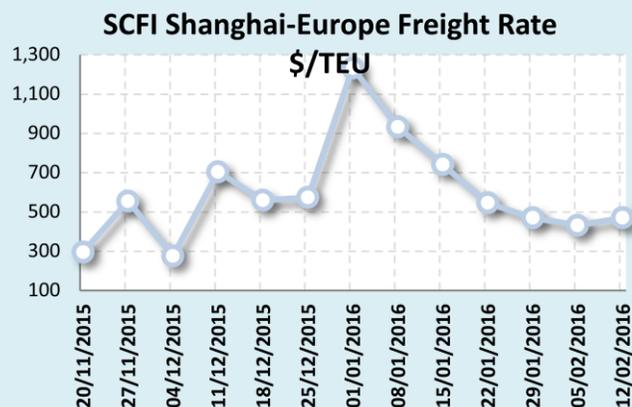


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Key Shipping Indicators



Source: Clarksea Research Services Limited

Shanghai Containerised Freight Index (\$/TEU)

W/E 13 th February 2015	1,003
W/E 12 th February 2016	469
Average % change Y-O-Y:	-53%

380cst bunker prices, Rotterdam (\$/Tonne)

W/E 13 th February 2015	304
W/E 12 th February 2016	138
Average % change Y-O-Y:	-55%

Baltic Exchange Dry Index

W/E 13 th February 2015	547
W/E 12 th February 2016	291
Average % change Y-O-Y:	-47%

Irish Maritime News: BAM Civil Ltd Appointed to Undertake Bantry Inner Harbour Development.

BAM Civil Ltd has been appointed as the main contractor by Bantry Bay Port Company to undertake the new Bantry Inner Harbour Development, following a public tender process. This development marks the start of the regeneration of Bantry inner harbour. Funding for the project has been made available from the Port of Cork Company, the Department of Transport, Tourism and Sport, and from previous funds carried over from Bantry Harbour Commissioners, with phase one of the project expected to cost approximately €8.5 million.

The development will see the improvement of pier facilities as well as a new quayside area which will support the fishing and tourism sectors in the Bantry area.

Construction is expected to commence in late February/early March 2016 with a target completion date of Q3 2017. After completion, the Bantry Inner Harbour Development will ensure vessels no longer lie aground when beside the pier. The new 20-berth marina will provide improved berthage for local and visiting yachts to safely moor and access the town centre. Dredging will be carried

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out on the existing pier and new marina facilities, allowing access at all stages of the tide.

The announcement comes just months after the launch of the Bantry Blueway connecting the port with water trails of up to 9km for kayakers along the Wild Atlantic Way.

Global Maritime News: New Building Market Shrinking Every Week, according to Allied Shipbroking's Latest Weekly Report.

In its latest weekly report, shipbroker Allied Shipbroking noted that “a new order here, a new order there and an ever shrinking order-book leaves the newbuilding market shrinking every week”. Therefore, according to Allied, It is no surprise “that we continue to see ever more shipbuilders being flown publicly into financial difficulties with many unable to support the finances and trying to strike deals with their respective financiers while others look onto finding new supporters for their troubled businesses”.

Allied went on to state that it will be government support which will dictate the course of this industry, “with overzealous governments throwing large amounts of cash in order to support the large labor forces utilized by this industry”

This follows another week of relatively few reported orders highlighting how difficult the current situation is.

In relation to the demolition market, Allied noted that “further price squeeze is put on every day by the vast number of demo candidates circulating the market, while demo buyers are still in the “beneficial” position of picking out the best candidates they can find”.

Container Market: Port of Hamburg Declines by Almost Ten Percent

The Port of Hamburg has announced a 9.3% year-on-year fall in its 2015 container handling volumes amid weak market conditions.

The port reported that its throughput went down from 9.7m teu in 2014 to 8.8m teu last year, falling to third-place in the European container ports rankings behind Rotterdam and Antwerp, which handled 12m teu and 9.6m teu respectively in 2015.

According to the port, the fall in seaborne container throughput is mainly attributable to the fall in volumes handled with China and Russia, as well as the decrease in container traffic with Polish ports, which was caused by a rising number of container

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services calling directly at Gdansk without transshipment at one of the northern ports.

Axel Mattern, member of the Port of Hamburg's marketing executive board, said that this is primarily due to the fall in transshipment cargo. He went to say that: "compared to ports such as Antwerp and Rotterdam, Hamburg reports an around 7% higher proportion of transshipment cargo. This is one of the reasons that Hamburg is more seriously affected than Antwerp or Rotterdam by weakness in China's foreign trade and Russia's economic problems, for example."

Tanker Market: Maersk Tankers reports 156 Million Profit for 2015

Maersk Tankers has reported what it calls its "a highly satisfying" underlying result of \$156m for 2015, of which \$150m came from the product tanker sector and a return on invested capital (ROIC) of 9.9%. This compares with an underlying result of \$138m and a ROIC of 6.8m in 2014.

In a results statement, the company said that: "Maersk Tankers has found it difficult to deliver satisfactory results for several years due to very low rates in the market." They went on to say that "A couple of years ago, Maersk Tankers chose to focus on the product tanker market, through which

Maersk Tankers expects to be able to achieve the best earnings in the long-term, for example due to the refineries moving closer to the oil wells."

The 2015 figures, the "best result in years" was a result of rates in the product tanker segment having started moving up "as early as late 2014", Maersk added - albeit acknowledging that rates in the VLCC segment began climbing "even earlier".

Bulk Market: World's Largest International Shipping Association Report: Poor Outlook for Dry Bulk Market

This Tuesday, BIMCO released its latest dry bulk market report. According to the report, the market faced a lot of headwind in 2015 as dwindling demand and over-supply created very unfavourable market conditions. 2016 has shown no improvements so far and prospects for the rest of the year are not looking promising. With poor earnings across the board the average scrapping age has dropped among all the dry bulk segments.

Chief Shipping Analyst, Peter Sand said that: "The extensive demolition activity within the dry bulk shipping industry is expected to continue to climb through 2016. So far, the year has already started well with 4.6 million DWT scrapped in January

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alone. This increasing demolition is a very welcome development, but a lot more ships need to be scrapped in order to improve on the unfavourable market conditions present in the dry bulk market.”

With demand growth mainly skewed towards iron ore, a trade mostly covered by the capesize segment; few capesize ships were scrapped. In 2014 4.2 million DWT worth of capsize was scrapped. This is lower than 12 million DWT scrapped in 2012 and 7.9 million DWT scrapped in 2013.

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Information Sources:

- Afloat.ie
- Hellenic Shipping News
- Container Magazine
- World Cement