

Weekly Shipping Market Update

17th - 21st September 2018 | Week 38

Market Analysis

We have reached a fairly interesting point in the year for shipping markets, being just a breath away from the final quarter of the year, a quarter typically taken as an overall barometer to the state of health of the market and especially so for the larger size segments of the dry bulk sector, it seems to be a perfect point for further deliberations as to what we have seen so far and what we can expect to see moving forward. It a little more than 10 years since the magical peak noted in the freight market, where the average of Capesize routes reaching levels in excess of US\$ 200,000pd. After that, the market collapsed, a mere result of the global economic crash. Witnessing the "wrong end" of a super cycle, the market was in a constant state and process of re-balancing itself. However, in 2016, the collapse seemed to have reached absolute bottom, with the excessive losses jolting the supply side of things back into shape. Exaggerations and asymmetries are part of the general business cycle, though in shipping it can often feel to be slightly more extreme in its "mood swings". This just goes to show how blurry things in the market can often get and how difficult it can be to analyze and forecast market trends. Using a partial historical approach and focusing only on the past 3 years, the market seems to be on a stable trajectory, recovering throughout all this period at a fairly steady pace. Indicatively, for the 4th quarter of 2015, the BCI - 5TC average was in the region of US\$ 8,000pd, while in 2016, it was 50% higher, reaching an average of around US\$ 12,000pd. In 2017, the upward jump was even more emphatic, with the market closing with an average close to US\$ 23,000pd. So, given the better shape of the market this year, one would be excused to expect a further jump in this figure as the most plausible scenario.

Even if instinctively you find yourself answering "yes", it is worth noting that there are some market indicators that point to things being slightly different. A question that bothers many is as to what extent we have already witnessed the impact of the recent China - US trade tensions. A very firm summer period in terms of seaborne trade could be pointing towards a considerable lag in the market reflecting the level of tension held between president Trump and Beijing. Moreover, given that Chinese iron ore imports have only just started to show signs of softening this past month, it may well be that the summer period could have been a temporary peak point. Notwithstanding this, if we wanted to capture a real taste of forward sentiment and true perspective we could take a glimpse look at what the paper market is saying. During the first half of the year, FFA contracts linked to the 5TC index and referring to the final quarter were closing in on an average figure of around US\$ 22,000pd, while during the 3rd quarter, this figure witnessed a considerable jump, reaching at its peak levels of just above US\$ 26,000pd. However, despite this uptrend, during the past couple of weeks we have seen a downward spiral in the closing figures, with the current level being in line with the actual average figure noted in 2017.

All-in-all, despite the volatile nature of this market, the fact that we are still on a path of steady improvement in the market seems undeniable. However, at the moment it seems as though there is a lack for any excessive jumps in rates. For the upcoming months, expectations are rather more in favor of moderate earnings, while, given the conservative attitude from the supply side, on the long run, there is a glimpse of potential for further improvements to be had.

Thomas Chasapis
Research Analyst



Week in numbers

Dry Bulk Freight Market

	21 Sep		W-O-W change	
			±Δ	±%
BDI	1,413		▲ 47	3.4%
BCI	1,840		▼ -60	-3.2%
BPI	1,586		▲ 63	4.1%
BSI	1,175		▲ 41	3.6%
BHSI	617		▲ 29	4.9%

Tanker Freight Market

	21 Sep		W-O-W change	
			±Δ	±%
BDTI	791		▲ 26	3.4%
BCTI	511		▼ -2	-0.4%

Newbuilding Market

Aggregate Price Index			M-O-M change	
	21 Sep		±Δ	±%
Bulkers	97		0	0.0%
Cont	94		0	0.0%
Tankers	99		0	0.5%
Gas	91		0	0.0%

Secondhand Market

Aggregate Price Index			M-O-M change	
	21 Sep		±Δ	±%
Capesize	66		0	0.0%
Panamax	61		0	0.0%
Supramax	66		0	0.0%
Handysize	71		0	0.7%
VLCC	84		1	1.0%
Suezmax	74		1	1.0%
Aframax	85		0	0.3%
MR	102		-2	-1.4%

Demolition Market

Avg Price Index (main 5 regions)			W-O-W change	
	21 Sep		±Δ	±%
Dry	335		6	1.8%
Wet	346		2	0.6%

Economic Indicators

	21 Sep		M-O-M change	
			±Δ	±%
Gold \$	1,196		21	1.8%
Oil WTI \$	70		5	7.2%
Oil Brent \$	78		7	9.8%
Iron Ore	69		2	2.5%
Coal	95		-2	-1.6%

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Freight Market

Dry Bulkers - Spot Market

17th - 21st September 2018

Capesize – Another week with downward movements in the spot market, with pressure being seen on most of the routes. Activity was low, especially in the West, where rates from Brazil to NWE fell by around 5%. However, market sentiment remains relatively positive, with renewed interest being anticipated in October. In the Pacific basin, rates were also declining, as available cargoes could not cover the increased number of open vessels in the region. Activity in North Atlantic was negligible during the past week, and despite some gains seen in the last days of the week, the BCI closed 60 points lower than the previous week.

Panamax – Increased activity boosted rates this past week, with the BPI climbing 63 points and closing at 1,586. In the East, the increased coal demand from India supported the market, with bad weather disrupting vessel schedules and enhancing rates further. In the Atlantic, ECSA was the point of reference, with plenty of available cargoes working in favor of shipowners. The North Atlantic witnessed limited fresh interest though things still moved relatively positive.

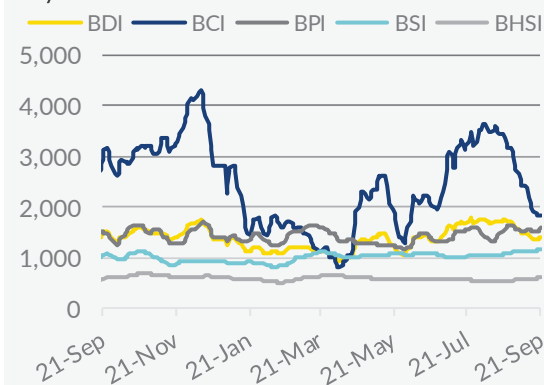
Supramax – Some gains were to be seen, with the majority of routes seeing upward movement due to increased activity compared to the previous weeks. It seems as though the only region in decline was the US Gulf, though even here there seemed to be some positive momentum gathering pace.

Handysize – Another positive week here, with the BHSI closing 5% up. The ECSA was in the spotlight during this past week, while activity in the Pacific was slower, but the overall effect prevailing seemed to be one of gains.

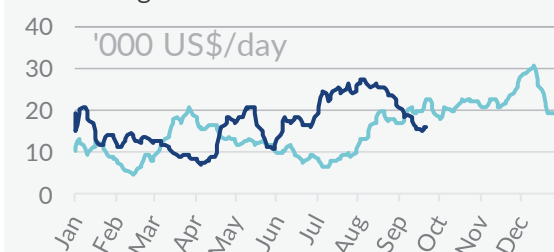
Spot market rates & indices

		21 Sep	14 Sep	±%	Average 2018	2017
Baltic Dry Index						
BDI		1,413	1,366	3.4%	1,343	1,149
Capesize						
BCI		1,840	1,900	-3.2%	2,143	2,094
BCI 5TC		\$ 16,000	\$ 15,574	2.7%	\$ 16,679	\$ 15,190
ATLANTIC RV		\$ 12,710	\$ 11,865	7.1%	\$ 16,981	\$ 15,774
Cont / FEast		\$ 36,614	\$ 34,232	7.0%	\$ 30,922	\$ 25,878
PACIFIC RV		\$ 14,425	\$ 15,000	-3.8%	\$ 16,140	\$ 14,983
FEast / ECSA		\$ 18,714	\$ 18,059	3.6%	\$ 16,592	\$ 14,537
Panamax						
BPI		1,586	1,523	4.1%	1,414	1,221
BPI - TCA		\$ 12,732	\$ 12,219	4.2%	\$ 11,345	\$ 9,794
ATLANTIC RV		\$ 12,800	\$ 12,325	3.9%	\$ 11,419	\$ 10,140
Cont / FEast		\$ 20,267	\$ 19,864	2.0%	\$ 18,482	\$ 15,918
PACIFIC RV		\$ 12,835	\$ 11,829	8.5%	\$ 10,651	\$ 9,195
FEast / Cont		\$ 5,027	\$ 4,859	3.5%	\$ 4,829	\$ 3,923
Supramax						
BSI		1,175	1,134	3.6%	1,021	846
BSI - TCA		\$ 13,022	\$ 12,543	3.8%	\$ 11,322	\$ 9,368
USG / FEast		\$ 24,956	\$ 24,400	2.3%	\$ 22,161	\$ 19,950
Med / FEast		\$ 21,579	\$ 20,839	3.6%	\$ 18,095	\$ 15,733
PACIFIC RV		\$ 11,571	\$ 11,279	2.6%	\$ 10,429	\$ 8,054
FEast / Cont		\$ 7,730	\$ 7,550	2.4%	\$ 6,637	\$ 4,503
USG / Skaw		\$ 20,322	\$ 20,403	-0.4%	\$ 17,701	\$ 15,683
Skaw / USG		\$ 8,997	\$ 8,972	0.3%	\$ 7,764	\$ 6,507
Handysize						
BHSI		617	588	4.9%	582	525
BHSI - TCA		\$ 8,994	\$ 8,553	5.2%	\$ 8,502	\$ 7,668
Skaw / Rio		\$ 7,900	\$ 7,650	3.3%	\$ 7,145	\$ 6,455
Skaw / Boston		\$ 7,654	\$ 7,525	1.7%	\$ 7,183	\$ 6,539
Rio / Skaw		\$ 12,339	\$ 11,306	9.1%	\$ 11,181	\$ 10,699
USG / Skaw		\$ 10,857	\$ 10,050	8.0%	\$ 10,103	\$ 9,310
SEAsia / Aus / Jap		\$ 8,193	\$ 7,804	5.0%	\$ 8,130	\$ 7,199
PACIFIC RV		\$ 8,407	\$ 8,143	3.2%	\$ 8,070	\$ 6,974

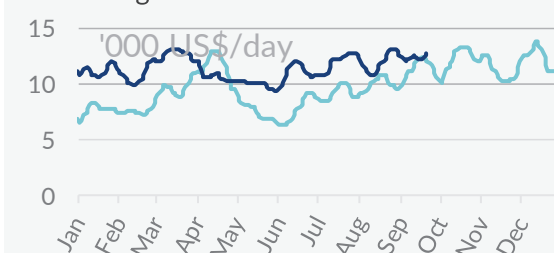
Dry Bulk Indices



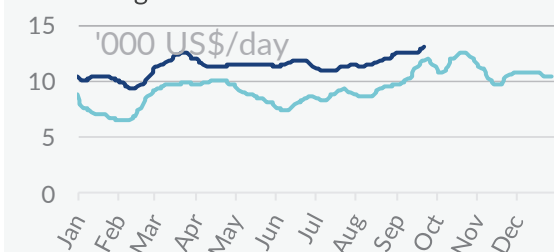
BCI Average TCE



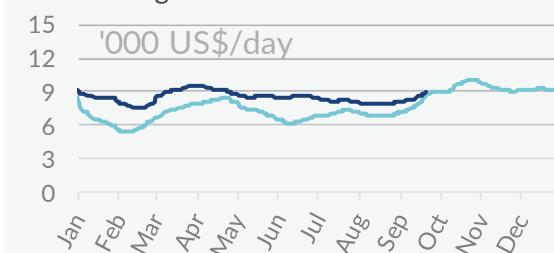
BPI Average TCE



BSI Average TCE



BHSI Average TCE



— 2017 — 2018

Freight Market

Tankers - Spot Market

17th - 21st September 2018

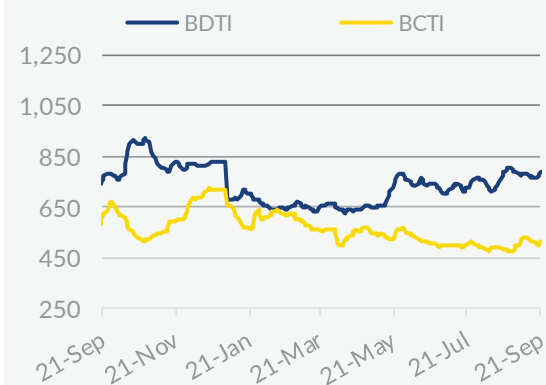
Crude Oil Carriers - An improved week for the VLs, with rates finding support from increased demand on the Far East rounds. Activity in the MEG and WAF increased last week, with rates climbing to high 50s, though Eastbound routes are now expected to see some losses over the following days due to the upcoming public holiday in China. In the Suezmax segment, rates were also supported from the increased activity in the WAF, but gains were capped by the number of available vessels in the region. Fresh interest in the Baltic/North Sea region boosted Aframax earnings, while activity and rates in the Med and the Black Sea seemed to be untouched for now by the overall trends seen in the market.

Oil Products - On the DPP side, we were faced with a fair market correction across most routes, while the only region still showing gains was the Far East thanks to increased rush to fix before the end of the week. On the CPP front, limited interest all around led to lower rates across the board, while some regions were still able to hold close to their last levels despite the build up of tonnage.

Spot market rates & indices

		21 Sep	14 Sep	±%	Average	
					2018	2017
Baltic Tanker Indices						
BDTI		791	765	3.4%	704	788
BCTI		511	513	-0.4%	546	608
VLCC						
MEG-USG	WS	22.14	22.05	0.4%	19.93	29.32
	\$/day	-\$ 13,691	-\$ 13,187	-3.8%	-\$ 12,734	-\$ 2,206
MEG-SPORE	WS	57.96	55.71	4.0%	46.84	59.86
	\$/day	\$ 19,069	\$ 17,707	7.7%	\$ 18,673	\$ 45,754
MEG-JAPAN	WS	57.21	54.88	4.2%	46.30	58.36
	\$/day	\$ 17,056	\$ 15,578	9.5%	\$ 10,302	\$ 22,702
WAF-USG	WS	57.50	55.00	4.5%	47.09	61.85
	\$/day	\$ 55,272	\$ 52,034	6.2%	\$ 42,582	\$ 70,814
SUEZMAX						
WAF-USAC	WS	70.00	67.50	3.7%	61.57	75.85
	\$/day	\$ 30,036	\$ 28,505	5.4%	\$ 25,689	\$ 40,601
BSEA-MED	WS	91.11	86.39	5.5%	80.58	87.57
	\$/day	\$ 13,054	\$ 10,738	21.6%	\$ 7,831	\$ 12,767
AFRAMAX						
NSEA-CONT	WS	112.50	106.94	5.2%	101.48	101.90
	\$/day	\$ 8,615	\$ 5,424	58.8%	\$ 2,202	\$ 7,719
MEG-SPORE	WS	109.83	107.11	2.5%	94.89	108.74
	\$/day	\$ 5,031	\$ 4,746	6.0%	\$ 3,674	\$ 7,329
CARIBS-USG	WS	151.94	151.11	0.5%	112.53	121.64
	\$/day	\$ 15,414	\$ 15,412	0.0%	\$ 6,459	\$ 9,531
BALTIC-UKC	WS	81.11	75.56	7.3%	80.17	81.96
	\$/day	\$ 7,758	\$ 5,229	48.4%	\$ 7,523	\$ 10,019
DPP						
CARIBS-USAC	WS	132.50	140.00	-5.4%	117.35	129.23
	\$/day	\$ 22,621	\$ 25,312	-10.6%	\$ 19,227	\$ 26,317
ARA-USG	WS	118.75	124.06	-4.3%	106.01	120.54
	\$/day	\$ 5,433	\$ 6,895	-21.2%	\$ 8,480	\$ 25,637
SEASIA-AUS	WS	112.31	97.25	15.5%	93.37	105.77
	\$/day	\$ 10,404	\$ 6,144	69.3%	\$ 6,837	\$ 9,856
MED-MED	WS	100.56	103.06	-2.4%	100.22	106.37
	\$/day	\$ 5,206	\$ 6,547	-20.5%	\$ 6,470	\$ 9,426
CPP						
MEG-JAPAN	WS	100.63	99.69	0.9%	97.06	106.84
	\$/day	\$ 6,336	\$ 6,455	-1.8%	\$ 7,372	\$ 9,016
CONT-USAC	WS	100.00	119.17	-16.1%	128.20	140.87
	\$/day	-\$ 205	\$ 2,888	-107.1%	\$ 5,020	\$ 7,272
CARIBS-USAC	WS	125.00	125.00	0.0%	125.68	138.78
	\$/day	\$ 15,687	\$ 15,867	-1.1%	\$ 16,884	\$ 22,286
USG-CONT	WS	100.63	100.00	0.6%	90.49	105.91
	\$/day	\$ 571	\$ 662	-13.7%	-\$ 56	\$ 2,859

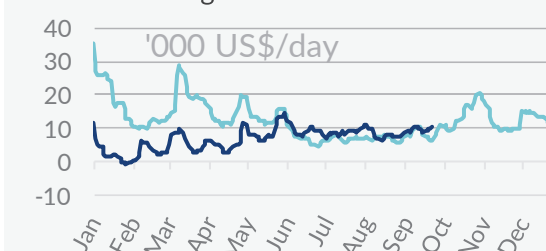
Tanker Indices



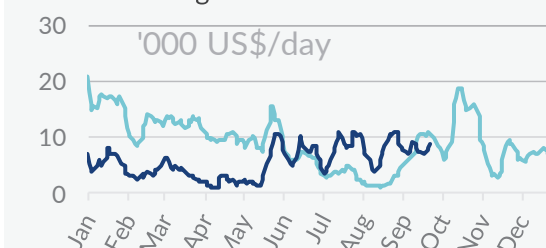
VLCC Average TCE



Suezmax Average TCE



Aframax Average TCE



MR Average TCE



Freight Market Period Charter



17th - 21st September 2018

Dry Bulk period market TC rates

	21 Sep	17 Aug	±%	last 5 years		
				Min	Avg	Max
Capesize						
12 months	\$ 20,750	\$ 21,500	-3.5%	\$ 6,200	\$ 15,043	\$ 31,450
36 months	\$ 20,750	\$ 20,500	1.2%	\$ 6,950	\$ 15,200	\$ 25,200
Panamax						
12 months	\$ 13,750	\$ 13,500	1.9%	\$ 4,950	\$ 9,990	\$ 15,450
36 months	\$ 12,750	\$ 12,250	4.1%	\$ 6,200	\$ 10,356	\$ 15,325
Supramax						
12 months	\$ 13,500	\$ 13,500	0.0%	\$ 4,450	\$ 9,648	\$ 13,950
36 months	\$ 12,250	\$ 12,250	0.0%	\$ 6,200	\$ 9,685	\$ 13,700
Handysize						
12 months	\$ 10,750	\$ 10,750	0.0%	\$ 4,450	\$ 7,999	\$ 11,200
36 months	\$ 9,250	\$ 9,250	0.0%	\$ 5,450	\$ 8,190	\$ 10,450

Latest indicative Dry Bulk Period Fixtures

M/V "STAR NASIA", 82220 dwt, built 2006, dely Mundra 20 Sep, \$14,000, for 6/9 months, to Bunge

M/V "MOLESON", 34266 dwt, built 2010, dely Marmara prompt abt, \$11,500, for 6/8 months, to Chart Not Rep

M/V "AFRICA GRAECA", 74133 dwt, built 2002, dely Singapore prompt, \$12,500, for 3/5 months, to Ausca

M/V "ODYSSEAS I", 81662 dwt, built 2013, dely Singapore prompt, \$14,000, for 5/8 months trading, to Sinoeast

M/V "YANGTZE HAPPINESS", 32377 dwt, built 2012, dely Iskenderun 21 Sep, \$10,250, for min 4 months / abt 6 months, to Chart Not Rep

Tanker period market TC rates

	21 Sep	17 Aug	±%	last 5 years		
				Min	Avg	Max
VLCC						
12 months	\$ 23,500	\$ 19,500	20.5%	\$ 18,000	\$ 30,701	\$ 57,750
36 months	\$ 25,750	\$ 24,000	7.3%	\$ 22,000	\$ 30,950	\$ 45,000
Suezmax						
12 months	\$ 17,000	\$ 17,000	0.0%	\$ 15,250	\$ 23,178	\$ 42,500
36 months	\$ 19,500	\$ 19,500	0.0%	\$ 17,000	\$ 24,355	\$ 35,000
Aframax						
12 months	\$ 14,250	\$ 14,250	0.0%	\$ 13,000	\$ 18,392	\$ 30,000
36 months	\$ 17,000	\$ 17,000	0.0%	\$ 14,750	\$ 19,012	\$ 27,000
MR						
12 months	\$ 12,500	\$ 12,500	0.0%	\$ 12,000	\$ 14,808	\$ 21,000
36 months	\$ 14,250	\$ 14,250	0.0%	\$ 14,000	\$ 15,143	\$ 18,250

Latest indicative Tanker Period Fixtures

M/T "OLYMPIC LADY", 300000 dwt, built 2017, \$29,000, for 1 year trading, to AISSOT

M/T "MONTREAL SPIRIT", 150000 dwt, built 2006, \$17,000, for 1+1 year trading, to PHILLIPS 66

M/T "STELLATA", 110000 dwt, built 2016, \$15,400, for 1 year trading, to TRAFIGURA

M/T "GEORGIA M", 75000 dwt, built 2007, \$13,000, for 1+1 year trading, to EMIRATES NATIONAL OIL CO.

M/T "NORD JEWEL", 50000 dwt, built 2018, \$13,100, for 6+6 months trading, to SHELL

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

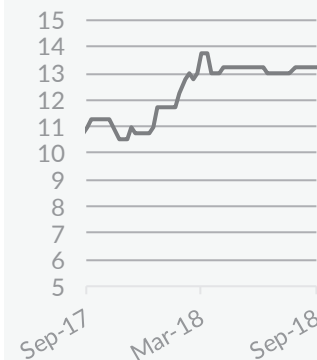
Capesize



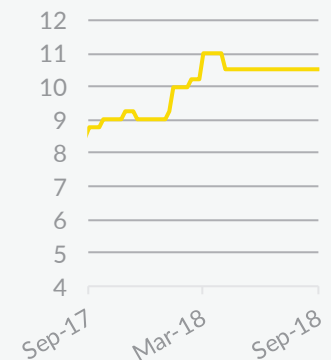
Panamax



Supramax



Handysize



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

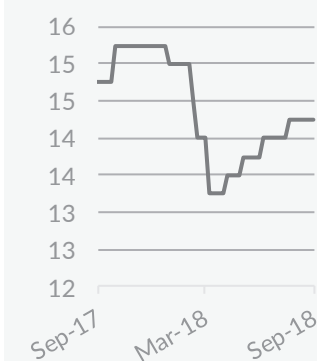
VLCC



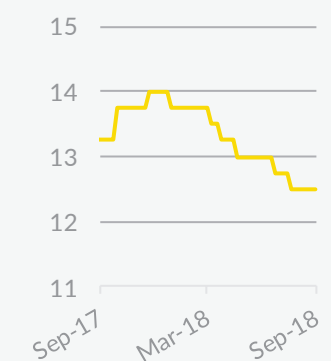
Suezmax



Aframax



MR

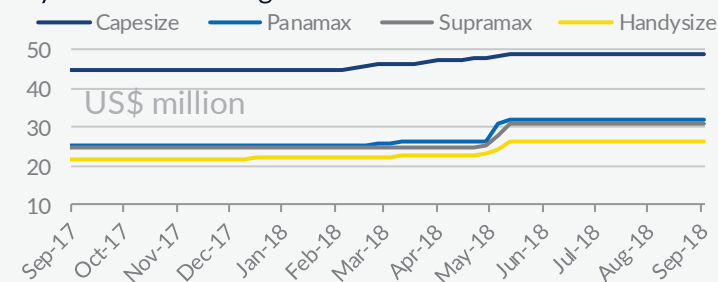


Sale & Purchase Newbuilding Orders

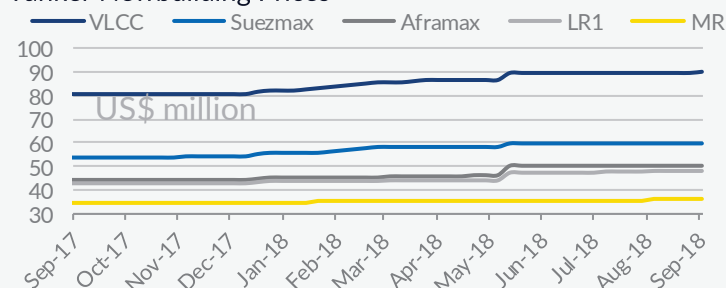
17th - 21st September 2018

After a week of significant increases in reported activity, things slowed down one more, with the market returning back to the levels of interest that were being seen during the summer break. In the dry bulk segment, two new contracts for Ultramax were placed this past week from Far Eastern interests. In the tanker sector, only one notable order was to be seen this past week for 4 firm Aframax units, at relatively competitive levels. Few additional orders were to be seen in other sectors, though we did see some activity in the passenger and offshore sectors. Despite this being a relatively quiet week, it is expected that fresh interest, especially for the dry bulk units, will show a fair rise in the final quarter of the year, driven by the improved rates and the optimistic sentiment that should be prevailing in the market. At the same time given the slight improvement in conditions noted in the tanker freight market, we may well see some increased activity being seen during the next three months, though it will likely focus on crude oil carriers and likely on the larger sizes.

Dry Bulk Newbuilding Prices



Tanker Newbuilding Prices



Indicative Dry NB Prices (US\$ million)

	21 Sep	17 Aug	±%	last 5 years		
				Min	Avg	Max
Dry Bulkers						
Capesize (180,000dwt)	49.0	49.0	0.0%	41.8	48.1	58.0
Kamsarmax (82,000dwt)	33.0	33.0	0.0%	24.3	27.5	33.0
Panamax (77,000dwt)	32.0	32.0	0.0%	23.8	26.6	32.0
Ultramax (64,000dwt)	31.0	31.0	0.0%	22.3	25.2	31.0
Handysize (37,000dwt)	26.0	26.0	0.0%	19.5	21.7	26.0
Container						
Post Panamax (9,000teu)	82.5	82.5	0.0%	76.5	84.5	91.0
Panamax (5,200teu)	48.5	48.5	0.0%	48.0	52.6	58.5
Sub Panamax (2,500teu)	27.0	27.0	0.0%	26.0	29.4	33.0
Feeder (1,700teu)	21.5	21.5	0.0%	21.5	23.7	27.0

Indicative Wet NB Prices (US\$ million)

	21 Sep	17 Aug	±%	last 5 years		
				Min	Avg	Max
Tankers						
VLCC (300,000dwt)	90.5	90.0	0.6%	80.0	90.4	101.0
Suezmax (160,000dwt)	60.0	60.0	0.0%	53.0	59.4	66.0
Aframax (115,000dwt)	50.0	50.0	0.0%	43.0	49.2	55.0
LR1 (75,000dwt)	47.8	47.5	0.5%	40.5	44.0	47.8
MR (56,000dwt)	36.0	35.5	1.4%	32.5	34.9	37.3
Gas						
LNG 160k cbm	184.0	184.0	0.0%	184.0	195.1	200.0
LPG LGC 80k cbm	70.0	70.0	0.0%	70.0	73.7	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	42.4	45.5

Reported Transactions

Type	Units	Size	Shipbuilder	Price	Buyer	Delivery	Comments
BULKER	1	64,000 dwt	WUHU SHIPYARD, China	N/A	Shishi Dingxin, China	2020	
BULKER	2	61,530 dwt	DACKS, China	N/A	WISDOM MARINE LINES, Taiwan	2020	
TANKER	4	113,000 dwt	HHIC SUBIC, Philippines	N/A	Cukorova Holding, Turkey	2020	Tier III
OFFSH	2 + 1	60	HAVYARD SHIP TECHNOLOGY AS, Norway	N/A	ESVAGT, Denmark	2020/2021	
PASS	1	1,300 pax	Hyundai Mipo, S. Korea	\$ 60.5m	Seaworld Express Ferry, S. Korea	2020	100 cars, 125 trailers, 170m LOA
PASS	2	120 pax	TERSAN TERSANECILIK, Turkey	N/A	Havila Kystruten, Norway	2020/2021	
RORO	2	200 ceu	NAIKAI ZOSEN CORP, Japan	N/A	KURIBAYASHI STEAMSHIP, Japan	2020	scrubber ready

Sale & Purchase Secondhand Sales

17th - 21st September 2018

On the dry side, reported activity levels were fairly stable, though focus seems to have switched over to the smaller size segments. This was split between 3 handies and 3 Supramaxes reported sold. Amongst the Supramax units there was a 19 year old vessel bought by Indonesian buyers for US\$ 7m, an 11 year old picked up by undisclosed interests for US\$ 11m and a 4 year old Tsuneishi Cebu unit which went to Japanese buyers for a relatively firm price of around US\$ 19m. At the same time it seems as though prices are holding at stable levels for the time being, though some downward pressure is being felt on older aged tonnage as buying interest remains limited.

An interesting week was to be seen on the tanker side, with a fair amount of deals reported for a second consecutive week, helping support prices for fairly modern tonnage for now. Overall however it is important to note that much of the activity seen this past week was driven by, yet again, a handful of enbloc deals.

Indicative Dry Bulk Values (US\$ million)

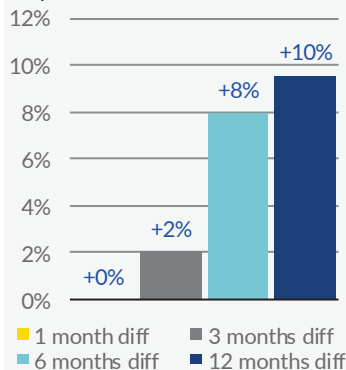
					last 5 years		
					21 Sep	17 Aug	±%
					Min	Avg	Max
Capesize							
180k dwt	Resale	53.25	53.25	0.0%	34.5	46.5	65.0
180k dwt	5 year old	37.25	37.25	0.0%	23.0	34.3	53.0
170k dwt	10 year old	26.00	26.00	0.0%	12.0	22.5	38.0
150k dwt	15 year old	16.50	16.50	0.0%	6.5	13.6	25.0
Panamax							
82k dwt	Resale	31.50	31.50	0.0%	22.5	28.5	34.0
82k dwt	5 year old	23.00	23.00	0.0%	11.5	19.6	28.0
76k dwt	10 year old	15.50	15.50	0.0%	7.3	13.5	23.0
74k dwt	15 year old	10.00	10.00	0.0%	3.5	8.6	14.5
Supramax							
62k dwt	Resale	28.50	28.50	0.0%	19.0	26.7	33.0
58k dwt	5 year old	18.50	18.50	0.0%	11.0	18.0	27.0
56k dwt	10 year old	14.25	14.25	0.0%	6.0	12.9	22.0
52k dwt	15 year old	9.25	9.25	0.0%	3.5	8.2	13.5
Handysize							
37k dwt	Resale	24.50	24.50	0.0%	17.0	21.6	26.0
37k dwt	5 year old	16.00	16.00	0.0%	7.8	14.6	21.0
32k dwt	10 year old	11.50	11.50	0.0%	6.0	10.3	16.0
28k dwt	15 year old	6.75	6.50	3.8%	3.5	6.5	11.0

Indicative Tanker Values (US\$ million)

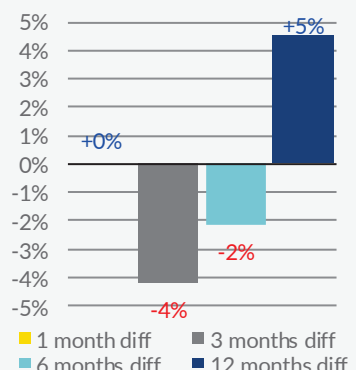
					last 5 years		
					21 Sep	17 Aug	±%
					Min	Avg	Max
VLCC							
310k dwt	Resale	90.00	88.00	2.3%	80.0	91.4	105.0
310k dwt	5 year old	65.00	64.00	1.6%	55.0	68.1	84.0
250k dwt	10 year old	41.00	41.00	0.0%	34.5	45.2	59.0
250k dwt	15 year old	25.00	25.00	0.0%	18.7	28.2	41.0
Suezmax							
160k dwt	Resale	61.00	59.50	2.5%	53.0	61.9	73.0
150k dwt	5 year old	44.50	44.00	1.1%	38.0	47.7	62.0
150k dwt	10 year old	27.50	27.50	0.0%	24.0	32.3	44.5
150k dwt	15 year old	17.00	17.00	0.0%	14.0	18.6	23.0
Aframax							
110k dwt	Resale	47.00	46.50	1.1%	39.0	48.3	57.0
110k dwt	5 year old	32.00	32.00	0.0%	27.0	35.5	47.5
105k dwt	10 year old	20.00	20.00	0.0%	17.0	23.2	33.0
105k dwt	15 year old	11.50	11.50	0.0%	8.0	13.3	20.0
MR							
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	15.00	16.00	-6.3%	15.0	17.7	21.0
45k dwt	15 year old	9.00	9.00	0.0%	9.0	10.9	13.5

Price movements of 5 year old Dry Bulk assets

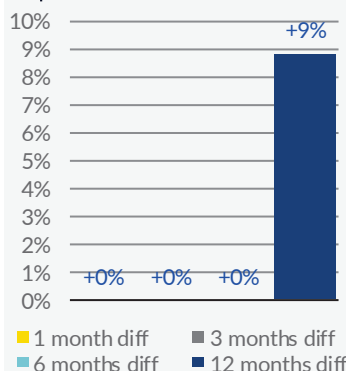
Capesize



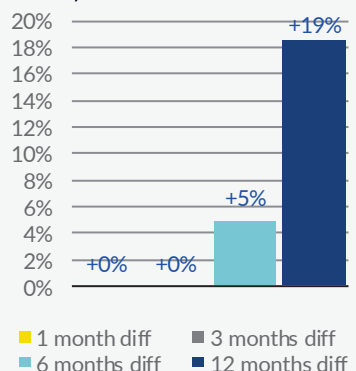
Panamax



Supramax

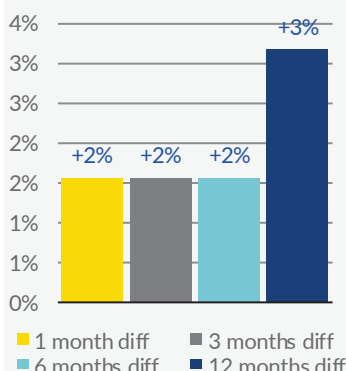


Handysize

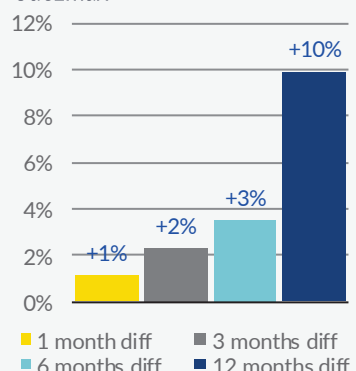


Price movements of 5 year old Tanker assets

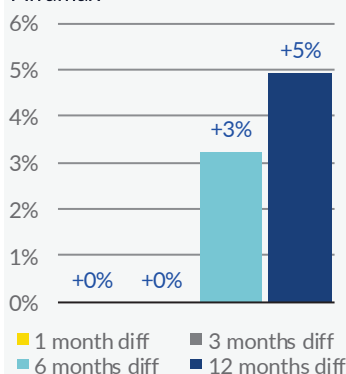
VLCC



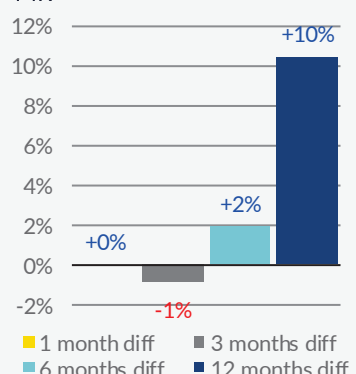
Suezmax



Aframax



MR



Sale & Purchase Secondhand Sales



17th - 21st September 2018

Tankers									
Size	Name	Dwt	Built	Shipbuilder	M/E	Coating	Price	Buyers	Comments
SUEZ	UNITED OCEANS	157,100	2018	CHINA SHIPPING IND JIA, China	MAN-B&W				
SUEZ	UNITED PARAGON	157,100	2018	CHINA SHIPPING IND JIA, China	MAN-B&W				
SUEZ	PERICLES G. C.	157,100	2019	CHINA SHIPPING IND JIA, China	MAN-B&W		en bloc \$ 280.0m	U. K. Based - Zodiac Maritime	
AFRA	NIKOS KAZANTZAKIS	113,500	2018	CHINA SHIPPING IND JIA, China	MAN-B&W				
AFRA	UNITED MARINER	113,500	2018	CHINA SHIPPING IND JIA, China	MAN-B&W				
AFRA	UNITED NOMAD	113,500	2018	CHINA SHIPPING IND JIA, China	MAN-B&W				
AFRA	BRITISH GANNET	114,809	2005	SAMSUNG HEAVY, S. Korea	B&W				
AFRA	BRITISH MALLARD	114,809	2005	SAMSUNG HEAVY, S. Korea	B&W				
AFRA	BRITISH CYGNET	113,782	2005	SAMSUNG HEAVY, S. Korea	B&W				
AFRA	BRITISH ROBIN	113,782	2005	SAMSUNG HEAVY, S. Korea	B&W		en bloc \$ 108.0m	U. K. Based - Union Maritime	on subjects, incl finance
AFRA	BRITISH CORMORANT	113,782	2005	SAMSUNG HEAVY, S. Korea	B&W				
AFRA	BRITISH FALCON	113,553	2006	SAMSUNG HEAVY, S. Korea	MAN-B&W				
AFRA	BRITISH EAGLE	113,553	2006	SAMSUNG HEAVY, S. Korea	MAN-B&W				
AFRA	BRITISH KESTREL	113,553	2006	SAMSUNG HEAVY, S. Korea	MAN-B&W				
LR1	FPMC P ALPINE	70,426	2004	UNIVERSAL MAIZURU, Japan	B&W	EPOXY Coated	en bloc \$ 16.4m	Far Eastern	
LR1	FORMOSA FALCON	70,426	2005	UNIVERSAL MAIZURU, Japan	B&W	EPOXY Coated			
MR	GREAT MANTA	51,833	2013	SUNG Dong, S. Korea	MAN-B&W	EPOXY PHEN	\$ 27.5m	Singaporean - PCL	

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Sale & Purchase Secondhand Sales



17th - 21st September 2018

Bulk Carriers									
Size	Name	Dwt	Built	Shipbuilder	M/E	Gear	Price	Buyers	Comments
CAPE	TENSHU MARU	180,630	2010	TSUNEISHI CEBU, Philippines	MAN-B&W		low \$ 29.0m	Singaporean - BW	
PMAX	CAPITOLA	74,832	2001	HUDONG-ZHONGHUA SHIPBU. China	MAN-B&W		N/A	Chinese	
SMAX	MAJULAH SINGAPURA	57,982	2014	TSUNEISHI CEBU, Philippines	MAN-B&W	4 X 30t CRANES	low \$ 19.0m	Japanese	
SMAX	TOMINI INFINITI	56,720	2010	COSCO GUANGZHOU, China	MAN-B&W	5 X 30t CRANES	\$ 10.3m	Chinese	
SMAX	PERSUS OCEAN	53,549	2007	IWAGI, Japan	MAN-B&W	4 X 30,5t CRANES	\$ 11.0m	undisclosed	
SMAX	EIGEN	50,249	1999	MITSUI TAMANO, Japan	B&W	4 X 30t CRANES	\$ 7.2m	Indonesian	
HANDY	UNICORN OCEAN	38,503	2011	MINAMI-NIPPON USUKI, Japan	MAN-B&W	4 X 30t CRANES	\$ 12.9m	Dutch - Orient Shipping	
HANDY	BRIGHT OCEAN III	37,062	2013	SAIKI JUKOGYO, Japan	Mitsubishi	4 X 30t CRANES	N/A	undisclosed	BBHP
HANDY	MUKARNAS	23,712	1995	KANASASHI - TOYOHASHI, Japan	B&W	4 X 30t CRANES	\$ 4.0m	Chinese	



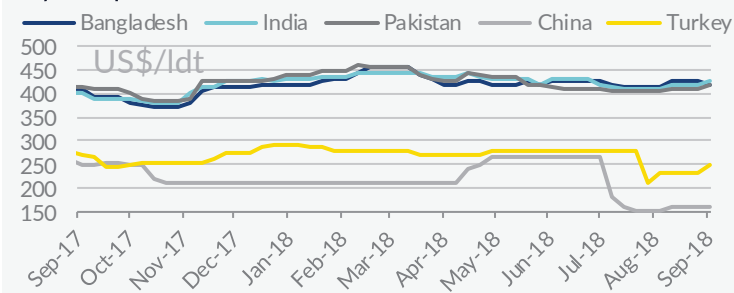
Sale & Purchase

Demolition Sales

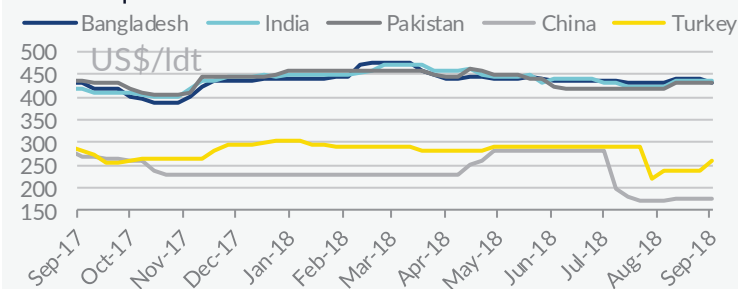
17th - 21st September 2018

A relatively quiet week in the demolition market, with few notable transactions being reported. In the dry bulk sector, we saw a couple of fairly vintage Handysize vessels being sent to be scrapped in India and Bangladesh respectively. Meanwhile, an 18 year old VLCC was booked to be beached for a price of US\$ 450 per ton and a 28 year old MR2 was fixed by Indian breakers at an undisclosed price. The rest of units reported for demolition were mainly from other sectors, while all were aged 35 years plus. The Indian market seems to be very active over the past few weeks, taking up the head position both in terms of volume as well as in terms of offered prices, mainly thanks to steel prices holding stable for now and with the local currency showing signs of stabilizing. Meanwhile, sluggish interest is currently being seen from Bangladeshi and Pakistani breakers. However, with all the breakers yards in Pakistan having received the relevant cutting permissions, there is now an overall expectation that we will see revamped activity over the following weeks. Regarding prices, it seems as though Turkish breakers are slowly finding a stable footing once more, with some recovery in offered levels being reported right now.

Dry Scrap Prices



Wet Scrap Prices



Indicative Dry Prices (\$/Ldt)

		21 Sep	14 Sep	±%	last 5 years		
					Min	Avg	Max
Indian Sub Continent							
	Bangladesh	420	425	-1.2%	220	374	475
	India	425	420	1.2%	225	375	500
	Pakistan	420	410	2.4%	220	374	475
Far East Asia							
	China	160	160	0.0%	110	241	395
Mediterranean							
	Turkey	250	230	8.7%	145	247	355

Indicative Wet Prices (\$/Ldt)

		21 Sep	14 Sep	±%	last 5 years		
					Min	Avg	Max
Indian Sub Continent							
	Bangladesh	430	440	-2.3%	245	394	490
	India	435	435	0.0%	250	395	510
	Pakistan	430	430	0.0%	245	394	500
Far East Asia							
	China	175	175	0.0%	120	257	405
Mediterranean							
	Turkey	260	240	8.3%	150	257	355

Reported Transactions

Type	Vessel's Name	Dwt	Built	Country	Built	Ldt	US\$/Ldt	Buyer	Sale Comments
Tanker	NEW DISCOVERY	279,989	2000	Japan		42,099	\$ 450/Ldt	undisclosed	As is Khor Fakkan
Bulker	BRAZTRANS 1	38,186	1980	Brazil		8,856	N/A	Indian	
Tanker	S UNITED	42,088	1990	Italy		8,831	N/A	Indian	
Bulker	GOLDEN SEA	26,456	1993	Japan		5,750	N/A	Bangladeshi	
Misc	CHANDRA JUPITER	330	1980	U. S. A.		257	N/A	Indian	
Offsh	OSAM MANILA	682	1983	Japan		-	N/A	undisclosed	As is Indonesia
Offsh	MISR GULF XII	975	1975	Canada		-	N/A	Turkish	
Offsh	TITO	1,243	1981	Spain		-	N/A	Turkish	

Trade Indicators

Markets | Currencies | Commodities

17th - 21st September 2018

Torvald Klaveness' Klaveness Combination Carriers (KCC) has completed a \$45m private placement to expand its fleet. But it came up short of a potential target of \$70m announced earlier this month. It will now issue 8.24m shares at \$5.46 each.

The cash will finance one existing 83,000-dwt newbuilding and will also be used to declare one option at Jiangsu New Yangzi in China - its sixth newbuilding there, with delivery in the fourth quarter of 2020. In addition, some will go towards general corporate purposes including working capital, supervision and transaction costs. Klaveness Ship Holding pumped in \$3.6m to the placement to retain a 63% stake in KCC. "KCC has through this transaction taken a significant step towards growing the company and its new combination carrier service in the CPP market," said Lasse Kristoffersen, CEO of Torvald Klaveness and chairman of KCC. "Further, following the new, wide investor base, the company is well set up for potential future fund raising and eventual listing on the Oslo Stock Exchange."

TradeWinds had earlier revealed an IPO is being planned for KCC before the end of 2019. Source: Tradewinds

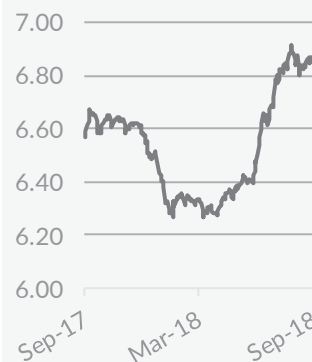
	21 Sep	17 Aug	±%	last 12 months		
Markets				Min	Avg	Max
10year US Bond	3.07	2.87	7.0%	2.22	2.65	3.08
S&P 500	2,929.7	2,850.1	2.8%	2,497	2,713	2,931
Nasdaq	7,987.0	7,816.3	2.2%	6,371	7,220	8,110
Dow Jones	26,743.5	25,669.3	4.2%	22,284	24,671	26,744
FTSE 100	7,490.2	7,558.6	-0.9%	6,922	7,479	7,779
FTSE All-Share UK	4,128.6	4,153.8	-0.6%	3,830	4,112	4,274
CAC40	5,494.2	5,344.9	2.8%	5,079	5,380	5,615
Xetra Dax	12,430.9	12,210.6	1.8%	11,886	12,802	13,560
Nikkei	23,869.93	22,270.4	7.2%	20,267	22,299	24,124
Hang Seng	27,953.6	27,213.4	2.7%	26,345	29,342	33,154
DJ US Maritime	264.1	276.9	-4.6%	204.2	244.0	301.3
Currencies						
\$ per €	1.18	1.14	3.2%	1.13	1.19	1.25
\$ per £	1.32	1.27	3.5%	1.27	1.35	1.43
£ per €	0.89	0.90	-0.3%	0.00	0.88	0.91
¥ per \$	112.6	110.5	1.9%	105.0	110.5	114.2
\$ per Au\$	0.73	0.73	0.1%	0.71	0.76	0.81
\$ per NoK	0.12	0.12	4.2%	0.12	0.12	0.13
\$ per SFr	0.96	1.00	-3.9%	0.92	0.98	1.00
Yuan per \$	6.85	6.88	-0.5%	6.26	6.54	6.92
Won per \$	1,115.9	1,124.9	-0.8%	1,055.0	1,096.0	1,146.8
\$ INDEX	94.2	96.1	-2.0%	93.9	98.3	101.5
Commodities						
Gold \$	1,196.1	1,174.7	1.8%	1,161.4	1,282.3	1,355.0
Oil WTI \$	70.0	65.3	7.2%	49.3	63.3	74.2
Oil Brent \$	78.2	71.3	9.8%	55.6	69.2	79.8
Palm Oil	-	-	-	562.0	562.0	562.0
Iron Ore	69.2	67.5	2.5%	58.1	67.8	80.0
Coal Price Index	94.5	96.0	-1.6%	85.0	96.8	109.0
White Sugar	331.2	308.4	7.4%	305.0	352.5	399.3

Currencies

US Dollar per Euro



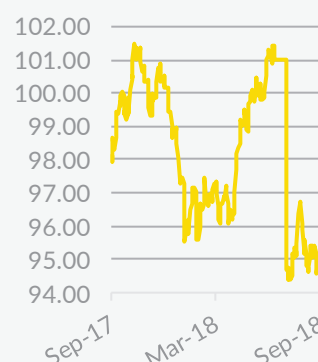
Yuan per US Dollar



Yen per US Dollar

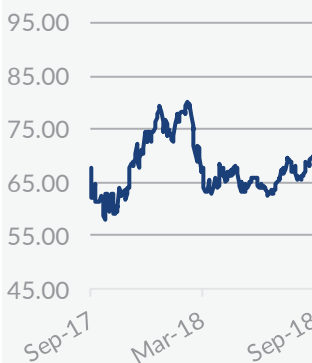


US Dollar INDEX

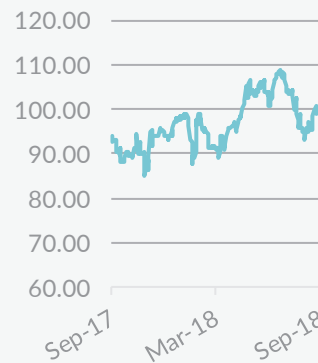


Commodities

Iron Ore (TSI)



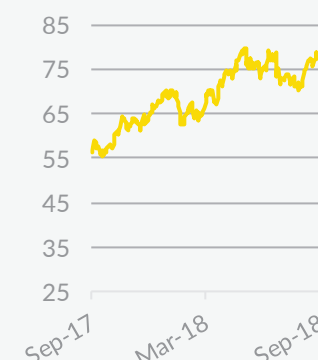
Coal Price Index



Oil WTI \$



Oil Brent \$



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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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