

Market insight

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SnP Broker

So what's all the fuss about? During the past five months SnP activity has been surging exponentially in the dry bulk sector. Buyers are looking to get their hands on any size within a big range of modern tonnage varying from small Handies to Newcastlemaxes.

Even if prices are more than 25% higher now than what they were eight months ago, modern ships are still relatively cheap. A good example is the "Billion Trader I" (82kdwt blt 07 Tsuneishi, Japan) and the "Billion Trader II" (82kdwt blt 07 Tsuneishi, Japan), two sister ships reported sold eight months apart. The "Billion Trader I" was sold USD 9.5 million in June 2016 and the "Billion Trader II" was sold in February 2017, 3 million more. Still USD 12,5 million for a 10-year old Japanese Kamsarmax is a lot cheaper compared to the USD 21,5 million the ex- "Million Trader II" (76kdwt blt 04 Tsuneishi, Japan) was sold at three years ago in February 2014.

Yes, the freight market today provides much more confidence compared to last year, but the reason Principals are going after tonnage with such a huge appetite is because they are seeing the bigger picture, which is not ugly anymore. The signs that we are heading towards a healthier dry bulk market are clearly visible and improving fundamentals are in place. Actually they have been in place for some time now and we had been discussing them in the past but the rock-bottom hire rates of late-2015 and early-2016 made it impossible for most to take notice.

Now the diminishing order-book, the implementation of regulations and a steady demand for transportation of cargo provide the necessary confidence for buyers to invest. On top of these factors we have to add the scarcity of finance for NB orders. In the recent past a number of banks that were known for providing shipping finance have either reduced their portfolio or exited the industry all together. The financial institutions that took over these portfolios are very cautious and seem to have learnt by the past mistakes of their peers. So far they are demonstrating a selective resistance in backing new orders for bulk carriers.

Of course the way the second hand market is heading, we won't be surprised if sooner rather than later NB slots will make more sense than ships in the water. But the problem will not be the controlled and strategic orders from established owners with years of experience in shipping. The key (or the challenge) will be to avoid big orders similar to those witnessed five years ago. If the ordering stays in check for the next four years then we are certainly heading towards better days.

The skeptics keep saying that moving on speculation is not wise but the truth is that this time buyers are taking educated risks backed by facts and not plain "gut" feeling or speculative decisions.

So the fuss is not about having to invest now because the market is booming and returns are exceptional. The fuss is that for the first time since 2008 things are promising and that numbers back that promise. Again you don't have to invest, but why wouldn't you? The next question is; how long this window will remain open? That is yet to be seen. Grain season is on its way and freight rates should rise, which logically will also result in even higher asset prices. We have to see how the market will react and if Buyers will take a step back or continue to pursue opportunities in the second-hand market.

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

And up we go! The dry bulk market kept enjoying strong momentum last week, with earnings for Panamax substantially outperforming the rest of the market. The BDI closed today (07/03/2017) at 859 points, up by 54 points compared to yesterday's levels (06/03/2017) and increased by 174 points when compared to previous Tuesday's closing (28/02/2017). Rates in the crude carriers market lacked clear direction for yet another week, while the Middle East market started becoming busier before the weekend. The BDTI on Monday (06/03/2017) was at 838, increased by 3 points and the BCTI at 617, an increase of 16 points compared to prior Monday's (27/02/2017) levels.

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

"Get them while you can still afford them!" SnP activity in the Dry Bulk market continues to see impressive volumes, with second hand prices for modern vessels quickly increasing on the back of very strong competition among interested Buyers. On the tanker side we had the sale of the "DHT ANN" (309,327dwt-blt 01, S. Korea), which was sold to Indonesian owner, Bumi, for a price in the region of \$21.0m. On the dry bulker side, we had the sale of the "ALESSANDRO VOLTA" (76,806dwt-blt 05, Japan), which was sold to Greek buyers, for a price in the region of \$9.8m.

Newbuilding (Wet: **Stable -** / Dry: **Stable -**)

Recent newbuilding activity reveals signs of life in the troubled industry, with rumours in regards to a substantial Capesize order with big optionality gathering most of the interest. With the sector only recently having started to enjoy a steadier freight market, signs of a rebound in ordering is certainly not the most desired development at this stage and while it is indeed too early to say whether this could be the beginning of a trend, the sharp rise in prices of modern vessels since the beginning of the year could soon make a good argument for ordering instead of investing in the second-hand market. Additionally, despite the overpublicized lack of finance, the reality is that owners who desire to opt for a dry bulk newbuilding vessel can still get access to finance with the help of shipbuilders in the Far East and let's not forget the growing role of Chinese leasing companies. Having said that, it will be interesting to see how dry bulk owners behave in regards to new orders in the following months. Hopefully with some sense. In terms of recently reported deals, Greek owner, Dryships, has exercised the second out of the four options, for a VLGC (78,700 cbm) at Hyundai HI, S, Korea for a price of \$83.5m and delivery set in September this year.

Demolition (Wet: **Firm +** / Dry: **Firm +**)

This rally has serious legs! Prices in the demolition market firmed substantially last week, further extending the strong momentum the market has been enjoying for more than two consecutive months. Hungry cash buyers proved to have extremely deep pockets last week, during which a few sales were done at very impressive levels. Whether those prices are the result of a self-fulfilling prophecy in the form of competition and speculation among buyers or improving fundamentals has been the question in everyone's mind. Saying that, the fact that scrap steel prices in China have been also moving up in sync with demo prices, means that despite the degree to which excitement is responsible for this price rally, market fundamentals have been also strengthening, given that cheap Chinese steel exports were crippling prices in the past couple of years. Average prices this week for tankers were at around 270-350 \$/ldt and dry bulk units received about 260-330 \$/ldt.

Spot Rates

Vessel	Routes	Week 9		Week 8		\$ /day ±%	2016 \$/day	2015 \$/day
		WS points	\$/day	WS points	\$/day			
VLCC	265k MEG-JAPAN	60	22,068	70	31,401	-29.7%	41,068	65,906
	280k MEG-USG	30	4,653	32	8,062	-42.3%	44,269	49,575
	260k WAF-USG	65	28,708	75	36,602	-21.6%	53,995	76,251
Suezmax	130k MED-MED	77	11,397	75	10,248	11.2%	29,930	50,337
	130k WAF-USAC	82	17,782	80	15,273	16.4%	23,591	40,490
	130k BSEA-MED	82	13,762	80	12,327	11.6%	29,930	50,337
Aframax	80k MEG-EAST	115	14,089	115	13,393	5.2%	20,111	34,131
	80k MED-MED	117	18,595	110	16,603	12.0%	20,684	37,127
	80k UKC-UKC	100	11,827	105	14,743	-19.8%	26,526	39,338
Clean	70k CARIBS-USG	140	18,150	148	20,126	-9.8%	20,501	36,519
	75k MEG-JAPAN	105	9,682	115	11,547	-16.2%	16,480	30,482
	55k MEG-JAPAN	115	8,637	120	9,111	-5.2%	12,891	24,854
Dirty	37K UKC-USAC	140	8,650	130	7,090	22.0%	10,622	19,973
	30K MED-MED	145	5,054	142	4,800	5.3%	9,056	24,473
	55K UKC-USG	120	8,997	125	10,953	-17.9%	15,726	27,228
Dirty	55K MED-USG	120	9,190	120	9,440	-2.6%	14,879	26,083
	50k CARIBS-USAC	120	5,208	140	10,828	-51.9%	15,549	27,146

TC Rates

\$/day		Week 9	Week 8	±%	Diff	2016	2015
VLCC	300k 1yr TC	29,000	29,000	0.0%	0	38,108	46,135
	300k 3yr TC	28,000	28,000	0.0%	0	34,379	42,075
Suezmax	150k 1yr TC	21,000	21,000	0.0%	0	27,363	35,250
	150k 3yr TC	20,250	20,250	0.0%	0	25,653	33,219
Aframax	110k 1yr TC	17,250	17,250	0.0%	0	22,396	26,808
	110k 3yr TC	17,000	17,000	0.0%	0	20,948	24,729
Panamax	75k 1yr TC	13,000	13,000	0.0%	0	19,127	23,596
	75k 3yr TC	14,500	14,500	0.0%	0	18,592	20,580
MR	52k 1yr TC	12,500	12,500	0.0%	0	15,410	17,865
	52k 3yr TC	14,000	14,000	0.0%	0	15,681	16,638
Handy	36k 1yr TC	11,500	11,500	0.0%	0	14,380	16,101
	36k 3yr TC	13,000	13,000	0.0%	0	14,622	15,450

Chartering

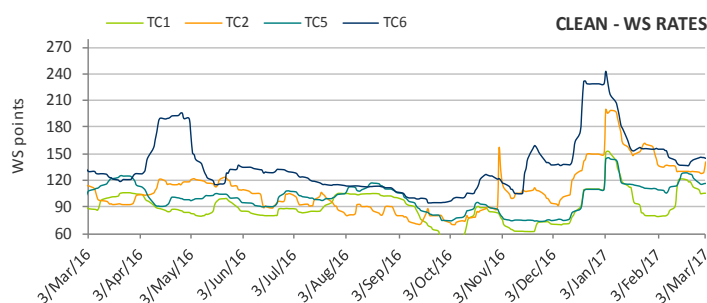
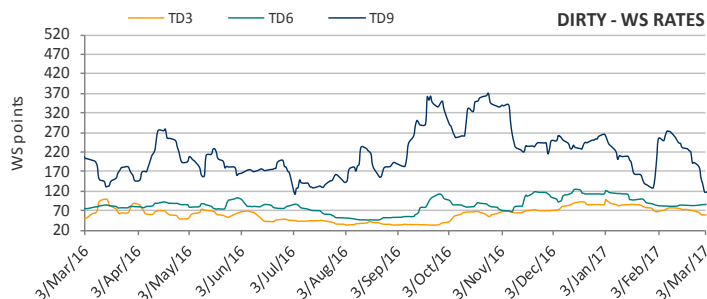
Rates in the crude carriers market kept displaying a mixed picture last week, with the VL segment still under pressure and the rest of the market remaining more upbeat. Rate levels in the few period contracts surfacing in the past days signal a rather steady market nonetheless, while the slow-down in oil prices and consequently bunker cost has additionally boosted TCE levels. As China's lower growth for 2017 was reiterated by the country's administration a couple of days ago, oil prices seem to have lost their recent momentum, while negative pressure on prices also increased by escalating violence in Libya. As a result, prices are still stuck in the tight range of mid-\$50/barrel and we expect them to remain there during March as well.

Despite the fact that last week kicked off on a very negative note for VLs in the Middle East, the market got busier closer to Friday and expectations for a rate upside this current week have now been built, while the West Africa region also saw increased enquiry that should eventually translate to higher earnings.

The West Africa and Black Sea/Med Suezmax remained on an upward path last week on the back of balanced tonnage supply in both regions that saw steady demand and rates firming. The Med Aframax kept covering some of the ground lost during February, partially helped by delays in the Straits, while the Caribs market faced increased pressure, which slightly reversed during the second part of the week..

Indicative Period Charters

- 12 mos	- 'VIC. VENTURE'	2017	115,000 dwt
-	- \$18,250/day		- Navig8
- 5 to 9 mos	- 'FPMC 22'	2010	50,997 dwt
-	- \$11,500/day		- Vitoil



Indicative Market Values (\$ Million) - Tankers

Vessel 5yrs old		Mar-17 avg	Feb-17 avg	±%	2016	2015	2014
VLCC	300KT DH	61.0	61.0	0.0%	68.7	81.2	73.8
Suezmax	150KT DH	41.5	41.5	0.0%	49.7	59.7	50.4
Aframax	110KT DH	30.5	30.5	0.0%	36.8	45.5	38.9
LR1	75KT DH	28.5	28.5	0.0%	32.9	36.1	33.0
MR	52KT DH	22.0	22.0	0.0%	25.0	27.6	27.5

Sale & Purchase

In the VLCC sector we had the sale of the "DHT ANN" (309,327dwt-blt 01, S. Korea), which was sold to Indonesian owner, Bumi, for a price in the region of \$21.0m.

In the Aframax sector we had the sale of the "NISSOS ANAFI" (115,666dwt-blt 12, S. Korea), which was sold to Greek owner, TMS Tankers, for a price in the region of \$29.1m.

Baltic Indices

	Week 9 03/03/2017		Week 8 24/02/2017		Point Diff	\$ / day ±%	2016	2015
	Index	\$ / day	Index	\$ / day			Index	Index
BDI	939		875		64		676	713
BCI	1,227	\$9,425	1,165	\$9,358	62	0.7%	1,030	1,009
BPI	1,118	\$8,982	947	\$7,613	171	18.0%	695	692
BSI	846	\$8,848	809	\$8,461	37	4.6%	601	663
BHSI	462	\$6,766	428	\$6,277	34	7.8%	364	365

Period

	\$ / day	Week 9	Week 8	±%	Diff	2016	2015
Capesize	180K 6mnt TC	11,500	11,000	4.5%	500	7,842	9,969
	180K 1yr TC	12,500	11,500	8.7%	1,000	7,582	10,263
	180K 3yr TC	11,750	11,000	6.8%	750	8,728	11,243
Panamax	76K 6mnt TC	9,750	9,250	5.4%	500	6,492	7,921
	76K 1yr TC	9,500	9,000	5.6%	500	6,558	7,705
	76K 3yr TC	9,750	9,250	5.4%	500	7,068	8,724
Supramax	55K 6mnt TC	9,750	9,250	5.4%	500	6,582	8,162
	55K 1yr TC	9,000	8,750	2.9%	250	6,851	7,849
	55K 3yr TC	9,250	9,000	2.8%	250	6,827	8,181
Handysize	30K 6mnt TC	7,250	7,250	0.0%	0	5,441	6,690
	30K 1yr TC	7,250	7,250	0.0%	0	5,511	6,897
	30K 3yr TC	7,250	7,250	0.0%	0	5,950	7,291

Chartering

On the back of strong performance from the Panamax market, the Dry Bulk index moved another leg up last week and sentiment among owners further strengthened. With the BDI surpassing 1,000 points today, the sense of optimism the Dry Bulk market is currently enjoying has not been witnessed since December and this is evident from the strength in both the freight and SnP markets. Period numbers keep firming quickly, while the extended improvement in Asian trade is offering meaningful support to the market. The recent ease on Indonesia's ban on ore exports, is expected to also keep providing substantial support in the Pacific basin trade, which has partially suffered because of the ban that was introduced in the country back in 2014 and had negatively impacted Supramax and Panamax business in the region.

The Capesize market managed to shake off the pressure that was mounting until mid-week, with majors in the Pacific being particularly active just before the weekend, while period numbers were again firm, sustaining a substantial premium over the spot market in most cases.

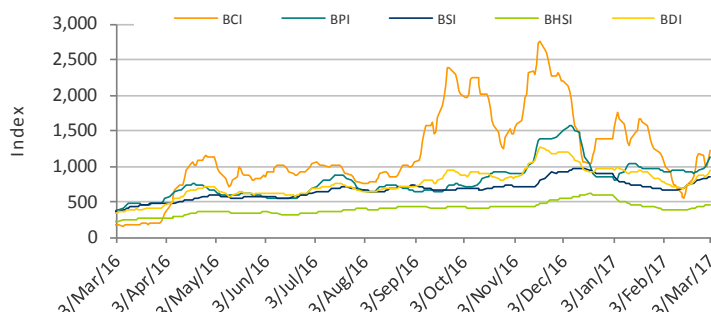
The Atlantic Panamax kept firming on the back of strong activity ex-South America that has started clearing tonnage particularly in North Atlantic, while Asian trade saw additional premiums over last done for both spot and period business. The following weeks should be particularly interesting for the segment, as the Black Sea grains trade is also expected to intensify following the end of the winter season.

The Atlantic Supramax saw strong numbers particularly in the USG, while in the East momentum was also getting stronger, with period enquiry highlighting the positive market. Handysize rates were positive in both basins, while both Supras and Handies should shortly start enjoying increased support from the Black Sea market as well.

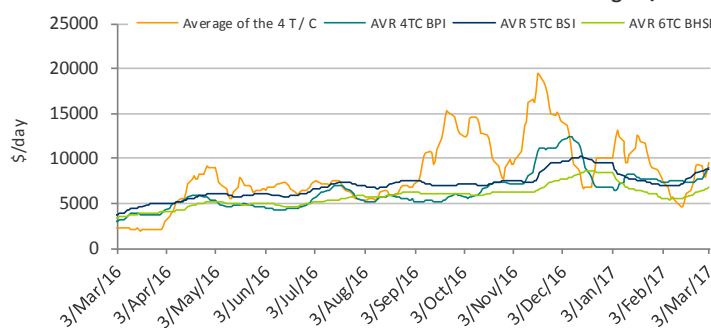
Indicative Period Charters

- 12 mos	- 'ARISTOFANIS'	2011	178,926 dwt
- retro Lanqiao 21 Feb	- \$ 12,500/day		- Rio Tinto
- 5 to 6 mos	- 'JOSCO FUZHOU'	2010	58,705 dwt
- CJK 05/06 Mar	- \$ 9,500/day		- Thoresen

Baltic Indices



Average T/C Rates



Indicative Market Values (\$ Million) - Bulk Carriers

Vessel 5 yrs old	Mar-17 avg	Feb-17 avg	±%	2016	2015	2014
Capesize 180k	26.0	24.0	8.3%	23.2	33.4	47.5
Panamax 76K	16.0	15.0	6.7%	13.4	17.5	24.8
Supramax 56k	15.0	14.5	3.4%	12.2	16.6	25.2
Handysize 30K	13.3	12.9	2.9%	9.4	13.8	20.0

Sale & Purchase

In the Panamax sector we had the sale of the "ALESSANDRO VOLTA" (76,806dwt-blt 05, Japan), which was sold to Greek buyers, for a price in the region of \$9.8m.

In the Handysize sector we had the sale of the "OCEAN HARMONY" (31,882dwt-blt 10, Japan), which was sold to Monaco based owner, Dabinovic, for a price in the region of \$9.5m.

Bulk Carriers										
Size	Name	Dwt	Built	Yard	M/E	SS due	Gear	Price	Buyers	Comments
POST PMAX	EARNEST SKY	95,735	2012	IMABARI MARUGAME, Japan	MAN-B&W	Nov-17		\$ 17.5m	Greek (Polembros)	
KMAX	UNITED PRESTIGE	81,918	2014	TSUNEISHI FKY, Japan	MAN-B&W	Nov-19		xs \$22.0m	Greek	
KMAX	NCS BEIJING	81,508	2009	UNIVERSAL MAI, Japan	MAN-B&W	Mar-19		\$ 14.5m	undisclosed	
PMAX	ALESSANDRO VOLTA	76,806	2005	SASEBO, Japan	MAN-B&W	Aug-20		\$ 9.8m	Greek	
PMAX	OCEAN MINERVA	75,698	2007	SANOYAS HISHINO MIZ'MA, Japan	MAN-B&W	Aug-16		\$ 11.0m	undisclosed	
PMAX	JUN HAO	72,867	2001	SAMSUNG HI, S. Korea	B&W	Jun-16		\$ 5.5m	Indian	
UMAX	JS TAMISE	63,500	2012	YANGZHOU DAYANG, China	MAN-B&W		4 X 35t CRANES	\$ 253.0m	U.S Based (Eagle Bulk)	three out of nine vessels are optional
UMAX	JS MISSISSIPPI	63,500	2012	YANGZHOU DAYANG, China	MAN-B&W		4 X 35t CRANES			
UMAX	JS MISSOURI	63,500	2012	YANGZHOU DAYANG, China	MAN-B&W		4 X 35t CRANES			
UMAX	JS NARMADA	63,500	2012	YANGZHOU DAYANG, China	MAN-B&W		4 X 35t CRANES			
UMAX	JS YANGTSE	63,500	2013	YANGZHOU DAYANG, China	MAN-B&W		4 X 35t CRANES			
UMAX	JS AMAZON	63,500	2012	YANGZHOU DAYANG, China	MAN-B&W		4 X 35t CRANES			
UMAX	JS COLORADO	63,500	2012	YANGZHOU DAYANG, China	MAN-B&W		4 X 35t CRANES			
UMAX	JS SANAGA	63,500	2012	YANGZHOU DAYANG, China	MAN-B&W		4 X 35t CRANES			
UMAX	JS MEKONG	63,500	2012	YANGZHOU DAYANG, China	MAN-B&W		4 X 35t CRANES			
SMAX	FELIZ N	57,000	2010	TAIZHOU KOUAN SHIPBUIL, China	MAN-B&W	Apr-20	4 X 30t CRANES	\$ 8.6m	undisclosed	
SMAX	ADMIRAL SCHMIDT	55,309	2007	OSHIMA SHIPBUILDING, Japan	MAN-B&W	Jan-17	4 X 30t CRANES	\$ 9.8m	Greek	
SMAX	TUBARAO	53,350	2007	SHANGHAI SHIPYARD, China	MAN-B&W	Mar-22	4 X 36t CRANES	\$ 7.0m	undisclosed	
SMAX	STELLA MARIS	52,454	2007	TSUNEISHI HOLDINGS, Japan	MAN-B&W	Jun-20	4 X 30t CRANES	\$ 9.6m	Greek	

Bulk Carriers continued.

Size	Name	Dwt	Built	Yard	M/E	SS due	Gear	Price	Buyers	Comments
SMAX	NAVIOS IONIAN	52,067	2000	SANOYAS HISHINO MIZ'MA, Japan	Sulzer	Aug-20	5 X 30t CRANES	low \$5.0m	Chinese	
HANDY	AUDREY-TRACY	34,874	2016	NAMURA IMARI, Japan	MAN-B&W	Feb-21	4 X 30t CRANES	\$ 17.4m	undisclosed	
HANDY	CAMPANULA	32,576	2007	KANDA KAWAJIRI, Japan	Mitsubishi	May-17	4 X 30,5t CRANES	\$ 6.6m	undisclosed	
HANDY	OCEAN HARMONY	31,882	2010	HAKODATE DOCK - HAKODA, Japan	Mitsubishi	Dec-20	4 X 30t CRANES	\$ 9.5m	Monaco Based (Dabinovic)	

Tankers

Size	Name	Dwt	Built	Yard	M/E	SS due	Hull	Price	Buyers	Comments
VLCC	DHT ANN	309,327	2001	HYUNDAI HI, S. Korea	B&W	Aug-21	DH	\$ 21.0m	Indonesian (Bumi)	on subs, storage project
VLCC	FRONT CIRCASSIA	306,009	1999	mitsubishi NAGASAKI, Japan	MAN-B&W	Feb-19	DH	\$ 18.5m	Chinese (Kunlun)	
AFRA	NISSOS ANAFI	115,666	2012	SAMSUNG HI, S. Korea	MAN-B&W		DH	\$ 29.1m	Greek (TMS Tankers)	
MR	ALAM BAKTI	47,999	2003	IWAGI, Japan	MAN-B&W	Jul-18	DH	\$ 10.0m	Indonesian	
SMALL	ASUKA	6,534	2004	HIGAKI, Japan	Mitsubishi	Sep-19	DH	\$ 5.5m	undisclosed	

Containers

Size	Name	Teu	Built	Yard	M/E	SS due	Gear	Price	Buyers	Comments
POST PMAX	COSCO XIAMEN	5,800	2005	KOYO MIHARA, Japan	MAN-B&W	Feb-20		undisclosed	undisclosed	
POST PMAX	COSCO DALIAN	5,800	2005	KOYO MIHARA, Japan	MAN-B&W			undisclosed	undisclosed	
PMAX	COSCO TIANJIN	4,632	2005	KOYO MIHARA, Japan	MAN-B&W			undisclosed	undisclosed	
PMAX	HS BRUCKNER	3,534	2009	SHANGHAI SHIPYARD CO L, China	MAN-B&W	Apr-17		\$ 5.7m	undisclosed	
SUB PMAX	ULYSSES	2,496	2006	CRIST SP Z OO, Poland	MAN-B&W	Sep-21	3 X 45t CRANES	\$ 6.2m	Chinese	
FEEDER	AMERICA FEEDER	584	1997	SEDEF TUZLA, Turkey	MAN	Dec-17	2 X 40t CRANES	\$ 2.0m	Filipino	

Gas/LPG/LNG										
Type	Name	Dwt	Built	Yard	M/E	SS due	Cbm	Price	Buyers	Comments
LPG	PGC DARKO KING	6,665	1997	HIGAKI, Japan	B&W	Nov-17	6,520	\$ 4.3m	Vietnamise (FGAS Petrol Co)	
LPG	GAS BANGKA	3994	2010	YAMANISHI CORP, Japan	MAN-B&W	Aug-20	3,535	\$ 7.0m	Vietnamise (FGAS Petrol Co)	

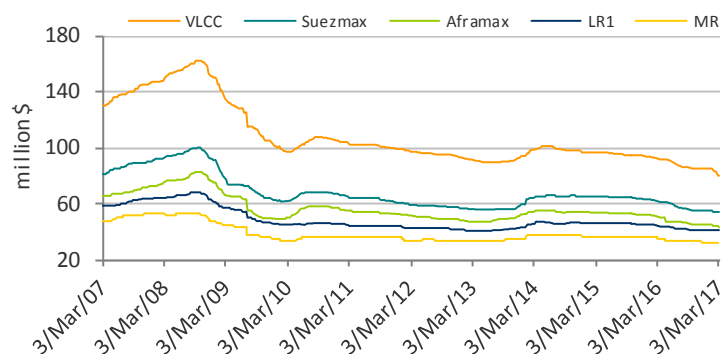
Indicative Newbuilding Prices (million\$)

	Vessel		Week 9	Week 8	±%	2016	2015	2014
Bulkers	Capesize	180k	41.5	41.5	0.0%	43.2	50	56
	Kamsarmax	82k	24.0	24.0	0.0%	24.8	28	30
	Ultramax	63k	22.0	22.0	0.0%	23	25	27
	Handysize	38k	19.5	19.5	0.0%	20	21	23
Tankers	VLCC	300k	80.0	80.0	0.0%	88.5	96	99
	Suezmax	160k	54.0	54.0	0.0%	58	64	65
	Aframax	115k	43.0	44.0	-2.3%	48	53	54
	LR1	75k	41.0	41.0	0.0%	42.5	46	46
Gas	MR	50k	32.5	32.5	0.0%	33.7	36	37
	LNG 160k cbm		189.0	189.0	0.0%	189	190	186
	LGC LPG 80k cbm		71.0	71.0	0.0%	74.1	77	78
	MGC LPG 55k cbm		64.0	64.0	0.0%	65.7	68	67
	SGC LPG 25k cbm		42.0	42.0	0.0%	42.8	45	44

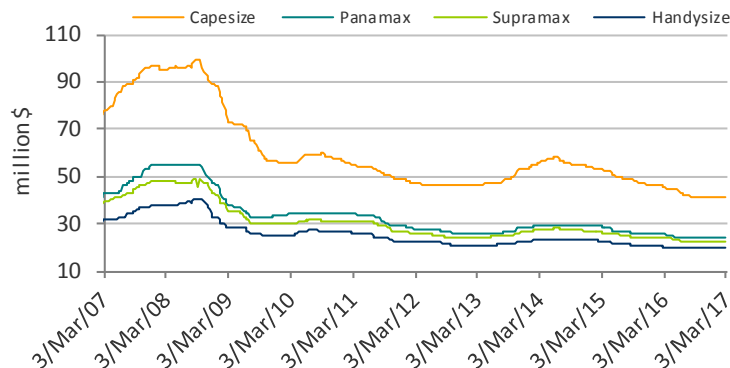
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In terms of recently reported deals, Greek owner, Dryships, has exercised the second out of the four options, for a VLGC (78,700 cbm) at Hyundai HI, S, Korea for a price of \$83.5m and delivery set in September this year.

Tankers Newbuilding Prices (m\$)



Bulk Carriers Newbuilding Prices (m\$)



Newbuilding Orders

Units	Type	Size	Yard	Delivery	Buyer	Price	Comments
2	Tanker	35,500 dwt	Shin Kurushima, Japan	2018-2019	undisclosed	undisclosed	chemical carrier
1	Tanker	7,000 dwt	Jiangsu Dajin HI, China	2018	undisclosed	\$ 10.5m	
3	Container	1,750 teu	Cosco Guangdong, China	2018	Greek (Lomar Shpg)	undisclosed	option declared
2+2	Gas	173,400 cbm	Daewoo, S. Korea	2019	European	undisclosed	
1	Gas	78,700 cbm	Hyundai, S. Korea	2017	Greek (Dryships)	\$ 83.5m	T/C to Shell, 2nd option declared

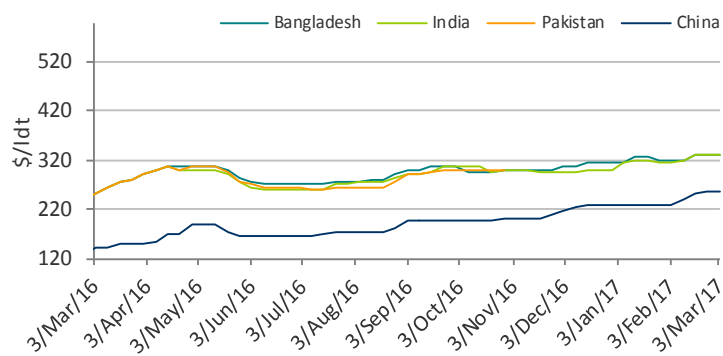
Indicative Demolition Prices (\$/Ldt)

	Markets	Week 9	Week 8	±%	2016	2015	2014
Tanker	Bangladesh	350	330	6.1%	287	360	469
	India	340	330	3.0%	283	361	478
	Pakistan	335	325	3.1%	284	366	471
	China	270	255	5.9%	176	193	313
Dry Bulk	Bangladesh	330	310	6.5%	272	341	451
	India	320	310	3.2%	268	342	459
	Pakistan	315	300	5.0%	267	343	449
	China	260	245	6.1%	160	174	297

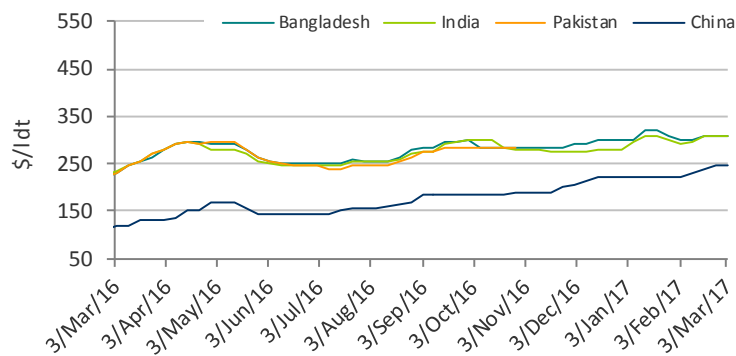
This rally has serious legs! Prices in the demolition market firmed substantially last week, further extending the strong momentum the market has been enjoying for more than two consecutive months. Hungry cash buyers proved to have extremely deep pockets last week, during which a few sales were done at very impressive levels. Whether those prices are the result of a self-fulfilling prophecy in the form of competition and speculation among buyers or improving fundamentals has been the question in everyone's mind. Saying that, the fact that scrap steel prices in China have been also moving up in sync with demo prices, means that despite the degree to which excitement is responsible for this price rally, market fundamentals have been also strengthening, given that cheap Chinese steel exports were crippling prices in the past couple of years. Average prices this week for tankers were at around 270-350 \$/Ldt and dry bulk units received about 260-330 \$/Ldt.

One of the highest price amongst recently reported deals was paid by Bangladeshi breakers for the Capesize Bulker "CSK GRANDEUR" (170,170dwt-21,464Ldt-bltn 00), which received \$350/Ldt.

Tanker Demolition Prices



Dry Bulk Demolition Prices

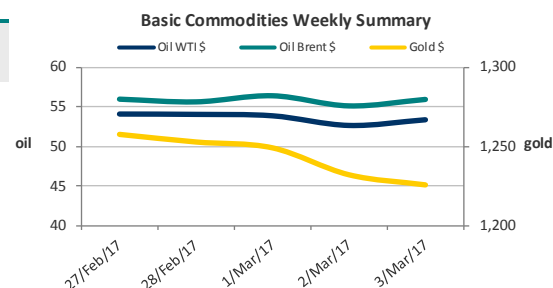


Demolition Sales

Name	Size	Ldt	Built	Yard	Type	\$/Ldt	Breakers	Comments
FPSO MARLIM SUL	277,734	53,000	1977	ATLANTIQUE CHS, France	OFFSH	\$ 300/Ldt	undisclosed	as-is Labuan
AL ENCORE	61,441	22,444	2003	IHI MARINE UNITED - YO, Japan	CONT	\$ 351/Ldt	undisclosed	as-is Philippines
CSK GRANDEUR	170,170	21,464	2000	SAMHO HI, S. Korea	BULKER	\$ 350/Ldt	Bangladeshi	as-is Singapore incl. bunkers
THOR HARMONY	43,220	13,170	2001	PAL INDONESIA, Indonesia	BULKER	\$ 345/Ldt	undisclosed	Indian Sub-Cont options
KRITI AMBER	45,614	12,450	1995	CHERNOMORSKYI, Ukraine	TANKER	\$ 345/Ldt	Bangladeshi	as-is Singapore

Market Data

	3-Mar-17	2-Mar-17	1-Mar-17	28-Feb-17	27-Feb-17	W-O-W Change %
Stock Exchange Data	10year US Bond	2.490	2.490	2.460	2.370	7.3%
	S&P 500	2,383.12	2,381.92	2,395.96	2,363.64	0.6%
	Nasdaq	5,870.75	5,861.22	5,904.03	5,825.44	0.2%
	Dow Jones	21,005.71	21,002.97	21,115.55	20,812.24	0.8%
	FTSE 100	7,374.26	7,382.35	7,382.90	7,263.44	1.8%
	FTSE All-Share UK	4,007.47	4,013.29	4,014.72	3,953.42	1.7%
	CAC40	4,995.13	4,963.80	4,960.83	4,858.58	3.1%
	Xetra Dax	12,027.36	12,059.57	12,067.19	11,834.41	1.7%
	Nikkei	19,469.17	19,564.80	19,393.54	19,118.99	1.9%
	Hang Seng	23,552.72	23,728.07	23,776.49	23,740.73	-1.6%
Currencies	DJ US Maritime	230.43	229.28	230.76	227.15	-0.4%
	\$ / €	1.05	1.05	1.06	1.06	-0.5%
	\$ / £	1.23	1.23	1.24	1.24	-1.5%
	¥ / \$	114.35	114.11	113.08	112.75	2.0%
	\$ / NoK	0.12	0.12	0.12	0.12	-1.3%
	Yuan / \$	6.89	6.88	6.87	6.87	0.2%
	Won / \$	1,150.93	1,140.57	1,137.79	1,134.95	1.8%
	\$ INDEX	101.54	102.20	101.78	101.12	0.4%



Bunker Prices

		3-Mar-17	24-Feb-17	W-O-W Change %
MDO	Rotterdam	471.0	472.5	-0.3%
	Houston	505.0	505.0	0.0%
	Singapore	505.0	505.0	0.0%
380cst	Rotterdam	301.5	303.5	-0.7%
	Houston	307.0	295.0	4.1%
	Singapore	322.5	327.5	-1.5%

Maritime Stock Data

Company	Stock Exchange	Curr.	03-Mar-17	24-Feb-17	W-O-W Change %
AEGEAN MARINE PETROL NTWK	NYSE	USD	11.35	10.25	10.7%
CAPITAL PRODUCT PARTNERS LP	NASDAQ	USD	3.32	3.29	0.9%
COSTAMARE INC	NYSE	USD	6.34	6.27	1.1%
DANAOS CORPORATION	NYSE	USD	2.20	2.50	-12.0%
DIANA SHIPPING	NYSE	USD	3.94	3.77	4.5%
DRYSHIPS INC	NASDAQ	USD	1.37	1.87	-26.7%
EAGLE BULK SHIPPING	NASDAQ	USD	5.41	5.46	-0.9%
EUROSEAS LTD.	NASDAQ	USD	1.38	1.41	-2.1%
GLOBUS MARITIME LIMITED	NASDAQ	USD	6.30	7.11	-11.4%
NAVIOS MARITIME ACQUISITIONS	NYSE	USD	1.84	1.86	-1.1%
NAVIOS MARITIME HOLDINGS	NYSE	USD	1.73	1.72	0.6%
NAVIOS MARITIME PARTNERS LP	NYSE	USD	1.85	1.80	2.8%
SAFE BULKERS INC	NYSE	USD	1.54	1.38	11.6%
SEANERGY MARITIME HOLDINGS CORP	NASDAQ	USD	1.03	1.00	3.0%
STAR BULK CARRIERS CORP	NASDAQ	USD	10.71	9.20	16.4%
STEALTHGAS INC	NASDAQ	USD	4.69	4.27	9.8%
TSAKOS ENERGY NAVIGATION	NYSE	USD	4.67	4.62	1.1%
TOP SHIPS INC	NASDAQ	USD	2.05	2.23	-8.1%

Market News

"Ratings agency downgrades struggling Rickmers Holding

A LEADING German ratings agency has downgraded Rickmers Holding from CCC to C (watch), a level deemed to denote high to very high insolvency risk. "This is mainly due to continuing strong negative developments on the basis of current market conditions," Creditreform said. "We anticipate restructuring measures to be stabilised in the short term, including a restructuring of financial liabilities." The problems facing the German operator, owned by high-profile Hamburg shipping king Bertram Rickmers, have already received extensive publicity, after its then affiliate in Singapore defaulted on a bond repayment last year. Rickmers Holding subsequently sold its stake to an entity called Brick Holding Invest Trust, believed to be owned by Bertram Rickmers. Bertram tried last year to negotiate a merger with the shipping interests of ER Capital, owned by his brother Erck Rickmers. But in the event, the two siblings — who reputedly do not enjoy cordial relations — failed to come to terms. In February, the group sold its multipurpose division Rickmers-Linie to rivals Zeaborn, although consideration was kept under wraps. The likely flashpoint will come in June, when Rickmers Holding will need to find €25m (\$26m) to pay the coupon on a high-yield bond issued four years ago, at a punishingly high coupon of 8.9%. The bond is currently trading at just 15% of its nominal value. The company is known to be in restructuring talks with its bankers, seeking to once again extend maturities after an earlier restructuring deal in February 2015.

Lloyd's List has approached senior managers for comment." (Lloyd's List)

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