Insight.. and perspective.

Shipping since 2020 has been shaped by events more than we have been used to . The Dry bulk market is no exception with Covid-19 , the Russian invasion of Ukraine and the Middle East conflict major waypoints on how the environment unfolded. So called 'fundamentals' gave way to outside factors which have reshaped them in the process.

Covid-19 set the pace with its logistical complications and the demand boost from a change in global consumption patterns. Unprepared for such a wild event, the dry bulk market felt the supply and demand squeeze to its core lifting rates sharply as from mid 2020 and for the next two years.

The Russian invasion of Ukraine in February 2022 was another 'Black Swan' event which brought about heightened war risks and change in Some trade patterns. Changes in commodity patterns by trade disruptions to and from Ukraine coupled with western sanctions on Russia, have had an increased tonne-mile demand effect for bulk carriers.

At about the same time though, the positive effects on rates from the pandemic started to unwind as consumption patterns normalized and global inflation took its toll on consumers. Logistical bottlenecks eased and the supply of bulkers regained it's former fluidity . The large buildup in inventories of commodities and manufactured goods from the earlier Covid-19 conditions started to be drawn down and this was a negative for international trade. As a consequence, from mid 2022 for the next 12 months the market slumped with charter rates for bulkers falling by 50-70% from earlier heights. As from mid 2023 the market started to improve as China's late re-opening from the pandemic restrictions finally started to bear on international trade.

In October of 2023, Hamas shocking attack on Israel was the third unforeseen event impacting the dry bulk market mostly from strikes on commercial shipping transiting the Red Sea by the Houthis of Yemen. With about 15% of global trade and about 20% of container trade passing through the Red Sea re-routing via the Cape of Good Hope has already taken place resulting in increased voyages on major trade lanes. With an estimated 66% drop in transits a 13.5% incremental tonne-mile effect for containers has accrued, whereas for bulkers a 50% drop in transits has yielded an estimated 4% incremental tonne-mile in the last 12 months.

In addition to these geo-economic events, weather conditions brought about disruption to international trade and the bulk carrier market. Most prominent was the effect of abnormally low rainfall in the May-Dec 2023 rain season in Central America reducing the water levels of the Panama Canal. The result was inadequate water to service the lock system required for lifting ships in their transit through the canal.

Now looking ahead, the supply side of the orderbook for bulk carriers has been fairly modest now at about 9% of the current fleet.
On the demand side there are many factors which are being watched, not least of which whether the Red Sea and/or Ukrainian situation normalize, the outcome of the USA election and trade implications thereof, as potential swings of the pendulum.

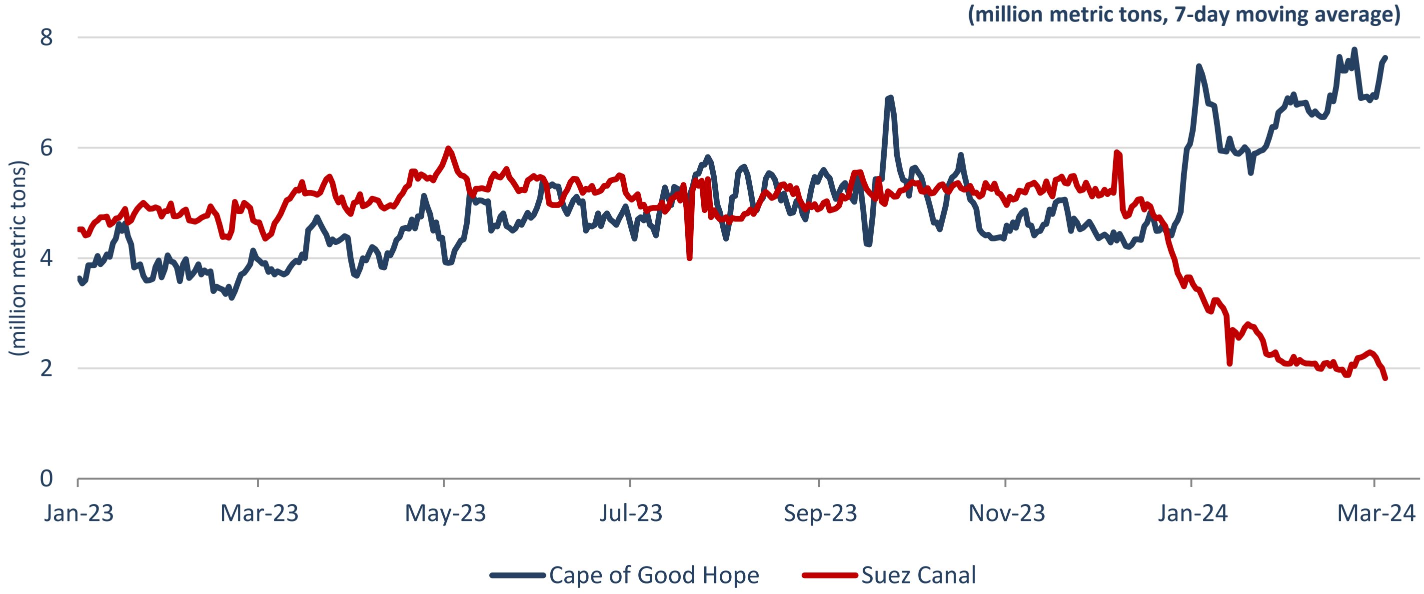
This is the backdrop, but reliance on such insight needs to be measured against 'events' to occur, some of which will end up as 'black swan' , and how these affect the landscape as they have done so materially in the last years.

So called 'fundamentals' gave way to outside factors which have reshaped them in the process.

Trade disruptions - Daily transit trade volume

(million metric tons, 7-day moving average)

Source: UN Global Platform, IMF PortWatch, Doric Research



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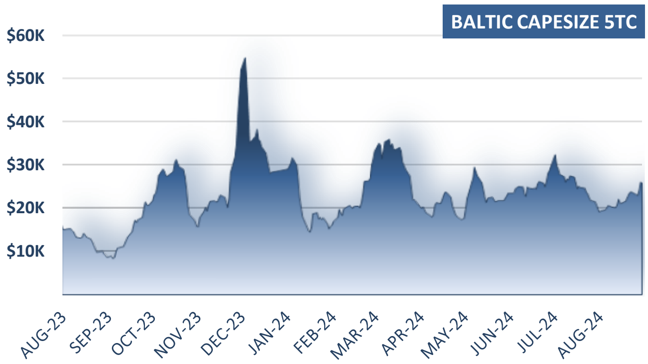
Capesize

The Capesize market carried on a positive note with the Time Charter Average closing the week 8.3 percent higher at $27,832 daily.



Pacific

In the Pacific commodity news, iron ore prices hit their lowest in over a year on Wednesday due to growing concerns about China's struggling steel industry. In Singapore, futures dropped 1.7% to $92 per ton, marking four straight days of losses. Similarly, the most traded January iron ore contract on China's Dalian Commodity Exchange fell 3.09% to 689.5 yuan ($96.95) per ton, the lowest since August 22, 2023. Analyst Chen Guanyin from Mysteel Global noted that iron ore supply is expected to keep increasing, and whether prices fall further will depend on a strong recovery in steel demand. In terms of total inventories Mysteel's weekly report on China's 45 major ports revealed that iron ore inventories reached 154.1 million tonnes by September 5, the highest since April 2022, with a slight increase of 365,700 tonnes or 0.2% from the previous week. However China's domestic iron ore output still remains on the very low end. In the spot market, the C5 route saw a 5.2 percent week-on-week increase, trading at $11.890 per metric ton, whilst the C10_14 time charter route rose by 9.5 percent to $30,991 per day.

For this run, Rio Tinto covered 170,000/10 stem from Dampier 21-23 Sept to Qingdao at $11.40 per metric tonne, and further south, 'TBN was fixed for 170,000/10 stem from Saldanha Bay 20-24 Sept to Qingdao at $20.69 per metric tonne with Ore and Metal.

Atlantic

In the Atlantic, during August, Brazil exported 34.3 million tonnes of iron ore, marking a 12.7% decrease from July and the first monthly drop since April, according to Comex Stat. The export volume was also 8% lower than in August 2023. Shipments to China, Brazil's largest iron ore buyer, fell by 6.4% to 26.3 million tonnes, breaking a four-month growth streak. However, despite the decline, shipments to China represented a higher share of Brazil's total iron ore exports. In the spot arena, the Tubarao/West Africa route C3 retreated by 1.3% W-o-W concluding at $27.630 per metric tonne. For this route, the 'NBA Peace' (174,766 dwt, 2004) was fixed from Tubarao option West Africa 10-15 Oct to Qingdao at $27.25 with ECTP. The North Atlantic Transatlantic (TA) market gained momentum for another week, with the C8_14 route increasing by 19.9 percent W-o-W to $23,714 per day, whilst fronthaul routes ended the week 7.8% higher at $57,063 per day. For a bauxite run, Koch was heard to have taken the 'Pacific North' (180k/11) to load from Kamsar 2-8 Oct for a trip to Yantai at $27.40 per metric tonne.

No period deals reported this week.

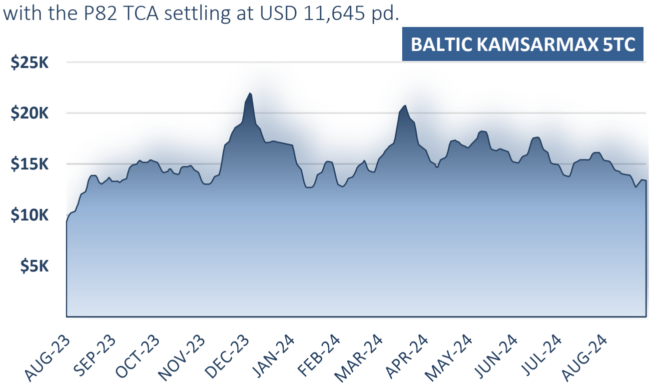
Analyst Chen Guanyin from Mysteel Global noted that iron ore supply is expected to keep increasing, and whether prices fall further will depend on a strong recovery in steel demand.

Representative Capesize Fixtures

Vessel Name	Loading Port	Laydays	Discharge Port	Freight	Charterers	Comment
TBN	Dampier	21-23 Sept	Qingdao	$11.40	Rio Tinto	170,000/10
TBN	Saldanha Bay	20-24 Sept	Qingdao	$20.69	Ore & Metal	170,000/10
NBA Peace	Tubarao opt W.Afri	10-15 Oct	Qingdao	$27.25	ECTP	170,000/10
Pacific North	Kamsar	2-8 Oct	Yantai	$27.40	Koch	

Panamax

The exsanguinating Panamax market seems to have found a hemostat in the Indonesian coal cargoes this week, which buoyed the Far East routes and prevented tonnage from ballasting to an anaemic Atlantic. In the premises the weekly increase of 1,7% can be considered as a positive sign with the P82 TCA settling at USD 11,645 pd.



Pacific

In the Pacific commodity news, China has increased domestic coal production and imports to record levels, even as hydro and solar power have reduced coal-fired generation during the summer heatwave. Coal remains vital for reliable electricity, especially in winter when hydro and solar output drops, making the energy system heavily reliant on coal, which supplies over 75% of electricity during the colder months. To prevent winter power shortages, coal inventories are being built up. In July 2024, coal production reached a record 390 MMT, while coal imports also hit a high at 296 MMT for the first seven months of 2024, compensating for slower output from Shanxi. The country's electricity demand peaks in both summer (driven by air conditioning) and winter (driven by heating), but coal use is more crucial in winter due to reduced hydro and solar power. To ensure energy reliability, coal stocks are essential for the winter months when renewable energy generation is lower. On the fixtures front, the week closed with a steady rise, particularly driven by the Indonesian coal market. This uplift also assisted Australia and No Pac rounds experience a positive shift after an extended period of negativity. The P3A_82 HK-SKorea Pacific/RV and the P5_82 S. China Indo RV recorded gains of 12% and 6.2% respectively. On NoPac, 'Taho Australia ' (81,788 dwt, 2019) was reported at $15,500 delivery CJK for a trip with direction Singapore - Japan. On Australian rounds, 'Basic Star' (81,947 dwt, 2024) was reported at $15,000 delivery Mizushima for a trip to Japan with Messrs Jera. As far as Indonesian fixtures, 'Konkar Venture' (82,099 dwt, 2015) opted for a coal run to India with Messrs Oldendorff at $9,100 pd with delivery Taichung.

Atlantic

In the Atlantic commodity news, in August, Brazil's soybean exports dropped by 4%, and corn exports fell by 35% compared to the same month last year, according to customs data. However, for September, soybean exports are expected to rise slightly to 5.6 million tonnes (MMT), up 1.4% from the previous year. Corn shipments, on the other hand, remain low in comparison to last year's levels, as per the Brazilian grain exporters association Anec. Meanwhile, US soybean export sales have hit a historic low as the 2024/25 marketing year begins, driven by a strong US dollar, slowing global economic growth, and uncertainties around US trade policies. The low sales, especially to China, follow record imports from Brazil. However, CoBank economist Tanner Ehmke believes several factors could reverse this trend, such as a smaller South American soybean harvest, rising European demand for non-deforested soybeans, a potential recovery in China's economy, and possible US interest rate cuts. These factors could help boost US soybean exports later in the year. On the fixtures front, the staple P6 route, on Friday, recorded the first improvement since the 16th of August. However the route recorded a drop of about 3.3% W- o-W settling at $12,605 pd. The scrubber fitted 'Darya Shanti' (82,028 dwt, 2016) was fixed from South Vietnam for a grain trip via ECSA with NCSA and USG options back to to Singapore-Japan at $16,500 pd with the scrubber benefit for Charterers. From the North, the routes reflect a rather distressed situation, with a continuous decline persisting. The P1 Transatlantic route recorded double digit decline of 13.8% concluding the week at $7,655 pd. Indicatively, 'Panstar' (76,629 dwt, 2005) agreed $16,000 with APS delivery Southwest Pass for a grain haul via the Mississippi to Skaw-Barcelona range. The P2 fronthaul route observed milder losses of 6.1% W-o-W, closing at $21,132 pd.

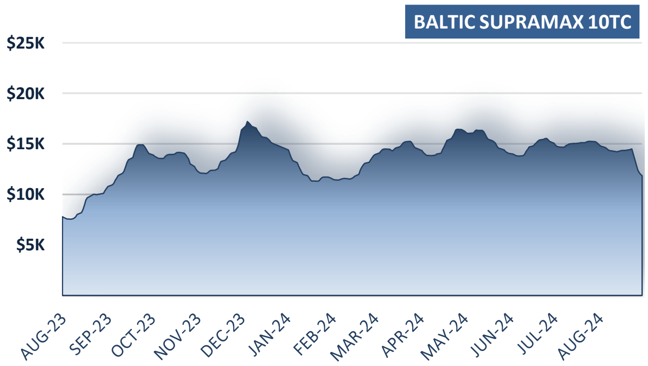
Period activity remained rather tepid but with the FFA resisting to further losses some deals were struck. 'MSXT Athena' (81,723 dwt, 2018) secured 5-7 months of employment with Messrs Axiom Womar at $14,900 pd basis delivery at Huanghua.

US soybean export sales have hit a historic low as the 2024/25 marketing year begins, driven by a strong US dollar, slowing global economic growth, and uncertainties around US trade policies.

Representative Panamax Fixtures								
Vessel Name	**Deadweight**	**Year Built**	**Delivery**	**Laycan**	**Redelivery**	**Rate**	**Charterers**	**Comment**
Taho Australia	81.788	2019	CJK	09 Sept	Singapore - Japan	$15.500	cnr	via NoPac
Basic Star	81.947	2024	Mizushima	05 Sept	Japan	$15.000	Jera	via Australia
Konkar Venture	82.099	2015	Taichung	31 Aug	India	$9.100	Oldendorff	via Indonesia
Darya Shanti	82.028	2016	Phu My	04 Sept	Singapore - Japan	$16.500	cnr	via ECSA (scrbr fr Charts
Panstar	76.629	2005	New Orleans	15 Sept	Skaw - Barcelona	$16.000	cnr	
MSXT Athena	81.723	2018	Huanghua	13 Sept	ww	$14.900	Axiom Womar	5-7 mos

Supramax

The Supramax segment experienced continued softening across most regions this week, with some positive exceptions. The US Gulf and South Atlantic markets remained weak, while Southeast Asia and the Pacific showed slight improvement. A notable transition on the Baltic Supramax Index occurred on the last trading day of August, after a long trial period, with the BSI now assessed based on a 63,000 dwt Ultramax instead of the previous 58,000 dwt Supramax. The BSI 11 TCA decreased by 3.2% week-on-week, closing at $15,929.



Pacific

In the Pacific, the BSI Asia 3 TCA closed with a 2.1% rise, finishing at $14,963. Activity in the Far East saw moderate gains, with fixtures such as the 'Eagle' (58,018 DWT, 2010) fixing from Zhoushan to West Africa with steel at $14,500 daily for the first 60 days, then $16,000. In Southeast Asia, the 'DSI Polaris' (60,404 DWT, 2018) fixed from Koh Sichang via Indonesia to China at $14,750, while the 'Savita Naree' (62,971 DWT, 2016) fixed to Bangladesh at $15,250 for clinker. The Indian Ocean showed some activity with the 'NSM Arkadia' (56,348 DWT, 2012) fixing from Fujairah to Bangladesh at $14,750 daily. In South Africa, the 'Ning Jing Hai' (63,573 DWT, 2017) secured $18,000 plus a $180,000 ballast bonus for a trip from Saldanha Bay to China with manganese ore.

Atlantic

The Atlantic market remained weak, with the US Gulf and South Atlantic struggling due to limited fresh demand. Few fixtures were reported, with the 'V Noble' (50,433 DWT, 2011) fixed via Sierra Leone to China at $14,500 APS Dakar. In the Continent-Mediterranean, tonnage availability outpaced demand, with the 'Sheng Heng Hai' (56,649 DWT, 2013) fixing from Otranto to West Africa at around $11,000 APS. Softness persisted throughout the week, with growing vessel lists and minimal fixing activity.

Period market activity showed resilience despite the subdued sentiment. The 'Belisland' (61,252 DWT, 2016) fixed for 12-14 months at $15,500 daily, with delivery in China. Additionally, the 'Andreas K' (56,729 DWT, 2011) locked in a deal from Campha for 2-3 laden legs, redelivery in the Arabian Gulf-Japan range at $14,500 daily. The FFA market saw corrections, with September 2024 dropping by $792 to $13,908/day, Q4 2024 softening by $681 to $14,142/day, and Cal 2025 falling by $312 to $12,646/day, reflecting weaker sentiment across the forward curve.

Period market activity showed resilience despite the subdued sentiment.

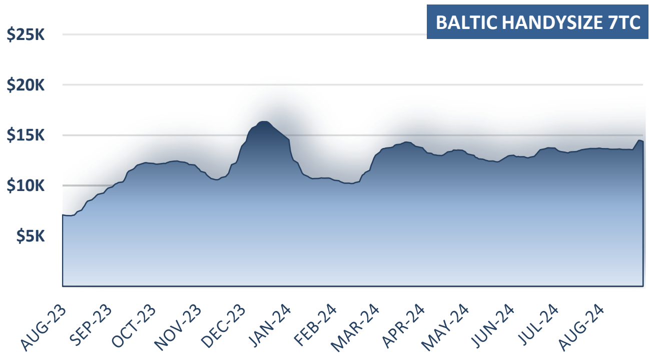
Representative Supramax Fixtures

Vessel Name	Deadweight	Year Built	Delivery	Laycan	Redelivery	Rate	Charterers	Comment
Eagle	58.018	2010	Zhoushan	prompt	Wafrica	$14,500x65 / $16,000	cnr	
Savita Naree	62.971	2016	Koh Sichang	prompt	Bangladesh	$15,250	cnr	clinker
NSM Arcadia	56.348	2012	Fujairah	prompt	Bangladesh	$14,750	cnr	
Ning Jing Hai	63.573	2017	Saldanha Bay	prompt	China	$18,000+$180k BB	cnr	mang ore
V Noble	50.433	2011	Dakar	prompt	China	$14,500	Guardian Bulk	
Belisland	61.252	2016	China	prompt		$15,500	Fednav	period 12/14 months
Andreas K	56.729	2011	Campha	prompt	Arabian Gulf-Japan	$14,500	Drydel	2-3 laden legs

Handysize

The end of summer for the Handysize.

With summer coming to an end and the schools back in action, we also hope stability of 'normal life' will also return in the market. We hope but the early signs are again somehow against that. Election year in US, grain crops in Europe are expected to be worse than initially calculated due to extreme heat and draught, and in South America situation not far different. The only things that are somehow 'supporting' the market are the disruptions in trade, whether that is Houthis or Ukraine/Russia conflict and sanctions. September came and the long awaited 'rebound' from the summer ease, so far is not here. To the contrary in the first week the handy market dipped even lower. The 7TC Average lost 2.7% W-o-W closing the week today barely over the $13,000 mark.



Pacific

The Pacific lingered between flat, slow and stagnation. The week started quiet with levels holding steady in search of direction, but this quickly evolved in a slow slide with sentiment softening across the area. Logically all 3 routes lost some ground, all of them are in the $13,000's today and their average lost 2.1% W-o-W. South East Asia could obviously not be any different with this climate and actually lost the most ground. The week started with little visible activity, which numbed the market further and when the realization came that available tonnage was increasing the numbers soften even further. Australian tonnage list also is on the rise and with limited fresh cargoes on over expectation is that the slip of the market will continue into next week. Sentiment remains soft. Further to the North, the slim order book was enough to push the rates lower, although the prompt/spot tonnage list was not that long. The dip in the market here was not as pronounced due to this fact but the end result was similar nevertheless. Backhaul trips are still in good supply which still produces relatively good numbers for Owners who want to take the punt on the Atlantic. Sentiment remains rather soft for next week. Indian Ocean and Persian Gulf was rather slow this past week, with only a handful of steel tenders appearing from the East Coast India, but results were not visible yet. It seems the area is going into another slow spree and still under monsoon season. Let's see if this trend continues next week.

Atlantic

A slow week came to an end in the Atlantic market with all routes moving negatively. On average the 4 routes lost 2.5% W-o-W which lays out the pallet of colours spread in front of Owners. ECSA had the biggest loss with the route breaking the $16,000 mark or $1,100 lower than the beginning of the week. Some brokers commented that the route might be a bit over the top on what is on offer from Charterers. Cargo supply is low and signs show that it will continue to be low the next week. We are in search of a mood changer. The USG market on the other hand although lost some ground, managed to hold on close to last week's levels. Right now HS4 has the highest value of the whole lot and 'by a mile' in some cases. The tonnage count is still slim, but the 'threats' of ships willing to ballast across from the Continent added some negativity in a subdued otherwise market. Sentiment for next week, and the rest of September as a matter of fact, was positive but some cracks starting to appear on its glossy façade lately. On the Continent activity was rather slow and the tonnage list kept growing putting a lot of pressure on the rates. Russian Baltic cargoes are in steady supply but the spreads paid are also getting thinner it seems. Sentiment for next week is slightly softer still. Similar, if not worse, was the situation in the Med. It feels as if the summer is not over yet. Owners with spot ships are struggling to keep the discussions with Charterers going. Some Owners even commented that they saw supra tonnage competing with them for cargoes. Russian and Ukrainian cargoes are still in very low supply worsening the Owners' positions to negotiate. Sentiment remains rather negative still.

Period activity was muted and the fixtures that surfaced this week were from the past week. Such was the 'Esra C' (33,257dwt, 2008blt) which fixed her balance of period till mid-December at $11,000 from Jorf Lasfar.

We are all hoping to see the usual good September market.

Representative Handysize Fixtures								
Vessel Name	Deadweight	Year Built	Delivery	Laycan	Redelivery	Rate	Charterers	Comment
Ricarda	39.949	2015	SW Pass	prompt	Turkey	$19,000	Martrade	via China
Action Trader	39.481	2017	Houston	prompt	Nigeria	$18,500	Sea Pioneer	grains
Erhan	38.695	2013	SW Pass	prompt	Tunisia	$17,000	Swire	grains
Union Groove	35.064	2012	SW Pass	prompt	Atl. Colombia	$17,000	Norvic	grains
CS Jaden	38.101	2013	Atl. Colombia	prompt	Poland	$17,500	Cetus	coal
Lady Litel	33.789	2013	Skaw	prompt	Luanda	$12,500	NMC	grains via Baltic

Sale & Purchase

As the first week of September comes to a close, market activity is still a bit subdued. There seems to be interest in mid-aged Handysize BCs. The year has so far seen healthy levels of interest in younger handies. But with firm prices for ships in this segment, handy 'hunters' seem to be adopting the same strategy as Supramax 'seekers', i.e. turning their attention to slightly older and therefore cheaper alternatives. A number of fresh Kamsarmax have hit the market recently - old ships as well as younger vessels. The same can be said for the Ultramax segment, where there seems to be a noteworthy bustle in both supply and demand. A good portion of shipping asset holders is more readily sellers than they are buyers, given the firm prices we are seeing across the board. They know all too well how expensive it is to acquire ships in the current market. On the selling side, shipowners are in the pleasant position of having high expectations on price, and in many cases they are getting close to their asking prices. Buyers, on the other hand, are fighting a bit of an uphill battle, especially where there is competition. Both buyer and sellers are latching on to 'last dones', the former always quick to reference any sales that reflect the latest minimum price within a segment (usually Chinese blt ships or ships with inferior specs). Sellers conversely are quoting transactions that are setting the bar (higher). In a market still searching for its identity, both sides of the bargaining table are looking for leverage wherever they can find it.

Looking to this week's reported activity, the "Cape Azalea" (208k, Nacks, China, 2012) was reported sold in the low $38s mio to Greek buyers with SS due August 2027 and DD due August 2025. Chinese buyers paid mid-$12s mio for the "Lila Lisbon" (176.4k, Universal, Japan, 2003) basis SS/DD due. The "C. Vision" (173.7k, Bohai, China, 2008) changed hands for low $19s mio with no further details regarding the buyer's nationality. The ice class 1C "Golden Ruby" (74k, Papavav, India, 2014) found a new home for $21 mio. Representing geared tonnage, the "Jag Rani" (56.8k, Cosco Zhoushan, China, 2011) fetched $14 mio from unnamed buyers. In Handysize news, the "African Egret" (34.3k, Namura, Japan, 2016) was reported sold in themed-to-high $21s mio.

A good portion of shipping asset holders is more readily sellers than they are buyers, given the firm prices we are seeing across the board.

Reported Recent S&P Activity

Vessel Name	DWT	Built	Yard/Country	Price $Mil.		Buyer	Comments
Cape Azalea	208.025	2012	Nacks/China	low	30	Greek buyers	
Herun Global	181.056	2016	Sws/China		49.5	Greek buyers	
C. Vision	173.723	2008	Bohai/China	low	19	Undisclosed buyers	
Pontotriton	177.947	2007	Sws/China	low/mid	23	Kaishun Shipping	
Lila Lisbon	176.423	2003	Universal/Japan	mid	12	Chinese buyers	SS/DD due
Kristian Oldendorff	82.143	2024	Jiangsu New Hantong/China		40.9	Undisclosed buyers	
Xing De Hai	82.204	2017	Oshima/Japan		37	Indian buyers	
Nord Penguin	81.841	2015	Oshima/Japan		30.5	Greek buyers	SS due 01/25
Livia Rose	81.828	2018	Tsuneishi Zhoushan/China	mid/high	35	Undisclosed buyers	
Theresa Guangdong	81.905	2012	Jiangsu Eastern/China				
Theresa Hebei	81.707	2012	Jiangsu Eastern/China		57.6	Chinese buyers	
Theresa Jilin	81.610	2012	Jiangsu Eastern/China				
Rosco Poplar	82.331	2008	Oshima/Japan	mid	17	Undisclosed buyers	
Golden Ruby	74.052	2014	Papavav/India		21	Undisclosed buyers	Ice class 1c
Star Iris	76.466	2004	Tsuneishi/Japan	low	13	Undisclosed buyers	
Seacon Athens	63.290	2019	Nantong/China	low	32	Chinese buyers	
Century Zhenghou	63.550	2024	Nantong/China	low	38	Undisclosed buyers	Resale
Great Spring	61.438	2017	Dacks/China		27.8	Chinese buyers	Online bidding platform
Dolce Vita	61.616	2012	Oshima/Japan	mid	23	Chinese buyers	SS due 09/27, DD due 01/26
Sania	57.011	2010	Qingshan/China	low/mid	12	Undisclosed buyers	
Jag Rani	56.819	2011	Cosco Zhoushan/China		14	Undisclosed buyers	
Tai Hunter	55.418	2007	Oshima/Japan	high	14	Chinese buyers	
Monica D	52.478	2001	Shin Kurushima/Japan	high	7	Undisclosed buyers	
Maestro Emerald	39.830	2020	Saiki/Japan		30	Turkish buyers	Ohbs
Bunun Glory	37.046	2015	Saiki/Japan		21.5	Turkish buyers	Ohbs
Cielo Di Tampa	39.202	2016	Yangfan/China	region	23	Undisclosed buyers	
Sea Smile	38.109	2012	Shimanami/Japan		17	Undisclosed buyers	
African Egret	34.370	2016	Namura/Japan	mid/high	21	Undisclosed buyers	
Floriana	33.862	2012	21st Century/S.Korea		14	Greek buyers	
Cs Caprice	30.465	2010	Tsuji/China	high	10	Undisclosed buyers	
Ince Evrenye	28.207	2013	Imabari/Japan		pnc	Undisclosed buyers	

The reported fixtures and S&P deals are obtained from market sources.