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1. Sustainability

European oil majors Shell and Eni have led an early-stage funding round for climate technology start-up Mantel Capture, which aims to use molten salts to capture carbon dioxide emissions at refineries, factories and other industrial sites, according to Reuters.

Capturing carbon where it is produced, or "point source" capture, allows polluters to reduce emissions and retain existing, expensive infrastructure, although it has been criticized by some environmentalists for perpetuating emissions. Boston-based Mantel aims to pull 95% of the carbon out of smokestack emissions using the molten salts, a process that it says is unusually cost-effective because it takes advantage of the extremely hot environments inside industrial furnaces and boilers, requiring much less additional energy than rival capture methods. "This is a technology that could radically change the energy industry, but there is still risk to what we're doing," Mantel CEO Cameron Halliday said in an interview.

The \$30 million raised in the Series A round will allow Mantel to build a demonstration project at a paper mill that can capture 1,800 metric tons of emissions a year, around 10 times more than the half a ton a day captured in a laboratory setting. At a scale of hundreds of thousands to millions of tons, Mantel could theoretically capture carbon at about \$30 to \$50 a ton, making it economically viable in many countries offering either incentives for carbon capture or taxing emissions, and far below competing systems, Halliday said.

The investment by Shell follows its decision to row back on its near-term climate targets amid uncertainty about the pace of the energy transition and pressure from investors to improve returns. Shell will watch pilot efforts before going too far down the road on potential uses for itself, said Hector MacQuarrie, principal at Shell Ventures, but he added the technology could make carbon capture much more achievable for hard-to-abate industries.

2. Shipping Markets Analysis

2.1 Dry Bulk

SnP activity is picking up as market players return from their holidays. Values remain stable for the time being. Two geared Vessels and one gearless Mini-Capesize called for offers this week, all being Japanese controlled. A 2018 built Japanese Ultramax was reported sold for \$34.3 million a price in line with the last done.

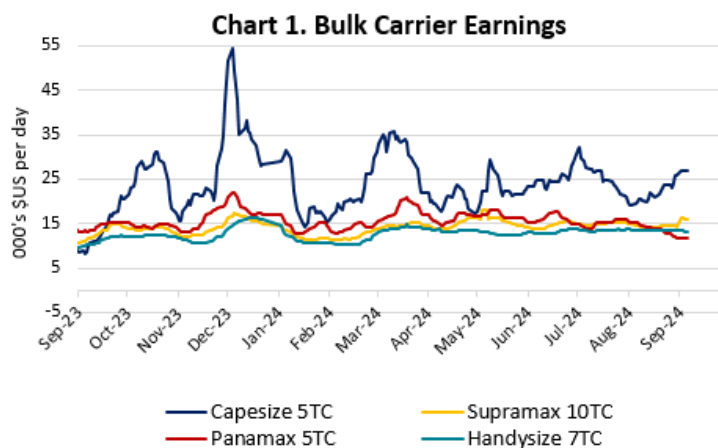
The Capesize market has been rather strong so far this year with weekly rates presently above their 2014-2023 Average. Demand for Capesize vessels remains strong especially from Chinese Buyers. A 2011 Built Unit was reported sold for \$31.5 million. The sistership built in 2011 which was sold for \$34 million back in May.

COSCO's huge 120 new build plan is in the process with the company reported to have placed an order for 20 bulkers.

Bank of America on Wednesday lowered its forecast to 4.8 per cent from 5 per cent and Canadian investment bank TD Securities cut to 4.7 per cent from 5.1 per cent. The moves followed a UBS cut last week and a series of similar reductions over the summer.

Speaking to TradeWinds in the halls of SMM, MAN ES senior vice president and head of the company's two-stroke business Bjarne Foldager said dual fuel engines require three times as long in trials before delivery to the yard and this is leading to delays. MAN ES two-stroke engines are built by a network of licensees, notably in South Korea, China and Japan. Each engine built by a licensee needs to be put through what is known as the factory acceptance test, or sometimes known as a shop test, before being delivered to a shipyard and laid in the newbuilding. "The biggest investment for the dual-fuel engine is in the test facility," Foldager said. "The bottleneck today in manufacturing dual-fuel engines is in test beds. I think at the previous peaks in the market, 10 or 15 years ago, it was related to the availability of crankshafts."

Foldager said Two things have changed since the last peak that is causing this newbuildings rush to lead to a bottleneck. One is the NO regulations. Engines need to be tested to Tier II and then additionally tested to Tier III emissions level requirements that have been set by the International Maritime Organisation. The other factor slowing down engine delivery is the need to run tests for conventional marine fuels and the alternative fuels the engine is being built for. "So that means you need three times longer on testbeds, or three times more capacity," Foldager said. "Then you also need separate systems for methane, separate systems for methanol or for LPG. So, it's really big investments that the licensees have to have to make."



2.2 Tankers

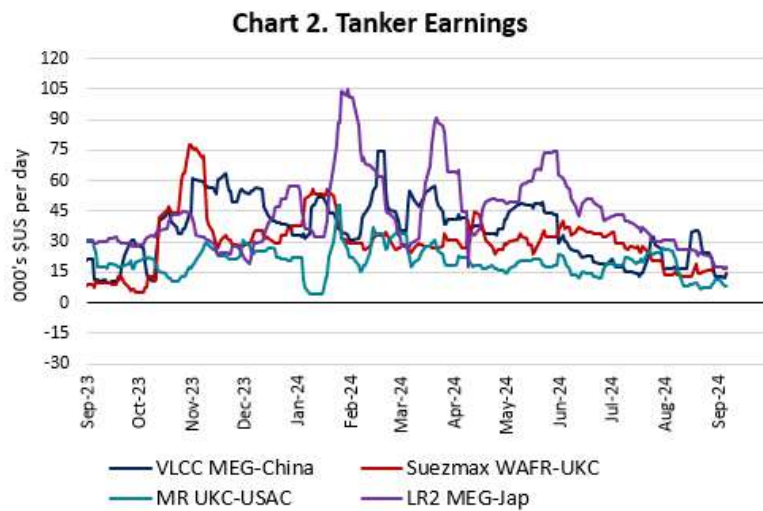
After a quiet couple of weeks on the Tanker SnP front, activity is picking up again... Two 10-year-old scrubber fitted Korean MR tankers were rumoured sold for \$42.5 million each a firm price compared to the last done.

On the Newbuild front, a Greek owner has placed an order for three Suezmax at a Japanese yard. Market sources suggest price to be around \$90 million per vessel.

According to the Quarterly report of Nordic American Tankers (a pure Suezmax owner) The world's Suezmax fleet (excl. shuttle, product & Jones Act tankers) counted 580 vessels as of June 30, 2024, flat from the previous quarter. With an increased ordering activity continuing in 2024, the orderbook for Suezmax tankers now counts 98 vessels which equals about 17% of the world's conventional suezmax fleet spread over the next 4 years. The historic average for the orderbook in percent of existing fleet is 20%. Only five new vessels remain to enter the world suezmax fleet in 2024, 26 in 2025, 39 in 2026, so far 23 new build orders are booked for 2027 and only 5 for 2028. It is also worth noting that during this year, the world fleet will count 64 suezmax tankers of 22 years of age or older.

According to Reuters, Venezuela's August oil exports hit their highest in more than four years, according to shipping data, fueled by expanded shipments to China, the U.S. and Europe as the risk of fresh U.S. sanctions grew amid an electoral dispute. August shipments average nearly 885,000 bpd.

Crude oil prices fell to their lowest point of the year on Wednesday as concerns that weak Chinese demand would lead to a surplus on the market.



2.3 Container

The NCF index declined by 5% across the main routes and in particular Europe/Mediterranean (down 8%), North America (3%) and Middle East (down 11%) while the route from Ningbo to West South America increased sharply by 15% due to the high volume of goods for transshipment in the area during this period.

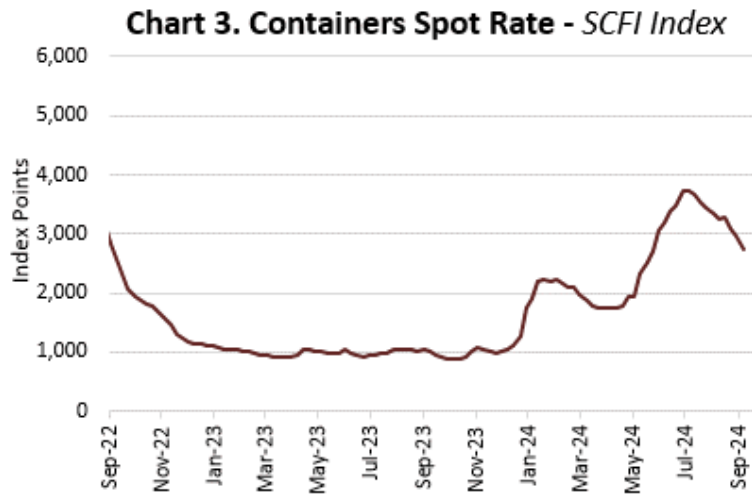
In the chartering front, the market continues to exhibit a balanced interplay between supply and demand, with vessels across multiple segments (primarily Feeders and Feedermaxes) demonstrating alignment with current capacity levels. Although some vessels may face shorter charter periods due to their immediate availability, the rates for these shorter periods remain robust.

On the SnP front, we noticed a little more activity, especially on the smaller sizes. A Swiss liner leading company continued its buying spree for another week with the acquisition of two Germans built vessels (a Feeder and Feedermax) from two different German Owners. The total number of second-hand acquisitions for the Swiss Global Operator exceeds 400 units since August 2020.

August marked a record-breaking month for container shipping, with over 1 million TEUs cellular capacity ordered. Despite a quiet charter and second-hand market due to summer holidays, newbuilding activity surged, with confirmed orders totalling over 1 million TEUs and an additional estimated 200kto 300k TEUs at LOI stage.

This figure surpasses July's total of 738k TEUs is significantly higher than previous months.

Year-to-date, 2.5 million TEUs of new capacity has been contracted, raising the order book to 7.4 million, equivalent to 25% of the existing fleet. Additionally, 337 new vessels, totalling 2.1 million have been delivered since January.



2.4 Key shipping Freight Indices

Bulkers		% w-o-w	Tankers		% w-o-w	Containers		% w-o-w
BDI	1,919	5.04	VLCC MEG-China	14,900	-5.10	SCFI	2,726.58	-7.99
Capesize 5TC	26,738	3.36	Suezmax Wafr-UKC	16,600	-5.14			
Kamsarmax 5TC	11,699	-2.30	MR UKC-USAC	8,600	-11.34			
Supramax 10TC	16,060	11.30	LR2 MEG-Jap	17,900	-8.67			
Handysize 7TC	13,172	-1.75						

2.5 Finance

As investors turn to the Swiss franc as an alternative to Japan's yen to fund carry trades, the risk of the currency staging one of its rapid rallies remains ever present, according to Reuters. The Swiss franc has long been used in the popular strategy where traders borrow currencies with low interest rates then swap them into others to buy higher-yielding assets. Its appeal has brightened further as the yen's has dimmed. Yen carry trades imploded in August after the currency rallied hard on weak U.S. economic data and a surprise Bank of Japan rate hike, helping spark global market turmoil.

The Swiss National Bank (SNB) was the first major central bank to kick off an easing cycle earlier this year and its key interest rate stands at 1.25%, allowing investors to borrow francs cheaply to invest elsewhere. By comparison, interest rates are in a 5.25%-5.50% range in the United States, 5% in Britain, and 3.75% in the euro zone.

The franc is near its highest in eight months against the dollar and in nine years against the euro, reflecting its status as a safe-haven currency and expectations for European and U.S. rate cuts. But investors hope for a gradual decline in the currency's value that could boost the returns on carry trades.

Speculators have held on to a \$3.8 billion short position against the Swiss franc even as they have abruptly moved to a \$2 billion long position on the yen, U.S. Commodity Futures Trading Commission data shows.

3. Second-Hand Market

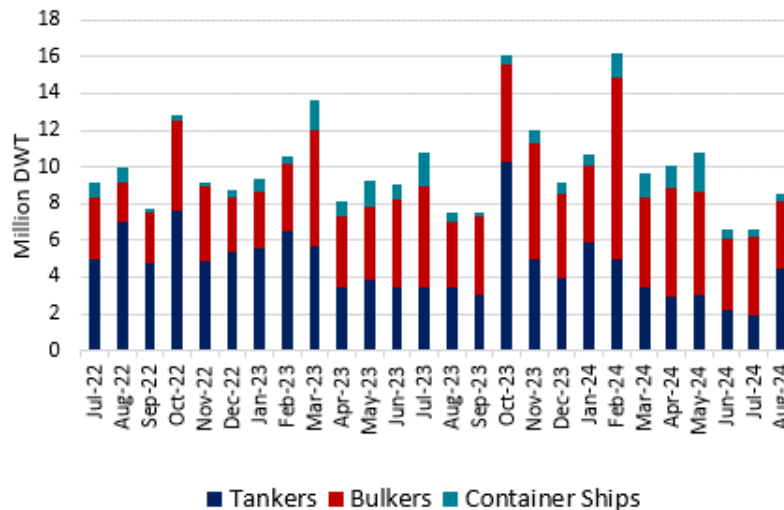
3.1 Weekly Ship Sales by Vessel Type

Vessel Type	Sub-Sector	Name	Size	Built	Yard	Price	Buyers	Surveys	Comments
Tanker	Handy	Lyderhorn	33k >>	2006	Shin Kurushima	mid \$26m	N/A	SS 08/26 DD 10/24	BWTS fitted, StSt
Tanker	Chemical	Fortune Swan	11k >>	2006	STX	\$9.2m	N/A	SS 05/26	BWTS fitted
Dry Bulk	Newcastlemax	Cape Azalea	208k >>	2012	NACKS	\$38.5m	Chinese	SS 08/27 DD 08/25	BWTS fitted
Dry Bulk	Panamax	Golden Ruby	74k >>	2014	Pipavav	\$20.8m	N/A	SS 04/29 DD 08/27	BWTS fitted, Ice Class
Dry Bulk	Handysize	Lavaux	35k >>	2010	Shinan	N/A	N/A	SS/DD 05/25	
Dry Bulk	Handysize	Transformer OL	28k >>	2009	Shimanami	rgn \$9.8m	Vietnamese	SS/DD 11/24	
Container	Feedermax	Jan Ritscher	2,524 TEUs	1999	Kvaerner Warnow	N/A	Swiss	SS 05/29 DD 06/26	Ice Class
Container	Feeder	Cape Flint	1,440 >>	2006	Peene			SS 06/26	Ice Class
Container	Feeder	AS Fatima	1,284 >>	2008	Zhejiang Ouhua	\$11.8m	Middle Easterns	SS 10/28	

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	144	114	86	58	108	82	57	43
	Suezmax	98	82	67	50	76	57	41	28
	Aframax	83	71	58	42	63	49	36	24
	Panamax	67	57	47	31	50	36	26	18
	MR	57	49	40	27	43	34	24	16
DRY BULK	Capesize	76	62	44	28	56	43	27	17
	Panamax/Kamsarmax	42	37	28	17	35	28	20	13
	Supramax/Ultramax	40	35	26	15	33	25	16	12
	Handysize	34	28	20	12	27	21	13	8
CONTAINERS	Size	Current Prices			5-Year Avg Prices (2019-2023)				
	8,800-teu / 10 yrs	64			62				
	6,600-teu / 10yrs	52			50				
	4,500-teu / 10 yrs	35			29				
	2,600-teu / 10 yrs	27			20				
	1,700-teu / 10 yrs	19			15				

Chart 4. Sales Volumes per Vessel Type



4. Newbuilding & Ship Recycling Markets

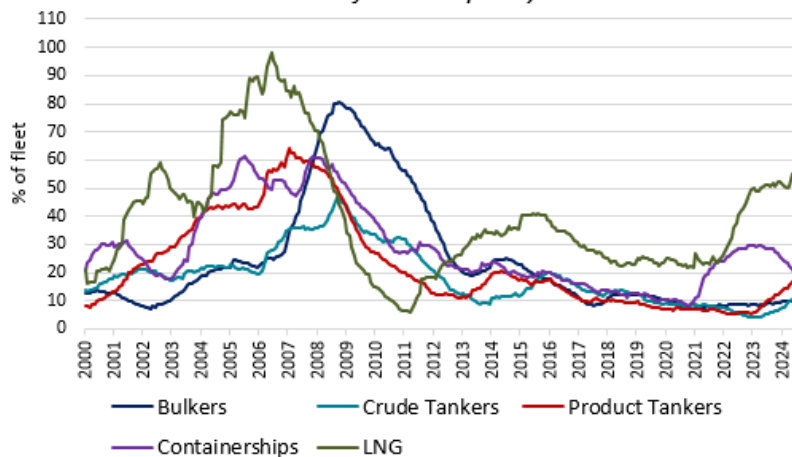
4.1 Recent Newbuilding Orders

Ship No	Type	Sub-Sector	Size	Delivery	Yard	Unit Price	Owners	Comments
2	Dry Bulk	Kamsarmax	82.5k Dwt	2027	COSCO HI Yangzhou	ard \$38m	Chinese	Methanol ready
13	Dry Bulk	Kamsarmax	80k >>	2026-27	COSCO HI Dalian	ard \$43m		
5	Dry Bulk	Ultramax	64k >>	2027	COSCO HI Zhoushan	ard \$34.3m		
3	Tanker	Suezmax	158k >>	2027	JMU	ard \$90m	Greeks	
2	Tanker	MR	50k >>	Q1 2027	Hyundai Mipo	ard \$52.5m	Greeks	
4	Container	ULCS	18,000 TEUs	2027-28	New Times	xs \$200m	Singapore based	
12	Container	NeoPanamax	14,000 >>	2H 2027 - 1H 2029	COSCO HI Yangzhou	ard \$179.5m	Chinese	Methanol dual fuelled, EEDI Phase III, shaft generators
2	Container	NeoPanamax	14,000 >>	Q1 2027	Jiangnan	ard \$58m	Chinese	
4 + 3	Container	Post Panamax	8,400 >>	2027-28	New Times	ard \$130m	Singapore based	
2	Container	Panamax	4,300 >>	2H 2028	Guangzhou Wenchong	ard \$60m	Taiwanese	
3	Gas	VLAC	88k cbm	2027	HHI	\$124m	Greeks	

4.2 Newbuilding Asset Values & Orderbook Levels

Vessel Type	Current Prices		Year End, \$m			
	Last Week	This Week	2011	2022	2023	
TANKERS	VLCC	129	129	112	120	127
	Suezmax	89	89	76	80	84
	Aframax	74	74	59	62	69
	Panamax	61	61	51	54	56
	MR	51	51	41	44	46
DRY BULK	Capesize	76	76	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	157	157	129	128	130
	8,000-teu	125	125	84	86	91
	5,000-teu	80	80	71	73	74
	2,600-teu	41	41	39	41	40
	1,700-teu	29	29	28	29	29

Chart 5. Shipping Orderbooks
as % of Fleet Capacity



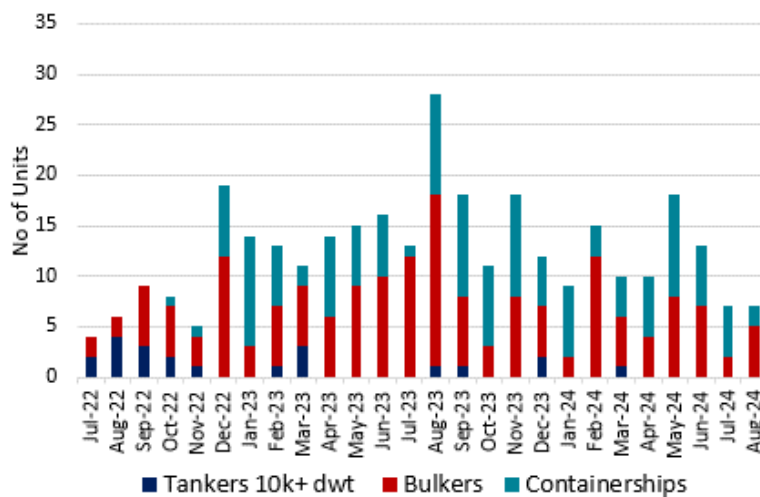
4.1 Recent Ship Recycling Activity

Type	Sub-Sector	Name	Dwt	Built	Ldt	Yard	Buyer	Price (\$/ldt)	Comment
Dry Bulk	General Cargo	Hong Da Xin 7	14k	2008	4,296 mt	Chinese	Bangladeshi	N/A	
Dry Bulk	Mini Bulker	Dragon Sun	7k	1986	2,314 mt	Korean	Bangladeshi	468	
Tanker	Chemical	Medelin Expo	17k	1993	5,270 mt	Japanese	Indians	653	"As is" Indonesia
Container	Feeder	Y Glory	1,730 TEUs	1996	7,771 mt	Polish	Indians	N/A	

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	480	560	525	500	480
Bangladesh	600	505	485	500	590	510	485	495
Pakistan	590	520	510	500	585	520	505	490

Chart 6. Ship Recycling per Vessel Type



5. Macro Indicators

Indicator		% w-o-w
ICE Brent	72.74 \$/b	-9.0%
WTI	69.20 \$/b	-8.7%
Spore VLSFO	630.50 \$/t	0.3%
GBP/USD	1.32	0.0%
USD/YEN	143.05	-1.3%
EUR/USD	1.11	0.0%
USD/YUAN	7.10	-0.1%
Gold	2,517.8	0.0%
SOFR	5.34%	-0.2%
EURIBOR (3m)	3.449%	-1.6%



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