

Weekly Shipping Market Update

04th July - 08th July 2016 | Week 27

Market Analysis

With the iron ore and coal trades having heavily hampered the performance of dry bulkers during the course of the past two years, market players look to other trades for a source of positive market potential. In this regard we have seen the grain trade play an ever more vital role in providing some form of comfort and relief in this poorly performing market. This means however that the market has become even more susceptible to the seasonal fluctuations the grain trade holds.

The bumper harvests that have been noted over the past 4 years have been adding steadily to the growth in trade. Being primary commodities that consumers heavily rely on and with their demand not directly dependent on what investors do, means that even during periods of poor economic performance and uncertainty the trade can thrive. With the world's population increasing at a fast pace and with more and more people being included in the middle-class income group, they generate an exponential growth in demand for grain commodities. At the same time the fact that grains are perishable goods creates a market condition whereby prices will heavily reflect the prevailing demand and supply and help market clearing in the favor of increased trade. It is no surprise therefore that as the supply glut has hit the market over the past couple of years, prices have tumbled while trade volumes have grown strong.

Amidst all this, it has been the vessel size segments which play a more active role in the grain trade that have stood to gain the most. Panamaxes and Supramaxes have been helped considerably in this regard, despite the fact that these were also the size segments with the most extensive orderbook schedule for the year and have faced the highest growth in fleet size. Handysize vessels haven't been left out either, focusing on trades where they can keep their competitive edge due to size restrictions. This has been something prevalent since early spring and with the U.S. Gulf showing bumper volumes of late, it looks as though it could continue to be the case. There are however several negative side effects and risks that emerge from all this.

Firstly as the dry bulk market starts to become ever more reliant on the grain trade, it also becomes more susceptible to its seasonalities and the wide volatility they bring along. The grain trade has always been one of the main drivers in freight rate seasonality and it looks as though it will start to play an ever increasing role, creating larger variances between the highs and lows in freight rates noted during the course of a year. In addition to this, the grain trade is more unpredictable, relying to a greater extent on weather patterns and crop yield, something which may leave risks of slower volumes traded even during periods of high global economic growth.

Secondly the decisions made in terms of production are slow to shift, leaving a big time lag which could have compounding adverse effects. We may well be seeing a glut in supply now, which in turn may lead to the planning by farmers for decreased production volumes during their next harvest. This may well help balance the market and be to the benefit of the farmers, but is in direct contrast to the interest of the shipping industry as it could mean a slower or negative growth in trade volumes.

Grains may have played a vital role in the recent market recovery and will likely play an ever increasing role from here on, however they also add to the risks and volatility the dry bulk market will experience moving forward.

George Lazaridis

Head of Market Research & Asset Valuations



Week in numbers

Dry Bulk Freight Market

	08 Jul		W-O-W change	
			±Δ	±%
BDI	703		▲ 26	3.8%
BCI	1,002		▼ -28	-2.7%
BPI	792		▲ 101	14.6%
BSI	647		▲ 20	3.2%
BHSI	354		▲ 10	2.9%

Tanker Freight Market

	08 Jul		W-O-W change	
			±Δ	±%
BDTI	666		▼ -20	-2.9%
BCTI	437		▼ -25	-5.4%

Newbuilding Market

Aggregate Price Index			M-O-M change	
	08 Jul		±Δ	±%
Bulkers	73		▼ -2	-3.1%
Cont	99		▼ -1	-0.5%
Tankers	93		▼ -3	-2.7%
Gas	96		▼ 0	-0.2%

Secondhand Market

Aggregate Price Index			M-O-M change	
	08 Jul		±Δ	±%
Capesize	39		▲ 1	1.4%
Panamax	37		▲ 0	0.8%
Supramax	39		▲ 2	4.3%
Handysize	43		▲ 1	2.7%
VLCC	84		▼ -8	-9.1%
Suezmax	89		▼ -3	-3.5%
Aframax	102		▼ -6	-5.4%
MR	109		▼ -6	-5.2%

Demolition Market

Avg Price Index (main 5 regions)			W-O-W change	
	08 Jul		±Δ	±%
Dry	213		▼ -5	-2.3%
Wet	235		▼ -5	-2.1%

Economic Indicators

	08 Jul		M-O-M change	
			±Δ	±%
Gold \$	1,354		▲ 142	11.7%
Oil WTI \$	45		▼ -3	-7.1%
Oil Brent \$	47		▼ -3	-6.2%
Iron Ore	55		▲ 7	15.2%
Coal	61		▲ 4	7.3%

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© Allied Shipbroking Inc.
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48, Aigialeias Str, 151 25 Maroussi
Athens, Greece
Tel: +30 210 4524500
Tel: +30 210 4288100

Email: research@allied-shipbroking.gr



Freight Market

Dry Bulkers - Spot Market

04th July - 08th July 2016

Capesize - It seemed as though there was a slight disruption on the inflow of fresh requirements from charterers this week, pulling back rates slightly from the levels they had reached one week prior. Things seemed to have been getting back on track towards the end of the week, though it looks as though we might be set for some further rate corrections over the next couple of days. The Pacific basin was the main let down, having been the key driver these past couple of weeks, it retracting in demand shifted things in the favor of charterers.

Panamax - With tonnage lists still remaining relatively tight in the Atlantic and a spill over being noted in the Pacific as many chose to ballast to the West, freight rates managed to keep on their positive curve, with rates showing a good strength and further gains on a week-on-week basis. The North Atlantic has been the key area providing strong demand, with a good level of fresh interest merging in the U.S. gulf and keeping things fairly alive and kicking for the time being.

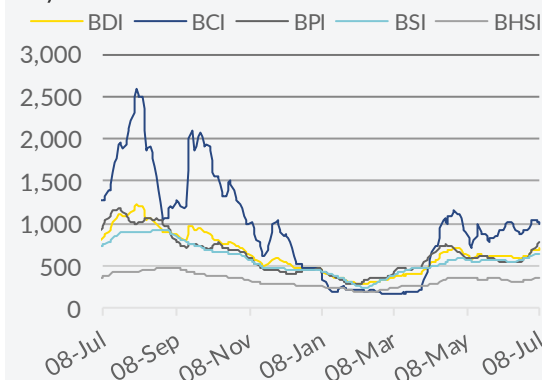
Supramax - Slightly better figures were being noted this week, as the Atlantic basin started to kick back into gear and helped drive interest to levels that could support some good week-on-week gains. With the Pacific expected to be slightly more active these coming days, we should be able to see further positive gains being noted over the next couple of days.

Handysize - With the Atlantic basin seeing further interest emerge during the week, it wasn't long before rates started to firm at a good pace. With the Pacific basin expected to liven up this week, we should see further gains down the line.

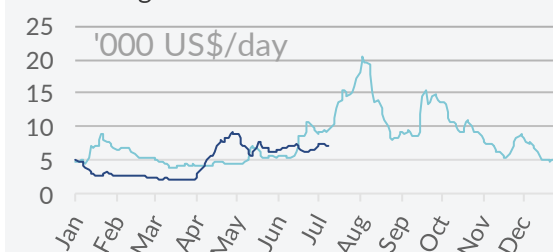
Spot market rates & indices

				Average	
	08 Jul	01 Jul	±%	2016	2015
Baltic Dry Index					
BDI	703	677	3.8%	496	711
Capesize					
BCI	1,002	1,030	-2.7%	576	1,009
BCI 5TC	\$ 7,149	\$ 7,353	-2.8%	\$ 4,837	\$ 8,001
ATLANTIC RV	\$ 6,105	\$ 6,215	-1.8%	\$ 4,976	\$ 8,206
Cont / FEast	\$ 13,341	\$ 13,573	-1.7%	\$ 10,941	\$ 16,387
PACIFIC RV	\$ 7,490	\$ 7,863	-4.7%	\$ 4,456	\$ 7,394
FEast / ECSA	\$ 7,849	\$ 8,059	-2.6%	\$ 5,022	\$ 8,353
Panamax					
BPI	792	691	14.6%	511	690
BPI - TCA	\$ 6,327	\$ 5,528	14.5%	\$ 4,086	\$ 5,513
ATLANTIC RV	\$ 7,025	\$ 5,655	24.2%	\$ 4,132	\$ 5,925
Cont / FEast	\$ 11,283	\$ 10,171	10.9%	\$ 7,762	\$ 10,563
PACIFIC RV	\$ 5,963	\$ 5,500	8.4%	\$ 3,933	\$ 5,021
FEast / Cont	\$ 1,038	\$ 784	32.4%	\$ 515	\$ 542
Supramax					
BSI	647	627	3.2%	469	662
BSI - TCA	\$ 6,767	\$ 6,555	3.2%	\$ 4,908	\$ 6,919
Cont / FEast	\$ 10,008	\$ 9,483	5.5%	\$ 8,159	\$ 9,890
Med / Feast	\$ 8,536	\$ 8,071	5.8%	\$ 7,143	\$ 9,274
PACIFIC RV	\$ 6,142	\$ 5,883	4.4%	\$ 4,291	\$ 5,989
FEast / Cont	\$ 3,710	\$ 3,550	4.5%	\$ 2,441	\$ 4,794
USG / Skaw	\$ 12,188	\$ 12,534	-2.8%	\$ 7,777	\$ 10,915
Skaw / USG	\$ 3,700	\$ 3,486	6.1%	\$ 2,721	\$ 3,705
Handysize					
BHSI	354	344	2.9%	286	364
BHSI - TCA	\$ 5,232	\$ 5,092	2.7%	\$ 4,161	\$ 5,354
Skaw / Rio	\$ 2,874	\$ 2,675	7.4%	\$ 3,245	\$ 3,770
Skaw / Boston	\$ 3,304	\$ 3,107	6.3%	\$ 3,641	\$ 4,057
Rio / Skaw	\$ 7,127	\$ 7,058	1.0%	\$ 5,882	\$ 8,526
USG / Skaw	\$ 8,225	\$ 8,200	0.3%	\$ 5,698	\$ 7,200
SEAsia / Aus / Jap	\$ 4,507	\$ 4,418	2.0%	\$ 3,248	\$ 4,211
PACIFIC RV	\$ 5,657	\$ 5,429	4.2%	\$ 4,164	\$ 5,429

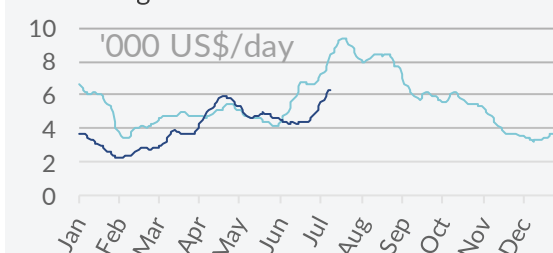
Dry Bulk Indices



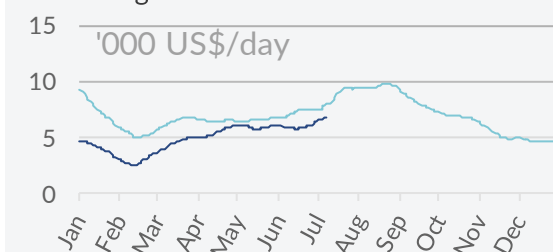
BCI Average TCE



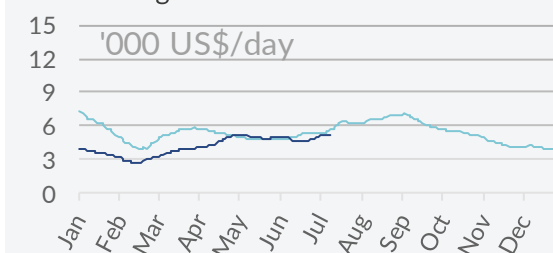
BPI Average TCE



BSI Average TCE



BHSI Average TCE



— 2015 — 2016

Freight Market

Tankers - Spot Market

04th July - 08th July 2016

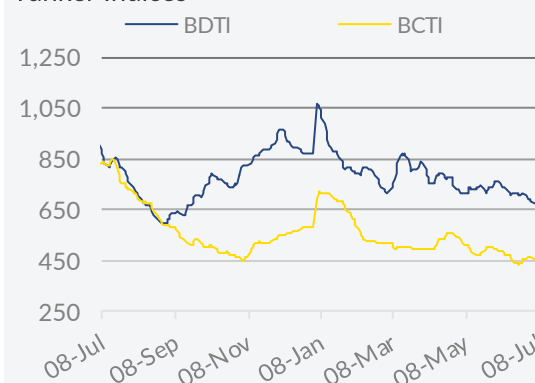
Crude Oil Carriers - Difficulties are still abound for the large crude carriers. The MEG was noting further losses as Eastbound voyages were fewer now and tonnage lists have already started to swell significantly. Things weren't looking much better in the WAF region, though the larger VLs there were managing to hold steady for the time being. The Black Sea/Med region was also slightly lacking in inquiries with the downward pressure overwhelming the market and also causing spill over effects onto some of the Northern routes of the Aframax segment as well. The Caribbean was also witnessing losses under pressure from an excess of prompt tonnage available now.

Oil Products - Good market activity and strengthening rates were the hall mark of this week's Atlantic market for both DPP and CPP routes there. There was however little interest being noted these past couple of days in the East, counter much of the gains and bringing about a fairly flat performance overall for product tankers for this week.

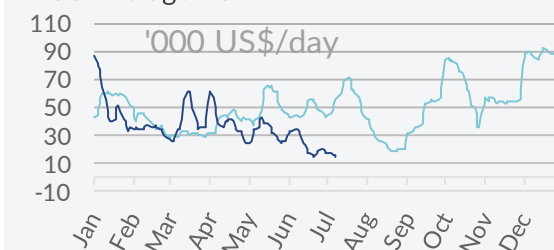
Spot market rates & indices

		08 Jul	01 Jul	±%	Average 2016	2015
Baltic Tanker Indices						
BDTI		666	686	-2.9%	784	820
BCTI		437	462	-5.4%	533	637
VLCC						
MEG-USG	WS	25.54	27.58	-7.4%	37.75	36.36
	\$/day	\$ 5,746	\$ 7,383	-22.2%	\$ 23,361	\$ 31,968
MEG-SPORE	WS	43.81	45.92	-4.6%	65.16	64.43
	\$/day	\$ 38,984	\$ 40,423	-3.6%	\$ 59,815	\$ 61,629
MEG-JAPAN	WS	42.65	44.92	-5.1%	63.61	63.09
	\$/day	\$ 24,106	\$ 25,791	-6.5%	\$ 49,259	\$ 68,288
WAF-USG	WS	55.00	55.00	0.0%	70.62	72.72
	\$/day	\$ 65,392	\$ 65,058	0.5%	\$ 92,262	\$ 76,589
SUEZMAX						
WAF-USAC	WS	65.00	67.50	-3.7%	76.69	81.13
	\$/day	\$ 35,666	\$ 37,322	-4.4%	\$ 47,023	\$ 46,404
BSEA-MED	WS	76.40	81.90	-6.7%	88.01	91.34
	\$/day	\$ 18,699	\$ 21,798	-14.2%	\$ 29,356	\$ 46,346
AFRAMAX						
NSEA-CONT	WS	99.72	107.50	-7.2%	108.08	111.01
	\$/day	\$ 20,427	\$ 24,980	-18.2%	\$ 26,465	\$ 37,053
MEG-SPORE	WS	95.72	98.89	-3.2%	113.32	112.26
	\$/day	\$ 14,709	\$ 15,144	-2.9%	\$ 22,876	\$ 31,406
CARIBS-USG	WS	82.22	82.50	-0.3%	110.69	133.63
	\$/day	\$ 7,330	\$ 7,043	4.1%	\$ 19,102	\$ 37,962
BALTIC-UKC	WS	77.50	84.31	-8.1%	86.46	92.57
	\$/day	\$ 20,548	\$ 23,718	-13.4%	\$ 28,607	\$ 43,406
DPP						
CARIBS-USAC	WS	92.50	92.50	0.0%	121.07	138.77
	\$/day	\$ 16,780	\$ 16,609	1.0%	\$ 27,758	\$ 30,727
ARA-USG	WS	98.44	88.75	10.9%	109.85	122.73
	\$/day	\$ 22,948	\$ 18,143	26.5%	\$ 28,193	\$ 30,281
SEASIA-AUS	WS	94.38	96.06	-1.7%	112.38	110.54
	\$/day	\$ 17,635	\$ 17,795	-0.9%	\$ 26,071	\$ 35,804
MED-MED	WS	90.00	101.11	-11.0%	101.18	108.70
	\$/day	\$ 12,997	\$ 17,088	-23.9%	\$ 19,809	\$ 35,902
CPP						
MEG-JAPAN	WS	83.19	87.88	-5.3%	98.41	105.50
	\$/day	\$ 11,890	\$ 12,797	-7.1%	\$ 18,540	\$ 28,796
CONT-USAC	WS	92.50	104.50	-11.5%	113.39	134.68
	\$/day	\$ 5,915	\$ 7,615	-22.3%	\$ 10,928	\$ 18,755
CARIBS-USAC	WS	105.00	105.00	0.0%	125.33	134.05
	\$/day	\$ 15,557	\$ 15,441	0.8%	\$ 21,809	\$ 22,099
USG-CONT	WS	69.29	65.00	6.6%	89.73	96.47
	\$/day	\$ 2,386	\$ 1,384	72.4%	\$ 7,343	\$ 12,481

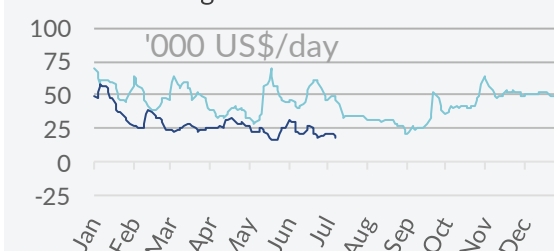
Tanker Indices



VLCC Average TCE



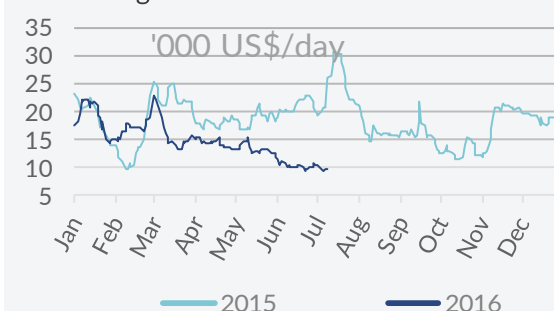
Suezmax Average TCE



Aframax Average TCE



MR Average TCE



Freight Market

Period Charter

04th July - 08th July 2016

Dry Bulk period market TC rates

	08 Jul	03 Jun	±%	last 5 years		
				Min	Avg	Max
Capesize						
12 months	\$ 8,500	\$ 8,000	6.3%	\$ 6,200	\$ 15,024	\$ 31,450
36 months	\$ 10,000	\$ 10,500	-4.8%	\$ 6,950	\$ 15,654	\$ 25,200
Panamax						
12 months	\$ 6,250	\$ 6,000	4.2%	\$ 4,950	\$ 10,481	\$ 18,700
36 months	\$ 6,750	\$ 6,750	0.0%	\$ 6,200	\$ 11,031	\$ 16,700
Supramax						
12 months	\$ 6,500	\$ 6,250	4.0%	\$ 4,450	\$ 10,339	\$ 15,950
36 months	\$ 6,250	\$ 6,250	0.0%	\$ 6,200	\$ 10,647	\$ 15,450
Handysize						
12 months	\$ 5,500	\$ 5,000	10.0%	\$ 4,450	\$ 8,537	\$ 12,950
36 months	\$ 5,750	\$ 5,500	4.5%	\$ 5,450	\$ 9,089	\$ 12,950

Latest indicative Dry Bulk Period Fixtures

M/V "MACHERAS", 80635 dwt, built 2014, dely CJK 17/23 Jul, \$7,850, for 9/12 months trading, to Chart Not Rep

M/V "PEACE GEM", 76000 dwt, built 2012, dely Hong Kong 06/10 Jul, \$6,100, for 6/9 months trading, to Cargill

M/V "SEA STRENGTH", 81134 dwt, built 2011, dely Qinzhou 06/10 Jul, \$6,750, for 5/8 months trading, to Oldendorff

M/V "STH ATHENS", 60508 dwt, built 2014, dely India 10/20 Aug, \$7,000, for 7/10 months trading, to Bunge

M/V "UNITY N", 79642 dwt, built 2011, dely CJK 09/11 Jul, \$5,600, for 6/9 months trading, to Vattenfall

Tanker period market TC rates

	08 Jul	03 Jun	±%	last 5 years		
				Min	Avg	Max
VLCC						
12 months	\$ 33,000	\$ 39,250	-15.9%	\$ 18,000	\$ 30,195	\$ 57,750
36 months	\$ 31,750	\$ 34,000	-6.6%	\$ 22,000	\$ 31,649	\$ 45,000
Suezmax						
12 months	\$ 26,000	\$ 28,750	-9.6%	\$ 15,250	\$ 23,271	\$ 42,500
36 months	\$ 25,000	\$ 26,500	-5.7%	\$ 17,000	\$ 24,576	\$ 35,000
Aframax						
12 months	\$ 19,750	\$ 23,250	-15.1%	\$ 13,000	\$ 18,152	\$ 30,000
36 months	\$ 19,250	\$ 21,500	-10.5%	\$ 14,750	\$ 19,043	\$ 27,000
MR						
12 months	\$ 15,500	\$ 15,750	-1.6%	\$ 12,500	\$ 15,019	\$ 21,000
36 months	\$ 15,250	\$ 15,750	-3.2%	\$ 14,000	\$ 15,300	\$ 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 "FOUR SMILE", 160000 dwt, built 2001, \$30,000, for 6 months trading, to VITOL

M/T "LYRIC MAGNOLIA", 115000 dwt, built 2016, \$18,000, for 2/4 months trading, to SHELL

M/T "MUSKIE", 70000 dwt, built 2003, \$19,600, for 1 year trading, to ALASKA TANKER

M/T "MISS BENEDETTA", 50000 dwt, built 2012, \$14,750, for 6 months trading, to FRONTLINE

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

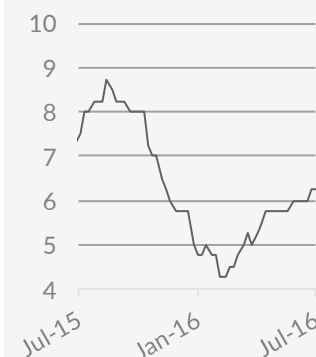
Capesize



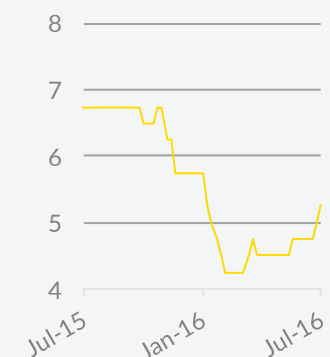
Panamax



Supramax

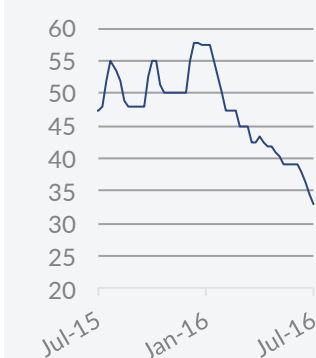


Handysize

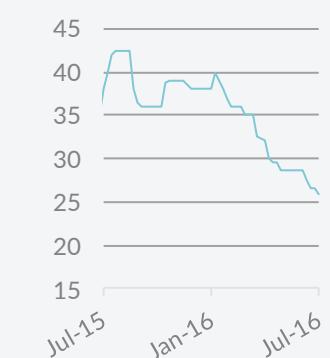


Tanker 12 month period charter rates (USD '000/day)

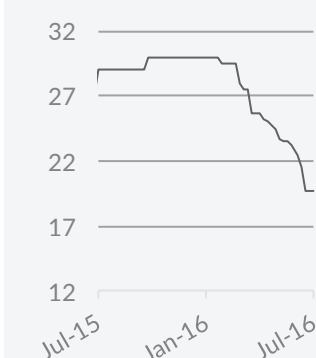
VLCC



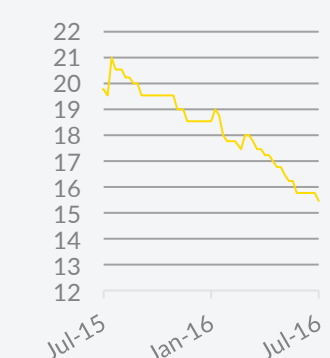
Suezmax



Aframax



MR

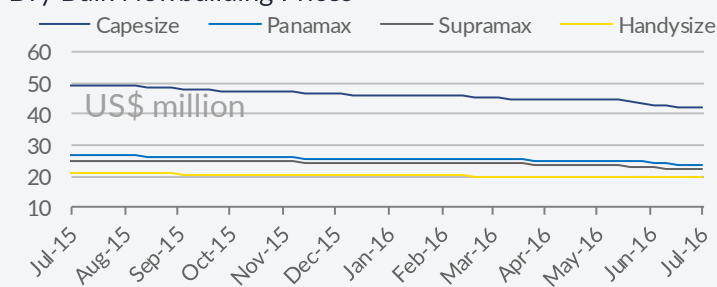


Sale & Purchase Newbuilding Orders

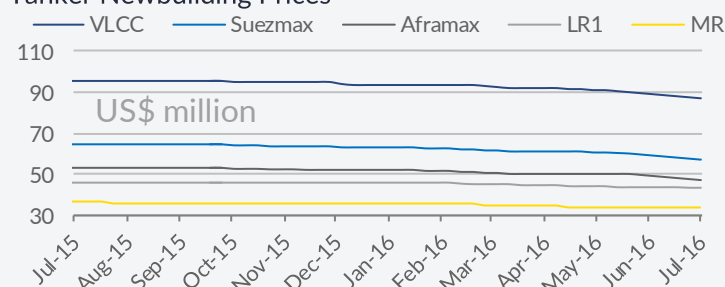
04th July - 08th July 2016

There was a slight pick up in interest this week on the tanker sectors, with a small amount of orders emerging. This is likely driven by the good discounts on offer by most of the shipbuilders which have driven down their price offerings considerably over the past couple of weeks. It does seem however that given the state of the market (even that of tankers who have seen their earnings shrink over the course of the past couple of months) it is still proving to be a difficult sale to any potential buyers. At the same time the huge uncertainty that overhangs the markets with regards to potential prospects over the course of the next two years makes the decision of placing a new order a fairly difficult one to make and as such it will likely take a considerable amount of discounts on top of the current ones seen in order to drive activity further in this market. At the same time the secondhand market still heavily competes in this regard and contending heavily in the minds of owners with a capacity to expand their fleet at this given time frame.

Dry Bulk Newbuilding Prices



Tanker Newbuilding Prices



Indicative Dry NB Prices (US\$ million)

	08 Jul	03 Jun	±%	last 5 years		
				Min	Avg	Max
Dry Bulkers						
Capesize (180,000dwt)	42.0	43.5	-3.4%	42.0	50.1	58.0
Kamsarmax (82,000dwt)	24.3	25.0	-3.0%	24.3	28.8	36.5
Panamax (77,000dwt)	23.8	24.5	-3.1%	23.8	28.0	34.5
Ultramax (64,000dwt)	22.3	23.0	-3.3%	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)	83.5	84.5	-1.2%	76.5	86.6	94.5
Panamax (5,200teu)	50.0	50.0	0.0%	48.6	56.8	65.6
Sub Panamax (2,500teu)	28.3	28.5	-0.9%	28.3	32.9	41.0
Feeder (1,700teu)	24.0	24.0	0.0%	21.5	25.3	29.4

Indicative Wet NB Prices (US\$ million)

	08 Jul	03 Jun	±%	last 5 years		
				Min	Avg	Max
Tankers						
VLCC (300,000dwt)	87.0	89.5	-2.8%	87.0	96.0	104.0
Suezmax (160,000dwt)	57.0	59.5	-4.2%	55.8	61.4	66.0
Aframax (115,000dwt)	47.0	49.5	-5.1%	47.0	51.7	56.0
LR1 (75,000dwt)	43.3	43.5	-0.6%	40.5	44.0	47.0
MR (56,000dwt)	33.3	33.5	-0.7%	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	73.0	-0.7%	70.0	74.2	80.0
LPG MGC 55k cbm	64.5	64.5	0.0%	62.0	64.6	68.5
LPG SGC 25k cbm	42.0	42.0	0.0%	41.0	44.1	46.5

Reported Transactions

Type	Units	Size	Shipbuilder	Price	Buyer	Delivery	Comments
TANKER	2	311,360 dwt	KAWASAKI H.I, Japan	N/A	K LINE - Japan	2017-2018	
TANKER	1	310,300 dwt	NAMURA, Japan	N/A	K LINE - Japan	2018	
TANKER	4+4	300,000 dwt	JINHAI HEAVY, China	\$ 80.0m	HNA - China	2018-2019	
TANKER	2	114,700 dwt	NAMURA, Japan	N/A	K LINE - Japan	2019-2019	

Sale & Purchase Secondhand Sales

04th July - 08th July 2016

On the dry bulk side, there was a good flow of new deals emerging this week, with reported prices still showing a slightly bullish face and supporting the recent up trend noted in prices. There is a sense that the pace of new price hikes will be considerably slower than what was being noted in late May/early June. Certain segments continue to show more keen interest than others, with a prime example being the modern Kamasarmaxes which have shown some of the fastest paced price hikes over the past three months.

On the tanker side, there was limited activity being noted, with these most recent deals reflecting a trend of further price drops. It seems as though buyer sentiment has softened considerably, with most in the market now looking to compete only at a gross discount to what they had been seeing earlier in the year.

Indicative Dry Bulk Values (US\$ million)

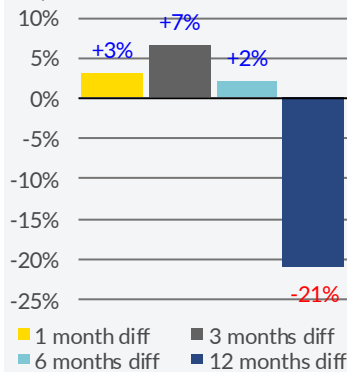
						last 5 years		
		08 Jul	03 Jun	±%	Min	Avg	Max	
Capesize								
180k dwt	Resale	35.5	35.0	1.4%	34.5	48.2	65.0	
170k dwt	5 year old	24.5	23.8	3.2%	23.0	36.9	53.0	
170k dwt	10 year old	14.0	14.0	0.0%	12.0	25.2	39.0	
150k dwt	15 year old	8.0	8.0	0.0%	6.5	15.3	25.0	
Panamax								
82k dwt	Resale	24.5	24.0	2.1%	22.5	30.6	43.0	
76k dwt	5 year old	13.5	13.5	0.0%	11.5	22.0	36.8	
76k dwt	10 year old	8.0	8.0	0.0%	7.3	16.2	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	21.1	30.5	
52k dwt	10 year old	7.3	6.5	11.5%	6.0	15.3	24.3	
52k dwt	15 year old	4.0	3.5	14.3%	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	9.0	8.8	2.9%	7.8	17.2	25.5	
32k dwt	10 year old	6.5	6.3	4.0%	6.0	12.9	19.5	
28k dwt	15 year old	3.8	3.5	7.1%	3.5	8.7	14.5	

Indicative Tanker Values (US\$ million)

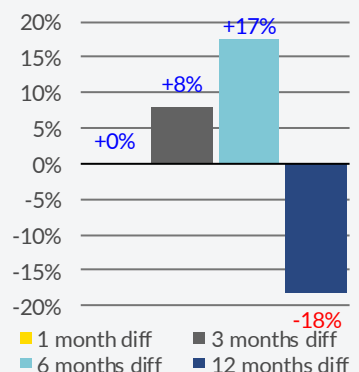
						last 5 years		
		08 Jul	03 Jun	±%	Min	Avg	Max	
VLCC								
310k dwt	Resale	86.0	90.5	-5.0%	80.0	95.2	108.5	
310k dwt	5 year old	64.0	69.0	-7.2%	55.0	70.3	87.0	
250k dwt	10 year old	44.0	49.0	-10.2%	33.8	46.6	62.0	
250k dwt	15 year old	26.0	30.0	-13.3%	16.9	27.7	41.0	
Suezmax								
160k dwt	Resale	62.5	65.0	-3.8%	53.0	64.1	73.0	
150k dwt	5 year old	50.0	52.5	-4.8%	38.0	50.1	62.0	
150k dwt	10 year old	37.0	39.0	-5.1%	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	51.0	54.0	-5.6%	39.0	48.9	57.0	
110k dwt	5 year old	36.0	39.0	-7.7%	27.0	37.0	47.5	
105k dwt	10 year old	23.5	26.0	-9.6%	16.0	24.1	33.0	
105k dwt	15 year old	16.0	16.0	0.0%	8.0	13.3	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

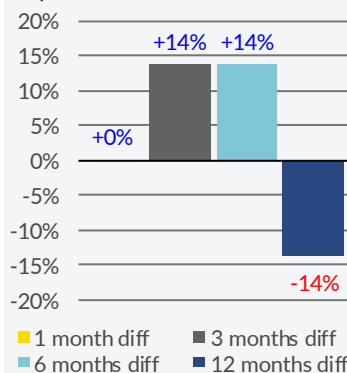
Capesize



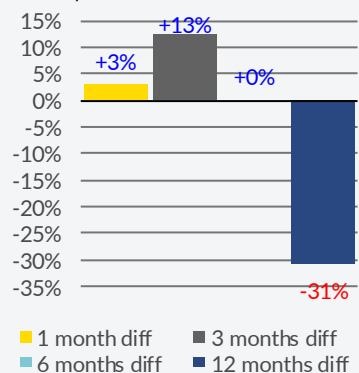
Panamax



Supramax

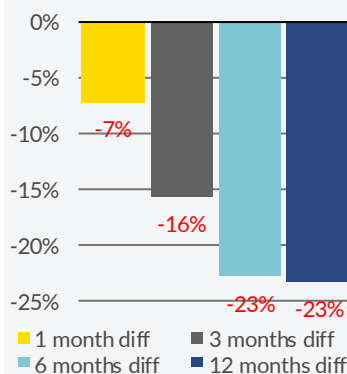


Handysize

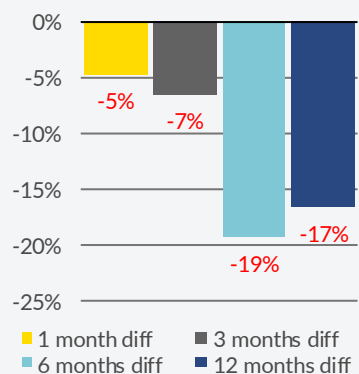


Price movements of 5 year old Tanker assets

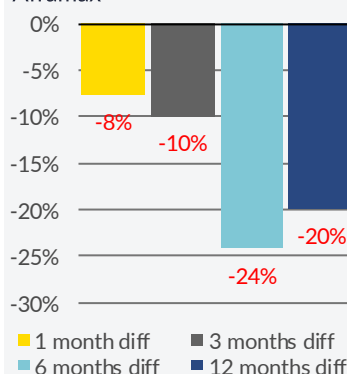
VLCC



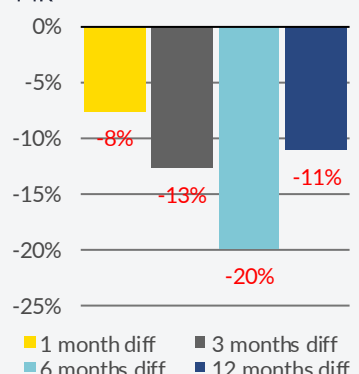
Suezmax



Aframax



MR



Sale & Purchase

Secondhand Sales



04th July - 08th July 2016

Tankers

Size	Name	Dwt	Built	Shipbuilder	M/E	Coating	Price	Buyers	Comments
SUEZ	SEATRIUMPH	149,953	2002	SAMHO, S. Korea	B&W		\$ 30.7m	Russian	against 5 yrs BBC to Rosneft
MR	SRIRACHA TRADER	47,629	1995	ONOMICHI, Japan	B&W	EPOXY Coated	\$ 3.8m	Middle Eastern	Out of class. It lost its IMO III rating in '15
PROD/CHEM	MTM WESTPORT	20,895	2000	SHIN KURUSHIMA AKITSU, Japan	Mitsubishi	StSt	\$ 13.0m	undisclosed	
PROD/CHEM	HARBOUR LEGEND	10,052	2004	YARDIMCI, Turkey	MAN-B&W	Marine Line	\$ 5.5m	undisclosed	

Bulk Carriers

Size	Name	Dwt	Built	Shipbuilder	M/E	Gear	Price	Buyers	Comments
CAPE	SEA PULL	177,533	2006	MITSUI CHIBA ICHIHARA, Japan	MAN-B&W		\$ 13.8m	Singaporean - Pacific International	SS/DD due Oct '16
POST PMAX	AO HONG MA	93,291	2011	JIANGSU NEW YANGZIJIAN, China	MAN-B&W		\$ 8.6m	Greek	via auction in S'pore, SS/DD due Jul '16
KMAX	OCEAN LORD	82,134	2014	TSUNEISHI SHBLDG - FKY, Japan	MAN-B&W		\$ 17.8m	Greek - Mykonos Shipping	
KMAX	KAIYO	81,800	2003	OSHIMA SHIPBUILDING, Japan	MAN-B&W		\$ 4.9m	Chinese	DD due Sept '16
KMAX	ISTRIA	81,699	2013	WUHU XINLIAN SHIPBUILD, China	MAN-B&W		\$ 13.2m	European	incl. TC unitll Oct '16 at \$10,000/day
KMAX	AMS PEGASUS I	81,598	2012	HYUNDAI VINASHIN, Vietnam	MAN-B&W		\$ 13.0m	Greek - Transmed	
PMAX	ARGO	76,728	2005	SASEBO SASEBO, Japan	B&W		\$ 12.0m	Greek - Empire Bulk	via bank
SMAX	INDIGO	53,609	2003	IWAGI, Japan	MAN-B&W	4 X 30t CRANES			via bank
PMAX	ALPHA EFFORT	72,844	1999	SAMSUNG HEAVY, S. Korea	B&W		\$ 3.5m	Chinese	
PMAX	YANGFAN BC64K-DM07	64,000	2016	YANGFAN GROUP CO LTD, China	MAN-B&W	4 X 30t CRANES	\$ 16.5m	Danish	Dely Dec '16
SMAX	ALAM MURNI	53,553	2003	IWAGI, Japan	MAN-B&W	4 X 30,5t CRANES	\$ 4.9m	Bangladeshi	
HMAX	WINGSAIL	48,220	1999	OSHIMA SHIPBUILDING, Japan	Mitsubishi	4 X 30t CRANES	\$ 2.3m	Indonesian	damaged crane
HANDY	OCEAN CRYSTAL	37,156	2012	SAIKI JUKOGYO, Japan	Mitsubishi	4 X 30t CRANES	\$ 13.0m	Japanese	internal deal
HANDY	CS SALINA	32,355	2004	KANDA KAWAJIRI, Japan	Mitsubishi	4 X 30,5t CRANES	\$ 4.9m	Greek	
HANDY	SH GRACE	29,828	2006	SHIKOKU DOCKYARD, Japan	MAN-B&W	4 X 31t CRANES	\$ 5.85m	Vietnamese	SS/DD passed

Gas Carriers

Size	Name	Dwt	Built	Shipbuilder	M/E	CBM	Price	Buyers	Comments
LPG	GAS ORIENTAL	26,534	2003	HYUNDAI HEAVY INDUSTRI, S. Korea	B&W	35,000	\$ 25.0m	undisclosed	

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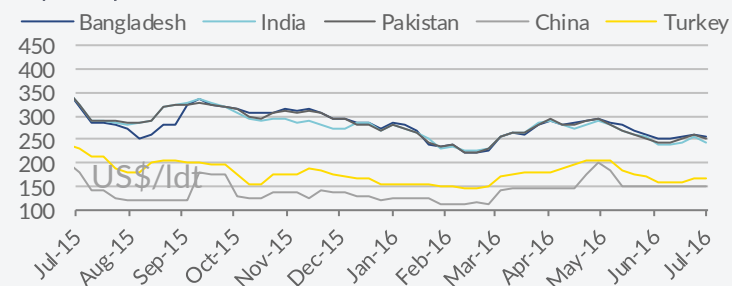
Sale & Purchase

Demolition Sales

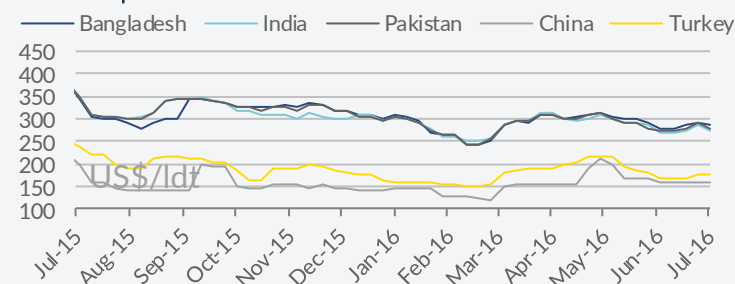
04th July - 08th July 2016

Minimum scrapping activity being noted this past week, with the Eid holidays taking out of action a number of end buyers and as such with so much lower competition around prices noted a good drop over the final days of the week. Sellers too have now retracted some of their units feeling that the market is slightly softer, something which may possibly help balance things out over the coming days and keep price levels steady from here on. Being at a point where freight rates have improved on the dry bulk market, this may well be vital in keeping the demolition market buoyant in terms of price levels, as interest amongst demo buyers is expected to remain subdued during the course of the remainder of July. There are however fears that if this slowdown in activity keeps up for too long, the balance in the freight market might shift if the fleet grows at an excessive rate, something that could possibly lead to lower freight rates in the 3rd and 4th quarters of the year once more.

Dry Scrap Prices



Wet Scrap Prices



Indicative Dry Prices (\$/ldt)

	08 Jul	01 Jul	±%	last 5 years		
				Min	Avg	Max
Indian Sub Continent						
Bangladesh	255	260	-1.9%	220	399	515
India	245	255	-3.9%	225	406	525
Pakistan	250	260	-3.8%	220	402	510
Far East Asia						
China	150	150	0.0%	110	305	455
Mediterranean						
Turkey	165	165	0.0%	145	253	355

Indicative Wet Prices (\$/ldt)

	08 Jul	01 Jul	±%	last 5 years		
				Min	Avg	Max
Indian Sub Continent						
Bangladesh	285	290	-1.7%	245	421	540
India	275	285	-3.5%	250	429	550
Pakistan	280	290	-3.4%	245	426	525
Far East Asia						
China	160	160	0.0%	120	323	485
Mediterranean						
Turkey	175	175	0.0%	150	263	355

Reported Transactions

Type	Vessel's Name	Dwt	Built	Country	Built	Ldt	US\$/ldt	Buyer	Sale Comments
Reefer	SPRING BAY	5,450	1987	Netherlands	2,367	\$ 252/Ldt	Indian	inc., 150tns	ROB - vessel was damaged

Trade Indicators

Markets | Currencies | Commodities

04th July - 08th July 2016

Torm has pulled in funding for a series of products tanker newbuildings.

Copenhagen-listed Torm says a \$115m facility will cover the four 114,000-dwt vessels.

The 12-year loan from the Export-Import Bank of China was inked today at Torm's office on the Hellerup waterfront.

TradeWinds was first to report last November that Torm had booked the LR2s at Offshore & Marine Engineering (CSSC OME), ending a seven-year order drought.

The deal included optional berths that can be filled with LR2s, LR1s or MR tankers.

Torm notes it has \$168m to pay on the vessels, while its loans and cash reserves extend to \$307m. Source: Tradewinds

	08 Jul	03 Jun	±%	last 12 months		
				Min	Avg	Max
Markets						
10year US Bond	1.37	1.70	-19.4%	1.37	2.00	2.43
S&P 500	2,129.9	2,099.1	1.5%	1,829	2,028	2,130
Nasdaq	4,956.8	4,942.5	0.3%	4,267	4,847	5,219
Dow Jones	18,146.7	17,807.1	1.9%	15,660	17,261	18,147
FTSE 100	6,463.6	6,209.6	4.1%	5,537	6,217	6,797
FTSE All-Share UK	3,550.2	3,416.1	3.9%	3,047	3,412	3,700
CAC40	4,190.7	4,421.8	-5.2%	3,897	4,551	5,197
Xetra Dax	9,629.7	10,103.3	-4.7%	8,753	10,214	11,736
Nikkei	15,107.0	16,642.2	-9.2%	14,952	17,834	20,842
Hang Seng	20,564.2	20,947.2	-1.8%	18,320	21,432	25,536
DJ US Maritime	204.1	227.5	-10.3%	150.2	206.8	257.2
Currencies						
\$ per €	1.11	1.12	-1.2%	1.06	1.11	1.16
\$ per £	1.30	1.45	-10.4%	1.29	1.48	1.57
£ per €	0.85	0.77	10.3%	0.70	0.75	0.86
¥ per \$	100.6	107.9	-6.8%	100.6	116.3	124.9
\$ per Au\$	0.75	0.73	3.2%	0.69	0.73	0.78
\$ per NoK	0.12	0.12	-2.9%	0.11	0.12	0.13
\$ per SFr	0.98	0.98	-0.2%	0.94	0.98	1.03
Yuan per \$	6.68	6.58	1.6%	6.17	6.45	6.69
Won per \$	1,154.5	1,181.7	-2.3%	1,128.0	1,173.4	1,237.8
\$ INDEX	99.4	100.8	-1.4%	98.1	103.2	107.4
Commodities						
Gold \$	1,354.3	1,212.4	11.7%	1,049.4	1,170.3	1,366.3
Oil WTI \$	45.4	48.9	-7.1%	26.9	42.0	53.4
Oil Brent \$	46.8	49.8	-6.2%	28.2	44.5	59.0
Palm Oil	562.0	562.0	0.0%	437.5	549.6	582.5
Iron Ore	55.2	47.9	15.2%	37.0	50.9	68.7
Coal Price Index	60.9	56.8	7.3%	47.3	53.5	62.7
White Sugar	545.0	496.6	9.7%	333.6	415.8	574.0

Currencies

US Dollar per Euro



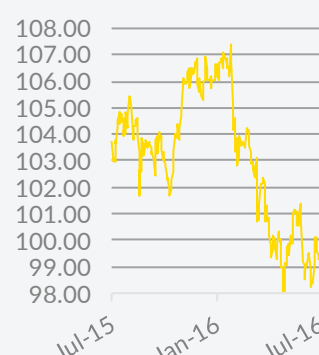
Yen per US Dollar



Yuan per US Dollar



US Dollar INDEX

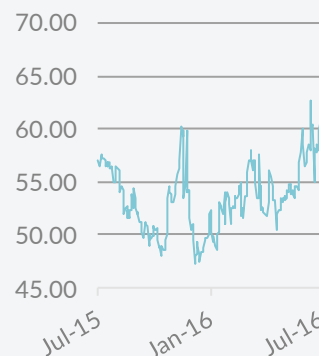


Commodities

Iron Ore (TSI)



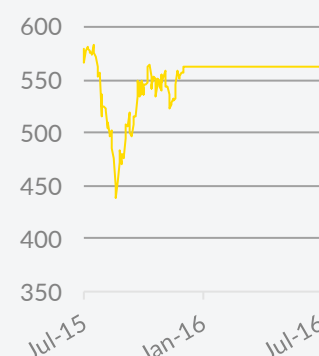
Coal Price Index



Oil WTI \$



Palm Oil



Contact Details



04th July - 08th July 2016 | Week 27

ALLIED SHIPBROKING INC.

48, Aigialeias Street, 4th Floor,
Maroussi 151 25, Greece
Tel: +30 210 45 24 500
Fax: +30 210 45 25 017/ 019

E-mail: snp@allied-shipbroking.gr

Sale & Purchase

AERAKIS GEORGE

MOBILE: +30 6946 04 57 37

BOLIS ILIAS

MOBILE: +30 6937 02 65 00

DASKALAKIS GEORGE

MOBILE: +30 6932 24 80 07

DRAKOGIANNOPOULOS STAVROS

MOBILE: +30 6932 20 15 65

DRAKOGIANNOPOULOS SAKIS

MOBILE: +30 6944 88 58 08

HATZIGEORGIOU NASSOS

MOBILE: +30 6944 73 33 93

KARADIMAS COSTAS

MOBILE: +30 6932 20 15 64

KLONIZAKIS JOHN

MOBILE: +30 6948 50 55 81

KOSTOYANNIS JOHN

MOBILE: +30 6932 43 39 99

MANOLAS NIKOLAS

MOBILE: +30 6940 63 22 56

MOISSOGLOU THEODOROS

MOBILE: +30 6932 45 52 41

PAPOUIS THASSOS

MOBILE: +30 6944 29 49 89

PRACHALIAS ARGIRIS

MOBILE: +30 6947 62 82 62

SKOURTIS GEORGE

MOBILE: +30 6936 93 62 12

STASSINAKIS JOHN

MOBILE: +30 6972 60 92 09

TSALPATOUROS COSTIS

MOBILE: +30 6932 20 15 63

VARVAROS PLUTON

MOBILE: +30 6937 25 15 15

Maritime Research & Valuations

LAZARIDIS GEORGE

MOBILE: +30 6946 95 69 40

ALLIED CHARTERING S.A.

48, Aigialeias Street, 4th Floor,
Maroussi 151 25, Greece
Tel : +30 210 42 88 100
Fax: +30 210 45 24 201

E-mail: drycargo@allied-chartering.gr

E-mail: tanker@allied-chartering.gr

Dry Cargo Chartering

ALEXOPOULOS PANOS

MOBILE: +30 6944 34 66 15

DAOULAS SPYROS

MOBILE: +30 6932 27 88 40

KAILAS VAGGELIS

MOBILE: +30 6942 48 05 69

KANELLOS DIMITRIS

MOBILE: +30 6945 07 47 85

KAPPA ANGELIKI

MOBILE: +30 6975 85 60 84

KARAMANIS COSTAS

MOBILE: +30 6941 54 14 65

KARAMANI NATALIA

MOBILE: +30 6984 58 82 99

MANOLOPOULOS VASSILIS

MOBILE: +30 6988 88 13 05

MAVRIKOU GEORGINA

MOBILE: +30 6974 18 07 84

PATELIS DIMITRIS

MOBILE: +30 6944 04 43 61

THEODOTOS ARISTOFANIS

MOBILE: +30 6951 79 82 89

TSALPATOUROU MARGARITA

MOBILE: +30 6934 74 22 16

Tanker Chartering

FLOURIS JOHN

MOBILE: +30 6955 80 15 03

FOUROULI STELLA

MOBILE: +30 6947 35 68 48

PAPANTONOPOULOS NICOLAS

MOBILE: +30 6945 23 21 88

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48, Aigialeias Str, 151 25 Maroussi
Athens, Greece
Tel: +30 210 4524500
Tel: +30 210 4288100

Email: research@allied-shipbroking.gr



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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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