

Weekly Market Report

Week 11/2019 (11 March – 15 March)

Comment: Canadian canola exports

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Canadian canola exports

Last week, China cancelled Canadian agribusiness Richardson International's registration to ship canola to China. Richardson is one of Canada's largest grain handlers.

There were already reports last month that Canadian canola shipments to China had been unusually slow to clear customs. Customs officials have now confirmed that canola shipments from Canada will undergo more thorough inspections in China over fear of 'harmful organisms'.

Many people have been quick in linking this to the festering dispute between China and Canada following the arrest of Huawei executive Meng Wanzhou.

If this is indeed the start of a new 'trade war' between Beijing and Ottawa, this could have significant repercussions on oilseed and grain trade.

Canada is the world's second largest producer of canola after the EU, and by far the largest exporter of canola seeds.

According to the USDA, Canada exported 11.8 mln tonnes of canola seeds in the 2017/18 marketing year, accounting for at least three quarters out of a global export total of 16.1 mln tonnes.

The EU is the world's largest producer of canola, but still manages to run a shortage, importing 4 mln tonnes in the 2017/18 marketing year.

China is by far the largest market for Canada's canola. In the first 11 months of 2018, Canada exported 9.2 mln tonnes of canola seeds, of which almost half (4.2 mln tonnes) went to China. Other destinations were Japan (2.1 mln tonnes), Mexico (1.2 mln tonnes), USA (0.6 mln tonnes), Pakistan (0.5 mln tonnes).

In the first 11 months of 2018, Canada exported also 2.99 mln tonnes of canola oil, of which 1.1 mln tonnes to China and 1.6 mln tonnes to the USA.

So it seems there are very few real alternatives for China to substitute Canadian canola...

It is really curious as well that any clampdown on canola comes at the same time when China is already hitting on other oilseeds (soybeans).

Further confusion and disruption on the China-Canada trade front is obviously unhelpful, but remains just a side show. The 4.2 mln tonnes of canola seeds China imported from Canada in small stuff, in comparison for example with the 18-20 million tonnes per year of soybeans that China imports every year from the USA....

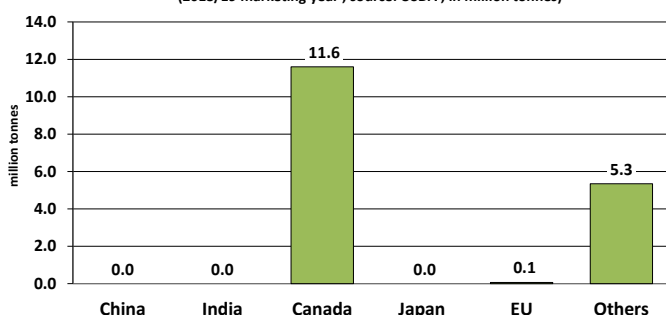
It will be interesting to see also if the Beijing-Ottawa spat could expand to other commodities.

In terms of other agricultural exports, Canada is the world's third largest exporter of wheat, after Russia and the USA, accounting for 13 percent of global wheat exports. However, China is NOT a big importer a wheat. In 2018 China accounted for just about 6 percent of Canada's wheat exports (the 7th largest destinations for Canadian wheat exports).

If the spat with Canada was to extend to wheat, it should arguably be relatively easy to circumvent through a reshuffling of trades – perhaps more Canadian exports to Japan and North Africa, and more exports from Russia/Ukraine to China, with marginal impact on tonne-miles.

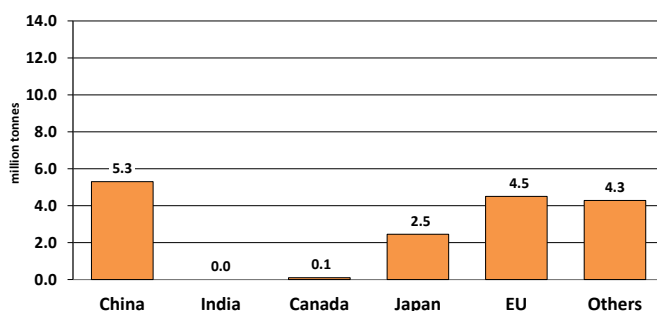
Canola Seed Exports

(2018/19 marketing year ; source: USDA ; in million tonnes)



Canola Seed Imports

(2018/19 marketing year ; source: USDA ; in million tonnes)



Capesize Market

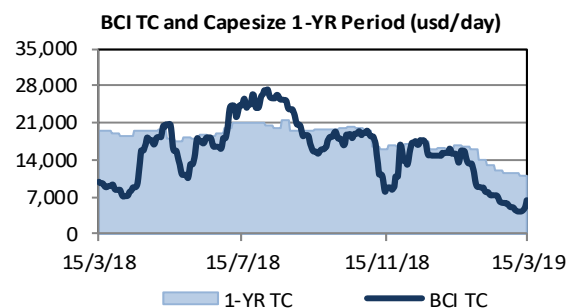
After several weeks of depressing market, rates recovered a bit in the Pacific amid general uncertainty. The West Australia/Qingdao route gained \$1/mt from Monday to Friday, quite progressively, closing with a rate of \$6.19/mt basis end March dates.

The Saldanha bay/Qingdao market ended in the region of mid/low \$9's/mt, while on the Tubarao/Qingdao route rates remained stable in the highs \$11's/mt with very few cargoes appearing in the market.

In the Atlantic rates on the Bolivar/Rotterdam route reached \$7/mt level for early April dates.

Rates

	Unit	15-Mar	08-Mar	W-o-W	Y-o-Y
BCI TC Avg.	usd/day	6,387	4,236	+50.8%	-35.3%
C8 Transatlantic r/v	usd/day	6,400	4,575	+39.9%	+2.1%
C14 China-Brazil r/v	usd/day	5,814	4,359	+33.4%	-50.6%
C10 Pacific r/v	usd/day	8,117	3,429	+136.7%	-30.0%
1 Year TC Period	usd/day	11,000	11,500	-4.3%	-43.6%



Panamax Market

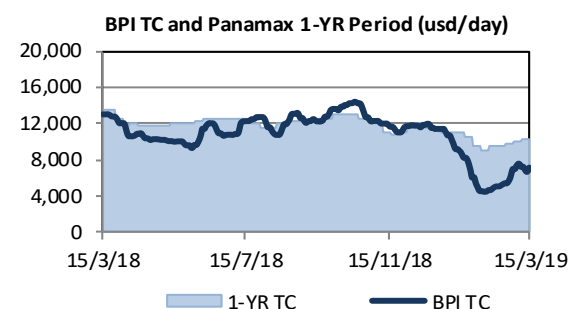
At the end of last week market was very healthy especially in ECSAm, where rates kept strong levels and reached the highs \$14,000's/d + highs \$400,000's gbb on good described Kamsarmaxes for loadings in the first half of April. Some ships open in Cont or Med started to ballast towards this area but the added tonnage offer didn't affect the rates' rise .

On the other hand, North Atlantic didn't see any sign of improvement and again many vessels had to reach loading ports with no ballast bonus and fixing on "aps" basis.

Pacific market was still busy with rates improving in the Northern basin especially on grain trades, while coal trades from Indonesia were showing still large shipments towards India, Korea and China.

Rates

	Unit	15-Mar	08-Mar	W-o-W	Y-o-Y
BPI TC Avg.	usd/day	7,108	7,195	-1.2%	-45.3%
BPI 82 TC Avg.	usd/day	8,876	8,962	-1.0%	-39.1%
P1 Transatlantic r/v	usd/day	5,115	5,150	-0.7%	-62.7%
P2 Skaw-Gib Trip East	usd/day	12,923	12,877	+0.4%	-34.2%
P3 Pacific r/v	usd/day	8,021	8,409	-4.6%	-40.7%
1 Yr TC Period Panamax	usd/day	10,250	10,000	+2.5%	-24.1%
1 Yr TC Period Kamsarmax	usd/day	11,750	11,500	+2.2%	-21.7%



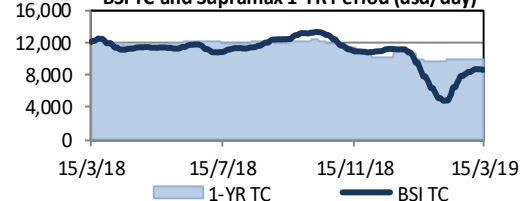
Supramax & Handysize Market

US Atlantic South America	Market kept steady levels in USG. For Atlantic businesses, Supramax were achieving still \$10,000/11,000/d and Ultramax the usual \$2,000/d difference, while for grains or petcoke to East Supramaxes' fixtures were agreed in the mids \$15,000's/d with a \$2,000/3,000/d premium on Ultramaxs depending on cargo. Handysizes market was stable with 32/35,000 dwt fixing at \$7,000/8,000/d depending if grains or petcoke and larger 37/39,000 dwt in the range of \$8,500/10,000/d. In ECSAm, market started to improve again thanks to the increased number of grains cargoes, and for T/A trips the Handysizes were fixing around \$9,750/10,000/d, while trips FEast went from \$14,000/d to \$14,500/d. Trips via ECSAm to Cont/Med recorded tick better numbers around \$11,000/d for Supramaxes and around \$13,000/d for Ultramaxs, while for trips to FEast were around \$12,750/d + \$275.000 bb mark for Supramaxes and steady at \$14,000 + \$400,000 bb for Ultramaxs.
N Europe Mediterranean	Cont market for Handy/Supramaxes kept steady levels. One of the few reported fixtures was about a modern 42,000 dwt rumored to have agreed around \$6,000/d bss dely Cont for one TCT to USG with steels, while on the same route another modern Supramax was rumored to have fixed around \$5,500/d basis dely Cont. One Charterer showed ideas on big Supramaxes (58,000 dwt) or Ultramaxs (63,000 dwt) at \$8,500/d bss dely passing Skaw for one trip with scrap redely EMed, while Owners were asking \$9,500/d. In Med, Handy/Supramax market slightly weakened last week: Handysizes were getting numbers in the region of \$4,000/d for trips to Cont via BILSea, while for trips to WMed some voyages were fixed with time charter equivalent under \$4,000/d. On Supramaxes, front hauls with grain were paying around \$13,000/d bss dely Canakkale, after the peaks close to \$17,000/18,000/d reported a couple of weeks ago.
India S Africa	Market was firming up last week thanks to a good amount of cargoes. Early in the week a 56,000 dwt was fixed bss dop WC India at \$9,500/d for trip via UAE to EC India with limestones, while on the same trade, towards the end of the week a Dolphin57 was fixed at \$11,000 dop MEG port from UAE to WC India. From WC India, a 55,000 dwt was reported fixed to Bangladesh at \$10,500/d for trip with aggregates, while a 58,000 dwt was heard to have fetched similar numbers for same business bss dop WC India. A 56,000 dwt open Kandla was understood to have agreed \$10,000/d dop for trip to SE Asia. Market remained strong in S Africa, where a 63,000 dwt was fixed aps Port Elizabeth to China at \$12,500/d + \$250,000 bb and, for similar trip, a 50,000 dwt got \$10,250/d + \$150,000 bb.
Far East Pacific	Supramax market started a progressive rates drop last week. The inquiry was larger, as is customary, for spot shipments from SE Asia to China with an initial report for a 56,000 dwt Dolphin type taken from Singapore via Indonesia to China at \$9,150/d. Afterwards a similar type delivering Hong Kong performed a trip via Philippines at \$9,250/d and a Japanese built 57,000 dwt delivering at Singapore was fixed at \$8,975/d near to a Tess58 done at just \$8,250/d with delivery Koh Sichang. On this trade, Ultramaxs were done in the \$12,800/13,000/d level basis dely Indonesia. Inter SE Asia trading showed a 56,000 dwt 2013 built getting \$7,000/d dely S China via Vietnam with sands to Singapore and a Dolphin type doing a similar trip with aggregates at \$8,250/d. A similar type delivering at N China fixed a trip to SE Asia at \$8,250/d and a Tess52 delivering Shanghai area got \$6,500/d on the first 25 days and \$10,000 thereafter for a trip to Singapore. A Dolphin type was taken on dely Singapore for a 4 to 6 months period at a rate around 10,000/d. Very little was heard on Handysizes, a 9 years-old 28,000 dwt delivering Malaysia was fixed to carry alumina at \$7,500/d via Kwinana and redely Singapore/Japan range.

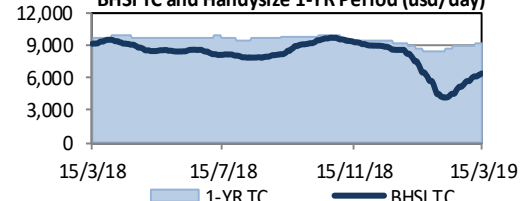
Rates

Rates		Unit	15-Mar	08-Mar	W-o-W	Y-o-Y
Supramax	BSI TC Avg.	usd/day	8,709	8,777	-0.8%	-28.5%
	S4A 58 USG-Skaw/Pass	usd/day	10,281	10,284	-0.0%	-49.0%
	S9 58 WAF-ECSA-Med	usd/day	6,611	6,054	+9.2%	-35.1%
	S1B 58 Canakkale-FEast	usd/day	14,071	15,529	-9.4%	-32.9%
	S11 58 Pacific r/v	usd/day	8,600	8,963	-4.0%	-24.4%
	1 Year TC Period	usd/day	10,000	10,000	+0.0%	-20.0%
Handy	BHSI TC Avg.	usd/day	6,437	6,163	+4.4%	-30.1%
	1 Year TC Period	usd/day	9,250	9,000	+2.8%	-5.1%

BSI TC and Supramax 1-YR Period (usd/day)

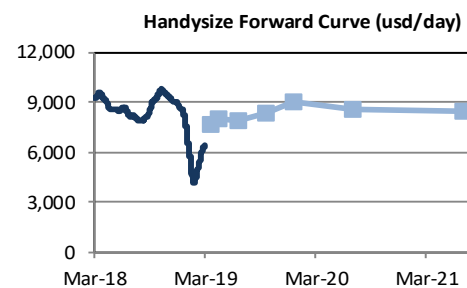
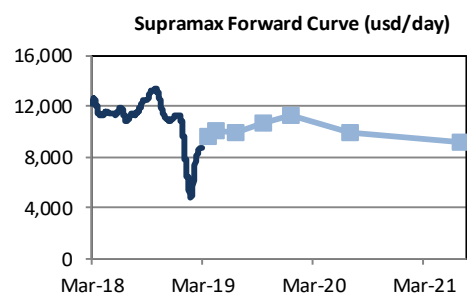
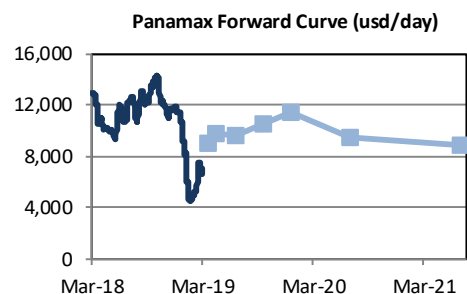
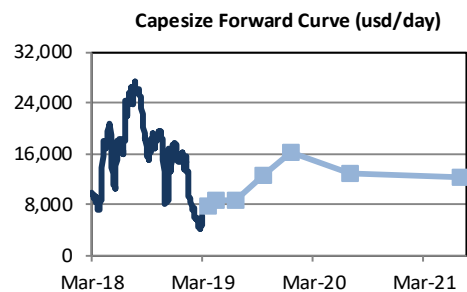


BHSI TC and Handysize 1-YR Period (usd/day)



Dry Bulk FFAs (Baltic Forward Assessments)

		Unit	15-Mar	08-Mar	W-o-W	Premium/ Discount
Capesize	Mar (19)	usd/day	5,792	4,533	+27.8%	-9.3%
	Apr (19)	usd/day	7,629	5,875	+29.9%	+19.4%
	May (19)	usd/day	8,663	6,925	+25.1%	+35.6%
	Q2 (19)	usd/day	8,688	7,020	+23.8%	+36.0%
	Q3 (19)	usd/day	12,633	11,113	+13.7%	+97.8%
	Q4 (19)	usd/day	16,083	14,967	+7.5%	+151.8%
	Cal 20	usd/day	12,988	12,238	+6.1%	+103.4%
	Cal 21	usd/day	12,208	11,358	+7.5%	+91.1%
	Cal 22	usd/day	12,200	12,233	-0.3%	+91.0%
Panamax	Mar (19)	usd/day	7,763	7,083	+9.6%	+9.2%
	Apr (19)	usd/day	9,058	8,113	+11.6%	+27.4%
	May (19)	usd/day	9,842	8,958	+9.9%	+38.5%
	Q2 (19)	usd/day	9,696	8,800	+10.2%	+36.4%
	Q3 (19)	usd/day	10,529	10,025	+5.0%	+48.1%
	Q4 (19)	usd/day	11,413	10,988	+3.9%	+60.6%
	Cal 20	usd/day	9,519	9,367	+1.6%	+33.9%
	Cal 21	usd/day	8,896	8,863	+0.4%	+25.2%
	Cal 22	usd/day	8,446	8,454	-0.1%	+18.8%
Supramax	Mar (19)	usd/day	8,808	8,683	+1.4%	+1.1%
	Apr (19)	usd/day	9,700	9,267	+4.7%	+11.4%
	May (19)	usd/day	10,008	9,292	+7.7%	+14.9%
	Q2 (19)	usd/day	9,992	9,318	+7.2%	+14.7%
	Q3 (19)	usd/day	10,758	10,204	+5.4%	+23.5%
	Q4 (19)	usd/day	11,333	11,033	+2.7%	+30.1%
	Cal 20	usd/day	9,871	9,925	-0.5%	+13.3%
	Cal 21	usd/day	9,117	9,163	-0.5%	+4.7%
	Cal 22	usd/day	8,583	8,879	-3.3%	-1.4%
Handysize	Mar (19)	usd/day	6,625	6,663	-0.6%	+2.9%
	Apr (19)	usd/day	7,625	7,450	+2.3%	+18.5%
	May (19)	usd/day	7,988	7,850	+1.8%	+24.1%
	Q2 (19)	usd/day	7,921	7,763	+2.0%	+23.1%
	Q3 (19)	usd/day	8,300	8,156	+1.8%	+28.9%
	Q4 (19)	usd/day	9,088	9,056	+0.4%	+41.2%
	Cal 20	usd/day	8,538	8,506	+0.4%	+32.6%
	Cal 21	usd/day	8,438	8,394	+0.5%	+31.1%
	Cal 22	usd/day	8,325	8,356	-0.4%	+29.3%



Crude Oil Tanker Market

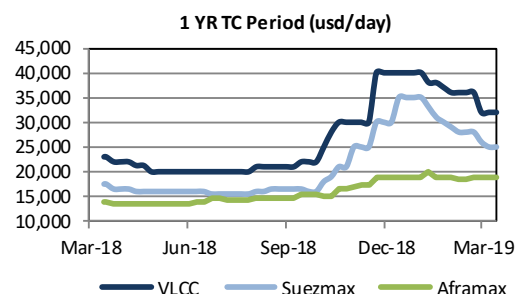
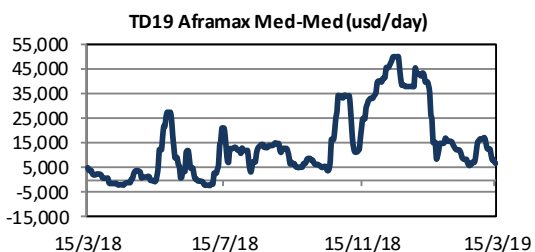
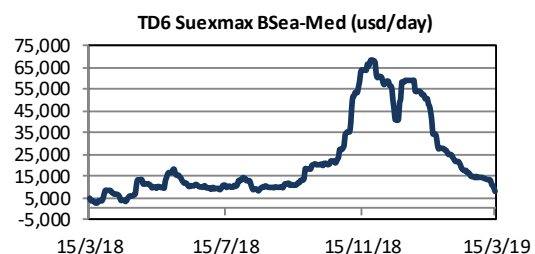
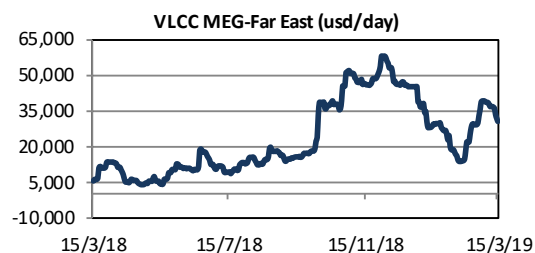
VLCC market recorded a particularly quiet week in MEG and, as the list of available units got longer, rates kept softening down to the lows WS60's for East and in the highs WS20's for West. Little was going on also off West Africa, and without any help coming from the MEG, rates quickly dropped down to WS56.5 for FEast. Quiet week in the Caribs with too many ships fighting for few cargoes and pushing USG/Korea down to \$6.2 mln.

Another tough week for Suezmax Owners, as the number of fresh cargoes been quoted in W Africa was very limited and rates fell sharply down to the mids WS50's for UKC discharge. No joy in Med either, where, as Turkish straits delays were not helping much, the limited demand dragged rates down to the mid WS70's for BISEA/Med voyages.

Aframax demand remained extremely limited in Med for the entire week and rates kept bottomed in the mids WS80's for CrossMed voyages. Market remained relatively busy for yet another week in N Sea, allowing Owners to push rates even higher, up to almost WS120 for CrossCont and WS110 off Baltic. Caribs market was quite busy but rates only firmed up to WS100 due to a tonnage availability still on the high side.

Rates

		Unit	15-Mar	08-Mar	W-o-W	Y-o-Y
VLCC	TD1 MEG-USG	ws	28.73	31.95	-10.1%	+75.8%
	TD1 MEG-USG	usd/day	1,086	4,973	-78.2%	+108.3%
	TD2 MEG-Spore	ws	60.79	66.83	-9.0%	+64.1%
	TD3C MEG-China	ws	60.08	66.10	-9.1%	+63.1%
	TD3C MEG-China	usd/day	30,516	36,782	-17.0%	+491.3%
	TD15 WAF-China	ws	56.42	65.13	-13.4%	+48.5%
	Avg. VLCC TCE	usd/day	15,801	20,878	-24.3%	+512.8%
	1 Year TC Period	usd/day	32,000	32,000	+0.0%	+39.1%
Suezmax	TD6 BSea-Med	ws	73.11	80.44	-9.1%	+1.0%
	TD6 BSea-Med	usd/day	7,909	13,336	-40.7%	+74.5%
	TD20 WAF-Cont	ws	55.00	60.80	-9.5%	-9.4%
	MEG-EAST	ws	68.00	70.00	-2.9%	+4.6%
	MEG-WEST	ws	33.00	34.00	-2.9%	+32.0%
	Avg. Suezmax TCE	usd/day	7,054	11,450	-38.4%	+24.5%
	1 Year TC Period	usd/day	25,000	25,000	+0.0%	+42.9%
Aframax	TD7 NSea-Cont	ws	117.78	106.11	+11.0%	+22.9%
	TD7 NSea-Cont	usd/day	21,910	14,667	+49.4%	+3656.8%
	TD17 Baltic-UKC	ws	112.50	93.61	+20.2%	+30.6%
	TD17 Baltic-UKC	usd/day	34,202	22,711	+50.6%	+187.3%
	TD19 Med-Med	ws	87.92	100.56	-12.6%	-4.5%
	TD19 Med-Med	usd/day	6,729	12,499	-46%	+31.4%
	TD8 Kuwait-China	ws	95.00	95.50	-0.5%	+19.9%
	TD8 Kuwait-China	usd/day	7,186	7,352	-2.3%	+243.2%
	TD9 Caribs-USG	ws	100.31	96.39	+4.1%	+11.1%
	TD9 Caribs-USG	usd/day	8,392	7,300	+15.0%	+280.2%
	Avg. Aframax TCE	usd/day	14,949	12,552	+19.1%	+248.1%
	1 Year TC Period	usd/day	19,000	19,000	+0.0%	+35.7%



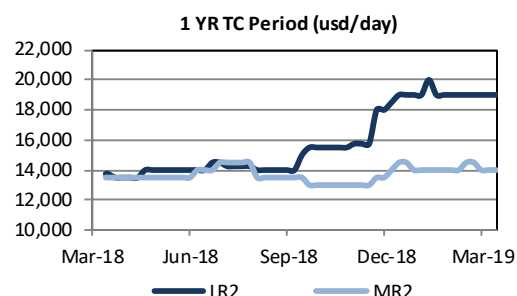
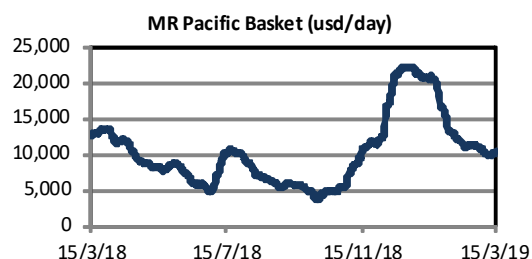
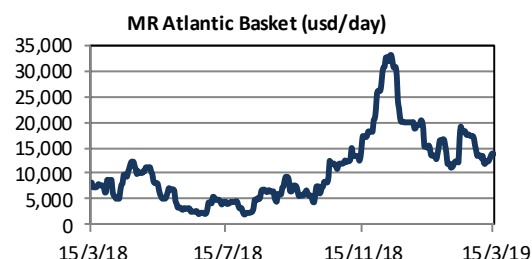
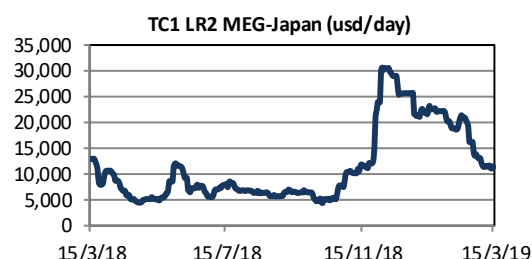
Product Tanker Market

East of Suez, on the MEG/Japan market LR2 were steady at WS97.5 while LR1 were able to go back to WS110. West of Suez, LR2 and LR1 trading UKC/Japan remained overall unchanged at \$2.0 mln and \$1.6 mln respectively. In Med, clean Handysizes bounced back pretty well on CrossMed routes, as rates moved from WS130 to WS140 on Friday; same trend for BISea/Med rates that kept the +20 WS points difference on CrossMed. In Cont, clean Handysizes rates on Baltic/UKC moved up to WS180 and the CrossCont followed at WS160. On the MR side, Cont/TA routes reached WS165 basis 37,000 mt and back hauls basis 385,000 mt fell and reached WS75. The Dirty market in Med saw rates dropping to WS125 for CrossMed and WS132.5 from BISea, mostly due to a long tonnage list compared to the amount of cargoes in the market. Despite the healthy activity recovery recorded from Tuesday, rates moved up only by few points on the BISea/Med and ended the week at WS135 level. Dirty MRs' market slowed as well, as CrossMed and BISea/Med rates were still in the region of WS105 and WS110 respectively. In Cont, the dirty market was fairly active and position list shortened. Nevertheless, rates kept steady levels at WS150. No changes were recorded on Dirty Panamaxs on UKC/Ta trades, as rates for 55,000 mt maintained WS110/112.5 levels.

Rates		Unit	15-Mar	08-Mar	W-o-W	Y-o-Y
Clean	TC1 MEG-Japan (75k)	ws	97.50	97.80	-0.3%	-13.1%
	TC1 MEG-Japan (75k)	usd/day	11,280	11,364	-0.7%	-15.1%
	TC8 MEG-UKC (65k)	usd/mt	27.68	26.12	+5.9%	+36.2%
	TC5 MEG-Japan (55k)	ws	110.56	109.17	+1.3%	-2.4%
	TC5 MEG-Japan (55k)	usd/day	10,079	9,775	+3.1%	+9.4%
	TC2 Cont-USAC (37k)	ws	164.17	144.44	+13.7%	+33.4%
	TC2 Cont-USAC (37k)	usd/day	14,993	11,636	+28.9%	+172.6%
	TC14 USG-Cont (38k)	ws	75.36	78.75	-4.3%	-11.3%
	TC14 USG-Cont (38k)	usd/day	-453	308	-247.1%	-240.7%
	TC9 Baltic-UKC (22k)	ws	179.29	168.21	+6.6%	+15.7%
	TC6 Med-Med (30k)	ws	136.56	142.19	-4.0%	-11.5%
	TC7 Spore-ECAU (30k)	ws	166.89	165.89	+0.6%	-6.9%
	TC7 Spore-ECAU (30k)	usd/day	12,701	12,566	+1.1%	+1.9%
	TC11 SK-Spore (40k)	usd/mt	10.19	9.90	+2.9%	-8.9%
	MR Pacific Basket	usd/day	10,398	9,853	+5.5%	-15.7%
	MR Atlantic Basket	usd/day	13,791	12,339	+11.8%	+73.4%
Dirty	LR2 1 Year TC Period	usd/day	19,000	19,000	+0.0%	+38.2%
	MR2 1 Year TC Period	usd/day	14,000	14,000	+0.0%	+3.7%
	TD12 Cont-USG (55k)	ws	112.81	112.19	+0.6%	+8.4%
	TD18 Baltic-UKC (30k)	ws	152.08	149.58	+1.7%	-7.6%
	BSea-Med (30k)	ws	135.0	140.0	-3.6%	-19.4%
	Med-Med (30k)	ws	125.0	130.0	-3.8%	-19.4%

Delays at Turkish Straits for Daylight Restricted Vessels

	Unit	15-Mar	08-Mar	W-o-W	Y-o-Y
Northbound	days	9.0	10.0	-10.0%	+125.0%
Southbound	days	9.0	12.0	-25.0%	+157.1%



Containership Market

The U.S.-China trade war led Chinese exports to slump 20% last month, with one shipping analyst predicting more pain to come before a second-quarter recovery.

The market situation was slowly improving for the 2,700 TEUs and smaller ships, as the increased chartering demand absorbed a good number of spot ships.

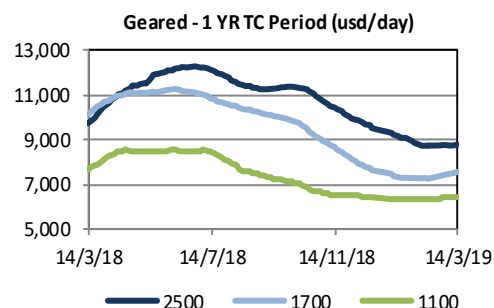
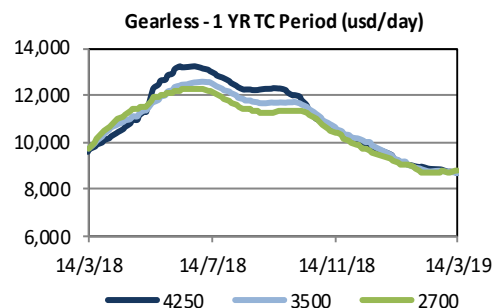
Recent Fixtures

Vessel Name	Built	TEUs	TEU@14	Gear	Fixture	Period	Rates
Long Beach Trader	2007	6,039	4,165	no	extended to Kmtc	5/7 m	\$13,950/d
Sofia	2010	5,086	3,350	no	fixed to Msc	12 m	\$8,000/d
Jpo Gemini	2005	2,474	1,886	yes	extended to Maersk	2/4 m	\$9,000/d
Vera D	2004	1,678	1,305	yes	fixed to Hapag Lloyd	1 rv	\$7,500/d
Taipei Genmini	2014	1,102	705	yes	extended to Zim	5/7 m	\$8,850/d
Pacaya	2007	1,118	700	yes	extended to Cma Cgm	9/12 m	\$6,400/d

VHSS Containership Timecharter Assessment

(source: Hamburg Shipbrokers' Association)

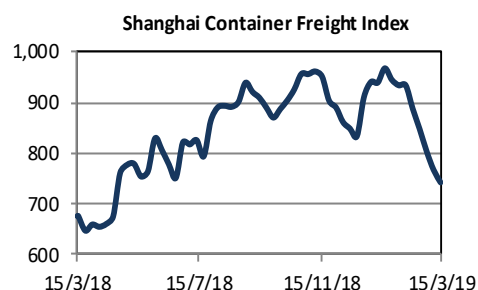
	Unit	14-Mar	07-Mar	W-o-W	Y-o-Y
ConTex	index	388	388	+0.0%	-14.9%
4250 teu (1Y, g'less)	usd/day	8,688	8,760	-0.8%	-10.6%
3500 teu (1Y, g'less)	usd/day	8,688	8,738	-0.6%	-11.2%
2700 teu (1Y, g'less)	usd/day	8,786	8,743	+0.5%	-10.5%
2500 teu (1Y, geared)	usd/day	9,152	9,138	+0.2%	-7.9%
1700 teu (1Y, geared)	usd/day	7,570	7,489	+1.1%	-23.4%
1100 teu (1Y, geared)	usd/day	6,455	6,442	+0.2%	-13.2%



Shanghai Containerized Freight Index

(source: Shanghai Shipping Exchange)

	Unit	15-Mar	08-Mar	W-o-W	Y-o-Y
Comprehensive Index	index	742	767	-3.2%	+9.9%
Services:					
Shanghai - North Europe	usd/teu	714	754	-5.3%	-3.6%
Shanghai - Mediterranean	usd/teu	748	776	-3.6%	+12.5%
Shanghai - WC USA	usd/feu	1,345	1,431	-6.0%	+32.4%
Shanghai - EC USA	usd/feu	2,357	2,479	-4.9%	+17.3%
Shanghai - Dubai	usd/teu	590	612	-3.6%	+53.6%
Shanghai - Santos	usd/teu	1,498	1,469	+2.0%	-25.4%
Shanghai - Singapore	usd/teu	148	146	+1.4%	+4.2%



Newbuilding Market

In the Dry Bulk sector, Taiwan Navigation ordered two 80,000 dwt Kamsarmax at Namura Shipbuilding, for delivery during 1st half 2021 at \$ 33.9 mln, price would include tier III M/E and scrubber.

There was lack of tanker orders last week, apart from the smaller chemical tankers fully st/st of 4,500 dwt. Italian owner Amoretti Armatori Group placed order for two units at Ningbo Xinle Shipyard, China for delivery second half 2020 at an undisclosed price which we may assume ranging between \$ 16 to 17 mln according to market trend. Vessels will be then chartered out to ExxonMobil.

In the VLPG segment, Kumiai Navigation booked another 82,200 cbm, at Kawasaki Shipyard.

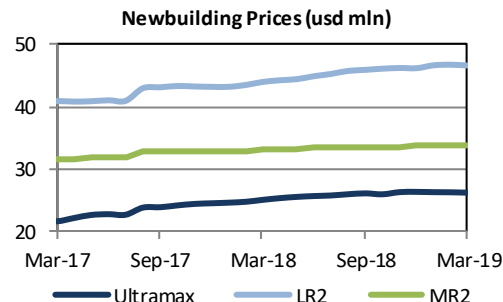
Finally, United European Car Carriers (UECC), jointly owned by NYK and Wallenius, has ordered two of next generation PCTC (of 3,600 standard car units) at Jiangnan Shipyard in China. Vessels to be equipped with LNG dual fuel system as well as battery package, to comply with the regulations with NOx Tier III. Price were unknown, delivery scheduled in 2021.

Newbuilding Reported Orders

Type	Size	Built	Yard	Buyers	Price	Comment
Bulk	80,000 dwt	1H 2021	Namura Shipbuilding	Taiwan Navigation	33.9	2 units
Chem	4,500 dwt	2H 2020	Ningbo Xinle Shipyard	Amoretti Armatori Group	n.a.	2 units
PCTC	3,600 vehicles	2021	Jiangnan Shipyard	United European Car Carriers	n.a.	2 units

Indicative Newbuilding Prices (China)

	Unit	01-Mar-19	M-o-M	Y-o-Y
Capesize	usd mln	49.0	+0.0%	+7.4%
Ultramax	usd mln	26.3	-0.2%	+4.6%
Supramax	usd mln	23.2	+0.0%	+4.1%
VLCC	usd mln	84.1	+0.2%	+6.2%
LR2 Coated	usd mln	46.7	-0.3%	+6.0%
MR2 Coated	usd mln	33.8	+0.0%	+2.1%



Interest Rates

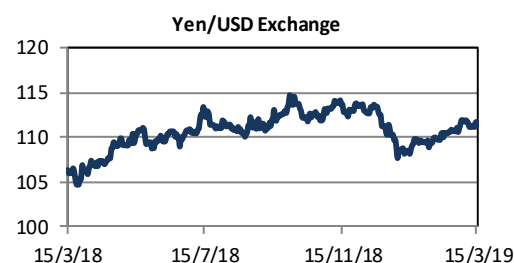
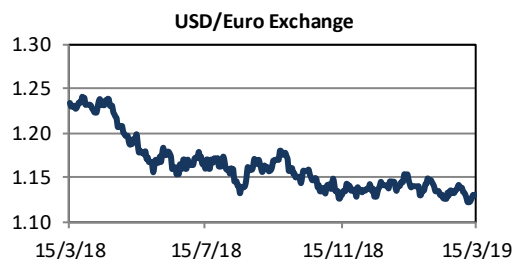
	Libor USD	Libor Euro	Euribor Euro
6 Months	2.67	-0.30	-0.23
12 Months	2.84	-0.17	-0.11

Interest Rate Swaps

	3 yrs	5 yrs	7 yrs	10 yrs	15 yrs	20 yrs
USD	2.50	2.47	2.52	2.61	2.73	0.00
Euro	-0.09	0.10	0.30	0.60	0.96	1.13

Exchange Rates

	15-Mar	08-Mar	W-o-W	Y-o-Y
USD/Euro	1.13	1.12	+0.8%	-8.4%
Yen/USD	111.5	111.2	+0.3%	+4.8%
SK Won/USD	1,137	1,136	+0.1%	+6.7%



Secondhand Market

Scorpio Bulkers was very active last week with the one sale and leaseback deal and one strait sale deal. The first deal is for 3 x Ultramax and 4 x Kamsarmax to CMB Financial Leasing: the vessels are sold and chartered back to Scorpio for 7 years with purchase options from the third year and purchase obligation at the end of the period. The second deal involves 2 x Kamsarmax 2015 built at Jiangsu Shipbuilding, "SBI Electra" and "SBI Flamenco", which are reported to Clients of CSL for \$48 mln en bloc.

Transocean Maritime sold its 11 years old "Atlas B", 76,000 dwt built Imabari to Greek interests for \$12 mln, the vessel was bought by Transocean in 2016 for less than \$10 mln.

During the week 2 x Tess58 were reported sold. The "Ghent", 2011 built by Tsuneishi Zhoushan, grab fitted, went to Pacific Basin for around \$15 mln, whilst "Nord Express", 2007 built by Tsuneishi Cebu was sold for \$11.7 mln to undisclosed buyers.

On tankers, two VLCC were reported sold; the "Sea Lynx", 2004 built by Hyundai Samho went to Clients of Nathalin for \$31.5 mln and the "Olympic Legacy", 1996 built Sumitomo was reported at \$20 mln to Nigerian interests.

Secondhand Reported Sales

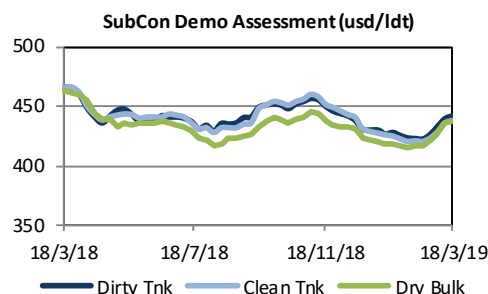
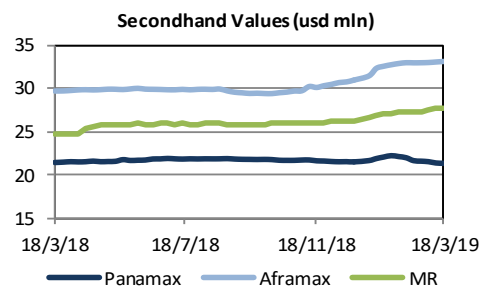
TYPE	VESSEL NAME	DWT	BLT	YARD	BUYERS	PRICE	NOTE
Bulk	SBI Electra	82,052	2015	Jiangsu	C.of CSL	48	en bloc deal
Bulk	SBI Flamenco	81,800	2015	Jiangsu	C.of CSL		
Bulk	Ghent	58,000	2011	Zhoushan	C.of Pac Basin	15.2	
Bulk	Nord Express	58,000	2007	Tsuneishi Cebu	Undisclosed	11.7	
Crude	Sea Lynx	318,306	2004	Hyundai Samho	C.of Nathalin	31.5	
Crude	Agrios	106,000	2005	Daewoo	C.of Waruna	16	
Crude	Astro Sculptor	105,109	2003	Daewoo	C.of Seochi	13.5	
Prod	Stavanger Breeze	45,780	2004	STX	C.of Wilmar	8.65	

Baltic Secondhand Assessments

	Unit	18-Mar	11-Mar	W-o-W	Y-o-Y
Capesize	usd mln	36.2	36.3	-0.2%	+7.0%
Panamax	usd mln	21.4	21.4	-0.2%	-0.2%
Supramax	usd mln	17.9	18.0	-0.3%	+0.5%
VLCC	usd mln	67.1	67.0	+0.1%	+9.3%
Aframax	usd mln	33.1	33.0	+0.2%	+11.4%
MR Product	usd mln	27.7	27.7	+0.1%	+12.7%

Baltic Demolition Assessment (Subcontinent)

	Unit	18-Mar	11-Mar	W-o-W	Y-o-Y
Dry Bulk	usd/ldt	438.0	436.0	+0.5%	-5.1%
Dirty Tanker	usd/ldt	442.0	439.5	+0.6%	-2.4%
Clean Tanker	usd/ldt	438.0	436.0	+0.5%	-4.2%



Oil & Gas

Brazilian town fines Vale, closes Guaiba port terminal in Rio de Janeiro state

The town of Mangaratiba, in Brazil's Rio de Janeiro state, fined Vale for 30 million reais (\$8 million) and closed the Ilha da Guaiba terminal for the second time this year, citing pollution problems and the alleged lack of an operating license. Mangaratiba had closed the terminal briefly in January, after a mining disaster at a Vale facility in another state that killed hundreds, before reopening it. Around 40 million tonnes of iron ore go through Vale's Ilha da Guaiba terminal yearly, according to Brazil's port regulator. In a statement, Vale said it was notified by the city and had "all necessary licenses to operate the port terminal." The company added that it would take adequate measures to resume the port operation but it did not elaborate.

After Vale dam disaster the market fretted about supply, but so far this concern hasn't shown up in import figures

China imported 19.97 million tonnes from Brazil in February, according to vessel-tracking and port data compiled by Refinitiv, which was higher than January's 19.74 million, and considerably more on a daily basis given February was three days shorter. Given the sailing time of around six weeks from Brazil to China it might be more reasonable to expect any impact on imports only to show up in March and subsequent months, but the evidence so far is mixed. Refinitiv data shows 7.2 million tonnes of Brazilian iron ore was offloaded in the first 11 days of March, a daily rate that would put the whole month at around 20.3 million tonnes.

LME launches seven new contracts to try to boost volumes, profit

The London Metal Exchange (LME) is launching seven new cash-settled futures contracts, including hot-rolled coil (HRC) steel, alumina and cobalt. The LME is launching regional HRC contracts initially covering North America and China, and later adding northern Europe. They will compete with the CME's Nymex exchange for U.S. metal and on ShFE for Chinese material. The LME already has steel rebar and scrap contracts.

Brazil's Amaggi and Big 4 grain traders mull road, railway venture

The world's big four agriculture traders and Brazilian rival Amaggi could make a joint bid to operate a road connecting the country's grain belt to northern ports, while also considering an investment in a parallel railway, the firm that conducted a study on the potential venture said on Monday. Archer Daniels Midland Co (ADM), Bunge Ltd, Cargill Inc, Louis Dreyfus Co (LDC) and Amaggi have commissioned a study on operating a 968-kilometer stretch of the BR-163 highway for 10 years, according to infrastructure and logistics business development firm EDLP. That highway is the leading grain artery to northern ports that were responsible for 28 percent of Brazil's soy and corn exports in 2018, doubling their share in the last eight years.

Brazil reopens traffic on key soy export highway

Traffic on Brazil's key grain shipping highway BR-163, linking the agriculture belt to northern ports, was totally re-established by late on Thursday after being deemed "un navigable" earlier in the week. The poor state of the road, parts of which are unpaved, had led authorities to block traffic as emergency repairs were made. Brazil is the world's largest exporter of soy but the holdup on BR-163 illustrates the country's lacking logistical infrastructure, which delays shipments and raises costs. The resumption of traffic will relieve pressure on dwindling soy stocks at some ports.

Trump budget proposes steep subsidy cuts to farmers as they grapple with crisis

President Donald Trump's 2020 budget on Monday proposed a 15 percent cut for the U.S. Department of Agriculture, calling its subsidies to farmers "overly generous" at a time when they are going through the worst crisis in decades because of depressed commodity prices and Trump's trade tariffs. The budget requested \$20.8 billion for the USDA, a cut of \$3.6 billion from the 2019 estimate. It proposes reducing premium subsidies for crop insurance, limiting the number of producers who would be eligible and tightening commodity payment limits.

Warm winter generates optimism for large EU wheat crop

Europe's unusually warm winter has created good initial conditions for this summer's harvest, with frost damage hardly seen in top producing regions, traders and analysts said on Friday. Farmers are also starting early with fertilizer spraying, giving wheat an early boost. "Optimism about the harvest is growing, although the frost danger is not over and much will still depend on spring/ summer weather," one German trader said. "A larger crop this summer would help replenish supplies after last year's poor harvest, especially in the face of the still-unknown Brexit terms." In France, the EU's largest producer, wheat is mostly in good shape after the mild winter so far, adding to the prospect of a large harvest this year after farmers increased sowings.

Source: Refinitiv / Platts

Oil & Gas

U.S. aims to cut Iran oil exports to under 1 mln bpd from May

The United States aims to cut Iran's crude exports by about 20 percent to below 1 million barrels per day (bpd) from May by requiring importing countries to reduce purchases to avoid U.S. sanctions, two sources familiar with the matter told Reuters. U.S. President Donald Trump eventually aims to halt Iranian oil exports and thereby choke off Tehran's main source of revenue. Washington is pressuring Iran to curtail its nuclear program and stop backing militant proxies across the Middle East.

Iran hunts for more ships to keep its oil flowing

Iran is discreetly scouring the globe for second-hand oil tankers to replace its ageing fleet and keep crucial crude exports flowing as U.S. sanctions start to bite, Iranian and Western sources said. Since U.S. President Donald Trump reimposed sanctions in November, exploratory talks with South Korea for up to 10 new supertankers have stalled, Panama has removed at least 21 Iranian tankers from its registry and Tehran is now looking for extra vessels in places such as Vietnam, the sources said. With oil exports accounting for an estimated 70 percent of Iran's revenues, maintaining an effective fleet of tankers to store and move that oil is crucial for Tehran. Besides the importance of oil for its budget, Iran is estimated to produce about 2.8 million barrels a day, more than 9 percent of OPEC's output.

Oil storage tanks explode in Venezuela, while main terminal resumes shipments

Two storage tanks exploded at a heavy-crude upgrading project in eastern Venezuela on Wednesday, according to an oil industry source and a legislator, while the country's main oil terminal resumed shipments after a prolonged blackout. The tanks at the Petro San Felix project were holding diluent, which is mixed with extra-heavy Orinoco belt heavy crude to make it lighter, legislator Jose Brito said in a telephone interview.

China's Jan-Feb refinery runs hit record, gas output up 9 pct on-year

Crude throughput at China's oil refineries in the first two months of 2019 rose 6.1 percent from a year earlier to a record on a daily basis, data showed on Thursday, as new privately-owned refiners started up their processing facilities. China's refiners processed 102.49 million tonnes of crude oil during January and February, according to the data from the National Bureau of Statistics (NBS). The statistical agency did not provide monthly breakdowns because of the week-long Lunar New Year holiday that fell in early February.

Euronav buys fuel oil cargoes for ULCC

Belgium-based shipping company Euronav bought at least two straight-run fuel oil cargoes and a cracked fuel oil cargo for delivery to its Ultra Large Crude Carrier (ULCC) in the central Med, as part of its strategy to store compliant marine fuels ahead of the sulphur cap in 2020. Italian refinery Iplom sold at least one low-sulphur straight-run fuel oil cargo to Euronav, while the shipping company purchased another low-sulphur straight run cargo from a different source. Euronav also purchased a cracked fuel oil cargo from a different company for delivery to their 442,000t ULCC Oceania off Malta. Counterparties of these deals were not available for comment. The shipping company will use these products for its own consumption in 2020, chief executive Paddy Rogers told Argus last month.

IEA sees oil market flipping into deficit in second quarter

The oil market will flip into a modest deficit from the second quarter of this year, with OPEC possessing a hefty supply cushion to prevent any price rally in case of possible supply disruptions, the International Energy Agency said on Friday. The IEA kept its 2019 oil demand growth forecast unchanged at 1.4 percent, or 1.4 million barrels per day. Solid non-OPEC oil output growth led by the U.S. should ensure demand is met, the IEA said. The IEA said the market could show a modest surplus in the first quarter of 2019 before flipping into a deficit in the second quarter by about 0.5 million bpd. The agency said it was particularly concerned about a possible further decline in production in Venezuela, where output has stabilised at 1.2 million bpd in recent months. It said the degradation of Venezuelan power system, vital for oil output, was such that it could not be sure if the fixes were durable.

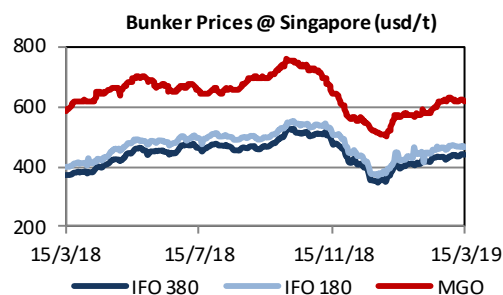
Torm upbeat on tanker market despite 2018 losses

New York and Copenhagen-listed shipowner Torm turned to a loss in 2018, in what it described as a challenging product tanker market, but it is optimistic on the outlook for oil product trade until 2021. It said there will be an increase in demand because of the IMO 2020 sulphur cap, and in increase in global tonne-mile demand as more refining capacity comes online in the Mideast Gulf and Asia-Pacific. The company estimates tonne-mile demand to grow around 5pc annually, and tonnage supply to expand by 3pc a year between 2019 and 2021. In preparation for IMO 2020 Torm has committed to installing 21 of the exhaust-cleaning systems known as scrubbers, with an option for a further 18.

Source: Refinitiv / Platts / Argus Media

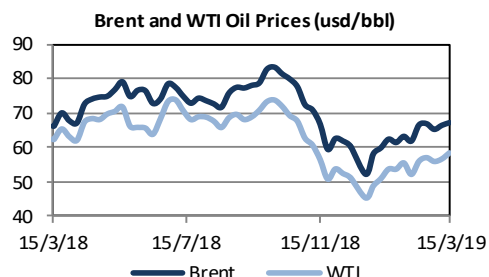
Bunker Prices

		Unit	15-Mar	08-Mar	W-o-W	Y-o-Y
IFO 380	Rotterdam	usd/t	420.5	408.0	+3.1%	+19.3%
	Gibraltar	usd/t	433.5	424.5	+2.1%	+16.7%
	Singapore	usd/t	439.0	434.0	+1.2%	+18.2%
IFO 180	Rotterdam	usd/t	458.0	443.0	+3.4%	+19.0%
	Gibraltar	usd/t	461.5	454.0	+1.7%	+17.0%
	Singapore	usd/t	464.0	466.5	-0.5%	+16.6%
MGO	Rotterdam	usd/t	585.0	582.5	+0.4%	+7.3%
	Gibraltar	usd/t	633.0	626.0	+1.1%	+5.7%
	Singapore	usd/t	619.0	617.0	+0.3%	+5.9%



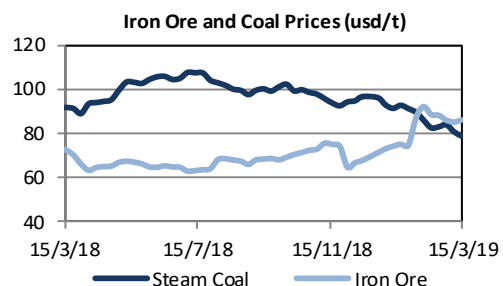
Oil & Gas Prices

	Unit	15-Mar	08-Mar	W-o-W	Y-o-Y
Crude Oil Brent	usd/bbl	67.2	66.4	+1.2%	+1.5%
Crude Oil WTI	usd/bbl	58.4	56.7	+3.1%	-6.3%
Crude Oil Dubai	usd/bbl	67.8	66.8	+1.5%	+8.5%
Natural Gas Henry Hub	usd/mmbtu	2.78	2.80	-0.7%	+3.7%
Gasoline Nymex	usd/gal	1.86	1.82	+2.2%	-4.1%
ICE Gasoil	usd/t	606.8	610.3	-0.6%	+4.7%
Naphtha Tokyo	usd/t	549.9	535.6	+2.7%	-3.2%
Jet-Kerosene Asia	usd/bbl	79.7	78.7	+1.2%	+2.7%



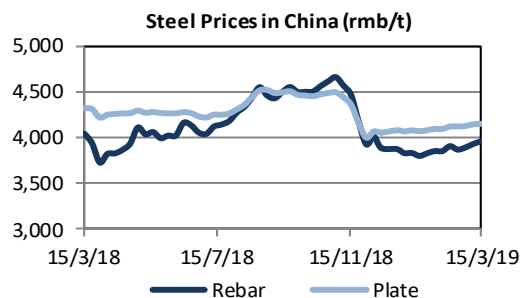
Coal Prices

	Unit	15-Mar	08-Mar	W-o-W	Y-o-Y
Steam @ Richards Bay	usd/t	78.8	80.8	-2.4%	-14.1%
Steam @ Newcastle	usd/t	94.6	97.6	-3.1%	-2.6%
Coking Coal Australia	usd/t	214.0	207.0	+3.4%	-2.8%



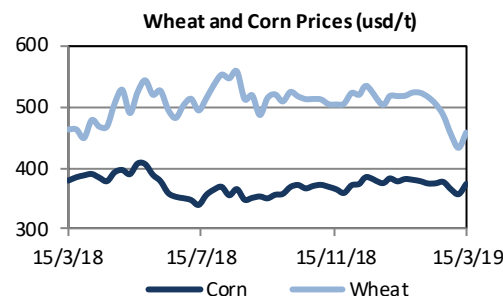
Iron Ore and Steel Prices

	Unit	15-Mar	08-Mar	W-o-W	Y-o-Y
Iron Ore (Platts)	usd/t	86.1	85.2	+1.1%	+18.5%
Iron Ore China @Tangshan	rmb/t	646.0	641.0	+0.8%	+30.0%
Rebar in China	rmb/t	3,958	3,929	+0.7%	-2.1%
Plate in China	rmb/t	4,150	4,144	+0.1%	-3.9%
HR Coil in China	rmb/t	3,973	3,962	+0.3%	-4.9%
CR Sheet in China	rmb/t	4,449	4,422	+0.6%	-5.5%



Agricultural

	Unit	15-Mar	08-Mar	W-o-W	Y-o-Y
Wheat	usd/t	457.8	432.8	+5.8%	-1.1%
Corn	usd/t	373.8	357.0	+4.7%	-1.5%
Soybeans	usd/t	906.3	883.8	+2.5%	-12.7%
Palm Oil	usd/t	507.4	519.7	-2.4%	-17.8%



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