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1. Sustainability

A record year for building new wind farms and a rebound in investments in the sector have raised hopes that the EU may achieve its clean energy targets, industry group WindEurope said on Wednesday, according to Reuters. In an annual report, WindEurope described 2023 as a year of "significant improvements" in key areas of Europe's wind energy sector, which struggled in 2022 with soaring inflation, interest rates and volatile energy markets after Russia invaded Ukraine.

Investments in European offshore wind last year jumped to 30 billion euros, up from the scant 0.4 billion euros that were invested in 2022. EU countries also installed a record-high 16.2 gigawatts of new wind energy capacity last year, around 80% of which was onshore wind farms, the group said. The lobby group said EU policies to speed up project permits has encouraged the sector, in addition to the bloc's proposals to help wind projects access financing and index prices in

government renewable energy auctions. Germany and Spain each permitted 70% more onshore wind in 2023, compared with the year before. Europe's wind firms have faced a bleak period of supply chain setbacks, inflation and equipment problems - although Danish turbine manufacturer Vestas returned to profit in the fourth quarter of 2023. WindEurope said it now expects Europe to install an average of 29GW per year from 2024 to 2023, reaching a total 393GW of wind energy capacity in 2030 - pulling close to the 425GW needed to comply with the EU's 2030 renewable energy targets. The EU warned last year countries' own energy plans mean they are not on track for the bloc's overall 2030 target to get 42.5% of its energy from renewables, including other sources like solar and biomass energy. WindEurope said the biggest risk to Europe's wind energy expansion is now sluggish investments in upgrading power grids to handle the fast-growing share of renewable energy.

2. Shipping Markets Analysis

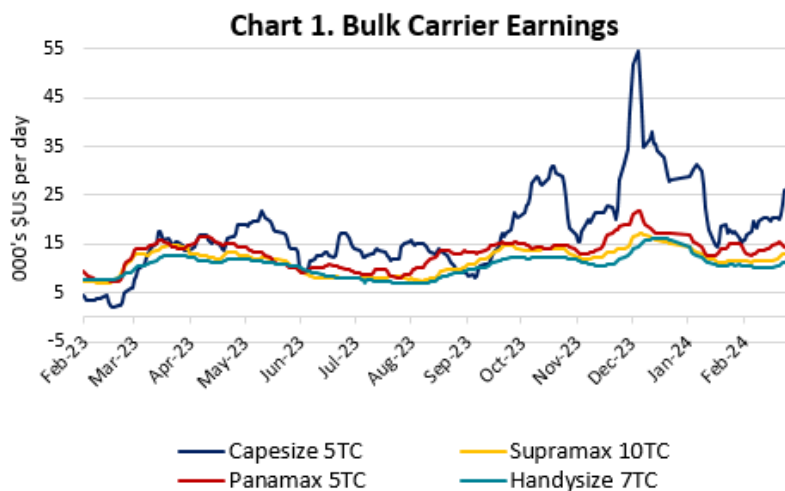
2.1 Dry Bulk

Capesize second hand values have increased significantly since the Chinese Lunar Year. Capesize earnings experienced its best February in more than a decade, coupled with a strong buying appetite against limited inventory of vessels for sale have pushed prices up. Values look firm on the other sizes as well, especially for eco Ultramax vessels.

The premium of an eco-Japanese Ultramax against a non eco Supramax is currently around \$5 million. A Japanese non-eco Supramax built in 2013 could fetch well in the excess of \$20 million while a 2014 Japanese built eco Ultramax could cost around \$26 million. The premium could be attributed to strong demand for modern vessels against limited availability of such units for sale and also due to the fact the ecofriendly design of modern Ultramax is complying better with the environmental regulations.

A 15-year-old Newcastlemax which called for offers this week, received strong buying interest and was rumored to have seen levels in the low \$30's million. Market sources suggest that a modern Kamsarmax built in 2021 in Jiangsu Yangzi-Mitsui Shipbuilding (a joint venture between China's Yangzijiang Shipbuilding and Japan's Mitsui E&S Shipbuilding) saw offers in the excess of \$37 million which indicates the willingness of buyers to pay close to the newbuild prices for prompt deliverable vessels. To put into context, Chinese yards are quoting \$36-\$37 million for a newbuild Kamsarmax with delivery in the second half of 2026. A Chinese Capesize built in 2009 was rumored sold for \$23.4 million with forward delivery in September, a firm price compared to a 2010 built which was sold for around \$21 million in January. We estimate values of a 15-year-old Capesize have increased more than 20% since the start of the year.

Two Capesize have been sold for scrap so far this year against 7 units in 2023, 17 units in 2022, 14 units in 2021, 49 vessels in 2020 and 28 Vessels in 2019.

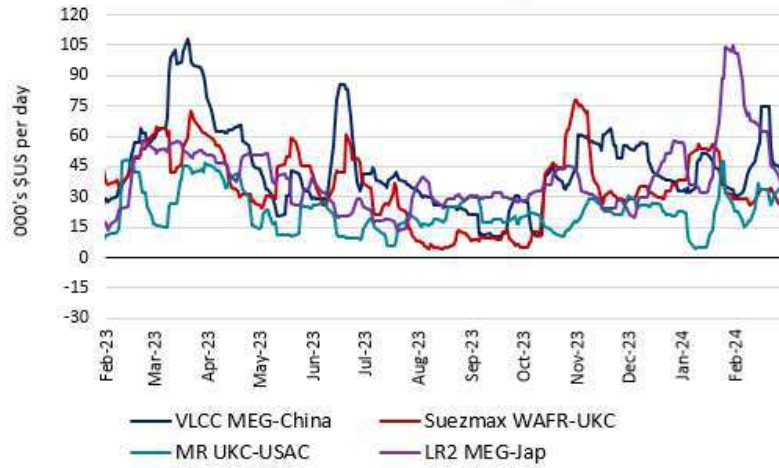


2.2 Tankers

According to Tradewinds, Commodities giant Trafigura has jumped into the VLCC newbuilding market with an order for two 319,000-dwt crude carriers in China. They will be the trader's first owned VLCCs. The order also marks Jiangsu New Hantong Ship Heavy Industry's debut in the VLCC sector. Shipbuilding sources said the pair will be fitted with scrubbers, for delivery in the third quarter of 2026.

Tanker Newbuilding activity remains robust especially for Crude tankers. VLCCs have the lion's share with more than 10 VLCCs orders reported contracted so far this year (including the options). That being said, despite we are still through the first quarter of the year, demand for VLCC Newbuilds has been very strong consider that a total of 18 VLCC orders were placed last year, 3 orders in 2022, 31 orders in 2021 and 41 orders in 2020.

Chart 2. Tanker Earnings



2.3 Containers

This week, the SCFI dropped by 6% to 1,979 points.

Based on the NCFI report, the index slightly dropped by -3%, on a w-o-w basis. The demand for transportation on the route from Ningbo to Europe is balanced comparing to last week. While have seen a correction on the route from Ningbo to North America of around 4% due to the oversupply recently in the area, however the demand for transportation of goods from Ningbo to South West America route improved significantly by 32%.

Overall, the demand/supply dynamics are keeping the market solid which leads to higher rates across all sizes and areas, over the last two months. Global Operators are currently facing challenges in meeting demand, resorting to rescheduling vessels' trades in order to fulfil requirements.

Several fixtures recorded with the vast majority on Feeders, keeping the chartering market busy for another week.

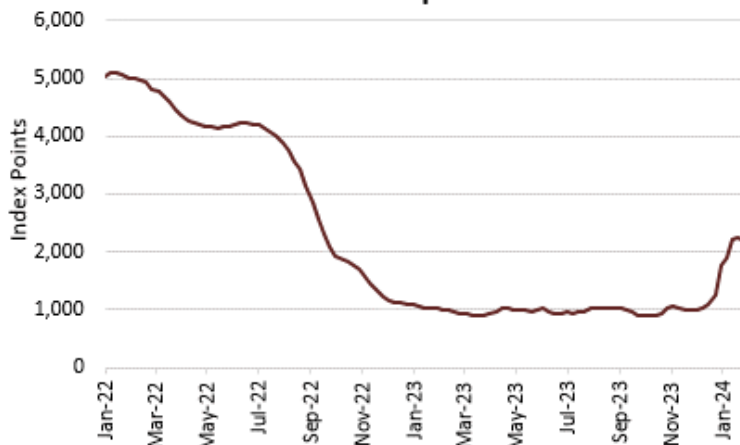
Based on several reports, a number of Feeders fixed in periods for four to nine months at rates between high \$7k up to \$15k/day.

Feedermaxes charter rates were around mid/high teens per day for six to eight months. A Post Panamax (6,800 TEUs) fixed at \$39k/day for three years while a Panamax (4,300 TEUs) found employment at high \$24k/day for a fourteen-month charter.

A quiet week on the newbuilding front with no new orders reported.

Twenty-one new containerships entered the water in February: three Feeders, three Feedermaxes, one Panamax, eight Post Panamaxes, five VLCS and one Megamax-24, which increased the tonnage supply about 193k TEUs.

Chart 3. Containers Spot Rate - SCFI Index



2.4 Key shipping Freight Indices

Bulkers		% w-o-w	Tankers		% w-o-w	Containers		% w-o-w
BDI	2,111	20.49	VLCC MEG-China	35,900	-25.67	SCFI	1,979.12	-6.20%
Capesize 5TC	31,045	34.17	Suezmax Wafr-UKC	27,300	-17.77			
Kamsarmax 5TC	15,130	3.52	MR UKC-USAC	35,000	28.21			
Supramax 10TC	13,832	7.08	LR2 MEG-Jap	32,700	-26.19			
Handysize 7TC	12,746	14.66						

2.5 Finance

According to Reuters, inflation, which the ECB targets at 2.0%, moderated to 2.8% in January from a peak of 10.6% in October 2022 and is expected to drop further. Therefore, most members of the Governing Council, including President Christine Lagarde, are aligned with the view that more data, especially on the labour market, will be required before cutting the deposit rate from a record high 4.00%. Last week, Lagarde said negotiated wage data from Q1, due in May, will be especially important for the ECB. That makes June the most likely month to consider a first rate cut, an expectation shared by markets and economists. Still, economists said it would not be the start of a substantial easing cycle.

An early cut by the ECB could mean a weaker euro and risks of additional imported inflation as the U.S. Federal Reserve is also expected to reduce rates in June, with a significant risk of a later move. But unlike in the euro zone, growth in the world's No. 1 economy remains resilient and U.S. recession fears are fast fading. Official preliminary data due Friday is expected to show rose 2.5% this month. Economic growth in the 20-country bloc was seen at 0.1% and 0.2% in Q1 and Q2, respectively, and average 0.5% this year and 1.3% next.

Moreover, the ECB is reviewing how it steers short-term interest rates in a new era in which inflation is higher and the massive amount of cash pumped into the banking system via stimulus programmes over the last decade is no longer needed and even creates some unwanted side-effects.

For much of the past 10 years the mechanism was simple: The ECB kept rates at zero or lower and flooded banks with more cash than they needed via bond purchases and loans, to encourage them to lend and revive inflation that was then too low. This removed the need for banks to borrow from the ECB and pinned the overnight rate that banks charge each other to the one the ECB pays on deposits. This framework needs changing now that interest rates are far above zero and massive amounts of excess reserves are unnecessary, and are even causing huge losses to the ECB and some of the 20 central banks around the euro zone. Policymakers meeting in Frankfurt last week agreed that the ECB would stick to a "floor" system, where the central bank effectively sets the lowest rate at which banks would lend to each other. But there is an important twist: The ECB will not single-handedly decide how much liquidity it provides to the banking system once it has finished draining excess reserves some years from now. Instead, policymakers agreed commercial banks would help determine that by borrowing the reserves they need from the ECB, in a similar vein to what the Bank of England is doing. To facilitate this, the ECB will make it cheaper for banks to borrow by lowering the rate on its weekly cash auctions, currently at 4.5%, and bringing it closer to its 4.0% deposit rate, the sources said.

This so-called "narrow corridor" would reduce the financial penalty and the stigma for banks that are short of cash, particularly in the transition phase.

3. Second-Hand Market

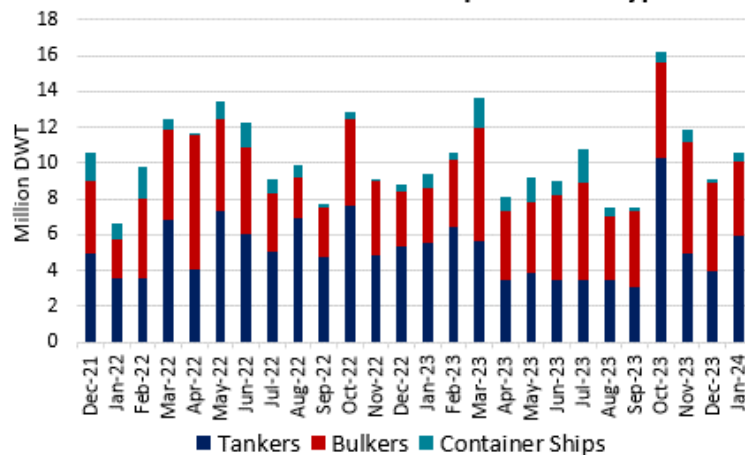
3.1 Weekly Ship Sales by Vessel Type

Vessel Type	Sub-Sector	Name	Size	Built	Yard	Price	Buyers	Surveys	Comments
Tanker	VLCC	Eco Seas	299k Dwt	2016	Daewoo	rgn \$98m	N/A	SS 10/26 DD 08/24	BWTS/Scrubber fitted, Eco ME
Tanker	MR	GH Parks	50k >>	2009	SPP	\$25m	N/A	SS/DD 02/24	BWTS fitted
Tanker	Chemical	Beatrice	25k >>	2013	Asakawa	rgn \$23m	N/A	SS 12/28 DD 12/26	BWTS fitted, StSt
Dry Bulk	Newcastlemax	Pacific Assurance	207k >>	2014	Imabari	mid \$46m	Far Easterns	SS 11/26 DD 12/24	BWTS fitted, Eco ME
Dry Bulk	Capesize	True Cartier	181k >>	2014	Imabari	high \$40m	Germans	SS/DD 07/24	BWTS/Scrubber fitted, Eco ME
Dry Bulk	Post Panamax	CMB Pomerol	95k >>	2012	Imabari	rgn \$21m	UK based	SS 01/27 DD 12/24	BWTS fitted
Dry Bulk	Kamsarmax	The Prosperity	81k >>	2017	Tsuneishi Zhoushan	mid \$31m	Europeans	SS 01/27 DD 04/25	BWTS fitted, Eco ME
Dry Bulk	Panamax	Zhong Xin Pearl	75k >>	2013	Guangzhou	mid \$17m	Chinese	SS 09/28 DD 06/26	BWTS fitted
Dry Bulk	Panamax	Angelina	74k >>	2001	Daewoo	\$7m	Chinese	SS 02/26 DD 06/24	BWTS fitted
Dry Bulk	Supramax	Pacific Integrity	56k >>	2013	Mitsui	xs \$20m	N/A	SS 04/28 DD 03/26	BWTS fitted
Dry Bulk	Supramax	Melia 1	55k >>	2011	Mitsui	rgn \$21m	Greeks	SS 07/26	BWTS fitted
Dry Bulk	Supramax	SSI Avenger	52k >>	2004	Daewoo	mid/high \$10m	Chinese	SS/DD 10/24	BWTS fitted
Dry Bulk	Handysize	Ultra Vanscoy	38k >>	2013	Mitsubishi	xs \$18m	Greeks	SS 01/28 DD 11/25	BWTS fitted
Dry Bulk	Handysize	Australian Bulker	36k >>	2017	Shikoku	rgn \$24m	N/A	SS 10/27 DD 08/25	BWTS/Scrubber fitted, Eco ME
Dry Bulk	Handysize	Lucky Glory	32k >>	2007	Kanda	\$10.5m	N/A	SS 12/27 DD 01/26	BWTS fitted
Container	Feedermax	Thorswind	2,169 TEUs	1999	Flender	\$7m	Swiss	SS 02/26 DD 02/24	Ice Class
Container	Feeder	Hansa Rendsburg	1,740 >>	2000	Binjiang	\$10m	UAE	SS 09/25	TC attached, Ice Class

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

Vessel Type		Current Prices				5-Year Avg Prices (2018-2023)			
		Resale	5 yrs	10 yrs	15 yrs	Resale	5 yrs	10 yrs	15 yrs
TANKERS	VLCC	140	110	86	58	108	82	57	43
	Suezmax	98	82	67	50	76	57	41	28
	Aframax	81	71	56	40	63	49	36	24
	Panamax	61	51	41	28	50	36	26	18
	MR	51	44	36	25	43	34	24	16
DRY BULK	Capesize	75	60	40	26	56	43	27	17
	Panamax/Kamsarmax	41	35	27	17	35	28	20	13
	Supramax/Ultramax	40	34	26	16	33	25	16	12
	Handysize	33	27	19	12	27	21	13	8
CONTAINERS	Size	Current Prices				5-Year Avg Prices (2019-2023)			
	8,800-teu / 10 yrs	54				62			
	6,600-teu / 10yrs	38				50			
	4,500-teu / 10 yrs	23				29			
	2,600-teu / 10 yrs	20				20			
	1,700-teu / 10 yrs	16				15			

Chart 4. Sales Volumes per Vessel Type



4. Newbuilding & Ship Recycling Markets

4.1 Recent Newbuilding Orders

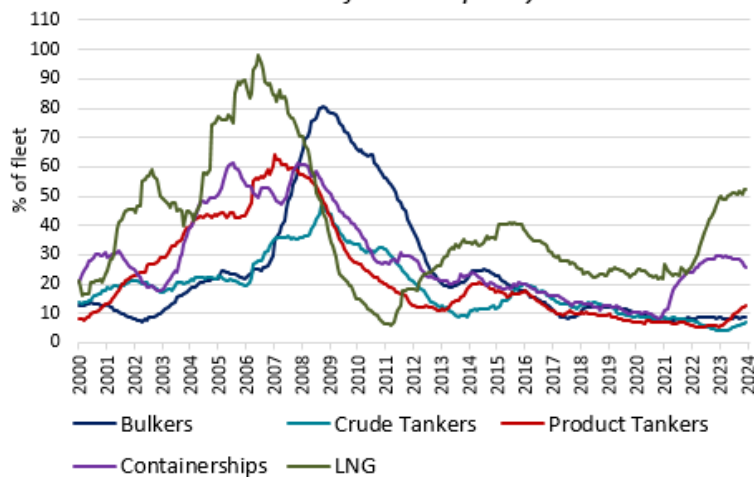
Ship No	Type	Sub-Sector	Size	Delivery	Yard	Unit Price	Owners	Comments
1 + 3	Dry Bulk	Newcastlemax	210k Dwt	2026	Beihai	N/A	Singapore based	Ammonia dual fuelled
2	Dry Bulk	Newcastlemax	210k >>	2027	Beihai	N/A	Singapore based	EEDI Phase III, Tier III
2	Tanker	VLCC	319k >>	Q3 2026	Jiangsu New Hantong	ard xs \$120m	Switzerland based	Scrubber fitted
2 + 2	Tanker	VLCC	300k >>	Q4 2026	Hanwha	ard \$128m	Norwegians	Scrubber fitted, Fuel saving devices
2	Tanker	LR2	111k >>	2026	GSI	ard \$80m	Singaporeans	LNG dual fuelled, Option declared
4	Gas	LNG	174k cbm	2028	Hyundai Samho	ard \$270m	Greeks	
2	Gas	LPG	23k >>	Q3 2026	Hyundai Mipo	ard \$65m	Indonesians	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	70	70	59	62	69
	Panamax	57	57	51	54	56
	MR	47	47	41	44	46
DRY BULK	Capesize	68	70	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	155	156	129	128	130
	8,000-teu	118	118	84	86	91
	5,000-teu	76	76	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



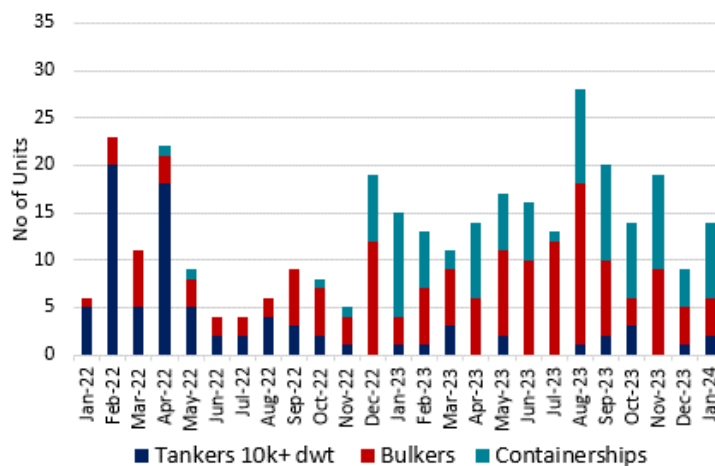
4.1 Recent Ship Recycling Activity

Type	Sub-Sector	Name	Dwt	Built	Ldt	Yard	Buyer	Price (\$/ldt)	Comment
Dry Bulk	Capesize	Xin Wang Hai	174k >>	2003	23,039 mt	Chinese	Pakistani	528	
Dry Bulk	Handymax	Qatar Ana	43k	1989	8,015 mt	Japanese	Pakistani	509	
Dry Bulk	Handysize	Xin Xiang Rui	22k	1992	5,119 mt	Japanese	N/A	N/A	As is "Zhoushan"
Container	Container	Hong Yuan 01	2,604 TEUs	1996	11,486 mt	German	Bangladeshi	540	

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	490	560	525	500	490
Bangladesh	600	505	485	500	590	510	485	515
Pakistan	590	520	510	510	585	520	505	515

Chart 6. Ship Recycling per Vessel Type



5. Macro Indicators

Indicator		% w-o-w
ICE Brent	82.25 \$/b	-0.9%
WTI	78.53 \$/b	0.9%
Spore VLSFO	639.5 \$/t	-0.2%
GBP/USD	1.26	-0.8%
USD/YEN	150.45	-0.1%
EUR/USD	1.08	0.0%
USD/YUAN	7.20	0.0%
Gold	2,045.8	1.3%
SOFR	5.31%	0.2%
EURIBOR (3m)	3.942%	-0.1%



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