

# Weekly Shipping Market Update

02<sup>nd</sup> - 06<sup>th</sup> October 2017 | Week 40

## Market Analysis

Despite the side step noted this past week as part of the Moon Festivities in the Far East, the Dry Bulk market still seems to hold plenty of wind in its sails, something that could well translate into further improvements in the freight market over the coming weeks. The drive in seaborne trade of dry bulk commodities has helped boost the Baltic Dry Index from its low point in Mid-July till Today by just over 72%. This has, with good cause, raised the level of overall optimism and helped boost expectations as to the market performance during the final three months of the year as well as for 2018.

In the midst of this we have had several factors which could well prove to be fundamental driving forces for the market during the next couple of weeks if not months. The grain market has been thrown into the limelight, as the US Gulf and ECSA are starting to see a significant drive in cargoes. Both regions are expected to see an accelerated maturity in corn and soy crops thanks to unseasonably hot weather. This, in combination with the lagging flow brought about by the reduced rail services along the US Gulf Coast caused in early September by Hurricane Harvey, should provide a considerable flow during the next month, possibly far surpassing those noted during the same period in 2016.

At the same time, attention is still focused on the Chinese winter cuts which could help pull demand for imports of iron ore and coal forward, while at the same time drive for extra volumes of both commodities as the cuts start to effect local mines. The four-month winter heating period that will be subject to this curb in output typically begins in mid-November. This means that we could well see a stronger utilization of steel mills and higher production volumes in the period prior to this, possibly boosting the market up until the end of October. We may well see things continue relatively firm beyond this point as well, given that we are going to see a crackdown of a large number of iron ore and coal mines, something that will surely drive for higher reliance on imports rather than locally sourced supplies, while at the same time we do not have a complete picture as to the extent and focus the curb in output of steel mills will take and how strict it will be. Given that we also have a drive by most steel mills to amplify their utilization levels, there has also been a shift in focus to higher content iron ore feedstock and higher quality coking coal, both of which need to be sourced from far away locations, driving up tonne-mile demand by a considerable amount. This has been reflected in recent months by the increased activity noted in shipments out of both Australia and Brazil, while the local price margin between iron ore of 65% and 62% content has increased from 21% higher in early June to just under 34% now.

Looking at the newbuilding delivery schedule for this 3 months period and you get a further sense that things will be able to hold at fairly positive levels. The slippage and cancellation rate for the total dry bulk fleet is currently holding at just over 32% and likely to increase slightly during the final weeks of December, while at the same time the fleet growth of the fleet during the nine month period up to end of September has shown an increase of just over 2%, indicating an end of year figure which is likely to still be well lower than the estimated growth in demand.

George Lazaridis

Head of Market Research & Asset Valuations



## Week in numbers

### Dry Bulk Freight Market

	06 Oct		W-O-W change	
			±Δ	±%
BDI	1,405		▲ 49	3.6%
BCI	2,929		▲ 191	7.0%
BPI	1,406		▲ 98	7.5%
BSI	971		▼ -50	-4.9%
BHSI	610		▼ -6	-1.0%

### Tanker Freight Market

	06 Oct		W-O-W change	
			±Δ	±%
BDTI	776		0	0.0%
BCTI	615		▼ -52	-7.8%

### Newbuilding Market

Aggregate Price Index	06 Oct		M-O-M change	
			±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	06 Oct		M-O-M change	
			±Δ	±%
Capesize	58		▲ 0	0.7%
Panamax	57		▲ 0	0.5%
Supramax	63		▲ 0	0.7%
Handysize	62		▲ 2	4.2%
VLCC	76		▼ -2	-3.1%
Suezmax	68		▼ -2	-3.4%
Aframax	81		▼ -2	-2.6%
MR	101		0	0.0%

### Demolition Market

Avg Price Index (main 5 regions)	06 Oct		W-O-W change	
			±Δ	±%
Dry	339		▼ -3	-0.9%
Wet	356		▼ -5	-1.4%

### Economic Indicators

	06 Oct		M-O-M change	
			±Δ	±%
Gold \$	1,262		▼ -59	-4.4%
Oil WTI \$	49		▲ 2	4.2%
Oil Brent \$	56		▲ 3	5.4%
Iron Ore	62		▼ -14	-18.6%
Coal	88		▲ 2	2.3%

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**We deliver.**

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48, Aigialeias Str, 151 25 Maroussi  
Athens, Greece  
Tel: +30 210 4524500  
Tel: +30 210 4288100

Email: [research@allied-shipbroking.gr](mailto:research@allied-shipbroking.gr)



# Freight Market

## Dry Bulkers - Spot Market

02<sup>nd</sup> - 06<sup>th</sup> October 2017

**Capesize** - Despite being in the midst of the Moon Festival holidays in the Far East, things were quick to show a strengthening trend, with rates across the board quickly showing gains. There was a flurry of fresh interest in the Pacific, with the thinning of position lists helping push things in the market to the shipowner's favor. There was even more firming to be seen in the Atlantic, with a number of fresh cargoes out of Brazil helping rates strengthen further.

**Panamax** - A poor start to the week here too, though things were quick to turn positive, with increased activity in both basins sparking for another round of rate hikes. Position lists have become fairly tight all around, while expectations for an even busier week on the grain trade should help push hire rates even further over the next couple of days.

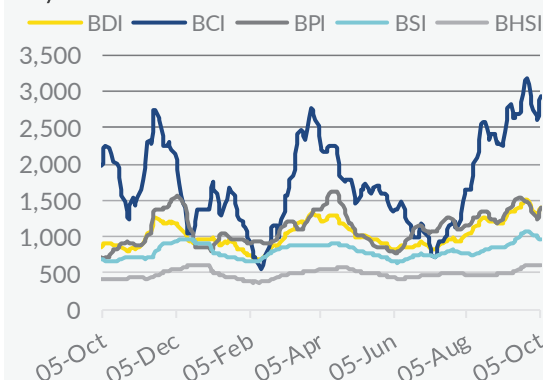
**Supramax** - A relatively quiet week, with rates noting a fair amount of easing early on. There seemed to have been some resistance as we moved into the second half of the week, with the positive sentiment overspill from the larger sizes and the slight pick up in charterers' interest providing support in the market and allowing for the opportunity of a reversal in trends over the next couple of days.

**Handysize** - Things were relatively soft here too, with only the Pacific basin showing some week-on-week positive gains, as charterers came back in strength after the end of the Moon Festival. We should start to see a balance emerge in the ECSA and Continent region emerge now, something that should surely support another rally to commence.

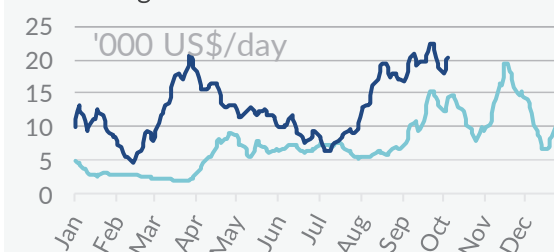
### Spot market rates & indices

		06 Oct	29 Sep	±%	Average 2017	2016
<b>Baltic Dry Index</b>						
BDI		1,405	1,356	3.6%	1,041	677
<b>Capesize</b>						
BCI		2,929	2,738	7.0%	1,718	1,031
BCI 5TC		\$ 20,427	\$ 18,725	9.1%	\$ 12,841	\$ 7,400
ATLANTIC RV		\$ 20,250	\$ 17,775	13.9%	\$ 12,698	\$ 7,775
Cont / FEast		\$ 30,510	\$ 28,391	7.5%	\$ 23,462	\$ 13,856
PACIFIC RV		\$ 21,000	\$ 18,742	12.0%	\$ 12,663	\$ 7,070
FEast / ECSA		\$ 20,615	\$ 19,905	3.6%	\$ 12,763	\$ 7,164
<b>Panamax</b>						
BPI		1,406	1,308	7.5%	1,139	696
BPI - TCA		\$ 11,300	\$ 10,509	7.5%	\$ 9,136	\$ 5,566
ATLANTIC RV		\$ 10,475	\$ 9,600	9.1%	\$ 9,328	\$ 6,139
Cont / FEast		\$ 18,295	\$ 17,439	4.9%	\$ 15,102	\$ 9,818
PACIFIC RV		\$ 11,948	\$ 10,777	10.9%	\$ 8,588	\$ 5,161
FEast / Cont		\$ 4,483	\$ 4,218	6.3%	\$ 3,525	\$ 1,144
<b>Supramax</b>						
BSI		971	1,021	-4.9%	808	602
BSI - TCA		\$ 10,831	\$ 11,430	-5.2%	\$ 8,883	\$ 6,212
USG / FEast		\$ 20,656	\$ 22,228	-7.1%	\$ 18,782	\$ 9,760
Med / FEast		\$ 16,409	\$ 16,525	-0.7%	\$ 15,173	\$ 9,635
PACIFIC RV		\$ 9,767	\$ 10,100	-3.3%	\$ 7,719	\$ 5,197
FEast / Cont		\$ 6,100	\$ 6,200	-1.6%	\$ 4,191	\$ 3,272
USG / Skaw		\$ 15,622	\$ 16,419	-4.9%	\$ 14,468	\$ 9,845
Skaw / USG		\$ 6,516	\$ 6,559	-0.7%	\$ 6,206	\$ 4,196
<b>Handysize</b>						
BHSI		610	616	-1.0%	490	365
BHSI - TCA		\$ 8,972	\$ 9,061	-1.0%	\$ 7,150	\$ 5,277
Skaw / Rio		\$ 7,800	\$ 7,868	-0.9%	\$ 5,967	\$ 4,640
Skaw / Boston		\$ 8,013	\$ 8,032	-0.2%	\$ 5,994	\$ 4,832
Rio / Skaw		\$ 12,422	\$ 13,128	-5.4%	\$ 9,827	\$ 6,720
USG / Skaw		\$ 8,021	\$ 8,321	-3.6%	\$ 8,899	\$ 7,056
SEAsia / Aus / Jap		\$ 8,967	\$ 8,839	1.4%	\$ 6,732	\$ 4,339
PACIFIC RV		\$ 8,792	\$ 8,729	0.7%	\$ 6,525	\$ 5,146

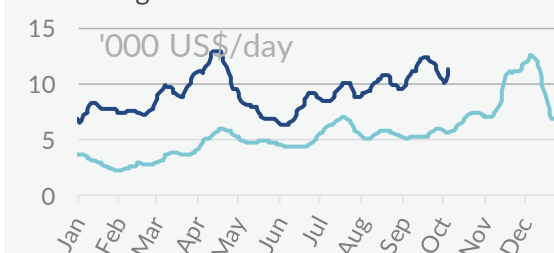
### Dry Bulk Indices



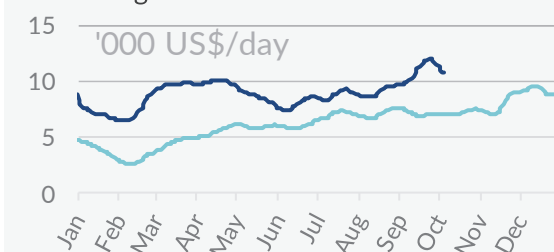
### BCI Average TCE



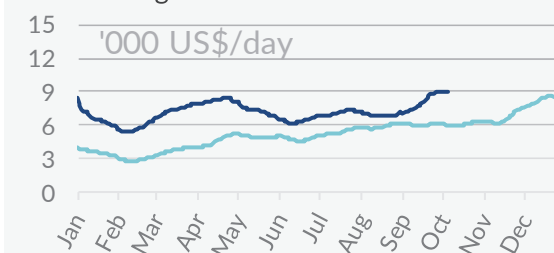
### BPI Average TCE



### BSI Average TCE



### BHSI Average TCE



— 2016 — 2017

# Freight Market

## Tankers - Spot Market

02<sup>nd</sup> - 06<sup>th</sup> October 2017

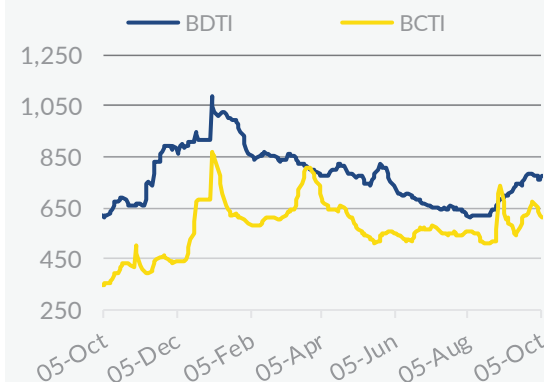
**Crude Oil Carriers** - There was little to show any sort of disruption from the Holidays in the Far East, with VLs benefiting from beefed up demand in the Atlantic and an overall thinning of tonnage lists being noted in the MEG. With Eastbound voyages from the WAF limited in number over the past week, it seemed as though the main support for a slight improvement in rates was coming from the stronger activity noted in the MEG. Suezmaxes on the other hand were to note a slight downward correction in both the WAF and Black Sea/Med regions. Things seemed to be equally under pressure for Aframaxes, with only the MEG-SPORE run showing a slight improvement, as fresh inquiries were limited in number in all the rest of the main regions.

**Oil Products** - In the products market, DPP routes were still seeing a further decline in most routes, with only the Black Sea/Med showing some upward support. On the CPP front, things were trending sideways, with marginal losses noted in the North Atlantic and Pacific rounds and only short gains seen in the Caribs.

### Spot market rates & indices

		06 Oct	29 Sep	±%	Average	
					2017	2016
<b>Baltic Tanker Indices</b>						
BDTI		776	776	0.0%	773	730
BCTI		615	667	-7.8%	607	491
<b>VLCC</b>						
MEG-USG	WS	26.73	24.59	8.7%	30.22	35.46
	\$/day	-\$ 4,994	-\$ 7,458	33.0%	-\$ 707	\$ 18,511
MEG-SPORE	WS	62.63	56.08	11.7%	58.71	60.57
	\$/day	\$ 49,253	\$ 42,143	16.9%	\$ 45,309	\$ 53,871
MEG-JAPAN	WS	61.04	54.46	12.1%	57.22	59.11
	\$/day	\$ 24,302	\$ 18,572	30.9%	\$ 22,525	\$ 42,341
WAF-USG	WS	62.00	60.00	3.3%	60.96	64.79
	\$/day	\$ 70,587	\$ 67,032	5.3%	\$ 70,182	\$ 81,300
<b>SUEZMAX</b>						
WAF-USAC	WS	72.50	77.50	-6.5%	73.84	71.68
	\$/day	\$ 37,709	\$ 41,098	-8.2%	\$ 39,590	\$ 41,669
BSEA-MED	WS	83.39	85.56	-2.5%	85.65	84.23
	\$/day	\$ 9,398	\$ 10,197	-7.8%	\$ 12,376	\$ 24,854
<b>AFRAMAX</b>						
NSEA-CONT	WS	98.89	104.72	-5.6%	100.52	103.36
	\$/day	\$ 3,444	\$ 6,090	-43.4%	\$ 7,840	\$ 23,003
MEG-SPORE	WS	115.00	112.17	2.5%	106.17	99.78
	\$/day	\$ 8,355	\$ 7,202	16.0%	\$ 7,294	\$ 16,988
CARIBS-USG	WS	114.72	130.28	-11.9%	117.31	106.76
	\$/day	\$ 6,892	\$ 10,796	-36.2%	\$ 8,884	\$ 16,423
BALTIC-UKC	WS	72.50	80.83	-10.3%	82.07	81.18
	\$/day	\$ 3,486	\$ 7,086	-50.8%	\$ 10,961	\$ 23,914
<b>DPP</b>						
CARIBS-USAC	WS	117.50	120.00	-2.1%	123.76	112.34
	\$/day	\$ 22,146	\$ 22,673	-2.3%	\$ 24,957	\$ 23,804
ARA-USG	WS	97.81	105.00	-6.8%	119.84	101.78
	\$/day	\$ 12,145	\$ 18,246	-33.4%	\$ 24,802	\$ 24,883
SEASIA-AUS	WS	109.25	115.06	-5.0%	102.95	98.52
	\$/day	\$ 10,389	\$ 11,502	-9.7%	\$ 9,559	\$ 19,768
MED-MED	WS	129.28	98.61	31.1%	104.21	97.08
	\$/day	\$ 15,847	\$ 5,359	195.7%	\$ 9,361	\$ 16,861
<b>CPP</b>						
MEG-JAPAN	WS	139.44	141.56	-1.5%	104.76	91.35
	\$/day	\$ 15,565	\$ 15,606	-0.3%	\$ 9,018	\$ 15,145
CONT-USAC	WS	123.61	125.00	-1.1%	143.43	104.70
	\$/day	\$ 4,259	\$ 4,219	0.9%	\$ 7,987	\$ 8,637
CARIBS-USAC	WS	120.00	115.00	4.3%	138.99	114.82
	\$/day	\$ 17,429	\$ 15,994	9.0%	\$ 22,597	\$ 18,531
USG-CONT	WS	73.13	79.06	-7.5%	103.58	82.20
	\$/day	-\$ 2,060	-\$ 1,470	-40.1%	\$ 2,898	\$ 5,194

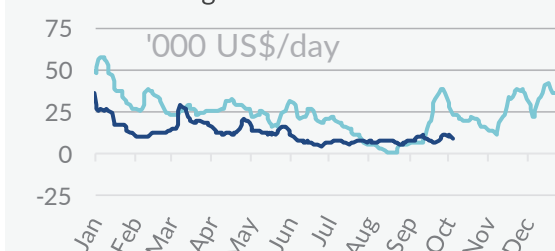
### Tanker Indices



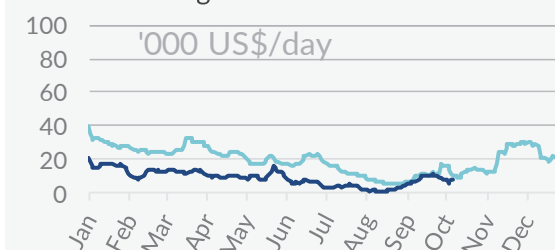
### VLCC Average TCE



### Suezmax Average TCE



### Aframax Average TCE



### MR Average TCE



# Freight Market Period Charter



02<sup>nd</sup> - 06<sup>th</sup> October 2017

## Dry Bulk period market TC rates

	06 Oct	01 Sep	±%	last 5 years		
				Min	Avg	Max
<b>Capesize</b>						
12 months	\$ 16,250	\$ 15,750	3.2%	\$ 6,200	\$ 14,157	\$ 31,450
36 months	\$ 15,500	\$ 15,500	0.0%	\$ 6,950	\$ 14,775	\$ 25,200
<b>Panamax</b>						
12 months	\$ 12,500	\$ 11,750	6.4%	\$ 4,950	\$ 9,463	\$ 15,450
36 months	\$ 12,500	\$ 11,500	8.7%	\$ 6,200	\$ 10,112	\$ 15,325
<b>Supramax</b>						
12 months	\$ 11,500	\$ 10,500	9.5%	\$ 4,450	\$ 9,275	\$ 13,950
36 months	\$ 11,250	\$ 10,250	9.8%	\$ 6,200	\$ 9,638	\$ 13,700
<b>Handysize</b>						
12 months	\$ 9,000	\$ 8,000	12.5%	\$ 4,450	\$ 7,701	\$ 10,450
36 months	\$ 8,750	\$ 8,500	2.9%	\$ 5,450	\$ 8,228	\$ 11,450

## Latest indicative Dry Bulk Period Fixtures

M/V "STAR MARIELLA", 82266 dwt, built 2006, dely Immingham spot, \$14,800, for 6/8 months, to Aquavita

M/V "TAI PRIZE", 73169 dwt, built 2001, dely Aughinish 17 Oct, \$18,000, for minimum 90/maximum 120 days, Cargill relet, to Aquavita

M/V "ACHILLEAS S", 58018 dwt, built 2010, dely Bin Qasim 07/09 Oct abt, \$11,900, for 4/6 months trading, to Chart Not Rep

M/V "AOM BIANCA", 82000 dwt, built 2015, dely Hibikinada 09/10 Oct, \$13,000, for worldwide, to Transcenden

M/V "GOLDEN DAISY", 81507 dwt, built 2012, dely Nagoya 07/10 Oct, \$12,500, for 5/8 months trading, to Louis Dreyfus

## Tanker period market TC rates

	06 Oct	01 Sep	±%	last 5 years		
				Min	Avg	Max
<b>VLCC</b>						
12 months	\$ 25,750	\$ 27,000	-4.6%	\$ 18,000	\$ 30,659	\$ 57,750
36 months	\$ 29,500	\$ 29,500	0.0%	\$ 22,000	\$ 31,028	\$ 45,000
<b>Suezmax</b>						
12 months	\$ 18,000	\$ 18,000	0.0%	\$ 15,250	\$ 23,259	\$ 42,500
36 months	\$ 22,500	\$ 22,500	0.0%	\$ 17,000	\$ 24,359	\$ 35,000
<b>Aframax</b>						
12 months	\$ 14,750	\$ 14,500	1.7%	\$ 13,000	\$ 18,238	\$ 30,000
36 months	\$ 16,750	\$ 16,750	0.0%	\$ 14,750	\$ 18,820	\$ 27,000
<b>MR</b>						
12 months	\$ 13,250	\$ 13,250	0.0%	\$ 12,000	\$ 14,831	\$ 21,000
36 months	\$ 14,000	\$ 14,000	0.0%	\$ 14,000	\$ 15,174	\$ 18,250

## Latest indicative Tanker Period Fixtures

M/T "MILTADIS JUNIOR", 320000 dwt, built 2014, \$22,750, for 5 years trading, to AL IRAQIA

M/T "DS SYMPHONY", 150000 dwt, built 2001, \$15,000, for 1 year trading, to LMCS

M/T "ATLANTIC EXPLORER", 110000 dwt, built 2008, \$14,250, for 1 year trading, to CHEVRON

M/T "JAG AMISHA", 74500 dwt, built 2009, \$14,500, for 6+6 months trading, to BHARAT PETROLEUM

M/T "MISS MARINA", 48000 dwt, built 2011, \$13,400, for 6+6 months trading, to STENA WECO

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

### Capesize



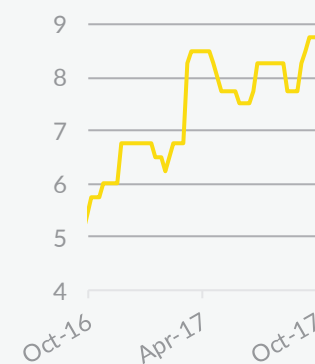
### Panamax



### Supramax



### Handysize

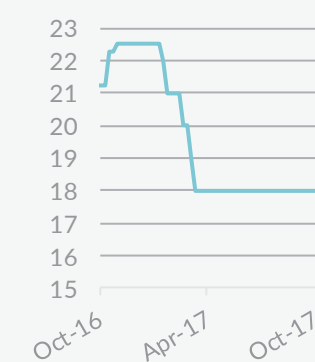


## Tanker 12 month period charter rates (USD '000/day)

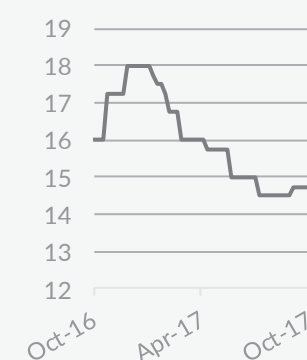
### VLCC



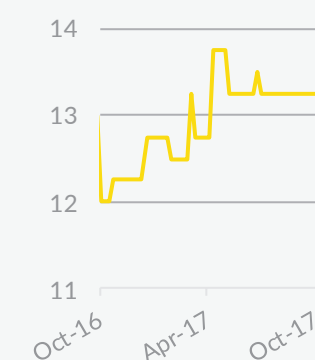
### Suezmax



### Aframax



### MR



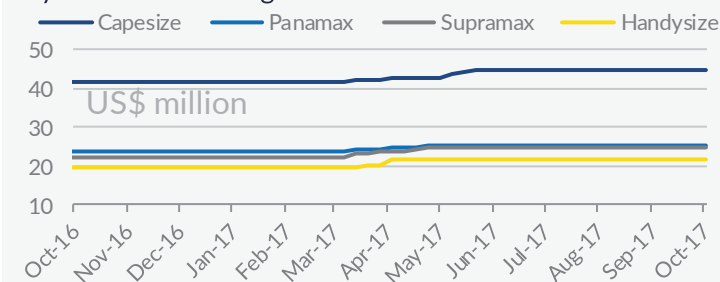
# Sale & Purchase Newbuilding Orders



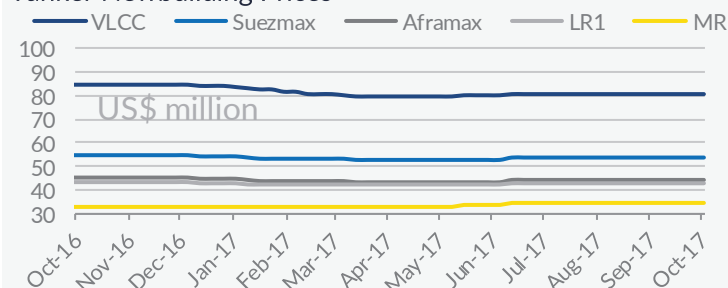
02<sup>nd</sup> - 06<sup>th</sup> October 2017

After a vivid week, with a number of notable orders coming to light, it seems as though there was a slight pause in the market with activity going quiet. With the main drivers in the newbuilding market being almost absent, there was limited talk of any fresh newbuilding projects being signed. Chinese holidays have played a role here, affecting the market, as the overall marketing push that had been noted by shipbuilders in China during past weeks, temporarily froze. On the other hand, despite this recent disruption, there is still a significant uptrend in sentiment in the dry bulk market which could easily help revamp activity over the coming weeks. A secondary driver is surely going to be the overall trends being seen in the secondhand market, with further price hikes in the dry bulk market likely to lead more and more buyers towards the newbuilding order route, while there will surely be an increase in the amount of speculative ordering that will take place as more and more enter the market and look to take advantage of the increasing premium being given for resale units against the original order price.

## Dry Bulk Newbuilding Prices



## Tanker Newbuilding Prices



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

	06 Oct	01 Sep	±%	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	53.7	63.9
Sub Panamax (2,500teu)	27.0	27.0	0.0%	26.0	30.5	38.0
Feeder (1,700teu)	21.5	21.5	0.0%	21.5	24.1	27.3

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

	06 Oct	01 Sep	±%	last 5 years		
				Min	Avg	Max
<b>Tankers</b>						
VLCC (300,000dwt)	81.0	81.0	0.0%	80.0	92.1	101.0
Suezmax (160,000dwt)	54.0	54.0	0.0%	53.0	59.5	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	198.0	202.0
LPG LGC 80k cbm	70.0	70.0	0.0%	70.0	73.8	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
BULKER	2	61,000 dwt	DALIAN COSCO KHI, China	N/A	EASTERN PACIFIC (EPS), Singapore	2019	old order
PASS	1	180,000 gt	FINCANTIERI, Italy	N/A	CARNIVAL CORP, USA	2022	cruise vessel
OFFSH	1	3,030 dwt	ONEGA SHIPYARD, Russia	N/A	ROSMORPORT, Russia	2019	TSH Dredger
OFFSH	3	-	IHC DREDGERS BV & IHC BEAVER DREDGERS BV, Netherlands	N/A	SUEZ CANAL AUTHORITY, Egypt	2019-2020	CS/BW Dredger
OFFSH	1	-	IHC OFFSHORE & MARINE - KRIMPEN, Netherlands	N/A	SUBSEA 7, UK	2020	Pipe layer



# Sale & Purchase Secondhand Sales

02<sup>nd</sup> - 06<sup>th</sup> October 2017

On the dry bulk side, we continue to see a fair amount of activity take place, though limited drive as of yet for any significant increases in terms of prices. It seems as though the market now is waiting to get a further boost from the freight market, before any further price gains above these levels can be made. This is in part why we may have seen a buying trend towards the smaller size segments, where we still note a more enticing discount being offered.

On the tanker side, the market showed a sharp rise in activity, although a large portion of the units changing hands where part of two large enbloc sales that took place. The main bulk of units where in the product tankers range, showing the overall difficulties being still faced by the larger crude oil carriers.

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

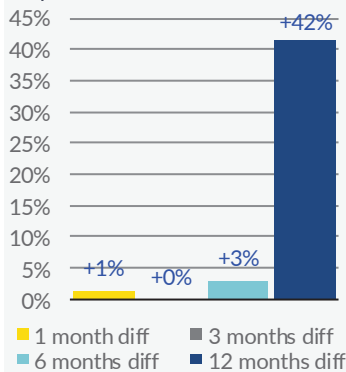
						last 5 years		
		06 Oct	01 Sep	±%	Min	Avg	Max	
<b>Capesize</b>								
180k dwt	Resale	46.00	45.50	1.1%	34.5	45.4	65.0	
180k dwt	5 year old	34.00	33.50	1.5%	23.0	34.1	53.0	
170k dwt	10 year old	21.50	21.50	0.0%	12.0	22.4	38.0	
150k dwt	15 year old	15.50	15.50	0.0%	6.5	13.5	25.0	
<b>Panamax</b>								
82k dwt	Resale	29.00	29.00	0.0%	22.5	28.3	34.0	
82k dwt	5 year old	22.00	22.00	0.0%	11.5	19.5	28.0	
76k dwt	10 year old	14.00	14.00	0.0%	7.3	13.6	23.0	
74k dwt	15 year old	9.50	9.25	2.7%	3.5	8.6	14.5	
<b>Supramax</b>								
62k dwt	Resale	27.50	27.25	0.9%	19.0	26.6	33.0	
58k dwt	5 year old	17.00	17.00	0.0%	11.0	18.6	27.0	
56k dwt	10 year old	13.00	12.75	2.0%	6.0	13.2	22.0	
52k dwt	15 year old	9.75	9.75	0.0%	3.5	8.3	13.5	
<b>Handysize</b>								
37k dwt	Resale	22.50	21.75	3.4%	17.0	21.4	26.0	
37k dwt	5 year old	14.50	14.25	1.8%	7.8	15.1	22.0	
32k dwt	10 year old	9.75	8.75	11.4%	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)

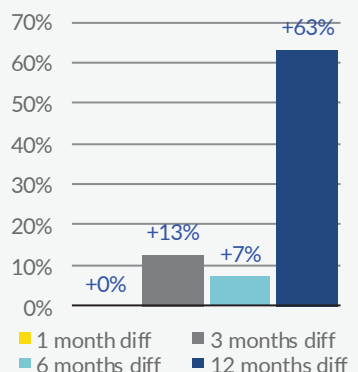
						last 5 years		
		06 Oct	01 Sep	±%	Min	Avg	Max	
<b>VLCC</b>								
310k dwt	Resale	82.00	84.00	-2.4%	80.0	91.9	105.0	
310k dwt	5 year old	62.00	64.00	-3.1%	55.0	67.7	84.0	
250k dwt	10 year old	38.00	40.00	-5.0%	34.5	44.8	59.0	
250k dwt	15 year old	21.50	22.00	-2.3%	16.9	27.4	41.0	
<b>Suezmax</b>								
160k dwt	Resale	55.00	56.00	-1.8%	53.0	62.1	73.0	
150k dwt	5 year old	40.00	41.00	-2.4%	38.0	48.0	62.0	
150k dwt	10 year old	25.00	26.00	-3.8%	24.0	32.6	44.5	
150k dwt	15 year old	16.00	17.00	-5.9%	14.0	18.7	23.0	
<b>Aframax</b>								
110k dwt	Resale	44.00	44.50	-1.1%	39.0	48.0	57.0	
110k dwt	5 year old	30.50	30.50	0.0%	27.0	35.4	47.5	
105k dwt	10 year old	19.50	19.50	0.0%	16.0	22.8	33.0	
105k dwt	15 year old	11.00	12.00	-8.3%	8.0	13.0	20.0	
<b>MR</b>								
52k dwt	Resale	33.50	33.50	0.0%	32.0	35.9	39.0	
52k dwt	5 year old	24.00	24.00	0.0%	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

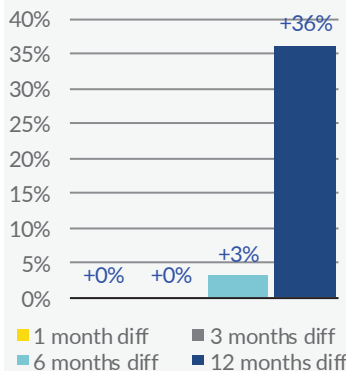
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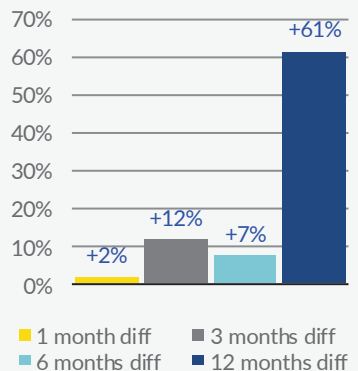
### Panamax



### Supramax

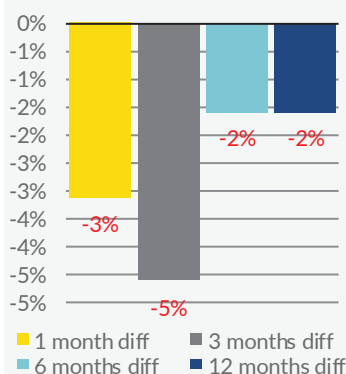


### Handysize

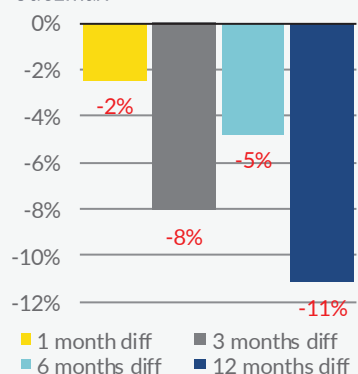


## Price movements of 5 year old Tanker assets

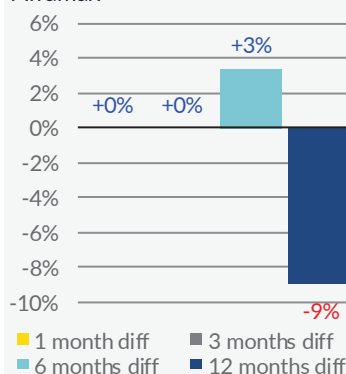
### VLCC



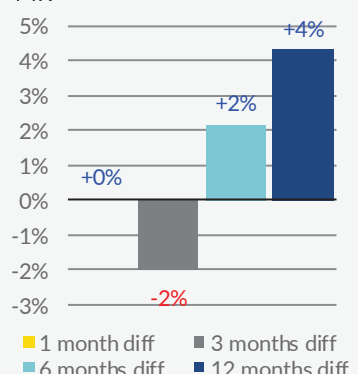
### Suezmax



### Aframax



### MR



# Sale & Purchase

## Secondhand Sales



02<sup>nd</sup> - 06<sup>th</sup> October 2017

Tankers									
Size	Name	Dwt	Built	Shipbuilder	M/E	Coating	Price	Buyers	Comments
SUEZ	GENER8 ARGUS	159,901	2000	HYUNDAI HEAVY INDUSTRI, S. Korea	B&W		\$ 11.1m	Dutch - Trafigura Beheer BV	
MR	HIGH PROSPERITY	48,711	2006	IWAGI, Japan	MAN-B&W	EPOXY Coated	\$ 13.5m	Norwegian	incl. BB back for 5 yrs
MR	CHALLENGE PEARL	47,451	2008	ONOMICHI, Japan	MAN-B&W		\$ 16.5m	U. K. Based - Ardmore Shipping Services	
MR	MAERSK ELLEN	36,962	2002	3 MAJ, Croatia	Sulzer	EPOXY PHEN	\$ 9.5m	Nigerian	IMO II/III, SS/DD passed
PROD/CHEM	SPRUCE GALAXY	20,768	2006	SHIN KURUSHIMA AKITSU, Japan	Mitsubishi	StSt	\$ 15.0m	Danish - Celsius Shipping ApS	22 tanks/Segs IMO II, N2 gen fitted, BWTS installed
PROD/CHEM	LADY VENUS	13,904	2008	NANTONG TONGSHUN, China	MAN-B&W	EPOXY Coated	N/A	undisclosed	oil product tanker
PROD/CHEM	ORIENTAL WISTERIA	12,499	2001	FUKUOKA, Japan	Mitsubishi	StSt	\$ 7.8m	S. Korean - Sunwoo Tanker	IMO II/III
PROD/CHEM	ZEYNEP A	11,276	2007	ADMARIN, Turkey	MAN-B&W	Marine Line	\$ 8.8m	undisclosed	IMO II
Bulk Carriers									
Size	Name	Dwt	Built	Shipbuilder	M/E	Gear	Price	Buyers	Comments
KMAX	ORIENT HOPE	81,712	2013	SAINTY SHBLDG YIZHENG, China	MAN-B&W		\$ 17.1m	U. K. Based - Anglo International	deal was concluded end September
KMAX	ORIENT FORTUNE	81,628	2013	SAINTY SHBLDG YIZHENG, China	MAN-B&W		\$ 16.4m		
PMAX	ADS KRISTIANSAND	76,565	2008	IMABARI MARUGAME, Japan	MAN-B&W		\$ 15.0m	Greek - Safety Management	deal was concluded about 2 weeks ago
PMAX	HEPHAESTUS	74,297	2001	HYUNDAI HEAVY INDUSTRI, S. Korea	B&W		\$ 8.5m	Chinese	incl. T/C attached
SMAX	OCEAN FRIEND	51,758	2009	OSHIMA SHIPBUILDING, Japan	Mitsubishi	4 X 30t CRANES	\$ 12.8m	U. S. A. Based	open hatch
HMAX	SEA MASTER	48,983	2001	IHI - TOKYO, Japan	Sulzer	4 X 30t CRANES	\$ 7.5m	Chinese	
HANDY	KING BEANS	28,642	2010	SHIMANAMI, Japan	MAN-B&W	4 X 30.5t CRANES	\$ 8.7m	undisclosed	SS/DD passed
HANDY	PAC STAR	28,255	1995	NIPPON KOKAN TSU, Japan	B&W	4 X 30.5t CRANES	\$ 2.7m	Chinese	sale was concluded in September
HANDY	HOPE STAR	28,294	1995	NIPPON KOKAN TSU, Japan	B&W	4 X 30.5t CRANES	\$ 2.7m		
HANDY	DUBAI CASTLE II	28,074	2000	BOHAI, China	Sulzer	4 X 30t CRANES	\$ 4.0m	Chinese	
HANDY	MINAS	27,865	1997	KANASASHI - TOYOHASHI, Japan	Mitsubishi	4 X 30.5t CRANES	\$ 3.3m	Chinese	
Gen. Cargo									
Type	Name	Dwt	Built	Shipbuilder	M/E	Gear	Price	Buyers	Comments
General Cargo	DONG THO	9,956	1998	SHIN KURUSHIMA AKITSU, Japan	B&W	2 X 30t CR, 1 X 25t DER	\$ 1.4m	Middle Eastern	
General Cargo	ASTRO	4,347	1989	ZHONGHUA SHIPYARD, China	B&W	2 X 50t CRANES	\$ 1.2m	undisclosed	

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Email: [research@allied-shipbroking.gr](mailto:research@allied-shipbroking.gr)



# Sale & Purchase

## Secondhand Sales



02<sup>nd</sup> - 06<sup>th</sup> October 2017

Containers									
Size	Name	TEU	Built	Shipbuilder	M/E	Gear	Price	Buyers	Comments
POST PMAX	AKINADA BRIDGE	5,610	2001	HYUNDAI HEAVY INDUSTRI, S. Korea	MAN-B&W		N/A	undisclosed	
Gas Carriers									
Size	Name	Dwt	Built	Shipbuilder	M/E	CBM	Price	Buyers	Comments
LPG	NANTONG SINOPACIFIC 1021	24,000	2017	NANTONG SINOPACIFIC OF, China	MAN-B&W	22,000	N/A		delivery Dec '17
LPG	NANTONG SINOPACIFIC 1022	24,000	2018	NANTONG SINOPACIFIC OF, China	MAN-B&W	22,000	N/A		delivery Feb '18
LPG	NANTONG SINOPACIFIC 1023	24,000	2018	NANTONG SINOPACIFIC OF, China	MAN-B&W	22,000	N/A	Chinese - Pacific Gas	delivery Apr '18
LPG	NANTONG SINOPACIFIC S1026	18,000	2018	NANTONG SINOPACIFIC OF, China	MAN-B&W	17,000	N/A		delivery Jan '18
LPG	NANTONG SINOPACIFIC S1027	18,000	2018	NANTONG SINOPACIFIC OF, China	MAN-B&W	17,000	N/A		delivery Mar '18
Ferries									
Type	Name	Pax	Built	Shipbuilder	M/E	LOA(m)	Price	Buyers	Comments
Ro-Pax	FINNEAGLE	440	1999	PUERTO REAL ASTILLEROS, Spain	Sulzer	188.3	N/A	Italian - Grimaldi Group SpA	2459 lane meters
Offshore									
Type	Name	Dwt	Built	Shipbuilder	M/E	Bhp	Price	Buyers	Comments
PSV	FAR SERVICE	4,680	1995	SOVIKNES, Norway	Normo	7,200	N/A	French - SeaOwl	
AHTS	SANKO BARON	2,547	2009	UNIVERSAL KEIHIN YOKOH, Japan	Wartsila	12,236	N/A	undisclosed	
AHTS	SEABULK RAVEN	2,015	1980	ULSTEIN HATLO, Norway	Normo	10,560	N/A	undisclosed	
PSV	OCEAN LIBERTY	1,200	1980	HALTER MOSS POINT, U. S. A.	(Detroit Di	2,558	N/A	U. S. A. Based	

# Sale & Purchase

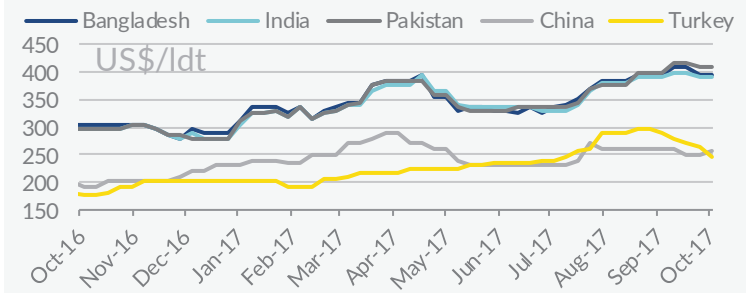
## Demolition Sales



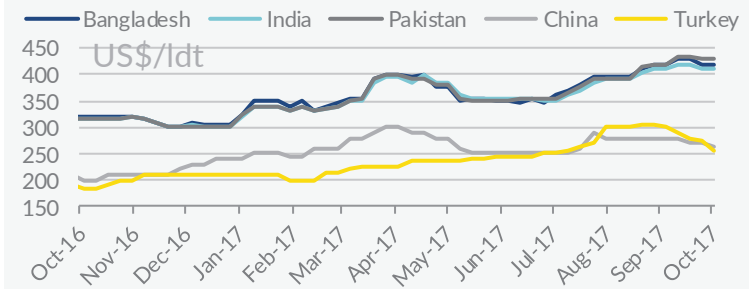
02<sup>nd</sup> - 06<sup>th</sup> October 2017

After a week of very limited activity in terms of demo candidates, this week came to restore the balance in the recycling market with plenty of sales being reported, showing clearly that appetite amongst cash buyers has not yet reached its limit and there is still plenty of room for new interest. With the India Sub-continent showing a lot of movement, India surprisingly succeeded to secure a fair piece of activity from this week's pie, after a period of a diminished presence in the market. On the other hand, even though we have seen very good numbers being quoted in the market, scrap prices continue to feel a fair amount of downward pressure, indicating that a correction could be due. Leaving this week with mixed sentiment, the following weeks will be of much interest, given that appetite amongst breakers is likely to firm further, while there is a sense that we may well see a slight softening take place in the price of steel plates, which could take out some confidence for over eager competition amongst cash buyers.

### Dry Scrap Prices



### Wet Scrap Prices



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

		06 Oct	29 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	410	410	0.0%	220	373	475
<b>Far East Asia</b>							
	China	255	250	2.0%	110	267	425
<b>Mediterranean</b>							
	Turkey	245	265	-7.5%	145	241	355

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

		06 Oct	29 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	430	430	0.0%	245	395	500
<b>Far East Asia</b>							
	China	265	270	-1.9%	120	283	445
<b>Mediterranean</b>							
	Turkey	255	275	-7.3%	150	251	355

### Reported Transactions

Type	Vessel's Name	Dwt	Built	Country Built	Ldt	US\$/ldt	Buyer	Sale Comments
Cont	WOOLAMAI	66,686	2002	S. Korea	19,910	\$ 427/Ldt	Pakistani	
Tanker	FOUR MOON	65,110	1984	Sweden	13,823	N/A	Indian	
Cont	ORION I	25,003	1997	Poland	9,534	N/A	Pakistani	laid up
Reefer	HONDURAS STAR	10,581	1992	Poland	6,419	N/A	Indian	
Gen. Cargo	SEA MERCHANT	16,799	1981	Japan	4,780	N/A	Indian	
Gen. Cargo	CSC TAI HAI	11,380	1996	Japan	4,389	N/A	Chinese	
Tanker	ANUGERAH BERLIAN	9,195	1985	Japan	2,984	N/A	other	
Offsh	HURRICANE II	2,499	1988	Netherlands	2,479	N/A	Indian	
Gen. Cargo	CRYSTAL SUN	7,817	1977	Japan	2,384	\$ 365/Ldt	Pakistani	
Gen. Cargo	BINTANG JASA 31	4,635	1991	Germany	2,100	N/A	other	
Gen. Cargo	BEVERLY	4,706	1991	Turkey	1,917	N/A	other	
Gen. Cargo	FU XING	8,642	1995	Japan	1,516	N/A	Chinese	



# Trade Indicators

## Markets | Currencies | Commodities

02<sup>nd</sup> - 06<sup>th</sup> October 2017

A broad smile spreads across the face of one leading shipmanager at the mention of banks becoming shipowners. Lenders taking control of vessels has been a lucrative source of business for some, even if it is against the grain to admit it in a public forum. A phone call from a friendly bank, however, is not the only source of new tonnage.

Shipping's changing financial landscape has led to openings with lease finance companies, private equity funds and some structures for which a genre has yet to be defined. Arthur McWhinnie, managing director of Bernhard Schulte Shipmanagement Cyprus, says: "Banks have become more prominent as clients and they did it in a transparent way – we had to bid against other shipmanagement companies for the business." Indeed, a bank does not have to be the direct client for shipmanagers to win. "Banks typically don't want to become shipowners, so whenever they are forced to take ownership, they tend to already have another buyer lined up," a spokesperson for V.Group explains. "But given that most assets currently reported to be at risk tend to be managed in-house by their current owners, the sale of these assets by the banks would be expected to lead to an increase in the total market for the independent shipmanagers." Source: Tradewinds

	06 Oct	01 Sep	±%	last 12 months		
				Min	Avg	Max
<b>Markets</b>						
10year US Bond	2.37	2.16	9.9%	1.72	2.28	2.61
S&P 500	2,549.3	2,476.6	2.9%	2,085	2,349	2,552
Nasdaq	6,590.2	6,435.3	2.4%	5,046	5,889	6,590
Dow Jones	22,773.7	21,987.6	3.6%	17,888	20,605	22,775
FTSE 100	7,522.9	7,438.5	1.1%	6,693	7,248	7,548
FTSE All-Share UK	4,128.1	4,075.8	1.3%	3,642	3,955	4,130
CAC40	5,359.9	5,123.3	4.6%	4,377	4,992	5,432
Xetra Dax	12,955.9	12,142.6	6.7%	10,259	11,905	12,971
Nikkei	20,690.7	19,691.5	5.1%	16,252	19,218	20,691
Hang Seng	28,458.0	27,953.2	1.8%	21,575	24,741	28,458
DJ US Maritime	209.9	205.7	2.1%	182.7	215.9	240.0
<b>Currencies</b>						
\$ per €	1.17	1.19	-1.7%	1.04	1.11	1.21
\$ per £	1.31	1.29	1.0%	1.21	1.27	1.36
£ per €	0.90	0.92	-2.7%	0.84	0.87	0.93
¥ per \$	113.0	110.1	2.6%	103.0	111.5	118.1
\$ per Au\$	0.78	0.79	-2.3%	0.72	0.76	0.81
\$ per NoK	0.12	0.13	-3.0%	0.11	0.12	0.13
\$ per SFr	0.98	0.96	2.0%	0.95	0.99	1.03
Yuan per \$	6.65	6.57	1.2%	6.45	6.81	6.96
Won per \$	1,144.2	1,122.9	1.9%	1,111.6	1,144.0	1,210.7
\$ INDEX	99.9	98.9	1.1%	97.0	103.1	108.3
<b>Commodities</b>						
Gold \$	1,261.8	1,320.4	-4.4%	1,125.7	1,242.5	1,346.3
Oil WTI \$	49.3	47.3	4.2%	42.5	49.4	54.5
Oil Brent \$	55.6	52.8	5.4%	44.4	52.3	59.0
Palm Oil	-	-	-	562.0	562.0	562.0
Iron Ore	61.7	75.8	-18.6%	53.0	71.9	94.5
Coal Price Index	88.0	86.0	2.3%	71.0	82.4	101.5
White Sugar	372.6	371.5	0.3%	356.2	472.7	604.7

### Currencies

#### US Dollar per Euro



#### Yen per US Dollar



#### Yuan per US Dollar



#### US Dollar INDEX



### Commodities

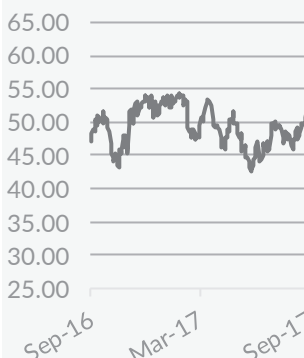
#### Iron Ore (TSI)



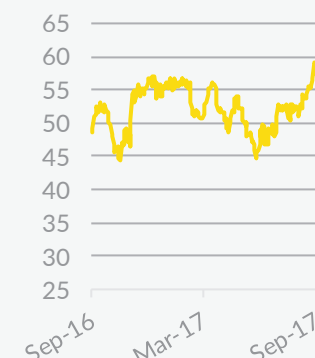
#### Coal Price Index



#### Oil WTI \$



#### Oil Brent \$



# Contact Details



02<sup>nd</sup> - 06<sup>th</sup> October 2017 | Week 40

## ALLIED SHIPBROKING INC.

48, Aigialeias Street, 4<sup>th</sup> Floor,  
Maroussi 151 25, Greece  
Tel: +30 210 45 24 500  
Fax: +30 210 45 25 017 / 019

E-mail: [snp@allied-shipbroking.gr](mailto:snp@allied-shipbroking.gr)

## ALLIED CHARTERING S.A.

48, Aigialeias Street, 4<sup>th</sup> Floor,  
Maroussi 151 25, Greece  
Tel : +30 210 42 88 100  
Fax: +30 210 45 24 201

E-mail: [drycargo@allied-chartering.gr](mailto:drycargo@allied-chartering.gr)

E-mail: [tanker@allied-chartering.gr](mailto:tanker@allied-chartering.gr)

### Sale & Purchase

#### AERAKIS GEORGE

MOBILE: +30 6946 04 57 37

#### BOLIS ILIAS

MOBILE: +30 6937 02 65 00

#### DASKALAKIS GEORGE

MOBILE: +30 6932 24 80 07

#### DRAKOGIANNOPOULOS STAVROS

MOBILE: +30 6932 20 15 65

#### DRAKOGIANNOPOULOS SAKIS

MOBILE: +30 6944 88 58 08

#### FRANGOS HARRIS

MOBILE: +30 6936 57 67 00

#### HADJINASSIOS CHRISTOS

MOBILE: +30 6972 14 17 80

#### KARADIMAS COSTAS

MOBILE: +30 6932 20 15 64

#### KLONIZAKIS JOHN

MOBILE: +30 6948 50 55 81

#### KOSTOYANNIS JOHN

MOBILE: +30 6932 43 39 99

#### MANOLAS NIKOLAS

MOBILE: +30 6940 63 22 56

#### MOISSOGLOU THEODOROS

MOBILE: +30 6932 45 52 41

#### PAPAIOANNOU ANTONIS

MOBILE: +30 6936 54 80 22

#### PAPOUIS THASSOS

MOBILE: +30 6944 29 49 89

#### PRACHALIAS ARGIRIS

MOBILE: +30 6947 62 82 62

#### SKOURTIS GEORGE

MOBILE: +30 6936 93 62 12

#### STASSINAKIS JOHN

MOBILE: +30 6972 60 92 09

#### TSALPATOUROS COSTIS

MOBILE: +30 6932 20 15 63

#### VARVAROS PLUTON

MOBILE: +30 6937 25 15 15

### Maritime Research & Valuations

#### CHASAPIS THOMAS

MOBILE: +30 6947 82 91 72

#### LATHROP GERRY

MOBILE: +30 6946 63 76 33

#### LAZARIDIS GEORGE

MOBILE: +30 6946 95 69 40

### Dry Cargo Chartering

#### ALEXOPOULOS PANOS

MOBILE: +30 6944 34 66 15

#### DAOULAS SPYROS

MOBILE: +30 6932 27 88 40

#### KAILAS VAGGELIS

MOBILE: +30 6942 48 05 69

#### KANELLOS DIMITRIS

MOBILE: +30 6945 07 47 85

#### KAPPA ANGELIKI

MOBILE: +30 6975 85 60 84

#### KARAMANIS COSTAS

MOBILE: +30 6941 54 14 65

#### MAVRIKOU GEORGINA

MOBILE: +30 6974 18 07 84

#### PATELIS DIMITRIS

MOBILE: +30 6944 04 43 61

#### THEODOTOS ARISTOFANIS

MOBILE: +30 6951 79 82 89

#### TSALPATOUROU ANASTASIA

MOBILE: +30 6951 79 82 91

#### TSALPATOUROU MARGARITA

MOBILE: +30 6934 74 22 16

### Tanker Chartering

#### FLOURIS JOHN

MOBILE: +30 6955 80 15 03

#### FOUROULI STELLA

MOBILE: +30 6947 35 68 48

#### PAPANTONOPOULOS NICOLAS

MOBILE: +30 6945 23 21 88

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© Allied Chartering S.A.  
48, Aigialeias Str, 151 25 Maroussi  
Athens, Greece  
Tel: +30 210 4524500  
Tel: +30 210 4288100

Email: [research@allied-shipbroking.gr](mailto:research@allied-shipbroking.gr)



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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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