

Weekly Shipping Market Update

29th May - 02nd June 2017 | Week 22

Market Analysis

Confidence in the Dry Bulk market seems to have been shaken over the past month or so, with the index having noted 22 days of consecutive losses and having lost as much as 520 points from its peak of 1,338 points noted on the 29th of March 2017. It is not so much the intensity of the drop as it is the number of days of decreases noted in the general index and the fact that this has taken place during a period of the year where we typically see a at least a slight firming of the market which is primarily driven by seasonal flows such as those from grain cargoes. There is also the fact that optimism had been overinflated by the sharp rise in the index during March. The reality that has hit is one that was always visible to some extent in the details. The truth of the matter is that we have only just started to see a re-balancing of sorts in the demand and supply and given that trade growth is still sluggish, the improvement seems to be driven more so by the slow fleet growth. As such, what makes sense is that the recovery will come in slow steps, with freight rates gradually improving over several years, rather than skyrocketing in a matter of months.



What the main issue is, is that many fear that even the possibility of a slow-paced growth is faltering. Taking a comparative look of the BDI trend this year against what was being noted last year, it becomes clear that a significant improvement has been made even when looking at the level the index stands at today. We are currently at a level which is higher than anything we witnessed in the first 9 months of 2016 or the first 5 months of 2015. Of course, when taking into consideration that these were also the most difficult months noted in the history of the dry bulk market it's not exactly something to cheer about when you are saying that you are at a better state now. At the same time given that the summer months are typically subdued there is also fears that the current downward cycle could continue over the next 2-3 months, before finding some footing in the Autumn period. Taking a view that the recent drop might be propelled to some degree by traders which are holding back volumes due to commodity prices, we may well see a fair flow of cargoes coming through during the summer months as well, something which if nothing else should help keep freight levels buoyant. In any case, it appears as though the focus should be that the market has outperformed both 2015 and 2016 to date and that could be taken as a good indication that we are still on a recovery path albeit a more gradual one.

George Lazaridis

Head of Market Research & Asset Valuations



Week in numbers

Dry Bulk Freight Market

	02 Jun		W-O-W change	
			±Δ	±%
BDI	830		▼ -82	-9.0%
BCI	1,374		▼ -217	-13.6%
BPI	792		▼ -53	-6.3%
BSI	674		▼ -47	-6.5%
BHSI	446		▼ -23	-4.9%

Tanker Freight Market

	02 Jun		W-O-W change	
			±Δ	±%
BDTI	742		▼ -65	-8.1%
BCTI	554		▲ 5	0.9%

Newbuilding Market

Aggregate Price Index			M-O-M change	
	02 Jun		±Δ	±%
Bulkers	79		▲ 1	0.9%
Cont	93		► 0	0.0%
Tankers	88		▲ 1	0.8%
Gas	92		▼ 0	-0.1%

Secondhand Market

Aggregate Price Index			M-O-M change	
	02 Jun		±Δ	±%
Capesize	58		▲ 3	5.5%
Panamax	55		▲ 2	3.4%
Supramax	60		▲ 1	1.1%
Handysize	56		▲ 1	2.4%
VLCC	81		▲ 1	1.4%
Suezmax	72		▼ 0	0.0%
Aframax	83		▲ 2	2.0%
MR	105		▲ 1	1.3%

Demolition Market

Avg Price Index (main 5 regions)			W-O-W change	
	02 Jun		±Δ	±%
Dry	292		► 0	0.0%
Wet	310		► 0	0.0%

Economic Indicators

	02 Jun		M-O-M change	
			±Δ	±%
Gold \$	1,275		▲ 9	0.7%
Oil WTI \$	48		▼ -2	-3.4%
Oil Brent \$	50		▼ -2	-3.4%
Iron Ore	55		▼ -11	-17.1%
Coal	74		▼ 0	-0.3%

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Freight Market

Dry Bulkers - Spot Market

29th May - 02nd June 2017

Capesize - a fair drop was to be seen throughout the week as the market suffered to deal with the excess tonnage that has built up in all regions. The market still favors charterers as the level of inquiries were few and traders were free to shop around pushing owners to lower their ideas significantly. The market was mainly reliant this past week on iron ore cargoes, though it seems as though we have started to reach a resistance point and we should see some slight improvement over the coming days.

Panamax - Still on the downward cycle with both basins lacking in fresh interest and leaving things on the softer side. With the ECSA and North Atlantic lacking activity and with the Pacific having an excess amount of open tonnage, it was a steady downward drop as owners heavily competed on each inquiries that came to market.

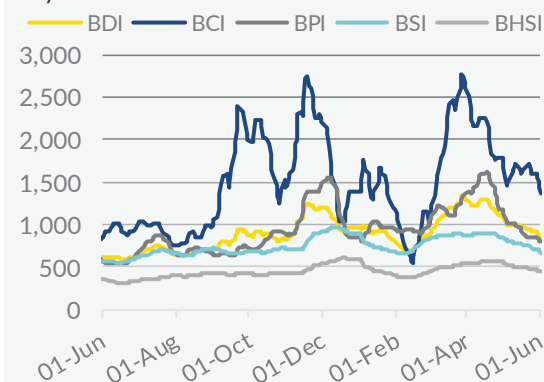
Supramax - Similar situation was to be seen here as well with equal drops being seen both in the East and West. Some of the biggest drops to be seen where from Continent, while limited activity seen in the U.S. Gulf and ECSA left little support to be seen in the Atlantic. In the Pacific things were equally soft, with limited fresh interest to be seen leaving owners left with the "short end of the stick".

Handysize - A quiet start to the week left for further drops to be noted across all major routes. The main weakening was from the Continent and Far East where there was a limited amount of fresh cargoes coming to market.

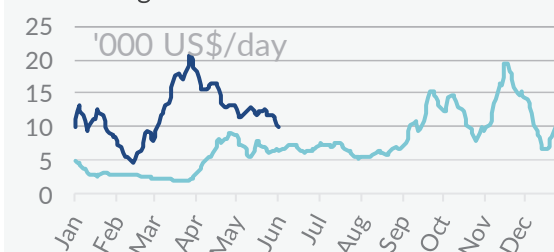
Spot market rates & indices

		02 Jun	26 May	±%	Average 2017	2016
Baltic Dry Index						
BDI		830	912	-9.0%	1,002	677
Capesize						
BCI		1,374	1,591	-13.6%	1,627	1,031
BCI 5TC		\$ 9,965	\$ 11,709	-14.9%	\$ 12,082	\$ 7,400
ATLANTIC RV		\$ 7,264	\$ 9,386	-22.6%	\$ 12,652	\$ 7,775
Cont / FEast		\$ 19,817	\$ 22,500	-11.9%	\$ 22,219	\$ 13,856
PACIFIC RV		\$ 10,650	\$ 12,358	-13.8%	\$ 11,567	\$ 7,070
FEast / ECSA		\$ 11,296	\$ 12,658	-10.8%	\$ 11,614	\$ 7,164
Panamax						
BPI		792	845	-6.3%	1,088	696
BPI - TCA		\$ 6,358	\$ 6,795	-6.4%	\$ 8,729	\$ 5,566
ATLANTIC RV		\$ 5,425	\$ 5,705	-4.9%	\$ 9,088	\$ 6,139
Cont / FEast		\$ 11,577	\$ 12,045	-3.9%	\$ 14,218	\$ 9,818
PACIFIC RV		\$ 5,716	\$ 6,271	-8.9%	\$ 8,084	\$ 5,161
FEast / Cont		\$ 2,714	\$ 3,160	-14.1%	\$ 3,527	\$ 1,144
Supramax						
BSI		674	721	-6.5%	799	602
BSI - TCA		\$ 7,615	\$ 8,123	-6.3%	\$ 8,559	\$ 6,212
USG / FEast		\$ 16,553	\$ 17,981	-7.9%	\$ 18,729	\$ 9,760
Med / FEast		\$ 13,731	\$ 14,306	-4.0%	\$ 14,354	\$ 9,635
PACIFIC RV		\$ 6,586	\$ 7,036	-6.4%	\$ 7,181	\$ 5,197
FEast / Cont		\$ 3,640	\$ 3,940	-7.6%	\$ 3,893	\$ 3,272
USG / Skaw		\$ 13,172	\$ 14,216	-7.3%	\$ 15,257	\$ 9,845
Skaw / USG		\$ 5,922	\$ 6,641	-10.8%	\$ 6,595	\$ 4,196
Handysize						
BHSI		446	469	-4.9%	486	365
BHSI - TCA		\$ 6,503	\$ 6,833	-4.8%	\$ 7,076	\$ 5,277
Skaw / Rio		\$ 5,300	\$ 5,700	-7.0%	\$ 5,854	\$ 4,640
Skaw / Boston		\$ 5,575	\$ 5,917	-5.8%	\$ 5,837	\$ 4,832
Rio / Skaw		\$ 7,866	\$ 7,900	-0.4%	\$ 9,688	\$ 6,720
USG / Skaw		\$ 8,282	\$ 8,489	-2.4%	\$ 9,697	\$ 7,056
SEAsia / Aus / Jap		\$ 6,371	\$ 6,829	-6.7%	\$ 6,499	\$ 4,339
PACIFIC RV		\$ 6,129	\$ 6,500	-5.7%	\$ 6,266	\$ 5,146

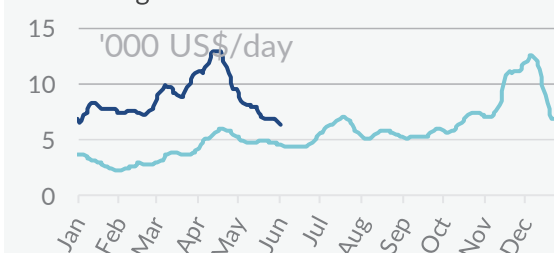
Dry Bulk Indices



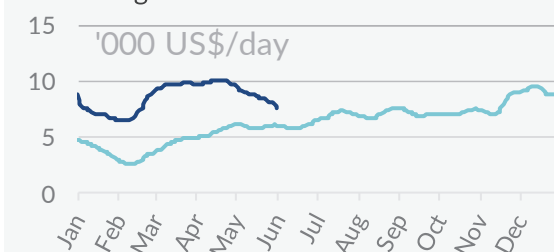
BCI Average TCE



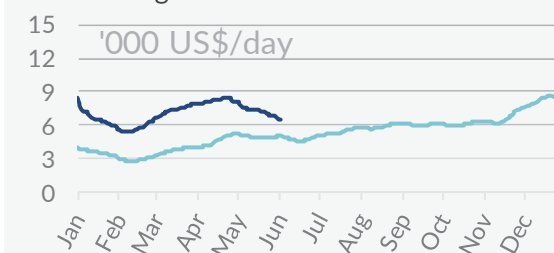
BPI Average TCE



BSI Average TCE



BHSI Average TCE



— 2016 — 2017

Freight Market

Tankers - Spot Market

29th May - 02nd June 2017

Crude Oil Carriers - It seemed as though owners were starting to fight back this week, with increased activity allowing for a positive nudge in rates for VLs in the MEG. On the base of this and improved interest for Westbound routes, the WAF was able to find support on the back of this improved interest. In contrast to the trend noted last week and what was being seen in the larger VLs, Suezmaxes were to face a fair downward correction as demand started to ease in the WAF, while the Black Sea/Med region was showing minimal support. Downward corrections were also to be seen in the Aframax range, with the Caribs and Black Sea/Med showing minimal fresh interest while the North Sea/Baltic started to come under pressure.

Oil Products - In the products market, DPP routes started to show a slight reversal where downward corrections showing face. On the CPP front, a slight improvement was starting to emerge on the back of a sharp rise in interest out of USG and increased fresh interest from the Far East.

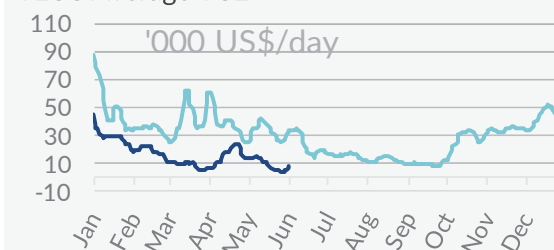
Spot market rates & indices

		02 Jun	26 May	±%	Average 2017	2016
Baltic Tanker Indices						
BDTI		742	807	-8.1%	848	730
BCTI		554	549	0.9%	638	491
VLCC						
MEG-USG	WS	26.68	23.27	14.7%	35.30	35.46
	\$/day	-\$ 2,960	-\$ 7,168	58.7%	\$ 3,534	\$ 18,511
MEG-SPORE	WS	52.92	49.96	5.9%	66.68	60.57
	\$/day	\$ 39,216	\$ 37,459	4.7%	\$ 53,152	\$ 53,871
MEG-JAPAN	WS	51.42	49.08	4.8%	65.05	59.11
	\$/day	\$ 18,648	\$ 15,586	19.6%	\$ 28,531	\$ 42,341
WAF-USG	WS	58.00	52.50	10.5%	67.80	64.79
	\$/day	\$ 66,621	\$ 57,059	16.8%	\$ 80,401	\$ 81,300
SUEZMAX						
WAF-USAC	WS	72.50	87.50	-17.1%	82.00	71.68
	\$/day	\$ 39,092	\$ 49,498	-21.0%	\$ 45,758	\$ 41,669
BSEA-MED	WS	79.63	91.00	-12.5%	93.03	84.23
	\$/day	\$ 9,247	\$ 14,850	-37.7%	\$ 16,697	\$ 24,854
AFRAMAX						
NSEA-CONT	WS	97.50	115.28	-15.4%	103.05	103.36
	\$/day	\$ 6,055	\$ 18,053	-66.5%	\$ 10,687	\$ 23,003
MEG-SPORE	WS	98.78	101.28	-2.5%	115.43	99.78
	\$/day	\$ 6,072	\$ 5,651	7.5%	\$ 9,405	\$ 16,988
CARIBS-USG	WS	114.72	140.00	-18.1%	125.21	106.76
	\$/day	\$ 8,391	\$ 14,561	-42.4%	\$ 11,180	\$ 16,423
BALTIC-UKC	WS	71.39	96.11	-25.7%	93.65	81.18
	\$/day	\$ 5,795	\$ 17,298	-66.5%	\$ 17,129	\$ 23,914
DPP						
CARIBS-USAC	WS	115.00	120.00	-4.2%	131.77	112.34
	\$/day	\$ 22,382	\$ 23,334	-4.1%	\$ 27,671	\$ 23,804
ARA-USG	WS	115.00	115.00	0.0%	127.43	101.78
	\$/day	\$ 24,145	\$ 23,648	2.1%	\$ 27,532	\$ 24,883
SEASIA-AUS	WS	101.94	102.63	-0.7%	108.60	98.52
	\$/day	\$ 9,764	\$ 9,122	7.0%	\$ 11,125	\$ 19,768
MED-MED	WS	98.39	118.44	-16.9%	115.57	97.08
	\$/day	\$ 7,627	\$ 13,829	-44.8%	\$ 13,685	\$ 16,861
CPP						
MEG-JAPAN	WS	89.00	85.00	4.7%	101.92	91.35
	\$/day	\$ 6,090	\$ 4,456	36.7%	\$ 8,397	\$ 15,145
CONT-USAC	WS	148.33	151.67	-2.2%	155.01	104.70
	\$/day	\$ 8,923	\$ 8,931	-0.1%	\$ 9,639	\$ 8,637
CARIBS-USAC	WS	140.00	130.00	7.7%	141.55	114.82
	\$/day	\$ 23,111	\$ 20,172	14.6%	\$ 23,247	\$ 18,531
USG-CONT	WS	111.88	90.31	23.9%	105.76	82.20
	\$/day	\$ 4,215	\$ 948	344.6%	\$ 3,293	\$ 5,194

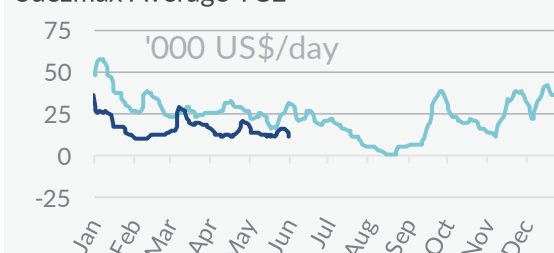
Tanker Indices



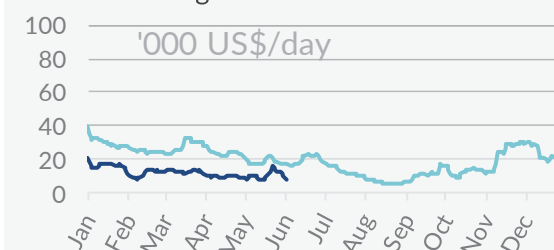
VLCC Average TCE



Suezmax Average TCE



Aframax Average TCE



MR Average TCE



Freight Market Period Charter



29th May - 02nd June 2017

Dry Bulk period market TC rates

	02 Jun	28 Apr	±%	last 5 years		
				Min	Avg	Max
Capesize						
12 months	\$ 13,750	\$ 16,500	-16.7%	\$ 6,200	\$ 14,102	\$ 31,450
36 months	\$ 14,250	\$ 15,750	-9.5%	\$ 6,950	\$ 14,761	\$ 25,200
Panamax						
12 months	\$ 8,500	\$ 11,000	-22.7%	\$ 4,950	\$ 9,366	\$ 15,450
36 months	\$ 9,750	\$ 12,000	-18.8%	\$ 6,200	\$ 10,034	\$ 15,325
Supramax						
12 months	\$ 8,750	\$ 10,000	-12.5%	\$ 4,450	\$ 9,214	\$ 13,950
36 months	\$ 9,500	\$ 10,750	-11.6%	\$ 6,200	\$ 9,602	\$ 13,700
Handysize						
12 months	\$ 7,750	\$ 8,250	-6.1%	\$ 4,450	\$ 7,660	\$ 10,450
36 months	\$ 8,250	\$ 8,250	0.0%	\$ 5,450	\$ 8,189	\$ 11,450

Latest indicative Dry Bulk Period Fixtures

M/V "ASTARTE", 81640 dwt, built 2013, dely Dalian 01/15 Jun, \$9,000, for 14/17 months trading, to Glencore

M/V "ERATO", 74444 dwt, built 2004, dely Fangcheng 01/15 Jun, \$7,250, for 5/7 months trading, to Phaethon

M/V "STAR RENEE", 82221 dwt, built 2006, dely EC India prompt, \$10,000, for 4/6 months trading, to Omega

M/V "UNITY SPIRIT", 60652 dwt, built 2014, dely Port Kelang prompt, \$9,500, for 5/8 months trading, to PGSC

M/V "E.R.BUENOS AIRES", 178978 dwt, built 2010, dely Qingdao 21 May, \$15,700, for 4/7 months trading <fixed 19/5>, to Koch Shipping

Tanker period market TC rates

	02 Jun	28 Apr	±%	last 5 years		
				Min	Avg	Max
VLCC						
12 months	\$ 26,750	\$ 27,750	-3.6%	\$ 18,000	\$ 30,920	\$ 57,750
36 months	\$ 28,750	\$ 28,250	1.8%	\$ 22,000	\$ 31,127	\$ 45,000
Suezmax						
12 months	\$ 18,000	\$ 18,000	0.0%	\$ 15,250	\$ 23,594	\$ 42,500
36 months	\$ 22,500	\$ 22,500	0.0%	\$ 17,000	\$ 24,477	\$ 35,000
Aframax						
12 months	\$ 15,000	\$ 15,750	-4.8%	\$ 13,000	\$ 18,462	\$ 30,000
36 months	\$ 16,750	\$ 17,000	-1.5%	\$ 14,750	\$ 18,951	\$ 27,000
MR						
12 months	\$ 13,250	\$ 13,750	-3.6%	\$ 12,000	\$ 14,930	\$ 21,000
36 months	\$ 14,000	\$ 14,000	0.0%	\$ 14,000	\$ 15,248	\$ 18,250

Latest indicative Tanker Period Fixtures

M/T "GLORIC", 300000 dwt, built 2006, \$27,000, for 1 year trading, to BP

M/T "SEA SHELL", 158000 dwt, built 2016, \$22,000, for 6+6 months trading, to ATC

M/T "LADY M", 115000 dwt, built 2003, \$14,500, for 1 year trading, to UNIPEC

M/T "BOWFIN", 75000 dwt, built 2008, \$13,500, for 1 year trading, to ATC

M/T "ZEFYROS", 50200 dwt, built 2013, \$13,250, for 1 year trading, to SCORPIO

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

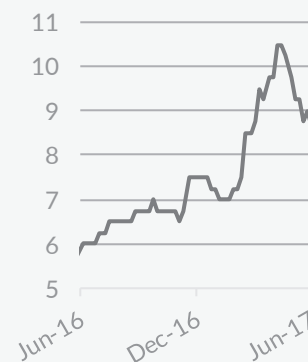
Capesize



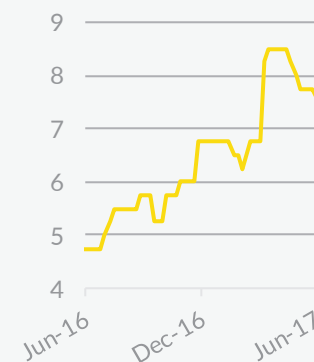
Panamax



Supramax

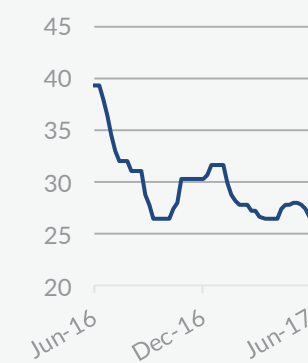


Handysize



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

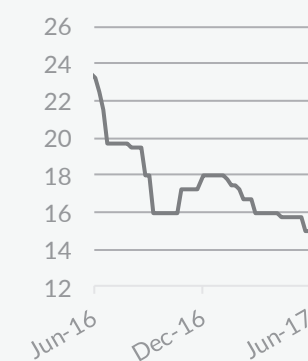
VLCC



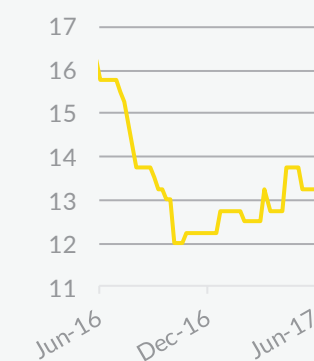
Suezmax



Aframax



MR

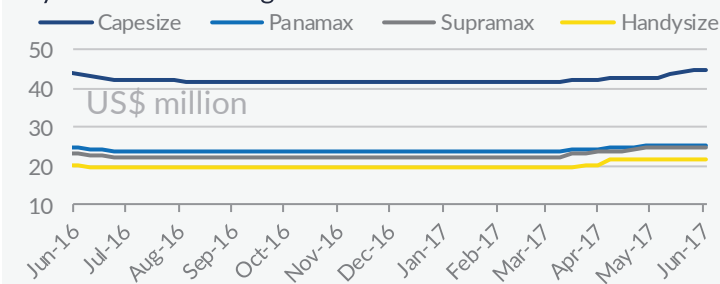


Sale & Purchase Newbuilding Orders

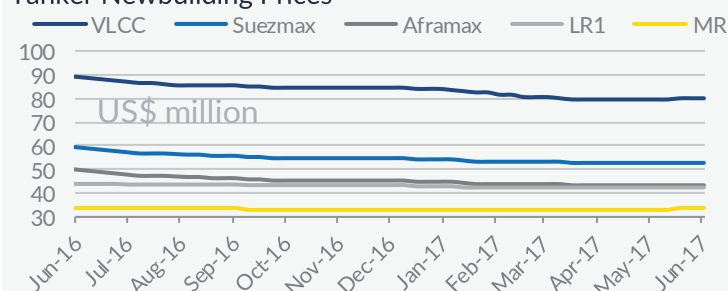
29th May - 02nd June 2017

We still seem to have a market mainly driven by major deals, with this week information emerging regarding Trafigura's large tanker order as part of a leasing deal with China's Bank of Communications Financial Leasing. Overall however and even when one excludes these large enbloc deals, activity has been strengthening somewhat over the past couple of weeks. We are still seeing evidence of this on the pricing front as well, with quoted prices seemingly on the rise as demand starts to gain further traction. There is still a considerable amount of uncertainty overshadowing all of the main shiptype freight markets, which does in turn keep things under check. However with asset prices having shown an improvement and with China's financial houses making a more prominent push into the shipping finance market, we are likely to see the ordering spell improve even further in the second half of 2017.

Dry Bulk Newbuilding Prices



Tanker Newbuilding Prices



Indicative Dry NB Prices (US\$ million)

	02 Jun	28 Apr	±%	last 5 years		
				Min	Avg	Max
Dry Bulkers						
Capesize (180,000dwt)	44.5	42.5	4.7%	41.8	48.3	58.0
Kamsarmax (82,000dwt)	26.0	26.0	0.0%	24.3	27.4	30.8
Panamax (77,000dwt)	25.0	25.0	0.0%	23.8	26.6	29.5
Ultramax (64,000dwt)	24.5	24.5	0.0%	22.3	25.0	28.0
Handysize (37,000dwt)	21.5	21.5	0.0%	19.5	21.5	23.5
Container						
Post Panamax (9,000teu)	82.5	82.5	0.0%	76.5	84.6	92.0
Panamax (5,200teu)	48.0	48.0	0.0%	48.0	54.1	63.9
Sub Panamax (2,500teu)	26.0	26.0	0.0%	26.0	30.8	38.0
Feeder (1,700teu)	21.5	21.5	0.0%	21.5	24.3	27.3

Indicative Wet NB Prices (US\$ million)

	02 Jun	28 Apr	±%	last 5 years		
				Min	Avg	Max
Tankers						
VLCC (300,000dwt)	80.5	80.0	0.6%	80.0	92.9	101.0
Suezmax (160,000dwt)	53.0	53.0	0.0%	53.0	59.9	66.0
Aframax (115,000dwt)	43.0	43.0	0.0%	43.0	50.1	55.0
LR1 (75,000dwt)	42.0	42.0	0.0%	40.5	43.7	47.0
MR (56,000dwt)	33.5	32.5	3.1%	32.5	34.8	37.3
Gas						
LNG 160k cbm	188.0	190.0	-1.1%	188.0	198.8	202.0
LPG LGC 80k cbm	70.5	70.0	0.7%	70.0	74.0	80.0
LPG MGC 55k cbm	62.0	62.0	0.0%	62.0	64.8	68.5
LPG SGC 25k cbm	40.0	40.0	0.0%	40.0	43.2	46.0

Reported Transactions

Type	Units	Size	Shipbuilder	Price	Buyer	Delivery	Comments
BULKER	1	400,000 dwt	JAPAN MARINE UNITED, Japan	N/A	NS UNITED KAIUN - Japan	2020	
BULKER	2 + 1	108,000 dwt	SHANGHAI SHIPYARD, China	\$ 32.0m	PLATANO EESTI OU - Estonia	2019	ICE class 1A
TANKER	8 + 2	158,000 dwt	HYUNDAI HEAVY INDUSTRIES, S. Korea	\$ 55.0m	TRAFIGURA - Switzerland	2018-2019	leased back from China's Bank of Communications
TANKER	4 + 2	158,000 dwt	NEW TIMES, China	\$ 51.0m	TRAFIGURA - Switzerland	2018-2019	leased back from China's Bank of Communications
TANKER	6 + 2	111,000 dwt	NEW TIMES, China	\$ 41.0m	TRAFIGURA - Switzerland	2018-2019	LR2, leased back from China's Bank of Communications
TANKER	4 + 4	46,000 dwt	HYUNDAI HEAVY INDUSTRIES, S. Korea	\$ 32.0m	TRAFIGURA - Switzerland	2018-2019	leased back from China's Bank of Communications
TANKER	1 + 1	7,499 dwt	FUJIAN MAWEI SHIPYARD, China	N/A	XINYUAN GROUP - China	2019	bitumen tanker
GAS	1	38,000 cbm	HYUNDAI HI, S. Korea	\$ 45.5m	EXMAR - Belgium	2018	
PAX	2 + 2	200,000 gt	STX FRANCE, France	\$ 1124.3m	MSC CRUISES - Switzerland	2022-26	Cruise, LNG dual fuel, 6,850 PAX
RO-RO	2	5,400 lm	HYUNDAI MIPO DOCKYARD, S. Korea	\$ 59.7m	CLdN COBELFRET N.V. - Luxembourg	2019	declared options

Sale & Purchase Secondhand Sales

29th May - 02nd June 2017

On the dry bulk side, we are still seeing a subdued activity level, in part reflecting the increased uncertainty and lack of confidence as to the true market direction and future market potential. It is no surprise therefore that a good number of sales reported this week are non-typical deals which do not even indicate normal sale price levels. There is also the factor of pricing, with the fast paced price having essentially brought a brake amongst buyers when compared against the freight market movements of late.

On the tanker side, and in contrast to the trends that are being noted of late in the dry bulk sector, we have started to see a considerable revival in activity, with prices for secondhand assets having somewhat found a floor and even starting to show some signs of strengthening slightly. This past week we witnessed sales across all size segments, with some of the larger crude oil sizes having broken a long period of silence.

Indicative Dry Bulk Values (US\$ million)

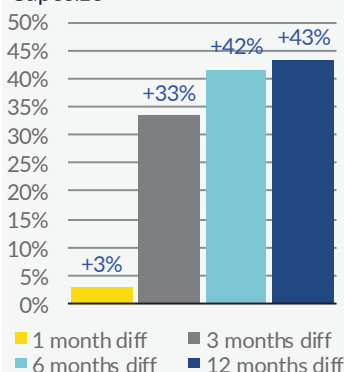
						last 5 years		
		02 Jun	28 Apr	±%	Min	Avg	Max	
Capesize								
180k dwt	Resale	44.50	41.50	7.2%	34.5	45.4	65.0	
180k dwt	5 year old	34.00	33.00	3.0%	23.0	34.1	53.0	
170k dwt	10 year old	24.50	23.50	4.3%	12.0	22.4	38.0	
150k dwt	15 year old	13.50	12.50	8.0%	6.5	13.5	25.0	
Panamax								
82k dwt	Resale	29.50	28.50	3.5%	22.5	28.3	34.0	
82k dwt	5 year old	20.75	20.50	1.2%	11.5	19.4	28.0	
76k dwt	10 year old	14.00	13.50	3.7%	7.3	13.7	23.0	
74k dwt	15 year old	8.00	7.50	6.7%	3.5	8.6	14.5	
Supramax								
62k dwt	Resale	27.00	26.00	3.8%	19.0	26.6	33.0	
58k dwt	5 year old	18.00	18.00	0.0%	11.0	18.7	27.0	
56k dwt	10 year old	12.50	12.50	0.0%	6.0	13.3	22.0	
52k dwt	15 year old	7.75	7.75	0.0%	3.5	8.3	13.5	
Handysize								
37k dwt	Resale	20.50	19.50	5.1%	17.0	21.4	26.0	
37k dwt	5 year old	13.50	13.50	0.0%	7.8	15.2	22.0	
32k dwt	10 year old	7.75	7.50	3.3%	6.0	10.9	16.8	
28k dwt	15 year old	5.25	5.25	0.0%	3.5	7.0	11.0	

Indicative Tanker Values (US\$ million)

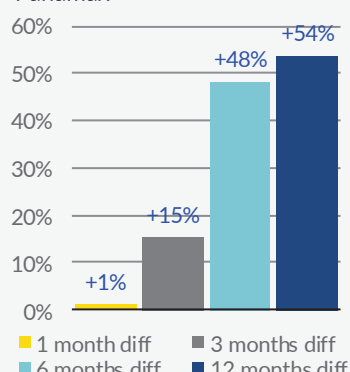
						last 5 years		
		02 Jun	28 Apr	±%	Min	Avg	Max	
VLCC								
310k dwt	Resale	85.00	83.00	2.4%	80.0	92.4	105.0	
310k dwt	5 year old	65.00	63.00	3.2%	55.0	67.9	84.0	
250k dwt	10 year old	43.00	43.00	0.0%	34.5	45.1	59.0	
250k dwt	15 year old	23.00	23.00	0.0%	16.9	27.7	41.0	
Suezmax								
160k dwt	Resale	55.50	54.00	2.8%	53.0	62.5	73.0	
150k dwt	5 year old	42.50	42.00	1.2%	38.0	48.3	62.0	
150k dwt	10 year old	28.00	28.50	-1.8%	24.0	33.0	44.5	
150k dwt	15 year old	17.00	17.50	-2.9%	14.0	18.8	23.0	
Aframax								
110k dwt	Resale	44.50	43.50	2.3%	39.0	48.2	57.0	
110k dwt	5 year old	30.50	29.50	3.4%	27.0	35.7	47.5	
105k dwt	10 year old	19.00	18.50	2.7%	16.0	23.1	33.0	
105k dwt	15 year old	12.00	12.00	0.0%	8.0	13.1	20.0	
MR								
52k dwt	Resale	34.50	33.50	3.0%	32.0	36.1	39.0	
52k dwt	5 year old	24.50	24.00	2.1%	22.0	26.1	31.0	
45k dwt	10 year old	17.00	17.00	0.0%	14.0	17.6	21.0	
45k dwt	15 year old	10.00	10.00	0.0%	9.0	10.9	13.5	

Price movements of 5 year old Dry Bulk assets

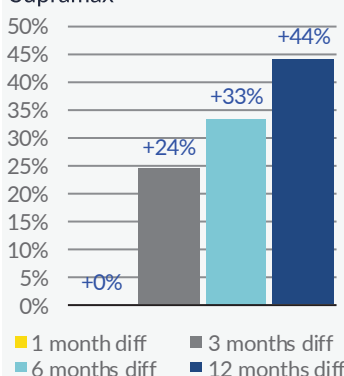
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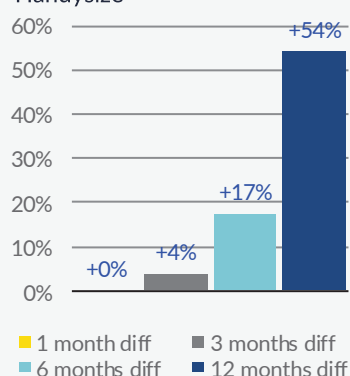
Panamax



Supramax

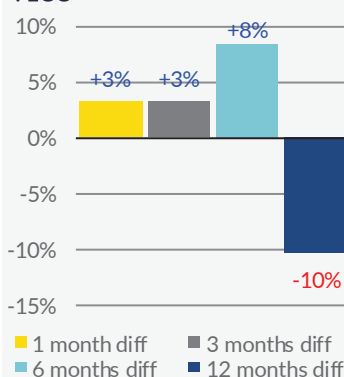


Handysize

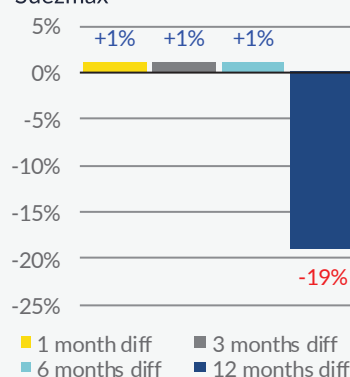


Price movements of 5 year old Tanker assets

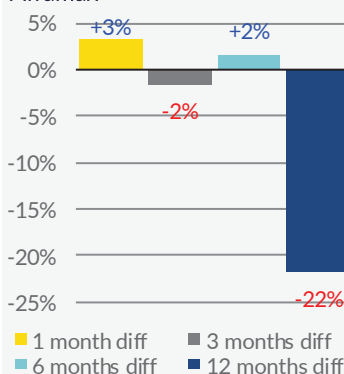
VLCC



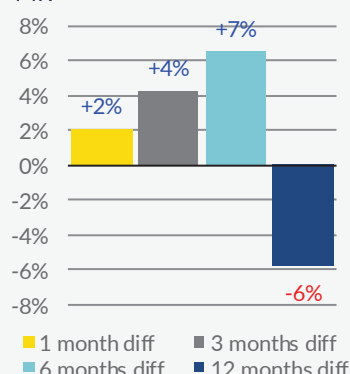
Suezmax



Aframax



MR



Sale & Purchase Secondhand Sales



29th May - 02nd June 2017

Tankers									
Size	Name	Dwt	Built	Shipbuilder	M/E	Coating	Price	Buyers	Comments
VLCC	IRENE SL	319,247	2004	HYUNDAI SAMHO, S. Korea	B&W		\$ 29.5m	S. Korean - Sinokor	
VLCC	GENER8 POSEIDON	305,796	2002	DAEWOO SB/ME, S. Korea	MAN-B&W	EPOXY Coated	\$ 22.5m	Indian	sale and leaseback deal, SS/DD due
SUEZ	FRONT BRABANT	153,152	1998	HYUNDAI HEAVY INDUSTRI, S. Korea	B&W	EPOXY Coated	\$ 9.0m	undisclosed	
AFRA	NISSOS SANTORINI	115,724	2012	SAMSUNG HEAVY, S. Korea	MAN-B&W		\$ 30.2m	UK based - Zodiac	
HANDY	NAVIG8 SAIPH	25,194	2017	KITANIHON, Japan	MAN-B&W	StSt	\$ 33.4m	Chinese - China Merchants Bank	incl 7y BBB with P.O., IMO II/III
HANDY	NAVIG8 SCEPTRUM	25,000	2017	KITANIHON, Japan	MAN-B&W	StSt	\$ 33.4m		incl 7y BBB with P.O., IMO II/III
PROD/CHEM	SAN SAN H	16,880	2010	JIUJIANG YINXING, China	MAN-B&W	EPOXY PHEN	\$ 11.6m	undisclosed	
PROD/CHEM	FERNI H	16,871	2009	JIUJIANG YINXING, China	MAN-B&W	EPOXY PHEN	\$ 10.8m		
PROD/CHEM	AGDASH	13,030	2007	KRASNOYE SORMOVO, Russia	Wartsila		N/A	Turkish	
SMALL	DONG-A RIGEL	8,831	2003	MURAKAMI HIDE, Japan	MAN-B&W	StSt	\$ 8.0m	Asian	IMO II/III
Bulk Carriers									
Size	Name	Dwt	Built	Shipbuilder	M/E	Gear	Price	Buyers	Comments
VLOC	TRF CHARLESTON	208,925	2017	CHINA SHIPPING IND JIA, China	MAN-B&W		\$ 46.2m	S. Korean - Polaris Maritime	
PMAX	FUXING 7	61,751	1984	KOYO MIHARA, Japan	B&W		\$ 3.3m	Chinese	
SMAX	WOODSTAR	53,389	2008	YANGZHOU DAYANG, China	MAN-B&W	4 X 35t CRANES	\$ 8.1m	Indians	
HMAX	TUO ZHAN 6	43,665	1990	TSUNEISHI, Japan	B&W	4 X 30t CRANES	\$ 5.4m	Chinese	high price due to China's scrapping subsidy program
HANDY	JIA TAI	35,112	2011	ZHEJIANG YUEQING CHANG, China	MAN-B&W	4 X 25t CRANES	N/A	Chinese	
HANDY	PIONEER SKIPPER	33,334	2010	ORIENT SHIPYARD - BUSA, S. Korea	MAN-B&W	4 X 30t CRANES	\$ 8.8m	Greek	bank driven sale
HANDY	PIONEER SPIRIT	33,261	2009	ORIENT SHIPYARD - BUSA, S. Korea	MAN-B&W	4 X 30t CRANES	\$ 8.2m		
Gen. Cargo									
Type	Name	Dwt	Built	Shipbuilder	M/E	Gear	Price	Buyers	Comments
General Cargo	BSLE GENOVA	20,567	1999	FLENSBURGER KG, Germany	Mitsubishi	2 X 60t CRANES	N/A	undisclosed	
General Cargo	OS DREAM	10,762	1997	WATANABE HAKATA, Japan	B&W	2 X 30,5t CRANES, 1 X 30t DERRICKS	\$ 1.6m	Chinese	

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Sale & Purchase Secondhand Sales



29th May - 02nd June 2017

Containers									
Size	Name	TEU	Built	Shipbuilder	M/E	Gear	Price	Buyers	Comments
POST PMAX	LLOYD PARSIFAL	8,533	2006	HYUNDAI SAMHO, S. Korea	MAN-B&W		\$ 26.1m	Norwegian	
PMAX	APL QUATAR	4,963	2010	DAEWOO-MANGALIA, Romania	MAN-B&W		\$ 9.6m	S. Korean - SM Line	
PMAX	SCT OMAN	4,963	2010	DAEWOO-MANGALIA, Romania	MAN-B&W		\$ 9.6m		
PMAX	DOUKATO	3,739	2002	SAMSUNG HEAVY, S. Korea	Sulzer	2 X 45t CRANES	\$ 6.2m	undisclosed	
SUB PMAX	EM ASTORIA	2,754	2004	GDYNIA, Poland	B&W	3 X 45t CRANES, 1 X 35t CRANES	N/A	Greek - Euroseas Ltd	Internal Deal
SUB PMAX	CONTI ELEKTRA	2,127	2007	AKER MTW, Germany	Wartsila	3 X 45t CRANES	\$ 5.8m	German	
FEEDER	PHOENIX II	658	1998	SIETAS KG, Germany	MAN		N/A	Dutch - A2B	
Offshore									
Type	Name	Dwt	Built	Shipbuilder	M/E	Bhp	Price	Buyers	Comments
PSV	NORMAND CARRIER	4,250	1996	SIMEK, Norway	Wichmann	9,096	N/A	undisclosed	
AHTS	JAYA SEAL	1,535	2004	JAYA ASIATIC, Indonesia	Wartsila	5,506	N/A	Egyptian	
AHTS	MERMAID VANQUISH	1,385	2007	FUJIAN SOUTHEAST, China	Caterpillar	5,220	\$ 1.1m	undisclosed	
TUG	MMA CARVER	-	2001	GUANGDONG NEW CHINA, China	Caterpillar	3,500	N/A	undisclosed	

Sale & Purchase

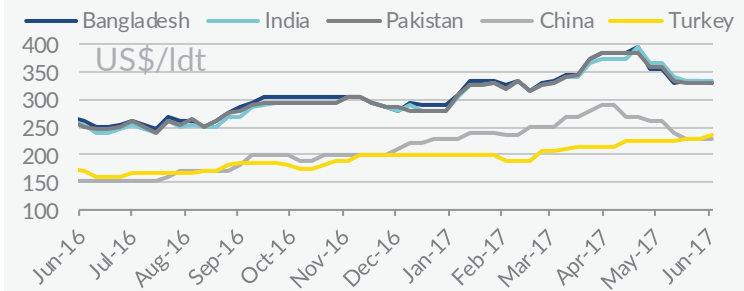
Demolition Sales



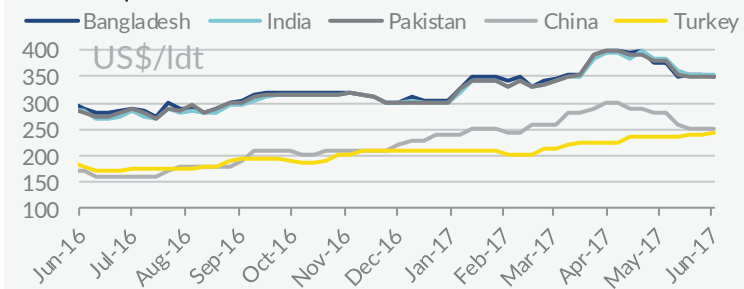
29th May - 02nd June 2017

Despite the subdued interest from end buyers, with the softer budget announcements coming out of Pakistan and Bangladesh coupled with the start of the monsoon season taking out further "wind" out of the market. The balance is still to be found by the fact that there are still minimal demo candidates coming to market right now, though we will start to see a further sinking of scrap prices over the next couple of weeks given that overall the prevailing trend is for a decrease in margins for many of the breakers in the Indian Sub-Continent. To what level prices will eventually stabilize at and find a balance will be seen over the next days, as the first reaction seemed to have been a unrealistic drop in offered prices well below what owners would even consider at this point. This seemed to be more so an effort to test the market and see if they could grab any opportunities amongst the market turmoil, rather than a clear reflection of where the market currently stands.

Dry Scrap Prices



Wet Scrap Prices



Indicative Dry Prices (\$/ldt)

				last 5 years		
	02 Jun	26 May	±%	Min	Avg	Max
Indian Sub Continent						
Bangladesh	330	335	-1.5%	220	373	475
India	335	335	0.0%	225	375	500
Pakistan	330	330	0.0%	220	373	475
Far East Asia						
China	230	230	0.0%	110	268	425
Mediterranean						
Turkey	235	230	2.2%	145	239	355

Indicative Wet Prices (\$/ldt)

				last 5 years		
	02 Jun	26 May	±%	Min	Avg	Max
Indian Sub Continent						
Bangladesh	350	355	-1.4%	245	394	495
India	355	355	0.0%	250	397	510
Pakistan	350	350	0.0%	245	396	500
Far East Asia						
China	250	250	0.0%	120	284	445
Mediterranean						
Turkey	245	240	2.1%	150	249	355

Reported Transactions

Type	Vessel's Name	Dwt	Built	Country	Built	Ldt	US\$/ldt	Buyer	Sale Comments
O.B.O.	SKS TUGELA	109,891	1997	S. Korea	18,400	N/A		Indian	
Tanker	CONSUELA	50,615	1984	Italy	11,920	\$ 385/Ldt		Bangladeshi	
Bulker	SATTAR	43,419	1992	Japan	7,084	N/A		Indian	
Bulker	HANARO MELODY	26,068	1997	China	6,724	N/A		Bangladeshi	
Ro-ro	STJERNEBORG	14,163	1994	Brazil	8,800	N/A		Turkish	
Cargo	BRIGHT STATE	13,046	1997	Japan	5,194	N/A		Chinese	
Cont	MTT KUCHING	12,576	1992	Poland	5,248	\$ 350/Ldt		Bangladeshi	



Trade Indicators

Markets | Currencies | Commodities



29th May - 02nd June 2017

Commerzbank AG has moved closer to shedding its EUR 4.5bn (\$5bn) portfolio of distressed shipping loans. The German lender said it had returned its regulatory license to issue ship Pfandbriefe, according to a regulatory filing. Pfandbriefe, or German covered bonds, are debt securities backed by long-term assets including ship mortgages.

"For the last six years now, Commerzbank has not issued any ship Pfandbriefe and does not intend to do so going forward," the bank said. The Pfandbriefgesetz (PfandBG), or the German law which regulates the legal basis for the issue of Pfandbriefe, normally requires the cover pool for ship Pfandbriefe has to be phased out, once the licence has expired. However, regulator Bundesanstalt für Finanzdienstleistungsaufsicht has granted Commerzbank an exception regarding the statutory limit under the PfandBG for further cover assets in order to give it "additional flexibility for the onward downsizing of its discontinued ship financing business". Last month Commerzbank reported loan losses of \$212m for the first quarter of 2017 as the slump in the shipping industry continued. The German lender said loan loss provisions for shipping this year are expected to be between EUR 450m and EUR 600m. Source: Tradewinds

	02 Jun	28 Apr	±%	last 12 months		
				Min	Avg	Max
Markets						
10year US Bond	2.16	2.28	-5.4%	1.37	2.05	2.61
S&P 500	2,439.1	2,384.2	2.3%	2,001	2,239	2,439
Nasdaq	6,305.8	6,047.6	4.3%	4,594	5,466	6,306
Dow Jones	21,206.3	20,940.5	1.3%	17,140	19,371	21,206
FTSE 100	7,547.6	7,203.9	4.8%	5,924	6,983	7,548
FTSE All-Share UK	4,129.1	3,962.5	4.2%	3,238	3,802	4,130
CAC40	5,343.4	5,267.3	1.4%	4,030	4,707	5,432
Xetra Dax	12,822.9	12,438.0	3.1%	9,269	11,142	12,823
Nikkei	20,177.3	19,196.7	5.1%	1,667	17,942	20,177
Hang Seng	25,924.1	24,615.1	5.3%	20,038	23,049	25,924
DJ US Maritime	223.4	231.8	-3.6%	170.4	211.4	240.0
Currencies						
\$ per €	1.12	1.09	2.7%	1.04	1.09	1.14
\$ per £	1.29	1.29	-0.6%	1.21	1.28	1.49
£ per €	0.87	0.84	3.3%	0.76	0.85	0.91
¥ per \$	111.5	111.4	0.1%	100.0	108.7	118.1
\$ per Au\$	0.74	0.75	-1.2%	0.72	0.75	0.77
\$ per NoK	0.12	0.12	1.2%	0.11	0.12	0.13
\$ per SFr	0.97	0.99	-2.3%	0.96	0.99	1.03
Yuan per \$	6.82	6.89	-1.1%	6.56	6.79	6.96
Won per \$	1,121.8	1,136.5	-1.3%	1,092.8	1,143.3	1,210.7
\$ INDEX	103.1	104.5	-1.4%	97.9	102.9	108.3
Commodities						
Gold \$	1,275.0	1,266.5	0.7%	1,125.7	1,258.3	1,366.3
Oil WTI \$	47.7	49.3	-3.4%	39.5	48.9	54.5
Oil Brent \$	50.0	51.7	-3.4%	41.8	51.1	57.1
Palm Oil	-	-	-	562.0	562.0	562.0
Iron Ore	55.2	66.6	-17.1%	47.9	68.3	94.5
Coal Price Index	74.0	74.3	-0.3%	55.0	75.2	101.5
White Sugar	422.8	446.0	-5.2%	422.8	527.3	613.5

Currencies

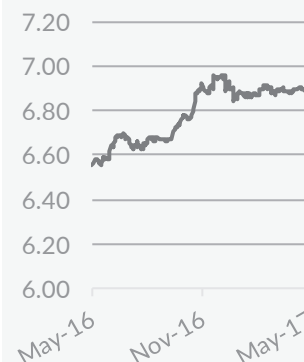
US Dollar per Euro



Yen per US Dollar



Yuan per US Dollar



US Dollar INDEX

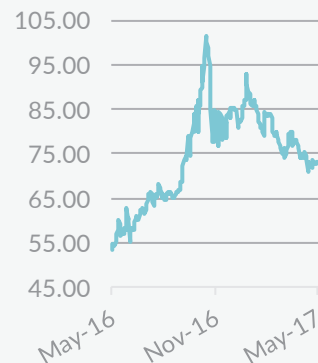


Commodities

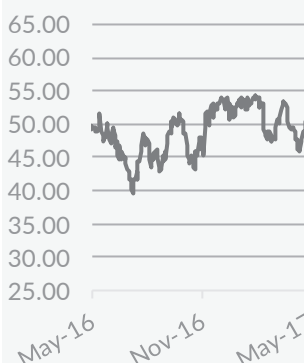
Iron Ore (TSI)



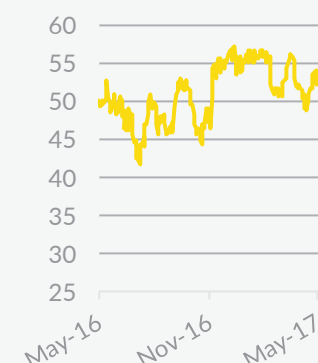
Coal Price Index



Oil WTI \$



Oil Brent \$



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29th May - 02nd June 2017 | Week 22

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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	180,000dwt	170,000dwt	150,000dwt
Panamax	82,000dwt	82,000dwt	76,000dwt	74,000dwt
Supramax	62,000dwt	58,000dwt	56,000dwt	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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