

Weekly Shipping Market Update

26th - 30th September 2016 | Week 39

Market Analysis

OPEC recent accord to shut off more than 6 percent of its production this past week has been met with mixed feeling amongst traders. As we moved closer to the day of the meeting it seems that the oil bulls were running rampant, driving prices for crude to levels that top just above the US\$ 50 per barrel mark. The great paradox however was to be seen just moments after the much anticipated announcement of a cut in production, at which point we started to see prices ease off slowly as many started to slowly voice concerns as to the impact this agreement would really have on the market and more specifically if it would actually be able to alter the oil imbalance now faced. The truth of the matter is that we were seeing record production figures up until recently and an only 6 percent cut in OPEC's contribution does not sound like a lot being done, especially given the increased capacities expected to continue to be seen out of Iran and Libya. At the same time, this decision comes at a point where U.S. shale producers have started to greater vigour and have managed to push their output even at this year's low crude oil prices. What's stopping them from increasing production further to the extent of covering any gap left behind by OPEC members.

All this has at the moment left few convinced that there will be a real turn around in the market over the coming months. It is no surprise therefore that we hearing officials from Russia saying that they plan to stick to a budget that assumes oil averages at a price of around US\$ 40 a barrel. That also seems to be the consensus amongst most major investment banks which see the commodity struggling to hold firmly at prices above that level for long periods of time. On top of all of this many even see the agreement amongst OPEC members as little more than "hot air", voicing concerns as to its effectiveness given the fact that as an organisation it has often failed to meet targets, especially those that relate to curbing production output.

It seems as though the "cat has been let out of the bag" and it's proving an ever more difficult case to get it back in. It has been more than 22 months since the original decision to fully open the production taps and producing nations have already shifted in some way or another in order to face the new reality this has brought along with it. It has also shown how the Saudis have underestimated the resilience of the high prices producers (and in particular that of U.S. shale oil) having managed to price cut out of the market only a small fraction. Let's not forget that the main purpose of their original strategy was to gain market share and eliminate some of the competition in order to end up with bigger control over the market. The only production projects that have truly been hit by the drop in prices has been the deep water offshore projects, most of which found the new price reality unbearable.

There is still a lot at play here, but for now it looks as though we are still set to remain hovering around these most recent price levels for the medium term. For most in shipping this can be seen as good news, helping keep bunker costs on the lower end of the spectrum and allowing a healthier demand level for the transportation of crude oil for the large tankers. There are however some, notably those with the more modern eco-ships which would have hoped for slightly higher increases in oil prices, something that would surely help to make these more economical ships more competitive in the market and possibly even create a greater push for older vessels to be scrapped sooner rather than later.

George Lazaridis

Head of Market Research & Asset Valuations



Week in numbers

Dry Bulk Freight Market

	30 Sep		W-O-W change ±?	±%
BDI	875	▼	-66	-7.0%
BCI	2,008	▼	-375	-15.7%
BPI	726	▲	4	0.6%
BSI	679	▲	8	1.2%
BHSI	421	►	0	0.0%

Tanker Freight Market

	30 Sep		W-O-W change ±?	±%
BDTI	625	▲	14	2.3%
BCTI	352	▼	-26	-6.9%

Newbuilding Market

Aggregate Price Index	30 Sep		M-O-M change ±?	±%
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	30 Sep		M-O-M change ±?	±%
Capesize	39	►	0	0.0%
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)	30 Sep		W-O-W change ±?	±%
Dry	255	▼	-1	-0.4%
Wet	270	▼	-1	-0.4%

Economic Indicators

	30 Sep		M-O-M change ±Δ	±%
Gold \$	1,323	▲	4	0.3%
Oil WTI \$	48	▲	1	1.3%
Oil Brent \$	49	▼	-1	-1.7%
Iron Ore	56	▼	-5	-8.2%
Coal	74	▲	9	13.9%

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Freight Market

Dry Bulkers - Spot Market

26th - 30th September 2016

Capesize - With the Chinese holidays closing in, the market started to show early signs of weakening, with fresh interest wearing thin and leaving the extra supply of vessels once more exposed to the mercy of charterers. Rates took a steep dive during the later part of the week across the board, with the Atlantic quickly following suite with the softening Pacific basin as owners found it hard to keep further freight rate drops from materializing.

Panamax - There was a slight impact here as well from the softer activity in the Far East, though it seemed to have been more contained to just the Pacific basin. The Atlantic RVs managed to uphold a positive momentum though there have been some signs of fresh cargoes easing which could leave things exposed over the coming days.

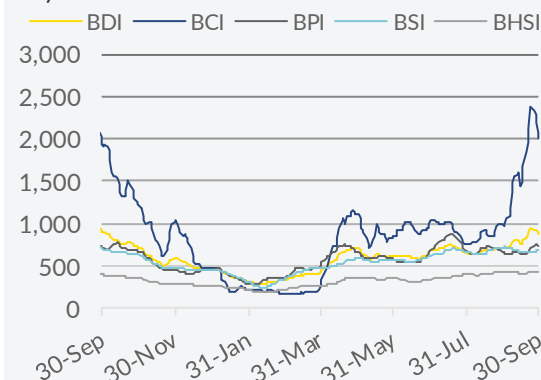
Supramax - Activity overall seemed to be on the lower end this past week, though given the better position lists we were able to close off the week with some slight gains especially in the Med and Continent regions. Things look to be on the downward trend here as well though and it is likely that we will see some slightly softer numbers on most routes over the next couple of days.

Handysize - Not much shifts overall in the Handysize segment, with most of the gains being noted from the firm activity seen in the North Atlantic eaten away by the slightly softer trends seen in the Pacific. There is considerable pressure being seen in the ECSA region which could dampen things further over the coming days, though the hope is things will be countered by activity in the Med and Continent.

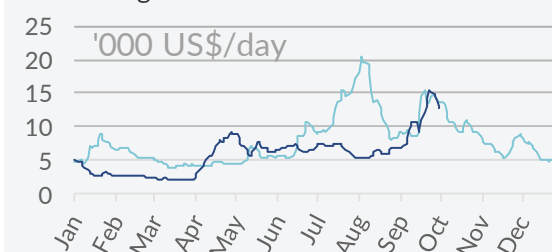
Spot market rates & indices

		30 Sep	23 Sep	±%	Average 2016	2015
Baltic Dry Index						
	BDI	875	941	-7.0%	571	711
Capesize						
	BCI	2,008	2,383	-15.7%	766	1,009
	BCI 5TC	\$ 12,710	\$ 15,202	-16.4%	\$ 5,854	\$ 8,001
	ATLANTIC RV	\$ 13,605	\$ 15,500	-12.2%	\$ 5,621	\$ 8,206
	Cont / FEast	\$ 19,309	\$ 21,636	-10.8%	\$ 12,025	\$ 16,387
	PACIFIC RV	\$ 11,825	\$ 15,646	-24.4%	\$ 5,686	\$ 7,394
	FEast / ECSA	\$ 11,977	\$ 14,141	-15.3%	\$ 6,153	\$ 8,353
Panamax						
	BPI	726	722	0.6%	573	690
	BPI - TCA	\$ 5,815	\$ 5,790	0.4%	\$ 4,585	\$ 5,513
	ATLANTIC RV	\$ 5,345	\$ 5,250	1.8%	\$ 4,610	\$ 5,925
	Cont / FEast	\$ 10,783	\$ 10,704	0.7%	\$ 8,570	\$ 10,563
	PACIFIC RV	\$ 6,078	\$ 6,135	-0.9%	\$ 4,482	\$ 5,021
	FEast / Cont	\$ 1,053	\$ 1,072	-1.8%	\$ 677	\$ 542
Supramax						
	BSI	679	671	1.2%	534	662
	BSI - TCA	\$ 7,102	\$ 7,019	1.2%	\$ 5,582	\$ 6,919
	Cont / FEast	\$ 10,417	\$ 10,533	-1.1%	\$ 8,773	\$ 9,890
	Med / FEast	\$ 11,029	\$ 10,114	9.0%	\$ 8,395	\$ 9,274
	PACIFIC RV	\$ 6,358	\$ 6,504	-2.2%	\$ 4,988	\$ 5,989
	FEast / Cont	\$ 4,355	\$ 4,306	1.1%	\$ 2,970	\$ 4,794
	USG / Skaw	\$ 8,466	\$ 8,788	-3.7%	\$ 8,317	\$ 10,915
	Skaw / USG	\$ 5,475	\$ 5,093	7.5%	\$ 3,256	\$ 3,705
Handysize						
	BHSI	421	421	0.0%	322	364
	BHSI - TCA	\$ 6,094	\$ 6,094	0.0%	\$ 4,682	\$ 5,354
	Skaw / Rio	\$ 5,885	\$ 5,845	0.7%	\$ 3,877	\$ 3,770
	Skaw / Boston	\$ 5,729	\$ 5,708	0.4%	\$ 4,172	\$ 4,057
	Rio / Skaw	\$ 5,550	\$ 5,628	-1.4%	\$ 5,923	\$ 8,526
	USG / Skaw	\$ 6,121	\$ 6,093	0.5%	\$ 6,040	\$ 7,200
	SEAsia / Aus / Jap	\$ 6,021	\$ 6,004	0.3%	\$ 3,902	\$ 4,211
	PACIFIC RV	\$ 6,711	\$ 6,736	-0.4%	\$ 4,819	\$ 5,429

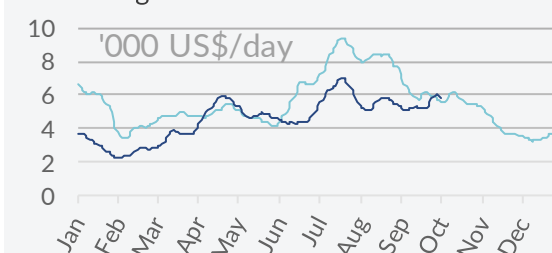
Dry Bulk Indices



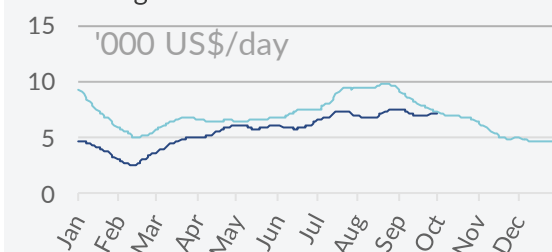
BCI Average TCE



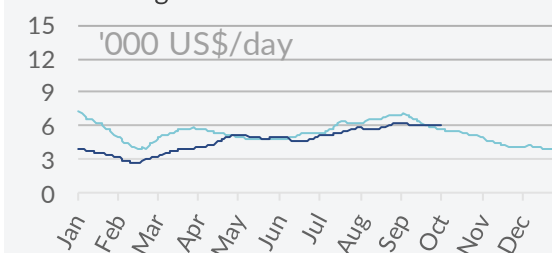
BPI Average TCE



BSI Average TCE



BHSI Average TCE



— 2015 — 2016

Freight Market

Tankers - Spot Market

26th - 30th September 2016

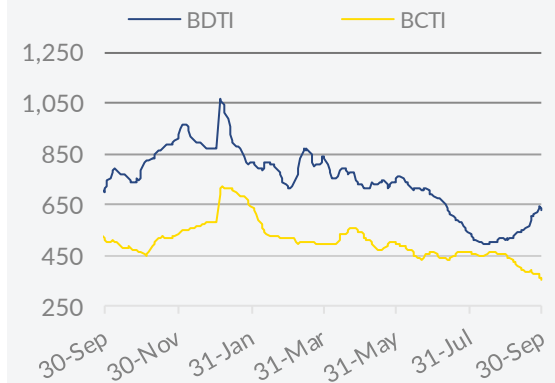
Crude Oil Carriers - An encouraging week for the large VLs with activity and rates on the up as demand on both westbound and eastbound voyages helped kick things into gear and clear out some of the excess tonnage that had amassed. There was some slight disappointment and worries however and mid week we started to see things turn sour in the WAF region, leading rates for Suezmaxes to trend downwards. Aframaxes were holding a fairly mixed picture, with the North Sea/Baltic managed to keep on a strong positive course and seeing interest keep firm, while there was some slight weakening to be noted in the Caribs and MEG, mainly due to the excess tonnage available there.

Oil Products - Not much to be happy about right now in the product tankers range with all main routes of both DPP and CPP cargoes noting a downward correction. Things seemed more so difficult for the CPP trades were we witnessed some strong downward corrections on Far East voyages and charterers interest in the USAC was wearing thin.

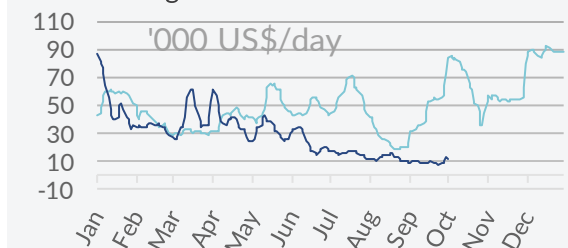
Spot market rates & indices

		30 Sep	23 Sep	±%	Average	
					2016	2015
Baltic Tanker Indices						
BDTI		625	611	2.3%	713	820
BCTI		352	378	-6.9%	502	637
VLCC						
MEG-USG	WS	24.58	22.27	10.4%	33.65	36.36
	\$/day	\$ 4,273	\$ 1,862	129.5%	\$ 17,760	\$ 31,968
MEG-SPORE	WS	40.12	33.27	20.6%	56.79	64.43
	\$/day	\$ 36,745	\$ 30,045	22.3%	\$ 52,274	\$ 61,629
MEG-JAPAN	WS	38.85	32.46	19.7%	55.40	63.09
	\$/day	\$ 19,857	\$ 13,567	46.4%	\$ 39,956	\$ 68,288
WAF-USG	WS	52.50	45.00	16.7%	63.12	72.72
	\$/day	\$ 60,870	\$ 49,771	22.3%	\$ 80,058	\$ 76,589
SUEZMAX						
WAF-USAC	WS	85.00	105.00	-19.0%	69.10	81.13
	\$/day	\$ 50,196	\$ 65,358	-23.2%	\$ 40,601	\$ 46,404
BSEA-MED	WS	100.10	103.45	-3.2%	80.32	91.34
	\$/day	\$ 33,119	\$ 35,521	-6.8%	\$ 23,539	\$ 46,346
AFRAMAX						
NSEA-CONT	WS	116.67	93.61	24.6%	101.68	111.01
	\$/day	\$ 34,091	\$ 15,557	119.1%	\$ 21,478	\$ 37,053
MEG-SPORE	WS	65.00	65.67	-1.0%	101.25	112.26
	\$/day	\$ 5,272	\$ 5,565	-5.3%	\$ 18,542	\$ 31,406
CARIBS-USG	WS	75.00	85.56	-12.3%	102.62	133.63
	\$/day	\$ 4,507	\$ 8,191	-45.0%	\$ 15,791	\$ 37,962
BALTIC-UKC	WS	93.89	66.67	40.8%	78.30	92.57
	\$/day	\$ 29,887	\$ 14,355	108.2%	\$ 23,153	\$ 43,406
DPP						
CARIBS-USAC	WS	82.50	82.50	0.0%	110.06	138.77
	\$/day	\$ 13,152	\$ 13,238	-0.6%	\$ 23,713	\$ 30,727
ARA-USG	WS	80.31	82.81	-3.0%	102.46	122.73
	\$/day	\$ 12,897	\$ 14,875	-13.3%	\$ 24,853	\$ 30,281
SEASIA-AUS	WS	66.13	67.69	-2.3%	100.08	110.54
	\$/day	\$ 7,902	\$ 8,498	-7.0%	\$ 21,333	\$ 35,804
MED-MED	WS	89.89	100.44	-10.5%	93.79	108.70
	\$/day	\$ 12,367	\$ 16,775	-26.3%	\$ 16,187	\$ 35,902
CPP						
MEG-JAPAN	WS	54.69	64.38	-15.1%	96.22	105.50
	\$/day	\$ 3,778	\$ 6,515	-42.0%	\$ 17,302	\$ 28,796
CONT-USAC	WS	74.25	80.00	-7.2%	104.83	134.68
	\$/day	\$ 2,565	\$ 3,731	-31.3%	\$ 9,099	\$ 18,755
CARIBS-USAC	WS	85.00	100.00	-15.0%	116.52	134.05
	\$/day	\$ 10,320	\$ 14,105	-26.8%	\$ 19,289	\$ 22,099
USG-CONT	WS	63.21	75.00	-15.7%	81.00	96.47
	\$/day	\$ 1,075	\$ 3,217	-66.6%	\$ 5,461	\$ 12,481

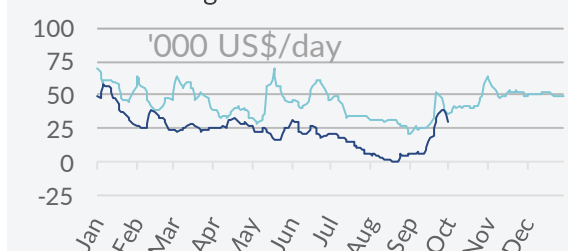
Tanker Indices



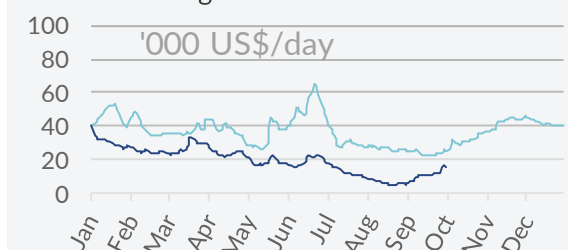
VLCC Average TCE



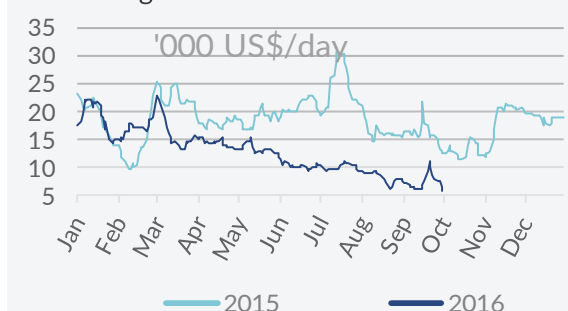
Suezmax Average TCE



Aframax Average TCE



MR Average TCE



Freight Market Period Charter

26th - 30th September 2016

Dry Bulk period market TC rates

	30 Sep	26 Aug	±%	last 5 years		
				Min	Avg	Max
Capesize						
12 months	\$ 9,000	\$ 8,750	2.9%	\$ 6,200	\$ 14,763	\$ 31,450
36 months	\$ 11,000	\$ 11,000	0.0%	\$ 6,950	\$ 15,449	\$ 25,200
Panamax						
12 months	\$ 7,000	\$ 6,500	7.7%	\$ 4,950	\$ 10,324	\$ 18,700
36 months	\$ 7,500	\$ 7,250	3.4%	\$ 6,200	\$ 10,878	\$ 16,700
Supramax						
12 months	\$ 7,000	\$ 7,000	0.0%	\$ 4,450	\$ 10,199	\$ 15,950
36 months	\$ 6,500	\$ 6,500	0.0%	\$ 6,200	\$ 10,478	\$ 15,450
Handysize						
12 months	\$ 5,500	\$ 6,000	-8.3%	\$ 4,450	\$ 8,423	\$ 12,950
36 months	\$ 5,750	\$ 5,750	0.0%	\$ 5,450	\$ 8,954	\$ 12,950

Latest indicative Dry Bulk Period Fixtures

M/V "SUNNY ETERNITY", 77211 dwt, built 2014, dely Hong Kong prompt, \$7,000, for 4/6 months trading, Cargill relet, to Phaethon

M/V "RED GARDENIA", 76294 dwt, built 2005, dely retro CJK 23 Sept, \$7,000, for 4/6 months trading, to Cobelfret

M/V "IONIC", 58468 dwt, built 2013, dely Damietta 01/05 Oct, \$9,300, for min 3/max 6 months trading, to Cargill

M/V "QING YUN SHAN", 63442 dwt, built 2015, dely US Gulf prompt about, 10,000, for 3/5 months trading, to Chart Not Rep

M/V "YI LONG SHAN", 56637 dwt, built 2013, dely US Gulf 03 Oct/04 Nov, \$8,500, for min 3/ about 5 months trading, to PGSC

Tanker period market TC rates

	30 Sep	26 Aug	±%	last 5 years		
				Min	Avg	Max
VLCC						
12 months	\$ 26,500	\$ 28,750	-7.8%	\$ 18,000	\$ 30,159	\$ 57,750
36 months	\$ 27,000	\$ 29,750	-9.2%	\$ 22,000	\$ 31,563	\$ 45,000
Suezmax						
12 months	\$ 21,250	\$ 23,000	-7.6%	\$ 15,250	\$ 23,267	\$ 42,500
36 months	\$ 22,750	\$ 23,750	-4.2%	\$ 17,000	\$ 24,548	\$ 35,000
Aframax						
12 months	\$ 16,000	\$ 18,000	-11.1%	\$ 13,000	\$ 18,152	\$ 30,000
36 months	\$ 17,250	\$ 18,750	-8.0%	\$ 14,750	\$ 19,026	\$ 27,000
MR						
12 months	\$ 13,000	\$ 13,750	-5.5%	\$ 12,500	\$ 14,969	\$ 21,000
36 months	\$ 14,250	\$ 14,500	-1.7%	\$ 14,000	\$ 15,271	\$ 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

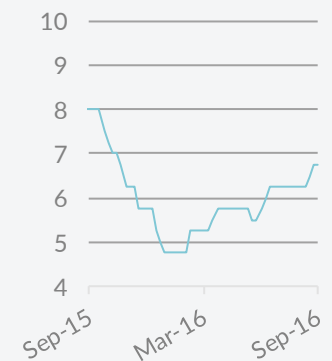
M/T "FS SINCERITY", 48000 dwt, built 2009, \$12,250, for 1 year trading, to MENA ENERGY

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

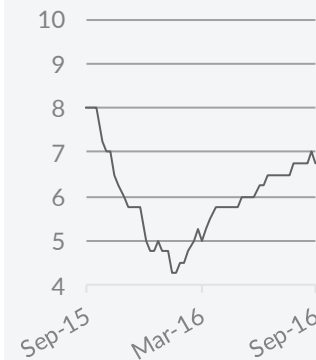
Capesize



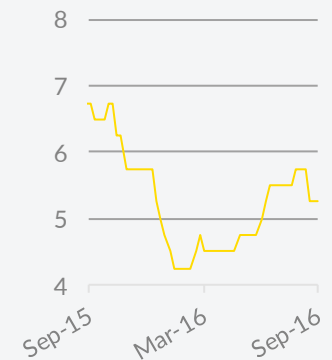
Panamax



Supramax



Handysize

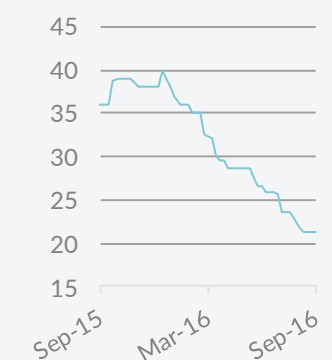


Tanker 12 month period charter rates (USD '000/day)

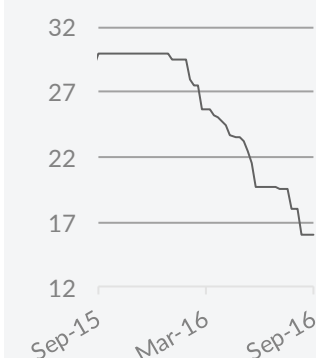
VLCC



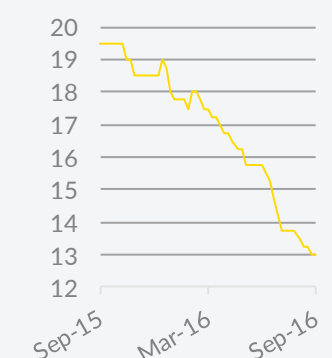
Suezmax



Aframax



MR

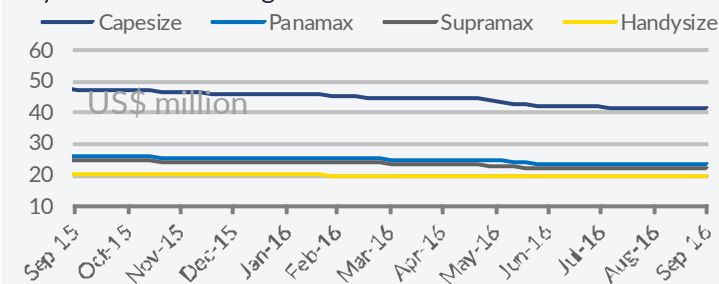


Sale & Purchase Newbuilding Orders

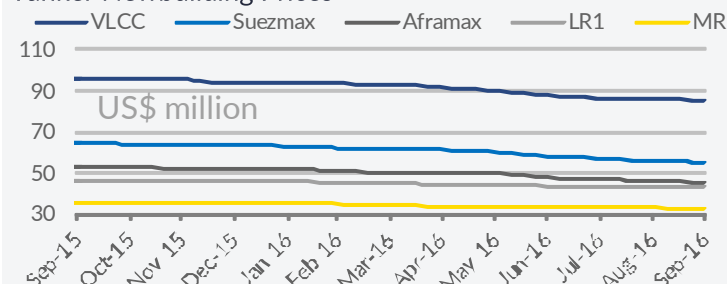
26th - 30th September 2016

A few orders here a few orders there but nothing more than a small trickle which is incapable of satisfying the growing shipbuilders' thirst. This drought has surely been severe already and its intensity seems to be on the path of lasting for several more months. As feared we are already hearing rumors of even some of the most prominent and well regarded shipbuilders choosing to back out from this industry and turn their focus onto more profitable businesses they are also involved in. As things stand the market can't sustain such shipbuilder capacity which is still available, though with governments as always playing their influencing role, it is not like we will end up with an industry which will be cleansed from all uncompetitive shipbuilders and only keep hold of those which are best performing. The smallest concern however right now is the quality of shipbuilders we will be left with, as most look hopeful towards the day we will see a market that is capped as to how much excess new ship capacity can be produced by the global shipbuilding industry within small time periods.

Dry Bulk Newbuilding Prices



Tanker Newbuilding Prices



Indicative Dry NB Prices (US\$ million)

	30 Sep	26 Aug	±%	last 5 years		
				Min	Avg	Max
Dry Bulkers						
Capesize (180,000dwt)	41.8	41.8	0.0%	41.8	49.7	58.0
Kamsarmax (82,000dwt)	24.3	24.3	0.0%	24.3	28.6	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	26.0	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)

	30 Sep	26 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	35.1	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	2+3	8,000 dwt	AVIC DINGHENG, China	\$ 20.0m	SIRIUS SHIPPING - Sweden	2019-2019	LNG ready
GAS	2	180,000 cbm	SAMSUNG H.I., S. Korea	\$ 190.0m	GASLOG - Greece	2016	

Sale & Purchase Secondhand Sales

26th - 30th September 2016

On the dry bulk side, a fair bust of activity noted this week though with prices still holding in line and keeping steady as she goes. As it seems the unimpressive movements noted in the freight market and the fear of softer days to come in terms of earnings leads most buyers to hold off any excesses in terms of offered prices. There is also expectation that we may well see buying interest shift as well, moving towards age groups that have seen a slower hike in prices over the past couple of months.

On the tanker side, slightly better activity levels were to be seen this week. Activity however is still firmly tied to the product tanker ranges, despite the equally poor performance trends noted in their freight rates over the past two months. Things are a bit more difficult for the larger crude oil carriers, with the recent OPEC stirs bringing back fear that any production cut could soften demand levels if crude oil prices rise too high too quickly.

Indicative Dry Bulk Values (US\$ million)

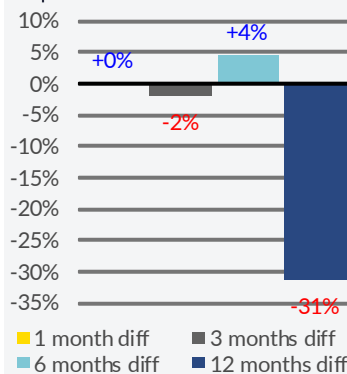
Indicative Dry Bulk Values (US\$ million)					last 5 years		
		30 Sep	26 Aug	±%	Min	Avg	Max
Capesize							
180k dwt	Resale	36.0	36.0	0.0%	34.5	47.7	65.0
170k dwt	5 year old	24.0	24.0	0.0%	23.0	36.4	53.0
170k dwt	10 year old	14.0	14.0	0.0%	12.0	24.8	39.0
150k dwt	15 year old	8.0	8.0	0.0%	6.5	15.0	25.0
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	12.6	19.5
28k dwt	15 year old	3.8	3.8	0.0%	3.5	8.5	14.5

Indicative Tanker Values (US\$ million)

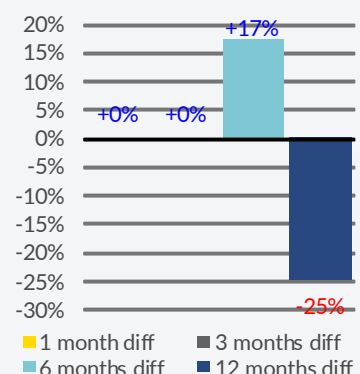
Indicative Tanker Values (US\$ million)					last 5 years		
		30 Sep	26 Aug	±%	Min	Avg	Max
VLCC							
310k dwt	Resale	86.0	86.0	0.0%	80.0	94.8	108.5
310k dwt	5 year old	63.0	63.0	0.0%	55.0	70.0	87.0
250k dwt	10 year old	42.0	42.0	0.0%	33.8	46.4	62.0
250k dwt	15 year old	27.0	27.0	0.0%	16.9	27.6	41.0
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	48.9	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	24.0	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

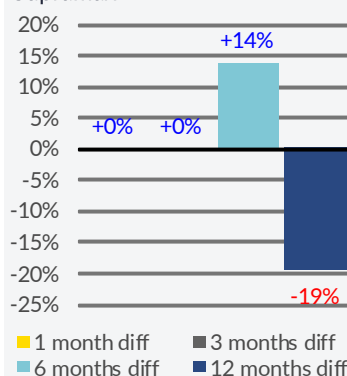
Capesize



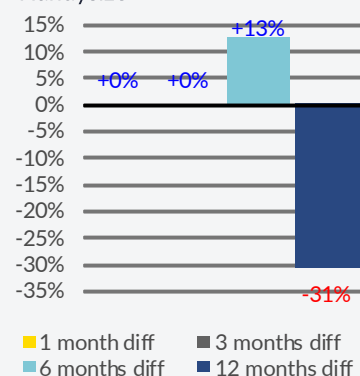
Panamax



Supramax

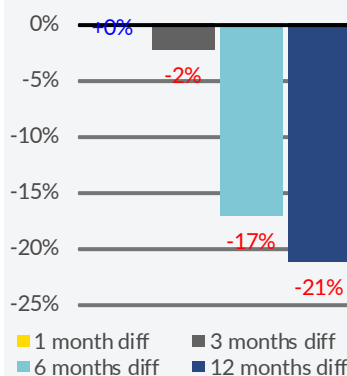


Handysize

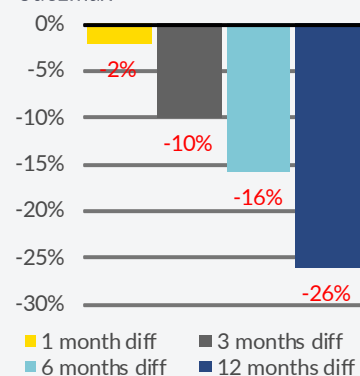


Price movements of 5 year old Tanker assets

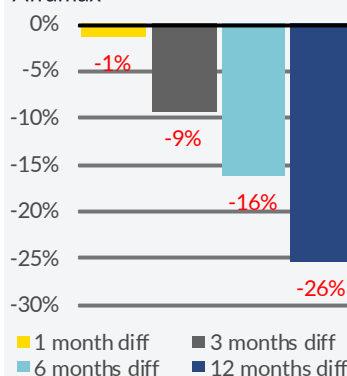
VLCC



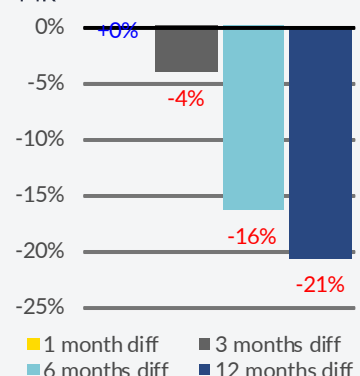
Suezmax



Aframax



MR



Sale & Purchase Secondhand Sales



26th - 30th September 2016

Tankers

Size	Name	Dwt	Built	Shipbuilder	M/E	Coating	Price	Buyers	Comments
AFRA	LION CITY RIVER	105,865	2007	NAMURA, Japan	MAN-B&W		\$ 20.7m	Greek	
MR	SKAZOCHNYJ MOST	47,314	1998	ULJANIK, Croatia	B&W	EPOXY Coated	\$ 5.3m	Singapore based	
MR	NAVE UNIVERSE	45,313	2013	SHINASB YARD CO LTD, S. Korea	MAN-B&W		\$ 35.0m	U. S. A. Based - Ocean Yield	incl. 12yrs BB to Navig8 with purchase option after 5yrs. Vessels are to be operated in Chronos8 pool-sellers credit of \$6mio each.
MR	NAVE CONSTELLATION	45,281	2013	SHINASB YARD CO LTD, S. Korea	MAN-B&W		\$ 35.0m		
MR	BRITISH EXPLORER	37,321	2003	HYUNDAI MIPO, S. Korea	B&W	EPOXY PHEN	\$ 10.5m	Singaporean - Soechi Lines	Ice Class FS1B, on subs
MR	BRITISH ESTEEM	37,220	2003	HYUNDAI MIPO, S. Korea	B&W	EPOXY PHEN	\$ 10.5m		Ice Class FS1B, on subs
MR	POULOPOM	37,000	2001	HYUNDAI MIPO, S. Korea	B&W	EPOXY Coated	\$ 10.5m	Singaporean - Soechi Lines	
SMALL	JIANG ZHOU	4,923	2008	CHUANDONG, China	Yanmar	EPOXY Coated	\$ 5.2m	Greek	
SMALL	LONG ZHOU	4,881	2009	CHUANDONG, China	Yanmar	EPOXY Coated	\$ 5.5m		

Bulk Carriers

Size	Name	Dwt	Built	Shipbuilder	M/E	Gear	Price	Buyers	Comments
CAPE	AQUARIUS DREAM	181,387	2014	IMABARI SAIJO, Japan	MAN-B&W		\$ 28.0m	Chinese - Winning	old sale
CAPE	CORAL DREAM	181,343	2014	KOYO MIHARA, Japan	MAN-B&W		\$ 28.0m	S. Korean - Sinokor	old sale
CAPE	VOGE MASTER	174,093	2006	SHANGHAI WAIGAOQIAO, China	MAN-B&W		\$ 11.5m	Greek - Kassian	
PMAX	NORD NAVIGATOR	82,672	2008	TSUNEISHI HOLDINGS - F, Japan	MAN-B&W		\$ 10.5m	Danish - BW	
PMAX	JIN RUI	76,583	2009	IMABARI MARUGAME, Japan	MAN-B&W		\$ 10.6m	German - Hanse Shipping	DD due May '17
PMAX	JIN CHAO	75,008	2011	SASEBO SASEBO, Japan	MAN-B&W		\$ 12.8m	Greek - Fundador	
PMAX	OCEAN CRYSTAL	73,688	1999	SUMITOMO HI YOKOSUKA, Japan	Sulzer		\$ 3.8m	undisclosed	
PMAX	SAINTY YANGZHOU SAM 14019B	64,000	2016	SAINTY SHBLDG YIZHENG, China	MAN-B&W	4 X 36t CRANES	\$ 16.5m	Danish - Celsius Shipping	
PMAX	SAINTY YANGZHOU SAM 14020B	64,000	2016	SAINTY SHBLDG YIZHENG, China	MAN-B&W	4 X 36t CRANES	\$ 16.5m		
PMAX	BAO FORTUNE	63,800	2016	CHENGXI SHIPYARD CO LT, China	MAN-B&W	4 X 30t CRANES	\$ 18.1m	U. S. A. Based - Eagle Bulk	Dely Jan '17
PMAX	SAINTY VICTORY	63,326	2014	SAINTY SHBLDG YIZHENG, China	MAN-B&W	4 X 45t CRANES	\$ 12.5m	Danish - Celsius Shipping	
PMAX	SAINTY VALIANT	63,308	2014	SAINTY SHBLDG YIZHENG, China	MAN-B&W	4 X 45t CRANES	\$ 12.5m		

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Sale & Purchase

Secondhand Sales



26th - 30th September 2016

Bulk Carriers - continued

Size	Name	Dwt	Built	Shipbuilder	M/E	Gear	Price	Buyers	Comments
SMAX	OCEAN PARADISE	58,701	2007	TSUNEISHI CEBU, Philippines	MAN-B&W	4 X 30t CRANES	\$ 9.2m	Bangladeshi - United Ocean Enterprise	SS/DD due Jan '17
HMAX	VANTAGE CREST	46,412	2006	OSHIMA SHIPBUILDING, Japan	MAN-B&W	4 X 30t CRANES	\$ 7.5m	undisclosed	bss forward dely

Containers

Size	Name	TEU	Built	Shipbuilder	M/E	Gear	Price	Buyers	Comments
FEEDER	CALA PINGUINO	1,577	2007	IMABARI IMABARI, Japan	MAN-B&W	3 X 45t CRANES	N/A	Indonesian - Tanto Intim Line	SS/DD due Jan '17

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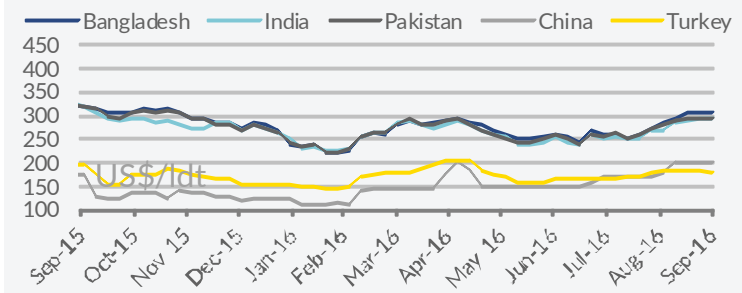
Sale & Purchase

Demolition Sales

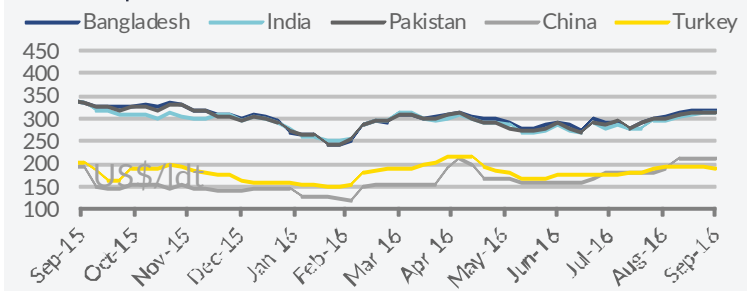
26th - 30th September 2016

The market seems to be holding stable for now at the new high levels reached recently. This has been despite many voicing concerns that the upward shift in price has been too swift and without enough backing from the market fundamentals. It seems however as though buyers are confident in their offerings and given the fact that activity has dropped again this week, these competitive price levels are needed in the market right now in order to entice the few sellers available. It looks as though for the moment its been the container-ship sector that's been feeding most of the activity concluded, largely due to the poor freight rate levels noted recently and likely caused by the pressure that has amassed after the failure of Hanjin. Things don't look so rosy moving forward however and it might be time for sellers to look at these price levels more favorably, it looks as though we could see some price softening towards the end of the year.

Dry Scrap Prices



Wet Scrap Prices



Indicative Dry Prices (\$/Ldt)

	30 Sep	23 Sep	±%	last 5 years		
				Min	Avg	Max
Indian Sub Continent						
Bangladesh	305	305	0.0%	220	394	515
India	295	295	0.0%	225	400	525
Pakistan	295	295	0.0%	220	397	510
Far East Asia						
China	200	200	0.0%	110	300	455
Mediterranean						
Turkey	180	185	-2.7%	145	247	355

Indicative Wet Prices (\$/Ldt)

	30 Sep	23 Sep	±%	last 5 years		
				Min	Avg	Max
Indian Sub Continent						
Bangladesh	320	320	0.0%	245	416	540
India	315	315	0.0%	250	424	550
Pakistan	315	315	0.0%	245	421	525
Far East Asia						
China	210	210	0.0%	120	317	485
Mediterranean						
Turkey	190	195	-2.6%	150	257	355

Reported Transactions

Type	Vessel's Name	Dwt	Built	Country	Built	Ldt	US\$/Ldt	Buyer	Sale Comments
Bulker	MARY	152,107	1993	Taiwan		18,486	\$ 310/Ldt	Bangladeshi	
Cont	JPS DEBUSSY	80,251	2001	S. Korea		26,353	\$ 317/Ldt	undisclosed	
Cont	MARE ARCTICUM	52,176	2000	S. Korea		16,180	\$ 301/Ldt	Indian	bss 'as is' Shanghai, incl 200tns ROB
Cont	KERSTIN S	33,976	1997	Germany		10,590	\$ 315/Ldt	Indian	bss 'as is' Jebel Ali
Gas	ETAGAS	9,384	1988	Germany		4,215	\$ 401/Ldt	Indian	cargo tanks 619tns with 5.25% Nickel

Trade Indicators

Markets | Currencies | Commodities

26th - 30th September 2016

The collapse of Deutsche Bank's share price has raised questions about the traditional shipping lender's portfolio. DB's stock has suffered heavy losses throughout this week and a decline of 7% yesterday on the New York Stock Exchange took it close to a 30-year low. A huge fine of \$14bn from American regulators has created concerns that the German lender would be brought to its knees.

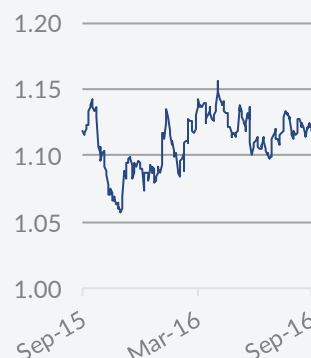
Amid the collapse of the share price, there have been suggestions that the German government may be forced to bail it out. It came as Commerzbank, Germany's second biggest bank, revealed plans to cut nearly 10,000 jobs, or more than one fifth of its workforce. DB increased the provision for credit losses by 72% to EUR 259m (\$289.6m) in the second quarter. It explained this move reflected the "continued market weakness of the shipping industry sector and lower commodity prices". But DB's loan exposure to shipping, oil & gas and metals, mining and steel is less than 2% of its total exposure.

The bank holds a shipping portfolio of around EUR 5bn, which is largely collateralized. Earlier in the summer, there were reports that DB was looking to offload \$1bn worth of debt extended to the shipping industry. Source: Tradewinds

	30 Sep	26 Aug	±%	last 12 months		
				Min	Avg	Max
Markets						
10year US Bond	1.61	1.64	-1.8%	1.37	1.85	2.34
S&P 500	2,168.3	2,169.0	0.0%	1,829	2,061	2,190
Nasdaq	5,312.0	5,218.9	1.8%	4,267	4,909	5,340
Dow Jones	18,308.2	18,395.4	-0.5%	15,660	17,574	18,636
FTSE 100	6,899.3	6,838.1	0.9%	5,537	6,308	6,941
FTSE All-Share UK	3,755.3	3,728.7	0.7%	3,047	3,456	3,774
CAC40	4,448.3	4,441.9	0.1%	3,897	4,464	4,984
Xetra Dax	10,511.0	10,587.8	-0.7%	8,753	10,152	11,382
Nikkei	16,449.8	16,360.7	0.5%	1,667	17,136	20,012
Hang Seng	23,297.2	22,909.5	1.7%	18,320	21,349	24,100
DJ US Maritime	204.0	170.5	19.7%	150.2	196.6	238.7
Currencies						
\$ per €	1.12	1.13	-0.8%	1.06	1.11	1.16
\$ per £	1.30	1.32	-1.6%	1.29	1.42	1.55
£ per €	0.86	0.85	0.8%	0.70	0.78	0.87
¥ per \$	101.3	100.9	0.4%	100.0	111.8	123.5
\$ per Au\$	0.76	0.76	0.3%	0.69	0.74	0.78
\$ per NoK	0.12	0.12	2.5%	0.11	0.12	0.12
\$ per SFr	0.97	0.97	0.2%	0.95	0.98	1.03
Yuan per \$	6.67	6.67	0.0%	6.32	6.53	6.70
Won per \$	1,099.2	1,115.0	-1.4%	1,092.8	1,160.6	1,237.8
\$ INDEX	99.4	98.5	0.9%	97.9	102.2	107.4
Commodities						
Gold \$	1,322.5	1,318.8	0.3%	1,049.4	1,218.7	1,366.3
Oil WTI \$	48.2	47.6	1.3%	26.9	41.7	51.6
Oil Brent \$	49.1	49.9	-1.7%	28.2	43.6	52.7
Palm Oil	562.0	562.0	0.0%	523.5	558.9	564.0
Iron Ore	56.1	61.1	-8.2%	37.0	51.8	68.7
Coal Price Index	73.8	64.8	13.9%	47.3	56.1	73.8
White Sugar	604.7	539.1	12.2%	361.6	461.0	613.5

Currencies

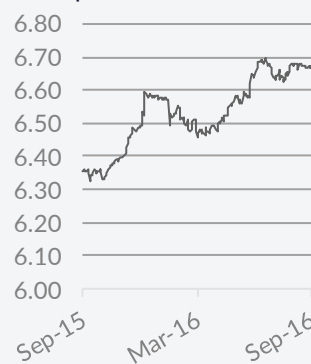
US Dollar per Euro



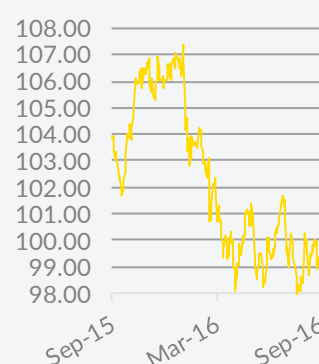
Yen per US Dollar



Yuan per US Dollar

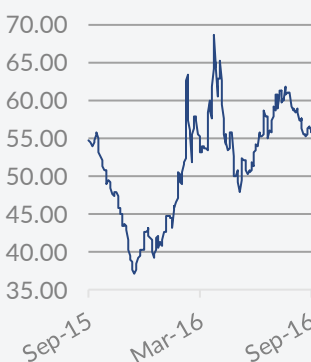


US Dollar INDEX

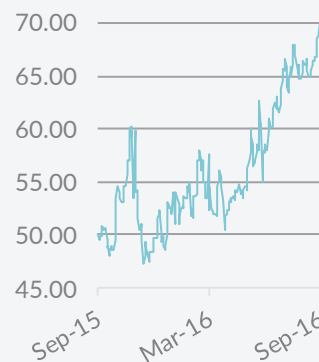


Commodities

Iron Ore (TSI)



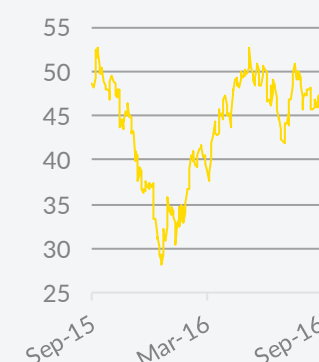
Coal Price Index



Oil WTI \$



Oil Brent \$



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26th - 30th September 2016 | Week 39

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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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