

# Weekly Shipping Market Update

10<sup>th</sup> - 14<sup>th</sup> July 2017 | Week 28

## Market Analysis

China's economy has boosted optimism in the market as its recently announced GDP growth for the second quarter of the year exceeded expectations. Its economy expanded by 6.9% from a year earlier, beating expectations for a growth rate of 6.8% and matching the growth rate recorded in the first quarter of the year. This figure has been further supported by the rise in industrial output by 7.6% in June against a year earlier and a rise in retail sales and fixed-asset investments of 11% and 8.6% respectively. With all these figures beating expectations and helping support a rate up to now, which is significantly higher than the full year economic growth target of 6.5% set out by China's government, we have seen a renewed optimism for commodity exporters and miners, while also boosting confidence as to the market prospects for dry bulk shippers, given that the trade for dry bulk commodities is still mainly driven by Chinese demand.

At the same time and despite this boost in optimism there are still voiced concerns in terms of the rising debt, overcapacity in several manufacturing sectors and the emergence of a possible bubble in the property sector. Given that most of the boost witnessed in the first half of the year has been mainly attributed to gains in all these three areas, there is a fear that their importance and role in bringing a potential reversal in fortunes for China's economy has also grown significantly. As such there are still cautions being voiced as to the prospects of a potential slowdown in the second half of the year. For the time being however these are just voiced concerns, while it seems that given the recent trends China's growth figure has become more robust and sustainable, especially as its consumer confidence and purchasing power in its home market has grown.

These boosts have been heavily reflected thus far in the performance of the dry bulk freight market during the same time period, with rates having shown a fair recovery compared to the daily earnings we had been witnessing a year back. Given that China's economic performance still plays an immensely significant role on the dry bulk market, with a fair share of the seaborne trade of dry bulk commodities still driven by Chinese demand, all eyes are heavily set on China so as to be able to get a sense of if we are really on a recovery path or not. At the same time the growth in the fleet has been kept under check during the first 6 months of the year, helping further improve the demand-supply balance in the market and support the improvement in freight rates that has been recorded thus far. Given that most have started to feel that this improved performance in China's economy could help boost commodity exporters while also provide a stronger global consumer base from where other emerging markets can drive their own manufacturing and investment boom.

Given that we have seen another rally take place in freight rates in the midst of the summer lull period, and that most still hold high expectations as to the market performance in the final quarter of the year, it would be to no surprise if we witnessed another rally in the secondhand market as buyers start flock back with even higher expectations of future earnings, driving in turn competition and another rally in asset prices. There has already been some slight indication of renewed buying interest, while it may well turn out that August will be a fairly busy month even when compared to previous years.

George Lazaridis

Head of Market Research & Asset Valuations



## Week in numbers

### Dry Bulk Freight Market

	14 Jul		W-O-W change	
			±Δ	±%
BDI	900		▲ 78	9.5%
BCI	933		▲ 180	23.9%
BPI	1,173		▲ 111	10.5%
BSI	769		▲ 37	5.1%
BHSI	486		▲ 15	3.2%

### Tanker Freight Market

	14 Jul		W-O-W change	
			±Δ	±%
BDTI	644		▼ -5	-0.8%
BCTI	551		▼ -29	-5.0%

### Newbuilding Market

Aggregate Price Index	14 Jul		M-O-M change	
			±Δ	±%
Bulkers	79		0	0.0%
Cont	93		0	0.0%
Tankers	90		▲ 1	1.5%
Gas	92		0	0.0%

### Secondhand Market

Aggregate Price Index	14 Jul		M-O-M change	
			±Δ	±%
Capesize	56		▼ -2	-2.8%
Panamax	53		▼ -1	-2.4%
Supramax	57		▼ -1	-2.4%
Handysize	56		▼ -1	-1.0%
VLCC	81		▼ -1	-1.1%
Suezmax	74		0	0.0%
Aframax	84		0	0.0%
MR	105		0	0.0%

### Demolition Market

Avg Price Index (main 5 regions)	14 Jul		W-O-W change	
			±Δ	±%
Dry	296		▲ 2	0.7%
Wet	320		▲ 7	2.2%

### Economic Indicators

	14 Jul		M-O-M change	
			±Δ	±%
Gold \$	1,230		▼ -36	-2.9%
Oil WTI \$	47		▲ 1	1.5%
Oil Brent \$	49		▲ 1	1.6%
Iron Ore	66		▲ 11	20.3%
Coal	83		▲ 2	2.5%

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**We deliver.**

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# Freight Market

## Dry Bulkers - Spot Market

10<sup>th</sup> - 14<sup>th</sup> July 2017

**Capesize** - With a boost activity being noted mid week, we started to note a fair rally take place especially in the Pacific basin as a good fresh of cargoes out of West Australia was met with a fairly tight tonnage list in the area, helping boost rates significantly there. There was also some improvement to be noted in the Atlantic as Brazil was showing a fair boost in its July program.

**Panamax** - With the ECSA region showing a renewed life and the good level of fresh grain cargoes being met by a relatively limited position list, owners were able to make a fair push in terms of rates helping boost the market significantly. Following through from the positive sentiment that was over spilling from the Atlantic and with activity also seeing some improvement, rates were also showing improvement mid-week in the Pacific basin as well.

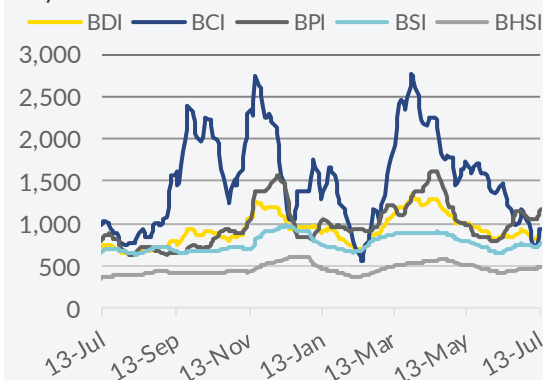
**Supramax** - A fair improvement was to be noted in both basins towards the end of the week with a good flow of cargoes from the Black Sea, US Gulf and ECSA helping clear out open tonnage in the Atlantic basin fairly quickly. At the same time the Pacific was also showing fresh signs of life with both the Far East and India showing improvement in the number of fresh cargoes that emerged.

**Handysize** - Overall a positive week though not as strong gains to be noted in freight rates as we witnessed in the larger size segments. Most of the positive momentum seemed to be fueled here to by the Black Sea and ECSA, while in the east there was a renewed drive which helped give a further boost to the upward momentum that we had been noting these past couple of weeks.

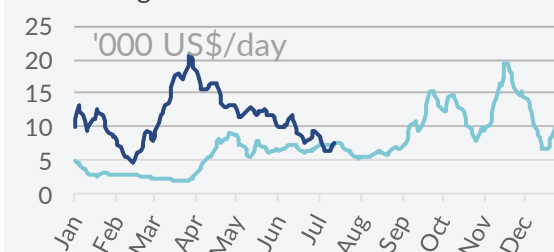
### Spot market rates & indices

		14 Jul	07 Jul	±%	Average 2017	2016
<b>Baltic Dry Index</b>						
	BDI	900	822	9.5%	971	677
<b>Capesize</b>						
	BCI	933	753	23.9%	1,515	1,031
	BCI 5TC	\$ 7,718	\$ 6,396	20.7%	\$ 11,353	\$ 7,400
	ATLANTIC RV	\$ 5,800	\$ 5,332	8.8%	\$ 11,575	\$ 7,775
	Cont / FEast	\$ 18,063	\$ 16,904	6.9%	\$ 21,523	\$ 13,856
	PACIFIC RV	\$ 7,908	\$ 5,450	45.1%	\$ 10,879	\$ 7,070
	FEast / ECSA	\$ 8,783	\$ 7,200	22.0%	\$ 11,106	\$ 7,164
<b>Panamax</b>						
	BPI	1,173	1,062	10.5%	1,071	696
	BPI - TCA	\$ 9,398	\$ 8,523	10.3%	\$ 8,594	\$ 5,566
	ATLANTIC RV	\$ 9,885	\$ 8,390	17.8%	\$ 8,874	\$ 6,139
	Cont / FEast	\$ 15,575	\$ 14,418	8.0%	\$ 14,173	\$ 9,818
	PACIFIC RV	\$ 8,838	\$ 8,168	8.2%	\$ 7,919	\$ 5,161
	FEast / Cont	\$ 3,295	\$ 3,114	5.8%	\$ 3,407	\$ 1,144
<b>Supramax</b>						
	BSI	769	732	5.1%	781	602
	BSI - TCA	\$ 8,773	\$ 8,327	5.4%	\$ 8,471	\$ 6,212
	USG / FEast	\$ 19,089	\$ 18,333	4.1%	\$ 18,510	\$ 9,760
	Med / FEast	\$ 14,531	\$ 13,641	6.5%	\$ 14,168	\$ 9,635
	PACIFIC RV	\$ 7,836	\$ 7,493	4.6%	\$ 7,209	\$ 5,197
	FEast / Cont	\$ 4,070	\$ 3,970	2.5%	\$ 3,899	\$ 3,272
	USG / Skaw	\$ 13,681	\$ 12,969	5.5%	\$ 14,822	\$ 9,845
	Skaw / USG	\$ 5,231	\$ 5,097	2.6%	\$ 6,287	\$ 4,196
<b>Handysize</b>						
	BHSI	486	471	3.2%	479	365
	BHSI - TCA	\$ 7,117	\$ 6,887	3.3%	\$ 6,974	\$ 5,277
	Skaw / Rio	\$ 5,920	\$ 5,715	3.6%	\$ 5,764	\$ 4,640
	Skaw / Boston	\$ 5,917	\$ 5,713	3.6%	\$ 5,767	\$ 4,832
	Rio / Skaw	\$ 10,631	\$ 10,142	4.8%	\$ 9,583	\$ 6,720
	USG / Skaw	\$ 8,864	\$ 8,850	0.2%	\$ 9,462	\$ 7,056
	SEAsia / Aus / Jap	\$ 6,457	\$ 6,225	3.7%	\$ 6,409	\$ 4,339
	PACIFIC RV	\$ 6,346	\$ 6,111	3.8%	\$ 6,201	\$ 5,146

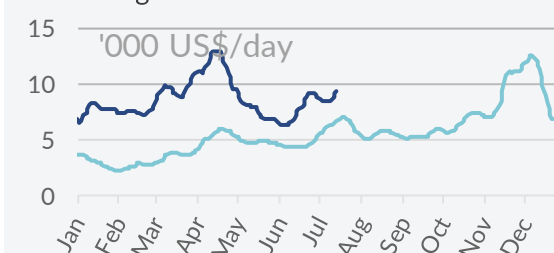
### Dry Bulk Indices



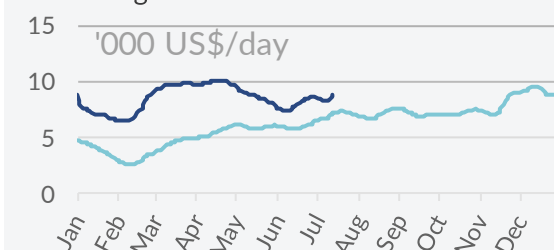
### BCI Average TCE



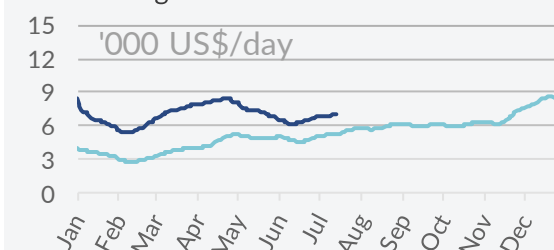
### BPI Average TCE



### BSI Average TCE



### BHSI Average TCE



— 2016 — 2017

# Freight Market

## Tankers - Spot Market

10<sup>th</sup> - 14<sup>th</sup> July 2017

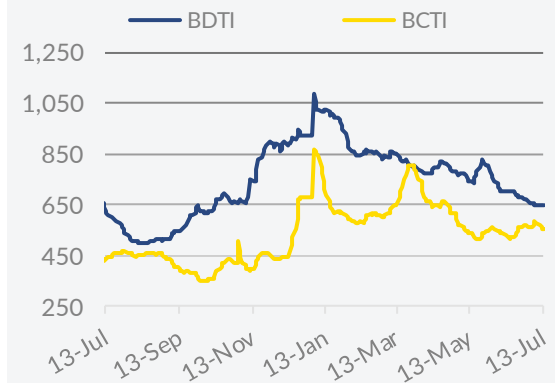
**Crude Oil Carriers** - With most of the July program now looking to be fully covered and limited activity being seen yet for early August dates, rates for VLs in the MEG were set for some slight downward corrections this past week. Interest for Westbound voyages was limited, while things were not looking to be much better for Eastbound voyages, especially as we moved towards the end of the week. It now seems that the amount of open tonnage for the next couple of weeks will start to take a further toll on the market, while there is no great expectation in terms of fresh interest. Things seemed to be under a fair amount of pressure for Suezmaxes as well with rates showing another downward correction across the board this week. Aframaxes seemed to be momentarily holding more stable this week though here too we are likely to see an overall downward trend take place.

**Oil Products** - In the products market, DPP routes in there majority were showing signs of further weakening. On the CPP front, things were holding positive on the USAC region though elsewhere demand was still fairly soft.

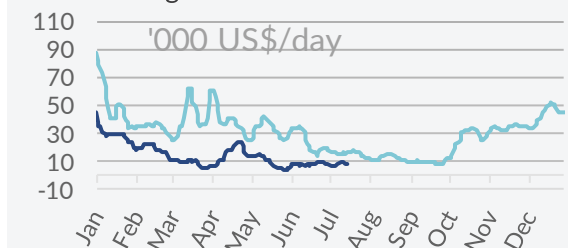
### Spot market rates & indices

		14 Jul	07 Jul	±%	Average 2017	2016
<b>Baltic Tanker Indices</b>						
BDTI		644	649	-0.8%	812	730
BCTI		551	580	-5.0%	620	491
<b>VLCC</b>						
MEG-USG	WS	25.09	25.68	-2.3%	33.29	35.46
	\$/day	-\$ 3,725	-\$ 3,641	-2.3%	\$ 2,068	\$ 18,511
MEG-SPORE	WS	54.38	54.50	-0.2%	63.80	60.57
	\$/day	\$ 40,678	\$ 40,567	0.3%	\$ 50,558	\$ 53,871
MEG-JAPAN	WS	53.08	52.92	0.3%	62.23	59.11
	\$/day	\$ 20,531	\$ 20,075	2.3%	\$ 26,543	\$ 42,341
WAF-USG	WS	55.00	55.00	0.0%	65.20	64.79
	\$/day	\$ 62,557	\$ 62,257	0.5%	\$ 76,776	\$ 81,300
<b>SUEZMAX</b>						
WAF-USAC	WS	60.00	62.50	-4.0%	77.14	71.68
	\$/day	\$ 29,985	\$ 31,663	-5.3%	\$ 42,265	\$ 41,669
BSEA-MED	WS	71.75	74.50	-3.7%	88.59	84.23
	\$/day	\$ 5,449	\$ 7,108	-23.3%	\$ 14,418	\$ 24,854
<b>AFRAMAX</b>						
NSEA-CONT	WS	95.56	96.39	-0.9%	101.49	103.36
	\$/day	\$ 4,456	\$ 5,331	-16.4%	\$ 9,571	\$ 23,003
MEG-SPORE	WS	91.50	91.00	0.5%	111.01	99.78
	\$/day	\$ 4,833	\$ 4,441	8.8%	\$ 8,535	\$ 16,988
CARIBS-USG	WS	88.06	81.67	7.8%	117.46	106.76
	\$/day	\$ 1,543	-\$ 298	617.8%	\$ 9,207	\$ 16,423
BALTIC-UKC	WS	62.50	62.78	-0.4%	88.04	81.18
	\$/day	\$ 2,153	\$ 2,177	-1.1%	\$ 14,521	\$ 23,914
<b>DPP</b>						
CARIBS-USAC	WS	112.50	115.00	-2.2%	128.14	112.34
	\$/day	\$ 21,799	\$ 22,454	-2.9%	\$ 26,569	\$ 23,804
ARA-USG	WS	105.31	105.94	-0.6%	124.14	101.78
	\$/day	\$ 19,245	\$ 19,468	-1.1%	\$ 26,440	\$ 24,883
SEASIA-AUS	WS	88.34	90.31	-2.2%	106.39	98.52
	\$/day	\$ 6,315	\$ 6,721	-6.0%	\$ 10,639	\$ 19,768
MED-MED	WS	81.94	76.28	7.4%	109.30	97.08
	\$/day	\$ 2,163	\$ 325	565.5%	\$ 11,617	\$ 16,861
<b>CPP</b>						
MEG-JAPAN	WS	92.81	95.00	-2.3%	99.29	91.35
	\$/day	\$ 7,258	\$ 7,501	-3.2%	\$ 7,965	\$ 15,145
CONT-USAC	WS	126.11	131.39	-4.0%	150.54	104.70
	\$/day	\$ 6,175	\$ 6,765	-8.7%	\$ 9,163	\$ 8,637
CARIBS-USAC	WS	150.00	125.00	20.0%	141.88	114.82
	\$/day	\$ 25,750	\$ 19,433	32.5%	\$ 23,411	\$ 18,531
USG-CONT	WS	112.50	98.75	13.9%	108.11	82.20
	\$/day	\$ 4,485	\$ 2,588	73.3%	\$ 3,701	\$ 5,194

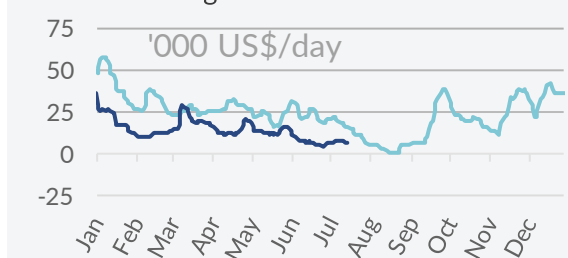
### Tanker Indices



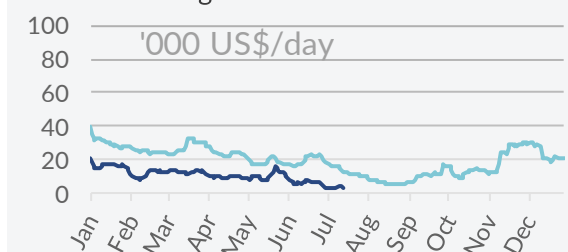
### VLCC Average TCE



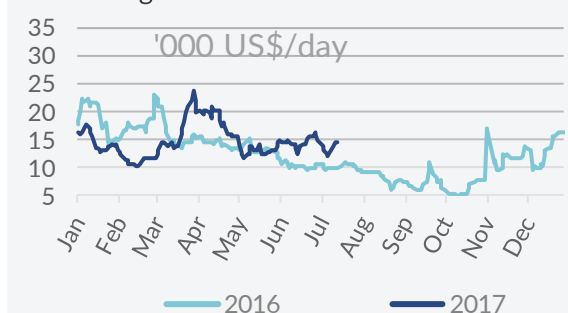
### Suezmax Average TCE



### Aframax Average TCE



### MR Average TCE



# Freight Market Period Charter

10<sup>th</sup> - 14<sup>th</sup> July 2017

## Dry Bulk period market TC rates

	14 Jul	09 Jun	±%	last 5 years		
				Min	Avg	Max
<b>Capesize</b>						
12 months	\$ 13,000	\$ 15,000	-13.3%	\$ 6,200	\$ 14,095	\$ 31,450
36 months	\$ 14,500	\$ 15,000	-3.3%	\$ 6,950	\$ 14,754	\$ 25,200
<b>Panamax</b>						
12 months	\$ 10,750	\$ 8,750	22.9%	\$ 4,950	\$ 9,377	\$ 15,450
36 months	\$ 10,750	\$ 10,000	7.5%	\$ 6,200	\$ 10,041	\$ 15,325
<b>Supramax</b>						
12 months	\$ 10,000	\$ 9,000	11.1%	\$ 4,450	\$ 9,220	\$ 13,950
36 months	\$ 10,250	\$ 9,500	7.9%	\$ 6,200	\$ 9,605	\$ 13,700
<b>Handysize</b>						
12 months	\$ 8,500	\$ 7,750	9.7%	\$ 4,450	\$ 7,669	\$ 10,450
36 months	\$ 9,250	\$ 8,250	12.1%	\$ 5,450	\$ 8,206	\$ 11,450

## Latest indicative Dry Bulk Period Fixtures

M/V "GOLDEN JAKE", 82188 dwt, built 2011, dely Caofeidian 14 Jul, \$10,250, for 4/7 months trading, to MOL

M/V "YASA TEAM", 75621 dwt, built 2006, dely Cape Passero 21/26 Jul, \$10,400, for 4/6 months trading, to Chart Not Rep

M/V "OCEAN DALIAN", 75559 dwt, built 2011, dely Dalian 17/22 Jul, \$9,500, for 5/7 months trading, to Phaethon

M/V "GIUSEPPE BOTTIGLIERI", 175244 dwt, built 2011, dely China 20/30 Jul, \$9,500, for 3/5 months trading, to Pacific Bulk

M/V "NORD CRUX", 81791 dwt, built 2015, dely Yatsushiro 15/16 Jul, \$10,750, for 4/6 months trading, to Bunge

## Tanker period market TC rates

	14 Jul	09 Jun	±%	last 5 years		
				Min	Avg	Max
<b>VLCC</b>						
12 months	\$ 26,500	\$ 26,750	-0.9%	\$ 18,000	\$ 30,830	\$ 57,750
36 months	\$ 29,500	\$ 29,000	1.7%	\$ 22,000	\$ 31,092	\$ 45,000
<b>Suezmax</b>						
12 months	\$ 18,000	\$ 18,000	0.0%	\$ 15,250	\$ 23,478	\$ 42,500
36 months	\$ 22,500	\$ 22,500	0.0%	\$ 17,000	\$ 24,436	\$ 35,000
<b>Aframax</b>						
12 months	\$ 14,500	\$ 15,000	-3.3%	\$ 13,000	\$ 18,388	\$ 30,000
36 months	\$ 16,750	\$ 16,750	0.0%	\$ 14,750	\$ 18,906	\$ 27,000
<b>MR</b>						
12 months	\$ 13,250	\$ 13,250	0.0%	\$ 12,000	\$ 14,896	\$ 21,000
36 months	\$ 14,000	\$ 14,000	0.0%	\$ 14,000	\$ 15,222	\$ 18,250

## Latest indicative Tanker Period Fixtures

M/T "SPYROS K", 320000 dwt, built 2007, \$23,000, for 6 months trading, to CLEARLAKE

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

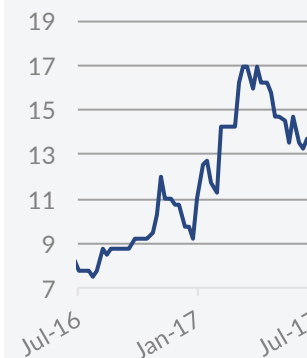
M/T "ATLAS VOYAGER", 115000 dwt, built 2003, \$14,500, for 6 months trading, to SOLAL

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

M/T "DL COSMOS", 50000 dwt, built 2007, \$12,750, for 1 year trading, to NORDEN

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

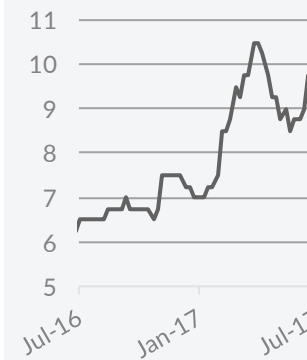
### Capesize



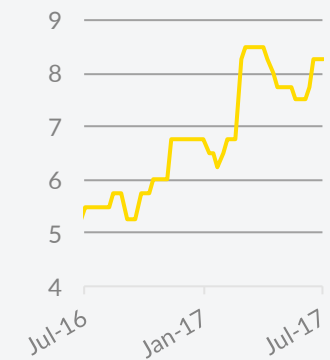
### Panamax



### Supramax



### Handysize



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

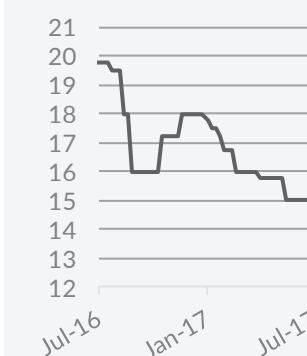
### VLCC



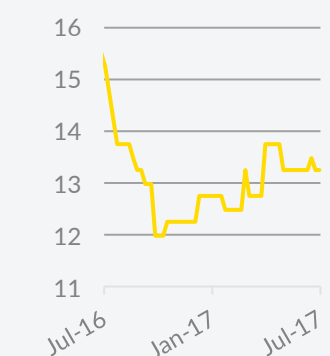
### Suezmax



### Aframax



### MR



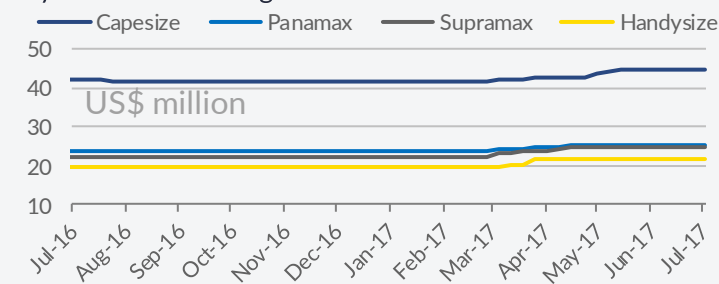


# Sale & Purchase Newbuilding Orders

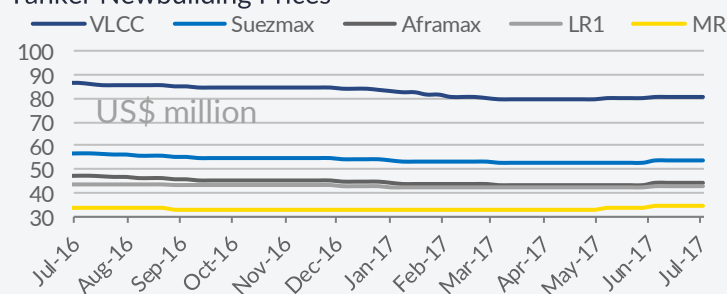
10<sup>th</sup> - 14<sup>th</sup> July 2017

Moving now well into the summer period and with the typical summer lull showing its face once again, activity seemed to be waning on all fronts. There was a minimal amount of fresh orders that surfaced this week, while given the fact that most shipbuilders have already started to slowdown their marketing efforts, it is looking unlikely that we will see any dramatic amount of fresh business emerge during August. At the same time prices have continued to hold fairly stable for the time being, with most of the previous upward momentum having seemingly evaporated as the amount of buying interest was not enough to really drive most shipbuilders to be able to really push for further price gains just yet. Given that we have seen a fairly buoyant market in terms of freight rates for dry bulkers lately, there may well be another round of ordering to take place come September, especially if buyers come back from their summer holidays with a significant boost in optimism for the market moving forward.

## Dry Bulk Newbuilding Prices



## Tanker Newbuilding Prices



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

	14 Jul	09 Jun	±%	last 5 years		
				Min	Avg	Max
<b>Dry Bulk</b>						
Capesize (180,000dwt)	44.5	44.5	0.0%	41.8	48.2	58.0
Kamsarmax (82,000dwt)	26.0	26.0	0.0%	24.3	27.3	30.8
Panamax (77,000dwt)	25.0	25.0	0.0%	23.8	26.5	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
<b>Container</b>						
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	53.9	63.9
Sub Panamax (2,500teu)	26.0	26.0	0.0%	26.0	30.7	38.0
Feeder (1,700teu)	21.5	21.5	0.0%	21.5	24.3	27.3

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

	14 Jul	09 Jun	±%	last 5 years		
				Min	Avg	Max
<b>Tankers</b>						
VLCC (300,000dwt)	81.0	80.5	0.6%	80.0	92.6	101.0
Suezmax (160,000dwt)	54.0	53.0	1.9%	53.0	59.8	66.0
Aframax (115,000dwt)	44.0	43.0	2.3%	43.0	50.0	55.0
LR1 (75,000dwt)	42.5	42.0	1.2%	40.5	43.7	47.0
MR (56,000dwt)	34.0	33.5	1.5%	32.5	34.7	37.3
<b>Gas</b>						
LNG 160k cbm	188.0	188.0	0.0%	188.0	198.6	202.0
LPG LGC 80k cbm	70.5	70.5	0.0%	70.0	74.0	80.0
LPG MGC 55k cbm	62.0	62.0	0.0%	62.0	64.7	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	5 + 2	82,000 dwt	JIANGSU HANTONG SHIP HI, China	\$ 24.0m	NISSHIN SHIPPING, Japan	2018-2019	IMO Tier II compliant
TANKER	4	318,000 dwt	DAEWOO, S. Korea	rgn \$ 80.00	MARAN TANKERS MANAGEMENT, Greece	2018-2019	option declared
TANKER	2	50,000 dwt	HYUNDAI-VINASHIN SHIPYARD CO, Vietnam	\$ 32.0m	FUKUJIN KISEN, Japan	2018-2019	Tier II, on the back of TC to Norden
TANKER	2	50,000 dwt	HYUNDAI-VINASHIN SHIPYARD CO, Vietnam	\$ 32.0m	MASUMOTO SHIPPING, Japan	2018-2019	Tier II, on the back of TC to Norden
TANKER	1	50,000 dwt	HYUNDAI-VINASHIN SHIPYARD CO, Vietnam	\$ 32.0m	HISAMOTO KISSEN, Japan	2018-2019	Tier II, on the back of TC to Norden

# Sale & Purchase Secondhand Sales

10<sup>th</sup> - 14<sup>th</sup> July 2017

On the dry bulk side, activity has remained considerably slower compared to what we had been noting through most of the first half of the year. Despite this, there seems to be a renewed interest that has been brewing now under the surface and it looks as though August may well prove to be a fairly active month in terms of secondhand transactions taking place. With rates managing to show some positive gains this past week, we may also see some buyers push for another price rally as well, though this will heavily depend on how well the market holds during August.

On the tanker side, things are still holding fairly quiet, with a minimal amount of transactions coming to light. Prices seem to be once again under pressure, while the volatility and lack of direction in the crude oil market has surely played a role, shaking confidence amongst both buyers and sellers in the market.

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

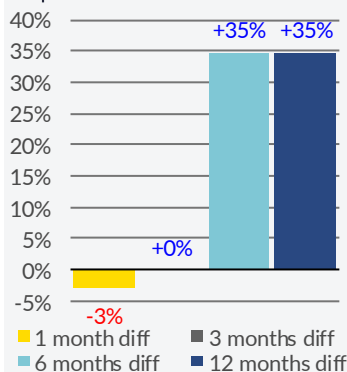
		14 Jul	09 Jun	±%	Min	Avg	Max
Capesize							
180k dwt	Resale	44.50	44.50	0.0%	34.5	45.4	65.0
180k dwt	5 year old	33.00	34.00	-2.9%	23.0	34.1	53.0
170k dwt	10 year old	22.50	24.50	-8.2%	12.0	22.4	38.0
150k dwt	15 year old	13.50	13.50	0.0%	6.5	13.5	25.0
Panamax							
82k dwt	Resale	29.00	29.50	-1.7%	22.5	28.3	34.0
82k dwt	5 year old	19.50	20.25	-3.7%	11.5	19.4	28.0
76k dwt	10 year old	13.00	13.50	-3.7%	7.3	13.6	23.0
74k dwt	15 year old	8.00	8.00	0.0%	3.5	8.6	14.5
Supramax							
62k dwt	Resale	26.50	27.00	-1.9%	19.0	26.6	33.0
58k dwt	5 year old	17.00	17.00	0.0%	11.0	18.7	27.0
56k dwt	10 year old	12.00	12.00	0.0%	6.0	13.2	22.0
52k dwt	15 year old	7.00	7.75	-9.7%	3.5	8.3	13.5
Handysize							
37k dwt	Resale	20.50	20.50	0.0%	17.0	21.4	26.0
37k dwt	5 year old	13.00	13.50	-3.7%	7.8	15.1	22.0
32k dwt	10 year old	7.75	7.75	0.0%	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)

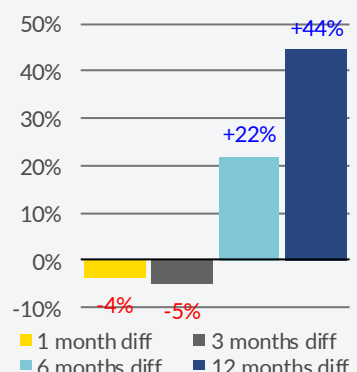
		14 Jul	09 Jun	±%	Min	Avg	Max
VLCC							
310k dwt	Resale	85.50	85.50	0.0%	80.0	92.2	105.0
310k dwt	5 year old	65.00	65.00	0.0%	55.0	67.8	84.0
250k dwt	10 year old	42.00	43.00	-2.3%	34.5	45.0	59.0
250k dwt	15 year old	22.50	23.00	-2.2%	16.9	27.6	41.0
Suezmax							
160k dwt	Resale	57.00	57.00	0.0%	53.0	62.4	73.0
150k dwt	5 year old	43.50	43.50	0.0%	38.0	48.2	62.0
150k dwt	10 year old	28.50	28.50	0.0%	24.0	32.9	44.5
150k dwt	15 year old	17.50	17.50	0.0%	14.0	18.8	23.0
Aframax							
110k dwt	Resale	44.50	44.50	0.0%	39.0	48.1	57.0
110k dwt	5 year old	30.50	30.50	0.0%	27.0	35.6	47.5
105k dwt	10 year old	19.50	19.50	0.0%	16.0	23.0	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	34.50	0.0%	32.0	36.0	39.0
52k dwt	5 year old	24.50	24.50	0.0%	22.0	26.0	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

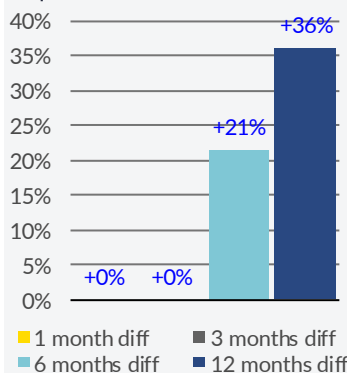
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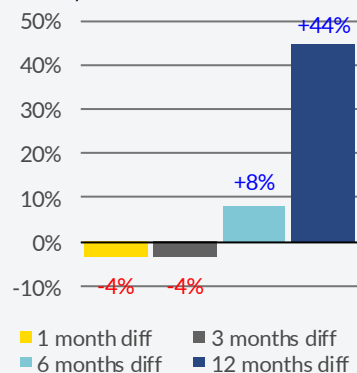
### Panamax



### Supramax

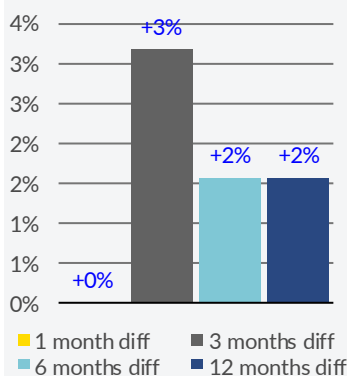


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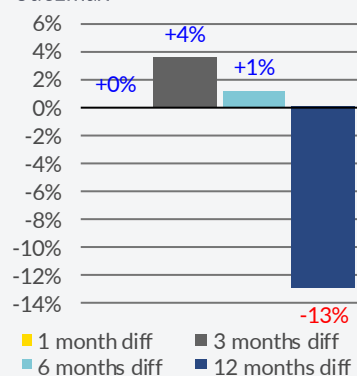


## Price movements of 5 year old Tanker assets

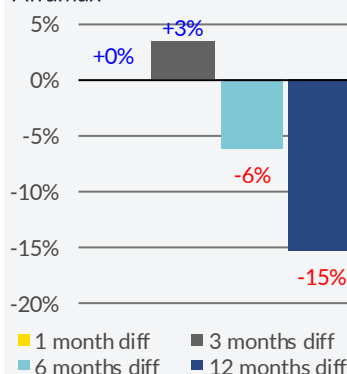
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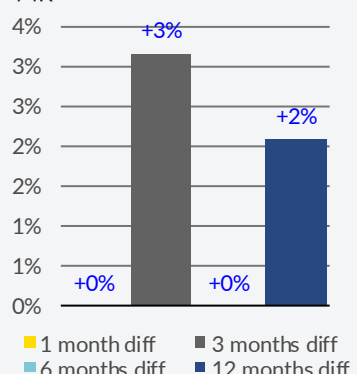
### Suezmax



### Aframax



### MR



# Sale & Purchase Secondhand Sales



10<sup>th</sup> - 14<sup>th</sup> July 2017

## Tankers

Size	Name	Dwt	Built	Shipbuilder	M/E	Coating	Price	Buyers	Comments
AFRA	PHOENIX ADVANCE	114,024	2011	HYUNDAI HEAVY INDUSTRI, S. Korea	MAN-B&W	EPOXY Coated	\$ 28.2m	Greek - Pantheon Tankers	partly coated cargo tanks
AFRA	SEABORNE	106,638	2003	TSUNEISHI, Japan	B&W		\$ 11.4m	Indonesian	dely far East, SS/DD due Feb '18
MR	PTI VOLANS	51,224	2006	STX, S. Korea	MAN-B&W	EPOXY Coated	\$ 15.3m	Chinese - Island Navigation	
SMALL	TOUR MARGAUX	8,674	1992	YVC YSSELWERF, Netherlands	Normo	StSt + EPOXY	N/A	Turkish	IMO II
SMALL	TEBRA	8,416	1990	ASAKAWA, Japan	Mitsubishi	StSt	\$ 2.4m	Hong Kong Based	IMO II/III

## Bulk Carriers

Size	Name	Dwt	Built	Shipbuilder	M/E	Gear	Price	Buyers	Comments
CAPE	NSS ENDEAVOR	184,887	2002	MITSUI CHIBA ICHIHARA, Japan	B&W		\$ 13.8m	undisclosed	
CAPE	HANJIN PORT WALCOTT	180,012	2012	DAEHAN SHIPBUILDING -, S. Korea	MAN-B&W		\$ 26.5m	U. K. Based	SS / DD due Oct '17, laid up Hong Kong since Nov '16
CAPE	HANJIN NEWCASTLE	179,905	2011	DAEHAN SHIPBUILDING -, S. Korea	MAN-B&W		\$ 25.5m	U. K. Based	SS/DD due sept '17, warm layup since sept '16
SMAX	OCEAN VIRGO	52,392	2005	TSUNEISHI CORP NUMAKUM, Japan	B&W	4 X 30t CRANES	\$ 8.4m	Singaporean - Wilson International Trading	committed
SMAX	KEN SIRIUS	50,337	2003	KAWASAKI SHIPBUILDING, Japan	B&W	4 X 30,5t CRANES	\$ 8.0m	Far Eastern	
HMAX	ROYAL ARSENAL	48,203	1999	OSHIMA SHIPBUILDING, Japan	Mitsubishi	4 X 25t CRANES	\$ 5.4m	Chinese	
HANDY	DIANA ISLAND	28,398	2010	IMABARI IMABARI, Japan	MAN-B&W	4 X 30,5t CRANES	\$ 8.6m	Canadian - Canadian Shipping Lines	

## Gen. Cargo

Type	Name	Dwt	Built	Shipbuilder	M/E	Gear	Price	Buyers	Comments
General Cargo	ERIK	12,763	2008	JIANGDONG, China	MaK	2 X 150t CRANES	\$ 5.0m	German	heavy lift
General Cargo	FRIEDA	12,742	2008	JIANGDONG, China	MaK	2 X 150t CRANES	\$ 5.0m		
General Cargo	BBC ALABAMA	12,732	2007	JIANGDONG, China	MaK	2 X 150t CRANES	\$ 5.0m		
General Cargo	BBC OHIO	12,708	2009	JIANGDONG, China	MaK	2 X 150t CRANES	\$ 5.0m		

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# Sale & Purchase

## Secondhand Sales



10<sup>th</sup> - 14<sup>th</sup> July 2017

Containers									
Size	Name	TEU	Built	Shipbuilder	M/E	Gear	Price	Buyers	Comments
FEEDER	KHARIS JUPITER	834	2000	MAWEI SHIPYARD - CHR, China	B&W		N/A	Chinese - Qingdao Pengteng International	
FEEDER	KALINA	700	1996	SIETAS KG, Germany DAE SUN	MAN		N/A	undisclosed	
FEEDER	SKY LOVE	446	1997	SHIPBUILDING &, S. Korea	B&W		N/A	Chinese - Dalian Taihang	
Offshore									
Type	Name	Dwt	Built	Shipbuilder	M/E	Bhp	Price	Buyers	Comments
FPSO, Oil	TURRITELLA	133,646	2003	HYUNDAI HEAVY INDUSTRI, S. Korea	MAN-B&W	25,320	\$ 1000.0m	Dutch - Shell Offshore	Purchase option
AHTS	FAR SHOGUN	3,954	2010	STX RO OFFSHORE TULCEA, Romania	Bergens	12,500	N/A	undisclosed	

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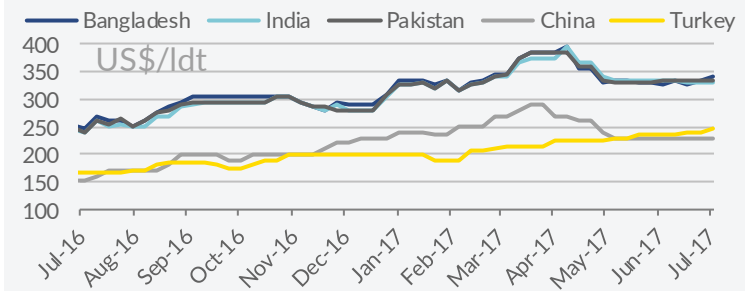
# Sale & Purchase

## Demolition Sales

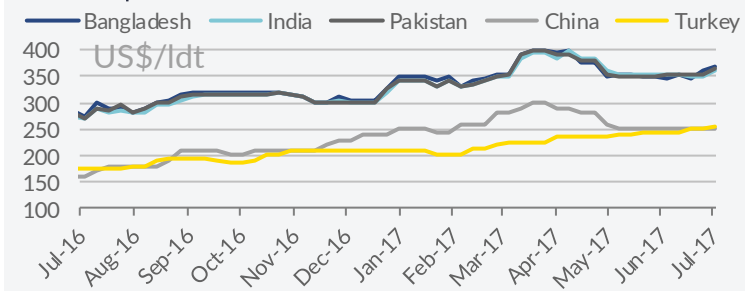
10<sup>th</sup> - 14<sup>th</sup> July 2017

There was a fair amount of speculative buying taking place this past week, with price levels seeing a strong boost across the Indian Sub-Continent. Part of this has been fueled by the renewed interest and appetite being noted from Bangladeshi breakers, while most of the boost noted seems to have gone towards higher spec units with larger LDT especially for tankers and container. This seems to be a momentary rally and we are likely to see the upward momentum fall back once again, since we are still within the monsoon season and breaking activity is still holding at a significantly slower pace. At the same time the fact that we are still seeing a minimal amount of demo candidates coming to market means that the supply side has played its part in boosting competition and helping push for the renewed improvement in offered prices.

### Dry Scrap Prices



### Wet Scrap Prices



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

		14 Jul	07 Jul	±%	last 5 years		
					Min	Avg	Max
<b>Indian Sub Continent</b>							
	Bangladesh	340	335	1.5%	220	373	475
	India	330	330	0.0%	225	375	500
	Pakistan	335	335	0.0%	220	372	475
<b>Far East Asia</b>							
	China	230	230	0.0%	110	267	425
<b>Mediterranean</b>							
	Turkey	245	240	2.1%	145	239	355

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

		14 Jul	07 Jul	±%	last 5 years		
					Min	Avg	Max
<b>Indian Sub Continent</b>							
	Bangladesh	370	360	2.8%	245	394	495
	India	360	350	2.9%	250	396	510
	Pakistan	365	355	2.8%	245	395	500
<b>Far East Asia</b>							
	China	250	250	0.0%	120	283	445
<b>Mediterranean</b>							
	Turkey	255	250	2.0%	150	249	355

### Reported Transactions

Type	Vessel's Name	Dwt	Built	Country Built	Ldt	US\$/Ldt	Buyer	Sale Comments
Tanker	BLUE TRADER	149,775	1997	China	24,462	\$ 378/Ldt	Bangladeshi	"as is" Singapore
Tanker	BUNGA KELANA DUA	105,976	1997	S. Korea	16,899	\$ 398/Ldt	undisclosed	"as is" Malaysia
Tanker	IRON MONGER 3	98,624	1990	Japan	15,871	\$ 340/Ldt	undisclosed	"as is" Khor Fakkan
Ro Pax	CARIBBEAN FANTASY	6,737	1989	Japan	10,471	\$ 145/Ldt	undisclosed	"as is" Bahamas, fire damaged/under tow
Bulker	MICHALAKIS	40,908	1989	Yugoslavia	10,139	N/A	Pakistani	old sale
Bulker	FU MAN	71,369	1997	Japan	9,760	N/A	Chinese	
Cont	ARCANGELO	18,235	1990	Japan	5,253	N/A	undisclosed	
Gen. Cargo	BSLE VIVY	7,713	1994	Germany	3,756	N/A	Indian	
Gen. Cargo	NATION PROSPERITY	6,849	1985	Japan	2,626	\$ 295/Ldt	Bangladeshi	
Gen. Cargo	MERCURY M	6,912	1984	Japan	1,755	N/A	Indian	
Tanker	TRAMAX	4,004	2001	China	1,220	N/A	undisclosed	
Cont	SIRINUN NAVA	2,792	1991	S. Korea	1,197	N/A	Bangladeshi	

# Trade Indicators

## Markets | Currencies | Commodities

10<sup>th</sup> - 14<sup>th</sup> July 2017

Fred Olsen Energy has booked a better than forecast set of second quarter figures despite reporting a loss for the period.

Core operating profit reached \$29m in the three months to the end of June, well clear of the \$12m consensus, according to analysts at Arctic Securities.

It came on the back of revenue of \$55m, which edged ahead of the \$53m expected by analysts, and lower costs.

In a difficult offshore market, Fred Olsen Energy logged a pre-tax loss of \$116m as revenue from its offshore drilling business was sliced by two rigs coming off contract.

Fred Olsen also confirmed the scrapping of a laid-up tender units.

The Borgsten Dolphin, which is cold stacked in Invergordon, and its decommissioning will allow the repayment of \$4.25m in bank debt.

The company says North Sea tendering activity in the mid-water market has increased this year and further contract awards are expected during the remainder of 2017. Source: Tradewinds

	14 Jul	09 Jun	±%	last 12 months		
				Min	Avg	Max
<b>Markets</b>						
10year US Bond	2.32	2.20	5.5%	1.46	2.13	2.61
S&P 500	2,459.3	2,431.8	1.1%	2,085	2,278	2,459
Nasdaq	6,312.5	6,207.9	1.7%	5,030	5,617	6,322
Dow Jones	21,637.7	21,272.0	1.7%	17,888	19,769	21,638
FTSE 100	7,378.4	7,527.3	-2.0%	6,634	7,113	7,548
FTSE All-Share UK	4,033.5	4,111.6	-1.9%	3,602	3,875	4,130
CAC40	5,235.3	5,299.7	-1.2%	4,321	4,818	5,432
Xetra Dax	12,631.7	12,815.7	-1.4%	9,981	11,466	12,889
Nikkei	20,118.9	20,013.3	0.5%	1,667	18,434	20,230
Hang Seng	26,389.2	26,030.3	1.4%	21,561	23,643	26,389
DJ US Maritime	214.4	224.7	-4.6%	170.4	211.2	240.0
<b>Currencies</b>						
\$ per €	1.14	1.12	2.1%	1.04	1.09	1.15
\$ per £	1.30	1.27	1.9%	1.21	1.27	1.34
£ per €	0.88	0.88	0.2%	0.83	0.86	0.91
¥ per \$	113.2	110.4	2.6%	100.0	109.5	118.1
\$ per Au\$	0.77	0.75	2.8%	0.72	0.75	0.77
\$ per NoK	0.12	0.12	3.6%	0.11	0.12	0.13
\$ per SFr	0.97	0.97	-0.3%	0.96	0.99	1.03
Yuan per \$	6.78	6.80	-0.3%	6.62	6.82	6.96
Won per \$	1,134.8	1,124.3	0.9%	1,092.8	1,140.4	1,210.7
\$ INDEX	101.6	102.8	-1.1%	97.9	103.3	108.3
<b>Commodities</b>						
Gold \$	1,230.3	1,266.6	-2.9%	1,125.7	1,252.2	1,363.8
Oil WTI \$	46.5	45.8	1.5%	39.5	48.6	54.5
Oil Brent \$	48.9	48.2	1.6%	41.8	50.9	57.1
Palm Oil	-	-	-	562.0	562.0	562.0
Iron Ore	65.7	54.6	20.3%	53.0	69.0	94.5
Coal Price Index	83.0	81.0	2.5%	61.5	77.6	101.5
White Sugar	395.5	422.4	-6.4%	381.7	511.9	613.5

### Currencies

#### US Dollar per Euro



#### Yen per US Dollar



#### Yuan per US Dollar



#### US Dollar INDEX



### Commodities

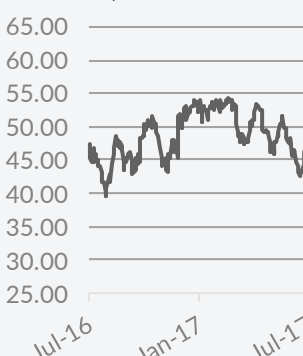
#### Iron Ore (TSI)



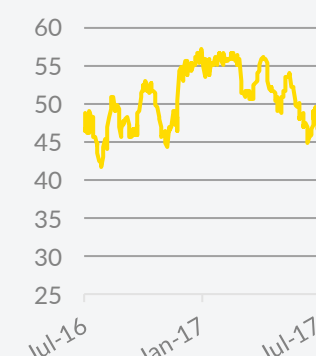
#### Coal Price Index



#### Oil WTI \$



#### Oil Brent \$



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10<sup>th</sup> - 14<sup>th</sup> July 2017 | Week 28

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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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