

# Weekly Shipping Market Update

14<sup>th</sup> - 18<sup>th</sup> May 2018 | Week 20

## Market Analysis

One thing that can be said with certainty is that 2018 is all but what can be described as a stellar year for the tanker market, given the turmoil it has faced during these past five months and the repeated inability to show an ability to sustain itself on a stable track.

Given that VLCCs are often considered as the flagship size segment for the crude oil market, it is notable to point out that their TCE earnings eased back to - \$ 5,449 per day during the latter part of the previous month, a figure not repeated since the last trough point back in 2014. For year so far their TCE levels haven't been much more impressive, having stayed mostly in the negative territory, while the average figure for the past five months is closing in on - \$ 2,100 per day. This is a level well below what we were seeing last year, which was in the region of \$ 10,200 per day, let alone when compared to the respective figures of 2016 and 2015. Yet despite this softening in earnings, most market participants seem to be showing a fairly perplexing and multi facet sentiment for the time being.

Following the current downward spiral in freight rates, we have witnessed a record level of scrapping activity in the year so far. This can be considered to be attuned with the low earnings witnessed, but in part it has also been greatly nourished also by the strong fundamentals noted in the ship recycling market at the same time. Simply put and to get straight to the point, scrapping activity during this period has already exceeded that noted during the whole of the past year. On the other side of the balance and at the same time, we have seen a relatively enhanced level of newbuilding activity, which has come to add a level of considerable perplexity to the whole picture, given the supply/demand imbalance and the difficulties being faced. One would have hoped that new ordering would have scaled back, leaving room for some re-balancing to take place in the years forward. Against this logic, new ordering activity noted up until the end of April had already reached levels which were close to half of the total volume noted last year. This leaves us with an Orderbook to total overage fleet (vessels over 20 years of age) ratio in the region of 680%, a very high ratio that can easily turn out to be overwhelming over the next couple of years, given the bearish indication taken on the demand side of the crude oil trade. However, it is quite key to point out here that during this most recent ship recycling drive for VLs, we have seen a fair number of vessels being retired at ages of well below 20 years.

All-in-all, with what has been stated so far, the recovery for the tanker market in terms of earnings could prove to be a long and arduous journey given the current trends and geopolitical shifts being seen. For the time being, the most recent upward track noted in the price of crude oil can be seen as a possible glimpse of hope for the market, given the potential brought by the increased price arbitrage between markets and potential for contango trades. However, given that this most recent price hike has not been as a result of any demand shifts but rather shifts and fears of potential disruptions in supply, we could well see this turn out to be less than favorable for crude oil carriers. One would think that the overall approach being taken by most investors is that the overall long-term prospects look better, and it may well be that on this basis this most recent investment drive may inevitably find fertile ground.

Thomas Chasapis  
Research Analyst



## Week in numbers

### Dry Bulk Freight Market

	18 May		W-O-W change	
			±Δ	±%
BDI	1,273		▼ -199	-13.5%
BCI	2,053		▼ -577	-21.9%
BPI	1,241		▼ -4	-0.3%
BSI	1,069		▲ 16	1.5%
BHSI	590		▲ 6	1.0%

### Tanker Freight Market

	18 May		W-O-W change	
			±Δ	±%
BDTI	714		▲ 57	8.7%
BCTI	525		▼ -17	-3.1%

### Newbuilding Market

Aggregate Price Index			M-O-M change	
	18 May		±Δ	±%
Bulkers	83		▲ 2	1.9%
Cont	94		► 0	0.0%
Tankers	94		▲ 0	0.2%
Gas	91		► 0	0.0%

### Secondhand Market

Aggregate Price Index			M-O-M change	
	18 May		±Δ	±%
Capesize	63		▲ 3	4.6%
Panamax	64		▲ 1	1.5%
Supramax	68		► 0	0.0%
Handysize	70		▲ 3	3.7%
VLCC	82		▼ -1	-0.8%
Suezmax	73		▼ 0	-0.4%
Aframax	84		▼ -1	-1.2%
MR	108		▼ -2	-1.6%

### Demolition Market

Avg Price Index (main 5 regions)			W-O-W change	
	18 May		±Δ	±%
Dry	366		▲ 2	0.5%
Wet	381		▲ 2	0.5%

### Economic Indicators

	18 May		M-O-M change	
			±Δ	±%
Gold \$	1,290		▼ -52	-3.9%
Oil WTI \$	71		▲ 4	5.8%
Oil Brent \$	79		▲ 6	8.2%
Iron Ore	67		▲ 1	2.2%
Coal	107		▲ 11	10.9%

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# Freight Market

## Dry Bulkers - Spot Market

14<sup>th</sup> - 18<sup>th</sup> May 2018

**Capesize** - A sudden change in fortunes with the changing wind bringing a dramatic drop in rates across the board. Ongoing disruptions in parts of the Atlantic along with a fair availability of tonnage all around were to blame. Activity seems to still be at fair levels, something that may well be indicating a floor at these levels and could well leave some positive prospects in sight though perhaps not within the next few days.

**Panamax** - Despite a fairly active week, the overall market seemed to still be under pressure, with the only exception this past week being in the Pacific side. With enquiries now on the rise and most of the position lists having been cleared up fairly well, here too we may well see some slightly improved levels or at least start to feel a fair resistance emerge in most regions.

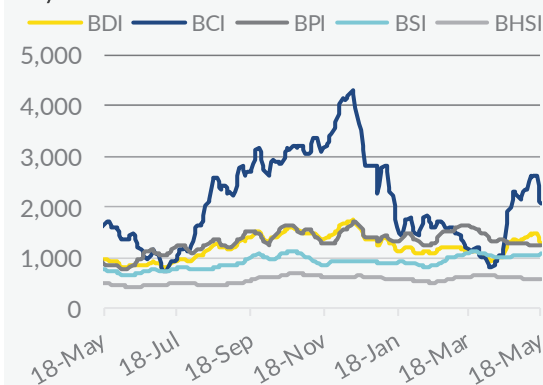
**Supramax** - We started to see some strengthening emerge in parts of the market here, with the improved enquiry levels in the Pacific helping push for some slight improvement in offered numbers in parts of the trade there. Things remained under pressure in the West, with most of the Atlantic basin suffering from a fairly slow flow of fresh interest and still battling fairly swollen tonnage lists.

**Handysize** - The market was relatively flat this past week, despite some slight improvement being seen in parts of the East. This however, being limited in terms of achieved improvement in rates, coupled with the fact that things continue to remain relatively sluggish in the Atlantic, leaves for little promise of any major improvement over the coming days.

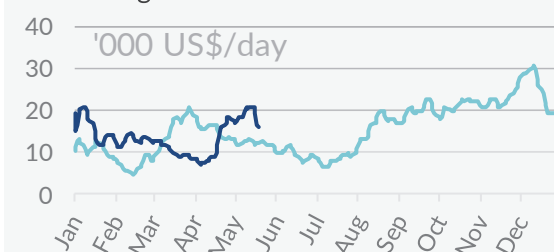
### Spot market rates & indices

		18 May	11 May	±%	Average 2018	2017
<b>Baltic Dry Index</b>						
	BDI	1,273	1,472	-13.5%	1,197	1,149
<b>Capesize</b>						
	BCI	2,053	2,630	-21.9%	1,728	2,094
	BCI 5TC	\$ 15,712	\$ 20,684	-24.0%	\$ 13,493	\$ 15,190
	ATLANTIC RV	\$ 14,800	\$ 22,775	-35.0%	\$ 13,447	\$ 15,774
	Cont / FEast	\$ 28,182	\$ 35,727	-21.1%	\$ 25,811	\$ 25,878
	PACIFIC RV	\$ 17,371	\$ 20,833	-16.6%	\$ 13,405	\$ 14,983
	FEast / ECSA	\$ 15,205	\$ 18,636	-18.4%	\$ 13,411	\$ 14,537
<b>Panamax</b>						
	BPI	1,241	1,245	-0.3%	1,389	1,221
	BPI - TCA	\$ 10,009	\$ 10,034	-0.2%	\$ 11,150	\$ 9,794
	ATLANTIC RV	\$ 7,897	\$ 8,206	-3.8%	\$ 11,110	\$ 10,140
	Cont / FEast	\$ 15,658	\$ 15,814	-1.0%	\$ 17,898	\$ 15,918
	PACIFIC RV	\$ 11,726	\$ 11,346	3.3%	\$ 10,839	\$ 9,195
	FEast / Cont	\$ 4,756	\$ 4,768	-0.3%	\$ 4,753	\$ 3,923
<b>Supramax</b>						
	BSI	1,069	1,053	1.5%	978	846
	BSI - TCA	\$ 11,489	\$ 11,462	0.2%	\$ 10,995	\$ 9,368
	USG / FEast	\$ 18,489	\$ 19,661	-6.0%	\$ 22,565	\$ 19,950
	Med / FEast	\$ 16,818	\$ 16,961	-0.8%	\$ 17,653	\$ 15,733
	PACIFIC RV	\$ 12,079	\$ 11,743	2.9%	\$ 9,949	\$ 8,054
	FEast / Cont	\$ 8,070	\$ 7,330	10.1%	\$ 5,586	\$ 4,503
	USG / Skaw	\$ 13,056	\$ 14,328	-8.9%	\$ 18,124	\$ 15,683
	Skaw / USG	\$ 7,881	\$ 7,872	0.1%	\$ 7,539	\$ 6,507
<b>Handysize</b>						
	BHSI	590	584	1.0%	593	525
	BHSI - TCA	\$ 8,604	\$ 8,527	0.9%	\$ 8,676	\$ 7,668
	Skaw / Rio	\$ 7,510	\$ 7,510	0.0%	\$ 7,007	\$ 6,455
	Skaw / Boston	\$ 7,467	\$ 7,458	0.1%	\$ 7,060	\$ 6,539
	Rio / Skaw	\$ 10,381	\$ 10,483	-1.0%	\$ 12,093	\$ 10,699
	USG / Skaw	\$ 9,536	\$ 9,400	1.4%	\$ 10,857	\$ 9,310
	SEAsia / Aus / Jap	\$ 8,525	\$ 8,382	1.7%	\$ 8,178	\$ 7,199
	PACIFIC RV	\$ 8,443	\$ 8,300	1.7%	\$ 8,017	\$ 6,974

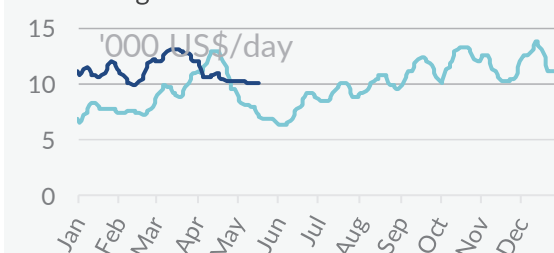
### Dry Bulk Indices



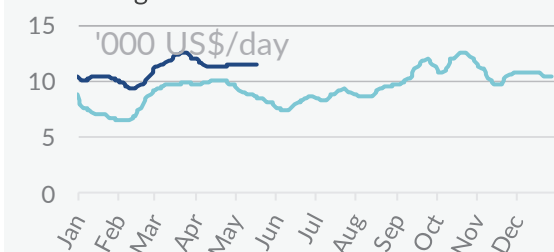
### BCI Average TCE



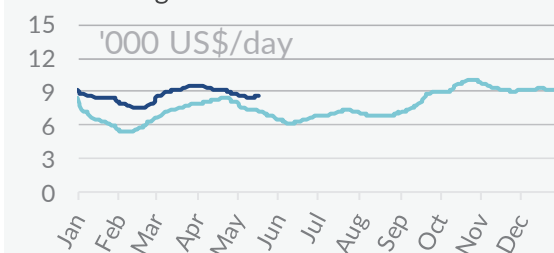
### BPI Average TCE



### BSI Average TCE



### BHSI Average TCE



— 2017 — 2018

# Freight Market

## Tankers - Spot Market

14<sup>th</sup> - 18<sup>th</sup> May 2018

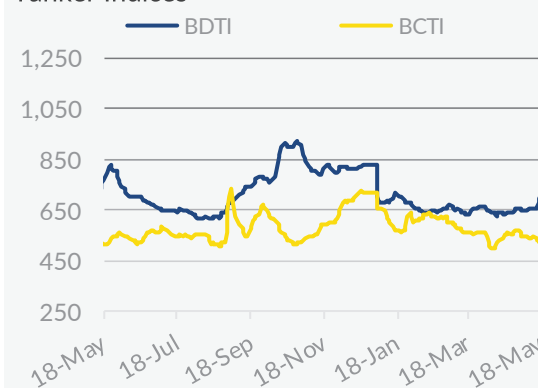
**Crude Oil Carriers** - There was a positive shift to be noted this past week, with rates in the MEG for VLs starting to show some slight positive pace, thanks to improved demand levels emerging from the Far East. Even so, the increased cost of bunkers continues to eat into earnings, making the marked gains only marginal at this point. Things were also looking to be better in the Suezmax segment, with both the WAF and Black Sea/Med showing slightly better promise thanks to the improved volume of fresh enquiries emerging now. A fairly positive week was to emerge for Aframax as well, as the North Sea/Baltic started to show better activity levels as we progressed through the week, while feeding off from this the remaining regions started to catch on the fresh flow of interest pushing through now, leaving promise of even better gains to be noted over the coming days.

**Oil Products** - DPP routes continued on their positive track overall, with only the front-haul North Atlantic routes showing some slight drop. Things were still under pressure on the CPP front, with most regions still on the decline.

### Spot market rates & indices

		18 May	11 May	±%	Average	
					2018	2017
<b>Baltic Tanker Indices</b>						
BDTI		714	657	8.7%	661	788
BCTI		525	542	-3.1%	580	608
<b>VLCC</b>						
MEG-USG	WS	18.30	18.05	1.4%	18.85	29.32
	\$/day	-\$ 16,590	-\$ 15,673	-5.9%	-\$ 11,965	-\$ 2,206
MEG-SPORE	WS	44.58	42.08	5.9%	41.76	59.86
	\$/day	\$ 21,214	\$ 20,035	5.9%	\$ 21,168	\$ 45,754
MEG-JAPAN	WS	43.96	41.75	5.3%	41.30	58.36
	\$/day	\$ 6,149	\$ 5,308	15.8%	\$ 7,709	\$ 22,702
WAF-USG	WS	45.00	42.00	7.1%	42.68	61.85
	\$/day	\$ 36,830	\$ 33,958	8.5%	\$ 37,915	\$ 70,814
<b>SUEZMAX</b>						
WAF-USAC	WS	62.50	57.50	8.7%	55.98	75.85
	\$/day	\$ 24,619	\$ 21,963	12.1%	\$ 22,813	\$ 40,601
BSEA-MED	WS	87.00	85.56	1.7%	74.29	87.57
	\$/day	\$ 9,699	\$ 9,890	-1.9%	\$ 4,847	\$ 12,767
<b>AFRAMAX</b>						
NSEA-CONT	WS	101.67	92.50	9.9%	95.04	101.90
	\$/day	\$ 762	-\$ 3,897	119.6%	-\$ 2,073	\$ 7,719
MEG-SPORE	WS	94.89	88.89	6.7%	87.16	108.74
	\$/day	\$ 2,169	\$ 1,420	52.7%	\$ 3,136	\$ 7,329
CARIBS-USG	WS	113.61	101.39	12.1%	101.57	121.64
	\$/day	\$ 5,179	\$ 2,532	104.5%	\$ 4,553	\$ 9,531
BALTIC-UKC	WS	79.17	72.22	9.6%	76.81	81.96
	\$/day	\$ 5,098	\$ 2,008	153.9%	\$ 5,672	\$ 10,019
<b>DPP</b>						
CARIBS-USAC	WS	130.00	120.00	8.3%	113.70	129.23
	\$/day	\$ 21,983	\$ 19,584	12.2%	\$ 19,054	\$ 26,317
ARA-USG	WS	103.56	105.63	-2.0%	103.63	120.54
	\$/day	\$ 13,886	\$ 16,438	-15.5%	\$ 15,350	\$ 25,637
SEASIA-AUS	WS	96.88	90.25	7.3%	87.08	105.77
	\$/day	\$ 6,631	\$ 5,295	25.2%	\$ 6,225	\$ 9,856
MED-MED	WS	120.56	84.31	43.0%	90.56	106.37
	\$/day	\$ 12,306	-\$ 281	4479.4%	\$ 3,634	\$ 9,426
<b>CPP</b>						
MEG-JAPAN	WS	94.06	90.00	4.5%	93.31	106.84
	\$/day	\$ 5,353	\$ 5,040	6.2%	\$ 7,633	\$ 9,016
CONT-USAC	WS	120.56	137.78	-12.5%	140.86	140.87
	\$/day	\$ 2,650	\$ 5,852	-54.7%	\$ 7,447	\$ 7,272
CARIBS-USAC	WS	125.00	125.00	0.0%	135.05	138.78
	\$/day	\$ 15,803	\$ 16,373	-3.5%	\$ 19,899	\$ 22,286
USG-CONT	WS	84.06	90.31	-6.9%	99.64	105.91
	\$/day	-\$ 2,235	-\$ 633	-253.1%	\$ 1,907	\$ 2,859

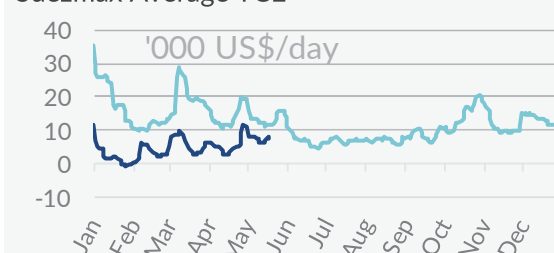
### Tanker Indices



### VLCC Average TCE



### Suezmax Average TCE



### Aframax Average TCE



### MR Average TCE



# Freight Market Period Charter

14<sup>th</sup> - 18<sup>th</sup> May 2018

## Dry Bulk period market TC rates

	18 May	13 Apr	±%	last 5 years		
				Min	Avg	Max
<b>Capesize</b>						
12 months	\$ 18,500	\$ 17,750	4.2%	\$ 6,200	\$ 14,680	\$ 31,450
36 months	\$ 17,750	\$ 17,000	4.4%	\$ 6,950	\$ 14,899	\$ 25,200
<b>Panamax</b>						
12 months	\$ 12,500	\$ 13,500	-7.4%	\$ 4,950	\$ 9,778	\$ 15,450
36 months	\$ 12,000	\$ 12,500	-4.0%	\$ 6,200	\$ 10,223	\$ 15,325
<b>Supramax</b>						
12 months	\$ 13,500	\$ 13,250	1.9%	\$ 4,450	\$ 9,410	\$ 13,950
36 months	\$ 11,750	\$ 11,750	0.0%	\$ 6,200	\$ 9,537	\$ 13,700
<b>Handysize</b>						
12 months	\$ 10,750	\$ 11,250	-4.4%	\$ 4,450	\$ 7,826	\$ 11,200
36 months	\$ 9,750	\$ 9,750	0.0%	\$ 5,450	\$ 8,125	\$ 10,450

## Latest indicative Dry Bulk Period Fixtures

M/V "BACCO", 82188 dwt, built 2011, dely PMO 19/20 May, \$13,550, for 5/9 months, to Quadra

M/V "HAMPTON BRIDGE", 76847 dwt, built 2013, dely PMO prompt, \$13,500, for 1 year, to Chart Not Rep

M/V "STAR IRIS", 76466 dwt, built 2004, dely Tianjin 20/30 May, \$12,450, for 8/11 months, to Fractal

M/V "ARIANDE", 57038 dwt, built 2010, dely CJK 17/19 May, \$11,800, for 5/7 months, to Hydndai Glovis

M/V "LYRIC HARMONY", 81500 dwt, built 2012, dely CJK 17 May, \$13,250, for 5/7 months, to Louis Dreyfus

## Tanker period market TC rates

	18 May	13 Apr	±%	last 5 years		
				Min	Avg	Max
<b>VLCC</b>						
12 months	\$ 19,250	\$ 19,500	-1.3%	\$ 18,000	\$ 31,404	\$ 57,750
36 months	\$ 24,000	\$ 23,500	2.1%	\$ 22,000	\$ 31,376	\$ 45,000
<b>Suezmax</b>						
12 months	\$ 15,500	\$ 15,500	0.0%	\$ 15,250	\$ 23,625	\$ 42,500
36 months	\$ 19,500	\$ 19,500	0.0%	\$ 17,000	\$ 24,665	\$ 35,000
<b>Aframax</b>						
12 months	\$ 13,500	\$ 13,250	1.9%	\$ 13,000	\$ 18,672	\$ 30,000
36 months	\$ 17,000	\$ 17,000	0.0%	\$ 14,750	\$ 19,141	\$ 27,000
<b>MR</b>						
12 months	\$ 13,000	\$ 13,250	-1.9%	\$ 12,000	\$ 14,940	\$ 21,000
36 months	\$ 14,250	\$ 14,250	0.0%	\$ 14,000	\$ 15,200	\$ 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 "GERAKAS", 50500 dwt, built 2009, \$13,250, for 1+1 year trading, to NORDEN

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

### Capesize



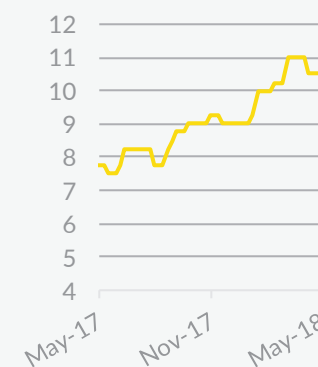
### Panamax



### Supramax



### Handysize



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

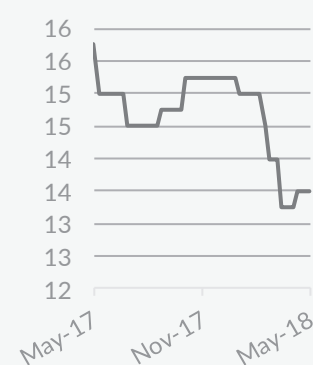
### VLCC



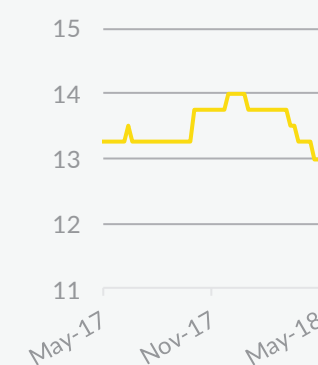
### Suezmax



### Aframax



### MR



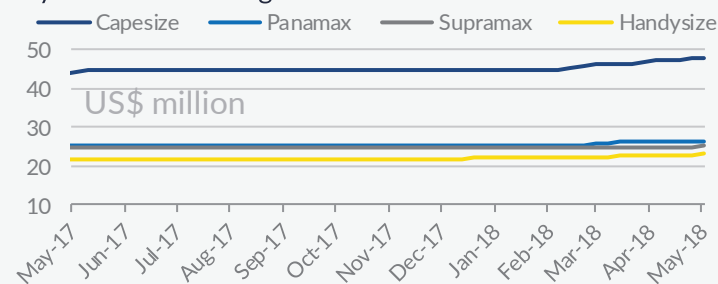


# Sale & Purchase Newbuilding Orders

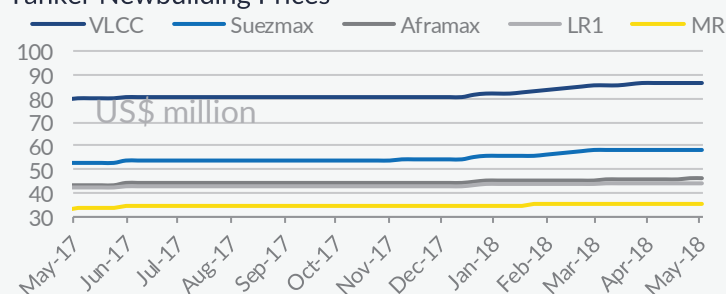
14<sup>th</sup> - 18<sup>th</sup> May 2018

This week may well have shown a slight drop in the volume of activity noted, against what we were seeing one week prior. Yet, it looks as though the levels of appetite being shown amongst ship owners is on the rise. Counter to the rumors circulating last week, we only had one new order emerge on the dry bulk front, though given the overall state of the market and the slowly creeping up prices now being seen, expectations are now for a considerable boost in activity to be noted during the summer period. At the same time the flow of activity on the tanker front continues to hold firm, with ever more new deals emerging, despite what we are seeing in both the freight market and second hand market for these vessels. Overall it looks as though it will turn out to be a fairly active couple of months on the newbuilding front, with the Posidonia exhibition which is coming up now likely to drive a higher than average volume of new deals.

## Dry Bulk Newbuilding Prices



## Tanker Newbuilding Prices



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

	18 May	13 Apr	±%	last 5 years		
				Min	Avg	Max
<b>Dry Bulkers</b>						
Capesize (180,000dwt)	47.5	46.5	2.2%	41.8	48.0	58.0
Kamsarmax (82,000dwt)	27.0	26.5	1.9%	24.3	27.1	30.8
Panamax (77,000dwt)	26.3	26.0	1.0%	23.8	26.3	29.5
Ultramax (64,000dwt)	25.0	24.5	2.0%	22.3	24.9	28.0
Handysize (37,000dwt)	23.0	22.5	2.2%	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	23.8	27.0

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

	18 May	13 Apr	±%	last 5 years		
				Min	Avg	Max
<b>Tankers</b>						
VLCC (300,000dwt)	87.0	87.0	0.0%	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	49.1	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	1	63,590 dwt	SHIN KASADO DOCKYARD, Japan	N/A	HELIKON SHIPPING, UK	2019	
TANKER	3 + 3	300,000 dwt	DSME, S. Korea	\$ 85.5m	HUNTER TANKERS, Norway	2020-2021	scrubbers fitted
GAS	1	20,000 cbm	JIANGNAN SHIPYARD, China	N/A	GHANA NATIONAL PETROLEUM CORP, Ghana	2019	LNG
GEN. CARGO	1	9,400 dwt	GISAN, Turkey	N/A	MISHA SHIPPING, Turkey	2019	
CONT	4	2,750 teu	HUANGPU WENCHONG, China	N/A	CHINA NAVIGATION, China	2020	
PASS	1	596 berth	FINCANTIERI SESTRI, Italy	N/A	SILVERSEA CRUISES, Monaco	2021	

# Sale & Purchase Secondhand Sales

14<sup>th</sup> - 18<sup>th</sup> May 2018

On the dry bulk side, a very busy week in terms of number of units changing hands, though it is worth mentioning that more than half have been part of the Songa deal snapped up by Star Bulk. Despite this, there is a sense that things are slightly waning now in terms of activity being reported, though with buying interest still there and with the freight market still supporting a more optimistic view amongst most investors, it looks as though we may well see some further price hikes down the road.

On the tanker side, here too the volume of units changing hands was relatively high when compared with what we have been used to over the past year, however given that these vessels were all part of three separate enbloc deals, one would consider this to be indicative of a market on the rise. The reality is that things are still under pressure here and given that earnings are still scrapping close to bottom, it is hard to see a quick shift in sentiment take place any time soon.

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

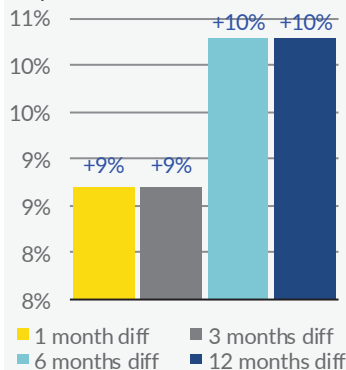
Indicative Dry Bulk Values (US\$ million)					last 5 years		
		18 May	13 Apr	±%	Min	Avg	Max
Capesize							
180k dwt	Resale	49.50	48.00	3.1%	34.5	46.1	65.0
180k dwt	5 year old	37.50	34.50	8.7%	23.0	34.1	53.0
170k dwt	10 year old	25.00	23.50	6.4%	12.0	22.3	38.0
150k dwt	15 year old	15.50	15.50	0.0%	6.5	13.5	25.0
Panamax							
82k dwt	Resale	31.00	30.00	3.3%	22.5	28.3	34.0
82k dwt	5 year old	24.00	23.50	2.1%	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
Supramax							
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
Handysize							
37k dwt	Resale	24.50	23.00	6.5%	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	11.75	11.00	6.8%	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)

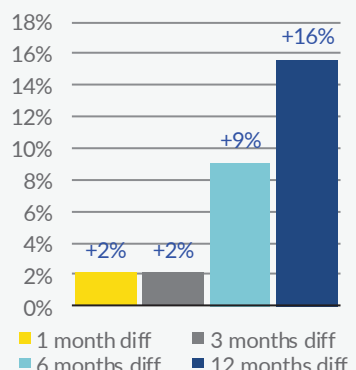
Indicative Tanker Values (US\$ million)					last 5 years		
		18 May	13 Apr	±%	Min	Avg	Max
VLCC							
310k dwt	Resale	86.00	86.00	0.0%	80.0	91.7	105.0
310k dwt	5 year old	64.00	64.00	0.0%	55.0	68.3	84.0
250k dwt	10 year old	41.00	42.50	-3.5%	34.5	45.5	59.0
250k dwt	15 year old	25.00	25.00	0.0%	18.7	28.4	41.0
Suezmax							
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
Aframax							
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
MR							
52k dwt	Resale	36.00	36.00	0.0%	33.0	36.1	39.0
52k dwt	5 year old	26.75	26.50	0.9%	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

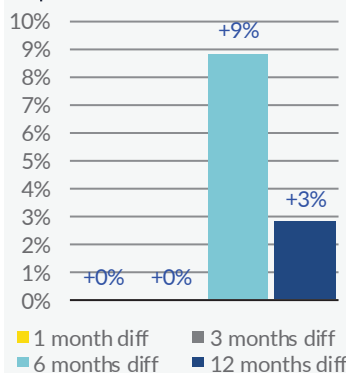
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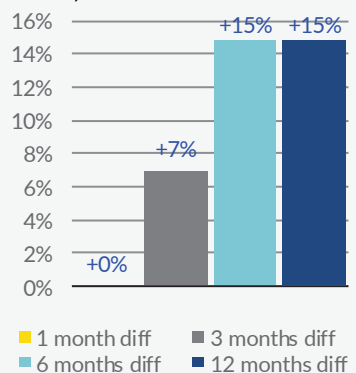
### Panamax



### Supramax

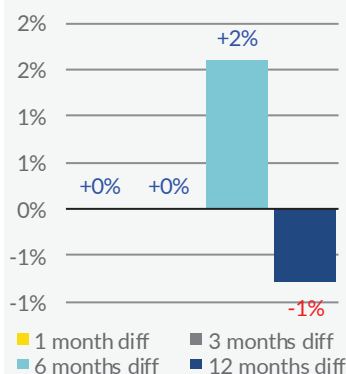


### Handysize

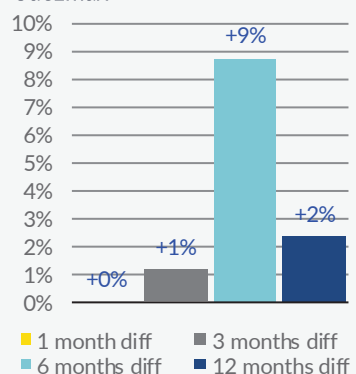


## Price movements of 5 year old Tanker assets

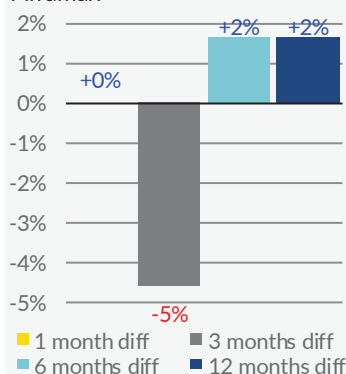
### VLCC



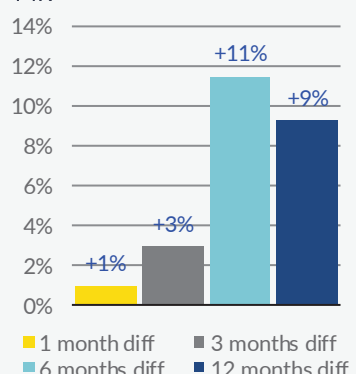
### Suezmax



### Aframax



### MR



# Sale & Purchase Secondhand Sales



14<sup>th</sup> - 18<sup>th</sup> May 2018

Tankers									
Size	Name	Dwt	Built	Shipbuilder	M/E	Coating	Price	Buyers	Comments
AFRA	STI ROSE	109,999	2015	DAEHAN SHIPBUILDING -, S. Korea	MAN-B&W				
AFRA	STI RAMBLA	109,999	2017	SUNGDOG, S. Korea	MAN-B&W				
MR	STI FONTVIEILLE	49,990	2013	HYUNDAI MIPO, S. Korea	MAN-B&W	EPOXY Coated	N/A	Chinese - AVIC International Leasing	sale & leaseback deal (8-year BB to Scorpio Tankers) with purchase options beginning at the end of the 2nd year
MR	STI VILLE	49,990	2013	HYUNDAI MIPO, S. Korea	MAN-B&W	EPOXY Coated			
MR	STI BROOKLYN	49,990	2015	SHIPBUILDING - GOS, S. Korea	MAN-B&W	EPOXY PHEN			
MR	BRITISH SERENITY	47,192	2005	HYUNDAI MIPO, S. Korea	B&W	EPOXY Coated	\$ 10.8m		
MR	BRITISH COURTESY	47,192	2005	HYUNDAI MIPO, S. Korea	B&W	EPOXY Coated	\$ 10.8m	Cypriot - M Sea Capital	ice 1A, IMO III
MR	BRITISH TRANQUILLITY	47,192	2005	HYUNDAI MIPO, S. Korea	B&W	EPOXY Coated	\$ 10.8m		
SMALL	BESIKTAS ORIENT	4,127	2009	BESIKTAS TERSANESI, Turkey	MaK				
SMALL	BESIKTAS PERA	4,121	2009	BESIKTAS TERSANESI, Turkey	MaK				
SMALL	BESIKTAS GALATA	4,115	2009	BESIKTAS TERSANESI, Turkey	MaK	Marine Line		N/A	German - GEFO
SMALL	BESIKTAS CHAMPION	4,114	2010	BESIKTAS TERSANESI, Turkey	MaK				
Bulk Carriers									
Size	Name	Dwt	Built	Shipbuilder	M/E	Gear	Price	Buyers	Comments
SMA	MAGNUM FORCE	53,630	2008	YANGZHOU DAYANG, China	MAN-B&W	4 X 35t CRANES	\$ 10.0m	Chinese	
SMA	AZIZI	52,544	2001	SHIN KURUSHIMA ONISHI, Japan	Mitsubishi	4 X 30,5t CRANES	\$ 8.5m	Chinese	
SMA	ANNA	52,466	2002	SANOYAS HISHINO MIZ'MA, Japan	B&W	4 X 30t CRANES	\$ 8.8m	Chinese	
SMA	SEA CONFIDENCE	52,300	2005	SHIPBUILDING, Japan	MAN-B&W	4 X 30t CRANES	\$ 10.0m	undisclosed	
HANDY	CIELO DI TOKYO	37,296	2008	SAIKI JUKOGYO, Japan	Mitsubishi	4 X 30,5t CRANES	\$ 11.5m	Middle Eastern	SS/DD 07/2018
HANDY	CLIPPER LASCO	28,200	2004	IMABARI IMABARI, Japan	B&W	4 X 30,5t CRANES	high \$ 6.0m	Vietnamese	

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# Sale & Purchase Secondhand Sales

14<sup>th</sup> - 18<sup>th</sup> May 2018

CAPE	SONGA CLAUDINE	181,258	2011	STX OFFSHORE & SHBLDG, S. Korea	MAN-B&W				
CAPE	SONGA OPUS	180,716	2010	STX OFFSHORE & SHBLDG, S. Korea	MAN-B&W				
CAPE	SONGA MOUNTAIN	179,147	2009	HYUNDAI HEAVY INDUSTRI, S. Korea	MAN-B&W				
PMAX	SONGA HIROSE	83,494	2011	SANOYAS HISHINO MIZ'MA, Japan	MAN-B&W				
PMAX	SONGA MARU	82,687	2008	TSUNEISHI ZHOUSHAN HUL, China	MAN-B&W				
PMAX	SONGA GRAIN	82,672	2008	TSUNEISHI HOLDINGS - F, Japan	MAN-B&W				
PMAX	SONGA MOON	82,188	2012	TSUNEISHI SHBLDG - FKY, Japan	MAN-B&W	N/A	Greek - Star Bulk	\$ 328.0m en bloc (incl cash & shares)	
PMAX	SONGA HADONG	82,158	2012	TSUNEISHI SHBLDG - TDT, Japan	MAN-B&W				
PMAX	SONGA DEVI	81,918	2014	TSUNEISHI SHBLDG - FKY, Japan	MAN-B&W				
PMAX	SONGA DELMAR	81,502	2011	HYUNDAI SAMHO, S. Korea	MAN-B&W				
PMAX	SONGA SKY	81,466	2010	UNIVERSAL MAIZURU, Japan	MAN-B&W				
PMAX	SONGA GENESIS	80,705	2010	STX OFFSHORE & SHBLDG, S. Korea	MAN-B&W				
PMAX	SONGA FLAMA	80,448	2011	STX OFFSHORE & SHBLDG, S. Korea	MAN-B&W				
PMAX	SONGA WAVE	61,491	2017	DALIAN COSCO KHI SHIP, China	MAN-B&W	4 X 30t CRANES			
SMAX	SONGA GLORY	58,680	2012	NANTONG COSCO KHI, China	MAN-B&W	4 X 30t CRANES			

## Containers

Size	Name	TEU	Built	Shipbuilder	M/E	Gear	Price	Buyers	Comments
POST PMAX	HAMBURG	6,494	2009	KOYO MIHARA, Japan	MAN-B&W		\$ 21.0m	undisclosed	
SUB PMAX	WELLE	2,572	2005	STX, S. Korea	MAN-B&W		N/A	Norwegian - MPC Container Ships	

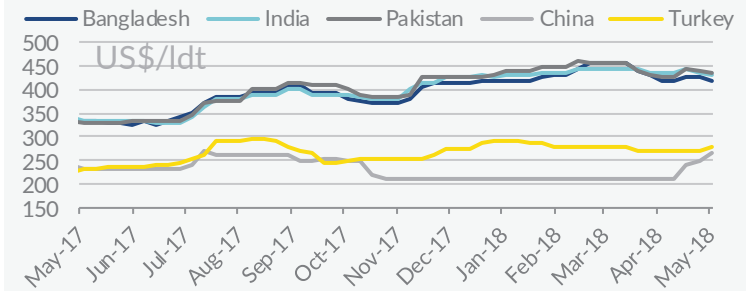


# Sale & Purchase Demolition Sales

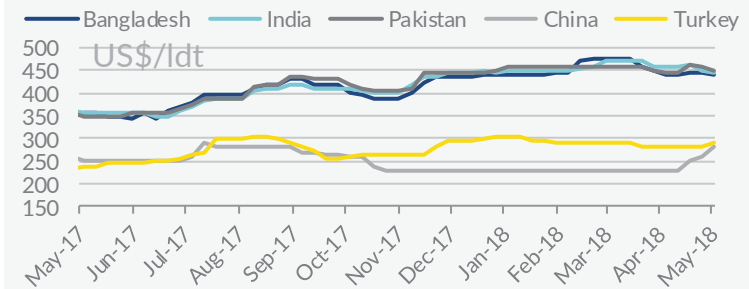
14<sup>th</sup> - 18<sup>th</sup> May 2018

It looks as though the market has taken a step back this past week, at least in the Indian Sub-Continent, with prices looking to have eased back slightly as appetite in the region seems to be softening. We are still seeing a fair buying drive from Pakistani breakers, though with both India and Bangladesh having eased back their requirements and with poor weather conditions in the region already seeming to be causing disruptions despite being just before the monsoon season. The remaining main ship recycling regions seemed to be charting a very different course, with China having stepped up in their competitiveness in terms of pricing trying to make a fair buying push before the new buying restriction take place. At the same time Turkey also looks to be showing a more bullish mood, though here the price shifts have been more marginal and are still under threat due to the ongoing pressure being felt on the foreign exchange front.

## Dry Scrap Prices



## Wet Scrap Prices



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

		18 May	11 May	±%	last 5 years		
					Min	Avg	Max
<b>Indian Sub Continent</b>							
	Bangladesh	420	425	-1.2%	220	371	475
	India	430	435	-1.1%	225	372	500
	Pakistan	435	440	-1.1%	220	371	475
<b>Far East Asia</b>							
	China	265	250	6.0%	110	243	395
<b>Mediterranean</b>							
	Turkey	280	270	3.7%	145	245	355

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

		18 May	11 May	±%	last 5 years		
					Min	Avg	Max
<b>Indian Sub Continent</b>							
	Bangladesh	440	445	-1.1%	245	391	490
	India	445	450	-1.1%	250	393	510
	Pakistan	450	460	-2.2%	245	392	500
<b>Far East Asia</b>							
	China	280	260	7.7%	120	259	405
<b>Mediterranean</b>							
	Turkey	290	280	3.6%	150	256	355

### Reported Transactions

Type	Vessel's Name	Dwt	Built	Country	Built	Ldt	US\$/Ldt	Buyer	Sale Comments
Tanker	DS TINA	298,824	2000	Japan		45,476	N/A	undisclosed	bss "as is, where is" Khor Fakkan
Tanker	RIDGEBURY PIONEER	306,397	1999	S. Korea		42,420	\$ 408/Ldt	Indian	bss "as is, where is" Khor Fakkan, gas-free, 300T bunkers, for green recycling
Bulker	SMT BONTRUP	44,016	1979	Japan		14,289	\$ 435/Ldt	Indian	
Tanker	MARTHA PROGRESS	29,998	1987	Japan		6,107	\$ 407/Ldt	Bangladeshi	
Bulker	QIAN HAI	25,309	1986	Japan		5,571	N/A	Bangladeshi	
Tanker	ASTA SAMUDRA	18,625	1994	Singapore		5,168	\$ 250/Ldt	undisclosed	bss "as is, where is" Batam
Resrch	GECO TOPAZ	1,172	1993	Norway		4,210	N/A	Turkish	
Bulker	EMAN	15,775	1979	Brazil		4,128	N/A	Pakistani	
Gen. Cargo	SURPLUS OCEAN 1	8,583	1994	China		4,112	N/A	Bangladeshi	
Gas	BARUC	4,380	1991	Spain		2,761	\$ 455/Ldt	Indian	
Bulker	MALMNES	9,891	1993	Netherlands		2,760	N/A	Turkish	
Cont	MAERSK PHUKET	38,250	1998	Germany		-	N/A	undisclosed	bss dely Indian Sub-Continent

# Trade Indicators

## Markets | Currencies | Commodities

14<sup>th</sup> - 18<sup>th</sup> May 2018

Japanese shipowner NYK has priced shipping's first green bonds to pay interest of 0.29%. It is selling NOK 10bn (\$93m) of the debt to mature over five years. The bonds are rated A by Japan Credit Rating Agency.

Last month the company announced it was selling the notes to fund eco-vessels and environmental projects. "NYK plans to use the net proceeds of the green bonds to expand the company's resources for the procurement of funds, as well as keep a wide range of stakeholders involved in the company's proactive approach to environmental investment," it said.

It specified new and existing refinancing projects such as LNG-fuelled ships, LNG bunkering vessels, ballast water treatment equipment and scrubber systems.

Mitsubishi UFJ, Morgan Stanley Securities and Nomura Securities are the lead managers. The owner has received guidance from Vigeo Eiris, a French evaluation institution, to ensure "eligibility and transparency" of the green bonds. Source: Tradewinds

	18 May	13 Apr	±%	last 12 months		
				Min	Avg	Max
<b>Markets</b>						
10year US Bond	3.07	2.84	8.0%	2.05	2.41	3.07
S&P 500	2,713.0	2,656.3	2.1%	2,366	2,574	2,873
Nasdaq	7,354.3	7,106.7	3.5%	6,055	6,689	7,561
Dow Jones	24,715.1	24,360.1	1.5%	20,663	23,223	26,617
FTSE 100	7,778.8	7,264.6	7.1%	6,922	7,436	7,779
FTSE All-Share UK	4,273.8	4,001.3	6.8%	3,830	4,081	4,274
CAC40	5,614.5	5,315.0	5.6%	5,032	5,299	5,615
Xetra Dax	13,077.7	12,442.4	5.1%	11,886	12,715	13,560
Nikkei	22,930.4	21,778.7	5.3%	19,275	21,274	24,124
Hang Seng	31,047.9	30,808.4	0.8%	25,137	28,574	33,154
DJ US Maritime	296.9	276.6	7.4%	197.1	222.9	296.9
<b>Currencies</b>						
\$ per €	1.18	1.23	-4.4%	1.11	1.19	1.25
\$ per £	1.35	1.43	-5.4%	1.27	1.34	1.43
£ per €	0.87	0.86	1.0%	0.00	0.88	0.93
¥ per \$	110.9	107.5	3.1%	105.0	110.5	114.2
\$ per Au\$	0.75	0.78	-3.5%	0.74	0.78	0.81
\$ per NoK	0.12	0.13	-4.4%	0.12	0.12	0.13
\$ per SFr	1.00	0.96	3.8%	0.92	0.97	1.00
Yuan per \$	6.38	6.28	1.5%	6.26	6.56	6.89
Won per \$	1,080.7	1,069.2	1.1%	1,055.0	1,103.1	1,154.7
\$ INDEX	99.8	96.5	3.4%	95.5	99.4	103.5
<b>Commodities</b>						
Gold \$	1,289.5	1,341.4	-3.9%	1,211.1	1,290.2	1,355.0
Oil WTI \$	71.3	67.4	5.8%	42.5	55.9	71.5
Oil Brent \$	78.5	72.6	8.2%	44.8	60.5	79.3
Palm Oil	-	-	-	562.0	562.0	562.0
Iron Ore	66.7	65.3	2.2%	54.0	68.4	80.0
Coal Price Index	106.5	96.0	10.9%	72.5	89.1	106.5
White Sugar	330.0	339.5	-2.8%	320.5	379.9	465.1

### Currencies

#### US Dollar per Euro



#### Yen per US Dollar



#### Yuan per US Dollar

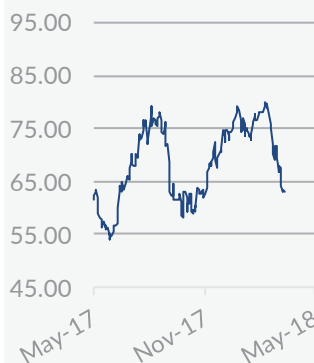


#### US Dollar INDEX



### Commodities

#### Iron Ore (TSI)



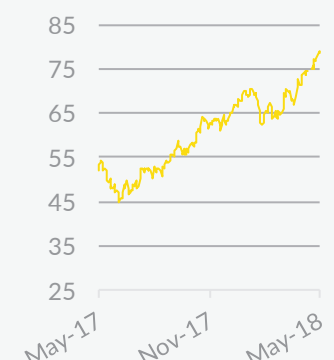
#### Coal Price Index



#### Oil WTI \$



#### Oil Brent \$



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14<sup>th</sup> - 18<sup>th</sup> May 2018 | Week 20

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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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