

COMPASS MARITIME WEEKLY REPORT



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February 22nd 2019 / Week 8

THE VIEW FROM THE BRIDGE

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

Ship finance availability has contracted over the past several years as the volatility in the tanker, dry bulk, and container markets has produced a large number of non-performing loans and financially troubled balance sheets. Traditional lenders are focused on lending to existing clients with balance sheets that can sustain new and restructured deals but are also selling off packages of shipping loans.

In June of 2018 Varde Partners and Oak Hill Advisors bought about \$1 bill. of legacy shipping loans from Deutsche Bank and have reportedly sold off about \$100 mill. of these to King Street Capital Management and Avenue Capital.

Hedge funds and private equity investors have moved from buying ships to buying shipping debt and bonds. In the past year or so we have seen some substantial investments by these firms, most recently last month's purchase by Cerberus of a \$3 bill. distressed portfolio of shipping loans from NordLB (German state-owned bank). NordLB also plans to wind down its remaining non-performing shipping loan portfolio of nearly \$4.5 bill. by the end of 2019.

DZ Bank (2nd largest lender in Germany) has been trying to sell about \$1.13 bill. of shipping loans from their transport financing division (DVB Bank). It was reported this week that Piraeus Bank of Greece is looking to sell a package of performing and non-performing ship loans (known as Nemo) with nominal value of close to \$680 mill.

Have a good weekend!

COMPASS MARITIME WEEKLY REPORT

TANKERS

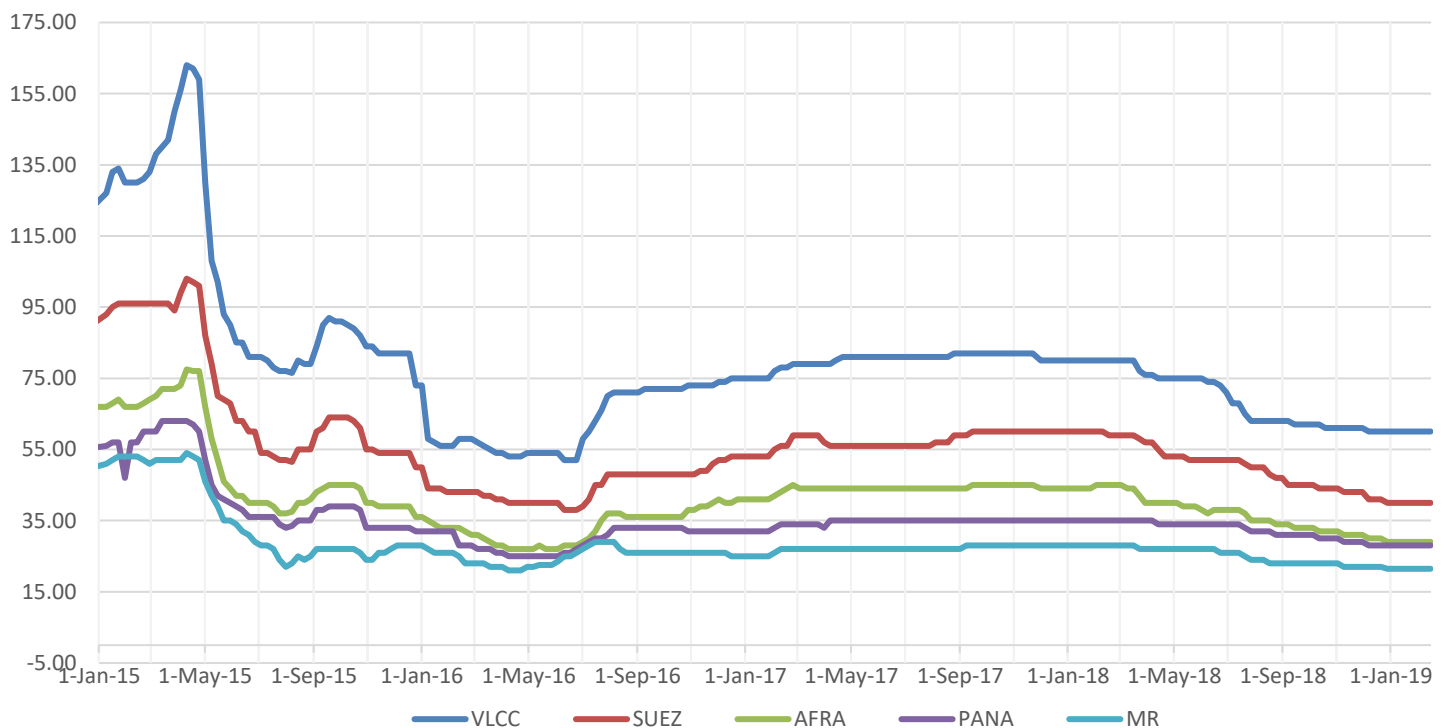
TANKER SALES REPORTED THIS WEEK

Vessel Name	DWT	Year	Built	Engine	Additional Info	Price (\$ Mill.)	Buyer
GENER8 COMPATRIOT	72,736	2004	Dalian	Man B&W	14.572 ldt	\$6.8	Greek

COMPASS MARITIME TANKER VALUES

ASSET CLASS	NB CONTRACT	NB PROMPT DELIVERY	5 YEAR	10 YEAR	20 YEAR	
TANKERS	SIZE (DWT)	<i>(All Numbers in US \$ Millions)</i>				
VLCC	300,000	90.5	93	67	45	18
SUEZMAX	160,000	61	63	45	32	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

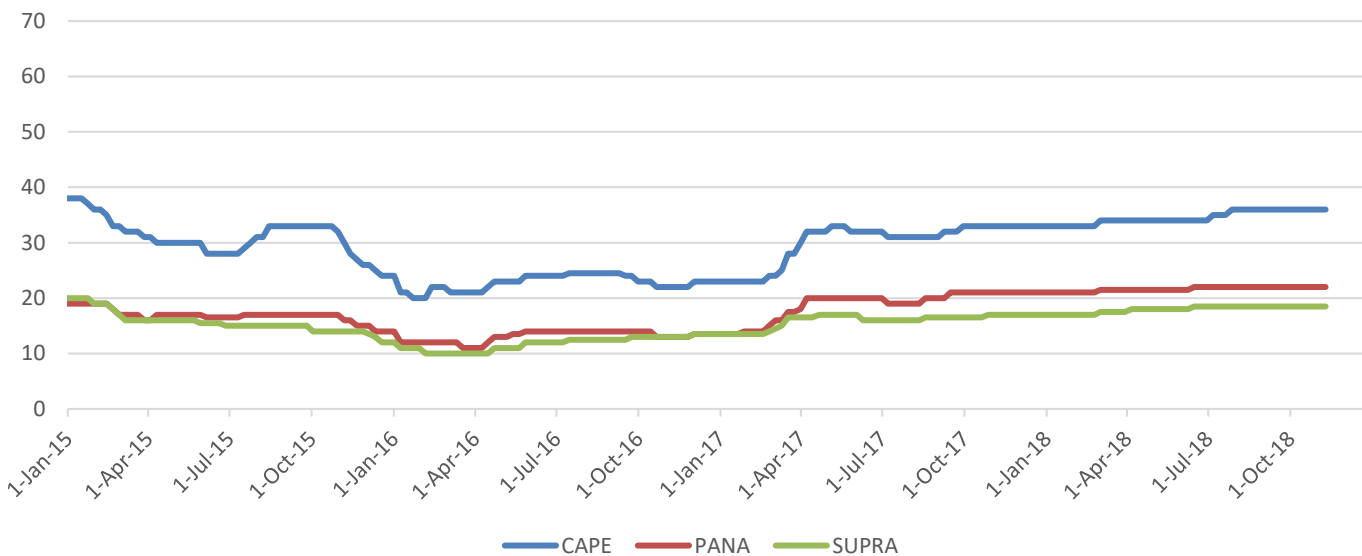
BULK CARRIERS SALES REPORTED THIS WEEK

Vessel Name	DWT	Year	Built	Engine	H/H	GEAR	Additional Info	Price (\$ Mill.)	Buyer
CALHOUN	76,801	2006	Sasebo	Man B&W	7/7		10.608 ldt	\$10.8	Ukraine
AFRICAN LOON	61,255	2016	Tadotsu	Man B&W	5/5	4x30.7tc		\$22.6	Greek
STAR KAPPA	52,055	2001	Sanoyas	Sulzer	5/5	5x30tc	8.476 ldt	\$6.3	China
NAVIOS MERIDIAN	50,316	2002	Mitsui Tamano	B&W	5/5	4x30.5tc	7.820 ldt	\$7.0	China

COMPASS MARITIME BULK CARRIER VALUES

ASSET CLASS		NB CONTRACT	NB PROMPT DELIVERY	5 YEAR	10 YEAR	20 YEAR
BULK	SIZE (DWT)	<i>(All Numbers in US \$ Millions)</i>				
CAPE	180,000	50	51	36	23	9
KAMSARMAX	82,000	28.5	30	22	14	6
SUPRAMAX	56,000	26	27	17	13	4

COMPASS MARITIME BULKER VALUES (5YRS OLD)



COMPASS MARITIME WEEKLY REPORT

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
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	823	818	622
BCTI	595	609	646

TANKER 12 MONTHS T/C RATES

	DWT	CURRENT WEEK	LAST WEEK
VLCC	300,000	34,000	34,000
Suezmax	150,000	24,000	24,000
Aframax	110,000	18,500	18,500
LR1	80,000	14,500	14,500
MR	47,000	13,250	13,000

BULKERS

BALTIC EXCHANGE BULKER FREIGHT INDICES

	CURRENT WEEK	LAST WEEK	LAST YEAR
BDI	634	639	1185
BCI	545	727	1722
BPI	666	624	1481
BSI	707	560	892

BULKER 12 MONTHS T/C RATES

	DWT	CURRENT WEEK	LAST WEEK
CAPE	180,000	11,500	13,000
PANAMAX	75,000	9,500	9,500
SUPRAMAX	52,000	11,000	10,800

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
Adriatic X (semi Submersible)		1982	8,877	As is Sharjah	\$240

Bangladesh

NAME	DWT	YEAR	LDT	ADDITIONAL INFORMATION	PRICE/ LDT
MV Darya Jaan (cement)	18,649	1982	5,396		\$417 net

Misc.

NAME	DWT	YEAR	LDT	ADDITIONAL INFORMATION	PRICE/ LDT
MV Star Auroa	171,199	2000	21,018	As is Singapore, includes bunkers for a voyage to sub continent	\$430
Lal Bahadur Shasti (cont)	28,902	1993	8,298	As is Colombo at auction, extra payment for fuel	\$417
La Princesa (Ro/Ro Barge)	10,523	1979	6,000	As is Jacksonville, FL for recycling in USA	\$225

RECYCLING STATISTICS

ASSET CLASS	THIS DATE 2019	THIS DATE 2018	2018 TOTAL	2017 TOTAL
ULCC/VLCC	1	7	35	15
SUEZMAX	0	1	27	18
AFRAMAX	1	5	52	35
PANAMAX TANKER	0	4	12	11

CAPE/COMBO (80K DWT +)	5	4	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	\$423	\$421	\$417

COMPASS MARITIME WEEKLY REPORT

MISCELLANEOUS VESSELS

CONTAINERSHIPS SALES REPORTED THIS WEEK

Vessel Name	DWT	Year	Built	TEU	Engine	GEAR	Additional Info	Price (\$ Mill)	Buyer

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	411.00	428.00	431.50
180CST	458.00	468.00	460.50
MGO	575.50	734.50	619.00

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