

Weekly Shipping Market Update

20th - 24th June 2016 | Week 25

Market Analysis

Brexit part 2: the Saga continues

It seems to be a good time to quote an old British war time motivational poster, by saying "keep calm and carry on". The developments that unfolded from the referendum held in the U.K. on Thursday left many within the U.K. and globally waking up with a hang over which they found hard to shake off. Panic spread in the stock markets and forex trading, as most investors rushed to take refuge wherever they could so as to avoid the immense increase in uncertainty and potential volatility. In part this was over exaggerated, as when one takes a sober look at how a Brexit would occur you could see that the process is to be stretched over a long period of time and it will likely be done in an orderly fashion. Nevertheless the potential fallout is significant as was described in our previous iteration of our market insight.

We have already witnessed a considerable rally in the U.S. Dollar, Japanese Yen and the price of gold. With the first two not taken as positive outcomes by the respective economies i.e. The U.S. and Japan, which are likely to be hurt by this in terms of their trade balance and in turn their competitiveness in the global markets. At the same time there is less bullishness with regards to the major developing economies, with the Chinese economy being hit both in its stock market and its currency. The lower price of the Renminbi could possibly boost the competitiveness of their exports, but as a more immediate effect it will likely cause difficulties in terms of the importing of raw materials like iron ore, coal, grains and crude oil as their relative price increases considerably. Furthermore, given the fact that the focus of late within mainland China has been to source the next round of its economic growth from its own consumers, their purchasing power will be diminished by the inflationary pressure brought about by the hike in the prices of these main commodities. This however is a short term effect and should dissipate fairly quickly. The main thing that will remain is the likelihood of a further slowdown in the global economy and trade during the next two years, as the initial effects take on the first punch, later followed through by a lack in investment and consumer spending due to the once again increasing uncertainty, after which we will also see the third stage of the fallout be the actual dent caused in the two main economies involved (the U.K. and Europe) by the reversal of the open trade agreement currently held. The effect of this last stage should spill over to the rest of the globe as the global multiplier of trade and economic growth takes a hit. It is obvious to point out here that all this depends on what happens next and being that the scenarios are multiple and a lot depends on the next decisions made by politicians, it is hard to see at this point which way things will swing.

No matter which way the two parties choose to go politically and economically through their negotiations, the damage has been done and given the state of things, it looks as though we are in for a bumpy ride over the next couple of months while the ripples of the initial shock felt in the financial markets on the very day after the referendum, will soon come and hit the shores of shipping and global trade itself. The intense uncertainty and volatility will only amplify that which has already been seen in shipping markets up until today and will likely bring about a big series of further problems in terms of the balance between supply and demand.

George Lazaridis

Head of Market Research & Asset Valuations



Week in numbers

Dry Bulk Freight Market

	24 Jun		W-O-W change	
			±Δ	±%
BDI	609		▲ 22	3.7%
BCI	913		▼ -14	-1.5%
BPI	585		▲ 39	7.1%
BSI	583		▲ 28	5.0%
BHSI	329		▲ 18	5.8%

Tanker Freight Market

	24 Jun		W-O-W change	
			±Δ	±%
BDTI	714		▼ -4	-0.6%
BCTI	453		▲ 10	2.3%

Newbuilding Market

Aggregate Price Index			M-O-M change	
	24 Jun		±Δ	±%
Bulkers	73		▼ -3	-4.1%
Cont	99		▼ -1	-1.2%
Tankers	94		▼ -2	-2.4%
Gas	96		▼ -2	-1.6%

Secondhand Market

Aggregate Price Index			M-O-M change	
	24 Jun		±Δ	±%
Capesize	39		▲ 1	1.4%
Panamax	37		▲ 1	1.7%
Supramax	39		▲ 1	3.3%
Handysize	42		► 0	0.0%
VLCC	86		▼ -14	-14.2%
Suezmax	90		▼ -2	-2.5%
Aframax	105		▼ -3	-3.0%
MR	109		▼ -6	-5.2%

Demolition Market

Avg Price Index (main 5 regions)			W-O-W change	
	24 Jun		±Δ	±%
Dry	212		▲ 3	1.4%
Wet	234		▲ 3	1.3%

Economic Indicators

	24 Jun		M-O-M change	
			±Δ	±%
Gold \$	1,316		▲ 61	4.9%
Oil WTI \$	48		▼ -1	-1.9%
Oil Brent \$	48		▼ 0	-0.8%
Iron Ore	52		▼ -4	-7.2%
Coal	60		▲ 6	11.3%

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Freight Market

Dry Bulkers - Spot Market

20th - 24th June 2016

Capesize - It was a difficult start to the week with rates starting off on a downward trend. Things started to show some signs of life from mid-week onwards but being that it was limited to the Far East market demand, the week still closed off on a negative week-on-week trend. Main concern has been the slower flow of fresh interest out of Brazil which has caused a temporary drought in the market, though with fewer and fewer ballasters reaching those shores we might find a slightly better balance over the coming days.

Panamax - A tightening of tonnage in the North Atlantic coupled with a significant increase in activity volumes in the Far East and Australia managed to reverse the negative trend and bring back some recovery to freight rate levels. The main Achilles heel for the moment is still the ECSA region which has not managed to follow a steady flow of interest and keep things buoyant there.

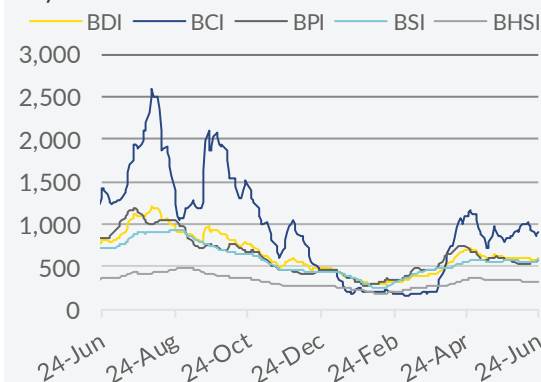
Supramax - The Asian market kept things positive here while there was an increased interest for ballasters to take on voyages from the Atlantic basin over to the Pacific where prospects seemed more robust for the short term. The Pacific seems to have generated a fair amount of positive momentum though it might get more difficult to uphold rates once the bigger flow of ballasters arrives there.

Handysize - Supported by a firmer US Gulf and ECSA in the Atlantic and slightly improved interest in the Pacific, the overall trend this week was a positive one for the Handies. Things were slightly tougher in the Continent and Black Sea/Med region though not enough to counter the overall trend.

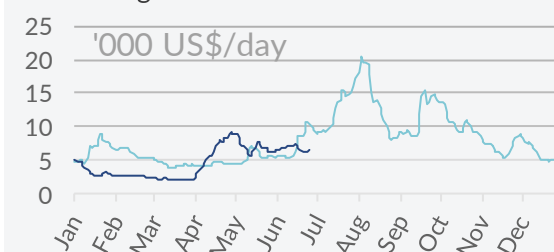
Spot market rates & indices

		24 Jun	17 Jun	±%	Average 2016	2015
Baltic Dry Index						
	BDI	609	587	3.7%	483	711
Capesize						
	BCI	913	927	-1.5%	543	1,009
	BCI 5TC	\$ 6,452	\$ 6,533	-1.2%	\$ 4,659	\$ 8,001
	ATLANTIC RV	\$ 5,300	\$ 5,340	-0.7%	\$ 4,901	\$ 8,206
	Cont / FEast	\$ 12,409	\$ 12,077	2.7%	\$ 10,759	\$ 16,387
	PACIFIC RV	\$ 6,800	\$ 7,471	-9.0%	\$ 4,211	\$ 7,394
	FEast / ECSA	\$ 7,182	\$ 6,918	3.8%	\$ 4,801	\$ 8,353
Panamax						
	BPI	585	546	7.1%	496	690
	BPI - TCA	\$ 4,681	\$ 4,361	7.3%	\$ 3,967	\$ 5,513
	ATLANTIC RV	\$ 4,611	\$ 4,314	6.9%	\$ 3,999	\$ 5,925
	Cont / FEast	\$ 8,902	\$ 8,673	2.6%	\$ 7,568	\$ 10,563
	PACIFIC RV	\$ 4,603	\$ 3,889	18.4%	\$ 3,811	\$ 5,021
	FEast / Cont	\$ 608	\$ 568	7.0%	\$ 491	\$ 542
Supramax						
	BSI	583	555	5.0%	457	662
	BSI - TCA	\$ 6,101	\$ 5,805	5.1%	\$ 4,780	\$ 6,919
	Cont / FEast	\$ 8,142	\$ 8,350	-2.5%	\$ 8,068	\$ 9,890
	Med / FEast	\$ 7,443	\$ 7,496	-0.7%	\$ 7,071	\$ 9,274
	PACIFIC RV	\$ 5,696	\$ 4,958	14.9%	\$ 4,162	\$ 5,989
	FEast / Cont	\$ 3,415	\$ 3,070	11.2%	\$ 2,351	\$ 4,794
	USG / Skaw	\$ 11,756	\$ 11,075	6.1%	\$ 7,414	\$ 10,915
	Skaw / USG	\$ 3,243	\$ 3,464	-6.4%	\$ 2,661	\$ 3,705
Handysize						
	BHSI	329	311	5.8%	281	364
	BHSI - TCA	\$ 4,855	\$ 4,567	6.3%	\$ 4,088	\$ 5,354
	Skaw / Rio	\$ 2,700	\$ 2,830	-4.6%	\$ 3,288	\$ 3,770
	Skaw / Boston	\$ 3,067	\$ 3,250	-5.6%	\$ 3,683	\$ 4,057
	Rio / Skaw	\$ 6,644	\$ 5,794	14.7%	\$ 5,790	\$ 8,526
	USG / Skaw	\$ 7,521	\$ 7,100	5.9%	\$ 5,506	\$ 7,200
	SEAsia / Aus / Jap	\$ 4,218	\$ 3,929	7.4%	\$ 3,156	\$ 4,211
	PACIFIC RV	\$ 5,236	\$ 4,850	8.0%	\$ 4,061	\$ 5,429

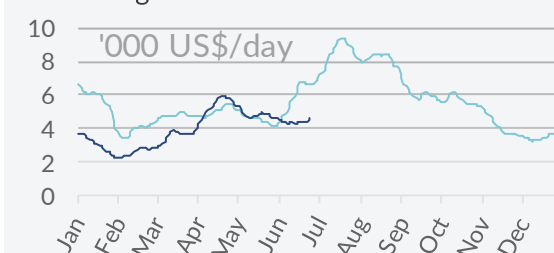
Dry Bulk Indices



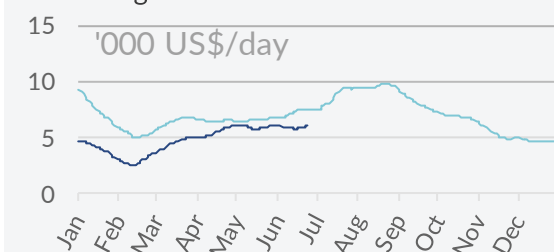
BCI Average TCE



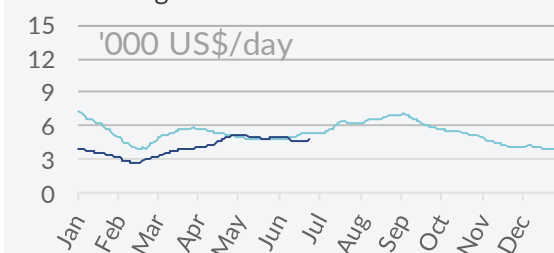
BPI Average TCE



BSI Average TCE



BHSI Average TCE



— 2015 — 2016

Freight Market

Tankers - Spot Market

20th - 24th June 2016

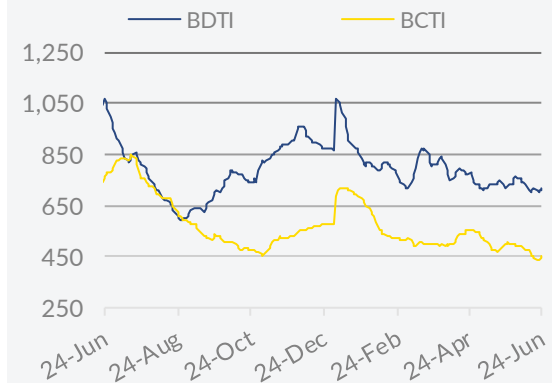
Crude Oil Carriers - A slight improvement in the larger VLs this week though only a marginal one with the MEG pulling up most of the weight this time around. Things were slightly more disappointing in the Suezmax and Aframax markets where rates took on a slightly bigger hit despite the previous week's upward trend noted. It seems as though the main let down was from the lack in fresh interest in the Black Sea/Med region though come closing Friday there was a drop in interest out of Continent as well. Things also switched in sentiment in the North Sea/Baltic region as well despite the positive trend that had been noted over the past couple of weeks.

Oil Products - An overall negative week in both the CPP and DPP routes though there were some gains to be seen on some routes thanks to tighter position lists and slightly firmer interest emerging. There was a slight boost in interest from the Far East, while the Continent/US Gulf managed some slight gains though mainly dampened by the drop on the backhaul route.

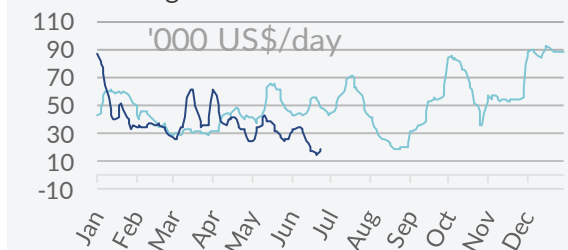
Spot market rates & indices

		24 Jun	17 Jun	±%	Average	
					2016	2015
Baltic Tanker Indices						
BDTI		714	718	-0.6%	792	820
BCTI		453	443	2.3%	539	637
VLCC						
MEG-USG	WS	28.33	26.33	7.6%	38.59	36.36
	\$/day	\$ 9,289	\$ 8,047	15.4%	\$ 24,597	\$ 31,968
MEG-SPORE	WS	47.65	43.27	10.1%	66.68	64.43
	\$/day	\$ 42,841	\$ 38,456	11.4%	\$ 61,306	\$ 61,629
MEG-JAPAN	WS	46.23	42.12	9.8%	65.09	63.09
	\$/day	\$ 28,221	\$ 25,210	11.9%	\$ 51,056	\$ 68,288
WAF-USG	WS	57.50	57.00	0.9%	71.80	72.72
	\$/day	\$ 69,951	\$ 69,730	0.3%	\$ 94,319	\$ 76,589
SUEZMAX						
WAF-USAC	WS	67.50	85.00	-20.6%	77.52	81.13
	\$/day	\$ 67,773	\$ 51,619	31.3%	\$ 48,335	\$ 46,404
BSEA-MED	WS	75.50	85.50	-11.7%	88.61	91.34
	\$/day	\$ 18,104	\$ 24,842	-27.1%	\$ 29,993	\$ 46,346
AFRAMAX						
NSEA-CONT	WS	122.78	123.33	-0.4%	108.37	111.01
	\$/day	\$ 36,355	\$ 35,344	2.9%	\$ 26,721	\$ 37,053
MEG-SPORE	WS	95.31	93.42	2.0%	114.59	112.26
	\$/day	\$ 14,966	\$ 15,236	-1.8%	\$ 23,474	\$ 31,406
CARIBS-USG	WS	89.72	90.28	-0.6%	112.81	133.63
	\$/day	\$ 9,661	\$ 10,236	-5.6%	\$ 19,994	\$ 37,962
BALTIC-UKC	WS	98.33	98.89	-0.6%	86.77	92.57
	\$/day	\$ 31,976	\$ 32,691	-2.2%	\$ 29,035	\$ 43,406
DPP						
CARIBS-USAC	WS	107.50	112.50	-4.4%	123.13	138.77
	\$/day	\$ 21,803	\$ 23,932	-8.9%	\$ 28,571	\$ 30,727
ARA-USG	WS	91.56	92.50	-1.0%	111.36	122.73
	\$/day	\$ 19,531	\$ 20,749	-5.9%	\$ 28,919	\$ 30,281
SEASIA-AUS	WS	97.06	95.22	1.9%	113.66	110.54
	\$/day	\$ 18,848	\$ 18,915	-0.4%	\$ 26,677	\$ 35,804
MED-MED	WS	120.83	117.39	2.9%	101.13	108.70
	\$/day	\$ 25,224	\$ 24,084	4.7%	\$ 19,973	\$ 35,902
CPP						
MEG-JAPAN	WS	87.50	80.00	9.4%	99.37	105.50
	\$/day	\$ 13,394	\$ 12,017	11.5%	\$ 18,986	\$ 28,796
CONT-USAC	WS	96.25	89.75	7.2%	114.53	134.68
	\$/day	\$ 6,273	\$ 5,397	16.2%	\$ 11,246	\$ 18,755
CARIBS-USAC	WS	105.00	110.00	-4.5%	127.02	134.05
	\$/day	\$ 15,673	\$ 17,265	-9.2%	\$ 22,329	\$ 22,099
USG-CONT	WS	62.86	81.07	-22.5%	91.64	96.47
	\$/day	\$ 1,149	\$ 4,474	-74.3%	\$ 7,789	\$ 12,481

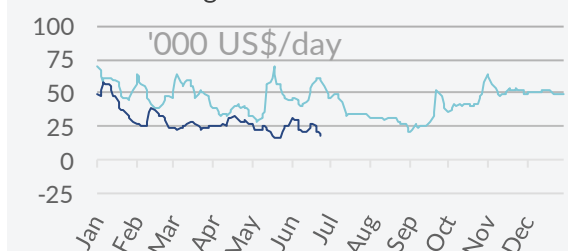
Tanker Indices



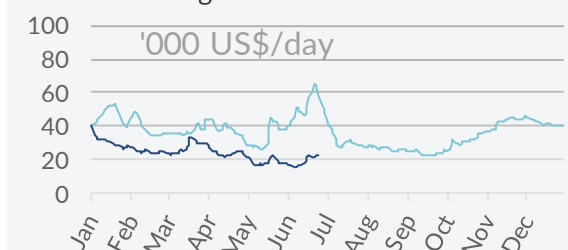
VLCC Average TCE



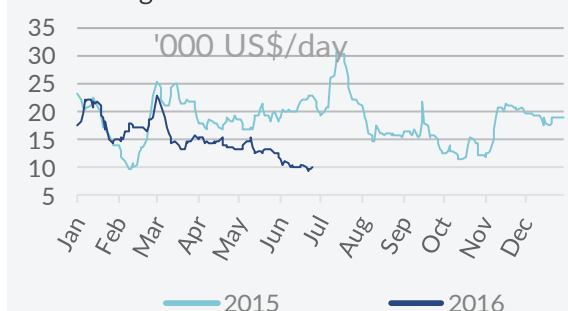
Suezmax Average TCE



Aframax Average TCE



MR Average TCE



Freight Market

Period Charter

20th - 24th June 2016

Dry Bulk period market TC rates

	24 Jun	20 May	±%	last 5 years		
				Min	Avg	Max
Capesize						
12 months	\$ 8,750	\$ 7,500	16.7%	\$ 6,200	\$ 15,065	\$ 31,450
36 months	\$ 10,750	\$ 10,000	7.5%	\$ 6,950	\$ 15,693	\$ 25,200
Panamax						
12 months	\$ 5,750	\$ 6,000	-4.2%	\$ 4,950	\$ 10,512	\$ 18,700
36 months	\$ 6,500	\$ 6,750	-3.7%	\$ 6,200	\$ 11,061	\$ 16,700
Supramax						
12 months	\$ 6,250	\$ 6,000	4.2%	\$ 4,450	\$ 10,366	\$ 15,950
36 months	\$ 6,250	\$ 6,250	0.0%	\$ 6,200	\$ 10,678	\$ 15,450
Handysize						
12 months	\$ 5,000	\$ 4,750	5.3%	\$ 4,450	\$ 8,559	\$ 12,950
36 months	\$ 5,500	\$ 5,500	0.0%	\$ 5,450	\$ 9,114	\$ 12,950

Latest indicative Dry Bulk Period Fixtures

M/V "ALPHA HOPE", 181433 dwt, built 2011, dely Cape Passero prompt, \$10,000, for 7/9 months trading, to Cargill

M/V "SPAR VIRGO", 53565 dwt, built 2005, dely Turkey prompt, \$6,200, for min 4/abt 6 months trading, to Norvic

M/V "WISH STAR", 205797 dwt, built 2014, dely China 28 Jun/08 Jul, \$9,400, for 6/9 months trading, to Oldendorff

M/V "BW ACORN", 82589 dwt, built 2010, dely Tianjin 01/10 Jul, \$6,000 daily and \$7,000 daily for option, for 1+1 years trading, to Glencore

M/V "GALATEIA", 81359 dwt, built 2011, dely South Korea spot, \$5,100, for 4/7 months trading, to Oldendorff

Tanker period market TC rates

	24 Jun	20 May	±%	last 5 years		
				Min	Avg	Max
VLCC						
12 months	\$ 36,500	\$ 39,250	-7.0%	\$ 18,000	\$ 30,170	\$ 57,750
36 months	\$ 32,500	\$ 35,000	-7.1%	\$ 22,000	\$ 31,648	\$ 45,000
Suezmax						
12 months	\$ 26,500	\$ 28,750	-7.8%	\$ 15,250	\$ 23,250	\$ 42,500
36 months	\$ 25,500	\$ 26,500	-3.8%	\$ 17,000	\$ 24,572	\$ 35,000
Aframax						
12 months	\$ 19,750	\$ 23,500	-16.0%	\$ 13,000	\$ 18,141	\$ 30,000
36 months	\$ 19,750	\$ 21,500	-8.1%	\$ 14,750	\$ 19,039	\$ 27,000
MR						
12 months	\$ 15,750	\$ 16,250	-3.1%	\$ 12,500	\$ 15,015	\$ 21,000
36 months	\$ 15,250	\$ 15,750	-3.2%	\$ 14,000	\$ 15,301	\$ 18,250

Latest indicative Tanker Period Fixtures

M/T "ARENZA XXVII", 309000 dwt, built 2000, \$32,000, for 1/4 months trading, to CLEARLAKE

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

M/T "CAPTAIN PARIS", 115000 dwt, built 2014, \$21,500, for 1 year trading, to NAVIG8

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

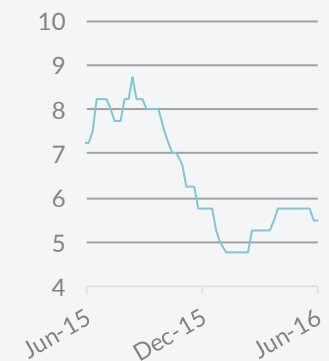
M/T "CARTAGENA", 47000 dwt, built 2009, \$14,500, for 6 months trading, to SCORPIO

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

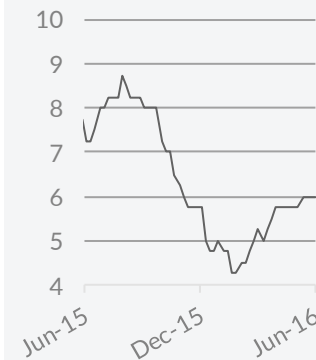
Capesize



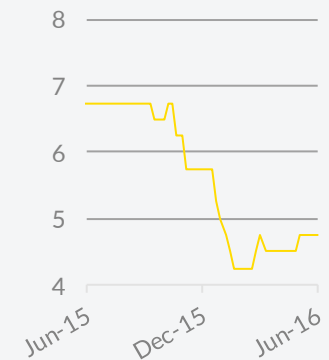
Panamax



Supramax

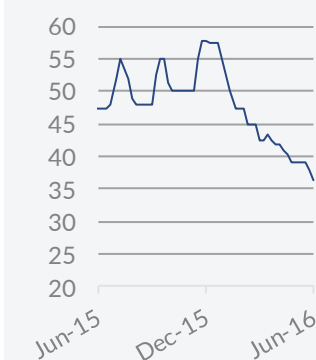


Handysize

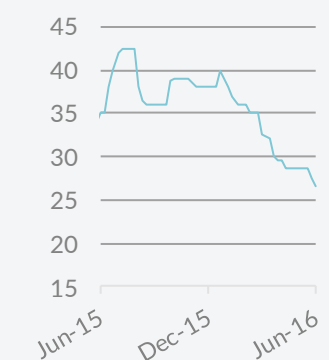


Tanker 12 month period charter rates (USD '000/day)

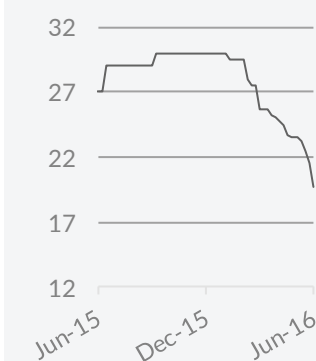
VLCC



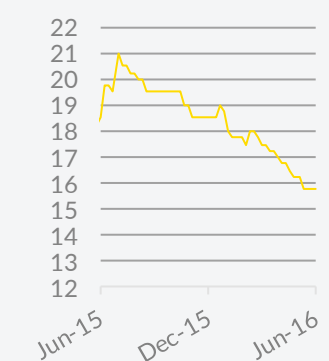
Suezmax



Aframax



MR

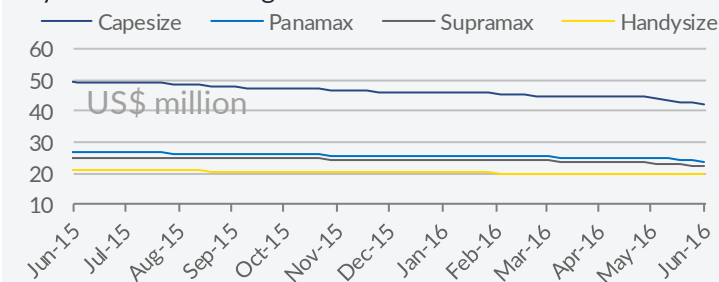


Sale & Purchase Newbuilding Orders

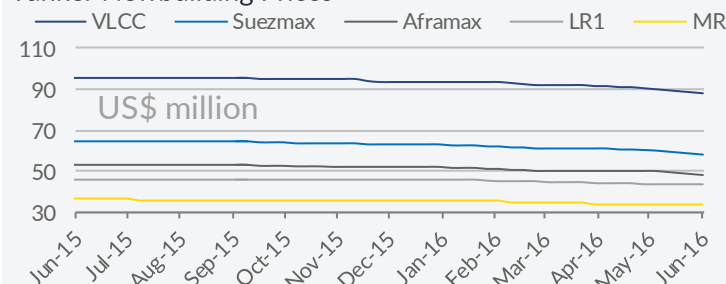
20th - 24th June 2016

Not much going on in terms of activity yet again this week, while the tumbling in prices continues. The weight that has gathered on the back of shipbuilders has now grown considerable and it is becoming an ever bigger issue, even for some of the higher tier shipbuilders in countries such as S. Korea. The main clouds gathering are primarily revolved around the excessive debt that most shipbuilders have amassed, while without a sufficient forward orderbook, they lack the required activity cash flow and revenue to be able to slowly manage this debt. At the same time the recent developments have caused further turbulence in the prospects of trade while they have also increased the prevailing issues in the finance markets as well, in effect crippling further the prevailing appetite amongst buyers for new ordering. On top of this there has been major movements since Friday in the exchange markets, with the Japanese shipbuilders feeling the brunt of this force as the Japanese Yen climbs rapidly against their trading interests.

Dry Bulk Newbuilding Prices



Tanker Newbuilding Prices



Indicative Dry NB Prices (US\$ million)

	24 Jun	20 May	±%	last 5 years		
				Min	Avg	Max
Dry Bulkers						
Capesize (180,000dwt)	42.0	44.5	-5.6%	42.0	50.1	58.0
Kamsarmax (82,000dwt)	24.3	25.3	-4.0%	24.3	28.9	36.5
Panamax (77,000dwt)	23.8	24.8	-4.0%	23.8	28.0	34.5
Ultramax (64,000dwt)	22.3	23.3	-4.3%	22.3	26.2	31.0
Handysize (37,000dwt)	19.5	20.0	-2.5%	19.5	22.3	26.5
Container						
Post Panamax (9,000teu)	84.0	85.5	-1.8%	76.5	86.6	94.5
Panamax (5,200teu)	50.0	51.0	-2.0%	48.6	56.9	65.6
Sub Panamax (2,500teu)	28.5	28.5	0.0%	28.5	32.9	41.0
Feeder (1,700teu)	24.0	24.3	-1.0%	21.5	25.3	29.4

Indicative Wet NB Prices (US\$ million)

	24 Jun	20 May	±%	last 5 years		
				Min	Avg	Max
Tankers						
VLCC (300,000dwt)	88.0	90.5	-2.8%	88.0	96.0	104.0
Suezmax (160,000dwt)	58.0	60.3	-3.7%	55.8	61.5	66.0
Aframax (115,000dwt)	48.0	50.0	-4.0%	47.0	51.8	56.0
LR1 (75,000dwt)	43.5	43.5	0.0%	40.5	44.0	47.0
MR (56,000dwt)	33.3	33.8	-1.5%	33.3	35.2	37.3
Gas						
LNG 160k cbm	197.0	197.0	0.0%	197.0	200.0	203.0
LPG LGC 80k cbm	72.5	75.0	-3.3%	70.0	74.2	80.0
LPG MGC 55k cbm	64.5	65.0	-0.8%	62.0	64.6	68.5
LPG SGC 25k cbm	42.0	43.0	-2.3%	41.0	44.1	46.5

Reported Transactions

Type	Units	Size	Shipbuilder	Price	Buyer	Delivery	Comments
CONT	1	160,000 cbm	FUJIAN FUNING, China	N/A	FUJIAN LIANJIANG HONGWEI AQUATIC TRADE - China	2017	160,000 CUFT Reefer Container Carrier
CONT	8	1,900 teu	NAIKI ZOSEN, Japan	N/A	WAN HAI LINES - Taiwan	2018-2019	
PAX	1+1	1,006 pax	AUSTAL PTY, Australia	\$ 73.9m	MOLS-LINIEN - Denmark	2017-2018	
PAX	1	400 pax	RAUMA MARINE CONSTRUCTIONS, Finland	N/A	MOLS-LINIEN - Denmark	2018	

Sale & Purchase Secondhand Sales

20th - 24th June 2016

On the dry bulk side, there was a notable softening in terms of activity. This has also made in turn a follow through effect on prices which we may well see a pause at current levels. This is something that has in part been reflected by most of the buyers in the market, as given the increases in prices seen of late few are feeling that these are well supported by market fundamentals and as such are now feeling that they should be in no rush to make any haste decisions.

On the tanker side, activity seemed slightly more alive possibly boosted by the softer price ideas now offered by sellers. This has been greatly reflected by most of the sales that emerged this week, all of which show some degree of price softening compared to the previous comparable sales that had been done in each respective size and age group.

Indicative Dry Bulk Values (US\$ million)

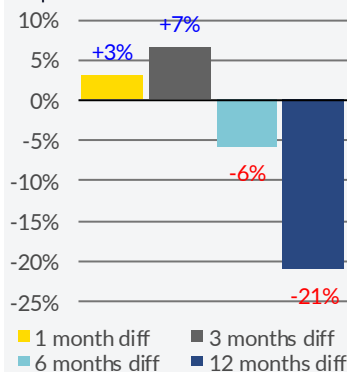
		24 Jun	20 May	±%	Min	Avg	Max
Capesize							
180k dwt	Resale	35.5	35.0	1.4%	34.5	48.3	65.0
170k dwt	5 year old	24.5	23.8	3.2%	23.0	37.0	53.0
170k dwt	10 year old	14.0	14.0	0.0%	12.0	25.3	39.0
150k dwt	15 year old	8.0	8.0	0.0%	6.5	15.3	25.0
Panamax							
82k dwt	Resale	24.5	23.5	4.3%	22.5	30.7	43.0
76k dwt	5 year old	13.5	13.5	0.0%	11.5	22.1	36.8
76k dwt	10 year old	8.0	8.0	0.0%	7.3	16.3	29.3
74k dwt	15 year old	4.5	4.5	0.0%	3.5	10.7	22.0
Supramax							
62k dwt	Resale	20.5	20.5	0.0%	19.0	28.5	36.8
58k dwt	5 year old	12.5	12.5	0.0%	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	23.0	30.0
32k dwt	5 year old	8.8	8.8	0.0%	7.8	17.3	25.5
32k dwt	10 year old	6.3	6.3	0.0%	6.0	12.9	19.5
28k dwt	15 year old	3.5	3.5	0.0%	3.5	8.7	14.5

Indicative Tanker Values (US\$ million)

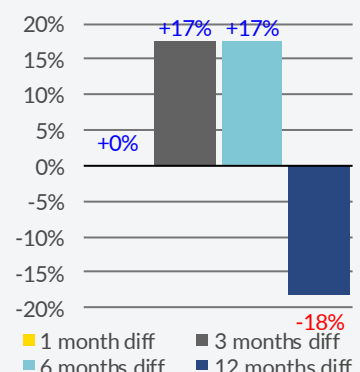
		24 Jun	20 May	±%	Min	Avg	Max
VLCC							
310k dwt	Resale	87.5	93.5	-6.4%	80.0	95.2	108.5
310k dwt	5 year old	65.0	73.5	-11.6%	55.0	70.4	87.0
250k dwt	10 year old	45.0	53.5	-15.9%	33.8	46.6	62.0
250k dwt	15 year old	26.0	33.0	-21.2%	16.9	27.7	41.0
Suezmax							
160k dwt	Resale	63.5	65.0	-2.3%	53.0	64.1	73.0
150k dwt	5 year old	50.5	52.5	-3.8%	38.0	50.1	62.0
150k dwt	10 year old	37.5	39.0	-3.8%	24.0	34.1	44.5
150k dwt	15 year old	23.0	23.0	0.0%	14.0	19.0	23.3
Aframax							
110k dwt	Resale	52.5	54.0	-2.8%	39.0	48.9	57.0
110k dwt	5 year old	37.5	39.0	-3.8%	27.0	37.0	47.5
105k dwt	10 year old	24.5	26.0	-5.8%	16.0	24.1	33.0
105k dwt	15 year old	16.0	16.0	0.0%	8.0	13.2	18.5
MR							
52k dwt	Resale	35.0	36.0	-2.8%	32.0	36.8	39.3
52k dwt	5 year old	24.0	26.0	-7.7%	22.0	26.9	31.0
45k dwt	10 year old	17.0	19.0	-10.5%	14.0	18.0	21.0
45k dwt	15 year old	11.5	11.5	0.0%	9.0	11.0	13.5

Price movements of 5 year old Dry Bulk assets

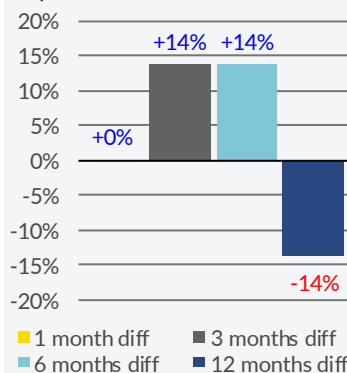
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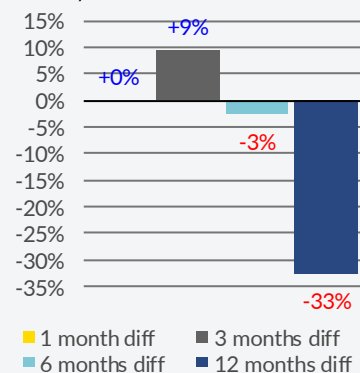
Panamax



Supramax

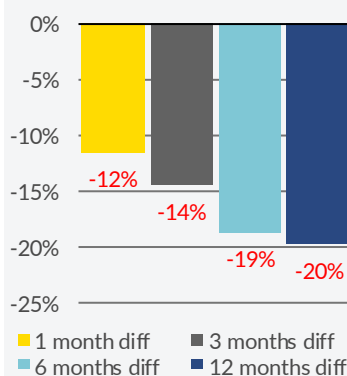


Handysize

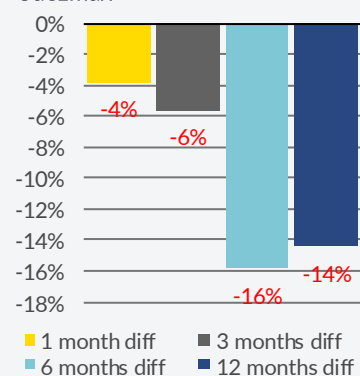


Price movements of 5 year old Tanker assets

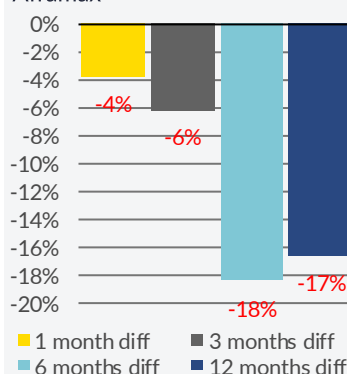
VLCC



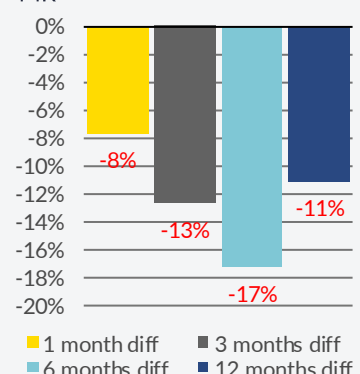
Suezmax



Aframax



MR



Sale & Purchase

Secondhand Sales



20th - 24th June 2016

Tankers									
Size	Name	Dwt	Built	Shipbuilder	M/E	Coating	Price	Buyers	Comments
VLCC	SHOSHONE SPIRIT	314,000	2011	DAEWOO SB/ME, S. Korea	MAN-B&W		\$ 62.0m	Greek - Pantheon	
SUEZ	CAPE BAXLEY	159,385	2003	HYUNDAI SAMHO, S. Korea	MAN-B&W	EPOXY Coated	\$ 25.0m	U. K. Based - Tufton Oceanic	
AFRA	NISSOS KYTHNOS	115,674	2011	SAMSUNG HEAVY, S. Korea	MAN-B&W		\$ 25.5m	Malaysian	Vessel committed subject to award of ENAP tender
MR	DL SUNFLOWER	47,204	1998	ONOMICHI, Japan	MAN-B&W	EPOXY Coated	\$ 8.5m	Taiwanese	
MR	ALAM BISTARI	47,065	2001	ONOMICHI, Japan	B&W	EPOXY Coated	\$ 12.0m	Middle Eastern	
MR	AKAMA	44,995	2003	IWAGI, Japan	MAN-B&W	EPOXY Coated	\$ 11.0m	undisclosed	
PROD/CHEM	AS OPHELIA	19,991	2006	USUKI SHIPYARD, Japan	MAN-B&W	St St	\$ 19.3m	Greek - Interunity Management	SS/DD Oct '16
PROD/CHEM	CRANE HARMONY	11,706	2009	NIIGATA SHIPBUILDING -, Japan	MAN-B&W	Marine Line	\$ 11.8m	undisclosed	
SMALL	GOLDEN WAVE	8,792	2002	USUKI SHIPYARD, Japan	Mitsubishi	St St	\$ 8.2m	Chinese	
SMALL	LIAN RUN 6	2,359	2006	NANJING JIANGNING ER J, China	nese Std. Type		\$ 2.1m	Chinese	
Bulk Carriers									
Size	Name	Dwt	Built	Shipbuilder	M/E	Gear	Price	Buyers	Comments
CAPE	CAPE ALTHEA	179,250	2011	HYUNDAI HEAVY INDUSTRI, S. Korea	MAN-B&W		\$ 24.0m	Indian - Great Eastern Shipping	
SMAX	MOLLY MANX	57,982	2010	TSUNEISHI CEBU, Philippines	MAN-B&W	4 X 30t CRANES	\$ 10.7m	Greek	
SMAX	SAMJIN 1051	57,800	2016	DSME WEIHAI SHIPYARD C, China	MAN-B&W	4 X 35t CRANES	\$ 13.0m	German - Oldendorff	Dely Oct '16
HANDY	QUINN J	34,399	2011	SPP SHBLDG CO LTD - TO, S. Korea	MAN-B&W	4 X 35t CRANES	\$ 9.6m	Greek - Empire Navigation	SS/DD due Oct '16
SMALL	ORIENTAL SAPPHIRE	16,765	2003	SHIN KOCHI, Japan	Mitsubishi	2 X 30t CRANES	\$ 2.8m	Russian	
SMALL	ORIENTAL VEGA	16,730	2007	SHIN KOCHI, Japan	Mitsubishi	2 X 30,5t CRANES	\$ 3.8m		

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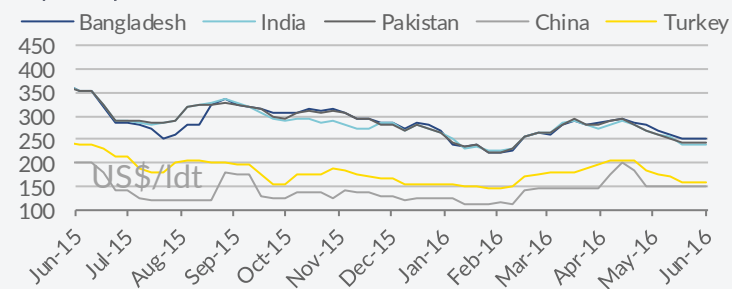
Sale & Purchase

Demolition Sales

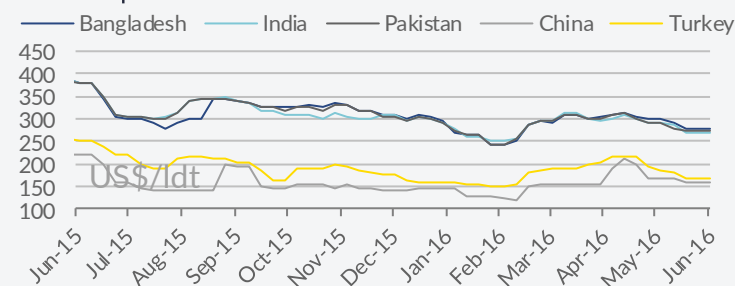
20th - 24th June 2016

Overall a fairly flat week, with minimal activity, minimal interest from end buyers and a slower flow of demo candidates coming into the market. This leaves the market fairly flat in terms of pricing with marginal shifts being noted. The monsoon season which is expected to be fairly heavy this year in terms of rainfall, something which could bring about an even slower level of breaking activity on the beaches. For the moment this seems to have had little effect these past two weeks, while for the moment we seem to have averted the excess price drop in scrap that had been noted last year during the same period. The slightly better performance in the freight market has assisted in this regard as well, as this has been the primary support for most owners to delay any scrapping decision for the moment. It is important to note however that the risk is still there, especially if late July/early August proves to be a disappointment to most in terms of freight earnings.

Dry Scrap Prices



Wet Scrap Prices



Indicative Dry Prices (\$/Ldt)

		24 Jun	17 Jun	±%	last 5 years		
					Min	Avg	Max
Indian Sub Continent							
	Bangladesh	255	250	2.0%	220	400	515
	India	245	240	2.1%	225	407	525
	Pakistan	250	245	2.0%	220	403	510
Far East Asia							
	China	150	150	0.0%	110	306	455
Mediterranean							
	Turkey	160	160	0.0%	145	254	355

Indicative Wet Prices (\$/Ldt)

		24 Jun	17 Jun	±%	last 5 years		
					Min	Avg	Max
Indian Sub Continent							
	Bangladesh	285	280	1.8%	245	422	540
	India	275	270	1.9%	250	430	550
	Pakistan	280	275	1.8%	245	427	525
Far East Asia							
	China	160	160	0.0%	120	324	485
Mediterranean							
	Turkey	170	170	0.0%	150	264	355

Reported Transactions

Type	Vessel's Name	Dwt	Built	Country	Built	Ldt	US\$/Ldt	Buyer	Sale Comments
Bulker	GOONYELLA TRADER	170,873	1996	Japan		21,320	\$ 277/Ldt	Bangladeshi	bss 'as is' S'pore
Tanker	NEW ALLIANCE	106,118	1998	Japan		15,685	\$ 198/Ldt	Chinese	
Cont	PHOENIX I	58,724	2002	S. Korea		18,934	\$ 280/Ldt	undisclosed	bss 'as is' S'pore, incl 500tns ROB
Bulker	APJ AKHIL	39,989	1989	Japan		10,165	\$ 262/Ldt	Pakistani	
Bulker	TROPICAL STAR	38,248	1984	Japan		9,575	\$ 195/Ldt	Bangladeshi	bss 'as is' Kaohsiung Taiwan
Cont	PATRICIA RICKMERS	30,720	1998	Taiwan		11,463	\$ 285/Ldt	Indian	
Cont	AS CASTOR	18,445	1997	Poland		6,760	\$ 170/Ldt	undisclosed	bss 'as is' Malta

Trade Indicators

Markets | Currencies | Commodities

20th - 24th June 2016

Shipowners will find it even more difficult to secure funding following the shock waves created by a pending UK exit from the European Union, a leading analyst says. Ben Nolan of Stifel explains the outcome of the referendum will not have a large impact on shipping freight markets but the psychological effects will hit the availability of debt.

"With European banks providing the majority of debt capital to the shipping industry, and those banks already restrict lending to almost unthinkable levels, further economic instability is likely to restrict lending to an even greater extent," he said in a report. The UK has a 10% share of the global market for shipfinancing, but its slice of the pie is shrinking due to financial and maritime trends, according to a City of London report earlier this year. It noted that regulations have made European banks less competitive than those in Asia and the US.

The vote comes at a time when the European Central Bank has launched a fresh review onto the continent's shipping lenders that could lead to them holding larger capital reserves. The Brexit vote sent global shares crashing, first in Asia and then Europe as the result was digested, with the outcome arguably more of a shock to the international audience than the home market. Source: Tradewinds

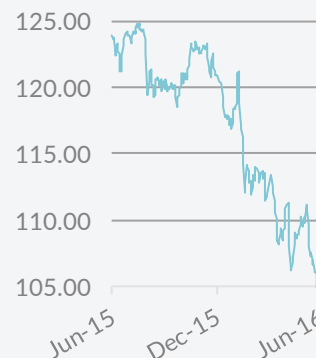
	last 12 months					
	24 Jun	20 May	±%	Min	Avg	Max
Markets						
10year US Bond	1.58	1.85	-14.6%	1.56	2.03	2.48
S&P 500	2,037.3	2,052.3	-0.7%	1,829	2,029	2,128
Nasdaq	4,708.0	4,769.6	-1.3%	4,267	4,856	5,219
Dow Jones	17,400.8	17,500.9	-0.6%	15,660	17,263	18,120
FTSE 100	6,138.7	6,156.3	-0.3%	5,537	6,227	6,845
FTSE All-Share UK	3,348.6	3,387.2	-1.1%	3,047	3,418	3,728
CAC40	4,106.7	4,353.9	-5.7%	3,897	4,578	5,197
Xetra Dax	9,557.2	9,916.0	-3.6%	8,753	10,276	11,736
Nikkei	14,952.0	16,736.4	-10.7%	14,952	18,035	20,868
Hang Seng	20,259.1	19,852.2	2.0%	18,320	21,636	27,405
DJ US Maritime	205.1	226.7	-9.5%	150.2	208.6	258.3
Currencies						
\$ per €	1.11	1.12	-1.1%	1.06	1.11	1.16
\$ per £	1.37	1.45	-5.9%	1.37	1.49	1.57
£ per €	0.81	0.77	5.2%	0.70	0.75	0.81
¥ per \$	102.1	110.3	-7.4%	102.1	117.1	124.9
\$ per Au\$	0.74	0.72	2.8%	0.69	0.73	0.78
\$ per NoK	0.12	0.12	-2.0%	0.11	0.12	0.13
\$ per SFr	0.97	0.99	-1.7%	0.93	0.98	1.03
Yuan per \$	6.62	6.55	1.1%	6.16	6.43	6.62
Won per \$	1,164.9	1,188.4	-2.0%	1,108.1	1,171.9	1,237.8
\$ INDEX	98.4	101.0	-2.6%	98.1	103.3	107.4
Commodities						
Gold \$	1,315.5	1,254.2	4.9%	1,049.4	1,163.8	1,315.5
Oil WTI \$	47.6	48.5	-1.9%	26.9	42.4	60.3
Oil Brent \$	48.4	48.8	-0.8%	28.2	44.9	63.7
Palm Oil	562.0	562.0	0.0%	437.5	551.0	606.5
Iron Ore	51.7	55.7	-7.2%	37.0	51.1	68.7
Coal Price Index	60.0	53.9	11.3%	47.3	53.5	62.7
White Sugar	536.0	473.5	13.2%	333.6	408.5	536.2

Currencies

US Dollar per Euro



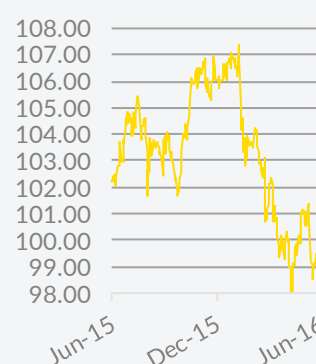
Yen per US Dollar



Yuan per US Dollar



US Dollar INDEX

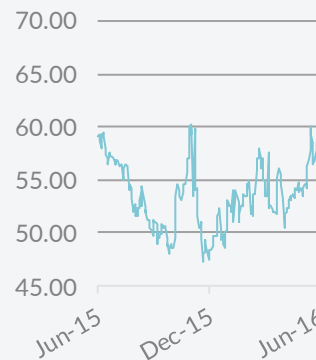


Commodities

Iron Ore (TSI)



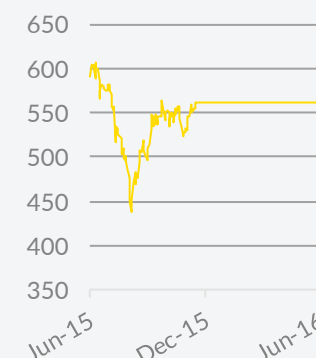
Coal Price Index



Oil WTI \$



Palm Oil



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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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