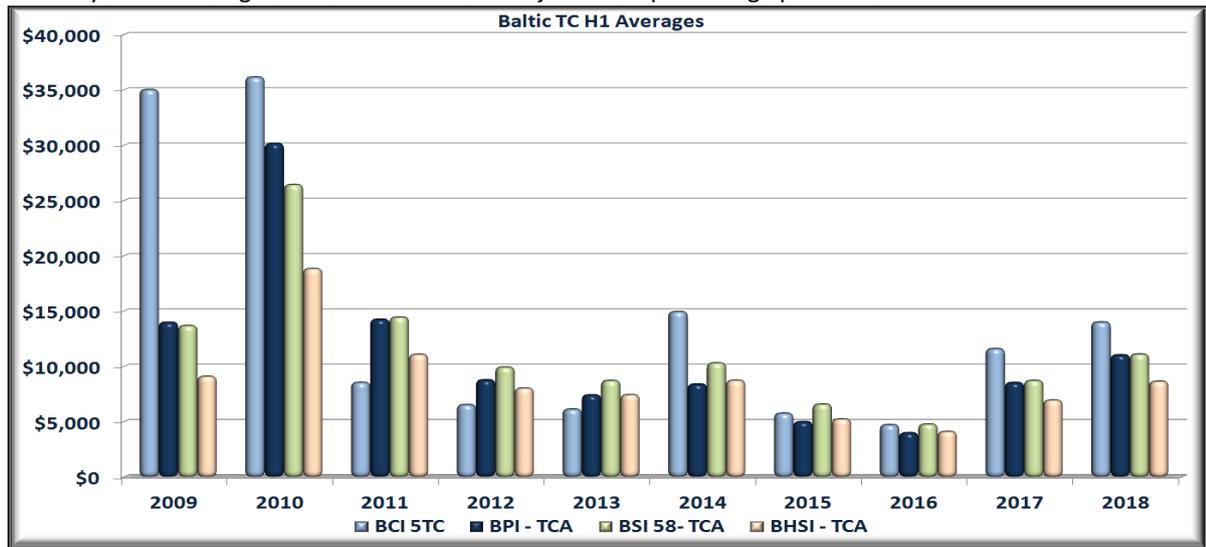
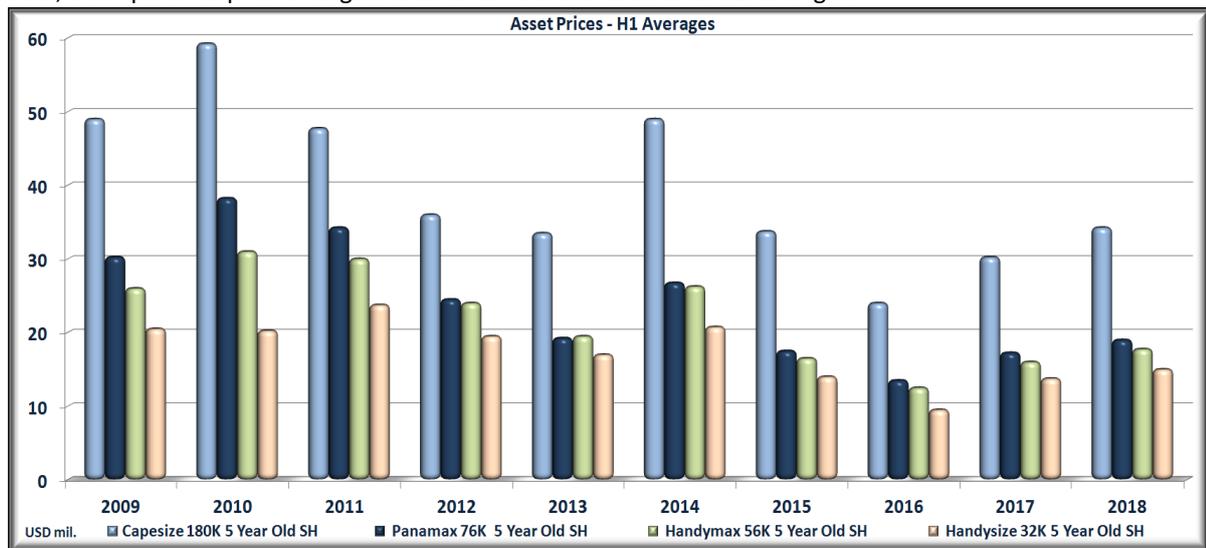


As one of the strongest first year halves of this decade approaches to its end, sentiment of the dry bulk sector remained strong. With BCI 5TC averaging at \$11,708, BPI-TCA at \$10,614, BSI 58-TCA at \$11,409 and BSHI-TCA at \$9,202, April's mean levels injected optimism in the market. However, the average earnings of the gearless segments fell behind last year's performance in the same month whilst the geared segments reported circa \$1,000 gains on a Y-o-Y basis. The next two months saw Capesizes moving strongly to a two-month average of \$16,538 daily, whilst all other submarkets trended sideways. Panamaxes had an average of \$10,480 during this period, with a soft May average drifting to four-digit numbers. Similarly, BSI 58-TCA and BSHI-TCA remained stable at \$11,548 and \$8,575 respectively. Compared with previous first half returns, all segments managed to significantly surpass by 30%-50% the average of the same period of the last five years. In fact, Panamaxes stood 49.3% above their H1 five-year average whilst in the same time the Handies were 28% better than the average of the last five years. Capesizes and Supramaxes were in between, with the former being 37.3% and the latter 32.2% higher than their trailing five-year average levels. However, if ten-year averages are taken into account, H1 2018 average of the sector reverted to its ten-year average, as the current year H1 average of the Baltic indices was just a few percentage points below that.



Source: Baltic Exchange, Doric Research

As for asset prices, following a period of dramatic rise in secondhand prices, the first half of 2018 appeared to be more stable, yet maintaining a milder upward trend. With an average price of USD 34.25m for H1 of 2018 five-year old Capes returned to their five-year average. Panamax average prices came in at USD 19m, surpassing by USD 250K their five-year average of the respective period. The market for five-year-old Supramaxes and same-aged Handies was on average at USD 17.75m and USD 15m respectively. These levels were 0.3% below and 2.7% above their average prices on the H1s of the last five years. On a broader ten-year basis, asset prices kept hovering circa 15% - 20% lower than their H1 averages.



Source: Baltic Exchange, Doric Research

Having left the first half of the year behind, the market is heading towards what is usually the seasonally stronger second half. High steel prices and China's demand for higher quality iron ore are hoped to offset current lagging Chinese grain imports, mostly as a result of china's retaliatory duties of us imports, supporting the freight market on its attempt to move higher.

Freight market 120yrs ago (page 12): "Since the last report, chartering activity continued on a very limited scale..."

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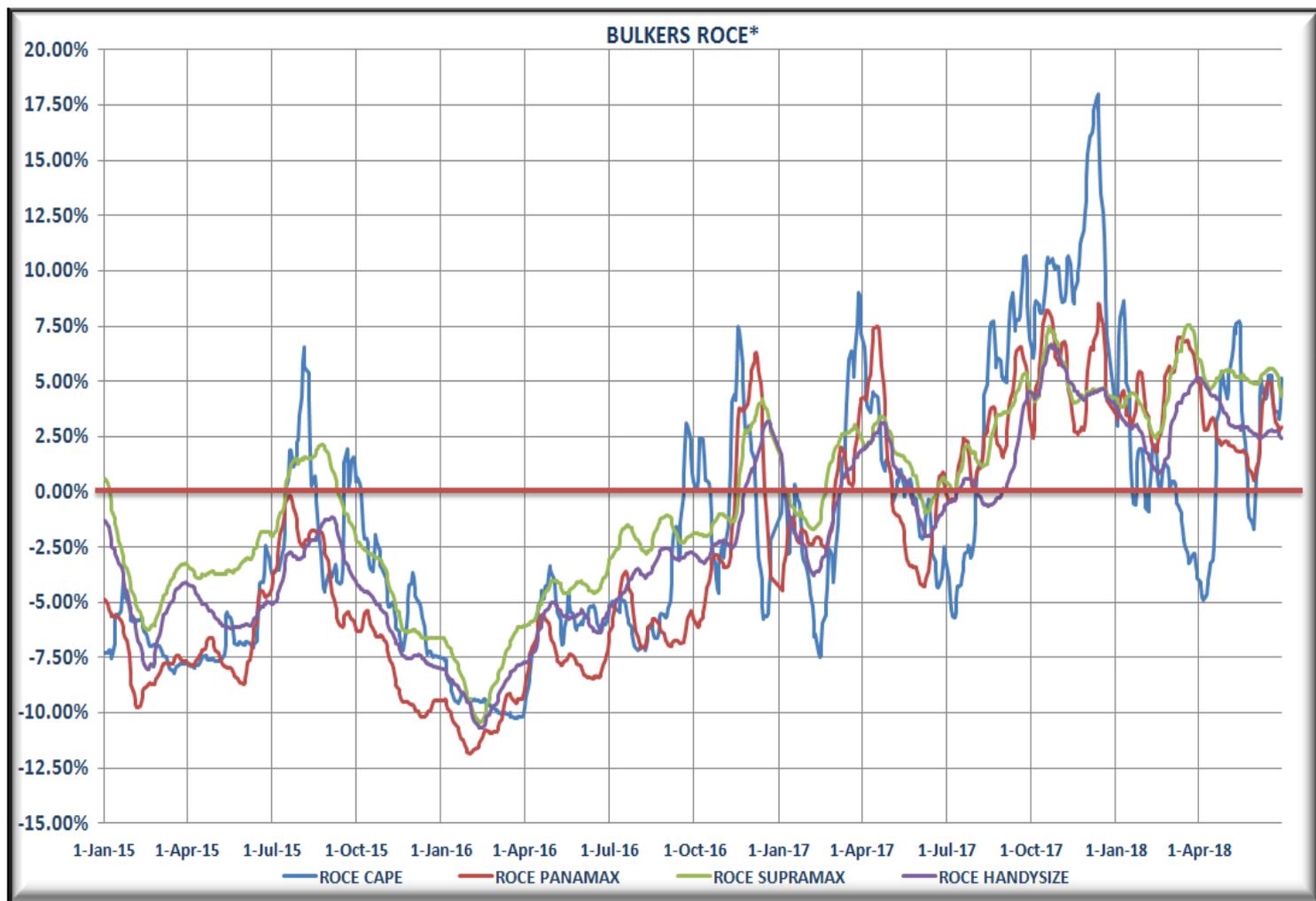
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Dry Cargo Spot Market

The strong Capesize performance during the last two trading days of week pushed the general index higher, overcoming the softer tone in the freight market of all other segments. Thus, the Baltic Dry Index trended upwards to 1385 points, concluding 44 points above last week's closing. After drifting below the 2000-point mark for the first time during the last 14 trading days on Tuesday, BCI returned above that on Thursday, reporting a solid Friday's closing of 2170 points. In an anemic period for the BPI, the Baltic Panamax Index unwound most of June's gains, ending lower at 1336 points but above intra-week lows. Consistent on their static tone, geared segment drifted lower, reporting losses of 50 points and 12 points to 1042 points and 581 points for the BSI and BHSI respectively.

At the box office, with the Capesize exception, the after depreciation returns on capital employed of all other segments went down. In particular, Capesize ROCE balanced for the week at 5.13% and Panamax ROCE at 2.92%, or up 147 and down 26 basis points on a weekly basis respectively. Supramax ROCE declined to 4.36% at the same time as Handy ROCE was moving down to 2.75%.



Baltic Freight Indices					
Date	BDI	BCI 5TC	BPI - TCA	BSI - TCA	BHSI - TCA
25-Jun-18	1333	\$16,430	\$10,772	\$11,114	\$8,639
26-Jun-18	1323	\$16,342	\$10,623	\$11,011	\$8,598
27-Jun-18	1309	\$16,070	\$10,642	\$10,874	\$8,545
28-Jun-18	1329	\$16,648	\$10,696	\$10,728	\$8,507
29-Jun-18	1385	\$18,110	\$10,738	\$10,609	\$8,476
12-month High	1743	\$30,475	\$13,740	\$12,356	\$10,104
12-month Low	820	\$6,305	\$8,496	\$7,948	\$6,777
12-month Avg	1262	\$16,191	\$10,993	\$10,389	\$8,478
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.

With a 7.9% weekly increase, **Capesize** segment concluded at \$18,110 daily, or some \$2,000 above intra-week lows.

In the Pacific, Chinese iron ore seaborne imports in June were 88.9m tonnes by the 27th of the month, according to vessel-tracking and port data compiled by Thomson Reuters Supply Chain and Commodity Forecasts. In the spot arena, the benchmark of this basin i.e. C5 was under mild pressure during the week, finishing at \$7.159 pmt, \$0.37 above intra-week lows. On such run, Oldendorff allegedly fixed tonnage at \$6.95 for 13/15 July. The 'Mineral Noble' (170,649 dwt, 2004) was fixed for an Australian round at \$15,000, basis delivery Zhoushan and redelivery north China, with the South China redelivery having the usual \$1,000 discount. For a Pacific round, the 'Genco Tiger' (179,185 dwt, 2011) concluded at \$13,500, basis delivery CJK and redelivery Singapore-Japan. The Baltic transpacific index (C10_14), with a 1.9% weekly decrease, closed at \$14,604 daily.

In the commodity news of the Atlantic, Samarco, a joint venture between Brazilian miner Vale and Anglo-Australian BHP Billiton, signed a deal with Brazilian authorities that settles a 20 billion real (\$5.30 billion) lawsuit related to a 2015 dam burst, Vale said on Monday. The Agreement represents an important step towards solving the challenges caused by the Fundão tailing dam accident, according to the announcement of the Brazilian miner. In the spot market the Baltic C3 index moved strongly up, finishing \$1.25 pmt above previous week's closing at \$20.764 pmt. Oldendorff fixed the 'Andama' (178,064 dwt, 2010) for Tubarao to Qingdao basis 13/20 July at \$18.85. The fronthaul index (C9_14) balanced at \$36,273 daily, whilst the Transatlantic index (C8_14) concluded at \$19,650 daily, or up 11.6% and 15.4% W-o-W respectively. 'KSL San Francisco' (181,066 dwt, 2014) was reported fixed with prompt delivery Cape Passero for a transatlantic round and redelivery Cape Passero at \$19,150, with the Gibraltar option to be priced at \$18,150.

On the period front, Pacific Bulk took the 'Ocean Celebrity' (177,638 dwt, 2003) for two laden legs at \$14,300, basis delivery Caofeidian and redelivery Singapore-Japan.

Representative Capesize Fixtures								
Vessel	DWT	Built	Delivery	Date	Re-del	Rate	Charterers	Comment
Genco Tiger	179,185	2011	CJK	27-Jun	Singapore-Japan	\$13,500	Panocean	Pacific round
Mineral Noble	170,649	2004	Zhoushan	30-Jun	north China opt. south China	\$15,000 opt. \$14,000	Minmetals	Australian round
KSL San Francisco	181,066	2014	Cape Passero	27/30 Jun	Cape Passero opt. Gibraltar	\$19,150 opt. \$18,150	K-Line Tokyo	trans Atlantic round
Ocean Celebrity	177,638	2003	Caofeidian	04/06 Jul	Singapore-Japan	\$14,300	Pacific Bulk	2 laden legs

The **Panamax** segment appears to be bottoming out on the back of the Cape recovery and the steadfast demand for ECSA fronthaul, with the Far East clearly lagging.

The Pacific indices were under heavy stress this week. The increased tonnage list and the lack of fresh enquiries have led to a softer Pacific trading. No Pac grain trade was terribly slow and Australian exports showed absolutely no elements of excitement. On Friday closing, 'Paraskevi' (74,269 dwt, 2003) rumored at \$11,250 basis CJK delivery on 05/10 July for one round trip via NoPac. Australian exports seemed steadier with minerals movement more or less equal to grains/alumina trades. 'Da Ying' (75,318 dwt, 2003) fixed a rather strong \$12,750 with 02/08 July delivery in Cigading for one TC trip via West Australia back to Singapore-Japan ranges. On Indonesian coal trading, charterers were paying l/m/e on and off \$10,000 daily with South China delivery. 'Trade Quest' (82,042 dwt, 2016) fixed at a premium of \$13,750 daily due to positional delivery delivery at Cai Mep for on TC trip via Indonesia to South Korea with coal. Prompt spot tonnage was under pressure, but some proved luckier in some cases like, 'Topaz' (75,499 dwt, 2004) fixing \$11,000 with delivery Dongfang on 29 June for one TC trip via South China to India with fertilizers. Indian ocean tonnage was supported by a sturdy ECSA grain market, as much as a revitalizing South African coal and mineral trades. 'Kirribilli' (82,206 dwt, 2011) reported at \$14,000 with prompt delivery in West Coast India for one TC trip via South Africa back to Full Indian range.

The Atlantic market has picked up significantly this week. Both front haul and TA rates have increased rapidly. Much of the TA business concluded at much healthier levels than the past weeks. Intense activity out of the Black sea and Baltic have strengthened overall sentiment and summarized the end of the second quarter and mark the beginning of a traditionally stronger quarter for the panamax segment. 'CBC Fuyi' (81,610 dwt, 2014) fixed at \$21,000 with 30 June delivery Canakkale via Black Sea to Japan. Further west, 'Captain V. Madias' (79,501 dwt, 2012) managed to get \$19,000 with 26 June delivery Immingham via La Pallice to Kongsichang. The ECSA grain exports remained preventing taming any "healing moments" exercised by the ballasting tonnage in the region. 'Yiannis N G' (81,043 dwt, 2014) fixed 17/18 July dates at \$16,000 daily plus \$600,000 gbb for a trip to China. The modern/eco 'Karlovasi' (82,354 dwt, 2016) fixed end July ECSA loading-front haul at an exquisite \$15,300 with 28 June delivery in Singapore. On the TA, 'Anna' (75,162 dwt, 2002) reported at \$11,000 with 02nd July delivery Belfast for one TC trip via USEC to discharge at Black Sea and redelivery Cape Passero. Sentiment has picked up significantly, and most Panamax players are anxiously waiting for next week.

Period interest wise, 'Ulusoy 11' (79,422 dwt, 2011) fixed on index-linked base with prompt delivery at Rizhao for 1 year (11 to 13 months) at 102% BPI 4 time charter route average. This week, 'Asterion' (81,600 dwt, 2017) reported at a healthier \$13,250 daily with prompt delivery at Flushing 2 laden legs and redelivery Atlantic.

Representative Panamax Fixtures								
Vessel	DWT	Built	Delivery	Date	Re-del	Rate	Charterers	Comment
CBC Fuyi	81,610	2014	Canakkale	30 June	Japan	\$21,000	Bunge	via Black Sea
Captain V. Madias	79,501	2012	Immingham	26 June	Singapore-Japan	\$19,000	Bunge	via La Pallice
Yiannis N.G.	81,043	2014	ECSA	17/18 July	China	\$16,000+\$600k	BDH	
Karlovasi	82,354	2016	Singapore	28 June	Singapore-Japan	\$15,300	CJ Int'l	via ECSA
Kirribilli	82,206	2011	WCI	prompt	India	\$14,000	Oldendorff	via Safr
Trade Quest	82,042	2016	Cai Mep	30 June	Skorea	\$13,750	cnr	via Indo
Paraskevi	74,269	2003	CJK	05/10 July	Singapore-Japan	\$11,250	cnr	via NoPac
Da Ying	75,318	2003	Cigading	02/08 July	Singapore-Japan	\$12,750	Sinosea	via Waus
Asterion	81,600	2017	Flushing	prompt	Skaw-Gibraltar	\$13,250	KSC	2ll
Ulusoy 11	79,422	2011	Rizhao	prompt	worldwide	102% BPI 4TC Ave	Smart Gain	11/13 mos

Chinese coal imports are expected to be around 126.6m tonnes in the first six months of this year, up from 111.3m tonnes for the same period in 2017, according to vessel-tracking and port data compiled by Thomson Reuters. Nevertheless, **Supramax** Baltic index trended downwards, concluding at \$12,000 daily.

In the Pacific, rates moved sideways throughout the week, with the representative Pacific routes losing on average circa 4 percent w-o-w. In the Far East, ships kept flocking and in combination with limited cargo movement justified the rather negative outlook for this sub-market. The Indonesian coal trading activity appeared undoubtedly softer. On one such run, the "Zhongyu 89" (54,808dwt, 2010) was reported fixed at \$12,000 basis delivery Cebu to Thailand. On backhaul activity, rumours had the "Jin Hao" (56,730dwt, 2012) getting a firm \$8,250 for the first 65 days, with an unknown escalation thereafter, for a trip to Continent, basis delivery Chaozhou. The similarly described "Fareast Honest" (56,841dwt, 2012) opted to stay in the area, fixing a poor \$8,550 daily basis delivery Jingtang for a trip to the Philippines. Out of East Coast India and Bay of Bengal, a 58k dwt tonner open in Chittagong with her bunker tanks full, was holding \$10,000 DOP for Aussie grains to China and \$12,000 APS EC India for a coastal iron ore to the west coast but ended up fixing low 12's APS Kakinada for 5/7 months period. The Persian Gulf started to pick up with Iran trades standing out. For the latter, "Busan Star" (57,336dwt, 2011) scored \$15,000 delivery Hazira for a gypsum cargo via Bandar Abbas to EC India.

After a lacklustre run this week, the Atlantic is reporting losses. In the USG, rates for fronthaul trips drifted further down; the real casualty, however, were rates for T/A trips which shed almost 10% w-o-w. Fixture-wise, it was rumored today that a 63,000 tonner was fixed on subjects for a petcoke run from the USG to India at \$22,000 daily. In the South Atlantic, rates softened too, albeit the drop was comparatively mild. It was heard that a 61,000 dwt Ultramax secured \$14,000 daily plus \$400,000 ballast bonus for a fronthaul trip from Rio Grande, while T/A trips from ECSA to the Mediterranean were paying circa \$16,500 on similar tonnage. Across the pond, scrap runs from the Continent to the Mediterranean were being traded at marginally improved levels compared to last week. The 'RHL Clarita' (53,828 dwt, 2008) fixed one such at \$11,900 daily, basis delivery Antwerp. The Black Sea weakened further, still being unable to regain traction. Indicative of its current state was the fixture of 'New Kosmos' (56,011 dwt, 2005), which took \$10,850 daily basis Delivery Varna, for a trip to East Africa with redelivery Nacala.

On the period desk, the 'Spring Melody' (63,233 dwt, 2014) locked \$14,000 daily for 8-10 months trading basis delivery Bin Qasim and redelivery worldwide.

Representative Supramax Fixtures								
Vessel	DWT	Built	Delivery	Date	Re-del	Rate	Charterers	Comment
Busan Star	57,336	2011	Hazira	30 Jun	EC India	\$15,000	Orhan Shipping	gypsum via Bandar Abbas
Zhongyu 89	54,808	2010	Cebu	Prompt	Thailand	\$12,000	cnr	trip via Indonesia
Fareast Honesty	56,841	2012	Jingtang	30 Jun	Philippines	\$8,550	cnr	
Jin Hao	56,730	2012	Chaozhou	24-25 Jun	Continent	\$8,250	cnr	escalation after day 65
RHL Clarita	53,828	2008	Antwerp	Prompt	Eastern Mediterranean	\$11,900	Trithorn Bulk	intention scrap
New Kosmos	56,011	2005	Varna	Prompt	Nacala	\$10,850	Bunge	
Spring Melody	63,233	2014	Bin Qasim	28-29 Jun	worldwide	\$14,000	cnr	8-10 months period

A dull week for the **Handy** losing about 2% compared to last week. The Atlantic is in clear decline whereas the Far East traded sideways.

Not much changed in the Far East market since last week. The demand for short period continues to exist but on the other hand single trip rates remain on the low side. The "Coreocean Ol" (28,000dwt, 2009) open at Jakarta on the 25th June fixed at \$9,000 dop for parcels ex Australia to north China. At the same time, the "King Canola" (28,000dwt,2013) open at Surabaya on the 25th of June fixed at \$9,500 dop for 3 to 5 months period. Similarly the "Alam Setia" (36,000dwt, 2013) open in north Vietnam fixed at \$10,350 dop for 2 to 3 laden legs. We anticipate improvement on Handy spot market in the east.

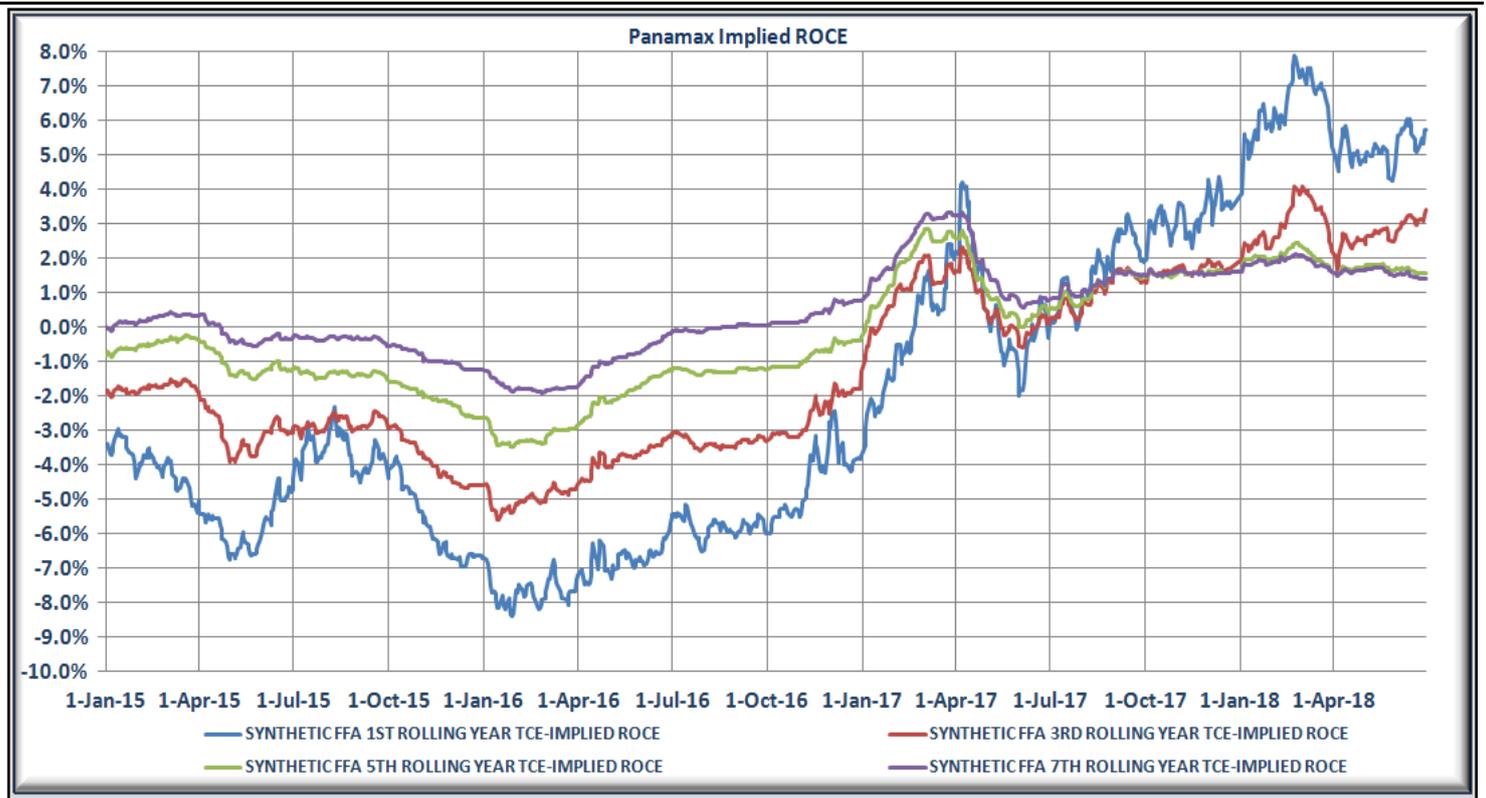
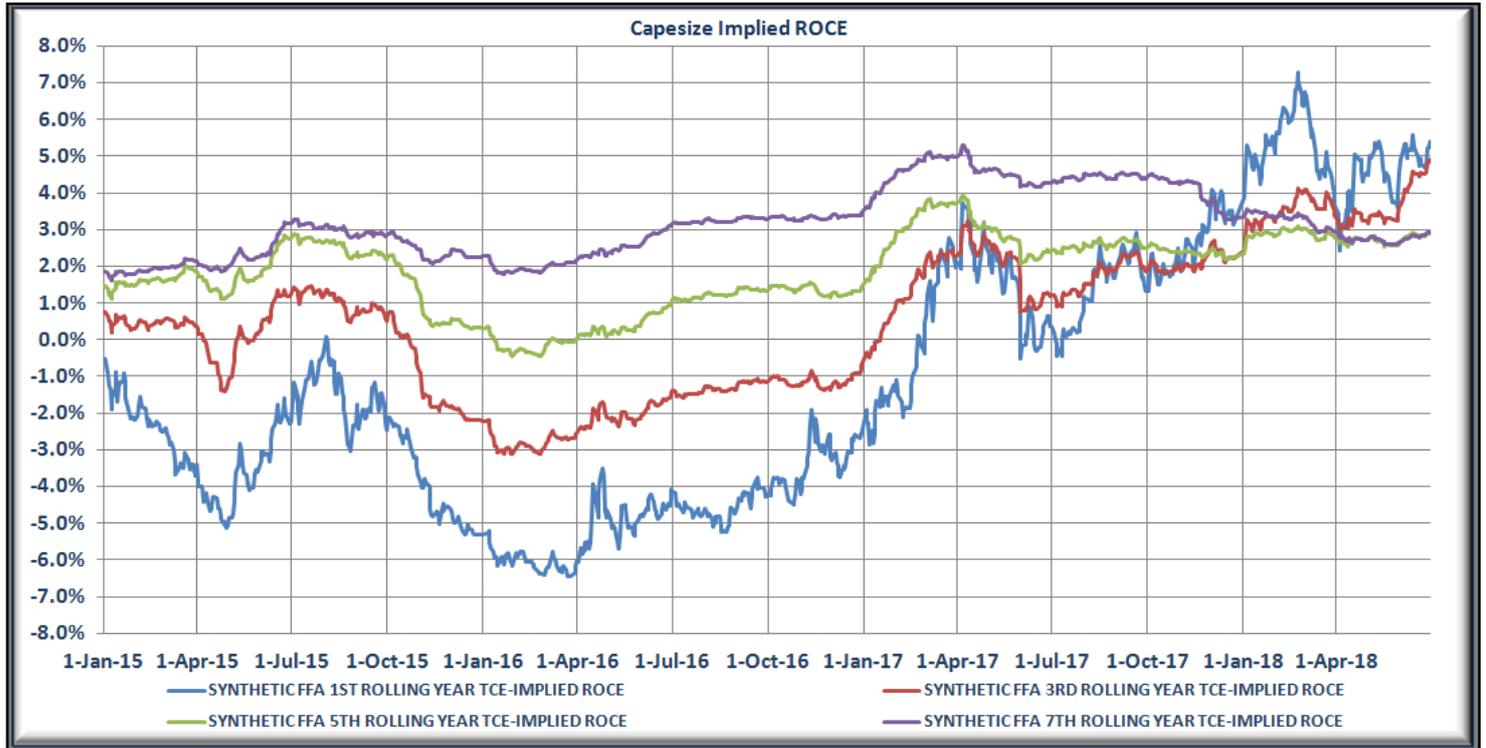
In the Atlantic HS3 closed just over \$10,000 news that will certainly not excite any W. African ballasters. Speaking of news very little emerged out of ECSA other than Dreyfus covering on subs Santarem to Aveiro at mid-20's PMT which we understand to be in the vicinity of USD 11,000 APS. From USG the picture wasn't very pleasing either, MUR booked a 32,000dwt for an Alumina cargo from Jamaica to Norway at a mere \$9,000 APS which is more or less the fixing levels APS USG. In the Continent, Oldendorff was rumored to have fixed in the 11,000 with a 34dwt for steels to central Med. A smaller handy was connected with delivery ARAG via Baltic to Turkey at about \$8,000. From the Black Sea a larger 37dwt was fixed with Cofco for minerals with delivery Canakkale to S. Brazil at about mid \$6,500. The cargoes to USG are paying in the mid \$7,000 and the on the intermed a 28,000dwt was linked with a grain haul to Italy at \$8,000 levels not much has materialized with cargoes being postponed. Overall a poor week.

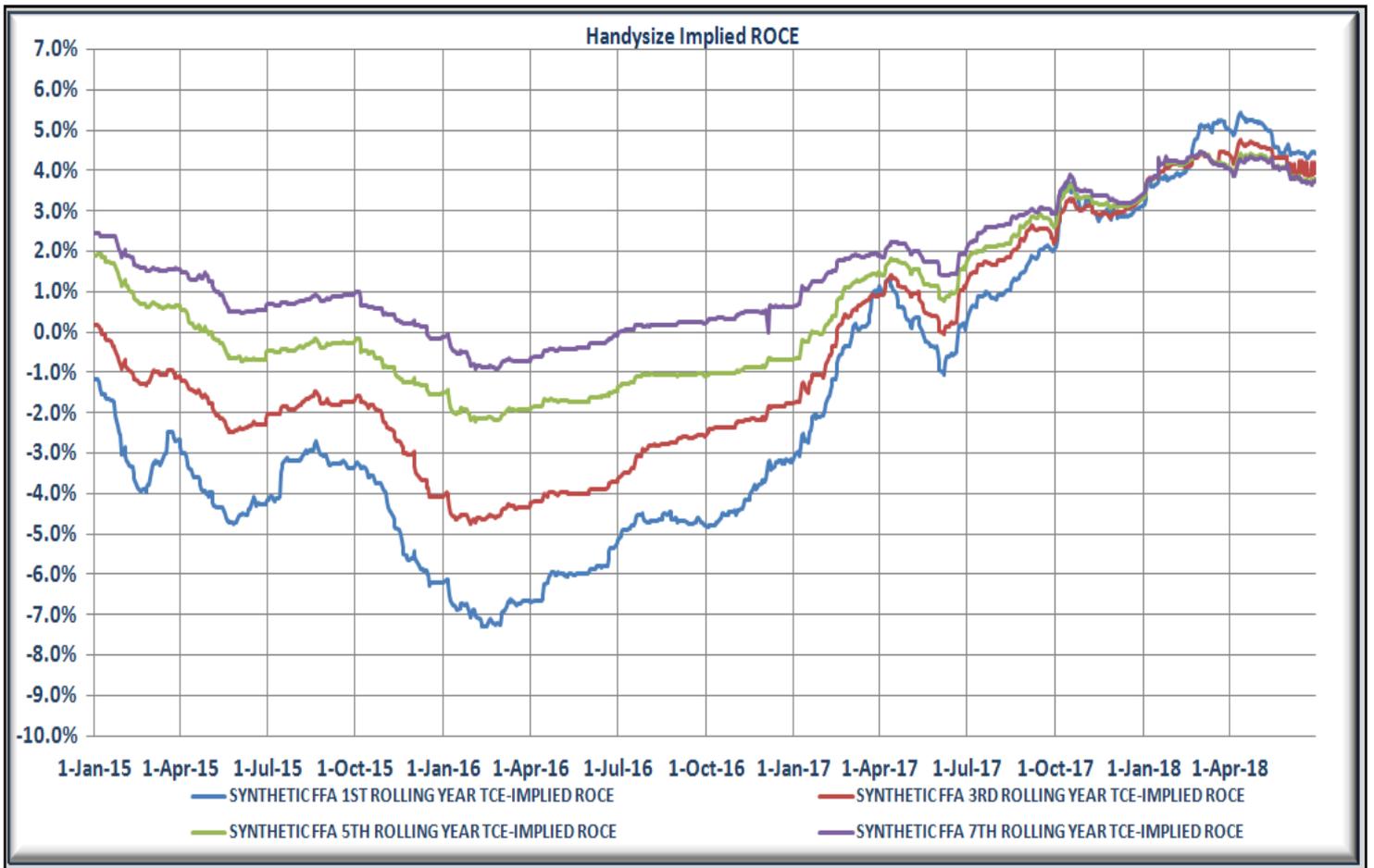
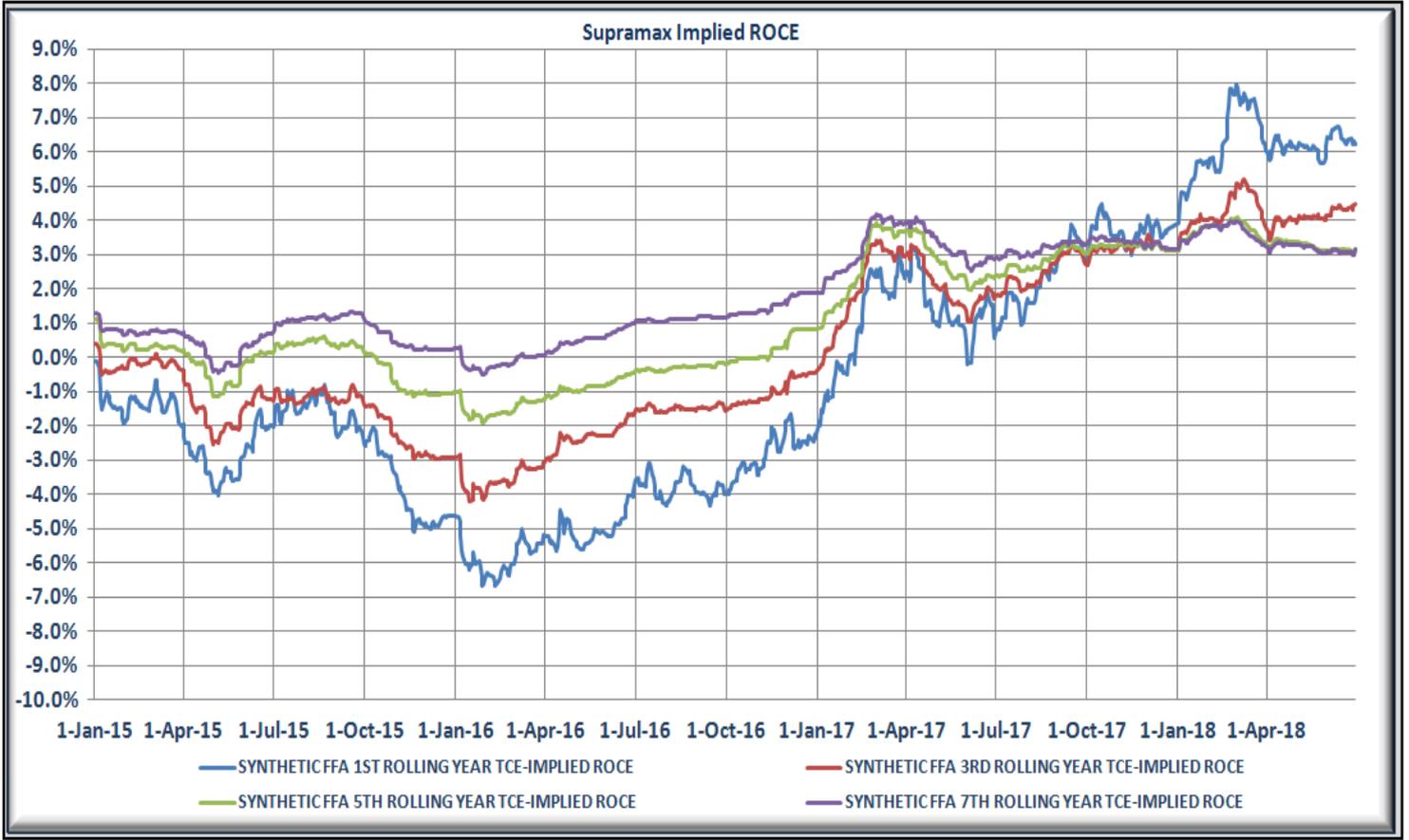
Representative Handysize Fixtures								
Vessel	DWT	Built	Delivery	Date	Re-del	Rate	Charterers	Comment
Coreocean Ol	28,000	2009	Jakarta	25-Jun	north China	\$9,000	cnr	via Australia
King Canola	28,000	2013	Surabaya	25-Jun	WW	\$9,500	cnr	3 to 5 months
Alam Setia	36,000	2013	north Vietnam	spot	WW	\$10,350	cnr	2 to 3 laden legs

FFA Market

The paper market was a mirror image of the spot market during this week. The short end of Capesize curve went up, whereas those of all other segment remained almost unchanged. In the same direction with the spot market, the prompt months of the Capesize forward curve surpassed their previous heights, with July contracts balancing at \$18,110 and August at \$18,710. In line, the Panamax curve moved marginally higher to \$11,610 and \$12,275 for July and August respectively. A softer tone appeared in the Supramax forward market, with July balancing at \$11,421 and August at \$11,776. Consistent on its usual static tone, prompt Handy contracts remained at previous Friday's levels, with August at \$9,438.

Capesize first rolling year implied ROCE gained 0.6% this week at 5.4% at the same time as that of Panamax was balancing at 5.7%. Geared segments implied ROCEs remained almost stable, with Supramax at 6.2% and Handy at 4.4%.





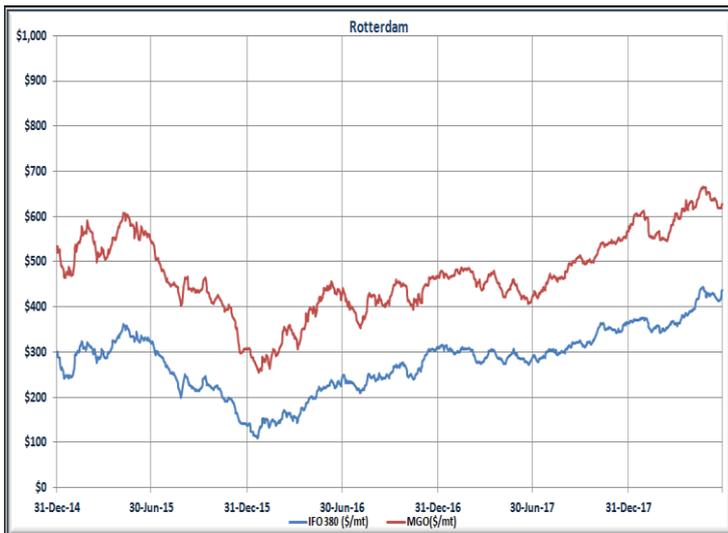
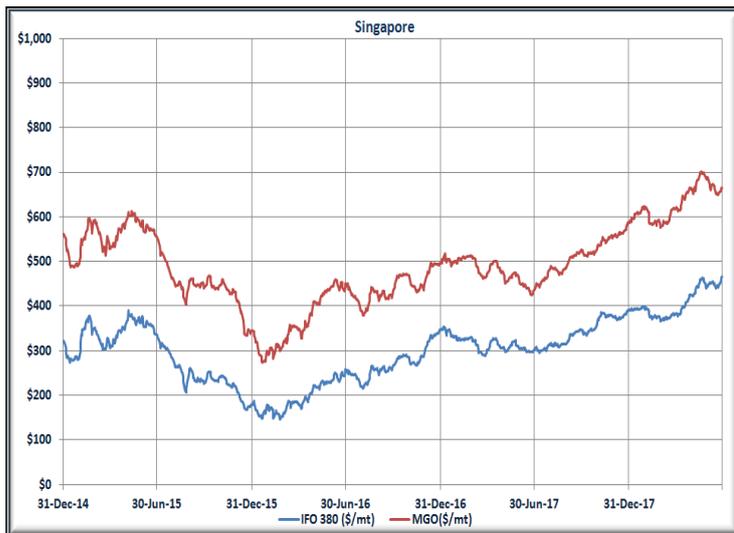
BFA Cape 5TC									
Date	July (18)	Aug (18)	Sept (18)	Q3 (18)	Q4 (18)	Q1 (19)	Cal 19	Cal 24	Cal 25
25-Jun-18	\$15,450	\$17,790	\$20,690	\$17,977	\$22,860	\$14,050	\$18,803	\$15,595	\$15,610
26-Jun-18	\$15,530	\$17,730	\$20,710	\$17,990	\$22,930	\$14,110	\$18,848	\$15,615	\$15,620
27-Jun-18	\$17,030	\$18,390	\$21,380	\$18,933	\$23,460	\$14,420	\$19,278	\$15,680	\$15,690
28-Jun-18	\$17,030	\$18,390	\$21,380	\$18,933	\$23,460	\$14,420	\$19,278	\$15,680	\$15,690
29-Jun-18	\$18,110	\$18,710	\$21,410	\$19,410	\$23,510	\$14,570	\$19,375	\$15,640	\$15,680
Week High	\$18,110	\$18,710	\$21,410	\$19,410	\$23,510	\$14,570	\$19,375	\$15,680	\$15,690
Week Low	\$15,450	\$17,730	\$20,690	\$17,977	\$22,860	\$14,050	\$18,803	\$15,595	\$15,610
Week Avg	\$16,630	\$18,202	\$21,114	\$18,649	\$23,244	\$14,314	\$19,116	\$15,642	\$15,658

BFA Panamax 4TC									
Date	July (18)	Aug (18)	Sept (18)	Q3 (18)	Q4 (18)	Q1 (19)	Cal 19	Cal 24	Cal 25
25-Jun-18	\$11,405	\$12,065	\$13,010	\$12,160	\$13,215	\$11,525	\$12,422	\$9,840	\$9,810
26-Jun-18	\$11,255	\$11,910	\$12,840	\$12,002	\$13,090	\$11,435	\$12,369	\$9,830	\$9,810
27-Jun-18	\$11,640	\$12,265	\$13,050	\$12,318	\$13,345	\$11,655	\$12,577	\$9,830	\$9,810
28-Jun-18	\$11,640	\$12,265	\$13,050	\$12,318	\$13,345	\$11,655	\$12,577	\$9,830	\$9,810
29-Jun-18	\$11,610	\$12,275	\$13,020	\$12,302	\$13,285	\$11,650	\$12,626	\$9,820	\$9,800
Week High	\$11,640	\$12,275	\$13,050	\$12,318	\$13,345	\$11,655	\$12,626	\$9,840	\$9,810
Week Low	\$11,255	\$11,910	\$12,840	\$12,002	\$13,090	\$11,435	\$12,369	\$9,820	\$9,800
Week Avg	\$11,510	\$12,156	\$12,994	\$12,220	\$13,256	\$11,584	\$12,514	\$9,830	\$9,808

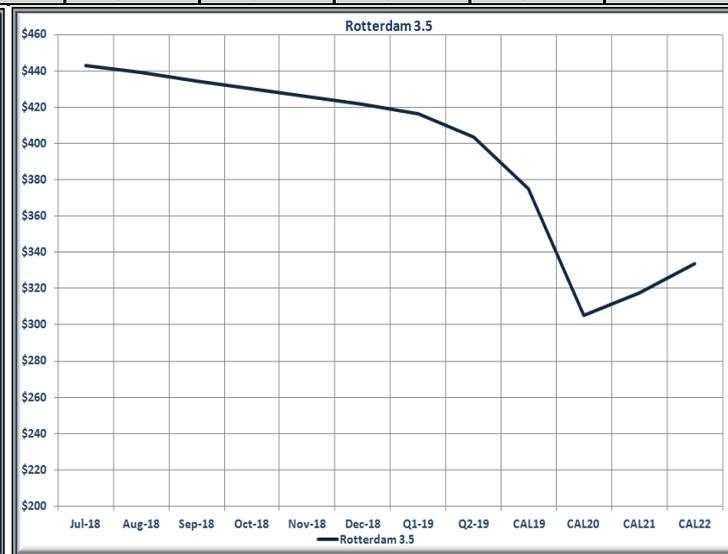
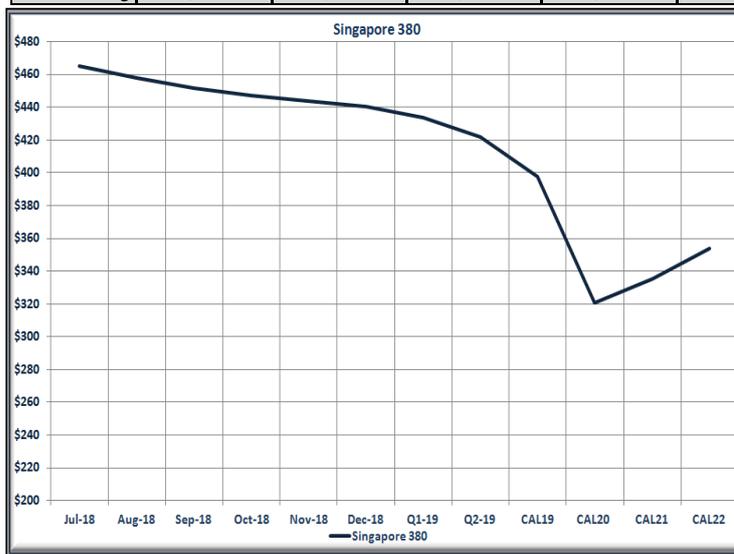
BFA Supra 5TC									
Date	July (18)	Aug (18)	Sept (18)	Q3 (18)	Q4 (18)	Q1 (19)	Cal 19	Cal 24	Cal 25
25-Jun-18	\$11,690	\$11,865	\$12,040	\$11,865	\$12,610	\$11,010	\$11,995	\$9,865	\$9,840
26-Jun-18	\$11,390	\$11,630	\$11,910	\$11,643	\$12,490	\$10,960	\$11,930	\$9,830	\$9,820
27-Jun-18	\$11,470	\$11,780	\$12,000	\$11,750	\$12,510	\$10,980	\$11,920	\$9,830	\$9,820
28-Jun-18	\$11,470	\$11,780	\$12,000	\$11,750	\$12,510	\$10,980	\$11,920	\$9,830	\$9,820
29-Jun-18	\$11,421	\$11,776	\$12,016	\$11,737	\$12,491	\$10,954	\$11,924	\$9,902	\$9,902
Week High	\$11,690	\$11,865	\$12,040	\$11,865	\$12,610	\$11,010	\$11,995	\$9,902	\$9,902
Week Low	\$11,390	\$11,630	\$11,910	\$11,643	\$12,490	\$10,954	\$11,920	\$9,830	\$9,820
Week Avg	\$11,488	\$11,766	\$11,993	\$11,749	\$12,522	\$10,977	\$11,938	\$9,851	\$9,840

BFA Handysize TC									
Date	July (18)	Aug (18)	Sept (18)	Q3 (18)	Q4 (18)	Q1 (19)	Cal 19	Cal 24	Cal 25
25-Jun-18	\$9,125	\$9,513	\$9,775	\$9,471	\$9,875	\$9,013	\$9,238	\$9,100	\$9,100
26-Jun-18	\$9,050	\$9,438	\$9,750	\$9,413	\$9,863	\$9,013	\$9,475	\$9,075	\$9,075
27-Jun-18	\$9,075	\$9,438	\$9,775	\$9,429	\$9,900	\$9,013	\$9,225	\$9,113	\$9,113
28-Jun-18	\$9,075	\$9,438	\$9,775	\$9,429	\$9,900	\$9,013	\$9,475	\$9,113	\$9,113
29-Jun-18	\$9,050	\$9,438	\$9,775	\$9,421	\$9,900	\$9,013	\$9,238	\$9,125	\$9,125
Week High	\$9,125	\$9,513	\$9,775	\$9,471	\$9,900	\$9,013	\$9,475	\$9,125	\$9,125
Week Low	\$9,050	\$9,438	\$9,750	\$9,413	\$9,863	\$9,013	\$9,225	\$9,075	\$9,075
Week Avg	\$9,075	\$9,453	\$9,770	\$9,433	\$9,888	\$9,013	\$9,330	\$9,105	\$9,105

Bunker Market



	Rotterdam		Singapore		Fujairah		Gibraltar		Houston	
Date (\$/mt)	IFO 380	MGO	IFO 380	MGO	IFO 380	MGO	IFO 380	MGO	IFO 380	MGO
25-Jun-18	\$416	\$618	\$450	\$655	\$449	\$719	\$453	\$683	\$422	\$662
26-Jun-18	\$421	\$619	\$453	\$658	\$455	\$725	\$453	\$679	\$427	\$662
27-Jun-18	\$428	\$619	\$460	\$659	\$460	\$727	\$459	\$686	\$433	\$662
28-Jun-18	\$435	\$625	\$465	\$664	\$469	\$729	\$467	\$700	\$445	\$667
29-Jun-18	\$437	\$627	\$466	\$665	\$470	\$730	\$468	\$702	\$446	\$668
12-month High	\$443	\$665	\$466	\$701	\$470	\$739	\$477	\$738	\$452	\$698
12-month Low	\$279	\$421	\$295	\$441	\$296	\$540	\$298	\$473	\$275	\$453
12-month Avg	\$353	\$551	\$375	\$572	\$373	\$631	\$373	\$598	\$353	\$585



Singapore	29-Jun-18	Week max	Week low	Week Avg	RTDM 3.5	29-Jun-18	Week max	Week low	Week Avg
Jul-18	\$465.2	\$465.2	\$431.3	\$448.9	Jul-18	\$443.2	\$443.2	\$411.6	\$427.8
Aug-18	\$457.9	\$457.9	\$425.3	\$442.3	Aug-18	\$439.2	\$439.2	\$408.1	\$424.3
Sep-18	\$451.7	\$451.7	\$420.3	\$436.8	Sep-18	\$434.4	\$434.4	\$403.8	\$419.9
Oct-18	\$447.2	\$447.2	\$416.3	\$432.7	Oct-18	\$429.9	\$429.9	\$399.3	\$415.4
Nov-18	\$443.7	\$443.7	\$413.1	\$429.3	Nov-18	\$425.7	\$425.7	\$395.1	\$411.1
Dec-18	\$440.7	\$440.7	\$409.8	\$426.1	Dec-18	\$421.7	\$421.7	\$391.1	\$407.1
Q3-18	\$458.3	\$458.3	\$425.7	\$442.7	Q3-18	\$438.9	\$438.9	\$407.8	\$424.0
Q4-18	\$444.1	\$444.1	\$413.2	\$429.4	Q4-18	\$426.2	\$426.2	\$395.1	\$411.2
Q1-19	\$433.8	\$433.8	\$403.2	\$419.4	Q1-19	\$416.2	\$416.2	\$385.1	\$401.2
Q2-19	\$421.8	\$421.8	\$392.2	\$407.6	Q2-19	\$403.4	\$403.4	\$371.6	\$388.3
CAL19	\$397.5	\$397.5	\$369.7	\$385.4	CAL19	\$375.2	\$375.2	\$349.0	\$363.5
CAL20	\$320.5	\$320.5	\$296.5	\$309.9	CAL20	\$305.2	\$305.2	\$283.0	\$295.1
CAL21	\$335.5	\$335.6	\$312.7	\$327.2	CAL21	\$317.7	\$317.7	\$295.5	\$307.6
CAL22	\$353.7	\$361.6	\$338.5	\$350.1	CAL22	\$333.7	\$333.7	\$311.5	\$323.6

Dry Bulk S&P Market

It seems that lately the secondhand market has reached a certain plateau in most segments. However, the underlying sense is that with a seasonally stronger freight market ahead, it would be difficult for the asset prices to remain at current levels. On the newbuilding front, increased activity was noted, with few but large orders. In reference to recently reported sales, we have heard that the Panamax 'Darwin' (73,870 dwt, 2002) concluded at USD 9.5m, or in a price very similar to that of 'Ionian Eagle' (74,085 dwt, 2001) a few months earlier. In the geared spectrum, rumours surfaced that the 'Global Standard' (28,349 dwt, 2010) changed ownership for a price very close to USD 10m.

The market for ten-year-old Capesizes and same-aged Panamaxes hovered at just 12% and 2% off their adjusted newbuilding prices respectively. Ten-year-old Supramaxes are on the market at a 6% discount to their newbuilding price, if we compare them on the same age basis, whereas same-aged Handies at a 14%. Thus, Tobin's Q ratios trended sideways.

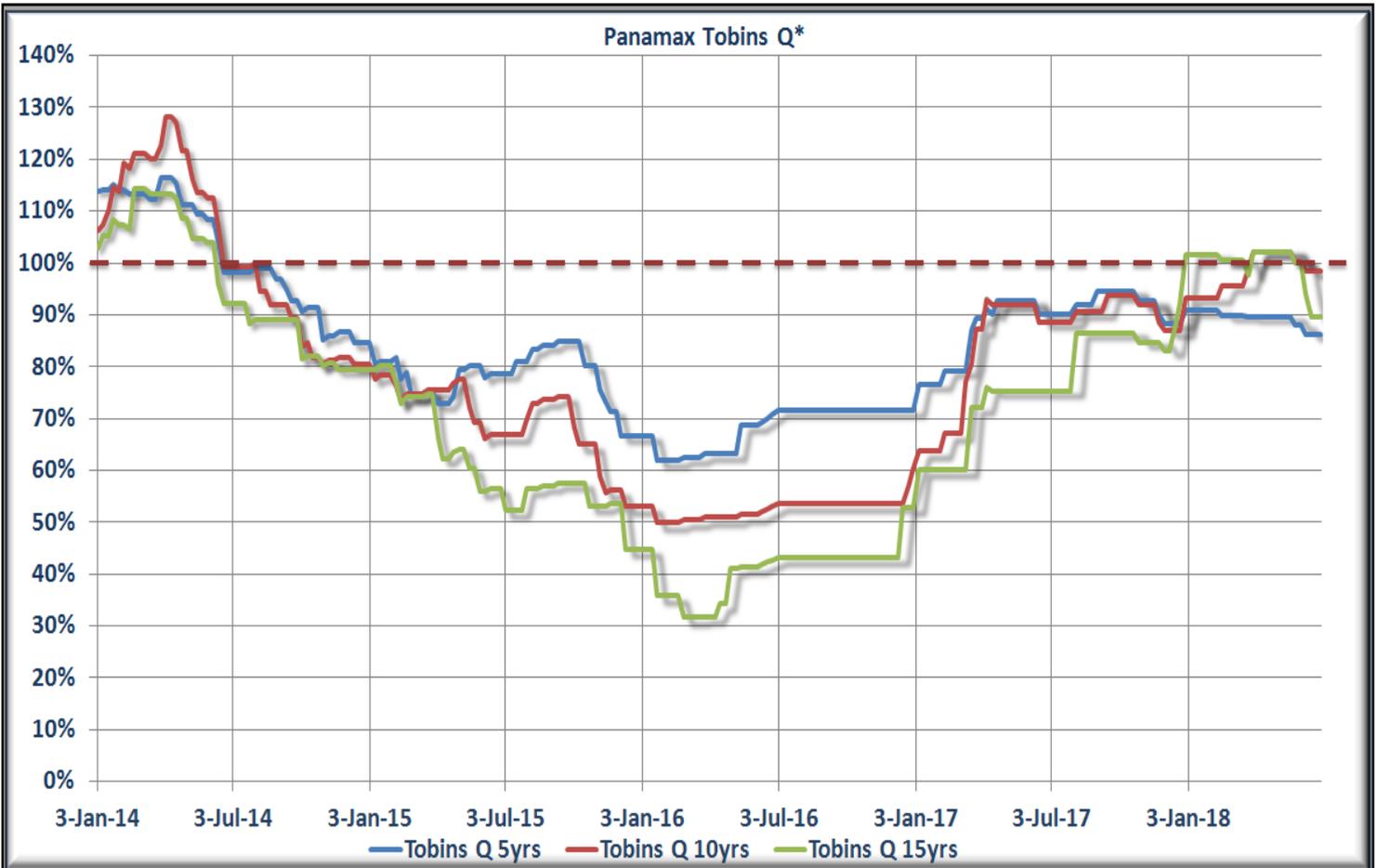
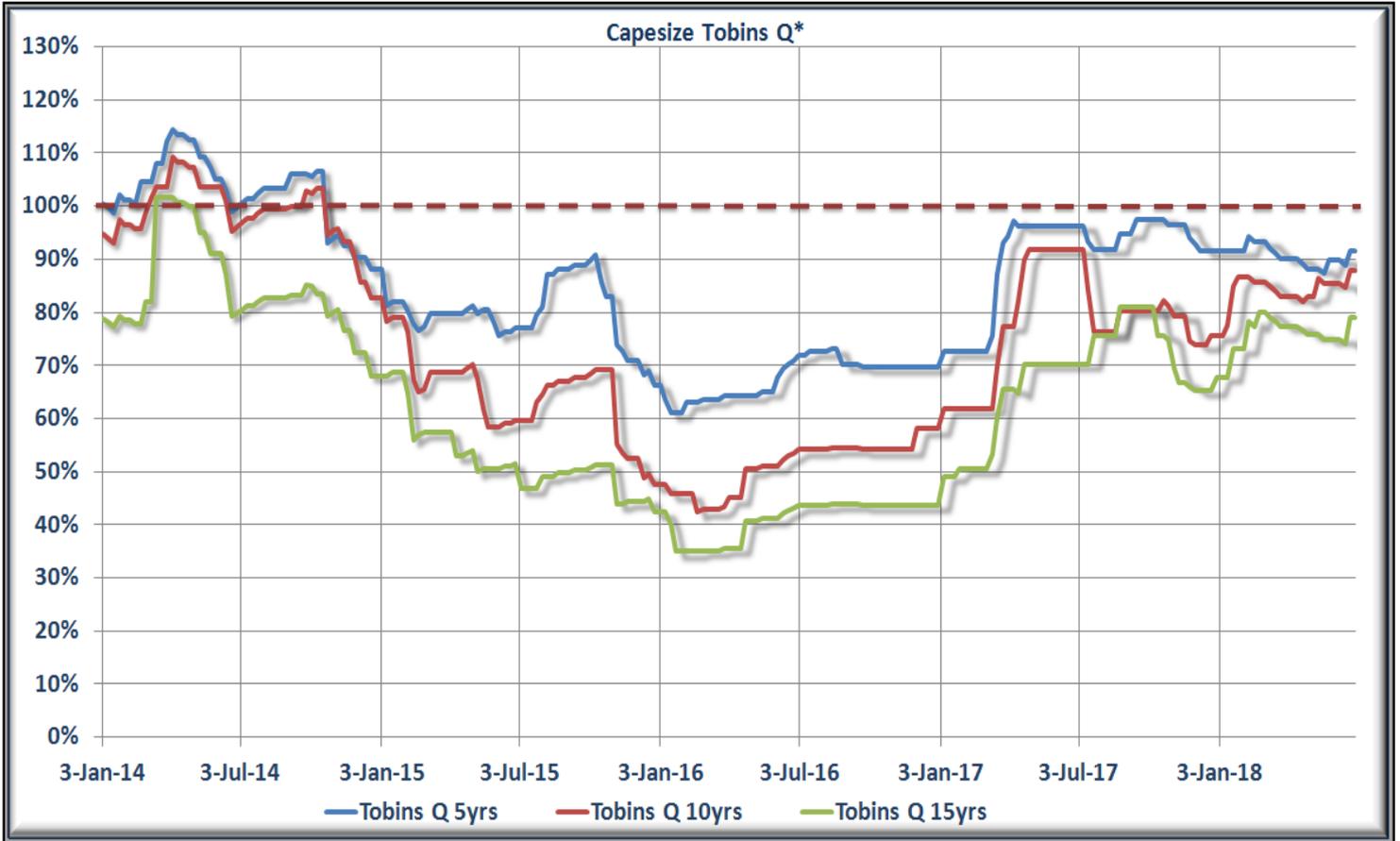
Indicative Ten-Year-Old Prices				
Date/ \$ Mil.	Capesize 180K DWT	Panamax 75K DWT	Handymax 56K DWT	Handysize 32K DWT
22-Jun-2018	26,00	16,50	14,50	11,75
29-Jun-2017	24,00	13,50	13,00	8,00
29-Jun-2016	14,00	8,00	7,75	6,75
Δ% Y-o-Y	8,3%	22,2%	11,5%	46,9%
Δ% 2018-2016	85,7%	106,3%	87,1%	74,1%

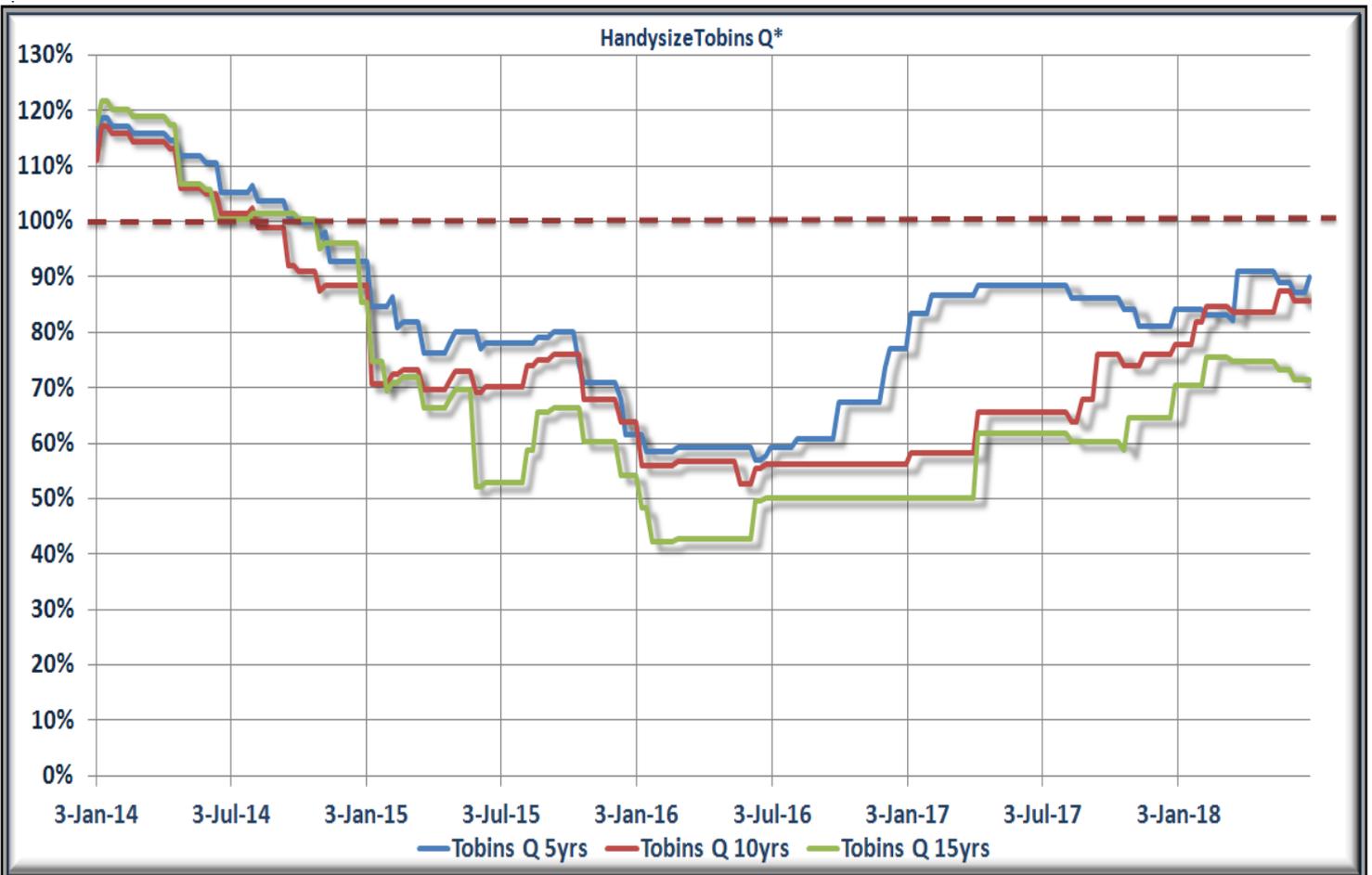
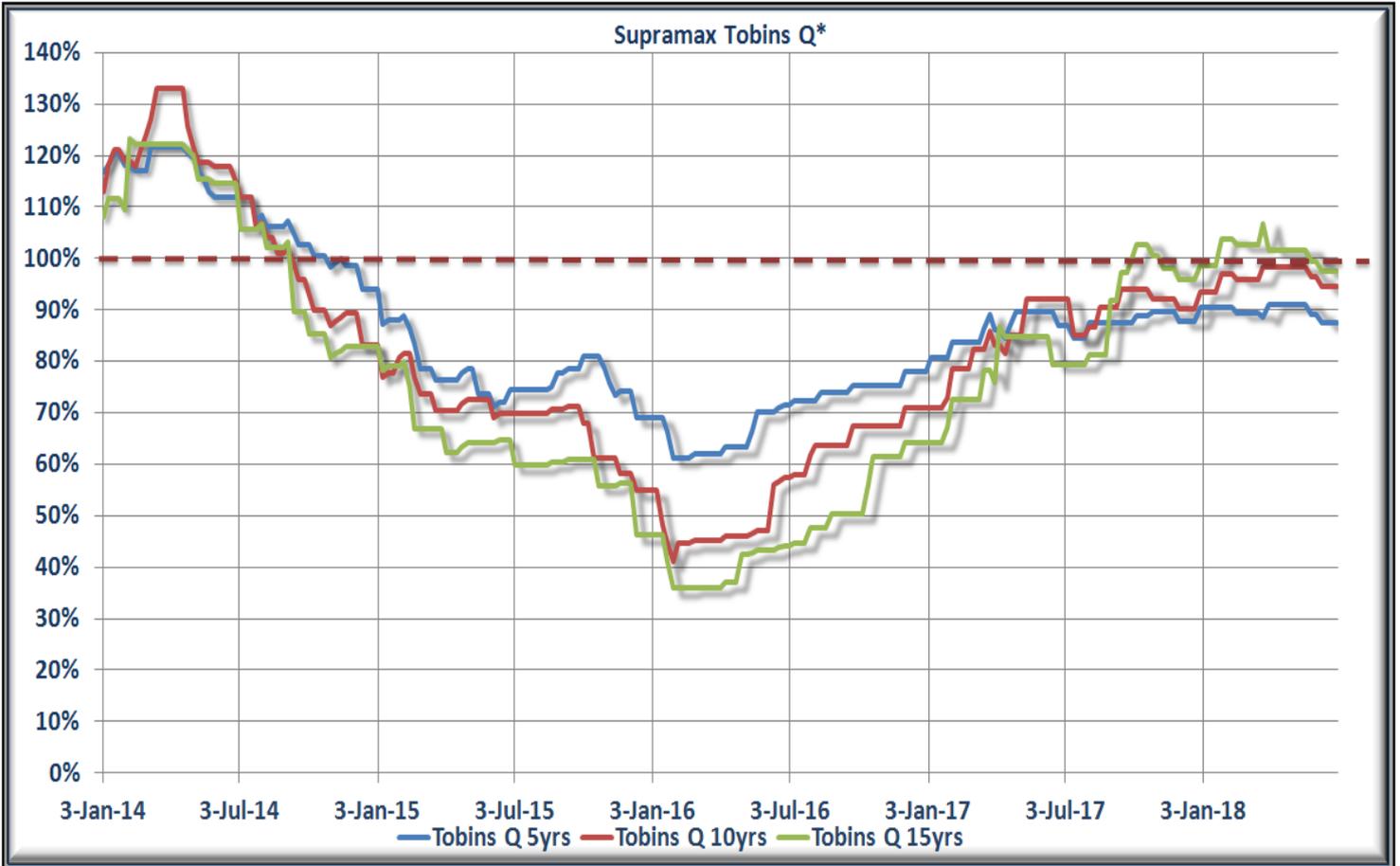
Reported Recent S&P Activity						
Vessel Name	DWT	Built	Yard/Country	Price \$Mil.	Buyer	Comments
Red Cherry	182,419	2015	JMU/Japan	45	Undisclosed	TC attached
Ocean Forte	81,616	2015	Guangzhou Longxue/China	23.8	Greek Buyers	
Key Mission	82,100	2013	Tsuneishi/Japan	22	Undisclosed	
Golden Spring	83,730	2008	Sanoyas Hishino/Japan	16.5	Greek Buyers	
Sincere Salute	85,778	2004	Oshima/Japan	low 13	Chinese Buyers	
Cemtex Prudence	80,000	2000	China Shipbuilding/China	low 8	Undisclosed	
Energy G	79,387	2010	Jiangsu/China	14.7	Chinese Buyers	
Medi Genova	75,767	2004	Sanoyas/Japan	mid 11	Undisclosed	distorted price
Darwin	73,870	2002	Namura/Japan	9.5	Chinese Buyers	
Energy Prosperity	77,828	1998	Sasebo/Japan	7.8	Undisclosed	
Sage Amazon	63,227	2012	Dayang/China	19.5	Undisclosed	C 4x35
Geraldine Manx	58,470	2010	Tsuneiski Zhoushan/China	15.5	Undisclosed	C 4x30
Ocean Skipper	56,815	2011	Xingang/China	low 11	Undisclosed	C 4x30
Bulk Power	57,005	2010	Zhoushan/China	11.5	Chinese Buyers	
Vela Ocean	53,549	2008	Iwagi/Japan	11.5	Undisclosed	C 4x30.5
Ocean Prefect	53,035	2003	Oshima/Japan	9.1	Chinese Buyers	C 4x30
Tamarita	52,292	2001	Tsuneishi Cebu/Philippines	8.5	Chinese Buyers	C 4x30
Paraskevi	45,950	1996	China Shipbuilding/Taiwan	4.8	Undisclosed	C 4x30
Ince Point	37,503	2015	Shimanami Zosen/Japan	20.5	Undisclosed	C 4x30
Nord Auckland	36,782	2011	Hyundai-Vinashin/Vietnam	13.3	Undisclosed	C 4x30
Maple Glory	32,491	2011	Taizhou Maple/China	10	Undisclosed	C 4x30.5
Sider Dream	33,588	2005	Hakodate/Japan	9.5	Undisclosed	C 4x30
Boka	31,824	2000	Hakodate/Japan	7	Undisclosed	C 4x30.5
Prinsesa Sirena	28,378	2011	Iamabi/Japan	10	Skiatheis	C 4x30.5
Global Standard	28,349	2010	Shimanami Zosen/Japan	10	Undisclosed	C 4x30.5
Molat	28,355	2000	Tsuneishi Cebu/Philippines	5.5	Undisclosed	C 4x30
Asian Power	17,013	2007	Kanasashi/Japan	6.8	Undisclosed	C 2 X 30

Tobin's Q* Capesize-Panamax						
Date	Capesize 5yrs	Capesize 10yrs	Capesize 15yrs	Panamax 5yrs	Panamax 10yrs	Panamax 15yrs
Current ratio	92%	88%	79%	86%	98%	90%
12months High	98%	92%	81%	95%	102%	102%
12months Low	87%	74%	65%	86%	87%	75%
12months Avg	93%	82%	75%	91%	94%	92%

Tobin's Q* Supramax-Handysize						
Date	Supramax 5yrs	Supramax 10yrs	Supramax 15yrs	Handysize 5yrs	Handysize 10yrs	Handysize 15yrs
Current ratio	87%	94%	98%	90%	86%	72%
12months High	91%	98%	107%	91%	87%	76%
12months Low	84%	85%	79%	81%	64%	59%
12months Avg	89%	94%	97%	86%	78%	68%

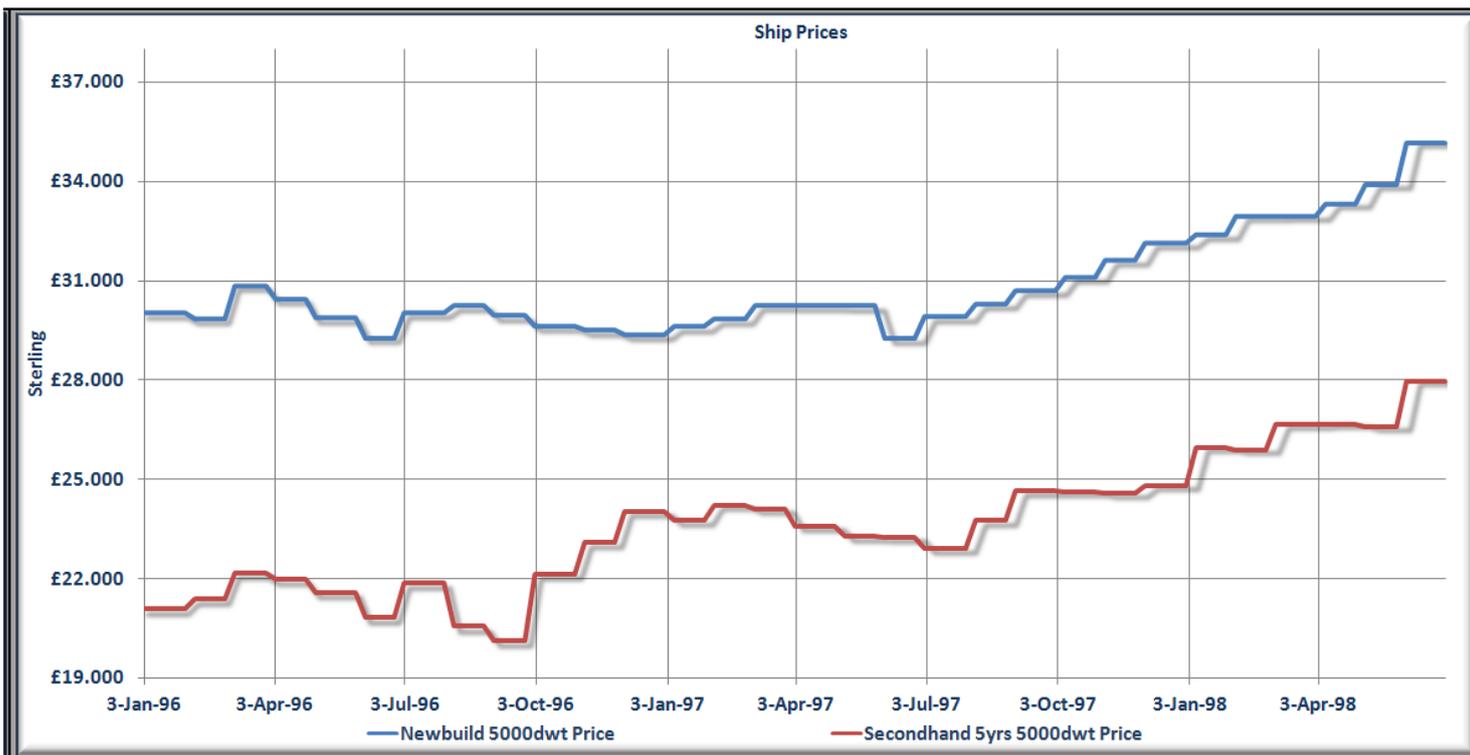
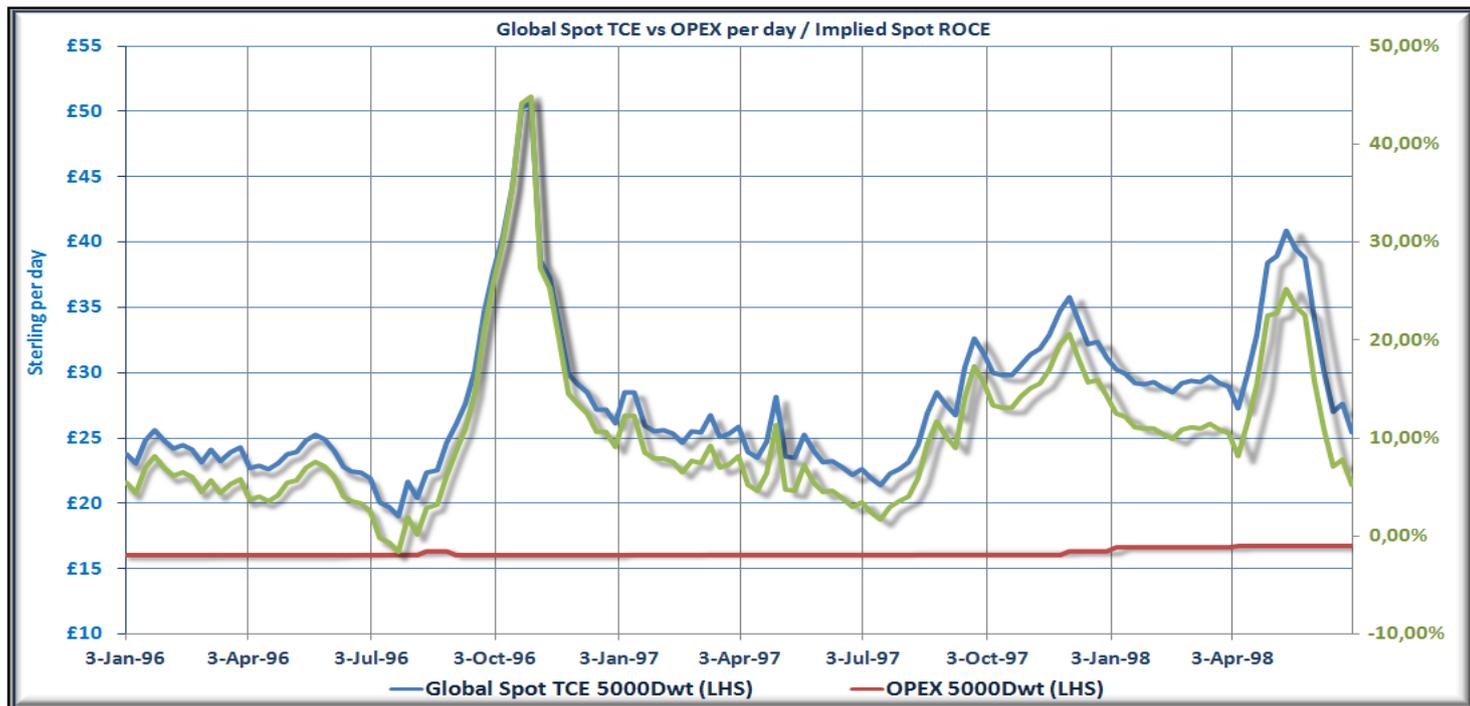
*Tobin's Q represents the ratio between the market value and replacement value of a physical asset, with numerator and denominator adjusted to same age basis. According to economic theory, this ratio should be mean reverting towards 1 or 100%, for assets that do not face technological obsolescence.





Market Insight 120 years ago

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



Weekly Spot Market	Current week	Previous week	Jul-00	Jun-00	May-00
Implied Spot Roce	5,3%	7,9%	23,6%	14,5%	11,1%
Global Spot TCE	£25,31	£27,52	£39,41	£32,06	£29,22
BlackSea Round	£24,41	£27,64	£38,95	£31,97	£28,55
East Round	£35,08	£36,55	£51,20	£41,53	£34,42
Med Round	£22,43	£23,50	£34,42	£28,54	£27,32
US Round	£31,72	£32,31	£47,59	£35,13	£34,47
River Plate Round	£25,88	£27,56	£44,81	£32,07	£34,30

S&P Market (5,000dwt)	Current week	Previous week	Jul-00	Jun-00	May-00
NB	£35.167	£35.167	£33.892	£33.317	£32.941
SH 5yrs old	£27.962	£27.962	£26.587	£26.677	£26.651
SH 10yrs old	£21.630	£21.630	£20.376	£20.476	£20.448
SH 15yrs old	£16.558	£16.558	£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...

Owners have for a long time had good outward coal rates, which has resulted in many of them accepting almost ballast rates home from the Black Sea direction. Coal rates are now 2s to 3s per tonne lower than the best recently paid, which is a point that the fixers ahead from the Danube do not appear to have taken into consideration. With about 3s per tonne less on the coal freight out and only about 2s 6d per tonne advance on the present miserable rates home from Danube, they are committing their tonnage ahead for the worst period. Additionally, they have still the contingency of the Welsh coal strike continuing, which should rather assist the freight markets than otherwise. The corresponding amount of coal that is short shipped from Wales must be shipped from the EC and Scotch ports. This should indirectly assist in reducing the supply of tonnage because of the longer duration of the voyages and the considerable delay in loading and waiting turns as compared with Wales. Take as an example a boat discharging at London, Havre or Dunkirk during normal times. This boat would probably load out from Wales; now owners will have to make a deviating voyage to the Firth of Forth amounting in a time loss of about four days. Another contingency that the fixers ahead overlooked is the extra price they will have to pay for bunkers in consequence of the strike. Before the strike commenced bunkers could be bought in the North for about 2s to 3s per tonne less than current prices, while about double this advance has to be paid at the foreign coaling stations. Consequently, the extra expenditure on coal is equal to about 1s per tonne on the coal cargo outwards. Therefore, the fixers ahead are in reality operating on an even lower basis. In this context, the average returns on capital employed in shipping during this week (29-June-1898) tumbled to 5.3%.

Timber chartering from the Baltic is almost at a standstill, as the merchants continue dogged in their determination to resist the new charter party formulated by the Documentary Committee. In fact, the majority of charterers absolutely decline to countenance the charter on any consideration, bar many vital alternations in the clauses, which would really constitute fixing on the old forms. We understand that the Documentary Committee had decided to issue a fresh charter for approval, incorporating a reconstruction of many of the clauses in accordance with the desires of the merchants. We doubt if it is a sound policy for owners represented by the Documentary Committee to take up such a position that they have to retire worsted in this combat, especially considering that they have other timber charters yet to bring into force, notably the Gulf pitch-pine charter. This contemplated retrocession is with a view of bringing about an amicable relationship between owners and charterers, but we are not aware that before this new charter was adopted there was anything contrary to the most pleasant relationship between them. It is true that there have been grievances with the consignees for electing to receive cargo only as customary. If the Documentary Committee are going to give away on the point of "delivering in accordance with the custom of port of discharge" then they might just as well have paid their attention to the ore charters, the most iniquitous documents connected with shipping. To our mind, these new charters are a failure, in the face of "back letter" development, which places scrupulous owners at a great disadvantage as compared with the unscrupulous. These new charters, if generally adopted – which they are not – would tend to the ruination of brokers, who have served owners well and have been indispensable to them in arranging the best terms of charter coupled with the maximum obtainable rates of freight. It would be most unwise for provincial owners to try and effect a charter with charterers, as they would find the difficulties of securing the most satisfactory results by telegrams or correspondence insuperable.

In the spot arena, there is little or no change to report in the Black Sea market. Orders are scarce, while the available supply of tonnage is very considerable. Berth rates for London Hull Antwerp or Rotterdam from Odessa are nominally 7s. We understand, however, that as low as from 4s to 5s has been accepted for completion cargo in some cases, which is the case in consequence of owners taking the berth with only about half cargoes to start upon. American business is nearly at a standstill as far as grain chartering is concerned, with grain berth rates from the Northern range to UK/Cont. being 2s 7d per quarter. The Eastern market is quiet, with Bombay rates being nominally 18s 6d to principal ports UK/Cont. River Plate business is almost at a standstill in consequence of the continuance of bad weather and the fall in the price of cereals. Outward coal rates to Buenos Ayres and Monte Video are about steady at 17s 9d.

American time-charter rates are weaker, the most now offering for period ranging from 3 to 6 months being 7s 3d to 7s 6d with delivery US and redelivery UK. With delivery and redelivery UK, we understand that as low as 6s 9d has been accepted.

On the S&P front, both the newbuilding and the secondhand market remained stable at previously reported levels. 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.