

# Weekly Shipping Market Update

24<sup>th</sup> - 28<sup>th</sup> October 2016 | Week 43

## Market Analysis

Media broadcasts have been filled today by the news of the signing of the Comprehensive Economic and Trade Agreement (CETA) between the EU and Canada. The agreement has been seven years in the making and marks one of the biggest trade agreements to be signed in recent years and is only likely to be offset by the ratification of the Trans-Pacific Partnership (TPP) if it manages to go through. The news in part has been hyped much more than the amount the deal will affect international trade and this is for good reason. Going through a period of ever more inward focus populism gaining ground across the world, managing to see a trade deal go through, even of this significance, is a feat in itself. Trade has been under increasing scrutiny, with many upcoming politicians taking on the "easy punches" on globalisation and promising the renegotiation and reversal of trade agreements already in place. In the U.S. one of the two forerunners of the Presidency, namely Trump, has made promise to scrap the current trade agreement that they have with Canada and Mexico, while both forerunners have taken a sceptical view on TPP. This however is nowhere near as scary as the approach Trump takes on the emerging markets, promising to bully his way through in order to secure highly preferential trade agreements for the U.S.

In part, this sort of resentment has been the by-product of practices that we have seen extensively this year and last from the side of China. One of the most prominent of these has been with regards to the "dumping" of "artificially" cheap steel products, which come at a time where the steel industry faces some of its biggest challenges while trying to tackle the extensive glut in supply that has emerged. There has been a lot of wrestling to upkeep market share from all major steel producers worldwide, while aggressive pricing strategies are in effect helping to squeeze out competition. Things of late haven't been so easy however. Despite the continued drop in steel prices and with steel demand growth still holding at a sluggish pace, most steel producers have been faced with an extensive margin squeeze. The recent hike in coking coal and iron ore prices have meant costs have been on the increase of late, while being that the glut in production of steel products continues, prices there have not followed suite. This has been in part the motivation behind China's recent effort to bring about a merger of some of its largest producers (Baosteel and Wuhan, China's no. 2 and no. 6 producers) in order to combat its chronic overcapacity issues, while also allowing for the creation of a much larger global player which would have greater influence on the market as it would be second only to Europe's ArcelorMittal.

Such moves in part make sense from an economic perspective, though it does create some unwanted by-products. During downturns in the global economy, countries become more aggressive in their strategies to support their heavy industries in order to upkeep the trifecta of populism, national prestige, jobs and trade competitiveness. As such it will be many that will continue to see such moves as aggressive and will look to place more protectionist measures in their home countries in order to upkeep their still mills in production. A case can be made as to the populist views that were expressed in the U.K. before the Brexit vote, when a number of steel mills were being sold or on the verge of being sold or shut down completely, with many calling for nationalisation or even a bail out from the government. As easy as populism is to take hold its effects could be devastating and it's very hard to reverse.

George Lazaridis

Head of Market Research & Asset Valuations



## Week in numbers

### Dry Bulk Freight Market

	28 Oct		W-O-W change	
			±Δ	±%
BDI	834		▼ -8	-1.0%
BCI	1,417		▼ -158	-10.0%
BPI	913		▼ -2	-0.2%
BSI	722		▲ 22	3.1%
BHSI	433		▲ 6	1.4%

### Tanker Freight Market

	28 Oct		W-O-W change	
			±Δ	±%
BDTI	660		▼ -31	-4.5%
BCTI	423		▼ -5	-1.2%

### Newbuilding Market

Aggregate Price Index	28 Oct		M-O-M change	
			±Δ	±%
Bulkers	73		0	0.0%
Cont	97		0	0.0%
Tankers	91		0	0.0%
Gas	96		0	0.0%

### Secondhand Market

Aggregate Price Index	28 Oct		M-O-M change	
			±Δ	±%
Capesize	39		0	0.0%
Panamax	37		▲ 0	0.7%
Supramax	42		▲ 1	2.7%
Handysize	43		0	0.0%
VLCC	82		▼ -2	-2.3%
Suezmax	79		▼ -3	-4.1%
Aframax	93		▼ -4	-4.2%
MR	104		0	-0.4%

### Demolition Market

Avg Price Index (main 5 regions)	28 Oct		W-O-W change	
			±Δ	±%
Dry	257		▲ 2	0.8%
Wet	272		▲ 2	0.7%

### Economic Indicators

	28 Oct		M-O-M change	
			±Δ	±%
Gold \$	1,273		▼ -66	-4.9%
Oil WTI \$	49		▲ 4	9.5%
Oil Brent \$	50		▲ 4	8.3%
Iron Ore	62		▲ 6	10.7%
Coal	86		▲ 18	25.5%

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**We deliver.**

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# Freight Market

## Dry Bulkers - Spot Market

24<sup>th</sup> - 28<sup>th</sup> October 2016

**Capesize** - A very sluggish start to the week, with rates dropping considerably as all optimism seems to have evaporated over the weekend. Things seemed to have been holding slightly better during the later part of the week, with minimal changes being noted and position lists holding fairly well comparably to what was being seen during Monday and Tuesday. Both basins were seemingly suffering on an equal basis, though it was the Atlantic that noted slightly bigger losses this week.

**Panamax** - A fair amount of sideways shifting in rates, with most owners taking a cautious outlook with regards to the prospects being seen for the next couple of days. The Atlantic was holding slightly better but with minimal activity being seen it looks as though support here might be dropping. In the East it looked as though things would be holding positive, however during the end of the week we started to note a downward trend that could amplify further over the coming days.

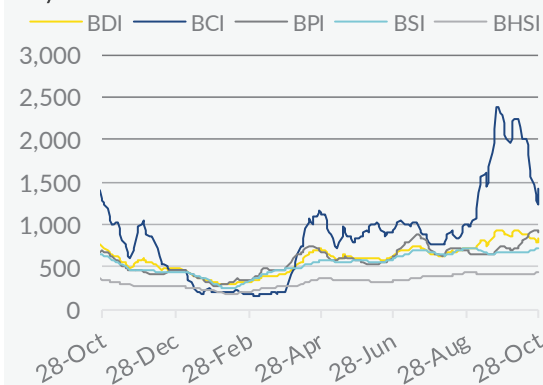
**Supramax** - A fair run this week, with activity in the Atlantic helping keep things busy overall. The US Gulf and parts of South America were seeing a fair amount of interest helping keep things clear in terms of position lists there. In the Pacific we noted a slip in inquiries, which left owners with little support and with rates noting a slight downward correction.

**Handysize** - A fairly flat week in the Pacific with slight corrections being seen for both the Transpacific and Far East routes. The Atlantic helped cover the difference however, with ample interest being seen in the North Atlantic and parts of the Black Sea/Med, while it may allow for improved confidence moving forward.

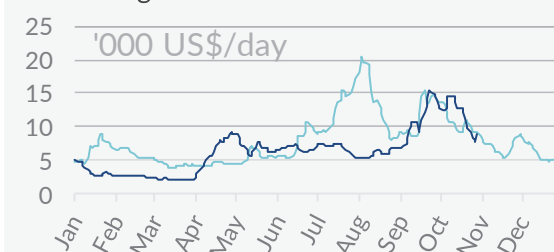
### Spot market rates & indices

				Average	
		28 Oct	21 Oct	±%	
Baltic Dry Index					
BDI		834	842	-1.0%	599
Capesize					
BCI		1,417	1,575	-10.0%	866
BCI 5TC		\$ 9,056	\$ 9,659	-6.2%	\$ 6,391
ATLANTIC RV		\$ 9,045	\$ 9,950	-9.1%	\$ 6,240
Cont / FEast		\$ 16,104	\$ 16,118	-0.1%	\$ 12,624
PACIFIC RV		\$ 8,523	\$ 9,333	-8.7%	\$ 6,201
FEast / ECSA		\$ 8,708	\$ 8,727	-0.2%	\$ 6,569
Panamax					
BPI		913	915	-0.2%	596
BPI - TCA		\$ 7,303	\$ 7,324	-0.3%	\$ 4,768
ATLANTIC RV		\$ 8,455	\$ 8,009	5.6%	\$ 4,809
Cont / FEast		\$ 12,014	\$ 12,218	-1.7%	\$ 8,839
PACIFIC RV		\$ 7,232	\$ 7,600	-4.8%	\$ 4,695
FEast / Cont		\$ 1,510	\$ 1,470	2.7%	\$ 730
Supramax					
BSI		722	700	3.1%	548
BSI - TCA		\$ 7,553	\$ 7,320	3.2%	\$ 5,732
Cont / FEast		\$ 10,517	\$ 10,217	2.9%	\$ 8,906
Med / FEast		\$ 12,029	\$ 11,761	2.3%	\$ 8,679
PACIFIC RV		\$ 6,158	\$ 6,188	-0.5%	\$ 5,100
FEast / Cont		\$ 4,510	\$ 4,514	-0.1%	\$ 3,107
USG / Skaw		\$ 11,225	\$ 9,725	15.4%	\$ 8,395
Skaw / USG		\$ 5,318	\$ 5,454	-2.5%	\$ 3,460
Handysize					
BHSI		433	427	1.4%	331
BHSI - TCA		\$ 6,310	\$ 6,221	1.4%	\$ 4,812
Skaw / Rio		\$ 5,555	\$ 5,440	2.1%	\$ 4,034
Skaw / Boston		\$ 5,454	\$ 5,392	1.1%	\$ 4,293
Rio / Skaw		\$ 7,489	\$ 7,083	5.7%	\$ 5,942
USG / Skaw		\$ 7,318	\$ 6,814	7.4%	\$ 6,079
SEAsia / Aus / Jap		\$ 5,882	\$ 6,000	-2.0%	\$ 4,093
PACIFIC RV		\$ 6,450	\$ 6,521	-1.1%	\$ 4,979

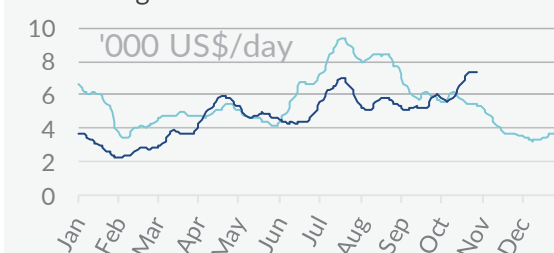
### Dry Bulk Indices



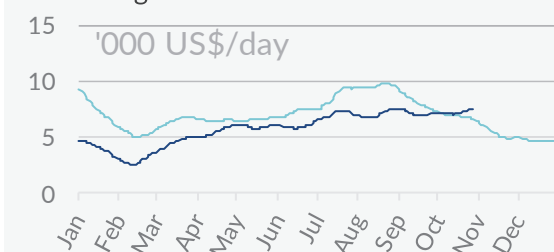
### BCI Average TCE



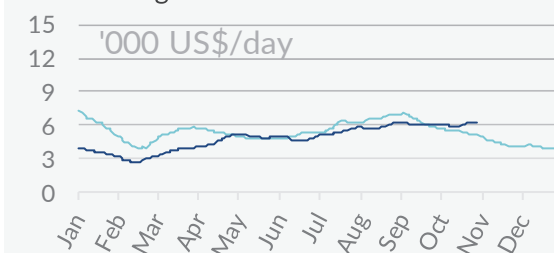
### BPI Average TCE



### BSI Average TCE



### BHSI Average TCE



— 2015 — 2016

# Freight Market

## Tankers - Spot Market

24<sup>th</sup> - 28<sup>th</sup> October 2016

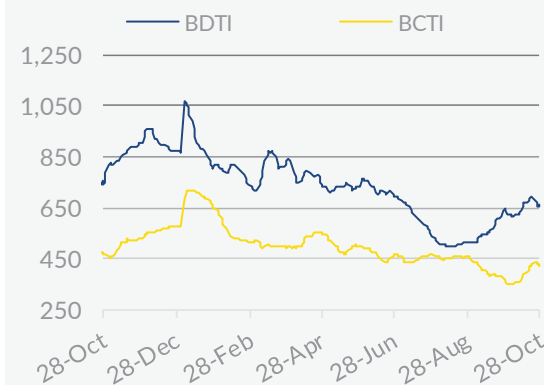
**Crude Oil Carriers** - Despite signs being noted over the past couple of weeks of some renewed support emerging in the market, things turned sour again this week with rates dropping on the majority of crude oil routes. Suezmaxes were seeing the brunt of this, with rates slipping considerably in both the WAF and Black Sea/Med regions. VLs were closely following with limited fresh interest being seen out of the MEG for both directions. Aframax overall were in equal pain due to the swollen tonnage lists in most regions, though the Caribs managed to become the exception thanks to a healthy flow of inquiries early on in the week, which kept tonnage busy and rates buoyant for now.

**Oil Products** - Not a very good week for product tankers either, with rates dropping overall as fresh inquiries were fewer in number while tonnage continued to pile on. The North Atlantic was the only region to hold some sort of buoyancy for both CPP and DPP cargoes, while it now looks like even this might fall into the red over the coming days.

### Spot market rates & indices

		28 Oct	21 Oct	±%	Average	
					2016	2015
<b>Baltic Tanker Indices</b>						
BDTI		660	691	-4.5%	708	820
BCTI		423	428	-1.2%	492	637
<b>VLCC</b>						
MEG-USG	WS	36.92	39.08	-5.5%	33.77	36.36
	\$/day	\$ 16,783	\$ 18,984	-11.6%	\$ 17,479	\$ 31,968
MEG-SPORE	WS	60.77	66.81	-9.0%	57.20	64.43
	\$/day	\$ 54,321	\$ 57,546	-5.6%	\$ 52,317	\$ 61,629
MEG-JAPAN	WS	59.35	65.38	-9.2%	55.80	63.09
	\$/day	\$ 39,164	\$ 44,961	-12.9%	\$ 39,935	\$ 68,288
WAF-USG	WS	65.00	67.00	-3.0%	63.06	72.72
	\$/day	\$ 78,328	\$ 80,999	-3.3%	\$ 79,563	\$ 76,589
<b>SUEZMAX</b>						
WAF-USAC	WS	55.00	65.00	-15.4%	69.23	81.13
	\$/day	\$ 26,731	\$ 34,030	-21.4%	\$ 40,403	\$ 46,404
BSEA-MED	WS	79.40	88.50	-10.3%	80.71	91.34
	\$/day	\$ 19,295	\$ 24,913	-22.6%	\$ 23,443	\$ 46,346
<b>AFRAMAX</b>						
NSEA-CONT	WS	93.61	98.89	-5.3%	101.31	111.01
	\$/day	\$ 16,960	\$ 21,281	-20.3%	\$ 21,316	\$ 37,053
MEG-SPORE	WS	94.89	97.78	-3.0%	99.41	112.26
	\$/day	\$ 13,089	\$ 13,783	-5.0%	\$ 17,679	\$ 31,406
CARIBS-USG	WS	111.39	97.22	14.6%	101.87	133.63
	\$/day	\$ 15,836	\$ 10,945	44.7%	\$ 15,282	\$ 37,962
BALTIC-UKC	WS	68.61	75.00	-8.5%	78.00	92.57
	\$/day	\$ 14,299	\$ 17,967	-20.4%	\$ 22,673	\$ 43,406
<b>DPP</b>						
CARIBS-USAC	WS	107.50	110.00	-2.3%	108.91	138.77
	\$/day	\$ 20,566	\$ 21,204	-3.0%	\$ 23,131	\$ 30,727
ARA-USG	WS	82.50	82.50	0.0%	100.47	122.73
	\$/day	\$ 14,253	\$ 14,143	0.8%	\$ 24,620	\$ 30,281
SEASIA-AUS	WS	93.25	98.75	-5.6%	98.42	110.54
	\$/day	\$ 16,120	\$ 17,820	-9.5%	\$ 20,515	\$ 35,804
MED-MED	WS	68.33	76.72	-10.9%	91.73	108.70
	\$/day	\$ 3,340	\$ 6,629	-49.6%	\$ 15,113	\$ 35,902
<b>CPP</b>						
MEG-JAPAN	WS	84.38	89.06	-5.3%	94.08	105.50
	\$/day	\$ 11,136	\$ 12,276	-9.3%	\$ 16,452	\$ 28,796
CONT-USAC	WS	88.75	85.75	3.5%	102.50	134.68
	\$/day	\$ 4,619	\$ 4,020	14.9%	\$ 8,538	\$ 18,755
CARIBS-USAC	WS	95.00	95.00	0.0%	113.76	134.05
	\$/day	\$ 12,345	\$ 12,229	0.9%	\$ 18,459	\$ 22,099
USG-CONT	WS	67.19	67.86	-1.0%	78.85	96.47
	\$/day	\$ 1,332	\$ 1,336	-0.3%	\$ 4,931	\$ 12,481

### Tanker Indices



### VLCC Average TCE



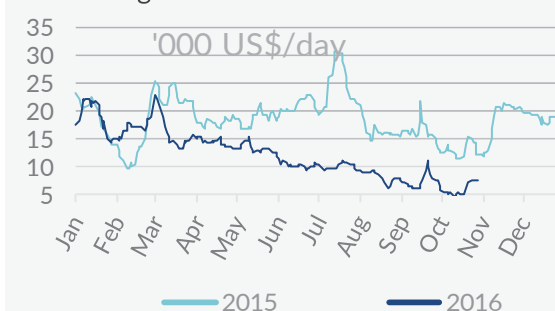
### Suezmax Average TCE



### Aframax Average TCE



### MR Average TCE



# Freight Market Period Charter



24<sup>th</sup> - 28<sup>th</sup> October 2016

## Dry Bulk period market TC rates

	28 Oct	23 Sep	±%	last 5 years		
				Min	Avg	Max
<b>Capesize</b>						
12 months	\$ 9,500	\$ 9,000	5.6%	\$ 6,200	\$ 14,693	\$ 31,450
36 months	\$ 11,000	\$ 11,000	0.0%	\$ 6,950	\$ 15,390	\$ 25,200
<b>Panamax</b>						
12 months	\$ 7,500	\$ 7,000	7.1%	\$ 4,950	\$ 10,283	\$ 18,700
36 months	\$ 7,750	\$ 7,500	3.3%	\$ 6,200	\$ 10,832	\$ 16,700
<b>Supramax</b>						
12 months	\$ 7,000	\$ 7,250	-3.4%	\$ 4,450	\$ 10,156	\$ 15,950
36 months	\$ 7,250	\$ 6,500	11.5%	\$ 6,200	\$ 10,429	\$ 15,450
<b>Handysize</b>						
12 months	\$ 6,250	\$ 5,500	13.6%	\$ 4,450	\$ 8,391	\$ 12,950
36 months	\$ 6,250	\$ 5,750	8.7%	\$ 5,450	\$ 8,915	\$ 12,950

## Latest indicative Dry Bulk Period Fixtures

M/V "ABY SCARLETT", 175858 dwt, built 2014, dely Rugao 27/28 Oct, \$8,500, for 12/16 months trading, to Koch Carbon

M/V "SBI REGGAE", 81214 dwt, built 2015, dely retro Gibraltar 22 Oct, \$9,500, for 5/7 months trading, to Chart Not Rep

M/V "LORD BYRON", 76838 dwt, built 2005, dely passing Cape of Good Hope end October, \$7,400, for 4/7 months trading, 240,000 bb, to Ausca

M/V "TIGER SHANXI", 63415 dwt, built 2015, dely Ex yard Shanghai mid Nov, 7,300, for about 12 months trading, to Chart Not Rep

M/V "SKALA", 33628 dwt, built 2012, dely Cape Matapan prompt, \$7,000, for 3/5 months trading, to Thorco Bulk

## Tanker period market TC rates

	28 Oct	23 Sep	±%	last 5 years		
				Min	Avg	Max
<b>VLCC</b>						
12 months	\$ 30,250	\$ 26,500	14.2%	\$ 18,000	\$ 30,132	\$ 57,750
36 months	\$ 28,000	\$ 27,000	3.7%	\$ 22,000	\$ 31,508	\$ 45,000
<b>Suezmax</b>						
12 months	\$ 22,250	\$ 21,250	4.7%	\$ 15,250	\$ 23,247	\$ 42,500
36 months	\$ 22,750	\$ 22,750	0.0%	\$ 17,000	\$ 24,524	\$ 35,000
<b>Aframax</b>						
12 months	\$ 17,250	\$ 16,000	7.8%	\$ 13,000	\$ 18,127	\$ 30,000
36 months	\$ 17,250	\$ 17,750	-2.8%	\$ 14,750	\$ 19,002	\$ 27,000
<b>MR</b>						
12 months	\$ 12,250	\$ 13,000	-5.8%	\$ 12,000	\$ 14,931	\$ 21,000
36 months	\$ 14,000	\$ 14,250	-1.8%	\$ 14,000	\$ 15,254	\$ 18,250

## Latest indicative Tanker Period Fixtures

M/T "NEW DIAMOND", 300000 dwt, built 2000, \$31,500, for 6 months trading, to ENI

M/T "SRI VISHNU", 153000 dwt, built 2000, \$18,700, for 2 years trading, to BPCL

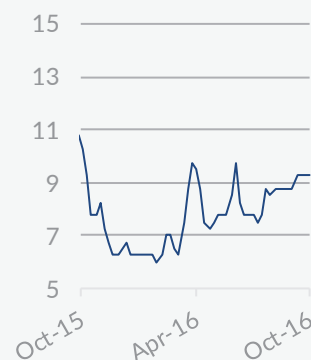
M/T "ASTRO SCULPTOR", 105000 dwt, built 2003, \$17,000, for 1 year trading, to TEEKAY

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

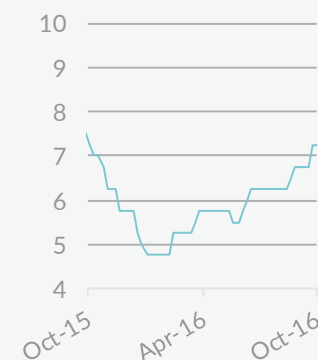
M/T "AXEL", 50000 dwt, built 2010, \$13,000, for 2 years trading, to ASAHI TANKER

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

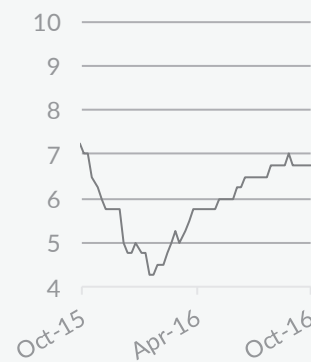
### Capesize



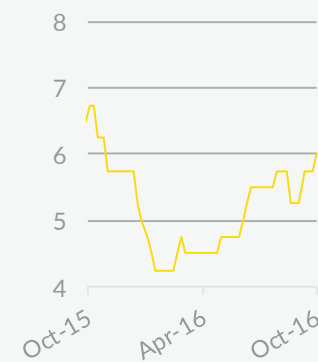
### Panamax



### Supramax



### Handysize

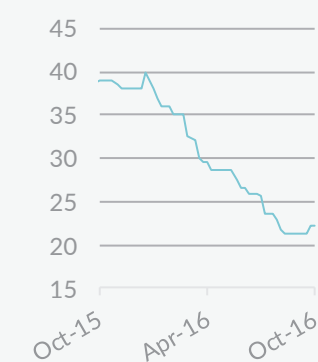


## Tanker 12 month period charter rates (USD '000/day)

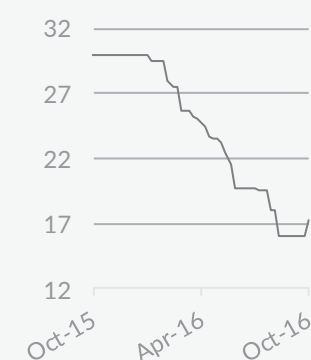
### VLCC



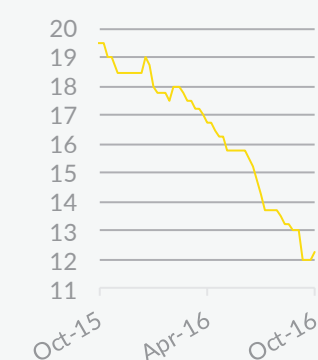
### Suezmax



### Aframax



### MR





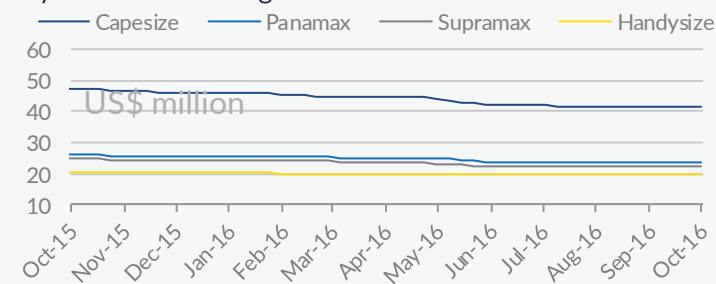
# Sale & Purchase Newbuilding Orders



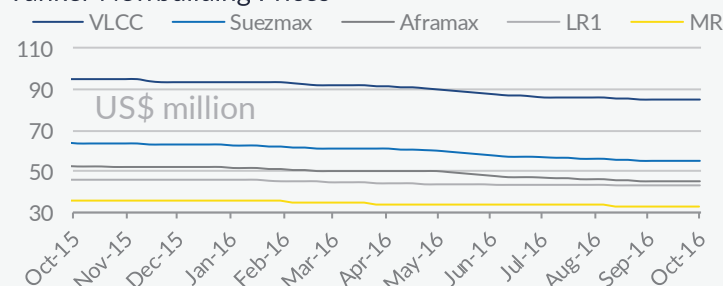
24<sup>th</sup> - 28<sup>th</sup> October 2016

A slightly more active week in terms of new orders was noted, with a good influx being seen on the tanker sector. Focus seemed to be mainly for the product tankers though there was a slight trickle of crude oil carriers coming to light as well. Prices seem to still be holding at their recent lows and this has definitely played its part in keeping interest alive even if barely. What is more of interest is the fact that the majority of orders this week, despite being for tankers which are a sector which S. Korean yards have significantly greater expertise, were secured by Chinese shipbuilders. Given that their financial state is holding up much better than their S. Korean counterparts, they are in a better position to provide a complete package (finance structure and all) to potential buyers that is much more appealing. This is likely going to continue to be the case moving forward, with the Chinese "edge" likely to allow shipbuilders there to survive the storm in greater numbers than those in S. Korea.

## Dry Bulk Newbuilding Prices



## Tanker Newbuilding Prices



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

	28 Oct	23 Sep	±%	last 5 years		
				Min	Avg	Max
<b>Dry Bulkers</b>						
Capesize (180,000dwt)	41.8	41.8	0.0%	41.8	49.6	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	22.1	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	32.6	41.0
Feeder (1,700teu)	23.0	23.0	0.0%	21.5	25.2	29.4

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

	28 Oct	23 Sep	±%	last 5 years		
				Min	Avg	Max
<b>Tankers</b>						
VLCC (300,000dwt)	85.0	85.0	0.0%	85.0	95.4	104.0
Suezmax (160,000dwt)	55.0	55.0	0.0%	55.0	61.1	66.0
Aframax (115,000dwt)	45.0	45.0	0.0%	45.0	51.4	56.0
LR1 (75,000dwt)	43.0	43.0	0.0%	40.5	43.9	47.0
MR (56,000dwt)	33.0	33.0	0.0%	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	3	157,000 dwt	SAMSUNG H.I., S. Korea	\$ 56.7m	NORDIC AMERICAN TANKER - U. S. A.	2018	
TANKER	6+6	115,000 dwt	DALIAN SHIPBUILDING, China	\$ 42.0m	MAERSK - Denmark	2018-2019	subj. to Maersk's BOD approval which to be lifted early 2017
TANKER	2+2	113,000 dwt	NEW TIMES, China	\$ 41.0m	BIHAR INTERNATIONAL - Saudi Arabia	2018	
TANKER	2+2	55,000 dwt	NEW TIMES, China	\$ 35.0m	BIHAR INTERNATIONAL - Saudi Arabia	2018	18 tanks 2 SUS tanks
TANKER	4+2	50,000 dwt	WUCHANG, China	N/A	GULF NAVIGATION - U. A. E.	2018	

# Sale & Purchase Secondhand Sales

24<sup>th</sup> - 28<sup>th</sup> October 2016

On the dry bulk side, activity continues to hold firm with Panamaxs taking the lion share this week, while prices are still holding their levels for now. Interest is still relatively subdued compared to what it was during the 2nd quarter, with the number of buyers inspecting each sales candidate that comes to market numbering almost half compared to what they were back then. This in part has been pivotal in keeping prices stable, though as things stand now it doesn't seem as though it will take much for competition to heat up once more.

On the tanker side, activity is still holding limited in number, with the large majority still focusing on the product tankers range. Nevertheless the modern Suezmax market broke its silence this week, with the sale of a 4 year old Stena unit being the first sale in over 5 months to be concluded for a vessel aged less than 10 years.

## Indicative Dry Bulk Values (US\$ million)

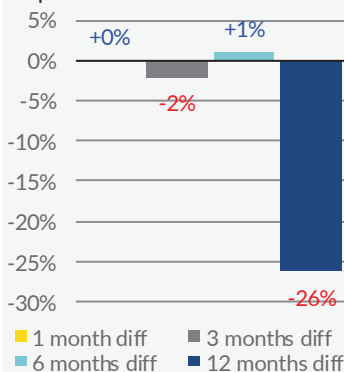
Indicative Dry Bulk Values (US\$ million)					last 5 years		
		28 Oct	23 Sep	±%	Min	Avg	Max
Capesize							
180k dwt	Resale	36.0	36.0	0.0%	34.5	47.5	65.0
170k dwt	5 year old	24.0	24.0	0.0%	23.0	36.3	53.0
170k dwt	10 year old	14.0	14.0	0.0%	12.0	24.7	39.0
150k dwt	15 year old	8.0	8.0	0.0%	6.5	14.9	25.0
Panamax							
82k dwt	Resale	24.5	24.5	0.0%	22.5	30.3	43.0
76k dwt	5 year old	13.5	13.5	0.0%	11.5	21.5	36.8
76k dwt	10 year old	8.0	8.0	0.0%	7.3	15.8	29.3
74k dwt	15 year old	4.8	4.5	5.6%	3.5	10.3	22.0
Supramax							
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	20.7	30.5
52k dwt	10 year old	8.5	8.5	0.0%	6.0	14.9	24.3
52k dwt	15 year old	4.8	4.0	18.8%	3.5	9.8	19.0
Handysize							
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	16.8	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)

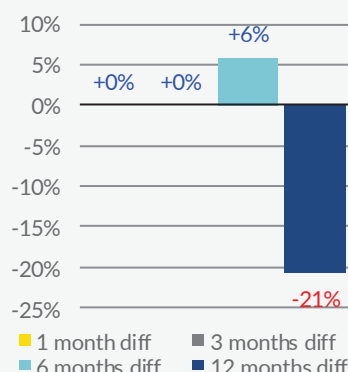
Indicative Tanker Values (US\$ million)					last 5 years		
		28 Oct	23 Sep	±%	Min	Avg	Max
VLCC							
310k dwt	Resale	85.0	86.0	-1.2%	80.0	94.7	108.5
310k dwt	5 year old	62.0	63.0	-1.6%	55.0	69.9	87.0
250k dwt	10 year old	41.0	42.0	-2.4%	33.8	46.3	62.0
250k dwt	15 year old	26.0	27.0	-3.7%	16.9	27.6	41.0
Suezmax							
160k dwt	Resale	57.0	58.0	-1.7%	53.0	63.8	73.0
150k dwt	5 year old	44.0	45.0	-2.2%	38.0	49.9	62.0
150k dwt	10 year old	31.5	32.5	-3.1%	24.0	34.1	44.5
150k dwt	15 year old	21.0	23.0	-8.7%	14.0	19.2	23.3
Aframax							
110k dwt	Resale	47.0	48.0	-2.1%	39.0	48.9	57.0
110k dwt	5 year old	32.5	33.5	-3.0%	27.0	36.8	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
MR							
52k dwt	Resale	33.5	34.0	-1.5%	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

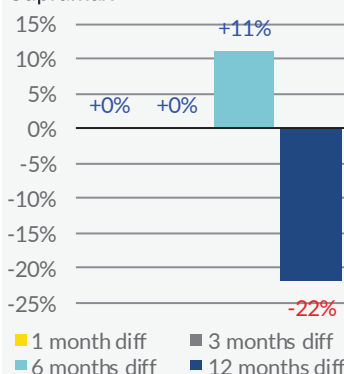
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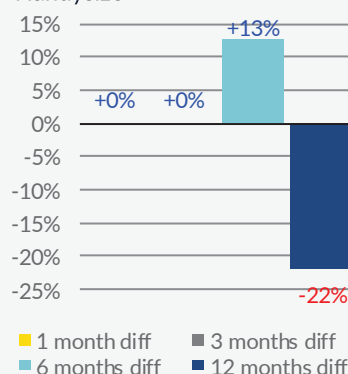
### Panamax



### Supramax

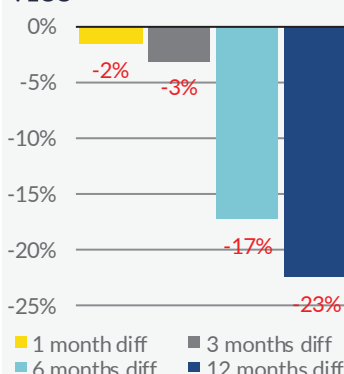


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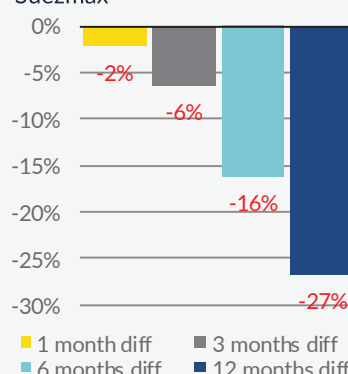


## Price movements of 5 year old Tanker assets

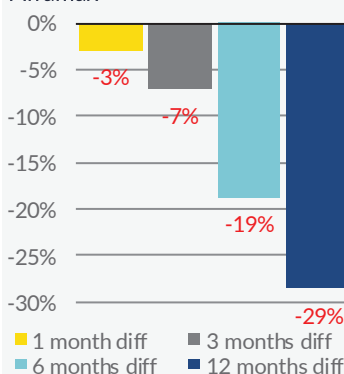
### VLCC



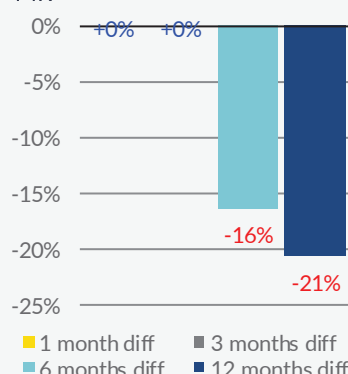
### Suezmax



### Aframax



### MR



# Sale & Purchase Secondhand Sales



24<sup>th</sup> - 28<sup>th</sup> October 2016

Tankers									
Size	Name	Dwt	Built	Shipbuilder	M/E	Coating	Price	Buyers	Comments
SUEZ	STENA SUPREME	159,031	2012	SAMSUNG HEAVY, S. Korea	MAN-B&W		N/A	Japanese	incl. 12 TC back
LR1	COMPASSION	72,782	2006	DALIAN SHBLDG IND - NO, China	MAN-B&W		N/A	Chinese - China Bank of Communication	incl. 7yrs BB back
LR1	COMPASS	72,768	2006	DALIAN SHBLDG IND - NO, China	MAN-B&W		N/A		incl. 7yrs BB back
MR	PACIFIC MARCHIONESS	46,710	2010	HYUNDAI MIPO, S. Korea	MAN-B&W	EPOXY PHEN	\$ 19.75m	Greek - Product Shipping & Trading	deepwell pumps
MR	PACIFIC DUCHESS	46,697	2009	HYUNDAI MIPO, S. Korea	MAN-B&W	EPOXY PHEN	\$ 18.25m		deepwell pumps
Bulk Carriers									
Size	Name	Dwt	Built	Shipbuilder	M/E	Gear	Price	Buyers	Comments
VLOC	GAIA PEGASUS	229,186	2004	NAMURA IMARI, Japan	Mitsubishi		\$ 13.25m	Greek - Samos Steamship	
CAPE	HANJIN CAPE LAMBERT	179,147	2009	HYUNDAI HEAVY INDUSTRI, S. Korea	MAN-B&W		\$ 18.85m	Indian - Great Eastern Shipping	
KMAX	BAROCK	82,688	2007	TSUNEISHI HOLDINGS - F, Japan	MAN-B&W		\$ 10.6m	Greek	
KMAX	ABYO OPRAH	82,551	2006	TSUNEISHI CORP TADOTSU, Japan	MAN-B&W		\$ 9.2m	Greek	SS/DD passed
KMAX	BAVANG	82,028	2016	JIANGSU NEW YANGZIJIAN, China	MAN-B&W		\$ 19.0m	Indian - Chellship	
PMAX	SHIN YO	76,863	2006	SASEBO SASEBO, Japan	MAN-B&W		\$ 8.2m	Turkish - Zihni	
PMAX	NEW COMMAND	76,662	2002	IMABARI MARUGAME, Japan	B&W		\$ 5.0m	Chinese	SS/DD due Jan '17
PMAX	PAN UNO	75,955	2001	KANASASHI HEAVY TOYOKA, Japan	MAN-B&W		\$ 4.6m	Chinese	SS/DD passed
PMAX	SONOMA	74,786	2001	HUDONG-ZHONGHUA SHIPBU, China	MAN-B&W		\$ 4.25m	European	
PMAX	GENCO LEADER	73,941	1999	OSHIMA SHIPBUILDING, Japan	Sulzer		\$ 3.5m	Chinese	
SMAX	PEARL HALO	58,096	2010	TSUNEISHI CEBU, Philippines	MAN-B&W	4 X 30t CRANES	\$ 12.0m	Singaporean - BW Group	
SMAX	CS DAISY	56,971	2010	ZHEJIANG ZHENGHE SHIPB, China	MAN-B&W	4 X 36t CRANES	\$ 7.0m	undisclosed	
HMAX	STELVIO	48,549	2007	MURORAN DOCK, Japan	Mitsubishi	4 X 30t CRANES	\$ 7.5m	undisclosed	
HANDY	RAINBOW HARMONY	35,106	2009	ZHEJIANG HEXING SHIPYA, China	MAN-B&W	4 X 30t CRANES	\$ 9.0m	Greek	
HANDY	RAINBOW LUCKY	33,478	2010	QIDONG DAODA HEAVY IND, China	Wartsila	4 X 30t CRANES	\$ 9.0m		
HANDY	MARATHA PREMIER	34,930	2016	MURORAN DOCK, Japan	Mitsubishi	4 X 30t CRANES	\$ 16.5m	Greek	ECO, Tier III

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# Sale & Purchase Secondhand Sales



24<sup>th</sup> - 28<sup>th</sup> October 2016

## Bulk Carriers - continued

Size	Name	Dwt	Built	Shipbuilder	M/E	Gear	Price	Buyers	Comments
HANDY	EXELIXIS	29,926	1997	SEMBAWANG BETHLEHEM, Singapore	B&W	4 X 25t CRANES	\$ 2.6m	undisclosed	Cold Lay-up In Piraeus
HANDY	HO XIN	24,823	2007	KURINOURA YAWATAHAMA, Japan	MAN-B&W	4 X 30t CRANES	\$ 4.5m	undisclosed	

## Gen. Cargo

Type	Name	Dwt	Built	Shipbuilder	M/E	Gear	Price	Buyers	Comments
General Cargo	EVA MARIA MULLER	3,750	1998	SLOVENSKE, Slovakia	Deutz		\$ 1.5m	undisclosed	

## Containers

Size	Name	TEU	Built	Shipbuilder	M/E	Gear	Price	Buyers	Comments
FEEDER	NINGPO	1,730	1997	SZCZECINSKA STOCZNIA S, Poland	Sulzer	3 X 40t CRANES	\$ 2.6m	U. A. E. Based - Orient Express Lines	
FEEDER	CONESTE	862	2003	DAEWOO- MANGALIA, Romania	MaK	2 X 45t CRANES	\$ 4.3m	undisclosed	

## Gas Carriers

Size	Name	Dwt	Built	Shipbuilder	M/E	CBM	Price	Buyers	Comments
LPG	AZERI GAS	7,155	2002	WATANABE HAKATA, Japan	B&W	7,389	\$ 8.5m	Azerbaijan - Socar	

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# Sale & Purchase

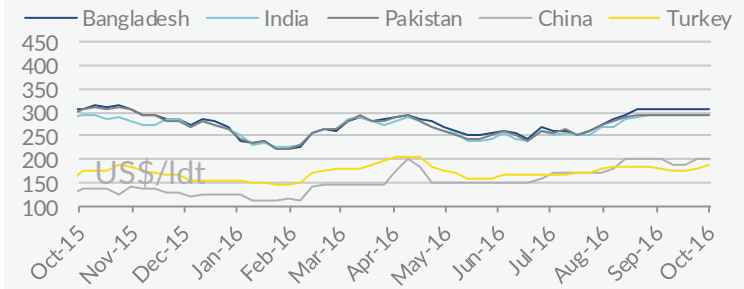
## Demolition Sales



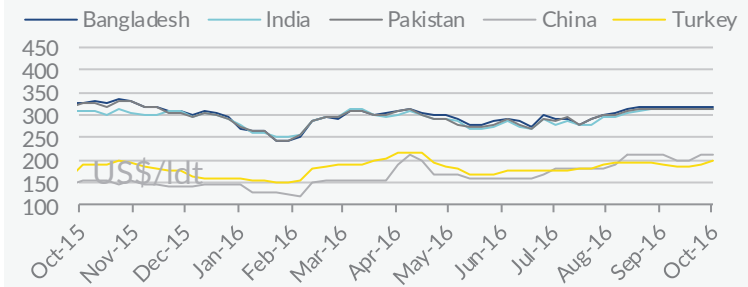
24<sup>th</sup> - 28<sup>th</sup> October 2016

Despite prices still holding fairly well again this week, it seems that something is stirring under the surface. The main weakness in fundamentals (including the drop in local steel plate prices) has yet to surface in the market, though it seems as though many Indian end buyers have retreated slightly and are not showing a whole lot of interest until things settle down. Despite this, it looks as though this will have minimal effect, as both Bangladesh and Pakistan continue to hold firm on their appetite and are keeping price levels firm especially for higher spec tonnage. In part things have been helped by the slowish inflow of demo candidates especially for dry bulkers, while again this week containers have made their presence firm gaining higher interest due to their more intriguing specs.

### Dry Scrap Prices



### Wet Scrap Prices



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

				last 5 years		
	28 Oct	21 Oct	±%	Min	Avg	Max
<b>Indian Sub Continent</b>						
Bangladesh	305	305	0.0%	220	392	515
India	295	295	0.0%	225	399	525
Pakistan	295	295	0.0%	220	396	510
<b>Far East Asia</b>						
China	200	200	0.0%	110	299	455
<b>Mediterranean</b>						
Turkey	190	180	5.6%	145	245	355

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

				last 5 years		
	28 Oct	21 Oct	±%	Min	Avg	Max
<b>Indian Sub Continent</b>						
Bangladesh	320	320	0.0%	245	414	540
India	315	315	0.0%	250	422	550
Pakistan	315	315	0.0%	245	420	525
<b>Far East Asia</b>						
China	210	210	0.0%	120	316	485
<b>Mediterranean</b>						
Turkey	200	190	5.3%	150	255	355

### Reported Transactions

Type	Vessel's Name	Dwt	Built	Country	Built	Ldt	US\$/Ldt	Buyer	Sale Comments
Bulker	AGIA MARKELLA	71,662	1996	Japan		9,498	\$ 301/Ldt	Bangladeshi	
Cont	YM LOS ANGELES	65,123	2006	Japan		22,002	\$ 300/Ldt	undisclosed	bss 'as is' Columbo, net price
Cont	SEASPAN EFFICIENCY	63,160	2003	Japan		21,501	\$ 305/Ldt	undisclosed	bss 'as is' Columbo, incl. 1,500tns ROB
Cont	HS CARIBE	57,600	2002	S. Korea		19,146	\$ 301/Ldt	undisclosed	bss 'as is' S'pore
Cont	JPO CANOPUS	52,786	2005	S. Korea		16,900	\$ 302/Ldt	undisclosed	bss 'as is' S'pore
Cont	RT AEGIR	34,015	1997	Germany		10,500	\$ 310/Ldt	Indian	
Gen. Cargo	JIA XING	22,109	1992	Croatia		9,505	\$ 280/Ldt	Indian	net price



# Trade Indicators

## Markets | Currencies | Commodities



24<sup>th</sup> - 28<sup>th</sup> October 2016

Tanker giant Euronav defied Wall Street expectations to stay narrowly in the black during the third quarter. Euronav recorded a profit of \$72,000 in the three months to the end of September. Its breakeven result on an earnings per share basis compared with the \$0.46 per share seen at the same stage in 2015.

However, analysts had projected a loss of \$0.04 per share this time around. Paddy Rodgers, chief executive of Euronav said: "Freight rates were lower during the third quarter with anticipated seasonal weakness throughout the quarter compounded by higher levels of less favored vessel supply from several sources (returning dry dock, new builds, older tonnage) affecting tanker owners' pricing behaviour. "This was exacerbated, in particular for suezmax vessels, by dislocation from reduced Atlantic basin oil production negatively impacting on ton miles". Euronav says rates have now improved with the aid of seasonality and record Arabian Gulf cargo levels.

"Euronav anticipates a regular seasonal pattern for the fourth quarter in terms of freight rates," the owner said. Source: Tradewinds

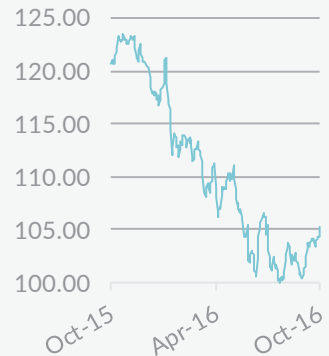
	28 Oct	23 Sep	±%	last 12 months		
Markets				Min	Avg	Max
10year US Bond	1.85	1.62	14.2%	1.37	1.83	2.34
S&P 500	2,126.4	2,164.7	-1.8%	1,829	2,071	2,190
Nasdaq	5,190.1	5,305.8	-2.2%	4,267	4,942	5,340
Dow Jones	18,161.2	18,261.5	-0.5%	15,660	17,662	18,636
FTSE 100	6,996.3	6,909.4	1.3%	5,537	6,362	7,098
FTSE All-Share UK	3,790.3	3,761.9	0.8%	3,047	3,483	3,849
CAC40	4,548.6	4,488.7	1.3%	3,897	4,451	4,984
Xetra Dax	10,696.2	10,627.0	0.7%	8,753	10,190	11,382
Nikkei	17,446.4	16,754.0	4.1%	1,667	17,051	20,012
Hang Seng	22,954.8	23,686.5	-3.1%	18,320	21,421	24,100
DJ US Maritime	193.7	195.5	-0.9%	150.2	195.2	238.7
Currencies						
\$ per €	1.09	1.12	-2.5%	1.06	1.11	1.16
\$ per £	1.22	1.30	-6.3%	1.22	1.40	1.54
£ per €	0.90	0.86	4.0%	0.70	0.79	0.91
¥ per \$	105.2	101.0	4.2%	100.0	110.6	123.5
\$ per Au\$	0.76	0.76	-0.6%	0.69	0.74	0.78
\$ per NoK	0.12	0.12	-1.8%	0.11	0.12	0.13
\$ per SFr	0.99	0.97	2.2%	0.95	0.98	1.03
Yuan per \$	6.78	6.67	1.7%	6.33	6.56	6.78
Won per \$	1,146.6	1,102.5	4.0%	1,092.8	1,158.9	1,237.8
\$ INDEX	102.6	98.9	3.7%	97.9	102.1	107.4
Commodities						
Gold \$	1,273.0	1,338.7	-4.9%	1,049.4	1,226.9	1,366.3
Oil WTI \$	48.7	44.5	9.5%	26.9	42.0	51.6
Oil Brent \$	49.7	45.9	8.3%	28.2	43.8	53.1
Palm Oil	562.0	562.0	0.0%	523.5	560.0	562.0
Iron Ore	62.3	56.3	10.7%	37.0	52.1	68.7
Coal Price Index	86.0	68.5	25.5%	47.3	58.5	87.0
White Sugar	596.1	589.1	1.2%	368.6	477.0	613.5

### Currencies

#### US Dollar per Euro



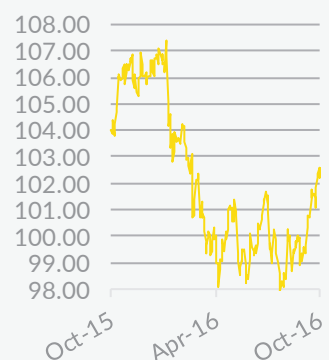
#### Yen per US Dollar



#### Yuan per US Dollar



#### US Dollar INDEX

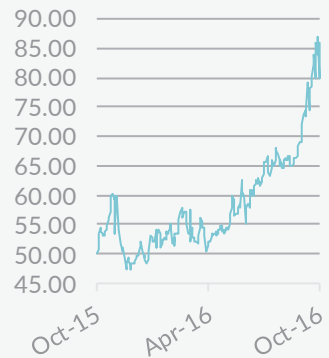


### Commodities

#### Iron Ore (TSI)



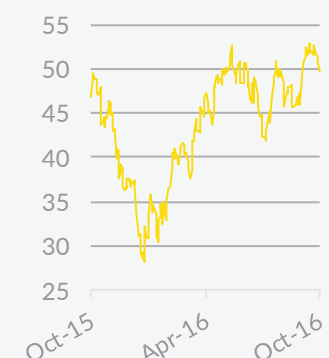
#### Coal Price Index



#### Oil WTI \$



#### Oil Brent \$



# Contact Details



24<sup>th</sup> - 28<sup>th</sup> October 2016 | Week 43

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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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