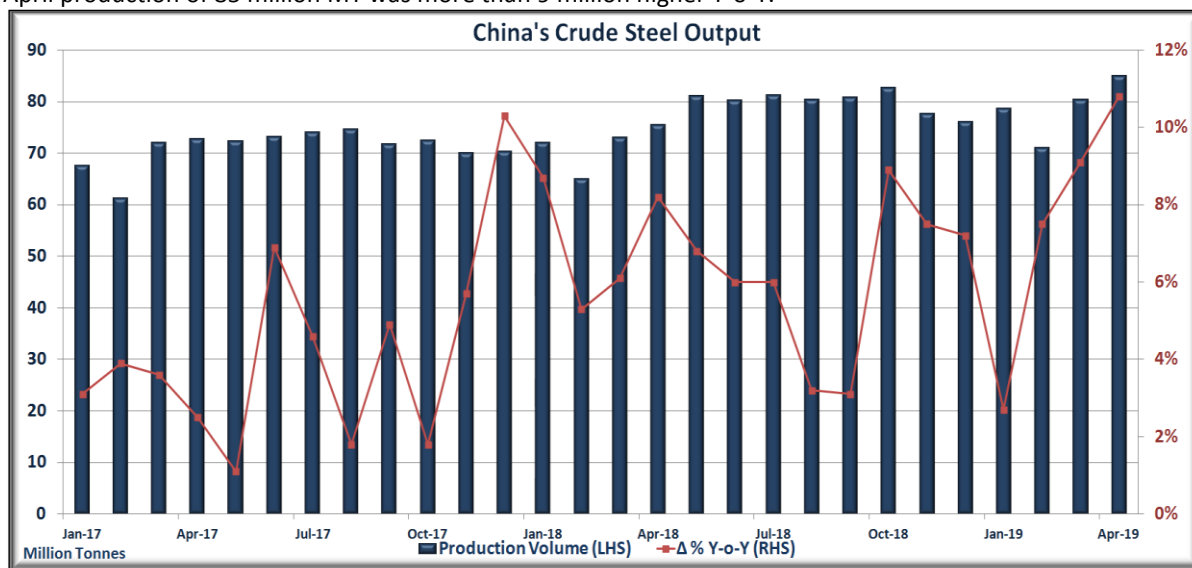


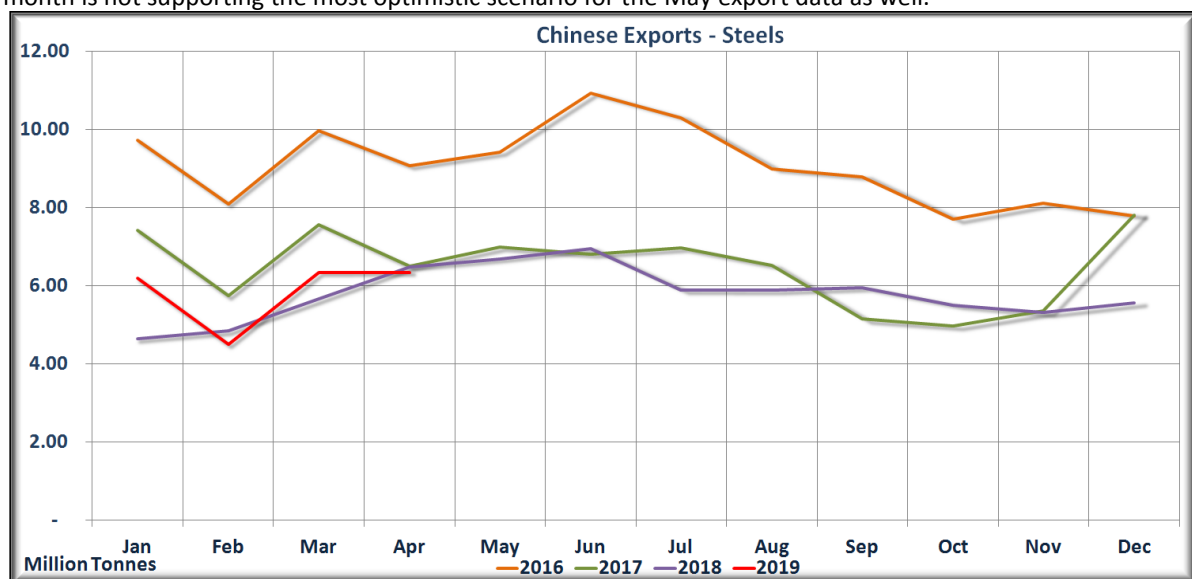
During the past month, the trade tensions between the two largest economies of the globe have been raised to a new level. Washington's move to blacklist Huawei, by adding the Chinese group and 68 affiliates to its prohibitive "entity list", opened a Pandora's Box of retaliatory measures. In particular, Chinese authorities will investigate FedEx for allegedly "undermining the legitimate rights and interests" of Chinese clients, according to the official Xinhua news agency. Further escalating tension, Beijing warned that it could weaponize its supply-dominance of the rare earth minerals in its trade war with Washington, sending their prices materially higher.

In spite of the tit-for-tat disputes and the increased tension, one industry that it is supposed to be set in the center of the US-China trade war seems to remain largely unaffected. In particular, China increased its total steel production to 925 million MT in 2018, or some 8.6% Y-o-Y. On the same wavelength, the first quarter of 2019 saw the Chinese steel production to move higher to 229.9 million MT, surpassing the production of the respective period of 2018 by 19.9 million. Additionally, the second quarter started with a similar tone, as the April production of 85 million MT was more than 9 million higher Y-o-Y.



Source: WSA, Doric Research

Chinese steel exports, on the other hand, do not seem to follow the production levels on their upward trend. As far as the first quarter of 2019 goes, although the 23.36 million MT of exports were 8% higher than those of 2018, they still lagged considerably from the first quarter average of the recent past. In sync, Chinese international sales during April 2019 remained on the very low side, traumatizing the freight market of the geared segments. Furthermore, the activity of the spot market in these particular trades during the last month is not supporting the most optimistic scenario for the May export data as well.



Source: Chinese Customs, Doric Research

By combining these dynamics, the Chinese steel sector is being propped up by a surging domestic demand and not by the latest developments in international arena. Whether this trend would be short-lived or long-lasting it remains to be seen. In any case, steel trade has been dry bulk shipping's trump card during the last twenty years and hopefully it hasn't been already overplayed.

**Freight market 120yrs ago (page 12):** "An almost general improvement characterizes the freight market this week, consequent on a stronger simultaneous demand for tonnage in most directions..."

## Contents

Spot Market .....	2
FFA Market.....	5
Bunker Market.....	8
S&P Market.....	9
Distant Past Market.....	12

## 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**

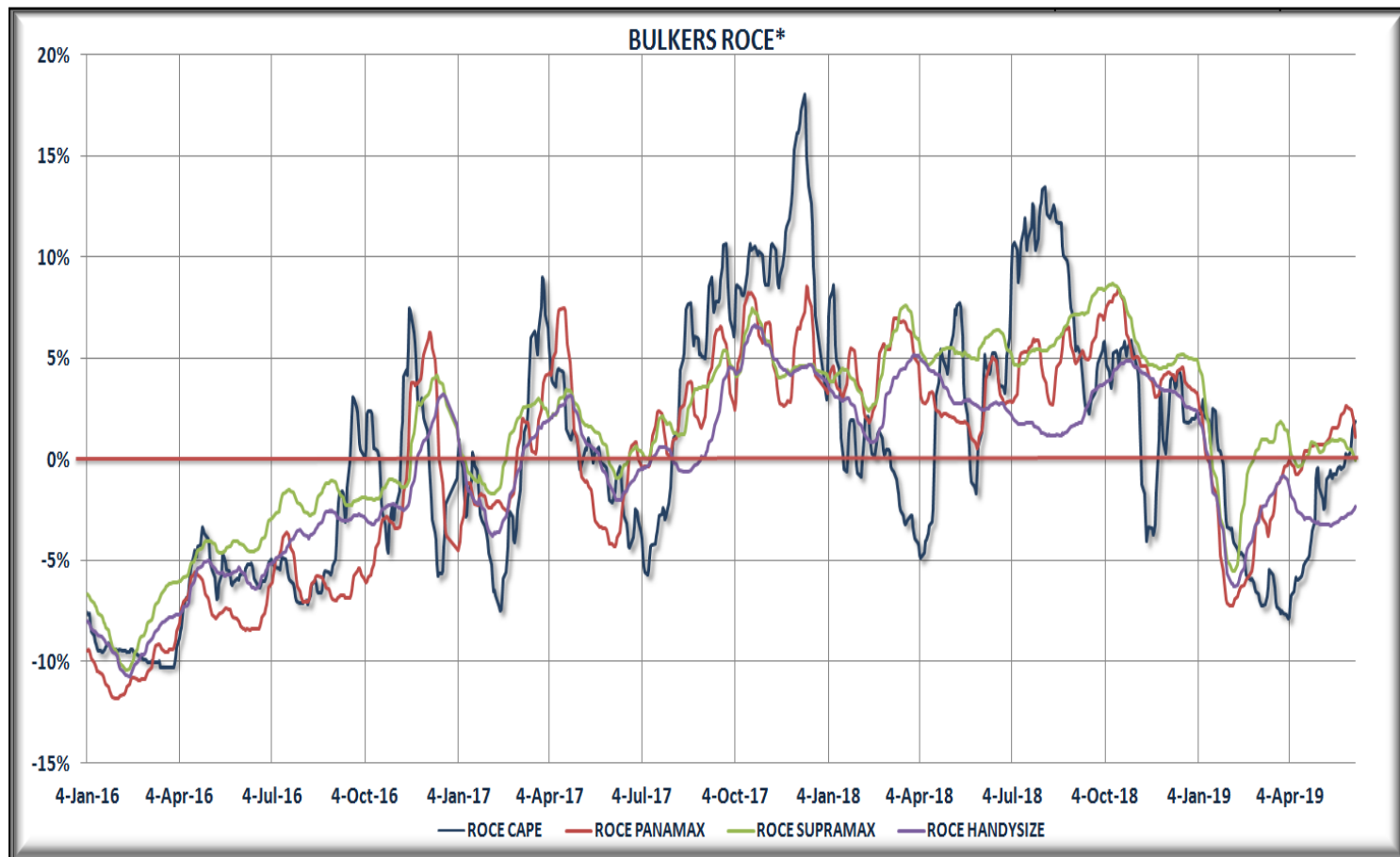
Email:

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

## Dry Cargo Spot Market

With Capesizes being in the driver's seat, the Baltic Dry Index moved further north this week, balancing at 1138 points. Hovering for twenty trading days in a row above the 1000-point mark, the general index seems to have left the February/March lows behind. Reporting a fourteen point nine percent increase on a weekly basis, the Baltic Capesize Index ended the week at 1862 points, last seen on January 22. Losing some of its steam, the Baltic Panamax Index moved down, ending the week at 1213 points. Being three weeks under pressure, the Baltic Supramax Index went down during the 23rd week of the year, finishing at 719 points. In a positive week, the Baltic Handysize Index balanced at 412 points this Friday.

At the box office, setting aside the Handysize, the after depreciation returns on capital employed of all bulkers hovered above zero. In particular, Capesize ROCE lay at 1.8% and Panamax ROCE at 1.1%, or up 171 and down 152 basis points on a weekly basis respectively. Trending downwards, Supramax ROCE balanced at 0.1%. Handy ROCE gained some further ground at -2.3%.



Baltic Freight Indices					
Date	BDI	BCI 5TC	BPI - TCA	BSI - TCA	BHSI - TCA
3-Jun-19	1103	\$13,258	\$10,618	\$8,468	\$6,011
4-Jun-19	1122	\$13,916	\$10,458	\$8,378	\$6,041
5-Jun-19	1141	\$14,561	\$10,303	\$8,300	\$6,070
6-Jun-19	1138	\$14,769	\$9,997	\$8,242	\$6,118
7-Jun-19	1138	\$15,007	\$9,736	\$8,173	\$6,175
12-month High	1774	\$27,283	\$14,385	\$13,431	\$9,772
12-month Low	595	\$3,460	\$4,435	\$4,837	\$4,198
12-month Avg	1204	\$14,594	\$10,417	\$10,242	\$7,551
Avg. Cal 2018	1353	\$16,529	\$11,609	\$11,437	\$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.

The performance of the **Capesize** segment remained fairly strong this week. An increased growth in iron ore traffic, with spot prices hitting a five-year peak, has brought further optimism in the market. In this context, the BCI 5TC index concluded at \$15,007.

In the Pacific, the "first violin" of the basin has shown great resilience despite various Eastern holidays. The C5 has topped up to \$7.732 pmt. The C10\_14 was following a similar trend reaching a solid \$17,817. This can be seen at 'Cape Leonidas' (180,149 dwt, 2010) fixture concluded at \$18,000 for a West Australian round trip with 8 June delivery at Zhanjiagang. The C14 index (China-Brazil) closed at \$15,068. It is eminent that China is working her way up in steel production. This week, it was announced that 'China Baowu Steel Group' was merged with 'Magang Steel' combining their forces to top up production at circa 87mil. tonnes per year. Such move will strengthen China's international presence in crude steel production, placing this "M&A" slightly behind Arcelormittal, in terms of production. A slowdown in coal activity was noticed from both Indonesia and East Australia this week, but rates did not follow. The 'Kymopolia' (176,990 dwt, 2006) was reported fixed at \$17,500 with delivery CJK for one T/C trip via East Australia to Japan. Not much reported out of NoPac, other than 'Golden Beijing' (17,5820 dwt, 2010) at a healthy \$16,000 with early June delivery Kakogawa via British Columbia back to North China range, granting Charterers the option to redeliver the vessel into further south against \$16,100.

In the Atlantic, the spot trading was comparably slower this week. The Atlantic market was mainly driven by the Brazilian iron ore exports, along with an improved North Atlantic coal trading. The Tubarao-Qingdao (C3) index concluded at an improved \$16.856 pmt. On the other side of the ocean, Guinea has made headlines, re-vitalizing talks amongst government officials for bringing into life the 'Simandou' iron ore mine. Guinea's major assessment is to reach into a bargain with China into building a 400 miles railroad for the transportation of all iron ore deposits onto major West African ports. If that's out of the way, then Guinea will fortify her exports. Further north, most tonnage open in Con/Gib ranges has seen fairly good amount of fresh requirements on either T/A and FH routes. The 'Keeper' (174,674 dwt, 2005) was fixed for a FH at \$27,000 with prompt delivery Hamburg for one T/C trip via Puerto Drummond to Boryeong. The front-haul index (C9\_14) has gone way higher than last week's closing at \$29,227, whereas the Transatlantic Index (C8\_14) increased – at a much weaker pace – to \$11,845.

On the period front, owners were favored by a strong freight forward trading. It was leaked that 'P.S. Palios' (179,134 dwt, 2013) gone at \$17,500 daily with early June delivery at Caofedian for about 9 to 11 months, trading worldwide.

Representative Capesize Fixtures								
Vessel	DWT	Built	Delivery	Date	Re-del	Rate	Charterers	Comment
Golden Beijing	175,820	2010	Kakogawa	06/07 Jun	North China	\$16,000	Jiangsu	via Nopac/ inco \$16,100 if rdly South
Cape Leonidas	180,149	2010	Zhanjiagang	8 Jun	South China	\$18,000	Citic	via West Australia
Kymopolia	176,990	2006	CJK	05/06 Jun	Japan	\$17,500	cnr	via East Australia
Keeper	174,674	2005	Hamburg	prompt	Boryeong	\$27,000	Polaris	via Puerto Drummond
P.S. Palios	179,134	2013	Caofedian	05/06 Jun	worldwide	\$17,500	SwissMarine	9/11 months

The **Panamax** market this week had a sideways feeling to it, with the BPI TCA closing below the psychological five-digit barrier at \$9,736.

In the Pacific, despite the holidays the activity was there and the prompt tonnage achieved healthy levels. Having said this, Australia and Indonesian rounds to India were a bit thinner on volume. The 'Canea' (75,356 dwt, 2007) with N.China delivery achieved \$10,500 for a longer duration trip via Nopac and redelivery Seasia with Raffles, whilst Mitsui paid \$12,500 for an even longer haul with salt cargo via WC Mexico to S. Korea on the 'Star Laura' (82,209 dwt, 2006) with prompt delivery CJK. From Australia the 'Penelope' (81,835 dwt, 2017) with delivery Hong Kong 9 June was reported at \$12,000 for a trip to Japan. On the other hand considering the redelivery 'Star Amber' (81,800 dwt, 2019) achieved a stronger hire of \$12,500 for a trip via East Australia to India with Tata NYK. Further south, the 'Bulk Japan' with delivery Qinzhou 7 June was linked with Klaveness for a trip via Indonesia to Japan at \$11,500, whilst for India direction the 'Ecosand G.O' (75,239 dwt, 2008) was fixed at \$10,750 to Oldendorff with S. China delivery for 8-10 June dates. The Panamanian' (83,488 dwt, 2010) was also fixed to Oldendorff for coal via S. Africa to India at \$14,000 retro Karaikal.

In the Atlantic, the market felt a bit of headwinds due to the limited transatlantic cargoes however to some extent this was tamed with some tempting rates coming from NCSA grains fronthaul. Again the main point of interest was the ECSA market, with LME's for mid/end June arrival fixing in the mid teens and mid 500's GBB but towards the end of the week charterers were bidding end June dates at lower rates than last done. Cargill fixed the 'BTG Matterhorn' (81,060 dwt, 2016) with prompt delivery Passero for a trip via NCSA to Skaw-Passero at \$11,500. For a trip to the East, Olam covered their NCSA stem with 'Lowlands Nello' (82,014 dwt, 2015) basis delivery Ijmuiden 10 June at \$19,250. From ECSA, the Panocean relet 'Asia Gaeca' (73,903 dwt, 2004) was fixed at \$15,500 and \$550,000 GBB basis delivery S. Brazil to Singapore-Japan with Refined Success. The well described 'Macheras' (81,000 dwt, 2015) fixed basis Itaguai 25-26 June was linked with Dreyfus at \$16,500 + \$650,000 GBB to Singapore-Japan range although some were claiming at the start of the week she had fixed in the low-mid seventeens plus low-mid seven hundreds.

On the period front, the Anais (76,015 dwt, 2002) achieved \$10,850 for 5 to 8 mos trading with prompt delivery Lianyungang.

Representative Capesize Fixtures								
Vessel	DWT	Built	Delivery	Date	Re-del	Rate	Charterers	Comment
Canea	75,356	2007	Rizhao	4-5 June	Seasia	\$10,500	Raffles	via Nopac
Star Laura	82,209	2006	Cjk	Prompt	S.Korea	\$12,750	MOL	via Wc Mexico
Penelope I	81,835	2017	Hong Kong	9 June	Japan	\$12,000	cnr	via E.Australia
Star Amber	81,800	2019	Chiba	6 June	India	\$12,500	Tata Nyk	via E.Australia
Bulk Japan	82,951	2006	Qinzhou	7 June	Japan	\$11,500	Klaveness	via Indonesia
Ecosand GO	75,239	2008	Zhanjiang	8-10 June	India	\$10,750	Oldendorff	via Indonesia
Panamanian	83,488	2010	Retro Karaikal	3 June	India	\$14,000	Oldendorff	via S.Africa
BTG Matterhorn	81,060	2016	Passero	Prompt	Skaw-Passero	\$11,500	Cargill	via NCSA
Lowlands Nello	82,014	2015	ijmuiden	10 June	Singapore - Japan	\$19,250	Olam	via NCSA
Asia Gaeca	73,902	2004	S.Brazil	16-17 June	Singapore - Japan	\$15,500 + \$550,000 bb	Refined Success	via ECSA
Macheras	81,000	2015	Itaguai	25-26 June	Singapore - Japan	\$16,500 + \$650,000 bb	Louis Dreyfus	via ECSA
Anais	76,015	2002	Lyg	8-10 June	World Wide	\$10,850	Speed Logistics	5-8 Months

A sluggish week in both Basins for the **Supramax**.

The general sentiment across the Pacific carried a negative air. The market was affected by the public holidays in China, Singapore, Thailand, Indonesia and South Korea. At the beginning of the week, the 'Kacey' (55,522 dwt, 2009) was reported at \$8,250 basis delivery South Korea for trip with grains via NoPac to SEAsia. The poor fixtures continued with the 'Caravos Liberty' (63,301 dwt, 2013) having been fixed at \$5,600 basis delivery Longkou for trip with coal via Indonesia to China and the 'Madonna III' (53,390 dwt, 2007) at \$3,750 basis delivery CJK for a short trip with coal via Semirara back to CJK. Further south, a 63,000 tonner fixed \$8,500 basis delivery Singapore for trip with coal via Indonesia to China. With climax of Ramadan, which came to an end this week, there was reduced mobility in the Indian Ocean and the PG but still the rates bounce at good levels. The 'Metsovo' (57,593 dwt, 2015) open Dharamtar fixed basis delivery passing Fujairah at low \$13,000's via PG to EC India. The 'Aspen' (54,286 dwt, 2009) was fixed basis delivery Sagar for trip with iron ore via EC India to China at mid \$9,000's. We noticed a small down turn in the South African market, after a continued upturn the last month, but rates remained quite healthy. The 'Heroic Striker' (56,820 dwt, 2010) was fixed basis delivery Saldanah Bay for trip to EC India at \$12,750 plus 275,000 gbb. The 'Yasa Aysen' (55,905 dwt, 2007) concluded \$12,400 plus 240,000 gbb for coal via Richards Bay to Pakistan.

In the Atlantic, w-o-w changes were mild across the board as most fixtures were concluded very close to 'last done' levels. Nevertheless, rates showed a slight tendency towards softening. From the USG, the 'Aggelos B' (58,480 dwt, 2010) was reported on subjects at \$12,000 basis delivery Houston for grains to Egypt, but she was subsequently released. A Tess 58 was heard to have fixed a USG/Med petcoke run at \$14,500. Moving on to ECSA, the 'Equinox Star' (58,680 dwt, 2011) managed to secure \$16,150 on Monday basis delivery Recalada for a trip to Eastern Med with minimum 45 days duration. As the week progressed though, other units were unable to repeat this result and ended up fixing closer to \$14k. The Continent continued to suffer from anemic demand to such a degree that some owners considered ballasting south to avoid ending up spot and having to compete hard for their next employment. On a Baltic / Eastern Med scrap run, the 'Unity' (56,017 dwt, 2007) fixed \$8,300 basis delivery Skaw. Lastly, the Black Sea is making a slower-than-expected recovery, with market participants hoping for a material increase in values towards August, when the new wheat crop eventually finds its way into the market. The 'Agapi S' (62,145 dwt, 2012) allegedly got close to \$8,000 basis delivery Canakkale for grains via Black Sea to the Continent.

Period-wise, the 'Port Orient' (61,485 dwt, 2017) locked \$11,000 basis delivery Bremen for 3-5 months employment, redelivery Atlantic.

Representative Supramax Fixtures								
Vessel	DWT	Built	Delivery	Date	Re-del	Rate	Charterers	Comment
Kacey	55,522	2009	Busan	Prompt	South East Asia	\$8,250	cnr	via NoPac
Caravos Liberty	63,301	2013	Longkou	08 June	China	\$5,600	cnr	via Indonesia
Madonna iii	53,390	2007	CJK	Prompt	CJK	\$3,750	CCX	via Semirara
Metsovo	57,593	2015	Fujairah	Prompt	EC India	\$13,250	cnr	via Persian Gulf
Heroik Striker	56,820	2010	Saldanha Bay	Prompt	EC India	\$12,750+\$270k gbb	cnr	
Yasa Aysen	55,905	2007	Richards Bay	Prompt	WC India-PG	\$12,400+\$240k gbb	Cargill	
Equinox Star	58,680	2011	Recalada	Prompt	Eastern Mediterranean	\$16,150	cnr	Minimum 45 days duration
Unity	56,017	2007	Skaw	Spot	Eastern Mediterranean	\$8,300	Weco	Recent
Port Orient	61,485	2017	Bremen	11-17 June	Atlantic	\$11,000	Ultrabulk	3-5 months period

Low flight altitudes in the Far East – a glimpse of light in the Atlantic for the **Handysize**.

In the Pacific region, another uninspiring week was witnessed. A blend of holidays in the Far East and mainly SEAsia along with Ramadan pushed rates lower. In particular, north of Taiwan, the 'clipper triumph' (30,000dwt, 2009) open Onsan 30 May fixed at \$7,500 basis dop for a CIS coal to N.China. On Australia rounds, the 'DL Lavender' (35,194 dwt, 2014) open Kwinana at 13 June was reported fixed at \$11,000 dop via NW Aussie to Indonesia for a salt cargo. South of Taiwan, rates remained flat as well, with 'Christina Selmer' (33,000 dwt, 2011) open at Iloilo on 12 June agreed \$6,800 dop for Indonesia coal to Philippines. In reference to PG, the 'Occitan Pauillac' (29,231 dwt, 2008) open Dammam took \$7,400 for a single trip via R.A.K port to Beira and Durban with map, injecting moderate optimism.

It was a rather quiet week for the Atlantic sub-market as well. Was it because the Eid Mubarak holiday in many receivers' countries was taking place? Was it because the USA/China trade war is still holding strong amid fresh reports that China has put a halt on the purchases of US soybeans? Or was it simply because the non-stop shipping festivities of the previous weeks – Nor-Shipping, Odessa Shipbrokers' dinner – have not left a single sober broker to fix any ships? From the little reported, we heard the 'Adelina' (34,032 dwt, 2012) fixing \$7,200 from SW Pass to Algeria grains, an undoubtedly improved rate for the USG area. In ECSA, the 'Trammo Laoura' (38,552 dwt, 2017) fixed \$15,500 from Recalada to WCSA grains, neither a great number nor a disappointing one. In the Black Sea, the 'Marine Princess' (35,501 dwt, 2012) was reported at \$7,800 Dneprobugskiy for clay to Otranto and the 'Irma S' (32,295 dwt, 2008) spot in Algeria at \$5,000 from Casablanca with fertilizers to Brazil, both slightly improved fixtures for this area. In the Continent, Trithorn was reported fixing the 'Sunrise' (37,268 dwt, 2009) for a trip via Baltic to Spain with ferts at an unexciting \$8,000 passing Skaw.

On the period front, a number of vessels fixed and failed for 2/3 lls, with the Chinese logger 'Lanna Naree' (33,000 dwt, 2012) open Penang at 31 May finally fixing at \$8,500. Otherwise, a 37K dwt concluded at high \$10Ks for 12 months, basis Atlantic trading.

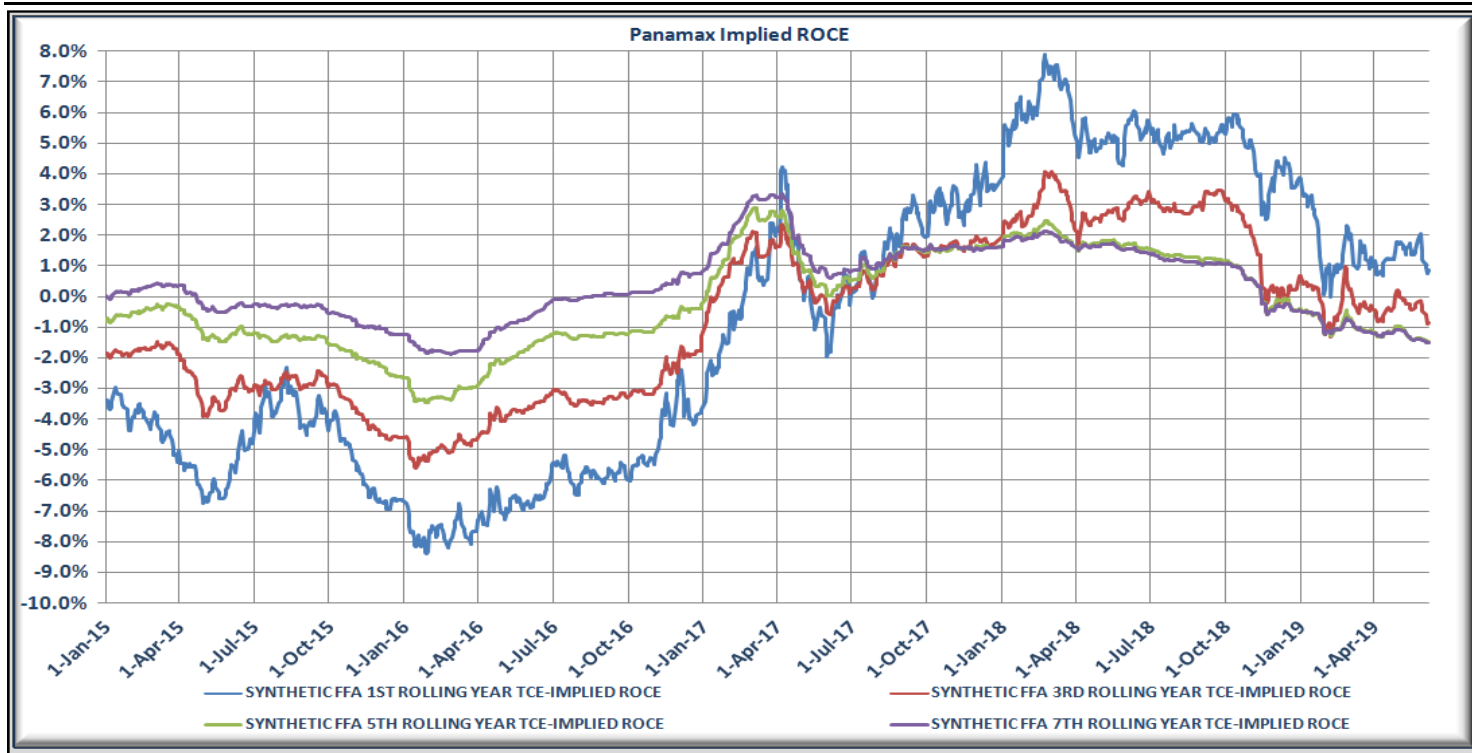
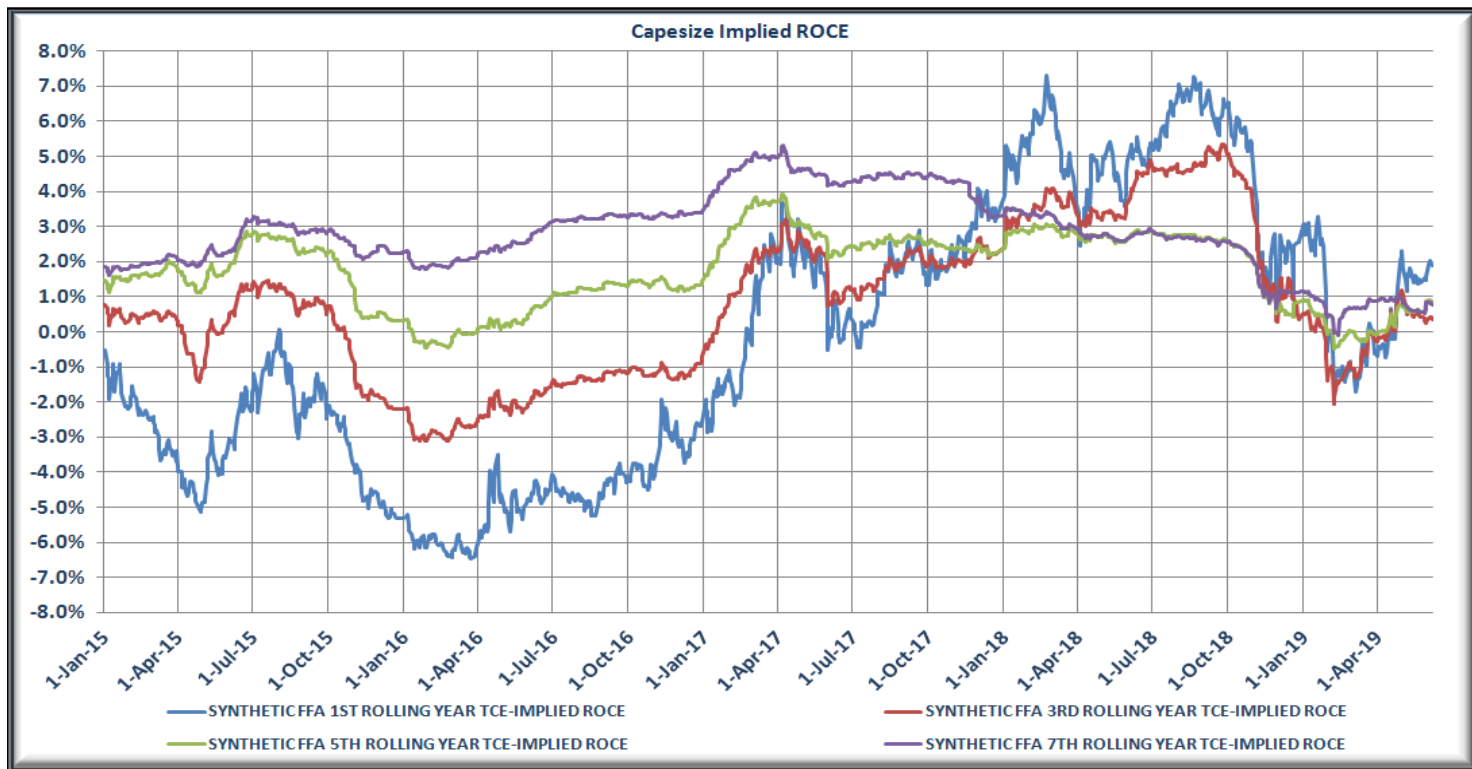
Representative Handysize Fixtures								
Vessel	DWT	Built	Delivery	Date	Re-del	Rate	Charterers	Comment
Clipper Triumph	30,000	2009	Onsan	30 May	N.China	\$7,500	cnr	coal via CIS
DL Lavender	35,194	2014	Kwinana	13 June	Indonesia	\$11,000	cnr	salt
Christina Selmer	33,000	2011	Iloilo	12 June	Philippines	\$6,800	cnr	coal
Occitan Pauillac	29,231	2008	Dammam	7 June	Beira+Durban	\$7,400	cnr	map via R.A.T
Adelina	34,032	2012	Sw passage	prompt	Algeria	\$7,200	Suisse Atlantique	Grains
Trammo Laoura	38,552	2017	Recalada	prompt	WCSA	\$15,500	Nachipa	Grains
Marine Princess	35,501	2012	Dneprobugskiy	prompt	Otranto	\$7,800	Nova Marine	Clay
Irma S	32,295	2008	Casablanca	prompt	Brazil	\$5,000	Falcon	Fertilisers
Sunrise	37,268	2009	Passing Skaw	prompt	N.Spain	\$8,000	Fertilisers	Trithorn
Lanna Naree	33,000	2012	Penang	31 May	WW	\$8,500	cnr	2-3 ll

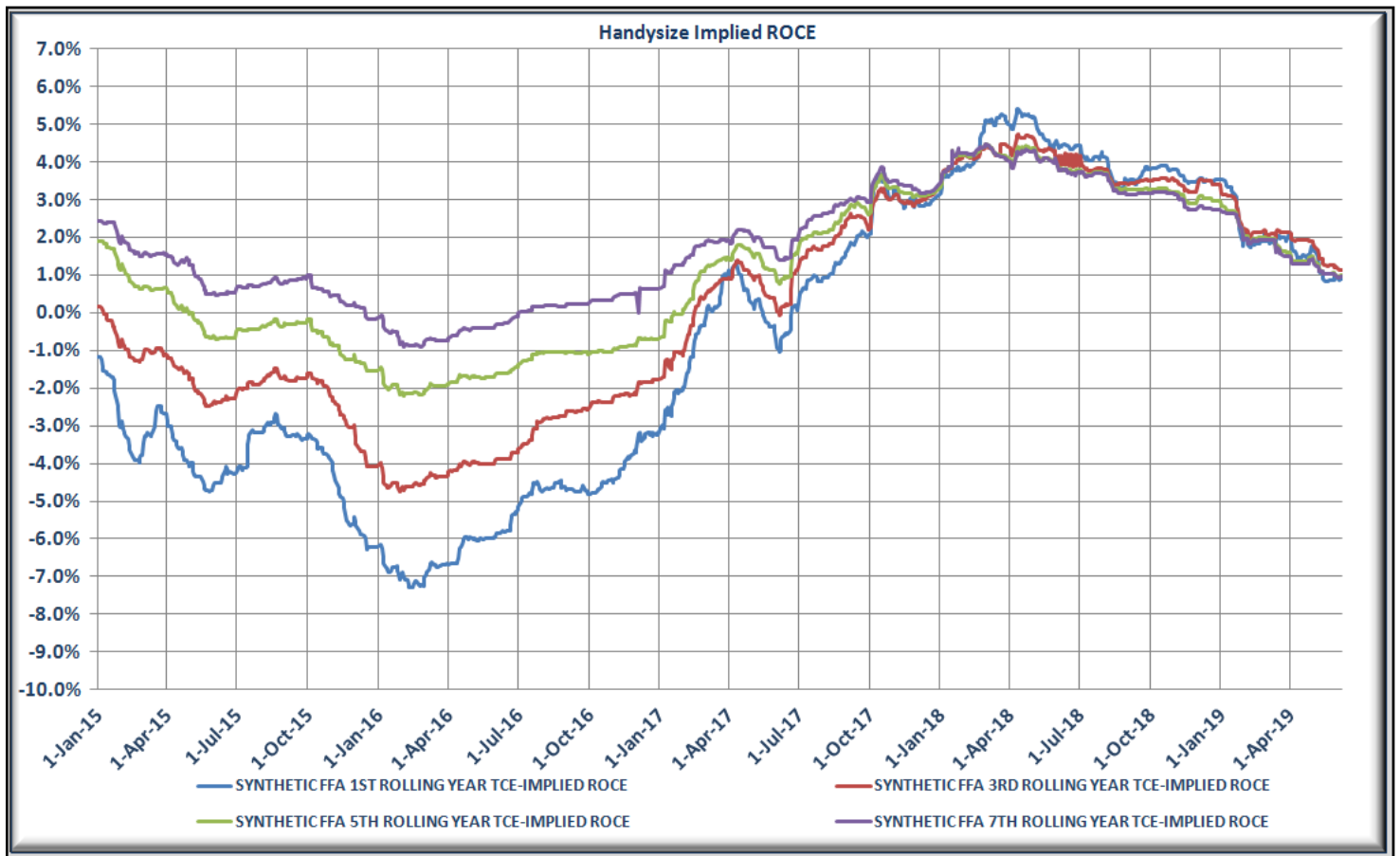
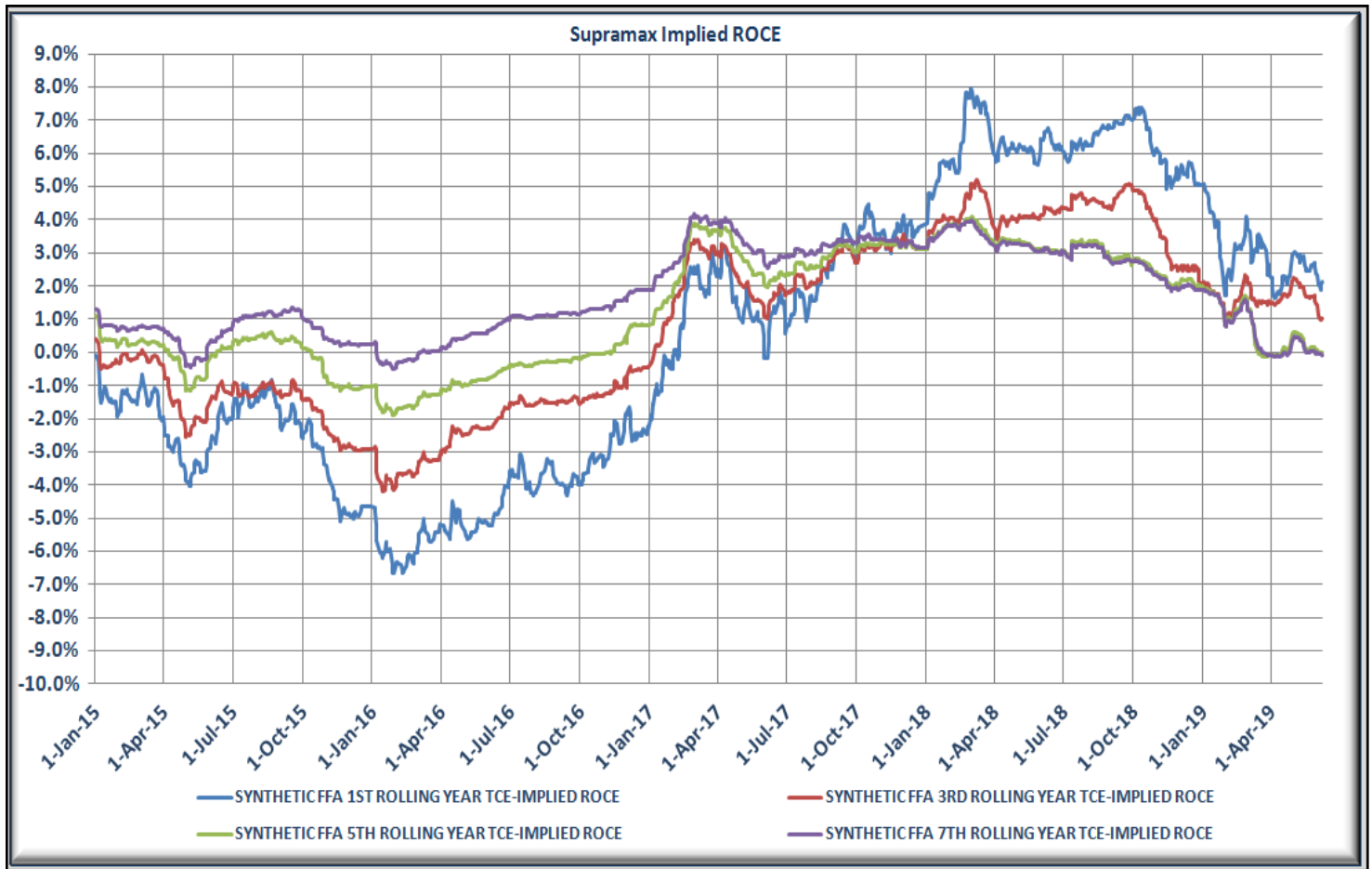


## FFA Market

The forward market was a mirror image of the spot this week, with Cape moving strongly up and all other curves losing their previous levels. The prompt months of the Capesize reported gains, with July contracts balancing at \$15,833 and August at \$16,125 daily. The front end of the Panamax curve was under pressure, with July contracts ending at \$10,158 and August at \$10,308 daily. In sync, Supramax forward market went down, with July hovering at \$9,379 and August at \$9,929 daily. Lastly, prompt Handy contracts reported marginal losses at July levels of \$6,975 daily.

In this context, Capesize first rolling year implied ROCE went 30 bps higher to 1.9% this week, whilst Panamax returns were balancing lower at 0.9%. Geared segments implied ROCEs followed the Panamax segment lead, with Supramax lingering lower at 2.1% and Handy at 0.9%.





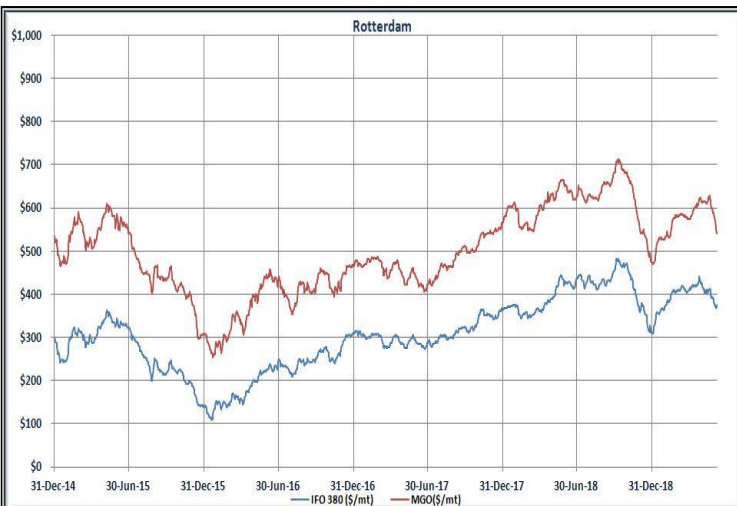
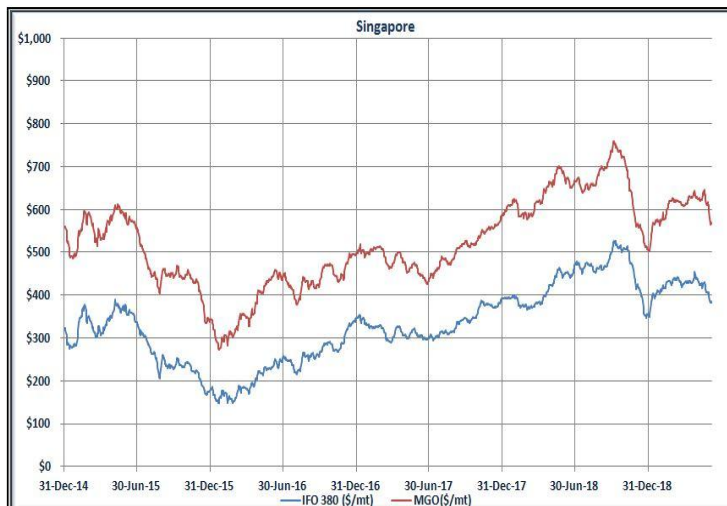
BFA Cape 5TC									
Date	Jun (19)	Jul (19)	Aug (19)	Q3 (19)	Q4 (19)	Q1 (20)	Cal 20	Cal 24	Cal 25
3-Jun-19	\$14,921	\$15,625	\$16,254	\$16,340	\$18,413	\$12,300	\$14,296	\$13,746	\$13,813
4-Jun-19	\$15,329	\$16,063	\$16,379	\$16,527	\$18,450	\$12,288	\$14,432	\$13,738	\$13,804
5-Jun-19	\$15,413	\$16,154	\$16,442	\$16,582	\$18,488	\$12,275	\$14,465	\$13,742	\$13,800
6-Jun-19	\$15,317	\$15,988	\$16,342	\$16,489	\$18,304	\$12,192	\$14,418	\$13,733	\$13,783
7-Jun-19	\$15,000	\$15,833	\$16,125	\$16,389	\$18,313	\$12,154	\$14,392	\$13,700	\$13,725
Week High	\$15,413	\$16,154	\$16,442	\$16,582	\$18,488	\$12,300	\$14,465	\$13,746	\$13,813
Week Low	\$14,921	\$15,625	\$16,125	\$16,340	\$18,304	\$12,154	\$14,296	\$13,700	\$13,725
Week Avg	\$15,196	\$15,933	\$16,308	\$16,465	\$18,394	\$12,242	\$14,401	\$13,732	\$13,785

BFA Panamax 4TC									
Date	Jun (19)	Jul (19)	Aug (19)	Q3 (19)	Q4 (19)	Q1 (20)	Cal 20	Cal 24	Cal 25
3-Jun-19	\$10,463	\$10,583	\$10,475	\$10,540	\$10,467	\$8,638	\$8,998	\$8,108	\$8,096
4-Jun-19	\$10,229	\$10,338	\$10,333	\$10,371	\$10,354	\$8,608	\$8,932	\$8,104	\$8,092
5-Jun-19	\$10,063	\$10,054	\$10,083	\$10,100	\$10,229	\$8,554	\$8,863	\$8,088	\$8,088
6-Jun-19	\$10,038	\$10,163	\$10,288	\$10,260	\$10,208	\$8,654	\$8,928	\$8,092	\$8,092
7-Jun-19	\$9,979	\$10,158	\$10,308	\$10,278	\$10,204	\$8,683	\$8,950	\$8,092	\$8,092
Week High	\$10,463	\$10,583	\$10,475	\$10,540	\$10,467	\$8,683	\$8,998	\$8,108	\$8,096
Week Low	\$9,979	\$10,054	\$10,083	\$10,100	\$10,204	\$8,554	\$8,863	\$8,088	\$8,088
Week Avg	\$10,154	\$10,259	\$10,297	\$10,310	\$10,292	\$8,627	\$8,934	\$8,097	\$8,092

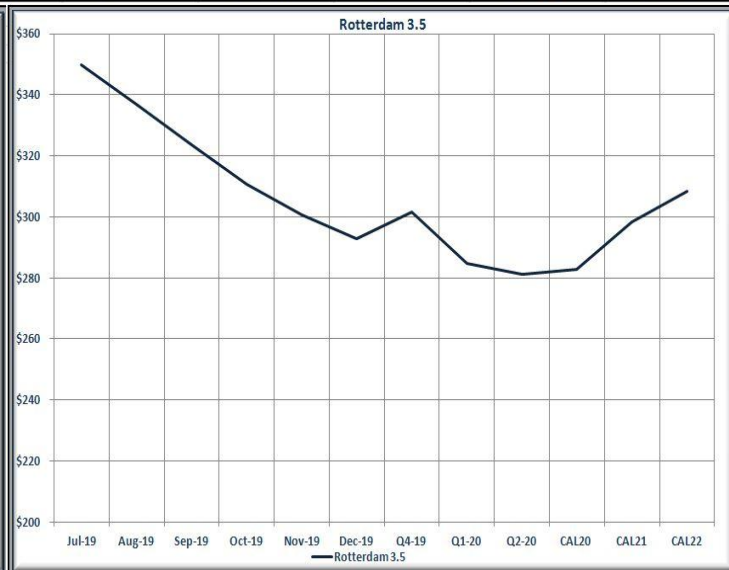
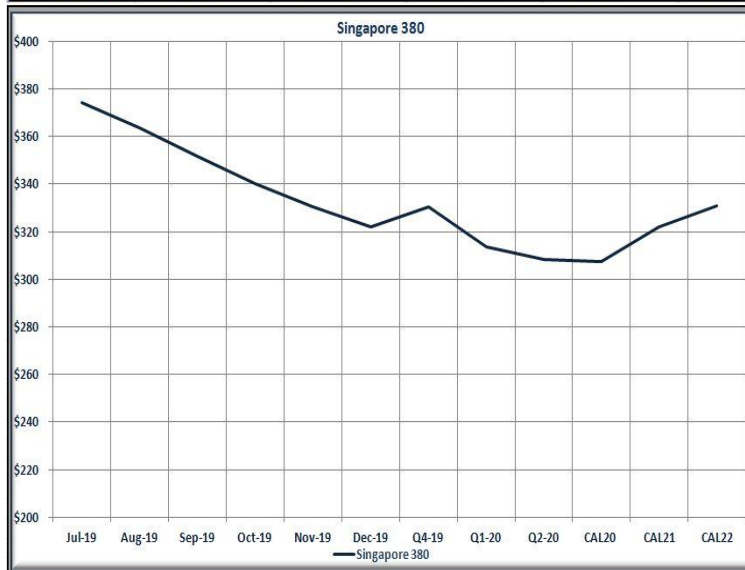
BFA Supra 10TC									
Date	Jun (19)	Jul (19)	Aug (19)	Q3 (19)	Q4 (19)	Q1 (20)	Cal 20	Cal 24	Cal 25
3-Jun-19	\$8,667	\$9,258	\$9,817	\$9,725	\$9,892	\$8,333	\$8,925	\$8,154	\$8,150
4-Jun-19	\$8,613	\$9,229	\$9,750	\$9,671	\$9,858	\$8,346	\$8,938	\$8,163	\$8,154
5-Jun-19	\$8,538	\$9,142	\$9,688	\$9,589	\$9,792	\$8,321	\$8,881	\$8,163	\$8,146
6-Jun-19	\$8,525	\$9,321	\$9,854	\$9,752	\$9,833	\$8,367	\$8,938	\$8,158	\$8,146
7-Jun-19	\$8,529	\$9,379	\$9,929	\$9,818	\$9,854	\$8,388	\$8,950	\$8,158	\$8,138
Week High	\$8,667	\$9,379	\$9,929	\$9,818	\$9,892	\$8,388	\$8,950	\$8,163	\$8,154
Week Low	\$8,525	\$9,142	\$9,688	\$9,589	\$9,792	\$8,321	\$8,881	\$8,154	\$8,138
Week Avg	\$8,574	\$9,266	\$9,808	\$9,711	\$9,846	\$8,351	\$8,926	\$8,159	\$8,147

BFA Handysize TC									
Date	Jun (19)	Jul (19)	Aug (19)	Q3 (19)	Q4 (19)	Q1 (20)	Cal 20	Cal 24	Cal 25
3-Jun-19	\$6,438	\$6,963	\$7,375	\$7,396	\$8,250	\$7,331	\$7,919	\$7,813	\$7,813
4-Jun-19	\$6,438	\$6,938	\$7,363	\$7,377	\$8,238	\$7,319	\$7,906	\$7,813	\$7,813
5-Jun-19	\$6,438	\$6,938	\$7,363	\$7,377	\$8,225	\$7,319	\$7,906	\$7,813	\$7,813
6-Jun-19	\$6,450	\$6,963	\$7,375	\$7,396	\$8,238	\$7,331	\$7,913	\$7,819	\$7,819
7-Jun-19	\$6,450	\$6,975	\$7,388	\$7,404	\$8,238	\$7,331	\$7,913	\$7,819	\$7,819
Week High	\$6,450	\$6,975	\$7,388	\$7,404	\$8,250	\$7,331	\$7,919	\$7,819	\$7,819
Week Low	\$6,438	\$6,938	\$7,363	\$7,377	\$8,225	\$7,319	\$7,906	\$7,813	\$7,813
Week Avg	\$6,443	\$6,955	\$7,373	\$7,390	\$8,238	\$7,326	\$7,911	\$7,815	\$7,815

## Bunker Market



	Rotterdam		Singapore		Fujairah		Gibraltar		Houston	
Date (\$/mt)	IFO 380	MGO	IFO 380	MGO	IFO 380	MGO	IFO 380	MGO	IFO 380	MGO
3-Jun-19	\$373	\$570	\$388	\$578	\$391	\$688	\$397	\$592	\$378	\$621
4-Jun-19	\$367	\$556	\$382	\$564	\$379	\$678	\$393	\$591	\$365	\$603
5-Jun-19	\$374	\$551	\$385	\$572	\$382	\$676	\$388	\$582	\$362	\$603
6-Jun-19	\$371	\$541	\$384	\$566	\$379	\$666	\$389	\$585	\$356	\$595
7-Jun-19	\$374	\$544	\$386	\$568	\$382	\$669	\$392	\$588	\$358	\$598
12-month High	\$483	\$712	\$526	\$759	\$529	\$798	\$510	\$768	\$750	\$767
12-month Low	\$309	\$469	\$347	\$502	\$336	\$666	\$352	\$545	\$328	\$539
12-month Avg	\$410	\$603	\$443	\$634	\$440	\$734	\$440	\$662	\$419	\$658



Singapore	07-Jun-19	Week max	Week low	Week Avg	RTDM 3.5	07-Jun-19	Week max	Week low	Week Avg
Jul-19	\$374.0	\$374.0	\$356.6	\$364.3	Jul-19	\$349.8	\$349.8	\$334.8	\$341.8
Aug-19	\$363.8	\$363.8	\$347.1	\$354.8	Aug-19	\$337.0	\$337.0	\$322.1	\$329.9
Sep-19	\$351.5	\$351.5	\$335.8	\$343.5	Sep-19	\$323.5	\$323.5	\$308.8	\$317.1
Oct-19	\$340.0	\$340.0	\$324.8	\$332.4	Oct-19	\$310.5	\$310.6	\$296.1	\$304.5
Nov-19	\$330.5	\$330.5	\$315.3	\$323.1	Nov-19	\$300.8	\$300.8	\$285.8	\$294.4
Dec-19	\$322.3	\$322.3	\$307.1	\$314.8	Dec-19	\$293.0	\$293.0	\$277.8	\$286.5
Q3-19	\$363.1	\$363.1	\$346.5	\$354.2	Q3-19	\$336.8	\$336.8	\$321.9	\$329.6
Q4-19	\$330.6	\$330.9	\$316.7	\$324.2	Q4-19	\$301.8	\$301.8	\$286.7	\$295.3
Q1-20	\$313.6	\$313.6	\$299.0	\$306.8	Q1-20	\$284.8	\$284.8	\$269.4	\$277.9
Q2-20	\$308.4	\$308.4	\$293.5	\$301.3	Q2-20	\$281.3	\$281.3	\$265.9	\$273.9
CAL20	\$307.5	\$307.5	\$294.2	\$300.6	CAL20	\$282.8	\$282.8	\$269.2	\$276.8
CAL21	\$322.0	\$322.0	\$306.2	\$312.7	CAL21	\$298.3	\$298.3	\$280.7	\$289.1
CAL22	\$331.0	\$331.0	\$306.2	\$314.9	CAL22	\$308.3	\$308.3	\$274.7	\$286.3



## Dry Bulk S&P Market

As we edge into June and the Mercury rises, the status quo of 2019 remains unchanged and resembles the fall season more so than it does the summertime; cooler temperatures still allowing for some degree of comfortable activity, coupled with a yearning for slightly warmer weather. Despite the cautious stance being assumed by many in the industry, we see movement via a steady flow of enquiries, occasional hints from lurking owners for private deals, and the plethora of bulkers being pushed around the market. In addition to Star Bulk's gargantuan acquisition of a fleet of 10 ships (1 Ultramax and 9 x 56k dwt Supras all blt Hantong, China between 2012 and 2014) at \$139.5 mio part cash/part shares, news of a few other noteworthy sales has surfaced.

As we go to press, it's being rumored that the MV GRM Princess (82,177 dwt, blt 2011, Tsuneishi Zhousan, China) is on subs in the region of mid-to-high \$17's mio to Greek buyers. For when and where she was built, this number looks quite firm, especially factoring in the impending DD at the end of the year. The vintage Panamax bulker, M/V Ocean Favour (72,400 dwt, blt 1998, Sasebo, Japan) was reported sold to Middle East buyers at about US\$ 6.2 mio, her 2nd hand value bolstered perhaps by the fact that she is BWTS fitted. More hearsay for the larger segments regards a 2004-blt Pmax, said to have been sold to Chinese buyers at US\$ 7.1 mio, a price reflecting her (less desirable) Taiwanese construction and certainly in line with the recent sale of a similar ship (same size and age, blt in China) in the high \$6's mio just a few weeks ago.

Moving down the totem pole, the Ultramax bulker, MV GH Frankel (63,000 dwt, blt 2012, Yangzhou Dayang, China) has found a new home with European buyers at US\$ 17 mio – a firm purchase price for the buyers considering that just last week a younger sister ship built in 2014 was sold at US\$ 19.5 mio with SS/DD due shortly. The Supramax 'Darya Brahma' (56,056 dwt, blt 2006, Mitsui, Japan) went to Indonesians at US\$ 10.8 mio with an imminent DD due next month, on pace with the deals recently concluded on similar Japan-built Supras.

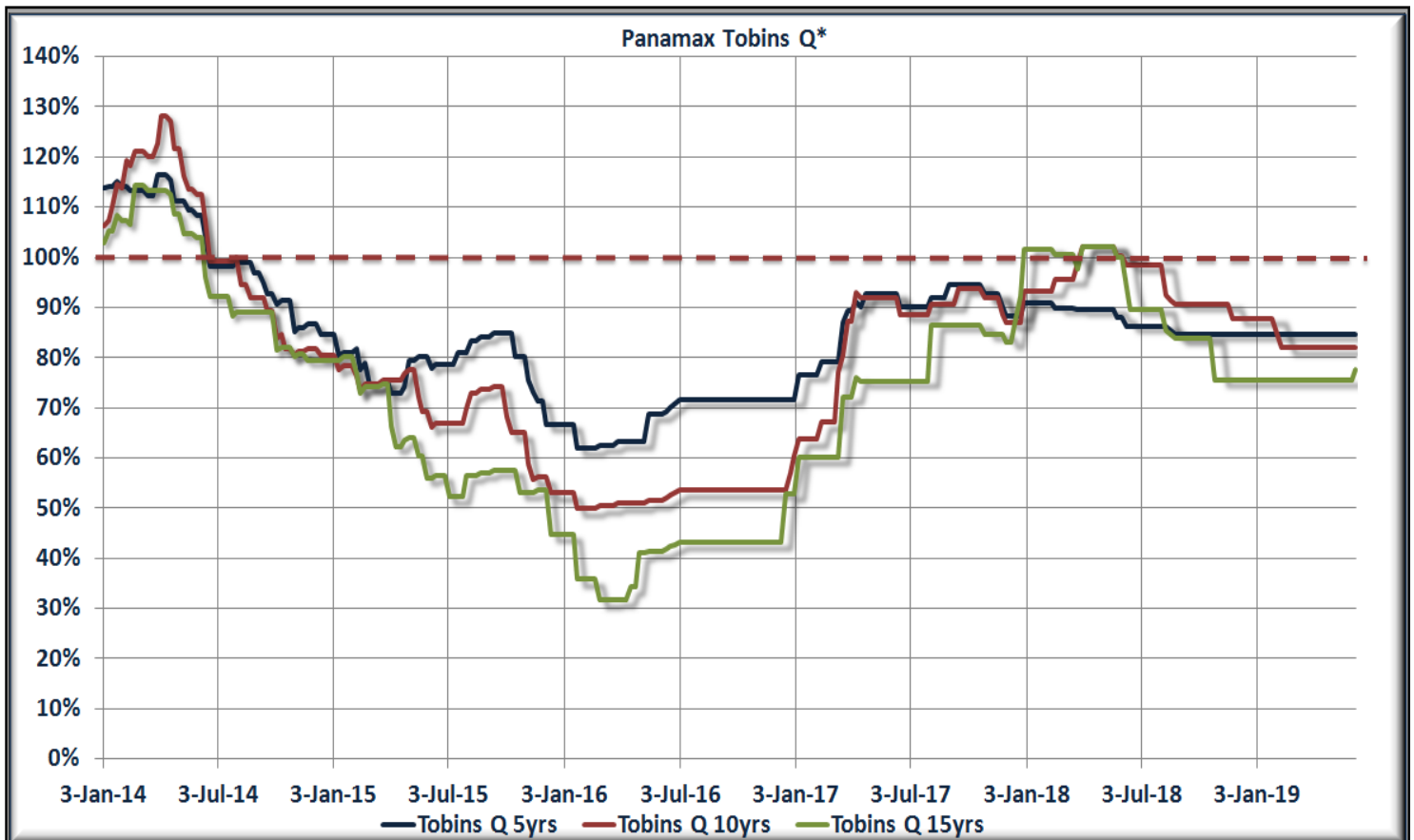
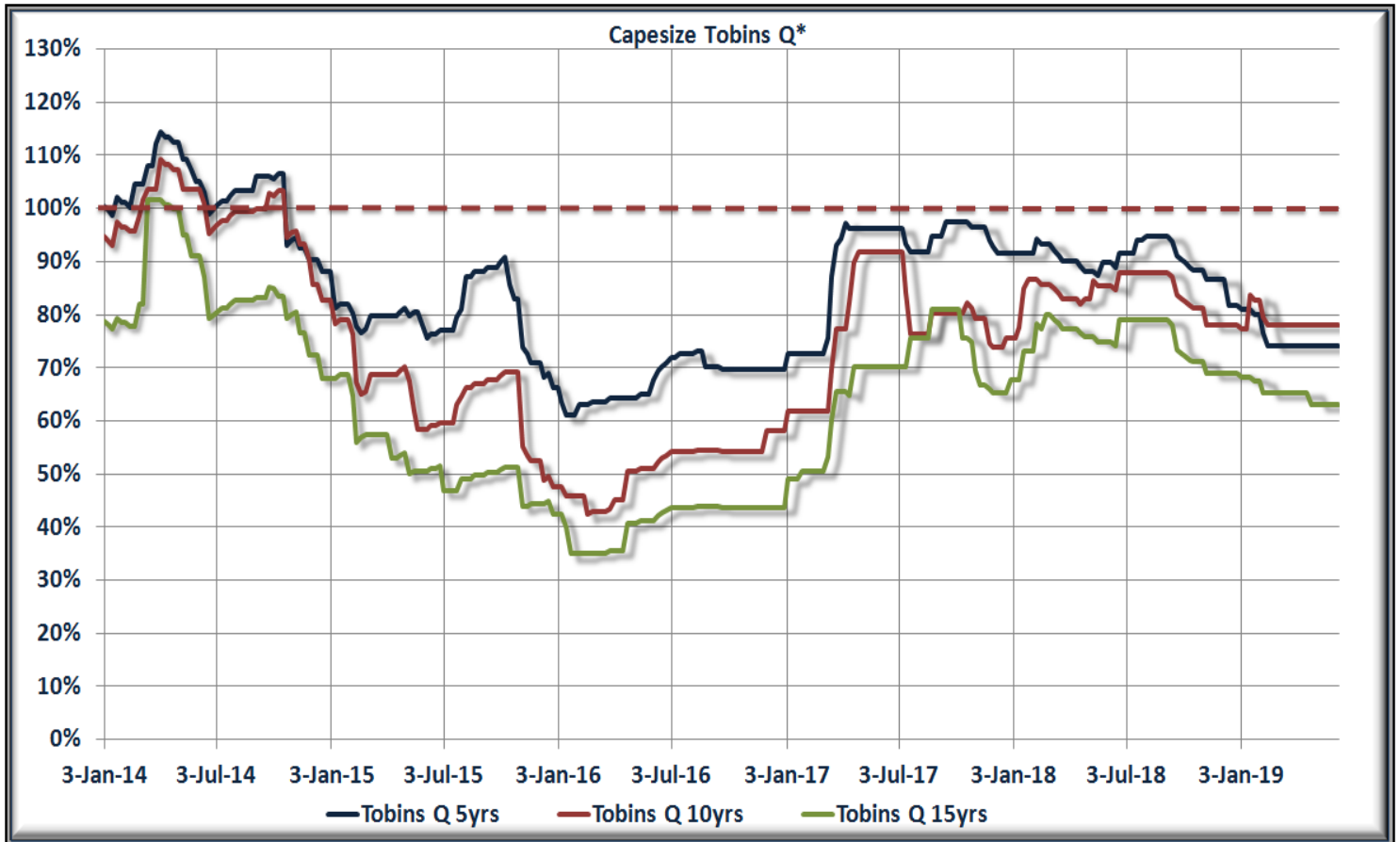
Closing out the week, yet another vintage handymax vessel exchanged hands. The M/V Blue Balance (45,713 dwt, blt 1998, Tsuneishi, Japan) was sold at \$4.8 mio to Chinese buyers, in line with recently reported deals (2 x handymaxes blt 1997 in the low \$4's) and at levels reflecting her freshly passed SS/DD.

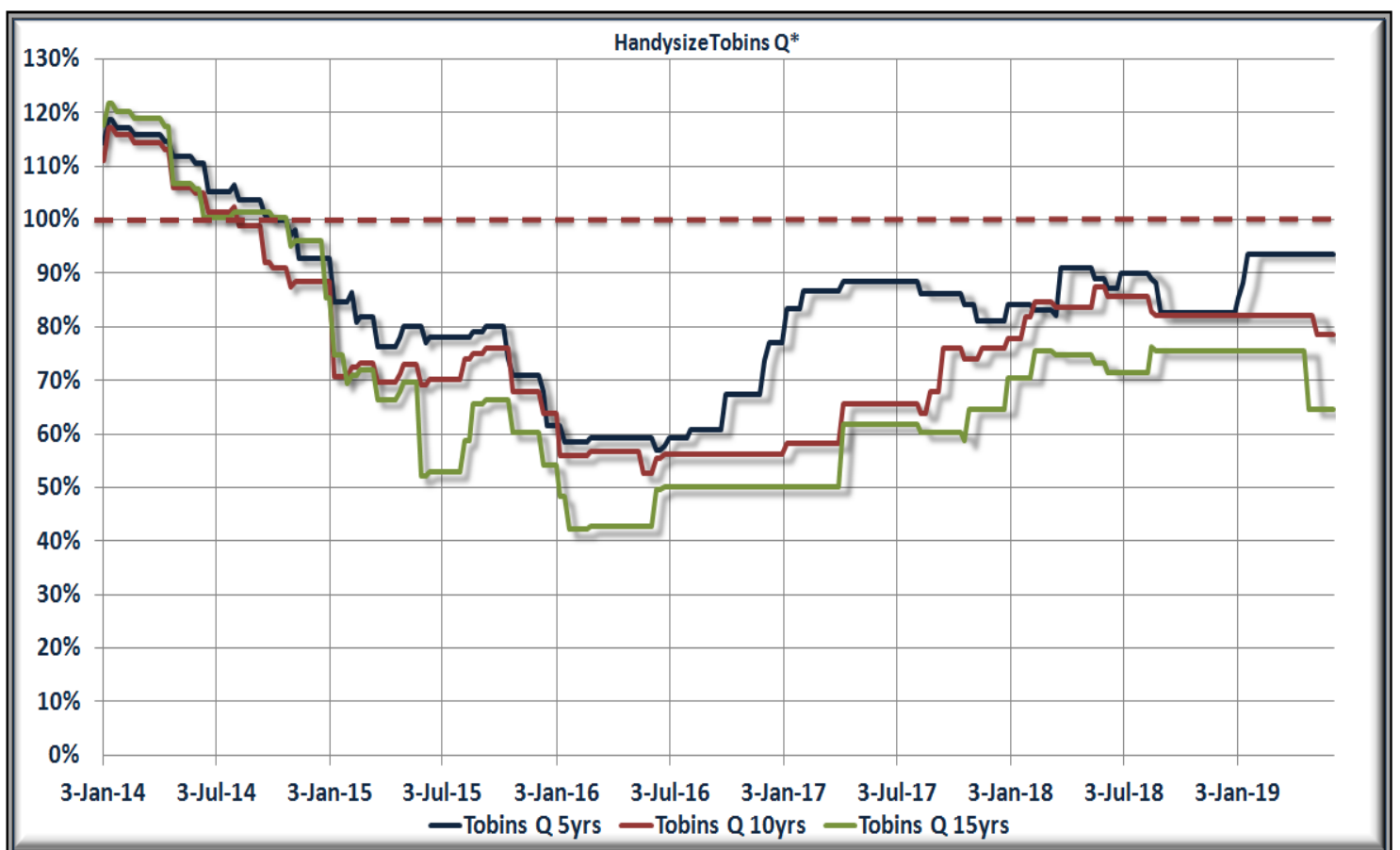
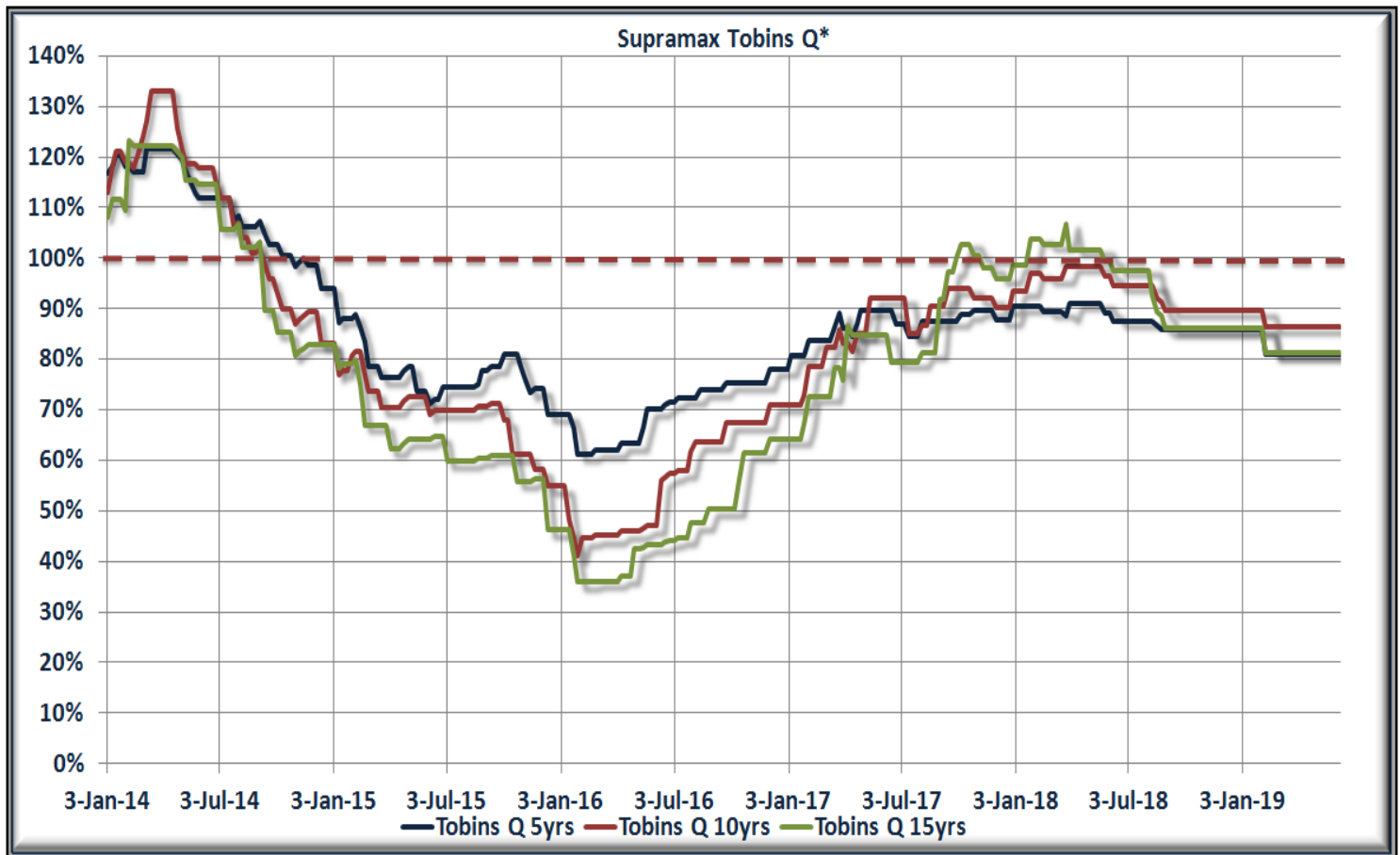
Reported Recent S&P Activity						
Vessel Name	DWT	Built	Yard/Country	Price \$Mil.	Buyer	Comments
2 N/B Capes 210k New Times	210,000	2020-2021	New Times/China	45	S.Korean buyers	Options Tier Iii Scrubber Fitted, 5 Yr Coa To Vale
Netadola	208,998	2017	Jiangsu New Yangzijian/China	50	Greek buyers	
Pacific Glory	233,694	2004	Imabari/Japan	14.5	Undisclosed	
Iron Fritz	176,298	2003	Universal/ Japan	12	Chinese buyers	
2+2 N/B Ppmax 95k Gsi	95,000	2021	Gsi/China	38	Undisclosed	10 Yrs Coa
Alam Pintar	87,052	2005	Ihi/Japan	low 9	Undisclosed	
4 N/B Kmax Cosco	81,200	2020	Cosco Yangzhou/China	27	Chinese buyers	
Sasebo Sasebo Kmax 854	84,700	2019	Sasebo/Japan	32	Undisclosed	
Puppis Ocean	81,070	2014	JMU/Japan	23.75	Undisclosed	
Lake Dahlia	78,802	2009	Sanoyas/Japan	13.8	Greek buyers	
Chris	76,629	2006	Imabari Marugame/Japan	10.7	Undisclosed	
An Ho	77,834	2004	China/Taiwan	high 6	Undisclosed	
Rodon Amarandon	74,090	2001	Namura Imari/Japan	6.6	Chinese buyers	
Ocean Favour	72,400	1998	Sasebo/Japan	6.2	Undisclosed	
Zeyno	63,064	2014	Yangzhou Dayang/China	19.5	Undisclosed	C 4 X36
Vil Baltic	57,021	2010	Qingshan/China	9.75	Chinese Buyers	C4x30
Bulk Pegasus	58,736	2009	Tsuneishi/Japan	13.2	Undisclosed	C 4X30
Niton Cobalt	52,471	2004	Tsuneishi/Japan	High 7	Undisclosed	C 4X30
Victoria	46,841	1997	Daedong/Korea	4.2	Undisclosed	C 4 X25
Alpine	37,349	2015	Nanjing Dongze/China	14.4	Undisclosed	C 4x30
Cielo Di Amalfi	37,322	2007	Saiki/Japan	10.2	Undisclosed	C 4X30,5
Rhl Novare	31,754	2011	Mawei/China	8	Greek buyers	C 4x30
Three Rivers	29,975	2010	Yangzhou/China	8.3	Undisclosed	C 3X30
Beagle Vi	18,320	2001	Shikoku/Japan	4.7	Undisclosed	C 3x30

Tobin's Q* Capesize-Panamax						
Date	Capesize 5yrs	Capesize 10yrs	Capesize 15yrs	Panamax 5yrs	Panamax 10yrs	Panamax 15yrs
Current ratio	74%	78%	63%	85%	82%	78%
12months High	95%	88%	79%	86%	98%	90%
12months Low	74%	77%	63%	85%	82%	76%
12months Avg	84%	81%	70%	85%	88%	80%

Tobin's Q* Supramax-Handysize						
Date	Supramax 5yrs	Supramax 10yrs	Supramax 15yrs	Handysize 5yrs	Handysize 10yrs	Handysize 15yrs
Current ratio	81%	86%	81%	94%	78%	65%
12months High	87%	94%	98%	94%	86%	76%
12months Low	81%	86%	81%	83%	78%	65%
12months Avg	84%	89%	86%	89%	82%	73%

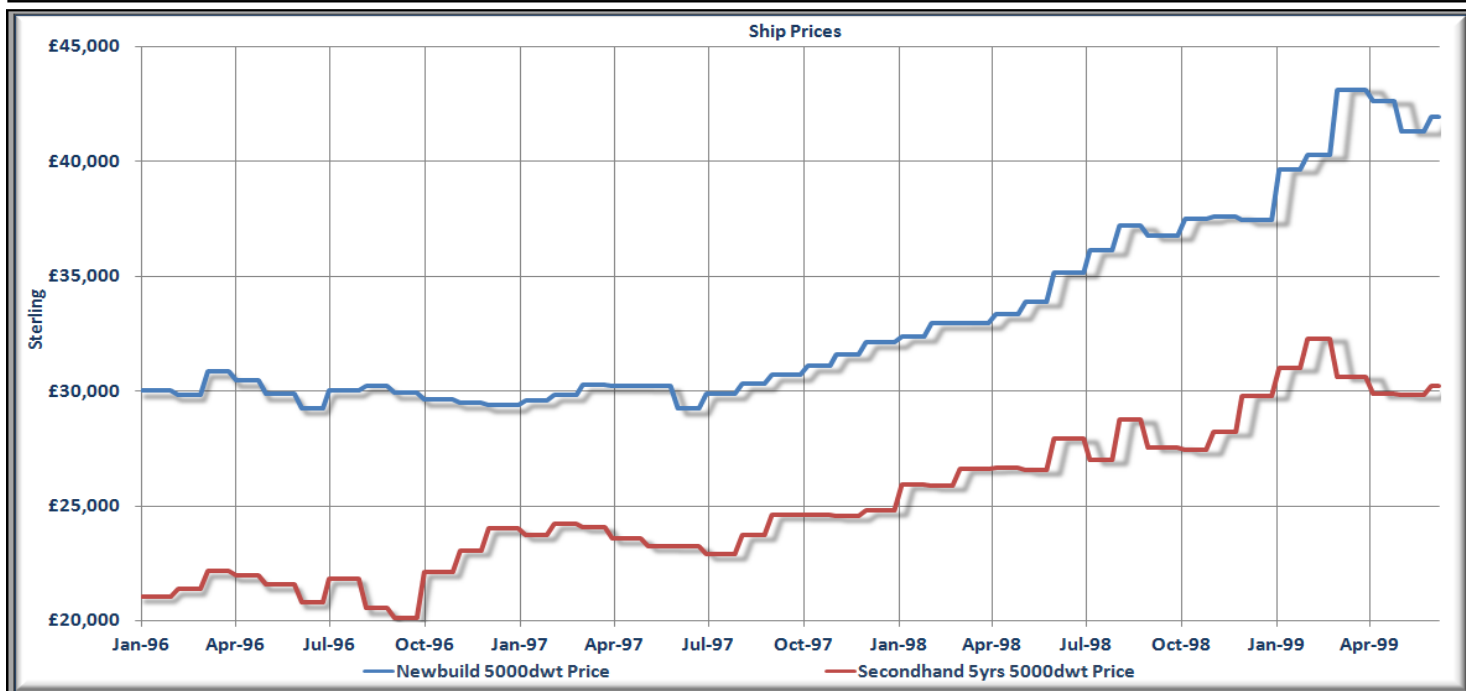
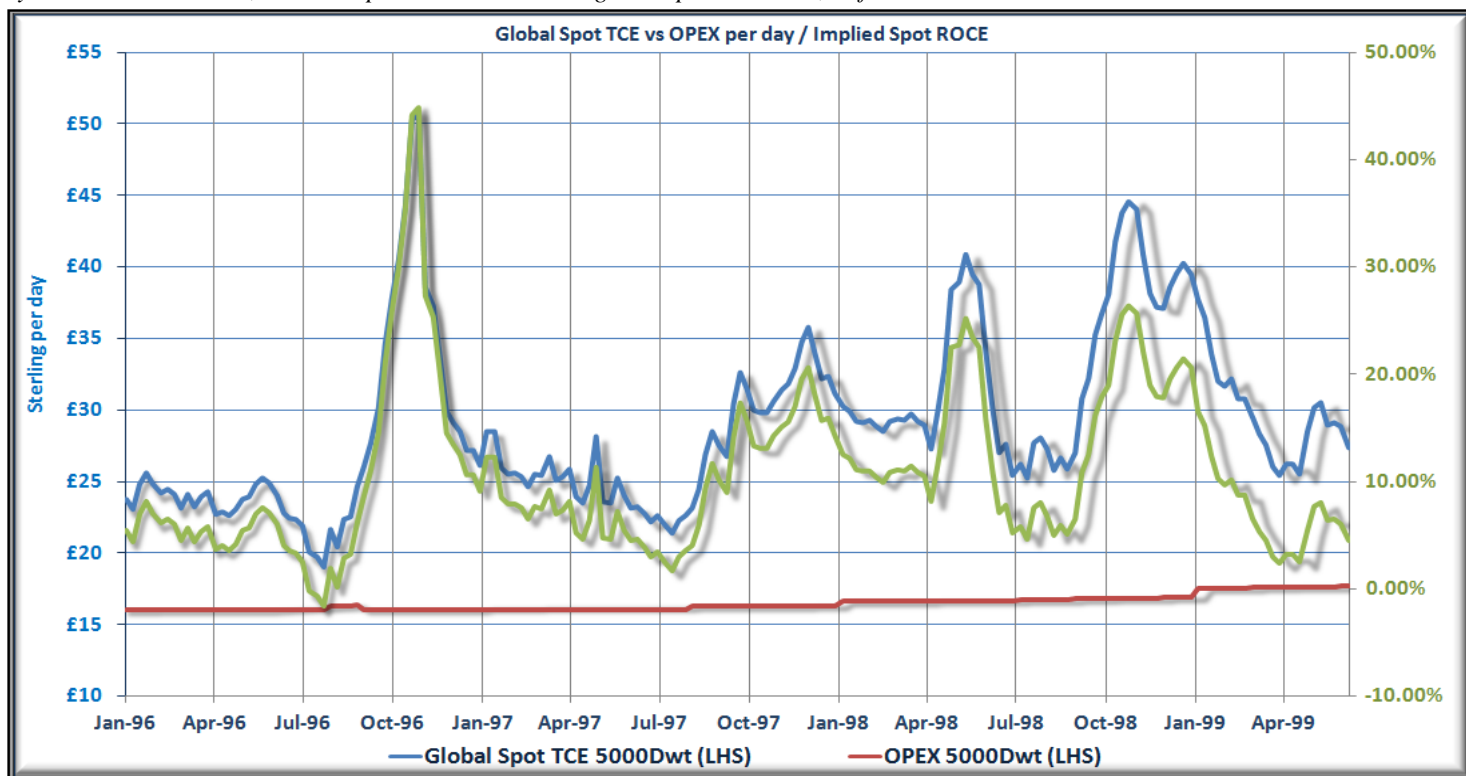
\*Tobin's Q represents the ratio between the market value and replacement value of a physical asset, with numerator and denominator adjusted to same age basis. According to economic theory, this ratio should be mean reverting towards 1 or 100%, for assets that do not face technological obsolescence.





## Market Insight 120 years ago

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



Weekly Spot Market	Current week	Previous week	May-01	Apr-01	Mar-01
Implied Spot Roce	4.6%	6.1%	7.2%	3.7%	4.5%
Global Spot TCE	£27.30	£28.73	£29.61	£26.50	£27.28
BlackSea Round	£27.94	£29.25	£29.85	£27.08	£27.05
East Round	£29.63	£31.04	£32.74	£30.65	£33.77
Med Round	£24.07	£26.12	£27.42	£23.96	£24.54
US Round	£30.78	£30.42	£31.29	£26.28	£31.68
River Plate Round	£37.03	£37.26	£35.26	£29.41	£30.31

S&P Market (5,000dwt)	Current week	Previous week	May-01	Apr-01	Mar-01
NB	£41,911	£41,911	£41,301	£42,603	£43,100
SH 5yrs old	£30,272	£30,272	£29,837	£29,910	£30,645
SH 10yrs old	£23,245	£23,245	£22,900	£23,022	£23,763
SH 15yrs old	£17,593	£17,593	£17,306	£17,500	£18,349

\*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...

During the past week the markets, with a few expectations, have been active, a considerable quantity of tonnage having been fixed, not only from America and the East, but also from the Black Sea direction, etc. From the Plate one or two fixtures have been effected at good rates, which are still quoted, and it looks as if profitable employment from there would be obtainable for the remainder of this year.

From B.N.A business is getting appreciably more attractive, as deal rates are now close upon the limit that will allow of the new extra insurance being paid by owners. This may not generally apply, as many boats are so highly valued as to be exposed to a very heavy item for an extra insurance of £1 1s per cent; there are, however, plenty of boats the value of which is not probative in this respect, and it is from the source that charterers will have to get their supply of tonnage. We think that the underwriters are acting arbitrarily in boycotting B.N.A. with their £1 1s per cent penalty. They say they do not like the trade in April and May because of the danger of ice and fog; but surely if they must inflict a penalty for June and July trading, 5s to 10s per cent extra ought to be more than ample to cover any of the contingencies attributable to the dangers of the trade. It is well known that at one or more of the White Sea ports there is 50 per cent more danger to shipping than at any of the usual deal shipping ports in B.N.A.; yet the underwriters have not further modified the White Sea restrictions. This is a matter that should be seriously taken up, for if underwriters are going to be allowed, without protest, to ruin the B.N.A. trade, there is no reason why they should not next contemplate a £1 1s extra insurance for trading from the U.S Atlantic ports. How is it that when they excluded B.N.A (except at the premium) they did not also exclude the Port of Bangor (Maine)? Although this deal port is in the U.S, it is a worse and more dangerous port than such places as St. John, West Bay, Hope-well Cape, etc., in the Bay of Fundy. Underwriters urge that owners nowadays are all for despatch and quick passages, and that their captains know they have to satisfy them in this respect even when contending with ice, fog, etc. If owners generally would give a yearly bonus to their captains and officers for running clear of accidents, it would not be long, we think, before underwriters withdrew this £1 1s penalty, for owners and underwriters' interests would then become identical. As they are working at cross purposes, why not try the other expedient?

The Black Sea market is in a deplorable condition and apparently there is little or no prospect of any recovery for a long time to come, certainly not until August next. Berth rates from Odessa, etc, to L.H.A.R are down to 7s 6d; on charter the most that is now quoted from the full range is 8s 9d to 9s n.c. From Eupatoria to the Baltic 12s is quoted for salt; it is miserable business, but it will have to be taken if owners persist in ordering their boats up to Constantinople in ballast unfixed home.

The Azoff market has taken several boats on the basis of about 9s 9d any, 10s Hamburg. The best that is now obtainable is 9s 6d to 9s 9d any; possibly a little more for small boats, the market being very dull, with an infinitesimal demand for tonnage.

The Danube market has practically ceased to exist, berth rates for A.R. being nominally 9s. This must be the worst or one of the worst seasons on record for the Danubian contingent.

Mediterranean business is very quiet. From Greece to U.K or Cont. 7s to 7s 6d is quoted.

The American market is very active, with an increasing demand for tonnage. From the Northern range June/July boats are worth 2s 7½d to 2s 9d on berth terms to p.p. Net charter rates from the Gulf ports for June loading are 13s 6d, July 13s September/October and November/December 15s. Timber rates from the Gulf pitch-pine ports are steady, although orders for choice ports are not so plentiful; to U.K p.p or Holland 97s 6d is offering, while for the French Atlantic ports, bar Rouen, 100s to 102s 6d is obtainable, and for the Elbe or Weser 100s, all upon the "pixpinus" charter- which carries despatch money equal to about 2s to 2s 6d per standard, and as we have said before, gives merchants the option of shipping hewn timber on deck.

The Eastern market has been very active, especially from Kurrachee, June tonnage having been fixed up to 18s 9d for p.p; for July 17s 6d has been touched. From Bombay 17s to 17s 6d is quoted for p.p for June and 16s to 16s 6d for July. Calcutta rates are about steady at unchanged quotations on the basis of 21s 3d. to 22s 6d. deadweight basis to p.p.

The River Plate market keeps very steady, a 5,000-ton boat having obtained from the San Lorenzo limit to p.p 20s 1½d for July/August loading, since which a boat carrying 6,500 tons has been fixed at 20s; smaller boats have commanded 21s to 22s o.c. Outward rates from Wales are weaker for the lower ports at 10s 9d to 11s 3d Rivers 11s 9d to 12s 3d.

Coal freights from Wales to the Mediterranean are weaker, as, for instance, the Genoa rate has fallen up to 7s 10½d. Rates, however, for Alexandria are apparently good, but the plague there is responsible for this. Westwards rates are easier all round, while for the East freights are dull on the basis of 12s for Colombo.

On the S&P front, the newbuilding market moved sideways. A typical newbuilding 5,000dwt British-build steamer is currently at the market for £41,900 whereas a ten-year-old of the same dwt and specification at £23,250.