

Weekly Shipping Market Update

19th - 23rd September 2016 | Week 38

Market Analysis

The Dry bulk market has seen a rare shine in its performance as the capesize sector manages to rally at an unprecedented rate compared to its performance throughout 2016, riding on the back of a bullish market for coking coal increased demand for iron ore imports and severe weather delays in large parts of the Pacific. Spot rates for Capesize vessels had risen on Friday to just over US\$ 15,000 per day, its highest level in 2016 thus far and just above the level it had reached in the same period last year. The rate of increase has also been impressive, having increased by 39% in one week and by over 123% since the start of September. This awe inspiring rise however has few convinced as to its longevity and given the recent headlines in the Chinese press regarding in reference to the sharp rise in price of metallurgical coal (coking coal) it looks as though we may well see several dampeners being put on the market over the next couple of weeks. Part of the surge has been the consequence of the curb in production by beleaguered miners in China, as the Chinese government tries to correct the glut in supply and at the same time permanently shut down debt-ridden mines in order to bolster operations for the remaining mines.

The effect has coincided with several other boost to the market having caused the price of coal to sky rocket and in turn bring about a heavy protest by China Iron and Steel Association. As such it is now anticipated that China's state-owned miners will step in and increase their output in an attempt to mitigate the sharp rise. This may come at a bad point for Capesize vessels, as expectations are for the weather delays to subside over the coming days, while it could come at a point in the market where demand for iron ore and coking coal imports starts to slowly subside anyway. This could provide a significant "punch" to the market bringing with it a sharp and sudden drop in freight rates. This argument is pushed further when you compare this year's market trends to last year and note how during the same period last year we were already past the peak in the Capesize market and were starting to feel the gradual and steady decline in freight rates which continued through the majority of the final quarter of the year. This time around a lot will depend on how well demand from the steel industry in China continues to hold and by how much Chinese mines are willing to increase their output and how quickly. There is little expectations in the market however that we could see this recent rally continue to push at its current rate for much longer. The hope is though that we will be able to see rates hold more buoyant than they did last year.

The good news is that the market can still support these sort of rallies and that demand can make short term come backs even if these often prove to be nothing more than a "dead cat bounce". At the same time these sort of rallies provide o confidence boost and often help sentiment amongst owners to push for further improvements in the freight market while also allowing the smaller size segments to also feed off this positive psychology and drive time lagged improvements there .

George Lazaridis

Head of Market Research & Asset Valuations



Week in numbers

Dry Bulk Freight Market

	23 Sep		W-O-W change	
			±Δ	±%
BDI	941		▲ 141	17.6%
BCI	2,383		▲ 703	41.8%
BPI	722		▲ 76	11.8%
BSI	671		▲ 11	1.7%
BHSI	421		▲ 6	1.4%

Tanker Freight Market

	23 Sep		W-O-W change	
			±Δ	±%
BDTI	611		▲ 50	8.9%
BCTI	378		▼ -5	-1.3%

Newbuilding Market

Aggregate Price Index	23 Sep		M-O-M change	
			±Δ	±%
Bulkers	73		0	0.0%
Cont	97		0	0.0%
Tankers	91		▼ -1	-1.3%
Gas	96		0	0.0%

Secondhand Market

Aggregate Price Index	23 Sep		M-O-M change	
			±Δ	±%
Capesize	39		▼ 0	-0.6%
Panamax	37		0	0.0%
Supramax	41		▲ 1	1.5%
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)	23 Sep		W-O-W change	
			±Δ	±%
Dry	256		▲ 1	0.4%
Wet	271		▲ 1	0.4%

Economic Indicators

	23 Sep		M-O-M change	
			±Δ	±%
Gold \$	1,339		▼ -8	-0.6%
Oil WTI \$	44		▼ -4	-8.3%
Oil Brent \$	46		▼ -5	-9.8%
Iron Ore	56		▼ -5	-7.4%
Coal	69		▲ 2	2.2%

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Freight Market

Dry Bulkers - Spot Market

19th - 23rd September 2016

Capesize - Activity jumped further this week, creating a firm rush to fix vessels on all major routes and pushing rates considerably up. Continuing on from last weeks firm interest, the Pacific basin was further supported by weather delays which helped move position lists onto the favor of ship owners in the region. At the same time the Atlantic was considerably tight in respect to open tonnage and with fresh inquiries still swarming in, rates were able to get a significant boost.

Panamax - We started to witness a trickle down effect on from the Capesize sector, with sentiment getting a significant boost amongst owners and the lack of open tonnage in some areas coupled by a flow of fresh interest helped provide some initial boost in rates. It remains to be seen how long this push forward will be able to hold.

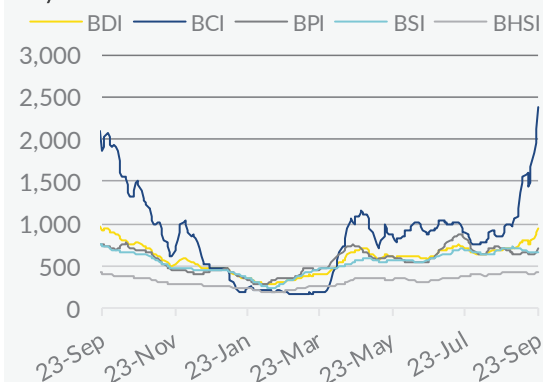
Supramax - Despite a quiet start to the week in the Atlantic, things were able to move overall in a positive direction, with the Pacific holding firm and parts of the Continent looking to have a significant decline in position lists. This upward movement in rates however is slow in pace and it seems that at least for the moment support out of the US Gulf is vital in order to help things improve further.

Handysize - A fairly balanced week with a slight hint of improvement in the air. Things were still looking fairly difficult in the Continent with further drops still being noted. There was a slight push forward in the ECSA and Black Sea regions though nothing of major note just yet. It looks as though the ample tonnage in most regions is still a deterrent though this might start to change soon.

Spot market rates & indices

		23 Sep	16 Sep	±%	Average 2016	2015
Baltic Dry Index						
	BDI	941	800	17.6%	562	711
Capesize						
	BCI	2,383	1,680	41.8%	729	1,009
	BCI 5TC	\$ 15,202	\$ 10,929	39.1%	\$ 5,646	\$ 8,001
	ATLANTIC RV	\$ 15,500	\$ 9,180	68.8%	\$ 5,389	\$ 8,206
	Cont / FEast	\$ 21,636	\$ 17,000	27.3%	\$ 11,811	\$ 16,387
	PACIFIC RV	\$ 15,646	\$ 12,100	29.3%	\$ 5,487	\$ 7,394
	FEast / ECSA	\$ 14,141	\$ 11,575	22.2%	\$ 5,974	\$ 8,353
Panamax						
	BPI	722	646	11.8%	569	690
	BPI - TCA	\$ 5,790	\$ 5,182	11.7%	\$ 4,549	\$ 5,513
	ATLANTIC RV	\$ 5,250	\$ 4,464	17.6%	\$ 4,586	\$ 5,925
	Cont / FEast	\$ 10,704	\$ 9,854	8.6%	\$ 8,509	\$ 10,563
	PACIFIC RV	\$ 6,135	\$ 5,427	13.0%	\$ 4,436	\$ 5,021
	FEast / Cont	\$ 1,072	\$ 982	9.2%	\$ 666	\$ 542
Supramax						
	BSI	671	660	1.7%	530	662
	BSI - TCA	\$ 7,019	\$ 6,903	1.7%	\$ 5,543	\$ 6,919
	Cont / FEast	\$ 10,533	\$ 10,250	2.8%	\$ 8,727	\$ 9,890
	Med / Feast	\$ 10,114	\$ 9,796	3.2%	\$ 8,337	\$ 9,274
	PACIFIC RV	\$ 6,504	\$ 6,360	2.3%	\$ 4,950	\$ 5,989
	FEast / Cont	\$ 4,306	\$ 4,225	1.9%	\$ 2,934	\$ 4,794
	USG / Skaw	\$ 8,788	\$ 9,231	-4.8%	\$ 8,312	\$ 10,915
	Skaw / USG	\$ 5,093	\$ 4,777	6.6%	\$ 3,202	\$ 3,705
Handysize						
	BHSI	421	415	1.4%	319	364
	BHSI - TCA	\$ 6,094	\$ 5,995	1.7%	\$ 4,644	\$ 5,354
	Skaw / Rio	\$ 5,845	\$ 6,010	-2.7%	\$ 3,825	\$ 3,770
	Skaw / Boston	\$ 5,708	\$ 5,742	-0.6%	\$ 4,131	\$ 4,057
	Rio / Skaw	\$ 5,628	\$ 5,303	6.1%	\$ 5,932	\$ 8,526
	USG / Skaw	\$ 6,093	\$ 6,000	1.6%	\$ 6,038	\$ 7,200
	SEAsia / Aus / Jap	\$ 6,004	\$ 5,825	3.1%	\$ 3,846	\$ 4,211
	PACIFIC RV	\$ 6,736	\$ 6,629	1.6%	\$ 4,769	\$ 5,429

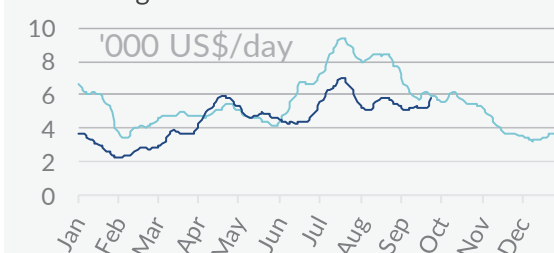
Dry Bulk Indices



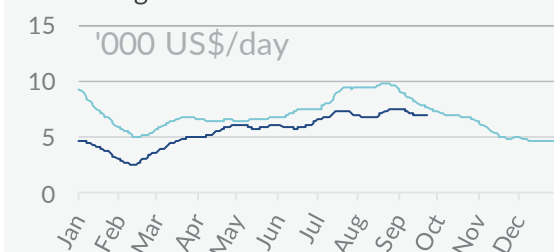
BCI Average TCE



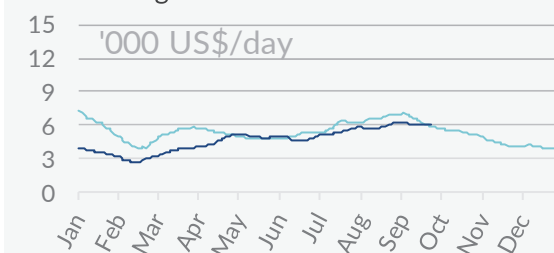
BPI Average TCE



BSI Average TCE



BHSI Average TCE



— 2015 — 2016

Freight Market

Tankers - Spot Market

19th - 23rd September 2016

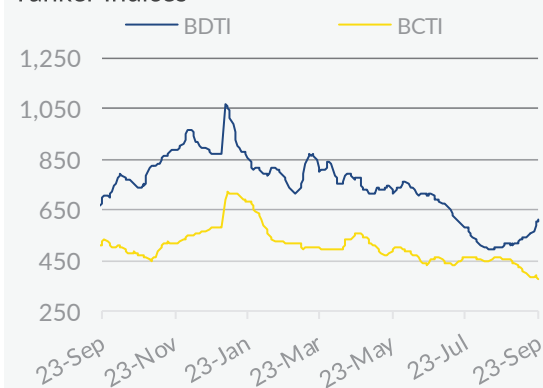
Crude Oil Carriers - A slight disappointment was to be noted for VLs in the MEG this week, with rates showing some slight losses on a week-on-week basis. The Westbound routes are still the most promising under the current market conditions, with good levels of fresh inquiries entering the market and helping clear out position lists in areas such as the WAF. There was considerable improvement to be had for Suezmaxes and Aframaxes, while for the later it was only the Caribs region that was noting some slight weakening. The Black Sea/Med region has also been seeing some good improvements, with a good level of fixing helping to keep tonnage lists tight and allowing owners to push for ever better levels.

Oil Products - A fairly flat week for product tankers, with DPP routes relying mainly on the improvements noted in activity in the Far East and Black Sea/Med. Things were moving in the opposite direction for CPP cargoes, with the main gains being seen from increased activity out of the Continent, while elsewhere there seemed to still be a lack of fresh interest.

Spot market rates & indices

		23 Sep	16 Sep	±%	Average	
					2016	2015
Baltic Tanker Indices						
BDTI		611	561	8.9%	715	820
BCTI		378	383	-1.3%	506	637
VLCC						
MEG-USG	WS	22.27	22.83	-2.5%	33.91	36.36
	\$/day	\$ 1,862	\$ 3,214	-42.1%	\$ 18,139	\$ 31,968
MEG-SPORE	WS	33.27	34.50	-3.6%	57.30	64.43
	\$/day	\$ 30,045	\$ 31,142	-3.5%	\$ 52,355	\$ 61,629
MEG-JAPAN	WS	32.46	33.54	-3.2%	55.91	63.09
	\$/day	\$ 13,567	\$ 15,405	-11.9%	\$ 40,549	\$ 68,288
WAF-USG	WS	45.00	42.50	5.9%	63.46	72.72
	\$/day	\$ 49,771	\$ 46,583	6.8%	\$ 80,658	\$ 76,589
SUEZMAX						
WAF-USAC	WS	105.00	62.50	68.0%	68.33	81.13
	\$/day	\$ 65,358	\$ 33,763	93.6%	\$ 40,084	\$ 46,404
BSEA-MED	WS	103.45	77.25	33.9%	79.59	91.34
	\$/day	\$ 35,521	\$ 19,162	85.4%	\$ 23,144	\$ 46,346
AFRAMAX						
NSEA-CONT	WS	93.61	91.39	2.4%	101.43	111.01
	\$/day	\$ 15,557	\$ 13,488	15.3%	\$ 21,256	\$ 37,053
MEG-SPORE	WS	65.67	60.56	8.4%	102.18	112.26
	\$/day	\$ 5,565	\$ 4,626	20.3%	\$ 18,879	\$ 31,406
CARIBS-USG	WS	85.56	88.89	-3.7%	103.23	133.63
	\$/day	\$ 8,191	\$ 9,504	-13.8%	\$ 16,044	\$ 37,962
BALTIC-UKC	WS	66.67	65.83	1.3%	78.03	92.57
	\$/day	\$ 14,355	\$ 14,258	0.7%	\$ 23,046	\$ 43,406
DPP						
CARIBS-USAC	WS	82.50	82.50	0.0%	110.79	138.77
	\$/day	\$ 13,238	\$ 13,528	-2.1%	\$ 23,989	\$ 30,727
ARA-USG	WS	82.81	86.25	-4.0%	103.02	122.73
	\$/day	\$ 14,875	\$ 17,248	-13.8%	\$ 24,915	\$ 30,281
SEASIA-AUS	WS	67.69	59.88	13.0%	100.94	110.54
	\$/day	\$ 8,498	\$ 6,397	32.8%	\$ 21,669	\$ 35,804
MED-MED	WS	100.44	93.11	7.9%	93.78	108.70
	\$/day	\$ 16,775	\$ 14,048	19.4%	\$ 16,234	\$ 35,902
CPP						
MEG-JAPAN	WS	64.38	75.63	-14.9%	97.24	105.50
	\$/day	\$ 6,515	\$ 10,073	-35.3%	\$ 17,633	\$ 28,796
CONT-USAC	WS	80.00	71.25	12.3%	105.53	134.68
	\$/day	\$ 3,731	\$ 2,388	56.2%	\$ 9,247	\$ 18,755
CARIBS-USAC	WS	100.00	100.00	0.0%	117.17	134.05
	\$/day	\$ 14,105	\$ 14,303	-1.4%	\$ 19,481	\$ 22,099
USG-CONT	WS	75.00	76.79	-2.3%	81.33	96.47
	\$/day	\$ 3,217	\$ 3,662	-12.2%	\$ 5,549	\$ 12,481

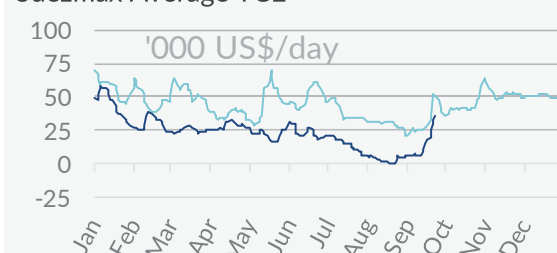
Tanker Indices



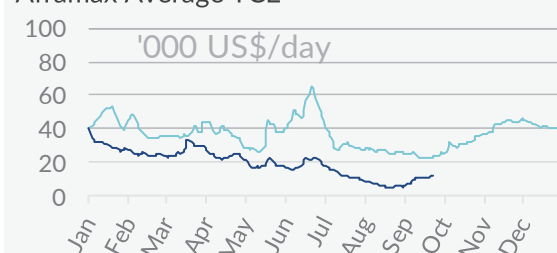
VLCC Average TCE



Suezmax Average TCE



Aframax Average TCE



MR Average TCE



Freight Market Period Charter



19th - 23rd September 2016

Dry Bulk period market TC rates

	23 Sep	19 Aug	±%	last 5 years		
				Min	Avg	Max
Capesize						
12 months	\$ 9,000	\$ 9,000	0.0%	\$ 6,200	\$ 14,782	\$ 31,450
36 months	\$ 11,000	\$ 11,000	0.0%	\$ 6,950	\$ 15,464	\$ 25,200
Panamax						
12 months	\$ 7,000	\$ 6,500	7.7%	\$ 4,950	\$ 10,335	\$ 18,700
36 months	\$ 7,500	\$ 7,250	3.4%	\$ 6,200	\$ 10,889	\$ 16,700
Supramax						
12 months	\$ 7,250	\$ 6,750	7.4%	\$ 4,450	\$ 10,210	\$ 15,950
36 months	\$ 6,500	\$ 6,500	0.0%	\$ 6,200	\$ 10,491	\$ 15,450
Handysize						
12 months	\$ 5,500	\$ 5,750	-4.3%	\$ 4,450	\$ 8,433	\$ 12,950
36 months	\$ 5,750	\$ 5,750	0.0%	\$ 5,450	\$ 8,965	\$ 12,950

Latest indicative Dry Bulk Period Fixtures

M/V "CORINTHIAN PHOENIX", 179223 dwt, built 2009, dely China mid/end Oct, \$9,250, for 12 months trading, to Oldendorff

M/V "ARKAS", 58471 dwt, built 2012, dely Fujairah prompt about, \$6,000, for 2/4 months trading, to Oldendorff

M/V "CEPHEUS", 56539 dwt, built 2012, dely Vietnam end Sept about, \$6,750, for 5/7 months trading, to Panocean

M/V "ALL STAR ATLAS", 63500 dwt, built 2014, dely Koksichang end Sept about, 7,350, for 4/6 months trading, to WBC

M/V "PACIFIC SUCCESS", 180407 dwt, built 2011, dely Bayuquan 19 Sep, \$10,000, for 5/8 months trading, to Pacbulk

Tanker period market TC rates

	23 Sep	19 Aug	±%	last 5 years		
				Min	Avg	Max
VLCC						
12 months	\$ 26,500	\$ 31,000	-14.5%	\$ 18,000	\$ 30,171	\$ 57,750
36 months	\$ 27,000	\$ 30,500	-11.5%	\$ 22,000	\$ 31,578	\$ 45,000
Suezmax						
12 months	\$ 21,250	\$ 23,500	-9.6%	\$ 15,250	\$ 23,273	\$ 42,500
36 months	\$ 22,750	\$ 24,750	-8.1%	\$ 17,000	\$ 24,554	\$ 35,000
Aframax						
12 months	\$ 16,000	\$ 19,500	-17.9%	\$ 13,000	\$ 18,159	\$ 30,000
36 months	\$ 17,750	\$ 19,250	-7.8%	\$ 14,750	\$ 19,032	\$ 27,000
MR						
12 months	\$ 13,000	\$ 13,750	-5.5%	\$ 12,500	\$ 14,976	\$ 21,000
36 months	\$ 14,250	\$ 14,500	-1.7%	\$ 14,000	\$ 15,274	\$ 18,250

Latest indicative Tanker Period Fixtures

M/T "OLYMPIC LEOPARD", 320000 dwt, built 2010, \$30,250, for 1 year trading, to PETROBRAS

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

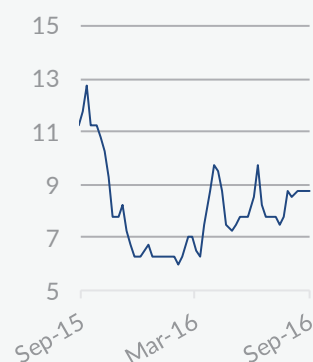
M/T "EMERALD SPIRIT", 110000 dwt, built 2009, \$17,500, for 12/18 months trading, to PBF

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

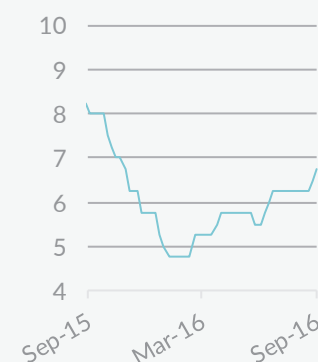
M/T "TREX", 49,000 dwt, built 2008, \$13,250, for 1 year trading, to charter not reported

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

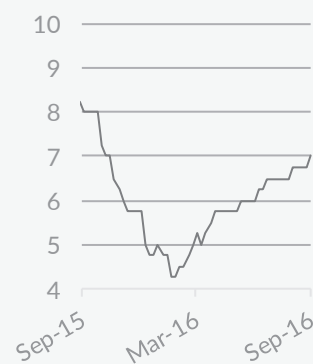
Capesize



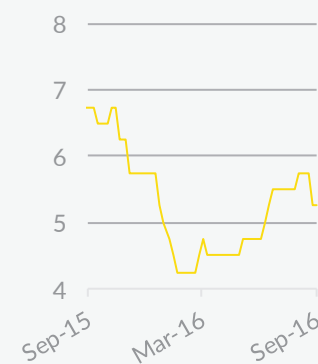
Panamax



Supramax

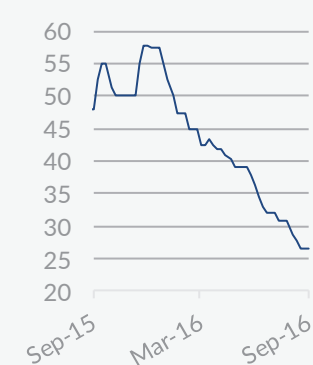


Handysize

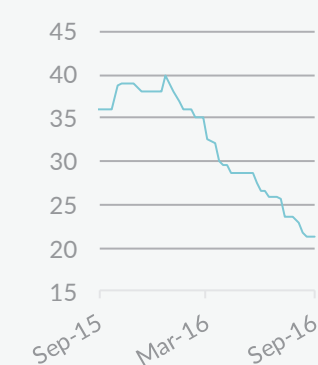


Tanker 12 month period charter rates (USD '000/day)

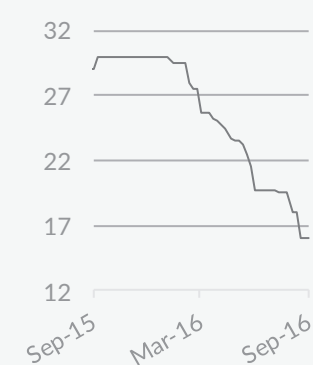
VLCC



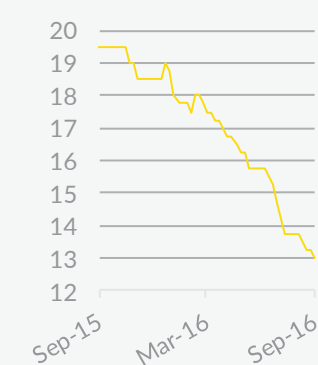
Suezmax



Aframax



MR

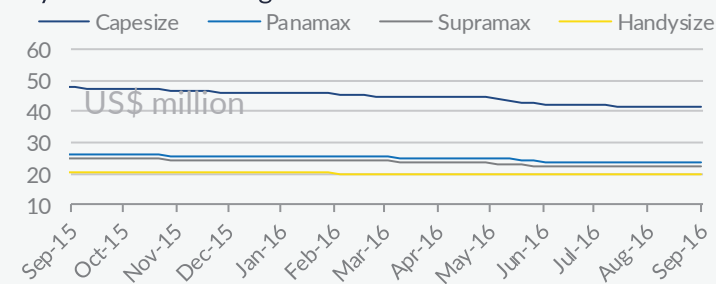


Sale & Purchase Newbuilding Orders

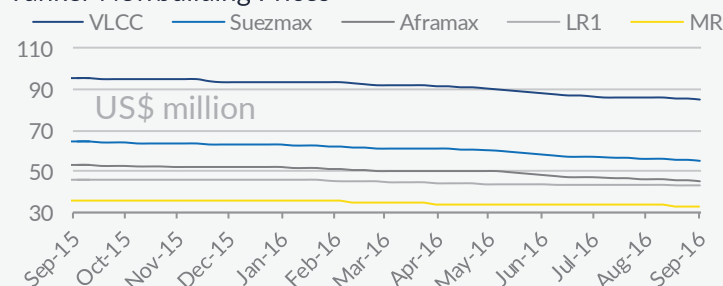
19th - 23rd September 2016

Nothing much has changed on the newbuilding front, with yet again this week only a small trickle of new orders surfacing and those focused on the product/chemical tanker segments. This essential points more to how cornered shipbuilders must be right now, with their orderbooks decreasing at an alarming rate at leaving some of them at risk of having hardly any vessels under construction during 2017-2018 and essentially at risk of having to cease operations. It has been one of the hardest years in recent records in terms of total activity reported, yet despite this it seems as though there is little left for shipbuilders to do at the moment in order to turn things around. Prices being quoted have remained relatively stagnant over the past couple of months, while it seems as though it is hard to reach below these levels, deterred by construction cost restrictions. This becomes ever more a problem as shipbuilders fixed costs have to be spread amongst a smaller portion of projects being held.

Dry Bulk Newbuilding Prices



Tanker Newbuilding Prices



Indicative Dry NB Prices (US\$ million)

	23 Sep	19 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	27.8	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)

	23 Sep	19 Aug	±%	last 5 years		
				Min	Avg	Max
Tankers						
VLCC (300,000dwt)	85.0	86.0	-1.2%	85.0	95.6	104.0
Suezmax (160,000dwt)	55.0	56.0	-1.8%	55.0	61.2	66.0
Aframax (115,000dwt)	45.0	46.0	-2.2%	45.0	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	199.8	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	3	13,000 dwt	NANTONG TONGBAO, China	N/A	SHANGHAI DINGHENG - China	2018	
TANKER	4	8,000 dwt	NANTONG TONGBAO, China	N/A	SHANGHAI DINGHENG - China	2018	
TANKER	1	3,500 dwt	DAE SUN SHIPBUILDING, S. Korea	\$ 15.5m	HANA MARINE - S. Korea	2018	ST ST

Sale & Purchase Secondhand Sales

19th - 23rd September 2016

On the dry bulk side, keeping in line with what was seen a week prior, activity continued to hold at slightly softer levels, with the focus having seemingly switched towards handysize units. It seems as though part of the issue has been the lack of available finance, partly reflected by the fact that most recent buyers have moved towards lower priced units rather than going towards their younger more expensive counter parts.

On the tanker side, another week of fairly slow activity and with focus limited still on the product tanker range of up to MR size. This drop in buying interest highly reflected on the recent price drops noted across the board, while with the drop in freight levels still holding and not showing signs of reversing over the next couple of weeks, expectations are for the large portion of buyers to hold off any fresh interest until things start to look more promising.

Indicative Dry Bulk Values (US\$ million)

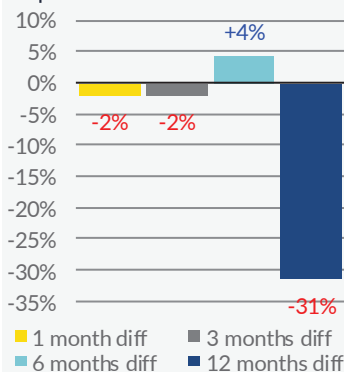
					last 5 years		
					23 Sep	19 Aug	±%
					Min	Avg	Max
Capesize							
180k dwt	Resale	36.0	36.0	0.0%	34.5	47.7	65.0
170k dwt	5 year old	24.0	24.5	-2.0%	23.0	36.5	53.0
170k dwt	10 year old	14.0	14.0	0.0%	12.0	24.8	39.0
150k dwt	15 year old	8.0	8.0	0.0%	6.5	15.0	25.0
Panamax							
82k dwt	Resale	24.5	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	15.9	29.3
74k dwt	15 year old	4.5	4.5	0.0%	3.5	10.4	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	8.0	6.3%	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)

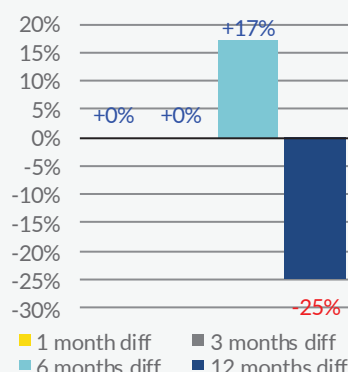
					last 5 years		
					23 Sep	19 Aug	±%
					Min	Avg	Max
VLCC							
310k dwt	Resale	86.0	86.0	0.0%	80.0	94.8	108.5
310k dwt	5 year old	63.0	63.0	0.0%	55.0	70.1	87.0
250k dwt	10 year old	42.0	42.0	0.0%	33.8	46.4	62.0
250k dwt	15 year old	27.0	27.0	0.0%	16.9	27.6	41.0
Suezmax							
160k dwt	Resale	58.0	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	13.4	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

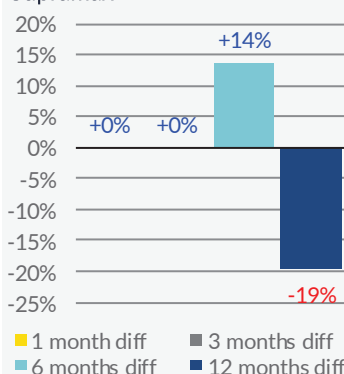
Capesize



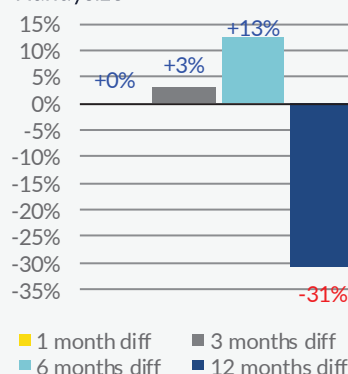
Panamax



Supramax

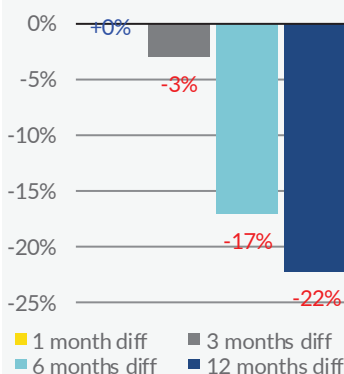


Handysize

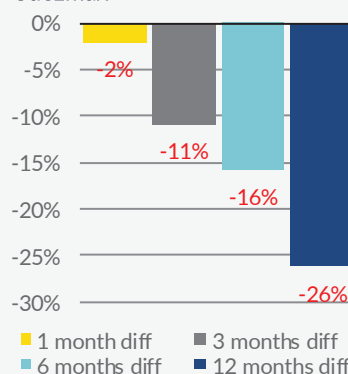


Price movements of 5 year old Tanker assets

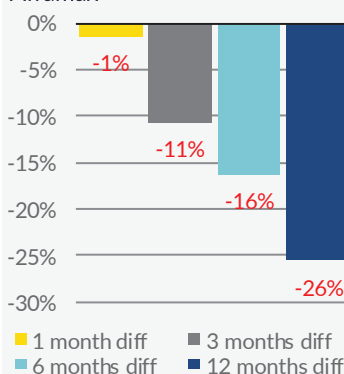
VLCC



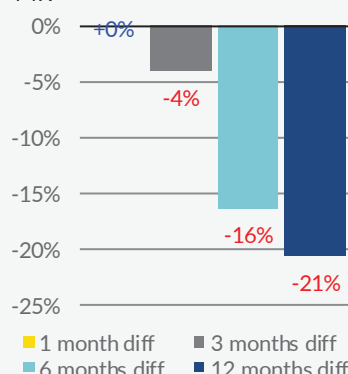
Suezmax



Aframax



MR



Sale & Purchase Secondhand Sales



19th - 23rd September 2016

Tankers									
Size	Name	Dwt	Built	Shipbuilder	M/E	Coating	Price	Buyers	Comments
MR	SRIRACHA TRADER	47,629	1995	ONOMICHI, Japan	B&W	EPOXY Coated	\$ 3.4m	undisclosed	Class expired, IMO III removed in '15
MR	NORD OBSERVER	47,344	2007	ONOMICHI, Japan	MAN-B&W	EPOXY Coated	\$ 14.2m	Greek - Product Shipping & Trading	
MR	BLS RUWAIS	47,128	2008	HYUNDAI MIPO, S. Korea	MAN-B&W	EPOXY Coated	\$ 18.8m	U. A. E. Based	on subs
MR	BLS LIWA	47,128	2008	HYUNDAI MIPO, S. Korea	MAN-B&W	EPOXY Coated	\$ 18.8m		
MR	TOREA	37,069	2004	SHIN-A, S. Korea	B&W	EPOXY Coated	\$ 12.8m	Middle Eastern	
PROD/CHEM	LADY CORDELIA	13,153	2008	SAMHO SHIP TONGYONG, S. Korea	MAN-B&W	EPOXY Coated	\$ 12.2m	S. Korean - Keoje Marine	Bank driven deal
SMALL	ZIRCON	8,000	1993	FINCANTIERI LA SPEZIA, Italy	Wartsila	StSt	\$ 4.0m	undisclosed	
Bulk Carriers									
Size	Name	Dwt	Built	Shipbuilder	M/E	Gear	Price	Buyers	Comments
PMAX	ELPIS I	75,169	2001	SAMHO, S. Korea	B&W		\$ 4.5m	Chinese	previously June sale at 4.1mio failed to materialise
PMAX	GARV PREM	74,444	2006	HUDONG-ZHONGHUA SHIPBU, China	MAN-B&W		\$ 4.0m	undisclosed	arrested since Jan '16, rumored bought back from the Bank
PMAX	LUCKY LUKE	72,443	1999	SASEBO SASEBO, Japan	B&W		\$ 3.8m	Chinese	
SMAX	SUNBAY	56,936	2008	HANTONG SHIP HEAVY IND, China	MAN-B&W	4 X 36t CRANES	\$ 5.8m	Singaporean	
HANDY	SEASTAR EMPRESS	35,000	2011	NANTONG JINGHUA SHIPBU, China	MAN-B&W	4 X 30t CRANES	\$ 5.5m	undisclosed	Cold laid-up since Apr. '16
HANDY	ANTONIA	34,655	2002	TIANJIN XINGANG SHIPYA, China	Sulzer	4 X 30t CRANES	\$ 3.5m	Danish - Janchart	SS/DD due Jan '17
HANDY	SEASTAR ENDURANCE	33,500	2011	ZHEJIANG JINGANG SHBLD, China	MAN-B&W	4 X 30t CRANES	\$ 6.0m	undisclosed	
HANDY	KARYSTOS	27,079	1996	MITSUBISHI SHIMONOSEKI, Japan	B&W	4 X 30,5t CRANES	\$ 2.6m	undisclosed	
Containers									
Size	Name	TEU	Built	Shipbuilder	M/E	Gear	Price	Buyers	Comments
POST PMAX	SANTA LIVIA	8,845	2007	DAEWOO SB/ME, S. Korea	MAN-B&W		\$ 29.4m	U. K. Based - Zodiac Maritime	
POST PMAX	SANTA LAURA	8,845	2006	DAEWOO SB/ME, S. Korea	MAN-B&W				
SUB PMAX	LARENTIA	2,702	2005	BLOHM + VOSS GMBH, Germany	MAN-B&W		\$ 6.5m	undisclosed	

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Sale & Purchase Secondhand Sales



19th - 23rd September 2016

Gas Carriers									
Size	Name	Dwt	Built	Shipbuilder	M/E	CBM	Price	Buyers	Comments
LNG	GAEA	72,571	1980	GENERAL DYNAMICS QC, U. S. A.	General Electr	126,530	\$ 13.3m	undisclosed	Laid-up
LPG	LADY SHANA	3,856	2001	SHITANOE SHIPBUILDING, Japan	Mitsubishi	3,446	\$ 5.0m	Vietnamese	

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Sale & Purchase

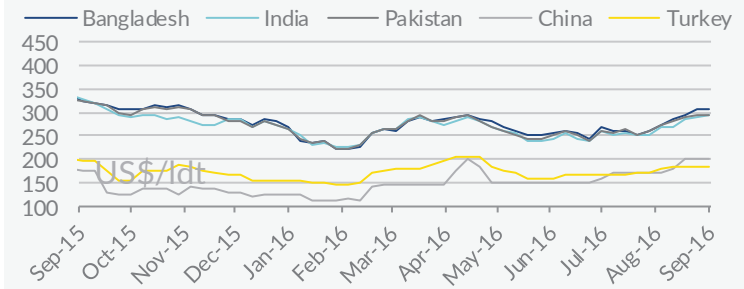
Demolition Sales



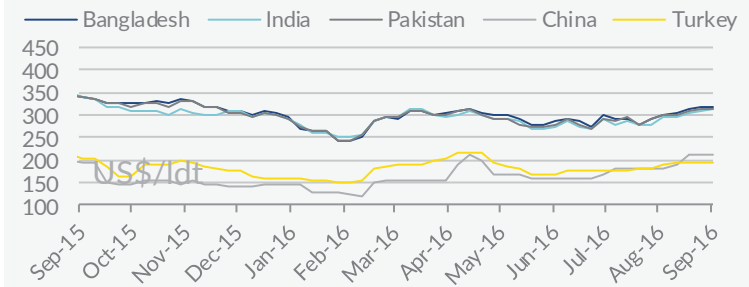
19th - 23rd September 2016

With demo prices having risen considerably over the past couple of weeks and appetite amongst cash buyers holding firm, it was no surprise to see a sudden ramp up in activity this week. Prices for dry bulkers having been touching on the 300 US\$/Ldt mark, a significant point for sellers, as we have not seen any price levels above this mark since late 2015. At the same time there has been a big inflow of vessels from other sectors such as containerships, with many owners choosing a quick exit, as they have been feeling the pain from the poorly performing freight markets for quite some time. As such it didn't take much in terms of improving scrap values to push them over to the beaching option. It still feels as though these price levels are not holding firm and much of this rise has been driven primarily by speculative buying. For the time being however it seems to be holding.

Dry Scrap Prices



Wet Scrap Prices



Indicative Dry Prices (\$/Ldt)

		23 Sep	16 Sep	±%	last 5 years		
					Min	Avg	Max
Indian Sub Continent							
	Bangladesh	305	305	0.0%	220	394	515
	India	295	290	1.7%	225	401	525
	Pakistan	295	295	0.0%	220	397	510
Far East Asia							
	China	200	200	0.0%	110	300	455
Mediterranean							
	Turkey	185	185	0.0%	145	247	355

Indicative Wet Prices (\$/Ldt)

		23 Sep	16 Sep	±%	last 5 years		
					Min	Avg	Max
Indian Sub Continent							
	Bangladesh	320	320	0.0%	245	416	540
	India	315	310	1.6%	250	424	550
	Pakistan	315	315	0.0%	245	421	525
Far East Asia							
	China	210	210	0.0%	120	318	485
Mediterranean							
	Turkey	195	195	0.0%	150	257	355

Reported Transactions

Type	Vessel's Name	Dwt	Built	Country Built	Ldt	US\$/Ldt	Buyer	Sale Comments
Bulker	SINO 6	83,155	1994	Denmark	16,560	\$ 290/Ldt	Bangladeshi	bss 'as is' OPL Chittagong, converted
Cont	BOX EMMA	68,120	2003	S. Korea	20,180	\$ 280/Ldt	Indian	On 'as is' Hong Kong basis, Green Recycling
Cont	APL EGYPT	66,922	2000	S. Korea	20,046	\$ 305/Ldt	Indian	On 'as is' Jebel Ali basis
Cont	ALM DALLAS	66,565	2004	S. Korea	21,267	\$ 310/Ldt	undisclosed	On 'as is' Kaohsiung basis
Cont	APL TURQUOISE	60,323	1996	Japan	21,558	\$ 270/Ldt	Indian	bss 'as is' S'pore, Green Recycling
Cont	APL TOURMALINE	60,323	1996	Japan	21,558	\$ 270/Ldt	Indian	bss 'as is' S'pore, Green Recycling
Cont	BELLA	58,814	2002	S. Korea	18,844	\$ 315/Ldt	Indian	Option for Bangladesh
Cont	HS MOZART	57,600	2002	S. Korea	19,172	\$ 310/Ldt	undisclosed	On 'as is' Hong Kong basis - 87 ton propeller, 4 gens, 500 tons of bunkers
Bulker	THOR ENDEAVOUR	42,529	1995	Japan	9,016	\$ 308/Ldt	Bangladeshi	Including 850 tons of bunkers
Bulker	OCEAN ARMONIA	39,013	1985	Japan	7,000	\$ 298/Ldt	Pakistani	
Gen. Cargo	CHENG TU	25,661	1991	Japan	9,396	\$ 253/Ldt	Indian	Green Recycling
Bulker	GREEN ARROW	24,784	1985	Japan	6,045	\$ 170/Ldt	Turkish	
Bulker	SPLENDOR	23,593	1984	Japan	5,192	\$ 273/Ldt	Bangladeshi	
Gen. Cargo	MOHAMMED H.	8,071	1986	S. Korea	2,519	\$ 235/Ldt	Pakistani	



Trade Indicators

Markets | Currencies | Commodities

19th - 23rd September 2016

South Korea will announce new measures to help collapsed Hanjin Shipping next month, according to the country's finance minister.

Reuters cited Yoo Il-ho as saying: "The government will provide help through related ministries and offshore offices while it will also ask the court to help allow Hanjin to use the funds necessary for cargo offloading and to pay offloading fees for ships returning to Korea as a priority."

About 90% of Hanjin's boxships should have finished offloading cargo by the end of October, he added.

A total of 35 vessels have unloaded currently, out of 97 containerships in the fleet, Yoo said.

The government said cash withheld by Hanjin, plus support from its parent group - about KRW 100bn (\$90m) - should fund discharge operations.

The maritime ministry will also work with shipowners and unions to aid around 1,200 seafarers. Source: Tradewinds

	23 Sep	19 Aug	±%	last 12 months		
				Min	Avg	Max
Markets						
10year US Bond	1.62	1.58	2.5%	1.37	1.87	2.34
S&P 500	2,164.7	2,183.9	-0.9%	1,829	2,056	2,190
Nasdaq	5,305.8	5,238.4	1.3%	4,267	4,897	5,340
Dow Jones	18,261.5	18,552.6	-1.6%	15,660	17,534	18,636
FTSE 100	6,909.4	6,859.0	0.7%	5,537	6,291	6,941
FTSE All-Share UK	3,761.9	3,735.9	0.7%	3,047	3,448	3,774
CAC40	4,488.7	4,400.5	2.0%	3,897	4,464	4,984
Xetra Dax	10,627.0	10,544.4	0.8%	8,753	10,135	11,382
Nikkei	16,754.0	16,545.8	1.3%	1,667	17,154	20,012
Hang Seng	23,686.5	22,937.2	3.3%	18,320	21,302	24,100
DJ US Maritime	195.5	181.8	7.5%	150.2	196.7	238.7
Currencies						
\$ per €	1.12	1.13	-1.2%	1.06	1.11	1.16
\$ per £	1.30	1.31	-0.9%	1.29	1.43	1.55
£ per €	0.86	0.87	-0.3%	0.70	0.78	0.87
¥ per \$	101.0	100.2	0.7%	100.0	112.2	123.5
\$ per Au\$	0.76	0.76	0.1%	0.69	0.74	0.78
\$ per NoK	0.12	0.12	1.2%	0.11	0.12	0.12
\$ per SFr	0.97	0.96	1.2%	0.95	0.98	1.03
Yuan per \$	6.67	6.65	0.3%	6.32	6.53	6.70
Won per \$	1,102.5	1,115.0	-1.1%	1,092.8	1,162.4	1,237.8
\$ INDEX	98.9	97.9	1.0%	97.9	102.3	107.4
Commodities						
Gold \$	1,338.7	1,346.4	-0.6%	1,049.4	1,215.1	1,366.3
Oil WTI \$	44.5	48.5	-8.3%	26.9	41.7	51.6
Oil Brent \$	45.9	50.9	-9.8%	28.2	43.6	52.7
Palm Oil	562.0	562.0	0.0%	509.5	558.2	564.0
Iron Ore	56.3	60.8	-7.4%	37.0	51.8	68.7
Coal Price Index	68.5	67.0	2.2%	47.3	55.7	68.5
White Sugar	589.1	537.0	9.7%	340.3	456.2	589.1

Currencies

US Dollar per Euro



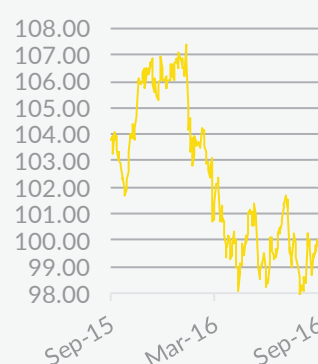
Yen per US Dollar



Yuan per US Dollar



US Dollar INDEX

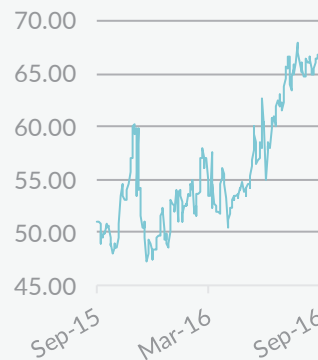


Commodities

Iron Ore (TSI)



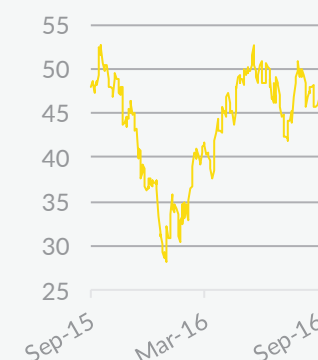
Coal Price Index



Oil WTI \$



Oil Brent \$



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19th - 23rd September 2016 | Week 38

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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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