Intermodal Research & Valuations

Weekly Market Report

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Market insight

By Katerina Restis

Tanker Chartering

On September 27th the OPEC petroleum and energy ministers arrived in Algeria to attend the International Energy Forum, which brought together producers and consumers to discuss the present energy market conditions. After the closing of the IEF conference, OPEC Ministers held informal talks in an effort to cut a deal that would either freeze or reduce oil supply in pursuit of more stabilized markets and elevated oil prices. The current output OPEC members is more than 33.2 million barrels a day and inventories will grow even higher if no action is taken. It has been argued that oil production needs to be reduced by 1 million barrels a day so that the market rebalances. Likewise, Algeria's energy minister reasoned that "oil has sufficiently fluctuated on speculation that OPEC and Russia will agree to support oil prices in the midst of oversupply".

The question that arises is if OPEC members can do the impossible, which for most seems like having a mountain to climb. As discussed, one of the reasons that oil prices are low is due to the oversupplied market with members having had no success in negotiating production cutbacks so far. Major producers, driven by Saudi Arabia have been pumping at near record levels over the last two years, trying to maintain their market share by squeezing out higher cost producers such as the U.S and Canada. Consequently, since 2014 oil prices have dropped by 60% and U.S. production has diminished. The income of nations such as Nigeria, Saudi Arabia and Russia depends on their exports and low prices have proven to be troublesome. Furthermore, consenting to production freeze at current levels may seem a fair compromise but not a promising solution. IEA forecasts that global oil surplus will last well into 2017 as demand grows at a slower pace than previously foreseen, particularly in Asia. Meanwhile, not only OPEC members output is at record levels but Russia is also producing close to its maximum capacity, while Libya and Nigeria indicate they want to raise their output for the rest of this year.

Moreover, Iran's full on return earlier this year further affected the market, as the country has been continuously increasing its oil output in an effort to once more claim its place as one of the world's top oil exporters. In any case, Saudi Arabia won't wish for Iran to expand its production while the country itself is cutting back as that would mean handing over market share to its main regional competitor. It was recently reported that Saudi Arabia may agree to decrease production if only Iran acknowledges freezing its output level. Either way, once OPEC members come to an agreement they won't want prices to go higher than $55-60 per barrel as they will risk helping higher cost competitors, such as shale oil producers, to get back in the game.

Inevitably, the equilibrium point is fragile for leading oil producers to achieve. On one side, a greedy stance to accomplish higher prices will give the leeway to higher cost producers to step in and on the other side a conservative attitude to defend their market share, flirts with the risk of operating at a loss. The global oil market has faced numerous difficulties, deriving essentially from excess supply. Oil-exporting countries and companies' profits have deteriorated, increasing their budget deficits and crippling their economy. Additionally, those low prices inevitably lead to layoffs and reductions in new venture spending. But even with all these negative effects, the scenario in which the stagnation of oil major oil producers eventually leads to demand exceeding supply and leads to higher prices is a bit off. So IT IS really down to OPEC's joined action despite many believing that the organization can't do much these days.

Chartering (Wet: Firm+/ Dry: Stable -)

The BDI moved south last week on the back of a declining Capesize market ahead of Chinese holidays, while the rest of the sizes were steady overall. The BDI closed today (04/10/2016) at 865 points, down by 1 point compared to yesterday's levels (03/10/2016) and a decrease of also 1 point when compared to previous Tuesday's closing (27/09/2016). A much stronger Middle East market led to substantially firmer rates in the crude carriers market last week. The BDTI on Monday (03/10/2016) was at 622 points, an increase of 4 points and the BCTI at 349, a decrease of 30 points compared to last Monday's (26/09/2016) levels.

Sale & Purchase (Wet: Stable + / Dry: Firm +)

Tanker SnP activity picked up last week but it came nowhere close to reaching the number of dry bulk sales taking place as interest in second-hand vessels remains very vivid in the sector. On the tanker side, we had the sale of the "NASSAU ENERGY" (107,181dwt-blt 98, Japan), which was sold to Turkish owner, Kardeniz, for a price in the region of $11.8m. On the dry bulker side, we had the sale of the "KARSIYAKA" (45,759dwt-blt 99, Japan), which was sold to U.A.E buyer, Gulf of Aden, for a price in the region of $3.1m.

Newbuilding (Wet: Soft - / Dry: Soft -)

It is hard to write about the newbuilding market week over week without sounding too pessimistic. With very little to report in regards to recent orders and no silver linings visible ahead either, sentiment together with newbuilding prices remain as depressed as ever. The reality is that despite any spikes in tanker ordering here and there, the dramatic fall in dry bulk contracting over the past couple of years has had a hugely negative impact on the industry, the kind of impact that cannot be rectified by any small pick-up in activity that takes place in any other sector. This is most definitely a rather depressive thought for yards. It is highly unlikely that dry bulk ordering will move into higher volumes in the next couple of years, given the overcapacity in the sector together with the fact that modern second-hand tonnage is expected to still be offered at very attractive prices at least for as long as rates are still flirting with OPEX levels, while even when recovery does take place, it is hard to believe that appetite for newbuildings will return immediately. In terms of recently reported deals, Greek owner GasLog has placed an order for 2 firm LNG carriers (180,000cbm) in Samsung in S. Korea for a price in the region of $ 190.0m and delivery set in 2018.

Demolition (Wet: Stable + / Dry: Stable +)

It was all about India last week on the demolition front, as appetite in the country was stronger than ever, with local buyers almost monopolizing any action that took place during the past days. The fact that prices for steel plates in the country kept firming last week, seems to have offered additional confidence to Indian cash buyers, who were not afraid to position themselves at levels above $300/ldt in quite a few sales that have been reported. At the same time, buyers in Pakistan and Bangladesh are nowhere close to displaying such appetite; as a matter of fact there has been a clear aversion to doing much business at such high levels by both countries. In the absence of pressure from any meaningful competition from either Bangladesh or Pakistan, we do except that Indian bids will also ease in the following days, as for now it is apparent that breakers in the country can easily snap most vessels that come up as demo candidates. Average prices this week for wet tonnage were at around 195-305 $/ldt and dry units received about 185-300 $/ldt.

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Spot Rates

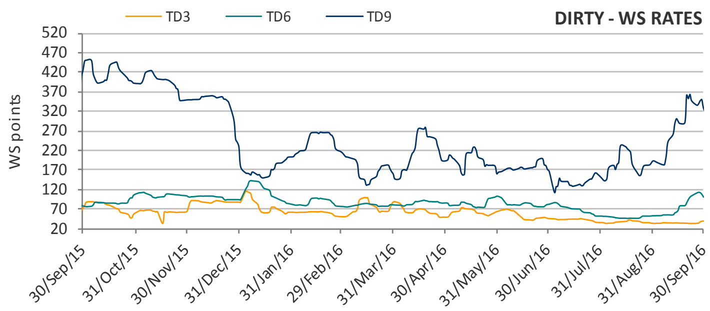
Vessel		Routes	Week 40 WS points	Week 40 $/day	Week 39 WS points	Week 39 $/day	$/day ±%	2015 $/day	2014 $/day
VLCC	265k	MEG-JAPAN	38	19,442	32	11,877	63.7%	65,906	30,469
VLCC	280k	MEG-USG	24	8,091	22	6,848	18.2%	49,575	17,173
VLCC	260k	WAF-USG	57	42,379	50	31,661	33.9%	76,251	40,541
Suezmax	130k	MED-MED	110	48,125	100	41,537	15.9%	50,337	30,950
Suezmax	130k	WAF-USAC	87	30,606	97	36,210	-15.5%	40,490	24,835
Suezmax	130k	BSEA-MED	105	45,643	97	39,748	14.8%	50,337	30,950
Aframax	80k	MEG-EAST	65	8,551	62.5	7,699	11.1%	34,131	19,956
Aframax	80k	MED-MED	90	15,671	105	21,617	-27.5%	37,127	28,344
Aframax	80k	UKC-UKC	125	43,305	90	11,726	269.3%	39,338	33,573
Aframax	70k	CARIBS-USG	75	7,907	90	13,163	-39.9%	36,519	25,747
Clean	75k	MEG-JAPAN	55	5,220	65	7,698	-32.2%	30,482	16,797
Clean	55k	MEG-JAPAN	75	6,460	83	8,041	-19.7%	24,854	14,461
Clean	37K	UKC-USAC	75	2,259	80	3,896	-42.0%	19,973	10,689
Clean	30K	MED-MED	95	1,039	95	859	21.0%	24,473	18,707
Dirty	55K	UKC-USG	83	8,833	83	8,895	-0.7%	27,228	23,723
Dirty	55K	MED-USG	83	9,957	83	9,842	1.2%	26,083	21,089
Dirty	50k	CARIBS-USAC	87	8,814	85	8,181	7.7%	27,146	25,521

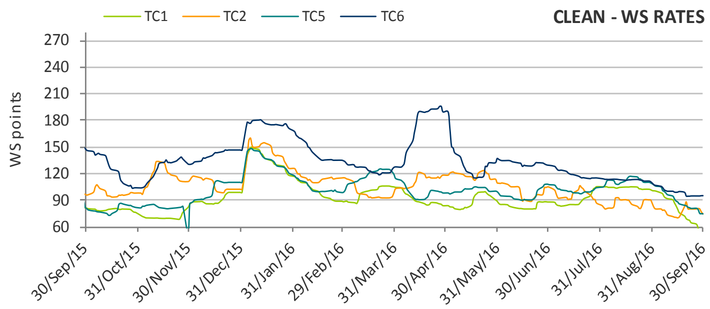
TC Rates

$/day		Week 40	Week 39	±%	Diff	2015	2014
VLCC	300k 1yr TC	28,000	28,000	0.0%	0	46,135	28,346
VLCC	300k 3yr TC	27,000	27,000	0.0%	0	42,075	30,383
Suezmax	150k 1yr TC	21,250	21,250	0.0%	0	35,250	22,942
Suezmax	150k 3yr TC	23,000	22,750	1.1%	250	33,219	24,613
Aframax	110k 1yr TC	16,000	16,000	0.0%	0	26,808	17,769
Aframax	110k 3yr TC	17,250	17,750	-2.8%	-500	24,729	19,229
Panamax	75k 1yr TC	15,000	15,000	0.0%	0	23,596	16,135
Panamax	75k 3yr TC	15,625	15,500	0.8%	125	20,580	16,666
MR	52k 1yr TC	13,000	13,000	0.0%	0	17,865	14,889
MR	52k 3yr TC	14,000	14,000	0.0%	0	16,638	15,604
Handy	36k 1yr TC	12,000	12,000	0.0%	0	16,101	14,024
Handy	36k 3yr TC	13,250	13,250	0.0%	0	15,450	14,878

Indicative Period Charters

- 12 mos	- 'OMODOS'	2009	50,521 dwt
-	- $13,000/day		- Laurin
- 1-3 mos	- 'UNITED KALAVRYTA'	2005	159,156dwt
-	- $23,000-25,000/day		- ST Shipping





Indicative Market Values ($ Million) - Tankers

Vessel 5yrs old		Sep-16 avg	Aug-16 avg	±%	2015	2014	2013
VLCC	300KT DH	62.0	62.5	-0.8%	80.9	73.8	56.2
Suezmax	150KT DH	44.2	45.5	-2.9%	59.5	50.4	40.1
Aframax	110KT DH	32.6	33.5	-2.7%	45.3	38.9	29.2
LR1	75KT DH	31.1	31.5	-1.3%	35.8	33.0	28.0
MR	52KT DH	23.0	23.0	0.0%	27.3	27.5	24.7

Chartering

The positive momentum in the crude carriers market was further extended last week with rates for most routes enjoying substantial upside on the back of stronger activity that has finally started giving back owners some of the confidence lost. The market remains focused on the developments following the OPEC meeting last week, when the organization finally seemed serious about freezing output. Oil prices jumped on the back of the organization's latest agreement but at the same time Iran and Libya have continued increasing their production, fact that has now left investors somewhat confused of in regards to the direction of the price of the commodity.

Following a couple of weeks of robust activity, it seems that VL rates in the Middle East have now started to enjoy a significant upside, as a busier market in the previous days has eventually cleared up substantial tonnage from the region, while the West Africa market also got a substantial boost amidst improved sentiment.

The West Africa Suezmax eased a bit last week with enquiry levels remaining healthy nonetheless, while the Black Sea/Med region enjoyed further upside with brokers now feeling that momentum has probably reached a pick somewhere around current levels. The Aframax market was a bit split last week, with Baltic and North sea rates ripping the benefits of improved activity, while cross-Med and Caribs rates suffered from too much tonnage competing for business in both regions.

Sale & Purchase

In the Aframax sector we had the sale of the "NASSAU ENERGY" (107,181dwt-blt 98, Japan), which was sold to Turkish owner, Kardeniz, for a price in the region of $11.8m.

In the MR sector we had the sale of the "SKAZOCHNYJ" (47,314dwt-blt 98, Croatia), which was sold to undisclosed buyers, for a price in the region of $5.5m.

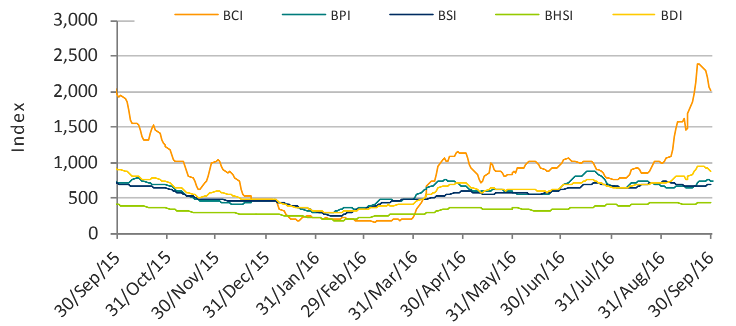
Baltic Indices

	Week 40 30/09/2016		Week 39 23/09/2016		Point Diff	$/day ±%	2015	2014
	Index	$/day	Index	$/day			Index	Index
BDI	875		941		-66		713	1,097
BCI	2,008	$12,710	2,383	$15,202	-375	-16.4%	1,009	1,943
BPI	741	$5,939	722	$5,790	19	2.6%	692	960
BSI	679	$7,102	671	$7,019	8	1.2%	663	937
BHSI	421	$6,094	421	$6,094	0	0.0%	365	522

Indicative Period Charters

- 4 to 6mos	- 'CMB PAUILLAC'	2012	95,707 dwt
- Shanghai 05/07 Oct	- $ 7,500/day		- Klaveness
- 3 to 6 mos	- 'IONIC'	2013	58,468dwt
- Damietta 01/05 oct	- $ 9,300/day		- Cargrill

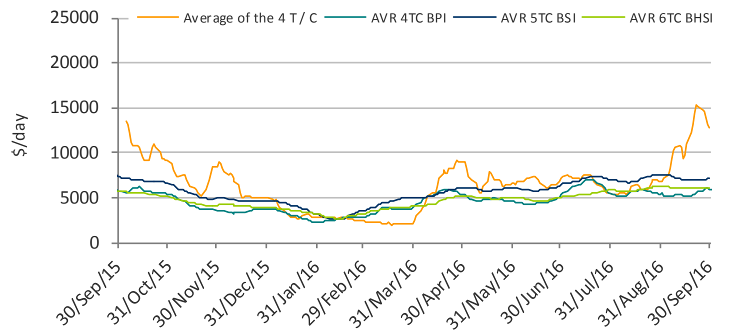
Baltic Indices



Period

$/day		Week 40	Week 39	±%	Diff	2015	2014
Capesize	180K 6mnt TC	9,500	9,500	0.0%	0	9,969	22,020
	180K 1yr TC	8,250	8,250	0.0%	0	10,263	21,921
	180K 3yr TC	9,250	9,250	0.0%	0	11,243	21,097
Panamax	76K 6mnt TC	6,750	6,500	3.8%	250	7,921	12,300
	76K 1yr TC	6,750	6,750	0.0%	0	7,705	12,259
	76K 3yr TC	7,250	7,250	0.0%	0	8,724	13,244
Supramax	55K 6mnt TC	8,000	8,000	0.0%	0	8,162	12,008
	55K 1yr TC	7,250	7,250	0.0%	0	7,849	11,589
	55K 3yr TC	6,750	6,750	0.0%	0	8,181	11,585
Handysize	30K 6mnt TC	6,250	6,250	0.0%	0	6,690	9,113
	30K 1yr TC	6,250	6,250	0.0%	0	6,897	9,226
	30K 3yr TC	6,250	6,250	0.0%	0	7,291	9,541

Average T/C Rates



Chartering

We were not surprised to see the BDI moving down last week as the weakness of the Capesize market to move further ahead was notable as September was coming to an end and holidays in China were due. Given that this recent rally has been mainly fuelled by much stronger rates for the big bulkers, a slowdown in Capesize performance was bound to remove support from the market, while the fact that the rest of the market held steady despite those Cape rates correcting downwards, is certainly a positive sign. The period business fixed in the past days is also supportive of this recently built up momentum, with rates reported at decent levels especially in the case of the smaller sizes that as always remain much more resistant to any periodical volatility.

Despite the fact that the Capesize market tried to resist during the first half of the week, the Chinese holidays ahead together with a sense that the market might have moved a bit ahead of itself, have eventually pushed rates in both basins down, with further softening expected in the following days as well.

Things on the Panamax front were much better, with numbers in the East holding around last dones overall on the back of a market that remained active throughout the week, while the Atlantic Panamax market was moving sideways just before the weekend ahead of the recess in China.

Earnings for the smaller sizes resisted successfully to the pressure mounting as a result of the Capesize performance, with Atlantic rates holding around last dones and the Black Sea market still keeping the pace of the past month.

Indicative Market Values ($ Million) - Bulk Carriers

Vessel 5 yrs old		Sep-16 avg	Aug-16 avg	±%	2015	2014	2013
Capesize	180k	24.5	24.9	-1.5%	33.1	47.5	35.8
Panamax	76K	14.0	14.0	0.0%	17.2	24.8	21.3
Supramax	56k	13.4	13.1	2.2%	16.1	25.2	21.5
Handysize	30K	9.7	9.5	2.1%	13.3	20.0	18.2

Sale & Purchase

In the Capesize sector we had the sale of the “VOGE MASTER” (174,093dwt-blt 06, China), which was sold to Greek buyer, Kassian, for a price in the region of $11.7m.

In the Handymax sector we had the sale of the “KARSIYAKA” (45,759dwt-blt 99, Japan), which was sold to U.A.E buyer, Gulf of Aden, for a price in the region of $3.1m.

Bulk Carriers

Size	Name	Dwt	Built	Yard	M/E	SS due	Gear	Price	Buyers	Comments
CAPE	AQUARIUS DREAM	181,387	2014	IMABARI SAIJO, Japan	MAN-B&W			$ 28.0m	Chinese (Winning Shipping)	
CAPE	CORAL DREAM	180,200	2013	KOYO MIHARA, Japan	MAN-B&W			$ 28.0m	S. Korean (Sinokor)	
CAPE	VOGE MASTER	174,093	2006	SHANGHAI WAIGAOQIAO SH, China	MAN-B&W	Mar-16		$ 11.7m	Greek (Kassian)	
KMAX	NORD NAVIGATOR	82,672	2008	TSUNEISHI HOLDINGS - F, Japan	MAN-B&W	Mar-18		$ 10.8m	Singaporean (BW maritime)	
PMAX	JIN RUI	76,583	2009	IMABARI MARUGAME, Japan	MAN-B&W	May-19		$ 10.6m	European	
PMAX	JIN CHAO	75,000	2011	SASEBO SASEBO, Japan	MAN-B&W	Oct-20		$ 12.8m	Greek (Fundador Naviera)	
PMAX	OCEAN CRYSTAL	73,688	1999	SUMITOMO HI YOKOSUKA, Japan	Sulzer	Jan-19		$ 3.8m	undisclosed	
UMAX	KAVITA NAREE	64,000	2016	SAINTY SHIPBUILDING YI, China	MAN-B&W		4 X 30t CRANES	$ 16.5m	Danish (Celsius Shipping)	
UMAX	KARUNA NAREE	64,000	2016	SAINTY SHIPBUILDING YI, China	MAN-B&W		4 X 30t CRANES	$ 16.5m	Danish (Celsius Shipping)	
UMAX	BAO FORTUNE	63,800	2016	CHENGXI SHIPYARD CO LT, China	MAN-B&W		4 X 30t CRANES	$ 18.2m	U.S. based (Eagle Bulk)	
UMAX	SAINTY VICTORY	63,326	2014	SAINTY SHIPBUILDING YI, China	MAN-B&W	Dec-19	4 X 45t CRANES	$ 12.5m	Danish (Celsius Shipping)	
UMAX	SAINTY VALIANT	63,308	2014	SAINTY SHIPBUILDING YI, China	MAN-B&W	Dec-19	4 X 45t CRANES	$ 12.5m	Danish (Celsius Shipping)	
SMAX	OCEAN PARADISE	58,701	2007	TSUNEISHI HEAVY CEBU, Philippines	MAN-B&W	Jan-17	4 X 30t CRANES	$ 9.3m	Bangladeshi (SR Shipping)	
SMAX	SUNBAY	57,000	2008	HANTONG SHIP HEAVY IND, China	MAN-B&W	Nov-18	4 X 36t CRANES	$ 5.8m	Singaporean	
SMAX	NORDIC STADE	56,808	2011	TAIZHOU KOUAN SHIPBUIL, China	MAN-B&W		4 X 30t CRANES	$ 7.8m	undisclosed	
SMAX	NORDIC BUXTEHUDE	56,755	2010	TAIZHOU KOUAN SHIPBUIL, China	MAN-B&W		4 X 30t CRANES	$ 7.2m	undisclosed	
SMAX	RACHEL	52,481	2006	TSUNEISHI HEAVY CEBU, Philippines	MAN-B&W	Sep-16	4 X 30t CRANES	$ 8.2m	Bangladeshi (Meghna Group)	

Bulk Carriers (continued)

HMAX	KARSIYAKA	45,759	1999	TSUNEISHI SHBLDG - FUK, Japan	B&W	Dec-18	4 X 30t CRANES	$ 3.1m	U.A.E Based (Gulf of Aden)	
HANDY	GENCO PIONEER	29,952	1999	OSHIMA SHIPBUILDING, Japan	B&W	Oct-18	4 X 30t CRANES	xs $ 5.0m	undisclosed	
HANDY	GENCO SUGAR	29,952	1998	OSHIMA SHIPBUILDING, Japan	B&W	Jul-18	4 X 30t CRANES			
HANDY	MARBIOKO	29,720	2010	Wuhu Xinlian Shipbuilding Co., Ltd., China	Wartsila		3 X 30t CRANES	undisclosed	Bulgarian (Navibulgar)	
HANDY	MARBACAN	29,618	2010	Wuhu Xinlian Shipbuilding Co., Ltd., China	Wartsila		3 X 30t CRANES			

Tankers

Size	Name	Dwt	Built	Yard	M/E	SS due	Hull	Price	Buyers	Comments
AFRA	NASSAU ENERGY	107,181	1998	KOYO MIHARA, Japan	MAN-B&W	Jun-20	DH	$ 11.8m	Turkish (Karadeniz)	
AFRA	LION CITY RIVER	105,865	2007	NAMURA IMARI, Japan	MAN-B&W	Feb-17	DH	$ 21.0m	U.K Based (Zodiac)	
MR	SKAZOCHNYJ MOST	47,314	1998	ULJANIK BRODOGRADILIST, Croatia	B&W	Aug-18	DH	$ 5.5m	undisclosed	survey overdue
MR	NAVIG8 TURMALINE	49,000	2016	STX OFFSHORE & SHBLDG, S. Korea	MAN-B&W		DH	undisclosed	Norwegian (Ocean Yield)	BB to Navig8
MR	NAVE CONSTELLATION	45,000	2012	SHINASB YARD CO LTD, S. Korea	MAN-B&W		DH	$ 35.0m	Norwegian (Ocean Yield)	12-yr BB to Navig8, incl. purchase option, Chronos8 pool
MR	NAVE UNIVERSE	45,000	2012	SHINASB YARD CO LTD, S. Korea	MAN-B&W		DH	$ 35.0m		
MR	BRITISH EXPLORER	37,321	2003	HYUNDAI MIPO DOCKYARD, S. Korea	B&W	Jan-18	DH	$ 10.8m	Indonesian (Soechi lines)	sub inspection
MR	BRITISH ESTEEM	37,220	2003	HYUNDAI MIPO DOCKYARD, S. Korea	B&W	Feb-18	DH	$ 10.8m		
SMALL	JIANG ZHOU	4,923	2008	CHUANDONG, China	Yanmar	Jun-18	DH	$ 5.35m	Greek	asphalt tankers, older deal
SMALL	BAO ZHOU	4,923	2008	CHUANDONG, China	Yanmar	Aug-18	DH	$ 5.35m		

Ferries

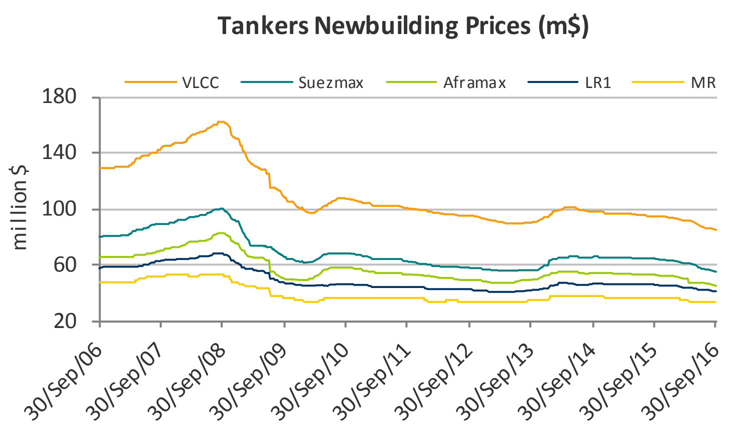
Name	Loa(m)	Pass	Cars	Built	Yard	M/E	SS due	Price	Buyers	Comments
SPL PRINCESS ANASTASIA	176.82	2,553	600	1986	WARTSILA - TURKU, Finland	Pielstick		$ 24.7m	Italian (Tirrenia)	
PRINCESS MARIA	166.1	2,094	450	1981	WARTSILA - TURKU, Finland	Pielstick	Mar-15	$ 16.8m		

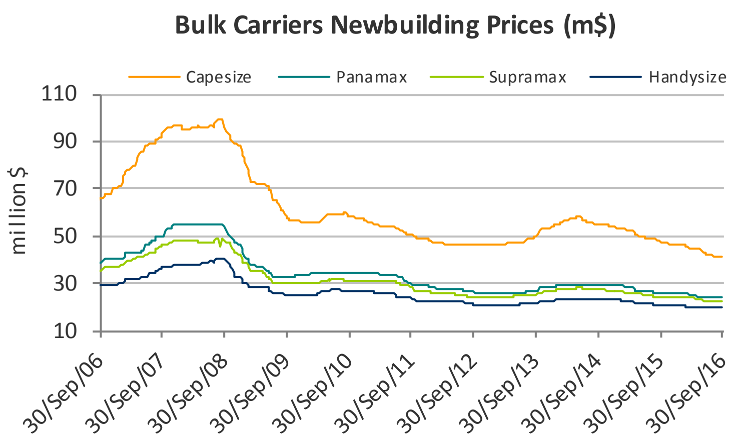
Indicative Newbuilding Prices (million$)

	Vessel		Week 40	Week 39	±%	2015	2014	2013
Bulkers	Capesize	180k	41.5	41.5	0.0%	49.9	56	49
	Kamsarmax	82k	24.0	24.0	0.0%	27.8	30	27
	Ultramax	63k	22.0	22.0	0.0%	25	27	25
	Handysize	38k	19.5	19.5	0.0%	21	23	21
Tankers	VLCC	300k	85.0	85.0	0.0%	95.5	99	91
	Suezmax	160k	55.0	55.0	0.0%	64	65	56
	Aframax	115k	45.0	45.0	0.0%	53	54	48
	LR1	75k	41.0	41.0	0.0%	45.8	46	41
	MR	50k	33.0	33.0	0.0%	36.1	37	34
Gas	LNG 160k cbm		189.0	189.0	0.0%	190.0	186	185
	LGC LPG 80k cbm		72.5	72.5	0.0%	77.4	78	71
	MGC LPG 55k cbm		64.5	64.5	0.0%	68.0	67	63
	SGC LPG 25k cbm		42.0	42.0	0.0%	45.5	44	41

It is hard to write about the newbuilding market week over week without sounding too pessimistic. With very little to report in regards to recent orders and no silver linings visible ahead either, sentiment together with newbuilding prices remain as depressed as ever. The reality is that despite any spikes in tanker ordering here and there, the dramatic fall in dry bulk contracting over the past couple of years has had a hugely negative impact on the industry, the kind of impact that cannot be rectified by any small pick-up in activity that takes place in any other sector. This is most definitely a rather depressive thought for yards. It is highly unlikely that dry bulk ordering will move into higher volumes in the next couple of years, given the overcapacity in the sector together with the fact that modern second-hand tonnage is expected to still be offered at very attractive prices at least for as long as rates are still flirting with OPEX levels, while even when recovery does take place, it is hard to believe that appetite for newbuildings will return immediately.

In terms of recently reported deals, Greek owner GasLog has placed an order for 2 firm LNG carriers (180,000cbm) in Samsung in S. Korea for a price in the region of $ 190.0m and delivery set in 2018.





Newbuilding Orders

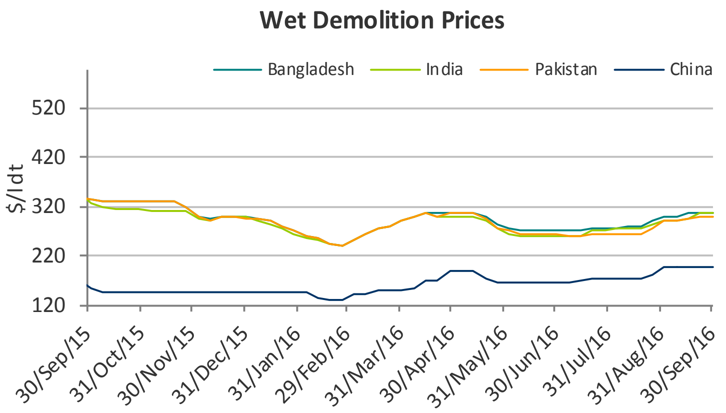
Units	Type	Size	Yard	Delivery	Buyer	Price	Comments
2+2	Tanker	6,500 dwt	Fujian Southeast, China	2018	Malaysian	undisclosed	
2	Gas	180,000 cbm	Samsung, S. Korea	2018	Greek (GasLog)	$ 190.0m	LNG
2	Bulker	25,600 dwt	Jinling, China	2017-2018	Finish (ESL Shipping)	$ 31.8m	changed yard, dual fuel, ice class 1A
2+4	RoRo	6,700 lm	Jinling, China	2019	Danish (DFDS)	$ 75.5m	

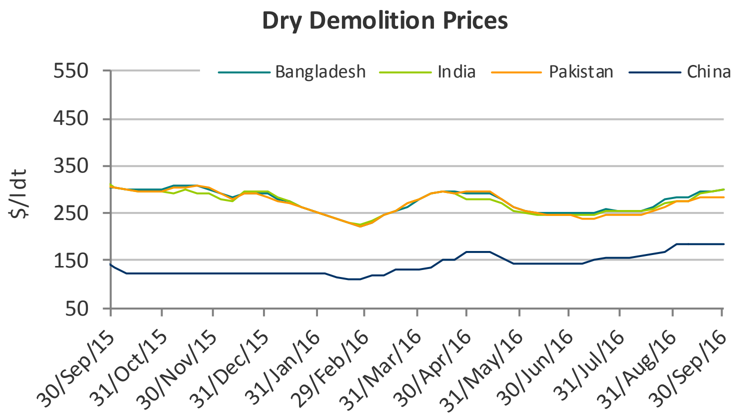
Indicative Demolition Prices ($/ldt)

	Markets	Week 40	Week 39	±%	2015	2014	2013
Wet	Bangladesh	305	305	0.0%	360	469	422
	India	305	305	0.0%	361	478	426
	Pakistan	300	300	0.0%	366	471	423
	China	195	195	0.0%	193	313	365
Dry	Bangladesh	300	295	1.7%	341	451	402
	India	300	295	1.7%	342	459	405
	Pakistan	285	285	0.0%	343	449	401
	China	185	185	0.0%	174	297	350

It was all about India last week on the demolition front, as appetite in the country was stronger than ever, with local buyers almost monopolizing any action that took place during the past days. The fact that prices for steel plates in the country kept firming last week, seems to have offered additional confidence to Indian cash buyers, who were not afraid to position themselves at levels above $300/ldt in quite a few sales that have been reported. At the same time, buyers in Pakistan and Bangladesh are nowhere close to displaying such appetite; as a matter of fact there has been a clear aversion to doing much business at such high levels by both countries. In the absence of pressure from any meaningful competition from either Bangladesh or Pakistan, we do except that Indian bids will also ease in the following days, as for now it is apparent that breakers in the country can easily snap most vessels that come up as demo candidates. Average prices this week for wet tonnage were at around 195-305 $/ldt and dry units received about 185-300 $/ldt.

The highest price amongst recently reported deals, was that paid by undisclosed breakers for the Sub-Panamax container "APULIA" (35,741dwt-12,850ldt-blt 05), which received $315/ldt.



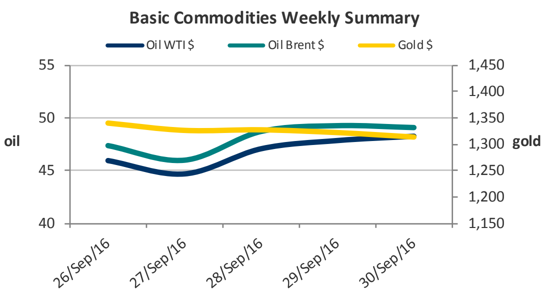


Demolition Sales

Name	Size	Ldt	Built	Yard	Type	$/ldt	Breakers	Comments
MARE ATLANTICUM	52,248	16,108	2000	HYUNDAI HEAVY INDS - U, S. Korea	CONT	$ 301/Ldt	Indian	as-is Shanghai, incl. 200T bunkers
APULIA	35,741	12,850	2005	GDANSKA STOCZNIA GRUPA, Poland	CONT	$ 315/Ldt	Indian	as-is Hong Kong, Incl. 250T bunkers
MICHAELA S	33,976	10,550	1997	VOLKSWERFT, Germany	CONT	$ 308/Ldt	Indian	as-is Singapore
ZETA	45,550	8,230	1988	TSUNEISHI SHBLDG - FUK, Japan	TANKER	$ 292/Ldt	Pakistani	
POWER RANGER	45,946	8,200	1996	CHINA KEE, Taiwan	BULKER	$ 302/Ldt	Indian	
SEA AMORE	19,505	4,375	1984	SASEBO SASEBO, Japan	BULKER	$ 277/Ldt	Indian	

Market Data

		30-Sep-16	29-Sep-16	28-Sep-16	27-Sep-16	26-Sep-16	W-O-W Change %
Stock Exchange Data	10year US Bond	1.550	1.580	1.570	1.560	1.600	-4.3%
	S&P 500	2,168.27	2,151.13	2,171.37	2,159.93	2,146.10	0.2%
	Nasdaq	5,312.00	5,269.15	5,318.55	5,305.71	5,257.49	0.1%
	Dow Jones	18,308.15	18,143.45	18,339.24	18,228.30	18,094.83	0.3%
	FTSE 100	6,899.33	6,919.42	6,849.38	6,807.67	6,818.04	-0.1%
	FTSE All-Share UK	3,755.34	3,764.23	3,730.65	3,706.83	3,714.32	-0.2%
	CAC40	4,448.26	4,443.84	4,432.45	4,398.68	4,407.85	-0.9%
	Xetra Dax	10,511.02	10,405.54	10,438.34	10,361.48	10,393.71	1.1%
	Nikkei	16,449.84	16,693.71	16,465.40	16,683.93	16,544.56	-0.6%
	Hang Seng	23,297.15	23,739.47	23,619.65	23,571.90	23,317.92	-1.6%
	DJ US Maritime	204.04	197.87	197.74	194.69	193.80	4.4%
Currencies	$ / €	1.12	1.12	1.12	1.12	1.13	0.1%
	$ / £	1.30	1.30	1.30	1.30	1.30	0.1%
	¥ / $	101.34	101.20	100.95	100.49	100.38	0.3%
	$ / NoK	0.13	0.12	0.12	0.12	0.12	1.6%
	Yuan / $	6.63	6.67	6.68	6.67	6.67	-0.5%
	Won / $	1,102.05	1,102.50	1,092.05	1,096.90	1,108.42	-0.1%
	$ INDEX	95.46	95.53	95.43	95.44	95.30	0.0%



Bunker Prices

		30-Sep-16	23-Sep-16	W-O-W Change %
MDO	Rotterdam	418.0	406.0	3.0%
	Houston	450.0	450.0	0.0%
	Singapore	428.0	417.0	2.6%
380cst	Rotterdam	246.5	247.5	-0.4%
	Houston	243.5	247.5	-1.6%
	Singapore	262.5	262.5	0.0%

Maritime Stock Data

Company	Stock Exchange	Curr.	30-Sep-16	23-Sep-16	W-O-W Change %
AEGEAN MARINE PETROL NTWK	NYSE	USD	10.00	10.48	-4.6%
CAPITAL PRODUCT PARTNERS LP	NASDAQ	USD	3.26	3.26	0.0%
COSTAMARE INC	NYSE	USD	9.14	9.28	-1.5%
DANAOS CORPORATION	NYSE	USD	2.68	2.90	-7.6%
DIANA SHIPPING	NYSE	USD	2.62	2.93	-10.6%
DRYSHIPS INC	NASDAQ	USD	0.45	0.48	-6.2%
EAGLE BULK SHIPPING	NASDAQ	USD	7.07	7.05	0.3%
EUROSEAS LTD.	NASDAQ	USD	2.01	2.06	-2.4%
GLOBUS MARITIME LIMITED	NASDAQ	USD	0.72	0.70	2.9%
NAVIOS MARITIME ACQUISITIONS	NYSE	USD	1.35	1.36	-0.7%
NAVIOS MARITIME HOLDINGS	NYSE	USD	1.21	1.25	-3.2%
NAVIOS MARITIME PARTNERS LP	NYSE	USD	1.39	1.47	-5.4%
SAFE BULKERS INC	NYSE	USD	1.41	1.52	-7.2%
SEANERGY MARITIME HOLDINGS CORP	NASDAQ	USD	3.09	3.24	-4.6%
STAR BULK CARRIERS CORP	NASDAQ	USD	4.54	5.07	-10.5%
STEALTHGAS INC	NASDAQ	USD	3.47	3.50	-0.9%
TSAKOS ENERGY NAVIGATION	NYSE	USD	4.82	5.02	-4.0%
TOP SHIPS INC	NASDAQ	USD	3.48	3.40	2.4%

Market News

"Genco secures extra time to settle loans

NEW York-listed Genco Shipping & Trading has received approval from its lenders to revise a number of conditions for the repayment of its loan facilities.

Under the agreement, Genco obtained extensions of waivers for its collateral maintenance covenants, maximum leverage ratio covenants, and minimum cash covenants for its $100m term loan facility, $253m term loan facility, $148m credit facility, $22m term loan facility, $44m term loan facility and its 2015 revolving credit facility.

The facilities mentioned above will have their covenant waivers extended until October 7, 2016.

Genco has also received another extension on covenant waivers for a $98m facility until November 15, 2016.

The dry bulk operator reported a net loss in the second quarter of $110.7m versus $40.3m a year earlier, mainly due to writedowns on vessels.

It took a $67.6m impairment loss on the value of nine of its vessels as the company determined that the sale or scrapping of these bulkers is "more likely than not" given the terms of a new $400m loan, the US-listed company said in a statement.

Like many of its other competitors in the segment, Genco has been hit by the persistent weakness in the dry bulk sector amid a tonnage glut and dismal global economic conditions. "(Lloyd's List)

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