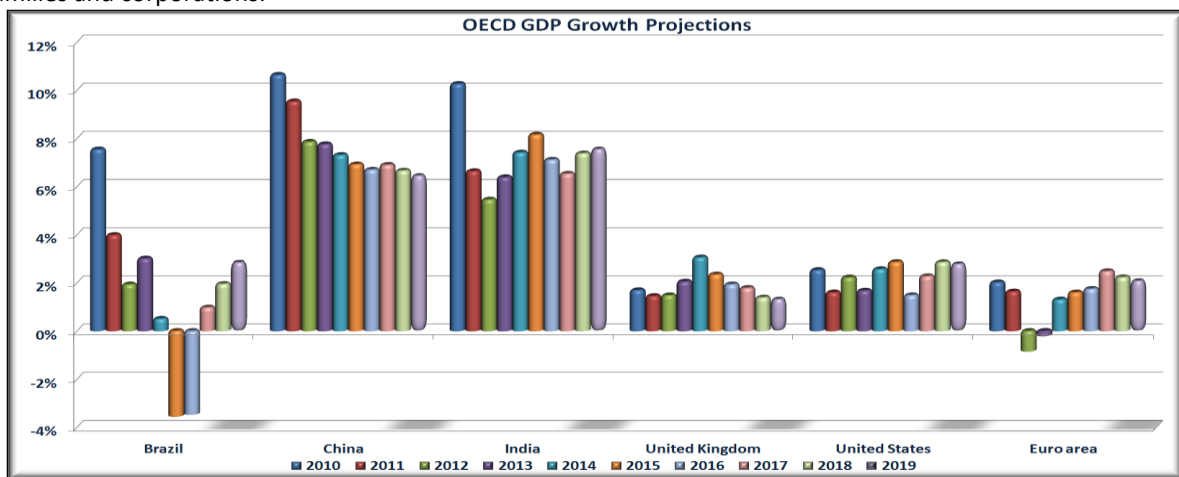


After years of accommodative monetary policies and large injections of funds to the global economy, the pace of global growth reverted to its average of the last few decades. Releasing its latest economic outlook, OECD estimated global growth to be 3.8 per cent for the current year, laying above 2017 pace but trimmed by 0.1 percentage point compared to the previous OECD economic outlook update. For 2019, projections remained encouraging, with growth rate estimation of 3.9%, fuelled by a welcome rebound in investment and world trade that have helped cut unemployment across the OECD to its lowest level since 1980. In spite of this positive momentum, the OECD noted some risks looming on the global outlook. Primarily, an escalation of trade tension could have a negative impact on the recovery of the global economy. Additionally, the rise in oil prices poses a significant risk. Although low prices have not been supportive to global growth as in the past, persistently high oil prices push up inflationary pressures that aggravate external imbalances in many countries. Furthermore, the low interest rate environment of the last period has encouraged rampant borrowing by households and corporations. All above considered, rising interest rates should be challenging to highly indebted countries, families and corporations.



The United States economy is currently expanding by around 3% largely due to a substantial fiscal boost. Employment growth remains robust and coupled with buoyant asset prices and strong consumer confidence is sustaining income and consumption growth. In the euro area, economic growth is projected to continue at a brisk pace of just above 2 per cent over 2018-19. Accommodative monetary policy, fiscal support and improving labour markets are spurring domestic demand, notably through dynamic private consumption. In China, GDP pace is set to soften somewhat in 2018-19, as exports ease and investment slows. Infrastructure investment, a major growth driver in recent years, is projected to slow further amid tightening monetary conditions and a heightened approval process for local government investment. In Brazil, the recovery is strengthening and growth looks to reach 2.8% in 2019, whilst in Russia growth is projected to continue at a moderate pace.

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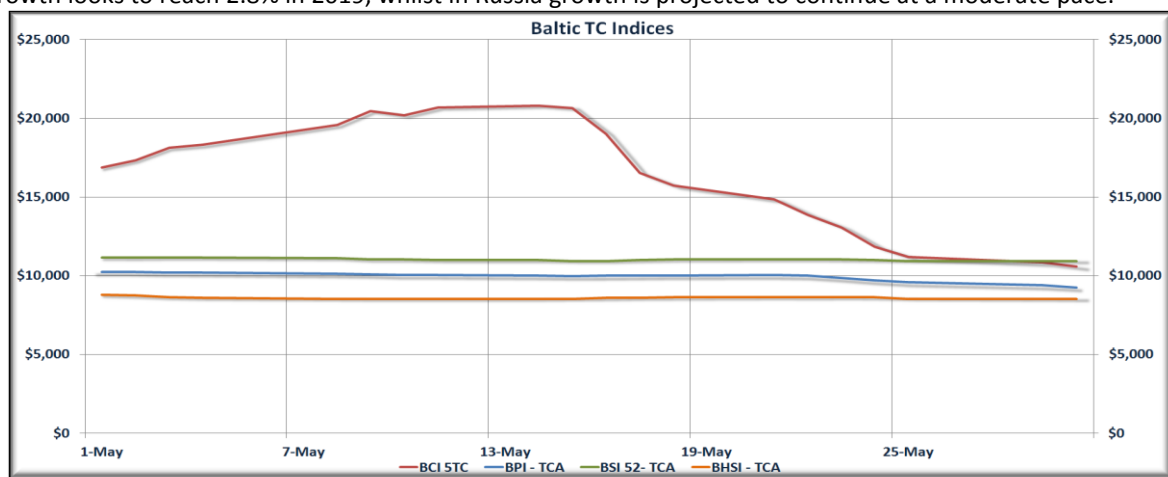
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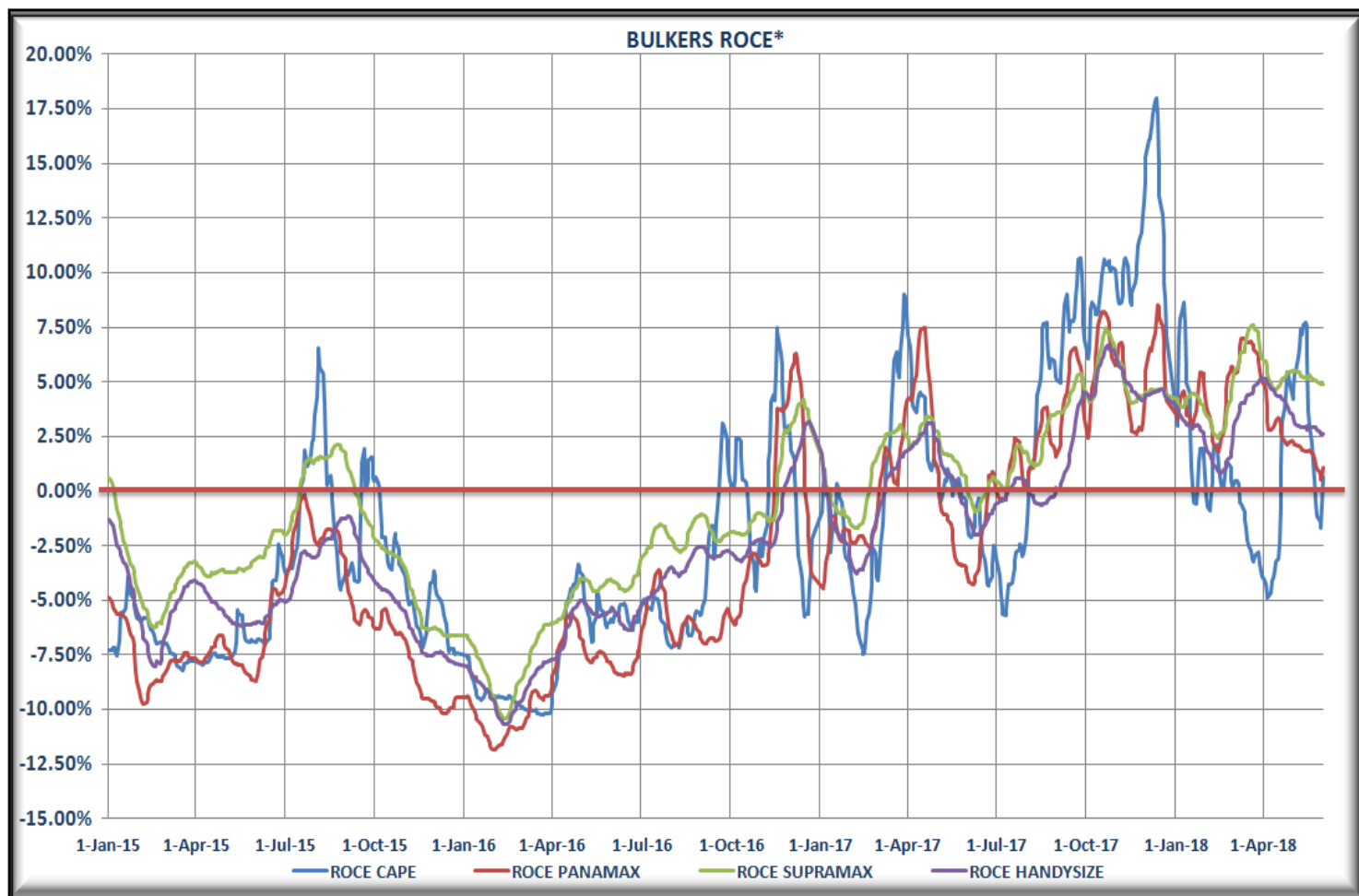
Setting aside the medium to longer-term prospects of the global economy, the spot freight market had a rather dull May. Indicative of the softer tone is that all segments finished the fifth trading month of the year below the levels they had started. Capesizes were the worst performers during this period, having lost almost 37% on a monthly basis. However as the week came to a close, the cape looks to be staging a comeback giving some hope that it will punch to its weight in the second half of the year. This would be a welcome development to the entire bulker space which has been braced for a year of stronger earnings than what has so far transpired. Fingers crossed!

**Freight market 120yrs ago (page 12):** "The markets generally are considerably weaker. There is, however, a good deal profitable employment offering, especially in regard to period market..."

## Dry Cargo Spot Market

The Baltic Dry Index went up to 1156 points this week, being propelled by the increased trading activity in the Capesize sub-market, especially towards the end of the week. Following a period of eleven trading days with Capesizes being under severe pressure, the end of the 22nd week of the year found the largest bulkers trending upward to 1602 points. In sync, Panamaxs concluded at 1192 points, or just 5 points higher than the previous week closing. On the contrary, the geared segments did not find any level of support this week and thus the Baltic indices moved down. Reporting marginal losses, Supramaxes and Handies drifted lower to 1061 and 583 points for the former and the latter respectively.

At the box office, the after depreciation returns on capital employed of Capesizes and Panamaxs saw some marginal gains, whereas those of geared segments lost their previous heights. In fact, Capesize ROCE lay at 0.66% and Panamax ROCE at 1.08%, or up 182 and 5 basis points on a weekly basis respectively. With the BSI 52TC hovering below \$11,000 daily, Supramax ROCE slid to 4.90%. An investment in Handies is currently generating 2.6 cents in every dollar invested.



Baltic Freight Indices					
Date	BDI	BCI 5TC	BPI - TCA	BSI - TCA	BHSI - TCA
29-May-18	1057	\$10,839	\$9,375	\$10,953	\$8,529
30-May-18	1042	\$10,583	\$9,262	\$10,925	\$8,509
31-May-18	1090	\$11,723	\$9,348	\$10,925	\$8,491
1-Jun-18	1156	\$13,180	\$9,604	\$10,922	\$8,486
12-month High	1743	\$30,475	\$13,740	\$12,356	\$10,104
12-month Low	818	\$6,305	\$6,281	\$7,412	\$6,178
12-month Avg	1224	\$15,630	\$10,731	\$10,138	\$8,316
Avg. Cal 2017	1145	\$15,129	\$9,766	\$9,168	\$7,636
Avg. Cal 2016	673	\$7,388	\$5,562	\$6,236	\$5,214

**\*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.

After touching one-month lows of \$10,583 daily on Wednesday, Baltic **Capesize** 5TC index moved strongly up, ending the week at \$13,180 daily.

In the commodity news of the Pacific, Australian iron ore producer Fortescue Metals Group is going ahead with its plans to build a new \$1.3 billion mine in the Pilbara region. The world's fourth largest iron ore miner plan is to lift the grade of its ores and so satisfy the new demands of its biggest customer, China, which is increasingly asking for higher quality ore for steel mills. In the spot arena, in spite of the numb week start, the benchmark of the Pacific basin ended on a positive note at \$7.518 pmt. On the early side of the week, the 'Pantagruel' (180,181 dwt, 2004) was reported fixed with prompt delivery Nantong for a trip via Australia to S. China at \$12,250 daily, with the option of N. China to be valued at \$500 more. The 'Navios Melodia' (179,132 dwt, 2010) secured \$13,000 daily, for a similar round, basis delivery Tianjin and redelivery Singapore-Japan. Few days later, for such a run, the 'Aguarange' (179,000 dwt, 2011) managed a healthier \$14,500 daily, basis delivery Zhoushan and redelivery S.China, with the option of northern redelivery to be valued \$500 higher. The Baltic transpacific index (C10\_14), with an impressive 25.5% weekly increase, closed at \$15,688 daily.

In the Atlantic, being influenced by the strikes in Brazil, the market remained extremely slow throughout the week. However, just before Friday's closing, the Baltic Tubarao to Qingdao index managed to cover some ground, concluding higher at \$17.732 pmt. However, there was a rumour that the 'Nicolemy' (179,910 dwt, 2014) eta Tubarao 15 June fixed a cargo to China at \$16.30. The fronthaul index (C9\_14) hovered at \$24,359 daily, at the same time as the Transatlantic index (C8\_14) reported double-digit gains of 15.4% to \$11,250 daily. The 'Besiktas Azerbaijan' (169,263 dwt, 2010) was reported fixed for a transatlantic round at \$10,500, basis delivery Gibraltar and redelivery Gibraltar-Skaw. On the fronthaul runs, the 'Golden Amreen' (179,377 dwt, 2015) concluded at \$21,000 for a trip via Port Cartier, basis delivery Cape of Good Hope and redelivery Cigading.

On the period front, there was not any reported activity this week. However, there were rumours of a 177k tonner managing to fix at \$18,100 daily for 12/15 months.

Representative Capesize Fixtures								
Vessel	DWT	Built	Delivery	Date	Re-del	Rate	Charterers	Comment
Navios Melodia	179,132	2010	Tianjin	03/04 Jun	Singapore-Japan	\$13,000	cnr	via E. Australia
Aguarange	179,000	2011	Zhoushan	01/02 May	S. China opt. N. China	\$14,500 opt. \$15,000	Jiangsu Steamship	via Australia
Pantagruel	180,181	2004	Nantong	prompt	S. China opt. N. China	\$12,250 opt. \$12,750	Pacific Bulk	via Australia
Marvellous	169,150	2011	Beilun	05 Jun/06 July	China	\$15,000	cnr	via E. Australia
Besiktas Azerbaijan	169,263	2010	Gibraltar	prompt	Gibraltar-Skaw	\$10,500	Oldendorff	transatlantic round
Golden Amreen	179,377	2015	Cape of Good Hope	prompt	Cigading	\$21,000	Fave Ocean	via Port Cartier

Capes reversal seems to trickle down to **Panamax**... Is there light at the end of the tunnel?

A harsh trading week for prompt/spot tonnage free in the Pacific region. On week's closing, overall the market seems to have corrected; with fresh cargoes coming out. Remains to be seen if the cold margaritas during Poseidonia week celebrations will have any chilling impact. NoPac grain activity this week was rather poor, with Charterers pushing rates below last done. Namely 'Star Mariella' (82,266 dwt, 2006) reported fixed; at around \$10,750 with spot delivery Hakata which normally commands a premium due to her proximity to No Pac. Further south bids struggled to keep over 5 digits. 'Key Evolution' (83,416 dwt, 2010) managed to get \$10,250 for a short trip with 05/09 June delivery Hoping, and redelivery at Philippines while. On the aussie front, 'Ulusoy 11' (79,422 dwt, 2011) fixed at \$10,250 with late May delivery Taichung via EC Australia to Singapore/Japan ranges. The 'Navios Harmony' (82,790 dwt, 2006) achieved a sound \$11,000 with 01 June delivery Zhoushan but for EC India direction banking on an improving ECISA.

The week closed on a positive note for the Atlantic trading. With nearly two weeks since the truckers' protest and roadblocks, affecting a great deal of Brazilian grains exports, things seem to return to normality. There were rumors of an overage panamax achieving \$15,000 plus \$500,000 gbb for late June dates. Very few reported fixtures out of the Atlantic; with the exception of NCSA stealing share of the fairly quiet U.S pie. Demand is picking up while supply seems tight on weeks closing. 'Chrysanthi S' (80,268 dwt, 2012) fixed at \$16,000 daily with end May delivery at Hamburg for a front-haul trip via Murmansk. 'Tiger Lily' (81,886 dwt, 2016) reported at tick better levels, for similar direction but longer duration, at \$16,500 daily with 09 June delivery at Dunkirk for one T/C trip, loading in Amazon river plus top off at Santos. T/A trips faced tough bullying, with 'Woolloomooloo' (76,064 dwt, 2012) getting paid \$9,000 daily with early June delivery at San Ciprian via Trombetas to Auginish.

This week, there was increased period talking with few Charterers feeling seemingly edgy on whether they are overpaying a rather endured suppressed spot/physical market or making the right choice. 'Hampton Bay' (81,508 dwt, 2009) fixed at \$12,650 with late May delivery CJK for 4 to 6 months. On week's closing, the smaller sized 'Icarus' (75,200 dwt, 2012) achieved \$12,250 daily for same period. On longer duration, 'Songa Sky' (81,466 dwt, 2010) fixed for one year with 08/10 June delivery in China at \$13,250 daily.

Representative Panamax Fixtures								
Vessel	DWT	Built	Delivery	Date	Re-del	Rate	Charterers	Comment
Chrysanthi S	80,268	2012	Hamburg	29/30 May	Singapore-Japan	\$16,000	Itiro	via Murmansk
Tiger Lily	81,886	2016	Dunkirk	09 June	Singapore-Japan	\$16,500	Comerge	via NCSA & ECISA
Woolloomooloo	76,064	2012	San Ciprian	01/02 June	Auginish	\$9,000	Cargill	via Trombetas
Key Evolution	83,416	2010	Hoping	05/09 June	Philippines	\$10,250	Dreyfus	via Indo
Star Mariella	82,266	2006	Hakata	spot	Singapore-Japan	\$10,750	Panocean	via NoPac
Navios Harmony	82,790	2006	Zhoushan	01 June	EC India	\$11,000	Bostomar	via ECAus
Ulusoy 11	79,422	2011	Taichung	31 May	Singapore-Japan	\$10,250	Agricore	via ECAus
Hampton Bay	81,508	2009	CJK	28/30 May	worldwide	\$12,650	Oldendorff	4/6 mos
Songa Sky	81,466	2010	China	08/10 June	worldwide	\$13,250	Oldendorff	1 yr
Icarus	75,200	2012	Malaysia	02/04 June	worldwide	\$12,250	Phaethon	4/6 mos

A flat market in the Pacific and some glimpses of hope in the Atlantic for the **Supramax**.

Market in the Pacific was influenced by the holidays in the UK and Greece on Monday and particularly by those in Singapore on Tuesday. The sideways movement observed last week was the main characteristic for week 22 as well. On the usual Indonesian coal runs, the 'Jin Hao' (56,730 dwt, 2012) opening in Chittagong was fixed at \$13,250 basis delivery Singapore and redelivery China. At the same time the Ultramax 'Star Eos' (63,132 dwt, 2015) achieved a healthier \$14,250 daily with delivery at Anyer and direction to Vietnam. The 'Qing Ping Hai' (63,474 dwt, 2015) opening at Luoyan opted for a trip with nickel ore via the Philippines back to China at \$13,750 dop. In enquiries from Australia the 'Baltic Cougar' (53,100 dwt, 2009) fetched \$9,100 basis delivery dop Krishnapatnam for a trip with bauxite via west Australia to China. The market in Persian Gulf remains affected by the upcoming sanctions on Iran. Rates have dropped and owners that are willing to try their luck with such a trade from Iran are trying to secure a premium. We heard rumours of a supramax opening at West Coast India asking \$14,000 dop for a trip with steels via Bandar Abbas to SE Asia.

In the Atlantic, market seems to have reached a resistance point and the feeling is now turning more optimistic. Rates from the USG have already picked up visibly since last week, as numbers for fronthaul trips are flirting again with the \$20,000 mark on Ultramax tonnage. Meantime, rates for T/A trips have gained circa \$1,000 daily w-o-w. It was rumoured that the 'Tomini Harmony' (63,560 dwt, 2016) secured \$16,000 daily for a trip with grains via Mississippi to the Mediterranean, basis delivery SW Pass. The South Atlantic held steady, without major changes in hire rates. The 'Aquakula' (55,309 dwt, 2007) was fixed for a sugar cargo from Santos to Chittagong at \$13,250 daily plus \$325,000 ballast bonus. Switching to the European sub-markets, a 63,000 tonner was fixed for a trip with fertilizers via Baltic to SE Asia at \$17,000 daily basis delivery Passing Skaw. Similar rates were seen on fronthaul trips from the Black Sea. The 'Northern Light' (63,800 dwt, 2015) was fixed on subjects for one such trip to Korea at \$17,000 daily, basis delivery passing Canakkale.

On the period desk, the 'Laura' (63,399 dwt, 2015) locked \$13,000 daily basis delivery Gibraltar, for 3-5 months trading with redelivery Atlantic.

Representative Supramax Fixtures								
Vessel	DWT	Built	Delivery	Date	Re-del	Rate	Charterers	Comment
Jin Hao	56,730	2012	Singapore	Prompt	China	\$13,250	cnr	
Star Eos	63,132	2015	Anyer	Prompt	Vietnam	\$14,250	cnr	
Qing Ping Hai	63,474	2015	Luoyan	Prompt	China	\$13,750	cnr	
Baltic Cougar	53,100	2009	Krishnapatnam	Prompt	China	\$9,100	cnr	
Tomini Harmony	63,560	2016	SW Pass	Prompt	Mediterranean	\$16,000	cnr	rumored
Aquakula	55,309	2007	Santos	5 June	Chittagong	\$13,250	Dreyfus	Sugar/Agris
Northern Light	63,800	2015	Canakkale	Prompt	Korea	\$17,000	cnr	fixture on subjects
Laura	63,399	2015	Gibraltar	Prompt	Atlantic	\$13,000	Glencore	3-5 months period

A tale of two regions in the Far East – Despair settling in at the Atlantic on the **Handysize**.

A week with mixed results ends in the Far East. North of Taiwan, the pressure for charterers was less due to the increased supply of vessels. On the South front, there was much more activity noticed as cargoes from Australia were pushing rates upwards. Another factor towards this direction is that several vessels in South East Asia have been delayed due to the rain season and Ramadan holidays. The 'Brazen' (28,300 dwt, 2014) open at Makassar on the 30th of May fixed concentrates and grains via Australia to China at \$9,400 dop. On the other hand, market sources advised that a 28,000dwt fixed at \$10,500 dop Indonesia for grains. 'Navios Lyra' (34,000 dwt, 2012) open at Kohsichang fixed at \$9,250 dop for a trip from Thailand to South Korea as owners intend to perform dry dock in China. In the north, the 'King Canola' (28,200 dwt, 2013) open at Naoshima on the 2nd of June fixed at \$8,500 dop for steels ex CIS to Indonesia.

In the Atlantic, many owners are wondering "what is going on?" and seriously question what lies ahead for the summer. ECSA rates slipped in even lower levels, with a 34,780dwt fixing from Plate to Med a low \$9,750, while a 33,683dwt fixed a trip to WCSA at \$12,000. Similar was the tone in USG, where the rates also kept getting lower. This week we heard rumours of a 37,000 dwt fixing from Mississippi a trip to Morocco in the high \$9,000's. A 28,388dwt was fixed for a trip from the Gulf to WCCA at \$9,250 with delivery in the Caribs. The Continent, on the other hand, was the only area that showed some activity. A 35,000dwt was fixed from Rouen with a grains cargo to Algeria at a nice \$11,500. Whilst more towards the south, in the Med /BI. Sea area, things were rather uneventful. Rumours emerged of a 30,000dwt being fixed from Odessa to USEC at \$8,000 with pig iron, and a larger 45,000dwt fixed from Turkey a trip to Spain at \$10,500.

No activity was reported on the period front.

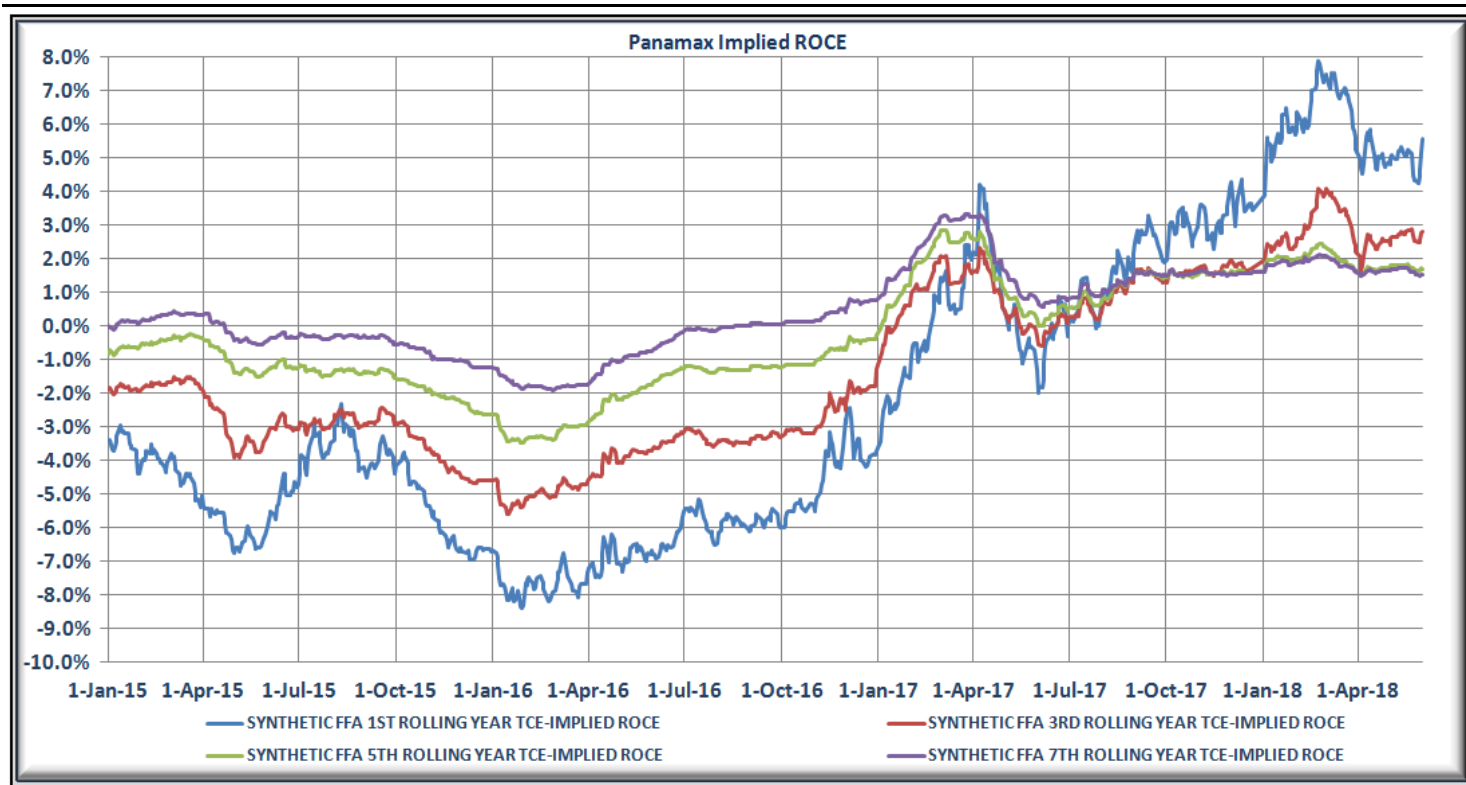
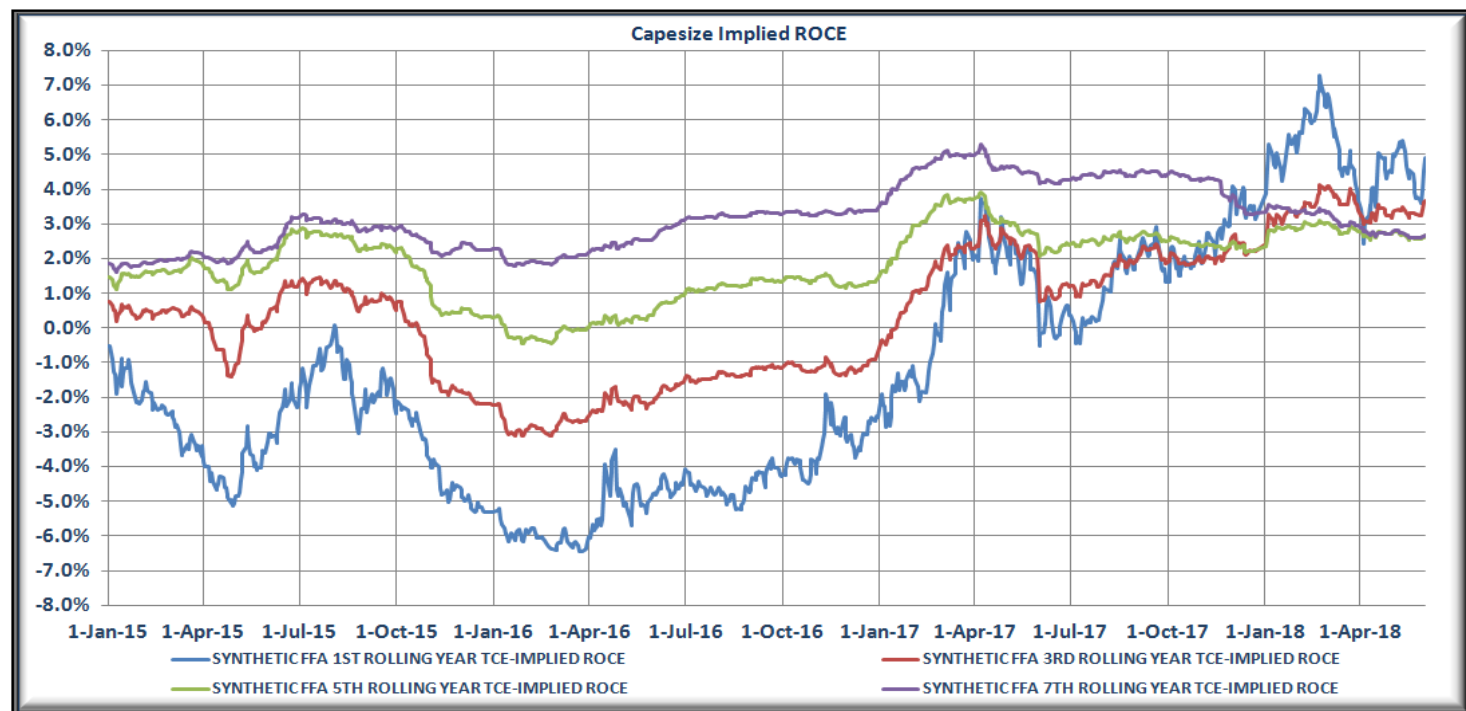
Representative Handysize Fixtures								
Vessel	DWT	Built	Delivery	Date	Re-del	Rate	Charterers	Comment
Brazen	28,300	2014	Makassar	Prompt	China	\$9,400	cnr	grains and concs via Australia
Navios Lyra	34,000	2012	Kohsichang	Prompt	S.Korea	\$9,250	cnr	
King Canola	28,200	2013	Naoshima	Prompt	Indonesia	\$8,500	cnr	steels cia CIS
Benjamas Naree	34,780	2011	Recalada	Prompt	Med	\$9,750	LDC	
CMB Juliette	33,683	2011	ECSA	Prompt	WCSA	\$12,000	ChinaNav	
Panforce	28,388	2004	Dom.Rep	Prompt	WCCA	\$9,250	AMP	via USG
Bunun Brave	45,000	2014	Nemrut	Prompt	Spain	\$10,500	cnr	



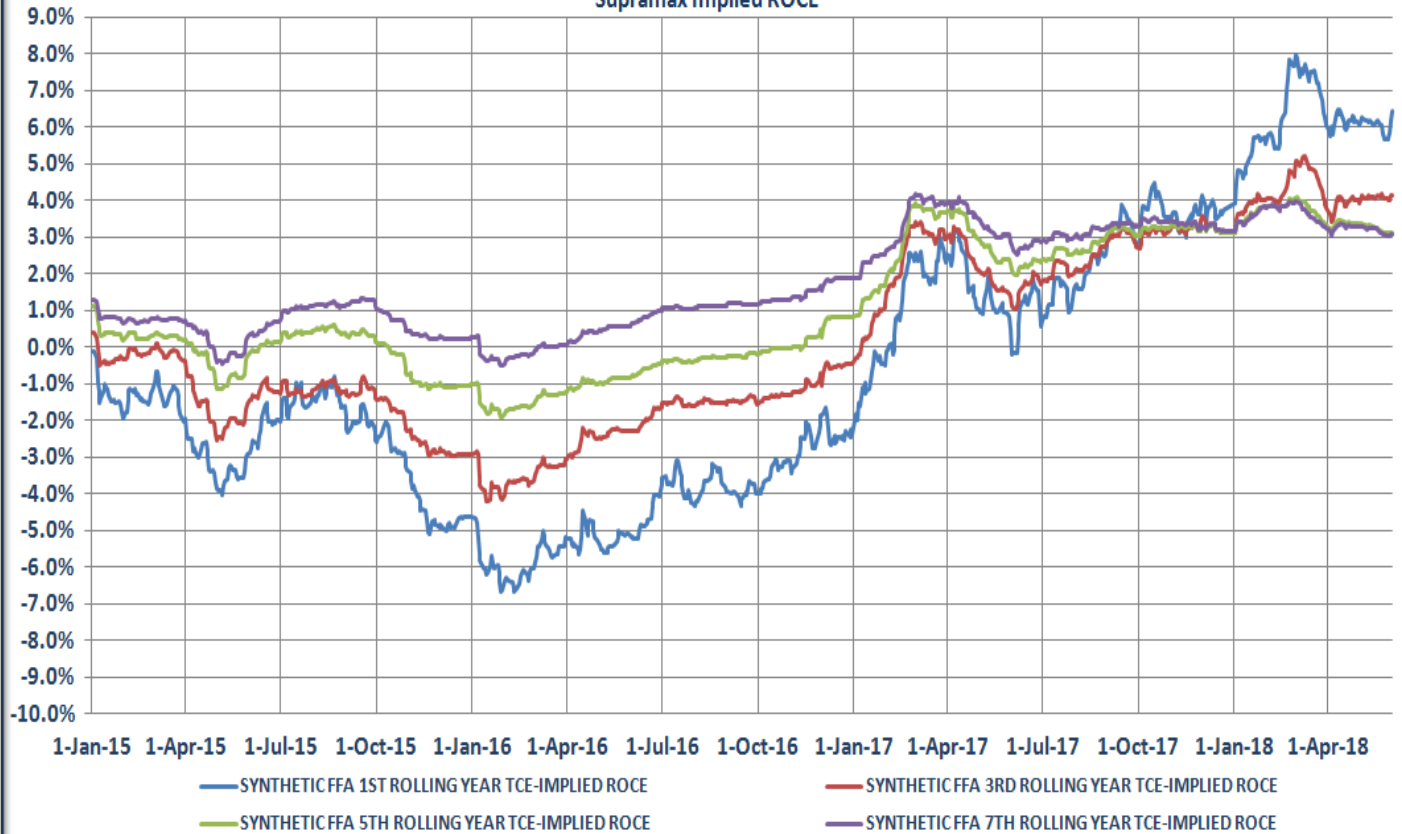
## FFA Market

Despite being under pressure on the early side of the week, the forward curves of the dry sector managed to move higher before the 22nd trading week ended. The Capesize and Panamax prompt months moved strongly higher whilst the respective months of Supramaxes and Handysizes went marginally up. In line with the spot market, the prompt months of the Capesize forward curve surpassed its previous heights, with July paper balancing at \$16,840 and August at \$17,710. In spite of a spot market lacking clear direction, the Panamax curve ended higher at \$12,345 and \$12,645 for July and August respectively. Positive sentiment was seen in the Supramax forward market, with July balancing higher at \$12,070 and August at \$12,110. In a quiet week on the Handysize paper, prompt contracts remained at previous Friday's levels, with August at \$9,538. The back ends of all segments remained at previous levels without significant changes.

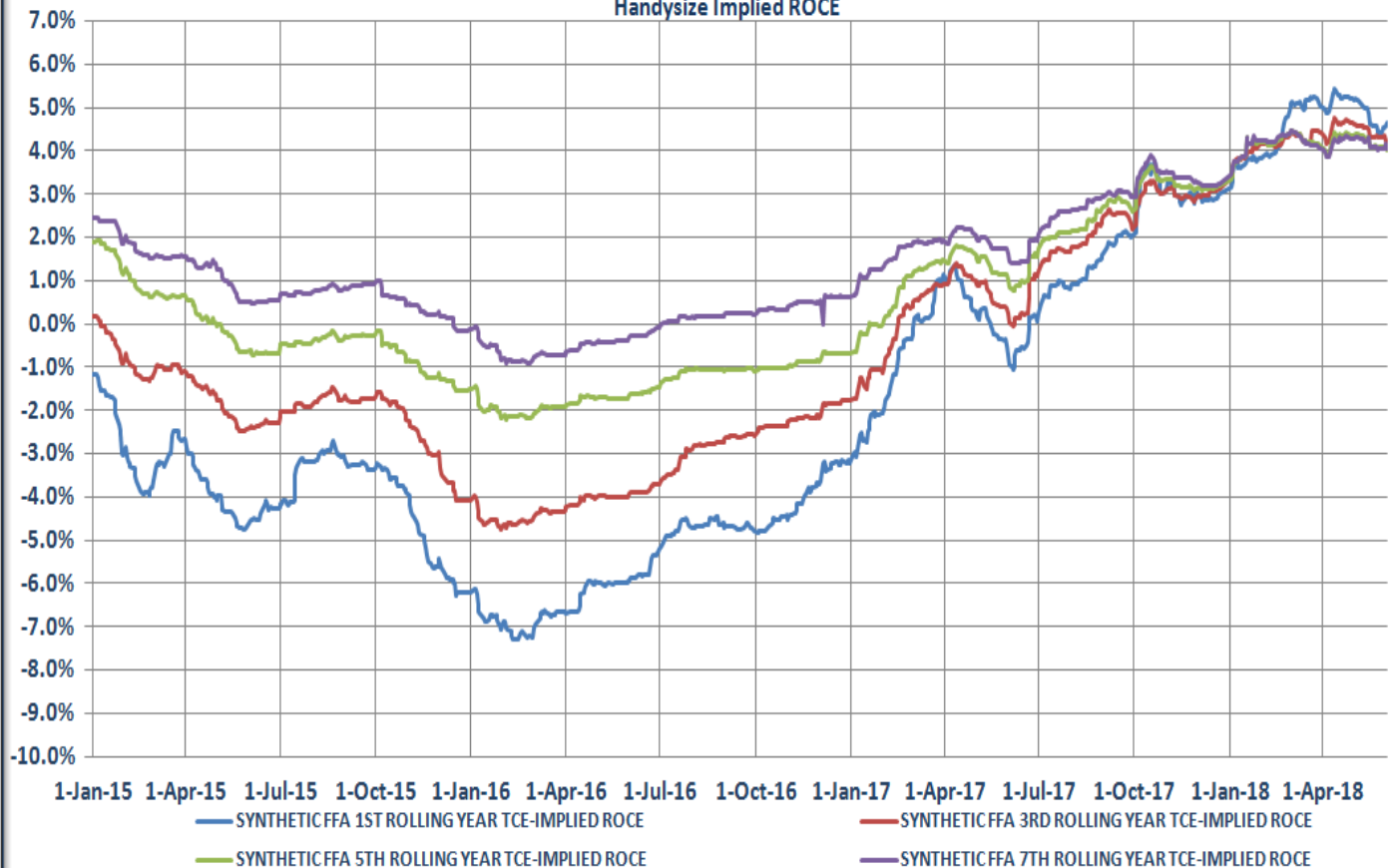
Capesize first rolling year implied ROCE gained 1.1% this week at 4.9% at the same time as that of Panamax moved up to 5.6%. Geared segments implied ROCEs reported marginal gains, with Supramax at 6.4% and Handy at 4.7%.



Supramax Implied ROCE



Handysize Implied ROCE



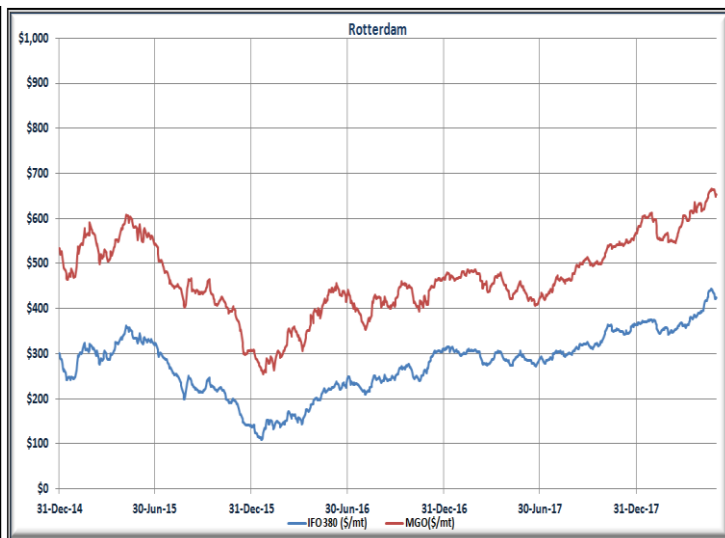
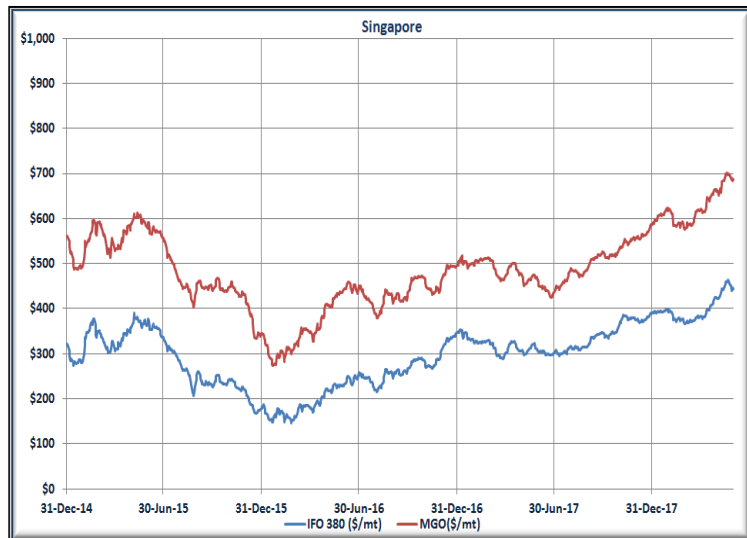
BFA Cape 5TC									
Date	Jun (18)	July (18)	Aug (18)	Q3 (18)	Q4 (18)	Q1 (19)	Cal 19	Cal 24	Cal 25
29-May-18	\$11,960	\$14,080	\$16,070	\$16,270	\$21,320	\$13,900	\$17,170	\$15,280	\$15,340
30-May-18	\$12,510	\$14,560	\$16,520	\$16,707	\$21,890	\$14,180	\$17,495	\$15,340	\$15,380
31-May-18	\$14,380	\$15,910	\$17,340	\$17,647	\$22,380	\$14,490	\$17,855	\$15,340	\$15,380
1-Jun-18	\$16,010	\$16,840	\$17,710	\$18,142	\$22,750	\$14,530	\$18,058	\$15,370	\$15,400
Week High	\$16,010	\$16,840	\$17,710	\$18,142	\$22,750	\$14,530	\$18,058	\$15,370	\$15,400
Week Low	\$11,960	\$14,080	\$16,070	\$16,270	\$21,320	\$13,900	\$17,170	\$15,280	\$15,340
Week Avg	\$13,715	\$15,348	\$16,910	\$17,192	\$22,085	\$14,275	\$17,645	\$15,333	\$15,375

BFA Panamax 4TC									
Date	Jun (18)	July (18)	Aug (18)	Q3 (18)	Q4 (18)	Q1 (19)	Cal 19	Cal 24	Cal 25
29-May-18	\$10,000	\$11,130	\$11,580	\$11,667	\$12,815	\$10,960	\$11,723	\$9,885	\$9,855
30-May-18	\$9,900	\$11,340	\$11,770	\$11,873	\$12,910	\$11,080	\$11,853	\$9,880	\$9,860
31-May-18	\$10,570	\$11,940	\$12,310	\$12,417	\$13,180	\$11,260	\$12,055	\$9,890	\$9,870
1-Jun-18	\$10,825	\$12,345	\$12,645	\$12,737	\$13,525	\$11,365	\$12,169	\$9,910	\$9,880
Week High	\$10,825	\$12,345	\$12,645	\$12,737	\$13,525	\$11,365	\$12,169	\$9,910	\$9,880
Week Low	\$9,900	\$11,130	\$11,580	\$11,667	\$12,815	\$10,960	\$11,723	\$9,880	\$9,855
Week Avg	\$10,324	\$11,689	\$12,076	\$12,174	\$13,108	\$11,166	\$11,950	\$9,891	\$9,866

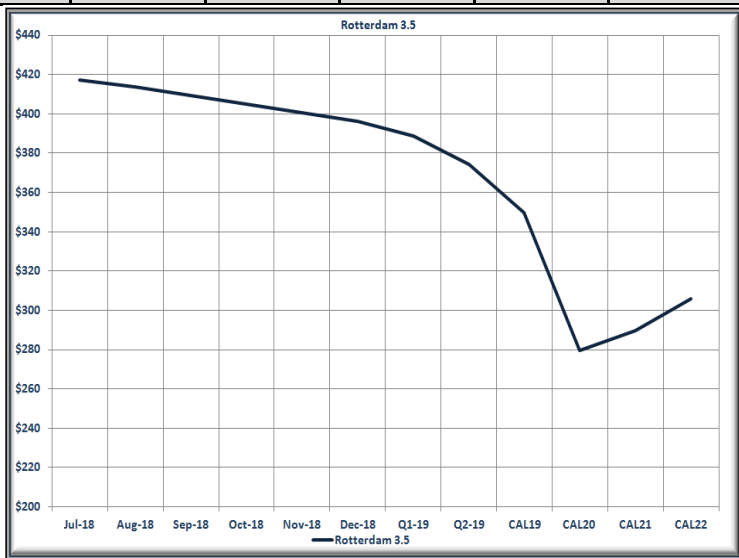
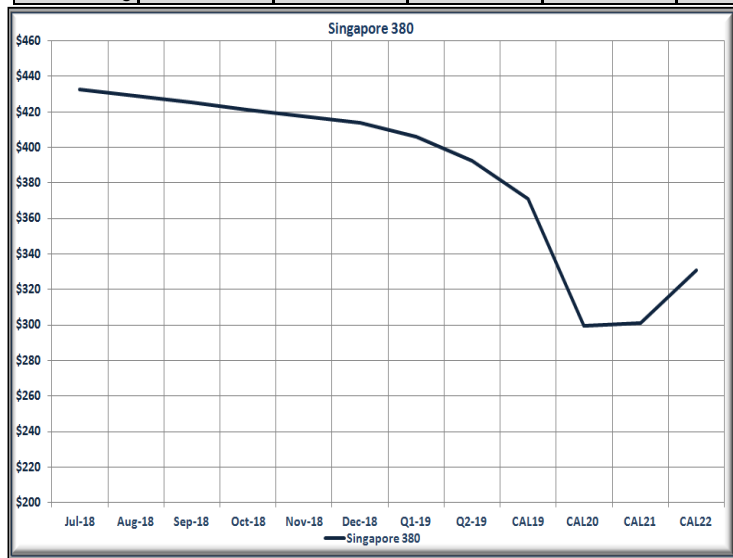
BFA Supra 5TC									
Date	Jun (18)	July (18)	Aug (18)	Q3 (18)	Q4 (18)	Q1 (19)	Cal 19	Cal 24	Cal 25
29-May-18	\$11,015	\$11,360	\$11,590	\$11,560	\$12,090	\$10,710	\$11,345	\$9,840	\$9,840
30-May-18	\$11,130	\$11,460	\$11,660	\$11,653	\$12,190	\$10,730	\$11,385	\$9,850	\$9,850
31-May-18	\$11,320	\$11,750	\$11,880	\$11,897	\$12,410	\$10,890	\$11,580	\$9,855	\$9,855
1-Jun-18	\$11,490	\$12,070	\$12,110	\$12,140	\$12,560	\$10,960	\$11,775	\$9,855	\$9,855
Week High	\$11,490	\$12,070	\$12,110	\$12,140	\$12,560	\$10,960	\$11,775	\$9,855	\$9,855
Week Low	\$11,015	\$11,360	\$11,590	\$11,560	\$12,090	\$10,710	\$11,345	\$9,840	\$9,840
Week Avg	\$11,239	\$11,660	\$11,810	\$11,813	\$12,313	\$10,823	\$11,521	\$9,850	\$9,850

BFA Handysize TC									
Date	Jun (18)	July (18)	Aug (18)	Q3 (18)	Q4 (18)	Q1 (19)	Cal 19	Cal 24	Cal 25
29-May-18	\$9,125	\$9,338	\$9,525	\$9,488	\$9,819	\$8,881	\$9,325	\$9,131	\$9,181
30-May-18	\$9,150	\$9,363	\$9,550	\$9,521	\$9,838	\$8,875	\$9,344	\$9,131	\$9,181
31-May-18	\$8,925	\$9,288	\$9,538	\$9,500	\$9,900	\$8,925	\$9,269	\$9,213	\$9,225
1-Jun-18	\$8,938	\$9,288	\$9,538	\$9,504	\$9,950	\$9,000	\$9,225	\$9,156	\$9,175
Week High	\$9,150	\$9,363	\$9,550	\$9,521	\$9,950	\$9,000	\$9,344	\$9,213	\$9,225
Week Low	\$8,925	\$9,288	\$9,525	\$9,488	\$9,819	\$8,875	\$9,225	\$9,131	\$9,175
Week Avg	\$9,035	\$9,319	\$9,538	\$9,503	\$9,877	\$8,920	\$9,291	\$9,158	\$9,191

## Bunker Market



Rotterdam			Singapore		Fujairah		Gibraltar		Houston	
Date (\$/mt)	IFO 380	MGO	IFO 380	MGO	IFO 380	MGO	IFO 380	MGO	IFO 380	MGO
28-May-18	\$432	\$664	\$452	\$691	\$456	\$724	\$463	\$716	\$432	\$685
29-May-18	\$421	\$657	\$439	\$686	\$443	\$714	\$453	\$712	\$430	\$678
30-May-18	\$422	\$650	\$441	\$684	\$444	\$717	\$451	\$705	\$422	\$678
31-May-18	\$425	\$654	\$446	\$688	\$455	\$727	\$455	\$710	\$427	\$693
1-Jun-18	\$424	\$653	\$444	\$687	\$454	\$725	\$453	\$708	\$426	\$692
12-month High	\$443	\$665	\$463	\$701	\$466	\$729	\$477	\$738	\$452	\$698
12-month Low	\$272	\$407	\$295	\$426	\$296	\$540	\$295	\$462	\$263	\$430
12-month Avg	\$342	\$534	\$363	\$555	\$361	\$619	\$361	\$581	\$342	\$568



Singapore	01-Jun-18	Week max	Week low	Week Avg	RTDM 3.5	01-Jun-18	Week max	Week low	Week Avg
Jul-18	\$432.8	\$439.4	\$421.5	\$430.7	Jul-18	\$417.1	\$423.9	\$406.0	\$415.2
Aug-18	\$428.8	\$435.7	\$418.0	\$427.0	Aug-18	\$413.6	\$420.4	\$402.5	\$411.7
Sep-18	\$425.1	\$431.9	\$414.2	\$423.2	Sep-18	\$409.6	\$416.4	\$398.5	\$407.7
Oct-18	\$421.3	\$428.2	\$410.5	\$419.5	Oct-18	\$405.1	\$411.9	\$394.0	\$403.2
Nov-18	\$417.6	\$424.7	\$407.0	\$416.0	Nov-18	\$400.6	\$407.2	\$389.2	\$398.5
Dec-18	\$414.1	\$414.1	\$414.1	\$414.1	Dec-18	\$396.1	\$396.1	\$396.1	\$396.1
Q3-18	\$428.9	\$435.7	\$417.9	\$427.0	Q3-18	\$413.4	\$420.3	\$402.3	\$411.5
Q4-18	\$417.8	\$424.5	\$406.9	\$416.0	Q4-18	\$400.4	\$407.5	\$389.6	\$398.7
Q1-19	\$406.1	\$412.8	\$394.9	\$404.1	Q1-19	\$388.7	\$395.8	\$377.8	\$386.8
Q2-19	\$392.6	\$399.3	\$381.4	\$390.6	Q2-19	\$374.4	\$381.5	\$363.6	\$372.6
CAL19	\$370.8	\$376.8	\$362.4	\$369.3	CAL19	\$349.8	\$355.8	\$341.4	\$348.3
CAL20	\$299.3	\$305.3	\$290.9	\$297.8	CAL20	\$279.8	\$287.4	\$276.9	\$281.6
CAL21	\$301.3	\$307.3	\$292.9	\$299.8	CAL21	\$289.8	\$297.4	\$286.9	\$291.6
CAL22	\$331.1	\$337.1	\$322.6	\$329.5	CAL22	\$305.8	\$313.4	\$302.9	\$307.6



## Dry Bulk S&P Market

With the “Posidonia” on the horizon, the S&P market trended sideways during the last week of May. Indicatively, 2008-built Panamaxs are on the market for circa \$16.5m, or approximately two millions dollars more than ten-year-old Supramaxes. In the other two segments of the dry bulk sector, ten-year-old Capesizes and the same-aged Handies balanced for the week at \$25m and \$11.75m respectively.

With newbuilding prices and secondhand prices being stable during the last week, Tobin’s Q ratios, or in other words the discounts or premiums on the second hand values over their replacement cost balanced at previously reported levels.

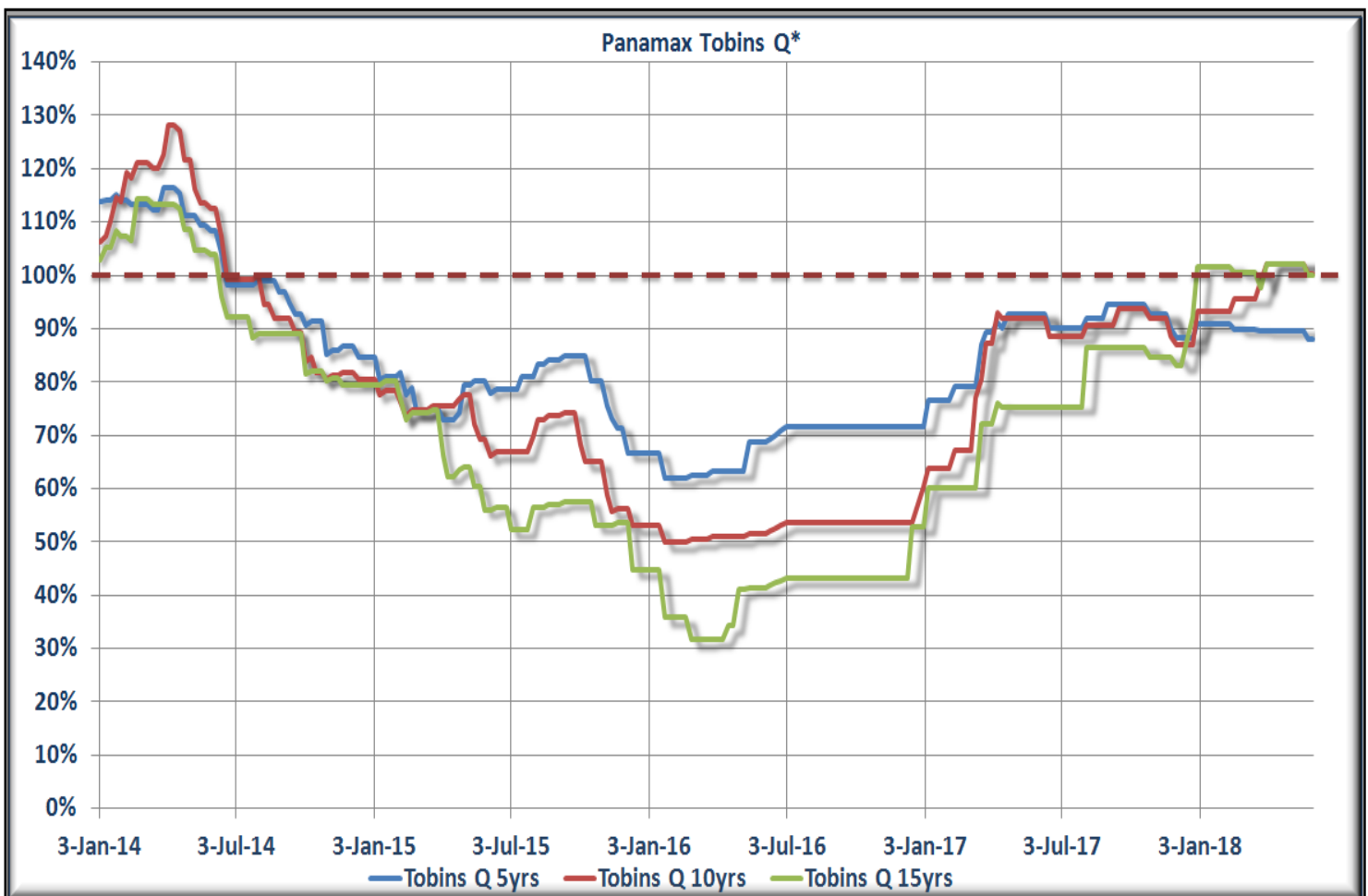
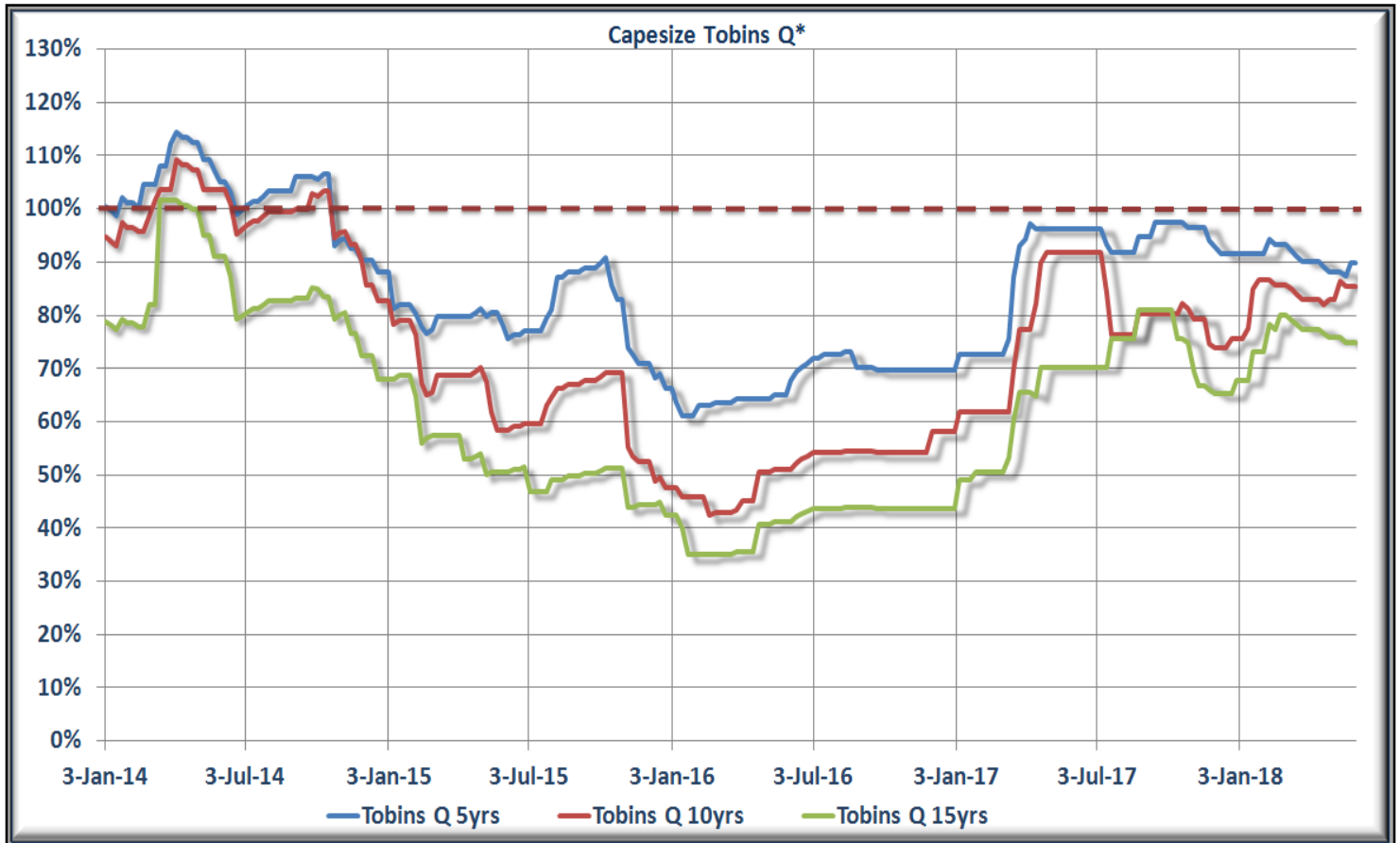
Indicative Ten-Year-Old Secondhand Prices				
Date/ \$ mil.	Capesize 180K DWT	Panamax 75K DWT	Handymax 55-56K DWT	Handysize 32K DWT
01-Jun-2018	25.00	16.50	14.50	11.75
01-Jun-2017	24.00	14.00	13.00	8.00
01-Jun-2016	14.00	8.00	6.50	6.50
Δ% Y-o-Y	4%	18%	12%	47%
Δ% 2016-2018	79%	106%	123%	81%

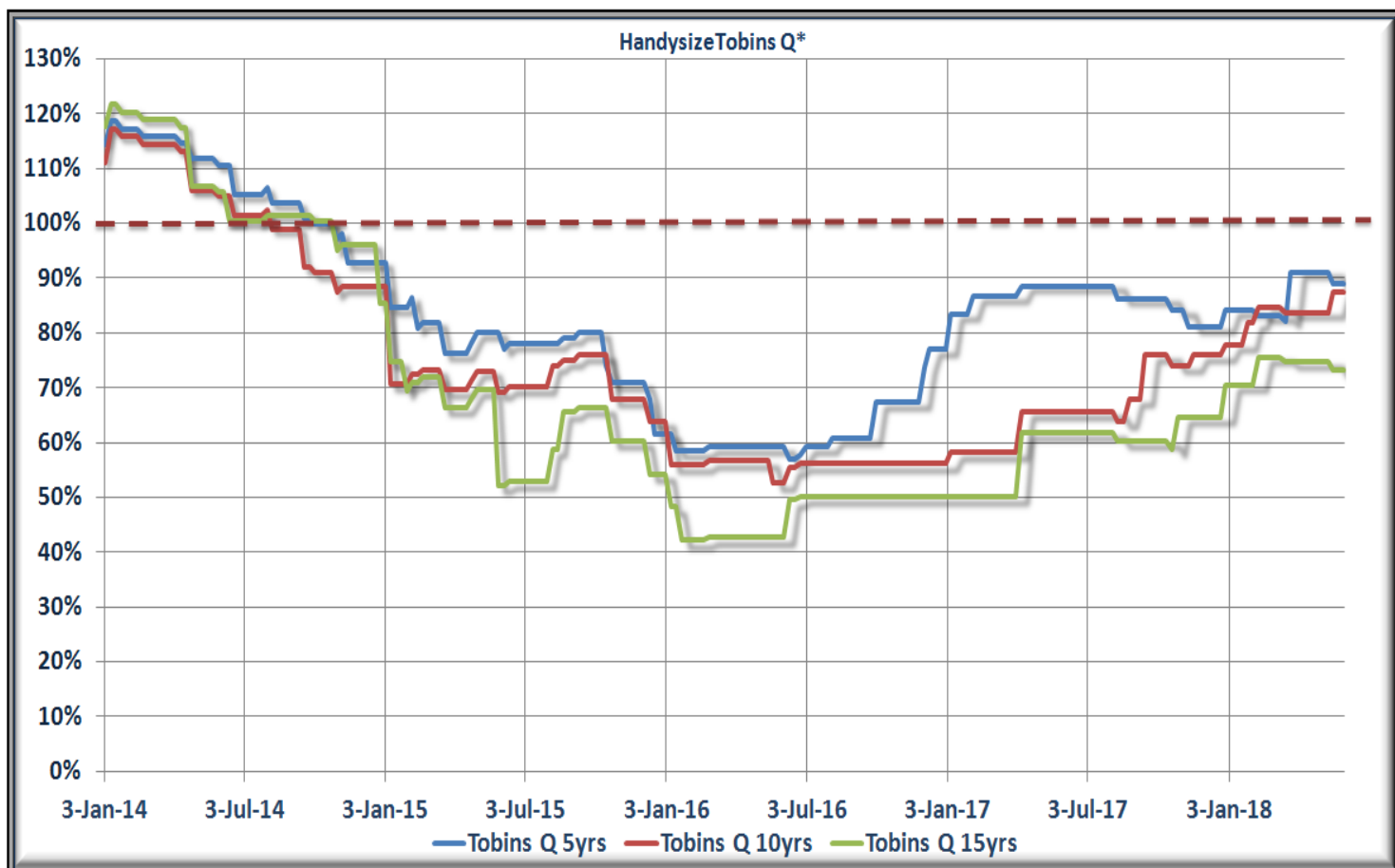
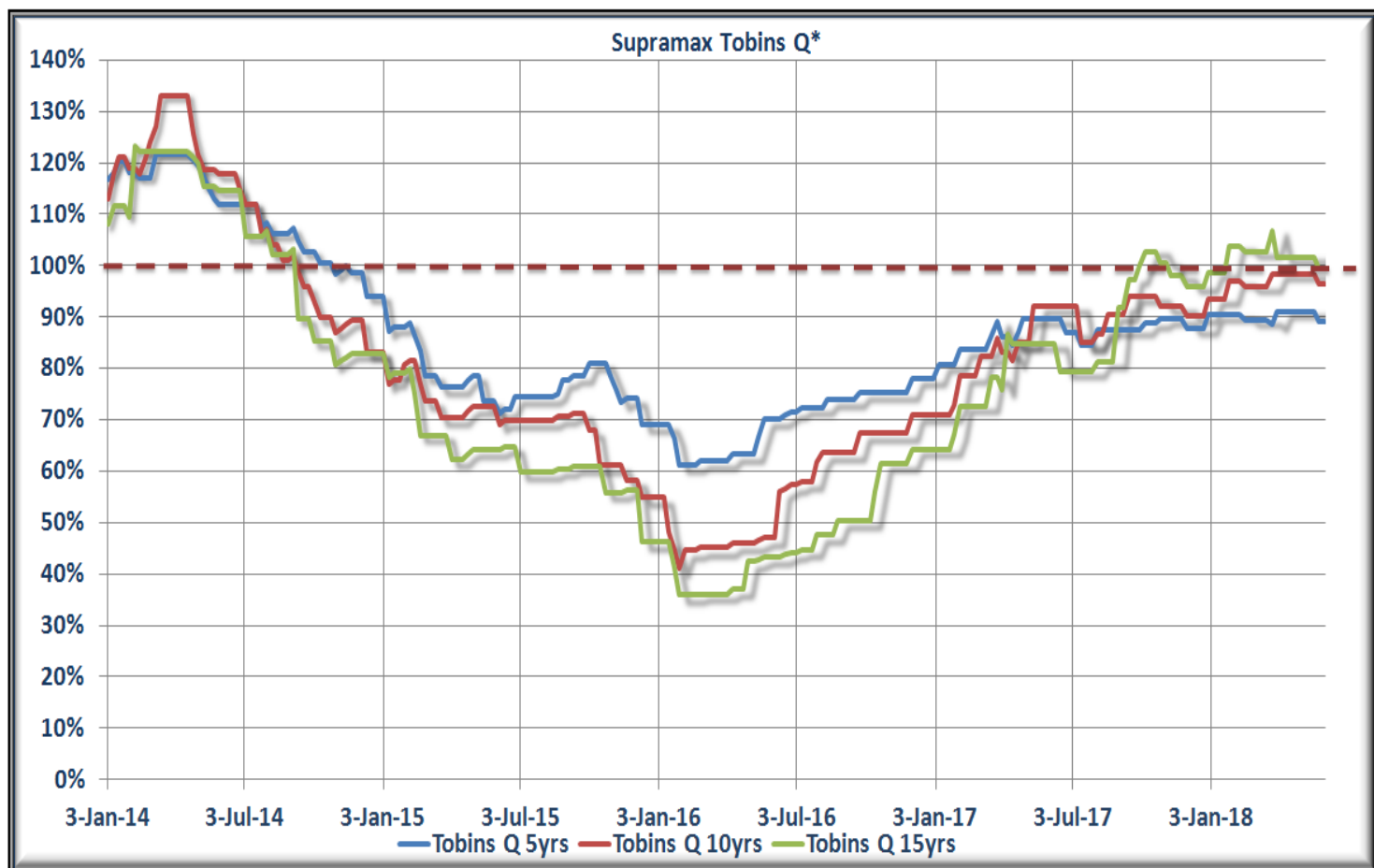
Reported Recent S&P Activity						
Vessel Name	DWT	Built	Yard/Country	Price \$Mil.	Buyer	Comments
New Mighty	179,851	2011	HHIC/Philippines	27.5	Undisclosed	
Sonia	177,974	2009	SWS/China	26	Undisclosed	
Vogrunner	176,838	2008	Namura/Japan	mid-high 23	Greek Buyers	
Ocean Commander	174,142	2007	Shanghai Waigaoqiao/China	21.5	Undisclosed	
Trade Spirit	82,045	2016	Jiangsu Newyangzi/China	24.5	Undisclosed	
Oriental Wise	81,601	2011	Afai/China	18	Greek Buyers	
Golden Spring	83,730	2008	Sanoyas Hishino/Japan	16.5	Greek Buyers	
Sincere Salute	85,778	2004	Oshima/Japan	low 13	Chinese Buyers	
Golden Eminence	79,444	2010	Jinhai/China	14.7	Undisclosed	
Eternal Grace	76,585	2006	Imabari/Japan	13.6	Undisclosed	
DR Bravo	76,806	2005	Sasebo/Japan	12.6	Undisclosed	DD due July 2018
Medi Genova	75,767	2004	Sanoyas/Japan	11	Undisclosed	
Atlantic Hawk	74,204	2002	Oshima/Japan	low-mid 9	Chinese Buyers	
Zola	55,831	2012	IHI Marine/Japan	17.5	Undisclosed	C 4x30
Ten Yoshi Maru	57,110	2011	Tsuneishi Zhoushan/China	High 16	Undisclosed	C 4x30
Geraldine Manx	58,470	2010	Tsuneishi Zhoushan/China	15.5	Undisclosed	C 4x30
Suprstar	57,000	2011	Qingshan/China	11.8	Undisclosed	C 4x30
EM Amber	58,018	2010	Yangzhou Dayang/China	12	Chinese Buyers	C 4x36
Magnum Force	53,630	2008	Yangzhou Dayang/China	10	Chinese Buyers	C 4x35
Dubai Energy	55,389	2004	Oshima/Japan	11	Undisclosed	C 4x30
Jin Fu	50,700	2001	Oshima/Japan	8.6	Chinese Buyers	C 4x30
AT 40	43,246	1995	HHI/S.Korea	5.1	Undisclosed	C 4x25
Western Baltic	38,800	2015	Hantong/China	mid 17	Undisclosed	C 4x30
Lowland Saguenay	37,152	2013	Yangfan/China	14.25	Undisclosed	C 4x30
Nord Auckland	36,782	2011	Hyundai-Vinashin/Vietnam	13.3	Undisclosed	C 4x30
Cielo Di Tokyo	37,296	2008	Saiki/Japan	High 11	Undisclosed	C 4x30.5
Ocean Luck	35,360	1998	Kanasashi/Japan	low 5	Undisclosed	C 4x30.5
SSI Spring	32,576	2007	Kanda/Japan	10.5	Far Eastern Buyers	C 4x30.5
Perseverance	30,000	2013	Tsuji/China	10	Undisclosed	C 4x30
Glorious Sentosa	28,346	2010	I-S Shipyard	9.5	Greek Buyers	C 4x30.5
Silvaplana	29,721	2003	Shikoku/Japan	7	Undisclosed	C 4x30.5 part of en bloc
UBC Baton Rouge	24,034	1998	Saiki/Japan	4.8	Undisclosed	C 4x30

Tobin's Q* Capesize-Panamax						
Date	Capesize 5yrs	Capesize 10yrs	Capesize 15yrs	Panamax 5yrs	Panamax 10yrs	Panamax 15yrs
Current ratio	90%	85%	75%	88%	100%	100%
12months High	98%	92%	81%	95%	102%	102%
12months Low	87%	74%	65%	88%	87%	75%
12months Avg	93%	82%	74%	91%	94%	91%

Tobin's Q* Supramax-Handysize						
Date	Supramax 5yrs	Supramax 10yrs	Supramax 15yrs	Handysize 5yrs	Handysize 10yrs	Handysize 15yrs
Current ratio	89%	96%	100%	89%	87%	73%
12months High	91%	98%	107%	91%	87%	76%
12months Low	84%	85%	79%	81%	64%	59%
12months Avg	89%	93%	96%	86%	76%	67%

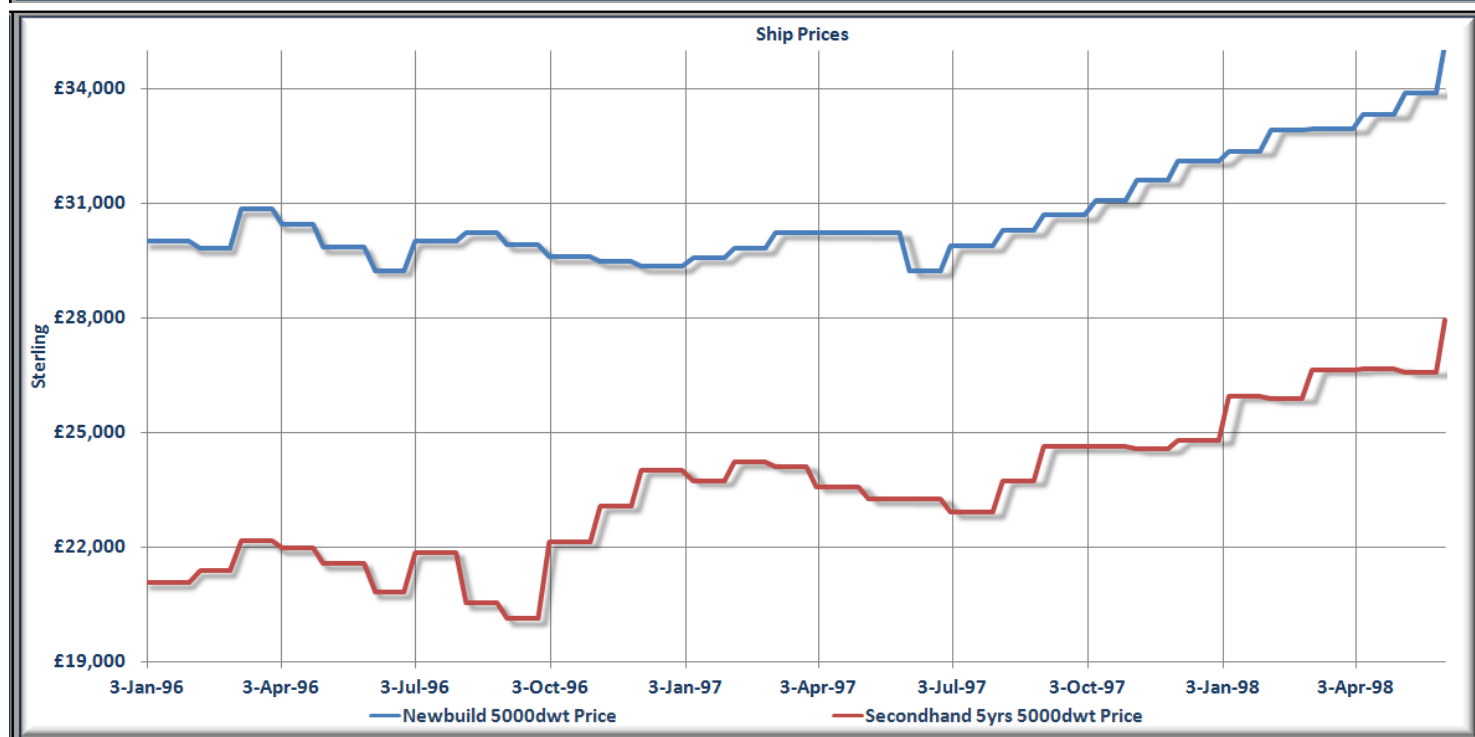
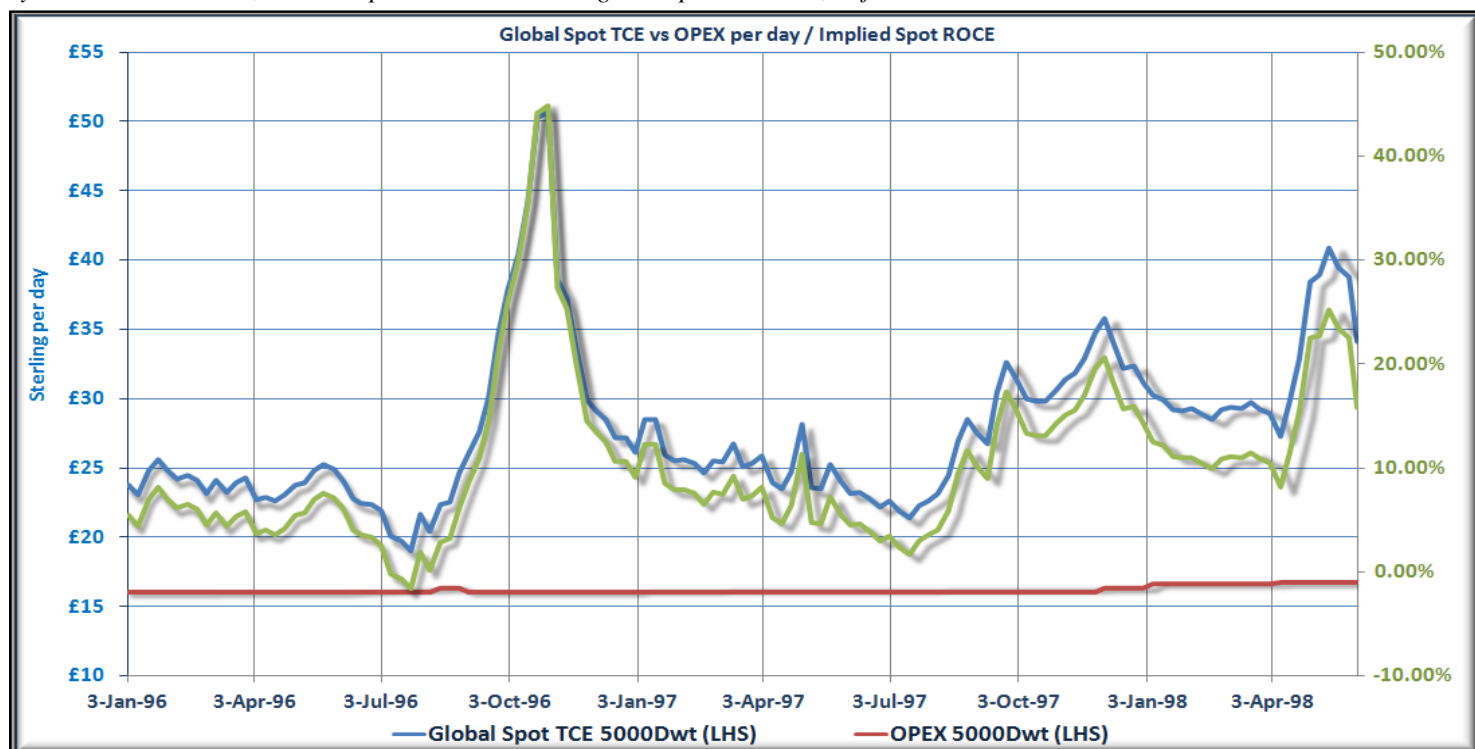
\*Tobin's Q represents the ratio between the market value and replacement value of a physical asset, with numerator and denominator adjusted to same age basis. According to economic theory, this ratio should be mean reverting towards 1 or 100%, for assets that do not face technological obsolescence.





## Market Insight 120 years ago

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



Weekly Spot Market	Current week	Previous week	Dec-99	Nov-99	Oct-99
Implied Spot Roce	15.9%	22.6%	23.6%	14.5%	11.1%
Global Spot TCE	£34.00	£38.66	£39.41	£32.06	£29.22
BlackSea Round	£32.59	£38.96	£38.95	£31.97	£28.55
East Round	£43.78	£47.27	£51.20	£41.53	£34.42
Med Round	£31.93	£34.21	£34.42	£28.54	£27.32
US Round	£41.09	£42.73	£47.59	£35.13	£34.47
River Plate Round	£33.78	£43.44	£44.81	£32.07	£34.30

S&P Market (5,000dwt)	Current week	Previous week	Dec-99	Nov-99	Oct-99
NB	£35,167	£33,892	£33,892	£33,317	£32,941
SH 5yrs old	£27,962	£26,587	£26,587	£26,677	£26,651
SH 10yrs old	£21,630	£20,376	£20,376	£20,476	£20,448
SH 15yrs old	£16,558	£15,275	£15,275	£15,400	£15,366

\*1 Sterling = 20Shillings, 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...

Since the last report, only an insignificant amount of chartering has been effected, partly as a consequence of the holidays, but more particularly through the weakness of the grain markets and the temporary suspension of chartering operations. Thus, the average returns on capital employed in shipping during this week (01-June-1898) plunged to 15.9%.

What is now wanted is a prompt termination of the coal strike, which would probably result in sufficient business being put on the market to absorb most of the tonnage seeking or that will very soon be seeking employment. It is certain that there will be a great demand for tonnage for the East, to say nothing of South America and the Mediterranean ports. As regards the war, this now seems to have little or no effect on the freight market. Charterers and Owners seem to view the proceedings with indifference for the game of "hide and seek" is getting wearisome and monotonous. If the Spanish fleet were to meet with a pronounced success, a rise in rates of freight would undoubtedly take place, especially from the US. A good deal of tonnage is now arriving home from the US and owners will undoubtedly be somewhat perplexed as to what is best to do with it in arranging the next voyage, but the most prudent and safe course to adopt will be to accept outward employment for long voyages at the highest rate possible.

In the spot arena, the Black Sea market continues very dull, with an only insignificant inquiry for June tonnage. Berth rates from Odessa, Sulina, etc., for L.H.A.R. are 9s and nominally from Nicolaieff 10s. There is little doing from Danube either for charter or berth tonnage except for autumn loading at poor rates which owners are not willing to entertain. There is little change to report in Mediterranean business. Ore rates generally continue about the same. From Greece to UK or Rotterdam 8s 4d is offering free of despatch, with several fixtures having been affected at the latter rate. American grain business is very quiet. Berth grain rates from the Northern range to UK/Cont. are nominally 3s per quarter and for the French Atlantic 3s 2d. From the Atlantic ports 16s 9d is quoted for phosphate and from Gulf ports 18s 6d to UK/Cont. freight for timber from Pensacola to French Atlantic is currently balance at 127s per standard. Owners, however, should refuse to fix except with running days for discharging, unless they are willing to have their boats utilized as warehouses while the cargo is doled out in small parcels to the insignificant buyers as they come along. The Eastern market is generally quiet. From Bombay June tonnage is only nominally worth 23s to UK/Cont., for July 22s and July/August 20s 6d. Similar rates to these are also nominally quoted from Kurrachee. Calcutta berth rates to London are 32s 6d for wheat, 37s 6d rapeseed and 35s jute.

There is an enormous business doing in time-chartering, with modern tonnage being easily fixable for the Atlantic trade for period ranging from three to twelve months at 8s 2d. There must be now over considerably over 150 boats on time running in this trade.

Representative Fixtures							
Vessel	DWT	Delivery	Date	Re-del	Rate	Charterers	Comment
SS Minterne	4,400	Odessa	Prompt	Hull	10s 6d	cnr	opt 1,500 tonnes logs at 13s
SS Inaianic	4,400	Pote	Prompt	Philadelphia	12s 6d	cnr	ore
SS Duneric	2,800	Eupatoria	Prompt	Riga	14s	cnr	salt
SS Wiltshire	3,000	Ergasteria	Prompt	Middlesbrough	8s 6d	cnr	ore
SS Maylands	1,616 nrt	Pensacola	Prompt	Rotterdam	130s / standar	cnr	timber
SS Fram	3,100	Med	Prompt	UK/Cont	800 pounds	cnr	12 months, ore trade

On the S&P front, both the newbuilding and the secondhand market moved strongly up. A typical newbuilding 5,000dwt British-build steamer is currently at the market for £35,150, or up 20.3% on a yearly basis, whereas a ten-year-old of the same dwt and specification at £21,600, or 6.2% M-o-M.