

# Weekly Shipping Market Update

07<sup>th</sup> - 11<sup>th</sup> May 2018 | Week 19

## Market Analysis

We are following through from last week's insight on the crude oil market jump, as developments rock the validity of this new 4-year high mark in its price. As previously discussed, these latest advances in the price of crude oil have been heavily fueled by the abandonment of the nuclear deal with Iran by the US, bringing the potential of shortage in terms of supply. However, as the week progressed it became apparent that the rest of the parties involved in the deal would step up and do their outmost to uphold the terms and keep "things going". Europe has played an instrumental role here, with most of the European leaders and the UK having embarked in efforts to uphold the accord and shield European companies from possible US sanctions that would threaten a considerable amount of investments that have been made since the deal was first struck. This is a key step, given that a considerable volume of crude oil from Iran has typically been destined for Europe, while at the same time Iran heavily depends on supplies and access to financing from European companies. At the same time China has also taken up the opportunity to further enhance its relationship with this major oil producer, extending valuable discussions with Iran's Foreign minister as it looks to find ways around the re-establishment of US sanctions.

A bigger key to all this however, will be the turbulence all this will bring on the price of crude oil itself. After the initial surge in price which has reached now close to US\$ 80 per barrel, things are slowly looking to settle down. The reason in part has been the aforementioned efforts by other countries to uphold a deal despite the absence of the US. Yet, it seems as though the biggest driving force however has been developments that most would have expected to take place at a much later stage. OPEC is already seen as a possible source for plugging any possible gap left behind by Iran, with enough spare production capacity along with Russia to more than easily offset any cut back in Iran's production levels. At the same time, it looks as though US producers have been very quick to respond to these most recent developments, despite the near-term limitations they face. One of the biggest issues they have to battle with is the pipeline capacity constraints that is being seen in west Texas, the very heart of the US shale boom. Despite this considerable limitation, a number of projects have regained momentum over the past couple of days for the tackling of this issue through new pipeline capacity development. The fruits to bear from these efforts will most likely take more than a year to show face, yet, it will surely push for another reshuffling of the global crude oil trade map.

Beyond the typical discussions revolving the tanker market and possible influences these geopolitical developments may have on their trade (something that has been extensively discussed in previous issues), it is important to look at the overall effect it has on the shipping industry as a whole. A common view that is often expressed amongst practitioners, is that high oil prices foretell a market rally in general. This may well have been the case in past decades, where a spike in the price of crude oil would be directly linked with some sort of spike in consumption levels and as such a spike in industrial production. In this particular case however, an overwhelming spike in the price of crude oil could act counter to this logic, choking the demand growth in trade rather than being a forerunner of the reverse.

**George Lazaridis**  
Head of Research & Valuations



## Week in numbers

### Dry Bulk Freight Market

	11 May		W-O-W change	
			±Δ	±%
BDI	1,472		▲ 88	6.4%
BCI	2,630		▲ 293	12.5%
BPI	1,245		▼ -20	-1.6%
BSI	1,053		▲ 3	0.3%
BHSI	584		▼ -5	-0.8%

### Tanker Freight Market

	11 May		W-O-W change	
			±Δ	±%
BDTI	657		▲ 7	1.1%
BCTI	542		▼ -3	-0.6%

### Newbuilding Market

Aggregate Price Index	11 May		M-O-M change	
			±Δ	±%
Bulkers	82		▲ 1	0.7%
Cont	94		► 0	0.0%
Tankers	94		▲ 0	0.3%
Gas	91		► 0	0.0%

### Secondhand Market

Aggregate Price Index	11 May		M-O-M change	
			±Δ	±%
Capesize	61		▲ 1	1.4%
Panamax	63		► 0	0.0%
Supramax	68		► 0	0.0%
Handysize	70		▲ 2	2.5%
VLCC	82		▼ -1	-1.0%
Suezmax	73		▼ 0	-0.4%
Aframax	84		▼ -1	-1.2%
MR	107		▼ -2	-1.9%

### Demolition Market

Avg Price Index (main 5 regions)	11 May		W-O-W change	
			±Δ	±%
Dry	364		▼ -1	-0.3%
Wet	379		▼ -2	-0.5%

### Economic Indicators

	11 May		M-O-M change	
			±Δ	±%
Gold \$	1,319		▼ -9	-0.7%
Oil WTI \$	71		▲ 9	13.9%
Oil Brent \$	77		▲ 10	14.9%
Iron Ore	68		▲ 5	7.6%
Coal	106		▲ 12	12.3%

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# Freight Market

## Dry Bulkers - Spot Market

07<sup>th</sup> - 11<sup>th</sup> May 2018

**Capesize** - The positive mood continues on with further firming being witnessed across the board. The Pacific was quick to show strength, but lost some ground towards the latter half of the week as things started to slow down slightly in the Atlantic. Overall it looks as though things will continue through on promising ground for a few days longer thanks to better position lists, while fresh interest should start to ramp up as things get back into action in the North Atlantic.

**Panamax** - Things were still relatively weak in the Atlantic as fresh interest continues to hold in a slump. Things were looking to be slightly improved in the Pacific, with rates seemingly having reached a bottom for now and rates starting to show some upward strength. Increased activity on the mineral front should help start to boost things further for now, while ECSA has started to show a bit more promise of better days moving forward.

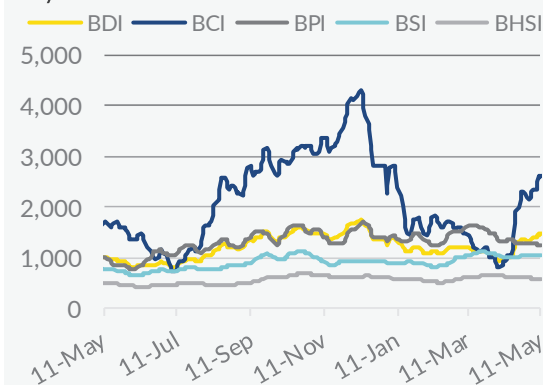
**Supramax** - A relatively slow week in the Atlantic, with disruptions due to holidays in Europe taking a considerable chunk out of the market. The Pacific was able to hold on a slightly better tone, with some fair gains being noted thanks to tighter tonnage lists being seen.

**Handysize** - Overall a negative week here, with rates dropping slightly across the vast majority of routes. It seems as though the slower flow of interest has cost the market, while things were able to hold at slightly better levels in the Pacific, with a bigger restrain being noted on rate drops. The only region to show positive gains was that of the US Gulf, with some slight recovery noted against previous losses.

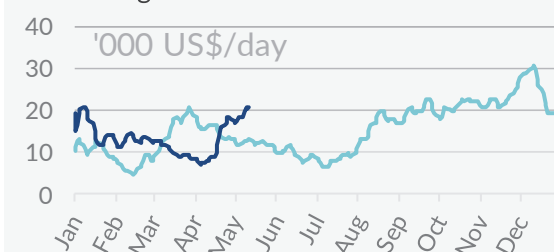
### Spot market rates & indices

		11 May	04 May	±%	Average 2018	2017
<b>Baltic Dry Index</b>						
	BDI	1,472	1,384	6.4%	1,187	1,149
<b>Capesize</b>						
	BCI	2,630	2,337	12.5%	1,694	2,094
	BCI 5TC	\$ 20,684	\$ 18,308	13.0%	\$ 13,228	\$ 15,190
	ATLANTIC RV	\$ 22,775	\$ 19,825	14.9%	\$ 13,137	\$ 15,774
	Cont / FEast	\$ 35,727	\$ 33,105	7.9%	\$ 25,441	\$ 25,878
	PACIFIC RV	\$ 20,833	\$ 17,329	20.2%	\$ 13,104	\$ 14,983
	FEast / ECSA	\$ 18,636	\$ 17,464	6.7%	\$ 13,209	\$ 14,537
<b>Panamax</b>						
	BPI	1,245	1,265	-1.6%	1,397	1,221
	BPI - TCA	\$ 10,034	\$ 10,176	-1.4%	\$ 11,211	\$ 9,794
	ATLANTIC RV	\$ 8,206	\$ 8,911	-7.9%	\$ 11,276	\$ 10,140
	Cont / FEast	\$ 15,814	\$ 16,349	-3.3%	\$ 18,015	\$ 15,918
	PACIFIC RV	\$ 11,346	\$ 10,739	5.7%	\$ 10,802	\$ 9,195
	FEast / Cont	\$ 4,768	\$ 4,703	1.4%	\$ 4,752	\$ 3,923
<b>Supramax</b>						
	BSI	1,053	1,050	0.3%	974	846
	BSI - TCA	\$ 11,462	\$ 11,543	-0.7%	\$ 10,971	\$ 9,368
	USG / FEast	\$ 19,661	\$ 21,322	-7.8%	\$ 22,754	\$ 19,950
	Med / FEast	\$ 16,961	\$ 17,350	-2.2%	\$ 17,694	\$ 15,733
	PACIFIC RV	\$ 11,743	\$ 11,325	3.7%	\$ 9,846	\$ 8,054
	FEast / Cont	\$ 7,330	\$ 7,020	4.4%	\$ 5,478	\$ 4,503
	USG / Skaw	\$ 14,328	\$ 16,253	-11.8%	\$ 18,361	\$ 15,683
	Skaw / USG	\$ 7,872	\$ 7,797	1.0%	\$ 7,521	\$ 6,507
<b>Handysize</b>						
	BHSI	584	589	-0.8%	593	525
	BHSI - TCA	\$ 8,527	\$ 8,592	-0.8%	\$ 8,681	\$ 7,668
	Skaw / Rio	\$ 7,510	\$ 7,674	-2.1%	\$ 6,980	\$ 6,455
	Skaw / Boston	\$ 7,458	\$ 7,537	-1.0%	\$ 7,039	\$ 6,539
	Rio / Skaw	\$ 10,483	\$ 10,689	-1.9%	\$ 12,179	\$ 10,699
	USG / Skaw	\$ 9,400	\$ 9,179	2.4%	\$ 10,927	\$ 9,310
	SEAsia / Aus / Jap	\$ 8,382	\$ 8,504	-1.4%	\$ 8,164	\$ 7,199
	PACIFIC RV	\$ 8,300	\$ 8,325	-0.3%	\$ 7,999	\$ 6,974

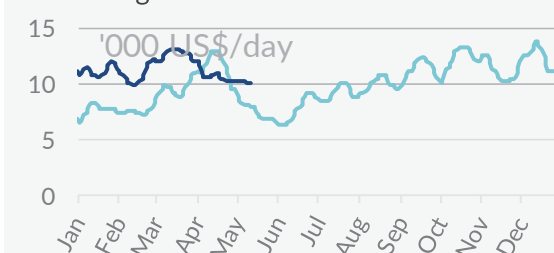
### Dry Bulk Indices



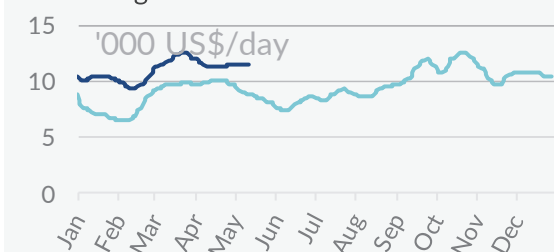
### BCI Average TCE



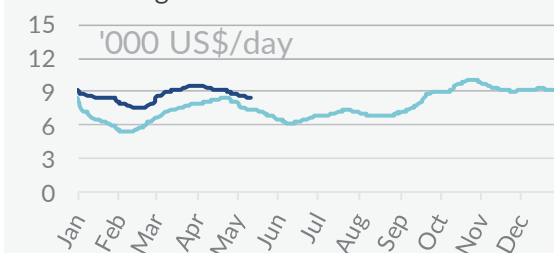
### BPI Average TCE



### BSI Average TCE



### BHSI Average TCE



— 2017 — 2018

# Freight Market

## Tankers - Spot Market

07<sup>th</sup> - 11<sup>th</sup> May 2018

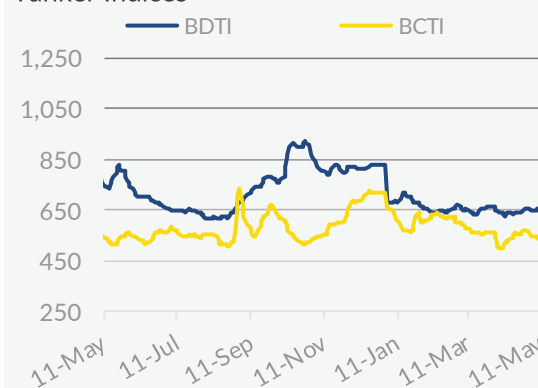
**Crude Oil Carriers** - A mainly mixed picture was to be seen for VLs in the MEG, with rates losing ground as the week came to a close, with earnings also dropping on the weight of increased bunker prices. Eastbound rates were able to hold out at slightly better figures, though it remains to be seen how well they will hold on the face of increased tonnage lists being seen. Things were not looking to be much better for Suezmaxes, with both the WAF and Black Sea/Med losing ground on the back of slower fixing activity. Aframaxes were also riding on a similar tone, with most routes losing ground, though in their vast majority the losses were on an earnings basis due to increased voyage costs here too. Overall it looks as though the May program may well turn out to be a light one as things stand now.

**Oil Products** - DPP routes were still showing some further gains this past week, with the only exception being that of the slower moving Black Sea/Med region. A very different picture was to be seen on the CPP front, with the vast majority of routes losing further ground on the back of slower enquiry levels being seen.

### Spot market rates & indices

		11 May	04 May	±%	Average	
					2018	2017
<b>Baltic Tanker Indices</b>						
BDTI		657	650	1.1%	659	788
BCTI		542	545	-0.6%	582	608
<b>VLCC</b>						
MEG-USG	WS	18.05	18.18	-0.7%	18.90	29.32
	\$/day	-\$ 15,673	-\$ 14,487	-8.2%	-\$ 11,731	-\$ 2,206
MEG-SPORE	WS	42.08	41.33	1.8%	41.75	59.86
	\$/day	\$ 20,035	\$ 19,875	0.8%	\$ 21,166	\$ 45,754
MEG-JAPAN	WS	41.75	40.63	2.8%	41.29	58.36
	\$/day	\$ 5,308	\$ 5,332	-0.5%	\$ 7,874	\$ 22,702
WAF-USG	WS	42.00	42.50	-1.2%	42.67	61.85
	\$/day	\$ 33,958	\$ 36,160	-6.1%	\$ 38,146	\$ 70,814
<b>SUEZMAX</b>						
WAF-USAC	WS	57.50	60.00	-4.2%	55.74	75.85
	\$/day	\$ 21,963	\$ 24,826	-11.5%	\$ 22,797	\$ 40,601
BSEA-MED	WS	85.56	85.67	-0.1%	73.66	87.57
	\$/day	\$ 9,890	\$ 11,384	-13.1%	\$ 4,583	\$ 12,767
<b>AFRAMAX</b>						
NSEA-CONT	WS	92.50	92.78	-0.3%	94.92	101.90
	\$/day	-\$ 3,897	-\$ 2,427	-60.6%	-\$ 2,112	\$ 7,719
MEG-SPORE	WS	88.89	87.67	1.4%	86.89	108.74
	\$/day	\$ 1,420	\$ 1,875	-24.3%	\$ 3,196	\$ 7,329
CARIBS-USG	WS	101.39	99.78	1.6%	101.18	121.64
	\$/day	\$ 2,532	\$ 3,155	-19.7%	\$ 4,564	\$ 9,531
BALTIC-UKC	WS	72.22	71.39	1.2%	76.78	81.96
	\$/day	\$ 2,008	\$ 3,152	-36.3%	\$ 5,729	\$ 10,019
<b>DPP</b>						
CARIBS-USAC	WS	120.00	110.00	9.1%	113.26	129.23
	\$/day	\$ 19,584	\$ 17,091	14.6%	\$ 19,036	\$ 26,317
ARA-USG	WS	105.63	105.00	0.6%	103.58	120.54
	\$/day	\$ 16,438	\$ 16,345	0.6%	\$ 15,419	\$ 25,637
SEASIA-AUS	WS	90.25	86.75	4.0%	86.75	105.77
	\$/day	\$ 5,295	\$ 4,836	9.5%	\$ 6,236	\$ 9,856
MED-MED	WS	84.31	85.28	-1.1%	90.27	106.37
	\$/day	-\$ 281	\$ 1,168	-124.1%	\$ 3,631	\$ 9,426
<b>CPP</b>						
MEG-JAPAN	WS	90.00	87.50	2.9%	93.42	106.84
	\$/day	\$ 5,040	\$ 5,039	0.0%	\$ 7,771	\$ 9,016
CONT-USAC	WS	137.78	140.00	-1.6%	141.63	140.87
	\$/day	\$ 5,852	\$ 6,960	-15.9%	\$ 7,635	\$ 7,272
CARIBS-USAC	WS	125.00	130.00	-3.8%	135.63	138.78
	\$/day	\$ 16,373	\$ 18,122	-9.7%	\$ 20,127	\$ 22,286
USG-CONT	WS	90.31	105.63	-14.5%	100.35	105.91
	\$/day	-\$ 633	\$ 2,434	-126.0%	\$ 2,089	\$ 2,859

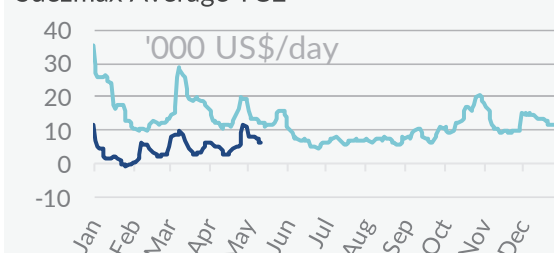
### Tanker Indices



### VLCC Average TCE



### Suezmax Average TCE



### Aframax Average TCE



### MR Average TCE



# Freight Market Period Charter



07<sup>th</sup> - 11<sup>th</sup> May 2018

## Dry Bulk period market TC rates

	11 May	06 Apr	±%	last 5 years		
				Min	Avg	Max
<b>Capesize</b>						
12 months	\$ 20,000	\$ 16,500	21.2%	\$ 6,200	\$ 14,667	\$ 31,450
36 months	\$ 18,250	\$ 16,250	12.3%	\$ 6,950	\$ 14,889	\$ 25,200
<b>Panamax</b>						
12 months	\$ 12,250	\$ 13,500	-9.3%	\$ 4,950	\$ 9,768	\$ 15,450
36 months	\$ 12,000	\$ 12,500	-4.0%	\$ 6,200	\$ 10,216	\$ 15,325
<b>Supramax</b>						
12 months	\$ 13,500	\$ 13,250	1.9%	\$ 4,450	\$ 9,396	\$ 13,950
36 months	\$ 11,750	\$ 11,750	0.0%	\$ 6,200	\$ 9,529	\$ 13,700
<b>Handysize</b>						
12 months	\$ 10,750	\$ 11,250	-4.4%	\$ 4,450	\$ 7,816	\$ 11,200
36 months	\$ 9,750	\$ 9,750	0.0%	\$ 5,450	\$ 8,120	\$ 10,450

## Latest indicative Dry Bulk Period Fixtures

M/V "DOUBLE PARADISE", 95712 dwt, built 2011, dely Jingtang 13/15 May, \$14,250, for 3/5 months, to Oldendorff

M/V "ZONDA", 93263 dwt, built 2011, dely Caofedien 18/25 May, \$13,000, for minimum 3/about 5 months, to Oldendorff

M/V "GORGOYPIKOOS", 76498 dwt, built 2005, dely Mokpo 16/17 May, \$12,100, for 3/5 months, to UBCI

M/V "AGIA SKEPI", 73018 dwt, built 1999, dely Pyongyang 10/15 May, \$10,550, for 5/8 months, to Panocean

M/V "SAN FRANCISCO", 208006 dwt, built 2017, dely China 12/23 May, \$24,000, for 10/12 months, to Koch Shipping

## Tanker period market TC rates

	11 May	06 Apr	±%	last 5 years		
				Min	Avg	Max
<b>VLCC</b>						
12 months	\$ 19,250	\$ 20,000	-3.8%	\$ 18,000	\$ 31,447	\$ 57,750
36 months	\$ 24,000	\$ 23,500	2.1%	\$ 22,000	\$ 31,403	\$ 45,000
<b>Suezmax</b>						
12 months	\$ 15,500	\$ 15,500	0.0%	\$ 15,250	\$ 23,654	\$ 42,500
36 months	\$ 19,500	\$ 19,500	0.0%	\$ 17,000	\$ 24,684	\$ 35,000
<b>Aframax</b>						
12 months	\$ 13,500	\$ 13,250	1.9%	\$ 13,000	\$ 18,690	\$ 30,000
36 months	\$ 17,000	\$ 17,000	0.0%	\$ 14,750	\$ 19,148	\$ 27,000
<b>MR</b>						
12 months	\$ 13,000	\$ 13,500	-3.7%	\$ 12,000	\$ 14,946	\$ 21,000
36 months	\$ 14,250	\$ 14,250	0.0%	\$ 14,000	\$ 15,204	\$ 18,250

## Latest indicative Tanker Period Fixtures

M/T "TOKIO", 300000 dwt, built 2005, \$20,000, for 1 year trading, to UNIPEC

M/T "KIMOLOS", 157000 dwt, built 2018, \$16,000, for 18 months trading, to TRAFIGURA

M/T "CLIO", 115000 dwt, built 2008, \$14,750, for 1 year trading, to SHELL

M/T "ETERNAL DILIGENCE", 75000 dwt, built 2006, \$13,000, for 1 year trading, to SHELL

M/T "KIMOLOS", 52000 dwt, built 2010, \$13,500, for 1 year trading, to CCI

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

### Capesize



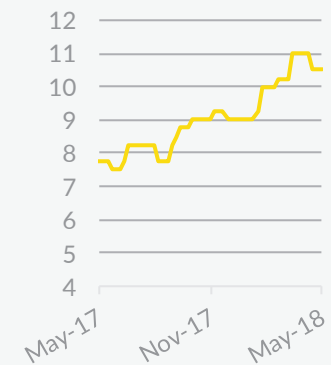
### Panamax



### Supramax

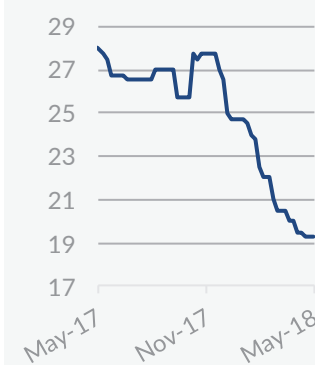


### Handysize



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

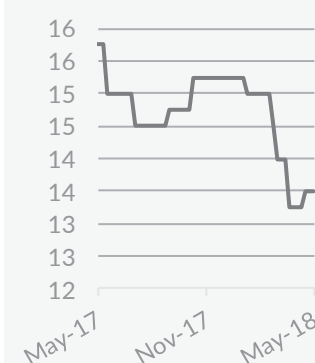
### VLCC



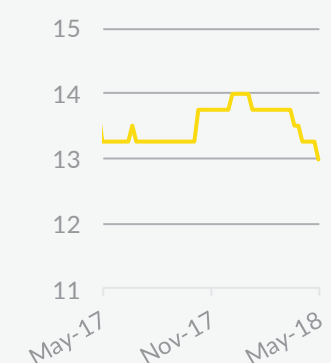
### Suezmax



### Aframax



### MR



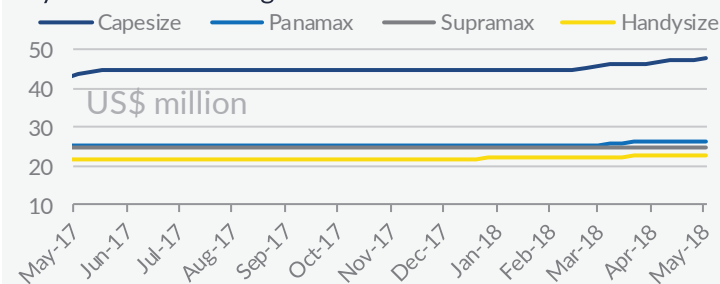


# Sale & Purchase Newbuilding Orders

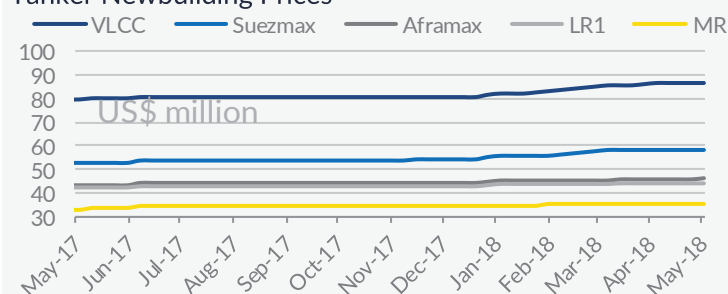
07<sup>th</sup> - 11<sup>th</sup> May 2018

An interesting week for the Newbuilding market, following through from the bullish face of late, with plenty of new orders coming into light. In the dry bulk sector, after a week of complete absence of activity, we have seen a very firm flow of new ordering emerge, in-line somehow with the positive sentiment in terms of earnings, though not necessarily focused on the size segments were the most promising surge in earnings has taken place. Given that the freight market from the early part of the previous month has once again started to return back on a positive trajectory, we may well continue to see a further volume of new projects take shape during the course of this year. On the other hand, while things on the Tanker side remain bearish in terms of earnings, newbuilding activity still holds at relatively good levels for the time being. This can be also seen as a mere reflection of the fact that many market participants feel that these price levels will not be hold this low for much longer.

## Dry Bulk Newbuilding Prices



## Tanker Newbuilding Prices



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

	11 May	06 Apr	±%	last 5 years		
				Min	Avg	Max
<b>Dry Bulkers</b>						
Capesize (180,000dwt)	47.5	46.0	3.3%	41.8	48.0	58.0
Kamsarmax (82,000dwt)	26.5	26.5	0.0%	24.3	27.1	30.8
Panamax (77,000dwt)	26.0	26.0	0.0%	23.8	26.3	29.5
Ultramax (64,000dwt)	24.5	24.5	0.0%	22.3	24.9	28.0
Handysize (37,000dwt)	22.5	22.5	0.0%	19.5	21.4	23.5
<b>Container</b>						
Post Panamax (9,000teu)	82.5	82.5	0.0%	76.5	84.6	91.0
Panamax (5,200teu)	48.5	48.5	0.0%	48.0	52.9	58.5
Sub Panamax (2,500teu)	27.0	27.0	0.0%	26.0	29.5	33.0
Feeder (1,700teu)	21.5	21.5	0.0%	21.5	23.9	27.0

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

	11 May	06 Apr	±%	last 5 years		
				Min	Avg	Max
<b>Tankers</b>						
VLCC (300,000dwt)	87.0	86.5	0.6%	80.0	90.5	101.0
Suezmax (160,000dwt)	58.5	58.5	0.0%	53.0	59.4	66.0
Aframax (115,000dwt)	46.0	45.5	1.1%	43.0	49.2	55.0
LR1 (75,000dwt)	43.8	43.8	0.0%	40.5	43.8	47.0
MR (56,000dwt)	35.3	35.3	0.0%	32.5	34.8	37.3
<b>Gas</b>						
LNG 160k cbm	184.0	184.0	0.0%	184.0	195.8	200.0
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	64.7	68.5
LPG SGC 25k cbm	40.0	40.0	0.0%	40.0	42.6	45.5

### Reported Transactions

Type	Units	Size	Shipbuilder	Price	Buyer	Delivery	Comments
BULKER	2	208,000 dwt	NEW TIMES SB, China	\$ 44.5m	SEATANKERS, Norway	2020	
BULKER	2	82,000 dwt	JINLING SHIPYARD, China	N/A	AVIC LEASING, China	2019	
BULKER	1	63,800 dwt	COSCO DALIAN SHIPYARD, China	N/A	OKOUCHI KAIUN, Japan	2020	
BULKER	1	63,800 dwt	COSCO DALIAN SHIPYARD, China	N/A	FUKUJI KAIUN, Japan	2020	
BULKER	4 + 4	50,000 dwt	CHENGXI SHIPYARD, China	\$ 32.8m	NOVA SHIPPING, Singapore	2020	woodchip carriers, LOI stage
TANKER	4	114,000 dwt	HHIC SUBIC, Philippines	N/A	CMB SA, Belgium	2019-2020	
TANKER	1 + 1	50,000 dwt	HMD, S. Korea	N/A	NIOVIS SHIPPING, Greece	2019-2020	
TANKER	4	50,000 dwt	HMD, S. Korea	\$ 36.0m	YASA, Turkey	2019	Tier III
CONT	5 + 2	12,000 teu	JIANGSU YANGZIJIAN SB, China	N/A	COSTAMARE, Greece	2020-2021	
CONT	5 + 2	12,000 teu	IMABARI SB, Japan	N/A	SHOEI KISEN, Japan	2020	

# Sale & Purchase Secondhand Sales

07<sup>th</sup> - 11<sup>th</sup> May 2018

On the dry bulk side, things have suddenly quieted down this past week with just a handful of secondhand sales being reported. Despite this, given the recent upward trend noted in the freight market, it may well be a case of a temporary pause as both sellers take an opportunity to regroup to the new realities at hand and find the new price levels that make sense. This will surely be more so the case for the former, with most sellers likely to attempt to capitalize on this bullish sentiment and further drive prices over the next couple of months.

On the tanker side, the level of activity scaled back this past week, dropping back down to the typical levels we have become accustomed to. Despite the bearish mood in the freight market, there still seems to be a fair amount of buying interest around. However, with most of this interest still focused on the bargain side of things, the market is still not there to really accommodate.

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

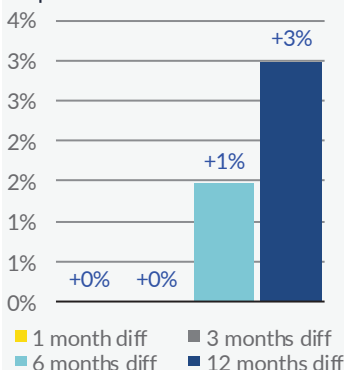
					last 5 years		
		11 May	06 Apr	±%	Min	Avg	Max
<b>Capesize</b>							
180k dwt	Resale	48.00	48.00	0.0%	34.5	46.1	65.0
180k dwt	5 year old	34.50	34.50	0.0%	23.0	34.1	53.0
170k dwt	10 year old	25.00	23.50	6.4%	12.0	22.3	38.0
150k dwt	15 year old	15.50	15.50	0.0%	6.5	13.5	25.0
<b>Panamax</b>							
82k dwt	Resale	30.00	30.00	0.0%	22.5	28.3	34.0
82k dwt	5 year old	23.50	23.50	0.0%	11.5	19.4	28.0
76k dwt	10 year old	16.50	16.50	0.0%	7.3	13.3	23.0
74k dwt	15 year old	11.50	11.50	0.0%	3.5	8.4	14.5
<b>Supramax</b>							
62k dwt	Resale	28.00	28.00	0.0%	19.0	26.6	33.0
58k dwt	5 year old	18.50	18.50	0.0%	11.0	18.0	27.0
56k dwt	10 year old	14.50	14.50	0.0%	6.0	12.8	22.0
52k dwt	15 year old	10.50	10.50	0.0%	3.5	8.1	13.5
<b>Handysize</b>							
37k dwt	Resale	24.00	23.00	4.3%	17.0	21.4	26.0
37k dwt	5 year old	15.50	15.50	0.0%	7.8	14.5	21.0
32k dwt	10 year old	11.50	11.00	4.5%	6.0	10.3	16.0
28k dwt	15 year old	6.50	6.50	0.0%	3.5	6.5	11.0

## Indicative Tanker Values (US\$ million)

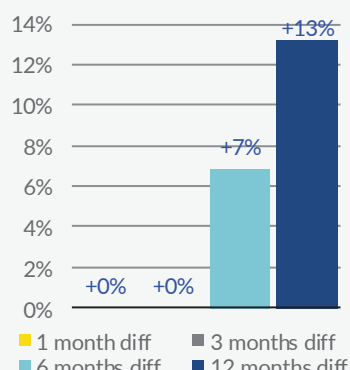
					last 5 years		
		11 May	06 Apr	±%	Min	Avg	Max
<b>VLCC</b>							
310k dwt	Resale	86.00	86.00	0.0%	80.0	91.7	105.0
310k dwt	5 year old	64.00	64.50	-0.8%	55.0	68.3	84.0
250k dwt	10 year old	41.50	43.00	-3.5%	34.5	45.5	59.0
250k dwt	15 year old	25.00	25.00	0.0%	18.7	28.4	41.0
<b>Suezmax</b>							
160k dwt	Resale	58.50	58.50	0.0%	53.0	62.1	73.0
150k dwt	5 year old	43.50	43.50	0.0%	38.0	48.0	62.0
150k dwt	10 year old	27.50	28.00	-1.8%	24.0	32.6	44.5
150k dwt	15 year old	17.00	17.00	0.0%	14.0	18.7	23.0
<b>Aframax</b>							
110k dwt	Resale	45.00	45.00	0.0%	39.0	48.4	57.0
110k dwt	5 year old	31.00	31.00	0.0%	27.0	35.8	47.5
105k dwt	10 year old	20.00	21.00	-4.8%	17.0	23.4	33.0
105k dwt	15 year old	11.50	11.50	0.0%	8.0	13.4	20.0
<b>MR</b>							
52k dwt	Resale	36.00	36.00	0.0%	33.0	36.1	39.0
52k dwt	5 year old	26.50	26.50	0.0%	23.0	26.1	31.0
45k dwt	10 year old	17.50	18.00	-2.8%	15.0	17.7	21.0
45k dwt	15 year old	9.50	10.00	-5.0%	9.5	11.0	13.5

## Price movements of 5 year old Dry Bulk assets

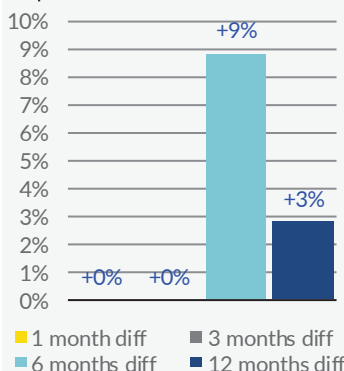
### Capesize



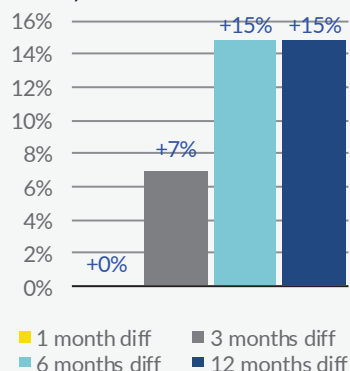
### Panamax



### Supramax

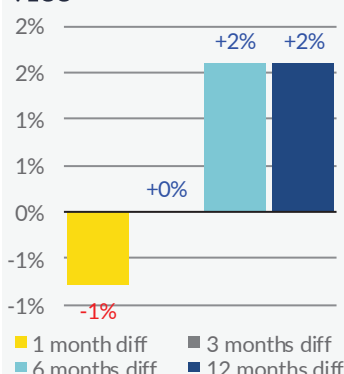


### Handysize

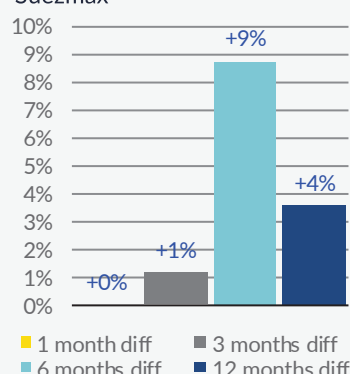


## Price movements of 5 year old Tanker assets

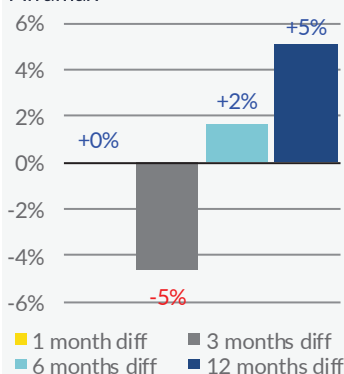
### VLCC



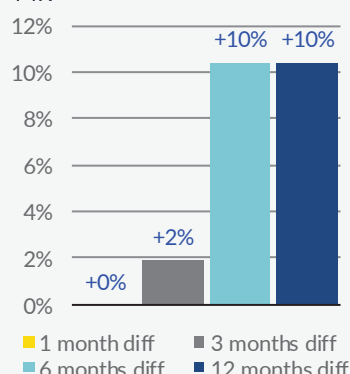
### Suezmax



### Aframax



### MR



# Sale & Purchase Secondhand Sales



07<sup>th</sup> - 11<sup>th</sup> May 2018

Tankers									
Size	Name	Dwt	Built	Shipbuilder	M/E	Coating	Price	Buyers	Comments
VLCC	ROKKOSAN	300,257	2003	UNIVERSAL SHBLDG - TSU, Japan	Sulzer		\$ 21.0m	Greek	
SUEZ	UNITED DYNAMIC	161,653	2010	NEW TIMES SHBLDG CO LT, China	MAN-B&W		\$ 28.5m	Greek - Delta Tankers	
AFRA	UNITED HONOR	112,795	2010	NEW TIMES SHBLDG CO LT, China	MAN-B&W		\$ 19.8m	Greek	
AFRA	UNITED GRACE	112,777	2010	NEW TIMES SHBLDG CO LT, China	MAN-B&W		\$ 20.5m	Greek - Stealth Maritime	
AFRA	SEAWAYS JOSEFA CAMEJO	112,200	2001	HYUNDAI HEAVY INDUSTRI, S. Korea	B&W		\$ 9.5m	U. A. E. Based - Oasis Maritime	on subs
PROD/CHEM	ASKVIKEN	12,887	2005	SAMHO SHIP TONGYONG, S. Korea	MAN-B&W	EPOXY PHEN	low \$ 7.0m	Bangladeshi	
Bulk Carriers									
Size	Name	Dwt	Built	Shipbuilder	M/E	Gear	Price	Buyers	Comments
POST PMAX	SINCERE SALUTE	85,778	2004	OSHIMA SHIPBUILDING, Japan	MAN-B&W		xs \$ 13.0m	undisclosed	
PMAX	IONIAN EAGLE	74,085	2001	DAEWOO SB/ME, S. Korea	B&W	4 X 30t CRANES	\$ 10.1m	undisclosed	SS recently passed
SMAX	ALIKI P	50,341	2001	KAWASAKI HEAVY INDS -, Japan	B&W	4 X 30,5t CRANES	\$ 8.45m	Chinese	
HANDY	FILITSA	23,709	1996	SHIN KURUSHIMA ONISHI, Japan	Mitsubishi	4 X 30,5t CRANES	\$ 4.0m	Far-Eastern Buyers	
Containers									
Size	Name	TEU	Built	Shipbuilder	M/E	Gear	Price	Buyers	Comments
FEEDER	VICTORIA TRADER	1,296	2008	ZHEJIANG OUHUA SHBLDG, China	MAN-B&W		\$ 8.4m	Greek - Costamare	
Gas Carriers									
Size	Name	Dwt	Built	Shipbuilder	M/E	CBM	Price	Buyers	Comments
LPG	GAS EVOLUZIONE	2,981	1996	USUKI SHIPYARD, Japan	B&W	3,447	rgn \$ 3.6m	FGAS PETROL	
Ferries									
Type	Name	Pax	Built	Shipbuilder	M/E	LOA(m)	Price	Buyers	Comments
Ro-Ro/Ferry	GUSUKU	350	1992	FUJIWARA, Japan	YYY		N/A	undisclosed	
Offshore									
Type	Name	Dwt	Built	Shipbuilder	M/E	Bhp	Price	Buyers	Comments
Drilling Ship	WEST LIBRA	65,000	2018	DAEWOO SB/ME, S. Korea	undai Hims	57,102	\$ 296.0m	Norwegian - Northern Drilling	
Drilling Ship	WEST AQUILA	65,000	2018	DAEWOO SB/ME, S. Korea	undai Hims	57,102	\$ 296.0m		

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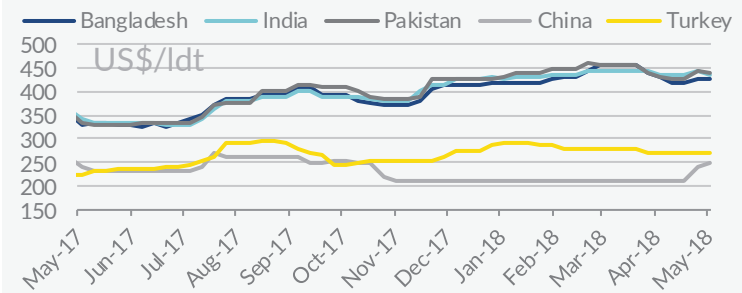


# Sale & Purchase Demolition Sales

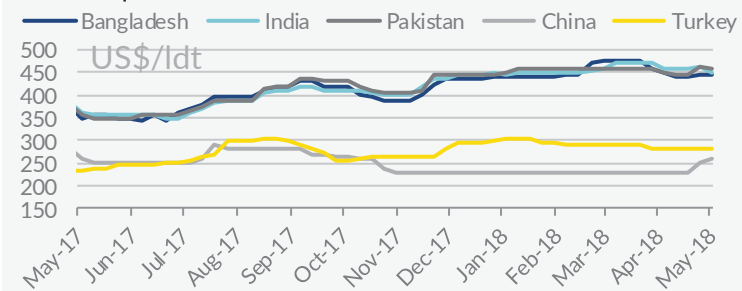
07<sup>th</sup> - 11<sup>th</sup> May 2018

Things in the recycling market turned rather blurry for the time being, given the fact that activity in the Indian Sub-Continent is unable to sustain its previous fixing volumes. Despite Pakistan's re-opening for tanker units, offered price levels remain under pressure, as inventory circulated into the market is excessive and most End Buyers seem discouraged to bid at these levels. Moreover, given that we are now close to a traditionally quiet period for the demolition market, and with weather disruptions already being felt to some degree, this may have spooked most cash buyers from any excessive speculative buying while also looking to take a more conservative approach, holding back their cash for when the uncertainty seems to have cleared up. Regarding the other main ship recycling destinations, recent news of the closure of the Chinese recycling market for international flagged vessels, came to add extra pressure to the mix, despite the fact that China has been unable to compete in this market for some time now. On the short run, given that the closure is planned to take effect from January 2019 onwards, it is unlikely that this will play an imminent role in the overall price of scrap.

## Dry Scrap Prices



## Wet Scrap Prices



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

		11 May	04 May	±%	last 5 years		
					Min	Avg	Max
<b>Indian Sub Continent</b>							
	Bangladesh	425	425	0.0%	220	371	475
	India	435	445	-2.2%	225	372	500
	Pakistan	440	445	-1.1%	220	371	475
<b>Far East Asia</b>							
	China	250	240	4.2%	110	243	395
<b>Mediterranean</b>							
	Turkey	270	270	0.0%	145	245	355

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

		11 May	04 May	±%	last 5 years		
					Min	Avg	Max
<b>Indian Sub Continent</b>							
	Bangladesh	445	445	0.0%	245	391	490
	India	450	465	-3.2%	250	393	510
	Pakistan*	460	465	-1.1%	245	392	500
<b>Far East Asia</b>							
	China	260	250	4.0%	120	259	405
<b>Mediterranean</b>							
	Turkey	280	280	0.0%	150	256	355

\* Pakistan is not receiving tanker vessels.

### Reported Transactions

Type	Vessel's Name	Dwt	Built	Country	Built	Ldt	US\$/Ldt	Buyer	Sale Comments
Tanker	SILVER GLORY	302,203	2001	Japan		44,380	\$ 437/Ldt	undisclosed	bss dely Indian Sub-Continent
Tanker	OIL RUNNER	126,360	1997	S. Korea		27,381	\$ 470/Ldt	undisclosed	bss dely "as is, where is" Khor Fakkan
Bulker	BORYEONG	149,475	1993	Taiwan		18,488	N/A	Pakistani	
Ro-ro Cargo	GLOVIS PACIFIC	12,271	1993	Japan		13,811	N/A	Pakistani	
Tanker	AMAZON GUARDIAN	72,910	1999	S. Korea		12,560	\$ 455/Ldt	undisclosed	bss "as is, where is" Khor Fakkan
Tanker	DIVINE MERCY	45,998	1991	Spain		9,767	N/A	Pakistani	
Tanker	ORDER	46,925	1994	S. Korea		8,920	N/A	undisclosed	
Tanker	INCIARTE	15,761	1983	Norway		5,289	N/A	undisclosed	
Bulker	HEKMEH	13,790	1992	Poland		4,846	\$ 450/Ldt	undisclosed	
Gen. Cargo	NOFIT	4,900	1997	Poland		2,688	N/A	Turkish	
Gen. Cargo	MUSTAFA-M	8,847	1982	Japan		2,616	N/A	Indian	
Gen. Cargo	SOMAYA	12,334	1982	Japan		-	N/A	Pakistani	



# Trade Indicators

## Markets | Currencies | Commodities



07<sup>th</sup> - 11<sup>th</sup> May 2018

The HSBC banking group claims to have completed the first trade-finance transaction using blockchain.

The deal could pave the way for its widespread adoption in a \$9tn market. The UK-based bank said it processed a letter of credit for US commodities giant Cargill. The trader shipped soyabbeans on a bulker from Argentina to Malaysia last week.

HBSC said in a statement that the transaction showed the technology was ready to be commercially adopted. The encryption system is expected to improve security and reduce documentation.

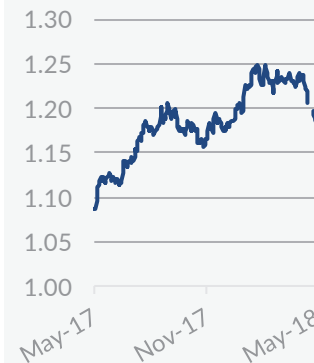
"The next stage is actually encouraging as many participants as possible to sign up to the utility," the Financial Times cited Vivek Ramachandran, head of innovation and growth for commercial banking at HSBC, as saying. He added that all links in the shipping chain would need to use blockchain before it could become more widespread.

"We don't envisage the platform as anything other than a utility," he added. Source: Tradewinds

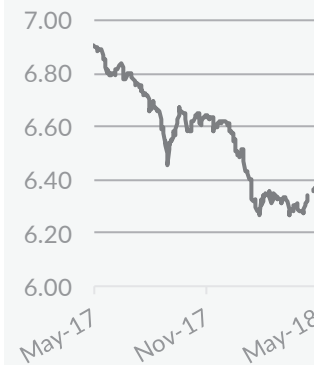
	11 May	06 Apr	±%	last 12 months		
				Min	Avg	Max
<b>Markets</b>						
10year US Bond	2.97	2.81	5.8%	2.05	2.41	2.97
S&P 500	2,727.7	2,604.5	4.7%	2,357	2,569	2,873
Nasdaq	7,402.9	6,915.1	7.1%	6,011	6,673	7,561
Dow Jones	24,831.2	23,932.8	3.8%	20,607	23,164	26,617
FTSE 100	7,724.6	7,183.6	7.5%	6,922	7,435	7,779
FTSE All-Share UK	4,242.0	3,953.5	7.3%	3,830	4,080	4,269
CAC40	5,541.9	5,258.2	5.4%	5,032	5,299	5,542
Xetra Dax	13,001.2	12,241.3	6.2%	11,886	12,714	13,560
Nikkei	22,758.5	21,567.5	5.5%	19,275	21,236	24,124
Hang Seng	31,122.1	29,844.9	4.3%	25,126	28,489	33,154
DJ US Maritime	296.1	264.4	12.0%	197.1	222.5	296.1
<b>Currencies</b>						
\$ per €	1.19	1.22	-2.6%	1.09	1.19	1.25
\$ per £	1.36	1.40	-3.3%	1.27	1.34	1.43
£ per €	0.88	0.87	0.7%	0.00	0.88	0.93
¥ per \$	109.4	107.2	2.0%	105.0	110.6	114.2
\$ per Au\$	0.75	0.77	-1.8%	0.74	0.78	0.81
\$ per NoK	0.13	0.13	-2.0%	0.12	0.12	0.13
\$ per SFr	1.00	0.96	3.9%	0.92	0.97	1.01
Yuan per \$	6.34	6.30	0.5%	6.26	6.57	6.90
Won per \$	1,069.8	1,070.6	-0.1%	1,055.0	1,103.9	1,154.7
\$ INDEX	99.3	97.2	2.1%	95.5	99.5	105.4
<b>Commodities</b>						
Gold \$	1,318.8	1,327.7	-0.7%	1,211.1	1,289.0	1,355.0
Oil WTI \$	70.7	62.1	13.9%	42.5	55.4	71.1
Oil Brent \$	77.1	67.1	14.9%	44.8	60.0	77.2
Palm Oil	-	-	-	562.0	562.0	562.0
Iron Ore	67.8	63.0	7.6%	54.0	68.3	80.0
Coal Price Index	105.5	94.0	12.3%	72.0	88.6	105.5
White Sugar	320.5	342.4	-6.4%	320.5	381.5	465.1

### Currencies

#### US Dollar per Euro



#### Yuan per US Dollar



#### Yen per US Dollar



#### US Dollar INDEX



### Commodities

#### Iron Ore (TSI)



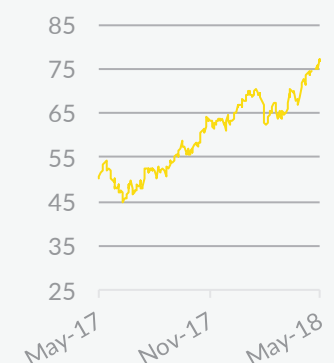
#### Coal Price Index



#### Oil WTI \$



#### Oil Brent \$



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07<sup>th</sup> - 11<sup>th</sup> May 2018 | Week 19

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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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