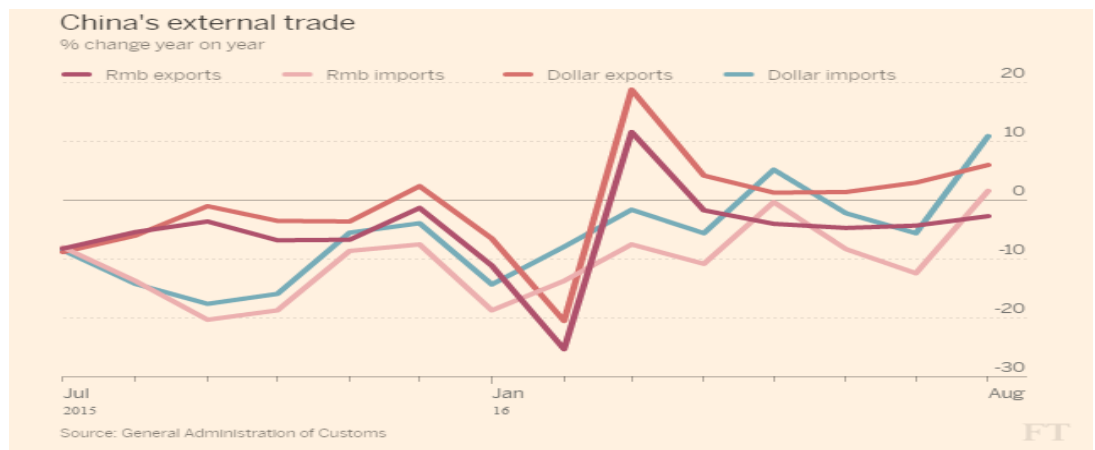


The week started with the G20 summit in the eastern Chinese city of Hangzhou. This has come at a time when the world economy is plagued by problems of poor growth, rising of populist political candidates on both sides of the Atlantic, growing public scepticism about the benefits of free trade and globalisation and low level of investments. The Chinese President Xi Jinping, who chaired the conference, reminded the leaders of the world's biggest economies that actions speak louder than words in order to counter the risks of a lethargic global economy. World leaders vowed to find workable solutions to restore strong balanced growth and achieve more- inclusive development that reduces inequality. They also agreed that more focus should be placed on structural reforms, innovation and high- technology. Furthermore, politicians from a wide range of ideological backgrounds put emphasis on the importance of sharing the benefits of growth more evenly. The leaders are concerned that rising populism in many developed economies could derail free trade deals that took decades to establish. The best response to this thinking was agreed to be more balanced growth. While officials offered plenty of ideas on this topic, they seem to be in shortage of practical solutions and proposals. We have to mention that it is not the first time that the G20 has been criticized for failing to take tangible measures to coordinate world economies. Nevertheless, G20 officials involved in drafting the event's final communiqué said it would call for the use of all available tools – including fiscal stimulus – to boost global growth. The main drawback to this statement though is that by looking at government debts the only two major players that actually have the ability to support such policies are the unwilling to implement , namely Germany and the reform focused China.

On the sidelines of the G20 summit, Russia and Saudi Arabia –top two crude-oil producers– pledged to cooperate to stabilize global markets, while failing to announce any specific measures to support prices. As the most recent attempt to freeze production in April failed spectacularly, many sceptic analysts saw nothing more than tactical movements in the geopolitical game called oil trade behind this announcement. In addition, the largest oil traders are anticipating little relief. Fourteen of the fifteen senior oil traders interviewed this week at the annual Asia- Pacific Petroleum Conference in Singapore expect crude to hover between \$40 and \$60 a barrel over the next 12 months. It seems we have to be prepared for a lot of speculation around oil prices ahead of the OPEC meeting later this month.



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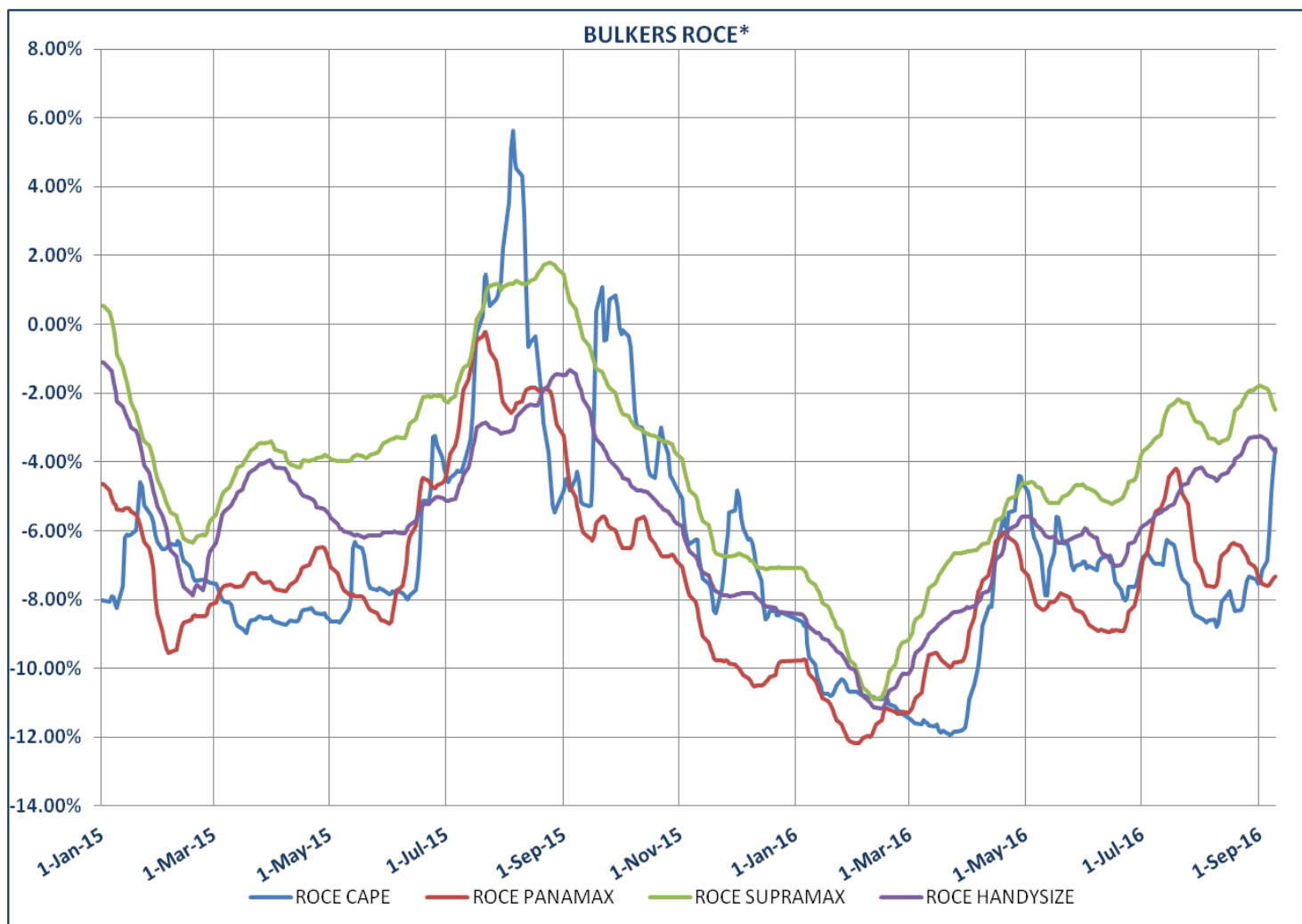
By zooming into the dry bulk shipping, in spite of the given Chinese slowdown and the concerns that have been expressed over the G20 summit about global growth, the actual volume of seaborne dry bulk commodities stand higher compared to previous year levels. Furthermore, China released its August trade data this week. Chinese exports shrank less in annualized basis compared to the previous month and imports returned to growth for the first time since October 2014. However, this positive surprise was only partially captured by the movement of the BDI. Once again, we have to look at the supply side of the market for any sustainable rebound in rates.

Freight market 120yrs ago (page 12): "If we are not greatly mistaken, the big rise in freights that has been brought about has not yet touched top by a long way, as we fully expect shortly to see some splendid rates paid in many directions..."

Dry Cargo Spot Market

The rally of the BDI further extended this week mainly due to the star performing Capesize segment. The general Index closed the week strongly up above 800 at 804 points. The BCI witnessed an impressive 48.58% raise and finished at 11-month highs of 1,566 points. Without any material change, the Panamax closed the week up 2.17% at 658 points. In contrast to the larger gearless bulkers the direction of the geared sizes was south. The BSI concluded with a significant loss of 4.58% at 688 points and the BHSI below previous week heights at 419 points.

With the noticeable Panamax exception, TCEs of all segment stand simultaneously above OPEX for the first time this year. The Capsize segment returns climbed but still remained negative at -3.60%. Panamax returns hovered slightly above previous levels at -7.33%. Although below previous percentages, Supramax returns continue above OPEX with after depreciation quotation of -1.81%. The Handysize return on capital employed lingered at -3.69%.



Baltic Freight Indices						
Date	BDI	BCI 5TC	BCI 4TC	BPI - TCA	BSI - TCA	BHSI - TCA
5-Sep-16	724	\$7,459	\$5,968	\$5,122	\$7,512	\$6,168
6-Sep-16	745	\$8,288	\$6,715	\$5,139	\$7,465	\$6,111
7-Sep-16	773	\$9,408	\$7,853	\$5,197	\$7,342	\$6,066
8-Sep-16	792	\$10,170	\$8,598	\$5,253	\$7,251	\$6,044
9-Sep-16	804	\$10,649	\$9,123	\$5,280	\$7,198	\$6,025
Week High	804	\$10,649	\$9,123	\$5,280	\$7,512	\$6,168
Week Low	724	\$7,459	\$5,968	\$5,122	\$7,198	\$6,025
Week Avg	768	\$9,195	\$7,651	\$5,198	\$7,354	\$6,083

*Return on Capital Employed (ROCE) is the ratio of net operating profit of an investment to its capital employed. It measures the profitability of an investment by expressing its operating profit as a percentage of its capital employed. In other words, ROCE assesses how much profit an investment earns on every dollar employed.

In an explosive week, the **Cape** market achieved an astonishing 48.58% ending at 1,566 points.

Western Australian iron ore to China has picked up about \$1.2 since last week, with c5 closing at \$5.83 pmt overshadowing Eastern Australia's coal activity, which seemed quieter this week. The increased Brazilian ore exports attracted a large number of vessels from South East Asia causing shortage of tonnage in this region which had a positive effect of about \$3,000 daily TC equivalent. "Etoile" (175,980 dwt, 2003) fixed \$12,000 daily with mid September delivery in Xiamen for a West Australian round.

A sheer blast in the freight rates on the Tubarao/Qingdao route, with the benchmark c3 reaching this year's highest levels at \$11.71 pmt; with rumours of end week trading in excess of low 12 USD. The sentiment in the Atlantic kept positive throughout the week with T/C trips exceeding last week levels, as per 'Goliath' (209,537 dwt, 2015) fixture at \$11,650 daily & \$230,000 bb with delivery retro sailing Singapore on late August for a round trip via Brazil. Charterers seem to be in a rush to conclude their September deals rather than wait tick longer with the looming threat of paying higher freight rates. A sudden increase in the coal activity, helped to adjust and correct past imbalances in the region, with Rotterdam attracting huge amounts; pushing T/C rates to increase as well; to about \$1,000 to \$1,500 within a week's time, with "KSL Santos" (181,055 dwt, 2014) getting \$6,750 daily for a T/A round.

Little period activity reported this week with Charterer's backing off a little bit and looking at spot market developments. "Sunbeam" (171,199 dwt, 2000) has fixed close to last week's levels; a 2 laden leg retro delivery in Singapore at \$9,500 daily plus \$195,000 bb for redelivery back to Far East.

Representative Capesize Fixtures								
Vessel	DWT	Built	Delivery	Date	Re-del	Rate	Charterers	Comment
KSL Santos	181,055	2014	retro Ijmuiden	01-Sep	Skaw-Gibraltar	\$6,750	EdF	via Colombia
Goliath	209,537	2015	retro Singapore	30-Aug	Singapore-Japan	\$11,650 + \$230,000 bb	Polaris	via Brazil
Hebei Dynasty	180,168	2011	retro Caofeidian	01-Sep	Kemen	\$8,000	cnr	via Newcastle
Etoile	175,980	2003	Xiamen	13/15 Sep	Singapore-Japan	\$12,000	CJ Korea Express	via West Australia
Sunbeam	171,199	2000	retro Singapore	30-Aug	Singapore-Japan	\$9,500 + \$195,000 bb	Oldendorff	2 laden legs

With the Capes in the pilot seat, **the Panamax** market still waits in agony to get an overdue bigger piece of the pie.

In the Pacific, despite the increased Chinese imports; rates remained weak. The North Pacific has attracted a great deal of vessels with rates hovering at \$6,000 daily depending on vessel's specs and position. "Kypros Bravery" (77,078 dwt, 2015) fixed a superior \$6,500 daily with delivery Samcheonpo on an early week note pushing Australian and Indonesia coal rates to a \$1,000 per day hike compared to last week. "Stella Eva" (81,323 dwt, 2016) delivery Dongjiakou fixed an East Australian coal round at \$6,250 daily and the over-aged "Reborn" (74,063 dwt, 1999) fixed on an APS basis at \$6,000 daily plus \$50,000 bb for an Indonesian round. India's coal imports kept at a slow pace, with rates at low \$6,000 for delivery Far East loading from East Australia or Indonesia. South Africa rates were fairly poor, at mid/high \$4,000 delivery India very much in line with the pressure in the weak South America region. The exception of "Prabhu Sumat" (81,136 dwt, 2012), who achieved mid-week a \$6,200 retro WC India delivery did not have the desired effect.

Another troubled week in the Atlantic has gone by with a mixed sentiment and overall sluggish activity. Despite the apparent thinner trading in South America grains over the past couple of weeks the few fixtures that emerged seem to be holding some value perhaps enjoying some support from the Cape trickle-down effect expectation. "Bulk Monaco" (76,596 dwt, 2008) fixed \$7,650 daily plus \$260,000 ballast bonus whilst the benchmark for Kamsarmaxes is at approximately \$8,000 plus \$300,000 bb. The U.S Gulf market keeping close to last week's levels with reported 'Jia Da' (75,431 dwt, 2010) with delivery Tarragona 13/15 Sep achieving a tick more at \$10,500 daily for a front-haul. The T/A round rates still pressed to a very low \$4,000 daily return.

An increased interest and fixing activity in period charters with levels at mid/high \$7,000 for a year and tick less for shorter duration with "Greek Seas" (81,800 dwt, 2015) fixed at \$6,750 daily with delivery Phu My for 5 to 8 months.

Representative Panamax Fixtures								
Vessel	DWT	Built	Delivery	Date	Re-del	Rate	Charterers	Comment
Reborn	74,063	1999	aps Indonesia	10/20 Sep	South Korea	\$6,000 + \$50,000 bb	Panocean	
Prabhu Sumat	81,136	2012	retro Dahej	31-Aug	India	\$6,200	cnr	via South Africa
Greek Seas	81,800	2015	Phu My	10/15 Sep	worldwide	\$6,750	cnr	5/8 months
Kypros Bravery	77,078	2015	Samcheonpo	06/08 Sep	Singapore-Japan	\$6,500	Marubeni	via NoPac
Stella Eva	81,323	2016	Dongjiakou	12/15 Sep	Singapore-Japan	\$6,250	cnr	via east Australia
Bulk Monaco	76,596	2008	EC South America	22 Sep/05 Oct	SE Asia	\$7,650 + \$260,000 bb	Norden	
Jia Da	75,431	2010	Tarragona	13/15 Sep	Singapore-Japan	\$10,500	cnr	via US Gulf

Supramax is following a downward trend and with many countries on holiday next week there is doubt for recovery.

The pacific activity subsided further with the owners willing to fix less than the last done. Little information emerged out of CIS and N. China, with the 'Jia Run' (56,774dwt,2010) fixing a steels trip to Red Sea at \$7,500 with delivery Tianjin which we estimate to be a bit less than \$2,500 basis P.Said. Otherwise a 52dwt was rumoured to have fixed circa \$3,000 with Japan delivery for steels to USG. No Pac is deflating with owners now willing to take APS delivery such as the 'Ken Star'(61,423dwt,2012) that agreed \$8,750 and \$275,000 bb for the round. A well described Japanese built 61dwt took \$7350 with delivery Busan via Vancouver for a longer grain haul into Bangladesh. In the south, nickel ore is still dominating the area with 'Pearl Halo' (58,096dwt, 2009) fixing \$6,750 to China. Some coal trades to China emerged this week against the Indo-India trend of the past weeks with 'Dubai Ambassador' (56,060dwt, 2004) agreeing \$7,550 with the proximate to the load area delivery of Surabaya for a trip into Yangtze River.

The Atlantic routes failed to impress and moved sideways for another week with the exception of ECSA which bucked the trend with lots of grain activity mainly for fronthauls to Middle East/India/Bangladesh and Feast. For such run, the "Western Wilton" (57,981dwt, 2011) achieved an impressive \$10,250 plus \$130,000 APS ECSA to Singapore/Japan. On the contrary, rates in USG did not follow the same path and this was illustrated on the "K Amber" (58,018dwt, 2010) which gave up the Atlantic position for \$11,500 for trip via USG to Singapore/Japan. On the Continent, scrap cargoes continue to be the main attraction even though rates appeared under pressure compared to last week. The "Universal Baltimore" (56,800dwt, 2011) got a mediocre \$8,500 delivery Ghent for scrap to East Med. From the Black Sea, "Top Fair" (55256dwt, 2010) concluded at \$10,250 delivery Sea of Marmara for a run to Feast.

Representative Supramax Fixtures								
Vessel	DWT	Built	Delivery	Date	Re-del	Rate	Charterers	Comment
Ken Star	61,423	2012	No Pac	prompt	Spore-Japan	\$8,750 + \$275,000bb	Cobelfret	
Dubai Ambassador	56,060	2004	Surabaya	09-10 Sep	CJK	\$7,550	cnr	via Indo Coal
Pearl Halo	58,096	2009	Hong Kong	prompt	China	\$6,750	EGPN	Nickel Ore
Jia Run	56,774	2010	Tianjin	prompt	Red Sea	\$7,500	Sinoriches	Steels
Top Fair	55,256	2010	Sea of Marmara	prompt	Spore-Japan	\$10,250	Caravel	
Universal Baltimore	56,800	2011	Ghent	prompt	East Med	\$8,500	Pacbasin	Scrap
Western Wilton	57,981	2011	ECSA	prompt	Spore-Japan	\$10,250+\$130,000	cnr	
K Amber	58,018	2010	USG	prompt	Spore-Japan	\$11,500	Sinoriches	

In a negative week, the **BHSI** lost some ground concluding at 419 points.

A week of reduced activity ended in feast and this is mainly due to incoming holidays in Far East countries. Nevertheless it has to be noted that the reduced supply of vessels in Singapore/Japan range especially, may add pressure on charterers by the end of next week. The Master (24,112dwt,1997) open at Kosichang on 11th of September fixed minerals ex Thailand to east coast India at \$7,000 DOP The Nin (28,373dwt,2000) open at Isabel on the 15th September fixed coal ex Indonesia to Japan at \$5,500 DOP. The Nedim (35,156dwt, 2013) open at Mumbai on 07th of September fixed steels ex west coast India to USG at \$3,000 DOP for the first 55days and \$5750 for the balance. The Eternity C (36,830dwt, 2012) open at Umm Qasr on the 9th of September fixed bulk urea ex Persian Gulf to South Africa at \$4,750 DOP.

In US Gulf, market has stabilized a bit, especially for the larger handies. Smaller units returned into dire times. We heard of a 37,000dwt fixing \$8,000 for trip to Med, a number which the index types have not seen for some time. In ECSA market showed a bit more activity, but numbers were still lacklustre, if not desperate. Larger units get numbers at best at \$6,500 for trips to the Continent, and similar levels were fixed for a 29,000dwt to Feast. As far as the Continent is concerned, levels are still good, but definitely showing signs of satiety. Rumours emerged of a 38,000dwt fixing \$10,400 from Skaw/Baltic to India via CoGH, while last week this should have been closer to \$12,000. Voyage rates of fertilizers down to Brazil calculate around \$4,500, definitely not in line with the indices. There is some activity of grains from France to Algeria, with rates been talked around \$14-\$15. Black Sea and Med were active again for one more week. Rates continued to linger in the 'reasonable' levels. Trips within Med are paying rates in the \$6,000, while if you opt for a trip to the exotic East, you might be able to see as high as \$11,000.

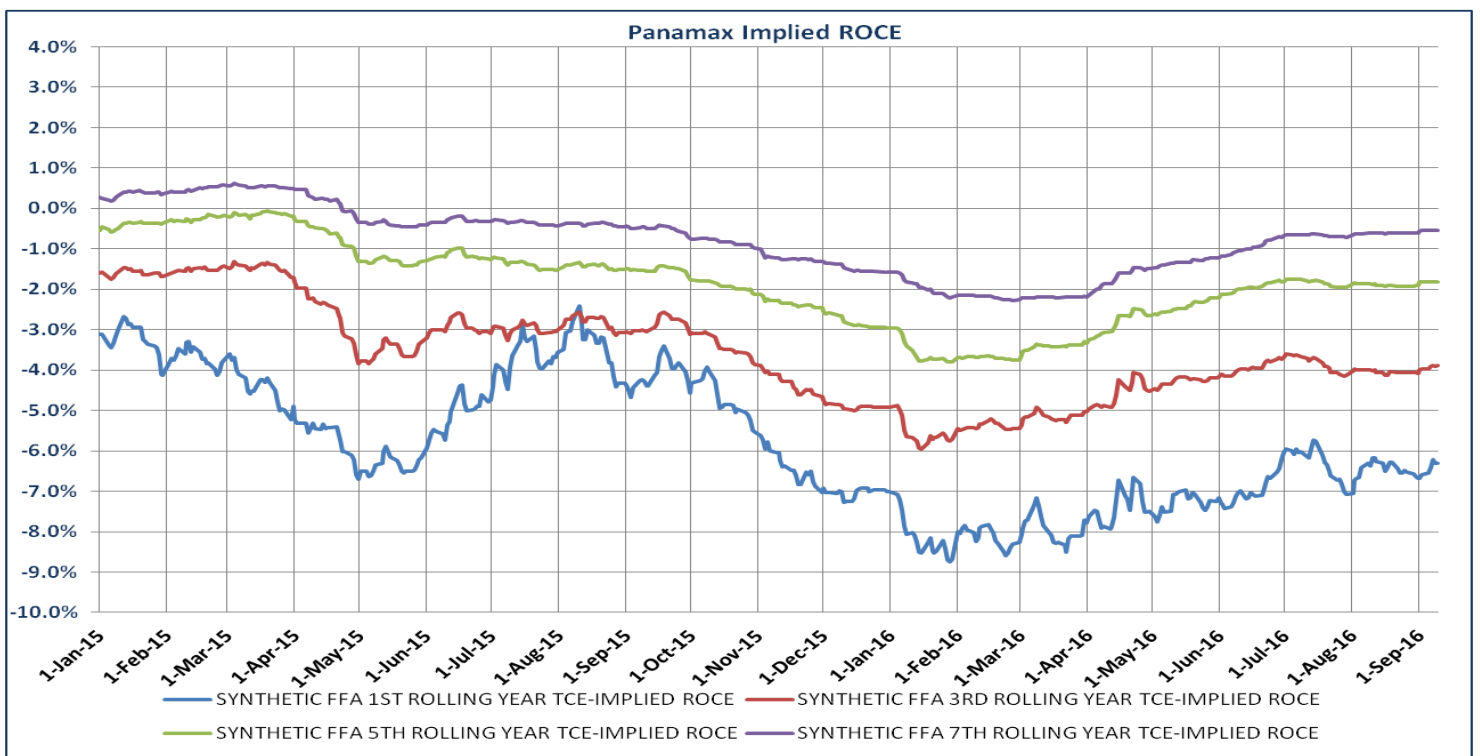
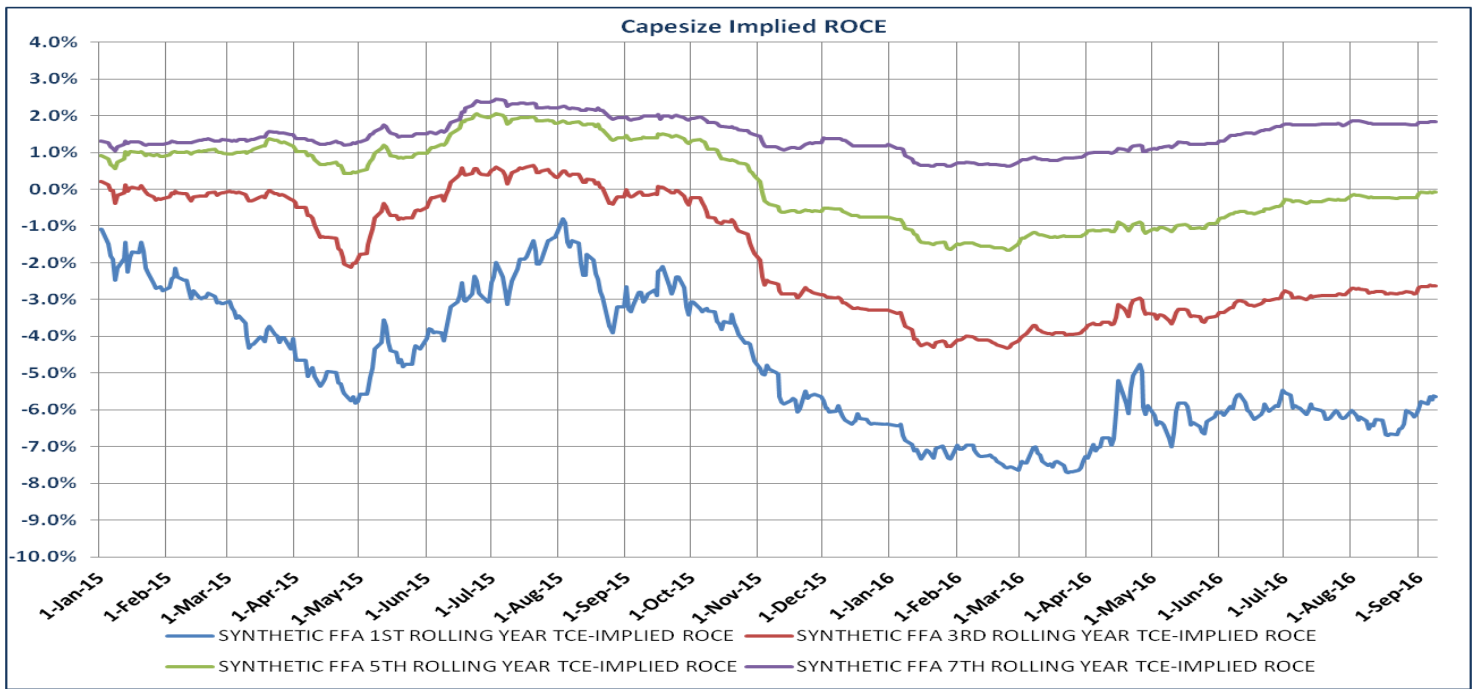
Period wise a 47,000dwt fixing short period from Continent with Atlantic redelivery at \$7,000.

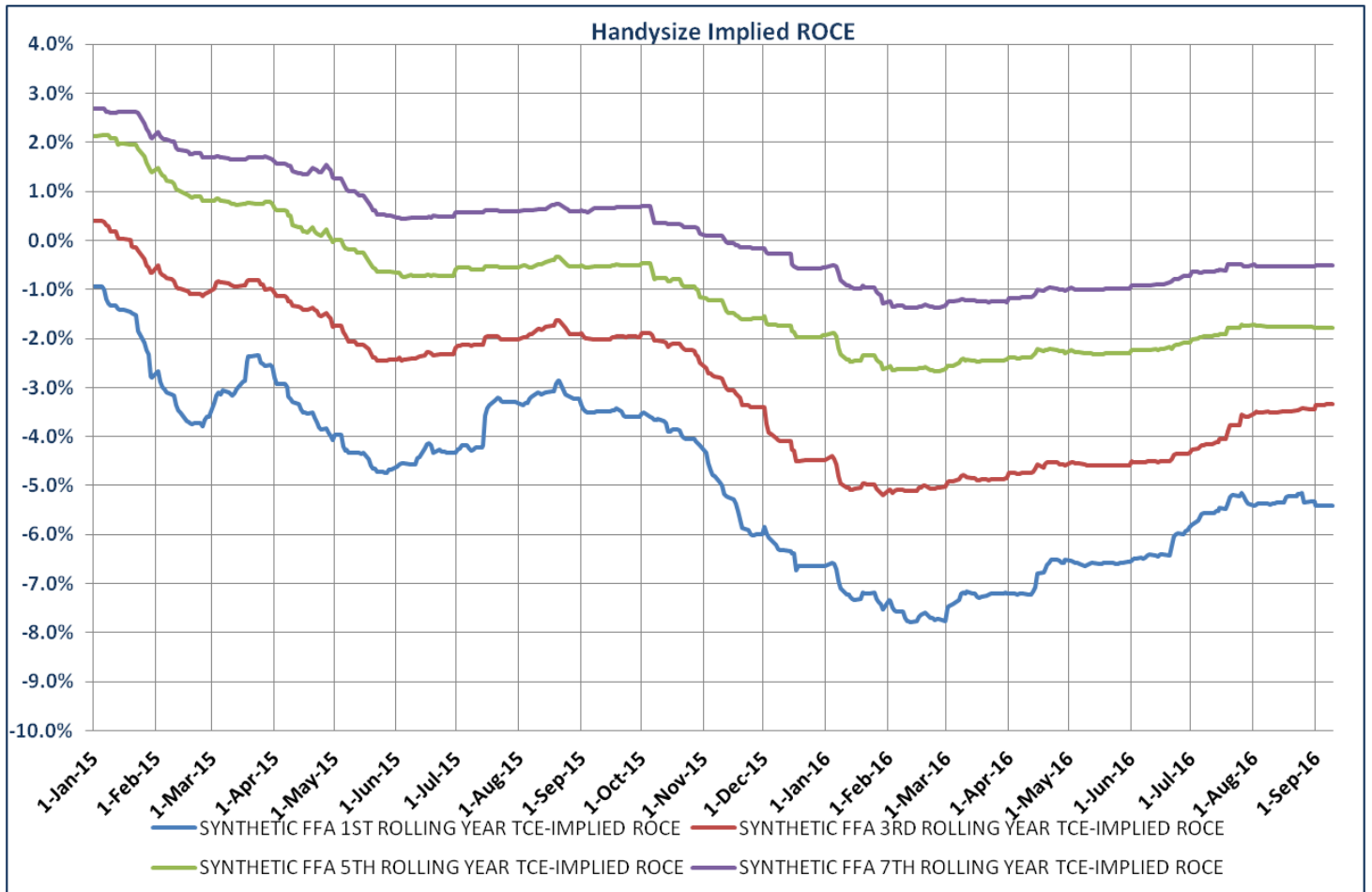
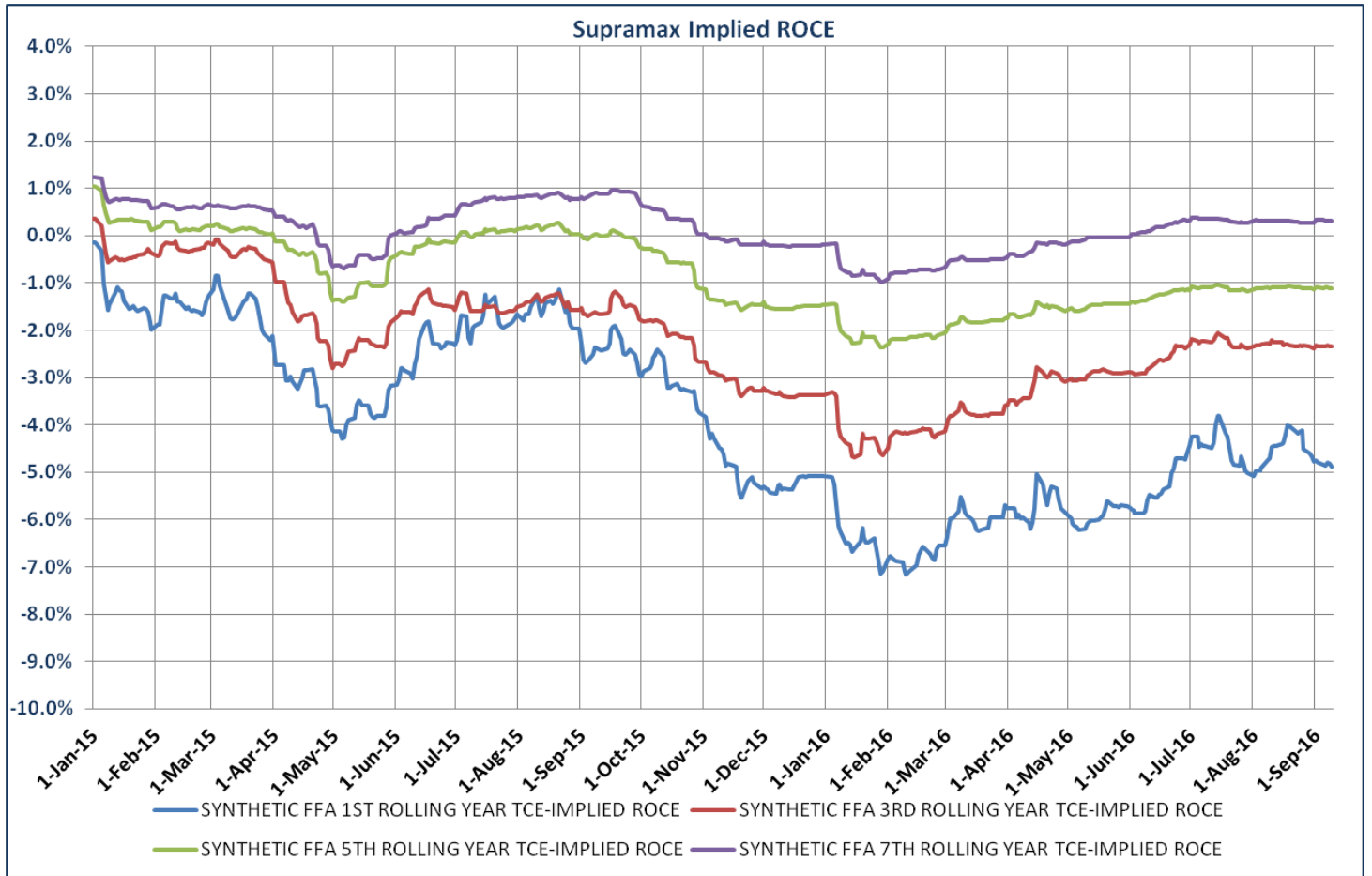
Representative Handysize Fixtures								
Vessel	DWT	Built	Delivery	Date	Re-del	Rate	Charterers	Comment
Master	24,112	1997	kosichang	11-Sep	EC India	\$7,000	cnr	minerals ex thai to eci
Nin	28,373	2000	isabel	15-Sep	Japan	\$5,500	cnr	coal ex indonesia to japan
Nedim	35,196	2013	mumbai	07-Sep	USG	\$3,000 1st 55 days, \$5,750 balance	cnr	steels ex wci to usg
Eternity c	36,830	2012	shuaiba	09-Sep	South Africa	\$4,750	cnr	ferts ex pg to s.africa
Nordic Yara	37,500	2014	Recalada	prompt	Continent	\$6,500	cnr	
Kumano Lily	32,292	2009	Recalada	prompt	Skaw/Passero	\$5,000	cnr	
Lake Arafura	28,471	2001	Recalada	prompt	Feast	\$6,600	PacB	
AEC Ability	37,504	2006	SW Pass	8-10 Sep	Bl. Sea	\$8,000	cnr	
N Schelde	37,200	2013	Canakkale	prompt	Bangladesh	\$11,000	Itiro	grains
Friendly Islands	28,387	2012	Milos	prompt	Egypt Med	\$6,500	cnr	
Emir Aksoy	47,245	1998	Ghent	9-15 Sep	Atlantic	\$7,000	Thorco	short period

FFA Market

The movements of the forward market were analogous to the changes in the spot again this week. The short term prospects appeared to be much stronger compared to medium term indications in all segments. Capesize September contract climbed at \$9,170 and October moved up almost \$1,000 at \$10,070. Slightly positive sentiment in the front end of the Panamax paper with October contracts increased at \$6,705 and November at \$6,960. The prompt months of the Supramax curve moved further down with October contracts at \$7,175 and November at \$7,180. The prompt Handysize contracts remained unchanged with September at \$6,019. The back ends hovered at positive generated return levels.

The first rolling year implied ROCE stayed negative for all segments. The market expectations for the first rolling year of Panamax segment can be translated to -6.3% implied ROCE. Much better are the indications of the Capes and Supramaxes with implied returns of -5.7% and -4.9% respectively. The first rolling year Handysize implied ROCE balanced without change at -5.4%.





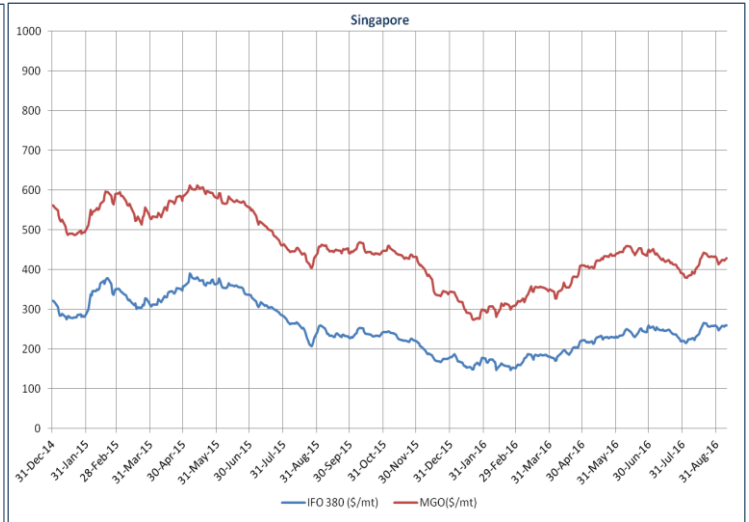
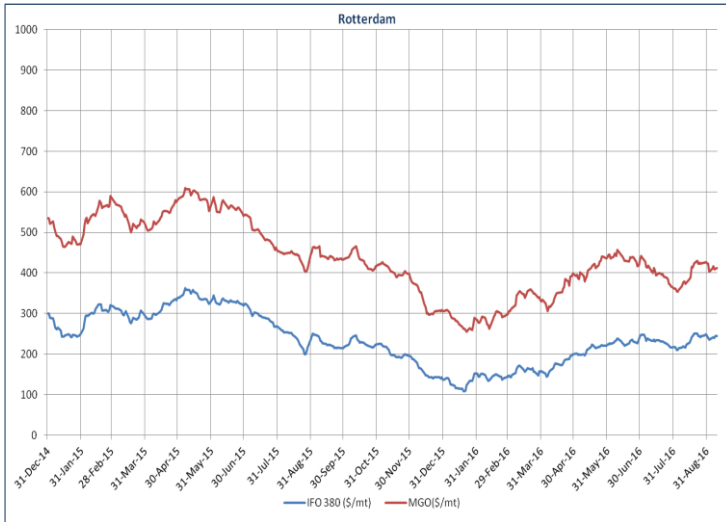
BFA Cape 4TC									
Date	Sept (16)	Oct (16)	Nov (16)	Q1 (17)	Q2 (17)	Q3 (17)	Cal 17	Cal 18	Cal 23
5-Sep-16	\$7,160	\$9,000	\$9,370	\$4,075	\$6,320	\$8,470	\$7,376	\$8,960	\$14,585
6-Sep-16	\$8,200	\$10,010	\$9,890	\$4,190	\$6,340	\$8,510	\$7,433	\$9,030	\$14,610
7-Sep-16	\$8,320	\$9,805	\$9,750	\$4,165	\$6,305	\$8,475	\$7,395	\$9,005	\$14,610
8-Sep-16	\$8,920	\$10,215	\$9,980	\$4,255	\$6,345	\$8,515	\$7,443	\$9,005	\$14,620
9-Sep-16	\$9,170	\$10,070	\$9,890	\$4,260	\$6,340	\$8,510	\$7,445	\$9,005	\$14,620
Week High	\$9,170	\$10,215	\$9,980	\$4,260	\$6,345	\$8,515	\$7,445	\$9,030	\$14,620
Week Low	\$7,160	\$9,000	\$9,370	\$4,075	\$6,305	\$8,470	\$7,376	\$8,960	\$14,585
Week Avg	\$8,354	\$9,820	\$9,776	\$4,189	\$6,330	\$8,496	\$7,418	\$9,001	\$14,609

BFA Panamax 4TC									
Date	Sept (16)	Oct (16)	Nov (16)	Q1 (17)	Q2 (17)	Q3 (17)	Cal 17	Cal 18	Cal 23
5-Sep-16	\$5,635	\$6,545	\$6,770	\$4,730	\$5,885	\$5,730	\$5,734	\$6,647	\$9,105
6-Sep-16	\$5,700	\$6,640	\$6,875	\$4,820	\$5,930	\$5,780	\$5,788	\$6,685	\$9,105
7-Sep-16	\$5,755	\$6,890	\$7,050	\$4,930	\$6,020	\$5,830	\$5,860	\$6,710	\$9,110
8-Sep-16	\$5,655	\$6,745	\$6,970	\$4,890	\$5,980	\$5,800	\$5,821	\$6,705	\$9,110
9-Sep-16	\$5,650	\$6,705	\$6,960	\$4,890	\$5,990	\$5,800	\$5,824	\$6,705	\$9,110
Week High	\$5,755	\$6,890	\$7,050	\$4,930	\$6,020	\$5,830	\$5,860	\$6,710	\$9,110
Week Low	\$5,635	\$6,545	\$6,770	\$4,730	\$5,885	\$5,730	\$5,734	\$6,647	\$9,105
Week Avg	\$5,679	\$6,705	\$6,925	\$4,852	\$5,961	\$5,788	\$5,805	\$6,690	\$9,108

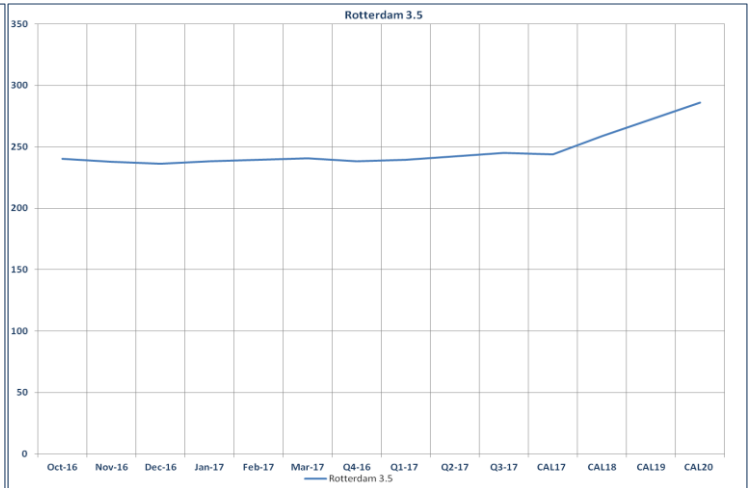
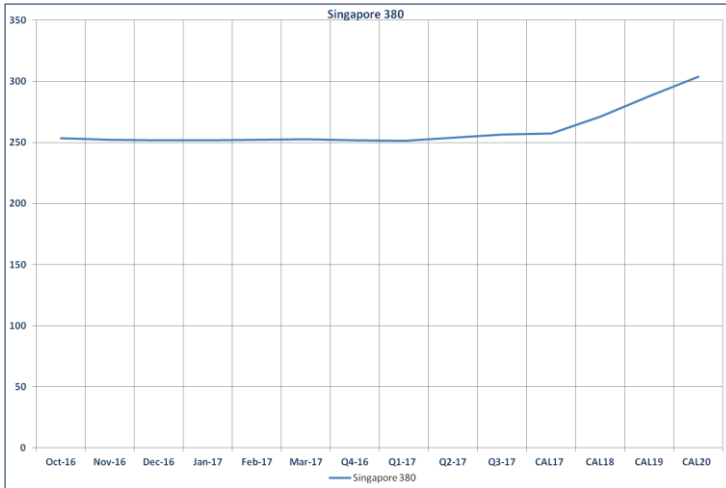
BFA Supra 5TC									
Date	Sept (16)	Oct (16)	Nov (16)	Q1 (17)	Q2 (17)	Q3 (17)	Cal 17	Cal 18	Cal 23
5-Sep-16	\$7,190	\$7,165	\$7,225	\$5,020	\$5,960	\$6,020	\$5,950	\$6,995	\$8,800
6-Sep-16	\$7,220	\$7,170	\$7,235	\$5,020	\$5,935	\$6,020	\$5,950	\$7,005	\$8,800
7-Sep-16	\$7,275	\$7,295	\$7,330	\$5,025	\$5,940	\$6,030	\$5,950	\$7,010	\$8,800
8-Sep-16	\$7,230	\$7,270	\$7,290	\$5,030	\$5,940	\$6,040	\$5,945	\$6,995	\$8,800
9-Sep-16	\$7,220	\$7,175	\$7,180	\$5,010	\$5,935	\$6,035	\$5,935	\$6,990	\$8,800
Week High	\$7,275	\$7,295	\$7,330	\$5,030	\$5,960	\$6,040	\$5,950	\$7,010	\$8,800
Week Low	\$7,190	\$7,165	\$7,180	\$5,010	\$5,935	\$6,020	\$5,935	\$6,990	\$8,800
Week Avg	\$7,227	\$7,215	\$7,252	\$5,021	\$5,942	\$6,029	\$5,946	\$6,999	\$8,800

BFA Handysize TC									
Date	Sept (16)	Oct (16)	Nov (16)	Q1 (17)	Q2 (17)	Q3 (17)	Cal 17	Cal 18	Cal 23
5-Sep-16	\$6,006	\$5,938	\$5,844	\$4,813	\$5,250	\$5,275	\$5,156	\$5,763	\$7,481
6-Sep-16	\$6,006	\$5,944	\$5,844	\$4,813	\$5,250	\$5,275	\$5,156	\$5,763	\$7,481
7-Sep-16	\$6,013	\$5,956	\$5,850	\$4,819	\$5,256	\$5,275	\$5,138	\$5,763	\$7,481
8-Sep-16	\$6,019	\$5,956	\$5,844	\$4,819	\$5,244	\$5,263	\$5,131	\$5,763	\$7,481
9-Sep-16	\$6,019	\$6,006	\$5,844	\$4,813	\$5,244	\$5,263	\$5,113	\$5,763	\$7,481
Week High	\$6,019	\$6,006	\$5,850	\$4,819	\$5,256	\$5,275	\$5,156	\$5,763	\$7,481
Week Low	\$6,006	\$5,938	\$5,844	\$4,813	\$5,244	\$5,263	\$5,113	\$5,763	\$7,481
Week Avg	\$6,013	\$5,960	\$5,845	\$4,815	\$5,249	\$5,270	\$5,139	\$5,763	\$7,481

Bunker Market



Date	Rotterdam		Singapore		Fujairah		Gibraltar		Houston	
	IFO 380 (\$/mt)	MGO(\$/mt)	IFO 380 (\$/mt)	MGO(\$/mt)	IFO 380 (\$/mt)	MGO(\$/mt)	IFO 380 (\$/mt)	MGO(\$/mt)	IFO 380 (\$/mt)	MGO(\$/mt)
5-Sep-16	\$241	\$411	\$258	\$424	\$266	\$518	\$261	\$443	\$239	\$457
6-Sep-16	\$241	\$416	\$258	\$425	\$265	\$518	\$261	\$449	\$236	\$457
7-Sep-16	\$240	\$410	\$256	\$423	\$265	\$514	\$260	\$448	\$238	\$457
8-Sep-16	\$244	\$410	\$259	\$426	\$268	\$515	\$261	\$444	\$246	\$458
9-Sep-16	\$245	\$412	\$260	\$428	\$269	\$516	\$262	\$445	\$246	\$459
Week High	\$245	\$416	\$260	\$428	\$269	\$518	\$262	\$449	\$246	\$459
Week Low	\$240	\$410	\$256	\$423	\$265	\$514	\$260	\$443	\$236	\$457
Week Avg	\$242	\$412	\$258	\$425	\$266	\$516	\$261	\$446	\$241	\$458



Singapore	09-Sep-16	Week max	Week low	Week Avg	RTDM 3.5	09-Sep-16	Week max	Week low	Week Avg
Oct-16	\$253.4	\$253.4	\$244.3	\$248.9	Oct-16	\$240.4	\$240.4	\$229.8	\$235.0
Nov-16	\$252.4	\$252.4	\$242.8	\$247.7	Nov-16	\$237.9	\$237.9	\$227.0	\$232.4
Dec-16	\$251.9	\$251.9	\$241.8	\$247.0	Dec-16	\$236.4	\$236.4	\$225.3	\$230.9
Jan-17	\$251.6	\$251.6	\$241.8	\$246.8	Jan-17	\$238.4	\$238.4	\$227.0	\$232.9
Feb-17	\$252.1	\$252.1	\$242.0	\$247.2	Feb-17	\$239.6	\$239.6	\$228.0	\$234.0
Mar-17	\$252.6	\$252.6	\$242.3	\$247.7	Mar-17	\$240.6	\$240.6	\$229.0	\$235.0
Q4-16	\$252.0	\$252.0	\$242.1	\$247.1	Q4-16	\$238.2	\$238.2	\$227.4	\$232.8
Q1-17	\$251.4	\$251.4	\$240.9	\$246.4	Q1-17	\$239.5	\$239.5	\$228.4	\$234.2
Q2-17	\$253.9	\$253.9	\$242.9	\$248.7	Q2-17	\$242.5	\$242.5	\$231.1	\$237.2
Q3-17	\$256.6	\$256.6	\$244.9	\$251.3	Q3-17	\$245.0	\$245.0	\$233.4	\$239.8
CAL17	\$257.3	\$257.3	\$245.2	\$251.5	CAL17	\$244.0	\$244.0	\$232.0	\$238.3
CAL18	\$271.0	\$271.0	\$259.0	\$265.3	CAL18	\$258.8	\$258.8	\$246.7	\$253.0
CAL19	\$288.0	\$288.0	\$276.0	\$282.3	CAL19	\$272.5	\$272.5	\$260.5	\$266.8
CAL20	\$304.0	\$304.0	\$292.0	\$298.3	CAL20	\$286.0	\$286.0	\$274.0	\$280.3

Dry Bulk S&P Market

Although the prices for new tonnage, and in particular from Chinese yards, continue their downward trend, investors don't seem to express any active interest in this market. On the other hand there is always a keen interest for opportunities in the secondhand market, albeit with less intensity compared to last week.

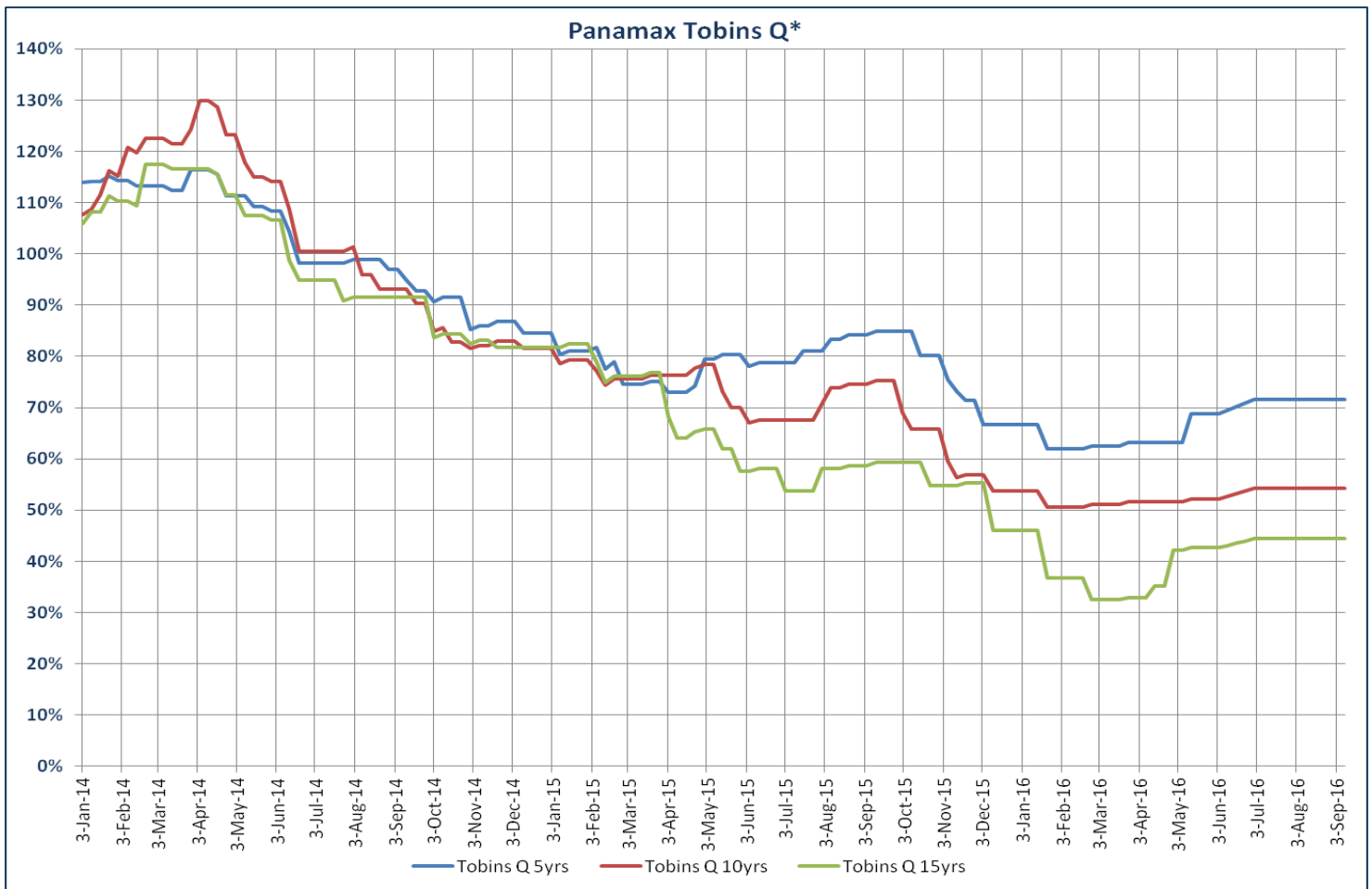
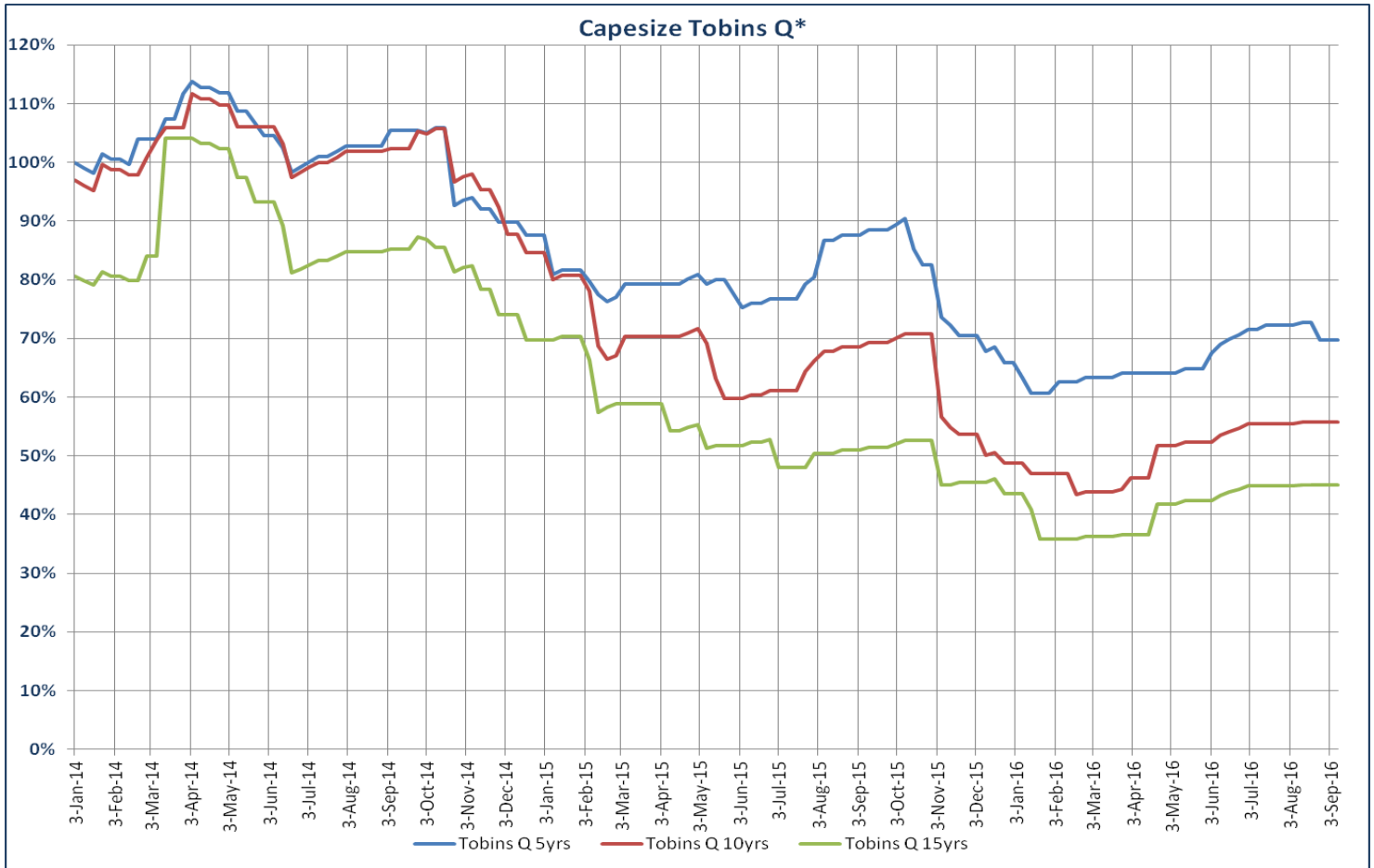
Without exception from the general trend, bulker prices remained unchanged over the last week. The discounts on the second hand values to adjusted replacement cost stay at 30% for a 5-year-old Capesize to 55% for a 15-year-old vessel. The market for 5 and 10-year-old Panamaxes are balanced at 28% and 56% off from their adjusted newbuilding prices respectively. The discounts in 5-year-old Supramaxes linger around at 26% and in 15-year-old vessels at 44%. Discounts remain unchanged for the Handies with 44% and 51% for 5 and 15-year-old vessels respectively.

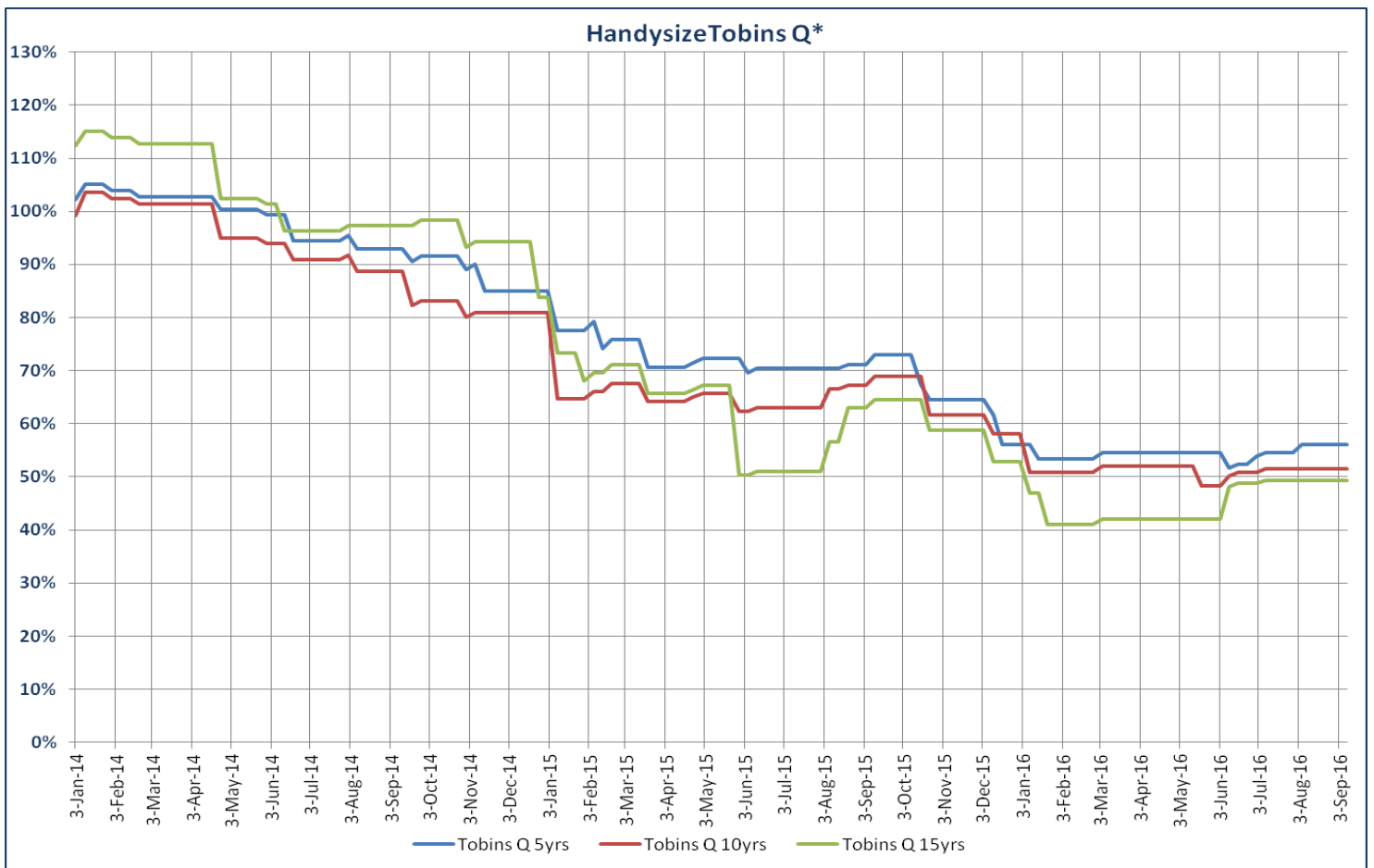
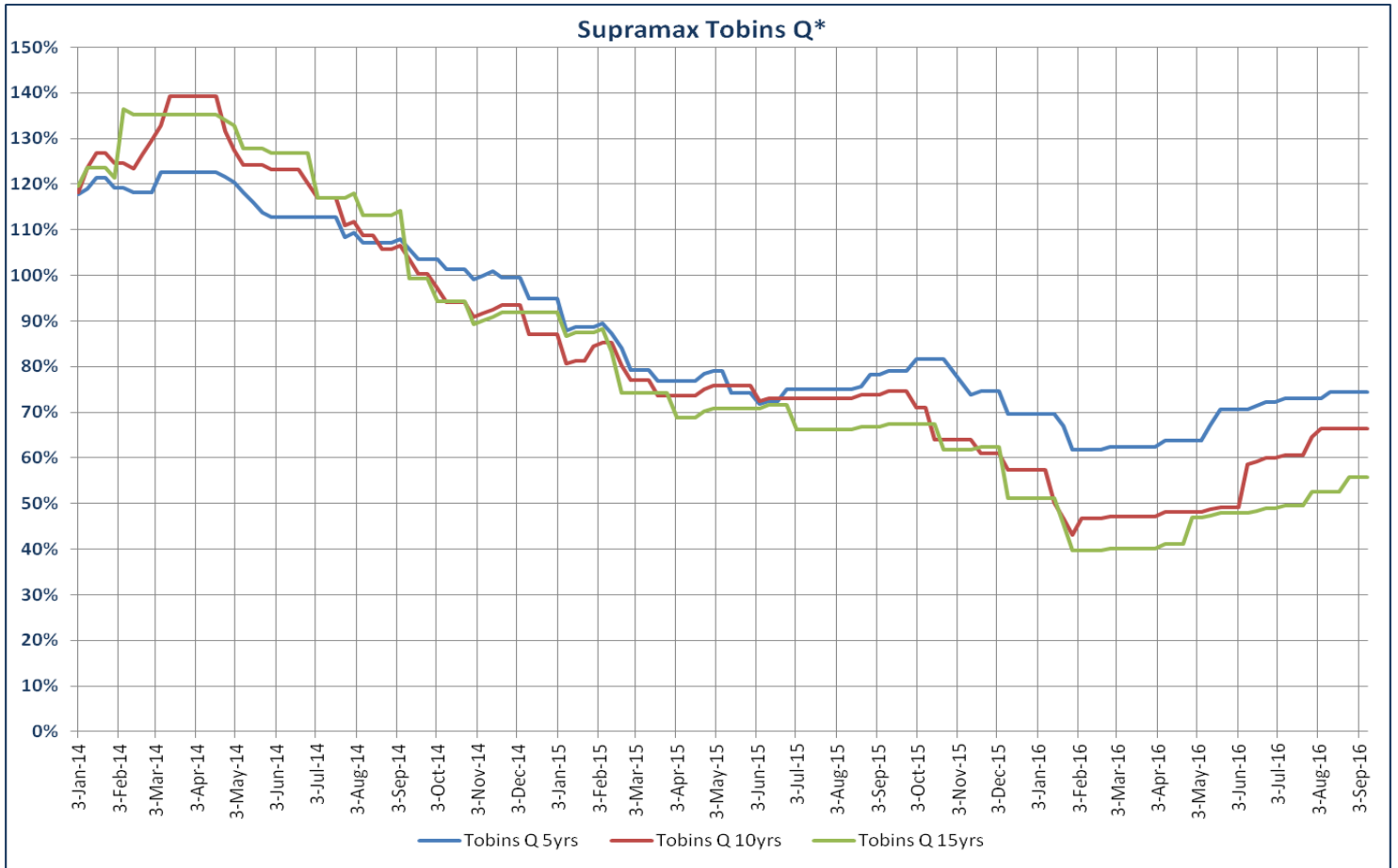
Reported Recent S&P Activity							
Vessel Name	DWT	Built	Yard/Country	Price \$Mil.		Buyer	Comments
Mustang	180,000	2016	New Times/China	low-mid	32	Undisclosed	
C Atlas	179,185	2009	Hyundai/ S.Korea		18.75	Undisclosed	
Oriental Angel	95,711	2013	Imabari/Japan	mid-high	16	Undisclosed	
Johannes Wulff	93,272	2010	Yangfan/China	high	8	Greek Buyers	
Mighty Sky	81,502	2010	Universal/Japan		13.8	Undisclosed	
C Fortune	76,000	2016	Jiangsu/China		11	Undisclosed	
Toro Orient	76,636	2008	Imabari/Japan	low	9	Greek Buyers	
Ganges	74,500	2007	Hudong/China		6	Undisclosed	
Ocean Life	75,318	2003	Universal/Japan		5.3	Chinese Buyers	
Coronado	75,706	2000	Sanoyas/Japan	low	4	Chinese Buyers	
Dalian Cosco KHI DE031	61,000	2016	Dalian Cosco/China		18.3	Undisclosed	C 4x30
Heroic	57,721	2012	Zhejiang/China		7.3	Chinese Buyers	C 4x36
E.R. Barcelona	55,783	2010	Hyundai-Vinashin/Vietnam		8.3	Greek Buyers	C 4x30
Temara	53,410	2007	Chengxi/China		5.5	Undisclosed	C 4x36
Nemtas I	50,077	2001	Mitsui Chiba/Japan		4.4	Chinese Buyers	C 4x30
Marguerite	47,304	2002	Minami Nippon/Japan		4.2	Greek Buyers	C 4x30
Don Mariano	37,877	2016	Avic Wei Hai/China		14.5	Undisclosed	C 4x35
Bulker Alessia	35,000	2010	SPP/S. Korea		9.2	Greek Buyers	C 4x35
Tan Binh 234	32,936	2006	Kanda/Japan		7.2	Undisclosed	C 4x30.5
Daisy K	28,420	2012	Imabari/Japan		7.9	Undisclosed	C 4x30.5
Aroma	28,509	2009	IS Shipyard/Japan	high	6	Undisclosed	C 4x30.5
Cape Scott	28,747	1997	Shin Kurushima/Japan		2.3	Undisclosed	C 4x30
Free Maverick	23,994	1998	Kanda/Japan		2	Chinese Buyers	C 4x30

Tobin's Q* Capesize-Panamax						
Date	Capesize 5yrs	Capesize 10yrs	Capesize 15yrs	Panamax 5yrs	Panamax 10yrs	Panamax 15yrs
Current ratio	70%	56%	45%	72%	54%	44%
12months High	90%	71%	53%	85%	75%	59%
12months Low	61%	43%	36%	62%	51%	33%
12months Avg	70%	54%	43%	69%	55%	45%

Tobin's Q* Supramax-Handysize						
Date	Supramax 5yrs	Supramax 10yrs	Supramax 15yrs	Handysize 5yrs	Handysize 10yrs	Handysize 15yrs
Current ratio	74%	66%	56%	56%	52%	49%
12months High	82%	75%	67%	73%	69%	65%
12months Low	62%	43%	40%	52%	48%	41%
12months Avg	70%	57%	51%	58%	55%	49%

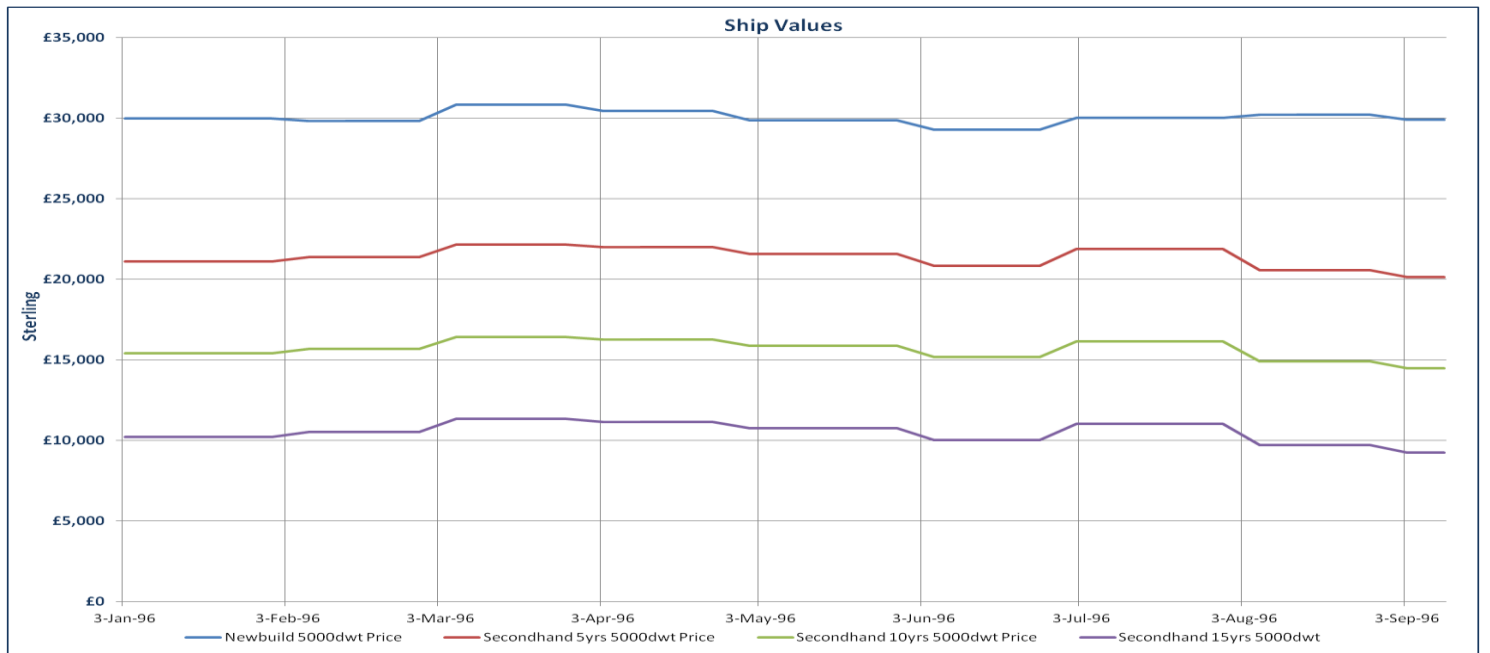
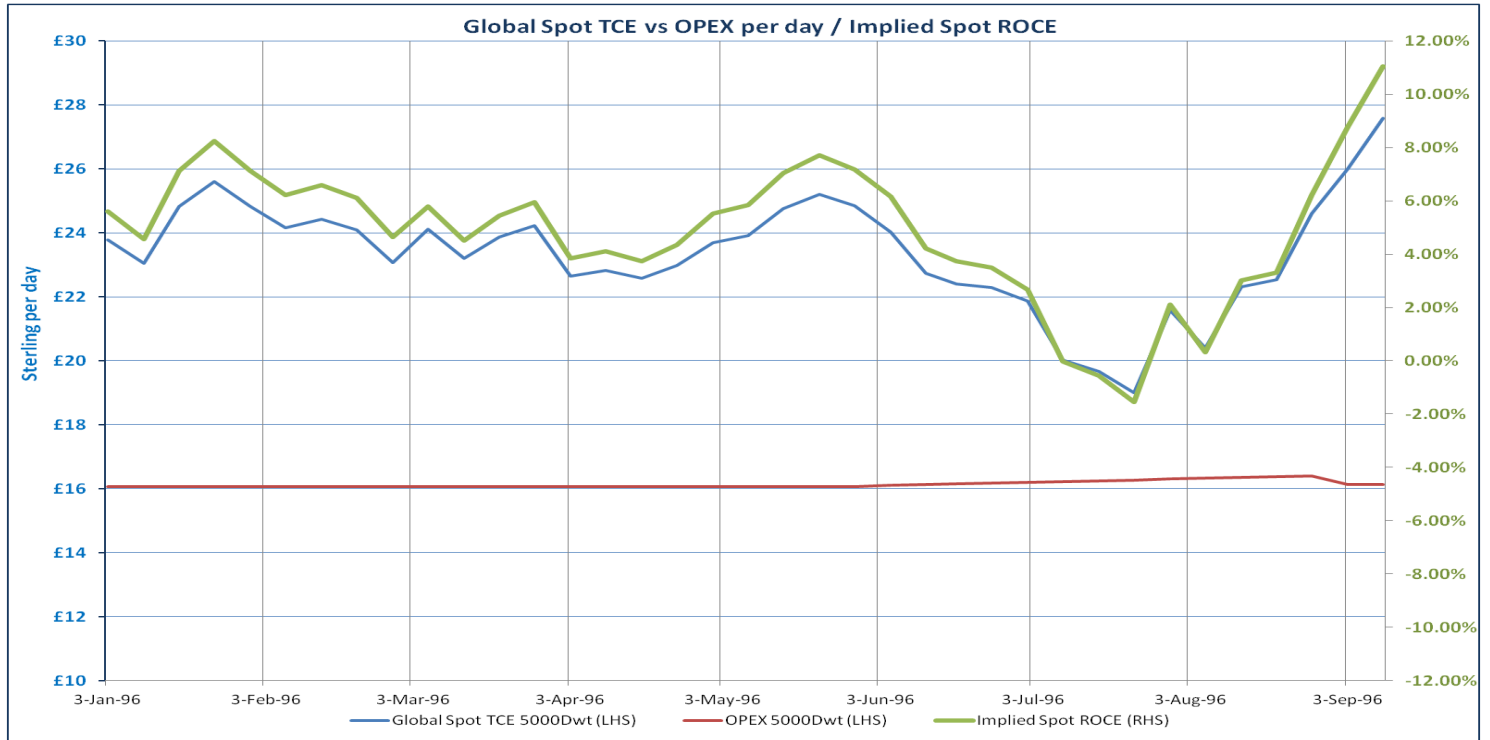
*Tobin's Q represents the ratio between the market value and replacement value of a physical asset, with numerator and denominator adjusted to same age basis. According to economic theory, this ratio should be mean reverting towards 1 or 100%, for assets that do not face technological obsolescence.





Market Insight 120 years ago

By: Michalis Voutsinas, Doric Shipbrokers S.A. and Angela Papanastatou, Tufton Oceanic Ltd.



Weekly Global 5,000dwt Spot TCE(Sterling/day)	Current week	Previous week	Aug-96	Jul-96	Jun-96
Implied Spot Roce	11.0%	8.8%	3.2%	0.5%	4.4%
Global Spot TCE	£27.54	£25.98	£22.44	£20.39	£22.84
BlackSea Round	£28.70	£26.62	£23.34	£19.79	£22.91
East Round	£18.01	£22.41	£21.32	£24.17	£25.73
Med Round	£28.25	£25.46	£20.53	£19.44	£21.48
US Round	£29.67	£29.36	£25.50	£23.20	£25.07
River Plate Round	£29.77	£27.01	£25.75	£22.96	£21.96

S&P Market (Sterling)	Current week	Previous week	Aug-96	Jul-96	Jun-96
Newbuild 5000DWT	£29,919	£29,919	£30,225	£30,015	£29,275
Secondhand 5000DWT 5yrs old	£20,144	£20,144	£20,563	£21,872	£20,838
Secondhand 5000DWT 10yrs old	£14,502	£14,502	£14,918	£16,147	£15,179
Secondhand 5000DWT 15yrs old	£9,265	£9,265	£9,734	£11,036	£10,013

*1 Sterling = 20 Shillings=240 Pennies (d), 50% of the World Fleet under British Ownership, Size Categories: "Small"=below 2,500dwt, "Handy"=2,500-4,000dwt, "Large"=5,000dwt,"Very Large"= 6,000dwt, "Ultra Large"=above 6,000dwt, Assumptions for a 5,000dwt Benchmark Ship: Voyage Speed=9knots, Fuel Consumption 17.75tonnes of coal/day

History does not repeat itself but it does rhyme...

With few exceptions, the markets continue firm and with every prospect in several directions of going much stronger. The average returns on capital employed in shipping during this week (10-September-1896) climbed at double-digit percentages of 11%.

Although the Danube market has fluctuated during the past week, Azoff and Black Sea are considerably stronger than in the previous period. The TCEs for these round voyages are raised at £28.70 per day - up £10/day from the mid July lows. An impressive grain business has been done from the Northern US ports to principal ports of the UK/CONT, but forward rates are below current levels as for September loading being 3s to 3s 1.5d per Quarter, October 2s 10.5d to 3s and 2s 10.5d thereafter. The US market ended marginally up at £29.67. The River Plate grains are very strong with berth rates quotations from up river to London, Hull, Antwerp, and Rotterdam (L.H.A.R.) being at 15s 6d per tonne, while from the lower ports 14s 9d may be obtainable. In line with the general tone, the Mediterranean market continued upward with the TCE for a round voyage in this route at £28.25. The Eastern market continues in a deplorable condition and we can understand that vessels cannot find any homeward employment in Japan or China. Thus, they must run across to San Francisco or down to Singapore for orders. But in every probability when they get to the straits there will be no market and the next move will be on Colombo for orders and so on until they ultimately arrive at Port Said in ballast. The TCE of this niche market stands £10 below all other market average at £18.01.

In the S&P market, both the newbuilding and the secondhand subsectors remained unchanged since the last report. A typical 10-yr-old 5,000dwt vessel is now sold at £14,500 whereas a newbuilding of the same dwt at around £29,900 down 3% and up 1% M-o-M respectively.