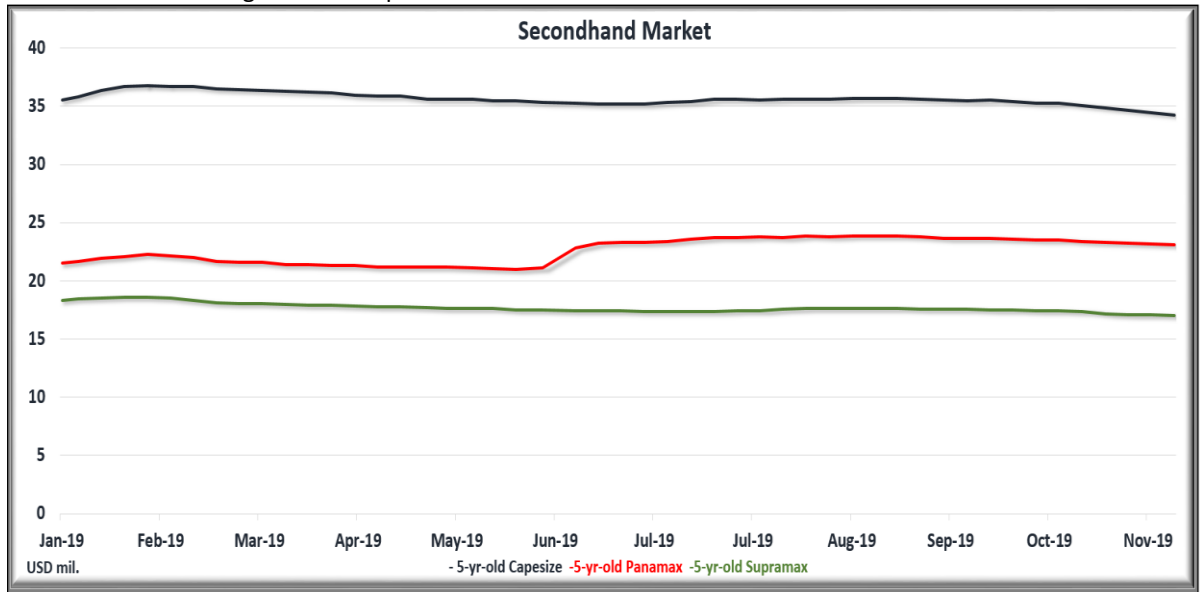
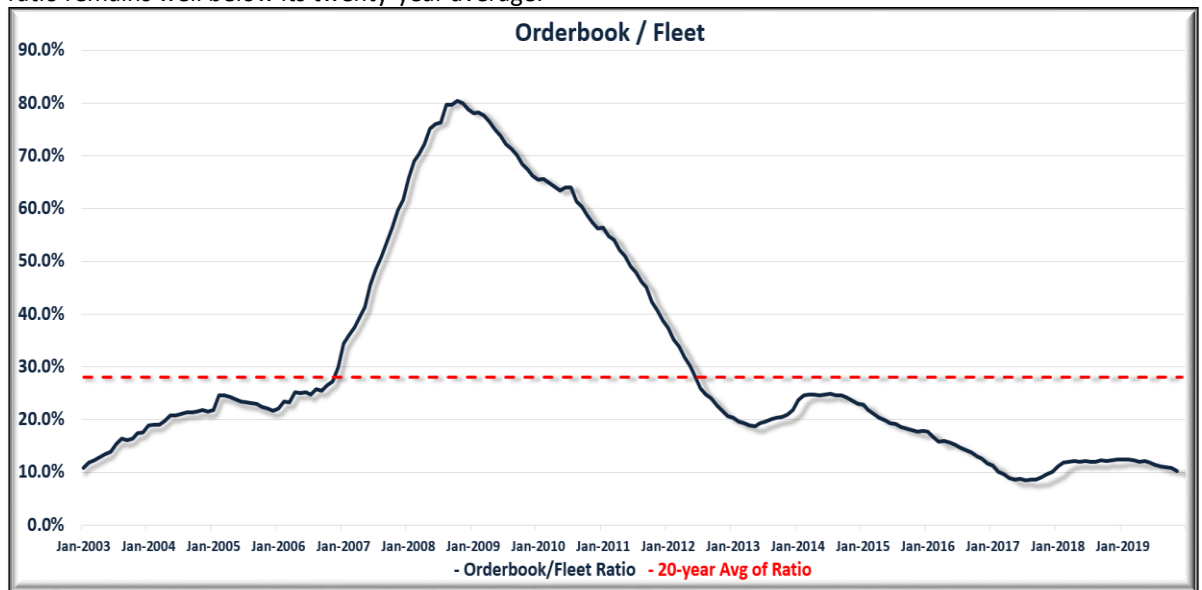


As one of the most volatile trading years of the last decade is getting closer to its end, the Baltic Dry Index concluded at 1355 points on this week closing. After bottoming out at 595 points during the second week of February, the gauge of activity in the dry bulk spectrum topped at 2518 points on September 4. Since then, the concertmaster didn't make everything that was necessary for the dry bulk orchestra to be adequately tuned and thus the performance during the fourth quarter was not in sync with the one of the third. Setting aside the bumpy ride of the spot market, the sale and purchase market remained largely lethargic during 2019, at least as far as the indicative prices are concerned. In particular, following a period of dramatic rise in secondhand prices, 2019 appeared to be more much more stable. With an average price of circa USD 35.6m for 2019, five-year old Capes remained flat during the peaks and the troughs of the spot market. In harmony, Panamax average prices came in at USD 22.6m, with the highest to the lowest point being USD 2 mil. apart. The market for five-year-old Supramaxes was on average at USD 17.75m, ending the year some USD 1.5 mil lower than where it had started. Overall, the secondhand market wasn't convinced that neither the minima of the first quarter nor the maxima of the third one were going to be long-lasting and thus preferred to remain calm few hundred thousand of greenbacks up or down from the "last dones".



Source: Baltic Exchange, Doric Research

At a time when the freight market has gained traction, surpassing the 2500-point mark, the supply side of the shipping industry remains noticeably disciplined. Since hitting rock bottom levels of 8% in mid-2017, the orderbook/fleet ratio for bulkers has seen only a marginal increase of two percentage points to 10% in the last two and a half years. In spite of the upward tendency in the contracting activity, the dry bulk ordebook/fleet ratio remains well below its twenty-year average.



Whilst the US and China made the first step towards a gradual reduction in tariffs as part of a "phase one" trade deal, it is encouraging for the freight market that investors in the dry bulk sector rely mostly on the secondhand market, at least up to now.

Freight market 120yrs ago (page 11): "A fair amount of chartering has been effected during the past week, but rates generally cannot be considered very satisfactory..."

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- Distant Past Market.11

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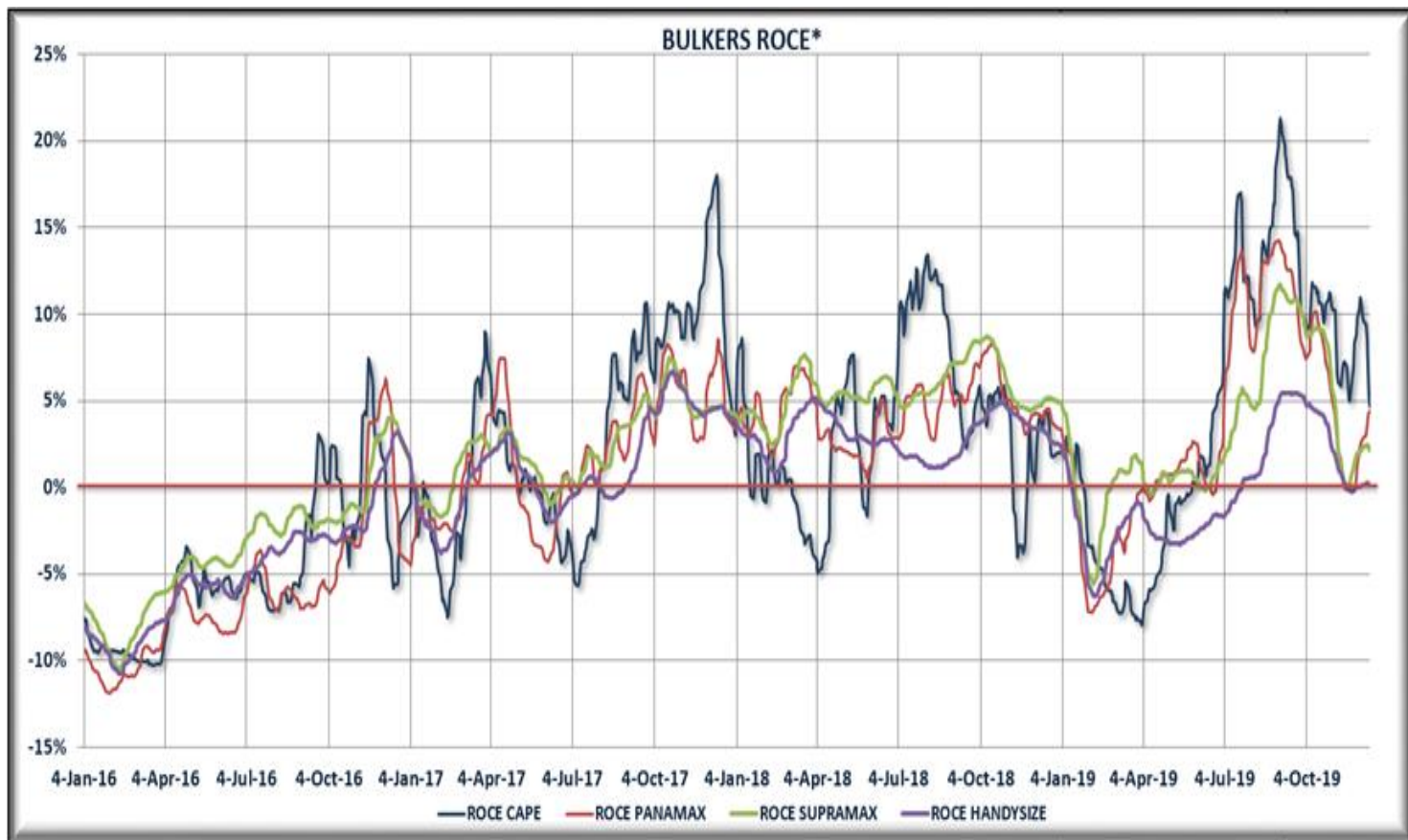
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Dry Cargo Spot Market

Following two weeks with gains, the Baltic Dry Index reported 200-point losses this week, concluding at 1355 points. However, by decomposing the general index, this downward pressure can be largely attributed to the Capesize segment. In particular, the Baltic Capesize index moved substantially lower, finishing the week at 2455 points or 25% down W-o-W. Trending towards the opposite direction, the Baltic Panamax index saw another week of gains, balancing considerably higher at 1467 points. Without significant changes, the geared segments remained at previous Friday's levels. Moving sideways, the Baltic Supramax Index lingered at 823 points. In a motionless week, the Baltic Handysize Index ended the week at 509 points.

At the box office, the after depreciation returns on capital employed of all bulkers kept balancing at single-digit levels, with Capes being under pressure. In this context, Capesize ROCE hovered at 4.6% and Panamax ROCE at 4.4%, with the former plunging and the latter moving higher. Supramax ROCE concluded at 2.2% at the same time as Handy ROCE was balancing at 0.2%, both almost unchanged W-o-W.



Baltic Freight Indices					
Date	BDI	BCI 5TC	BPI - TCA	BSI - TCA	BHSI - TCA
9-Dec-19	1551	\$23,445	\$10,894	\$9,551	\$7,375
10-Dec-19	1528	\$22,652	\$11,178	\$9,562	\$7,400
11-Dec-19	1460	\$20,645	\$11,559	\$9,572	\$7,409
12-Dec-19	1388	\$18,774	\$11,686	\$9,552	\$7,397
13-Dec-19	1355	\$18,002	\$11,749	\$9,430	\$7,390
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	1352	\$17,899	\$11,159	\$10,037	\$7,248
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 General Administration of Customs showed a 2.4% monthly decrease in million tonnes (Mt) in Chinese iron ore imports in October. The world's major steel producer brought in 90.65 Mt in October – an approximate 3.5 Mt increase compared to October last year. Year-to-date numbers show slow-moving iron ore imports, reaching 970.69 Mt or down 0.7% Y-o-Y. As far as the spot market goes, the Baltic **Capesize** Average index lost about \$7,000 in the past ten days, closing today at \$18,002 daily.

In the east, Pilbara Ports Authority recorded a 56.5 Mt for October throughput. In numbers this amounts to a 2% decrease compared to October 2018, but a total increase of 1% for the financial year 2019/2020. Dampier Port's monthly numbers seemed sluggish as well, moving slower, at a 16% decrease compared to October 2018. On the other hand, monthly throughput in Port of Hedland documented a 4% increase in numbers compared to October 2018. Australia's Port Hedland shipped less iron ore to China this month, by 0.7 % compared to last month. Far East key index C5 (West Australia/Qingdao) represents such weakness in Capesize gains, dropping continuously since December, closing at \$8.36 pmt. Charterers suppressed bidding from \$10 down to high \$8s for the most part of the week. BHP Billiton and Rio Tinto on Thursday, paid 'Ocean Lady' (180,361 dwt, 2009) and 'Aquabridge' (177,106 dwt, 2005) \$8.65 pmt just before a further decrease of the major Baltic Exchange C5 index. Pacific round T/C index concluded at \$19,375 daily, at a strong \$8,500 loss W-o-W. As the tonnage list in the east is piling up, and with the European holidays approaching, overall trading seems to be losing its steam by the hour. Brazil exports momentum seems to be flattening out, but ton-mile calculations don't help either for south East Asian ballasters, causing C14 (China Brazil round voyage) to deflate down to \$16,018 daily, a sub 30% loss W-o-W.

In the western basin, Vale dam breach is headlining for the eleventh month in a row, as it is considered to be the deadliest in recent times. The dam's design, poor drainage and heavy rainfall in Brazil unleashed a tidal wave that caused the death of more than 250 Vale employees and contractors on January 25, 2019. Reports claim that, following the strong rainfalls of 2016, the internal strains have been considerably damaged, reaching a momentous point of no return, ending up in fatal casualties. Along with those, the ruins of staff and administrative buildings in the south-east state of Minas Gerais in Brazil have burdened Vale, with a strong emotional and financial cost. In the spot market, mid-November momentum seems to be long gone, as we are seeing a prolonged fall of the benchmark C3 (Tubarao/Qingdao). A \$3.8pmt loss recorded since early December bids, closing up today at \$18.96 pmt. C9_14 (front-haul) index paused today at \$33,130 daily. T/A trading, as shown in C8_14 index closed at \$17,400 daily. C7 index (Puerto Bolivar/Rotterdam) closed at \$9.6 pmt. K Line has fixed a TBN vessel, to carry 165,000 mts of iron ore from Puerto Bolivar to Hadera, Israel at a richer \$12.5 pmt for mid-December dates. A premium was included in freight due to the very nature of trading Israel itself.

With the paper market under serious pressure and spot market in decline, no period activity was recorded this week.

With US and China close to agreeing a limited trade deal including a reduction on existing tariffs, the Baltic **Panamax** Index reached \$11,749 daily, up 8.8% W-o-W. According to Singapore (Platts) around 10 soybeans cargoes were booked late Monday to arrive in China over December-February; six to eight from the US Pacific Northwest and at least two from the US Gulf.

The Pacific market was quite dull, and charterers were willing to cover mainly with early vessels close to last done levels. Few strong rates were rumored for Pacific rounds but mainly with candidates with the right bunkering arrangements, since we are getting close to the implementation of the IMO 2020 regulations. For Australia loading, the 'Salaminian' (82,000 dwt, 2014) with delivery Ulsan 14 Dec was reported for a trip via EC Australia to India at \$12,250 daily, and for a trip to China the 'Artemis I' (82,000 dwt, 2019) with delivery Inchon 12 Dec at \$12,500 with MOL. Further South, Uniper covered their Indonesia to India stem with the 'Striglla' (75,196 dwt, 2009) with delivery Taichung 10-11 Dec for a trip at \$11,500 daily, and for a quick trip via Indonesia to S.China the 'Dream Star' (81,909 dwt, 2014) with advantageous delivery Kohsichang 11-12 Dec was fixed at \$14,000 daily. South Africa loading paid in the low 13k and low 300k gbb as in the case of the 'Fraternelle' (82,086 dwt, 2016) which was fixed at \$13,250 plus 325,000 basis delivery aps Richards Bay 27-29 Dec and redelivery India.

In the Atlantic region, rates from ECSA seemed to have stabilized in the mid/high 14's and mid/high 400k gbb on Kamsarmaxes for early Jan arrivals, whilst in the North availability of tonnage still feels tight with rumours surfacing of Kamsarmaxes seeing low/mid-teens for repositional trips to the other side of the pond. The 'Yasa Eagle' (81,525 dwt, 2012) with delivery aps ECSA 10 Jan was linked to Cargill at \$14,900 plus 490,000 gbb with Singapore-Japan redelivery, and the 'Blue Bosphorus' (78,819 dwt, 2008) was heard to have fixed to Meadway with delivery aps ECSA 25-28 Dec at \$14,500 plus 450,000 gbb with redelivery SEASIA. For a trip to Skaw-Gibraltar range the 'Nord Corona' (81,600 dwt, 2019) was also fixed by Cargill with delivery Aps ECSA 26 Dec at \$15,000 daily. US Gulf loading paid a premium for early candidates as in the case of the 'Ever Imperial' (85,025 dwt, 2016) which was reported to have fixed with delivery aps US Gulf 25 Dec for a trip to China with grains via Neo Panama Canal at \$17,500 & 750k gbb with Ausca. For a bauxite run via Kamsar, Cargill took the 'Artvin' (82,231 dwt, 2011) with delivery Gibraltar 20-22 Dec and redelivery Aughinish at \$14,000 daily.

Not much reported in terms of period, except the 'Yasa H. Mulla' (83,482 dwt, 2011) with delivery Eemshaven 13-16 Dec which was linked to Nordic Bulk Carrier for 2/3ll in the Atlantic at \$13,500 daily.

Trending sideways, the Baltic **Supramax** index ended the week marginally lower at \$9,430 daily.

While the masses approach the holiday season in a festive mood, market activity in the second week of December proved less jovial. The Pacific was generally quiet with rates remaining fairly flat and with little new enquiries appearing especially from the North. The 'Eastern Azalea' (56,771 dwt, 2012) was fixed at \$6,100 basis Lianyungang for a trip to PG. Also, the 'AP Ston'(57,480 dwt, 2012) went at \$4,600 basis aps Kanmon for a run with slag via Japan and redely PG. Apart from rumors, not many fixtures were reported out of NoPac, with only a few vessels fixing and failing, as was the case of a 57K tonner at \$7,500 basis Busan for a NoPac round voyage. SEAsia saw improved cargo volume, however rates remained unchanged from the previous week. The levels on a typical coal run from Indo varied, ranging from \$8,500 to \$10,500, depending on size, position, laycan and of course direction. The 'Santa Valentina' (61,310 dwt, 2017) got \$10,000 with delivery Manila for a trip with coal via Indo to WCI. With the same hire rate, the 'Pan Rapido' (56,915 2011) was agreed basis delivery Samalaju for a trip via Indo to SE Asia, while the 'Spar Taurus' (53,195 dwt, 2005) was fixed at \$9,200 basis Spore to China, again for a coal run. A lack of sustainable activity ex Aussie was manifested as charterers secured tonnage at high \$8Ks from Spore and high \$7Ks from S. China. The Indian Ocean remained under pressure with rates hovering for yet another week in the \$9Ks for straight trips to FEast. For instance, the 'Anna Elisabeth' (55,709 dwt, 2008) took \$9,500 from Haldia for an iron ore trip via ECI to China. On the WCI, the 'AP Slano' (57,300 dwt, 2012) was fixed with delivery Hazira at \$10,000 for a clinker run via Karachi to Chittagong. From PG, the 'Evans' (53,507 dwt, 2009) concluded at \$10,250 basis Fujairah for a trip via Mina Saqr to Chittagong with aggregates. S.Africa market proved more positive and activity levels increased during the week. Many market participants believe that this is directly related with the upward tendency throughout the week in the ECSA. Early on the week, it was reported that the 'African Queen' (55,005 dwt, 2007) obtained \$12,250 plus \$225,000 gbb basis delivery passing Durban, via Saldanha Bay to Spore-Japan range. Subsequently, the 'Amstel Falcon' (56,108 dwt, 2013) achieved \$12,400 plus \$240,000 gbb basis Durban for a trip via Maputo to China.

The Atlantic seemed to be holding up this week, as more positive rates resulted in an uptick in all sub-markets. In ECSA, 'Maina' (63,280 dwt, 2016) was fixed for a trip with grains basis delivery Upriver to Dammam (PG) at \$14,250 plus a \$425,000 ballast bonus, while 'Astra Perseus' (58,518 dwt, 2012) fixed basis delivery Recalada at around \$14,000 daily for a trip into West Med. In the USG after a strong run last week, less activity was reported whilst levels were maintained. A 60,000 tonner was rumoured to have obtained high-\$16,000s basis delivery NOLA for a trip via Mississippi river to East Med. In the Med, 'NM Cherry Blossom' (60,494 dwt, 2015) was fixed basis delivery Marmara for a trip with grains via Black Sea to Southeast Asia at \$12,000 daily plus a \$280,000 ballast bonus. A nacks 61,000 tonner open in the Black Sea was rumoured to obtain \$10,000 basis delivery in the Black Sea for a trip with grains into Continent. In the Continent ultramaxs obtained mid/high \$12,000s for scrap runs into the Med and a 56,000 tonner was rumoured to score 13,000 basis. On the period front, a 52,000 tonner in USEC was rumoured to obtain \$13,500 daily trading for 3 to 5 months with redelivery Singapore/Japan range and a Tess58 in West Africa was fixed for 2/3 laden legs redelivery Atlantic at \$11,000 daily.

*"Feliz Navidad, Prospero Año y Felicidad Ahead or Not?" for the **Handysize**.*

In the Pacific Area we can attest that the situation remained largely flat over the last week. Some cargoes popped up but due to the upcoming holidays charterer's hesitation for forward bookings were not enough to make significant changes on rates. The HS6_38 index (N.China-S.Kor-Jpn trip to N.China-S.Kor-Jpn) moved slightly negative at 7,566. More specifically, Northern of Taiwan, it was a quiet week with only one fixture reaching our ears, the 'Global Heart' (32,000 dwt, 2012) agreeing at \$6,150 passing Busan for pig iron via Cis to N.China. On the other hand, South of Taiwan and generally South East Asia market showed a slight increase in activity giving a bit better signals to owners. The HS5_38 index (South East Asia to Japan route) declined -59 to an average 8675 with fixtures like 'East Bangkok' (32,000 dwt, 2012) which was finalized at \$7,500 basis dop for an Aussie round via West Coast Australia with alumina and redelivery South East Asia. Another one was the 'Amity'(30,000 dwt, 2011) open Tuticorin which concluded at \$8,500 plus \$140,000 gross ballast bonus for delivery aps Kwinana to Malaysia with alumina. Loggers and grabbers are still enjoying a premium in the area with 'Densa Cheetah' (36,000 dwt, 2013) open at Singapore getting a \$9,250 basis dop for a trip via W.Australia with concentrates to Far East. We have no incoming info for the Persian Gulf with lack of cargoes, several vessels remaining spot and owners start decreasing their ideas in view of Christmas holidays. On the period desk 'Berge Asahidake' (34,000 dwt, 2016), a nice logger, open at Samalaju fixed at \$9,900 dop for 2 laden legs with redelivery Spore-Japan range.

With a nostalgic feeling I was looking back into my report of last year around this time, and the overall idea was somehow similar. "Most areas moving sideways, if not downwards" was the verdict. A bit of uncertainty was lingering in the air and one cannot blame the owners for it. We were coming off from an end of the year pick, but levels were still hanging on. Owners were expecting some drop with the New Year, which is pretty much the norm the last years, up until the end of Chinese New Year. Then again I don't think anybody was expecting the market to lose about half of its value till February. This year, we start the same period from a point that is about 17% lower. Uncertainty is looming above our heads. Will it be the normal painful winter, or the IMO 2020 with the expected higher bunker prices will cut the drop somehow? I guess this is still the million dollar question, 'Who will pick up the tab, the owners, the charterers or the end receivers?' Everybody is hanging on the edge of their seat. At least Christmas parties and dinners will have another heated subject for discussion this year. Otherwise, ECSA was basically treading water this past week, with no excitements or movements. USG on the other hand pushed upwards mostly due to lack of open prompt tonnage, and it seems this will not change till the end of the month. Continent moved to the opposite direction, something that is getting way too common when the winter cold hits the ports. And Med/Bl. Sea remained more or less steady on the levels of last week too.

On the period desk we heard rumours of a 36,000dwt vessel getting \$10,000 for short period within Atlantic from Marmara Sea.

Fixture Tables

Representative Capesize Fixtures						
Vessel	Load Port	Laycan	Discharge Port	Freight	Charterers	Cargo
TBN	West Australia	18/20 Dec	Qingdao	\$10	Panocean	170000/10 iore
TBN	Puerto Bolivar	14/23 Dec	Hadera	\$12.50	K Line	165000/10 iore
TBN	Port Hedland	27/28 Dec	Qingdao	\$8.65	BHP Billiton	170000/10 iore
TBN	Seven Islands	01/08 Jan	Qingdao	\$24.65	Glencore	190000/10 iore

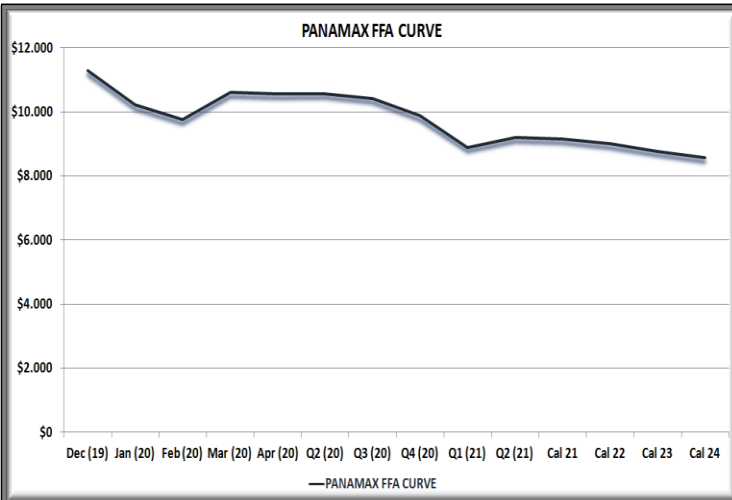
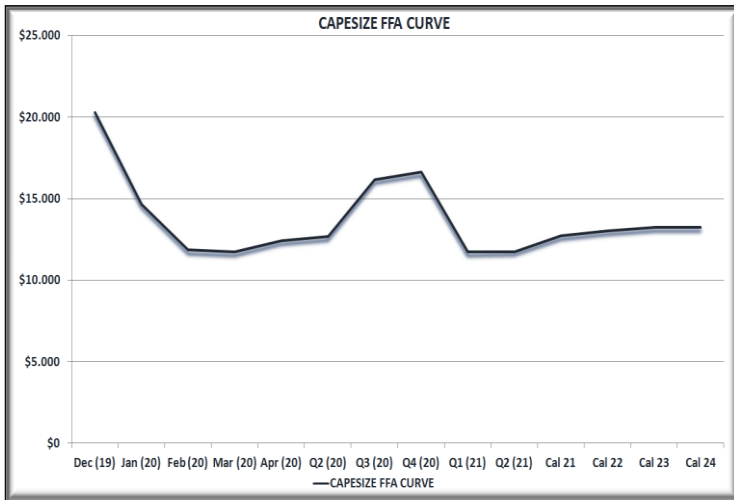
Representative Panamax Fixtures								
Vessel	DWT	Built	Delivery	Date	Re-del	Rate	Charterers	Comment
Salaminian	82,000	2014	Ulsan	14 Dec	India	\$12,250	cnr	via Ec Australia
Artemis I	82,000	2019	Inchon	12 Dec	China	\$12,500	MOL	via Ec Australia
Striggla	75,196	2009	Taichung	10-11 Dec	India	\$11,500	Uniper	via Indonesia
Dream Star	81,909	2014	Kohsichang	11-12 Dec	S.China	\$14,000	cnr	via Indonesia
Fraternelle	82,086	2016	R.Bay	27-29 Dec	India	13,250 plus 325,000 gbb	cnr	via R.Bay
Yasa Eagle	81,525	2012	ECSA	10 Jan	Singapore- Japan	14,900 plus 490,000 gbb	Cargill	via ECSA
Blue Bosphorus	78,819	2008	ECSA	25-28 Dec	Seasia	\$14,500 & 450,000 gbb	Meadway	via ECSA
Nord Corona	81,600	2019	ECSA	26 Dec	Gib-Gibraltar	\$15,000	Cargill	via ECSA
Ever Imperial	85,025	2016	US Gulf	25 Dec	China	\$17,500 plus 750,000gbb	Ausca	via USG & neo panama
Artvin	82,231	2011	Gibraltar	20-22 Dec	Aughinish	\$14,000	Cargill	via Kamsar
Yasa H. Mulla	83,482	2001	Eemshaven	13-16 Dec	Skaw-Passero	\$13,500	Nordic Bulk Carriers	2/3LL

Representative Supramax Fixtures								
Vessel	DWT	Built	Delivery	Date	Re-del	Rate	Charterers	Comment
Eastern Azalea	56,771	2012	Lianyungang	prompt	PG	\$6,100	cnr	via China
Ap Ston	57,480	2012	Kanmon	10-14 Dec	PG	\$4,600	Perfect Bulk	via Japan
Santa Valentina	61,310	2017	Manila	prompt	WC India	\$10,000	cnr	via Indonesia
Pan Rapido	56,915	2011	Samalaju	prompt	SE Asia	\$10,000	cnr	via Indonesia
Spar Taurus	53,195	2005	Singapore	Prompt	China	\$9,200	cnr	via Indonesia
Anna Elizabeth	55,709	2008	Haldia	Prompt	China	\$9,500	cnr	via EC India
Ap Slano	57,300	2012	Hazira	prompt	Chittagong	\$10,000	cnr	via Pakistan
Evans	53,507	2009	Fujairah	prompt	Chittagong	\$10,250	Sugh Energy	via PG
Africa Queen	55,005	2007	Durban	end Dec	Spore-Japan	\$12,250+225Kbb	BG Shipping	via Saldanha Bay
Amstel Falcon	56,108	2013	Durban	17 Dec	China	\$12,400+240Kbb	Oldendorff	via Maputo
NM Cherry Blossom	60,494	2015	Diliskelesi	prompt	Southeast Asia	\$12,000+\$ 280,000	Meadway	
Maina	63,280	2016	Upriver	prompt	PG	\$14,250+\$425,000	nfds	
Ning Jing Hai	63,573	2017	Aughinish	prompt	Med	\$12,500	nfds	

Representative Handysize Fixtures								
Vessel	DWT	Built	Delivery	Date	Re-del	Rate	Charterers	Comment
Global Heart	32,000	2012	Cjk	ppt	N.China	\$6,150	cnr	pig iron
East Bangkok	32,000	2012	Spore	ppt	s.e.Asia	\$7,500	cnr	alumina via WCAus
Amity	30,000	2011	Kwinana	ppt	Malaysia	\$8,500	cnr	alumina GBB 140k
Densa Cheetah	36,000	2013	Spore	ppt	Far East	\$9,250	cnr	Cons via WCAussie
Berge Asahidake	34,000	2016	Samalaju	ppt	Spore/Japan	\$9,900	cnr	2ll
Isabela Island	37,528	2017	Recalada	ppt	WCSA	\$16,250	Trithorn	
Saronic Spire	32,355	2004	SFDS	ppt	USG	\$10,100	G2Ocean	
CS Candy	37,459	2012	Canakkale	ppt	Continent	\$7,500	Norden	

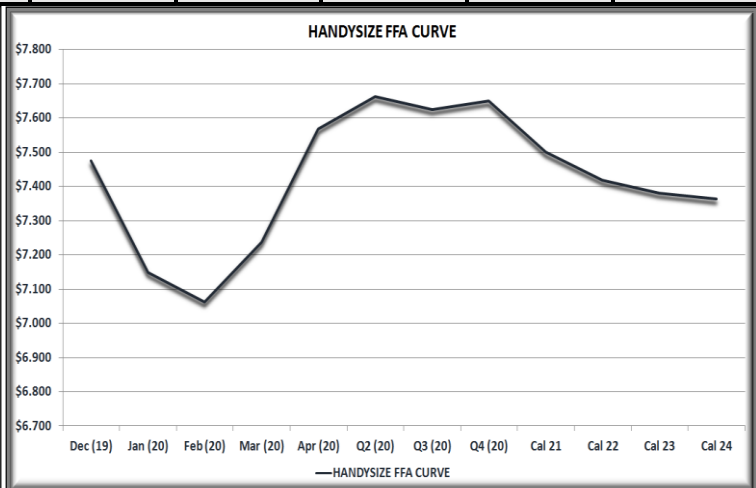
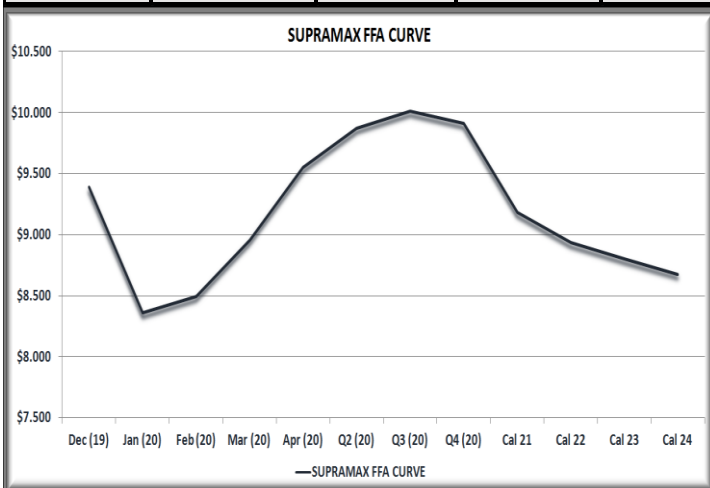
FFA Market

With the spot market losing more than \$5,000 w-o-w, Capesize December paper decreased to \$20,294 or 14.07% down from previous Friday heights, posing discouraging signs for prompt months. In contrast, the Panamax paper found some support this week, with December contracts ended 1.72% above last week closing levels, at \$11,297. The favorable tone appeared also on January paper which enjoyed an increase of 1.80% w-o-w, ending at \$10,219. The front end of the Supramax paper lost further steam for both December and January, balancing circa \$50 down w-o-w at \$9,389 and \$8,361 respectively. On the same tone, Handysize prompt months moved further down throughout this week, as December decreased to \$7,475 or 1.44% down w-o-w, while January contracts balanced \$75 lower at \$7,150.



BFA Capesize 5TC									
Date	Dec (19)	Jan (20)	Feb (20)	Q2 (20)	Q3 (20)	Cal 21	Cal 22	Cal 23	Cal 24
6-Dec-19	\$23.616	\$16.853	\$12.650	\$12.766	\$16.300	\$12.991	\$13.228	\$13.306	\$13.306
12-Dec-19	\$20.294	\$14.681	\$11.850	\$11.734	\$12.438	\$12.675	\$16.181	\$16.634	\$11.734

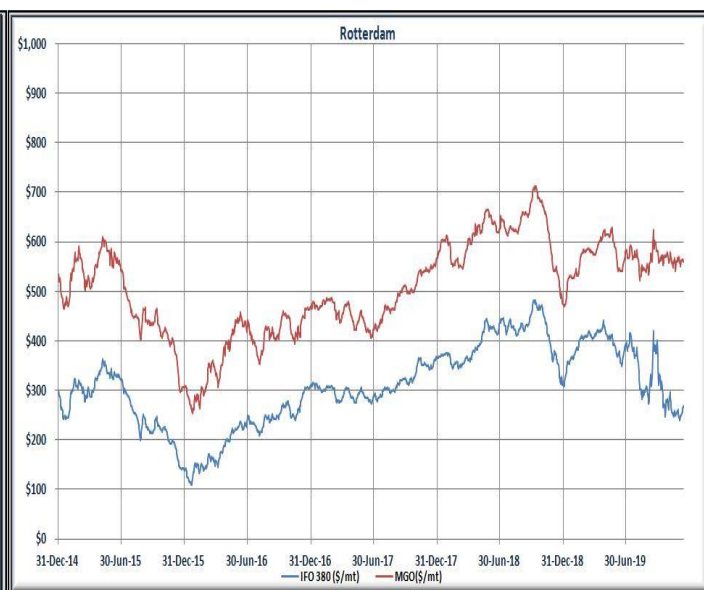
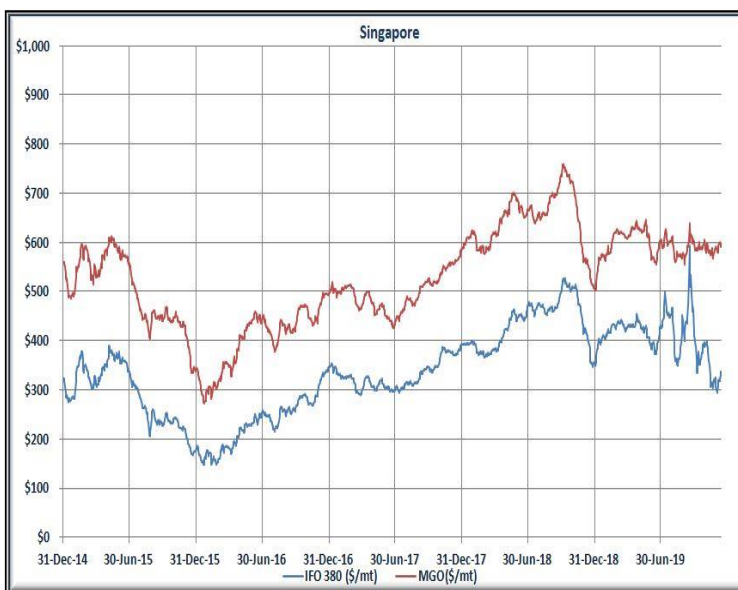
BFA Panamax 5TC									
Date	Dec (19)	Jan (20)	Feb (20)	Q2 (20)	Q3 (20)	Cal 21	Cal 22	Cal 23	Cal 24
6-Dec-19	\$11.106	\$10.038	\$9.916	\$10.744	\$10.419	\$9.181	\$9.000	\$8.784	\$8.569
12-Dec-19	\$11.297	\$10.219	\$9.763	\$10.578	\$10.425	\$9.159	\$9.006	\$8.772	\$8.572



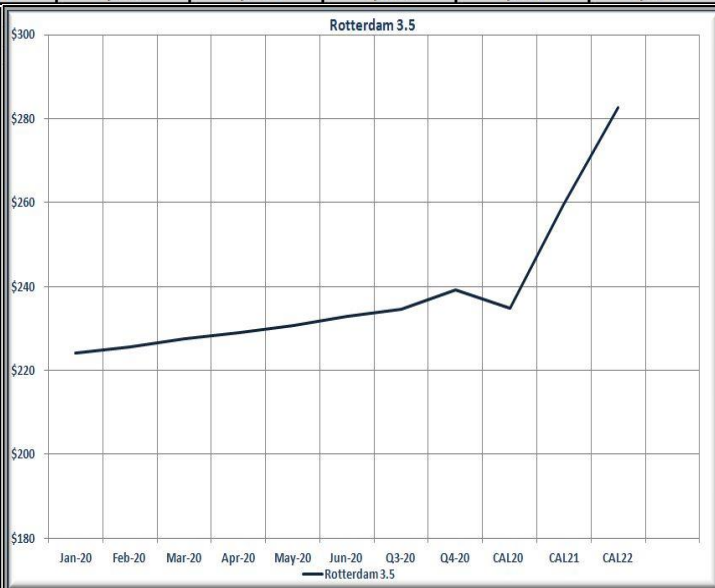
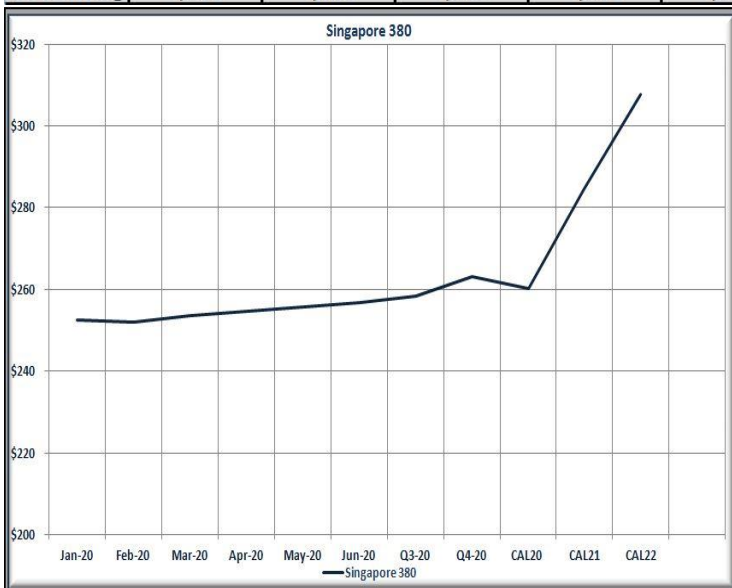
BFA Supramax 5TC									
Date	Dec (19)	Jan (20)	Feb (20)	Q2 (20)	Q3 (20)	Cal 21	Cal 22	Cal 23	Cal 24
6-Dec-19	\$9.439	\$8.400	\$8.493	\$9.775	\$9.914	\$9.075	\$8.886	\$8.775	\$8.661
12-Dec-19	\$9.389	\$8.361	\$8.496	\$9.875	\$10.014	\$9.186	\$8.936	\$8.804	\$8.679

BFA Handysize 5TC									
Date	Dec (19)	Jan (20)	Feb (20)	Q2 (20)	Q3 (20)	Cal 21	Cal 22	Cal 23	Cal 24
6-Dec-19	\$7.584	\$7.225	\$7.100	\$7.663	\$7.613	\$7.500	\$7.419	\$7.381	\$7.363
12-Dec-19	\$7.475	\$7.150	\$7.063	\$7.663	\$7.625	\$7.500	\$7.419	\$7.381	\$7.363

Bunker Market



	Rotterdam		Singapore		Fujairah		Gibraltar		Houston	
Date (\$/mt)	IFO 380	MGO	IFO 380	MGO	IFO 380	MGO	IFO 380	MGO	IFO 380	MGO
9-Dec-19	\$254	\$563	\$319	\$600	\$279	\$702	\$363	\$638	\$367	\$618
10-Dec-19	\$256	\$565	\$323	\$598	\$283	\$697	\$379	\$642	\$364	\$620
11-Dec-19	\$264	\$565	\$331	\$598	\$293	\$700	\$384	\$642	\$352	\$611
12-Dec-19	\$267	\$560	\$337	\$592	\$296	\$696	\$398	\$645	\$342	\$617
13-Dec-19	\$266	\$561	\$336	\$594	\$294	\$698	\$396	\$644	\$345	\$618
12-month High	\$441	\$630	\$594	\$646	\$519	\$750	\$500	\$698	\$490	\$679
12-month Low	\$241	\$469	\$293	\$502	\$251	\$665	\$299	\$545	\$290	\$539
12-month Avg	\$353	\$563	\$405	\$590	\$381	\$706	\$393	\$620	\$384	\$619



Singapore	13-Dec-19	Week max	Week low	Week Avg	RTDM 3.5	13-Dec-19	Week max	Week low	Week Avg
Jan-20	\$252.6	\$261.1	\$248.1	\$254.5	Jan-20	\$224.1	\$232.9	\$219.1	\$226.0
Feb-20	\$252.1	\$259.9	\$248.6	\$253.2	Feb-20	\$225.6	\$231.4	\$220.6	\$225.7
Mar-20	\$253.6	\$260.6	\$249.9	\$253.8	Mar-20	\$227.6	\$232.4	\$223.1	\$227.4
Apr-20	\$254.6	\$261.1	\$251.6	\$254.8	Apr-20	\$229.1	\$234.4	\$225.9	\$229.1
May-20	\$255.8	\$261.6	\$253.4	\$255.9	May-20	\$230.8	\$236.6	\$228.4	\$231.2
Jun-20	\$256.8	\$263.1	\$255.1	\$257.3	Jun-20	\$232.8	\$238.6	\$230.9	\$233.1
Q1-20	\$252.7	\$260.5	\$248.9	\$253.8	Q1-20	\$225.7	\$232.2	\$221.0	\$226.4
Q2-20	\$254.7	\$262.0	\$252.9	\$255.7	Q2-20	\$230.2	\$236.0	\$228.0	\$230.8
Q3-20	\$258.5	\$267.8	\$257.1	\$260.0	Q3-20	\$234.7	\$241.7	\$233.9	\$235.7
Q4-20	\$263.2	\$274.0	\$262.6	\$265.7	Q4-20	\$239.2	\$247.7	\$238.1	\$240.7
CAL20	\$260.2	\$264.0	\$256.4	\$260.6	CAL20	\$235.0	\$238.3	\$230.9	\$235.1
CAL21	\$284.7	\$289.2	\$284.2	\$286.4	CAL21	\$259.7	\$264.0	\$259.7	\$261.5
CAL22	\$307.7	\$314.7	\$307.7	\$310.4	CAL22	\$282.7	\$289.2	\$282.7	\$285.4

Dry Bulk S&P Market

As we approach the festive period, the normally anticipated seasonal slump has not made its appearance. During the last few weeks several transactions took place across the board. As it appears to be the case, this December was characterized by increased activity on the secondhand front and especially in the geared segments. However, prices in the secondhand arena remained largely unchanged and thus our secondhand to newbuilding comparisons, i.e. Tobin's Q ratios, trended sideways for yet another week.

In particular, the market for fifteen-year-old Capesizes and same-aged Panamaxs hovered at 37% and 19% off their adjusted newbuilding prices respectively. Fifteen-year-old Supramaxes are on the market at 22% less than their newbuilding price, if we compare them on the same age basis, whereas same-aged Handies at a larger discount of 39%.

In the real action, starting from the bigger sizes, we heard of a Cape deal materialized this week, the 'Lowlands Orchid' (176K, Universal, 2005), concluded at \$16 mio.

In the Pmax /Kmax segment, Greek Owner Alios Bulkers emerged as Buyer of the 'Aquila Ocean' (82K, Sanoyas, 2018) and the 'Atlantic Samurai' (81K, Tsuneishi, 2019), which were fixed for a price of \$28.8 and \$30.1 mio respectively. As a reminder, in the end of November the 'Key Pacifico' (81K, Tsuneishi, 2015) had obtained levels in the region of \$14 mio.

Ultramax 'Ursula' (61K, Imabari, 2012) found new home for \$16.8 mio – few weeks back similar ship 'Furness St Kilda', built 2010, was at \$15.7 mio. In the Supras, in line with recent reported activity in the segment, the Tenacity Bay (57/Hantong/2008) found Chinese takers at high usd 8 mio

Moving down to the Handies, 'Biograd' (37K, Jiangsu, 2010) is rumored to be committed at levels tick excess of \$8 mio to Chinese buyers. BWTS fitted unit 'Cielo di Pisa' (32K, Kanda, 2008) went for \$8.1 mio, while a one year older sister ship – with no BWTS – fetched a firm \$7.8 mio. Last week the 2005 built 'Lodestar Princess' went for a price a tick higher than \$6 mio. Danish outfit Clipper reportedly offloaded their Indian built handy trio, namely 'Clipper Target', 'Clipper Tenacious' and 'Clipper Trust' (30K, Cochin, 2006-07), with Vietnamese buyers being linked to the deal. No price has been disclosed, but rumors point in the region of high \$5 mio per unit.

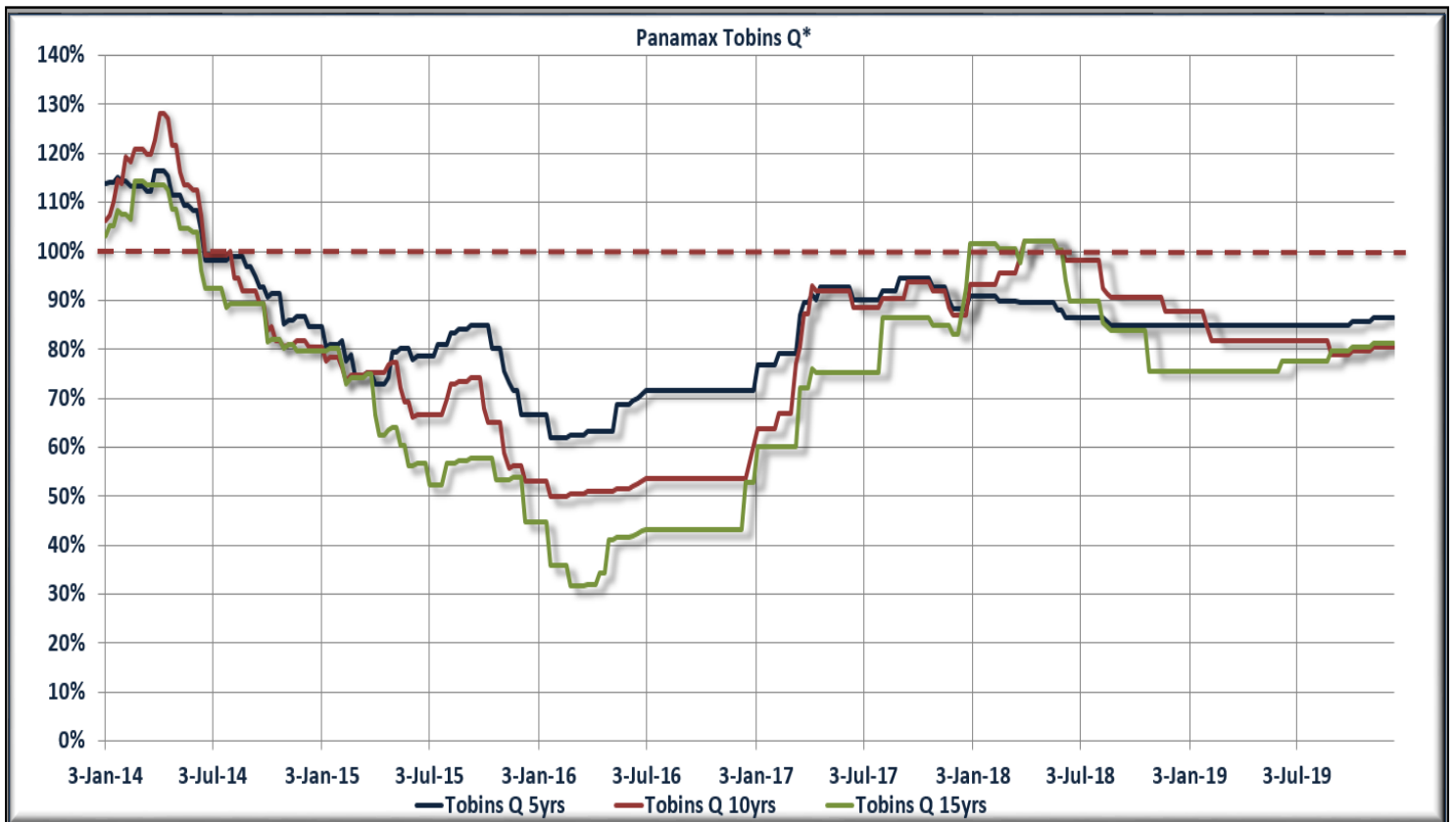
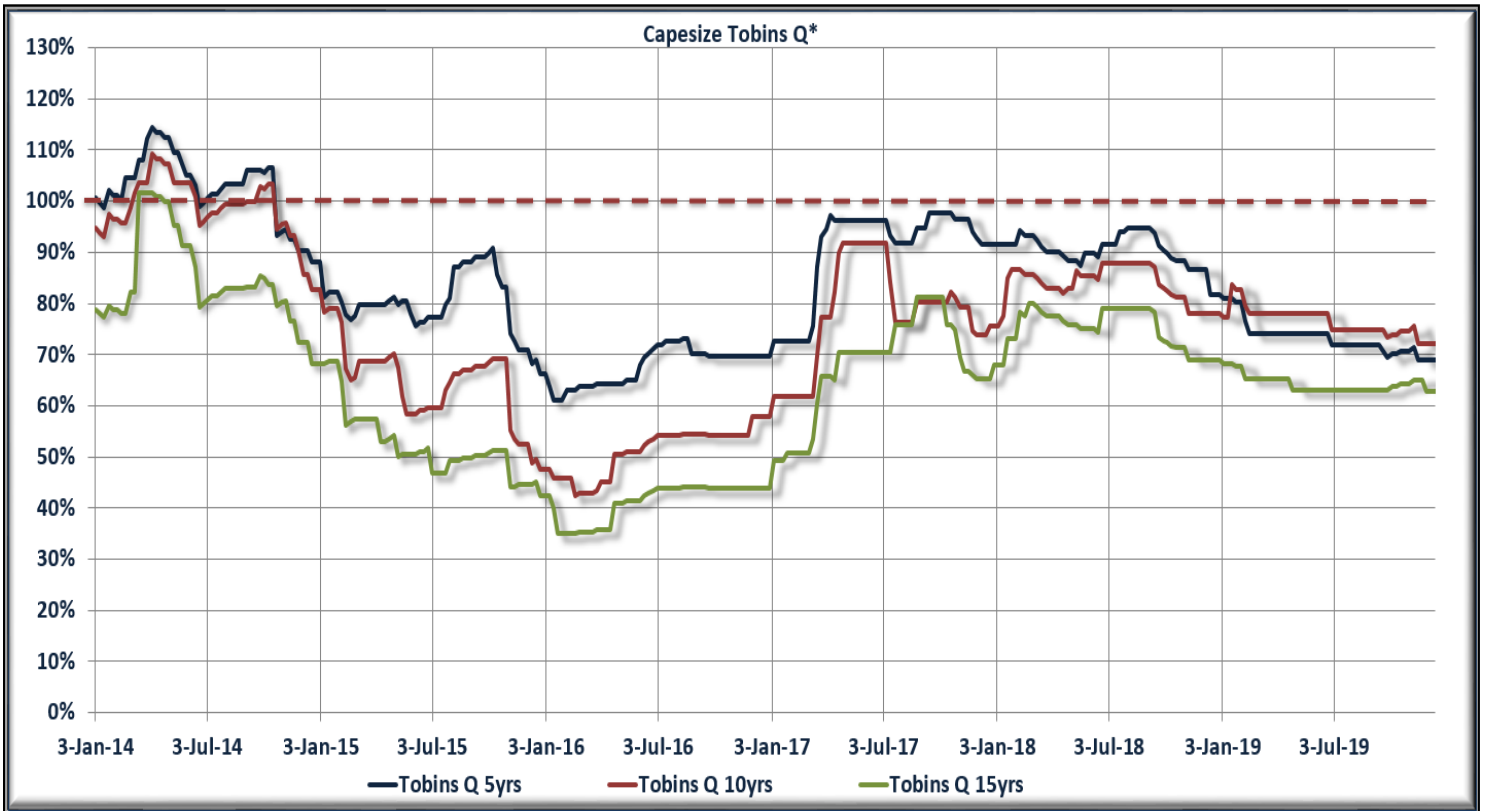
Finally, we heard of two smaller bulkers changing hands this week, sisters 'Siam Fortune' and 'Siam Success' (12,4K, Shin Kochi, 2010-11) at levels in the high \$12 mio enbloc.

Reported Recent S&P Activity						
Vessel Name	DWT	Built	Yard/Country	Price \$Mil.	Buyer	Comments
Azul Fortuna	203,095	2005	Universal/Japan	15.8	Undisclosed buyers	
Lowlands Orchid	176,193	2005	Universal/Japan	15.9	Undisclosed buyers	
Km Tokyo	83,483	2010	Sanoyas Hishino/Japan	15.75	Greek buyers	BWTS Fitted
Coral Emerald	75,632	2007	Sanoyas Hishino/Japan	mid 11.0	Undisclosed buyers	
Arethus-a	75,319	2001	Samho HI/S.Korea	6.5	Greek buyers	
Harvest Festival	72,497	1998	Imabari Marugame/Japan	mid 5.0	Chinese buyers	
Iwagi 515	63,000	2019	Iwagi/Japan	28	Japanese buyers	C 4 x 30,7 / 12 mos TCB
Ursula	61,453	2012	Imabari/Japan	16.8	Undisclosed buyers	C 4 x 30.7
IVS Augusta	57,689	2015	Tsuneishi Cebu/Pphines	18.4	Japanese buyers	C 4 x 30
Bao Ji	56,734	2013	Xiamen/ China	11.6	Greek buyers	C 4 x 36
Tenacity Bay	56,843	2008	Jiangsu Hantong/China	5.72	Chinese buyers	C 4 x 36
Yasa Ozcan	55,924	2006	Mitsui Tamano/Japan	10.6	Undisclosed buyers	C 4 x 30
Lord	52,504	2004	Tsuneishi Cebu/Pphines	5.3	Chinese buyers	C 4 x 30 / action sale
Ero L	50,457	2003	Jiangnan/China	6.0	Chinese buyers	C 4 x 36
Grand Bridge	45,916	1997	Halla eng & Hi/S.Korea	4.1	Chinese buyers	C 4 x 30
Glyfada	45,455	1995	Tsuneishi/Japan	excess 4.0	Undisclosed buyers	C 4 x 25
Graig Cardiff	34,827	2012	Jiangdong/China	8.7	Undisclosed buyers	DD due
Ms Charm	32,449	2010	Zhejiang Hongxin/China	5.2	Undisclosed buyers	C 4 x 30
Dorothea Oldendorff	32,929	2009	Zhejinag Zhenghe/China	5.9	Undisclosed buyers	C 4 x 30
Lodestar Princess	31,901	2005	The Hakodate dock/Japan	6.0	Undisclosed buyers	C 4 x 30
Atalanta	32,256	2001	Saiki/Japan	5.2	Undisclosed buyers	C 4 x 30
Prinsesa Maganda	28,361	2012	I-S Shipyard/Japan	8.6	Undisclosed buyers	C 4 x 30 / dd due 2020
Lake Hakone	28,496	2010	Imabari/Japan	mid 7.0	Undisclosed buyers	C 4 x 31
Lovely Klara	28,186	2002	Minami-Nippon/Japan	4.7	Chinese buyers	C 4 x 30
Fortune Era	27,369	1997	Hanjin HI/S.Korea	3.6	UAE buyers	C 4 x 30
Sea Magic	21,274	2007	Linhai Huipu/China	2.9	Undisclosed buyers	C 3 x 25
Siam Success	12,427	2010	Shin Kochi/Japan	6.3	Undisclosed buyers	C 2 x 30.5 + C 1 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.

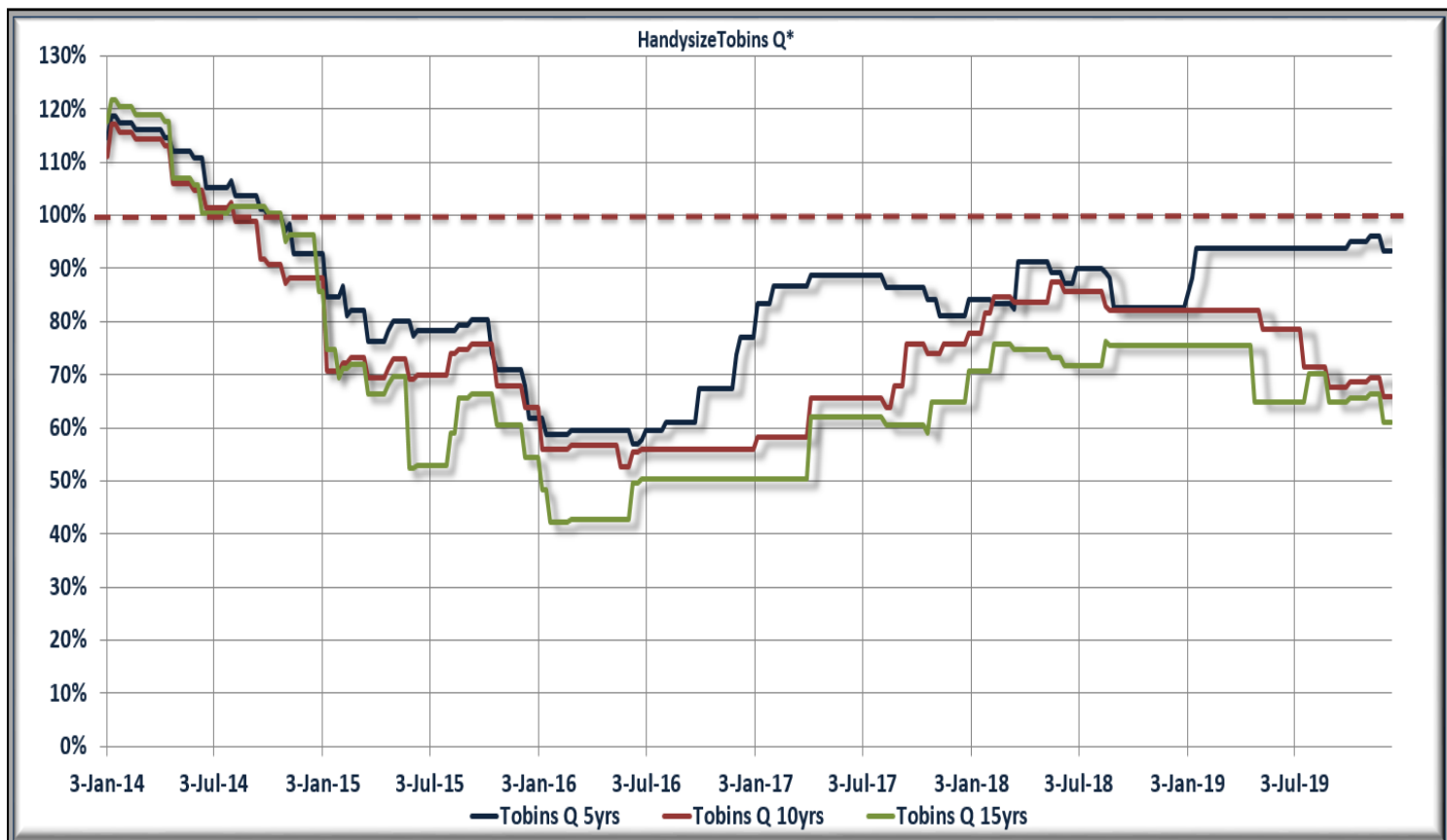
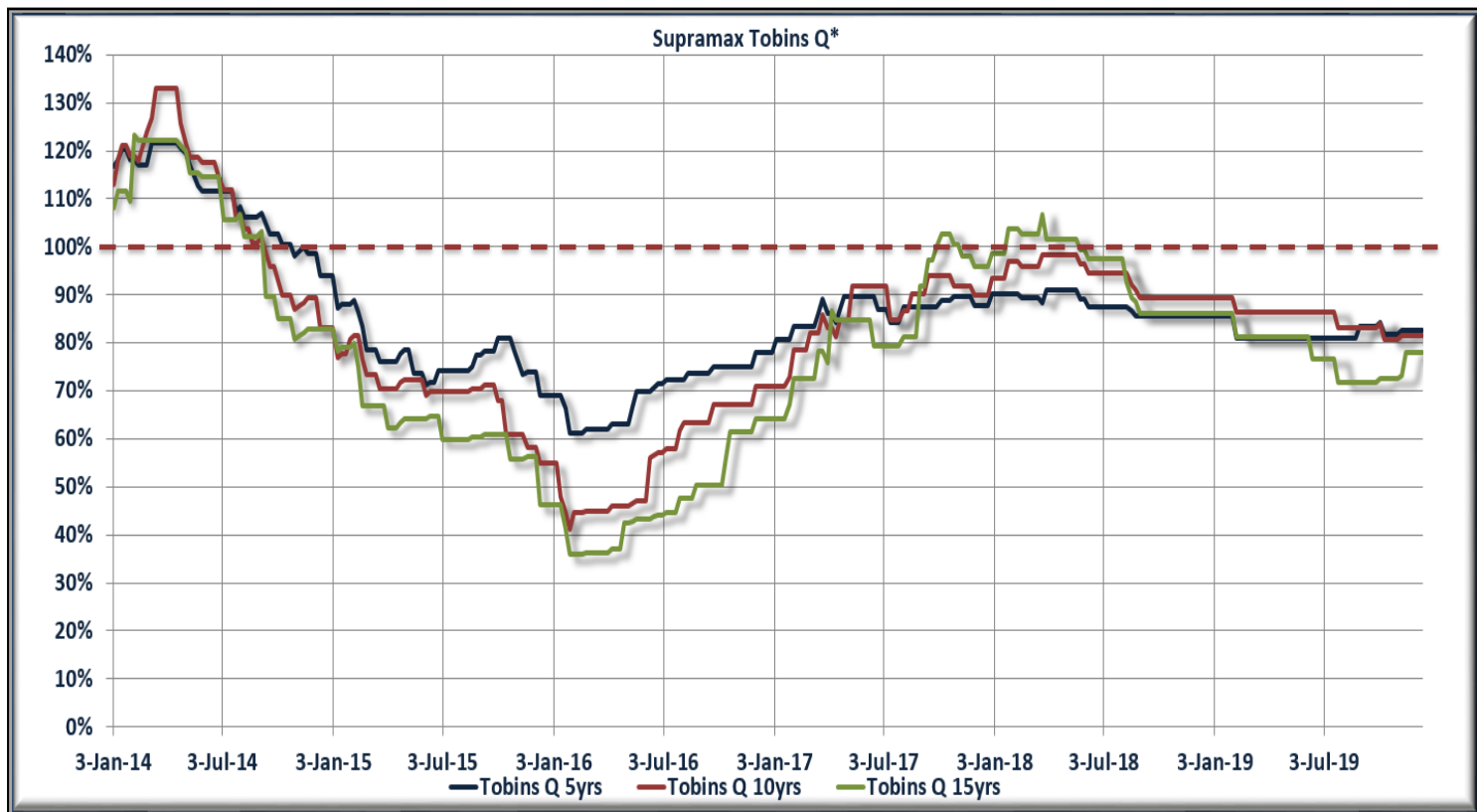
Tobin's Q* Capesize-Panamax

Date	Capesize 5yrs	Capesize 10yrs	Capesize 15yrs	Panamax 5yrs	Panamax 10yrs	Panamax 15yrs
Current ratio	69%	72%	63%	86%	80%	81%
12months High	82%	84%	69%	86%	88%	81%
12months Low	69%	72%	63%	85%	79%	76%
12months Avg	74%	76%	64%	85%	82%	78%



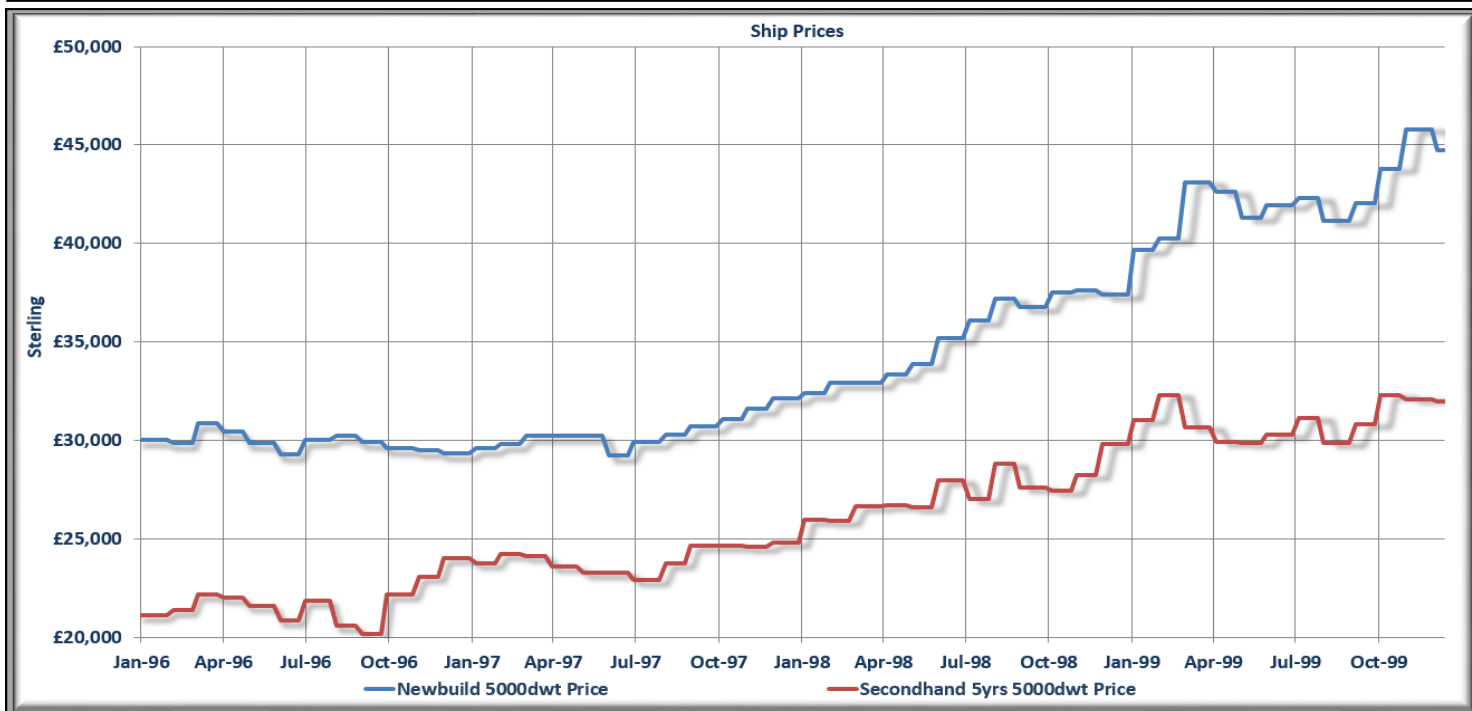
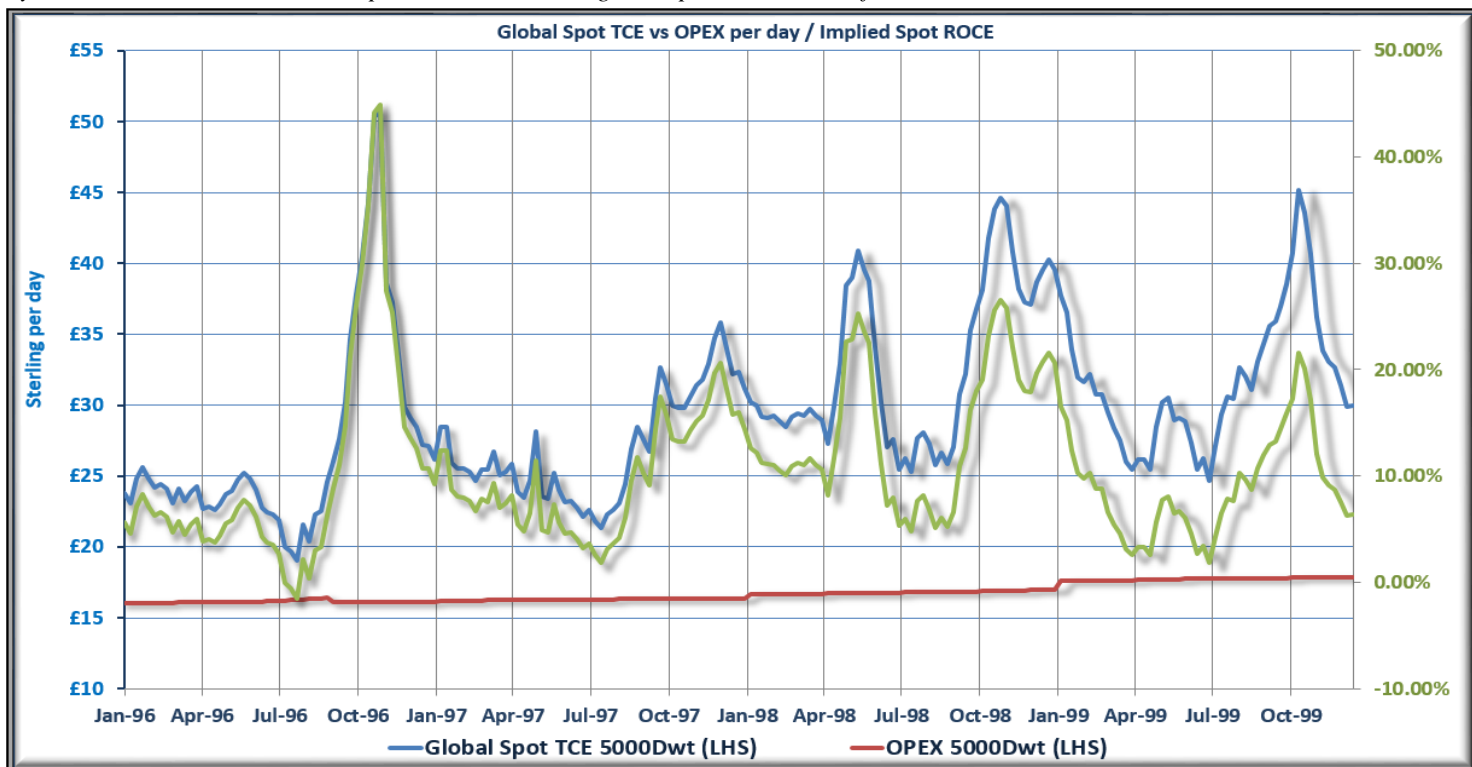
Tobin's Q* Supramax-Handysize

Date	Supramax 5yrs	Supramax 10yrs	Supramax 15yrs	Handysize 5yrs	Handysize 10yrs	Handysize 15yrs
Current ratio	83%	81%	78%	93%	66%	61%
12months High	86%	89%	86%	96%	82%	76%
12months Low	81%	81%	72%	83%	66%	61%
12months Avg	82%	85%	78%	93%	76%	69%



Market Insight 120 years ago

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



Weekly Spot Market	Current week	Previous week	Nov-01	Oct-01	Sep-01
Implied Spot Roce	6.4%	6.3%	8.8%	17.7%	14.1%
Global Spot TCE	£29.88	£29.83	£32.72	£41.24	£36.68
BlackSea Round	£30.71	£29.67	£32.06	£41.93	£37.02
East Round	£31.71	£31.79	£39.09	£46.01	£41.48
Med Round	£27.42	£28.56	£30.99	£37.83	£33.94
US Round	£32.89	£33.32	£35.26	£43.22	£36.49
River Plate Round	£29.28	£33.24	£36.22	£45.21	£43.93

S&P Market (5,000dwt)	Current week	Previous week	Nov-01	Oct-01	Sep-01
NB	£44,730	£44,730	£45,795	£43,782	£42,030
SH 5yrs old	£31,950	£31,950	£32,074	£32,278	£30,809
SH 10yrs old	£24,609	£24,609	£24,738	£24,952	£23,604
SH 15yrs old	£18,783	£18,783	£18,934	£19,189	£17,798

*1 Sterling = 20Shillings, 50% of the World Fleet under British Ownership, Size Categories: "Small"=below 2,500dwt, "Handy"= 2,500-4,000dwt, "Large"=5,000dwt,"Very Large"= 6,000dwt, "Ultra Large"=above 6,000dwt, Assumptions for a 5,000dwt Benchmark Ship: Voyage Speed=9knots, Fuel Consumption 17.75tonnes of coal/day

History does not repeat itself but it does rhyme...

A fair amount of chartering has been effected during the past week, but rates generally cannot be considered very satisfactory. This applies, however, more especially to homeward business, many charterers having been accepted which will in all probability leave a loss. The outward coal freight taken in combination may square the account, but this is not healthy trading, and cannot go on indefinitely without producing anxiety. Just now there are contracts running which have to be fulfilled, but 1899 will finish the liabilities of most merchants and contractors as far as their chartering requirements are concerned. Of course, this applies principally to coal chartering, but even the homeward charterers will be disinclined to commit themselves ahead in view of the present uncertain aspect of things. It seems to us as if the squeeze for coal in Wales, Durham, Northumberland, etc., will be just as great in January next as it has been this month. Prices do not even remain stationary, for cargoes of best coal are reported to have changed hands at about 22s per ton, while the cost of bunkers generally in the UK seems to stiffen from week to week – as, for instance, even Welsh through and through descriptions of very poor quality fetch 13s per ton and over, and Durham unscreened bunkers command from 14s 3d to 14s 6d per ton, or about 100 per cent more than owners have bought at in recent years. Except for pressing needs, what consumer is going to pay 20s and over for best Welsh coal? The situation may be relieved somewhat by American coal supplanting our best description; there is, in fact, a large demand for tonnage from the American Atlantic ports to such places as St. Michael's, Santos, Rio Janeiro, the Plate, Marseilles, Barcelona, the West Italian ports, also Singapore, Java, China and Japan. Our collieries are still demanding far too many hours for loading, but we really unnecessarily so in many cases, for it is now of common occurrence for them to mulct owners for dispatch-money under the threat of keeping their boats the full time. No sooner does an owner acquiesce in demands of this description than splendid dispatch is given. The new coal charter was supposed to do away with this kind of imposition, but it will soon be as prevalent as ever, if not more so.

Very little chartering has been done from the Black Sea. One or two boats have been fixed from Nicolaieff to L HAR at 9s 6d, which considering the danger of ice at this time of year, can only be called "rotten" business. On charter the best obtainable from Odessa, Sulina, Theodosia, Novorossisk, etc is 8s 6d to 8s 9d any, 6d extra Hamburg. From Poti 12s to 12s 3d is quoted for UK Cont, and for the US 15s 6d to 16s.

Mediterranean, etc, rates all round are very weak. The last paid from Smyrna to UK is only 8s 9d, while from Alexandria to Hull only 6s cs basis is quoted. From Greece to UK or Cont, the rate is 7s 6d to 7s 9d. From Sicily to the US the last paid for fruit was 23s 6d. From Carthage to the US one or two boats have been fixed at 10s full terms, which would be somewhat difficult to repeat. A good business has been done from Bilbao, the following fine rates having been paid: to Rotterdam 7s 9d; to Middlesbrough 7s 9d, to Barrow 7s 9d, to Newport 7s. Owners having boats of not too heavy draft in the Mediterranean would find these rates give an altogether better result than the following (accepted on full terms, which means about 3s per ton to come off beyond the Bilbao deductions)

The American market continues very sick. Berth grain rates from the Northern ports to principal ports UK/Cont are 2s 4½d per quarter, basis two ports. One or two boats have been fixed on the net charter basis from New York to pp at 11s 6d; this means that the freight will be adjusted on what they could have carried of heavy grain on their North Atlantic winter marks, while the boats will be quite full of weight and/or measurement cargo. Net charter rates from Galveston or New Orleans for December are 16s 3d to 16s 6d, January 15s 6d, possibly 15s 9d. There is just a little inquiry for cotton tonnage from the Atlantic ports to Liverpool or Continent for December/January loading at 36s 3d to 37s 6d; owners, however, had better be careful in being caught taking the 'Anglo' charter for this business, for port charges on this form are 2s 6d against 1s 6d, and loading time about double as long as on a proper Atlantic cotton charter. Berth grain rates from New Orleans to pp for December are 3s 7½d to 3s 9d, January 3s 7½d, while February/March 3s 4½d to 3s 6d.

Phosphate rates are dull. From Coosaw, Port Royal, etc 15s is quoted for UK Cont, and from the Gulf ports 18s 6d to 19s. There is some demand from Pensacola, etc, for January, February, and March boats to UK, Holland or France at 105s and for April loading at 102s 6d to 103s 9d per nrt, "pixpinus" form.

On the S&P front, the newbuilding market moved sideways. A typical newbuilding 5,000dwt British-build steamer is currently at the market for £44,750 whereas a five-year-old of the same dwt and specification at circa £32,000.