

# Weekly Shipping Market Update

10<sup>th</sup> - 14<sup>th</sup> December 2018 | Week 50

## Market Analysis

Since the beginning of 2016, when the dry bulk market reached its absolute bottom, freight rates have been ever since on an upward trajectory. Taking the BDI as a benchmark, we saw the index from a yearly average of 676 points in 2016, increasing to 1,149 points in 2017, and now reaching for the year so far 1,351 points. Taking the size segments separately, Panamax and Supramax sectors were leading the herd this year, with their TCA yearly average figures boosted by -more or less- US\$ 2,000/day (a relative increase of around 21%) and climbing well above the US\$ 11,000/day mark. Furthermore, in the Handysize segment, we witnessed an increase of 13.5% on y-o-y basis, while in the Capesize segment the BCI-5TC improved by 8.6%. At this point, it is important to mention that the rather mediocre increase in the Capesize market is impart influenced and a mere reflection of the hefty downturn and amassed disarray noted at the beginning of November (while not long before this, most seemed confident that they would see returns even in excess of those of the final quarter of 2017). Notwithstanding this, another way to better understand the "actual" path that dry bulk sector has been following, we need to evaluate the risks involved relative to the corresponding earnings. An important risk metric is by measuring the prevailing volatility in the market. Using the standard deviation as statistical tool to capture current trends, we can conclude that the overall dry bulk market has been more stable this year. In absolute terms, all main size segments saw their actual volatility figures decrease, with Handysize witnessing the biggest decrease (52.7%), followed by Panamax and Supramax with 41.5% and 37.9% respectively, and finally Capesize with 15.2%. While considering that actual returns were considerably higher, the real impact of these deviations is even less than the percentages mentioned above.

Given the recovery and the overall positive track noted in the market, let's try to figure out what's in store for the near term. As at the start of this month, the total dry bulk fleet (above 20,000dwt) stood at 10,198 vessels, with an orderbook of 907 vessels (an orderbook to fleet ratio of 8.9%). Even with a completely absent recycling market and all projected deliveries entering active service without delay and as scheduled, we are facing a maximum fleet growth of 5.3% for 2019. Moreover, given that most forecasts predict an increase in the region of 1.5-2.0% for seaborne trade of the main dry bulk commodities (iron ore, coal, grains), the fundamentals in the market indicate a n overall balanced outlook for the supply-demand dynamic, in the short to medium-term at least, with potential for an even better outlook to emerge.

All-in-all, even with the core market fundamentals being in favor of further improvement for the next couple of years, the great uncertainties that characterize shipping industry as a whole leave little room for any excesses in sentiment. Optimism, with a pinch of conservatism, are the necessary characteristics to be able to better react and adapt to periodical trends and shifts. Coal's overall gloomy outlook, China's decision to retract its tariffs and commit to buy a large volume of US soybeans (even if it only represents roughly 4% of a typical year's purchases) easing back some of the "tension" if only for the moment, along with a plethora of new regulations coming into force in the not so distant future, are just a handful of market aspects that could have a major impact, rapidly altering the state of the market. With a relatively positive year now coming to an end, let's embrace a new one and hope for even better days to come.

Thomas Chasapis  
Research Analyst



## Week in numbers

### Dry Bulk Freight Market

	14 Dec		W-O-W change	
			±Δ	±%
BDI	1,401		▲ 29	2.1%
BCI	2,383		▲ 186	8.5%
BPI	1,478		▲ 9	0.6%
BSI	974		▲ 21	2.2%
BHSI	617		▼ -8	-1.3%

### Tanker Freight Market

	14 Dec		W-O-W change	
			±Δ	±%
BDTI	1,223		▲ 56	4.8%
BCTI	909		▲ 15	1.7%

### Newbuilding Market

Aggregate Price Index	14 Dec		M-O-M change	
			±Δ	±%
Bulkers	97		0	0.0%
Cont	94		0	0.0%
Tankers	100		▲ 0	0.1%
Gas	91		0	0.0%

### Secondhand Market

Aggregate Price Index	14 Dec		M-O-M change	
			±Δ	±%
Capesize	63		▼ -1	-1.1%
Panamax	61		0	0.0%
Supramax	66		0	0.0%
Handysize	72		0	0.0%
VLCC	90		▲ 4	4.4%
Suezmax	75		▲ 1	0.9%
Aframax	86		▲ 2	2.7%
MR	106		▲ 2	1.9%

### Demolition Market

Avg Price Index (main 5 regions)	14 Dec		W-O-W change	
			±Δ	±%
Dry	337		0	0.0%
Wet	347		0	0.0%

### Economic Indicators

	14 Dec		M-O-M change	
			±Δ	±%
Gold \$	1,237		▲ 30	2.4%
Oil WTI \$	51		▼ -8	-14.2%
Oil Brent \$	60		▼ -9	-13.3%
Iron Ore	70		▼ -7	-9.5%
Coal	98		▲ 4	3.7%

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**We deliver.**

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

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



# Freight Market

## Dry Bulkers - Spot Market

10<sup>th</sup> - 14<sup>th</sup> December 2018

**Capesize** – Firm activity witnessed in the Atlantic during last week helped rates to push upwards, with intense interest being seen from charterers for cargoes out of Brazil. Meanwhile, with the option of owners to ballast to the Atlantic looking ever more lucrative, it is anticipated that charterers in the Pacific will become ever more keen in covering their positions for the last couple of weeks of the year. With most of the routes gaining, the BCI closed the week 8% higher.

**Panamax** – The news that the grain trade between the US and China has been give a fair boost restarted after a long period characterized by high tensions between the two, overall sentiment improved. Despite that and the uptick in the activity witnessed, rates remained relatively stable. Only in ECSA and Indonesia, did we see an increase in rates.

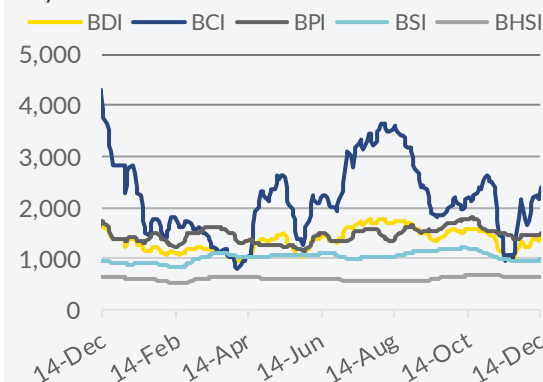
**Supramax** – Limited reported activity and signs of oversupply in many regions, such as Mediterranean added some weight on rates, was the overall aftertaste of the week. Yet, with increased enquiries from the US Gulf and Indonesia, overall rates were able to close the week on a positive note, with further gains in sight.

**Handysize** – Despite some increased activity reported out of ECSA, sentiment did not manage to show any improvement, leading rates for the majority of routes to even lower levels during this past week. Limited activity in Asia played its part in the noted decline, while the main disappointment was from the poor performance seen in the US Gulf. Under the pressure of all of this the BHSI fell by 1% on a week-on-week basis, closing at 617 basis points on Friday.

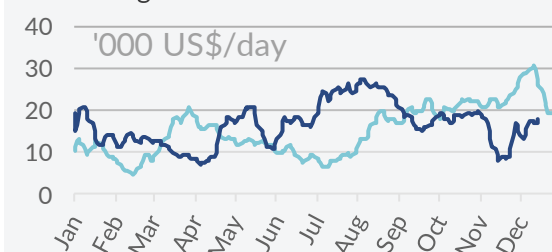
### Spot market rates & indices

		14 Dec	07 Dec	±%	Average 2018	2017
<b>Baltic Dry Index</b>						
BDI		1,401	1,372	2.1%	1,351	1,149
<b>Capesize</b>						
BCI		2,383	2,197	8.5%	2,099	2,094
BCI 5TC		\$ 17,704	\$ 17,219	2.8%	\$ 16,495	\$ 15,190
ATLANTIC RV		\$ 16,575	\$ 16,285	1.8%	\$ 16,599	\$ 15,774
Cont / FEast		\$ 29,886	\$ 29,591	1.0%	\$ 30,855	\$ 25,878
PACIFIC RV		\$ 21,267	\$ 21,688	-1.9%	\$ 16,273	\$ 14,983
FEast / ECSA		\$ 15,705	\$ 14,695	6.9%	\$ 16,396	\$ 14,537
<b>Panamax</b>						
BPI		1,478	1,469	0.6%	1,452	1,221
BPI - TCA		\$ 11,828	\$ 11,748	0.7%	\$ 11,644	\$ 9,794
ATLANTIC RV		\$ 13,330	\$ 13,525	-1.4%	\$ 12,013	\$ 10,140
Cont / FEast		\$ 20,045	\$ 20,133	-0.4%	\$ 19,027	\$ 15,918
PACIFIC RV		\$ 9,913	\$ 9,369	5.8%	\$ 10,772	\$ 9,195
FEast / Cont		\$ 4,022	\$ 3,964	1.5%	\$ 4,762	\$ 3,923
<b>Supramax</b>						
BSI		974	953	2.2%	1,032	846
BSI - TCA		\$ 11,273	\$ 11,018	2.3%	\$ 11,494	\$ 9,368
USG / FEast		\$ 27,078	\$ 26,361	2.7%	\$ 22,918	\$ 19,950
Med / FEast		\$ 23,068	\$ 23,550	-2.0%	\$ 19,403	\$ 15,733
PACIFIC RV		\$ 8,679	\$ 8,371	3.7%	\$ 10,300	\$ 8,054
FEast / Cont		\$ 4,470	\$ 4,500	-0.7%	\$ 6,551	\$ 4,503
USG / Skaw		\$ 22,696	\$ 22,363	1.5%	\$ 18,453	\$ 15,683
Skaw / USG		\$ 8,979	\$ 9,106	-1.4%	\$ 8,113	\$ 6,507
<b>Handysize</b>						
BHSI		617	625	-1.3%	597	525
BHSI - TCA		\$ 8,929	\$ 9,025	-1.1%	\$ 8,704	\$ 7,668
Skaw / Rio		\$ 8,560	\$ 8,578	-0.2%	\$ 7,514	\$ 6,455
Skaw / Boston		\$ 8,397	\$ 8,313	1.0%	\$ 7,470	\$ 6,539
Rio / Skaw		\$ 14,119	\$ 13,969	1.1%	\$ 11,762	\$ 10,699
USG / Skaw		\$ 11,718	\$ 12,557	-6.7%	\$ 10,676	\$ 9,310
SEAsia / Aus / Jap		\$ 7,264	\$ 7,304	-0.5%	\$ 8,069	\$ 7,199
PACIFIC RV		\$ 7,054	\$ 7,086	-0.5%	\$ 8,034	\$ 6,974

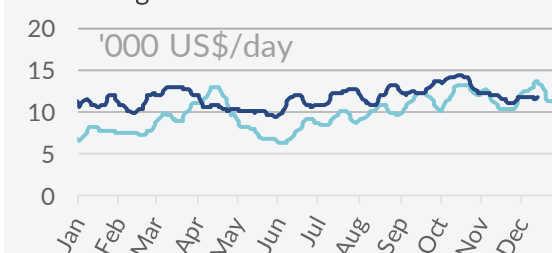
### Dry Bulk Indices



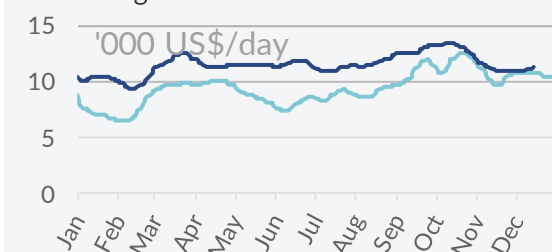
### BCI Average TCE



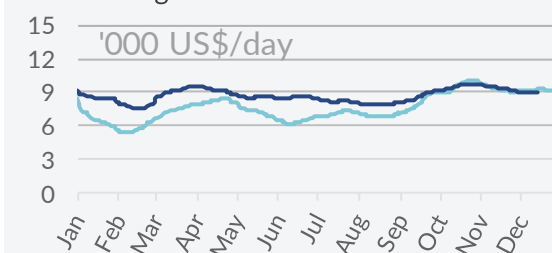
### BPI Average TCE



### BSI Average TCE



### BHSI Average TCE



— 2017 — 2018

# Freight Market

## Tankers - Spot Market

10<sup>th</sup> - 14<sup>th</sup> December 2018

**Crude Oil Carriers** – A fair correction was to be witnessed during the past week in the VL segment, as increased tonnage lists and moderate levels of demand in both the MEG and WAF led owners to concede to lower numbers. However, an uptick in activity is expected during the next couple of days, with activity likely to peak during the last week before the Christmas holidays. Earnings for Suezmax were also on a downward path, with some improvement being seen only in the Black Sea/Med due to persisting delays in the Turkish straits. Aframaxes were the only crude oil sector that followed a positive trend and fair gains were seen on most of the trade routes, beefed up by rising demand in the North Sea and US.

**Oil Products** – A mixed week for the DPP trade, with strong demand and short tonnage list being seen for another week in the Caribs, while the Far East remained sluggish and interest from charterers in Europe remained flat. On the CPP front, it was an overall quiet week, with activity becoming softer and tonnage list increasing, leading to slightly softer levels on most routes.

### Spot market rates & indices

		14 Dec	07 Dec	±%	Average	
					2018	2017
<b>Baltic Tanker Indices</b>						
BDTI		1,223	1,167	4.8%	786	788
BCTI		909	894	1.7%	572	608
<b>VLCC</b>						
MEG-USG	WS	36.05	38.45	-6.2%	23.79	29.32
	\$/day	\$ 6,090	\$ 7,519	-19.0%	-\$ 9,535	-\$ 2,206
MEG-SPORE	WS	85.63	94.71	-9.6%	56.55	59.86
	\$/day	\$ 48,084	\$ 54,976	-12.5%	\$ 29,628	\$ 45,754
MEG-JAPAN	WS	84.71	93.75	-9.6%	55.86	58.36
	\$/day	\$ 46,123	\$ 53,083	-13.1%	\$ 17,997	\$ 22,702
WAF-USG	WS	84.00	92.50	-9.2%	56.09	61.85
	\$/day	\$ 100,281	\$ 112,582	-10.9%	\$ 55,502	\$ 70,814
<b>SUEZMAX</b>						
WAF-USAC	WS	95.00	112.50	-15.6%	72.02	75.85
	\$/day	\$ 52,370	\$ 65,222	-19.7%	\$ 33,145	\$ 40,601
BSEA-MED	WS	130.83	160.11	-18.3%	93.74	87.57
	\$/day	\$ 41,030	\$ 58,679	-30.1%	\$ 15,646	\$ 12,767
<b>AFRAMAX</b>						
NSEA-CONT	WS	203.06	180.00	12.8%	108.86	101.90
	\$/day	\$ 67,349	\$ 53,576	25.7%	\$ 6,831	\$ 7,719
MEG-SPORE	WS	146.94	153.89	-4.5%	105.36	108.74
	\$/day	\$ 19,082	\$ 20,212	-5.6%	\$ 5,858	\$ 7,329
CARIBS-USG	WS	209.86	132.78	58.1%	130.38	121.64
	\$/day	\$ 36,206	\$ 12,971	179.1%	\$ 11,260	\$ 9,531
BALTIC-UKC	WS	169.17	145.00	16.7%	86.70	81.96
	\$/day	\$ 60,862	\$ 48,015	26.8%	\$ 11,306	\$ 10,019
<b>DPP</b>						
CARIBS-USAC	WS	205.00	150.00	36.7%	128.31	129.23
	\$/day	\$ 48,737	\$ 30,705	58.7%	\$ 22,468	\$ 26,317
ARA-USG	WS	154.38	139.69	10.5%	112.30	120.54
	\$/day	\$ 16,610	\$ 13,510	22.9%	\$ 8,711	\$ 25,637
SEASIA-AUS	WS	136.25	139.25	-2.2%	102.02	105.77
	\$/day	\$ 21,084	\$ 21,352	-1.3%	\$ 8,967	\$ 9,856
MED-MED	WS	211.39	199.28	6.1%	111.74	106.37
	\$/day	\$ 50,149	\$ 45,670	9.8%	\$ 10,610	\$ 9,426
<b>CPP</b>						
MEG-JAPAN	WS	178.13	186.56	-4.5%	103.73	106.84
	\$/day	\$ 28,998	\$ 30,504	-4.9%	\$ 8,573	\$ 9,016
CONT-USAC	WS	205.56	211.11	-2.6%	132.69	140.87
	\$/day	\$ 18,152	\$ 19,177	-5.3%	\$ 5,578	\$ 7,272
CARIBS-USAC	WS	235.00	235.00	0.0%	133.25	138.78
	\$/day	\$ 44,835	\$ 44,672	0.4%	\$ 18,558	\$ 22,286
USG-CONT	WS	196.25	205.00	-4.3%	101.65	105.91
	\$/day	\$ 17,353	\$ 18,814	-7.8%	\$ 1,510	\$ 2,859

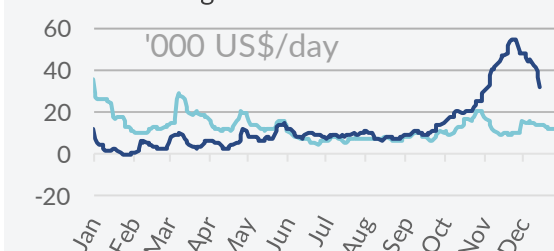
### Tanker Indices



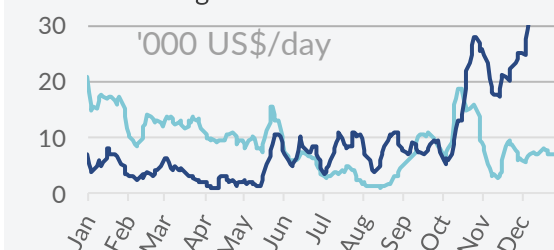
### VLCC Average TCE



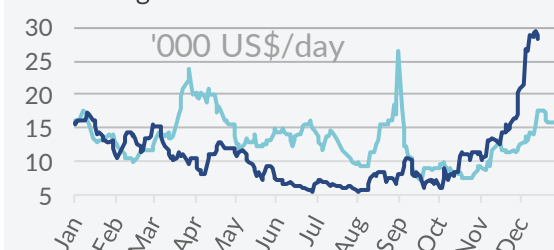
### Suezmax Average TCE



### Aframax Average TCE



### MR Average TCE



# Freight Market Period Charter

10<sup>th</sup> - 14<sup>th</sup> December 2018

## Dry Bulk period market TC rates

	14 Dec	09 Nov	±%	last 5 years		
				Min	Avg	Max
<b>Capesize</b>						
12 months	\$ 17,750	\$ 15,750	12.7%	\$ 6,200	\$ 15,171	\$ 31,450
36 months	\$ 17,000	\$ 16,250	4.6%	\$ 6,950	\$ 15,314	\$ 25,200
<b>Panamax</b>						
12 months	\$ 13,000	\$ 12,750	2.0%	\$ 4,950	\$ 10,110	\$ 15,450
36 months	\$ 12,250	\$ 12,500	-2.0%	\$ 6,200	\$ 10,436	\$ 15,325
<b>Supramax</b>						
12 months	\$ 12,500	\$ 12,750	-2.0%	\$ 4,450	\$ 9,772	\$ 13,950
36 months	\$ 12,750	\$ 12,750	0.0%	\$ 6,200	\$ 9,794	\$ 13,700
<b>Handysize</b>						
12 months	\$ 9,750	\$ 10,250	-4.9%	\$ 4,450	\$ 8,081	\$ 11,200
36 months	\$ 9,750	\$ 9,750	0.0%	\$ 5,450	\$ 8,240	\$ 10,450

## Latest indicative Dry Bulk Period Fixtures

M/V "ECOPRIDE G.O.", 81963 dwt, built 2013, dely Jingtang 19 Dec, \$12,000, for 3/5 months, to M2M

M/V "AQUAKNIGHT", 75395 dwt, built 2007, dely S China 01/10 Jan, \$12,000, for 12/14 months, to Koch

M/V "ECOSTAR G.O.", 75149 dwt, built 2007, dely Tianjin 19 Dec, \$11,000, for 3/5 months, to M2M

M/V "SM VISION", 176838 dwt, built 2008, dely Huanghua 15/17 Dec, \$16,100, for 3/5 months, KLC relet, to NYK

M/V "INDIA VISION", 81838 dwt, built 2011, dely Kemen 13 Dec, \$12,000, for 6/10 months, to M2M

## Tanker period market TC rates

	14 Dec	09 Nov	±%	last 5 years		
				Min	Avg	Max
<b>VLCC</b>						
12 months	\$ 33,000	\$ 30,000	10.0%	\$ 18,000	\$ 30,614	\$ 57,750
36 months	\$ 25,750	\$ 25,750	0.0%	\$ 22,000	\$ 30,749	\$ 45,000
<b>Suezmax</b>						
12 months	\$ 24,000	\$ 20,500	17.1%	\$ 15,250	\$ 23,059	\$ 42,500
36 months	\$ 19,500	\$ 19,500	0.0%	\$ 17,000	\$ 24,167	\$ 35,000
<b>Aframax</b>						
12 months	\$ 18,500	\$ 17,750	4.2%	\$ 13,000	\$ 18,330	\$ 30,000
36 months	\$ 17,500	\$ 17,000	2.9%	\$ 14,750	\$ 18,941	\$ 27,000
<b>MR</b>						
12 months	\$ 14,000	\$ 12,250	14.3%	\$ 12,000	\$ 14,727	\$ 21,000
36 months	\$ 14,250	\$ 14,250	0.0%	\$ 14,000	\$ 15,109	\$ 18,250

## Latest indicative Tanker Period Fixtures

M/T "BUNGA KASTURI DUA", 300000 dwt, built 2005, \$27,000, for 6 months trading, to KOCH

M/T "SHAMROCK", 157000 dwt, built 2011, \$19,000, for 9 months trading, to TRAFIGURA

M/T "ZENOVIA LADY", 112000 dwt, built 2009, \$16,000, for 9 months trading, to VITOL

M/T "FLAGSHIP VIOLET", 75000 dwt, built 2011, \$13,750, for 1 year trading, to TOTAL

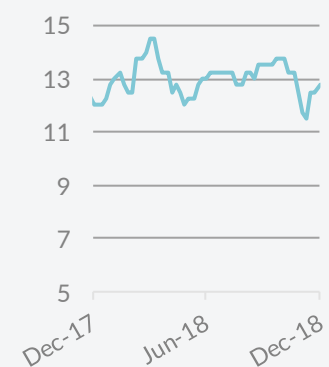
M/T "GALISSAS", 50000 dwt, built 2008, \$14,000, for 3 months trading, to BW MARITIME

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

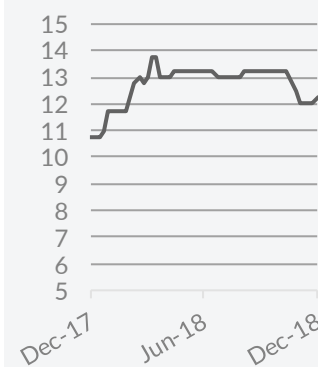
### Capesize



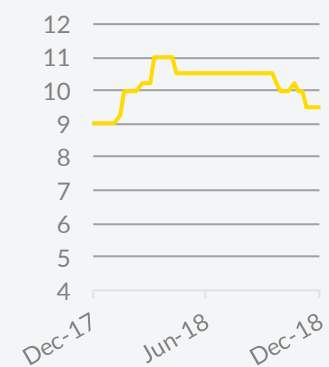
### Panamax



### Supramax



### Handysize

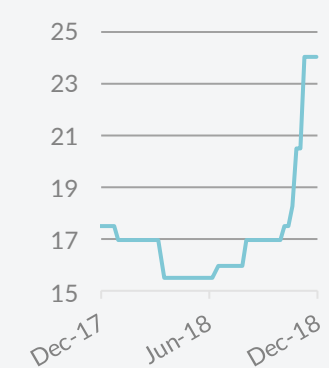


## Tanker 12 month period charter rates (USD '000/day)

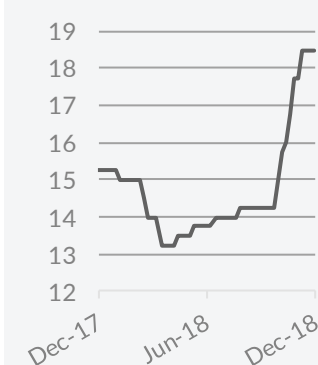
### VLCC



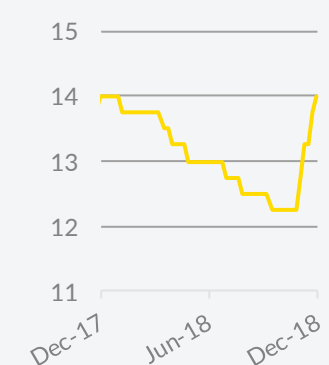
### Suezmax



### Aframax



### MR



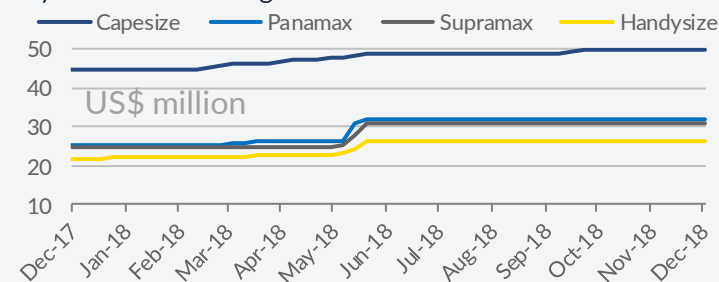


# Sale & Purchase Newbuilding Orders

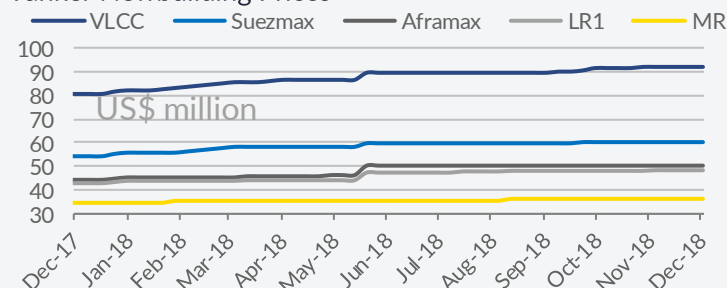
10<sup>th</sup> - 14<sup>th</sup> December 2018

An active week in the newbuilding market, with owners seemingly finalizing their new ordering plans before the start of the Christmas holidays, as reported activity improved in most market sectors. On the dry bulk side, interest was focused on the larger sizes, with four new orders for Newcastlemaxes being reported all at Chinese shipbuilders. At the same time we witnessed renewed interest in the Ultramax size segment with three new orders being reported, all by Far Eastern owners. With tensions between China and the US having apparently been alleviated for the time being, market participants expect sentiment to improve further during the first weeks of 2019, leading to new additions in the global orderbook. In the tanker sector, a single order was placed in the crude oil tanker segment, despite the increased appetite seen amongst owners after the freight rate rally witnessed over the last couple of months.

## Dry Bulk Newbuilding Prices



## Tanker Newbuilding Prices



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

	14 Dec	09 Nov	±%	last 5 years		
				Min	Avg	Max
<b>Dry Bulkers</b>						
Capesize (180,000dwt)	50.0	50.0	0.0%	41.8	48.1	58.0
Kamsarmax (82,000dwt)	33.0	33.0	0.0%	24.3	27.7	33.0
Panamax (77,000dwt)	32.0	32.0	0.0%	23.8	26.8	32.0
Ultramax (64,000dwt)	31.0	31.0	0.0%	22.3	25.5	31.0
Handysize (37,000dwt)	26.0	26.0	0.0%	19.5	21.9	26.0
<b>Container</b>						
Post Panamax (9,000teu)	82.5	82.5	0.0%	76.5	84.4	91.0
Panamax (5,200teu)	48.5	48.5	0.0%	48.0	52.5	58.5
Sub Panamax (2,500teu)	27.0	27.0	0.0%	26.0	29.3	33.0
Feeder (1,700teu)	21.5	21.5	0.0%	21.5	23.6	27.0

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

	14 Dec	09 Nov	±%	last 5 years		
				Min	Avg	Max
<b>Tankers</b>						
VLCC (300,000dwt)	92.5	92.5	0.0%	80.0	90.5	101.0
Suezmax (160,000dwt)	60.5	60.5	0.0%	53.0	59.5	66.0
Aframax (115,000dwt)	50.0	50.0	0.0%	43.0	49.2	55.0
LR1 (75,000dwt)	48.0	47.8	0.5%	40.5	44.1	48.0
MR (56,000dwt)	36.5	36.5	0.0%	32.5	34.9	37.3
<b>Gas</b>						
LNG 160k cbm	184.0	184.0	0.0%	184.0	194.6	200.0
LPG LGC 80k cbm	70.0	70.0	0.0%	70.0	73.5	80.0
LPG MGC 55k cbm	62.0	62.0	0.0%	62.0	64.5	68.5
LPG SGC 25k cbm	40.0	40.0	0.0%	40.0	42.3	45.5

### Reported Transactions

Type	Units	Size	Shipbuilder	Price	Buyer	Delivery	Comments
BULKER	1	208,000 dwt	NACKS, China	N/A	KUMIAI SENPAKU K.K., Japan	2020	
BULKER	1	63,500 dwt	TSUNEISHI, Japan	\$ 31.0m	WISDOM MARINE LINES, Taiwan	2020	
BULKER	1	61,000 dwt	DACKS, China	N/A	KUMIAI SENPAKU K.K., Japan	2020	
BULKER	2	59,990 dwt	TAIZHOU KOUAN SHIPBUILDING CO, China	N/A	Nanjing Twin Rivers, China	2020	
BULKER	2 + 2	210,000 dwt	NEW TIMES SB, China	\$ 54.0m	POLARIS SHIPPING, S. Korea	2020/2021	Scrubber fitted
BULKER	3 + 2	210,000 dwt	NEW TIMES SB, China	\$ 54.0m	H LINE SHIPPING, S. Korea	2020/2021	Scrubber fitted
BULKER	2	210,000 dwt	NEW TIMES SB, China	\$ 54.0m	PAN OCEAN, China	2020/2021	Scrubber fitted
TANKER	2 + 2	158,000 dwt	DAEHAN SB, S. Korea	N/A	ENESEL SA, Greece	2020/2021	
GAS	1	174,000 cbm	DSME, S. Korea	\$ 185.0m	MARAN GAS MARITIME, Greece	2021	

# Sale & Purchase Secondhand Sales

10<sup>th</sup> - 14<sup>th</sup> December 2018

On the dry bulk side, moderate activity was witnessed during this past week, with sentiment amongst buyers having improved given the recovery noted in freight rates these past couple of weeks. However, volatility in earnings for Capesize vessels has led many to shift their focus towards the smaller sizes, with activity this past week shared between Panamaxs, Supramaxes and Handysizes. Given that levels are expected to remain relatively buoyant for the remainder trading days of the year.

On the tanker side, a fair volume of transactions were reported during the past week, helped by the marked improvement in sentiment of late. Interest amongst buyers seems to be mainly focused on the products segment right now, with several MR and smaller product/chemical tankers changing hands. With the product trade being expected to rise due to the IMO 2020 regulation, interest for product tankers is likely to continue being strong over the following months.

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

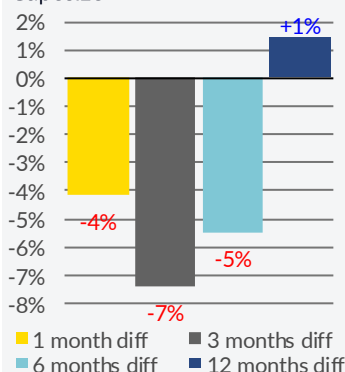
					last 5 years		
		14 Dec	09 Nov	±%	Min	Avg	Max
<b>Capesize</b>							
180k dwt	Resale	52.50	52.50	0.0%	34.5	46.7	65.0
180k dwt	5 year old	34.50	36.00	-4.2%	23.0	34.4	53.0
170k dwt	10 year old	24.50	24.50	0.0%	12.0	22.6	38.0
150k dwt	15 year old	15.50	15.50	0.0%	6.5	13.7	25.0
<b>Panamax</b>							
82k dwt	Resale	31.50	31.50	0.0%	22.5	28.6	34.0
82k dwt	5 year old	23.00	23.00	0.0%	11.5	19.8	28.0
76k dwt	10 year old	15.50	15.50	0.0%	7.3	13.5	23.0
74k dwt	15 year old	9.50	9.50	0.0%	3.5	8.6	14.5
<b>Supramax</b>							
62k dwt	Resale	28.50	28.50	0.0%	19.0	26.8	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	8.3	13.5
<b>Handysize</b>							
37k dwt	Resale	24.50	24.50	0.0%	17.0	21.7	26.0
37k dwt	5 year old	15.50	15.50	0.0%	7.8	14.6	21.0
32k dwt	10 year old	11.50	11.50	0.0%	6.0	10.4	16.0
28k dwt	15 year old	7.25	7.25	0.0%	3.5	6.5	11.0

## Indicative Tanker Values (US\$ million)

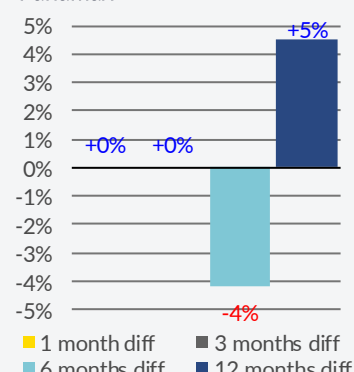
					last 5 years		
		14 Dec	09 Nov	±%	Min	Avg	Max
<b>VLCC</b>							
310k dwt	Resale	93.00	92.00	1.1%	80.0	91.4	105.0
310k dwt	5 year old	66.50	66.50	0.0%	55.0	68.0	84.0
250k dwt	10 year old	43.00	42.00	2.4%	34.5	45.1	59.0
250k dwt	15 year old	30.00	26.50	13.2%	18.7	28.1	41.0
<b>Suezmax</b>							
160k dwt	Resale	63.00	61.25	2.9%	53.0	61.9	73.0
150k dwt	5 year old	44.50	44.50	0.0%	38.0	47.6	62.0
150k dwt	10 year old	27.25	27.25	0.0%	24.0	32.1	44.5
150k dwt	15 year old	17.00	17.00	0.0%	14.0	18.5	23.0
<b>Aframax</b>							
110k dwt	Resale	47.50	47.25	0.5%	39.0	48.2	57.0
110k dwt	5 year old	32.50	31.50	3.2%	27.0	35.4	47.5
105k dwt	10 year old	21.00	19.50	7.7%	17.0	23.1	33.0
105k dwt	15 year old	11.25	11.25	0.0%	8.0	13.2	20.0
<b>MR</b>							
52k dwt	Resale	37.00	36.75	0.7%	33.0	36.1	39.0
52k dwt	5 year old	27.50	27.25	0.9%	23.0	26.2	31.0
45k dwt	10 year old	16.00	15.00	6.7%	14.5	17.6	21.0
45k dwt	15 year old	9.25	9.25	0.0%	9.0	10.8	13.5

## Price movements of 5 year old Dry Bulk assets

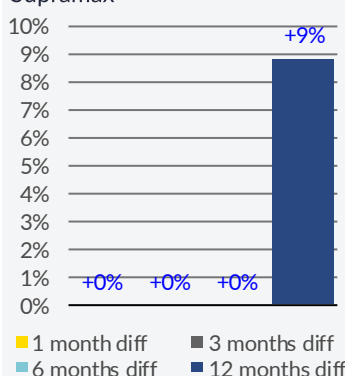
### Capesize



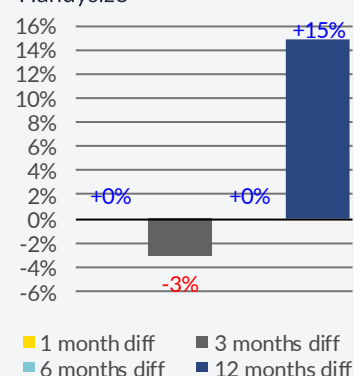
### Panamax



### Supramax

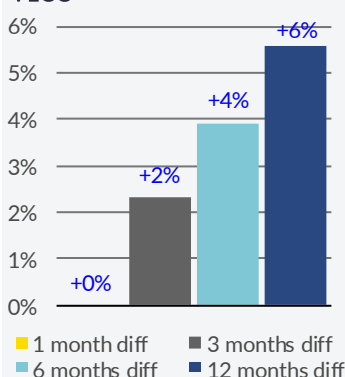


### Handysize

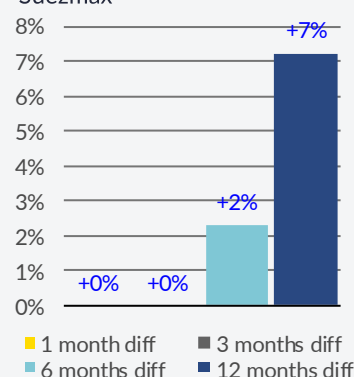


## Price movements of 5 year old Tanker assets

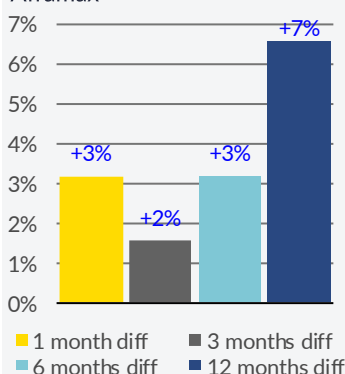
### VLCC



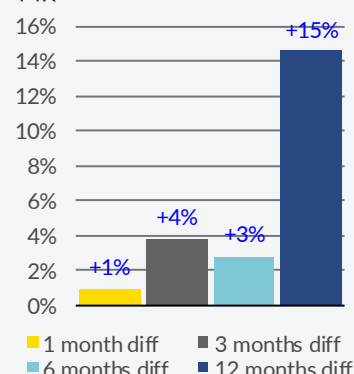
### Suezmax



### Aframax



### MR



# Sale & Purchase

## Secondhand Sales

10<sup>th</sup> - 14<sup>th</sup> December 2018

Tankers									
Size	Name	Dwt	Built	Shipbuilder	M/E	Coating	Price	Buyers	Comments
MR	MORNING HARUKA	47,407	2005	ONOMICHI, Japan	B&W	EPOXY Coated	\$ 10.5m	Greek - Econav	
MR	AYESHA	47,134	2008	HYUNDAI MIPO, S. Korea	MAN-B&W	EPOXY Coated	xs \$ 16.0m	undisclosed	
MR	FALCON GRACE	46,475	1999	DAEDONG CHINHAE, S. Korea	B&W	EPOXY PHEN	\$ 5.8m	undisclosed	SS/DD due Feb '19
MR	FALCON VICTORY	46,473	1999	DAEDONG CHINHAE, S. Korea	B&W		\$ 5.8m		SS/DD due March '19
PROD/CHEM	TOPAZ-T	13,966	2009	SELAH, Turkey	Yanmar	EPOXY PHEN	\$ 9.0m	Canadian - McKeil Marine	
PROD/CHEM	TURQUOISE-T	13,947	2008	GISAN, Turkey	Yanmar	EPOXY PHEN	\$ 8.5m		
Bulk Carriers									
Size	Name	Dwt	Built	Shipbuilder	M/E	Gear	Price	Buyers	Comments
PMAX	SEATRIBUTE	81,642	2012	DAEWOO SB/ME, S. Korea	MAN-B&W		\$ 20.3m	Chinese	bss dely FE March/April 2019
PMAX	TINA	75,933	2000	KANASASHI HEAVY TOYOKA, Japan	B&W		\$ 5.8m	Chinese	auction sale
PMAX	JANNA S	75,200	2010	PENGLAI ZHONGBAI JINLU, China	MAN-B&W		\$ 10.5m	undisclosed	history of crankshaft issues, bank deal
SMAX	JIN QUAN	51,104	2002	OSHIMA SHIPBUILDING, Japan	B&W	4 X 30t CRANES	\$ 6.9m	Boa Fortune	
SMAX	ZEBRA WIND	50,820	2009	OSHIMA SHIPBUILDING, Japan	MAN-B&W	4 X 30t CRANES	N/A	undisclosed	box-shaped
HANDY	CORAL OCEAN	31,989	2012	MURORAN DOCK, Japan	Mitsubishi	4 X 30t CRANES	\$ 14.1m	Turkish	
Gas Carriers									
Size	Name	Dwt	Built	Shipbuilder	M/E	CBM	Price	Buyers	Comments
LPG	LPG SCORPIO	58,814	2003	HYUNDAI HEAVY INDUSTRI, S. Korea	MAN-B&W	80,530	N/A	Chinese	
Ferries									
Type	Name	Pax	Built	Shipbuilder	M/E	LOA(m)	Price	Buyers	Comments
Ro-Ro/Passenger	CALIFORNIA STAR	1,000	2001	VISENTINI CANTIERE NAV, Italy	MAN	\$ 186.5m	N/A	Italian - Adria Ferries	

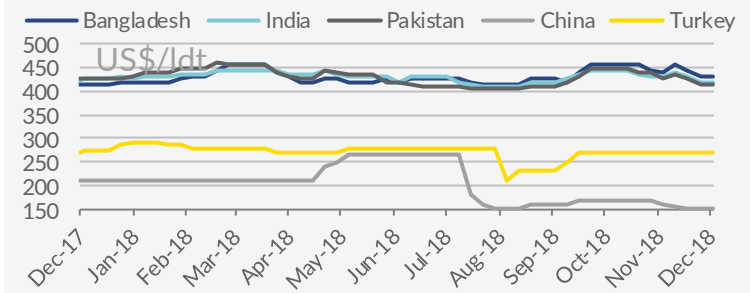
# Sale & Purchase

## Demolition Sales

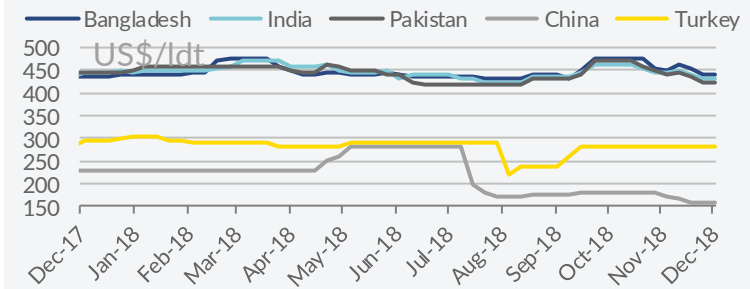
10<sup>th</sup> - 14<sup>th</sup> December 2018

Another quiet week for the demolition market, as the improvement in freight rates witnessed across most market sectors has led most owners to reconsider any retirement strategy for their tonnage and essentially leading them to retain any vessels that could at this point in time be considered vintage. Given the increased optimism now being noted this should also lead to most looking to take advantage of the increased earnings at least for the majority of 2019. During the past week, there has been no notable reported activity in the dry bulk sector, while regarding tankers, a single Aframax was sent to to be beached. With regards to scrapping destinations, political turmoil in India, as well as the low local steel prices did not leave place for much maneuvering from local end buyers. At the same time, the weak Pakistani rupee against the US dollar did not allow for any luring price levels to be seen there either, leaving as such only Bangladesh as the main healthy option within the Indian Sub-Continent. In Turkey, local steel prices declined for yet another week, and despite the fact that the Turkish lira remained steady, interest from cash buyers did not seem to show any rise during the past week.

### Dry Scrap Prices



### Wet Scrap Prices



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

		14 Dec	07 Dec	±%	last 5 years		
					Min	Avg	Max
<b>Indian Sub Continent</b>							
	Bangladesh	430	430	0.0%	220	377	475
	India	420	420	0.0%	225	378	500
	Pakistan	415	415	0.0%	220	376	475
<b>Far East Asia</b>							
	China	150	150	0.0%	110	238	395
<b>Mediterranean</b>							
	Turkey	270	270	0.0%	145	248	355

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

		14 Dec	07 Dec	±%	last 5 years		
					Min	Avg	Max
<b>Indian Sub Continent</b>							
	Bangladesh	440	440	0.0%	245	396	490
	India	430	430	0.0%	250	397	510
	Pakistan	425	425	0.0%	245	396	500
<b>Far East Asia</b>							
	China	160	160	0.0%	120	254	405
<b>Mediterranean</b>							
	Turkey	280	280	0.0%	150	258	355

#### Reported Transactions

Type	Vessel's Name	Dwt	Built	Country	Built	Ldt	US\$/Ldt	Buyer	Sale Comments
Gas	TENAGA LIMA	72,083	1981	France		29,492	\$ 453/Ldt	Bangladeshi	
Tanker	BUNGA KELANA 6	105,811	1999	S. Korea		17,064	N/A	Bangladeshi	
Offsh	DIAVLOS PRIDE	2,100	1980	S. Korea		-	N/A	Turkish	
S. Cargo	LENI	2,764	1980	Netherlands		-	N/A	Turkish	



# Trade Indicators

## Markets | Currencies | Commodities

10<sup>th</sup> - 14<sup>th</sup> December 2018

STX Offshore & Shipbuilding says it has secured refund guarantees for three 50,000-dwt medium-range (MR) products tanker newbuilding orders.

They have been secured from the state-owned Korean Development Bank (KDB)

The shipbuilder did not disclose the identity of the firm behind the orders, which is widely believed to be Pacific Carriers Ltd (PCL).

Last week, TradeWinds reported that PCL was close to signing a series of MR ships with the Chinhai-based shipyard.

The Singapore-based shipowner is said to be paying between \$35m and \$36m each for the IMO Tier II compliant vessels with delivery slated for late 2020. PCL's order includes two option vessels.

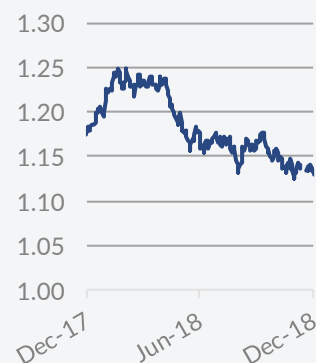
PCL's order is the fourth newbuilding contract STX Shipbuilding has secured this year.

Greek shipowners Patheon Tankers and Ocean Gold and domestic owner Woolim Shipping have also ordered newbuildings. Source: Tradewinds

	14 Dec	09 Nov	±%	last 12 months		
				Min	Avg	Max
<b>Markets</b>						
10year US Bond	2.89	3.19	-9.4%	2.35	2.89	3.23
S&P 500	2,600.0	2,781.0	-6.5%	2,581	2,753	2,931
Nasdaq	6,910.7	7,406.9	-6.7%	6,777	7,437	8,110
Dow Jones	24,100.5	25,989.3	-7.3%	23,533	25,112	26,828
FTSE 100	6,845.2	7,105.3	-3.7%	6,704	7,404	7,877
FTSE All-Share UK	3,733.0	3,901.7	-4.3%	3,672	4,073	4,324
CAC40	4,853.7	5,106.8	-5.0%	4,742	5,323	5,640
Xetra Dax	10,865.8	11,529.2	-5.8%	10,622	12,377	13,560
Nikkei	21,374.8	22,250.3	-3.9%	20,618	22,421	24,271
Hang Seng	26,094.8	25,601.9	1.9%	2,619	28,985	33,154
DJ US Maritime	226.7	249.5	-9.2%	208.1	262.4	306.3
<b>Currencies</b>						
\$ per €	1.13	1.13	-0.4%	1.13	1.18	1.25
\$ per £	1.26	1.30	-3.5%	1.26	1.34	1.43
£ per €	0.90	0.87	3.2%	0.00	0.88	0.91
¥ per \$	113.5	113.9	-0.4%	105.0	110.5	114.1
\$ per Au\$	0.72	0.72	-1.0%	0.70	0.75	0.81
\$ per NoK	0.12	0.12	-2.4%	0.12	0.12	0.13
\$ per SFr	1.00	1.01	-1.0%	0.92	0.98	1.01
Yuan per \$	6.90	6.95	-0.7%	6.26	6.60	6.97
Won per \$	1,133.6	1,127.6	0.5%	1,055.0	1,098.0	1,143.5
\$ INDEX	97.4	96.9	0.5%	93.9	97.4	101.4
<b>Commodities</b>						
Gold \$	1,236.5	1,207.0	2.4%	1,161.4	1,268.6	1,355.0
Oil WTI \$	50.8	59.3	-14.2%	50.1	65.2	74.9
Oil Brent \$	59.9	69.1	-13.3%	58.4	71.9	84.3
Palm Oil	-	-	-	562.0	562.0	562.0
Iron Ore	69.9	77.3	-9.5%	62.5	69.7	80.0
Coal Price Index	98.0	94.5	3.7%	85.5	98.1	109.0
White Sugar	343.7	346.8	-0.9%	305.0	345.8	399.3

### Currencies

#### US Dollar per Euro



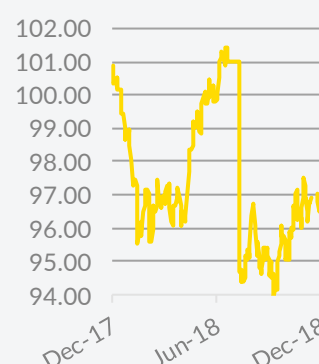
#### Yen per US Dollar



#### Yuan per US Dollar

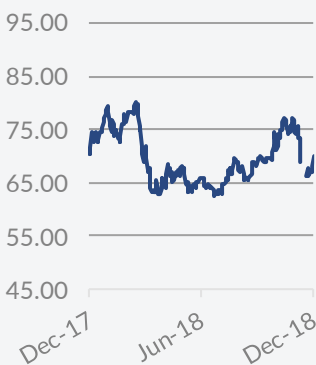


#### US Dollar INDEX

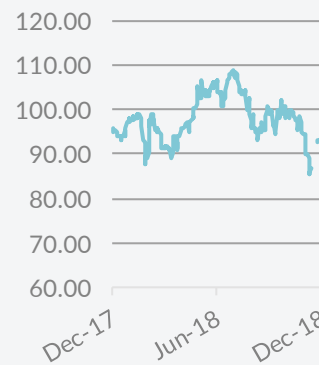


### Commodities

#### Iron Ore (TSI)



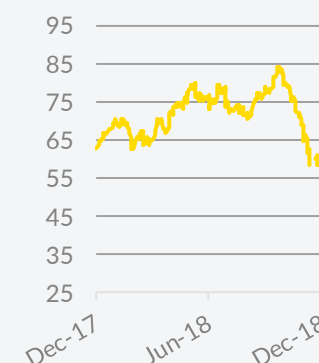
#### Coal Price Index



#### Oil WTI \$



#### Oil Brent \$



# Contact Details



10<sup>th</sup> - 14<sup>th</sup> December 2018 | Week 50

## ALLIED SHIPBROKING INC.

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

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

## ALLIED CHARTERING S.A.

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

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

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

### Sale & Purchase

#### AERAKIS GEORGE

MOBILE: +30 6946 04 57 37

#### BOLIS ILIAS

MOBILE: +30 6937 02 65 00

#### DASKALAKIS GEORGE

MOBILE: +30 6932 24 80 07

#### DRAKOGIANNOPOULOS STAVROS

MOBILE: +30 6932 20 15 65

#### DRAKOGIANNOPOULOS SAKIS

MOBILE: +30 6944 88 58 08

#### FRANGOS HARRIS

MOBILE: +30 6936 57 67 00

#### HADJINASSIOS CHRISTOS

MOBILE: +30 6972 14 17 80

#### KLONIZAKIS JOHN

MOBILE: +30 6948 50 55 81

#### KOSTOYANNIS JOHN

MOBILE: +30 6932 43 39 99

#### MANOLAS NIKOLAS

MOBILE: +30 6940 63 22 56

#### MOISSOGLOU THEODOROS

MOBILE: +30 6932 45 52 41

#### PAPAIOANNOU ANTONIS

MOBILE: +30 6936 54 80 22

#### PAPOUIS THASSOS

MOBILE: +30 6944 29 49 89

#### PRACHALIAS ARGIRIS

MOBILE: +30 6947 62 82 62

#### SKOURTIS GEORGE

MOBILE: +30 6936 93 62 12

#### STASSINAKIS JOHN

MOBILE: +30 6972 60 92 09

#### TSALPATOUROS COSTIS

MOBILE: +30 6932 20 15 63

#### VARVAROS PLUTON

MOBILE: +30 6937 25 15 15

### Maritime Research & Valuations

#### CHASAPIS THOMAS

MOBILE: +30 6947 82 91 72

#### LAZARIDIS GEORGE

MOBILE: +30 6946 95 69 40

#### VAMVAKAS YIANNIS

MOBILE: +30 6942 94 71 87

### Dry Cargo Chartering

#### ALEXOPOULOS PANOS

MOBILE: +30 6944 34 66 15

#### ARGYRI MARINA

MOBILE: +30 6983 11 32 98

#### DAOULAS SPYROS

MOBILE: +30 6932 27 88 40

#### FLOURIS DIMITRIS

MOBILE: +30 6937 81 32 39

#### KAILAS VAGGELIS

MOBILE: +30 6942 48 05 69

#### KANELLOS DIMITRIS

MOBILE: +30 6945 07 47 85

#### KAPPA ANGELIKI

MOBILE: +30 6975 85 60 84

#### KARAMANIS COSTAS

MOBILE: +30 6941 54 14 65

#### PATELIS DIMITRIS

MOBILE: +30 6944 04 43 61

#### THEODOTOS ARISTOFANIS

MOBILE: +30 6951 79 82 89

#### TSALPATOUROU ANASTASIA

MOBILE: +30 6951 79 82 91

#### TSALPATOUROU MARGARITA

MOBILE: +30 6934 74 22 16

### Tanker Chartering

#### FLOURIS JOHN

MOBILE: +30 6955 80 15 03

#### FOUROULI STELLA

MOBILE: +30 6947 35 68 48

#### PAPANTONOPOULOS NICOLAS

MOBILE: +30 6945 23 21 88

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

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



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## Appendix

Aggregate Price Index quoted on the first page for both Newbuilding and Secondhand relates to the current average prices levels compared to where they stood at 1st January 2010 (i.e. index 100 = 01/01/2010)

Demolition market average price index refers to the combination of the average prices currently offered in the Indian Sub-Continent, Far East and Mediterranean.

Period rates currently relate to Capesize of 180,000dwt, Panamax of 76,000dwt, Supramax of 56,000dwt and Handysize of 33,000dwt on the Dry Bulk side and VLCC of 250,000dwt, Suezmax of 150,000dwt, Aframax of 115,000dwt and MR of 52,000dwt on the Tankers side respectively.

In terms of Secondhand Asset Prices their levels are quoted based on following description:

	Resale	5 year old	10 year old	15 year old
Capesize	180,000dwt	180,000dwt	170,000dwt	150,000dwt
Panamax	82,000dwt	82,000dwt	76,000dwt	74,000dwt
Supramax	62,000dwt	58,000dwt	56,000dwt	52,000dwt
Handysize	37,000dwt	32,000dwt	32,000dwt	28,000dwt
VLCC	310,000dwt	310,000dwt	250,000dwt	250,000dwt
Suezmax	160,000dwt	150,000dwt	150,000dwt	150,000dwt
Aframax	110,000dwt	110,000dwt	105,000dwt	95,000dwt
MR	52,000dwt	45,000dwt	45,000dwt	45,000dwt

All vessels built to European specifications by top Japanese shipbuilders, with dwt size based on the below table.

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