

# Capital Link Shipping Weekly Markets Report



Tuesday, December 2, 2014 (Week 48)



## IN THE NEWS

- Latest Company News
- Weekly Commentary by Barry Parker
- Dividend Paying Shipping Stocks

## CAPITAL MARKETS DATA

- Currencies, Commodities & Indices
- Shipping Equities – Weekly Review
- Weekly Trading Statistics – by KCG

## SHIPPING MARKETS

- Weekly Market Report – by Cleartrade Exchange
- Stifel Shipping Markets
- Weekly Tanker Market Opinion, by Poten & Partners
- S&P Secondhand, Newbuilding & Demolition Markets, by Golden Destiny

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Capital Link Shipping  
Weekly Markets Report

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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.

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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](http://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](http://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](http://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



Tuesday, December 2, 2014 (Week 48)

IN THE NEWS

## Latest Company News

### Monday, November 24, 2014

Navios Maritime Holdings Inc. Reported Financial Results for the Third Quarter and Nine Months Ended September 30, 2014

Diana Containerships Inc. Reported Financial Results for the Third Quarter and Nine Months Ended September 30, 2014; Declares Cash Dividend of \$0.0025 per Share for the Third Quarter

Hercules Offshore to Present at Upcoming Investor Conferences

HOUSTON -- Hercules Offshore, Inc. (Nasdaq: HERO) announced that the Company will present at the following investor conferences:

- Cowen's 4th Annual Ultimate Energy Conference in New York on Tuesday, December 2, 2014, at 11:30 a.m. EST (10:30 a.m. CST).
- Capital One Securities, Inc. 9th Annual Energy Conference in New Orleans on Wednesday, December 10, 2014, at 12:20 p.m. EST (11:20 a.m. CST).
- Wells Fargo's 2014 Energy Symposium in New York on Wednesday, December 10, 2014, at 3:15 p.m. EST (2:15 p.m. CST).

### Tuesday, November 25, 2014

Diana Shipping Inc. Reported Financial Results for the Third Quarter and Nine Months Ended September 30, 2014

Noble Corporation To Present At The Cowen And Company 4th Annual Ultimate Energy Conference

LONDON -- Noble Corporation (NYSE:NE) announced that Jeffrey L. Chastain, Vice President – Investor Relations and Corporate Communications, Noble Drilling Services Inc., will present at the Cowen and Company 4th Annual Ultimate Energy Conference in New York City on Tuesday, December 2, 2014, beginning at 2:25 p.m. U.S. Eastern Standard Time.

**Pacific Drilling Shareholders Approve Proposal for Share Repurchase Program**

LUXEMBOURG--(BUSINESS WIRE)-- Pacific Drilling S.A. (NYSE:PACD) shareholders approved a share repurchase program of up to 8 million shares at the company's Extraordinary General Meeting today. The Board of Directors intends to immediately commence the repurchase of up to \$30 million of the company's issued and outstanding shares as a first tranche in the share repurchase program.

**Frontline Reported Third Quarter and Nine Months 2014 Results**

**Ship Finance International Reported Preliminary Third Quarter 2014 Results and Quarterly Dividend of \$0.41 per share**

### Wednesday, November 26, 2014

**Sadrill Limited Announced Third Quarter 2014 Results Highlights**

**Golar LNG Reported Interim Results for the Period Ended September 30, 2014**

**Golar LNG Dividend Information**

Reference is made to the third quarter 2014 report released on Nov

26, 2014. Golar LNG will be trading ex-dividend of a total dividend of \$0.45 per share on December 3, 2014. The record date will be December 5, 2014 and the dividend will be paid on or about December 30, 2014.

**Golar LNG Partners Reported Interim Results for the Period Ended September 30, 2014**

**Stealthgas Inc. Announced Share Buy Back Program, New Charter Arrangements for Nine Vessels and the Sale and Lease Back of One Vessel**

ATHENS, Greece – Stealthgas Inc. (Nasdaq:GASS), announced that its Board of Directors has approved a share repurchase program and authorized the officers of the Company to repurchase, from time to time, up to \$10,000,000 of the Company's common stock (par value \$0.01). Shares may be purchased in open market or privately negotiated transactions, which may include derivative transactions, at times and prices that are considered to be appropriate by the Company, and the program may be discontinued at any time

### Friday, November 28, 2014

**Teekay Offshore Partners Announced \$175 Million Direct Equity Placement**

HAMILTON, BERMUDA -- (Marketwired) --Teekay Offshore GP LLC., the general partner of Teekay Offshore Partners L.P. (NYSE:TOO), announced that it has agreed to issue 6.70 million common units to a group of institutional investors for proceeds of approximately \$175.0 million (excluding the Partnership's general partner's proportionate capital contribution). The common units are being registered pursuant to a registration statement on Form F-3 previously filed and declared effective by the Securities and Exchange Commission. The Partnership intends to use the proceeds from the sale of common units for general partnership purposes, including funding newbuilding installments, capital conversion projects and future acquisitions of vessels.

### Monday, December 1, 2014

**Dryships Inc. Announced Adjournment of Annual General Meeting of Shareholders and Seeks to Obtain a Quorum of Voting Shareholders as of November 4, 2014**

ATHENS, GREECE — DryShips Inc. (NASDAQ:DRYS) announced that its 2014 Annual General Meeting of Shareholders (the "Meeting"), scheduled for, and convened on December 1, 2014, was adjourned due to lack of requisite quorum. The Company has set a new record date of November 4, 2014 and only shareholders as of November 4, 2014 are entitled to and are being requested to vote at the Meeting in person or by proxy.

**Dryships Inc. Announced Repayment of 5% Convertible Notes Due 2014**

ATHENS, GREECE — DryShips Inc. (NASDAQ:DRYS) announced that it has repaid all remaining principal and interest of its 5% Convertible Notes due 2014, in accordance with the terms of the notes and the indenture governing the notes.



### Latest Company News

#### **Diana Containerships Inc. Announced the Delivery of a Panamax Container Vessel, the m/v Santa Pamina**

ATHENS, GREECE - Diana Containerships Inc. (NASDAQ: DCIX), announced that on November 28, 2014, through a separate wholly-owned subsidiary, it took delivery of the m/v "Santa Pamina", a 2005-built Panamax container vessel of approximately 5,000 TEU capacity that the Company entered into an agreement to purchase on November 5, 2014.

#### **Enscopl Promotes Carey Lowe to Executive Vice President**

LONDON--Enscopl (NYSE:ESV) announced that Carey Lowe has been promoted to Executive Vice President reporting directly to CEO and President Carl Trowell. He will be responsible for overseeing investor relations, public relations, employee communications and branding, led by Vice President Sean O'Neill, as well as strategy, headed by Vice President Michael Howe, and human resources, directed by Vice President Maria Silva.

#### **Ocean Rig UDW Inc. Announced the Results of its 2014 Annual General Meeting of Shareholders**

#### **Nordic American Tankers Limited (NYSE:NAT) - Increased ownership in Nordic American Offshore Ltd. (NYSE:NAO)**

Hamilton, Bermuda--Nordic American Tankers Limited announced the purchase of 198,624 shares in Nordic American Offshore Ltd. (NAO), increasing the NAT shareholding in NAO from 4,008,764 to 4,207,388 shares or from 17.1% to 18% ownership. The shares were bought in the open market Friday November 28, 2014 at an average price of \$12.89 per share. NAO has 23,431,370 shares in issue.

#### **Golar LNG Limited Share Repurchase Program**

Golar LNG Limited announced that its Board of Directors has authorized a new share repurchase program under which the Company may repurchase up to 5% of Golar's outstanding stock over the next two years. The authorization is effective immediately.





### Thanksgiving reflections

For me, there was little to give thanks for on Thanksgiving Day, as OPEC's meeting seemingly asked "Who's the turkey?" or alternatively "Time for long crude investors to get roasted." With oil prices plunging, the old commodity investor adage about not trying to catch a falling carving knife certainly rang true. Yet, stepping back, if the oil price drop really sticks (and I have my doubts- as I have all the way down), there are probably some highly salutary effects just around the corner. As always, I will leave it to the sell side analysts to add some authoritative quantifications and recommendations on particular shares, but presumably lower oil and products prices mean that consumers have more spare change in their pockets. Once they get past the silly shopping season, ongoing spending of their new "windfalls", such as they are, should boost demand for consumer goods at the margins. Owners of that new 19,000 TEU vessel recently launched by China Shipping, and similar vessels, will not instantly hear the \$ka-ching sound, but, as a general tendency, more consumer demand means more TEUs moving around.

On the oil side, as noted previously, cheaper oil is a good thing- where can we start? The tanker market remained firm throughout November- with the paper market at the end of the month reflecting the nearby buoyancy and the continued optimism pouring in. At the end of November- with several cold weather months still ahead, all the major sectors were throwing off significant returns- with forward prices (proxied through those FFAs that I recommend that investors watch closely) indicating expectations of ongoing strength throughout the "winter" months. VLCCs, which have seen an active loading program in the AG, were showing a TCE of around \$65,000/day on the AG to Far East "TD3" route. Based on settle prices, the TCE's of prices traded for 2015 quarterlies equated back to approximately \$43,000/day (Q1), \$30,000/day (Q2 and Q3) and \$38,000/day (Q4). These imputed hires, up about \$6,000/day from a month earlier, are roughly equivalent to estimated one year period rates for modern VLCCs, now thought to be around \$32,000 - \$33,000/day.

Suezmaxes, represented by the TD 5 (West Africa into U.S. North Atlantic) and a sister route with discharge in Rotterdam, had soared by late November, but backed off during the final week to the still very healthy equivalent of around \$43,000/day, with the cross Med run exhibiting similar strength. Month end TCE's for 2015 on the W. African Suezmaxes calculated back to approximately \$42,000/day (Q1), \$36,000/day (Q2), \$32,000/day (Q3) and \$34,000/day (Q4)- showing a premium to estimated period rates on million barrel vessels. The optimism appears to be still building- consider that the Suezmax FFA levels continued to rise during the last week of November. This was a time when spot hire equivalents eased back (from highs in excess of \$80,000/day- or, famously, \$100,000/day for the lucky ones, as noted by Paddy Rodgers last week), as VLCC's moved over to join the party in West Africa.

Aframaxes were also showing strong returns across multiple segments- where routes were showing TCEs above \$30,000/day, and in the case of Black Sea to Med trips, vessel hires had reached above \$60,000/day during the month. Looking ahead into 2015's Q1- still a time of cold weather/ ice, the TD17 (Primorsk to N. Continent) was worth around \$48,000/day in Q1 2015, a time that even the very tropical Caribs to US Gulf (TD 9) worked back to nearly \$30,000/day.

Contributed by

#### Barry Parker



Barry Parker is a financial writer and analyst. His articles appear in a number of prominent maritime periodicals including Lloyds List, Fairplay, Seatrade, and Maritime Executive and Capital Link Shipping.

The Atlantic product tanker trades came into their own- as the TC2 (Rotterdam to New York MR vessel) soared to epic heights- around \$35,000/ day. The triangulation (which simulates a round voyage with TC2 and TC14- the U.S. products export route) was calculated by the Baltic Exchange at an astounding \$39,000/day- with forward daily hire levels fading backwards to \$22,300 in Q1 2015, and to the very healthy equivalents of \$16,600 (Q2), \$15,500 (Q3) and \$16,200 (Q4). For more insights into the booming product trades, [please tune into Capital Link's interview of D'Amico International Shipping's CEO, Mr. Marco Fiore.](#)

And then, there are the drybulk markets, which have mostly failed, so far, to participate in the excitement still underway in the tanker side of the business. The drop in oil prices- and the resultant decreases in ships' fuel prices, has led to a drop-off in many \$/tonne (voyage basis) freight quotes. However, the time charter instruments- indicative of the hire levels (net of fuel prices), have actually declined as well, notably in the Capesize sector towards end November. The month earlier optimism, around for the Halloween / Guy Fawkes timeframe- when freight traders were girding for a repeat of 2013's strong iron-ore chartering frenzied finish- seemed to be evaporating, like a blithe spirit.

Indeed, the Capesizes saw considerable strength in early November, as the five trip composite T/C index climbed up to nearly \$28,000/day, before sliding and then attempting a mid month comeback. However, the second half of the month saw a dropoff that left the T/C composite only slightly above \$15,000/day as November ended. Traders' ideas for the forward years beyond 2015, as indicated by the swap market, have all dropped down to the upper \$14,000's / lower \$15,000's per day- off from the beginning of November when hires of around \$17,000/day and above were anticipated.

The Panamax positions also saw a beginning of November micro-surge- on spot market strength, but, similarly, backed down again by month-end. The four trip TC composite showed an expectation of hires between \$8,000/day and \$9,000/day over the next year, with an upward slope towards \$10,000/day in the forward "Calendar" positions. Supramaxes, which comprise a small portion of the FFA market, have mirrored the Panamax positions. The five trip Supramax composite was rising, above \$10,000/day at the end of the month (up from \$9,000/day as the month began)- with the forward curve indicating levels of mainly between \$9,000/day and \$10,000/day for more distant positions. Similarly to container vessels, common sense would suggest that improved economic conditions would kick up demand for the Supramaxes- a very flexible type of vessel that can take dozens of cargoes. But, noting that the drybulk stock prices have not responded to any optimistic vibes from the changed energy pricing environment, it may take a while for shipping to get around to common sense and more dollars. But, oh, that Thanksgiving turkey tasted good!



# Capital Link Shipping Weekly Markets Report



Tuesday, December 2, 2014 (Week 48)

CAPITAL MARKETS DATA

## Select Dividend Paying Shipping Stocks

Stock Prices as of November 28, 2014

Company Name	Ticker	Quarterly Dividend	Annualized Dividend	Last Closing Price (Nov. 28, 2014)	Annualized Dividend Yield
<b>Container</b>					
Costamare Inc	CMRE	\$0.28	\$1.12	\$19.85	5.64%
Diana Containerships	DCIX	\$0.00	\$0.01	\$2.23	0.45%
Seaspan Corp	SSW	\$0.35	\$1.38	\$20.05	6.88%
<b>Dry Bulk</b>					
Baltic Trading Limited	BALT	\$0.01	\$0.04	\$3.14	1.27%
Knightsbridge Shipping Limited	VLCCF	\$0.05	\$0.20	\$5.71	3.50%
Navios Maritime Holdings Inc.	NM	\$0.06	\$0.24	\$4.84	4.96%
Safe Bulkers Inc.	SB	\$0.04	\$0.16	\$4.76	3.36%
<b>Tankers</b>					
Ardmore Shipping Corp.	ASC	\$0.10	\$0.40	\$10.21	3.92%
DHT Holdings, Inc.	DHT	\$0.02	\$0.08	\$6.27	1.28%
Navios Maritime Acquisition Corp	NNA	\$0.05	\$0.20	\$2.84	7.04%
Nordic American Tankers Limited	NAT	\$0.14	\$0.56	\$8.96	6.25%
Scorpio Tankers Inc	STNG	\$0.12	\$0.48	\$8.25	5.82%
Teekay Tankers Ltd	TNK	\$0.03	\$0.12	\$4.50	2.67%
Tsakos Energy Navigation Ltd	TNP	\$0.05	\$0.20	\$7.15	2.80%
<b>Mixed Fleet</b>					
Ship Finance International Limited	SFL	\$0.41	\$1.64	\$16.60	9.88%
Teekay Corporation	TK	\$0.32	\$1.27	\$49.72	2.55%
<b>LNG/LPG</b>					
Gas Log Ltd	GLOG	\$0.14	\$0.56	\$17.64	3.17%
Golar LNG	GLNG	\$0.45	\$1.80	\$41.52	4.34%
<b>Maritime MLPs</b>					
Capital Product Partners L.P.	CPLP	\$0.23	\$0.93	\$7.82	11.89%
Dynagas LNG Partners	DLNG	\$0.39	\$1.56	\$17.96	8.69%
Golar LNG Partners, L.P.	GMLP	\$0.55	\$2.19	\$32.90	6.66%
Navios Maritime Partners L.P.	NMM	\$0.44	\$1.77	\$12.96	13.66%
Teekay LNG Partners L.P.	TGP	\$0.69	\$2.77	\$36.02	7.69%
Teekay Offshore Partners L.P.	TOO	\$0.54	\$2.15	\$25.71	8.36%
KNOT Offshore Partners L.P.	KNOP	\$0.49	\$1.96	\$22.12	8.86%
Hoegh LNG Partners	HMLP	\$0.18	\$0.72	\$18.40	3.91%
<b>Offshore Drilling</b>					
Ocean Rig UDW	ORIG	\$0.19	\$0.76	\$11.99	6.34%



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Tuesday, December 2, 2014 (Week 48)

CAPITAL MARKETS DATA

Preferred Shipping Stocks	Box Ships Series C	Costamare Series B	Costamare Series C	Diana Shipping Series B	Global Ship Lease Series B	International Shipholding Series A	International Shipholding Series B	Navios Series G	Navios Series H
Ticker	TEUPRC	CMREPRB	CMREPRC	DSXPRB	GSLB	ISHPRA	ISHPRB	NMPRG	NMPRH
Fixed Annual Dividend <sup>(1)</sup>	9.00	7.625	8.50	8.875	8.75	9.50	9.00	8.75	8.625
Liquidation Preference	\$24.00	\$25.00	\$25.00	\$25.00	\$25.00	\$100.00	\$100.00	\$25.00	\$25.00
Last Closing Price (11/28/14)	\$18.45	\$24.60	\$25.25	\$25.59	\$19.50	\$102.25	\$101.50	\$21.77	\$21.77

Preferred Shipping Stocks	Safe Bulkers Series B	Safe Bulkers Series C	Safe Bulkers Series D	Seaspan Series C	Seaspan Series D	Seaspan Series E	Teekay Offshore Series A	Tsakos Energy Series B	Tsakos Energy Series C
Ticker	SBPRB	SBPRC	SBPRD	SSWPRC	SSWPRD	SSWPRE	TOOPRA	TNPPRB	TNPPRC
Fixed Annual Dividend <sup>(1)</sup>	8.00	8.00	8.00	9.50	7.95	8.25	7.25	8.00	8.875
Liquidation Preference	\$25.00	\$25.00	\$25.00	\$25.00	\$25.00	\$25.00	\$25.00	\$25.00	\$25.00
Last Closing Price (11/28/14)	\$26.40	\$19.98	\$20.25	\$26.59	\$25.55	\$25.81	\$24.15	\$24.22	\$25.20

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

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Tuesday, December 2, 2014 (Week 48)

CAPITAL MARKETS DATA

## Indices

Week ending, Friday, November 28, 2014

### MAJOR INDICES

America	Symbol	11/28/2014	11/21/2014	% Change	YTD % Change	2-Jan-14
Dow Jones	INDU	17,828.24	17,810.06	0.10	8.44	16,441.35
Dow Jones Transp.	TRAN	9,198.20	9,094.16	1.14	26.21	7,287.87
NASDAQ	CCMP	4,791.63	4,712.97	1.67	15.65	4,143.07
NASDAQ Transp.	CTRN	3,809.06	3,601.68	5.76	29.65	2,938.03
S&P 500	SPX	2,067.56	2,063.50	0.20	12.86	1,831.98

Europe	Symbol	11/28/2014	11/21/2014	% Change	YTD % Change	2-Jan-14
Deutsche Borse Ag	DAX	9,980.85	9,732.55	2.55	6.18	9,400.04
Euro Stoxx 50	SX5E	3,250.93	3,194.22	1.78	6.24	3,059.93
FTSE 100 Index	UKX	6,722.62	6,750.76	-0.42	-0.39	6,749.10

Asia/Pacific	Symbol	11/28/2014	11/21/2014	% Change	YTD % Change	2-Jan-14
ASX 200	AS51	5,313.00	5,304.31	0.16	-1.02	5,367.90
Hang Seng	HSI	23,987.45	23,437.12	2.35	2.77	23,340.05
Nikkei 225	NKY	17,459.85	17,357.51	0.59	9.75	15,908.88

### CAPITAL LINK MARITIME INDICES

Index	Symbol	11/28/2014	11/21/2014	% Change	2-Jan-14	YTD % Change
Capital Link Maritime Index	CLMI	2,293.07	2,576.85	-11.01	2,250.12	1.91
Tanker Index	CLTI	1,329.92	1,370.19	-2.94	2,521.85	-47.26
Drybulk Index	CLDBI	701.78	731.13	-4.01	1,020.38	-31.22
Container Index	CLCI	1,638.54	1,684.13	-2.71	1,814.70	-9.71
LNG/LPG Index	CLLG	3,091.69	3,634.10	-14.93	3,212.34	-3.76
Mixed Fleet Index	CLMFI	2,782.60	3,105.80	-10.41	1,437.01	93.64
MLP Index	CLMLP	2,626.37	2,773.75	-5.31	3,062.97	-14.25





# Capital Link Shipping Weekly Markets Report



Tuesday, December 2, 2014 (Week 48)

## CAPITAL MARKETS DATA

### BALTIC INDICES

Index	Symbol	11/28/2014	11/21/2014	% Change	2-Jan-14	YTD % Change
Baltic Dry Index	BDIY	1,153	1,324	-12.92	2,113	-45.43
Baltic Capesize Index	BCIY	2,151	3,038	-29.20	3,733	-42.38
Baltic Panamax Index	BPIY	1,120	1,055	6.16	1,780	-37.08
Baltic Supramax Index	BSI	986	942	4.67	1,330	-25.86
Baltic Handysize Index	BHSI	491	462	6.28	773	-36.48
Baltic Dirty Tanker Index	BDTI	866	975	-11.18	1,021	-15.18
Baltic Clean Tanker Index	BCTI	823	755	9.01	612	34.48

### TRANSPORTATION STOCKS

DRYBULK	TICKER	11/28/2014 Friday	11/21/2014 Friday	Change %	52 Week High	52 Week Low	1/2/2014	Three Month Avg. Volume
Baltic Trading Ltd	BALT	\$3.14	\$3.66	-14.21%	\$7.60	\$2.78	\$6.44	902,025
Diana Shipping Inc	DSX	\$7.48	\$7.79	-3.98%	\$13.64	\$6.96	\$13.30	742,567
DryShips Inc	DRYS	\$1.31	\$1.50	-12.67%	\$4.70	\$1.16	\$4.31	11,267,546
Eagle Bulk Shipping Inc	EGLE	\$14.09	\$14.75	-4.47%	\$16.44	\$0.68	\$4.47	187,647
FreeSeas Inc	FREE	\$0.12	\$0.13	-5.88%	\$2.53	\$0.12	\$2.31	3,789,964
Globus Maritime Ltd	GLBS	\$3.18	N/A	-0.31%	\$4.44	\$2.78	\$3.87	5,759
Knightsbridge Shipping Ltd	VLCCF	\$5.71	\$6.41	-10.92%	\$16.16	\$4.81	\$8.98	922,614
Navios Maritime Holdings Inc	NM	\$4.84	\$5.30	-8.68%	\$11.49	\$4.38	\$10.65	1,377,183
Navios Maritime Partners LP	NMM	\$12.96	\$13.40	-3.28%	\$20.40	\$12.67	\$18.62	653,469
Paragon Shipping Inc	PRGN	\$3.24	\$3.53	-8.22%	\$8.09	\$2.82	\$7.18	194,366
Safe Bulkers Inc	SB	\$4.76	\$5.26	-9.51%	\$11.43	\$4.39	\$10.20	560,531
Scorpio Bulkers	SALT	\$3.27	\$3.65	-10.41%	\$10.58	\$2.96	\$9.72	1,615,951
Seenergy Maritime	SHIP	\$1.15	\$1.30	-11.86%	\$2.10	\$1.15	\$1.99	15,785
Star Bulk Carriers Corp	SBLK	\$8.31	\$8.16	1.84%	\$15.52	\$7.27	\$13.10	410,652

TANKERS	Ticker	11/28/2014	11/21/2014	Change %	52 wk high	52 wk low	1/2/2014	3-Month Avg. Vol.
Ardmore Shipping Corp	ASC	\$10.21	\$10.51	-2.85%	\$15.56	\$8.81	\$15.16	105,219
Capital Product Partners LP	CPLP	\$7.82	\$7.99	-2.13%	\$11.56	\$7.70	\$10.36	857,621
DHT Holdings Inc	DHT	\$6.27	\$5.85	7.18%	\$8.41	\$5.30	\$6.67	956,843
Frontline Ltd/Bermuda	FRO	\$1.24	\$1.35	-8.15%	\$5.06	\$1.19	\$3.59	957,508
Knot Offshore Partners	KNOP	\$22.12	\$23.12	-4.33%	\$29.89	\$19.93	\$27.57	78,139
Navios Acquisition	NNA	\$2.84	\$2.74	3.65%	\$4.85	\$2.47	\$4.37	507,054
Nordic American	NAT	\$8.96	\$9.11	-1.65%	\$12.36	\$7.19	\$9.46	1,050,196
Scorpio Tankers Inc	STNG	\$8.25	\$8.48	-2.71%	\$11.90	\$6.74	\$11.78	2,379,943
Teekay Offshore Partners LP	TOO	\$25.71	\$26.67	-3.60%	\$37.03	\$25.71	\$32.55	199,881
Teekay Tankers Ltd	TNK	\$4.50	\$4.45	1.12%	\$4.70	\$2.94	\$3.85	413,551
Top Ships	TOPS	\$1.54	\$1.59	-3.14%	\$13.93	\$1.35	\$11.49	49,123
Tsakos Energy Navigation Ltd	TNP	\$7.15	\$7.28	-1.79%	\$8.35	\$4.97	\$5.95	534,434



# Capital Link Shipping Weekly Markets Report



Tuesday, December 2, 2014 (Week 48)

## CAPITAL MARKETS DATA

CONTAINERS	Ticker	11/28/2014	11/21/2014	Change %	52 wk high	52 wk low	1/2/2014	3-Month Avg. Vol.
Box Ships Inc	TEU	\$0.93	\$0.79	17.72%	\$3.42	\$0.68	\$3.28	185,293
Costamare Inc	CMRE	\$19.85	\$20.80	-4.57%	\$24.36	\$16.29	\$17.80	171,134
Danaos Corp	DAC	\$5.74	\$5.97	-3.85%	\$7.63	\$4.13	\$5.08	11,852
Diana Containerships Inc	DCIX	\$2.23	\$1.98	12.63%	\$4.26	\$1.85	\$4.04	177,826
Global Ship Lease Inc	GSL	\$3.90	\$3.93	-0.76%	\$6.34	\$3.12	\$5.83	67,013
Seaspan Corp	SSW	\$20.05	\$20.09	-0.20%	\$24.31	\$17.70	\$22.57	194,418

LPG/LNG	Ticker	11/28/2014	11/21/2014	Change %	52 wk high	52 wk low	1/2/2014	3-Month Avg. Vol.
Dynagas LNG Partners	DLNG	\$17.96	\$19.11	-6.02%	\$25.27	\$15.94	\$21.84	52,877
GasLog Ltd	GLOG	\$17.64	\$20.50	-13.95%	\$31.89	\$15.20	\$16.84	1,456,929
Golar LNG Ltd	GLNG	\$41.52	\$52.88	-21.48%	\$72.50	\$33.54	\$35.71	2,559,196
Golar LNG Partners LP	GMLP	\$32.90	\$34.85	-5.60%	\$39.00	\$28.21	\$30.04	164,399
Navigator Gas	NVGS	\$21.42	\$23.50	-8.85%	\$31.50	\$19.59	\$25.88	398,329
StealthGas Inc	GASS	\$7.26	\$7.56	-3.97%	\$12.03	\$6.59	\$10.16	156,743
Teekay LNG Partners LP	TGP	\$36.02	\$39.16	-8.02%	\$47.19	\$35.42	\$41.87	234,027

MIXED FLEET	Ticker	11/28/2014	11/21/2014	Change %	52 wk high	52 wk low	1/2/2014	3-Month Avg. Vol.
Euroseas Ltd	ESEA	\$0.93	\$0.95	-2.12%	\$1.54	\$0.86	\$1.40	50,059
Ship Finance International Ltd	SFL	\$16.60	\$16.74	-0.84%	\$19.82	\$15.18	\$16.22	574,258
Teekay Corp	TK	\$49.72	\$54.83	-9.32%	\$67.12	\$41.93	\$47.29	894,760

MLPs	Ticker	11/28/2014	11/21/2014	Change %	52 wk high	52 wk low	1/2/2014	3-Month Avg. Vol.
Capital Product Partners	CPLP	\$7.82	\$7.99	-2.13%	\$11.56	\$7.70	\$10.36	857,621
Dynagas LNG Partners	DLNG	\$17.96	\$19.11	-6.02%	\$25.27	\$15.94	\$21.84	52,877
Golar LNG Partners LP	GMLP	\$32.90	\$34.85	-5.60%	\$39.00	\$28.21	\$30.04	164,399
Hoegh LNG Partners	HMLP	\$18.40	\$21.09	-12.73%	\$25.89	\$16.84	NA	60,726
Knot Offshore Partners	KNOP	\$22.12	\$23.12	-4.33%	\$29.89	\$19.93	\$27.57	78,139
Navios Partners	NMM	\$12.96	\$13.40	-3.28%	\$20.40	\$12.67	\$18.62	653,469
Teekay Offshore	TOO	\$25.71	\$26.67	-3.60%	\$37.03	\$25.71	\$32.55	199,881

OFFSHORE DRILL RIGS	Ticker	11/28/2014	11/21/2014	Change %	52 wk high	52 wk low	1/2/2014	3-Month Avg. Vol.
Atwood Oceanics	ATW	\$32.09	\$38.27	-16.15%	\$53.79	\$32.09	\$52.47	1,496,582
Diamond Offshore Drilling	DO	\$29.37	\$37.15	-20.94%	\$56.37	\$29.37	\$52.52	2,079,542
Ensco International	ESV	\$33.80	\$39.87	-15.22%	\$60.19	\$33.15	\$56.57	4,916,868
Hercules Offshore	HERO	\$1.24	\$1.48	-16.22%	\$6.55	\$1.07	\$6.52	4,465,172
Noble Corp.	NE	\$17.99	\$21.30	-15.54%	\$33.62	\$17.58	\$32.00	7,772,882
Ocean Rig UDW Inc	ORIG	\$11.99	\$13.80	-13.12%	\$20.64	\$11.54	\$19.08	468,682
Pacific Drilling	PACD	\$6.15	\$6.85	-10.22%	\$11.58	\$5.88	\$11.25	752,111
Rowan Companies	RDC	\$21.77	\$24.70	-11.86%	\$35.36	\$21.57	\$34.35	2,394,111
Seadrill Ltd.	SDRL	\$14.66	\$21.36	-31.37%	\$43.09	\$13.90	\$40.07	10,640,327
Transocean	RIG	\$21.01	\$25.93	-18.97%	\$50.29	\$19.70	\$48.91	11,692,886
Vantage Drilling Company	VTG	\$0.77	\$0.84	-7.86%	\$1.98	\$0.74	\$1.86	1,810,635



# Capital Link Shipping Weekly Markets Report



Tuesday, December 2, 2014 (Week 48)

OSLO-Listed Shipping Comps (currency in NOK)	Ticker	11/28/2014	11/21/2014	Change %	52 wk high	52 wk low	1/2/201 4	3-Month Avg. Vol.
Goldean Ocean	GOGL	\$5.87	\$6.66	-11.86%	\$15.40	\$5.10	\$13.23	4,421,558
Stolt-Nielsen Ltd.	SNI	\$107.00	\$115.50	-7.36%	\$193.50	\$106.50	\$162.00	69,587
Frontline Ltd.	FRO	\$8.74	\$9.15	-4.48%	\$31.80	\$7.74	\$22.20	525,761
Jinhui Shpg. & Trans	JIN	\$12.60	\$12.90	-2.33%	\$29.00	\$12.50	\$28.00	86,340
Odfjell (Common A Share)	ODF	\$23.20	\$24.40	-4.92%	\$46.80	\$23.00	\$40.50	9,798
Odfjell (Common B Share)	ODFB	\$26.00	\$22.70	-8.81%	\$46.20	\$20.70	\$39.50	5,551
Solvang ASA	SOLV	\$24.00	N/A	N/A	\$26.00	\$18.60	\$20.50	1,826
Eitzen Chemical ASA	ECHEM	\$2.10	\$2.30	-8.70%	\$8.17	\$2.00	\$7.57	22,013
American Shipping Co.	AMSC	\$42.20	\$42.40	-0.47%	\$51.38	\$29.95	\$37.03	96,222
Wilson ASA	WILS	N/A	N/A	N/A	\$17.00	\$10.50	N/A	342
Hoegh LNG	HLNG	\$83.25	\$92.00	-9.51%	\$105.00	\$46.40	\$47.90	120,325
Belships ASA	BEL	\$4.80	N/A	N/A	\$6.80	\$4.60	\$6.20	5,602
I.M. Skaugen	IMSK	\$4.71	\$4.90	-3.88%	\$12.75	\$4.68	N/A	4,894
Western Bulk	WBULK	\$4.40	\$4.75	-7.37%	\$16.80	\$4.15	\$15.40	192,102

OFFSHORE SUPPLY	Ticker	11/28/2014	11/21/2014	Change %	52 wk high	52 wk low	1/2/2014	3-Month Avg. Vol.
Gulfmark Offshore	GLF	\$26.05	\$31.71	-17.85%	\$50.31	\$25.91	\$45.61	494,195
Hornback Offshore	HOS	\$26.54	\$32.12	-17.37%	\$50.82	\$25.48	\$47.86	815,750
Nordic American Offshore	NAO	\$13.11	\$14.26	-8.06%	\$20.40	\$12.20	N/A	282,526
Tidewater	TDW	\$30.91	\$38.73	-20.19%	\$60.07	\$30.91	\$58.60	919,041
Seacor Holdings	CKH	\$71.14	\$76.18	-6.62%	\$93.75	\$71.14	\$89.77	186,128





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

#### **SHIPPING EQUITIES OUTPERFORM THE BROADER MARKET LNG/LPG 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, decreased 11.01%, compared to the S&P 500 increasing 0.20%, Nasdaq gaining 1.67%, and Dow Jones Industrial Average (DJII) increasing 0.10%.

Capital Link Container Index decreased 2.71%, followed by Capital Link Tanker Index decreasing 2.94%. LNG/LPG equities were the least performer during last week, with Capital Link LNG/LPG Index dropping 14.93%.

During last week, dry bulk shipping stocks underperformed the physical market, with Baltic Dry Index (BDI) decreasing 12.92%, compared to the Capital Link Dry Bulk Index declining 4.01%. Year-to-date, the BDI has dropped 45.43%, while the Capital Link Dry Bulk Index decreased 31.22%.

During last week, Baltic Dirty Tanker Index (BDTI) increased 11.94% and Baltic Clean Tanker Index (BCTI) increased 2.58%, compared to Capital Link Tanker Index increased 0.35%. Year-to-date, the BDTI dropped 4.51% and the BCTI has increased 23.37%, compared to Capital Link Tanker Index decreasing 45.67%.

The Trading Statistics supplied by KCG Holdings, Inc. 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](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.



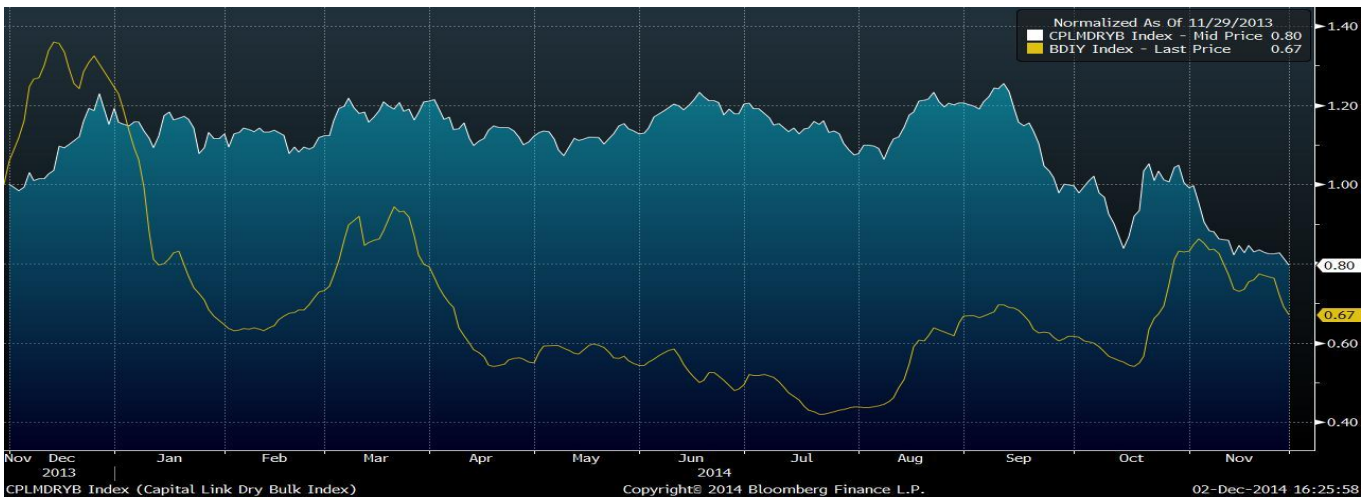
# Capital Link Shipping Weekly Markets Report



Tuesday, December 2, 2014 (Week 48)

## CAPITAL MARKETS DATA

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



\*SOURCE: BLOOMBERG



# Capital Link Shipping Weekly Markets Report



Tuesday, December 2, 2014 (Week 48)

SHIPPING MARKETS

## Weekly Market Report

Week Ending November 28, 2014



### FREIGHT

#### Capesize 4TC Average

Volume: 2,465 lots

Contract		Average	Chg	Open	Close	Chg	Low	High
Dec	14	15507	-1654	16000	13900	-2100	13800	17500
Jan	15	12036	na	12950	11700	-1250	11650	12950
Q1	15	11085	-678	11350	10750	-600	10700	11700
Q2	15	12500	-250	12500	12500	0	12500	12500
Cal	15	13762	-313	13900	13500	-400	13500	14100
Cal	16	13983	-267	14150	13800	-350	13800	14150

#### Panamax 4TC Average

Volume: 2,005 lots

Contract		Average	Chg	Open	Close	Chg	Low	High
Nov	14	9000	-60	9000	9000	0	9000	9000
Dec	14	9080	197	8900	9250	350	8700	9350
Jan	15	8097	na	8350	8200	-150	8000	8350
Q1	15	7918	-42	8200	7900	-300	7800	8200
Q2	15	8800	-133	8800	8800	0	8800	8800
Cal	15	8578	40	8800	8400	-400	8400	8800

#### Supramax 6TC Average

Volume: 370 lots

Contract		Average	Chg	Open	Close	Chg	Low	High
Cal	15	9138	-13	9150	9100	-50	9100	9150

### IRON ORE

#### TSI Iron Ore 62% Fines

Volume: 4,898,000 mt

Contract		Average	Chg	Open	Close	Chg	Low	High
Dec	14	69.76	-1.35	70.75	71.75	1.00	66.85	72.25
Jan	15	68.31	-2.23	69.50	71.25	1.75	66.00	71.50
Q1	15	68.21	-1.96	70.00	70.55	0.55	65.60	71.50
Q2	15	66.15	-2.09	67.85	69.25	1.40	63.10	69.25
Q3	15	65.95	-1.19	66.95	67.25	0.30	64.00	67.25
Cal	15	65.11	-3.07	67.00	68.25	1.25	64.00	68.25



# Capital Link Shipping Weekly Markets Report



Tuesday, December 2, 2014 (Week 48)

## SHIPPING MARKETS

### FERTILIZER

#### Urea Nola

Volume: 24 lots

Contract		Average	Chg	Open	Close	Chg	Low	High
Jan	15	318.00	4.20	317.00	319.00	2.00	317.00	319.00

#### DAP NOLA

Volume: 3 lots

Contract		Average	Chg	Open	Close	Chg	Low	High
Dec	14	415.00	na	415.00	415.00	0.00	415.00	415.00

### BUNKER FUEL

#### Singapore 180cst

Volume: 5,000 mt

Contract		Average	Chg	Open	Close	Chg	Low	High
Jan	15	421.00	na	421.00	421.00	0.00	421.00	421.00

#### Singapore 380cst

Volume: 85,500 mt

Contract		Average	Chg	Open	Close	Chg	Low	High
Dec	14	434.82	-4.43	454.00	409.25	-44.75	409.25	454.00
Jan	15	420.50	na	448.00	415.00	-33.00	415.00	448.00
Feb	15	434.67	na	437.50	428.75	-8.75	428.75	437.50

#### Rotterdam 3.5%

Volume: 16,500 mt

Contract		Average	Chg	Open	Close	Chg	Low	High
Dec	14	399.04	-5.26	413.50	370.00	-43.50	370.00	413.50
Q1	15	405.08	na	405.25	404.75	-0.50	404.75	405.25
Q2	15	402.25	na	423.50	381.00	-42.50	381.00	423.50

### 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



Tuesday, December 2, 2014 (Week 48)

## SHIPPING MARKETS

### First Watch: Stifel Shipping Weekly

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

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NICOLAUS**

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<i>Rates in \$/Day</i> <b>Vessel Category</b>	<b>Weekly Trend</b>	<b>11/28/2014</b>	<b>11/21/2014</b>	<b>% Change</b>	<b>2014 YTD</b>
<i>Crude Tanker</i>					
VLCC	↑	\$55,768	\$42,802	30.3%	\$24,523
Suezmax	↓	\$44,116	\$79,600	(44.6%)	\$26,327
Aframax	↓	\$38,084	\$54,520	(30.1%)	\$23,962
<i>Product Tankers</i>					
Long Range	↑	\$24,661	\$24,281	1.6%	\$18,096
Medium Range	↑	\$24,117	\$21,193	13.8%	\$11,257
<i>Dry Bulk</i>					
Capesize	↓	\$16,973	\$24,875	(31.8%)	\$13,827
Panamax	↑	\$9,681	\$8,697	11.3%	\$6,051
Supramax	↑	\$11,027	\$10,558	4.4%	\$10,112
<i>Containers*</i>					
Panamax-4400 TEU	↔	\$10,000	\$10,000	0.0%	\$8,645
Sub-Panamax-2750 TEU	↔	\$7,750	\$7,750	0.0%	\$7,350
Handy-2000 TEU	↔	\$6,550	\$6,550	0.0%	\$6,909
LPG-82,000 cbm	↓	\$65,667	\$68,333	(3.9%)	\$70,212
LNG-138,000 cbm	↑	\$69,000	\$67,000	3.0%	\$57,191

\*Monthly data was used

Source: Clarkson Research & Astrup Fearnley

While last week's OPEC meeting in which the cartel voted to keep oil production at 30 million barrels per day, resulted in a sharp decline in oil prices, we believe it is likely to drive continued strength in both crude and refined product tanker rates. Additionally, Russian Prime Minister Igor Shuvalov stated that OPEC's decision will force Russia to keep its own production consistent at about 10 million barrels per day. As crude prices have fallen due to high production levels, tanker rates have improved on higher demand for transportation. In fact, last week triangulated MR product tanker rates were \$39,592 per day which is the highest level since 2008 and crude tanker rates have been approximately 98% better this November relative to 2013 levels. We believe that a portion of the increased demand is a result of inventory building and opportunistic buyers. The sharp increase in tanker rates and fixture activity is likely to continue as crude oil production remains high as demand surges due to the lower oil prices. However, since crude prices began contracting in July, average tanker equities are down 8% relative to the S&P, which is up 5%. With volumes likely to remain strong, we believe that tanker rates and ultimately equities should be an ideal natural hedge on supply driven contraction in oil prices. The fact that equity values have yet to reflect this negative correlation presents what we believe to be a unique buying opportunity on names like TNP, NNA, and STNG.





# Capital Link Shipping Weekly Markets Report



Tuesday, December 2, 2014 (Week 48)

## SHIPPING MARKETS

### Global Shipping Fleet & Orderbook Statistics

Cargo	Category	Fleet Size (DWT)	Orderbook (DWT)	OB/Fleet %	Average Age	% Greater than 20 yrs.
Crude	VLCC	192,344,965	29,967,610	15.6%	7.9	1.9%
	Suezmax	76,050,935	9,544,022	12.5%	8.3	4.7%
	Aframax	65,450,078	4,897,686	7.5%	8.8	5.2%
Product	LR2	27,428,404	8,039,935	29.3%	7.4	1.9%
	LR1	23,843,427	2,411,998	10.1%	7.1	2.2%
	MR	73,957,088	14,120,181	19.1%	8.6	6.9%
	Handy	5,379,419	194,669	3.6%	17.2	50.3%
Dry Bulk	Capesize	306,931,489	73,580,931	24.0%	7.2	11.2%
	Panamax	193,635,639	35,308,286	18.2%	8.1	9.9%
	Supramax	165,106,456	49,146,692	29.8%	7.8	8.4%
	Handymax	88,894,557	16,213,847	18.2%	10.9	19.5%
Containers		<b>(TEU)</b>	<b>(TEU)</b>			
	Post Panamax	10,386,149	3,080,642	29.7%	6.1	0.4%
	Panamax	3,626,907	13,010	0.4%	8.3	6.3%
	Handy-Feeder	3,355,801	319,964	9.5%	10.3	9.1%
Gas		<b>(CBM)</b>	<b>(CBM)</b>			
	LPG	2,285,815	10,157,678	53.6%	15.4	20.0%
	LNG	58,408,758	20,860,170	35.7%	10.0	11.6%

DWT: Dead Weight Tons, TEU: Twenty Equivalent Units, CBM: Cubic Meters

Source: Clarkson Research

Contributed by Stifel Nicolaus & Co, Inc.

# Capital Link Shipping

Providing investors with information on shipping (maritime industry) and the listed companies, featuring latest news, industry reports, interviews, article, industry

CapitalLinkShipping.com



### Weekly Tanker Market Opinion

#### Fuel Efficiency Saves The Day Rate

#### Do new, fuel efficient vessels still make sense in lower bunker price environments?

Everyone in the tanker industry is aware of the recent drop in crude oil prices and the decline in bunker fuel prices that followed. Bunker fuel is the single most expensive cost in operating tankers, so this is a welcome relief for ship owners.

The cost of Heavy Fuel Oil (HFO) in Fujairah has declined to a current price of \$460 per metric ton from an average of \$609/MT over the first six months of the year, a reduction of 24%.

Due to the high oil prices over the last couple of years and the anticipation of continuing high prices in the future, owners have made operational adjustments by utilizing slow steaming on the ballast leg of a voyage, while shipyards and engine manufacturers have worked hard to improve the fuel efficiency of new ships. In this Weekly Opinion piece, we will examine the impact of these in the current fuel price environment.

Using a VLCC as the basis for such analysis as the longer voyages benefit relatively more from fuel efficiency, we use a 2007 built VLCC ordered when HFO prices were around \$160/MT and a modern 2013 built VLCC. Vessels can vary significantly in their fuel consumption, both through design and over time, dependent on the condition of the hull paint, etc.

The modern vessel in our example saves 7 tons/day in laden condition compared to the older design and 4 tons/day while in ballast (see figure 2). For the comparison we will use the typical VLCC round trip voyage from Ras Tanura to Chiba using the current fuel price (\$460/MT) and the average price during the first 6 months of 2014 (\$609/MT).

On the round trip, the fuel efficient vessel saves \$116,200 in fuel with current prices and \$151,500 in the higher price environment compared to the 2007 built vessel. This represents savings of \$2,179/day in time charter equivalent (TCE) at current bunker prices and \$2,839 at 2014H1 bunker prices.

In order to improve TCE, owners have made operational adjustments by slow steaming during the ballast leg of the voyages, and during the laden leg where it was permitted in the charter party. This helps the owners by improving the economics on individual voyages as the fuel cost savings more than offset the longer steaming time when the market is low. An added benefit is that slow steaming reduces the efficiency of the fleet as more vessels are needed to move the same volume of cargo.

Earlier in the year, when the rates were lower, slow steaming made more sense as the additional revenue that could be earned during the additional 3.9 ballasting days was lower than the fuel savings. At current market rates and lower bunker prices, this situation has shifted. At least for the vessel and voyage combination in our example, increasing the ballast speed could prove to be beneficial. The situation could be different for other vessels and voyages, but it makes the case for owners to run the numbers.

Contributed by

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The benefits of fuel efficient designs might have been reduced for now but the investment is for 20+ years and fuel prices are likely to increase again in the future.

Fig. 1 Bunker Prices in Fujairah 2004-2014



Source: LQM

Fig. 2 Assumptions and Time Charter Equivalent

	2007 VLCC	2013 VLCC	Difference
Laden Speed	13 Kn	13 Kn	
Ballast Speed	11 Kn	11 Kn	
Laden Consumption	72 MT	65 MT	
Ballast Consumption	40 MT	36 MT	
WS Rate	55.0	55.0	
TCE @ \$460/MT	48,001	50,180	2,179
TCE @ \$609/MT	40,635	43,474	2,839



# Capital Link Shipping Weekly Markets Report



Tuesday, December 2, 2014 (Week 48)

SHIPPING MARKETS

## S&P Secondhand, Newbuilding & Demolition Markets

### S&P MARKET TRENDS DURING OCTOBER:

↑ Secondhand – ↑ Newbuilding – ↑ Demolition

#### WEEKLY S&P ACTIVITY

VESSELTYPE	SECOND HAND		DEMOLITION		TOTAL	%w-o-w	
	Units	(\$) Invested Capital	Units	in DWT		SH	DEMO
Bulkcarriers	8	166,600,000	2	88,591	10	14%	0%
Tankers	8	180,400,000	4	288,930	12	300%	
Gas Tankers	0	0	2	23,600	2		
General Cargo	2	1,100,000	0	0	2	-50%	
Containers	3	28,000,000	0	0	3	50%	
Reefers	0	0	0	0	0		
Passenger / Cruise	0	0	0	0	0		
Ro - Ro	0	0	0	0	0		-100%
Car Carrier	0	0	0	0	0		
Combined	0	0	0	0	0		
Special Projects	0	0	0	0	0		
<b>TTL VSLS/Demo</b>	<b>21</b>	<b>376,100,000</b>	<b>8</b>	<b>401,121</b>	<b>29</b>	<b>40%</b>	<b>167%</b>

1 S&P deal reported at an undisclosed sale price

- ✓ The estimated invested capital does not include deals reported at an undisclosed secondhand sale price.
- ✓ P&C: deals reported as private and confidential with no disclosed details for the secondhand sale price.

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### NEWBUILDING MARKET

#### WEEKLY NEWBUILDING ACTIVITY

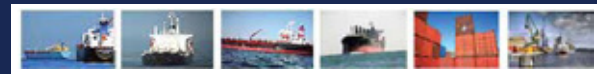
Vessel Type	Units	in DWT	Invested Capital	P&C	%w-o-w
Bulkcarriers	2	160,000	71,000,000	0	-33%
Tankers	4	236,800	64,000,000	3	-43%
Gas Tankers	3	240,900	400,000,000	1	200%
General Cargo	4	62,600	N/A	4	300%
Containers	2	N/A	N/A	2	0%
Reefers	0	0	0	0	
Passenger / Cruise	0	0	0	0	-100%
Ro - Ro	0	0	0	0	-100%
Car Carrier	0	0	0	0	
Combined	0	0	0	0	
Special Projects	14	19,200	148,000,000	12	75%
<b>TOTAL</b>	<b>29</b>	<b>719,500</b>	<b>683,000,000</b>	<b>22</b>	<b>16%</b>

- ✓ The estimated invested capital does not include deals reported with undisclosed newbuilding price.
- ✓ P&C: deals reported as private and confidential (not revealed contract price)

### NEWBUILDING MARKET – ORDERS

Vessel Type	Sub-type	Units	Dwt	Contractor	Country	Builder	Country	Dely	USD mil/Unit
Bulk Carrier		2	80,000	Wisdom Marine	TWN	Japan Marine United	JPN	2016-2017	N/A
Tanker		1 + 1	158,000	Meandros Lines	GR	Sungdong	SKR	2-2017	64,000,000
Tanker		2	33,000	Jo Tankers	NOR	New Times	PRC	9/12-2017	N/A
Tanker	Asphalt	1	12,800	Undisclosed	N/A	Qingshan Shipyard	PRC	12-2015	N/A
LPG		1	84,000 CBM	Transpetrol	BLG	Hyundai HI	SKR	6-2016	N/A
LNG		2 + 2	174,000 CBM	Maran Gas Maritime	GR	DSME	SKR	2018	N/A
General Cargo	Heavy-lift	2	25,000	Red Box Energy Services	HK	Guangzhou	PRC	12-2015,3-2016	N/A
General Cargo		2	6,300	Zhejiang Jianyang	PRC	Zhongchuan HI	PRC	3/6-2016	N/A
Container		2	160 TEU	Aryant Group	BDESH	Western Marine	BDESH	7/9-2015	N/A
Special Project	Harbour Tug	9		Drydocks World	UAE	Drydocks World	UAE	2015-2016	N/A
Special Project	OSV	2	3,000	Executive Offshore	SPORE	Colombo Dockyard	SRL	5/8-2016	N/A
Special Project		2	2,600	Undisclosed	N/A	Havyard Ship Technology	NOR	10/12-2016	74,000,000
Special Project	Accomodation Rig	1	8,000	C Helios	N/A	Yantai Raffles	PRC	12-2016	N/A

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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