

# Weekly Shipping Market Update



07<sup>th</sup>- 11<sup>th</sup> September 2015 | Week 37

## Market Analysis

With the U.S. economy still managing to show fairly promising figures with regards to its trajectory, the Federal Reserve is inching closer to the decision to make its pivotal decision regarding an interest rate hike (something that could materialise as early as this week). Although, the fundamentals are a positive overall sign for shipping there are things to feed worries below the surface and on an indirect basis. The main focus and what helps support an optimistic view towards the current decision revolves around the fact that with the global economy lacking a strong source of economic growth, a positive outcome for the world's largest economy can be taken as a very favourable move and one that could help drive the rest of the global growth engine as it once did in the past. With such a high consumer base and a strong source of indirect investment, its economy is highly placed to support growth elsewhere around the world. Yet as things are showing, neither is its current strong growth a given (with some shaky signs having been noted during end of spring early summer) nor is a decision to increase interest rates sure to spring further growth down the line.

In regards to the latter, it will likely spur extra lending by banks which is going to drive both investment within the economy and allow for improved earnings from banks themselves. Yet it will also drive for an increase in the default rate of bad loans, as those who are already struggling to meet their debt obligations are likely going to find themselves sooner rather than later in default. This is the least of what this latest development could bring about, as the emerging economies will struggle to maintain the same amount of interest in attracting further investment, while their previous dollar-denominated debt will become more expensive to pay off as the dollar strengthens against the borrowers' local currencies. Further to this end, corporate profits previously retained in many of these emerging economies by big multinationals will likely be repatriated back to the U.S. as local investment starts to become more favourable.

Yet all this might end up as a more favourable outcome for shipping as an economy the size of the U.S. could allow once more for the export-led growth models than many of the emerging economies still focus on. As an example a fast pace increase in consumer spending in the U.S. could allow for increased exports out of both China and India which would in turn drive their economies into further production growth.

The real direct impact which shipping might have to face from the FED's decision to increase interest rates would be in terms of financing. With most loans being dollar denominated and the spreads on offer by banks already on the high end compared to what the industry has been offered over the past decade, it would likely make ship financing an even harder task for many to undertake. The lack in availability of finance has been a key characteristic of the market for well over 2-3 years now, and this would likely deteriorate things further. Nevertheless, such difficulties may prove to help in the long run, allowing for a tightening of new investments and especially in terms of further ordering. At the same time the higher financing cost will eventually be absorbed by freight rates as it will be a cost shared by the majority in the industry, while once the freight market finds its footing once more and starts to improve, this cost will start to play a more minor role once more. For the time being what one hopes for more is for a possible escape from the pessimism that has plagued the global markets over the past months, the possible negative side effects seem like small hurdles in comparison.

**George Lazaridis**  
Head of Market Research & Asset Valuations

## Week in numbers

### Dry Bulk Freight Market

	11 Sep		W-O-W change	
			±Δ	±%
BDI	818		-57	-6.5%
BCI	1,198		11	0.9%
BPI	735		-102	-12.2%
BSI	810		-60	-6.9%
BHSI	460		-25	-5.2%

### Tanker Freight Market

	11 Sep		W-O-W change	
			±Δ	±%
BDTI	635		2	0.3%
BCTI	544		-36	-6.2%

### Newbuilding Market

	11 Sep		M-O-M change	
			±Δ	±%
Bulkers	80		-2	-2.3%
Cont	104		0	0.0%
Tankers	102		0	0.0%
Gas	100		0	0.0%

### Secondhand Market

	11 Sep		M-O-M change	
			±Δ	±%
Capesize	54		4	8.1%
Panamax	48		3	5.6%
Supramax	53		1	1.0%
Handysize	59		1	1.3%
VLCC	114		-2	-1.4%
Suezmax	99		0	-0.4%
Aframax	123		-2	-1.7%
MR	125		1	0.4%

### Demolition Market

	11 Sep		W-O-W change	
			±Δ	±%
Dry	260		9	3.6%
Wet	277		8	3.0%

### Economic Indicators

	11 Sep		M-O-M change	
			±Δ	±%
Gold \$	1,101		12	1.1%
Oil WTI \$	45		0	-0.2%
Oil Brent \$	48		-2	-3.4%
Iron Ore	59		2	3.9%
Coal	52		-5	-8.0%

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# Freight Market

## Dry Bulkers - Spot Market



07<sup>th</sup> - 11<sup>th</sup> September 2015

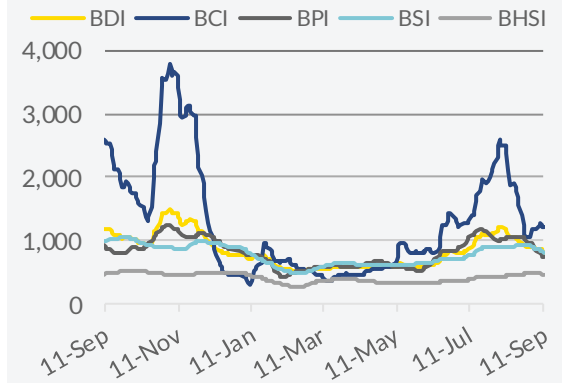
**Capesize** - Despite a very strong start to the week, with the market looking to be picking up in both basins on Monday, things started to trend downhill as the Atlantic basin started to lack in demand seeing ever fewer fresh inquiries emerge. At the same time the support that had been provide by the Pacific basin throughout the week started to subside on Friday, damping any positive effect and causing the overall market trend to barely inch above its closing one week prior.

**Panamax** - A very uninspiring week as rates trended downwards on all major routes. There was a considerable drop in the Atlantic basin as activity went quiet, leaving position lists to swell once again. At the same time things were not looking too rosy in the Pacific either though we were noting some stabilization at their current levels come Friday. It does look as though things will continue to be under pressure over the coming days, though it now looks as though there is some hope of firmer number being noted for early October fixtures.

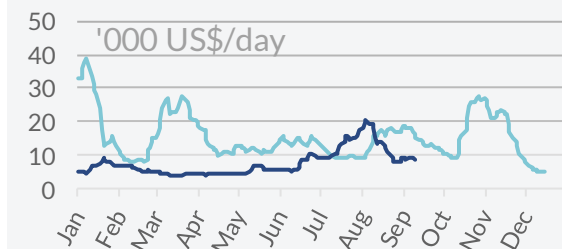
**Supramax** - Similar softening trend was being noted here as well, though it was to a lesser extent then what was being noted in the larger Panamaxes. The main difference was with regards to the Pacific basin, were numbers given by charterers seemed to be dropping at a faster pace due to the slightly swollen tonnage lists.

**Handysize** - A great disappointment over the conditions in ECSA and with few fresh inquiries being seen in most areas, it was only logical that the overall trend would be a downward one. The North Atlantic is now where everyone is looking for support though it seems it will be hard to find.

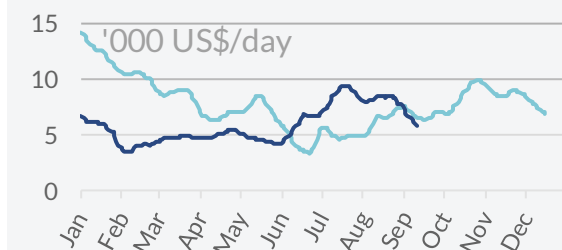
### Dry Bulk Indices



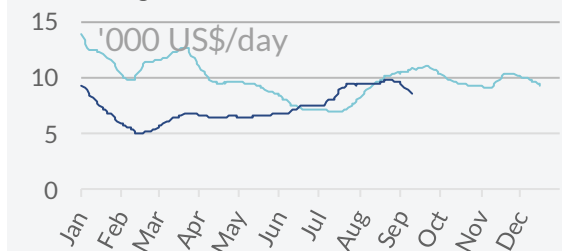
### BCI Average TCE



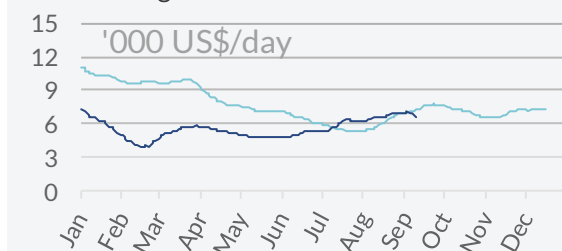
### BPI Average TCE



### BSI Average TCE



### BHSI Average TCE



— 2014 — 2015

### Spot market rates & indices

			Average		
	11 Sep	04 Sep	±%	2015	2014
<b>Baltic Dry Index</b>					
BDI	818	875	-6.5%	730	1,104
<b>Capesize</b>					
BCI	1,198	1,187	0.9%	955	1,961
BCI 5TC	\$ 8,614	\$ 8,871	-2.9%	\$ 7,694	\$ 15,278
ATLANTIC RV	\$ 6,230	\$ 7,200	-13.5%	\$ 8,147	\$ 14,130
Cont / FEast	\$ 16,700	\$ 18,300	-8.7%	\$ 16,037	\$ 32,135
PACIFIC RV	\$ 9,323	\$ 8,805	5.9%	\$ 7,000	\$ 14,319
FEast / ECSA	\$ 9,818	\$ 9,764	0.6%	\$ 8,046	\$ 13,932
<b>Panamax</b>					
BPI	735	837	-12.2%	737	964
BPI - TCA	\$ 5,878	\$ 6,689	-12.1%	\$ 5,878	\$ 7,714
ATLANTIC RV	\$ 6,000	\$ 7,295	-17.8%	\$ 6,662	\$ 6,861
Cont / FEast	\$ 11,132	\$ 12,480	-10.8%	\$ 11,103	\$ 15,315
PACIFIC RV	\$ 5,651	\$ 6,189	-8.7%	\$ 5,224	\$ 7,844
FEast / Cont	\$ 729	\$ 790	-7.7%	\$ 524	\$ 835
<b>Supramax</b>					
BSI	810	870	-6.9%	699	939
BSI - TCA	\$ 8,473	\$ 9,092	-6.8%	\$ 7,309	\$ 9,816
Cont / FEast	\$ 13,200	\$ 13,775	-4.2%	\$ 10,020	\$ 14,974
Med / Feast	\$ 12,775	\$ 13,450	-5.0%	\$ 9,380	\$ 13,840
PACIFIC RV	\$ 6,100	\$ 6,530	-6.6%	\$ 6,298	\$ 8,873
FEast / Cont	\$ 4,750	\$ 5,238	-9.3%	\$ 5,366	\$ 6,179
USG / Skaw	\$ 14,700	\$ 16,119	-8.8%	\$ 11,785	\$ 14,638
Skaw / USG	\$ 5,407	\$ 5,857	-7.7%	\$ 3,958	\$ 4,971
<b>Handysize</b>					
BHSI	460	485	-5.2%	377	523
BHSI - TCA	\$ 6,679	\$ 7,053	-5.3%	\$ 5,572	\$ 7,680
Skaw / Rio	\$ 5,800	\$ 6,020	-3.7%	\$ 3,695	\$ 5,625
Skaw / Boston	\$ 6,342	\$ 6,600	-3.9%	\$ 3,911	\$ 5,273
Rio / Skaw	\$ 12,028	\$ 13,400	-10.2%	\$ 9,300	\$ 10,072
USG / Skaw	\$ 9,636	\$ 10,054	-4.2%	\$ 7,543	\$ 10,743
SEAsia / Aus / Jap	\$ 4,438	\$ 4,633	-4.2%	\$ 4,347	\$ 7,022
PACIFIC RV	\$ 5,375	\$ 5,542	-3.0%	\$ 5,716	\$ 7,840

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# Freight Market

## Tankers - Spot Market

07<sup>th</sup> - 11<sup>th</sup> September 2015

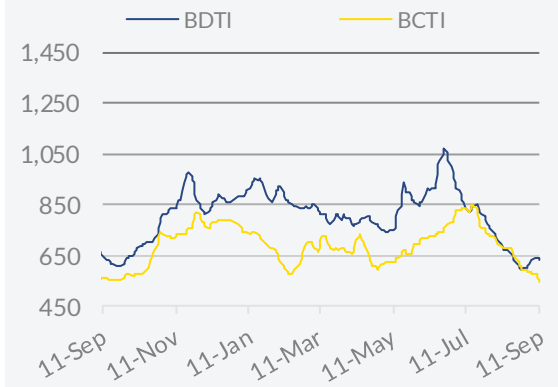
**Crude Oil Carriers** - The continued rebound in demand for VLs was enough to push rates back into the high WS 40's for Eastbound voyages from the MEG, while Westbound fixtures were no closing in on the Magic WS 30 number. This firmer interest started to also be reflected in the Suezmax market which also noted a strong upward correction on the previous week's drop, while things started to looking more positive in the Afras as well though little of that was reflected in actual freight levels reported in the market.

**Oil Products** - Things were a bit more mixed for the oil products markets with both DPP and CPP fixtures showing a lack of any clear market direction. It seems as though some support for the market has started to emerge in the North Atlantic, assisted by an increase in activity out of USG and Continent. A lacking interest in the Black Sea/Med region and poor demand from the Far East has kept things under caps for the time being.

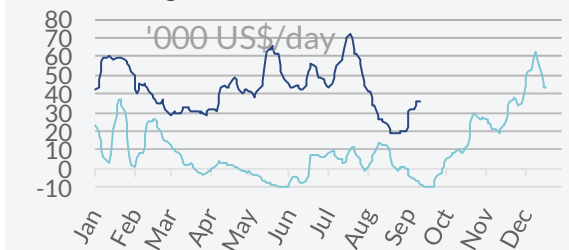
### Spot market rates & indices

		11 Sep	04 Sep	±%	Average	
					2015	2014
<b>Baltic Tanker Indices</b>						
	BDTI	635	633	0.3%	821	777
	BCTI	544	580	-6.2%	688	602
<b>VLCC</b>						
MEG-USG	WS	27.25	24.67	10.5%	33.36	28.24
	\$/day	\$21,798	\$16,335	33.4%	\$24,935	-\$6,110
MEG-SPORE	WS	49.29	47.89	2.9%	60.19	48.36
	\$/day	\$45,808	\$42,841	6.9%	\$55,041	\$37,314
MEG-JAPAN	WS	48.42	46.54	4.0%	58.93	47.70
	\$/day	\$50,378	\$46,335	8.7%	\$60,887	\$25,202
WAF-USG	WS	55.42	53.79	3.0%	70.00	57.22
	\$/day	\$54,210	\$50,966	6.4%	\$67,167	\$32,821
<b>SUEZMAX</b>						
WAF-USAC	WS	57.50	55.00	4.5%	81.53	75.11
	\$/day	\$30,926	\$27,916	10.8%	\$45,292	\$27,044
BSEA-MED	WS	63.00	60.82	3.6%	90.49	82.23
	\$/day	\$23,705	\$21,151	12.1%	\$44,881	\$26,364
<b>AFRAMEX</b>						
NSEA-CONT	WS	92.36	95.28	-3.1%	112.78	109.50
	\$/day	\$23,714	\$25,814	-8.1%	\$37,378	\$23,581
MEG-SPORE	WS	92.63	95.39	-2.9%	116.36	107.79
	\$/day	\$25,188	\$25,234	-0.2%	\$31,904	\$16,427
CARIBS-USG	WS	102.78	98.33	4.5%	134.54	127.51
	\$/day	\$25,295	\$22,705	11.4%	\$37,775	\$24,895
BAL TIC-UKC	WS	64.17	70.50	-9.0%	95.48	89.14
	\$/day	\$24,183	\$27,981	-13.6%	\$44,692	\$29,167
<b>DPP</b>						
CARIBS-USAC	WS	80.00	80.00	0.0%	140.44	139.78
	\$/day	\$13,419	\$12,565	6.8%	\$30,213	\$21,213
ARA-USG	WS	85.75	87.75	-2.3%	126.16	127.00
	\$/day	\$18,684	\$18,455	1.2%	\$30,359	\$19,144
SEASIA-AUS	WS	95.17	97.53	-2.4%	113.33	96.35
	\$/day	\$30,280	\$30,503	-0.7%	\$36,134	\$17,892
MED-MED	WS	76.44	76.50	-0.1%	110.82	104.64
	\$/day	\$19,131	\$18,593	2.9%	\$36,322	\$21,008
<b>CPP</b>						
MEG-JAPAN	WS	89.64	108.33	-17.3%	116.28	96.90
	\$/day	\$24,310	\$30,597	-20.5%	\$31,920	\$14,208
CONT-USAC	WS	108.18	120.00	-9.8%	147.39	123.74
	\$/day	\$13,915	\$15,804	-12.0%	\$20,798	\$9,516
CARIBS-USAC	WS	135.00	125.00	8.0%	135.47	110.57
	\$/day	\$23,477	\$20,410	15.0%	\$21,742	\$7,995
USG-CONT	WS	90.00	77.86	15.6%	98.18	92.94
	\$/day	\$11,075	\$8,086	37.0%	\$11,484	\$3,442

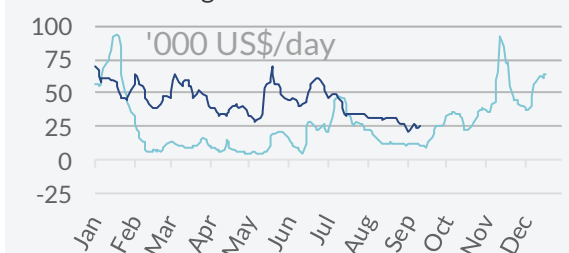
### Tanker Indices



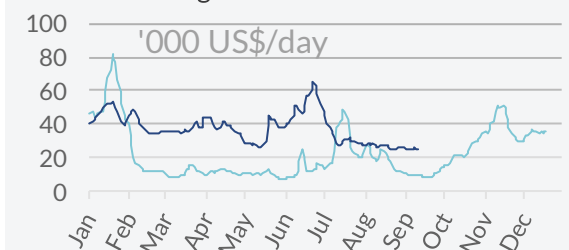
### VLCC Average TCE



### Suezmax Average TCE



### Aframax Average TCE



### MR Average TCE



— 2014 — 2015

# Freight Market Period Charter



07<sup>th</sup> - 11<sup>th</sup> September 2015

	Dry Bulk period market TC rates			last 5 years		
	11 Sep	07 Aug	±%	Min	Avg	Max
<b>Capesize</b>						
12 months	\$ 11,000	\$ 14,250	-22.8%	\$ 7,950	\$ 19,233	\$ 40,200
36 months	\$ 11,500	\$ 13,750	-16.4%	\$ 9,950	\$ 18,949	\$ 33,700
<b>Panamax</b>						
12 months	\$ 8,500	\$ 8,000	6.3%	\$ 6,450	\$ 13,642	\$ 30,450
36 months	\$ 8,750	\$ 8,500	2.9%	\$ 7,950	\$ 13,150	\$ 22,450
<b>Supramax</b>						
12 months	\$ 8,500	\$ 8,500	0.0%	\$ 7,450	\$ 12,862	\$ 24,950
36 months	\$ 8,250	\$ 8,250	0.0%	\$ 7,450	\$ 12,409	\$ 18,700
<b>Handysize</b>						
12 months	\$ 7,000	\$ 7,000	0.0%	\$ 6,200	\$ 10,284	\$ 18,700
36 months	\$ 7,250	\$ 7,250	0.0%	\$ 6,950	\$ 10,409	\$ 15,200

## Latest indicative Dry Bulk Period Fixtures

M/V "ECOAN G.O.", 75131 dwt, built 2008, dely Zhoushan 18/27 Sep, \$7,350, for 4/6 months trading, to Chart Not Rep

M/V "MARE FORUM", 46743 dwt, built 2000, dely Casablanca miid Sep, \$9,000, for 3/5 months trading, to BOCS

M/V "CBC FUYI", 81610 dwt, built 2014, dely Qingzhou 10/14 Sep, \$7,550, for 6/9 months trading, to EGPN

M/V "ALEXANDROS THEO", 45659 dwt, built 2000, dely PG prompt for about, \$7,500, for 4/6 months trading, to Chart Not Rep

M/V "SANKO FORTUNE", 74940 dwt, built 2012, dely Zhanjiang 15 September, \$7,000, for 4/7 months trading, to Cobelfret

	Tanker period market TC rates			last 5 years		
	11 Sep	07 Aug	±%	Min	Avg	Max
<b>VLCC</b>						
12 months	\$ 48,000	\$ 53,500	-10.3%	\$ 18,000	\$ 29,144	\$ 55,000
36 months	\$ 43,000	\$ 44,500	-3.4%	\$ 22,000	\$ 31,655	\$ 45,000
<b>Suezmax</b>						
12 months	\$ 36,000	\$ 42,500	-15.3%	\$ 15,250	\$ 22,594	\$ 42,500
36 months	\$ 33,500	\$ 35,000	-4.3%	\$ 17,000	\$ 24,140	\$ 35,000
<b>Aframax</b>						
12 months	\$ 29,000	\$ 29,000	0.0%	\$ 13,000	\$ 16,938	\$ 29,000
36 months	\$ 25,000	\$ 25,000	0.0%	\$ 14,750	\$ 18,401	\$ 25,000
<b>MR</b>						
12 months	\$ 19,500	\$ 20,500	-4.9%	\$ 12,500	\$ 14,282	\$ 21,000
36 months	\$ 17,000	\$ 17,000	0.0%	\$ 13,500	\$ 14,866	\$ 17,000

## Latest indicative Tanker Period Fixtures

M/T "ALTER EGO", 308500 dwt, built 2001, \$37,500, for 6 months trading, to KOCH

M/T "EURO", 157000 dwt, built 2012, \$35,000, for 30 months trading, to CHEVRON

M/T "NS LOTUS", 115000 dwt, built 2008, \$25,000, for 2 years trading, to CONOCO PHILLIPS

M/T "FRONT PANTHER", 115000 dwt, built 2014, \$28,000, for 2 years trading, LR2, to KOCH

M/T "VELEBIT", 52000 dwt, built 2011, \$18,500, for 12 months trading, to MORGAN STANLEY

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

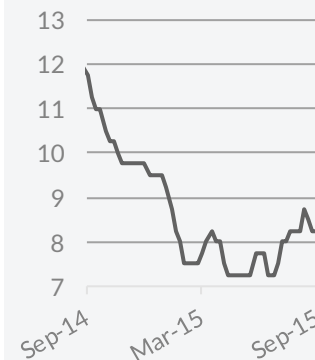
### Capesize



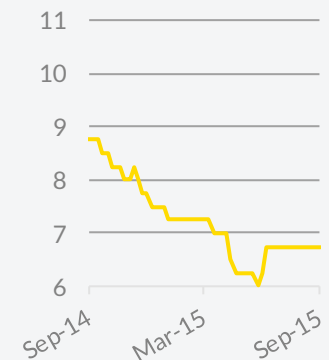
### Panamax



### Supramax



### Handysize

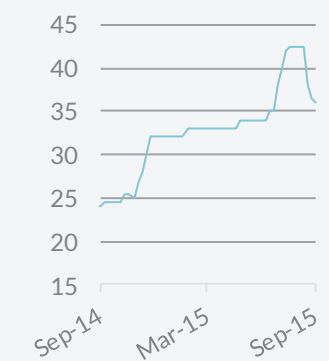


## Tanker 12 month period charter rates (USD '000/day)

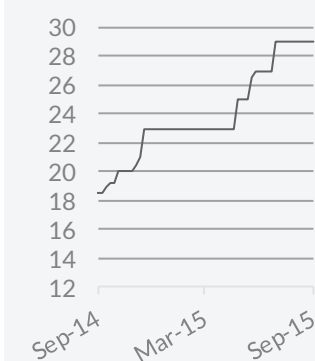
### VLCC



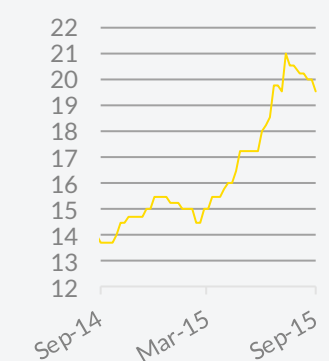
### Suezmax



### Aframax



### MR



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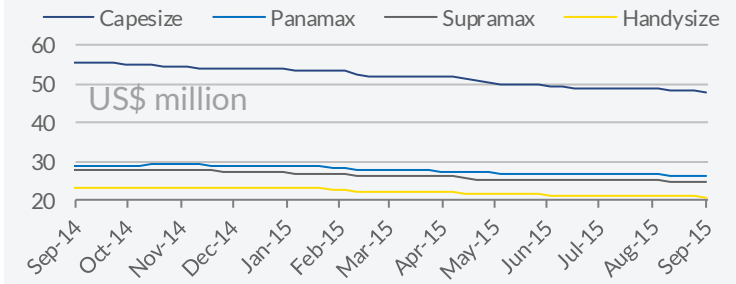
# Sale & Purchase

## Newbuilding Orders

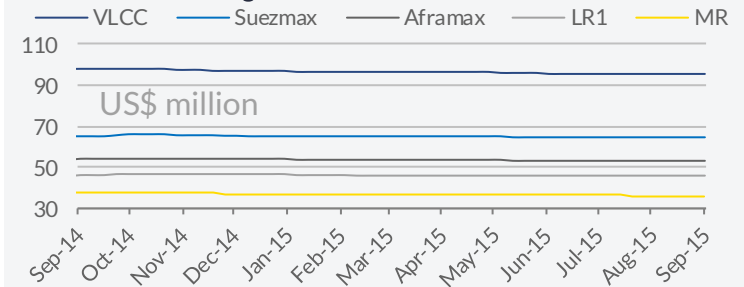
07<sup>th</sup> - 11<sup>th</sup> September 2015

With new orders having amounted to less than 38% of the total number of orders reported last year and at around 49% of the orders placed in the same 8 months of 2014, things are clearly looking to be under pressure. These latest figures become even more alarming when one considers that 2014 was already a slower year compared to previous years. Prices are still looking to have a gradual but steady drop, though it still seems like it will take a considerable amount of discounts to turn buying interest around. All this means that the shortfall in new orders and the rapidly declining orderbook will leave shipbuilders with gaps in their newbuilding schedule, something that will likely push them to take any merger options more seriously while possibly finding other ways to keep their costs flexible in order to be able to weather through the current new ordering drought. Both these options are much harder than described here and unless there is a drastic change in market conditions, it will be interesting to see how the shipbuilding industry will be able to restructure itself and what will be the consequence on the total global shipbuilding capacity.

### Dry Bulk Newbuilding Prices



### Tanker Newbuilding Prices



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

	11 Sep 07 Aug ±%			last 5 years		
	11 Sep	07 Aug	±%	Min	Avg	Max
<b>Dry Bulkers</b>						
Capesize (180,000dwt)	48.0	49.0	-2.0%	46.0	52.1	60.0
Kamsarmax (82,000dwt)	26.5	27.0	-1.9%	26.5	30.7	38.0
Panamax (77,000dwt)	26.0	26.5	-1.9%	25.8	29.5	34.5
Ultramax (64,000dwt)	24.5	25.0	-2.0%	24.3	27.4	32.0
Handysize (37,000dwt)	20.5	21.3	-3.5%	20.5	23.3	27.8
<b>Container</b>						
Post Panamax (9,000teu)	88.0	88.0	0.0%	76.5	87.3	97.0
Panamax (5,200teu)	58.0	58.0	0.0%	48.6	57.8	65.6
Sub Panamax (2,500teu)	30.5	30.5	0.0%	29.5	33.7	41.5
Feeder (1,700teu)	22.5	22.5	0.0%	21.2	24.8	29.8

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

	11 Sep 07 Aug ±%			last 5 years		
	11 Sep	07 Aug	±%	Min	Avg	Max
<b>Tankers</b>						
VLCC (300,000dwt)	95.5	95.5	0.0%	89.5	97.7	107.5
Suezmax (160,000dwt)	64.5	64.5	0.0%	55.8	62.2	68.0
Aframax (115,000dwt)	53.0	53.0	0.0%	47.0	52.4	58.0
LR1 (75,000dwt)	45.8	45.8	0.0%	40.5	44.1	47.0
MR (56,000dwt)	35.5	35.5	0.0%	33.5	35.3	37.3
<b>Gas</b>						
LNG 160k cbm	200.0	200.0	0.0%	198.0	200.9	211.5
LPG LGC 80k cbm	77.0	77.0	0.0%	69.5	73.5	80.0
LPG MGC 55k cbm	67.5	67.5	0.0%	62.0	64.3	68.5
LPG SGC 25k cbm	45.0	45.0	0.0%	41.0	44.3	46.5

### Reported Transactions

Type	Units	Size	Shipbuilder	Price	Buyer	Delivery	Comments
TANKER	2	310,000 dwt	DAEWOO, S. Korea	\$ 94.0m	MARAN TANKERS - Greece	2017	
TANKER	2	300,000 dwt	STX SHIPBUILDING, S. Korea	\$ 90.0m	FRONTLINE - Norway	2017	option exercised
TANKER	2	80,000 dwt	ONOMICHI, Japan	N/A	SAMOS STEAMSHIP - Greece	2017/2018	
TANKER	2	50,000 dwt	SPP SHIPBUILDING, S. Korea	N/A	ASP SHIPMANAGEMENT - Australia	2016-2017	for New Zealand Cabotage trade
CONT	4	19,000 teu	NANONG TONGBAO, China	\$ 135.0m	COSCO - China	2018	
CONT	3	19,000 teu	SWS, China	\$ 140.0m	COSCO - China	2018	
CONT	2	19,000 teu	DALIAN COSCO KHI, China	\$ 135.0m	COSCO - China	2018	
CONT	2	19,000 teu	DALIAN COSCO KHI, China	\$ 140.0m	COSCO - China	2018	
CONT	5	14,000 teu	IMABARI, Japan	\$ 125.0m	YANG MING - China	2018-2019	
CONT	4+2+2	11,800 teu	JIANGSU, China	N/A	SINOKOR - S. Korea	2018	
LPG	2	78,700 cbm	HYUNDAI MIPO, S. Korea	\$ 80.0m	SOLVANG - Norway	2017	against 10yr TC
LPG	1	78,700 cbm	HYUNDAI MIPO, S. Korea	\$ 76.7m	KSS LINE - South Korea	2017	7yr TC With Gyxis

# Sale & Purchase

## Secondhand Sales

07<sup>th</sup> - 11<sup>th</sup> September 2015

Things seemed to have quietened down a bit this week, with activity softening slightly while the bulk of the reported deals focused on the smaller Handysize segment. Nevertheless, it looks as though prices in the dry bulk sector are holding their ground for the time being, with many in the market still feeling that the timing is right in terms of asset prices. What will play a role as to if this scenario will play out or not is as to how much the discounts on offer by shipbuilders will go and how well the freight market will hold in the next quarter.

On the tanker side, things started to slow down here as well, caught by the fact the freight rates took a tumble these past weeks while many feel that the minor rush for asset buying at these levels may have been too haste. As such there was a small correction in prices to be noted, though this may prove to be a mere temporary pause in an overall well performing asset.

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

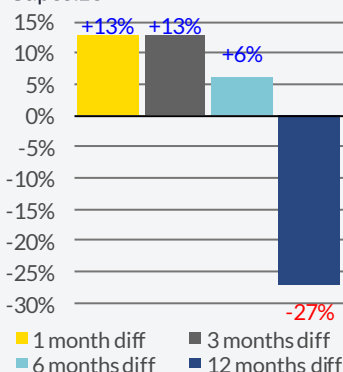
		last 5 years			Min	Avg	Max
		11 Sep	07 Aug	±%			
<b>Capesize</b>	Resale	46.5	45.0	3.3%	36.0	53.4	74.0
	5 year old	35.0	31.0	12.9%	31.0	42.1	61.0
	10 year old	20.0	18.0	11.1%	18.0	30.0	45.5
	15 year old	10.5	10.0	5.0%	10.0	18.3	29.5
<b>Panamax</b>	Resale	28.0	28.0	0.0%	24.5	33.9	46.0
	5 year old	18.0	16.5	9.1%	16.5	26.1	40.3
	10 year old	12.0	11.0	9.1%	11.0	20.0	33.8
	15 year old	6.5	6.0	8.3%	6.0	13.7	24.5
<b>Supramax</b>	Resale	26.0	26.5	-1.9%	23.5	31.2	40.0
	5 year old	15.5	14.5	6.9%	14.5	24.0	32.3
	10 year old	10.5	10.5	0.0%	10.5	18.0	26.3
	15 year old	6.0	6.0	0.0%	6.0	12.7	21.6
<b>Handysize</b>	Resale	21.0	21.0	0.0%	21.0	24.7	30.0
	5 year old	13.0	13.0	0.0%	13.0	19.8	27.4
	10 year old	9.5	9.0	5.6%	9.0	15.1	21.8
	15 year old	5.5	5.5	0.0%	5.5	10.5	16.5

### Indicative Tanker Values (US\$ million)

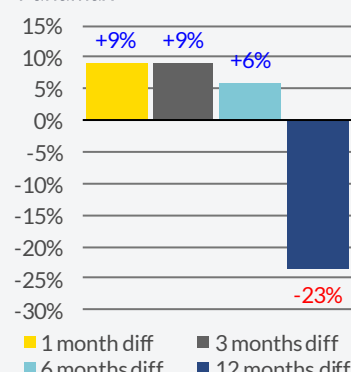
		last 5 years			Min	Avg	Max
		11 Sep	07 Aug	±%			
<b>VLCC</b>	Resale	105.0	105.0	0.0%	80.0	97.1	117.0
	5 year old	83.0	84.0	-1.2%	55.0	72.0	91.0
	10 year old	58.0	59.0	-1.7%	33.8	48.2	65.0
	15 year old	40.0	41.0	-2.4%	16.9	26.7	41.0
<b>Suezmax</b>	Resale	72.0	73.0	-1.4%	53.0	64.9	74.5
	5 year old	61.0	61.0	0.0%	38.0	51.0	63.4
	10 year old	42.0	42.0	0.0%	24.0	34.9	46.0
	15 year old	22.0	22.0	0.0%	14.0	19.4	26.6
<b>Aframax</b>	Resale	56.0	57.0	-1.8%	39.0	49.3	60.0
	5 year old	45.0	46.0	-2.2%	27.0	37.4	47.0
	10 year old	32.0	33.0	-3.0%	16.0	24.5	33.0
	15 year old	18.5	18.5	0.0%	8.0	13.3	18.5
<b>MR</b>	Resale	38.5	38.5	0.0%	32.0	36.6	39.3
	5 year old	28.5	28.0	1.8%	22.0	26.7	30.5
	10 year old	20.0	20.0	0.0%	13.8	17.7	20.4
	15 year old	13.5	13.5	0.0%	9.0	11.0	13.8

### Price movements of 5 year old Dry Bulk assets

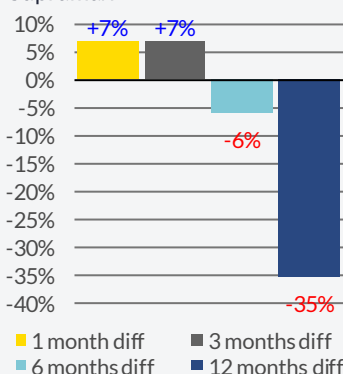
#### Capesize



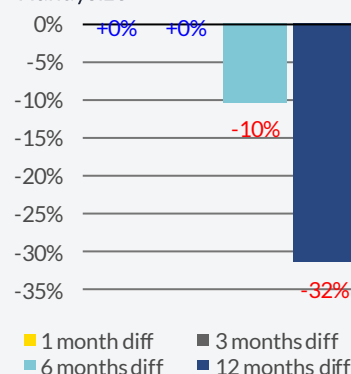
#### Panamax



#### Supramax

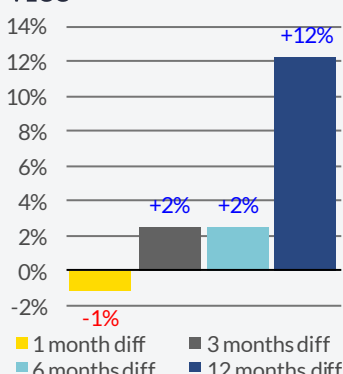


#### Handysize

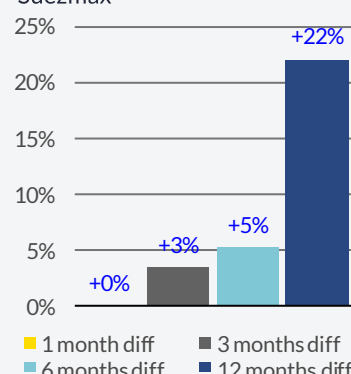


### Price movements of 5 year old Tanker assets

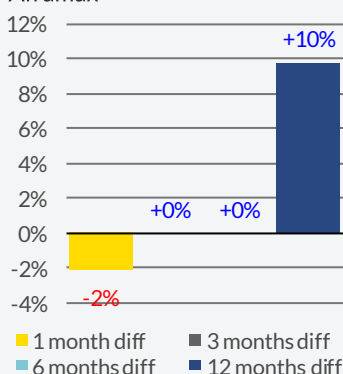
#### VLCC



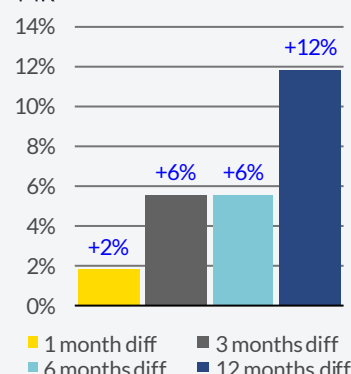
#### Suezmax



#### Aframax



#### MR



# Sale & Purchase

## Secondhand Sales



07<sup>th</sup> - 11<sup>th</sup> September 2015

Tankers									
Size	Name	Dwt	Built	Shipbuilder	M/E	Coating	Price	Buyers	Comments
AFRA	CORAL SEA	105,666	2003	HYUNDAI HEAVY INDUSTRI, S. Korea	B&W		\$ 33.0m	Indonesian	2mos subs now lifted. To be used for storage
AFRA	ASTRO ANTARES	98,876	1996	DAEWOO HEAVY, S. Korea	B&W		\$ 12.2m	Saudi Arabian - Bakri Navigation	
MR	MAERSK MALTA	50,308	2010	GUANGZHOU INTERNATIONAL, China	MAN-B&W	EPOXY PHEN	\$ 27.0m	Danish - Torm	
MR	MAERSK ELIZABETH	37,026	2001	3 MAJ, Croatia	Sulzer	EPOXY PHEN	\$ 13.0m	Nigerian	

Bulk Carriers									
Size	Name	Dwt	Built	Shipbuilder	M/E	Gear	Price	Buyers	Comments
SMAX	LATMAR	52,827	2001	ONOMICHI, Japan	MAN-B&W	4 X 30t CRANES	\$ 3.8m	Turkish	via auction, surveys overdue
HANDY	VEGA VENUS	31,754	2011	MAWEI, China	Mitsubishi	4 X 45t CRANES	\$ 3.8m	China	
HANDY	HELOISE	30,688	2010	SHANHAIGUAN, China	MAN-B&W	3 X 30t CRANES	\$ 13.35m	Canadian - Canfornav	laker
HANDY	EMILIE	29,800	2010	SHANHAIGUAN, China	MAN-B&W	3 X 30t CRANES	\$ 13.35m		laker
HANDY	ORIENTE CREST	29,738	2003	SHIKOKU DOCKYARD, Japan	B&W	4 X 30t CRANES	\$ 6.9m	undisclosed	
HANDY	VAN ORCHID	28,341	2009	IMABARI MARUGAME, Japan	MAN-B&W	4 X 30,7t CRANES	\$ 10.0m	undisclosed	

Gen. Cargo									
Type	Name	Dwt	Built	Shipbuilder	M/E	Gear	Price	Buyers	Comments
General Cargo	THORCO HILDE	7,802	2007	BODEWES' BV, Netherlands	MaK	2 X 60t CRANES	N/A	Danish	
General Cargo	KU AM	7,120	1994	FUKUOKA, Japan	Mitsubishi	2 X 30t CRANES, 2 X 25t	\$ 1.5m	Far Eastern	

Containers									
Size	Name	TEU	Built	Shipbuilder	M/E	Gear	Price	Buyers	Comments
PMAX	LINTON	4,400	2012	HYUNDAI SAMHO, S. Korea	Wartsila		\$ 25.0m	undisclosed	
SUB PMAX	CORAL BAY	2,490	2005	HDW GMBH, Germany	Sulzer	3 X 45t CRANES	\$ 15.0m	undisclosed	
SUB PMAX	CRYSTAL BAY	2,490	2005	HDW-GAARDEN GMBH, Germany	Sulzer	3 X 45t CRANES	\$ 15.0m		
FEEDER	CAPE FALSTER	1,200	2005	HEGEMANN BERNE, Germany	MAN-B&W		\$ 7.5m	Greek - Conbulk	SS/DD due Dec '15
FEEDER	CAPE FRASER	1,200	2005	PEENE-WERFT, Germany	MAN-B&W		\$ 7.5m		SS/DD due Dec '15
FEEDER	ANITA L.	1,200	2004	HEGEMANN BERNE, Germany	MAN-B&W		\$ 7.5m	undisclosed	

Gas Carriers									
Size	Name	Dwt	Built	Shipbuilder	M/E	CBM	Price	Buyers	Comments
LPG	GAS DORADO	7,638	1997	ASAKAWA, Japan	B&W	7,078	N/A	Sri Lankan - Laugfs Gas	

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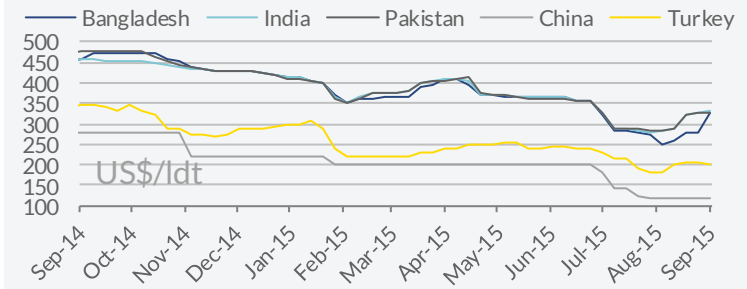
# Sale & Purchase

## Demolition Sales

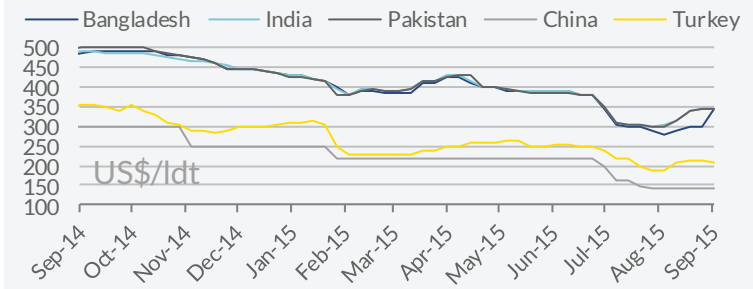
07<sup>th</sup> - 11<sup>th</sup> September 2015

It seems that the market is rife with speculative buyers these past weeks, slowly but surely pushing price levels up once more. We are by no means close to the levels that were being noted in late June, while the fundamentals are still showing signs that the market is too weak to sustain even these levels in the long-term. There is still ample supply of cheap steel in the market and movements in the foreign exchange markets are anything but favorable, yet demand for scrap steel in India is still holding strong and with the government likely to continue to hold favorable policies for their shipbreakers some see room to play at these new higher figures. It is worth pointing out however, that activity is still limited in volume and with so few demo candidates around the risk being taken is minimal. These offers therefore are more of a reflection of keeping business activity going rather than opportunistic as to a potential arbitrage in the current price levels and where the market is expected to go over the coming weeks. At the same time and in an effort to catch up with the market, Bangladeshi breakers seemed to have boosted their offered prices considerably in an effort to stay competitive and attract tonnage on their end.

### Dry Scrap Prices



### Wet Scrap Prices



	Indicative Dry Prices (\$/Ldt)			last 5 years		
	11 Sep	04 Sep	±%	Min	Avg	Max
<b>Indian Sub Continent</b>						
Bangladesh	325	280	16.1%	250	418	515
India	330	325	1.5%	280	423	525
Pakistan	325	325	0.0%	285	418	510
<b>Far East Asia</b>						
China	120	120	0.0%	120	339	455
<b>Mediterranean</b>						
Turkey	200	205	-2.4%	180	288	355

	Indicative Wet Prices (\$/Ldt)			last 5 years		
	11 Sep	04 Sep	±%	Min	Avg	Max
<b>Indian Sub Continent</b>						
Bangladesh	345	300	15.0%	280	442	540
India	345	345	0.0%	300	448	550
Pakistan	345	345	0.0%	300	444	525
<b>Far East Asia</b>						
China	140	140	0.0%	140	357	485
<b>Mediterranean</b>						
Turkey	210	215	-2.3%	190	299	355

### Reported Transactions

Type	Vessel's Name	Dwt	Built	Country Built	Ldt	US\$/Ldt	Buyer	Sale Comments
Bulker	HANJIN HAYPOINT	151,023	1990	S. Korea	19,499	\$ 335/Ldt	Bangladeshi	
Cont	KOLLMAR	21,540	1993	Germany	8,039	\$ 370/Ldt	Indian	incl. 600tns ROB
Ro Pax	ARAHURA	2,457	1983	Denmark	6,977	\$ 225/Ldt	undisclosed	bss 'as is' Wellington, New Zealand



# Trade Indicators

## Markets | Currencies | Commodities

07<sup>th</sup> - 11<sup>th</sup> September 2015

The majority of US-listed shipping stocks slipped Friday even as broader markets remained calm.

DryShips continued to add to its losses after yesterday's announcement that it could sell its entire bulker fleet. Its shares dropped by plunged by 10% to reach \$0.23 at the market's close.

Also in dry-bulk, Peter Georgiopoulos's Genco Shipping & Trading dropped 4.8% to reach \$4.91, while Greece's Star Bulk Carriers shed 4.2% to reach \$2.26. Smaller Paragon Shipping plunged 23.5%, ending the day at \$0.36.

The bulker stock decline came on a day that the Baltic Dry Index lost 12 points to close at 818.

LNG carrier owner GasLog Partners was the largest decliner among larger-cap shipping companies, losing 5.2% to hit \$17.24 at the bell. Parent GasLog Ltd slipped by 4.8% to end at \$17.24

A leading shipping analysts said the declines come at a time of year when volumes are weak, so industry-specific factors may not be pushing the declines. Source: Tradewinds

	11Sep	07Aug	±%	last 12 months		
				Min	Avg	Max
<b>Markets</b>						
10year US Bond	2.18	2.17	0.5%	1.67	2.18	2.63
S&P 500	1,961.1	2,077.6	-5.6%	1,862	2,053	2,131
Nasdaq	4,822.3	5,043.5	-4.4%	4,214	4,833	5,219
Dow Jones	16,433.1	17,373.4	-5.4%	15,666	17,594	18,312
FTSE 100	6,117.8	6,718.5	-8.9%	5,899	6,689	7,104
FTSE All-Share UK	3,372.9	3,662.1	-7.9%	3,246	3,613	3,834
CAC40	4,548.7	5,154.8	-11.8%	3,919	4,685	5,269
Xetra Dax	10,123.6	11,490.8	-11.9%	8,572	10,643	12,375
Nikkei	18,264.2	20,724.6	-11.9%	176	18,398	20,868
Hang Seng	21,504.4	24,552.5	-12.4%	20,584	24,702	28,443
DJ US Maritime	225.2	232.1	-3.0%	210.8	277.4	405.7
<b>Currencies</b>						
\$ per €	1.13	1.09	3.0%	1.06	1.16	1.30
\$ per £	1.54	1.55	-0.5%	1.46	1.55	1.64
£ per €	0.73	0.71	3.5%	0.70	0.75	0.80
¥ per \$	120.7	124.5	-3.0%	106.1	118.7	125.1
\$ per Au\$	0.71	0.74	-4.3%	0.69	0.80	0.91
\$ per NoK	0.12	0.12	0.8%	0.12	0.13	0.16
\$ per SFr	0.98	0.98	-0.8%	0.86	0.95	1.02
Yuan per \$	6.37	6.18	3.1%	6.12	6.20	6.41
Won per \$	1,186.8	1,166.0	1.8%	1,032.8	1,106.8	1,203.3
\$ INDEXX	103.6	105.5	-1.7%	90.1	99.6	105.5
<b>Commodities</b>						
Gold \$	1,101.3	1,089.8	1.1%	1,080.8	1,188.2	1,295.8
Oil WTI \$	44.8	44.8	-0.2%	38.8	59.2	94.9
Oil Brent \$	48.1	49.8	-3.4%	43.3	64.4	99.1
Palm Oil	508.5	525.3	-3.2%	437.5	625.3	755.0
Iron Ore	58.5	56.3	3.9%	44.1	64.7	85.2
Coal Price Index	52.0	56.5	-8.0%	51.5	61.9	68.6
White Sugar	347.5	343.5	1.2%	333.6	389.9	449.4

### Currencies

#### US Dollar per Euro



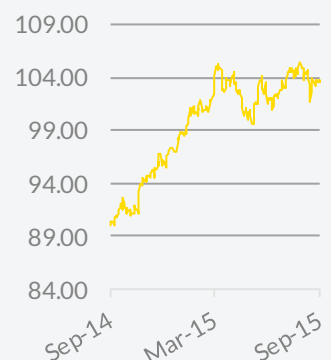
#### Yen per US Dollar



#### Yuan per US Dollar



#### US Dollar INDEX

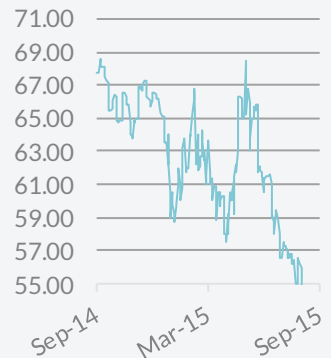


### Commodities

#### Iron Ore (TSI)



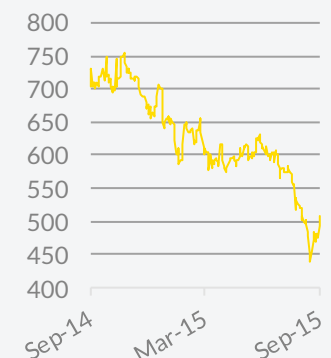
#### Coal Price Index



#### Oil WTI \$



#### Palm Oil



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07<sup>th</sup> - 11<sup>th</sup> September 2015 | Week 37

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## Appendix

Agregate 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 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	170,000dwt	170,000dwt	150,000dwt
Panamax	82,000dwt	76,000dwt	75,000dwt	73,000dwt
Supramax	64,000dwt	56,000dwt	52,000dwt	52,000dwt
Handysize	35,000dwt	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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