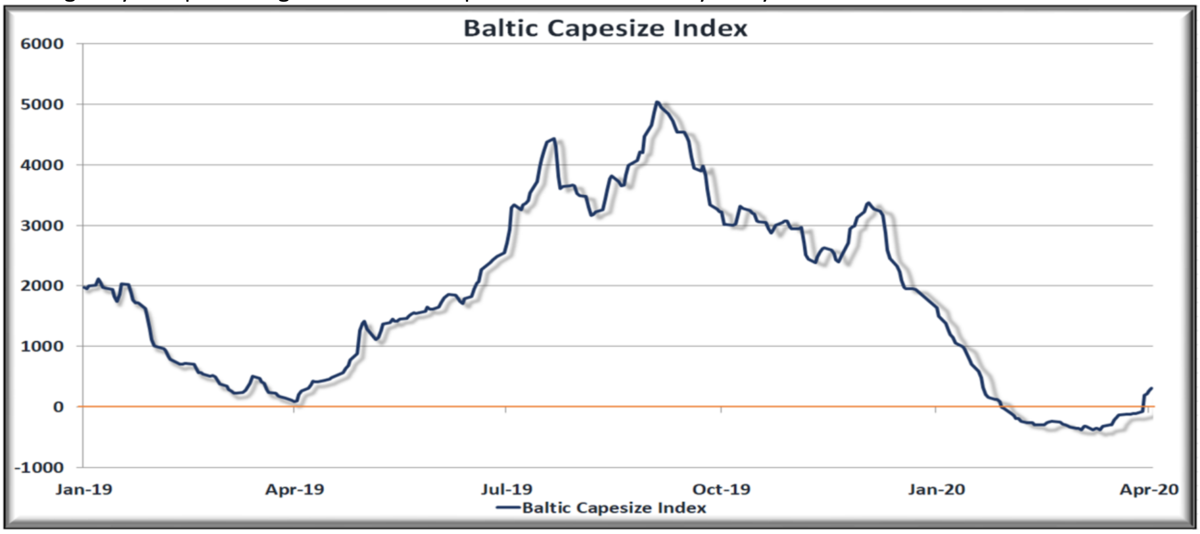
Following the recent collapse of stock exchanges foreshadowing a rather bleak outlook for the economies in both banks of the Atlantic, a series of gloomy economic data releases published this week painted the current economic juncture in slate grey colors. In the Old World, not a single one of the leading European economies can claim immunity to COVID-19, as this continent became the epicenter of the deadly virus during March. Whilst the efficiency of the efforts to contain the virus outbreak varies across the euro area, the economies of the block shared a common fate. Demonstratively, the Eurozone composite Purchasing Managers Index (PMI) of services and manufacturing, compiled by IHS Markit, plunged to just 29.7 in March, after a reading of 51.6 in February. Indicative of the worrisome conditions is the fact that the March figure was the lowest one since the survey began in the late 90s. In the badly-wounded Italy, PMI plummeted to levels far below those of financial crisis 11 years ago. In sync, France and Germany PMI recorded the lowest levels in more than 20 years. Across the pond, it was not the stock market headlining the economic press during the fourteenth week but rather the latest developments in the labor market. According to data published from the Labor Department on Thursday, more than 10m people have filed for unemployment benefits in the past fortnight, with data showing a record 6.6m filed for jobless aid for the first time last week. The Labor Department also stressed that the economy continued to identify layoffs related to COVID-19 across a broad array of industries, including hospitality and food services, health care and social assistance, manufacturing industries, retail, wholesale trade and construction industries. In this context, the unemployment rate jumped to two-and-a-half year maxima of 4.4 per cent. Conversely, China’s manufacturing activity seems to have left the infertile February behind. China’s official Purchasing Managers’ Index rose, above the threshold of 50 that separates expansion from contraction, to 52 in March from a record low of 35.7 a month earlier, according to the National Bureau of Statistics (NBS). However, The NBS attributed the impressive rebound in PMI to its low February base, stressing that by no means this reading can be used as a signal of stabilization.

Luckily, the wayward Capesize segment ignored the NBS recommendation, trending strongly upwards in the backwash of the data release. After spending most of the current year in negative territory, Baltic Capesize Index lay at 319 points on this week closing. Comparing the effect of two exogenous shocks on the balancing levels of the largest bulkers, Covid-19 had clearly a larger impact than Brumadinho dam disaster, and thus BCI Q1 2020 average stood at a dispiriting 93 points or some 870 points lower Y-o-Y. Yet somehow, this Friday closing is by 215 points higher than the respective one of this day last year.



Looking the course of the Capesize index during 2019, a scenario like this would leave a pleasant aftertaste in the final analysis. However, the bitter taste of Q1 and a recession aroma do not serve as the best guarantors that history will repeat itself this time, or at least up to now.

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Dry Cargo Spot Market

The Baltic **Capesize** indices trended upwards during the fourteenth week of the year. In particular, the general Capesize TC average index went up to $5,949 daily, or up a solid 62% W-o-W. Additionally, following forty-two trading days into the negative territory, BCI concluded at 319 points on this week closing.

In the Pacific basin, with China recovering slowly from its dystopian nightmare, some glimpses of hope made their appearance. In the "land down under", Australian officials closed internal borders on Friday and warned people to stay home as the country seeks to capitalise on a further fall in the rate of new coronavirus cases. Against these developments, BHP Billiton Rail operation is finding new ways to cope up with COVID-19 disruptions. A number of train drivers cannot commute and meet their schedule slots so some of those have stayed temporarily close to Pilbara region's sites, in an effort to keep thing on track. In a general positive mood, the benchmark C5 (West Australia/China) moved sideways not showing hug improvement, but still it gained some 70 cents W-o-W, to close at $4.92 pmt. In actual trading, Rio Tinto was linked to a $5.90 pmt fixture, for a Dampier to Qingdao trip with 170,000 plus/minus 10 % mts of iron ore, for first April loading, about $1.50 more than what it fixed last Friday (i.e. Rio Tinto TBN, $4.50 Dampier/Qingdao 12/14 April). This can be seen on T/C basis as well, with C10_14 (Pacific r/v) index nearly doubling W-o-W, increasing from a damp $3,908 to a healthier $7,954 daily. Additionally, C14 (China/Brazil r/v) index showed a similar jump in gains from last week closing of $3,482, moving up to $7,182 daily.

In the Atlantic, with most of heavy industries shut down, TATA Steel proclaimed that will need to reduce production at all four European blast furnaces. With manufacturers in recess, including the strong European car manufacturing industry, TATA is focusing on its cash reserves by lowering production in order to equal short demand. Such shortage in steel demand and production would potentially depreciate commodity prices, which have been strong this year. The leading index C3 (Tubarao/Qingdao) has gained nearly $1.5 W-o-W, closing at $10.66. On the early side of the week, Cargill was linked to a 170,000 plus/minus 10% iron ore stem loading first half May at Tubarao at $9.75 pmt keeping the general sentiment elusive. Similarly, C9_14 (Front-Haul trip) closed tick under $15,000, at $14,995 daily, or an approximate $550 increase W-o-W. C8_14 (Trans/Atlantic rv) index after a quick spike on mid-week it fell lower than last week's levels, losing almost $150, and closing at $4,620 daily. 'Besiktas Azerbaijan' (169,263 dwt, 2010) reported fixed at $4,000 daily with prompt delivery at Gibraltar, for one via Puerto Bolivar and Zonguldak back to Gibraltar.

No period fixtures reported this week.

In a positive week for the **Panamax** segment, the Baltic 82 Index concluded at $7,170 daily, or up 9.2% on a weekly basis.

The Pacific sub-market started the week with a pretty generous demand for "grain-clean" candidates for Nopac rounds and with increased period interest from charterers due to a push on the paper, but it didn't last though out. Early stems quickly covered leaving owners with the expectation for more coal cargoes coming out from Indonesia and Australia to India, as the country declared thermal coal as an essential service. The absence of coal orders with direction India echoed in every corner of this basin during the last few weeks, having a negative bearing in both rates and market psychology. However, during the end of the fourteenth week, some revival in these staple runs injected moderate optimism in the market. From North Pacific, Bunge took the 'Vita Future' (81,938 dwt, 2015) with delivery Cjk 1-5 April for a trip to Japan at $8,000 daily, and the 'Corinna' (81,675 dwt, 2013) with delivery Yosu 4-6 April was linked to Cargill for a trip via Nopac plus various options at $8,500 with Spore-Japan redelivery. For a quick trip, the 'Marlene D'Amato' (93,270 dwt, 2012) was fixed by MOL with delivery Huanghua 5-8 April via Dalian to Japan with iron ore, whilst for a coal run the 'Mei Lan Hu (73,931 dwt, 01) was fixed basis delivery Yosu 4-5 April for a trip via Cis to China at $5,500 daily.

In the Atlantic, amidst unfavourable macro environment, market was once again driven by the ECSA grains, which saw improved levels early in the week for end April / beginning May arrivals, but towards the end of the week the market did not maintain its appetite. For such a run, Louis Dreyfus took the 'Miyama' (75,777 dwt, 2005) with delivery Singapore 26 March with redelivery Spore-Jpn range at $8,000 daily, whilst the ECTP relet 'SDTR Dora' (82,000 dwt, 2019) with delivery Spore 28 March was reported fixed at $9,400 daily to Reachy. For a trip to the Black Sea, Bunge took the 'Hong Yu' (76,611 dwt, 2009) basis retro delivery Jorf Lasfar 30 March for a trip via NCSA at $5,000 daily, and the 'Coral Amethyst' (78,092 dwt, 2012) was linked to Oldendorff basis delivery Aps NCSA 15-25 April at $9,750 with redelivery Skaw-Gibraltar range. For a Baltic run, the 'Glory Amsterdam' (77,171 dwt, 2006) was fixed with delivery Swinoujscie 1-2 April for a trip to Continent at $5,500 with Swiss Marine. For a fronthaul trip, Cargill fixed the 'Yu Zhu Feng' (75,519 dwt, 2011) basis delivery Tilbury 1-2 April for a trip via France to China at $13,800 daily.

Cargill was also active on the period front, taking the 'Myrto' (82,131 dwt, 2013) for 16-18 months trading basis delivery Nadahama 28 March at $10,000 daily, and the 'Alcmene' (93,193 dwt, 2010) with spot delivery Zhoushan for abt 13/15 months at $4,000 for the first 60 days and $8,500 daily thereafter.

Losing some ground, the Baltic **Supramax** Index concluded at $5,442daily.

In the Pacific, market continued to soften across the board, as lists of prompt vessels kept growing and many operators were trying to delay procuring tonnage for their cargo needs or opted to nominate own ships instead. Brokers commented that many areas lacked fresh enquiry, putting further downward pressure on rates. NoPac was steady to softer with limited stems around. A major grain house secured Ultramax for a long duration trip via Canada to Bangladesh with grains at $7,000 daily. Australia was steady thanks to a healthy flow of grains and minerals. Rumors were out that a 56,000 tonner was fixed for trip via North Australia to China with ores at $7,000. The 'Santa Rita' (57,677 dwt, 2010) fixed $3,000 basis delivery S.Korea for trip via Australia to Indo. North Asia was characterized by an absence of fresh steel and fertilizer stems with rates being lower than 'last done'. It was heard that a 55,000 tonner fixed a trip via S.Korea to PG with steels at $3,500 flat with no split rate. Also, a similarly sized Supra fixed same commodity to WCI at $3,500 daily. On the backhaul business, rates are nearing Zero. We heard of big scrubber fitted Supra fixing around $1,000 for trip back to Atlantic. SE Asia was much softer than last week with rates below previously reported lower and thinner cargo flow. The 'Glovis Maria' (55,705 dwt, 2012) failed at high $3,000's basis delivery Singapore for trip via Indo to S.China with coal. The 'Zhe Hai 511' (48,573 dwt, 2013) open CJK fixed a coal trip to China at $4,000 basis delivery Indo and the 'Yangtze Jewel' (63,212 dwt, 2015) concluded at $5,000 for a coal trip via East Kalimantan to Philippines. Demand in the Indian Ocean has been decreasing, resulting in tonnage build-up in the area. No fixtures were heard this week from S.Africa. However, we heard that Charterers were rating Supra units at circa $7,000 plus $70,000 bb for fronthaul trip to China. PG and India were softer, amidst uncertainty whether Indian ports will continue to work and at what pace. The 'Bao Grand' (58,015 dwt, 2010) spot Bangladesh, fixed for an iron ore trip via ECI to China at $5,000 and a 56,000 tonner was fixed basis delivery Paradip for trip to China at $4,700. Towards the end of the week, we heard that Supras were seeing around $3,500 for same run to China. In the PG, the 'Riva Wind' (53,553 dwt, 2005) fixed a trip via PG to Red Sea at low $6,000's.

In the Atlantic, rates have been in a downward spiral, unable to regain traction. Conditions in the USG are drawing a grim picture as S1C_58 (Usg trip to China/S.Jpn) lost circa 25% week-on-week, ending up at $14,703 this Friday. Early into the week, the 'Yangze 7' (63,523 dwt, 2014) fixed $16,000 for grains via USG to the Far East. On a transatlantic trade, the 'Alora' (63,008 dwt, 2017) fixed $8,000 basis APS USG for a trip to the UK. Conditions have worsened in ECSA too. The 'SBI Hermes' (61,272 dwt, 2016) got $11,500 plus $150,000 ballast bonus basis delivery Santos for grains to SE Asia. Across the pond activity was anemic and the short term outlook remained negative. Little was heard from the Continent, while from the Black Sea it was reported that the 'HTC Delta' (56,553 dwt, 2014) was fixed basis delivery Canakkale for trip via Black Sea to USG with pig iron at $5,250 for the 1st 45 days and $9,000 thereafter.

As expected during uncertain times like this, period activity was thin. One of few deals that were concluded was on the 'Adventure III' (62,534dwt 2019) open Kohsichang which was fixed for 1 year employment at $9,500 daily.

A blurry picture for the **Handysize.**

This week's Handysize report in the Far East can be easily compiled just by using headlines. "Closed ports" and "Quarantine everywhere". Firm cargoes become extinct and the number of fixtures was limited. Desperate owners and operators along with turmoil with bunker prices set the rest of the scene. What else would anyone want in order to describe the current situation as "the perfect storm"? With the Catholic Easter approaching, no one should be expecting any miracles next week. In a nutshell, everyone needs a break from the latest developments. Market participants were happy to hear that Chinese factories have re-opened and operations commenced again. However, the question that has to be answered is who will buy their products? On the fixtures front, 'San Sebastian' (32,000 dwt, 2007) open in Chiba on the 28th of March fixed at $5,150 dop for a slag run to South East Asia. From South East Asia, 'Bronze Lady' (24,000 dwt, 2012) open in Manila on the 27th of March was concluded at $4,100 dop for concentrates via Indonesia to China. MV 'Hinase' (28,000 dwt, 2011) open in Cigading on the 28th of March was agreed at $5,750 dop for a sugar trip via East coast Australia to Japan. In Australia, Oldendorff booked 'TS Golf' (39,000 dwt, 2017), opening in Brisbane on the 12th of April, at $9,000 plus $40,000 gbb for a concentrates trip to China. From the locked down India, 'ABK Tiger' (28,473 dwt, 2001) open in Hazira on the 1st of April fixed $5,000 aps Kandla for a cargo of raw sugar to Indonesia.

'The dry bulk market is facing inevitable disruptions caused by the unexpected coronavirus outbreak'. This is how leading dry bulk owners described current market conditions at a recent online version of a famous International Shipping Forum. Half of humanity, roughly 4 billion people are, or have at least been ordered to stay home. Obviously global supply chain by sea transport would not have escaped unscathed. BIMCO has earlier this week called for governments to introduce stimuli to prop up economies so that the industry can survive. In the Atlantic, although we have yet to experience the lockdown of ports, like in India lately or earlier in China, we are faced with land transport delays and government regulatory measures as countries are expecting shortage of supply even for their domestic consumption. In Argentina, supply of soybeans to their crushing plants is down and falling as trucks are not allowed to go into the cities. Russia's economy ministry supported a proposal by the ministry agriculture to limit grain exports to 7m tons in April-June and most probably more countries will follow. In this week's info, all indices were down and activity remained very low. Rates fell roughly, according to the Baltic, around $1,000 in Bl.Sea-Med-Cont areas, around $ 1,500 in USG and more than $2,000 in ECSA. In the Bl.Sea, the 'Althea' (29,816 dwt, 2002) fixed with Meadway from Constanza to Morocco grains at $6,800. The 'Mykonos Dawn' (37,880 dwt, 2016) agreed with Pacific Basin, Antwerp to Veracruz fertilizers at $7,250. The 'Ocean Honesty' (38,273 dwt, 2013) fixed a Texas fronthaul to SEAsia at $13,000 but no further details emerged. Finally in ECSA, 'Newchang' (40,096 dwt, 2016) was concluded from Paranagua agriproducts to ARAG at $9,000 with Meadway.

Nothing worth mentioning on the period front.

Fixture Tables

Representative Capesize Fixtures						
Vessel	Load Port	Laycan	Discharge Port	Freight	Charterers	Cargo
Berge Atlas	Dampier	11/13 Apr	Qingdao	$5.90	Rio Tinto	170000/10 iore
Linda Fortune	Seven Islands	11/17 Apr	Qingdao	$13.50	Rio Tinto	170000/10 iore
TBN	Tubarao	1/15 May	Qingdao	$9.75	Cargill	170000/10 iore
CCLTBN	Acu	11/20 Apr	Qingdao	$10.60	Anglo American	170000/10 iore

Representative Panamax Fixtures								
Vessel	DWT	Built	Delivery	Date	Re-del	Rate	Charterers	Comment
Vita Future	81,938	2015	Cjk	1-5 April	Japan	$8,000	Bunge	via Nopac
Corinna	81,657	2013	Yosu	4-6 April	Spore-Jpn	$8,500	Cargill	via Nopac & options
Marlene D'Amato	93,270	2012	Huanghua	5-8 April	Japan	$5,500	Mol	via Dalian
Mei Lan Hu	73,931	2001	Yosu	4-5 April	China	$5,500	cnr	via CIS
Miyama	75,777	2005	Spore	26-Mar	Spore-Jpn	$8,000	LDC	via ECSA
SDTR Dora	82,000	2019	Spore	28-Mar	Spore-Jpn	$9,400	Reachy	via ECSA
Glory Amsterdam	77,171	2006	Swinoujscie	1-2 April	Cont	$5,500	Swiss Marine	via Baltic
Yu Zhu Feng	75,519	2011	Tilbury	1-2 April	China	$13,800	Cargill	via France
Myrto	82,131	2013	Nadahama	28-Mar	Worldwide	$10,000	Cargill	16-18 Months
Alcmene	93,193	2010	Zhoushan	Spot	Worldwide	$4,000 1st 60 days - $8,500 balance	Cargill	13-15 Months

Representative Supramax Fixtures								
Vessel	DWT	Built	Delivery	Date	Re-del	Rate	Charterers	Comment
Santa Rita	57,667	2010	S.Korea	ppt	Indo	$3,000	cnr	via Aussie
Glovis Maris	55,705	2012	Spore	ppt	S.China	high $3,000s	cnr	fixed/failed
Zhe Hai 511	48,573	2013	Indo	ppt	China	$4,000	cnr	vsl opened CJK
Yangtze Jewel	63,212	2015	Adang Bay	ppt	Philippines	$5,000	Norvic	
Adventure III	62,534	2019	Kohsichang	ppt	WW	$9,500	cnr	period for 1 year
Bao Grand	58,015	2010	Chittagong	ppt	China	$5,000	cnr	via ECI int. iron ore
Riva Wind	53,553	2005	PG	ppt	Red Sea	low $6,000s	cnr	
Yangze 7	63,523	2014	Barranquilla	ppt	Feast	$16,000	Bunge	via US Gulf int. grains
Alora	63,008	2017	US Gulf	ppt	UK	$8,000	Ultrabulk	
SBI Hermes	61,272	2016	Santos	ppt	SE Asia	$11,500 + $150,000 bb	Ausca	int. grains
HTC Delta	56,553	2014	Canakkale	ppt	US Gulf	$5,250 first 45d, $9,000 balance	cnr	via Bsea int. pig iron

Representative Handysize Fixtures								
Vessel	DWT	Built	Delivery	Date	Re-del	Rate	Charterers	Comment
San Sebastian	32,000	2007	Japan	prompt	SE Asia	$5,150	cnr	slag
Bronze Lady	24,000	2012	Manila	prompt	China	$4,100	cnr	concentrates via Indo
Hinase	28,000	2011	Cigading	prompt	Japan	$5,750	cnr	sugar via Aussie
TS Golf	39,000	2017	Brisbane	prompt	China	$9,000 plus $40,000 gbb	cnr	concentrates
ABK Tiger	28,000	2001	Kandla	prompt	Indonesia	$5,000	cnr	sugar
Althea	29,816	2002	Constantza	prompt	Morocco	$6,800	Meadway	grains
Mykonos Dawn	37,880	2016	Antwerp	prompt	Veracruz	$7,250 1st 40 days, $9,000 balance	Pacific Basin	fertilisers
Ocean Honesty	38,273	2013	Texas	prompt	SE Asia	$13,000	CNR	grains

Dry Bulk S&P Market

While demolition destinations have closed for business and newbuilding activity has slowed (only kept afloat by a few orders on behalf of, and taken on by, the Chinese), second hand sales this week were few and far between; those reported at least depicting price stability amidst the uncertainty of the grim status quo created by the pandemic.

On March 30, the 153rd issue of China Newbuilding Price Index (CNPI) was released as scheduled. The index continued its downward slide, falling 0.5% to 798 points. The price index of all types of ships fell across the board without exception. The composite index of dry bulk carriers, CNDPI, fell 0.5% to 821 points; the tanker composite index, CNTPI, fell 0.4% to 853 points and the containership composite index, CNTPI, fell 0.5% to 831 points. New bulker orders for March remained sparse, with price indinces remained under pressure. Indicatively, according to China Newbuilding Price index, Kamsarmaxes balances at $26.66 mio. At the same times as Ultramax index was lingering at $25.14 mio.

On the secondhand front, the Supramax ‘African Kingfisher’ (55K, Kawasaki, Japan, 2009) is said to be on subs in the low $10s to Indonesians (who have been relatively active in recent weeks) with Special Survey and BWTS fitting both due imminently. Likewise, the slightly larger but 1-year older ‘Yvonne’ (57K, IHI Yokohama, Japan, 2008) was mentioned to be on subs to Vietnamese buyers at a logically lower $9,5 mio. The pattern of ships being reported as 'on subs' versus out rightly sold seems to have emerged as a result of the ambiguity surrounding the COVID conundrum and the impact it is having on the negotiation and sales processes and their conclusions; i.e., possibilities for inspections and delivery ports, crew changeovers, inter alia.

The sole sale representative for the Handysize segment was rumored to be the OHBS ‘Clipper Kamoshio’ (32K, Kanda, Japan, 2009). She purportedly achieved levels in the low 7s (circa $7.2-7.3 mio), and in all likelihood her suitors are Greeks.

The slightly larger, Korean-built ‘Baltic Wind’ (34K, SPP, 2009) recently fetched a figure in the high $7s with Special Survey freshly passed and Ballast water treatment system fitted, so the former falls in line with 'last dones'.

Reported Recent S&P Activity							
Vessel Name	DWT	Built	Yard/Country	Price $Mil.		Buyer	Comments
Great Navigator	176,303	2006	Universal/Japan		14	Undisclosed buyers	BWTS fitted/on subs
Great Challenger	176,279	2005	Universal/Japan		14	Undisclosed buyers	
SBI Bolero	81,210	2015	Hudong-Zhonghua/China		18.5	Greek buyers	
Olympic Galaxy	81,383	2009	Universal/Japan		13.75	Undisclosed buyers	BWTS and SS/DD passed
Medi Hong Kong	82,790	2006	Tsuneishi/Japan		9.25	Undisclosed buyers	
Coral Amber	78,072	2012	Shin Kurushima/Japan	mid	14	Undisclosed buyers	BWTS fitted/ SS passed
Harvest Peace	74,193	2002	Namura Imari/Japan		6.3	Chinese buyers	
Ocean Pride	72,416	1997	Sasebo/Japan		4.4	Chinese buyers	DD dues in June
Evermerit	69,045	1995	Sumitoko HI/Japan		3.7	Undisclosed buyers	
Adventure III	62,534	2019	Oshima Shipbuilding/Japan		26.3	Undisclosed buyers	C 4 x 30
Bari Bird	63,479	2017	Imabari/Japan	mid	24	Undisclosed buyers	C 4 x 30.7/part shares-part cash deal/old sale
SBI Jaguar	63,514	2014	Chengxi/China		17	Undisclosed buyers	C 4 x30
Cygnus Ocean	58,609	2013	Nacks Shipyard/China		13.25	Undisclosed buyers	C 4 x 31
African Kingfisher	55,476	2009	Kawasaki/Japan		9.7	Undisclosed buyers	C 4 X 30/on subs bss ppt dely/BWTS & survey due
Torenia	56,049	2007	Mitsui Tamano/Japan	mid	9	Undisclosed buyers	C 4 x 30
Vigorous	52,498	2005	Tsuneishi/Japan		7	Undisclosed buyers	C 4 x 30
Luzern	50,363	2002	Kawasaki/Japan		5.6	Undisclosed buyers	C 4 x 30
Audacious	46,683	2004	Shin Kurushima Toyohashi Shipbuilding	low	6	Undisclosed buyers	C 4 x 30
Alexandros Theo	45,659	2000	Tsuneishi HI/Japan		3.9	Chinese buyers	C 4 x 30 / survey's due
Nordic Barents	43,732	1995	Daewoo HI/S.Korea		4.5	Russian buyers	C 4x25
Ultra Tolhuaca	37,429	2015	Oshima Shipbuilding/Japan		17	Japanese buyers	C 4 x 30/ Sale & Lease back
Clipper Kamoshio	32,225	2009	Kanda Kawajiri/Japan	low	7	Undisclosed buyers	C 4 x 30.5
Shah	36,490	2010	Hyundai Mipo/S.Korea	high	8	Undisclosed buyers	C 4 x 30/SS due in October
Apuana D	31,962	1998	Saiki HI/Japan		3.45	Chinese buyers	C 4 x 30
Martigny	20,035	2002	Inp HI/Japan	high	2	Undisclosed buyers	C 3 x 30