

Weekly Shipping Market Update

06th - 10th June 2016 | Week 23



Market Analysis

The markets have been riding on uneasy ground for some time now. The lack of clear direction and now major economy leading the way in terms of growth has left many sceptical in reference to what comes next. At the same time there are numerous risks that have swollen up over the past couple of months, risks such as the Brexit campaign for Britain to leave Europe and cause a long disruptive period in trade and financial markets. All this has been the prime reason why we have seen Ms Yellen (Chair of the Federal Reserve) take an abrupt change of direction and coming out and saying that she no longer favours a raise in interest rates this summer, while the price of gold (the usual safe haven for many investors for when risk is on the rise) has steadily risen over the past couple of days. Yet with all this in the air and having been discussed countless times amongst investor circles the biggest hurdle that remains for shipping at the moment is the prevailing state of the ship financing market.

The financing sector plays a very important role in the shipping industry, both in allowing for its growth as well as taking the role as intermediary and "guarantor" between unfamiliar parties in a myriad of shipping related transactions. Issues as such related to the financial sector haven't merely been limited to just the financing of new asset purchases but has also played their part in supporting trade as well as giving a means to end buyers in the ship recycling industry in order for them to feed their business operations smoothly. One of the main issues that have been played out over the past 5 years has mainly been the labelling of shipping as a relatively high risk investment category which puts it in a disadvantageous position under new banking regulations. At the same time this has been happening under an environment where banks are still trying to shake off bad strategies of the past both within shipping and elsewhere in their portfolios and looking to get their house back into order. As a third hit, this has all been undertaken during a trough period in the shipping market cycle, while the fact that banks tend to be heavily procyclical in their involvement in shipping, means the gap between needed finance and available has widened considerable.

Since 2008 we have seen short waves of different investment vehicles try to play their part in plugging this gap, many failing with great disappointment to both them and the methods they proposed. Having gone through the difficulties involved in shipping in general and its large volatile nature has meant that we gradually move towards more innovative structures and solutions, however as of yet it has had little effect as we continue to see a fairly large pricing gap between what large shipowners pay compared to the small and medium sized entrepreneurs which have been the ones suffering the most during the downturn.

There is a considerable amount of liquidity out there for there to be extra to spare for the shipping industry and in cases as in Europe where the recent announcement by European Central Bank to further expand its quantities easing program over to corporate bonds things should continue to be positive on this front. The trick will be to find a right mix to be able to bring some of this liquidity over to shipping while meeting both the complexities of shipping as well as reflecting the "real" risk the industry is characterised with over to any new novice investor.

George Lazaridis

Head of Market Research & Asset Valuations

Week in numbers

Dry Bulk Freight Market

| | 10 Jun | | W-O-W change | |
|------|--------|--|--------------|-------|
| | | | ±Δ | ±% |
| BDI | 610 | | 0 | 0.0% |
| BCI | 1,006 | | ▲ 93 | 10.2% |
| BPI | 543 | | ▼ -7 | -1.3% |
| BSI | 557 | | ▼ -17 | -3.0% |
| BHSI | 327 | | ▼ -22 | -6.3% |

Tanker Freight Market

| | 10 Jun | | W-O-W change | |
|------|--------|--|--------------|-------|
| | | | ±Δ | ±% |
| BDTI | 730 | | ▼ -29 | -3.8% |
| BCTI | 473 | | ▼ -17 | -3.5% |

Newbuilding Market

| Aggregate Price Index | | | M-O-M change | |
|-----------------------|--------|--|--------------|-------|
| | 10 Jun | | ±Δ | ±% |
| Bulkers | 75 | | ▼ -2 | -2.2% |
| Cont | 93 | | ▼ -3 | -3.2% |
| Tankers | 95 | | ▼ -2 | -2.0% |
| Gas | 95 | | ▼ -3 | -3.2% |

Secondhand Market

| Aggregate Price Index | | | M-O-M change | |
|-----------------------|--------|--|--------------|--------|
| | 10 Jun | | ±Δ | ±% |
| Capesize | 39 | | ▲ 1 | 2.1% |
| Panamax | 37 | | ▲ 1 | 3.0% |
| Supramax | 39 | | ▲ 3 | 7.3% |
| Handysize | 42 | | ▲ 1 | 2.0% |
| VLCC | 91 | | ▼ -12 | -11.5% |
| Suezmax | 92 | | ▼ -1 | -0.6% |
| Aframax | 108 | | ▼ -3 | -2.8% |
| MR | 114 | | ▼ -7 | -5.4% |

Demolition Market

| Avg Price Index (main 5 regions) | | | W-O-W change | |
|----------------------------------|--------|--|--------------|-------|
| | 10 Jun | | ±Δ | ±% |
| Dry | 209 | | ▼ -8 | -3.7% |
| Wet | 231 | | ▼ -10 | -4.1% |

Economic Indicators

| | 10 Jun | | M-O-M change | |
|--------------|--------|--|--------------|--------|
| | | | ±Δ | ±% |
| Gold \$ | 1,276 | | ▼ -14 | -1.0% |
| Oil WTI \$ | 49 | | ▲ 4 | 9.7% |
| Oil Brent \$ | 50 | | ▲ 5 | 11.3% |
| Iron Ore | 52 | | ▼ -7 | -12.4% |
| Coal | 57 | | ▲ 3 | 5.6% |

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Freight Market

Dry Bulkers - Spot Market



06th - 10th June 2016

Capesize - A fairly flat start to the week, that is up until a number of majors swept in and started picking off tonnage and pushing rates to slightly better levels. This was mainly the seen in the Pacific, with demand keeping firm out of Australia, while in the Atlantic things were slower in terms of fresh business and as such preventing the market to kick things up a gear and drive for better levels.

Panamax - It seems as though things were slightly slower in terms of activity, possibly held back by the Posidonia week. However as the week came to a close appetite improved from the side of charterers and there was some late action pointing to a possible pick up in freight levels over the coming days.

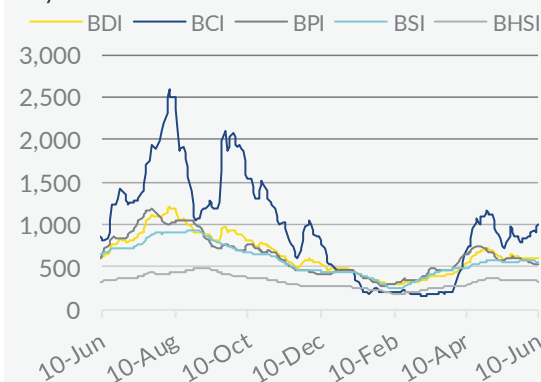
Supramax - Despite the various holidays in the Far East taking out some much needed market steam, it was the Atlantic basin that proved to be the biggest disappointment this time around, with sluggish demand in the North Atlantic being outweighed by position lists and causing a stronger downward correction then would be liked by most.

Handysize - Similar issues were to be noted in the Handysize segment as well, with the Pacific basin managing to even show off a slight improvement in levels, while the stronger downward correction in the Atlantic outweighed this and pushed for a net downward trend against closing levels witnessed on a week-on-week basis. The continent seemed to be suffering the most with a considerable amount of open tonnage in the region and limited interest from the charterers side to rush for anything.

Spot market rates & indices

| | | 10 Jun | 03 Jun | ±% | Average 2016 | 2015 |
|-------------------------|--------------------|-----------|-----------|--------|-----------------|-----------|
| Baltic Dry Index | | | | | | |
| | BDI | 610 | 610 | 0.0% | 473 | 711 |
| Capesize | | | | | | |
| | BCI | 1,006 | 913 | 10.2% | 509 | 1,009 |
| | BCI 5TC | \$ 7,241 | \$ 6,754 | 7.2% | \$ 4,487 | \$ 8,001 |
| | ATLANTIC RV | \$ 6,435 | \$ 6,925 | -7.1% | \$ 4,845 | \$ 8,206 |
| | Cont / FEast | \$ 12,705 | \$ 12,886 | -1.4% | \$ 10,636 | \$ 16,387 |
| | PACIFIC RV | \$ 8,363 | \$ 6,704 | 24.7% | \$ 3,931 | \$ 7,394 |
| | FEast / ECSA | \$ 7,391 | \$ 6,682 | 10.6% | \$ 4,601 | \$ 8,353 |
| Panamax | | | | | | |
| | BPI | 543 | 550 | -1.3% | 491 | 690 |
| | BPI - TCA | \$ 4,337 | \$ 4,393 | -1.3% | \$ 3,928 | \$ 5,513 |
| | ATLANTIC RV | \$ 4,518 | \$ 4,718 | -4.2% | \$ 3,964 | \$ 5,925 |
| | Cont / FEast | \$ 8,507 | \$ 8,198 | 3.8% | \$ 7,472 | \$ 10,563 |
| | PACIFIC RV | \$ 3,760 | \$ 4,070 | -7.6% | \$ 3,793 | \$ 5,021 |
| | FEast / Cont | \$ 563 | \$ 587 | -4.1% | \$ 484 | \$ 542 |
| Supramax | | | | | | |
| | BSI | 557 | 574 | -3.0% | 448 | 662 |
| | BSI - TCA | \$ 5,827 | \$ 5,998 | -2.9% | \$ 4,686 | \$ 6,919 |
| | Cont / FEast | \$ 8,796 | \$ 9,433 | -6.8% | \$ 8,043 | \$ 9,890 |
| | Med / FEast | \$ 7,757 | \$ 8,004 | -3.1% | \$ 7,031 | \$ 9,274 |
| | PACIFIC RV | \$ 4,820 | \$ 4,942 | -2.5% | \$ 4,079 | \$ 5,989 |
| | FEast / Cont | \$ 3,013 | \$ 3,000 | 0.4% | \$ 2,284 | \$ 4,794 |
| | USG / Skaw | \$ 10,575 | \$ 10,388 | 1.8% | \$ 7,092 | \$ 10,915 |
| | Skaw / USG | \$ 3,818 | \$ 4,271 | -10.6% | \$ 2,594 | \$ 3,705 |
| Handysize | | | | | | |
| | BHSI | 327 | 349 | -6.3% | 278 | 364 |
| | BHSI - TCA | \$ 4,723 | \$ 4,975 | -5.1% | \$ 4,039 | \$ 5,354 |
| | Skaw / Rio | \$ 3,700 | \$ 4,750 | -22.1% | \$ 3,320 | \$ 3,770 |
| | Skaw / Boston | \$ 4,075 | \$ 5,229 | -22.1% | \$ 3,713 | \$ 4,057 |
| | Rio / Skaw | \$ 5,617 | \$ 5,761 | -2.5% | \$ 5,771 | \$ 8,526 |
| | USG / Skaw | \$ 7,275 | \$ 7,479 | -2.7% | \$ 5,360 | \$ 7,200 |
| | SEAsia / Aus / Jap | \$ 3,808 | \$ 3,700 | 2.9% | \$ 3,085 | \$ 4,211 |
| | PACIFIC RV | \$ 4,750 | \$ 4,589 | 3.5% | \$ 3,987 | \$ 5,429 |

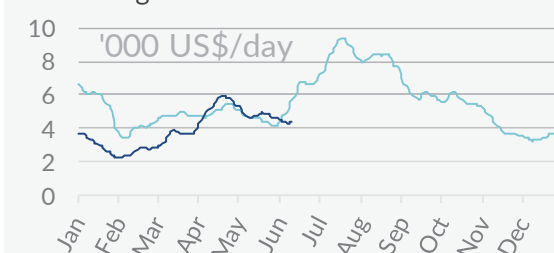
Dry Bulk Indices



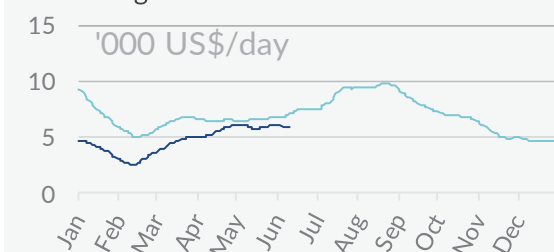
BCI Average TCE



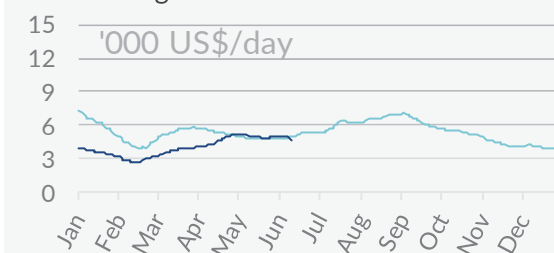
BPI Average TCE



BSI Average TCE



BHSI Average TCE



— 2015 — 2016

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Freight Market

Tankers - Spot Market

06th - 10th June 2016

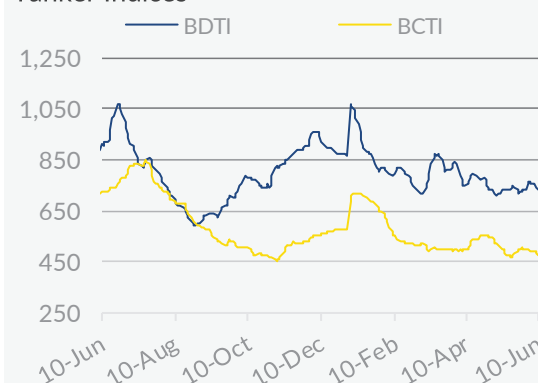
Crude Oil Carriers - The market hit a flat point, with the MEG easing off from its previous firm demand levels and the market managing to mainly hold buoyant off the back of slightly tighter tonnage lists in the region. On the back of this and with Eastbound demand not there to keep things in the positive, rates held stable for the VL's while Suezmaxes were more heavily hit as activity in the Black Sea/Med also started to wain. Things are now looking to be heating up in the North Sea/Baltic with demand for ice class units also helping to drive the overall market there as well, assisted at the same time by the clearing out of any extra tonnage that had amassed from previous weeks.

Oil Products - Yet another weekly drop in both the CPP and DPP routes this week, with the North Atlantic trade being let down by the narrowing of any significant price arbitrage, while elsewhere there seemed to be a limit on the amount of enquiries surfacing in the market and there was more the plenty tonnage to cover the requirements that came to light.

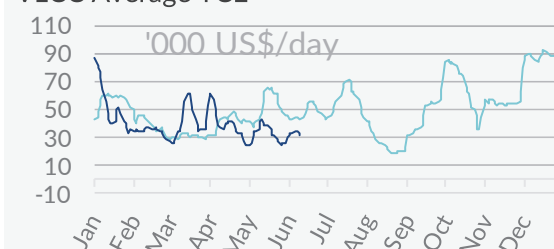
Spot market rates & indices

| | | 10 Jun | 03 Jun | ±% | Average | |
|------------------------------|--------|-----------|-----------|--------|-----------|-----------|
| | | | | | 2016 | 2015 |
| Baltic Tanker Indices | | | | | | |
| BDTI | | 730 | 759 | -3.8% | 799 | 820 |
| BCTI | | 473 | 490 | -3.5% | 547 | 637 |
| VLCC | | | | | | |
| MEG-USG | WS | 34.25 | 35.29 | -2.9% | 39.52 | 36.36 |
| | \$/day | \$ 15,449 | \$ 17,988 | -14.1% | \$ 25,949 | \$ 31,968 |
| MEG-SPORE | WS | 66.86 | 67.46 | -0.9% | 68.40 | 64.43 |
| | \$/day | \$ 58,043 | \$ 59,476 | -2.4% | \$ 62,883 | \$ 61,629 |
| MEG-JAPAN | WS | 65.21 | 65.68 | -0.7% | 66.80 | 63.09 |
| | \$/day | \$ 47,016 | \$ 48,827 | -3.7% | \$ 53,062 | \$ 68,288 |
| WAF-USG | WS | 70.00 | 70.00 | 0.0% | 72.97 | 72.72 |
| | \$/day | \$ 88,257 | \$ 89,257 | -1.1% | \$ 96,318 | \$ 76,589 |
| SUEZMAX | | | | | | |
| WAF-USAC | WS | 72.50 | 85.00 | -14.7% | 77.72 | 81.13 |
| | \$/day | \$ 41,536 | \$ 51,619 | -19.5% | \$ 48,196 | \$ 46,404 |
| BSEA-MED | WS | 80.50 | 100.00 | -19.5% | 89.31 | 91.34 |
| | \$/day | \$ 21,069 | \$ 33,993 | -38.0% | \$ 30,733 | \$ 46,346 |
| AFRAMEX | | | | | | |
| NSEA-CONT | WS | 110.83 | 94.72 | 17.0% | 107.29 | 111.01 |
| | \$/day | \$ 24,255 | \$ 10,744 | 125.8% | \$ 26,188 | \$ 37,053 |
| MEG-SPORE | WS | 94.72 | 93.78 | 1.0% | 116.36 | 112.26 |
| | \$/day | \$ 14,532 | \$ 15,300 | -5.0% | \$ 24,215 | \$ 31,406 |
| CARIBS-USG | WS | 97.22 | 100.00 | -2.8% | 114.60 | 133.63 |
| | \$/day | \$ 12,029 | \$ 13,374 | -10.1% | \$ 20,802 | \$ 37,962 |
| BALIC-UKC | WS | 78.33 | 70.00 | 11.9% | 85.90 | 92.57 |
| | \$/day | \$ 19,708 | \$ 15,297 | 28.8% | \$ 28,853 | \$ 43,406 |
| DPP | | | | | | |
| CARIBS-USAC | WS | 117.50 | 120.00 | -2.1% | 124.16 | 138.77 |
| | \$/day | \$ 25,038 | \$ 26,359 | -5.0% | \$ 29,028 | \$ 30,727 |
| ARA-USG | WS | 110.25 | 123.50 | -10.7% | 112.84 | 122.73 |
| | \$/day | \$ 27,105 | \$ 34,256 | -20.9% | \$ 29,612 | \$ 30,281 |
| SEASIA-AUS | WS | 94.69 | 94.31 | 0.4% | 115.24 | 110.54 |
| | \$/day | \$ 17,863 | \$ 18,588 | -3.9% | \$ 27,383 | \$ 35,804 |
| MED-MED | WS | 96.39 | 117.64 | -18.1% | 100.33 | 108.70 |
| | \$/day | \$ 15,195 | \$ 23,975 | -36.6% | \$ 19,877 | \$ 35,902 |
| CPP | | | | | | |
| MEG-JAPAN | WS | 82.11 | 85.11 | -3.5% | 100.94 | 105.50 |
| | \$/day | \$ 11,744 | \$ 13,407 | -12.4% | \$ 19,597 | \$ 28,796 |
| CONT-USAC | WS | 105.00 | 109.32 | -4.0% | 116.36 | 134.68 |
| | \$/day | \$ 7,598 | \$ 8,594 | -11.6% | \$ 11,710 | \$ 18,755 |
| CARIBS-USAC | WS | 100.00 | 105.00 | -4.8% | 128.79 | 134.05 |
| | \$/day | \$ 14,431 | \$ 16,022 | -9.9% | \$ 22,856 | \$ 22,099 |
| USG-CONT | WS | 62.92 | 70.42 | -10.7% | 93.51 | 96.47 |
| | \$/day | \$ 1,048 | \$ 2,579 | -59.4% | \$ 8,247 | \$ 12,481 |

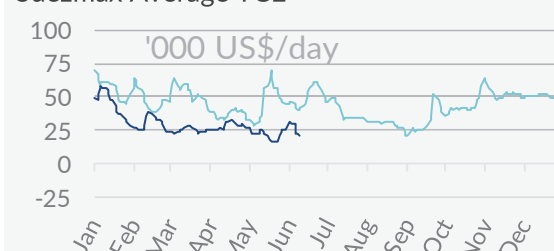
Tanker Indices



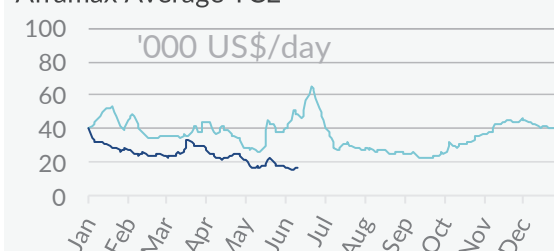
VLCC Average TCE



Suezmax Average TCE



Aframax Average TCE



MR Average TCE



Freight Market Period Charter



06th - 10th June 2016

Dry Bulk period market TC rates

| | 10 Jun | 06 May | ±% | last 5 years | | |
|------------------|-----------|-----------|--------|--------------|-----------|-----------|
| | | | | Min | Avg | Max |
| Capesize | | | | | | |
| 12 months | \$ 8,000 | \$ 9,000 | -11.1% | \$ 6,200 | \$ 15,113 | \$ 31,450 |
| 36 months | \$ 10,500 | \$ 10,000 | 5.0% | \$ 6,950 | \$ 15,729 | \$ 25,200 |
| Panamax | | | | | | |
| 12 months | \$ 6,000 | \$ 6,000 | 0.0% | \$ 4,950 | \$ 10,546 | \$ 18,700 |
| 36 months | \$ 6,750 | \$ 6,750 | 0.0% | \$ 6,200 | \$ 11,093 | \$ 16,700 |
| Supramax | | | | | | |
| 12 months | \$ 6,250 | \$ 6,000 | 4.2% | \$ 4,450 | \$ 10,395 | \$ 15,950 |
| 36 months | \$ 6,250 | \$ 6,250 | 0.0% | \$ 6,200 | \$ 10,709 | \$ 15,450 |
| Handysize | | | | | | |
| 12 months | \$ 5,000 | \$ 4,750 | 5.3% | \$ 4,450 | \$ 8,584 | \$ 12,950 |
| 36 months | \$ 5,500 | \$ 5,500 | 0.0% | \$ 5,450 | \$ 9,140 | \$ 12,950 |

Latest indicative Dry Bulk Period Fixtures

M/V "KYPROS LOYALTY", 77078 dwt, built 2014, dely Singapore 10/15 Jun, \$6,300, for 11/14 months trading, to Chart Not Rep

M/V "KING SAIL", 177643 dwt, built 2002, dely Singapore prompt, \$6,750, for 6/9 months trading, Houheng relet, to Classic Maritime

M/V "KOULITSA", 76858 dwt, built 2003, dely Richards Bay second half June, \$5,750, for 4/7 months trading, 190,000 bb, to Chart Not Rep

M/V "DUHALLOW", 179481 dwt, built 2015, dely Taiwan 25/30 Jun, \$8,750, for 6/9 months trading, to Rio Tinto

M/V "ARETHUSA", 73593 dwt, built 2007, dely Batangas 07/08 Jun, \$5,000, for 5/7 months trading, to United

Tanker period market TC rates

| | 10 Jun | 06 May | ±% | last 5 years | | |
|----------------|-----------|-----------|-------|--------------|-----------|-----------|
| | | | | Min | Avg | Max |
| VLCC | | | | | | |
| 12 months | \$ 39,250 | \$ 41,000 | -4.3% | \$ 18,000 | \$ 30,121 | \$ 57,750 |
| 36 months | \$ 34,000 | \$ 37,500 | -9.3% | \$ 22,000 | \$ 31,639 | \$ 45,000 |
| Suezmax | | | | | | |
| 12 months | \$ 28,750 | \$ 28,750 | 0.0% | \$ 15,250 | \$ 23,224 | \$ 42,500 |
| 36 months | \$ 26,500 | \$ 27,500 | -3.6% | \$ 17,000 | \$ 24,565 | \$ 35,000 |
| Aframax | | | | | | |
| 12 months | \$ 22,500 | \$ 24,500 | -8.2% | \$ 13,000 | \$ 18,123 | \$ 30,000 |
| 36 months | \$ 21,250 | \$ 22,750 | -6.6% | \$ 14,750 | \$ 19,033 | \$ 27,000 |
| MR | | | | | | |
| 12 months | \$ 15,750 | \$ 16,750 | -6.0% | \$ 12,500 | \$ 15,010 | \$ 21,000 |
| 36 months | \$ 15,750 | \$ 16,250 | -3.1% | \$ 14,000 | \$ 15,299 | \$ 18,250 |

Latest indicative Tanker Period Fixtures

M/T "DS COMMANDER", 310000 dwt, built 1999, \$35,250, for 1 year trading, to HOB

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

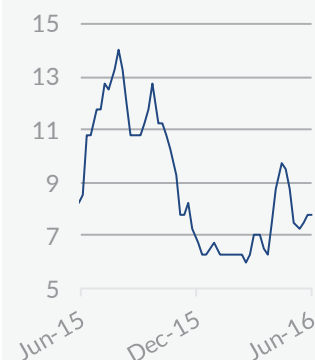
M/T "LEYLA K", 115000 dwt, built 2010, \$21,500, for 3/6 months trading, to ST SHIPPING

M/T "STAR EAGLE", 51200 dwt, built 2007, \$16,500, for 1 year trading, to TUNE CHEMICAL

M/T "PETALOUDA", 47500 dwt, built 2008, \$16,100, for 1 year trading, to NAVIG8

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

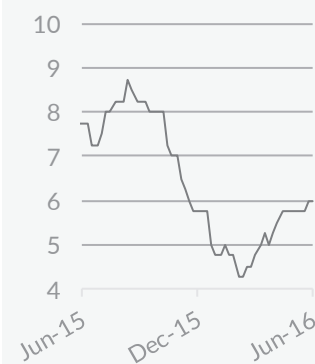
Capesize



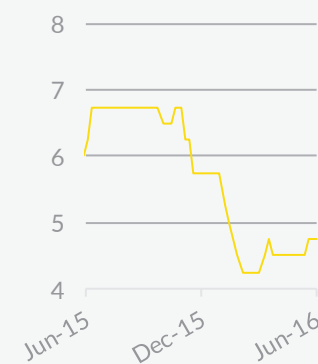
Panamax



Supramax

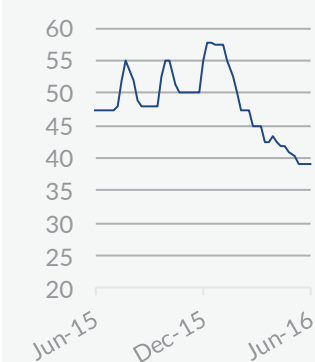


Handysize

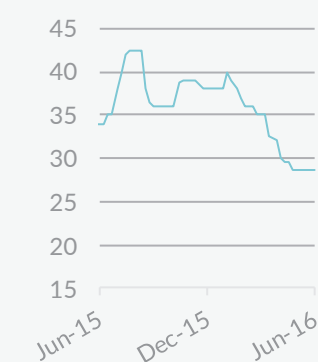


Tanker 12 month period charter rates (USD '000/day)

VLCC



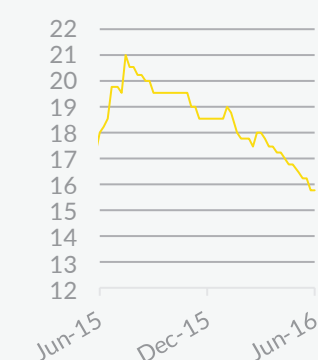
Suezmax



Aframax



MR



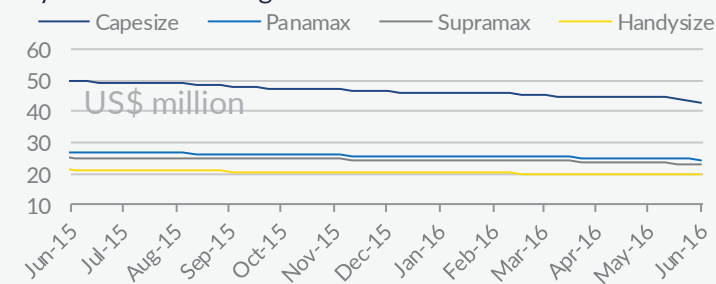
Sale & Purchase Newbuilding Orders



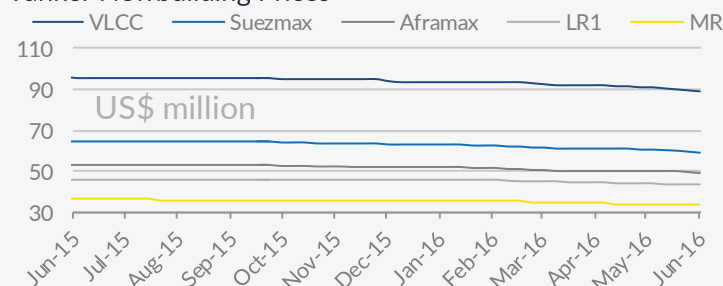
06th - 10th June 2016

Little seems to have been done this year during the Posidonia week, especially once compared to the volumes noted during previous exhibitions. The main moto being promoted by many prominent owners has been that caution should prevail and owners should refrain from getting enticed into any extravagances when it comes to newbuilding order so as to avoid any excessive additions to the orderbook, which as they see it are not supported by the prospects of the demand side of things. That not to say that we didn't see any movement however, as there were a couple of tanker orders surfacing along with a couple of LOIs. No matter what is being said, the main deterrent at the moment is the price gap between newbuildings and secondhand units. A gap which although is narrowing at a good pace over the past couple of weeks as shipbuilders continue to drop their offerings further, is still considerable in size to give a bias to most potential buyers interest over to the secondhand market.

Dry Bulk Newbuilding Prices



Tanker Newbuilding Prices



Indicative Dry NB Prices (US\$ million)

| | 10 Jun | 06 May | ±% | last 5 years | | |
|-------------------------|--------|--------|-------|--------------|------|------|
| | | | | Min | Avg | Max |
| Dry Bulkers | | | | | | |
| Capesize (180,000dwt) | 43.0 | 44.5 | -3.4% | 43.0 | 50.2 | 58.0 |
| Kamsarmax (82,000dwt) | 24.8 | 25.3 | -2.0% | 24.8 | 28.9 | 36.5 |
| Panamax (77,000dwt) | 24.3 | 24.8 | -2.0% | 24.3 | 28.1 | 34.5 |
| Ultramax (64,000dwt) | 22.8 | 23.3 | -2.2% | 22.8 | 26.3 | 31.0 |
| Handysize (37,000dwt) | 19.8 | 20.0 | -1.3% | 19.8 | 22.3 | 26.5 |
| Container | | | | | | |
| Post Panamax (9,000teu) | 84.0 | 86.0 | -2.3% | 76.5 | 86.6 | 94.5 |
| Panamax (5,200teu) | 50.0 | 52.0 | -3.8% | 48.6 | 56.9 | 65.6 |
| Sub Panamax (2,500teu) | 28.5 | 29.0 | -1.7% | 28.5 | 32.9 | 41.0 |
| Feeder (1,700teu) | 19.0 | 20.0 | -5.0% | 19.0 | 24.2 | 29.4 |

Indicative Wet NB Prices (US\$ million)

| | 10 Jun | 06 May | ±% | last 5 years | | |
|----------------------|--------|--------|-------|--------------|-------|-------|
| | | | | Min | Avg | Max |
| Tankers | | | | | | |
| VLCC (300,000dwt) | 89.0 | 91.0 | -2.2% | 89.0 | 96.1 | 104.0 |
| Suezmax (160,000dwt) | 59.0 | 60.5 | -2.5% | 55.8 | 61.5 | 66.0 |
| Aframax (115,000dwt) | 49.0 | 50.0 | -2.0% | 47.0 | 51.8 | 56.0 |
| LR1 (75,000dwt) | 43.5 | 44.0 | -1.1% | 40.5 | 44.0 | 47.0 |
| MR (56,000dwt) | 33.3 | 34.0 | -2.2% | 33.3 | 35.3 | 37.3 |
| Gas | | | | | | |
| LNG 160k cbm | 196.0 | 196.0 | 0.0% | 196.0 | 200.0 | 203.0 |
| LPG LGC 80k cbm | 72.5 | 75.5 | -4.0% | 70.0 | 74.2 | 80.0 |
| LPG MGC 55k cbm | 62.5 | 66.0 | -5.3% | 62.0 | 64.6 | 68.5 |
| LPG SGC 25k cbm | 42.0 | 43.5 | -3.4% | 41.0 | 44.1 | 46.5 |

Reported Transactions

| Type | Units | Size | Shipbuilder | Price | Buyer | Delivery | Comments |
|--------|-------|-------------|----------------------------------|-----------|-----------------------------------|----------|----------|
| TANKER | 2+2 | 320,000 dwt | DAEWOO, S. Korea | \$ 84.6m | MARAN TANKERS - Greece | 1-3/2019 | |
| TANKER | 2+2 | 75,000 dwt | SUNG Dong SHIPBUILDING, S. Korea | \$ 42.5m | TSAKOS ENERGY NAVIGATION - Greece | 2018 | |
| TANKER | 1 | 6,500 dwt | BATAMEC, Indonesia | \$ 14.0m | undisclosed - Indonesia | 2018 | |
| CONT | 2+2 | 4,800 teu | SUNG Dong SHIPBUILDING, S. Korea | N/A | TSAKOS ENERGY NAVIGATION - Greece | 2018 | |
| GAS | 2+2 | 175,000 cbm | DAEWOO, S. Korea | \$ 185.0m | MARAN TANKERS - Greece | 6-9/2019 | LNG |

Sale & Purchase Secondhand Sales

06th - 10th June 2016

On the dry bulk side, activity is still holding strong pushing up the slow momentum that has been noted of late in terms of asset values. Being that these price increases are in contrary to the pattern being noted in the freight market the pace is still slow, while it looks as though that things might plateau during the summer period as activity tends to soften slightly, freight markets ease further and there is a sense that both newbuilding and scrap prices might be a bit softer then today's levels squeezing out any positive trends.

On the tanker side, there is still minimal activity, with most of the reported transactions being well placed en bloc deals. This shows a continual drop in values despite the earnings levels still at relatively good levels. The main damage here has been done by the lack of interest to undertake speculative risk at the moment while the lack of easily available finance also helps keep things tight.

Indicative Dry Bulk Values (US\$ million)

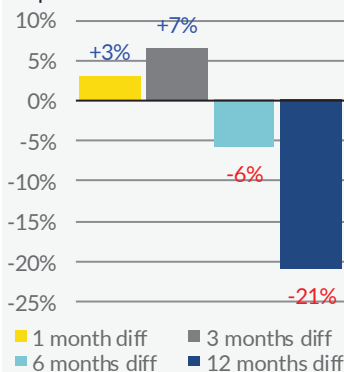
| | | 10 Jun | 06 May | ±% | last 5 years | | |
|------------------|-------------|--------|--------|-------|--------------|------|------|
| | | | | | Min | Avg | Max |
| Capesize | | | | | | | |
| 180k dwt | Resale | 35.5 | 35.0 | 1.4% | 34.5 | 48.3 | 65.0 |
| 170k dwt | 5 year old | 24.5 | 23.8 | 3.2% | 23.0 | 37.1 | 53.0 |
| 170k dwt | 10 year old | 14.0 | 13.5 | 3.7% | 12.0 | 25.4 | 39.0 |
| 150k dwt | 15 year old | 8.0 | 8.0 | 0.0% | 6.5 | 15.4 | 25.0 |
| Panamax | | | | | | | |
| 82k dwt | Resale | 24.5 | 23.0 | 6.5% | 22.5 | 30.7 | 43.0 |
| 76k dwt | 5 year old | 13.5 | 13.3 | 1.9% | 11.5 | 22.1 | 36.8 |
| 76k dwt | 10 year old | 8.0 | 8.0 | 0.0% | 7.3 | 16.4 | 29.3 |
| 74k dwt | 15 year old | 4.5 | 4.5 | 0.0% | 3.5 | 10.8 | 22.0 |
| Supramax | | | | | | | |
| 62k dwt | Resale | 20.5 | 19.8 | 3.8% | 19.0 | 28.6 | 36.8 |
| 58k dwt | 5 year old | 12.5 | 11.5 | 8.7% | 11.0 | 21.2 | 30.5 |
| 52k dwt | 10 year old | 7.3 | 6.5 | 11.5% | 6.0 | 15.4 | 24.3 |
| 52k dwt | 15 year old | 3.8 | 3.5 | 7.1% | 3.5 | 10.2 | 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 | 17.3 | 25.5 |
| 32k dwt | 10 year old | 6.3 | 6.3 | 0.0% | 6.0 | 13.0 | 19.5 |
| 28k dwt | 15 year old | 3.5 | 3.5 | 0.0% | 3.5 | 8.7 | 14.5 |

Indicative Tanker Values (US\$ million)

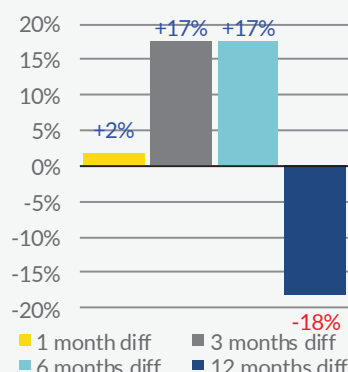
| | | 10 Jun | 06 May | ±% | last 5 years | | |
|----------------|-------------|--------|--------|--------|--------------|------|-------|
| | | | | | Min | Avg | Max |
| VLCC | | | | | | | |
| 310k dwt | Resale | 90.0 | 95.0 | -5.3% | 80.0 | 95.3 | 108.5 |
| 310k dwt | 5 year old | 68.0 | 75.0 | -9.3% | 55.0 | 70.4 | 87.0 |
| 250k dwt | 10 year old | 48.0 | 55.0 | -12.7% | 33.8 | 46.6 | 62.0 |
| 250k dwt | 15 year old | 29.0 | 35.0 | -17.1% | 16.9 | 27.7 | 41.0 |
| Suezmax | | | | | | | |
| 160k dwt | Resale | 65.0 | 65.0 | 0.0% | 53.0 | 64.1 | 73.0 |
| 150k dwt | 5 year old | 52.5 | 52.5 | 0.0% | 38.0 | 50.1 | 62.0 |
| 150k dwt | 10 year old | 39.0 | 40.0 | -2.5% | 24.0 | 34.1 | 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 | 48.9 | 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 | 36.8 | 39.3 |
| 52k dwt | 5 year old | 26.0 | 27.5 | -5.5% | 22.0 | 26.9 | 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

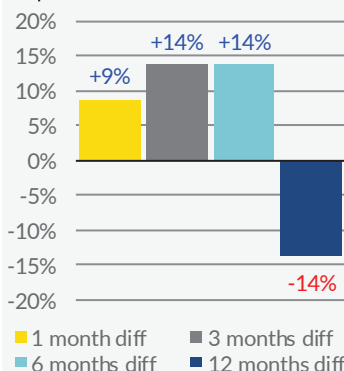
Capesize



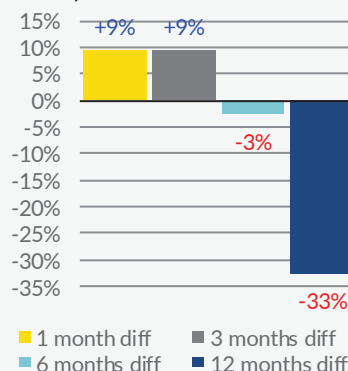
Panamax



Supramax

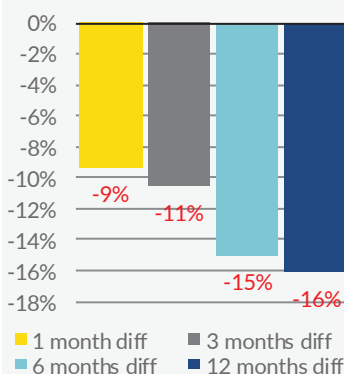


Handysize

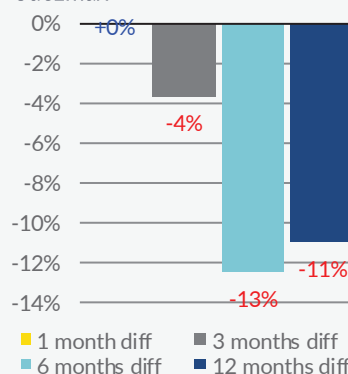


Price movements of 5 year old Tanker assets

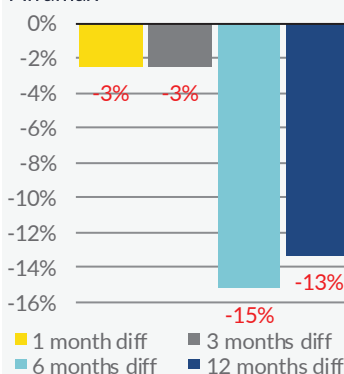
VLCC



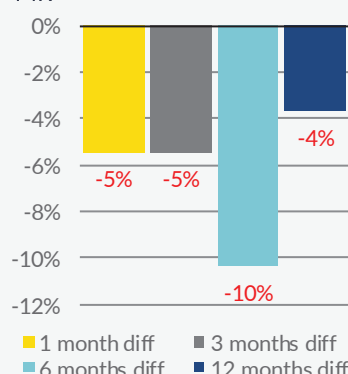
Suezmax



Aframax



MR



Sale & Purchase Secondhand Sales



06th - 10th June 2016

| Tankers | | | | | | | | | |
|---------------|------------------|---------|-------|----------------------------------|----------|----------------|----------|---------------------------------------|---|
| Size | Name | Dwt | Built | Shipbuilder | M/E | Coating | Price | Buyers | Comments |
| AFRA | ISIS | 116,093 | 2007 | UNIVERSAL SHBLDG, Japan | Sulzer | | \$ 36.5m | Greek | previously committed at US\$ 29.5m with 3yrs BBB |
| MR | FRONT ESK | 49,526 | 2014 | STX OFFSHORE & SHBLDG, S. Korea | MAN-B&W | EPOXY PHEN | \$ 29.2m | Irish - Ardmore Shipping | |
| MR | FRONT DEE | 49,494 | 2014 | STX OFFSHORE & SHBLDG, S. Korea | MAN-B&W | EPOXY PHEN | \$ 29.2m | | |
| MR | FRONT CLYDE | 49,478 | 2014 | STX OFFSHORE & SHBLDG, S. Korea | MAN-B&W | EPOXY PHEN | \$ 29.2m | | |
| MR | FRONT AVON | 49,466 | 2013 | STX OFFSHORE & SHBLDG, S. Korea | MAN-B&W | EPOXY PHEN | \$ 27.9m | | |
| MR | FRONT ARROW | 49,452 | 2013 | STX OFFSHORE & SHBLDG, S. Korea | MAN-B&W | EPOXY PHEN | \$ 27.9m | | |
| MR | FRONT MERSEY | 49,420 | 2014 | STX OFFSHORE & SHBLDG, S. Korea | MAN-B&W | EPOXY PHEN | \$ 29.2m | | |
| MR | BRITISH LOYALTY | 46,803 | 2004 | HYUNDAI MIPO, S. Korea | B&W | EPOXY Coated | \$ 14.8m | undisclosed | |
| MR | BRITISH FIDELITY | 46,803 | 2004 | HYUNDAI MIPO, S. Korea | B&W | EPOXY Coated | \$ 14.8m | | |
| PROD/CHEM | STEN FJORD | 13,670 | 2004 | YANGZHOU DAYANG, China | B&W | Marine Line | \$ 13.5m | Canadian | |
| Bulk Carriers | | | | | | | | | |
| Size | Name | Dwt | Built | Shipbuilder | M/E | Gear | Price | Buyers | Comments |
| CAPE | RED IVY | 181,162 | 2016 | IMABARI SHBLDG - HIROS, Japan | MAN-B&W | | \$ 36.5m | Greek - Alpha Bulkers | incl. TC until Mar '17 at \$6,650/day to Swiss Marine |
| PMAX | BILLION TRADER I | 82,050 | 2007 | TSUNEISHI HOLDINGS - T, Japan | MAN-B&W | | \$ 9.5m | Greek | on subs |
| PMAX | ENDLESS | 73,427 | 1999 | HYUNDAI HEAVY INDUSTRI, S. Korea | B&W | | \$ 3.2m | Chinese - Tianjin Dong Jiang Shipping | |
| SMAX | NEW SPIRIT | 52,413 | 2001 | TSUNEISHI, Japan | B&W | 4 X 30t CRANES | N/A | Greek | via bank (Alpha Bank) |
| HMAX | NEW GLORY | 48,193 | 2001 | OSHIMA SHIPBUILDING, Japan | Sulzer | 4 X 30t CRANES | N/A | | |
| HMAX | GOLDEN WISH | 45,719 | 1997 | TSUNEISHI, Japan | B&W | 4 X 25t CRANES | \$ 2.8m | Greek | |
| HMAX | PETRA II | 42,284 | 1991 | HYUNDAI HEAVY INDUSTRI, S. Korea | B&W | 4 X 10t CRANES | N/A | Russian | |
| HMAX | PETRA I | 42,263 | 1991 | HYUNDAI HEAVY INDUSTRI, S. Korea | B&W | 4 X 10t CRANES | N/A | | |
| HANDY | CYAN PHOENIX | 37,302 | 2010 | HUATAI HEAVY INDUSTRY, China | Wartsila | 4 X 30t CRANES | \$ 7.2m | European | |
| HANDY | HANZE GOSLAR | 34,735 | 2012 | QIDONG DAODA HEAVY IND, China | MAN-B&W | 4 X 30t CRANES | \$ 7.0m | undisclosed | via bank at pre-auction deal |
| HANDY | SH GRACE | 29,828 | 2006 | SHIKOKU DOCKYARD, Japan | MAN-B&W | 4 X 31t CRANES | \$ 5.5m | Vietnamese | |

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Sale & Purchase

Secondhand Sales



06th - 10th June 2016

| Containers | | | | | | | | | |
|------------|--------------|-------|-------|----------------------|---------|----------------|---------|----------------|----------|
| Size | Name | TEU | Built | Shipbuilder | M/E | Gear | Price | Buyers | Comments |
| FEEDER | SINAR BANTEN | 1,054 | 2008 | HAKATA HAKATA, Japan | MAN-B&W | 2 X 40t CRANES | \$ 7.1m | Middle Eastern | |

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Sale & Purchase

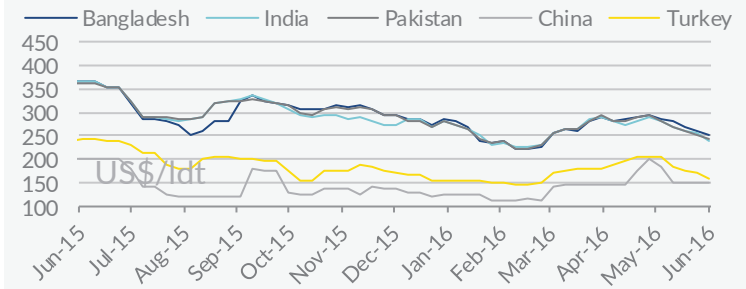
Demolition Sales



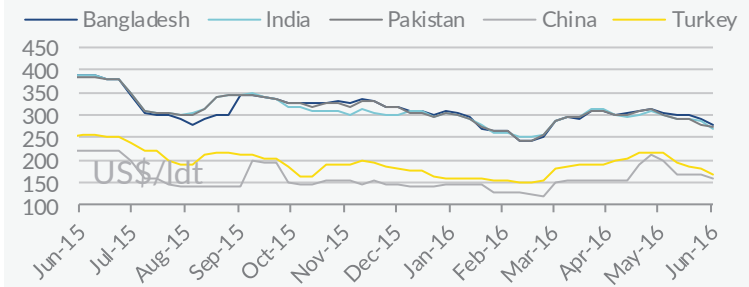
06th - 10th June 2016

Interest amongst end buyers continued to remain subdued, while the further price drops for scrap steel have led many owners to retract their tonnage and hold off for the time being. It seems the main downward pressure on the market now is the prevailing expectation that the monsoon season will have a considerable impact. At the same time and despite both the Bangladeshi and Pakistani recently revealed budgets showing limited change, the Ramadan holidays have over all dampened the appetite in both regions and as such kept many cash buyers from aggressively swooping in on any new candidates that did emerge. With issues still being faced in the Indian market, it seems that there was no one market to drive competition up at the moment and given what is expected to follow, it seems that the same pattern might hold for most of June.

Dry Scrap Prices



Wet Scrap Prices



Indicative Dry Prices (\$/Ldt)

| | | 10 Jun | 03 Jun | ±% | last 5 years | | |
|-----------------------------|------------|--------|--------|-------|--------------|-----|-----|
| | | | | | Min | Avg | Max |
| Indian Sub Continent | | | | | | | |
| | Bangladesh | 250 | 260 | -3.8% | 220 | 401 | 515 |
| | India | 240 | 255 | -5.9% | 225 | 408 | 525 |
| | Pakistan | 245 | 250 | -2.0% | 220 | 404 | 510 |
| Far East Asia | | | | | | | |
| | China | 150 | 150 | 0.0% | 110 | 307 | 455 |
| Mediterranean | | | | | | | |
| | Turkey | 160 | 170 | -5.9% | 145 | 256 | 355 |

Indicative Wet Prices (\$/Ldt)

| | | 10 Jun | 03 Jun | ±% | last 5 years | | |
|-----------------------------|------------|--------|--------|-------|--------------|-----|-----|
| | | | | | Min | Avg | Max |
| Indian Sub Continent | | | | | | | |
| | Bangladesh | 280 | 290 | -3.4% | 245 | 423 | 540 |
| | India | 270 | 285 | -5.3% | 250 | 431 | 550 |
| | Pakistan | 275 | 280 | -1.8% | 245 | 428 | 525 |
| Far East Asia | | | | | | | |
| | China | 160 | 170 | -5.9% | 120 | 325 | 485 |
| Mediterranean | | | | | | | |
| | Turkey | 170 | 180 | -5.6% | 150 | 266 | 355 |

Reported Transactions

| Type | Vessel's Name | Dwt | Built | Country | Built | Ldt | US\$/Ldt | Buyer | Sale Comments |
|------------|-------------------|---------|-------|----------|--------|------------|----------|-------------|---|
| Bulker | POS BRAVERY | 207,096 | 1992 | S. Korea | 26,061 | \$ 273/Ldt | | Bangladeshi | |
| Cont | MOL SOLUTION | 66,559 | 2001 | Japan | 24,752 | \$ 275/Ldt | | Bangladeshi | |
| Cont | HAIPHONG | 62,196 | 1997 | S. Korea | 18,963 | \$ 270/Ldt | | Bangladeshi | bss 'as is' S'pore, incl. extra payment for bunkers |
| Gen. Cargo | BAHAMAS PEARL | 39,218 | 1985 | Japan | 11,561 | \$ 261/Ldt | | Indian | |
| Bulker | ENERGY ENTERPRISE | 33,373 | 1983 | U. S. A. | 10,566 | \$ 270/Ldt | | Indian | Pakistan option |



Trade Indicators

Markets | Currencies | Commodities



06th - 10th June 2016

Genco Shipping & Trading signed a refinancing deal with its lenders that will allow for less onerous covenants and lower interest expenses, while also signing a new equity financing deal with its existing shareholders. The John Wobensmith-led company said in a regulatory filing that it received a commitment for a \$400m term loan to refinance six existing term loans and credit facilities with some \$446m in outstanding principal.

The refinancing comes from a syndicate including Nordea Bank, SEB, DVB Bank, ABN Amro, Credit Agricole, Deutsche Bank, BNP Paribas and CIC, many of which provided Genco's existing loan facilities. Genco said the new facility "is intended to address the company's previously disclosed liquidity and covenant compliance issues."

The refinancing also promises to reduce Genco's interest expenses as the refinancing commitment limits scheduled amortisation to \$100,000 per quarter, subject to a "cash sweep of excess cash flow," through the end of 2018. Genco had interest expense of \$7.1m in the first quarter. Source: Tradewinds

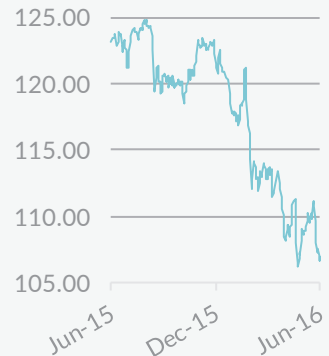
| | 10 Jun | 06 May | ±% | last 12 months | | |
|--------------------|----------|----------|--------|----------------|---------|---------|
| | | | | Min | Avg | Max |
| Markets | | | | | | |
| 10year US Bond | 1.64 | 1.78 | -7.9% | 1.64 | 2.06 | 2.48 |
| S&P 500 | 2,096.1 | 2,057.1 | 1.9% | 1,829 | 2,030 | 2,128 |
| Nasdaq | 4,894.6 | 4,736.2 | 3.3% | 4,267 | 4,866 | 5,219 |
| Dow Jones | 17,865.3 | 17,740.6 | 0.7% | 15,660 | 17,273 | 18,144 |
| FTSE 100 | 6,115.8 | 6,125.7 | -0.2% | 5,537 | 6,252 | 6,847 |
| FTSE All-Share UK | 3,366.9 | 3,364.2 | 0.1% | 3,047 | 3,432 | 3,734 |
| CAC40 | 4,306.7 | 4,301.2 | 0.1% | 3,897 | 4,602 | 5,197 |
| Xetra Dax | 9,834.6 | 9,870.0 | -0.4% | 8,753 | 10,330 | 11,736 |
| Nikkei | 16,601.4 | 16,106.7 | 3.1% | 14,953 | 18,216 | 20,868 |
| Hang Seng | 21,042.6 | 20,109.9 | 4.6% | 18,320 | 21,891 | 27,405 |
| DJ US Maritime | 231.5 | 210.1 | 10.2% | 150.2 | 209.9 | 263.8 |
| Currencies | | | | | | |
| \$ per € | 1.13 | 1.14 | -1.2% | 1.06 | 1.11 | 1.16 |
| \$ per £ | 1.44 | 1.45 | -0.7% | 1.39 | 1.49 | 1.59 |
| £ per € | 0.79 | 0.79 | -0.5% | 0.70 | 0.74 | 0.81 |
| ¥ per \$ | 106.9 | 107.0 | -0.1% | 106.2 | 117.8 | 124.9 |
| \$ per Au\$ | 0.74 | 0.74 | 0.3% | 0.69 | 0.73 | 0.78 |
| \$ per NoK | 0.12 | 0.12 | -0.4% | 0.11 | 0.12 | 0.13 |
| \$ per SFr | 0.96 | 0.97 | -0.6% | 0.92 | 0.98 | 1.03 |
| Yuan per \$ | 6.56 | 6.50 | 1.0% | 6.16 | 6.42 | 6.60 |
| Won per \$ | 1,166.4 | 1,171.1 | -0.4% | 1,102.0 | 1,169.8 | 1,237.8 |
| \$ INDEX | 98.8 | 99.1 | -0.3% | 98.1 | 103.4 | 107.4 |
| Commodities | | | | | | |
| Gold \$ | 1,275.5 | 1,289.0 | -1.0% | 1,049.4 | 1,160.0 | 1,294.0 |
| Oil WTI \$ | 49.0 | 44.6 | 9.7% | 26.9 | 42.8 | 61.2 |
| Oil Brent \$ | 50.4 | 45.3 | 11.3% | 28.2 | 45.5 | 65.6 |
| Palm Oil | 562.0 | 562.0 | 0.0% | 437.5 | 552.7 | 616.0 |
| Iron Ore | 52.1 | 59.5 | -12.4% | 37.0 | 51.5 | 68.7 |
| Coal Price Index | 56.5 | 53.5 | 5.6% | 47.3 | 53.6 | 61.6 |
| White Sugar | 527.4 | 457.6 | 15.3% | 333.6 | 401.5 | 528.7 |

Currencies

US Dollar per Euro



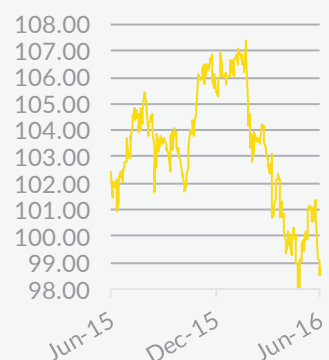
Yen per US Dollar



Yuan per US Dollar



US Dollar INDEX

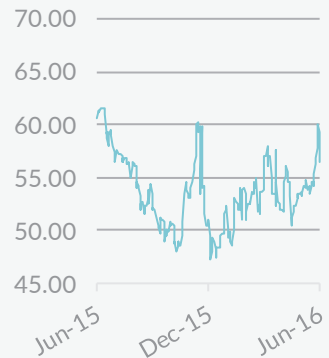


Commodities

Iron Ore (TSI)



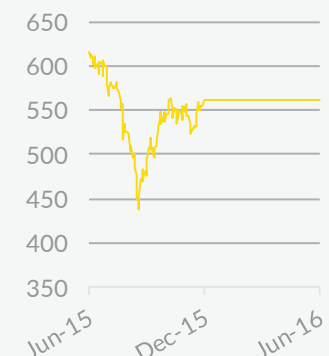
Coal Price Index



Oil WTI \$



Palm Oil



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06th - 10th June 2016 | Week 23

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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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