

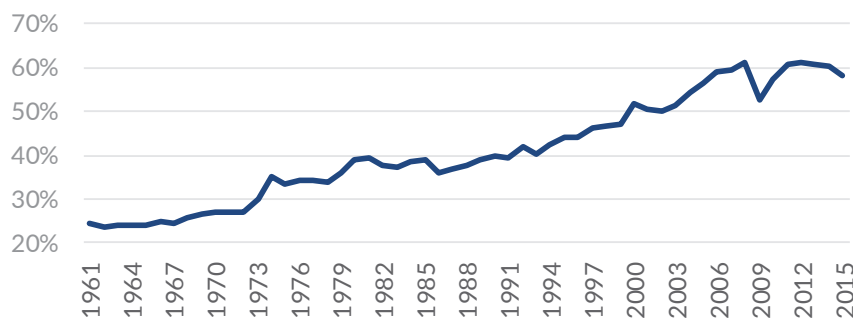
# Weekly Shipping Market Update



03<sup>rd</sup> - 07<sup>th</sup> October 2016 | Week 40

## Market Analysis

Deglobalization seems to have become the order of the day, as political events around the world show an increased dissatisfaction amongst people and a turn towards those politicians looking to most capitalise from this. It is no surprise that following the Brexit vote and increased political support for politicians and parties that are in support of exiting trade unions and diminishing their interdependence and integration with other countries around the world, we have seen both U.S. presidential candidates show discontent for the current trade deals being discussed and Trump in particular taking it a step further and demanding a renegotiation of all the current trade deals the U.S. already has in place. This follows a five year trend where global trades percentage as a part of global gross domestic product has diminished significantly. Having peaked at just over 61% in 2008 (graph below) according to the World Bank and having dropped consecutively since 2012 and with 2016 looking to trend even lower, it looks as though that it's not just the growing resentment that is to blame.



As it seems we have managed to generate one of the fastest increases noted in history during the early 2000's (with a 10% jump noted between 2003-2008 while previous increases of such magnitude would have taken a decade or more) thanks to the break-up of trade barriers and the easier flow of goods, services and finance being seen between borders. This in part also explains the relation trade growth has had with GDP over these years, with the growth of the former always surpassing the growth rate of the later by a significant multiple. However there is a theoretical limit as to what portion of Global GDP can be taken up from the international trade of goods and services, as we will always have a portion of goods and services which are for internal consumption.

Possibly being close to this upper boundary has plaid its part, but the fast paced rise of trade has also likely been the culprit in generating internal strife in regards to further openness for many in the western world, as economies in general tend to be more sluggish in terms of reorganisation of resources and as such have left many "losers" to support this growing discontent. This combination creates an ominous truth, that even if trade barriers stay down we will be ever more dependent on global GDP growth in order to generate growth in trade, while given the possibility that trade barriers start to go up we may well find ourselves in a state that it takes twice as much growth in GDP to generate the same amount of trade growth that we are seeing now, as such holding trade in a perpetual state of sluggish growth rates.

George Lazaridis

Head of Market Research & Asset Valuations

## Week in numbers


### Dry Bulk Freight Market

	07 Oct		W-O-W change	
			±Δ	±%
BDI	921		▲ 46	5.3%
BCI	2,245		▲ 237	11.8%
BPI	717		▼ -9	-1.2%
BSI	677		▼ -2	-0.3%
BHSI	411		▼ -10	-2.4%







### Tanker Freight Market

	07 Oct		W-O-W change	
			±Δ	±%
BDTI	621		▼ -4	-0.6%
BCTI	354		▲ 2	0.6%



### Newbuilding Market

Aggregate Price Index				M-O-M change	
	07 Oct			±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				M-O-M change	
	07 Oct			±Δ	±%
Capesize	39		▶	0	0.0%
Panamax	37		▶	0	0.0%
Supramax	41		▲	1	1.5%
Handysize	43		▶	0	0.0%
VLCC	82		▼	-2	-2.3%
Suezmax	79		▼	-4	-5.3%
Aframax	93		▼	-5	-4.9%
MR	105		▶	0	0.0%

### Demolition Market

Avg Price Index (main 5 regions)			W-O-W change	
	07 Oct		±Δ	±%
Dry	252		▼ -3	-1.2%
Wet	267		▼ -3	-1.1%

### Economic Indicators

	07 Oct		M-O-M change	
			±Δ	±%
Gold \$	1,259		▼ -66	-5.0%
Oil WTI \$	50		▲ 5	11.6%
Oil Brent \$	52		▲ 5	10.4%
Iron Ore	55		▼ -4	-6.7%
Coal	79		▲ 13	19.7%

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**We deliver.**

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# Freight Market

## Dry Bulkers - Spot Market



03<sup>rd</sup> - 07<sup>th</sup> October 2016

**Capesize** - Despite the Chinese holidays taking hold of the market, we were able to see a fresh flow of interest helping keep things busy. The Atlantic basin was the main driving force this week with increased interest met by a fairly limited amount of tonnage. The Pacific however was close to follow, boosted by the improved sentiment and seeing a fair amount of interest on the West Australia rounds. Things however looked to slowly be easing off towards the end of the week, pointing towards slightly slower trading over the next couple of days.

**Panamax** - Despite a fairly increased activity being noted this week, there seemed little to help boost support for rates. Increased activity in the Atlantic was mainly let down by fair availability of tonnage, while in the Pacific things kept relatively subdued in comparison. With tonnage lists having mainly cleared out now, it looks as though we may well be set for an improvement in rates.

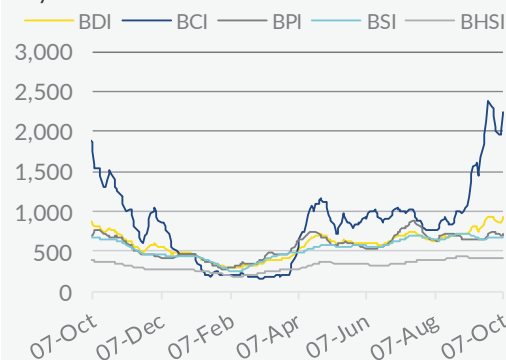
**Supramax** - With the week starting off with holidays in most of the major trading regions things got off on a sluggish start. Moving on from such a footing was hard to create a positive boost for owners from where they could push charterers for a fair increase in rates leaving overall rates to close off at fairly steady levels.

**Handysize** - A considerable disappointment was to be set this week, with rates dropping across all major routes. The Atlantic was showing slightly busier then the rest with demand from the North Atlantic helping take up some of the excess tonnage that had amassed. Things were not looking as good in the Pacific were lagging demand started to leave off further open tonnage to compete hard.

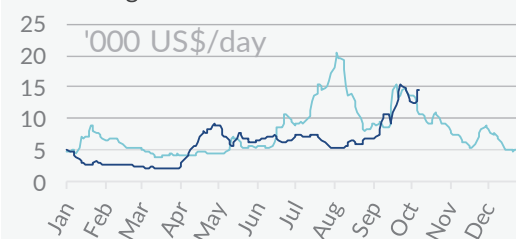
### Spot market rates & indices

	07 Oct	30 Sep	±%	Average 2016	2015
<b>Baltic Dry Index</b>					
BDI	921	875	5.3%	579	711
<b>Capesize</b>					
BCI	2,245	2,008	11.8%	799	1,009
BCI 5TC	\$ 14,622	\$ 12,710	15.0%	\$ 6,040	\$ 8,001
ATLANTIC RV	\$ 16,300	\$ 13,605	19.8%	\$ 5,839	\$ 8,206
Cont / FEast	\$ 22,273	\$ 19,309	15.4%	\$ 12,230	\$ 16,387
PACIFIC RV	\$ 13,817	\$ 11,825	16.8%	\$ 5,859	\$ 7,394
FEast / ECSA	\$ 13,045	\$ 11,977	8.9%	\$ 6,306	\$ 8,353
<b>Panamax</b>					
BPI	717	726	-1.2%	576	690
BPI - TCA	\$ 5,743	\$ 5,815	-1.2%	\$ 4,612	\$ 5,513
ATLANTIC RV	\$ 5,214	\$ 5,345	-2.5%	\$ 4,624	\$ 5,925
Cont / FEast	\$ 10,757	\$ 10,783	-0.2%	\$ 8,621	\$ 10,563
PACIFIC RV	\$ 5,956	\$ 6,078	-2.0%	\$ 4,517	\$ 5,021
FEast / Cont	\$ 1,044	\$ 1,053	-0.9%	\$ 686	\$ 542
<b>Supramax</b>					
BSI	677	679	-0.3%	537	662
BSI - TCA	\$ 7,078	\$ 7,102	-0.3%	\$ 5,620	\$ 6,919
Cont / FEast	\$ 10,225	\$ 10,417	-1.8%	\$ 8,811	\$ 9,890
Med / FEast	\$ 11,250	\$ 11,029	2.0%	\$ 8,466	\$ 9,274
PACIFIC RV	\$ 6,185	\$ 6,358	-2.7%	\$ 5,019	\$ 5,989
FEast / Cont	\$ 4,400	\$ 4,355	1.0%	\$ 3,005	\$ 4,794
USG / Skaw	\$ 8,469	\$ 8,466	0.0%	\$ 8,320	\$ 10,915
Skaw / USG	\$ 5,507	\$ 5,475	0.6%	\$ 3,312	\$ 3,705
<b>Handysize</b>					
BHSI	411	421	-2.4%	324	364
BHSI - TCA	\$ 5,952	\$ 6,094	-2.3%	\$ 4,715	\$ 5,354
Skaw / Rio	\$ 5,695	\$ 5,885	-3.2%	\$ 3,924	\$ 3,770
Skaw / Boston	\$ 5,578	\$ 5,729	-2.6%	\$ 4,208	\$ 4,057
Rio / Skaw	\$ 5,208	\$ 5,550	-6.2%	\$ 5,909	\$ 8,526
USG / Skaw	\$ 5,971	\$ 6,121	-2.5%	\$ 6,039	\$ 7,200
SEAsia / Aus / Jap	\$ 5,979	\$ 6,021	-0.7%	\$ 3,954	\$ 4,211
PACIFIC RV	\$ 6,604	\$ 6,711	-1.6%	\$ 4,864	\$ 5,429

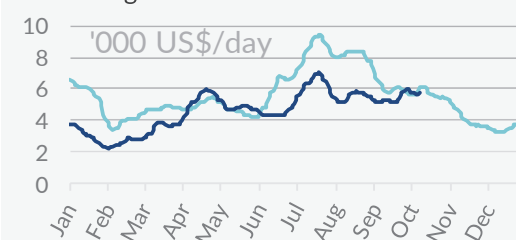
### Dry Bulk Indices



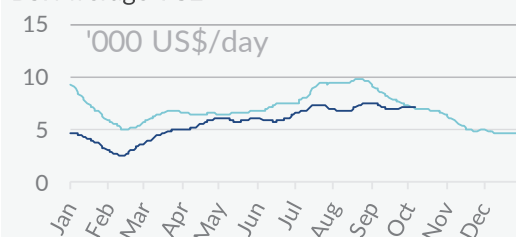
### BCI Average TCE



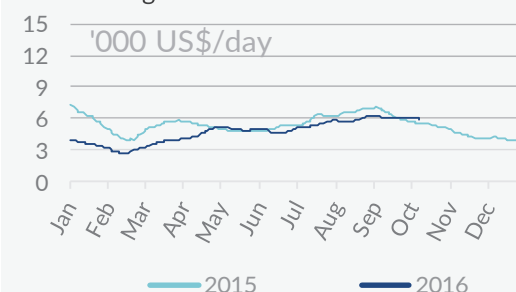
### BPI Average TCE



### BSI Average TCE



### BHSI Average TCE



# Freight Market

## Tankers - Spot Market



03<sup>rd</sup> - 07<sup>th</sup> October 2016

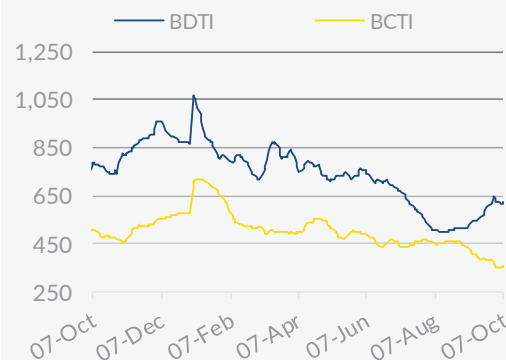
**Crude Oil Carriers** - VLs were able to feed off another positive week, with rates in both the MEG and WAF showing good signs of improving. The MEG was the main driving force keeping owners interest there and helping keep tonnage lists in the WAF under check. Things were not looking as favourable for Suezmaxes with a lack of enquiries in both the WAF and Black Sea/Med leaving for little to boost for any rate improvement. Aframaxes were following in line, also suffering from a slower pace of fresh interest. Both the Black Sea/Med and North Sea/Baltic regions were showing further weakening during most of the week, while it was only the Caribs that was able to present some glimpse of positive market movements.

**Oil Products** - Things were a bit mixed for product tankers though the overall vibe was one of a softening market. On the CPP trades we were seeing softer levels for most of the major routes. Things were a bit more balanced on the DPP side of things with some of the losses noted, countered by slightly firmer levels in the North Atlantic region.

### Spot market rates & indices

Spot market rates & indices					Average	
		07 Oct	30 Sep	±%	2016	2015
Baltic Tanker Indices						
BDTI		621	625	-0.6%	711	820
BCTI		354	352	0.6%	498	637
VLCC						
MEG-USG	WS	30.04	24.58	22.2%	33.49	36.36
	\$/day	\$ 9,493	\$ 4,273	122.2%	\$ 17,493	\$ 31,968
MEG-SPORE	WS	58.85	40.12	46.7%	56.66	64.43
	\$/day	\$ 57,467	\$ 36,745	56.4%	\$ 52,301	\$ 61,629
MEG-JAPAN	WS	57.19	38.85	47.2%	55.27	63.09
	\$/day	\$ 37,434	\$ 19,857	88.5%	\$ 39,729	\$ 68,288
WAF-USG	WS	60.00	52.50	14.3%	62.92	72.72
	\$/day	\$ 71,218	\$ 60,870	17.0%	\$ 79,651	\$ 76,589
SUEZMAX						
WAF-USAC	WS	80.00	85.00	-5.9%	69.40	81.13
	\$/day	\$ 45,813	\$ 50,196	-8.7%	\$ 40,749	\$ 46,404
BSEA-MED	WS	84.28	100.10	-15.8%	80.52	91.34
	\$/day	\$ 22,214	\$ 33,119	-32.9%	\$ 23,578	\$ 46,346
AFRAMAX						
NSEA-CONT	WS	96.67	116.67	-17.1%	101.77	111.01
	\$/day	\$ 18,702	\$ 34,091	-45.1%	\$ 21,566	\$ 37,053
MEG-SPORE	WS	66.22	65.00	1.9%	100.36	112.26
	\$/day	\$ 4,976	\$ 5,272	-5.6%	\$ 18,206	\$ 31,406
CARIBS-USG	WS	79.11	75.00	5.5%	101.96	133.63
	\$/day	\$ 5,245	\$ 4,507	16.4%	\$ 15,513	\$ 37,962
BALTIC-UKC	WS	73.89	93.89	-21.3%	78.45	92.57
	\$/day	\$ 17,074	\$ 29,887	-42.9%	\$ 23,164	\$ 43,406
DPP						
CARIBS-USAC	WS	85.00	82.50	3.0%	109.43	138.77
	\$/day	\$ 13,492	\$ 13,152	2.6%	\$ 23,454	\$ 30,727
ARA-USG	WS	80.94	80.31	0.8%	101.91	122.73
	\$/day	\$ 12,564	\$ 12,897	-2.6%	\$ 24,789	\$ 30,281
SEASIA-AUS	WS	65.63	66.13	-0.8%	99.23	110.54
	\$/day	\$ 7,202	\$ 7,902	-8.9%	\$ 20,989	\$ 35,804
MED-MED	WS	72.50	89.89	-19.3%	93.41	108.70
	\$/day	\$ 4,804	\$ 12,367	-61.2%	\$ 15,970	\$ 35,902
CPP						
MEG-JAPAN	WS	54.69	54.69	0.0%	95.19	105.50
	\$/day	\$ 3,262	\$ 3,778	-13.7%	\$ 16,959	\$ 28,796
CONT-USAC	WS	72.75	74.25	-2.0%	103.99	134.68
	\$/day	\$ 1,834	\$ 2,565	-28.5%	\$ 8,917	\$ 18,755
CARIBS-USAC	WS	85.00	85.00	0.0%	115.73	134.05
	\$/day	\$ 10,000	\$ 10,320	-3.1%	\$ 19,057	\$ 22,099
USG-CONT	WS	52.50	63.21	-16.9%	80.40	96.47
	\$/day	-\$ 1,164	\$ 1,075	-208.3%	\$ 5,320	\$ 12,481

### Tanker Indices



### VLCC Average TCE



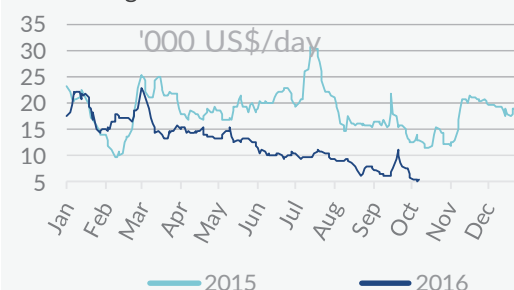
### Suezmax Average TCE



### Aframax Average TCE



### MR Average TCE



# Freight Market

## Period Charter



03<sup>rd</sup> - 07<sup>th</sup> October 2016

### Dry Bulk period market TC rates

	07 Oct	02 Sep	±%	last 5 years		
				Min	Avg	Max
<b>Capesize</b>						
12 months	\$ 9,500	\$ 9,000	5.6%	\$ 6,200	\$ 14,745	\$ 31,450
36 months	\$ 11,000	\$ 11,000	0.0%	\$ 6,950	\$ 15,434	\$ 25,200
<b>Panamax</b>						
12 months	\$ 7,000	\$ 6,500	7.7%	\$ 4,950	\$ 10,313	\$ 18,700
36 months	\$ 7,250	\$ 7,250	0.0%	\$ 6,200	\$ 10,865	\$ 16,700
<b>Supramax</b>						
12 months	\$ 7,000	\$ 7,000	0.0%	\$ 4,450	\$ 10,188	\$ 15,950
36 months	\$ 6,500	\$ 6,500	0.0%	\$ 6,200	\$ 10,465	\$ 15,450
<b>Handysize</b>						
12 months	\$ 6,000	\$ 6,000	0.0%	\$ 4,450	\$ 8,415	\$ 12,950
36 months	\$ 6,000	\$ 5,750	4.3%	\$ 5,450	\$ 8,944	\$ 12,950

### Latest indicative Dry Bulk Period Fixtures

M/V "CERAFINA", 74759 dwt, built 2005, dely Krishnapatnam 11/13 Oct, \$6,000, for 4/7 months trading, to Phaethon

M/V "AKAKI", 84074 dwt, built 2013, dely Paradip early Oct, \$7,000, for 4/7 months trading, to Phaethon

M/V "RED AZALEA", 61299 dwt, built 2014, dely Karachi prompt abt, \$7,500, for 5/7 months trading, to GSS

M/V "ZHOU SHAN HAI", 56987 dwt, built 2009, dely SW Pass 20/25 Oct, 8,900, for 3/5 months trading, to Clipper

M/V "HYDRUS", 56604 dwt, built 2013, dely CJK prompt, \$6,000, for 8/12 months trading, to Cofco

### Tanker period market TC rates

	07 Oct	02 Sep	±%	last 5 years		
				Min	Avg	Max
<b>VLCC</b>						
12 months	\$ 26,500	\$ 27,750	-4.5%	\$ 18,000	\$ 30,147	\$ 57,750
36 months	\$ 27,000	\$ 29,250	-7.7%	\$ 22,000	\$ 31,547	\$ 45,000
<b>Suezmax</b>						
12 months	\$ 21,250	\$ 21,750	-2.3%	\$ 15,250	\$ 23,260	\$ 42,500
36 months	\$ 22,750	\$ 23,250	-2.2%	\$ 17,000	\$ 24,542	\$ 35,000
<b>Aframax</b>						
12 months	\$ 16,000	\$ 18,000	-11.1%	\$ 13,000	\$ 18,145	\$ 30,000
36 months	\$ 17,250	\$ 18,750	-8.0%	\$ 14,750	\$ 19,020	\$ 27,000
<b>MR</b>						
12 months	\$ 12,000	\$ 13,500	-11.1%	\$ 12,000	\$ 14,959	\$ 21,000
36 months	\$ 14,000	\$ 14,500	-3.4%	\$ 14,000	\$ 15,267	\$ 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

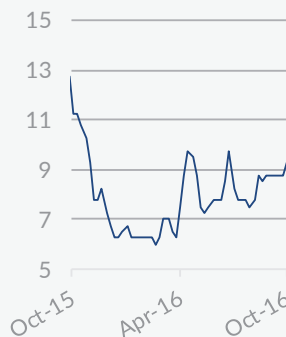
M/T "EMERALD SPIRIT", 110000 dwt, built 2009, \$17,500, for 12/18 months trading, to PBF

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

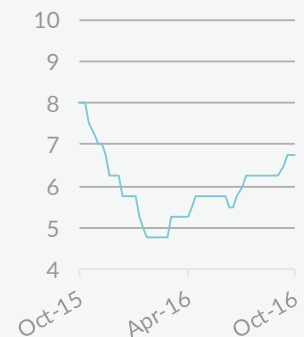
M/T "OMODOS", 50500 dwt, built 2009, \$13,000, for 1 year trading, to LAURIN MARITIME

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

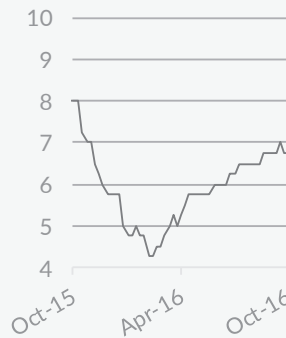
#### Capesize



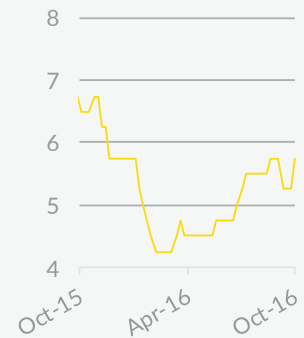
#### Panamax



#### Supramax



#### Handysize

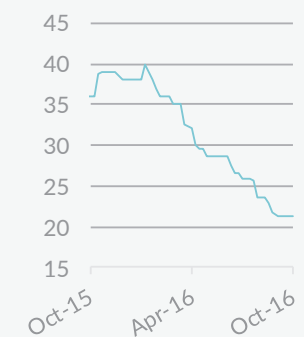


### Tanker 12 month period charter rates (USD '000/day)

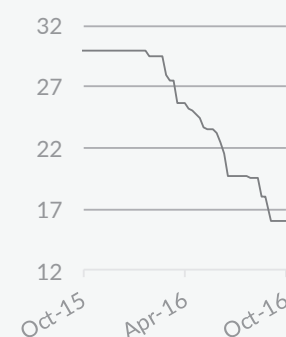
#### VLCC



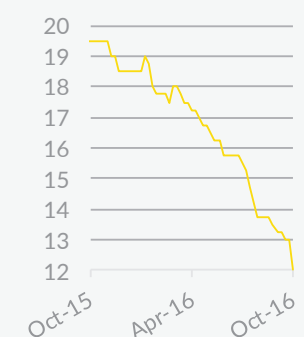
#### Suezmax



#### Aframax



#### MR





# Sale & Purchase

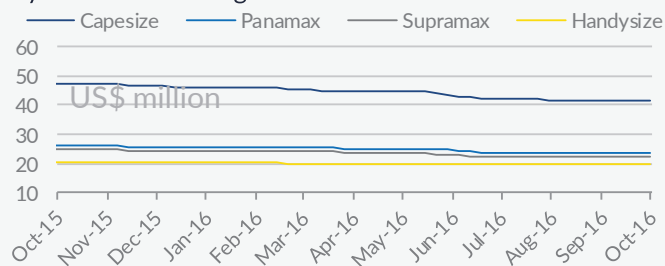
## Newbuilding Orders



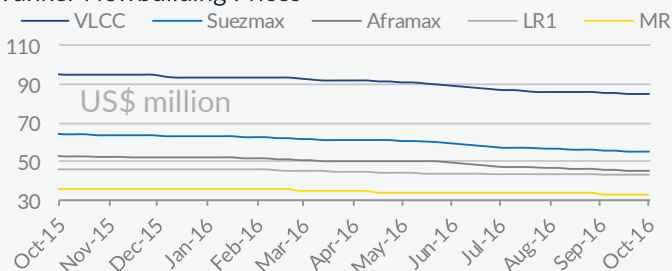
03<sup>rd</sup> - 07<sup>th</sup> October 2016

Troubles continue to surface on the Newbuilding market, with more shipbuilders making announcements of cutting back operations, be it in terms of labor force or as in some cases closure of facilities. As things look now, it looks as though the South Korean major shipbuilders have been hit the worst, having organized operations in such a way that they require a considerably bigger in flow of fresh orders in order to keep their operations in the black. AS things stand now it looks as though even respective governments are starting to slightly turn their back on troubled shipbuilders, something that could lead to a faster pace of consolidation over the coming months. The plain fact of the matter is that the orderbook has tailed off considerably for all vessel types, something that would obviously lead to a lack of requirements for such a large global shipbuilding capacity. Being that it is now looking difficult to lower costs to such a level where prices could really feel attractive to potential buyers in this poor market, we are entering a crucial phase, where those who can squeeze the most amount of efficiency and construction cost will be those who barely survive the storm.

### Dry Bulk Newbuilding Prices



### Tanker Newbuilding Prices



#### Indicative Dry NB Prices (US\$ million)

	07 Oct	02 Sep	±%	last 5 years		
				Min	Avg	Max
<b>Dry Bulk</b>						
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
<b>Container</b>						
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	56.5	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)

	07 Oct	02 Sep	±%	last 5 years		
				Min	Avg	Max
<b>Tankers</b>						
VLCC (300,000dwt)	85.0	86.0	-1.2%	85.0	95.5	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
<b>Gas</b>						
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+2	158,600 dwt	HYUNDAI H.I, S. Korea	\$ 62.0m	EURONAV (UK) - U.K.	2018	

# Sale & Purchase Secondhand Sales



03<sup>rd</sup> - 07<sup>th</sup> October 2016

On the dry bulk side, activity keeps at firm levels, witnessing another round of modern Kamsarmax sales this week, with prices holding overall stable though there is a sense that slight weakening might be in sight now. The market is still mainly driven by small cliques of buyers with each one of these cliques focused on a very particular segment and age group. Elsewhere, we see a slightly different story with lagging buyers interest.

On the tanker side, activity again this week focused on the product tanker ranges, though there is now a feel that buyers are starting to show up for the larger crude carriers once more and more specifically for the large VIs. To what extent this could drive prices moving forward for the large crude carriers, which have seen a notable drop in values over the past couple of months, remains to be seen and will highly depend on sellers attitude.

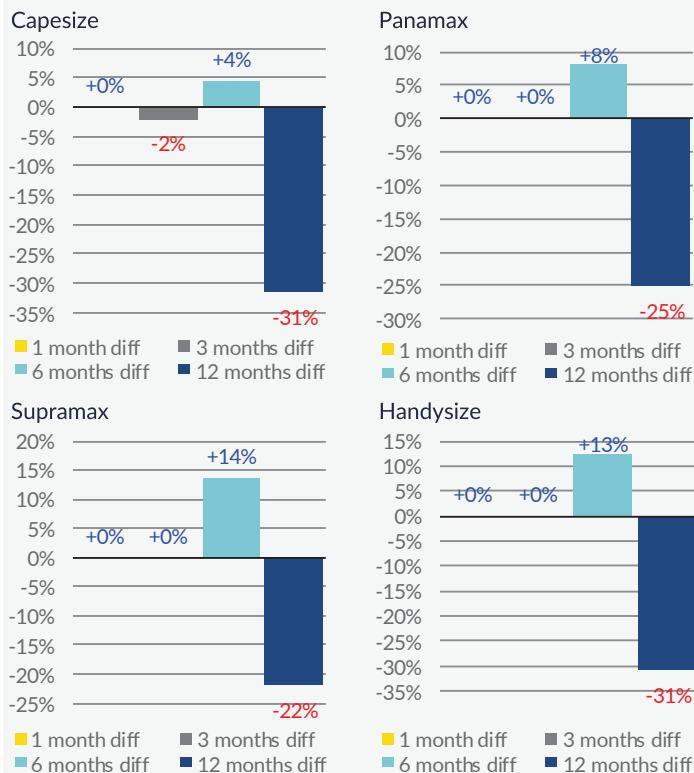
Indicative Dry Bulk Values (US\$ million)

					last 5 years		
					07 Oct	02 Sep	±%
					Min	Avg	Max
<b>Capesize</b>							
180k dwt	Resale	36.0	36.0	0.0%	34.5	47.6	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	14.9	25.0
<b>Panamax</b>							
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	21.6	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
<b>Supramax</b>							
62k dwt	Resale	20.5	20.5	0.0%	19.0	28.1	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
<b>Handysize</b>							
37k dwt	Resale	17.0	17.0	0.0%	17.0	22.7	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	8.4	14.5

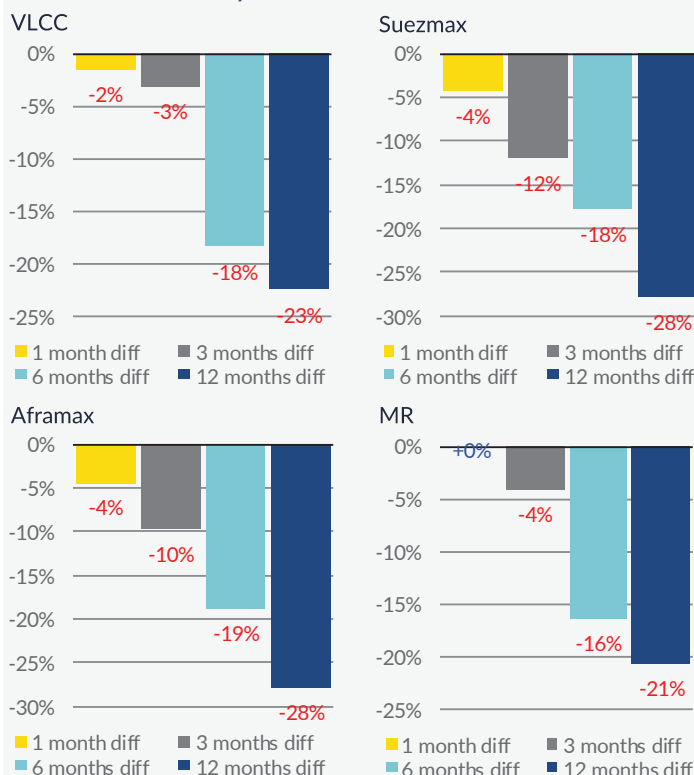
Indicative Tanker Values (US\$ million)

					last 5 years		
					07 Oct	02 Sep	±%
					Min	Avg	Max
<b>VLCC</b>							
310k dwt	Resale	85.0	86.0	-1.2%	80.0	94.8	108.5
310k dwt	5 year old	62.0	63.0	-1.6%	55.0	70.0	87.0
250k dwt	10 year old	41.0	42.0	-2.4%	33.8	46.4	62.0
250k dwt	15 year old	26.0	27.0	-3.7%	16.9	27.6	41.0
<b>Suezmax</b>							
160k dwt	Resale	57.0	59.0	-3.4%	53.0	63.9	73.0
150k dwt	5 year old	44.0	46.0	-4.3%	38.0	50.0	62.0
150k dwt	10 year old	31.5	33.0	-4.5%	24.0	34.1	44.5
150k dwt	15 year old	21.0	23.0	-8.7%	14.0	19.2	23.3
<b>Aframax</b>							
110k dwt	Resale	47.0	49.0	-4.1%	39.0	48.9	57.0
110k dwt	5 year old	32.5	34.0	-4.4%	27.0	36.9	47.5
105k dwt	10 year old	21.0	22.0	-4.5%	16.0	24.0	33.0
105k dwt	15 year old	15.0	16.0	-6.3%	8.0	13.4	18.5
<b>MR</b>							
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	26.7	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



Price movements of 5 year old Tanker assets



# Sale & Purchase Secondhand Sales



03<sup>rd</sup> - 07<sup>th</sup> October 2016

## Tankers

Size	Name	Dwt	Built	Shipbuilder	M/E	Coating	Price	Buyers	Comments
LR1	CLASSY VICTORIA	74,993	2007	ONOMICHI, Japan	MAN-B&W		\$ 18.0m	undisclosed	purchase option declared by M.O.L.
MR	STENA IMAGE	49,719	2015	GUANGZHOU INTERNATIONAL, China	MAN-B&W	EPOXY PHEN	\$ 37.5m	Japanese fund	in conjunction with 8yrs BB, incl. annual purchase option from year 4
MR	NAVIG8 TURMALINE	49,000	2016	STX OFFSHORE & SHBLDG, S. Korea	MAN-B&W	EPOXY PHEN	N/A	Norwegian - Ocean Yield	incl. 12yrs BB to Navig8 with purchase option after 5yrs.
MR	HUGLI SPIRIT	46,889	2005	HYUNDAI MIPO, S. Korea	B&W	EPOXY PHEN	\$ 13.3m	Greek	
MR	THERESA VENUS	39,656	1991	ULJANIK, Yugoslavia	B&W	EPOXY PHEN	\$ 4.7m	Singaporean - Tag Marine	
SMALL	MINITANK SIX	8,102	2007	NOKBONG SHIPBUILDING C, S. Korea	Wartsila	EPOXY PHEN	\$ 8.0m	Italian - Amoretti Armatori	
SMALL	MINITANK FIVE	8,084	2007	NOKBONG SHIPBUILDING C, S. Korea	Wartsila	EPOXY PHEN	\$ 8.0m		

## Bulk Carriers

Size	Name	Dwt	Built	Shipbuilder	M/E	Gear	Price	Buyers	Comments
CAPE	LOWLANDS AUDACITY	181,008	2016	SHANGHAI WAIGAOQIAO, China	MAN-B&W		\$ 33.0m	Greek - Chartworld	Dely Oct '16
CAPE	SAMPAGUITA DREAM	180,694	2014	TSUNEISHI CEBU, Philippines	MAN-B&W		\$ 28.0m	Far Eastern	DD due Feb '17
KMAX	LOG-IN TAMBAQUI	82,834	2012	EISA ILHA, Brazil	Wartsila		\$ 13.0m	Brazilian - Hindrovias do Brasil	ore carrier
KMAX	LOG-IN TUCUNARE	82,834	2015	EISA ILHA, Brazil	Wartsila		\$ 17.8m		orer carrier
KMAX	TEN MARU	82,687	2008	TSUNEISHI ZHOUSHAN HUL, China	MAN-B&W		\$ 11.3m	Norwegian - Blystad	
KMAX	PEDHOULAS CEDRUS	81,600	2016	TSUNEISHI SHBLDG - FKY, Japan	MAN-B&W		\$ 22.5m	Greek - Alassia Newships Management	internal sale
PMAX	KYPROS VICTORY	77,024	2016	SASEBO SASEBO, Japan	MAN-B&W		\$ 21.5m		internal sale
KMAX	CEMTEX SINCERITY	80,531	1999	CHINA SHIPBUILDING KAO, Taiwan	B&W		\$ 3.8m	undisclosed	
PMAX	THEOFANO	76,015	2002	TSUNEISHI, Japan	B&W		\$ 4.5m	Greek	via auction
PMAX	GODAVARI	74,456	2007	HUDONG-ZHONGHUA SHIPBU, China	MAN-B&W		\$ 6.3m	Greek	
SMAX	FANTASY STAR	56,029	2005	MITSUI TAMANO, Japan	MAN-B&W	4 X 30t CRANES	\$ 8.2m	Bangladeshi - Brave Royal	
HMAX	NEW SPIRIT	48,183	2002	OSHIMA SHIPBUILDING, Japan	Sulzer	4 X 30t CRANES	\$ 4.5m	Indonesian	

# Sale & Purchase

## Secondhand Sales



03<sup>rd</sup> - 07<sup>th</sup> October 2016

### Bulk Carriers - continued

Size	Name	Dwt	Built	Shipbuilder	M/E	Gear	Price	Buyers	Comments
HMAX	C. FRIEND	45,675	1996	TSUNEISHI, Japan	B&W	4 X 30t CRANES	\$ 2.6m	undisclosed	
HMAX	KARSIYAKA	45,547	1999	TSUNEISHI, Japan	B&W	4 X 30t CRANES	\$ 3.1m	U.A.E. based - Gulf of Aden Shipping	DD due Nov '16
HANDY	DON MARIANO	37,877	2016	AVIC WEIHAI SHIPYARD C, China	MAN-B&W	4 X 35t CRANES	\$ 13.5m	German - Oldendorff	
HANDY	APELLIS	33,334	2010	ORIENT SHIPYARD - BUSA, S. Korea	MAN-B&W	4 X 30t CRANES	\$ 8.0m	Greek - Interunity Management Maritime	via auction
HANDY	GENCO PIONEER	29,952	1999	OSHIMA SHIPBUILDING, Japan	B&W	4 X 30t CRANES	\$ 2.7m	Egyptian	
HANDY	GENCO SUGAR	29,952	1998	OSHIMA SHIPBUILDING, Japan	B&W	4 X 30t CRANES	\$ 2.5m		

### Containers

Size	Name	TEU	Built	Shipbuilder	M/E	Gear	Price	Buyers	Comments
FEEDER	MSL ADVENTURE	1,060	2005	HAKATA HAKATA, Japan	B&W		\$ 6.5m	S. Korean	

### Gas Carriers

Size	Name	Dwt	Built	Shipbuilder	M/E	CBM	Price	Buyers	Comments
LPG	CHARLOTTE KOSAN	3,857	2003	SHITANOE SHIPBUILDING, Japan	Mitsubishi	3,448	\$ 6.0m	undisclosed	



# Sale & Purchase

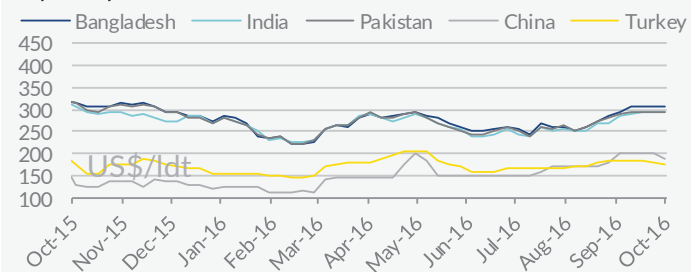
## Demolition Sales



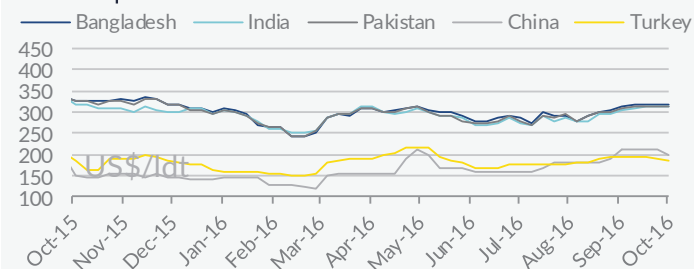
03<sup>rd</sup> - 07<sup>th</sup> October 2016

With the inflow of demo candidates still holding below the average noted in the year so far and with local steel plate prices in the Indian Sub-Continent still showing strength, it has allowed prices to remain perched firm at their new highs and buying appetite to show little sign of being satisfied just yet. There is still a considerable amount of fear amongst some buyers that things are unstable and could easily turn sour any moment, though with prices having managed to hold their ground for a third week, it looks as though there are enough speculators around to keep offering at the going price levels. With uncertainty still rife, it is still higher quality tonnage with higher steel content that achieve the most favorable price levels. There is still however a sense that if we start to see another steep flow of demo candidates towards the final months of the year, a possibility which is quite likely given the new regulations that are being pushed on current tonnage, prices will be put under considerable pressure and could show a fast paced drop closer to the levels seen in early summer.

### Dry Scrap Prices



### Wet Scrap Prices



#### Indicative Dry Prices (\$/Ldt)

	07 Oct	30 Sep	±%	last 5 years		
				Min	Avg	Max
<b>Indian Sub Continent</b>						
Bangladesh	305	305	0.0%	220	393	515
India	295	295	0.0%	225	400	525
Pakistan	295	295	0.0%	220	397	510
<b>Far East Asia</b>						
China	190	200	-5.0%	110	300	455
<b>Mediterranean</b>						
Turkey	175	180	-2.8%	145	246	355

#### Indicative Wet Prices (\$/Ldt)

	07 Oct	30 Sep	±%	last 5 years		
				Min	Avg	Max
<b>Indian Sub Continent</b>						
Bangladesh	320	320	0.0%	245	415	540
India	315	315	0.0%	250	423	550
Pakistan	315	315	0.0%	245	421	525
<b>Far East Asia</b>						
China	200	210	-4.8%	120	317	485
<b>Mediterranean</b>						
Turkey	185	190	-2.6%	150	257	355

#### Reported Transactions

Type	Vessel's Name	Dwt	Built	Country Built	Ldt	US\$/Ldt	Buyer	Sale Comments
Bulker	GASPAR	73,317	1997	S. Korea	10,673	\$ 308/Ldt	Indian	
Cont	APL CYPRINE	64,157	1997	S. Korea	22,614	\$ 281/Ldt	Indian	
Tanker	ZETA	45,550	1988	Japan	8,230	\$ 292/Ldt	Pakistani	
Bulker	NPS ORANA	44,849	1991	Japan	9,094	\$ 299/Ldt	Bangladeshi	woodchip carrier
Cont	BONNY	35,976	2001	Poland	12,655	\$ 306/Ldt	undisclosed	bss 'as is' Hong Kong with bunkers
Cont	APULIA	35,780	2005	Poland	12,851	\$ 315/Ldt	Indian	bss 'as is' Hong Kong, incl. 250yrs bunker ROB
Cont	MICHAELA S	33,976	1997	Germany	10,550	\$ 308/Ldt	Indian	bss 'as is' S'pore
Bulker	SEA AMORE	19,505	1984	Japan	4,330	\$ 277/Ldt	Indian	

# Trade Indicators

## Markets | Currencies | Commodities



03<sup>rd</sup> - 07<sup>th</sup> October 2016

Ridgebury Tankers is carrying out a debt refinancing that will pay off \$180m in Oslo-listed bonds. The Connecticut tanker owner said it will pay investors 101.3% of the outstanding principal on the senior secured bonds.

Chief executive Bob Burke tells TradeWinds that the company is replacing the bonds with lower-cost bank debt. Listed the Oslo Stock Exchange's Nordic ABM bond market, the bonds carry a 7.63% interest rate. "We are grateful to the many investors in this bond who were willing to believe in Ridgebury and support us during a critical phase of our growth," Burke said. "As our first foray into the capital markets, this bond issue was a transformative event for us."

Affiliate Ridgebury Crude Tankers issued \$210m of the bonds in March 2014 to finance its seven suezmax tankers. The company has since paid down \$30m in bond principal and used cash flow from operations to buy three additional ships. Burke said the bonds' structure allowed them to always trade above their initial issue price even during difficult spells in the market. Source: Tradewinds

	07 Oct	02 Sep	±%	last 12 months		
Markets				Min	Avg	Max
10year US Bond	1.74	1.60	8.7%	1.37	1.85	2.34
S&P 500	2,153.7	2,180.0	-1.2%	1,829	2,065	2,190
Nasdaq	5,292.4	5,249.9	0.8%	4,267	4,921	5,340
Dow Jones	18,240.5	18,492.0	-1.4%	15,660	17,607	18,636
FTSE 100	7,044.4	6,894.6	2.2%	5,537	6,325	7,074
FTSE All-Share UK	3,824.8	3,756.4	1.8%	3,047	3,464	3,849
CAC40	4,449.9	4,542.2	-2.0%	3,897	4,463	4,984
Xetra Dax	10,490.9	10,683.8	-1.8%	8,753	10,168	11,382
Nikkei	16,860.1	16,925.7	-0.4%	1,667	17,123	20,012
Hang Seng	23,851.8	23,266.7	2.5%	18,320	21,394	24,100
DJ US Maritime	199.5	175.0	14.0%	150.2	196.5	238.7
Currencies						
\$ per €	1.11	1.12	-0.4%	1.06	1.11	1.16
\$ per £	1.24	1.33	-6.7%	1.24	1.42	1.55
£ per €	0.90	0.84	6.8%	0.70	0.78	0.90
¥ per \$	103.5	103.7	-0.2%	100.0	111.5	123.5
\$ per Au\$	0.76	0.76	0.2%	0.69	0.74	0.78
\$ per NoK	0.12	0.12	2.8%	0.11	0.12	0.13
\$ per SFr	0.98	0.98	0.1%	0.95	0.98	1.03
Yuan per \$	6.67	6.68	-0.1%	6.32	6.54	6.70
Won per \$	1,114.7	1,116.5	-0.2%	1,092.8	1,159.4	1,237.8
\$ INDEX	100.8	99.8	1.0%	97.9	102.1	107.4
Commodities						
Gold \$	1,258.8	1,324.7	-5.0%	1,049.4	1,221.4	1,366.3
Oil WTI \$	49.6	44.4	11.6%	26.9	41.8	51.6
Oil Brent \$	51.7	46.8	10.4%	28.2	43.6	52.7
Palm Oil	562.0	562.0	0.0%	523.5	559.3	564.0
Iron Ore	54.5	58.4	-6.7%	37.0	51.8	68.7
Coal Price Index	79.0	66.0	19.7%	47.3	56.6	79.0
White Sugar	592.1	531.0	11.5%	368.6	465.1	613.5

### Currencies

#### US Dollar per Euro



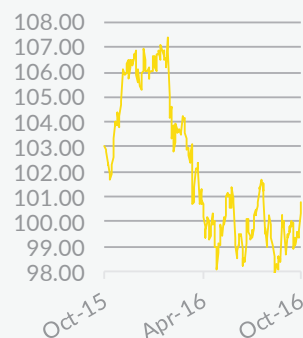
#### Yen per US Dollar



#### Yuan per US Dollar



#### US Dollar INDEX

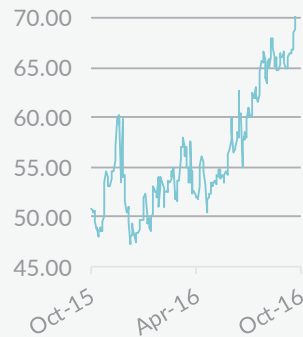


### Commodities

#### Iron Ore (TSI)



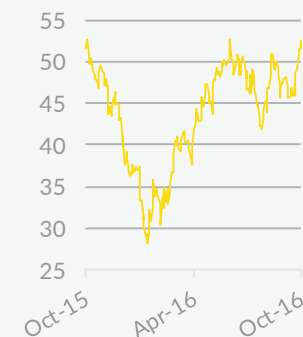
#### Coal Price Index



#### Oil WTI \$



#### Oil Brent \$



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03<sup>rd</sup> - 07<sup>th</sup> October 2016 | Week 40

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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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