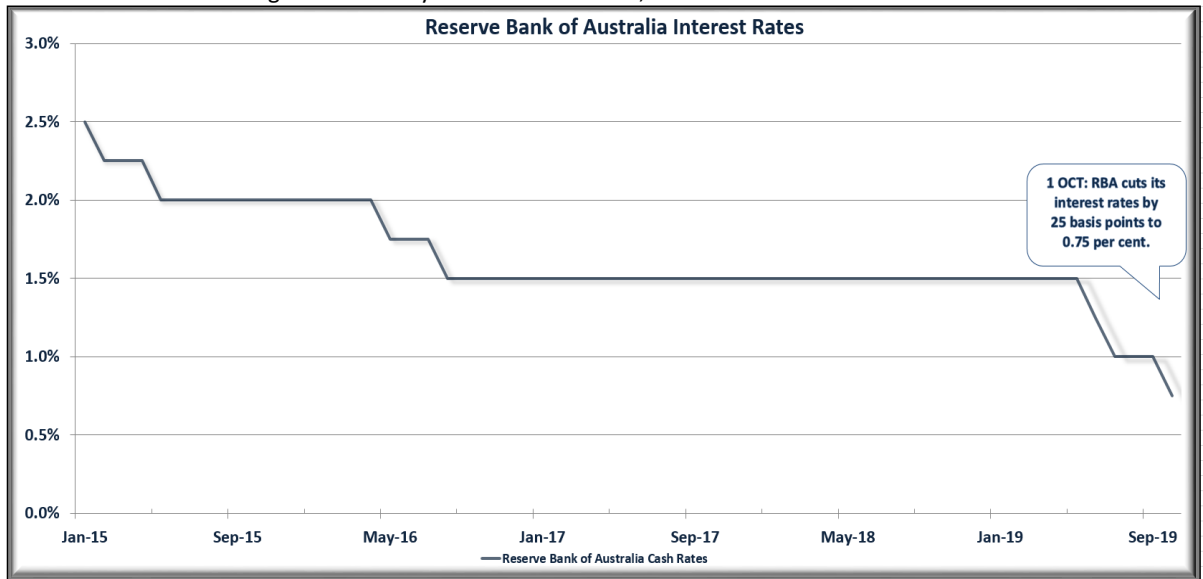
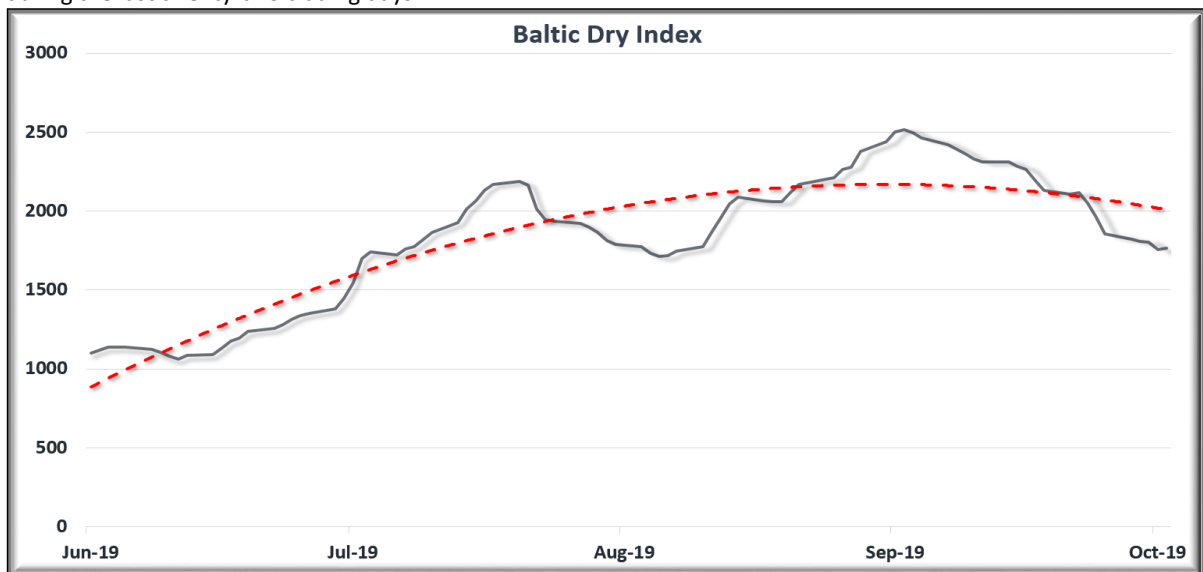


With twenty-seven years of positive economic growth, Australia has demonstrated a remarkable capacity to sustain steady increases in material living standards and absorb economic shocks. This good macroeconomic performance has strengthened the country's standing in terms of GDP per capita. Economic reforms during 1980s and 1990s are often considered as a key ingredient to Australia's success story. Most importantly though, China's insatiable appetite for iron ore and coal had a positive bearing in the commodity-dependent Australian economy. On the same wavelength but on a choppy trajectory, dry bulk has been fueled by the same underlying forces as the Australian economy. However, after so many years of walking down the same path, Baltic indices and the economy of the "land down under" appear to be in disagreement. On the one hand, the average earnings of the dry bulk sector lingered at quite healthy levels during the last couple of years. On the other hand, some cracks have made their appearance on the concrete growth of the world's largest iron ore exporter. In this context, the Reserve Bank of Australia decided to lower the cash rate by 25 basis points to 0.75 per cent. The Australian economy expanded by 1.4 per cent over the year to the June quarter, which was a weaker-than-expected outcome. A gentle turning point, however, appears to have been reached with economic growth a little higher over the first half of this year than over the second half of 2018. The low level of interest rates, recent tax cuts, ongoing spending on infrastructure, signs of stabilisation in some established housing markets and a brighter outlook for the resources sector should all support growth. Most importantly though, the board of the Australia Central Bank stressed that while the outlook for the global economy remains reasonable, the risks are tilted to the downside.



Source: Reserve Bank of Australia Official Site, Doric Shipbrokers

Setting aside the long-term prospects of iron ore trades and consequently the health of Australian economy and of dry bulk shipping, the Baltic Dry Index made a steep correction during the last month. After touching multi-year highs on early September, the gauge of activity in the most bustling maritime routes lost some 42.5% of its value during the last twenty-two trading days.



Source: Baltic Exchange, Doric Research

On a final note though, the major Baltic Indices along with Wall Street both moved higher this Friday. With the former being projected to have more activity after the end of the Eastern holidays whilst the latter taking a breather after US jobs figures allay concerns about a more intense slowdown of the US and global economy.

**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..."

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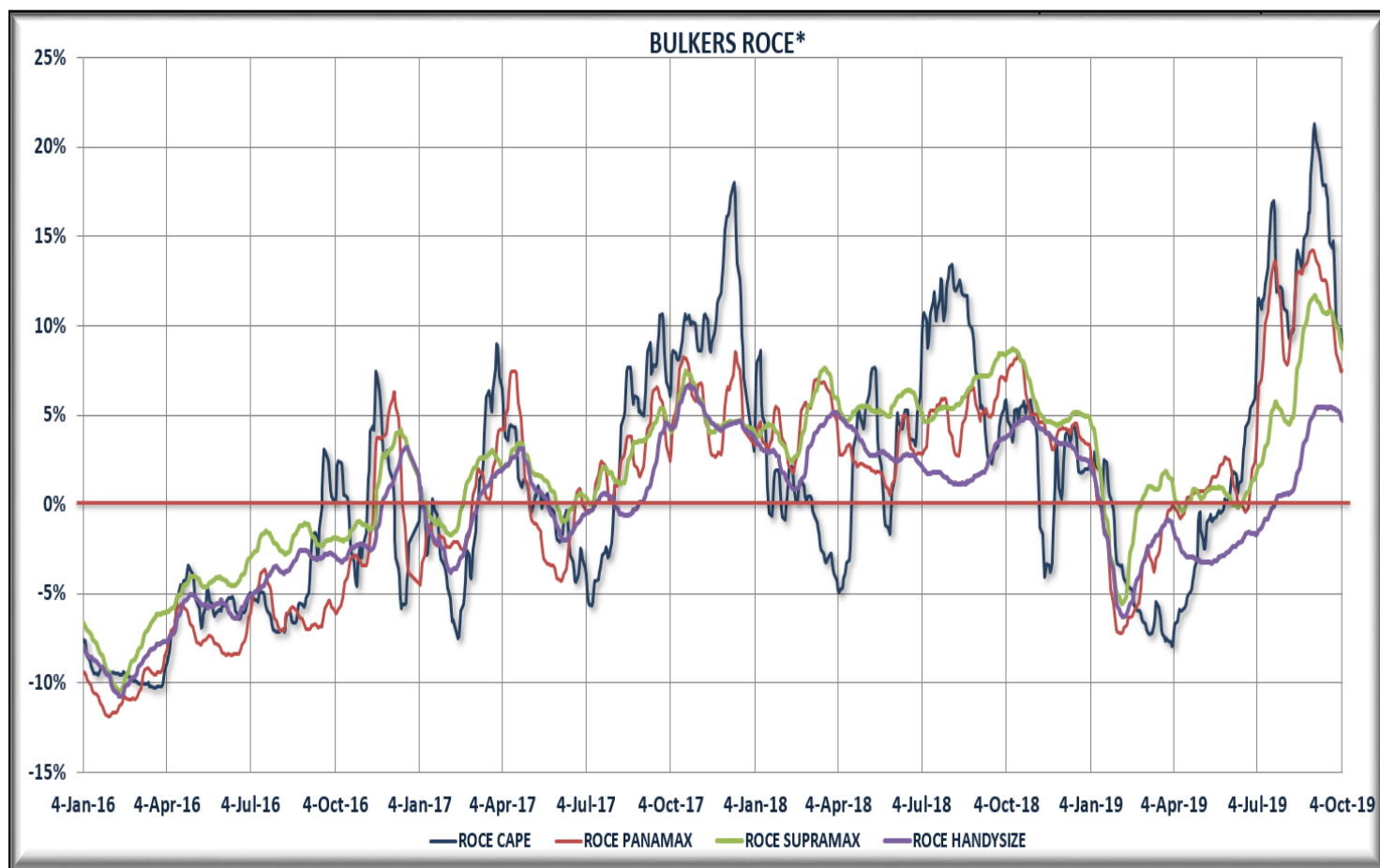
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## Dry Cargo Spot Market

In a rather anemic week, the Dry Bulk Index ended at 1767 points on this week closing, concluding 751 points lower than this day last month but higher than intra-week lows. Reporting a nine point five percentage point decrease on a weekly basis, the Baltic Capesize Index moved considerably lower to 3021 points, last seen on early July. Leaving the fortieth week behind, the Baltic Panamax Index remained consistent on its downward trend, finishing at 1731 points. In sync, the Baltic Supramax Index went down to 1199 points, or lower 4.8% W-o-W. The Baltic Handy Index reported losses, balancing at 670 points.

At the box office, the after depreciation returns on capital employed of all bulkers trended downwards to single-digit levels. In particular, Capesize ROCE lay at 9.2% and Panamax ROCE at 7.6%, or down 105 and 90 basis points on a weekly basis respectively. Supramax ROCE decreased to 8.7%, at the same time as Handy ROCE was losing further steam at 4.7%.



Baltic Freight Indices					
Date	BDI	BCI 5TC	BPI - TCA	BSI - TCA	BHSI - TCA
30-Sep-19	1823	\$24,402	\$14,140	\$14,104	\$9,969
1-Oct-19	1809	\$24,321	\$13,973	\$13,884	\$9,910
2-Oct-19	1803	\$24,430	\$13,819	\$13,710	\$9,837
3-Oct-19	1757	\$23,425	\$13,796	\$13,539	\$9,748
4-Oct-19	1767	\$23,675	\$13,868	\$13,465	\$9,702
12-month High	2518	\$38,014	\$18,116	\$15,233	\$10,067
12-month Low	595	\$3,460	\$4,435	\$4,837	\$4,198
12-month Avg	1304	\$16,459	\$11,294	\$10,234	\$7,477
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 Baltic **Capesize** Index finished lower, for yet another week, at \$23,675 daily. Indicative of the pressure in this sub-market during the last month is the fact that this Friday's levels are some \$14,000 lower M-o-M.

Australian's iron ore and coal exports appear to be softer lately, as China's economy –especially in the construction sector- is taking a rest. Australia's concerns on its Far East commercial Allies raised way before the U.S. blew the horns of trade-war, but recent events are greatly jeopardizing their flourishing relations. Australia's Prime Minister, Scott Morrison, visited President Donald Trump this week, pointing out that the prolonged US/China trade tensions might have a negative bearing in the economic prosperity of the "land down under". Setting aside the latest developments on the geopolitical front, C5 (West Australia/Qingdao) index finished higher the fortieth week of the year at \$9.16 pmt. Most bids leveled up pretty quickly, with 'FMG' fixing on TBN basis, at \$9.20 pmt for mid October dates. On T/C basis, 'Anangel Prosperity' (174,240 dwt, 2006) reported gone to Chinese operators for a pacific round trip with various options. She was fixed at \$22,000 daily, with prompt delivery Kaohsiung, for one T/C trip via either East or West Australia to South China, with charterers option of redelivery north China to be worth \$1,000 more. C10\_14 index closed on a positive sign at \$21,967 daily, showing a general rush in the midst of Chinese Golden week.

Even though we are more than nine months away from the deadly mine collapse of Vale dam, September data are still running far below of what was expected, even after June/July's spike in numbers. The benchmark C3 index moved further down, closing at \$22.01 pmt. 'Polaris' won the tender of 190,000/10% mts iron ore at a deprived \$21.70 pmt to load Tubarao around mid October and discharge Dangjin, while across the ocean, Saldanha Bay/Qingdao route was paying close to \$16 pmt. On a T/C basis, front-haul was losing an average of \$500 per day, as C9\_14 rounded up at \$48,395 daily. T/A indices followed a similar trend, losing an average of around \$1,000 daily, paying on and off \$23,000 daily. C8\_14 index closed at \$22,760 daily.

No period activity reported this week.

Representative Capesize Fixtures						
Vessel	Load Port	Laycan	Discharge Port	Freight	Charterers	Cargo
TBN	Sohar	10 Oct	Qingdao	\$10.90	Vale	170000/10 iore
NYK TBN	Tubarao	25/28 Nov	Rotterdam	\$8.80	TKSE	180000/10 iore
TBN	Dampier	18/20 Oct	Qingdao	\$8.95	Rio Tinto	170000/10 iore
TBN	Port Hedland	11/12 Oct	Qingdao	\$9.20	FMG	170000/10 iore
Polaris TBN	Tubarao	16/30 Oct	Dangjin	\$21.7	Glovis	190000/10 iore

A busy week in terms of fixing volume in the **Panamax** sector. Although the week started on the wrong foot, the sentiment remains positive for the week to come. The BPI concluded lower than last week's closing at \$13,868 daily, but with a plus on the last trading day.

In the Pacific region, grains from North Pacific gave a breather to early tonnage opening in the in the Feast, but mineral demand remained flat, not allowing the market to turn meaningfully. For a trip via Nopac to China early in the week Cargill fixed a Kmx with premium delivery Nakhodka for end Sept at \$11,500 daily, but later in the week it was reported that the 'Alpha Loyalty' (75,884dwt, 2007) with delivery Caofeidian 4-5 Oct was fixed to Spore-Japan range at \$11,750 daily. From Australia the 'Jy River' (82,000dwt, 2019) with delivery Hong Kong 5th Oct was fixed to Jiangsu Steamship for trip via the East Coast to China at \$14,750 and the 'Azur' (82,262dwt, 2007) with delivery Kaohsiung 5-6 Oct for trip to South Korea was fixed at \$12,000 daily. For a trip with Alumina to the Persian Gulf, the 'Giorgis' (82,566dwt, 2014) was linked to Bahri with delivery Singapore 2-3 Oct at \$14,000. For Indonesia loading, the 'Xin Feng' (79,607dwt, 2010) achieved a strong rate of \$17,000 daily for a trip to India basis delivery Singapore 7-8 Oct with Fastfreight and for a trip to Philippines the Ecofaith G.O' (81,882 dwt, 2012) with prompt delivery South China was fixed at \$11,500 daily. Further South, early in the week, an LME fixed in the low 13k's and low 300k for a trip via R.Bay for mid Oct dates to India, and the 'MBA Rosaria' (93,236 dwt, 2011) with delivery Pmo 10-18 Oct was fixed for a trip via R.bay to China at \$16,500.

In the Atlantic market, most action came again from the ECSA grains, where the market seems to have found some resistance, while few USG grain cargoes towards the end of the week, allowed owners to be more optimistic for the week to come. For trip to the East via ECSA the 'Atlas Strength' (83,001dwt, 2006) was linked to Trafigura for mid Oct eta at \$16,800+\$680,000 bb and redelivery Singapore-Japan and the 'Maxwell' (82,170 dwt, 2017) with delivery aps ECSA 24-25 Oct was fixed to Norden at \$17,000+\$700,000 bb and redelivery Seasia. For trip to Skaw-Gib range, the 'Jia Da' (75,431 dwt, 2010) was rumored to have fixed to Bunge with delivery aps ECSA 20-25 Oct at \$19,500 daily. In the North Atlantic, for a fronthaul run, the 'Tangerine Island' (82,265 dwt, 2012) was fixed to Golden Ocean with delivery Port Talbot 29 Sept for a trip via Murmansk to China at \$26,000 daily and for Transatlantic round the 'Aspasia B' (82,004 dwt, 2016) was fixed with prompt delivery Ghent for a trip via Amsterdam to the Med and redelivery Passero at \$19,000 daily to Cargill. Activity slowly picked up from the Black sea as well, with the 'Thessaloniki' (76,598 dwt, 2006) being reported at a daily rate of \$21,500 with delivery Egypt Med 8-12 Oct for a trip with grains to Spore-Japan range with Langlois.

Not much reported on the period front, except a of a 79k dwt vessel to be on subs for 1-year period at around \$12,000 daily, but rest details remained unclear.

Representative Panamax Fixtures									
Vessel	DWT	Built	Delivery	Date	Re-del	Rate	Charterers	Comment	
Alpha Loyalty	75,884	2007	Caofeidian	4-5 Oct	Singapore - Japan	\$11,750	Cnr	via Nopac	
Jy River	82,000	2019	Hong Kong	5 Oct	China	\$14,750	Jiangsu Steamship	via Ec Australia	
Azur	82,262	2007	Kaohsiung	5-6 Oct	S.Korea	\$12,000	Hyundai Glovis	via Ec Australia	
Giorgis	82,566	2014	Singapore	2-3 Oct	Pmo	\$14,000	Bahri	via Bunbury to PG	
Xin Feng	79,607	2010	Singapore	7-8 Oct	India	\$17,000	Fastfreight	via Indonesia	
Ecofaith GO	81,882	2012	Quangzou	ppmt	Philippines	\$11,500	Oldendorff	via Indonesia	
MBA Rosaria	93,326	2011	Pmo	10-18 Oct	China	\$16,500	Cnr	via R.Bay	
Atlas Strength	83,001	2006	ECSA	24 Oct	Spore-Japan	\$16,800 plus 680,000 bb	Trafigura	via ECSA	
Maxwell	82,170	2017	ECSA	24-25 Oct	Seasia	\$17,000 plus 700,000 bb	Norden	via ECSA	
Jia Da	75,431	2010	ECSA	20-25 Oct	Skaw-Gib	\$19,500	Bunge	via ECSA	
Tangerine Island	82,265	2012	Port Talbot	29 Sept	China	\$26,000	Golden Ocean	via Murmansk	
Aspasia B	82,004	2016	Ghent	Prompt	Passero	\$19,000	Cargill	via Amsteram to Med	
Thessaloniki	76,598	2006	Egypt Med	8-12 Oct	Singapore - Japan	\$21,500	Langlois	via B.Sea	

Sliding further down, the Baltic **Supramax** index hovered at \$13,465 daily, or -5.5% W-o-W.

"All's quiet on the eastern front", is the title to the unique song written by the Ramones several years ago, and aptly describes the market in the Pacific this week. Chinese market was very subdued on the back of public holidays in both China and Korea, with limited fixtures being reported (primarily for ferrets and steels). A 50K tonner was purportedly fixed at around \$10K basis delivery N.China for single trip to WCI. The activity from NoPac was sparse, with "Diamond Stars" (55,389 dwt,2011) fixing at \$12K dop Hakata for trip via NoPac into Indo. We witnessed a sharp downturn in SE Asia, depicted by recently reported fixtures. The 'Santa Helena' (58,215 dwt,2012) was reported at \$9,750 dop Lianyungang for a trip with coal via Philippines to China. Moving further south, the 'Flag Filia' (56,520 dwt,2014) went at \$12,800 dop Bataan for trip via Indo to WCI with coal and the "Ursula" (61,453 dwt, 2012) obtained \$14,500 basis Kohsichang (loading from Kohsichang) for trip with clinker to Chittagong. The Indian Ocean and PG showed volatility, and while the usual routes were active, freight rates fell abruptly. The "Niton Cobalt" (52,471 dwt, 2004) was fixed at \$11,250 dop Hazira for a trip via PG back to WCI, whilst the 'Conti Peridot' (57,001 dwt, 2011) concluded at \$14,100 dop Kandla for trip via WCI to B'desh. For yet another week, Owners' enthusiasm from S.Africa was subdued and falling further. On the few fixtures mentioned, the "Yasa Saturn" (61,082 dwt, 2019) rumoured to have fixed at \$13,750+\$375K delivery aps RBCT for trip with coal to WCI.

The Atlantic has been under pressure this week with rates in all submarkets showing a tendency to soften. In the Black Sea, 'Star Challenger' (61,462 dwt, 2012) fixed a trip with clinker via Turkey into West Africa at \$19,500 basis delivery Canakkale and a 56,000 tonner open in the Black Sea was rumoured to have fixed at \$28,000 for a trip to Far East. A 63k dwt fixed at \$16,500 passing Canakkale for a grain trip via Black Sea to Continent. In the Continent a 56k tonner fixed a scrap run into East Med at \$18,750 and an Imabari 61 was rumoured to obtain \$18,000 basis delivery Continent for a trip into Med. The USG kept underperforming with lack of fresh enquiry. 'King Island' (57,631 dwt, 2015) was reported to have fixed basis delivery US Gulf a trip with grains to Portugal at \$19,250 and 'TTM Phoenix' (55,947 dwt, 2010) fixed a trip into WCCA with grains at \$20,000. Further south, in ECSA 'Alexandra Kpn' (61,644 dwt, 2019) fixed basis delivery Recalada for a trip to Ireland at \$20,300, whereas a 58,000-tonner got below \$15,000 plus below \$500,000 ballast bonus for a trip to Far East.

On the period front a tess 58 was fixed for 4/6 months trading at \$11,600 basis delivery Vietnam.

Representative Supramax Fixtures								
Vessel	DWT	Built	Delivery	Date	Re-del	Rate	Charterers	Comment
Diamond Stars	55,389	2011	Hakata	03 Oct	Indonesia	\$12,000	cnr	via NoPac
Santa Helena	58,215	2007	Lianyungang	02-06 Oct	China	\$7,750	Tongli	via Philippines
Flag Filia	56,520	2014	Bataan	04 Oct	WC India	\$12,800	Oldendorff	via Indonesia
Ursula	61,453	2012	Kohsichang	spot	Chittagong	\$14,500	GML	via Thailand (KSC)
Niton Cobalt	52,471	2004	Hazira	03 Oct	WC India	\$11,250	cnr	via PG
Conti Peridot	57,000	2011	Kandla	06-10 Oct	Bangladesh	\$14,100	CPC	via WC India
Yasa Saturn	61,082	2019	Richards Bay	15-16 Oct	WC India	\$13,750+\$375,000bb	WBC	via RBCT
Alexandra KPN	61,644	2019	Recalada	prompt	Continent	\$20,300	nfds	
King Island	57,631	2015	USG	prompt	Portugal	\$19,250	LDC	
TTM Phoenix	55,947	2010	USG	prompt	WCCA	\$20,000	Norden	
Star Challenger	61,462	2012	Canakkale	prompt	Nouakchott	\$19,500	nfds	

Losing 3% on a weekly basis, the Baltic **Handysize** index concluded at \$9,702 daily.

In the Pacific, with various holidays in China, India and S.Korea almost the entirety of market participants observed 'radio silence' and trading was practically brought into a halt. Some ship owners, who realized the downward trend early in the week, managed to cover still at healthy rates whilst others who did not, faced the possibility of remaining spot. From the fixtures front, the 'Melody' (30,000 dwt,2011) managed \$10,300 basis passing Colombo for a trip via PG, with bagged urea, to Bangladesh with min duration 50 days. 'Imke Selmer' (32,648 2010) open Vietnam got a trip with redelivery Singapore with aggregate cargo at \$8,350 daily. Furthermore, 'Shan Hu Hai' (39,000 dwt, 2016) open at Hochiminh, was agreed at \$12,750 dop for a clinker cargo via Kohsichang to Manila. North of Taiwan, 'Glorious Splendour' (28,000 dwt, 2013) opening in Ube, Japan was fixed at \$7,000 dop for one trip with clinker via Japan to Darwin. In Australian market news, the 'Ken Spirit' (33,644 dwt, 2012) open at Bangsaphan was fixed basis delivery aps Singapore for 1 tct with alumina via Bunbury and redelivery Eci at \$10,000. From the same area 'Ivs Sparrowhawk' (33,644 dwt, 2014) open Ciwandan concluded at \$12,600 basis dop for a salt cargo via North Australia and redelivery China.

The Eastern hemisphere holidays obviously did not leave the Atlantic basin unaffected. Very few fresh cargoes emerged in contrast with an abundance of vessels either remaining from the already weakened last week or opening afresh. As a result, market was dragging its feet and rates kept dropping daily. Surprisingly Friday, marking the end of holidays in the East was the more active trading day. In ECSA, the 'Orient Tide' (33,755 dwt, 2010) was fixed basis delivery Recalada for a trip with grains to Algeria basis 40-50 days duration at \$16,500. From the USG area we heard the 'Podhale' (38,995 dwt, 2005) agreeing delivery SW Passage to perform a trip to Continent at \$16,000 with Integrity. In the Continent we heard of the 'Horizon' (30,192 dwt, 2007) fixing a trip with scrap via Rouen to Turkey at \$10,000 basis delivery Algiers with WBC. In the Black Sea the 'Avra' (24,132 dwt, 1998) opening in Iskenderun was concludes on voyage terms for a Eurochem fertilizers cargo of 18,000, 10% mts basis Tuapse loading and Abidjan discharge at \$46.5 pmt which is more or less a time charter equivalent of about \$12,000 daily.

On the period front, rumours emerged of a last week's fixture pertaining of a 37k tonner fixing for one-year ex wcca at levels of \$11k + \$300k bb

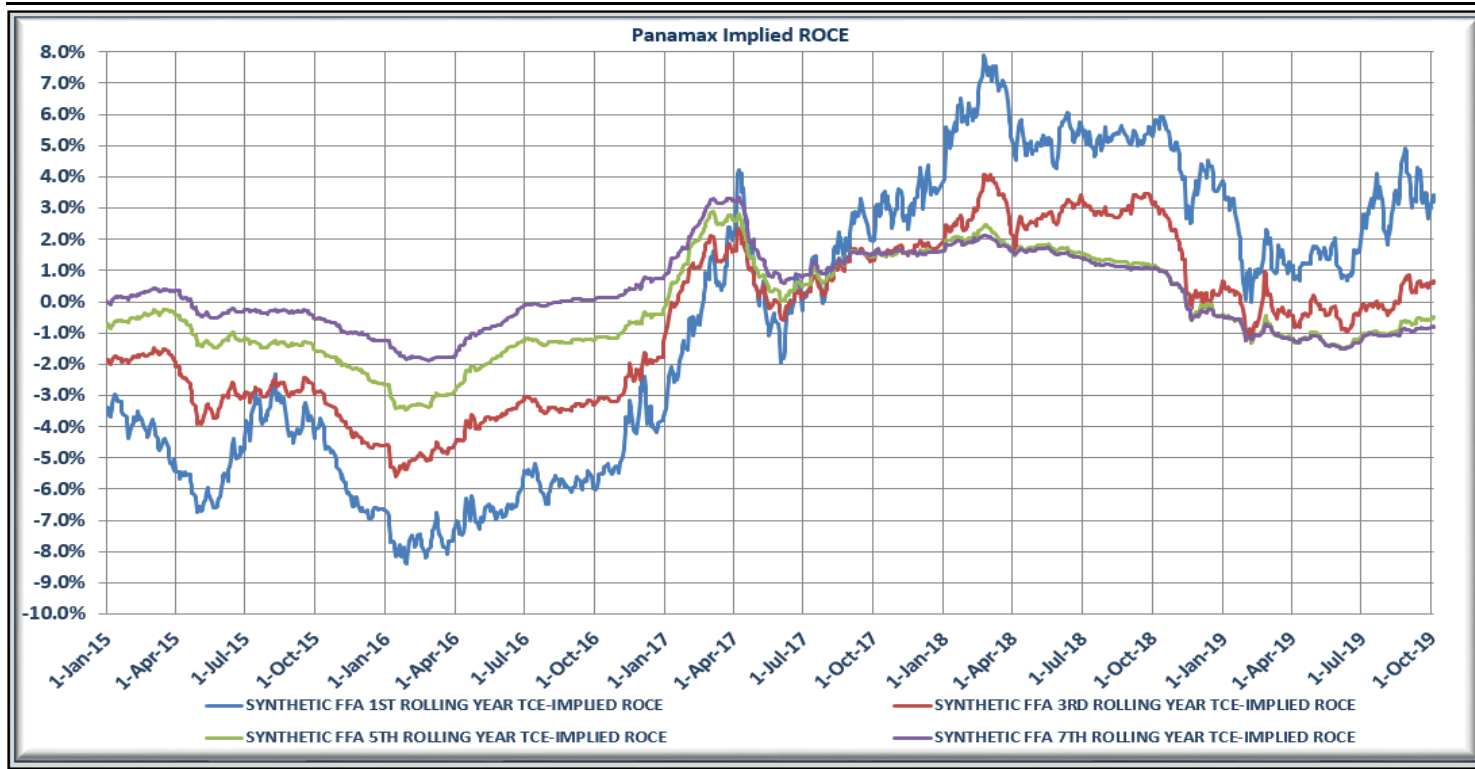
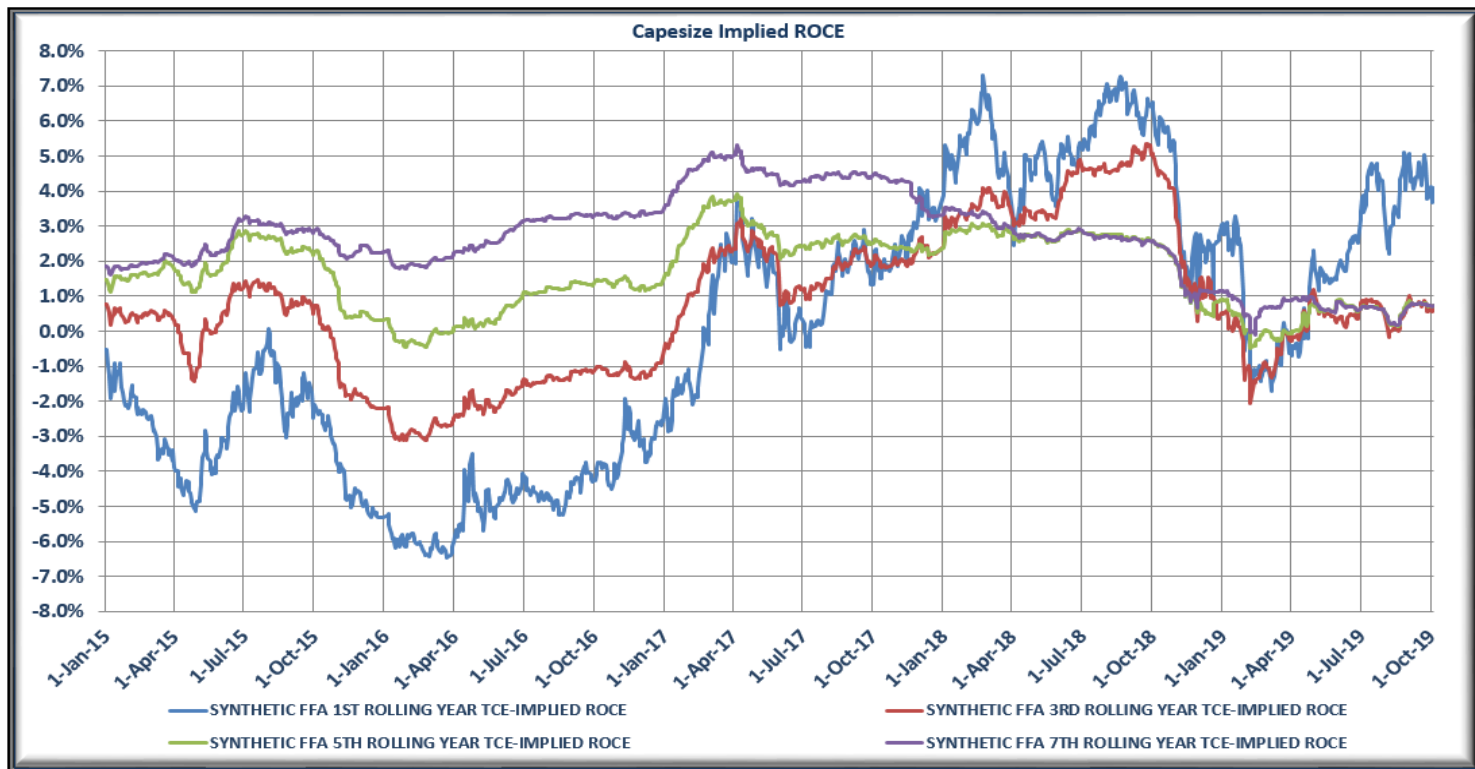
Representative Handysize Fixtures								
Vessel	DWT	Built	Delivery	Date	Re-del	Rate	Charterers	Comment
Melody	30,000	2011	Colombo	prompt	Chittagon	\$10,300	cnr	bgd urea min 50 days
Imke Selmer	32,648	2010	Vietnam	prompt	Spore	\$8,350	cnr	Aggregate
Shan hu hai	39,000	2016	Hochiminh	prompt	Manila	\$12,750	cnr	clinker
Glorious Splendour	28,000	2013	Ube	prompt	Darwin	\$7,000	cnr	clinker
Ken Spirit	33,644	2012	Spore	prompt	Eci	\$10,000	cnr	Alumina
Ivs Sparrowhawk	33,644	2014	Ciwandan	prompt	China	\$12,600	cnr	salt via N.Aussie
Orient Tide	33,755	2010	Recalada	prompt	Algeria	\$16,500	Cnr	grains
Podhale	38,995	2005	Sw Passage	prompt	Continent	\$16,000	Integrity	grains
Horizon	30,192	2007	Algiers	prompt	Turkey	\$10,000	WBC	scrap
Avra	24,132	1998	Iskenderun	prompt	Abidjan	\$12,000	Euorchem	ferrets

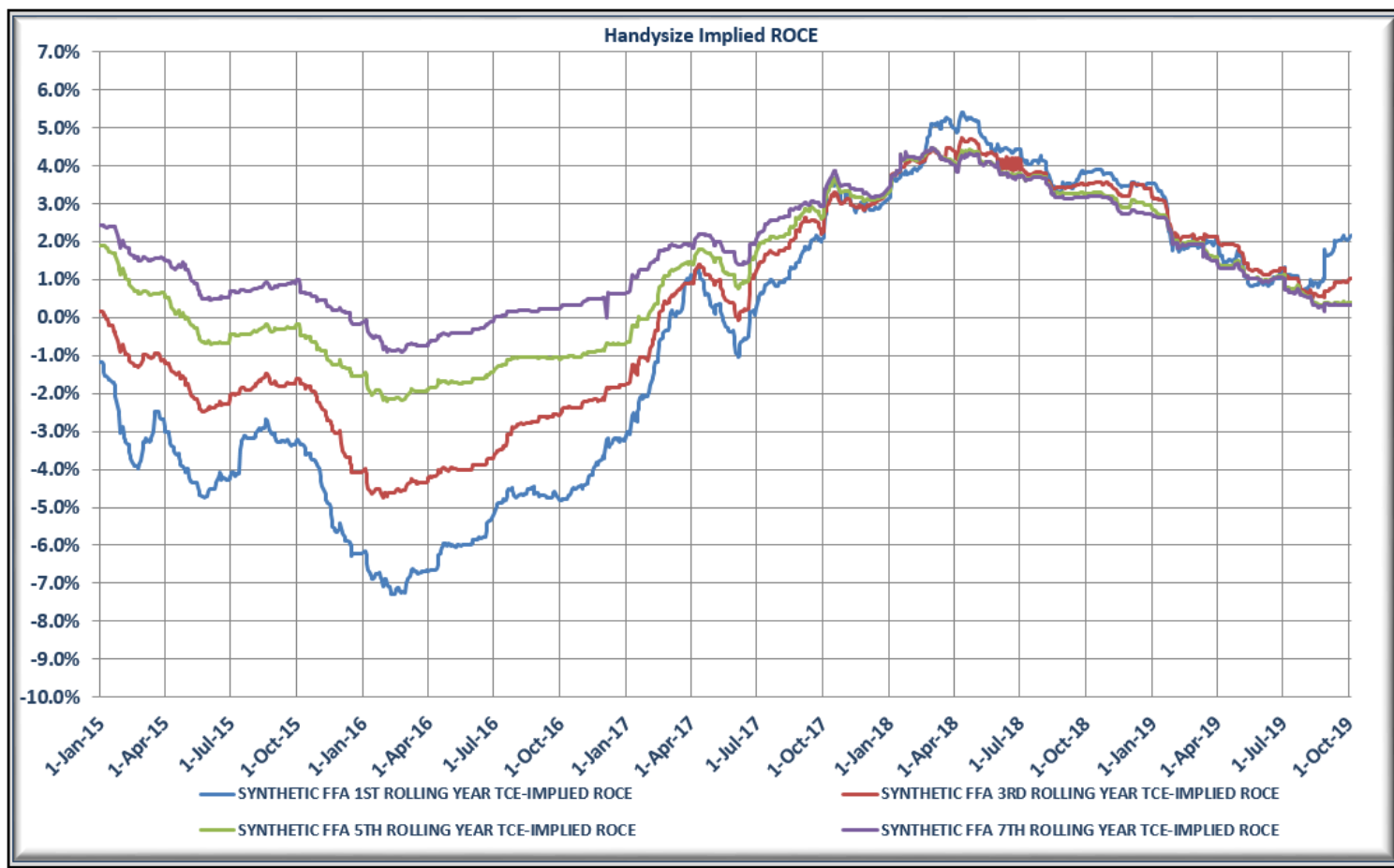
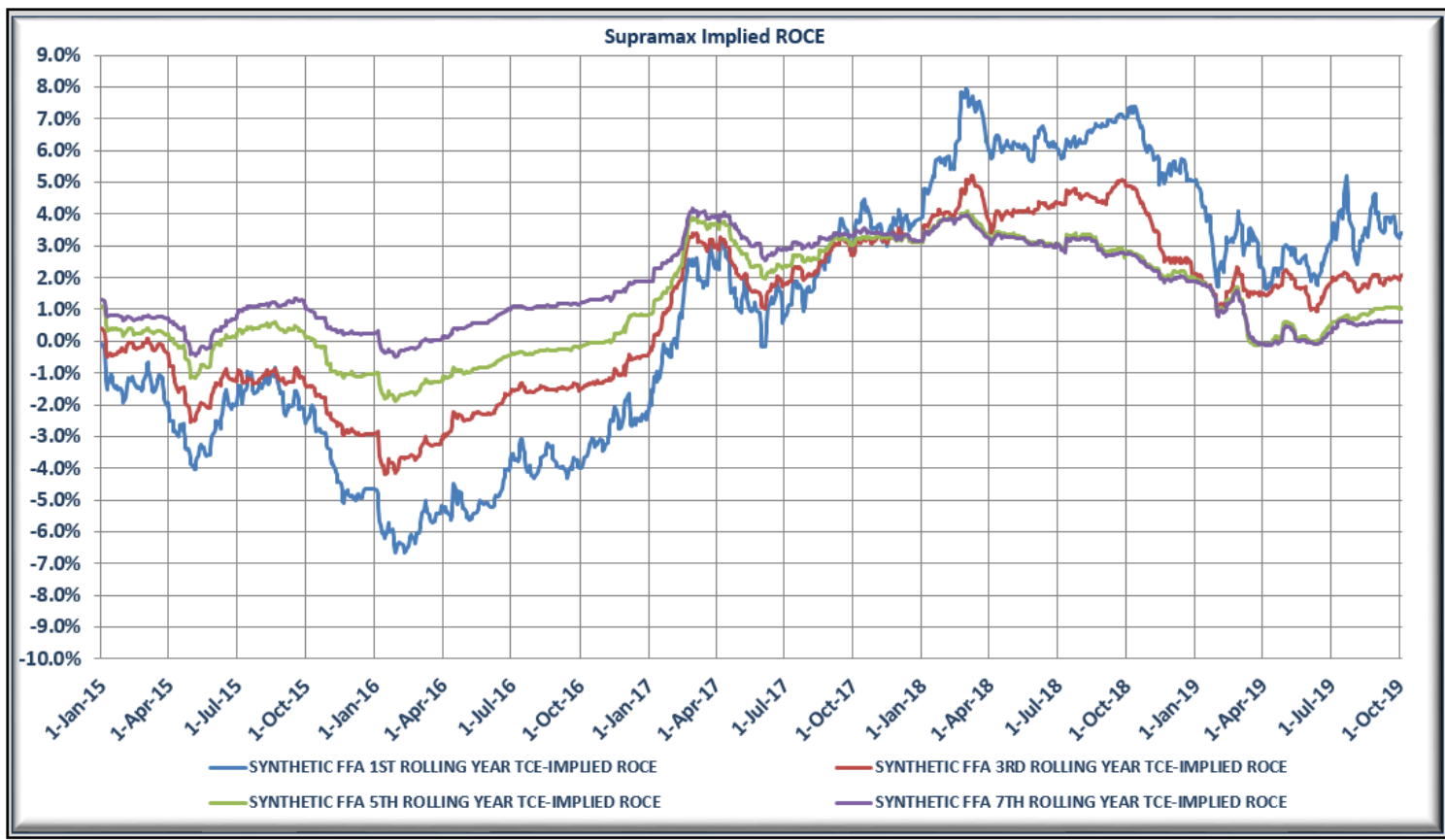


**FFA Market**

In a positive week for the forward market, the front ends of all curves hovered above last Friday's levels. In line with Friday's positive reaction, the prompt months of the Capesize trended upwards, with November contracts ending at \$24,796 and December at \$24,761 daily. The front end of the Panamax curve reported gains, with November balancing at \$13,768 and December at \$13,236 daily. On the same tone, Supramax forward market stood above previously week's closing, with November hovering at \$12,271 and December at \$11,846 daily. In the opposite direction from their spot market, prompt Handy contracts ended higher at November levels of \$9,188.

In that regard, Capesize first rolling year implied ROCE went higher to 4.1% this week at the same time as that of Panamax was balancing considerably higher at 3.4%. Geared segments implied ROCEs followed the lead of the largest segments, with Supramax moving up to 3.4% and Handy remaining almost stable at 2.2%.





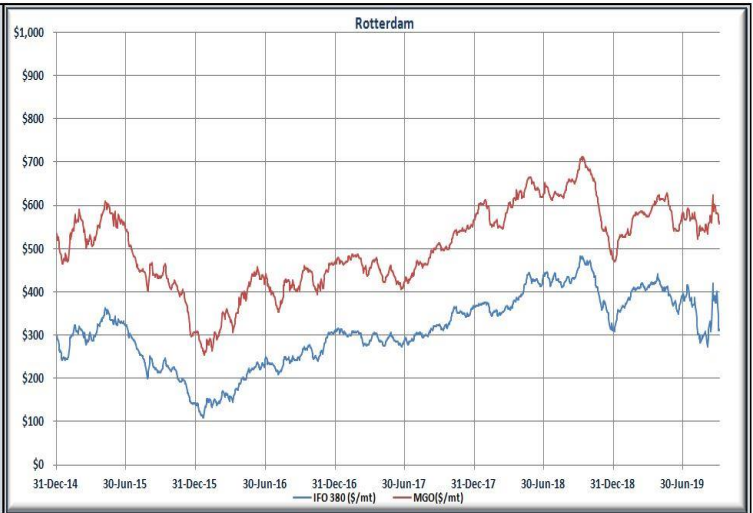
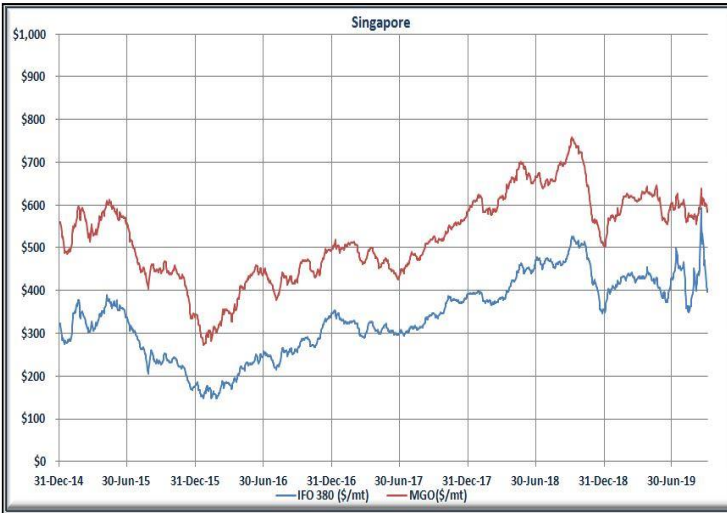
BFA Cape 5TC									
Date	Oct (19)	Nov (19)	Dec (19)	Q4 (19)	Q1 (20)	Q2 (20)	Cal 20	Cal 24	Cal 25
30-Sep-19	\$23,308	\$24,350	\$24,246	\$23,968	\$16,238	\$13,867	\$16,389	\$13,708	\$13,708
1-Oct-19	\$22,832	\$24,254	\$24,186	\$23,757	\$16,132	\$13,829	\$16,339	\$13,707	\$13,707
2-Oct-19	\$23,625	\$24,532	\$24,436	\$24,198	\$16,457	\$14,043	\$16,507	\$13,714	\$13,714
3-Oct-19	\$22,386	\$23,346	\$23,439	\$23,057	\$15,900	\$13,711	\$16,026	\$13,671	\$13,675
4-Oct-19	\$24,254	\$24,796	\$24,761	\$24,604	\$16,511	\$14,036	\$16,374	\$13,686	\$13,686
<b>Week High</b>	<b>\$24,254</b>	<b>\$24,796</b>	<b>\$24,761</b>	<b>\$24,604</b>	<b>\$16,511</b>	<b>\$14,043</b>	<b>\$16,507</b>	<b>\$13,714</b>	<b>\$13,714</b>
<b>Week Low</b>	<b>\$22,386</b>	<b>\$23,346</b>	<b>\$23,439</b>	<b>\$23,057</b>	<b>\$15,900</b>	<b>\$13,711</b>	<b>\$16,026</b>	<b>\$13,671</b>	<b>\$13,675</b>
<b>Week Avg</b>	<b>\$23,281</b>	<b>\$24,256</b>	<b>\$24,214</b>	<b>\$23,917</b>	<b>\$16,248</b>	<b>\$13,897</b>	<b>\$16,327</b>	<b>\$13,697</b>	<b>\$13,698</b>

BFA Panamax 4TC									
Date	Oct (19)	Nov (19)	Dec (19)	Q4 (19)	Q1 (20)	Q2 (20)	Cal 20	Cal 24	Cal 25
30-Sep-19	\$13,079	\$12,983	\$12,671	\$12,911	\$10,633	\$10,650	\$10,590	\$8,542	\$8,521
1-Oct-19	\$13,311	\$13,146	\$12,807	\$13,088	\$10,707	\$10,671	\$10,617	\$8,539	\$8,521
2-Oct-19	\$13,629	\$13,386	\$13,029	\$13,348	\$10,804	\$10,725	\$10,675	\$8,561	\$8,536
3-Oct-19	\$13,589	\$13,332	\$13,000	\$13,307	\$10,764	\$10,664	\$10,623	\$8,568	\$8,532
4-Oct-19	\$14,086	\$13,768	\$13,236	\$13,696	\$10,921	\$10,782	\$10,723	\$8,582	\$8,546
<b>Week High</b>	<b>\$14,086</b>	<b>\$13,768</b>	<b>\$13,236</b>	<b>\$13,696</b>	<b>\$10,921</b>	<b>\$10,782</b>	<b>\$10,723</b>	<b>\$8,582</b>	<b>\$8,546</b>
<b>Week Low</b>	<b>\$13,079</b>	<b>\$12,983</b>	<b>\$12,671</b>	<b>\$12,911</b>	<b>\$10,633</b>	<b>\$10,650</b>	<b>\$10,590</b>	<b>\$8,539</b>	<b>\$8,521</b>
<b>Week Avg</b>	<b>\$13,539</b>	<b>\$13,323</b>	<b>\$12,949</b>	<b>\$13,270</b>	<b>\$10,766</b>	<b>\$10,698</b>	<b>\$10,646</b>	<b>\$8,558</b>	<b>\$8,531</b>

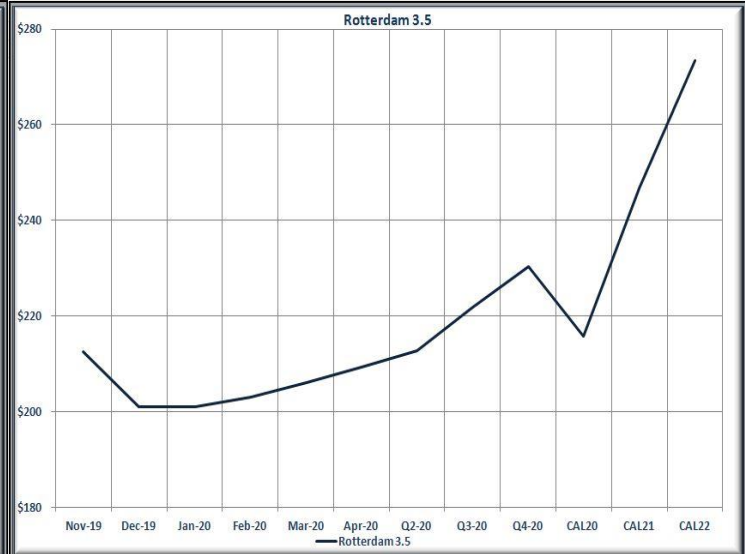
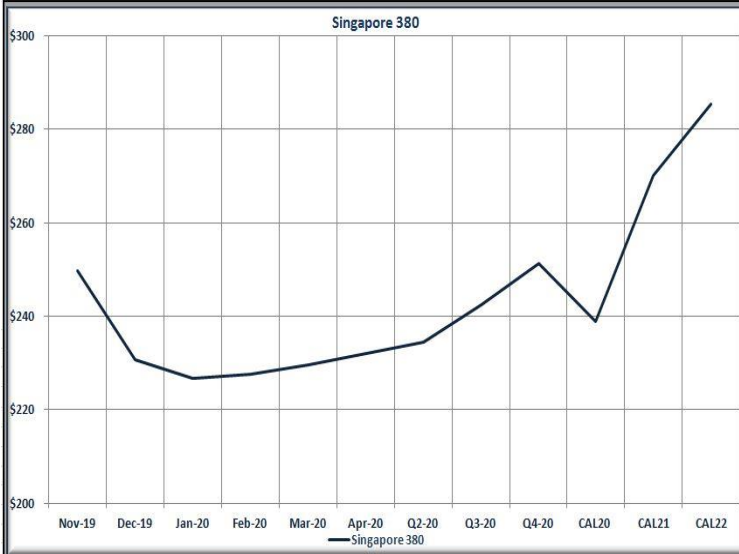
BFA Supra 10TC									
Date	Oct (19)	Nov (19)	Dec (19)	Q4 (19)	Q1 (20)	Q2 (20)	Cal 20	Cal 24	Cal 25
30-Sep-19	\$13,054	\$11,850	\$11,454	\$12,119	\$9,325	\$9,979	\$9,898	\$8,579	\$8,550
1-Oct-19	\$13,339	\$12,143	\$11,693	\$12,392	\$9,382	\$10,014	\$9,920	\$8,593	\$8,550
2-Oct-19	\$13,389	\$12,207	\$11,793	\$12,463	\$9,379	\$10,039	\$9,921	\$8,596	\$8,550
3-Oct-19	\$13,196	\$12,086	\$11,721	\$12,334	\$9,318	\$10,039	\$9,900	\$8,600	\$8,550
4-Oct-19	\$13,293	\$12,271	\$11,846	\$12,470	\$9,346	\$10,068	\$9,920	\$8,607	\$8,550
<b>Week High</b>	<b>\$13,389</b>	<b>\$12,271</b>	<b>\$11,846</b>	<b>\$12,470</b>	<b>\$9,382</b>	<b>\$10,068</b>	<b>\$9,921</b>	<b>\$8,607</b>	<b>\$8,550</b>
<b>Week Low</b>	<b>\$13,054</b>	<b>\$11,850</b>	<b>\$11,454</b>	<b>\$12,119</b>	<b>\$9,318</b>	<b>\$9,979</b>	<b>\$9,898</b>	<b>\$8,579</b>	<b>\$8,550</b>
<b>Week Avg</b>	<b>\$13,254</b>	<b>\$12,111</b>	<b>\$11,701</b>	<b>\$12,356</b>	<b>\$9,350</b>	<b>\$10,028</b>	<b>\$9,912</b>	<b>\$8,595</b>	<b>\$8,550</b>

BFA Handysize TC									
Date	Oct (19)	Nov (19)	Dec (19)	Q4 (19)	Q1 (20)	Q2 (20)	Cal 20	Cal 24	Cal 25
30-Sep-19	\$9,331	\$9,063	\$8,713	\$9,036	\$7,725	\$8,450	\$7,813	\$7,506	\$7,506
1-Oct-19	\$9,463	\$9,125	\$8,713	\$9,100	\$7,788	\$8,475	\$7,838	\$7,506	\$7,506
2-Oct-19	\$9,500	\$9,175	\$8,763	\$9,146	\$7,875	\$8,488	\$7,856	\$7,500	\$7,500
3-Oct-19	\$9,500	\$9,175	\$8,763	\$9,146	\$7,875	\$8,488	\$7,856	\$7,500	\$7,500
4-Oct-19	\$9,525	\$9,188	\$8,788	\$9,167	\$7,900	\$8,500	\$7,863	\$7,500	\$7,500
<b>Week High</b>	<b>\$9,525</b>	<b>\$9,188</b>	<b>\$8,788</b>	<b>\$9,167</b>	<b>\$7,900</b>	<b>\$8,500</b>	<b>\$7,863</b>	<b>\$7,506</b>	<b>\$7,506</b>
<b>Week Low</b>	<b>\$9,331</b>	<b>\$9,063</b>	<b>\$8,713</b>	<b>\$9,036</b>	<b>\$7,725</b>	<b>\$8,450</b>	<b>\$7,813</b>	<b>\$7,500</b>	<b>\$7,500</b>
<b>Week Avg</b>	<b>\$9,464</b>	<b>\$9,145</b>	<b>\$8,748</b>	<b>\$9,119</b>	<b>\$7,833</b>	<b>\$8,480</b>	<b>\$7,845</b>	<b>\$7,502</b>	<b>\$7,502</b>

**Bunker Market**



Date (\$/mt)	Rotterdam		Singapore		Fujairah		Gibraltar		Houston	
	IFO 380	MGO	IFO 380	MGO	IFO 380	MGO	IFO 380	MGO	IFO 380	MGO
30-Sep-19	\$368	\$580	\$415	\$602	\$380	\$694	\$436	\$631	\$402	\$632
1-Oct-19	\$344	\$576	\$410	\$599	\$368	\$687	\$427	\$625	\$408	\$631
2-Oct-19	\$310	\$564	\$402	\$587	\$365	\$685	\$412	\$625	\$404	\$623
3-Oct-19	\$311	\$558	\$398	\$584	\$366	\$679	\$401	\$610	\$403	\$623
4-Oct-19	\$314	\$561	\$401	\$586	\$368	\$682	\$404	\$613	\$405	\$625
12-month High	\$483	\$712	\$594	\$759	\$529	\$798	\$510	\$768	\$750	\$767
12-month Low	\$272	\$469	\$347	\$502	\$327	\$665	\$308	\$545	\$290	\$539
12-month Avg	\$385	\$579	\$432	\$608	\$418	\$722	\$419	\$637	\$402	\$635



Singapore	04-Oct-19	Week max	Week low	Week Avg	RTDM 3.5	04-Oct-19	Week max	Week low	Week Avg
Nov-19	\$249.8	\$260.9	\$249.8	\$252.8	Nov-19	\$212.6	\$212.6	\$205.5	\$208.9
Dec-19	\$230.8	\$230.8	\$222.9	\$227.8	Dec-19	\$201.1	\$201.1	\$190.6	\$195.8
Jan-20	\$226.8	\$226.8	\$218.1	\$222.9	Jan-20	\$201.1	\$201.1	\$190.6	\$195.8
Feb-20	\$227.6	\$227.6	\$218.6	\$223.4	Feb-20	\$203.1	\$203.1	\$192.6	\$198.0
Mar-20	\$229.6	\$229.6	\$221.1	\$225.7	Mar-20	\$206.1	\$206.1	\$195.9	\$201.3
Apr-20	\$232.1	\$232.1	\$223.6	\$228.0	Apr-20	\$209.3	\$209.3	\$199.4	\$204.8
Q1-20	\$228.0	\$228.0	\$219.3	\$223.9	Q1-20	\$203.4	\$203.4	\$193.0	\$198.6
Q2-20	\$234.5	\$234.5	\$225.8	\$230.8	Q2-20	\$212.7	\$212.7	\$203.0	\$208.4
Q3-20	\$242.5	\$242.5	\$234.3	\$239.3	Q3-20	\$221.9	\$221.9	\$213.0	\$218.2
Q4-20	\$251.2	\$251.2	\$243.8	\$248.4	Q4-20	\$230.4	\$230.4	\$222.8	\$227.6
CAL20	\$239.0	\$239.0	\$232.0	\$236.0	CAL20	\$215.8	\$215.8	\$208.3	\$212.5
CAL21	\$270.0	\$270.0	\$264.8	\$267.4	CAL21	\$246.8	\$249.4	\$240.5	\$245.4
CAL22	\$285.3	\$285.3	\$280.0	\$282.7	CAL22	\$273.5	\$273.5	\$265.3	\$270.4



## Dry Bulk S&P Market

Investors' focus seems to have moved to the newbuilding market with a substantial number of orders being reported for yet another week. Second hand market showed a slight slowdown. Nevertheless, second hand activity remained at healthy levels with most transactions pertaining to Panamax and "old fashioned" 28k Handies.

In the Panamax segment, Greek buyers seem to find attractive opportunities in 10-15-year-old units. The 'Genco Thunder' (76K, Jiangnan, 2007) was sold for \$10.4 mill to Greek interests, whereas the 'Dolce' (75K, Imabari, 2007) is rumoured to be committed also to Greek buyers for \$11.5 mill, reflecting premium for her Japanese pedigree. Likewise, Greek outfit, Bright Navigation seems to be linked with the purchase of the 'Boreal' (75K, Namura, 2002) and 'Little Prince' (74K, Namura, 2001) for \$7.7 mill and \$6.8mill respectively. Finally, undisclosed remains the identity of the new owners of 'Chance' (75K, Tsuneishi, 2004), which was gone for \$9.6 mill.

Relatively quiet was the week for the Supramaxes, where Dolphin 57 sisters 'Universal Baltimore' and 'Universal Barcelona' (both 2011 built) changed hands for \$10.2 mill each, a price in par with recent similar reported transactions. Smaller Supra 'Ribbon' (53K, Imabari, 2005) has been reported sold at levels in the region of high \$8's mill whilst two weeks back similar ship 'NPS Ocean Star' (53K, Oshima, 2003) was gone for \$7.8 mill.

Moving down to the workhorses of the sector, we noticed significant activity as several units changed hands, ranging across various sizes and ages. Sisters 'Seas 5' (37K, Ouhua, 2012) & 'Seas 11' (37K, Ouhua, 2013) were reported sold for a price a bit in excess of \$22 mill enbloc. The 'Idship Bulker' (28K, Imabari, 2008) and 'Seacliff' (28K, Imabari, 2009), both went for figures in the region of high \$8 mill, somewhat above last done 'Maritime Coaction'. Older units 'Ocean Exporter' (28K, Imabari, 2002) and 'Gazi' (24K, Naikai, 1995) found buyers at \$4.9 mill and \$2.7 mill respectively.

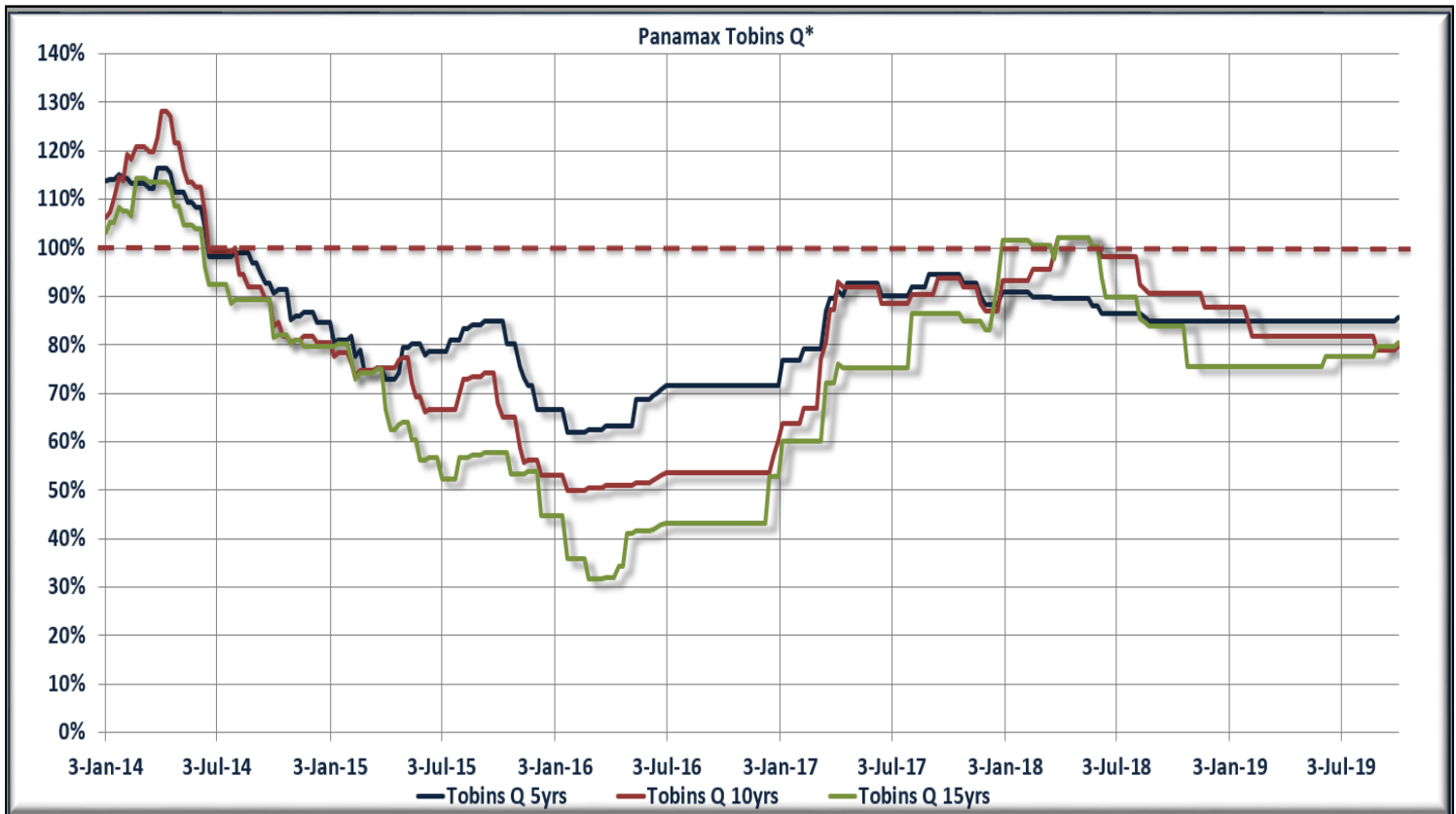
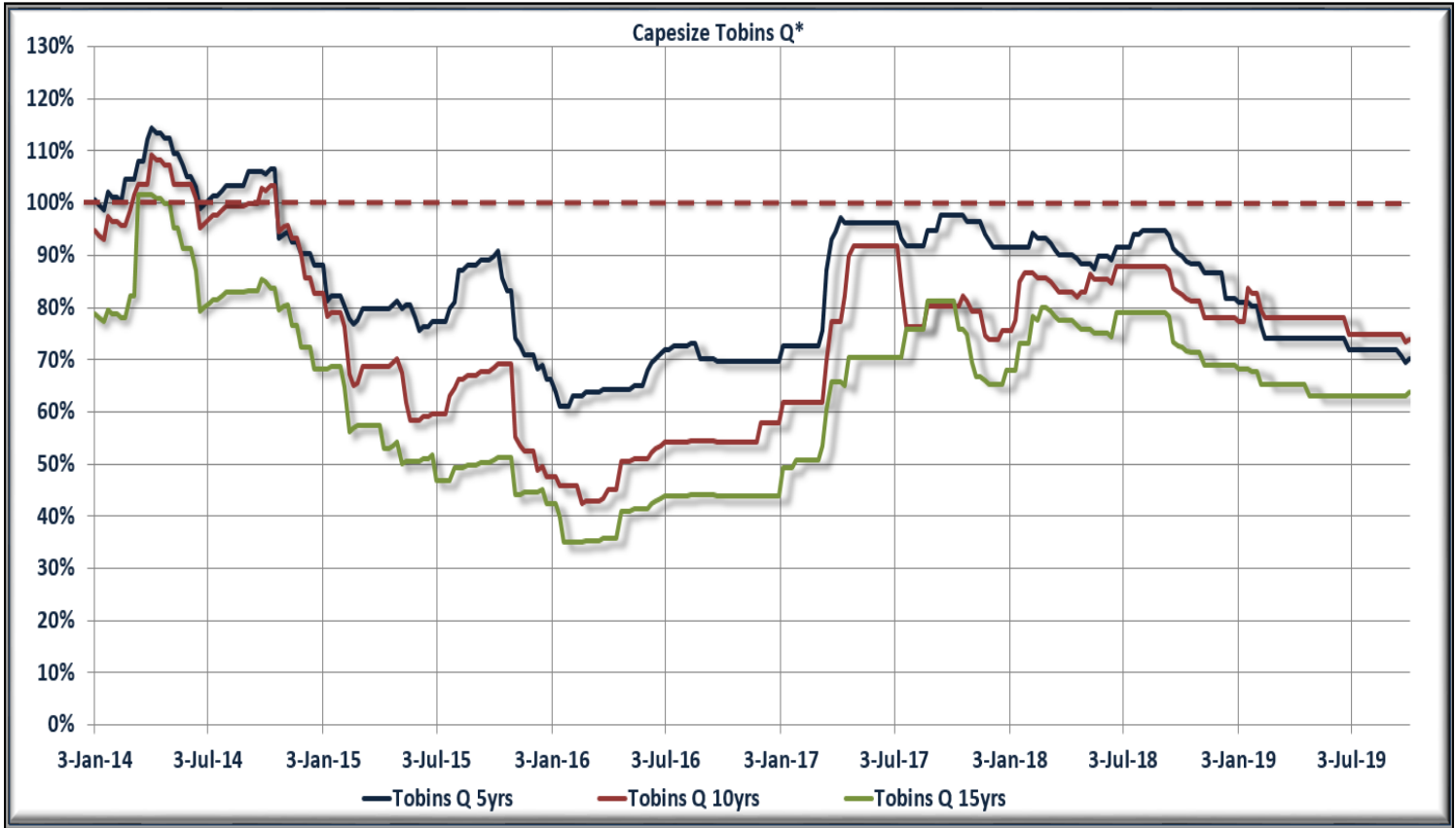
Finally, smaller ships have been also popular this week. The 'Annelisa' (18K, Yamanishi, 2008) was reported sold to Turkish interests for a firm price in the region of \$8 mill, while the 'Baru Satu' (16K, Shin Kochi, 2001) found takers for \$4.6 mill.

Reported Recent S&P Activity							
Vessel Name	DWT	Built	Yard/Country	Price \$Mil.	Buyer	Comments	
Azul Integra	203,272	2004	Universal/Japan	15.8	Chinese buyers	SS due	
Corsier	181,074	2016	Imabari/Japan	42.5	Undisclosed buyers		
Bulk Success	176,021	2014	Jinhai/China	24	Singaporean buyers		
Frontier Voyager	179,778	2012	Tsuneishi Cebu/Pphines	low 24	Undisclosed buyers		
Aristofanis I	177,477	2005	Mitsui Chiba/Japan	16.65	South Korean buyers		
Lowlands Brilliance	169,631	2002	Samho/S.Korea	mid-high 10	South Korean buyers		
John Wulff	93,282	2010	Yangfan/China	12.5	Greek buyers		
Duke Orsino	91,439	2005	Oshima/Japan	11.3	Undisclosed buyers		
Clipper Victory	77,119	2015	Imabari/Japan	excess 20	Greek buyers		
Genco Thunder	76,499	2007	Jiangnan/China	10.4	Greek buyers		
Chance	75,926	2004	Tsuneishi/Japan	9.65	Undisclosed buyers	bss SS passed	
Little Prince	74,133	2001	Namura/Japan	high 6	Greek buyers		
Ergina Luck	73,976	1999	Tsuneishi/Japan	6.1	Undisclosed	SS passed	
Harvest Moon	73,040	1996	Samsung/Japan	4.5	Chinese buyers		
Guo Qiang 8	63,378	2018	Guangzhou Huangpu/China	23	Omani buyers	C 4 x 30	
SBI Puma	63,542	2014	Chengxi/China	18.5	Chinese buyers	SS due	
King Island	57,631	2015	Tsuneishi/Japan	20.5	Undisclosed	C 4 x 30 / cash - shares deal	
Universal Barcelona	57,000	2011	Qingshan/China	10.2	Chinese buyers	C 4 x 30	
Torenia	56,049	2007	Mitsui/Japan	11.3	Undisclosed buyers	C 4 x 30	
Dubai Ambassador	56,060	2004	Mitsui Tamano/Japan	8.5	Undisclosed buyers	C 4 x 30	
Iyo Wind	53,569	2008	Iwagi Zosen/Japan	10.3	Greek buyers	C 4 x 31	
Ribbon	53,206	2005	Imabari/Japan	8.9	Undisclosed buyers	C 4 x 30.5	
NPS Ocean Star	53,074	2003	Oshima/Japan	7.75	Undisclosed buyers	C 4 x 30	
Harvest Rising	46,678	1996	Mitsui Tamano/Japan	4.3	Chinese buyers	C 4 x 30.5	
Saldanha Bay	35,947	2015	Shikoku/Japan	18.6	Undisclosed buyers	C 4 x 30,5 / cash-shares deal	
Seas 11	37,200	2013	Zhenjiang Ouhua/China	11	Undisclosed buyers	C 4 x 30	
Miss Simona	34,602	2010	SPP/South Korea	8.7	Undisclosed buyers	C 4 x 35 / BBB	
Idship Bulker	28,361	2008	Imabari/Japan	7.8	Chinese buyers	C 4 x 30.5	
Ocean Exporter	28,461	2002	Imabari/Japan	high 4	Chinese buyers	C 4 x 30.5	
Elena K	28,378	2000	Naikai Zosen/	4.6	Undisclosed buyers	C 4 x 30	
Annelisa	18,673	2008	Yamanishi/Japan	8	Turkish buyers	SS passed	
Dogan Bay	12,260	2003	Shin Kurushima/Japan	3.5	Undisclosed buyers	C 3 x 30	
Baru Satu	16,190	2001	Shin Kochi/Japan	4.6	Undisclosed buyers	C 3 x 30.5	
Gazi	23,829	1995	Naikai Zosen-Setoda/Japan	2.7	Chinese buyers	C 4 x 30	

\*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.

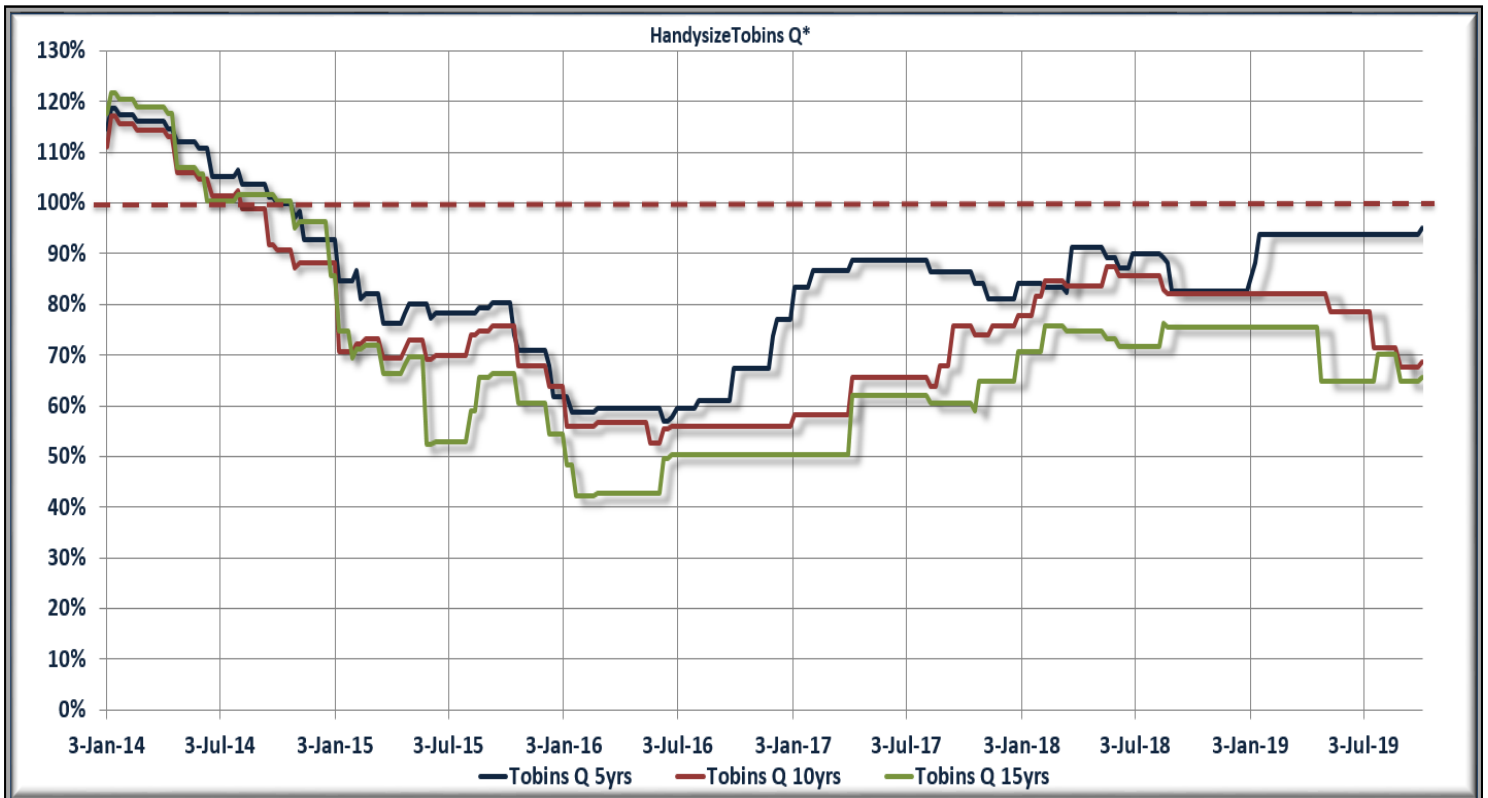
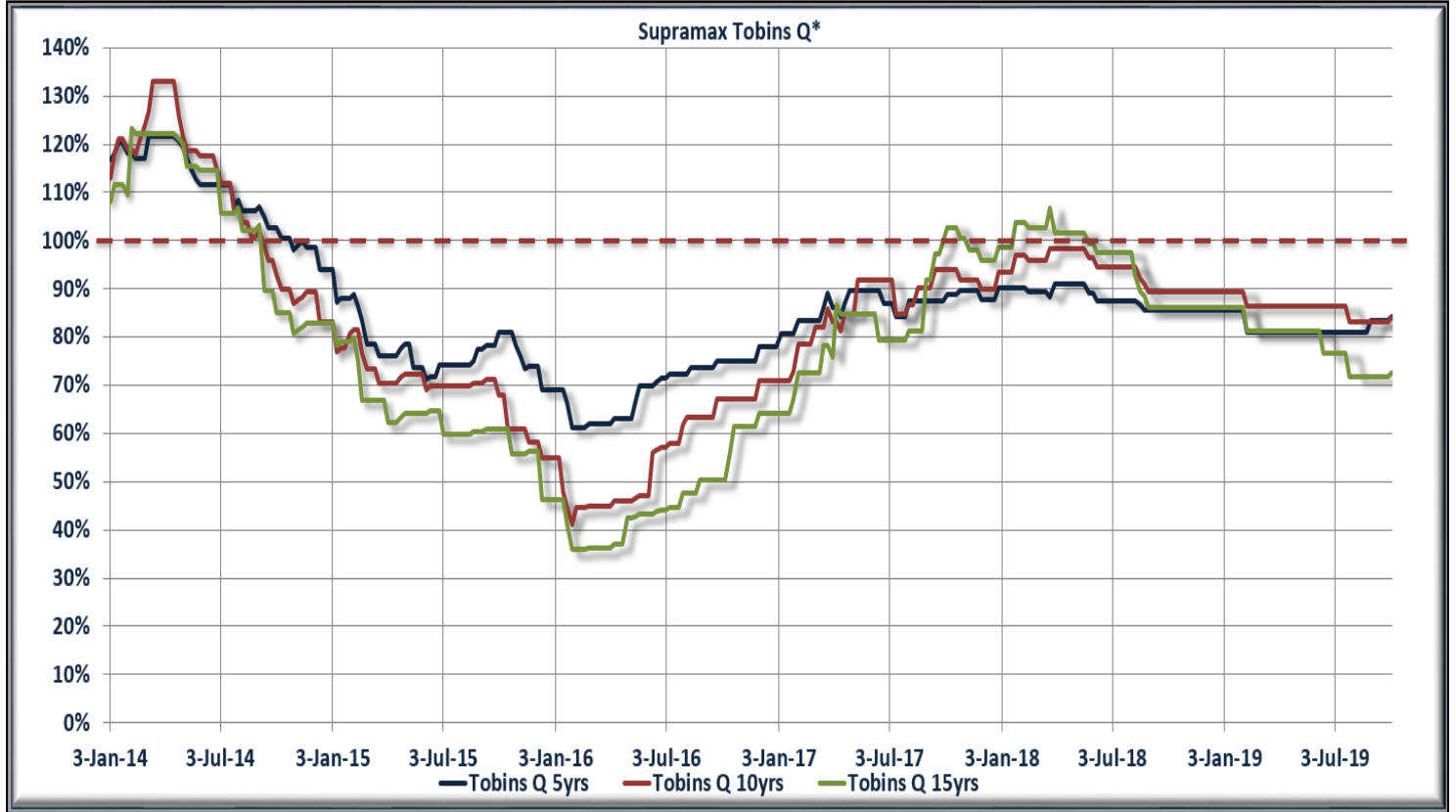
Tobin's Q\* Capesize-Panamax

Date	Capesize 5yrs	Capesize 10yrs	Capesize 15yrs	Panamax 5yrs	Panamax 10yrs	Panamax 15yrs
<b>Current ratio</b>	70%	74%	64%	86%	80%	80%
<b>12months High</b>	89%	84%	72%	86%	91%	84%
<b>12months Low</b>	69%	73%	63%	85%	79%	76%
<b>12months Avg</b>	77%	78%	66%	85%	84%	77%



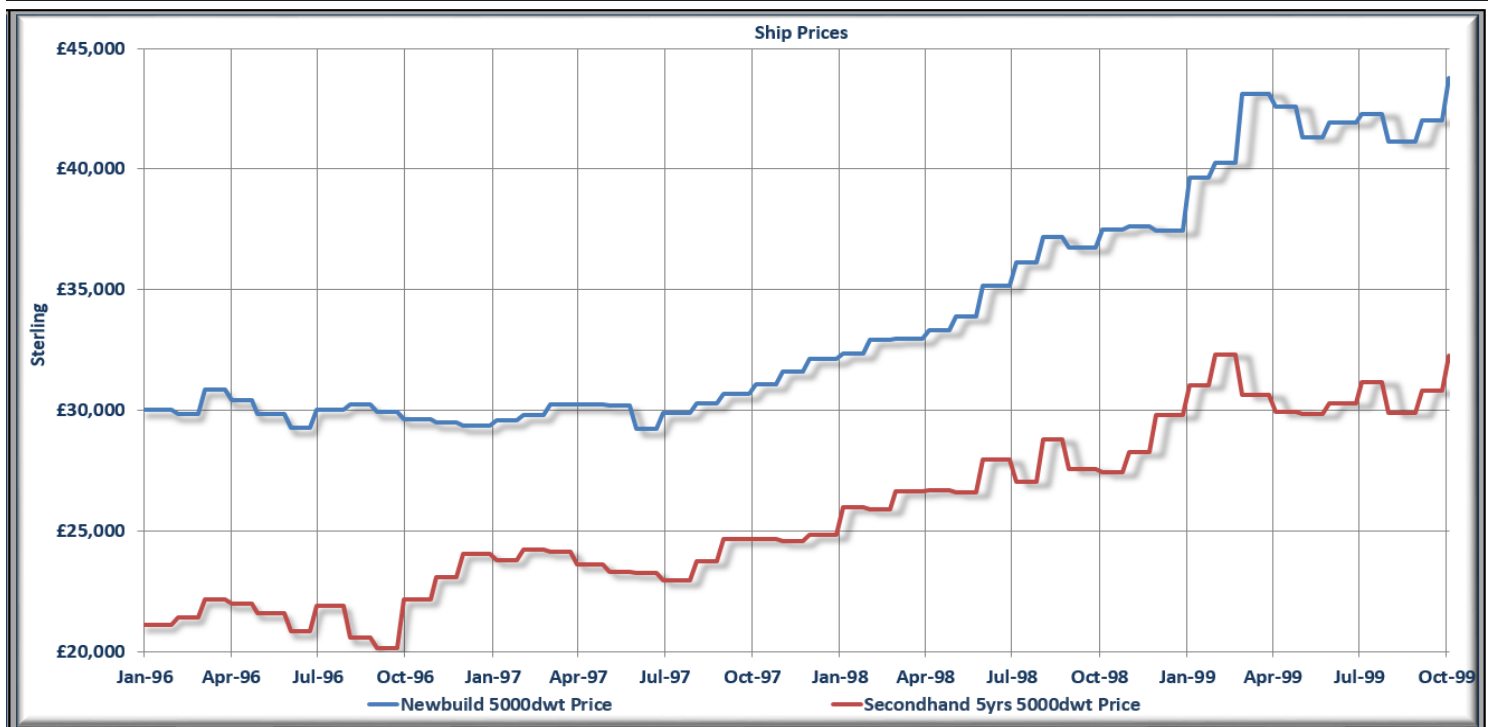
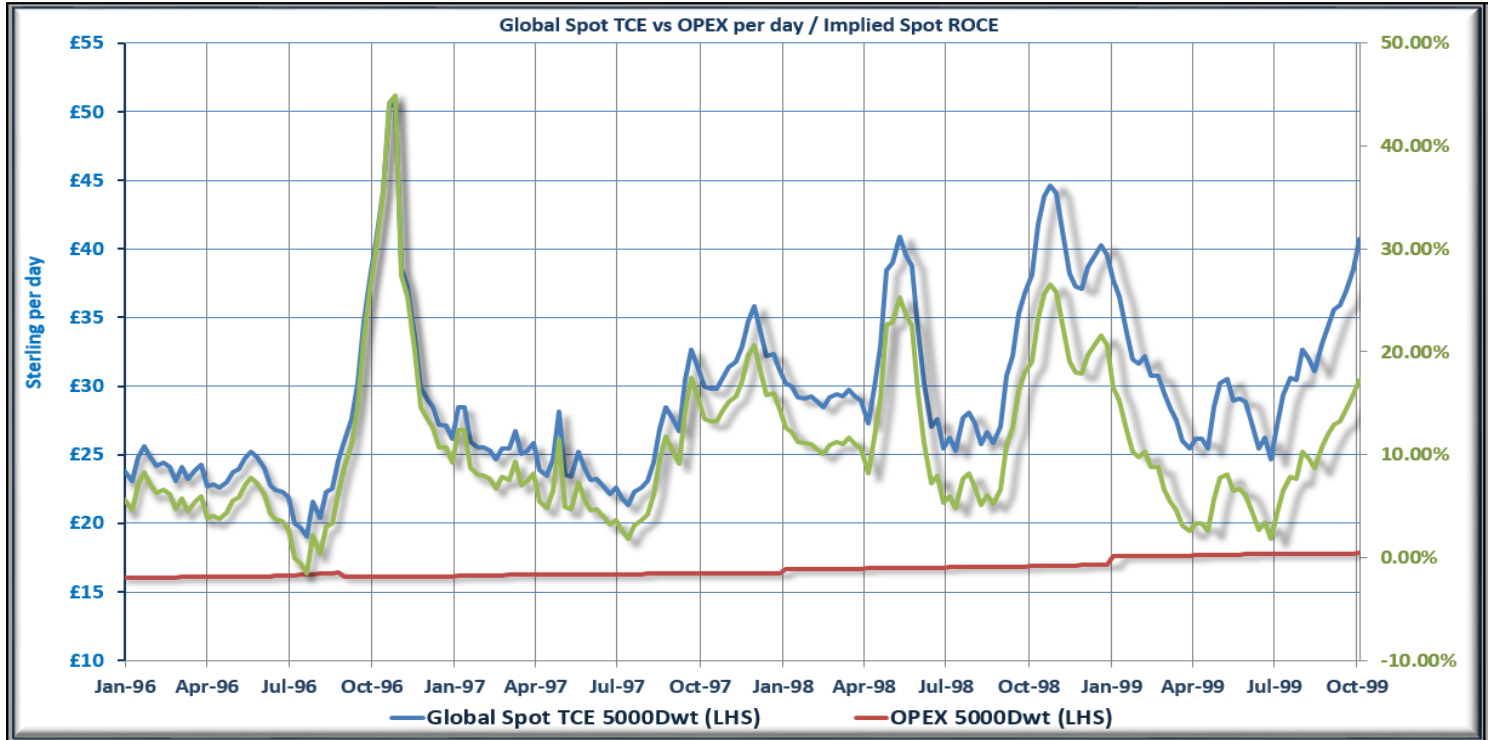
Tobin's Q\* Supramax-Handysize

Date	Supramax 5yrs	Supramax 10yrs	Supramax 15yrs	Handysize 5yrs	Handysize 10yrs	Handysize 15yrs
<b>Current ratio</b>	84%	84%	72%	95%	69%	66%
<b>12months High</b>	86%	89%	86%	95%	82%	76%
<b>12months Low</b>	81%	83%	72%	83%	68%	65%
<b>12months Avg</b>	83%	87%	80%	91%	78%	71%



## Market Insight 120 years ago

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



Weekly Spot Market	Current week	Previous week	Sep-01	Aug-01	Jul-01
Implied Spot Roce	17.3%	15.9%	14.1%	10.2%	6.6%
Global Spot TCE	£40.70	£38.39	£36.68	£32.60	£29.33
BlackSea Round	£41.64	£39.23	£37.02	£32.42	£28.13
East Round	£44.44	£43.69	£41.48	£38.06	£37.46
Med Round	£37.93	£35.12	£33.94	£29.79	£27.38
US Round	£39.23	£36.70	£36.49	£35.80	£32.49
River Plate Round	£43.26	£42.91	£43.93	£41.80	£37.99

S&P Market (5,000dwt)	Current week	Previous week	Sep-01	Aug-01	Jul-01
NB	£43,782	£42,030	£42,030	£41,147	£42,286
SH 5yrs old	£32,278	£30,809	£30,809	£29,879	£31,148
SH 10yrs old	£24,952	£23,604	£23,604	£22,761	£23,999
SH 15yrs old	£19,189	£17,798	£17,798	£16,942	£18,310

\*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...

Although a good deal of business has been effected since the last report, chartering is now almost at a standstill, as Owners are unanimously holding their tonnage, feeling confident that the Transvaal difficulty can now only be settled by war, which must afford an immense stimulus to the freight market. The Government demand for tonnage unexpected only a short time ago, has upset all the freight calculations of charterers, and is bound to result in some very heavy losses being made. The Government has taken up an enormous quantity of tonnage, and no doubt a good deal more will yet be required, and even assuming that many of the boats are only kept on for one voyage from the U.K to the Cape and back, this means two and a-half to three months' employment. At this period of the year, October being one of the best, if not the best, month of the year, it is impossible for all this tonnage to be taken off the market by the Government without a semi-boom being produced in freight generally. The number of boats the Government have taken off the Indian market must affect rates for prompt loading from such ports as Bombay, Calcutta, etc., and in fact we hear that Bombay rates for prompt loading are firm at 18s 6d to p.p, and with a strong upward tendency. Directly charterers see a real cause for anticipating a difficulty in covering their tonnage requirements rates are advanced day by day until their commitments are covered or partially covered, for the very first to take freight are those who go in for freight contracting or have undertaken to keep us a regular supply of tonnage for any particular trade. This is what starts the upward bound, and once started there is no telling to what extent owners will force up rates. As regards the effect that will have on coal freights, of course the question of supply and demand will apply equally and as strongly to outward business as to homeward ; but apart from this it appears to us that a lot of coal will be needed at the South African ports, while enormous quantities will be wanted by the boats coaling at the Islands going out and also coming home. This will mean a large quantity of tonnage being required from Wales to the Islands. There is now the largest demand for tonnage on time-charter that has ever been known, and it looks as if this was about the only means charterers have of covering their contracts, except by paying some very stiff and prohibitive rates. It is difficult to quote what rates of freight really are obtainable. In cases where Owners have prompt boats to deal with on the homeward markets they are unable to bring about any sensational improvement, but in all cases where they have a little time in hand few owners can be induced to put their boats under offer overnight, while the prices demanded for prompt acceptance are at present prohibitive of business.

Black Sea rates are firmer, with a large demand for tonnage. Berth rates for L.H.A.R from Odessa, Theodosia, Novorossisk, etc., are 11s 9d to 12s, and from Nicolaieff 12s 9d to 13s 3d.

From the Danube market, the berth rate for A.R. has advanced to 13s 3d ; but this rate will not be entertained by owners; for in the first place it is not on a parity with Black Sea and Azoff business, and besides there is the risk of the water going down to about 17 ft.

Azoff rates are advancing, which apart from other influences is not surprising at this time of the year, for if the merchants do not get the bulk of their grain away in October and possibly early November they will not get it away at all this year. Berth rates for L.H.A.R. are 13s 9d to 14s 3d.

Mediterranean rates are generally firm. From Smyrna to U.K. 13s is quoted. Berth rates for Hull are 9s and for London 9s 3d to 9s 6d; on charter October boats are worth 13s and 12s; Owners had far better fix on the ton basis, and make the charterers give a good ballasting of deadweight cargo. If they will not give this, then shift the boats up to the Black Sea, etc, for by the time 10 days' quarantine has been performed at, say, Theodosia, the prospects are that the rise in freights will more than cover the loss occasioned by the quarantine.

The American market is firmer, although no material advance has yet been established. Grain rates from the Northern range are hardening, berth quotations to p.p being as follows: October 3s to 3s 1½d per quarter, November/December 3s 4½d to 3s 6d, but without option of part heavy at 3s 1½d, balance oats 2s 7½d. On the C.f.o (Cork For Orders) basis October boats are worth 3s 9d, November/December and January/February 3s 7½d to 3s 9d is offering. From New Orleans or Galveston net charter rates for October/November are 17s 6d, December/January 17s, February/March 16s.

The River Plate market continues firm for all positions. From the San Lorenzo limit October/November boats are worth 29s to 30s o.c, November/December 28s 6d to 29s. From the lower ports October/November boats are worth 26s to p.p, berth terms.

Coal rates from Wales and the E.C are very strong as follows: Marseilles 12½ fcs, Algiers 11½ fcs, Port Said 12s to 12s 3d, Constantinople, the Piraeus, etc., 10s 6d. Westwards rates look like advancing; for Vera Cruz 10s to 10s 6d is offering, for Las Palmas or Tenerife 8s to 8s 3d; for Rio de Janeiro there is a strong demand, emanating from freight contractors, at 11s to 11s 3d.

On the S&P front, the newbuilding market moved strongly upwards. A typical newbuilding 5,000dwt British-build steamer is currently at the market for £43,750 whereas a five-year-old of the same dwt and specification at £32,250.