

# Weekly Shipping Market Update

04<sup>th</sup> - 08<sup>th</sup> September 2017 | Week 36

## Market Analysis

With the Baltic Dry Bulk Index having reached a 34 month high today and with some routes on the Capesize Index having reached a three year high, sentiment amongst dry bulk ship owners seems to be at a new high. The spark in trade that lit the market on fire in the midst of the summer period seems to be still firmly driving the market. Most of the market increase has been driven by the increased activity noted in the coal and iron ore trade, with China having driven this demand as they ramped up operations and kept their production levels at an all-time high. Things haven't been as clear cut though when one notes the details under which these trends have evolved.

Most of this increase in imports of both coal and iron ore has been driven by the decision made one year back by the Chinese government to reduce production levels of its coal and steel production, with the former set to be cut by roughly 800m tonnes (25% of its production in 2016) and the latter set to be cut by around 100-150m tonnes (nearly 20% of its production in 2016). In the case of coal, the gain has been relatively simple and direct. The cutting back in local coal production has made China more reliant on seaborne imports which in some cases is sourced by as far away locations as U.S. and Canada. This has helped reverse the affect that had been brought about by the smaller reliance on coal that had been undertaken by China, having pushed imports back to "normal levels". This has been equally reflected by the increases over the past year and a half in the price of coal. In the case of steel products, things have been slightly more complicated. The steel and iron ore industry has seen an equally impressive recovery in terms of the prices, however the above-mentioned production cuts by China would indicate a softening in import volumes of iron ore and metallurgical coal. As the current efforts stand, most of the production cuts have focused on the more troubled steel producers, closing down excess capacity which was already having difficulties in competing in the current market. Through these measures most of the remaining producers have had the opportunity to grasp a better share out of the high-end market, while also focusing on getting their hands on higher -end quality iron ore and coal in the market, both of which are typically sourced from outside China. At the same time, the Chinese government has tried to cap steel mill production levels in several provinces during the winter months in an effort to curb air pollution in some of its major cities. Both of these efforts however seem to have pushed for higher utilization levels of the remaining steel mills, as they try to ramp up production during the rest of the year and have taken up the market slack left behind by the closure of the lower tier mills. This could mean that we may well see the seasonal trends of this market radically change during the next couple of years.

There are signs of caution in the wind as always, with talks of a curb in coal imports by the Chinese government in order to boost the performance of the remaining coal mines, something that could cut back some of the recent trends in import volumes that have been noted over the past couple of months. At the same time, we are seeing a slowdown in the main drivers for local steel products, namely the property-market rally and the government's sustained splurge in infrastructure. Both of these have shown some initial signs of a slow-down, though these may turn out to only be a temporary correction and against the overall trend.

George Lazaridis

Head of Market Research & Asset Valuations



## Week in numbers





### Dry Bulk Freight Market

	08 Sep		W-O-W change	
			±Δ	±%
BDI	1,332		▲ 149	12.6%
BCI	2,767		▲ 503	22.2%
BPI	1,375		▲ 177	14.8%
BSI	888		▲ 32	3.7%
BHSI	504		▲ 18	3.7%









### Tanker Freight Market

	08 Sep		W-O-W change	
			±Δ	±%
BDTI	707		▲ 25	3.7%
BCTI	590		▼ -147	-19.9%

### Newbuilding Market

Aggregate Price Index			M-O-M change	
	08 Sep		±Δ	±%
Bulkers	79		0	0.0%
Cont	94		0	0.0%
Tankers	90		0	0.0%
Gas	91		0	0.0%

### Secondhand Market

Aggregate Price Index				M-O-M change	
	08 Sep			±Δ	±%
Capesize	58		▲	2	4.5%
Panamax	57		▲	3	5.3%
Supramax	63		▲	7	11.7%
Handysize	60		▲	4	7.6%
VLCC	78		▼	-2	-2.4%
Suezmax	69		▼	-3	-3.7%
Aframax	84		►	0	0.0%
MR	101		▼	-1	-1.3%

### Demolition Market

Avg Price Index (main 5 regions)			W-O-W change	
	08 Sep		±Δ	±%
Dry	347		▼ -1	-0.3%
Wet	366		▼ -1	-0.3%

### Economic Indicators

	08 Sep		M-O-M change	
			±Δ	±%
Gold \$	1,346		▲ 89	7.0%
Oil WTI \$	47		▼ -2	-4.2%
Oil Brent \$	54		▲ 1	2.6%
Iron Ore	74		▲ 2	2.1%
Coal	88		▲ 3	3.5%

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**We deliver.**

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# Freight Market

## Dry Bulkers - Spot Market

04<sup>th</sup> - 08<sup>th</sup> September 2017

**Capesize** - Things quickly got back to aggressive mode, with rates showing firm spikes and on some routes reaching nearly three year highs. The mood has now changed drastically and further strengthening can now be seen. The Atlantic basin was leading the charge, with rates out of Brazil quickly climbing of the back of a good level of interest hitting the market and limited tonnage promptly open to meet this rise in demand. Things seemed equally strong out of West Australia with a number of major traders pushing fresh enquiries into the market.

**Panamax** - A good level of improvement was to be noted here as well, with The Pacific making some quick gains early on in the week as position lists seemed to have spread fairly thin over the past couple of days. At the same time the sharp rise of STEMS out of US Gulf and ECSA helped keep things busy in the Atlantic leading to fair gains in the Atlantic and further driving the positive momentum.

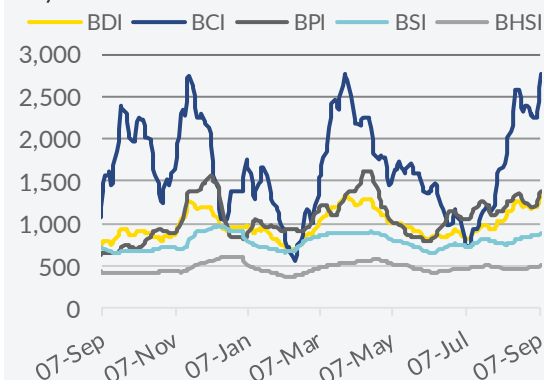
**Supramax** - Overall a fairly positive tone was to be seen in the market, with the majority of routes showing good improvements from their previous week's levels. The Med and Continent was showing a fair bit of slack, however here too we expect things to gain as the balance elsewhere starts to tighten.

**Handysize** - A relatively positive week here too with only exception being that of the US Gulf which showed a slow down in fresh interest, while tonnage availability overall in the Atlantic was still relatively plentiful. Things were looking to be considerably better in the Pacific basin with a sharp rise being noted in fresh interest, while as the week progress we should see this trend drive the market further.

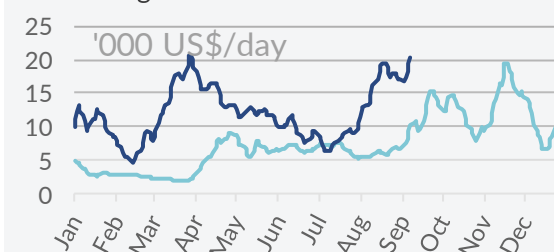
### Spot market rates & indices

		08 Sep	01 Sep	±%	Average 2017	2016
<b>Baltic Dry Index</b>						
BDI		1,332	1,183	12.6%	1,001	677
<b>Capesize</b>						
BCI		2,767	2,264	22.2%	1,595	1,031
BCI 5TC		\$ 20,343	\$ 16,948	20.0%	\$ 12,044	\$ 7,400
ATLANTIC RV		\$ 20,825	\$ 16,300	27.8%	\$ 11,940	\$ 7,775
Cont / FEast		\$ 32,591	\$ 28,773	13.3%	\$ 22,649	\$ 13,856
PACIFIC RV		\$ 21,125	\$ 17,400	21.4%	\$ 11,772	\$ 7,070
FEast / ECSA		\$ 19,136	\$ 17,073	12.1%	\$ 11,935	\$ 7,164
<b>Panamax</b>						
BPI		1,375	1,198	14.8%	1,108	696
BPI - TCA		\$ 11,037	\$ 9,610	14.8%	\$ 8,881	\$ 5,566
ATLANTIC RV		\$ 10,590	\$ 9,030	17.3%	\$ 9,182	\$ 6,139
Cont / FEast		\$ 18,505	\$ 16,700	10.8%	\$ 14,727	\$ 9,818
PACIFIC RV		\$ 10,986	\$ 9,256	18.7%	\$ 8,198	\$ 5,161
FEast / Cont		\$ 4,068	\$ 3,453	17.8%	\$ 3,418	\$ 1,144
<b>Supramax</b>						
BSI		888	856	3.7%	787	602
BSI - TCA		\$ 10,045	\$ 9,698	3.6%	\$ 8,624	\$ 6,212
USG / FEast		\$ 20,028	\$ 18,997	5.4%	\$ 18,429	\$ 9,760
Med / Feast		\$ 18,313	\$ 19,016	-3.7%	\$ 14,944	\$ 9,635
PACIFIC RV		\$ 9,407	\$ 8,921	5.4%	\$ 7,448	\$ 5,197
FEast / Cont		\$ 4,940	\$ 4,650	6.2%	\$ 3,999	\$ 3,272
USG / Skaw		\$ 13,950	\$ 13,388	4.2%	\$ 14,310	\$ 9,845
Skaw / USG		\$ 6,138	\$ 6,256	-1.9%	\$ 6,199	\$ 4,196
<b>Handysize</b>						
BHSI		504	486	3.7%	480	365
BHSI - TCA		\$ 7,433	\$ 7,115	4.5%	\$ 6,997	\$ 5,277
Skaw / Rio		\$ 6,190	\$ 6,155	0.6%	\$ 5,831	\$ 4,640
Skaw / Boston		\$ 6,275	\$ 6,238	0.6%	\$ 5,846	\$ 4,832
Rio / Skaw		\$ 10,100	\$ 9,136	10.6%	\$ 9,592	\$ 6,720
USG / Skaw		\$ 6,871	\$ 7,166	-4.1%	\$ 9,016	\$ 7,056
SEAsia / Aus / Jap		\$ 7,643	\$ 7,163	6.7%	\$ 6,528	\$ 4,339
PACIFIC RV		\$ 7,371	\$ 6,950	6.1%	\$ 6,316	\$ 5,146

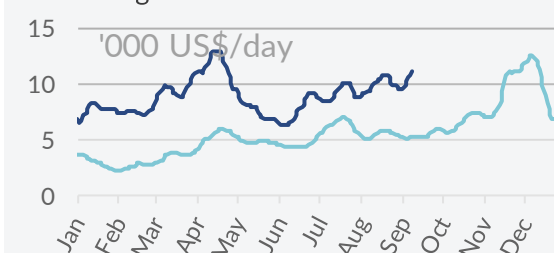
### Dry Bulk Indices



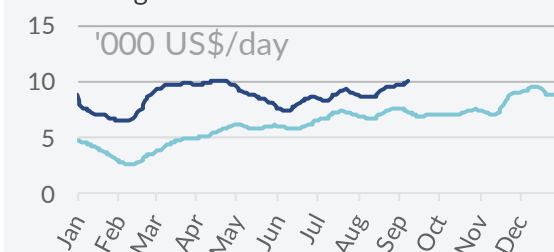
### BCI Average TCE



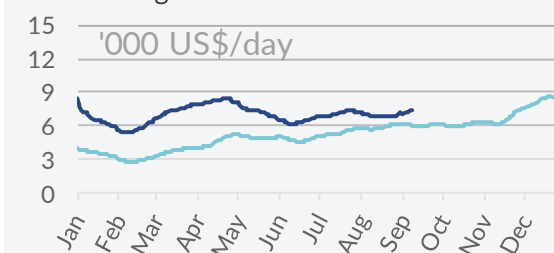
### BPI Average TCE



### BSI Average TCE



### BHSI Average TCE



— 2016 — 2017

# Freight Market

## Tankers - Spot Market

04<sup>th</sup> - 08<sup>th</sup> September 2017

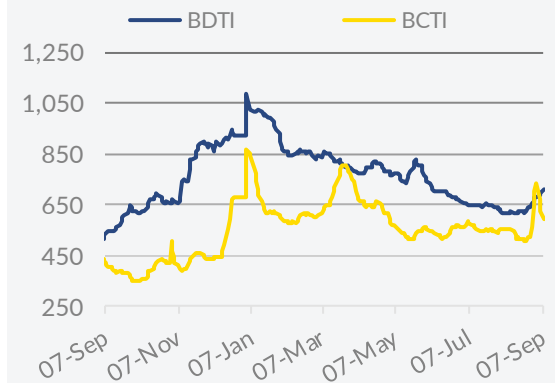
**Crude Oil Carriers** - There was a slight improvement in the MEG for VLs as demand for Eastbound voyages started to gain ground. Things were a bit more sluggish on the Westbound routes as demand has remain subdued possibly due to disruptions still being faced on the US Gulf. Things continued to improve in the Suezmax routes as the thinned out position lists in the WAF coupled with firming demand in both the WAF and Black Sea/Med helps boost rates further. Things were a bit more mixed in the Aframax range, as the North Sea/Baltic started to show some improvement from what we were seeing in previous weeks while there was positive gains to be seen from a rise in Eastbound voyages. The Caribs continued to be a slight disappointment with minimal interest still holding there.

**Oil Products** - In the products market, we witnessed a sharp correction on most of the DPP and CPP routes this past week, as things started to scale back down to normality. The market was still showing some life in the Far East, while it looks as though we may well settle at these current levels for a little while longer.

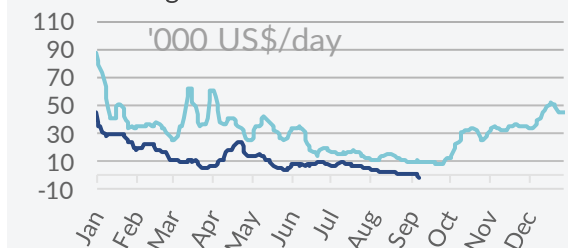
### Spot market rates & indices

		08 Sep	01 Sep	±%	Average 2017	2016
<b>Baltic Tanker Indices</b>						
BDTI		707	682	3.7%	775	730
BCTI		590	737	-19.9%	607	491
<b>VLCC</b>						
MEG-USG	WS	20.32	22.36	-9.1%	31.03	35.46
	\$/day	\$ 10,656	\$ 7,087	-50.4%	\$ 158	\$ 18,511
MEG-SPORE	WS	41.25	39.65	4.0%	59.65	60.57
	\$/day	\$ 26,134	\$ 24,867	5.1%	\$ 46,070	\$ 53,871
MEG-JAPAN	WS	40.08	38.65	3.7%	58.16	59.11
	\$/day	\$ 7,823	\$ 8,498	-7.9%	\$ 23,407	\$ 42,341
WAF-USG	WS	49.00	45.50	7.7%	61.77	64.79
	\$/day	\$ 50,926	\$ 47,153	8.0%	\$ 71,583	\$ 81,300
<b>SUEZMAX</b>						
WAF-USAC	WS	70.00	67.50	3.7%	74.14	71.68
	\$/day	\$ 35,737	\$ 34,861	2.5%	\$ 39,947	\$ 41,669
BSEA-MED	WS	85.00	78.94	7.7%	85.91	84.23
	\$/day	\$ 9,888	\$ 7,598	30.1%	\$ 12,740	\$ 24,854
<b>AFRAMAX</b>						
NSEA-CONT	WS	102.50	95.00	7.9%	99.90	103.36
	\$/day	\$ 5,440	\$ 1,679	224.0%	\$ 7,888	\$ 23,003
MEG-SPORE	WS	91.39	90.83	0.6%	106.24	99.78
	\$/day	\$ 2,777	\$ 4,010	-30.7%	\$ 7,444	\$ 16,988
CARIBS-USG	WS	153.06	158.33	-3.3%	115.38	106.76
	\$/day	\$ 17,237	\$ 19,361	-11.0%	\$ 8,513	\$ 16,423
BALTIC-UKC	WS	71.39	61.39	16.3%	82.16	81.18
	\$/day	\$ 2,818	\$ 972	389.9%	\$ 11,308	\$ 23,914
<b>DPP</b>						
CARIBS-USAC	WS	122.50	125.00	-2.0%	124.22	112.34
	\$/day	\$ 23,695	\$ 25,263	-6.2%	\$ 25,218	\$ 23,804
ARA-USG	WS	118.13	121.56	-2.8%	120.91	101.78
	\$/day	\$ 26,786	\$ 28,150	-4.8%	\$ 25,405	\$ 24,883
SEASIA-AUS	WS	87.53	87.50	0.0%	101.92	98.52
	\$/day	\$ 4,361	\$ 5,499	-20.7%	\$ 9,406	\$ 19,768
MED-MED	WS	104.72	80.28	30.4%	103.49	97.08
	\$/day	\$ 7,344	\$ 62	11745.2%	\$ 9,350	\$ 16,861
<b>CPP</b>						
MEG-JAPAN	WS	110.94	100.00	10.9%	102.25	91.35
	\$/day	\$ 9,416	\$ 8,219	14.6%	\$ 8,593	\$ 15,145
CONT-USAC	WS	121.11	247.78	-51.1%	146.08	104.70
	\$/day	\$ 3,930	\$ 21,381	-81.6%	\$ 8,463	\$ 8,637
CARIBS-USAC	WS	130.00	200.00	-35.0%	141.67	114.82
	\$/day	\$ 19,867	\$ 37,778	-47.4%	\$ 23,330	\$ 18,531
USG-CONT	WS	92.50	113.44	-18.5%	106.51	82.20
	\$/day	\$ 488	\$ 3,761	-87.0%	\$ 3,393	\$ 5,194

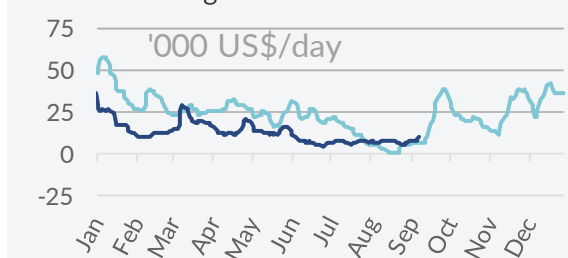
### Tanker Indices



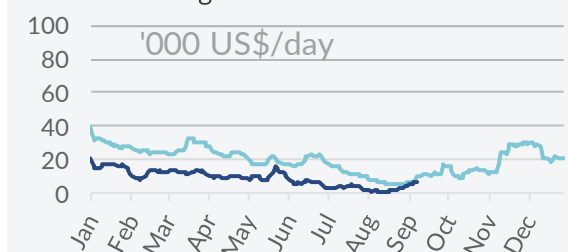
### VLCC Average TCE



### Suezmax Average TCE



### Aframax Average TCE



### MR Average TCE



# Freight Market Period Charter

04<sup>th</sup> - 08<sup>th</sup> September 2017

## Dry Bulk period market TC rates

	08 Sep	04 Aug	±%	last 5 years		
				Min	Avg	Max
<b>Capesize</b>						
12 months	\$ 17,250	\$ 15,000	15.0%	\$ 6,200	\$ 14,131	\$ 31,450
36 months	\$ 16,000	\$ 15,000	6.7%	\$ 6,950	\$ 14,766	\$ 25,200
<b>Panamax</b>						
12 months	\$ 12,250	\$ 10,750	14.0%	\$ 4,950	\$ 9,423	\$ 15,450
36 months	\$ 12,500	\$ 11,000	13.6%	\$ 6,200	\$ 10,077	\$ 15,325
<b>Supramax</b>						
12 months	\$ 10,750	\$ 10,000	7.5%	\$ 4,450	\$ 9,248	\$ 13,950
36 months	\$ 10,250	\$ 10,000	2.5%	\$ 6,200	\$ 9,619	\$ 13,700
<b>Handysize</b>						
12 months	\$ 8,500	\$ 8,500	0.0%	\$ 4,450	\$ 7,685	\$ 10,450
36 months	\$ 8,500	\$ 9,250	-8.1%	\$ 5,450	\$ 8,223	\$ 11,450

## Latest indicative Dry Bulk Period Fixtures

M/V "SBI ATHENA", 63235 dwt, built 2014, dely Marmara prompt, \$11,500, for 7/9 months trading, to Ellery Shiptrade

M/V "PACIFIC BRIGHT", 56512 dwt, built 2013, dely Dangjin 12/13 Sep, \$10,500, for 5/7 months trading, to Chart Not Rep

M/V "FOUR BUTTERFLY", 34423 dwt, built 2011, dely E C South America prompt, \$9,150, for 4/6 months trading, to Cargill

M/V "STAR SUZANNA", 81711 dwt, built 2013, dely Qinhuangdao 07/09 Sep, \$12,500, for min 5 to max 8 months, to Phaethon

M/V "PRABHU DAS", 76015 dwt, built 2005, dely Kinuura 06/10 Sep, \$11,000, for 6/9 months trading, to Marubeni

## Tanker period market TC rates

	08 Sep	04 Aug	±%	last 5 years		
				Min	Avg	Max
<b>VLCC</b>						
12 months	\$ 27,000	\$ 26,500	1.9%	\$ 18,000	\$ 30,721	\$ 57,750
36 months	\$ 29,500	\$ 29,500	0.0%	\$ 22,000	\$ 31,049	\$ 45,000
<b>Suezmax</b>						
12 months	\$ 18,000	\$ 18,000	0.0%	\$ 15,250	\$ 23,330	\$ 42,500
36 months	\$ 22,500	\$ 22,500	0.0%	\$ 17,000	\$ 24,384	\$ 35,000
<b>Aframax</b>						
12 months	\$ 14,750	\$ 14,500	1.7%	\$ 13,000	\$ 18,285	\$ 30,000
36 months	\$ 16,750	\$ 16,750	0.0%	\$ 14,750	\$ 18,848	\$ 27,000
<b>MR</b>						
12 months	\$ 13,250	\$ 13,250	0.0%	\$ 12,000	\$ 14,852	\$ 21,000
36 months	\$ 14,000	\$ 14,000	0.0%	\$ 14,000	\$ 15,189	\$ 18,250

## Latest indicative Tanker Period Fixtures

M/T "MEDITERRANEAN GLORY", 320000 dwt, built 2004, \$16,000, for 2+1+1 years trading, to KOCH

M/T "GOLDWAY", 158000 dwt, built 2016, \$18,000, for 6 months trading, to PHILLIPS 66

M/T "STEALTH NORVIC", 116000 dwt, built 2010, \$13,000, for 1+1 year trading, to MAERSK

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

M/T "MAERSK CANCUN", 50000 dwt, built 2017, \$14,750, for 1 year trading, to CLEARLAKE

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

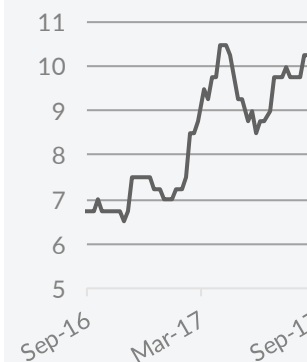
### Capesize



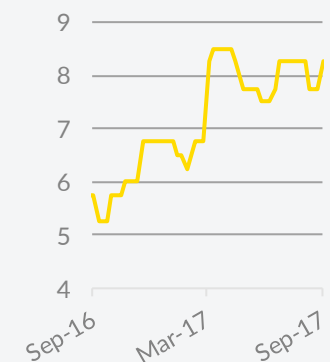
### Panamax



### Supramax

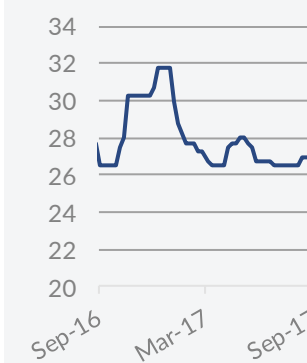


### Handysize

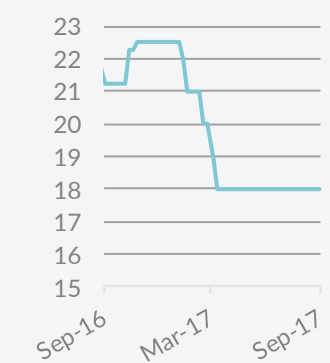


## Tanker 12 month period charter rates (USD '000/day)

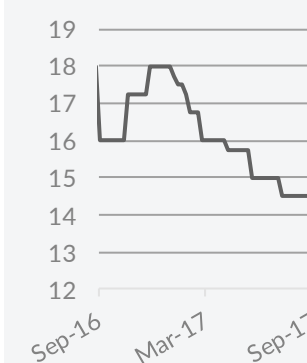
### VLCC



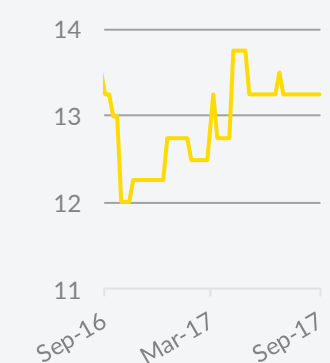
### Suezmax



### Aframax



### MR



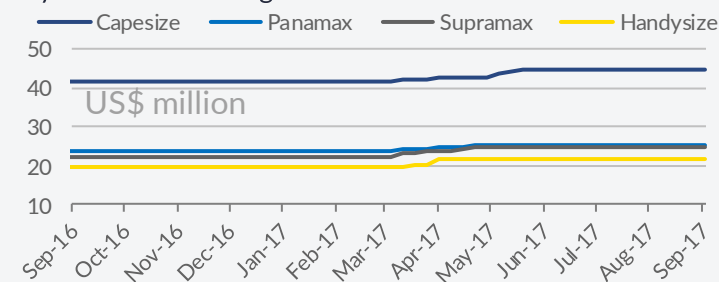


# Sale & Purchase Newbuilding Orders

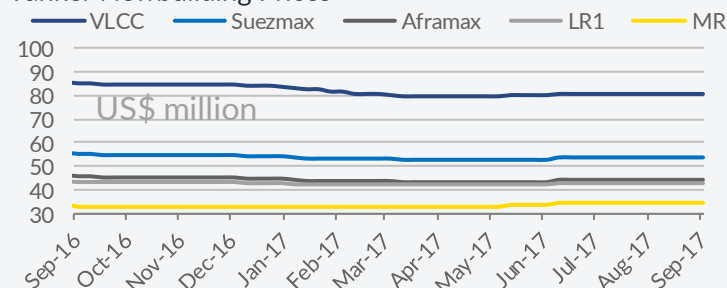
04<sup>th</sup> - 08<sup>th</sup> September 2017

Activity looks to be back in the market now, with August showing the highest level of new contracts having been placed in the year so far for some sectors. There still seems to be significant appetite amongst buyers out there and shipbuilders look to have mobilized their marketing strategies once more in an effort to take full benefit of the current opportunity. The rise in secondhand prices in the dry bulk sector has also helped a fair amount, placing the current newbuilding prices on offer in a more competitive and favorable light. At the same time sentiment seems to be very firm right now amongst dry bulk owners, given the current performance being noted in the freight market, which will surely start to attract more ship owners towards this option. Having said that, there still seems to be considerable problems with regards to arranging for financing of most of these new contracts under talks, while there are rumors that several owners are still facing difficulties in securing letters of guarantee for contracts they have signed.

## Dry Bulk Newbuilding Prices



## Tanker Newbuilding Prices



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

	08 Sep	04 Aug	±%	last 5 years		
				Min	Avg	Max
<b>Dry Bulkers</b>						
Capesize (180,000dwt)	44.5	44.5	0.0%	41.8	48.1	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	84.5	92.0
Panamax (5,200teu)	48.5	48.5	0.0%	48.0	53.8	63.9
Sub Panamax (2,500teu)	27.0	27.0	0.0%	26.0	30.6	38.0
Feeder (1,700teu)	21.5	21.5	0.0%	21.5	24.2	27.3

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

	08 Sep	04 Aug	±%	last 5 years		
				Min	Avg	Max
<b>Tankers</b>						
VLCC (300,000dwt)	81.0	81.0	0.0%	80.0	92.3	101.0
Suezmax (160,000dwt)	54.0	54.0	0.0%	53.0	59.6	66.0
Aframax (115,000dwt)	44.0	44.0	0.0%	43.0	49.8	55.0
LR1 (75,000dwt)	42.5	42.5	0.0%	40.5	43.6	47.0
MR (56,000dwt)	34.0	34.0	0.0%	32.5	34.7	37.3
<b>Gas</b>						
LNG 160k cbm	184.0	184.0	0.0%	184.0	198.2	202.0
LPG LGC 80k cbm	70.0	70.0	0.0%	70.0	73.9	80.0
LPG MGC 55k cbm	62.0	62.0	0.0%	62.0	64.6	68.5
LPG SGC 25k cbm	40.0	40.0	0.0%	40.0	43.1	46.0

### Reported Transactions

Type	Units	Size	Shipbuilder	Price	Buyer	Delivery	Comments
TANKER	3	300,000 dwt	JMU, Japan	rgn low \$ 80's	NYK, Japan	2019-2020	5-year bb
TANKER	1	300,000 dwt	NAMURA, Japan			2020	5-year bb
TANKER	1	15,000 dwt	FUJIAN MAWEI SHIPBUILDING LTD, China	N/A	CNAF HAIXIN SHIPPING, China	2019	
BULKER	4	110,000 dwt	HUDONG SHIPYARD, China	N/A	Romanian Byrs	2018-2019	high spec ice class
BULKER	4 + 2 + 2	82,000 dwt	COSCO ZHOUSHAN SHIPYARD CO LTD, China	\$ 24.0m	AEGEAN SHIPPING MANAGEMENT, Greece	2019-2020	tier II
BULKER	2	82,000 dwt	TSUNEISHI ZHOUSHAN SHBLDG, China	excess \$ 24.0m	HELIKON SHIPPING ENTERPRISES, UK	2019	tier II
BULKER	1	82,000 dwt	JIANGSU HANTONG, China	\$ 24.0m	ATLANTICA SHIPPING, Norway	2019	against TC to Suzano, tier II
PASS	2 + 1	550 pax	AUSTAL PHILIPPINES INC, Philippines	\$ 35.0m	BRAVE LINE, Taiwan	2019	

# Sale & Purchase Secondhand Sales

04<sup>th</sup> - 08<sup>th</sup> September 2017

On the dry bulk side, activity continues to hold firm with prices continuing to show signs of climbing. With the freight market now managing to reach new highs for the year, buyers' may well receive another boost in confidence which could likely lead to further competition in the market and even more aggressive pricing on the sales candidates that come to market. The majority of activity continues to be focused on relatively modern tonnage, though given the recent price hikes that have been noted, we may well start to see interest step down a level and go for the heavier discounts still on offer on slightly older vessels.

On the tanker side, it continues to be a fairly quiet market, with minimal transactions coming to light and most deals showing a slight softening in prices compared to what we were seeing a few weeks back. It is still hard to take the current transactions as indicative, given that at these prices there are few serious sellers to be had.

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

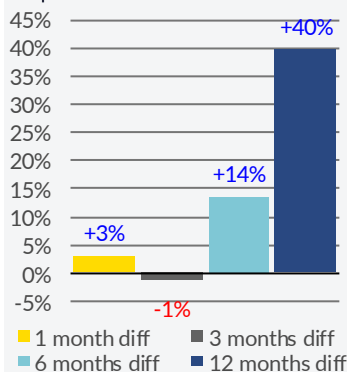
				last 5 years			
		08 Sep	04 Aug	±%	Min	Avg	Max
<b>Capesize</b>							
180k dwt	Resale	45.50	44.50	2.2%	34.5	45.4	65.0
180k dwt	5 year old	33.50	32.50	3.1%	23.0	34.1	53.0
170k dwt	10 year old	21.50	21.00	2.4%	12.0	22.4	38.0
150k dwt	15 year old	15.50	14.00	10.7%	6.5	13.5	25.0
<b>Panamax</b>							
82k dwt	Resale	29.00	29.00	0.0%	22.5	28.3	34.0
82k dwt	5 year old	22.00	20.50	7.3%	11.5	19.4	28.0
76k dwt	10 year old	14.00	13.00	7.7%	7.3	13.6	23.0
74k dwt	15 year old	9.25	8.50	8.8%	3.5	8.6	14.5
<b>Supramax</b>							
62k dwt	Resale	27.50	26.50	3.8%	19.0	26.6	33.0
58k dwt	5 year old	17.00	16.50	3.0%	11.0	18.6	27.0
56k dwt	10 year old	12.75	11.50	10.9%	6.0	13.2	22.0
52k dwt	15 year old	9.75	7.00	39.3%	3.5	8.3	13.5
<b>Handysize</b>							
37k dwt	Resale	21.75	20.50	6.1%	17.0	21.4	26.0
37k dwt	5 year old	14.25	13.50	5.6%	7.8	15.1	22.0
32k dwt	10 year old	9.25	7.75	19.4%	6.0	10.8	16.8
28k dwt	15 year old	5.25	5.25	0.0%	3.5	6.9	11.0

## Indicative Tanker Values (US\$ million)

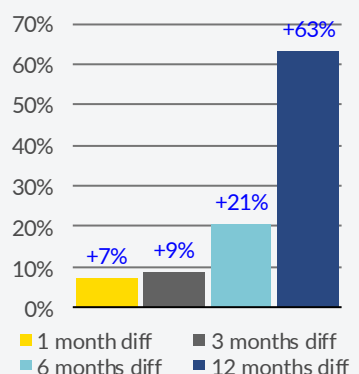
				last 5 years			
		08 Sep	04 Aug	±%	Min	Avg	Max
<b>VLCC</b>							
310k dwt	Resale	83.00	84.50	-1.8%	80.0	92.0	105.0
310k dwt	5 year old	63.00	64.50	-2.3%	55.0	67.7	84.0
250k dwt	10 year old	39.50	41.00	-3.7%	34.5	44.9	59.0
250k dwt	15 year old	22.00	22.50	-2.2%	16.9	27.4	41.0
<b>Suezmax</b>							
160k dwt	Resale	55.50	56.50	-1.8%	53.0	62.2	73.0
150k dwt	5 year old	40.50	42.00	-3.6%	38.0	48.1	62.0
150k dwt	10 year old	25.50	27.50	-7.3%	24.0	32.7	44.5
150k dwt	15 year old	17.00	17.50	-2.9%	14.0	18.8	23.0
<b>Aframax</b>							
110k dwt	Resale	44.50	44.50	0.0%	39.0	48.0	57.0
110k dwt	5 year old	30.50	30.50	0.0%	27.0	35.5	47.5
105k dwt	10 year old	19.50	19.50	0.0%	16.0	22.9	33.0
105k dwt	15 year old	12.00	12.00	0.0%	8.0	13.0	20.0
<b>MR</b>							
52k dwt	Resale	33.50	34.50	-2.9%	32.0	36.0	39.0
52k dwt	5 year old	24.00	24.50	-2.0%	22.0	26.0	31.0
45k dwt	10 year old	16.50	16.50	0.0%	14.0	17.6	21.0
45k dwt	15 year old	9.50	9.50	0.0%	9.0	10.9	13.5

## Price movements of 5 year old Dry Bulk assets

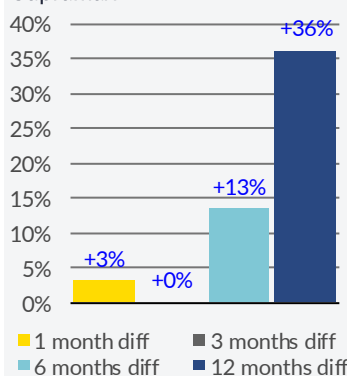
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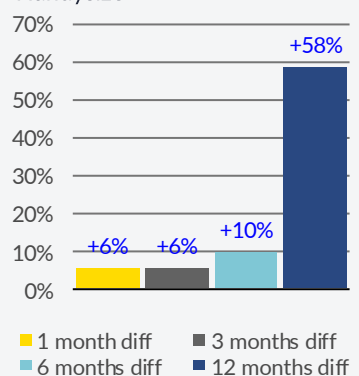
### Panamax



### Supramax

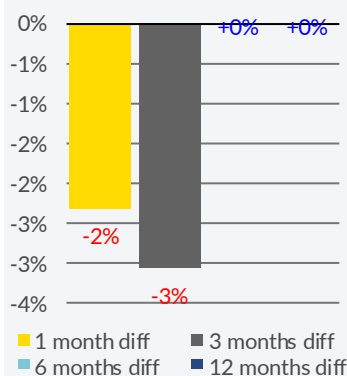


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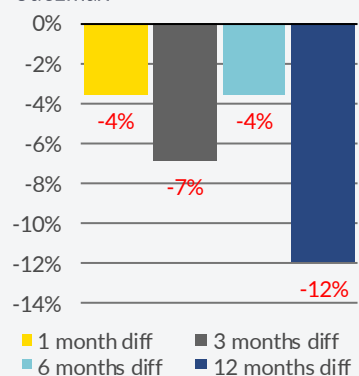


## Price movements of 5 year old Tanker assets

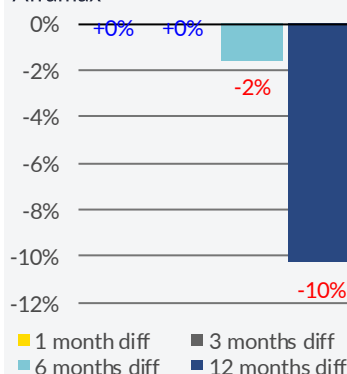
### VLCC



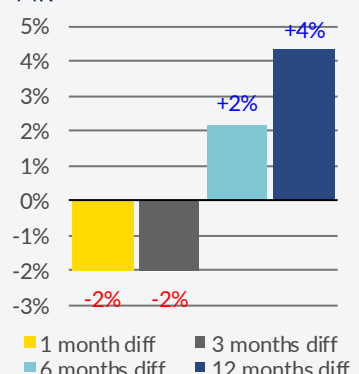
### Suezmax



### Aframax



### MR



# Sale & Purchase Secondhand Sales



04<sup>th</sup> - 08<sup>th</sup> September 2017

## Tankers

Size	Name	Dwt	Built	Shipbuilder	M/E	Coating	Price	Buyers	Comments
MR	VEGA	46,217	1999	HYUNDAI HEAVY INDUSTRI, S. Korea	MAN-B&W	EPOXY Coated	\$ 6.5m	undisclosed	
MR	KING EMERALD	38,850	2004	GUANGZHOU INTERNATIONAL, China	MAN-B&W	EPOXY Coated	\$ 7.1m	undisclosed	

## Bulk Carriers

Size	Name	Dwt	Built	Shipbuilder	M/E	Gear	Price	Buyers	Comments
CAPE	CARTIGNY	182,651	2016	JAPAN MARINE UTD - TSU, Japan	MAN-B&W		\$ 44.8m	U. S. A. Based - JP Morgan Global Maritime	on subs
CAPE	CHEVRIER	182,625	2016	JAPAN MARINE UTD - TSU, Japan	MAN-B&W		\$ 44.8m		
PMAX	NAVIOS ALTAIR	83,001	2006	TSUNEISHI CORP NUMAKUM, Japan	MAN-B&W		\$ 14.4m	Greek - Atlas Maritime	
PMAX	OCEAN SAKURA	76,596	2007	IMABARI MARUGAME, Japan	MAN-B&W		\$ 13.7m	undisclosed	SS passed June
SMAX	EAGLE STRAIT	57,000	2010	TAIZHOU SANFU, China	MAN-B&W	4 X 36t CRANES	N/A	Hong Kong Based - Vincent Shipping	
SMAX	ESSEX STRAIT	56,872	2010	TAIZHOU SANFU, China	MAN-B&W	4 X 36t CRANES	N/A		
SMAX	NORD LEADER	55,808	2007	KAWASAKI SHIPBUILDING, Japan	MAN-B&W	4 X 30.5t CRANES	\$ 11.5m	Greek - New Vision Shipping	
SMAX	NORD GLORY	55,657	2010	mitsui TAMANO, Japan	MAN-B&W	4 X 30t CRANES	\$ 14.3m	Greek	
SMAX	CMB CORALIE	53,463	2009	CHENGXI SHIPYARD CO LT, China	MAN-B&W	4 X 36t CRANES	\$ 9.3m	Chinese	
HMAX	WORLDERA-2	48,907	2001	IHI - YOKOHAMA, Japan	Sulzer	4 X 30t CRANES	\$ 7.7m	Chinese	
HMAX	DOKOS	45,600	1997	TSUNEISHI, Japan	B&W	4 X 30t CRANES	\$ 4.2m	Chinese	SS/DD due Sept
HANDY	KOVDOR	35,315	2010	NANJING DONGZE SHIPYAR, China	MAN-B&W	4 X 30,5t CRANES	N/A	Greek - AB Maritime	sold at auction in Gibraltar
HANDY	VYRITSA	35,314	2010	NANJING DONGZE SHIPYAR, China	MAN-B&W	4 X 30,5t CRANES	N/A		
HANDY	SEA MELODY	34,468	2010	SPP SHBLDG CO LTD - TO, S. Korea	MAN-B&W	4 X 35t CRANES	\$ 10.5m	undisclosed	

## Containers

Size	Name	TEU	Built	Shipbuilder	M/E	Gear	Price	Buyers	Comments
FEEDER	URSULA	1,728	1997	SZCZECINSKA, Poland	Sulzer	3 X 40t CRANES	\$ 3.5m	U. A. E. Based - Orient Express	

## Offshore

Type	Name	Dwt	Built	Shipbuilder	M/E	Bhp	Price	Buyers	Comments
AHTS	SEA STOAT	1,923	2011	ABG, India	Yanmar	6,800			
AHTS	SEA FOX	1,905	2011	ABG, India	Yanmar	6,800	\$ 24.0m	Brazilian Navy	
AHTS	SEA VIXEN	1,350	2011	ABG, India	Yanmar	6,800			

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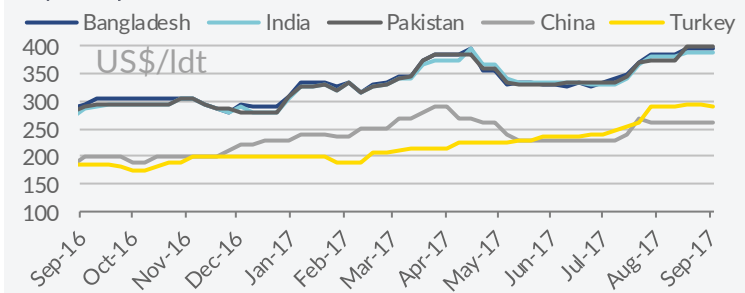
# Sale & Purchase

## Demolition Sales

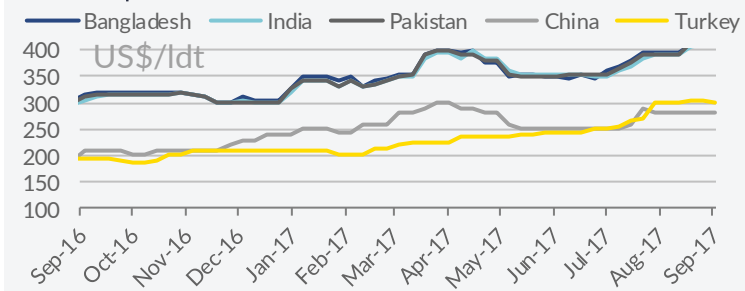
04<sup>th</sup> - 08<sup>th</sup> September 2017

With the Eid holidays now over and the disruptions that it brought during the course of the previous weeks, this week was rather active with many demolition sales being reported. There was significant movement in Turkey, as well as in Far East, despite the significant drop in steel prices in the former which has widened the price gap between these two markets and the Indian Sub-Continent. In the Indian Sub-Continent, after a short period of relative calm and quiet, a normal flow in activity has now been restored, with India gaining the biggest majority of demo candidates that were circulating the market. Prices remained firm, yet we have to be patient and wait for the upcoming weeks, to evaluate if we have reached a temporary high point or if the appetite from the cash buyers is still there to further drive offered prices. At the same time, the price of local steel prices continues to help keep things firm in the market and given the recent trends it looks as though this support may well hold over the next couple of weeks.

### Dry Scrap Prices



### Wet Scrap Prices



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

		08 Sep	01 Sep	±%	last 5 years		
					Min	Avg	Max
<b>Indian Sub Continent</b>							
	Bangladesh	395	395	0.0%	220	373	475
	India	390	390	0.0%	225	375	500
	Pakistan	400	400	0.0%	220	373	475
<b>Far East Asia</b>							
	China	260	260	0.0%	110	267	425
<b>Mediterranean</b>							
	Turkey	290	295	-1.7%	145	241	355

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

		08 Sep	01 Sep	±%	last 5 years		
					Min	Avg	Max
<b>Indian Sub Continent</b>							
	Bangladesh	420	420	0.0%	245	394	495
	India	410	410	0.0%	250	396	510
	Pakistan	420	420	0.0%	245	395	500
<b>Far East Asia</b>							
	China	280	280	0.0%	120	283	445
<b>Mediterranean</b>							
	Turkey	300	305	-1.6%	150	251	355

### Reported Transactions

Type	Vessel's Name	Dwt	Built	Country Built	Ldt	US\$/Ldt	Buyer	Sale Comments
Ro-ro Cargo	HYUNDAI NO. 106	12,848	1987	S. Korea	24,253	N/A	Bangladeshi	
Cont	MSC FEDERICA	60,350	1990	Denmark	23,740	N/A	undisclosed	
Cont	MSC MYKONOS	60,639	1988	Denmark	23,451	N/A	undisclosed	
Cont	APL CORAL	64,145	1998	S. Korea	22,965	\$ 420/Ldt	Indian	green recycling
Cont	MSC FLORIDA	58,286	2005	Poland	21,436	\$ 418/Ldt	undisclosed	"as is" Port Said
Cont	SAKAKA	49,844	1998	Japan	18,978	N/A	Chinese	
Cont	DEIRA	49,993	1998	Japan	18,829	N/A	Chinese	
Cont	NAJRAN	49,993	1998	Japan	18,807	N/A	Turkish	
Bulker	LING GANG 9	71,372	1997	Japan	9,757	N/A	Chinese	
Bulker	VINALINES TRADER	69,614	1997	Japan	9,706	\$ 394/Ldt	undisclosed	"as is" Vietnam
Bulker	FENG HAI	47,980	1999	China	8,343	N/A	Chinese	
Tug	STRONG	0	1978	U. S. A.	7,726	N/A	Indian	
Bulker	LUHAI	46,702	1998	Japan	7,699	N/A	Chinese	
Offsh Gas	SEACOR ARAFURA 2000	1,103	2001	Singapore	1,827	N/A	Indian	
	B GAS LINDA	2,003	1992	Germany	1,350	N/A	Turkish	



# Trade Indicators

## Markets | Currencies | Commodities

04<sup>th</sup> - 08<sup>th</sup> September 2017

Mention German KG (limited partnership) financing to some bankers and they will furrow their brows, cast down their eyes and slowly shake their heads. For some, the country's limited-partnership structure had much to do with why so few owners are now involved in the ship finance schemes following the defaults and collapses of the past decade. But to hear Morten Arntzen tell it, that was not the reaction of Australian bank Macquarie when it first heard from KG owners three or four years ago. The interaction did not push Macquarie out of ship finance, it attracted the bank to it.

In fact, it was the prelude to an expansion that led Macquarie to tap Arntzen, a veteran merchant banker, as senior shipping industry advisor to help build a global maritime finance practice. Arntzen told the story during a recent interview with TradeWinds near his Connecticut home, carefully explaining that not all KG deals were the same and that those who approached Macquarie were not the most distressed. "These were the older, performing KG owners," he said. "They were looking to borrow for routine things, such as putting vessels through special surveys, and no one else was lending. Source: Tradewinds

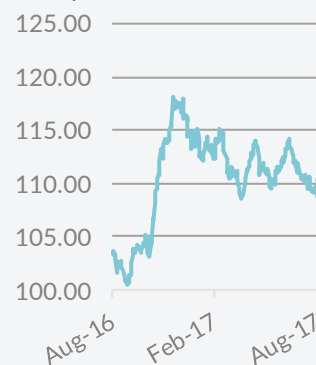
	08 Sep	04 Aug	±%	last 12 months		
Markets				Min	Avg	Max
10year US Bond	2.06	2.27	-9.1%	1.56	2.23	2.61
S&P 500	2,461.4	2,476.8	-0.6%	2,085	2,322	2,481
Nasdaq	6,360.2	6,351.6	0.1%	5,046	5,795	6,435
Dow Jones	21,797.8	22,092.8	-1.3%	17,888	20,282	22,118
FTSE 100	7,377.6	7,511.7	-1.8%	6,666	7,208	7,548
FTSE All-Share UK	4,043.3	4,114.2	-1.7%	3,642	3,931	4,130
CAC40	5,113.5	5,203.4	-1.7%	4,332	4,927	5,432
Xetra Dax	12,304.0	12,297.7	0.1%	10,259	11,739	12,889
Nikkei	19,274.8	19,952.3	-3.4%	1,667	18,903	20,230
Hang Seng	27,668.5	27,562.7	0.4%	21,575	24,398	28,095
DJ US Maritime	206.1	202.4	1.9%	181.4	214.3	240.0
Currencies						
\$ per €	1.21	1.19	1.8%	1.04	1.10	1.21
\$ per £	1.32	1.31	0.5%	1.21	1.27	1.33
£ per €	0.91	0.90	1.3%	0.84	0.87	0.93
¥ per \$	107.9	110.2	-2.1%	100.4	110.7	118.1
\$ per Au\$	0.81	0.80	1.8%	0.72	0.76	0.81
\$ per NoK	0.13	0.13	2.4%	0.11	0.12	0.13
\$ per SFr	0.95	0.97	-2.5%	0.95	0.99	1.03
Yuan per \$	6.45	6.72	-3.9%	6.45	6.82	6.96
Won per \$	1,129.3	1,126.0	0.3%	1,092.8	1,142.0	1,210.7
\$ INDEX	97.2	98.8	-1.6%	97.2	103.2	108.3
Commodities						
Gold \$	1,346.3	1,257.7	7.0%	1,125.7	1,244.2	1,346.3
Oil WTI \$	47.5	49.6	-4.2%	42.5	49.1	54.5
Oil Brent \$	53.8	52.4	2.6%	44.4	51.6	57.1
Palm Oil	-	-	-	562.0	562.0	562.0
Iron Ore	73.7	72.2	2.1%	53.0	71.1	94.5
Coal Price Index	88.0	85.0	3.5%	64.9	80.6	101.5
White Sugar	375.2	391.0	-4.0%	361.3	488.6	613.5

### Currencies

#### US Dollar per Euro



#### Yen per US Dollar



#### Yuan per US Dollar



#### US Dollar INDEX

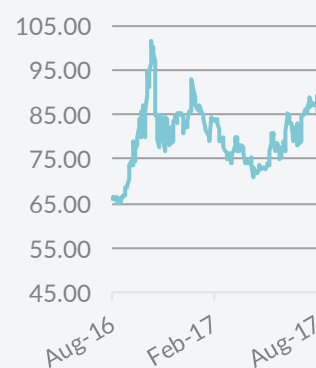


### Commodities

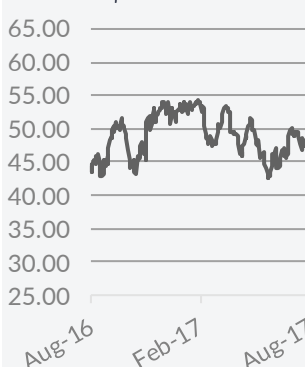
#### Iron Ore (TSI)



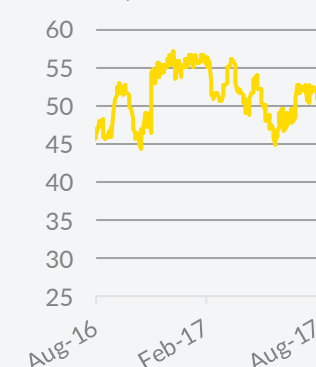
#### Coal Price Index



#### Oil WTI \$



#### Oil Brent \$



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04<sup>th</sup> - 08<sup>th</sup> September 2017 | Week 36

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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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