

Weekly Shipping Market Update

27th December 2016 - 06th January 2017 | Week 52-01

Market Analysis

After having entered into a New Year, fresh hopes seem to be high for this to be the turning point in the market that many have been looking forward to for several years now. As such the question being thrown around more often nowadays is "what's in store for 2017" and "will we see a better market this year", prompting many to take out their "crystal balls" seeking to see if this will be a year of gains or yet another full of further pains.

On the Dry Bulk side we have seen the market gone through some of its worst pains over the last twelve months and is now looking towards a brighter future in the horizon (or is this just hopeful thinking?). On the ugly side of things, it looks as though demand is likely to face serious issues in the near term. Further trimming of coal consumption seems to be in sight, given the serious smog problems being faced in China's capital these past months. Other industrial commodities such as iron ore are still tied to a global economy which is still seemingly anaemic in nature and as such are unlikely to show any extraordinarily boosted figures in terms of trade growth. While being on the topic of global economic growth, there are still a number of risks to be faced, given the developments scheduled in this year's political agenda, with Europe now taking centre stage for most as a number of countries in the region are set to go through some "tricky elections" while the U.K. will also start tackling the difficult negotiations as to its terms of exit. As to developments in the U.S., not much is yet known as to what the new direction will be of the next U.S. president and what this will spell in terms of trade relations for the world's largest economy.

That's as far as the main bad news have to go. However there are a number of bright spots in the horizon which could just make 2017 the turning point in the market that everyone has been looking forward to. The orderbook in the dry bulk market has been at some of its lowest levels (compared to the active fleet) that we have seen in over 15 years now. Given the current orderbook schedule this also means that the growth in supply will start to stagnate after June. At the same time and unlike what we have seen in the past, there is currently little appetite for another ordering frenzy to take place, while many shipbuilders are already finding themselves in dire conditions, making the possibility of offering extra incentives such as easy financing and favourable payment terms and prices a difficult thing right now. As the orderbook starts to dry up, the world's shipbuilding capacity will start to shrink considerably and as that happens, the market will be finally allowed to go through longer cycles than the two year peaks and troughs we have grown accustomed to over the past 8 years.

Things are a little shakier for the tanker sector, where we expect to see demand levels slowly slumber as the price of crude oil continues its rise. Demand in the crude oil trade has been facing difficulties for many years now and given that the main driver of the market (low prices) has now left us, the balance in the market will become more unstable. The orderbook is not in the worst state it has ever been, as few went out to order new vessels during the past two years, though even this might eventually prove to be more than what tanker owners would like. Given that non-OPEC oil production could once again flourish under these new terms, the price of crude is expected to cap at lower levels than what it was 3 years ago, but all will depend as to how high that price cap will be.

George Lazaridis

Head of Market Research & Asset Valuations



Week in numbers

Dry Bulk Freight Market

	06 Jan		W-O-W change	
			±Δ	±%
BDI	963		▲ 2	0.2%
BCI	1,658		▲ 273	19.7%
BPI	892		▲ 40	4.7%
BSI	783		▼ -120	-13.3%
BHSI	508		▼ -89	-14.9%

Tanker Freight Market

	06 Jan		W-O-W change	
			±Δ	±%
BDTI	1,026		▲ 107	11.6%
BCTI	846		▲ 168	24.8%

Newbuilding Market

Aggregate Price Index	06 Jan		M-O-M change	
			±Δ	±%
Bulkers	73		▶ 0	0.0%
Cont	97		▶ 0	0.0%
Tankers	90		▼ -1	-1.2%
Gas	96		▶ 0	0.0%

Secondhand Market

Aggregate Price Index	06 Jan		M-O-M change	
			±Δ	±%
Capesize	40		▲ 1	1.5%
Panamax	39		▲ 1	2.7%
Supramax	46		▲ 1	2.1%
Handysize	47		▲ 1	2.2%
VLCC	87		▲ 7	9.2%
Suezmax	79		▲ 4	5.3%
Aframax	94		▲ 7	8.5%
MR	110		▲ 6	5.5%

Demolition Market

Avg Price Index (main 5 regions)	06 Jan		W-O-W change	
			±Δ	±%
Dry	271		▲ 15	5.9%
Wet	284		▲ 13	4.8%

Economic Indicators

	06 Jan		M-O-M change	
			±Δ	±%
Gold \$	1,177		▲ 3	0.3%
Oil WTI \$	54		▲ 2	4.5%
Oil Brent \$	57		▲ 3	4.8%
Iron Ore	78		▲ 0	0.3%
Coal	83		▼ -2	-1.8%

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Freight Market

Dry Bulkers - Spot Market

27th December 2016 - 06th January 2017

Capesize - With a strong end to 2016, things continued to gain pace in the first trading days of the new year, though with a feel that things are starting to ease back slightly. The Pacific has already shown signs of softer days to come, while the Atlantic seemed to be mainly holding momentum thanks to favorable vessel positioning. With the Chinese New Year now close on our tail, we are likely to see things move in the red over the coming days.

Panamax - Despite the negative close to 2016, there was a slight improvement to be seen in the Atlantic this past week, with rates firming on the back of tighter tonnage lists in the U.S. Gulf and increased demand coming from a number of grain houses. In the East owners continued to face challenges, as interest remained subdued while tonnage lists have continued to remain swollen since before the Christmas holidays.

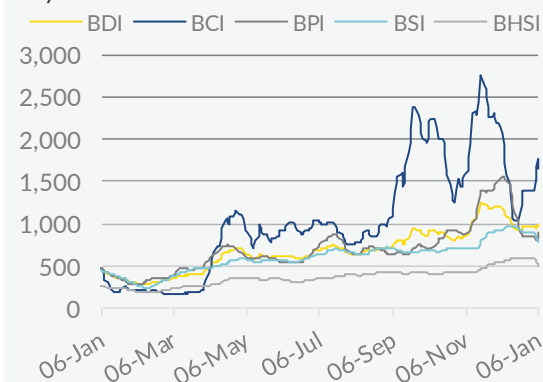
Supramax - A negative start to the year, with both basins seeing fairly strong negative trends on reported hire rates. Things look to be slowly coming to a balance in the Atlantic thanks to the slightly improved number of fresh inquiries showing up in the U.S. Gulf. The big issue will be faced in the Pacific over the coming days, with the Chinese upcoming holidays already taking their toll on the market.

Handysize - With a build up of tonnage being noticed on all of the major trading regions, rates started the year with a drop. There has been limited interest emerging in both the Atlantic and Pacific, likely leaving the market on a downward trend for the next couple of days.

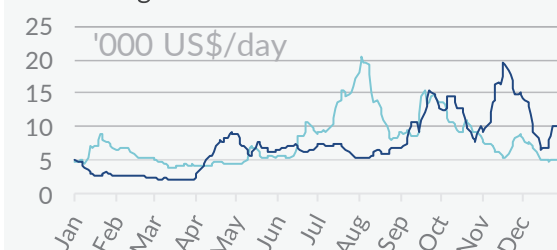
Spot market rates & indices

		06 Jan	30 Dec	±%	Average 2017	2016
Baltic Dry Index						
	BDI	963	961	0.2%	966	677
Capesize						
	BCI	1,658	1,385	19.7%	1,603	1,031
	BCI 5TC	\$ 12,345	\$ 10,078	22.5%	\$ 11,857	\$ 7,400
	ATLANTIC RV	\$ 15,409	\$ 13,600	13.3%	\$ 15,174	\$ 7,775
	Cont / FEast	\$ 21,250	\$ 17,509	21.4%	\$ 20,238	\$ 13,856
	PACIFIC RV	\$ 11,500	\$ 8,417	36.6%	\$ 10,875	\$ 7,070
	FEast / ECSA	\$ 10,446	\$ 8,659	20.6%	\$ 9,996	\$ 7,164
Panamax						
	BPI	892	852	4.7%	840	696
	BPI - TCA	\$ 7,128	\$ 6,826	4.4%	\$ 6,719	\$ 5,566
	ATLANTIC RV	\$ 8,410	\$ 7,459	12.7%	\$ 7,475	\$ 6,139
	Cont / FEast	\$ 12,635	\$ 11,553	9.4%	\$ 11,730	\$ 9,818
	PACIFIC RV	\$ 5,040	\$ 5,541	-9.0%	\$ 5,106	\$ 5,161
	FEast / Cont	\$ 2,425	\$ 2,750	-11.8%	\$ 2,565	\$ 1,144
Supramax						
	BSI	783	903	-13.3%	829	602
	BSI - TCA	\$ 8,188	\$ 9,445	-13.3%	\$ 8,665	\$ 6,297
	Cont / FEast	\$ 13,875	\$ 15,233	-8.9%	\$ 14,317	\$ 9,760
	Med / FEast	\$ 13,843	\$ 15,218	-9.0%	\$ 14,421	\$ 9,635
	PACIFIC RV	\$ 4,758	\$ 5,540	-14.1%	\$ 5,107	\$ 5,197
	FEast / Cont	\$ 2,780	\$ 3,513	-20.9%	\$ 3,086	\$ 3,272
	USG / Skaw	\$ 15,075	\$ 18,288	-17.6%	\$ 16,114	\$ 9,845
	Skaw / USG	\$ 7,636	\$ 8,718	-12.4%	\$ 8,085	\$ 4,196
Handysize						
	BHSI	508	597	-14.9%	545	365
	BHSI - TCA	\$ 7,264	\$ 8,501	-14.6%	\$ 7,775	\$ 5,277
	Skaw / Rio	\$ 7,010	\$ 8,445	-17.0%	\$ 7,681	\$ 4,640
	Skaw / Boston	\$ 7,025	\$ 8,283	-15.2%	\$ 7,593	\$ 4,832
	Rio / Skaw	\$ 10,933	\$ 13,872	-21.2%	\$ 12,117	\$ 6,720
	USG / Skaw	\$ 11,857	\$ 14,957	-20.7%	\$ 13,020	\$ 7,056
	SEAsia / Aus / Jap	\$ 5,268	\$ 5,517	-4.5%	\$ 5,383	\$ 4,339
	PACIFIC RV	\$ 5,375	\$ 5,708	-5.8%	\$ 5,511	\$ 5,146

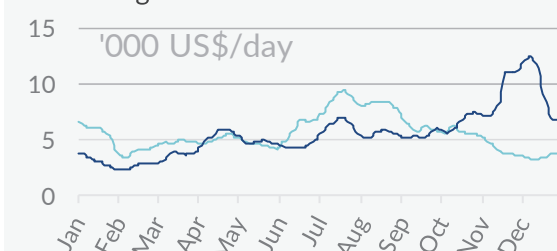
Dry Bulk Indices



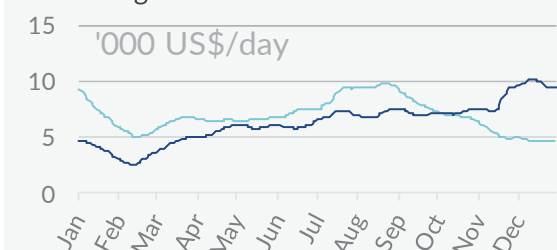
BCI Average TCE



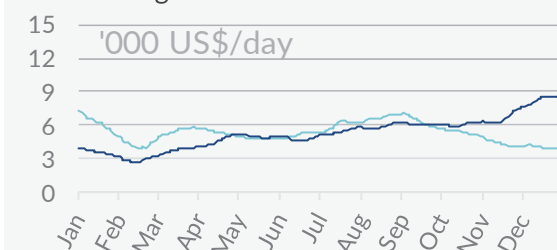
BPI Average TCE



BSI Average TCE



BHSI Average TCE



— 2015 — 2016

Freight Market

Tankers - Spot Market

27th December 2016 - 06th January 2017

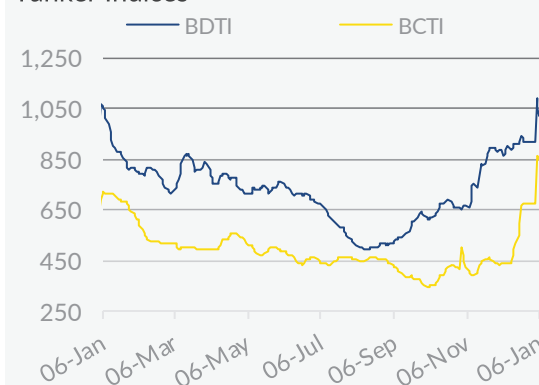
Crude Oil Carriers - There was a fair correction to be noted in the early part of the year, as the continual increase in bunker prices eat a further portion of earnings. Demand seems to be trending sideways, leaving the market in the MEG for VLs in a limbo state. Things were not looking much better in the WAF with both the VLs and Suezmaxes losing some slight ground over the past week. Things were not looking much better for the Afras, with earnings slipping in most regions, though there is a sense that there might be some slight upward momentum to be had in the Black Sea/Med and North Sea/Baltic regions, though little of this has yet to materialize into hard currency just yet.

Oil Products - Things were looking slightly better on the product tankers front, with DPP routes in the Atlantic and parts of the Pacific looking to be on an upward momentum. On the CPP routes there was some positive gains to be seen on the backhaul runs in the North Atlantic, while the Far East runs were also making good gains.

Spot market rates & indices

Spot market rates & indices					Average	
		06 Jan	30 Dec	±%	2017	2016
Baltic Tanker Indices						
BDTI		1,026	919	11.6%	1,022	730
BCTI		846	678	24.8%	821	491
VLCC						
MEG-USG	WS	55.52	49.96	11.1%	57.00	35.46
	\$/day	\$ 18,368	\$ 28,851	-36.3%	\$ 22,938	\$ 18,511
MEG-SPORE	WS	90.32	87.00	3.8%	93.69	60.57
	\$/day	\$ 61,771	\$ 88,245	-30.0%	\$ 75,008	\$ 53,871
MEG-JAPAN	WS	87.95	85.04	3.4%	91.35	59.11
	\$/day	\$ 43,987	\$ 62,223	-29.3%	\$ 51,031	\$ 42,341
WAF-USG	WS	85.00	85.00	0.0%	85.00	64.79
	\$/day	\$ 79,289	\$ 105,719	-25.0%	\$ 99,843	\$ 81,300
SUEZMAX						
WAF-USAC	WS	97.50	97.50	0.0%	97.50	71.68
	\$/day	\$ 56,249	\$ 56,915	-1.2%	\$ 56,382	\$ 41,669
BSEA-MED	WS	115.29	112.35	2.6%	116.78	84.23
	\$/day	\$ 27,740	\$ 37,422	-25.9%	\$ 30,897	\$ 24,854
AFRAXMAX						
NSEA-CONT	WS	100.00	90.56	10.4%	98.89	103.36
	\$/day	\$ 8,931	\$ 12,111	-26.3%	\$ 10,062	\$ 23,003
MEG-SPORE	WS	113.39	100.28	13.1%	111.77	99.78
	\$/day	\$ 7,219	\$ 11,870	-39.2%	\$ 8,610	\$ 16,988
CARIBS-USG	WS	145.31	198.75	-26.9%	180.83	106.76
	\$/day	\$ 16,656	\$ 43,476	-61.7%	\$ 28,685	\$ 16,423
BAL TIC-UKC	WS	113.06	99.44	13.7%	111.25	81.18
	\$/day	\$ 27,654	\$ 30,513	-9.4%	\$ 28,550	\$ 23,914
DPP						
CARIBS-USAC	WS	180.00	180.00	0.0%	180.00	112.34
	\$/day	\$ 42,160	\$ 42,663	-1.2%	\$ 42,261	\$ 23,804
ARA-USG	WS	181.00	121.88	48.5%	169.39	101.78
	\$/day	\$ 42,875	\$ 32,845	30.5%	\$ 37,860	\$ 24,883
SEASIA-AUS	WS	106.25	96.63	10.0%	106.66	98.52
	\$/day	\$ 9,429	\$ 14,286	-34.0%	\$ 11,220	\$ 19,768
MED-MED	WS	141.94	94.44	50.3%	115.65	97.08
	\$/day	\$ 22,197	\$ 13,167	68.6%	\$ 14,836	\$ 16,861
CPP						
MEG-JAPAN	WS	149.51	110.06	35.8%	143.08	91.35
	\$/day	\$ 17,052	\$ 16,479	3.5%	\$ 17,436	\$ 15,145
CONT-USAC	WS	198.75	149.50	32.9%	188.10	104.70
	\$/day	\$ 15,100	\$ 14,365	5.1%	\$ 14,794	\$ 8,637
CARIBS-USAC	WS	135.00	135.00	0.0%	135.00	114.82
	\$/day	\$ 21,016	\$ 21,359	-1.6%	\$ 21,085	\$ 18,531
USG-CONT	WS	107.56	125.31	-14.2%	119.06	82.20
	\$/day	\$ 3,207	\$ 10,404	-69.2%	\$ 5,680	\$ 5,194

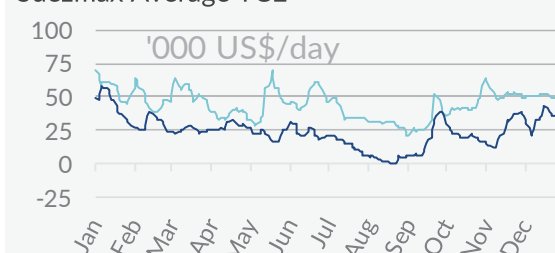
Tanker Indices



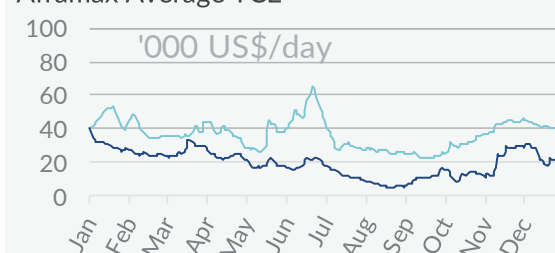
VLCC Average TCE



Suezmax Average TCE



Aframax Average TCE



MR Average TCE



Freight Market Period Charter

27th December 2016 - 06th January 2017

Dry Bulk period market TC rates

	06 Jan	02 Dec	±%	last 5 years		
				Min	Avg	Max
Capesize						
12 months	\$ 9,500	\$ 11,250	-15.6%	\$ 6,200	\$ 14,052	\$ 31,450
36 months	\$ 10,750	\$ 11,500	-6.5%	\$ 6,950	\$ 14,791	\$ 25,200
Panamax						
12 months	\$ 8,500	\$ 10,250	-17.1%	\$ 4,950	\$ 9,315	\$ 15,450
36 months	\$ 8,750	\$ 8,500	2.9%	\$ 6,200	\$ 9,998	\$ 15,325
Supramax						
12 months	\$ 7,250	\$ 7,750	-6.5%	\$ 4,450	\$ 9,228	\$ 13,950
36 months	\$ 7,750	\$ 7,750	0.0%	\$ 6,200	\$ 9,605	\$ 13,700
Handysize						
12 months	\$ 7,000	\$ 7,000	0.0%	\$ 4,450	\$ 7,654	\$ 10,450
36 months	\$ 7,250	\$ 7,500	-3.3%	\$ 5,450	\$ 8,219	\$ 11,450

Latest indicative Dry Bulk Period Fixtures

M/V "PEDHOULAS ROSE", 82000 dwt, built 2017, dely Yangzijiang 10/20 Jan, \$8,500, for 12 months trading, to Chart Not Rep

M/V "RECCO", 81000 dwt, built 2015, dely Dalian prompt, \$8,750, for 4/8 months trading, to Marubeni

M/V "KYPROS SKY", 77079 dwt, built 2014, dely retro Haldia 29 December, \$9,100, for 9/12 months trading, to Chart Not Rep

M/V "NONI", 61631 dwt, built 2014, dely passing Gibraltar, \$11,000, for 100-200 days trading, to Gearbulk

M/V "BLACK PEARL", 78890 dwt, built 2012, dely retro Busan 16 December, \$6,250, for 7/10 months trading, to BG Shipping

Tanker period market TC rates

	06 Jan	02 Dec	±%	last 5 years		
				Min	Avg	Max
VLCC						
12 months	\$ 31,750	\$ 30,250	5.0%	\$ 18,000	\$ 31,190	\$ 57,750
36 months	\$ 27,750	\$ 27,750	0.0%	\$ 22,000	\$ 31,372	\$ 45,000
Suezmax						
12 months	\$ 22,500	\$ 22,500	0.0%	\$ 15,250	\$ 23,945	\$ 42,500
36 months	\$ 22,750	\$ 22,750	0.0%	\$ 17,000	\$ 24,634	\$ 35,000
Aframax						
12 months	\$ 18,000	\$ 18,000	0.0%	\$ 13,000	\$ 18,641	\$ 30,000
36 months	\$ 17,250	\$ 17,250	0.0%	\$ 14,750	\$ 19,108	\$ 27,000
MR						
12 months	\$ 12,750	\$ 12,250	4.1%	\$ 12,000	\$ 15,085	\$ 21,000
36 months	\$ 14,000	\$ 14,000	0.0%	\$ 14,000	\$ 15,348	\$ 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

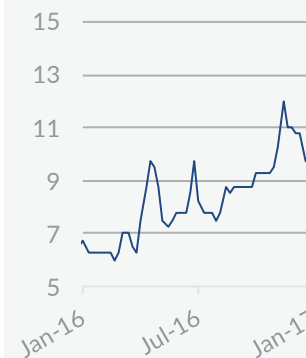
M/T "GULF VALOUR", 115000 dwt, built 2013, \$17,750, for 6 months trading, to ST SHIPPING

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

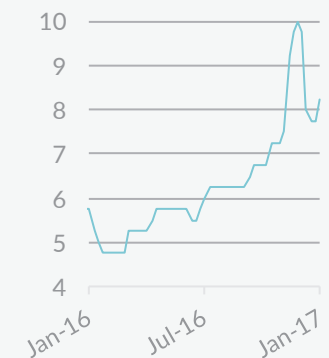
M/T "SWARNA PUSHPA", 48000 dwt, built 2010, \$13,000, for 1 year trading, to RELIANCE

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

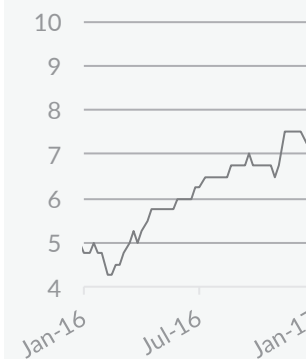
Capesize



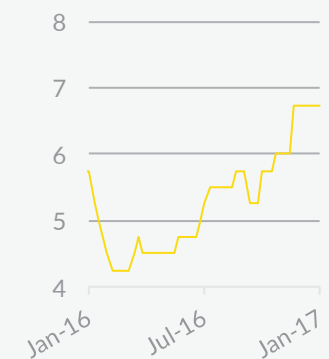
Panamax



Supramax



Handysize



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

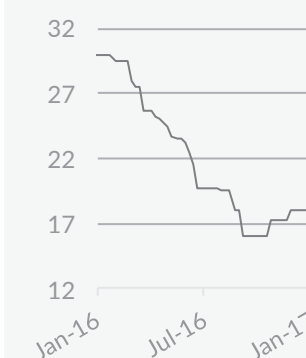
VLCC



Suezmax



Aframax



MR

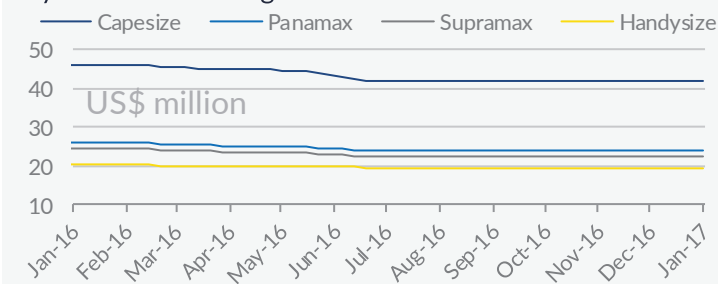


Sale & Purchase Newbuilding Orders

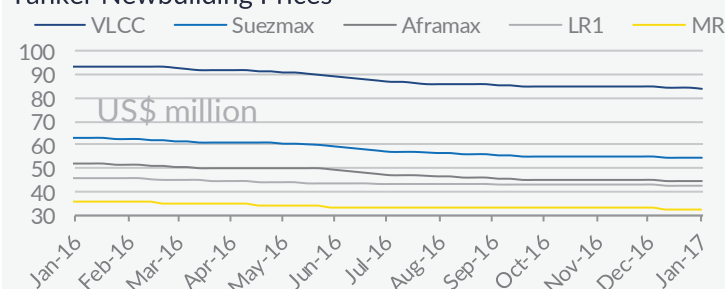
27th December 2016 - 06th January 2017

The New Year seems to have brought a slightly positive tone to the market, as a number of new orders seemed to have been concluded over the past two weeks (though the focus continued to be on the more specialized units). We are already starting to hear rumors of the emergence of specialized funds which are planning to be set up for the exclusive use of supporting newbuilding orders, trying as such to bridge the funding gap and give some favor towards the newbuilding order against that of seeking a modern secondhand. Secondhand units still hold an upper hand thanks to their considerably low price levels, however financing will play an even more important role in the Sale & Purchase market this year, as the number of cash rich buyers continues to decline. At the same time, there is keen focus to see what sort of restructuring we will witness in the market over the next 12 months, especially since we have already seen a breakdown of the efforts to consolidate some of the largest shipbuilders in South Korea and at a time where we will continue to see a draught in new orders.

Dry Bulk Newbuilding Prices



Tanker Newbuilding Prices



Indicative Dry NB Prices (US\$ million)

	06 Jan	02 Dec	±%	last 5 years		
				Min	Avg	Max
Dry Bulkers						
Capesize (180,000dwt)	41.8	41.8	0.0%	41.8	48.8	58.0
Kamsarmax (82,000dwt)	24.3	24.3	0.0%	24.3	27.6	30.8
Panamax (77,000dwt)	23.8	23.8	0.0%	23.8	26.8	29.5
Ultramax (64,000dwt)	22.3	22.3	0.0%	22.3	25.1	28.0
Handysize (37,000dwt)	19.5	19.5	0.0%	19.5	21.5	23.5
Container						
Post Panamax (9,000teu)	82.5	82.5	0.0%	76.5	84.8	92.0
Panamax (5,200teu)	50.0	50.0	0.0%	48.6	54.5	63.9
Sub Panamax (2,500teu)	28.0	28.0	0.0%	28.0	31.1	38.0
Feeder (1,700teu)	23.0	23.0	0.0%	21.5	24.5	27.3

Indicative Wet NB Prices (US\$ million)

	06 Jan	02 Dec	±%	last 5 years		
				Min	Avg	Max
Tankers						
VLCC (300,000dwt)	84.0	85.0	-1.2%	84.0	93.8	101.0
Suezmax (160,000dwt)	54.5	55.0	-0.9%	54.5	60.4	66.0
Aframax (115,000dwt)	44.5	45.0	-1.1%	44.5	50.7	55.0
LR1 (75,000dwt)	42.5	43.0	-1.2%	40.5	43.8	47.0
MR (56,000dwt)	32.5	33.0	-1.5%	32.5	34.9	37.3
Gas						
LNG 160k cbm	197.0	197.0	0.0%	197.0	199.4	202.0
LPG LGC 80k cbm	72.5	72.5	0.0%	70.0	74.3	80.0
LPG MGC 55k cbm	64.5	64.5	0.0%	62.0	65.0	68.5
LPG SGC 25k cbm	42.0	42.0	0.0%	41.0	43.5	46.0

Reported Transactions

Type	Units	Size	Shipbuilder	Price	Buyer	Delivery	Comments
BULK	2	7,500 dwt	NINGBO XINLE SHIPBUILDING, China	N/A	SIDER NAVI S.P.A - Italy	2018-2019	Cement Carrier, Dual Fuel Propulsion
TANKER	4 + 2 + 2	115,000 dwt	NEW TIMES, China	\$ 42.0m	NAVIG8 - Singapore	2018	
TANKER	2 + 2	114,000 dwt	DAEHAN SHIPBUILDING, South Korea	\$ 44.5m	SHIP FINANCE INTERNATIONAL LTD - Norway	2018	tier 2
TANKER	1	51,000 dwt	MINAMI NIPPON SHIPBUILDING, Japan	N/A	ASAHI TANKER - Japan	2019	
TANKER	1	50,000 dwt	HYUNDAI MIPO, South Korea	N/A	SANGJI SHIPPING - South Korea	DEC 2018	
TANKER	2 + 2	50,000 dwt	HYUNDAI MIPO, South Korea	\$ 33.5m	PLEIADES - Greece	2018	
CONT	4	3,100 teu	ZHEJIANG OUHUA, China	N/A	ARKAS GROUP - Turkey	2017-2018	
GAS	1 + 1	16,000 cbm	JIANGNAN SHIPYARD, China	\$ 40.0m	HYPROC SHIPPING - Algeria	2018	
OFFSHORE	1	-	SHANGHAI ZHENHUA HI, China	N/A	CHINA LONGYUAN ZHENHUA - China	2018	Marine Wind Installation Vessel, Lifting Capacity 2,000T

Sale & Purchase Secondhand Sales

27th December 2016 - 06th January 2017

On the dry bulk side, activity continued to hold firm over the past two weeks, giving a positive end to 2016 and starting off 2017 on an equally strong footing. Buyers' focus seemed to have been centered on the more modern tonnage with a fair split amongst most of the dry bulk size segments, though Capes seemed to have been lacking in transactions. Despite this prices have held fairly stable across the board for now, however there is a sense that there is strong buildup of upward pressure under the surface and we might be on track for some fair gains to be noted over the coming weeks.

On the tanker side, there was a couple of high profile transactions taking place, with some of the bigger size segments seeing a fair amount of activity after several months of nothing going on. There was not much to be seen in the product tankers range, though this will likely to be a momentary gap in the market which will surely be filled over the coming weeks.

Indicative Dry Bulk Values (US\$ million)

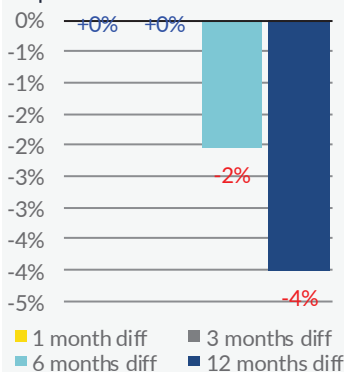
					last 5 years		
		06 Jan	02 Dec	±%	Min	Avg	Max
Capesize							
180k dwt	Resale	36.0	36.0	0.0%	34.5	45.9	65.0
170k dwt	5 year old	24.0	24.0	0.0%	23.0	34.5	53.0
170k dwt	10 year old	15.0	14.0	7.1%	12.0	22.7	38.0
150k dwt	15 year old	8.0	8.0	0.0%	6.5	13.7	25.0
Panamax							
82k dwt	Resale	24.5	24.5	0.0%	22.5	28.4	34.0
76k dwt	5 year old	14.0	14.0	0.0%	11.5	19.4	28.0
76k dwt	10 year old	8.5	8.0	6.3%	7.3	13.8	23.0
74k dwt	15 year old	5.3	4.8	10.5%	3.5	8.8	14.5
Supramax							
62k dwt	Resale	22.0	21.5	2.3%	19.0	26.7	33.0
58k dwt	5 year old	13.5	13.5	0.0%	11.0	19.0	27.0
52k dwt	10 year old	9.0	8.5	5.9%	6.0	13.5	22.0
52k dwt	15 year old	5.5	5.5	0.0%	3.5	8.4	13.5
Handysize							
37k dwt	Resale	17.5	17.0	2.9%	17.0	21.6	26.0
32k dwt	5 year old	12.0	11.5	4.3%	7.8	15.3	22.0
32k dwt	10 year old	6.5	6.5	0.0%	6.0	11.2	16.8
28k dwt	15 year old	3.8	3.8	0.0%	3.5	7.2	11.0

Indicative Tanker Values (US\$ million)

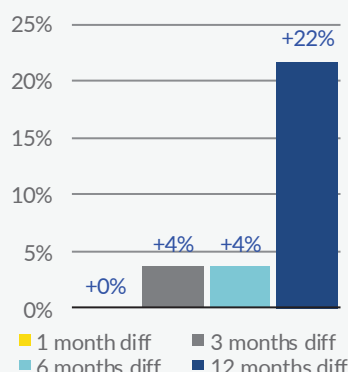
					last 5 years		
		06 Jan	02 Dec	±%	Min	Avg	Max
VLCC							
310k dwt	Resale	85.0	85.0	0.0%	80.0	93.1	105.0
310k dwt	5 year old	65.0	60.0	8.3%	55.0	68.3	84.0
250k dwt	10 year old	45.0	40.0	12.5%	34.5	45.2	59.0
250k dwt	15 year old	28.0	24.0	16.7%	16.9	27.9	41.0
Suezmax							
160k dwt	Resale	56.0	56.0	0.0%	53.0	63.1	73.0
150k dwt	5 year old	44.0	42.0	4.8%	38.0	48.8	62.0
150k dwt	10 year old	31.0	29.0	6.9%	24.0	33.3	44.5
150k dwt	15 year old	22.0	20.0	10.0%	14.0	18.8	23.0
Aframax							
110k dwt	Resale	45.0	45.0	0.0%	39.0	48.5	57.0
110k dwt	5 year old	32.5	30.0	8.3%	27.0	36.1	47.5
105k dwt	10 year old	21.0	19.0	10.5%	16.0	23.4	33.0
105k dwt	15 year old	16.0	14.0	14.3%	8.0	13.1	18.5
MR							
52k dwt	Resale	33.5	33.5	0.0%	32.0	36.3	39.0
52k dwt	5 year old	24.5	23.0	6.5%	22.0	26.3	31.0
45k dwt	10 year old	17.5	16.5	6.1%	14.0	17.7	21.0
45k dwt	15 year old	12.0	11.0	9.1%	9.0	11.0	13.5

Price movements of 5 year old Dry Bulk assets

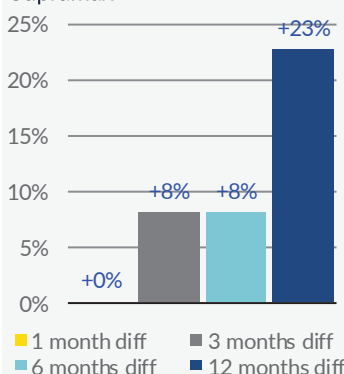
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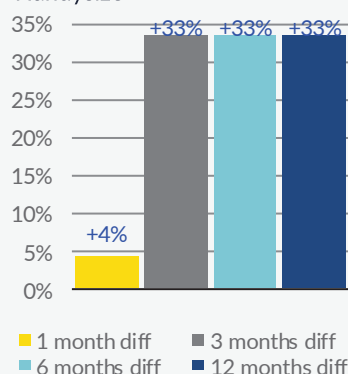
Panamax



Supramax

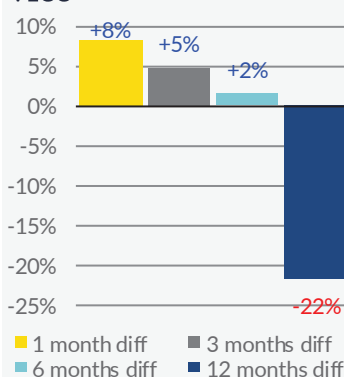


Handysize

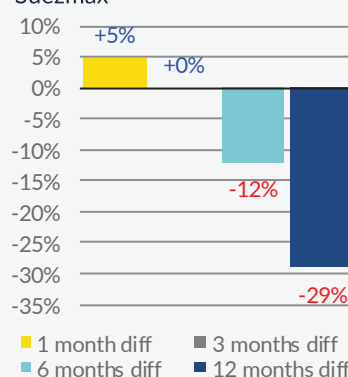


Price movements of 5 year old Tanker assets

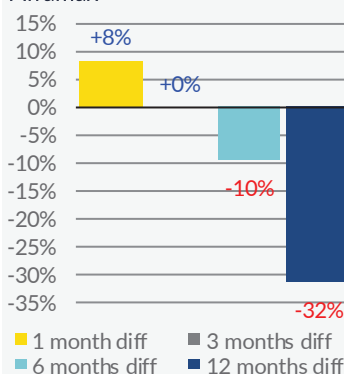
VLCC



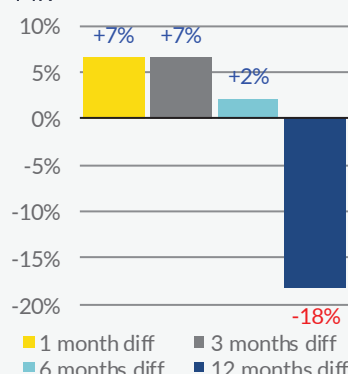
Suezmax



Aframax



MR



Sale & Purchase Secondhand Sales



27th December 2016 - 06th January 2017

Tankers									
Size	Name	Dwt	Built	Shipbuilder	M/E	Coating	Price	Buyers	Comments
VLCC	NUCLEUS	307,284	2007	DALIAN SHBLDG IND - NO, China	Wartsila		\$ 47.0m	U.S.A. based - Wafra Capital Partners	BBB for 5 years at \$22,000pd
VLCC	NEPTUN	307,284	2007	DALIAN SHBLDG IND - NO, China	Wartsila		\$ 47.0m		
VLCC	NAVARIN	307,284	2007	DALIAN SHBLDG IND - NO, China	Wartsila		\$ 47.0m		
VLCC	NAUTILUS	307,284	2006	DALIAN SHBLDG IND - NO, China	Wartsila		\$ 47.0m		
SUEZ	EUGENIE	157,672	2010	SAMSUNG HEAVY, S. Korea	MAN-B&W		\$ 36.3m	Indian - Great Eastern Shipping	
SUEZ	DEVON	157,641	2011	SAMSUNG HEAVY, S. Korea	MAN-B&W		\$ 38.8m		
SUEZ	SIFNOS	150,875	1999	NKK CORP - TSU, Japan	Sulzer		\$ 12.3m	Greek - Andromeda	
SMALL	LYDIAN TRADER	5,504	2008	CELIKTEKNE TUZLA, Turkey	MAN-B&W		N/A	Turkish - Atlantis Tankers	
SMALL	IONIAN TRADER	5,495	2008	CELIKTEKNE TUZLA, Turkey	MAN-B&W		N/A		
SMALL	MELANIE	2,562	1983	IVAN DIMITROV, Bulgaria	S.K.L.		\$ 0.7m	undisclosed	
Bulk Carriers									
Size	Name	Dwt	Built	Shipbuilder	M/E	Gear	Price	Buyers	Comments
KMAX	OSHIMA RESALE	81,600	2017	OSHIMA, Japan	MAN-B&W		\$ 24.5m	Greek - Eastern Mediterranean Maritime	Dely Jul '17
PMAX	RED JASMINE	76,596	2006	IMABARI MARUGAME, Japan	MAN-B&W		\$ 8.0m	Greek - Empire Bulkers	
PMAX	JUN JIE	74,005	2000	IMABARI MARUGAME, Japan	B&W		\$ 4.8m	Chinese	
PMAX	NYON	73,035	1999	CHINA SHIPBUILDING KAO, Taiwan	Sulzer		\$ 4.1m	Chinese	
SMAX	NEW CALEDONIA MARU	58,086	2013	TSUNEISHI CEBU, Philippines	MAN-B&W	4 X 30t CRANES	\$ 14.7m	undisclosed	committed
SMAX	MEDI IMABARI	56,047	2008	mitsui TAMANO, Japan	MAN-B&W	4 X 30t CRANES	\$ 10.1m	Greek	
SMAX	SANTA ISABELLA	55,862	2006	KAWASAKI SHIPBUILDING, Japan	MAN-B&W	4 X 30,5t CRANES	\$ 8.3m	undisclosed	
SMAX	REDWING	53,395	2007	CHENGXI SHIPYARD CO LT, China	MAN-B&W	4 X 35t CRANES	\$ 6.2m	undisclosed	
SMAX	NAVIOS APOLLON	52,073	2000	SANOYAS HISHINO MIZ'MA, Japan	Sulzer	5 X 30t CRANES	\$ 5.0m	undisclosed	
HMAX	NEMTAS-2	48,857	2005	IHI MARINE UNITED - YO, Japan	Sulzer	4 X 30,5t CRANES	\$ 8.0m	Bangladeshi	

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Sale & Purchase Secondhand Sales



27th December 2016 - 06th January 2017

Bulk Carriers - continued

Size	Name	Dwt	Built	Shipbuilder	M/E	Gear	Price	Buyers	Comments
HANDY	SUMATRA	38,800	2016	HUANGHAI, China	Wartsila	4 X 30t CRANES	\$ 15.5m	German - A. Bolten	
HANDY	TRADING FABRIZIA	34,590	2011	SPP SHBLDG CO LTD - TO, S. Korea	MAN-B&W	4 X 35t CRANES	\$ 9.0m	Greek - Thalkat Shipping	was under arrest in jamaica
HANDY	ETERNAL OCEAN	33,382	2013	SHIN KURUSHIMA ONISHI, Japan	Mitsubishi	4 X 30t CRANES	\$ 13.0m	German - Bernhard Schulte	
HANDY	ZHI JING	33,075	2008	ZHOUSHAN WUZHOU SHIP R, China	Wartsila	4 X 25t CRANES	\$ 4.0m	Chinese	
HANDY	MAPLE FORTITUDE	32,491	2011	TAIZHOU MAPLE LEAF SHB, China	MAN-B&W	4 X 30,5t CRANES	N/A	Chinese	
HANDY	AZURE BAY	31,700	2005	SAIKI JUKOGYO, Japan	Mitsubishi	4 X 30t CRANES	\$ 7.0m	Greek - Team Fuel	
HANDY	SEIYO EXPLORER	24,800	1996	SHIN KURUSHIMA ONISHI, Japan	Mitsubishi	4 X 30t CRANES	N/A	undisclosed	

Gen. Cargo

Type	Name	Dwt	Built	Shipbuilder	M/E	Gear	Price	Buyers	Comments
General Cargo	TAIYOUNG SUN	3,739	1992	DAE SUN SHIPBUILDING &, S. Korea	B&W		N/A	undisclosed	

Containers

Size	Name	TEU	Built	Shipbuilder	M/E	Gear	Price	Buyers	Comments
SUB PMAX	WEHR BILLE	2,546	2002	VOLKSWERFT, Germany	B&W	3 X 45t CRANES	\$ 3.9m	Chinese	
SUB PMAX	WEHR ALSTER	2,546	2002	VOLKSWERFT, Germany	B&W	3 X 45t CRANES	\$ 3.6m		
SUB PMAX	KAMALA	2,011	1999	IMABARI MARUGAME, Japan	MAN-B&W	2 X 40t CRANES	N/A	Far Eastern	
FEEDER	PERLA	1,098	2007	JINLING, China	MAN-B&W		\$ 4.5m	S. Korean - Korea Line	

Ferries

Type	Name	Pax	Built	Shipbuilder	M/E	LOA(m)	Price	Buyers	Comments
Ro-Pax	HIGHSPEED 6	900	2000	INCAT, Australia	Ruston	\$ 95.5m	N/A	Spain - Naviera Armas	
Ro-Pax	REGULA	400	1971	MEYER PAPENBURG, Germany	Deutz	\$ 71.2m	\$ 4.0m	Estonia - Port of Tallinn	
Ro-Pax	LUIGI PA	376	1975	ANKERLOKKEN VERFT FLOR, Norway	Pielstick	\$ 167.5m	N/A	Turkish	

Offshore

Type	Name	Dwt	Built	Shipbuilder	M/E	Bhp	Price	Buyers	Comments
OSV	DEEP WAVE	4,500	2002	HAVYARD LEIRVIK, Norway	Bergens	7,950	N/A	undisclosed	
OSV	EDDA FRIGG	3,974	1997	TULCEA, Romania	Wartsila	9,598	N/A	Danish	
AHTS	DEEP INVESTIGATOR	2,690	1986	ULSTEIN HATLO, Norway	Normo	7,208	N/A	undisclosed	

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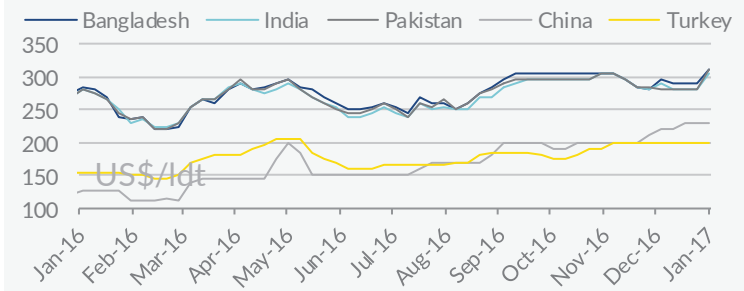
Sale & Purchase

Demolition Sales

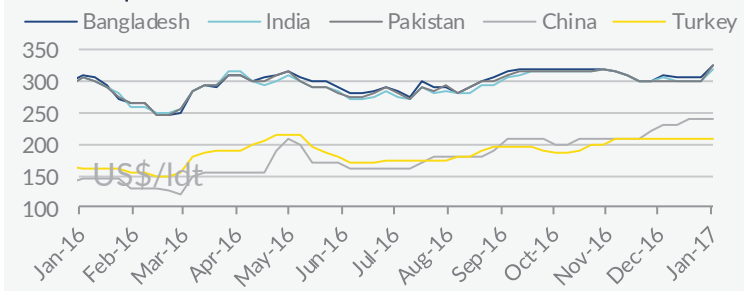
27th December 2016 - 06th January 2017

The demolition market seemed to have started off on a strong note, with prices picking up further over the final days of 2016 and the first week of 2017. Having said that there is trouble now being seen in the horizon, as the industry is hit by yet another fatal accident this time in India. Regulators are now likely to increase their efforts and take a more strict stance on the industry, hoping to achieve a radical restructuring on the safety procedures undertaken and at the same time looking to hopefully bring higher standards of operations in the whole of the Indian Sub-Continent. This will surely increase the pressure on end buyers and in the case that we see a similar rate of demo candidates coming to market as was witnessed in 2016, this will surely translate into a strong downward pressure on prices. On the plus side it seems that prices for scrap steel are still holding firm, with expectations for further demand to emerge over the coming months as many steel mills move over towards a greater reliance for scrap steel feedstock as they start switching to electric arc furnaces.

Dry Scrap Prices



Wet Scrap Prices



Indicative Dry Prices (\$/Ldt)

		06 Jan	30 Dec	±%	last 5 years		
					Min	Avg	Max
Indian Sub Continent							
	Bangladesh	310	290	6.9%	220	376	475
	India	305	280	8.9%	225	378	500
	Pakistan	310	280	10.7%	220	375	475
Far East Asia							
	China	230	230	0.0%	110	269	425
Mediterranean							
	Turkey	200	200	0.0%	145	242	355

Indicative Wet Prices (\$/Ldt)

		06 Jan	30 Dec	±%	last 5 years		
					Min	Avg	Max
Indian Sub Continent							
	Bangladesh	325	305	6.6%	245	397	495
	India	320	300	6.7%	250	400	510
	Pakistan	325	300	8.3%	245	399	500
Far East Asia							
	China	240	240	0.0%	120	285	445
Mediterranean							
	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	VARADA BLESSING	299,994	1993	S. Korea	38,115	N/A	undisclosed	bss 'as is' Hong Kong
Bulker	ORE BRUCUTU	251,191	1986	Japan	29,122	\$ 296/Ldt	Indian	bss dely India
Bulker	LONG FU STAR	171,039	1996	Japan	19,992	\$ 329/Ldt	undisclosed	net price, option Bangladesh or Pakistan
Cont	ZIM SAVANNAH	66,937	2004	S. Korea	20,896	\$ 334/Ldt	undisclosed	bss 'as is' S'pore incl abt 400 mts ROB
Cont	AL ENTERPRISE	61,441	2003	Japan	22,444	\$ 334/Ldt	undisclosed	bss 'as is' Davao
Cont	OEL KHALEEJ EXPRESS	59,840	1995	Japan	18,895	\$ 327/Ldt	undisclosed	bss 'as is' Fujairah with sufficient bunkers ROB
Bulker	AL AIN	40,926	1994	Bulgaria	9,957	\$ 325/Ldt	Pakistani	
Tanker	PACIFIC STREAM	24,728	1985	Spain	7,835	\$ 520/Ldt	Indian	StSt chemical tanker
Cont	KOTA WISATA	24,155	1994	Japan	7,005	\$ 322/Ldt	Bangladeshi	
Cont	CRESCO	22,900	1996	Poland	7,771	\$ 335/Ldt	undisclosed	option India or Pakistan
Cont	SONOMA	22,384	1997	Poland	7,430	\$ 341/Ldt	Indian	
Cont	ELENI I	22,250	1996	Germany	7,400	\$ 330/Ldt	Indian	bss as is Yantian
Cont	HANSA CASTELLA	21,473	1998	S. Korea	7,535	\$ 320/Ldt	Indian	

Trade Indicators

Markets | Currencies | Commodities

27th December 2016 - 06th January 2017

HSH Nordbank executives are positive about finding a buyer ahead of a February 2018 deadline.

The German bank, a major lender to shipping, is 85% owned by the states of German states of Schleswig-Holstein and Hamburg and must be privatised in the next year.

"Despite the difficult market environment, we have very good prospects of selling the bank," Oliver Gatzke, its chief financial officer told the Boersen Zeitung newspaper.

According to Reuters, European and Asian banks are being targeted as potential buyers.

As TradeWinds reported in December, HSH Nordbank revealed a substantial rise in shipping loan provisions to EUR 959m (\$1.08bn) in the first nine months of 2016. Source: Tradewinds

	06 Jan	02 Dec	±%	last 12 months		
Markets				Min	Avg	Max
10year US Bond	2.42	2.39	1.3%	1.37	1.85	2.60
S&P 500	2,277.0	2,192.0	3.9%	1,829	2,099	2,277
Nasdaq	5,521.1	5,255.7	5.0%	4,267	4,999	5,521
Dow Jones	19,963.8	19,170.4	4.1%	15,660	17,978	19,975
FTSE 100	7,210.1	6,730.7	7.1%	5,537	6,493	7,210
FTSE All-Share UK	3,913.6	3,665.0	6.8%	3,047	3,545	3,914
CAC40	4,909.8	4,528.8	8.4%	3,897	4,428	4,910
Xetra Dax	11,599.0	10,513.4	10.3%	8,753	10,225	11,599
Nikkei	19,454.3	18,426.1	5.6%	1,667	16,913	19,594
Hang Seng	22,503.0	22,564.8	-0.3%	18,320	21,461	24,100
DJ US Maritime	224.2	214.7	4.4%	150.2	198.4	238.7
Currencies						
\$ per €	1.06	1.06	-0.6%	1.04	1.11	1.16
\$ per £	1.23	1.27	-2.6%	1.22	1.35	1.49
£ per €	0.86	0.84	2.0%	0.74	0.82	0.91
¥ per \$	116.3	113.8	2.3%	100.0	108.8	121.2
\$ per Au\$	0.73	0.74	-1.5%	0.69	0.74	0.78
\$ per NoK	0.12	0.12	-0.9%	0.11	0.12	0.13
\$ per SFr	1.01	1.01	0.3%	0.95	0.99	1.03
Yuan per \$	6.92	6.88	0.5%	6.46	6.65	6.96
Won per \$	1,194.2	1,171.1	2.0%	1,092.8	1,161.2	1,237.8
\$ INDEX	107.3	105.9	1.3%	97.9	102.0	108.3
Commodities						
Gold \$	1,176.7	1,173.5	0.3%	1,077.0	1,247.8	1,366.3
Oil WTI \$	54.0	51.7	4.5%	26.9	43.7	54.1
Oil Brent \$	57.1	54.5	4.8%	28.2	45.5	57.1
Palm Oil	-	-	-	562.0	562.0	562.0
Iron Ore	78.3	78.1	0.3%	39.3	58.2	82.8
Coal Price Index	82.8	84.3	-1.8%	48.5	64.8	101.5
White Sugar	545.5	516.0	5.7%	368.6	500.7	613.5

Currencies

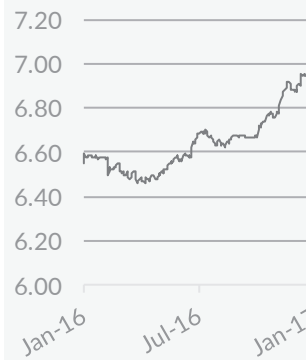
US Dollar per Euro



Yen per US Dollar



Yuan per US Dollar



US Dollar INDEX

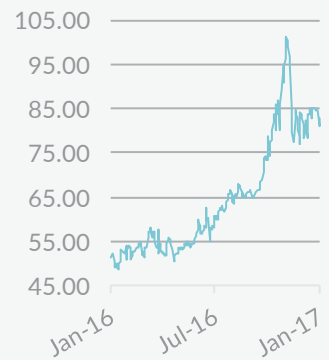


Commodities

Iron Ore (TSI)



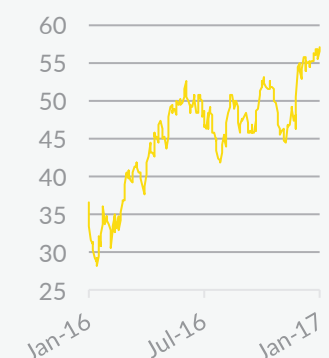
Coal Price Index



Oil WTI \$



Oil Brent \$



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27th December 2016 - 06th January 2017 | Week 52-01

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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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