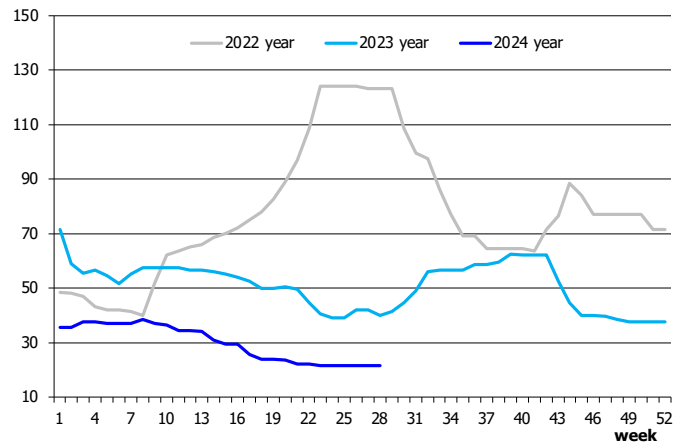


**Chartering market at hand:  
coasters and minibulkers //  
week 28**

**Coaster market remains quiet and melancholic**

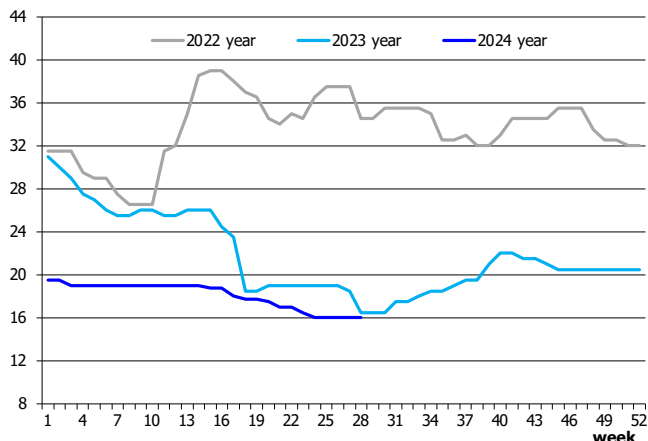
The short-sea market remains collapsed, with almost no signs of life all across the Black and Mediterranean Seas. «We certainly experience the worst start of a new grain season ever,» a Turkish ship owner complains. With plenty of open vessels in all parts of the basin, ship owners are not able to push freights up. Thus, shipment of 5-6,000 t of wheat or corn from Ukraine to Alexandria still costs \$21-22/t. Moreover, Mediterranean rates have even sagged by another \$0.5/t on average during the week. Note that fertilizer shipments from Egypt - traditionally one of the market drivers - are extremely inactive. «Local factories have some production issues, everything is delayed,» a Turkish broker commented to ISM. However, the BILSea & Med market picture is still looking better for ship owners compared to the Azov Sea. «Azov market is a real funeral these days,» a sea-river owner mentioned. Rates for transportation of 3-5,000 t of coal from Rostov to TBS are hovering at \$13-13.5/t

**Wheat / corn, 5-6,000t, Izmail / Odesa -  
Alexandria (1500x/1500x), \$/t**



Given the absence of wheat imports by Turkey, tonnage demand is minimal in the region, with freight levels down by another \$0.5-1/t. Note that such low rates ex Azov Sea ports were last time seen in May-June 2019, while such a weak July in terms of freight rates was only seen once in the last 15 years - in 2016.

**Square billets, 5-6,000t, Novorossiysk -  
Marmara (2000x/2000x), \$/t**



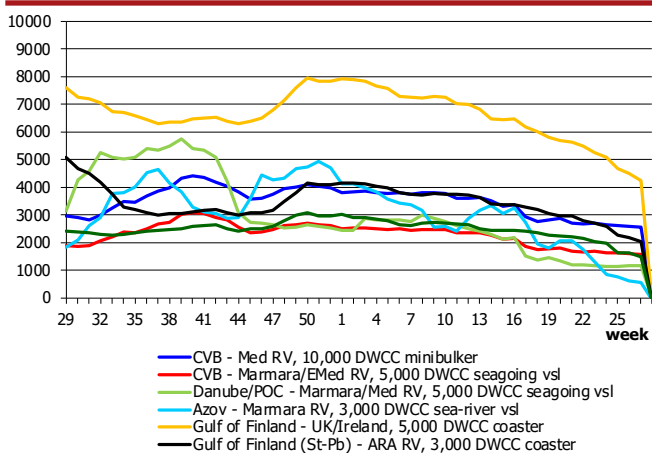
The Baltic and North Seas continue seeing the decline in already low activity. Fresh cargo offers are very few, and ship owners are increasingly shifting their fleet from the Continent to the western Mediterranean in search of employment, which probably allowed local owners to keep freight rates at last week's levels.

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There are no preconditions for coaster market improvements in the next couple of weeks. With Turkey's import ban on wheat, the market may be supported only by an increase in grain demand in

Egypt and other North African countries, as well as in the EU, but this has not happened so far. Slightly higher demand for square billets in Turkey and a gradual resumption of operations of Egyptian fertilizer producers will hardly have a proper impact on the market. Most likely, freight rates will be flat in the Mediterranean Sea and the Azov-Black Sea basin, with a further decline possible in North Europe (unlike the south, there is some room for further cuts).

### Average round voyage TCE (given backhaul leg in ballast), \$/day



### Egyptian urea: weight of freight in CFR Spain price

