

# Capital Link Shipping Weekly Markets Report



Tuesday, May 26, 2015 (Week 21)



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Capital Link Shipping  
Weekly Markets Report

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# Capital Link Shipping

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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.

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## 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.



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# Capital Link Shipping Weekly Markets Report



Tuesday, May 26, 2015 (Week 21)

IN THE NEWS

## Latest Company News

**Monday, May 18, 2015**

### **DryShips Inc. Announces Ocean Rig UDW Inc.'s One Year Extension of the Ocean Rig Poseidon Contract and a New Contract for the Ocean Rig Olympia**

DryShips Inc. (NASDAQ:DRYS) and through its majority owned subsidiary, Ocean Rig UDW Inc. , announced that in connection with the previously announced Omnibus Agreement with ENI Angola S.p.A (hereafter referred to as "ENI"), all closing conditions including approvals by national authorities and signing of definitive documentation have been satisfied.

<http://dryships.irwebpage.com/press/dryspr051815.pdf>

### **Global Ship Lease Extends Time Charter With Sea Consortium / X-Press Feeders**

Global Ship Lease, Inc. (NYSE:GSL) announced that it has agreed to extend the time charter for the *Ville d'Aquarius*, a 1996-built, 4,113 TEU vessel currently on charter with Sea Consortium Pte Limited, doing business as X-Press Feeders. The extension is for an additional four to six months, at charterer's option, at a gross charter rate of \$10,700 per day, compared to the current charter rate of \$8,390 per day. The extended time charter will commence immediately upon expiration of the vessel's current time charter on June 3, 2015.

[www.globalshiplease.com/releasedetail.cfm?ReleaseID=913623](http://www.globalshiplease.com/releasedetail.cfm?ReleaseID=913623)

### **Ocean Rig UDW Inc. Announces a One Year Extension of the Ocean Rig Poseidon Contract and a New Contract for the Ocean Rig Olympia**

Ocean Rig UDW Inc. (NASDAQ:ORIG) announced that in connection with the previously announced Omnibus Agreement with ENI Angola S.p.A (hereafter referred to as "ENI"), all closing conditions including approvals by national authorities and signing of definitive documentation have been satisfied.

[http://cdn.capitallink.com/files/docs/companies/ocean\\_rig/press/2015/oceanrig051815.pdf](http://cdn.capitallink.com/files/docs/companies/ocean_rig/press/2015/oceanrig051815.pdf)

### **Star Bulk Carriers Corp. Announces Closing of Public Offering of 56,250,000 Common Shares**

Star Bulk Carriers Corp. (NASDAQ:SBLK) announced the closing of its previously announced public offering of 56,250,000 common shares (the "Shares"), at a price of \$3.20 per share. The aggregate proceeds to Star Bulk, net of placement agent fees and offering expenses, were approximately \$176.0 million. Star Bulk intends to use the net proceeds for general corporate purposes. These general corporate purposes may include, among others things, additions to Star Bulk's working capital, capital expenditures (which includes payments under Star Bulk's newbuilding program), repayment of debt or the financing of possible acquisitions and investments.

<http://www.starbulk.com/UserFiles/sblk051815.pdf>

### **Ensco plc's Board of Directors Appoints Paul Rowsey Non-Executive Chairman**

Ensco plc (NYSE: ESV) announced that Paul Rowsey has been named Non-Executive Chairman of the Board following Dan Rabun's planned retirement on 18 May 2015 concurrent with the annual general meeting of shareholders. Mr. Rowsey has been a member of Ensco's Board of Directors since 2000. He most recently served as

Lead Director and remains Chairman of the Nominating and Governance Committee.

<http://www.enscoplc.com/Newsroom/Press-Releases/Press-Release-Details/2015/Ensco-plcs-Board-of-Directors-Appoints-Paul-Rowsey-Non-Executive-Chairman/default.aspx>

### **Transocean Ltd. Announces Schedule for First Dividend Installment and Currency Election Period**

Transocean Ltd. (NYSE: RIG) (SIX: RIGN) announced the schedule for the payment of the first installment of its U.S. dollar-denominated dividend. The installment is \$0.15 per share, totaling approximately \$55 million based upon the number of currently outstanding shares. The installment represents the first of four quarterly installments totaling \$0.60 per share, or approximately \$218 million in the aggregate paid from additional paid-in capital ("APIC"), approved by shareholders at the company's 2015 Annual General Meeting.

<http://www.deepwater.com/news?ID=2049396>

### **Transocean Ltd. Provides Fleet Update Summary**

Transocean Ltd. (NYSE: RIG) (SIX: RIGN) issued a monthly Fleet Update Summary, which includes new contracts, changes to existing contracts, and changes in estimated planned out-of-service time of 15 or more days since the April 16, 2015 Fleet Status Report. The total value of new contracts since the last report is approximately \$52 million.

<http://www.deepwater.com/news?ID=2049416>

**Tuesday, May 19, 2015**

### **Paragon Shipping Announces Receipt of Notice of Non-Compliance From Nasdaq**

Paragon Shipping Inc. (NASDAQ: PRGN) announced that it has received written notification from The Nasdaq Stock Market ("Nasdaq") dated May 14, 2015, indicating that because the closing bid price of the Company's common stock for the last 30 consecutive business days was below \$1.00 per share, the Company no longer meets the minimum bid price requirement for the Nasdaq Global Market, set forth in Nasdaq Listing Rule 5450(a)(1). Pursuant to the Nasdaq Listing Rules, the applicable grace period to regain compliance is 180 days, or until November 10, 2015.

[http://www.paragonship.com/news\\_post.php?id=1253](http://www.paragonship.com/news_post.php?id=1253)

### **Ensco plc Announces Cash Dividend**

Vast Majority of Shares Cast Were "For" All Proposals in the Proxy Statement Ensco plc (NYSE:ESV) announced that its Board of Directors has declared a regular quarterly cash dividend of US\$0.15 per Class A ordinary share payable on 19 June 2015. The ex-dividend date for this payment is expected to be 4 June 2015, with a record date of 8 June 2015.

<http://www.enscoplc.com/Newsroom/Press-Releases/Press-Release-Details/2015/Ensco-plc-Announces-Cash-Dividend/default.aspx>

### **Hercules Offshore, Inc. Provides May Fleet Status Report**

Hercules Offshore, Inc. (Nasdaq: HERO) announced that it has published the May Fleet Status Report ("the Report"). The Report includes the Hercules Offshore Rig Fleet Status (as of May 19, 2015), which contains detailed contract information for each of the



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IN THE NEWS

## Latest Company News

Company's drilling rigs. The Report also includes the Hercules Offshore Liftboat Fleet Status Report, which contains information by liftboat class for April 2015, including revenue per day and operating days.

<http://ir.herculesoffshore.com/phoenix.zhtml?c=192573&p=irol-newsArticle&ID=2050238>

### DHT Holdings, Inc. Announces an Adjustment to the Conversion Price of its 4.5% Convertible Senior Notes Due 2019

DHT Holdings, Inc. (NYSE:DHT) ("DHT") announced that, in connection with the cumulative effect of the previously announced (i) cash dividend of \$0.02 per share of common stock paid on November 26, 2014 to stockholders of record as of the close of business on November 20, 2014, (ii) cash dividend of \$0.05 per share of common stock paid on February 19, 2015 to stockholders of record as of the close of business on February 10, 2015 and (iii) cash dividend of \$0.15 per share of common stock to be paid on May 22, 2015 to stockholders of record as of the close of business on May 13, 2015, the Conversion Price of the Company's 4.5% Convertible Senior Notes due 2019 (the "Notes") was adjusted, effective May 11, 2015. The Conversion Price was adjusted from \$8.1250 per share to \$7.8925, which represents a Conversion Rate of approximately 126.7026 shares of common stock per \$1,000 principal amount of Notes.

[www.dhtankers.com/index.php?id=441&pressrelease=1922364.html](http://www.dhtankers.com/index.php?id=441&pressrelease=1922364.html)

### NewLead Holdings Announces Time Charter Contract of M/T Ioli

NewLead Holdings Ltd. (OTC: NEWL) announced that it has entered into a time charter contract with a first class charter ("Charterer") for one of its recently delivered bitumen tanker vessels, the Ioli, for a minimum of one year. The vessel has already been delivered to the Charterer that has the option to extend the time charter contract for up to four additional one year periods.

<http://www.newleadholdings.com/news2015.html>

### Wednesday, May 20, 2015

#### Diana Shipping Inc. Announces Pricing of \$55 Million of Senior Unsecured Notes Due 2020

Diana Shipping Inc. (NYSE: DSX) announced that it has priced its \$55 million public offering of senior unsecured notes due 2020 (the "Notes"). The Notes will mature on May 15, 2020, and may be redeemed, in whole or in part, at any time on or after May 15, 2017 at a redemption price equal to 100% of the principal amount to be redeemed, plus accrued and unpaid interest to, but excluding, the redemption date. Prior to May 15, 2017, we may redeem the Notes, in whole or in part, at a price equal to 100% of the principal amount plus a make-whole premium and accrued interest to, but excluding, the date of redemption. The Notes will bear interest at a rate of 8.500% per annum, payable quarterly on each February 15, May 15, August 15 and November 15, commencing on August 15, 2015. The Company has granted the underwriters of the offering a 30-day option to purchase up to an additional \$8,250,000 in aggregate principal amount of the Notes on the same terms and conditions. The offering is expected to close on May 28, 2015. The Company intends to use the net proceeds from the offering for general corporate purposes and working capital, which may include the acquisition of additional new or secondhand vessels or the

construction of newbuildings.

<http://www.dianashippinginc.com/investors/press-releases/news-diana-shipping-inc-announces-pricing-of-ps55-million-of-senior-unsecured-notes-due-2020>

### Transocean Reaches Settlement Agreements With PSC And BP

Transocean Ltd. (NYSE: RIG) (SIX: RIGN) announced that it has reached two separate settlement agreements, with the Plaintiffs' Steering Committee (the "PSC") and with BP Exploration & Production Inc. and BP America Production Co. ("BP"). These settlements together resolve substantially all outstanding claims against Transocean arising from the April 20, 2010, Macondo Well incident involving the *Deepwater Horizon* in the Gulf of Mexico.

<http://www.deepwater.com/news?ID=2052017>

### Golar LNG Limited Announces Q1 2015 Results Presentation

Golar LNG's 1st Quarter 2015 results will be released before the NASDAQ opens on Thursday May 28 2015. In connection with this a webcast presentation will be held at 3:00 P.M (London Time) on Thursday, May 28 2015.

[http://www.golarlng.com/index.php?name=seksjon/Stock\\_Exchange\\_Releases/Press\\_Releases.html&pressrelease=1923021.html](http://www.golarlng.com/index.php?name=seksjon/Stock_Exchange_Releases/Press_Releases.html&pressrelease=1923021.html)

### Golar LNG Partners LP Announces Q1 2015 Results Presentation

Golar LNG Partners LP 1st Quarter 2015 results will be released before the NASDAQ opens on Thursday May 28, 2015. In connection with this a webcast presentation will be held at 5:00 P.M (London Time) on Thursday, May 28, 2015.

[www.golarlngpartners.com/index.php?name=seksjon/Stock\\_Exchange\\_Releases/Press\\_Releases.html&pressrelease=1923022.html](http://www.golarlngpartners.com/index.php?name=seksjon/Stock_Exchange_Releases/Press_Releases.html&pressrelease=1923022.html)

### Euroseas Ltd. Reports Results - Quarter Ended March 31, 2015

[http://www.euroseas.gr/press\\_releases.html?irp=pr2&relid=584875](http://www.euroseas.gr/press_releases.html?irp=pr2&relid=584875)

### Thursday, May 21, 2015

#### DryShips Inc. Announces the Partial Exchange of \$40m Under the \$120m Affiliate Loan for Shares

DryShips Inc. (NASDAQ:DRYS) and through its majority owned subsidiary, Ocean Rig UDW Inc. ("Ocean Rig") announced that it has reached an agreement with Ocean Rig to partially exchange \$40 million borrowed by the Company under the \$120 million Exchangeable Promissory Note ("Loan") for 4,444,444 shares of Ocean Rig owned by the Company and to amend certain other terms of the Loan.

<http://dryships.irwebpage.com/press/dryspr052115.pdf>

### Globus Maritime Limited Announces the Sale of a Panamax Vessel

Globus Maritime Limited (NASDAQ:GLBS) announced that it has entered into a binding agreement to sell to an unaffiliated third party its 1998-built panamax vessel, of 72,928 dwt, m/v Tiara Globe, for a gross price of US\$5.5 million. The vessel is scheduled to be delivered to its new owners during the periods June 20, 2015 through July 25, 2015 the latest.

<http://www.globusmaritime.gr/press/globuspr052115.pdf>



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## Latest Company News

**Navios Maritime Holdings Inc. Reports Financial Results for the First Quarter Ended March 31, 2015**  
<http://www.navios.com/Newsroom/default.asp>

**Global Ship Lease Announces Results of Excess Cash Flow Offer to Purchase Up to \$20 Million of First Priority Secured Notes**

Global Ship Lease, Inc. (NYSE:GSL) announced the results of the cash tender offer (the "Excess Cash Flow Offer") to purchase up to \$20 million aggregate amount (the "Maximum Offer Amount") with respect to its outstanding 10.000% First Priority Secured Notes due 2019 (the "Notes"). The Excess Cash Flow Offer expired at 5:00 p.m., New York City time, on May 20, 2015.

<http://www.globalshiplease.com/releases.cfm>

**Ocean Rig UDW Inc. Announces the Partial Exchange of \$40M Under the \$120M Affiliate Loan for Shares**

Ocean Rig UDW Inc. (NASDAQ:ORIG) announced that it has reached an agreement with its parent company, DryShips Inc. ("DryShips"), to partially exchange \$40 million lent to DryShips under the \$120 million Exchangeable Promissory Note ("Loan") for 4,444,444 shares of OceanRig owned by DryShips and to amend certain other terms of the Loan.

[http://cdn.capitallink.com/files/docs/companies/ocean\\_rig/press/2015/oceanrig210515.pdf](http://cdn.capitallink.com/files/docs/companies/ocean_rig/press/2015/oceanrig210515.pdf)

**Friday, May 22, 2015**

**Frontline Announces Invitation to Q1 2015 Results Conference Call and Webcast**

Frontline Ltd.'s preliminary first quarter 2015 results will be released on Friday May 29, 2015 and a webcast and conference call will be

held at 3:00 p.m. CET (9:00 a.m U.S. Eastern Time).

[http://www.frontline.bm/IR/press\\_releases/1923435.shtml](http://www.frontline.bm/IR/press_releases/1923435.shtml)

**Tsakos Energy Navigation Reports 156% Increase in Q1 Profits, \$0.42 Cents EPS and Declares New Dividend**

Tsakos Energy Navigation Limited (TEN) (NYSE: TNP) reported results (unaudited) for the first quarter ended March 31, 2015.

<http://www.tenn.gr/en/press/2014-15/pr052215.pdf>

**StealthGas Inc. Announces Date for the Release of First Quarter 2015 Results, Conference Call and Webcast**

StealthGas Inc. (NASDAQ:GASS) announced that it will release its first quarter operating and financial results for the period ended March 31, 2015 before the market opens in New York on Tuesday, May 26, 2015.

<http://www.stealthgas.com/press-releases/stealthgas-inc.-announces-date-for-the-release-of-first-quarter-2015-results-conference-call-and-we.html?Itemid=107>

**SFL Announces Invitation to Presentation of 1Q 2015 Results**

Ship Finance International Limited (NYSE: SFL) plans to release its preliminary financial results for the first quarter 2015 on Friday, May 29, 2015.

[www.shipfinance.bm/index.php?id=462&pressrelease=1923532.html](http://www.shipfinance.bm/index.php?id=462&pressrelease=1923532.html)

**Atwood Oceanics Declares Quarterly Cash Dividend**

Atwood Oceanics, Inc. (NYSE: ATW) announced that its board of directors has declared a quarterly cash dividend of \$0.25 per share of common stock, payable on July 9, 2015 to shareholders of record as of 5:00 p.m., New York City time, on July 2, 2015.

<http://ir.atwd.com/file.aspx?IID=4010374&FID=29683520>





### LNG fuelling: Orcas, Marlins and membrane barges

LNG fuelling of vessels has been all over the shipping trade press. It was recently the subject of the Connecticut Maritime Association's monthly luncheon series, with a presentation by Peter Keller, a true industry veteran who is now Executive Vice President of TOTE. The speaker began by noting that many people talk about LNG fuelling, at conferences and the like, and said "What you are going to see today is not the future of LNG, but the present...the future of LNG is today..."

While viewing the presentation (thanks to the CMA's President, Mr. Ian Workman, who got me a seat at the Captain's table), it struck me that what I was viewing was a template for how shipping will go in the next decades. As industrial shipping supply chains go to LNG-charterers, with deeper pockets and concerns about their "image"-might arrange LNG supplies; owners will no longer be able to bemoan the lack of fuel for LNG power.

Environmental concerns (which I believe to be genuine, on the part of TOTE) are certainly a big driver. But so are worries about what regulators might do. Indeed, we are already seeing blow-back from the inconclusive MEPC meetings two weeks ago at the IMO- which is struggling as it tries to get out of the way of EU. The price of oil, and of natural gas, of great interest to me, barely made it into the discussion, except with a note that TOTE had secured LNG on a secure long term basis.

Mr. Keller, (inducted into the "Maritime Hall of Fame" in the mid 2000s during his NYK days) is spearheading all aspects of the LNG project at TOTE-. Unlike many "veterans", he is looking way ahead, not in the rear view mirror. Two vessels will see their engines re-fitted to burn LNG, and two newbuilds, with LNG propulsion, will join the fleet. Importantly, TOTE will be creating its own supply chains for fuel procurement, ( part of the secure long term supplies of fuel mentioned above).

Totem Ocean Trailer Express, serving the Pacific Northwest to Alaska trades, will be re-engining two existing "Orca Class" ships for LNG fuelling (with dual fuel capability), while the Sea Star division (linking Jacksonville, Florida with Puerto Rico) is currently building two new "Marlin Class" vessels, to be primarily fuelled by LNG, at NASSCO.

The company has operated from Tacoma to Anchorage for about a dozen years. Several years ago, the company, wholly owned by longtime maritime investor Saltchuk, added Sea Star- one of several players in the highly competitive Jacksonville to Puerto Rico trades. It operates 1970's built ships on these trades- to be replaced by the two newbuilds.

TOTE (along with competitors- with Crowley probably the best known) is in the bull's eye of regulatory fervor, where recently enacted restrictions on particulate emissions have dramatically raised costs, as shipping lines are forced to comply. One now defunct competitor, Horizon Line- with its 1960s built ships, finally threw in the towel, even after negotiating numerous timeline extensions from regulators. Cruise lines traversing waters along the

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.

West Coast, and maneuvering around Florida and the Caribbean, have invested in scrubbers that clean sulphur from heavy marine fuel. Many commercial interests are going the opposite way, burning ultra low sulfur fuels available at premium price points- leading to fears of a shortage several years out, when IMO sulfur rules tighten up.

Mr. Keller stressed that LNG was the most viable alternative for TOTE in the environmentally sensitive regions served by the carrier, after an extensive study phase that also examined the viability of scrubbers. Mr. Keller described LNG as "...the only alternative that we saw that addressed the core problem...the fuel itself "...."and one which would lead us well beyond what the most aggressive regulators could dream up..."

The presentation came five weeks after the launching of the LNG powered containership *Isla Bella*, the first of the Marlins, at the NASSCO yard in San Diego. The vessel is expected to enter the Jacksonville / Puerto Rico service later this year, in October, after going on sea-trials in August. TOTE has done its homework- a presentation slide showed the attendance of prominent labor, military and political figures at the launching ceremony. Indeed, TOTE has succeeded where others (including OSG) did not; the U.S. Maritime Administration (MARAD) is providing guarantees on some \$324 million of debt finance for the vessels, under its Title XI loan guarantee program.

Rather than showing slide after slide of engines and fuel injectors (the usual fodder at such events), a holistic corporate approach was conveyed in Mr. Keller's slides. Other Saltchuk companies are finding their way into a bigger picture plan; Foss will pushing an LNG barge for fuelling on the West Coast (on an interim basis). The LNG fuel supply chain, acknowledged to be one of the biggest challenges for TOTE, will utilize the new barge being built at Conrad Shipyards (in Orange, Texas)- a listed company (hint to investors- there are hopes of replicating this supply chain and building other barges).

TOTE's approach also utilizes state of the art financial engineering to complement the ground-breaking designs of the actual equipment (or connections on Capitol Hill). Ownership of the barge gets more attention than privately owned TOTE. The unit, with a membrane type LNG tank, is owned by a group that includes Wespac Midstream (tied to Oaktree Capital, well-known for investments in multiple maritime sectors). It will first be deployed in Tacoma (on the West Coast) to serve TOTE's existing but soon to re-engined "Orca Class" vessels. The 2,200 M<sup>3</sup> barge will then be shifted to Jacksonville and will serve the "Marlin" newbuilds, but only after an LNG production plant is completed at Tacoma, by the utility Puget Sound Energy. The ownership structure of the barge (and others that might follow) includes some new names-most notably Clean Marine Energy (tied to a group of successful Jones Act tanker investors).

When completed, circa 2018, the Tacoma production plant will fuel vessels via a cryogenic pipeline. On the East Coast, permitting has begun at Jacksonville for a new liquefaction facility (with Pivotal LNG, owned by Wespac Midstream and AGL Resources, symbol "GAS", as the supplier) that will some day serve multiple customers. And, if all the stars align, Tropical Shipping (the latest Saltchuk acquisition) will play a role in a contemplated LNG distribution operation around the Caribbean. "Holistic" at its best!



# Capital Link Shipping Weekly Markets Report



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## IN THE NEWS

## Earnings Recap

### Euroseas Ltd



On May 20, 2015, Euroseas Ltd reported total net revenues of \$8.2 million, a 13.9% decrease over total net revenues of \$9.5 million during the first quarter of 2014. The Company reported a net loss for the period of \$5.4 million, as compared to a net loss of \$2.2 million for the first quarter of 2014.

Aristides Pittas, Chairman and CEO of Euroseas, commented: "During the first four months of 2015, the drybulk market pushed towards new lows putting further pressure on the cash flows of our drybulk vessels. The minimal level of new orders placed and the increased levels of scrapping in the first four months of 2015 provide us with some hope for quicker return to timecharter rate levels that can sustain cash flow neutral operations. On the investment front, we continue to evaluate accretive growth opportunities."

Tasos Aslidis, Chief Financial Officer of Euroseas, added: "The results of the first quarter of 2015 reflect the continued depressed state of the drybulk markets. We believe that we continue to maintain one of the lowest operating cost structures amongst the public shipping companies which, we believe, is one of our competitive advantages."

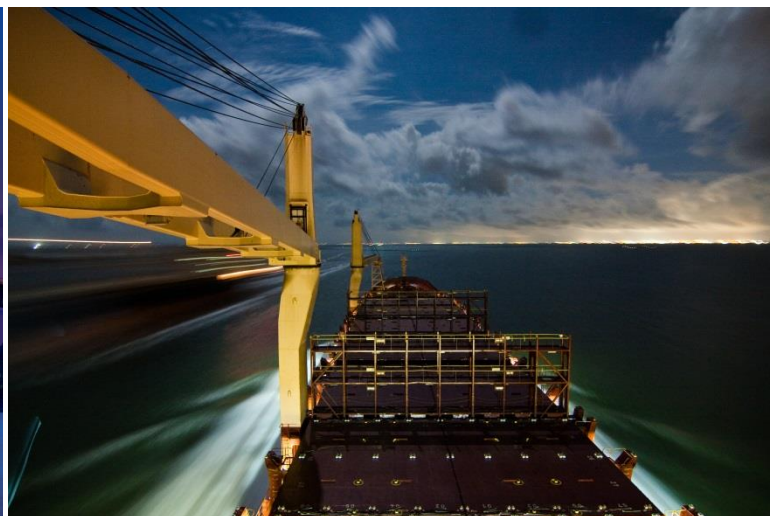
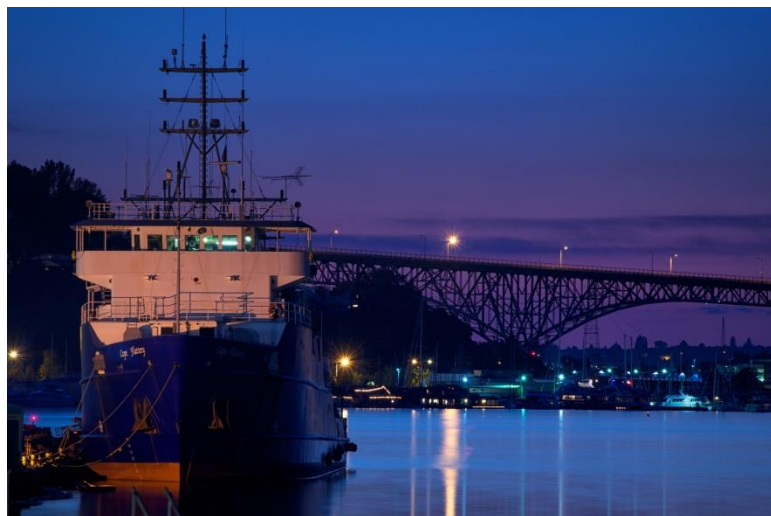
### Tsakos Energy Navigation



Tsakos Energy Navigation has 156% increase in 1Q 2015 financial results, as reported in the earnings press release on May 22, 2015. The Company achieved net income of \$37.3 million compared to \$14.6 million in first quarter 2014; EBITDA of \$72.0 million, a 46% Year-on-Year increase from first quarter 2014.

As stated in the Company's 1Q 2015 financial report, it will pay a dividend of \$0.06 per common share on May 28, 2015 to shareholders of record as of May 21, 2015. In addition, the Company's Board of Directors has declared a dividend of \$0.06 per common share outstanding to be paid on September 10, 2015 to shareholders of record as of September 3, 2015.

Mr. Nikolas P. Tsakos, President and CEO of TEN, stated: "The first quarter results and the continuous market strengths give us confidence for a very profitable 2015. Looking ahead, the existing supply-demand equilibrium together with the low price of oil enforces our belief that we are in the midst of, finally, a long term up-cycle in the tanker industry."





# Capital Link Shipping Weekly Markets Report



Tuesday, May 26, 2015 (Week 21)

CAPITAL MARKETS DATA

## Select Dividend Paying Shipping Stocks

Stock Prices as of May 22, 2015

| Company Name                       | Ticker | Quarterly Dividend | Annualized Dividend | Last Closing Price<br>(May 22, 2015) | Annualized Dividend Yield |
|------------------------------------|--------|--------------------|---------------------|--------------------------------------|---------------------------|
| <b>Container</b>                   |        |                    |                     |                                      |                           |
| Costamare Inc                      | CMRE   | \$0.29             | 1.16                | \$19.98                              | 5.81%                     |
| Diana Containerships               | DCIX   | \$0.0025           | 0.01                | \$2.48                               | 0.40%                     |
| Seaspan Corp                       | SSW    | \$0.375            | 1.50                | \$20.04                              | 7.49%                     |
| <b>Dry Bulk</b>                    |        |                    |                     |                                      |                           |
| Navios Maritime Holdings Inc.      | NM     | \$0.06             | 0.24                | \$3.56                               | 6.74%                     |
| Safe Bulkers Inc.                  | SB     | \$0.02             | 0.08                | \$3.54                               | 2.26%                     |
| <b>Tankers</b>                     |        |                    |                     |                                      |                           |
| Ardmore Shipping Corp.             | ASC    | \$0.10             | 0.40                | \$12.46                              | 3.21%                     |
| DHT Holdings, Inc.                 | DHT    | \$0.15             | 0.60                | \$8.09                               | 7.42%                     |
| Navios Maritime Acquisition Corp   | NNA    | \$0.05             | 0.20                | \$3.65                               | 5.48%                     |
| Nordic American Tankers Limited    | NAT    | \$0.38             | 1.52                | \$13.00                              | 11.69%                    |
| Scorpio Tankers Inc                | STNG   | \$0.125            | 0.50                | \$9.38                               | 5.33%                     |
| Teekay Tankers Ltd                 | TNK    | \$0.03             | 0.12                | \$7.25                               | 1.66%                     |
| Tsakos Energy Navigation Ltd       | TNP    | \$0.06             | 0.24                | \$9.90                               | 2.42%                     |
| <b>Mixed Fleet</b>                 |        |                    |                     |                                      |                           |
| Ship Finance International Limited | SFL    | \$0.42             | 1.68                | \$16.02                              | 10.49%                    |
| Teekay Corporation                 | TK     | \$0.31625          | 1.27                | \$46.85                              | 2.70%                     |
| <b>LNG/LPG</b>                     |        |                    |                     |                                      |                           |
| GasLog Ltd                         | GLOG   | \$0.14             | 0.56                | \$21.00                              | 2.67%                     |
| Golar LNG                          | GLNG   | \$0.45             | 1.80                | \$49.46                              | 3.64%                     |
| <b>Maritime MLPs</b>               |        |                    |                     |                                      |                           |
| Capital Product Partners L.P.      | CPLP   | \$0.2345           | 0.938               | \$8.94                               | 10.49%                    |
| Dynagas LNG Partners               | DLNG   | \$0.4225           | 1.69                | \$20.01                              | 8.45%                     |
| GasLog Partners LP                 | GLOP   | \$0.4345           | 1.738               | \$26.49                              | 6.56%                     |
| Golar LNG Partners, L.P.           | GMLP   | \$0.5775           | 2.31                | \$28.43                              | 8.13%                     |
| Hoegh LNG Partners                 | HMLP   | \$0.3375           | 1.35                | \$21.51                              | 6.28%                     |
| KNOT Offshore Partners L.P.        | KNOP   | \$0.51             | 2.04                | \$25.69                              | 7.94%                     |
| Navios Maritime Partners L.P.      | NMM    | \$0.4425           | 1.77                | \$10.87                              | 16.28%                    |
| Navios Maritime Midstream Partners | NAP    | \$0.4125           | 1.65                | \$16.78                              | 9.83%                     |
| Teekay LNG Partners L.P.           | TGP    | \$0.70             | 2.80                | \$35.80                              | 7.82%                     |
| Teekay Offshore Partners L.P.      | TOO    | \$0.5384           | 2.1536              | \$23.81                              | 9.04%                     |
| <b>Offshore Drilling</b>           |        |                    |                     |                                      |                           |
| Ocean Rig UDW                      | ORIG   | \$0.19             | 0.76                | \$8.68                               | 8.76%                     |



# Capital Link Shipping Weekly Markets Report



Tuesday, May 26, 2015 (Week 21)

## CAPITAL MARKETS DATA

| Company                            | Ticker   | Amount Issued (\$m) | Type              | Annual Coupon | Offer Price | Current Price 5/22/2015 | Current Yield (annualized) | % change last week | 52-week range*   |
|------------------------------------|----------|---------------------|-------------------|---------------|-------------|-------------------------|----------------------------|--------------------|------------------|
| Box Ships Series C                 | TEUPRC   | 21                  | perpetual         | 9.00%         | \$24.00     | \$18.42                 | 12.21%                     | 1.71%              | \$16.00-\$24.38  |
| Costamare Series B                 | CMRE PRB | 50                  | perpetual         | 7.625%        | \$25.00     | \$23.25                 | 8.20%                      | -0.39%             | \$22.77-\$26.20  |
| Costamare Series C                 | CMRE PRC | 100                 | perpetual         | 8.50%         | \$25.00     | \$24.72                 | 8.60%                      | -0.96%             | \$24.36-\$27.09  |
| Costamare Series D                 | CMRE PRD | 100                 | perpetual         | 8.75%         | \$25.00     | \$25.03                 | 0.00%                      | 0.44%              | \$24.65-\$25.05* |
| Diana Shipping Series B            | DSXPRB   | 65                  | perpetual         | 8.875%        | \$25.00     | \$25.02                 | 8.87%                      | 0.68%              | \$22.76-\$26.98  |
| GasLog Series A                    | GLOGA    | 111                 | perpetual         | 8.75%         | \$25.00     | \$25.87                 | 0.00%                      | 1.65%              | \$25.10-\$25.94* |
| Global Ship Lease Series B         | GSLB     | 35                  | perpetual         | 8.75%         | \$25.00     | \$23.40                 | 9.35%                      | 1.83%              | \$17.44-\$24.70* |
| International Shipholding Series A | ISHPRA   | 25                  | perpetual         | 9.50%         | \$100.00    | \$99.00                 | 9.60%                      | 1.13%              | \$95.75-\$108.95 |
| International Shipholding Series B | ISHPRB   | 32                  | perpetual         | 9.00%         | \$100.00    | \$98.12                 | 9.17%                      | -0.89%             | \$94.35-\$106.75 |
| Navios Maritime Holdings Series G  | NMPRG    | 50                  | perpetual         | 8.75%         | \$25.00     | \$20.49                 | 10.68%                     | 1.44%              | \$17.25-\$26.50  |
| Navios Maritime Holdings Series H  | NMPRH    | 120                 | perpetual         | 8.625%        | \$25.00     | \$19.96                 | 10.80%                     | -0.20%             | \$17.25-\$24.89* |
| Safe Bulkers Series B              | SBPRB    | 40                  | perpetual step up | 8.00%         | \$25.00     | \$24.40                 | 8.20%                      | -0.41%             | \$23.16-\$27.50  |
| Safe Bulkers Series C              | SBPRC    | 58                  | perpetual         | 8.00%         | \$25.00     | \$20.00                 | 10.00%                     | -1.23%             | \$16.61-\$25.45  |
| Safe Bulkers Series D              | SBPRD    | 80                  | perpetual         | 8.00%         | \$25.00     | \$20.25                 | 9.88%                      | -0.49%             | \$16.90-\$24.95* |
| Seaspan Series C                   | SSWPRC   | 100                 | perpetual step up | 9.50%         | \$25.00     | \$26.18                 | 9.07%                      | -0.23%             | \$25.99-\$27.91  |
| Seaspan Series D                   | SSWPRD   | 128                 | perpetual         | 7.95%         | \$25.00     | \$26.08                 | 7.62%                      | 0.38%              | \$24.50-\$27.30  |
| Seaspan Series E                   | SSWPRE   | 135                 | perpetual         | 8.25%         | \$25.00     | \$25.47                 | 8.10%                      | -0.31%             | \$24.45-\$26.81  |
| Teekay Offshore Series A           | TOOPRA   | 150                 | perpetual         | 7.25%         | \$25.00     | \$22.75                 | 7.97%                      | -0.48%             | \$21.86-\$26.83  |
| Tsakos Energy Series B             | TNPPRB   | 50                  | perpetual step up | 8.00%         | \$25.00     | \$25.25                 | 7.92%                      | 0.48%              | \$21.81-\$25.70  |
| Tsakos Energy Series C             | TNPPRC   | 50                  | perpetual         | 8.875%        | \$25.00     | \$25.30                 | 8.77%                      | -0.39%             | \$23.06-\$27.03  |
| Tsakos Energy Series D             | TNPPRD   | 85                  | perpetual         | 8.75%         | \$25.00     | \$24.44                 | 0.00%                      | 0.16%              | \$24.04-\$24.85* |

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

\* Prices reflected are since inception date:

Costamare Series D - 5/6/2015

GasLog Series A - 3/30/2015

Global Ship Lease Series B - 8/13/2014

Navios Maritime Holdings Series H - 6/30/2014

Safe Bulkers Series D - 6/23/2014

Tsakos Energy Series D - 4/22/2015



# Capital Link Shipping Weekly Markets Report



Tuesday, May 26, 2015 (Week 21)

CAPITAL MARKETS DATA

## Indices

Week ending, Friday, May 22, 2015

### MAJOR INDICES

| America           | Symbol | 5/22/2015 | 5/15/2015 | % Change | YTD % Change | 2-Jan-15  |
|-------------------|--------|-----------|-----------|----------|--------------|-----------|
| Dow Jones         | INDU   | 18,232.02 | 18,272.56 | -0.22    | 2.24         | 17,832.99 |
| Dow Jones Transp. | TRAN   | 8,482.31  | 8,680.78  | -2.29    | -6.78        | 9,098.98  |
| NASDAQ            | CCMP   | 5,089.36  | 5,048.29  | 0.81     | 7.67         | 4,726.81  |
| NASDAQ Transp.    | CTRN   | 3,558.55  | 3,752.16  | -5.16    | -9.60        | 3,936.65  |
| S&P 500           | SPX    | 2,126.06  | 2,122.73  | 0.16     | 3.30         | 2,058.20  |

| Europe            | Symbol | 5/22/2015 | 5/15/2015 | % Change | YTD % Change | 2-Jan-15 |
|-------------------|--------|-----------|-----------|----------|--------------|----------|
| Deutsche Borse Ag | DAX    | 11,815.01 | 11,447.03 | 3.21     | 21.00        | 9,764.73 |
| Euro Stoxx 50     | SX5E   | 3,679.14  | 3,573.07  | 2.97     | 17.19        | 3,139.44 |
| FTSE 100 Index    | UKX    | 7,031.72  | 6,960.49  | 1.02     | 7.39         | 6,547.80 |

| Asia/Pacific | Symbol | 5/22/2015 | 5/15/2015 | % Change | YTD % Change | 2-Jan-15  |
|--------------|--------|-----------|-----------|----------|--------------|-----------|
| ASX 200      | AS51   | 5,664.74  | 5,735.50  | -1.23    | 4.21         | 5,435.93  |
| Hang Seng    | HSI    | 27,992.83 | 27,822.28 | 0.61     | 17.33        | 23,857.82 |
| Nikkei 225   | NKY    | 20,264.41 | 19,732.92 | 2.69     | 16.12        | 17,450.77 |

### CAPITAL LINK MARITIME INDICES

| Index                       | Symbol | 5/22/2015 | 5/15/2015 | % Change | 2-Jan-15 | YTD % Change |
|-----------------------------|--------|-----------|-----------|----------|----------|--------------|
| Capital Link Maritime Index | CLMI   | 2,238.34  | 2,216.68  | 0.98     | 2,270.00 | -1.39        |
| Tanker Index                | CLTI   | 1,320.68  | 1,278.57  | 3.29     | 1,322.86 | -0.16        |
| Drybulk Index               | CLDBI  | 542.73    | 551.85    | -1.65    | 622.45   | -12.81       |
| Container Index             | CLCI   | 1,617.68  | 1,612.85  | 0.30     | 1,471.29 | 9.95         |
| LNG/LPG Index               | CLLG   | 3,337.65  | 3,298.65  | 1.18     | 3,082.31 | 8.28         |
| Mixed Fleet Index           | CLMFI  | 1,753.69  | 1,823.36  | -3.82    | 2,441.80 | -28.18       |
| MLP Index                   | CLMLP  | 2,482.99  | 2,479.20  | 0.15     | 2,882.73 | -13.87       |



# Capital Link Shipping Weekly Markets Report



Tuesday, May 26, 2015 (Week 21)

## CAPITAL MARKETS DATA

### BALTIC INDICES

| Index                     | Symbol | 5/22/2015 | 5/15/2015 | % Change | 2-Jan-15 | YTD % Change |
|---------------------------|--------|-----------|-----------|----------|----------|--------------|
| Baltic Dry Index          | BDIY   | 586       | 634       | -7.57    | 771      | -23.99       |
| Baltic Capesize Index     | BCIY   | 816       | 954       | -14.47   | 456      | 78.95        |
| Baltic Panamax Index      | BPIY   | 549       | 579       | -5.18    | 827      | -33.62       |
| Baltic Supramax Index     | BSI    | 627       | 628       | -0.16    | 884      | -29.07       |
| Baltic Handysize Index    | BHSI   | 327       | 327       | 0.00     | 488      | -32.99       |
| Baltic Dirty Tanker Index | BDTI   | 901       | 829       | 8.69     | 885      | 1.81         |
| Baltic Clean Tanker Index | BCTI   | 655       | 643       | 1.87     | 775      | -15.48       |

### TRANSPORTATION STOCKS

| DRYBULK                      | TICKER | 5/22/2015<br>Friday | 5/15/2015<br>Friday | Change<br>% | 52<br>week<br>high | 52 week<br>low | 1/2/2015 | Three Month<br>Avg. Volume |
|------------------------------|--------|---------------------|---------------------|-------------|--------------------|----------------|----------|----------------------------|
| Baltic Trading Ltd           | BALT   | \$1.52              | \$1.50              | 1.33%       | \$6.86             | \$1.24         | \$2.39   | 612,655                    |
| Diana Shipping Inc           | DSX    | \$6.89              | \$7.23              | -4.70%      | \$12.19            | \$6.02         | \$6.65   | 549,929                    |
| DryShips Inc                 | DRYS   | \$0.81              | \$0.78              | 3.83%       | \$3.51             | \$0.68         | \$1.13   | 4,633,652                  |
| Eagle Bulk Shipping Inc      | EGLE   | \$10.41             | \$10.00             | 4.10%       | \$16.44            | \$0.68         | \$14.42  | 175,221                    |
| FreeSeas Inc                 | FREE   | \$0.08              | \$0.11              | -29.85%     | \$9.00             | \$0.07         | \$0.09   | 1,047,451                  |
| Globus Maritime Ltd          | GLBS   | \$1.43              | \$1.38              | 3.62%       | \$3.82             | \$1.20         | \$2.30   | 8,468                      |
| Golden Ocean Group           | GOGL   | \$4.60              | \$5.15              | -10.68%     | \$16.16            | \$3.76         | \$4.27   | 503,651                    |
| Navios Maritime Holdings Inc | NM     | \$3.56              | \$3.66              | -2.73%      | \$10.50            | \$3.51         | \$4.09   | 801,327                    |
| Navios Maritime Partners LP  | NMM    | \$10.87             | \$10.98             | -1.00%      | \$20.40            | \$9.67         | \$11.01  | 776,140                    |
| Paragon Shipping Inc         | PRGN   | \$0.81              | \$0.70              | 15.69%      | \$6.01             | \$0.68         | \$2.66   | 117,531                    |
| Safe Bulkers Inc             | SB     | \$3.54              | \$3.71              | -4.58%      | \$10.05            | \$3.23         | \$3.84   | 319,662                    |
| Scorpio Bulkers              | SALT   | \$2.48              | \$2.59              | -4.25%      | \$9.35             | \$1.31         | \$1.95   | 1,323,896                  |
| Seenergy Maritime            | SHIP   | \$0.72              | \$0.71              | 1.84%       | \$1.83             | \$0.65         | \$0.90   | 5,416                      |
| Star Bulk Carriers Corp      | SBLK   | \$3.19              | \$3.48              | -8.33%      | \$15.52            | \$3.14         | \$6.12   | 484,797                    |

| TANKERS                      | Ticker | 5/22/2015 | 5/15/2015 | Change % | 52 wk<br>high | 52 wk<br>low | 1/2/2015 | 3-Month<br>Avg. Vol. |
|------------------------------|--------|-----------|-----------|----------|---------------|--------------|----------|----------------------|
| Ardmore Shipping Corp        | ASC    | \$12.46   | \$12.53   | -0.56%   | \$14.84       | \$8.81       | \$12.00  | 167,008              |
| Capital Product Partners LP  | CPLP   | \$8.94    | \$9.00    | -0.67%   | \$11.56       | \$6.79       | \$7.97   | 627,538              |
| DHT Holdings Inc             | DHT    | \$8.09    | \$8.00    | 1.13%    | \$9.05        | \$5.30       | \$7.71   | 1,364,487            |
| Euronav NV                   | EURN   | \$13.95   | \$14.22   | -1.90%   | \$14.22       | \$10.95      | N/A      | 511,013              |
| Frontline Ltd/Bermuda        | FRO    | \$2.99    | \$2.80    | 6.79%    | \$4.63        | \$1.19       | \$2.51   | 2,477,440            |
| Knot Offshore Partners       | KNOP   | \$25.69   | \$24.16   | 6.33%    | \$29.89       | \$19.20      | \$23.21  | 41,473               |
| Navios Acquisition           | NNA    | \$3.65    | \$3.75    | -2.67%   | \$4.00        | \$2.47       | \$3.76   | 378,444              |
| Navios Maritime Midstream    | NAP    | \$16.78   | \$17.52   | -4.21%   | \$17.61       | \$11.50      | \$13.39  | 58,464               |
| Nordic American              | NAT    | \$13.00   | \$12.45   | 4.42%    | \$13.08       | \$7.19       | \$10.21  | 1,328,637            |
| Scorpio Tankers Inc          | STNG   | \$9.38    | \$9.50    | -1.26%   | \$10.31       | \$6.74       | \$8.54   | 2,006,896            |
| Teekay Offshore Partners LP  | TOO    | \$23.81   | \$22.51   | 5.78%    | \$37.03       | \$19.99      | \$26.00  | 237,039              |
| Teekay Tankers Ltd           | TNK    | \$7.25    | \$6.54    | 10.86%   | \$7.25        | \$3.38       | \$5.22   | 1,141,339            |
| Top Ships                    | TOPS   | \$1.04    | \$1.03    | 1.44%    | \$4.30        | \$1.00       | \$1.11   | 27,789               |
| Tsakos Energy Navigation Ltd | TNP    | \$9.90    | \$9.50    | 4.21%    | \$9.90        | \$4.99       | \$6.96   | 588,171              |



# Capital Link Shipping Weekly Markets Report



Tuesday, May 26, 2015 (Week 21)

## CAPITAL MARKETS DATA

| CONTAINERS               | Ticker | 5/22/2015 | 5/15/2015 | Change % | 52 wk high | 52 wk low | 1/2/2015 | 3-Month Avg. Vol. |
|--------------------------|--------|-----------|-----------|----------|------------|-----------|----------|-------------------|
| Box Ships Inc            | TEU    | \$0.91    | \$0.95    | -4.67%   | \$1.65     | \$0.67    | \$0.89   | 134,360           |
| Costamare Inc            | CMRE   | \$19.98   | \$20.03   | -0.25%   | \$24.36    | \$16.00   | \$17.61  | 111,053           |
| Danaos Corp              | DAC    | \$6.39    | \$6.18    | 3.40%    | \$6.54     | \$4.13    | \$5.57   | 20,600            |
| Diana Containerships Inc | DCIX   | \$2.48    | \$2.44    | 1.64%    | \$2.85     | \$1.85    | \$2.03   | 101,287           |
| Global Ship Lease Inc    | GSL    | \$5.42    | \$5.65    | -4.07%   | \$5.78     | \$3.12    | \$4.65   | 50,378            |
| Seaspan Corp             | SSW    | \$20.04   | \$20.01   | 0.15%    | \$24.31    | \$17.30   | \$18.39  | 170,480           |

| LPG/LNG                | Ticker | 5/22/2015 | 5/15/2015 | Change % | 52 wk high | 52 wk low | 1/2/2015 | 3-Month Avg. Vol. |
|------------------------|--------|-----------|-----------|----------|------------|-----------|----------|-------------------|
| Dynagas LNG Partners   | DLNG   | \$20.01   | \$20.24   | -1.14%   | \$25.27    | \$14.00   | \$17.23  | 86,088            |
| GasLog Ltd             | GLOG   | \$21.00   | \$21.54   | -2.51%   | \$31.89    | \$15.95   | \$20.08  | 580,774           |
| Gaslog Partners        | GLOP   | \$26.49   | \$26.43   | 0.23%    | \$36.91    | \$22.38   | \$26.41  | 79,835            |
| Golar LNG Ltd          | GLNG   | \$49.46   | \$48.30   | 2.40%    | \$72.50    | \$28.36   | \$35.71  | 1,721,393         |
| Golar LNG Partners LP  | GMLP   | \$28.43   | \$27.98   | 1.61%    | \$39.00    | \$24.35   | \$31.93  | 207,189           |
| Hoegh LNG Partners     | HMLP   | \$21.51   | \$21.10   | 1.94%    | \$25.89    | \$16.64   | \$20.48  | 24,981            |
| Navigator Gas          | NVGS   | \$20.56   | \$21.64   | -4.99%   | \$31.50    | \$15.26   | \$20.19  | 239,929           |
| StealthGas Inc         | GASS   | \$6.57    | \$6.70    | -1.94%   | \$11.59    | \$5.28    | \$6.33   | 85,644            |
| Teekay LNG Partners LP | TGP    | \$35.80   | \$36.75   | -2.59%   | \$47.19    | \$34.52   | \$42.91  | 270,305           |

| MIXED FLEET                    | Ticker | 5/22/2015 | 5/15/2015 | Change % | 52 wk high | 52 wk low | 1/2/2015 | 3-Month Avg. Vol. |
|--------------------------------|--------|-----------|-----------|----------|------------|-----------|----------|-------------------|
| Euroseas Ltd                   | ESEA   | \$0.75    | \$0.77    | -2.60%   | \$1.23     | \$0.71    | \$0.75   | 22,985            |
| Ship Finance International Ltd | SFL    | \$16.02   | \$15.70   | 2.04%    | \$19.82    | \$13.11   | \$14.67  | 543,187           |
| Teekay Corp                    | TK     | \$46.85   | \$47.58   | -1.53%   | \$67.12    | \$42.20   | \$50.05  | 446,972           |

| MLPs                      | Ticker | 5/22/2015 | 5/15/2015 | Change % | 52 wk high | 52 wk low | 1/2/2015 | 3-Month Avg. Vol. |
|---------------------------|--------|-----------|-----------|----------|------------|-----------|----------|-------------------|
| Capital Product Partners  | CPLP   | \$8.94    | \$9.00    | -0.67%   | \$11.56    | \$6.79    | \$7.97   | 627,538           |
| Dynagas LNG Partners      | DLNG   | \$20.01   | \$20.24   | -1.14%   | \$25.27    | \$14.00   | \$17.23  | 86,088            |
| GasLog Partners           | GLOP   | \$26.49   | \$26.43   | 0.23%    | \$36.91    | \$22.38   | \$26.41  | 79,835            |
| Golar LNG Partners LP     | GMLP   | \$28.43   | \$27.98   | 1.61%    | \$39.00    | \$24.35   | \$31.93  | 207,189           |
| Hoegh LNG Partners        | HMLP   | \$21.51   | \$21.10   | 1.94%    | \$25.89    | \$16.64   | \$20.48  | 24,981            |
| Knot Offshore Partners    | KNOP   | \$25.69   | \$24.16   | 6.33%    | \$29.89    | \$19.20   | \$23.21  | 41,473            |
| Navios Maritime Midstream | NAP    | \$16.78   | \$17.52   | -4.21%   | \$17.61    | \$11.50   | \$13.39  | 58,464            |
| Navios Partners           | NMM    | \$10.87   | \$10.98   | -1.00%   | \$20.40    | \$9.67    | \$11.01  | 776,140           |
| Teekay Offshore           | TOO    | \$23.81   | \$22.51   | 5.78%    | \$37.03    | \$19.99   | \$26.00  | 237,039           |
| Teekay LNG                | TGP    | \$35.80   | \$36.75   | -2.59%   | \$47.19    | \$34.52   | \$42.91  | 270,305           |

| OFFSHORE DRILL RIGS       | Ticker | 5/22/2015 | 5/15/2015 | Change % | 52 wk high | 52 wk low | 1/2/2015 | 3-Month Avg. Vol. |
|---------------------------|--------|-----------|-----------|----------|------------|-----------|----------|-------------------|
| Atwood Oceanics           | ATW    | \$33.56   | \$33.55   | 0.03%    | \$53.79    | \$26.76   | \$28.67  | 2,013,975         |
| Diamond Offshore Drilling | DO     | \$32.53   | \$33.12   | -1.78%   | \$49.51    | \$26.49   | \$37.23  | 1,966,638         |
| Ensco International       | ESV    | \$25.08   | \$25.80   | -2.79%   | \$55.62    | \$20.38   | \$30.17  | 6,160,783         |
| Hercules Offshore         | HERO   | \$0.70    | \$0.97    | -27.45%  | \$4.99     | \$0.37    | \$1.03   | 4,504,946         |
| Noble Corp.               | NE     | \$17.68   | \$17.10   | 3.39%    | \$30.03    | \$13.55   | \$16.84  | 8,042,966         |
| Ocean Rig UDW Inc         | ORIG   | \$8.68    | \$8.89    | -2.36%   | \$19.87    | \$5.99    | \$9.42   | 872,057           |
| Pacific Drilling          | PACD   | \$4.20    | \$4.30    | -2.33%   | \$10.48    | \$3.20    | \$4.71   | 814,487           |
| Rowan Companies           | RDC    | \$23.49   | \$23.29   | 0.86%    | \$32.65    | \$17.41   | \$23.72  | 3,398,101         |
| Seadrill Ltd.             | SDRL   | \$13.32   | \$13.82   | -3.62%   | \$40.37    | \$8.97    | \$12.01  | 12,818,006        |
| Transocean                | RIG    | \$20.15   | \$20.79   | -3.08%   | \$46.00    | \$13.60   | \$18.12  | 12,416,158        |
| Vantage Drilling Company  | VTG    | \$0.37    | \$0.42    | -11.90%  | \$1.98     | \$0.30    | \$0.49   | 1,943,659         |



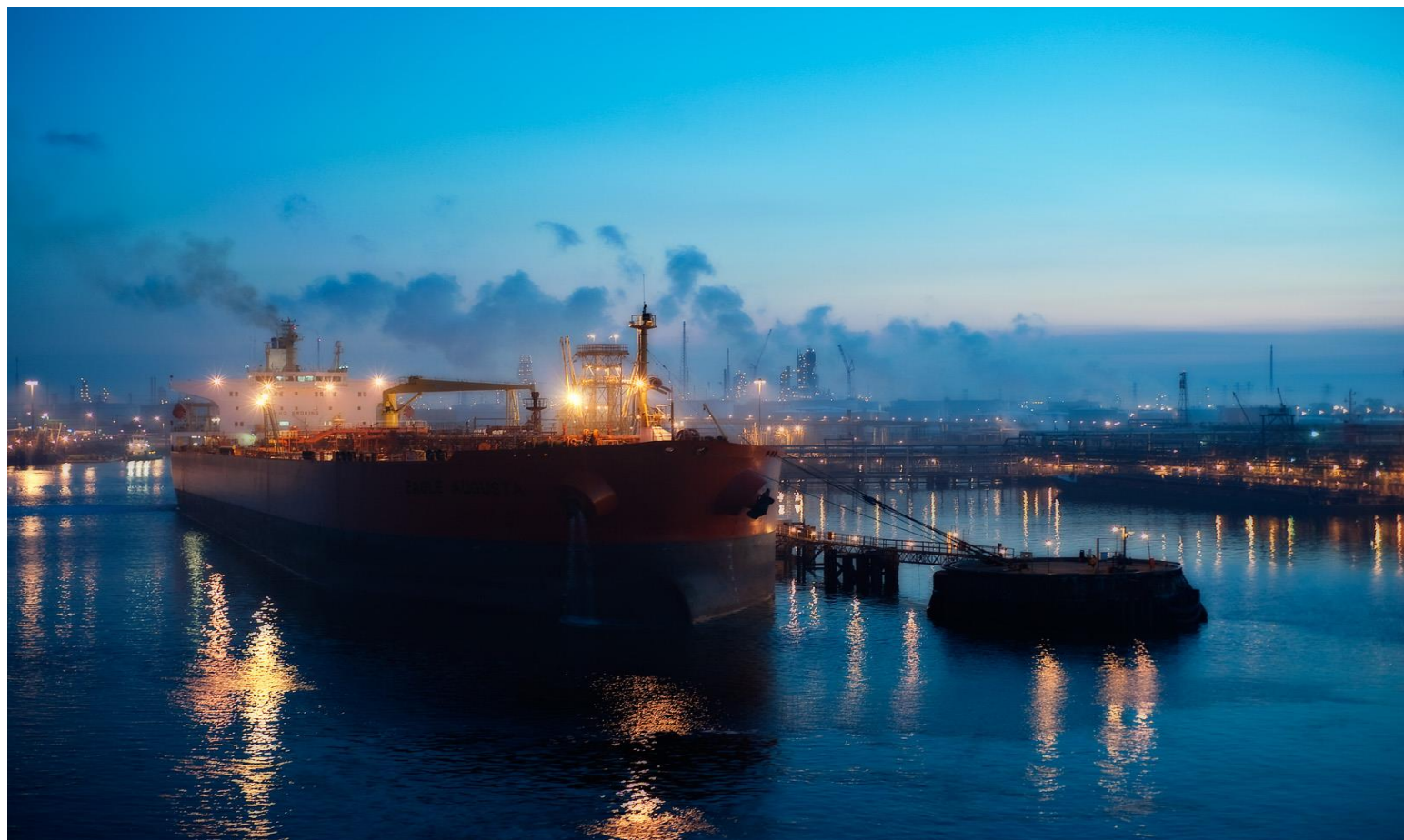
# Capital Link Shipping Weekly Markets Report



Tuesday, May 26, 2015 (Week 21)

| Oslo-Listed Shipping Comps<br>(currency in NOK) | Ticker | 5/22/2015 | 5/15/2015 | Change % | 52 wk<br>high | 52 wk<br>low | 1/2/2015 | 3-Month<br>Avg. Vol. |
|---|--------|-----------|-----------|----------|---------------|--------------|----------|----------------------|
| Goldean Ocean                                   | GOGL   | \$35.59   | \$36.78   | -3.24%   | \$44.80       | \$34.33      | N/A      | N/A                  |
| Stolt-Nielsen Ltd.                              | SNI    | \$136.00  | \$138.50  | -1.81%   | \$169.50      | \$106.50     | \$124.50 | 43,166               |
| Frontline Ltd.                                  | FRO    | \$22.20   | \$19.20   | 15.63%   | \$33.20       | \$7.74       | \$19.40  | 1,188,822            |
| Jinhui Shpg. & Trans                            | JIN    | \$12.65   | \$12.90   | -1.94%   | \$22.10       | \$11.30      | \$12.50  | 63,491               |
| Odfjell (Common A Share)                        | ODF    | \$23.10   | \$26.30   | -12.17%  | \$31.00       | \$18.60      | \$31.00  | 43,883               |
| Odfjell (Common B Share)                        | ODFB   | \$23.00   | \$24.70   | -6.88%   | \$28.70       | \$17.80      | \$27.50  | 10,110               |
| American Shipping Co.                           | AMSC   | \$35.80   | \$33.22   | 7.75%    | \$48.91       | \$27.60      | \$35.65  | 47,184               |
| Hoegh LNG                                       | HLNG   | \$106.50  | \$100.00  | 6.50%    | \$108.50      | \$61.75      | \$84.75  | 75,131               |
| I.M. Skaugen                                    | IMSK   | \$2.25    | \$2.62    | -14.12%  | \$8.80        | \$2.25       | \$4.68   | 77,960               |
| Western Bulk                                    | WBULK  | \$4.04    | \$3.90    | 3.59%    | \$11.90       | \$3.82       | \$4.51   | 61,476               |

| OFFSHORE SUPPLY          | Ticker | 5/22/2015 | 5/15/2015 | Change % | 52 wk<br>high | 52 wk<br>low | 1/2/2015 | 3-Month<br>Avg. Vol. |
|--------------------------|--------|-----------|-----------|----------|---------------|--------------|----------|----------------------|
| Gulfmark Offshore        | GLF    | \$14.40   | \$14.79   | -2.64%   | \$46.73       | \$13.04      | \$24.80  | 649,853              |
| Hornback Offshore        | HOS    | \$22.93   | \$22.70   | 1.01%    | \$46.92       | \$18.61      | \$24.77  | 1,098,879            |
| Nordic American Offshore | NAO    | \$9.11    | \$8.90    | 2.36%    | \$20.40       | \$8.01       | \$12.51  | 154,472              |
| Tidewater                | TDW    | \$27.63   | \$28.68   | -3.66%   | \$56.40       | \$19.14      | \$32.33  | 1,620,004            |
| Seacor Holdings          | CKH    | \$71.99   | \$73.18   | -1.63%   | \$83.39       | \$68.02      | \$74.10  | 161,262              |





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

#### SHIPPING EQUITIES OUTPERFORM THE BROADER MARKET

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 0.98%, compared to the S&P 500 growing 0.16%, Nasdaq increasing 0.81%, and Dow Jones Industrial Average (DJII) declining 0.22%.

Tanker stocks were the best performers during last week, with Capital Link Tanker Index rising 3.29%, followed by Capital Link LNG/LPG Index increasing 1.18%. Mixed Fleet equities were the least performer during last week, with Capital Link Mixed Fleet Index declining 3.82%.

During last week, dry bulk shipping stocks outperformed the physical market, with Baltic Dry Index (BDI) declining 7.57%, compared to the Capital Link Dry Bulk Index decreasing 1.65%.

During last week, Baltic Dirty Tanker Index (BDTI) grew 8.69%, and Baltic Clean Tanker Index (BCTI) increased 1.87%, compared to Capital Link Tanker Index rising 3.29%.

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 2, 2005, thereby providing investors with 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 or [www.MaritimeIndices.com](http://www.MaritimeIndices.com). They can also be found through the Bloomberg page "CPLI" and Reuters.

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# Capital Link Shipping Weekly Markets Report



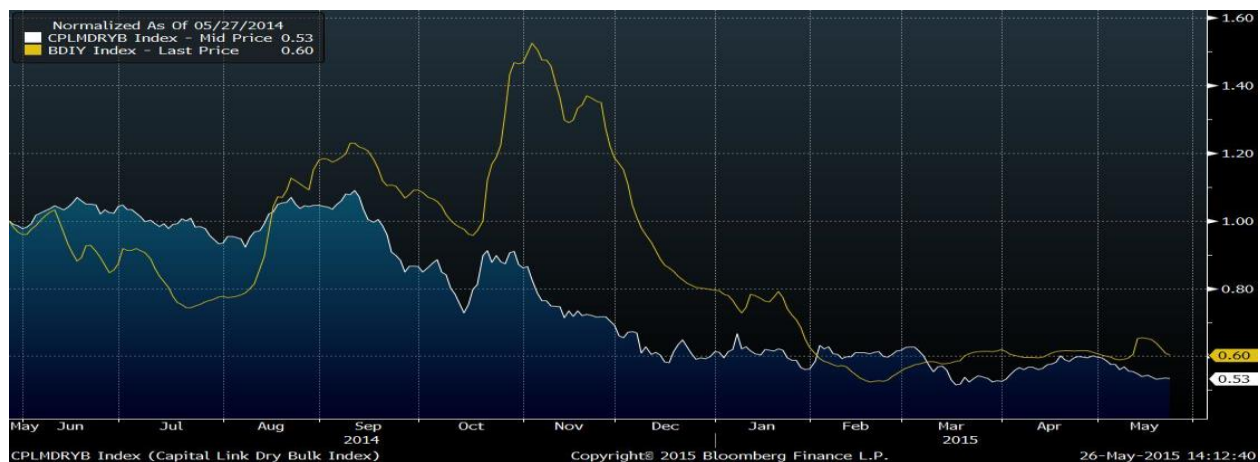
Tuesday, May 26, 2015 (Week 21)

CAPITAL MARKETS DATA

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



\*Teekay Corp was removed from the Capital Link Tanker Index on Aug 28, 2014.



\*SOURCE: BLOOMBERG



# Capital Link Shipping Weekly Markets Report



Tuesday, May 26, 2015 (Week 21)

## SHIPPING MARKETS



### Custom Statistics Prepared Weekly for Capital Link Shipping

#### BROAD MARKET

Percent Change of Major Indexes for the Week Ending Friday, May 22, 2015

| Name                               | Symbol | Close    | Net Gain | Percent Gain |
|------------------------------------|--------|----------|----------|--------------|
| Nasdaq Composite Index             | COMPX  | 5089.36  | 41.07    | 0.81%        |
| Nasdaq-100 Index                   | NDX    | 4527.16  | 32.87    | 0.73%        |
| Russell 2000 Index                 | RUT    | 1252.2   | 8.25     | 0.66%        |
| Russell 3000 Index                 | RUA    | 1270.03  | 3.01     | 0.24%        |
| Russell 1000 Index                 | RUI    | 1187.13  | 2.40     | 0.20%        |
| S&P 500 Index                      | SPX    | 2126.06  | 3.33     | 0.16%        |
| Dow Jones Industrial Average Index | INDU   | 18232.02 | -40.54   | -0.22%       |
| Dow Jones Transportation Index     | TRAN   | 8482.31  | -198.47  | -2.29%       |

#### SHIPPING INDUSTRY DATA (43 Companies)

##### Moving Averages

- 54.76% closed > 10D Moving Average.
- 59.52% closed > 50D Moving Average.
- 71.43% closed > 100D Moving Average.
- 50.00% 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 |
| GLNG   | 49.46 | 2.40%           | 48.17%          | FREE   | 0.08  | -27.27%         | -86.70%         |
| TNK  | 7.25  | 10.86%          | 35.15%          | PRGN   | 0.81  | 15.71%          | -44.52%         |
| TNP  | 9.9   | 4.87%           | 35.18%          | SBLK   | 3.19  | -8.33%          | -5.34%          |
| NAT  | 13    | 4.42%           | 29.34%          | NM   | 3.56  | -2.73%          | -13.22%         |
| FRO  | 2.99  | 6.79%           | 19.60%          | GLBS   | 1.43  | 3.62%           | -5.30%          |
| DHT  | 8.09  | 1.12%           | 23.56%          | SHIP   | 0.72  | 1.41%           | -8.86%          |
| KNOP   | 25.69 | 6.33%           | 20.29%          | TGP  | 35.8  | -2.59%          | 1.30%           |
| DLNG   | 20.01 | -1.14%          | 4.00%           | BALT   | 1.52  | 1.33%           | 5.56%           |
| ASC  | 12.46 | -0.56%          | 21.52%          | DRYS   | 0.81  | 3.85%           | -6.90%          |
| DCIX   | 2.48  | 1.76%           | -1.47%          | ESEA   | 0.75  | -2.60%          | 2.74%           |
| *Momentum: 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 then sort all names that have a negative value in ascending order and report the top 10. |       |                 |                 |

| Top Consecutive Higher Closes |       |           | Top Consecutive Lower Closes |       |           |
|-------------------------------|-------|-----------|------------------------------|-------|-----------|
| Symbol                        | Close | Up Streak | Symbol                       | Close | Up Streak |
| NAT                           | 13    | 4         | ASC                          | 12.46 | -2        |
| DHT                           | 8.09  | 4         | GLBS                         | 1.43  | -2        |
| BALT                          | 1.52  | 3         | NVGS                         | 20.56 | -2        |
| TNK                           | 7.25  | 3         | NNA                          | 3.65  | -3        |
| FRO                           | 2.99  | 3         |                              |       |           |
| DRYS                          | 0.81  | 3         |                              |       |           |
| CMRE                          | 19.98 | 3         |                              |       |           |
| STNG                          | 9.38  | 3         |                              |       |           |
| TNP                           | 9.9   | 2         |                              |       |           |
| TGP                           | 35.8  | 2         |                              |       |           |



# Capital Link Shipping Weekly Markets Report



Tuesday, May 26, 2015 (Week 21)

## SHIPPING MARKETS

| Top Largest Weekly Trading Gains |                    |             |            |          | Top Largest Weekly Trading Losses |                    |             |            |          |
|----------------------------------|--------------------|-------------|------------|----------|-----------------------------------|--------------------|-------------|------------|----------|
| Symbol                           | Close One Week Ago | Today Close | Net Change | % Change | Symbol                            | Close One Week Ago | Today Close | Net Change | % Change |
| PRGN                             | 0.7                | 0.81        | 0.11       | 15.71%   | FREE                              | 0.11               | 0.08        | -0.03      | -27.27%  |
| TNK                              | 6.54               | 7.25        | 0.71       | 10.86%   | SBLK                              | 3.48               | 3.19        | -0.29      | -8.33%   |
| FRO                              | 2.8                | 2.99        | 0.19       | 6.79%    | NVGS                              | 21.64              | 20.56       | -1.08      | -4.99%   |
| KNOP                             | 24.16              | 25.69       | 1.53       | 6.33%    | DSX                               | 7.23               | 6.89        | -0.34      | -4.70%   |
| TOO                              | 22.51              | 23.81       | 1.30       | 5.78%    | SB                                | 3.71               | 3.54        | -0.17      | -4.58%   |
| TNP                              | 9.44               | 9.9         | 0.46       | 4.87%    | SALT                              | 2.59               | 2.48        | -0.11      | -4.25%   |
| NAT                              | 12.45              | 13          | 0.55       | 4.42%    | TEU                               | 0.95               | 0.91        | -0.04      | -4.21%   |
| EGLE                             | 10                 | 10.41       | 0.41       | 4.10%    | GSL                               | 5.65               | 5.42        | -0.23      | -4.07%   |
| DRYS                             | 0.78               | 0.81        | 0.03       | 3.85%    | MATX                              | 42.92              | 41.67       | -1.25      | -2.91%   |
| GLBS                             | 1.38               | 1.43        | 0.05       | 3.62%    | NM                                | 3.66               | 3.56        | -0.10      | -2.73%   |

| 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) |                     |             |            |          |
|--|---------------------|-------------|------------|----------|---|---------------------|-------------|------------|----------|
| Symbol   | Close One Month Ago | Today Close | Net Change | % Change | Symbol  | Close One Month Ago | Today Close | Net Change | % Change |
| GLNG   | 35.24               | 49.46       | 14.22      | 40.35%   | FREE  | 0.22556             | 0.08        | -0.15      | -64.53%  |
| EGLE   | 8.5                 | 10.41       | 1.91       | 22.47%   | SBLK  | 3.87                | 3.19        | -0.68      | -17.57%  |
| DRYS   | 0.73                | 0.81        | 0.08       | 10.96%   | NMM   | 12.54457            | 10.87       | -1.67      | -13.35%  |
| DSX  | 6.21                | 6.89        | 0.68       | 10.95%   | TGP   | 40.69               | 35.8        | -4.89      | -12.02%  |
| FRO  | 2.71                | 2.99        | 0.28       | 10.33%   | NM  | 3.98                | 3.56        | -0.42      | -10.55%  |
| TNK  | 6.66                | 7.25        | 0.59       | 8.86%    | GLOG  | 22.90338            | 21          | -1.90      | -8.31%   |
| PRGN   | 0.75                | 0.81        | 0.06       | 8.00%    | TEU   | 0.99                | 0.91        | -0.08      | -8.08%   |
| ASC  | 11.61217            | 12.46       | 0.85       | 7.30%    | TOPS  | 1.13                | 1.04        | -0.09      | -7.96%   |
| TNP  | 9.43006             | 9.9         | 0.47       | 4.98%    | SB  | 3.81                | 3.54        | -0.27      | -7.09%   |
| DHT  | 7.72344             | 8.09        | 0.37       | 4.75%    | NNA   | 3.92                | 3.65        | -0.27      | -6.89%   |

| Stocks Nearest to 52-Week Highs |          |         | Stocks Nearest To 52-Week Lows |         |        |
|---------------------------------|----------|---------|--------------------------------|---------|--------|
| Symbol                          | 52W High | % Away  | Symbol                         | 52W Low | % Away |
| DAC                             | 6.55     | -2.44%  | NM                             | 3.45    | 3.14%  |
| MATX                            | 43.84    | -4.95%  | SBLK                           | 3.05    | 4.59%  |
| KNOP                            | 27.59    | -6.87%  | ESEA                           | 0.70    | 7.14%  |
| GSL                             | 5.89     | -7.98%  | TOPS                           | 0.96    | 8.33%  |
| NNA                             | 4.00     | -8.75%  | TGP                            | 31.84   | 12.43% |
| STNG                            | 10.37    | -9.54%  | SB                             | 3.13    | 13.10% |
| DHT                             | 9.06     | -10.74% | DSX                            | 6.02    | 14.45% |
| SSW                             | 22.99    | -12.81% | TK                             | 40.86   | 14.66% |
| SFL                             | 18.44    | -13.14% | SHIP                           | 0.61    | 18.03% |
| ASC                             | 14.46    | -13.85% | PRGN                           | 0.67    | 20.90% |



# Capital Link Shipping Weekly Markets Report



Tuesday, May 26, 2015 (Week 21)

## SHIPPING MARKETS

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

| Symbol | Close | Net % Change | Run Rate |
|--------|-------|--------------|----------|
| FREE   | 0.08  | -27.27%      | 11.6167  |
| TOPS   | 1.04  | 0.97%        | 1.8150   |
| ASC    | 12.46 | -0.56%       | 1.4796   |
| TNP    | 9.9   | 4.87%        | 1.4270   |
| DSX    | 6.89  | -4.70%       | 1.3881   |
| EGLE   | 10.41 | 4.10%        | 1.3236   |
| SBLK   | 3.19  | -8.33%       | 1.2766   |
| TNK    | 7.25  | 10.86%       | 1.2661   |
| KNOP   | 25.69 | 6.33%        | 1.1227   |
| GSL    | 5.42  | -4.07%       | 1.0715   |

\*The Volume Run Rate is calculated by divided 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.

| Top Year-To-Date Gainers |            | Top Year-To-Date Decliners |               |
|--------------------------|------------|----------------------------|---------------|
| Symbol                   | YTD Gain % | Symbol                     | YTD Decline % |
| TNK                      | 44.64%     | FREE                       | -88.18%       |
| TNP                      | 43.97%     | PRGN                       | -70.11%       |
| GLNG                     | 37.52%     | SBLK                       | -51.37%       |
| NAT                      | 35.78%     | GLBS                       | -40.42%       |
| DCIX                     | 32.24%     | BALT                       | -39.44%       |
| DLNG                     | 27.99%     | EGLE                       | -29.04%       |
| SALT                     | 25.89%     | DRYS                       | -23.58%       |
| MATX                     | 21.77%     | TGP                        | -13.66%       |
| KNOP                     | 20.74%     | SHIP                       | -13.25%       |
| GSL                      | 20.44%     | NM                         | -12.16%       |

The following are the 43 members of this group: **Symbol - Name:** **ASC** – Ardmore Shipping Corp; **BALT** - Baltic Trading Ltd; **CMRE** - Costamare Inc; **CPLP** - Capital Product Partners LP; **DAC** - Danaos Corp; **DCIX** - Diana Containerships Inc.; **DHT** - DHT Maritime Inc; **DLNG** - Dynagas LNG Partners LP; **DRYS** - DryShips Inc; **DSX** - Diana Shipping Inc; **EGLE** - Eagle Bulk Shipping Inc; **ESEA** - Euroseas Ltd; **FREE** - FreeSeas Inc; **FRO** - Frontline Ltd; **GASS** - StealthGas Inc; **GLBS** - Globus Maritime Limited; **GLNG** - Golar LNG Ltd; **GLOG** - GasLog Ltd.; **GMLP** - Golar LNG Partners LP; **GSL** - Global Ship Lease Inc; **KNOP** - KNOT Offshore Partners LP; **MATX** - Matson, Inc.; **NAT** - Nordic American Tanker Shipping; **NM** - Navios Maritime Holdings Inc; **NMM** - Navios Maritime Partners LP; **NNA** - Navios Maritime Acquisition Corp; **NVGS** - Navigator Holdings Ltd.; **PRGN** - Paragon Shipping Inc; **SALT** - Scorpio Bulkers; **SB** - Safe Bulkers Inc; **SBLK** - Star Bulk Carriers Corp; **SFL** - Ship Finance International Ltd; **SHIP** - Seenergy Maritime Holdings Corp; **SSW** - Seaspan Corp; **STNG** - Scorpio Tankers Inc; **TEU** - Box Ships 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; **VLCCF** - Knightsbridge Tankers Ltd;

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# Capital Link Shipping Weekly Markets Report



Tuesday, May 26, 2015 (Week 21)

## SHIPPING MARKETS

### Weekly Market Report

Week Ending May 22, 2015



#### FREIGHT

##### Capesize 4TC Average

Volume: 3,215 lots

| Contract   | Average | Chg   | Open  | Close | Chg   | Low   | High  |
|------------|---------|-------|-------|-------|-------|-------|-------|
| Jun 15     | 5630    | -1724 | 6800  | 5000  | -1800 | 4200  | 6800  |
| Jul 15     | 5984    | -1826 | 6650  | 5900  | -750  | 6250  | 6650  |
| May+Jun 15 | 4675    | -1925 | 4700  | 4700  | 0     | 7400  | 4700  |
| Q3 15      | 7054    | -1131 | 7800  | 7000  | -800  | 10500 | 8000  |
| Q4 15      | 10442   | -586  | 10700 | 10250 | -450  | 9600  | 10700 |
| Q3+Q4 15   | 8967    | -1103 | 9300  | 8800  | -500  | 9750  | 9300  |
| CAL 16     | 9807    | -571  | 9900  | 9700  | -200  | 12050 | 9900  |
| CAL 17     | 11950   | -139  | 11950 | 11950 | 0     | 11950 | 11950 |

##### Panamax 4TC Average

Volume: 1,060 lots

| Contract   | Average | Chg  | Open | Close | Chg  | Low  | High |
|------------|---------|------|------|-------|------|------|------|
| Jun 15     | 4792    | -311 | 4900 | 4700  | -200 | 4650 | 4900 |
| May+Jun 15 | 4850    | -85  | 4850 | 4850  | 0    | 4850 | 4850 |
| Q3 15      | 4998    | -361 | 5000 | 5000  | 0    | 4975 | 5050 |
| Q4 15      | 6088    | -344 | 6100 | 6100  | 0    | 6050 | 6100 |
| CAL 16     | 6150    | -346 | 6150 | 6150  | 0    | 6150 | 6150 |
| CAL 17     | 7050    | -180 | 7050 | 7050  | 0    | 7050 | 7050 |

##### Supramax 6TC Average

Volume: 30 lots

| Contract | Average | Chg | Open | Close | Chg | Low  | High |
|----------|---------|-----|------|-------|-----|------|------|
| Jun 15   | 6400    | na  | 6400 | 6400  | 0   | 6400 | 6400 |
| Q4 15    | 7250    | na  | 7250 | 7250  | 0   | 7250 | 7250 |

#### IRON ORE

##### TSI Iron Ore 62% Fines

Volume: 3,246,000 mt

| Contract | Average | Chg   | Open  | Close | Chg   | Low   | High  |
|----------|---------|-------|-------|-------|-------|-------|-------|
| Jun 15   | 54.99   | -1.34 | 56.5  | 56.00 | -0.50 | 53.00 | 57.00 |
| Jul 15   | 54.01   | -3.19 | 55.5  | 54.00 | -1.50 | 53.00 | 55.50 |
| Q3 15    | 53.21   | -1.67 | 54.5  | 53.50 | -1.00 | 51.75 | 54.50 |
| Q4 15    | 51.36   | -1.85 | 52.8  | 52.50 | -0.30 | 50.00 | 52.80 |
| CAL 16   | 48.75   | -3.41 | 48.00 | 49.50 | 1.50  | 48.00 | 49.50 |



# Capital Link Shipping Weekly Markets Report



Tuesday, May 26, 2015 (Week 21)

## SHIPPING MARKETS

### Weekly Market Report

Week Ending May 22, 2015



#### FERTILIZER

##### Urea Nola

Volume: 33 lots

| Contract |    | Average | Chg   | Open   | Close  | Chg   | Low    | High   |
|----------|----|---------|-------|--------|--------|-------|--------|--------|
| Jun      | 15 | 318.50  | -0.10 | 320.00 | 317.00 | -3.00 | 317.00 | 320.00 |
| Jul      | 15 | 300.11  | 4.61  | 304.00 | 304.00 | 0.00  | 290.00 | 305.00 |

##### DAP Nola

Volume: 3 mt

| Contract |    |        | Chg  | Open   | Close  | Chg  | Low    | High   |
|----------|----|--------|------|--------|--------|------|--------|--------|
| Sept     | 15 | 426.00 | 1.00 | 426.00 | 426.00 | 0.00 | 426.00 | 426.00 |

#### BUNKER FUEL

##### Singapore 180cst

Volume: 6,000 mt

| Contract |    |        | Chg    | Open   | Close  | Chg   | Low    | High   |
|----------|----|--------|--------|--------|--------|-------|--------|--------|
| Q3       | 15 | 369.13 | -10.13 | 370.25 | 368.00 | -2.25 | 368.00 | 370.25 |

##### Singapore 380cst

Volume: 20,858 mt

| Contract |    |        | Chg    | Open   | Close  | Chg  | Low    | High   |
|----------|----|--------|--------|--------|--------|------|--------|--------|
| Jun      | 15 | 374.88 | -6.53  | 377.50 | 378.00 | 0.50 | 363.25 | 378.00 |
| Jul      | 15 | 363.05 | -10.23 | 357.00 | 363.25 | 6.25 | 357.00 | 365.75 |
| Q3       | 15 | 361.83 | -6.17  | 361.00 | 363.50 | 2.50 | 361.00 | 363.50 |

##### Rotterdam 3.5%

Volume: 9,213 lots

| Contract |    | Average | Chg    | Open   | Close | Chg   | Low   | High   |
|----------|----|---------|--------|--------|-------|-------|-------|--------|
| Jun      | 15 | 333.94  | -15.13 | 338.75 | 333.5 | -5.25 | 330.5 | 338.75 |
| Jul      | 15 | 329.3   | na     | 330.75 | 329   | -1.75 | 329   | 330.75 |



# Capital Link Shipping Weekly Markets Report



Tuesday, May 26, 2015 (Week 21)

## SHIPPING MARKETS

### First Watch: Stifel Shipping Weekly

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

**STIFEL  
NICOLAUS**

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| <i>Rates in \$/Day</i><br><b>Vessel Category</b> | <b>Weekly<br/>Trend</b> | <b>5/22/2015</b> | <b>5/15/2015</b> | <b>% Change</b> | <b>2015 YTD</b> |
|--|-------------------------|------------------|------------------|-----------------|-----------------|
| <i>Crude Tanker</i>                              |                         |                  |                  |                 |                 |
| VLCC   | ↓                       | \$68,700         | \$72,394         | (5.1%)          | \$52,814        |
| Suezmax  | ↑                       | \$56,939         | \$51,479         | 10.6%           | \$47,629        |
| Aframax  | ↑                       | \$45,039         | \$29,155         | 54.5%           | \$38,689        |
| <i>Product Tankers</i>                           |                         |                  |                  |                 |                 |
| Long Range                                       | ↑                       | \$24,483         | \$22,411         | 9.2%            | \$27,859        |
| Medium Range                                     | ↑                       | \$22,675         | \$21,074         | 7.6%            | \$21,299        |
| <i>Dry Bulk</i>                                  |                         |                  |                  |                 |                 |
| Capesize   | ↓                       | \$6,510          | \$8,289          | (21.5%)         | \$5,778         |
| Panamax  | ↓                       | \$6,330          | \$6,572          | (3.7%)          | \$6,502         |
| Supramax   | ↑                       | \$5,635          | \$5,566          | 1.2%            | \$6,544         |
| <i>Containers*</i>                               |                         |                  |                  |                 |                 |
| Panamax-4400 TEU                                 | ↔                       | \$14,750         | \$14,750         | 0.0%            | \$13,750        |
| Sub-Panamax-2750 TEU                             | ↔                       | \$13,500         | \$13,500         | 0.0%            | \$9,520         |
| Handy-2000 TEU                                   | ↔                       | \$9,500          | \$9,500          | 0.0%            | \$7,810         |
| LPG-82,000 cbm                                   | ↑                       | \$98,167         | \$87,667         | 12.0%           | \$78,083        |
| LNG-138,000 cbm                                  | ↑                       | \$30,000         | \$29,000         | 3.4%            | \$41,575        |

\*Monthly data was used

Source: Clarkson Research & Astrup Fearnley

Very Large Gas Carriers rates have performed well over the past few months with spot rates having reached their highest levels in 2015 this week at over \$108,000 a day. Thus far in 2015, VLGC rates are up 47% at \$86,000 per day compared to the first five months of 2014 of about \$59,000 a day, which was very respectable at the time. While VLGCs have certainly been the primary beneficiary, all classes with the exception of the smallest LPG ship types are on pace for record years. Strong demand for LPG gas carriers can be largely attributed to the rise of increasing exports from the U.S. Gulf Coast which reached a new record high of 538,000 bpd in January 2015; exports have since retraced to 470,000 bpd but are still up 50% compared to May 2014. These levels are expected to increase dramatically with U.S. LPG export capacity projected to grow from about 15 million tons in 2014 to over 30 million tons in 2016. Most of this LPG is expected to be shipped to the Far East, specifically China which started up three new PDH plants in 2014, using an estimated 1.8 million tons of propane and which is planning to finish construction on two additional PDH plants in both 2015 and 2016. The total estimated propane needed to operate these facilities should be about 2 million tons in 2015 and 3.1 million tons in 2016. Most of the propane being imported is expected to come from either the U.S. or the Middle East. India is another major player in Asia and is expected to increase its imports of LPG by 11% to 8.9 million tons in FY 2015. While supply of ships and port infrastructure at offloading facilities remains a concern, despite freight rates being well ahead of last year's levels, LPG shipping equities are down over 5% relative to the same period in 2014.



# Capital Link Shipping Weekly Markets Report



Tuesday, May 26, 2015 (Week 21)

## SHIPPING MARKETS

### Global Shipping Fleet & Orderbook Statistics

| Cargo      | Category     | Fleet<br>Size (DWT) | Orderbook<br>(DWT) | OB/Fleet<br>% | Average<br>Age | % Greater<br>than 20 yrs. |
|------------|--------------|---------------------|--------------------|---------------|----------------|---------------------------|
| Crude      | VLCC         | 195,566,206         | 31,678,090         | 16.2%         | 7.7            | 3.0%                      |
|            | Suezmax      | 77,127,920          | 12,436,409         | 16.1%         | 8.1            | 5.2%                      |
|            | Aframax      | 65,302,243          | 6,501,283          | 10.0%         | 8.5            | 5.6%                      |
| Product    | LR2          | 29,103,451          | 7,689,306          | 26.4%         | 6.8            | 2.4%                      |
|            | LR1          | 23,791,088          | 2,670,262          | 11.2%         | 7.0            | 1.7%                      |
|            | MR           | 76,048,242          | 10,827,868         | 14.2%         | 8.2            | 7.0%                      |
|            | Handy        | 5,324,038           | 90,256             | 1.7%          | 16.5           | 49.3%                     |
| Dry Bulk   | Capesize     | 305,500,005         | 59,758,379         | 19.6%         | 6.6            | 10.3%                     |
|            | Panamax      | 194,503,971         | 30,155,144         | 15.5%         | 7.5            | 9.0%                      |
|            | Supramax     | 170,799,313         | 42,283,428         | 24.8%         | 7.2            | 8.3%                      |
|            | Handymax     | 88,773,777          | 15,217,778         | 17.1%         | 10.0           | 17.6%                     |
|            |              | (TEU)               | (TEU)              |               |                |                           |
| Containers | Post Panamax | 11,181,218          | 4,766,690          | 28.4%         | 5.7            | 0.9%                      |
|            | Panamax      | 3,585,623           | 188,831            | 0.4%          | 8.2            | 6.5%                      |
|            | Handy-Feeder | 3,342,521           | 274,982            | 9.3%          | 10.0           | 11.9%                     |
|            |              | (CBM)               | (CBM)              |               |                |                           |
| Gas        | LPG          | 23,013,878          | 10,332,047         | 44.9%         | 14.1           | 22.4%                     |
|            | LNG          | 58,677,762          | 23,674,360         | 40.3%         | 9.8            | 12.3%                     |

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



# Capital Link Shipping Weekly Markets Report



Tuesday, May 26, 2015 (Week 21)

## SHIPPING MARKETS

### Weekly Market Report

#### Market Analysis

Thermal coal is one of the dry commodities that has taken a strong "beating" lately, plagued by an increasing amount of strict environmental policies on a global scale and a rapid drop in prices of competing fuels, in effect seeing its seaborne trade sag ever since mid-2013. The main country which has influenced this drop in demand has been China, which has taken a strict approach on curbing its consumption, in an effort to overturn the level of air pollution in its major cities. Yet as things looked to be in their most dire, we have started to see a new giant emerge amongst the major thermal coal imports. India has rapidly taken up the role of bringing up the market, wishing to take advantage of this excess supply that has become available in the market and at the same time feeding its growth needs with this relatively cheap energy source.

As things stand now, India is set to see an 11% increase in its imports, rising from 180 million tonnes in 2014 up to a forecast of around 200 million tonnes for 2015 according to statements by consultancy group Venerable Energy Solutions. Things look even more optimistic as expectations are now for a rise in India's imports of thermal coal of up to 250 million tonnes within the next 3-4 years based on the current domestic supply situation as well as its growing consumption levels. This is an equivalent of an increase of around 39% from its 2014 levels, something which would not only make it the world's largest importer of thermal coal but a main driver in demand for thermal coal's seaborne trade. This is not even the most bullish of estimations being thrown around in the market, with commodities trader Glencore having put a forecast for India's thermal coal imports to rise up to 300m tonnes by 2020. While some may see these as fairly optimistic forecasts, especially as rumours circulate of an enhanced availability of domestically sourced coal and a gradual cutting back of India's reliance on thermal coal as well, there might be some truth in the more imminent market prospects as its demand will certainly dictate a strong growth rate up until 2017.

At the other end of the spectrum you have China, a country which has already cut back on in its imports since 2013, making an immediate effect with its absence which was especially well noted via dry bulk freight rate conditions in the Pacific basin. This trend has shown to continue at an equal magnitude this year, with Chinese imports already set to close at an annual decline of over 23% (or equivalent to 52 million tonnes from the 229 million tonnes imported in 2014 according to the International Energy Agency). This still leaves a market wanting, as the math still indicates to a combined import volume that is notably weaker than that of 2014. At the same time, and although India's demand is set to strengthen, China's demand for thermal coal imports is expected to continue its sharp drop over the coming years, leaving the market with an ever increasing gap to fill.

In conclusion, the positive side to see is that China's retreat on some of the major trading dry bulk commodities is already starting to be countered by the new and upcoming behemoths of economic growth. On the negative side, the transition is not happening nearly as fast as would be needed to keep the freight market buoyant and although new trade matrices might benefit the overall tonne-mile demand, all indications continue to point to a slower pace in growth in demand for these major dry bulk commodities.

Contributed by

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#### Dry Bulk Freight Market

|      |        | W-O-W change |        |        |
|------|--------|--------------|--------|--------|
|      | 22 May |              | ±Δ     | ±%     |
| BDI  | 586    |              | ▼ -48  | -7.6%  |
| BCI  | 816    |              | ▼ -138 | -14.5% |
| BPI  | 549    |              | ▼ -30  | -5.2%  |
| BSI  | 627    |              | ▼ -1   | -0.2%  |
| BHSI | 327    |              | ► 0    | 0.0%   |

#### Tanker Freight Market

|      |        | W-O-W change |      |      |
|------|--------|--------------|------|------|
|      | 22 May |              | ±Δ   | ±%   |
| BDTI | 901    |              | ▲ 72 | 8.7% |
| BCTI | 655    |              | ▲ 12 | 1.9% |

#### Newbuilding Market

|         |        | M-O-M change |      |       |
|---------|--------|--------------|------|-------|
|         | 22 May |              | ±Δ   | ±%    |
| Bulkers | 83     |              | ▼ -2 | -2.4% |
| Cont    | 104    |              | ► 0  | 0.0%  |
| Tankers | 103    |              | ▼ 0  | -0.5% |
| Gas     | 100    |              | ▼ 0  | -0.2% |

#### Secondhand Market

|           |        | M-O-M change |      |       |
|-----------|--------|--------------|------|-------|
|           | 22 May |              | ±Δ   | ±%    |
| Capesize  | 52     |              | ▼ -3 | -5.4% |
| Panamax   | 48     |              | ▼ -2 | -3.2% |
| Supramax  | 55     |              | ▼ -1 | -1.6% |
| Handysize | 61     |              | ► 0  | 0.0%  |
| VLCC      | 102    |              | ▼ 0  | -0.3% |
| Suezmax   | 96     |              | ▼ 0  | -0.2% |
| Aframax   | 116    |              | ► 0  | 0.0%  |
| MR        | 116    |              | ▲ 0  | 0.3%  |

#### Demolition Market

|     |        | W-O-W change |      |       |
|-----|--------|--------------|------|-------|
|     | 22 May |              | ±Δ   | ±%    |
| Dry | 310    |              | ▼ -2 | -0.6% |
| Wet | 331    |              | ▼ -2 | -0.6% |



# Capital Link Shipping Weekly Markets Report



Tuesday, May 26, 2015 (Week 21)

## SHIPPING MARKETS

### Dry Bulkers – Spot Market

**Capesize** - It seems that the market was up for a fall equally as quick as its previous week's rise. The correction was notable during the past week, despite activity levels holding fairly especially in the Pacific basin. IT looks as though things now may be for some difficulties moving into the weeks ahead, and with June fixing looking likely to show a slightly softer face than previously anticipated, we may well be in for another "soft" month.

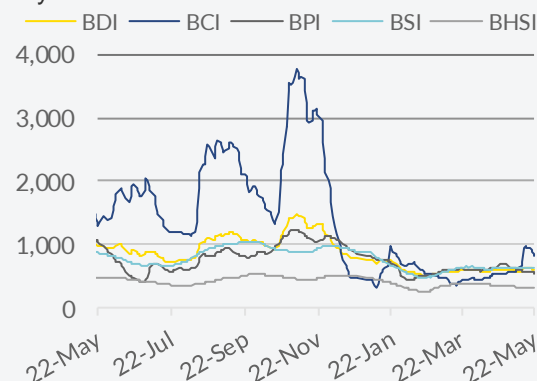
**Panamax** - Another week of fairly flat conditions in the Atlantic while it looks things may have slowed down further. The Pacific was still holding off better with activity showing some signs of life and allowing rates in the area to inch a bit higher. It is still clear however that it will be hard to see any further improvement without the support of the Atlantic basin and as things stand now it seems that difficulties will still be faced over the coming days.

**Supramax** - With the Atlantic still facing difficulties here as well the overall trend was slightly negative this week. There was a ramp up of pace in the Pacific round voyages, helping boost rates there, while position lists also helped preserve some of the previous gains made.

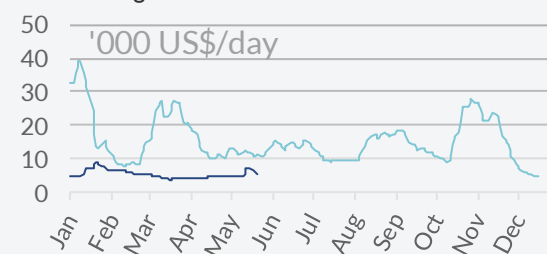
**Handysize** - Yet another week with no clear direction for the Handies, with limited gains being seen on some of the major Pacific routes, while the Atlantic felt a touch softer especially on the S. America/Continent routes.

| Spot market rates & indices |          |          |        | Average  |          |
|-----------------------------|----------|----------|--------|----------|----------|
|                             | 22 May   | 15 May   | ±%     | 2015     | 2014     |
| <b>Baltic Dry Index</b>     |          |          |        |          |          |
| BDI                         | 586      | 634      | -7.6%  | 607      | 1,104    |
| <b>Capesize</b>             |          |          |        |          |          |
| BCI                         | 816      | 954      | -14.5% | 577      | 1,961    |
| BCI/STC                     | \$5,458  | \$6,946  | -21.4% | \$5,391  | \$15,278 |
| ATLANTIC RV                 | \$4,365  | \$7,000  | -37.6% | \$5,865  | \$14,130 |
| Cont / FEast                | \$12,080 | \$14,040 | -14.0% | \$13,287 | \$32,135 |
| PACIFIC RV                  | \$5,441  | \$6,695  | -18.7% | \$4,667  | \$14,319 |
| FEast / ECSA                | \$6,441  | \$7,445  | -13.5% | \$5,936  | \$13,932 |
| <b>Panamax</b>              |          |          |        |          |          |
| BPI                         | 549      | 579      | -5.2%  | 607      | 964      |
| BPI - TCA                   | \$4,391  | \$4,630  | -5.2%  | \$4,850  | \$7,714  |
| ATLANTIC RV                 | \$4,150  | \$4,853  | -14.5% | \$4,833  | \$6,861  |
| Cont / FEast                | \$8,295  | \$8,723  | -4.9%  | \$9,739  | \$15,315 |
| PACIFIC RV                  | \$4,798  | \$4,634  | 3.5%   | \$4,483  | \$7,844  |
| FEast / Cont                | \$320    | \$310    | 3.2%   | \$344    | \$835    |
| <b>Supramax</b>             |          |          |        |          |          |
| BSI                         | 627      | 628      | -0.2%  | 618      | 939      |
| BSI - TCA                   | \$6,559  | \$6,566  | -0.1%  | \$6,463  | \$9,816  |
| Cont / FEast                | \$9,017  | \$9,217  | -2.2%  | \$8,877  | \$14,974 |
| Med / FEast                 | \$8,025  | \$8,500  | -5.6%  | \$7,414  | \$13,840 |
| PACIFIC RV                  | \$5,867  | \$5,625  | 4.3%   | \$5,894  | \$8,873  |
| FEast / Cont                | \$5,000  | \$4,880  | 2.5%   | \$5,182  | \$6,179  |
| USG / Skaw                  | \$9,605  | \$9,586  | 0.2%   | \$9,864  | \$14,638 |
| Skaw / USG                  | \$4,092  | \$4,217  | -3.0%  | \$3,395  | \$4,971  |
| <b>Handysize</b>            |          |          |        |          |          |
| BHSI                        | 327      | 327      | 0.0%   | 355      | 523      |
| BHSI - TCA                  | \$4,825  | \$4,832  | -0.1%  | \$5,287  | \$7,680  |
| Skaw / Rio                  | \$3,533  | \$3,488  | 1.3%   | \$3,140  | \$5,625  |
| Skaw / Boston               | \$3,637  | \$3,680  | -1.2%  | \$3,273  | \$5,273  |
| Rio / Skaw                  | \$8,163  | \$8,756  | -6.8%  | \$8,088  | \$10,072 |
| USG / Skaw                  | \$6,263  | \$6,325  | -1.0%  | \$7,001  | \$10,743 |
| SEAsia / Aus / Jap          | \$3,664  | \$3,554  | 3.1%   | \$4,521  | \$7,022  |
| PACIFIC RV                  | \$4,836  | \$4,650  | 4.0%   | \$5,875  | \$7,840  |

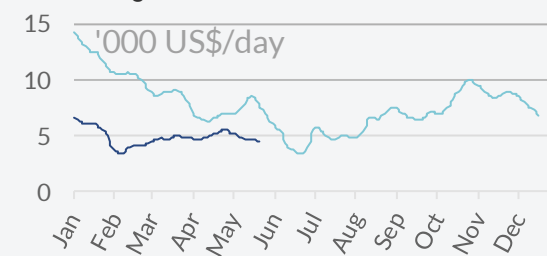
#### Dry Bulk Indices



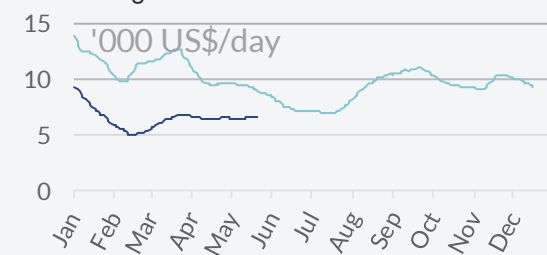
#### BCI Average TCE



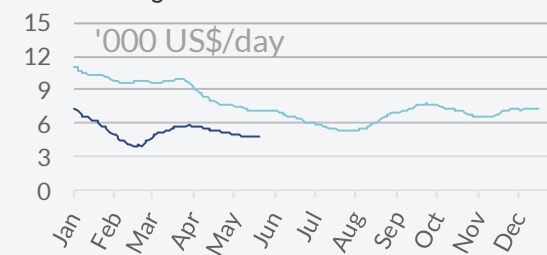
#### BPI Average TCE



#### BSI Average TCE



#### BHSI Average TCE



— 2014 — 2015



# Capital Link Shipping Weekly Markets Report



Tuesday, May 26, 2015 (Week 21)

## SHIPPING MARKETS

### Tankers – Spot Market

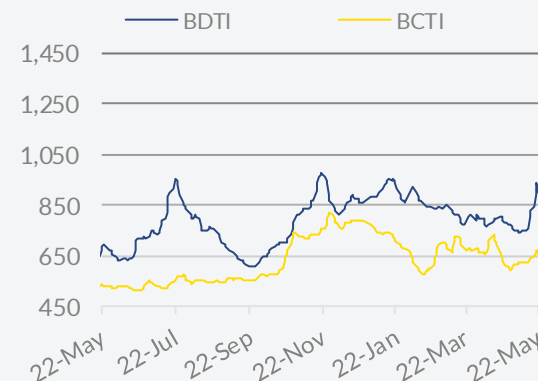
**Crude Oil Carriers** - It seems as though the fast paced fixing that was noted the week prior might have been too much for charterers to handle, seeing the quick rise and deciding as such to hold back slightly in an effort to hold back rates and push for a slight correction. Nevertheless, it looks as though things are still set for further firming over the next couple of weeks as the June program is looking to be a fairly active one. Things were also firming up in the North Sea/Baltic, as activity for ice class units is on the rise, skewing the market through the premiums paid there.

**Oil Products** - The products markets seemed to have kept their momentum this week, seeing further increases in freight rates especially for DPP fixtures. The Black Sea/Med region witnessed one of its most bullish weeks noting a more than 100% gain on intra-Med routes.

#### Spot market rates & indices

| Spot market rates & indices |        |          |          |        | Average  |           |
|-----------------------------|--------|----------|----------|--------|----------|-----------|
|                             |        | 22 May   | 15 May   | ±%     | 2015     | 2014      |
| Baltic Tanker Indices       |        |          |          |        |          |           |
| BDTI                        |        | 901      | 829      | 8.7%   | 836      | 777       |
| BCTI                        |        | 655      | 643      | 1.9%   | 668      | 602       |
| VLCC                        |        |          |          |        |          |           |
| MEG-USG                     | WS     | 46.75    | 47.00    | -0.5%  | 33.47    | 28.24     |
|                             | \$/day | \$44,596 | \$44,251 | 0.8%   | \$23,276 | -\$ 6,110 |
| MEG-SPORE                   | WS     | 75.68    | 79.18    | -4.4%  | 61.50    | 48.36     |
|                             | \$/day | \$70,861 | \$75,112 | -5.7%  | \$55,958 | \$37,314  |
| MEG-JAPAN                   | WS     | 74.00    | 76.82    | -3.7%  | 60.29    | 47.70     |
|                             | \$/day | \$78,343 | \$81,513 | -3.9%  | \$62,718 | \$25,202  |
| WAF-USG                     | WS     | 80.00    | 80.00    | 0.0%   | 70.18    | 57.22     |
|                             | \$/day | \$76,706 | \$76,706 | 0.0%   | \$66,707 | \$32,821  |
| SUEZMAX                     |        |          |          |        |          |           |
| WAF-USAC                    | WS     | 97.50    | 97.50    | 0.0%   | 84.63    | 75.11     |
|                             | \$/day | \$54,793 | \$54,793 | 0.0%   | \$47,022 | \$27,044  |
| BSEA-MED                    | WS     | 114.77   | 104.23   | 10.1%  | 93.63    | 82.23     |
|                             | \$/day | \$59,567 | \$49,736 | 19.8%  | \$48,908 | \$26,364  |
| AFRAMAX                     |        |          |          |        |          |           |
| NSEA-CONT                   | WS     | 141.67   | 104.44   | 35.6%  | 112.37   | 109.50    |
|                             | \$/day | \$54,339 | \$26,499 | 105.1% | \$37,876 | \$23,581  |
| MEG-SPORE                   | WS     | 127.78   | 121.67   | 5.0%   | 110.93   | 107.79    |
|                             | \$/day | \$33,502 | \$30,427 | 10.1%  | \$29,862 | \$16,427  |
| CARIBS-USG                  | WS     | 123.67   | 111.94   | 10.5%  | 146.43   | 127.51    |
|                             | \$/day | \$30,195 | \$24,422 | 23.6%  | \$43,825 | \$24,895  |
| BALTIC-UKC                  | WS     | 111.94   | 80.83    | 38.5%  | 100.53   | 89.14     |
|                             | \$/day | \$49,821 | \$27,978 | 78.1%  | \$49,749 | \$29,167  |
| DPP                         |        |          |          |        |          |           |
| CARIBS-USAC                 | WS     | 125.00   | 125.00   | 0.0%   | 147.95   | 139.78    |
|                             | \$/day | \$23,266 | \$23,266 | 0.0%   | \$32,172 | \$21,213  |
| ARA-USG                     | WS     | 122.25   | 120.75   | 1.2%   | 128.20   | 127.00    |
|                             | \$/day | \$26,710 | \$26,163 | 2.1%   | \$30,600 | \$19,144  |
| SEASIA-AUS                  | WS     | 123.63   | 114.00   | 8.4%   | 104.42   | 96.35     |
|                             | \$/day | \$37,888 | \$32,994 | 14.8%  | \$32,311 | \$17,892  |
| MED-MED                     | WS     | 137.61   | 92.78    | 48.3%  | 114.20   | 104.64    |
|                             | \$/day | \$47,654 | \$22,776 | 109.2% | \$38,911 | \$21,008  |
| CPP                         |        |          |          |        |          |           |
| MEG-JAPAN                   | WS     | 105.50   | 104.22   | 1.2%   | 99.06    | 96.90     |
|                             | \$/day | \$25,553 | \$24,593 | 3.9%   | \$25,268 | \$14,208  |
| CONT-USAC                   | WS     | 160.00   | 160.00   | 0.0%   | 144.19   | 123.74    |
|                             | \$/day | \$21,575 | \$21,005 | 2.7%   | \$20,595 | \$9,516   |
| CARIBS-USAC                 | WS     | 140.00   | 140.00   | 0.0%   | 130.74   | 110.57    |
|                             | \$/day | \$21,508 | \$21,508 | 0.0%   | \$20,269 | \$7,995   |
| USG-CONT                    | WS     | 100.00   | 117.14   | -14.6% | 93.63    | 92.94     |
|                             | \$/day | \$10,694 | \$13,708 | -22.0% | \$10,591 | \$3,442   |

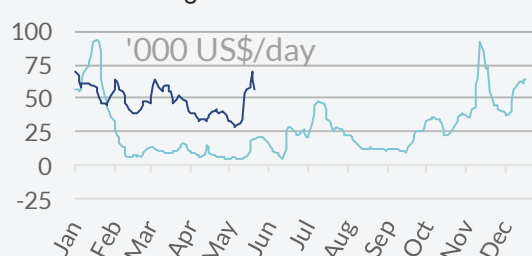
#### Tanker Indices



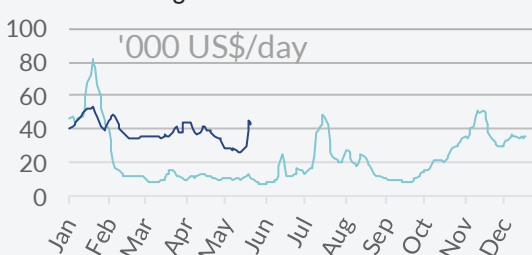
#### VLCC Average TCE



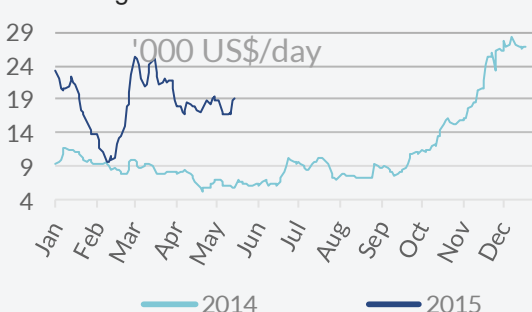
#### Suezmax Average TCE



#### Aframax Average TCE



#### MR Average TCE





# Capital Link Shipping Weekly Markets Report



Tuesday, May 26, 2015 (Week 21)

## SHIPPING MARKETS

### Period Charter Market

Dry Bulk period market TC rates

|                  | 22 May    | 17 Apr    | ±%     | last 5 years |           |           |
|------------------|-----------|-----------|--------|--------------|-----------|-----------|
|                  |           |           |        | Min          | Avg       | Max       |
| <b>Capesize</b>  |           |           |        |              |           |           |
| 12 months        | \$ 8,500  | \$ 8,500  | 0.0%   | \$ 7,950     | \$ 19,675 | \$ 40,200 |
| 36 months        | \$ 10,000 | \$ 10,000 | 0.0%   | \$ 9,950     | \$ 19,330 | \$ 33,700 |
| <b>Panamax</b>   |           |           |        |              |           |           |
| 12 months        | \$ 6,500  | \$ 7,750  | -16.1% | \$ 6,450     | \$ 13,966 | \$ 30,450 |
| 36 months        | \$ 8,000  | \$ 8,250  | -3.0%  | \$ 7,950     | \$ 13,425 | \$ 22,450 |
| <b>Supramax</b>  |           |           |        |              |           |           |
| 12 months        | \$ 7,500  | \$ 7,750  | -3.2%  | \$ 7,450     | \$ 13,130 | \$ 24,950 |
| 36 months        | \$ 8,000  | \$ 8,500  | -5.9%  | \$ 7,950     | \$ 12,656 | \$ 18,700 |
| <b>Handysize</b> |           |           |        |              |           |           |
| 12 months        | \$ 6,500  | \$ 7,250  | -10.3% | \$ 6,450     | \$ 10,479 | \$ 18,700 |
| 36 months        | \$ 7,000  | \$ 7,500  | -6.7%  | \$ 6,950     | \$ 10,598 | \$ 15,200 |

#### Latest indicative Dry Bulk Period Fixtures

M/V "INFINITY", 80282 dwt, built 2010, dely Zhoushan 24/29 May, \$6,250, for 4/8 months trading, to GMI

M/V "KING PEACE", 79600 dwt, built 2011, dely Karachi 25 May/05 Jun, \$5,500, for 4/7 months trading, to Transatlantic

M/V "CYMBELINE", 73081 dwt, built 2001, dely Japan 26/31 May, \$5,700, for 4/8 months trading, to Norden

M/V "POSEIDON", 74350 dwt, built 2002, dely passing Singapore 23/25 May, \$6,000, for 4/8 months trading first leg Bunbury/PG, to Marubeni

M/V "TONG SHUN", 81162 dwt, built 2014, dely N. China 28 May/02 Jun, \$5,250, for about 4/about 7 months trading, to Noble

Tanker period market TC rates

|                | 22 May    | 17 Apr    | ±%    | last 5 years |           |           |
|----------------|-----------|-----------|-------|--------------|-----------|-----------|
|                |           |           |       | Min          | Avg       | Max       |
| <b>VLCC</b>    |           |           |       |              |           |           |
| 12 months      | \$ 47,500 | \$ 45,000 | 5.6%  | \$ 18,000    | \$ 28,011 | \$ 52,500 |
| 36 months      | \$ 42,500 | \$ 41,500 | 2.4%  | \$ 22,000    | \$ 30,990 | \$ 45,000 |
| <b>Suezmax</b> |           |           |       |              |           |           |
| 12 months      | \$ 34,000 | \$ 33,000 | 3.0%  | \$ 15,250    | \$ 21,725 | \$ 34,000 |
| 36 months      | \$ 32,500 | \$ 33,000 | -1.5% | \$ 17,000    | \$ 23,598 | \$ 33,000 |
| <b>Aframax</b> |           |           |       |              |           |           |
| 12 months      | \$ 25,000 | \$ 23,000 | 8.7%  | \$ 13,000    | \$ 16,298 | \$ 25,000 |
| 36 months      | \$ 23,500 | \$ 23,000 | 2.2%  | \$ 14,750    | \$ 18,041 | \$ 23,500 |
| <b>MR</b>      |           |           |       |              |           |           |
| 12 months      | \$ 17,250 | \$ 16,000 | 7.8%  | \$ 12,500    | \$ 13,992 | \$ 17,250 |
| 36 months      | \$ 16,000 | \$ 15,250 | 4.9%  | \$ 13,500    | \$ 14,757 | \$ 16,000 |

#### Latest indicative Tanker Period Fixtures

M/T "DS VECTOR", 299000 dwt, built 2001, \$37000, for 12 months trading, to GLOVIS

M/T "DESH MAHIMA", 114686 dwt, built 2010, \$30000, for 60-90 days trading, to BP

M/T "SEA BAY", 108650 dwt, built 2009, \$30000, for 60-90 days trading, to PETROCHINA

M/T "ATLANTIC CANYON", 36529 dwt, built 2009, \$14250, for 6 months trading, to SIGNAL MARITIME

M/T "STRAUM", 19800 dwt, built 2010, \$15000, for 24 months trading, to TOKYO MARINE ASIA

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

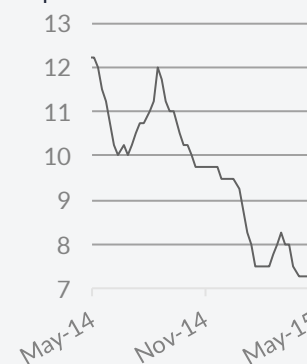
Capesize



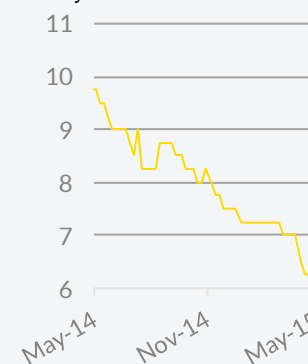
Panamax



Supramax

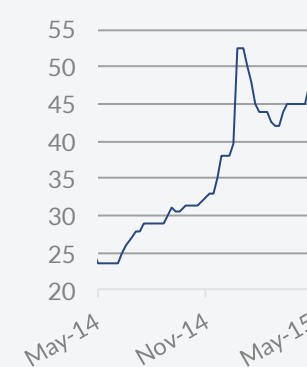


Handysize

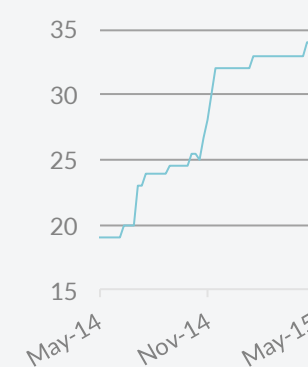


Tanker 12 month period charter rates (USD '000/day)

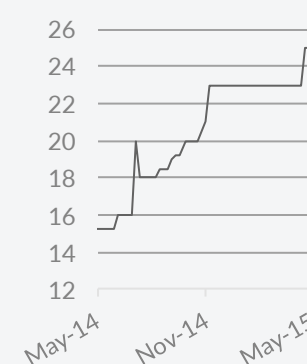
VLCC



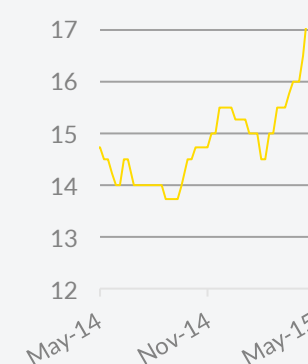
Suezmax



Aframax



MR





# Capital Link Shipping Weekly Markets Report



Tuesday, May 26, 2015 (Week 21)

## SHIPPING MARKETS

### Secondhand Asset Values

Things started to slow down this week, with interest moving onto 5 to 10 year old units especially in the panamax sector where we witnessed a number of units changing hand this week. As things stand now and with freight market prospects gloomy for the summer season, we might be all setup for a summer dip in asset values something that may arouse another strong round of purchasing. There is still some activity in the works according to market chatter showing the strong demand to stick to the asset play prospects currently on offer.

On the tanker side, there wasn't considerable volume reported this week, though there is a very keen buying interest in the market at the moment. Most of the high spec modern units that come to market are swept fairly quickly leaving little available for the rest of the buyers out there. As things stand now, we will likely see some further firming in prices over the next month or so, although there is still a small scent of uncertainty in the air which is still holding buyers back for now.

Indicative Dry Bulk Values (US\$ million)

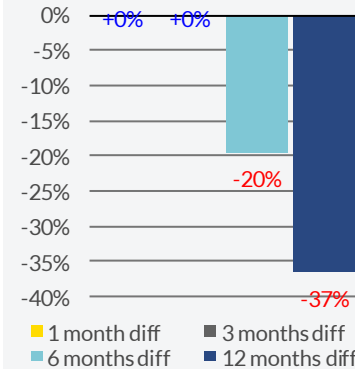
|                  |        |        |        | last 5 years |      |      |
|------------------|--------|--------|--------|--------------|------|------|
|                  | 22 May | 17 Apr | ±%     | Min          | Avg  | Max  |
| <b>Capesize</b>  |        |        |        |              |      |      |
| Resale           | 47.0   | 48.0   | -2.1%  | 36.0         | 53.9 | 74.0 |
| 5 year old       | 33.0   | 33.0   | 0.0%   | 31.5         | 42.7 | 61.0 |
| 10 year old      | 18.0   | 21.0   | -14.3% | 18.0         | 30.6 | 45.5 |
| 15 year old      | 11.0   | 12.0   | -8.3%  | 11.0         | 18.8 | 29.5 |
| <b>Panamax</b>   |        |        |        |              |      |      |
| Resale           | 28.5   | 28.5   | 0.0%   | 24.5         | 34.2 | 46.0 |
| 5 year old       | 16.5   | 16.5   | 0.0%   | 16.5         | 26.6 | 40.3 |
| 10 year old      | 11.5   | 12.0   | -4.2%  | 11.5         | 20.5 | 33.8 |
| 15 year old      | 7.0    | 8.0    | -12.5% | 7.0          | 14.2 | 24.5 |
| <b>Supramax</b>  |        |        |        |              |      |      |
| Resale           | 27.5   | 27.5   | 0.0%   | 23.5         | 31.5 | 40.0 |
| 5 year old       | 15.0   | 16.0   | -6.3%  | 15.0         | 24.5 | 32.3 |
| 10 year old      | 11.0   | 11.0   | 0.0%   | 11.0         | 18.5 | 26.3 |
| 15 year old      | 6.5    | 6.5    | 0.0%   | 6.5          | 13.0 | 21.6 |
| <b>Handysize</b> |        |        |        |              |      |      |
| Resale           | 21.5   | 21.5   | 0.0%   | 21.0         | 24.9 | 30.0 |
| 5 year old       | 13.5   | 13.5   | 0.0%   | 13.5         | 20.2 | 27.4 |
| 10 year old      | 9.5    | 9.5    | 0.0%   | 9.5          | 15.4 | 21.8 |
| 15 year old      | 6.0    | 6.0    | 0.0%   | 6.0          | 10.8 | 16.5 |

Indicative Tanker Values (US\$ million)

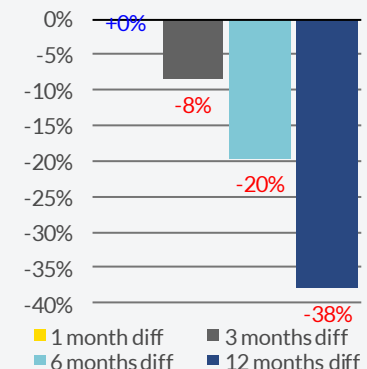
|                |        |        |       | last 5 years |      |       |
|----------------|--------|--------|-------|--------------|------|-------|
|                | 22 May | 17 Apr | ±%    | Min          | Avg  | Max   |
| <b>VLCC</b>    |        |        |       |              |      |       |
| Resale         | 105.0  | 105.0  | 0.0%  | 80.0         | 96.6 | 117.0 |
| 5 year old     | 80.0   | 81.0   | -1.2% | 55.0         | 71.3 | 91.0  |
| 10 year old    | 52.0   | 52.0   | 0.0%  | 33.8         | 47.7 | 65.0  |
| 15 year old    | 31.0   | 31.0   | 0.0%  | 16.9         | 26.0 | 32.0  |
| <b>Suezmax</b> |        |        |       |              |      |       |
| Resale         | 70.0   | 70.0   | 0.0%  | 53.0         | 64.5 | 74.5  |
| 5 year old     | 59.0   | 58.0   | 1.7%  | 38.0         | 50.5 | 63.4  |
| 10 year old    | 40.0   | 41.0   | -2.4% | 24.0         | 34.5 | 46.0  |
| 15 year old    | 22.0   | 22.0   | 0.0%  | 14.0         | 19.3 | 26.6  |
| <b>Aframax</b> |        |        |       |              |      |       |
| Resale         | 56.0   | 56.0   | 0.0%  | 39.0         | 48.9 | 60.0  |
| 5 year old     | 45.0   | 45.0   | 0.0%  | 27.0         | 36.9 | 47.0  |
| 10 year old    | 30.0   | 30.0   | 0.0%  | 16.0         | 24.1 | 33.0  |
| 15 year old    | 16.0   | 16.0   | 0.0%  | 8.0          | 13.0 | 17.5  |
| <b>MR</b>      |        |        |       |              |      |       |
| Resale         | 37.5   | 37.0   | 1.4%  | 32.0         | 36.5 | 39.3  |
| 5 year old     | 27.0   | 27.0   | 0.0%  | 22.0         | 26.6 | 30.5  |
| 10 year old    | 18.0   | 18.0   | 0.0%  | 13.8         | 17.6 | 20.4  |
| 15 year old    | 12.0   | 12.0   | 0.0%  | 9.0          | 10.9 | 13.8  |

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

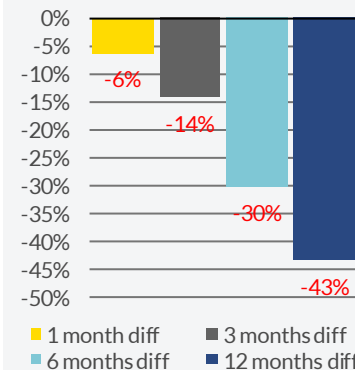
Capesize



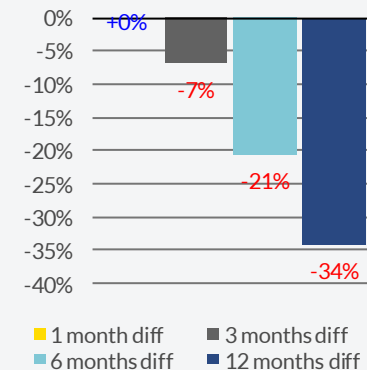
Panamax



Supramax

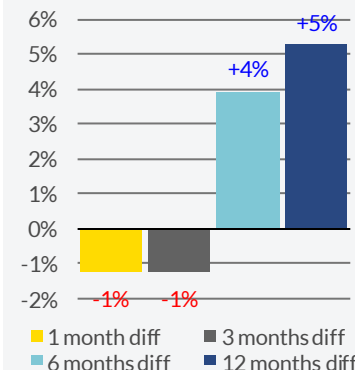


Handysize

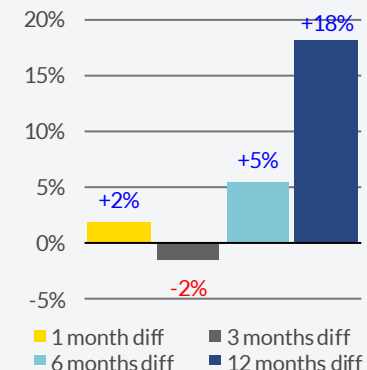


### Price movements of 5 year old Tanker assets

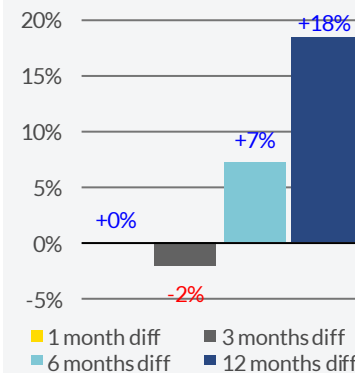
VLCC



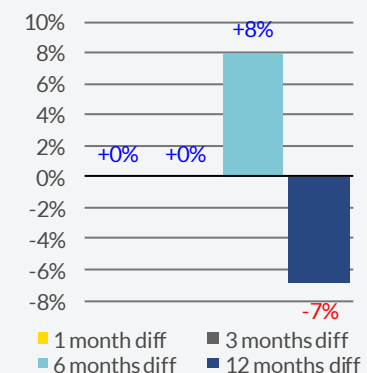
Suezmax



Aframax



MR





# Capital Link Shipping Weekly Markets Report

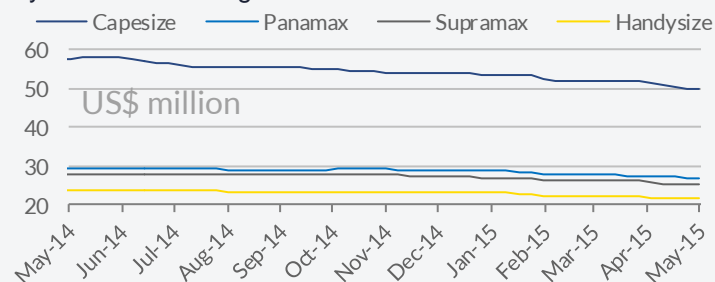


Tuesday, May 26, 2015 (Week 21)

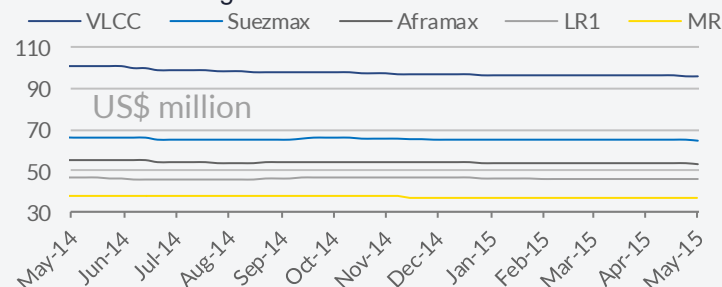
## SHIPPING MARKETS

### Newbuilding Market

#### Dry Bulk Newbuilding Prices

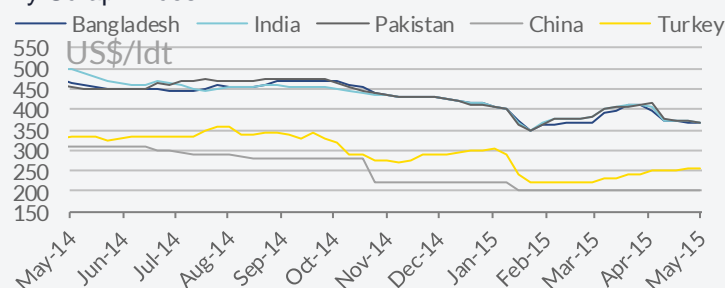


#### Tanker Newbuilding Prices

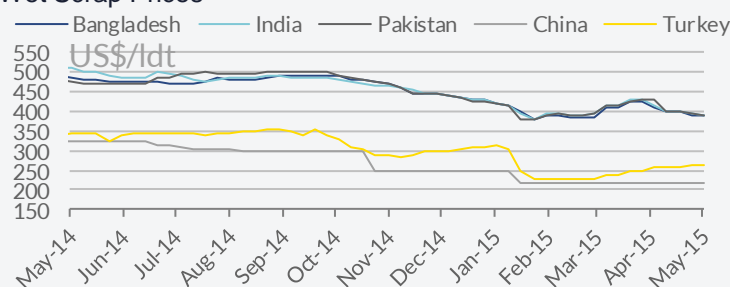


### Demolition Market

#### Dry Scrap Prices



#### Wet Scrap Prices



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

|                         | 22 May | 17 Apr | ±%    | last 5 years |      |      |
|-------------------------|--------|--------|-------|--------------|------|------|
|                         |        |        |       | Min          | Avg  | Max  |
| <b>Dry Bulkers</b>      |        |        |       |              |      |      |
| Capesize (180,000dwt)   | 50.0   | 52.0   | -3.8% | 50.0         | 54.8 | 58.0 |
| Kamsarmax (82,000dwt)   | 27.3   | 27.8   | -1.8% | 27.3         | 29.9 | 30.8 |
| Panamax (77,000dwt)     | 26.8   | 27.0   | -0.9% | 26.8         | 28.8 | 29.5 |
| Ultramax (64,000dwt)    | 25.3   | 26.0   | -2.9% | 25.3         | 27.1 | 28.0 |
| Handysize (37,000dwt)   | 21.5   | 22.0   | -2.3% | 21.5         | 22.9 | 23.5 |
| <b>Container</b>        |        |        |       |              |      |      |
| Post Panamax (9,000teu) | 88.0   | 88.0   | 0.0%  | 88.0         | 88.7 | 91.0 |
| Panamax (5,200teu)      | 58.0   | 58.0   | 0.0%  | 55.3         | 57.5 | 58.5 |
| Sub Panamax (2,500teu)  | 31.0   | 31.0   | 0.0%  | 31.0         | 31.8 | 33.0 |
| Feeder (1,700teu)       | 22.5   | 22.5   | 0.0%  | 22.5         | 25.5 | 27.0 |

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

|                      | 22 May | 17 Apr | ±%    | last 5 years |       |       |
|----------------------|--------|--------|-------|--------------|-------|-------|
|                      |        |        |       | Min          | Avg   | Max   |
| <b>Tankers</b>       |        |        |       |              |       |       |
| VLCC (300,000dwt)    | 96.0   | 96.5   | -0.5% | 94.0         | 97.9  | 101.0 |
| Suezmax (160,000dwt) | 64.5   | 65.0   | -0.8% | 59.5         | 64.9  | 66.0  |
| Aframax (115,000dwt) | 53.0   | 53.5   | -0.9% | 52.5         | 54.0  | 55.0  |
| LR1 (75,000dwt)      | 45.8   | 45.8   | 0.0%  | 43.0         | 45.9  | 47.0  |
| MR (56,000dwt)       | 36.5   | 36.5   | 0.0%  | 35.0         | 36.8  | 37.3  |
| <b>Gas</b>           |        |        |       |              |       |       |
| LNG 160k cbm         | 200.0  | 200.0  | 0.0%  | 198.0        | 199.6 | 200.0 |
| LPG LGC 80k cbm      | 77.0   | 77.5   | -0.6% | 75.0         | 78.2  | 80.0  |
| LPG MGC 55k cbm      | 67.5   | 67.5   | 0.0%  | 65.0         | 67.2  | 68.5  |
| LPG SGC 25k cbm      | 45.0   | 45.0   | 0.0%  | 43.0         | 44.5  | 45.5  |

#### Indicative Dry Prices (\$/ldt)

|                             | 22 May | 15 May | ±%    | last 5 years |     |     |
|-----------------------------|--------|--------|-------|--------------|-----|-----|
|                             |        |        |       | Min          | Avg | Max |
| <b>Indian Sub Continent</b> |        |        |       |              |     |     |
| Bangladesh                  | 365    | 365    | 0.0%  | 350          | 432 | 475 |
| India                       | 365    | 370    | -1.4% | 350          | 438 | 500 |
| Pakistan                    | 365    | 370    | -1.4% | 350          | 431 | 475 |
| <b>Far East Asia</b>        |        |        |       |              |     |     |
| China                       | 200    | 200    | 0.0%  | 200          | 269 | 340 |
| <b>Mediterranean</b>        |        |        |       |              |     |     |
| Turkey                      | 255    | 255    | 0.0%  | 220          | 301 | 355 |

#### Indicative Wet Prices (\$/ldt)

|                             | 22 May | 15 May | ±%    | last 5 years |     |     |
|-----------------------------|--------|--------|-------|--------------|-----|-----|
|                             |        |        |       | Min          | Avg | Max |
| <b>Indian Sub Continent</b> |        |        |       |              |     |     |
| Bangladesh                  | 390    | 390    | 0.0%  | 380          | 451 | 490 |
| India                       | 390    | 395    | -1.3% | 380          | 458 | 510 |
| Pakistan                    | 390    | 395    | -1.3% | 380          | 453 | 500 |
| <b>Far East Asia</b>        |        |        |       |              |     |     |
| China                       | 220    | 220    | 0.0%  | 220          | 287 | 350 |
| <b>Mediterranean</b>        |        |        |       |              |     |     |
| Turkey                      | 265    | 265    | 0.0%  | 230          | 311 | 355 |



### Tankers from Texas

#### U.S. exports are already happening

The rapid growth in tight oil production has created an abundance of light sweet crude in the United States. However, prior to the tight oil boom, U.S. refiners invested many billions of dollars in upgrading capacity to be able to process the cheaper, heavier grades from Latin America and Canada, so they are not the ideal customers for the domestic crude. Under the best case scenario, U.S. refiners would continue to import the heavier grades and shale producers can export the lighter grades to the countries and customers that have a need for it: refiners in Europe and Asia. As we all know by now, the U.S. crude oil export ban, which dates back to the 1970s, prevents this optimization to take place and U.S. producers are forced to sell their crude to domestic refiners at a discount to what these grades may fetch on the international markets. Since last year, the pressure to overturn the export ban has increased. Just last Tuesday, a bipartisan group of senators introduced legislation to lift the ban citing various economic and geopolitical benefits. However, is the official lifting of the ban really necessary or has the industry already found ways around it?

The ban on U.S. crude oil exports is not absolute, Alaskan North Slope crude can be exported, but there is a gentleman's agreement that this will be done on U.S. flag or Jones Act vessels. These moves are rarely economic and therefore few and far between.

Exports to Canada are also allowed under the law and for many years the U.S. had been moving small volumes (50-60,000 b/d) of crude to its Northern neighbor. By the middle of 2014, the export volumes increased significantly (see Figure 2), as two Canadian refineries changed their crude slate. Valero's 265,000 b/d refinery in Quebec stopped importing light sweet crude oil from Algeria, Kazakhstan and Angola and replaced it with cheaper crude sourced from North America, primarily Eagle Ford crude from Texas. Around the same time, the 115,000 b/d Come By Chance refinery in Newfoundland changed hands. The new owners, a New York-based merchant bank, negotiated a new supply and offtake agreement with BP. Since then, the Come By Chance refinery has shifted from Iraqi crude to U.S. shale oil. Combined, these two developments explain the rapid increase in U.S. crude oil exports to Canada.

In 2014, U.S. producers started to use another (indirect) way to export oil: run crude condensate (ultra-light crude that "condenses" into a liquid after being freed from high pressure wells) through a distillation tower, after which it is considered a refined product by U.S. regulators and can be exported. The target market is Asia, which has close to 1.0 mb/d in condensate splitters, mainly in Japan and South Korea. Condensate exports from the U.S. are competitive with naphtha from the Middle East, in particular in Korea, because no taxes or import duties are payable due to the free trade agreement with the U.S. So far in 2015, U.S. condensate exports range between 40 and 80,000 b/d.

Last, but not least, earlier this year, Mexico applied for a crude oil swap with the U.S. State oil company PEMEX proposes to send heavy crude to the U.S. in exchange for equivalent volumes of light U.S. crude. If approved, this could provide an outlet for an additional 150,000 b/d.

Contributed by

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So far, the U.S. oil industry has skillfully managed to balance domestic tight oil supply and demand. However, a full lifting of the crude oil export ban may be needed to accommodate significant additional increases in production.

Fig. 1: U.S. Tight Oil Production

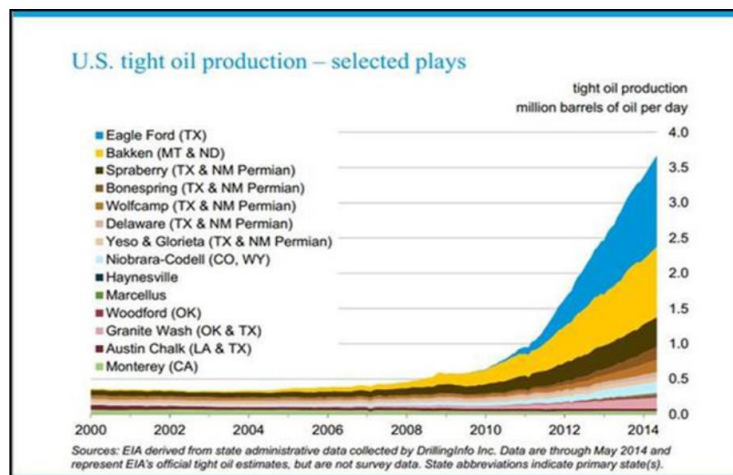
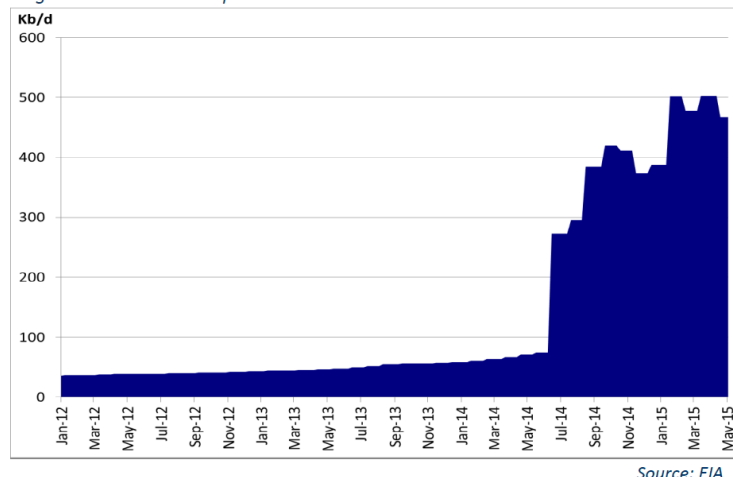


Fig. 2: U.S. Crude Oil Exports to Canada





# Capital Link Shipping Weekly Markets Report



Tuesday, May 26, 2015 (Week 21)

## SHIPPING MARKETS

### Tanker Market – Weekly Highlights

| Spot Market                          | WS/LS         | TCE<br>~\$/day | WS/LS         | TCE<br>~\$/day |
|--------------------------------------|---------------|----------------|---------------|----------------|
| <b>VLCC</b> (12 Kts L/11.5 Kts B)    | <b>15-May</b> |                | <b>22-May</b> |                |
| AG>USG 280k (TD1)                    | 49.0          | \$43,366       | 45.0          | \$38,437       |
| AG>USG/CBS>SPORE/AG                  | --            | \$81,134       | --            | \$87,222       |
| AG>SPORE 270k (TD2)                  | 78.0          | \$77,896       | 75.0          | \$73,913       |
| AG>JPN 265k (TD3)                    | 78.0          | \$83,163       | 75.0          | \$79,018       |
| WAFR>USG 260k (TD4)                  | 80.0          | \$78,179       | 80.0          | \$78,593       |
| WAFR>CHINA 260k (TD15)               | 72.5          | \$71,030       | 70.0          | \$68,133       |
| CBS>SPORE 270k                       | \$6.30m       | --             | \$7.50m       | --             |
| <b>SUEZMAX</b> (12 Kts L/11.5 Kts B) |               |                |               |                |
| WAFR>USAC 130k                       | 117.5         | \$57,770       | 97.5          | \$45,233       |
| WAFR>UKC 130k (TD20)                 | 120.0         | \$56,688       | 100.0         | \$43,971       |
| BSEA>MED 140k (TD6)                  | 100.0         | \$61,650       | 120.0         | \$79,388       |
| CBS>USG 150k                         | 85.0          | \$43,566       | 110.0         | \$65,394       |
| <b>AFRAMAX</b> (12.5 Kts L/B)        |               |                |               |                |
| N.SEA>UKC 80k (TD7)                  | 105.0         | \$36,654       | 150.0         | \$75,872       |
| AG>SPORE 70k (TD8)                   | 120.0         | \$38,125       | 130.0         | \$42,478       |
| BALT>UKC 100k (TD17)                 | 77.5          | \$34,066       | 115.0         | \$64,029       |
| CBS>USG 70k (TD9)                    | 110.0         | \$27,417       | 122.5         | \$33,374       |
| MED>MED 80k (TD19)                   | 92.5          | \$28,526       | 140.0         | \$57,264       |
| <b>PANAMAX</b> (12.5 Kts L/B)        |               |                |               |                |
| CBS>USG 50k (TD21)                   | 127.5         | \$23,321       | 145.0         | \$29,528       |
| CONT>USG 55k (TD12)                  | 120.0         | \$21,329       | 122.5         | \$22,415       |
| ECU>USWC 50k                         | 172.5         | \$32,631       | 175.0         | \$33,014       |
| <b>CPP</b> (13.5 Kts L/B)            |               |                |               |                |
| UKC>USAC 37k (TC2)                   | 160.0         | \$24,210       | 165.0         | \$25,567       |
| UKC>WAFR 37k                         | 180.0         | \$27,286       | 175.0         | \$26,340       |
| USG>UKC 38k (TC14)                   | 120.0         | \$17,924       | 105.0         | \$13,918       |
| USG>UKC/UKC>USAC/USG                 | --            | \$17,323       | --            | \$28,696       |
| USG>POZOSCOLORADOS 38k               | \$725k        | \$34,853       | \$600k        | \$26,340       |
| CBS>USAC 38k                         | 140.0         | \$21,624       | 135.0         | \$20,589       |
| AG>JPN 35k                           | 125.0         | \$14,998       | 127.5         | \$15,508       |
| SPORE>JPN 30k (TC4)                  | 136.0         | \$14,990       | 137.5         | \$15,277       |
| AG>JPN 75k (TC1)                     | 103.0         | \$31,753       | 105.0         | \$32,643       |
| AG>JPN 55k (TC5)                     | 120.0         | \$24,709       | 127.5         | \$27,159       |

| Time Charter Market<br>\$/day (theoretical) | 1 Year   | 3 Years  |
|---|----------|----------|
| <b>VLCC</b>                                 | \$42,000 | \$40,000 |
| <b>Suezmax</b>                              | \$31,000 | \$29,000 |
| <b>Aframax</b>                              | \$25,000 | \$23,000 |
| <b>Panamax</b>                              | \$20,500 | \$19,500 |
| <b>MR</b>                                   | \$17,250 | \$16,000 |

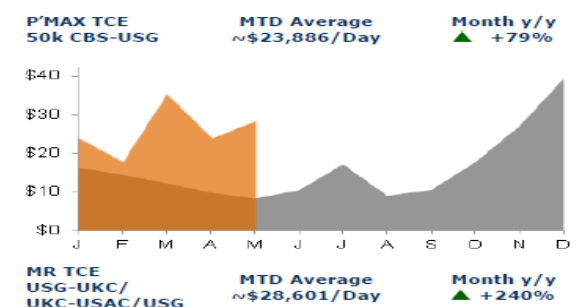
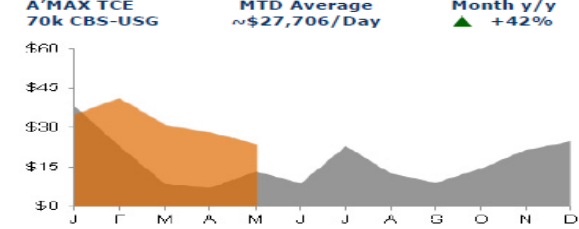
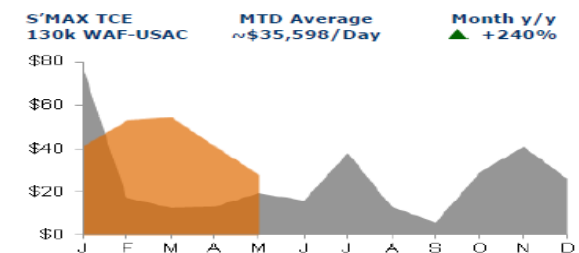
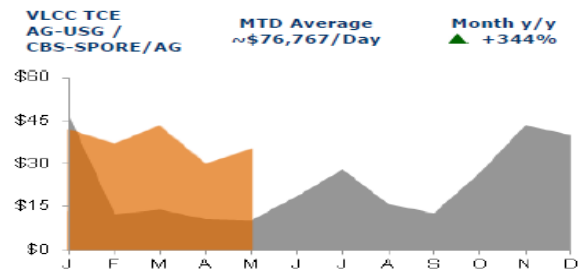
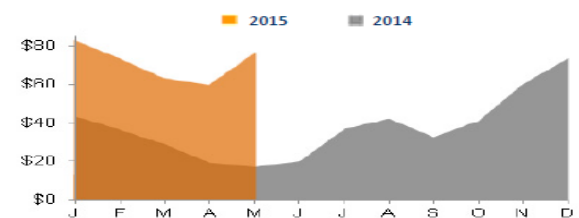
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# Capital Link Shipping Weekly Markets Report



Tuesday, May 26, 2015 (Week 21)

## SHIPPING MARKETS

### Tanker Market – Weekly Highlights

#### VLCC

Upward sentiment persisted this week in the VLCC sector with returns pushing to the highest levels of the year and despite some “profit-taking” (whereby owners stop pushing for higher rates in order to fix quickly and lock into what are otherwise high TCE returns), the active first decade of June kept momentum on an upward track. Increased production from Saudi Arabia continued as JODI data published Monday showed that exports rose to 7.898 million barrels per day in March – their highest level in over a decade. Additionally, the introduction of Iraq’s heavy Basrah grade furthered the increased volume in early June loadings. In fact, of the 53 fixtures reported to-date for June loading, 51 have lay-cans beginning within the first decade of next month, marking the loftiest tally within any decade this year and while this pace is not likely sustainable, it does point to a larger volume of cargoes expected for June. The increased demand further entrenched the bullish tone of owners as returns improved to levels in excess of \$85,000/day for eastbound business while triangulated returns approached \$100,000/day. The latter returns were due in a large part to the surging rates seen on Caribbean export routes where CBS-SPORE rates also neared YTD highs as charterers reached out almost six weeks to secure suitable tonnage amid a growing imbalance between regional demand and arrivals.

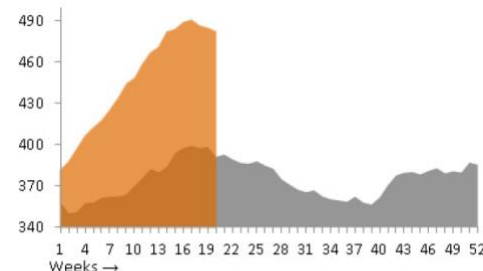
By the close of the week, however, the market’s hectic pace gave way to a fresh demand lull ahead of the holiday weekends in the US and parts of Europe. Though unsurprising given the volume of cargoes covered in recent weeks, the slowing nevertheless has had an impact on rates, taking away upward pressure and instead prompting a modest retreat. Though modest further downside could materialize following the long weekend, the fact that a very low number of units remain uncovered in the Middle East following the recent surge in first-decade June loadings, rates are expected to remain elevated as charterers work into the second decade.

This week’s activity brought the June cargo count to 53 and as mentioned above was largely concentrated within the first decade. With the higher expectations, we anticipate another 12-15 cargoes to go through the middle of next month. We compare this to a position list with some 28 vessels available over that same period; factoring for around 6 units expected to be drawn to the West Africa market, the remaining surplus is 7-10 units, which compares with 5 surplus units at the conclusion of the May program.

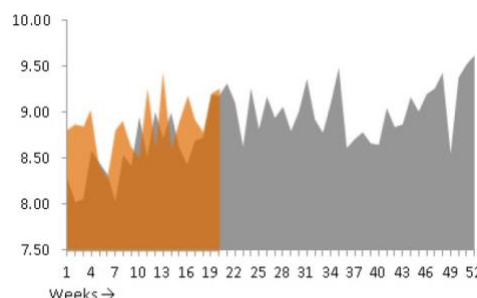
As we look ahead to next week we expect some further giveback following a quieter period as owners look to lock in levels that still yield relatively strong returns. AGFEAST rates will likely settle in the low ws70s, while AG-USG levels fall further into the low ws40s.

#### Suezmax

Though chartering demand in the West Africa Suezmax market was unchanged w/w at 16 fixtures, most of these were reported early during the week while the remainder of the week was markedly slower. This came as little surprise given stronger VLCC coverage of the early part of the June program and accompanied the progressing of Suezmax charterers further into June dates (following last week’s rush to cover remaining May stems). Moreover, availability levels for normal dates rose to the close of the week. Rates entered into a correction mode,



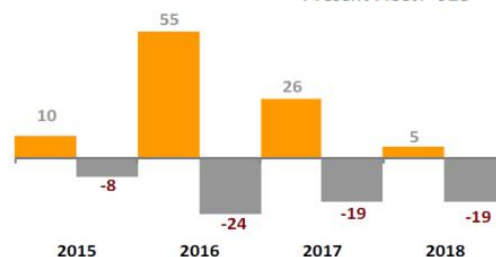
US Crude Stocks (EIA) Last Week 482.2 MnBbls Week y/y ▲ +23.2%



US Gasoline Demand (EIA) Last week 9.261 MnB/d Week y/y ▲ +0.9%

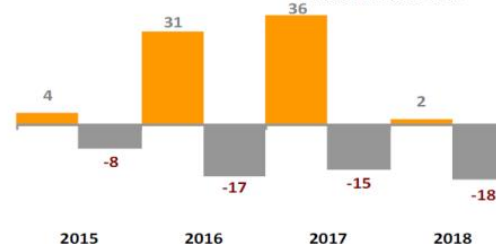
#### VLCC Projected Deliveries/Removals

Present Fleet: 625



#### Suezmax Projected Deliveries/Removals

Present Fleet: 434



#### Aframax/LR2 Projected Deliveries/Removals

Present Fleet: 888





# Capital Link Shipping Weekly Markets Report



Tuesday, May 26, 2015 (Week 21)

## SHIPPING MARKETS

### Tanker Market – Weekly Highlights

accordingly, with the WAFR-USAC route shedding 20 points to conclude a ws97.5. Further rate erosion is likely given further availability builds over the holiday weekend.

#### Aframax

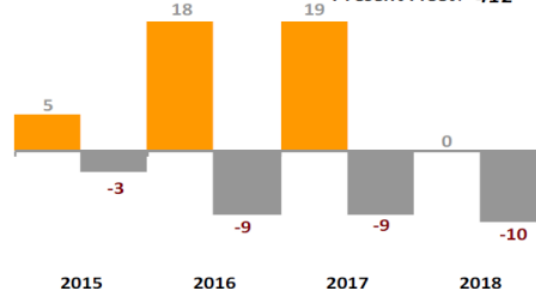
The Caribbean Aframax market remained active this week with the fixture tally unchanged from last week's 11-week high of 21. On a four-week moving average basis, the fixture tally stands at 17 – the highest level since early November '14. The demand gains of late follow the resuming of substantial fixture activity for loadings on Mexico's East Coast – as well as a surge in heavy crude imports at PADD 3 (USG) as area refiners boosted utilization rates last week and seek to increase imports to offset consumption of domestic light crude. The CBS-USG route added 12.5 points to conclude at ws122.5 on the back of the activity. We note that while rates have been heavily sensitive to date/voyage specifics, supply/demand fundamentals remain favorable to further rate gains during the upcoming week. Contributing further to owner sentiment in the region is the fact that the Caribbean market's earnings imbalance relative to other key Aframax markets has grown with some regions offering TCEs approaching \$60,000/day while the CBS-USG route stands at ~\$33,374/day.

#### MR

MR demand in the USG market declined for the third consecutive week while w/w the fixture tally was off by 11% to 24. Fixtures to points in Europe were off by 63% w/w to a 10-week low of just three fixtures. Though one LR1 fixture bound for Europe was reported, the slowing of trans-Atlantic distillate volumes from the USG follows a minimizing of seasonal maintenance by European refiners amid strong refining margins. Together with rising availability, rates on the USG-UKC route lost 15 points to ws105. Though rates look softer in the UKC market, the wider imbalance which prevails between round-trip earnings from both markets implies greater UKC absorption of USAC positions in the near term; while this offers some respite for owners trading in the USG market, we note that even accounting for this the week concluded with 2-week forward USG availability up 38% w/w to a five-week high of 29 units. While this could impact trades early during the upcoming week, we expect that on the back of stronger PADD 3 refinery utilization rates reported by the EIA, demand levels should accelerate and ultimately stabilize the market by mid-week.

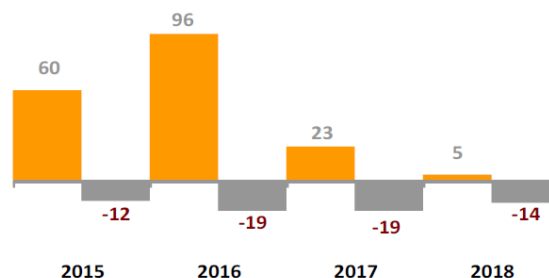
Panamax/LR1 Projected Deliveries/Removals

Present Fleet: 412

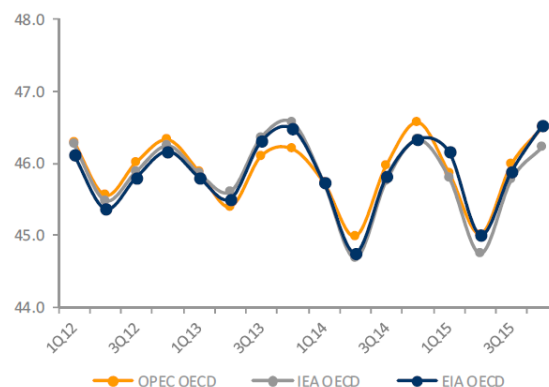


MR Projected Deliveries/Removals

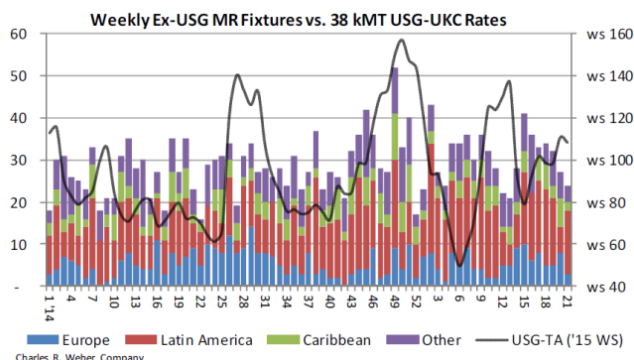
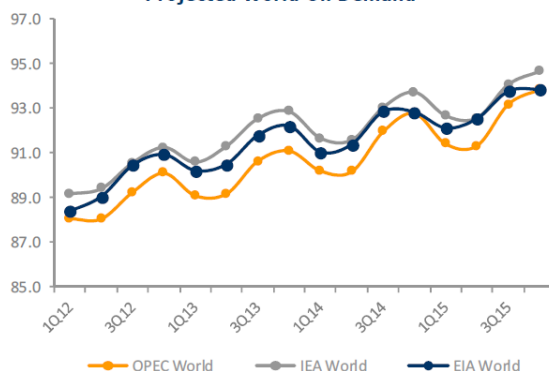
Present Fleet: 1,293



Projected OECD Oil Demand



Projected World Oil Demand





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