



WEEK 02 – 10 JANUARY 2014

*Quote of the week:*

**“If you can not convince them, confuse them”**

*Harry S. Truman (May 8, 1884 – December 26, 1972) - 33rd President of the United States (1945–1953)*

MARKET NEWS/ RUMOURS

As expected, the first week of 2014 was slow, mainly due to the sharp decline of BDI. As of this Friday, the BDI declined by 439 points, currently standing at the 1512 mark. Some say this is the December drop pushed forward by a month due to the increased imports of iron ore from China and the rise of minerals exports from India (which drove rates unusually high for the specific period of time). Regardless of this decline (which is considered by many as a correction), the sentiment remains positive, and 2014 is expected by many (including ourselves) to be a good year for shipping.

**Bulkers:** Although second hand prices in dry bulk sector remain firm in all sizes, Greek ship-owners are showing their faith in 2014 shipping market by continuing their buying spree; in an off market deal, caper **CAPE PROVIDENCE (170K BLT 2010 DAEHAN/S. KOREA)** was purchased by charterers Cargill for \$38 mill (this being the 4th cape unit that they have acquired within one month). South Korean controlled Handymax **AZURE SKY (45K BLT 1995 HASHIHAMA/JAPAN CR 4X30T)** was snapped by Greek buyers for a soft \$8.5 mill, compared to last week's reported sale of two years younger unit **TINA A (42K BLT 1997 IHI/JAPAN CR 4X30T)** for \$10.5 mill, also to Greeks. We picked up that German controlled handymax **EILHARD SCHULTE (49K BLT 1999 IHI/JAPAN CR 4X25T)** was privately sold to clients of Sicuro of Greece for \$12.75 mill, while clients of Baru Delta of Greece have agreed to pay \$14.2 mill for Chinese controlled handymax **SEA PEACE (46K BLT 2000 KANASASHI/JAPAN CR 4X30T)** (which was reported fixed & failed at \$13 mill a couple of weeks ago). Modern Japanese controlled handy **CYNTHIA PIONEER (23,6K BLT 2009 SHIN KOCHI/JAPAN CR 4X30T)** was committed to Greek interests for \$15 mill basis special survey due this March, setting a new benchmark for this size/age. Early noughties handy logger **CS SOLARIS (28K BLT 2001 IMABARI/JAPAN CR 4X30.5T)** has changed hands for \$13 mill basis dry-docking freshly passed in December in China.

**Demolition:** As per our records, 1119 ships were broken up last year, making 2013 an exceptional year for the ship breaking industry. The majority of scrapped tonnage was bulkers, followed by general cargo vessels, containers, tankers and passenger-ships, while India held the lion's share:

By unit	By tonnage of metal recycled	By category
1 India, <b>343</b> (26%)	1 India 2.8 million de t (31%)	1 bulker : 387 (35%)
2 China, <b>239</b> (18%)	2 Bangladesh 2.3 million de t (25%)	2 general cargo : 245 (22%)
3 Bangladesh, <b>210</b> (16%)	3 China, 1.7 million de t (19%)	3 container ship : 180 (16%)
4 Turkey, <b>136</b> (10%),	4 Pakistan 1.4 million de t (15%)	4 tanker : 164 (15%)
5 Pakistan, <b>104</b> (8%),	5 Turkey 514,000 t (6%)	5 Ro Ro : 39 (3%)
6 Denmark, <b>19</b> (1%)	6 Denmark 33,000 t (0.4%)	

*(Source: Association de protection de l'Homme et de l'environnement)*

The New Year 2014 started positively as breaking yards in Subcontinent are hungry for new tonnage. Local currencies have finally settled down and steel prices have stabilized. Although upcoming elections in February are disturbing the Bangladesh scene, levels and demand remain healthy, with expectations for prices being optimistic, mainly due to the fact that yards remained empty during the last 2 months (due to political instability). Pakistan market remained stable while India is back, securing high profile tonnage (with the local currency being stable against the US dollar). Chinese market is active mainly due the subsidies available to the yards for scrapping Chinese domestic owned tonnage and their renewal of licenses before Chinese New Year holidays. For an overview of demolition market rates this week, please check our comprehensive demometer in the second page of our report.





## SALES

### BULKERS

**M/V "CAPE PROVIDENCE"** - 169,234 dwt, blt 2010 Daehan Shipbuilding/S. Korea, NV,9 HO/9 HA,MAN-B+W 6S70MCC  
Sold to US buyers (**clients of Cargill**) for \$34 mill

**M/V "ORIENT RISE"** - 56,700 dwt, blt 2010 Qingshan/ China, 5 HO/5 HA, B+W 6S50MC-C, Cr 4X30T  
Sold to undisclosed buyers for \$21 mill

**M/V "EILHARD SCHULTE"** - 48,913 dwt, blt 1999 Ihi/ Japan, NV, 5 HO/5 HA, Sulzer 6RTA48T, Cr 4X25T  
Sold to Greek buyers (**clients of Sicuro**) for 12.75 mill

**M/V "SEA PEACE"** - 46,786 dwt, blt 2000 Kanasashi/ Japan, CC ss/dd due 6/2015, 5 HO/5 HA, Mitsubishi 6UEC52LS,  
Cr 4X30T, LDT 7,416  
Sold to Greek buyers (**clients of Baru Delta**) for \$14.2 mill

**M/V "AZURE SKY"** - 45,712 dwt, blt 1995 Hashihama/Japan, KR, 5 HO/5 HA, B+W 6S50MC, Cr 4X30T  
Sold to Greek buyers for \$8.5 mill

**M/V "CS SOLARIS"** - 28,492 dwt, blt 2001 Imabari/Japan, NK, 5 HO/5 HA, MAN-B+W 6S42MC, Cr 4X30.5T  
Sold to undisclosed buyers for \$13 mill

**M/V "CYNTHIA PIONEER"** - 23,641 dwt, blt 2009 Shin Kochi/Japan, NK, ss/dd due 03/2014, 4 HO/4 HA, MAN-B+W  
6S42MC, Cr 4X30.5T  
Sold to Greek buyers for \$15 mill

**M/V "BAO YUN DA"** - 5,769 dwt, blt 1996 Narasaki Zosen/Japan, CC, ss/dd 4/2015, 2 HO/2 HA, Akasaka A38, Der 3X30T  
Sold to undisclosed buyers for \$1.5 mill

### TANKERS

**M/T "ANNA VICTORIA"** - 74,999 dwt, blt 2004 Hyundai/ S. Korea, LR, 12 tanks, cap 82,052 cbm, B+W 6S60MC-C  
**M/T "ELEGANT VICTORIA"** - 74,999 dwt, blt 2007 Onomichi/ Japan, NK, 12 tanks, cap 82,138 cbm, B+W 6S60MC  
Sold en bloc to Greek buyers (**Clients of Prime Marine**) for \$49 mill

**M/T "MYKINES"** 17,548 dwt, blt 2008 Samho/S.Korea, BV,14 tanks, capacity 19,020 cbm,MAN-B+W 8S35MC  
**M/T "MIRABEAU"** 17,548 dwt, blt 2009 Samho/S.Korea, BV, 14 tanks, capacity 19,020 cbm,MAN-B+W 8S35MC  
**M/T "MANON"** 17,527 dwt, blt 2008 Samho/S.Korea, LR, 14 tanks, capacity 19,020 cbm,MAN-B+W 8S35MC  
**M/T "MALPENSA"** 17,525 dwt,blt 2008 Samho/S.Korea, LR, 14 tanks, capacity 19,898 cbm,MAN-B+W 8S35MC  
Sold en bloc to Swedish - Singaporean Joint Venture for \$18 mill per vessel

**M/T "HELLESPONT CENTURION"** 16,866 dwt, blt 2009 Sekwang/S. Korea AB, 14 tanks, MAN-B+W 8S35MC  
**M/T "HELLESPONT CHIEFTAIN"** 16,850 dwt, blt 2010 Sekwang/S. Korea, AB, 14 tanks, MAN-B+W 8S35MC  
**M/T "HELLESPONT COMMANDER"** 16,849 dwt,blt 2010 Sekwang/S. Korea, AB,14 tanks, MAN-B+W 8S35MC  
**M/T "HELLESPONT CHALLENGER"** 16,818 dwt,blt 2010 Sekwang/S. Korea, AB,14 tanks, MAN-B+W 8S35MC  
**M/T "HELLESPONT CRUSADER"** 16,803 dwt,blt 2010 Sekwang/S. Korea, AB, 14 tanks, MAN-B+W 8S35MC  
**M/T "HELLESPONT CHARGER"** 16,802 dwt,blt 2009 Sekwang/S. Korea, AB, 14 tanks, MAN-B+W 8S35MC  
**M/T "MARIDA MALLOW"** 13,160 dwt,blt 2008 Sekwang/S. Korea, AB, 12 tanks, MAN-B+W 6S35MC  
**M/T "MARIDA MARIGOLD"** 13,133 dwt, blt 2009 Sekwang/S. Korea, AB,12 tanks, MAN-B+W 6S35MC  
**M/T "MARIDA MAPLE"** 13,132 dwt,blt 2008 Sekwang/S. Korea,AB,12 tanks, MAN-B+W 6S35MC  
**M/T "MARIDA MELISSA"** 13,121 dwt,blt 2009 Sekwang/S. Korea,AB,12 tanks, MAN-B+W 6S35MC  
**M/T "MARIDA MISTLETOE"** 13,114 dwt, blt 2009 Sekwang/S. Korea, AB, 12 tanks, MAN-B+W 6S35MC  
**M/T "OSTE"** 13,075 dwt, blt 2008 21<sup>st</sup> Century/ S. Korea, AB, 12 tanks, capacity 13,405 cbm, MAN-B+W 6S35MC  
**M/T "CHEMTRANS ALSTER"** 13,045 dwt, blt 2008 21<sup>st</sup> Century / S. Korea China, AB,12 tanks, MAN-B+W 6S35MC  
**M/T "WESER"** 13,020 dwt,blt 2008 21<sup>st</sup> Century / S. Korea, AB, 12 tanks, capacity 13,423 cbm, MAN-B+W 6S35MC  
Sold en bloc to U.S.A. buyers for \$375 mill

### DEMOLITION

LION'S DEMOMETER (USD \$ / LT)				
COUNTRY	BULKER	TANKER	CONT/TWEEN	TREND
TURKEY	320-330	325-335	320-330	firm
PAKISTAN	410-420	415-425	-	stable
INDIA	400-410	410-420	420-430	stable
BANGLADESH	420-430	430-440	430-440	stable
CHINA	315-325	325-335	325-335	stable



*Containers:*

**M/V "MAERSK MIAMI" - LDT 23,800** - 55,238 dwt, blt 1994 Ihi/Japan, LR, 4181 teus, 7 HO/10 HA, Sulzer 12RTA84C  
Demo to **INDIA** for \$450 per LDT

**M/V "NEDLLOYD AMERICA" - LDT 20,447** - 50,620 dwt, blt 1992 Ihi/Japan, LR, 3604 teus, 7 HO/7 HA, Sulzer 8RTA84C  
Demo to **INDIA** for \$450 per LDT



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