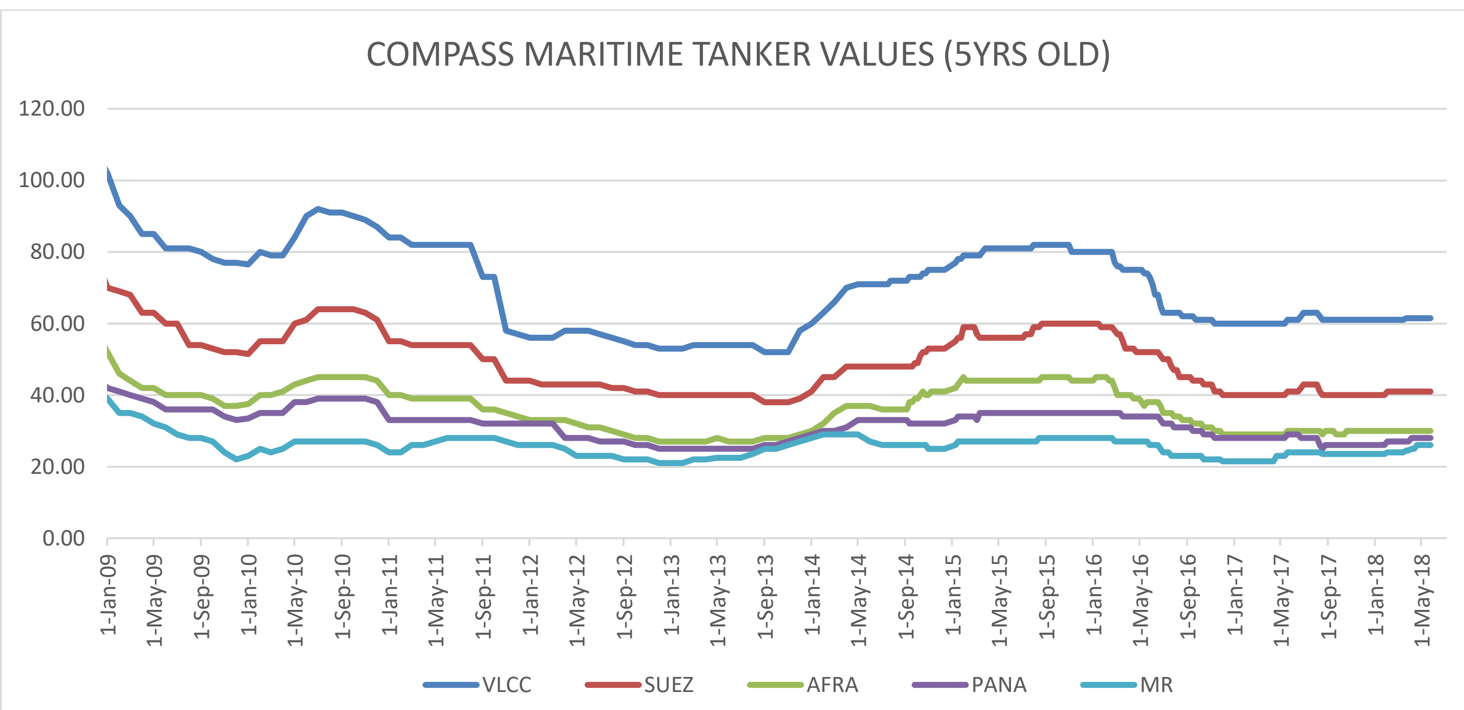
TANKERS

TANKER SALES REPORTED THIS WEEK

Vessel Name	DWT	Year	Built	Engine	Additional Info	Price ($ Mill.)	Buyer
KRASNODAR	115,605	2003	Hyundai Heavy	B&W	18.441 ldt	$9.5	Undisclosed
SIGMA INTEGRITY	105,291	2009	Hyundai	Man B&W	Coiled	$20.5	Undisclosed
CONTI GUINEA	37,554	2008	Hyundai MIPO	Man B&W	IMO III	$12.5	Norway

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	89	85	61.5	38	18
SUEZMAX	160,000	60	57	41	26	10
AFRAMAX	110,000	49	45	30	19	7
PANAMAX - LR1	70,000	43	41	28	17	5
MR TANKER	51,000	36	35	26	16.5	4



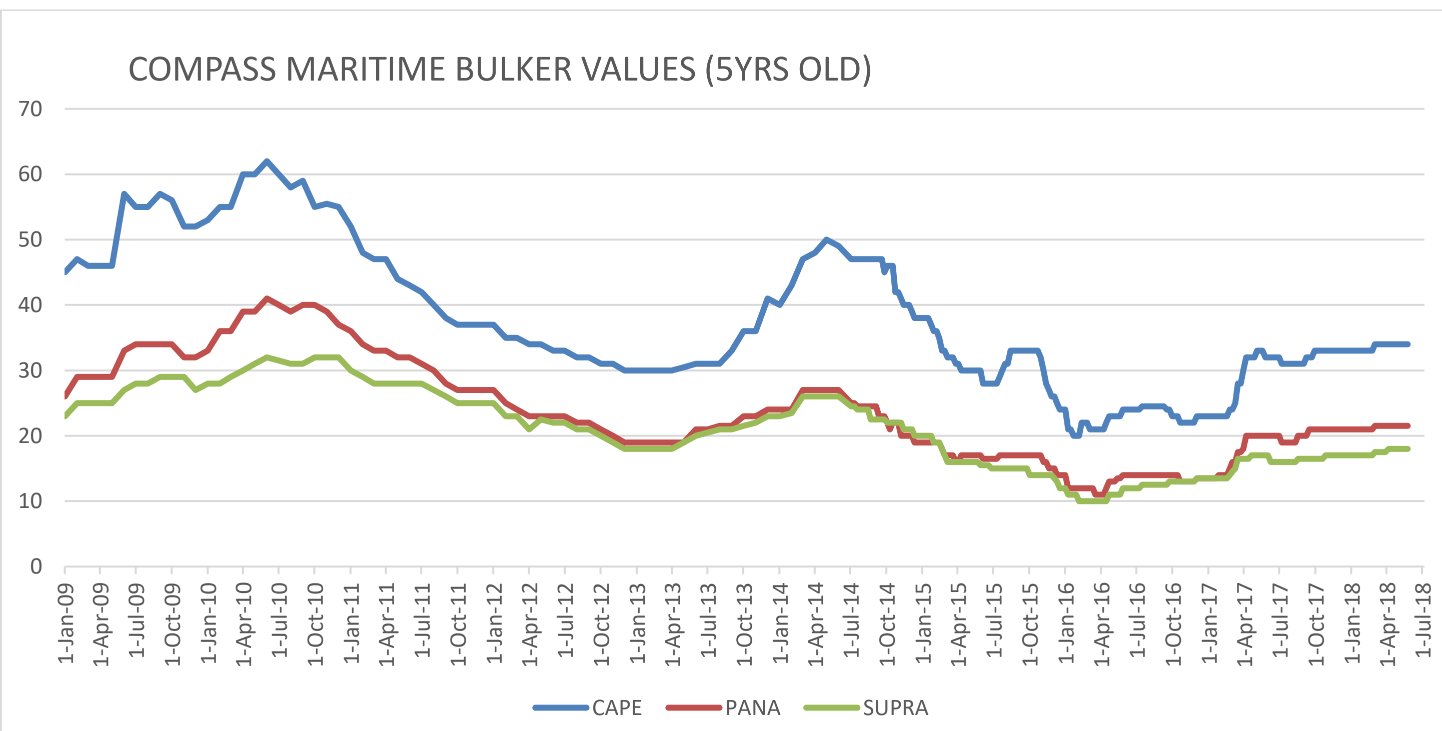
BULK CARRIERS

BULK CARRIERS SALES REPORTED THIS WEEK

Vessel Name	DWT	Year	Built	Engine	H/H	GEAR	Additional Info	Price ($ Mill.)	Buyer
KEY MISSION	82,099	2013	Tsuneishi	Man B&W	7/7			$22.0	UK
TRADE WILL / TRADE VISION	81,712 / 81,838	2012 / 2011	Guangzhou	Man B&W	7/7			$15.5/$14.5 each resp	Greek
OCEAN FORTE	81,616	2015	Guangzhou	Man B&W	7/7			$23.75	Greek
CEMTEX PRUDENCE	80,226	2000	Tiawan	B&W	7/7	4x30tc	12.300 ldt	$8.0	China
BARGARA	74,832	2001	Hudong-Zhonghi	Man B&W	7/7		12.505 ldt	$9.5	China
VELA OCEAN	53,549	2008	Iwagi	Man B&W	5/5			$11.5	Undisclosed
ASIAN POWER	17,013	2007	Kanasashi	Man B&W	3/3	2x30.7tc		$6.8	Chile

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	48	47	34	23	12
PANAMAX	74,000	28	28	22	15	8
SUPRAMAX	56,000	26	26	18.5	14	6



NEWBUILDINGS

NEWBUILDING ACTIVITY REPORTED THIS WEEK

No.	Size	Type	Yard	Delivery	Price (mill)	Comments	Owners

NEWBUILDING STATISTICS - TANKERS

ASSET CLASS	2018	2019	2020	TOTAL
VLCC (200k+ dwt)	41	46	15	102
SUEZMAX (120k-199k dwt)	26	19	7	52
AFRAMAX (80k-119k dwt)	54	48	11	113
PANAMAX (60k-79k dwt)	13	11	11	35
HANDY TANKER (35k-50k dwt)	137	129	40	306

NEWBUILDING STATISTICS - BULKERS

ASSET CLASS	2018	2019	2020	TOTAL
CAPESIZE (100k+ dwt)	47	63	56	166
PAN/KAM (65k-99k dwt)	73	84	44	201
SUPRAMAX (40k-64k dwt)	82	60	28	170
HANDYSIZE (10k – 39k dwt)	88	45	20	108

CHARTERING MARKET SNAPSHOT

TANKERS

BALTIC EXCHANGE TANKER FREIGHT INDICES

	CURRENT WEEK	LAST WEEK	LAST YEAR
BDTI	745	746	683
BCTI	506	515	559

TANKER 12 MONTHS T/C RATES

	DWT	CURRENT WEEK	LAST WEEK
VLCC	300,000	23,500	22,500
Suezmax	150,000	16,000	16,000
Aframax	110,000	14,250	14,250
LR2	105,000	14,500	14,500
LR1	80,000	13,750	13,750
MR	47,000	13,500	13,500

BULKERS

BALTIC EXCHANGE BULKER FREIGHT INDICES

	CURRENT WEEK	LAST WEEK	LAST YEAR
BDI	1341	1445	870
BCI	2011	2223	987
BPI	1355	1495	1138
BSI	1092	1091	744

BULKER 12 MONTHS T/C RATES

	DWT	CURRENT WEEK	LAST WEEK
CAPE	170,000	17,000	17,250
PANAMAX	75,000	12,500	12,750
SUPRAMAX	52,000	12,350	12,500

RECYCLING ACTIVITY REPORTED THIS WEEK

Pakistan

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

India

NAME	DWT	YEAR	LDT	ADDITIONAL INFORMATION	PRICE/LDT
Yong Xiang 7 (reefer)	13,613	1985	9,329	As is Zhoushan, China	$370
Frio Athens (reefer)	8,800	1988	6,511		$420

Bangladesh

NAME	DWT	YEAR	LDT	ADDITIONAL INFORMATION	PRICE/ LDT
MT Martha Tender	29,998	1987	6,050	As is Belawan, Indonesia	$354

Misc.

NAME	DWT	YEAR	LDT	ADDITIONAL INFORMATION	PRICE/ LDT
MT Nordic Voyager	145,591	1996	24,646	As is Singapore	$445

RECYCLING STATISTICS

ASSET CLASS	*THIS DATE 2018*	*THIS DATE 2017*	*2017 TOTAL*	*2016 TOTAL*
ULCC/VLCC	28	2	15	6
SUEZMAX	15	3	18	2
AFRAMAX	27	8	35	7
PANAMAX TANKER	7	3	11	4
CAPE/COMBO (80K DWT +)	8	18	38	80
PANAMAX BULKER	2	20	55	104
POST PANAMAX BULKER	0	2	4	4

ESTIMATED RECYCLING PRICES (US $ / LDT)

LOCATION	*TANKERS 15-20,000 LDT*	*TANKERS 6-10,000 LDT*	*BULK CARRIERS*
CHINA	$238	$233	$228
SUB-CONTINENT	$445	$445	$435

MISCELLANEOUS VESSELS

CONTAINERSHIPS SALES REPORTED THIS WEEK

Vessel Name	DWT	Year	Built	TEU	Engine	GEAR	Additional Info	Price ($ Mill)	Buyer
SEAJADE / SEAPEARL	16,780 / 16,838	2010/ 2011	Shandong	1.360	Man B&W	2x40tc		$10.0/$11.0 each resp	Undisclosed

TWEENDECKERS/ MPC/ Ro-Ro/ MISCELLANEOUS VESSELS

Vessel Name	DWT	Year	Built	TEU	Engine	H/H	GEAR	Additional Info	Price ($ Mill)	Buyer
LISBON TRADER / SAN MARINO TRADER	33,217	2009/ 2010	Zhejiang	1.158	Man B&W	5/5	4x60tc	Open/box tween	$11.0 each	Undisclosed
										Undisclosed

BUNKER PRICES

BUNKER PRICES (US$/ton)	ROTTERDAM	FUJAIRAH	SINGAPORE	PIRAEUS
380 CST	410.00	445.00	444.50	440.00
180CST	438.50	510.00	476.50	462.00
MGO	613.50	717.50	645.00	658.00

Compass Maritime Services, LLC is Member of:

The Association of Ship Brokers & Agents (USA) Inc. (ASBA),

The Baltic Exchange

Panel Member of
The Baltic Exchange Sale & Purchase Assessment (BSPA Index)
The Baltic Exchange Demolition Assessment (BDA Index)