

Weekly Market Report

Week 25 | Tuesday 25th June 2024

Market Insight

By Yiannis Parganas, Head of Research Department

Building upon our prior analyses which explored the sales & purchase, and contracting activities within the dry bulk and tanker sectors for the year 2024, it would be prudent to extend our examination to include the demolition activities of these sectors to gain a comprehensive overview of their current market dynamics.

In the first six months of 2024, the dry bulk sector saw 31 vessels decommissioned for scrapping. This included 4 Capesize, 10 Panamax, 10 Supramax, and 7 Handysize vessels. This level of demolition activity is notably lower compared to previous years, with the exception of 2022 when only 18 vessels were scrapped. Over the last five years, the average for the same period has been 42 vessels, with 2020 marking the peak of the 5-year scrapping activity as 62 vessels were decommissioned from January to June. Notably, the number of Capesize vessels scrapped this year—only four—was the lowest recorded since the subdued activity of 2008.

In the tanker sector, the demolition activity was notably subdued, with only four vessels (two VLCCs, one Suezmax, and one Handy) scrapped, marking the lowest level of tanker scrapping on record. Since the third quarter of 2022, demolition activity has been remarkably low, particularly following the substantial number of demolitions in 2021, which totaled

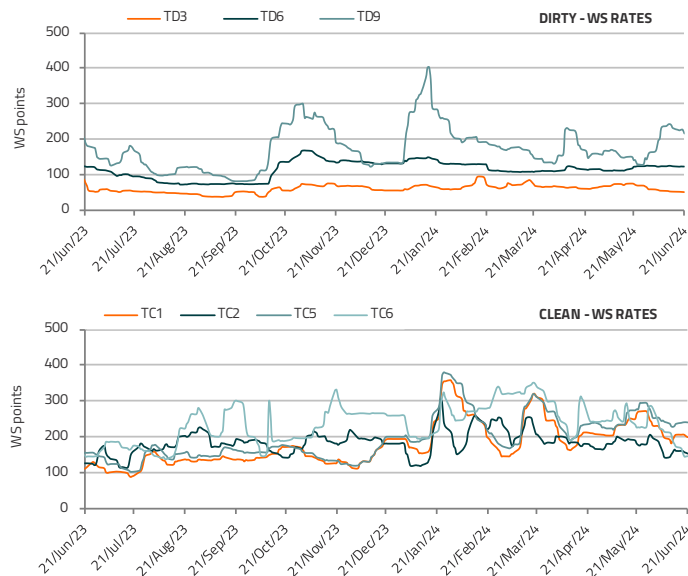
178. Since that peak, only 31 tankers have been scrapped—12 in the latter half of 2022 and a mere 15 throughout 2023, setting a record for the lowest annual demolition activity. Should the current trend persist, 2024 is poised to surpass 2023 as the year with the least demolition activity within the sector.

The reduced activity in the demolition market is manifesting in an increasing average age of vessels across both the dry bulk and tanker sectors. For the dry bulk sector, the average age has been on a continuous rise since 2016, currently standing at 12.24 years, the highest since 2011. Within this sector, the Handysize vessels are the oldest on average, at 13.40 years, followed by Supramax at 11.99, Panamax at 11.91, and Capesize at 10.83 years. In the tanker sector, the trend is even more pronounced, with the average age increasing steadily since 2010. The average age of tanker vessels now stands at 13.32 years, the highest since 2002. Among the various tanker sizes, Panamax vessels are the oldest, with an average age of 14.69 years, followed by Handysize at 13.81, Aframax at 12.67, and VLCC at 11.91 years. This escalating age profile in both sectors underscores the broader implications of low demolition rates on fleet composition and potential operational efficiencies.

Indicative Period Charters

Period	Vessel	Year	dwt
4/6 mos	P.ALIKI \$48,500/day	2010	105,304
3.5/4.5 mos	GANESHA \$37,000/day	2009	45,996
			Trafigura ST Shipping

Vessel	Routes	21/06/24		14/06/24		\$/day ±%	2023 \$/day	2022 \$/day
		WS points	\$/day	WS points	\$/day			
VLCC	265k MEG-SPORE	51	28,960	52	30,971	-6.5%	39,466	20,330
	260k WAF-CHINA	50	26,186	51	28,240	-7.3%	38,773	19,980
Suezmax	130k MED-MED	117	58,680	120	61,335	-4.3%	62,964	51,634
	130k WAF-UKC	122	48,459	112	44,509	8.9%	25,082	11,031
Aframax	140k BSEA-MED	122	48,459	123	49,428	-2.0%	62,964	51,634
	80k MEG-EAST	193	48,076	200	51,296	-6.3%	44,757	27,224
Clean	80k MED-MED	147	37,021	155	41,786	-11.4%	49,909	46,679
	70k CARIBS-USG	215	54,517	230	60,818	-10.4%	46,364	43,030
Dirty	75k MEG-JAPAN	198	48,373	205	51,277	-5.7%	32,625	35,326
	55k MEG-JAPAN	239	42,295	236	41,836	1.1%	27,593	32,504
Dirty	37k UKC-USAC	152	13,972	160	15,706	-11.0%	21,183	22,919
	30k MED-MED	145	10,503	171	17,705	-40.7%	32,775	45,941
Dirty	55k UKC-USG	145	16,989	145	17,481	-2.8%	27,274	19,982
	55k MED-USG	145	17,204	145	17,635	-2.4%	27,060	21,231
Dirty	50k ARA-UKC	165	13,165	166	13,687	-3.8%	46,194	40,364



TC Rates

	\$/day	21/06/24	14/06/24	±%	Diff	2023	2022
VLCC	300k 1yr TC	52,000	52,000	0.0%	0	48,601	34,683
	300k 3yr TC	50,000	50,000	0.0%	0	42,291	33,719
Suezmax	150k 1yr TC	46,500	46,500	0.0%	0	46,154	26,933
	150k 3yr TC	40,000	40,000	0.0%	0	35,469	23,758
Aframax	110k 1yr TC	51,000	51,000	0.0%	0	47,226	26,135
	110k 3yr TC	43,000	41,000	4.9%	2000	37,455	22,878
Panamax	75k 1yr TC	41,750	41,750	0.0%	0	37,769	25,163
	75k 3yr TC	36,000	36,000	0.0%	0	29,748	20,806
MR	52k 1yr TC	34,000	34,000	0.0%	0	30,452	21,313
	52k 3yr TC	28,000	28,000	0.0%	0	25,152	16,426
Handy	36k 1yr TC	28,000	28,000	0.0%	0	25,760	18,601
	36k 3yr TC	19,500	18,000	8.3%	1500	18,200	14,585

Indicative Market Values (\$ Million) - Tankers

Vessel 5yrs old		Jun-24	May-24	±%	2023	2022	2021
		avg	avg				
VLCC	300KT DH	114.0	114.0	0.0%	99.5	80.2	69.7
Suezmax	150KT DH	82.0	82.0	0.0%	71.5	55.1	46.7
Aframax	110KT DH	72.0	72.0	0.0%	64.4	50.5	38.7
LR1	75KT DH	52.7	52.0	1.3%	49.2	38.6	31.2
MR	52KT DH	45.5	44.5	2.2%	41.4	34.8	27.6

Chartering

The tanker market faced considerable hurdles last week, with ongoing oversupply and low demand across most vessel sizes putting downward pressure on rates. While certain regions saw minor increases due to increased activity, overall sentiment remained low, impacted by geopolitical events and volatile market dynamics. BDTI stood on Friday at 1205 or -2.82% lower on the week, while the BCTI stood at 795, or -3.99% lower w-o-w. VLCCs continued the downward pressure due to persistent oversupply and limited demand thanks to limited cargoes out of the Middle East amid Eid holidays. TD3C (MEG/China) fell by -2.65% to WS 49.55, TD15 (WAF/China) lost -2.36% to WS 55.06, while TD22 (USG/China) stood at 7.95m lumpsum. On Suezmaxes, rates were influenced by competitive pressure from VLCCs and limited fresh cargoes, with steady activity in West Africa and a softening sentiment in the US Gulf due to falling de-

mand and increased ballasting. Thus, TD20 (WAF/UKC) fell marginally to WS 111.78 (-0.1%) while TD23 (MEG/MED) fell to WS 94 (-4.4%). Aframax rates showed regional variances, softening in the Mediterranean due to easing port disruptions and lack of activity, while the US Gulf faced downward pressure from a focus on shorter European voyages. As a result, TD8 (MEG/SG) fell by -3.57% to WS 193.21 and TD19 (Cross-Med) fell to 146.56(-5.58%).

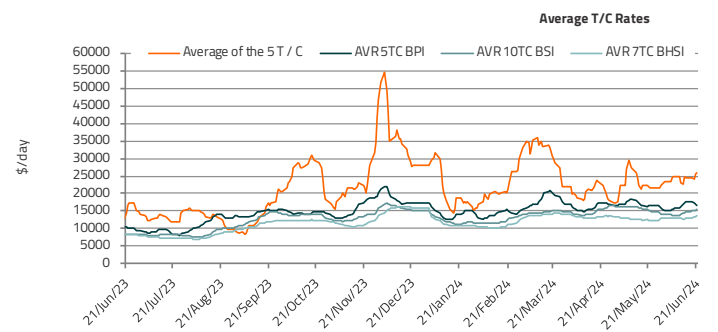
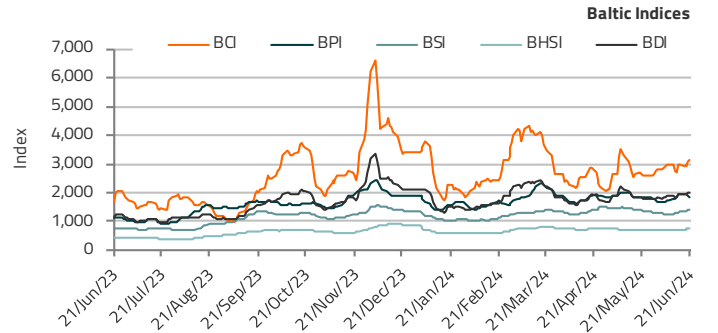
On clean products, TC1 (MEG/JPN) fell to WS 198.06 (-3.4%), while on MRs, TC2 fell by -4.7% to WS 152.19, TC17 (MEG/E.Africa) stood at WS 336.07 or -0.7 lower. TC12 marginally increased by 1.6% at WS 247.97 while TC14 (USG/Cont) surged by 37% to WS 201.43..

Baltic Indices

	21/06/24		14/06/24		Point Diff	\$ / day ±%	2023 Index	2022 Index
	Index	\$/day	Index	\$/day				
BDI	1,997		1,948		49		1,395	1,931
BCI	3,142	\$26,059	2,957	\$24,525	185	6.3%	2,007	1,955
BPI	1,827	\$16,441	1,950	\$17,546	-123	-6.3%	1,442	2,298
BSI	1,398	\$15,382	1,335	\$14,689	63	4.7%	1,031	2,006
BHSI	753	\$13,548	711	\$12,803	42	5.8%	586	1,181

Indicative Period Charters

7/9 mos	LADY BELLAMELIA	2021	82,499 dwt
dely Dalian 25/30 Jun redel worldwide	\$19,500/day		TMM
7/9 mos	MYRSINI	2010	82,117 dwt
dely Jinzhou 23/30 Jun redel worldwide	\$17,100/day		Cobelfret



TC Rates

	\$/day	21/06/24	14/06/24	±%	Diff	2023	2022
Capesize	180K 1yr TC	28,000	28,000	0.0%	0	17,957	21,394
	180K 3yr TC	23,500	23,000	2.2%	500	16,697	18,894
Panamax	76K 1yr TC	15,750	16,000	-1.6%	-250	13,563	20,207
	76K 3yr TC	13,250	13,750	-3.6%	-500	11,827	14,885
Supramax	58K 1yr TC	16,500	16,000	3.1%	500	13,457	20,053
	58K 3yr TC	12,500	12,500	0.0%	0	11,981	15,005
Handysize	32K 1yr TC	12,500	12,500	0.0%	0	10,644	17,827
	32K 3yr TC	9,500	9,500	0.0%	0	9,510	12,322

Indicative Market Values (\$ Million) - Bulk Carriers

	Vessel 5 yrs old	Jun-24 avg	May-24 avg	±%	2023	2022	2021
Capesize Eco	180k	63.5	63.1	0.6%	48.8	48.3	43.1
Kamsarmax	82K	38.5	38.1	1.0%	32.0	34.1	29.8
Ultramax	63k	36.0	35.3	2.0%	29.5	31.5	26.4
Handysize	37K	28.5	28.0	1.8%	25.1	27.2	21.4

Chartering

Last week, the Baltic Dry Index approached the 2,000-point threshold, with all sectors, except for the Panamax, closing the week in positive territory. The Capesize C5TC index saw a 6.3% week-over-week increase, reaching the mid-\$20,000 per day range, bolstered by heightened demand from mining sectors across various basins, giving vessel owners a competitive advantage. Looking forward, there is skepticism regarding the sustainability of these levels due to the traditionally lower bauxite exports during this season and the ample iron ore inventories in China. Panamax vessel owners experienced diminished demand last week, as the available grain and mineral shipments were insufficient to engage all the available tonnage. In the smaller vessel segments, a balanced supply-demand market continues to foster a positive outlook. In the USG, the handysize segment maintained strong time charter earnings, amidst a tighter tonnage availability at the region.

Cape 5TC averaged \$ 24,965/day, up +4.2% w-o-w. The transatlantic earnings increased by \$ 643/day while transpacific ones rose by \$2,359/day, bringing transpacific earnings premium over transatlantic to \$6,193/day.

Panamax 5TC averaged \$ 17,146/day, up +3.3% w-o-w. The transatlantic earnings declined by \$ 1,065/day while transpacific earnings fell by \$1,240/day. As a result, the transpacific earnings premium to the transatlantic narrowed down to \$602/day.

Supramax 10TC averaged \$ 15,114/day up +2.13% w-o-w, while the Handysize 7TC averaged \$ 13,220/day, up +3.3% w-o-w.

Tankers

Size	Name	Dwt	Built	Yard	M/E	SS due	Hull	Price	Buyers	Comments
VLCC	C. PROSPERITY	313,525	2009	HYUNDAI, S. Korea	MAN-B&W	Jun-24	DH	region \$ 52,5m	Greek	
MR2	DIGNITY	50,392	2010	GSI, China	MAN-B&W	Apr-25	DH	region \$ 29.0m	undisclosed	
MR2	CSC PROGRESS	45,791	2007	JINLING, China	MAN-B&W	Nov-26	DH	\$ 21.5m	European	

Bulk Carriers

Size	Name	Dwt	Built	Yard	M/E	SS due	Gear	Price	Buyers	Comments
CAPE	COURAGEOUS	181,008	2016	SWS, China	MAN-B&W	Nov-26		\$ 50.7m	Greek	Eco
KMAX	KAMILLA OLDENDORFF	82,245	2024	JIANGSU NEW HANTONG, China	MAN-B&W	Jan-29		\$ 40.0m each	undisclosed	Eco, Scrubber fitted
KMAX	KLARISSA OLDENDORFF	82,223	2023	JIANGSU NEW HANTONG, China	MAN-B&W	Oct-28				
KMAX	LIVIA ROSE	81,828	2018	TSUNEISHI ZHOUSHAN, China	MAN-B&W	Jan-28		excess \$ 36.0m	Korean (HMM)	Eco
KMAX	BBG QINZHOU	81,608	2019	TIANJIN XINGANG, China	MAN-B&W	Nov-24		\$ 30,06m	Chinese	via auction
KMAX	SEA OPAL	79,342	2010	JIANGSU EASTERN, China	MAN-B&W	Aug-25		region high \$ 14.0m	undisclosed	
SUPRA	MAINE DREAM	58,105	2012	TSUNEISHI CEBU, Philippines	MAN-B&W	Feb-25	4 X 30t CRANES	region \$ 19.3m	undisclosed	
SUPRA	TAI HUNTER	55,418	2007	OSHIMA, Japan	MAN-B&W	Dec-27	4 X 30t CRANES	region \$ 14.5m	Chinese	
SUPRA	GENCO WARRIOR	55,435	2005	NACKS, China	B&W	Jan-25	4 X 30,5t CRANES	\$ 12.0m	Chinese	

A total of 27 vessels were added to the orderbook last week, with new orders coming from most of the mainstream sectors. The Greeks were very active in the market with Cape Shipping ordering 2 firm LR2s from Dalian for delivery in 2026-27 for an undisclosed fee. On the same scale, Vitol again ordered 4 LR2s from Dalian for a fee of \$72.5m and delivery in 2026. Back to Greeks, last week it emerged that Evalend Shipping had contracted Jiangsu Yangzijiang in China to build four 75kdwt LR1s for a fee of \$54m and delivery between 2026 and 2027.

In the bulk sector, Alassia Newships Management ordered a 40k dwt vessel from Yangzhou Nakanishi in Japan. In containers, Navios ordered 2 firm and 2 optional 7,900 TEU boxships from HJ Shipbuilding for \$120m each, to be delivered in 2026. Finally, Greek owner Capital placed an order for 4 firm and 4 optional PSVs with Fujian Mawei. The vessels will be diesel-electric and will be delivered between 2026 and 2027.

Indicative Newbuilding Prices (\$ Million)

	Vessel		21-Jun-24	14-Jun-24	±%	YTD		5-year		Average		
						High	Low	High	Low	2023	2022	2021
Bulkers	Newcastlemax	205k	80.0	79.0	1.3%	80.0	70.0	80.0	49.5	66	66	59
	Capesize	180k	76.5	76.0	0.7%	76.5	67.5	76.5	48.5	63	63	56
	Kamsarmax	82k	37.5	37.5	0.0%	37.5	35.5	37.5	27.5	35	36	33
	Ultramax	63k	34.0	34.0	0.0%	34.0	33.0	35.5	25.5	33	34	30
	Handysize	38k	30.5	30.5	0.0%	30.5	30.0	31.0	23.5	30	30	27
Tankers	VLCC	300k	130.0	130.0	0.0%	130.5	128.0	130.5	84.5	124	118	98
	Suezmax	160k	89.5	89.5	0.0%	89.5	85.0	89.5	55.0	82	79	66
	Aframax	115k	77.5	77.0	0.6%	77.5	73.0	77.5	46.0	69	62	53
	MR	50k	51.5	51.0	1.0%	51.5	48.0	51.5	34.0	46	43	38
Gas	LNG 174k cbm		264.0	264.0	0.0%	265.0	264.0	265.0	180.0	259	232	195
	MGC LPG 55k cbm		94.0	94.0	0.0%	94.0	91.5	94.0	62.0	85	74	67
	SGC LPG 25k cbm		61.0	61.0	0.0%	61.0	58.0	61.0	40.0	56	51	45

Newbuilding Orders

Units	Type	Size		Yard	Delivery	Buyer	Price	Comments
4	Tanker	115,000	dwt	Dalian Shipbuilding, China	2026	Swiss-based (Vitol)	\$ 72.5m	
2	Tanker	115,000	dwt	Dalian Shipbuilding, China	2026-2027	Greek (Cape Shipping)	undisclosed	
4	Tanker	75,000	dwt	Jiangsu Yangzijiang, China	2026-2027	Greek (Evalend)	\$ 54.0m	old deal
4	Bulker	180,000	dwt	Hengli HI Dalian, China	2026-2027	German (Reederei H. Vogemann)	\$ 70.0m	scrubber fitted
4	Bulker	63,500	dwt	Jiangsu New Hantong, China	2026-2027	Chinese (Agricore Shipping)	\$ 35.0m	NOx Tier III, EEDI Phase III
1	Bulker	40,000	dwt	Yangzhou Nakanishi, Japan	2026	Greek (Alassia Newships Management)	undisclosed	
1	RoRo	2,300	ceu	Mitsubishi HI, Japan	2027	Japanese (Toyofuji Shipping)	undisclosed	
1	RoRo	2,300	ceu	Mitsubishi HI, Japan	2027	japanese (Fukuju Shipping)	undisclosed	
2+2	Container	7,900	teu	HJ Shipbuilding & Construction	2026	Greek (Navios)	\$ 120.0m	

The demolition market experienced little action this week, owing mostly to Eid al-Adha celebrations and robust freight market circumstances, which continue to limit the availability of vessels for recycling. Despite this, there were significant developments in some markets, with variable effects on steel prices and recycler behavior. In India, the steel market was under pressure, with major decreases in several areas. Local steel plate and scrap prices fell by about \$10/mt, but the scarcity of new tonnage kept ship recyclers' prices essentially steady, despite a reluctance to provide higher rates. The Indian market is also anticipating the upcoming national budget, which is scheduled in July, adding uncertainty to future pricing and activity levels. Because of the Eid holidays, Pakistani and Bangladeshi markets were mostly shut down. Ship recycling activity in Pakistan has come to a halt, and the market orientation is likely to become apparent after the holidays, when recyclers will demonstrate whether or not they are more active in the market.

The Bangladesh market likewise paused for the holidays, with recycling prices remaining stable. Tight government budgets and reduced expenditure kept general market sentiment neutral, but recyclers faced additional hurdles due to a weaker local currency against the US dollar. Turkey had a sluggish week, with prices remaining stable, thanks mostly to the holiday season. The market remains under pressure from excessive inflation, which is affecting general economic stability. The overall forecast for the demolition market is cautious. The supply of new tonnage is projected to remain low in the medium term, with the recent holidays compounding the slowdown. The upcoming budget announcements, particularly in India, may include reforms that have a positive impact on market conditions. However, players remain cautious and closely follow economic policy and market changes in order to manage the uncertain landscape.

Indicative Demolition Prices (\$/ldt)

	Markets	21/06/24	14/06/24	±%	YTD			2023	2022	2021
					High	Low				
Tanker	Bangladesh	530	530	0.0%	530	490	550	601	542	
	India	540	540	0.0%	540	490	540	593	519	
	Pakistan	520	520	0.0%	525	520	525	596	536	
	Turkey	360	360	0.0%	350	340	325	314	207	
Dry Bulk	Bangladesh	520	520	0.0%	520	475	535	590	532	
	India	520	520	0.0%	520	480	522	583	508	
	Pakistan	500	500	0.0%	510	500	515	587	526	
	Turkey	350	350	0.0%	350	330	315	304	276	

Currencies

Markets	21-Jun-24	14-Jun-24	±%	YTD High
USD/BDT	117.00	117.00	0.0%	117.00
USD/INR	83.56	83.55	0.0%	83.58
USD/PKR	278.00	278.20	-0.1%	282.38
USD/TRY	32.83	32.63	0.6%	32.63

Demolition Sales (\$ /ldt)

Name	Size	Ldt	Built	Yard	Type	\$/ldt	Breakers	Comments
MOSHTARAKA 2	94,274	14,348	1995	MITSUBISHI, Japan	BC	\$ 540.0m	undisclosed	as is Khor Fakkan, incl 450 tons bunkers
TROPICAL SKY	11,935	5,358	1986	KOREA SHBLDG, S. Korea	REEFER	\$ 545.0m	Indian	

Market Data

	21-Jun-24	20-Jun-24	19-Jun-24	18-Jun-24	17-Jun-24	W-O-W Change %	
Stock Exchange Data	10year US Bond	4.257	4.254	4.217	4.217	4.279	1.0%
	S&P 500	5,464.62	5,473.17	5,487.03	5,487.03	5,473.23	0.6%
	Nasdaq	19,700.43	19,752.30	19,908.86	19,908.86	19,902.75	0.2%
	Dow Jones	39,150.33	39,134.76	38,834.86	38,834.86	38,778.10	1.5%
	FTSE 100	8,237.72	8,272.46	8,205.11	8,191.29	8,142.15	1.1%
	FTSE All-Share UK	4,490.92	4,508.44	4,473.37	4,467.95	4,437.53	1.2%
	CAC40	7,628.57	7,671.34	7,570.20	7,628.80	7,571.57	1.7%
	Xetra Dax	18,163.52	18,254.18	18,067.91	18,131.97	18,068.21	0.9%
	Nikkei	38,596.47	38,633.02	38,570.76	38,482.11	38,102.44	-0.6%
	Hang Seng	18,028.52	18,335.32	18,430.39	17,915.55	17,936.12	0.5%
	DJ US Maritime	386.68	388.72	389.28	389.28	389.64	1.5%
Currencies	€ / \$	1.07	1.07	1.07	1.07	1.07	-0.1%
	£ / \$	1.26	1.27	1.27	1.27	1.27	-0.3%
	\$ / ¥	159.79	158.90	158.08	157.85	157.71	1.5%
	\$ / NoK	10.56	10.55	10.56	10.57	10.66	-1.0%
	Yuan / \$	7.26	7.26	7.26	7.25	7.26	0.1%
	Won / \$	1,387.01	1,391.93	1,380.97	1,378.64	1,378.46	0.4%
	\$ INDEX	105.80	105.59	105.25	105.26	105.32	0.2%

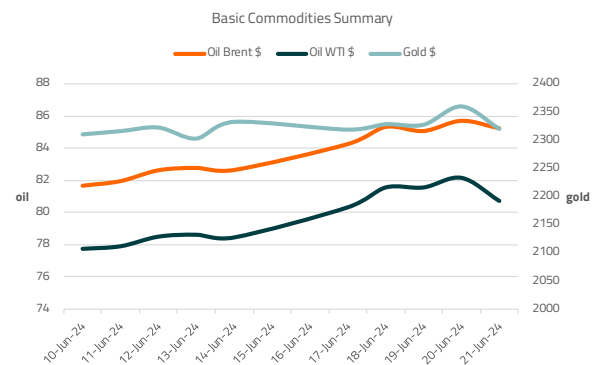
Bunker Prices

		21-Jun-24	14-Jun-24	Change %
MGO	Rotterdam	766.0	763.0	0.4%
	Houston	588.0	579.0	1.6%
	Singapore	741.0	726.0	2.1%
380cst	Rotterdam	511.0	496.0	3.0%
	Houston	489.0	480.0	1.9%
	Singapore	523.0	510.0	2.5%
VLSFO	Rotterdam	576.0	546.0	5.5%
	Houston	588.0	579.0	1.6%
	Singapore	610.0	595.0	2.5%
OIL	Brent	85.2	82.6	3.2%
	WTI	80.7	78.5	2.9%

Maritime Stock Data

Company	Stock Exchange	Curr	21-Jun-24	14-Jun-24	W-O-W Change %
CAPITAL PRODUCT PARTNERS LP	NASDAQ	USD	17.29	17.16	0.8%
COSTAMARE INC	NYSE	USD	16.85	15.00	12.3%
DANAOS CORPORATION	NYSE	USD	92.05	90.26	2.0%
DIANA SHIPPING	NYSE	USD	2.83	2.85	-0.7%
EUROSEAS LTD.	NASDAQ	USD	35.97	35.41	1.6%
GLOBUS MARITIME LIMITED	NASDAQ	USD	1.94	1.97	-1.5%
SAFE BULKERS INC	NYSE	USD	5.79	5.73	1.0%
SEANERGY MARITIME HOLDINGS	NASDAQ	USD	10.58	10.50	0.8%
STAR BULK CARRIERS CORP	NASDAQ	USD	24.10	23.77	1.4%
STEALTHGAS INC	NASDAQ	USD	7.39	7.47	-1.1%
TSAKOS ENERGY NAVIGATION	NYSE	USD	28.38	28.59	-0.7%

Basic Commodities Weekly Summary



Macro-economic headlines

- In the euro area, the June HCOB Manufacturing PMI declined to 45.6 from 47.3 in May .
- In US, the June S&P Global Services PMI rose to 55.1 up from 54.8 in May.
- In UK, May CPI increase by 0.3% m-o-m.
- In China, Chinese loan prime 5Y rate remained unchanged in June at 3.95%.

