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February 8th 2019 / Week 6

THE VIEW FROM THE BRIDGE

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

The government run Korea Development Bank (KDB) owns a 55.7% holding (valued at about $2 bill.) in Daewoo Shipbuilding & Marine Engineering (DSME) and has been looking to sell their shares since April of 2018. It has been reported that Hyundai Heavy Industries (HHI) has sent a letter of intent for a controlling stake in DSME and that the KDB board is reviewing it. Samsung Heavy Industries has not yet indicated interest to compete. A previous attempt to sell the yard for $5 bill. to Hanwha Group in Korea failed ten years ago and KDB pumped about $2.6 bill. into the yard in 2017 as part of restructuring efforts.

DSME secured orders for 21 LNG carriers last year compared to only 3 in 2017 and added $5.7 bill. of orders in 2018 which may boost the sales price of the shipyard. They expect to post an operating profit of about $750 mill. in 2018, up from $688 mill. in 2017. South Korea's presidential office recently said that Qatar is looking to order around 60 LNG vessels and that the Korean yards are vying to win the order.

HHI and DSME are the two largest shipyards in the world before any mega-merger and Hyundai Heavy also controls two other yards, Hyundai Samho and Hyundai Mipo, with a combined order book of 154 vessels.

Have a good weekend!

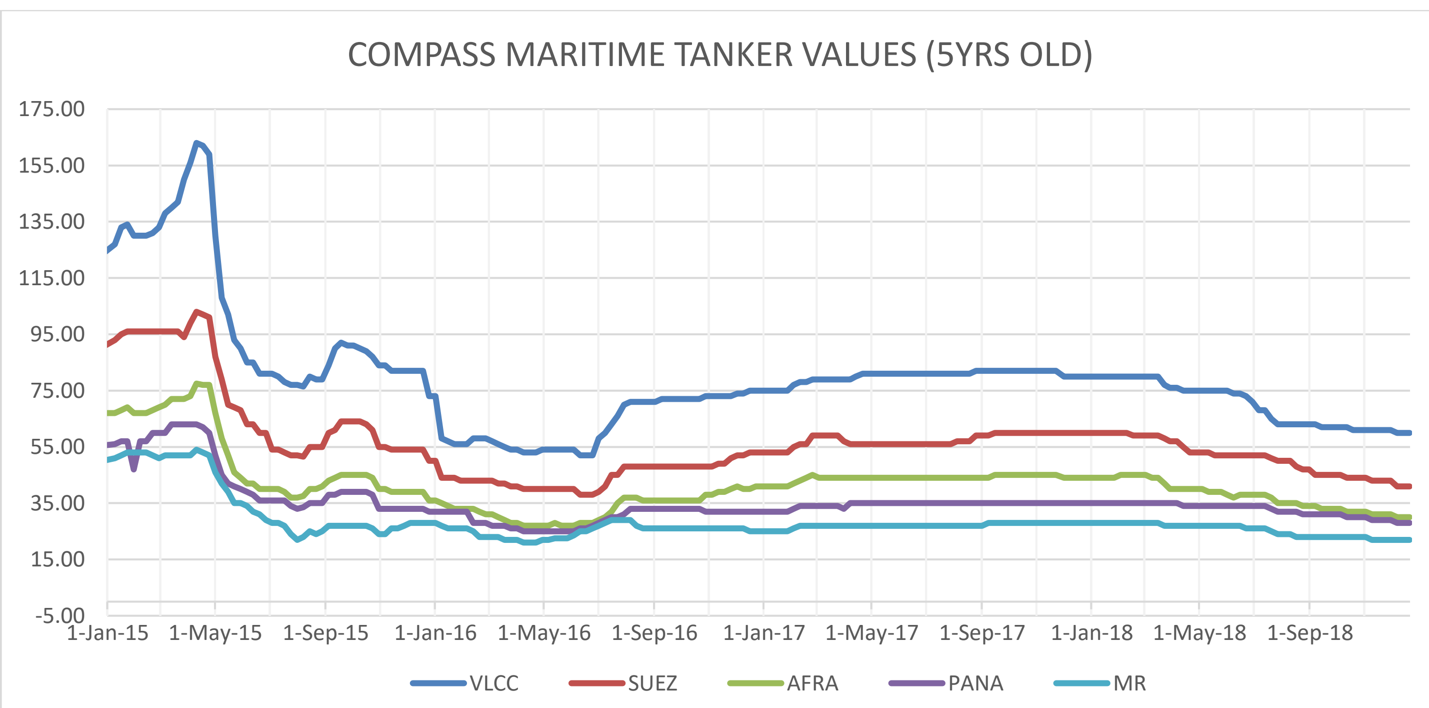
TANKERS

TANKER SALES REPORTED THIS WEEK

Vessel Name	DWT	Year	Built	Engine	Additional Info	Price ($ Mill.)	Buyer
EUROHOPE	159,539	1999	Daewoo	B&W	Coiled; 22.800 ldt; SS/DD 7/19	$12.85	UAE
ENERGY TRIUMPH	157,470	2018	Hyundai Samho	Wartsila	Coiled	$62.0	Switzerland
KINGS ROAD / ABBEY ROAD	74,986 / 74,919	2012/ 2013	STX	Man B&W	LR 2	$30.0 / $31.0	Pakistan
ARDMORE SEAMASTER	45,726	2006	Minami-Nippon	Man B&W	IMO III; 9.355 ldt	$9.7	China
YUE LIANG WAN	11,047	1999	Jingjiang	B&W	Bitumen/Asphalt; 5.239 ldt	$3.3	UAE

COMPASS MARITIME TANKER VALUES

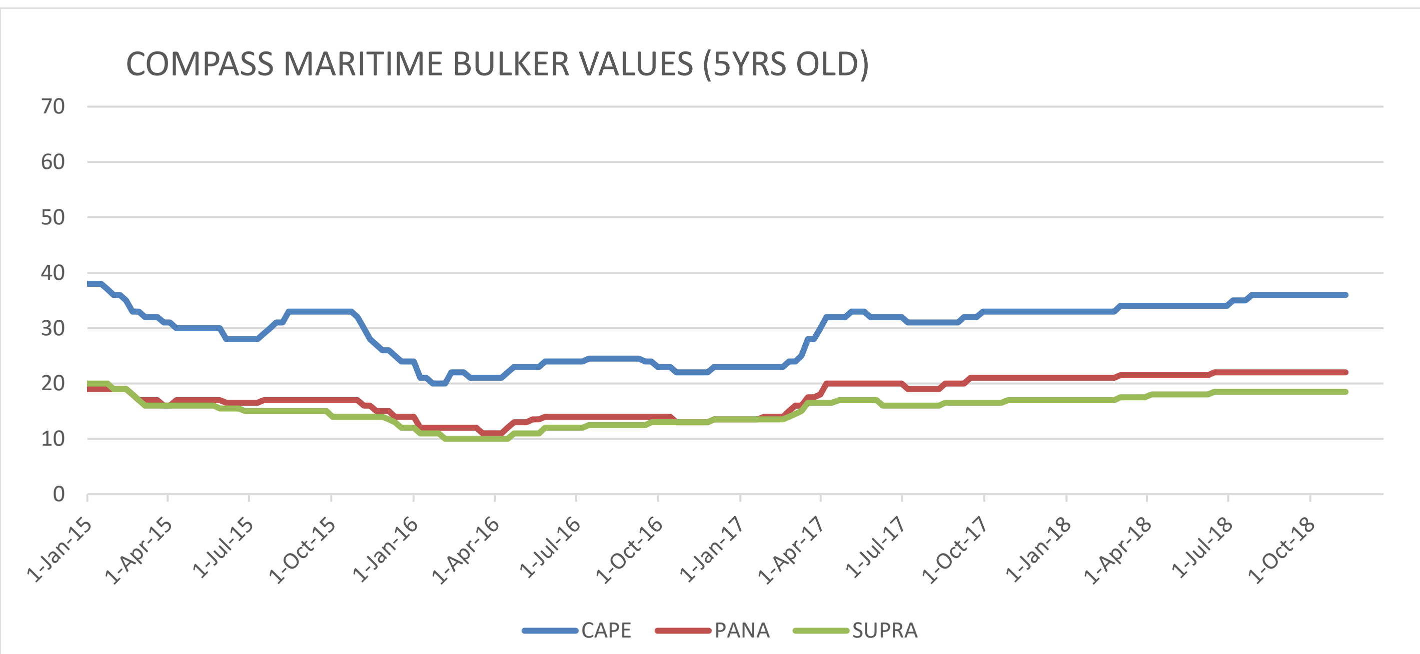
ASSET CLASS	NB CONTRACT		NB PROMPT DELIVERY	5 YEAR	10 YEAR	20 YEAR
TANKERS	**SIZE (DWT)**	*(All Numbers in US $ Millions)*				
VLCC	300,000	90.5	93	67	45	18
SUEZMAX	160,000	61	63	44	29	9
AFRAMAX	115,000	50	48	33	21	7
PANAMAX - LR1	70,000	43	43	30	18	5
MR TANKER	51,000	36.5	36	27	17	4



BULK CARRIERS

BULK CARRIERS SALES REPORTED THIS WEEK									
Vessel Name	**DWT**	**Year**	**Built**	**Engine**	**H/H**	**GEAR**	**Additional Info**	**Price ($ Mill.)**	**Buyer**
MANDARIN RIVER	56,774	2011	Hantong	Man B&W	5/5	4x30tc		$12.75	Undisclosed
MAESTRO LION	31,857	1999	Saiki Jukogyo	Mitsubishi	5/5	4x30tc	7.177 ldt	$6.0	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	36	24	10
KAMSARMAX	82,000	28.5	30	23	14	7
SUPRAMAX	56,000	26	27	17	13	5



NEWBUILDINGS

NEWBUILDING ACTIVITY REPORTED THIS WEEK

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

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
CAPESIZE (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	795	843	642
BCTI	624	649	632

TANKER 12 MONTHS T/C RATES

	DWT	CURRENT WEEK	LAST WEEK
VLCC	300,000	34,000	34,000
Suezmax	150,000	24,000	24,500
Aframax	110,000	18,500	17,500
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	601	645	1125
BCI	792	1014	1790
BPI	574	560	1250
BSI	415	450	825

BULKER 12 MONTHS T/C RATES

	DWT	CURRENT WEEK	LAST WEEK
CAPE	180,000	15,000	16,000
PANAMAX	75,000	10,000	10,500
SUPRAMAX	52,000	10,500	11,000

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
MV MG Shipping	250,903	1993	39,778	Must go to HKC, NK yard (green recycling)	$393
Pearl Ace (PCC)	15,194	1994	12,739	Must go to HKC, NK yard (green recycling)	$420

Bangladesh

NAME	DWT	YEAR	LDT	ADDITIONAL INFORMATION	PRICE/ LDT
Zim Virginia (cont)	66,686	2002	19,598	Sold ‘as is’ Singapore, vessel has 70 mt propeller	$466
Salam Mulia (cont)	24,650	1996	6,734		$442

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	4	35	15
SUEZMAX	0	0	27	18
AFRAMAX	1	2	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

Vessel Name	DWT	Year	Built	TEU	Engine	GEAR	Additional Info	Price ($ Mill)	Buyer
GH MISTRAL	38,686	2006	STX	2.850	Man B&W			$10.5	UAE

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
380CST	386.00	401.50	419.50
180CST	429.50	447.50	445.00
MGO	537.50	726.50	578.50

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