

## Market insight

By *Konstantinos Kontomichis*  
SnP Broker

In contrast with the general expectations for the dry bulk market, the sector was not positive or even stable during the past 6 months. The warning signs prevalent in the last quarter 2018, were not enough to convince the market of the severity of the market's course Baltic Dry Index showing resistance to falling below 1,000 points at the end of November but also with the small correction of the index (above 1,400 points) before Christmas holidays playing a misleading role.

The New Year started with the index being at around 1,280 points and in about 40 days the BDI decreased by around 50%, with the BDI closing at a remarkable 595 points on the 11th of February. Although the drop was expected due to the Chinese New Year the magnitude of the decline in rates and indexes was an unpleasant surprise.

The BDI index reached its lowest point of the last 46 months, without having the dynamic for an immediate correction to the index similar to November 2018 levels. Four months were needed in order for the BDI to reach the levels of January. During the last 10 days, the BDI rallied to healthier levels, with the most notable day last Friday when the BDI closed at 1,740 points. It is important to state that this figure is the highest of the year and only the third time the index has surpassed the 1,700 point mark in the past five years. The other two were on December 2017, which closed at 1,702 points and on August 2018, which closed at 1,773 points.

The SnP market was rather busy during the past six months. During the first half of the year, there were around 1,000 vessels officially and unofficially for sale, from Handysizes up to Newcastlemaxes – with ¼ of them successfully being sold (in 2017 we had 320 SnP transactions the same period). Many ship owners found the chance to flip older vessels with modern ones, and others bore the risk of the negative market and increased their existing fleet with cheaper vessels.

In the Handysize sector buyers showed and continue to show more interest in vessels around 10 years old and larger than 33,000dwt. Most vessels from quality yards were being sold very quickly. Bigger asset price elasticity was shown in Handysizes smaller than 32,000 dwt as demand for such vessels was lower, with a notable case being the 28,000 dwt vessels, of which some were sold at an attractive discount and others were not able to be sold.

In the Supramax & Ultramax sector, buyers' orientation was for Supramaxes vessels around 5 to 15 years old and above 55,000 dwt. The total SnP transactions for Supramaxes reached around 68 vessels, while around 26 sales recorded for Ultramax vessels.

SnP activity was most pronounced on Panamaxes, especially for vessels built from 2000 up to 2010, with 40 reported sales. From the total 64 sales in the segment, 16 were for vessels younger of 8 years and 8 for vessels older than 20 years. On capes, shipowners are used to volatility on freight rates and showed resistance to selling. Totally 8 capes have been sold so far with the age of the vessels being around 14 to 17 years old.

## Chartering (Wet: **Soft-** / Dry: **Firm+**)

The dry bulk market is going from strength to strength, with positive performance extending last week as well fueled mostly by the strength seen in the markets for the bigger sizes. The BDI today (09/07/2019) closed at 1,759 points, up by 34 points compared to Monday's (08/07/2019) levels and increased by 313 points when compared to previous Tuesday's closing (02/07/2019). With few positive exceptions, pressure resumed in the crude carriers market, with most people expecting some sort of rebound out of key trading regions in the following days. The BDTI today (09/07/2019) closed at 640, decreased by 33 points and the BCTI at 529, a decrease of 18 points compared to previous Tuesday's (02/07/2019) levels.

## Sale & Purchase (Wet: **Stable-** / Dry: **Stable+**)

The impressive improvement in the dry bulk freight market seems to have stalled SnP activity a bit last week, with Buyers and Sellers likely to be adjusting their ideas to match improving sentiment and earnings. In the tanker sector we had the sale of the "RIDGEBURY EAGLE" (309,064dwt-bl't '02, S. Korea), which was sold to Malaysian owner, Yinson Holdings, for a price in the region of \$29.0m. On the dry bulker side sector we had the sale of the "EVELYN SCHULTE" (115,340dwt-bl't '12, China), which was sold to German owner, Oldendorff, for a price in the region of \$15.5m.

## Newbuilding (Wet: **Firm+** / Dry: **Stable-**)

They say a picture is worth a thousand words and just look at the list of recently placed orders below reveals that appetite for ordering is alive despite the fact that we are almost in the middle of the usually quieter summer season. Tanker vessels remain the most popular compared to other sectors, with the contracts below showing interest being almost equally spread among crude and clean trading vessels, while after a month of no deals on the dry bulk side we finally saw some activity in the sector as well through Nissen Kaiun's sizeable order. On industry news, two of the biggest shipyards in China, China State Shipbuilding Corporation (CSSC) and China Shipbuilding Industry Corporation (CSIC) have officially confirmed their intentions to merge, with the merger expected to create one of the largest shipbuilding groups across the world that will position itself dynamically amidst increasing competition in the industry. In terms of recently reported deals, Hong Kong based owner, Wah Kwong Shipping, placed an order for two firm VLCC tankers (300,000 dwt) at DSIC, in China for a price in the region of \$85.0m and delivery set in 2021.

## Demolition (Wet: **Soft-** / Dry: **Soft-**)

Not much has changed in the demolition market in the past days, with appetite and sentiment remaining soft and the lack of activity still weighing down on prices. Despite the given lack of appetite for tonnage, the fact that the supply of vessels has come down substantially in the past weeks has helped avoid a more substantial decrease in the bids coming out of the Indian subcontinent. The improvements in the dry bulk market together with a stabilizing tanker market are expected to keep the number of demo candidates down at least in the short term, while given that demo prices are now close to their lowest point for 2019, it will be hard to attract owners that had been contemplating to scrap their vessels to do so before a significant improvement is eventually witness in demo bids. Average prices in the different markets this week for tankers ranged between \$270-420/ldt and those for dry bulk units between \$260-410/ldt.

**Spot Rates**

| Vessel  | Routes          | Week 27   |        | Week 26   |        | \$/day<br>±% | 2018<br>\$/day | 2017<br>\$/day |
|---------|-----------------|-----------|--------|-----------|--------|--------------|----------------|----------------|
|         |                 | WS points | \$/day | WS points | \$/day |              |                |                |
| VLCC    | 265k MEG-JAPAN  | 46        | 23,618 | 47        | 25,688 | -8.1%        | 20,265         | 20,658         |
|         | 280k MEG-USG    | 20        | -      | 22        | -      | -            | 5,635          | 13,429         |
|         | 260k WAF-CHINA  | 47        | 19,622 | 48        | 21,882 | -10.3%       | 18,362         | 19,815         |
| Suezmax | 130k MED-MED    | 70        | 15,003 | 78        | 19,195 | -21.8%       | 20,320         | 17,617         |
|         | 130k WAF-USAC   | 64        | 16,504 | 59        | 14,475 | 14.0%        | 12,870         | 12,917         |
|         | 140k BSEA-MED   | 81        | 16,418 | 80        | 15,313 | 7.2%         | 20,320         | 17,617         |
| Aframax | 80k MEG-EAST    | 116       | 15,769 | 118       | 17,307 | -8.9%        | 12,563         | 11,560         |
|         | 80k MED-MED     | 90        | 12,518 | 107       | 16,099 | -22.2%       | 18,589         | 15,136         |
|         | 100k BALTIC/UKC | 64        | 7,759  | 62        | 7,149  | 8.5%         | 14,943         | 15,424         |
| Clean   | 70k CARIBS-USG  | 68        | -      | 80        | 4,268  | -100.0%      | 19,039         | 14,479         |
|         | 75k MEG-JAPAN   | 89        | 9,439  | 98        | 12,210 | -22.7%       | 11,119         | 10,082         |
|         | 55k MEG-JAPAN   | 94        | 7,119  | 111       | 10,901 | -34.7%       | 8,449          | 8,262          |
| Dirty   | 37K UKC-USAC    | 140       | 11,567 | 138       | 10,858 | 6.5%         | 7,529          | 8,975          |
|         | 30K MED-MED     | 167       | 13,297 | 136       | 7,593  | 75.1%        | 5,487          | 6,703          |
|         | 55K UKC-USG     | 93        | 7,942  | 95        | 8,706  | -8.8%        | 9,527          | 10,421         |
|         | 55K MED-USG     | 93        | 7,914  | 95        | 8,490  | -6.8%        | 9,059          | 9,613          |
|         | 50k CARIBS-USG  | 110       | 8,598  | 115       | 9,442  | -8.9%        | 10,637         | 10,544         |

**TC Rates**

|         | \$/day      | Week 27 | Week 26 | ±%   | Diff | 2018   | 2017   |
|---------|-------------|---------|---------|------|------|--------|--------|
| VLCC    | 300k 1yr TC | 34,000  | 34,000  | 0.0% | 0    | 25,394 | 27,524 |
|         | 300k 3yr TC | 35,000  | 35,000  | 0.0% | 0    | 31,306 | 28,830 |
| Suezmax | 150k 1yr TC | 23,750  | 23,750  | 0.0% | 0    | 17,668 | 18,788 |
|         | 150k 3yr TC | 25,000  | 25,000  | 0.0% | 0    | 21,743 | 19,330 |
| Aframax | 110k 1yr TC | 22,000  | 22,000  | 0.0% | 0    | 15,543 | 16,034 |
|         | 110k 3yr TC | 23,000  | 23,000  | 0.0% | 0    | 18,532 | 17,339 |
| Panamax | 75k 1yr TC  | 16,000  | 15,750  | 1.6% | 250  | 13,192 | 12,986 |
|         | 75k 3yr TC  | 16,500  | 16,500  | 0.0% | 0    | 15,032 | 14,253 |
| MR      | 52k 1yr TC  | 14,500  | 14,500  | 0.0% | 0    | 13,721 | 13,375 |
|         | 52k 3yr TC  | 16,000  | 16,000  | 0.0% | 0    | 15,065 | 14,287 |
| Handy   | 36k 1yr TC  | 13,000  | 13,000  | 0.0% | 0    | 12,264 | 12,053 |
|         | 36k 3yr TC  | 13,500  | 13,500  | 0.0% | 0    | 13,431 | 13,200 |

**Chartering**

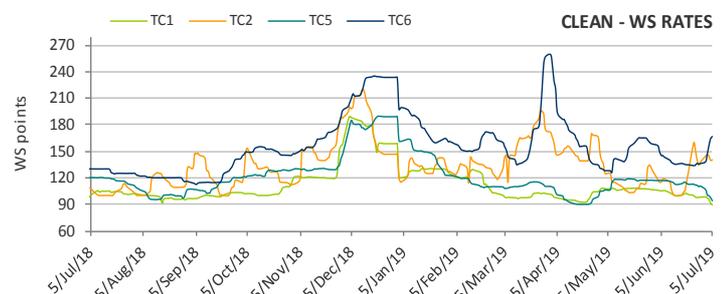
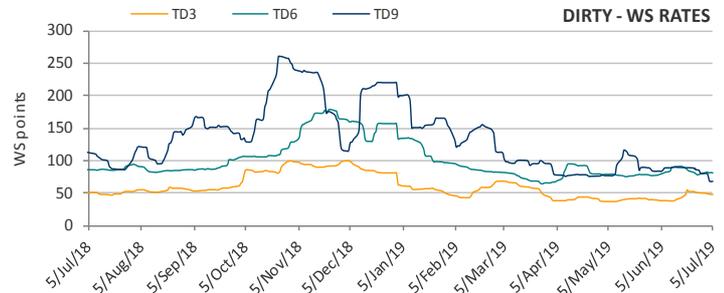
Despite improved activity in the Middle East, rates in the crude carriers market slowed down further last week as increased supply in the Middle East kept sentiment down. As it has been the case throughout the past months, the period market remained strong despite weakness seen on spot levels, with activity reported concerning both longer and shorter term contracts and numbers in either case remaining stable/strong. Oil prices have seen some pressure at the same time on concerns about the global economy and oil demand but managed to reverse course during the past couple of days as tensions between the US and Iran remain in focus.

VLs have failed to translate the busier Middle East market into higher earnings last week as sustained tension in the region and a long list of competing tonnage managed to pass a bit more control over to charterers who were also able to achieve slightly lower number out of West Africa as well.

The West Africa Suezmax showed volatility but managed to end the week with gains, while the Black Sea Med market was flattish overall but turned positive at the end of the week. It was an overall down week for Aframax rates that saw recent cross-Med gains being wiped out and the Caribs market slowing down more than expected ahead of the 4th of July holiday.

**Indicative Period Charters**

|             |                               |      |             |
|-------------|-------------------------------|------|-------------|
| - 2 yrs     | - 'SPIRIT II'                 | 2016 | 114,139 dwt |
| -           | - \$23,000/day                |      | - Vitol     |
| - 6 + 6 mos | - 'OKLAHOMA'                  | 2006 | 105,465 dwt |
| -           | - \$19,300/day - \$21,000/day |      | - Navig8    |



**Indicative Market Values (\$ Million) - Tankers**

| Vessel 5yrs old |          | Jul-19 avg | Jun-19 avg | ±%   | 2018 | 2017 | 2016 |
|-----------------|----------|------------|------------|------|------|------|------|
| VLCC            | 300KT DH | 68.0       | 67.5       | 0.7% | 64.2 | 62.0 | 68.9 |
| Suezmax         | 150KT DH | 48.0       | 48.0       | 0.0% | 43.5 | 41.4 | 50.0 |
| Aframax         | 110KT DH | 36.0       | 35.6       | 1.1% | 31.8 | 30.4 | 37.0 |
| LR1             | 75KT DH  | 31.0       | 31.0       | 0.0% | 29.3 | 27.6 | 33.1 |
| MR              | 52KT DH  | 28.5       | 27.8       | 2.7% | 26.3 | 23.4 | 25.3 |

**Sale & Purchase**

In the VLCC sector we had the sale of the "RIDGEBURY EAGLE" (309,064dwt -blt '02, S. Korea), which was sold to Malaysian owner, Yinson Holdings, for a price in the region of \$29.0m.

In the Aframax sector we had the sale of the "SEAHERITAGE" (109,229dwt-blk '05, China), which was sold to European buyers, for a price in the region of \$14.1m.

**Baltic Indices**

|             | Week 27<br>05/07/2019 |          | Week 26<br>28/06/2019 |          | Point<br>Diff | \$/day<br>±% | 2018  |       | 2017  |       |
|-------------|-----------------------|----------|-----------------------|----------|---------------|--------------|-------|-------|-------|-------|
|             | Index                 | \$/day   | Index                 | \$/day   |               |              | Index | Index | 2017  |       |
|             |                       |          |                       |          |               |              |       |       | Index | Index |
| <b>BDI</b>  | 1,740                 |          | 1,354                 |          | 386           |              | 1,349 | 1,149 |       |       |
| <b>BCI</b>  | 3,346                 | \$26,444 | 2,488                 | \$19,360 | 858           | 36.6%        | 2,095 | 2,094 |       |       |
| <b>BPI</b>  | 1,665                 | \$13,295 | 1,286                 | \$10,301 | 379           | 29.1%        | 1,451 | 1,221 |       |       |
| <b>BSI</b>  | 820                   | \$9,435  | 787                   | \$9,014  | 33            | 4.7%         | 1,030 | 846   |       |       |
| <b>BHSI</b> | 448                   | \$6,595  | 442                   | \$6,523  | 6             | 1.1%         | 597   | 525   |       |       |

**Period**

|                  | \$/day              | Week 27 | Week 26 | ±%    | Diff  | 2018   | 2017   |
|------------------|---------------------|---------|---------|-------|-------|--------|--------|
|                  |                     |         |         |       |       |        |        |
| <b>Capesize</b>  | <b>180K 6mnt TC</b> | 23,000  | 19,000  | 21.1% | 4,000 | 19,758 | 15,671 |
|                  | <b>180K 1yr TC</b>  | 24,000  | 18,000  | 33.3% | 6,000 | 19,575 | 14,844 |
|                  | <b>180K 3yr TC</b>  | 16,000  | 15,500  | 3.2%  | 500   | 17,912 | 13,892 |
| <b>Panamax</b>   | <b>76K 6mnt TC</b>  | 12,000  | 11,750  | 2.1%  | 250   | 13,224 | 10,984 |
|                  | <b>76K 1yr TC</b>   | 12,250  | 11,750  | 4.3%  | 500   | 13,513 | 11,113 |
|                  | <b>76K 3yr TC</b>   | 11,750  | 11,500  | 2.2%  | 250   | 12,710 | 11,171 |
| <b>Supramax</b>  | <b>58K 6mnt TC</b>  | 10,750  | 10,000  | 7.5%  | 750   | 12,450 | 10,421 |
|                  | <b>58K 1yr TC</b>   | 11,000  | 10,250  | 7.3%  | 750   | 11,700 | 10,166 |
|                  | <b>58K 3yr TC</b>   | 10,500  | 10,500  | 0.0%  | 0     | 11,450 | 10,176 |
| <b>Handysize</b> | <b>32K 6mnt TC</b>  | 9,500   | 9,000   | 5.6%  | 500   | 9,586  | 8,662  |
|                  | <b>32K 1yr TC</b>   | 9,500   | 9,000   | 5.6%  | 500   | 9,450  | 8,248  |
|                  | <b>32K 3yr TC</b>   | 9,250   | 9,250   | 0.0%  | 0     | 9,200  | 8,464  |

**Chartering**

This has been another week of impressive performance in the dry bulk market that has seen gains across all sizes but with the most impressive upside being noted for Capes and Panamaxes. The euphoria the sizeable increase in the bigger sizes has brought was evident in period ideas as well, with impressive premiums over spot levels noted in a number of fixtures for which details became known in the past days. Sentiment remains firm with the downward correction of the market yesterday followed by a substantial positive reaction today, giving some much needed legs to the recent rally. We reiterate that the degree to which the market will manage to resist during the following weeks and until the end of the summer season peak will offer a more clear idea of how much this upside has been based on improving fundamentals and will definitely shape expectations for the final quarter for the year as well.

Capesize average earnings moved another impressive leg up last week on the back of firming activity in both basins, while despite the lack of period activity, ideas for up to one year contracts have been advancing quickly.

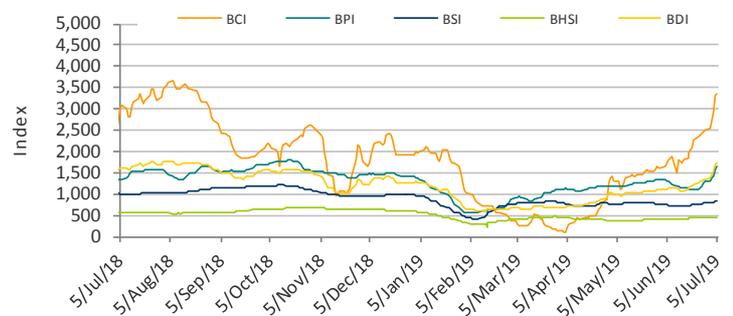
The Atlantic Panamax remained particularly strong, with strong activity seen in the North and the USG, while in the Pacific numbers also achieved premiums over done levels, with period activity stealing the spotlight altogether though as a number of contracts were fixed in the past days.

The smaller sizes continued finding support in the USG and ECSA, with numbers in the East still showing weakness though, while some very strong numbers were reported in the period market for both Supras and Handies.

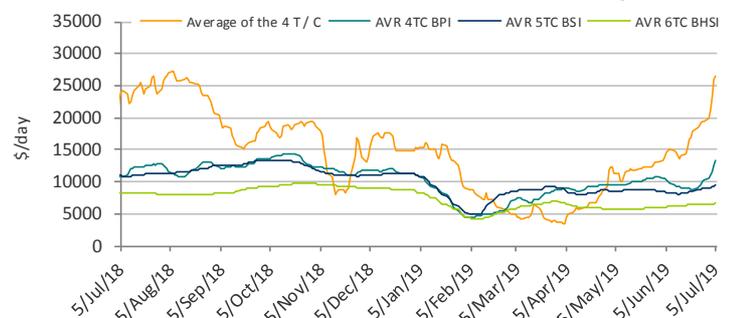
**Indicative Period Charters**

|                    |                    |      |            |
|--------------------|--------------------|------|------------|
| - 11 to 13 mos     | - 'ATALANDI'       | 2014 | 77,528 dwt |
| - Qingdao 5/15 Jul | - \$12,250/day     |      | - Uniper   |
| - 3 to 5 mos       | - 'SUPER CAROLINE' | 2007 | 33,427 dwt |
| - Recalada         | - \$10,800/day     |      | - cnr      |

**Baltic Indices**



**Average T/C Rates**



**Indicative Market Values (\$ Million) - Bulk Carriers**

| Vessel 5 yrs old     | Jul-19 avg | Jun-19 avg | ±%   | 2018 | 2017 | 2016 |
|----------------------|------------|------------|------|------|------|------|
| <b>Capesize 180k</b> | 31.0       | 31.0       | 0.0% | 35.0 | 31.1 | 23.5 |
| <b>Panamax 76K</b>   | 16.0       | 16.0       | 0.0% | 18.7 | 18.1 | 13.6 |
| <b>Supramax 58k</b>  | 16.0       | 16.0       | 0.0% | 17.7 | 16.5 | 12.7 |
| <b>Handysize 32K</b> | 13.3       | 13.3       | 0.0% | 15.0 | 13.0 | 9.9  |

**Sale & Purchase**

In the Capesize sector we had the sale of the "LOWLANDS PHOENIX" (177,036dwt-bl't '04, Japan), which was sold to Chinese buyers, for a price in the region of \$13.2m.

In the Post-Panamax sector we had the sale of the "EVELYN SCHULTE" (115,340dwt-bl't '12, China), which was sold to German owner, Oldendorff, for a price in the region of \$15.5m.

**Tankers**

| Size  | Name            | Dwt     | Built | Yard                   | M/E               | SS due | Hull | Price    | Buyers                      | Comments               |
|-------|-----------------|---------|-------|------------------------|-------------------|--------|------|----------|-----------------------------|------------------------|
| VLCC  | RIDGEBURY EAGLE | 309,064 | 2002  | SAMSUNG, S. Korea      | MAN-B&W           | Oct-21 | DH   | \$ 29.0m | Malaysian (Yinson Holdings) | for conversion to FPSO |
| VLCC  | APOLLONIA       | 309,021 | 2003  | SAMSUNG, S. Korea      | MAN-B&W           | Jul-23 | DH   | \$ 31.0m | Malaysian (Yinson Holdings) | for conversion to FPSO |
| AFRA  | SEAHERITAGE     | 109,229 | 2005  | HUDONG-ZHONGHUA, China | MAN-B&W           | Aug-20 | DH   | \$ 14.1m | European                    |                        |
| SMALL | PENYUAN         | 7,000   | 2009  | ZHEJIANG HUAXIA, China | Chinese Std. Type | Apr-19 | DH   | \$ 3.5m  | undisclosed                 |                        |

**Bulk Carriers**

| Size      | Name             | Dwt     | Built | Yard                     | M/E        | SS due | Gear             | Price          | Buyers                            | Comments           |
|-----------|------------------|---------|-------|--------------------------|------------|--------|------------------|----------------|-----------------------------------|--------------------|
| CAPE      | LOWLANDS PHOENIX | 177,036 | 2004  | NAMURA, Japan            | MAN-B&W    | Nov-19 |                  | \$ 13.2m       | Chinese                           |                    |
| POST PMAX | EVELYN SCHULTE   | 115,340 | 2012  | SHANGHAI JIANGNAN, China | MAN-B&W    | Jul-22 |                  | \$ 15.5m       | German (Oldendorff)               |                    |
| PMAX      | KAVO MANALI      | 76,801  | 2004  | SASEBO, Japan            | B&W        | Jul-19 |                  | \$ 8.5m        | Greek                             | basis SS/DD passed |
| SMAX      | NANTONG K        | 58,738  | 2011  | NANTONG COSCO, China     | MAN-B&W    | Jul-21 | 4 X 30,5t CRANES | excess \$14.0m | Chinese                           | on long subs       |
| SMAX      | TOMINI SINCERITY | 56,812  | 2012  | YANGZHOU GUOYU, China    | Wartsila   | Apr-22 | 4 X 36t CRANES   | \$ 10.8m       | Chinese                           |                    |
| SMAX      | HAMMONIA KORSIKA | 56,722  | 2010  | HANTONG, China           | MAN-B&W    | Aug-20 | 4 X 35t CRANES   | \$ 10.5m       | undisclosed                       |                    |
| HANDY     | EMMA BULKER      | 31,887  | 2010  | HAKODATE, Japan          | Mitsubishi | Sep-20 | 4 X 30t CRANES   | \$ 9.5m        | Hong Kong based (Taylor Maritime) |                    |
| HANDY     | LOUISE BULKER    | 31,881  | 2010  | HAKODATE, Japan          | Mitsubishi | Jul-22 | 4 X 30t CRANES   | \$ 9.5m        |                                   |                    |

**Containers**

| Size | Name        | Teu   | Built | Yard                             | M/E      | SS due | Gear | Price    | Buyers      | Comments  |
|------|-------------|-------|-------|----------------------------------|----------|--------|------|----------|-------------|-----------|
| PMAX | KMARIN AQUA | 4,622 | 2013  | HYUNDAI SAMHO HEAVY IN, S. Korea | Wartsila | Jan-23 |      | \$ 19.0m | undisclosed | incl. T/C |

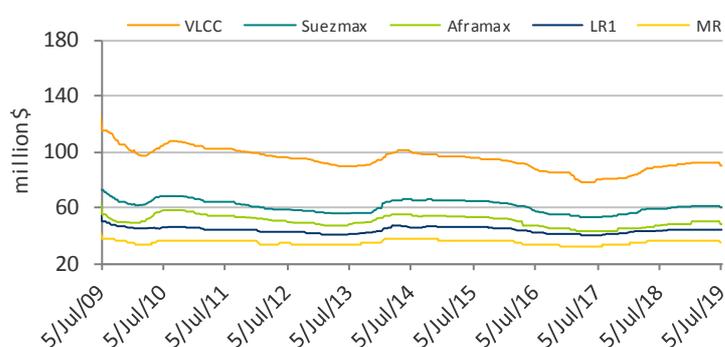
**Indicative Newbuilding Prices (million\$)**

| Vessel  |                 | Week 27 | Week 26 | ±%   | 2018 | 2017 | 2016 |
|---------|-----------------|---------|---------|------|------|------|------|
| Bulkers | Capesize 180k   | 51.0    | 51.0    | 0.0% | 48   | 43   | 43   |
|         | Kamsarmax 82k   | 29.0    | 29.0    | 0.0% | 28   | 25   | 25   |
|         | Ultramax 63k    | 27.0    | 27.0    | 0.0% | 26   | 23   | 23   |
|         | Handysize 38k   | 23.0    | 23.0    | 0.0% | 23   | 20   | 20   |
| Tankers | VLCC 300k       | 90.0    | 90.0    | 0.0% | 88   | 80   | 88   |
|         | Suezmax 160k    | 60.0    | 60.0    | 0.0% | 59   | 54   | 58   |
|         | Aframax 115k    | 48.0    | 48.0    | 0.0% | 47   | 44   | 48   |
|         | MR 50k          | 35.0    | 35.0    | 0.0% | 36   | 33   | 34   |
| Gas     | LNG 174k cbm    | 185.0   | 185.0   | 0.0% | 181  | 186  | 189  |
|         | LGC LPG 80k cbm | 72.0    | 72.0    | 0.0% | 71   | 71   | 74   |
|         | MGC LPG 55k cbm | 64.0    | 64.0    | 0.0% | 63   | 64   | 66   |
|         | SGC LPG 25k cbm | 45.0    | 45.0    | 0.0% | 43   | 42   | 43   |

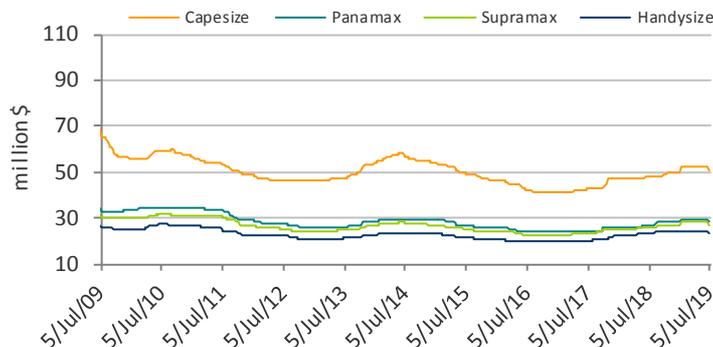
They say a picture is worth a thousand words and just look at the list of recently placed orders below reveals that appetite for ordering is alive despite the fact that we are almost in the middle of the usually quieter summer season. Tanker vessels remain the most popular compared to other sectors, with the contracts below showing interest being almost equally spread among crude and clean trading vessels, while after a month of no deals on the dry bulk side we finally saw some activity in the sector as well through Nissen Kaiun's sizeable order. On industry news, two of the biggest shipyards in China, China State Shipbuilding Corporation (CSSC) and China Shipbuilding Industry Corporation (CSIC) have officially confirmed their intentions to merge, with the merger expected to create one of the largest shipbuilding groups across the world that will position itself dynamically amidst increasing competition in the industry.

In terms of recently reported deals, Hong Kong based owner, Wah Kwong Shipping, placed an order for two firm VLCC tankers (300,000 dwt) at DSIC, in China for a price in the region of \$85.0m and delivery set in 2021.

**Tankers Newbuilding Prices (m\$)**



**Bulk Carriers Newbuilding Prices (m\$)**



**Newbuilding Orders**

| Units | Type   | Size        | Yard                        | Delivery | Buyer                                | Price       | Comments   |
|-------|--------|-------------|-----------------------------|----------|--------------------------------------|-------------|--|
| 2     | Tanker | 300,000 dwt | DSIC, China                 | 2021     | Hong Kong based (Wah Kwong Shipping) | \$ 85.0m    | JV with CSIC leasing                                 |
| 2     | Tanker | 115,000 dwt | Hyundai, S. Korea           | 2021     | Finnish (Neste)                      | \$ 70.0m    | ice class 1A   |
| 2     | Tanker | 50,000 dwt  | Hyundai Mipo, S. Korea      | 2020     | Turkish (Yasa)                       | \$ 38.0m    |  |
| 4     | Tanker | 33,000 dwt  | Nantong Xiangyu, China      | 2022     | Japanese (Nisshin Shipping)          | undisclosed | StSt, dual fuelled                                   |
| 5     | Bulker | 42,000 dwt  | Tsuneishi Zhoushan, China   | 2021     | Japanese (Nissen Kaiun)              | \$ 25.0m    | tier II, semi-boxed, scrubber fitted, tess-42 design |
| 5     | Bulker | 42,000 dwt  | Tsuneishi Cebu, Philippines | 2021     | Japanese (Nissen Kaiun)              | \$ 25.0m    |  |
| 1     | Cruise | 5,500 pax   | Meyer Turku, Finland        | 2025     | US based (Royal Caribbean Cruises)   | \$ 1083.0m  | LNG fuelled  |

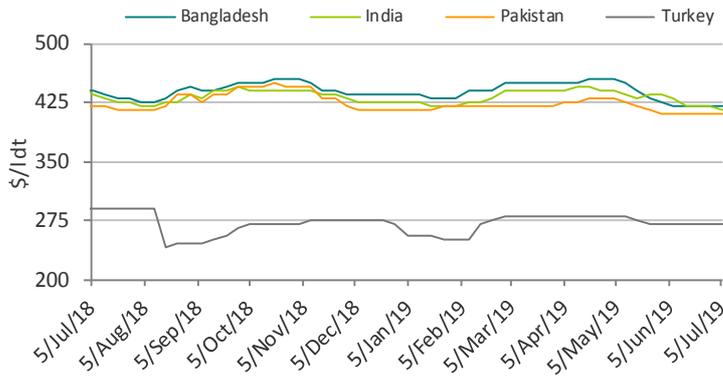
**Indicative Demolition Prices (\$/ldt)**

|          | Markets    | Week 27 | Week 26 | ±%    | 2018 | 2017 | 2016 |
|----------|------------|---------|---------|-------|------|------|------|
| Tanker   | Bangladesh | 420     | 420     | 0.0%  | 442  | 376  | 287  |
|          | India      | 415     | 420     | -1.2% | 438  | 374  | 283  |
|          | Pakistan   | 410     | 410     | 0.0%  | 437  | 379  | 284  |
|          | Turkey     | 270     | 270     | 0.0%  | 280  | 250  | 181  |
| Dry Bulk | Bangladesh | 410     | 410     | 0.0%  | 431  | 358  | 272  |
|          | India      | 405     | 410     | -1.2% | 428  | 354  | 268  |
|          | Pakistan   | 400     | 400     | 0.0%  | 427  | 358  | 267  |
|          | Turkey     | 260     | 260     | 0.0%  | 270  | 240  | 174  |

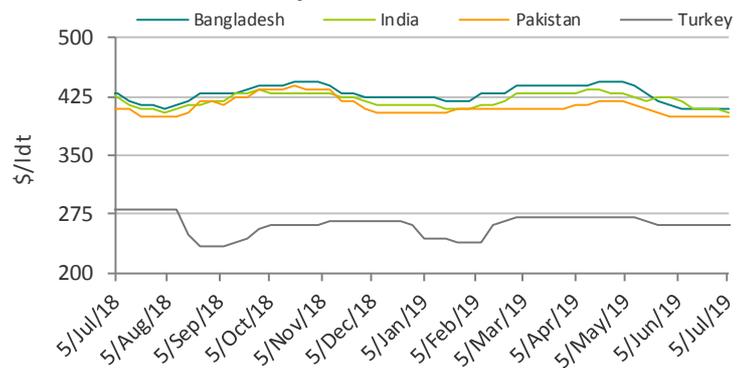
Not much has changed in the demolition market in the past days, with appetite and sentiment remaining soft and the lack of activity still weighing down on prices. Despite the given lack of appetite for tonnage, the fact that the supply of vessels has come down substantially in the past weeks has helped avoid a more substantial decrease in the bids coming out of the Indian sub-continent. The improvements in the dry bulk market together with a stabilizing tanker market are expected to keep the number of demo candidates down at least in the short term, while given that demo prices are now close to their lowest point for 2019, it will be hard to attract owners that had been contemplating to scrap their vessels to do so before a significant improvement is eventually witness in demo bids. Average prices in the different markets this week for tankers ranged between \$270-420/ldt and those for dry bulk units between \$260-410/ldt.

The highest price amongst recently reported deals was paid by Bangladeshi breakers for the Panamax bulk carrier "EASTERN VIEW" (73,350dwt-10,642ldt-blt '95), which received \$415/ldt.

**Tanker Demolition Prices**



**Dry Bulk Demolition Prices**

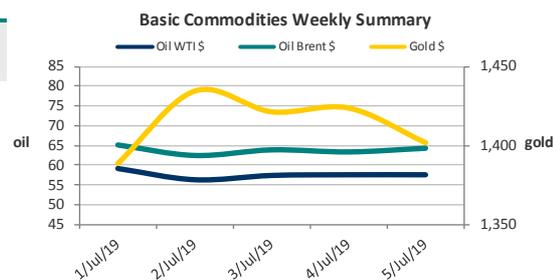


**Demolition Sales**

| Name          | Size   | Ldt    | Built | Yard                   | Type   | \$/ldt      | Breakers    | Comments |
|---------------|--------|--------|-------|------------------------|--------|-------------|-------------|----------|
| XIN BIN JIANG | 23,596 | 12,544 | 1992  | BREMER VULKAN, Germany | CONT   | undisclosed | Chinese     |          |
| EASTERN VIEW  | 73,350 | 10,642 | 1995  | HYUNDAI, S. Korea      | BULKER | \$ 415/Ldt  | Bangladeshi |          |
| ARI           | 29,266 | 10,590 | 2001  | GDANSKA, Poland        | CONT   | undisclosed | Indian      |          |

**Market Data**

|                            | 5-Jul-19          | 4-Jul-19  | 3-Jul-19  | 2-Jul-19  | 1-Jul-19  | W-O-W Change % |       |
|----------------------------|-------------------|-----------|-----------|-----------|-----------|----------------|-------|
| <b>Stock Exchange Data</b> | 10year US Bond    | 2.040     | 1.950     | 1.950     | 1.970     | 2.030          | 2.0%  |
|                            | S&P 500           | 2,990.41  | 2,990.41  | 2,995.82  | 2,973.01  | 2,964.33       | 1.7%  |
|                            | Nasdaq            | 8,161.79  | 8,161.79  | 8,170.23  | 8,109.09  | 8,091.16       | 1.9%  |
|                            | Dow Jones         | 26,922.12 | 26,922.12 | 26,922.12 | 26,786.68 | 26,717.43      | 1.2%  |
|                            | FTSE 100          | 7,553.14  | 7,603.58  | 7,609.32  | 7,559.19  | 7,497.50       | 1.7%  |
|                            | FTSE All-Share UK | 4,120.51  | 4,147.97  | 4,150.07  | 4,123.10  | 4,095.18       | 1.6%  |
|                            | CAC40             | 5,593.72  | 5,620.73  | 5,618.81  | 5,576.82  | 5,567.91       | 1.0%  |
|                            | Xetra Dax         | 12,568.53 | 12,629.90 | 12,616.24 | 12,526.72 | 12,521.38      | 0.4%  |
|                            | Nikkei            | 21,746.38 | 21,702.45 | 21,638.16 | 21,754.27 | 21,729.97      | 0.1%  |
|                            | Hang Seng         | 28,774.83 | 28,774.83 | 28,795.77 | 28,855.14 | 28,875.56      | 0.5%  |
|                            | DJ US Maritime    | 254.23    | 253.64    | 253.64    | 254.99    | 258.66         | -2.0% |
| <b>Currencies</b>          | \$ / €            | 1.12      | 1.13      | 1.13      | 1.13      | 1.13           | -1.2% |
|                            | \$ / £            | 1.25      | 1.26      | 1.26      | 1.26      | 1.26           | -1.2% |
|                            | ¥ / \$            | 108.47    | 107.81    | 107.78    | 107.81    | 108.36         | 0.7%  |
|                            | \$ / NoK          | 0.12      | 0.12      | 0.12      | 0.12      | 0.12           | -1.2% |
|                            | Yuan / \$         | 6.89      | 6.87      | 6.88      | 6.87      | 6.85           | 0.2%  |
|                            | Won / \$          | 1,175.12  | 1,168.36  | 1,169.88  | 1,166.58  | 1,160.75       | 1.6%  |
|                            | \$ INDEX          | 97.29     | 96.77     | 96.77     | 96.73     | 96.84          | 1.2%  |



**Bunker Prices**

|               | 5-Jul-19  | 28-Jun-19 | W-O-W Change % |       |
|---------------|-----------|-----------|----------------|-------|
| <b>MGO</b>    | Rotterdam | 565.5     | 575.0          | -1.7% |
|               | Houston   | 628.0     | 630.0          | -0.3% |
|               | Singapore | 576.5     | 595.0          | -3.1% |
| <b>380cst</b> | Rotterdam | 382.5     | 393.0          | -2.7% |
|               | Houston   | 428.5     | 406.5          | 5.4%  |
|               | Singapore | 438.5     | 423.0          | 3.7%  |

**Maritime Stock Data**

| Company                         | Stock Exchange | Curr. | 05-Jul-19 | 28-Jun-19 | W-O-W Change % |
|---------------------------------|----------------|-------|-----------|-----------|----------------|
| CAPITAL PRODUCT PARTNERS LP     | NASDAQ         | USD   | 10.40     | 10.50     | -1.0%          |
| COSTAMARE INC                   | NYSE           | USD   | 5.48      | 5.13      | 6.8%           |
| DANAOS CORPORATION              | NYSE           | USD   | 8.82      | 8.09      | 9.0%           |
| DIANA SHIPPING                  | NYSE           | USD   | 3.64      | 3.31      | 10.0%          |
| DRYSHIPS INC                    | NASDAQ         | USD   | 3.82      | 3.82      | 0.0%           |
| EAGLE BULK SHIPPING             | NASDAQ         | USD   | 5.65      | 5.24      | 7.8%           |
| EUROSEAS LTD.                   | NASDAQ         | USD   | 0.64      | 0.62      | 3.2%           |
| GLOBUS MARITIME LIMITED         | NASDAQ         | USD   | 2.33      | 2.30      | 1.3%           |
| NAVIOS MARITIME ACQUISITIONS    | NYSE           | USD   | 6.37      | 6.30      | 1.1%           |
| NAVIOS MARITIME HOLDINGS        | NYSE           | USD   | 4.76      | 4.48      | 6.2%           |
| NAVIOS MARITIME PARTNERS LP     | NYSE           | USD   | 15.79     | 13.50     | 17.0%          |
| SAFE BULKERS INC                | NYSE           | USD   | 1.90      | 1.56      | 21.8%          |
| SEANERGY MARITIME HOLDINGS CORP | NASDAQ         | USD   | 0.64      | 0.62      | 3.2%           |
| STAR BULK CARRIERS CORP         | NASDAQ         | USD   | 10.56     | 9.65      | 9.4%           |
| STEALTHGAS INC                  | NASDAQ         | USD   | 3.55      | 3.44      | 3.2%           |
| TSAKOS ENERGY NAVIGATION        | NYSE           | USD   | 3.36      | 3.29      | 2.1%           |
| TOP SHIPS INC                   | NASDAQ         | USD   | 0.45      | 0.45      | 0.0%           |

**Market News**

**“Deutsche Bank shipping research to survive mass cuts.**

After series of analyst exits, industry to get some good news in German bank’s major restructuring.

This one will go into the win column for public ship-owners and the shipping equity research team at Germany’s Deutsche Bank.

Despite massive cuts of some 18,000 jobs by 2022 and an announced exit of the equities sales and trading business, Deutsche Bank is keeping intact its US-based research unit, led by senior analyst Amit Mehrotra, sources told TradeWinds on Sunday.

Repeated attempts to reach Mehrotra for comment were not successful, but the development is expected to be confirmed in the next days as the impact of the multi-billion dollar cuts becomes more clear.

In late June, JP Morgan became the sixth bank in recent months to fully or partly dump shipping coverage, following on Credit Suisse, UBS, Seaport Global Securities, the Maxim Group and fellow bulge-bracket firm Morgan Stanley.

With Deutsche Bank’s restructuring no secret in recent months, it was held as essentially even money whether its shipping-research team would become the next to fall...”(TradeWinds)

The information contained in this report has been obtained from various sources, as reported in the market. Intermodal Shipbrokers Co. believes such information to be factual and reliable without making guarantees regarding its accuracy or completeness. Whilst every care has been taken in the production of the above review, no liability can be accepted for any loss or damage incurred in any way whatsoever by any person who may seek to rely on the information and views contained in this material. This report is being produced for the internal use of the intended recipients only and no reproducing is allowed, without the prior written authorization of Intermodal Shipbrokers Co.