

Weekly Shipping Market Update

16th - 20th May 2016 | Week 20

Market Analysis

It has been a very difficult year for the majority of the shipping industry. The dry bulk market has felt a considerable blow since 2015, struggling to find a balance while being dealt some of the lowest earnings that it has witnessed in more than a quarter century. The container market has been also plagued by vast overcapacity, while the ongoing efforts by operators to ever enlarge the average vessel in their fleet and push for lower costs per TEU has brought about a vast restructuring in the market, leaving a plethora of vessels in effect "out of market". The tanker market has been able to witness a successful recovery ever since the drop in oil prices allowed for a rejuvenation in the demand for seaborne transport, but even here it seems as though this boost in trade has its limits (with most of the boost noted primarily driven by increasing storage for strategic reserves by governments rather than a considerable boost in demand by consumers) and is in itself plagued by a reshaping of the market with considerable strides having been made in energy efficiency globally and through the reshaping of the trade in itself as more and more producing countries try to capture higher value through the production of oil products rather than merely relying on gains from the crude commodity.

Given all these issues and as has been mentioned countless times, huge strides have been made in an effort to rebalance the market, capping the growth in the fleet through a lack in new orders for newbuilds, a strong level of cancellations and slippages on newbuildings already on order and by a significant increase in the scrapping of vessels. Yet all this might prove fruitless if the global economy succumbs to the vast and growing risks it faces.

The global economy is in a very fragile state. The U.S. economy, the main engine of growth and consumer demand has been moving at a sluggish pace for several years now, though it has been technically in a state of expansion. What's more worrisome is that it is now in its seventh year of expansion, one of the longest it has recorded with the record being the one noted in the 90's which lasted for ten years. Though this might not necessarily mean anything, given the difficult economic issues that have still been illusive to correct and the fact that the FED has been unable to find the right timing and support for its much needed interest rate increase, it leaves for a considerable risk as to how well the economy will be able to cope over the coming years. Europe, also one of the world's big drivers of consumer growth is facing several issues of its own, some of which have even managed to bring it close to a breakup between its member countries. China, which has been the main "factory" of production and has recently started to play an ever increasing role as consumer and driver of economic growth has faced a strong slowdown in its growth levels, its struggling to shift from a cheap producer to an innovating economy and it has recently been dealt severe blows in its financial markets (from the strong drop in its stock exchange last year to the more recent rise in defaults in its bond market).

All this leaves for one question, how well is the shipping industry coping to deal with a further slowdown in the growth of seaborne trade or a case where we even start to see a drop in overall demand. Corrections have been made on all fronts, but we are still in risk that a true market recovery might be still away from our grasp. Let's hope that most of these risks never materialize.

George Lazaridis

Head of Market Research & Asset Valuations



Week in numbers

Dry Bulk Freight Market

	20 May		W-O-W change	
			±Δ	±%
BDI	625		▲ 25	4.2%
BCI	870		▲ 72	9.0%
BPI	614		▲ 17	2.8%
BSI	562		▲ 9	1.6%
BHSI	343		▼ -4	-1.2%

Tanker Freight Market

	20 May		W-O-W change	
			±Δ	±%
BDTI	744		▲ 12	1.6%
BCTI	480		▲ 3	0.6%

Newbuilding Market

Aggregate Price Index			M-O-M change	
	20 May		±Δ	±%
Bulkers	76		▼ -1	-0.8%
Cont	95		▼ -2	-2.6%
Tankers	96		▼ -1	-1.4%
Gas	97		▼ -1	-1.3%

Secondhand Market

Aggregate Price Index			M-O-M change	
	20 May		±Δ	±%
Capesize	39		▲ 3	7.2%
Panamax	36		▲ 2	6.2%
Supramax	38		▲ 3	8.4%
Handysize	43		▲ 1	1.8%
VLCC	100		▼ -5	-4.9%
Suezmax	92		▼ -1	-1.5%
Aframax	108		▼ -3	-2.8%
MR	114		▼ -7	-5.4%

Demolition Market

Avg Price Index (main 5 regions)			W-O-W change	
	20 May		±Δ	±%
Dry	239		▼ -8	-3.2%
Wet	256		▼ -8	-3.0%

Economic Indicators

	20 May		M-O-M change	
			±Δ	±%
Gold \$	1,254		▲ 27	2.2%
Oil WTI \$	48		▲ 8	19.9%
Oil Brent \$	49		▲ 6	13.4%
Iron Ore	56		▼ -3	-4.9%
Coal	54		▼ -2	-3.8%

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Freight Market

Dry Bulkers - Spot Market

16th - 20th May 2016

Capesize - A very strong start to the week, with rates showing a good upward course. However, come Thursday and the favourable winds seemed to have all but left, as charterers took a step back, leaving little fresh interest in the market and a slow build up once more in the position lists in both the Pacific and Atlantic basins. Nevertheless the gains made early on in the week seemed to be enough to still keep a positive week-on-week growth here.

Panamax - A slight refresh in the ECSA market was enough to give a positive beat to the market, with rates improving slightly in the first half of the week. Here too things started to get difficult come Thursday, though with a good flow of fresh inquiries for early June loading shows promise of a more buoyant market than what had been seen the weeks prior.

Supramax - Not much excitement in the Supramax sizes, with rates remaining overall stagnant during most of the week and only slight positive blimps here and there keeping things on a positive week-on-week close. Activity from the U.S. Gulf help keep things slightly more active, while the Pacific gained some momentum mid week, countering the slower interest being noted out of Continent and the Black Sea/Med region.

Handysize - With much of the Atlantic basin lagging in fresh interest and favorable fixing levels, things closed once more in the red for Handies. The improvement being noted in the Far East and U.S. Gulf was not enough to drive the market as a whole for now, though things might start to gain over the coming days.

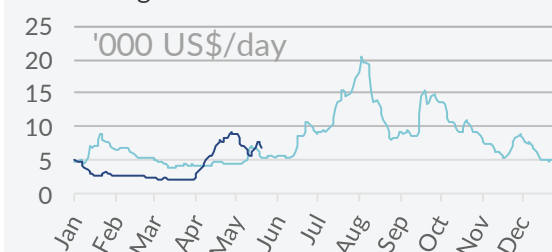
Spot market rates & indices

				Average	
				2016	2015
Baltic Dry Index					
BDI	625	600	4.2%	453	711
Capesize					
BCI	870	798	9.0%	453	1,009
BCI 5TC	\$ 6,981	\$ 6,286	11.1%	\$ 4,163	\$ 8,001
ATLANTIC RV	\$ 8,720	\$ 7,400	17.8%	\$ 4,507	\$ 8,206
Cont / FEast	\$ 15,532	\$ 14,318	8.5%	\$ 10,197	\$ 16,387
PACIFIC RV	\$ 5,346	\$ 4,842	10.4%	\$ 3,560	\$ 7,394
FEast / ECSA	\$ 5,945	\$ 5,650	5.2%	\$ 4,372	\$ 8,353
Panamax					
BPI	614	597	2.8%	480	690
BPI - TCA	\$ 4,909	\$ 4,768	3.0%	\$ 3,837	\$ 5,513
ATLANTIC RV	\$ 5,455	\$ 5,280	3.3%	\$ 3,818	\$ 5,925
Cont / FEast	\$ 8,688	\$ 8,505	2.2%	\$ 7,344	\$ 10,563
PACIFIC RV	\$ 4,844	\$ 4,710	2.8%	\$ 3,719	\$ 5,021
FEast / Cont	\$ 647	\$ 575	12.5%	\$ 466	\$ 542
Supramax					
BSI	562	553	1.6%	430	662
BSI - TCA	\$ 5,879	\$ 5,780	1.7%	\$ 4,495	\$ 6,919
Cont / FEast	\$ 9,883	\$ 10,442	-5.4%	\$ 7,828	\$ 9,890
Med / FEast	\$ 7,968	\$ 8,096	-1.6%	\$ 6,890	\$ 9,274
PACIFIC RV	\$ 4,717	\$ 4,517	4.4%	\$ 3,961	\$ 5,989
FEast / Cont	\$ 2,890	\$ 2,810	2.8%	\$ 2,182	\$ 4,794
USG / Skaw	\$ 9,425	\$ 8,513	10.7%	\$ 6,616	\$ 10,915
Skaw / USG	\$ 4,543	\$ 4,536	0.2%	\$ 2,342	\$ 3,705
Handysize					
BHSI	343	347	-1.2%	268	364
BHSI - TCA	\$ 4,878	\$ 4,932	-1.1%	\$ 3,908	\$ 5,354
Skaw / Rio	\$ 5,219	\$ 5,398	-3.3%	\$ 3,107	\$ 3,770
Skaw / Boston	\$ 6,053	\$ 6,203	-2.4%	\$ 3,477	\$ 4,057
Rio / Skaw	\$ 6,467	\$ 7,052	-8.3%	\$ 5,753	\$ 8,526
USG / Skaw	\$ 6,064	\$ 5,925	2.3%	\$ 5,096	\$ 7,200
SEAsia / Aus / Jap	\$ 3,257	\$ 3,189	2.1%	\$ 3,015	\$ 4,211
PACIFIC RV	\$ 4,354	\$ 4,250	2.4%	\$ 3,902	\$ 5,429

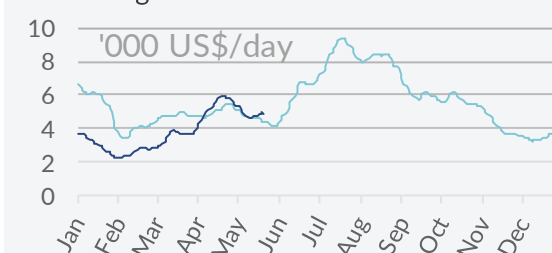
Dry Bulk Indices



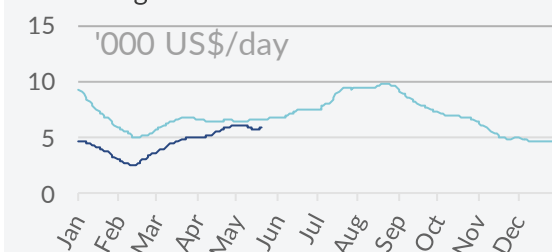
BCI Average TCE



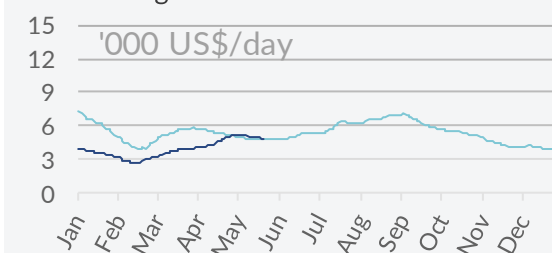
BPI Average TCE



BSI Average TCE



BHSI Average TCE



— 2015 — 2016

Freight Market

Tankers - Spot Market

16th - 20th May 2016

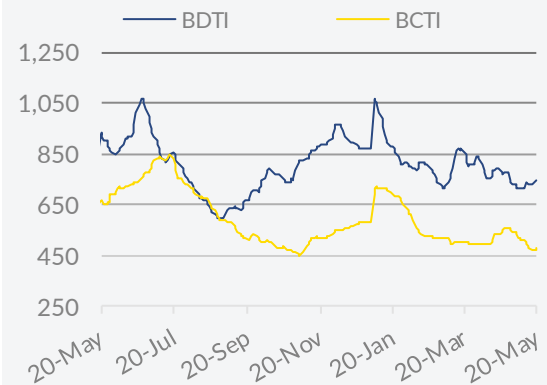
Crude Oil Carriers - A major set back this week for crude oil carriers as the limited activity coming out of the MEG left owners little choice but to ease their ideas. Both Westbound and Eastbound voyages from the MEG took a sizeable hit in terms of rates, while the WAF was also looking to be lacking in activity mainly due to supply disruptions in the region. Some improvement was being seen in the Aframax sizes in the North Sea/Baltic region thanks to improved demand and a much tighter tonnage list present, while there was a marginal week-on-week gain in the Caribs though this might slowly be losing some of its team as new ballasters emerge.

Oil Products - A fairly good week in the products tanker range, with the majority of routes for both DPP and CPP cargoes showing signs of improving. Demand from the Far East kicked in mid week pushing a significant amount of tonnage in that direction while a more active Black Sea/Med and Continent kept any excess tonnage to a minimum.

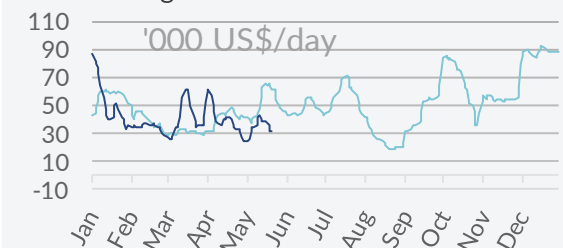
Spot market rates & indices

		20 May	13 May	±%	Average 2016	2015
Baltic Tanker Indices						
BDTI		744	732	1.6%	807	820
BCTI		480	477	0.6%	555	637
VLCC						
MEG-USG	WS	35.71	39.83	-10.3%	40.35	36.36
	\$/day	\$ 18,914	\$ 23,213	-18.5%	\$ 27,375	\$ 31,968
MEG-SPORE	WS	60.36	71.82	-16.0%	69.23	64.43
	\$/day	\$ 54,148	\$ 65,023	-16.7%	\$ 63,836	\$ 61,629
MEG-JAPAN	WS	58.93	70.11	-15.9%	67.64	63.09
	\$/day	\$ 42,527	\$ 53,372	-20.3%	\$ 54,386	\$ 68,288
WAF-USG	WS	62.50	72.50	-13.8%	73.96	72.72
	\$/day	\$ 78,325	\$ 93,680	-16.4%	\$ 98,234	\$ 76,589
SUEZMAX						
WAF-USAC	WS	55.00	67.50	-18.5%	78.94	81.13
	\$/day	\$ 29,271	\$ 38,902	-24.8%	\$ 49,454	\$ 46,404
BSEA-MED	WS	74.41	84.23	-11.7%	89.22	91.34
	\$/day	\$ 18,478	\$ 24,674	-25.1%	\$ 31,199	\$ 46,346
AFRAMAX						
NSEA-CONT	WS	117.00	104.72	11.7%	108.13	111.01
	\$/day	\$ 29,823	\$ 20,785	43.5%	\$ 27,670	\$ 37,053
MEG-SPORE	WS	89.06	89.89	-0.9%	119.93	112.26
	\$/day	\$ 14,222	\$ 14,202	0.1%	\$ 25,617	\$ 31,406
CARIBS-USG	WS	99.44	95.00	4.7%	116.87	133.63
	\$/day	\$ 13,736	\$ 12,435	10.5%	\$ 21,945	\$ 37,962
BALTIC-UKC	WS	98.61	74.44	32.5%	86.89	92.57
	\$/day	\$ 32,982	\$ 19,139	72.3%	\$ 30,065	\$ 43,406
DPP						
CARIBS-USAC	WS	115.00	117.50	-2.1%	125.47	138.77
	\$/day	\$ 24,912	\$ 25,891	-3.8%	\$ 29,674	\$ 30,727
ARA-USG	WS	110.00	98.75	11.4%	112.28	122.73
	\$/day	\$ 27,243	\$ 23,567	15.6%	\$ 29,478	\$ 30,281
SEASIA-AUS	WS	89.41	87.44	2.3%	118.74	110.54
	\$/day	\$ 17,230	\$ 16,350	5.4%	\$ 28,829	\$ 35,804
MED-MED	WS	121.78	109.50	11.2%	98.50	108.70
	\$/day	\$ 26,315	\$ 21,400	23.0%	\$ 19,550	\$ 35,902
CPP						
MEG-JAPAN	WS	98.78	81.50	21.2%	102.56	105.50
	\$/day	\$ 17,438	\$ 12,470	39.8%	\$ 20,328	\$ 28,796
CONT-USAC	WS	120.68	116.64	3.5%	117.01	134.68
	\$/day	\$ 10,945	\$ 10,433	4.9%	\$ 12,109	\$ 18,755
CARIBS-USAC	WS	115.00	110.00	4.5%	131.81	134.05
	\$/day	\$ 18,623	\$ 17,497	6.4%	\$ 23,759	\$ 22,099
USG-CONT	WS	80.36	81.79	-1.7%	96.72	96.47
	\$/day	\$ 4,646	\$ 5,003	-7.1%	\$ 9,055	\$ 12,481

Tanker Indices



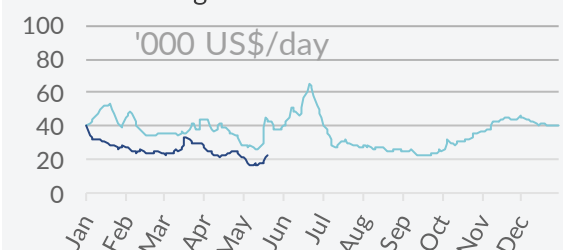
VLCC Average TCE



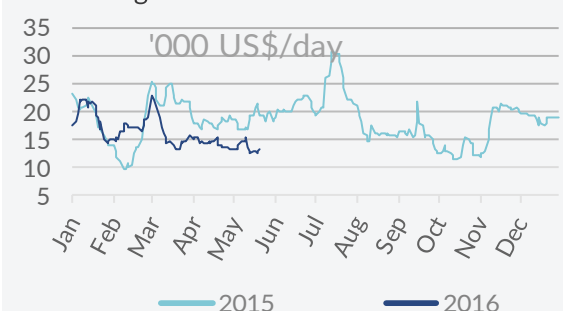
Suezmax Average TCE



Aframax Average TCE



MR Average TCE



Freight Market

Period Charter

16th - 20th May 2016

Dry Bulk period market TC rates

	20 May	15 Apr	±%	last 5 years		
				Min	Avg	Max
Capesize						
12 months	\$ 7,500	\$ 9,000	-16.7%	\$ 6,200	\$ 15,190	\$ 31,450
36 months	\$ 10,000	\$ 9,750	2.6%	\$ 6,950	\$ 15,787	\$ 25,200
Panamax						
12 months	\$ 6,000	\$ 5,750	4.3%	\$ 4,950	\$ 10,595	\$ 18,700
36 months	\$ 6,750	\$ 6,750	0.0%	\$ 6,200	\$ 11,140	\$ 16,700
Supramax						
12 months	\$ 6,000	\$ 5,750	4.3%	\$ 4,450	\$ 10,441	\$ 15,950
36 months	\$ 6,250	\$ 6,250	0.0%	\$ 6,200	\$ 10,757	\$ 15,450
Handysize						
12 months	\$ 4,750	\$ 4,750	0.0%	\$ 4,450	\$ 8,623	\$ 12,950
36 months	\$ 5,500	\$ 5,750	-4.3%	\$ 5,450	\$ 9,179	\$ 12,950

Latest indicative Dry Bulk Period Fixtures

M/V "TRADE QUEST", 82000 dwt, built 2015, dely Ex yard Shanghai 10/15 Jun, \$6,500, for 10/14 months trading, to Louis Dreyfus

M/V "LIN JIE", 177359 dwt, built 2003, dely retro Zhoushan 11 May, \$6,800, for 5/7 months trading, to Classic Maritime

M/V "AQUAGLORY", 171015 dwt, built 2003, dely Qinghuangdao prompt, \$7,400, for 6/9 months trading, to Rio Tinto

M/V "CAPETAN COSTAS S", 81542 dwt, built 2012, dely China 22/28 May, \$5,900, for 16/20 months trading, to Cargill

M/V "COTSWOLD", 179611 dwt, built 2015, dely Tianjin 20/25 May, \$8,500, for 4/6 months trading, to Uniper

Tanker period market TC rates

	20 May	15 Apr	±%	last 5 years		
				Min	Avg	Max
VLCC						
12 months	\$ 39,250	\$ 42,500	-7.6%	\$ 18,000	\$ 30,023	\$ 57,750
36 months	\$ 35,000	\$ 37,500	-6.7%	\$ 22,000	\$ 31,614	\$ 45,000
Suezmax						
12 months	\$ 28,750	\$ 30,000	-4.2%	\$ 15,250	\$ 23,165	\$ 42,500
36 months	\$ 26,500	\$ 28,750	-7.8%	\$ 17,000	\$ 24,544	\$ 35,000
Aframax						
12 months	\$ 23,500	\$ 25,250	-6.9%	\$ 13,000	\$ 18,070	\$ 30,000
36 months	\$ 21,500	\$ 23,500	-8.5%	\$ 14,750	\$ 19,007	\$ 27,000
MR						
12 months	\$ 16,250	\$ 17,250	-5.8%	\$ 12,500	\$ 15,000	\$ 21,000
36 months	\$ 15,750	\$ 16,250	-3.1%	\$ 14,000	\$ 15,294	\$ 18,250

Latest indicative Tanker Period Fixtures

M/T "ULYSSES", 300000 dwt, built 2016, \$35,000, for 3 years trading, to HYUNDAI GLOVIS

M/T "RS TARA", 158000 dwt, built 2016, \$28,500, for 2 years trading, to VITOL

M/T "LEYLA K", 115000 dwt, built 2010, \$22,500, for 6 months trading, to MJOLNER

M/T "BLUEBIRD", 75000 dwt, built 2016, \$18,750, for 1 year trading, to CCI LLC

M/T "AXIOS", 46800 dwt, built 2006, \$16,500, for 1 year trading, to BP

Dry Bulk 12 month period charter rates (USD '000/day)

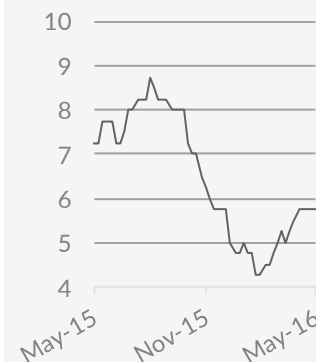
Capesize



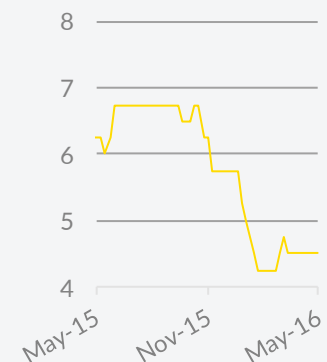
Panamax



Supramax

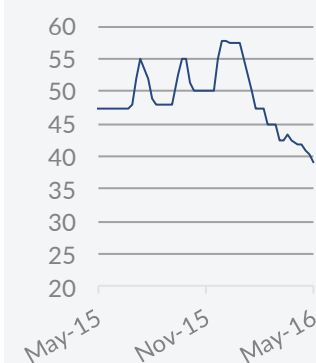


Handysize

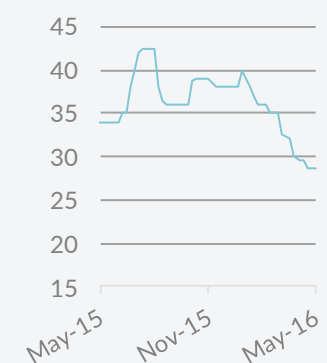


Tanker 12 month period charter rates (USD '000/day)

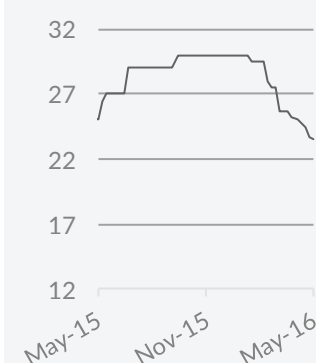
VLCC



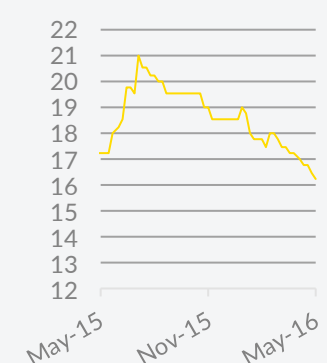
Suezmax



Aframax



MR

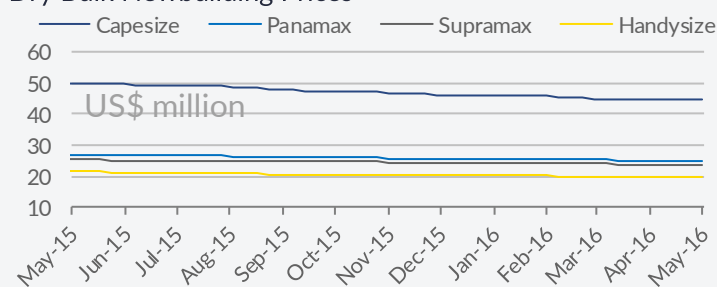


Sale & Purchase Newbuilding Orders

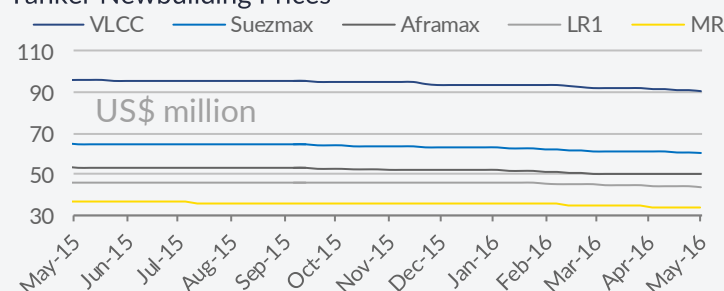
16th - 20th May 2016

Further price discounts by shipbuilders have yet to drive a strong increase in interest from the side of buyers. Activity has started to pick up here and there but still too sparse and too few units in all categories of ships to feed the current shipbuilding capacity. The marketing efforts are expected to get even more rampant as we start to move closer to June, though with sectors such as that of the dry bulkers and containers still noting considerable price discounts in the secondhand market compared to what is being offered for a newbuilding, it seems as though it will be a hard case to convince any major crowd in placing new orders in mass, especially given the fact that most shipowners are still focusing on the rate of reduction in the orderbook, in the hope that the current trading fleet will finally be alleviated from the excess capacity growth noted.

Dry Bulk Newbuilding Prices



Tanker Newbuilding Prices



Indicative Dry NB Prices (US\$ million)

	20 May	15 Apr	±%	last 5 years		
				Min	Avg	Max
Dry Bulk						
Capesize (180,000dwt)	44.5	45.0	-1.1%	44.5	50.2	58.0
Kamsarmax (82,000dwt)	25.3	25.5	-1.0%	25.3	28.9	36.5
Panamax (77,000dwt)	24.8	25.0	-1.0%	24.8	28.1	34.5
Ultramax (64,000dwt)	23.3	23.5	-1.1%	23.3	26.3	31.0
Handysize (37,000dwt)	20.0	20.0	0.0%	20.0	22.3	26.5
Container						
Post Panamax (9,000teu)	85.5	86.5	-1.2%	76.5	86.6	94.5
Panamax (5,200teu)	51.0	52.5	-2.9%	48.6	57.0	65.6
Sub Panamax (2,500teu)	28.5	29.3	-2.6%	28.5	33.0	41.0
Feeder (1,700teu)	19.5	20.3	-3.7%	19.5	24.3	29.4

Indicative Wet NB Prices (US\$ million)

	20 May	15 Apr	±%	last 5 years		
				Min	Avg	Max
Tankers						
VLCC (300,000dwt)	90.5	92.0	-1.6%	89.5	96.2	104.0
Suezmax (160,000dwt)	60.3	61.0	-1.2%	55.8	61.5	66.0
Aframax (115,000dwt)	50.0	50.0	0.0%	47.0	51.8	56.0
LR1 (75,000dwt)	43.5	44.5	-2.2%	40.5	44.0	47.0
MR (56,000dwt)	33.8	34.5	-2.2%	33.5	35.3	37.3
Gas						
LNG 160k cbm	196.0	198.0	-1.0%	196.0	200.0	203.0
LPG LGC 80k cbm	75.0	76.0	-1.3%	70.0	74.2	80.0
LPG MGC 55k cbm	65.0	66.0	-1.5%	62.0	64.6	68.5
LPG SGC 25k cbm	43.0	43.5	-1.1%	41.0	44.1	46.5

Reported Transactions

Type	Units	Size	Shipbuilder	Price	Buyer	Delivery	Comments
TANKER	2+2	320,000 dwt	JINHAI HEAVY, China	\$ 78.0m	FREDRIKSEN GROUP - Norway	2018	LOI
TANKER	2	300,000 dwt	NANTONG COSCO KHI, China	N/A	K LINE - Japan	2017-2018	
TANKER	6+8	72,000 dwt	DSIC DALIAN, China	\$ 40.0m	S1 CAPITAL - U. K.	2017-2018	
TANKER	2	40,000 dwt	HYUNDAI MIPO, S. Korea	\$ 40.0m	SUPER-ECO TANKERS - Greece	2017-2018	
TANKER	4+6	11,000 dwt	ZHEJIANG SHENZHOU, China	\$ 18.0m	OCEAN TANKERS - Singapore	2017-2018	TIER II
TANKER	4+6	11,000 dwt	WEIHAI SAMJIN, China	\$ 18.0m	OCEAN TANKERS - Singapore	2017-2018	TIER II
TANKER	1	3,500 dwt	DAE SUN SHIPBUILDING, S. Korea	N/A	HNCC - S. Korea	Sep-17	St. Steel
CONT	2	1,100 teu	KYOKUYO, Japan	N/A	KOTOKU KAIUN - Japan	2017-2018	
GAS	2	83,000 cbm	MITSUBISHI H.I, Japan	N/A	NISSAN KAIUN - Japan	2020	LPG
MPP	5	15,000 dwt	VARD BRAILA, Romania	\$ 20.0m	TOPAZ ENERGY - Oman	2017-2018	Heavy Deck cargo
MPP	4	15,000 dwt	VARD TULCEA, Romania	\$ 20.0m	TOPAZ ENERGY - Oman	2017-2018	Heavy Deck cargo
MPP	6	15,000 dwt	VARD VUNG TAU, Vietnam	\$ 20.0m	TOPAZ ENERGY - Oman	2017-2018	Heavy Deck cargo
PAX	2	5,000 pax	LLOYD WERFT, Germany	N/A	STAR CRUISES - Hong Kong	2019-2020	Cruise ships
PAX	1	1,000 pax	LLOYD WERFT, Germany	N/A	CRYSTAL CRUISES - U. S. A.	2018	Cruise ships, polar ice-class

Sale & Purchase Secondhand Sales

16th - 20th May 2016

On the dry bulk side, there was a slight slow down in market activity as the freight market started to ease back. It has surely been a case where the recent price hikes have also been the cause for many buyers to hold back and take a pause as they look to see how well this slight upward momentum can hold, fearing at this point to drive prices too high in comparison to the lackluster freight rates. As such this may cause some easing as to how soon we will see further premiums being given in the market, however as things stand it looks as though we are unlikely to quickly ease back into the absolute bottom prices noted a month back.

On the tanker side, things were relatively unimpressive, with limited activity to note again this week and further easing in prices being noted across the board.

Indicative Dry Bulk Values (US\$ million)

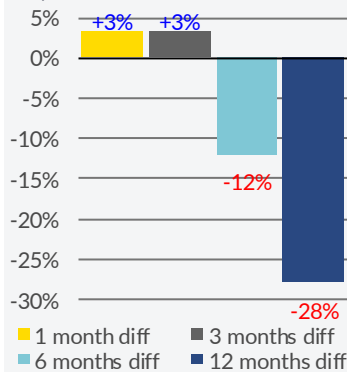
		20 May	15 Apr	±%	Min	Avg	Max
Capesize							
180k dwt	Resale	35.0	34.5	1.4%	34.5	48.5	65.0
170k dwt	5 year old	23.8	23.0	3.3%	23.0	37.3	53.0
170k dwt	10 year old	14.0	12.0	16.7%	12.0	25.5	39.0
150k dwt	15 year old	8.0	7.0	14.3%	6.5	15.4	25.0
Panamax							
82k dwt	Resale	23.5	22.5	4.4%	22.5	30.8	43.0
76k dwt	5 year old	13.5	12.5	8.0%	11.5	22.2	36.8
76k dwt	10 year old	8.0	7.8	3.2%	7.3	16.5	29.3
74k dwt	15 year old	4.5	4.0	12.5%	3.5	10.8	22.0
Supramax							
62k dwt	Resale	20.5	19.0	7.9%	19.0	28.7	36.8
58k dwt	5 year old	12.5	11.0	13.6%	11.0	21.3	30.5
52k dwt	10 year old	6.5	6.0	8.3%	6.0	15.5	24.3
52k dwt	15 year old	3.5	3.5	0.0%	3.5	10.3	19.0
Handysize							
37k dwt	Resale	17.0	17.0	0.0%	17.0	23.1	30.0
32k dwt	5 year old	8.8	8.0	9.4%	7.8	17.4	25.5
32k dwt	10 year old	6.3	6.0	4.2%	6.0	13.1	19.5
28k dwt	15 year old	3.5	3.5	0.0%	3.5	8.8	14.5

Indicative Tanker Values (US\$ million)

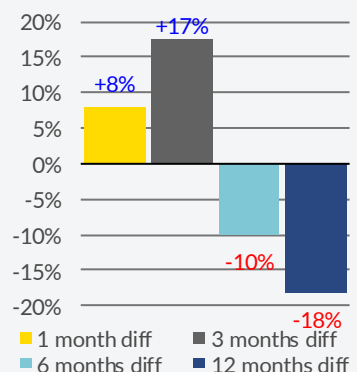
		20 May	15 Apr	±%	Min	Avg	Max
VLCC							
310k dwt	Resale	93.5	96.0	-2.6%	80.0	95.3	108.5
310k dwt	5 year old	73.5	76.0	-3.3%	55.0	70.4	87.0
250k dwt	10 year old	53.5	56.0	-4.5%	33.8	46.5	62.0
250k dwt	15 year old	33.0	36.0	-8.3%	16.9	27.7	41.0
Suezmax							
160k dwt	Resale	65.0	66.0	-1.5%	53.0	64.1	73.0
150k dwt	5 year old	52.5	53.5	-1.9%	38.0	50.1	62.0
150k dwt	10 year old	39.0	40.0	-2.5%	24.0	34.0	44.5
150k dwt	15 year old	23.0	23.0	0.0%	14.0	18.9	23.3
Aframax							
110k dwt	Resale	54.0	55.0	-1.8%	39.0	48.8	57.0
110k dwt	5 year old	39.0	40.0	-2.5%	27.0	37.0	47.5
105k dwt	10 year old	26.0	27.0	-3.7%	16.0	24.1	33.0
105k dwt	15 year old	16.0	16.5	-3.0%	8.0	13.2	18.5
MR							
52k dwt	Resale	36.0	37.0	-2.7%	32.0	36.9	39.3
52k dwt	5 year old	26.0	27.5	-5.5%	22.0	27.0	31.0
45k dwt	10 year old	19.0	20.0	-5.0%	14.0	18.0	21.0
45k dwt	15 year old	11.5	12.5	-8.0%	9.0	11.0	13.5

Price movements of 5 year old Dry Bulk assets

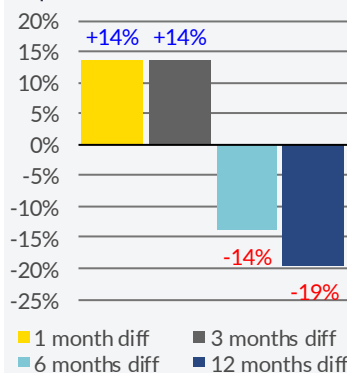
Capesize



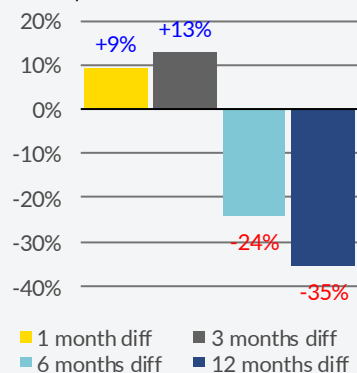
Panamax



Supramax

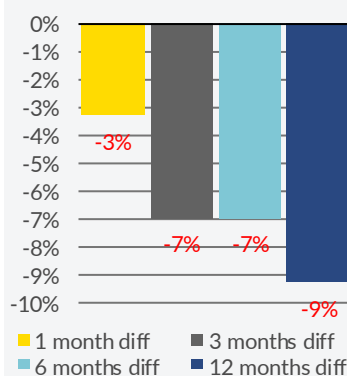


Handysize

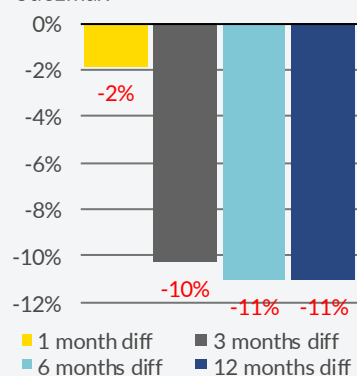


Price movements of 5 year old Tanker assets

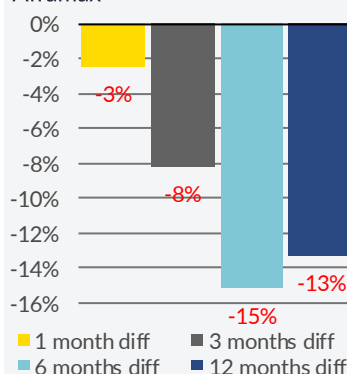
VLCC



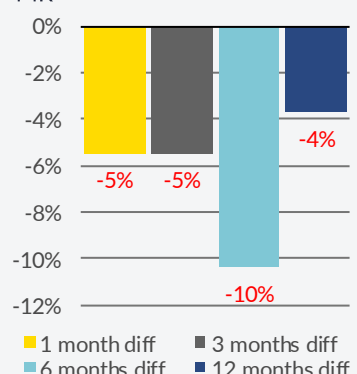
Suezmax



Aframax



MR



Sale & Purchase Secondhand Sales



16th - 20th May 2016

Tankers									
Size	Name	Dwt	Built	Shipbuilder	M/E	Coating	Price	Buyers	Comments
VLCC	NEW CORAL	297,580	2010	HONGQI RED FLAG, China	MAN-B&W		\$ 60.3m	Norwegian - Frontline	
VLCC	NEW MEDAL	297,556	2009	HONGQI RED FLAG, China	MAN-B&W		\$ 57.3m		
MR	KING EMERALD	38,850	2004	GUANGZHOU INTERNATIONAL, China	MAN-B&W	EPOXY Coated	\$ 11.8m	undisclosed	buyers rumored to be S1 Capital
MR	KING EDWARD	37,384	2004	HYUNDAI MIPO, S. Korea	B&W	EPOXY PHEN	\$ 11.8m		
MR	KING EVEREST	37,229	2001	HYUNDAI MIPO, S. Korea	B&W	EPOXY PHEN	\$ 9.8m		
MR	KING ERNEST	36,997	2004	HYUNDAI MIPO, S. Korea	B&W	EPOXY PHEN	\$ 11.8m		
Bulk Carriers									
Size	Name	Dwt	Built	Shipbuilder	M/E	Gear	Price	Buyers	Comments
CAPE	BESIKTAS	179,843	2011	DAEHAN SHBLDG CO LTD -, S. Korea	MAN-B&W		\$ 23.0m	Greek	incl. 3 year T/C to RWE fixed index + 9% until next DD
CAPE	BESIKTAS TURKMENISTAN	179,797	2011	DAEHAN SHBLDG CO LTD -, S. Korea	MAN-B&W		\$ 23.0m		
PMAX	SRI PREM VEENA	82,459	2007	TSUNEISHI HOLDINGS - F, Japan	MAN-B&W		\$ 9.3m	S. Korean - Wooyang	
PMAX	OCEAN QINGDAO	75,618	2011	CHENGXI SHIPYARD CO LT, China	MAN-B&W		\$ 11.5m	U. K. Based - Holbud Ship Management	
PMAX	NORDWESER	75,321	2001	SAMHO, S. Korea	B&W		\$ 4.4m	Greek - Erasmus Shipping	SS/DD passed Feb '16
UMAX	DALIAN COSCO KHI RESALE	61,000	2016	DALIAN COSCO KHI SHIP, China	MAN-B&W	4 X 30t CRANES	\$ 19.0m	U. S. A. Based fund - Raven Capital	
HMAX	VOC ROSE	47,183	1998	OSHIMA SHIPBUILDING, Japan	Sulzer	4 X 30t CRANES	\$ 2.5m	Chinese	
HANDY	CS VANGUARD	34,812	2004	TIANJIN XINGANG SHIPYA, China	Sulzer	4 X 30t CRANES	\$ 3.5m	undisclosed	
HANDY	ORIENT DREAM	32,162	2008	MURORAN DOCK, Japan	Mitsubishi	4 X 30t CRANES	\$ 7.1m	Hong Kong Based	
Gen. Cargo									
Type	Name	Dwt	Built	Shipbuilder	M/E	Gear	Price	Buyers	Comments
General Cargo	GUNDEM 1	5,328	1999	GISA, Turkey	Wartsila		N/A	undisclosed	
Containers									
Size	Name	TEU	Built	Shipbuilder	M/E	Gear	Price	Buyers	Comments
SUB PMAX	ISOLDE	2,452	2000	THYSSEN, Germany	MAN-B&W	3 X 45t CRANES	\$ 3.0m	Middle Eastern	
FEEDER	WEC MAJORELLE	700	1996	SIETAS KG, Germany	MAN		\$ 1.7m	undisclosed	

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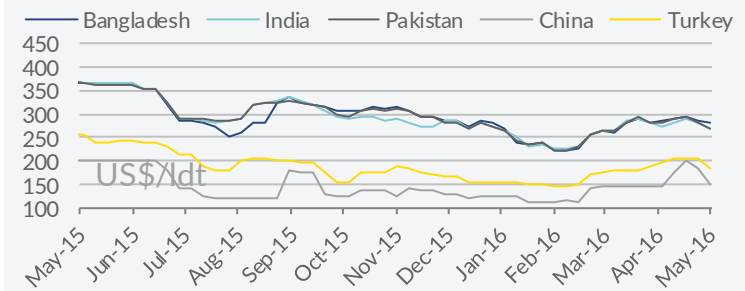
Sale & Purchase

Demolition Sales

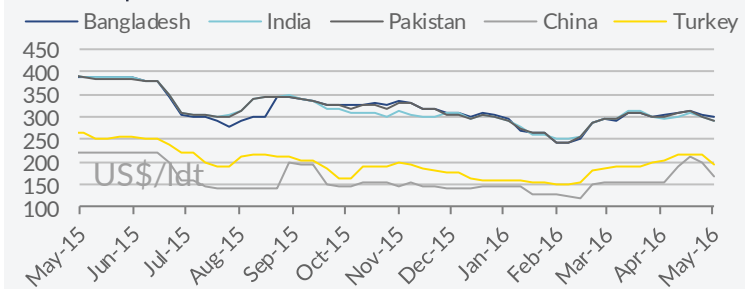
16th - 20th May 2016

Despite a softening trend in prices having been noted in the early part of last week, there was a sudden shift in direction, with shipbreakers coming into the market more aggressively and looking to secure tonnage as quickly as possible in light of the budgetary shifts in Pakistan and Bangladesh. At the same time prices for steel plates in the Indian Sub-Continent have remained overall buoyant, allowing in such for a temporary upkeep to the prices being noted one week prior. Nevertheless this was not enough to counter the previous drops and we still find ourselves amidst a marginal week-on-week drop. However, given the estimated drop in demand that we will witness during the upcoming monsoon season, and the overall troubles still faced by the market, expectations are that this temporary hold on prices is likely to give way soon to a fairly strong downward correction. To what extent and when this will happen will largely depend on the available capacity not covered and the extent of competition amongst buyers which will be able to keep prices up.

Dry Scrap Prices



Wet Scrap Prices



Indicative Dry Prices (\$/Ldt)

		20 May	13 May	±%	last 5 years		
					Min	Avg	Max
Indian Sub Continent							
	Bangladesh	280	285	-1.8%	220	403	515
	India	270	280	-3.6%	225	410	525
	Pakistan	270	280	-3.6%	220	406	510
Far East Asia							
	China	150	185	-18.9%	110	309	455
Mediterranean							
	Turkey	185	205	-9.8%	145	257	355

Indicative Wet Prices (\$/Ldt)

		20 May	13 May	±%	last 5 years		
					Min	Avg	Max
Indian Sub Continent							
	Bangladesh	300	305	-1.6%	245	425	540
	India	290	300	-3.3%	250	433	550
	Pakistan	290	300	-3.3%	245	430	525
Far East Asia							
	China	170	200	-15.0%	120	327	485
Mediterranean							
	Turkey	195	215	-9.3%	150	268	355

Reported Transactions

Type	Vessel's Name	Dwt	Built	Country	Built	Ldt	US\$/Ldt	Buyer	Sale Comments
Bulker	ANANGEL ETERNITY	171,176	1999	S. Korea		21,550	\$ 292/Ldt	Bangladeshi	bss 'as is' S'pore
Bulker	IRON BARON	169,981	1999	S. Korea		20,753	\$ 327/Ldt	Bangladeshi	
Bulker	CHINA STEEL EXPRESS	154,556	1997	Taiwan		22,746	\$ 296/Ldt	undisclosed	bss 'as is' Taiwan
Bulker	BADRI PRASAD	151,418	1990	Japan		17,618	\$ 314/Ldt	Pakistani	
Bulker	GS ANGEL	122,259	1995	S. Korea		16,477	\$ 320/Ldt	Pakistani	
Cont	CHAMPION	30,407	1998	Poland		10,525	\$ 306/Ldt	undisclosed	bss 'as is' S'pore
Cont	CAPTAIN COSTAS	30,007	1992	Germany		8,518	\$ 331/Ldt	Indian	
Gen. Cargo	OCEAN HOPE	29,513	1996	China		8,005	\$ 293/Ldt	undisclosed	incl. 200tns ROB
Cont	TAURUS	29,260	1998	Poland		10,427	\$ 280/Ldt	undisclosed	bss 'as is' Port Said
Bulker	TOLMI	29,094	1989	Poland		13,036	\$ 295/Ldt	Pakistani	
Bulker	ARWAD TOWER	28,269	1985	Japan		6,137	\$ 290/Ldt	Pakistani	
Bulker	HUA TAI	26,720	1984	Japan		9,255	\$ 285/Ldt	Bangladeshi	
Bulker	HUA XIANG	26,695	1986	Japan		5,450	\$ 265/Ldt	Bangladeshi	
Bulker	RUI FU	25,759	1985	Japan		5,435	\$ 265/Ldt	Bangladeshi	net price
Cont	MSC LIESELOTTE	21,370	1983	Germany		10,655	\$ 307/Ldt	Indian	

Trade Indicators

Markets | Currencies | Commodities

16th - 20th May 2016

CMA CGM started the year in the red, reporting a first quarter loss due to the "highly challenging" market environment. The Marseilles-based liner operator reported a \$100m loss in the first quarter, compared to a \$406m profit in the year-earlier quarter. Revenue of \$3.4bn dropped 15% from a year earlier.

CMA CGM reported a 2.9% increase in box volumes during the first quarter, to 3.2 million teu, compared to overall market volume growth of 1.2%. The increase stemmed from box shipments to and from North America, which offset the decrease in volumes carried between Asia and Europe, where CMA CGM had scaled back its capacity in response to weaker demand. Average revenue per teu fell 17.6%.

CMA CGM said it is on track to roll out some \$1bn in cost cuts with 18 months. It also said the proposed acquisition of NOL continues apace, with the European Commission and Indian authorities having approved the proposed acquisition. "We will continue our strict financial discipline, including the implementation of a significant cost reduction plan," said Rodolphe Saade, vice chairman of CMA CGM.

Source: Tradewinds

	20 May	15 Apr	±%	last 12 months		
				Min	Avg	Max
Markets						
10year US Bond	1.85	1.75	5.7%	1.64	2.09	2.48
S&P 500	2,052.3	2,080.7	-1.4%	1,829	2,030	2,131
Nasdaq	4,769.6	4,938.2	-3.4%	4,267	4,874	5,219
Dow Jones	17,500.9	17,897.5	-2.2%	15,660	17,285	18,286
FTSE 100	6,156.3	6,343.8	-3.0%	5,537	6,291	7,041
FTSE All-Share UK	3,387.2	3,471.0	-2.4%	3,047	3,451	3,825
CAC40	4,353.9	4,495.2	-3.1%	3,897	4,636	5,197
Xetra Dax	9,916.0	10,051.6	-1.3%	8,753	10,403	11,865
Nikkei	16,736.4	16,848.0	-0.7%	14,953	18,445	20,868
Hang Seng	19,852.2	21,316.5	-6.9%	18,320	22,274	28,250
DJ US Maritime	226.7	204.0	11.1%	150.2	211.3	265.4
Currencies						
\$ per €	1.12	1.13	-0.5%	1.06	1.11	1.16
\$ per £	1.45	1.42	2.4%	1.39	1.50	1.59
£ per €	0.77	0.79	-2.9%	0.70	0.74	0.81
¥ per \$	110.3	109.0	1.2%	106.2	118.6	125.1
\$ per Au\$	0.72	0.77	-6.3%	0.69	0.73	0.79
\$ per NoK	0.12	0.12	-1.0%	0.11	0.12	0.13
\$ per SFr	0.99	0.97	2.4%	0.92	0.98	1.03
Yuan per \$	6.55	6.48	1.1%	6.16	6.39	6.60
Won per \$	1,188.4	1,148.7	3.5%	1,093.1	1,165.8	1,237.8
\$ INDEX	101.0	100.2	0.8%	98.1	103.5	107.4
Commodities						
Gold \$	1,254.2	1,227.1	2.2%	1,049.4	1,157.5	1,294.0
Oil WTI \$	48.5	40.4	19.9%	26.9	43.4	61.2
Oil Brent \$	48.8	43.1	13.4%	28.2	46.3	65.6
Palm Oil	562.0	562.0	0.0%	437.5	555.5	630.5
Iron Ore	55.7	58.6	-4.9%	37.0	52.1	68.7
Coal Price Index	53.9	56.0	-3.8%	47.3	54.1	65.9
White Sugar	473.5	419.2	13.0%	333.6	393.5	484.3

Currencies

US Dollar per Euro



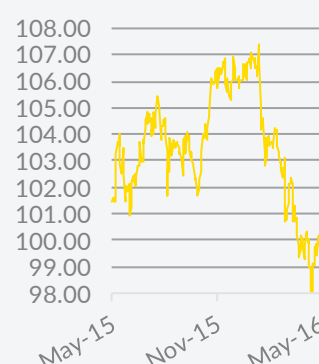
Yen per US Dollar



Yuan per US Dollar



US Dollar INDEX

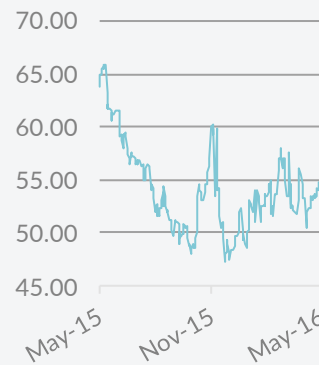


Commodities

Iron Ore (TSI)



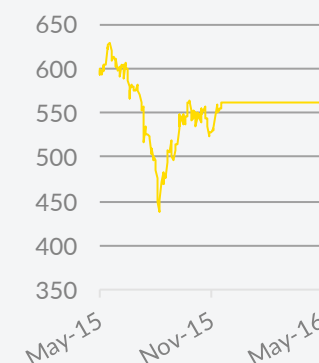
Coal Price Index



Oil WTI \$



Palm Oil



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16th - 20th May 2016 | Week 20

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Appendix

Aggregate Price Index quoted on the first page for both Newbuilding and Secondhand relates to the current average prices levels compared to where they stood at 1st January 2010 (i.e. index 100 = 01/01/2010)

Demolition market average price index refers to the combination of the average prices currently offered in the Indian Sub-Continent, Far East and Mediterranean.

Period rates currently relate to Capesize of 180,000dwt, Panamax of 76,000dwt, Supramax of 56,000dwt and Handysize of 33,000dwt on the Dry Bulk side and VLCC of 250,000dwt, Suezmax of 150,000dwt, Aframax of 115,000dwt and MR of 52,000dwt on the Tankers side respectively.

In terms of Secondhand Asset Prices their levels are quoted based on following description:

	Resale	5 year old	10 year old	15 year old
Capesize	180,000dwt	170,000dwt	170,000dwt	150,000dwt
Panamax	82,000dwt	76,000dwt	76,000dwt	74,000dwt
Supramax	62,000dwt	58,000dwt	52,000dwt	52,000dwt
Handysize	37,000dwt	32,000dwt	32,000dwt	28,000dwt
VLCC	310,000dwt	310,000dwt	250,000dwt	250,000dwt
Suezmax	160,000dwt	150,000dwt	150,000dwt	150,000dwt
Aframax	110,000dwt	110,000dwt	105,000dwt	95,000dwt
MR	52,000dwt	45,000dwt	45,000dwt	45,000dwt

All vessels built to European specifications by top Japanese shipbuilders, with dwt size based on the below table.

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