

## Market insight

**By Vasilis Moiris**  
**SnP Broker**

It comes as no surprise that activity in the dry bulk SnP market remains soft, with asset values caught in the downward spiral generated by the Covid-19 shockwaves of declining demand for a number of commodities and the subsequent pressure on freight rates. Preliminary data reveals a 56% drop in the number of dry bulk second hand sales year to date, while we expect this trend to continue in the short term as the vast majority of Buyers remains reluctant to proceed decisively and invest in available candidates. The fact that the gap between their price ideas and those of the respective Sellers remains wide, together with the growing uncertainty surrounding the prospects of the sector, have pushed more investors to the sidelines at least for the time being.

In total contrast with what's been happening on the dry bulk side, activity in tanker sector remains robust, with Buyers competing intensely to secure vessels with prompt delivery in order to take advantage of the improved freight market. As a result, asset prices have been moving up quickly across the different sizes and respective age groups.

The M/T Olympic Leader (309kdwt blt '05, S. Korea) is reported sold for USD 39.2m to Greek buyers c/o Altomare, while the price includes a BWTS on order. This is the second VLCC this Buyer has been linked to, following the purchase of M/T TI Hellas (319kdwt blt '05, S. Korea) a couple of weeks ago. In any case, the price of M/T Olympic Leader shows a further increase in values after the recent sale of M/ T Takasaki (300kdwt blt '05, Japan) at USD 37.8m.

Following last week's Aframax sale of M/T Pallas Orust (114kdwt blt '04, S. Korea), which was bought by Indonesians at USD 14m, the Greek controlled LR2s M/T Makronissos (106kdwt blt '02, S. Korea) and M/T Agathonissos (106kdwt blt '02, S. Korea) are now reported sold at region USD 13m each, which is in line with the market.

In the MR segment, Monaco based buyers c/o Transocean are being linked to the acquisition of M/T Glenda Meredith (46kdwt blt '10, S. Korea) at a rumoured price of USD 19m basis BWTS fitted. It is interesting to note that this is the first reported sale of a deepwell pump MR2 of this vintage since mid-January.

Going forward, uncertainty reigns over both the dry bulk and tanker second-hand markets for different reasons. On one hand, dry bulk asset values still fail to reflect the returns in the freight market, rendering an alignment of Buyers' and Sellers' ideas challenging and further impeding SnP activity as a result. On the tanker side, the fact that freight rates have been moving down quickly in the past days could substantially impact the appetite of Buyers given that it was the lucrative returns that enticed them in the first place to go after prompt delivery candidates that would allow them to enjoy a quick and substantial return on their investment.

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

Silver linings remain hard to spot in the dry bulk market that has lost further support on the back of extended weakness in Capesize earnings during the past week. The BDI today (05/05/2020) closed at 575 points, down by 23 points compared to Monday's (04/05/2020) levels and decreased by 80 points when compared to previous Tuesday's closing (28/04/2020). The rally in the tanker market started losing steam last week that ended with losses across the board, while despite the softening sentiment, impressive numbers kept surfacing on the period front. The BDTI today (05/05/2020) closed at 905, decreased by 598 points and the BCTI at 1339, a decrease of 772 points compared to previous Tuesday's (28/04/2020) levels.

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

The tanker second-hand market been fairly busy this past week, with Buyers once again focusing on bigger deadweight candidates, while in the dry bulk sector the more conservative approach that owners have followed for yet another week has been reflected both in reduced activity and discounted asset values. In the tanker sector we had the sale of the "SIGNAL PUMA" (105,034dwt-blt '05, China), which was sold to Chinese buyers, for a price in the region of \$17.9m. On the dry bulk side sector we had the sale of the "LOVELY KLARA" (28,186dwt-blt '02, Japan), which was sold to Vietnamese owner, Fgas Petrol, for a price in the region of excess \$4.0m.

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

Soft contracting activity surfaced during the past week, with tanker orders once again holding the lion's share, while in the deals for which pricing details circulated the market, the softening momentum in asset values was evident. April was a particularly quiet month in terms of ordering, with the number of the up to now confirmed contracts placed showing a 71% decrease compared to the same month in 2019. Given that returns on the dry bulk market remain disappointing and that freight rates on the tanker front have now come off their highs, we expect that appetite for newbuildings will remain soft in the coming weeks and up until prospects for either sector are more clearly defined. In terms of recently reported deals, Greek owner, Dynacom, placed an order for one firm Suezmax crude carrier (158,000 dwt) at New Times, in China for a price in the region of \$55.0m and delivery set in 2022.

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

News from the demolition front remain particularly discouraging both in regards to the re-opening of the main markets and the price levels owners looking to sell their vessels at will be probably faced with once operations resume. In the past days, both India and Bangladesh have decided to extend again their respective lockdowns for two more weeks, which came as no surprise to the market as most have been already expecting that operations could not realistically resume before the end of the spring season. With the economies and the respective local currencies of shipbreaking countries having taken a substantial hit in the past months, one can't help but wonder what the impact on demo prices will be once markets open again. To make things even worse, the backlog of demo candidates that was kept out of the market during these months, is expected to keep tonnage supply elevated for long after the market reopens and subsequently add an extra layer of pressure on demo bids.

### Spot Rates

Vessel	Routes	Week 18		Week 17		\$ /day ±%	2019	2018
		WS points	\$ /day	WS points	\$ /day		\$ /day	\$ /day
VLCC	265k MEG-SPORE	83	84,117	160	179,087	-53.0%	45,517	20,265
	280k MEG-USG	41	39,202	101	126,359	-69.0%	35,659	5,635
	260k WAF-CHINA	80	82,359	143	162,211	-49.2%	41,077	18,362
Suezmax	130k MED-MED	105	49,710	163	90,258	-44.9%	30,857	20,320
	130k WAF-UKC	97	48,655	170	93,082	-47.7%	25,082	11,031
	140k BSEA-MED	111	53,411	179	104,900	-49.1%	30,857	20,320
Aframax	80k MEG-EAST	164	48,615	202	63,892	-23.9%	24,248	12,563
	80k MED-MED	143	47,071	234	91,338	-48.5%	25,771	18,589
	100k BALTIC/UKC	106	43,887	208	107,044	-59.0%	25,842	14,943
Clean	70k CARIBS-USG	206	60,756	223	67,092	-9.4%	20,886	19,039
	75k MEG-JAPAN	498	165,547	503	168,205	-1.6%	22,050	11,119
	55k MEG-JAPAN	452	108,090	465	111,918	-3.4%	15,071	8,449
Dirty	37k UKC-USAC	209	32,276	429	73,827	-56.3%	12,367	7,529
	30k MED-MED	444	81,985	626	123,373	-33.5%	14,008	5,487
	55k UKC-USG	187	44,960	170	39,810	12.9%	15,960	9,527
Dirty	55k MED-USG	187	45,016	170	39,732	13.3%	15,327	9,059
	50k CARIBS-USG	223	46,369	220	45,958	0.9%	18,781	10,637

### TC Rates

	\$ /day	Week 18	Week 17	±%	Diff	2019	2018
VLCC	300k 1yr TC	70,000	70,000	0.0%	0	37,462	25,394
	300k 3yr TC	40,000	40,000	0.0%	0	35,777	31,306
Suezmax	150k 1yr TC	46,000	46,000	0.0%	0	26,808	17,668
	150k 3yr TC	30,000	30,000	0.0%	0	25,988	21,743
Aframax	110k 1yr TC	33,000	33,000	0.0%	0	21,990	15,543
	110k 3yr TC	22,000	22,000	0.0%	0	22,426	18,532
Panamax	75k 1yr TC	22,500	22,500	0.0%	0	16,635	13,192
	75k 3yr TC	18,000	18,000	0.0%	0	16,916	15,032
MR	52k 1yr TC	19,500	17,500	11.4%	2000	15,269	13,721
	52k 3yr TC	16,000	16,000	0.0%	0	16,181	15,065
Handy	36k 1yr TC	17,000	15,000	13.3%	2000	13,856	12,264
	36k 3yr TC	14,000	14,000	0.0%	0	13,753	13,431

### Chartering

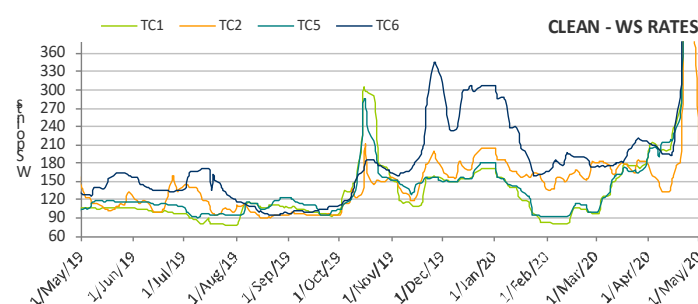
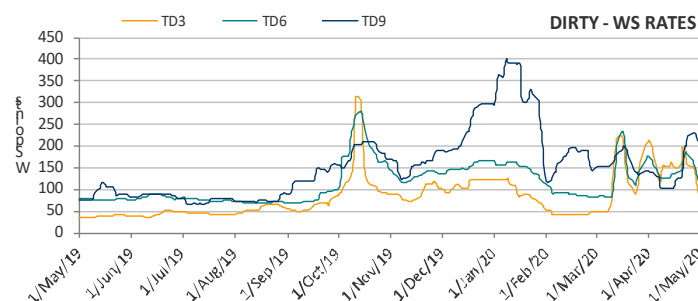
After two weeks of impressive back to back gains, the tanker market has started to witness a substantial slowdown across all key trading routes, with TCE levels in most cases slashed almost in half compared to the week prior. The period market on the other hand not only managed to sustain its levels but also saw premiums paid in a few cases. On the oil price front, volatility extended in the past days, with last week's tariff threats to China by US President that pushed prices down, followed by renewed optimism among investors in regards to demand as lockdown measures in US and around the globe have started to ease.

Charterers in the Middle East and West Africa markets took advantage of slower demand last week and managed to push rates down as VLCC owners looking to fix their vessels showed little resistance given that the levels they were being offered were still very healthy despite the steep discounts.

Weakening sentiment on the VLCC front set the negative tone for the West Africa and Black Sea/Med Suezmax, while earnings in the Aframax market were also down last week, with those for European routes noting the biggest discounts across the board on the back of slower enquiry in the region.

### Indicative Period Charters

- 12 mos	- 'PINNACLE SPIRIT'	2008	160,391 dwt
-	- \$45,000/day		- Chevron
- 6 mos	- 'CELSIUS RIMINI'	2009	53,603 dwt
-	- \$15,500/day		- Clearlake



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

Vessel 5yrs old	May-20 avg	Apr-20 avg	±%	2019	2018	2017
VLCC 300KT DH	77.0	77.0	0.0%	69.6	64.5	62.0
Suezmax 150KT DH	53.0	53.0	0.0%	49.0	43.8	41.4
Aframax 110KT DH	42.5	42.5	0.0%	37.1	32.1	30.4
LR1 75KT DH	32.0	32.0	0.0%	31.5	29.6	27.6
MR 52KT DH	31.0	31.0	0.0%	28.5	26.6	23.4

### Sale & Purchase

In the Aframax sector we had the sale of the "SIGNAL PUMA" (105,034dwt-blt '05, China), which was sold to Chinese buyers, for a price in the region of \$17.9m.

In the MR sector we had the sale of the "GLENDA MEREDITH" (46,147dwt-blt '10, S. Korea), which was sold to Monaco based owner, Transocean, for a price in the region of \$19.0m.

**Baltic Indices**

	Week 18 01/05/2020		Week 17 24/04/2020		Point Diff	\$/day ±%	2019	2018
	Index	\$/day	Index	\$/day			Index	Index
<b>BDI</b>	617		665		-48		1,344	1,349
<b>BCI</b>	820	\$7,263	964	\$8,381	-144	-13.3%	2,239	2,095
<b>BPI</b>	704	\$6,337	747	\$6,719	-43	-5.7%	1,382	1,451
<b>BSI</b>	413	\$4,543	388	\$4,269	25	6.4%	877	1,030
<b>BHSI</b>	239	\$4,305	247	\$4,450	-8	-3.3%	490	597

**Period**

	\$/day	Week 18	Week 17	±%	Diff	2019	2018
<b>Capesize</b>	<b>180K 6mnt TC</b>	11,250	11,750	-4.3%	-500	18,839	19,758
	<b>180K 1yr TC</b>	11,500	12,500	-8.0%	-1,000	17,397	19,575
	<b>180K 3yr TC</b>	13,000	13,250	-1.9%	-250	15,474	17,912
<b>Panamax</b>	<b>76K 6mnt TC</b>	8,250	8,500	-2.9%	-250	12,147	13,224
	<b>76K 1yr TC</b>	8,750	9,000	-2.8%	-250	12,080	13,513
	<b>76K 3yr TC</b>	10,000	10,000	0.0%	0	11,931	12,710
<b>Supramax</b>	<b>58K 6mnt TC</b>	8,250	8,250	0.0%	0	11,493	13,142
	<b>58K 1yr TC</b>	8,750	8,750	0.0%	0	11,344	12,984
	<b>58K 3yr TC</b>	9,250	9,250	0.0%	0	10,883	12,267
<b>Handysize</b>	<b>32K 6mnt TC</b>	7,250	7,250	0.0%	0	9,152	10,787
	<b>32K 1yr TC</b>	8,000	8,000	0.0%	0	9,291	10,594
	<b>32K 3yr TC</b>	8,500	8,500	0.0%	0	9,291	9,200

**Chartering**

The last days of April brought additional pressure to the dry bulk market that showed little resistance for yet another week mainly on the back of mounting losses on the Capesize front, while discounts were also evident on the period market for the bigger sizes. The BDI upside noted during last month has been wiped off completely after today's index closing, while as sentiment among owners remains particularly weak and charterers are still controlling the market, it seems almost unlikely to see a meaningful positive turnaround in the short term.

With overall soft demand in both basins, the Capesize market has seen earnings pointing down in most trading routes, while the only positive exceptions were Chinese enquiries out of West Australia and movements in the China-Japan transpacific round voyage. The Atlantic has been apparently the quietest place, while the little period business that emerged revealed discounts to last done levels.

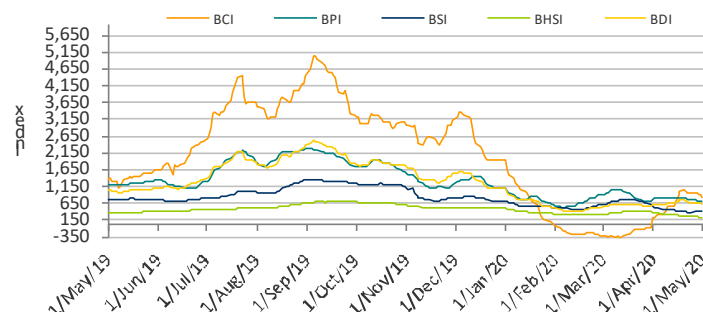
The Panamax market remained on a downward path last week that closed off with losses across all reported routes. Soft sentiment was more obvious in the Atlantic, while in the Pacific region minerals trading provided decent cargo volumes, which allowed for a more balanced market in terms of earnings.

Driven by a good volume of cargoes in the Pacific and increased Far Eastern enquires from the East Med region, Supramax earnings managed to note a small positive correction last week, while with the exception of small premiums seen positionally in the Pacific, the Handysize market remained depressed for yet another week.

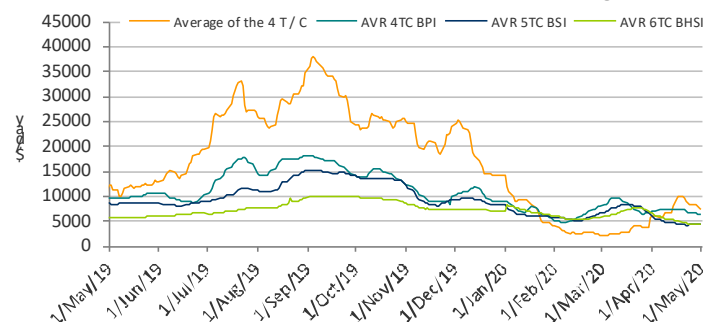
**Indicative Period Charters**

- 8 to 11 mos	- 'ALIKI'	2005	180,235 dwt
- Singapore 23 Apr	- \$11,300/day		- Koch Shipping

**Baltic Indices**



**Average T/C Rates**



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

	Vessel 5 yrs old	May-20 avg	Apr-20 avg	±%	2019	2018	2017
<b>Capesize</b>	<b>180k</b>	25.0	25.0	0.0%	30.3	35.3	31.1
<b>Panamax</b>	<b>76K</b>	16.0	16.0	0.0%	17.0	18.9	18.1
<b>Supramax</b>	<b>58k</b>	15.0	15.0	0.0%	16.1	18.2	16.5
<b>Handysize</b>	<b>32K</b>	11.8	12.0	-2.1%	13.2	15.5	13.0

**Sale & Purchase**

In the Supramax sector we had the sale of the "AMAZONIT" (56,952dwt-bl't '11, China), which was sold to undisclosed buyers, for a price in the region of low \$7.0m.

In the Handysize sector we had the sale of the "LOVELY KLARA" (28,186dwt-bl't '02, Japan), which was sold to Vietnamese owner, Fgas Petrol, for a price in the region of excess \$4.0m..

**Tankers**

Size	Name	Dwt	Built	Yard	M/E	SS due	Hull	Price	Buyers	Comments
VLCC	GRAND LADY	299,997	2002	IHI - KURE, Japan	Sulzer	Jan-22	DH	\$ 34.0m	U.A.E based (Onex)	old sale
SUEZ	MAHARAJA AGRASEN	147,467	1995	HYUNDAI, S. Korea	B&W		DH	undisclosed	undisclosed	laid up in damaged condition
AFRA	AGATHONISSOS	106,149	2002	HYUNDAI, S. Korea	MAN-B&W	May-22	DH	\$ 13.0m	Greek (Capital)	
AFRA	MAKRONISSOS	106,106	2002	HYUNDAI, S. Korea	B&W	Aug-22	DH	\$ 13.0m		
AFRA	SIGNAL PUMA	105,034	2005	SHANGHAI WAIGAOQIAO, China	MAN-B&W		DH	\$ 17.9m	Chinese	BWTS fitted, DD passed
MR	SAMSUNG 2282	50,000	2020	SAMSUNG, S. Korea	MAN-B&W		DH	undisclosed	South Korean (KSS Line)	incl. 5-yrs T/C to GS Caltex at \$17,100/day
MR	ECO JOSHUA PARK	50,000	2020	HYUNDAI MIPO, S. Korea	MAN-B&W	Mar-25	DH	\$ 27.0m	Greek (Top Ships)	50% JV with Hunvor, incl. 5+2-yrs T/C to Clearlake
MR	ECO YOSEMITE PARK	49,999	2020	HYUNDAI MIPO, S. Korea	MAN-B&W	Mar-25	DH	\$ 27.0m		
MR	GLENDA MEREDITH	46,147	2010	HYUNDAI MIPO, S. Korea	MAN-B&W	Feb-25	DH	\$ 19.0m	Monaco based (Transocean)	BWTS fitted

**Bulk Carriers**

Size	Name	Dwt	Built	Yard	M/E	SS due	Gear	Price	Buyers	Comments
SMAX	AMAZONIT	56,952	2011	HANTONG, China	MAN-B&W	Apr-21	4 X 30t CRANES	low \$7.0m	undisclosed	
HANDY	LOVELY KLARA	28,186	2002	MINAMI-NIPPON, Japan	Mitsubishi	Apr-22	4 X 30t CRANES	excess \$ 4.0m	Vietnamese (Fgas Petrol)	
HANDY	SQUAMISH	18,930	2009	YAMANISHI, Japan	MAN-B&W	Jul-24	3 X 30t CRANES	mid \$ 6.0m	Middle Eastern	

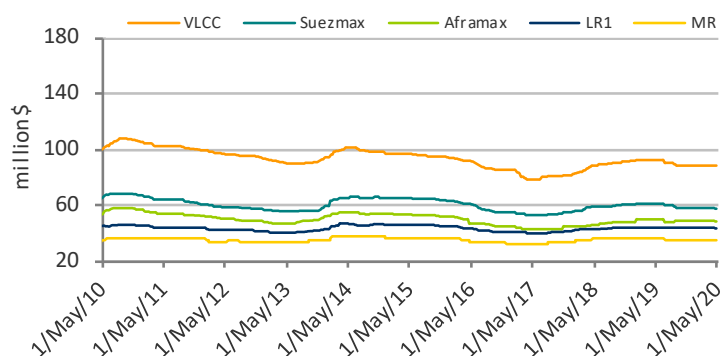
### Indicative Newbuilding Prices (million\$)

	Vessel		Week 18	Week 17	±%	2019	2018	2017
Bulkers	Capesize	180k	48.5	48.5	0.0%	51	48	43
	Kamsarmax	82k	27.0	27.0	0.0%	29	28	25
	Ultramax	63k	25.5	26.0	-1.9%	28	26	23
	Handysize	38k	22.0	22.0	0.0%	23	23	20
Tankers	VLCC	300k	88.0	88.0	0.0%	90	88	80
	Suezmax	160k	57.5	57.5	0.0%	60	59	54
	Aframax	115k	48.5	48.5	0.0%	49	47	44
	MR	50k	34.5	34.5	0.0%	35	36	33
Gas	LNG 174k cbm		187.0	187.0	0.0%	186	181	186
	LGC LPG 80k cbm		73.0	73.0	0.0%	73	71	71
	MGC LPG 55k cbm		64.5	64.5	0.0%	65	63	64
	SGC LPG 25k cbm		43.0	43.0	0.0%	44	43	42

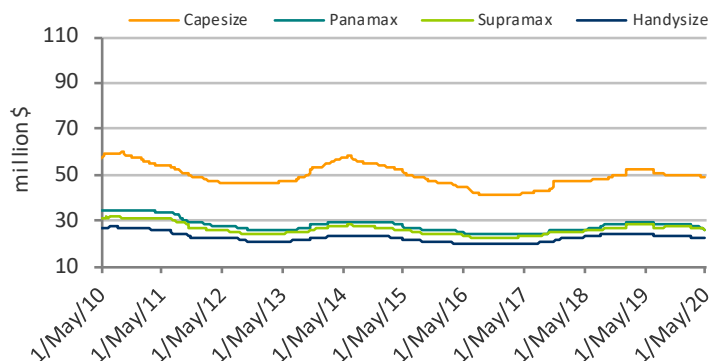
Soft contracting activity surfaced during the past week, with tanker orders once again holding the lion's share, while in the deals for which pricing details circulated the market, the softening momentum in asset values was evident. April was a particularly quiet month in terms of ordering, with the number of the up to now confirmed contracts placed showing a 71% decrease compared to the same month in 2019. Given that returns on the dry bulk market remain disappointing and that freight rates on the tanker front have now come off their highs, we expect that appetite for newbuildings will remain soft in the coming weeks and up until prospects for either sector are more clearly defined.

In terms of recently reported deals, Greek owner, Dynacom, placed an order for one firm Suezmax crude carrier (158,000 dwt) at New Times, in China for a price in the region of \$55.0m and delivery set in 2022.

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



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



### Newbuilding Orders

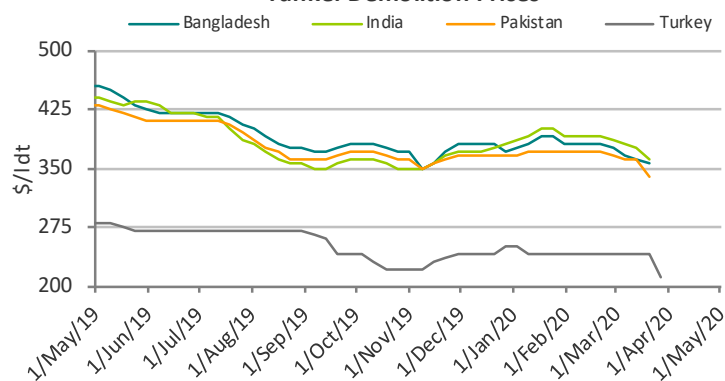
Units	Type	Size	Yard	Delivery	Buyer	Price	Comments
1	Tanker	158,000 dwt	New Times, China	2022	Greek (Dynacom)	\$ 55.0m	option declared
2	Tanker	50,000 dwt	Onomichi, Japan	2022	Japanese (Asahi Tanker)	undisclosed	
1+1	Bulker	82,000 dwt	Yangzijiang, China	2021	HK based (Ocean Longevity)	\$ 26.0m	

## Indicative Demolition Prices (\$/dt)

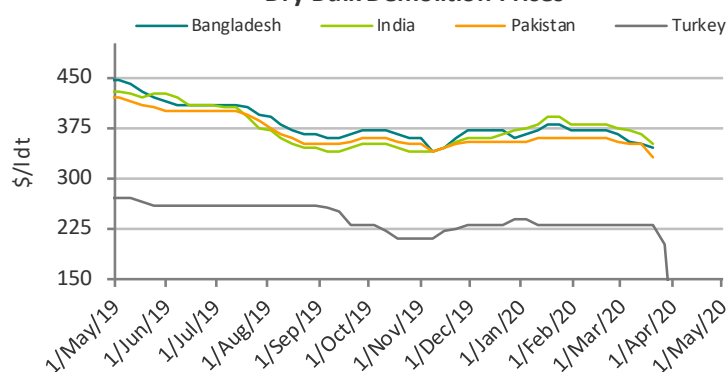
	Markets	Week 18	Week 17	±%	2019	2018	2017
Tanker	Bangladesh	-	-	-	410	442	376
	India	-	-	-	400	438	374
	Pakistan	-	-	-	395	437	379
	Turkey	-	-	-	259	280	250
Dry Bulk	Bangladesh	-	-	-	400	431	358
	India	-	-	-	390	428	354
	Pakistan	-	-	-	385	427	358
	Turkey	-	-	-	249	270	240

News from the demolition front remain particularly discouraging both in regards to the re-opening of the main markets and the price levels owners looking to sell their vessels at will be probably faced with once operations resume. In the past days, both India and Bangladesh have decided to extend again their respective lockdowns for two more weeks, which came as no surprise to the market as most have been already expecting that operations could not realistically resume before the end of the spring season. With the economies and the respective local currencies of shipbreaking countries having taken a substantial hit in the past months, one can't help but wonder what the impact on demo prices will be once markets open again. To make things even worse, the backlog of demo candidates that was kept out of the market during these months, is expected to keep tonnage supply elevated for long after the market reopens and subsequently add an extra layer of pressure on demo bids.

**Tanker Demolition Prices**

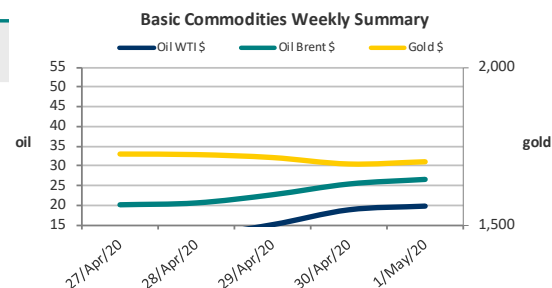


**Dry Bulk Demolition Prices**



### Market Data

		1-May-20	30-Apr-20	29-Apr-20	28-Apr-20	27-Apr-20	W-O-W Change %
Stock Exchange Data	10year US Bond	0.642	0.622	0.627	0.610	0.656	7.7%
	S&P 500	2,830.71	2,912.43	2,939.51	2,863.39	2,836.74	-0.2%
	Nasdaq	8,604.95	8,889.55	8,914.71	8,607.73	8,730.16	-0.3%
	Dow Jones	23,723.69	24,345.72	24,633.86	24,101.55	24,133.78	-0.2%
	FTSE 100	5,763.06	5,901.21	6,115.25	5,958.50	5,846.79	0.2%
	FTSE All-Share UK	3,189.41	3,262.51	3,371.26	3,281.88	3,220.29	0.6%
	CAC40	4,572.18	4,572.18	4,671.11	4,569.79	4,505.26	4.1%
	Xetra Dax	10,861.64	10,861.64	11,107.74	10,795.63	10,659.99	1.9%
	Nikkei	19,619.35	19,619.35	20,193.69	19,771.19	19,783.22	-0.8%
	Hang Seng	24,643.59	24,643.59	24,643.59	24,575.96	24,280.14	2.8%
Currencies	DJ US Maritime	162.65	175.35	177.65	171.64	167.44	1.0%
	€ / \$	1.11	1.09	1.09	1.08	1.08	2.5%
	£ / \$	1.25	1.26	1.25	1.24	1.24	1.1%
	\$ / ¥	106.93	107.30	106.61	106.76	107.29	-0.5%
	\$ / NoK	0.10	0.10	0.10	0.10	0.10	3.1%
	Yuan / \$	7.06	7.06	7.08	7.08	7.09	-0.3%
	Won / \$	1,224.93	1,213.96	1,211.09	1,221.40	1,221.87	-0.5%
	\$ INDEX	99.08	99.11	99.49	99.87	100.09	-1.2%



### Bunker Prices

		1-May-20	24-Apr-20	W-O-W Change %
MGO	Rotterdam	228.5	205.5	11.2%
	Houston	215.0	222.0	-3.2%
	Singapore	237.5	252.5	-5.9%
380cst	Rotterdam	141.0	140.0	0.7%
	Houston	129.5	117.0	10.7%
	Singapore	165.0	165.5	-0.3%

### Maritime Stock Data

Company	Stock Exchange	Curr.	01-May-20	24-Apr-20	W-O-W Change %
CAPITAL PRODUCT PARTNERS LP	NASDAQ	USD	9.36	9.94	-5.8%
COSTAMARE INC	NYSE	USD	4.69	5.04	-6.9%
DANAOS CORPORATION	NYSE	USD	4.42	4.74	-6.8%
DIANA SHIPPING	NYSE	USD	1.75	1.69	3.6%
EAGLE BULK SHIPPING	NASDAQ	USD	1.62	1.48	9.5%
EUROSEAS LTD.	NASDAQ	USD	2.29	2.30	-0.4%
GLOBUS MARITIME LIMITED	NASDAQ	USD	0.69	0.70	-1.4%
NAVIOS MARITIME ACQUISITIONS	NYSE	USD	5.45	5.96	-8.6%
NAVIOS MARITIME HOLDINGS	NYSE	USD	2.33	2.24	4.0%
NAVIOS MARITIME PARTNERS LP	NYSE	USD	8.20	7.05	16.3%
SAFE BULKERS INC	NYSE	USD	1.01	1.10	-8.2%
SEANERGY MARITIME HOLDINGS CORP	NASDAQ	USD	0.14	0.16	-12.5%
STAR BULK CARRIERS CORP	NASDAQ	USD	5.41	5.29	2.3%
STEALTHGAS INC	NASDAQ	USD	2.39	2.09	14.4%
TSAKOS ENERGY NAVIGATION	NYSE	USD	3.20	3.46	-7.5%
TOP SHIPS INC	NASDAQ	USD	0.21	0.26	-19.2%

### Market News

**“DNB 'still open' as impairments jump to \$560m in pandemic.**

Shipping lender DNB has seen loan impairments spike as the coronavirus outbreak took a grip on the Norwegian economy in the first quarter.

The bank also said the oil price fall had hit its financial figures due to big exposure to the offshore sector, with shipping rates hit.

Its impairments on financial instruments jumped to NOK 5.77bn (\$560m) from NOK 316m in the same period a year ago.

DNB called this a significant increase but said it was well positioned to come through the crisis.

Oil-related industries are the most vulnerable, it added, especially offshore companies that provide services to oil companies both in Norway and internationally.

Around 45% of the impairment losses in the quarter are related to the oil and offshore industry.

Shipping lending increases

The situation has also hit overall credit quality, resulting in increased impairment losses for several individually assessed customers in stage three, the final stage of loan restructuring before default...”(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.