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1. Sustainability

Power generated from low-emissions sources, such as wind, solar and nuclear, will be adequate to meet growth in global demand for the next three years, the International Energy Agency (IEA) said, adding power sector emissions are on the decline, according to Reuters. Following record growth, electricity generation from low-emissions sources will account for almost half of the world's power by 2026, up from less than 40% in 2023, the IEA said in report on Wednesday. Renewables are expected to overtake coal by early 2025, accounting for more than a third of total electricity generation, the report said. Nuclear power is also forecast to reach a record high globally as French output continues to recover from lows in 2022, several plants in Japan come back online and new reactors begin operations in markets including China, India, Korea and Europe. Electricity demand is expected to rise on average by 3.4% from 2024 through 2026 with about 85% of demand growth seen coming from China, India and southeast Asia, after growth eased slightly to 2.2% in 2023, IEA data showed. Over this period, China is expected to account for the largest share of the global increase in electricity demand in terms of volume, despite a forecast for slower economic growth and a lower reliance on heavy industry, the report said. Meanwhile, global emissions are expected to decrease by 2.4% in 2024, followed by smaller declines in 2025 and 2026, the report said. "The decoupling of global electricity demand and emissions would be significant given the energy

sector's increasing electrification, with more consumers using technologies such as electric vehicles and heat pumps," the report said. Electricity accounted for 2% more of final energy consumption in 2023 from 2015 levels, though reaching climate goals would require electrification to advance significantly faster in coming years, the IEA said.

The EU Council and Parliament have reached a provisional deal to lower CO2 emissions from heavy-duty vehicles, maintaining the target set last year by the European Commission of a 90% drop in emissions from new trucks over 7.5 tons and coaches by 2040, according to Reuters. The heavy-duty vehicle (HDV) sector is responsible for more than a quarter of greenhouse gas emissions from road transport in the European Union. CO2 emissions standards for certain HDVs were set for the first time in 2019. On the way to the 90% reduction target by 2040 - compared with 2019 levels - manufacturers of new trucks and coaches will also face a 45% CO2 cut from 2030 and a 65% cut from 2035. The provisional agreement also introduces a zero-emission target for urban buses by 2035, with an intermediate target of a 90% reduction by 2030. The deal, backed by EU countries in October, will now be submitted to the member states' representatives within the Council and to the Parliament's environment committee for endorsement.

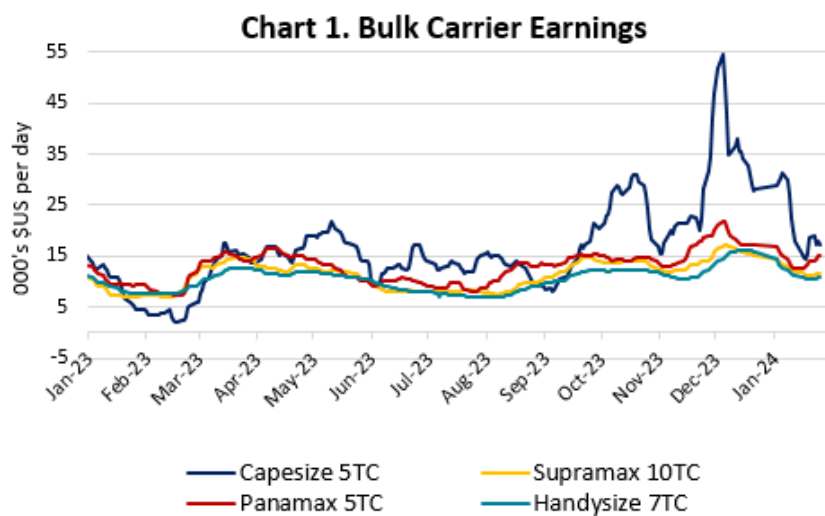
2. Shipping Markets Analysis

2.1 Dry Bulk

Activity remains healthy on the SnP with values looking steady for now. There is healthy buying appetite especially for geared bulkers. There is a consensus that second hand prices have not much room for dropping in the short term given the high new build prices, strong buying interest and due to the Geopolitical tensions taking place around the world.

Despite the significant volatile market, market players are conservatively optimistic moving forward. On the Red Sea front, some owners have chosen not to take the risk sailing through the Suez Canal and instead they have diverted via the Cape of Good Hope. Should there is no end in the current situation in the Red Sea, we believe that more and more owners will divert their vessels which will eventually provide significant support to the market. We believe that the market will be driven by events such as Red Sea Tensions, Delays at a Panama Canal as trade inefficiencies are cemented.

There is strong demand from Chinese Buyers for older Panamaxes. A 2001 built Korean and a 2006 Built Japanese were both sold to Chinese for excess \$7million and region \$13 million respectively. The Supramax sector has been the most active one so far this year with a number of fresh fixtures reported. Last done for modern Supramax 10 years old with eco ME is currently at around \$22 million as a 2014 built vessel (Japanese controlled/Japanese built) which called for offers on Monday was committed to Greek Interest. Eco Vessels continue to have a significant premium over the non-eco ones. To put into context, a 2014 built with eco ME was sold for \$22 million while a 2013 with non-eco ME was sold for \$18.7 million. Last but not least a 2007 Kanda-Japan built Handysize was rumored sold for \$10.5 million.



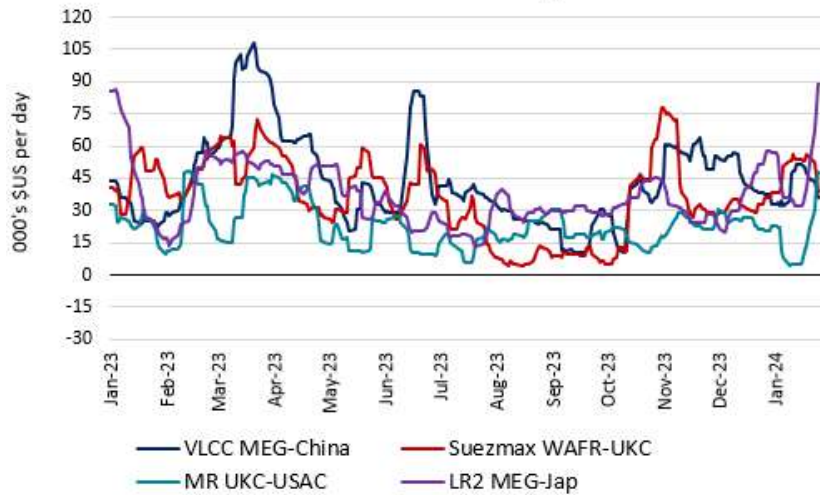
2.2 Tankers

Tanker SnP activity has increased amid the Houthi's attacks against commercial vessels in the Red Sea. Freight rates for clean tankers have spiked. LR2 rates surpassed the six-digit mark on the Middle East to UK Continent & Japan route. We expect tanker appetite to remain robust given the strong market.

A VLCC tanker built in 2007, which called for offers this week, according to market sources is now committed for region \$45 million. An Ice Class Suezmax built in 2005 was sold for around \$40 million. On the MR tanker side, two Korean units (with eco ME) built in 2012 and 2013 were committed for region \$70 million enbloc.

We expect VLCC orders to increase this year. There is a very limited availability of slots for the 2million barrel Tankers. A Belgium based company is now rumored to have placed an order at a Chinese yard for a VLCC.

Chart 2. Tanker Earnings



2.3 Containers

This week, the Shanghai Containerized Freight Index declined by 3% to 2,179 Points after a long period of consecutive improvements.

Based on the NCF index report, the freight rates slipped by 6%, on w-o-w basis. The routes from Ningbo to Europe/Mediterranean and Middle East were equally adjusted downward by 9% each while the cargo volume on the route to West South America decreased, resulting in a correction of about 20% on freight rates.

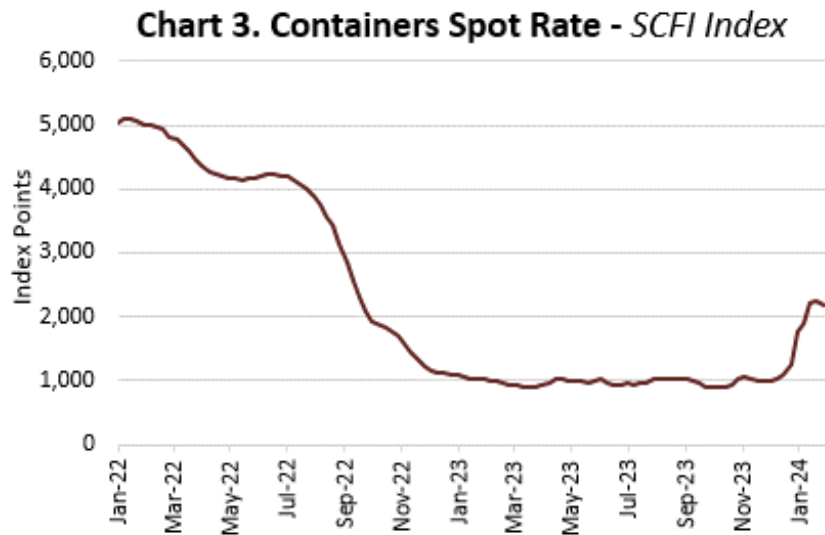
The inactive capacity is now close to 2.5% of the total container fleet (around 220 ships, circa 740k TEUs). The 65% of inactive fleet is related to vessels which are currently in Drydock and the remained 35% are idle and waiting for employment.

This week, the activity in the chartering front was still healthy with more than fourteen fixtures reported. A 2005 Korean-built Panamax (5,000 TEUs) secured employment at mid \$22k/day for three months. Two 15-year-old sisterships, built in Korea, fixed at \$19k/day for six up to twelve months to Danish Global Operator. A geared Feedermax fixed at \$18k/day for a short period of three months with delivery/trading in Mediterranean. Feeder segment experienced elevated activity with several employment opportunities this week, especially in Mediterranean. Based on several reports, we counted seven Feeders fixed in short-term periods for one to seven months at rates between mid \$6k up to high \$8k/day. Additionally, a small geared Feeder (860 TEUs) found employment at \$7k/day for three to five months.

Although the SnP activity remained steady at lower levels, the buying interest seems to have been pushed up due to the crisis in the Red Sea, especially for the mid-size vessels, Feedermaxes and Panamaxes. The most buying interest comes from Chinese potential Buyers.

The activity in the newbuilding sector was quiet, with no new orders reported. Based on 2023 records, 50% of containerships orders will use methanol as dual fuel option.

In the recycling front, the supply of tonnage remains relatively limited for another week. A 30-year-old Spanish built Feedermax (2,400 TEUs) reported sold to Indian Cash Buyers (HKC standards) at \$525/LDT while a small Feeder (650 TEUs) sold at \$512/LDT with delivery "as is" Malaysia to undisclosed Buyers. For second consecutive week, one more unit reported sold to Bangladeshi recyclers, a 1991 German built Feeder (1,600 TEUs) at the price of \$535/LDT.



2.4 Key shipping Freight Indices

Bulkers		% w-o-w	Tankers		% w-o-w	Containers		% w-o-w
BDI	1,499	10.46	VLCC MEG-China	36,000	-24.53	SCFI	2,179.09	-2.70%
Capesize 5TC	17,298	12.58	Suezmax Wafr-UKC	39,000	-30.36			
Kamsarmax 5TC	15,209	13.23	MR UKC-USAC	48,000	258.21			
Supramax 10TC	11,677	3.20	LR2 MEG-Jap	88,400	120.45			
Handysize 7TC	10,740	0.59						

2.5 Finance

Most big banks in Europe are failing to adjust their business to the looming decarbonisation of the bloc's economy and thus face increased financial, reputational and legal risk, the European Central Bank (ECB) said according to Reuters. The ECB has been pushing banks for years to factor climate considerations into how they lend and assess risk but lenders have failed to heed its warnings and threats of additional capital requirements. "Our analysis of 95 banks covering 75% of euro area loans shows that currently banks' credit portfolios are substantially misaligned with the goals of the Paris Agreement, leading to elevated transition risks for roughly 90% of these banks," ECB board member Frank Elderson said in a blog post.

The overall credit exposure is comparatively small, however, worth about 189 billion euros (\$206 billion) to business with assets in the oil and gas, coal, power generation, automotive, steel, and cement sectors, or roughly 5% of credit to firms, the ECB said in a new report. Of the surveyed banks, 13 had exposures in excess of 5 billion euros each to the six key transition sectors, which account for roughly half of total CO2 emissions in the euro area. Banks have been given until the end of 2024 to meet the ECB's climate disclosure requirements, including how much they are deviating from the expected decarbonisation pathway. If they fail this, then additional capital requirements may be introduced, the ECB has said. "Transition planning must become a cornerstone of standard risk management, as it is only a matter of time before transition plans become mandatory," Elderson said. A big risk for banks is that their actions deviate from their own communication. While plenty of banks say they take climate change seriously, their practices suggest complacency. "Seventy percent of these banks could face elevated litigation risks as they are publicly committed to the Paris Agreement, but their credit portfolio is still measurably misaligned with it," Elderson said.

The European Central Bank has kept interest rates unchanged as expected, without signalling a potential pivot towards reduced rates.

3. Second-Hand Market

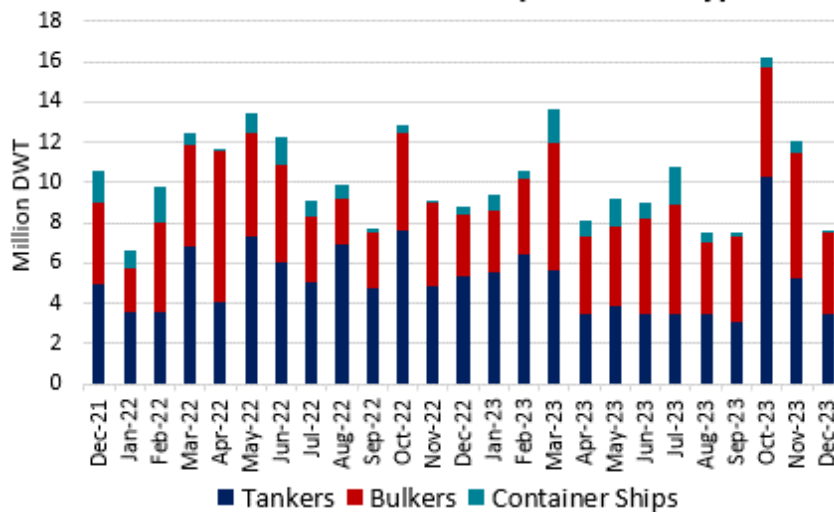
3.1 Weekly Ship Sales by Vessel Type

Vessel Type	Sub-Sector	Name	Size	Built	Yard	Price	Buyers	Surveys	Comments
Tanker	LR2	Wonder Sirius	115k Dwt	2005	Samsung	\$34m	Chinese	SS 07/25	BWTS fitted, CPP trading
Tanker	Aframax	Esther Spirit	115k >>	2004	Daewoo	\$24m each	Greeks	SS/DD 07/24	old sale
Tanker	Aframax	Everest Spirit		2008	Mitsui		\$42m	Chinese	
Tanker	LR2	Mare Oriens	110k >>	2008	Mitsui	\$42m	Chinese	SS/DD passed	BWTS fitted
Tanker	MR	STI Tribeca	49k >>	2015	SPP	\$39m	Koreans	SS/DD 01/25	Scrubber fitted, Eco ME
Tanker	Chemical	Patea	16k >>	2008	Jiangnan	rgn low \$13m	Norwegians	SS 05/28 DD 07/26	Ice Class, old sale
Tanker	Chemical	Patricia	16k >>	2005	Qjuxin	rgn low \$9m	N/A	SS 12/25 DD 03/24	BWTS fitted, Ice Class
Dry Bulk	Panamax	Kerveros	76k >>	2003	Imabari	\$9.35m	N/A	SS 07/25	BWTS fitted
Dry Bulk	Panamax	Alpha Afovos	74k >>	2001	Daewoo	\$7m	Chinese	SS 03/26 DD 04/24	
Dry Bulk	Ultramax	CP Tianjin	63k >>	2016	Chengxi	high \$23m	Chinese	SS 09/26 DD 09/24	BWTS fitted, Eco ME
Dry Bulk	Supramax	Isabella M	56k >>	2006	Mitsui	mid \$12m	Chinese	SS 07/26 DD 03/25	BWTS fitted
Dry Bulk	Supramax	Lan Hai Sheng Hui	56k >>	2011	China Shipping Jiangsu	rgn mid \$12m	Europeans	SS 12/26 DD 03/25	BWTS fitted
Dry Bulk	Supramax	Hai Yang Zhi Hua						SS 09/26 DD 12/24	
Dry Bulk	Supramax	Amarnath	53k >>	2004	Iwagi	high \$7m	N/A	SS/DD 03/24	BWTS fitted
Dry Bulk	Handysize	Uni Wealth	29k >>	2009	Yangzhou Nakanishi	mid \$8m	N/A	SS/DD 11/24	BWTS fitted

3.2 Second-Hand Asset Values & Sales Volumes per Vessel Type

Vessel Type		Current Prices				5-Year Avg Prices (2018-2022)			
		Resale	5 yrs	10 yrs	15 yrs	Resale	5 yrs	10 yrs	15 yrs
TANKERS	VLCC	137	107	78	56	108	81	57	42
	Suezmax	94	78	62	44	76	57	40	28
	Aframax	81	71	56	39	63	49	35	24
	Panamax	61	51	41	28	49	28	27	18
	MR	51	44	34	25	43	34	24	16
DRY BULK	Capesize	70	53	35	22	53	39	25	16
	Panamax/Kamsarmax	39	33	26	15	34	26	18	12
	Supramax/Ultramax	35	29	24	13	31	24	15	11
	Handysize	32	25	17	11	27	21	13	8
CONTAINERS	Size	Current Prices			5-Year Avg Prices (2019-2023)				
	8,800-teu / 10 yrs	52			62				
	6,600-teu / 10yrs	36			50				
	4,500-teu / 10 yrs	21			29				
	2,600-teu / 10 yrs	15			20				
	1,700-teu / 10 yrs	14			15				

Chart 4. Sales Volumes per Vessel Type



4. Newbuilding & Ship Recycling Markets

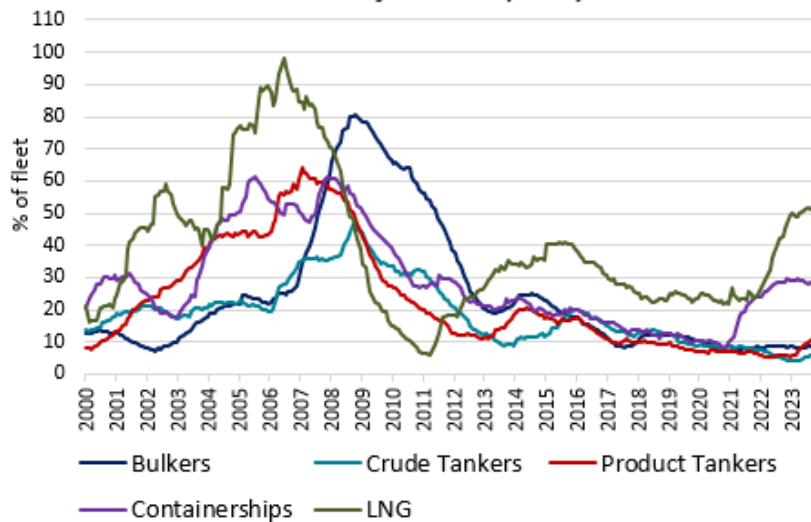
4.1 Recent Newbuilding Orders

Ship No	Type	Sub-Sector	Size	Delivery	Yard	Unit Price	Owners	Comments
3	Dry Bulk	Post Panamax	92k Dwt	2024	Nihon	N/A	Japanese	Methanol-ready, Wide-beam, Shallow draft, coal carrier
4	Dry Bulk	Kamsarmax	85k >>	2027-28	Chengxi	ard \$42m	USA based	Methanol dual-fuelled
2	Dry Bulk	Kamsarmax	82k >>	2026	Tsuneishi Zhoushan	ard \$40m	Taiwanese	
2	Dry Bulk	Ultramax	64k >>	Q3 2026	New Dayang	ard \$34m	Japanese	EEDI Phase III
1	Tanker	VLCC	319k >>	1Q 2027	Qingdao Beihai	ard \$112m	Belgians	Ammonia-ready
2	Gas	VLAC	93k cbm	2H 2027	Hanwha	ard \$124m	Greeks	Shaft Generators
2	Gas	VLAC	88k >>	Q2 2027	HHI			
6	Gas	VLAC	88k >>	2027-28	Hyundai KSOE	ard \$125m	Switzerland based	Green ammonia-fuelled
3	Gas	VLAC	88k >>	2H 2028	HHI	ard \$122m	Japanese	
1	Gas	MAC	40k >>	4Q 2026	Nihon		Japanese	Ammonia dual-fuelled

4.2 Newbuilding Asset Values & Orderbook Levels

Vessel Type	Current Prices		Year End, \$m			
	Last Week	This Week	2011	2022	2023	
TANKERS	VLCC	127	127	112	120	127
	Suezmax	84	84	76	80	84
	Aframax	69	69	59	62	69
	Panamax	56	56	51	54	56
	MR	47	47	41	44	46
DRY BULK	Capesize	66	66	61	61	65
	Kamsarmax	36	36	35	34	36
	Ultramax	34	34	33	31	34
	Handysize	31	31	30	29	31
CONTAINERS	10,000-teu	154	154	129	128	130
	8,000-teu	117	117	84	86	91
	5,000-teu	74	74	71	73	74
	2,600-teu	40	40	39	41	40
	1,700-teu	29	29	28	29	29

Chart 5. Shipping Orderbooks
as % of Fleet Capacity



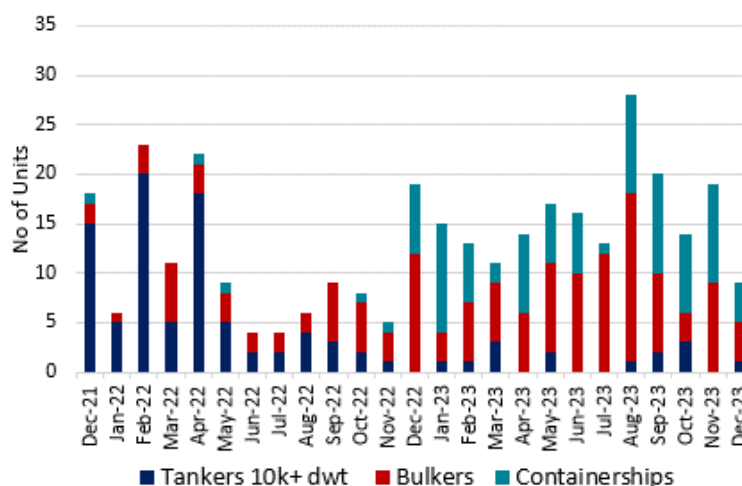
4.1 Recent Ship Recycling Activity

Type	Sub-Sector	Name	Dwt	Built	Ldt	Yard	Buyer	Price (\$/Ldt)	Comment
Dry Bulk	Handy	Rong Da Chang Sha	22k	1998	9,346 mt	Croatian	Bangladeshi	535	
Dry Bulk	General Cargo	MSC Eagle F	17k	2000	6,809 mt	Chinese	Indians	503	
Container	Feedermax	MSC Jemima	2,394 TEUs	1994	12,677 mt	Spanish	Indians	525	HKC Recycling
Container	Feeder	Jin Yuan He	1,599 >>	1991	6,841 mt	German	Bangladeshi	535	
Container	Feeder	MTT Singapore	653 >>	1996	3,826 mt	Korean	N/A	512	As is "Malaysia", 250mt ROB

4.2 Scrap Values & Ship Demolition Volumes

Location	Tankers				Dry Bulk			
	Year End, \$m			Current	Year End, \$m			Current
	2021	2022	2023		2021	2022	2023	
India	565	530	495	495	560	525	500	505
Bangladesh	600	505	485	495	590	510	485	510
Pakistan	590	520	510	510	585	520	505	510

Chart 6. Ship Recycling per Vessel Type



5. Macro Indicators

Indicator		% w-o-w
ICE Brent	82.33 \$/b	4.4%
WTI	77.12 \$/b	4.2%
Spore VLSFO	630.5 \$/t	3.5%
GBP/USD	1.27	0.0%
USD/YEN	147.6	-0.5%
EUR/USD	1.08	-0.9%
USD/YUAN	7.10	-0.3%
Gold	2,022.5	-0.1%
SOFR	5.31%	-0.2%
EURIBOR (3m)	3.929%	0.7%



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