



# GOLDEN DESTINY

## This Week's Overview of Shipping Investments SECONDHAND / DEMOLITION / NEW BUILDING MARKET ANALYSIS

Week Ending: 6<sup>th</sup> December 2013 (Week 49, Report No: 49/13)  
(Given in good faith but without guarantee)

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S&P Market Trends during December: ↓ Secondhand – ↑ Newbuilding – Demolition ↓

S&P		week 1	week 2	week 3	week 4
	December	Dec-6	Dec-13	Dec-20	Dec-27
Units	27				
November	Nov-8	Nov-15	Nov-22	Nov-29	
Units	24	38	29	45	

Average No of vessels reported sold per week

27

Average No of vessels reported sold per week

34

DEMO		week 1	week 2	week 3	week 4
	December	Dec-6	Dec-13	Dec-20	Dec-27
Units	12				
November	Nov-8	Nov-15	Nov-22	Nov-29	
Units	16	12	15	24	

Average No of vessels reported demo per week

12

Average No of vessels reported demo per week

17

NB		week 1	week 2	week 3	week 4
	December	Dec-6	Dec-13	Dec-20	Dec-27
Units	90				
November	Nov-8	Nov-15	Nov-22	Nov-29	
Units	78	49	77	85	

Average No of vessels reported on order per week

90

Average No of vessels reported on order per week

72

At the current week, 39 transactions reported worldwide in the secondhand and demolition market, down by 43% week-on-week with 40% decrease in secondhand purchases and 50% lower scrapping volumes.

The highest activity is recorded in the newbuilding market-**with 90 new orders** –firm volume of business for bulkers with 40 new orders due to firm activity in the ultramax and kamsarmax vessel sizes.

Compared with newbuilding investments, this week's secondhand purchasing activity is 70% down and demolition 87% down.

At **similar week in 2012**, the total S&P activity in the secondhand / demolition market was standing at 21% lower levels, when 31 transactions had been reported and secondhand ship purchasing was standing 55% lower than the levels of newbuilding orders. The ordering appetite was strong for tankers and containers with 18 and 10 new contracts reported respectively. (40 total new orders, 5 bulkers, 18 tankers, 10 containers, 1 Ro-Ro and 6 special projects).

**Secondhand: 27 S&P deals –45 S&P deals last week –18 S&P deals in the first week of December 2012**

**Newbuilding: 90 new orders -85 new orders last week – 40 new orders in the first week of December 2012**

**Demolition: 39 disposals -24 disposals last week – 13 disposals in the first week of December 2012**



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## SECONDHAND MARKET

**S&P Transactions:** 27 vessels reported to have changed hands—total invested capital region \$662,8 mil, 5 S&P deals reported at an undisclosed sale price. (12 bulkers, 12 tankers, 1 gas tanker, 1 liner, and 1 container).

**Average age of vessels sold –9 yrs old built 2004**

**S&P activity:** 13% down week-on-week and 26% up year-on-year. At **similar week in 2012**, 18 vessels induced buyers' interest at a total invested capital of about \$149 mil. (7 S&P deals in the bulk carrier segment, 3 in the tanker, 1 in the gas tanker, 1 in the liner, 5 in the container and 1 in special projects segment).

Bulkers and tanker held the lion share of this week's S&P activity -89% share with only 1 S&P deal reported for gas tankers, liners and containers. The highest invested capital is reported in the bulk and tanker segment, region \$342mil and \$315.5mil each with intense resale activity for newbuildings.

S&P reported deals of the current week -with price indication

## BULK CARRIERS

Vessel's Age	Vessel DWT	Country Built	Built	Yard	Vessel Gears	Price (\$)	GDSA Index \$/Dwt
RESALE	180.000	CHINA	2015	SWS		56.000.000	311,11
RESALE	34.000	JAPAN	2016	NAMURA IMARI		26.250.000	772,06
2	55.000	CHINA	2011	TAIZHOU JIANTIAO	4 X 36t CRANES	18.500.000	336,36
8	177.022	JAPAN	2005	NAMURA IMARI		32.000.000	180,77
12	24.765	CHINA	2001	WUHU	4 X 30t CRANES	7.000.000	282,66
13	77.100	JAPAN	2000	mitsui TAMANO		15.800.000	204,93
18	94.274	JAPAN	1995	MITSUBISHI NAGASAKI		9.000.000	95,47

## TANKERS

Vessel's Age	Vessel DWT	Country Built	Built	Yard	Tanks coating	Price (\$)	GDSA Index \$/Dwt
RESALE	50.000	SKR	2014	Hyundai Mipo		38.500.000	770,00
6	73.933	CHINA	2007	NEW CENTURY		25.000.000	338,14
7	11.290	KOREA, SOUTH	2006	STX PUSAN	epoxy	11.500.000	1.018,60

**Per vessel type:**

↓ **Bulk Carriers –Investment trends during December:**

S&P	week 1	week 2	week 3	week 4	
	Dec-6	Dec-13	Dec-20	Dec-27	
December	12				Average No of bulkers reported sold per week
Units	12				12
November	15	14	28	14	Average No of bulkers reported sold per week
Units	15	14	28	14	18

**At the current week:** 12 S&P deals, down by 52% week-on-week and up by 71% year-on-year. (7 S&P deals at similar week in 2012)

**Total Invested Capital:** region \$342,3 mil - **Average age of vessels sold –10yrs old built 2003 (activity in all vessel sizes with preference in vessels built Japan and China).**

- **VLOC- 1 S&P deal-** 265,000dwt vessel built 1996 Japan sold for conversion project.
- **Capesize – 6 S&P deals:** 3 resales built 2015 China and 2 Chinese vessels built 2006-2009. Total invested capital region \$243,5mil.

- **Post panama – 1 S&P deal:** 94,274dwt built 1995 Japan for region \$9mil.
- **Panamax- 1 S&P deal –** 77,100dwt built 2000 Japan for \$15,8mil.
- **Supramax – 1 S&P deal –** 55,000dwt built 2011 China for \$18,5mil.
- **Handy- 3 S&P deals:** total invested capital \$49,75mil .

↑ **Tankers- Investment trends during December:**

S&P		week 1	week 2	week 3	week 4	
	December	Dec-6	Dec-13	Dec-20	Dec-27	Average No of tankers reported sold per week
	Units	12				12
S&P		week 1	week 2	week 3	week 4	
	November	Nov-8	Nov-15	Nov-22	Nov-29	Average No of tankers reported sold per week
	Units	7	12	11	8	10

**At the current week:** 12 S&P deals, up by 50% week-on-week and up by 300% year-on-year. (3 S&P deals at similar week in 2012)

**Total Invested Capital:** region \$315,5 mil. **Average age of vessels sold –6yrs old built 2007 (strong activity in the MR and panamax segment).**

- **VLCC- 1 enbloc S&9 deal:** for about 300,000dwt vessels built 2006-2007 China for total \$90mil.
- **MR- 1 enbloc S&P deal:** for 50,000dwt resales built 2014 South Korea for about \$38,5mil each.
- **Panamax – 2 S&P deals:** for about 74,000dwt vessels built 2003 & 2007 China.
- **Handy- 1 S&P deal:** about 11,000dwt vessel built 2006 South Korea for \$11,5mil.
- **Small tanker – 2 S&P deals:** 4,000dwt vessels built 2004 & 2007 Japan.

↓ **Gas Tankers - Investment trends during December:**

S&P		week 1	week 2	week 3	week 4	
	December	Dec-6	Dec-13	Dec-20	Dec-27	Average No of gas tankers reported sold per week
	Units	1				1
S&P		week 1	week 2	week 3	week 4	
	November	Nov-8	Nov-15	Nov-22	Nov-29	Average No of gas tankers reported sold per week
	Units	3	1	1	9	4

**At the current week:** 1 reported S&P deal for a small LPG carrier built 2007 Japan, down by 89% week-on-week and no change from previous year. (1 S&P deals reported at similar week in 2012).

↓ **Containers - Investment trends during December::**

S&P		week 1	week 2	week 3	week 4	
	December	Dec-6	Dec-13	Dec-20	Dec-27	Average No of containers reported sold per week
	Units	1				1
S&P		week 1	week 2	week 3	week 4	
	November	Nov-8	Nov-15	Nov-22	Nov-29	Average No of containers reported sold per week
	Units	2	14	3	1	5

**At the current week:** 1 S&P deal, 67% down week-on-week and down by 80% year-on-year. (5 S&P deals reported at similar week in 2012).

- **Handy – 1 S&P deal** for a 1,016 TEU vessel built 1996 Poland with cranes for about \$3mil.

## NEWBUILDING MARKET

**No of new orders: 90** vessels– total deadweight: 5,113,600 tons, 57 transactions reported at an undisclosed contract price – The invested capital revealed is about \$1,4bn for 33 new orders. (40 bulkers, 16 tankers, 7 gas tankers, 4 liners, 5 containers and 1 passenger/cruise, 1 Ro-Ro and 16 special projects).

**Newbuilding activity: 6%** up week-on-week and up by 125% up year-on-year. The largest volume of newbuilding activity is reported in bulk carrier segment with focus in ultramax and kamsarmax segment. Orders for bulk carriers held 44% Share of this week's ordering activity; and tankers 18% share .

At **similar week in 2012**, 40 fresh orders had been reported with the largest activity in the tanker segment -18 reported new contracts. (5 bulkers, 18 tankers, 10 containers, 1 Ro-Ro and 6 special projects).

Compared with previous week's levels, a large increase of 250% is recorded in the volume of new orders for gas tankers (7 new orders from 2 last week) and 23% weekly increase in the tanker (16 new orders from 13 last week). In the bulker segment, there is a 13% weekly decline with 40new orders from 46 last week.

## Newbuilding orders of the current week - with price indication

Vessel type	Units	Dwt	Country	Yard	USD mil/Unit	GDSA Index \$/dwt
BC	2	210.000		N/A	53.235.000	253,50
BC	2	64.000	PRC	Cosco Zhoushan	27.000.000	421,88
BC	2	63.500	PRC	Yangzhou Dayang	28.000.000	440,94
BC	5	38.800	PRC	Taizhou Kouan	22.500.000	579,90
BC	1	35.000		N/A	19.500.000	557,14
BC						
TNK	2	300.000	SKR	Hyundai HI	92.700.000	309,00
TNK	6	37.000	SKR	Hyundai Mipo Dockyard	34.000.000	918,92

Vessel type	Units	Cbm	Country	Yard	USD mil/Unit	GDSA Index \$/TEU
GAS TNK-LPG	2	37.500	SKR	Hyundai Mipo Dockyard	52.500.000	1400,00

## Per vessel type:

## ↑ Bulk Carriers –Investment trends during December:

NB		week 1	week 2	week 3	week 4
	December	Dec-6	Dec-13	Dec-20	Dec-27
	Units	40			
NB		week 1	week 2	week 3	week 4
	November	Nov-8	Nov-15	Nov-22	Nov-29
	Units	38	23	37	45

Average No of bulkers reported on order per week  
40

Average No of bulkers reported on order per week  
36

**At the current week: 40 new orders**, 13% down week-on-week and 700% up year-on-year. (5 new orders reported at similar week in 2012). Large activity reported in the kamsarmax/ultramax segment.

- **Capesize** – 6 new orders: 2 of 210.000dwt from Hyundai Merchant Marine, South Korea at an undisclosed yard. 4 of 180.000dwt from Frontline 2012, Norway at Shanghai Waigaoqiao, China.
- **Kamsarmax**–13 new orders: 7 of 81.800dwt from Glovis Co. Ltd., South Korea at Jiangsu New Yangzijiang, China. 6 units from SDTR Marine, China at Jinling, China. Option for four to six units.
- **Ultramax** – 16 new orders: 4 of 64.000dwt from Parakou Shipping, Hong Kong at Chengxi Shipyard, China. Eight now on order. Exercised option from an original order placed in July. 2 of 64.000dwt from undisclosed Asian contractor at Cosco Zhoushan, China. 2 of 63.500dwt from Euroseas, Greece at Yangzhou Dayang, China. 4 of 63.000dwt from Angelakos (Hellas) S.A., Greece at Yangzhou Dayang, China. 4 of 61.000dwt from Century Tokyo Leasing, Japan at Nantong Cosco KHI, China.
- **Handymax** – 6 new orders: 5 of 38.800dwt from Interlik Maritime, US at Taizhou Kouan, China. Exercised option from an earlier order placed in November. 1 of 35.000dwt from NewLead Holdings, Greece at an undisclosed yard.

#### ↑ Tankers–Investment trends during December:

NB		week 1	week 2	week 3	week 4
	December	Dec-6	Dec-13	Dec-20	Dec-27
	Units	16			
NB		week 1	week 2	week 3	week 4
	November	Nov-8	Nov-15	Nov-22	Nov-29
	Units	12	16	14	13

Average No of tankers reported on order per week

16

Average No of tankers reported on order per week

14

**At the current week: 16 new orders reported**, up by 23% week-on-week and down by 11% year-on-year. (18 reported new orders at similar week in 2012).

- **VLCC** – 2 new orders: 2 of 300.000dwt from DHT Holdings, US at Hyundai HI, South Korea. Option for one more.
- **MR-7** new order: 1 of 38.000dwt from Stolt Nielsen, Norway at Hudong Zhonghua, China. Deltamarin design. Six now ordered. 43 stainless steel tanks. 6 of 37.000dwt from Navig8 ,Singapore at Hyundai Mipo Dockyard, South Korea. Exercised option from previous orders placed in October and November for another 12 units.
- **Handy-** 7 new orders: 5 of 32.000dwt from Petrobras, Brazil at Maua Jurong, Brazil. 2 of 15.000dwt from Terntank, Denmark at Avic Dingheng, China. Option two more. LNG dual fuel engines

#### ↑ Gas Tankers - Investment trends during December:

NB		week 1	week 2	week 3	week 4
	December	Dec-6	Dec-13	Dec-20	Dec-27
	Units	7			
NB		week 1	week 2	week 3	week 4
	November	Nov-8	Nov-15	Nov-22	Nov-29
	Units	9	2	3	2

Average No of gas tankers reported on order per week

7

Average No of gas tankers reported on order per week

4

**At the current week: 7 new orders reported this week**, up by 250% week-on-week. (zero new orders reported at similar week in 2012).

- **LNG /Very large gas -1** new order: from Japanese JV, Japan JPN at Hyundai HI, South Korea. 173.000cbm capacity.
- **LPG /Very large gas -3** new orders: 1 from NYK Line, Japan at Mitsubish H.I., Japan. 83.000cbm capacity. 1 from Lino Lines, Japan at Kawasaki H.I., Japan. 83.000cbm capacity. 1 from Petredec, Bermuda at Hyundai HI, South Korea. 84.000cbm capacity. Exercised option.

- **LPG/Medium gas – 3 new orders:** 2 from Yara International, Norway at Hyundai Mipo Dockyard, South Korea. 38.000cbm capacity. 1 from Byzantine Maritime, Greece at Hyundai Mipo Dockyard, South Korea. 38.000cbm capacity. Exercised option from an earlier order placed in September for another two units. Option for one more to be exercised by early next year.

#### Containers - Investment trends during December:

NB		week 1	week 2	week 3	week 4
	December	Dec-6	Dec-13	Dec-20	Dec-27
	Units	5			
November		Nov-8	Nov-15	Nov-22	Nov-29
	Units	2	2	6	11

Average No of containers reported on order per week

5

Average No of containers reported on order per week

5

**At the current week: 5 new orders,** down by 55% week-on-week and down by 25% year-on-year. (10 new orders reported at similar week in 2012).

- **Post Panamax segment – 5 new orders:** 9,000 TEU – 3 of 110.000dwt from Capital Ship Mgmt, Greece at an undisclosed South Korea yard. Wide beam. 2 of 110.000dwt from Oceanbulk, Greece at an undisclosed South Korea yard. Wide beam.

#### DEMOLITION MARKET

↓ Bulk Carriers ↓ Tankers ↑ Containers

BC		week 1	week 2	week 3	week 4
	December	Dec-6	Dec-13	Dec-20	Dec-27
	Units	1			
November		Nov-8	Nov-15	Nov-22	Nov-29
	Units	7	3	8	6

Average No of bulkers reported demo per week

1

Average No of bulkers reported demo per week

6

TNK		week 1	week 2	week 3	week 4
	December	Dec-6	Dec-13	Dec-20	Dec-27
	Units	1			
November		Nov-8	Nov-15	Nov-22	Nov-29
	Units	3	2	2	5

Average No of tankers reported demo per week

1

Average No of tankers reported demo per week

3

CONT		week 1	week 2	week 3	week 4
	December	Dec-6	Dec-13	Dec-20	Dec-27
	Units	6			
November		Nov-8	Nov-15	Nov-22	Nov-29
	Units	2	3	2	5

Average No of containers reported demo per week

6

Average No of containers reported demo per week

3

**No of demolition: 12 disposals –total deadweight: 539,395 tons-** 1 bulker, 1 tanker, 3 liners, 6 containers and 1 special project.

**Demolition activity (in terms of reported number of transactions):** 50% down week-on-week showing 20% weekly increase in the volume of container disposals and 83%/80% declines in bulker/tanker disposals. Containers held 50% of this week's total demolition activity.

In terms of deadweight sent for scrap, there has been 62% weekly decrease with 2 demolition deals reported for large vessel sizes, 2 capesize bulker and 1 suezmax tanker.

India is reportedly to have won 3 of the 12 demolition transactions, Bangladesh 3, Pakistan 0, China 2, and Turkey 1, 3 vessel disposals reported at an undisclosed destination.

Benchmark scrap prices in the Indian subcontinent region: \$400/ltd for dry and \$425-\$430/ltd for wet cargo. Scrap prices in China hover at \$330/ltd for dry and \$340/ltd for wet cargo.

*Notable demolition transactions: Suezmax tanker M/T "NORTH STAR" with 22,676 Ldt built 1996 fetched \$451/ltd asis Singapore including bunkers remaining on board.*

At a **similar week in 2012**, demolition activity was down by 19%, in terms of the reported number of transactions, when 13 vessels had been reported for scrap of total deadweight 343.986 tons with 5 disposals for bulkers, 4 for liner, 2 for Ro-Ro and 2 for special projects. Ship-breakers in Indian subcontinent region had been offering \$380-390 for dry and \$410-\$420/ltd for wet cargo.

#### Per vessel type:

- **Bulk Carriers- number of disposals per vessel size:** 1 capesize
- **Tankers- number of disposals per vessel size:** 1 suezmax
- **Containers- number of disposals per vessel size:** 2 in the sub-panamax, 2 in the handy and 2 in the feeder.

#### Per Demo Country:

- **India:** 2 liners, 1 container
- **Bangladesh:** 1 bulker, 1 liner and 1 special project.
- **China:** 2 containers
- **Pakistan:** 1 no reported activity.

### GREEK PRESENCE

#### Investment trends during December: SH ↓- NB ↓

S&P		week 1	week 2	week 3	week 4	
	December	Dec-6	Dec-13	Dec-20	Dec-27	
	Units	3				
November		Nov-8	Nov-15	Nov-22	Nov-29	
	Units	14	4	10	7	

Average No of vessel purchases per week

3

Average No of vessel purchases per week

9

NB		week 1	week 2	week 3	week 4	
	December	Dec-6	Dec-13	Dec-20	Dec-27	
	Units	6				
November		Nov-8	Nov-15	Nov-22	Nov-29	
	Units	7	9	8	7	

Average No of new orders per week

6

Average No of new orders per week

8

**At the current week:** Softer pace of investments for secondhand vessel purchases and newbuilding vessels in the first week of December.

**Second-hand** purchasing activity: down by 71% week-on-week- **Newbuilding** activity: no change week-on-week.

**Secondhand Market-** No of vessel purchases: 3 vessel purchases – invested capital region \$58,25mil (2 bulkers-invested region \$33,25mil, 1 tanker (74,000dwt built 2007 South Korea for about \$25mil).

**Newbuiding Market-** No of new orders: 7 new orders –6 bulkers and 1 gas tanker.

- **Bulkers: Ultramax**– 6 new orders: 2 of 63.500dwt from Euroseas at Yangzhou Dayang, China. 4 of 63.000dwt from Angelakos (Hellas) S.A at Yangzhou Dayang, China. Handy-1 new order from Newlead Holdings at Undisclosed yard.
- **Gas tankers: LPG** – 1 new order: in the medium segment from **Byzantine Maritime** at Hyundai Mipo Dockyard of South Korea as exercised option.

