



CLARKSON HELLAS

S&P WEEKLY BULLETIN

23rd JANUARY 2012

DRY CARGO VESSELS

VESSEL	DWT	BLT	DETAILS	SS/DD	PRICE	BUYER
SD VICTORY	69.585	1986 HASHIHAMA	B+W 5L70MCE	-	USD 5 M	UNDISCLOSED
SEA BANIAN	45.724	2000 TSUNEISHI	B+W 6S50MC C 4X25	SS 1/15 DD 3/13	USD 14.25 M	GREECE
INVIKEN	30.070	1986 AESA	B+W 5L67GFCA C 4X16	-	USD 3.9 M	EUROPE
CALLIROE PATRONICOLA	29.608	1983 NKK	SULZER 6RTA58 C 4X16	SS 7/15 DD 6/13	USD 5.25 M	SYRIA
OLYMPIC MELODY		1984 NKK		SS 11/14 DD 11/12	USD 5.25 M	
KYKLADES	28.268	1982 DALIAN	B+W 8L55GFCA C 4X25	SS 5/13 DD 10/11	USD 2.85 M	UNDISCLOSED (AUCTION)

TANKERS

VESSEL	DWT	BLT	DETAILS	SS/DD	PRICE	BUYER
ELEKTRA GLORY	321.300	2009 DAEWOO	WARTS 7RT- flex84T DH	-	USD 79.2 M	SINOKOR
SAMHO DREAM	319.360	2002 SAMHO	B+W 6S90MC-C DH	SS 12/12 DD 12/12	USD 28.3 M	GREECE (Embiricos-Auction)
SUNGDOG 2032	158.000	2012 SUNGDONG	MAN/B+W DH	-	USD 50 M	GREECE
SUNGDOG 2033				-	USD 50 M	(Tsakos)
HARTZI	15.400	1999 GERMANY	B+W 8S35MC	SS 7/14 DD 7/12	USD 7.3 M	SINGAPORE (Wilmar Tankers)
SKLEDROS				SS 10/14 DD 10/12	USD 7 M	GREECE
GOLDEN WILLING	12.999	2009 JAPAN	MAN/B+W 6S35MC DH/Coated	-	USD 12.4 M	SINGAPORE (Wilmar Tankers)
CHEMICAL STAR	12.716	2000 JAPAN	B+W 6S35MC ST/ST	-	USD 8 M	UNDISCLOSED
REFERENCE POINT (LPG)	48.980	1991 MITSUBISHI	MIT 78.476 cbm	-	USD 25.3 M	INDONESIA

TWEEN – CONTAINERS – REEFERS – RORO

VESSEL	DWT	BLT	DETAILS	SS/DD	PRICE	BUYER
WERDER BREMEN (CONT)	7.144	1999 SIETAS	MAN 8L40/54 700 TEU	SS 10/14 DD 5/12	EUR 2.5 M	UNDISCLOSED
AI RUI TONG (GC)	7.110	1985 UBE	B+W 7L35MC D 2X15	SS 8/13 DD 8/11	USD 1.8 M	UNDISCLOSED
SHIVA (MPP)	3.168	1990 CHINA	B+W 4L35MC C 1X42, 1X30	-	USD 770.000	UNDISCLOSED

DEMO

VESSEL	DWT	BLT	DETAILS	PRICE	BUYER
SAFEER EXPRESS (DRY OBO)	54.500	1984	12.281 LDT	USD 500/LDT	BANGLADESH (as is Chittagong)
DONG-A HERMES (BC)	145.856	1992	21.938 LDT	USD 447/LDT	CHINA (incl. 500t. bunkers)
MEGA ACE (BC)	41.216	1982	9.448 LDT	USD 447/LDT	CHINA (incl. 240t. bunkers)
ESTEEM C (MPP)	21.725	1986	9.532 LDT	USD 445/LDT	CHINA (incl. 360t. bunkers + full spares)
LIONESS C (BC)	66.713	1983	10.471 LDT	USD 468/LDT	CHINA (incl 500t. bunkers)
SEA WAVE (BC)	45.090	1984	8.770 LDT	USD 470/LDT	CHINA
PEARL OF SEA (BC)	29.159	1984	6.594 LDT	USD 464/LDT	CHINA
FORTUNE CARRIER (BC)	64.584	1982	11.927 LDT	USD 435/LDT	CHINA
SETSUYO STAR (BC)	170.808	1985	24.077 LDT	USD 470/LDT	INDIA
LEMNO (BC)	86.722	1982	14.425 LDT	USD 490/LDT	INDIA (Grain clean + Pielstick M/E)
CASTILLO DE SOUTOMAIOR (BC)	75.497	1981	13.200 LDT	USD 485/LDT	INDIA
DAFFODIL (BC)	63.883	1983	12.537 LDT	USD 490/LDT	INDIA (old sale)
MSC CARINA (CONT)	45.725	1985	15.553 LDT	USD 514/LDT	INDIA
MSC RUGBY (CONT)	30.941	1983	13.672 LDT	USD 523/LDT	INDIA
BOW PROSPER (TNK)	45.655	1987	12.200 LDT	USD 525/LDT	INDIA (incl. 250t. st/st)
ANGGRAINI (TNK)	31.225	1995	10.830 LDT	USD 517/LDT	INDIA
TOP ADVANCER (BC)	25.855	1983	8.055 LDT	USD 489/LDT	INDIA
NAMA (BC)	14.312	1988	4.660 LDT	USD 482/LDT	INDIA
TRIDONAWATI (TNK)	154.970	1991	20.502 LDT	USD 507.5/LDT	PAKISTAN
TRIRASA (TNK)	154.970	1991	20.502 LDT	USD 507.5/LDT	PAKISTAN
IONIAN SEA (TNK)	98.827	1992	16.700 LDT	USD 495/LDT	PAKISTAN
AL IHSA'A (CONT)	35.615	1983	12.861 LDT	USD 515/LDT	AS IS KHOR FAKKAN
VANTURA I (CONT)	7.733	1995	5.551 LDT	USD 574/LDT	AS IS FUJAIRAH
NORCAPE (RORO)	6.309	1979	4.687 LDT	USD 347/LDT	TURKEY
ANA MARIA (BC)	5.792	1973	1.238 LDT	USD 338/LDT	TURKEY

RATES

BALTIC INDEX			EXCHANGE RATE		BUNKER PRICES			
BDI	862	- 191	EURO/USD	1,2927	BUNKERS	ROTTERDAM	SPORE	FUJAIRAH
BCI	1554	- 169	YEN/USD	0,0130	IFO 380	671	740	730
BPI	1020	- 244	BRENT		IFO 180	691	754.5	757.5
BSI	807	- 164	110.78		MDO	-	952	-

S & P

A quiet week is expected in view of the Lunar New Year holidays in the Far East. The seasonal lull has been further exacerbated by the continuing fall in Dry Indices which are now down to their lowest levels in three years. Buyers in general are appearing increasingly cautious of making a move too soon. That being said, with the business that is being concluded showing prices continuing to adjust downwards, many Owners with cash reserves and an appetite for expansion are keeping a close eye on available candidates.

In the Panamax sector, clients of Golden Union have sold another panamax, **M/V SD VICTORY** (69,585 dwt 1986 blt Hashihama) at region/xs us\$ 5ml. This is the second overaged Panamax owners have sold, after committing MV 'SD EPOS' (68,634 dwt 1987 built Sumitomo) at the end of last year for US\$ 5.8m.

In the handymax sector, clients of Cosco are reported to have sold **M/V SEA BANIAN** (45,724 dwt 2000 blt Tsuneishi) to Greek interests for region US\$ 14.5m. The vessel was first placed on the market during 3rd quarter last year when the Owners would have hoped to achieve something closer to US\$ 20m. A clear demonstration of how much values have softened since then.

Lastly, overaged handysize **M/V KYKLADES** (28,268 dwt 1982 blt Dalian) has reportedly been sold at auction in Greece for US\$ 2.85m; **M/V INVIKEN** (30,070 dwt 1986 blt AESA) to European buyers at US\$ 3.9m; **M/V CALLIROE PATRONICOLA** (29,608 dwt 1985 blt NKK) and sister **M/V OLYMPIC MELODY** (1984) to Syrian interests at US\$ 5.25m each.

The VLCC sector continues to be the most active within the Tanker S&P market and this week has proved no different with two sales of post 2000 built tonnage to report.

The **M/T ELEKTRA GLORY** (321,300 dwt 2009 blt) has now been reported sold to c/o Sinokor in Korea at US\$ 79.2m. This is the third VLCC Sinokor have purchased in the last 12 months following on from the 2011 built ex MC AMETHYST in March and the 2002 built ex MOGAMIGAWA in October.

The second significant sale to report is the **M/T SAMHO DREAM** (319,360 dwt 2002 blt Samho) which was sold at auction in Hong Kong to Aeolos Management at US\$ 28.3m. The ship had been under pirate control for 217 days in 2010 and was then arrested upon arrival in Hong Kong in October of 2011, where she has been sitting ever since. Her chequered past will have undoubtedly played a part in dragging price expectations down relative to alternative candidates. Seven bids in total were put forward with Greek buyers.

In the Suezmax front, a new lower price level was reported this week as Tsakos Energy Navigation (TEN) it is said to have paid US\$ 50m each for **2 x 158,000 DWT** newbuilding Suezmax tankers from Sungdong with delivery 2012. TEN originally ordered them for US\$ 70m each but cancelled the order due to delays and contracted other tonnage in the same yard instead. Sungdong then put the vessels to the market as resales and TEN stepped back in at the new lower price level.

In an auction in Denmark, another two Ocean Tankers' vessels namely **M/T HARTZI** (15,441 dwt 1999 blt Aker Werft) sold to Wilmar Tankers, Singapore for US\$ 7.3m and her sister **M/T SKLEDROS** (1999) to Greek interests at US\$ 7m.

On another purchase Wilmar also paid US\$ 12.4m for the Dorval Kaiun's **M/T GOLDEN WILLING** (12,999 dwt 2009 blt Miura Zosen). No doubt that marine line coating, Nitrogen generators and a higher number of segregations mean that the vessel can be traded in more complex Chemical businesses, which gives better daily earnings and supports the firm price paid.

DEMOLITION

The sales list above sums up the current market - very active, many vessels being circulated and subsequently, a big list of sales to report.

However, to judge the market value of a certain ship is becoming increasingly difficult. As evidenced in the sales list, price levels seem like a 'free for all' with no actual pattern emerging, clearly highlighting that each vessels value is an individual case by case scenario. On paper, some units seem similar, yet for some reason, a price differential of anything upto USD 10/ldt can be witnessed.

On the buying front, the Chinese and Indian breakers are taking the plaudits this week. China has been very busy as they looked to acquire tonnage prior to their New Year festivities and were bidding some aggressive numbers in an effort to claw tonnage away from the Indian sub-Continent. Time will now tell whether this recent positive momentum will continue when the market re-opens again after their holidays.

India too emerged this week with increasing price levels. Whether these sudden improvements were from cash buyers over-speculating or actually justified on the back of the breakers indications remains to be seen, but some Owners would have definitely benefited from the sudden enthusiasm emanating from this market.

The good news is Bangladesh is definitely open and for an indefinite period too. Some Buyers are now willing to buy tonnage giving delivery February onwards as they believe the income tax situation would be resolved within this month. There remains however the problem of which breakers can actually open Letters of Credit internally. For Owners to consider Bangladesh as an option, a certain degree of caution must still be adopted. Last thing any Owner would wish for is to arrive at anchorage and delivery is unable to take place due to delayed payments. Some cash buyers are optimistic that no such issues will occur, however this is definitely the time for an Owner to tread carefully and wisely when considering selling their units to this area. Price levels on offer appear to be not as competitive as India. However, Bangladesh may soon offer a viable alternative to China for those vessels completing in the Far East. We need to see several vessels arrive, clear inward formalities and beach without delay to know 100 percent for sure that the market is officially 'open for business.'

NEWBUILDING

The Newbuilding market has been quiet this week with many of the major yards in the Far East beginning to wind down in advance of next week, where they will celebrate their Lunar New Year holidays.

With this in mind it is perhaps unsurprising that there has been only a small amount of new business being reported as concluded, with these limited orders mainly being placed in the Tanker and Gas sectors. The week has seen very little dry bulk enquiry, though given the combination of this Lunar Holiday period, in conjunction with the continued decline of the Baltic Dry Index since the turn of the Calendar New year, this is perhaps unsurprising.

When the yards do begin to return from this Holiday period and again face the challenge of filling their 2013 capacity, it will no-doubt be against the backdrop of a continuation of these challenging market conditions and for the time being expectation remains that pricing, in China in particular, will have to adapt accordingly in order to generate a pick-up in demand sufficient to fill this excess capacity.

In terms of reported business; In Tankers, China Shipping Development Co (CSDC) are reported to have turned to their parent group yard China Shipping Industrial for one 110,000det tanker which is set to deliver in Sep 2013. Pricing has been reported at USD 53.28 Mill, though as a domestic only order is not likely to truly reflect market levels due to tax amongst other items.

In Gas, it has been reported that Pertamina have concluded a deal at Taizhou Yuanyang Shipyard for one 3,500cbm LPG carrier. The vessel is reportedly scheduled to deliver in 4Q 2013 and was signed at a price in the region of USD 14 Mill.

Finally, Japanese owner Daiichi Chuo Kisen are reported to have returned to Shin Kurushima Dockyard with a deal for one 12,000 dwt tween decker for delivery in May 2013. Pricing has not been disclosed.

(THE INFORMATION CONTAINED IN THIS REPORT HAS BEEN OBTAINED FROM VARIOUS MARKET SOURCES. WE BELIEVE THIS INFORMATION TO BE CORRECT BUT WE CAN NOT GUARANTEE ITS ACCURACY OR COMPLETENESS. HENCE WE CAN NOT BE HELD RESPONSIBLE FOR ANY ACTION OR FAILURE TO TAKE ACTION UPON RELIANCE ON INFORMATION CONTAINED HEREIN. THIS REPORT MUST NOT BE REPRODUCED OR DISTRIBUTED TO ANY THIRD PARTY.)