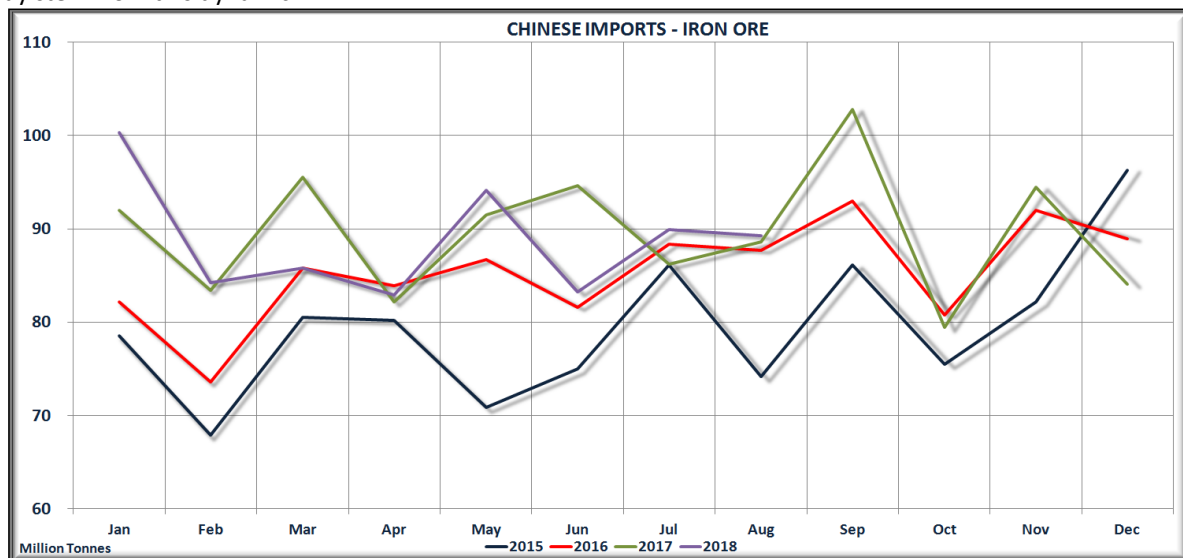
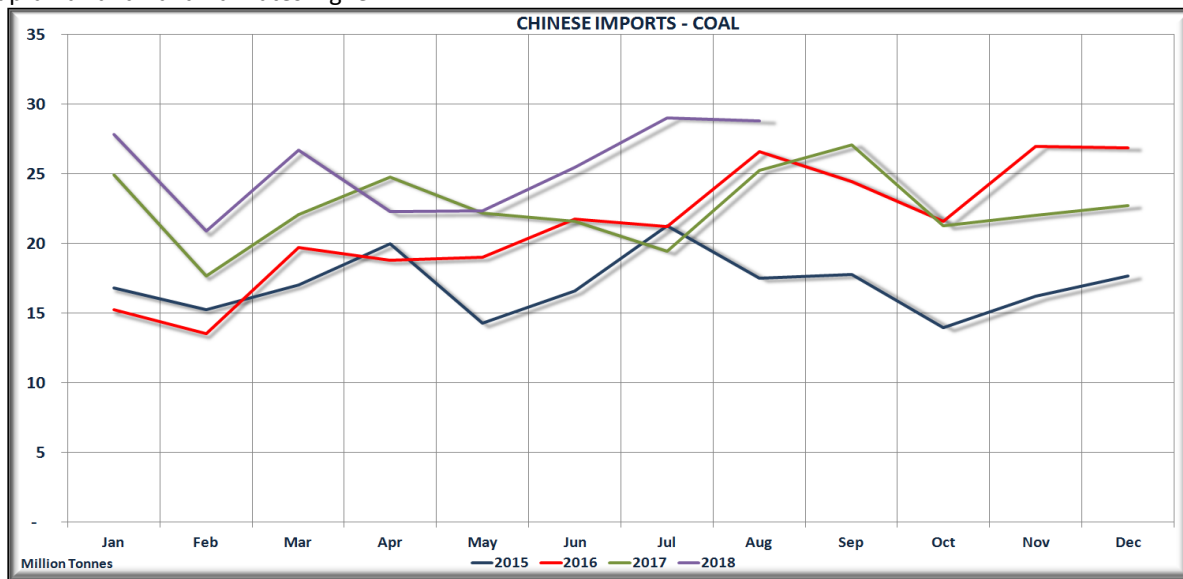


Although sentiment and analysts' projections remain bullish for the rest of the trading year, the BDI decided to ruin the party moving further south this week balancing below 1400 points for the first time since end June. The best performer of the summer period, the Capesize segment, started off the fall/winter season on a wrong foot, holding back somehow dry bulk market's workhorses. In reference to the latter, Panamax and the geared segments were in better shape, lagging just a few percentage points from their respective year highs. Being less sensitive to the vagaries in iron ore volumes, the sub Cape segments have been buoyed by increased trading of the other dry bulk cargoes. On the iron ore front, the world's top importer bought 89.3 million tonnes of the steel making raw material last month, according to the General Administration of Customs, marginally down from July's 89.96 million tonnes. For the first eight months of this year, shipments fell 0.6 percent from a year ago to 710 million tonnes, the customs data showed. In spite of this demand for iron ore from Chinese steel mills remains at quite healthy levels, testified by the reduction of stocks at Chinese ports. The positive outlook may stem from this dynamic.



Source: Chinese Customs, Doric Research

More upbeat has been the course of coal, the second largest hauler of bulkers, in the year so far. In particular, Chinese customs reported two consecutive months with coal imports of more than 28 million tonnes. With July and August imports at 29 and 28.8 million tonnes respectively, China's custom cleared 203.29 million tonnes of brownish- black sedimentary rocks year to date at the end of August. Being 14.2% higher than the respective period of the previous year, Chinese coal imports proved supportive to the freight market, pushing particularly Supramax and Panamax rates higher.



Source: Chinese Customs, Doric Research

As iron ore trade is facing slower than expected growth and the outlook for soybeans foggy on trade tensions between the world's two largest economies, coal has played a more prominent role at this juncture. Two weeks before we hit the fourth quarter, customarily one of promise for the market, the least loved commodity cannot alone guarantee a bright future for the dry bulk sector. For now though the course of the freight market has used its steam as a valuable propellant.

Freight market 120yrs ago (page 12): "The principal features of the freight market during the last week have been the strong demand for tonnage from South Wales and from the US..."

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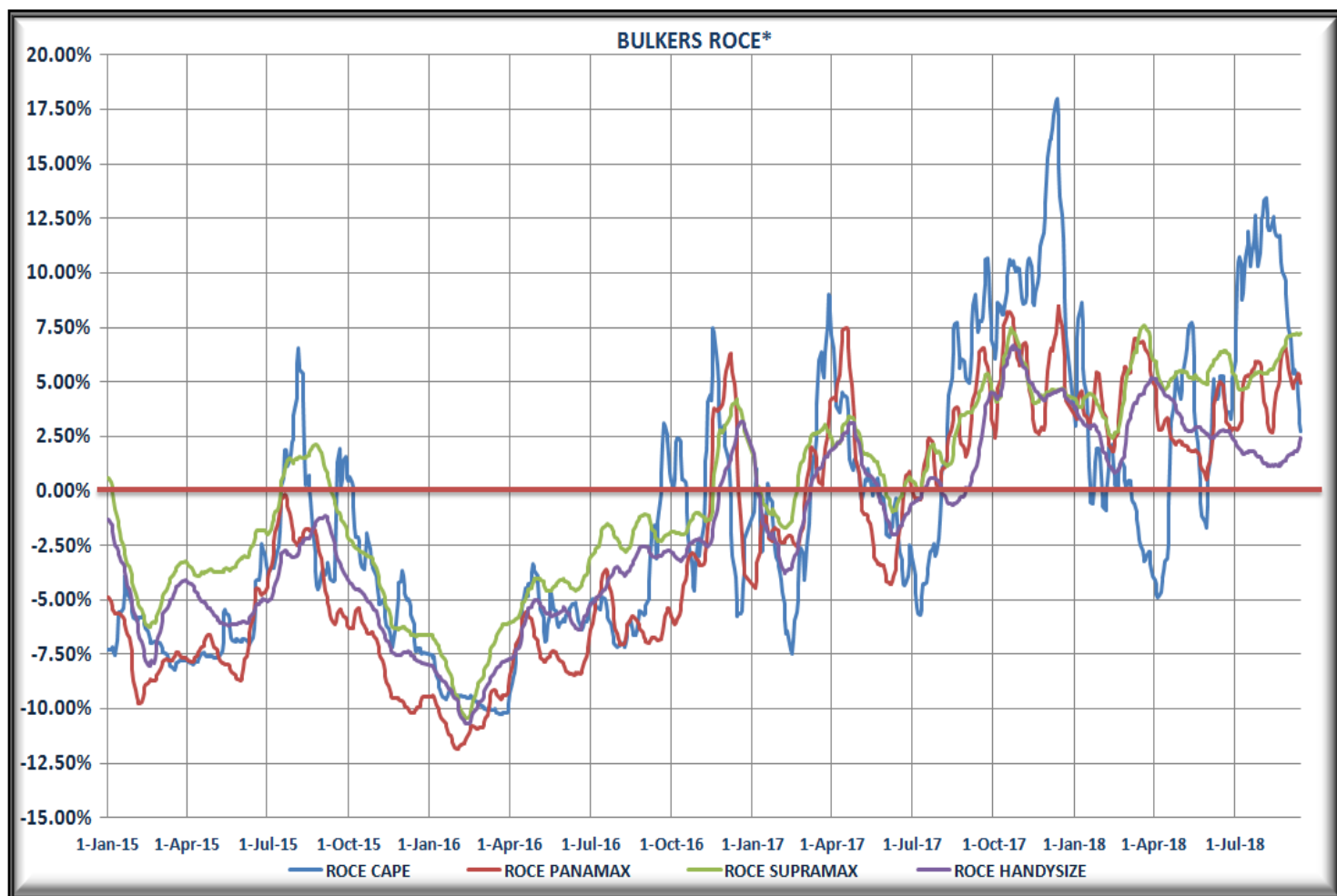
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Dry Cargo Spot Market

After 53 consecutive trading days above 1400 points, the Baltic Dry Index slid below this mark on Thursday, concluding at 1366 on this Friday's closing. Being in a free-falling mode, Capesizes plunged to 1900 points, dragging the whole market down along with them. The positive week start didn't continue through the week and thus Panamaxs balanced at 1523 points, relatively stable W-o-W. Following five weeks with gains, Supramaxes trended sideways during the 37th week of the year, finishing at 1134 points. Lingering at two and a half month highs, Handies lay at 588 points.

At the box office, Capesize ROCE kept moving downwards to 2.75%, having lost some 1000 basis points in just thirty days. The other three sub-market remained relative calm, with Handies reporting the largest weekly gains at ROCE levels of 2.43%. Panamaxs and Supramaxes returns on capital employed hovered at their previously reported levels of 5 and 7.2 cents in every dollar invested respectively.



Baltic Freight Indices					
Date	BDI	BCI 5TC	BPI - TCA	BSI - TCA	BHSI - TCA
10-Sep-18	1482	\$18,369	\$12,378	\$12,531	\$8,252
11-Sep-18	1439	\$17,237	\$12,474	\$12,524	\$8,297
12-Sep-18	1411	\$16,559	\$12,429	\$12,526	\$8,361
13-Sep-18	1382	\$15,938	\$12,310	\$12,515	\$8,444
14-Sep-18	1366	\$15,574	\$12,219	\$12,543	\$8,553
12-month High	1774	\$30,475	\$13,740	\$12,543	\$10,104
12-month Low	948	\$7,051	\$9,262	\$9,350	\$7,530
12-month Avg	1385	\$18,342	\$11,481	\$11,017	\$8,707
Avg. Cal 2017	1145	\$15,129	\$9,766	\$9,168	\$7,636
Avg. Cal 2016	669	\$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.

Being for six consecutive weeks under significant pressure, **Capesizes** kept rolling down the hill. In this context, Baltic Capesize Index reported double digit losses on a weekly basis, concluding at three-month lows of \$15,574 daily. However, the reduced iron ore stocks in the Chinese ports and the latest period deal injected some doses of optimism.

In the Pacific basin, iron ore shipments to China from the world's biggest iron ore port totaled 35.5 million tonnes in August, up from July's 32.4 million tonnes, according to the Pilbara Ports Authority. Total August iron ore shipments from the port totaled 42.4 million tonnes, higher than the 40.7 million tonnes shipped a month prior, yet remaining 1% lower than August 2017. In the spot arena, the Baltic C5 index drifted lower to \$7.486 pmt, or -12.3% W-o-W. Rio Tinto paid this rate to move a 170,000-tonne 10% cargo for 26-28 September from Dampier to Qingdao. On the early side of the week, the 'Genco Constantine' (180,183 dwt, 2008) concluded at \$21,500 daily for an Australian round, basis delivery Hadong and redelivery N. China, with the option of S. China redelivery to be valued \$500 less. The Baltic transpacific index (C10_14) plunged to \$15,000 daily, or -22% W-o-W.

In the Atlantic basin, huge haul trucks, with a capacity of 240 tons, circulate on the roads of a large mining area without operators in the cabins. Controlled only by computer systems, GPS, radars and artificial intelligence, the vehicles move efficiently between the mining front and the unloading area. The autonomous operation also brings relevant environmental benefits. "The use of this type of technology is increasing in the world market, not only in the mining area. The use of autonomous equipment will bring gains in productivity and competitiveness for Vale and the Brazilian industry", says Lúcio Cavalli, Ferrous Planning and Development Director. In reference to the freight market, the trendsetter Baltic C3 index lost five point two percentage points during the last five trading days, concluding at \$20.082 pmt. Very little information was circulated this week concerning this route. The fronthaul index (C9_14) ended at \$34,232 daily whereas the Transatlantic index (C8_14) lingered at \$11,865 daily, or lower by 3.8% and by 25.8% W-o-W respectively.

On the period front, the 'Alpha Confidence' (176,320 dwt, 2011) secured employment for about 2 years at \$21,250, basis delivery Bayuquan.

Representative Capesize Fixtures								
Vessel	DWT	Built	Delivery	Date	Re-del	Rate	Charterers	Comment
Genco Constantine	180,183	2008	Hadong	10/11 Sep	N China opt S China	\$21,500 opt \$21,000	Panocean	via EC Australia
Alpha Confidence	176,320	2011	Bayuquan	19/21 Sep	WW	\$21,250	Cofco	2 years

A flat week for the **Panamax** Segment, with hopes of a stronger next one as the Pacific demand seems to be supporting the weaker Atlantic.

Mineral demand continued to rise this week, pushing rates further up in the Far East. 'Rising Wind' (82,151 dwt, 2014) reported fixed at \$14,500 daily with 20-21 September delivery Yokohama for a NoPac round trip with petcoke. News from the land 'down under' sounded equally good. 'AOM Bianca' (82,000 dwt, 2017) secured \$15,600 daily for prompt delivery Xinsha for a trip via Australia to India with coal. The increased demand for coal; especially for India destination, has cleared up most of the prompt – spot vessels in both North and South China and turned the supply - demand curve into positive perspective. On the iron ore trade, 'Sea Hermes' was booked at a competitive rate of \$18,000 daily for an Australian coal round trip with prompt Surabaya delivery. 'Zheng Jun' (81,810 dwt, 2013) was fixed at \$14,250 daily with prompt delivery Ningde via Indonesia to India. Spirits were raised further, when fresh NoPac grain requirements emerged, attracting strong rates well above last month's levels. 'Shao Shan 6' (75,700 dwt, 2012) got a healthy \$13,250 daily for a NoPac grain round trip, given her advantageous delivery at Onahama port.

Sentiment in the Atlantic market was rather mixed. Front-haul rates seemed to have picked up prior week's closing. Owners were standing behind their numbers, while Charterers in attempts to secure late September loading candidates had to increase their ideas. In reference to end September loading, 'Panamax Christina' (82,176 dwt, 2010) was reported fixed basis APS ECSA to Singapore-Japan range at \$16,250 daily plus \$625,000 gbb. For same trip, October stems seem even more promising, with post-Panamax 'MG Kronos' (84,790 dwt, 2016) fixing a sturdy \$15,000 daily, basis prompt delivery Gangavaram. Further north, demand kept being under pressure for a second week in a row. Mid week, 'Star Nina' (82,224 dwt, 2006) reported fixed at \$19,500 daily with early October delivery at EC South America and redelivery Skaw-Passero range. For a similar run, rumors had a kamsarmax fixing at 22,000 levels on late Friday. Market expects better prospects looking forward.

Strong period deals were reported this week. In the Atlantic, 'SBI Zumba' (81,183 dwt, 2016) fixed at \$16,250 daily with 16/17 September delivery Ijmuiden for 2 to 3 laden legs with redelivery Atlantic. In the Pacific, numerous fixtures stood out; mostly bidding in the \$14/15,000 levels for 3 to 6 months. 'Darya Moti' (80,545 dwt, 2010) was fixed at \$13,800 daily with 18/19 September at Boryeong for 2 to 4 months.

Representative Panamax Fixtures								
Vessel	DWT	Built	Delivery	Date	Re-del	Rate	Charterers	Comment
Star Nina	82,224	2006	ECSA	01/05 Oct	Skaw Passero	\$19,500	Cargill	w/grains
MG Kronos	84,790	2016	Gangavaram	14 Sept	Singapore-Japan	\$15,000	Comerge	via ECSA
Panamax Christina	82,176	2010	ECSA	25/30 Sept	Singapore-Japan	\$16,250+\$625k gbb	Hyundai Glovis	
Zheng Jun	81,810	2013	passing Ningde	prompt	India	\$14,250	cnr	via Indo
Sea Hermes	81,708	2013	Surabaya	prompt	China	\$18,00	cnr	via Waus
Rising Wind	82,151	2014	Yokohama	20/21 Sept	Singapore-Japan	\$14,500	Jera	via NoPac
AOM Bianca	82,000	2017	Xinsha	prompt	India	\$15,600	Bostomar	vai Eaus
Shao Shan 6	75,700	2012	Onahama	prompt	Singapore-Japan	\$13,250	Caravel	via NoPac
SBI Zumba	81,183	2016	Ijmuiden	16/17 Sept	Skaw-Passero	\$16,250	Ultrabulk	2/3 ll
Darya Moti	80,545	2010	Boryeong	18/19 Sept	worldwide	\$13,800	Daichi	2/4 mos

Indicative of the flattish tone of the **Supramax** market during the last three weeks is that the higher from the lowest daily closing are just \$282 apart.

Apart from the backhaul trips, the market in the Pacific is steadily improving, albeit in a slow pace. The nickel ore trade was exceptionally strong and bigger bulkers were able to secure quite healthy levels. For such a run, the "Great Century" (61,441dwt, 2017) was reported fixed at \$13,250 delivery Lanqiao via Philippines back to China. A bit further north, "Lmz Ariel" (56,812dwt, 2012) fixed steels to west coast India at \$10,000 basis delivery Pohang. For an Indonesian coal round, "Teal Bulker" (57,581dwt, 2014) was covered by European charterers at \$12,500 delivery Vung Tao redelivery Philippines. With the complications arising from the recent reinforcement of sanctions by the U.S, Iran trades offer remarkably tempting returns. Mid week, rumours had a 57k deadweight vessel getting fixed at \$30,000 delivery west coast India trip via Iran to China with iron ore whereas for conventional trip via PG to Far East a similar vessel could achieve something in the low teens. In the South African coast, "Hanton Trader 111" (63,435dwt, 2014) did a coal cargo to Pakistan at \$13,250 plus \$235,000 ballast bonus basis aps.

In the Atlantic, changes were subtle and market direction was generally unclear. The USG, having reached mid 20's levels for fronthaul business on index type units, has now met a resistance point. The 'West Bay' (52,532 dwt, 2004) was fixed for grains ex USG to Japan at \$23,000 daily. The South Atlantic, on the other hand, was in positive territory with rates gaining circa \$500 w-o-w. The 'Sinica Graeca' (63,270 dwt, 2015) was fixed for a trip from South Brazil to Singapore-Japan range at \$14,900 daily plus \$490,000 ballast bonus. On the other side of the pond, there were some high paying opportunities too. Rates for fronthaul trips from the Continent were flirting with the \$20k mark. It was heard that a 57,000 tonner was on subjects for a trip via Norway to Singapore-Japan range at \$19,000 daily basis delivery Hamburg, eventually failing though due to delays in her itinerary. Mood in the Black Sea remained positive too. The 'Tokyo Bulker' (61,439dwt, 2012) was covered on a trip via Kavkaz to Korea at \$22,500 daily basis delivery Canakkale.

On the period front, the 'Beks Ceyda' (63,592 dwt, 2015) open Fujairah, fetched \$14,000 daily for 4-6 months trading.

Representative Supramax Fixtures								
Vessel	DWT	Built	Delivery	Date	Re-del	Rate	Charterers	Comment
Great Century	61,441	2017	Lanqiao	prompt	China	\$13,250	GBC	nickel ore via Philippines
Teal Bulker	57,581	2014	Vung Tao	15 Sept	Philippines	\$12,500	Cobelfret	trip via Indonesia
LMZ Ariel	56,812	2012	Pohang	15-17 Sept	WC India	\$10,000	Wooyang	intention steels
Hanton Trader 111	63,435	2014	South Africa	14 Sept	Karachi	\$13,250 + \$250,000 bb	Jaldhi	
West Bay	52,532	2004	USG	prompt	Japan	\$23,000	Solebay	intention grains
Sinica Graeca	63,270	2015	South Brazil	prompt	Singapore-Japan range	\$14,900 + \$490,000 bb	Norden	
Tokyo Bulker	61,439	2012	Canakkale	prompt	South Korea	\$22,500	cnr	trip via Kavkaz
Beks Ceyda	63,592	2015	Fujairah	prompt	worldwide	\$14,000	Jaldhi	4-6 months period

Ray of light in the Far East – 'Better Days Ahead? Is what people are asking in the Atlantic on the **Handysize**.

Since last week, there was a feeling that SEASIA/Far East market had bottomed out and a general market improvement was imminent. These expectations were reaffirmed this week, albeit the absence of Australian cargoes –especially grains– make this improvement unstable. On the short period front, 'Unico Sienna' (34,000 dwt, 2012) open at Surabaya on the 19th of September fixed at \$9,600 dop for 4-6 months with Ultrabulk. There are two underlying information about this particular fixture which might indicate an upcoming positive trend in the area. Firstly, the charterers being a major Australian player seem to have high expectations for the short terms period thus opting to secure a ship at such levels. Secondly, it has to be noted that the ship not being a logger hints that there is an extra premium available for loggers in the area. 'Ken Giant' (28,000 dwt, 2009) open at Lahad Datu fixed at \$9,100 dop for salt via Australia to Japan. In the north, the fixture of the week was 'Rabea' (39,900 dwt, 2018) open at Tonda on the 15th of September which was concluded at \$10,250 dop for steels to Med. Signs of improvement noticed also in the Indian sub-continent from where we heard rumors of a 28k dwt fixing close to \$7,5k for a trip via WCI to East Med.

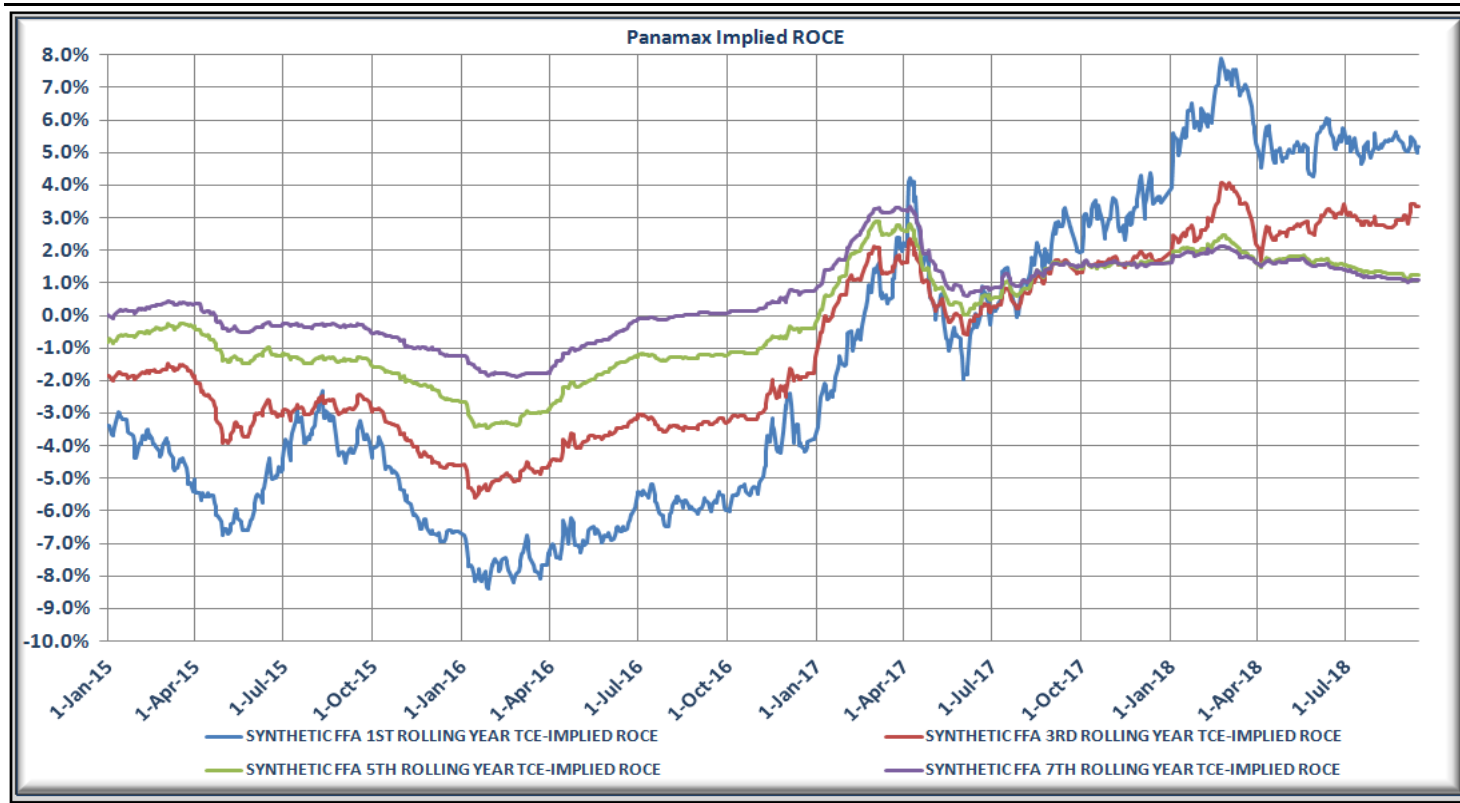
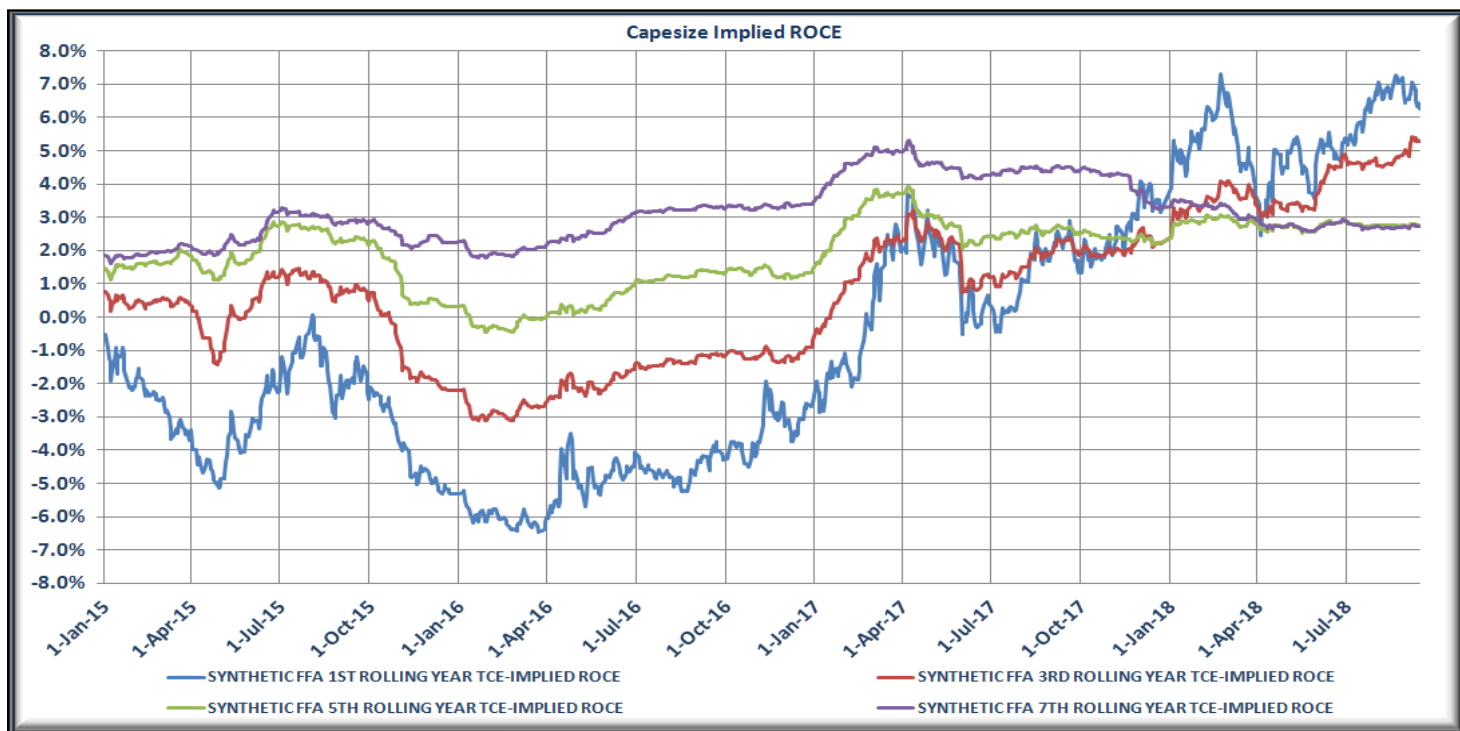
In the Atlantic, we saw some improvement across the board during the past week, mostly through the increase on fixtures and rates in ECSA. This was a won bet for many market participants. The few ships that were around last week finally saw an influx of fresh cargo in the market and things picked up from there quickly. We saw, early in the week, a 37,976 dwt fixing \$14,000 from Recalada to the Med, while towards its end we saw \$14,500 been done from Santos to Med on a 35,916 dwt vessel. USG kept the pace of last week. Things are pretty heated up over there, and it seems will continue at these levels for a while. We heard of a 39,481 dwt fixing a huge \$25,000 from USG, albeit for a quick petcoke trip to WCCA and rumours of a 34,000 dwt fixing a grains cargo to E.C. Mexico at \$14,750. Market in the continent changed its course in an attempt to leave the 'drought' of last week behind. More fresh cargo was marketed and rates stabilized, if not picked up a bit again. We have heard of a 37,845dwt fixing the usual scrap to E. Med at \$11,000 from Skaw delivery. Turning South to the Med-Bl. Sea, it seems that the past week was another strong one. A 32,688dwt was fixed from Canakkale to Continent with grains at \$10,000, while a little more was paid for a 38,700dwt from E. Med to USG. For a clinker cargo to W. Africa, \$13,000 had to be paid to a similar sized ship.

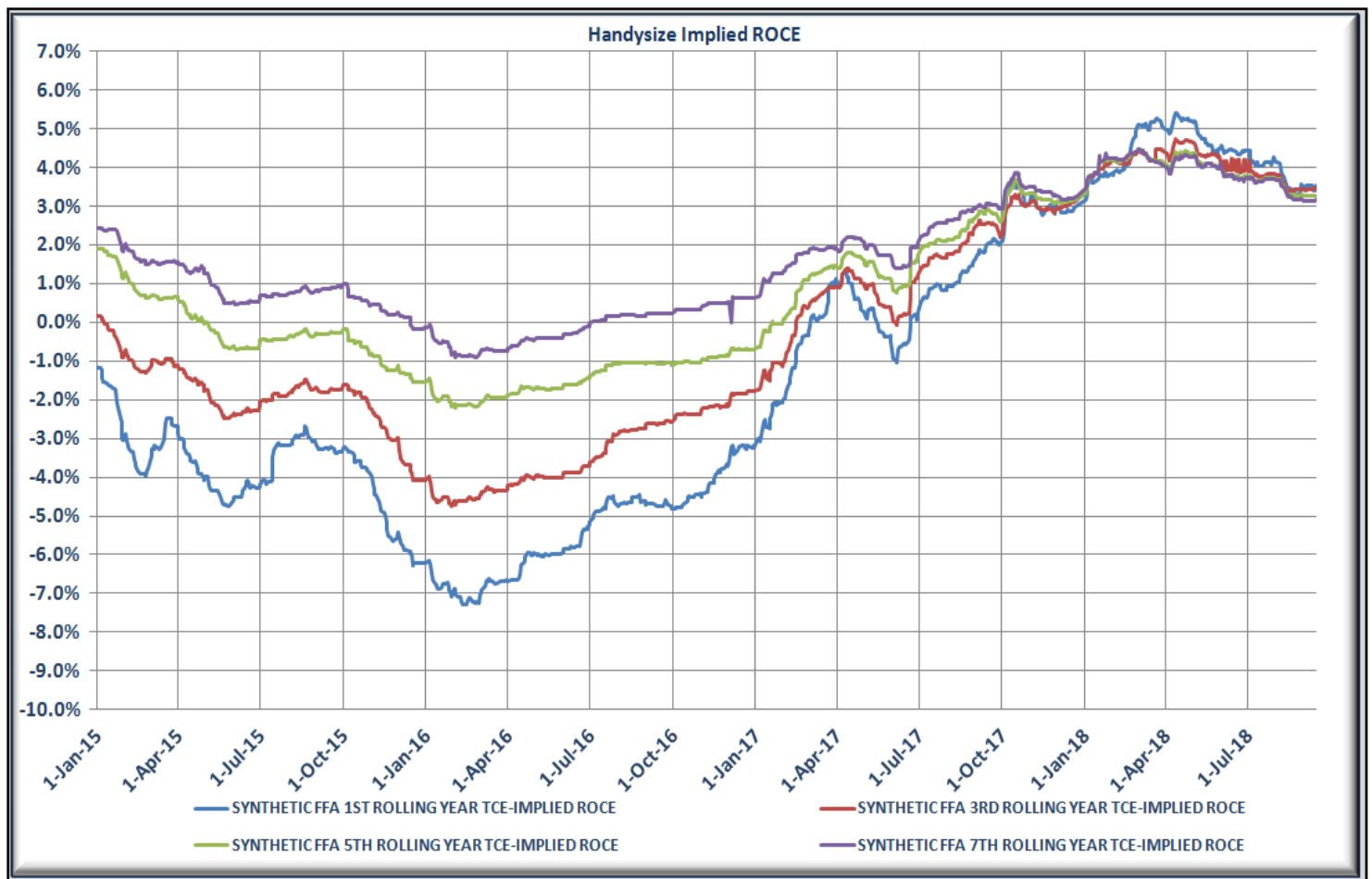
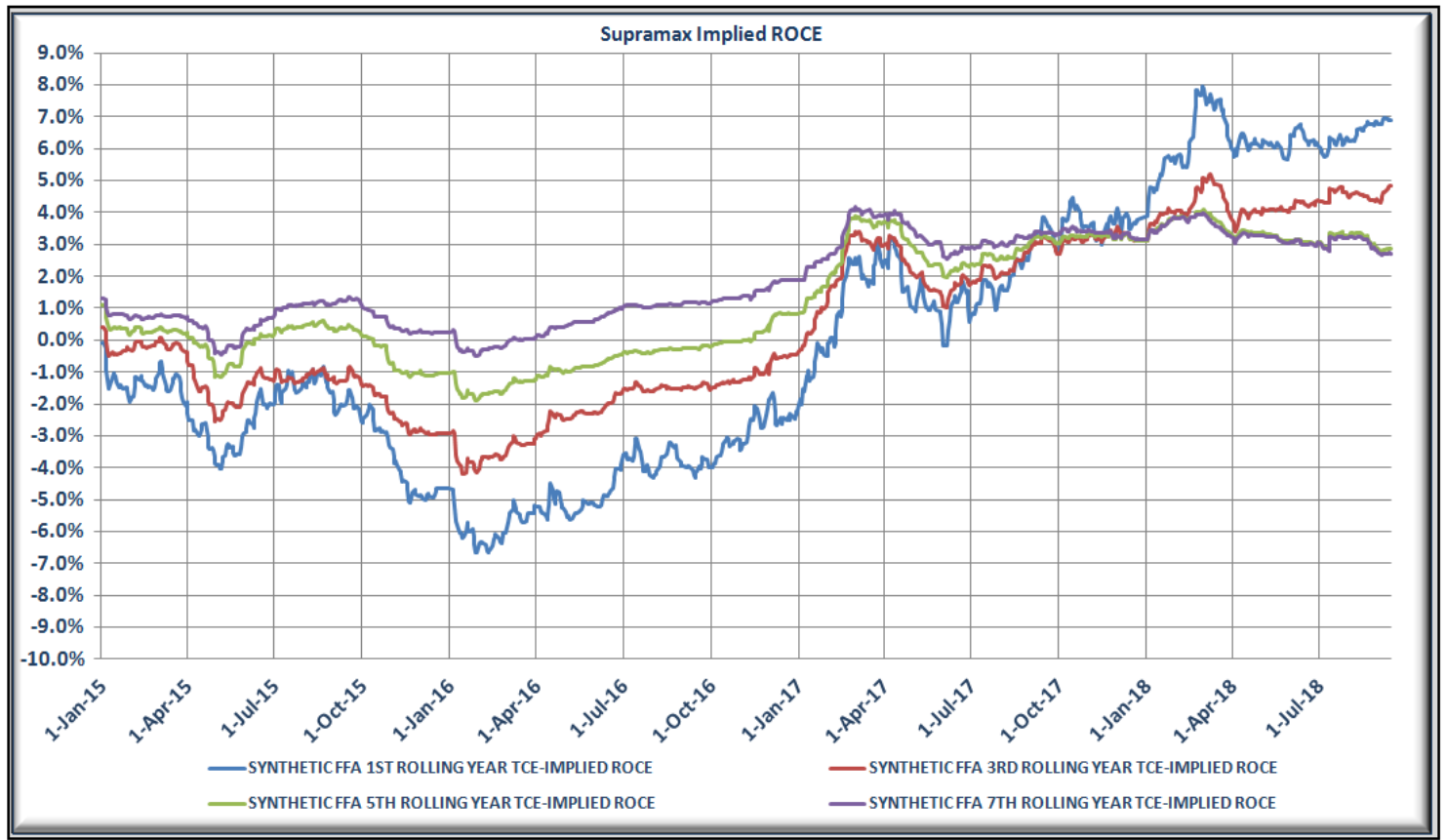
Representative Handysize Fixtures								
Vessel	DWT	Built	Delivery	Date	Re-del	Rate	Charterers	Comment
Ken Giant	28,000	2009	Lahad Datu	Prompt	Japan	\$9,100	cnr	salt via Australia
Rabea	39,900	2018	Tonda	Prompt	Med	\$10,250	cnr	steels
Nordcolorado	37,976	2016	Recalada	Prompt	Emed	\$14,000	Cefetra	
Blu Tide	35,916	2011	Santos	Prompt	Wmed	\$14,500	PacBasin	
Bulk Trader	37,845	2018	Skaw	Prompt	Emed	\$11,000	cnr	
Action Trader	39,481	2017	USG	Prompt	WCCA	\$25,000	Trafigura	petcoke
An Ding Hai	38,800	2017	Bizerte	Prompt	Abidjan	\$13,000	Norden	clinker
St Andrew	32,688	2010	Canakkale	Prompt	Continent	\$10,000	cnr	grains
Interlink Priority	38,709	2015	Limassol	13-15 Sep	USG	\$10,750	cnr	
Unico Sienna	34,000	2012	Surabaya	Prompt	ww	\$9,600	cnr	4-6 mos

FFA Market

With a Capesize spot market trapped on a downward spiral, FFA market followed closely. In particular, Cape prompt months closed the week significantly lower, with October balancing at \$21,788 daily and November at \$25,138 daily. With circa \$300 losses, the short end of the Panamax curve concluded below last Friday's levels, with October and November finishing at \$12,485 and \$12,604 respectively. In the same direction with the forward market of the larger sizes, the Supramax forward market went down, with October balancing at \$12,717 and November at \$12,925. The prompt Handysize contracts balanced lower at October levels of \$9,175. The back ends of all segments remained virtually unchanged.

Capesize first rolling year implied ROCE moved down to 6.3% this week, while at the same time the returns of Panamax followed closely to 5.2%. Being on a downward trend, Supramax implied ROCE balanced at 6.9%. Handy forward ROCE remained unchanged at 3.5%.





BFA Cape 5TC

Date	Sept (18)	Oct (18)	Nov (18)	Q4 (18)	Q1 (19)	Q2 (19)	Cal 19	Cal 24	Cal 25
10-Sep-18	\$20,200	\$24,458	\$26,442	\$25,144	\$15,933	\$16,896	\$20,976	\$15,583	\$15,592
11-Sep-18	\$18,488	\$23,325	\$25,658	\$24,426	\$15,721	\$16,733	\$20,772	\$15,542	\$15,558
12-Sep-18	\$18,196	\$22,621	\$25,325	\$24,043	\$15,633	\$16,558	\$20,640	\$15,550	\$15,550
13-Sep-18	\$18,300	\$22,875	\$25,463	\$24,211	\$15,771	\$16,617	\$20,697	\$15,550	\$15,550
14-Sep-18	\$17,650	\$21,788	\$25,138	\$23,627	\$15,742	\$16,575	\$20,672	\$15,542	\$15,542
Week High	\$20,200	\$24,458	\$26,442	\$25,144	\$15,933	\$16,896	\$20,976	\$15,583	\$15,592
Week Low	\$17,650	\$21,788	\$25,138	\$23,627	\$15,633	\$16,558	\$20,640	\$15,542	\$15,542
Week Avg	\$18,567	\$23,013	\$25,605	\$24,290	\$15,760	\$16,676	\$20,751	\$15,553	\$15,558

BFA Panamax 4TC

Date	Sept (18)	Oct (18)	Nov (18)	Q4 (18)	Q1 (19)	Q2 (19)	Cal 19	Cal 24	Cal 25
10-Sep-18	\$12,379	\$12,683	\$12,908	\$12,675	\$11,817	\$12,813	\$12,637	\$9,758	\$9,729
11-Sep-18	\$12,242	\$12,388	\$12,608	\$12,419	\$11,683	\$12,717	\$12,526	\$9,750	\$9,725
12-Sep-18	\$12,217	\$12,304	\$12,475	\$12,324	\$11,654	\$12,633	\$12,444	\$9,750	\$9,725
13-Sep-18	\$12,317	\$12,458	\$12,621	\$12,435	\$11,750	\$12,833	\$12,547	\$9,742	\$9,733
14-Sep-18	\$12,308	\$12,458	\$12,604	\$12,425	\$11,758	\$12,883	\$12,561	\$9,750	\$9,742
Week High	\$12,379	\$12,683	\$12,908	\$12,675	\$11,817	\$12,883	\$12,637	\$9,758	\$9,742
Week Low	\$12,217	\$12,304	\$12,475	\$12,324	\$11,654	\$12,633	\$12,444	\$9,742	\$9,725
Week Avg	\$12,293	\$12,458	\$12,643	\$12,456	\$11,732	\$12,776	\$12,543	\$9,750	\$9,731

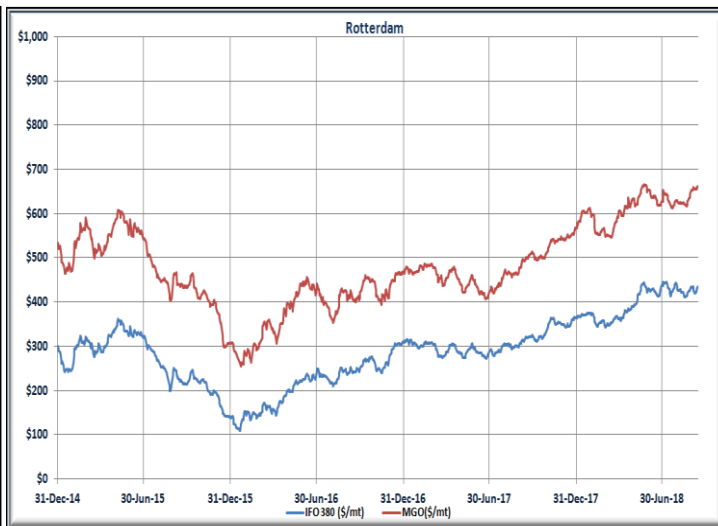
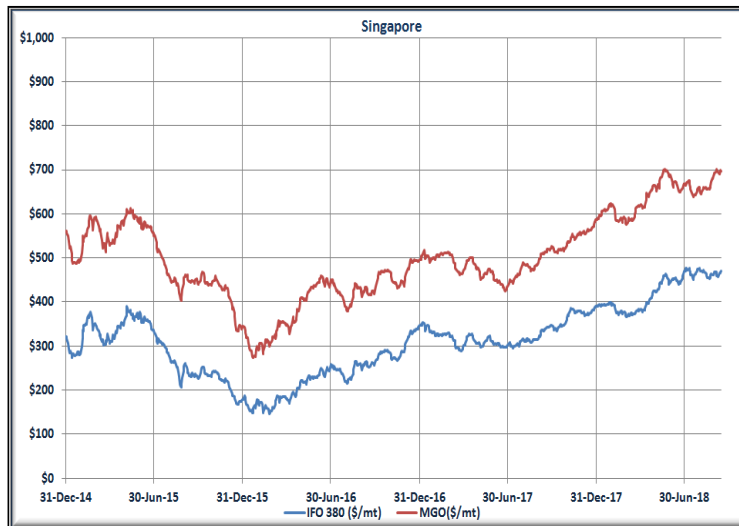
BFA Supra 5TC

Date	Sept (18)	Oct (18)	Nov (18)	Q4 (18)	Q1 (19)	Q2 (19)	Cal 19	Cal 24	Cal 25
10-Sep-18	\$12,663	\$12,817	\$13,017	\$12,846	\$11,717	\$12,621	\$12,579	\$9,850	\$9,821
11-Sep-18	\$12,596	\$12,704	\$12,938	\$12,760	\$11,708	\$12,629	\$12,550	\$9,850	\$9,821
12-Sep-18	\$12,592	\$12,683	\$12,892	\$12,725	\$11,671	\$12,621	\$12,525	\$9,850	\$9,821
13-Sep-18	\$12,608	\$12,717	\$12,904	\$12,742	\$11,658	\$12,608	\$12,509	\$9,858	\$9,821
14-Sep-18	\$12,604	\$12,717	\$12,925	\$12,749	\$11,667	\$12,617	\$12,509	\$9,858	\$9,813
Week High	\$12,663	\$12,817	\$13,017	\$12,846	\$11,717	\$12,629	\$12,579	\$9,858	\$9,821
Week Low	\$12,592	\$12,683	\$12,892	\$12,725	\$11,658	\$12,608	\$12,509	\$9,850	\$9,813
Week Avg	\$12,613	\$12,728	\$12,935	\$12,764	\$11,684	\$12,619	\$12,534	\$9,853	\$9,819

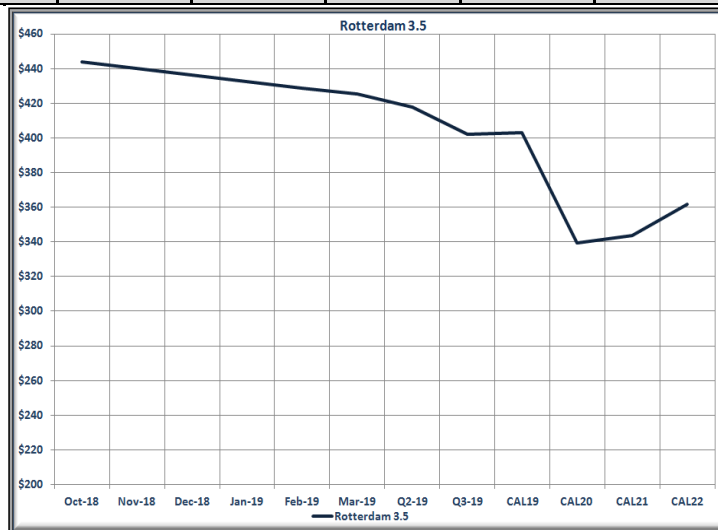
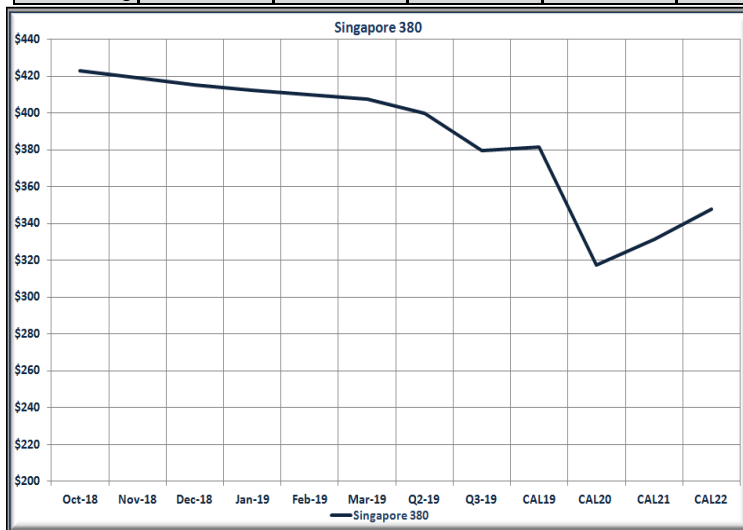
BFA Handysize TC

Date	Sept (18)	Oct (18)	Nov (18)	Q4 (18)	Q1 (19)	Q2 (19)	Cal 19	Cal 24	Cal 25
10-Sep-18	\$8,675	\$9,175	\$9,369	\$9,211	\$8,650	\$9,275	\$9,138	\$8,938	\$8,906
11-Sep-18	\$8,450	\$9,163	\$9,363	\$9,200	\$8,638	\$9,263	\$9,138	\$8,938	\$8,906
12-Sep-18	\$8,400	\$9,088	\$9,313	\$9,138	\$8,600	\$9,238	\$9,150	\$8,938	\$8,906
13-Sep-18	\$8,400	\$9,075	\$9,300	\$9,129	\$8,600	\$9,238	\$9,156	\$8,938	\$8,906
14-Sep-18	\$8,431	\$9,175	\$9,363	\$9,204	\$8,688	\$9,288	\$9,175	\$8,944	\$8,913
Week High	\$8,675	\$9,175	\$9,369	\$9,211	\$8,688	\$9,288	\$9,175	\$8,944	\$8,913
Week Low	\$8,400	\$9,075	\$9,300	\$9,129	\$8,600	\$9,238	\$9,138	\$8,938	\$8,906
Week Avg	\$8,471	\$9,135	\$9,342	\$9,176	\$8,635	\$9,260	\$9,151	\$8,939	\$8,907

Bunker Market



	Rotterdam		Singapore		Fujairah		Gibraltar		Houston	
Date (\$/mt)	IFO 380	MGO	IFO 380	MGO	IFO 380	MGO	IFO 380	MGO	IFO 380	MGO
10-Sep-18	\$421	\$655	\$461	\$693	\$472	\$753	\$451	\$715	\$431	\$709
11-Sep-18	\$427	\$656	\$466	\$692	\$476	\$762	\$453	\$716	\$435	\$720
12-Sep-18	\$430	\$660	\$466	\$699	\$478	\$759	\$459	\$717	\$439	\$720
13-Sep-18	\$432	\$659	\$469	\$697	\$479	\$753	\$459	\$715	\$438	\$718
14-Sep-18	\$434	\$662	\$470	\$698	\$481	\$755	\$460	\$716	\$439	\$720
12-month High	\$446	\$665	\$478	\$701	\$481	\$762	\$477	\$738	\$462	\$720
12-month Low	\$312	\$496	\$335	\$511	\$332	\$573	\$328	\$528	\$309	\$532
12-month Avg	\$380	\$587	\$407	\$612	\$404	\$667	\$403	\$638	\$382	\$625



Singapore	14-Sep-18	Week max	Week low	Week Avg	RTDM 3.5	14-Sep-18	Week max	Week low	Week Avg
Oct-18	\$444.0	\$447.6	\$436.5	\$442.5	Oct-18	\$423.0	\$426.6	\$415.0	\$421.5
Nov-18	\$440.0	\$443.6	\$432.5	\$438.5	Nov-18	\$419.0	\$422.4	\$410.8	\$417.3
Dec-18	\$436.3	\$439.9	\$428.8	\$434.8	Dec-18	\$415.3	\$418.6	\$407.3	\$413.6
Jan-19	\$432.5	\$436.1	\$425.0	\$431.1	Jan-19	\$412.5	\$415.9	\$404.8	\$410.9
Feb-19	\$428.8	\$432.6	\$421.5	\$427.5	Feb-19	\$410.0	\$413.4	\$402.3	\$408.4
Mar-19	\$425.3	\$429.1	\$418.0	\$424.0	Mar-19	\$407.5	\$410.9	\$399.8	\$405.9
Q4-18	\$440.1	\$443.7	\$432.6	\$438.6	Q4-18	\$419.1	\$422.5	\$411.0	\$417.5
Q1-19	\$428.3	\$432.3	\$421.7	\$427.1	Q1-19	\$409.6	\$414.0	\$402.0	\$408.4
Q2-19	\$418.0	\$421.8	\$411.7	\$416.8	Q2-19	\$399.6	\$405.3	\$393.3	\$399.1
Q3-19	\$402.3	\$406.0	\$396.2	\$401.1	Q3-19	\$379.6	\$386.3	\$375.0	\$379.9
CAL19	\$403.1	\$408.0	\$396.9	\$402.4	CAL19	\$381.6	\$386.5	\$375.9	\$381.0
CAL20	\$339.6	\$344.5	\$334.4	\$339.1	CAL20	\$317.6	\$324.5	\$316.3	\$319.8
CAL21	\$343.6	\$348.5	\$337.4	\$342.9	CAL21	\$331.6	\$338.5	\$330.3	\$333.8
CAL22	\$361.6	\$366.5	\$355.4	\$360.9	CAL22	\$347.6	\$354.5	\$346.3	\$349.8

Dry Bulk S&P Market

Being for twelve consecutive months on an upward trend, China Newbuilding Price Index balanced at 812 points in August, or 0.6% above previous month levels. The dry bulk sub-index, in particular, moved up to 840 points in August, or 9.4% Y-o-Y. Based on the Tier III nitrogen dioxide emission rules, indicative prices for a 210,000 dwt Newcastlemax and for an 82,000 dwt kamsarmax hovered at USD 50 mil. and USD 28 mil. respectively. On the secondhand front, prices trended sideways, with five-year-old Capes balancing at USD 37.25 mil. and same-aged Panamaxes at USD 19 mil.

In our secondhand to age-adjusted newbuilding comparison, or in other words Tobin's Q ratios, the market for five-year-old Capesizes and same-aged Panamaxes hovered at just 6% and 15% off their adjusted newbuilding prices respectively. Five-year-old Supramaxes are on the market at just 14% less than their newbuilding price, if we compare them on the same age basis, whereas same-aged Handies at a larger discount of 17%.

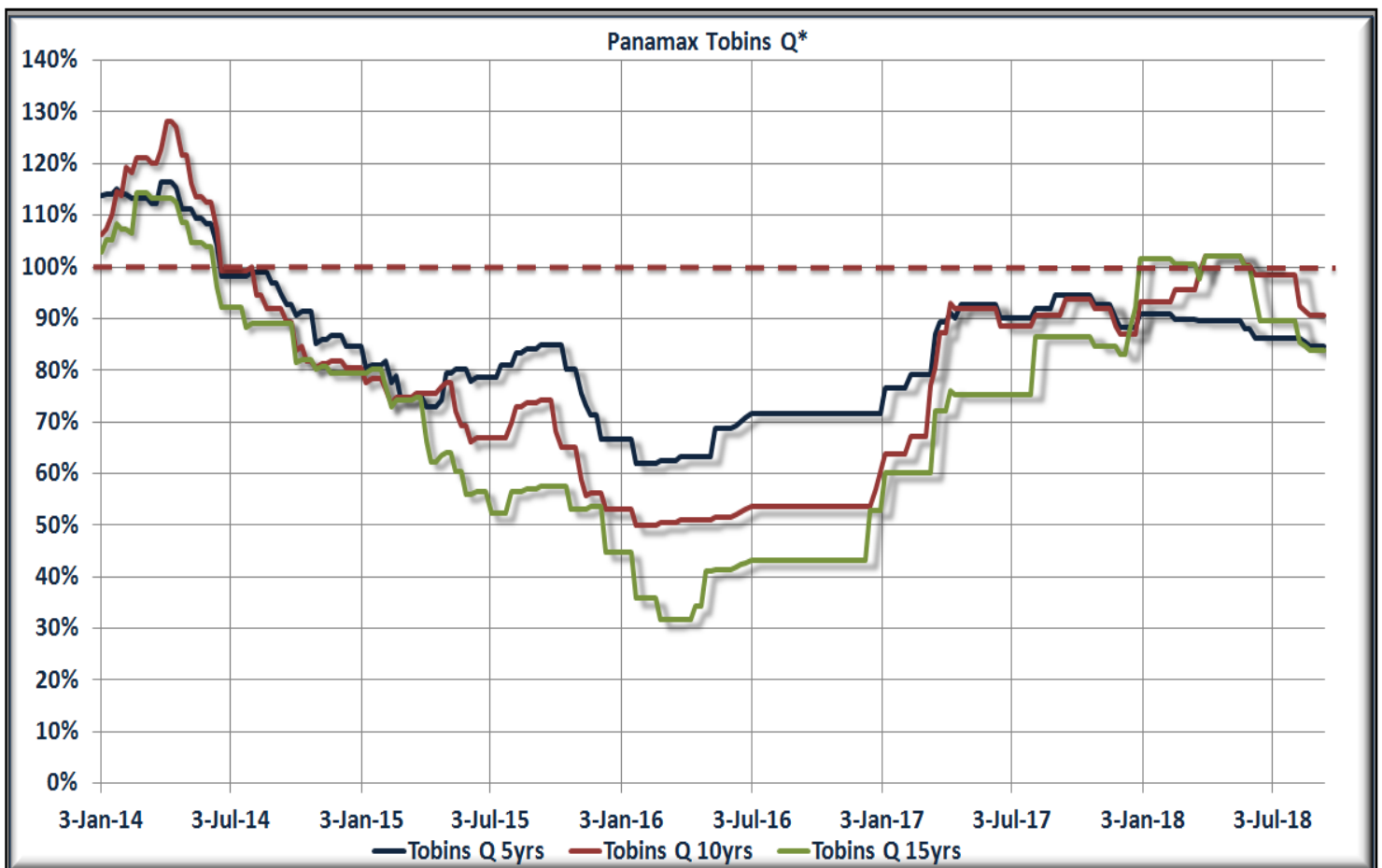
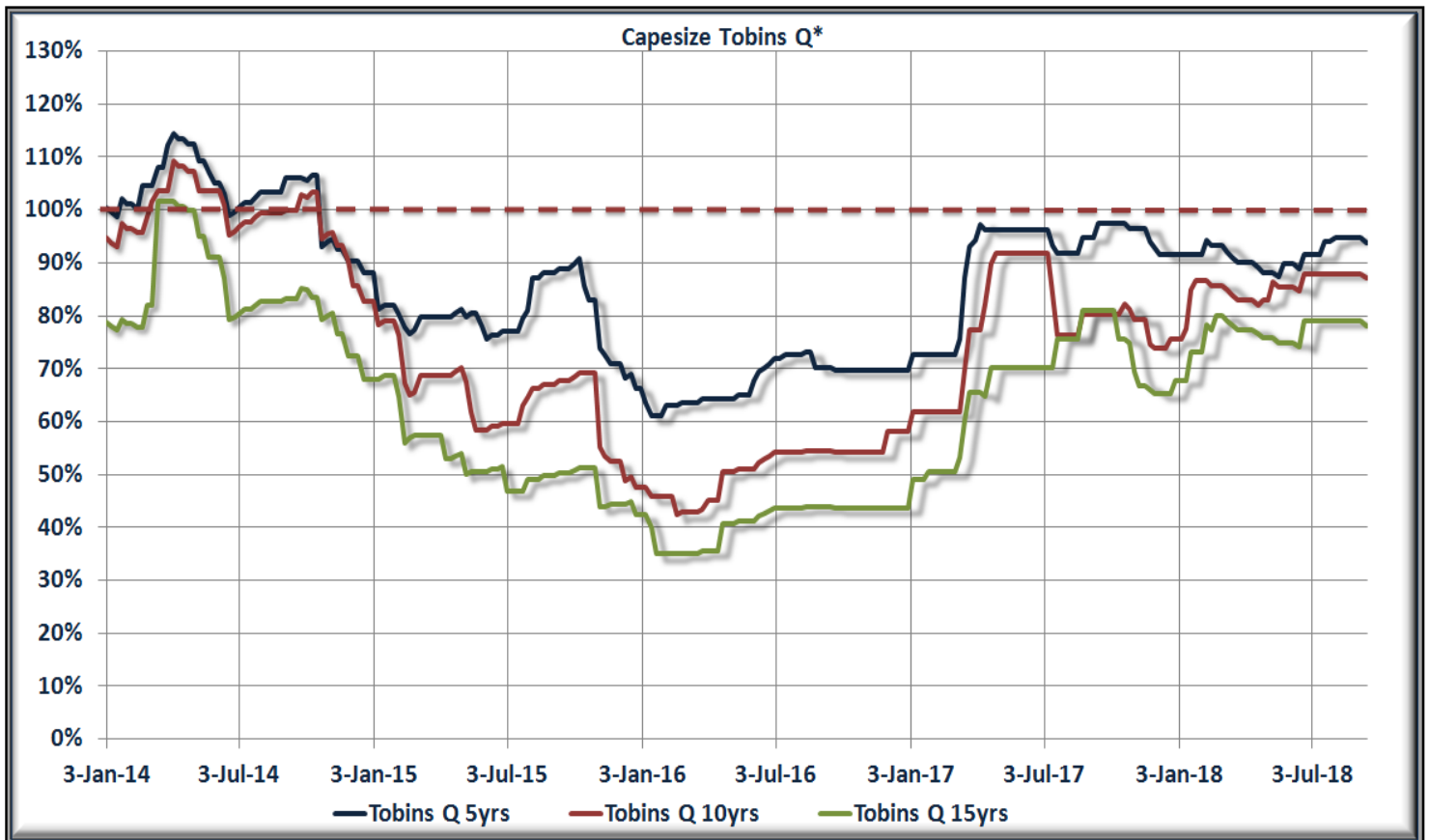
Indicative Ten-Year-Old Prices				
Date	Capesize 180K DWT	Panamax 75K DWT	Handymax 56K DWT	Handysize 32K DWT
14-Sep-2018	26.00	15.50	14.00	11.50
14-Sep-2017	21.00	14.00	13.00	9.50
14-Sep-2016	14.00	8.00	8.50	6.75
Δ% Y-o-Y	19.2%	9.7%	7.1%	17.4%
Δ% 2018-2016	85.7%	93.8%	64.7%	70.4%

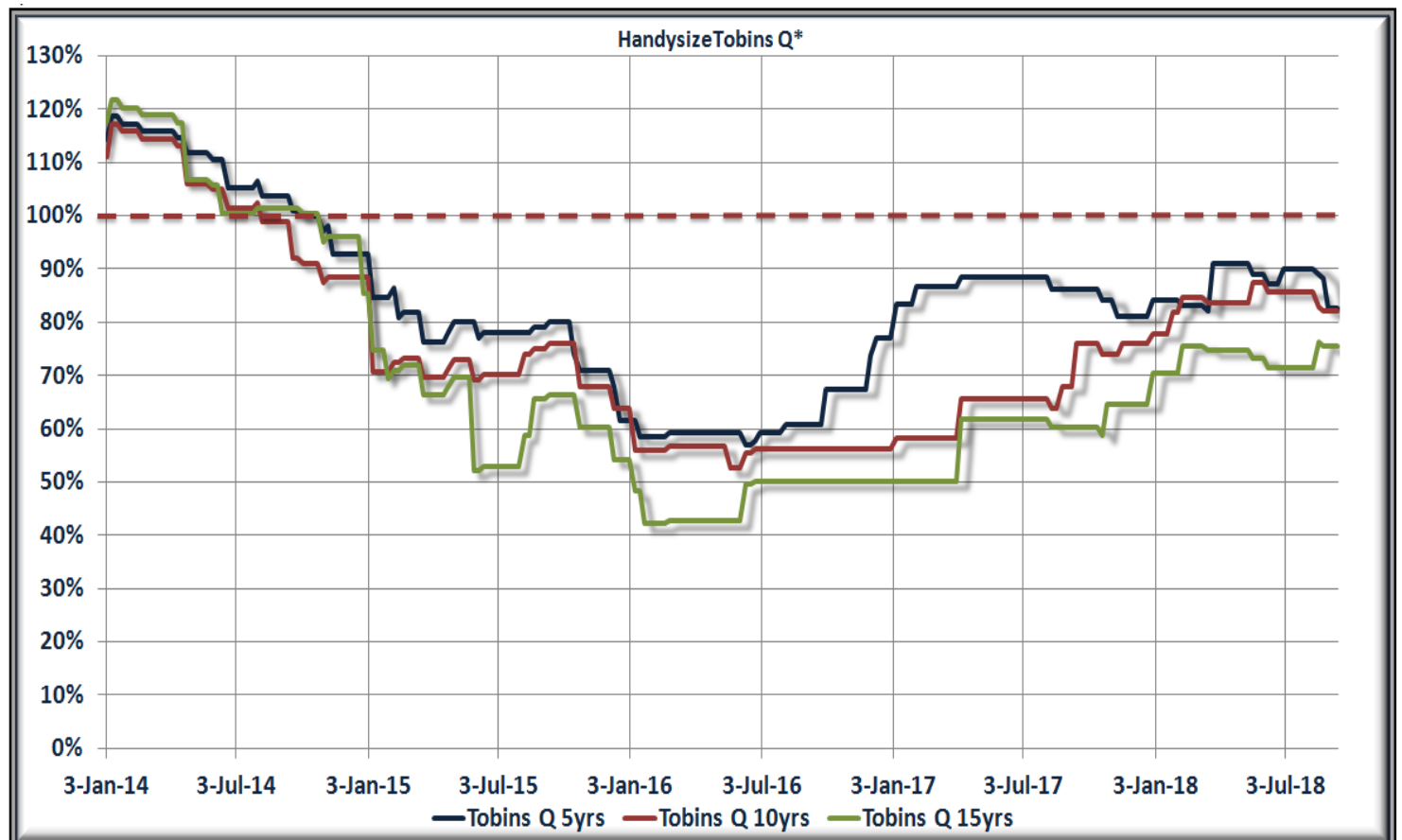
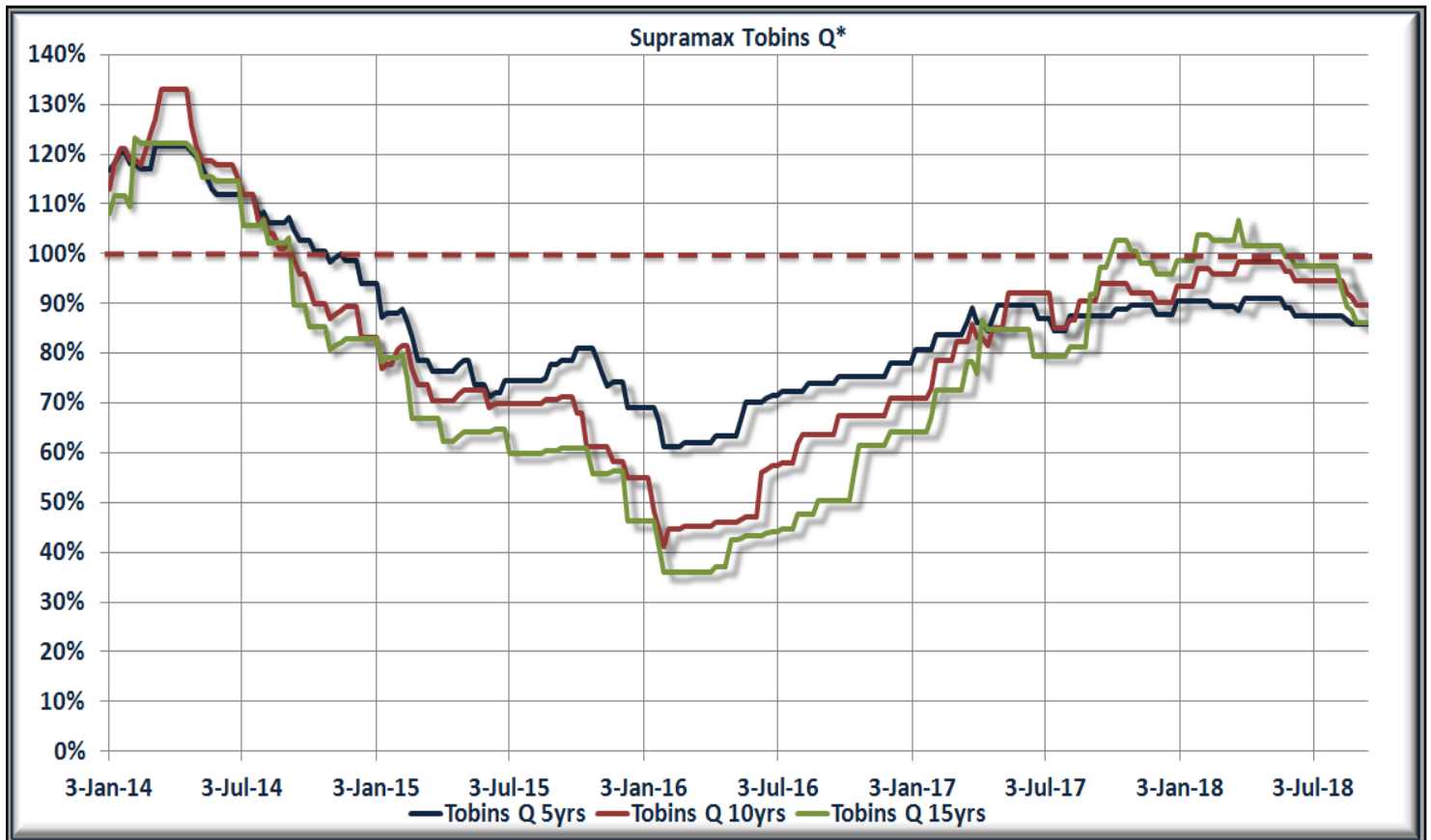
Reported Recent S&P Activity						
Vessel Name	DWT	Built	Yard/Country	Price \$Mil.	Buyer	Comments
CPO Oceania	179,701	2010	Daewoo/S.Korea	27.2	Undisclosed	
Five Stars Fujian	181,383	2009	Sasebo/Japan	25	Greek buyers	
NSS Grandeur	176,882	2006	Mitsui/Japan	20.5	Undisclosed	
Mineral Antwerpen	172,424	2003	Daewoo/S.Korea	14.5	Undisclosed	
Ten Jin Maru	98,681	2011	Tsuneishi Zhoushan/China	20.5	Undisclosed	
Talia	92,000	2011	Taizhou Catic/China	17	Greek buyers	
Ocean Scorpio	81,687	2013	Yangfan/China	17.5	Chinese buyers	Part of en bloc
Hampton Bay	81,508	2009	Universal/Japan	17.9	undisclosed	
Golden Trader II	79,516	2012	Jinhai/China	15.5	Greek buyers	
Alkyon	74,875	2001	Hitachi/Japan	9.75	Undisclosed	
Genco Surprise	72,495	1998	Imabari/Japan	5.5	Chinese buyers	
Ocean Broaden	63,562	2013	Taizhou Kouan/China	15.7	Far Eastern buyers	C 4x30
Aquapride	61,465	2012	Iwagi/Japan	20	Undisclosed	C 4x30,7
Nord Crest	61,654	2011	Oshima/Japan	19.5	Greek buyers	C 4x30
U Noble	57,000	2012	Xiamen/China	12.75	Greek buyers	C 4x30
Em Crystal	57,353	2011	STX/China	12	Chinese buyers	C 4x30
Sagar Jyoti	58,110	2011	Tsuneishi Zhoushan/China	16.5	HK buyers	C 4x30
Maemi Spirit	53,482	2008	Iwagi Zosen	11.5	Undisclosed	C 4x31
Sea Lantana	52,471	2004	Tsuneishi/Japan	9	Undisclosed	delivery end Q1 2019
Ocean Glory	45,500	2000	Imabari/Japan	6	Undisclosed	C 4x30.5
Avlemon	42,584	1997	Brodosplit/Croatia	3.2	Chinese buyers	C 4x30 auction sale
Newchang	38,800	2017	Huanghai/China	18.9	Singaporean buyers	C 4x30
Global Arc	33,438	2013	Shin Kochi/Japan	15.25	Far Eastern buyers	C 4x30
Clipper Valour	34,790	2003	Tianjin Xingang/China	6.2	Undisclosed	C 4x30
Signe Bulker	32,755	2010	Jiangmen Nanyang/China	9.6	Greek buyers	C 4x30.5
K&A Se	32,295	2008	Kanda/Japan	10.65	Undisclosed	
Maestro Tiger	31,828	1999	Saiki/Japan	6.5	Undisclosed	C 4x30
Bright Rainbow	28,397	2013	I-S/Japan	11	Undisclosed	C 4x30.5
Gloria Island	28,401	2012	I-S/Japan	13	Undisclosed	C 4x30.7
Di Sheng	27,641	2010	Zhejiang Tianshi/China	9.2	Chinese buyers	C 4x30 auction sale
IVS Shikra	29,664	2008	Shikoku/Japan	7.8	Greek buyers	C 4x30.5
Nin	28,373	2000	Tsuneishi Cebu/Philippines	6.5	Undisclosed	C 4x30
Ourania	27,786	1998	Naikai Zosen/Japan	5.5	Undisclosed	C 4x30

Tobin's Q* Capesize-Panamax						
Date	Capesize 5yrs	Capesize 10yrs	Capesize 15yrs	Panamax 5yrs	Panamax 10yrs	Panamax 15yrs
Current ratio	94%	87%	78%	85%	91%	84%
12months High	98%	88%	81%	95%	102%	102%
12months Low	87%	74%	65%	85%	87%	83%
12months Avg	93%	83%	75%	89%	95%	93%

Tobin's Q* Supramax-Handysize						
Date	Supramax 5yrs	Supramax 10yrs	Supramax 15yrs	Handysize 5yrs	Handysize 10yrs	Handysize 15yrs
Current ratio	86%	89%	86%	83%	82%	76%
12months High	91%	98%	107%	91%	87%	76%
12months Low	86%	89%	86%	81%	74%	59%
12months Avg	89%	94%	99%	86%	81%	71%

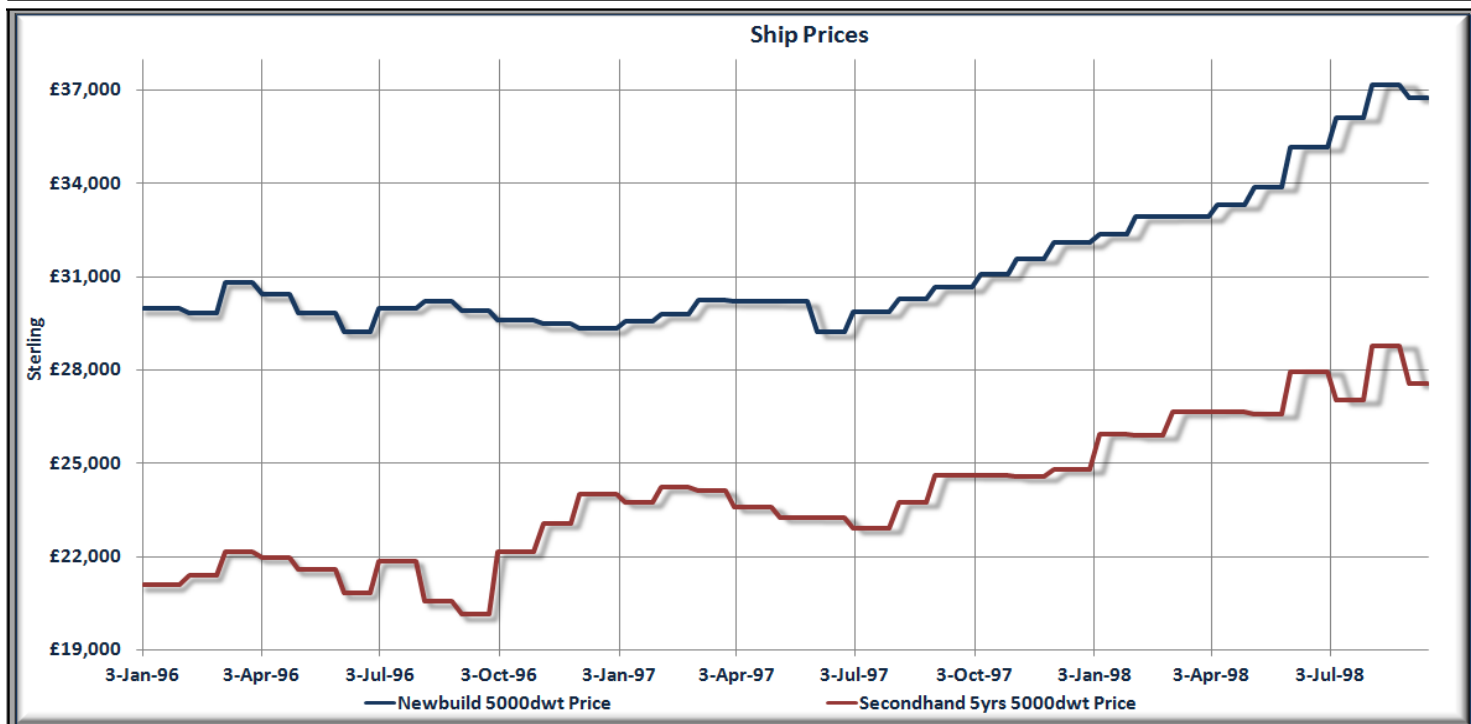
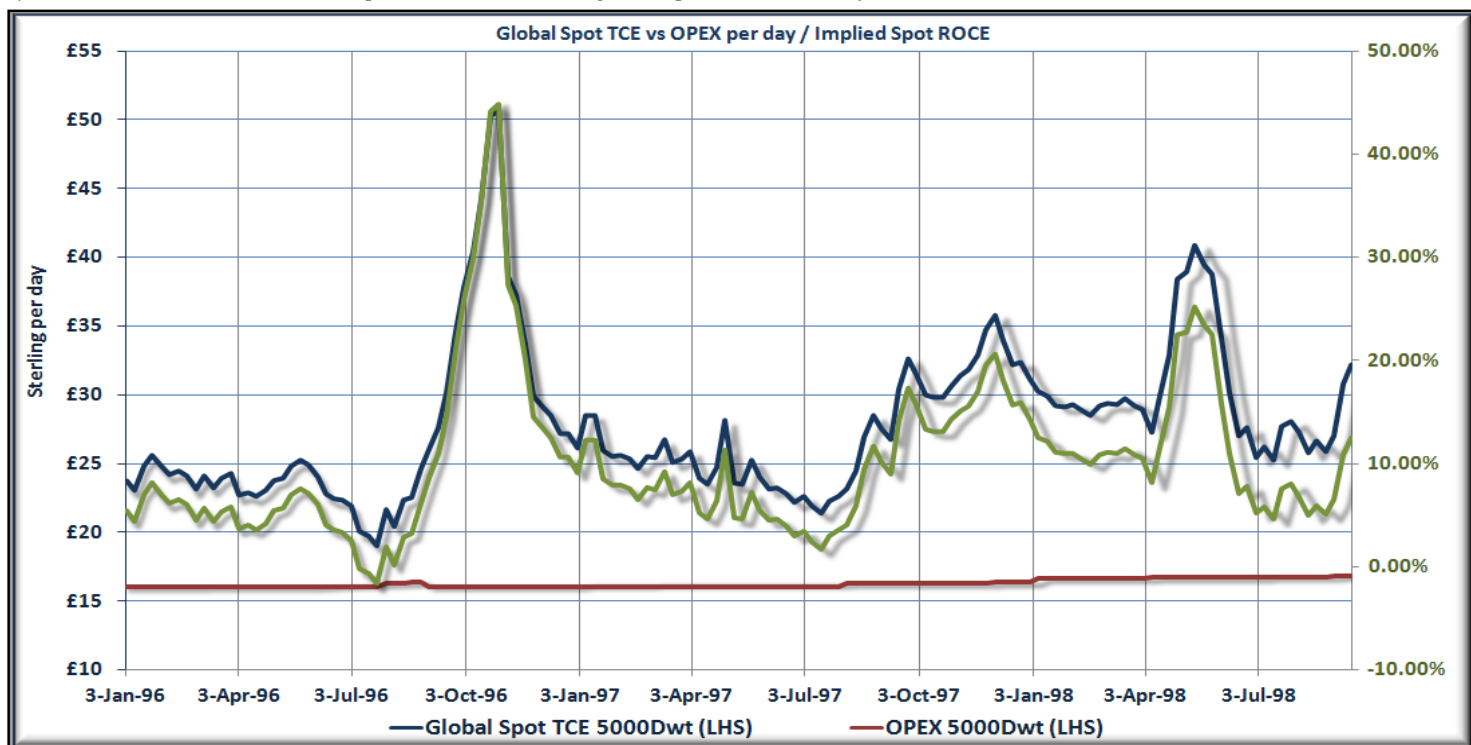
*Tobin's Q represents the ratio between the market value and replacement value of a physical asset, with numerator and denominator adjusted to same age basis. According to economic theory, this ratio should be mean reverting towards 1 or 100%, for assets that do not face technological obsolescence.





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	Aug-98	Jul-98	Jun-98
Implied Spot Roce	12.6%	10.9%	5.8%	6.6%	9.5%
Global Spot TCE	£32.05	£30.68	£26.31	£26.71	£28.76
BlackSea Round	£31.82	£30.07	£26.80	£26.12	£27.37
East Round	£43.37	£41.38	£34.40	£34.93	£38.62
Med Round	£28.06	£27.75	£22.23	£24.22	£26.51
US Round	£35.95	£32.46	£27.61	£31.57	£35.54
River Plate Round	£31.53	£31.85	£30.55	£25.81	£30.71

S&P Market (5,000dwt)	Current week	Previous week	Aug-98	Jul-98	Jun-98
NB	£36,760	£36,760	£37,180	£36,104	£35,167
SH 5yrs old	£27,579	£27,579	£28,786	£27,034	£27,962
SH 10yrs old	£21,170	£21,170	£22,358	£20,727	£21,630
SH 15yrs old	£15,947	£15,947	£17,272	£15,562	£16,558

*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...

With the exception of South Wales and the US, rates in all other remain disapprovingly low. In the black Sea, tonnage still appears to be in excess of demand, but owners are hoping that as soon as the grain begins to arrive more freely at the seaboard and the block of tonnage is worked off at Odessa and Nicolaieff, there will be an upward move in rates. On the combined outward and homewards rates they have recently been taking, it is only too apparent that the voyages cannot result as satisfactorily as should be the case at this period of year. As the season is now advancing, some cohesive effort should be made to bring about a more profitable level of homeward rates. There should be some means of bringing the available supply of tonnage down more in correspondence with the demand. The first step towards this would seem to be to discontinue ordering tonnage up to Constantinople unfixed home. Owners ought to make their bargains in regard to the homeward charters before they are caught in this trap, and in satisfactory employment is not forthcoming attention should be turned to Mediterranean business home or to the US. There is no reason why owners should fix home at low rates because they have a better coal freight outwards.

As we said last week, a good outward freight should stimulate owners to hold for improved homeward rates. On the other hand, if homeward rates are high this is an extra reason why outward rates should be high as well – and not the reverse, as some owners and charterers contend. For instance, a firm of steamship owners and brokers last week sent round the following in their circulars: “Cardiff, Vera Cruz, any size, September, 9s to 9s 3d. With the increased demand for homeward tonnage from the Gulf, this freight is well worth consideration.” Probably these owners are interested in a freight contract for Vera Cruz and they are trying to bluff less intelligent owners into taking their leavings. If the business merited such consideration, how is it that they do not retain it for their own tonnage? Taking a boat carrying 3,500 tonnes at 9s from Cardiff to Vera Cruz, she would gross £1,575, but after all port charges, address commission, brokerages, interest on freight advance, working expenses and the coal bill for the voyage out to Vera Cruz and up to a Gulf port, there is only about £100 margin of profit on the business up to arriving at New Orleans. Additionally, this voyage occupies about 25 days longer than going out in ballast direct to homeward loading port. So, for these 25 days a paltry profit of barely £100 can be seen, whereas running out ballast for, let’s say, 43s 9d to 45s n.r home, the same boat would make the round voyage in about 70 days, and the pro rata profit for the 25 days would be about £600 or maybe more.

In the spot arena, Black Sea business although being slightly better, is still very unsatisfactory, considering the time of year and the enormous delay waiting for berths at Odessa of twelve to fourteen days. Berth rates from Odessa for L.H.A.R. are 10s 7d, for later loading 11s and for October 11s 7d. From Eupatoria to Baltic 15s is named, but naturally receives no attention from owners as the rates ought to be about 17s. The Mediterranean market is still very inactive, scarcely any chartering having been effected during the past week. From Sicily to the US 22s is quoted for fruit. From Greece to UK/Cont. 15s 3d is offering for currants for Handy September boats. From the Syrian coast to UK 11s 9d might be got for barley, whilst from the Tripoli and Tunis coasts small boats are fixable to UK for barley cargoes at 13s. The American markets is firm all round and it is apparent that the grain and especially the cotton charterers have held off too long. If owners act now cautiously and not to be in too great a hurry to secure charters ahead they should have a strong market to work on for a long time to come. Berth grain rates from the Northern ports to UK/Cont. are firm at 3s 3d to 3s 4d per quarter for September/October loading. General cargo rates from the Northern ports are also firm, with 17s per tonne being obtainable to UK/Cont. Cotton freights are stronger as charterers now see that owners can find plenty of equally or even more profitable business in other directions. The River plate market for September loading is very dull. From Up River 13s 9d per tonne is quote. The Eastern market is steady.

Outward coal rates from Wales to Buenos Ayres are very firm for September loading, 19s 3d being obtainable with 250 to 300 tonnes/day discharging rate against the usual rate of 200 tonnes. There has been a strong demand from Wales, especially from Genoa, with a large quantity of tonnage having been fixed at 8s 7d. From the Tyne, a good deal of chartering has been done as well at rates almost proportionately as good as from Wales.

On the S&P front, both the newbuilding and the secondhand market remained stable. A typical newbuilding 5,000dwt British-build steamer is currently at the market for £36,750, or up 19.8% on a yearly basis, whereas a ten-year old of the same dwt and specification at £21,150, or 13.6% Y-o-Y.