

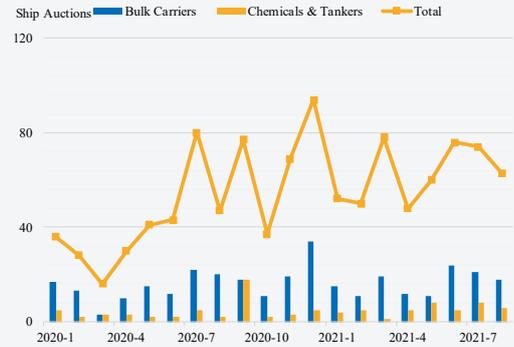
# Monthly Report of Ship Auction Market

August 2021



During the summer time, high-temperature is rare in the southern region, and residential electricity has fallen. However, with the strong demand of industrial electricity, the daily consumption of power plants is still at a high level. Together with the high coal price, the power plants are cautious in replenishment which leads to low coal inventory but more than July. The price of coal at ports has risen then remained stable. The freight rate of coastal dry bulk transportation rises slightly from July, meanwhile the international dry bulk market continues to increase. Shipowners' confidence is relatively high so the dry bulk market has fewer ships on sale with high price. However, the crude oil transportation market is sluggish with falling ship price. There are 63 ships auctioned in August and 39 are sold with the transaction rate of 61.9%. The total starting price is about ¥427.91m, while the total transaction price is ¥242.34m, increasing significantly.

### Total of the Ship Auction

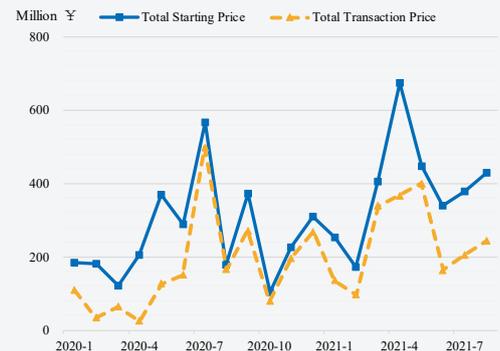


## Transportation market is steadily rising so the ship owners mostly focus on operations.

The booming international dry bulk market continues to attract domestic ships which makes costal freight rates rise slightly and shipowners feel optimistic. According to data from Shipbid.net, in China, the total ship auctions of August are 63, which decrease 11 MOM but increases 16 YOY. Among them, the bulk carriers are 18, which decrease 3 MOM. The chemical & tankers are 6, which decrease 2 MOM. In terms of transaction, there are 39 ships sold, which increase 5 MOM, with transaction rate of 61.9%, sharply increasing from last month.

In August, the price of ship auction steadily increases. The total starting price is approximately ¥427.91m, which increases ¥50.15m MOM and ¥251.15m YOY. The total transaction price is ¥242.34m, which increases ¥36.36m MOM and ¥77.45m YOY.

### Total of Starting and Transaction Price of Ship Auction



## International dry bulk market remains hot, driving the coastal transportation market.

In mid-August, the international dry bulk market rose rapidly, and the BDI rebounded to the highest point since 2010. However the market is polarized: the iron ore shipping market is relatively active, with freight rates hitting new highs this year, while iron ore price is now at the lowest level since November 2020. Affected by the international market, the freight rate of coastal transportation market has risen from July, and is now at a reasonable level. In the liquid cargo transportation market, demand for crude oil is relatively flat, and freight rate has declined. In September, as the Mid-Autumn Festival and the National Day approaching, downstream replenishment will increase, and the oil transportation market is expected to pick up slightly.

In terms of judicial auction, there are 34 ships auctioned in August, of which 21 are sold. The total starting price is ¥304.14m, and the total transaction price is ¥149.05m. In terms of commercial auctions, there are 29 ships auctioned, of which 18 are sold. The total starting price is ¥123.93m, the total transaction price is ¥93.74m. There is many engineering ships sold in judicial auctions and many large-tonnage bulk carriers sold in commercial auctions, both increased significantly compared with July.

Followed are some specific auctions. In terms of bulk carrier, there are 3 bulk carriers of "CHENG LU" sold in August, of which "CHENG LU 28" sold at ¥21.028m, "CHENG LU 29" sold at ¥24.224m and "CHENG LU 58" sold at ¥32.612m. In terms of tanker, there are mostly small -tonnage product oil tankers traded in August. In terms of other ships, there are 2 container ships and 8 engineering ships sold with the total price of ¥99.09m, together with 5 fishery ships and only 1 ro-ro passenger ship.

1. The data comes from various auction platforms, public bidding platforms of property rights exchanging market and ship exchange market etc. with a few live auctions may not be included in due to limited publicity.

## Samples of Ship Auctions

Bulk Carriers								
NO.	Ship Name	Sailing Area	DWT/ Reference capacity	Year Built	Shipyard	Starting Price	Transaction Price	Bids
1	CHENGLU 28	Unrestricted navigation	8033.4	2011	ZheJiang	¥ 16.528M	¥ 21.028M	42
2	CHENGLU 29	Unrestricted navigation	8052.72	2012	ZheJiang	¥ 17.624M	¥ 24.224M	33
3	CHENGLU 58	Coastal	15995	2006	ZheJiang	¥ 20.312M	¥ 32.612M	26
4	HUARONG 1	Unrestricted navigation	56381	2012	ZheJiang	¥ 95M	¥ 124.1M	115
5	Hull No.B85K-9	Unrestricted navigation	85000	2022	LiaoNing	\$30.18M	\$36.03M	36
6	JOSCO SUZHOU	Unrestricted navigation	49416	2004	JiangSu	\$8.7M	\$13.5M	26

## Preview of Ship Auctions

Bulk Carriers						
NO.	Ship Name	Sailing Area	DWT/ Reference capacity	Year Built	Shipyard	Starting Price
1	CHENGLU 1	Coastal	7900	2006	ZheJiang	¥ 11.7056M
2	SEACON 6	Unrestricted navigation	56826	2012	ZheJiang	\$14.80M

Multi-purpose Vessels						
NO.	Ship Name	Sailing Area	DWT/ Reference capacity	Year Built	Shipyard	Starting Price
1	YANGZE VENUS	Unrestricted navigation	12094.4	2013	ShanDong	\$12.12M

## CONTACT US



 HOTLINE: 86-0580-2600101

 E-mail: [research@shipbid.net](mailto:research@shipbid.net)