

Weekly Shipping Market Update

12th - 16th September 2016 | Week 37

Market Analysis

The Capesize market has been on a rallying trend since the end of August, fuelled mainly by the chase by traders to pre-stock before the typical pick up in construction and manufacturing activity that usually takes place during the autumn months. Adding to this has been the decision by Beijing to reduce the output of its domestic mines by cutting down the working week. The effects of this policy have spanned across the three main dry bulk commodities carried by the Capesize fleet. Thermal coal and iron ore noted their biggest gains during the early parts of September, however now we have seen a massive increase in the price of coking coal as delays from Australia's Queensland due to a train derailment have caused a further tightening of supply in this market. All this has taken place as disruptions in mainland China due to the excessive flooding noted there have stocked a considerable increase in demand for imports.

Many fear however that there are fearful omens in the sky, with domestic prices in China for rebar having dropped to its lowest point since June in the midst of excessive supply and a choking of demand. There has been an increased effort by housing authorities throughout the country to cool down the (as they see it) overheated housing market. A number of cities have already announced that they will start restricting home purchases, barring residents who already own one or two houses in certain districts from being able to purchase another home. This inflicted cooling of the housing market should keep demand under check and restrict the number of new property projects that are undertaken. This could prove to be a dampener on the steel market, with China still being the largest consumer of steel and its real estate market being one of the main drivers for growth. At the same time we have seen a sharp in year-on-year U.S. import figures from China both in volume and value, something not seen since 2009. This could hit further aspects of the Chinese economy, with the U.S. still holding a central role in feeding growth to both China as well as other emerging markets.

Yet for the moment we are still riding on the uptrend, with domestic crude steel output having increased for a sixth month in a row in August and looking to keep on track for a seventh. Freight rates have seen one of their sharpest increases, with the Baltic average of the 4 TC routes having risen by over 80% since the end of August and having doubled compared to where it stood in mid-August. As of yet, these increases have been limited to only the Capesize market, while many hope that as usual these trends in the capesize market are merely a preview of what's to come for the rest of the dry bulk size segments. At the same time most have their eyes keen set on the dry bulk freight market waiting to get an incline as to who the market will fair moving forward. Expectations are that a rally that outperforms what we witnessed during the same period last year will be fair reasoning that the market supply correction has worked, while a failure to launch of the freight market will be an unquestionable sign of the more intense pain expected to be faced ahead. Things should not be taken however as so black and white and the truth often lays within shades of grey. That however will undoubtedly influence the asset price trends in the secondhand market. We are already seeing a strong upward pressure brewing beneath the surface and it will only take a strong market rally in the freight market to strike a spark in the secondhand market from where another round of price hikes will be seen.

George Lazaridis

Head of Market Research & Asset Valuations



Week in numbers

Dry Bulk Freight Market

	16 Sep		W-O-W change	
			±Δ	±%
BDI	800		▼ -4	-0.5%
BCI	1,680		▲ 114	7.3%
BPI	646		▼ -12	-1.8%
BSI	660		▼ -28	-4.1%
BHSI	415		▼ -4	-1.0%

Tanker Freight Market

	16 Sep		W-O-W change	
			±Δ	±%
BDTI	561		▲ 19	3.5%
BCTI	383		▼ -25	-6.1%

Newbuilding Market

Aggregate Price Index	16 Sep		M-O-M change	
			±Δ	±%
Bulkers	73		▶ 0	0.0%
Cont	97		▶ 0	0.0%
Tankers	91		▼ -1	-1.2%
Gas	96		▶ 0	0.0%

Secondhand Market

Aggregate Price Index	16 Sep		M-O-M change	
			±Δ	±%
Capesize	39		▼ 0	-0.6%
Panamax	37		▶ 0	0.0%
Supramax	41		▲ 1	3.0%
Handysize	43		▶ 0	0.0%
VLCC	84		▶ 0	0.0%
Suezmax	82		▼ -1	-1.3%
Aframax	97		▼ -1	-0.8%
MR	105		▶ 0	0.0%

Demolition Market

Avg Price Index (main 5 regions)	16 Sep		W-O-W change	
			±Δ	±%
Dry	255		▲ 4	1.6%
Wet	270		▲ 3	1.1%

Economic Indicators

	16 Sep		M-O-M change	
			±Δ	±%
Gold \$	1,308		▼ -44	-3.2%
Oil WTI \$	43		▼ -1	-3.3%
Oil Brent \$	46		▼ -1	-2.6%
Iron Ore	56		▼ -4	-6.9%
Coal	66		▲ 1	2.1%

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Freight Market

Dry Bulkers - Spot Market

12th - 16th September 2016

Capesize - Despite a slight dip mid-week, things continued to move on their upward path. Rates jumped considerably towards the end of the week, with the volume of fresh interest in the market rising fast and quickly clearing tonnage lists both in the East as well as in the West. At the moment the Pacific basin seems to be the main driver with almost all major shippers from W. Australia being active at the moment and feeding the market with cargoes. As things stand now the momentum seems to be fairly good and should be able to continue to hold especially as enquiries keep flowing in.

Panamax - It seems as though we are starting to see a slowdown in the downward trend, though with limited cargo volume still being noted its hard to see from where a market shift could be generated as things stand now, especially given the fact that both ECSA and US Gulf seem to have ample tonnage looking to be fixed.

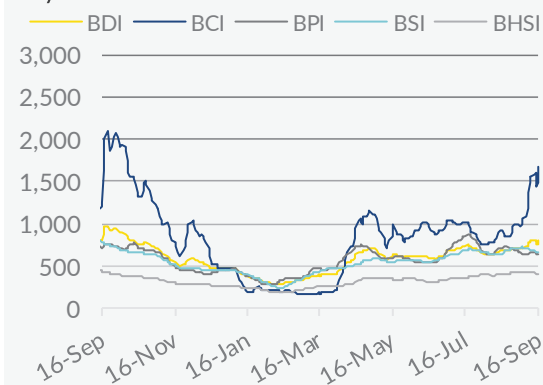
Supramax - A relatively mixed week, with most regions still plagued by an excess of open tonnage and limited fresh interest, while the exception this week seemed to have been the Continent and ECSA where we managed to see an slow but upward pressure hold for most of the past week.

Handysize - Despite the public holidays being noted this past week, the Pacific basin was able to show some positive signs, with a good level of fresh activity helping move things upwards. Rates are still under pressure in the Atlantic basin something that still keeps the overall market under pressure.

Spot market rates & indices

				Average	
		16 Sep	09 Sep	±%	
Baltic Dry Index					
BDI		800	804	-0.5%	
Capesize					
BCI		1,680	1,566	7.3%	
BCI 5TC		\$ 10,929	\$ 10,649	2.6%	
ATLANTIC RV		\$ 9,180	\$ 9,040	1.5%	
Cont / FEast		\$ 17,000	\$ 16,495	3.1%	
PACIFIC RV		\$ 12,100	\$ 11,821	2.4%	
FEast / ECSA		\$ 11,575	\$ 11,682	-0.9%	
Panamax					
BPI		646	658	-1.8%	
BPI - TCA		\$ 5,182	\$ 5,280	-1.9%	
ATLANTIC RV		\$ 4,464	\$ 4,600	-3.0%	
Cont / FEast		\$ 9,854	\$ 9,917	-0.6%	
PACIFIC RV		\$ 5,427	\$ 5,590	-2.9%	
FEast / Cont		\$ 982	\$ 1,012	-3.0%	
Supramax					
BSI		660	688	-4.1%	
BSI - TCA		\$ 6,903	\$ 7,198	-4.1%	
Cont / FEast		\$ 10,250	\$ 9,967	2.8%	
Med / FEast		\$ 7,976	\$ 11,143	-12.1%	
PACIFIC RV		\$ 6,360	\$ 6,608	-3.8%	
FEast / Cont		\$ 4,225	\$ 4,230	-0.1%	
USG / Skaw		\$ 9,231	\$ 10,175	-9.3%	
Skaw / USG		\$ 4,777	\$ 4,621	3.4%	
Handysize					
BHSI		415	419	-1.0%	
BHSI - TCA		\$ 5,995	\$ 6,025	-0.5%	
Skaw / Rio		\$ 6,010	\$ 6,200	-3.1%	
Skaw / Boston		\$ 5,742	\$ 5,983	-4.0%	
Rio / Skaw		\$ 5,303	\$ 5,431	-2.4%	
USG / Skaw		\$ 6,000	\$ 6,125	-2.0%	
SEAsia / Aus / Jap		\$ 5,825	\$ 5,607	3.9%	
PACIFIC RV		\$ 6,629	\$ 6,625	0.1%	

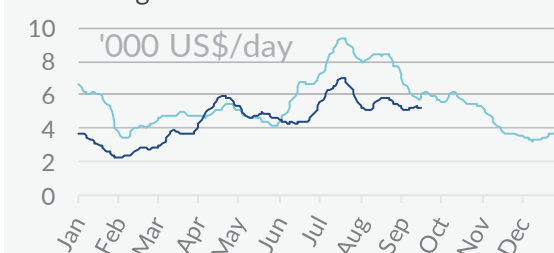
Dry Bulk Indices



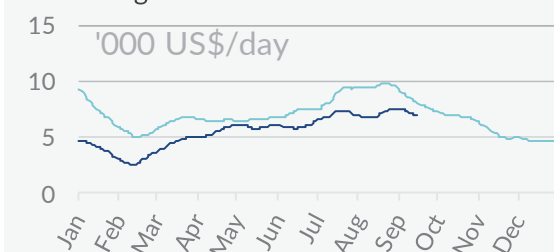
BCI Average TCE



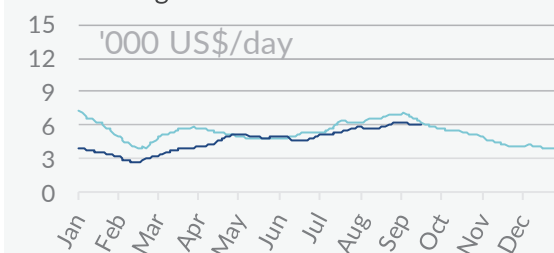
BPI Average TCE



BSI Average TCE



BHSI Average TCE



— 2015 — 2016

Freight Market

Tankers - Spot Market

12th - 16th September 2016

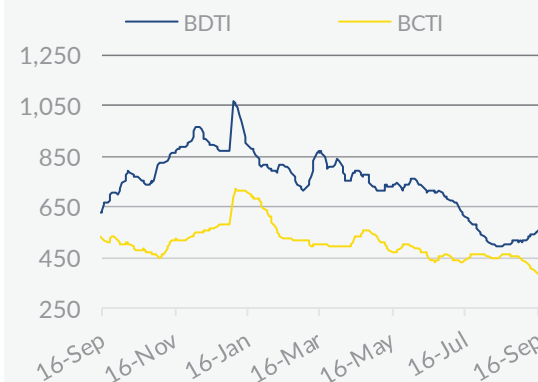
Crude Oil Carriers - A bit of mixed feelings for the trends undertaken by rates in the MEG, with things holding relatively steady and halting on the upward improvements that they were seeing a week earlier. The main positive feel was from the WAF region this week with both the VLs and Suezmaxes seeing a considerable increase in the flow of fresh cargoes from the region and helping get things into gear there. Similar positive effects were being seen in the Black Sea/Med region, where the inflow of fresh activity helped clear out most of the tonnage that had amassed there. Things however were not as positive for Aframaxes in the North Sea/Baltic and Caribs regions where we witnessed a step down from the rates on offer a week prior and the market now under pressure again.

Oil Products - An overall positive week for product tankers, though only just. DPP rates from the ARA and Black Sea/Med regions were making some positive ground. While on the CPP front, the USAC market came to life and help bring about a fair improvement to rates there.

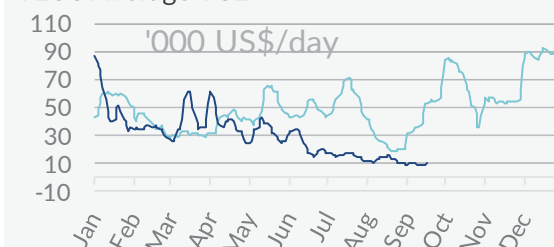
Spot market rates & indices

		16 Sep	09 Sep	±%	Average	
					2016	2015
Baltic Tanker Indices						
BDTI		561	542	3.5%	718	820
BCTI		383	408	-6.1%	509	637
VLCC						
MEG-USG	WS	22.83	23.58	-3.2%	34.22	36.36
	\$/day	\$ 3,214	\$ 3,257	-1.3%	\$ 18,560	\$ 31,968
MEG-SPORE	WS	34.50	34.92	-1.2%	57.94	64.43
	\$/day	\$ 31,142	\$ 30,216	3.1%	\$ 52,942	\$ 61,629
MEG-JAPAN	WS	33.54	34.04	-1.5%	56.52	63.09
	\$/day	\$ 15,405	\$ 15,231	1.1%	\$ 41,255	\$ 68,288
WAF-USG	WS	42.50	37.50	13.3%	63.97	72.72
	\$/day	\$ 46,583	\$ 38,355	21.5%	\$ 81,509	\$ 76,589
SUEZMAX						
WAF-USAC	WS	62.50	45.00	38.9%	67.87	81.13
	\$/day	\$ 33,763	\$ 20,109	67.9%	\$ 39,799	\$ 46,404
BSEA-MED	WS	77.25	54.60	41.5%	79.26	91.34
	\$/day	\$ 19,162	\$ 4,141	362.7%	\$ 22,998	\$ 46,346
AFRAMAX						
NSEA-CONT	WS	91.39	95.00	-3.8%	101.71	111.01
	\$/day	\$ 13,488	\$ 15,237	-11.5%	\$ 21,465	\$ 37,053
MEG-SPORE	WS	60.56	62.33	-2.8%	103.23	112.26
	\$/day	\$ 4,626	\$ 4,600	0.6%	\$ 19,250	\$ 31,406
CARIBS-USG	WS	88.89	104.72	-15.1%	103.59	133.63
	\$/day	\$ 9,504	\$ 14,272	-33.4%	\$ 16,211	\$ 37,962
BAL TIC-UKC	WS	65.83	70.00	-6.0%	78.39	92.57
	\$/day	\$ 14,258	\$ 15,955	-10.6%	\$ 23,303	\$ 43,406
DPP						
CARIBS-USAC	WS	82.50	85.00	-2.9%	111.55	138.77
	\$/day	\$ 13,528	\$ 13,970	-3.2%	\$ 24,278	\$ 30,727
ARA-USG	WS	86.25	85.63	0.7%	103.50	122.73
	\$/day	\$ 17,248	\$ 16,024	7.6%	\$ 25,154	\$ 30,281
SEASIA-AUS	WS	59.88	60.00	-0.2%	101.90	110.54
	\$/day	\$ 6,397	\$ 5,969	7.2%	\$ 22,042	\$ 35,804
MED-MED	WS	93.11	79.44	17.2%	93.52	108.70
	\$/day	\$ 14,048	\$ 8,126	72.9%	\$ 16,182	\$ 35,902
CPP						
MEG-JAPAN	WS	75.63	91.56	-17.4%	98.03	105.50
	\$/day	\$ 10,073	\$ 14,021	-28.2%	\$ 17,900	\$ 28,796
CONT-USAC	WS	71.25	73.25	-2.7%	106.16	134.68
	\$/day	\$ 2,388	\$ 2,374	0.6%	\$ 9,382	\$ 18,755
CARIBS-USAC	WS	100.00	87.50	14.3%	117.37	134.05
	\$/day	\$ 14,303	\$ 10,947	30.7%	\$ 19,559	\$ 22,099
USG-CONT	WS	76.79	53.57	43.3%	81.29	96.47
	\$/day	\$ 3,662	\$ -593	717.5%	\$ 5,571	\$ 12,481

Tanker Indices



VLCC Average TCE



Suezmax Average TCE



Aframax Average TCE



MR Average TCE



Freight Market Period Charter



12th - 16th September 2016

Dry Bulk period market TC rates

	16 Sep	12 Aug	±%	last 5 years		
				Min	Avg	Max
Capesize						
12 months	\$ 9,000	\$ 8,000	12.5%	\$ 6,200	\$ 14,802	\$ 31,450
36 months	\$ 11,000	\$ 10,000	10.0%	\$ 6,950	\$ 15,479	\$ 25,200
Panamax						
12 months	\$ 6,750	\$ 6,500	3.8%	\$ 4,950	\$ 10,347	\$ 18,700
36 months	\$ 7,500	\$ 7,250	3.4%	\$ 6,200	\$ 10,901	\$ 16,700
Supramax						
12 months	\$ 7,000	\$ 6,750	3.7%	\$ 4,450	\$ 10,220	\$ 15,950
36 months	\$ 6,500	\$ 6,500	0.0%	\$ 6,200	\$ 10,505	\$ 15,450
Handysize						
12 months	\$ 5,500	\$ 5,750	-4.3%	\$ 4,450	\$ 8,443	\$ 12,950
36 months	\$ 5,750	\$ 5,750	0.0%	\$ 5,450	\$ 8,976	\$ 12,950

Latest indicative Dry Bulk Period Fixtures

M/V "ANANGEL ARGONAUT", 177835 dwt, built 2009, dely Shanghai prompt, \$10,250, for min 4/7 months trading, to Jiangsu Steamship

M/V "CAVALIERE GRAZIA BOTTIGLIERI", 178132 dwt, built 2010, dely Xiamen 18/20 Sep, \$9,000, for 4/7 months trading, to DHL

M/V "AQUABREEZE", 171012 dwt, built 2003, dely Zhuhai in d/c 16/17 Sep about, \$9,000, for 12/15 months trading, to Classic Maritime

M/V "RED SAGE", 182443 dwt, built 2014, dely Yantai 10 September, 10,500, for 5/8 months trading, to Phaethon

M/V "STAR ANGIE", 177932 dwt, built 2007, dely Bayuquan 11/13 Sep, \$8,500, for 10/12 months trading, to Korea Line Corporation

Tanker period market TC rates

	16 Sep	12 Aug	±%	last 5 years		
				Min	Avg	Max
VLCC						
12 months	\$ 26,500	\$ 31,000	-14.5%	\$ 18,000	\$ 30,184	\$ 57,750
36 months	\$ 27,000	\$ 30,500	-11.5%	\$ 22,000	\$ 31,593	\$ 45,000
Suezmax						
12 months	\$ 21,250	\$ 23,500	-9.6%	\$ 15,250	\$ 23,280	\$ 42,500
36 months	\$ 22,750	\$ 24,750	-8.1%	\$ 17,000	\$ 24,560	\$ 35,000
Aframax						
12 months	\$ 16,000	\$ 19,500	-17.9%	\$ 13,000	\$ 18,166	\$ 30,000
36 months	\$ 17,750	\$ 19,250	-7.8%	\$ 14,750	\$ 19,036	\$ 27,000
MR						
12 months	\$ 13,250	\$ 13,750	-3.6%	\$ 12,500	\$ 14,982	\$ 21,000
36 months	\$ 14,250	\$ 14,500	-1.7%	\$ 14,000	\$ 15,278	\$ 18,250

Latest indicative Tanker Period Fixtures

M/T "NEW ENTERPRISE", 310000 dwt, built 2008, \$29,000, for 3 years trading, to FORMOSA PLASTICS

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

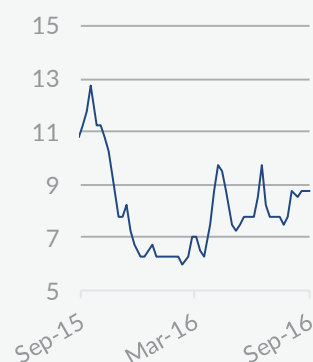
M/T "EMERALD SPIRIT", 110000 dwt, built 2009, \$17,500, for 12/18 months trading, to PBF

M/T "JO PINIARI", 75000 dwt, built 2012, \$14,250, for 1 year trading, to VITOL

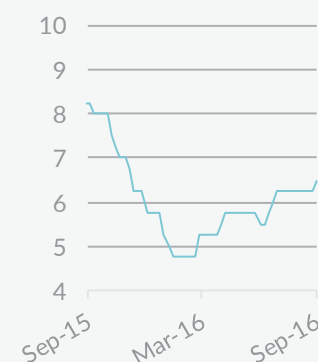
M/T "NORD VALIANT", 51,000 dwt, built 2016, \$15,000, for 2 years trading, to LAURIN MARITIME

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

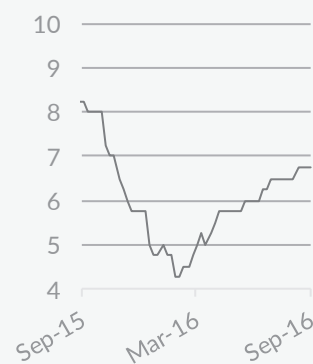
Capesize



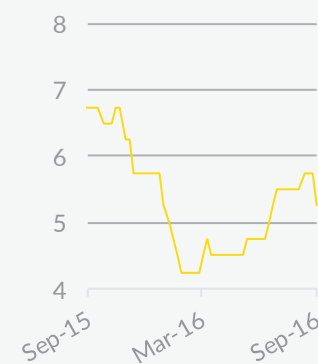
Panamax



Supramax

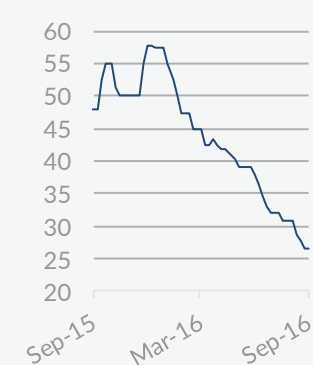


Handysize



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

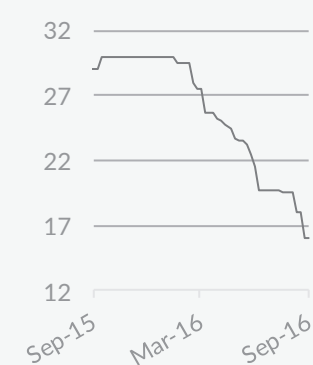
VLCC



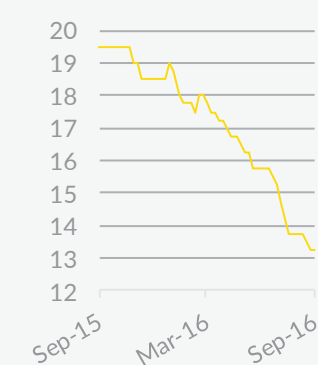
Suezmax



Aframax



MR



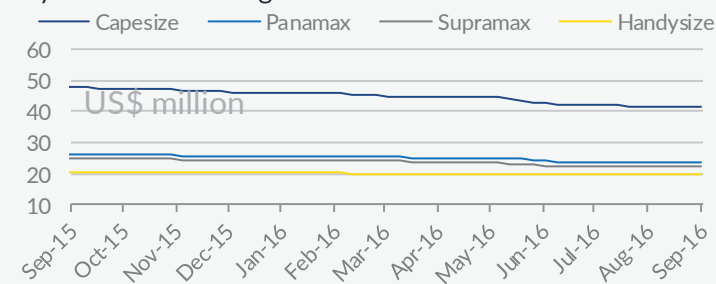
Sale & Purchase Newbuilding Orders



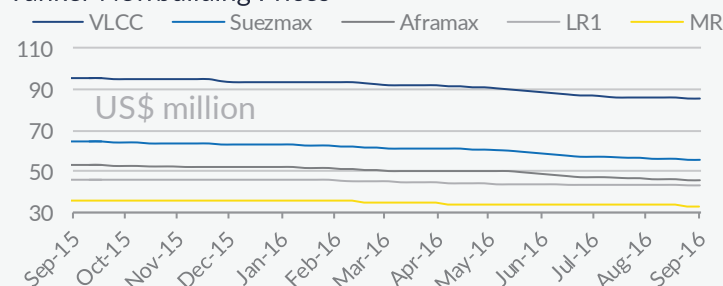
12th - 16th September 2016

Activity was subdued this week, with a minimal amount of fresh orders surfacing as buying interest started to diminish. Overall activity has been holding at minimal levels this year and the pressure has mounted considerably on shipbuilders to do their most in order to entice buyers on this path once more. Despite this it now looks that prices have hit a temporary minimum point, holding steady for several weeks now, especially for dry bulkers where we have seen hardly any new orders being placed this year, while current indications show that there is a considerable upward pressure on prices now building up under the surface. Despite the dire conditions faced by shipbuilders, it wouldn't be to much surprise if we started to see quoted price levels on the rise once more, though even this will likely tend in accordance to any shifts in construction costs. The only thing that might make these price hikes more viable is the continual decreases in competition as more and more shipbuilders are forced to exit the market and shut down operations.

Dry Bulk Newbuilding Prices



Tanker Newbuilding Prices



Indicative Dry NB Prices (US\$ million)

	16 Sep	12 Aug	±%	last 5 years		
				Min	Avg	Max
Dry Bulkers						
Capesize (180,000dwt)	41.8	41.8	0.0%	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	86.4	94.5
Panamax (5,200teu)	50.0	50.0	0.0%	48.6	56.6	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	25.2	29.4

Indicative Wet NB Prices (US\$ million)

	16 Sep	12 Aug	±%	last 5 years		
				Min	Avg	Max
Tankers						
VLCC (300,000dwt)	85.5	86.0	-0.6%	85.5	95.6	104.0
Suezmax (160,000dwt)	55.5	56.5	-1.8%	55.5	61.3	66.0
Aframax (115,000dwt)	45.5	46.5	-2.2%	45.5	51.5	56.0
LR1 (75,000dwt)	43.0	43.3	-0.6%	40.5	43.9	47.0
MR (56,000dwt)	33.0	33.3	-0.8%	33.0	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	74.1	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	2+2	115,000 dwt	HUYNDAI H.I, S. Korea	\$ 47.0m	SUN ENTERPRISES - Greece	2018	
TANKER	2+6	50,000 dwt	HUYNDAI H.I, S. Korea	\$ 36.5m	NAVIG8 - Singapore	2018	

Sale & Purchase Secondhand Sales

12th - 16th September 2016

On the dry bulk side, a touch softer with regards to activity being noted with the largest chunk of transactions surfacing this week being for Capesize vessels. This in part has been the cause for prices to still hold steady, despite the fact that freight rates have shown signs of improving. It will be interesting to see the effect on prices once and if the freight market manages to show a good rally during the Autumn months.

On the tanker side, we are still seeing limited activity and firmly focused on the smaller sizes. Again this week the reported transactions focused on product/chemical tankers of smaller size while we did also manage to see a couple of MR tankers change hand, though the enbloc sale of the Kitanihon resales were Stainless Steel tankers though would go under the category of more specialized tonnage.

Indicative Dry Bulk Values (US\$ million)

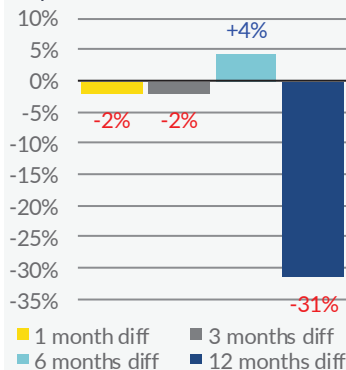
					last 5 years		
					16 Sep	12 Aug	±%
					Min	Avg	Max
Capesize							
180k dwt	Resale	36.0	36.0	0.0%	34.5	47.8	65.0
170k dwt	5 year old	24.0	24.5	-2.0%	23.0	36.5	53.0
170k dwt	10 year old	14.0	14.0	0.0%	12.0	24.9	39.0
150k dwt	15 year old	8.0	8.0	0.0%	6.5	15.0	25.0
Panamax							
82k dwt	Resale	24.5	24.5	0.0%	22.5	30.4	43.0
76k dwt	5 year old	13.5	13.5	0.0%	11.5	21.7	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	28.2	36.8
58k dwt	5 year old	12.5	12.5	0.0%	11.0	20.8	30.5
52k dwt	10 year old	8.5	7.5	13.3%	6.0	15.0	24.3
52k dwt	15 year old	4.0	4.0	0.0%	3.5	9.9	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	16.9	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)

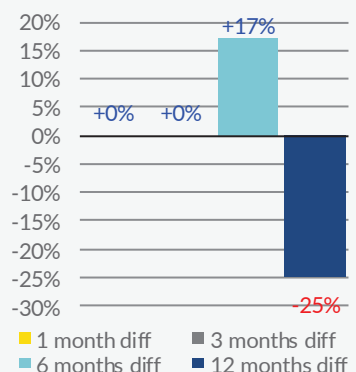
					last 5 years		
					16 Sep	12 Aug	±%
					Min	Avg	Max
VLCC							
310k dwt	Resale	86.0	86.0	0.0%	80.0	94.9	108.5
310k dwt	5 year old	63.0	63.0	0.0%	55.0	70.1	87.0
250k dwt	10 year old	42.0	42.0	0.0%	33.8	46.4	62.0
250k dwt	15 year old	27.0	27.0	0.0%	16.9	27.6	41.0
Suezmax							
160k dwt	Resale	58.0	59.0	-1.7%	53.0	63.9	73.0
150k dwt	5 year old	45.0	46.0	-2.2%	38.0	50.0	62.0
150k dwt	10 year old	32.5	33.0	-1.5%	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	48.0	49.0	-2.0%	39.0	49.0	57.0
110k dwt	5 year old	33.5	34.0	-1.5%	27.0	36.9	47.5
105k dwt	10 year old	22.0	22.0	0.0%	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

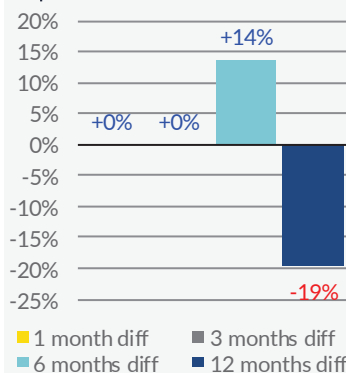
Capesize



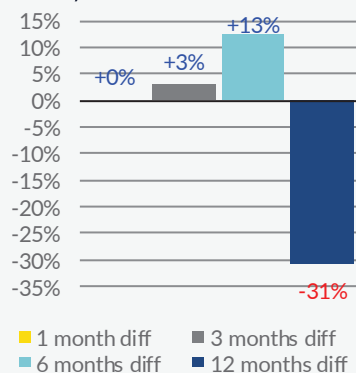
Panamax



Supramax

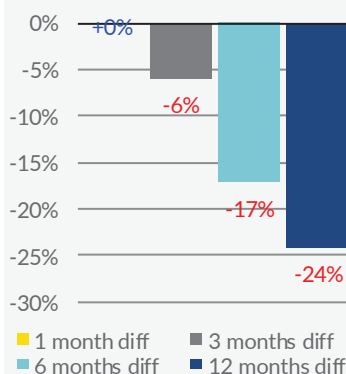


Handysize

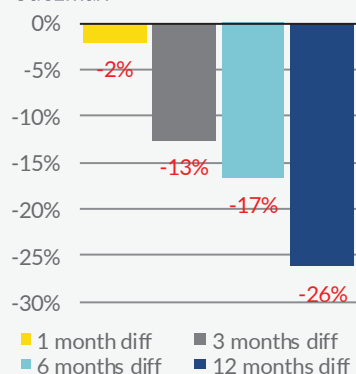


Price movements of 5 year old Tanker assets

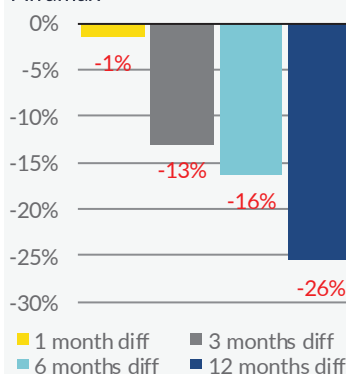
VLCC



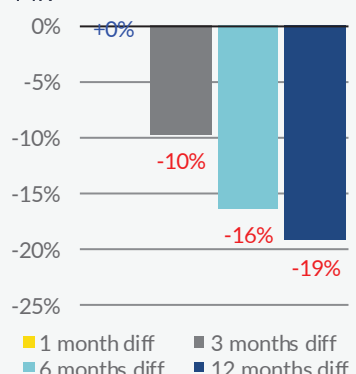
Suezmax



Aframax



MR



Sale & Purchase Secondhand Sales



12th - 16th September 2016

Tankers									
Size	Name	Dwt	Built	Shipbuilder	M/E	Coating	Price	Buyers	Comments
MR	ARDMORE CENTURION	29,006	2005	STX, S. Korea	B&W	EPOXY Coated	\$ 15.7m	Indian	IMO II
MR	KITANIHON 625	25,000	2017	KITANIHON, Japan	MAN-B&W	StSt	\$ 37.0m	undisclosed	11 yrs BB lease back with purchase option
MR	KITANIHON 623	25,000	2017	KITANIHON, Japan	MAN-B&W	StSt	\$ 37.0m		11 yrs BB lease back with purchase option
PROD/CHEM	MID NATURE	19,999	2011	FUKUOKA NAGASAKI, Japan	MAN-B&W	StSt	\$ 23.5m	Monaco Based - Celcius	incl. 3yrs charter to Nordics Tankers
PROD/CHEM	MID FORTUNE	19,945	2009	FUKUOKA NAGASAKI, Japan	MAN-B&W	StSt	\$ 21.0m		incl. 3yrs charter to Nordics Tankers
Bulk Carriers									
Size	Name	Dwt	Built	Shipbuilder	M/E	Gear	Price	Buyers	Comments
CAPE	HANJIN MATSUYAMA	179,166	2011	SUNG Dong, S. Korea	MAN-B&W		\$ 22.8m	Chinese - Winning Shipping	
CAPE	E. R. BAYERN	178,978	2010	HYUNDAI HEAVY INDS - G, S. Korea	MAN-B&W		\$ 20.8m		
CAPE	E.R. BOSTON	178,978	2010	HYUNDAI HEAVY INDS - G, S. Korea	MAN-B&W		\$ 20.8m	Greek	on subs
CAPE	E. R. BAVARIA	178,838	2010	HYUNDAI SAMHO, S. Korea	MAN-B&W		\$ 20.8m		
PMAX	SAMJOHN AMITY	74,744	1998	NKK CORP - TSU, Japan	Sulzer		\$ 3.2m	Chinese	
SMAX	FLEET PHOENIX	55,903	2006	mitsui chiba ICHIHARA, Japan	MAN-B&W	4 X 30t CRANES	\$ 8.8m	Bangladeshi - United Shipping Lines	
SMAX	VIRGINIA	50,175	2001	mitsui chiba ICHIHARA, Japan	MAN-B&W	4 X 30t CRANES	\$ 4.6m	Chinese	
HANDY	KARINE BULKER	32,271	2008	KANDA KAWAJIRI, Japan	Mitsubishi	4 X 30,5t CRANES	\$ 8.0m	Vietnamese - Tan Binh	open hatch
HANDY	LONDON SPIRIT	20,253	1999	WUHU, China	B&W	3 X 30t CRANES	\$ 1.7m	Bangladeshi	open hatch
Gen. Cargo									
Type	Name	Dwt	Built	Shipbuilder	M/E	Gear	Price	Buyers	Comments
General Cargo	PINE 2	34,038	2010	NANTONG YAHUA, China	MAN-B&W	2 X 40t CRS, 3 X 35t CRS	\$ 6.0m	Chinese	
General Cargo	PINE 6	34,022	2010	NANTONG YAHUA, China	MAN-B&W	2 X 40t CRS, 3 X 35t CRS	\$ 6.0m		
General Cargo	PINE 4	34,006	2009	NANTONG YAHUA, China	MAN-B&W	2 X 40t CRS, 3 X 35t CRS	\$ 6.0m		
Containers									
Size	Name	TEU	Built	Shipbuilder	M/E	Gear	Price	Buyers	Comments
SUB PMAX	LARENTIA	2,702	2005	BLOHM + VOSS GMBH, Germany	MAN-B&W		N/A	Chinese	

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Sale & Purchase

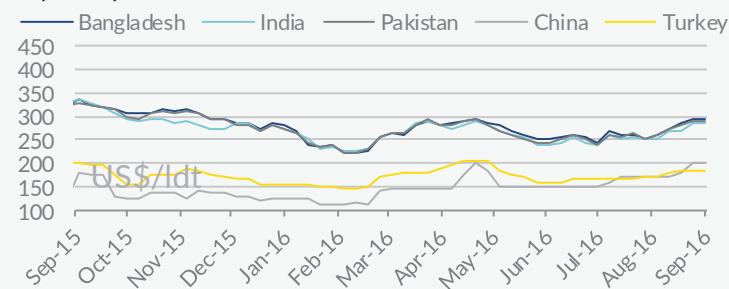
Demolition Sales



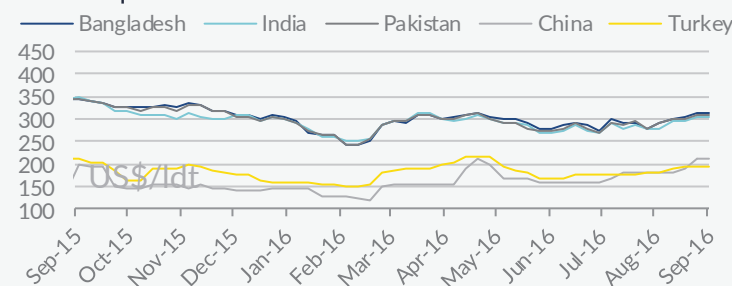
12th - 16th September 2016

The demo market continues to hold firm interest from the side of end buyers, keeping plentiful appetite in the market and giving as such a slight upper hand towards any serious seller at the moment. It is no surprise therefore that we have seen the firm price levels hold for yet another week despite the fact that many are still relatively worry of these quoted figures and prefer to keep a more cautious approach when bidding on any vessels that do show up as demo candidates. As such we have seen great variance in the prices achieved by different units and some blame speculative buying to be in fault. The truth of the matter is that local steel prices are still holding at favorable levels in order to somewhat support this market, while the lack in demo candidates has increased competition amongst demo buyers and allows for some to push for that extra "mile".

Dry Scrap Prices



Wet Scrap Prices



Indicative Dry Prices (\$/Ldt)

		16 Sep	09 Sep	±%	last 5 years		
					Min	Avg	Max
Indian Sub Continent							
	Bangladesh	305	295	3.4%	220	394	515
	India	290	285	1.8%	225	401	525
	Pakistan	295	290	1.7%	220	398	510
Far East Asia							
	China	200	200	0.0%	110	301	455
Mediterranean							
	Turkey	185	185	0.0%	145	248	355

Indicative Wet Prices (\$/Ldt)

		16 Sep	09 Sep	±%	last 5 years		
					Min	Avg	Max
Indian Sub Continent							
	Bangladesh	320	315	1.6%	245	416	540
	India	310	305	1.6%	250	424	550
	Pakistan	315	310	1.6%	245	422	525
Far East Asia							
	China	210	210	0.0%	120	318	485
Mediterranean							
	Turkey	195	195	0.0%	150	258	355

Reported Transactions

Type	Vessel's Name	Dwt	Built	Country	Built	Ldt	US\$/Ldt	Buyer	Sale Comments
Bulker	THE FORGIVER	70,003	1994	China		12,152	\$ 303/Ldt	Indian	Pakistan option, with large propeller, inc bunker ROB
Cont	VIKTORIA WULFF	58,260	2006	Poland		21,531	\$ 302/Ldt	undisclosed	bss 'as is' Shanghai, incl. sufficient bunk for sub cont. options
Gas	GAZ FOUNTAIN	49,999	1986	Japan		18,962	\$ 290/Ldt	Bangladeshi	
Tanker	MITROPE	15,866	1999	Poland		6,575	\$ 278/Ldt	Indian	bss 'as is' Colombo



Trade Indicators

Markets | Currencies | Commodities



12th - 16th September 2016

German lenders are the most exposed to shipping in the global slump. Financiers told Reuters that German banks account for 25% of world-wide maritime loans, or about \$100bn.

Dagfinn Lunde, head of shipping at DVB until 2013, said lenders had been throwing money at owners in the good times. "German banks account for close to \$100bn of shipping debt out of a world total of around \$400bn," he added. "When the values tumbled, they were left with massive exposure to toxic debt."

Lenders are trying to offload problem portfolios as they deal with big loan-loss provisions. German bank Nord/LB posted provisions of EUR 1bn (\$1.13bn) for the first six months. It also sold \$1.5bn of loans to private equity fund KKR. The collapse of Korean boxship and bulk carrier owner Hanjin Shipping also poses a problem for German banks. "For German shipowners, Hanjin is bad news as for them a large company falls away with which they can charter their ships," Oliver Faak, global head of shipping at Nord/LB, told Reuters. He also warned the outlook for the tanker market was worsening. He said: "Many shipping companies have ordered tankers that are now being delivered. Supply is rising but the demand hasn't changed." Source: Tradewinds

	last 12 months					
	16 Sep	12 Aug	±%	Min	Avg	Max
Markets						
10year US Bond	1.70	1.52	11.8%	1.37	1.88	2.34
S&P 500	2,139.2	2,184.1	-2.1%	1,829	2,052	2,190
Nasdaq	5,244.6	5,232.9	0.2%	4,267	4,888	5,284
Dow Jones	18,123.8	18,576.5	-2.4%	15,660	17,501	18,636
FTSE 100	6,710.3	6,916.0	-3.0%	5,537	6,277	6,941
FTSE All-Share UK	3,670.9	3,762.0	-2.4%	3,047	3,440	3,774
CAC40	4,332.5	4,500.2	-3.7%	3,897	4,466	4,984
Xetra Dax	10,276.2	10,713.4	-4.1%	8,753	10,125	11,382
Nikkei	16,519.3	16,919.9	-2.4%	1,667	17,173	20,012
Hang Seng	23,335.6	22,766.9	2.5%	18,320	21,266	24,100
DJ US Maritime	184.2	177.0	4.0%	150.2	197.3	238.7
Currencies						
\$ per €	1.12	1.12	0.4%	1.06	1.11	1.16
\$ per £	1.31	1.29	1.3%	1.29	1.43	1.56
£ per €	0.85	0.86	-0.9%	0.70	0.78	0.87
¥ per \$	102.1	101.6	0.5%	100.0	112.5	123.5
\$ per Au\$	0.75	0.77	-2.2%	0.69	0.73	0.78
\$ per NoK	0.12	0.12	-0.8%	0.11	0.12	0.12
\$ per SFr	0.98	0.97	0.2%	0.95	0.98	1.03
Yuan per \$	6.67	6.64	0.4%	6.32	6.52	6.70
Won per \$	1,126.8	1,102.7	2.2%	1,092.8	1,163.5	1,237.8
\$ INDEX	99.6	99.3	0.3%	97.9	102.3	107.4
Commodities						
Gold \$	1,308.4	1,352.2	-3.2%	1,049.4	1,211.3	1,366.3
Oil WTI \$	43.0	44.5	-3.3%	26.9	41.7	51.6
Oil Brent \$	45.8	47.0	-2.6%	28.2	43.6	52.7
Palm Oil	562.0	562.0	0.0%	495.8	557.1	564.0
Iron Ore	55.5	59.6	-6.9%	37.0	51.8	68.7
Coal Price Index	66.4	65.0	2.1%	47.3	55.4	68.0
White Sugar	556.1	531.9	4.5%	340.3	451.7	574.0

Currencies

US Dollar per Euro



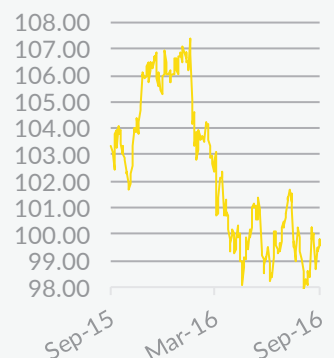
Yen per US Dollar



Yuan per US Dollar



US Dollar INDEX

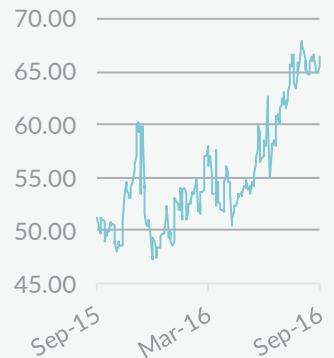


Commodities

Iron Ore (TSI)



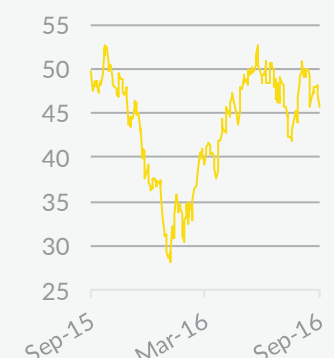
Coal Price Index



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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