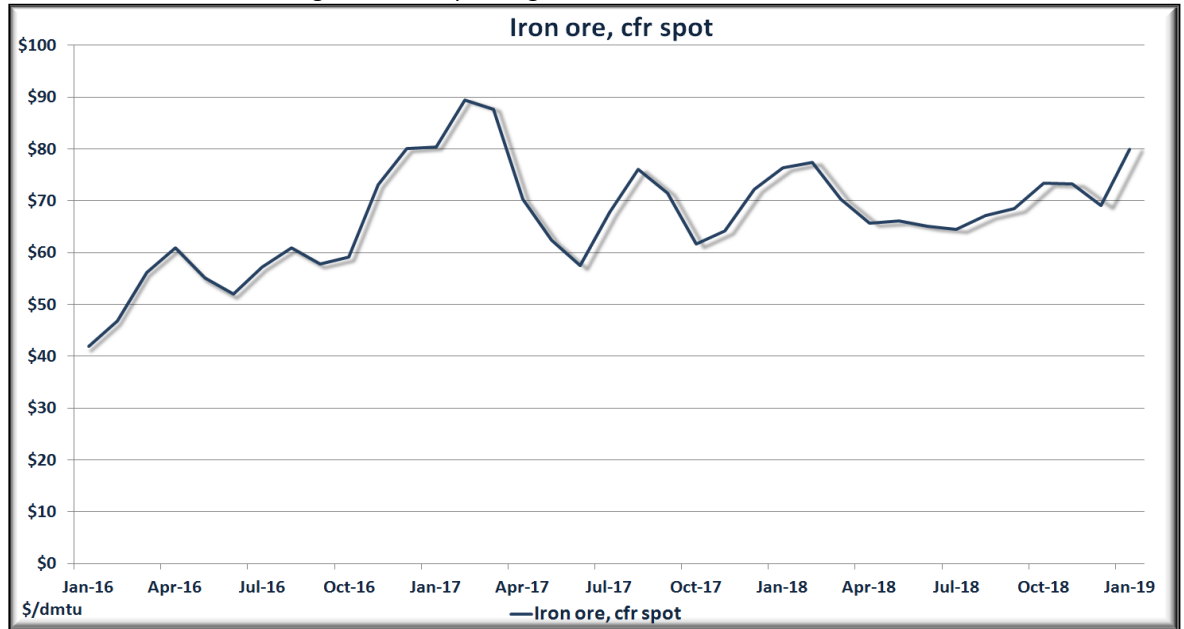
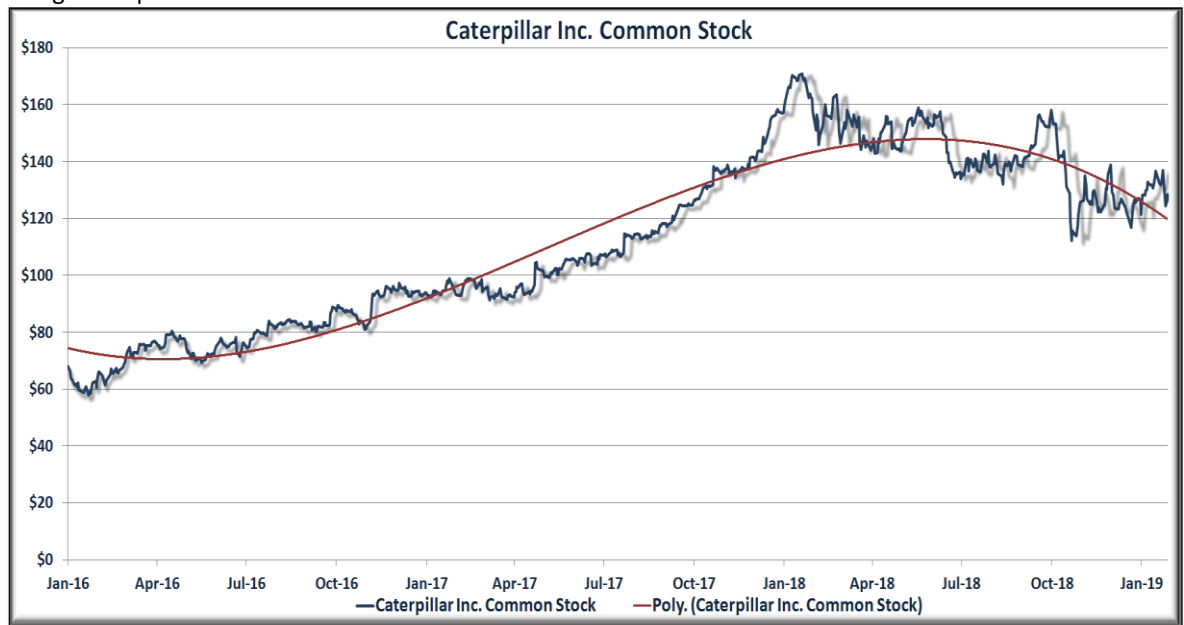


Adding fuel to the flames, a deadly dam failure in Brazil last Friday injected further uncertainty in the freight market. The Brazilian miner Vale on Tuesday said it would take up to 10 percent of its output offline as it decommissions a total of 19 dams over three years, a move that would reduce its production by 40 million tonnes of iron ore per year. That could possibly have a negative impact on the Capesize market, as the world's largest supplier of sea-borne iron ore might lose market share from its Australian rivals. Furthermore, iron ore prices around the globe moved strongly up during the 5th week of the year. Indicatively, domestic Chinese prices surged, with the most actively traded iron ore futures contract on the Dalian Commodity Exchange hovering at a 17 month high. Increased iron ore prices could further weaken margins at steel mills in China, shifting the demand away from the Brazilian high-grade ore supplier. These developments could reduce the tonne-mile demand for the largest bulkers, pushing their rates lower.



In contrast to the rising iron ore prices, Caterpillar slumped 10% on the day of its earnings release. After exceeding analysts' estimates for 10 consecutive quarters, both the revenue and the earnings of the company remarkably decelerated in the fourth quarter of 2018. Caterpillar reported a decline in construction equipment sales in the Asia-Pacific region in the latest quarter mainly due to the cooling China demand. Accounting for circa 10 percent of company sales, China reported last week its slowest economic growth in three decades. Although the company downplayed the slowdown of China, concerns of slowing global growth had a negative bearing on its price.



Under these circumstances, Capesize fundamentals and segment sentiment took another serious hit this week, with all Baltic Capesize indices pointing substantially lower. Given the aforementioned, the seasonally anemic trading activity forced the Baltic Dry Index to stand at 645 points, or -49.7% year to date.

**Freight market 120yrs ago (page 12):** "Chartering has been very active during the past week from the River Plate and also from the East and good dates have been forthcoming..."

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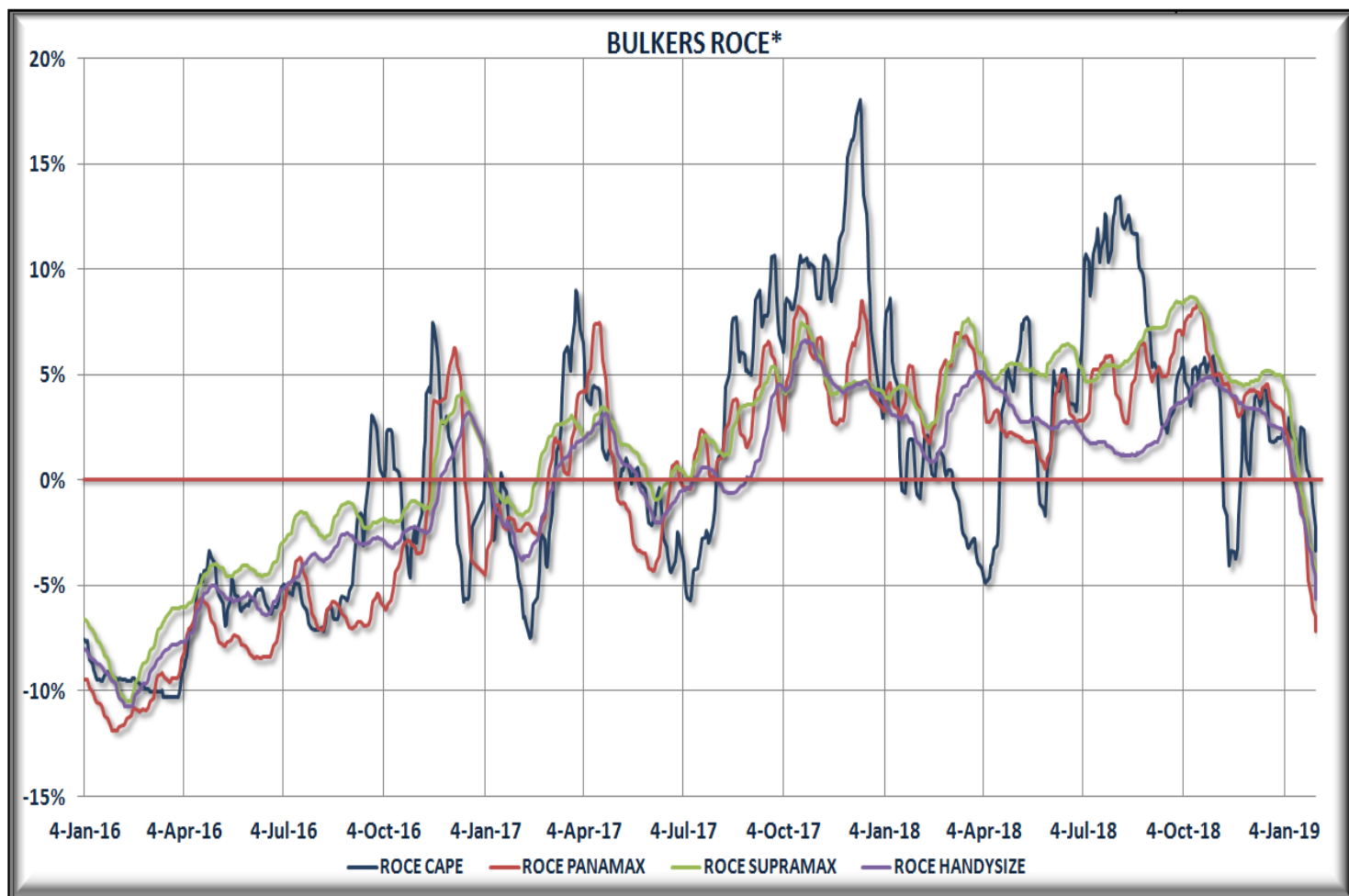
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## Dry Cargo Spot Market

In reference to the spot market, the only good thing with February is that it is the shortest month of the calendar. For the week, BDI plunged to 645 points, last seen early August 2016. Having lost 41.4% since last Friday, the Baltic Capesize Index concluded at 1014 points. The Baltic Panamax Index balanced this Friday at 560 points, or 188 lower W-o-W. The geared segments plummeted as well, finishing considerably lower. In particular, the Baltic Supramax index lingered at 450 points, 21.9% lower than the previous Friday closing. With an 84-point decrease, the Baltic Handy Index ended at 311 points.

At the box office, the after depreciation returns on capital employed of all segments moved deeper into the negative territory. Capesize returns stood below previous week levels at -3.33%. As the BPI-TCA and BSI-TCA concluded lower for the week, the returns for Panamax and Supramaxes lingered at -7.12 and -5.01 cents in every dollar invested respectively. On the same wavelength, Handysize ROCE balanced more than two percentage points below previous Friday's quotations at -5.64%.



Baltic Freight Indices					
Date	BDI	BCI 5TC	BPI - TCA	BSI - TCA	BHSI - TCA
28-Jan-19	852	\$12,523	\$5,525	\$6,176	\$5,581
29-Jan-19	797	\$11,595	\$5,178	\$5,912	\$5,344
30-Jan-19	721	\$10,099	\$4,916	\$5,636	\$5,041
31-Jan-19	668	\$9,198	\$4,609	\$5,379	\$4,767
1-Feb-19	645	\$8,877	\$4,500	\$5,164	\$4,516
12-month High	1774	\$27,283	\$14,385	\$13,431	\$9,772
12-month Low	645	\$7,051	\$4,500	\$5,164	\$4,516
12-month Avg	1332	\$16,311	\$11,365	\$11,210	\$8,544
Avg. Cal 2018	1353	\$16,529	\$11,609	\$11,487	\$8,700
Avg. Cal 2017	1145	\$15,129	\$9,766	\$9,168	\$7,636

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

In a week that had started with Vale's Shares plunging 20% following Brazil's deadly damn collapse, the big ships saw their levels plunging by 33.2% W-o-W to **Capesize** 5TC Average levels of \$8,877. Indicatively of the market tone is the fact that this Friday closing stood 42.1% lower than the BCI 5TC closing of the first Friday of the year.

In the commodities news of the Pacific, iron ore futures in China surged to the highest in more than a year on concern that global supplies will be interrupted. Furthermore, shares of BHP and Rio Tinto were on a rise after Vale indicated plans to reduce production. In the spot Market, the C5 Baltic Index closed at \$4,864, 19.5% lower W-o-W. Indicatively for this route, earlier in the week, DHL tonnage was fixed at \$5 pmt for a 15/17 February cargo from West Australia to Qingdao with Cargill. The 'Genco Augustus' (180,151 dwt, 2007) was fixed at \$10,000 daily for a Pacific round, basis retro delivery Jintang and redelivery Singapore-Japan. The Transpacific index (C10\_14) lost more than half its value during the last five trading days, concluding at \$5,163.

In the Atlantic, Vale SA, the world's largest iron ore miner, vowed to sacrifice production for safety to avoid another instance of the tailings dam failures that have tarred its legacy, according to Reuters. In the aftermath of Brazil's deadliest mine disaster, the mining sector of the Brazil was placed under scrutiny. In line with the general market trend, the Baltic C3 Index, dropped at 13,818 pmt. For such a run, Vale fixed a 170,000 10% cargo from Tubarao to Qingdao with 25 February canceling at 13.75 pmt. Having lost 21.2% within a month, the fronthaul index finished the week at \$22,477 daily. The Transatlantic index (C8\_14) followed the same direction losing 21.5%, finishing the week at \$11,360. The 'Anangel Virtue' (180,391 dwt, 2012) with delivery Cape Passero 31 January concluded at \$14,000 with redelivery Skaw/Passero.

On the period front, 'Ilanthe' (180,018 dwt, 2009) was fixed for 2 to 4 months with retro delivery Huanghua 27 January at a daily rate of \$10,000 with redelivery worldwide. The 'Leopold LD (179,816 dwt, 2014) secured employment of 11 to 14 months with retro delivery Jintang 20 January at \$15,000 and word wide redelivery with Swiss Marine.

Representative Capesize Fixtures								
Vessel	DWT	Built	Delivery	Date	Re-del	Rate	Charterers	Comment
Genco Augustus	180,151	2007	retro Jintang	25-Jan	Singapore-Japan	\$10,000	cnr	
Anangel Virtue	180,391	2012	Cape Passero	31-Jan	Skaw/Passero.	\$14,000	cnr	
Ilanthe	180,018	2009	retro Huanghua	27-Jan	WW	\$10,000	cnr	2 to 4 months
Leopold LD	179,816	2014	retro Jintang	20-Jan	WW	\$15,000	Swiss Marine	11 to 14 months

Just days before Chinese holidays, the overall sentiment in the **Panamax** segment feels pretty numb. On week's closing a weak suggestion of fresh cargoes' movement sparked some cheer for next week, but no hard talks on firmer rates.

The Pacific was under strong pressure through the whole week. No common ground whatsoever to be found between the two sides, with Charterers pushing even harder to get market rates further down. NoPac grains were paying in the \$4-5,000 basis China delivery, with the list of prompt-spot tonnage growing in the North. The "Alpha Progress" (81,251 dwt, 2012) reportedly got \$4,800 daily for a NoPac round trip with delivery 3-4 February at Kwangyang. Further south, the mineral trades were equally weak and charterers were insisting on APS rates, shaking off every possibility for recovery in the region. "Star Kamila" (82,769 dwt, 2005) was fixed at \$6,000 daily plus \$150,000 gbb APS with 20-25 February delivery at East Australia for one trip to China. Indonesia was paying even cheaper rates and all tonnage in the South faced a really bad APS market with the absence of GBB. "Minoan Courage" (76,801 dwt, 2004) allegedly fixed at \$4,500 daily for 9-13 February delivery APS Indonesia for a T/C trip with coal to India.

A shade of optimism was noticed in the Atlantic, after some fixtures reported above last done figures. Once again, most of the activity was centered on the front-haul trades with healthier demand out of ECSA, but smaller support out of the North Atlantic. Ex East Coast South America the "Medi Newport" (81,600 dwt, 2017) has gone for a trip to the Far East, with end February loading, at \$13,300 daily plus \$330,000 gbb. In the U.S. Gulf reports emerged that "Xing Sheng Hai" (81,917 dwt, 2015) was booked for a trip to China, via Cape of Good Hope at \$14,000 daily plus \$400,000 gbb. On the other side of the Atlantic, "Hector" (75,200 dwt, 2012) fixed at \$10,000 daily with early February delivery at Gibraltar for a trip via NCSA to China. Trans-Atlantic TC trips were paying in the low \$3,000 basis Skaw-Passero delivery. No concluded business from Black sea was reported, as Charterers moved their attention to smaller sizes (i.e. ultramax tonnage) on a greater discount over Panamax freights.

There was no serious period interest this week. 'Naias' (73,546 dwt, 2006) rumored fixed at \$10,000 daily for about 2 years period, basis EC India delivery on 26 January.

Representative Panamax Fixtures								
Vessel	DWT	Built	Delivery	Date	Re-del	Rate	Charterers	Comment
Minoan Courage	76,801	2004	Indonesia	09/13 Feb	India	\$4,500	Bainbridge	
Alpha Progress	81,251	2012	Kwangyang	03/04 Feb	China	\$4,800	Louis Dreyfus	via NoPac
Star Kamila	82,769	2005	Queensland	20/25 Feb	China	\$6,000+\$150k gbb	OBS	
Xing Sheng Hai	81,917	2015	US Gulf	20/25 Feb	China	\$14,000+\$400k gbb	Cargill	via Cogh
Hector	75,200	2012	Gibraltar	05 Feb	Singapore-Japan	\$10,000	Cargill	via NCSA
Medi Newport	81,600	2017	ECSA	27/28 Feb	Singapore-Japan	\$13,300+\$330k gbb	BG Shpg	
Seastrength	81,134	2011	Safr	09/11 Feb	India	\$11,200+\$120k gbb	Oldendorff	
Naias	73,546	2006	Krishnapatnam	26 Jan in d/c	worldwide	\$10,000	Phaethon	23/26 mos

With a 19.8% weekly decrease, the Baltic **Supramax** TC index plunged to \$5,164 daily this Friday.

A broker who is assigned to describe such a drop in the market cannot but become a little emotional. The Pacific basin experienced a steep fall on the rates but in terms of fixtures concluded, the week was a relatively active one. In the Indonesian coal front most of the cargoes were destined to India with only few enquiries appearing towards China. For the later, it was heard that a 58k dwt vessel was fixed at \$2,500 basis delivery Guangzhou via Indo to S.China, whereas for West Coast India direction "Georgios S" (55,725 dwt, 2006) was done at \$5,250 aps Samarinda. Vessels open in the north had to follow the same tune. "Yangtze Galaxy" (56,453 dwt, 2012) which was open in Busan was reported fixed at \$3,600 via Cis to the Philippines with steel cargo. From the Persian Gulf, rumours had a dolphin 57k dwt concluding at \$5,000 with delivery Jubail for urea cargo to Djibouti. In South/East Africa, "Anna Maria" (55,664 dwt, 2007) secured \$9,750 plus a poor \$68,000 ballast bonus basis delivery Mombasa for trip to China.

In the Atlantic, rates remained in a downward spiral throughout the week and as of this Friday certain routes had already crossed the breakeven point. Nonetheless, owners were still willing to compete hard in order to secure their next employment, even if this entailed waiting or ballasting. From the USG, the 'Sam Lion' (57,200 dwt, 2012) took \$6,300 daily for a trip with redelivery Marmara Sea. The situation was equally desperate in the South Atlantic. Supramaxes positioned in ECSA were being fixed between \$6-7,000 daily for Transatlantic trips to the Continent, while by the end of the week the option to go for a fronthaul trip to the Far East was paying a mere \$9,500 daily plus \$95,000 ballast bonus. Across the pond, fresh cargo enquiry remained scarce. The few scrap cargoes from the Continent to Eastern Mediterranean that were in the market were paying roughly \$6,000 daily. Further East, it was heard on Friday that the 'Feng Shou Hai' (63,365 dwt, 2017) was on subjects at \$5,000 daily basis delivery Iskenderun for a trip to West Africa.

On period deals, the 'Asian Pride' (62,466 dwt, 2017) open NC South America prompt, was fixed for two laden legs, with option for a 3rd leg and redelivery US east coast at \$9,000 daily for the first two legs and escalation for the third.

Representative Supramax Fixtures								
Vessel	DWT	Built	Delivery	Date	Re-del	Rate	Charterers	Comment
Anna Maria	55,664	2007	Mombasa	Prompt	China	\$9,750+ \$68k bb	Mur	
Yangtze Galaxy	56,453	2012	Busan	Prompt	Philippines	\$3,600	Chun An	Via Cis with steels
Georgios S	55,725	2006	Samarinda	Prompt	West Coast India	\$5,250	Bainbridge	Coal cargo
Sam Lion	57,200	2012	USG	Prompt	Marmara Sea	\$6,300	Emirates Bulk	
Feng Shou Hai	63,365	2017	Iskenderun	Prompt	West Africa	\$5,000	cnr	Fixed on subjects
Asian Pride	62,466	2017	NCSA	Prompt	USEC	\$9,000	cnr	2/1/ option for 3rd with escalation

Waiting for Spring for Far East – "Ready for the Chinese holidays, to take some time off" in the Atlantic for the **Handysize**.

Surely, readers expect us to present them the market condition for Handies in the East. However it is, on several occasions, difficult to describe a situation where there is limited access to market information and most of the times there is confusion about the actual rates that are supposedly fixed. The truth is that we are facing a bottomless drop on rates which reminds us the crises of 2008-09 and 2016. Yesterday we even heard that a major operator in Fareast rated 28,000 dwt ships at around \$2,500-\$3,000 per day. In any case, our view is that considering that next week the Chinese market participants will be celebrating their new lunar year holiday, improvement is not around the corner. In fact, we may have to wait for spring to arrive in order to experience an improvement in the 'climate' of the market. On the fixtures front, the 'V Red Knot' (32,700 dwt, 2003) open at Subic bay on the 9th of February fixed at \$4,500 dop for alumina ex Australia to Persian gulf. 'Leap Heart' (28,000 dwt, 2012) spot at Singapore fixed at \$4,000 dop for alumina via Australia to Malaysia.

No end is near for the pain that owners feel in the Atlantic. Last week we were surprised with the sudden drop in rates, but guess what? The already bad market sustained and even took a turn for the worse this past week. Owners pretty much felt like the soldiers in the 'Battle of Verdun', ducking the 40mil missiles from all directions in the cold winter weather. In ECSA, Owners simply did not bother calculating the voyage rates, nor the TC rates proposed and were just interested on how firm the cargoes in offer were. A prompt 37,710 dwt vessel willingly accepted a trip worth 14 days waiting, from Pecem to Poland for a mere \$4,500. Things were not different up North in the USG, where large Handies were struggling to get anything over \$5,000, almost for any Atlantic destination. Across the pond, over in the Continent, despair has forced the owners of a 32,000 dwt to fix a quick trip with iron ore from Ventspils to Stettin at \$3,750 aps, while a charterer with a coal cargo from Liepaja to Varna claims that he holds offers in from 28,000 dwt vessel at \$3,000 from Skaw. Finally, down in the Bl. Sea, the 'Polar Vortex' has hit the rates there too where we heard, early in the week, of a 35,000dwt fixing a grain cargo to Egypt at \$5,900 from Canakkale, something which everybody else struggled to match later in the week, but in vain.

On the period desk we heard a rumour of a 33,000dwt fixing from Antwerp 7-9 months with worldwide redelivery at \$3,000 for the first 30days, and the balance at \$8,000.

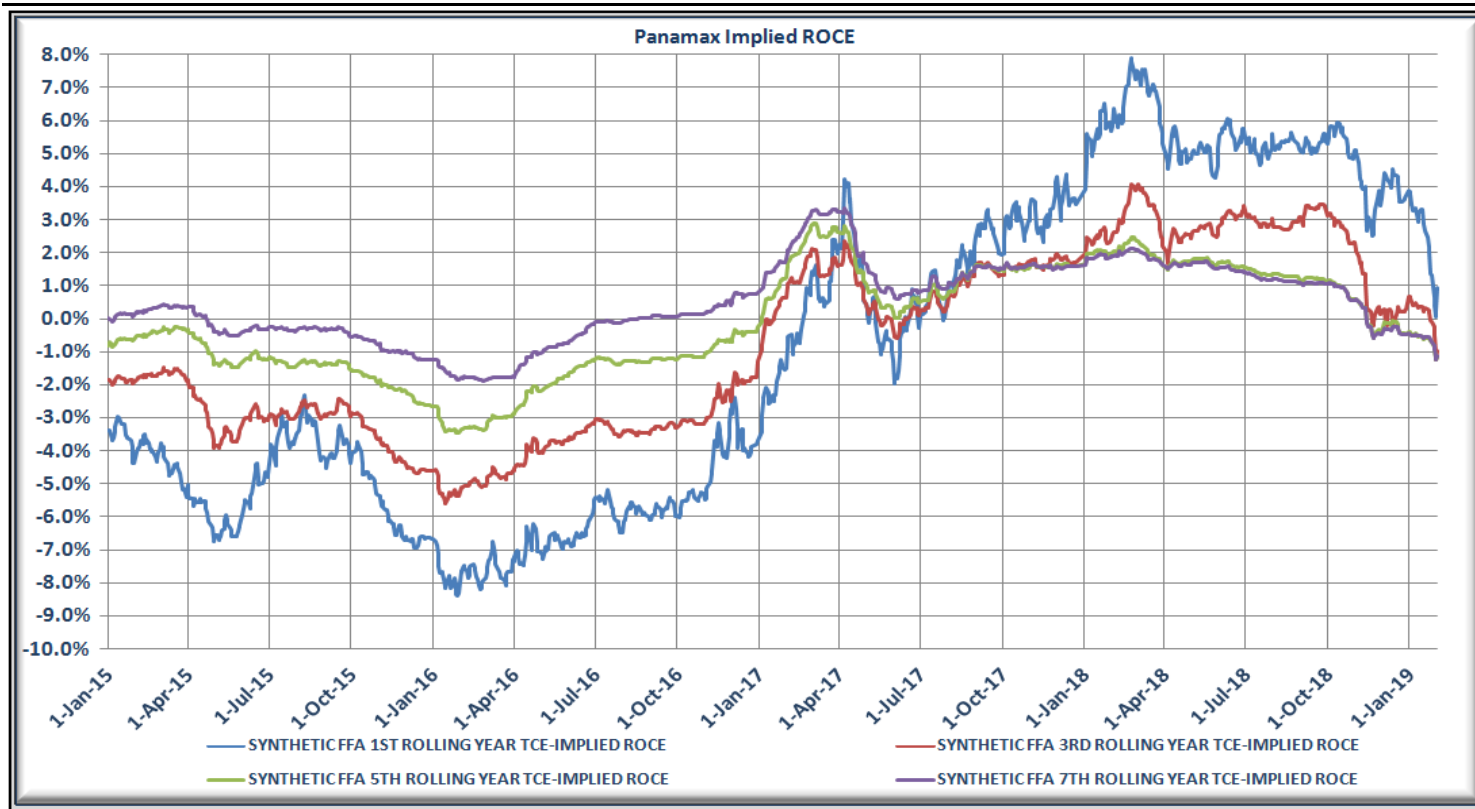
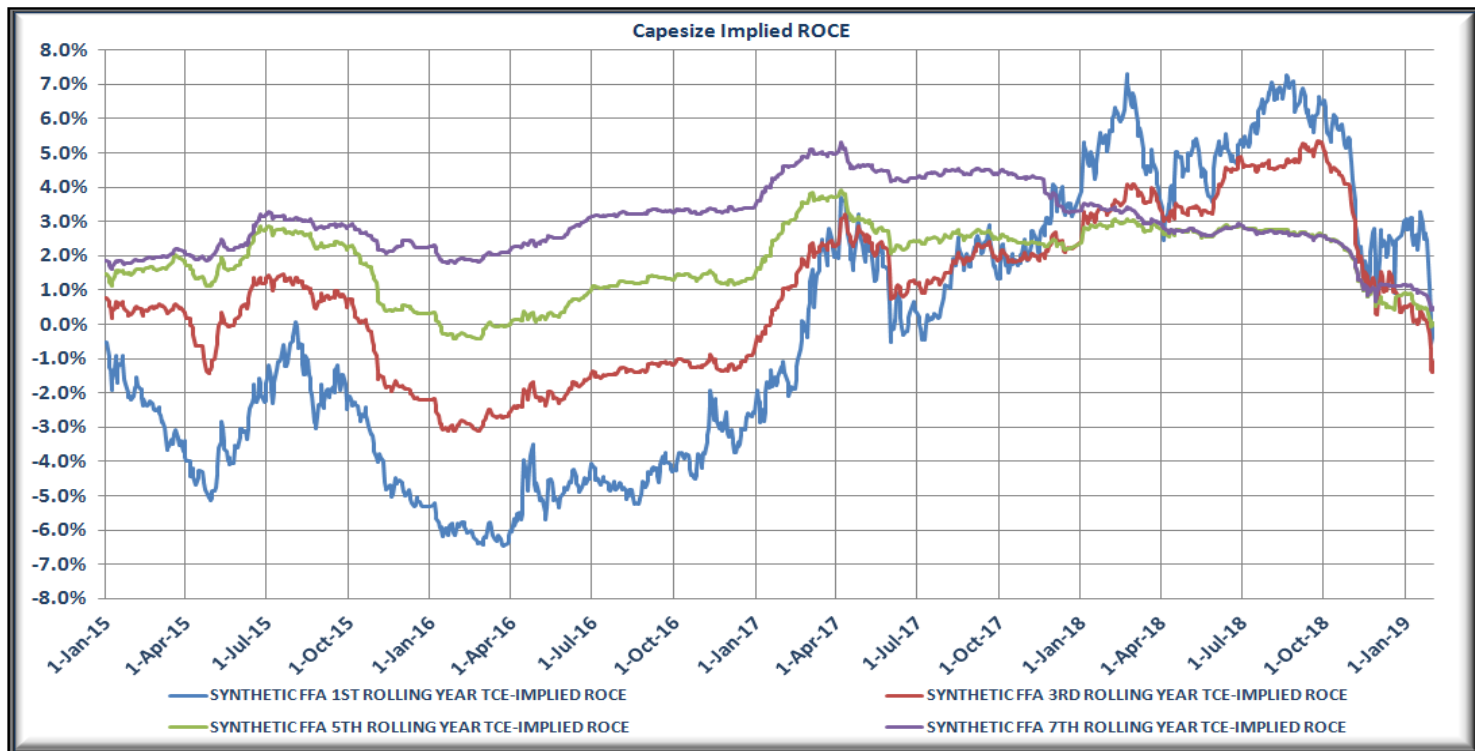
Representative Handysize Fixtures								
Vessel	DWT	Built	Delivery	Date	Re-del	Rate	Charterers	Comment
V Red Knot	32,700	2003	Subic bay	Prompt	Persian Gulf	\$4,500	cnr	alumina via Australia
Leap Heart	28,000	2012	Singapore	Prompt	Malaysia	\$4,000	cnr	alumina via Australia
SE Kelly	37,710	2018	Pecem	14 Feb	Gdynia	\$4,500	WBC	vsl spot Fortaleza
Last Tycoon	34,569	2012	N. Palmira	Prompt	Brazil	\$5,250	Cofco	
Jupiter Bay	30,153	2012	Santos	Prompt	W.Med	\$5,000	Fortuna	sugar
Ikan Leban	37,059	2014	SWPass	Prompt	Med	\$5,250	Norvic	grains
Sam Panther	33,395	2010	Nola	6/10 Feb	Dom. Rep.	\$4,500	Norvic	wwr dely

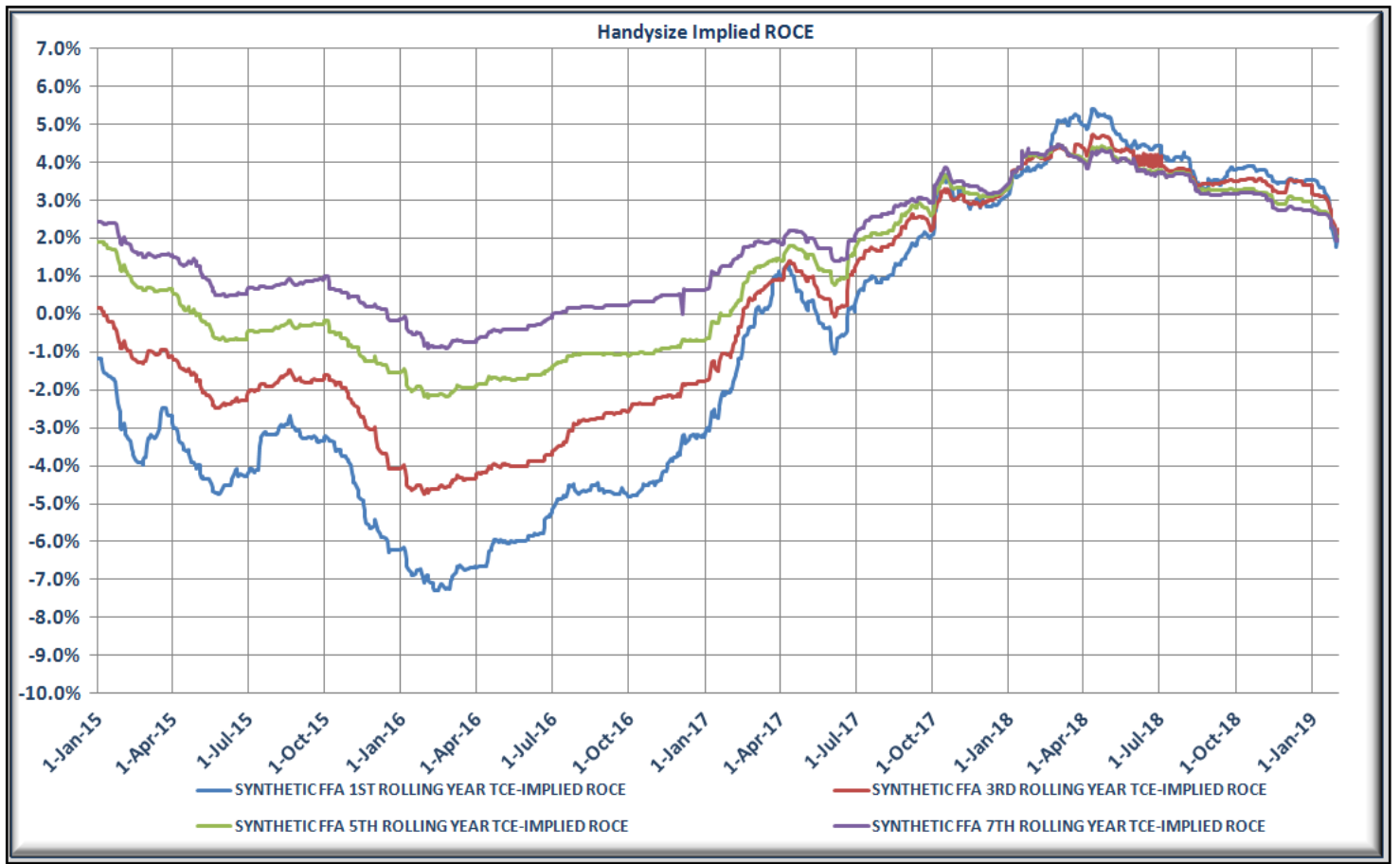
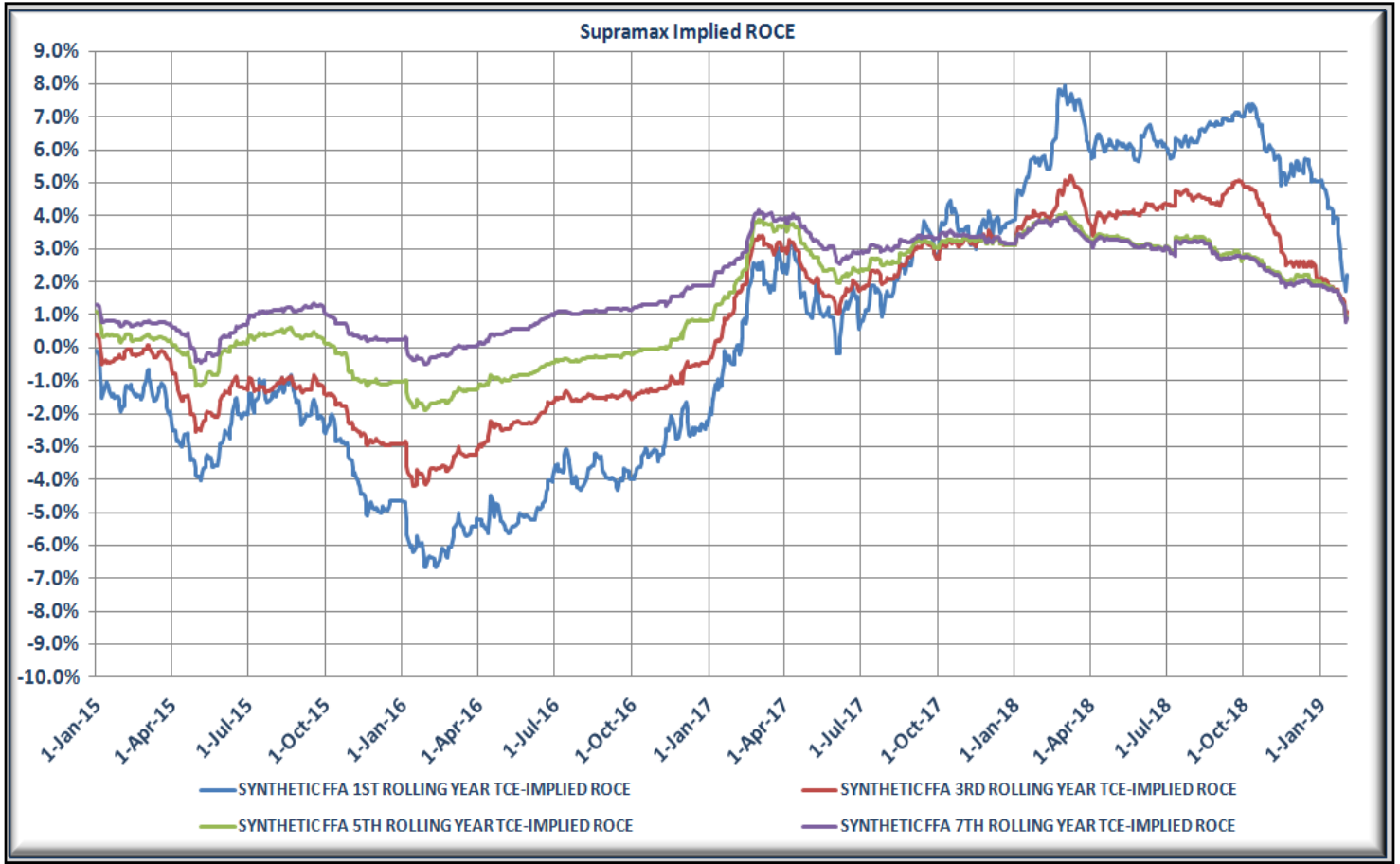


**FFA Market**

Without any exception, the front ends of all curves moved lower during this week. Particularly, the prompt months of the Capesize forward curve extended their losses, with February contracts balancing at \$8,700 and March at \$9,175. In sync, the Panamax curve moved down to \$6,375 and \$8,575 for February and March respectively, concluding above intra-week lows though. Being in the red as well, Supramax forward market stood below previous week closing, with February balancing at \$6,250 and March at \$8,475. Drifting lower, prompt Handy contracts ended at February levels of \$6,625.

Capesize first rolling year implied ROCE decreased to 0.1% this week at the same time as that of Panamax was balancing lower at just 0.9%. Geared segments implied ROCEs trended downwards, with Supramax at 2.2% and Handy at 2.1%.





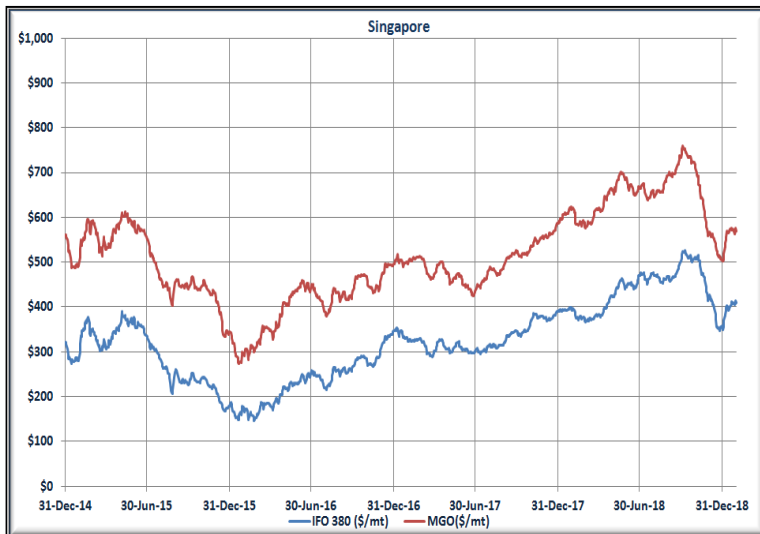
BFA Cape 5TC									
Date	Feb (19)	Mar (19)	Apr (19)	Q2 (19)	Q3 (19)	Q4 (19)	Cal 20	Cal 24	Cal 25
28-Jan-19	\$9,408	\$10,192	\$10,875	\$11,733	\$15,163	\$18,404	\$14,200	\$13,567	\$13,567
29-Jan-19	\$8,429	\$9,225	\$9,925	\$10,775	\$13,800	\$17,333	\$13,246	\$13,375	\$13,392
30-Jan-19	\$8,642	\$9,083	\$9,425	\$9,817	\$12,938	\$16,129	\$11,758	\$13,308	\$13,342
31-Jan-19	\$8,429	\$8,817	\$9,346	\$9,757	\$12,900	\$16,092	\$11,733	\$13,325	\$13,340
1-Feb-19	\$8,700	\$9,175	\$9,767	\$10,117	\$13,517	\$16,638	\$12,558	\$13,408	\$13,408
<b>Week High</b>	<b>\$9,408</b>	<b>\$10,192</b>	<b>\$10,875</b>	<b>\$11,733</b>	<b>\$15,163</b>	<b>\$18,404</b>	<b>\$14,200</b>	<b>\$13,567</b>	<b>\$13,567</b>
<b>Week Low</b>	<b>\$8,429</b>	<b>\$8,817</b>	<b>\$9,346</b>	<b>\$9,757</b>	<b>\$12,900</b>	<b>\$16,092</b>	<b>\$11,733</b>	<b>\$13,308</b>	<b>\$13,340</b>
<b>Week Avg</b>	<b>\$8,722</b>	<b>\$9,298</b>	<b>\$9,868</b>	<b>\$10,440</b>	<b>\$13,664</b>	<b>\$16,919</b>	<b>\$12,699</b>	<b>\$13,397</b>	<b>\$13,410</b>

BFA Panamax 4TC									
Date	Feb (19)	Mar (19)	Apr (19)	Q2 (19)	Q3 (19)	Q4 (19)	Cal 20	Cal 24	Cal 25
28-Jan-19	\$6,775	\$8,650	\$9,546	\$9,500	\$9,558	\$10,575	\$9,433	\$8,525	\$8,517
29-Jan-19	\$6,354	\$8,317	\$9,442	\$9,371	\$9,467	\$10,488	\$9,208	\$8,450	\$8,442
30-Jan-19	\$6,463	\$8,250	\$9,042	\$9,167	\$9,179	\$10,163	\$8,833	\$8,283	\$8,292
31-Jan-19	\$6,175	\$8,113	\$8,975	\$9,068	\$9,154	\$10,204	\$8,683	\$8,242	\$8,258
1-Feb-19	\$6,375	\$8,575	\$9,463	\$9,601	\$9,650	\$10,650	\$9,004	\$8,304	\$8,317
<b>Week High</b>	<b>\$9,408</b>	<b>\$10,192</b>	<b>\$10,875</b>	<b>\$11,733</b>	<b>\$15,163</b>	<b>\$18,404</b>	<b>\$14,200</b>	<b>\$13,567</b>	<b>\$13,567</b>
<b>Week Low</b>	<b>\$8,429</b>	<b>\$8,817</b>	<b>\$9,346</b>	<b>\$9,757</b>	<b>\$12,900</b>	<b>\$16,092</b>	<b>\$11,733</b>	<b>\$13,308</b>	<b>\$13,340</b>
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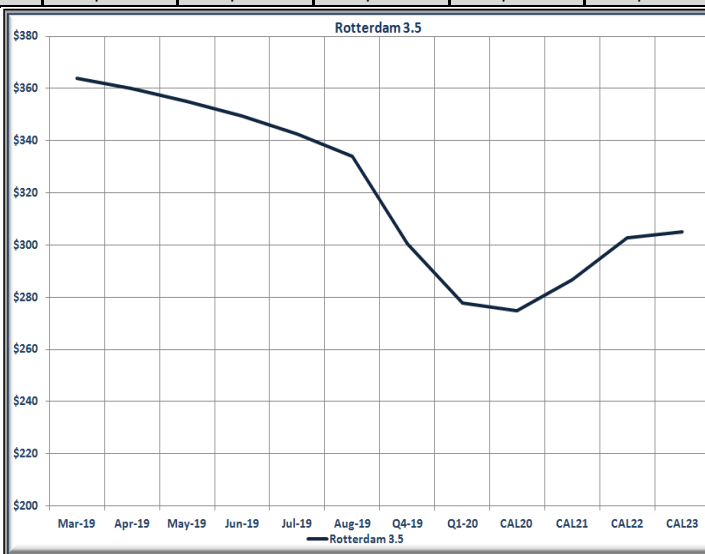
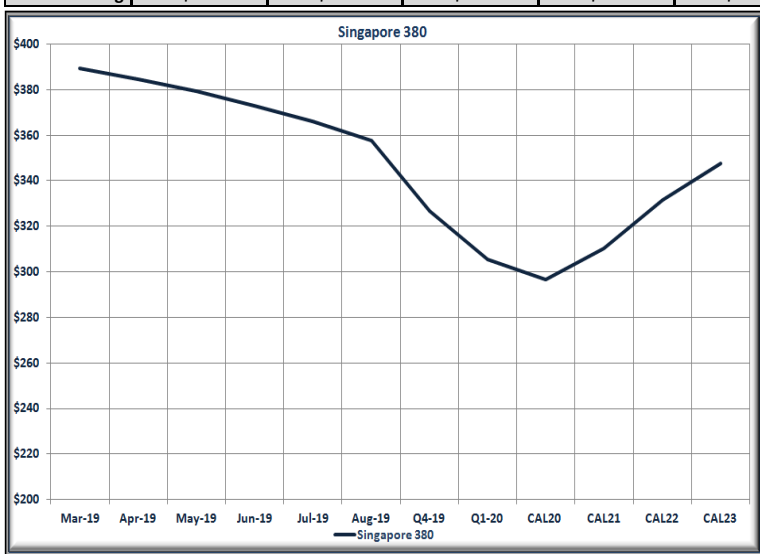
BFA Supra 10TC									
Date	Feb (19)	Mar (19)	Apr (19)	Q2 (19)	Q3 (19)	Q4 (19)	Cal 20	Cal 24	Cal 25
28-Jan-19	\$6,742	\$8,125	\$9,225	\$9,196	\$9,754	\$10,654	\$9,421	\$8,994	\$8,994
29-Jan-19	\$6,750	\$8,275	\$9,117	\$9,338	\$9,638	\$10,633	\$9,313	\$8,944	\$8,944
30-Jan-19	\$6,392	\$8,154	\$8,975	\$9,188	\$9,417	\$10,425	\$8,942	\$8,667	\$8,667
31-Jan-19	\$6,150	\$8,100	\$8,958	\$9,220	\$9,500	\$10,500	\$8,863	\$8,658	\$8,658
1-Feb-19	\$6,250	\$8,475	\$9,433	\$9,597	\$9,800	\$10,750	\$9,117	\$8,733	\$8,733
<b>Week High</b>	<b>\$9,408</b>	<b>\$10,192</b>	<b>\$10,875</b>	<b>\$11,733</b>	<b>\$15,163</b>	<b>\$18,404</b>	<b>\$14,200</b>	<b>\$13,567</b>	<b>\$13,567</b>
<b>Week Low</b>	<b>\$8,429</b>	<b>\$8,817</b>	<b>\$9,346</b>	<b>\$9,757</b>	<b>\$12,900</b>	<b>\$16,092</b>	<b>\$11,733</b>	<b>\$13,308</b>	<b>\$13,340</b>
<b>Week Avg</b>	<b>\$8,722</b>	<b>\$9,298</b>	<b>\$9,868</b>	<b>\$10,440</b>	<b>\$13,664</b>	<b>\$16,919</b>	<b>\$12,699</b>	<b>\$13,397</b>	<b>\$13,410</b>

BFA Handysize TC									
Date	Feb (19)	Mar (19)	Apr (19)	Q2 (19)	Q3 (19)	Q4 (19)	Cal 20	Cal 24	Cal 25
28-Jan-19	\$6,875	\$7,538	\$8,063	\$8,300	\$8,338	\$9,075	\$8,506	\$8,463	\$8,469
29-Jan-19	\$6,838	\$7,531	\$8,025	\$8,294	\$8,269	\$9,038	\$8,431	\$8,363	\$8,369
30-Jan-19	\$6,675	\$7,413	\$7,950	\$8,256	\$8,219	\$9,038	\$8,406	\$8,313	\$8,319
31-Jan-19	\$6,613	\$7,350	\$7,913	\$8,163	\$8,219	\$9,063	\$8,406	\$8,313	\$8,319
1-Feb-19	\$6,625	\$7,425	\$7,988	\$8,225	\$8,288	\$9,150	\$8,456	\$8,331	\$8,331
<b>Week High</b>	<b>\$9,408</b>	<b>\$10,192</b>	<b>\$10,875</b>	<b>\$11,733</b>	<b>\$15,163</b>	<b>\$18,404</b>	<b>\$14,200</b>	<b>\$13,567</b>	<b>\$13,567</b>
<b>Week Low</b>	<b>\$8,429</b>	<b>\$8,817</b>	<b>\$9,346</b>	<b>\$9,757</b>	<b>\$12,900</b>	<b>\$16,092</b>	<b>\$11,733</b>	<b>\$13,308</b>	<b>\$13,340</b>
<b>Week Avg</b>	<b>\$8,722</b>	<b>\$9,298</b>	<b>\$9,868</b>	<b>\$10,440</b>	<b>\$13,664</b>	<b>\$16,919</b>	<b>\$12,699</b>	<b>\$13,397</b>	<b>\$13,410</b>

**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-Jan-19	\$363	\$526	\$405	\$564	\$385	\$709	\$395	\$601	\$373	\$593
29-Jan-19	\$365	\$528	\$405	\$562	\$385	\$718	\$395	\$595	\$371	\$595
30-Jan-19	\$370	\$528	\$409	\$571	\$393	\$725	\$399	\$602	\$385	\$595
31-Jan-19	\$374	\$532	\$414	\$576	\$395	\$724	\$400	\$605	\$391	\$597
1-Feb-19	\$370	\$529	\$410	\$570	\$390	\$724	\$395	\$600	\$386	\$593
12-month High	\$483	\$712	\$526	\$759	\$529	\$798	\$510	\$768	\$750	\$767
12-month Low	\$309	\$469	\$347	\$502	\$336	\$660	\$352	\$545	\$328	\$539
12-month Avg	\$400	\$607	\$435	\$639	\$433	\$721	\$429	\$666	\$405	\$653



Singapore	01-Feb-18	Week max	Week low	Week Avg	RTDM 3.5	01-Feb-18	Week max	Week low	Week Avg
Mar-19	\$389.2	\$392.1	\$369.8	\$385.3	Mar-19	\$364.0	\$366.1	\$343.8	\$359.4
Apr-19	\$384.7	\$387.4	\$365.3	\$380.6	Apr-19	\$360.0	\$361.9	\$340.3	\$355.5
May-19	\$379.5	\$381.9	\$360.1	\$375.3	May-19	\$355.2	\$356.9	\$336.1	\$350.8
Jun-19	\$373.0	\$375.4	\$354.1	\$368.9	Jun-19	\$349.5	\$351.1	\$331.1	\$345.3
Jul-19	\$366.0	\$367.9	\$347.3	\$361.8	Jul-19	\$342.5	\$344.1	\$324.8	\$338.5
Aug-19	\$357.7	\$357.7	\$357.7	\$357.7	Aug-19	\$334.0	\$334.0	\$334.0	\$334.0
Q2-19	\$379.1	\$381.5	\$359.8	\$375.0	Q2-19	\$354.9	\$356.6	\$335.8	\$350.6
Q3-19	\$357.3	\$359.3	\$339.3	\$353.5	Q3-19	\$333.4	\$335.1	\$316.6	\$329.6
Q4-19	\$326.8	\$330.3	\$312.3	\$324.8	Q4-19	\$300.6	\$303.6	\$287.1	\$298.2
Q1-20	\$305.3	\$305.8	\$289.3	\$301.5	Q1-20	\$277.9	\$281.6	\$265.6	\$276.2
CAL20	\$296.5	\$299.1	\$288.9	\$295.6	CAL20	\$274.7	\$278.3	\$268.4	\$274.7
CAL21	\$310.2	\$313.6	\$299.9	\$308.5	CAL21	\$286.7	\$291.1	\$277.4	\$285.8
CAL22	\$331.7	\$335.1	\$321.4	\$330.0	CAL22	\$302.7	\$307.1	\$293.4	\$301.8
CAL23	\$347.7	\$351.1	\$337.4	\$346.0	CAL23	\$305.0	\$309.3	\$295.7	\$304.1



## Dry Bulk S&P Market

The first issue of China Newbuilding Price Index in 2019 showed a further increase of 0.2%, to 826 points, within which CNDPI for dry bulkers fell by 0.1%, to 851 points, CNTPI for tankers rose by 0.2% to 869 points, and CNCPI for boxships went up 0.1%, to 870 points. In reference to the Korean Yards, Korea Development Bank has agreed a share swap with Hyundai Heavy Industries to sell its controlling stake in Daewoo Shipbuilding & Marine Engineering Co., according to Lloyd's list. The move comes after HHI, the world's largest shipbuilder by orderbook size, expressed interest in acquiring its smaller rival on Wednesday.

With the vast majority of newbuilding and secondhand prices trending sideways this week, Tobin's Q ratios remained in most cases at previously reported levels. Indicatively, the market for ten-year-old Capesizes and same-aged Handies balanced at 17% and 18% off from their adjusted newbuilding prices respectively. Ten-year-old Panamaxs and same-aged Supramaxes are in the market at a discount of 15% -larger than last week- and 11% respectively to their newbuilding prices, if we compare them on the same age basis.

Indicative Ten-Year-Old Prices				
Date	Capesize 180K DWT	Panamax 76K DWT	Supramax 56K DWT	Handysize 32K DWT
01-Feb-2019	26.00	14.50	14.00	11.50
01-Feb-2018	23.50	14.50	14.00	11.00
01-Feb-2017	16.00	10.00	10.50	7.00
Δ% Y-o-Y	10.6%	0.0%	0.0%	4.5%
Δ% 2019-2017	62.5%	45.0%	33.3%	64.3%

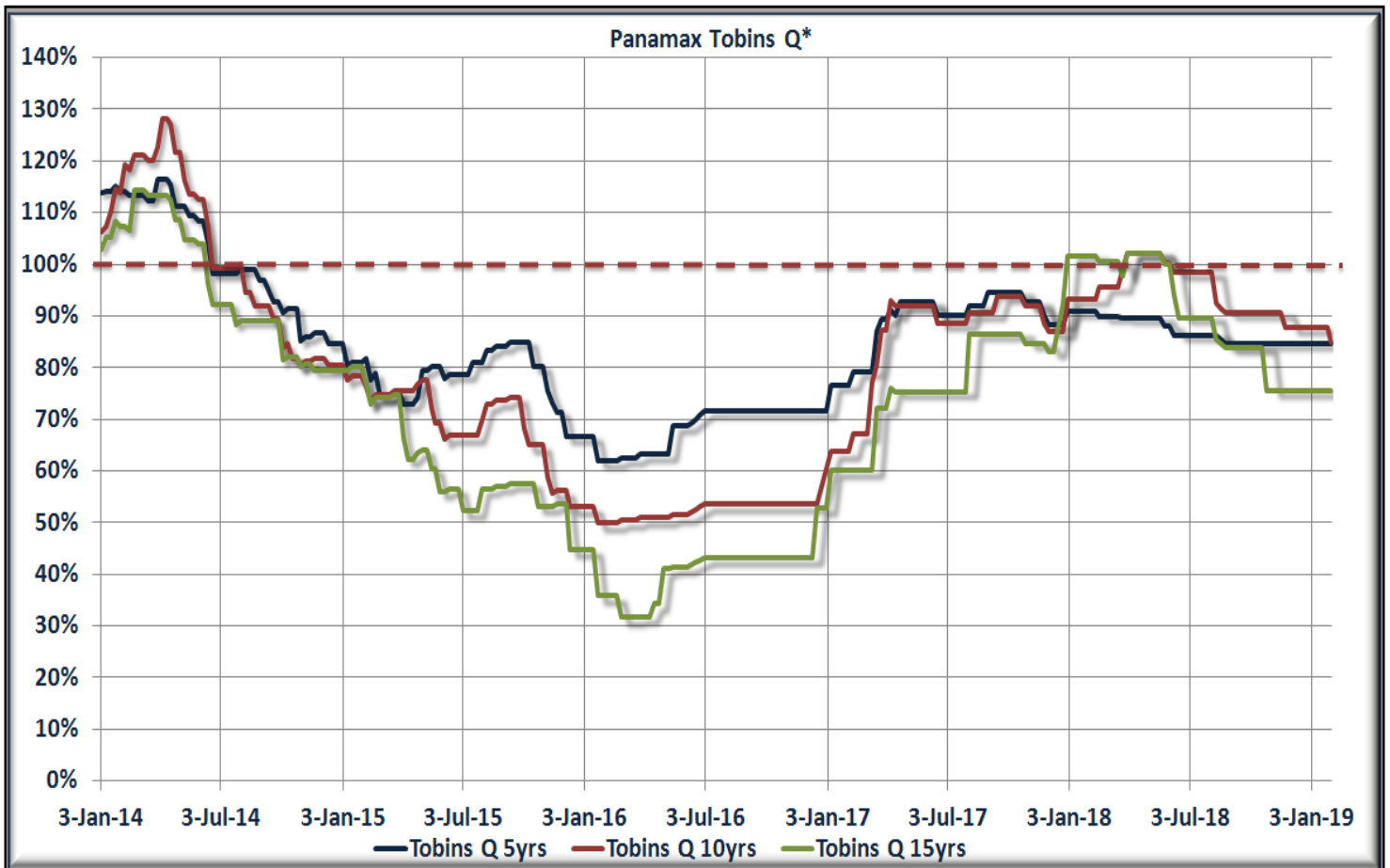
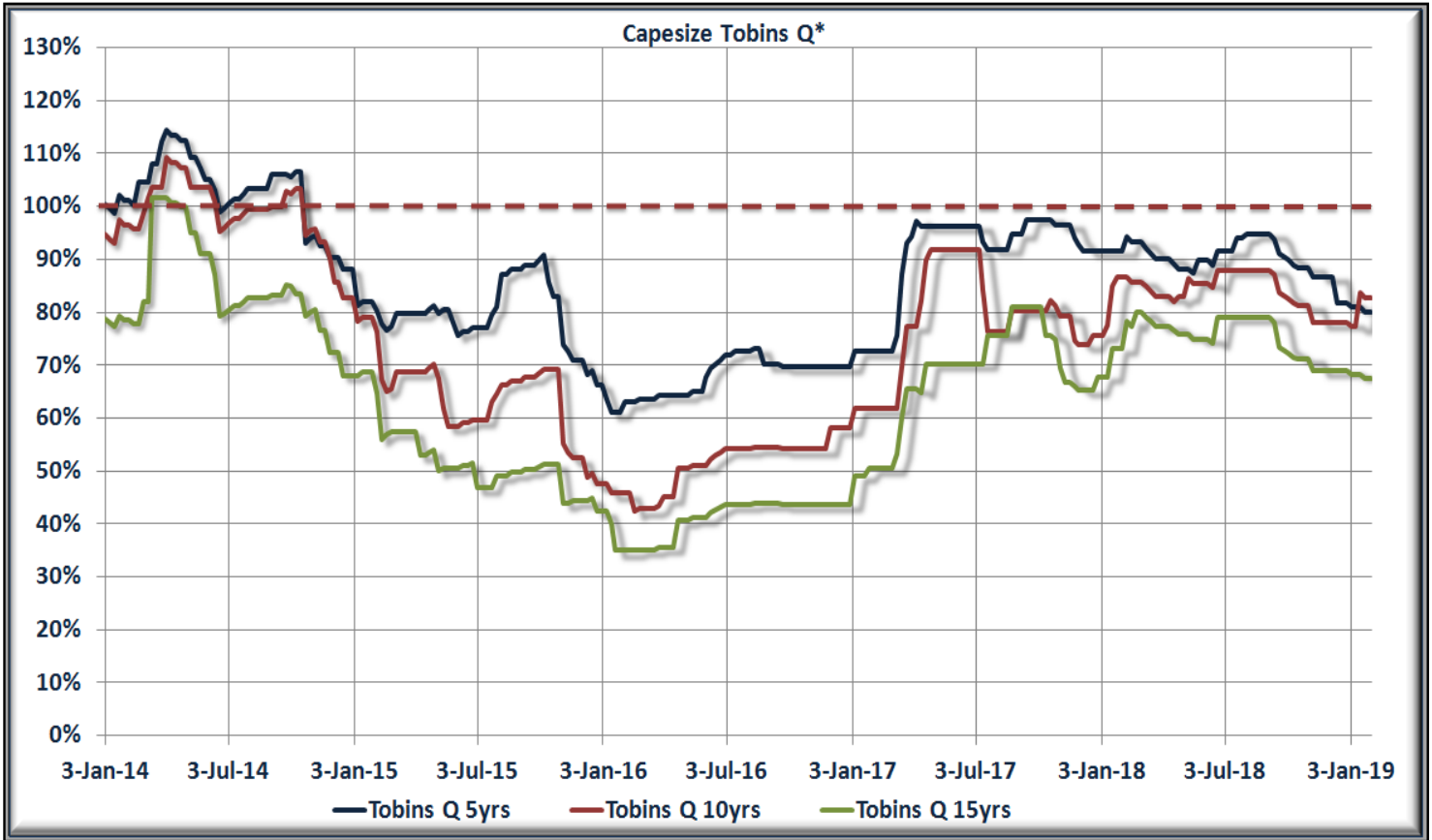
Indicative Fifteen-Year-Old Prices				
Date	Capesize 176K DWT	Panamax 75K DWT	Supramax 52K DWT	Handysize 28K DWT
01-Feb-2019	15.00	9.00	9.00	7.00
01-Feb-2018	15.00	11.00	10.00	6.50
01-Feb-2017	9.25	6.25	6.50	4.00
Δ% Y-o-Y	0.0%	-18.2%	-10.0%	7.7%
Δ% 2019-2017	62.2%	44.0%	38.5%	75.0%

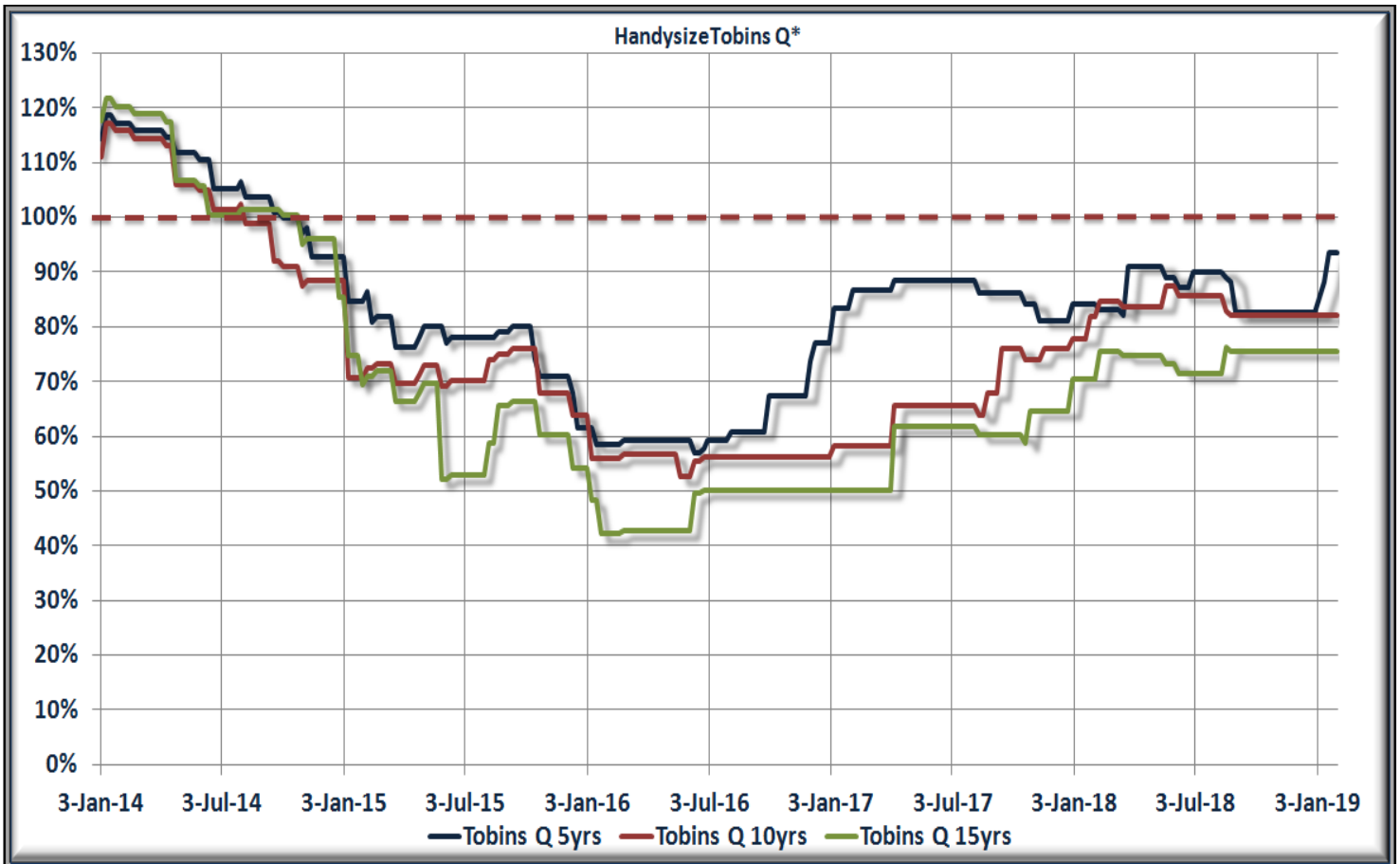
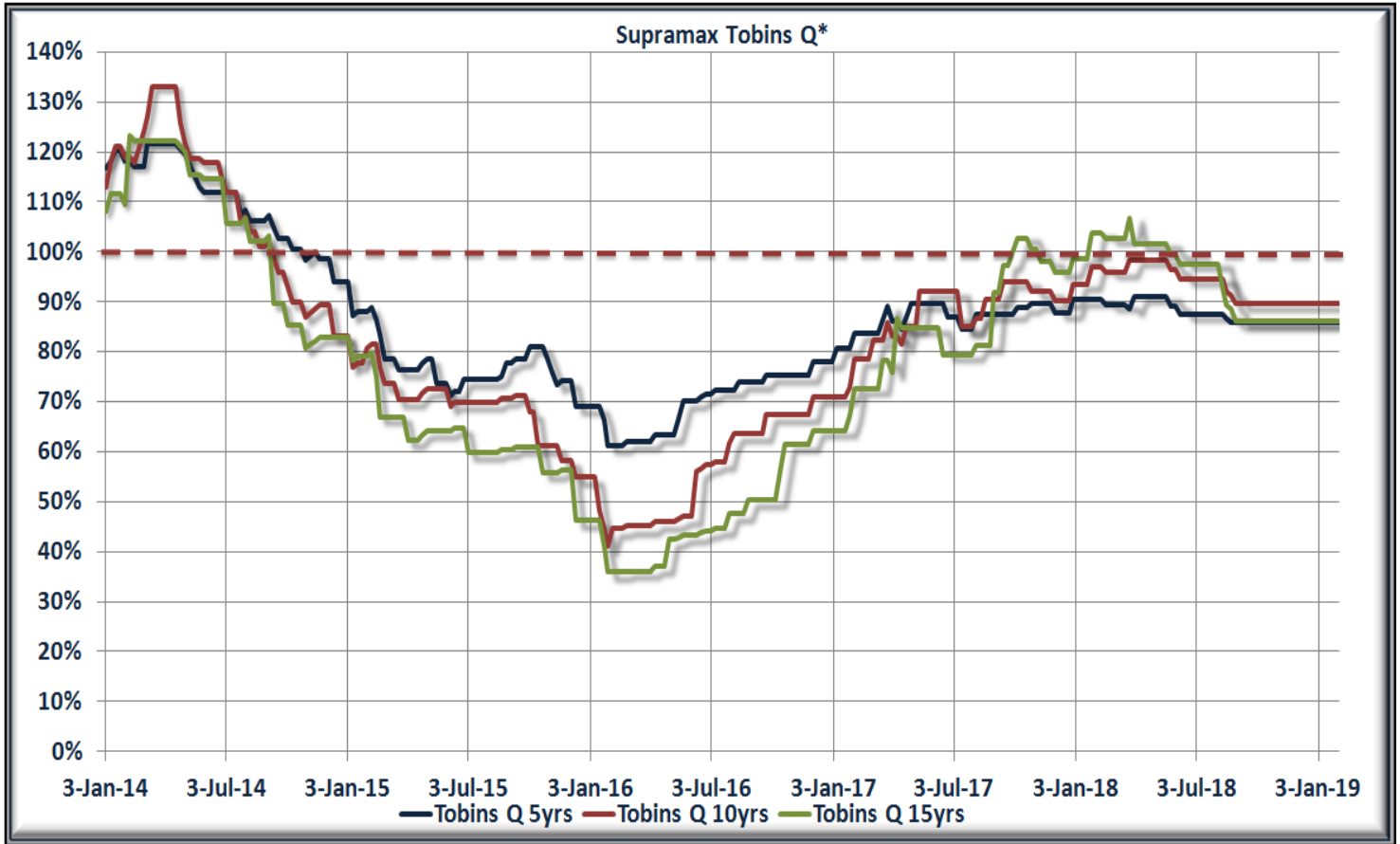
Reported Recent S&P Activity						
Vessel Name	DWT	Built	Yard/Country	Price \$Mil.	Buyer	Comments
Amorito	179,322	2012	Sungdong/Korea	33	Undisclosed	
Five Stars Beijing	181,417	2010	Sasebo/Japan	23	Greek buyers	Auction
Mineral Beijing	174,083	2004	Shanghai Waigaoqiao/China	13	Undisclosed	
Atlantic Sun	82,000	2019	Jiangsu/China	26.5	Undisclosed	
Crystal Star	82,172	2014	Sanoyas/Japan	24.5	Greek buyers	
Grand Amanda	79,600	2011	Jinhai/China	low 12	Undisclosed	
An Ho	77,834	2004	China Shipbuilding/Taiwan	7.8	Undisclosed	
Reborn	74,063	1999	Tsuneishi/Japan	6.2	Undisclosed	
Loch Nevis	61,237	2016	Shin Kurushima/Japan	low 24	Undisclosed	C 4 X31
Queen Cuki	63,707	2015	COSCO Zhoushan/China	20.5	Undisclosed	C 4x30
Ocean Colossus	58,831	2010	Kawasaki/Japan	15.4	Greek buyers	C 4x30
Paros Seas	56,780	2011	Jiangdong/China	low-mid 12.2	Chinese buyers	C 4x30
Topaz Halo	55,612	2011	Mitsui/Japan	15.4	Undisclosed	C 4x30
Luisia Colossus	55,455	2010	Kawasaki/Japan	14.8	Greek buyers	C 4 X 30,5
SSI Expedition	56,971	2010	Zhejiang Zhenghe/China	12.4	Chinese buyers	C 4x36
Tigris	52,454	2003	Tsuneishi/Japan	8	Undisclosed	C 4 X30
Zebra Wind	50,820	2009	Oshima/Japan	12.5	Undisclosed	C 4 X30
Sea Confidence	52,300	2005	Oshima/Japan	9	Chinese buyers	C 4x30
Unioorder	47,240	1997	Oshima/Japan	4.7	Undisclosed	C 4 X30
Nanning	38,940	2017	Huanghai/China	21	Chinese buyers	Tc Back C 4 X30
Grand Marais	35,093	2016	Jiangdong/China	low 16	Undisclosed	C 4x30
Ocean Neptune	37,189	2012	Hyundai/S.Korea	mid 13	Undisclosed	C 4x30
Bonnie Venture	32,500	2012	Zhejiang Hongxin	10	Undisclosed	C 4 X 30
Maestro Lion	31,857	1999	Saiki/Japan	6	Undisclosed	C 4 X30
Trade Star	29,627	2010	Shikoku/Japan	9.2	Greek buyers	C 4x31
Nord Tokyo	28,343	2009	Imabari/Japan	8.5	Greeks	C 4 X30.5
Pacific Future	29,517	1998	Dalian/China	3.7	Chinese buyers	C 5 X30
Di Xiang	23,308	2009	Zhejiang Tianshi/China	5.3	Chinese buyers	Auction

Tobin's Q* Capesize-Panamax						
Date	Capesize 5yrs	Capesize 10yrs	Capesize 15yrs	Panamax 5yrs	Panamax 10yrs	Panamax 15yrs
Current ratio	80%	83%	68%	85%	85%	76%
12months High	95%	88%	80%	91%	102%	102%
12months Low	80%	77%	68%	85%	85%	76%
12months Avg	89%	84%	75%	87%	94%	88%

Tobin's Q* Supramax-Handysize						
Date	Supramax 5yrs	Supramax 10yrs	Supramax 15yrs	Handysize 5yrs	Handysize 10yrs	Handysize 15yrs
Current ratio	86%	89%	86%	94%	82%	76%
12months High	91%	98%	107%	94%	87%	76%
12months Low	86%	89%	86%	82%	82%	72%
12months Avg	87%	93%	94%	87%	84%	75%

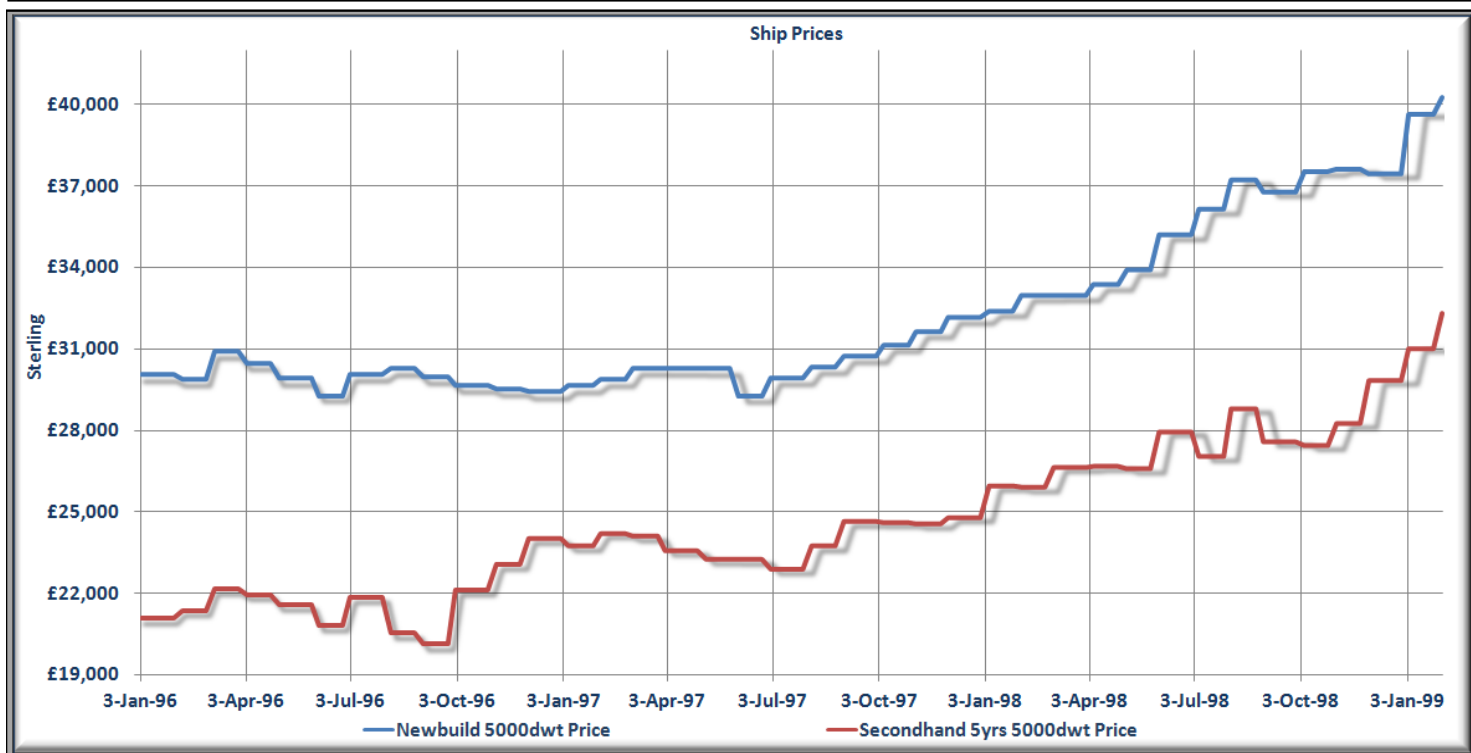
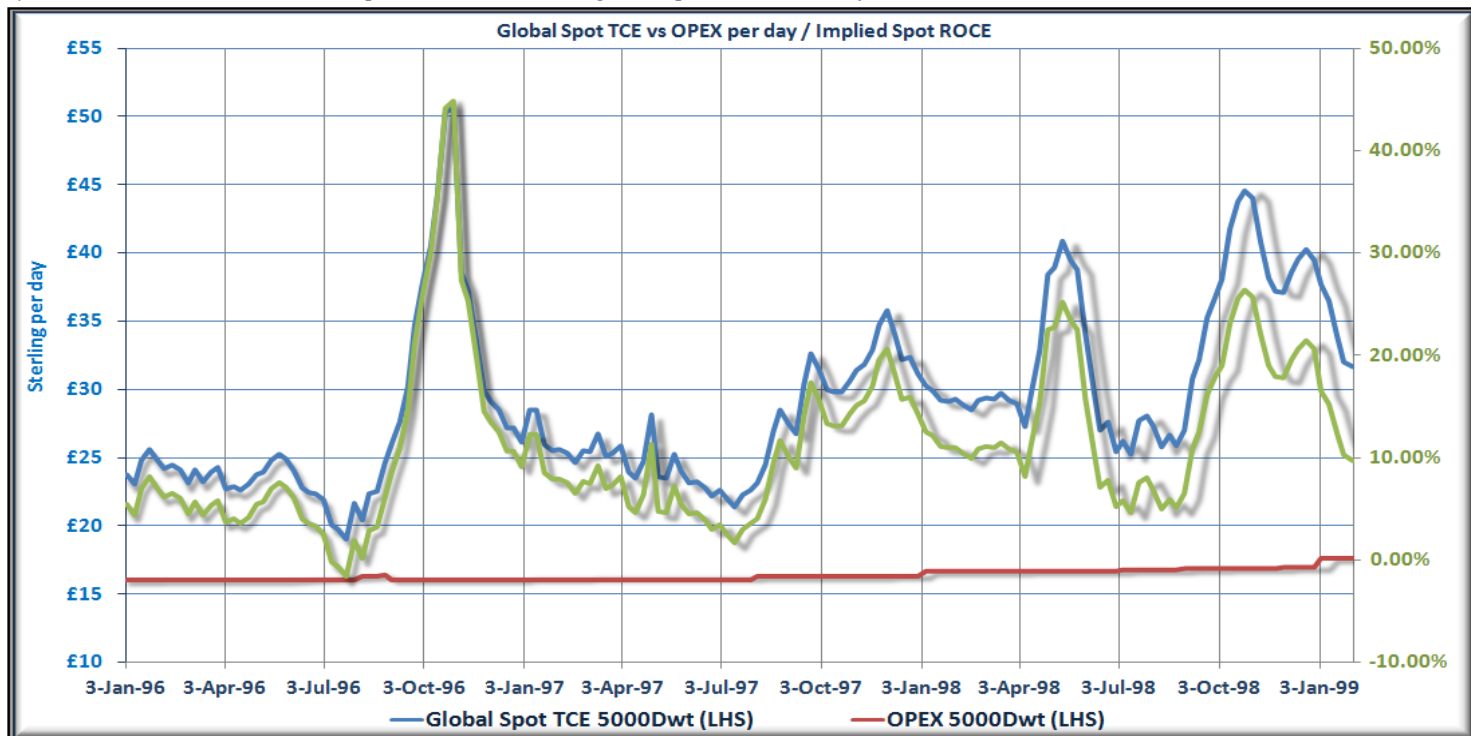
\*Tobin's Q represents the ratio between the market value and replacement value of a physical asset, with numerator and denominator adjusted to same age basis. According to economic theory, this ratio should be mean reverting towards 1 or 100%, for assets that do not face technological obsolescence.





## 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-00	Nov-00	Oct-00
Implied Spot Roce	9.8%	10.3%	13.6%	20.1%	21.2%
Global Spot TCE	£31.58	£31.91	£34.96	£38.96	£39.98
BlackSea Round	£32.02	£31.84	£35.47	£40.34	£41.10
East Round	£38.88	£38.35	£38.40	£39.46	£42.01
Med Round	£27.72	£28.95	£32.41	£36.04	£36.92
US Round	£33.25	£35.23	£37.41	£42.05	£43.82
River Plate Round	£36.63	£36.32	£36.75	£38.07	£38.61

S&P Market (5,000dwt)	Current week	Previous week	Dec-00	Nov-00	Oct-00
NB	£40,250	£39,641	£39,641	£37,425	£37,599
SH 5yrs old	£32,299	£31,017	£31,017	£29,820	£28,241
SH 10yrs old	£25,359	£24,186	£24,186	£23,103	£21,672
SH 15yrs old	£20,090	£18,885	£18,885	£17,786	£16,334

\*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...

The Black Sea market has continued very dull, but the tendency is now towards an improvement, the general opinion being that rates have touched bottom. Mediterranean business has been brisk and it has been a good miscellaneous demand for tonnage. For instance, two boats have been taken from Greece to the US with ore, the first business done in this direction for several months past. From Sicily tonnage continued in a fair demand for the US for fruit and sulphur. From Alexandria, there are one or two cargoes of sugar yet to be shipped to America.

Very little chartering been affected on the US market, owners generally declined to negotiate on the present unremunerative low levels of grain and other orders. The only tonnage that charterers will get is such as is already bound to and towards the US, for it is quite certain that no owners will send a boat across the Atlantic in ballast for anywhere near the freights offering.

Now that coal rates from Wales to the Plate have dropped to about 11s should not be surprised to find tonnage being taken from the US to South America, as the rates that could be taken from Norfolk, Newport News, etc., are about 4s more than the Cardiff charterers are offering. We believe that a freight of 15s from Virginia down to Buenos Ayres would be preferable to coming home, for instance at 3s 3d on a c.f.o. basis, as bunkering would be proportionately no more in the US than in the UK.

Representative Fixtures							
Vessel	DWT	Delivery	Date	Re-del	Rate	Charterers	Comment
Setiembre	3,300	Garrucha	Prompt	Tyne	8s 3d	cnr	
Robina	2,400	Stratoni	Prompt	Baltimore	11s 6d	cnr	
Glenmoor	4,600	Odessa	Prompt	L.H.A.R.	9s 6d	cnr	part barley
Annandale	5,000	New York	Prompt	Bombay	24 cents	cnr	oil
Nile	3,300	US	Prompt	US	875 pounds	cnr	12 months

The River Plate market is firm all round. From the San Lorenzo limit, berth rates for L.H.A.R. are 22s 10d and for March loading 22s 6d per tonne. From Buenos Ayres or La Plata 19s 3d is quoted. For wool to Antwerp or Dunkirk 16 fcs and for Hamburg 15 marks.

The Eastern market continues very firm at splendid rates. From Bombay spot tonnage is worth 19s and for second half of February loading 18s 9d. Calcutta berth rates to UK/Cont. are 28s jute basis.

On the S&P front, both the newbuilding market and the secondhand market moved upwards. A typical newbuilding 5,000dwt British-build steamer is currently at the market for £40,250, whereas a ten-year-old of the same dwt and specification at £25,400.