

Weekly Shipping Market Update

29th August - 02nd September 2016 | Week 35

Market Analysis

The change of fortunes in the tanker market has been swift, with demand side of things looking to be trailing behind the increases in tonnage supply, while the crude oil and product markets have been finding it difficult to find a strong foothold from which to spur further demand growth. Much discussed has been the issues being faced in this market on the demand side, most of which have been lingering around for over 6 years now, despite the fact that over the past 24 months these have been overshadowed by the change in pricing policy in both the raw resource (crude oil) as well as in its by-products. The large scale increases in production may well have more than halved the commodity prices we were seeing back in 2014 and may well have boosted temporary consumption and demand as a consequence, yet they have had little success in revamping oil dominance in the energy mix globally and has made limited change in generating new sources of demand. What's worse is that it has also had very limited slow down effect on efforts that are being made for further progress in energy saving technologies, which moving forward will inevitably cause a compounding dampening effect on future demand growth.

But despite all this it is the fleet growth that may well have overshoot the actual prevailing demand prospects, just like in the dry bulk market and as the fleet supply grows further so does the pressure on the market. In the year to date the tanker fleet of vessels above 25,000 dwt has grown by an average of around 3.32%, while this growth has been spread almost completely evenly between the different size segments of the market. It is indicative that between 2011 and 2014 the total tanker fleet had remained relatively unchanged noting an only marginal increase during this time frame, while from November 2014 till today we have seen the fleet growth rapidly increased once again and grown by 6.24% since then. At the same time the order-book, which was until 2014 on a dropping trend, started to rise, peaking at an order-book to fleet ratio of 19.34% in January 2016, up from a ratio of 15.87% that it stood back in November 2014. Of course some size segments have seen these trends amplified, with crude carriers such as VLCCs and Suezmaxes noting a larger portion of new orders being placed and a faster paced rise in their respective trading fleets over the past couple of months.

Of course when you put these figures in relation to historical figures of the tanker fleet, they are small in size and un-impressive to say the least. This is to no surprise given the fact that the market had faced considerable issues over the post-financial crisis period and as such had created a large group of owners with a cautious approach to any market upturns. As it seems however, most would likely criticise that tanker owners were not cautious enough. That's not to say that the supply issue is as immense as that seen in the dry bulk and containership markets, yet it's not as easy to disregard either. The underlining fact is that in the years between 2009 and 2014 there had been an immense amount of scrapping of older age tonnage that took place in the tanker fleet, which consequently led to a fleet which is very young in age and has limited (if any in the case of the large VLCCs) vessels which are close to or above 20 years of age. This means that if an over excessive oversupply is created it will be very hard to counter and as such is likely to create a longer term dampener on the markets and more extensive losses in earnings.

George Lazaridis

Head of Market Research & Asset Valuations



Week in numbers

Dry Bulk Freight Market

	02 Sep		W-O-W change	
			±Δ	±%
BDI	720		0	0.0%
BCI	1,054		53	5.3%
BPI	644		-43	-6.3%
BSI	721		6	0.8%
BHSI	432		1	0.2%

Tanker Freight Market

	02 Sep		W-O-W change	
			±Δ	±%
BDTI	516		1	0.2%
BCTI	437		-20	-4.4%

Newbuilding Market

Aggregate Price Index			M-O-M change	
	02 Sep		±Δ	±%
Bulkers	73		0	-0.1%
Cont	97		0	0.0%
Tankers	92		-1	-0.6%
Gas	96		0	0.0%

Secondhand Market

Aggregate Price Index			M-O-M change	
	02 Sep		±Δ	±%
Capesize	39		0	-0.2%
Panamax	37		0	0.0%
Supramax	40		1	1.5%
Handysize	43		0	0.0%
VLCC	84		-1	-1.4%
Suezmax	83		-2	-2.3%
Aframax	98		-2	-1.6%
MR	105		0	0.0%

Demolition Market

Avg Price Index (main 5 regions)			W-O-W change	
	02 Sep		±Δ	±%
Dry	238		4	1.7%
Wet	255		2	0.8%

Economic Indicators

	02 Sep		M-O-M change	
			±Δ	±%
Gold \$	1,325		-17	-1.3%
Oil WTI \$	44		3	6.8%
Oil Brent \$	47		4	10.3%
Iron Ore	58		-1	-1.4%
Coal	66		0	0.4%

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Freight Market

Dry Bulkers - Spot Market



29th August - 02nd September 2016

Capesize - Despite some mixed feelings being seen early on in the week, we managed to see a positive week-on-week close on Friday with some positive fixing being seen out of W. Australia. The Pacific basin was the main region keeping up with the Positive support, however there was a vibe that the level of activity in the North Atlantic was improving, though little of this has materialized in just yet.

Panamax - There continued to be a struggle in the Atlantic basin with rates touching ever softer numbers with every consecutive fixture being reported. Things seemed to be holding slightly better in the Pacific basin, though here to there was a drop in rates for spot tonnage in the market. Overall it looks as though further drops may well be insight now, as limited fresh interest has been surfacing over the past couple of days.

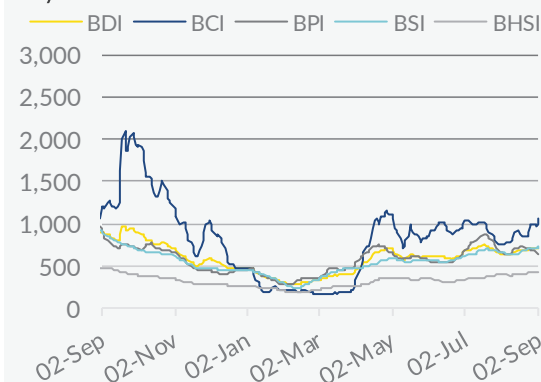
Supramax - With the Atlantic taking a slow start things seemed to be heading south, but it wasn't long before a rebound in interest started to emerge helping the overall rates edge up slightly compared to their previous week's close. Things however look to be under further pressure now and we may well see some discounts emerge over the coming days.

Handysize - Limited change this week in the Handysize market with both the North and South Atlantic seemingly holding on par with where they had left off a week earlier. The Pacific basin was showing a more eager face, though this may well have been a temporary trend, with a slight downward correction now expected to show face over the next few days.

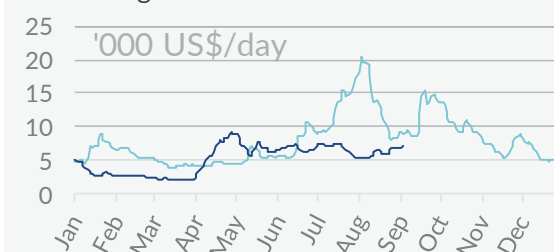
Spot market rates & indices

				Average	
	02 Sep	26 Aug	±%	2016	2015
Baltic Dry Index					
BDI	720	720	0.0%	541	711
Capesize					
BCI	1,054	1,001	5.3%	648	1,009
BCI 5TC	\$ 7,191	\$ 6,921	3.9%	\$ 5,176	\$ 8,001
ATLANTIC RV	\$ 5,245	\$ 5,140	2.0%	\$ 4,997	\$ 8,206
Cont / FEast	\$ 12,727	\$ 12,764	-0.3%	\$ 11,357	\$ 16,387
PACIFIC RV	\$ 8,163	\$ 7,738	5.5%	\$ 4,921	\$ 7,394
FEast / ECSA	\$ 8,418	\$ 7,991	5.3%	\$ 5,493	\$ 8,353
Panamax					
BPI	644	687	-6.3%	561	690
BPI - TCA	\$ 5,157	\$ 5,500	-6.2%	\$ 4,486	\$ 5,513
ATLANTIC RV	\$ 4,793	\$ 5,364	-10.6%	\$ 4,580	\$ 5,925
Cont / FEast	\$ 9,825	\$ 10,288	-4.5%	\$ 8,384	\$ 10,563
PACIFIC RV	\$ 5,044	\$ 5,343	-5.6%	\$ 4,343	\$ 5,021
FEast / Cont	\$ 965	\$ 1,005	-4.0%	\$ 638	\$ 542
Supramax					
BSI	721	715	0.8%	518	662
BSI - TCA	\$ 7,537	\$ 7,481	0.7%	\$ 5,411	\$ 6,919
Cont / FEast	\$ 10,188	\$ 10,275	-0.8%	\$ 8,604	\$ 9,890
Med / Feast	\$ 12,068	\$ 12,118	-0.4%	\$ 8,151	\$ 9,274
PACIFIC RV	\$ 6,917	\$ 6,925	-0.1%	\$ 4,813	\$ 5,989
FEast / Cont	\$ 4,395	\$ 4,330	1.5%	\$ 2,822	\$ 4,794
USG / Skaw	\$ 10,875	\$ 10,494	3.6%	\$ 8,193	\$ 10,915
Skaw / USG	\$ 4,543	\$ 4,454	2.0%	\$ 3,072	\$ 3,705
Handysize					
BHSI	432	431	0.2%	311	364
BHSI - TCA	\$ 6,201	\$ 6,191	0.2%	\$ 4,525	\$ 5,354
Skaw / Rio	\$ 6,445	\$ 6,425	0.3%	\$ 3,633	\$ 3,770
Skaw / Boston	\$ 6,342	\$ 6,392	-0.8%	\$ 3,983	\$ 4,057
Rio / Skaw	\$ 5,706	\$ 5,828	-2.1%	\$ 5,972	\$ 8,526
USG / Skaw	\$ 6,404	\$ 6,436	-0.5%	\$ 6,032	\$ 7,200
SEAsia / Aus / Jap	\$ 5,668	\$ 5,618	0.9%	\$ 3,683	\$ 4,211
PACIFIC RV	\$ 6,689	\$ 6,604	1.3%	\$ 4,608	\$ 5,429

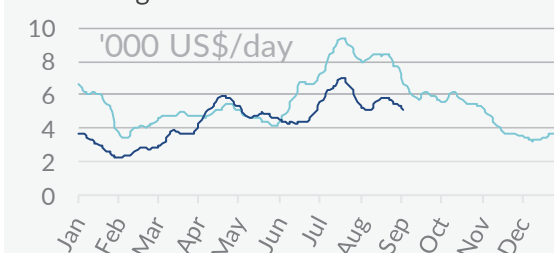
Dry Bulk Indices



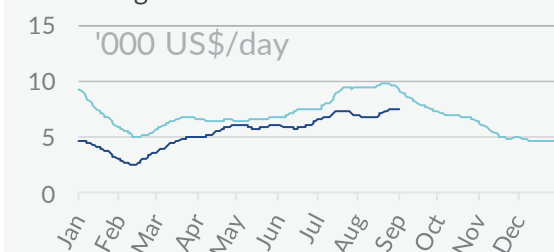
BCI Average TCE



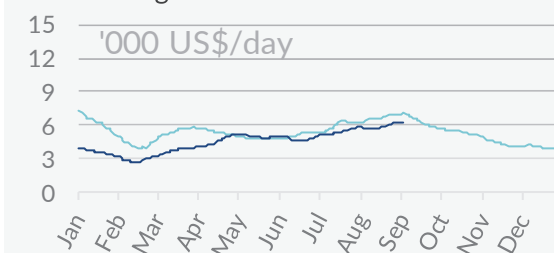
BPI Average TCE



BSI Average TCE



BHSI Average TCE



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Freight Market

Tankers - Spot Market

29th August - 02nd September 2016

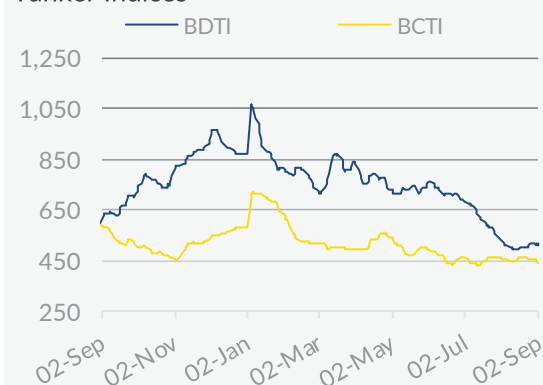
Crude Oil Carriers - The pressure continues on VLs trading in the MEG with rates taking a further slump this week, with limited fresh enquiries now being seen for the remainder of first half of September dates. Feeding of this sentiment, the WAF wasn't much of a comfort market either for the larger VLs despite showing some promise for the Suezmaxes. On the Suezmaxes and Aframaxes things seemed to have been trending upwards in the Black Sea/Med region while things started to show positive signs in the North Sea/Baltic region as well. It now seems as though activity might be on an improving trend, though with underlining crude oil market fundamentals set to create further freight market disruptions we will have to wait and see how things eventually turn out.

Oil Products - Overall there was a small correction on most of the DPP and CPP routes, with MRs seeing their main markets drop further. There was some positive trading going on in the Black Sea/Med and from fixing coming out of the US Gulf, though position lists now are likely to put some extra pressure on these markets.

Spot market rates & indices

		02 Sep	26 Aug	±%	Average	2016	2015
Baltic Tanker Indices							
BDTI		516	515	0.2%		729	820
BCTI		437	457	-4.4%		515	637
VLCC							
MEG-USG	WS	23.63	24.50	-3.6%		34.83	36.36
	\$/day	\$ 3,963	\$ 4,555	-13.0%		\$ 19,422	\$ 31,968
MEG-SPORE	WS	34.08	35.46	-3.9%		59.24	64.43
	\$/day	\$ 29,876	\$ 30,254	-1.2%		\$ 57,232	\$ 61,629
MEG-JAPAN	WS	32.92	34.58	-4.8%		57.81	63.09
	\$/day	\$ 14,759	\$ 16,008	-7.8%		\$ 42,726	\$ 68,288
WAF-USG	WS	37.50	45.00	-16.7%		65.38	72.72
	\$/day	\$ 39,439	\$ 50,204	-21.4%		\$ 83,791	\$ 76,589
SUEZMAX							
WAF-USAC	WS	45.00	40.00	12.5%		69.01	81.13
	\$/day	\$ 20,843	\$ 16,742	24.5%		\$ 40,786	\$ 46,404
BSEA-MED	WS	52.58	51.45	2.2%		80.41	91.34
	\$/day	\$ 3,886	\$ 2,417	60.8%		\$ 23,884	\$ 46,346
AFRAMAX							
NSEA-CONT	WS	83.72	78.61	6.5%		102.24	111.01
	\$/day	\$ 6,894	\$ 2,247	206.8%		\$ 21,906	\$ 37,053
MEG-SPORE	WS	63.39	66.67	-4.9%		105.59	112.26
	\$/day	\$ 5,411	\$ 6,115	-11.5%		\$ 20,083	\$ 31,406
CARIBS-USG	WS	96.94	91.53	5.9%		103.91	133.63
	\$/day	\$ 12,564	\$ 10,230	22.8%		\$ 16,422	\$ 37,962
BALTIC-UKC	WS	52.22	47.50	9.9%		79.07	92.57
	\$/day	\$ 6,504	\$ 2,704	140.5%		\$ 23,813	\$ 43,406
DPP							
CARIBS-USAC	WS	85.00	90.00	-5.6%		113.07	138.77
	\$/day	\$ 14,524	\$ 15,886	-8.6%		\$ 24,858	\$ 30,727
ARA-USG	WS	85.31	87.19	-2.2%		104.48	122.73
	\$/day	\$ 16,756	\$ 18,134	-7.6%		\$ 26,957	\$ 30,281
SEASIA-AUS	WS	62.50	67.75	-7.7%		104.26	110.54
	\$/day	\$ 7,202	\$ 8,728	-17.5%		\$ 22,938	\$ 35,804
MED-MED	WS	65.56	65.33	0.4%		94.25	108.70
	\$/day	\$ 3,416	\$ 2,650	28.9%		\$ 16,586	\$ 35,902
CPP							
MEG-JAPAN	WS	100.19	102.25	-2.0%		98.54	105.50
	\$/day	\$ 16,798	\$ 17,124	-1.9%		\$ 18,153	\$ 28,796
CONT-USAC	WS	80.00	90.25	-11.4%		107.98	134.68
	\$/day	\$ 4,097	\$ 5,387	-23.9%		\$ 9,755	\$ 18,755
CARIBS-USAC	WS	90.00	90.00	0.0%		118.95	134.05
	\$/day	\$ 11,946	\$ 11,772	1.5%		\$ 20,013	\$ 22,099
USG-CONT	WS	56.43	53.57	5.3%		82.54	96.47
	\$/day	\$ 452	\$ -428	205.6%		\$ 5,850	\$ 12,481

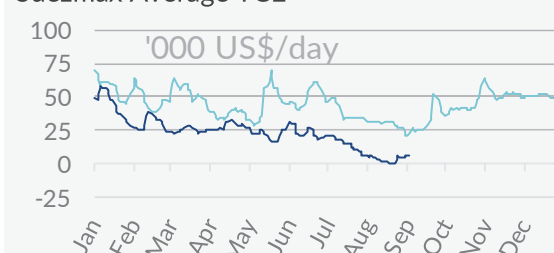
Tanker Indices



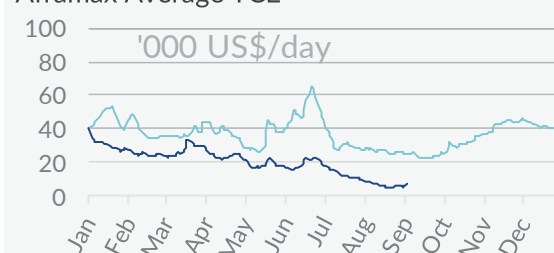
VLCC Average TCE



Suezmax Average TCE



Aframax Average TCE



MR Average TCE



Freight Market Period Charter



29th August - 02nd September 2016

Dry Bulk period market TC rates

	02 Sep	29 Jul	±%	last 5 years		
				Min	Avg	Max
Capesize						
12 months	\$ 9,000	\$ 8,000	12.5%	\$ 6,200	\$ 14,842	\$ 31,450
36 months	\$ 11,000	\$ 10,000	10.0%	\$ 6,950	\$ 15,510	\$ 25,200
Panamax						
12 months	\$ 6,500	\$ 6,500	0.0%	\$ 4,950	\$ 10,372	\$ 18,700
36 months	\$ 7,250	\$ 7,000	3.6%	\$ 6,200	\$ 10,925	\$ 16,700
Supramax						
12 months	\$ 7,000	\$ 6,750	3.7%	\$ 4,450	\$ 10,242	\$ 15,950
36 months	\$ 6,500	\$ 6,500	0.0%	\$ 6,200	\$ 10,532	\$ 15,450
Handysize						
12 months	\$ 6,000	\$ 5,750	4.3%	\$ 4,450	\$ 8,462	\$ 12,950
36 months	\$ 5,750	\$ 5,750	0.0%	\$ 5,450	\$ 8,998	\$ 12,950

Latest indicative Dry Bulk Period Fixtures

M/V "ECOAN G.O.", 75131 dwt, built 2008, dely SE Asia 01/05 Sep, \$5,500, for 5/10 months trading, XO relet, to ADMI

M/V "GENCO BOURGOGNE", 58018 dwt, built 2010, dely Shanwei 30/31 Aug, \$7,250, for 4/6 months trading, to Trafigura

M/V "SIMON LD", 179816 dwt, built 2014, dely Qingdao in d/c 31 Aug, \$9,000, for 12/16 months trading, to Oldendorff

M/V "JUPITER", 77061 dwt, built 2006, dely Busan prompt, 6,250, for 8/11 months trading, to Ultrabulk

M/V "SPRING COSMOS", 63233 dwt, built 2014, dely CJK prompt, \$8,000, for 5/8 months trading, to Phaethon

Tanker period market TC rates

	02 Sep	29 Jul	±%	last 5 years		
				Min	Avg	Max
VLCC						
12 months	\$ 27,750	\$ 32,000	-13.3%	\$ 18,000	\$ 30,209	\$ 57,750
36 months	\$ 29,250	\$ 31,750	-7.9%	\$ 22,000	\$ 31,624	\$ 45,000
Suezmax						
12 months	\$ 21,750	\$ 25,750	-15.5%	\$ 15,250	\$ 23,294	\$ 42,500
36 months	\$ 23,250	\$ 24,750	-6.1%	\$ 17,000	\$ 24,572	\$ 35,000
Aframax						
12 months	\$ 18,000	\$ 19,750	-8.9%	\$ 13,000	\$ 18,181	\$ 30,000
36 months	\$ 18,750	\$ 19,250	-2.6%	\$ 14,750	\$ 19,045	\$ 27,000
MR						
12 months	\$ 13,500	\$ 14,250	-5.3%	\$ 12,500	\$ 14,994	\$ 21,000
36 months	\$ 14,500	\$ 14,750	-1.7%	\$ 14,000	\$ 15,285	\$ 18,250

Latest indicative Tanker Period Fixtures

M/T "KOKKARI", 300000 dwt, built 2008, \$28,000, for 7/9 months trading, to TULLOW OIL

M/T "AMORE MIO II", 160000 dwt, built 2001, \$21,000, for 9 months trading, to CAPITAL MARITIME

M/T "BAREILLY", 105000 dwt, built 2005, \$15,500, for 1 year trading, to NAVIG8

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

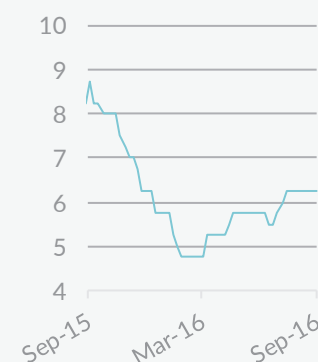
M/T "CHEM HELEN", 38500 dwt, built 2007, \$12,000 + PS, for 1 year trading, to HANDYTANKERS

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

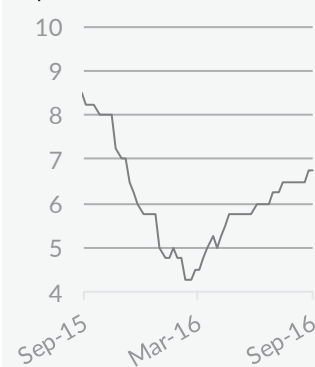
Capesize



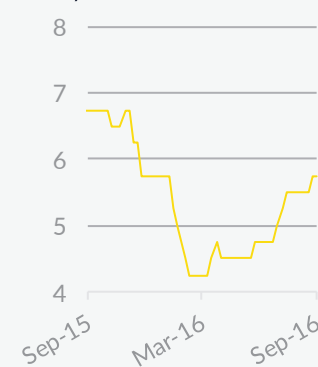
Panamax



Supramax

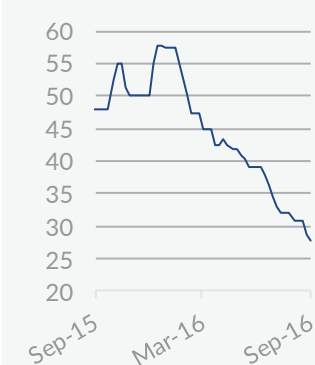


Handysize

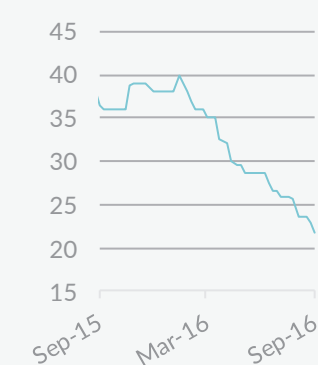


Tanker 12 month period charter rates (USD '000/day)

VLCC



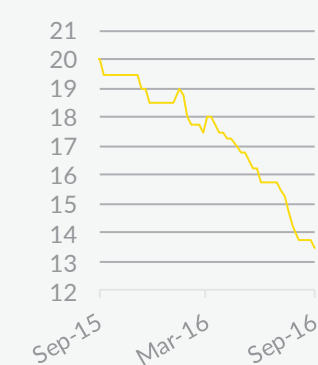
Suezmax



Aframax



MR



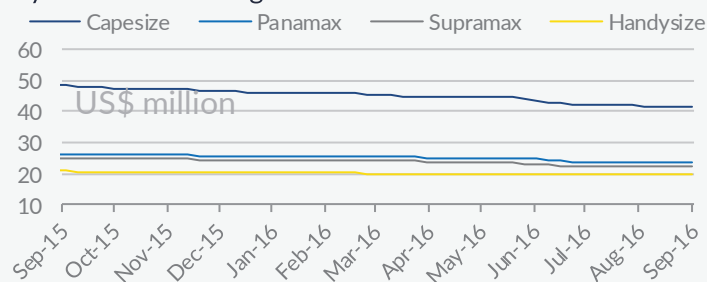
Sale & Purchase Newbuilding Orders



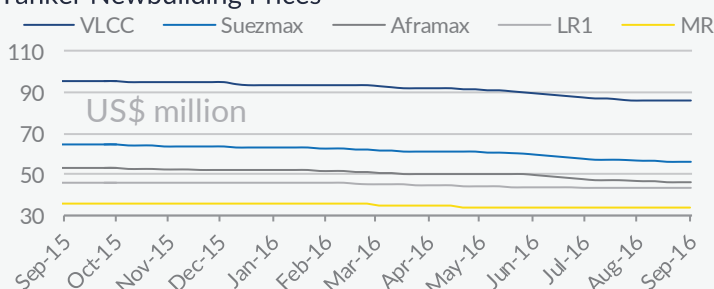
29th August - 02nd September 2016

With the summer season now having finally come to close there are now hopes that the newbuilding market might start to take a breather. There has been minimal activity noted during these past three months and most of the reported new orders have been focused around ship types and tonnage which are more specialized in characteristics and will likely be focused over specific trades and projects. With all freight markets now showing little to no positive movements it is unlikely that we will see a quick comeback from potential buyers of newbuilding orders even at the currently prevailing prices being offered by shipbuilders. It looks as though it will be a tough market during the fourth quarter of the year, while noting the volume of slippages and cancellations that have been taking place in the year so far, shipbuilders have been facing troubled conditions on multiple fronts. What will be interesting to see is to what extent we will be able to see further price drops being offered over the coming months, given that most of the shipbuilders out there (even the more prominent ones) will find it hard to further lower their construction costs per vessel and better optimize their operations.

Dry Bulk Newbuilding Prices



Tanker Newbuilding Prices



Indicative Dry NB Prices (US\$ million)

	02 Sep	29 Jul	±%	last 5 years		
				Min	Avg	Max
Dry Bulkers						
Capesize (180,000dwt)	41.8	42.0	-0.6%	41.8	49.8	58.0
Kamsarmax (82,000dwt)	24.3	24.3	0.0%	24.3	28.7	36.5
Panamax (77,000dwt)	23.8	23.8	0.0%	23.8	27.9	34.5
Ultramax (64,000dwt)	22.3	22.3	0.0%	22.3	26.1	31.0
Handysize (37,000dwt)	19.5	19.5	0.0%	19.5	22.2	26.5
Container						
Post Panamax (9,000teu)	82.5	82.5	0.0%	76.5	86.5	94.5
Panamax (5,200teu)	50.0	50.0	0.0%	48.6	56.7	65.6
Sub Panamax (2,500teu)	28.0	28.0	0.0%	28.0	32.7	41.0
Feeder (1,700teu)	23.0	23.0	0.0%	21.5	25.3	29.4

Indicative Wet NB Prices (US\$ million)

	02 Sep	29 Jul	±%	last 5 years		
				Min	Avg	Max
Tankers						
VLCC (300,000dwt)	86.0	86.0	0.0%	86.0	95.7	104.0
Suezmax (160,000dwt)	56.0	56.8	-1.3%	55.8	61.3	66.0
Aframax (115,000dwt)	46.0	46.8	-1.6%	46.0	51.6	56.0
LR1 (75,000dwt)	43.3	43.3	0.0%	40.5	43.9	47.0
MR (56,000dwt)	33.3	33.3	0.0%	33.3	35.2	37.3
Gas						
LNG 160k cbm	197.0	197.0	0.0%	197.0	199.9	203.0
LPG LGC 80k cbm	72.5	72.5	0.0%	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	44.0	46.5

Reported Transactions

Type	Units	Size	Shipbuilder	Price	Buyer	Delivery	Comments
TANKER	5	114,000 dwt	ZVEZDA, Russia	N/A	ROSNEFT - Russia	2019	Ice class
TANKER	2	114,000 dwt	ZVEZDA, Russia	N/A	EXXONMOBIL -	2019	Ice class
TANKER	2	6,000 dwt	ZHEJIANG SHENZHOU, China	N/A	SINANJU TANKERS - Singapore	2017	
TANKER	1	4,500 dwt	KANGNAM, Korea	N/A	DOORA LOGISTICS - Korea	2018	
CONT	4	1,000 teu	CHANGHONG, China	N/A	BG FREIGHT - Netherlands	2018	235 reefer. 488x45ft units
CRUISE	2	240 pax	VARD TULCEA, Romania	N/A	HAPAG-LLOYD CRUISES - Germany	2017	

Sale & Purchase Secondhand Sales

29th August - 02nd September 2016

On the dry bulk side, a fairly subdued week, with most buyers having remained fairly inactive during most of August and only now starting their rounds into further inspections and offers on the available sales candidates circulating the market. That's not to see that buying interest has diminished however, as there has been notable fresh interest being seen and there is a sense that over the next couple of weeks we should start to see the secondhand market liven up again and possibly even drive prices to start to rise once more.

On the tanker side, things have been even more subdued then what was seen in the dry bulk market, with the recent freight market drops having caused a serious dent in buyers' confidence and most seemingly choosing to take a wait and see attitude as the look to see how the market will trend during the next couple of weeks.

Indicative Dry Bulk Values (US\$ million)

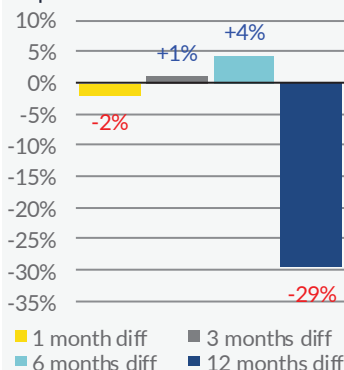
		02 Sep	29 Jul	±%	last 5 years		
					Min	Avg	Max
Capesize							
180k dwt	Resale	36.0	35.5	1.4%	34.5	47.8	65.0
170k dwt	5 year old	24.0	24.5	-2.0%	23.0	36.6	53.0
170k dwt	10 year old	14.0	14.0	0.0%	12.0	24.9	39.0
150k dwt	15 year old	8.0	8.0	0.0%	6.5	15.1	25.0
Panamax							
82k dwt	Resale	24.5	24.5	0.0%	22.5	30.5	43.0
76k dwt	5 year old	13.5	13.5	0.0%	11.5	21.8	36.8
76k dwt	10 year old	8.0	8.0	0.0%	7.3	16.0	29.3
74k dwt	15 year old	4.5	4.5	0.0%	3.5	10.5	22.0
Supramax							
62k dwt	Resale	20.5	20.5	0.0%	19.0	28.3	36.8
58k dwt	5 year old	12.5	12.5	0.0%	11.0	20.9	30.5
52k dwt	10 year old	8.0	7.5	6.7%	6.0	15.1	24.3
52k dwt	15 year old	4.0	4.0	0.0%	3.5	10.0	19.0
Handysize							
37k dwt	Resale	17.0	17.0	0.0%	17.0	22.8	30.0
32k dwt	5 year old	9.0	9.0	0.0%	7.8	17.0	25.5
32k dwt	10 year old	6.5	6.5	0.0%	6.0	12.7	19.5
28k dwt	15 year old	3.8	3.8	0.0%	3.5	8.5	14.5

Indicative Tanker Values (US\$ million)

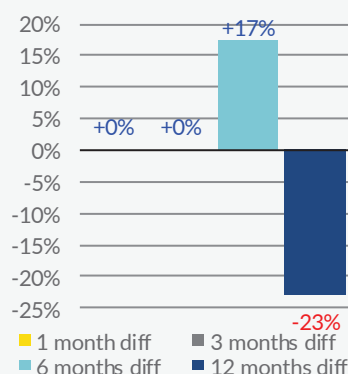
		02 Sep	29 Jul	±%	last 5 years		
					Min	Avg	Max
VLCC							
310k dwt	Resale	86.0	86.0	0.0%	80.0	94.9	108.5
310k dwt	5 year old	63.0	64.0	-1.6%	55.0	70.1	87.0
250k dwt	10 year old	42.0	44.0	-4.5%	33.8	46.5	62.0
250k dwt	15 year old	27.0	27.0	0.0%	16.9	27.6	41.0
Suezmax							
160k dwt	Resale	59.0	60.0	-1.7%	53.0	64.0	73.0
150k dwt	5 year old	46.0	47.0	-2.1%	38.0	50.1	62.0
150k dwt	10 year old	33.0	35.0	-5.7%	24.0	34.1	44.5
150k dwt	15 year old	23.0	23.0	0.0%	14.0	19.1	23.3
Aframax							
110k dwt	Resale	49.0	50.0	-2.0%	39.0	49.0	57.0
110k dwt	5 year old	34.0	35.0	-2.9%	27.0	36.9	47.5
105k dwt	10 year old	22.0	22.5	-2.2%	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	34.0	34.0	0.0%	32.0	36.7	39.3
52k dwt	5 year old	23.0	23.0	0.0%	22.0	26.8	31.0
45k dwt	10 year old	16.5	16.5	0.0%	14.0	17.9	21.0
45k dwt	15 year old	11.0	11.0	0.0%	9.0	11.0	13.5

Price movements of 5 year old Dry Bulk assets

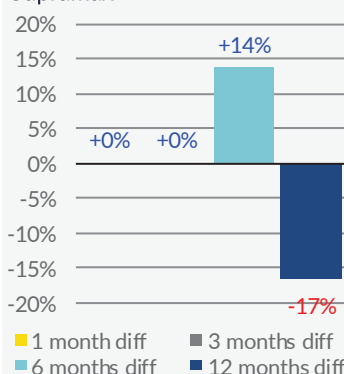
Capesize



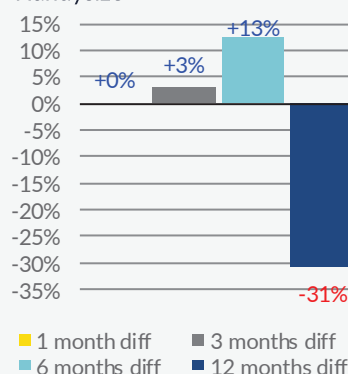
Panamax



Supramax

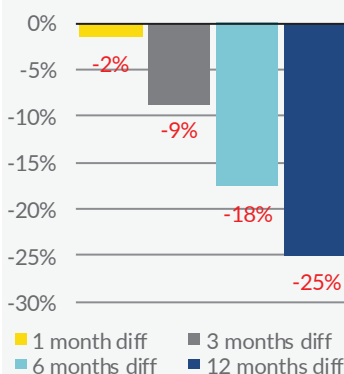


Handysize

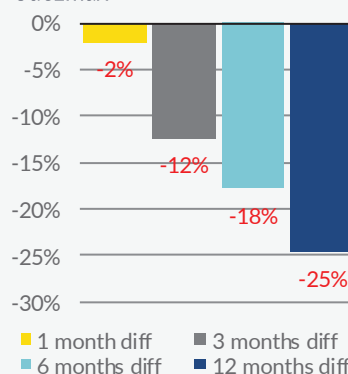


Price movements of 5 year old Tanker assets

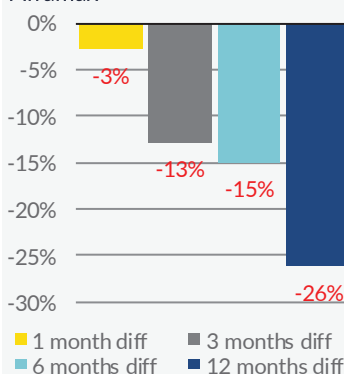
VLCC



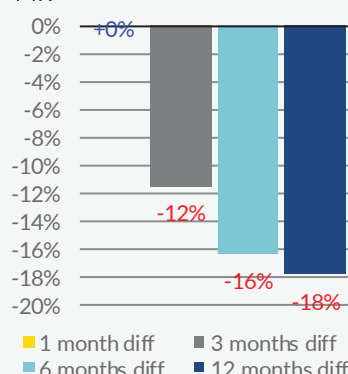
Suezmax



Aframax



MR



Sale & Purchase Secondhand Sales



29th August - 02nd September 2016

Tankers									
Size	Name	Dwt	Built	Shipbuilder	M/E	Coating	Price	Buyers	Comments
AFRA	DAEHAN 5013	114,900	2017	DAEHAN SHIPBUILDING -, S. Korea	MAN-B&W		\$ 44.0m	Greek - NS Lemos	Dely Jan '17, Ice class 1C, Tier II
AFRA	DAEHAN 5014	114,900	2017	DAEHAN SHIPBUILDING -, S. Korea	MAN-B&W		\$ 44.0m		Dely Feb '17, Ice class 1C, Tier II
Bulk Carriers									
Size	Name	Dwt	Built	Shipbuilder	M/E	Gear	Price	Buyers	Comments
PMAX	TORO ORIENT	76,500	2008	IMABARI MARUGAME, Japan	MAN-B&W		\$ 8.8m	Greek	
PMAX	C FORTUNE	76,000	2016	NANTONG RONGSHENG SHBL, China	Wartsila		\$ 7.8m	Chinese	
UMAX	DARYA RANI	64,000	2016	GUANGZHOU HUANGPU SHIP, China	MAN-B&W	4 X 30t CRANES	\$ 17.5m	Danish - Celsius	Dely Sep '16
UMAX	DARYA MAYA	64,000	2016	GUANGZHOU HUANGPU SHIP, China	MAN-B&W	4 X 30t CRANES	\$ 17.5m		Dely Sep '16
HMAX	JIN BI	48,220	2000	OSHIMA SHIPBUILDING, Japan	Mitsubishi	4 X 30t CRANES	\$ 3.5m	Chinese	
HANDY	CAPE SCOTT	28,747	1997	SHIN KURUSHIMA ONISHI, Japan	Mitsubishi	4 X 30t CRANES	\$ 2.3m	Chinese - Tsurumi Sunmarine	
Containers									
Size	Name	TEU	Built	Shipbuilder	M/E	Gear	Price	Buyers	Comments
PMAX	HS BACH	3,768	2007	STX, S. Korea	MAN-B&W		\$ 6.0m	undisclosed	
FEEDER	IS JAPAN	1,708	2007	IMABARI IMABARI, Japan	MAN-B&W		\$ 10.4m	Taiwanese - Wan Hai	

Sale & Purchase

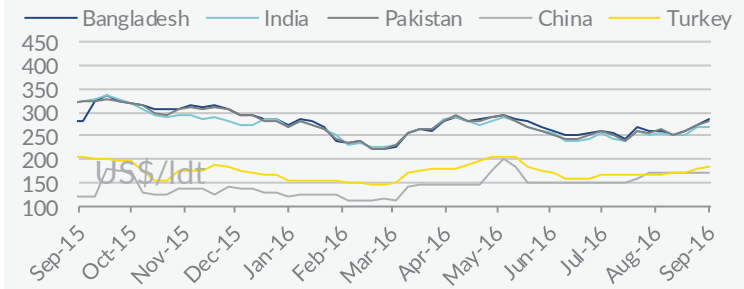
Demolition Sales



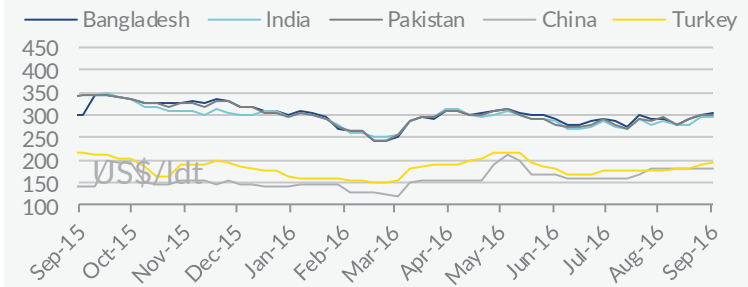
29th August - 02nd September 2016

With limited demo candidates in the market and buying appetite having seen a considerable improvement compared to where it stood back in late July/early August, prices continued to hold on their improved levels. Many see these levels as highly speculative and don't see much evidence to support them given the underlining market fundamentals. Bangladeshi breakers seemed to be the ones driving the market right now, giving slightly better levels than the rest of the Indian Sub-Continent, while Pakistan, which seems to still be plagued by uncertainty regarding new tax regulations, is only able to match price levels for a select few high spec tonnage out there. Overall it seems as though there is still a strong sense of caution out there amongst buyers, despite the price levels being quoted, while we may well see a slightly clearer direction emerge over the coming weeks and as the monsoon weather starts to dissipate slowly.

Dry Scrap Prices



Wet Scrap Prices



Indicative Dry Prices (\$/Ldt)

		02 Sep	26 Aug	±%	last 5 years		
					Min	Avg	Max
Indian Sub Continent							
	Bangladesh	285	275	3.6%	220	395	515
	India	270	270	0.0%	225	402	525
	Pakistan	280	275	1.8%	220	398	510
Far East Asia							
	China	170	170	0.0%	110	301	455
Mediterranean							
	Turkey	185	180	2.8%	145	248	355

Indicative Wet Prices (\$/Ldt)

		02 Sep	26 Aug	±%	last 5 years		
					Min	Avg	Max
Indian Sub Continent							
	Bangladesh	305	300	1.7%	245	417	540
	India	295	295	0.0%	250	425	550
	Pakistan	300	300	0.0%	245	422	525
Far East Asia							
	China	180	180	0.0%	120	319	485
Mediterranean							
	Turkey	195	190	2.6%	150	259	355

Reported Transactions

Type	Vessel's Name	Dwt	Built	Country Built	Ldt	US\$/Ldt	Buyer	Sale Comments
Bulker	CSK BEILUN	172,561	1999	Japan	21,000	\$ 289/Ldt	Bangladeshi	bss 'as is' Singapore including 800-900 mt of bunkers
Tanker	TOVE KNUSTEN	105,295	1989	Spain	21,315	N/A	Indian	Green Recycling
Bulker	SANMAR PARAGON	73,080	1996	S. Korea	10,749	\$ 279/Ldt	Bangladeshi	bss 'as is' Singapore including 135 mt of bunkers
Bulker	TONG YING	66,758	1989	Taiwan	12,243	\$ 284/Ldt	undisclosed	On 'as is' Singapore basis
Cont	META	39,128	2001	Poland	13,062	\$ 250/Ldt	undisclosed	bss 'as is' Valencia basis with 160 mt of bunkers.
Cont	LIWIA P	39,128	2001	Poland	13,062	\$ 271/Ldt	undisclosed	bss 'as is' S.Korea basis with minimal bunkers.
Cont	HEIKE P	39,128	2000	Poland	13,062	\$ 278/Ldt	undisclosed	bss 'as is' Singapore with minimal bunkers.
Cont	ALEXANDRA	39,128	2000	Poland	13,062	\$ 268/Ldt	undisclosed	bss 'as is' S.Korea basis with 200 mt of bunkers
Gen. Cargo	DE NING	3,402	1991	China	-	N/A	Chinese	



Trade Indicators

Markets | Currencies | Commodities



29th August - 02nd September 2016

Hanjin Shipping filed for bankruptcy protection in the US, a move widely expected to put a freeze on litigation following approval of the South Korean shipowner's rehabilitation.

The Chapter 15 petition at the federal court in Newark, New Jersey, seeks US recognition of the main proceedings in the Seoul Central District Court.

The legal papers show that Hanjin has nearly KRW 6.03 trillion (\$5.04bn) in total liabilities and KRW 6.62 trillion in assets.

The US petition was filed by New Jersey law firm Cole Schotz.

It was made the same day that Hanjin Shipping became a target of a fifth US lawsuit since filing for rehabilitation on Wednesday.

AP Moller-Maersk subsidiary APM Terminals filed a lawsuit in Los Angeles seeking to seize nearly \$835,000 in Hanjin assets on allegations that the South Korean operator has failed to pay stevedore, terminal and other fees. Source: Tradewinds

	02 Sep	29 Jul	±%	last 12 months		
				Min	Avg	Max
Markets						
10year US Bond	1.60	1.46	9.6%	1.37	1.89	2.34
S&P 500	2,180.0	2,173.6	0.3%	1,829	2,045	2,190
Nasdaq	5,249.9	5,162.1	1.7%	4,267	4,873	5,262
Dow Jones	18,492.0	18,432.2	0.3%	15,660	17,434	18,636
FTSE 100	6,894.6	6,724.4	2.5%	5,537	6,252	6,941
FTSE All-Share UK	3,756.4	3,653.8	2.8%	3,047	3,428	3,774
CAC40	4,542.2	4,439.8	2.3%	3,897	4,471	4,984
Xetra Dax	10,683.8	10,337.5	3.4%	8,753	10,111	11,382
Nikkei	16,925.7	16,569.3	2.2%	14,952	17,285	20,012
Hang Seng	23,266.7	21,891.4	6.3%	18,320	21,177	23,267
DJ US Maritime	175.0	178.9	-2.2%	150.2	198.8	238.7
Currencies						
\$ per €	1.12	1.11	0.6%	1.06	1.11	1.16
\$ per £	1.33	1.32	0.6%	1.29	1.44	1.56
£ per €	0.84	0.84	0.0%	0.70	0.77	0.87
¥ per \$	103.7	103.0	0.7%	100.0	113.2	123.5
\$ per Au\$	0.76	0.76	0.0%	0.69	0.73	0.78
\$ per NoK	0.12	0.12	2.1%	0.11	0.12	0.12
\$ per SFr	0.98	0.97	0.8%	0.95	0.98	1.03
Yuan per \$	6.68	6.65	0.5%	6.32	6.51	6.70
Won per \$	1,116.5	1,120.7	-0.4%	1,095.1	1,166.5	1,237.8
\$ INDEX	99.8	100.9	-1.1%	97.9	102.5	107.4
Commodities						
Gold \$	1,324.7	1,342.0	-1.3%	1,049.4	1,203.3	1,366.3
Oil WTI \$	44.4	41.6	6.8%	26.9	41.7	51.6
Oil Brent \$	46.8	42.5	10.3%	28.2	43.7	52.7
Palm Oil	562.0	562.0	0.0%	470.0	554.4	564.0
Iron Ore	58.4	59.2	-1.4%	37.0	51.8	68.7
Coal Price Index	66.0	65.8	0.4%	47.3	54.9	68.0
White Sugar	531.0	518.6	2.4%	336.3	444.1	574.0

Currencies

US Dollar per Euro



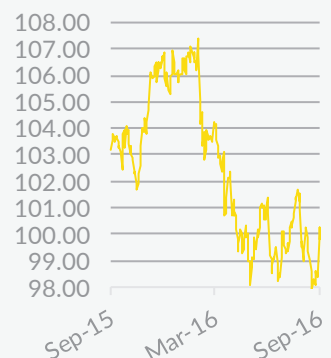
Yen per US Dollar



Yuan per US Dollar



US Dollar INDEX

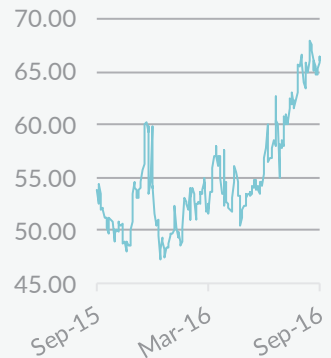


Commodities

Iron Ore (TSI)



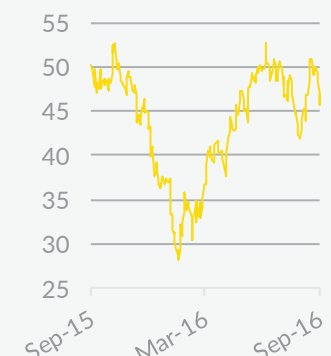
Coal Price Index



Oil WTI \$



Oil Brent \$



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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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