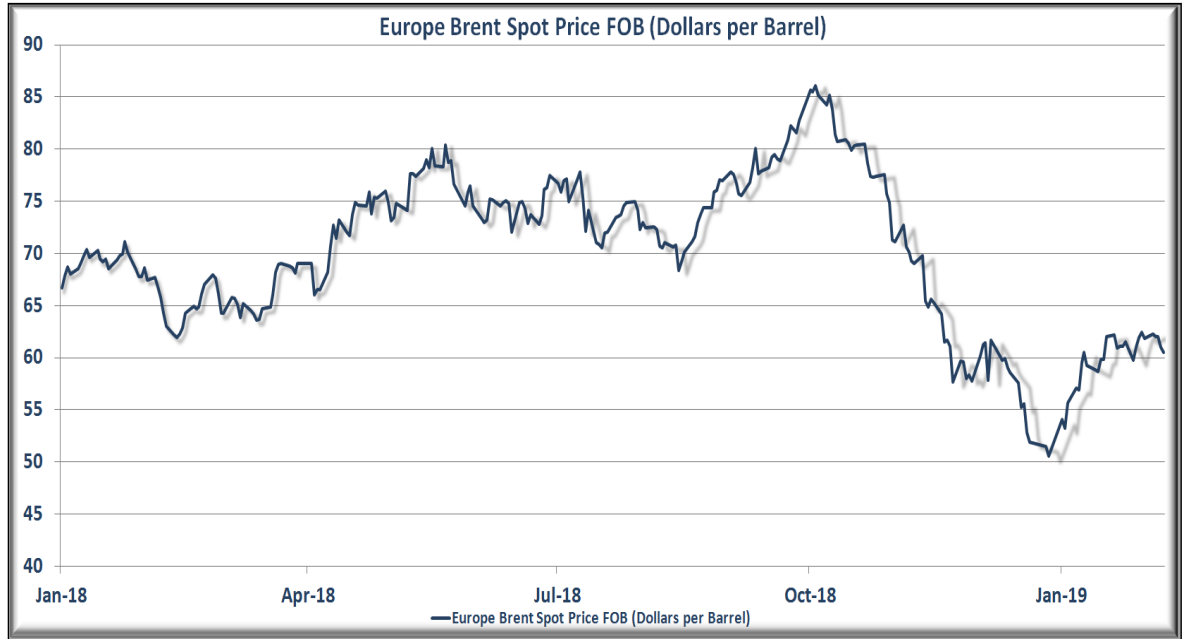
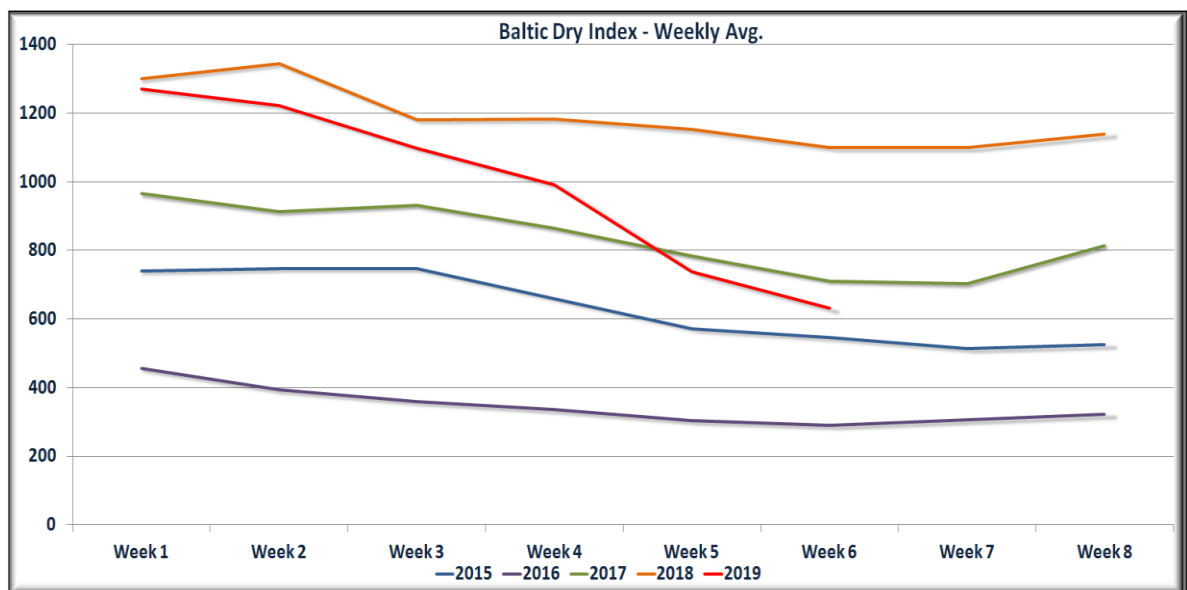


Amidst a seemingly economic downturn, renewed concerns about the outlook for global growth and the US-China trade war had a negative bearing in both the oil industry and shipping sector. In reference to the former, following a period of a significant drop from early October to late December 2018, Brent prices tried to react as the new trading year dawned. With a 20% increase, prices of the sweet light crude oil resisted the downward trend, surpassing the \$60 a barrel mark. However, the upward correction seemed to stall lately, surrounded by uncertainty for the progress of trade talks between the world's two largest economies. In this context, oil prices extended their decline this week. Additionally, prices of the "black gold" also came under pressure as weekly data published by the U.S. Energy Information Administration on Wednesday showed an unwelcome increase in stocks of crude oil. Against this background, the prospect of Libya's largest oilfield restarting production was the catalyst in the oil price reaction.



On the contrary, the Baltic Dry Index was not in the mood to show any sign of resistance on the downward pressure during the first six week of the trading year. In fact, the current dive of the "concertmaster" of the dry bulk sector was the worst in the last five years. Although it is quite common to face a downward trending freight market during the first eight weeks of the year, the 53 percentage points that the index have lost since early January cannot be attributed to seasonal factors only. In spite of the robust US jobs data last week, global markets remain nervous after China reported the lowest annual economic growth in nearly 30 years in January.



Source: Doric Shipbrokers, Baltic Exchange

In these conditions, a new round of trade talks begins in Beijing on Monday, with the two sides trying to reach an agreement ahead of a March deadline when U.S. tariffs on \$200 billion worth of Chinese imports are scheduled to increase to 25 percent from 10 percent. Before the train jumped the rails, any positive news on that front coupled with the seasonal upswing can heal the traumatized sentiment of the dry bulk shipping.

**Freight market 120yrs ago (page 12):** "Chartering has been very active during the past week at rates that are fairly satisfactory considering the time of year..."

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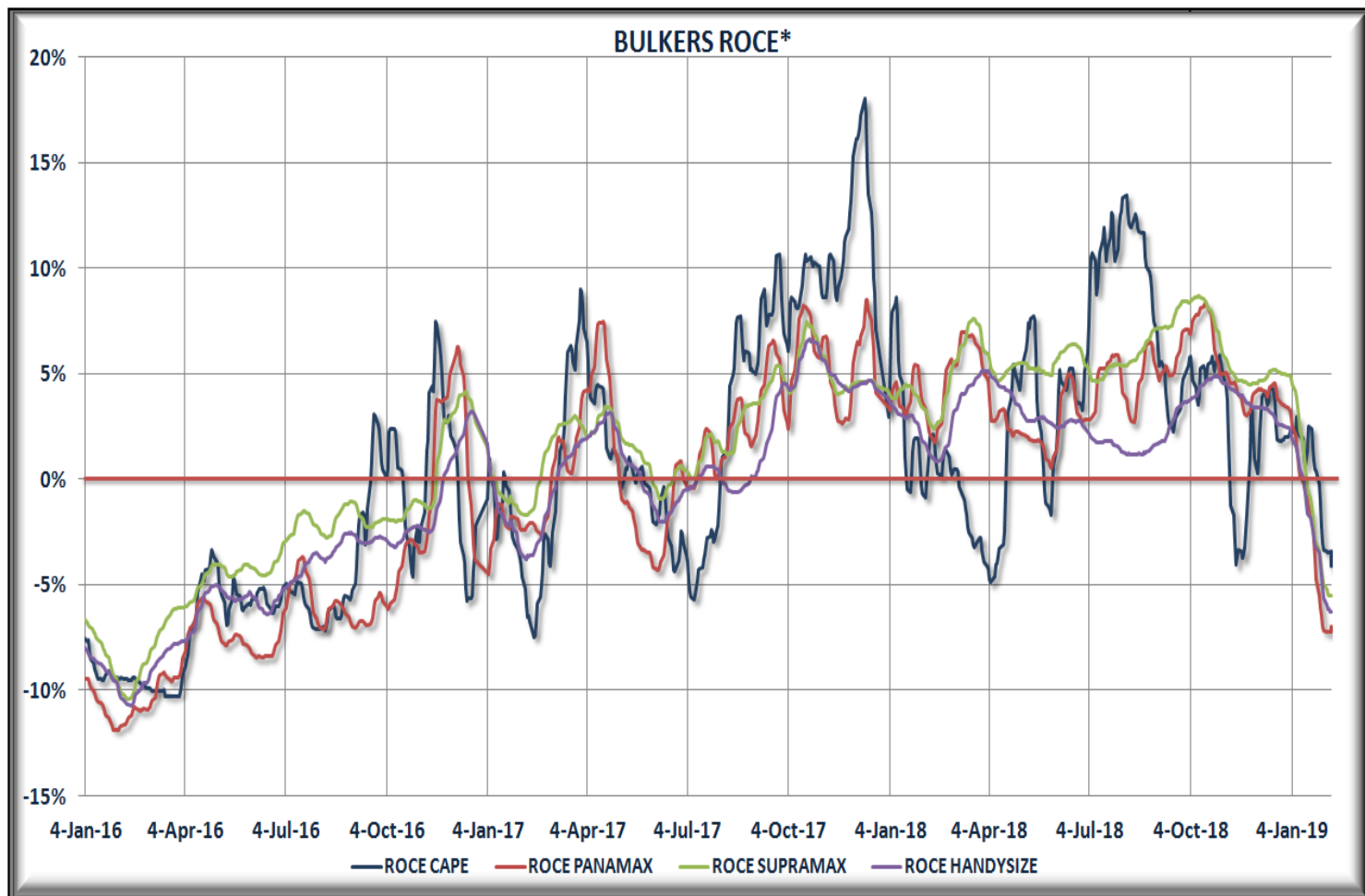
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## Dry Cargo Spot Market

Being under pressure for yet another week, the Baltic Dry Index didn't manage to report gains, concluding at 601 points. Returning to the three-digit territory after 10 months, the Baltic Capesize Index moved further south to 792 points. The only positive reaction came from Panamax, with BPI reporting marginal gains of 2.5% at 574 points. The geared segments followed closely the Capes on their downward spiral, finishing lower. In particular, the Baltic Supramax index balanced at 415 points, or 7.8% lower than the previous Friday closing. With a 21-point decrease, the Baltic Handy Index lay at 290 points.

At the box office, the after depreciation returns on capital employed of all segments moved deeper into the negative territory. Capesize returns drifted lower to -4.15%. With the BPI-TCA trending upwards, the returns of Panamaxes lingered at -6.94 cents to the dollar. In reference to the geared segments, the returns for Supramaxes and Handies lingered at -5.49 and -6.27 cents in every dollar invested respectively.



Baltic Freight Indices					
Date	BDI	BCI 5TC	BPI - TCA	BSI - TCA	BHSI - TCA
4-Feb-19	634	\$8,748	\$4,435	\$5,049	\$4,365
5-Feb-19	629	\$8,722	\$4,442	\$4,911	\$4,264
6-Feb-19	629	\$8,757	\$4,439	\$4,837	\$4,268
7-Feb-19	610	\$8,230	\$4,506	\$4,840	\$4,198
8-Feb-19	601	\$7,911	\$4,618	\$4,870	\$4,202
<b>12-month High</b>	1774	\$27,283	\$14,385	\$13,431	\$9,772
<b>12-month Low</b>	601	\$7,051	\$4,435	\$4,837	\$4,198
<b>12-month Avg</b>	1323	\$16,242	\$11,249	\$11,118	\$8,475
<b>Avg. Cal 2018</b>	1353	\$16,529	\$11,609	\$11,487	\$8,700
<b>Avg. Cal 2017</b>	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.

Dropping further down to the four-digit territory, the **Capesize** 5TC Average balanced for the week at \$ 7,911 daily. Having to face OPEX of around \$7,000 daily, the current state of the market approaches very close to the loss making levels.

In the commodity spectrum of the Pacific, the latest report issued by the Australian Bureau of Statistics showed that the country's mining sector reported a new record for exports during the last year. Generating the highest ever value which accounted for 72 per cent of Australia's good exports, minerals, metals and petroleum exports balanced at all-time highs. Most importantly for the dry bulk sector, coal became the number one export earner in 2018. In reference to the spot market, the C5 Baltic index remained stable at its last Fridays', ending the week at \$4.9 pmt. For such a run, FMG took the 'Hyundai Atlantic' for 180k 10% stem from Port Hedland 19/21 February to Qingdao at \$4.80 pmt. The 'KSL Santos' (181,055 dwt, 2014) with prompt delivery South Korea was fixed for a trip via EC Australia to Japan at \$10,000 with NYK. The Baltic Transpacific Index (C10\_14), dropping 2.8% the last five trading days, concluded at \$5.308 pmt.

Force Majeure declared by Vale on some of the company's iron ore contracts made headlines in the Atlantic. A Brazilian court ordered the mining giant to stop using eight tailings dams, possibly affecting around thirty million tons of iron ore output per year. Since the dam collapse, iron ore prices have almost reached a two year high early at the start of the week. The C3 Index followed the downward trend of the general market, dropping 4.8% W-o-W and landing at \$13.15 pmt. For this route, Pacific Bulk paid \$13.60 pmt for end February - beginning March dates from Tubarao to Qingdao. The Transatlantic Index (C8\_14) closed at \$10,260 daily, or 9.7% lower than last week closing, whereas the Fronthaul index (C9-14) managed to keep itself above the \$20,000-mark, albeit lower 30.4 % than a month ago.

Once again, not much interest from Owners to commit for longer duration, resulting to limited period activity. The 'Lake Despina' (181,406 dwt, 2014) with retro delivery Caofeidian 24<sup>th</sup> January secured employment for the next 11/14 months at a daily rate of \$14,500.

Representative Capesize Fixtures								
Vessel	DWT	Built	Delivery	Date	Re-del	Rate	Charterers	Comment
KSL Santos	181,055	2014	South Korea	Prompt	Oita	\$10,000	NYK	via Ec Australia
Lake Despina	181,406	2014	retro Caofeidian	24 Jan	WW	\$14,500	Swiss Marine	11/14 Months

The **Panamax** segment started on the wrong foot this week, with several countries in the Far East being on holidays. Inevitably, this had an impact in the trading activity on the early side of the week, but this reversed as activity improved again at midweek.

In the Pacific region, the market introduced a slight drop on all trading routes, but the negative trend had turned around by Wednesday. Despite rather poor Indo and Australian coal trades, NoPac grains toned up, both in activity and monies paid, by approximately \$1/2,000 daily since the start of the week. 'Star Topaz' (81,800 dwt, 2018) fixed at \$7,000 daily for a typical NoPac round trip with 6 February delivery CJK. 'Transcendent Bright' (82,000 dwt, 2018) got a stronger rate, concluding at \$7,350 daily with same delivery but to India destination. No bouncing rates out of Indonesia or Australia this week, where rates felt fairly suppressed. 'Rosco Palm' (82,153 dwt, 2011) gone at \$7,500 APS Indonesia, for a quick coal trip to Malaysia. Further south, Charterers insisted on APS rates, as in the case of 'Kypros Land' (77,060 dwt, 2014) achieving \$6,250 daily plus \$205,000 gbb for end February APS delivery Newcastle for a coal trip to Taiwan.

In the Atlantic region, activity has picked up despite market's expectations that demand would slow down due to the Chinese holidays. The key East Coast South America grain and the South African coal market have seen increased demand, but rates moved sideways. 'Krousson' (81,316 dwt, 2011) fixed for a March ECSA front-haul trip at a dual rate, for either SE Asia redelivery at \$12,500 daily plus \$250,000 gbb, or further north (China-Japan range) at \$13,000 plus \$300,000 gbb. Other ballasters that failed to agree to such levels, preferred to do a South African round with the expectation that market will increase later on the Q1. 'Shandong Fu You' (81,781 dwt, 2018) fixed at \$11,000 plus \$135,000 gbb APS Richards bay 19 February for a coal trip to India. Trans-atlantic trades were hovering around the P1\_A index, as in the case of 'lolcos Unity' (74,476 dwt, 2006) who got \$9,250 daily for a grain trip via U.S. Gulf to Egyptian Med, on an APS basis. There was some business reported from the Continent, at similar levels. 'Crimson Ark' (81,765 dwt, 2016) got \$4,000 daily with 9/11 February delivery Stade for a Baltic round trip. The Black Sea grain demand seemed to be present, but with Ultramax looming in no significant improvement on Panamax rates was reported. On the Front-haul trips, kamsarmax tonnage has seen from \$13,000 to \$15,000 daily basis Port Said delivery.

A quiet period activity in the Panamax segment, as last month's shortfall in both physical and paper market did not ignite any serious interest from Owner's side. The 'Danae' (75,106 dwt, 2001) fixed for minimum 11 to 14 months at \$8,100 daily with prompt delivery Mundra.

Representative Panamax Fixtures								
Vessel	DWT	Built	Delivery	Date	Re-del	Rate	Charterers	Comment
Kypros Land	77,060	2014	Newcastle	24/28 Feb	Taiwan	\$6,250+\$205k gbb	Caravel	
Star Topaz	81,800	2018	CJK	06 Feb	Singapore-Japan	\$7,000	cnr	via NoPac
Transcenden Bright	82,000	2018	CJK	prompt	India	\$7,350	Norvic	via NoPac
Rosco Palm	82,153	2011	Tanjung Bara	16/20 Feb	Malaysia	\$7,500	Yukdat	
Shandong Fu You	81,781	2018	Richards Bay	19 Feb	India	\$11,000+\$135k gbb	Norden	
Krousson	81,316	2011	ECSA	01 Mar	Singapore-Japan	\$12,500+\$250k gbb	Norden	\$13k+\$300k if SE Asia
lolcos Unity	74,476	2006	US Gulf	14/17 Feb	Egypt	\$9,250	Oldendorff	w/grains
Crimson Ark	81,765	2016	Stade	9/11 Feb	Skaw-Gibraltar	\$4,000	Jera	via Murmansk
Danae	75,106	2001	Mundra	05 Feb	worldwide	\$8,100	Phaethon	11/14 mos

With a 5.7% weekly decrease, the Baltic **Supramax** TC index went further south to \$4,870 daily on this Friday's closing.

With China being the major importer of commodities in the area, it only came as a natural result to see almost a complete absence of activity due to Chinese new lunar year holidays. Despite that, it has to be noted that on Friday we witnessed the first glimpse of hope for a rebound in the market. Although the time charter average for the eastern routes (Supramax 58 Tess Asia Index) has decreased by \$167 daily throughout the week, on its last trading day we observed an increase of \$2 on the average! Of course, 'one swallow does not a spring make' but at least there is some tangible evidence that the steep drop might be close to an end. Reported fixtures and even rumors were scarce. Among them, the 'Nautical Georgia' (63,435 dwt, 2017) which was fixed at \$9,250 basis delivery E.Kalimantan for a trip to WCI. 'Red Azalea' (61,299 dwt, 2015) was concluded at \$5,800 basis delivery Paradip for a trip to Singapore. Last but not least, the 'Star Antares' (61,258 dwt, 2015) which was opening in Vizag was fixed at \$10,000 + \$105,000 gbb for a trip with coal via Richards Bay to West Coast India.

In the Atlantic, the feeling that prevailed was that we have already reached the low point and that the next bet is how long will it take for the market to switch to recovery mode. For the time being, hire rates remain at rock bottom levels with USG only showing some mild improvement. The 'Star Fighter' (61,455 dwt, 2013) was covered for a trip from USEC to the Mediterranean at \$6,500 daily basis delivery Norfolk. The South Atlantic remained close to 'last done' levels, with Ultramax units being fixed around \$9,000 daily plus \$90,000 ballast bonus for fronthaul trips to India and China. Across the pond, activity remained anemic with a number of spot vessels opting to fix forward business at low hire levels while absorbing additional waiting time until the commencement of laydays. It was heard that a 56,000 tonner was fixed for a trip via French Bay to Yemen with grains at \$7,000 daily for the first 40 days and escalation to \$8,000 thereafter basis delivery North Spain and redelivery Port Said. Moving east, the 'Tiger Jilin' (63,415 dwt, 2015) open Canakkale, was fixed for a trip to Singapore-Japan range basis delivery APS Black Sea at \$11,000 daily.

No period activity was reported on the Supramax.

Representative Supramax Fixtures								
Vessel	DWT	Built	Delivery	Date	Re-del	Rate	Charterers	Comment
Nautical Georgia	63,435	2017	E.Kalimantan	Prompt	WCI	\$9,250	cnr	
Red Azalea	61,299	2015	Paradip	Prompt	Singapore	\$5,800	cnr	
Star Antares	61,258	2015	Richards Bay	Prompt	WCI	\$10,000 + \$105,000 gbb	cnr	ballasted from Visag
Star Fighter	61,455	2013	Norfolk	17 Feb	Mediterranean	\$6,500	cnr	
Tiger Jilin	63,415	2015	Canakkale	Prompt	Singapore-Japan range	\$11,000	cnr	Rumoured

Market capitulation in the Far East – "Have we touched the bottom?" in the Atlantic for the **Handysize**.

Market in the East for Handies was practically nonexistent this week. The combination of an already pressed market together with the Chinese holidays has affected discussions and levels drastically. One of the very few fixtures done and reported was mv 'Lake Hakone' (28,496 dwt, 2010) open at Bangkok on the 15th of February fixed at \$4,500 dop for bulk sugar ex Bangkok to Indonesia. Otherwise it has to be noted that the majority of fresh cargoes in the market are for dates after the 20th of February. On this basis, a very slow recovery from holidays is expected next week.

Some, more than the recently usual, fresh cargoes in the west side of the Atlantic, is providing glimpses of hope to owners. At least this week, they seemed to breathe a bit more easily than last week. In ECSA, we heard rumours of a 32,000 dwt vessel fixing \$7,000 from S. Brazil for a quick trip to S. Africa, and of same rate being paid for a 28,000 dwt from Recalada to W. Africa with grains. A bit more activity noticed also in the USG, which was also reflected on the indices, where we saw some turn to positive numbers. A 34,175 dwt fixed a grain cargo from SW Pass to UK-Continent at \$6,000, an improvement from earlier in the week, when a larger vessel got only \$5,000 for a similar trip. Also a 33,755dwt fixed a trip to WCCA at \$8,000. The Continent seemed to be also a bit more active than last week, but we do have some ground to cover before we 'pop the bubbles'. At least rumour has it that origins like the icy Baltic and Murmansk are paying some premium like \$7,500 to \$8,000 dop Continent to Morocco for large handies. The Med and Bl. Sea still is the only area in the Atlantic that the hard times continue for the owners. We heard of a 28,000dwt fixing a dreadful \$3,900 from Canakkale for an inter-Med trip, but no further details were given. We also heard of a 32,800dwt fixing from Iskenderun a steel cargo to W. Africa at \$6,500, a bit more than what a sister ship fixed from within the Bl. Sea for a trip to E. Med.

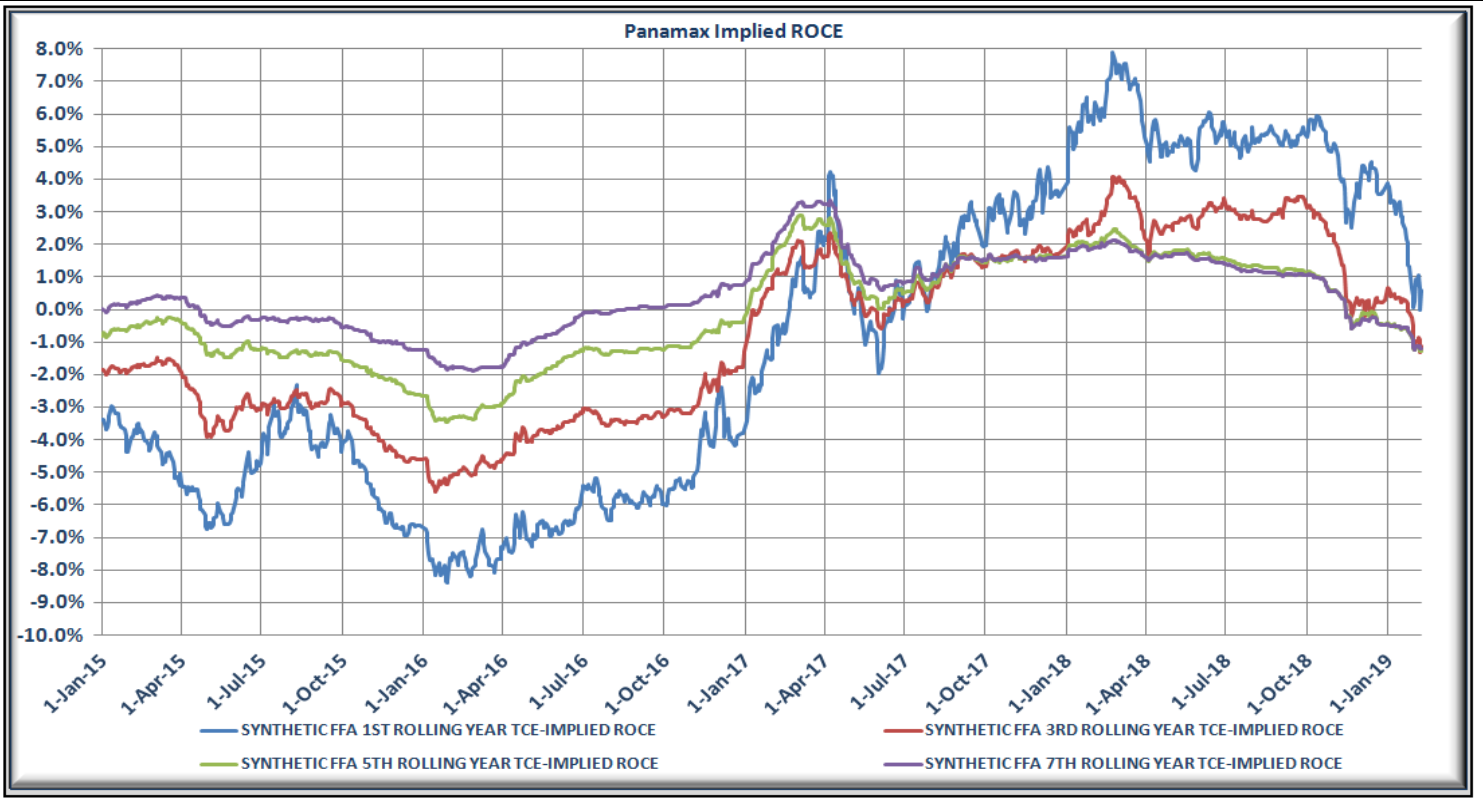
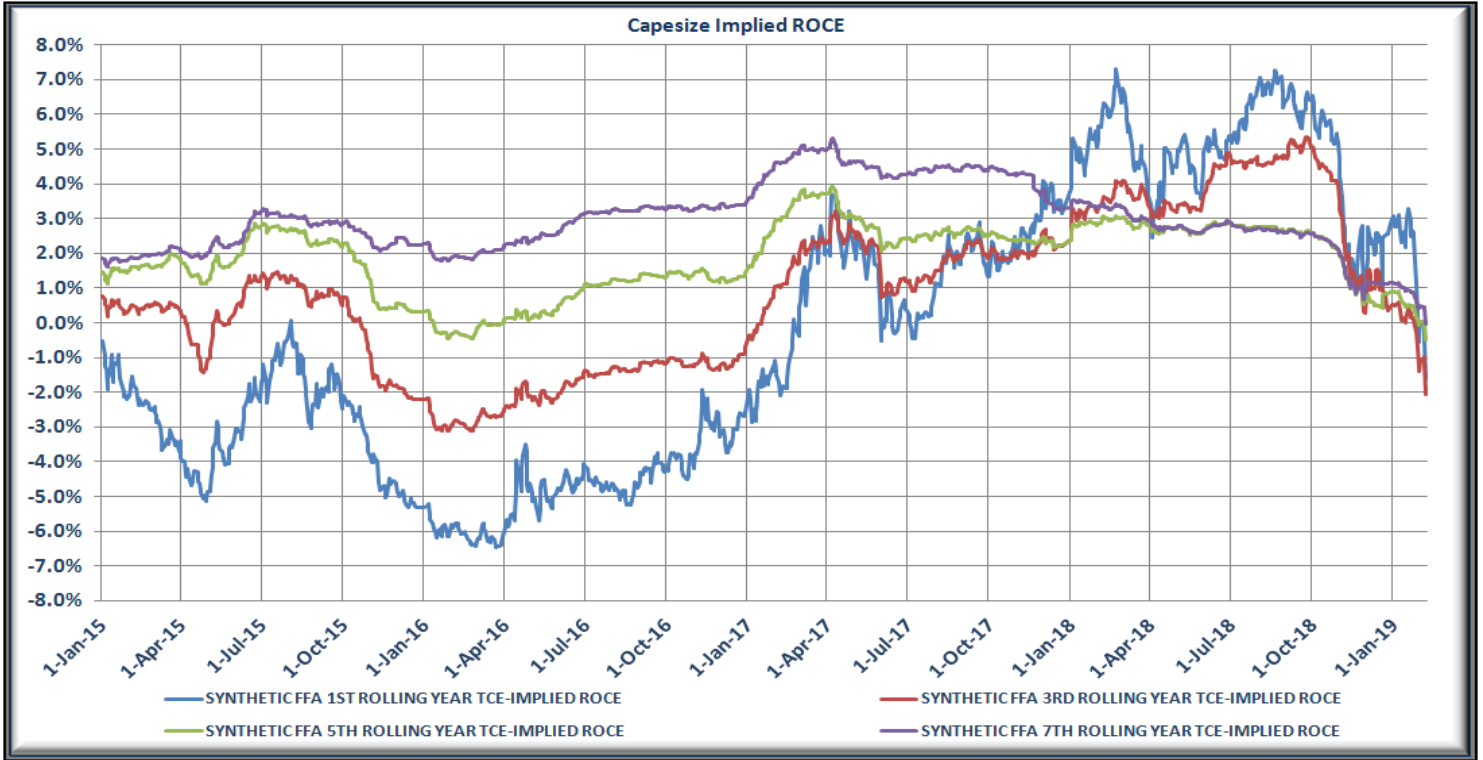
On the period desk, no fixture was reported.

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
Delta	34,175	2012	SWPass	19 Feb	UK/Cont	\$6,000	cnr	grains
Gold Oak	37,732	2017	Panama City	Prompt	UK/Cont	\$5,000	Lauritzen	
Orient Target	33,755	2009	USG	Prompt	WCCA	\$8,000	Bunge	grains
Sam Eagle	32,581	2010	Dnepro	Prompt	EMED	\$5,000	cnr	

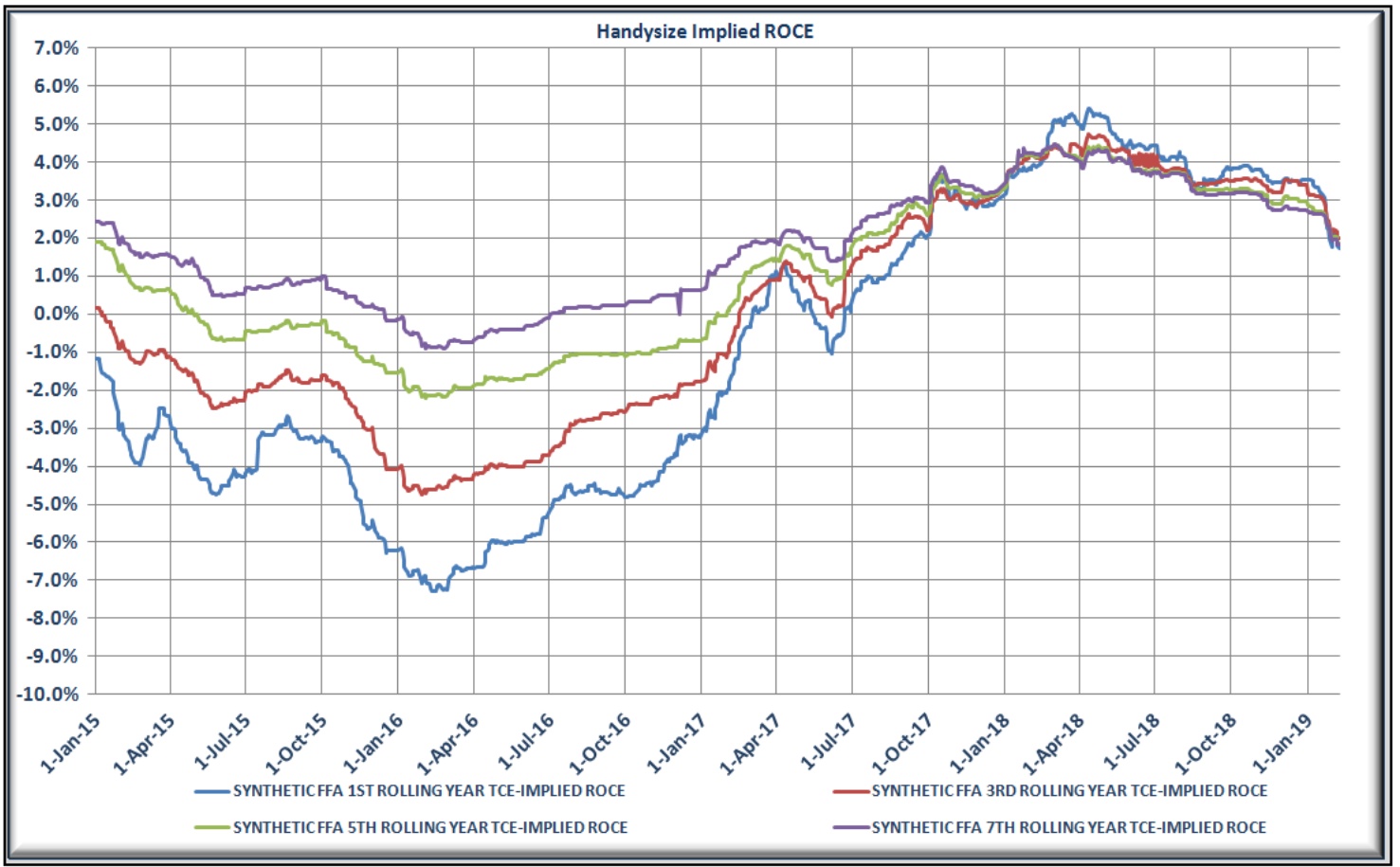
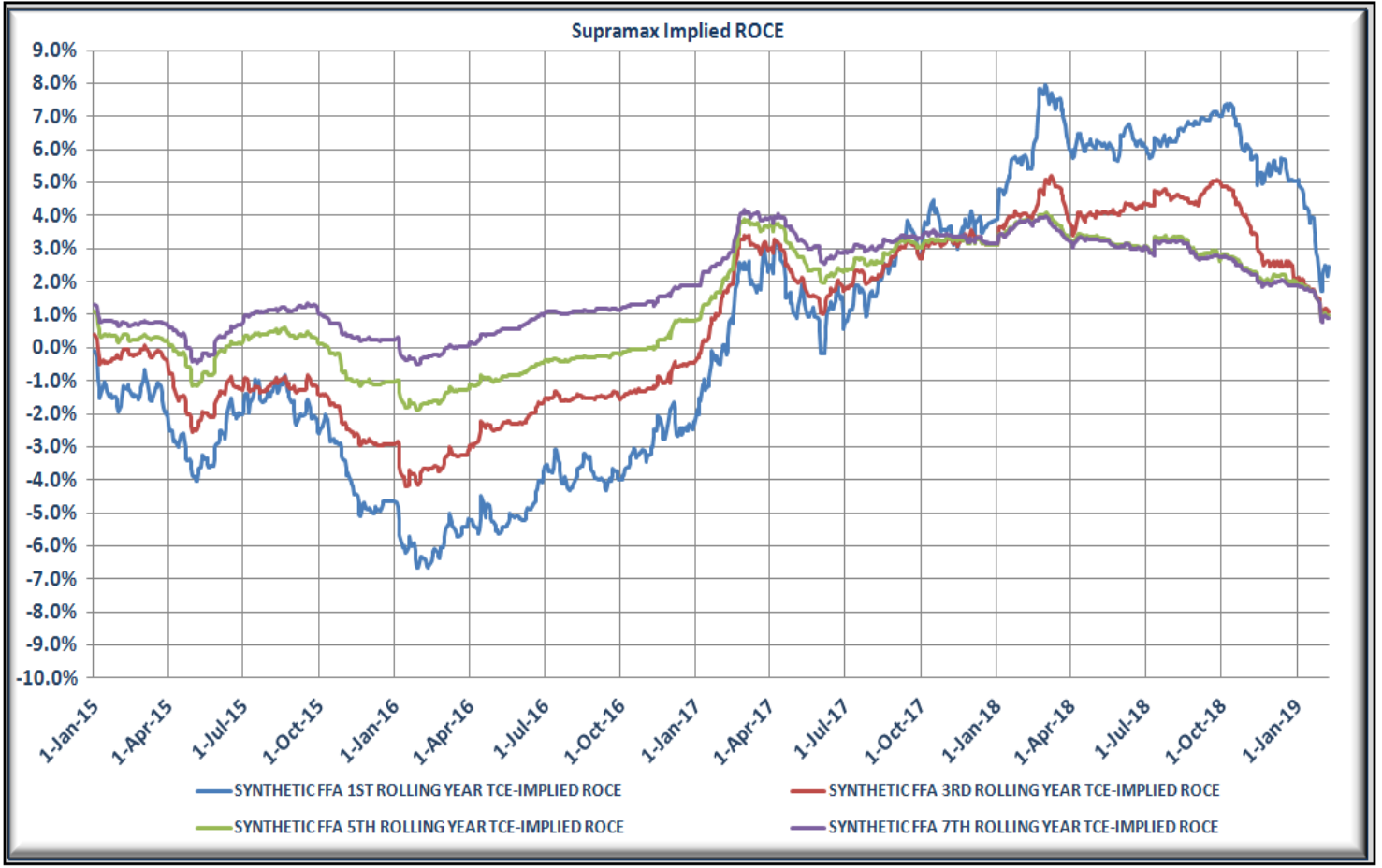
**FFA Market**

Consistent on their softer tone, the front ends of all curves moved further down this week. As far as the forward market of the largest bulkers goes, the prompt months of the Capesize forward curve extended their losses, with March contracts balancing at \$7,154 and April at \$8,036. In sync, the Panamax curve was under pressure, concluding at \$7,833 and \$9,058 for March and April respectively. Heading down as well, Supramax forward market stood below previous week closing, with March balancing at \$8,408 and April up at \$9,713. Drifting lower, prompt Handy contracts ended at March levels of \$7,013.

Capesize first rolling year implied ROCE decreased to -1.5% this week at the same time as that of Panamax was balancing lower at just 0.6%. Geared segments implied ROCEs trended towards opposite direction, with Supramax higher at 2.5% and Handy lower at 1.7%.







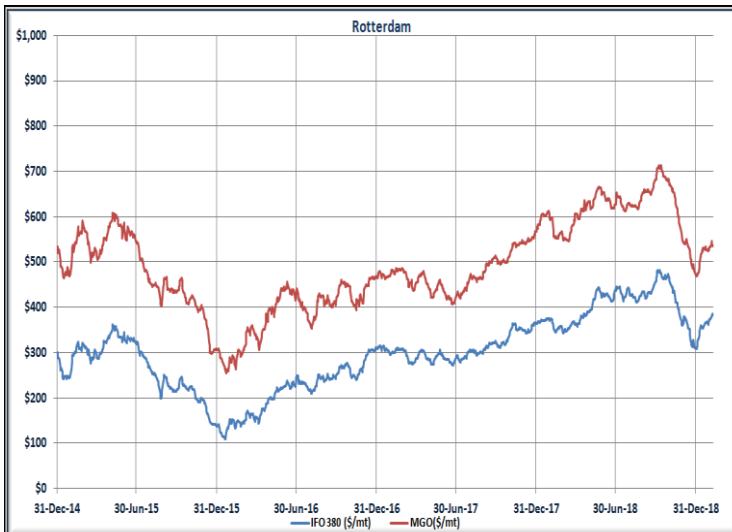
BFA Cape 5TC									
Date	Feb (19)	Mar (19)	Apr (19)	Q2 (19)	Q3 (19)	Q4 (19)	Cal 20	Cal 24	Cal 25
4-Feb-19	\$8,575	\$8,983	\$9,650	\$9,958	\$13,450	\$16,533	\$12,738	\$13,367	\$13,367
5-Feb-19	\$8,567	\$8,858	\$9,654	\$9,952	\$13,475	\$16,508	\$12,850	\$13,346	\$13,346
6-Feb-19	\$8,092	\$8,171	\$8,888	\$9,379	\$12,617	\$15,929	\$12,350	\$13,283	\$13,283
7-Feb-19	\$7,246	\$6,892	\$7,854	\$8,362	\$11,179	\$14,358	\$11,225	\$12,783	\$12,783
8-Feb-19	\$7,300	\$7,154	\$8,063	\$8,443	\$11,396	\$14,400	\$11,575	\$12,767	\$12,808
Week High	\$8,575	\$8,983	\$9,654	\$9,958	\$13,475	\$16,533	\$12,850	\$13,367	\$13,367
Week Low	\$7,246	\$6,892	\$7,854	\$8,362	\$11,179	\$14,358	\$11,225	\$12,767	\$12,783
Week Avg	\$7,956	\$8,012	\$8,822	\$9,219	\$12,423	\$15,546	\$12,148	\$13,109	\$13,117

BFA Panamax 4TC									
Date	Feb (19)	Mar (19)	Apr (19)	Q2 (19)	Q3 (19)	Q4 (19)	Cal 20	Cal 24	Cal 25
4-Feb-19	\$6,071	\$8,379	\$9,550	\$9,681	\$9,850	\$10,775	\$9,100	\$8,304	\$8,317
5-Feb-19	\$5,950	\$8,029	\$9,483	\$9,639	\$9,908	\$10,796	\$9,071	\$8,317	\$8,333
6-Feb-19	\$5,683	\$7,608	\$9,058	\$9,303	\$9,667	\$10,538	\$8,858	\$8,308	\$8,325
7-Feb-19	\$5,533	\$7,458	\$8,900	\$9,111	\$9,467	\$10,413	\$8,658	\$8,258	\$8,279
8-Feb-19	\$5,813	\$7,833	\$9,058	\$9,213	\$9,667	\$10,575	\$8,750	\$8,275	\$8,288
Week High	\$8,575	\$8,983	\$9,654	\$9,958	\$13,475	\$16,533	\$12,850	\$13,367	\$13,367
Week Low	\$7,246	\$6,892	\$7,854	\$8,362	\$11,179	\$14,358	\$11,225	\$12,767	\$12,783
Week Avg	\$7,956	\$8,012	\$8,822	\$9,219	\$12,423	\$15,546	\$12,148	\$13,109	\$13,117

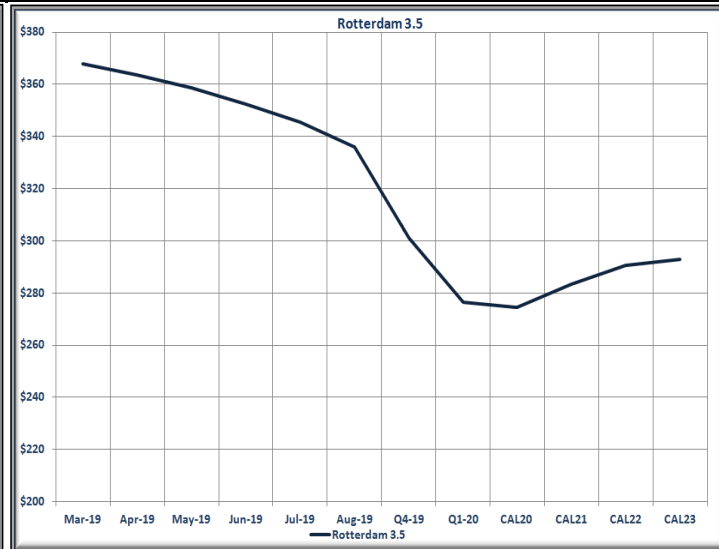
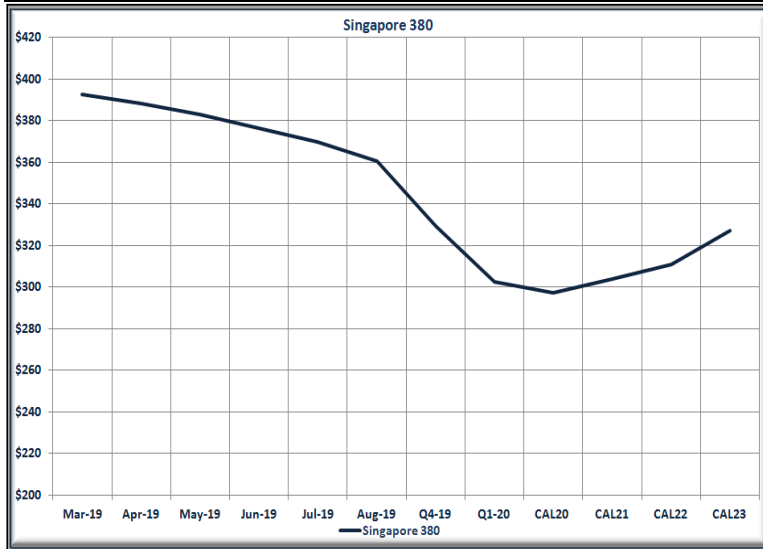
BFA Supra 10TC									
Date	Feb (19)	Mar (19)	Apr (19)	Q2 (19)	Q3 (19)	Q4 (19)	Cal 20	Cal 24	Cal 25
4-Feb-19	\$6,242	\$8,629	\$9,650	\$9,824	\$10,000	\$10,925	\$9,275	\$8,779	\$8,779
5-Feb-19	\$6,033	\$8,421	\$9,658	\$9,807	\$10,033	\$11,017	\$9,313	\$8,754	\$8,763
6-Feb-19	\$5,908	\$8,233	\$9,525	\$9,681	\$9,983	\$10,858	\$9,233	\$8,733	\$8,733
7-Feb-19	\$5,892	\$8,183	\$9,475	\$9,636	\$9,913	\$10,750	\$9,017	\$8,721	\$8,721
8-Feb-19	\$5,988	\$8,408	\$9,713	\$9,899	\$10,079	\$10,933	\$9,071	\$8,738	\$8,738
Week High	\$8,575	\$8,983	\$9,654	\$9,958	\$13,475	\$16,533	\$12,850	\$13,367	\$13,367
Week Low	\$7,246	\$6,892	\$7,854	\$8,362	\$11,179	\$14,358	\$11,225	\$12,767	\$12,783
Week Avg	\$7,956	\$8,012	\$8,822	\$9,219	\$12,423	\$15,546	\$12,148	\$13,109	\$13,117

BFA Handysize TC									
Date	Feb (19)	Mar (19)	Apr (19)	Q2 (19)	Q3 (19)	Q4 (19)	Cal 20	Cal 24	Cal 25
4-Feb-19	\$6,600	\$7,425	\$7,988	\$8,225	\$8,275	\$9,138	\$8,444	\$8,331	\$8,331
5-Feb-19	\$6,563	\$7,363	\$7,950	\$8,188	\$8,250	\$9,113	\$8,431	\$8,319	\$8,319
6-Feb-19	\$6,100	\$7,150	\$7,788	\$8,035	\$8,150	\$9,050	\$8,344	\$8,250	\$8,250
7-Feb-19	\$5,913	\$7,063	\$7,750	\$8,002	\$8,125	\$9,050	\$8,344	\$8,250	\$8,250
8-Feb-19	\$5,825	\$7,013	\$7,706	\$7,958	\$8,113	\$9,050	\$8,344	\$8,250	\$8,250
Week High	\$8,575	\$8,983	\$9,654	\$9,958	\$13,475	\$16,533	\$12,850	\$13,367	\$13,367
Week Low	\$7,246	\$6,892	\$7,854	\$8,362	\$11,179	\$14,358	\$11,225	\$12,767	\$12,783
Week Avg	\$7,956	\$8,012	\$8,822	\$9,219	\$12,423	\$15,546	\$12,148	\$13,109	\$13,117

**Bunker Market**



	Rotterdam		Singapore		Fujairah		Gibraltar		Houston	
Date (\$/mt)	IFO 380	MGO	IFO 380	MGO	IFO 380	MGO	IFO 380	MGO	IFO 380	MGO
4-Feb-19	\$377	\$535	\$416	\$577	\$402	\$727	\$405	\$613	\$391	\$604
5-Feb-19	\$382	\$546	\$424	\$594	\$402	\$727	\$408	\$615	\$394	\$603
6-Feb-19	\$382	\$538	\$416	\$577	\$399	\$727	\$408	\$606	\$395	\$601
7-Feb-19	\$386	\$538	\$420	\$579	\$402	\$727	\$410	\$610	\$403	\$612
8-Feb-19	\$383	\$535	\$415	\$575	\$396	\$721	\$405	\$605	\$396	\$607
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	\$606	\$435	\$639	\$433	\$721	\$430	\$665	\$406	\$652



Singapore	08-Feb-18	Week max	Week low	Week Avg	RTDM 3.5	08-Feb-18	Week max	Week low	Week Avg
Mar-19	\$392.6	\$402.1	\$391.4	\$395.5	Mar-19	\$367.8	\$377.3	\$366.9	\$370.9
Apr-19	\$388.1	\$397.6	\$387.1	\$391.0	Apr-19	\$363.6	\$372.8	\$362.6	\$366.4
May-19	\$382.8	\$392.3	\$382.1	\$385.9	May-19	\$358.6	\$367.8	\$357.9	\$361.4
Jun-19	\$376.6	\$386.1	\$376.1	\$379.7	Jun-19	\$352.6	\$362.1	\$352.1	\$355.5
Jul-19	\$369.6	\$378.8	\$369.4	\$372.7	Jul-19	\$345.6	\$354.8	\$344.9	\$348.4
Aug-19	\$360.6	\$370.1	\$360.4	\$364.0	Aug-19	\$336.1	\$345.6	\$335.4	\$339.0
Q2-19	\$382.5	\$392.0	\$381.8	\$385.5	Q2-19	\$358.2	\$367.6	\$357.5	\$361.1
Q3-19	\$360.5	\$369.5	\$359.8	\$363.4	Q3-19	\$336.0	\$344.8	\$334.8	\$338.7
Q4-19	\$329.5	\$336.7	\$327.3	\$331.9	Q4-19	\$301.2	\$309.3	\$299.8	\$304.1
Q1-20	\$302.5	\$311.3	\$301.3	\$306.1	Q1-20	\$276.5	\$284.9	\$274.8	\$280.0
CAL20	\$297.1	\$306.2	\$297.1	\$300.6	CAL20	\$274.6	\$284.2	\$274.6	\$278.5
CAL21	\$304.1	\$313.7	\$304.1	\$307.7	CAL21	\$283.3	\$292.9	\$283.3	\$287.0
CAL22	\$311.1	\$335.2	\$311.1	\$323.4	CAL22	\$290.6	\$308.9	\$290.6	\$299.5
CAL23	\$327.1	\$351.2	\$327.1	\$339.4	CAL23	\$292.8	\$311.2	\$292.8	\$301.7



## Dry Bulk S&P Market

With the freight market being under severe pressure, the decreased reported activity in the S&P market came with no surprise. The indicative prices of the two largest bulkers, i.e. Capes and Panamax followed closely the direction of the spot market, whilst the geared segments maintained their previously reported levels. In particular, five-year-old and ten-year-old Capesizes lingered at USD 32m and USD 25m or circa USD 1.5m and USD 1m less than their recent highs. On the geared segment front, modern Supras hovered at USD 17m, or -5.5% M-o-M.

Thus, Tobin's Q ratios moved further away from their reverting levels, i.e. 100%. Indicatively, the market for five-year-old Capesizes and same-aged Panamax balanced at 23% and 15% off from their adjusted newbuilding prices respectively. Five-year-old Supras and same-aged Handies are in the market at a discount of 19% -larger than last week- and 6% respectively to their newbuilding prices, if we compare them on the same age basis.

Indicative Newbuilding Prices				
Date	Capesize 180K DWT	Panamax 76K DWT	Supramax 56K DWT	Handysize 32K DWT
08-Feb-2019	51.00	27.50	26.00	24.00
08-Feb-2018	44.50	25.25	24.25	22.25
08-Feb-2017	42.00	24.00	22.25	19.50
Δ% Y-o-Y	14.6%	8.9%	7.2%	7.9%
Δ% 2019-2017	21.4%	14.6%	16.9%	23.1%

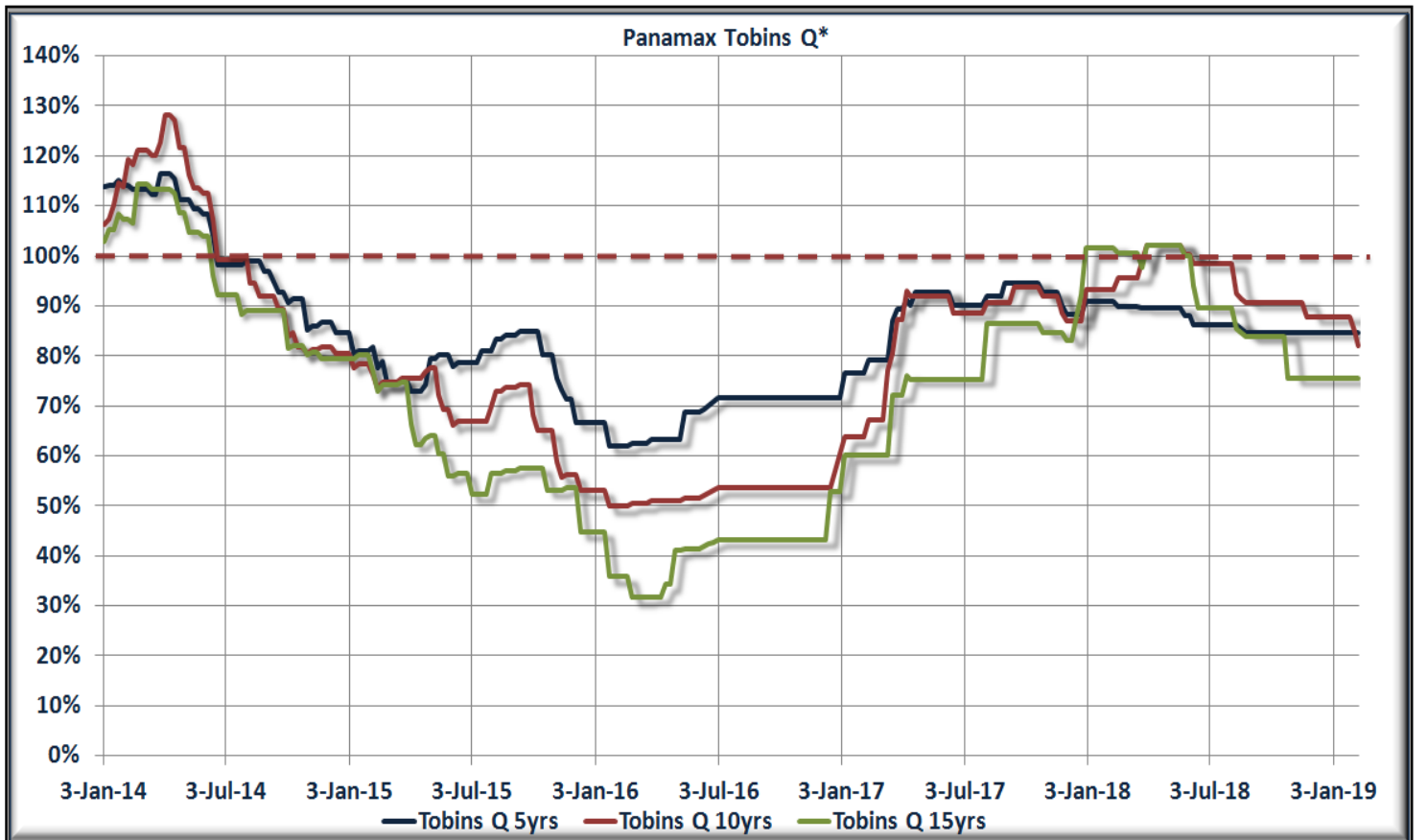
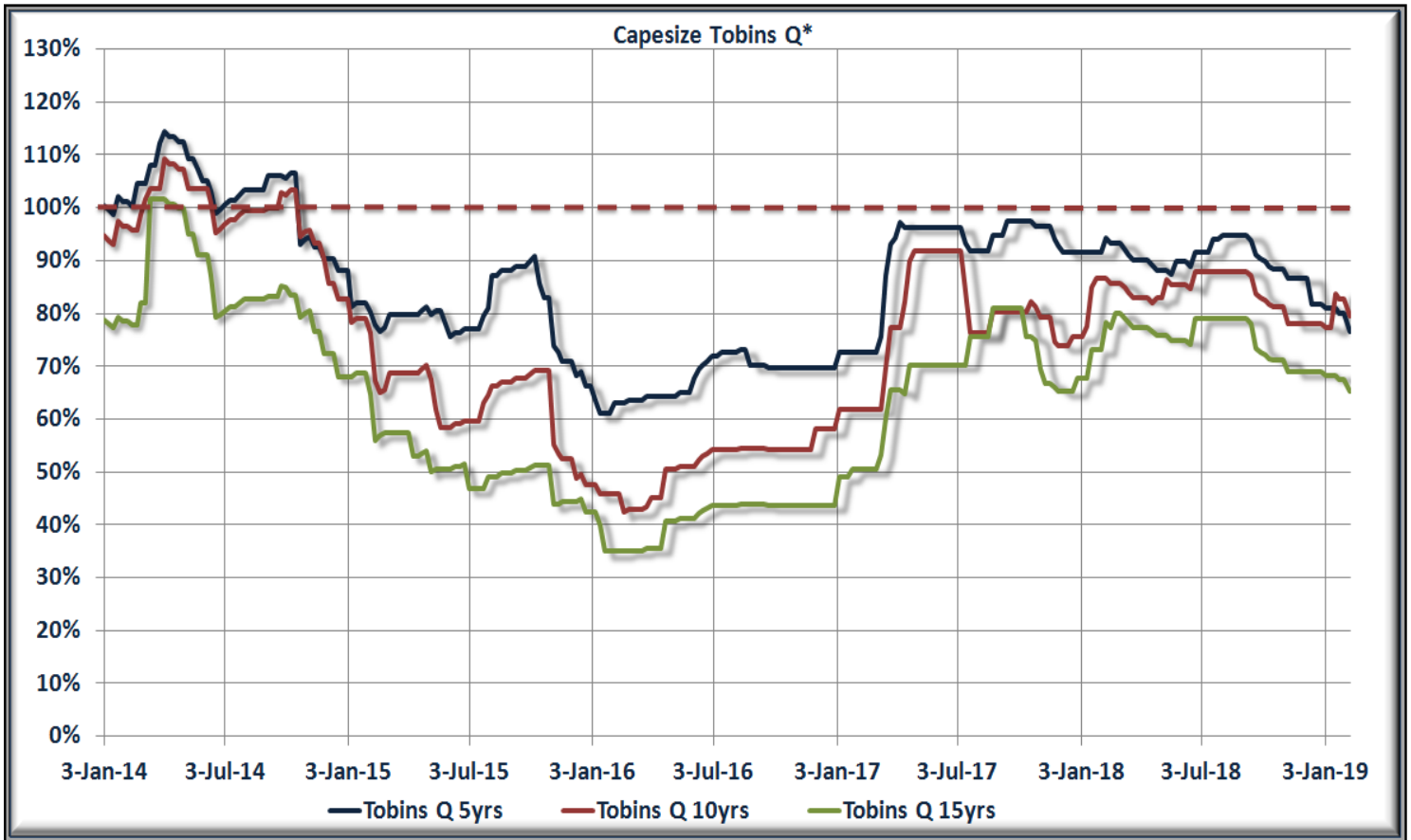
Indicative Five-Year-Old Prices				
Date	Capesize 176K DWT	Panamax 75K DWT	Supramax 52K DWT	Handysize 28K DWT
08-Feb-2019	32.00	19.00	17.00	17.00
08-Feb-2018	34.00	18.50	17.50	14.00
08-Feb-2017	25.00	15.50	15.00	13.50
Δ% Y-o-Y	-5.9%	2.7%	-2.9%	21.4%
Δ% 2019-2017	28.0%	22.6%	13.3%	25.9%

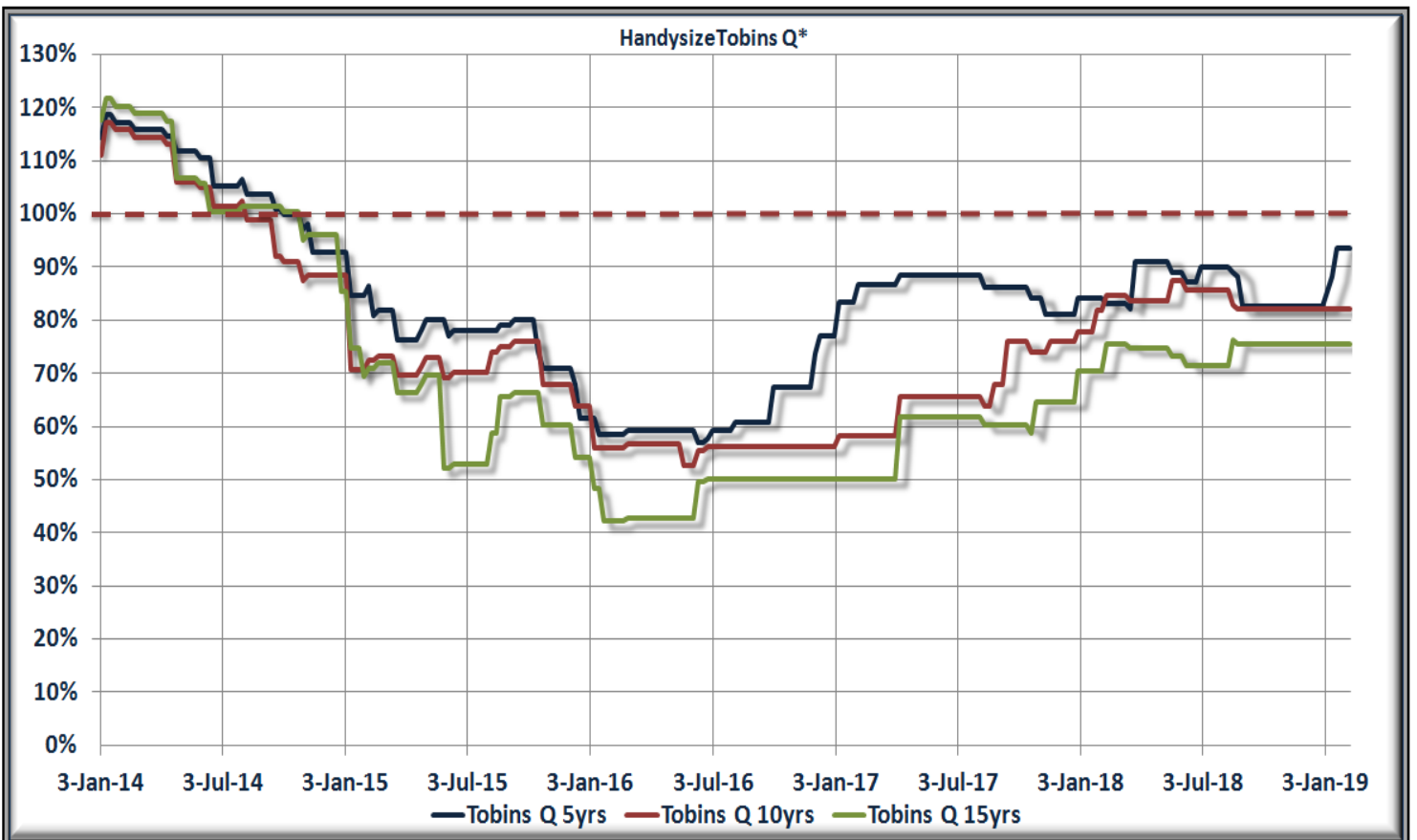
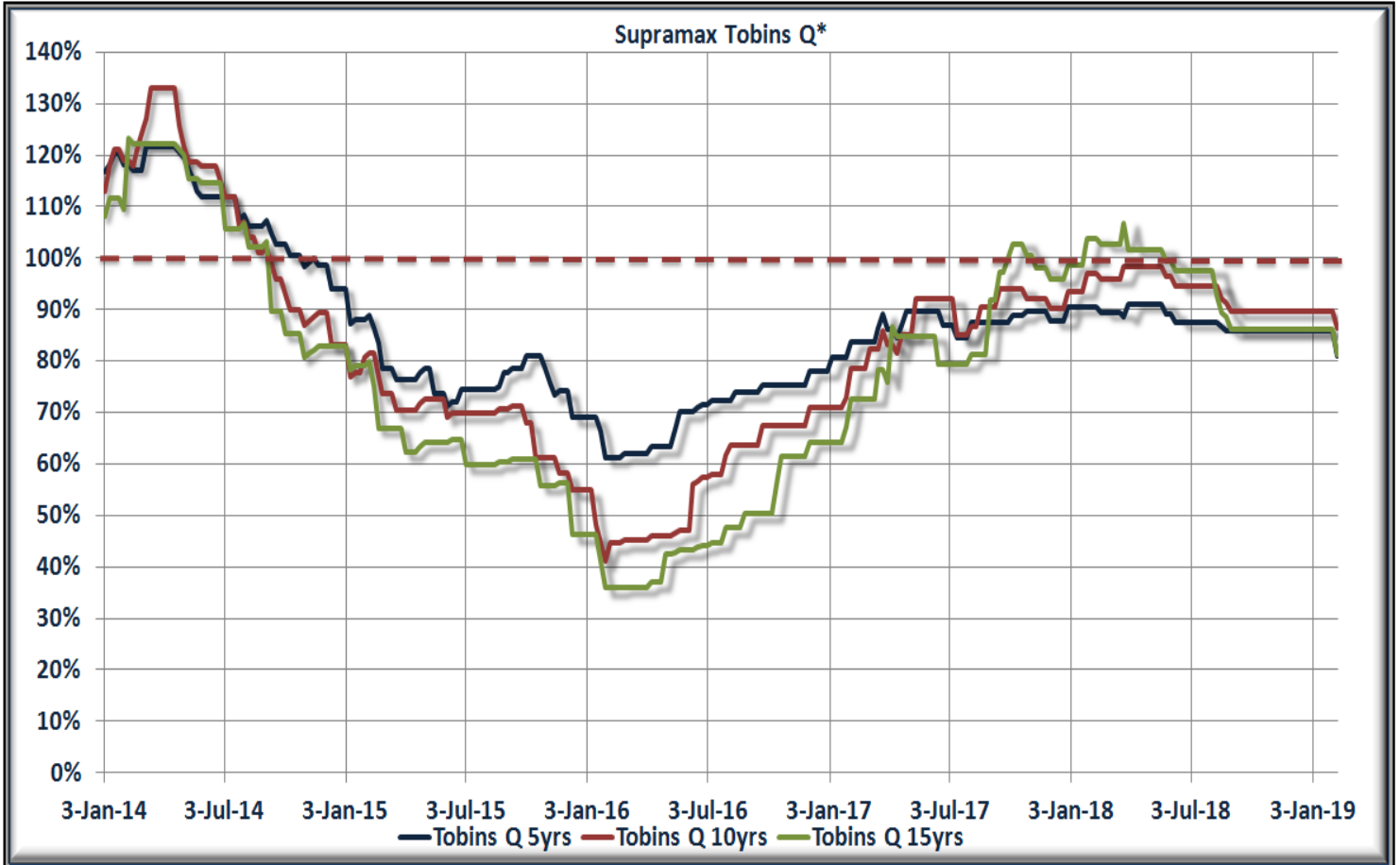
Reported Recent S&P Activity							
Vessel Name	DWT	Built	Yard/Country	Price \$Mil.	Buyer	Comments	
Amorito	179,322	2012	Sungdong/Korea	33	Undisclosed		
Densa Cobra	180,491	2011	STX/S.Korea	27.5	Undisclosed		
Mineral Beijing	174,083	2004	Shanghai Waigaoqiao/China	13	Undisclosed		
Sasebo Sasebo Kmax 854	84,700	2019	Sasebo/Japan	32	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	
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	
Uniorder	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	
Ocean Neptune	37,189	2012	Hyundai/S.Korea	mid	13	Undisclosed	
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	Greek buyers	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	77%	80%	65%	85%	82%	76%
12months High	95%	88%	80%	90%	102%	102%
12months Low	77%	77%	65%	85%	82%	76%
12months Avg	89%	84%	74%	87%	94%	88%

Tobin's Q* Supramax-Handysize						
Date	Supramax 5yrs	Supramax 10yrs	Supramax 15yrs	Handysize 5yrs	Handysize 10yrs	Handysize 15yrs
Current ratio	81%	86%	81%	94%	82%	76%
12months High	91%	98%	107%	94%	87%	76%
12months Low	81%	86%	81%	82%	82%	72%
12months Avg	87%	93%	93%	87%	84%	75%

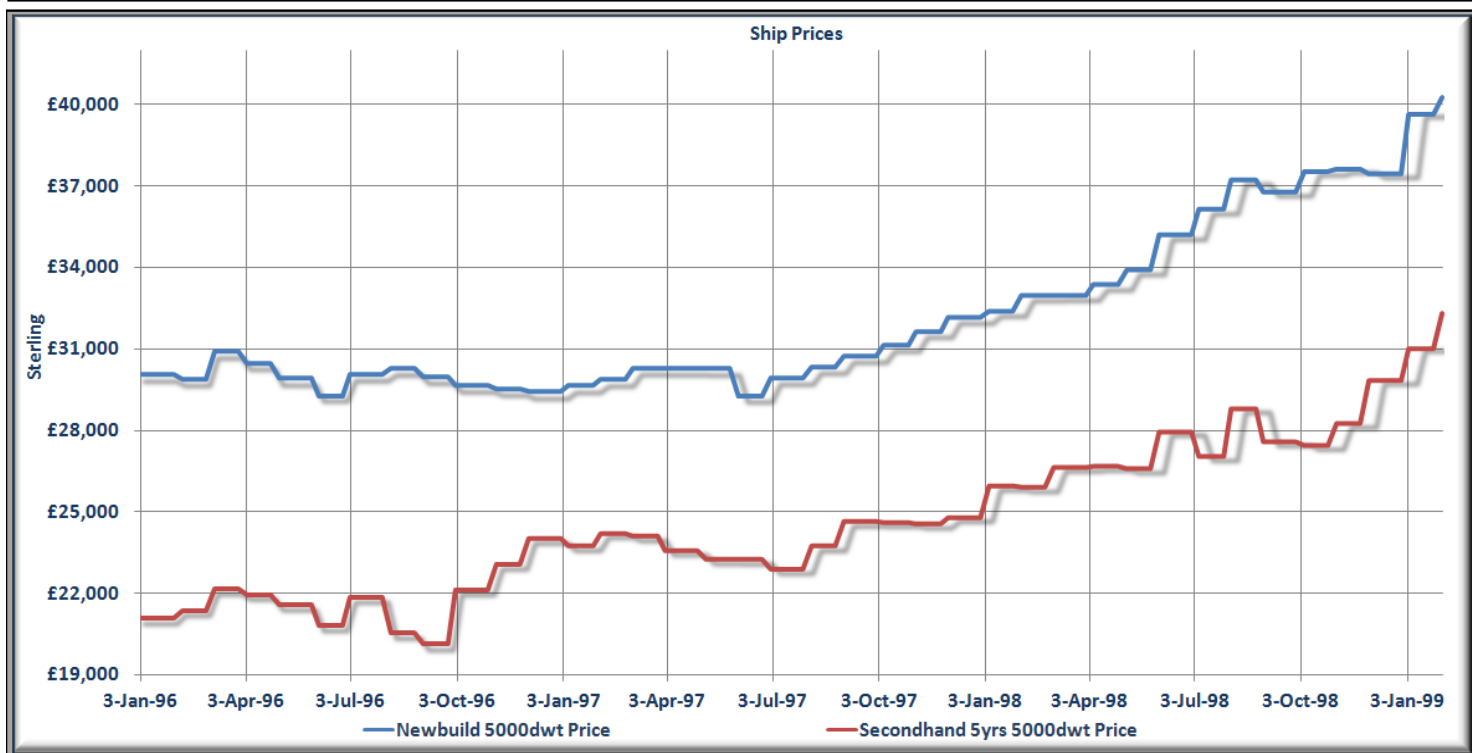
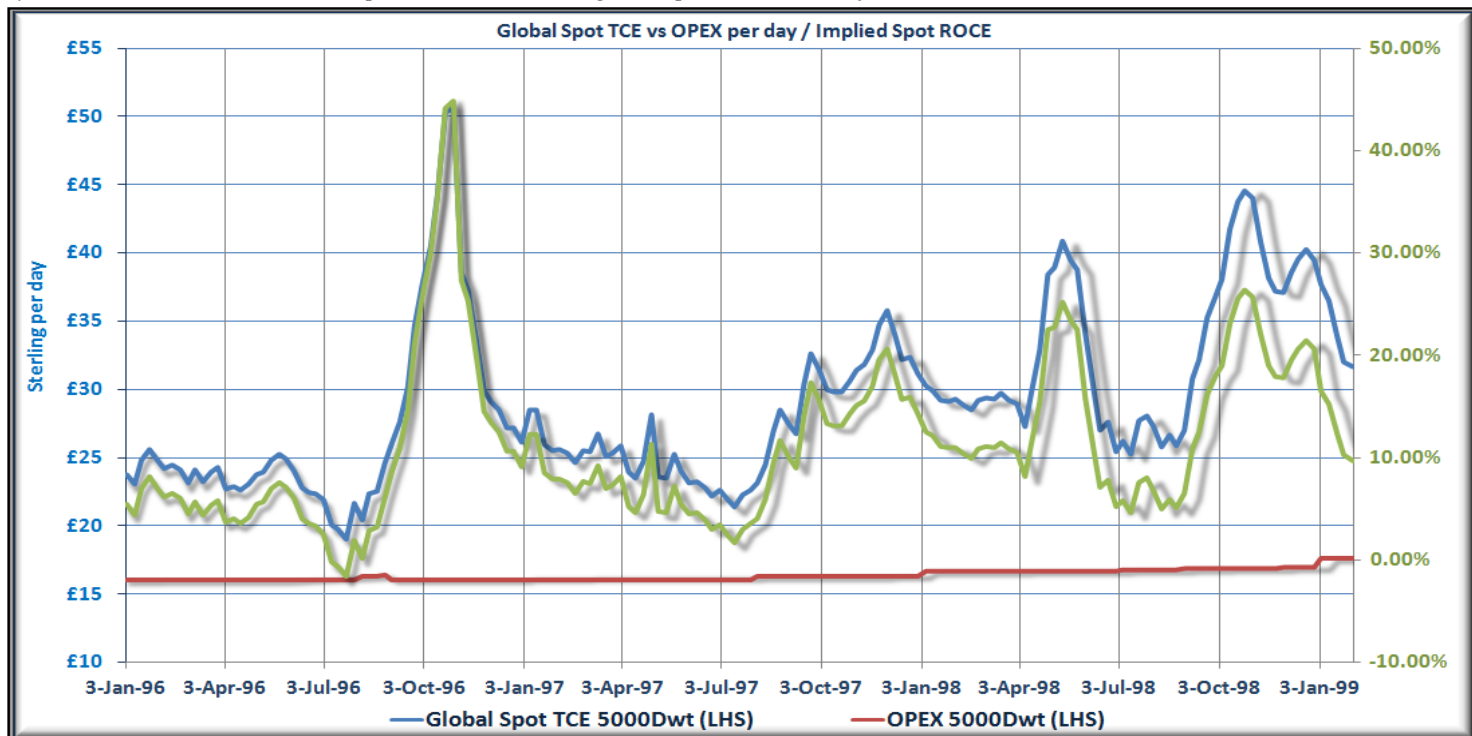
\*Tobin's Q represents the ratio between the market value and replacement value of a physical asset, with numerator and denominator adjusted to same age basis. According to economic theory, this ratio should be mean reverting towards 1 or 100%, for assets that do not face technological obsolescence.





## 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...

A good deal of chartering has been effected from Wales for the Mediterranean and at rates indicating that the market is again hardening, 9s 6d for Genoa having been paid several times, while for Alexandria 9s 6d has been forthcoming. Stems, however, even for the second half of February loading are difficult to arrange and exceedingly long hours in some cases are demanded, for instance, as many as 150 hours for about 3,000 tonnes. Most of the collieries seem to have pretty well disposed of their output for some time to come and prices therefore continue to be very still, even good through and through bunkers commanding from 9s 6d to 9s 9d per tonne. Of course, owners must get their tonnage fixed out as best they can, and there is no alternative but to knuckle down to long hours. At the same time, we think that some compensation should be given or demanded in the rate of freight to cover this delay, as taking even an excess of 48 hours over the loading time during normal times, this means a loss of about £60 or more on a large boat. That is, taking also into account the profit that she ought to be making per day, consequently a fair freight is soon cut down to the extent of about 3d per tonne. Some owners just now would gladly pay despatch money, if they dared to do so, to get their boats away, as apart from the loss through being in port so long, they are running their homeward cancelling dates close and in cases where they are unfixed home, as from the East and also the Plate this delay is serious.

There is not much change to report in the Black Sea market, which, if anything, is rather easier. Berth rates from Odessa to L.H.A.R. are 8s 9d to 9s per tonne. while for barley cargoes about 9s may be obtainable. From Nicolaieff, the last done is 11s per tonne barley. This business, however, seems risky without the ice clause, binding charterers in case of need to load or complete at any open port. From Poti, several boats have fixed for this month's loading at 13s 3d to Rotterdam and at 13s 4d to UK. We should not be surprised to hear of another block of tonnage, with delays extending over several weeks. Owners fail to realize the incapacity of the port to load more than three ore boats simultaneously and they think that by limiting the "turn" to two to three days they are protected from loss. However, this is not the case, as "weather working days" are stipulated for in the charters, which owners must know from past experience of Poti is a most elastic condition. Furthermore, the exemptions from charterers' liability under these charters are so full and so ambiguous that the establishment of a claim for demurrage is a very difficult operation.

Mediterranean business is fairly active. From Greece to UK 8s 2d per tonne ore is quoted. From Sicily to the US, several boats have been taken for fruit at 22s per nrt.

The American market, as far as grains are concerned, must be pretty nearly at the bottom. From the Gulf, there is a little inquiry for February-March tonnage on the net form at 13s 5d. The term "net form" is very ambiguous, as most of the charters have their own special forms, scarcely of which constitutes net business. In some cases, there are difference of quite 4d per tonne in the condition between one form of charter and another.

In the miscellaneous market, tonnage is wanted from Continent and Black Sea to Vladivostok for rails, fastenings, platforms and locomotives. From the US, tonnage can be fixed for coal to Buenos Ayres at 14s 3d per tonne and for Rio at 15s 6d.

The Eastern market is firm. From Bombay the following rates are quoted to UK/Cont: Spot loading 19s 6d, Feb/March 18s 7d and May 18s.

There is still some demand for US account tonnage on time-charter, mostly for Handy light-draft boats, but also for large 'tween-deck' boats up to 7,000 deadweight at 7s 1d per tonne for periods ranging from three to twelve months, with delivery and redelivery north of Hatteras.

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