



GOLDEN DESTINY

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

Week Ending: 13th December 2013 (Week 50, Report No: 50/13)
(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	19			
November	Nov-8	Nov-15	Nov-22	Nov-29	
	Units	24	38	29	45

Average No of vessels reported sold per week

23

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	5			
November	Nov-8	Nov-15	Nov-22	Nov-29	
	Units	16	12	15	24

Average No of vessels reported demo per week

9

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	97			
November	Nov-8	Nov-15	Nov-22	Nov-29	
	Units	78	49	77	85

Average No of vessels reported on order per week

94

Average No of vessels reported on order per week

72

At the current week, 24 transactions reported worldwide in the secondhand and demolition market, down by 38% week-on-week with 30% decrease in secondhand purchases and 58% lower scrapping volumes.

The highest activity is recorded in the newbuilding market **with 97 new orders** – firm volume of business for bulkers with 44 new orders due to firm activity in the capesize, kamsarmax and ultramax vessel sizes.

Compared with newbuilding investments, this week's secondhand purchasing activity is 80% down and demolition 95% down.

At **similar week in 2012**, the total S&P activity in the secondhand / demolition market was standing at 75% higher levels, when 42 transactions had been reported and secondhand ship purchasing was standing 22% lower than the levels of newbuilding orders. The ordering appetite was strong for tankers with 10 new contracts reported. (25 total new orders, 10 tankers, 1 gas tanker, 2 Liners, 6 containers, 2 passenger, 1 car carrier and 3 special projects).

Secondhand: 19S&P deals –27 S&P deals last week –21 S&P deals in the second week of December 2012

Newbuilding: 97 new orders -90 new orders last week – 27 new orders in the second week of December 2012

Demolition: 5 disposals -12 disposals last week – 21 disposals in the second week of December 2012



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SECONDHAND MARKET

S&P Transactions: 27 vessels reported to have changed hands—total invested capital region \$190,9 mil, 3 S&P deals reported at an undisclosed sale price. (8 bulkers, 3 tankers, 1 gas tanker, 1 liner, 5 containers and 1 passenger/cruise).

Average age of vessels sold –15 yrs old built 1998

S&P activity: 30% down week-on-week and 10% down year-on-year. At similar week in 2012, 21 vessels induced buyers' interest at a total invested capital of about \$238 mil. (7 S&P deals in the bulk carrier segment, 6 in the tanker, 2 in the gas tanker, 2 in the liner, 2 in the reefers and 2 in special projects segment).

Bulkers and containers held the lion share of this week's S&P activity -44% share and 28% share each with only 3 S&P deal reported for tankers. The highest invested capital is reported in the bulk and tanker segment, region \$58,7mil and \$67,5 mil respectively.

S&P reported deals of the las two weeks -with price indication

BULK CARRIERS

Vessel's Age	Vessel DWT	Country Built	Built	Yard	Vessel Gears	Price (\$)	GDSA Index \$/Dwt
3	34.329	KOREA, SOUTH	2010	SHINAN HEAVY INDUSTRIE	4 X 30t CRANES	16.200.000	471,90
12	73.326	JAPAN	2001	SUMITOMO HI YOKOSUKA		16.000.000	218,20
19	29.016	CHINA	1994	TIANJIN XINGANG SHIPYA	4 X 20t DERRICKS,1 X 15t DERRICKS	6.000.000	206,78
19	28.960	CHINA	1994	TIANJIN XINGANG SHIPYA	4 X 20t DERRICKS,1 X 15t DERRICKS	6.000.000	207,18
26	41.574	JAPAN	1987	MITSUI CHIBA ICHIHARA	4X25.0t CRANES	3.900.000	93,81
27	22.202	JAPAN	1986	TOHOKU SHIPBUILDING	4X25.0t CRANES	2.600.000	117,11
28	40.048	JAPAN	1985	HAYASHIKANE SB SMK	4X30.0t CRANES	4.000.000	99,88
28	29.462	JAPAN	1985	USUKI SAIKI	4X25.0t CRANES	4.000.000	135,77

TANKERS

Vessel's Age	Vessel DWT	Country Built	Built	Yard	Tanks coating	Price (\$)	GDSA Index \$/Dwt
RESALE	157.430	SKR	2013	DAEWOO SHIP/MARINE		55.000.000	349,36
10	6.135	JAPAN	2003	SHIN KURUSHIMA IMABARI		8.500.000	1.385,49
23	8.490	SWEDEN	1990	FEAB-MARSTRANDVERKEN		4.000.000	471,14

Per vessel type:

↓ Bulk Carriers –Investment trends during December:

S&P	week 1	week 2	week 3	week 4	
	December	Dec-6	Dec-13	Dec-20	
Units	12	8			10
November	Nov-8	Nov-15	Nov-22	Nov-29	Average No of bulkers reported sold per week
Units	15	14	28	14	18

At the current week: 8 S&P deals, down by 33% week-on-week and up by 14% year-on-year. (7 S&P deals at similar week in 2012)

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Total Invested Capital: region \$58,7 mil - **Average age of vessels sold –20yrs old built 1993** (mainly all of the activity reported in handies with preference built Japan).

- **Panamax- 1 S&P deal** – 73,000dwt built 2001 Japan for \$16mil.
- **Handymax– 2 S&P deals** – for vintage tonnage built 1985 & 1985 of about 40,000 dwt at region \$4mil each.
- **Handy- 5 S&P deals:** total invested capital \$34,8mil .

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

S&P		week 1	week 2	week 3	week 4	
	December	Dec-6	Dec-13	Dec-20	Dec-27	
Units	12	3				8
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: 3 S&P deals, down by 75% week-on-week and down by 50% year-on-year. (6 S&P deals at similar week in 2012)

Total Invested Capital: region \$67,5 mil. **Average age of vessels sold –13yrs old built 2000.**

- **Suezmax- 1 S&P deal:** for about 157,000dwt vessel built 2013 South Korea for about \$55mil..
- **Small tanker – 2 S&P deals:** 8,490dwt vessels built 1990 Switzerland for less than \$4mil and 6,135dwt built 2003 Japan for about \$8,5mil.

↓ **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	
Units	1	1				1
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 medimLPG carrier built 2006 South Korea, no change week-on-week and 50% down year-on-year. (2 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	
Units	1	5				3
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: 5 S&P deals, 400% up week-on-week. (0 S&P deals reported at similar week in 2012). **Total Invested Capital:** region \$58 mil. **Average age of vessels sold -12yrs old built 2001.**

- **Sub-panamax – 1 enbloc S&P deal** for three 3,430TEU boxship vessels built 2000-2001 for region \$15mil each.
- **Handy – 1 S&P deal** for a 1,076TEU boxship vessel built 2009 for region \$13mil.
- **Feeder- 1 S&P deal** for a 510TEU boxship vessel built 1995.

NEWBUILDING MARKET

No of new orders: 97 vessels– total deadweight: 6,900,050 tons, 71 transactions reported at an undisclosed contract price – The invested capital revealed is about \$2,33bn for 26 new orders. (44 bulkers, 28 tankers, 5 gas tankers, 4 passenger/cruises and 16 special projects).

Newbuilding activity: 8% up week-on-week and up by 288% up year-on-year. The largest volume of newbuilding activity is reported in bulk carrier segment with focus in the capesize/ kamsarmax/ ultramax segments. Orders for bulk carriers held 45% Share of this week's ordering activity; and tankers 19% share .

At **similar week in 2012**, 25 fresh orders had been reported with the largest activity in the tanker segment -10 reported new contracts. (10 tankers, 1 gas tanker, 2 Liners, 6 containers, 2 passenger, 1 car carrier and 3 special projects).

Compared with previous week's levels, a large increase of 75% is recorded in the volume of new orders for tankers (28 new orders from 16 last week) and 10% weekly increase in the bulker (44 new orders from 40 last week).

- **No of units ordered at South Korean yards:** 19 new orders, 1 bulker, 15 tankers, 3 gas tankers, (19.5% share of this week's ordering activity).
- **No. of units ordered at Chinese yards:** 46 new orders, 38 bulkers, 7 tankers, 1 passenger. (47.4% share of this week's ordering activity).
- **No of units ordered at Japanese yards:** 2 new orders for bulkers and 2 for LPG carriers.

Vessel type	Units	Dwt	Country	Yard	USD mil/Unit	GDSA Index \$/dwt
BC	2	250.000	PRC	Bohai Shipd. H.I.	62.500.000	250,00
BC	2	210.000	PRC	Bohai	53.500.000	254,76
BC	1	180.000	SKR	Hyundai	59.000.000	327,78
BC	1	180.000	PRC	Qingdao Beihai	55.000.000	305,56
BC	4	64.000	PRC	Zhejiang Yangfan	27.000.000	421,88
BC	4	64.000	PRC	New Times Shpd.	25.000.000	390,63

TNK	3	320.000	PRC	Dalian Shipbuilding Ind.	93.000.000	290,63
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Vessel type	Units	Cbm	Country	Yard	USD mil/Unit	GDSA Index \$/TEU
GAS TNK-LPG	2	11.000	JPN	Kyokuyo	29.000.000	2636,36
GAS TNK-LPG	1	50.350	SKR	Hyundai	72.000.000	1429,99

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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	41	44		
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

43

Average No of bulkers reported on order per week

36

At the current week: 44 new orders, 10% up week-on-week and 700% up year-on-year. (zero new orders reported at similar week in 2012). Large activity reported in capesize/kamsarmax/ultramax segments.

- **Capesize – 10 new orders:**

2	250.000	Oak Maritime,	HK	Bohai Shipd. H.I.,	PRC
3	207.000	Korea Line,	SKR	Daehan	PRC
1	180.000	Korea Line,	SKR	Daehan	PRC
2	210.000	Hyundai Merchant	SKR	Bohai	PRC
1	180.000	Blumenthal	GER	Hyundai	SKR
1	180.000	Bao- Island Enterprises	HK	Qingdao Beihai	PRC

- **Kamsarmax–13 new orders:**

4	82.000	Scorpio Bulkers	MON	Jiangsu New Yangzij.	PRC
2	82.000	Scorpio Bulkers	MON	SWS	PRC
4	82.000	NK Shipping	SKR	Weihai Samjin	PRC
3	82.000	GE Shipping	IND	Jiangsu New Yangzij.	PRC

- **Ultramax – 16 new orders:**

4	64.000	Horizon Denizcilik	TRK	Zhejiang Yangfan	PRC
4	64.000	Primebulk	GR	New Times Shpd.	PRC
6	63.500	Scorpio Bulkers	MON	Chengxi	PRC
2	60.200	Scorpio Bulkers	MON	Mitsui	JPN

- **Handymax – 5 new orders:**

2	37.650	Diler Holding	TUR	AVIC Weihai	PRC
3	37.000	Uljanik Plovidba & Jadroplov	CRT	3 Maj	CRT

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↑ **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	28		
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

22

Average No of tankers reported on order per week

14

At the current week: 28 new orders reported, up by 75% week-on-week and up by 180% year-on-year. (10 new orders reported at similar week in 2012). Almost of all the activity reported in the MR segment.

- **VLCC – 3 new orders:**

3	320.000	Shandong Landbridge	PRC	Dalian Shipbuilding Ind.	PRC
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- **MR-25 new orders:**

2	51.000	Super Eco Tankers	GR	Weihai Samjin	PRC
6	50.000	Waterfront Shipping	CAN	Hyundai Mipo /Minaminippon	SKR/JPN
9	50.000	BP Shipping	UK	Hyundai Mipo	SKR
5	50.000	BP Shipping	UK	Hyundai Mipo	SKR
2	40.000	Super Eco Tankers	GR	Weihai Samjin	PRC
1	39.000	Top Ships	GR	Hyundai Mipo Dockyard	SKR

↑ **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	5		
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

6

Average No of gas tankers reported on order per week

4

At the current week: 5 new orders reported this week, down by 29% week-on-week and up by 400% year-on-year. (1 new order reported at similar week in 2012).

- **LNG /Floating Storage Units -2 new orders:**

1		Polaris Shipping	SKR	Hyundai HI	SKR
1		BW Group	SPORE	Samsung HI	SKR

- **LPG /Very large gas -3 new orders: 1 for two very large gas carriers and 2 for small.**

2	11.000cbm	Epic Shipping Pte Ltd.	SPORE	Kyokuyo	JPN
1	84.000cbm	Seacor Holdings	USA	Hyundai	SKR

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↓ 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	0			
November	Nov-8	Nov-15	Nov-22	Nov-29	
Units	2	2	6	11	

Average No of containers reported on order per week

3

Average No of containers reported on order per week

5

At the current week: no reported activity, down by 100% week-on-week and year-on-year. (6 new orders reported at similar week in 2012).

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	0			
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	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	1			
November	Nov-8	Nov-15	Nov-22	Nov-29	
Units	2	3	2	5	

Average No of containers reported demo per week

4

Average No of containers reported demo per week

3

The remarkable upturn of the dry and wet freight markets seems that brought a standstill in the current week's demolition activity. Scrap prices hold firm in the subcontinent region, while market fundamentals are not currently supportive for the long term's solidness. Rupees in India and Pakistan do not encourage end buyers for high offers, while the vague political situation in Bangladesh with upcoming elections on January 5th has put a break on end buyers' appetite.

In China, there is still no pick up of activity with China's Ministry of Transport, Ministry of Finance, NDRC and MIIT releasing a new scrap policy in order to facilitate the transformation of the country's shipping industry. The policy will offer subsidies of RMB1,500 per gt to shipping companies that scrap vessels before their expiration dates and at the same time order new vessels. The total tonnage of the new order vessels shouldn't be less than the total tonnage of scrapped vessels and all the vessels should be Chinese flagged. Half of the subsidy will be paid on completion of scrapping and the other half after the completion of the newbuildings.

No of demolition: 5 disposals –total deadweight: 165,684 tons- 1 tanker, 1 liner, 1 container and 1 Ro-Ro.

Demolition activity (in terms of reported number of transactions): 58% down week-on-week showing 100% weekly decrease in the volume of bulker disposals, no scrapping activity in the tanker segment and 67%, 83% declines in liner and container disposals respectively.

In terms of deadweight sent for scrap, there has been 69% weekly decrease with 1 demolition deal reported for large vessel size, 1 aframax tanker.

India is reportedly to have won 4 of the 5 demolition transactions, Bangladesh 0, Pakistan 0, China 0, and Turkey 1.

Benchmark scrap prices in the Indian subcontinent region: \$400/ltd for dry and \$420-\$430/ltd for wet cargo. Scrap prices in China hover at \$330/ltd for dry and \$340/ltd for wet cargo.

Notable demolition transactions: Container M/V “MSC CARLA” with 13,552 Ldt built 1986 fetched \$450/ltd in India.

At a **similar week in 2012**, demolition activity was up by 320%, in terms of the reported number of transactions, when 21 vessels had been reported for scrap of total deadweight 544.736 tons with 9 disposals for bulkers, 2 for liner, 5 liners, 4 containers, 1 reefer. Ship-breakers in Indian subcontinent region had been offering \$375-385 for dry and \$410-\$415/ltd for wet cargo.

Per vessel type:

- **Bulk Carriers- number of disposals per vessel size:** 0 reported deals
- **Tankers- number of disposals per vessel size:** 1 aframax
- **Containers- number of disposals per vessel size:** 1 in the sub-panamax.

Per Demo Country:

- **India:** 1 tanker, 1 liner, 1 container and 1 Ro-Ro.
- **Bangladesh:** 0 reported deals
- **China:** 0 reported deals
- **Pakistan:** 0 reported deals

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	5			
November	Nov-8	Nov-15	Nov-22	Nov-29	
Units	14	4	10	7	

Average No of vessel purchases per week

4

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	9			
November	Nov-8	Nov-15	Nov-22	Nov-29	
Units	7	9	8	7	

Average No of new orders per week

8

Average No of new orders per week

8

At the current week: Greek owners moved more strong in the newbuilding arena.

Second-hand purchasing activity: up by 25% week-on-week- **Newbuilding** activity: 29% up week-on-week.

Secondhand Market- No of vessel purchases: 5 vessel purchases – invested capital region \$116mil. (1 bulker, 1 and 3 containers).

Newbuilding Market- No of new orders: 9 new orders –4 bulkers and 5 tankers.

- **Bulkers: Ultramax**– 4 new orders: of 64.000 from Primebulk at New Times Shpd., China.
- **Tankers: MR** –5 new orders: 2 of 51.000 from Super Eco Tankers at Weihai Samjin, China and 2 of 40,000 at the same yard. 1 of 39,000 from Top Ships at Hyundai Mipo Dockyard, South Korea.