

COMPASS MARITIME WEEKLY REPORT



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July 20th, 2018 / Week 29

THE VIEW FROM THE BRIDGE

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

The S&P market is still digesting the results from the announcement by the Chinese Ministry of Transport during the first week of July that after September 1, 2018 Chinese buyers cannot import ships for domestic trades unless they are at least Tier II compliant. The International Maritime Organization (IMO) agency of the United Nations introduced NOx (nitrogen oxides) emission standards in 2000 (Tier I), 2011 (Tier II), and 2016 (Tier III). This means that imported vessels must be built in 2011 or later (or retrofitted).

There are multiple unconfirmed reports of recently concluded Tier 1 bulk carrier sales to Chinese buyers that are failing due to Buyer's inability to register the vessels within time - including some sales where the deposits are being forfeited. There have been very few modern tanker sales to Chinese buyers, so the effect of the new rule has so far been concentrated in the dry bulk carrier S&P market.

Another factor to consider is the 25% import duty that Chinese buyers have to pay when buying ships (about 27-28% including bunkers ROB). It will be interesting to see how domestic Chinese owners (who trade iron ore/coal from Indonesia to China for example and who traditionally are the buyers of vintage vessels) will be able to afford the prices of modern ships.

Have a good weekend.

COMPASS MARITIME WEEKLY REPORT

TANKERS

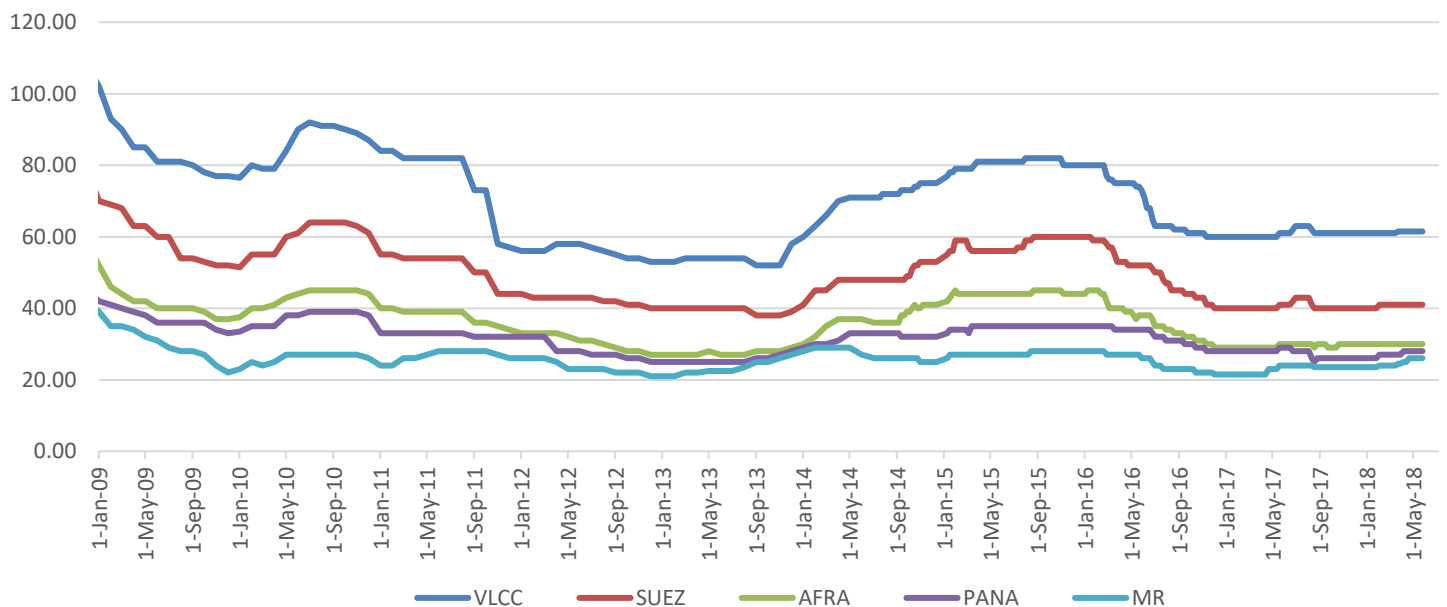
TANKER SALES REPORTED THIS WEEK

Vessel Name	DWT	Year	Built	Engine	Additional Info	Price (\$ Mill.)	Buyer
BRIGHT HARMONY	309,774	2009	Imabari	Man B&W		\$41.0	Greek
MAERSK MISHIMA	45,971	2010	Shin Jurushima	Man B&W	Pumproom	\$16.5	Greek
CIELO DI MILANO	40,083	2003	Shina	Man B&W	IMO III / 8.900 ldt	\$8.0	Undisclosed

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

COMPASS MARITIME TANKER VALUES (5YRS OLD)



COMPASS MARITIME WEEKLY REPORT

BULK CARRIERS

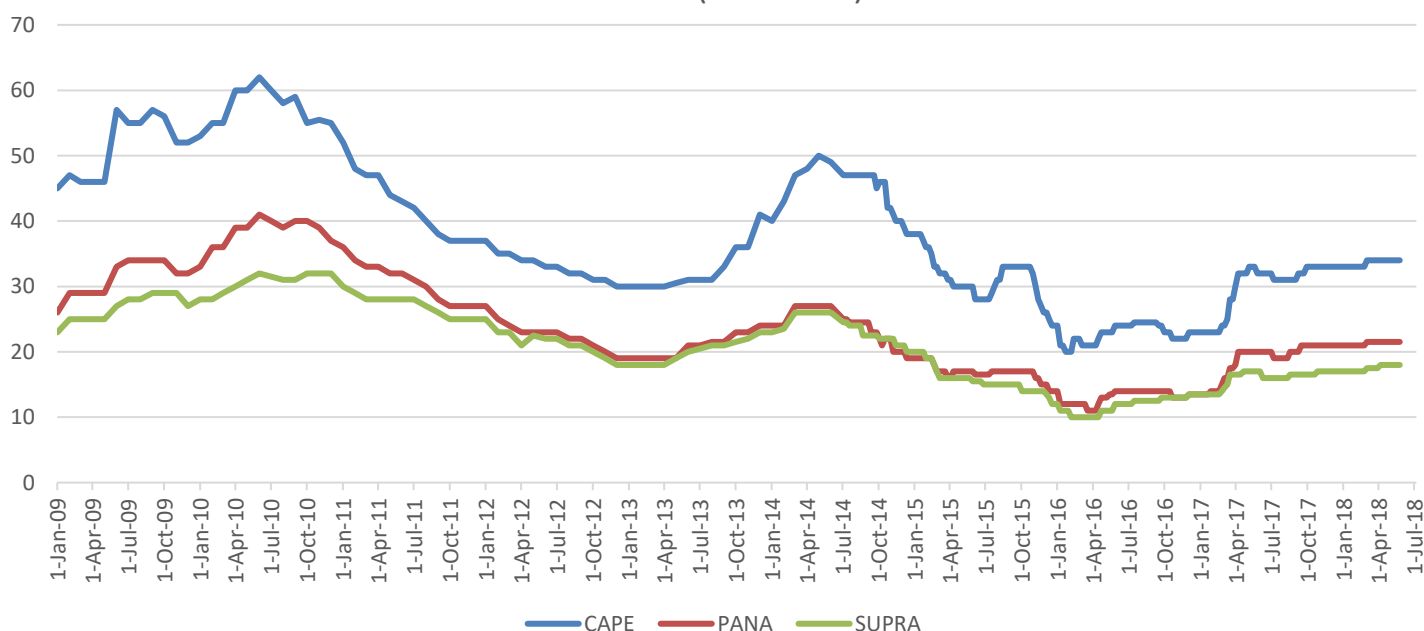
BULK CARRIERS SALES REPORTED THIS WEEK

Vessel Name	DWT	Year	Built	Engine	H/H	GEAR	Additional Info	Price (\$ Mill.)	Buyer
CIC TRIAS / MALENA	180,387	2016	Hanjin Hi	Man B&W	9/9			\$49.0 each	US
RENA	81,700	2011	STX	Man B&W	7/7			\$18.25 at Auction	Undisclosed
TAI PLENTY	73,060	2000	Sumitomo Hi	Sulzer	7/7		10.186 ldt	\$8.0	China
BAO TONG	63,800	2014	Chengxi	Man B&W	5/5	4x36tc		\$21.3	US
AMBER ALENA / AMBER BEVERLY	53,193	2010	Chengxi	Man B&W	5/5	4x36tc		\$11.0 / \$12.0	China
ANNA	52,466	2002	Sanoyas	B&W	5/5	4x30tc		\$9.0	China
CHRISTINA L / MARIA L	50,380	2003	Jiangnan	B&W	5/5	4x36tc	10.500 ldt	\$8.0 each	China
THOR ENTERPRISE	42,529	1995	Namura	B&W	8/8	4x30tc	Open/Box 9.016 ldt	\$5.5	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	48	49	35	23	12
PANAMAX	74,000	28	29	22	15	8
SUPRAMAX	56,000	26	27	18.5	14	6

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	2018	2019	2020	TOTAL
VLCC (200k+ dwt)	27	56	25	108
SUEZMAX (120k-199k dwt)	19	19	11	49
AFRAMAX (80k-119k dwt)	37	52	19	108
PANAMAX (60k-79k dwt)	10	14	13	37
HANDY TANKER (35k-50k dwt)	98	155	52	305

NEWBUILDING STATISTICS - BULKERS

ASSET CLASS	2018	2019	2020	TOTAL
CAPE SIZE (100k+ dwt)	29	74	66	169
PAN/KAM (65k-99k dwt)	39	109	58	206
SUPRAMAX (40k-64k dwt)	57	73	44	174
HANDY SIZE (10k - 39k dwt)	59	51	23	133

CHARTERING MARKET SNAPSHOT

TANKERS

BALTIC EXCHANGE TANKER FREIGHT INDICES

	CURRENT WEEK	LAST WEEK	LAST YEAR
BDTI	723	744	655
BCTI	500	499	550

TANKER 12 MONTHS T/C RATES

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

BULKERS

BALTIC EXCHANGE BULKER FREIGHT INDICES

	CURRENT WEEK	LAST WEEK	LAST YEAR
BDI	1689	1666	977
BCI	3205	3156	1154
BPI	1557	1527	1258
BSI	1023	995	812

BULKER 12 MONTHS T/C RATES

	DWT	CURRENT WEEK	LAST WEEK
CAPE	170,000		17,000
PANAMAX	75,000		13,000
SUPRAMAX	52,000		11,900

COMPASS MARITIME WEEKLY REPORT



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
Padma (Cond)	21,563	1998	6,808		\$450

Bangladesh

NAME	DWT	YEAR	LDT	ADDITIONAL INFORMATION	PRICE/ LDT
MT Pafos	41,354	1993	9,864		\$436

Misc.

NAME	DWT	YEAR	LDT	ADDITIONAL INFORMATION	PRICE/ LDT
Gas Steal (LPG)	48,980	1991	16,489	As is Singapore, extra payment for bunkers	\$418
MT Maiden Energy	29,999	1990	6,107	As is Belwan, Indonesia	\$370
MT Maiden East	17,740	1986	5,112	As is Belwan, Indonesia	\$370

RECYCLING STATISTICS

ASSET CLASS	THIS DATE 2018	THIS DATE 2017	2017 TOTAL	2016 TOTAL
ULCC/VLCC	30	4	15	6
SUEZMAX	18	7	18	2
AFRAMAX	27	11	35	7
PANAMAX TANKER	7	5	11	4

CAPE/COMBO (80K DWT +)	9	18	38	80
PANAMAX BULKER	2	26	55	104
POST PANAMAX BULKER	0	3	4	4

ESTIMATED RECYCLING PRICES (US \$ / LDT)

LOCATION	TANKERS 15-20,000 LDT	TANKERS 6-10,000 LDT	BULK CARRIERS
CHINA	\$225	\$220	\$210
SUB-CONTINENT	\$435	\$435	\$420



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>

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	425.00	452.50	465.50	445.00
180CST	450.00	530.00	497.50	467.00
MGO	621.00	715.00	643.00	661.00

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