



American Oil Keeps Flowing to China Despite Mounting Trade War

Washington's escalating trade war with Beijing hasn't choked off the flow of American oil to China.

At least six million barrels of U.S. crude set off for Chinese refineries in May, according to ship tracking data compiled by Bloomberg. In June, American shipments to the Asian nation are expected to reach at least 4 million barrels, according to shipping reports and data from Kpler. The volumes are a marked increase from April, when China took just one supertanker of U.S. crude, about two million barrels.

U.S. oil may just be too cheap to pass up. West Texas Intermediate crude is selling for almost \$9 per barrel less than the global benchmark Brent, down from around \$6 in April. While global supply risks have boosted the price of Brent, growing American production has kept WTI weak, making it more appealing to international buyers.

"Clearly the trade war is a consideration," but the WTI discount to Brent is attractive, said Sandy Fielden, an analyst at Morningstar Inc. Purchases made now could be sold later for a higher price — something Chinese companies started doing soon after the trade war began last year.

The three tankers that initially set sail for China in May have not signaled a destination change, even as trade tension ramps up. Meanwhile, a fourth ship headed for Singapore rerouted to Rizhao, China. One of the China-bound tankers, a very large crude carrier (VLCC), received its supply at the Louisiana Offshore Oil port in May, ship tracking data show. More could be headed to China from LOOP, America's only facility that can fully load a VLCC.

LOOP Loadings

This month, the Port is scheduled to load six supertankers after shipping out two last month, according to a person familiar with the matter. If loadings go ahead as planned in June, it would be the largest monthly volume LOOP has pushed out since the terminal began supertanker exports last year.

That said, the trade war is heating up yet again, and with it comes heightened risk of a Chinese tariff on American crude. So far, oil has escaped that fate, but the market could see a repeat from last year when China's imports of U.S. crude collapsed, Fielden said. If China does slap a tariff on U.S. oil, "some market traders might want to take it off Chinese buyers at a deep discount or sell it to the Russians who would need clean crude," said Fielden.

<https://gcaptain.com/american-oil-keeps-flowing-to-china-despite-mounting-trade-war/>

Hahn Mulls \$4 Billion Sale of Korea's H-Line Shipping

Hahn & Co. is considering options for H-Line Shipping Co. including a partial or full sale of the South Korean freight company, people familiar with the matter said.

The private equity firm is working with financial advisers on the potential transaction, which could value the entire shipping firm at \$3.5 billion to \$4 billion including debt, the people said. Some investors that helped buy the shipping assets five years ago are seeking to cash out, said one of the people, asking not to be identified because the matter is private.

Hahn & Co. has started sounding out some shipping firms and infrastructure investment funds to gauge their interest, the people said.

H-Line Shipping was formed in 2014 after Hahn & Co. took over the non-container shipping operations from Hanjin Shipping Co., which collapsed two years later. In 2016, H-Line Shipping acquired the dry bulk transportation business of debt-laden Hyundai Merchant Marine Co.

The shipping company operates vessels that transport raw materials such as iron ore and coal as well as liquefied natural gas, according to its website. State-owned Korea Gas Corp. and Posco, the country's biggest steelmaker, are among its clients.

As part of the review, Hahn is also considering the alternative of raising a new infrastructure fund to acquire H-Line Shipping, which would allow Hahn to continue managing the business while returning cash to the existing fund's investors, according to one person. Deliberations are at an early stage, and Hahn & Co. could still decide against pursuing a deal, the people said.

A representative for the private equity firm declined to comment.

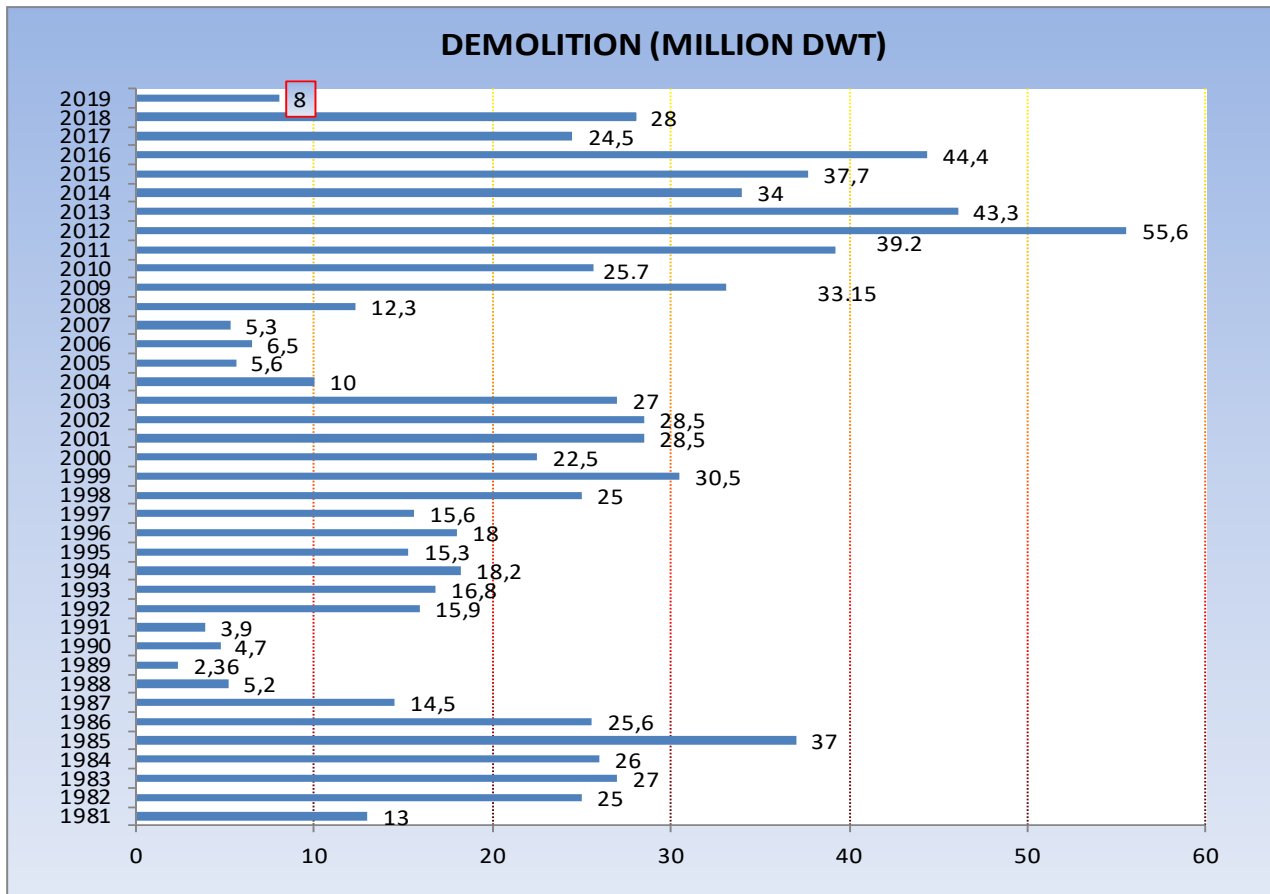
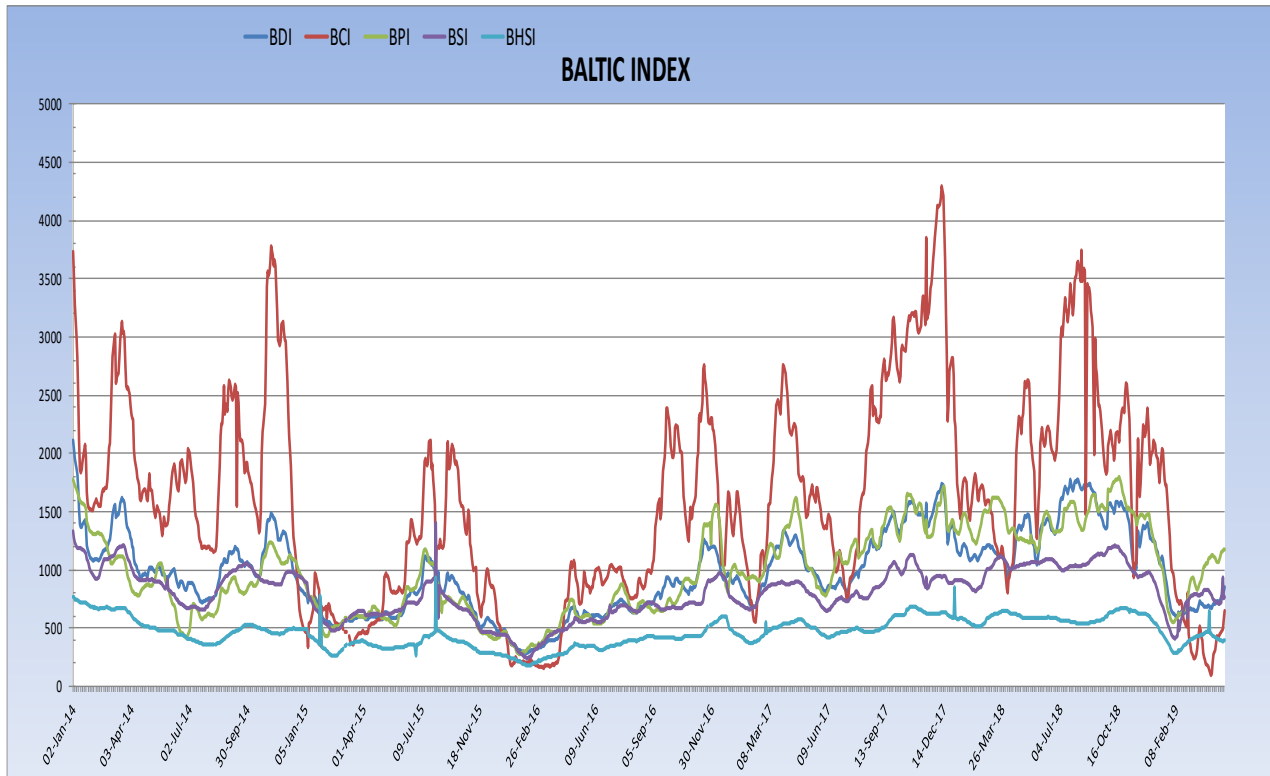
Low rates and high fuel costs have forced global shipping companies to seek ways to raise cash and clean up their balance sheets by selling non-core assets. In April, Denmark's A.P. Moller-Maersk A/S spun off its drilling unit to focus on its core transport activities.

Scott Hahn, a former chief investment officer for Asia at Morgan Stanley Private Equity, founded Seoul-based Hahn & Co. in 2010. The buyout firm snapped up shipping assets in South Korea as the nation's container lines were selling non-core business in their efforts to stay afloat after years of losses amid excess capacity and slow economic growth. Last year, Hahn & Co. agreed to buy 79% of SK Shipping Co. and paid down its debt in a deal valuing the company at \$3.7 billion.

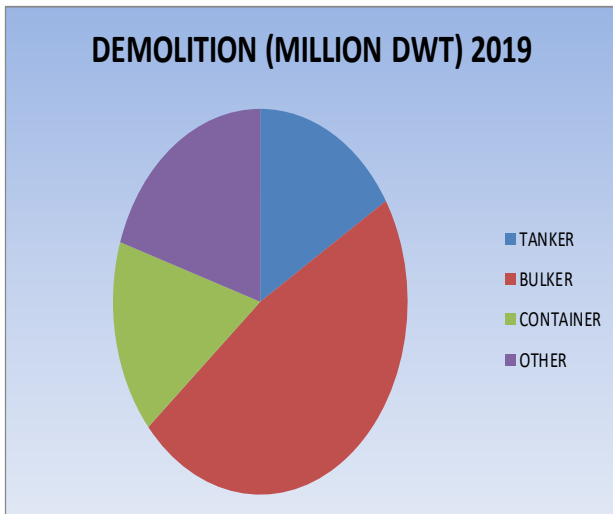
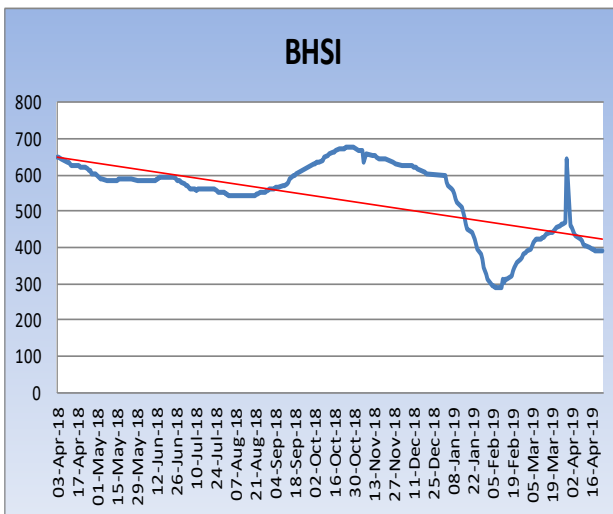
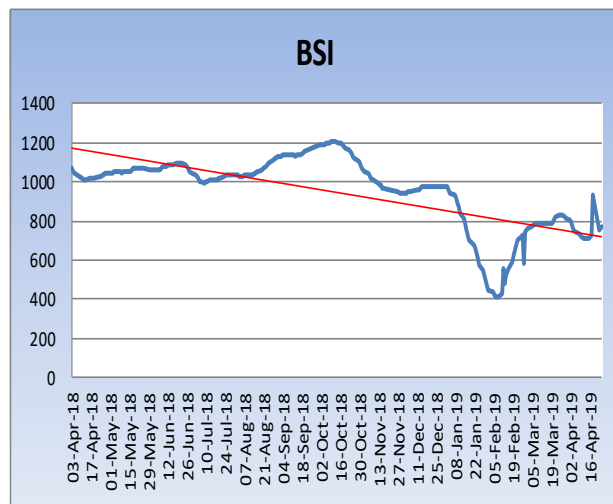
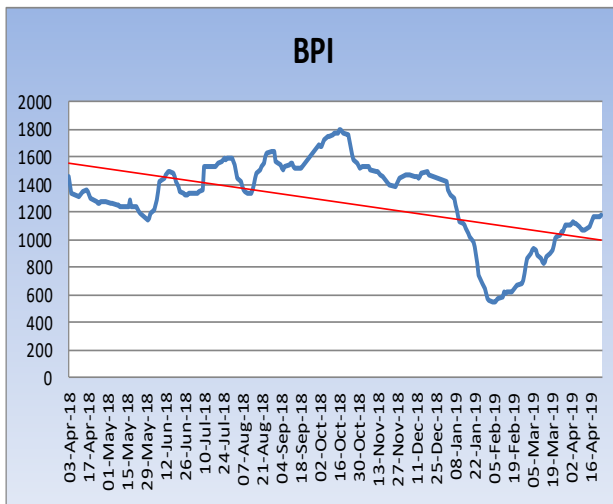
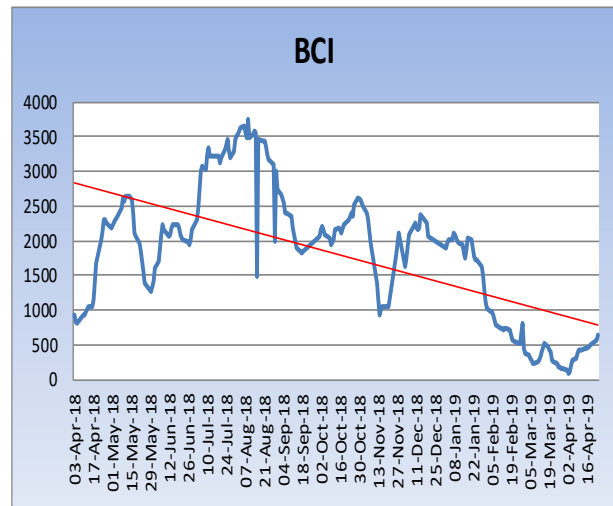
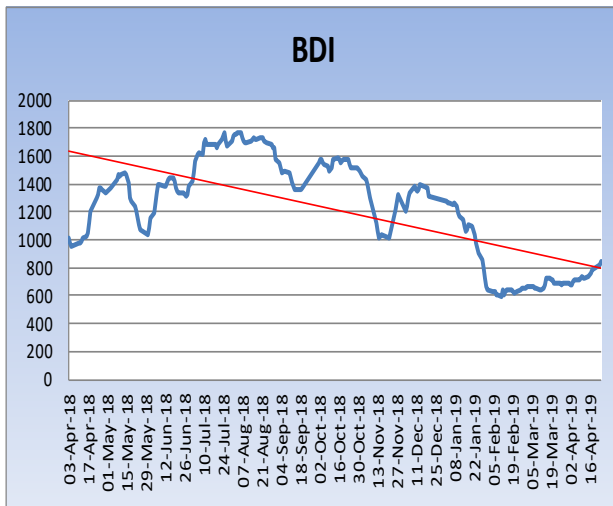
<https://www.bloomberg.com/news/articles/2019-06-04/hahn-is-said-to-mull-4-billion-sale-of-korea-s-h-line-shipping>

SALE & PURCHASE							
BULK CARRIER	DWT	BLT	PLACE	M/E	BUYER	\$ Mil	\$/dwt
ROYAL MAYBACH	93.272	2010	YANGFAN GROUP CO LTD	MAN-B&W	UNDISCL. BYRS	Undiscl. Price	
BRILLIANT CENTURY	91.879	2002	IMABARI SAIJO	B&W	CHINESE BYRS	Region 8.200.000	
SEA VICTORY	77.095	2014	IMABARI SHBLDG - HIROS	MAN-B&W	CLIENTS OF NAVIOS	14.500.000	188
CHRIS	76.629	2006	IMABARI MARUGAME	MAN-B&W	MIDDLE EASTERN BYRS	10.700.000	140
OCEAN FAVOUR	72.400	1998	SASEBO SASEBO	B&W	MIDDLE EASTERN BYRS	6.200.000	86
GH FRANKEL	63.227	2012	YANGZHOU DAYANG SHIPBU	MAN-B&W	EUROPEAN BYRS	16.900.000	267
APUS	63.123	2014	HANTONG SHIP HEAVY IND	MAN-B&W	UNDISCL. BYRS	139.500.000	
HYDRUS	56.604	2013	HANTONG SHIP HEAVY IND	MAN-B&W			
LEO	56.581	2013	HANTONG SHIP HEAVY IND	MAN-B&W			
D. CENTAURUS	56.559	2012	HANTONG SHIP HEAVY IND	MAN-B&W			
PEGASUS	56.540	2013	HANTONG SHIP HEAVY IND	MAN-B&W			
CEPHEUS	56.539	2012	HANTONG SHIP HEAVY IND	MAN-B&W			
COLUMBA	56.530	2012	HANTONG SHIP HEAVY IND	MAN-B&W			
DORADO	56.507	2013	HANTONG SHIP HEAVY IND	MAN-B&W			
ZEYNO	63.064	2015	YANGZHOU DAYANG SHIPBU	MAN-B&W			
DARYA BRAHMA	56.056	2006	MITSUMI TAMANO	MAN-B&W	CLIENTS OF PT PELAYARAN BAHTERA ADHIGUNA	Mid-High 10.000.000	
BLUE BALANCE	45.713	1998	TSUNEISHI SHBLDG - FUK	B&W	CHINESE BYRS	4.800.000	105
TANKER	DWT	BLT	PLACE	M/E	BUYER	\$ Mil	\$/dwt
BRIGHTOIL GRACE	319.778	2013	HYUNDAI HEAVY INDS - G	MAN-B&W	SOLD @ AUCTION TO CLIENTS OF DELTA TANKERS	61.200.000	191
PHOENIX VANGUARD	306.506	2007	DAEWOO SHIPBUILDING &	Sulzer	UNDISCL. BYRS	9.100.000	30
DAEWOO 5460	300.000	2019	DAEWOO SHIPBUILDING &	MAN-B&W	S. KOREAN BYRS	97.500.000	325
DAEWOO 5457	300.000	2020	DAEWOO SHIPBUILDING &	MAN-B&W	S. KOREAN BYRS	97.500.000	325
MUCUA	113.010	2008	NEW TIMES SHIPBUILDING	MAN-B&W	UNDISCL. BYRS	20.100.000	178
BRIGHTOIL LION	107.525	2010	TSUNEISHI HOLDINGS - T	MAN-B&W	CLIENTS OF EASTERN PACIFIC	Region 24.000.000	
OKLAHOMA	105.465	2006	SUMITOMO HEAVY MARINE	Sulzer	INDONESIAN BYRS	18.500.000	175

MAERSK JEDDAH	104.623	2011	SUMITOMO HEAVY MARINE	MAN-B&W	GREEK BYRS	30.300.000	290
MAERSK JAMNAGAR	104.588	2011	SUMITOMO HEAVY MARINE	MAN-B&W		30.300.000	290
CPO AUSTRALIA	51.763	2011	HYUNDAI MIPO DOCKYARD	MAN-B&W	CLIENTS OF TORM	20.750.000	401
CPO MALAYSIA	51.762	2011	HYUNDAI MIPO DOCKYARD	MAN-B&W		11.250.000	217
CPO SINGAPORE	51.737	2011	HYUNDAI MIPO DOCKYARD	MAN-B&W	UNDISCL. BYRS	11.250.000	217
CPO NEW ZEALAND	51.717	2011	HYUNDAI MIPO DOCKYARD	MAN-B&W		11.250.000	217
MARIPOSA	49.999	2010	ONOMICHI	MAN-B&W	GREEK BYRS	17.500.000	350
HIGH SUN	49.990	2014	HYUNDAI-VINASHIN SHIPY	MAN-B&W	TURKISH BYRS	28.000.000	560
PAPILLON	47.302	2007	ONOMICHI	MAN-B&W	TURKISH BYRS	Undiscl. Price	
SECURITY	46.803	2004	HYUNDAI MIPO DOCKYARD	B&W	UNDISCL. BYRS	9.750.000	208
KANDAVA	37.258	2007	HYUNDAI MIPO DOCKYARD	MAN-B&W	CLIENTS OF GESTION I	11.600.000	311
NORDIC RUTH	35.820	2000	DAEDONG SHIPBUILDING -	Sulzer	UNDISCL. BYRS	5.800.000	81
BOW TONE	33.624	2009	KITANIHON	Mitsubishi	UNDISCL. BYRS	18.300.000	86
CHEMICAL DISTRIBUTOR	12.288	1999	WATANABE ZOSEN KK - IM	MAN-B&W	INDIAN BYRS	4.600.000	374
P CHANCE	8.727	2000	SHIN KURUSHIMA IMABARI	MAN-B&W	UNDISCL. BYRS	4.150.000	476
LAGAN	7.197	2008	ARMON VIGO ASTILLEROS	MaK	MIDDLE EASTERN BYRS	4.000.000	556
CONTAINER	DWT	BLT	PLACE	TEU	BUYER	\$ mil	\$/dwt
MSC NINGBO	93.572	2004	HYUNDAI HEAVY INDS - U	7.849	GREEK BYRS	18.500.000	198
HANSA MARBURG	23.419	2007	GUANGZHOU WENCHONG SHI	1.740	CHINESE BYRS	6.400.000	273
Ro-Ro / MPP / Ferry / Reefer	DWT	BLT	PLACE	TYPE	BUYER	\$ mil	\$/dwt
DEMO	TYPE	DWT	BLT	LDT	\$ LT / ldt	\$	PLACE
PREMA ONE	BC	71.741	1995	9.919	448	4.443.712	BANGLADESH
EASLINE BUSAN	CONTAINER	12.708	1994	5.500	430	2.365.000	BANGLADESH
BRAVE-M	GENERAL CARGO	9.498	1985	3.508	426	1.494.408	INDIA
ST CONFIDENCE	GENERAL CARGO	4.705	1993	2.462	425	1.046.350	BANGLADESH



12 MONTHS STATISTICS



LEGACY SHIPBROKING S.A.

57, Akti Miaouli

18536, Piraeus

Greece

Phone: +30 210 4292700

E-mail: snp@legacy.gr

Fax: +30 210 4292737

Url: www.legacy.gr**Capt. Takis Margaritis**

Mob: +30 6944 452028

Skype: takismargaritis

Costas Karatzas

Mob: +30 6944 456325

Skype: costaskaratzas

Flora Karatairi

Mob: +30 6956 302130

Skype: flora.karatairi

...Think Green ... Think before you print!

Disclaimer

The information contained in this email and any attachments is confidential and may contain proprietary information, some or all of which may be legally privileged. It is intended solely for the use of the named addressee. Access, copying or re-use of the email or any information contained therein by any other person is not authorized. If you are not the intended recipient please notify us immediately by returning the email to the originator, delete the message and destroy any copies. Whilst we have taken reasonable precautions to ensure that this e-mail and any attachment has been checked for viruses, we cannot guarantee that they are virus free and we cannot accept liability for any damage sustained as a result of software viruses. We would advise that you carry out your own virus checks, especially before opening an attachment.