

Weekly Shipping Market Update



22nd - 28th June 2020 | Week 26

Market Analysis

While the Covid-19 pandemic seems to be escalating once more, the global markets seem to be heading back into shock and uncertainty. Despite though the overall disarray in global economic conditions, the dry bulk sector has set upon it a completely different trajectory during the past month or so. Has this been down to a change of pace to be further seen in the market over the coming months, or a simple asymmetrical distribution of activity, with no clear indication of the direction moving forward? The dry bulk market has under a relatively excessive upward rally during these past few weeks, mainly due to the steep positive momentum and activity in the bigger size segment. The BCI 5TC almost touched the US\$ 30,000/day during the latter half of the previous week, a level not seen in the market since the onset of the final quarter of 2019. Given that year-to-date the average figure posted is below the US\$ 7,000/day mark, while m-o-m this index grew almost 9-fold(!), it seems hard to believe that the overall market conditions could have changed so rapidly. Witnessing such a level of disconnect in the market between such close consecutive time frames, it is only reasonable that most have embraced this change with some sort of "hesitation". After all, given how fragile and volatile the current market fundamentals are, the chances of such a mere positive shock to last and leave its positive mark are very low at this point. It looks as though we are experience another (but positive one this time!) "dissonance" derived both by the mechanisms themselves within the shipping industry and the unique circumstances the global economy has been under since the outbreak of the Coronavirus pandemic. Regardless of the reasoning behind this, either it be a sudden positive shock in fundamentals from the demand side or as part of the amassed cargo volumes due to the disruptions that have taken place earlier on in the year, the recovery of late has been a fair "breather", both in terms of sentiment and liquidity. This is especially important now given the prolonged period noted in which freight earnings have been close to (or even below) OPEX levels. This positive momentum has been even more emphatically portrayed in the derivatives market, with closing numbers in different FFA contracts noticing a hefty jump (especially for those with short-term duration). Even more impressive has been the 12.1% m-o-m increase in FFA contracts of the forward year 2021 and the 5.9% increase for 2022. One wonders however, to what extent can these improvements noted in forward sentiment be driven by the current macroeconomic environment. Some could argue that the different dynamics (as liquidity) in this sub-market are often prone to creating many exaggerations, with a swift change in short-term trends often amplifying this effect further. It is no surprise therefore that during the past couple of months we have seen a steep correction in the trends being portrayed in the futures market.

All-in-all, despite the obvious link between higher returns and improved sentiment in the market, the key factor to look for at this point is the potential duration of these better returns. A longer period of good market rates (even if not impressive), will be of great help in erasing some of the excessive "noise" noted in the market and channeled adequately to all aspects of the market. In other words, the market needs to rebalance itself, even if this means to adapt to a relatively "mediocre" state for a while. At that point, we can potentially experience less disconnect with the FFA market or even note a more robust SnP market with a tighter bid-ask spread in asset price levels.

Thomas Chasapis
Research Analyst

Week in numbers

Dry Bulk Freight Market

	26 Jun		W-O-W change	
			±Δ	±%
BDI	1,749		▲ 194	12.5%
BCI	4,219		▲ 400	10%
BPI	1,256		▲ 78	6.6%
BSI	678		▲ 21	3.2%
BHSI	389		▲ 26	7.2%

Tanker Freight Market

	26 Jun		W-O-W change	
			±Δ	±%
BDTI	467		▼ -42	-8.3%
BCTI	407		▲ 6	1.5%

Newbuilding Market

Aggregate Price Index	26 Jun		M-O-M change	
			±Δ	±%
Bulkers	89		▼ -5	-5.5%
Cont	94		▶ 0	0.0%
Tankers	98		▼ 0	-0.4%
Gas	91		▶ 0	0.0%

Secondhand Market

Aggregate Price Index	26 Jun		M-O-M change	
			±Δ	±%
Capesize	53		▼ -1	-1.0%
Panamax	57		▼ -1	-1.1%
Supramax	56		▼ -2	-3.8%
Handysize	61		▼ -3	-4.4%
VLCC	98		▼ -7	-6.8%
Suezmax	87		▼ -6	-6.4%
Aframax	111		▼ -10	-8.0%
MR	116		▼ -9	-6.8%

Demolition Market

Avg Price Index (main 5 regions)	26 Jun		W-O-W change	
			±Δ	±%
Dry	268		▼ -3	-0.9%
Wet	276		▼ -3	-0.9%

Economic Indicators

	26 Jun		M-O-M change	
			±Δ	±%
Gold \$	1,754		▲ 32	1.8%
Oil WTI \$	38		▲ 7	23.0%
Oil Brent \$	40		▲ 7	20.1%
Iron Ore	104		▲ 8	7.7%
Coal	51		▼ -3	-5.6%

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Freight Market

Dry Bulkers - Spot Market

22nd - 28th June 2020

Capesize - The recent rally noted has not come to an end just yet, with the BCI 5TC almost touching the US\$ 30,000/day last week, posting a w-o-w rise of 16.2%. Atlantic basin was the key driver this past week, with less and less vessels being available due to the increased activity in iron ore from Brazil. Given the improved sentiment and the demand surpassing the supply side of things at the moment, it is likely that we will continue viewing earnings hold on a positive track.

Panamax - The positive momentum resumed here too as well, with the BPI climbing to 1,256bp last week, gaining by 6.6% on a week. The gradual improvement of demand in the Atlantic basin helped ease some of the previous pressure that was being noted in terms of position lists, while allowing owners to push for higher freight rates, while a series of fresh cargoes from Indonesia and Australia boosted the market in Pacific as well.

Supramax - In line with the bigger size segments, the market moved upwards here as well, with the BSI posting a growth of 3.2% on a weekly basis, reaching 678bp. The robust demand and the short tonnage lists noted in the Atlantic provided fuel to boost freight earnings. However, market participants started to see some of the quoted levels in the Pacific being trimmed slightly due to the slow-down witnessed there.

Handysize - Another positive week for the Handysize segment, with the BHSI TCA surpassing the US\$ 7,000/day for the first time during the second quarter. The freight rate boost was mainly sourced from the increased number of enquiries noted in the US Gulf and the east coast of South America.

Spot market rates & indices

		26 Jun	19 Jun	±%	Average 2020	2019
Baltic Dry Index						
BDI		1,749	1,555	12.5%	667	1,344
Capesize						
BCI		4,219	3,819	10.5%	547	2,241
BCI 5TC		\$ 29,641	\$ 25,511	16.2%	\$ 6,819	\$ 17,854
ATLANTIC RV		\$ 29,825	\$ 23,850	25.1%	\$ 7,222	\$ 18,271
Cont / FEast		\$ 49,015	\$ 40,900	19.8%	\$ 19,723	\$ 34,767
PACIFIC RV		\$ 29,396	\$ 25,396	15.8%	\$ 6,613	\$ 16,987
FEast / ECSA		\$ 26,623	\$ 24,636	8.1%	\$ 6,384	\$ 17,040
Panamax						
BPI		1,256	1,178	6.6%	797	1,384
BPI - TCA		\$ 11,306	\$ 10,603	6.6%	\$ 7,166	\$ 11,090
ATLANTIC RV		\$ 12,375	\$ 9,975	24.1%	\$ 5,269	\$ 11,245
Cont / FEast		\$ 18,891	\$ 17,841	5.9%	\$ 14,402	\$ 19,398
PACIFIC RV		\$ 9,886	\$ 9,343	5.8%	\$ 6,226	\$ 9,804
FEast / Cont		\$ 2,048	\$ 1,956	4.7%	\$ 1,420	\$ 3,844
Supramax						
BSI		678	657	3.2%	545	877
BSI - TCA		\$ 7,460	\$ 7,230	3.2%	\$ 5,994	\$ 9,914
USG / FEast		\$ 16,878	\$ 16,478	2.4%	\$ 16,233	\$ 21,136
Med / Feast		\$ 12,950	\$ 12,179	6.3%	\$ 14,375	\$ 18,182
PACIFIC RV		\$ 7,257	\$ 7,321	-0.9%	\$ 5,345	\$ 8,890
FEast / Cont		\$ 2,710	\$ 2,530	7.1%	\$ 1,693	\$ 4,651
USG / Skaw		\$ 10,950	\$ 10,569	3.6%	\$ 9,969	\$ 14,664
Skaw / USG		\$ 4,278	\$ 3,719	15.0%	\$ 4,891	\$ 7,590
Handysize						
BHSI		389	363	7.2%	325	490
BHSI - TCA		\$ 7,008	\$ 6,533	7.3%	\$ 5,841	\$ 7,178
Skaw / Rio		\$ 4,336	\$ 3,857	12.4%	\$ 5,325	\$ 6,081
Skaw / Boston		\$ 5,018	\$ 4,514	11.2%	\$ 5,648	\$ 6,504
Rio / Skaw		\$ 9,278	\$ 8,222	12.8%	\$ 8,486	\$ 10,511
USG / Skaw		\$ 6,494	\$ 5,656	14.8%	\$ 7,314	\$ 7,901
SEAsia / Aus / Jap		\$ 8,394	\$ 8,121	3.4%	\$ 5,208	\$ 6,713
PACIFIC RV		\$ 7,344	\$ 7,186	2.2%	\$ 4,922	\$ 6,500

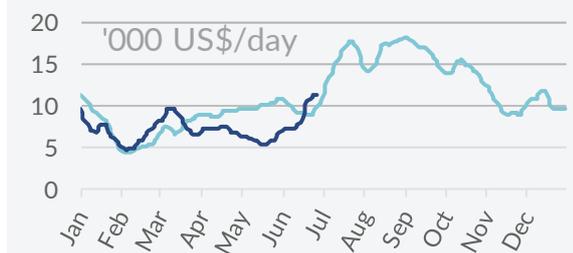
Dry Bulk Indices



BCI Average TCE



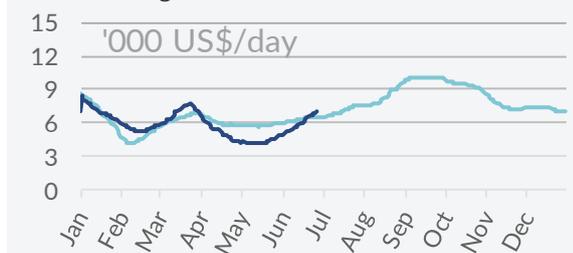
BPI Average TCE



BSI Average TCE



BHSI Average TCE



— 2019 — 2020

Freight Market

Tankers - Spot Market

22nd - 28th June 2020

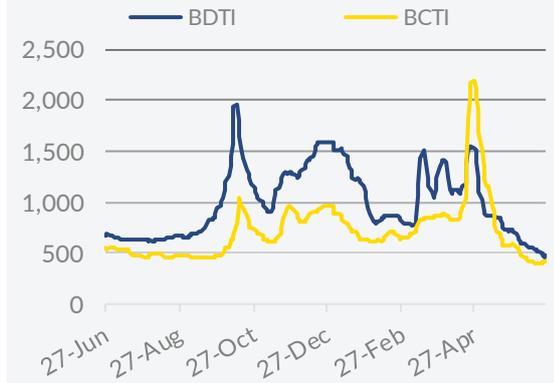
Crude Oil Carriers - The Crude oil tanker market seems to have entered into a declining spiral as of late, with the BDTI posting another fall of 8.3% this past week. In the VL front, a sharp drop was noted in rates due to the anemic demand in the key regions of the MEG and WAF as well as in the US Gulf. In the Suezmax segment, the fall noted was not as severe, with the TCE falling to US\$7,716/day. The initial lack of fresh enquiries rebalanced somehow during the latter part of the week, helping cut losses. In the Aframaxes, the freight market was also softening last week. Losses were mainly due to the limited activity in the Med and US Gulf, while these losses were capped by an improved demand in the Baltic/UKC.

Oil Products - A poor week for the DPP trade, as activity in the Med and Continent remained weak, giving charterers the opportunity to push for lower rates. The only positive tone last week was the seen on the CARIBS-USAC trade. On the CPP front, it was also a negative week overall, with gains being seen only on the USG-CONT route, where increased activity gave a boost in rates.

Spot market rates & indices

		26 Jun	19 Jun	±%	Average	
					2020	2019
Baltic Tanker Indices						
	BDTI	467	509	-8.3%	999	867
	BCTI	407	401	1.5%	802	613
VLCC						
MEG-USG	WS	23.23	31.23	-25.6%	59.16	33.64
	\$/day	\$ 8,639	\$ 19,586	-55.9%	\$ 56,196	\$ 9,554
MEG-SPORE	WS	37.46	56.67	-33.9%	92.84	67.71
	\$/day	\$ 24,476	\$ 47,333	-48.3%	\$ 87,629	\$ 42,767
MEG-JAPAN	WS	36.38	55.46	-34.4%	90.78	66.61
	\$/day	\$ 21,923	\$ 44,666	-50.9%	\$ 84,159	\$ 40,235
WAF-USG	WS	39.00	58.00	-32.8%	89.59	67.44
	\$/day	\$ 37,942	\$ 65,833	-42.4%	\$ 110,618	\$ 75,602
SUEZMAX						
WAF-USAC	WS	37.50	40.00	-6.3%	101.42	86.38
	\$/day	\$ 12,661	\$ 14,103	-10.2%	\$ 58,437	\$ 46,081
BSEA-MED	WS	50.03	50.39	-0.7%	111.93	103.20
	\$/day	\$ 3,391	\$ 3,273	3.6%	\$ 47,509	\$ 30,981
AFRAMAX						
NSEA-CONT	WS	74.38	72.50	2.6%	126.50	117.06
	\$/day	\$ 2,709	\$ 1,265	114.2%	\$ 35,694	\$ 23,410
MEG-SPORE	WS	58.61	60.28	-2.8%	133.43	127.42
	\$/day	\$ 5,150	\$ 5,301	-2.8%	\$ 29,946	\$ 19,343
CARIBS-USG	WS	65.63	70.00	-6.2%	168.41	127.91
	\$/day	\$ 4,673	\$ 5,992	-22.0%	\$ 41,561	\$ 19,566
BALTIK-UKC	WS	44.06	42.50	3.7%	105.06	95.59
	\$/day	\$ 498	\$ 696	171.6%	\$ 37,035	\$ 25,348
DPP						
CARIBS-USAC	WS	80.00	80.00	0.0%	188.22	151.03
	\$/day	\$ 10,988	\$ 10,656	3.1%	\$ 44,245	\$ 31,394
ARA-USG	WS	59.29	66.14	-10.4%	125.87	116.63
	\$/day	\$ 3,278	\$ 5,002	-34.5%	\$ 21,213	\$ 12,425
SEASIA-AUS	WS	57.50	62.50	-8.0%	123.91	115.83
	\$/day	\$ 5,597	\$ 7,174	-22.0%	\$ 29,963	\$ 20,048
MED-MED	WS	56.75	59.84	-5.2%	118.10	117.21
	\$/day	\$ 1,371	\$ 2,546	-46.2%	\$ 29,999	\$ 21,651
CPP						
MEG-JAPAN	WS	78.13	85.00	-8.1%	173.26	119.65
	\$/day	\$ 14,457	\$ 16,495	-12.4%	\$ 45,246	\$ 19,065
CONT-USAC	WS	81.67	85.28	-4.2%	164.29	133.65
	\$/day	\$ 5,920	\$ 6,424	-7.8%	\$ 20,506	\$ 10,590
CARIBS-USAC	WS	105.00	110.00	-4.5%	168.95	131.01
	\$/day	\$ 14,365	\$ 15,381	-6.6%	\$ 29,021	\$ 19,249
USG-CONT	WS	65.36	57.86	13.0%	118.92	94.94
	\$/day	\$ 3,237	\$ 1,567	106.6%	\$ 12,691	\$ 4,402

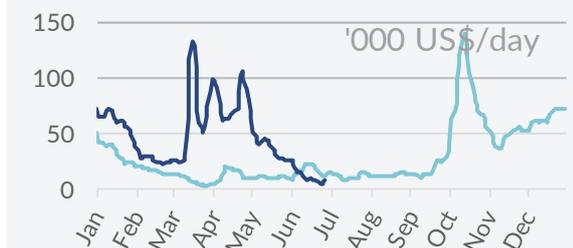
Tanker Indices



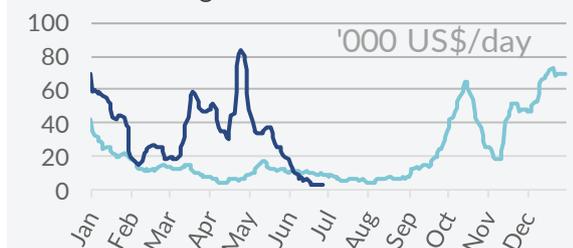
VLCC Average TCE



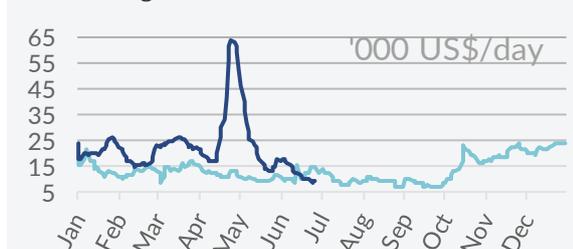
Suezmax Average TCE



Aframax Average TCE



MR Average TCE



— 2019 — 2020

Freight Market Period Charter

22nd - 28th June 2020

Dry Bulk period market TC rates

				last 5 years		
	26 Jun	22 May	±%	Min	Avg	Max
Capesize						
12 months	\$ 18,500	\$ 12,000	54.2%	\$ 6,200	\$ 14,111	\$ 23,200
36 months	\$ 15,500	\$ 13,000	19.2%	\$ 6,950	\$ 13,830	\$ 20,950
Panamax						
12 months	\$ 12,500	\$ 10,000	25.0%	\$ 4,950	\$ 10,168	\$ 14,950
36 months	\$ 12,250	\$ 10,500	16.7%	\$ 6,200	\$ 10,218	\$ 12,950
Supramax						
12 months	\$ 10,250	\$ 8,500	20.6%	\$ 4,450	\$ 9,592	\$ 13,950
36 months	\$ 9,500	\$ 9,500	0.0%	\$ 6,200	\$ 9,422	\$ 12,700
Handysize						
12 months	\$ 9,000	\$ 8,250	9.1%	\$ 4,450	\$ 8,116	\$ 11,200
36 months	\$ 9,500	\$ 9,500	0.0%	\$ 5,450	\$ 8,113	\$ 9,950

Latest indicative Dry Bulk Period Fixtures

M/V "CAPE ARIA", 176346 dwt, built 2005, dely China 01/10 Jul , \$17,900, for 5/7 months, to SwissMarine

M/V "UGO DE CARLINI", 176153 dwt, built 2010, dely Manila 06/07 Jul , \$15,000, for 12/14 months, to Pacbulk

M/V "FILIA GLORY", 58018 dwt, built 2011, dely Pipavav prompt, \$13,000, for 3/5 months, to Simtra

M/V "KOSMAN", 57959 dwt, built 2013, dely Sohar 25/26 Jun , \$12,500, for min 5/max 7 months, to Oldendorff

M/V "DESERT HARRIER", 60447 dwt, built 2017, dely US east coast end June, \$12,000, for 3/5 months, to XO Shipping

Tanker period market TC rates

				last 5 years		
	26 Jun	22 May	±%	Min	Avg	Max
VLCC						
12 months	\$ 37,500	\$ 47,250	-20.6%	\$ 19,000	\$ 35,767	\$ 80,000
36 months	\$ 34,500	\$ 39,500	-12.7%	\$ 23,500	\$ 32,465	\$ 45,000
Suezmax						
12 months	\$ 24,750	\$ 35,500	-30.3%	\$ 15,500	\$ 26,187	\$ 45,000
36 months	\$ 26,000	\$ 29,750	-12.6%	\$ 19,500	\$ 25,509	\$ 35,000
Aframax						
12 months	\$ 21,500	\$ 25,000	-14.0%	\$ 13,250	\$ 20,824	\$ 38,750
36 months	\$ 21,750	\$ 23,000	-5.4%	\$ 16,750	\$ 19,949	\$ 27,000
MR						
12 months	\$ 15,250	\$ 15,250	0.0%	\$ 12,000	\$ 14,951	\$ 21,000
36 months	\$ 15,250	\$ 15,750	-3.2%	\$ 14,000	\$ 14,982	\$ 18,250

Latest indicative Tanker Period Fixtures

M/T "SIMONE", 315000 dwt, built 2012, \$48,500, for 2 years trading, to PETROBRAS

M/T "RS AURORA", 160000 dwt, built 2018, \$45,000, for 1 year trading, to PETROCHINA

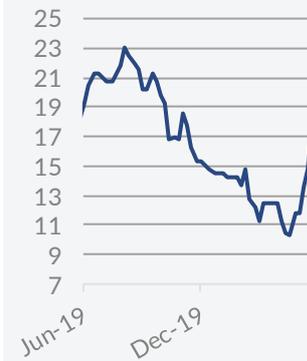
M/T "YUAN LIAN WAN", 114000 dwt, built 2019, \$24,000, for 3 years trading, to EXXONMOBILE

M/T "MAGIC VICTORIA", 75000 dwt, built 2012, \$30,000, for 1 year trading, to ALASKA TANKER

M/T "CELSIUS RAVENNA", 47000 dwt, built 2010, \$14,500, for 6 months trading, to SK ENERGY

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

Capesize



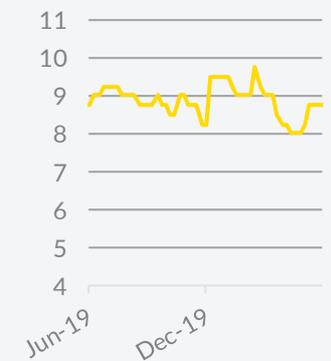
Panamax



Supramax



Handysize



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

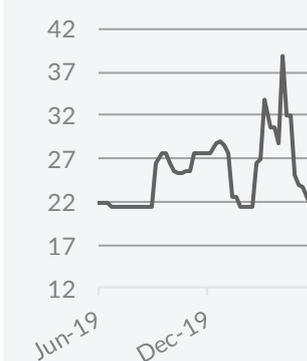
VLCC



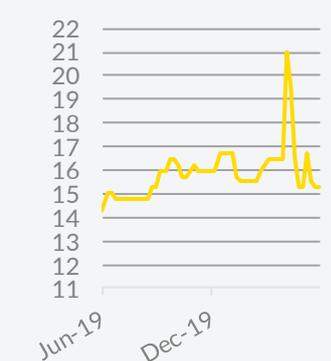
Suezmax



Aframax



MR



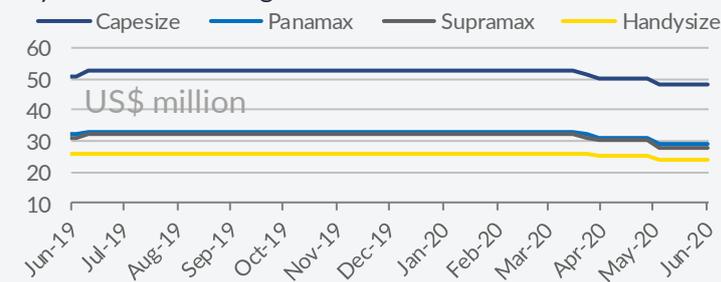
Sale & Purchase

Newbuilding Orders

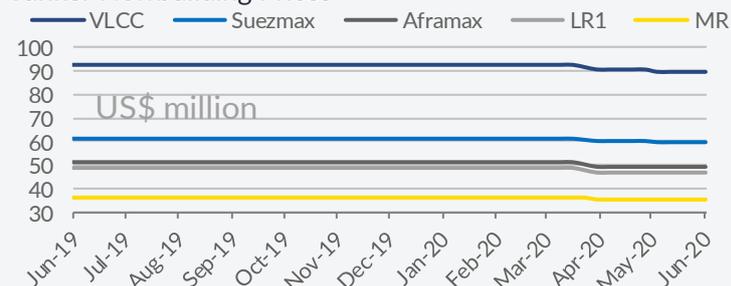
22nd - 28th June 2020

Uncertainty regarding the global economy is still affecting buying appetite in the newbuilding market, while the current situation noted in terms of freight earnings has also played a pivotal role on the level of activity being witnessed. In the dry bulk market, having viewed a remarkable recovery in freight rates across the whole spectrum of size classes, has helped enhance sentiment amongst buyers right now. This has as a result pushed for a fair rise in enquiries being seen by shipbuilders as of late and a gradual return in activity being noted. Last week we witnessed an impressive order of 5 Ultramax units, a sign pointing to this very upturn being seen as of late in appetite and sentiment. In contrast, the tanker market has been relatively uninspiring as of late, with rates having shown a fair correction over the past month, adding second thoughts to most who would have previously considered undertaking a newbuilding project at this point. However, given that fundamentals are not yet justifying a continuous slide in freight earnings, we expect a ramp up to be seen sooner or later in activity.

Dry Bulk Newbuilding Prices



Tanker Newbuilding Prices



Indicative Dry NB Prices (US\$ million)

	26 Jun 22 May ±%			last 5 years		
	26 Jun	22 May	±%	Min	Avg	Max
Dry Bulkers						
Capesize (180,000dwt)	48.0	50.0	-4.0%	41.8	47.7	54.0
Kamsarmax (82,000dwt)	30.0	32.0	-6.3%	24.3	28.8	34.0
Panamax (77,000dwt)	29.0	31.0	-6.5%	23.8	28.0	33.0
Ultramax (64,000dwt)	28.0	30.0	-6.7%	22.3	26.8	32.0
Handysize (37,000dwt)	24.0	25.0	-4.0%	19.5	22.8	26.0
Container						
Post Panamax (9,000teu)	82.5	82.5	0.0%	82.5	83.9	88.5
Panamax (5,200teu)	48.5	48.5	0.0%	48.0	50.7	58.5
Sub Panamax (2,500teu)	27.0	27.0	0.0%	26.0	27.9	33.0
Feeder (1,700teu)	21.5	21.5	0.0%	21.5	22.9	27.0

Indicative Wet NB Prices (US\$ million)

	26 Jun 22 May ±%			last 5 years		
	26 Jun	22 May	±%	Min	Avg	Max
Tankers						
VLCC (300,000dwt)	90.0	91.0	-1.1%	80.0	89.6	97.0
Suezmax (160,000dwt)	60.0	60.5	-0.8%	53.0	59.6	65.0
Aframax (115,000dwt)	49.0	49.0	0.0%	43.0	48.9	54.0
LR1 (75,000dwt)	46.5	46.5	0.0%	42.0	45.5	48.5
MR (56,000dwt)	35.0	35.0	0.0%	32.5	35.1	36.8
Gas						
LNG 175k cbm	185.5	185.5	0.0%	184.0	190.5	200.0
LPG LGC 80k cbm	70.0	70.0	0.0%	70.0	72.1	79.0
LPG MGC 55k cbm	62.0	62.0	0.0%	62.0	63.7	68.5
LPG SGC 25k cbm	40.0	40.0	0.0%	40.0	41.5	45.5

Reported Transactions

Type	Units	Size	Shipbuilder	Price	Buyer	Delivery	Comments
BULKER	5	61,000 dwt	NACKS, China	N/A	Norden AS, Denmark	2022	Tier II
BULKER	2	40,000 dwt	Shin Kochi, Japan	N/A	Undisclosed	2022	
TANKER	1	305,000 dwt	Namura Shipbuilding, Japan	N/A	Undisclosed, Japan	2022	
TANKER	2	19,700 dwt	Usuki, Japan	N/A	Sansho Kaiun, Japan	2022	Stainless steel
PASS	5	350 pax	Sefine Shipyard, Turkey	N/A	Boreal Transport, Norway	2022	

Sale & Purchase

Secondhand Sales

22nd - 28th June 2020

On the dry bulk side, it was another week with a fair number of transactions taking place, a fact that reflects the sentiment improvement noted amongst potential buyers. The confidence boost that derived from the impressive rally noted in the freight market has pushed several in search of new buying opportunities. Last week, we witnessed an increased focus in the Panamax/Kamsarmax segment, but deals were reported across all other size segments as well. The increase in buying interest is expected to resume this coming week, partially helped by the current price levels being seen.

On the tanker side, things are quite different, as the recent slump in earnings has trimmed appetite amongst buyers. The current situation has let most potential buyers to take a step back, awaiting for a better picture to take shape in terms of earnings and clear direction before proceeding with any new offers. Last week, we witnessed just one transaction, which was the sale of a vintage MR unit.

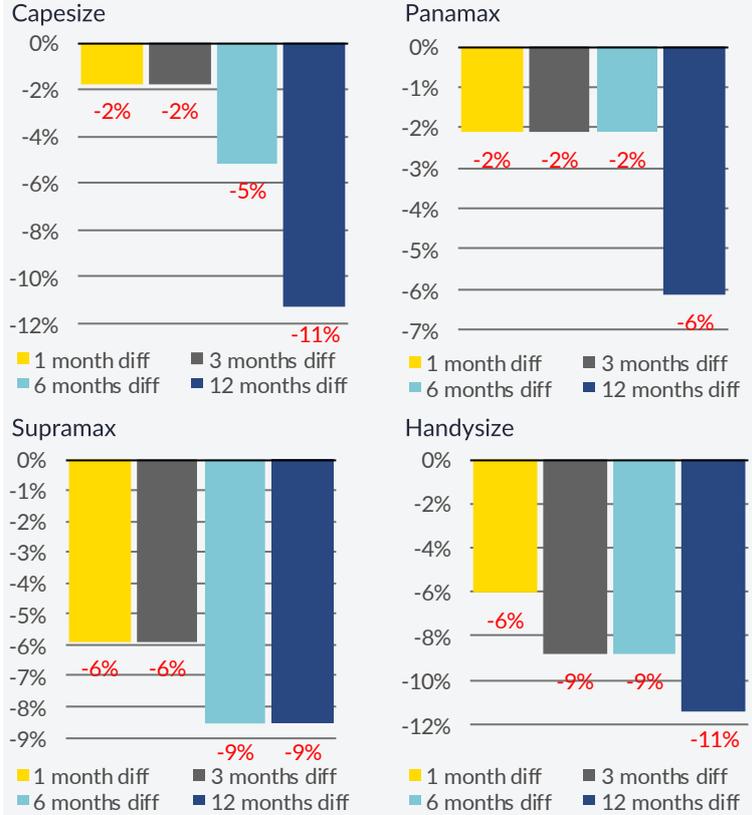
Indicative Dry Bulk Values (US\$ million)

		26 Jun	22 May	±%	last 5 years		
					Min	Avg	Max
Capesize							
180k dwt	Resale	50.00	50.00	0.0%	34.5	46.0	54.0
180k dwt	5 year old	27.50	28.00	-1.8%	23.0	30.7	39.0
170k dwt	10 year old	20.50	21.00	-2.4%	12.0	20.6	27.5
150k dwt	15 year old	12.50	12.50	0.0%	6.5	12.5	16.5
Panamax							
82k dwt	Resale	30.00	30.50	-1.6%	22.5	28.7	32.0
82k dwt	5 year old	23.00	23.50	-2.1%	11.5	19.9	25.0
76k dwt	10 year old	13.50	13.50	0.0%	7.3	12.5	16.5
74k dwt	15 year old	9.00	9.00	0.0%	3.5	8.0	11.5
Supramax							
62k dwt	Resale	28.00	28.00	0.0%	19.0	26.1	30.0
58k dwt	5 year old	16.00	17.00	-5.9%	11.0	16.1	20.5
56k dwt	10 year old	11.00	11.50	-4.3%	6.0	11.6	14.5
52k dwt	15 year old	7.00	7.50	-6.7%	3.5	7.4	10.5
Handysize							
37k dwt	Resale	21.50	22.00	-2.3%	17.0	21.6	24.5
37k dwt	5 year old	15.50	16.50	-6.1%	7.8	13.9	17.5
32k dwt	10 year old	8.50	9.00	-5.6%	6.0	9.2	12.5
28k dwt	15 year old	5.50	5.75	-4.3%	3.5	5.5	8.0

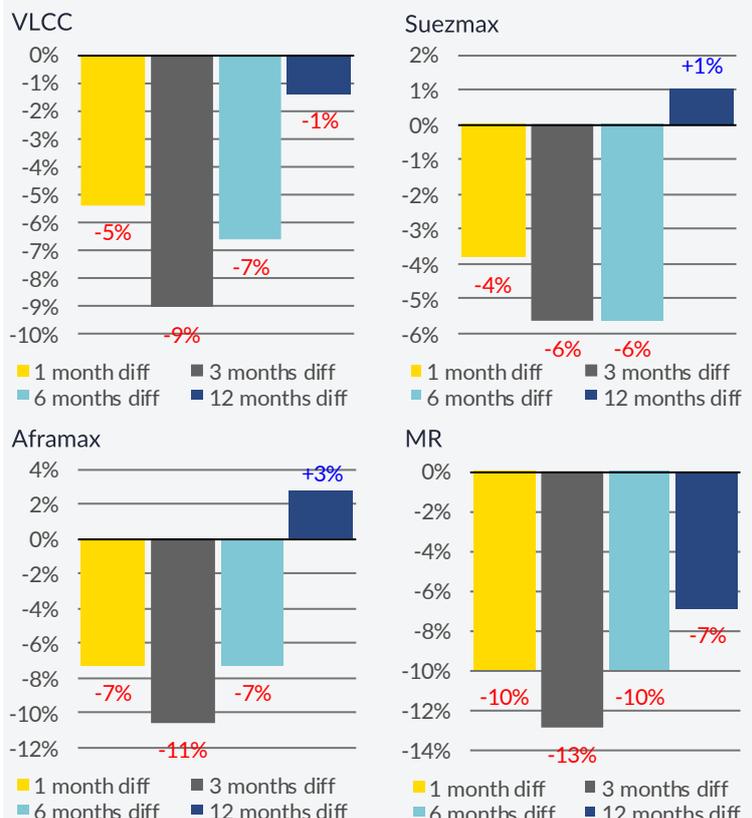
Indicative Tanker Values (US\$ million)

		26 Jun	22 May	±%	last 5 years		
					Min	Avg	Max
VLCC							
310k dwt	Resale	95.00	99.00	-4.0%	82.0	93.3	106.0
310k dwt	5 year old	70.00	74.00	-5.4%	60.0	70.4	84.0
250k dwt	10 year old	48.00	51.00	-5.9%	38.0	47.1	59.0
250k dwt	15 year old	35.00	39.00	-10.3%	21.5	30.3	41.0
Suezmax							
160k dwt	Resale	65.00	69.00	-5.8%	54.0	63.8	73.0
150k dwt	5 year old	50.00	52.00	-3.8%	40.0	49.4	62.0
150k dwt	10 year old	35.00	37.00	-5.4%	25.0	33.8	44.5
150k dwt	15 year old	21.00	23.50	-10.6%	16.0	20.1	24.0
Aframax							
110k dwt	Resale	51.00	55.00	-7.3%	43.5	50.4	57.0
110k dwt	5 year old	38.00	41.00	-7.3%	29.5	36.9	47.5
105k dwt	10 year old	27.00	30.00	-10.0%	18.0	24.6	33.0
105k dwt	15 year old	18.50	20.00	-7.5%	11.0	14.5	21.0
MR							
52k dwt	Resale	37.00	40.00	-7.5%	33.0	36.6	40.0
52k dwt	5 year old	27.00	30.00	-10.0%	23.0	26.9	31.0
45k dwt	10 year old	18.00	20.00	-10.0%	14.5	17.9	21.0
45k dwt	15 year old	12.00	12.00	0.0%	9.0	10.9	13.5

Price movements of 5 year old Dry Bulk assets



Price movements of 5 year old Tanker assets



Sale & Purchase

Secondhand Sales



22nd - 28th June 2020

Tankers

Size	Name	Dwt	Built	Shipbuilder	M/E	Coating	Price	Buyers	Comments
MR	MAERSK ROSYTH	34,810	2003	GUANGZHOU INTERNATIONAL, China	B&W	EPOXY	\$ 7.2m	undisclosed	

Bulk Carriers

Size	Name	Dwt	Built	Shipbuilder	M/E	Gear	Price	Buyers	Comments
CAPE	NEW STAGE	176,877	2008	NAMURA IMARI, Japan	MAN-B&W		rgn/low \$ 16.0m	Greek	
PMAX	HARROW	76,752	2005	SASEBO SASEBO, Japan	B&W		\$ 8.65m	Greek - AIMS Shipping	SS passed, BWTS fitted
PMAX	NAVIOS HOPE	75,397	2005	UNIVERSAL MAIZURU, Japan	MAN-B&W		\$ 7.0m	Chinese	surveys due
PMAX	NAVIOS AMITIE	75,395	2005	UNIVERSAL MAIZURU, Japan	B&W		\$ 7.1m	undisclosed	surveys due
PMAX	NAVIOS NORTHERN STAR	75,395	2005	UNIVERSAL MAIZURU, Japan	B&W		\$ 7.0m	Chinese	SS/DD due Jul '20
SMAX	SUPRASTAR	57,000	2011	QINGSHAN, China	MAN-B&W	4 X 30t CRANES	rgn \$ 7.3m	German	
SMAX	HARVEST SUN	52,224	2001	DAEDONG CHINHAE, S. Korea	B&W	4 X 30t CRANES	\$ 4.7m	Chinese	
SMAX	BULK BEOTHUK	50,992	2002	OSHIMA SHIPBUILDING, Japan	MAN-B&W	4 X 30t CRANES	xs \$ 5.0m	Chinese	DD due Jun '20
HANDY	CIELO DI CARTAGEN	39,202	2015	YANGFAN GROUP CO LTD, China	MAN-B&W	4 X 30t CRANES	rgn \$ 13.5m	Greek	SS/DD due Aug '20, ECO
HANDY	SMART LISA	38,868	2015	TAIZHOU KOUAN SHIPBUIL, China	Wartsila	2 X 50t CRANES, 2 X 36t	\$ 11.4m	German	
HANDY	ORIENT HOPE	32,165	2009	MURORAN DOCK, Japan	Mitsubishi	4 X 30t CRANES	rgn \$ 7.4m	undisclosed	SS/DD just passed, BWTS fitted, prompt dely
HANDY	GLOBAL TRINITY	28,202	2011	IMABARI IMABARI, Japan	MAN-B&W	4 X 30,5t CRANES	\$ 6.5m	Greek	

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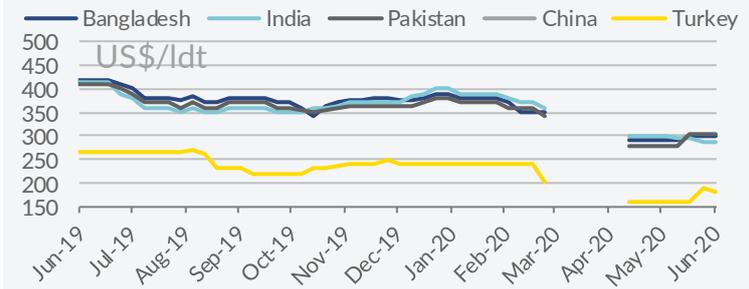
Sale & Purchase

Demolition Sales

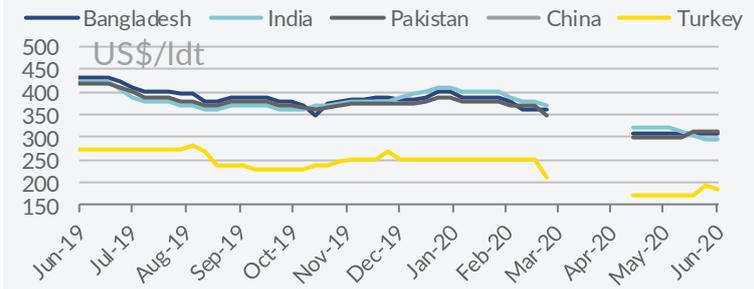
22nd - 28th June 2020

Activity may not be very impressive for the time being, but it has returned to much healthier levels after the re-opening of the Indian Sub-Continent markets. Meanwhile it is worth mentioning that the majority of units being sold for scrap as of late are containerships, reflecting the slight imbalance that seems to be taking place in this sector. With regards to demolition destinations, Bangladesh seems to have started to regain interest, with local breakers there starting to offer very competitive prices compared to the other Indian Sub-Continent markets. In contrast to Bangladesh, appetite amongst Indian breakers seems to be very limited as of late, with offered prices having slumped to levels not seen for some time now. Additionally, rising COVID-19 cases in the country has intensified concerns of a possible 2nd lockdown taking place. Finally, Pakistan has reclaimed some of its attractiveness as of late due to healthier fundamentals, with some fresh units arriving now at Gadani. However, despite the increases noted in offered prices, local breakers are still trailing behind in competitiveness compared to Bangladeshi breakers.

Dry Scrap Prices



Wet Scrap Prices



	Indicative Dry Prices (\$/Ldt)			last 5 years		
	26 Jun	19 Jun	±%	Min	Avg	Max
Indian Sub Continent						
Bangladesh	300	300	0.0%	220	362	455
India	285	285	0.0%	225	359	445
Pakistan	305	305	0.0%	220	359	460
Far East Asia						
China	-	-		110	194	290
Mediterranean						
Turkey	180	190	-5.3%	145	231	305

	Indicative Wet Prices (\$/Ldt)			last 5 years		
	26 Jun	19 Jun	±%	Min	Avg	Max
Indian Sub Continent						
Bangladesh	310	310	0.0%	245	379	475
India	295	295	0.0%	250	377	470
Pakistan	315	315	0.0%	245	376	470
Far East Asia						
China	-	-		120	210	300
Mediterranean						
Turkey	185	195	-5.1%	150	241	315

Reported Transactions

Type	Vessel's Name	Dwt	Built	Country Built	Ldt	US\$/Ldt	Buyer	Sale Comments
Pax	COSTA VICTORIA	8,039	1996	Germany	29,538	N/A	undisclosed	
Ro-ro	PEGASUS HIGHWAY	15,553	1994	Japan	12,738	\$ 287/Ldt	Indian	
Tanker	LIVRAMENTO	34,999	1997	Brazil	9,420	\$ 195/Ldt	undisclosed	"As is, where is" in Brazil
Cont	KOTA JUTA	24,935	2001	Japan	7,500	\$ 310/Ldt	undisclosed	
Cont	LILA HOCHIMINH	21,528	1998	S. Korea	6,986	N/A	Indian	
Cont	WAN HAI 212	23,877	1993	Japan	6,923	\$ 245/Ldt	undisclosed	"As is" in Hong Kong, HKC recycling
Cont	ARMADA PURNAMA	12,575	1995	Poland	5,125	\$ 303/Ldt	Bangladeshi	
Gen. Cargo	HIJAU TERANG	10,812	1996	Germany	3,926	\$ 303/Ldt	Bangladeshi	

Trade Indicators

Markets | Currencies | Commodities

22nd - 28th June 2020

Daehan Shipbuilding has secured \$53m in cash injections from Kwangju Bank to help it ride out the order slump that has resulted from the coronavirus pandemic.

The South Korean lender has dispensed KRW 42bn (\$35m) to the compatriot shipyard to ease cash flow problems.

The bank is scheduled to hand over a second tranche of funding, amounting to KRW 21.2bn (\$17.6m), next month for the same purpose.

A Daehan executive confirmed the cash injection from Kwangju Bank, saying the funds are coming in the form of loans from the bank.

"These are not free money. We need to pay it back with interest," said the Daehan executive.

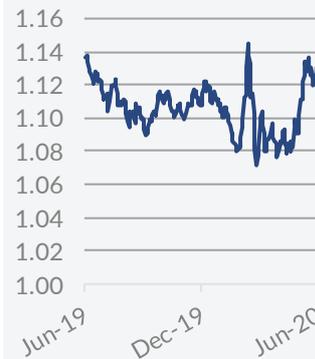
"We are getting the loans from Kwangju Bank because of the outbreak of Covid-19. The pandemic has led to less shipbuilding activities. Buyers are adopting the 'sit-and-wait' attitude."

Daehan has set a sales target to contract 12 newbuildings this year but has so far secured orders for only five tankers. Source: Tradewinds

	26 Jun	22 May	±%	last 12 months		
				Min	Avg	Max
Markets						
10year US Bond	0.64	0.66	-3.2%	0.00	1.43	2.12
S&P 500	3,009.1	2,955.5	1.8%	2,237	3,009	3,386
Nasdaq	9,757.2	9,324.6	4.6%	6,861	8,581	10,131
Dow Jones	25,015.6	24,465.2	2.2%	18,592	26,379	29,551
FTSE 100	6,159.3	5,993.3	2.8%	4,994	6,899	7,687
FTSE All-Share UK	3,406.5	3,301.9	3.2%	2,728	3,805	4,258
CAC40	4,909.6	4,444.6	10.5%	3,755	5,361	6,111
Xetra Dax	12,089.4	11,073.9	9.2%	8,442	12,143	13,789
Nikkei	22,512.1	20,388.2	10.4%	12,748	20,911	24,084
Hang Seng	24,550.0	22,930.1	7.1%	21,696	26,185	29,056
DJ US Maritime	173.1	161.9	6.9%	112.3	230.2	300.1
Currencies						
\$ per €	1.12	1.09	2.8%	1.07	1.11	1.14
\$ per £	1.24	1.22	1.7%	1.16	1.26	1.34
£ per €	0.90	0.90	1.1%	0.83	0.88	0.93
¥ per \$	107.1	107.6	-0.5%	102.3	108.1	112.0
\$ per Au\$	0.69	0.65	5.3%	0.56	0.67	0.71
\$ per NoK	0.10	0.10	3.1%	0.09	0.11	0.12
\$ per SFr	0.95	0.97	-2.4%	0.93	0.98	1.00
Yuan per \$	7.08	7.13	-0.8%	6.84	7.03	7.18
Won per \$	1,201.9	1,237.7	-2.9%	1,154.7	1,195.3	1,274.7
\$ INDEX	97.5	99.9	-2.4%	94.9	98.2	102.8
Commodities						
Gold \$	1,754.0	1,722.5	1.8%	1,384.9	1,551.8	1,770.6
Oil WTI \$	37.8	30.7	23.0%	-40.3	46.1	62.6
Oil Brent \$	40.3	33.5	20.1%	16.0	51.6	68.2
Palm Oil	-	-	-	562.0	562.0	562.0
Iron Ore	104.4	96.9	7.7%	78.5	93.4	126.4
Coal Price Index	51.0	54.0	-5.6%	44.0	68.8	100.0
White Sugar	351.0	367.4	-4.5%	239.2	349.5	428.2

Currencies

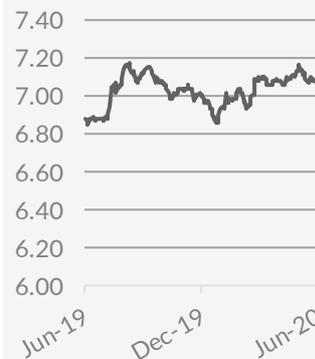
US Dollar per Euro



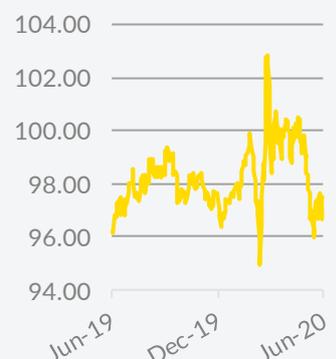
Yen per US Dollar



Yuan per US Dollar

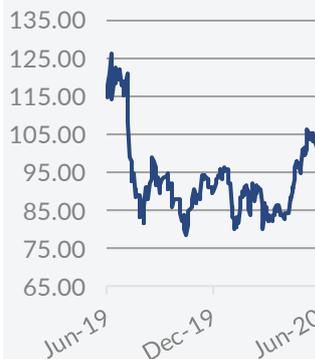


US Dollar INDEX



Commodities

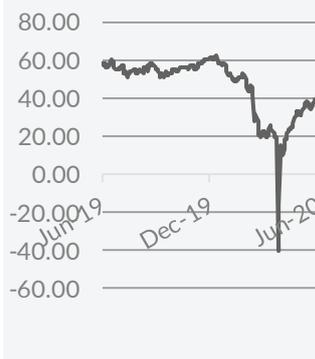
Iron Ore (TSI)



Coal Price Index



Oil WTI \$



Oil Brent \$



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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:

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

	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

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