

# Capital Link Shipping Weekly Markets Report

Monday, October 14, 2013 (Week 42)



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## SHIPPING MARKETS

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- Stifel Shipping Weekly
- Dry Bulk Market – Weekly Highlights, by Intermodal Shipbrokers
- Contain Market – Weekly Highlights, by Braemer Seascope
- Weekly Tanker Market Opinion, by Poten & Partners
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- S&P Secondhand, Newbuilding & Demolition Markets, by Golden Destiny

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# 3<sup>rd</sup> Annual Shipping & Offshore CSR Forum *CSR as a Competitive Advantage* Capital Link Forum Thursday, October 24, 2013 - London

**Thursday, October 24, 2013**  
**8:30 AM - 5:15 PM**  
**Venue: One Moorgate Place - London, UK**

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## Overview

As market forces and regulatory trends continue to call for the incorporation of corporate social responsibility (CSR) into business practices, shipping companies increasingly recognize CSR as more than just a societal obligation. A consistent commitment to CSR is a differentiating commercial, financial, and operational advantage; it ensures long-term growth and capital gains; and it can impact the valuation and cost of capital for listed companies, making them the more reliable, sustainable, and safer investment and lending choice for investors and bankers alike.

## Topics of Discussion

- Sustainability - CSR & the Changing Face of the Shipping Industry
- CSR - Beyond Regulatory Requirements; New Challenges & Industry Response
- The Salvage - Friendly Ship: A Comprehensive CSR Policy Must Include Accident Scenario
- Maritime Safety
- CSR & Technological Innovation
- Health, Safety and Environment Reporting and External Verification
- CSR & Corporate Governance
- CSR & The Human Factor - Anticipating New Challenges
- CSR as a Financial Advantage
- Sustainable Ship Recycling
- CSR as a Commercial & Operational Advantage - The Demand for CSR by Charterers
- On Course for a Better World
- Best Industry Practices (Tanker, Dry Bulk & Container Industries)
- Best Industry Practices (Offshore)

## Participating Companies

- |   |                                  |   |
|---|----------------------------------|---|
| • BIMCO   | • GMS Dubai                      | • Norton Rose Fulbright                     |
| • Cargill Ocean Transport                       | • HSBC Bank plc.                 | • RightShip                                 |
| • Class NK                                      | • Insurance                      | • Sailor's Society                          |
| • Concordia Maritime AB                         | • Intercargo                     | • Seafarers UK                              |
| • Danaos Corporation                            | • InterManager                   | • Teekay Shipping Ltd                       |
| • Danish Shipowners' Assoc.                     | • International Registries, Inc. | • SSI (The Sustainable Shipping Initiative) |
| • ECSA (European Community Ship Owner's Assoc.) | • Lloyd's List                   | • Troms Offshore Supply AS                  |
| • Elvictor Group                                | • Lloyd's Register               | • War Room                                  |
| • FMO   | • Maersk Tankers A/S             | • Zodiac                                    |
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# Capital Link Shipping

...Linking Shipping and Investors Across the Globe

Capital Link is a New York-based Advisory, Investor Relations and Financial Communications firm. Capitalizing on our in-depth knowledge of the shipping industry and capital markets, Capital Link has made a strategic commitment to the shipping industry becoming the largest provider of Investor Relations and Financial Communications services to international shipping companies listed on the US and European Exchanges. Capital Link's headquarters are in New York with a presence in London and Athens.



## Investor Relations & Financial Advisory

Operating more like a boutique investment bank rather than a traditional Investor Relations firm, our objective is to assist our clients enhance long term shareholder value and achieve proper valuation through their positioning in the investment community. We assist them to determine their objectives, establish the proper investor outreach strategies, generate a recurring information flow, identify the proper investor and analyst target groups and gather investor and analyst feedback and related market intelligence information while keeping track of their peer group. Also, to enhance their profile in the financial and trade media.

In our effort to enhance the information flow to the investment community and contribute to improving investor knowledge of shipping, Capital Link has undertaken a series of initiatives beyond the traditional scope of its investor relations activity, such as:



## www.CapitalLinkShipping.com

A web based resource that provides information on the major shipping and stock market indices, as well as on all shipping stocks. It also features an earnings and conference call calendar, industry reports from major industry participants and interviews with CEOs, analysts and other market participants.



## Capital Link Shipping Weekly Markets Report

Weekly distribution to an extensive audience in the US & European shipping, financial and investment communities with updates on the shipping markets, the stock market and listed company news.



## www.CapitalLinkWebinars.com

Sector Forums & Webinars: Regularly, we organize panel discussions among CEOs, analysts, bankers and shipping industry participants on the developments in the various shipping sectors (containers, dry bulk, tankers) and on other topics of interest (such as Raising Equity in Shipping Today, Scrapping, etc).



## Capital Link Investor Shipping Forums

In New York, Athens and London bringing together investors, bankers, financial advisors, listed companies CEOs, analysts, and shipping industry participants.



## www.MaritimeIndices.com

Capital Link Maritime Indices: Capital Link developed and maintains a series of stock market maritime indices which track the performance of U.S. listed shipping stocks (CL maritime Index, CL Dry Bulk Index, CL Tanker Index, CL Container Index, CL LNG/LPG Index, CL Mixed Fleet Index, CL Shipping MLP Index – Bloomberg page: CPLI. The Indices are also distributed through the Reuters Newswires and are available on Factset.

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# Capital Link Shipping Weekly Markets Report



Monday, October 14, 2013 (Week 42)

IN THE NEWS

## Latest Company News

Monday, October 7, 2013

### **Seaspan Announces Concurrent Public Offerings of Common Shares and Convertible Senior Notes**

Seaspan Corporation announced that it plans to offer 5,700,000 Class A Common Shares (the "Common Shares") and \$125,000,000 in aggregate principal amount of Convertible Notes due 2018 in concurrent public offerings. In addition to the 5,700,000 shares Seaspan is offering (the "Primary Offering"), a selling shareholder will offer 300,000 shares (the "Secondary Offering"). Seaspan and the selling shareholder intend to grant the underwriters for the Common Share offering a 30-day option to purchase up to an additional 900,000 shares, up to 855,000 shares of which would be offered by Seaspan in the Primary Offering, and up to 45,000 shares of which would be offered by the selling shareholder in the Secondary Offering. Seaspan intends to grant the underwriters for the Convertible Note offering a 30-day option to purchase up to an additional \$18,750,000 principal amount of Convertible Notes.

### **Star Bulk Announces Completion of Its Follow - On Offering Including Exercise of Underwriters' Option to Purchase Additional Common Shares**

Star Bulk Carriers Corp. closed its previously announced public offering, issuing 8,050,000 new common shares, including 1,050,000 common shares sold pursuant to the exercise in full of the underwriters' option to purchase additional common shares. Gross proceeds of the offering were approximately \$70.8 million, inclusive of \$9.2 million gross proceeds from the exercise of the underwriters' option to purchase additional common shares. Following this offering, the Company has 29,059,671 common shares issued and outstanding. Certain of the Company's largest shareholders, namely investment funds managed by Oaktree Capital Management L.P., investment funds managed by Monarch Alternative Capital LP, and Blueshore Global Equity Fund L.P. participated in the follow - on offering at the public offering price. Star Bulk intends to use the net proceeds from the offering to partially fund the acquisition of nine identified newbuilding drybulk vessels, future vessel acquisitions and general corporate purposes, including working capital.

Tuesday, October 8, 2013

### **Diana Shipping Inc. Announces the Acquisition of a Capesize Dry Bulk Vessel**

Diana Shipping Inc. announced yesterday it signed, through a separate wholly-owned subsidiary, a Memorandum of Agreement to purchase from an unaffiliated third party the m/v "JK Pioneer", a 2013 built Capesize dry bulk vessel of 179,134 dwt, for a price of US\$52,000,000. The vessel, to be renamed "P. S. Palios", is expected to be delivered to the buyer in mid-November 2013. The vessel is currently chartered to Oldendorff Carriers GmbH & Co. KG, Luebeck, Germany, at a gross charter rate of US\$11,500 per day, minus a 5% commission paid to third parties. Based on the existing charterparty, the charterer has the option to redeliver the vessel at any time before, but not later than March 30, 2014.

### **Costamare Inc. Declares Quarterly Common Stock Dividend of \$0.27 per Share**

Costamare Inc. has declared a quarterly dividend on its common stock of \$0.27 per share for the quarter ended September 30, 2013, payable on November 6, 2013 to stockholders of record at the close of trading of the Company's common stock on the New York Stock Exchange on October 23, 2013. The Company has 74,800,000 shares of common stock outstanding.

Wednesday, October 9, 2013

### **Box Ships Inc. Announces Closing of its \$8.2 Million Follow-on Preferred Stock Offering**

Box Ships Inc. closed its previously-announced public offering of 340,000 shares of its Series C Cumulative Redeemable Perpetual Preferred Stock (the "Series C Preferred Stock") at \$24.00 per share. The gross proceeds from the offering before the underwriting discount and other offering expenses payable by the Company amounted to approximately \$8.2 million. The Company has granted the underwriters a 45-day option to purchase up to an additional 51,000 shares of Series C Preferred Stock on the same terms and conditions to cover over-allotments, if any. Following this offering, the Company has 898,333 shares of Series C Preferred Stock outstanding. Dividends are payable on the Series C Preferred Stock at an initial rate of 9.00% per annum of the stated liquidation preference. The Series C Preferred Stock is listed on the New York Stock Exchange under the symbol "TEUPRC."

Thursday, October 10, 2013

### **FreeSeas Announces Elimination of \$30 million Debt**

FreeSeas Inc. announced that approval was received on October 9, 2013, by the Supreme Court of the State of New York of the terms and conditions of an exchange agreement (the "Exchange Agreement") between FreeSeas and Crede CG III Ltd ("Crede"), a wholly owned subsidiary of Crede Capital Group.

### **Diana Shipping Inc. Announces Delivery of the Kamsarmax Dry Bulk Carrier m/v Myrsini**

Diana Shipping Inc. announced that, through a separate wholly-owned subsidiary, it took delivery of the m/v "Myrsini" (formerly "Stefania Lembo"), a 2010 built Kamsarmax dry bulk vessel of 82,117 dwt. The acquisition of this vessel was originally announced on September 23, 2013. The "Myrsini" is time chartered to Clearlake Shipping Pte. Ltd., Singapore, at a gross charter rate of US\$15,500 per day, minus a 4.75% commission paid to third parties, for a period of minimum four (4) months to about six (6) months. The charter is expected to commence tomorrow. This employment is anticipated to generate approximately US\$1.9 million of gross revenue for the minimum scheduled period of the charter.



# Capital Link Shipping Weekly Markets Report



Monday, October 14, 2013 (Week 42)

IN THE NEWS

## Latest Company News

### **Seaspan Announces Termination of Public Offerings of Common Shares and Convertible Notes**

Seaspan Corporation announced that it will no longer proceed with its previously announced public offerings of common shares and convertible notes as it would not be in the best interests of our shareholders.

Friday, October 11, 2013

### **Teekay LNG Partners Declares Distribution**

Teekay GP LLC has declared a cash distribution of \$0.675 per unit for the quarter ended September 30, 2013. The cash distribution is payable on November 8, 2013 to all unitholders of record on October 23, 2013.

### **Teekay Offshore Partners Declares Distribution**

Teekay Offshore GP LLC has declared a cash distribution of \$0.5253 per unit for the quarter ended September 30, 2013. The cash distribution is payable on November 8, 2013 to all unitholders of record on October 23, 2013.

### **Scorpio Tankers Inc. Announces Newbuilding Agreements for Two LPG Tankers and Delivery of Its Twelfth Newbuilding MR**

Scorpio Tankers Inc. announced that it has exercised options to construct two Very Large Gas Carriers ("VLGC") in South Korea. The Company also took delivery of the twelfth vessel under its newbuilding program, STI Ville. The Company has also exercised options it held with Hyundai Samho Heavy Industries for the construction of two VLGC for approximately \$75.0 million each. These vessels are 84,000 cubic meter tankers designed for the carriage of LPG and are scheduled to be delivered in the first quarter of 2016. In addition, the Company took delivery of the twelfth MR product tanker under its newbuilding program at Hyundai Mipo Dockyard Co., Ltd. of South Korea, STI Ville. Upon delivery, the vessel began a time charter for up to 120 days at approximately \$19,000 per day.

# Capital Link Shipping



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# Capital Link Shipping Weekly Markets Report



Monday, October 14, 2013 (Week 42)

CAPITAL MARKETS DATA

## Select Dividend Paying Shipping Stocks

Stock Prices as of October 11, 2013

Company Name	Ticker	Quarterly Dividend	Annualized Dividend	Last Closing Price (Oct. 11, 2013)	Annualized Dividend Yield (%)
<b>Container</b>					
Box Ships Inc	TEU	\$0.12	\$0.48	\$3.90	12.31%
Costamare Inc	CMRE	\$0.27	\$1.08	\$17.65	6.12%
Diana Containerships	DCIX	\$0.15	\$0.60	\$4.06	14.78%
Matson Inc	MATX	\$0.15	\$0.60	\$27.21	2.21%
Seaspan Corp	SSW	\$0.3125	\$1.25	\$21.61	5.78%
<b>Dry Bulk</b>					
Baltic Trading Limited	BALT	\$0.01	\$0.04	\$4.98	0.80%
Navios Maritime Holdings Inc.	NM	\$0.06	\$0.24	\$7.07	3.39%
Navios Maritime Partners L.P. <sup>(1)</sup>	NMM	\$0.4425	\$1.77	\$14.80	11.96%
Safe Bulkers Inc. <sup>(2)</sup>	SB	\$0.05	\$0.20	\$6.65	3.01%
<b>Tankers</b>					
Capital Product Partners L.P.	CPLP	\$0.2325	\$0.93	\$9.00	10.33%
DHT Holdings, Inc.	DHT	\$0.02	\$0.08	\$4.76	1.68%
KNOT Offshore Partners L.P.	KNOP	\$0.3750	\$1.50	\$24.02	6.24%
Navios Maritime Acquisition Corp	NNA	\$0.05	\$0.20	\$3.81	5.25%
Nordic American Tankers Limited	NAT	\$0.16	\$0.64	\$8.18	7.82%
Scorpio Tankers Inc	STNG	\$0.025	\$0.10	\$10.13	0.99%
Teekay Corporation	TK	\$0.31625	\$1.265	\$42.66	2.97%
Teekay Offshore Partners L.P.	TOO	\$0.5253	\$2.1012	\$33.25	6.32%
Teekay Tankers Ltd	TNK	\$0.03	\$0.12	\$2.73	4.40%
Tsakos Energy Navigation Ltd <sup>(3)</sup>	TNP	\$0.05	\$0.20	\$4.89	4.09%
<b>Mixed Fleet</b>					
Euroseas Ltd	ESEA	\$0.015	\$0.06	\$1.30	4.62%
Knightsbridge Tankers Limited	VLCCF	\$0.175	\$0.70	\$9.90	7.07%
Ship Finance International Limited	SFL	\$0.39	\$1.56	\$15.65	9.97%
<b>LNG/LPG</b>					
Gas Log Ltd	GLOG	\$0.11	\$0.44	\$14.25	3.09%
Glolar LNG	GLNG	\$0.450	\$1.80	\$36.13	4.98%
Glolar LNG Partners, L.P.	GMLP	\$0.515	\$2.06	\$32.04	6.43%
Teekay LNG Partners L.P.	TGP	\$0.675	\$2.70	\$41.56	6.50%
<b>Maritime MLPs</b>					
Capital Product Partners L.P.	CPLP	\$0.2325	\$0.93	\$9.00	10.33%
Glolar LNG Partners, L.P.	GMLP	\$0.515	\$2.06	\$32.04	6.43%
Navios Maritime Partners L.P.	NMM	\$0.4425	\$1.77	\$14.80	11.96%
Teekay LNG Partners L.P.	TGP	\$0.675	\$2.70	\$41.56	6.50%
Teekay Offshore Partners L.P.	TOO	\$0.5253	\$2.1012	\$33.25	6.32%
KNOT Offshore Partners L.P.	KNOP	\$0.3750	\$1.50	\$24.02	6.24%





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## CAPITAL MARKETS DATA

Preferred Shipping Stocks	Safe Bulkers Series B	Tsakos Energy Series B	Tsakos Energy Series C	Costamare Series B	Box Ships Series C	Seaspan Series C	Seaspan Series D	International Shipholding Series A	Teekay Offshore Series A
Ticker Symbol	SBPRB	TNPPRB	TNPPRB	CMREPRB	TEUPRC	SSWPRC	SSWPRD	ISHPRA	TOOPRA
Fixed Annual Dividend <sup>(4)</sup>	8.00%	8.00%	8 <sup>7</sup> / <sub>8</sub> %	7.625%	9.00%	9.50%	7.95%	9.50%	7.25%
Liquidation Preference	\$25.00	\$25.00	\$25.00	\$25.00	\$24.00	\$27.15	\$25.00	\$100.00	\$25.00
Last Closing Price (10/11/13)	\$25.10	\$23.65	\$23.50	\$23.31	\$23.60	\$27.23	\$25.46	\$105.25	\$24.78

(1) Board approved a 0.57% dividend increase, beginning with the second quarter 2012 dividend, raising the quarterly dividend from \$0.44 to \$0.4425 per unit.

(2) SB completed an offering of 800,000 shares of its 8.00% Series B Cumulative Redeemable Perpetual Preferred Shares at a price of \$25.00 per share. On June 19, 2013, the Series B Preferred Shares commenced trading on the New York Stock Exchange, under the symbol "SBPRB". On July 15, 2013, SB declared a cash dividend of \$0.26111 per share on the Series B Preferred Shares to be paid on July 30, 2013, to all Series B preferred shareholders of record as of July 25, 2013.

(3) TEN completed an offering of 2,000,000 preferred shares (Series B), priced at \$25 per share with an 8% dividend. On May 13, 2013, the Series B Preferred Shares commenced trading on the New York Stock Exchange, under the symbol "TNPPRB." On July 17, 2013, TEN declared a cash dividend of \$0.44444 per share on the Series B Preferred Shares to be paid on July 30, 2013, to all Series B preferred shareholders of record as of July 29, 2013.

(4) Annual dividend percentage based upon the liquidation preference of the preferred shares.

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# Capital Link Shipping Weekly Markets Report



Monday, October 14, 2013 (Week 42)

CAPITAL MARKETS DATA

## Currencies, Commodities & Indices

Week ending, Friday, October 11, 2013

### KEY CURRENCY RATES

Rate	Current Price	Price Last Week	% Change	YTD %Chg	52 Week High	52 Wk Low
3-Month LIBOR (USD)	\$0.2436	\$0.2429	0.31%	-58.18%	\$0.3303	\$0.2429
10-Yr US Treasury Yield	\$2.6871	\$2.6447	1.60%	35.91%	\$3.0050	\$1.5538
USD/CNY	\$6.1219	\$6.1221	0.00%	-2.77%	\$6.2804	\$6.1039
USD/EUR	\$0.7384	\$0.7376	0.11%	-4.41%	\$0.7897	\$0.7294
USD/GBP	\$0.6268	\$0.6244	0.38%	-2.09%	\$0.6749	\$0.6110
USD/JPY	\$98.2700	\$97.1900	1.11%	28.19%	\$103.7400	\$78.2400

### PRECIOUS METALS

	Current Price	Price Last Week	% Change	YTD %Chg	52 Week High	52 Wk Low
Copper	\$326.90	\$330.10	-0.97%	-5.64%	\$382.95	\$300.55
Gold	\$1,286.40	\$1,316.28	-2.27%	-19.67%	\$1,755.97	\$1,180.50
Palladium	\$713.30	\$701.95	1.62%	8.69%	\$771.90	\$633.15
Platinum	\$1,383.65	\$1,376.90	0.49%	-2.83%	\$1,741.99	\$1,294.60
Silver	\$21.53	\$21.65	-0.56%	-26.75%	\$34.39	\$18.23

### KEY AGRICULTURAL & CONSUMER COMMODITIES

	Current Price	Price Last Week	% Change	YTD %Chg	52 Week High	52 Wk Low
Cocoa	\$2,746.00	\$2,611.00	5.17%	27.54%	\$2,757.00	\$2,071.00
Coffee	\$116.70	\$114.40	2.01%	-50.46%	\$181.55	\$113.20
Corn	\$433.25	\$443.25	-2.26%	-26.54%	\$647.00	\$432.00
Cotton	\$83.37	\$87.18	-4.37%	-9.07%	\$93.72	\$74.35
Soybeans	\$1,266.75	\$1,295.00	-2.18%	3.90%	\$1,409.50	\$1,162.50
Sugar #11	\$18.93	\$18.48	2.44%	-21.87%	\$20.85	\$16.70
Wheat	\$692.25	\$687.00	0.76%	-4.09%	\$913.00	\$635.50

### KEY FUTURES

Commodities	Current Price	Price Last Week	% Change	YTD %Chg	52 Week High	52 Wk Low
Gas Oil Futures	\$933.50	\$921.50	1.30%	-0.51%	\$980.25	\$837.00
Gasoline RBOB Future	\$266.81	\$260.76	2.32%	0.82%	\$293.60	\$243.37
Heating Oil Future	\$303.49	\$299.90	1.20%	-0.27%	\$322.35	\$276.81
Natural Gas Future	\$3.78	\$3.51	7.70%	21.96%	\$4.44	\$3.05
WTI Crude Future	\$102.02	\$103.84	-1.75%	-0.40%	\$111.34	\$85.79





# Capital Link Shipping Weekly Markets Report



Monday, October 14, 2013 (Week 42)

## CAPITAL MARKETS DATA

### MAJOR INDICES

Index	Symbol	11-Oct-13	4-Oct-13	% Change	YTD % Change	2-Jan-13
Dow Jones	INDU	15,237.11	15,072.58	1.09%	13.60%	13,412.55
Dow Jones Transp.	TRAN	6,648.41	6,609.75	0.58%	22.31%	5,435.74
NASDAQ	CCMP	3,791.87	3,807.75	-0.42%	21.84%	3,112.26
NASDAQ Transp.	CTRN	2,767.59	2,757.93	0.35%	18.76%	2,330.45
S&P 500	SPX	1,703.20	1,690.50	0.75%	16.46%	1,462.42
Russell 2000 Index	RTY	1,084.32	1,078.25	0.56%	24.15%	873.42
FTSE 100 Index	UKX	6,487.19	6,453.90	0.52%	7.63%	6,027.40

### CAPITAL LINK MARITIME INDICES

Index	Symbol	11-October-13	4-October-13	% Change	2-Jan-13	YTD % Change
Capital Link Maritime Index	CLMI	2,197.88	2240.81	-1.92%	2,093.02	5.01%
Tanker Index	CLTI	2,461.10	2416.22	1.86%	2,123.34	15.91%
Drybulk Index	CLDBI	805.68	829.75	-2.90%	609.62	32.16%
Container Index	CLCI	1,817.30	1885.76	-3.63%	1,588.01	14.44%
LNG/LPG Index	CLLG	3,429.31	3554.16	-3.51%	3,423.06	0.18%
Mixed Fleet Index	CLMFI	1,390.70	1395.20	-0.32%	1,550.21	-10.29%
MLP Index	CLMLP	3,168.31	3217.95	-1.54%	2,972.33	6.59%

### BALTIC INDICES

Index	Symbol	11-October-13	4-October-13	% Change	2-Jan-13	YTD % Change
Baltic Dry Index	BDIY	1,985	2,084	-4.75%	698	184.38%
Baltic Capesize Index	BCIY	3,527	3,943	-10.55%	1,237	185.13%
Baltic Panamax Index	BPIY	2,024	1,914	5.75%	685	195.47%
Baltic Supramax Index	BSI	1,182	1,113	6.20%	737	60.38%
Baltic Handysize Index	BHSI	632	609	3.78%	446	41.70%
Baltic Dirty Tanker Index	BDTI	587	601	-2.33%	696	-15.66%
Baltic Clean Tanker Index	BCTI	517	544	-4.96%	694	-25.50%



### *Shipping Equities: The Week in Review*

#### **SHIPPING EQUITIES UNDERPERFORM THE BROADER MARKET TANKER EQUITIES THE BEST PERFORMER**

During last week, shipping equities underperformed the broader market, with the Capital Link Maritime Index (CLMI), a composite index of all US listed shipping stocks dropping 1.92%, compared to the S&P 500 surging 0.75%, and the Dow Jones Industrial Average (DJII) climbing 1.09%.

Tanker stocks were the best performers during last week, with Capital Link Tanker Index rising 1.86%, followed by Capital Link Mixed Fleet Index retreating 0.32%. Container equities were the least performer in last week, with Capital Link MLP Index slumping 3.63%. The top three weekly gainers last week were Diana Containerships (DCIX), Ardmore Shipping (ASC), and Teekay Tankers (TNK), up 6.28%, 5.38%, and 4.60% respectively.

During last week, Dry Bulk shipping stocks outperformed the physical market, with Baltic Dry Index (BDI) tumbling 4.75%, compared to the Capital Link Dry Bulk Index declining 2.90%. Year-to-date, the BDI has gained 184.38%, compared to the Capital Link Dry Bulk Index went up 32.16%.

Tanker shipping stocks outperformed the physical market as well during last week, with Baltic Dirty Tanker Index (BDTI) sinking 2.33%, and Baltic Clean Tanker Index (BCTI) plunging 4.96%, compared to Capital Link Tanker Index advancing 1.86%. Year-to-date, the BDTI slid 15.66% and the BCTI plummeted 25.56%, while Capital Link Tanker Index rallied 15.91%.

The Trading Statistics supplied by Knight Capital provide details of the trading performance of each shipping stock and analyze the market's trading momentum and trends for the week and year-to-date.

The objective of the Capital Link Maritime Indices is to enable investors, as well as all shipping market participants, to better track the performance of listed shipping stocks individually, by sector or as an industry. Performance can be compared to other individual shipping stocks, to their sector, to the broader market, as well as to the physical underlying shipping markets or other commodities. The Indices currently focus only on companies listed on US Exchanges providing a homogeneous universe. They are calculated daily and are based on the market capitalization weighting of the stocks in each index. In terms of historical data, the indices go back to January 1, 2005, thereby providing investors with significant historical performance.

There are seven indices in total; the Capital Link Maritime Index comprised of all 42 listed shipping stocks, and six Sector Indices, the CL Dry Bulk Index, the CL Tanker Index, the CL Container Index, the CL LNG / LPG Index, the CL Mixed Fleet Index and the CL Maritime MLP Index.

The Index values are updated daily after the market close and can be accessed at [www.CapitalLinkShipping.com](http://www.CapitalLinkShipping.com) or at [www.MaritimeIndices.com](http://www.MaritimeIndices.com). They can also be found through the Bloomberg page "CPLI" and Reuters.



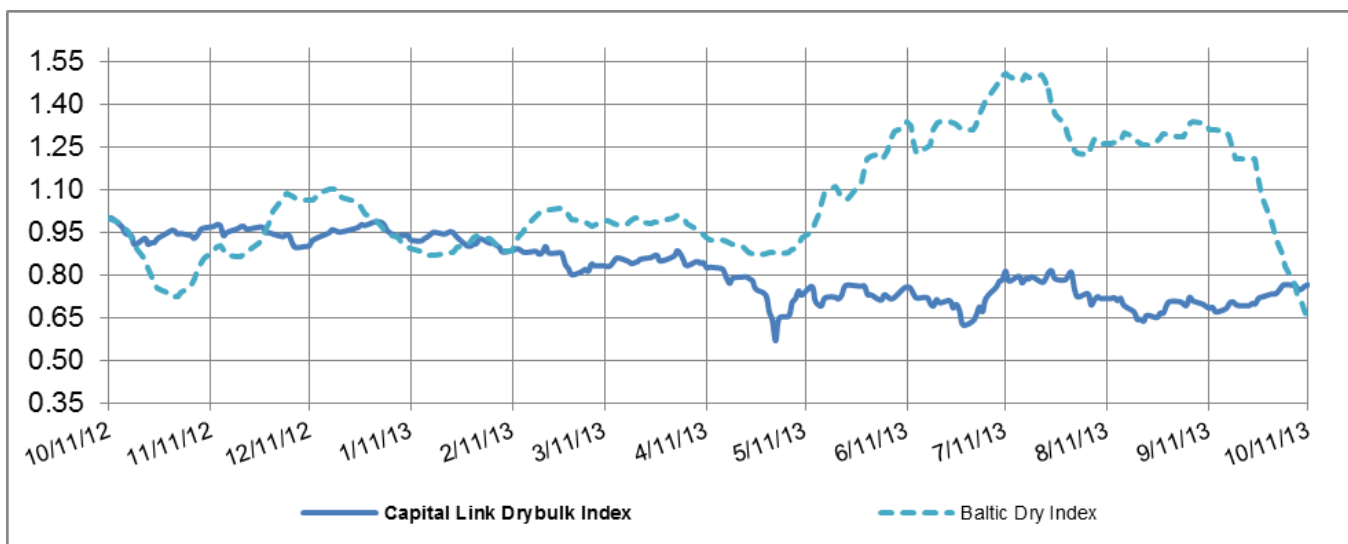
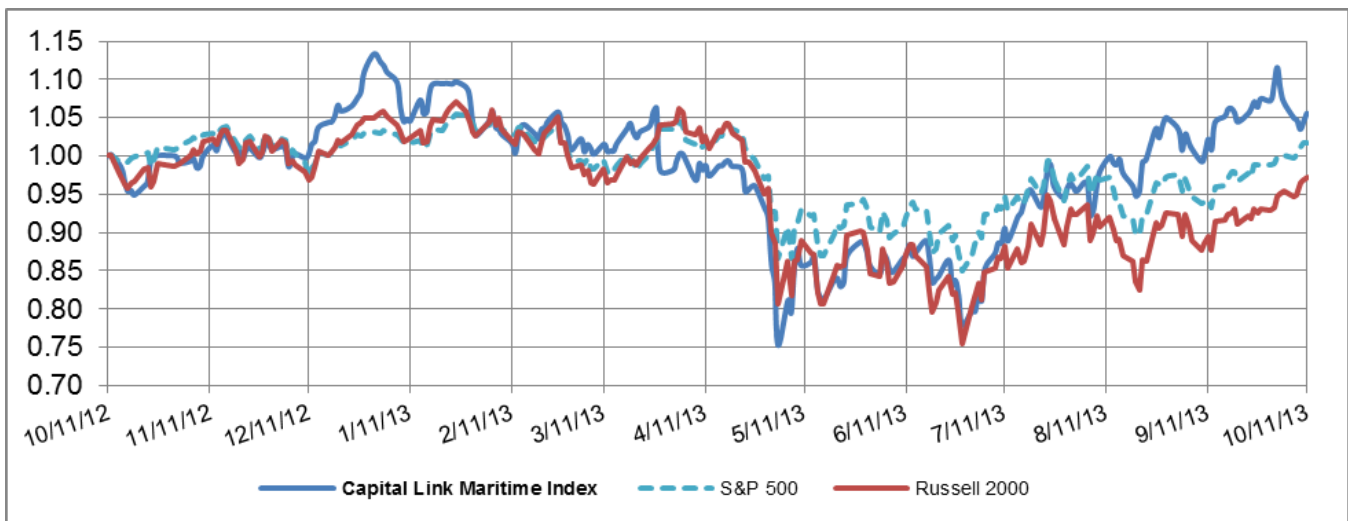
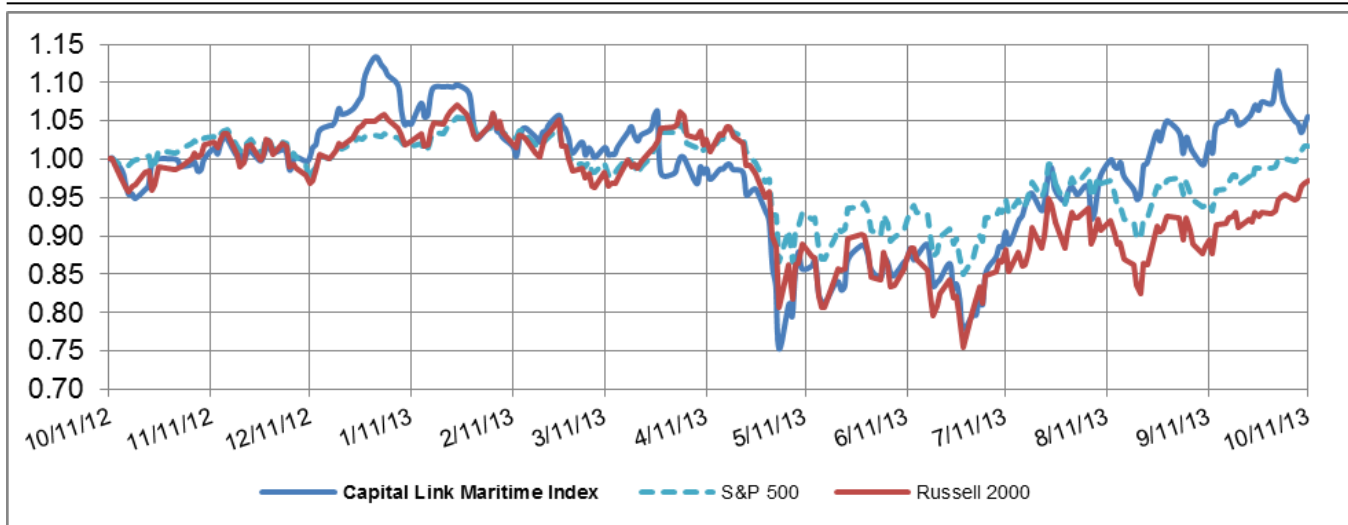
# Capital Link Shipping Weekly Markets Report



Monday, October 14, 2013 (Week 42)

CAPITAL MARKETS DATA

## MARITIME INDEX DAILY COMPARISON CHARTS (52 -WEEK )



\*SOURCE: BLOOMBERG



# Capital Link Shipping Weekly Markets Report



Monday, October 14, 2013 (Week 42)

## SHIPPING MARKETS



### Custom Statistics Prepared Weekly for Capital Link Shipping

#### BROAD MARKET

Percent Change of Major Indexes for the Week Ending Friday, Oct. 11, 2013

<u>Name</u>	<u>Symbol</u>	<u>Close</u>	<u>Net Gain</u>	<u>Percent Gain</u>
S&P 500 Index	SPX	1703.2	12.70	0.75%
Russell 1000 Index	RUI	950.84	5.59	0.59%
Russell 3000 Index	RUA	1023.57	6.00	0.59%
Russell 2000 Index	RUT	1084.31	6.06	0.56%
Nasdaq Transportation Index	TRANX	2767.59	9.66	0.35%
Nasdaq-100 Index	NDX	3233.83	-8.74	-0.27%
Nasdaq Composite Index	COMPX	3791.87	-15.88	-0.42%

#### SHIPPING INDUSTRY DATA (42 Companies)

##### Moving Averages

- 38.10% closed > 10D Moving Average.
- 59.52% closed > 50D Moving Average.
- 69.05% closed > 100D Moving Average.
- 73.81% closed > 200D Moving Average.

Top Upside Momentum (Issues with the greatest 100 day upside momentum*)				Top Downside Momentum (Issues with the greatest 100 day downward momentum*)			
<u>Symbol</u>	<u>Close</u>	<u>Weekly % Change</u>	<u>50-Day % Change</u>	<u>Symbol</u>	<u>Close</u>	<u>Weekly % Change</u>	<u>50-Day % Change</u>
FREE	0.56	-23.29%	194.74%	NEWL	0.1	-9.09%	-23.08%
DRYS	3.42	-9.52%	74.49%	FRO	2.25	-12.45%	-18.18%
EGLE	6.85	-9.75%	72.54%	NAT	8.18	1.36%	-14.44%
GNK	3.22	-9.80%	49.77%	TEU	3.9	-4.41%	-1.52%
NM	7.07	-6.73%	25.35%	DCIX	4.06	6.28%	1.75%
SB	6.65	-5.00%	36.83%	TNK	2.73	4.60%	-1.80%
BALT	4.98	-3.30%	31.75%	SFL	15.65	-0.89%	-0.89%
VLCCF	9.9	0.71%	26.28%				
GLBS	2.97	-4.81%	41.43%				
SBLK	8.16	-5.77%	28.30%				
*Momentum: (100D % change) + 1.5*(50D % change) + 2.0*(10D % change) for each stock then sort group in descending order and report the top 10.				*Momentum: (100D % change) + 1.5*(50D % change) + 2.0*(10D % change) for each stock - sort names that have a negative value in ascending order - report the top 10.			

Top Consecutive Higher Closes			Top Consecutive Lower Closes		
<u>Symbol</u>	<u>Close</u>	<u>Up Streak</u>	<u>Symbol</u>	<u>Close</u>	<u>Up Streak</u>
CMRE	17.65	3	DAC	3.85	-2
CPLP	9	3	TOPS	1.61	-3
STNG	10.13	3			
TNK	2.73	3			
MATX	27.21	3			
SFL	15.65	2			
TGP	41.56	2			
TNP	4.89	2			
TOO	33.25	2			
SB	6.65	2			





# Capital Link Shipping Weekly Markets Report



Monday, October 14, 2013 (Week 42)

## SHIPPING MARKETS

Top Largest Weekly Trading Gains					Top Largest Weekly Trading Losses				
<u>Symbol</u>	<u>Close One Week Ago</u>	<u>Friday Close</u>	<u>Net Change</u>	<u>% Change</u>	<u>Symbol</u>	<u>Close One Week Ago</u>	<u>Friday Close</u>	<u>Net Change</u>	<u>% Change</u>
DCIX	3.82	4.06	0.24	6.28%	FREE	0.73	0.56	-0.17	-23.29%
ASC	12.09	12.74	0.65	5.38%	FRO	2.57	2.25	-0.32	-12.45%
TNK	2.61	2.73	0.12	4.60%	TOPS	1.81	1.61	-0.20	-11.05%
MATX	26.09	27.21	1.12	4.29%	SSW	24.11	21.61	-2.50	-10.37%
TK	41.61	42.66	1.05	2.52%	GNK	3.57	3.22	-0.35	-9.80%
NMM	14.57	14.8	0.23	1.58%	EGLE	7.59	6.85	-0.74	-9.75%
STNG	9.98	10.13	0.15	1.50%	ESEA	1.44	1.3	-0.14	-9.72%
DHT	4.69	4.76	0.07	1.49%	DRYS	3.78	3.42	-0.36	-9.52%
NAT	8.07	8.18	0.11	1.36%	SHIP	1.68	1.52	-0.16	-9.52%
CPLP	8.9	9	0.10	1.12%	NEWL	0.11	0.1	-0.01	-9.09%

Top Largest Monthly Trading Gains (A month has been standardized to 20 trading days)					Top Largest Monthly Trading*Losses (A month has been standardized to 20 trading days)				
<u>Symbol</u>	<u>Prior Close</u>	<u>Friday Close</u>	<u>Net Change</u>	<u>% Change</u>	<u>Symbol</u>	<u>Prior Close</u>	<u>Friday Close</u>	<u>Net Change</u>	<u>% Change</u>
FREE	0.26	0.56	0.30	115.38%	GNK	3.93	3.22	-0.71	-18.07%
EGLE	5.04	6.85	1.81	35.91%	SBLK	9.8	8.16	-1.64	-16.73%
GASS	8.88	10.68	1.80	20.27%	PRGN	6.2	5.29	-0.91	-14.68%
DRYS	2.9	3.42	0.52	17.93%	FRO	2.62	2.25	-0.37	-14.12%
GLBS	2.53	2.97	0.44	17.39%	TOPS	1.85	1.61	-0.24	-12.97%
DHT	4.13	4.76	0.63	15.25%	SHIP	1.72	1.52	-0.20	-11.63%
GSL	4.72	5.19	0.47	9.96%	DAC	4.34	3.85	-0.49	-11.29%
DCIX	3.74	4.06	0.32	8.56%	NEWL	0.11	0.1	-0.01	-9.09%
TK	40.5	42.66	2.16	5.33%	ESEA	1.42	1.3	-0.12	-8.45%
VLCCF	9.4	9.9	0.50	5.32%	ASC	13.55	12.74	-0.81	-5.98%

Stocks Nearest to 52-Week Highs			Stocks Nearest To 52-Week Lows		
<u>Symbol</u>	<u>52W High</u>	<u>% Away</u>	<u>Symbol</u>	<u>52W Low</u>	<u>% Away</u>
NMM	15.02	-1.48%	ASC	11.32	12.54%
TK	43.40	-1.71%	TEU	3.42	13.99%
STNG	10.47	-3.24%	DCIX	3.54	14.84%
GSL	5.43	-4.42%	KNOP	20.41	17.68%
CMRE	18.63	-5.26%	TNK	2.30	18.63%
TOO	35.54	-6.44%	NAT	6.89	18.68%
GLOG	15.29	-6.80%	GLNG	30.15	19.82%
KNOP	25.83	-7.01%	SFL	12.75	22.71%
VLCCF	10.69	-7.39%	TGP	32.87	26.45%
MATX	29.47	-7.67%	FRO	1.71	31.58%



# Capital Link Shipping Weekly Markets Report



Monday, October 14, 2013 (Week 42)

## SHIPPING MARKETS

### Top Stocks with Highest Weekly Volume Run Rate\* > 1

<u>Symbol</u>	<u>Close</u>	<u>Net % Change</u>	<u>Run Rate</u>
SSW	21.61	-10.37%	4.7757
TK	42.66	2.52%	3.8503
SBLK	8.16	-5.77%	2.9523
FREE	0.56	-23.29%	2.6070
PRGN	5.29	-8.48%	2.5353
BALT	4.98	-3.30%	1.8736
DRYS	3.42	-9.52%	1.8305
ESEA	1.3	-9.72%	1.7521
NEWL	0.1	-9.09%	1.4960
GNK	3.22	-9.80%	1.4220

\*The Volume Run Rate is calculated by dividing the current week's volume by the average volume over the last 20 weeks. For example, a run rate of 2.0 means the stock traded twice its average volume

<u>Top Year-To-Date Gainers</u>		<u>Top Year-To-Date Decliners</u>	
<u>Symbol</u>	<u>YTD Gain %</u>	<u>Symbol</u>	<u>YTD Decliners %</u>
EGLE	356.67%	NEWL	-75.00%
PRGN	136.16%	FREE	-37.78%
NM	116.87%	FRO	-30.98%
DRYS	113.75%	DCIX	-23.11%
SB	103.99%	GNK	-7.74%
VLCCF	102.04%	ASC	-5.63%
GSL	76.53%	TNK	-2.50%
GLBS	75.74%	NAT	-1.56%
TOPS	71.28%	SFL	-1.20%
BALT	68.24%		

The following are the 42 members of this group: **Symbol - Name:** **ASC** – Ardmore Shipping Corp; **BALT** - Baltic Trading Ltd; **CPLP** - Capital Product Partners LP; **CMRE**- Costamare, Inc.; **DAC** - Danaos Corp; **DCIX** – Diana Containerships; **DHT** - DHT Maritime Inc; **DRYS** - DryShips Inc; **DSX** - Diana Shipping Inc; **EGLE** - Eagle Bulk Shipping Inc; **ESEA** - Euroseas Ltd; **FREE** – FreeSeas; **FRO** - Frontline Ltd; **GASS** - StealthGas Inc; **GLBS** – Globus Maritime Limited ; **GLNG** - Golar LNG Ltd; **GLOG** - GasLog Ltd.; **GMLP** – Golar LNG Partners; **GNK** - Genco Shipping & Trading Ltd; **GSL** - Global Ship Lease Inc; **KNOP** - KNOT Offshore Partners LP; **MATX** - Matson, Inc.; **NAT** - Nordic American Tanker Shipping; **NEWL** - NewLead Holdings Ltd; **NM** - Navios Maritime Holdings Inc; **NMM** - Navios Maritime Partners LP; **NNA** - Navios Maritime Acquisition Corp; **PRGN** - Paragon Shipping Inc; **SB** - Safe Bulkers Inc; **SBLK** - Star Bulk Carriers Corp; **SFL** - Ship Finance International Ltd; **SHIP** - Seenergy Maritime Holdings Corp; **SSW** - Seaspan Corp; **STNG** - Scorpio Tankers Inc; **TEU** - Box Ships; **TGP** - Teekay LNG Partners LP; **TK** - Teekay Corp; **TNK** - Teekay Tankers Ltd; **TNP** - Tsakos Energy Navigation Ltd; **TOO** - Teekay Offshore Partners LP; **TOPS** - TOP Ships Inc.; **VLCCF** - Knightsbridge Tankers Ltd

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# Capital Link Shipping Weekly Markets Report



Monday, October 14, 2013 (Week 42)

## SHIPPING MARKETS

### Weekly Market Report

Week Ending Oct. 11, 2013



#### FREIGHT

##### Capesize 4TC Average

Volume: 6,170 lots

Contract		Average	Chg	Open	Close	Chg	Low	High
Oct	13	35318	536	39750	33250	-6500	31500	40000
Nov	13	32925	1736	34500	31000	-3500	29000	34500
Dec	13	26375	500	26500	33250	6750	26000	26500
Q4	13	30826	1201	39750	33250	-6500	27750	34000
Q1	14	13880	-386	15100	14000	-1100	13250	15100
Q2	14	15900	-40	39750	33250	-6500	15900	15900
Cal	14	17496	-36	39750	33250	-6500	17100	18750
Cal	15	17319	-359	39750	17150	-22600	17150	18000
Cal	16	17150	-225	39750	33250	-6500	17150	17150

##### Panamax 4TC Average

Volume: 3,625 lots

Contract		Average	Chg	Open	Close	Chg	Low	High
Oct	13	16076	-139	17250	15500	-1750	15400	17500
Q4	13	15229	-536	16100	15000	-1100	14500	16500
Q1	14	10788	14	11200	10000	-1200	9900	11200
Q2	14	12405	678	12600	12000	-600	12000	12700
Cal	14	10799	233	11500	10650	-850	10200	11500
Cal	15	11423	823	11500	10875	-625	10750	11600
Cal	16	11650	na	11650	11650	0	11650	11650

##### Supramax 6TC Average

Volume: 435 lots

Contract		Average	Chg	Open	Close	Chg	Low	High
Q4	13	12757	-303	13250	12750	-500	12500	13250
Q1	14	9807	179	9800	9850	50	9800	9850
Cal	14	10600	na	10600	12750	2150	10600	10600

#### IRON ORE

##### TSI Iron Ore 62% Fines

Volume: 63,096 lots

Contract		Average	Chg	Open	Close	Chg	Low	High
Oct	13	131.77	2.18	129.25	132.00	2.75	128.75	132.50
Nov	13	128.56	3.15	125.50	129.00	3.50	124.50	129.50
Dec	13	126.94	3.01	129.25	127.00	-2.25	125.50	127.25
Q4	13	129.00	2.75	127.50	132.00	4.50	127.50	129.50
Q1	14	123.46	0.21	129.25	132.00	2.75	123.00	124.00
Q2	14	118.00	na	118.00	118.00	0.00	118.00	118.00



# Capital Link Shipping Weekly Markets Report



Monday, October 14, 2013 (Week 42)

## SHIPPING MARKETS

### FERTILIZER

#### Urea Nola

Volume: 36 lots

Contract		Average	Chg	Open	Close	Chg	Low	High
Nov	13	281.33	-2.79	283.00	280.00	-3.00	280.00	283.00
Dec	13	280.67	-4.00	281.00	280.00	1.00	280.00	281.00

#### Urea Yuzhnyy

Volume: 56 -

Contract		Average	Chg	Open	Close	Chg	Low	High
Nov	13	288.50	2.50	292.00	285.00	-7.00	285.00	292.00
Dec	13	290.00	na	290.00	290.00	0.00	290.00	290.00
Jan	14	284.00	na	283.00	285.00	2.00	283.00	285.00

### BUNKER FUEL

#### Singapore 380cst

Volume: 16,200 MT

Contract		Average	Chg	Open	Close	Chg	Low	High
Nov	13	602.19	-0.55	593.50	610.25	16.75	593.50	610.25
Jan	14	604.50	3.33	604.50	604.50	0.00	604.50	604.50
Q1	14	593.25	na	593.25	593.25	0.00	593.25	593.25
Cal	14	595.00	na	595.00	610.25	15.25	595.00	595.00
Cal	15	583.00	na	593.50	583.00	-10.50	583.00	583.00

### Legend

Average	Weighted average price of the contract period for the week
Change (1)	Difference between the current week Average and the previous week Average
Open	Opening price of the week
Close	Closing price of the week
Change (2)	Different between the weekly Open and Close Price
Low	Lowest price of the week
High	Highest price of the week





# Capital Link Shipping Weekly Markets Report



Monday, October 14, 2013 (Week 42)

## SHIPPING MARKETS

### First Watch: Stifel Shipping Weekly

Contributed by  
**Stifel Nicolaus & CO, Inc.**

**STIFEL  
NICOLAUS**

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<i>Rates in \$/Day</i> <b>Vessel Category</b>	<b>Weekly Trend</b>	<b>10/11/2013</b>	<b>10/4/2013</b>	<b>% Change</b>	<b>2013 YTD</b>
<i>Crude Tanker</i>					
VLCC	↑	\$14,572	\$11,107	31.2%	\$10,011
Suezmax	↑	\$7,227	\$3,011	140.0%	\$12,383
Aframax	↓	\$9,898	\$11,346	(12.8%)	\$13,010
<i>Product Tankers</i>					
Long Range	↓	\$9,819	\$10,819	(9.2%)	\$11,543
Medium Range	↓	\$9,675	\$10,141	(4.6%)	\$13,877
<i>Dry Bulk</i>					
Capesize	↓	\$33,475	\$38,560	(13.2%)	\$12,276
Panamax	↑	\$11,929	\$11,665	2.3%	\$5,648
Supramax	↑	\$13,522	\$12,466	8.5%	\$9,791
<i>Containers*</i>					
Panamax-4400 TEU	→	\$8,850	\$8,850	0.0%	\$8,988
Sub-Panamax-2750 TEU	→	\$7,000	\$7,000	0.0%	\$6,669
Handy-2000 TEU	→	\$6,600	\$6,600	0.0%	\$6,456
LPG-82,000 cbm	↑	\$40,833	\$38,333	6.5%	\$33,500
LNG-138,000 cbm	↓	\$95,000	\$96,000	(1.0%)	\$105,500

\*Monthly data was used

Source: *Clarksons Research & Astrup Feamley*

With the recent surge in dry bulk charter rates, asset values have also seen some appreciation. Average 5-year-old Capesize vessels have moved from \$34 million in June to \$40 million currently or nearly 18%. Likewise 5-year-old Panamax vessels have appreciated 14% from \$21 million to \$24 million. Even following the recent improvement in asset values, the improved levels are still well below our calculation for inflation adjusted 25-year average values of \$56 million 5-year-old Capesize vessels and \$33 million for 5-year-old Panamax values. However, prior to another material advancement in asset values, we believe commensurate rates of return are likely to need to improve. Historically the average unlevered cash rates of return on 5-year-old dry bulk vessels has been about 11%. Based on current asset values, we estimate one-year time charter rates would yield a 13% rate of return for Capesize vessels and 11% for Panamaxes, while the three-year time charter rates would result in 12% and 9%, respectively. Thus we believe the market is fairly valuing vessels in the dry bulk market. Current time charter rates are approximately in line with our 2014 and 2015 charter rate assumptions, however we believe that the market may be improving more than we had originally expected and thus there could be upside to our previous assumptions and subsequently dry bulk asset values. However, we still believe this likely to be more of a second-half 2014 event.



# Capital Link Shipping Weekly Markets Report



Monday, October 14, 2013 (Week 42)

## SHIPPING MARKETS

### Dry Bulk Market – Weekly Highlights

The Dry Bulk market has closed on the red following a month and a half of impressive gains and weekly positive closings. The main driver behind the downward movement was no other than the Capesize segment. Rates for Capes softened for a second week in a row on the back of weaker activity in both basins, which weighed down on the average rate that lost more than \$ 5,000 week on week. Panamax rates on the other hand managed to firm further as a good number of fresh enquiries has emerged mid-week onwards especially ex USG. The Supramax segment has witnessed the biggest gains across the board. The average rate has climbed north of \$12,000/day with fixing interest supporting numbers in both basins. Rate for Handies

Contributed by  
**Intermodal**

**Intermodal**

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Athens – Greece

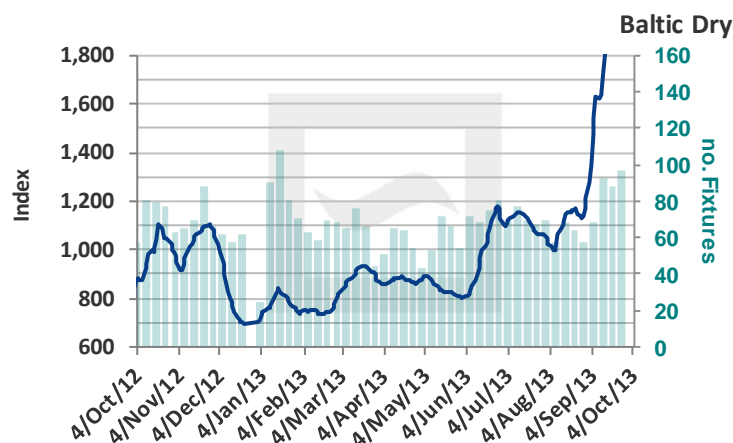
Phone: +30 210 6293300  
Website: [www.intermodal.gr](http://www.intermodal.gr)

#### Indices / Dry Bulk Spot Rates

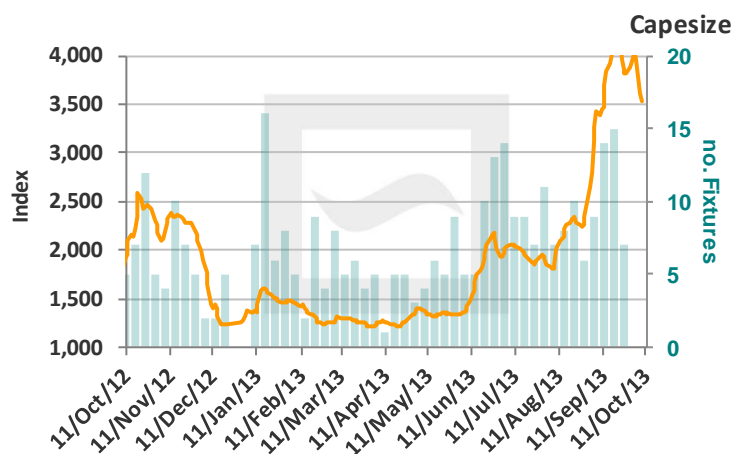
	Week 41 11/10/2013		Week 40 04/10/2013		Point Diff	\$/day ±%	2013	2012
	Index	\$/day	Index	\$/day			Avg Index	Avg Index
<b>BDI</b>	1,985		2,084		<b>-99</b>		1,042	921
<b>BCI</b>	3,527	\$32,382	3,943	\$37,799	<b>-416</b>	<b>-14.3%</b>	1,854	1,571
<b>BPI</b>	2,024	\$16,233	1,914	\$15,530	<b>110</b>	<b>4.5%</b>	1,037	965
<b>BSI</b>	1,182	\$12,355	1,113	\$11,643	<b>69</b>	<b>6.1%</b>	880	906
<b>BHSI</b>	632	\$8,988	609	\$8,684	<b>23</b>	<b>3.5%</b>	521	518

have also managed to achieve a positive closing with all figures for traditional routes gaining throughout the week.

With the price of coal softening on prices quoted by both the Chinese, who are the biggest producer and consumer of the commodity, as well as other global sources, there have been doubts as to whether the trade will continue to be as strong as it has been over the past 5 years. Despite the fact that the Chinese government has promised to pursue more environmental friendly policies, it seems that coal power capacity will increase in both China and worldwide as well in order to satisfy demand. According to a recent Bloomberg survey this demand will not be tamed even if prices increase by 15%, which is the current estimate for the next couple of years.



▼ The Baltic Dry Index closed on Friday the 11th of October at 1,985 points with a weekly loss of **-99** points or **-4.8%** over previous week's closing. (Last Friday's the 4th of October closing value was recorded at 2,084 points).



**CAPESIZE MARKET** - ▼ The Baltic Cape Index closed on Friday the 11th of October at 3,527 points with a weekly loss of **-416** points. For this week we monitor a **-10.6%** change on a week-on-week comparison, as Last Friday's the 4th of October closing value was 3,943 points). It is worth noting that the annual average of 2011 for the Cape Index is currently calculated at 1,854 points, while the average for the year 2010 was 1,571 points.



# Capital Link Shipping Weekly Markets Report



Monday, October 14, 2013 (Week 42)

## SHIPPING MARKETS

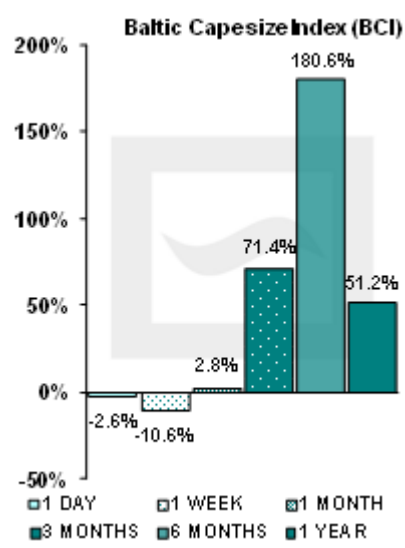
### Dry Bulk Market – Weekly Highlights

For Week 41 we have recorded a total of 3 timecharter fixtures in the Capesize sector, 0 for period charter averaging \$0 per day, while 3 trip charters were reported this week with a daily average of \$34,000 per day.

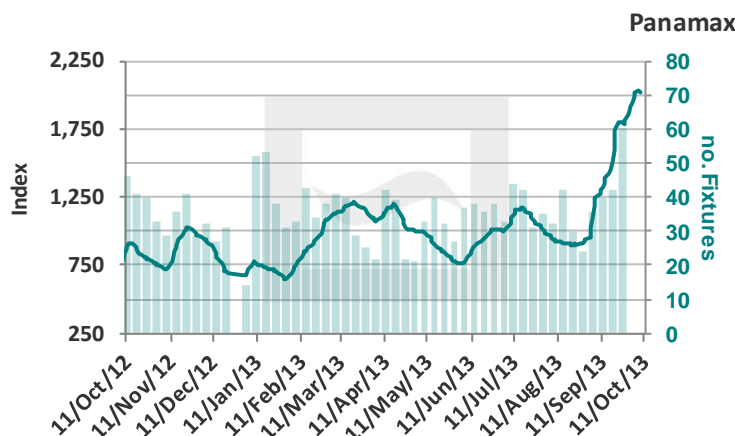
This week's fixture that received the lowest daily hire was the M/V "BERGE YOTEI", 172846 dwt, built 1997, dely Amsterdam ppt, redely Gijon-Sines, \$33000, SwissMarine, for a transatlantic round 8000\$ improved from last week, and the fixture with the highest daily hire was the M/V "NAVIOS FANTASTIKS", 180265 dwt, built 2005, dely Rizhao 12/14 Oct, redely Japan, \$36000, K Line, for a trip via Australia -34000\$ reduced from last week.

Week	No. of Fixtures	Highest Fixture	Lowest Fixture
this week	3	\$36,000	\$33,000
last week	10	\$70,000	\$25,000

Week	Period Charter	Trip Charter
this week	\$0	\$34,000
last week	\$25,500	\$38,406



In the bar chart on the left we see that the BCI is showing a **-10.6%** decrease on a weekly comparison, a **2.8%** rise on a 1 month basis, a **71.4%** rise on a 3 month basis, a **180.6%** rise on a 6 month basis and a **51.2%** rise on a 12 month basis.



**PANAMAX MARKET** - ▲ The Baltic Panamax Index closed on Friday the 11th of October at 2,024 points having gained **110** points on a weekly comparison. It is worth noting that last Friday's the 4th of October saw the Panamax index close at 1,914 points. The week-on-week change for the Panamax index is calculated to be **5.7%**, while the yearly average for the Baltic Panamax Index for this running year is calculated at 1,037 points while the average for 2010 was 965 points.

Week	No. of Fixtures	Highest Fixture	Lowest Fixture
this week	47	\$31,000	\$11,300
last week	41	\$20,000	\$12,000

Week	Period Charter	Trip Charter
this week	\$14,682	\$19,368
last week	\$14,191	\$16,445

For Week 41 we have recorded a total of 47 timecharter fixtures in the Panamax sector, 14 for period charter averaging \$14,682 per day, while 33 trip charters were reported this week with a daily average of \$19,368 per day.

The daily earnings differential for the Panamaxes, that we calculate from all this week's reported fixtures, i.e. the difference between the lowest and highest reported fixture for this week was improved, and this week's fixture that received the lowest daily hire was the M/V "APJ MAHAKALI", 70296 dwt, built 1996, dely Krishnapatnam 12/17 Oct, redely worldwide, \$11300, Phaethon, for a 3/5 months trading -700\$ reduced from last week, and the fixture with the highest daily hire was the M/V "SIIRT", 63500 dwt, built 2013, dely USGulf spot, redely Singapore-Japan approx, \$31000, Bunge, for a trip 11000\$ improved from last week.



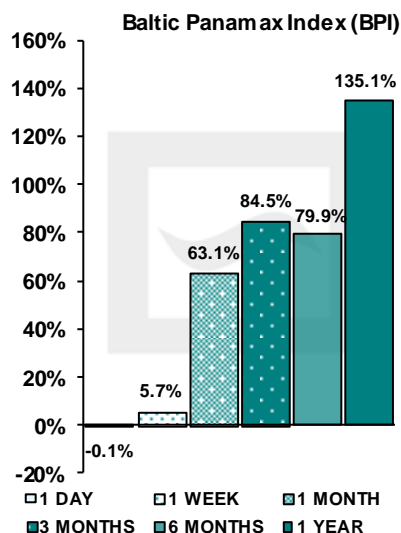
# Capital Link Shipping Weekly Markets Report



Monday, October 14, 2013 (Week 42)

## SHIPPING MARKETS

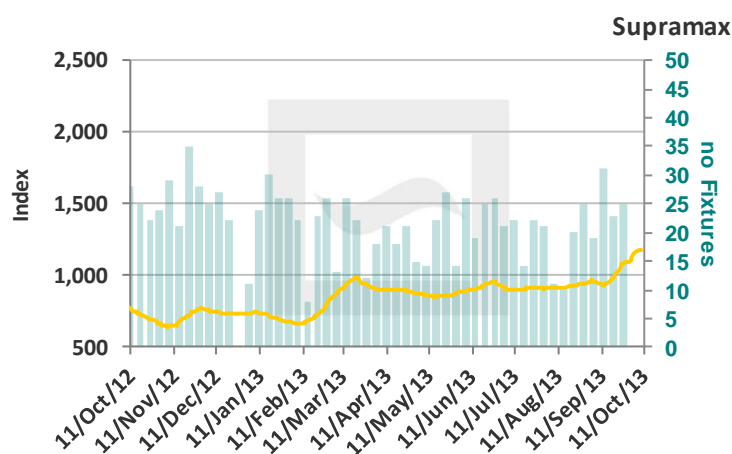
### Dry Bulk Market – Weekly Highlights



In the bar chart on the left we see that the BPI is showing a **5.7%** rise on a weekly comparison, a **63.1%** rise on a 1 month basis, a **84.5%** rise on a 3 month basis, a **79.9%** rise on a 6 month basis and a **135.1%** rise on a 12 month basis.

For Week 41 we have recorded a total of 22 timecharter fixtures in the Supramax & Handymax sector, 3 for period charter averaging \$11,000 per day, while 19 trip charters were reported this week with a daily average of \$17,695 per day.

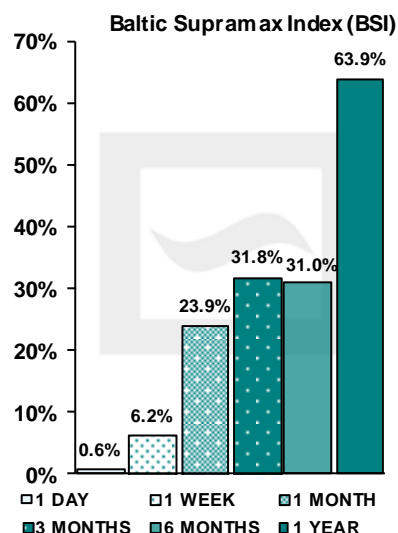
The minimum vs maximum daily rate differential as analyzed from our fixtures database was overall reduced and from the reported fixtures we see that this week's fixture that received the lowest daily hire was the M/V "NAVIOS HORIZON", 50346 dwt, built 2001, dely Navlakhi spot about, redely worldwide approx, \$10000, Cargill, for a 3/5 months trading 2450\$ improved from last week, and the fixture with the highest daily hire was the M/V "AGONISTIS", 59000 dwt, built 2010, dely aps SW Pass 14/19 October, redely Singapore-Japan intention grain, \$25000, Noble, for a trip -2000\$ reduced from last week.



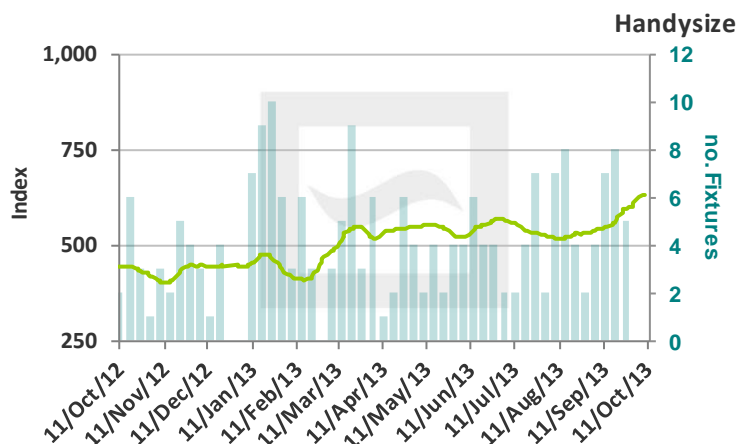
**SUPRAMAX & HANDYMAX MARKET** - ▲ The Baltic Supramax Index closed on Friday the 11th of October at 1,182 points up with a weekly gain of **69** point or **6.2%**. The Baltic Supramax index on a weekly comparison is with an upward trend as last Friday's the 4th of October closing value was 1,113 points. The annual average of the BSI is recorded at 880 points while the average for 2010 was 906 points.

Week	No. of Fixtures	Highest Fixture	Lowest Fixture
this week	22	\$25,000	\$10,000
last week	28	\$27,000	\$7,550

Week	Period Charter	Trip Charter
this week	\$11,000	\$17,695
last week	\$9,350	\$14,954



In the bar chart on the left we see that the BSI is showing a **6.2%** rise on a weekly comparison, a **23.9%** rise on a 1 month basis, a **31.8%** rise on a 3 month basis, a **31.0%** rise on a 6 month basis and a **63.9%** rise on a 12 month basis.







# Capital Link Shipping Weekly Markets Report



Monday, October 14, 2013 (Week 42)

## SHIPPING MARKETS

### Dry Bulk Market – Weekly Highlights

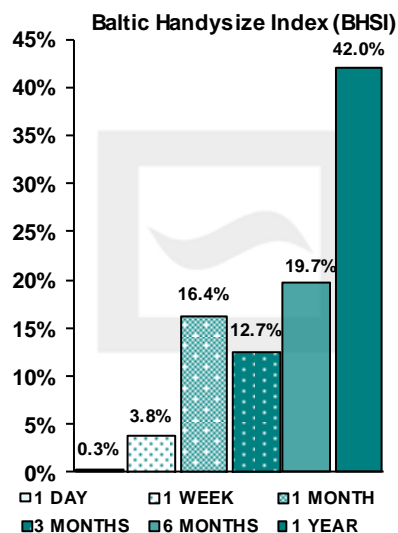
**HANDYSIZE MARKET** - ▲ The Baltic Handysize Index closed on Friday the 11th of October with an upward trend at 632 points with a weekly gain of **23** points and a percentage change of **3.8%**. It is noted that last Friday's the 4th of October closing value was 609 points and the average for 2011 is calculated at 521 points while the average for 2010 was 518 points.

Week	No. of Fixtures	Highest Fixture	Lowest Fixture
this week	5	\$17,000	\$8,100
last week	3	\$16,250	\$6,500

Week	Period Charter	Trip Charter
this week	\$8,100	\$13,125
last week	\$0	\$10,833

For Week 41 we have recorded a total of 5 timecharter fixtures in the Handysize sector, 1 for period charter averaging \$8,100 per day, while 8 trip charters were reported this week with a daily average of \$13,125 per day.

The minimum vs maximum daily rate differential as analyzed from our fixtures database was overall reduced and this week's fixture that received the lowest daily hire was the M/V "SIBI", 28442 dwt, built 2009, dely SE Asia ppt abt , redely worldwide, \$8100, Navision, for a 12 months 1600\$ improved from last week and the fixture with the highest daily hire was the M/V "CRUX", 37000 dwt, built 2002, dely aps Houston 10/15 Oct, redely Nigeria, \$17000, Norden, for a trip 7250\$ improved from last week.



In the bar chart on the left we see that the BHI is showing a **3.8%** change on a weekly comparison, a **16.4%** on a 1 month basis, a **12.7%** rise on a 3 month basis, a **19.7%** rise on a 6 month basis and a **42.0%** rise on a 12 month basis.

All Baltic Dry Indices, 1 day, 1week , 1 month, 3 months, 6 months and 12 months % changes based on last Friday's closing figures.

INDEX	1 DAY	1 WEEK	1 MONTH	3 MONTHS	6 MONTHS	1 YEAR
BDI	-1.3%	-4.8%	21.9%	72.8%	126.6%	91.4%
BCI	-2.6%	-10.6%	2.8%	71.4%	180.6%	51.2%
BPI	-0.1%	5.7%	63.1%	84.5%	79.9%	135.1%
BSI	0.6%	6.2%	23.9%	31.8%	31.0%	63.9%
BHI	0.3%	3.8%	16.4%	12.7%	19.7%	42.0%



# Capital Link Shipping Weekly Markets Report



Monday, October 14, 2013 (Week 42)

## SHIPPING MARKETS

### Weekly Freight Rate & Asset Trends

Tanker Spot Rates									
Vessel	Routes	Week 41		Week 40		\$/day ±%	2013		2012
		WS points	\$/day	WS points	\$/day		\$/day	\$/day	
VLCC	265k AG-JAPAN	38	17,410	36.5	15,872	9.7%	10,570	21,835	
	280k AG-USG	26	13,370	24.5	10,994	21.6%	-208	1,604	
	260k WAF-USG	42.5	23,184	40	20,735	11.8%	17,034	31,457	
Suezmax	130k MED-MED	52.5	7,010	50	4,242	65.3%	11,566	22,121	
	130k WAF-USAC	50	7,853	42.5	2,191	258.4%	8,410	13,373	
	130k AG-CHINA	52.5	7,637	47.5	2,264	237.3%	11,566	22,121	
Aframax	80k AG-EAST	80	11,134	80	10,833	2.8%	8,733	14,182	
	80k MED-MED	65	5,685	65	4,973	14.3%	10,062	13,700	
	80k UKC-UKC	82.5	3,123	95	17,392	-82.0%	11,684	18,517	
Clean	70k CARIBS-USG	100	15,699	90	11,485	36.7%	11,403	12,325	
	75k AG-JAPAN	97.5	17,845	97.5	17,432	2.4%	9,845	11,258	
	55k AG-JAPAN	102.5	12,485	110	14,447	-13.6%	9,867	10,867	
Dirty	37K UKC-USAC	70	-1,285	70	-1,596	19.5%	10,150	9,251	
	30K MED-MED	112.5	5,566	115	5,983	-7.0%	14,264	19,062	
	55K UKC-USG	100	12,899	110	16,658	-22.6%	12,686	16,571	
Dirty	55K MED-USG	100	12,368	102.5	12,814	-3.5%	10,556	14,735	
	50k CARIBS-USAC	107.5	12,755	107.5	12,447	2.5%	11,721	13,028	

Contributed by  
**Intermodal**

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#### Secondhand Indicative Market Values (\$ Million) - Tankers

Vessel 5yrs old		Oct-13	Sep-13	±%	2013	2012	2011
VLCC	300KT DH	55.8	55.3	0.9%	55.8	62.9	77.6
Suezmax	150KT DH	40.0	39.6	0.9%	40.0	44.9	54.4
Aframax	110KT DH	28.8	29.4	-2.1%	28.9	31.2	39.1
Panamax	75KT DH	29.5	29.0	1.7%	27.2	26.7	35.2
MR	52KT DH	27.5	27.0	1.9%	24.7	24.6	28.4

#### Secondhand Indicative Market Values (\$ Million) - Bulk Carriers

Vessel 5yrs old		Oct-13	Sep-13	±%	2013	2012	2011
Capesize	180k	37.0	34.8	6.5%	34.2	34.6	43.5
Panamax	76K	21.8	21.0	3.6%	20.3	22.7	31.3
Supramax	56k	21.9	21.5	1.9%	20.7	23.0	28.1
Handysize	30K	18.4	18.1	1.4%	17.8	18.2	23.5

#### New Building Indicative Market Prices (million\$)

Vessel		Week 41	Week 40	±%	2013	2012	2011
Bulkers	Capesize 180k	50.5	49.0	3.1%	46	47	53
	Panamax 77k	26.5	26.5	0.0%	26	27	33
	Supramax 58k	25.5	25.0	2.0%	24	26	30
	Handysize 35k	21.8	21.8	0.0%	21	22	25
	VLCC 300k	90.0	89.5	0.6%	89	96	102
Tankers	Suezmax 160k	55.5	55.5	0.0%	55	59	64
	Aframax 115k	49.0	48.6	0.8%	47	51	54
	LR1 75k	41.5	41.1	1.0%	40	43	45
	MR 52k	34.0	33.8	0.6%	33	35	36
	LNG 150K	184.5	184.5	0.0%	181	186	187
Gas	LGC LPG 80k	71.0	71.0	0.0%	69	72	73
	MGC LPG 52k	62.5	62.5	0.0%	61	63	64
	SGC LPG 23k	41.5	41.5	0.0%	40	44	46

#### Dry Bulker Time Charter Rates

\$/day		Week 41	Week 40	±%	Diff	2013	2012
Capesize	170K 6mnt TC	28,750	28,750	0.0%	0	15,697	13,549
	170K 1yr TC	22,250	22,250	0.0%	0	14,638	13,885
	170K 3yr TC	21,750	21,750	0.0%	0	15,493	15,282
Panamax	76K 6mnt TC	17,250	17,250	0.0%	0	11,055	11,003
	76K 1yr TC	13,500	13,750	-1.8%	-250	9,525	9,906
	76K 3yr TC	12,250	12,250	0.0%	0	9,708	10,888
Supramax	55K 6mnt TC	12,850	12,250	4.9%	600	10,892	11,176
	55K 1yr TC	11,500	11,000	4.5%	500	9,752	10,330
	55K 3yr TC	11,500	11,250	2.2%	250	10,137	11,195
Handymax	45k 6mnt TC	11,125	10,600	5.0%	525	9,165	9,375
	45k 1yr TC	10,000	9,550	4.7%	450	8,449	8,849
	45k 3yr TC	9,750	9,250	5.4%	500	8,966	9,575
Handysize	30K 6mnt TC	9,250	9,250	0.0%	0	7,813	8,255
	30K 1yr TC	9,000	9,000	0.0%	0	8,002	8,424
	30K 3yr TC	9,250	9,250	0.0%	0	8,791	9,450





# Capital Link Shipping Weekly Markets Report



Monday, October 14, 2013 (Week 42)

## SHIPPING MARKETS

### Container Market – Weekly Highlights

Vessel (TEU/HMG)	Index	+/-
700/440TEU (GL) 17.5 k	3.44	► 0.00
1,043/660TEU (GL) 18 K Eco	4.74	► 0.00
1,100/715TEU (G) 19 k	7.80	► 0.00
1,700/1,125TEU (G) 19.5 k	8.98	► 0.00
1,740/1,300TEU (G) 20.5 k	8.98	► 0.00
1,714/1,250TEU (G) 19k Bkk Max	5.60	► 0.00
2,500/1,900TEU (G) 22 k	4.24	► 0.00
2,800/2,000TEU (GL) 22 k	3.60	► 0.00
3,500/2,500TEU (GL) 23 k	1.68	► 0.00
4,250/2,800TEU (GL) 24 k	2.50	► 0.00
5,500/4,200TEU (GL) 25 k	2.33	▼ 0.08
8,500/6,600 (GL) 25 k	3.25	▼ 0.13
<b>Index Total</b>	<b>57.15</b>	<b>▼ 0.21</b>

Contributed by  
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Certainly being in the right position will help as the rate differentials between the east and west are quite stark, even to the tune of around US\$2,000, so it is no wonder why some owners are eagerly pursuing positioning opportunities away from a rather flaccid Atlantic market.

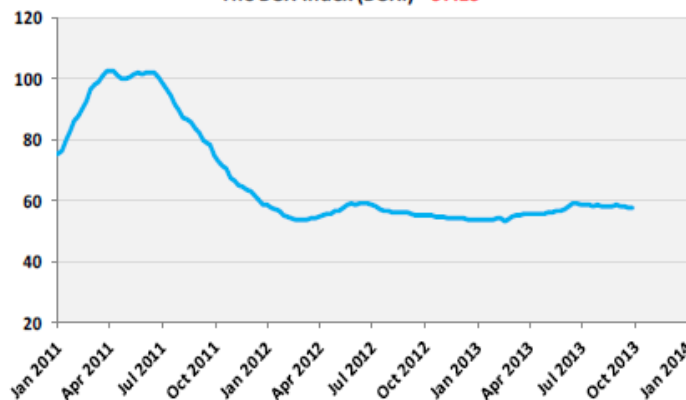
Most of the activity during the week was actually confined to the feeder sizes but once again the sideways drift continues here with only economical tonnage commanding slim premiums and with extensions alone accounting for around 70% of the deals concluded the drift may indeed continue for some time without an impetus of fresh enquiry both at this end of the spectrum and across the board.

It was a case of more of the same this week as the steady flow of extensions and fixtures concluded, failed to ignite our BOXi and prevent it from further erosion, albeit only slightly, on the back of yet more sentiment driven weakening in the largest sectors. With enquiry at a virtual standstill for post panamax tonnage, the list of spot and prompt tonnage continues to grow as this sector struggles to find its footing in the liner companies' current plans.

The extension of two panamaxes at US\$9,000 goes to show that there are still stronger numbers available in this struggling sector, for owners of higher spec tonnage and units being plied in testing trades. However, this is nothing new and it appears that the standard panamax designs could be in for yet another rough winter.

Although the rates don't illustrate it yet, there has certainly been more forward interest in the 2800 TEU sector, particularly in the east and it will be hoped that this will provide the sector with a much needed shot in the arm, although a hefty supply of open positions between now and the end of the year may temper any hopeful expectations for now.

The BOX Index (BOXi) 57.15



#### Representative Fixtures

Name	Dwt	Teu	14T	Blt	Spd	Cons	GR	Charterer	Dely	Date	Period	US\$/day
<i>Northern Power</i>	53,500	4,600	2,930	2010	24.0	133.0	GL	Samudera	SE Asia	Oct	4-8 mos	9,000
<i>Leto</i>	41,800	3,091	2,481	2006	22.0	105.0	G	CCNI	USEC	Oct	5-7 mos	9,000
<i>Hebe</i>	41,850	3,091	2,481	2008	22.0	105.0	G	Hapag Lloyd	Med	Oct	5-8 mos	7,500
<i>OCL Eagle</i>	39,000	2,824	2,029	2007	24.0	95.0	GL	Oman Shipping Co	PGL	Oct	5-7 mos	7,350
<i>Cape Mayor</i>	37,800	2,741	2,116	2007	22.0	85.0	GL	Hapag Lloyd	Med	Oct	30-45 days	7,000
<i>Northern Enterprise</i>	33,900	2,452	1,890	2001	21.0	82.0	G	PIL	SE Asia	Oct	4-8 mos	7,900
<i>Alva Rickmers</i>	31,500	2,202	1,730	2000	20.0	74.0	G	CMA CGM	Med	Oct	12 mos	7,250
<i>SFL Avon</i>	23,232	1,740	1,283	2010	20.5	60.0	G	OOCL	NE Asia	Nov	4-6 mos	7,500
<i>Ponente</i>	23,051	1,730	1,147	2002	19.5	54.5	G	UAFL	PGL	Nov	6-7 mos	7,500
<i>Kyoto Tower</i>	21,981	1,708	1,275	2007	19.7	60.4	GL	TS Lines	NE Asia	Oct	6-8 mos	8,750
<i>Devon Strait</i>	13,760	1,118	712	2008	19.0	39.0	G	CMA CGM	Med	Oct	6 mos	6,500
<i>Marcloud (Corrected)</i>	12,400	1,043	680	2007	18.0	31.1	GL	Goto	NE Asia	Nov	6 mos	7,800



# Capital Link Shipping Weekly Markets Report



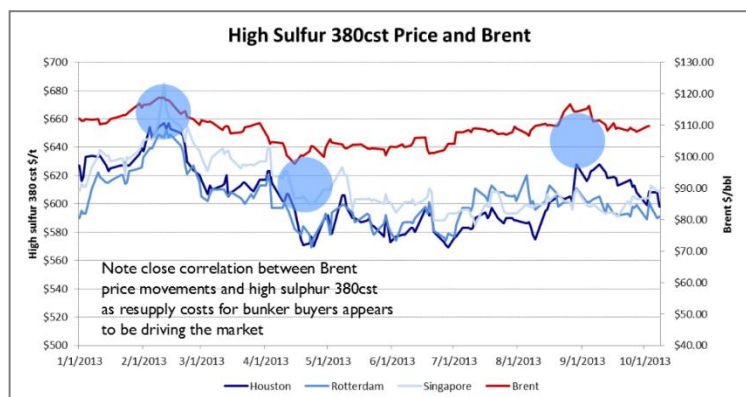
Monday, October 14, 2013 (Week 42)

## SHIPPING MARKETS

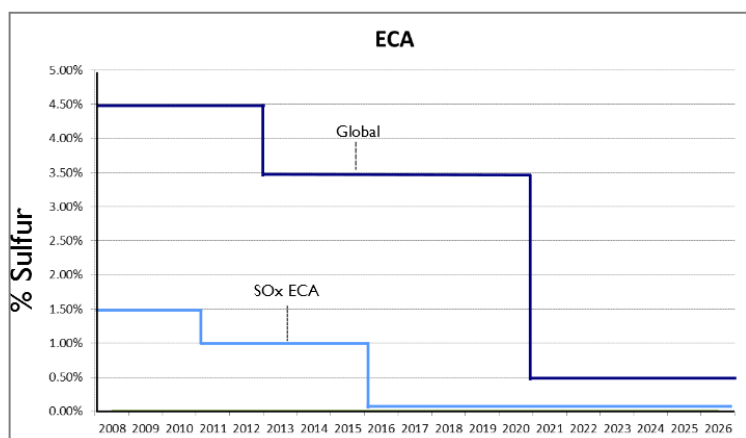
### Weekly Tanker Market Opinion

#### Bunkers stable in 2013, ECA Changes ahead in 2015

Worldscale released their estimated bunker prices for 2014 this week. Over the past year prices have fallen from \$686/t to \$632/t for high sulphur and \$779/t to \$713/t for 1% low sulphur. Bunker prices have been highly volatile since 2009, when they rose from the mid \$200/t range to the mid \$600/t range by 2011 for high sulfur grades. In addition, during this time spreads ranged from \$197/t in 2011 and \$181/t in 2012 with a wide range of deviations from the average, making timing of purchases critical. However, in 2013 prices stopped their climb and have held near their year to date average of \$607/t in the key bunkering ports of Rotterdam, Houston and Singapore. The steadying prices in 2013 have helped reduce the uncertainty in operating expenses for ship owners.



However, change is afoot in 2015 with the implementation of the .1% Emission Control Areas (ECA) in the Baltic, North Sea, and North American coastal waters, which has the potential to reshape the bunker fuel market.



Contributed by

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Refineries are not expected to produce a .1% 380cst low sulfur bunker fuel oil due to the low margins on the business, and blending does not appear to be an option as it was with 1% low sulfur bunkers. This leaves burning MGO as the immediate alternative. If MGO becomes a preferred option for most ship owners, prices are expected to increase. Two concerns of MGO for some older tonnage is the issue of increased cylinder temperature that the fuel creates, and not all ships may have adequate segregation to carry sufficient quantities of all the grades required. Ships calling on the US west coast must currently comply with the .1% sulfur requirement due to the California state regulation. All ships transiting this zone are reported to be burning MGO, suggesting this is the most likely means of complying in the main ECA zones. Bunker barge owners are deciding how to transport increased quantities of MGO in barges that previously were used for heavy grades of fuel oil, which may require extensive cleaning or replacement of the barge.

Another option being discussed is the use of Liquefied Natural Gas (LNG) as an alternative propulsion fuel. LNG Bunkers may be a good option on regular point to point trades such as container lines, especially in a ship capable of burning dual fuel grades. But LNG remains an unlikely fuel for the tanker markets given the wide variety of port calls that owners must make as well as the cost of developing the infrastructure. Current technology requires that the vessel docks at the LNG bunker refuelling location, as opposed to the current practice of barge transportation to the ship.

Cruise lines have been early adopters of scrubber technology to meet the .1% sulfur requirement. Carnival is reported to be installing scrubbers on 32 of its vessels. It is currently unclear if scrubbers will function efficiently and effectively enough to meet the .1% requirement, with owners reluctant to make investments in a technology that has not been perfected yet. Scrubber economics will depend on the spread of their cost of operation vs. the increase in premium for MGO.

The lower Worldscale estimate is expected to decrease flat rates in the year ahead, leaving owners looking for higher Worldscale rates in 2014. Despite the lower bunker price assessment for this year, owners should keep a watchful eye on 2015 and the most cost effective way to meet the ECA requirements.





# Capital Link Shipping Weekly Markets Report



Monday, October 14, 2013 (Week 42)

## SHIPPING MARKETS

### Tanker Market – Weekly Highlights

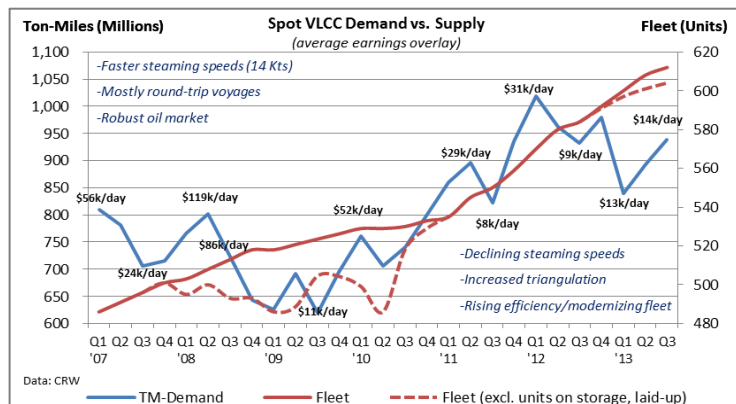
#### Taking stock of the VLCC supply/demand imbalance

Last quarter, VLCC spot market ton-mile demand defied usual seasonality to expand by 5% on Q2, marking the first Q3 q/q demand gain since 2010. Moreover, Q3 marked the first time since 4Q12 that VLCC spot market experienced a y/y demand gain, with a 1% rise on 3Q12.

From 2010 to early 2012, VLCC ton-mile demand benefitted from a return to strong rates of economic growth in the oil-intensive developing world. At an increasing rate, these economies – largely located in the Far East – sourced their crude imports from production areas like West Africa and Latin America, with the corresponding long-haul voyages generating greater ton-miles than more traditional AG-FEAST runs. This formed the basis of expectations that demand for VLCCs would catch up with the larger fleet – which had continued to grow during the two years of demand destruction between 2008 and 2009.

Demand ultimately peaked during 1Q12 as the run-up to international sanctions on Iran's petroleum sector both as Far East economies sought to replace crude imports from Iran with imports from areas further afield while other participants built up inventories in anticipation of global crude shortages once the sanctions came into force. When that happened, however, many Far East economies secured waivers in exchange for their earlier efforts to reduce imports and the true impact on the oil market proved to be largely nominal as tapped-spare capacity and new production capacity limited resulting crude shortages.

Additionally, rising US crude production impacted long-haul demand servicing imports from West Africa and the Middle East – eliminating a major driver of the VLCC market. Together, these factors prompted a decline in VLCC ton-mile demand during 2H12, seemingly placing the VLCC market in its worst supply/demand position in decades. Although ton-mile demand gradually pared some of its earlier erosion during Q2 and Q3, the fleet has continued to grow as well.



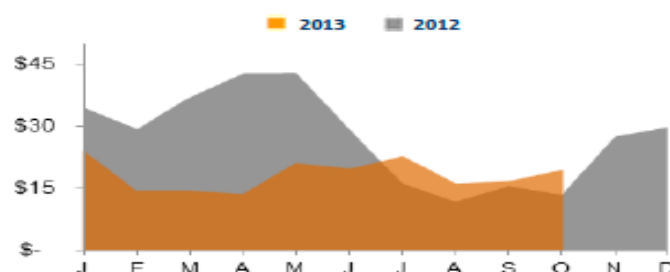
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**Charles R. Weber Company, Inc.**



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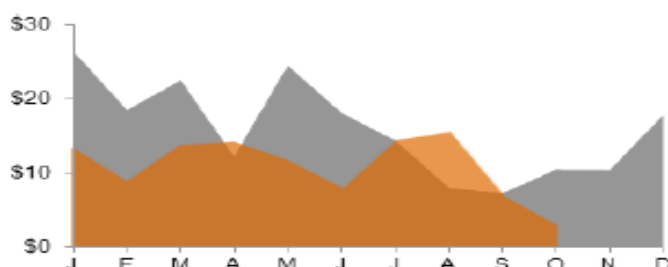
Phone: (203) 629 - 2300  
Website: [www.crweber.com](http://www.crweber.com)



**VLCC TCE**  
280k AG-USG  
+ CBS-SPORE

**MTD Average**  
\$19,600/Day

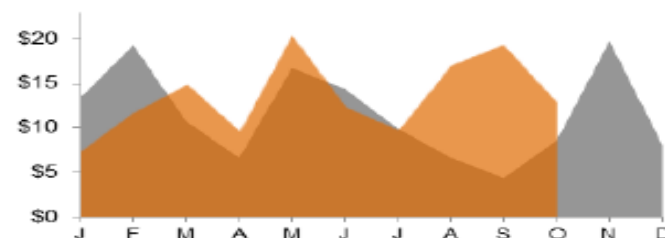
**Month y/y**  
▲ +46%



**S'MAX TCE**  
130k WAF-USAC

**MTD Average**  
\$3,200/Day

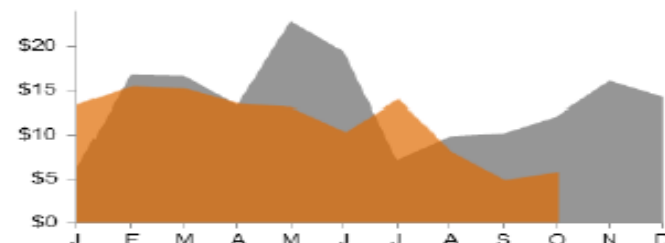
**Month y/y**  
▼ -70%



**A'MAX TCE**  
70k CBS-USG

**MTD Average**  
\$12,900/Day

**Month y/y**  
▲ +50%



**P'MAX TCE**  
50k CBS-USAC

**MTD Average**  
\$6,000/Day

**Month y/y**  
▼ -50%



# Capital Link Shipping Weekly Markets Report



Monday, October 14, 2013 (Week 42)

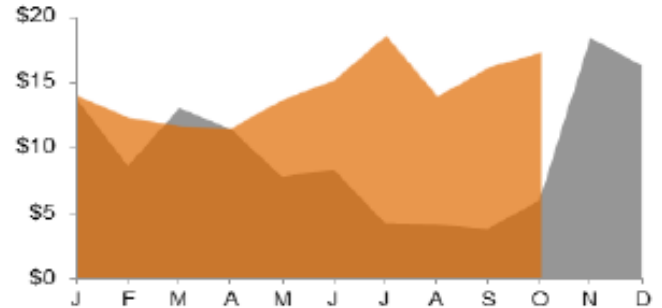
## SHIPPING MARKETS

### Tanker Market – Weekly Highlights

Whereas overcapacity during 2009 may have been equally alarming, contangoed oil markets saw an average of 5% of the fleet taken off of the spot market during that year to service floating storage contracts (which by 2010 rose to as high as 10%, creating a false recovery and together with a reduction of newbuilding contract prices prompted a fresh wave of newbuilding orders).

For earnings, a number of key features have helped to ease the impact of the greater overall supply/demand imbalance. Whereas prior to the financial crisis and VLCC market downturn the majority of voyages were made on a round trip basis with 14 Knots being the normal laden speed (and oftentimes faster speeds undertaken for ballasts), laden speeds of 12 Knots during laden days and slower speeds during ballast are now more reflective of the norm, while ballast days have been reduced by an increase of triangulated trading opportunities and average bunker consumptions have eased on the back of a more modern fleet and a wave of modifications.

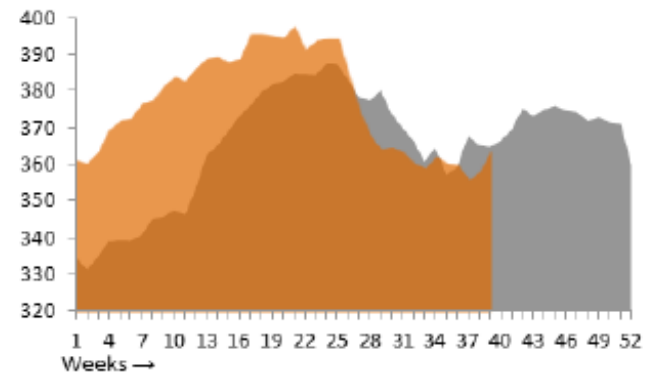
Average earnings presently stand at ~\$18,266/day, representing an improvement on the ~\$14,174/day which the market averaged during the first nine-months of the year. Together with expectations that ton-mile demand will expand further this quarter, there is reason to believe that earnings will average at their highest level since 1H12 – again confounding what might otherwise be inferred from the broader supply/demand position. However, the imbalance should not be ignored; just as features like slow steaming have helped to offset the impact of oversupply, in a rising market it is often the case that units speed up. Thus, in the absence of a more significant acceleration of demand than can be expected in the near and intermediate term, supply will continue to weigh negatively on earnings.



**MR TCE**  
38k CBS-USAC

**MTD Average**  
\$17,400/Day

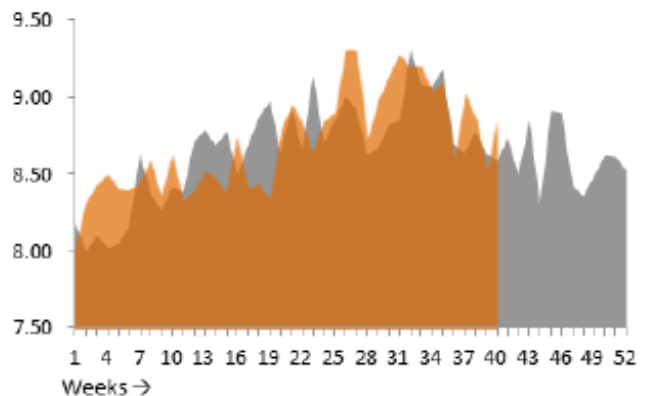
**Month y/y**  
▲ +191%



**US Crude Stocks (EIA)**

**Last Week**  
370.5 Mbbls

**Week y/y**  
▲ +1.1%



**US Gasoline Demand (EIA)**

**Last week**  
8.846 Mb/d

**Week y/y**  
▲ +3.0%

■ 2013 ■ 2012





# Capital Link Shipping Weekly Markets Report



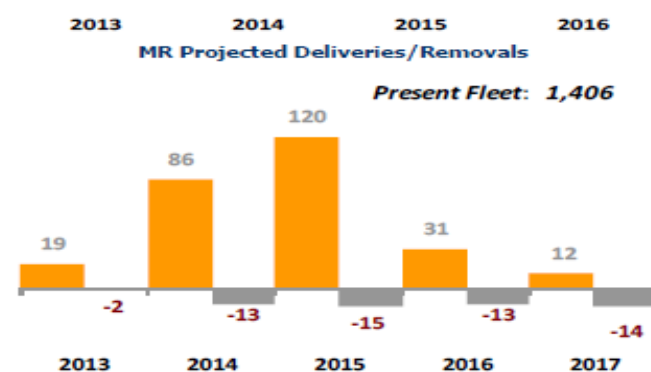
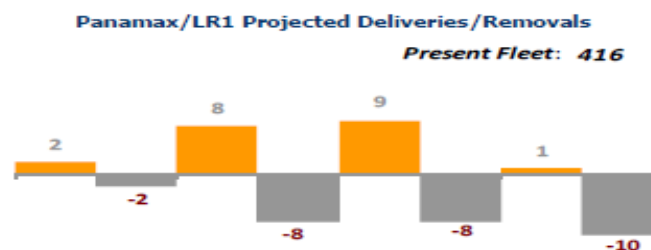
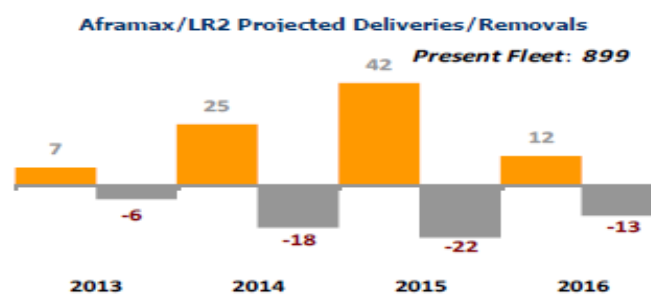
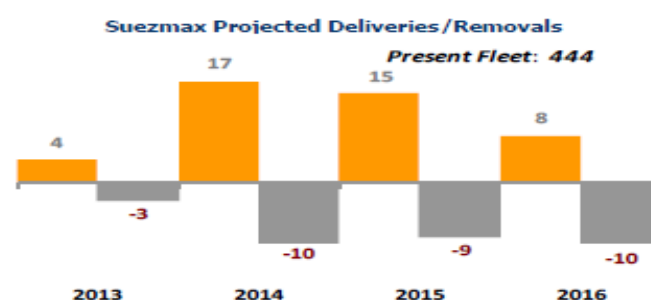
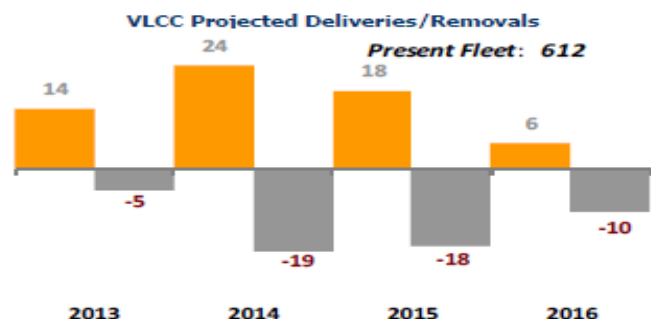
Monday, October 14, 2013 (Week 42)

## SHIPPING MARKETS

### Tanker Market – Weekly Highlights

Spot Market	WS	TCE \$/day	WS	TCE \$/day
<b>VLCC</b> (12 Kts L/11.5 Kts B)	<b>4-Oct</b>		<b>11-Oct</b>	
AG>USG 280k (TD1)	25.0	\$176	25.0	\$175
AG>USG/CBS>SPORE/AG	--	\$20,104	--	\$20,104
AG>SPORE 270k (TD2)	37.0	\$16,179	38.0	\$17,555
AG>JPN 265k (TD3)	37.0	\$16,044	38.0	\$17,473
WAFR>USG 260k (TD4)	37.5	\$15,767	40.0	\$19,165
WAFR>CHINA 260k (TD15)	38.0	\$15,095	40.0	\$17,932
<b>SUEZMAX</b> (12 Kts L/11.5 Kts B)				
WAFR>USAC 130k (TD5)	45.0	\$4,035	47.5	\$5,756
BSEA>MED 135k (TD6)	47.5	\$(3,632)	50.0	\$(1,422)
CBS>USG 130k	50.0	\$(1,494)	55.0	\$2,121
<b>AFRAMAX</b> (12.5 Kts L/B)				
N.SEA>UKC 80k (TD7)	90.0	\$11,844	87.5	\$10,013
AG>SPORE 70k (TD8)	85.0	\$14,492	85.0	\$14,453
BALT>UKC 100k (TD17)	77.5	\$24,122	75.0	\$21,975
CBS>USG 70k (TD9)	90.0	\$11,842	97.5	\$14,921
MED>MED 80k (TD19)	67.5	\$3,817	67.5	\$3,817
<b>PANAMAX</b> (12.5 Kts L/B)				
CBS>USG 50k	107.5	\$4,939	100.0	\$2,764
CONT>USG 55k (TD12)	110.0	\$9,985	100.0	\$6,597
ECU>USWC 50k	150.0	\$17,212	150.0	\$17,470
<b>CPP</b> (13.5 Kts L/B)				
CONT>USAC 37k (TC2)	70.0	\$(2,680)	70.0	\$(2,680)
USG>CONT 38k (TC14)	127.5	\$14,157	102.5	\$7,799
USG>CONT/CONT>USAC/USG	--	\$16,211	--	\$11,276
CBS>USAC 38k (TC3)	135.0	\$14,809	125.0	\$12,324
AG>JPN 35k	120.0	\$9,051	120.0	\$9,024
SPORE>JPN 30k (TC4)	120.0	\$6,478	120.0	\$6,454
AG>JPN 75k (TC1)	97.0	\$20,685	98.0	\$21,133
AG>JPN 55k (TC5)	110.0	\$13,335	111.0	\$13,653

Time Charter Market \$/day (theoretical)	1 Year	3 Years
<b>VLCC</b>	\$17,750	\$21,500
<b>Suezmax</b>	\$15,750	\$18,250
<b>Aframax</b>	\$13,500	\$15,250
<b>Panamax</b>	\$14,000	\$15,500
<b>MR</b>	\$14,000	\$15,500







# Capital Link Shipping Weekly Markets Report



Monday, October 14, 2013 (Week 42)

## SHIPPING MARKETS

### Tanker Market – Weekly Highlights

#### THE TANKER MARKETS

##### VLCC

The pace of fresh activity in the VLCC market decelerated this week with total fixtures scaling back by 30%. This was led by a strong decline in AGFEAST activity despite the conclusion of the Golden Week holiday earlier this week as charterers in the Far East had largely covered most of their requirements for the first two decades of October. Despite the slower pace of activity, many market participants continued to view activity levels as being relatively strong (total ex-Middle East fixtures this week of 26 compare with a YTD average of 25), and this appeared to affect sentiment, allowing for rates to remain generally firm through most of the week and rates on the benchmark AG-FEAST route to post a 1.7-point w/w gain.

While the upward impetus on rates had largely been replaced with a static sentiment by the close of the week—largely as owners earlier bullishness was replaced with a heightened intent on fixing at last done levels, rather than risking waiting further. Nevertheless, we view limited rate downside potential going forward and continue to expect rates to improve gradually over the coming weeks.

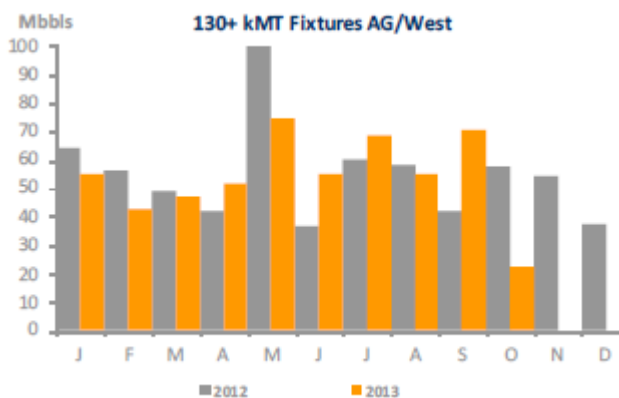
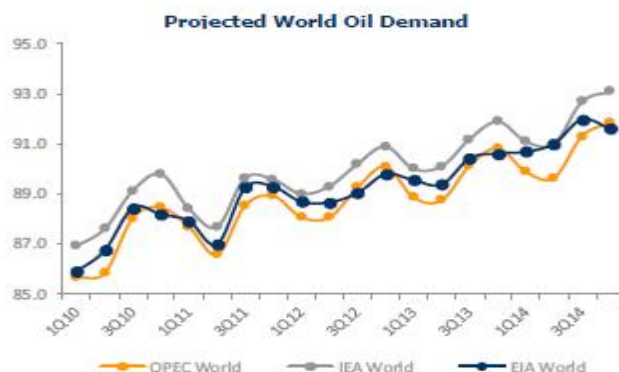
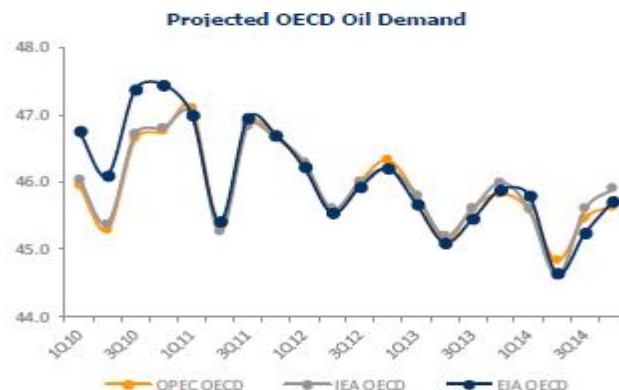
##### Middle East

Rates to the Far East posted a 1.7 points gain on last week to an average of ws37.3. Corresponding TCEs averaged ~\$17,342/day, representing a ~\$1,202/day gain. Rates to the USG via the Cape gained 0.5 point, w/w. Triangulated Westbound trade earnings gained ~\$719/day, w/w, to ~\$20,417/day.

With 115 October Middle East cargoes covered to-date, a further 15-20 cargoes are reasonably expected to remain. Against this, we note that some 30 units presently populate position lists with availability through the end of October, implying a monthly surplus of 10-15 units. As this represents a modest reduction from the 20 surplus units expected a week ago and more closely aligns supply with demand, a sustained pace of activity during the upcoming week could see further rate gains materialize. Thereafter, the extent of the October program will likely dictate the progression of rates once charterers progress into the November program.

##### Atlantic Basin

Though less active overall, the pace of chartering activity in the Atlantic basin remained generally robust – particularly in the West Africa market, where 9 fixtures materialized (versus 6 last week and a YTD weekly average of 5). Rates on the WAFR-FEAST routes gained 2.2 points on average, w/w, to ws39.25, and conclude the week at the ws40 level. Corresponding TCEs gained \$3,010/day, w/w, to an average of ~\$17,154/day while the present assessment yields ~\$18,332/day. Interestingly, following the recent West Africa rate gains, owners with units coming free off the USG started to show an interest in ballasting to West Africa (away from the usually preferred ex- Caribbean market); this week saw three units do so, compared with 10 units during the first nine months of 2013. However, on the back of this trend rates appear likely to be capped in the near term as further strength will likely require more substantial gains in the Middle East market.







# Capital Link Shipping Weekly Markets Report



Monday, October 14, 2013 (Week 42)

## SHIPPING MARKETS

### Tanker Market – Weekly Highlights

#### Suezmax

The West Africa Suezmax market saw a marginal improvement of rates this week as regional chartering activity gained 38% w/w to a nine-week high. Thin enabled owners to command rate gains and the WAFR-USAC route rose 2.5 points to ws47.5. With this week's activity clearing through much prompt tonnage, premiums for prompt dates could increase during the start of the upcoming week while an extension of this week's activity will be required to allow further rate gains off of normal dates.

#### Aframax

Total fixture activity in the Caribbean Aframax market remained fairly strong with 17 fixtures concluded (versus a YTD weekly average of 14). Rates were fairly volatile at the start of the week, with minor weatherrelated delays over the weekend seeing the CBS-USG route commence near the ws100 level, 10-points over last week's close. An early week activity lull offset much of those gains though sustained activity by mid-week saw rates return to relative strength and the market concluded at ws97.5.

#### Panamax

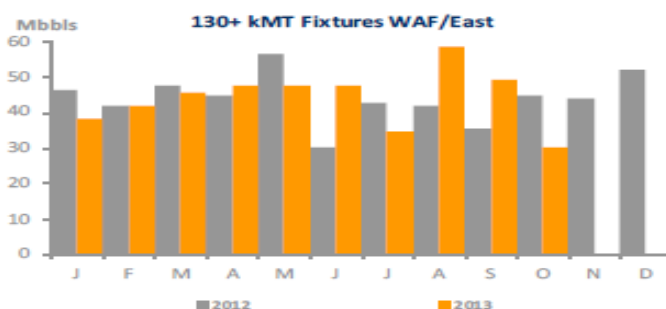
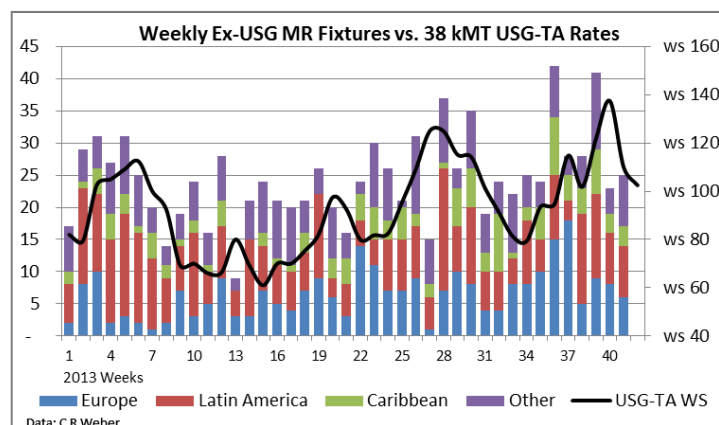
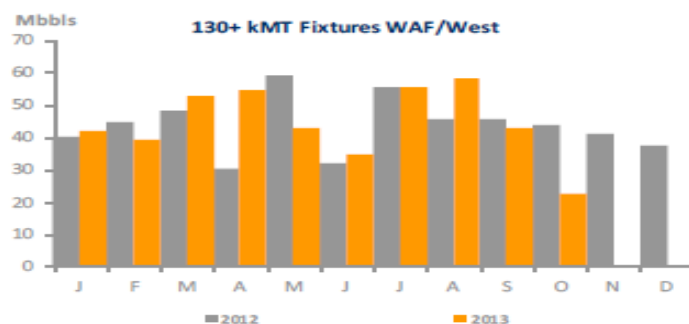
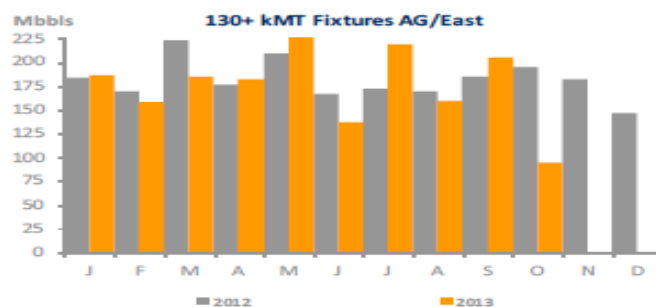
The Caribbean Panamax market remained generally lackluster with an early-week fixture retesting rates on the CBS-USG route to the ws100 level, representing a 10-points decline on the previous week. The sustained demand lull has seen TCE earnings decline rather strongly in recent weeks and the present return of ~\$2,764/day represents a 2-year low.

#### CPP

Total fixture activity in the USG MR market rose 9% on last week to 25 fixtures – a level on par with the YTD weekly average but well below the 41 concluded two weeks ago. With the four-week moving average declining 3% on last week's figure, the number of "natural" positions continued to expand and was augmented by ballast units from Europe and West Africa (which would normally have sought trans-Atlantic cargoes), given declining demand in the Continent market. These factors contributed to a further strong correction of rates on the USG-TA route, which lost 25 points over the course of the week and concluded at ws102.5. TCEs at this level are ~\$7,799/day on a round voyage basis and ~\$11,276/day assuming triangulated USG-UKC/UKC-USAC/USG trading, though achieving the latter is increasingly complicated given the decreasingly active Continent market. By comparison, TCEs on voyages to Latin America presently yield an average of ~\$14,318/day.

As PADD 3 (Gulf Coast) refiners progress with seasonal maintenance, regional crude oil refinery inputs dropped by another 168,000 b/d through the week ending 10/4 while distillate production declined by 127,000 b/d. These factors are likely to keep ex-USG activity subdued—during the coming week. With supply simultaneously weighing on the market, rates appear likely to experience further downside, though given the extent of recent rate losses and the disadvantage units trading cargoes to Europe are at relative to Latin America, further downside should find a limit during the upcoming week. Thus while we believe a decline into the high/mid ws90s is likely on the USG-TA route, rates should level off in that range by around midweek.

The Continent market saw demand post a further modest decline as seasonal maintenance and idled capacity at European refiners continues to ease product exports. Rates on the CONT-USAC route held unchanged at the ws70 level. Little change of direction is expected during the upcoming week.





# Capital Link Shipping Weekly Markets Report



Monday, October 14, 2013 (Week 42)

## SHIPPING MARKETS

### S&P Secondhand, Newbuilding & Demolition Markets

TOTAL WEEKLY S&P ACTIVITY					
VESSEL TYPE	SECOND HAND		DEMOLITION		TOTAL
	Units	Invested Capital	Units	in DWT	
Bulkcarriers	15	281.000.000	7	296.252	22
Tankers <sup>A</sup>	11	174.650.000	5	209.171	16
Gas Tankers <sup>AA</sup>	0	0	0	0	0
Liners <sup>AAA</sup>	2	5.000.000	1	18.144	3
Containers	9	107.800.000	2	69.619	11
Reefers	0	0	0	0	0
Passenger / Cruise	1	0	0	0	1
Ro - Ro <sup>AAAA</sup>	0	0	1	42.600	1
Car Carrier	0	0	0	0	0
Combined <sup>AAAAA</sup>	0	0	0	0	0
Special Projects <sup>AAAAAA</sup>	0	0	0	0	0
<b>TTL VSL/Demo</b>	<b>38</b>	<b>568.450.000</b>	<b>16</b>	<b>635.786</b>	<b>54</b>

5 s&p deals reported at an undisclosed price

**Key:** (\*) Incl. Crude Oil, Clean & Dirty Products, Chemical, Asphalt & Veg. Oil,  
(\*\*) incl. LPG, LNG, (\*\*\*) incl. Multi-purpose and Tweendeckers,  
(\*\*\*\*) incl. Bulk-Ore, Ore-Oil and Bulk-Oil carriers,  
(\*\*\*\*\*) incl. Ro-Ro Cargo, Ro-Ro Passenger,  
(\*\*\*\*\*) incl. Oil & Drilling Rigs, Tugs, Livestock, Trawlers,  
Cable/Exploration/Navy/Support Vessels

**Investment Trends during October:** ↑ Secondhand – ↓ Newbuilding  
– Demolition ↑

At the current week, 54 transactions reported worldwide in the secondhand and demolition market, no change from previous week with 12% increase in secondhand purchases and 20% lower scrapping volumes.

The highest activity is recorded in the secondhand market **with 38 vessel purchases** – large volume of purchases for bulk carriers and tankers with also firm business in the container segment. The bulk carrier segment recorded quiet newbuilding business with only 5 new contracts.

Compared with newbuilding investments, this week's secondhand purchasing activity is 12% up and demolition 20% down.

At **similar week in 2012**, the total S&P activity in the secondhand / demolition market was standing 20% lower than the current levels, when 43 transactions had been reported and secondhand ship purchasing was standing 39% lower than the levels of newbuilding orders. The ordering appetite was limited for bulkers/tankers/containers with high interest in the offshore segment (36 new orders -6 bulkers, 5 tankers, 1 gas tanker, 3 liners, 4 containers, 1 Ro-Ro and 15 special projects)

**Secondhand:** 38 S&P deals – 34 S&P deals **last week** – 22 S&P deals in the first week of **October 2012**

**Newbuilding:** 34 new orders -113 new orders **last week** – 36 new orders in the first week of **October 2012**

**Demolition:** 16 disposals -20 disposals **last week** – 21 disposals in the first week of **October 2012**

#### SECONDHAND MARKET

**S&P Transactions:** 38 vessels reported to have changed hands – total invested capital region more than \$568,45 mil, 5 S&P deals reported at an undisclosed sale price. (15 bulkers, 11 tankers, 2 liners, 9 containers and 1 passenger/cruise)

Contributed by

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Website: www.goldendestiny.gr



#### Average age of vessels sold – 11yrs old built 2002

**S&P activity:** 12% up week-on-week and 73% up year-on-year. At **similar week in 2012**, 22 vessels induced buyers' interest at a total invested capital of about \$137,6 mil. (4 S&P deals in the bulk carrier segment, 15 in the tanker, 1 in the gas tanker, 1 in the liner and 1 in the container).

Bulk carriers held lion share of this week's S&P activity, 39% share and tankers follow with 29% share and containers 24% share. The highest invested capital is reported in the bulk carrier segment, 50% share of the total invested capital with firm purchases for kamsarmax newbuilding resales.

- **European owners' presence:** 13 vessel purchases - invested capital about \$228 mil- 4 bulkers, 6 tankers and 3 containers.
- **Greek owners' presence:** 8(4 bulkers, 2 tankers and 2 containers)- Total invested capital \$127,7mil.
- **Asian owners' presence:** 4 vessel purchases (3 bulkers for total \$47,9mil) and 1 Ro-Ro.

#### Per vessel type:

↑ **Bulk Carriers:** 15 S&P deals, down 35% week-on-week and up 275% year-on-year. (4 S&P deals at similar week in 2012)

**Total Invested Capital:** region more than \$281 mil - **Average age of vessels sold –8yrs old built 2005 (strong activity in the kamsarmax segment for newbuilding resales and in the panamax segment for vessels of more than 10yrs old. All vessels reported sold this week are built Japan/China).**

- **Capesize – 1S&P deal:** for 171,000dwt vessel built 1997 Japan for \$16,5mil.
- **Kamsarmax – 5S&P deals:** 1 enbloc deal for two newbuilding resales of 84,000dwt with delivery 2015 Japan for about \$35.5mil each. 1 vessel-82,100dwt dely 2014 Japan for about \$31mil. 1 enbloc deal for two vessels-81,600dwt dely 2015 China for about \$31,5mil each.
- **Panamax- 6 S&P deals:** 1 for a 76,000dwt vessel built 2002 Japan for about \$16mil. 1enbloc deal for two 76,000dwt vessels built 2001-2013 Japan for a total price of \$31,4mil. 1 for a 74,000ddwt vessel built 2000 Japan for \$12,9mil and 1 enbloc deal for two 72,000dwt vessels built 1997 Japan for about \$9mil each.



# Capital Link Shipping Weekly Markets Report



Monday, October 14, 2013 (Week 42)

## SHIPPING MARKETS

### S&P Secondhand, Newbuilding & Demolition Markets

- **Supramax- 2 S&P deals:** 1 for a 54,000dwt vessel built 2005 China for about \$12,5mil and for a 53,000dwt vessel built 2005 Japan at an undisclosed sale price.
- **Handymax- 1 S&P deals:** 1 for a 48,000dwt vessel built 1997 Japan for about \$8,7mil.

↑**Tankers:** 11 S&P deals, up by 38% week-on-week and 27% down year-on-year. (15 S&P deals at similar week in 2012)

**Total Invested Capital:** \$174,65 mil. **Average age of vessels sold –10yrs old built 2003(strong activity in the aframax/MR segment for vessels built Japan in the aframax and vessel built in South Korea for MR product units).**

- **Aframax – 5 S&P deals:** 1 enbloc deal for four 115,000dwt vessels built 2007-2008 Japan for about \$25,2mil each for three vessels built 2007 and \$27,4mil for the vessel built 2008. 1 for a 96,000dwt vessel built 1995 South Korea for \$7,5mil.
- **Panamax- 1 S&P deal:** for a vessel 70,312dwt built 2004 South Korea for about \$21mil
- **Handymax – 3S&P deals:** 1 for a vessel of about 47,000dwt built 2001 Japan for region \$12mil. 1 for a vessel of 46,000dwt built 1996 South Korea for about \$9,8mil and 1 for a vessel of 46,000dwt built 2004 Japan for \$17,5mil.
- **Small tankers of less than 10,000dwt – 2 S&P deals:** 1 for about 8,200dwt built 1995 Singapore for about \$3,65mil and 1 for 1,600dwt vessel built 1966 Norway for \$200,000.

↓**Gas Tankers:** no reported S&P deals, from 2S&P deals, 1 for large LNG and 1 for small LPG, reported last week.(zero S&P deal reported at similar week in 2012)

↑**Containers:** 9 S&P deals, from zero business reported last week and 1 S&P deal reported at similar week in 2012.

**Invested capital** more than \$107,8mil. **Average age of vessels sold: 9yrs old built 2004 (strong activity in the sub-panamax segment).**

- **Small Panamax-** 1 S&P deal for 3,500TEU vessel built 2006 China for about \$12,8mil as a bank sale.
- **Sub-panamax: 6 S&P deals** – 1 enbloc deal for two 2,700TEU vessels built 2006 Poland for \$17mil each. 1 for a 2,702TEU vessel built 2006 Germany for about \$13mil as a bank deal, one for a 2,742TEU vessel built 20078 Germany for \$17mil. 1 for a 2,556TEU vessel built 2004 South Korea with cranes for \$14mil.
- **Handy-** 1 S&P deal for a 1,630TEU vessel built 2008 Germany for \$17mil.
- **Feedermax** – 1 S&P deal for 707TEU vessel built 2000 Germany at an undisclosed sale price.

#### NEWBUILDING MARKET

WEEKLY NEWBUILDING ACTIVITY					
Vessel Type	Units	in DWT	Invested Capital	P&C	%W-o-W
Bulkcarriers	5	896.000	246.000.000	2	-88%
Tankers	10	329.000	0	10	0%
Gas Tankers	4	44.000	114.000.000	0	-76%
Liners	0	0	0	0	-100%
Containers	5	365.180	320.000.000	1	-72%
Reefers	0	0	0	0	N/A
Passenger / Cruise	1	0	960.000.000	0	N/A
Ro - Ro	0	0	0	0	N/A
Car Carrier	0	0	0	0	N/A
Combined	0	0	0	0	N/A
Special Projects	9	0	950.000.000	0	29%
<b>TOTAL</b>	<b>34</b>	<b>1.634.180</b>	<b>2.590.000.000</b>	<b>13</b>	<b>-70%</b>

#### Key:/

\* The total invested capital does not include deals reported with undisclosed contract price

\*\* Deals reported as private and confidential (not revealed contract price)

**No of new orders: 34** vessels– total deadweight: 1,634,180 tons, 13 transactions reported at an undisclosed contract price – The invested capital revealed is about \$2,59bn for 21 new orders. (5bulkers, 10 tankers, 4 gas tankers, 5 containers and 9 special projects).

**Newbuilding activity:** 70% down week-on-week and 6% down year-on-year. The largest volume of newbuilding activity is reported in the tanker and offshore segment, with sharp downward revision in the number of new contracts for bulk carriers. Orders for tankers held 25% share of this week's ordering activity and special projects 38% share, against 13% share from bulkers.

At **similar week in 2012**, 36 fresh orders had been reported with the largest volume of newbuilding activity reported in the offshore segment with 15 new orders respectively, with limited business in the bulk carrier/tanker/container (6 new orders for bulkers, 5 for tankers, 1 gas tanker, 3 liners and 4 containers).

Compared with previous week's levels, a large decrease of 88% is recorded in the volume of new orders for bulkers (5 new orders from 41 last week), 76% decline in the volume of gas tankers (4 new orders from 17 last week) and 72% in the container (5 new orders from 18 last week). In the offshore segment, there is a 114% weekly increase with 15 new orders from 7 last week.

- **European owners' presence:** 16 new orders- invested capital more than \$246mil (5 bulkers, 8 tankers, 1 container, 2 special projects)
- **Greek owners' presence:** 5 new orders – all placed in the bulk carrier segment (in the ultramax and 4 in the capesize)– Invested capital \$246mil.
- **Asian owners' presence:** 17 new orders – invested capital more than \$784mil (2 tankers, 4 containers, 1 passenger/cruise, 4 gas tankers and 6 special projects).





# Capital Link Shipping Weekly Markets Report



Monday, October 14, 2013 (Week 42)

## SHIPPING MARKETS

### S&P Secondhand, Newbuilding & Demolition Markets

#### Per vessel type:

**Bulk Carriers:** 5 new orders, 88% down week-on-week and 17% down year-on-year. Chinese yards won all the reported business,

- **Capesize – Newcastlemax – 4** new orders: of 208,000dwt from **Cardiff Marine** of Greece at China's Yangzijiang Shipbuilding for about \$55mil each, including an option for two more, with delivery in 2015.
- **Ultramax – 1** new order: of 64,000dwt from **Grecomar Shipping** of Greece at China's Taizhou Kouan Shipbuilding for a price in the region of \$26mil each with delivery in 2015, including an option one more.

**Tankers:** 10 new orders reported, at the same levels of last week and up by 100% year-on-year. (Strong activity reported in the MR and handysize chemical segment at South Korean yards).

- **MR-Product- 2 chemical** new orders: of 50,000dwt from **Laurin Maritime** of Sweden at China's Samjin Shipbuilding at an undisclosed contract price with delivery in the second half of 2015, including an option for two more (eco design vessels).
- **Handysize– 6 chemical** new orders: of 37,000dwt from **Navig8 Chemical Tankers in a joint venture with Oaktree Capital** at Hyundai Mipo Dockyard of South Korea at an undisclosed contract price with delivery in early 2015, including options for additional units.
- **Small – 2 chemical** new orders: of 3,500dwt from **Sambu Shipping** of South Korea at South Korea's Samho Shipbuilding at an undisclosed contract price with delivery in 2014.

**Remark:** INDONESIA's energy giant PERTAMINA confirmed that it has signed an order for 12 newbuilding tankers worth \$22-23M each. The group has ordered six of the 12 tankers from local yards, said Muhammad Irfan, assistant manager of its shipbuilding arm. "Two were awarded to PT Pal, another two were awarded to PT Anggrek Hitam, one was awarded to PT Multi Ocean Shipyard, and one 17,500dwt crude tanker was just awarded to PT Daya Radar Utama.

**Gas Tankers:** 4 new orders reported, down 76% week-on-week and 300% up year-on-year. (Lpg contracts at Japanese yards).

- **LPG-Small segment – 4** new orders: from **Petredec** of Bangladesh at Japanese yards, two placed at Sasaki Shipbuilding and two at Kyokoyo Shipyard for about \$28,5mil each with delivery through 2015(11,000cbm capacity pressurized).

**Containers:** 5 new orders down 72% week-on-week and up by 25% year-on-year.

- **Post Panamax segment- 4** new orders: of 9,200TEU boxships from **Hanjin Shipping** of South Korea at Hanjin H.I. Subic yard of Philippines for about \$80mil each with delivery in 2015.

- **Feedermax segment- 1** new order: of 606 TEU from **Royal Arctic Line** of Denmark at Remontowa Shipyard of Poland at an undisclosed contract price with delivery in mid 2015. The vessel will operate on the Atlantic as a feeder vessel to Greenland.

**Passenger / Cruise:** German shipbuilder Meyer Werft has won a €707.2M (\$960M) a cruise ship order, with passenger capacity-1,682, from Genting Hong Kong, wholly owned subsidiary of Chinese Dream, for delivery in October 2016. The order is subject to approval of the final specification, confirmation of finance, and shareholders' approval of the contract and finance. The vessel will be initially operated in China, Taiwan, and Hong Kong, exploiting increasing demand for cruise ship business in Asia Pacific

**Special Projects:** Oslo's **Northern Offshore**, a John Fredriksen-owned company, has placed an order for **two jack-up rigs**, including an option for two more, at an **unnamed Chinese shipbuilder**. The two LeTourneau Super 116E Class jack-ups are scheduled for delivery in 1Q and 3Q 2016 and will cost nearly \$180M each. The options are scheduled for delivery in 1H15. In addition, **Quality Marine Services**, a subsidiary of Abu Dhabi based Zakher Marine International, has signed contracts for **four platform supply vessels** and **two accommodation jack-up rigs** at unnamed Chinese builders for a total cost of about \$350M. The company said it plans to use the vessels in the Middle East, Far East and Africa, with delivery scheduled for 2015 and it also plans to order two more accommodation jack-ups, costing about \$150M, in the near future. In last, **Singapore's Keppel O&M yard** said that it won a contract from Mexico's Central Panuco SA De CV to build a KFELS B Class jack-up rig worth \$240M. Ordered at its US-based wholly owned subsidiary Keppel AmFELS LLC, the rig is set for delivery in the fourth quarter of 2015. Based on the KFELS B Class rig design, it will be able to operate in depths down to 400ft, drill to 30,000ft and accommodate up to 126 people. It is the fifth rig that Keppel is building for Perforadora Central, the parent of Central Panuco, since 2002, said Keppel AmFELS chairman Chow Yew Yuen.

#### DEMOLITION MARKET

The market has finally turned into positive with India recovering from its serious currency issues and the losses in steel prices. Bangladesh also follows with a rebound in steel prices by competing hard with Alang shipbreakers, while Pakistan seems to have been left behind as it has still issues with its Rupee. Benchmark scrap prices in India subcontinent region are now up by \$25-\$35/ldt from the end of August for dry and wet cargo.

In China, benchmark scrap prices are still holding firm from the end of August, by standing at \$35-\$45/ldt lower levels than the prices in Indian subcontinent region for dry/general cargo and \$50-\$60/ldt lower levels for wet cargo. The Chinese National Holidays during the first week of October brought little action with one handysize bulker emerged for disposal in China at this week, M/V "WELLY II" of 10,308ldt built 1982 for about \$365/ldt.





# Capital Link Shipping Weekly Markets Report



Monday, October 14, 2013 (Week 42)

## SHIPPING MARKETS

### S&P Secondhand, Newbuilding & Demolition Markets

**No of demolition: 16** disposals –**total deadweight: 635,786 tons-** 7 bulkers, 5t ankers, 1 liner, 2 containers and 1 Ro-Ro vessel.

**Demolition activity (in terms of reported number of transactions):** 20% down week-on-week showing 150% and 100% weekly increase in the volume of tanker and container disposals respectively, with 13% weekly decline in bulker disposals and 80% weekly decline in liner disposals.

The largest activity is recorded in the bulk carrier and tanker segments by holding 44% and 31% share respectively of the total demolition activity, against 13% share from liners.

In terms of deadweight sent for scrap, there has been 33% weekly increase with some scrapping activity in large vessel size categories, 1 aframax tanker, 1 panamax bulkier and 1 small panamax container reported for disposal.

India is reportedly to have won 9 of the 16 demolition transactions, Bangladesh 3, Pakistan 1, China 1, Turkey 1, 1 vessel disposal reported at an undisclosed destination.

Benchmark scrap prices in the Indian subcontinent region: \$385-\$395/ldt for dry and \$415-\$425/ldt for wet cargo. Scrap prices in China hover at \$350/ldt for dry and \$365/ldt for wet cargo.

*Notable demolition transactions: Panamax bulkier M/V "GLORIOUS RENA" with 10,400ldt built 1987 fetched \$420/ldt Bangladesh. In India, Ro-Ro vessel M/V "SAUDI TABUK" with 18,764ldt built 1983 fetched the astonishing number of \$435/ldt as-is Fujairah, including about 250tons bunkers remaining on board. In addition, MPP vessel*

M/V "CHOPIN" with 7,455ldt built 1988 reached \$435/ldt and handysize bulkier M/V "B. CAMICA 1" with 8,337ldt (full spares) \$405/ldt in India.

At a **similar week in 2012**, demolition activity was up by 31%, in terms of the reported number of transactions, when 21 vessels had been reported for scrap of total deadweight 1,173,447 tons with 13 disposals for bulkers, 3 for tankers, 3 for containers and 2 reefers. Ship-breakers in Indian subcontinent region had been offering \$405-\$410/ldt for dry and \$435-\$440/ldt for wet cargo.

#### Per vessel type:

- **Bulk Carriers- number of disposals per vessel size:** 1 panamax, 4 handymaxes and 2 handysizes
- **Tankers- number of disposals per vessel size:** 1 aframax, 2 handymaxes/MR, 1 handysize and 1 small
- **Containers- number of disposals per vessel size:** 1 in the small panamax and 1 the feeder segment

#### Per Demo Country:

- **India-9 disposals:** 4 bulkers in the handy/handymax segment, 2 tankers (1 in the MR/handymax segment and 1 small), 1 small panamax container, 2 liners and 1 Ro-Ro.
- **Bangladesh-2 disposals:** 2 bulkers (1 panamax-1 handymax) and 1 small container
- **China:** 1 handymax bulkier
- **Pakistan:** 1 aframax tanker

#### GREEK PRESENCE

**Investment trends during October:** SH ↑ - NB ↓

S&P		week 1	week 2	week 3	week 4	
	October	11/10/2013	18/10/2013	25/10/2013	2/11/2013	
	Units	14				
	September	6/9/2013	13/9/2013	20/9/2013	27/9/2013	4/10/2013
	Units	6	9	5	11	7

Average No of vessel purchases per week in October

14

Average No of vessel purchases per week in September

8

NB		week 1	week 2	week 3	week 4	
	October	11/10/2013	18/10/2013	25/10/2013	2/11/2013	
	Units	5				
	September	6/9/2013	13/9/2013	20/9/2013	27/9/2013	4/10/2013
	Units	12	7	14	2	19

Average No of new orders per week in September

5

Average No of new orders per week in August

9



# Capital Link Shipping Weekly Markets Report



Monday, October 14, 2013 (Week 42)

## SHIPPING MARKETS

### S&P Secondhand, Newbuilding & Demolition Markets

**At the current week:** Following last week's firm investments in the newbuilding market, Greek owners now recorded softer activity all placed in the bulk carrier segment, with stronger position in the secondhand market

**Second-hand** purchasing activity: 14% up week-on-week -  
**Newbuilding** activity: 74% down week-on-week.

**Secondhand Market-** No of vessel purchases: 8(4 bulkers, 2 tankers and 2 containers)- Total invested capital \$127,7mil.

- **Bulk Carriers- 4 vessel purchases:** 1 kamsarmax resale- 82,100dwt dely 2014 Japan for \$31mil, 1 panamax-76,000dwt built 2002 Japan for \$16mil. 1 panamax-74,000dwt built 2000 Japan for \$12,9mil and 1 supramax-54,000dwt built 2005 China for \$12,5mil.
- **Tankers- 2 vessel purchases:** 1 MR – 47,000dwt built 2001 Japan for \$12 mil and 1 of 46,000dwt built 2004 Japan for \$17,5mil.
- **Containers-2 vessel purchases:** 1 small panamax-3534 TEU built 2006 China for \$12,8mil as a bank sale and 1 sub-panamax – 2,702 TEU built 2006 Germany for \$13mil, also as a bank sale.

**Newbuilding Market-** No of new orders: 5 new orders – all placed in the bulk carrier segment (in the ultramax and 4 in the capesize)– Invested capital \$246mil.

- **Bulk Carriers: 5 new orders:** 1 new order: of 64,000dwt from **Grecomar Shipping** of Greece at China's Taizhou Kouan Shipbuilding for a price in the region of \$26mil each with delivery in 2015, including an option one more. 4 new orders: of 208,000dwt from **Cardiff Marine** of Greece at China's Yangzijiang Shipbuilding for about \$55mil each, including an option for two more, with delivery in 2015.

*At similar week in 2012, Greek players had no presence in the newbuilding arena with firm investments in the secondhand market, 3 bulk purchases ( one capesize, one kamsarmax, one handymax), three tankers (2 panamaxes and one small handysize) and one liner.*

#### NEWBUILDING MARKET – ORDERS

**BULK CARRIERS –208,000 DWT** 4 units ordered by **Cardiff Marine** (GR) at **Yangzijiang Shipbuilding** (PRC). Price \$55mil each. Dely 2015-2016 (Option for two more). **64,000 DWT** 1 unit ordered by **Grecomar Shipping** (GR) at **Taizhou Kouan Shipbuilding** (PRC). Price USD \$ 26 mil. Dely 9/2015 (Option for one more).

**TANKERS –50,000 DWT Chemical** 2 units ordered by **Laurin Maritime** (SWD) at **Samjin Shipbuilding** (PRC). Price undisclosed. Dely 2H 2015 (Option for two more, eco design). **37,000 DWT Chemical** 6 units ordered by **Navig8 Chemical Tankers in JV with Oaktree Capital** at **Hyundai Mipo Dockyard** (SKR). Price undisclosed. Dely early 2015 (plus options). **3,500 DWT Chemical** 2 units ordered by **Sambu Shipping** (SKR) at **Samho Shipbuilding**

(SKR). Price undisclosed. Dely 10/2014.

**Remark:** **INDONESIA's** energy giant **PERTAMINA** confirmed that it has signed an order for 12 newbuilding tankers worth \$22-23M each. The group has ordered six of the 12 tankers from local yards, said **Muhammad Irfan**, assistant manager of its shipbuilding arm. "Two were awarded to **PT Pal**, another two were awarded to **PT Anggrek Hitam**, one was awarded to **PT Multi Ocean Shipyard**, and one 17,500dwt crude tanker was just awarded to **PT Daya Radar Utama**.

**GAS TANKERS – 11,000 DWT LPG** 2 units ordered by **Petredec** (BDESH) at **Sasaki Shipbuilding** (JPN). Price USD \$ 28,5 mil each. Dely through 2015 (11,000 cbm, pressurised). **11,000 DWT LPG** 2 units ordered by **Petredec** (BDESH) at **Kyokuyo Shipyard** (JPN). Price USD \$ 28,5 mil each. Dely through 2015 (11,000 cbm, pressurised).

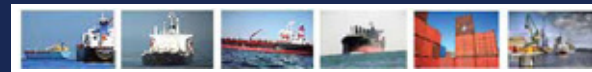
**CONTAINERS – ABT 90,000 DWT** 4 units ordered by **Hanjin Shipping** (SKR) at **Hanjin H.I. Subic Bay** (PHIL). Price USD \$ 80 mil each. Dely 2015 (9,200 TEU). **5,180 DWT** 1 unit ordered by **Royal Arctic Line** (DMK) at **Remontowa Shipyard** (POL). Price undisclosed. Dely middle 2015 (606 TEU, service between Denmark and Greenland, Investor ordered as well 2 x 100 TEU & 30 TEU small feeders from same yard with no further details disclosed).

**CONTAINERS– ABT 90,000 DWT** 4 units ordered by **Hanjin Shipping** (SKR) at **Hanjin H.I. Subic Bay** (PHIL). Price USD \$ 80 mil each. Dely 2015 (9,200 TEU). **5,180 DWT** 1 unit ordered by **Royal Arctic Line** (DMK) at **Remontowa Shipyard** (POL). Price undisclosed. Dely middle 2015 (606 TEU, service between Denmark and Greenland, Investor ordered as well 2 x 100 TEU & 30 TEU small feeders from same yard with no further details disclosed).

**CRUISE- Cruise Vessel** 1 unit ordered by **Chinese Dream**, sub of **Genting Hong Kong**, (PRC) at **Meyer Werft** (GER). Price USD \$ 960 mil. Dely 10/2016 (1,682-passenger capacity, scheduled to operate in China, Taiwan, and Hong Kong).

**SPECIAL PROJECTS – Platform Supply Vessel** 4 units ordered by **Quality Marine Services**, sub of **Zakher Marine** (UAE) at **Unknown Chinese Shipyard** (PRC). Price USD \$ 50 mil enbloc. Dely through 2015 **Jack up rig** 1 unit ordered by **Central Panuco SA De CV** (MEX) at **Keppel O&M** (SPORE). Price USD \$ 240 mil. Dely 4q 2015. (Based on the KFELS B Class rig design, it will be able to operate in depths down to 400ft, drill to 30,000ft and accommodate up to 126 people. It is the fifth rig that Keppel is building for Perforadora Central, the parent of Central Panuco, since 2002, said Keppel AmFELS chairman Chow Yew Yuen.) **Accommodation Jack Up Rig** 2 units ordered by **Quality Marine Services**, sub of **Zakher Marine** (UAE) at **Unknown Chinese Shipyard** (PRC). Price USD \$ 150 mil each. Dely through 2015 (Option for two more). **Jack Up Rig** 2 units ordered by **Northern Offshore** (NOR) at **Unknown Chinese Shipyard** (PRC). Price USD \$ 180 mil each. Dely 1Q & 3Q 2016 (Option for two more, Le Tourneau Super 116E Class).

**Key:** GR: Greece, PRC: China, NOR: Norway, JPN: Japan, DEN: Denmark, CAN: Canada, SWD: Sweden, GER: Germany, TRK: Turkey, NIG: Nigeria, SKR: South Korea, SPORE: Singapore, CYP: Cyprus, Dely: Delivery



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