



weekly  
market  
report



Week 50/2020 (07 Dec – 13 Dec)

Comment: South African coal exports

## SOUTH AFRICA COAL EXPORTS

South Africa is the fourth largest exporter of coal in the world, after Australia, Indonesia and Russia.

In calendar 2019 the country exported a total of 67.4 mln tonnes of coal by sea, according to Refinitiv vessel tracking data.

South Africa's economically recoverable coal reserves are estimated at between 15 and 55 billion tonnes.

96% of reserves are bituminous coal; metallurgical coal accounts for approx. 2% and anthracite another 2%. Production is mainly steam coal of bituminous quality.

The vast majority of coal exports from South Africa are loaded at Richards Bay port in KwaZulu-Natal, on the east coast of the country. Occasionally, some cargoes are loaded at nearby Durban port.

In the past, South Africa was able to benefit from its location to be a swing supplier to both the Atlantic and Pacific basins.

This is no longer the case, as coal demand in Europe has largely evaporated in recent years.

This has left South African exporters largely dependent on the Asian markets, where they face tough competition from Indonesian

and Australian suppliers.

South African coal exports have been generally shrinking in recent years, due to a combination of lower production and lack of competitiveness, but have actually done surprisingly well this year.

In the first 11 months of 2020, South Africa exported 63.6 mln tonnes of coal by sea, according to vessel tracking data from Refinitiv.

This represents an increase of +3.9% y-o-y, compared to the 61.2 mln tonnes exported in the same eleven-month period of 2019.

The year can be essentially divided into a really disappointing first half and a much better than expected second half.

The first quarter of 2020 was really mixed, with South Africa exporting 16.7 mln tonnes of seaborne coal, which was a +2.9% increase on the same period last year.

This consisted of a good January 2020 with 6.3 mln tonnes (up +43.4% y-o-y from an exceptionally poor January 2019) and a disappointing March 2020 with 5.5 mln tonnes (down -17.1% y-o-y).

The second quarter of 2020 was a disaster, as Indian demand in particular evaporated on lockdown and economic recession.

In the period April-June 2020, seaborne coal exports from South Africa declined by -12.9% year-on-year to 15.7 mln tonnes.

Things then rebounded strongly in the third quarter, with demand from India but also from China and Vietnam picking up.

In the Jul-Sep period, South Africa exported 17.2 mln tonnes of coal, which was a +19.6% increase from the 14.4 mln tonnes exported in the same quarter last year.

Overall, exports to India, the top destination of South African coal with a 50% market share, are still down this year.

Just 31.6 mln tonnes were shipped to India in the first 11 months of this year, down -7.3% y-o-y.

On the other hand, shipments to Vietnam surged spectacularly to 5.2 mln tonnes in Jan-Nov 2020, up from just 0.4 mln tonnes in the same period last year.

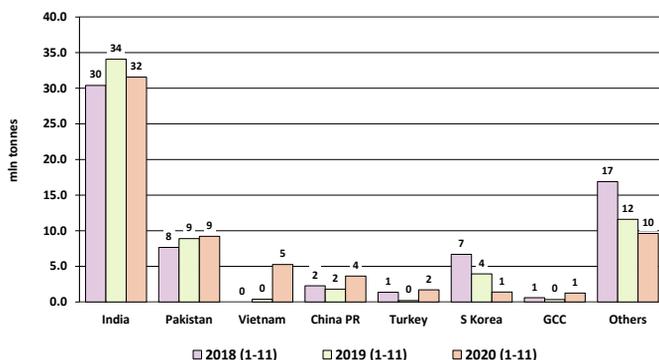
Vietnam is now the third largest destination for South African coal after India and Pakistan.

Exports to Mainland China are also up +101% y-o-y to 3.6 mln t.

However to South Korea shipments are down by -64.8% y-o-y to 1.4 mln tonnes.

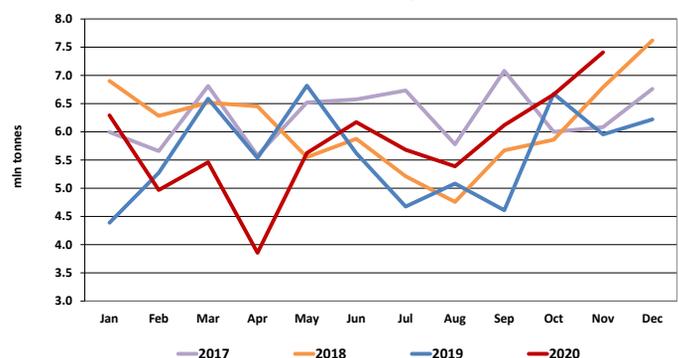
South Africa - Coal Exports by Destination in Jan-Nov

(dec 2020; source: refinitiv; seaborne only; all bulkers; in mln tonnes)



South Africa - Monthly Coal Exports - Seasonality

(dec 2020; source: refinitiv; seaborne only; all bulkers; in mln tonnes)



# DRY CARGO

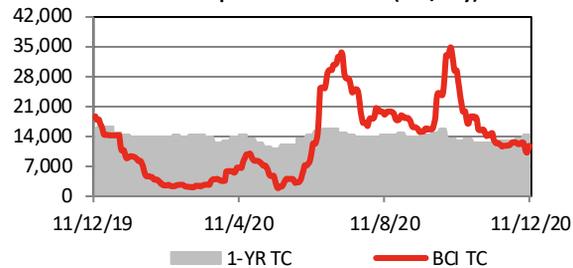
## CAPE-SIZE MARKET

Mixed views in the Capesize market: 5TC average dropped and then quickly recovered on Thursday and Friday ending close to \$11,900/d, \$600/d less from previous week. This trend was mainly due to the lack of fresh cargoes out of Brazil; therefore there was an oversupply of vessels in the Pacific but thereafter the situation turned: new cargoes came to light out of Brazil together with usual strong volumes from Australia, so the market slightly

recover. Rates on W Australia-Qingdao decreased going from \$7.25/mt down to low \$6/mt for 20/25 December laycan and then recovered up to \$7/mt on Thursday for end December dates. Time charter rates were ranging between \$16,000/d last Friday down to \$11,650/d and closed the week at \$14,000/d. Few deals on Saldanha Bay-Qingdao route: rates were in the region of mid \$9/mt although lower levels were reported at the end of week basis

first half January dates. Tubarao-Qingdao route reached the lowest level on Tuesday touching \$11.50/mt but then started increasing up to \$13/mt for early January dates due to fresh cargoes coming up from Brazil and from WAfr to China. In the Atlantic basin, the market followed the same path with rates on TA RV that first dropped and then improved reaching \$13,500/d whilst Fronthaul was more stable in the region of \$24,500/d / \$25,000/d.

	Unit	11-Dec	04-Dec	W-o-W	Y-o-Y
<b>BCI TC Avg.</b>	usd/day	11,889	12,606	-5.7%	-36.7%
<b>C8 Transatlantic r/v</b>	usd/day	13,440	12,725	+5.6%	-25.0%
<b>C14 China-Brazil r/v</b>	usd/day	8,373	7,955	+5.3%	-49.7%
<b>C10 Pacific r/v</b>	usd/day	13,979	16,638	-16.0%	-32.4%
<b>1 Year TC Period</b>	usd/day	14,250	13,500	+5.6%	-10.9%



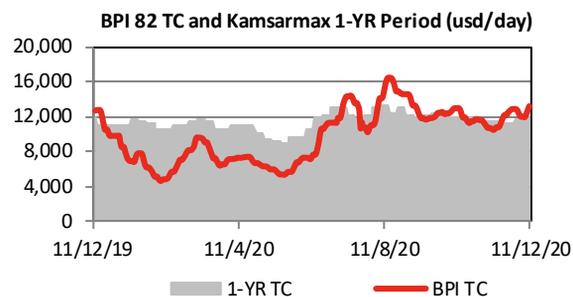
## PANAMAX MARKET

Increasing rates in the N Atlantic with Kamsarmaxes fixed in the low \$20,000/d on Baltic RV; there were also rumours of a Kamsarmax fixed on Baltic RV on voyage basis that showed an equivalent to \$27,000/d. Operators took few units for multiple legs ranging in the \$14/15,000/d with redely in Atlantic. Not much activity from USG where Kamsarmaxes were fixed in the low \$15,000/d + 500,000 bb for long Fronthauls. Signs of recovery for ECSAm grains with Kamsarmax units fixed in the

very low \$13,000/d + low 300,000 bb. A Panamax was fixed at mid-high \$13,000/d + 300,000 bb for trips ECSAm-SE Asia. A Panamax was fixed at \$10,500/d basis dely dop WCI for trips BSea-F East with grain cargoes. The Indonesian basin was still driving the Pacific market with a strong demand for tonnage to supply China with coal cargoes: rates were on the rise with Panamax units fixing over \$16,000/d basis dely dop SE Asia for such trips. Demand was so strong that charterers started

taking units from CJK/S Korea range. A Kamsarmax was fixed at \$12,500/d basis dely dop N China for an Indonesia-China trip. NoPac grains levels remained satisfactory with nice eco Kamsarmax units fixed in the \$12,500/d/\$13,000/d basis dely dop N China/S Korea range. Similar levels recorded on longer trips such as Australia-SE Asia: a Kamsarmax was fixed at \$13,000/d basis dely dop CJK for a trip Australia-Japan and at low \$12,000/d for a trip to SE Asia.

	Unit	11-Dec	04-Dec	W-o-W	Y-o-Y
<b>BPI 74 TC Avg.</b>	usd/day	11,847	10,647	+11.3%	+1.4%
<b>BPI 82 TC Avg.</b>	usd/day	13,183	11,983	+10.0%	+4.0%
<b>P1_82 Transatlantic r/v</b>	usd/day	16,140	13,895	+16.2%	+9.7%
<b>P2_82 Skaw-Gib Trip F. East</b>	usd/day	21,205	19,923	+6.4%	+3.8%
<b>P3_82 Pacific r/v</b>	usd/day	13,257	12,103	+9.5%	+12.5%
<b>1 Yr TC Period Panamax</b>	usd/day	10,750	10,500	+2.4%	+2.4%
<b>1 Yr TC Period Kamsarmax</b>	usd/day	12,000	11,750	+2.1%	+0.0%



## SUPRAMAX & HANDYSIZE MARKET

### US ATLANTIC SOUTH AMERICA

The position list in USG was very short for mid-December so it seemed that the sentiment was positive, but some end-December/early January cargoes were already put on the market so the sentiment seemed to remain under pressure in vessels' favour. On TransAtlantic RV, Supramax units were fixed around \$16,000/d and Ultramax around \$20,000/d. Rates on Fronthaul increased up to \$22,000/d on Supramax and up to \$25,000/d on Ultramax units. The market in the Handysize

segment remained stable as per previous week with a considerable number of cargoes; we believe this rush will decrease next week getting closer to Christmas. On TA RV, 32/35,000 dwt units were fixed again around \$13,000/d while larger 36/39,000 dwt units in the \$15,500/d.

The market in ECSAm was stable both on Handysize and on Supramax/Ultramax units. In the Handysize segment, a 37,000 dwt was fixed to Cont/Baltic range on voyage basis showing a time

charter equivalent around \$12,500/d basis dely aps N Brazil. Rates on Brazilian coastal trips were around \$11,000/d basis dely aps S Brazil for trips with grains on fancy 35,000 dwt units.

In the Supramax/Ultramax segment, a 60,000 dwt 2017 built was fixed basis dely S Brazil with grains to Israel at \$17,500/d which was considered a strong number.

### N EUROPE MEDITERRANEAN

Firm rates in Cont on Handies: some operators covered their booking with their own tonnage, especially for prompt positions. 36,000 dwt units were fixed at \$16,000/d basis dely dop ARA range for trips to E Med with scrap cargoes and smaller 32,000 dwt units at \$15,000/d basis dely aps ARA range for the same destination; a nice 37,000 dwt took \$16,500/d basis dely dop UK. Trips to USG/ECSAm were at \$14,000/d and at \$13,000/d basis dely dop ARA range. On Supramax/Ultramax units the trend was similar to the one recorded on Handies. Rates on

58,000 dwt units were at \$20,000/d basis dely dop ARA range for trips to Med both with coal and scrap cargoes while on Ultramax at \$23,000/d basis dely dop ARA range. Trips to USG/ECSAm were at \$14/15,000/d basis dely dop ARA range and Fronthaul was at \$20,000/d. It was an uphill week for the BSea market. The few Handies in the area together with the many off market cargoes pushed levels strongly upwards: many charterers were forced to agree to take units for short period deals as owners insisted in order to take advantage

of current levels, also for the first months of 2021 which are historically slow. Rates on 35,000 dwt units improved on inter Med biz up to \$12,500/d basis dely Canakkale. The only route that slowed down was to USG/ECSAm with rates respectively at \$11,250/d/\$11,000/d and at \$10,750/d/\$11,000/d. On short period rates increased up to \$13,000/d/\$13,500/d. Levels on Supramaxes/Ultramax were healthy with inter Med at \$12/12,500/d, trips to Cont at \$11,500/d/\$12,000/d and trips to F East in the low \$20,000/d.

### INDIA S AFRICA

The market slightly started to come off during the week in the area. From MEG, a 56,000 dwt was rumoured at mid \$12,000/d for trips to WCI. A 58,000 dwt open WCI was fixed for similar biz at \$12,000/d basis dely dop WCI. A 56,000 dwt was fixed on voyage basis showing a time charter

equivalent around \$11,000/d basis dely dop WCI.

A 53,000 dwt open in Red Sea was rumoured at \$12,000/d for a trip via BSea to MEG/WCI range. From WCI to F East there still was a premium with a smaller Supramax unit fixed around \$13,000/d basis dely dop WCI. In ECI, Supramax

units generally asked around \$11,000/d / low \$11,000/d with iron ore cargoes from ECI to China direction. A 57,000 dwt was rumoured around mid \$10,000/d basis dely dop Bangladesh for such trip to China. Nothing much came to light from SAfr.

# SUPRAMAX & HANDYSIZE MARKET

## FAR EAST PACIFIC

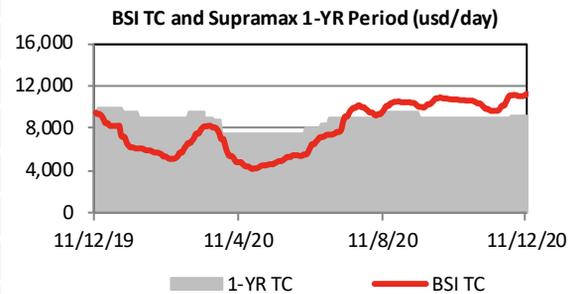
The market remained more or less stable in F East both on Handysize and on Supramax units with not too much activity in the area.

As regards China direction, a 63,000 dwt with dely mid China was rumoured at \$10,500/d for a trip via Indonesia to China and a bit smaller unit took around \$1,000/d less for the same trip.

Other fixtures reported were all to West direction: a 61,000 dwt with dely Vietnam was rumoured at \$10,000/d for a trip via Indonesia to Pakistan. A 57,000 dwt with dely N China was fixed at \$8,750/d for a trip via Indonesia to WCI with coke and a 55,000 dwt with dely mid China at \$7,250/d for a trip via Indonesia to WCI.

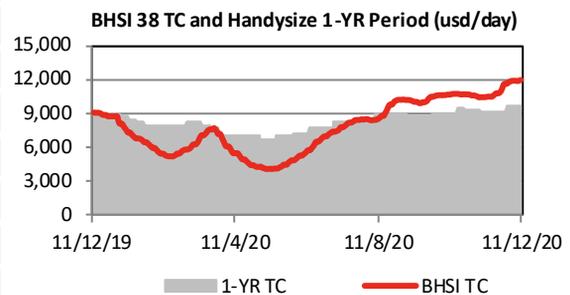
## SUPRAMAX

	Unit	11-Dec	04-Dec	W-o-W	Y-o-Y
BSI TC Avg.	usd/day	11,337	11,121	+1.9%	+18.7%
S4A_58 USG-Skaw/Pass	usd/day	17,943	17,075	+5.1%	+8.2%
S1C_58 USG-China/S Jpn	usd/day	22,883	22,483	+1.8%	-0.8%
S9_58 WAF-ECSA-Med	usd/day	9,818	9,585	+2.4%	+32.4%
S1B_58 Canakkale-FEast	usd/day	21,107	19,354	+9.1%	+28.0%
S2_58 N China Aus/Pac RV	usd/day	9,471	9,409	+0.7%	+16.6%
S10_58 S China-Indo RV	usd/day	10,843	10,819	+0.2%	+29.1%
1 Year TC Period Supramax	usd/day	9,250	9,250	+0.0%	-2.6%
1 Year TC Period Ultramax	usd/day	10,750	10,500	+2.4%	+2.4%



## HANDYSIZE

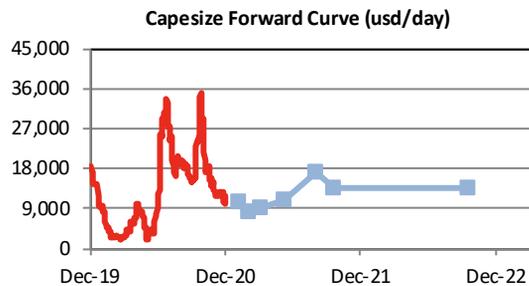
	Unit	11-Dec	04-Dec	W-o-W	Y-o-Y
BHSI_28 TC Avg.	usd/day	10,058	9,986	+0.7%	+36.0%
BHSI_38 TC Avg.	usd/day	12,024	11,952	+0.6%	+31.6%
HS2_38 Skaw/Pass-US	usd/day	13,446	13,496	-0.4%	+41.9%
HS3_38 ECSAm-Skaw/Pass	usd/day	14,439	14,250	+1.3%	+20.1%
HS4_38 USG-Skaw/Pass	usd/day	15,332	15,136	+1.3%	+47.8%
HS5_38 SE Asia-Spore/Japan	usd/day	10,850	10,769	+0.8%	+24.2%
HS6_38 Pacific RV	usd/day	9,288	9,234	+0.6%	+22.5%
1 Year TC Period 32,000 dwt	usd/day	8,500	8,750	-2.9%	+3.0%
1 Year TC Period 38,000 dwt	usd/day	9,650	9,750	-1.0%	n.a.



# DRY BULK FFAS (Baltic Forward Assessments)

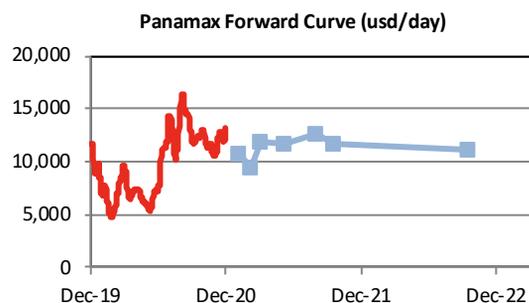
## CAPE SIZE

	Unit	11-Dec	04-Dec	W-o-W	Premium/Discount
Dec-20	usd/day	12,169	11,834	+2.8%	+2.4%
Jan-21	usd/day	11,125	9,663	+15.1%	-6.4%
Feb-21	usd/day	8,306	7,450	+11.5%	-30.1%
Mar-21	usd/day	9,278	8,456	+9.7%	-22.0%
Q1 21	usd/day	9,570	8,523	+12.3%	-19.5%
Q2 21	usd/day	11,478	10,575	+8.5%	-3.5%
Q3 21	usd/day	17,316	16,913	+2.4%	+45.6%
Cal 21	usd/day	13,905	13,274	+4.8%	+17.0%
Cal 22	usd/day	13,613	13,300	+2.4%	+14.5%



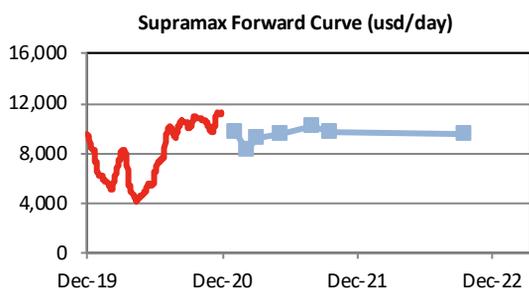
## PANAMAX (82k)

Dec-20	usd/day	12,886	11,877	+8.5%	-2.3%
Jan-21	usd/day	10,744	9,736	+10.4%	-18.5%
Feb-21	usd/day	9,360	8,864	+5.6%	-29.0%
Mar-21	usd/day	11,933	10,633	+12.2%	-9.5%
Q1 21	usd/day	10,345	9,744	+6.2%	-21.5%
Q2 21	usd/day	11,708	11,524	+1.6%	-11.2%
Q3 21	usd/day	12,649	12,305	+2.8%	-4.1%
Cal 21	usd/day	11,629	11,368	+2.3%	-11.8%
Cal 22	usd/day	11,083	10,986	+0.9%	-15.9%



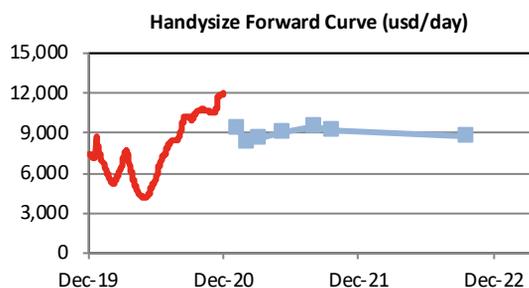
## SUPRAMAX (58k)

Dec-20	usd/day	11,329	10,850	+4.4%	-0.1%
Jan-21	usd/day	9,711	8,664	+12.1%	-14.3%
Feb-21	usd/day	8,307	7,604	+9.2%	-26.7%
Mar-21	usd/day	9,164	8,811	+4.0%	-19.2%
Q1 21	usd/day	9,061	8,360	+8.4%	-20.1%
Q2 21	usd/day	9,579	9,382	+2.1%	-15.5%
Q3 21	usd/day	10,264	10,007	+2.6%	-9.5%
Cal 21	usd/day	9,663	9,350	+3.3%	-14.8%
Cal 22	usd/day	9,489	9,343	+1.6%	-16.3%



## HANDYSIZE (38k)

Dec-20	usd/day	10,860	10,529	+3.1%	-9.7%
Jan-21	usd/day	9,354	8,966	+4.3%	-22.2%
Feb-21	usd/day	8,354	8,029	+4.0%	-30.5%
Mar-21	usd/day	8,679	8,441	+2.8%	-27.8%
Q1 21	usd/day	8,795	8,479	+3.7%	-26.9%
Q2 21	usd/day	9,091	8,929	+1.8%	-24.4%
Q3 21	usd/day	9,441	9,266	+1.9%	-21.5%
Cal 21	usd/day	9,145	8,976	+1.9%	-23.9%
Cal 22	usd/day	8,785	8,710	+0.9%	-26.9%



# TANKER

## CRUDE OIL TANKER MARKET

In the VLCC segment the market was steady at levels reached in previous weeks: 270,000 mt cargoes from Hound Point to China paid \$4.625.

In the Suezmax segment the market was firmer in the West with rates on W Afr-Europe that went up to 130@42.5 (and even to WS50 for a prompt cargo). Rates on BSea-Med increased as well to

135@55 and CPC-S Korea deal went up to \$2.725 mln.

In the East, rates on Basrah-Spain were at 140@15 whilst rates on eastbound voyages went down to WS40 (and a much lower number reported on subs on Friday).

In the Aframax segment, the market in Med weakened further, if possible, with rates below WS60 even for BSea business.

Rates were steady in NW Europe and very on the roller coaster in the Americas: 70,000 mt cargoes on TA RV from USG were rumoured at WS42.5 and then recovered back to WS50.

### VLCC

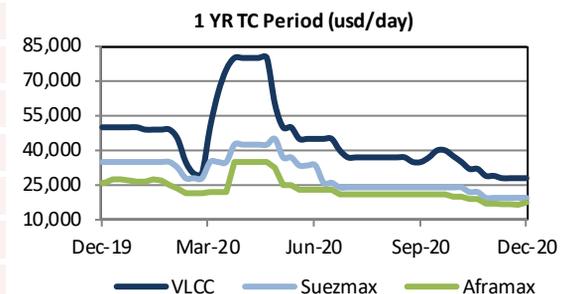
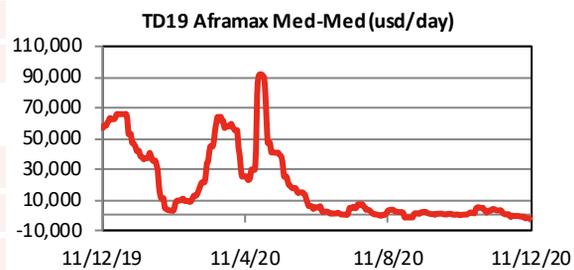
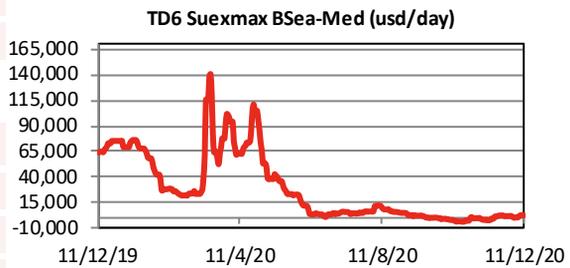
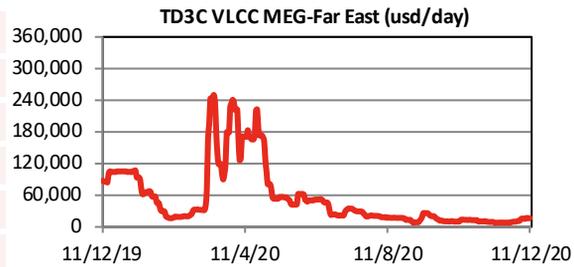
	Unit	11-Dec	04-Dec	W-o-W	Y-o-Y
TD1 MEG-USG	ws	17.43	17.05	+2.2%	-70.4%
TD1 MEG-USG	usd/day	-3,777	-4,126	+8.5%	-108%
TD2 MEG-Spore	ws	34.67	33.63	+3.1%	-67.6%
TD3C MEG-China	ws	34.17	33.17	+3.0%	-67.7%
TD3C MEG-China	usd/day	14,921	13,886	+7.5%	-82.8%
TD15 WAF-China	ws	34.95	37.05	-5.7%	-66.0%
Avg. VLCC TCE	usd/day	5,572	4,880	+14.2%	-91.6%
1 Year TC Period	usd/day	28,000	28,000	+0.0%	-44.0%

### SUEZMAX

TD6 BSea-Med	ws	54.72	51.11	+7.1%	-63.0%
TD6 BSea-Med	usd/day	2,369	373	+535.1%	-96.3%
TD20 WAF-Cont	ws	41.70	37.16	+12.2%	-70.5%
MEG-EAST	ws	40.00	41.25	-3.0%	-73.3%
TD23 MEG-Med	ws	15.50	18.36	-15.6%	-75.6%
Avg. Suezmax TCE	usd/day	4,170	2,114	+97.3%	-93.1%
1 Year TC Period	usd/day	19,500	19,500	+0.0%	-44.3%

### AFRAMAX

TD7 NSea-Cont	ws	71.56	74.38	-3.8%	-71.2%
TD7 NSea-Cont	usd/day	-4,264	-2,508	-70.0%	-103.8%
TD17 Baltic-UKC	ws	45.00	44.69	+0.7%	-78.0%
TD17 Baltic-UKC	usd/day	-242	188	-228.7%	-100.3%
TD19 Med-Med	ws	58.13	59.69	-2.6%	-69.9%
TD19 Med-Med	usd/day	-1,890	-661	-185.9%	-103.3%
TD8 Kuwait-China	ws	53.33	55.00	-3.0%	-70.3%
TD8 Kuwait-China	usd/day	257	1,035	-75.2%	-99.4%
TD9 Caribs-USG	ws	52.50	75.00	-30.0%	-73.9%
TD9 Caribs-USG	usd/day	-3,029	5,849	-151.8%	-106.5%
Avg. Aframax TCE	usd/day	-1,465	853	-271.7%	-102.2%
1 Year TC Period	usd/day	17,500	16,500	+6.1%	-32.7%



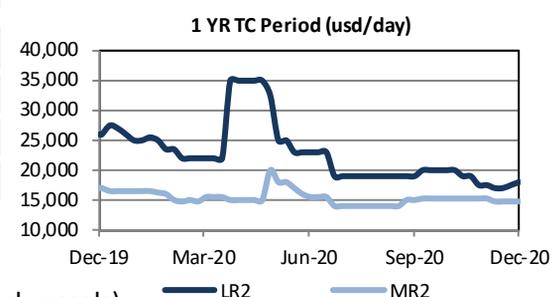
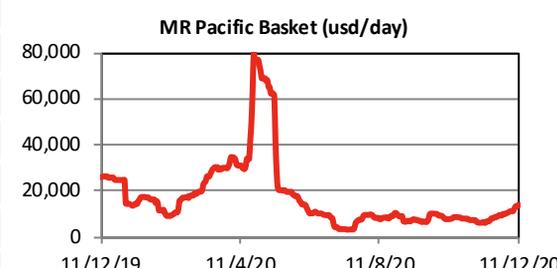
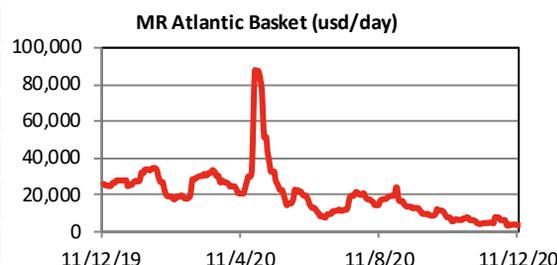
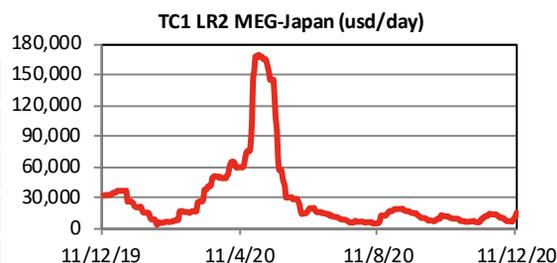
# PRODUCT TANKER MARKET

Rates moved sideways in Med on Handies around 30@85, except for a replacement in W Med: the lack of tonnage obliged charterers to pay up to 30@100. In the MR segment, there was a bit more but unexpected activity especially on TA RV around 37@85. Similar scenario for MRs on TA RV from UKC with rates at 37@85, plus 10 points if discharge WAfr. It was a positive week since long time for Handies, maybe because bigger sisters found employment on their natural route and an unexpected

amount of COA cargoes reduced significantly the list of available units. Baltic-UKC was at 30@95 and CrossUKC at 30@90, then moved up to WS110 and WS105 close to Friday. It was a busy week in Med for dirty Handies: the position list was still short so CrossMed went up to 30@165 and BSea-Med up to 30@175. 30@170 was reported for a replacement on CrossMed. Since the clean market was weak compared to the dirty one, owners stared again to consider to dirty up some units.

The 40,000 dwt D’Amico Ship, Mt Cielo di Hanoi 2016 built was fixed with a dirty cargo on CrossMed, the last was veg oil. Cont was more active: Baltic-UKC gained few points up to 30@100/102.5. Rates on MRs increased too: 45,000 mt cargoes were on subs on Friday at WS90 for a Baltic-UKC voyage. Even rates on Panamaxes moved from WS55 recorded for the past few months: TA RV from UKC increased up to 55@57.5 due to a busier market for Aframaxes in the North.

	Unit	11-Dec	04-Dec	W-o-W	Y-o-Y
TC1 MEG-Japan (75k)	ws	89.17	65.00	+37.2%	-41.6%
TC1 MEG-Japan (75k)	usd/day	16,034	7,602	+110.9%	-50.9%
TC8 MEG-UKC (65k)	usd/mt	24.53	21.84	+12.3%	-20.9%
TC5 MEG-Japan (55k)	ws	112.86	83.93	+34.5%	-27.5%
TC5 MEG-Japan (55k)	usd/day	16,961	9,620	+76.3%	-29.1%
TC2 Cont-USAC (37k)	ws	85.83	77.78	+10.3%	-53.3%
TC2 Cont-USAC (37k)	usd/day	4,551	3,368	+35.1%	-77.9%
TC14 USG-Cont (38k)	ws	42.50	46.43	-8.5%	-65.0%
TC14 USG-Cont (38k)	usd/day	-3,450	-2,349	-46.9%	-131.8%
TC9 Baltic-UKC (22k)	ws	110.71	88.21	+25.5%	-45.4%
TC6 Med-Med (30k)	ws	94.56	85.94	+10.0%	-63.4%
TC7 Spore-ECAU (30k)	ws	115.31	107.50	+7.3%	-45.3%
TC7 Spore-ECAU (30k)	usd/day	8,978	7,726	+16.2%	-60.6%
TC11 SK-Spore (40k)	usd/day	6,699	5,932	+12.9%	-61.3%
MR Pacific Basket	usd/day	13,439	10,772	+24.8%	-47.2%
MR Atlantic Basket	usd/day	3,866	3,959	-2.3%	-84.9%
LR2 1 Year TC Period	usd/day	18,000	17,500	+2.9%	-30.8%
MR2 1 Year TC Period	usd/day	14,750	14,750	+0.0%	-13.2%
TD12 Cont-USG (55k)	ws	57.50	55.00	+4.5%	-67.1%
TD18 Baltic-UKC (30k)	ws	101.00	97.50	+3.6%	-65.8%
BSea-Med (30k)	ws	175.0	155.0	+12.9%	-50.0%
Med-Med (30k)	ws	165.0	145.0	+13.8%	-51.5%



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

	Unit	11-Dec	04-Dec	W-o-W	Y-o-Y
Northbound	days	3.0	4.0	-25.0%	-57.1%
Southbound	days	5.0	4.0	+25.0%	-16.7%

# CONTAINERS

Ningbo Containerized Freight Index (NCFI) issued by Ningbo Shipping Exchange (NBSE) quoted 2,083.6 points, slightly up by +16.1% against previous week. The SCFI continued its rise with sky-high

freights reported on all major lanes out of Asia and equipment shortages increasingly widespread. The ConTex experienced another week of gains showing an increase of +1.8% on a w-o-w basis and of

+57.9% on a y-o-y basis. The chartering market was still very active even if it seemed that for some segments charter rates reached their maximum for the time being.

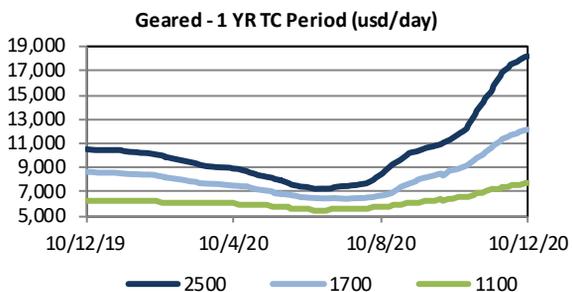
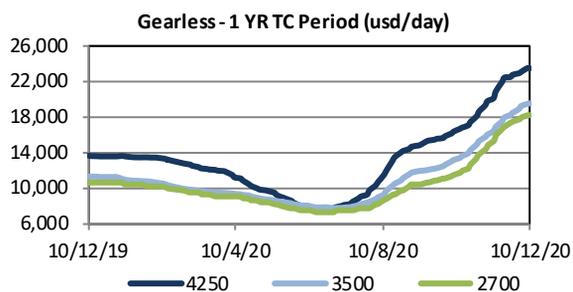
## FIXTURES

Vessel Name	Built	TEUs	TEU@14	Gear	Fixture	Period	Rates
Seaspan Sydney	2005	4253	2805	no	extended to Cosco	10/12 m	\$24,000/d
Navios Devotion	2009	4250	3019	no	extended to Cosco	11/13 m	\$24,000/d
Laila	2008	2702	2108	no	extended to Culinex	2/3 m	\$24,500/d
As Patricia	2006	2496	1850	yes	extended to Maersk Line	12/14 m	\$15,250/d
Imke Schepers	2010	1011	610	no	fixed to Zim	11/15 m	\$9,750/d
Jrs Carina	2007	698	444	no	extended to Centrans	6 m	\$7,300/d

## VHSS CONTAINERSHIP TIMECHARTER

(source: Hamburg Shipbrokers' Association)

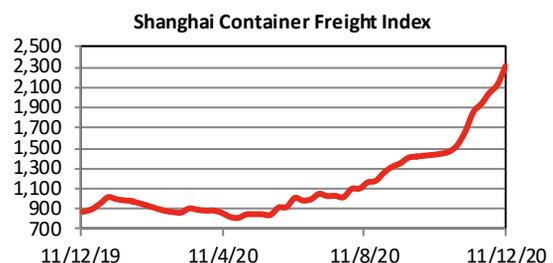
	Unit	10-Dec	03-Dec	W-o-W	Y-o-Y
ConTex	index	693	681	+1.8%	+58.2%
4250 teu (1Y, g'less)	usd/day	23,608	23,217	+1.7%	+73.5%
3500 teu (1Y, g'less)	usd/day	19,513	19,221	+1.5%	+73.8%
2700 teu (1Y, g'less)	usd/day	18,262	17,942	+1.8%	+73.2%
2500 teu (1Y, geared)	usd/day	15,573	15,219	+2.3%	+57.4%
1700 teu (1Y, geared)	usd/day	12,154	11,959	+1.6%	+41.2%
1100 teu (1Y, geared)	usd/day	7,682	7,627	+0.7%	+23.5%



## CONTAINERIZED FREIGHT INDEX

(source: Shanghai Shipping Exchange)

	Unit	11-Dec	04-Dec	W-o-W	Y-o-Y
Comprehensive Index	index	2,312	2,129	+8.6%	+162.6%
Services:					
Shanghai - North Europe	usd/teu	2,948	2,374	+24.2%	+230.1%
Shanghai - Mediterranean	usd/teu	3,073	2,384	+28.9%	+183.7%
Shanghai - WC USA	usd/teu	3,948	3,947	+0.0%	+188.2%
Shanghai - EC USA	usd/teu	4,804	4,700	+2.2%	+91.2%
Shanghai - Dubai	usd/teu	1,422	1,402	+1.4%	+39.8%
Shanghai - Santos	usd/teu	5,876	5,225	+12.5%	+191.8%
Shanghai - Singapore	usd/teu	798	775	+3.0%	+405.1%



## NEWBUILDINGS / FINANCE

South Korean yards were busy with order for tankers. Daewoo signed a LOI for 10 x VLCCs with delivery from end 2022: vessels to be LNG fuelled and priced at \$100 mln. Vessels will be employed against long TC to Shell. Hyundai received an order for 2 + 2 VLCCs from Athenian Sea Carriers with deliveries during end of 2022. With increasing demand for tonnage,

container players started to place more newbuilding orders. MSC ordered 6 x 23,000 teu ULCCs in China: units to be built by Hudong Zhonghua, Jiangnan Shipyard and Jiangsu New Yangzijiang. The price was reported at \$140/150 mln each, with delivery within 2023 and all units will be scrubber fitted. In Japan Shoeni placed an order for 6 x 23,000 teu ULCCs at

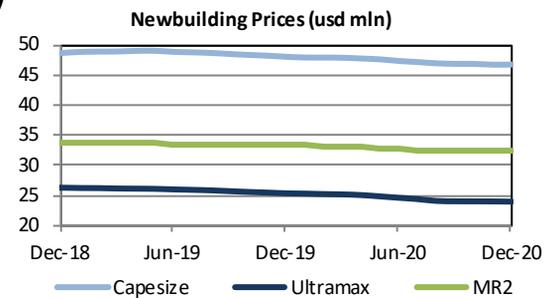
Marugame Shipyard: vessels will go on TC to ONE (Ocean Network Express). Capital Maritime and Trading Corp signed with both yards Hyundai and Samsung a LOI for 5 + 5 13,000 teu units: vessels will be delivered starting from Q1 2022. In the gas segment Hyundai Mipo received an order for 2 x 40,000 cbm medium size LPG carriers with delivery during 2023.

### NEWBUILDING REPORTED ORDERS

Type	Size	Built	Yard	Buyers	Price	Comment
Tank	320,000	2022	Hyundai	Athenian Sea Carriers	n.a.	2 units, 2 options
Cont	23,000	2023	Hudong Zhonghua, Jiangnan, Jiangsu New Yangzijiang	MSC	140/150	6 units, scrubber fitted

### INDICATIVE NEWBUILDING PRICES (CHINA)

	Unit	01-Dec-20	M-o-M	Y-o-Y
Capesize	usd mln	46.8	+0.1%	-2.7%
Kamsarmax	usd mln	25.9	+0.1%	-4.5%
Ultramax	usd mln	24.0	-0.2%	-5.5%
VLCC	usd mln	82.6	+0.1%	-1.7%
LR2 Coated	usd mln	44.8	-0.0%	-1.9%
MR2 Coated	usd mln	32.4	+0.0%	-2.9%



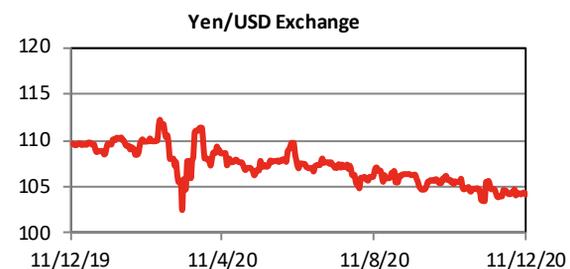
### INTEREST RATES

	Libor USD	Libor Euro	Euribor Euro
6 Months	0.25	-0.54	-0.52
12 Months	0.34	-0.50	-0.50



### INTEREST RATE SWAPS

	3 yrs	5 yrs	7 yrs	10 yrs	15 yrs	20 yrs
USD	0.26	0.44	0.65	0.91	1.16	1.28
Euro	-0.54	-0.49	-0.43	-0.30	-0.13	-0.05



### EXCHANGE RATES

	11-Dec	04-Dec	W-o-W	Y-o-Y
USD/Euro	1.21	1.22	-0.3%	+8.9%
Yen/USD	104.04	104.17	-0.1%	-5.0%
SK Won/USD	1,090	1,082	+0.7%	-8.2%
Ch Yuan/USD	6.55	6.53	+0.2%	-6.5%

## SECONDHAND/DEMOLITION

It was a rich week in terms of number of concluded deals for both dry bulk and tanker segments. In the dry bulk segment, interest was mainly focused on Supramax and Ultramax units with about a dozen of transactions. Among those we can report several units from the young 'Red Daisy' 61,000 dwt built in 2016 at Iwagi which was sold for \$18.7 mln to undisclosed to the older and smaller 'Diva Eva' 52,000 dwt built in 2006 at Tsuneishi Cebu sold for \$6.8 mln. In the Kamsarmax segment it is worth to mention 'Key Evolution' 83,000 dwt built in 2010

at Hudong sold to undisclosed buyers for a price in the mid/high \$14s mln (SS/DD passed and BWTS fitted) and 'SBI Zumba' 82,000 dwt built in 2016 at Hudong sold for \$20 mln. 3 x older VLCCs were respectively sold at \$21, \$25 and \$25.5 mln during the week: 'Maran Regulus' built in 2000 at Samsung, 'Eagle' built in 2002 at Samsung and 'Sea Lion' built in 2003 at Hyundai. Generally, VLCC units with fairly good SS/DD position are still being of interest, whilst those with SS/DD due are now facing demolition dilemma; considering a surge in demo prices this may end

up with decision to go for scrap. 2 x LR2 resales with high spec, tier III and scrubber fitted were sold for \$55 mln each to undisclosed buyers. Aframax 'Pamisos' built in 2011 by Sumitomo achieved \$21.8 mln: this segment is seeing prices in a slightly softening trend. As regards smaller product tankers, it emerged an enbloc sale of 4 x LR1 units from Norden, Denmark to Middle Easter buyers. Ships are 75,000 dwt built in 2004 at HHI for a total price of \$41 mln. Norden offloaded also an MR2 'Nord Pearl' 50,000 dwt built in 2009 at SPP for Spanish Marflet at \$16.2 mln.

### SECONDHAND REPORTED SALES

TYPE	VESSEL NAME	DWT	BLT	YARD	BUYERS	PRICE	NOTE
Bulk	Spartacus	179,000	2011	Sungdong	JP Morgan	18.75	SS/DD 8/2021
Bulk	Key Evolution	83,000	2010	Hudong-Zhonghua	Danish buyers	14.7	BWTS fitted
Bulk	SBI Lynx	82,000	2018	Jiangsu	Transocean	22.5	BWTS fitted and scrubber fitted
Bulk	Red Rose	76,000	2003	Imabari	Chinese buyers	6.8	SS/DD 1/2023
Bulk	SBI Tthys	61,000	2016	Nacks	Thorensen Thai	18.25	Scrubber fitted
Bulk	Triton Swallow	56,000	2011	Mitsui	Astra	10.2	SS/DD 3/2021
Bulk	Giovanna	34,000	2011	Dae Sun	Janchart	8.4	SS/DD 5/2021
Crude	Energy Triumph	157,000	2018	Hyundai Samho	CSSC Shipping	45	bss 10 years BB back
Prod	Nordmars	75,000	2004	HHI			
Prod	Nordmerkur	75,000	2004	HHI	Middle Eastern buyers	41	en bloc
Prod	Nordneptun	75,000	2004	HHI			
Prod	Nordvenus	75,000	2004	HHI			

### BALTIC SECONDHAND ASSESSMENTS

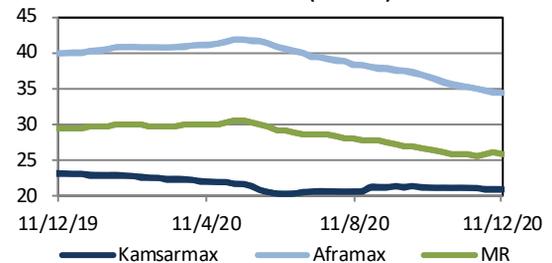
	Unit	11-Dec	04-Dec	W-o-W	Y-o-Y
Capesize	usd mln	31.9	31.9	+0.1%	-7.0%
Kamsarmax	usd mln	21.0	21.0	-0.1%	-9.2%
Supramax	usd mln	15.1	15.1	-0.1%	-11.4%
VLCC	usd mln	64.2	64.2	+0.0%	-14.5%
Suezmax	usd mln	43.9	44.0	-0.2%	n.a.
Aframax	usd mln	34.3	34.4	-0.3%	-13.8%
MR Product	usd mln	25.7	26.0	-1.0%	-12.7%

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

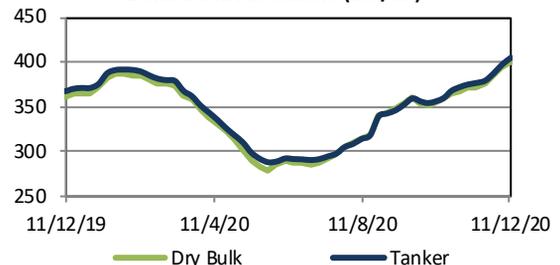
### SHIP RECYCLING ASSESSMENT

	Unit	11-Dec	04-Dec	W-o-W	Y-o-Y
Dry Bulk	usd/ldt	401.4	394.3	+1.8%	+11.2%
Tanker	usd/ldt	405.2	397.9	+1.8%	+10.2%

Secondhand Values (usd mln)



Demolition Assessment (usd/ldt)



## DRY BULK NEWS

### Argentina's main grains port workers' unions launch new wage strike

Argentine grains inspectors and oilseed workers started a new wage strike, organizers said in a joint statement, as stalling contract negotiations threatened to interrupt exports from one of the world's main bread baskets.

Argentina, a top global supplier of corn, soybeans and wheat, is prone to work stoppages as employers are hard-pressed to increase wages faster than the country's high inflation rate. Argentina is the world's top exporter of soymeal livestock feed, used to fatten hogs and poultry from Europe to Southeast Asia.

"Given the persistent lack of willingness on the part of export companies to reach a wage contract, the struggle continues," a statement from the country's oilseed workers federation said.

Gustavo Idigoras, head of Argentina's CIARA-CEC export companies' chamber, said the labor organizations were asking for excessive salary increases.

### U.S. targets North Korea coal shipments with new sanctions

The United States has blacklisted six companies, including several based in China, and four ships accused of illicit exports of North Korean coal, the Treasury Department said.

The United Nations Security Council banned North Korean coal exports in 2017. The 15-member body has unanimously boosted sanctions on North Korea since 2006 in a bid to choke off funding for Pyongyang's nuclear and ballistic missile programs.

"The DPRK (North Korea) continues to circumvent the U.N. prohibition on the exportation of coal, a key revenue generator that helps fund its weapons of mass destruction programs," U.S. Secretary Steven Mnuchin said.

"The North Korean regime often uses forced labor from prison camps in its

mining industries, including coal, exploiting its own people to advance its illicit weapons programs," he said.

### Soy supplies seen tighter due to processor demand, dry weather

U.S. soybean supplies will be smaller than previously forecast due to rising demand from domestic processors, the U.S. Agriculture Department said.

The government also lowered its forecast for global stockpiles of soybeans due to a reduced crop in Argentina following a months-long dry spell in that key export country.

But the cuts were smaller than market expectations and soybean futures quickly retreated from the session highs they hit shortly before the report was released.

U.S. soybean ending stocks for the 2020/21 marketing year were seen at 175 million bushels, the lowest in seven years, reflecting a 15 million-bushel increase to demand from processors, USDA said in its monthly World Agricultural Supply and Demand Estimates (WASDE) report.

The world soybean stocks view was cut to 85.64 million tonnes from 86.52 million tonnes. USDA dropped its harvest outlook for Argentina by 1 million tonnes to 50.00 million tonnes. It left its outlook for harvest in Brazil, the world's biggest soybean producer, unchanged at 133.00 million tonnes despite dry conditions that delayed planting.

### Russia weighs wheat export tax, quota after Putin criticises food price rise

Russia is considering imposing a grain export quota and wheat export tax for Feb. 15-June 30, following President Vladimir Putin's criticism of rising food prices, four sources familiar with the government's discussions told Reuters. Chicago wheat prices extended gains after Reuters' report on Thursday, as Russia is one of the world's largest wheat exporters.

Putin criticised officials and market

players over rising prices for bread, flour, sugar and sunflower oil and Prime Minister Mikhail Mishustin said Russia would take action.

Putin said bread, flour and sunflower oil prices rose by 6.3%, 12.9% and 23.8%, respectively, without specifying a timeframe.

The government has yet to discuss the size of the possible wheat export tax or of the quota, the sources said, asking not to be named because of the sensitivity of the matter.

Russia may also impose an export tax on sunflower oil if domestic prices do not fall this month, two of them said. Russia has already decided to increase an export tax on sunflower seeds and rapeseed from January.

### China's November iron ore imports fall 8.1% m-o-m on falling shipments

China's iron ore imports fell for the second straight month in November, dropping 8.1% from a month earlier on easing shipments from major exporters, official customs data showed.

China brought in 98.15 million tonnes of the key steelmaking ingredient last month, compared with 106.74 million tonnes of imports in October, according to data released by the GAC. That was up 8.3% from November 2019.

"Shipments from Australia and Brazil were at relatively low levels in the last two months," said Richard Lu, senior analyst with CRU in Beijing, adding that December shipments are normally higher though there is a need to monitor weather conditions.

Lu also noted that decent profits for steel products have supported steel mills' demand for iron ore.

For the first 11 months of the year, iron ore imports stood at 1.07 billion tonnes, beating full-year imports of 1.06 billion tonnes in 2019, the customs data showed.

Source: Reuters

## OIL & GAS NEWS

### India's top oil refiner back at full capacity for first time since COVID-19

Indian Oil Corp, the country's top refiner, operated of its 9 plants in November at 100% capacity for the first time since February, to meet rising local fuel demand, it said.

India's fuel demand has been recovering from the lows seen in April with a gradual pick up in the industrial and economic activity after the lockdown was eased.

Along with its subsidiary Chennai Petroleum Corp, IOC controls about a third of the 5 million bpd refining capacity in India, where fuel demand in October rose by 2.5%, its first year-on-year rise in eight months.

Local fuel demand - a proxy for oil consumption - in India has almost reached pre-COVID levels, IOC said.

The refiner operated its plants at about 88% in October and at 99% in November last year, it said.

IOC, also the country's largest fuel retailer, in November sold 1.06 million tonnes of gasoline, 4% higher than same month last year, and sales of cooking gas rose by about 1.4% to 1.09 million tonnes.

However, the company's diesel sales last month were 9% lower than previous year, while jet fuel was down by about 45% as air travel restrictions continued. Sales of diesel and jet fuel in November rose by 2% and 4% from October.

### U.S. crude stocks soar 15 mln bbls amid record surge in net imports

U.S. crude oil stockpiles last week surged the most since April, jumping more than 15 million barrels, as imports rose and exports plunged, the EIA said.

The unexpected supply build and record rise in net imports stunned the oil market, which has been weighed down by low demand due to the coronavirus pandemic.

Crude inventories rose by 15.2 million barrels in the week to Dec. 4 to 503.2

million barrels, the EIA said, compared with analysts' expectations in a Reuters poll for a 1.4 million-barrel drop.

Net crude imports rose by a record high of 2.7 million bpd, the EIA said. That boosted U.S. Gulf Coast stocks by 11.8 million barrels, the most in one week ever, according to EIA data.

U.S. crude exports plunged by 1.6 million bpd to just 1.8 million bpd, the lowest since 2018, while imports rose 1.08 million bpd.

### Asian spot LNG prices jump on supply issues, shipping rates

Asian spot LNG prices jumped, with a cargo trading 11 percent higher than another deal on Friday, as supply of the super-chilled fuel has been disrupted in some parts and as shipping rates have gone up, traders said.

"Demand is quite strong and along with some supply issues and no shipping availability are all factors pushing prices higher," a Singapore-based trader said, adding that demand from China, in particular has been strong.

China imported nearly 6.4 million tonnes of LNG in November, highest monthly volumes since December, 2019, data showed, with this month's volumes expected to surpass November's, according to the trader.

Supply issues in Australia and Qatar are also boosting spot prices, though these are expected to be temporary, traders said

With spot prices in Asia rising, traders are diverting cargoes from Europe to the region, while congestion in the Panama Canal also caused shipping rates to rise, the traders said.

### Iran prepares to raise oil exports if sanctions eased

Iran has instructed its oil ministry to prepare installations for production and sale of crude oil at full capacity within three months, state media said, ahead of a possible easing of U.S.

sanctions after President-elect Joe Biden takes office.

They quoted President Hassan Rouhani as saying that Iran exported more than two million barrels a day before U.S. President Donald Trump exited the 2015 nuclear deal with six powers in 2018 and reimposed sanctions that have hit Iran's economy hard by sharply cutting its vital oil exports.

U.S. President-elect Joe Biden, who will take office on Jan. 20, has said that he would return to the pact and would lift sanctions if Tehran returned to "strict compliance with the nuclear deal".

Rouhani said that his country was preparing for a speedy increase of its oil production, the official IRNA news agency reported.

It is estimated that Iran exports less than 300,000 bpd, compared to a peak of 2.8 million bpd in 2018.

### UAE's ADNOC to cut January crude oil term supplies

Abu Dhabi National Oil Company (ADNOC) has informed some term buyers that it will reduce the contractual volume of crude loading in January, three sources familiar with the matter told Reuters.

The supply of its flagship Murban crude grade will be reduced by 20%, while the volume of two other grades - Upper Zakum and Das - will be cut by 15%, the sources said.

ADNOC will also trim the supply of Umm Lulu crude grade by 5% in January, one of the sources said.

The January term crude oil supply cut was smaller compared with a roughly 20% overall reduction by ADNOC in December.

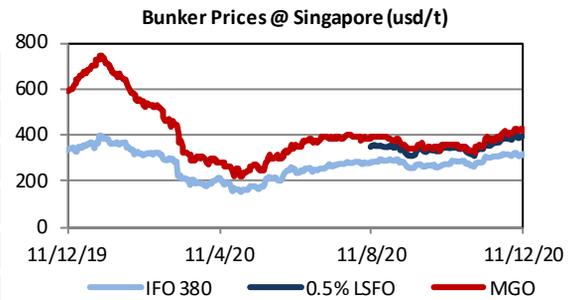
OPEC+, a group which includes the United Arab Emirates, agreed last week to slightly ease their deep oil output cuts from January by 500,000 bpd.

Source: Reuters

## PRICES

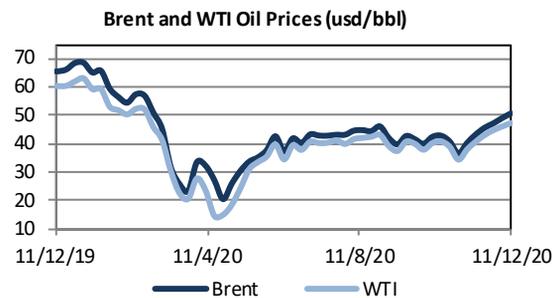
## BUNKER

	Unit	11-Dec	04-Dec	W-o-W	Y-o-Y	
IFO 380	Rotterdam	usd/t	295.5	292.0	+1.2%	+10.7%
	Fujairah	usd/t	301.0	312.0	-3.5%	+1.9%
	Singapore	usd/t	321.0	324.5	-1.1%	-4.7%
0.5% LSFO	Rotterdam	usd/t	371.5	368.0	+1.0%	n.a.
	Fujairah	usd/t	395.5	389.5	+1.5%	n.a.
	Singapore	usd/t	393.0	395.0	-0.5%	n.a.
MGO	Rotterdam	usd/t	424.0	416.5	+1.8%	-24.2%
	Fujairah	usd/t	453.0	485.0	-6.6%	-34.9%
	Singapore	usd/t	426.5	427.0	-0.1%	-27.9%



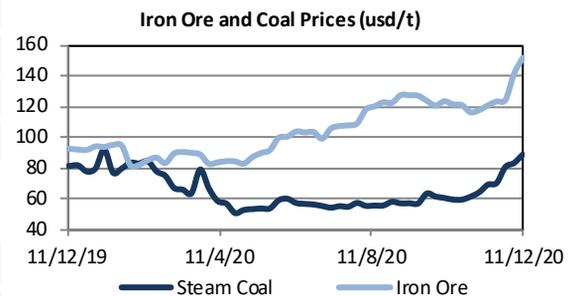
## OIL &amp; GAS

	Unit	11-Dec	04-Dec	W-o-W	Y-o-Y
Crude Oil Brent	usd/bbl	50.6	49.0	+3.3%	-22.5%
Crude Oil WTI	usd/bbl	47.2	46.0	+2.6%	-21.6%
Crude Oil Dubai	usd/bbl	50.6	49.4	+2.3%	-23.6%
Nat Gas Henry Hub	usd/mmbtu	2.68	2.43	+10.3%	+16.5%
Gasoline Nymex	usd/gal	1.32	1.26	+4.8%	-21.0%
ICE Gasoil	usd/t	418.0	400.8	+4.3%	-31.0%
Naphtha Tokyo	usd/t	436.3	426.3	+2.4%	-22.0%
Jet-Kerosene Asia	usd/bbl	52.9	52.1	+1.7%	-30.8%



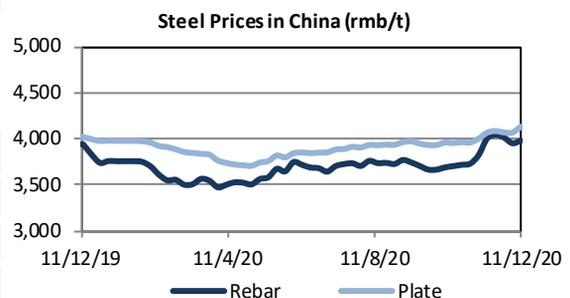
## COAL

	Unit	11-Dec	04-Dec	W-o-W	Y-o-Y
Steam @ Richards Bay	usd/t	89.2	83.6	+6.7%	+9.3%
Steam @ Newcastle	usd/t	82.5	75.8	+8.8%	+24.4%
Coking Coal Australia	usd/t	101.0	104.0	-2.9%	-26.3%



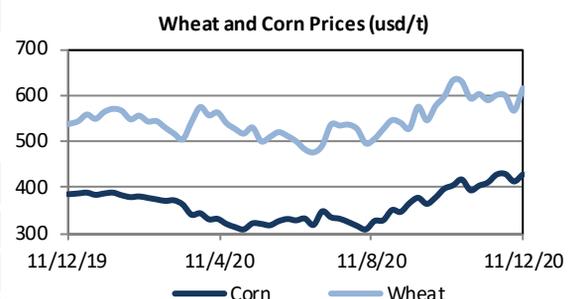
## IRON ORE AND STEEL

	Unit	11-Dec	04-Dec	W-o-W	Y-o-Y
Iron Ore (Platts)	usd/t	152.0	141.5	+7.4%	+64.8%
Iron Ore @Tangshan	rmb/t	1032.0	934.0	+10.5%	+49.8%
Rebar in China	rmb/t	3,974	3,945	+0.7%	+1.0%
Plate in China	rmb/t	4,122	4,058	+1.6%	+2.8%
HR Coil in China	rmb/t	4,506	4,298	+4.8%	+14.1%
CR Sheet in China	rmb/t	5,384	5,158	+4.4%	+21.1%



## AGRICULTURAL

	Unit	11-Dec	04-Dec	W-o-W	Y-o-Y
Wheat	usd/t	615.5	566.5	+8.6%	+14.5%
Corn	usd/t	429.0	413.8	+3.7%	+11.1%
Soybeans	usc/bu	1,169.3	1,157.0	+1.1%	+27.7%
Palm Oil	usd/t	918.1	905.9	+1.3%	+36.3%





## OFFICES AND CONTACTS

**GENOA**  
**HEADQUARTERS**  
**banchero costa**

via pammatone 2  
16121 Genova - Italy  
tel +39 010 56311  
info@bancosta.it

**MONACO**  
**bancosta (monaco) sam**  
MONACO  
tel +377 97707497  
info@bancosta-monaco.com

**GENEVA**  
**bancosta s.a.**  
SWITZERLAND  
tel +41 227372626  
info@bancosta.ch

**LUGANO**  
**bc insurance s.a.**  
SWITZERLAND  
tel +41 912251067  
info@bcinsurance.ch

**LONDON**  
**bancosta (uk) ltd.**  
UNITED KINGDOM  
tel +44 2073981870  
info@bancosta.co.uk

**DUBAI**  
**bancosta medi oriental services dmcc**  
UAE  
tel +971 43605598  
mena@bancosta.com

**SINGAPORE**  
**bancosta (oriente) pte ltd.**  
SINGAPORE  
tel +65 63276862  
sap@bancosta.com.hk

**HONG KONG**  
**bancosta (oriente) ltd.**  
HONG KONG, CHINA  
tel +852 28651538  
sap@bancosta.com.hk

**BEIJING**  
**bancosta (oriente) ltd. beijing office**  
CHINA  
tel +86 1084534993  
beijing@bancosta.com

**TOKYO**  
**banchero costa tokyo office**  
JAPAN  
tel +81 362688958  
bancosta.kondo@nifty.com

**SEOUL**  
**bancosta (oriente) ltd. korea**  
SOUTH KOREA  
tel +82 2 69592637  
salepurchase@bancosta.com



[bancosta.com](http://bancosta.com)  
[research@bancosta.com](mailto:research@bancosta.com)

**Legal notice:** The information and data contained in this presentation is derived from a variety of sources, own and third party's, public and private, and is provided for information purposes only. Whilst banchemo costa has used reasonable efforts to include accurate and up-to-date information in this presentation, banchemo costa makes no warranties or representations as to the accuracy of any information contained herein or accuracy or reasonableness of conclusions drawn there from.

Although some forward-looking statements are made in the report, banchemo costa cannot in any way guarantee their accuracy or reasonableness.

banchemo costa assumes no liabilities or responsibility for any errors or omissions in the content of this report.