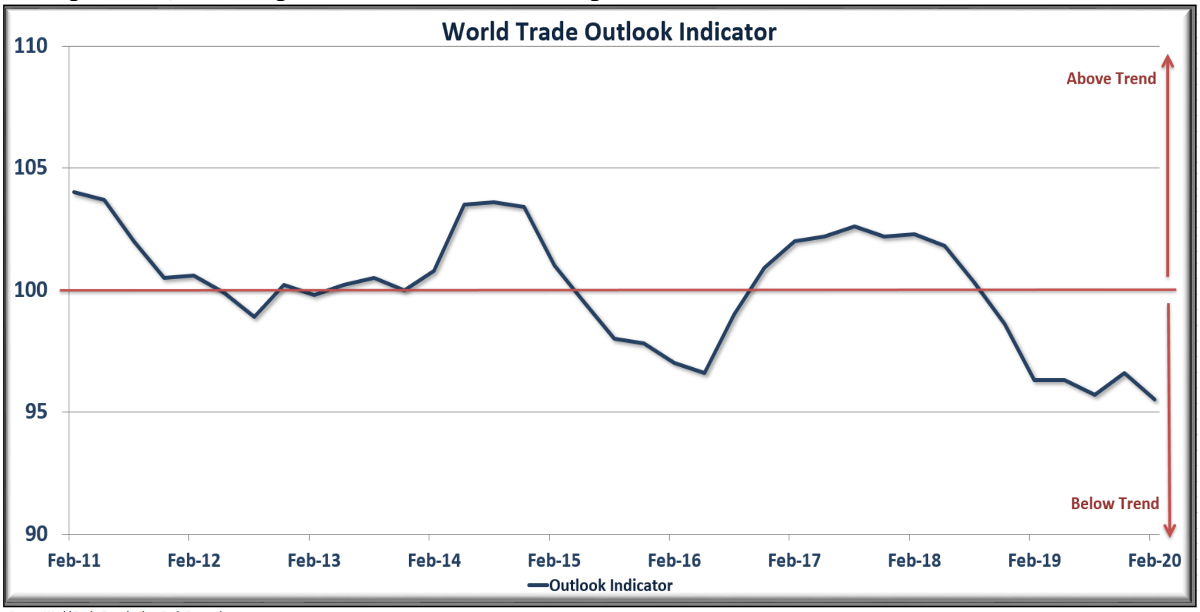
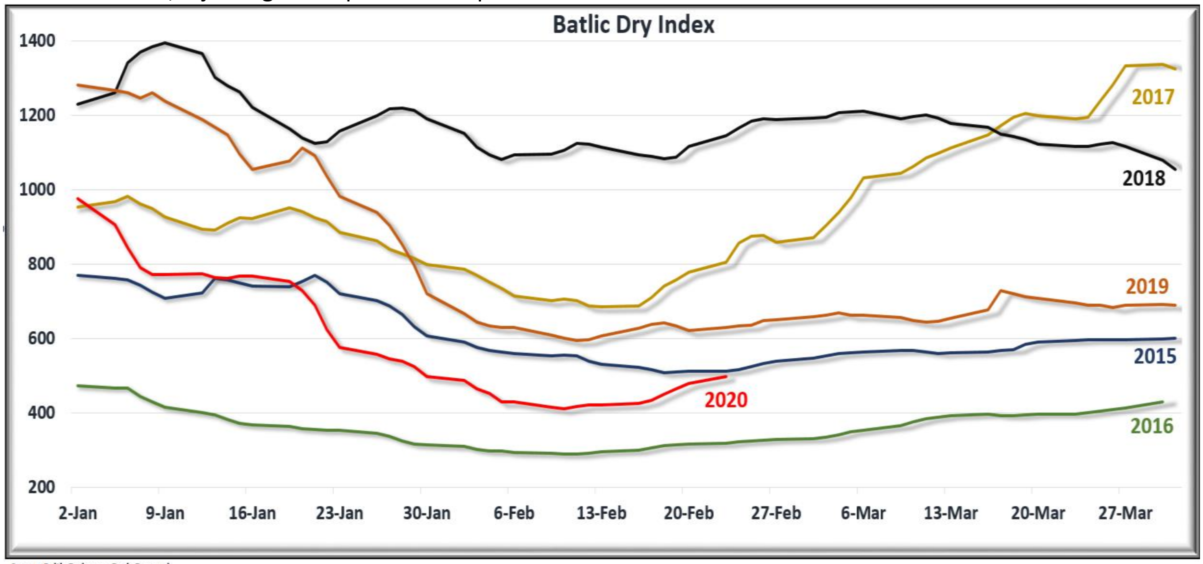
Leaving the Coronavirus-related headlines behind and focusing on global macro themes, trade growth doesn't seem to be in the best of its moods. In particular, world merchandise trade growth is likely to remain weak in early 2020, according to the World Trade Organization Goods Trade Barometer released on Monday. Without taking into consideration the recent outbreak of COVID-19, the real-time measure of trade trends now reads 95.5 – less than the 96.6 recorded last November and well below the index's baseline value of 100. Additionally, WTO stressed that this sub-trend performance could be reduced further by a new global health threat. The drop in the barometer since the November update has been driven by additional declines in indices for container shipping (94.8) and agricultural raw materials (90.9), as well as the plateauing of the automotive products index (100.0). Although indices for export orders (98.5), air freight (94.6) and electronic components (92.8) are all below baseline, they appear to have stabilized and would normally be expected to rise in the coming months, according to the economists of the organization.



Source: World Trade Organization, Doric Research

In this economic juncture, the BDI didn't manage to move materially up for yet another week, still remaining on a mild upward tendency. Although it is nothing unusual in a downward trending BDI during the first two months of a trading year, it is the prevailing atmosphere coupled with the fact that the index has already slid well below its 2019 minima not letting the market sentiment to turn positive. In the main stage of dry bulk sector, Capesizes continued underperforming, influencing negatively directly and indirectly all other segments. Still, Panamaxes and Supramaxes found their way up, counterbalancing the severe pressure from the largest bulkers. Thus, the gauge of the trading activity in the dry bulk spectrum balanced this week 20.9 per cent higher than 2020 lows, injecting some pinches of optimism in the traumatised sentiment.



Source: Baltic Exchange, Doric Research

Setting aside the unfavourable news on the world trade growth front and the virus-related concerns, a seasonal upswing might actually suffice for the Baltic indices to free themselves from this bear trap, or at least for the time being.

Freight market 120yrs ago (page 11): "There has been a great squeeze for Feb boats, and this is certainly going to follow on over March; but as regards April, it is too early to give a definite opinion…"

Contents

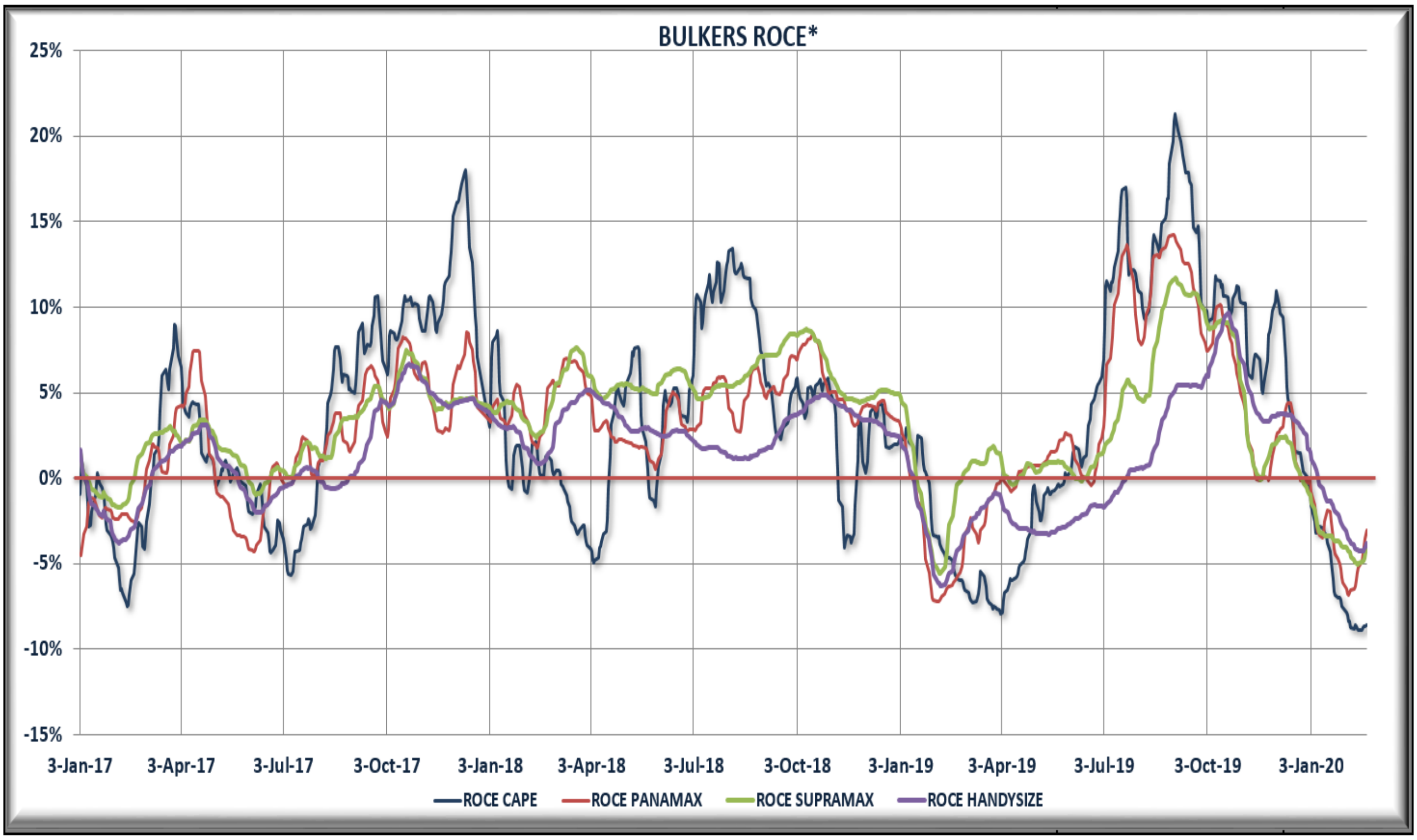
Doric Shipbrokers S.A.
Tel: +30 210 9670970
Fax: +30 210 9670985
Email:
drycargo@doric.gr

Inquiries about the content of this report
Michalis Voutsinas
Email:
research@doric.gr

Dry Cargo Spot Market

Modest positivity made its appearance in the spot market during the eighth week of the current year, with Baltic indices correcting upwards. In this context, the Baltic Dry Index reported gains for the second week in a row, finishing higher at 497 points. Trying to escape from the mud, the Baltic Capesize Index moved up to -226 points, yet remaining in the negative territory. Steaming further north, the Baltic Panamax Index balanced at 787 points on this Friday closing, or some 23.7% higher W-o-W. Following the lead of the largest bulkers, geared segments went up as well. In particular, the Baltic Supramax Index lingered at 524 points, or up 11.5% on a weekly basis. Reverting above the 300-point mark, the Baltic Handysize Index moved up to 304 points.

At the box office, the after depreciation returns on capital employed of all bulkers kept balancing at unprofitable levels, with Capesizes suffering the most. In particular, Capesize ROCE concluded at -8.6% and Kamsarmax ROCE at -3.1% on this Friday's closing, both higher W-o-W. Being in a better mood this week, Supramax ROCE ended at -4%, or up 100 bps W-o-W. In sync, Handy ROCE lay at -3.8%, or 40 basis points higher than last Friday's levels.



Baltic Freight Indices					
Date	**BDI**	**BCI 5TC**	**BPI - TCA**	**BSI - TCA**	**BHSI - TCA**
17-Feb-20	434	$2,491	$5,917	$5,217	$5,221
18-Feb-20	450	$2,638	$6,207	$5,288	$5,244
19-Feb-20	465	$2,713	$6,496	$5,376	$5,302
20-Feb-20	480	$2,735	$6,796	$5,556	$5,361
21-Feb-20	497	$2,787	$7,087	$5,767	$5,474
12-month High	2518	$38,014	$18,116	$15,233	$12,062
12-month Low	411	$2,445	$4,681	$5,152	$4,644
12-month Avg	1291	$16,836	$10,915	$9,654	$7,664
Avg. Cal 2019	1353	$18,025	$11,112	$9,948	$7,189
Avg. Cal 2018	1353	$16,529	$11,609	$11,437	$8,700

***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.

Can any of the promises made on Saint Valentine's Day come true?? Mixed signals poured out in the **Capesize** market this week. The BCI T/C Average closed at $2,787 daily, a mere $342 increase W-o-W. The Pacific indices saw some form of correction in numbers while the Atlantic trading routes witnessed an added fall in gains.

In the east, trading sentiment felt rather positive compared to previous weeks but overall gains remained ultimately unchanged. Most indices moved slightly up this week, yet on 'eco' speed. The leading C5 (West Australia/Qingdao) index concluded at $5.98 pmt. A small injection of about 40 cents W-o-W, but still enough to push T/C rates up to $5,000 levels. C10_14 (Pacific round trip) index closed at $4,900 daily, an approximate $1,500 increase since last Friday. Despite a small breather in the spot market, in the commodities arena, things were not so cheerful. Rio Tinto announced lower iron ore exports' projections for 2020 as a result of the current circumstances in the Eastern hemisphere. Cyclone Damien's "grand finale" left Pilbara region with heavy damages on both transportation and West Australian ports' infrastructures. The miner has lowered its estimated Pilbara shipments down by 10 million tonnes (estimated 324 to 334 mil tonnes), as an end result, adding further boredom to investors. Fortescue Metals Group and BHP both cited interim dividends of 76 cents and 65 cents per share respectively. Both companies' interim results failed to generate any enthusiasm. Additionally, there are hardly any comments from the Australian majors on the "corona virus" impact, as it is hard to quantify at this stage. Near term market outlook remains obnoxious; as the region's seaborne trade is strongly affected by 2019's trade policies, geopolitics, as well as Corona-virus news bulletins. Back in the spot market, spot/prompt tonnage list seems to be somehow balanced out. Despite a limited iron ore and coal trading in the region but healthier fuel oil prices we saw a small correction in the tonnage list. C14 (China/Brazil) index closed at a slightly improved $2,227 daily.

In the Atlantic, the leading Brazilian market felt rather distressed. With the Corona-virus epidemic affecting Brazil's biggest trading partner, general outlook seems rather pessimistic. Both iron ore and coal trading are extremely volatile with overall anticipation for improvement to be at loss. The benchmark C3 (Tubarao/Qingdao) kept flat, closing at $13.01 pmt – last Friday concluded at $12.95 pmt. The commodities and financial markets faced a rather similar downward pressure as well this week. The Citi Bank economists announced a 2% gross domestic product growth in Brazil for each calendar year out to 2024, a 0.2% decrease from its previous projection. According to bank analysts, China accounts for 28% of all Brazilian exports. Thus, with China's Q1 2020 GDP growth being revised downwards, Brazil's attempt to overcome past years recession is becoming more difficult. In an effort to explain such outcome, the Brazilian Economic Policy Secretary Adolfo Sachsida proclaimed that the Corona-virus epidemic will directly affect Latin America's economy exports. The rest of the spot market in this basin has shown no surprises. C8_14 (Trans-Atlantic round trip) index closed down at $2,655 daily, whilst C9_14 (front-haul) index saw similar blow, closing at $15,250, with a circa $500 loss W-o-W.

Stillness on the period front.

With ECSA grains running the show, further gains were reported for the **Panamaxes,** with the Baltic 82 Index concluding at $7,087 up 23.8% W-o-W.

The market in the Pacific witnessed a steady increase, with Charterers biding vessels mainly on dop basis at improved levels. Market is still lacking fresh enquiries for repositional trips via Indonesia and Australia, and with ECSA showing further strength Charterers still benefit from aggressive offers from Owners who are keen to end up in PG/India direction. The 'Ting May' (85,001 dwt, 2019) was reported with delivery Tokuyama 17-18 Feb for a trip via EC Australia to Taiwan at $7,750 daily with Crystal Seas and the 'Maxwell' (82,170 dwt, 2017) was heard to have fixed to Oldendorff basis delivery Busan 23-25 Feb for a trip via Aussie to Japan at $6,250 daily. For Indonesia loading, Tongli took the 'Baltia' (75,776 dwt, 2005) basis delivery aps Samarinda 20-25 Feb for a trip to China at $6,500 plus $65,000 gbb, and the 'Mariolina De Carlini' (87,337 dwt, 2010) was fixed for a trip via Indonesia to Taiwan at $4,000 daily basis spot delivery Hoping. For direction India, a Panamax was heard to have fixed at around $5K basis delivery Cigading end February. From North Pacific, the 'Alpha Legacy' (82,000 dwt, 2018) was linked to Ausca basis delivery CJK spot and redelivery Spore/Jpn range at $6,500 and Pacific Bulk was heard to have fixed similar levels on a KMX for the same run. From South Africa rates ranged at around $11,500 plus $150k gbb for Panamaxs for redelivery China, whilst a KMX achieved similar levels for a trip with coal via R.Bay to India.

In the Atlantic sub-market, sentiment remains positive with rates for ECSA fronthaul trips pushing further, and with limited tonnage in the Mediterranean area, expect rates to firm up from the Black Sea region as well. For early March dates ex ECSA, the 'Konkar Venture' (82,099 dwt, 2015) was reported basis delivery 7-10 March for a trip to Spore/Jpn range at $13,250 plus 325,000 gbb, and the 'Lemessos Lion' (74,933 dwt, 2012) basis delivery ECSA 10-12 March was linked to Glencore at $13,300 plus 330,000 gbb. Towards the end of the week, a KMX was heard to have fixed basis delivery Spore 3-6 March at low $10's for the same run. For a trip via NCSA, the 'Sea Neptune' (81,631 dwt, 2013) was reported with prompt delivery aps Fazendinha at $8,000 daily and redelivery Skaw-Barcelona range. From North Continent, DDSL has fixed the 'Kythnos Voyager' (76,243 dwt, 2012) with prompt delivery Amsterdam for a trip via Ust Luga and redelivery Skaw-Gib range at $8,750 daily. For a trip to the FEAST, the 'Aquavita Aim' (81,400 dwt, 2019) achieved $16,500 daily basis delivery Hamburg 27 Feb for a trip via France to China.

On the period front, sales period seems to have ended, with Charterers fixing tonnage at flat rates. Koch took the 'Coronis' (74,381 dwt, 2006) with delivery Singapore 20 Feb for a period of 9 to 10 months trading at $8,000 daily, and the 'Avicl Artemis' (81,700 dwt, 2019) was fixed in D/C basis Machong 10-15 March for 4 to 7 months at $11,500 daily with Invivo.

Reporting double-digit gains, the Baltic **Supramax** Index ended the week at $5,767 daily.

In the Pacific, only minor changes were registered since last week. We still see long tonnage lists with a significant numbers of spot vessels. Most Owners were reluctant to fix direction China and were thus bidding discounted rates towards India or PG. Nopac was still weak and limited information surfaced. Ultras were seeing $5K-$5,5K for grain runs to SEAsia basis delivery S.Korea versus owners biding around $6,5K-$7K. We heard that a Supra fixed voyage with soda ash from Portland Oregon to SEAsia at a TCE sub $5K basis ballast from N.China. Aussie was a bit more active with a few grains cargoes emerging but with rates on the remaining low. Supras were offering around $5K for trip via Aussie to Spore/Japan. The 'Thor Achiever' (57,015 dwt, 2010) was fixed basis delivery Cebu for trip via Aussie to Indo at $4,5K. North Asia was characterized by depressing rates for trips towards SEAsia or PG/India. A Crown 58 secured employment ex N.China to Pakistan with steels and general cargoes at $2,5K daily for the first 45 days and $6,5K thereafter. The 'Eastern Daphne' (56,809 dwt, 2013) open Qingdao fixed APS Bohai Bay, trip to SEAsia with steels at $2,750 and the 'Cheval Blanc' (56,732 dwt, 2009) fixed APS Bohai Bay, trip to Myanmar with steels at $2,5K. SE Asia was more active and Owners were cautiously optimistic. The 'SBI Libra' (63,679 dwt, 2017) fixed a coal trip via Indo to China at $9K on APS basis and the 'Trenta' (56,837 dwt, 2010) fixed delivery APS Indo for a coal trip to China at $7,250. Also, 'CL Gemma' (63,490 dwt, 2016) fixed a trip via E.Kali to WCI at low $6K's on APS basis. The Indian Ocean was steady, with some signs of improvement. The 'African Starling' (56,074 dwt, 2013) open Dar Es Salaam, fixed a trip basis delivery Nacala to Vietnam at $9,2K+$90K bb and the 'Chang Hang Hao Hai' (58,009 dwt, 2011) fixed a trip via Richards Bay to India, with $11K + $100K for WCI or $11K + $120K for ECI redelivery. The PG and India looked weak except ECI which looked better. The 'Naluhu' (58,107 dwt, 2010) fixed a trip via ECI to China at $6,850 basis delivery Chittagong and the 'Riva wind' (53,553 dwt, 2005) open Kandla, fixed a trip via Mina Saqr, to WC India at $5,5K. A 58dwt unit fixed $5,750 APS WCI for a salt trip to China.

In the Atlantic, significant improvement was registered across the board, with ECSA leading the course. Whereas just over a week ago Supramaxes were willing to fix transatlantic business well below their OpEx, this Friday it was reported that the 'Atalanti.GR' (60394 dwt, 2019) secured $11,250 daily basis delivery Recalada for trip to Egypt. On fronthaul business, it was heard that an Ultramax got $12,750 plus $275,000 ballast bonus for a trip from North Brazil to China with duration of about 65 days. The USG saw some better rates too. It was hard that an Ultramax was on subjects at $24,000 for petcoke from the USG to WC India, while on the transatlantic front, rates for Supramaxes were closer to 'last done' levels, hovering around the $13k mark. Moving on to the Continent, the 'Beatrice' (55,700 dwt, 2009) secured $11,250 daily basis delivery Lisbon for scrap via Continent to Eastern Mediterranean. As the end of the week approached, availability of prompt tonnage from the area became tighter. Conditions in the Black Sea remained steady throughout the week. The 'Andros Island' (63,008 dwt, 2016) got $19,750 daily basis delivery Canakkale for steels to Hong Kong.

Period activity remained thin. The 'Medi Tirreno' (60,550 dwt, 2015) locked $11K basis delivery Vietnam, for 12 months trading.

Glimpses of hope in the Atlantic for the **Handysize.**

We are being constantly asked by our research department, our colleagues and clients to predict what is coming for the Handy market in the East. Unfortunately, the gift of fortune telling is reserved for mythical characters. Those who are trying to predict what will happen have to remember that we are not in the 80', but we live in a highly globalised economy with continuous stimuli which affect us instantly on a global scale. Handysize vessels were hit severely by the marker collapse. Based on past experience a meaningful revival might take time, perhaps up to May – June 2020. On the spot fixtures front, there was no significant change. From North to South, MV 'Tao Star' (25,000 dwt, 2010) which was spot at Onsan fixed at $2,750 aps CIS for coal to Philippines. From mid-China, MV 'Chang An' (31,000 dwt, 2009) spot at CJK got $2,500 aps Kashima for steels to PG. Mv 'Atilla' (35,000 dwt, 2015) spot at Onsan was agreed at $3,000 aps Rizhao for petcoke to PG. In SEAsia, MV 'Decent' (24,000 dwt, 1998) spot at Yangon fixed $3,000 aps Lumut for limestone to ECI. MV 'Cherry Island' (28,000 dwt,2014) open in Sri Racha was concluded at $3,000 dop for sugar via Thailand to Indo. On the coal front, MV 'Bulktec' (33,000 dwt, 2009) spot in Merak fixed at $4,000 aps Samarinda for coal to ECI. In the ECI, there were rumors heard of a $200 per day fixture on a 32,000 dwt for steels via ECI to Thailand. We anticipate a slight improvement next week but nothing really exciting.

We might have seen the first sparks of light this week in the Atlantic for the Handies, no sooner than two months after the devastating for the global economy outbreak of the Coronavirus in China. Despite the fact that during all this time the Atlantic managed to have kept better rates than what was being fixed in the Pacific, undoubtedly the differences were marginal. This week however, we felt a wind of change, led especially by the ECSA market. The reported 'Bunun Hero' (37,811 dwt, 2015) for a trip with alumina from Vila do Conde to Norway with MUR at $10K at the start of the week, was followed by the 'V Tre' (37,888 dwt, 2017) for a trip with sugar from Santos to Morocco at $10,250 with Pacific Basin at the end of the week. Various fixtures for similar trades were whispered which shows a very active trading area with an upward trend in the rates. The USG appeared also to be in an upward trend in rates as the index marginally improved, however it remains to be seen if this will hold in the near future, or the recent flooding of central Mississippi river will lead to a disruption of the trades in the area. Not much was heard in respect of fixtures, only rumors of a 37,000 dwt fixing around $8K for a trip from Mississippi river to NCSA with grains and a 32K dwt in Caribbean Sea fixing a short period with redelivery Atlantic in the 7K's. Continent/Baltic seemed short of tonnage for the sizes over 30K dwt and hence rates improved as well. The 'Trammo Stanton' (38,629 dwt, 2015) was reported fixing Continent to USG steels at $7,5K. Similarly, in the Mediterranean/Black sea area rates rose especially for the second half of the week although not much was reported. A standard Black sea to West Mediterranean trade is now being discussed in the $6,000s basis Canakkale while a 32K was rumoured fixing in the $5K for trip to Morocco with grains.

On the long period front, mv 'Apex Voyager' (37,000 dwt, 2019) open in Lanshan in the beginning of March is rumoured to have fixed at $5,000 for 30 days and the balance at $9,150 for 11-13 months.

Fixture Tables

Representative Capesize Fixtures						
Vessel	**Load Port**	**Laycan**	**Discharge Port**	**Freight**	**Charterers**	**Cargo**
Minmetals Zhejiang TBN	Gladstone	21/30 Mar	Liuheng	$6.58	Ningbo Marine	165000/10 coal
TBN	Dampier	04/06 Mar	Qingdao	$5.90	Rio Tinto	170000/10 ore
NYK TBN	Narvik	06/15 Mar	Erdemir	$5.50	Erdemir	150000/10 ore
Oldendorff TBN	Saldanha Bay	15/20 Mar	Qingdao	$9.85	Ore & Metals	180000/10 ore
EPS TBN	Tubarao	21/30 Mar	Qingdao	$13.40	Panocean	170000/10 ore
NYK TBN	Seven Islands	10/19 Mar	Port Talbot	$5.75	Tata Steel	160000/10 ore
TBN	Teluk Rubiah	25/26 Feb	Qingdao	$4.00	Vale	170000/10 ore

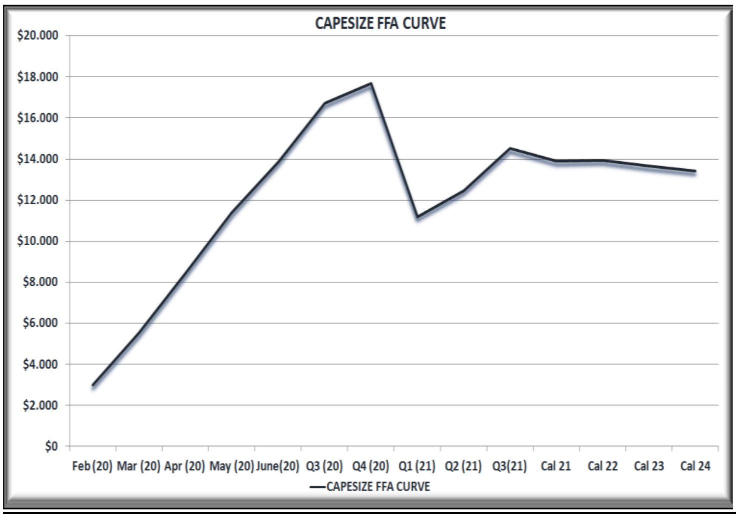
Representative Panamax Fixtures								
Vessel	**DWT**	**Built**	**Delivery**	**Date**	**Re-del**	**Rate**	**Charterers**	**Comment**
Ting May	85,001	2019	Tokuyama	17-18 Feb	Taiwan	$7,750	Crystal Sea	via Ec Australia
Maxwell	82,170	2017	Busan	23-25 Feb	Japan	$6,250	Oldendorff	via Ec Australia
Baltia	75,776	2005	Samarinda	20-25 Feb	China	$6,500 plus 65,000 gbb	Tongli	via Indonesia
Mariolina De Carlini	87,337	2010	Hoping	Spot	Taiwan	$4,000	Cnr	via Indonesia
Glykofiloussa	75,734	2005	Cigading	27-29 Feb	India	$5,000	cnr	via Indonesia
Alpha Legacy	82,000	2018	Cjk	16 Feb	Spore/Jpn	$6,500	Ausca	via Nopac
Braveheart	74,117	2001	R.Bay	19-22 Feb	China	$11,500 plus 150,000	Cnr	via R.bay
Konkar Venture	82,099	2015	ECSA	7-10 March	Spore/Jpn	$13,250 plus 325,000 gbb	Cnr	Via ECSA
Sea Neptune	81,631	2013	Fazendinha	Prompt	Skaw/Barcelona	$8,000	Bunge	via NCSA
Kythnos Voyager	76,243	2012	Amsterdam	Prompt	Skaw/Gib	$8,750	DDSL	via Ust Luga
Aquavita Aim	81,400	2019	Hamburg	27 Feb	China	$16,500	Cnr	via France
Coronis	74,381	2006	Singapore	20 Feb	W.W	$8,000	Koch	9/10 Months
Avicl Artemis	81,700	2019	Machong	10-15 March	W.W	$11,500	Invivo	4/7 Months

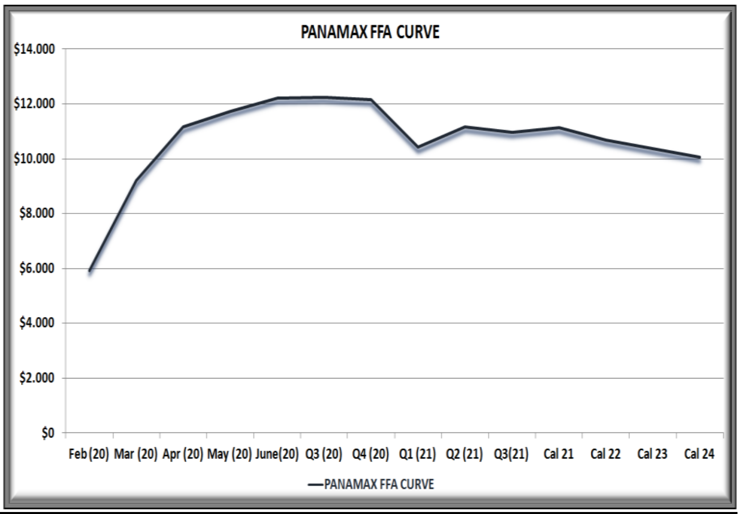
Representative Supramax Fixtures								
Vessel	**DWT**	**Built**	**Delivery**	**Date**	**Re-del**	**Rate**	**Charterers**	**Comment**
Thor Achiever	57,015	2010	Cebu	prompt	Indonesia	$4,500	cnr	via Aussie
Eastern Daphne	56,809	2013	Bohai Bay	prompt	SEASIA	$2,750	cnr	Steels
Cheval Blanc	56,732	2009	Bohai Bay	prompt	Maynmar	$2,500	cnr	Steels
SBI Libra	63,679	2017	Indonesia	prompt	China	$9,000	cnr	Coal
Trenta	56,837	2010	Indonesia	prompt	China	$7,250	cnr	Coal
CL Gemma	63,490	2016	E.Kalimantan	prompt	WC India	$6,000	cnr	
African Starling	56,074	2013	Nacala	prompt	Vietnam	$9,200 + $90k BB	cnr	open Dar Es Salam
Chang Hang Hao Hai	58,009	2011	Richards Bay	prompt	WCIndia	$11,000 + $100k BB	cnr	or $120k BB if Redely EC India
Naluhu	58,107	2010	Chittagong	prompt	China	$6,850	cnr	via EC India
Riva Wind	53,553	2005	Kandla	prompt	WC India	$5,500	cnr	via Mina Saqr
Atalanti.GR	60,394	2019	Recalada	prompt	Egypt	$11,250	cnr	
Beatrice	55,700	2009	Lisbon	prompt	EMED	$11,250	cnr	Scrap Via Conti
Andros Island	63,008	2016	Canakkale	prompt	Hong Kong	$19,750	cnr	Steels
Medi Tirreno	60,550	2015	Vietnam	prompt	WW	$11,000	cnr	PERIOD for 1 Year

Representative Handysize Fixtures								
Vessel	**DWT**	**Built**	**Delivery**	**Date**	**Re-del**	**Rate**	**Charterers**	**Comment**
Tao Star	25,000	2010	CIS Pacific	prompt	Philippines	$2,750	cnr	coal
Chang An	31,000	2009	Kashima	prompt	Persian Gulf	$2,500	cnr	steels
Atilla	35,000	2015	Rizhao	prompt	Persian Gulf	$3,000	cnr	petcoke
Decent	24,000	1998	Lumut	prompt	East Coast India	$3,000	cnr	limestone
Cherry Island	28,000	2014	Sri Racha	prompt	Indonesia	$3,000	cnr	sugar
Bulktec	33,000	2009	Samarinda	prompt	East Coast India	$4,000	cnr	coal
Bunun Hero	37,811	2015	Vila Do Conde	prompt	Norway	$10,000	MUR	alumina
V Tre	37,888	2017	Santos	prompt	Morocco	$10,250	Pacific Basin	sugar
Trammo Stanton	38,629	2015	Continent	prompt	USG	$7,500	Cnr	steels
Tbn	32,000	2005	Canakkale	prompt	Morocco	$5,000	Cnr	grains

FFA Market

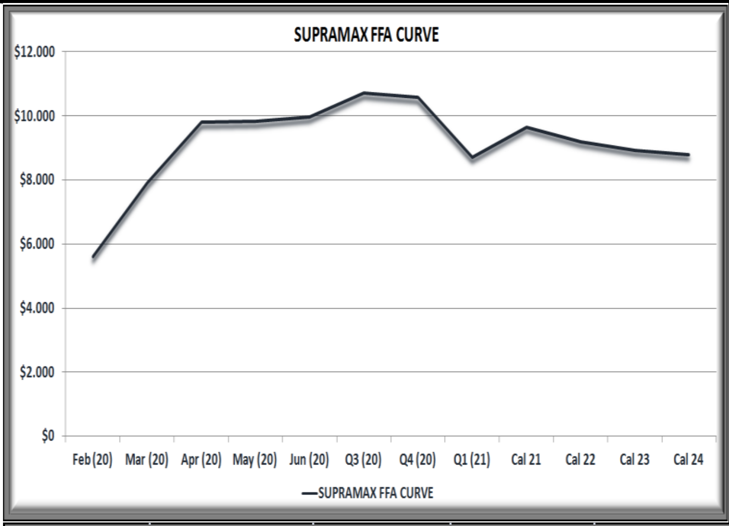
The forward market was characterized by mixed trends this week, with Supramax being the only sector injecting optimism into the market. In particular, despite the positive tone of the spot market, Capesize February paper decreased at $2,981 or -12% w-o-w, continuing its freefall from the start of the year. Losing steam, prompt Panamax contracts ended at February levels of $5,920, circa 1% below previously week's closing. After spending the week in an upward trend, Supramax February contracts reported gains of 0.9% on weekly basis, ending at $5,596. Supra March managed to gain $615 since last Friday, ending at $7,904 and reflecting improved market psychology. In contrast, the negative sentiment in the paper market of smaller bulkers persists for yet another week, with February contracts loosing circa $180 W-o-W, balancing at $6,066.

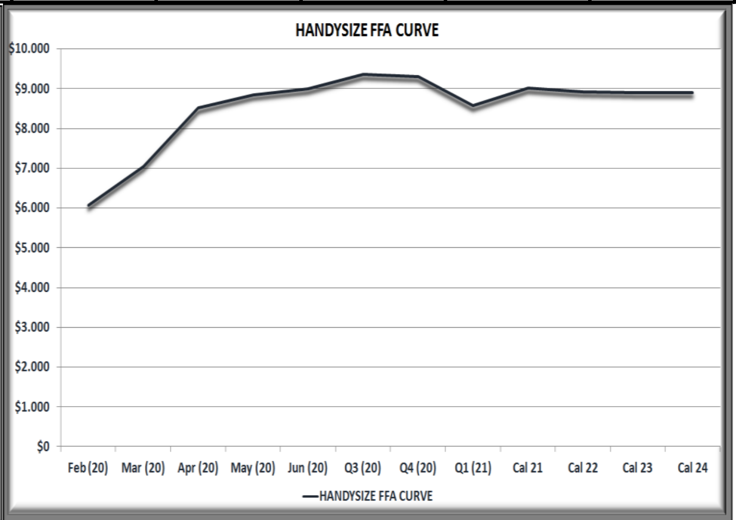




BFA Capesize 5TC									
Date	**Feb (20)**	**Mar (20)**	**Arp(20)**	**Q3 (20)**	**Q4 (20)**	**Cal 21**	**Cal 22**	**Cal 23**	**Cal 24**
14-Feb-20	$3.381	$5.653	$8.738	$16.991	$17.934	$13.828	$13.872	$13.413	$13.247
21-Feb-20	$2.981	$5.522	$8.428	$16.713	$17.678	$13.894	$13.938	$13.656	$13.428

BFA Panamax 5TC									
Date	**Feb (20)**	**Mar (20)**	**Arp(20)**	**Q3 (20)**	**Q4 (20)**	**Cal 21**	**Cal 22**	**Cal 23**	**Cal 24**
14-Feb-20	$5.955	$8.845	$10.892	$12.286	$12.214	$11.099	$10.686	$10.389	$10.095
21-Feb-20	$5.920	$9.195	$11.161	$12.242	$12.145	$11.133	$10.689	$10.374	$10.067

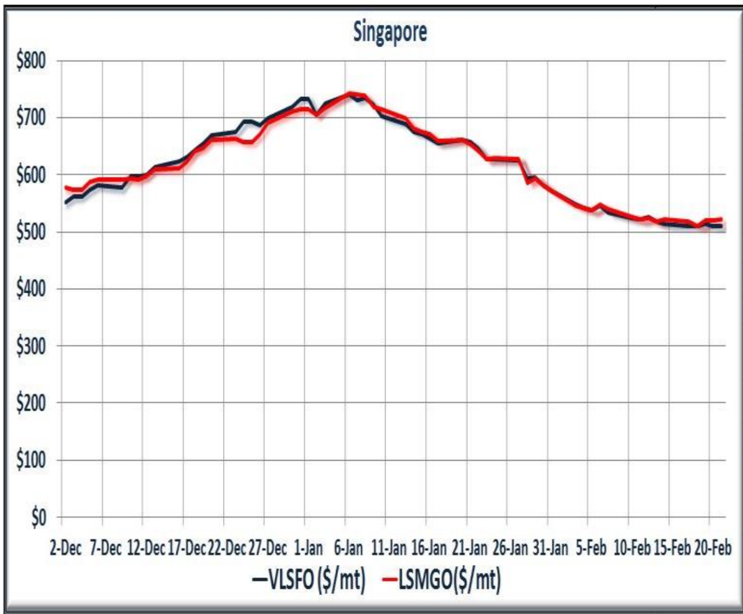


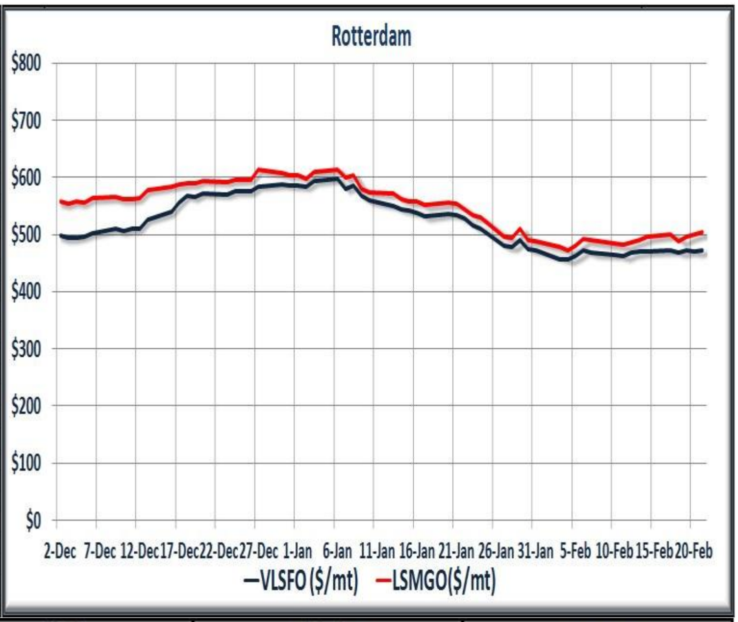


BFA Supramax 5TC									
Date	**Feb (20)**	**Mar (20)**	**Arp(20)**	**Q3 (20)**	**Q4 (20)**	**Cal 21**	**Cal 22**	**Cal 23**	**Cal 24**
14-Feb-20	$5.546	$7.289	$8.964	$10.429	$10.343	$9.514	$9.129	$8.893	$8.768
21-Feb-20	$5.596	$7.904	$9.807	$10.725	$10.582	$9.668	$9.214	$8.946	$8.804

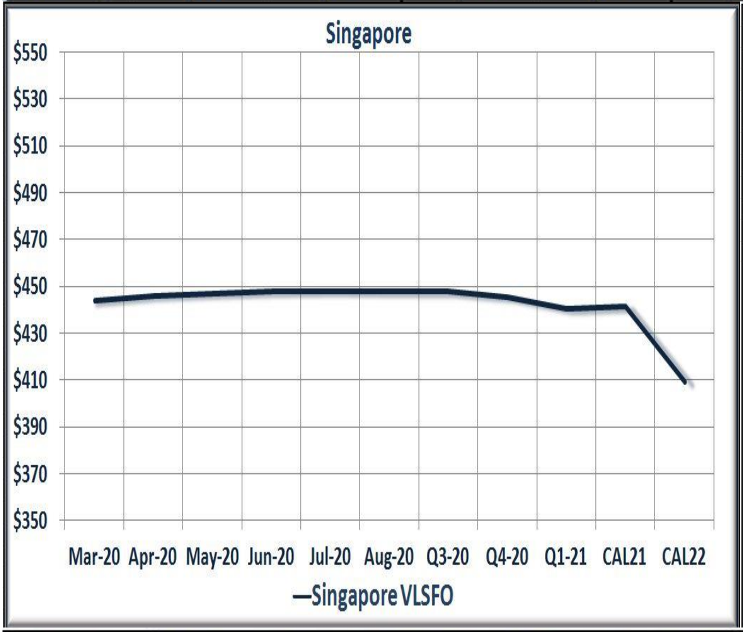
BFA Handysize 5TC									
Date	**Feb (20)**	**Mar (20)**	**Arp(20)**	**Q3 (20)**	**Q4 (20)**	**Cal 21**	**Cal 22**	**Cal 23**	**Cal 24**
14-Feb-20	$6.241	$7.141	$8.341	$9.297	$9.279	$8.972	$8.920	$8.904	$8.904
21-Feb-20	$6.066	$7.054	$8.516	$9.366	$9.316	$9.022	$8.935	$8.910	$8.910

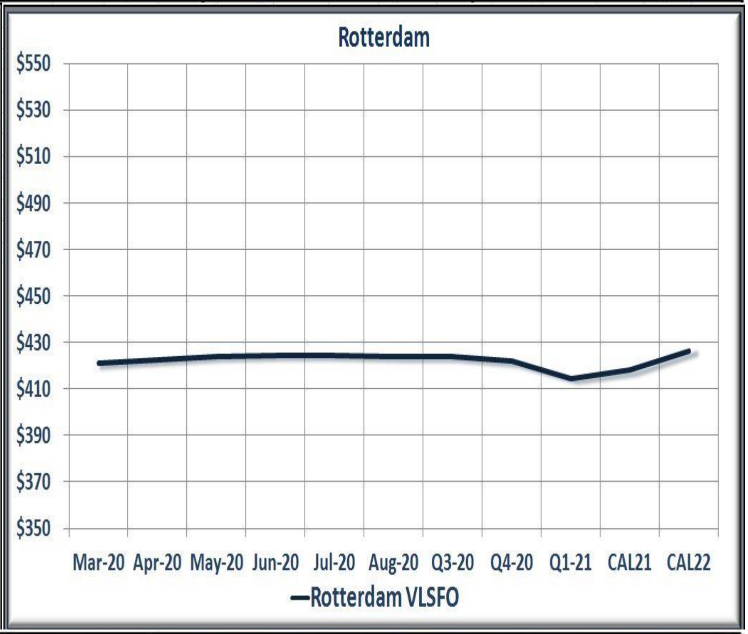
Bunker Market





	Rotterdam		Singapore		Fujairah		Gibraltar		Houston	
Date	VLSFO ($/mt)	LSMGO($/mt)	VLSFO ($/mt)	LSMGO($/mt)	VLSFO ($/mt)	MGO($/mt)	VLSFO ($/mt)	LSMGO($/mt)	VLSFO ($/mt)	MGO($/mt)
17-Feb-20	$473	$501	$513	$519	$512	$566	$516	$547	$502	$551
18-Feb-20	$469	$489	$513	$511	$509	$651	$518	$541	$502	$550
19-Feb-20	$472	$496	$514	$520	$507	$648	$515	$540	$499	$544
20-Feb-20	$470	$501	$511	$520	$508	$652	$516	$544	$507	$546
21-Feb-20	$473	$503	$513	$523	$510	$655	$518	$546	$510	$548
Week High	$473	$503	$514	$523	$512	$655	$518	$547	$510	$551
Week Low	$469	$489	$511	$511	$507	$566	$515	$540	$499	$544
Week Avg	$471	$498	$513	$518	$509	$634	$516	$543	$504	$548





Singapore	21-Feb-20	Week max	Week low	Week Avg
Mar-20	$444.0	$465.8	$444.0	$454.8
Apr-20	$446.2	$467.1	$446.2	$456.5
May-20	$447.2	$467.3	$447.2	$457.4
Jun-20	$448.0	$467.6	$448.0	$457.7
Jul-20	$448.2	$467.6	$448.2	$457.9
Aug-20	$448.0	$467.6	$448.0	$458.1
Q2-20	$447.2	$467.3	$447.2	$457.2
Q3-20	$447.9	$467.5	$447.9	$458.0
Q4-20	$445.7	$465.6	$445.7	$456.3
Q1-21	$440.5	$460.6	$440.5	$451.5
CAL21	$441.5	$449.6	$441.5	$444.7
CAL22	$409.3	$411.9	$404.3	$407.5

RTDM	21-Feb-20	Week max	Week low	Week Avg
Mar-20	$421.0	$444.8	$421.0	$433.7
Apr-20	$422.5	$446.1	$422.5	$434.6
May-20	$424.0	$447.1	$424.0	$435.4
Jun-20	$424.5	$446.8	$424.5	$435.6
Jul-20	$424.5	$446.6	$424.5	$435.5
Aug-20	$424.0	$446.3	$424.0	$435.2
Q2-20	$423.7	$446.7	$423.7	$435.2
Q3-20	$423.9	$446.1	$423.9	$435.0
Q4-20	$421.8	$443.6	$421.8	$432.3
Q1-21	$414.7	$435.8	$414.7	$425.0
CAL21	$418.0	$427.1	$418.0	$422.0
CAL22	$426.5	$437.1	$426.5	$432.1

Dry Bulk S&P Market

"History repeats itself" and "History never repeats itself" are about equally true...We never know enough about the infinitely complex circumstances of any past event to prophesy the future by analogy. – G.M. Trevelyan (British historian and academic). Exactly four years ago, in February, 2016, the market fell flat on its (double) bottom. To some extent, the fall from grace was predictable. The industry slid down a slippery slope brought on by the glut of tonnage in the market, which had accumulated over years through overzealous newbuilding ordering and insufficient demolition activity to counter that surplus. Rehabilitation took some time, and the situation was remedied by pulling back on the ordering reins and thrusting forward on the scrapping throttle. Fast-forward to the present day and the market is yet again in the basement. But this time, the slide was brought on by other factors - in some cases never-before-seen factors - such as emerging geopolitical "tug of war" games, new environmental regulations and of course, the very recent onset of the corona virus. It is difficult to find one's footing in the dark, and industry players are certainly traversing a dim expanse lacking light and full of "firsts" and "unknowns".

The computer screen shows many of the same vessels being recycled in the market, while new sales candidates enter the SH arena. As mentioned last week, prime sales candidates seem to be ships with imminent surveys, drydocks, and BWTS installation on the horizon. This influx of sales candidates in a poor market seems counterintuitive, but perhaps this can be chalked up to 2 contributing factors. There are some owners opting to offload older, costly ladies from their stables and focus their attention on younger vessels or NB orders. And of course, there are those feeling pressure from the unfriendly freight market, forced to sell in order to address issues of cash flow.

But as Sun Tzu stated in his The Art of War, "In the midst of chaos is also opportunity". Phone calls and discussions with owners are starting to yield a "turning of the tide" mentality. Whereas the past few weeks (and months) have had owners quickly shooting down the idea of investing in vessels, their ears have now started to perk up, picking up on whispers of opportunity amid the ugly sounds of despair in the air. Have we hit rock-bottom and are we on our way back up? Are we primed for an upswing? There is no way of knowing, and given the complexity and novelty characterizing the present slump, putting a finger on the "magic moment" proves difficult. However, there are those willing to face current (reduced and falling) second hand market levels – at once a result of the frail freight market, but now perhaps an impetus for snatching up bargain assets – and be ready for an improved market. After all, diamonds are created as a result of immense pressure over long periods of time in a very hostile environment, deep down in the earth's mantle. One must remain hopeful and resolute in trying times, knowing it may lead to greener pastures.

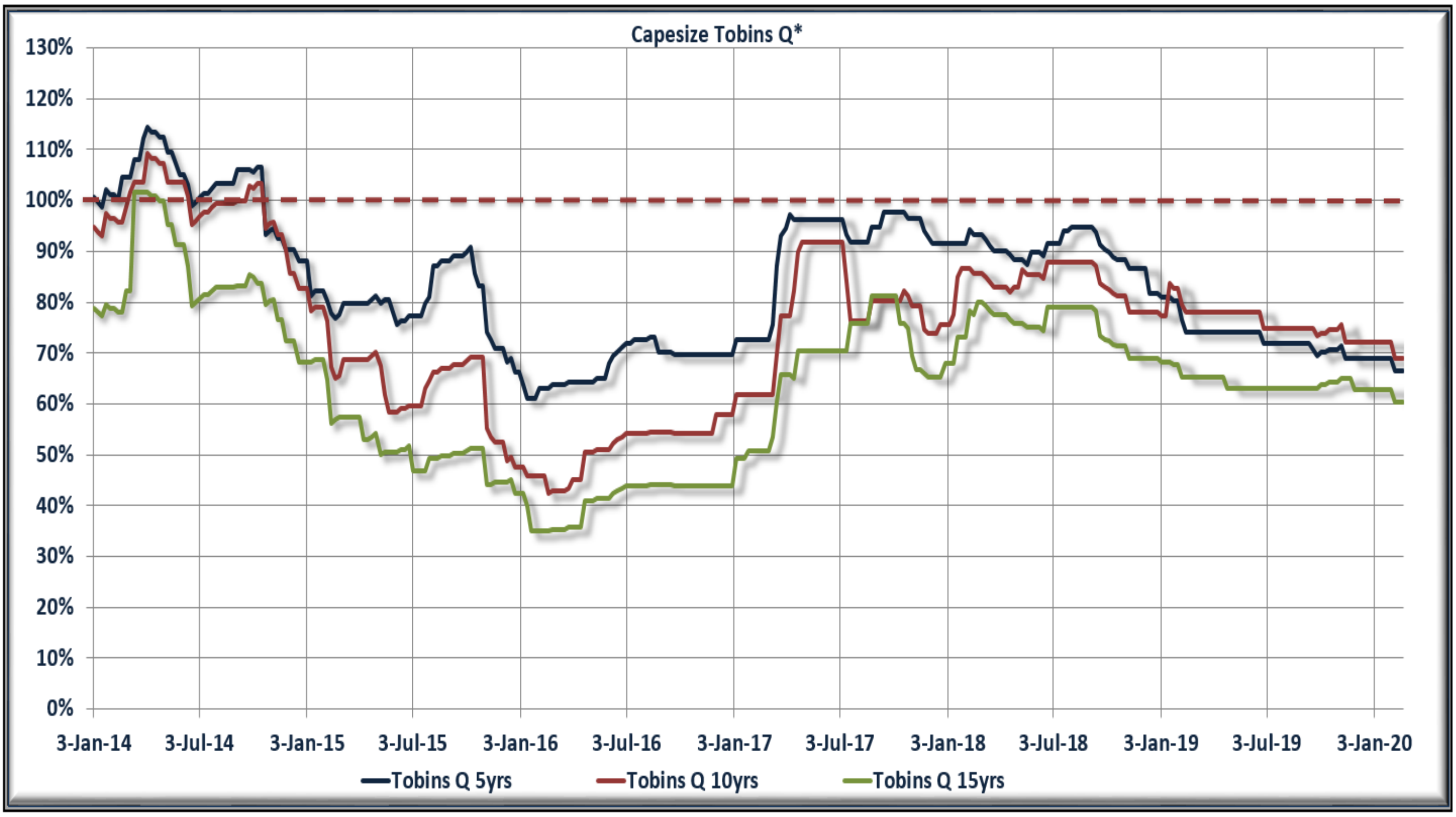
The market murmured with a sprinkle of sales on par with recent "last dones". The 'White Hawk' (61K, Oshima, Japan, 2012) saw high $15's mio, market levels when looking at the 'Nord Everes' (4 yrs younger) concluded at $23 mio. The 'Cygnus Ocean' (58K, NACKS, China, 2013) found suitors rgn low $13s mio, with SS/DD due, about right for her age and pedigree. The 'Ultra Tolhuaca' (37K, Oshima, Japan, 2015) sold for US$ 17 mio with DD due, but BWTS fitted and basis 5 years TC back. The 'Gloria Galaxy' (33K, Nanjing Dongze, China) went for $6 mio with SS/DD due, on par with the recently reported low $6s mio achieved by the 'Dubai Moon-I' (a year older, with fresh papers).

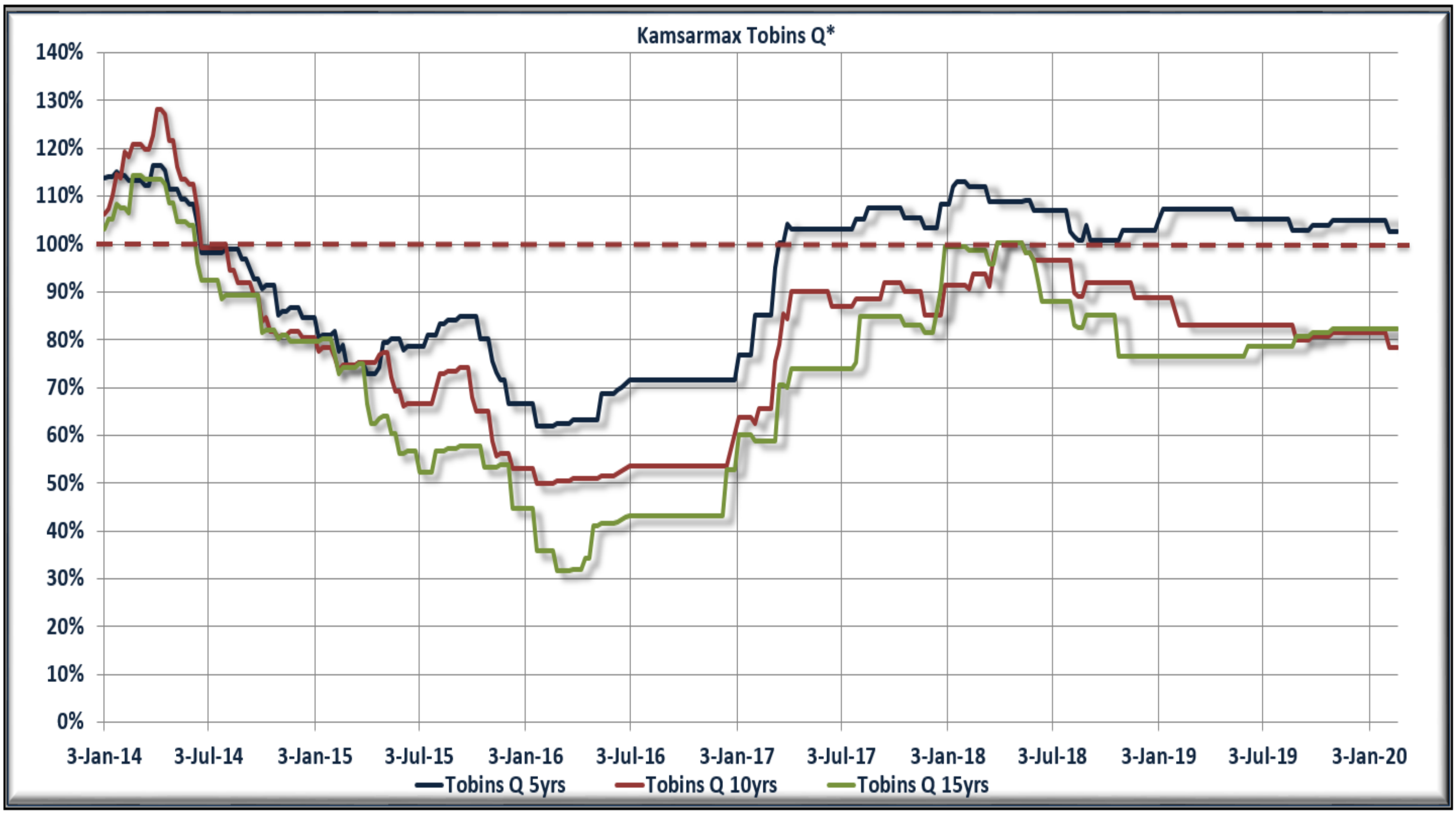
Reported Recent S&P Activity

Vessel Name	DWT	Built	Yard/Country	Price $Mil.		Buyer	Comments
Aqua Vision	180,353	2011	Dalian Shipyards/China		20	Undisclosed buyers	DD passed
Aquacarrier	175,935	2011	Jinhai Heavy Industries/China		18	Undisclosed buyers	
Shinyo Alliance	176,269	2005	Universal/Japan		14	Undisclosed buyers	bss T/C attached
Aquajoy	171,009	2003	Sasebo/Japan		11.3	Undisclosed buyers	
Norfolk	164,218	2002	China Shipbuilding Corp(CSBC)	mid	9	Undisclosed buyers	
Ocean Garnet	93,018	2010	COSCO Dalian/China		11	Undisclosed buyers	
Great Wencheng	91,439	2005	Oshima Shipbuilding/Japan	mid	9	Chinese buyers	Ex Duke Orsino
SBI Lynx	82,012	2018	Jiangsu New Yangzijian/China		20.9	Undisclosed buyers	sale & leaseback, 12-yrs BBB
Alam Padu	87,052	2005	IHI Marine United/Japan		10	Undisclosed buyers	old sale
Phoenix Bay	74,759	2006	Hudong-Zhonghua/China		8	Undisclosed buyers	
Navios Star	76,662	2002	Imabari/Japan		6.2	Undisclosed buyers	
Wooyang Queen	71,298	1997	Namura Imari/Japan	mid	4	Undisclosed buyers	DD due 07/20
TR Omaha	63,446	2014	Hantong/China		18.25	Undisclosed buyers	C 4 X 30 / on sub till end Jan
SBI Achilles	61,305	2016	I-S Shipyards/Japan		20.9	Undisclosed buyers	sale & leaseback, 10-yrs BBB
White Hawk	61,360	2012	Oshima Shipbuilding/Japan	high	15	Undisclosed buyers	C 4 x 30
Cygnus Ocean	58,609	2013	Nacks Shipyard/China		13.25	Undisclosed buyers	C 4 x 31
Triton Valk	55,651	2009	Mitsui Eng & SB/Japan		11.25	Greek buyers	C 4 x 30
Patrick Star	52,454	2004	Tsuneishi HI/Japan		8	Undisclosed buyers	C 4 x30
NPS Mosa	53,556	2007	Iwagi/Japan		10	Undisclosed buyers	C 4 x 30.5
Novo Mesto	53,626	2005	Zhenjiang /China		6.3	Chinese buyers	C 4 x 35
Arcadia	50,362	2002	Shanghai Shipyard/China	high	4	Chinese buyers	C 2 x 35/ C 2 x 30
Nordic Barents	43,732	1995	Daewoo HI/S.Korea		4.5	Russian buyers	C 4x25
Gloria Galaxy	32,701	2010	Nanjing Dongze/China	rgns	6	Vietnamese buyers	C 4 x 31/ surveys due
Dubai Moon-I	31,800	2009	Nanjing Dongze/China		6.3	Vietnamese buyers	C 4 x 30 / surveys passed
Genco Charger	28,398	2005	Imabari/Japan		5.2	Undisclosed buyers	C 4 x31
Happy Venture	28,587	1996	Hudong-Zhonghua/China		3.18	Chinese buyers	C 4 x 30
Zea Kelani	12,325	2010	Tongfang Jiangxin/China		4.6	German buyers	C 2 x 80/ C 1 x 45
Andermatt	20,200	2002	INP Heavy Industries/S.Korea		4	Undisclosed buyers	C 3 x30

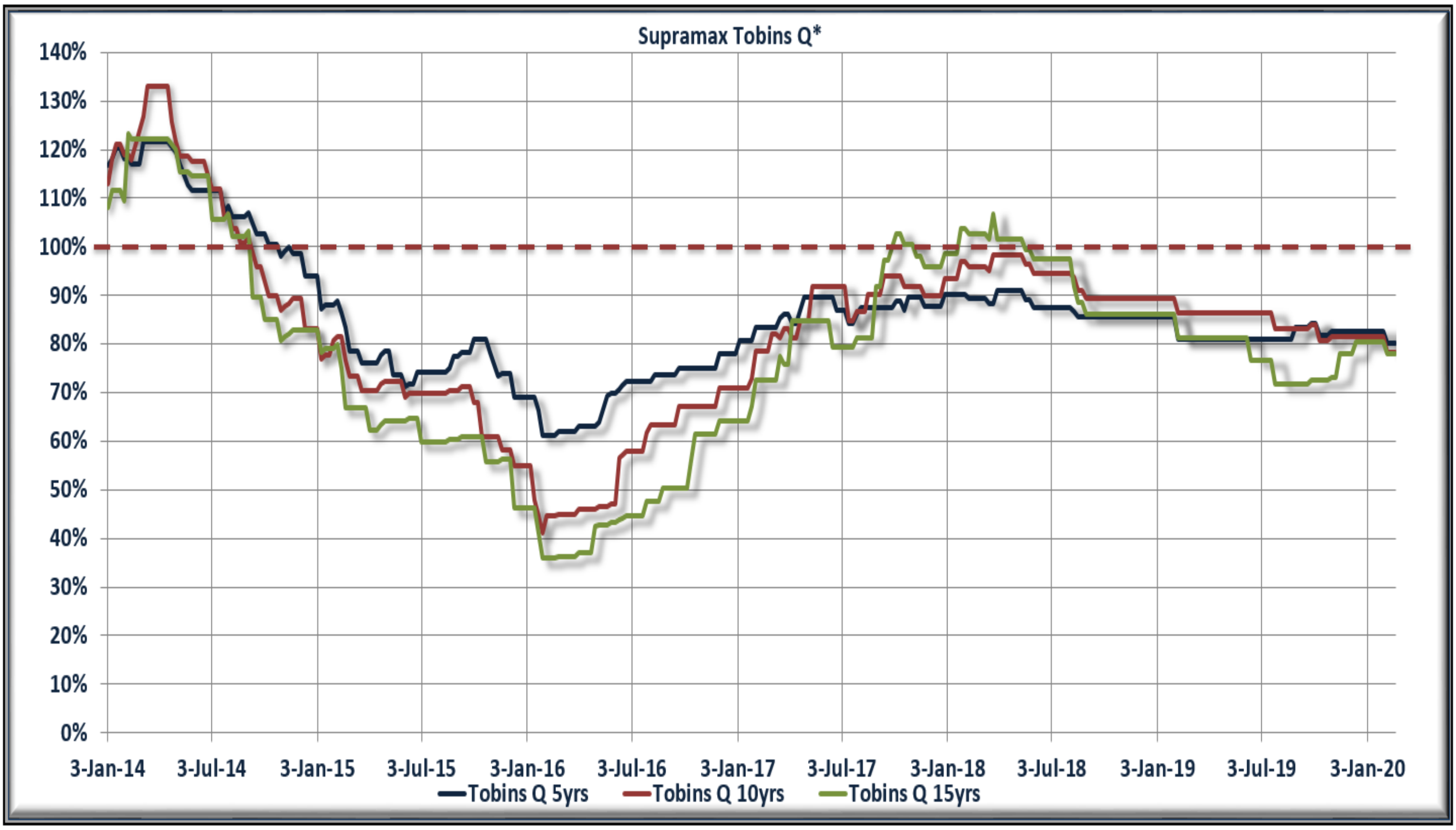
***Tobin's Q** represents the ratio between the market value and replacement value of a physical asset, with numerator and denominator adjusted to same age basis. According to economic theory, this ratio should be mean reverting towards 1 or 100%, for assets that do not face technological obsolescence.

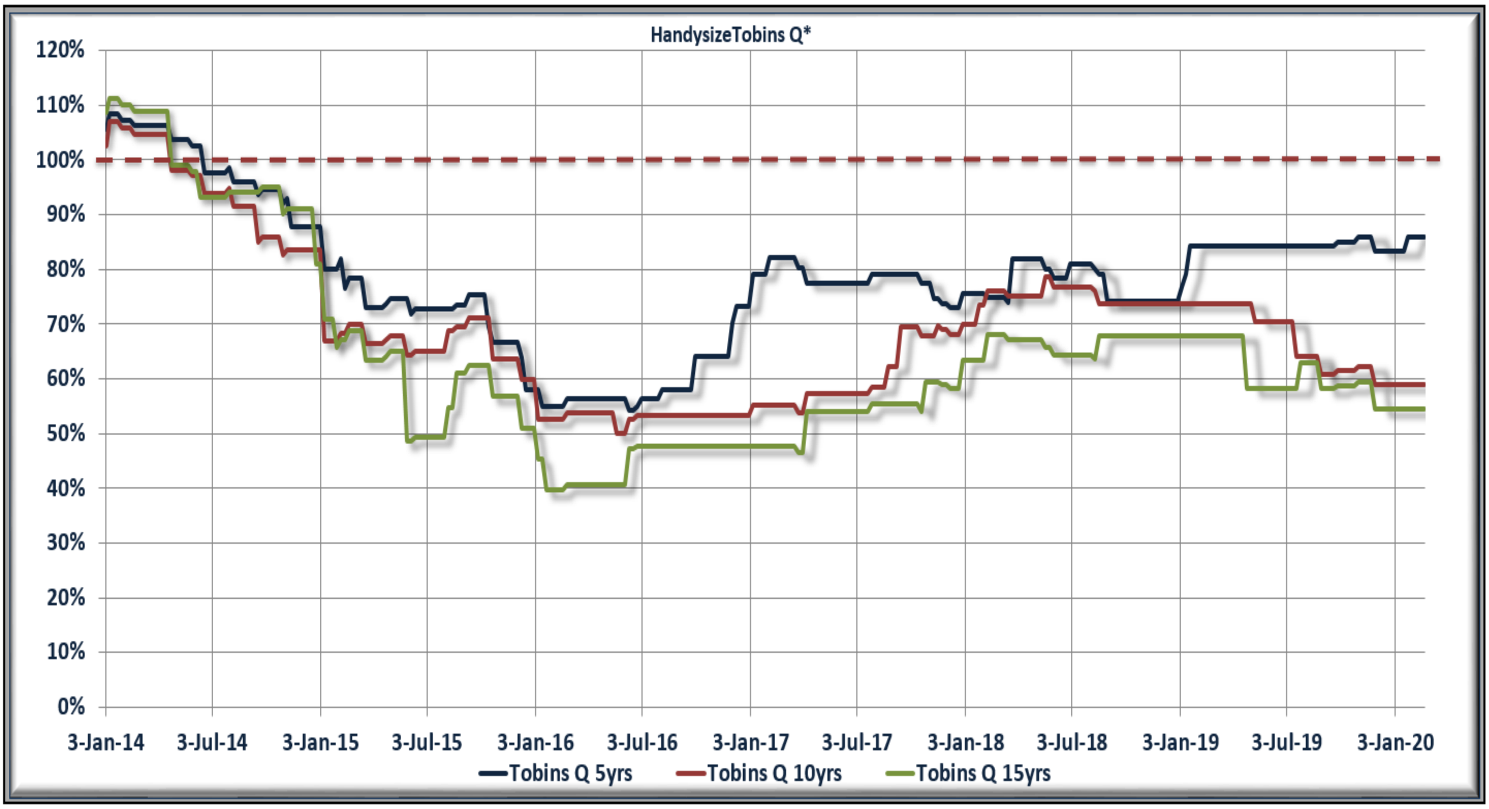
Tobin's Q* Capesize-Kamsarmax						
Date	**Capesize 5yrs**	**Capesize 10yrs**	**Capesize 15yrs**	**Panamax 5yrs**	**Panamax 10yrs**	**Panamax 15yrs**
Current ratio	67%	69%	60%	103%	78%	82%
12months High	74%	78%	65%	107%	83%	82%
12months Low	67%	69%	60%	103%	78%	77%
12months Avg	71%	75%	63%	105%	82%	80%





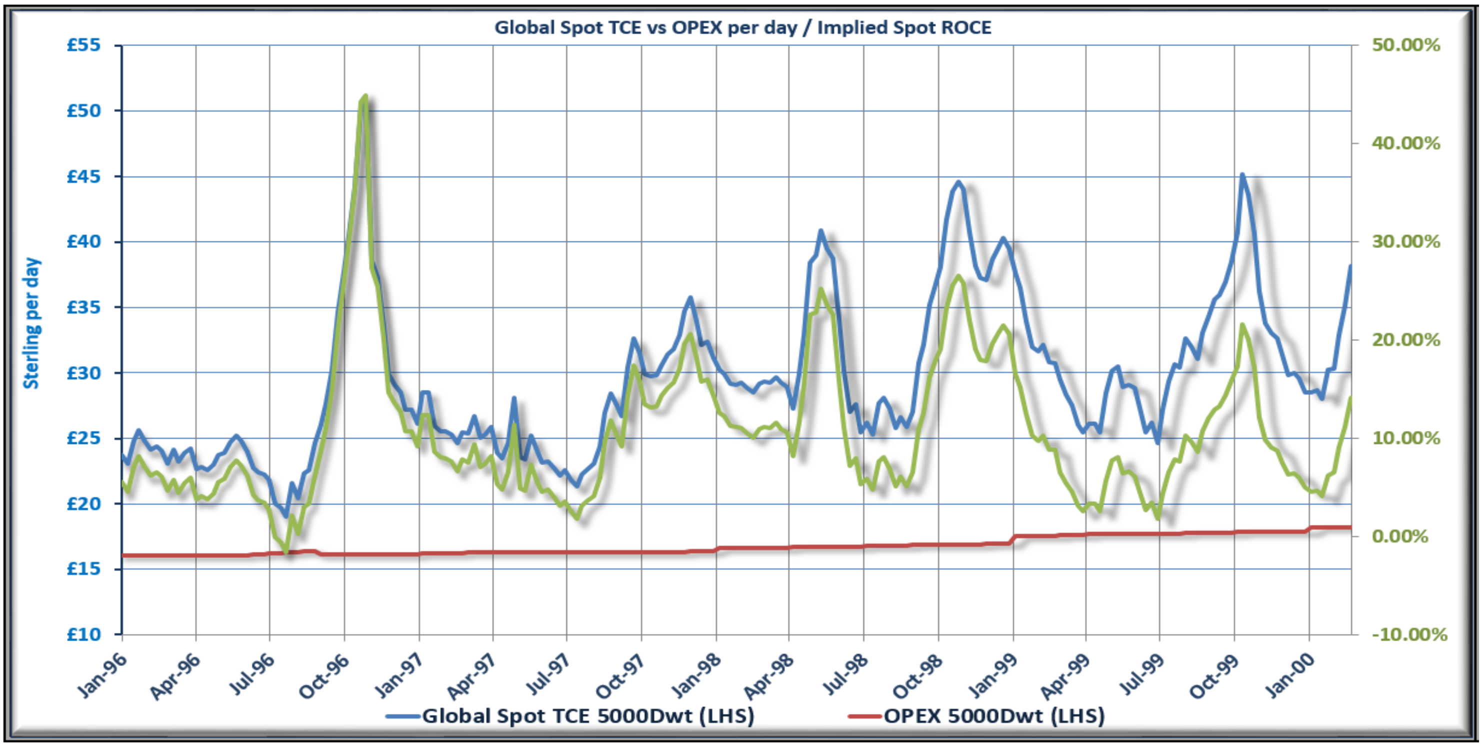
Tobin's Q* Supramax-Handysize						
Date	Supramax 5yrs	Supramax 10yrs	Supramax 15yrs	Handysize 5yrs	Handysize 10yrs	Handysize 15yrs
Current ratio	80%	78%	78%	86%	59%	54%
12months High	84%	86%	81%	86%	74%	68%
12months Low	80%	78%	72%	83%	59%	54%
12months Avg	82%	84%	77%	84%	65%	59%

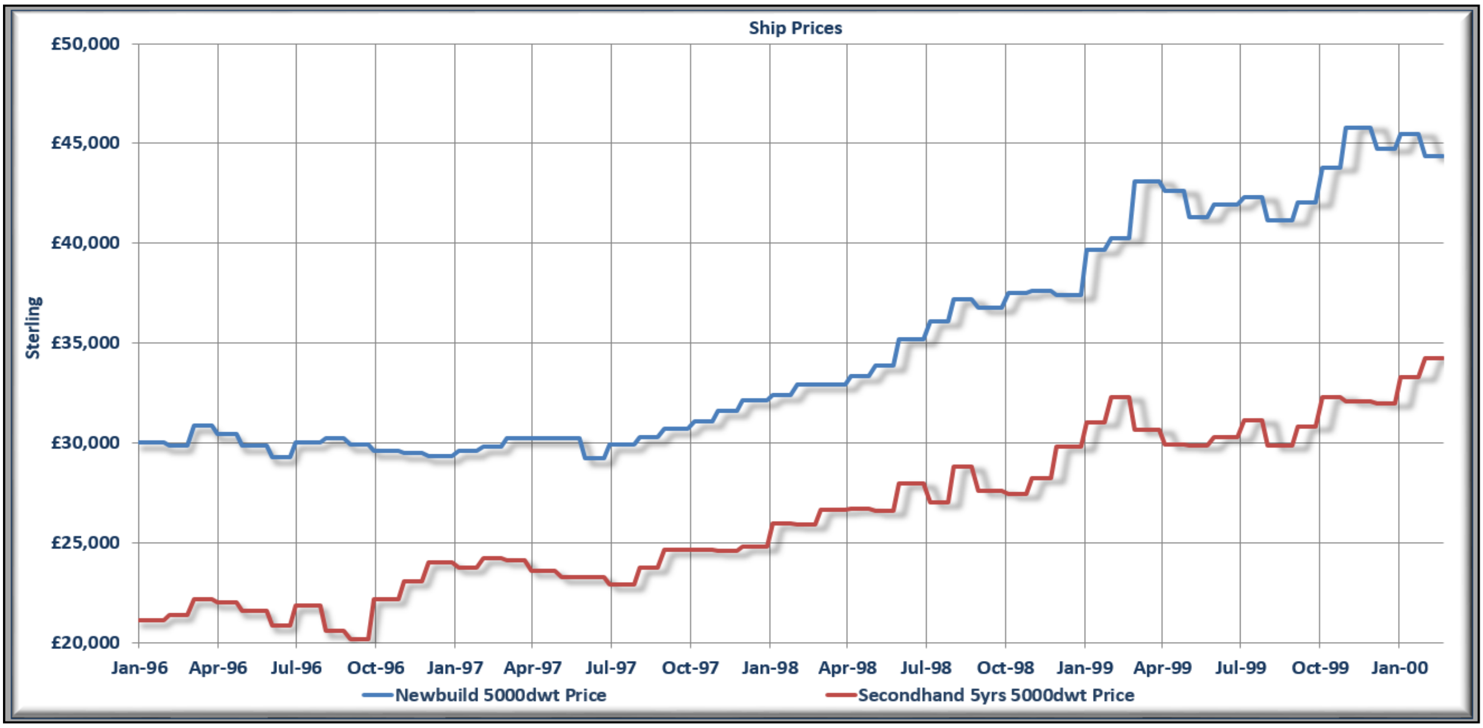




Market Insight 120 years ago

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





Weekly Spot Market	Current week	Previous week	Jan-02	Dec-01	Nov-01
Implied Spot Roce	14.2%	11.2%	4.9%	5.9%	8.8%
Global Spot TCE	£38.08	£34.99	£28.86	£29.41	£32.72
BlackSea Round	£38.34	£34.81	£27.96	£29.60	£32.06
East Round	£39.09	£38.00	£32.65	£31.05	£39.09
Med Round	£36.19	£32.55	£28.01	£27.86	£30.99
US Round	£41.64	£41.50	£32.72	£32.90	£35.26
River Plate Round	£44.34	£42.99	£34.30	£30.89	£36.22

S&P Market (5,000dwt)	Current week	Previous week	Jan-02	Dec-01	Nov-01
NB	£44,370	£44,370	£45,468	£44,730	£45,795
SH 5yrs old	£34,227	£34,227	£33,270	£31,950	£32,074
SH 10yrs old	£26,722	£26,722	£25,834	£24,609	£24,738
SH 15yrs old	£20,992	£20,992	£20,062	£18,783	£18,934

*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…

The characteristic of the freight market this week has again been the strength of coal from the UK, but more especially from Wales. Rates to the Mediterranean/Adriatic have now advanced to an extent which breaks all records for the last decade and more; in fact, comparatively few owners can have operated on such a basis of coal freights as in now current. For prompt boats the following rates are quoted from Cardiff : Marseilles 14 fcs, Genoa 12s, Naples, Leghorn, etc., 12s 3d, Malta 11s 10d (net), Venice or Ancona 14s 5d, Sicily 13s, Constantinople, the Piraeus, etc., 12s 7d, Alexandria 13s 6d, Port Said 13s, Odessa or Theodosia 12s 9d to 13s. Rates in order directions are also much stronger, prompt Boats being worth 17s 11d for Rio, 14s 6d for Buenos Ayres, etc., while for Cape Town one of the last fixtures is at 31s 3d net. The rates for the Westward Islands are again firmer at 9s 3d to 9s 6d for Las Palmas, St. Vincent 9s 10d, St. Michael's 8s 11d. Not Withstanding these high coal rates, owners are not getting such great "pull" out of them as might be supposed; for the cost of bunkers has necessitated the advance, and even now were freights reduced 2s per ton all around simultaneously with a reduction in the cost of bunkers to prices current this time last year, the ultimate results would be about the same. We are glad to see such activity in coal chartering, for it is anything but cheerful and reassuring to find the US coal shippers cutting into markets that have from time immemorial been the preserves of our colliery proprietors. To see this, our greatest industry, assailed by American cargoes being shipped as of late to France, Italy, Austria, etc., and even to Alexandria, is by no means a matter of insignificance, but rather one of grave importance, for any heavy blow to the trade to this country must disastrously effect every individual shipowner. Our colliery owners are making a mistake in forcing foreign consumers to test American coal. The results in all cases have been extremely favourable, and this proves that we no longer enjoy our old monopoly. The homeward markets have been good with few exceptions. There has been a great squeeze for Feb boats, and this is certainly going to follow on over March; but as regards April, it is too early to give a definite opinion. The prospects, however, are very favourable not only over April but also for several months to come. No better barometer can be studied than the period market. If rates are strong and advancing, and the demand is general and for long periods, it may be taken for a certainty that a long spell of prosperity is assured, for tonnage would never be taken on time-charter at good rates and for long periods by strong and shrewd firms unless they were convinced that prospects fully warranted their action. Since the last report some magnificent rates have been paid; for early March deliveries these can be repeated, and for account of charterers of undoubted stability. Owners, therefore, have no occasion to accept and doubtful signatures plenty of which exist, and should be carefully avoided. If owners have any doubt as to the financial standing of a time-charter let them demand the hire monthly, or even for two months, in advance, as the risk of the trade demands, and then they will be better able to test this all-important financial consideration.

The Black Sea market is without change, very little chartering having been affected since the last report. The charterers seem to think they will get all the tonnage they want, as boats at and bound out to Constantinople, Port Said, etc., will, as they believe, be bound to take Black Sea business to work them home. There is a good inquiry for spring tonnage from the Azoff, and it is reported that large carriers have been fixed to UK/Cont at 11s 9d; which can be repeated.

There is no change to report in Mediterranean, etc., such as business. Rates continue low and unremunerative, and it is really surprising how owners can be found willing to work for nothing. From Sicily there is some demand for prompt tonnage to the U.S. for fruit at from 20s 21s n.r.; for sulphur 8s 7d is offering for the Northern US range.

The US market is firm all round, and it looks as if higher rates would have to be paid to fulfill all the March requirements. Berth grain rates from the Northern rates to UK/Cont are 3s 3d per quarter; on the C.f.o. basis 3s 10d to Lisbon 4s, to Oporto 4s 6d. From New Orleans berth grain rates to UK/Cont are 4s 2d, April 3s. Cotton rates have been fairly firm. From the Atlantic ports 41s 3d. 42s. 6d. is procurable for Liverpool, Manchester, or Bremen for Genoa 46s 3d to 47s 6d, Barcelona 52s 6d. to 53s. 9d., From Galveston or New Orleans to L.H.B. 50s is obtained for the 25th March cancelling for boats of good capacity. Phosphate rates are firm. From Tampa to Stettin 23s. has been paid and can be repeated; for UK/Cont 20s to 21s is quoted, and from Fernandina to 19s. 6d., all with good dispatch.

The Eastern market is reported to be a shade easier as if so this can only be a temporary movement. From Bombay to p.p. 20s. is quoted; the last paid for Mediterranean was 18s. 6d. net. The last rates paid from the Philippines to U.K. or U.S. are 31s. 3d. sugar, 62s. 6d. hemp, for April loading ; this is not bad business taken in conjunction with the good rates that have been ruling outwards to the Far East, and especially coal freights from the U.S. to Manila.

The River Plate market is firm, although comparatively little chartering has lately been effected. From the upriver ports 27s 6d is offering for March/April loading; to p.p. 26s 6d to 27s is quoted and from the lower ports 22s to 23s, Bahia Blanca 25s.

Tonnage is also in demand form the Plate on the net charter basis. From Rio Janeiro boats are wanted for ore to the U.K. at 18s. 6d. and for the U.S. at 16s. 6d. to 17s. one of the last fixtures to Newport (mon.) at 18s. is certainly good business.

Time-charter rates are strong. For large prompt 'tween-deck boats of a speed of 10 to 11 knots 9s 6d to 10s per tonne per month is obtainable, delivery and re-delivery and re-delivery UK/Cont.

On the S&P front, the newbulding 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.