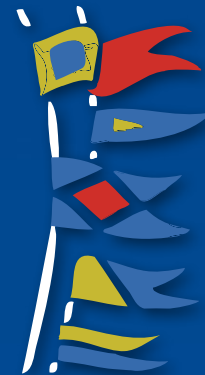


Capital Link Shipping Weekly Markets Report



Tuesday, February 19, 2013 (Week 8)



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CONTENT CONTRIBUTORS



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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www.capitallink.com
www.capitallinkforum.com



Latest Company News

Monday, February 11, 2013

NAT Is Well Positioned to Benefit as Market Fundamentals Improve

Nordic American Tankers Limited (NYSE:NAT) announced its financial results for the fourth quarter and fiscal year of 2012. It pays a dividend of \$0.16 a share for the fourth quarter 2012. Operating cash flow for the fleet was \$17.5 million for 2012. During 4Q2012 the operating cash flow was -\$1.1 million. It achieved an average daily rate of \$10,700 during 4Q2012. Earnings per share was -\$0.61 for the fourth quarter, including a \$12 million impairment charge for one of the vessels in our fleet.

Danaos Corporation Reports Fourth Quarter and Full Year Results for the Year Ended December 31, 2012

Danaos Corporation (NYSE : DAC) reported unaudited results for the quarter and full year ended December 31, 2012. Operating revenues of \$151.8 million for the three months ended December 31, 2012 compared to \$128.3 million for the three months ended December 31, 2011, an increase of 18.3%. Operating revenues of \$589.0 million for the year ended December 31, 2012 compared to \$468.1 million for the year ended December 31, 2011, an increase of 25.8%. Adjusted EBITDA1 of \$112.4 million for the three months ended December 31, 2012 compared to \$88.8 million for the three months ended December 31, 2011, an increase of 26.6%. Adjusted EBITDA1 of \$431.7 million for the year ended December 31, 2012 compared to \$318.6 million for the year ended December 31, 2011, an increase of 35.5%.

DryShips Inc. Announces Public Offering of Its Ocean Rig Shares

DryShips Inc. (NASDAQ : DRYS) announced it is offering 5,000,000 common shares of Ocean Rig that it owns in an underwritten public offering pursuant to Ocean Rig's effective shelf registration statement on Form F-3ASR filed with the Securities and Exchange Commission. Following the completion of the offering, DryShips is expected to own approximately 61.3% of Ocean Rig's outstanding shares. Deutsche Bank Securities and Credit Suisse are acting as joint book-running managers for the offering.

Ocean Rig UDW Inc. Announces Public Offering of Its Shares by DryShips Inc.

Ocean Rig UDW Inc. (NASDAQ : ORIG) announced that DryShips Inc. (NASDAQ : DRYS) is offering to sell 5,000,000 Ocean Rig common shares in an underwritten public offering pursuant to Ocean Rig's effective shelf registration statement on Form F-3ASR filed with the Securities and Exchange Commission. All net proceeds from the sale of the common shares will be received by DryShips as the selling shareholder. Following the completion of the offering, DryShips is expected to own approximately 61.3% of the Company's outstanding shares. Deutsche Bank Securities and Credit Suisse are acting as joint book-running managers for the offering.

Tuesday, February 12, 2013

Navios Maritime Acquisition Corporation Reports Financial Results for the Fourth Quarter and Year Ended December 31, 2012

Navios Maritime Acquisition Corporation (NYSE: NNA) reported its financial results for the fourth quarter and year ended December 31, 2012. For the three month period ended December 31, 2012, revenue increased by \$2.0 million or 5.0% to \$41.7 million, as compared to \$39.7 million for the same period in 2011. Adjusted net income increased by \$1.5 million to \$0.3 million compared to a \$1.2 million Adjusted net loss for the three month period ended December 31, 2011. Revenue for the year ended December 31, 2012 increased by \$29.2 million or 24.0% to \$151.1 million, as compared to \$121.9 million for the same period in 2011. On February 7, 2013, the Board of Directors of Navios Acquisition declared a quarterly cash dividend for the fourth quarter of 2012 of \$0.05 per share of common stock.

Ocean Rig UDW Inc. Announces Upsizing and Pricing of Public Offering of Its Shares by DryShips Inc.

Ocean Rig UDW Inc. (NASDAQ : ORIG) announced the upsizing of the previously announced public offering of Ocean Rig common shares by DryShips Inc. (NASDAQ : DRYS) to 7,500,000 common shares and that the offering has priced with gross proceeds of approximately \$126.4 million. All net proceeds from the sale of the common shares will be received by DryShips as the selling shareholder. Following the completion of the offering, DryShips is expected to own approximately 59.4% of the Company's outstanding shares. The offering is expected to close on February 14, 2013.

DryShips Inc. Announces Upsizing and Pricing of Public Offering of Its Ocean Rig Shares

DryShips Inc. (NASDAQ : DRYS) announced the upsizing of the previously announced public offering of common shares of Ocean Rig that it owns to 7,500,000 common shares and that the offering has priced with gross proceeds of approximately \$126.4 million. Following the completion of the offering, DryShips is expected to own approximately 59.4% of Ocean Rig's outstanding shares. The offering is expected to close on February 14, 2013.

Wednesday, February 13, 2013

Nautilus Marine Acquisition Announces Successful Closing of Its Acquisition and Final Results of Its Tender Offer

Nautilus Marine Acquisition Corp. (NASDAQ : NMAR) announced the successful closing of its acquisition of Assetplus Limited as well as the expiration and final results of its tender offer to purchase up to 4,137,300 shares of its common stock (the "Common Shares") at price of \$10.10 per share, net to the seller in cash, without interest thereon (the "Tender Offer"). The Tender Offer expired at 5:00 p.m., New York City time, on February 13, 2013. Shortly following the expiration of the Tender Offer, Nautilus successfully completed its acquisition of Assetplus Limited.



Latest Company News

Thursday, February 14, 2013

FreeSeas Announces 1:10 Reverse Stock Split to Be Effective February 14, 2013

FreeSeas Inc. (Nasdaq:FREE) announced that the Company's Amended and Restated Articles of Incorporation were amended to effect a reverse stock split of the Company's issued and outstanding common stock at a ratio of one new share for every 10 shares currently outstanding. The Company anticipates that its common stock will begin trading on a split adjusted basis when the market opens on February 14, 2013. Beginning on that date, FreeSeas' common stock will trade for 20 trading days under ticker symbol "FREED" to provide notice of the reverse stock split. After this period, the symbol will revert to "FREE."

Euroseas Ltd. Reports Results for the Year and Quarter Ended December 31, 2012

Euroseas Ltd. (NASDAQ : ESEA) announced its results for the three month period and full year ended December 31, 2012. For the fourth quarter of 2012, the Company reported total net revenues of \$12.4 million, and Adjusted EBITDA of \$2.5 million. For the twelve months of 2012, the Company reported total net revenues of \$52.5 million and Adjusted EBITDA of \$14.9 million. The Company also declared a quarterly dividend of \$0.015 per share for the fourth quarter of 2012 payable on or about March 9, 2013 to shareholders of record on March 2, 2013. This is the 30th consecutive quarterly dividend declared.

Diana Shipping Inc. Announces the Acquisition of a Kamsarmax Dry Bulk Carrier

Diana Shipping Inc. (DSX) announced that on February 11, 2013, through a separate wholly-owned subsidiary, the Company was the successful bidder at an auction that took place in France, for the m/v "Valeria Della Gatta" (to be renamed Maia), a 2009-built Kamsarmax dry bulk carrier of 82,193 dwt, built by Tsuneishi Shipbuilding Co. Ltd., Japan, for a purchase price of EURO14.755 million. Separately, the Company also announced that it has entered into a time charter contract with ADM International Sarl, Rolle, Switzerland, through a separate wholly-owned subsidiary, for one of its Post-Panamax dry bulk carriers, the m/v Alcmene.

Friday, February 15, 2013

Navios Maritime Acquisition Corporation Announces Delivery of One LR1 Product Tanker Vessel With One Year Employment

Navios Maritime Acquisition Corporation (NYSE : NNA) announced that the Nave Rigel, a new building LR1 product tanker vessel of 74,673 dwt, was delivered on February 13, 2013 from a South Korean shipyard. Nave Rigel has been chartered out to a high quality counterparty for one year at a rate of \$11,850 net per day plus 50% profit sharing based on a formula. The charterer has been granted an option for an additional six months at the same rate. The vessel will generate a total base EBITDA of approximately \$1.6 million, assuming operating expense approximating current operating costs and 360 revenue days per year.

Tuesday, February 19, 2013

Navios Maritime Holdings Inc. Reports Financial Results for the Fourth Quarter and Year Ended December 31, 2012

Navios Maritime Holdings Inc. (NYSE: NM) reported financial results for the fourth quarter and year ended December 31, 2012. For the three months ended December 31, 2012, EBITDA increased by \$141.7 million to \$205.6 million as compared to \$63.9 million for the same period of 2011. Net income was \$146.6 million as compared to \$11.8 million for the same period of 2011. For the year ended December 31, 2012, net income was \$166.0 million as compared to \$42.3 million for the same period of 2011. On February 15, 2013, the Board of Directors declared a quarterly cash dividend for the fourth quarter of 2012 of \$0.06 per share of common stock.

Diana Containerships Inc. Reports Financial Results for the Fourth Quarter and Year Ended December 31, 2012

Diana Containerships Inc. (NADAQ: DCIX) reported net income of \$0.3 million for the fourth quarter of 2012, compared to net income of \$1.3 million for the same period of 2011. Time charter revenues were \$14.6 million for the fourth quarter of 2012, compared to \$9.8 million for the same period of 2011. Net income for the year ended December 31, 2012 amounted to \$6.0 million, compared to net income of \$3.6 million for the same period of 2011. The Company has declared a cash dividend on its common stock of \$0.30 per share for the fourth quarter of 2012.

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Select Dividend Paying Shipping Stocks

Stock Prices as of February 15, 2013

Company Name	Ticker	Quarterly Dividend	Annualized Dividend	Last Closing Price (Feb. 15, 2013)	Annualized Dividend Yield
Containers					
Costamare Inc	CMRE	\$0.27 *	\$1.08	\$15.10	7.15%
Dry Bulk					
Navios Maritime Holdings Inc	NM	\$0.06	\$0.24	\$3.84	6.25%
Navios Maritime Partners	NMM	\$0.4425**	\$1.77	\$14.00	12.64%
Safe Bulkers Inc	SB	\$0.05	\$0.20	\$3.63	5.51%
Tankers					
Capital Product Partners Lp	CPLP	\$0.2325	\$0.93	\$7.99	11.64%
Navios Maritime Acquisition Corp	NNA	\$0.05	\$0.20	\$3.22	6.21%
Tsakos Energy Navigation Ltd	TNP	\$0.05	\$0.20	\$3.99	5.01%
Mixed Fleet					
Euroseas Ltd	ESEA	\$0.015	\$0.06	\$1.01	5.94%

*Board approved an eight percent (8%) dividend increase, beginning with the third quarter 2011 dividend, raising the quarterly dividend from \$0.25 to \$0.27 per common share.

** 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.

Capital Link
Providing investors with information on shipping (maritime industry) and the listed companies,

CapitalLinkShipping.com



Capital Link Shipping Weekly Markets Report



February 19, 2013 – Week 8

Currencies, Commodities & Indices

Week ending Friday, February 15, 2013

KEY CURRENCY RATES

Rate	Current Price	Price Last Week	% Change	YTD %Chg	52 Week High	52 Wk Low
3-Month LIBOR (USD)	\$0.2901	\$0.2920	-0.65%	-50.20%	\$0.5393	\$0.2844
10-Yr US Treasury Yield	\$2.0017	\$1.9499	2.66%	1.24%	\$3.3190	\$2.3833
USD/CNY	\$6.2372	\$6.2332	0.06%	-0.94%	\$6.3964	\$6.1985
USD/EUR	\$0.7483	\$0.7482	0.01%	-3.13%	\$1.5295	\$0.7294
USD/GBP	\$0.6444	\$0.6327	1.85%	0.66%	\$5.0050	\$0.6106
USD/JPY	\$92.5900	\$92.5000	0.10%	20.78%	\$94.4700	\$77.1300

PRECIOUS METALS

	Current Price	Price Last Week	% Change	YTD %Chg	52 Week High	52 Wk Low
Copper	\$375.35	\$377.50	-0.57%	8.34%	\$395.00	\$331.00
Gold	\$1,626.99	\$1,670.65	-2.61%	1.60%	\$1,796.05	\$1,526.97
Palladium	\$753.15	\$751.50	0.22%	14.77%	\$777.60	\$589.75
Platinum	\$1,689.24	\$1,715.50	-1.53%	18.63%	\$1,741.99	\$1,379.25
Silver	\$30.20	\$31.50	-4.11%	2.76%	\$37.47	\$26.16

KEY AGRICULTURAL & CONSUMER COMMODITIES

	Current Price	Price Last Week	% Change	YTD %Chg	52 Week High	52 Wk Low
Cocoa	\$2,144.00	\$2,227.00	-3.73%	-0.42%	\$2,714.00	\$2,084.00
Coffee	\$140.20	\$144.20	-2.77%	-40.48%	\$219.20	\$139.65
Corn	\$697.00	\$708.75	-1.66%	18.19%	\$838.00	\$520.25
Cotton	\$83.19	\$83.30	-0.13%	-9.27%	\$94.51	\$68.19
Soybeans	\$1,414.75	\$1,436.75	-1.53%	16.03%	\$1,639.50	\$1,218.75
Sugar #11	\$17.74	\$18.20	-2.53%	-26.78%	\$24.57	\$17.67
Wheat	\$748.50	\$762.50	-1.84%	3.71%	\$938.00	\$665.00

KEY FUTURES

Commodities	Current Price	Price Last Week	% Change	YTD %Chg	52 Week High	52 Wk Low
Gas Oil Futures	\$996.50	\$1,009.75	-1.31%	6.21%	\$1,010.50	\$800.25
Gasoline RBOB	\$313.45	\$305.88	2.47%	18.44%	\$316.39	\$222.50
Heating Oil	\$321.04	\$323.84	-0.86%	5.50%	\$331.32	\$254.90
Natural Gas	\$3.15	\$3.27	-3.64%	1.84%	\$3.93	\$1.90
WTI Crude Future	\$95.86	\$95.72	0.15%	-6.41%	\$108.99	\$80.48



Capital Link Shipping Weekly Markets Report



February 19, 2013 – Week 8

CAPITAL MARKETS DATA

MAJOR INDICES

Index	Symbol	Close	Last Week	% Change	YTD % Change	2-Jan-13
Dow Jones	INDU	13,981.76	13,992.97	-0.08%	4.24%	13,412.55
Dow Jones Transp.	TRAN	5,946.45	5,911.33	0.59%	9.40%	5,435.74
NASDAQ	CCMP	3,192.03	3,193.87	-0.06%	2.56%	3,112.26
NASDAQ Transp.	CTRN	2,454.67	2,476.19	-0.87%	5.33%	2,330.45
S&P 500	SPX	1,519.79	1,517.93	0.12%	3.92%	1,462.42
Russell 2000 Index	RTY	923.15	913.67	1.04%	5.69%	873.42
FTSE 100 Index	UKX	6,328.26	6,263.90	1.03%	4.99%	6,027.40

CAPITAL LINK MARITIME INDICES

Index	Symbol	15 -February-13	8 -February-13	% Change	2-Jan-13	YTD % Change
Capital Link Maritime Index	CLMI	2,145.03	2,138.68	0.30%	2,093.02	2.49%
Tanker Index	CLTI	2,252.95	2,233.74	0.86%	2,123.34	6.10%
Drybulk Index	CLDBI	609.26	588.35	3.55%	609.62	-0.06%
Container Index	CLCI	1,678.40	1,679.35	-0.06%	1,588.01	5.69%
LNG/LPG Index	CLLG	3,566.80	3,577.75	-0.31%	3,423.06	4.20%
Mixed Fleet Index	CLMFI	1,246.56	1,204.52	3.49%	1,550.21	-19.59%
MLP Index	CLMLP	3,102.34	3,022.19	2.65%	2,972.33	4.37%

BALTIC INDICES

Index	Symbol	15 -February-13	8 -February-13	% Change	2-Jan-13	YTD % Change
Baltic Dry Index	BDIY	753	748	0.67%	698	7.88%
Baltic Capesize Index	BCIY	1,434	1,461	-1.85%	1,237	15.93%
Baltic Panamax Index	BPIY	832	723	15.08%	685	21.46%
Baltic Supramax Index	BSI	672	669	0.45%	737	-8.82%
Baltic Handysize Index	BHSI	412	421	-2.14%	446	-7.62%
Baltic Dirty Tanker Index	BDTI	661	640	3.28%	696	-5.03%
Baltic Clean Tanker Index	BCTI	701	724	-3.18%	694	1.01%



Shipping Equities: The Week in Review

SHIPPING EQUITIES OUTPERFORM THE BROADER MARKET DRY BULK THE BEST PERFORMER

During last week, shipping equities outperformed the broader market, with the Capital Link Maritime Index (CLMI), a composite index of all US listed shipping stocks rising 0.30%, compared to the S&P 500 inching up 0.12%, and the Dow Jones Industrial Average (DJII) down 0.08%.

Dry bulk stocks were the best performers during last week, with Capital Link Dry Bulk Index leaping 3.55%, followed by Capital Link Mixed Fleet Index gaining 3.49%. LNG/LPG equities were the worst in last week, with Capital Link LNG/LPG Index slipping 0.31%. The three biggest winners of shipping stocks were Navios Maritime Acquisition Corporation (NNA), Aegean Marine Petroleum Network Inc. (ANW), and Eagle Bulk Shipping, Inc. (EGLE), up 17.52%, 15.44%, and 13.81%, respectively.

During last week, Dry Bulk shipping stocks outperformed the physical market, with Baltic Dry Index (BDI) gaining 0.67%, compared to the Capital Link Dry Bulk Index soaring 3.55%. Year-to-date, the BDI is up 7.88%, compared to the Capital Link Dry Bulk Index down 0.06%.

Crude tanker markets picked up slightly towards the end of last week, with Baltic Dirty Tanker Index (BDTI) rising 3.28%, while Baltic Product tanker went down 3.18%. Capital Link Tanker Index increased 0.86%. Year-to-date, the BDTI lost 5.03% and the BCTI gained 1.01%, while Capital Link Tanker Index went up 6.10%.

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 45 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 or at or www.MaritimeIndices.com. They can also be found through the Bloomberg page "CPLI" and Reuters.

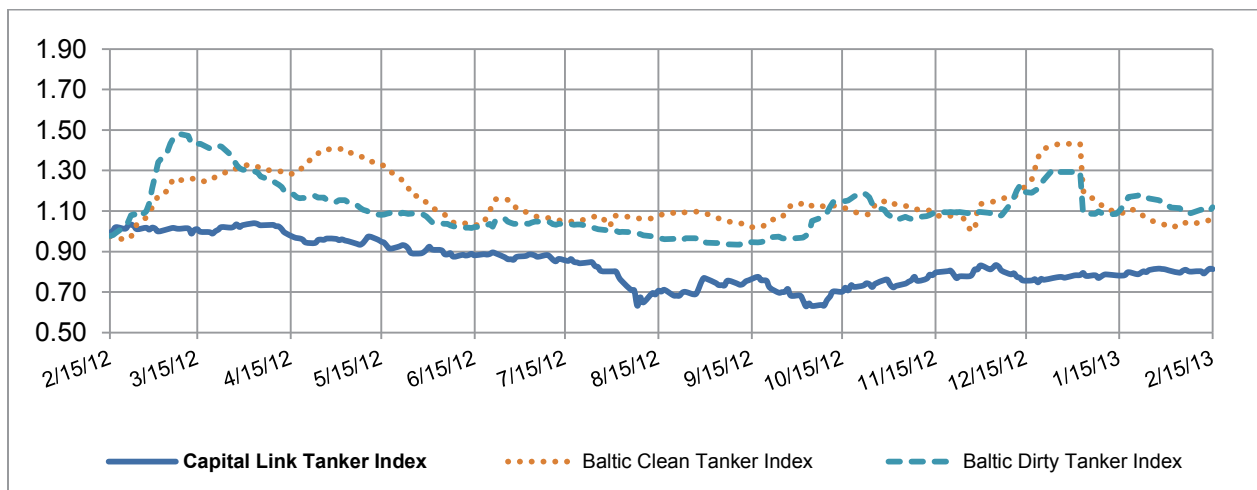
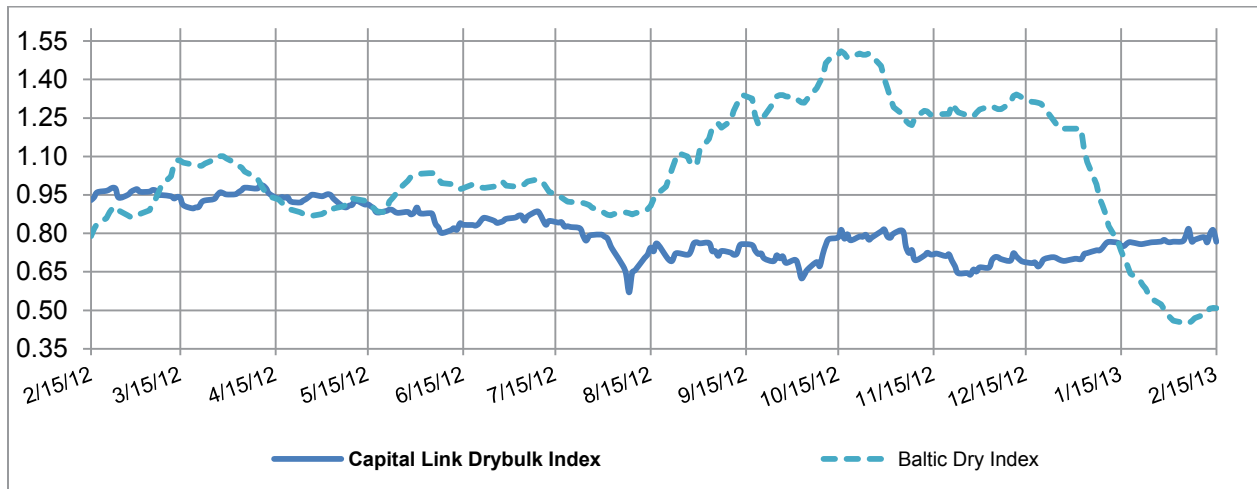
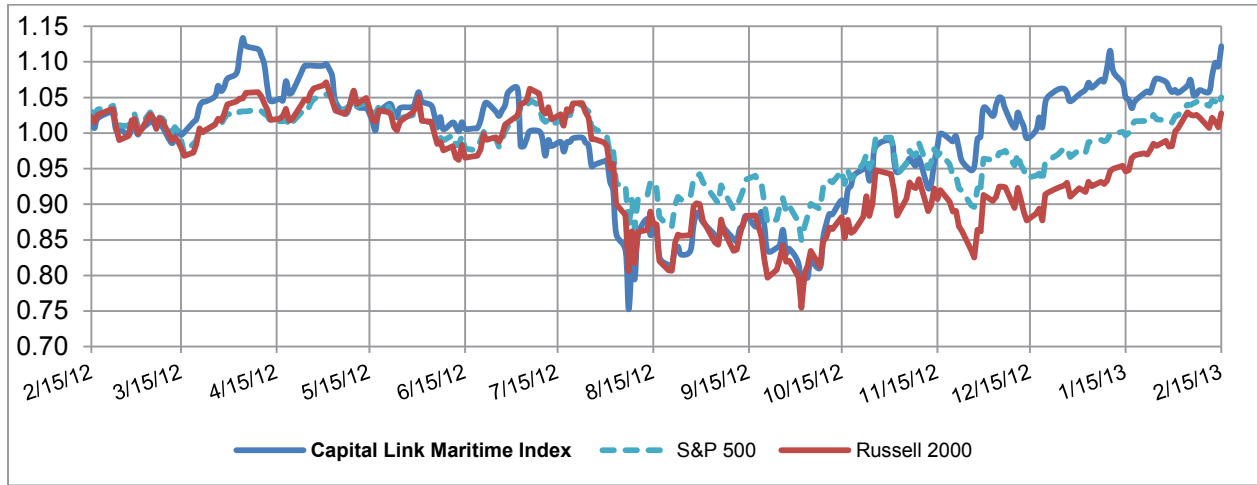


Capital Link Shipping Weekly Markets Report



February 19, 2013 – Week 8

MARITIME INDEX DAILY COMPARISON CHARTS (52 -WEEK)



*SOURCE: BLOOMBERG

360 DEGREES OF SHIPPING

Fried Frank is one of the world's most active corporate law firms with a presence in principal financial centers across the US, Europe and Asia.

Growing with our clients' businesses, we regularly represent companies in each stage of development. Our approach is to understand the essential commercial elements of our clients' objectives and in turn, deploy tailored attorney teams with the experience and expertise to achieve their goals. The Firm's breadth across practices and offices allow us to align the right resources to address our clients' business opportunities and challenges both effectively and efficiently.



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Capital Link Shipping Weekly Markets Report



February 19, 2013 – Week 8

Knight

Descriptive Statistics

Custom Statistics Prepared Weekly for Capital Link Shipping

BROAD MARKET

Percent Change of Major Indexes for the Week Ending Friday, February 15, 2013

Name	Symbol	Close	Net Gain	Percent Gain
Russell 2000 Index	RUT	923.12	9.45	1.03%
Russell 3000 Index	RUA	905.7	1.80	0.20%
Russell 1000 Index	RUI	844.17	1.09	0.13%
S&P 500 Index	SPX	1519.79	1.86	0.12%
Nasdaq Composite Index	COMPX	3192.03	-1.84	-0.06%
Nasdaq-100 Index	NDX	2764.67	-10.89	-0.39%
Nasdaq Transportation Index	TRANX	2454.67	-21.52	-0.87%

SHIPPING INDUSTRY DATA (50 Companies)

Moving Averages

- 44.19% closed > 10D Moving Average.
- 81.40% closed > 50D Moving Average.
- 67.44% closed > 100D Moving Average.
- 51.16% 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*)			
Symbol	Close	Weekly % Change	50-Day % Change	Symbol	Close	Weekly % Change	50-Day % Change
NEWL	1.09	-7.63%	194.59%	TRMD	2.18	-7.63%	-44.10%
ANW	7.4	15.44%	51.33%	SBLK	6.07	-2.72%	-14.27%
SHIP	2.1	-1.41%	56.72%	TOPS	0.96	-4.95%	-20.00%
NNA	3.22	17.52%	32.51%	TNK	2.69	-3.93%	-3.24%
STNG	8.32	1.84%	29.60%	FRO	3.11	-5.76%	-4.31%
GASS	9.25	6.44%	22.52%	SB	3.63	-2.42%	7.72%
SSW	19.82	0.51%	20.78%	EGLE	2.06	13.81%	-2.37%
DSX	8.82	0.46%	19.84%	DHT	4.3	0.94%	15.90%
TGP	42.23	3.56%	14.10%	FREE	1.94	-11.82%	29.33%
CPLP	7.99	-1.96%	22.73%	GNK	3.12	-2.19%	14.71%

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		
Symbol	Close	Up Streak	Symbol	Close	Down Streak
ANW	7.4	4	CMRE	15.1	-2
BALT	3.36	4	TOPS	0.96	-2
DCIX	6.48	3	TNP	3.99	-2
TGP	42.23	3	TNK	2.69	-2
			TK	35.53	-2
			SB	3.63	-2
			PRGN	3.38	-2
			NEWL	1.09	-2
			MATX	26.17	-2
			DHT	4.3	-2



Capital Link Shipping Weekly Markets Report



February 19, 2013 – Week 8

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>
NNA	2.74	3.22	0.48	17.52%	MATX	35.07	26.17	-8.90	-25.38%
ANW	6.41	7.4	0.99	15.44%	DAC	3.91	3.33	-0.58	-14.83%
EGLE	1.81	2.06	0.25	13.81%	FREE	2.2	1.94	-0.26	-11.82%
BALT	3.13	3.36	0.23	7.35%	TRMD	2.36	2.18	-0.18	-7.63%
GASS	8.69	9.25	0.56	6.44%	NEWL	1.18	1.09	-0.09	-7.63%
EXM	0.51	0.54	0.03	5.88%	PRGN	3.63	3.38	-0.25	-6.89%
GLOG	12.69	13.22	0.53	4.18%	FRO	3.3	3.11	-0.19	-5.76%
TGP	40.78	42.23	1.45	3.56%	TOPS	1.01	0.96	-0.05	-4.95%
NMM	13.61	14	0.39	2.87%	GSL	3.75	3.57	-0.18	-4.80%
TOO	27.67	28.43	0.76	2.75%	GLNG	41.11	39.49	-1.62	-3.94%

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>
SHIP	1.49	2.1	0.61	40.94%	TRMD	3.18	2.18	-1.00	-31.45%
NNA	2.56	3.22	0.66	25.78%	NEWL	1.57	1.09	-0.48	-30.57%
ANW	6.16	7.4	1.24	20.13%	GNK	4.01	3.12	-0.89	-22.19%
TEU	5.18	5.97	0.79	15.25%	GLBS	2.49	2.09	-0.40	-16.06%
SSW	17.57	19.82	2.25	12.81%	FREE	2.3	1.94	-0.36	-15.65%
STNG	7.54	8.32	0.78	10.34%	MATX	30.68	26.17	-4.51	-14.70%
TOO	26.67	28.43	1.76	6.60%	SBLK	7.11	6.07	-1.04	-14.63%
TGP	39.7	42.23	2.53	6.37%	TNK	3.15	2.69	-0.46	-14.60%
GLOG	12.51	13.22	0.71	5.68%	PRGN	3.82	3.38	-0.44	-11.52%
DRYS	2.07	2.18	0.11	5.31%	TOPS	1.08	0.96	-0.12	-11.11%

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>
GLOG	13.45	-1.71%	TRMD	2.16	0.93%
STNG	8.51	-2.23%	FRO	3.02	2.98%
SFL	17.90	-2.68%	SBLK	5.88	3.23%
TOO	29.27	-2.88%	TOPS	0.88	9.09%
TK	36.69	-3.16%	MATX	23.29	12.38%
CPLP	8.33	-4.08%	NAT	7.80	12.40%
CMRE	15.98	-5.51%	TNK	2.38	13.03%
ANW	7.89	-6.21%	SB	3.12	16.35%
NMM	14.97	-6.49%	ESEA	0.86	17.44%
NNA	3.47	-7.30%	TOO	24.11	17.92%



Capital Link Shipping Weekly Markets Report



February 19, 2013 – Week 8

Top Stocks with Highest Weekly Volume Run Rate* > 1

<u>Symbol</u>	<u>Close</u>	<u>Net % Change</u>	<u>Run Rate</u>
FREE	1.94	-11.82%	12.4354
NNA	3.22	17.52%	3.7940
TRMD	2.18	-7.63%	2.2227
ANW	7.4	15.44%	2.0253
DAC	3.33	-14.83%	1.9322
GLOG	13.22	4.18%	1.7802
SSW	19.82	0.51%	1.6452
GASS	9.25	6.44%	1.6274
EGLE	2.06	13.81%	1.4767
NMM	14	2.87%	1.2965

*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 Decline %</u>
NEWL	172.50%	TRMD	-28.52%
FREE	115.56%	GNK	-10.60%
SHIP	101.92%	MATX	-10.50%
PRGN	50.89%	TNK	-7.24%
TEU	45.61%	FRO	-4.60%
ANW	40.15%	SBLK	-1.78%
EGLE	37.33%		
DRYS	36.25%		
NNA	33.61%		
EXM	25.58%		

The following are the 43 members of this group: **Symbol - Name:** **ANW** - Aegean Marine Petroleum Network Inc; **BALT** - Baltic Trading Ltd; **CPLP** - Capital Product Partners LP; **CMRE** - Costamere, 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; **EXM** - Excel Maritime Carriers Ltd; **FREE** - FreeSeas; **FRO** - Frontline Ltd; **GASS** - StealthGas Inc; **GLBS** - Globus Maritime Limited; **GLNG** - Golar LNG Ltd; **GMLP** - Golar LNG Partners; **GNK** - Genco Shipping & Trading Ltd; **GSL** - Global Ship Lease Inc; **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; **OSG** - Overseas Shipholding Group Inc; **PRGN** - Paragon Shipping Inc; **SB** - Safe Bulkers Inc; **SBLK** - Star Bulk Carriers Corp; **SFL** - Ship Finance International Ltd; **SHIP** - Seenergy Maritime Holdings Corp; **SSW** - Seaspans Corp; **STNG** - Scorpio Tankers Inc; **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; **TRMD** - D/S Torm A/S; **VLCCF** - Knightsbridge Tankers Ltd

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Capital Link Shipping Weekly Markets Report



February 19, 2013 – Week 8

Weekly Market Report

Week Ending February 15, 2013



FREIGHT

Capesize 4TC Average

Volume: 2,370 lots

Contract		Average	Chg	Open	Close	Chg	Low	High
Feb	13	7092	-564	7100	7000	-100	7000	7150
Feb, Mar	13	7769	-310	7775	7750	-25	7700	7900
Q2	13	8767	82	8600	8800	200	8600	8900
Q3	13	9816	230	9700	9800	100	9700	9950
Q4	13	14465	39	14350	14600	250	14350	14600
Cal	14	13536	98	13350	13600	250	13350	13600
Cal	15	15438	195	15300	15600	300	15300	15600

Panamax 4TC Average

Volume: 1,405 lots

Contract		Average	Chg	Open	Close	Chg	Low	High
Mar	13	8272	597	8000	8500	500	7750	8550
Apr	13	9069	na	8425	9200	775	8425	9200
Q2	13	8497	479	8300	8600	300	8250	8750
Q3	13	6976	410	6800	7100	300	6800	7100
Q4	13	7843	143	7800	8000	200	7800	8000

Supramax 6TC Average

Volume: 105 lots

Contract		Average	Chg	Open	Close	Chg	Low	High
Feb	13	7400	275	7400	7400	0	7400	7400
Mar	13	8315	215	8200	8350	150	8200	8350

IRON ORE

TSI Iron Ore 62% Fines

Volume: 798 lots

Contract		Average	Chg	Open	Close	Chg	Low	High
Mar	13	156.31	5.56	157.00	156.00	-1.00	156.00	157.00
Apr	13	151.90	2.00	152.00	151.75	-0.25	151.00	152.25
May	13	147.89	na	147.50	148.00	0.50	147.50	148.00
Q2	13	147.50	2.47	147.50	147.50	0.00	147.50	147.50
Q3	13	140.25	2.96	140.50	140.00	-0.50	140.00	140.50
Q4	13	133.68	2.40	133.50	133.00	-0.50	133.00	135.00

FERTILIZER

Urea Nola

Volume: 18 lots

Contract		Average	Chg	Open	Close	Chg	Low	High
Mar	13	423.33	-15.17	428.00	426.00	-2.00	416.00	428.00
Apr	13	425.00	-17.00	425.00	425.00	0.00	425.00	425.00



Capital Link Shipping Weekly Markets Report



February 19, 2013 – Week 8

UAN Nola

Contract		Average	Chg	Open	Close	Chg	Low	High
Mar	13	346.00	11.00	347.00	345.00	-2.00	345.00	347.00
Apr	13	345.00	na	346.00	341.00	-5.00	341.00	347.00

Volume: 27 lots

BUNKER FUEL

Singapore 380cst

Contract		Average	Chg	Open	Close	Chg	Low	High
Mar	13	660.97	1.97	663.00	658.50	-4.50	658.50	663.00
Jun	13	655.00	na	656.00	654.00	-2.00	654.00	656.00

Volume: 12,750 mt

Commentary

Freight

Cape - The week started with optimism as Capesize and Panamax saw support as increased demand from China for coal imports helped bolster demand. The curve was generally well supported till post index Thursday whereby prices started drifting down and traded in a tight range in the last day of the week.

Pana - Prices slipped across the curve at the start of the week with oversupply of tonnage kicking around in the East. Prices was generally traded in a tight range with the week ending a touch stronger on Panamax. Post index market was very quiet with more bids coming in towards the end pushing the market up on Friday.

Iron Ore

The iron ore market opened strongly for the week, however volumes are lower than what was seen last week as traders attempted to gauge the next directional move. The market was relatively quiet towards the end of the week with little physical news, but we see more buyers as sentiment began to shift slightly.

Fertilizer

Prices in the International Urea market continue to hold stable as participants gauge physical market direction and upcoming end user demand. We also saw some volume done on DAP Tampa contracts with highest done at 480, closing at 470 ending the week. Yuzhnyy Urea has been rather quiet this week, as participants are on a cautionary tone, awaiting signs from end user markets.

Bunker Fuel

Despite a growing appetite for fuel oil, power consumption in Japan's power sector is expected to decline this year which caused projected demand to dip 2 to 3% from last year. Japan is expected to restart more nuclear power plants and reduce the use of oil to generate electricity. Cash differentials for 380 cst fuel oil continued to plunge over the past week as there is lower demand from Chinese teapot refiners and utility providers after weeks of stock piling ahead of the Lunar New Year.

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



Dry Bulk Market - Weekly Highlights

There was a sense that things were turning around this past week in the dry bulk market as the post-Lunar-holidays demand seemed to pick up much faster than usual. The Capes ended in the red yet again, as there was limited fresh inquiry on the main iron ore routes due to the relatively high stockpiles already amassed in China. The Panamaxes were the ones to lead the change in market sentiment this time around, while increased demand in both basins helped freight rates pick up and chartering a course away from their previous doldrums. Things seemed slightly improved for the Supras as well this week, as they manage to close off the with a slight week-on-week increase in hires. This improvement was

Contributed by

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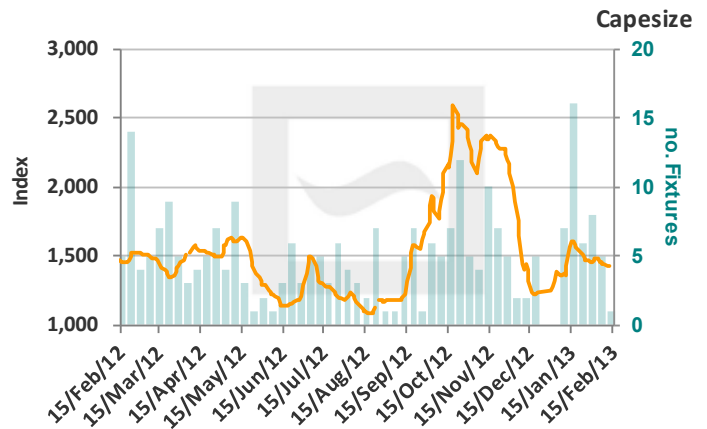
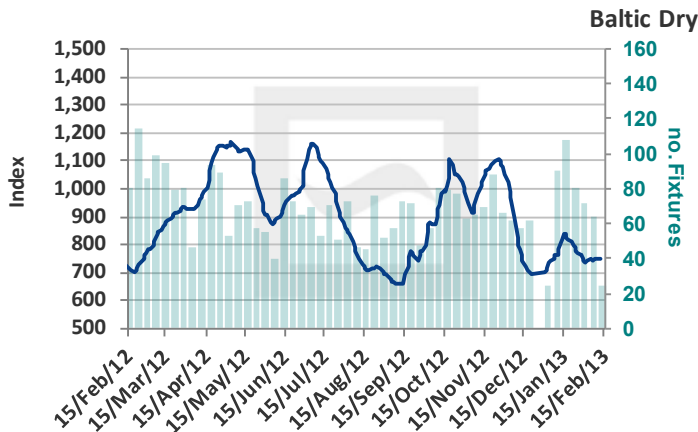
Indices / Dry Bulk Spot Rates

	Week 7 15/02/2013		Week 6 08/02/2013		Point Diff	\$/day ±%	2013	2012
	Index	\$/day	Index	\$/day			Avg Index	Avg Index
BDI	753		748		5		763	921
BCI	1,434	\$6,750	1,461	\$7,344	-27	-8.1%	1,446	1,571
BPI	832	\$6,626	723	\$5,748	109	15.3%	720	965
BSI	672	\$7,028	669	\$6,995	3	0.5%	708	906
BHSI	412	\$6,138	421	\$6,281	-9	-2.3%	448	518

mainly due to the higher activity witnessed in the Atlantic basin, while the Pacific was unable to hold off further drops despite the improved sentiment amongst owners. It was a very different case for the Handies, which saw a drop in freight levels across almost all major trading routes, as activity dropped and demand was still lagging behind.

With much of China's steel production still under-producing and much of Europe set for a decrease in demand for most of the dry bulk traded commodities, things are looking to remain soft for this coming week. Looking further forward however, there are good signs coming out of both China and India, as they both look to be ramping up their interest in iron ore and coal imports. Mitsui O.S.K. Lines has reportedly signed a 20 year contract to ship iron ore from Australia to China. At the same time India has ramped up its interest to secure further coal imports, as expectations for the next four years are for fast paced increase in demand from its growing power generation sector.

▲ The Baltic Dry Index closed on Friday the 15th of February at 753 points with a weekly gain of 5 points or 0.7% over previous week's closing. (Last Friday's the 8th of February closing value was recorded at 748 points).



▼ **CAPESIZE MARKET** - The Baltic Cape Index closed on Friday the 15th of February at 1,434 points with a weekly loss of -27 points. For this week we monitor a -1.8% change on a week-on-week comparison, as Last Friday's the 8th of February closing value was 1,461 points). It is worth noting that the annual average of 2011 for the Cape Index is currently calculated at 1,446 points, while the average for the year 2010 was 1,571 points.



Dry Bulk Market - Weekly Highlights

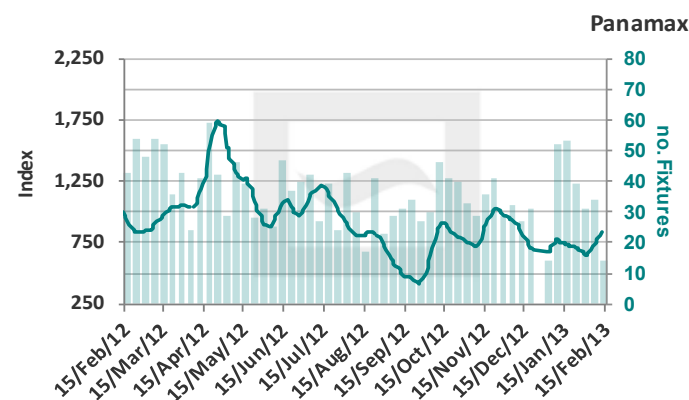
Week	No. of Fixtures	Highest Fixture	Lowest Fixture
this week	5	\$11,000	\$6,500
last week	8	\$10,900	\$5,000

Week	Period Charter	Trip Charter
this week	\$10,750	\$7,350
last week	\$10,900	\$9,043

For Week 7 we have recorded a total of 5 timecharter fixtures in the Capesize sector, 2 for period charter averaging \$10,750 per day, while 3 trip charters were reported this week with a daily average of \$7,350 per day.

This week's fixture that received the lowest daily hire was the M/V "MINERAL CHINA", 171448 dwt, built 2003, dely Qingdao spot, redely China, \$6500, Winning, for a trip via Indonesia 1500\$ improved from last week, and the fixture with the highest daily hire was the M/V "C. ATLAS", 179185 dwt, built 2009, dely Zhanjiang 9/15 Feb, redely worldwide, \$11000, Classic Maritime, for a 12/18 months trading 100\$ improved from last week.

The BCI is showing a **-1.8%** fall on a weekly comparison, a **0.2%** increase on a 1 month basis, a **-32.3%** fall on a 3 month basis, a **22.7%** increase on a 6 month basis and a **-6.0%** fall on a 12 month basis.



PANAMAX MARKET - ▲ The Baltic Panamax Index closed on Friday the 15th of February at 832 points having gained 109 points on a weekly comparison. It is worth noting that last Friday's the 8th of February saw the Panamax index close at 723 points. The week-on-week change for the Panamax index is calculated to be **15.1%**, while the yearly average for the Baltic Panamax Index for this running year is calculated at 720 points while the average for 2010 was 965 points.

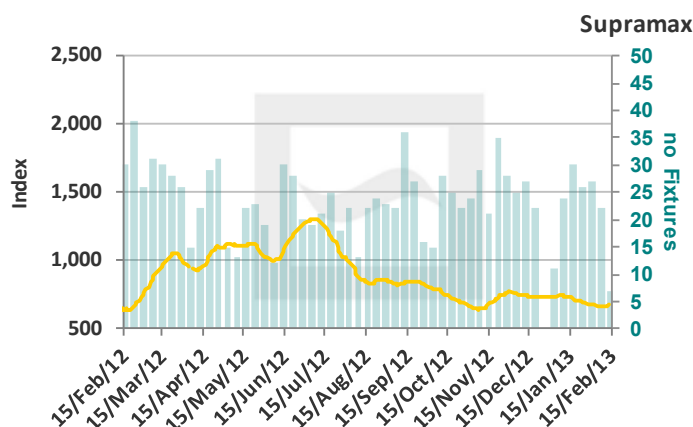
Week	No. of Fixtures	Highest Fixture	Lowest Fixture
this week	34	\$13,900	\$4,000
last week	31	\$14,500	\$5,000

Week	Period Charter	Trip Charter
this week	\$7,250	\$7,131
last week	\$8,875	\$8,571

For Week 7 we have recorded a total of 34 timecharter fixtures in the Panamax sector, 5 for period charter averaging \$7,250 per day, while 29 trip charters were reported this week with a daily average of \$7,131 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 "WADI ALKARNAK", 70000 dwt, built 1997, dely Kashima 9/14 Feb, redely Singapore-Japan, \$4000, Chart Not Rep, for a trip via NoPac -1000\$ reduced from last week, and the fixture with the highest daily hire was the M/V "LADY MARIA LUISA", 76662 dwt, built 2007, dely Skaw ppt, redely Singapore-Japan, \$13900, Agroskip, for a trip via Murmansk -600\$ reduced from last week.

The BPI is showing a **15.1%** increase on a weekly comparison, a **10.3%** increase on a 1 month basis, a **14.6%** increase on a 3 month basis, a **2.2%** increase on a 6 month basis and a **-0.1%** fall on a 12 month basis.



SUPRAMAX & HANDYMAX MARKET - ▲ The Baltic Supramax Index closed on Friday the 15th of February at 672 points up with a weekly gain of 3 points or **0.4%**. The Baltic Supramax index on a weekly comparison is with an upward trend as last Friday's the 8th of February closing value was 669 points. The annual average of the BSI is recorded at 708 points while the average for 2010 was 906 points.

Week	No. of Fixtures	Highest Fixture	Lowest Fixture
this week	22	\$17,500	\$4,000
last week	27	\$16,500	\$3,000

Week	Period Charter	Trip Charter
this week	\$9,600	\$8,361
last week	\$8,375	\$8,132



Dry Bulk Market - Weekly Highlights

For Week 7 we have recorded a total of 22 timecharter fixtures in the Supramax & Handymax sector, 3 for period charter averaging \$9,600 per day, while 19 trip charters were reported this week with a daily average of \$8,361 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 "BAO BRIGHT", 56582 dwt, built 2011, dely Tianjin spot , redely SE Asia intention steels, \$4000, Everbright, for a trip via N China 1000\$ improved from last week, and the fixture with the highest daily hire was the M/V "OLUJA", 42000 dwt, built 1996, dely aps Santo Thomas spot , redely E Med, \$15000, Oldendorff, for a trip -1500\$ reduced from last week.

The BSI is showing a **0.4%** increase on a weekly comparison, a **-8.9%** fall on a 1 month basis, a **4.3%** increase on a 3 month basis, a **-24.2%** fall on a 6 month basis and a **-0.9%** fall on a 12 month basis.

HANDYSIZE MARKET - ▼ The Baltic Handysize Index closed on Friday the 15th of February with a downward trend at 412 points with a weekly loss of **-9** points and a percentage change of **-2.1%**. It is noted that last Friday's the 8th of February closing value was 421 points and the average for 2011 is calculated at 448 points while the average for 2010 was 518 points.

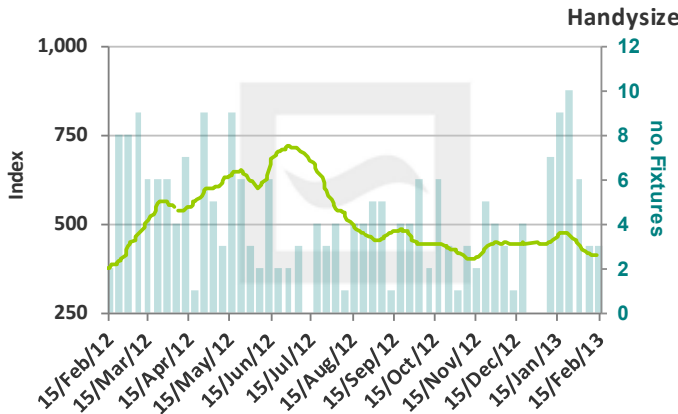
Week	No. of Fixtures	Highest Fixture	Lowest Fixture
this week	3	\$6,500	\$4,250
last week	6	\$12,000	\$4,500

Week	Period Charter	Trip Charter
this week	\$6,500	\$5,250
last week	\$0	\$9,042

For Week 7 we have recorded a total of 3 timecharter fixtures in the Handysize sector, 1 for period charter averaging \$6,500 per day, while 8 trip charters were reported this week with a daily average of \$5,250 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 "LONGVIEW", 33723 dwt, built 2011, dely CJK spot , redely WC India intention logs approx, \$6250, Chart Not Rep, for a trip via Malaysia 1750\$ improved from last week and the fixture with the highest daily hire was the M/V "LONGVIEW", 33723 dwt, built 2011, dely CJK spot , redely WC India intention logs approx, \$6250, Chart Not Rep, for a trip via Malaysia -5250\$ reduced from last week.

The BHI is showing a **-2.1%** change on a weekly comparison, a **-9.8%** fall on a 1 month basis, a **0.7%** increase on a 3 month basis, a **-22.4%** fall on a 6 month basis and a **3.5%** increase 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	0.7%	0.7%	-3.6%	-17.8%	-2.7%	3.2%
BCI	0.3%	-1.8%	0.2%	-32.3%	22.7%	-6.0%
BPI	3.0%	15.1%	10.3%	14.6%	2.2%	-0.1%
BSI	0.7%	0.4%	-8.9%	4.3%	-24.2%	-0.9%
BHI	0.0%	-2.1%	-9.8%	0.7%	-22.4%	3.5%



Weekly Tanker Market Opinion

Distillate Inventory Impact Continues on Atlantic Coast

The recovery from last autumn's Hurricane Sandy continues in some of the hardest hit areas of the Northeastern United States, and there are likewise lingering effects within the petroleum products market in the region. Unseasonably high motor gasoline prices are receiving considerable attention in the press as blending components for summer grades are in higher demand and contango in gasoline futures markets is narrowing. These high prices have come despite eroding gasoline demand in the area.

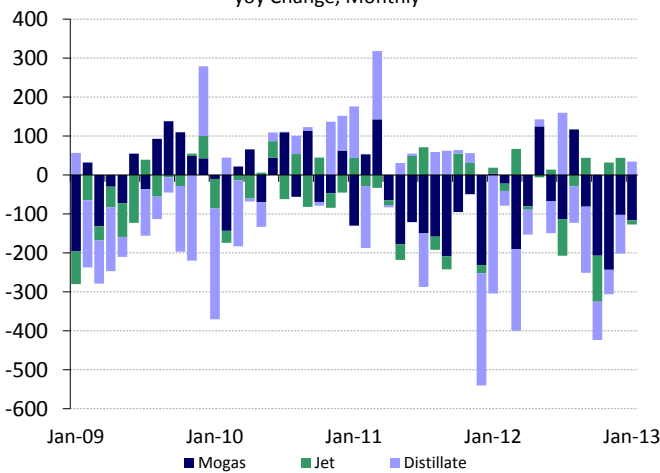
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USAC (PADD1) Product Demand by Grade
yoy Change, Monthly

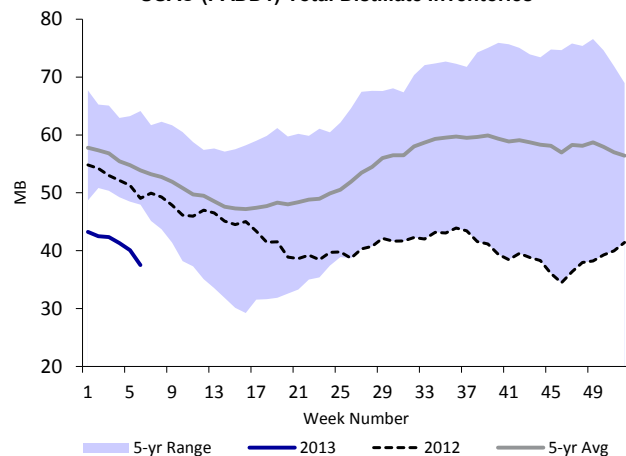


Source: EIA

Declining refining margins, coupled with this slumping regional demand, have inevitably led to a reduction in both local crude runs and refinery capacity. This trend is continuing with the announced closure of Hess' Port Reading refinery, a 70 kbpd fluid catalytic cracking unit, by the end of this month, suggesting little pending relief for area drivers at the pump by way of increased regional products output.

As noted in the aftermath of Hurricane Sandy (see 09 November 2012 Opinion), the US Atlantic Coast (PADD1) was primed for a recovery in distillate demand. Inventories already fell well below their usual levels in the second half of last year, not following their usual build before winter. The hurricane then aggravated these low levels and the need to rebuild inventories.

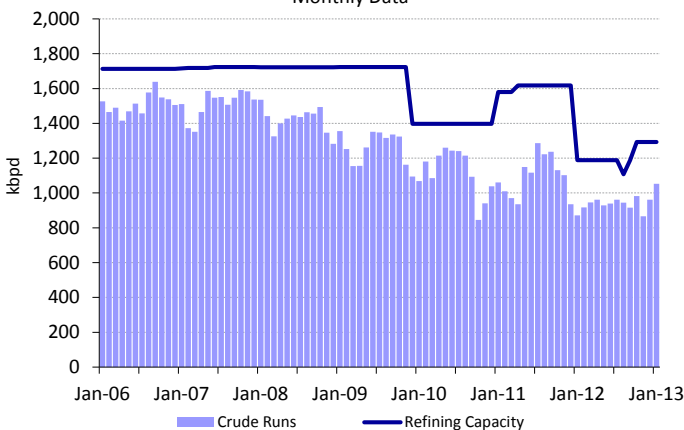
USAC (PADD1) Total Distillate Inventories



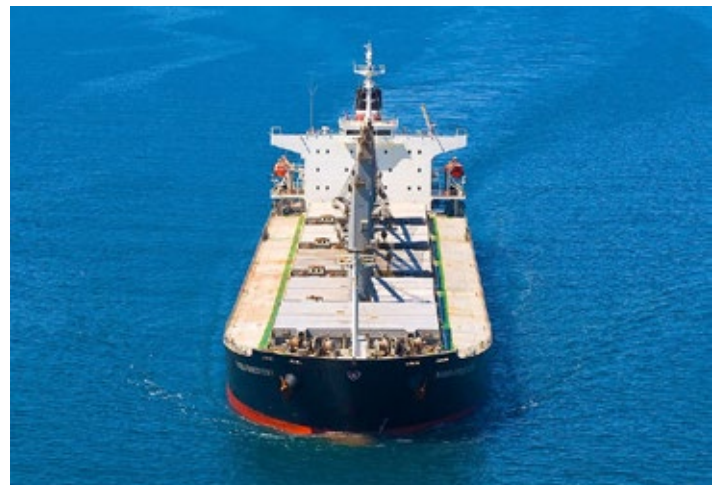
Source: EIA

The implication was that regional refineries were premature in beginning to export distillates, and PADD1 indeed reverted back to its status as a net importer of distillates shortly after the hurricane. While EIA data is pending, we expect that this trend will persist as inventory replenishment continues.

USAC (PADD1) Crude Runs & Refining Capacity
Monthly Data

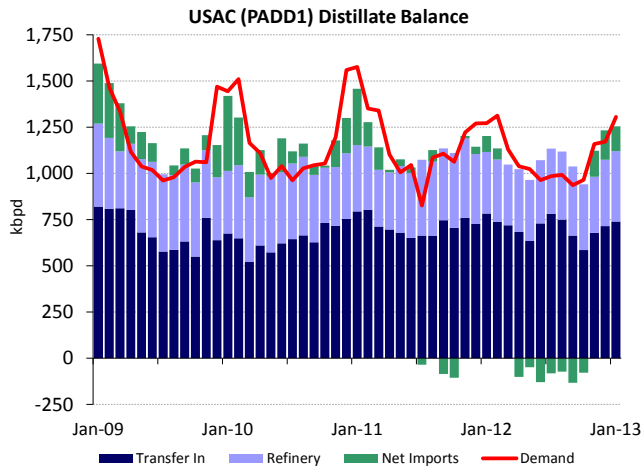


Sources: EIA, Poten

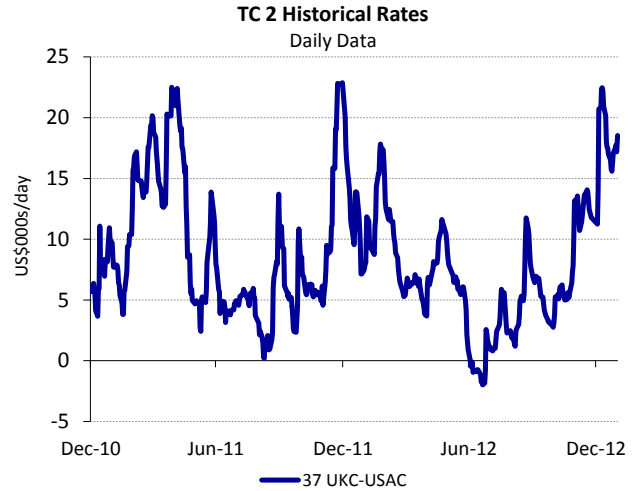




Weekly Tanker Market Opinion



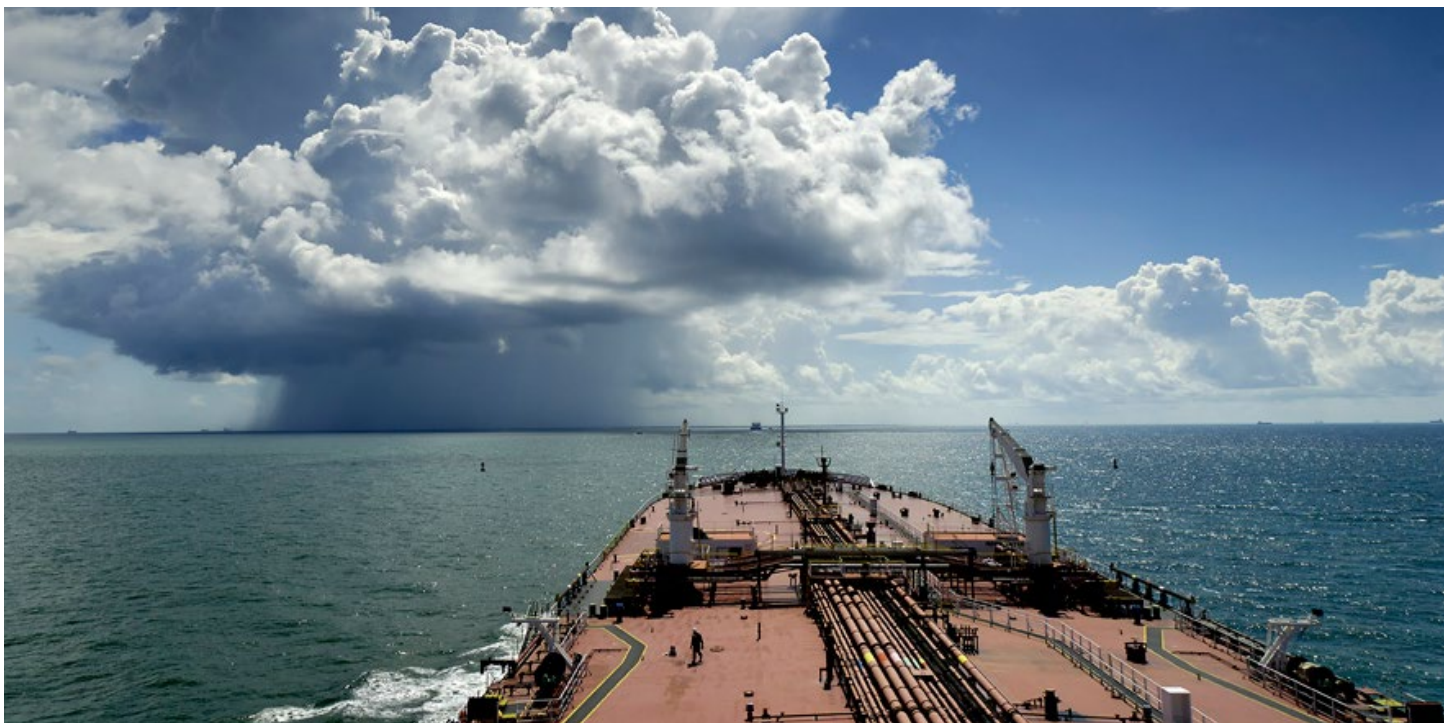
Sources: EIA, Poten



Sources: Poten, Baltic Exchange

Also as commented on in November, Canada has become the main supplier of distillates to PADD1. This development has become more pronounced with the push to rebuild inventories after Hurricane Sandy, increasing demand for short-haul voyages ex-Canada to the US Atlantic Coast. From an MR supply perspective, tonnage became increasingly tight in UK/Continent due to cross-continent voyages originating in the Baltic and a growing number of naphtha cargoes out of the Atlantic Basin to Asia. Demand for ice class tonnage has further tightened supply. These factors drove the seasonal jump in rates for product tankers from Europe to the US Atlantic Coast.

Increased distillate imports should linger another month or two in order to rebuild stocks. Furthermore, the seasonal motor gasoline grade switch paired with Port Reading's impending closure may lead to increased product imports in the near term. PADD1 regional product broader demand fundamentals remain tepid, though, giving no reason to think that product imports into the area will provide a sustainable boost for tanker demand in the foreseeable future.





Weekly Freight Rate & Asset Trends

Tanker Spot Rates

Vessel	Routes	Week 7		Week 6		\$/day ±%	2013	2012
		WS points	\$/day	WS points	\$/day		\$/day	\$/day
VLCC	265k AG-JAPAN	31	173	31	989	-83%	1,461	21,835
	280k AG-USG	19	-17,216	18	-17,763	3%	-1,401	1,604
	260k WAF-USG	40	17,554	43	21,706	-19%	3,471	31,457
Suezmax	130k MED-MED	60	12,536	60	12,817	-2%	2,108	22,121
	130k WAF-USAC	53	2,681	53	3,873	-31%	1,109	13,373
	130k AG-CHINA	63	14,684	63	15,216	-3%	2,517	22,181
Aframax	80k AG-EAST	80	9,317	80	9,796	-5%	1,460	14,182
	80k MED-MED	83	13,826	85	15,454	-11%	1,851	13,700
	80k UKC-UKC	88	14,789	85	12,965	14%	2,011	18,517
Clean	70k CARIBS-USG	93	10,719	85	7,233	48%	1,099	12,325
	75k AG-JAPAN	80	6,492	80	6,971	-7%	1,303	11,258
	55k AG-JAPAN	95	6,426	92	5,713	12%	1,429	10,867
Dirty	37K UKC-USAC	170	19,658	190	24,821	-21%	2,810	9,251
	30K MED-MED	173	26,551	178	28,122	-6%	3,724	19,062
	55K UKC-USG	110	14,711	113	15,798	-7%	2,123	16,571
50k CARIBS-USAC	103	10,285	100	9,374	10%	1,608	14,735	
50k CARIBS-USAC	120	14,664	115	13,201	11%	1,673	13,028	

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Secondhand Indicative Market Values (\$ Million) - Tankers

Vessel 5yrs old		Feb-13	Jan-13	±%	2013	2012	2011
VLCC	300KT DH	57.0	57.0	0.0%	57.3	62.9	77.6
Suezmax	150KT DH	40.0	40.0	0.0%	40.3	44.9	54.4
Aframax	110KT DH	27.5	27.5	0.0%	27.8	31.2	39.1
Panamax	75KT DH	25.0	25.0	0.0%	25.3	26.7	35.2
MR	52KT DH	25.0	25.0	0.0%	24.7	24.6	28.4

Tanker Time Charter Rates

	\$/day	Week 7	Week 6	±%	Diff	2013	2012
VLCC	300k 1yr TC	20,250	20,500	-1.2%	0	20,857	22,375
	300k 3yr TC	26,250	26,500	-0.9%	0	26,414	27,195
Suezmax	150k 1yr TC	17,000	17,500	-2.9%	-250	17,071	17,606
	150k 3yr TC	21,250	21,500	-1.2%	0	21,486	21,152
Aframax	110k 1yr TC	13,750	14,000	-1.8%	0	14,107	13,889
	110k 3yr TC	15,750	16,000	-1.6%	0	15,700	16,070
Panamax	75k 1yr TC	15,000	14,500	3.4%	750	14,321	13,245
	75k 3yr TC	15,500	15,250	1.6%	500	15,021	14,368
MR	52k 1yr TC	14,250	14,500	-1.7%	0	14,107	13,764
	52k 3yr TC	15,000	15,000	0.0%	250	14,664	14,589
Handysize	36k 1yr TC	13,250	13,500	-1.9%	0	13,000	12,567
	36k 3yr TC	13,750	14,000	-1.8%	0	13,664	13,378

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

Vessel 5yrs old		Feb-13	Jan-13	±%	2013	2012	2011
Capesize	180k	33.7	32.8	2.8%	33.4	34.6	43.5
Panamax	76K	18.5	18.0	2.8%	18.5	22.7	31.3
Supramax	56K	18.5	19.3	-3.9%	19.4	23.0	28.1
Handysize	30K	17.0	15.5	9.7%	16.6	18.2	23.5

New Building Indicative Market Prices (million\$)

	Vessel		Week 7	Week 6	±%	2013	2012	2011
Bulkers	Capesize	180k	45.5	45.5	0.0%	45	47	53
	Panamax	77k	25.3	25.3	0.0%	25	27	33
	Supramax	58k	24.3	24.3	0.0%	24	26	30
	Handysize	35k	21.0	21.0	0.0%	21	22	25
Tankers	VLCC	300k	91.0	91.0	0.0%	90	96	102
	Suezmax	160k	55.5	55.5	0.0%	55	59	64
	Aframax	115k	46.5	46.5	0.0%	47	51	54
	LR1	75k	40.0	40.0	0.0%	40	43	45
	MR	52k	33.0	33.0	0.0%	33	35	36
Gas	LNG	150K	185.0	185.0	0.0%	181	186	187
	LGC LPG	80k	69.5	69.5	0.0%	69	72	73
	MGC LPG	52k	61.5	61.5	0.0%	61	63	64
	SGC LPG	23k	40.5	40.5	0.0%	40	44	46

Dry Bulk Time Charter Rates

	\$/day	Week 7	Week 6	±%	Diff	2013	2012
Capesize	170K 6mnt TC	12,000	12,500	-4%	-250	12,093	13,549
	170K 1yr TC	12,375	12,625	-2%	0	12,164	13,885
	170K 3yr TC	13,750	14,000	-2%	0	13,700	15,282
Panamax	76K 6mnt TC	9,700	9,375	3%	575	9,300	11,003
	76K 1yr TC	8,625	8,625	0%	250	8,307	9,906
	76K 3yr TC	9,000	9,250	-3%	0	8,950	10,888
Supramax	55K 6mnt TC	9,750	9,250	5%	750	9,307	11,176
	55K 1yr TC	9,250	9,250	0%	250	8,986	10,330
	55K 3yr TC	9,750	10,000	-3%	0	9,771	11,195
Handymax	45k 6mnt TC	8,000	7,500	7%	750	7,629	9,375
	45k 1yr TC	8,000	8,000	0%	250	7,736	8,849
	45k 3yr TC	9,000	9,250	-3%	0	8,736	9,575
Handysize	30K 6mnt TC	6,500	7,000	-7%	-250	6,843	8,255
	30K 1yr TC	7,000	7,750	-10%	-500	7,379	8,424
	30K 3yr TC	8,750	9,000	-3%	0	8,700	9,450





Container Market - Weekly Highlights

Chartering

Vessel (TEU/HMG)	Index	+/-
700/440TEU (GL) 17.5 k	3.20	
1,043/660TEU (GL) 18 K	4.58	
1,100/715TEU (G) 19 k	7.27	
1,700/1,125TEU (G) 19.5 k	7.27	
1,740/1,300TEU (G) 20.5 k	7.35	
1,714/1,250TEU (G) 19k	4.86	
2,500/1,900TEU (G) 22 k	3.70	
2,800/2,000TEU (GL) 22 k	3.13	
3,500/2,500TEU (GL) 23 k	1.59	
4,250/2,800TEU (GL) 24 k	2.75	
5500/4,200TEU (GL) 25 k	3.33	
6500/4,800 (GL) 25 k	4.06	
Index Total	53.09	

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larger types. With the market we have today there is a far greater amount of liquidity post 4000TEU and beyond, hence they should now play a larger role in our barometer of the chartering market.

We hope that the new BOXi structure, plus the inclusion of some new ship types, will, in the future, better reflect the direction the container market is taking.

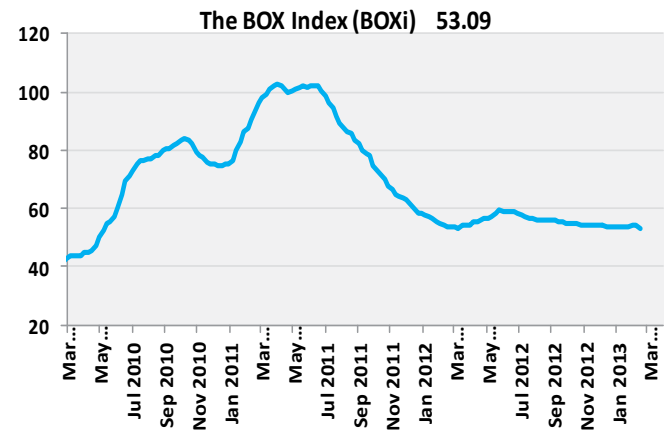
Unsurprisingly the market has remained quiet this week with the majority of fixtures being extensions, albeit in general at rates a touch above last done and with a continued tightening of supply in the postpanamax and Mediterranean geared feeder sectors; arguably a cause for optimism as we approach the much anticipated post Lunar New Year fixing window.

Our regular readers will notice a number of changes to our report this week which require explanation. We have decided to re-weight and revise the sectors we analyse for our index.

In the years since we last revisited the BOXi, the dynamic of the container market has again altered dramatically. While smaller vessels still have their place and remain fundamental to the feeder trades, huge expansion in the 5000+ TEU sectors has led to the larger ship types exerting an even more significant effect on the charter market.

Similarly where certain new designs like the bangkok maxes that are now hitting the water, have begun taking up their corner of the market as distinct from other classes of ships that they will likely supercede (e.g. B170, Wenchong 1700teu), we have felt compelled to include the more modern ship as well.

As with the last revision, these changes have led to a general drop in the index as emphasis has moved from the smaller ships (which have been performing reasonably well in some regions) to the



Representative Fixtures

Vessel	TEU	HMG	Index	Age	Rate	Rate	Rate	Company	Region	Term	Rate
CMA CGM Orca	65,892	5,095	3,289	2006	22.0	122.0	GL	CMA CGM	NE Asia	Mar	12-15 mos 9,000
Stadt Freiburg	53,500	4,380	2,850	2010	24.0	143.0	GL	Hapag Lloyd	NE Asia	Feb	90-200 days 8,600
Seaspan Dalian	50,900	4,253	2,805	2002	24.5	133.0	GL	Hapag Lloyd	NE Asia	Feb	1-3 mos 8,350
Hansa Papenburg	23,579	1,740	1,295	2007	20.5	58.0	G	PIL	NE Asia	Feb	3 mos 6,400
Gloria	22,900	1,728	1,120	2001	19.0	51.5	G	UFS	Med	Feb	6 mos 6,500
Adelina D	19,500	1,574	1,010	2006	19.6	61.0	GL	NYK	NE Asia	Feb	5 mos 6,600
West Scent	15,326	954	744	1995	15.0	31.5	G	IAL	SE Asia	Feb	6 mos 5,500
Enforcer	9,450	750	513	2004	17.5	33.0	G	CMA CGM	UKC	Feb	6-9 mos 6,000



Tanker Market - Weekly Highlights

Upward demand revisions imply better 2H13?

In the post-crisis period, a recurring trend has emerged whereby a greater measure of H1 bullishness by traders – prompted, variably, by such developments as a strong oil contango curve (2010), expectations for sustained strength in oil demand (2011), and a looming supply crunch due to geopolitical issues (2012) – boosted tanker demand and prompted an earnings rallying. Ultimately, in each of these cases much of that support had eroded by the end of Q2 and was replaced by a more bearish sentiment and earnings near breakeven levels during Q3, exacerbating normal seasonality.

Though the poorer earnings environments of H2 in these cases have been far from welcomed by owners, the presence of a strong environment during H1 at least provided modest support to annual average earnings. In the VLCC class, for instance, average earnings of \$31,700/day during 1H12 allowed the year to conclude at an average of \$22,500/day, representing a gain of 27.7% on the 2011 average, despite a relatively poor trading environment during 2H12.

We note that Q1 is a particularly strong quarter for the VLCC spot market with average earnings during the 2009 to 2012 period of \$39,300/day. During the QTD, however, average earnings have come in at a rather paltry \$14,100/day. Given TD3 FFA indications through the remainder of 1H13 and assuming recent normal correlations of the AG-JPN route with other VLCC routes, an average for 1H13 of just \$9,790/day is inferred – which would represent the lowest H1 earnings in recent memory.

Some factors, however, appear to suggest that following what is increasingly likely to be a lackluster 1H13, a modest improvement during 2H13 could help to support average earnings for the year (though anticipating a gain on 2012 remains far from certain).

Recent upwardly revised world oil demand projections by the key forecasting agencies (+150,000 b/d on average from January) forms one basis of an emerging argument for a potentially better 2H13. Though China factors largely into the upward revisions, so too does Brazil and the US. In the latter, sustained y/y weekly gasoline demand figures bode well against rising export markets for USG refiners. Though these refiners are largely benefitting from their access to advantaged light domestic crude grades, much of the existing refining capacity remains dependent on heavy crude grades as an input component. With Saudi Arabia likely to be keen to retain its relevance in the US' energy industry, a wider price discount of Saudi heavy crude for US refiners could reasonably be expected to materialize, boosting demand on the long-haul AG-USG route. Sustained interest in West African crude grades by China against China's oil demand growth potential would also prove a health ton-mile driver.

THE TANKER MARKETS

VLCC

The Chinese New Year holiday – combined with several other international holidays this week certainly took its toll on fresh activity in the VLCC sector. In fact, half of the fixtures reported this week were covered under COAs, making the market seem even

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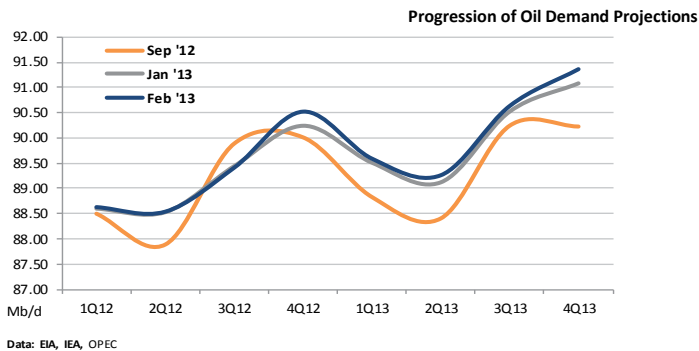


Spot Market	WS	TCE (R/V)	WS	TCE (R/V)
VLCC	8-Feb		15-Feb	
AG>USG 280 kMT	18.0	\$(15,800)	18.0	\$(16,100)
AG>SPORE 270 kMT	31.0	\$2,600	32.0	\$4,000
AG>JPN 265 kMT	31.0	\$1,700	32.0	\$3,100
WAFR>USG 260 kMT	40.0	\$15,500	40.0	\$15,200
WAFR>CHINA 260 kMT	34.0	\$6,100	36.0	\$9,000
SUEZMAX				
WAFR>USAC 130 kMT	52.5	\$7,700	52.5	\$7,500
B.SEA>MED 135 kMT	60.0	\$6,300	57.5	\$3,700
CBS>USG 130 kMT	62.5	\$11,900	60.0	\$9,700
AFRAMAX				
N.SEA>UKC 80 kMT	85.0	\$13,400	85.0	\$13,200
AG>SPORE 70 kMT	85.0	\$13,300	85.0	\$13,200
BALT>UKC 100kMT	65.0	\$12,600	67.5	\$14,700
CBS>USG 70 kMT	82.5	\$5,600	100.0	\$13,500
MED>MED 80 kMT	90.0	\$17,300	82.5	\$12,100
PANAMAX				
CBS>USG 50 kMT	117.5	\$11,900	120.0	\$12,500
CONT>TA 55 kMT	110.0	\$13,700	110.0	\$13,500
ECU>USWC 50 kMT	150.0	\$23,700	150.0	\$23,800
CPP				
CONT>TA 37 kMT	185.0	\$23,600	170.0	\$19,800
CBS>USAC 38 kMT	145.0	\$15,900	140.0	\$14,600
USG>TA 38 kMT	105.0	\$6,900	92.5	\$3,500
AG>JPN 35 kMT	114.0	\$6,300	112.0	\$5,700
SPOR>JPN 30 kMT	126.0	\$6,400	121.0	\$5,300
AG>JPN 75 kMT	79.75	\$10,800	79.0	\$10,300
AG>JPN 55 kMT	91.75	\$7,600	91.0	\$7,200

quieter that it already was. With minimal inquiry to test rate, the rising cost of bunkers competed against general market inactivity as the only factors to point to for an anticipated rate direction. Rates on early week fixtures which did materialize were basis India discharge and therefore not entirely indicative of Eastbound levels, but did foreshadow market weakness. The one fresh fixture that was concluded at week's end was in fact the lowest of the year, dropping below that "psychological" barrier of ws30 at ws29.6 and yielding a TCE of ~\$700/day. The performing unit, however, was



Tanker Market - Weekly Highlights



a relet seeking an Eastbound voyage to reposition for redelivery, thus making the market essentially untested at week's close. The inactivity this week indicates one of two scenarios – either 1) that the February program will be even lighter than many expected or 2) next week will be extremely busy as charterers move to secure February tonnage ahead of March stem confirmations.

There is a always a fine line balancing the supply-demand equation in the AG market and even now when the available tonnage is much more ample than it has been during recent months there is still a debate as to what next week will bring. A quiet week and a light February program means a long list of spot tonnage available in the Singapore-Fujairah range and the ultimate question of lay-ups that is certain to surface. A busy week and strong February program would likely mean rate gains – something we have yet to really see this year.

Middle East

There were 12 fresh fixtures this week in the Middle East market, all bound for points to the east. Rates to the Far East posted a 0.7-point w/w loss to ws31.0 on the back of an end-week fixture concluded below ws30 on a vessel that wanted to reposition to the east. At the present assessment, TCE returns in this direction are ~\$1,800/day, which decreases the likelihood of further significant rate erosion with returns this close to voyage expenses (and well below OPEX levels). Rates to the USG were untested with no cargoes working in that direction; rates via the cape are assessed ws18 and rates via the suez canal at ws15.5, but downward pressure is still evident as this remains a preferred voyage. Triangulated Westbound trade earnings averaged ~\$14,000/day.

With 95 February Middle East cargoes covered to-date, a further 15 to 25 are expected to remain. The wide range is due to the current pace of the February program which points to a much lower monthly total than expected, meaning it should be towards the lower end of the spectrum. Against this, some 35 units are projected to be available through end-February dates, implying 10 to 20 carryover units into March dates (though a greater number of "hidden" units are likely). Whilst this could imply further rate erosion, we expect a greater unwillingness to trade at lower levels to limit further losses for eastbound business while westbound rates enter a standoff.

Atlantic Basin

The Atlantic Basin continued along a steady pace with 8 fresh fixtures reported this week, all but one emanating from West Africa and all bound for eastern destinations. Rates from West Africa climbed two points to ws36, the rise in part due to increased activity and also playing a factor were the rising bunker costs which play a greater role in the longer voyages. The Caribbean Basin also showed some signs of slight firming as a thin position list was met with greater inquiry. We expect rates from West Africa to steady in line with the AG while the Caribbean could post some gains.

Suezmax

The Atlantic Suezmax market saw limited rate movement this week on a relatively unchanged supply/demand positioning. The WAFR-USAC traded at the ws52.5 level throughout. Despite a more active Mediterranean and Black Sea market, the BSEA-MED route eased 2.5 points this week to conclude at ws57.5 as more units were redelivered from earlier voyages. With no impetus for a change in either direction during the week ahead, rates in both markets are expected to trade around present levels during the week ahead.

Aframax

Following several lackluster weeks, the Caribbean Aframax market showed fresh strength this week. Sustained activity through the past two weeks, combined with fog and ullage delays at the USG area saw an early prompt replacement fixture concluded just under the ws100 level, representing a premium of over 16 points from last week's market close. Sustained activity thereafter saw greater resistance by owners with rates for normal dates posting incremental gains and concluding with a gain of 17.5 points to ws100. Though upward pressure remains at the close of the week, with the weekend allowing the market to take a breather, rates should trend around present levels during the start of the week ahead.

Panamax

The Caribbean Panamax market extended last week's gains through the first half of the week with tighter positions remaining and competing Aframax tankers posting strong gains. Having reached a high of ws135, by mid-week rates were easing off on a slowdown of fresh activity, ultimately concluding the week at ws120, representing a gain of 2.5 points on last week's close.

CPP

The Caribbean and USG MR market remained active this week though a more flexible position list saw rates continue to ease from earlier highs. The USG-TA route dropped 12.5 points to conclude at ws92.5 whilst limited "natural" positions for CBS-USAC fixtures saw a more modest decline of 5 points to ws140. Quicker redeliveries from the recent trend towards relatively shorter haul product exports to Latin America will likely keep rates under negative pressure during the week ahead, though moderated by sustained exports activity.

The European MR market was also under negative pressure this week on a decline in fresh activity. Rates on the CONT-TA shed 15 points to conclude at ws170. Rates remain soft at the close of the week and further losses are expected during the week ahead as the market rebalances from the recent rally.



S&P Secondhand, Newbuilding & Demolition Markets

VESSELTYPE	TOTAL WEEKLY S&P ACTIVITY				
	SECOND HAND		DEMOLITION		TOTAL
	Units	Invested Capital	Units	in DWT	Units
Bulkcarriers	8	50.350.000	2	88.940	10
Tankers *	3	30.450.000	3	122.371	6
Gas Tankers **	1	0	0	0	1
Liners ***	5	21.000.000	2	21.955	7
Containers	2	8.500.000	2	45.367	4
Reefers	0	0	0	0	0
Passenger / Cruise	0	0	0	0	0
Ro - Ro****	0	0	1	3.133	1
Car Carrier	0	0	0	0	0
Combined *****	0	0	0	0	0
Special Projects *****	2	173.200.000	0	0	2
TTL VLSL/Demo	21	283.500.000	10	281.766	31

3 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,

The third week of February ends with a continued downward pressure in all main freight markets, bulkers, tankers and containers, but secondhand investments are on the frontline with newbuildings showing a retreat from last week's hot business, mainly in the medium range tanker size. Demolition activity is more than welcomed with shipping players expecting the see the direction of scrap prices again after the end of Chinese festivities. February shows that will end with a stable pace of secondhand purchasing activity with newbuilding appetite being on the game from the lows asset prices, while demolition will continue strong but maybe at softer levels for bulkers.

Going back in January, there was a month with stronger levels of secondhand investments showing a 13% increase from December's levels, in terms of the number of vessels reported to have changed hands. Overall, 106 vessels are estimated to have been purchased at a total value of more than \$1,28bn, 9 S&P deals reported at an undisclosed price, 35 bulkers, 33 tankers, 18 liners and 13 containers. All main vessel segments showed significant monthly increases, 6% in bulk carriers' purchases, 27% in tanker purchases, 64% in liners and 30% in containers.

Overall, 31 transactions reported worldwide in the secondhand and demolition market, down by 38% week on week with 34% decrease of secondhand purchasing activity and 44% lower scrapping vessel removals. At similar week in 2012, the total S&P activity was standing 13% higher than the current levels, when 35 transactions had been reported and secondhand ship purchasing was at similar levels with the volume of newbuilding orders. The highest activity has been recorded in the secondhand market with firm purchases in the bulk carrier segment.

SECONDHAND MARKET

Bulk carriers monopolized this week investors' interest with 8 S&P deals reported, 2 modern kamsarmax bulkers, one modern

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supramax and vintage tonnage sold in the panamax and handymax/handysize segment. In the tanker segment, two handysize tankers of more than 10yrs old reported sold at discounted sale prices. M/T "BALTIC ADONIA I" 37,197dwt built 2003 South Korea reported sold for about \$12,2mil, while in November 2011, a 37,400dwt tanker vessel built 2005 South Korea had been reported sold for about \$21mil.

Overall, 21 vessels reported to have changed hands this week at a total invested capital in the region of US\$ 283,5 mil , 3 S&P deals reported at an undisclosed sale price. Bulk carriers held the lion share of this week's S&P activity, 38% with a total of 8 vessel purchases, while liners follow with 24% share for 3 vessel purchases. In terms of the reported number of transactions, the S&P activity is down by 34% from last week's activity, due to a 57% weekly decline in tankers' purchases and no S&P activity in the container segment. Comparable with previous year, this week's S&P activity is standing 16% higher, when 18 vessels induced buyers' interest at a total invested capital of about \$177,05mil with 8 S&P deals in the bulk carrier segment, 6 in the tanker, 1 in the gas tanker, 1 in the liner and 2 in the container. In terms of invested capital, the offshore segment appears as the most overweight segment by attracting about 61% of the total amount of money invested due to the purchase of a survey vessel built 2011 for about \$165mil.

WEEKLY NEWBUILDING ACTIVITY					
Vessel Type	Units	in DWT	Invested Capital	P&C	% W-O-W
Bulkcarriers	0	0	0	0	-1400%
Tankers	2	100.000	0	2	-1700%
Gas Tankers	2	190.000	415.000.000	0	0%
Liners	0	0	0	0	0%
Containers	7	700.000	560.000.000	0	500%
Reefers	0	0	0	0	0%
Passenger / Cruise	0	0	0	0	0%
Ro - Ro	0	0	0	0	-200%
Car Carrier	0	0	0	0	0%
Combined	0	0	0	0	0%
Special Projects	7	0	1.815.400.000	4	200%
TOTAL	18	990.000	2.790.400.000	6	-59%

Key:! * The total invested capital does not include deals reported with undisclosed contract price ** Deals reported as private and confidential (not revealed contract price)

In the **newbuilding market**, the second week of February ends



S&P Secondhand, Newbuilding & Demolition Markets

with no reported newbuilding business in the bulk carrier segment, while in the tanker segment, one more order for medium range product tankers was placed by a South Korean shipping player. In the container segment, a notable order emerged in the post panamax segment from Chilean player, Compania Sud Americana de Vapores. In the offshore segment, major South Korean shipbuilder, Daewoo Shipbuilding and Marine Engineering won a high vale offshore newbuilding business of about \$1.6Bn for the construction of an offshore platform, which adds additional strength in the operating profits of the yard under the current worldwide shipbuilding recession.

Overall, the week closed with 18 fresh orders reported worldwide at a total deadweight of 990,400 tons, posting a 59% week-on-week decline from previous week with significant volume of business in the offshore segment, up 200% week-on-week with minimal business in the tanker segment and firm volume of new orders for post panamax containerships. This week's total newbuilding business is the levels of similar week's closing in 2012, when 18 fresh orders had been reported, 4 for bulkers, 6 for tankers, 4 for gas tankers, 1 for Ro-Ro vessel and 3 for special projects. In terms of invested capital, the total amount of money invested is estimated in the region of more than \$2.8bn, 6 newbuilding deals reported at an undisclosed contract price, with a hefty amount invested in the offshore due to strong placement of capital in the construction of an offshore platform in South Korean shipyard.

In the **tanker** segment, South Korean player, DONG-A Tanker has placed an order for the construction of two MR 50,000dwt vessels, with an option of two more, at South Korean Hyundai Mipo Dockyard. A manager at Dong-A Tanker told Fairplay that the company, which has focused on drybulk shipping, is changing its strategy due to the better prospects for the MR sector. Despite the company's name, Dong-A Tanker actually has more drybulklers than tankers, said the manager. The manager at Dong-A said

the company is aware of the recent surge in investments in MR tankers but it is more optimistic about this segment than drybulk. "Of course, there have been many orders of MR tankers recently, and this could become an issue if more orders come. But we think this sector is likely to do better than dry bulk as the supply-demand fundamentals are more balanced," said the manager.

In the **gas tanker** segment, GasLog announced orders for two tri-fuel diesel electric LNG carriers of 174,000cbm capacity for construction at Samsung Heavy Industries of South Korea. The newbuilding cost is estimated in the region of \$205-\$210mil for each vessel for delivery in first and second quarter of 2016 and will be chartered up upon delivery for 10 years to BG. The owner has an option for the construction of additional newbuilding units at similar terms through July 2013.

In the LPG segment, Belgium's Exmar placed an order for four 38,000 cbm carriers for construction in Hanjin Heavy Industries and Construction's Subic Bay Shipyard in Philippines for a total cost of about \$200mil, \$50mil per vessel for delivery in 2015. The contract includes an option for the construction of four additional vessels.

In the **container** segment, Chilean Compania Sud Americana has inked a letter of intent for the construction of seven firm 9,000 TEU boxship vessels with delivery in 2015, at Samsung Heavy Industries. The contract includes an option for seven more worth \$1,12bn, \$80mil each vessel.

In the **offshore** segment, Daewoo Shipbuilding & Marine Engineering has won an order from an undisclosed European owner for the construction of a fixed offshore platform worth of about \$1.6Bn with delivery in 2017. In addition, REM Offshore of Norway has placed an order for an offshore subsea construction vessel at domestic yard, Kleven Verft for delivery in the second quarter of 2014. The vessel is a Marin Teknikk MT 6022 L design with main dimensions are LOA 117m and a breadth of 22m. The contract price for this vessel is estimated in the region of 580M kroner (\$104.7M).

DEMOLITION MARKET

In the **demolition** market, steel prices in India have shown a downward direction triggering a significant drop in benchmark scrap prices that show a fall of about \$20-25/ton to levels of less than \$400/ldt. Bangladesh appears still strong in its prices offered, but with no big success in securing new tonnage. Benchmark prices are now in the region of \$385-\$400/ldt in the Indian subcontinent region and \$375/ldt in China for dry vessels, while they are \$420/ldt for wet cargo in Indian Subcontinent region and \$400/ldt in China.

In terms of number of vessels reported to have been headed to the scrap yards there has been a decrease of about 20% during January from December' 2012 levels. During January, 86 vessels





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are estimated to have been scrapped with a total deadweight of about 4mil tons, from 107 vessel demolitions in December. In the bulk carrier segment, the volume of vessel disposals is still very large by showing only a 5% retreat from vessel demolitions in December. Bulk carriers attracted 44% of January's total vessel demolitions with 38 vessels reported for scrap against 4 demolitions in the tanker segment, 12 in the liner and 19 in the container.

The week ended with 10 vessels reported to have been headed to the scrap yards of total deadweight 281,766 tons. In terms of the reported number of transactions, the demolition activity has been marked with a 33% week-on-week decrease, due to 60% lower volume of demolition transactions for bulk carriers and a 50% increase in the tanker segment. In terms of deadweight sent for scrap, there has been 61% decrease due to reduced vessel scrapings in large vessels categories, 1 aframax tanker and 1 panamax bulkers. India won 2 of the 12 total demolition transactions, Bangladesh 3, China 1 and 6 demo deals reported to have been headed to undisclosed shipbreaking yards. In terms of scrap prices, Bangladesh paid \$435/ldt for an aframax tanker built 1991.

At a similar week in 2012, demolition activity was up by 70% from the current levels, in terms of the reported number of transactions, 17 vessels had been reported for scrap of total deadweight 1,260,172 tons with bulk carriers grasping 71% of the total number of vessels sent for disposal. India and Bangladesh had been offering \$465/ldt for dry and \$495/ldt for wet cargo.

GREEK PRESENCE

Greek owners are holding their strategy of previous year with stronger preference towards secondhand vessel purchases than newbuildings. January ended with Greek shipping players purchasing 23 vessels at a total invested capital of about \$358mil, 2 S&P deals reported at an undisclosed price. Bulk carriers held the lion share of Greek owners' vessel purchases with a total of 9 vessel purchases worth of about \$131,35, showing a 12.5% increase from the number of bulker purchases during December 2012.

This week, Greek owners have purchased one kamsarmax bulker built 2006 for about \$19,4mil, one kamsarmax bulker built 2009 at auction and one handysize tanker built 2003 for about \$12,2mil.

In the newbuilding arena, they made their presence in the LNG segment. GasLog announced orders for two tri-fuel diesel electric LNG carriers of 174,000cbm capacity for construction at Samsung Heavy Industries of South Korea. The newbuilding cost is estimated in the region of \$205-\$210mil for each vessel for delivery in first and second quarter of 2016 and will be chartered up upon delivery for 10 years to BG. The owner has an option for the construction of additional newbuilding units at similar terms through July 2013.

NEWBUILDING MARKET – ORDERS

TANKERS – 50,000 MR PRODUCT 2 units ordered by Dong-A Tanker Co. (SKR) at Hyundai Mipo (SKR) Price undisclosed. Dely 11/2014-2/2015

GAS TANKERS – ABT 95,000 DWT LNG 2 units ordered by GasLog (GR) at Samsung (SKR) Price \$205-210 mil each. Dely 1q/2016-2q/2016 (174,000cbm. The vessels will be chartered upon delivery for 10years to BG. The owner holds options for additional newbuilding units at similar terms through July 2013)

CONTAINERS – ABT 100,000 DWT 7 units ordered by CSAV (CHILE) at Samsung (SKR) Price \$80 mil each. Dely 2015 (9,000 TEU. Option for 7 more. LOI signed at these stage)

SPECIAL PROJECTS – Construction Vessel 1 unit ordered by Rem Maritime AS (NOR) at Kleven Ulsteinvik (NOR) Price us\$106 mil. Dely 6/2015 (MT 6022 design. One 250t crane lengthened version. Three now ordered). OFFSHORE PLATFORM 1 unit ordered by undisclosed European at DSME (SKR) Price us\$1.6 bil. Dely 1/2017. AHTS vessels 4 units ordered by FEMCO (RUS) at Dayang (PRC) Price undisclosed, however according to sources they are likely to be priced from mid \$ 30 -40 mil each. Dely 2015 (SPA 150 design, each with 12,240bhp & 150 tonne bollard pull). CONSTRUCTION SUPORT vessel 1 unit ordered by Solstad Offshore (NOR) at STX OSV Aukra (NOR) Price usd \$ 109.4 mil (600m kroner). Dely 2q/2014 (the vessel will be chartered for five years to Reach Subsea with extension options 3x1 years)

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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