

Weekly Market Report

Week 24 | Tuesday 18th June 2024

Market Insight

By Fotis Kanatas, Research Analyst

As we edge closer to the end of the first half of 2024, we have seen a downward trend in regard to the vessels that have been added to the orderbook. In May, only 40 vessels of the two main sectors, dry bulk and tankers have been contracted, the lowest since October 2022. At the time of writing, the orderbook for tankers is 640 vessels or 11% of the fleet, while for bulkers, it is 1,192 or 9.5% of the fleet.

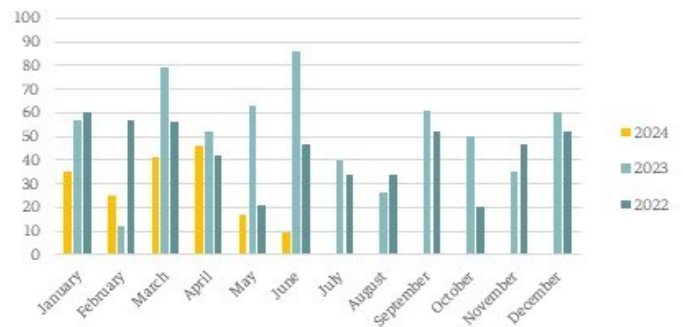
Currently, the orderbook is in good shape, and bigger sized vessels are enjoying a very small Orderbook-to-Fleet ratio, with both VLCCs and Capes at 6%, and the majority of vessels scheduled for delivery in 2026 and later. Focusing on the bigger vessels, owners ordered 29 Capesize vessels so far in 2024, with orders for the whole 2023 and 2022 being 40 and 43 respectively, and with six months to go. This correlates with increased earnings this year, as 2024 is one of the strong years for dry bulk. More specifically, Capesize TCE averaged \$24,300/day in Q1, and \$22,200/day Q2, rates that can be compared to those in 2021, when the 2nd half of the year was significantly strong. Interestingly, owners at the time ordered a total of 88 Capesize vessel, with 60 of them in the first half of the year. It shows that owners not only order new vessels in the midst of elevated earnings but also when they believe that strong markets are ahead.

In the case of VLCCs, as we mentioned earlier, orderbook is at 6%, which has prompted owners to order more and more vessels. This year, a total of 37 VLCCs have been contracted, which is higher than what has been ordered in 2023 (18) and 2022 (16) combined. Again, the driver for increased contracting activity is increased earnings. So far in 2024, VLCC TCE averaged \$45,400/day in Q1 and \$42,500/day in Q2. Such earnings fall outside seasonal patterns and are again the main driving force of newbuilding activity.

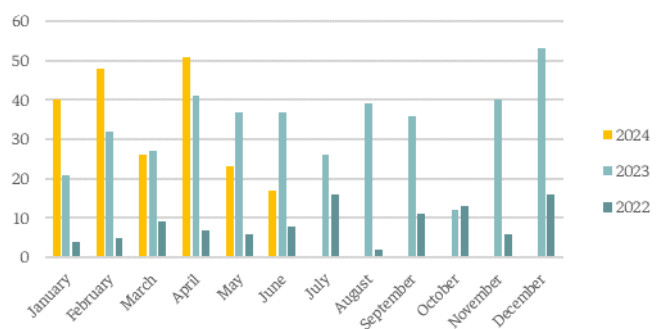
On a general picture, we can see that dry bulk contracting has been lagging compared the two previous years, and only Capesize vessels have been somewhat above the previous two years, while in the other two

mainstream sectors, Ultramax and Kamsarmax, vessel orders are significantly lower when considering the same periods. On tankers, data suggests that the increased contracting has been fueled by VLCCs and MRs.

Dry Bulk Contracting, 20k dwt+



Tanker Contracting, 20k dwt +

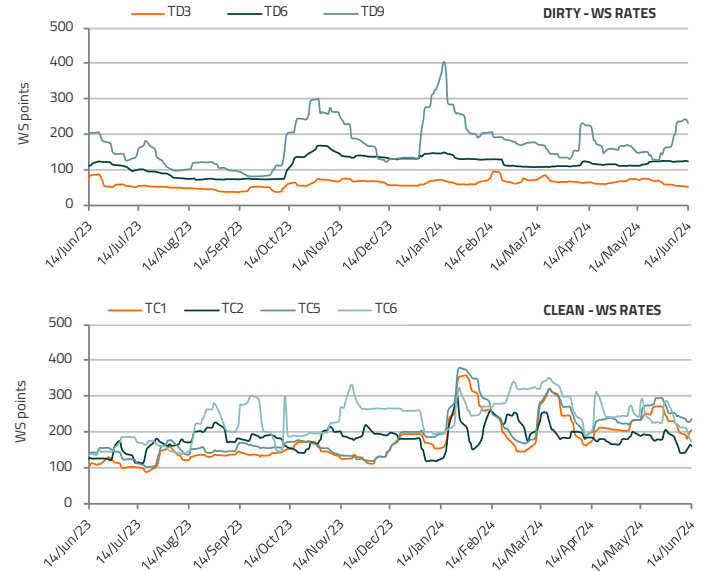


As far as the future is concerned, it is interesting to see whether owners will decide to splash the cash on new vessels that are now being contracted for 2027 and onwards delivery, or they will decide to refrain from newbuilding in an effort to keep supply muted and continue enjoy increased returns.

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	14/06/24		07/06/24		\$/day ±%	2023 \$/day	2022 \$/day
		WS points	\$/day	WS points	\$/day			
VLCC	265k MEG-SPORE	52	30,971	54	34,062	-9.1%	39,466	20,330
	260k WAF-CHINA	51	28,240	58	31,577	-10.6%	38,773	19,980
Suezmax	130k MED-MED	120	61,335	120	62,090	-1.2%	62,964	51,634
	130k WAF-UKC	112	44,509	109	43,445	2.4%	25,082	11,031
Aframax	140k BSEA-MED	123	49,428	123	50,384	-1.9%	62,964	51,634
	80k MEG-EAST	200	51,296	208	54,556	-6.0%	44,757	27,224
Clean	80k MED-MED	155	41,786	181	55,762	-25.1%	49,909	46,679
	70k CARIBS-USG	230	60,818	232	62,220	-2.3%	46,364	43,030
Dirty	75k MEG-JAPAN	205	51,277	196	48,640	5.4%	32,625	35,326
	55k MEG-JAPAN	236	41,836	241	43,516	-3.9%	27,593	32,504
Dirty	37k UKC-USAC	160	15,706	141	12,644	24.2%	21,183	22,919
	30k MED-MED	171	17,705	213	29,402	-39.8%	32,775	45,941
	55k UKC-USG	145	17,481	145	18,164	-3.8%	27,274	19,982
	55k MED-USG	145	17,635	145	18,286	-3.6%	27,060	21,231
50k ARA-UKC	166	13,687	180	17,918	-23.6%	46,194	40,364	



TC Rates

	\$/day	14/06/24	07/06/24	±%	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	47,000	-1.1%	-500	46,154	26,933
	150k 3yr TC	40,000	38,000	5.3%	2000	35,469	23,758
Aframax	110k 1yr TC	51,000	51,000	0.0%	0	47,226	26,135
	110k 3yr TC	41,000	41,000	0.0%	0	37,455	22,878
Panamax	75k 1yr TC	41,750	42,000	-0.6%	-250	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	27,000	3.7%	1000	25,152	16,426
Handy	36k 1yr TC	28,000	28,000	0.0%	0	25,760	18,601
	36k 3yr TC	18,000	18,000	0.0%	0	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	52.5	52.0	1.0%	49.2	38.6	31.2
MR	52KT DH	45.0	44.5	1.1%	41.4	34.8	27.6

Chartering

Rates for tankers of all sizes fell sharply last week as a result of lower demand, an oversupply of vessels and the aftermath of the Posidonia conference. Both the BDTI and BCTI fell on the week, with the dirty tanker index at 1240 on Friday, down -2.13%, and the clean tanker index at 828, down -3.50% on the week. In VLCCs, the market is experiencing excess tonnage in the East, while at the same time cargo volumes are limited. In addition, the Eid holidays continued to dampen loading. As a result, the MEG/China (TD3C) rating fell to WS 50.9, losing -4.77% on the week. Similarly, WAF/China (TD15) fell to WS 56.39, down -3.14% on the week, while USG/China (TD22) closed at WS 8.2m on Friday, down -3.76% on the week. In Suezmaxes, Middle East rates are falling faster than VLCCs as economies of scale continue to make sense, resulting in MEG/Med (TD23) falling sharply by -6.16% to WS 98.33. In contrast, WAF/UKC (TD20) rates rose

slightly by 2.92% to WS 111.89. Aframaxes also had a bad week, with Kuwait/SG (TD19) down -4.04% to WS 200.36 and XMed (TD18) down -14.43% to WS 155.22.

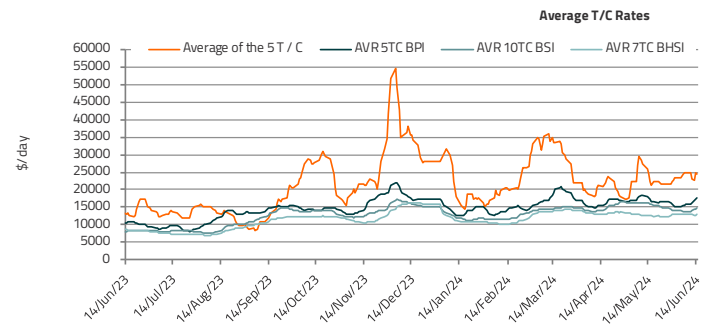
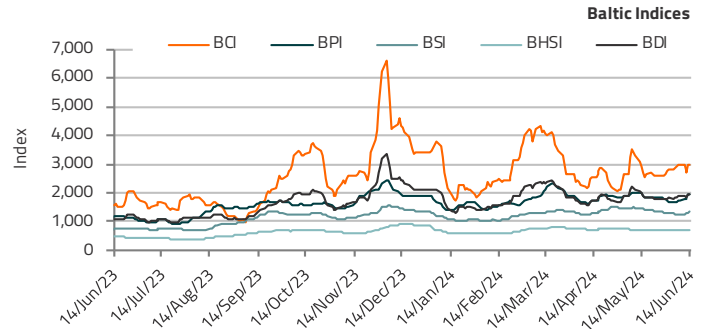
In clean products, MEG/Japan (TC1) for LR2s was WS 205 (+4.5%) on increased chartering activity, while the Tc% fell marginally (-2.2%) to WS 235.63. On MRs, TC2 (UKC/USAC) was up 13.1% at 159.69, while in the opposite direction USG/UKC (TC14) fell 30% to WS 147 on ample tonnage and subdued freight enquiries. Elsewhere, WCI/Japan (TC12) fell to WS 244.06 (-9%) and MEG/East Africa (TC17) stood at WS 338.57 or (-7.4%) lower.

Baltic Indices

	14/06/24		07/06/24		Point Diff	\$/day ±%	2023 Index	2022 Index
	Index	\$/day	Index	\$/day				
BDI	1,948		1,881		67		1,395	1,931
BCI	2,957	\$24,525	2,998	\$24,867	-41	-1.4%	2,007	1,955
BPI	1,950	\$17,546	1,750	\$15,752	200	11.4%	1,442	2,298
BSI	1,335	\$14,689	1,254	\$13,789	81	6.5%	1,031	2,006
BHSI	711	\$12,803	714	\$12,848	-3	-0.4%	586	1,181

Indicative Period Charters

7/9 mos	BBG DREAM	2012	81,364 dwt
dely Kobe 16 Jun redel worldwide	\$17,500/day		Norden
12 mos	BASIC GLORY	2020	82,338 dwt
dely Beihai 15 Jun redel worldwide	index linked basis 117% BPI		TMM



TC Rates

	\$/day	14/06/24	07/06/24	±%	Diff	2023	2022
Capesize	180K 1yr TC	28,000	28,250	-0.9%	-250	17,957	21,394
	180K 3yr TC	23,000	23,000	0.0%	0	16,697	18,894
Panamax	76K 1yr TC	16,000	16,000	0.0%	0	13,563	20,207
	76K 3yr TC	13,750	13,750	0.0%	0	11,827	14,885
Supramax	58K 1yr TC	16,000	15,000	6.7%	1,000	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

The BDI continued its upward trend, bolstered by increased demand in the Atlantic basin despite a lackluster Pacific outlook. In the Capesize segment, activity surged from mid-week onwards, driven by deliveries from Brazil and West Africa, contrasting with a weaker Australian market characterized by low coal export volumes. The Atlantic market demonstrated greater strength for Panamax owners, with grain exports from both the US and ECSA fueling demand for Panamax vessels. This contrasted with slower activity in the Pacific, although it was somewhat mitigated by a substantial volume of Indonesian coal cargoes. In the geared sizes segment, the USG market provided significant support, whereas the Pacific market struggled due to limited demand from most regions, except for the Southeast Asian coal trade, which added some momentum.

Cape 5TC averaged \$ 23,946/day, down -9.5% w-o-w. The transatlantic earnings decreased by \$ 1,400/day while transpacific ones declined by \$2,846/day, bringing transpacific earnings premium over transatlantic to \$4,354/day.

Panamax 5TC averaged \$ 16,758/day, up +8.9% w-o-w. The transatlantic earnings increased by \$ 4,860/day while transpacific earnings fell by \$649/day. As a result, the transpacific earnings premium to the transatlantic narrowed down to \$1,053/day.

Tankers

Size	Name	Dwt	Built	Yard	M/E	SS due	Hull	Price	Buyers	Comments
MR2	STI BERYL	49,990	2013	HYUNDAI MIPO DOCKYARD, S. Korea	MAN-B&W	Apr-28	DH	\$ 36.6m	Indian (Great Eastern)	Eco
MR2	STI RUBY	49,990	2012	HYUNDAI MIPO DOCKYARD, S. Korea	MAN-B&W	Sep-27	DH	\$ 35.6m	undisclosed	Eco
MR2	STI GARNET	49,990	2012	HYUNDAI MIPO DOCKYARD, S. Korea	MAN-B&W	Sep-27	DH	\$ 35.6m	undisclosed	Scrubber fitted, Eco
MR2	STI ONYX	49,990	2012	HYUNDAI MIPO DOCKYARD, S. Korea	MAN-B&W	Nov-27	DH	\$ 35.6m	undisclosed	Scrubber fitted, Eco
MR2	CALANDRIA	45,950	2012	SHIN KURUSHIMA, Japan	MAN-B&W	Apr-26	DH	\$ 32.5m	undisclosed	
MR2	NEUTRON SOUND	49,997	2007	SPP Shipbuilding - Tongyeong	Wartsila	Jul-27	DH	xs \$ 23m	undisclosed	

Bulk Carriers

Size	Name	Dwt	Built	Yard	M/E	SS due	Gear	Price	Buyers	Comments
NEWCASTLEMAX	HERMANN OLDENDORFF	209,243	2016	TAIZHOU CATIC, China	MAN-B&W	May-24		\$ 55.0m	South Korean (HMM)	Scrubber fitted, Eco
NEWCASTLEMAX	CLASSIC ARO	206,331	2008	IMABARI, Japan	MAN-B&W	Sep-25		\$ 26.5m	Chinese	TC attached at usd 20,000 less usd 1,104 comm daily until 16th July 2025 – 16th Jan 2026, Scrubber fitted, Eco
PMAX	CORAL JASPER	78,087	2012	SHIN KURUSHIMA, Japan	MAN-B&W	May-27		\$ 22.8m	Greek	
UMAX	AUGUST OLDENDORFF	61,090	2015	JMU, Japan	Wartsila	Jan-25	4 X 30t CRANES	\$ 61.0m	Far Eastern	Scrubber fitted, Eco
UMAX	ALWINE OLDENDORFF	61,090	2014	JMU, Japan	Wartsila	Dec-24	4 X 30t CRANES			Scrubber fitted, Eco
SUPRA	AULAC VANGUARD	55,848	2012	IHI, Japan	Wartsila	Jun-25	4 X 30t CRANES	\$ 18.8m	Greek	
HANDY	WESTERN PANAMA	39,000	2015	JJANGMEN NANYANG, China	MAN-B&W	Jan-25	4 X 30t CRANES	\$ 18.6m	Thai (Precious)	Eco
HANDY	GOLD DUST	28,420	2012	IMABARI, Japan	MAN-B&W	May-25	4x30.7, 4x30.5	\$ 12.0m	Vietnamese	

The previous week saw 26 vessels being contracted in all vessel types. On orders that stood out, China Merchants Energy ordered a total of 14 Capes, 8 at New Times and 6 from Beihai, all of which being equipped with scrubbers. The vessels from Beihai will cost \$ 78.0m, \$2m more than the others at New Times, as they will be equipped with shaft generators. All vessels will be delivered from 2027 and onwards. On Tankers, Chandris contracted Hanwha Ocean to build a 320k dwt vessel for

2026 delivery and a price around \$130m. Eastern Pacific had another huge order for 6x 5.500 ceu PCTC LNG dual-fuel vessels, 4 at Fujian Mawei and 2 from Jinling. The price remained undisclosed and delivery is scheduled for 2027.

Indicative Newbuilding Prices (\$ Million)

	Vessel		14-Jun-24	7-Jun-24	±%	YTD		5-year		Average		
						High	Low	High	Low	2023	2022	2021
Bulkers	Newcastlemax	205k	79.0	78.5	0.6%	79.0	70.0	79.0	49.5	66	66	59
	Capesize	180k	76.0	75.0	1.3%	76.0	67.5	76.0	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	89.0	0.6%	89.5	85.0	89.5	55.0	82	79	66
	Aframax	115k	77.0	76.0	1.3%	77.0	73.0	77.0	46.0	69	62	53
	MR	50k	51.0	51.0	0.0%	51.0	48.0	51.0	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
1	Tanker	320,000	dwt	Hanwha Ocean, S.Korea	2026	Greek (Chandris)	\$ 130.0m	
8	Bulker	210,000	dwt	New Times, China	2028-	Chinese (China Merchants Energy)	\$ 76.0m	scrubber fitted
6	Bulker	210,000	dwt	Beihai, China	2027-2028	Chinese (China Merchants Energy)	\$ 78.0m	Shaft generators
1	Gas Carrier	86,700	cbm	KHI, Japan	2026	Singaporean (Kumiai Navigation)	\$ 120.0m	7-Yr TC to AltaGas
4+4	PCTC	5,500	ceu	Fujian Mawei, China	2026	Singaporean (Eastern Pacific)	undisclosed	LNG dual-fuel
2+2	PCTC	5,500	ceu	CMHI Jinling, China	2027	Singaporean (Eastern Pacific)	undisclosed	LNG dual-fuel
4	Container	14,000	teu	Hudong Zhonghua, China	2026-2027	German (Dohle)	\$ 145.0m	methanol-ready, scrubber fitted

Strong asset values, strong earnings and an optimistic short-term outlook for the sector in the freight market helped to keep the demolition market largely quiet this week. Overall tonnage available for recycling remained somewhat low. In India, the unexpected outcome of an election and the impact of a declining Chinese housing market led to less enthusiasm for ship recycling. Local steel prices were lower this week, with scrap prices remaining unchanged. Despite this, two MSC container ships received strong prices, suggesting some buyer interest. It is expected that the forthcoming national budget in July will include measures that should have a positive impact on the market. The Bangladesh market remained quiet with little activity seen. Local scrap prices followed suit; local steel prices fell only marginally. The approaching Eid al-Adha festival is expected to temporarily halt recycling efforts, which helps to explain the weak market conditions until early July. The devaluation of the local currency against the US dollar created further difficulties for recyclers. In Pakistan, the market is reacting to the fiscal

measures announced in the recent national budget. Industry players have reacted differently to the changes in sales tax on scrap sales and the removal of tax exemptions. Although local steel prices remained under pressure, some respite may come from the central bank's 1.50% interest rate cut. Activity is expected to remain low over the Eid holidays. Ship recycling activity in Turkey remained slow with steel product prices remaining stable. The approaching Eid al-Adha holiday is expected to affect market activity even more. The market is still quiet and needs new tonnage arrivals to stimulate activity. The picture for the demolition market remains uncertain. The short-term availability of new tonnage for recycling is expected to remain limited. Future budget announcements in key markets, particularly India, may bring measures that could improve the market situation. However, the Eid al-Adha holiday is likely to cause a brief slowdown in activity everywhere. The general market sentiment is cautious, with stakeholders closely monitoring changes in policy and economic conditions.

Indicative Demolition Prices (\$/ldt)

	Markets	14/06/24	07/06/24	±%	YTD				
					High	Low	2023	2022	2021
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	14-Jun-24	7-Jun-24	±%	YTD High
USD/BDT	117.00	116.95	0.0%	117.00
USD/INR	83.55	83.52	0.0%	83.58
USD/PKR	278.20	278.52	-0.1%	282.38
USD/TRY	32.63	32.24	1.2%	32.63

Demolition Sales (\$ /ldt)

Name	Size	Ldt	Built	Yard	Type	\$/ldt	Breakers	Comments
MSC TIA II		10,421	1999	GDYNIA STOCZNIA, Poland	CONTAINER	\$ 570.0m	Indian	
WAN TONG		5,111	1990	KANASASHI, Japan	REEFER	\$ 425.0m	undisclosed	

Market Data

	14-Jun-24	13-Jun-24	12-Jun-24	11-Jun-24	10-Jun-24	W-O-W Change %	
Stock Exchange Data	10year US Bond	4,213	4,240	4,295	4,402	4,469	-4.9%
	S&P 500	5,431.60	5,433.74	5,421.03	5,375.32	5,360.79	1.6%
	Nasdaq	19,659.80	19,576.92	19,465.18	19,210.19	19,074.68	3.5%
	Dow Jones	38,589.16	38,647.10	38,712.21	38,747.42	38,868.04	-0.5%
	FTSE 100	8,146.86	8,163.67	8,215.48	8,147.81	8,228.48	-1.2%
	FTSE All-Share UK	4,438.37	4,448.69	4,482.40	4,444.07	4,487.00	-1.3%
	CAC40	7,503.27	7,708.02	7,864.70	7,789.21	7,893.98	-6.2%
	Xetra Dax	18,002.02	18,265.68	18,630.86	18,369.94	18,494.89	-3.0%
	Nikkei	38,814.56	38,720.47	38,876.71	39,134.79	39,038.16	0.3%
	Hang Seng	17,941.78	18,112.63	17,937.84	18,176.34	18,366.95	-2.3%
DJ US Maritime	381.13	393.12	393.02	386.52	392.56	-2.1%	
Currencies	€ / \$	1.07	1.07	1.08	1.07	1.08	-0.9%
	£ / \$	1.27	1.28	1.28	1.27	1.27	-0.3%
	\$ / ¥	157.37	157.02	156.71	157.07	157.02	0.4%
	\$ / NoK	10.66	10.66	10.57	10.69	10.64	-0.4%
	Yuan / \$	7.26	7.25	7.24	7.25	7.25	0.1%
	Won / \$	1,381.84	1,375.35	1,369.84	1,377.50	1,373.60	0.2%
	\$ INDEX	105.55	105.20	104.65	105.23	105.15	0.6%

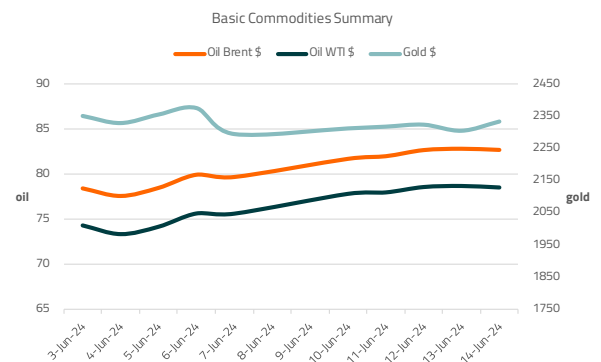
Bunker Prices

		14-Jun-24	7-Jun-24	Change %
MGO	Rotterdam	763.0	720.0	6.0%
	Houston	579.0	540.0	7.2%
	Singapore	726.0	696.0	4.3%
380cst	Rotterdam	496.0	464.0	6.9%
	Houston	480.0	467.0	2.8%
	Singapore	510.0	497.0	2.6%
VLSFO	Rotterdam	546.0	528.0	3.4%
	Houston	579.0	540.0	7.2%
	Singapore	595.0	574.0	3.7%
OIL	Brent	82.6	79.6	3.8%
	WTI	78.5	75.5	3.9%

Maritime Stock Data

Company	Stock Exchange	Curr	14-Jun-24	07-Jun-24	W-O-W Change %
CAPITAL PRODUCT PARTNERS LP	NASDAQ	USD	17.16	17.29	-0.8%
COSTAMARE INC	NYSE	USD	15.00	15.47	-3.0%
DANAOS CORPORATION	NYSE	USD	90.26	94.30	-4.3%
DIANA SHIPPING	NYSE	USD	2.85	2.99	-4.7%
EUROSEAS LTD.	NASDAQ	USD	35.41	38.13	-7.1%
GLOBUS MARITIME LIMITED	NASDAQ	USD	1.97	2.20	-10.5%
SAFE BULKERS INC	NYSE	USD	5.73	6.02	-4.8%
SEANERGY MARITIME HOLDINGS	NASDAQ	USD	10.63	11.89	-10.6%
STAR BULK CARRIERS CORP	NASDAQ	USD	23.77	25.58	-7.1%
STEALTHGAS INC	NASDAQ	USD	7.47	8.28	-9.8%
TSAKOS ENERGY NAVIGATION	NYSE	USD	28.59	30.69	-6.8%

Basic Commodities Weekly Summary



Macro-economic headlines

- In the euro area, the May CPI rose by +2.6% y-o-y.
- In UK, April Manufacturing Production declined by -1.4% m-o-m.
- In US, May CPI rose by +3.3% y-o-y.
- In China, Chinese Industrial Production rose by +6.2% y-o-y.

