



weekly  
market  
report



Week 30/2020 (20 Jul – 26 Jul)

Comment: World steel production in 1H2020

## WORLD STEEL PRODUCTION IN 1H2020

Last Thursday, the World Steel Association (Worldsteel) published its estimates for global crude steel production in the first half of 2020.

It makes for some grim reading.

World crude steel production for the 64 countries reporting to Worldsteel was 148.3 mln tonnes in June 2020, a -7.0% decrease compared to June 2019.

In the first six months of 2020, world crude steel production for the 64 countries reporting to Worldsteel was 873.1 mln tonnes, down by -6.0% y-o-y compared to the same period in 2019.

On a monthly basis, January 2020 still showed a positive +1.3% y-o-y increase to 149 mln tonnes, and February showed a +4.4% rise y-o-y to 143 mln tonnes.

Everything fell apart since then.

March 2020 recorded a -5.1% year-on-year decline to 147 mln tonnes. April saw output as low as 137 mln tonnes, a significant -12.5% drop y-o-y, and May also revealed a fall of -8.6% y-o-y to 149 mln tonnes. In June 2020, global production was at 148.2 mln tonnes, a -6.7% y-o-y decline from the 159 mln tonnes produced in June 2019.

This is hardly surprising, given that many countries imposed a

nationwide lockdown due to the COVID-19 pandemic.

In any case, Worldsteel cautions that due to the ongoing difficulties presented by the COVID-19 pandemic, many of this year's figures are estimates that may be revised with coming updates.

Nevertheless, that have been significant differences between countries and regions, with Asia being significantly more resilient compared to the rest of the world.

Asia produced 642.0 mln tonnes of crude steel in the first half of 2020, a decrease of -3.0% y-o-y. China was the only major producer with positive growth in steel output.

Mainland China produced 499 mln tonnes of crude steel in the first six months of 2020, a positive increase of +1.4% y-o-y from 491 mln tonnes in the same period last year. China's share of global steel production was 57.2% in the first half of the year, up 4 percentage points compared to last year.

China major steel-using sectors are fast approaching normalisation after coming out of the lockdown ahead of other countries as the government has put forward several new infrastructure initiatives and construction sector resuming back to normal.

China produced 91.6 mln tonnes of steel in June 2020, an increase of +4.5% compared to June 2019.

Elsewhere in Asia, India's total crude steel production stood at 43.1 mln tonnes in Jan-Jun 2020, down -24.2% y-o-y.

Output in Japan has also shrunk by -17.4% to 42.2 mln t in 1H 2020.

Unexpectedly, the most significant positive jump in output during the first 6 months of 2020 was in Iran, which showed a +10.2% increase to 13.8 mln tonnes.

The EU (inc. the UK) produced 68.3 mln tonnes in the first half of 2020, down by -18.7% year-on-year.

Steel output in Germany, Europe's industrial powerhouse, declined by -15.7% y-o-y to 17.4 mln tonnes.

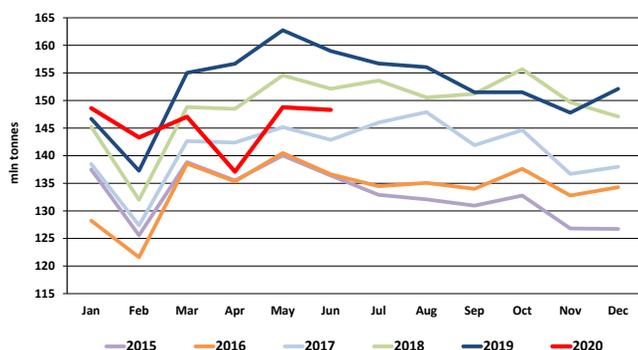
In Italy, steel output declined by -19.7% y-o-y to 10.0 mln tonnes. France also showed a drop of -26.6% y-o-y to 5.6 mln tonnes.

North America's crude steel production in the first half of 2020 was 50.2 mln tonnes, a decrease of -17.6% compared to 1H2019.

Overall, recovery of economic activities is foreseen in the third quarter as most countries have been gradually reopening from their lockdowns since mid-May.

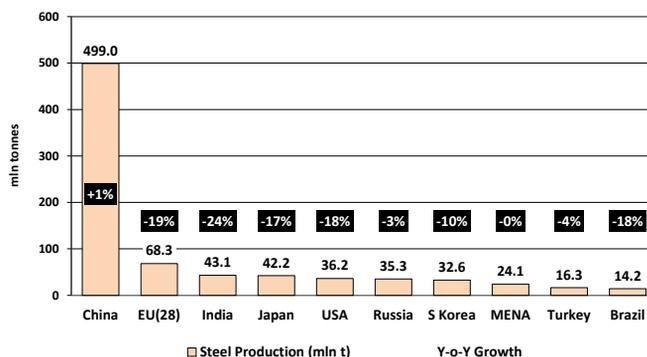
World - Monthly Crude Steel Output - Seasonality

(July 2020 ; source: worldsteel ; in mln tonnes)



Crude Steel Output of Top Producers - 1H 2020

(July 2020 ; source: worldsteel ; in mln tonnes)



# DRY CARGO

## CAPE SIZE MARKET

Very depressing week in the Capesize market with rates in free fall: 5TC average lost almost \$7,000/d going from \$25,000/d to \$17,200/d.

Tubarao-Qingdao route lost progressively \$3/mt from Friday to Friday closing the week at \$15.79/mt for mid-August dates. Rates on Brazilian RV went down as well going from \$20,000/d to mid \$14,000/d.

Saldanha Bay-Qingdao route

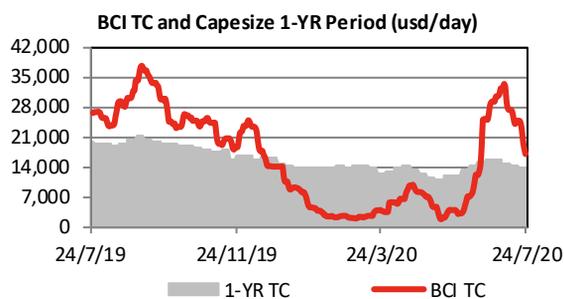
followed the same path: it decreased every day of the week and, after losing almost \$3/mt, it reached high \$11/mt.

W Australia-Qingdao route was under pressure as well: rates lost more than \$1/mt on Monday and closed the week at \$6/mt for first half of August laycan. Pacific RV was also in free fall: it lost almost \$10,000/d in a week closing on Friday at \$11,800/d.

Rates in the Atlantic basin had a

fast decrease as well and they lost overall \$10,000/d: Fronthaul closed on Friday at \$35,750/d and TransAtlantic followed the same path going from \$31,000/d to \$21,900/d in a week.

	Unit	24-Jul	17-Jul	W-o-W	Y-o-Y
<b>BCI TC Avg.</b>	usd/day	17,284	25,085	-31.1%	-35.8%
<b>C8 Transatlantic r/v</b>	usd/day	21,975	30,940	-29.0%	-21.8%
<b>C14 China-Brazil r/v</b>	usd/day	14,355	20,155	-28.8%	-42.3%
<b>C10 Pacific r/v</b>	usd/day	11,892	21,408	-44.5%	-51.8%
<b>1 Year TC Period</b>	usd/day	13,750	14,500	-5.2%	-31.3%



## PANAMAX MARKET

In the Atlantic basin activity was lower compared to previous week: few bids were recorded both for ECSAm-F East route and for TransAtlantic from ECSAm, showing significant decreases in rates: a Panamax was fixed at \$14,000/d basis dely aps ECSAm to Cont.

Some activity was recorded from USG instead: a Kamsarmax was rumoured at \$16,000/d basis dely aps for a TransAtlantic to Cont and

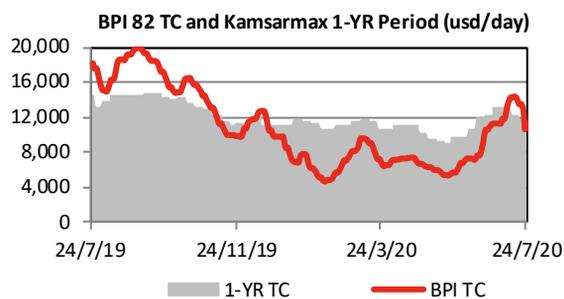
another unit was rumoured at \$15,000/d for a trip from USG to F East basis dely Gibraltar.

The Baltic basin experienced some decreases in rates as well: a Panamax was fixed for a Baltic RV at \$13,000/d basis dely dop Rotterdam. Limited activity was recorded from BSea area too.

The Pacific basin witnessed a tremendous slowdown: rates on Post Panamax units were rumoured below \$9,000/d from N

China for a Pacific RV. Rates on Kamsarmax units were in the low \$10,000/d from N China/Japan range for a NoPac round trip. Indonesia witnessed a limited activity too: a Panamax on Indonesia RV was rumoured in the \$8,000/d.

	Unit	24-Jul	17-Jul	W-o-W	Y-o-Y
<b>BPI 74 TC Avg.</b>	usd/day	9,450	12,196	-22.5%	-45.8%
<b>BPI 82 TC Avg.</b>	usd/day	10,786	13,532	-20.3%	-40.7%
<b>P1_82 Transatlantic r/v</b>	usd/day	9,920	15,675	-36.7%	-56.5%
<b>P2_82 Skaw-Gib Trip F. East</b>	usd/day	20,150	24,505	-17.8%	-34.4%
<b>P3_82 Pacific r/v</b>	usd/day	10,730	11,608	-7.6%	-29.4%
<b>1 Yr TC Period Panamax</b>	usd/day	10,250	10,500	-2.4%	-21.2%
<b>1 Yr TC Period Kamsarmax</b>	usd/day	11,750	12,250	-4.1%	-19.0%



## SUPRAMAX & HANDYSIZE MARKET

### US ATLANTIC SOUTH AMERICA

Rates in the Supramax and Ultramax segments remained stable but at the end of week some softer sentiments came over USG area.

On TransAtlantic RV, Supramax units were still fixed in the \$15/16,000/d and Ultramax still in the \$19/20,000/d.

On Fronthaul as well rates were similar to previous week with Supramax units fixed at values close to low \$20,000/d and Ultramax in the high \$25,000/d.

The Handysize segment kept showing the same trend of previous week with stable rates: on TransAtlantic, 32/35,000 dwt units

in fact were still fixed around \$10,000/d and larger 36/39,000 dwt in the \$13,000/d.

The market in ECSAm started showing a slow but constant decrease during the week both for in the Supramax and in the Ultramax segments.

Despite the Handysize market kept showing positive values, the overall sentiment remained bearish: rates on TransAtlantic trips went from \$12,500/d to \$13,300/13,500/d, mainly due to the lack of tonnage in the area.

Rates on trips to F East remained almost stable reaching \$17/17,500/d.

On short period, rates on Handysize units remained strong around \$14,000/d for 3/5 months periods with redely worldwide.

The Supramax and Ultramax segments unfortunately did not follow the same trend of smaller units losing few hundred dollars for trips in the Atlantic basin and much more for trips to F East. On TransAtlantic RV, Supramax units were fixed at \$14,000/d and Ultramax at \$16,500/17,000/d.

Rates on trips to F East were rumoured at \$14,000/d + 400,000 bb on Supramax units and at \$14,750/d + 475,000 bb on Ultramax.

### N EUROPE MEDITERRANEAN

Stable week in Cont both on Supramax and on Ultramax units: not much activity was recorded on both segments.

In the Handysize segment, a nice 35,000 dwt was fixed at \$10/11,000/d basis dely Cont for a trip with scrap into E Med. In the Supramax segment, a nice Tess 58 was rumoured at \$13,500/d again with scrap cargo to E Med, 35 days duration wog.

On Fronthaul, owners of a nice 63,000 dwt open in Cont were ready to fix at \$22,000/d for a trip

via Baltic to India with fertilizers while charterers evaluated the trip at \$20,000/d.

The market was pretty firm in Med/BSea area. Operators mainly saw uncertainty and were not very keen in booking forward cargoes.

Rates on trips to F East surely went down on all sizes: rates on Supramax went from \$23/24,000/d to \$20/21,000/d, even if owners kept asking numbers in the mid \$20,000/d.

Also rates on trips within Med/Cont area went down with

Handysize units asking \$8,000/8,500/d but then fixed below \$8,000/d.

What surely got a positive trend was the trip from BSea to USG or to ECSAm which got an improvement of \$2,000/d within 7 days.

Owners tried to keep a positive sentiment but it seems it will not last long.

### INDIA S AFRICA

The market remained more or less in line with previous week, with a small increment recorded. A 56,000 dwt was fixed at mid \$12,000/d basis dely dop Pakistan for a trip via MEG to WCI and another 57,000 dwt was rumoured at high \$13,000/d for a trip with redely ECI. From WCI, a smaller Supramax was fixed at mid \$12,000/d with redely ECI and a

Ultramax was at mid \$13,000/d for a similar route. The market in ECI kept pushing up again: Ultramax units were fixed at \$17,000/d and at the end of the week there were rumours of a Ultramax done at \$18,500/d basis dely dop ECI for trips to China. Supramax units were fixed at \$14/15,000/d with steel cargo to Pacific basin and also with iron ore cargo to China.

Towards mid-week, Supramax units were even fixed at \$16,000/d for similar biz. SAfr rates remained more or less similar to last done: a Ultramax was fixed in the low \$13,000/d + low 300,000 bb for a trip to Pacific basin. A 61,000 dwt was fixed in the high \$12,000/d + high 200,000 bb with coal cargo with Pakistan/WCI redely.

# SUPRAMAX & HANDYSIZE MARKET

## FAR EAST PACIFIC

The market in F East remained substantially stable compared to previous week: only a little decrease was recorded at the end of week both on Handysize and on Supramax units.

A 57,000 dwt with dely N China was fixed at \$7,250/d for a trip via Indonesia to mid-China, a 53,000 dwt with dely S China was reported

done at \$8,750/d for the same trip and a 53,000 dwt with dely Korea was rumoured at \$7,600/d for a trip via CIS to SE Asia.

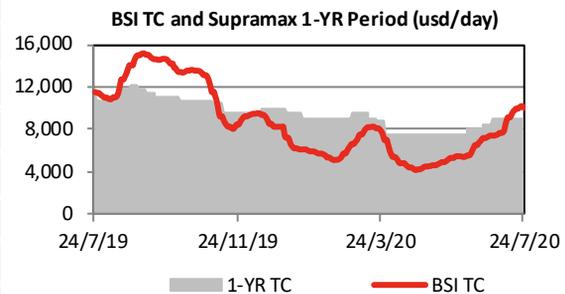
Regarding West direction, a 60,000 dwt with dely Vietnam was rumoured at \$9,500/d for a trip via Indonesia to full India, a 56,000 dwt with dely N China was fixed at \$5,000/d for the same trip and a

52,000 dwt was rumoured at \$6,000/d for a trip via Indonesia to WCI.

In the Handysize segment, a fancy 35,000 dwt with dely Philippines was rumoured at \$6,000/d for a trip via ECI to SE Asia.

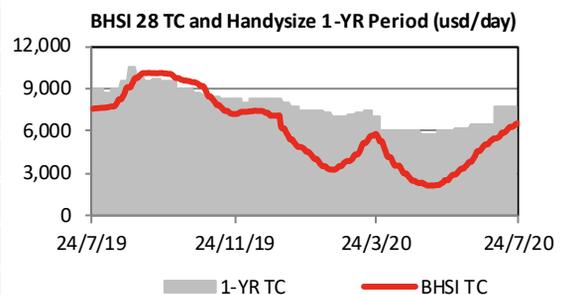
## SUPRAMAX

	Unit	24-Jul	17-Jul	W-o-W	Y-o-Y
BSI TC Avg.	usd/day	10,070	10,014	+0.6%	-13.0%
S4A_58 USG-Skaw/Pass	usd/day	17,909	18,788	-4.7%	+0.4%
S1C_58 USG-China/S Jpn	usd/day	24,819	23,975	+3.5%	-0.8%
S9_58 WAF-ECSA-Med	usd/day	9,629	9,757	-1.3%	-13.3%
S1B_58 Canakkale-FEast	usd/day	20,668	21,775	-5.1%	-11.0%
S2_58 N China Aus/Pac RV	usd/day	9,067	8,664	+4.7%	-9.1%
S10_58 S China-Indo RV	usd/day	8,400	7,944	+5.7%	-18.3%
1 Year TC Period Supramax	usd/day	9,000	9,000	+0.0%	-18.2%
1 Year TC Period Ultramax	usd/day	10,750	10,750	+0.0%	-10.4%



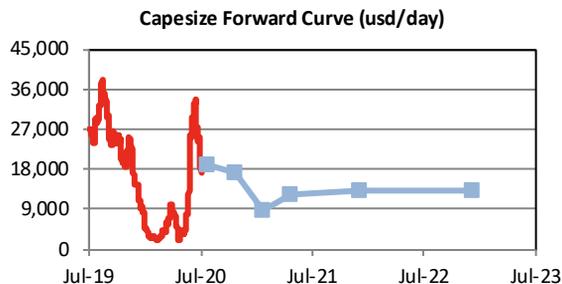
## HANDYSIZE

	Unit	24-Jul	17-Jul	W-o-W	Y-o-Y
BHSI_28 TC Avg.	usd/day	6,507	6,266	+3.8%	-13.7%
BHSI_38 TC Avg.	usd/day	8,473	8,232	+2.9%	-13.8%
HS2_38 Skaw/Pass-US	usd/day	6,621	6,143	+7.8%	-17.2%
HS3_38 ECSAm-Skaw/Pass	usd/day	13,344	12,558	+6.3%	-19.6%
HS4_38 USG-Skaw/Pass	usd/day	11,038	10,253	+7.7%	-20.1%
HS5_38 SE Asia-Spore/Japan	usd/day	8,421	8,556	-1.6%	-0.7%
HS6_38 Pacific RV	usd/day	7,300	7,450	-2.0%	-7.3%
1 Year TC Period 32,000 dwt	usd/day	7,750	7,750	+0.0%	-13.9%
1 Year TC Period 38,000 dwt	usd/day	8,250	8,250	+0.0%	n.a.

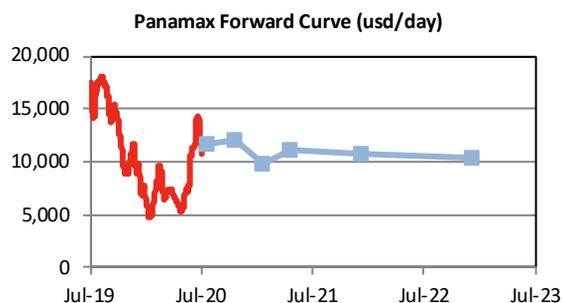


# DRY BULK FFAS (Baltic Forward Assessments)

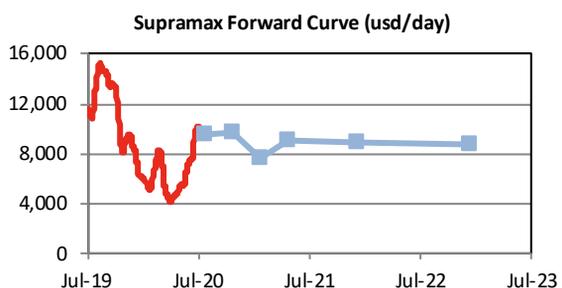
CAPE SIZE	Unit	24-Jul	17-Jul	W-o-W	Premium/ Discount
Jul-20	usd/day	24,066	26,525	-9.3%	+39.2%
Aug-20	usd/day	15,828	20,875	-24.2%	-8.4%
Sep-20	usd/day	17,125	19,019	-10.0%	-0.9%
Q3 20	usd/day	19,006	22,140	-14.2%	+10.0%
Q4 20	usd/day	17,044	17,622	-3.3%	-1.4%
Q1 21	usd/day	8,613	8,806	-2.2%	-50.2%
Q2 21	usd/day	12,209	12,481	-2.2%	-29.4%
Cal 21	usd/day	13,076	13,346	-2.0%	-24.3%
Cal 22	usd/day	13,038	13,181	-1.1%	-24.6%



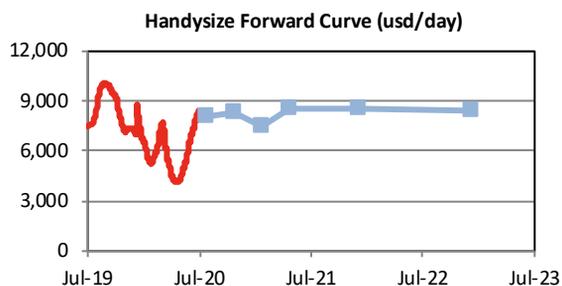
PANAMAX (82k)	Unit	24-Jul	17-Jul	W-o-W	Premium/ Discount
Jul-20	usd/day	12,345	12,874	-4.1%	+14.5%
Aug-20	usd/day	10,942	12,677	-13.7%	+1.4%
Sep-20	usd/day	11,917	12,745	-6.5%	+10.5%
Q3 20	usd/day	11,735	12,765	-8.1%	+8.8%
Q4 20	usd/day	12,111	12,739	-4.9%	+12.3%
Q1 21	usd/day	9,852	9,899	-0.5%	-8.7%
Q2 21	usd/day	11,158	11,386	-2.0%	+3.4%
Cal 21	usd/day	10,841	11,041	-1.8%	+0.5%
Cal 22	usd/day	10,295	10,467	-1.6%	-4.6%



SUPRAMAX (58k)	Unit	24-Jul	17-Jul	W-o-W	Premium/ Discount
Jul-20	usd/day	9,261	9,400	-1.5%	-8.0%
Aug-20	usd/day	9,632	10,743	-10.3%	-4.3%
Sep-20	usd/day	10,007	10,736	-6.8%	-0.6%
Q3 20	usd/day	9,633	10,293	-6.4%	-4.3%
Q4 20	usd/day	9,675	9,843	-1.7%	-3.9%
Q1 21	usd/day	7,675	7,651	+0.3%	-23.8%
Q2 21	usd/day	9,093	9,304	-2.3%	-9.7%
Cal 21	usd/day	8,918	9,207	-3.1%	-11.4%
Cal 22	usd/day	8,814	9,075	-2.9%	-12.5%



HANDYSIZE (38k)	Unit	24-Jul	17-Jul	W-o-W	Premium/ Discount
Jul-20	usd/day	7,591	7,579	+0.2%	-10.4%
Aug-20	usd/day	8,279	8,229	+0.6%	-2.3%
Sep-20	usd/day	8,329	8,366	-0.4%	-1.7%
Q3 20	usd/day	8,066	8,058	+0.1%	-4.8%
Q4 20	usd/day	8,341	8,441	-1.2%	-1.6%
Q1 21	usd/day	7,466	7,541	-1.0%	-11.9%
Q2 21	usd/day	8,547	8,666	-1.4%	+0.9%
Cal 21	usd/day	8,541	8,585	-0.5%	+0.8%
Cal 22	usd/day	8,472	8,516	-0.5%	-0.0%



# TANKER

## CRUDE OIL TANKER MARKET

In the VLCC segment rates remained under pressure on all routes: in fact, rates from MEG and W Afr to F East were both well below WS40 level and MEG-USG deals assessed in the very low WS20.

In the Suezmax segment on W Afr-Europe route rates firmed up to WS50 level and on BSea-Med were around WS55.

Ceyhan-Spore deals were done at \$2 mln and USG-Spore at \$3 mln.

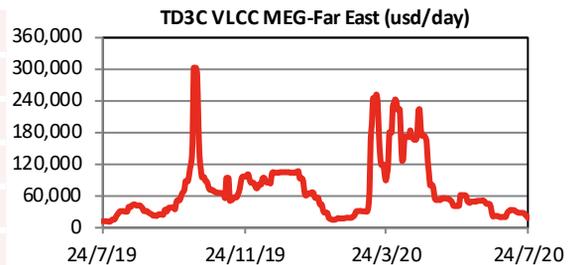
Rates from MEG to East direction were much firmer but still close to WS20 level for westbound voyages.

In the Aframax segment rates decreased both in NW Europe and in Med: rates for 80,000 mt cargoes from N Sea to UKC went back to WS80 and for 80,000 mt

cargoes from CPC to Med at WS70; in addition, for a Sidi Kerir-Portugal run it was rumoured a WS50 level. Rates for 70,000 mt cargoes from USG to Europe were rumoured at a firmer WS75 level. It was a busy week in the East as well with rates moving up on all main routes.

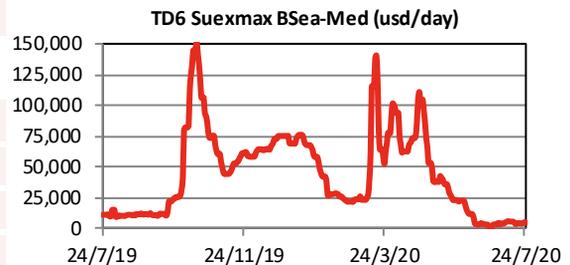
### VLCC

	Unit	24-Jul	17-Jul	W-o-W	Y-o-Y
TD1 MEG-USG	ws	21.95	23.64	-7.1%	+18.3%
TD1 MEG-USG	usd/day	4,347	8,066	-46.1%	+139%
TD2 MEG-Spore	ws	36.38	43.38	-16.1%	-14.2%
TD3C MEG-China	ws	35.42	42.25	-16.2%	-15.0%
TD3C MEG-China	usd/day	18,228	27,799	-34.4%	+49.4%
TD15 WAF-China	ws	38.50	42.79	-10.0%	-14.2%
Avg. VLCC TCE	usd/day	11,288	17,933	-37.1%	+2033.8%
1 Year TC Period	usd/day	37,000	37,000	+0.0%	+8.8%



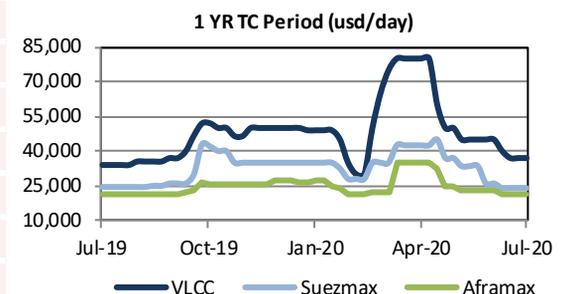
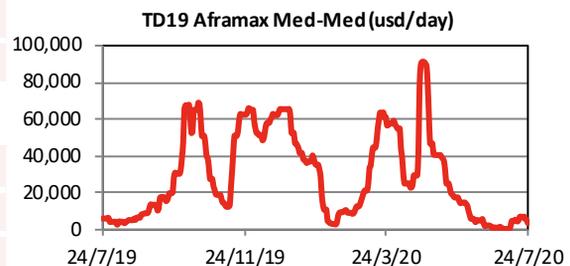
### SUEZMAX

TD6 BSea-Med	ws	54.72	52.17	+4.9%	-27.7%
TD6 BSea-Med	usd/day	4,852	4,418	+9.8%	-56.7%
TD20 WAF-Cont	ws	49.73	45.57	+9.1%	-35.2%
MEG-EAST	ws	55.00	45.00	+22.2%	-27.6%
TD23 MEG-Med	ws	22.71	21.64	+4.9%	-35.1%
Avg. Suezmax TCE	usd/day	8,981	8,251	+8.8%	-40.7%
1 Year TC Period	usd/day	24,000	24,000	+0.0%	-2.0%



### AFRAMAX

TD7 NSea-Cont	ws	80.31	95.00	-15.5%	-3.9%
TD7 NSea-Cont	usd/day	3,671	15,131	-75.7%	+349.3%
TD17 Baltic-UKC	ws	56.25	55.94	+0.6%	-8.4%
TD17 Baltic-UKC	usd/day	6,922	7,848	-11.8%	+79.0%
TD19 Med-Med	ws	66.25	70.63	-6.2%	-21.0%
TD19 Med-Med	usd/day	3,822	7,249	-47.3%	-39.7%
TD8 Kuwait-China	ws	75.56	67.50	+11.9%	-32.0%
TD8 Kuwait-China	usd/day	9,864	7,795	+26.5%	-17.7%
TD9 Caribs-USG	ws	75.00	70.31	+6.7%	-7.0%
TD9 Caribs-USG	usd/day	6,547	5,935	+10.3%	+123.8%
Avg. Aframax TCE	usd/day	7,066	8,876	-20.4%	+18.1%
1 Year TC Period	usd/day	21,000	21,000	+0.0%	-3.4%



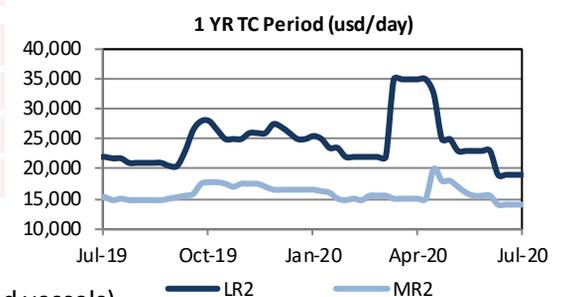
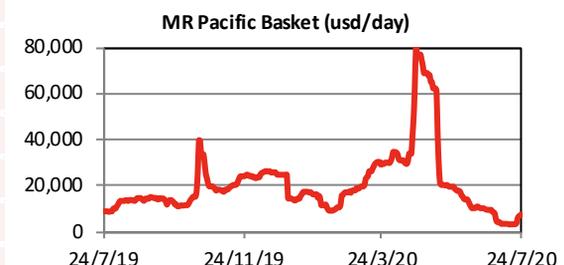
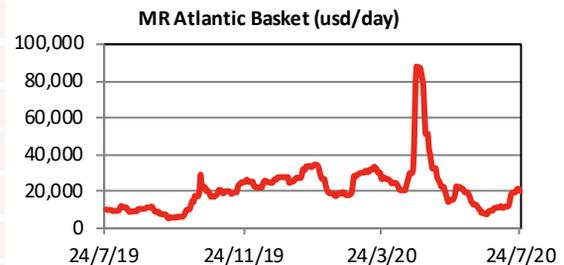
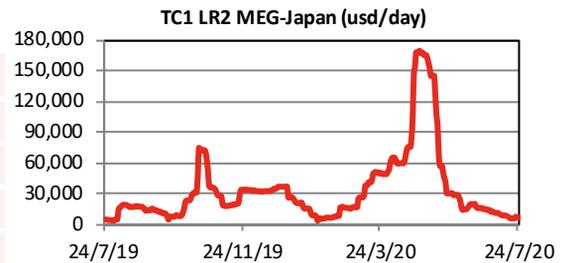
# PRODUCT TANKER MARKET

Not a lot of activity in East: MEG-Japan reached WS57.5, on LR2 a deal to Spore was done at \$1.525 mln and westbound rates were at 55@90. A long position list of spot Handies in Med: despite a little bit of activity in the market, CrossMed was still at 30@80, with usual plus 10 points from BSea. Same sentiment in the MR segment with a long position list and a UKC market very quiet. Rates on TA from Med were at 37@105, with usual plus 20 points if discharge WAfr. In UKC area, rates on Cont-

USAC reached 37@105, plus 20 points in case of WAfr discharge. Another steady week on Handies with 30,000 mt cargoes from Baltic fixed at WS90 to UKC and at WS85 on CrossUKC. Another very quiet week in the dirty market, both on CrossMed and on BSea/Med. Rates on CrossMed went down to 30@110 and to 30@120/125 on BSea/Med due to a longer position list that kept building up. Most of Handies open in W Med had to ballast up to Cont in order to fix cargoes. Similar situation in the MR

segment: just a couple of 45,000 mt cargoes were fixed from BSea at WS100. The market was a bit busier in Cont: rates for 30,000 mt cargoes moved up from WS120 to WS125; a decent number of fixtures was done from UKC to Med at WS120. Rates for 45,000 mt cargoes in Cont were at WS95/100 on CrossUKC or Baltic-Cont. In the Panamax segment, just a couple of fixtures were rumoured from Cont at WS65 for 55,000 mt cargoes, otherwise the market was not so exciting.

	Unit	24-Jul	17-Jul	W-o-W	Y-o-Y
TC1 MEG-Japan (75k)	ws	61.56	57.38	+7.3%	-23.2%
TC1 MEG-Japan (75k)	usd/day	7,002	6,332	+10.6%	+26.8%
TC8 MEG-UKC (65k)	usd/mt	18.46	17.85	+3.4%	-26.8%
TC5 MEG-Japan (55k)	ws	57.83	50.28	+15.0%	-40.2%
TC5 MEG-Japan (55k)	usd/day	3,526	2,204	+60.0%	-49.2%
TC2 Cont-USAC (37k)	ws	104.72	80.28	+30.4%	+0.3%
TC2 Cont-USAC (37k)	usd/day	9,123	5,260	+73.4%	+70.3%
TC14 USG-Cont (38k)	ws	117.14	126.07	-7.1%	+25.2%
TC14 USG-Cont (38k)	usd/day	12,322	14,826	-16.9%	+202.2%
TC9 Baltic-UKC (22k)	ws	90.00	90.00	+0.0%	-25.4%
TC6 Med-Med (30k)	ws	80.00	80.00	+0.0%	-40.9%
TC7 Spore-ECAu (30k)	ws	100.17	90.97	+10.1%	-37.6%
TC7 Spore-ECAu (30k)	usd/day	6,982	5,899	+18.4%	-40.3%
TC11 SK-Spore (40k)	usd/day	1,277	293	+335.8%	-78.8%
MR Pacific Basket	usd/day	7,047	2,807	+151.1%	-17.3%
MR Atlantic Basket	usd/day	20,186	19,684	+2.6%	+78.0%
LR2 1 Year TC Period	usd/day	19,000	19,000	+0.0%	-13.6%
MR2 1 Year TC Period	usd/day	14,000	14,000	+0.0%	-8.2%
TD12 Cont-USG (55k)	ws	61.86	54.79	+12.9%	-33.6%
TD18 Baltic-UKC (30K)	ws	127.00	122.50	+3.7%	-5.0%
BSea-Med (30k)	ws	120.0	130.0	-7.7%	-12.7%
Med-Med (30k)	ws	110.0	120.0	-8.3%	-10.2%



## DELAYS AT TURKISH STRAITS (for daylight restricted vessels)

	Unit	24-Jul	17-Jul	W-o-W	Y-o-Y
Northbound	days	1.0	1.0	+0.0%	-33.3%
Southbound	days	1.0	1.0	+0.0%	-33.3%

# CONTAINERS

The Contex gained 6 points mainly thanks to larger segments (as from 3500 teu), while no particular changes were recorded on smaller units.

According to Sea-Intelligence, the

announcements of additional blanked sailings indicates that carriers think that a sufficient supply capacity was removed from the market.

Drewry analysis indicates that

carriers will continue their practice of sailing cancellations for the foreseeable future, suggesting shippers and forwarders to extend lead times in case of operational delays.

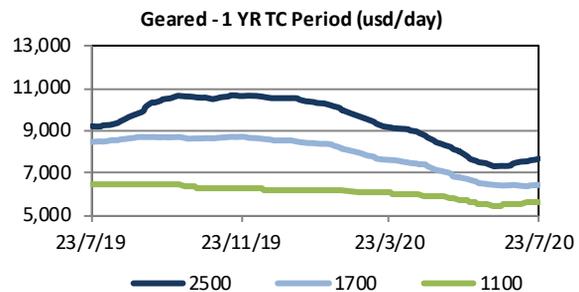
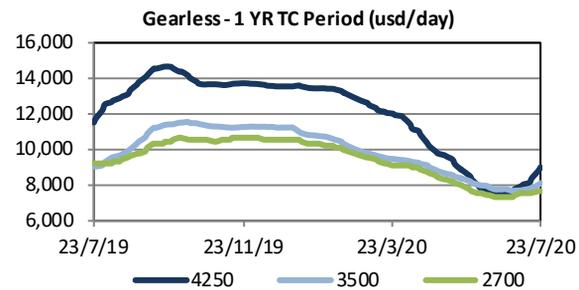
## FIXTURES

Vessel Name	Built	TEUs	TEU@14	Gear	Fixture	Period	Rates
Cape Chronos	2015	6865	4970	no	fixed to Hapag L.	2/8 m	\$19,100/d
Seaspan Sydney	2005	4253	2805	no	extended to Cosco	3/6 m	\$9,000/d
Bomar Rossi	2012	3421	2509	no	fixed to Zim	2/4 m	\$8,350/d
Nordmed	2003	2478	1920	yes	extended to Cma Cgm	6/9 m	\$7,750/d
Nordleopard	2015	1756	1389	no	extended to Cma Cgm	6/8 m	\$8,750/d
AS Fenja	2005	1223	924	no	fixed to Asl	1/3 m	\$5,500/d

## VHSS CONTAINERSHIP TIMECHARTER

(source: Hamburg Shipbrokers' Association)

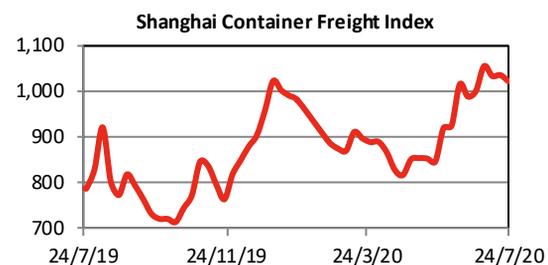
	Unit	23-Jul	16-Jul	W-o-W	Y-o-Y
ConTex	index	326	320	+1.9%	-20.7%
4250 teu (1Y, g'less)	usd/day	8,996	8,392	+7.2%	-23.7%
3500 teu (1Y, g'less)	usd/day	8,106	7,849	+3.3%	-10.2%
2700 teu (1Y, g'less)	usd/day	7,652	7,567	+1.1%	-16.5%
2500 teu (1Y, geared)	usd/day	7,362	7,331	+0.4%	-17.0%
1700 teu (1Y, geared)	usd/day	6,418	6,395	+0.4%	-24.3%
1100 teu (1Y, geared)	usd/day	5,589	5,575	+0.3%	-13.9%



## CONTAINERIZED FREIGHT INDEX

(source: Shanghai Shipping Exchange)

	Unit	24-Jul	17-Jul	W-o-W	Y-o-Y
Comprehensive Index	index	1,022	1,036	-1.3%	+29.5%
Services:					
Shanghai - North Europe	usd/teu	896	907	-1.2%	+18.8%
Shanghai - Mediterranean	usd/teu	937	940	-0.3%	+30.5%
Shanghai - WC USA	usd/teu	2,704	2,794	-3.2%	+88.7%
Shanghai - EC USA	usd/teu	3,269	3,334	-1.9%	+16.8%
Shanghai - Dubai	usd/teu	703	675	+4.1%	-2.4%
Shanghai - Santos	usd/teu	548	500	+9.6%	-73.3%
Shanghai - Singapore	usd/teu	144	148	-2.7%	+24.1%



## NEWBUILDINGS / FINANCE

In the newbuilding market, interest was focused on the tanker segment.

A new joint venture company composed by ECCO Holding A/S, Gunvor and Dee4 Capital Partners signed 2 + 2 MR2 (50,000 dwt) with Hyundai Mipo with delivery starting from beginning of 2022.

Furthermore, Hyundai Mipo received confirmation of order from Benelux for 2 + 1(option) MR2 at \$35.7 mln each.

In China, Eastern Pacific signed LOI for 5 x dual fuel Newcastlemax units (208,000 dwt) with New Times Shipyard. Vessels to be backed by long term (5 years) TC to

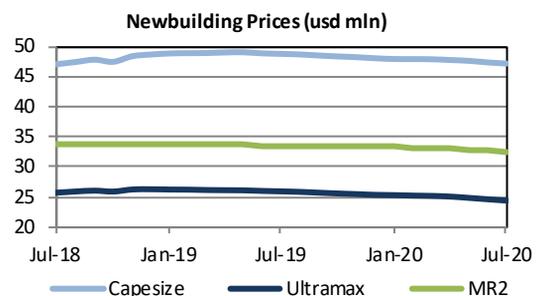
BHP, Australia and Vessels cost to be around \$66 mln each. Deliveries starting from Q1 2022.

### NEWBUILDING REPORTED ORDERS

Type	Size	Built	Yard	Buyers	Price	Comment
Tank	50,000	2022	Hyundai Mipo	ECCO Holding A/S, Gunvor and Dee4 Capital Partners	n.a.	2 units, 2 options
Tank	50,000	n.a.	Hyundai Mipo	Benelux	35.7	2 units, 1 option

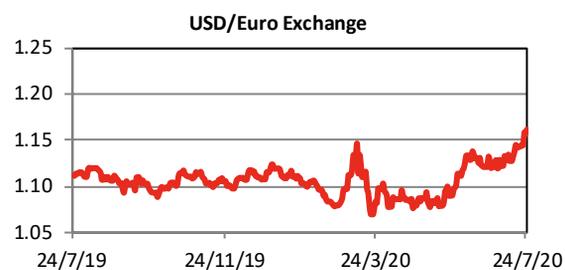
### INDICATIVE NEWBUILDING PRICES (CHINA)

	Unit	01-Jul-20	M-o-M	Y-o-Y
Capesize	usd mln	47.2	-0.4%	-3.3%
Kamsarmax	usd mln	26.1	-0.6%	-5.8%
Ultramax	usd mln	24.5	-0.9%	-6.0%
VLCC	usd mln	82.8	-0.4%	-1.3%
LR2 Coated	usd mln	45.0	-0.3%	-2.2%
MR2 Coated	usd mln	32.4	-0.9%	-3.0%



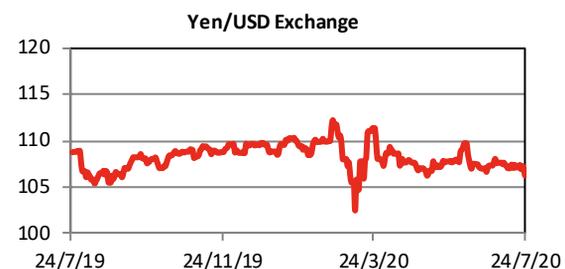
### INTEREST RATES

	Libor USD	Libor Euro	Euribor Euro
6 Months	0.32	-0.42	-0.37
12 Months	0.46	-0.31	-0.29



### INTEREST RATE SWAPS

	3 yrs	5 yrs	7 yrs	10 yrs	15 yrs	20 yrs
USD	0.23	0.31	0.43	0.58	0.72	0.79
Euro	-0.39	-0.35	-0.30	-0.19	-0.02	0.04



### EXCHANGE RATES

	24-Jul	17-Jul	W-o-W	Y-o-Y
USD/Euro	1.16	1.14	+1.6%	+4.4%
Yen/USD	106.14	107.02	-0.8%	-2.3%
SK Won/USD	1,201	1,205	-0.3%	+1.7%
Ch Yuan/USD	7.02	6.99	+0.4%	+2.1%

## SECONDHAND / DEMOLITION

Several sales took place in the dry segment during the week although several countries such as Singapore, Hong Kong, etc. imposed stricter rules for crew change and this may affect future transactions. S Korean controlled Kamsarmax bulker "Wise Young" 82,000 dwt built in 2011 at Daewoo with SS/DD due in November (out-of-sync) 2020 will end up in Greek hands for \$13.5 mln. Supramax bulkers of 57,000 dwt "Xenofon XL" and "Fulham" both built in 2010 at COSCO Zhoushan and COSCO Dalian respectively were sold for \$7.5 mln each; similar levels were achieved

by two years younger units built in Japan, Supramax "Noble Halo" 56,000 dwt built in 2008 at Mitsui - reportedly sold to undisclosed buyers for \$7.9 mln. In the Handysize segment, "Zambesi" 34,200 dwt built in 2013 at Zhejiang Yangfan, China was sold at \$8.75 mln (BWTS installed) whilst "Ikan Jenahar" 32,000 dwt built in 2010 at Saiki was also sold but no price emerged yet. It is worth noticing that the demolition market steadily picked up and couple of bulk carriers have now managed to achieve levels in excess of \$350 per LDT.

In the tanker segment, despite a

persistent soft market and summertime, there were still various negotiations around with buyers looking for bargain deals. A 20 years old VLCC 'Bag Meur' 306,000 dwt built at Hyundai with SS/DD due in August was sold to undisclosed for \$23.5 mln. Aframax 'Umlma' 105,000 dwt built in 2006 at Hyundai reportedly achieved \$14.9 mln, a new (lower) benchmark for this size/age. Finally MR2 'Maersk Murotsu' 50,000 dwt built in 2010 by Onomichi was purchased by European buyers at \$16.6 mil, basis 2nd Special Survey freshly passed.

### SECONDHAND REPORTED SALES

TYPE	VESSEL NAME	DWT	BLT	YARD	BUYERS	PRICE	NOTE
Bulk	Santa Rosalia	75,000	2008	Tsuneishi	client of Erasmus	10.8	SS 1/2023 DD 12/2020
Bulk	Xenofon XL	57,000	2010	COSCO Zhoushan	undisclosed buyers	7.45	SS/DD 8/2020
Bulk	Fulham	57,000	2010	COSCO Dalian	undisclosed buyers	7.5	SS/DD 8/2020
Bulk	Noble Halo	56,000	2008	Mistui	undisclosed buyers	7.9	SS 5/2021 DD 2/2021
Bulk	Sea Arrow	46,000	1998	Sanoyas	Chinese buyers	3.37	SS 4/2023 DD 7/2021
Bulk	Zambesi	34,000	2013	Zhejiang Yangfan	undisclosed buyers	8.9	Electronic main engine, BWTS fitted, Mewis Duct fitted, loggers
Crude	Umlma	105,000	2006	Hyundai	undisclosed buyers	14.9	SS/DD 1/2021
FSO	Southern Pearl	96,000	1994	Samsung	undisclosed buyers	4.8	SS/DD 1/2021
Prod	Maersk Murotsu	50,000	2010	Onomichi	Transocean Maritime Agencies	16.6	SS/DD freshly passed July 2020

### BALTIC SECONDHAND ASSESSMENTS

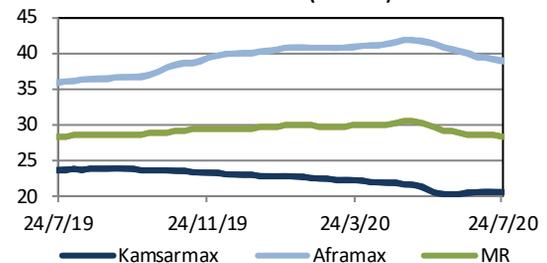
	Unit	24-Jul	17-Jul	W-o-W	Y-o-Y
Capesize	usd mln	31.2	31.3	-0.3%	-12.5%
Kamsarmax	usd mln	20.7	20.7	-0.1%	-12.8%
Supramax	usd mln	15.2	15.2	-0.2%	-12.7%
VLCC	usd mln	71.2	71.6	-0.5%	+2.2%
Suezmax	usd mln	49.3	49.5	-0.3%	n.a.
Aframax	usd mln	38.9	39.1	-0.5%	+8.6%
MR Product	usd mln	28.3	28.5	-0.5%	-0.1%

From June 2019, the Panamax BSPA benchmark changed into a Kamsarmax (82,500mt dwt on 14.43m, LOA 229m, beam 32.25m, 97,000cbm grain) and the benchmark BSPA Aframax specifications was amended to 115,000mt dwt and 44m beam

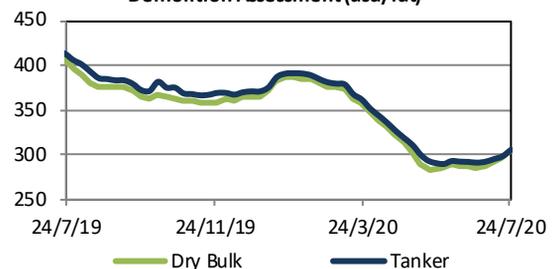
### SHIP RECYCLING ASSESSMENT

	Unit	24-Jul	17-Jul	W-o-W	Y-o-Y
Dry Bulk	usd/ldt	304.4	295.6	+3.0%	-25.4%
Tanker	usd/ldt	305.3	298.0	+2.5%	-26.3%

Secondhand Values (usd mln)



Demolition Assessment (usd/ldt)



## DRY BULK NEWS

### Thai rice exporters cut 2020 forecast to 6.5 mln T, lowest in 20 years

Thailand's rice exporters association has slashed its forecast for 2020 exports to 6.5 million tonnes, the lowest volume in two decades, owing to drought and a strong baht currency, its executives said. The industry group's latest forecast for Thailand, the world's second-largest rice exporter last year, is lower than its previous expectation of a seven-year low of 7.5 million tonnes for 2020. The association attributed that to a persistently strong baht compared to other currencies and drought cutting Thai rice output by 5 million tonnes this production season, making prices higher and uncompetitive.

### Europe steams towards coal exit

Europe's long goodbye to coal is speeding up, in a transition smoothed by the rise of wind and solar power and energy policy that has priced the fossil fuel out of many markets. Centuries after powering Europe's industrial revolution, coal cannot compete with less polluting fuels to generate electricity, prompting governments and companies to close mines and plants. Renewable sources of power have taken over for the first time in 2020, generating 40% of European Union electricity, while fossil fuels generated 34%, independent think-tank Ember said in a half-yearly report.

### BHP hits record iron ore output but warns of risks from virus

BHP Group posted a 7% rise in fourth-quarter iron ore output but warned the resurgence of COVID-19 outbreaks threatened the short-term demand outlook for its key commodities and widened its production guidance range for next year. Mining companies are banking on the recent uptick in industrial activity in China, the world's top metals consumer, to support prices and insulate them from uncertainty over demand elsewhere, as global coronavirus cases continue to spike. The world's biggest listed

miner met guidance for its iron ore production of a record 67 million tonnes for the quarter, up 4%, and 248 million tonnes for the financial year, reflecting strong demand from top consumer China. Reflecting uncertainty over a second wave of infections and the possible impact to demand from China, the world's top commodity consumer, it also widened its 2021 guidance across commodities, including 2% each way for iron ore to 244 – 253 million tonnes for FY 2021.

### Saudi Arabia liberalises wheat imports for flour mills

Saudi Arabia's state grain buyer SAGO said that companies that buy its flour mills would be able to import wheat directly from global markets in the further liberalisation of the country's grains sector. Saudi Arabia is selling its entire flour milling business, a long-awaited privatisation that marks one of the first sales of the country's state-owned assets, part of broader plans to overhaul the economy. SAGO, one of the world's largest grain buyers, has until now controlled all the country's wheat purchases. But after the privatisation of the flour mills they will be able to buy wheat from global markets directly as well as from SAGO.

### Russian wheat prices up amid slow supply

Russian wheat export prices rose for the second consecutive week last week due to the slow pace of harvesting, which started later than a year ago, and weak supply from farmers in southern regions, analysts said. Russian wheat with 12.5% protein-loaded from Black Sea ports was at \$208.5 a tonne free on board (FOB) at the end of last week, up \$6.5 from the previous week, SovEcon agriculture consultancy said. Barley rose by \$5 to \$181 a tonne. SovEcon's forecast for Russia's 2020 wheat crop - 79.7 million tonnes - is higher than the estimates of some other analysts as it expects the country's final data on the 2020 sowing area, to exceed the official estimates.

### EU 2020/21 soft wheat exports at 460,329 T by July 19

Soft wheat exports from the European Union in the 2020/21 season to July 19 totalled 460,329 tonnes, official EU data showed. That was 53% below the volume exported in the previous 2019/20 season, the data showed. EU 2020/21 barley exports reached 235,526 tonnes, down 30% from 2019/20, while EU 2020/21 maize imports stood at 556,465 tonnes, down 57%. The European Commission has continued to include Britain in its 2020/21 grain export and import data following Britain's exit from the bloc at the end of January.

### Saudi Ports Authority, SALIC sign deal for Yanbu grain terminal

The Saudi Ports Authority and Saudi investment firm SALIC signed an agreement to build a grain terminal in Yanbu Commercial Port, the Saudi state news agency said. The terminal will be capable of handling 5 million tonnes of grains a year. SALIC, the Saudi Agricultural and Livestock Investment Co and an arm of the desert kingdom's sovereign wealth fund, was formed in 2011 to secure food supplies for Saudi Arabia through mass production and investments.

### U.S. soybean, corn exports soar on big China deals

Weekly U.S. corn and soybean export sales reached multi-year highs in mid-July, the U.S. Agriculture Department said, fueled by big purchases by China. China booked deals to buy 1.967 million tonnes of U.S. corn, its biggest weekly total of the yellow grain on record, in the week ended July 16. The weekly USDA report also showed soybean sales to China rose to 1.696 million tonnes, the most since March 2019. The Chinese purchases pushed the overall weekly total for corn export sales to 2.548 million tonnes, the most since March 2018, and soybean export sales to 2.666 million tonnes, the biggest since December 2018.

Source: Refinitiv

## OIL & GAS NEWS

### **Iraq increases oil exports in July, still pumps above OPEC+ target**

Iraq's crude oil exports have increased so far in July, according to shipping data and industry sources, suggesting OPEC's second-largest producer is still undershooting its pledge in an OPEC-led supply cut deal. Southern Iraqi exports in the first 20 days of July averaged 2.70 million bpd, according to data from Refinitiv and two industry sources. The July figures imply Iraq is still some way from fulfilling its pledges and is exporting far more than a July loading programme indicated. So far, northern exports are at least 450,000 bpd, they said, which would be up from 370,000 bpd in June. In June, Iraq delivered about 88% of its cut, according to Reuters calculations based on OPEC data. If exports in July hold steady, adherence has fallen to 65%, based on Reuters' calculations.

### **Brazil boosts oil exports to Asia as global rivals make record cuts**

Brazil increased crude exports to Asia in the first half of the year, stealing a slice of a coveted developing market from global rivals who made record cuts to shipments to match the unprecedented fall in demand caused by the coronavirus pandemic. China is now the destination for 70% of the country's exports, Petrobras said. Asia imported an average of 1.07 million barrels per day of oil from Brazil in the first half of the year, 30% year-on-year hike, according to Refinitiv data. A record 1.62 million bpd of Brazilian crude arrived in Asian ports in June, almost triple the volume in June 2019. Additionally, Asian refiners were keen for the low-sulphur oil that Brazil sells, as they sought to comply with new maritime regulations to supply ships with cleaner fuel.

### **U.S. crude, distillate stockpiles rise unexpectedly**

U.S. crude oil and distillate inventories rose unexpectedly, and fuel demand slipped last week, the EIA said, as a sharp outbreak in coronavirus cases hit U.S. consumption. U.S. crude

production ticked higher and refined products supplied, a proxy for fuel demand, declined. The market had recovered from the doldrums of April, when U.S. prices briefly dropped to more than negative-\$40 a barrel, as producers trimmed supply due to a slump in demand amid lockdowns to control the pandemic.

### **Asia naphtha market under pressure as crackers eye cheaper alternative LPG**

Crackers in Asia are expected to switch to cheaper alternative feedstock liquefied petroleum gas (LPG) to meet shortfalls of naphtha whose supplies from the west is set to drop to a four-month low in August, four sources who track the shipments said. Cumulative east-bound naphtha cargoes from Europe, the Mediterranean and the United States will fall at least 40% in August to 1.6 million-1.7 million tonnes from May's record high due to run cuts in Europe, they said. That is about 7-9% lower versus July, they said. Buyers, most of whom are operating their crackers at full-tilt, are expected to turn to LPG, whose prices have recently started weakening. That could exert further pressure on naphtha spot prices and margins, which hit a one-month low of \$62.23 on Friday.

### **China's oil port congestion to stretch on as record imports strain facilities**

Congestion at China's east coast oil ports that is adding to costs for shippers and importers is likely to run well into August, with crude shipments set to hit another record high this month. The massive inflows are straining offloading facilities, while refiners and port operators in Shandong province -- home to a quarter of China's refining capacity -- are rushing to build new storage tanks. July seaborne arrivals into the world's biggest oil importer are expected to surge to 14.4 million barrels per day, Refinitiv analyst Emma Li said, well above record

imports of 12.9 million bpd in June. As of July 23, about 120 million barrels of crude were waiting off Chinese ports to discharge, up from around 80 million barrels in early July, Refinitiv data showed.

### **U.S. oil & gas rig count falls to a record low for 11th week**

U.S. energy firms cut the number of oil and natural gas rigs operating to a record low for an 11th week in a row though they have slowed the reductions as some consider returning to the well pad with crude prices up from historic lows. The U.S. oil and gas rig count, an early indicator of future output, fell by five to an all-time low of 253 in the week to July 17, according to data from energy services firm Baker Hughes Co going back to 1940. That was 701 rigs, or 73%, below this time last year. U.S. oil rigs fell one to 180 this week, their lowest since June 2009, while gas rigs dropped by four to 71, their lowest on record according to data going back to 1987.

### **India's petrol, diesel demand falls due to high prices, lockdown**

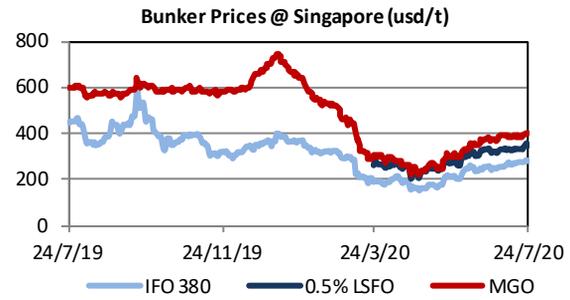
Indian state refiners' petrol and diesel sales declined in the first half of July from the same period last month, according to preliminary data, as a renewed lockdown in parts of the country and rising retail prices hit demand. State-refiners' diesel sales, which account for two-fifth of overall refined fuel sales in India, fell by 18% to 2.2 million tonnes in the first half of July from the same period in June, and by about 21% from a year earlier, according to data compiled by Indian Oil Corp. State companies' sales of petrol fell 6.7% to 880,000 tonnes in the first half of July from the same period in June, and by about 12% from a year earlier, the data showed. India's diesel price has touched a record high of 81.35 rupees (\$1.09) a litre on Friday in New Delhi, slightly higher than that of petrol.

Source: Refinitiv

# PRICES

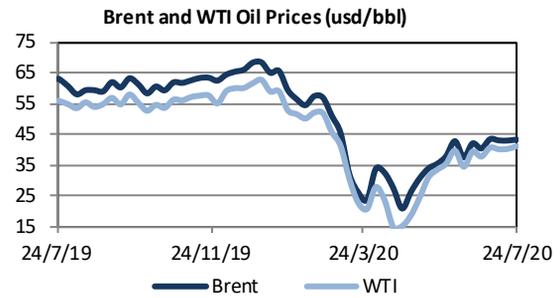
## BUNKER

	Unit	24-Jul	17-Jul	W-o-W	Y-o-Y	
IFO 380	Rotterdam	usd/t	259.0	258.5	+0.2%	-29.7%
	Fujairah	usd/t	270.5	262.0	+3.2%	-35.1%
	Singapore	usd/t	281.5	277.5	+1.4%	-36.9%
0.5% LSFO	Rotterdam	usd/t	316.0	308.0	+2.6%	n.a.
	Fujairah	usd/t	348.0	333.5	+4.3%	n.a.
	Singapore	usd/t	350.5	335.5	+4.5%	n.a.
MGO	Rotterdam	usd/t	371.0	368.5	+0.7%	-36.1%
	Fujairah	usd/t	457.0	449.5	+1.7%	-33.7%
	Singapore	usd/t	402.5	386.0	+4.3%	-33.2%



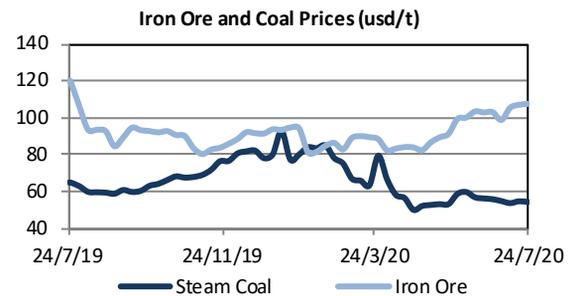
## OIL & GAS

	Unit	24-Jul	17-Jul	W-o-W	Y-o-Y
Crude Oil Brent	usd/bbl	43.2	42.9	+0.8%	-31.4%
Crude Oil WTI	usd/bbl	41.2	40.3	+2.1%	-26.5%
Crude Oil Dubai	usd/bbl	43.6	43.3	+0.7%	-31.9%
Nat Gas Henry Hub	usd/mmbtu	1.78	1.70	+4.7%	-18.0%
Gasoline Nymex	usd/gal	1.28	1.21	+5.8%	-31.2%
ICE Gasoil	usd/t	377.0	364.3	+3.5%	-35.4%
Naphtha Tokyo	usd/t	394.3	385.0	+2.4%	-23.1%
Jet-Kerosene Asia	usd/bbl	43.9	43.7	+0.4%	-43.9%



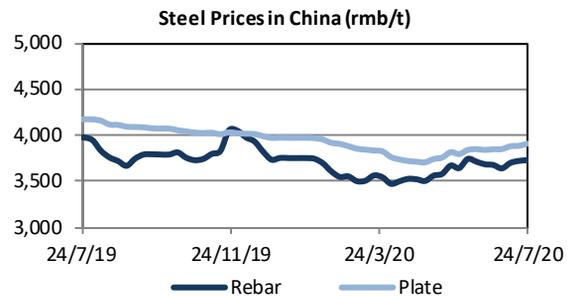
## COAL

	Unit	24-Jul	17-Jul	W-o-W	Y-o-Y
Steam @ Richards Bay	usd/t	54.6	55.0	-0.7%	-16.0%
Steam @ Newcastle	usd/t	62.7	63.2	-0.9%	-14.6%
Coking Coal Australia	usd/t	111.0	114.0	-2.6%	-39.3%



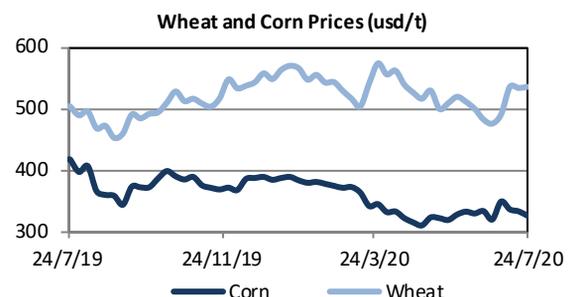
## IRON ORE AND STEEL

	Unit	24-Jul	17-Jul	W-o-W	Y-o-Y
Iron Ore (Platts)	usd/t	107.7	107.2	+0.4%	-10.3%
Iron Ore @Tangshan	rmb/t	869.0	861.0	+0.9%	-5.7%
Rebar in China	rmb/t	3,728	3,720	+0.2%	-6.3%
Plate in China	rmb/t	3,903	3,880	+0.6%	-6.5%
HR Coil in China	rmb/t	3,997	3,973	+0.6%	+1.0%
CR Sheet in China	rmb/t	4,409	4,367	+1.0%	+1.8%



## AGRICULTURAL

	Unit	24-Jul	17-Jul	W-o-W	Y-o-Y
Wheat	usd/t	535.8	533.8	+0.4%	+6.5%
Corn	usd/t	325.0	332.3	-2.2%	-22.3%
Soybeans	usc/bu	903.5	902.3	+0.1%	+1.8%
Palm Oil	usd/t	680.4	634.2	+7.3%	+41.2%





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