

# Weekly Shipping Market Update

12<sup>th</sup> - 16<sup>th</sup> December 2016 | Week 50

## Market Analysis

Trade has felt its bumps and shakes this year, as growing populist protectionist and nationalist movements in the Western world start to take hold. Trade openness has been on a slowing down path for several years now, with trade deals finding it difficult to take root and progress given the growing economic issues being faced. The number of sceptics over globalisation and openness towards trends has risen sharply, as growing inequality, slow economic growth rates and increased trade deficits in most of the OECD countries causes excess internal political friction. Let's not forget what a crucial role this has played in some of the biggest political upsets this year, all from the Brexit vote over to the U.S. presidential election results. This does not look like its in any mood of easing just yet and as things stand now, we are likely to see further upsets during the coming 12 months that could cause further turmoil in the global markets.

Behind the scenes this tension between trading partners has been growing further. A messy trade battle is currently underway within the World Trade Organisation, a battle unrelated to any Trump or Farage. China has for years been criticised by most of the OECD countries as not adhering to the international "fair play" of trade. Given its status under the WTO as a "non-market" economy, its trading partners were allowed to treat it as such and slap anti-dumping duties on Chinese imports in order to counter what they saw as unfair subsidised credit, energy and raw materials given to Chinese companies by the state. This was up until last Sunday, whereby this 15 year agreement giving China's trading partners the ability to treat it as a "non-market" market economy was due to expire, though as it seems America and Europe where unwilling to do so. This contesting has now put forth in motion a lengthy (could take up to two years) legal dispute within the WTO court for which sloppy legal drafting of what the clear definition of what a "market economy" is will be disputed from both sides. These sort of issues might not have imminent market effects but just go a step further to highlight the tensions that currently hold between nations for matters related to trade. All this therefore shows how hard it is nowadays to for further trade agreements to gain momentum and support, while older agreements are strongly contested and threatened of falling apart.

It is not all doom and gloom, as at the same time we have recently seen glimpse of hope which have likely been motivated by the mistakes of the past and the growing fear that open and free trade could collapse at a drop of a hat. Over the weekend we had a statement by the EU's chief trade negotiator with Japan announcing that the current free-trade deal being negotiated is close to being signed as early as next year. This is a fairly major deal, being between the world's second and fourth largest economies by GDP and also by the fact that Japan is Europe's second largest trading partner after China in the East. It is major deal under way like this and the recently signed deal between Canada and Europe that shows hope that there is still appetite for further openness to be achieved, while the recent criticism that has been reflected in major political polls and referendums is serving as more of a guidance to the undergoing negotiations that past mistakes must be avoided and more must be done at home to better balance the knock on effects and shifting production requirements. A difficult year lays ahead for free trade but it seems that there are still supporters out there who hold firm belief to its overall benefits.

George Lazaridis

Head of Market Research & Asset Valuations



## Week in numbers

### Dry Bulk Freight Market

	16 Dec		W-O-W change	
			±Δ	±%
BDI	946		▼ -144	-13.2%
BCI	1,048		▼ -527	-33.5%
BPI	1,126		▼ -382	-25.3%
BSI	960		▼ -6	-0.6%
BHSI	600		▲ 33	5.8%

### Tanker Freight Market

	16 Dec		W-O-W change	
			±Δ	±%
BDTI	911		▲ 8	0.9%
BCTI	522		▲ 79	17.8%

### Newbuilding Market

Aggregate Price Index	16 Dec		M-O-M change	
			±Δ	±%
Bulkers	73		▶ 0	0.0%
Cont	97		▶ 0	0.0%
Tankers	90		▼ -1	-1.1%
Gas	96		▶ 0	0.0%

### Secondhand Market

Aggregate Price Index	16 Dec		M-O-M change	
			±Δ	±%
Capesize	39		▶ 0	0.0%
Panamax	39		▲ 1	3.1%
Supramax	46		▲ 3	7.6%
Handysize	46		▲ 3	6.2%
VLCC	79		▶ 0	0.0%
Suezmax	75		▼ -2	-2.1%
Aframax	87		▼ -2	-2.4%
MR	104		▶ 0	0.0%

### Demolition Market

Avg Price Index (main 5 regions)	16 Dec		W-O-W change	
			±Δ	±%
Dry	254		▼ -3	-1.2%
Wet	269		▼ -2	-0.7%

### Economic Indicators

	16 Dec		M-O-M change	
			±Δ	±%
Gold \$	1,132		▼ -105	-8.5%
Oil WTI \$	52		▲ 8	19.6%
Oil Brent \$	55		▲ 10	23.4%
Iron Ore	81		▲ 7	9.0%
Coal	84		▼ -15	-15.4%

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**We deliver.**

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# Freight Market

## Dry Bulkers - Spot Market

12<sup>th</sup> - 16<sup>th</sup> December 2016

**Capesize** - Yet another week of fast paced losses with the Atlantic basin losing further steam and seeing rates drop by almost a third. The Pacific wasn't looking much better with a close follow up on the conditions being noted in the West. It now looks as though the year may well end on a down point, with the recent downward correction having helped to evaporate all the gains that were being seen in the past three months.

**Panamax** - There was a sudden and strong shift in market conditions as rates started to note strong corrections on all routes, following in line with the trend that has been witnessed in the Capesize market. The interest in the Atlantic came to a sudden halt causing many owners to scramble, in an effort to secure any possible cargo that could get them through the Christmas holidays and hopefully hold their tonnage busy until the end of the Chinese New Year. This harsh correction is likely to follow on over the next couple of days as sentiment remains the same.

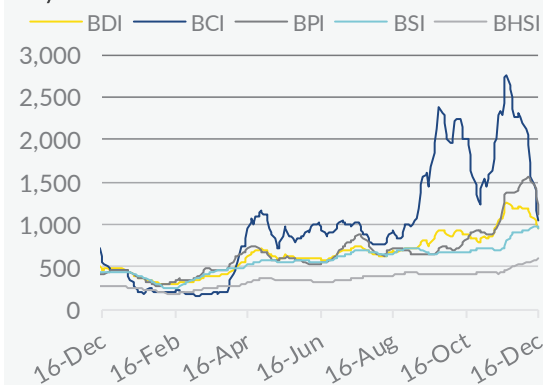
**Supramax** - The week was notably quieter then what had been noted in previous weeks though freight rates managed to hold fairly stable overall. The slight drop in the Pacific seemed to be countered fairly well with a slight up tick in the Atlantic for now, though it looks as though we may well see things start to decline.

**Handysize** - This was the only market in the dry bulk to remain positive for now, with activity out of ECSA and US Gulf keeping things busy. There is some pressure building up however, with a number of vessels opening over the next couple of days while fresh interest is expected to remain limited.

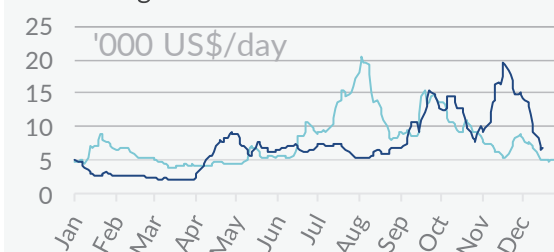
### Spot market rates & indices

				Average	
		16 Dec	09 Dec	±%	2016 2015
<b>Baltic Dry Index</b>					
	BDI	946	1,090	-13.2%	665 711
<b>Capesize</b>					
	BCI	1,048	1,575	-33.5%	1,020 1,009
	BCI 5TC	\$ 6,729	\$ 9,342	-28.0%	\$ 7,322 \$ 8,001
	ATLANTIC RV	\$ 7,545	\$ 10,841	-30.4%	\$ 7,591 \$ 8,206
	Cont / FEast	\$ 12,104	\$ 14,992	-19.3%	\$ 13,753 \$ 16,387
	PACIFIC RV	\$ 6,527	\$ 8,850	-26.2%	\$ 7,037 \$ 7,394
	FEast / ECSA	\$ 6,292	\$ 7,592	-17.1%	\$ 7,126 \$ 8,353
<b>Panamax</b>					
	BPI	1,126	1,508	-25.3%	688 690
	BPI - TCA	\$ 8,994	\$ 12,023	-25.2%	\$ 5,499 \$ 5,513
	ATLANTIC RV	\$ 12,008	\$ 17,486	-31.3%	\$ 6,057 \$ 5,925
	Cont / FEast	\$ 14,079	\$ 17,869	-21.2%	\$ 9,728 \$ 10,563
	PACIFIC RV	\$ 6,440	\$ 8,327	-22.7%	\$ 5,138 \$ 5,021
	FEast / Cont	\$ 3,448	\$ 4,410	-21.8%	\$ 1,070 \$ 542
<b>Supramax</b>					
	BSI	960	966	-0.6%	589 662
	BSI - TCA	\$ 10,034	\$ 10,099	-0.6%	\$ 6,154 \$ 6,919
	Cont / FEast	\$ 15,900	\$ 15,800	0.6%	\$ 9,514 \$ 9,890
	Med / Feast	\$ 15,582	\$ 15,364	1.4%	\$ 9,387 \$ 9,274
	PACIFIC RV	\$ 5,621	\$ 5,733	-2.0%	\$ 5,182 \$ 5,989
	FEast / Cont	\$ 3,910	\$ 4,240	-7.8%	\$ 3,258 \$ 4,794
	USG / Skaw	\$ 20,269	\$ 20,206	0.3%	\$ 9,458 \$ 10,915
	Skaw / USG	\$ 9,461	\$ 9,479	-0.2%	\$ 3,991 \$ 3,705
<b>Handysize</b>					
	BHSI	600	567	5.8%	354 364
	BHSI - TCA	\$ 8,537	\$ 8,038	6.2%	\$ 5,134 \$ 5,354
	Skaw / Rio	\$ 8,616	\$ 8,505	1.3%	\$ 4,471 \$ 3,770
	Skaw / Boston	\$ 8,454	\$ 8,379	0.9%	\$ 4,679 \$ 4,057
	Rio / Skaw	\$ 13,472	\$ 11,272	19.5%	\$ 6,406 \$ 8,526
	USG / Skaw	\$ 14,700	\$ 13,264	10.8%	\$ 6,708 \$ 7,200
	SEAsia / Aus / Jap	\$ 5,657	\$ 5,571	1.5%	\$ 4,286 \$ 4,211
	PACIFIC RV	\$ 5,869	\$ 5,871	0.0%	\$ 5,120 \$ 5,429

### Dry Bulk Indices



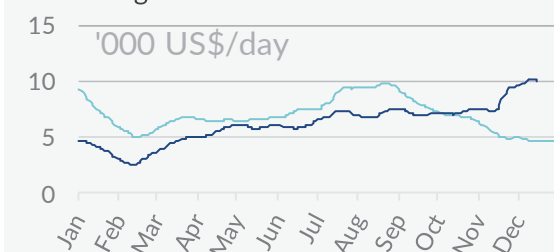
### BCI Average TCE



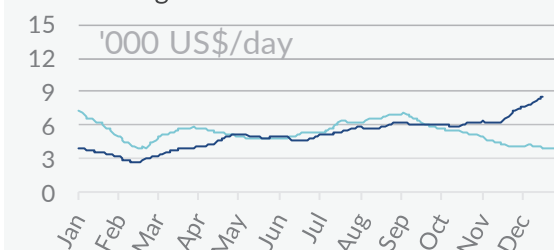
### BPI Average TCE



### BSI Average TCE



### BHSI Average TCE



— 2015 — 2016

# Freight Market

## Tankers - Spot Market



12<sup>th</sup> - 16<sup>th</sup> December 2016

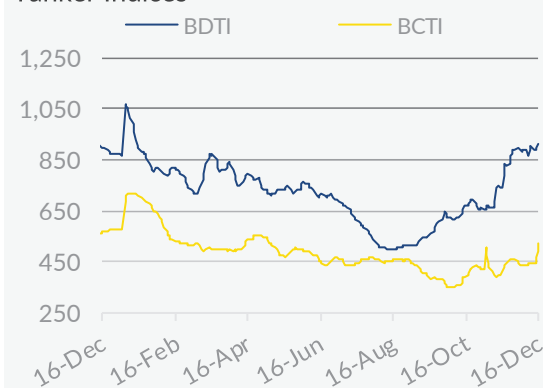
**Crude Oil Carriers** - The positive feel that was being seen a week earlier started to gain momentum this past week as delays coupled with an increase of fresh inquiries and fairly tight position lists helped real in a good increase in freight rates for both Eastbound and Westbound voyages from the MEG. There were equally solid gains to be seen in the Suezmax market as the WAF market started to see renewed interest for the U.S. and Europe. Limited tonnage helped boost things in the Med/Black Sea as well, while delays in the Turkish straits helped things improve for Aframax too. Aframax were seeing things being a bit more difficult elsewhere however, with the North Sea/Baltic being under pressure.

**Oil Products** - On the Products front, CPP routes managed to recoup some of their previous losses with increased activity in the MEG and the Far East helping boost both sentiment and rates. DPP routes were showing mixed messages, with some losses being noted in the Far East and Med, while the N. Atlantic continued to hold at more positive levels.

### Spot market rates & indices

		16 Dec	09 Dec	±%	Average	
					2016	2015
<b>Baltic Tanker Indices</b>						
BDTI		911	903	0.9%	722	820
BCTI		522	443	17.8%	485	637
<b>VLCC</b>						
MEG-USG	WS	53.21	44.04	20.8%	34.83	36.36
	\$/day	\$ 32,843	\$ 22,993	42.8%	\$ 18,041	\$ 31,968
MEG-SPORE	WS	92.04	82.42	11.7%	59.41	64.43
	\$/day	\$ 90,846	\$ 75,485	20.3%	\$ 52,855	\$ 61,629
MEG-JAPAN	WS	89.92	80.62	11.5%	57.97	63.09
	\$/day	\$ 67,490	\$ 58,592	15.2%	\$ 41,447	\$ 68,288
WAF-USG	WS	85.00	74.50	14.1%	63.98	72.72
	\$/day	\$ 105,969	\$ 90,864	16.6%	\$ 80,328	\$ 76,589
<b>SUEZMAX</b>						
WAF-USAC	WS	107.50	77.50	38.7%	70.51	81.13
	\$/day	\$ 64,609	\$ 42,487	52.1%	\$ 40,956	\$ 46,404
BSEA-MED	WS	124.25	108.00	15.0%	83.06	91.34
	\$/day	\$ 45,167	\$ 35,432	27.5%	\$ 24,318	\$ 46,346
<b>AFRAMAX</b>						
NSEA-CONT	WS	97.50	129.44	-24.7%	103.81	111.01
	\$/day	\$ 17,331	\$ 43,962	-60.6%	\$ 23,396	\$ 37,053
MEG-SPORE	WS	116.72	124.28	-6.1%	99.59	112.26
	\$/day	\$ 17,012	\$ 19,621	-13.3%	\$ 17,143	\$ 31,406
CARIBS-USG	WS	112.50	94.06	19.6%	103.59	133.63
	\$/day	\$ 15,032	\$ 9,403	59.9%	\$ 15,508	\$ 37,962
BALTIC-UKC	WS	98.06	118.33	-17.1%	80.48	92.57
	\$/day	\$ 29,761	\$ 42,286	-29.6%	\$ 23,665	\$ 43,406
<b>DPP</b>						
CARIBS-USAC	WS	132.50	117.50	12.8%	110.02	138.77
	\$/day	\$ 27,425	\$ 22,913	19.7%	\$ 23,175	\$ 30,727
ARA-USG	WS	117.81	114.88	2.6%	101.00	122.73
	\$/day	\$ 31,284	\$ 28,849	8.4%	\$ 24,648	\$ 30,281
SEASIA-AUS	WS	113.00	129.19	-12.5%	98.44	110.54
	\$/day	\$ 19,902	\$ 25,556	-22.1%	\$ 19,933	\$ 35,804
MED-MED	WS	108.17	128.78	-16.0%	97.21	108.70
	\$/day	\$ 18,722	\$ 27,300	-31.4%	\$ 17,022	\$ 35,902
<b>CPP</b>						
MEG-JAPAN	WS	84.56	70.75	19.5%	90.75	105.50
	\$/day	\$ 9,704	\$ 6,191	56.7%	\$ 15,132	\$ 28,796
CONT-USAC	WS	126.50	101.25	24.9%	103.12	134.68
	\$/day	\$ 10,452	\$ 6,416	62.9%	\$ 8,446	\$ 18,755
CARIBS-USAC	WS	125.00	110.00	13.6%	114.05	134.05
	\$/day	\$ 18,962	\$ 15,467	22.6%	\$ 18,428	\$ 22,099
USG-CONT	WS	97.19	89.06	9.1%	80.61	96.47
	\$/day	\$ 5,663	\$ 4,566	24.0%	\$ 5,009	\$ 12,481

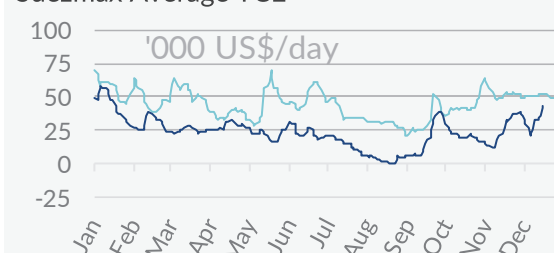
### Tanker Indices



### VLCC Average TCE



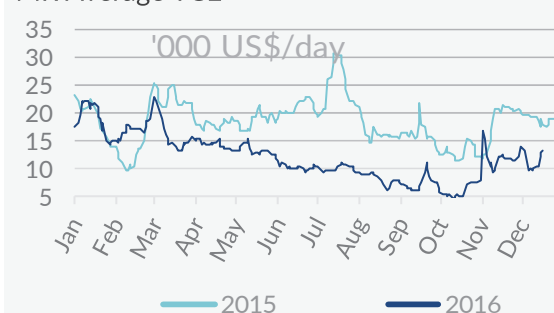
### Suezmax Average TCE



### Aframax Average TCE



### MR Average TCE



# Freight Market Period Charter



12<sup>th</sup> - 16<sup>th</sup> December 2016

## Dry Bulk period market TC rates

	16 Dec	11 Nov	±%	last 5 years		
				Min	Avg	Max
<b>Capesize</b>						
12 months	\$ 11,000	\$ 10,500	4.8%	\$ 6,200	\$ 14,609	\$ 31,450
36 months	\$ 11,000	\$ 11,500	-4.3%	\$ 6,950	\$ 15,298	\$ 25,200
<b>Panamax</b>						
12 months	\$ 8,250	\$ 7,750	6.5%	\$ 4,950	\$ 10,254	\$ 18,700
36 months	\$ 8,000	\$ 8,000	0.0%	\$ 6,200	\$ 10,770	\$ 16,700
<b>Supramax</b>						
12 months	\$ 7,750	\$ 7,000	10.7%	\$ 4,450	\$ 10,095	\$ 15,950
36 months	\$ 8,000	\$ 7,250	10.3%	\$ 6,200	\$ 10,366	\$ 15,450
<b>Handysize</b>						
12 months	\$ 7,000	\$ 6,250	12.0%	\$ 4,450	\$ 8,352	\$ 12,950
36 months	\$ 7,250	\$ 6,250	16.0%	\$ 5,450	\$ 8,868	\$ 12,950

## Latest indicative Dry Bulk Period Fixtures

M/V "CIELO DI DUBLINO", 37064 dwt, built 2011, dely Santos prompt, \$10,500, for 4/6 months trading, to Chart Not Rep

M/V "ENERGY HOPE", 82122 dwt, built 2012, dely Tsuneishi 26/30 Dec, \$8,100, for 6/9 months trading, to Louis Dreyfus

M/V "PACIFIC CEBU", 52646 dwt, built 2002, dely Taizhou 23/26 Dec, \$6,750, for 3/5 months trading, Cargill relet, to DCC Bulk

M/V "NAVIOS MERIDIAN", 50316 dwt, built 2002, dely Beira 16/22 Dec, \$9,250, for 3/5 months trading, to Norvic Shipping

M/V "SAN FRANCISCO", 208500 dwt, built 2017, dely ex yard Shanghai 05/10 Jan, \$11,750, for 12/16 months trading, to Koch Carbon

## Tanker period market TC rates

	16 Dec	11 Nov	±%	last 5 years		
				Min	Avg	Max
<b>VLCC</b>						
12 months	\$ 31,750	\$ 30,250	5.0%	\$ 18,000	\$ 30,141	\$ 57,750
36 months	\$ 27,750	\$ 28,000	-0.9%	\$ 22,000	\$ 31,425	\$ 45,000
<b>Suezmax</b>						
12 months	\$ 22,500	\$ 22,500	0.0%	\$ 15,250	\$ 23,230	\$ 42,500
36 months	\$ 22,750	\$ 22,750	0.0%	\$ 17,000	\$ 24,484	\$ 35,000
<b>Aframax</b>						
12 months	\$ 18,000	\$ 17,250	4.3%	\$ 13,000	\$ 18,115	\$ 30,000
36 months	\$ 17,250	\$ 17,250	0.0%	\$ 14,750	\$ 18,963	\$ 27,000
<b>MR</b>						
12 months	\$ 12,250	\$ 12,250	0.0%	\$ 12,000	\$ 14,871	\$ 21,000
36 months	\$ 14,000	\$ 14,000	0.0%	\$ 14,000	\$ 15,226	\$ 18,250

## Latest indicative Tanker Period Fixtures

M/T "TRIKWONG VENTURE", 300000 dwt, built 2012, \$30,000, for 1 year trading, to NAVIG8

M/T "ALMI SUN", 150000 dwt, built 2013, \$22,000, for 1 year trading, to PHILLIPS66

M/T "GULF VALOUR", 115000 dwt, built 2013, \$17,750, for 6 months trading, to ST SHIPPING

M/T "TONNA", 75000 dwt, built 2009, \$12,500, for 2 years trading, to HAFNIA

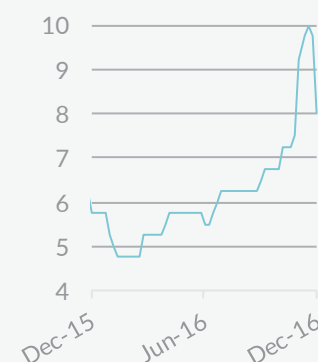
M/T "SWARNA PUSHPA", 48000 dwt, built 2010, \$13,000, for 1 year trading, to RELIANCE

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

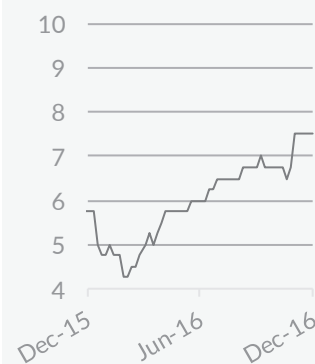
### Capesize



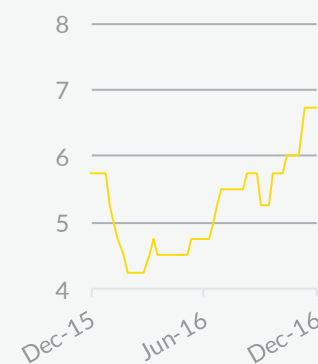
### Panamax



### Supramax



### Handysize



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

### VLCC



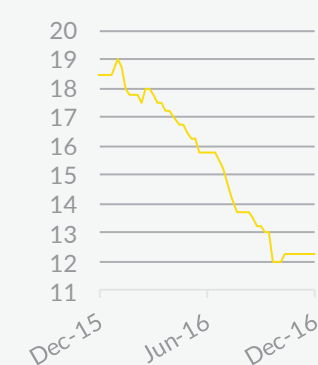
### Suezmax



### Aframax



### MR



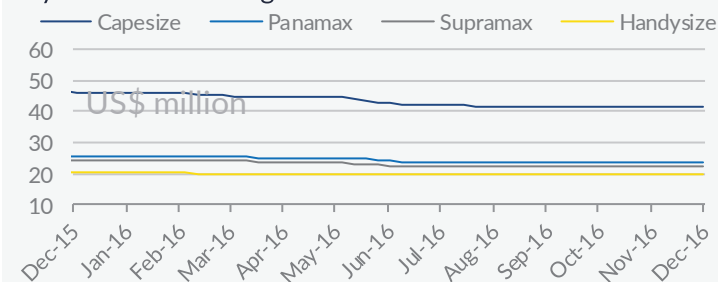


# Sale & Purchase Newbuilding Orders

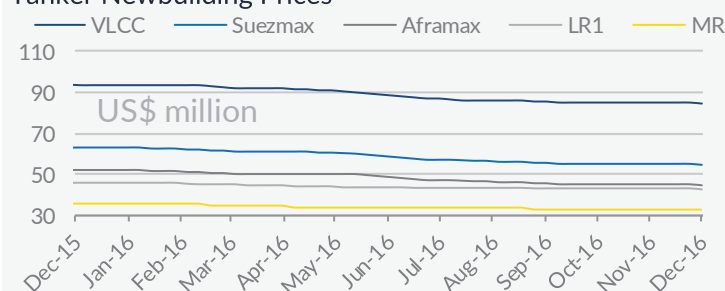
12<sup>th</sup> - 16<sup>th</sup> December 2016

Things have been slightly more busy these past couple of days with a couple of new orders coming to light although the large bulk of them still seemed to be primarily focused on more specialized vessel types. We did also see some new orders emerge on the very large sizes in both the dry bulkers and tankers, while there was also an order switch at Daehan, from a previous order for Newcastlemax dry bulkers to Aframax tankers. Despite this the year is now close to coming to an end with the lowest new ordering volume from a historical perspective (looking back over the past 15 years). The damage from all this will start to become ever more prevalent within 2017, as we are likely to see more and more shipbuilders under distress, as they struggle to keep their cash flows moving and keep operations going. Given that there is still little evidence of a freight market recovery in the dry bulk market and the tanker markets are not holding firm optimism with regards to their future prospects, the prevailing theme of 2016 will follow us over for at least the first half of 2017, while it will be interesting to note if we ever manage to breakthrough the price floor we seem to have reached six months ago.

## Dry Bulk Newbuilding Prices



## Tanker Newbuilding Prices



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

	16 Dec	11 Nov	±%	last 5 years		
				Min	Avg	Max
<b>Dry Bulk</b>						
Capesize (180,000dwt)	41.8	41.8	0.0%	41.8	49.4	58.0
Kamsarmax (82,000dwt)	24.3	24.3	0.0%	24.3	28.5	36.5
Panamax (77,000dwt)	23.8	23.8	0.0%	23.8	27.7	34.5
Ultramax (64,000dwt)	22.3	22.3	0.0%	22.3	25.9	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	86.3	94.5
Panamax (5,200teu)	50.0	50.0	0.0%	48.6	56.3	65.6
Sub Panamax (2,500teu)	28.0	28.0	0.0%	28.0	32.5	41.0
Feeder (1,700teu)	23.0	23.0	0.0%	21.5	25.1	29.4

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

	16 Dec	11 Nov	±%	last 5 years		
				Min	Avg	Max
<b>Tankers</b>						
VLCC (300,000dwt)	84.5	85.0	-0.6%	84.5	95.2	104.0
Suezmax (160,000dwt)	54.5	55.0	-0.9%	54.5	61.0	66.0
Aframax (115,000dwt)	44.5	45.0	-1.1%	44.5	51.3	56.0
LR1 (75,000dwt)	42.5	43.0	-1.2%	40.5	43.9	47.0
MR (56,000dwt)	32.5	33.0	-1.5%	32.5	35.1	37.3
<b>Gas</b>						
LNG 160k cbm	197.0	197.0	0.0%	197.0	199.7	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	43.9	46.5

### Reported Transactions

Type	Units	Size	Shipbuilder	Price	Buyer	Delivery	Comments
BULKER	1	400,000 dwt	JMU ARIAKIE SHIPYARD, Japan	N/A	NS UNITED KK - Japan	2019	ore carrier
TANKER	2 + 2	320,000 dwt	JINHAI HEAVY, China	\$ 70.0m	New Shipping - Greece	2018	
TANKER	2	112,000 dwt	DAEHAN SHIPBUILDING, S. Korea	\$ 43.0m	Polaris Shipping - Greece	2018	switch from newcastlemax BC
CONT	1+1	600 teu	TAIZHOU KOUAN SHIPYARD, China	N/A	PACIFIC INTERNATIONAL LINES (PIL) - Singapore	2018	
Misc.	1	-	PELLA SIETAS GMBH, German	N/A	Wasserstraßen und Schifffahrtsverwaltung des Bundes (WSV) - German	2018	Trailing suction hopper dredge
REEF	1	280,000 cbf	KYOKUYO, Japan	N/A	WANG TAT - Hong Kong	2018	
RO-RO	1	3,800 ceu	CSC JINLING SHIPYARD, China	N/A	ANJI AUTOMOTIVE - China	2018	PCTC
RO-RO	4	800 ceu	Chuandong Shipyard, China	N/A	MINSHENG SHIPPING - China	2017	

# Sale & Purchase Secondhand Sales

12<sup>th</sup> - 16<sup>th</sup> December 2016

On the dry bulk side, activity held fairly firm, with prices still showing an upward tendency despite the fact that the freight market has now entered into a strong downward corrective phase. Given that we are now closing in on the Christmas holidays in the West and the Chinese New Year is close to follow in the East, buying interest is likely to wain slightly, though this will depend on the sales candidates that come to market (with some buyers keeping a key eye for any serious sellers proposing high spec units) while to what extent buyers expectations will lean towards the idea that prices are yet to increase further and that should be an urgency to act now rather than later.

On the tanker side, there was a big focus on the large crude oil carriers, while with the recent fast paced firming in freight rates there could be further buying interest out there for the price levels being quoted.

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

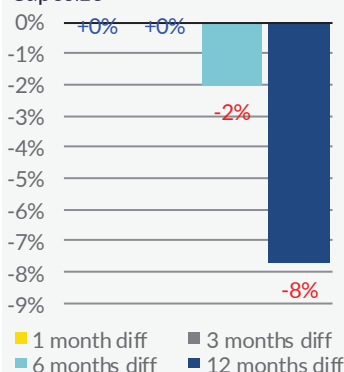
					last 5 years		
					16 Dec	11 Nov	±%
					Min	Avg	Max
<b>Capesize</b>							
180k dwt	Resale	36.0	36.0	0.0%	34.5	47.3	65.0
170k dwt	5 year old	24.0	24.0	0.0%	23.0	36.0	53.0
170k dwt	10 year old	14.0	14.0	0.0%	12.0	24.4	39.0
150k dwt	15 year old	8.0	8.0	0.0%	6.5	14.7	25.0
<b>Panamax</b>							
82k dwt	Resale	24.5	24.5	0.0%	22.5	30.2	43.0
76k dwt	5 year old	14.0	13.5	3.7%	11.5	21.4	36.8
76k dwt	10 year old	8.3	8.0	3.1%	7.3	15.6	29.3
74k dwt	15 year old	5.3	4.8	10.5%	3.5	10.2	22.0
<b>Supramax</b>							
62k dwt	Resale	22.0	20.5	7.3%	19.0	27.9	36.8
58k dwt	5 year old	13.5	12.5	8.0%	11.0	20.5	30.5
52k dwt	10 year old	9.0	8.5	5.9%	6.0	14.8	24.3
52k dwt	15 year old	5.5	5.0	10.0%	3.5	9.7	19.0
<b>Handysize</b>							
37k dwt	Resale	17.5	17.0	2.9%	17.0	22.6	30.0
32k dwt	5 year old	11.5	9.5	21.1%	7.8	16.6	25.5
32k dwt	10 year old	6.5	6.5	0.0%	6.0	12.4	19.5
28k dwt	15 year old	3.8	3.8	0.0%	3.5	8.3	14.5

## Indicative Tanker Values (US\$ million)

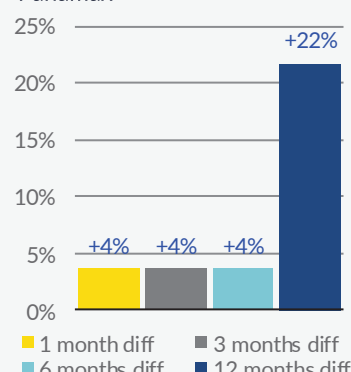
					last 5 years		
					16 Dec	11 Nov	±%
					Min	Avg	Max
<b>VLCC</b>							
310k dwt	Resale	85.0	85.0	0.0%	80.0	94.5	108.5
310k dwt	5 year old	60.0	60.0	0.0%	55.0	69.7	87.0
250k dwt	10 year old	40.0	40.0	0.0%	33.8	46.2	62.0
250k dwt	15 year old	24.0	24.0	0.0%	16.9	27.5	41.0
<b>Suezmax</b>							
160k dwt	Resale	56.0	56.0	0.0%	53.0	63.6	73.0
150k dwt	5 year old	42.0	43.0	-2.3%	38.0	49.7	62.0
150k dwt	10 year old	28.0	30.0	-6.7%	24.0	34.0	44.5
150k dwt	15 year old	20.0	20.0	0.0%	14.0	19.2	23.3
<b>Aframax</b>							
110k dwt	Resale	45.0	46.0	-2.2%	39.0	48.8	57.0
110k dwt	5 year old	30.0	31.0	-3.2%	27.0	36.7	47.5
105k dwt	10 year old	19.0	20.0	-5.0%	16.0	23.9	33.0
105k dwt	15 year old	14.0	14.0	0.0%	8.0	13.4	18.5
<b>MR</b>							
52k dwt	Resale	33.5	33.5	0.0%	32.0	36.6	39.3
52k dwt	5 year old	23.0	23.0	0.0%	22.0	26.6	31.0
45k dwt	10 year old	16.5	16.5	0.0%	14.0	17.8	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

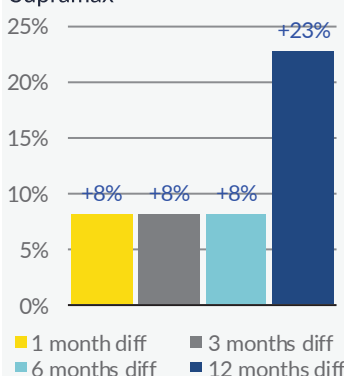
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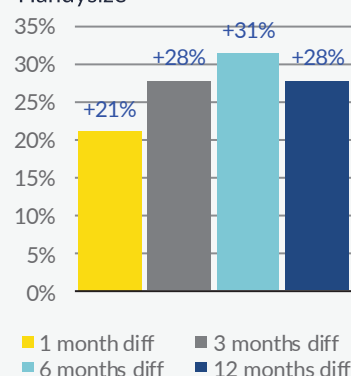
### Panamax



### Supramax

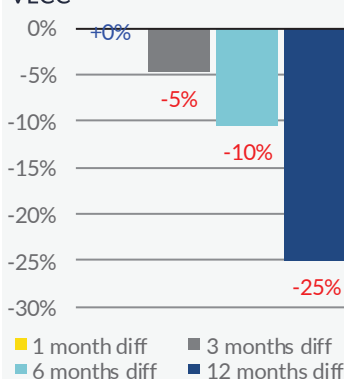


### Handysize

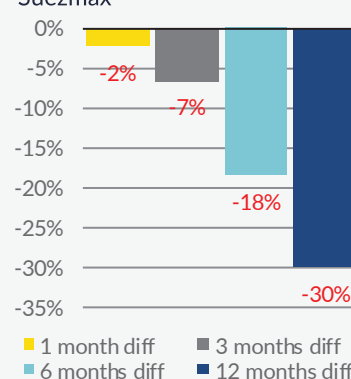


## Price movements of 5 year old Tanker assets

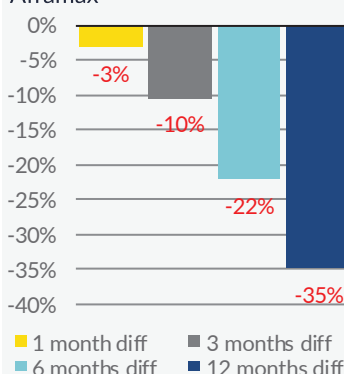
### VLCC



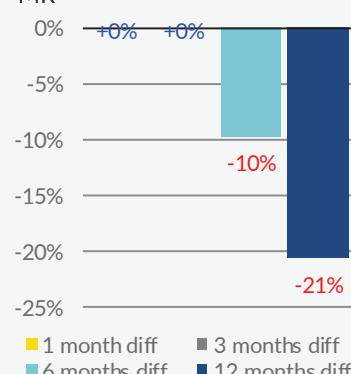
### Suezmax



### Aframax



### MR



# Sale & Purchase Secondhand Sales



12<sup>th</sup> - 16<sup>th</sup> December 2016

Tankers									
Size	Name	Dwt	Built	Shipbuilder	M/E	Coating	Price	Buyers	Comments
VLCC	HHIC-PHIL RESALE	320,000	2017	HHIC-PHIL INC, Philippines	MAN-B&W		\$ 79.0m	S. Korean - H-Line	dely Mar '17
VLCC	HHIC-PHIL RESALE	320,000	2017	HHIC-PHIL INC, Philippines	MAN-B&W		\$ 79.0m		dely Mar '17
VLCC	GC HANGZHOU	319,611	2016	JINHAI HEAVY INDUSTRY, China	MAN-B&W		\$ 60.0m	Greek - New Shipping	
VLCC	PERSEUS TRADER	299,992	2003	UNIVERSAL SHBLDG - TSU, Japan	Sulzer		\$ 29.0m	Greek - New Shipping	waiving inspection
VLCC	BW ULAN	299,325	2000	DAEWOO HEAVY, S. Korea	MAN-B&W		\$ 24.0m	Indian - Seven Islands Shipping	On Subs
AFRA	AEGEAN PRIDE	105,302	1999	SAMSUNG HEAVY, S. Korea	B&W		\$ 10.5m	Chinese	
MR	TINTOMARA	46,764	2003	BRODOTROGIR, Croatia	MaK	EPOXY Coated	\$ 13.0m	undisclosed	deepwell pumps
SMALL	SEMUA SELAMAT	8,008	2008	YANGZHOU KEJIN SHIPYAR, China	Yanmar	EPOXY Coated	N/A	undisclosed	bss 'as is' Spore
Bulk Carriers									
Size	Name	Dwt	Built	Shipbuilder	M/E	Gear	Price	Buyers	Comments
CAPE	PLEIADES DREAM	180,140	2009	IMABARI SAIJO, Japan	MAN-B&W		N/A	undisclosed	
KMAX	INSPIRING SEAS	82,056	2016	JIANGSU NEW YANGZIJIAN, China	MAN-B&W		\$ 20.4m		Dely Jan '17
KMAX	WORLD SEAS	82,018	2016	JIANGSU NEW YANGZIJIAN, China	MAN-B&W		\$ 20.4m	Greek - Evalend	Dely Jan '17
KMAX	BRIGHT SEAS	81,966	2016	JIANGSU NEW YANGZIJIAN, China	MAN-B&W		\$ 20.4m		Dely Jan '17
KMAX	BSI CADOGAN	81,300	2017	HUDONG-ZHONGHUA, China	MAN-B&W		\$ 19.5m	Argentinian - Ultrapetrol	Dely Jan '17
PMAX	MARICHRISTINA	74,410	2001	DAEWOO SB/ME, S. Korea	B&W		\$ 5.1m	Greek	
SMAX	PORTOROZ	56,633	2011	HANTONG SHIP HEAVY IND, China	MAN-B&W	4 X 30t CRANES	\$ 9.4m	Greek	
SMAX	INDIGO SPERA	56,121	2011	MITSUI CHIBA ICHIHARA, Japan	MAN-B&W	4 X 30t CRANES	\$ 13.3m	Hong Kong Based - BW Dry Cargo	direct
HMAX	GENCO PROSPERITY	47,180	1997	OSHIMA SHIPBUILDING, Japan	B&W	4 X 30t CRANES	\$ 3.15m	Chinese	June cancelling
HMAX	GENCO WISDOM	47,000	1997	OSHIMA SHIPBUILDING, Japan	B&W	4 X 30t CRANES	\$ 3.15m		ppt dely
HMAX	BAOFENG	46,637	1997	MITSUI TAMANO, Japan	B&W	4 X 30t CRANES	\$ 2.5m	undisclosed	
HANDY	EL CONDOR PAS	33,476	2001	MURORAN DOCK, Japan	Mitsubishi	4 X 30t CRANES	\$ 4.1m	Turkish	Bank driven sale, laid up

# Sale & Purchase

## Secondhand Sales



12<sup>th</sup> - 16<sup>th</sup> December 2016

Containers									
Size	Name	TEU	Built	Shipbuilder	M/E	Gear	Price	Buyers	Comments
SUB PMAX	CITY OF GUANGZHOU	2,564	2008	XIAMEN SHIPBUILDING IN, China	Wartsila	3 X 45t CRANES	\$ 4.8m	Greek	
FEEDER	RT DAGR	1,651	1998	THYSSEN, Germany	Mitsubishi	3 X 40t CRANES	N/A	Hong Kong Based - Euroseas	
FEEDER	E.R. VISBY	1,085	2012	NANJING WUJIAZUI SHBLD, China	Wartsila		\$ 8.8m	undisclosed	
Gas Carriers									
Size	Name	Dwt	Built	Shipbuilder	M/E	CBM	Price	Buyers	Comments
LPG	PARACAS	28,820	1990	BOELWERF TEMSE, Belgium	B&W	32,945	\$ 10.0m	Turkish - Manta Denizcilik	
Ferries									
Type	Name	Pax	Built	Shipbuilder	M/E	LOA(m)	Price	Buyers	Comments
Twin Hull	TERMOLI JET	354	2002	FJELLSTRAND, Norway	Caterpillar	\$ 44.0m	\$ 1.7m	Maltese - KS Shipping	
Offshore									
Type	Name	Dwt	Built	Shipbuilder	M/E	Bhp	Price	Buyers	Comments
TW Tug	KATIE G MCALLISTER	-	1966	GULFPORT, U.S.A.	EMD	3,798	N/A	U. S. A. Based - Port City Marine Services	
TW Tug	COLLEEN MCALLISTER	-	1967	GULFPORT, U.S.A.	EMD	3,900	N/A		

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# Sale & Purchase

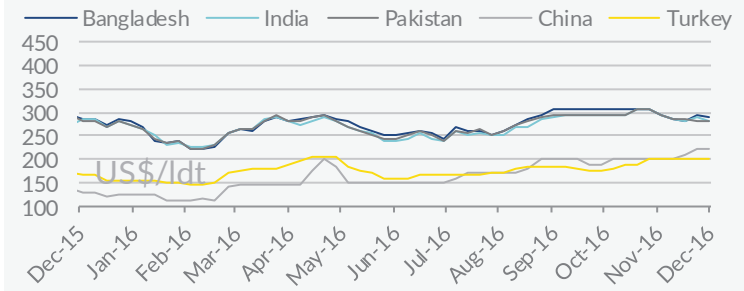
## Demolition Sales



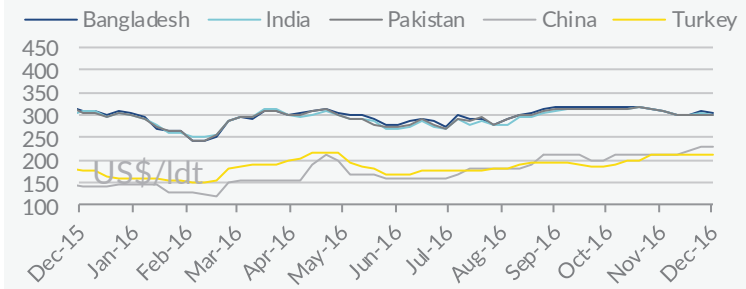
12<sup>th</sup> - 16<sup>th</sup> December 2016

There was some further correction to be noted in terms of scrap prices this week, as the market continues to find ample feedstock for its current appetite from the seemingly endless supply of container-ships. The sharp squeeze caused by the freight market conditions on the middle size groups has essentially pushed ever younger vessels to head to the breakers yards, while these more premium spec and sought out units tend to take prime attention amongst most end buyers, it tends to leave a situation whereby small dry bulk units lack the spot light and tend to see more mild competition amongst buyers. Having said that there seemed to have been a bit of a clear-out sale going on even in the dry bulk and tanker markets, with many foreseeing that the new year will likely see less favorable prices, given that many are predicting an increased number of vessels becoming demo candidates due to unfavorable regulations coming to force and continual pressure on the freight markets from the excess supply of vessels and newbuilding deliveries.

### Dry Scrap Prices



### Wet Scrap Prices



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

		16 Dec	09 Dec	±%	last 5 years		
					Min	Avg	Max
<b>Indian Sub Continent</b>							
	Bangladesh	290	295	-1.7%	220	390	515
	India	280	290	-3.4%	225	396	525
	Pakistan	280	280	0.0%	220	393	510
<b>Far East Asia</b>							
	China	220	220	0.0%	110	297	455
<b>Mediterranean</b>							
	Turkey	200	200	0.0%	145	243	355

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

		16 Dec	09 Dec	±%	last 5 years		
					Min	Avg	Max
<b>Indian Sub Continent</b>							
	Bangladesh	305	310	-1.6%	245	412	540
	India	300	305	-1.6%	250	420	550
	Pakistan	300	300	0.0%	245	417	525
<b>Far East Asia</b>							
	China	230	230	0.0%	120	314	485
<b>Mediterranean</b>							
	Turkey	210	210	0.0%	150	253	355

### Reported Transactions

Type	Vessel's Name	Dwt	Built	Country Built	Ldt	US\$/Ldt	Buyer	Sale Comments
Tanker	XIN PING YAHG	281,434	2001	Japan	38,181	N/A	Chinese	
Bulker	ORE BRUCUTU	251,191	1986	Japan	29,122	\$ 338/Ldt	Bangladeshi	
Bulker	VINALINES GLOBAL	73,350	1994	Japan	10,356	\$ 280/Ldt	Bangladeshi	bss 'as is' Kakinada
Cont	KAETHE C. RICKMERS	68,282	2004	S. Korea	20,018	\$ 315/Ldt	Bangladeshi	bss 'as is' Malaysia
Bulker	NOURIA	52,370	1995	Ukraine	13,630	N/A	Pakistani	
Tanker	CHARLESTON	48,846	1983	U. S. A.	14,772	N/A	Indian	
Bulker	YANG HAI	47,077	1998	China	9,014	N/A	Chinese	
Gas	BW HAVFROST	44,995	1991	U. K.	16,105	N/A	Indian	
Tanker	CRETE	40,553	1988	Japan	7,694	N/A	Bangladeshi	
Cont	WESTERHAMM	30,259	1998	Poland	10,688	\$ 320/Ldt	Indian	
Tanker	PACIFIC LADY	24,728	1985	Spain	7,835	\$ 507/Ldt	Indian	incl. abt 800-900 tons StSt
Offsh	HELIX 534	7,403	1975	Japan	12,922	\$ 198/Ldt	undisclosed	bss 'as is' Pascagoula



# Trade Indicators

## Markets | Currencies | Commodities



12<sup>th</sup> - 16<sup>th</sup> December 2016

HSH Nordbank's latest loan portfolio sale is attracting offers at 25% to 35% of its value.

This is according to finance sources cited by Reuters.

The restructuring shipping lender has lined up a sale of EUR 3.2bn (\$3.34bn) of debt ahead of its privatisation.

It has already offloaded EUR 5bn of non-performing loans to its state shareholders Hamburg and Schleswig-Holstein.

The bank said this month the portfolio was attracting "significant investor interest."

"The disposal is to be completed by the middle of 2017, with a substantial proportion to be sold in the fourth quarter of 2016," it added.

The lender has wound down another EUR 3bn of legacy assets this year.

It also announced a substantial rise in shipping loan provisions to EUR 959m in the first nine months of 2015. Source: Tradewinds

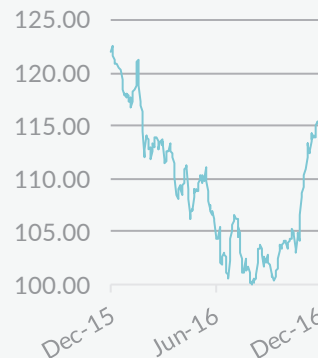
	16 Dec	11 Nov	±%	last 12 months		
				Min	Avg	Max
<b>Markets</b>						
10year US Bond	2.60	2.12	22.6%	1.37	1.83	2.60
S&P 500	2,258.1	2,164.5	4.3%	1,829	2,086	2,272
Nasdaq	5,437.2	5,237.1	3.8%	4,267	4,973	5,464
Dow Jones	19,843.4	18,847.7	5.3%	15,660	17,835	19,911
FTSE 100	7,011.6	6,730.4	4.2%	5,537	6,440	7,098
FTSE All-Share UK	3,803.7	3,664.1	3.8%	3,047	3,520	3,849
CAC40	4,833.3	4,489.3	7.7%	3,897	4,415	4,833
Xetra Dax	11,404.0	10,668.0	6.9%	8,753	10,172	11,404
Nikkei	19,401.2	17,374.8	11.7%	1,667	16,869	19,401
Hang Seng	22,020.8	22,531.1	-2.3%	18,320	21,456	24,100
DJ US Maritime	217.3	204.0	6.5%	150.2	195.8	238.7
<b>Currencies</b>						
\$ per €	1.04	1.09	-4.3%	1.04	1.11	1.16
\$ per £	1.25	1.26	-1.5%	1.22	1.37	1.50
£ per €	0.84	0.86	-2.9%	0.73	0.81	0.91
¥ per \$	118.0	106.5	10.8%	100.0	109.0	122.6
\$ per Au\$	0.73	0.76	-3.8%	0.69	0.74	0.78
\$ per NoK	0.12	0.12	-3.7%	0.11	0.12	0.13
\$ per SFr	1.03	0.98	4.4%	0.95	0.98	1.03
Yuan per \$	6.96	6.81	2.2%	6.46	6.62	6.96
Won per \$	1,185.0	1,159.1	2.2%	1,092.8	1,159.8	1,237.8
\$ INDEX	108.0	103.1	4.8%	97.9	101.9	108.0
<b>Commodities</b>						
Gold \$	1,131.6	1,236.5	-8.5%	1,049.4	1,243.5	1,366.3
Oil WTI \$	51.9	43.4	19.6%	26.9	42.8	53.0
Oil Brent \$	55.2	44.8	23.4%	28.2	44.4	55.7
Palm Oil	-	-	-	562.0	562.0	562.0
Iron Ore	80.9	74.2	9.0%	37.5	56.0	82.8
Coal Price Index	83.8	99.0	-15.4%	47.5	62.8	101.5
White Sugar	497.5	567.1	-12.3%	368.6	495.1	613.5

### Currencies

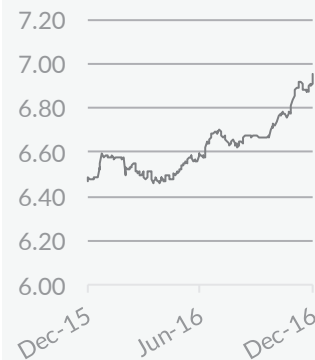
#### US Dollar per Euro



#### Yen per US Dollar



#### Yuan per US Dollar

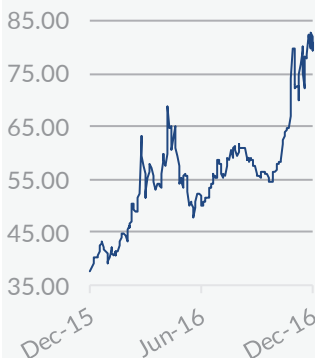


#### US Dollar INDEX

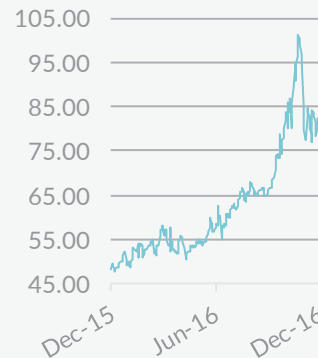


### Commodities

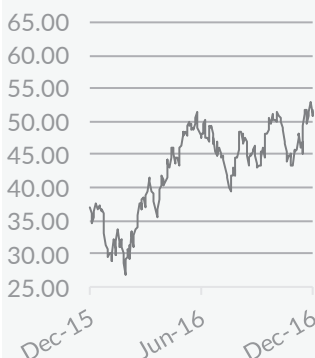
#### Iron Ore (TSI)



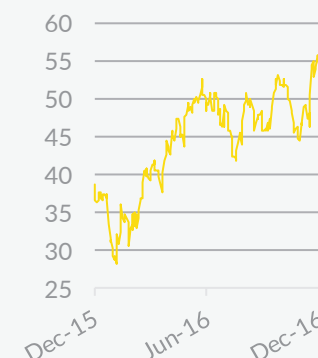
#### Coal Price Index



#### Oil WTI \$



#### Oil Brent \$



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12<sup>th</sup> - 16<sup>th</sup> December 2016 | Week 50

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# Disclaimer & Appendix



12<sup>th</sup> - 16<sup>th</sup> December 2016 | Week 50

## Disclaimer

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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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