

COMPASS MARITIME WEEKLY REPORT



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February 1st 2019 / Week 5

THE VIEW FROM THE BRIDGE

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

The stunning drop of dry cargo rates in the first month of 2019 has bulk carrier owners perplexed as they try to figure out what is going on. The BDI fell from 1260 at the start of January to 645 today and the BCI sank from 2003 in early January to close at 1014 today (both about 50% lower).

The market fears of reduced Chinese growth and slowing iron ore demand are major factors along with trade war/tariff issues. Chinese demand for high quality iron ore imports fell last year due to a significant increase in China's use of Domestic scrap steel, as well as drawdowns of lower quality domestic iron ore inventories. It was reported that China had renewed buying soybeans from the USA however we understand that only 5-6 vessels were chartered for this business so far.

Some bulk carrier owners point out that in the past few weeks we have seen a number of backhaul fixtures at zero per day (ie "bunkers only") which did not happen during the dry cargo market bottom of early 2016.

Bulk carrier Buyers are taking a strong "wait and see" approach as they step back to see what the next done price levels will reach. On the other hand, the Chinese New Year week is earlier this year and comes fairly soon after the Christmas/New Year holidays in the West so some owners are optimistic that there will be a turnaround after the Chinese New Year holidays.

Have a good weekend!

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TANKERS

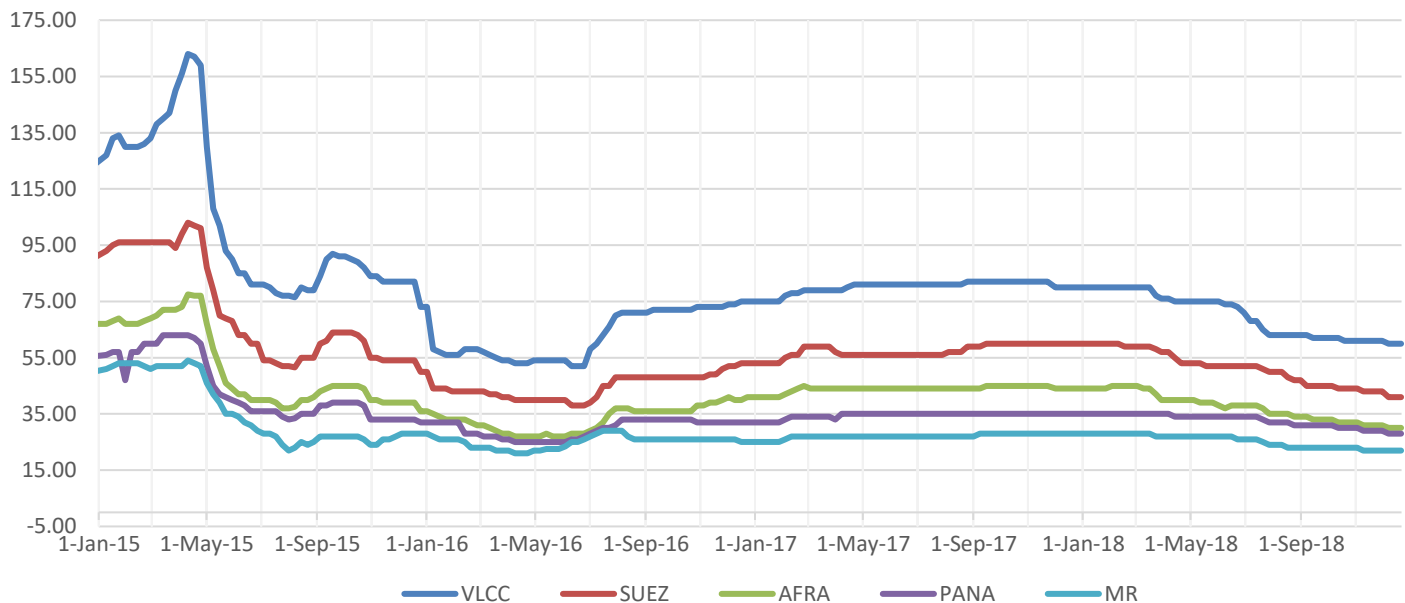
TANKER SALES REPORTED THIS WEEK

Vessel Name	DWT	Year	Built	Engine	Additional Info	Price (\$ Mill.)	Buyer
TROVIKEN TELLEVIKEN TOFTEVIKEN	115,341	2006 2005 2005	Samsung Heavy	Man B&W	Coated/Coiled; 18,275 ldt	\$48.5 Enbloc	Middle East
MAERSK PROSPER	109,326	2001	Dalian	Sulzer	LR2; 19,854 ldt	\$10.5	Greek
SINO PACIFIC FPMC P ALPINE	70,426	2005	Universal	B&W	LR1; 12,554 ldt	\$18.0 Enbloc	China
BOW FUJI	19,805	2006	Kitanihon	Mitsubishi	St Steel, 22 grds; 5,442 ldt	\$11.8	Indonesia
SILVER QUEEN	8,831	2003	Murakami Hide	Man B&W	St Steel, 16 grds; 2,999 ldt	\$7.0	Indonesia

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	90.5	93	67	44	18
SUEZMAX	160,000	61	63	44	28	9
AFRAMAX	115,000	50	48	33	21	7
PANAMAX - LR1	70,000	43	43	30	18	5
MR TANKER	51,000	36.5	36	27	17	4

COMPASS MARITIME TANKER VALUES (5YRS OLD)



COMPASS MARITIME WEEKLY REPORT

BULK CARRIERS

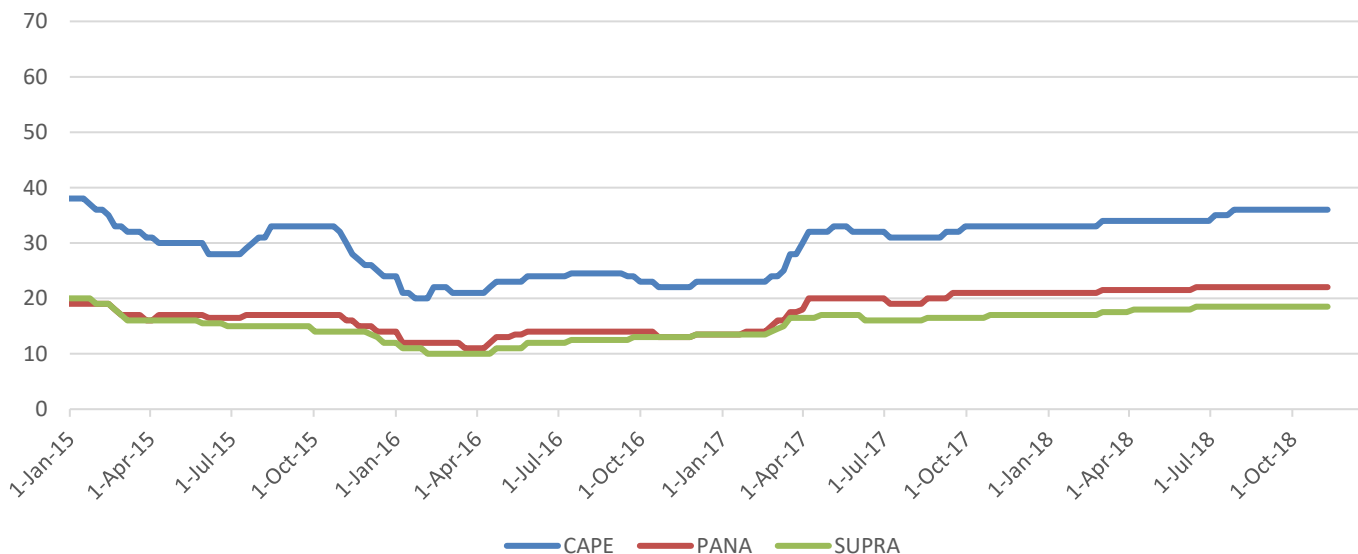
BULK CARRIERS SALES REPORTED THIS WEEK

<u>Vessel Name</u>	<u>DWT</u>	<u>Year</u>	<u>Built</u>	<u>Engine</u>	<u>H/H</u>	<u>GEAR</u>	<u>Additional Info</u>	<u>Price (\$ Mill.)</u>	<u>Buyer</u>
SASEBO Hull 854/855	84,700	2019	Sasebo	Man B&W	7/7			\$32.0 each	Taiwan
MINOAN FLAME	73,937	1998	Tsuneishi	B&W	7/7		9,798 ldt	\$6.25	China
NORD TOKYO	28,343	2009	Imabari	Man B&W	5/5	4x30.5tc		\$8.5	Greek

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	180,000	50	51	37	24	10
KAMSARMAX	82,000	28.5	30	23	14	7
SUPRAMAX	56,000	26	27	18	13	5

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	2019	2020	2021	TOTAL
VLCC (200k+ dwt)	65	32	2	99
SUEZMAX (120k-199k dwt)	32	27	5	64
AFRAMAX (80k-119k dwt)	68	25	17	110
PANAMAX (60k-79k dwt)	16	16	8	40
HANDY TANKER (35k-50k dwt)	193	88	7	288

NEWBUILDING STATISTICS - BULKERS

ASSET CLASS	2019	2020	2021	TOTAL
CAPE SIZE (100k+ dwt)	86	100	25	211
PAN/KAM (65k-99k dwt)	143	97	14	254
SUPRAMAX (40k-64k dwt)	116	85	21	222
HANDYSIZE (10k - 39k dwt)	82	40	3	125

CHARTERING MARKET SNAPSHOT

TANKERS

BALTIC EXCHANGE TANKER FREIGHT INDICES

	CURRENT WEEK	LAST WEEK	LAST YEAR
BDTI	843	877	658
BCTI	649	672	606

TANKER 12 MONTHS T/C RATES

	DWT	CURRENT WEEK	LAST WEEK
VLCC	300,000	34,000	34,000
Suezmax	150,000	24,500	24,500
Aframax	110,000	17,500	18,500
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	645	905	1095
BCI	1014	1730	1470
BPI	560	748	1359
BSI	450	576	872

BULKER 12 MONTHS T/C RATES

	DWT	CURRENT WEEK	LAST WEEK
CAPE	180,000	15,000	14,000
PANAMAX	75,000	10,500	11,250
SUPRAMAX	52,000	11,000	11,000

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
CNP Paita (cont)	22,300	1998	7,647	Green recycling	\$440

Bangladesh

NAME	DWT	YEAR	LDT	ADDITIONAL INFORMATION	PRICE/ LDT
MV Dangjin Friendship	150,877	1994	18,650		\$445
Anona Ipsa (cont)	24,219	2004	10,659	As is Singapore	\$420

Misc.

NAME	DWT	YEAR	LDT	ADDITIONAL INFORMATION	PRICE/ LDT
No Sales to Report					

RECYCLING STATISTICS

ASSET CLASS	THIS DATE 2019	THIS DATE 2018	2018 TOTAL	2017 TOTAL
ULCC/VLCC	1	3	35	15
SUEZMAX	0	0	27	18
AFRAMAX	1	1	52	35
PANAMAX TANKER	0	2	12	11

CAPE/COMBO (80K DWT +)	3	3	19	38
PANAMAX BULKER	0	0	2	55
POST PANAMAX BULKER	0	0	0	4

ESTIMATED RECYCLING PRICES (US \$ / LDT)

LOCATION	TANKERS 15-20,000 LDT	TANKERS 6-10,000 LDT	BULK CARRIERS
CHINA	N/A	N/A	N/A
SUB-CONTINENT	\$427	\$425	\$417



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>
DIGNITY C	12,754	2012	Dae Sun	1,050	Man B&W	2x40tc		\$13.0	Chile

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>
380CST	373.50	395.00	43.50
180CST	408.50	439.50	446.00
MGO	531.50	724.00	575.50

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The Baltic Exchange Demolition Assessment (BDA Index)

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