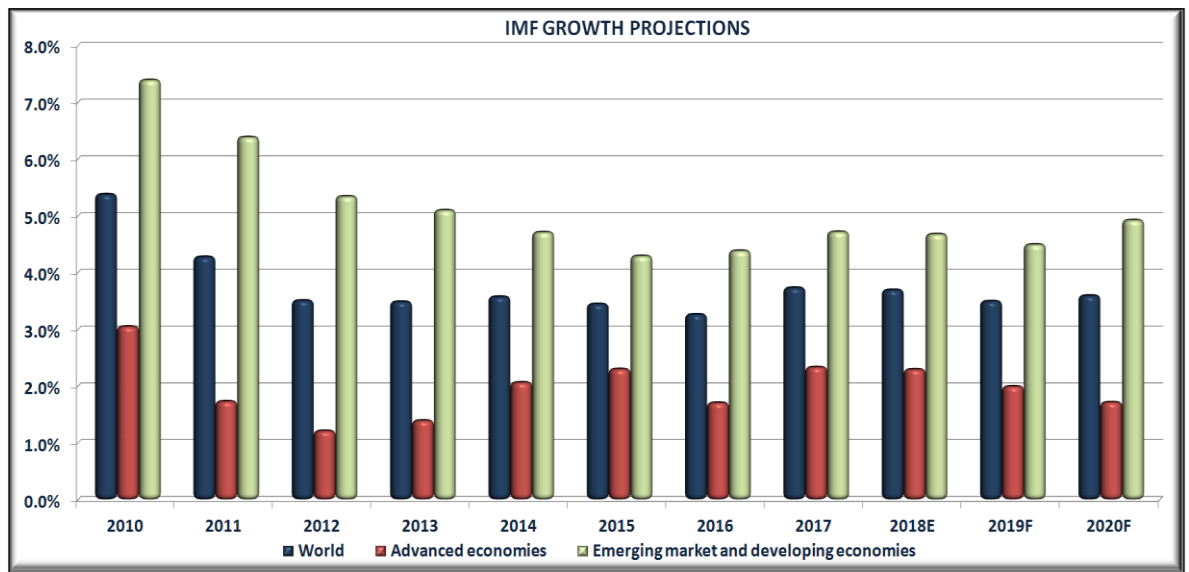


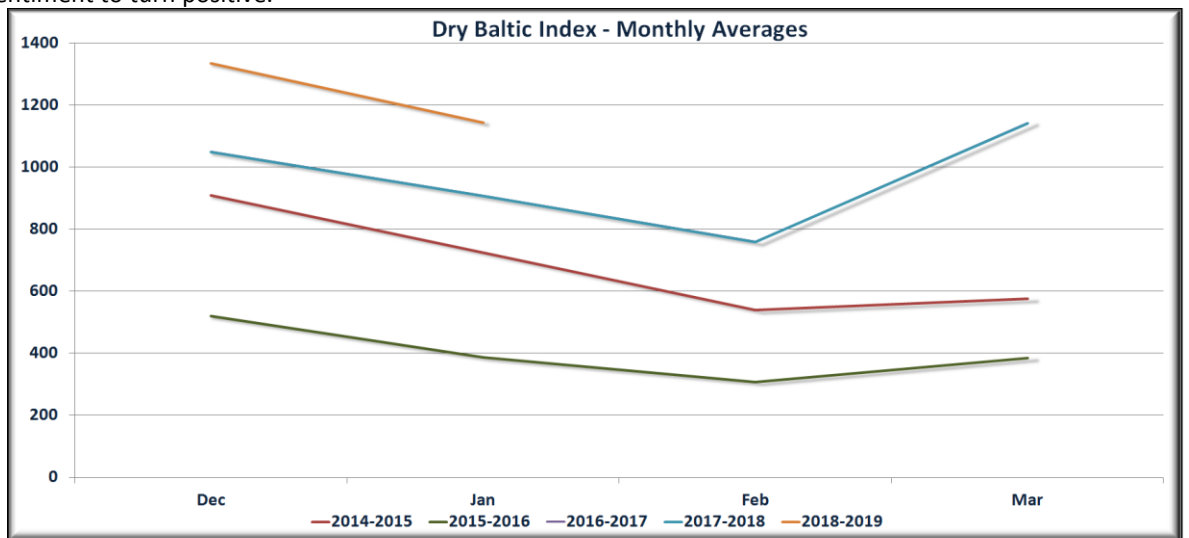
With such a discouraging week start, it would have been of a great surprise to see things progressing on a merry tone. China's economic growth dropped to its slowest annual rate in almost three decades last year as the US trade war and Beijing's crackdown on a debt-fuelled corporate spending had a negative bearing on the world's second largest economy. The data released on Monday showed the Chinese economy growing at 6.6 per cent in 2018, the lowest rate since 1990. Most importantly though, by growing just 6.4 per cent in the fourth quarter, Chinese economy reported a decelerating growth for three consecutive quarters, spreading concerns in most markets around the globe that the front runner losing its pace.

With this in view, the International Monetary Fund pointed out that the global expansion has weakened. As in the October 2018 World Economic Outlook (WEO) forecast and despite weaker performance in some economies, notably Europe and Asia, global growth for 2018 is estimated at 3.7 percent. However, the global economy is projected to grow at 3.5 percent in 2019 and 3.6 per cent in 2020, 0.2 and 0.1 percentage points below last October's projections. Specifically, growth in advanced economies is projected to slow down from an estimated 2.3 percent in 2018 to 2.0 percent in 2019 and 1.7 percent in 2020. For the emerging markets and developing economy group, growth is expected to tick down to 4.5 percent in 2019 (from 4.6 percent in 2018), before improving to 4.9 percent in 2020. The projection for 2019 is 0.2 percentage points lower than in the October 2018 WEO.



Source: IMF, Doric Research

In this macro environment and with Chinese trading absence echoing in the iron ore and coal runs, the Baltic Dry Index dropped below the 1000-point mark for the first time in the last nine months. Although it is nothing unusual in a downward trending BDI during the first two months of a trading year, it is the prevailing atmosphere coupled with the fact that the index has already slid below its 2018 minima not letting the market sentiment to turn positive.



Source: Baltic Exchange, Doric Research

Looking for glimpses of hope, both global growth and BDI have turned their focus on Chinese stimulus packages for yet another time trying to guesstimate their levels and their positive externalities. In any case, a freight market with rates very close or even below sector's OPEX cannot be at a state of sustainable balance.

**Freight market 120yrs ago (page 12):** "Chartering continues active, although in some directions lower rates have been accepted, more especially from the Black Sea and Mediterranean..."

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**Doric Shipbrokers S.A.**

Tel: +30 210 9670970

Fax: +30 210 9670985

Email:

[drycargo@doric.gr](mailto:drycargo@doric.gr)

**Inquiries about the content of this report**

**Michalis Voutsinas**

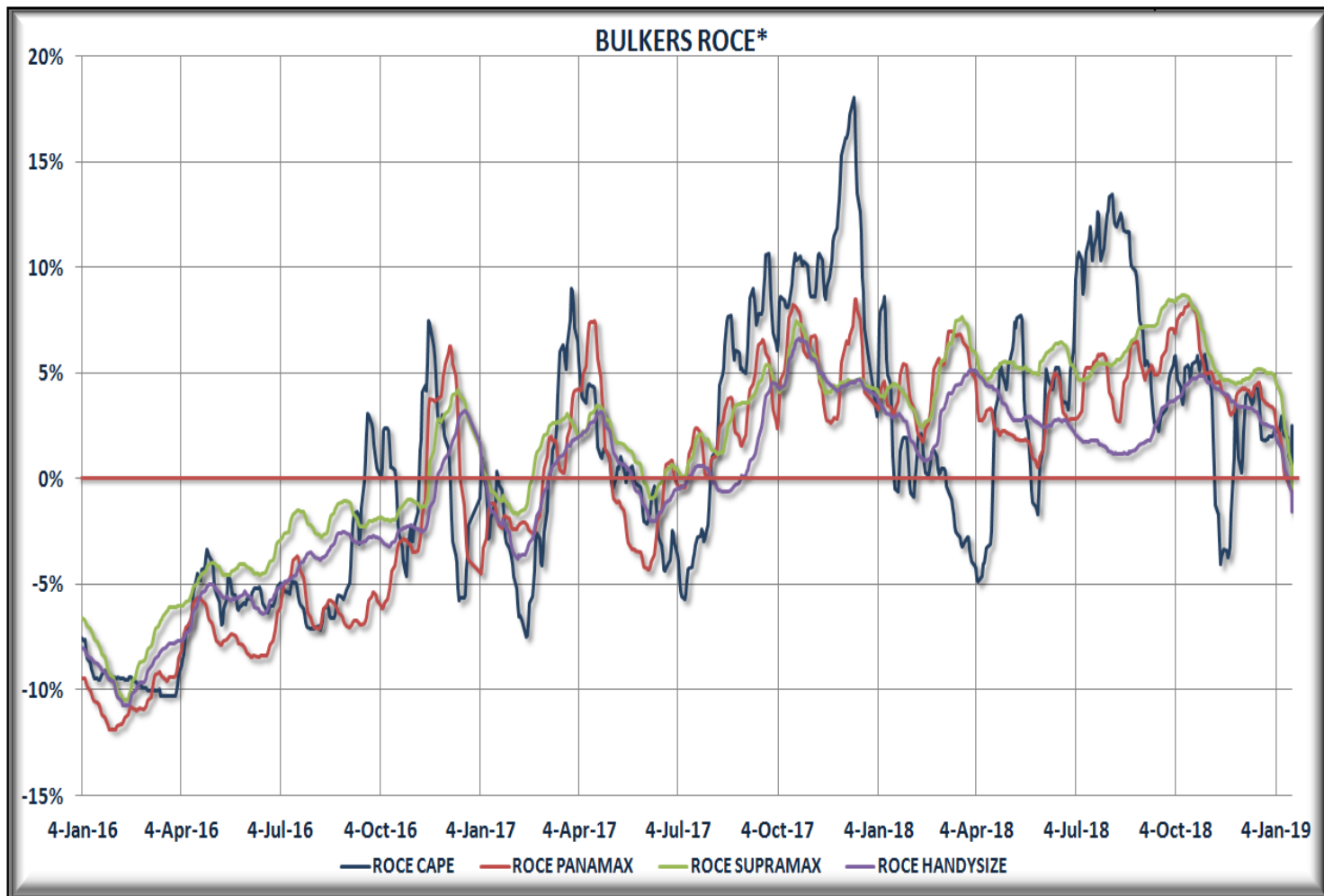
Email:

[research@doric.gr](mailto:research@doric.gr)

## Dry Cargo Spot Market

Double-digit losses across the board sent the Baltic Dry Index plummeting at 905 points on this week closing. The Baltic Capesize Index returned below the 200-point mark, concluding at 1730 points. Being in a freefalling state, the Baltic Panamax Index balanced this Friday at 748 points, last seen in early October 2016. The geared segments remained under severe pressure as well, finishing considerably lower. In particular, the Baltic Supramax index lay at 576 points, 17.8% lower than the previous Friday closing. With a 56-point decrease, the Baltic Handy Index ended at 395 points.

At the box office, Capesize returns managed to stay marginally positive, whilst those of all other segments plummeted deeply in the negative territory of our ROCE graph. Particularly, Capesize ROCE balanced at 0.39% and Panamax ROCE at -4.74%, or down 208 and 340 bps on a weekly basis respectively. Supramax ROCE went further down to -2.39% at the same time as handy ROCE was balancing at -3.19%.



Baltic Freight Indices					
Date	BDI	BCI 5TC	BPI - TCA	BSI - TCA	BHSI - TCA
21-Jan-19	1092	\$15,606	\$7,974	\$7,631	\$6,413
22-Jan-19	1036	\$14,608	\$7,644	\$7,396	\$6,267
23-Jan-19	982	\$13,823	\$7,187	\$7,122	\$6,137
24-Jan-19	939	\$13,373	\$6,671	\$6,784	\$5,936
25-Jan-19	905	\$13,288	\$6,020	\$6,436	\$5,742
<b>12-month High</b>	1774	\$27,283	\$14,385	\$13,431	\$9,772
<b>12-month Low</b>	905	\$7,051	\$6,020	\$6,436	\$5,742
<b>12-month Avg</b>	1340	\$16,364	\$11,492	\$11,294	\$8,605
<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.

Following an attempt to move higher towards the end of last week, the Baltic **Capesize** 5TC index retreated to \$13,288 daily, down 15.6% W-o-W. Being influenced by the softer tone of the Cape market during the last quarter of 2018, JP Morgan has cut back its Capesize rate forecasts for 2019 and 2020.

In the Pacific basin, BHP warned investors this week of a reduction to its earnings following 2018 production disruptions. According to the Anglo-Australian miner, a runaway iron ore train in Western Australia last year and an unexpected outage at its mine in South Australia led to lower than expected volumes during 2018. However, BHP has maintained its iron ore production forecast for the current year at 241 to 250m tones. In the spot market, the C5 Baltic Index concluded 13.1% lower W-o-W at \$6.045 pmt. For such a run, BHP was linked with a 6-8 February cargo from Port Hedland to Qingdao at \$6.00 pmt. The 'Ugo De Carlini' (176,153 dwt, 20010) with prompt delivery Zhoushan was fixed for a trip via EC Australia to Singapore-Japan at \$7,600 daily and the same charterer also took the 'H S C' (173,799 dwt, 2006) basis delivery Zhoushan 26/27 Jan for a trip via EC Australia with redelivery Singapore-Japan at \$9,000. On the same tone, the Transpacific index (C10\_14) dropped 26.2% M-o-M concluding at \$10,642.

In the Atlantic, disruptions at Anglo's Minas Rio iron ore Brazilian mine impacted their production figures of 2018, with steel making output in the last quarter of the last year decreasing by 13% compared to the respective quarter of 2017. Anglo's American South African mine is expected to produce circa 43.5 million tons of iron ore this year, and its Brazilian mine circa 19 million tons. In reference to the freight market, the Baltic C3 index despite the recent downward pressure, ended the week at \$16,318 pmt, without material change on a monthly basis. For a C3 cargo, the 'MSXT Trinity' (178,076 dwt, 2010) was reported fixed at \$16.40 pmt for second half February, and the 'Stella Lucy (180,012 dwt, 2015) at \$15,000, with delivery retro Lanshan 20 January for a trip via Brazil to Singapore-Japan with Hyundai Glovis. The fronthaul index balanced at \$26,614 daily. The 'Gotia' (178,012 dwt, 2012) was fixed basis delivery Passero early February for a trip via Nouadhibou to Japan at \$25,000 with MOL.

Period activity again remained thin, with the 'Navios Melodia' (179,132 dwt, 2010) reported fixed for 4/6 months with delivery China at \$14,500 daily with Hyundai Glovis and with Rio Tinto taking the 'Cape Stork' for 1 year period with retro delivery Dalian at \$ 16,000 daily.

Representative Capesize Fixtures								
Vessel	DWT	Built	Delivery	Date	Re-del	Rate	Charterers	Comment
Ugo De Carlini	176,153	2010	Zhoushan	Prompt	Singapore-Japan	\$7,600	Pacific Bulk	via Australia
HSC	173,799	2006	Zhoushan	26/27Jan	Singapore-Japan	\$9,000	Pacific Bulk	via Australia
Stella Lucy	180,012	2015	Retro Lanshan	20 Jan	Singapore-Japan	\$15,000	Huandai Glovis	via Brazil
Gotia	178,012	2012	Passero	1-5 Feb	Japan	\$25,500	Mol	via Nouadhibou
Navios Melodia	179,132	2010	China	End Jan	WW	\$14,500	Hyundai Glovis	4/6 Months
Cape Stork	175,611	2011	Retro Dalian	18 Jan	WW	\$16,000	Rio Tinto	11/13 Months

For a fourth consecutive week, all **Panamax** indices continued to fall, with cargo in absentia and spot tonnage inundating the market.

In the Pacific, activity was almost put at a halt with Charterers continuously reducing their bids and Owners unable to resist. In the South East Asia region, trading was thin, 'Alpha Afovos' (74,427 dwt, 2001) has gone for a coal trip with delivery Indonesia for Fareast destination at \$6,000 daily. Further south, only a few fresh mineral cargoes came out of Australia, but not enough to support the long spot/prompt tonnage list. 'Seagull Wind' (82,908 dwt, 2013) fixed at \$6,000 daily with 27 January delivery Sakaide for one T/C trip via East Australia to India. No Pac grain activity was present yet seemingly lesser compared last week. 'Eva' (82,620 dwt, 2013) was reported at \$9,000 daily for a round trip with prompt delivery Ishinomaki. With the Pacific basin under such strong pressure, some owners turned a Nelson's eye to the low rates and initiated the long ballast option to South Africa and/or South America.

In the Atlantic region, any cargo is valuable commodity to the spot-prompt ships that admittedly are being fixed. All routes have taken a strong hit leaving Owners with two extreme options, fix at any cost or remain unfixed awaiting for better options with most owners taking the former option. On the Trans-Atlantic trade, 'Clio' (73,691 dwt, 2005) got \$4,000 daily with 23 January delivery Hamburg for 1 T/C round trip via Baltic. On the other side of the Atlantic, the kamsarmax 'Oceana' (81,600 dwt, 2014) was concluded at equivalent levels albeit with APS delivery NC South America for one T/C trip to Skaw-Gibraltar range at \$11,000 daily. The front-hauls, where no exception to the Atlantic rates collapse. 'Silver Dragon' (74,748 dwt, 2006) reported fixed at \$12,750 daily plus \$275,000 gbb for one T/C trip on APS EC South America delivery 15 February to China. The US Gulf and US East Coast market remained quiet this past week as well with the odd mineral requirements breaking the deafening silence. 'Athina' (76,635 dwt, 2007) surfaced at \$15,000 daily with 22 January delivery Ghent for one T/C trip via USEC to India. Similar levels to the latter fixture were being bid for grain cargoes out of black sea and redelivery PMO-Japan and the offer standing at mid high teens with delivery Canakkale.

It is worth noting that many operators are seeing these rock bottom levels as an opportunity to commit cheap tonnage which at least depicts an upward expectation in the medium term. 'Aeneas' (81,586 dwt, 2011) was reported at \$8,000 daily for the first 40 days and \$11,000 thereafter for 3 to 5 months with 25/28 January delivery at Hong Kong. On the longer period, 'MBA Liberty' (82,217 dwt, 2010) fixed \$9,000 daily for the first 30 days and \$11,300 thereafter for 8 to 12 months with later dates (5/10 February) delivery at Cai Lan.

Representative Panamax Fixtures								
Vessel	DWT	Built	Delivery	Date	Re-del	Rate	Charterers	Comment
Alpha Afovos	74,427	2001	Indonesia	26 Jan	Singapore-Japan	\$6,000	cnr	
Seagull Wind	82,908	2013	Sakaide	27 Jan	India	\$6,000	Cargill	via Eaus
Eva	82,620	2013	Ishinomaki	prompt	Singapore-Japan	\$9,000	Dreyfus	via NoPac
Silver Dragon	74,748	2006	ECSA	15 Feb	China	\$12,750 + \$275,000 gbb	Cargill	
Oceana	81,600	2014	NCSA	end Jan	Skaw-Gibraltar	\$11,000	Bunge	
Clio	73,691	2005	Hamburg	23 Jan	Continent	\$4,000	ACB	
Aeneas	81,586	2011	Hong Kong	25/28 Jan	worldwide	\$8,000 for 1st 40d, \$11,000 balance	Norden	3/5 mos
MBA Liberty	82,217	2010	Cai Lan	05/10 Feb	worldwide	\$9,000 for 1st 30d, \$11,300 balance	Norden	8/12 mos

With a 17.8% weekly decrease, the Baltic **Supramax** TC index plunged to \$6,436 daily this Friday.

As we are approaching the Chinese New Year, the market in the Pacific is getting heavily affected by the sluggish demand in the area. Whilst the majority of the market participants are familiar with the slow-down prior and during this period, this time the indices broke the resistance levels of the past 2 years. The time charter average of the 4 routes representing Far East today is \$5,575 compared to \$7,469 on the same day a year ago. The activity in the coal front was minimal with fixtures getting concluded mostly basis aps Indonesia in the region of 7k for China direction. For a nickel ore trade, the "Kiran America" (56,569 dwt, 2010) open in Zhanjiang fixed a poor \$6,000 basis delivery Philippines to China. On the backhaul front, it was heard that an Ultramax was offering aps Cjk \$2,000 for the first 55 days and \$10,000 thereafter for a trip to Mediterranean with charterers on the other hand not reacting. From the Persian Gulf, rumours had the "Kibali" (57,260 dwt, 2011) open in Mumbai on subs for delivery Fujairah trip to Bangladesh at \$9,000 daily.

In the Atlantic, the picture remained grim as the market has been unable to find any support and time charter rates kept dropping by about \$600 day by day, while the Atlantic routes of the BSI shed on average 23% w-o-w. Spot activity out of the USG remained scarce, with only a limited number of fixtures being reported. One such was the 'Nefeli' (63,466 dwt, 2016) which was fixed for a trip to Peru at \$14,000 daily. ECSA didn't manage to hold close to 'last done' levels either, despite a high cargo activity regionally. We heard that Ultramaxs were being fixed for fronthaul trips from South Brazil to the Far East at \$11,000 daily plus \$120,000 ballast bonus. Moving on to the Continent, the 'ES Leader' (64,012 dwt, 2018) was fixed at \$14,000 daily basis delivery Liverpool for a trip via Baltic to Bangladesh with grains. On transatlantic trades, the 'Seven Lady' (51,241 dwt, 2009) was fixed for a trip from Antwerp to USEC at \$3,100 daily. Having lost its momentum, the Black Sea hovered at marginally higher levels than the Continent. The 'Amis Kalon' (58,107 dwt, 2010) was fixed for a trip to Bangladesh at \$15,000 basis delivery passing Canakkale.

On the period front, the 'Soho Merchant' (63,800 dwt, 2015) locked \$11,750 daily for 5-7 months trading basis delivery Kwangyang and redelivery worldwide.

Representative Supramax Fixtures								
Vessel	DWT	Built	Delivery	Date	Re-del	Rate	Charterers	Comment
Kiran America	56,569	2010	Zhanjiang	26/27 Jan	China	\$6,000	Cnr	Nickel ore via Philippines
Sage Sanaga	63,500	2013	Kohsichang	Prompt	China	\$7,200	Tongli	Tapioca Chips
Nefeli	63,466	2016	USG	18 Jan	Peru	\$14,000	Centurion	Intention grains
ES Leader	64,012	2018	Liverpool	Prompt	Bangladesh	\$14,000	Norvic	Trip via Baltic with grains
Seven Lady	51,241	2009	Antwerp	Prompt	USEC	\$3,100	Clipper	
Amis Kalon	58,107	2010	Canakkal	Prompt	Bangladesh	\$15,000	cnr	Trip via Black Sea
Soho Merchant	63,800	2015	Kwangyang	Prompt	Worldwide	\$11,750	Panocean	5-7 months period

No light at the end of the tunnel in the for Far East - "Speechless" in the Atlantic for the **Handysize**.

Despite the approaching Chinese Lunar New Year holidays, the market in the Far East, for yet another week, was declining. This causes anxiety among participants and on some occasions panic is being noticed especially from owners. In fact, the BHSI index closed at 395 points today at its lowest since February 2017. In order to have a perspective on this, one year back, to the day, the BHSI stood at 581 points. Rates across the board are dropping consistently and market participants have started recalling memories of 2016. The time charter average is about \$5,700 in the East whilst the list of spot ships is getting larger day by day. However, news of a new stimulus package from the Chinese government have revived hopes for a recovery in the market, albeit after the Chinese New Year hiatus of business. On the fixtures front, amid rumours and exaggerations, we heard of mv 'Leap Heart' (28,328 dwt, 2012) which was spot in Kuantan, conceding at \$4,000 daily with delivery Singapore for a trip with alumina via west Australia back to Seasia. 'Koombana Bay' (28,382 dwt, 2009) also spot at Taichung fixed a CIS round trip at \$5,100 basis passing Busan. Earlier in the week 'Irongate' (28,316 dwt, 2015) opening in Kohsichang was reported covered at \$7,150 basis delivery Singapore for a trip via Australia to China.

Once again, we were all surprised from the abysmal drop in rates for the Atlantic Handy this past week. In ECSA, the almost complete non-existence of new cargo caused some serious pain in owners who saw their ships idling around and about the coast. Rates are well into the 4 digits and have gone as low as \$6,250 for a steels cargo from Praia Mole to Continent on a 32,836dwt. Despair has settled in also in the USG, where owners were actually ready to book any business that seemed to be even remotely firm. Large Handies were willing to fix \$5,000 from SW Pass for trips to EC Mexico and just a bit more at \$7,500 for trips to Peru. The Continent followed en suite and saw almost no new cargoes. No surprise to that one could say. Just a couple of fresh scrap cargoes which could not hold the whole area intact. We have heard of a 32,000 dwt fixing \$6,000 from inside the Baltic for a trip to Caribs, whereas a 38,981 dwt fixed just a bit more from Bremen to USEC earlier this week. 'Stampede' for firm cargoes also in the Med/Bl. Sea. Any cargo that popped up was fixed within a couple of hours and most of the time at levels a bit lower than first expressed. We heard rumours of large Handies looking at \$5-6,000 for trips to USG. And the question remains. Is USG still considered a reposition for handy tonnage?

No activity was heard on the period desk which some might consider logical.

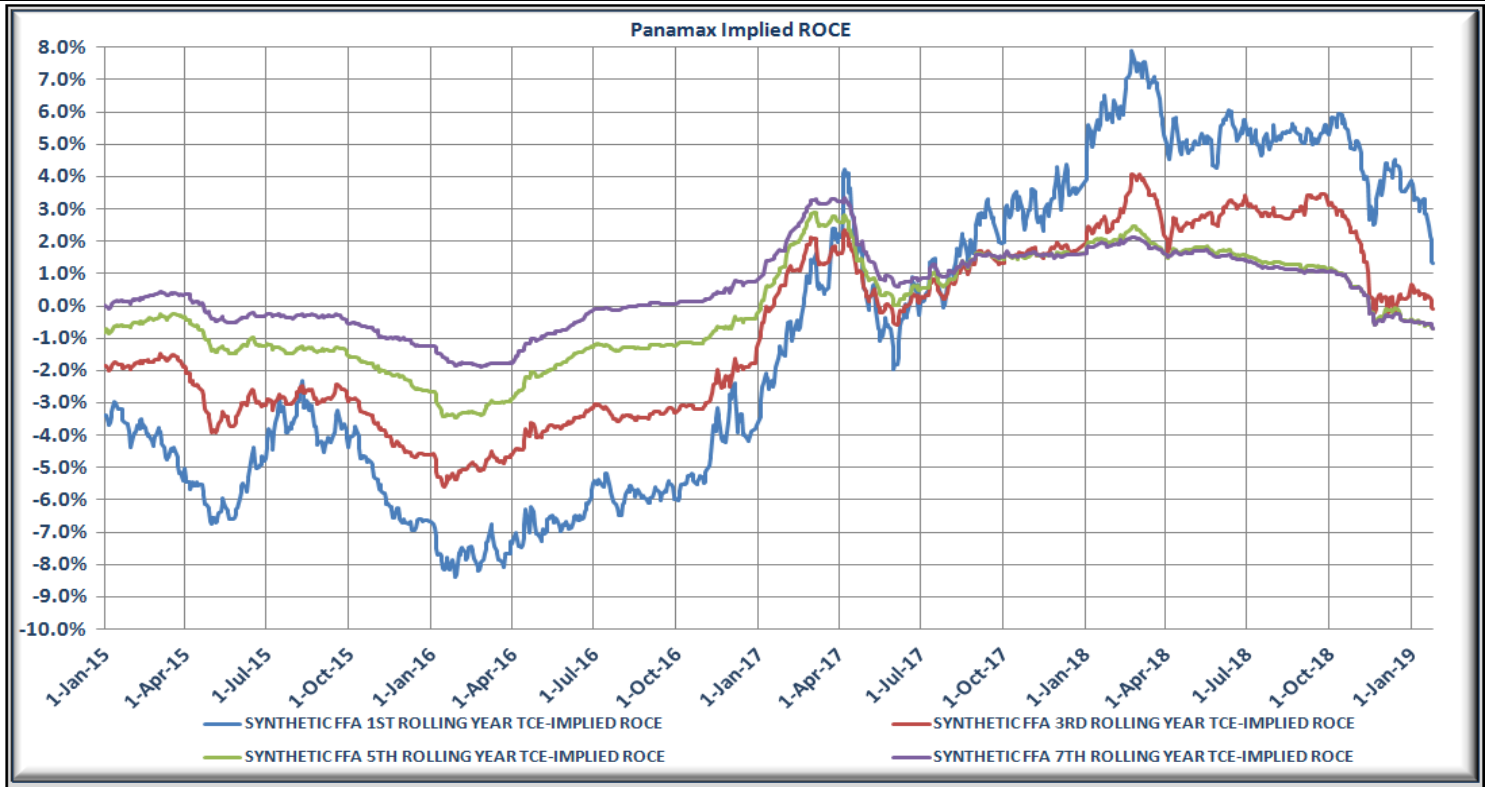
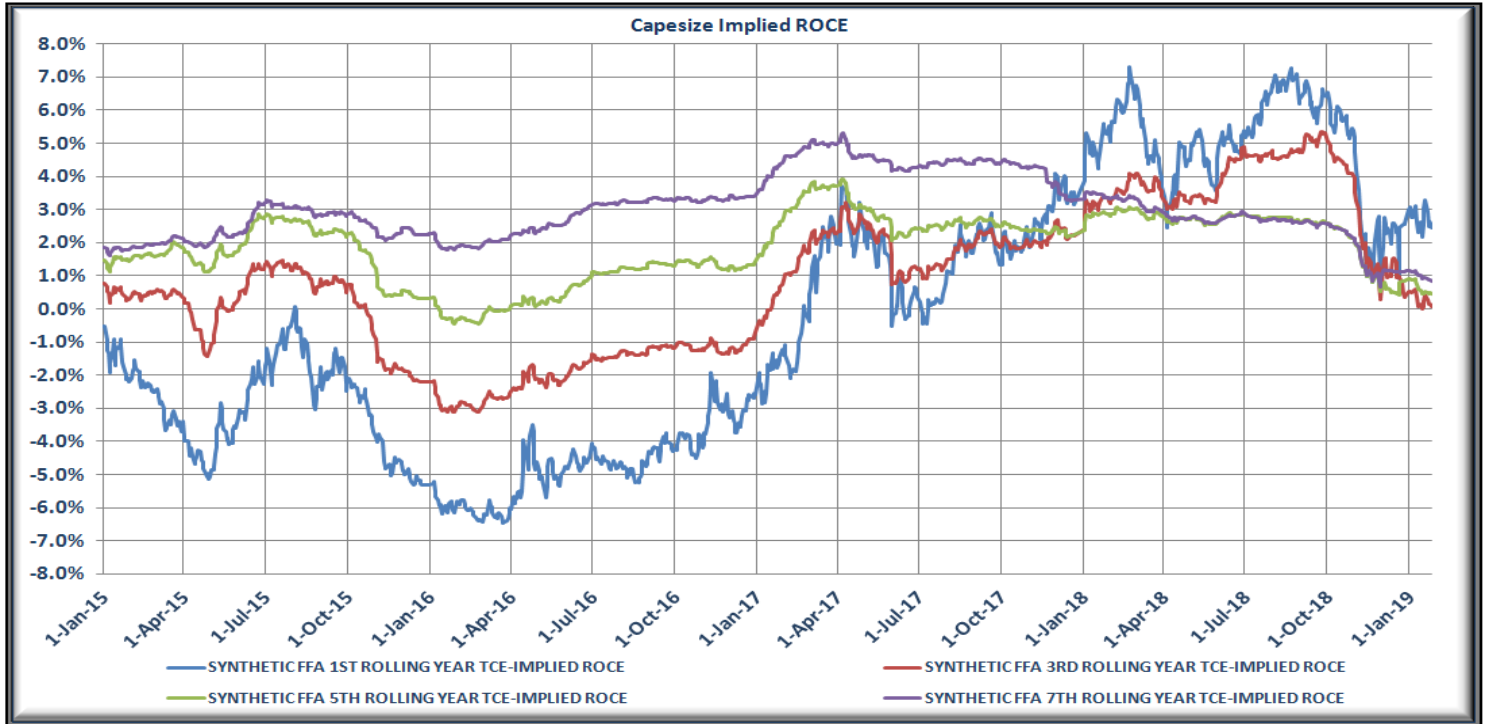
Representative Handysize Fixtures								
Vessel	DWT	Built	Delivery	Date	Re-del	Rate	Charterers	Comment
Leap Heart	28,382	2012	Singapore	Prompt	Seasia	\$4,000	cnr	alumina via Australia
Koombana Bay	28,381	2009	Busan	Prompt	China	\$5,100	cnr	via CIS
Irongate	28,316	2004	Japan	Prompt	China	\$7,150	cnr	via Australia
African Bulker	36,228	2015	Recalada	ppt	Kaliningrad	\$8,000	White Lake	
Elm K	32,836	2012	Praia Mole	ppt	Continent	\$6,250	WBC	steels
Giovanna	34,146	2012	Bblanca	ppt	N.Brazil	\$8,000	Norden	
Warmia	38,981	2005	Bremen	ppt	USEC	\$8,000	cnr	
Strategic Explorer	39,880	2017	Savannah	ppt	UK/Cont	\$5,500	Norden	
New Island	47,304	2002	Canakkale	ppt	W.Africa	\$8,500	Conti GMT	

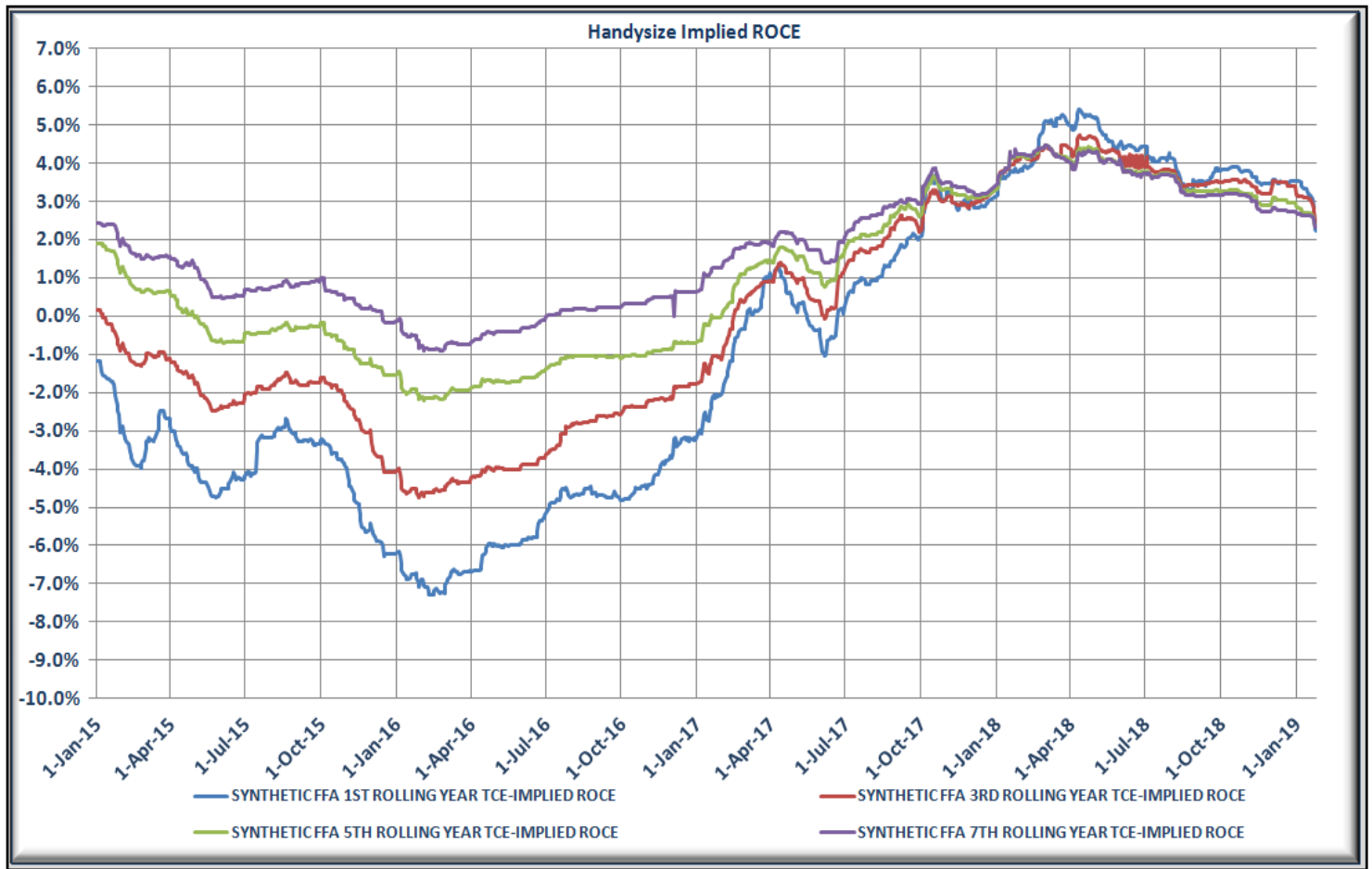
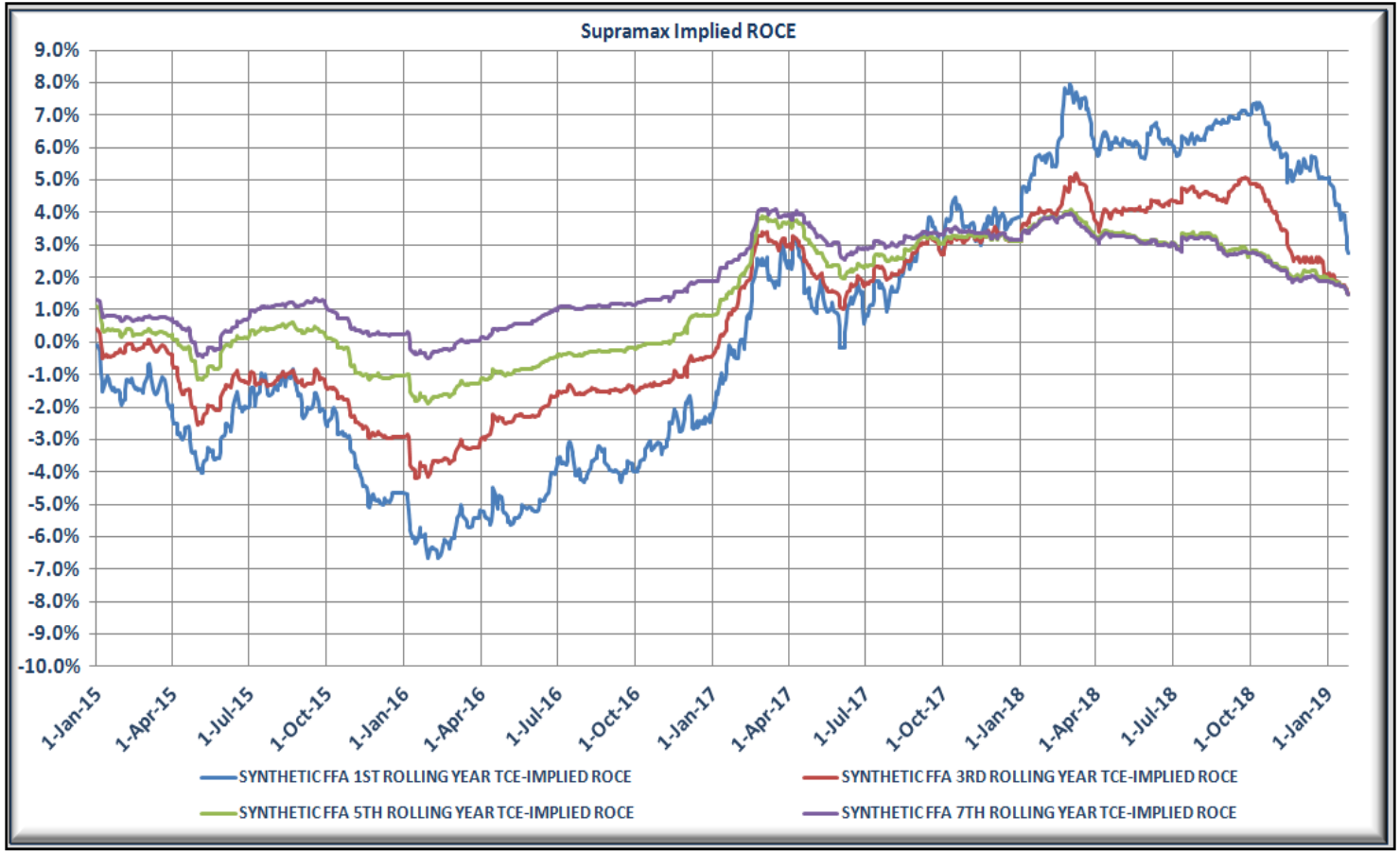


**FFA Market**

One should search in every corner of the forward market to find an upward movement and still it would be in vein. Particularly, the prompt months of the Capesize forward curve reported significant losses, with February contracts balancing at \$11,600 and March at \$12,383. In sync, the Panamax curve moved down to \$7,108 and \$9,000 for February and March respectively. Being in the red as well, Supramax forward market stood below previous week closing, with February balancing at \$7,063 and March at \$8,567. Losing further ground, prompt Handy contracts drifted lower to February levels of \$7,088.

Capesize first rolling year implied ROCE decreased to 2.5% this week at the same time as that of Panamax was balancing lower at just 1.3%. Geared segments implied ROCEs trended downwards, with Supramax at 2.7% and Handy at 2.2%.





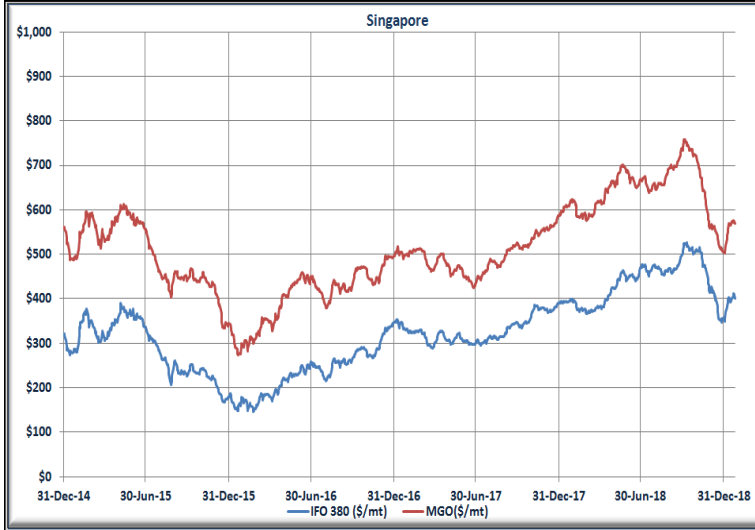
BFA Cape 5TC									
Date	Jan (19)	Feb (19)	Mar (19)	Q2 (19)	Q3 (19)	Q4 (19)	Cal 20	Cal 24	Cal 25
21-Jan-19	\$14,896	\$12,483	\$13,267	\$14,492	\$17,042	\$20,058	\$15,208	\$13,925	\$13,925
22-Jan-19	\$14,508	\$11,608	\$12,575	\$13,729	\$16,658	\$19,704	\$14,967	\$13,875	\$13,883
23-Jan-19	\$14,500	\$11,858	\$12,775	\$13,921	\$16,846	\$19,879	\$15,058	\$13,858	\$13,850
24-Jan-19	\$14,358	\$11,683	\$12,608	\$13,850	\$16,850	\$19,875	\$15,017	\$13,846	\$13,846
25-Jan-19	\$14,421	\$11,600	\$12,383	\$13,675	\$16,613	\$19,733	\$14,925	\$13,833	\$13,833
Week High	\$14,896	\$12,483	\$13,267	\$14,492	\$17,042	\$20,058	\$15,208	\$13,925	\$13,925
Week Low	\$14,358	\$11,600	\$12,383	\$13,675	\$16,613	\$19,704	\$14,925	\$13,833	\$13,833
Week Avg	\$14,537	\$11,846	\$12,722	\$13,933	\$16,802	\$19,850	\$15,035	\$13,867	\$13,867

BFA Panamax 4TC									
Date	Jan (19)	Feb (19)	Mar (19)	Q2 (19)	Q3 (19)	Q4 (19)	Cal 20	Cal 24	Cal 25
21-Jan-19	\$8,825	\$8,667	\$10,033	\$10,829	\$10,788	\$11,396	\$10,108	\$8,675	\$8,692
22-Jan-19	\$8,708	\$8,383	\$9,633	\$10,533	\$10,575	\$11,429	\$10,104	\$8,679	\$8,696
23-Jan-19	\$8,613	\$8,017	\$9,550	\$10,442	\$10,496	\$11,458	\$10,021	\$8,681	\$8,698
24-Jan-19	\$8,433	\$7,300	\$8,913	\$9,975	\$10,092	\$11,071	\$9,800	\$8,625	\$8,633
25-Jan-19	\$8,367	\$7,108	\$9,000	\$9,950	\$10,075	\$11,050	\$9,725	\$8,596	\$8,604
Week High	\$14,896	\$12,483	\$13,267	\$14,492	\$17,042	\$20,058	\$15,208	\$13,925	\$13,925
Week Low	\$14,358	\$11,600	\$12,383	\$13,675	\$16,613	\$19,704	\$14,925	\$13,833	\$13,833
Week Avg	\$14,537	\$11,846	\$12,722	\$13,933	\$16,802	\$19,850	\$15,035	\$13,867	\$13,867

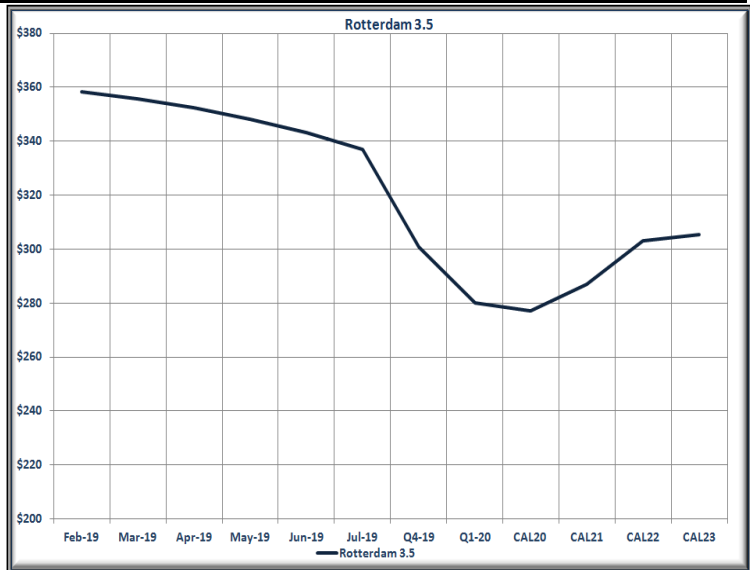
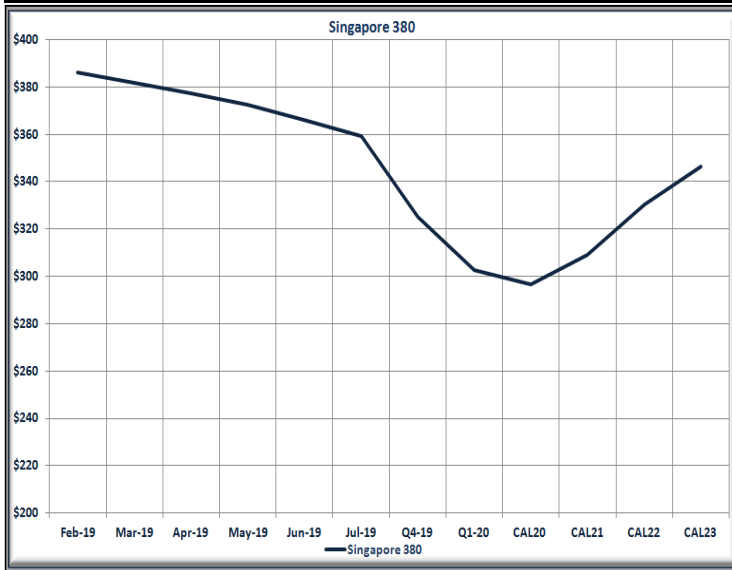
BFA Supra 10TC									
Date	Jan (19)	Feb (19)	Mar (19)	Q2 (19)	Q3 (19)	Q4 (19)	Cal 20	Cal 24	Cal 25
21-Jan-19	\$8,633	\$8,329	\$9,758	\$10,667	\$10,796	\$11,475	\$10,017	\$9,211	\$9,211
22-Jan-19	\$8,517	\$7,875	\$9,088	\$10,333	\$10,550	\$11,275	\$9,833	\$9,179	\$9,171
23-Jan-19	\$8,521	\$7,504	\$8,729	\$10,208	\$10,471	\$11,258	\$9,750	\$9,163	\$9,154
24-Jan-19	\$8,513	\$7,213	\$8,633	\$9,892	\$10,250	\$11,075	\$9,658	\$9,108	\$9,104
25-Jan-19	\$8,467	\$7,063	\$8,567	\$9,750	\$10,171	\$11,067	\$9,600	\$9,079	\$9,075
Week High	\$14,896	\$12,483	\$13,267	\$14,492	\$17,042	\$20,058	\$15,208	\$13,925	\$13,925
Week Low	\$14,358	\$11,600	\$12,383	\$13,675	\$16,613	\$19,704	\$14,925	\$13,833	\$13,833
Week Avg	\$14,537	\$11,846	\$12,722	\$13,933	\$16,802	\$19,850	\$15,035	\$13,867	\$13,867

BFA Handysize TC									
Date	Jan (19)	Feb (19)	Mar (19)	Q2 (19)	Q3 (19)	Q4 (19)	Cal 20	Cal 24	Cal 25
21-Jan-19	\$7,944	\$7,894	\$8,375	\$8,931	\$8,775	\$9,456	\$8,813	\$8,644	\$8,644
22-Jan-19	\$7,519	\$7,606	\$8,238	\$8,831	\$8,675	\$9,381	\$8,738	\$8,600	\$8,600
23-Jan-19	\$7,363	\$7,550	\$8,150	\$8,763	\$8,600	\$9,325	\$8,713	\$8,588	\$8,600
24-Jan-19	\$7,050	\$7,150	\$7,850	\$8,513	\$8,463	\$9,138	\$8,575	\$8,513	\$8,538
25-Jan-19	\$6,988	\$7,088	\$7,788	\$8,488	\$8,450	\$9,113	\$8,569	\$8,506	\$8,525
Week High	\$14,896	\$12,483	\$13,267	\$14,492	\$17,042	\$20,058	\$15,208	\$13,925	\$13,925
Week Low	\$14,358	\$11,600	\$12,383	\$13,675	\$16,613	\$19,704	\$14,925	\$13,833	\$13,833
Week Avg	\$14,537	\$11,846	\$12,722	\$13,933	\$16,802	\$19,850	\$15,035	\$13,867	\$13,867

**Bunker Market**



	Rotterdam		Singapore		Fujairah		Gibraltar		Houston	
Date (\$/mt)	IFO 380	MGO	IFO 380	MGO	IFO 380	MGO	IFO 380	MGO	IFO 380	MGO
21-Jan-19	\$364	\$531	\$406	\$576	\$387	\$734	\$395	\$604	\$378	\$594
22-Jan-19	\$366	\$533	\$411	\$573	\$392	\$732	\$398	\$604	\$380	\$593
23-Jan-19	\$367	\$528	\$409	\$574	\$388	\$723	\$397	\$606	\$380	\$592
24-Jan-19	\$366	\$527	\$409	\$573	\$387	\$721	\$395	\$605	\$374	\$595
25-Jan-19	\$362	\$522	\$400	\$569	\$382	\$718	\$390	\$600	\$370	\$590
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	\$401	\$609	\$435	\$641	\$433	\$721	\$430	\$667	\$405	\$654



Singapore	25-Jan-18	Week max	Week low	Week Avg	RTDM 3.5	25-Jan-18	Week max	Week low	Week Avg
Feb-19	\$386.2	\$388.3	\$380.3	\$384.5	Feb-19	\$358.5	\$361.3	\$352.8	\$357.1
Mar-19	\$381.7	\$389.2	\$375.5	\$381.8	Mar-19	\$355.7	\$358.6	\$350.0	\$354.2
Apr-19	\$377.5	\$385.0	\$371.0	\$377.5	Apr-19	\$352.5	\$355.6	\$346.8	\$350.9
May-19	\$372.5	\$379.7	\$366.3	\$372.5	May-19	\$348.2	\$351.6	\$342.5	\$346.7
Jun-19	\$366.0	\$373.7	\$360.5	\$366.4	Jun-19	\$343.2	\$346.8	\$337.8	\$341.7
Jul-19	\$359.2	\$367.0	\$354.0	\$359.8	Jul-19	\$337.0	\$341.3	\$331.8	\$335.7
Q2-19	\$372.0	\$379.5	\$365.9	\$372.1	Q2-19	\$348.0	\$351.3	\$342.4	\$346.5
Q3-19	\$351.2	\$359.0	\$346.7	\$352.1	Q3-19	\$328.7	\$333.8	\$324.9	\$328.2
Q4-19	\$325.0	\$335.0	\$322.1	\$327.3	Q4-19	\$300.7	\$307.1	\$297.3	\$301.0
Q1-20	\$302.5	\$314.0	\$299.6	\$305.6	Q1-20	\$280.0	\$287.3	\$276.5	\$280.6
CAL20	\$296.5	\$303.6	\$295.0	\$297.7	CAL20	\$277.0	\$284.1	\$275.5	\$278.2
CAL21	\$309.0	\$313.3	\$306.1	\$308.9	CAL21	\$287.0	\$291.1	\$284.4	\$286.8
CAL22	\$330.5	\$334.8	\$327.6	\$330.4	CAL22	\$303.0	\$307.1	\$300.4	\$302.8
CAL23	\$346.5	\$350.8	\$343.6	\$346.4	CAL23	\$305.3	\$309.3	\$302.6	\$305.1



## Dry Bulk S&P Market

The only change worth mentioning in the indicative prices during the past week was in the Capesize newbuilding market. Being unaffected from the tumbling freight market, newbuilding Capes are on an upward trend lately, currently hovering at circa USD 51m or up USD 7m year-on-year. The rest of the S&P market decided to wait for the freight market to send a clear sign of its intentions in order to shape its future path. In reference to the real action, we've heard this week that the MV "Mineral Beijing" (174,083dwt, 2004) changed hands at USD 13mil.

Thus, 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, with the former being the only ratio that moved lower. Ten-year-old Panamaxs and same-aged Supramaxes are in the market at a discount of 12% and 11% 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
25-Jan-2019	51.00	27.50	26.00	24.00
25-Jan-2018	42.00	24.00	22.25	19.50
25-Jan-2017	46.00	25.75	24.25	20.50
Δ% Y-o-Y	21.4%	14.6%	16.9%	23.1%
Δ% 2019-2017	10.9%	6.8%	7.2%	17.1%

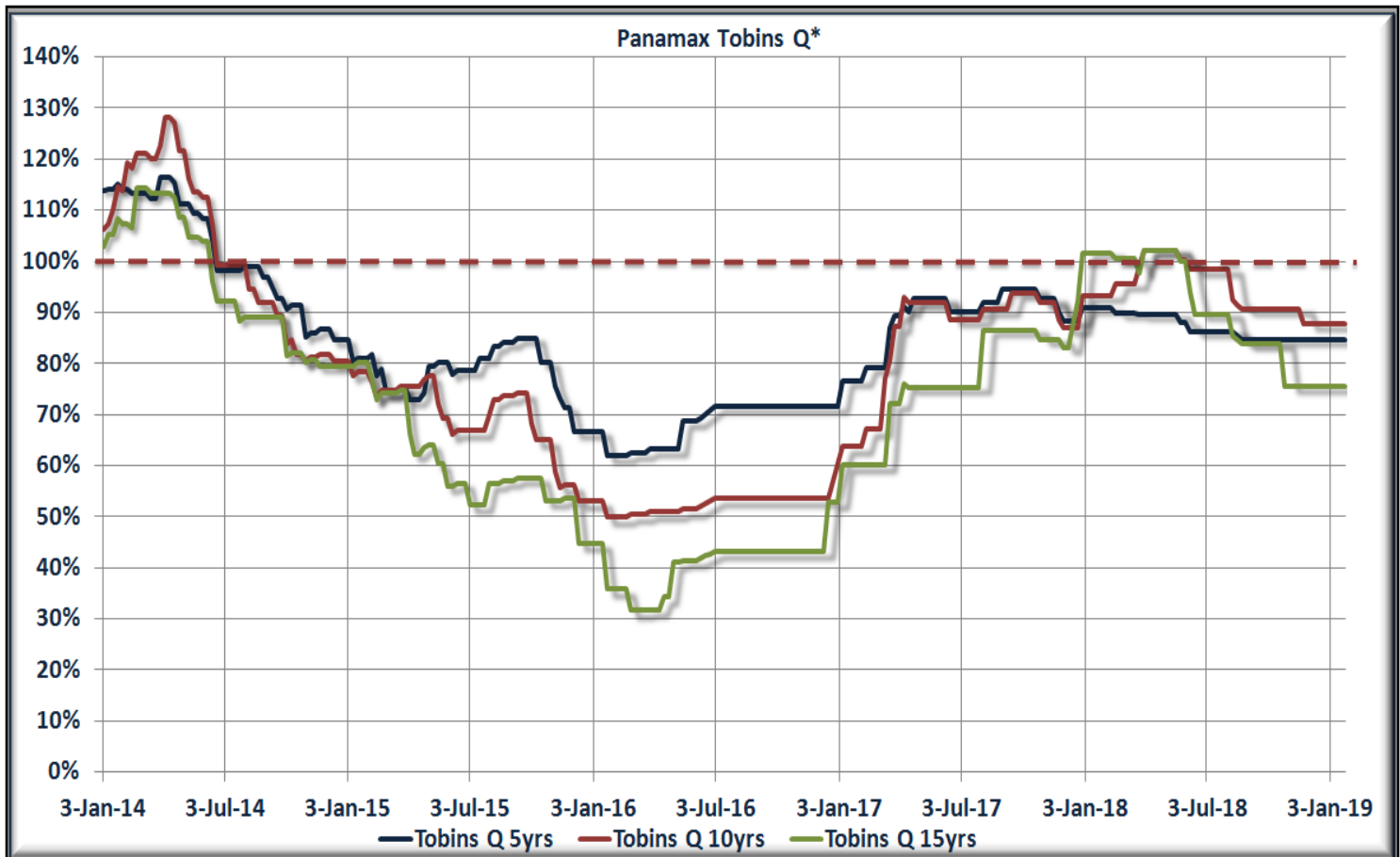
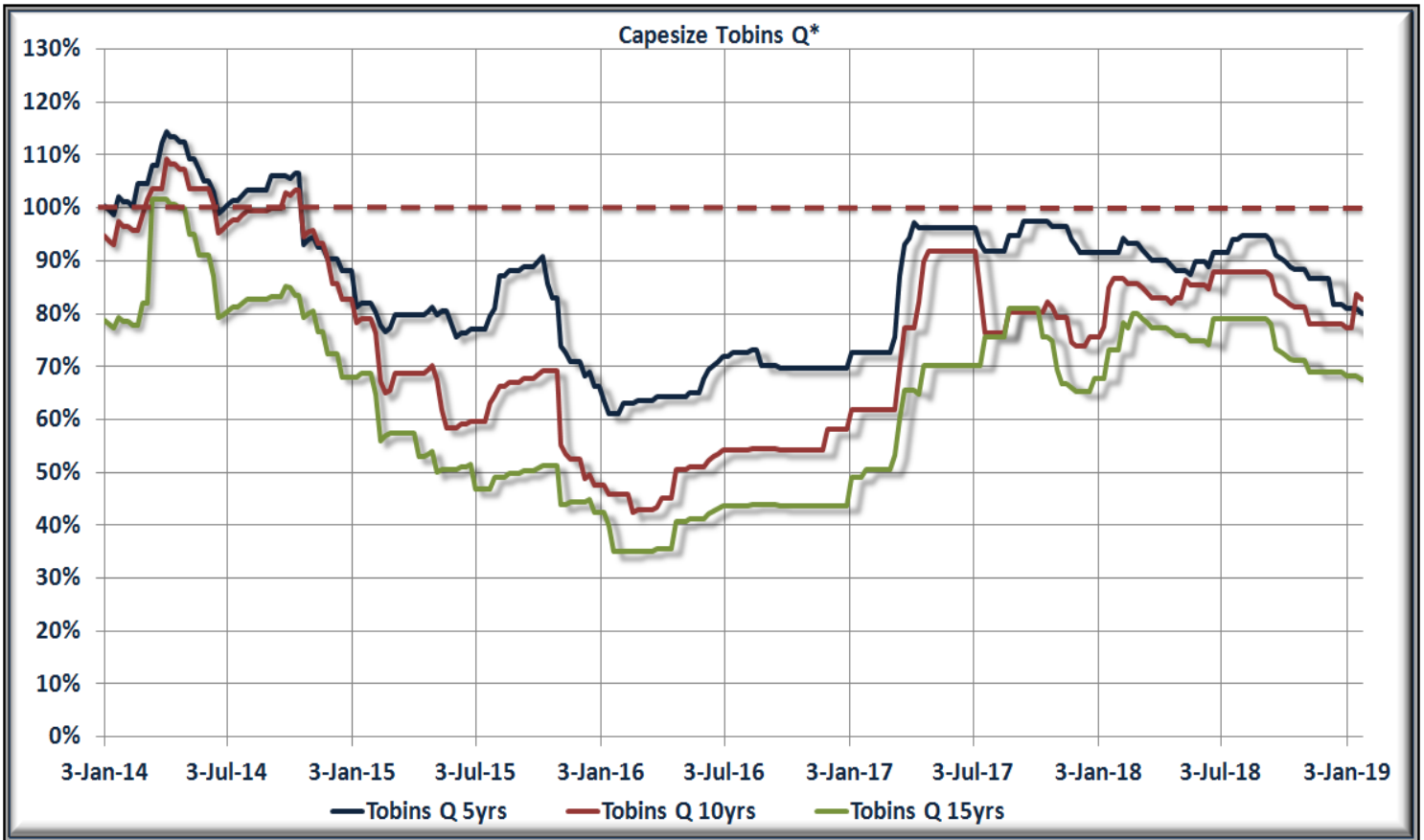
Indicative Five-Year-Old Prices				
Date	Capesize 176K DWT	Panamax 75K DWT	Supramax 52K DWT	Handysize 28K DWT
25-Jan-2019	33.50	19.00	18.00	17.00
25-Jan-2018	25.00	15.00	15.00	13.50
25-Jan-2017	23.00	13.00	13.00	9.50
Δ% Y-o-Y	34.0%	26.7%	20.0%	25.9%
Δ% 2019-2017	45.7%	46.2%	38.5%	78.9%

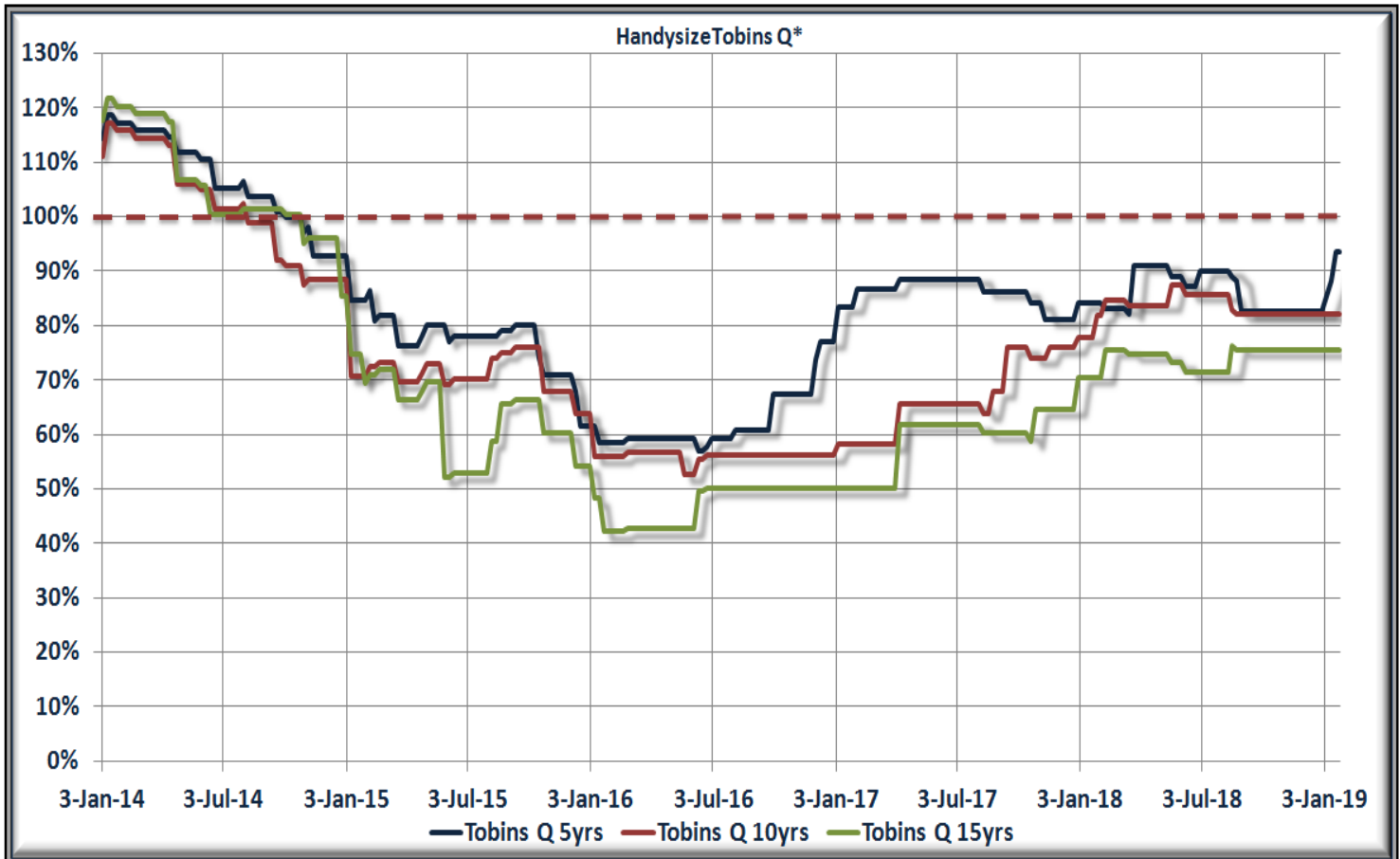
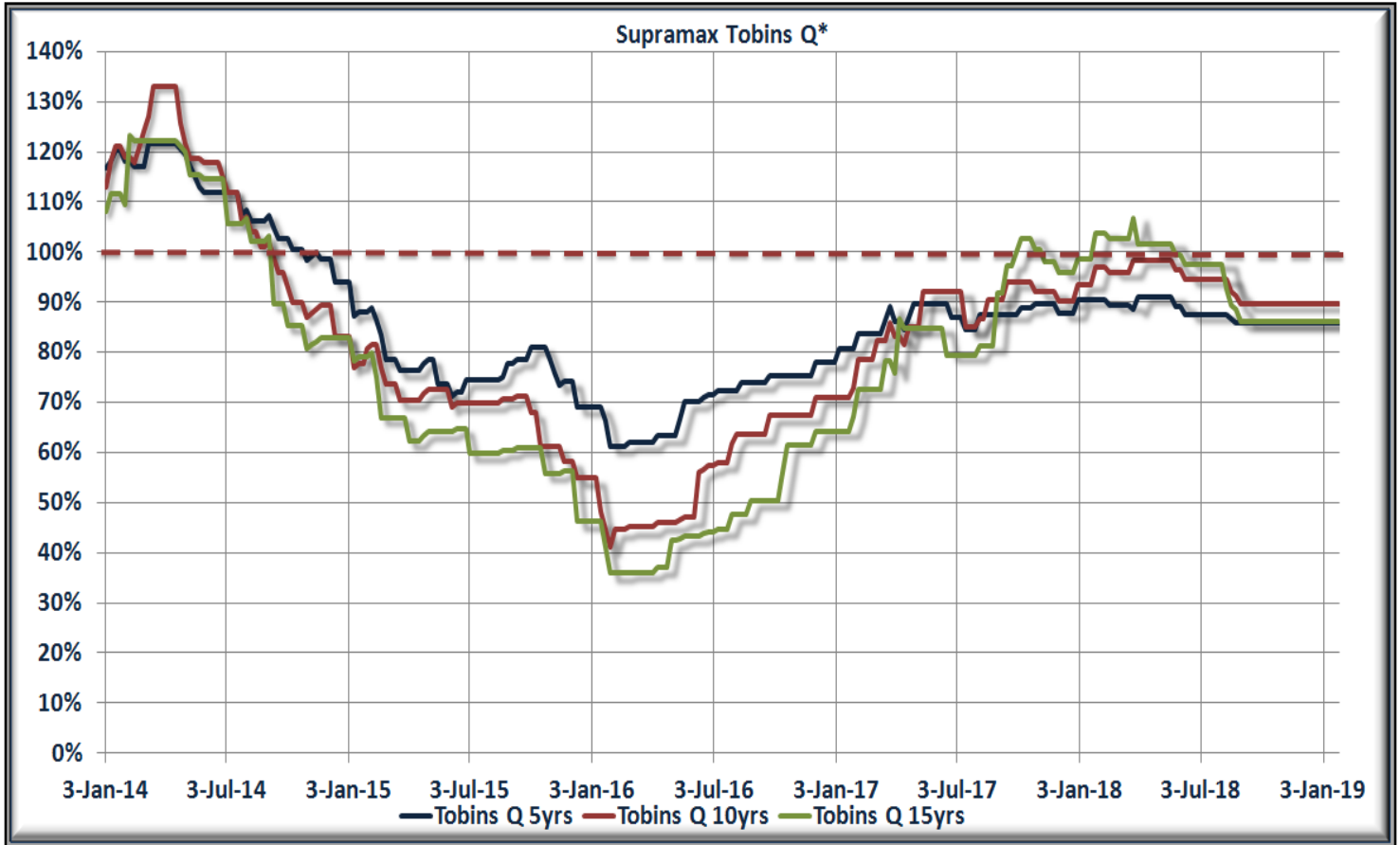
Reported Recent S&P Activity						
Vessel Name	DWT	Built	Yard/Country	Price \$Mil.	Buyer	Comments
Amorito	179,322	2012	Sungdong/Korea	33	Undisclosed	
Five Stars Beijing	181,417	2010	Sasebo/Japan	23	Greek buyers	Auction
Mineral Beijing	174,083	2004	Shanghai Waigaoqiao/China	13	Undisclosed	
Atlantic Sun	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	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	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	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	Undisclosed	C 4x30
Ocean Neptune	37,189	2012	Hyundai/S.Korea	13	Undisclosed	C 4x30
Bonnie Venture	32,500	2012	Zhejiang Hongxin	10	Undisclosed	C 4 X 30
Trade Star	29,627	2010	Shikoku/Japan	9.2	Greek buyers	C 4x31
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%	88%	76%
12months High	95%	88%	80%	91%	102%	102%
12months Low	80%	77%	68%	85%	88%	76%
12months Avg	89%	84%	75%	87%	94%	89%

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%	71%
12months Avg	88%	93%	94%	87%	84%	74%

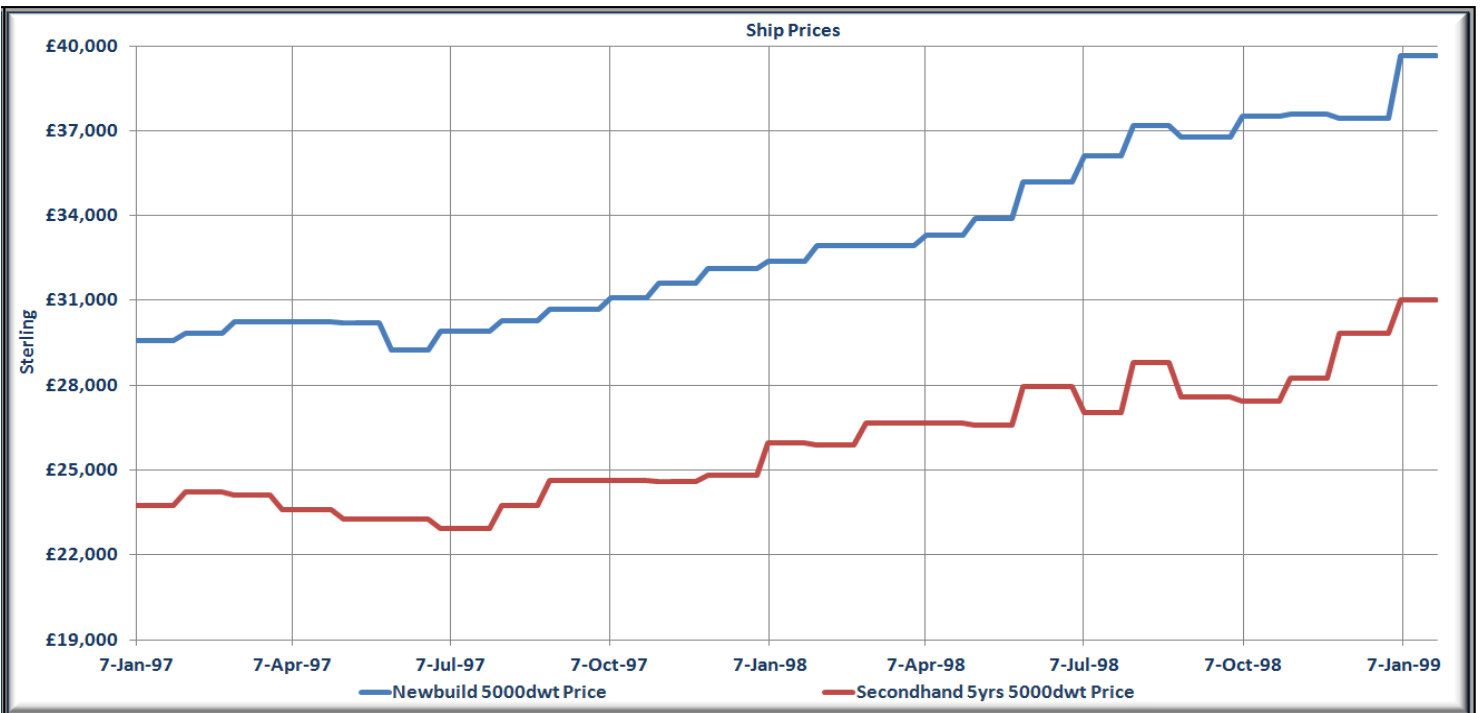
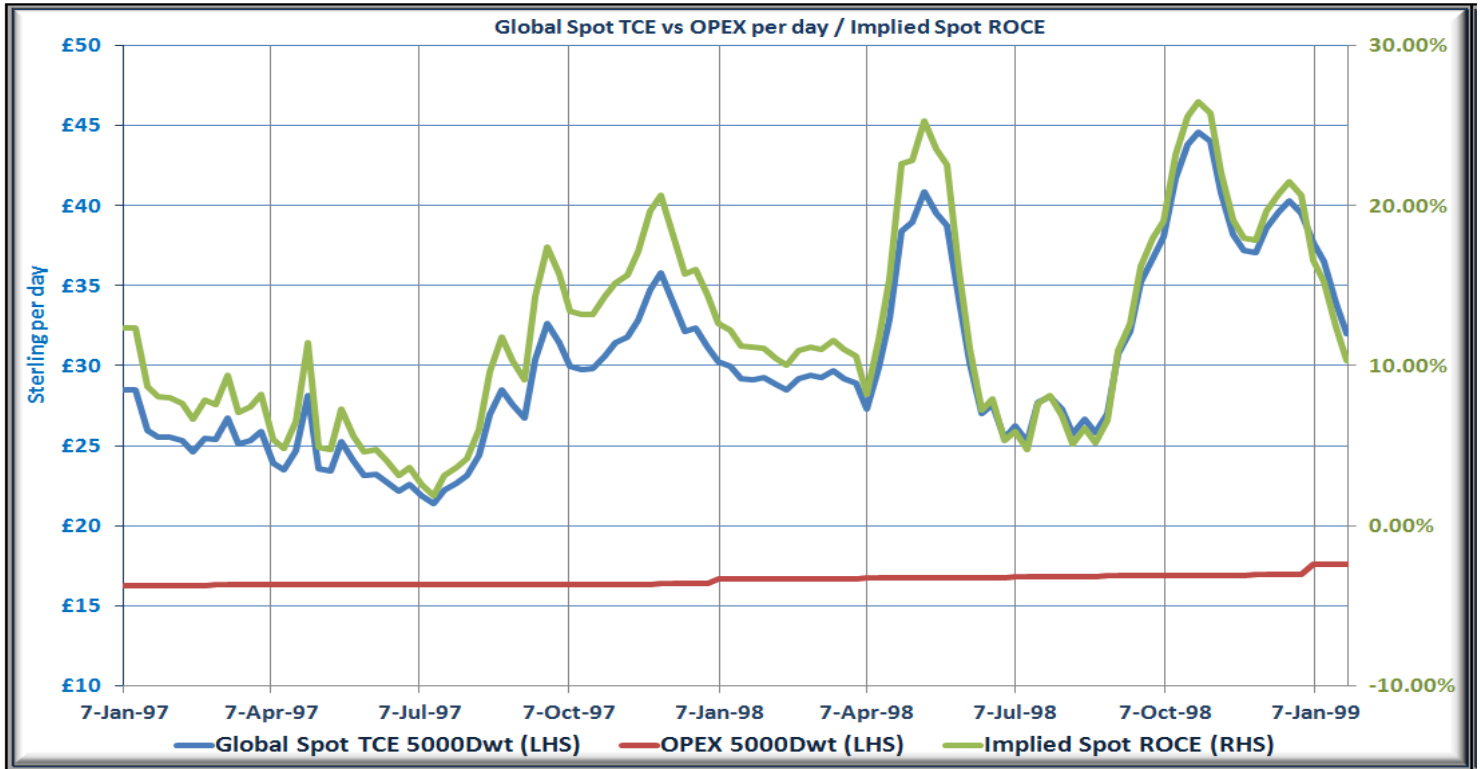
\*Tobin's Q represents the ratio between the market value and replacement value of a physical asset, with numerator and denominator adjusted to same age basis. According to economic theory, this ratio should be mean reverting towards 1 or 100%, for assets that do not face technological obsolescence.





## Market Insight 120 years ago

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



Weekly Spot Market	Current week	Previous week	Dec-97	Nov-97	Oct-97
Implied Spot Roce	11.1%	11.3%	17.0%	16.9%	13.5%
Global Spot TCE	£29.03	£29.15	£33.06	£32.68	£29.98
BlackSea Round	£28.78	£28.95	£33.61	£33.50	£29.57
East Round	£36.53	£35.52	£37.51	£33.26	£34.99
Med Round	£25.85	£26.13	£30.41	£31.09	£28.08
US Round	£32.64	£33.03	£35.45	£35.20	£32.99
River Plate Round	£34.94	£35.98	£31.06	£28.04	£34.98

S&P Market (5,000dwt)	Current week	Previous week	Dec-97	Nov-97	Oct-97
NB	£32,367	£32,367	£32,110	£31,599	£31,087
SH 5yrs old	£25,962	£25,962	£24,820	£24,584	£24,642
SH 10yrs old	£19,843	£19,843	£18,795	£18,580	£18,635
SH 15yrs old	£14,775	£14,775	£13,696	£13,477	£13,534

\*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...

If the current rates tumble down much further, we shall next be hearing of boats of 3,700 tonnes and upwards leaving the Mediterranean after discharge of their coal cargoes, in ballast for South America or for India. Those large boats, for instance, which have got about 11s for Port Said, can make a satisfactory voyage by running in ballast to Burmah for 30s rice, or even to Bombay for 19s mixed cargo. We consider that 11s Wales to Port Said is equal to , or better than 12s now being accepted from Blyth to Bombay that is after allowing for the reduction in Canal dues etc. Then again, tonnage is now offering at 11s 9d. Wales to the Plate, so that those now on passage or discharging at the West Italian ports, etc., at about 10s 6d can afford to run in ballast for the Plate, filling up with bunkers at Las Palmas or St. Vincent on the way out. At Genoa discharging costs about 7d per tonne, against 1s per tonne on the majority of Plate charters, while the discharge in the Mediterranean is 500 to 700 against 200 tonnes at Buenos Ayres, so that the difference in rates is about made up by the increased despatch and saving in cost of discharging.

We admit that there is some deviation and cost of bunkers may prove a serious consideration, but at the same time, such points do not present such insurmountable difficulties as to deter owners from giving these voyages favourable attention. There is a good miscellaneous all-round demand for tonnage, although rates are weak in some spots. General fixing ahead therefore hardly seems justified, but if owners think this judicious then great caution is necessary. Of course, there are circumstances that may justify operating ahead: Eastern business, for instance, just now would seem to warrant this, for outward rates have got down to such a low and unprofitable level that owners are naturally chary in regard to getting their boats the other side of the Canal with a loss on this outward voyage without first securing homeward business that will ensure the round being profitable.

Much the same applies to the River Plate market. Outward rates have dropped during the last week or two to the extent of shillings, but at the same time owners have not been deterred from vigorously inquiring for such outward employment. Homeward rates, on the other hand, are good, and the prospects of an upward or downward move for April loading seem about balanced, so that an owner having taken a low rate out is naturally anxious to limit or close the speculation as soon as he can, by fixing home at such a rate as will make the round satisfactory. When outward Plate rates went to 20s some time ago, and also when the US market was booming, there was no occasion to fix ahead from the Plate, as owners could even return home in ballast and still be on the right side. However, with such an outward coal rate as 11s 6d and the US market demoralized, circumstances in regard to homeward fixing are now quite different.

In the spot arena, the Black Sea market continues very dull. Berth rates from Odessa to L.H.A.R. being only 8s 9d. From Poti to UK or Rotterdam prompt boats are worth 14s, but for later loading only 13s 4d is quoted.

Mediterranean rates are dull. From Sicily to the US, prompt suitable boats for fruit are worth 24s 3d, partial 'tween-deckers' without wood sheathing to the upper deck command 22s 6d.

The American market is very quiet as far as grain chartering is concerned and rates are down to almost an unprofitable basis, except for very large carriers. Berth grain rates from the Northern range to UK/Cont. are 3s 3d per quarter. From the Gulf ports, February boats are worth 14s 6d to 15s per tonne. Additionally, there is a large demand for timber tonnage from the Gulf port to UK/Cont.

The River Plate market continues very firm at splendid rates. 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 is firm all round. 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 trended sideways. A typical newbuilding 5,000dwt British-build steamer is currently at the market for £39,600, up 27.5% on a yearly basis, whereas a fifteen-year-old of the same dwt and specification at £18,900, or up 39.5% Y-o-Y.