

Weekly Market Report

Week 51/2019 (16 Dec – 20 Dec)

Comment: Europe Coal Imports



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Europe Coal Imports

Demand for coal continues to experience sharply differing fortunes in the Atlantic and Indo/Pacific basins. Whilst coal consumption continues to grow in countries such as China, India, and Vietnam, the opposite is true in Europe.

Europe is still a major market for the world's coal exporters, with numerous European countries handling substantial import volumes. In recent years though, annual import volumes have declined greatly, and the downward trend is clearly continuing in 2019. A further weakening in the future seems likely, amid sustained pressure from energy policy influences focused on decarbonisation which are diminishing the role of coal. Coal demand in Europe continues to shrink as a result of coal plant closures and rising renewables-based power generation, together with a combination of higher carbon and low natural gas prices, as well as slow economic growth and improved energy efficiency.

In 2018, total seaborne coal imports into Europe (excluding Russia and Turkey) totalled 138.0 mln tonnes, or about 12 percent of global seaborne coal trade. This included 42.4 mln tonnes discharged in the Netherlands (mainly at Rotterdam, Amsterdam, Ijmuiden, Eemshaven), 18.3 mln tonnes in Spain (mainly at Gijon, Tarragona, El Ferrol, Carboneras, La Coruna), 13.2 mln tonnes in Italy (at Brindisi, Civitavecchia, La Spezia, Porto Torres, Taranto, Trieste), 13.1 mln tonnes in Germany (Bremen, Hamburg, Nordenham, Rostock, Wilhelmshaven), 8.2 mln tonnes in Ukraine (Nikolaev, Odessa, Yuzhny), 7.8 mln tonnes in France (Dunkirk, Fos), 7.3 mln tonnes in Poland (Gdansk, Gdynia, Swinoujscie), 6.7 mln tonnes in the UK (Belfast, Immingham, Port Talbot).

In the first 11 months of 2019, based on Refinitiv vessel tracking data, Europe's coal imports (including both thermal and metallurgical) are down to 105.7 mln tonnes from 124.7 mln tonnes in the same period last year, indicating a -15.2 percent reduction year-on-year.

The largest importer in Europe this year were the Netherlands with 35.9 tonnes of coal in the first 11 months of 2019, followed by Germany with 10.8 mln tonnes, Spain with 10.5 mln tonnes, Italy with 7.9 mln tonnes, Ukraine with 6.6 mln tonnes, France with 6.6 mln tonnes, Poland with 6.1 mln tonnes, the UK with 3.3 mln tonnes.

The respective figures for the first 11 months of 2018 were: the Netherlands with 38.7 mln tonnes, Spain with 16.6 mln tonnes, Germany with 11.9 tonnes, Italy with 11.8 mln tonnes, Ukraine with 7.6 mln tonnes, France with 7.1 mln tonnes, Poland with 6.2 mln tonnes, the UK with 6.0 mln tonnes.

There has also been some reshuffling in trade patterns, as some suppliers prove more resilient than others.

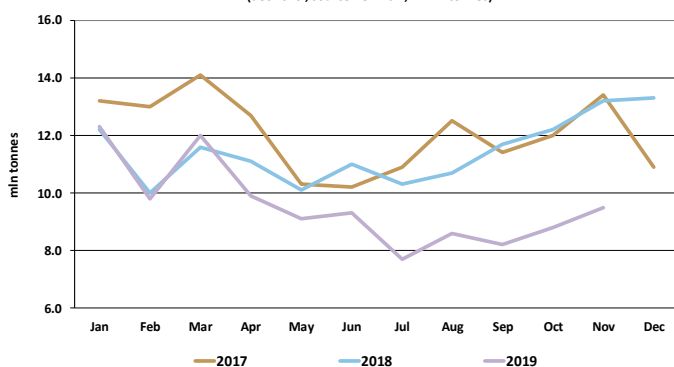
Russia remains at the top spot in the first 11 months of 2019 as the largest supplier of coal to Europe with 33.9 mln tonnes, +0.9 percent y-o-y and now accounting for 32 percent of Europe's total coal imports. The USA shipped 23.2 mln tonnes of coal to Europe in Jan-Nov 2019, still in second place but down -12.1 percent y-o-y. Australian shipments were steady at 15.2 mln tonnes, -1.3 percent down y-o-y.

However, imports from Columbia crashed to 13.9 mln tonnes in the 11 months of 2019, that is -32.9 percent down on the same period last year, and -46.3 percent down from 2017. Still, Colombia is the source for 13 percent of Europe's seaborne coal imports. Similarly, South African coal imports to Europe declined drastically to a poor 2.8 mln tonnes, down -41.7 percent y-o-y.

Out of the total coal volumes exported to Europe so far this year, roughly 34 percent were shipped on Capesize or Post-Panamax vessels, 41 percent on Panamaxs, 16 percent on Supramaxes/Ultramaxs, 10 percent on smaller units.

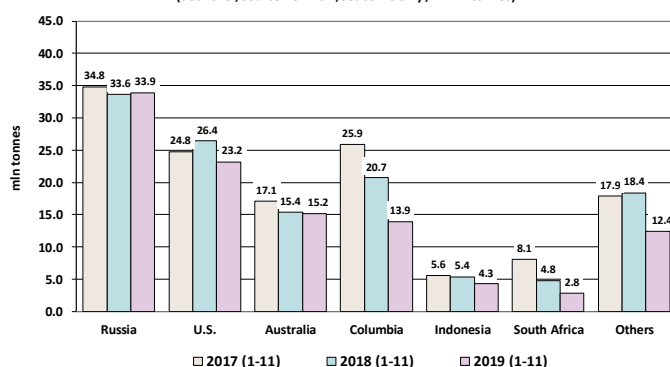
Europe - Monthly Total Coal Imports - Seasonality

(dec 2019; source: refinitiv; in mln tonnes)



Europe - Coal Imports by Source in Jan-Nov

(dec 2019; source: refinitiv; seaborne only; in mln tonnes)

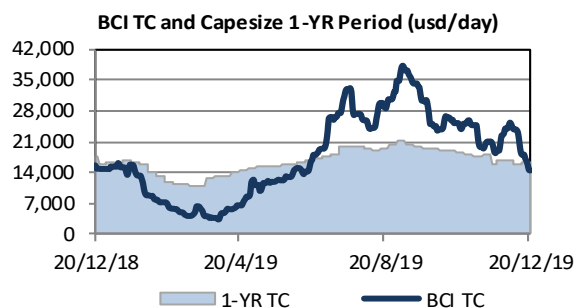


Capesize Market

Another negative week was recorded for Capesizes with rates softening. In Pacific the market was more difficult for owners since many ships decided to remain in the basin to better handle IMO 2020 and the fuel switch. As a consequence, the 5TC lost almost \$3,500/d in one week ending at \$14,575/d. W Australia-Qingdao rates lost more than \$1/mt to \$7,14/mt for first half of January dates; time charter rates touched \$10,000/d for Pacific round voyage, also due to a sudden jump of bunker prices. Very low activity from Saldanha Bay: Saldanha Bay-Qingdao was reported fixed at the end of the week at \$13,45/mt for mid January dates. Out of Brazil the situation was more balanced in terms of ballasters and cargoes: although levels remained stable in the high \$18/mt (from \$18,96/mt to \$18,707/mt) the bunker price affected again TCE rates so expectations were for an improvement of voyage rate in order to compensate at least the bunker price trend. Also backhaul was under pressure with a low \$7,45/mt fixed for a cargo from Saldanha Bay to Rotterdam on early January dates. In the Atlantic basin a few fronthauls were fixed at a TCE in very low \$30,000s/d for INL breaching cargoes whilst shorter fronthaul via BSea to Far East were fixed in the region of mid/low \$30,000s/d with dely aps loading port. Some TransAtlantic RV were fixed in the region of high \$9/10,000s/d basis Bolivar-Rotterdam. Very little activity for short periods with \$17,000/d apparently agreed for a nice vessel for 1 year trading basis dely China end of December.

Rates

	Unit	20-Dec	13-Dec	W-o-W	Y-o-Y
BCI TC Avg.	usd/day	14,451	18,002	-19.7%	-7.5%
C8 Transatlantic r/v	usd/day	17,375	17,400	-0.1%	+4.0%
C14 China-Brazil r/v	usd/day	12,714	16,018	-20.6%	-11.5%
C10 Pacific r/v	usd/day	11,217	19,375	-42.1%	-25.4%
1 Year TC Period	usd/day	16,500	16,000	+3.1%	-5.7%



Panamax Market

The week started very sluggish, which is typical before Christmas, and then continued with a similar trend with thin volumes and a lot of uncertainty. The week ended with lower rates in all areas and an imbalance between supply and demand.

Demand was very thin in the Atlantic basin despite many charterers were waiting to cover before the holiday period; rates were difficult to assess because of thin volumes and in many cases were very positional.

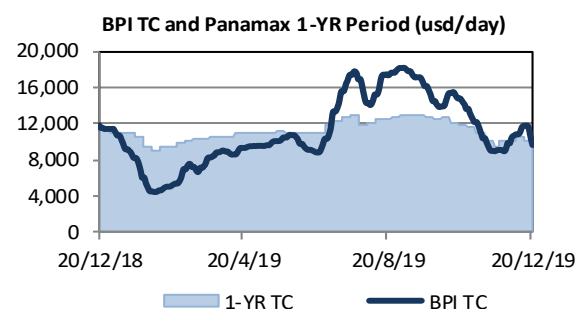
Fronthaul trips seemed to suffer less the declines, but that could be largely due to little activity.

The Pacific area remained with the same bearish sentiment of previous week: there was plenty of fixing and failing and rates were under pressure because of a lack of fresh demand.

The approaching holidays and IMO 2020 made the market unpredictable and some owners decided to ballast their ships away.

Rates

	Unit	20-Dec	13-Dec	W-o-W	Y-o-Y
BPI TC Avg.	usd/day	9,612	11,749	-18.2%	-18.5%
BPI 82 TC Avg.	usd/day	10,508	12,745	-17.6%	-18.2%
P1_82 Transatlantic r/v	usd/day	11,625	14,845	-21.7%	-16.5%
P2_82 Skaw-Gib Trip F. East	usd/day	18,977	20,505	-7.5%	-11.6%
P3_82 Pacific r/v	usd/day	8,478	11,815	-28.2%	-28.0%
1 Yr TC Period Panamax	usd/day	10,000	10,500	-4.8%	-13.0%
1 Yr TC Period Kamsarmax	usd/day	11,000	12,000	-8.3%	-15.4%

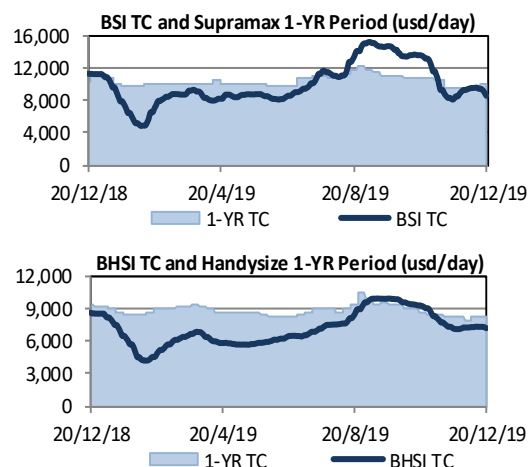


Supramax & Handysize Market

US Atlantic South America	<p>The Supramax market remained unchanged at good rates. A slowdown is expected for the holidays with a well supplied tonnage list and not many cargoes left to be fixed for December dates. Supramax were fixing around \$16,000/d on Atlantic trips and Ultramax around \$19,000/d. Fronthaul rates for Supramax were around \$20,000/d and mid/high \$20,000s/d for Ultramax. Handy activity was absent and rates were assessed around \$9,5/10,000/d for TA trips on 32/35,000 dwt and \$1,000/d higher for 37/39,000 dwt. ECSAM market remained low with a few vessels expected to remain spot until 2020. Handysize rates softened on most routes and 35,000 dwt units were getting around \$11,000/d for a trip to Skaw/Passero, \$500/d less than previous week. For a trip from ECSAM to Far East rates were still stable at \$14,500/d, while Brazilian coastal trips lost a tick to \$10,000/d.</p>
N Europe Mediterranean	<p>In Cont the market was stable during the week for both Handy and Supramax. No fixtures were officially reported, but a fancy 35,000 dwt was rumored at \$8,500/d and then failed a 3/5 months deal with redely Atlantic and the rate discussed on another modern 35,000 dwt for 1 TCT from Cont to USG was between \$6,500/7,000/d. For Supramax a modern, grabbed 55,000 dwt was discussed around \$12,000/d for a trip to Med and around \$15,000/d to F East.</p> <p>All routes from BSEA decreased due to quite a slow activity and very limited fresh demand. A 32,000 dwt was fixed at \$8,250/d from Canakkale to W Med and a 31,000 dwt achieved \$8,000/d to ECSAM. On Supramax a front trip from Chornomorsk to Spain was fixed at \$8,900/d and a trip to F East from BSEA is assessed around mid \$15,000s/d from Canakkale.</p>
India S Africa	<p>Not much activity surfaced from Indian Ocean. 56/57,000 dwt units were rated around high \$8/9,000/d basis dely dop WCI for trips via MEG to Chittagong and slightly less for trips via Karachi/WCI range tp Chittagong. A 56,000 dwt was fixed around \$7,500/d basis dely aps WCI to MEG with salt. MEG-WCI was rather quiet, but ships were traded around mid \$11,000/d basis aps Mina Saqr. From ECI Supramax were getting around low \$7/7,500/d with iron ore to F East. Very limited activity from SAfr except a 52,000 dwt that fixed and failed at \$12,000/d + 200,000 bb to F East.</p>
Far East Pacific	<p>The Far East market collapsed at least in part due to the increasing bunker prices. Handies decreased around \$500/d, whilst Supramax and Ultramax lost more than \$1,500/d. A 63,000 dwt with dely Philippines was fixed at \$9,000/d for a trip via Indonesia to Thailand and another similar vessel with dely Indonesia was fixed for the same direction at \$9,500/d. A 57,000 dwt unit with dely Vietnam was rumored at \$8,500/d for a trip to N China with clinker.</p> <p>Two fixtures with India redelivery were reported: an Ultramax with dely Cigading was fixed at \$8,500/d to WCI and a Supramax with dely Vietnam was fixed at \$8,000/d to ECI.</p> <p>A 57,000 dwt unit with dely Busan was rumored to be fixed at \$8,500/d for a trip via CIS Pacific to China and an old 43,000 dwt unit with dely Japan was fixed at \$7,000/d for the same trip.</p> <p>No fixtures were reported on the Handysize.</p>

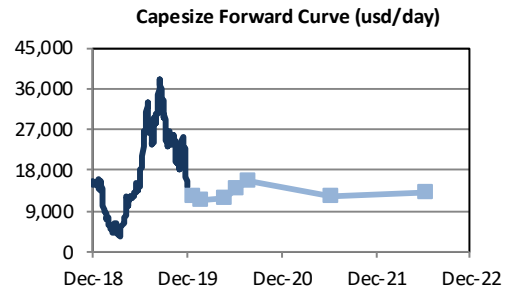
Rates

	Unit	20-Dec	13-Dec	W-o-W	Y-o-Y	
Supramax	BSI TC Avg.	usd/day	8,564	9,430	-9.2%	-24.2%
	S4A_58 USG-Skaw/Pass	usd/day	16,056	16,703	-3.9%	-27.4%
	S9_58 WAF-ECSA-Med	usd/day	6,920	7,479	-7.5%	-37.2%
	S1B_58 Canakkale-FEast	usd/day	15,496	16,371	-5.3%	-30.3%
	S11_58 Pacific r/v	usd/day	6,581	8,163	-19.4%	-23.6%
	1 Year TC Period	usd/day	10,000	9,500	+5.3%	-2.4%
Handy	BHSI TC Avg.	usd/day	7,259	7,390	-1.8%	-16.8%
	1 Year TC Period	usd/day	8,250	8,250	+0.0%	-13.2%

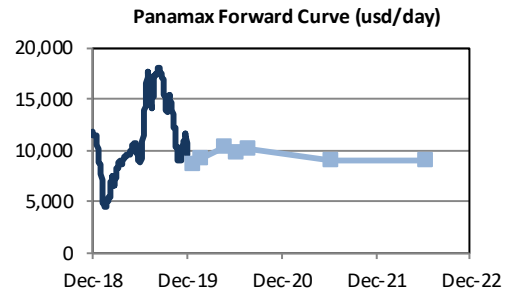


Dry Bulk FFAs (Baltic Forward Assessments)

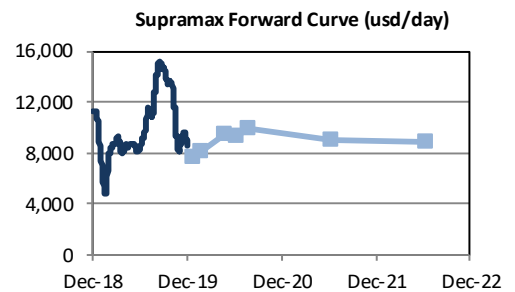
		Unit	20-Dec	13-Dec	W-o-W	Premium/ Discount
Capesize	Dec (19)	usd/day	19,534	20,294	-3.7%	+35.2%
	Jan (20)	usd/day	12,072	14,681	-17.8%	-16.5%
	Feb (20)	usd/day	10,859	11,850	-8.4%	-24.9%
	Q1 (20)	usd/day	11,266	12,755	-11.7%	-22.0%
	Q2 (20)	usd/day	11,763	12,675	-7.2%	-18.6%
	Q3 (20)	usd/day	15,753	16,181	-2.6%	+9.0%
	Cal 20	usd/day	13,781	14,562	-5.4%	-4.6%
	Cal 21	usd/day	12,281	12,738	-3.6%	-15.0%
	Cal 22	usd/day	12,859	13,038	-1.4%	-11.0%



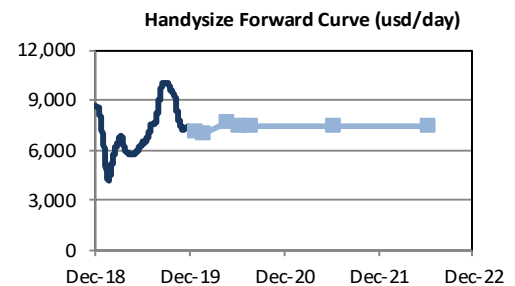
Panamax	Dec (19)	usd/day	10,669	11,297	-5.6%	+11.0%
	Jan (20)	usd/day	8,659	10,219	-15.3%	-9.9%
	Feb (20)	usd/day	8,688	9,763	-11.0%	-9.6%
	Q1 (20)	usd/day	9,111	10,197	-10.7%	-5.2%
	Q2 (20)	usd/day	10,250	10,578	-3.1%	+6.6%
	Q3 (20)	usd/day	10,178	10,425	-2.4%	+5.9%
	Cal 20	usd/day	9,846	10,270	-4.1%	+2.4%
	Cal 21	usd/day	9,031	9,159	-1.4%	-6.0%
	Cal 22	usd/day	8,972	9,006	-0.4%	-6.7%



Supramax	Dec (19)	usd/day	9,257	9,389	-1.4%	+8.1%
	Jan (20)	usd/day	7,611	8,361	-9.0%	-11.1%
	Feb (20)	usd/day	7,861	8,496	-7.5%	-8.2%
	Q1 (20)	usd/day	8,105	8,606	-5.8%	-5.4%
	Q2 (20)	usd/day	9,421	9,875	-4.6%	+10.0%
	Q3 (20)	usd/day	9,914	10,014	-1.0%	+15.8%
	Cal 20	usd/day	9,338	9,603	-2.8%	+9.0%
	Cal 21	usd/day	9,029	9,186	-1.7%	+5.4%
	Cal 22	usd/day	8,911	8,936	-0.3%	+4.1%



Handysize	Dec (19)	usd/day	7,431	7,475	-0.6%	+2.4%
	Jan (20)	usd/day	7,088	7,150	-0.9%	-2.4%
	Feb (20)	usd/day	6,925	7,063	-2.0%	-4.6%
	Q1 (20)	usd/day	7,029	7,150	-1.7%	-3.2%
	Q2 (20)	usd/day	7,631	7,663	-0.4%	+5.1%
	Q3 (20)	usd/day	7,500	7,625	-1.6%	+3.3%
	Cal 20	usd/day	7,431	7,522	-1.2%	+2.4%
	Cal 21	usd/day	7,475	7,500	-0.3%	+3.0%
	Cal 22	usd/day	7,400	7,419	-0.3%	+1.9%



Crude Oil Tanker Market

The VLCC market remained firm during the week; MEG-China rates were rumored around 270@130 and USG/Korea rates were fixed at \$12,3 mln.

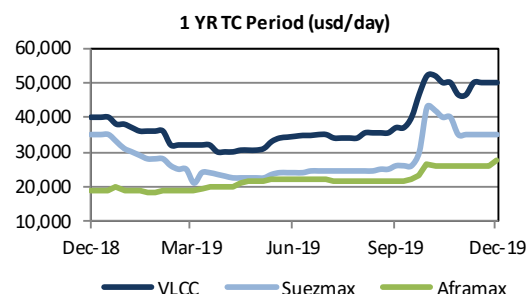
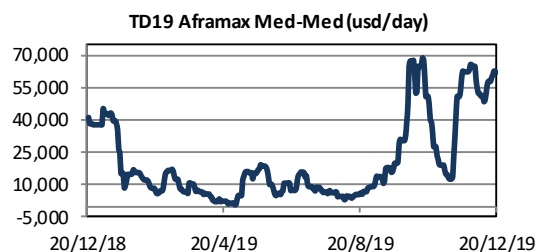
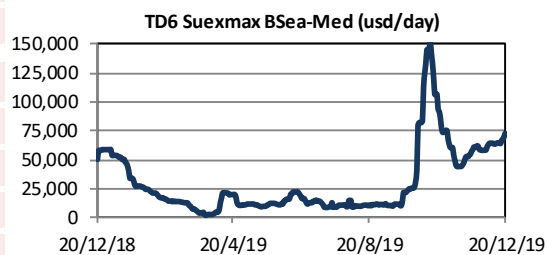
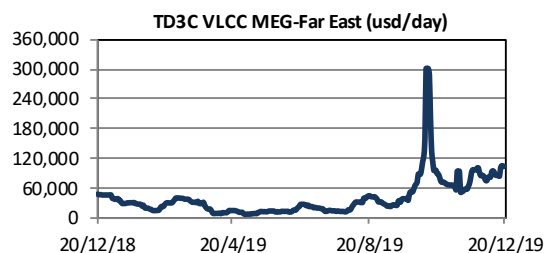
Suezmax rates constantly increased during the week with a cargo Algeria-Fos Port fixed at 130@170 in MED and another one Libya-Spore that paid \$ 4,9 mln.

In the Americas, while some fixtures were reported at WS110 level, one cargo from USG to Europe was reported on subs at 147@157,5. In the East a cargo with early January dates was fixed at 135@100 level due to a lack of alternatives.

The Aframax market was stable on CrossMed at WS200 level; rates were higher in NW Europe and very firm both in the Americas and in the East. Cargoes from USG to Europe were reported on subs up to 70@245. Lavera, Fos Port and France remained affected by strikes.

Rates

	Unit	20-Dec	13-Dec	W-o-W	Y-o-Y	
VLCC	TD1 MEG-USG	ws	65.18	58.50	+11.4%	+83.6%
	TD1 MEG-USG	usd/day	52,627	45,440	+15.8%	+636.8%
	TD2 MEG-Spore	ws	123.83	104.96	+18.0%	+45.8%
	TD3C MEG-China	ws	122.25	103.71	+17.9%	+45.5%
	TD3C MEG-China	usd/day	103,169	84,738	+21.8%	+118.5%
	TD15 WAF-China	ws	116.79	101.83	+14.7%	+44.7%
	Avg. VLCC TCE	usd/day	77,898	65,089	+19.7%	+186.6%
	1 Year TC Period	usd/day	50,000	50,000	+0.0%	+25.0%
Suezmax	TD6 BSea-Med	ws	162.11	149.17	+8.7%	+15.3%
	TD6 BSea-Med	usd/day	73,072	64,895	+12.6%	+50.6%
	TD20 WAF-Cont	ws	260.00	220.83	+17.7%	+30.9%
	MEG-EAST	ws	0.00	150.00	-100.0%	-100.0%
	TD23 MEG-Med	ws	0.00	63.64	-100.0%	-100.0%
	Avg. Suezmax TCE	usd/day	70,203	61,010	+15.1%	+56.9%
	1 Year TC Period	usd/day	35,000	35,000	+0.0%	+0.0%
Aframax	TD7 NSea-Cont	ws	233.06	246.67	-5.5%	+10.5%
	TD7 NSea-Cont	usd/day	100,009	109,338	-8.5%	+37.6%
	TD17 Baltic-UKC	ws	196.67	204.44	-3.8%	+12.7%
	TD17 Baltic-UKC	usd/day	88,454	94,346	-6.2%	+35.9%
	TD19 Med-Med	ws	202.22	196.94	+2.7%	+3.3%
	TD19 Med-Med	usd/day	62,492	58,311	+7.2%	+37.0%
	TD8 Kuwait-China	ws	246.67	197.22	+25.1%	+68.5%
	TD8 Kuwait-China	usd/day	61,516	46,278	+32.9%	+203.1%
	TD9 Caribs-USG	ws	288.13	210.63	+36.8%	+34.0%
	TD9 Caribs-USG	usd/day	75,132	49,720	+51.1%	+91.8%
	Avg. Aframax TCE	usd/day	73,345	67,143	+9.2%	+66.1%
	1 Year TC Period	usd/day	27,500	26,000	+5.8%	+44.7%



Product Tanker Market

Considerable movements for the LR sector East of Suez where fresh cargoes found thinner vessels' availability pushing rates above WS160 for both LR2 and LR1 on MEG-Japan routes.

Active week for the Handies in the Med: demand remained good and the position list was still tight, this situation together with delays at Turkish Straits, kept rates at WS300 for CrossMed and over WS320 for BSea-Med voyages.

A very healthy week for MRs in Cont, rates for US Atlantic destinations started at WS170 on Monday and touched WS190 by mid week with a position list that got very short.

Good activity for Handysize in Northern Europe both from Baltic and Cont pushing rates higher with Baltic-Cont touching WS215 and CrossCont over WS205.

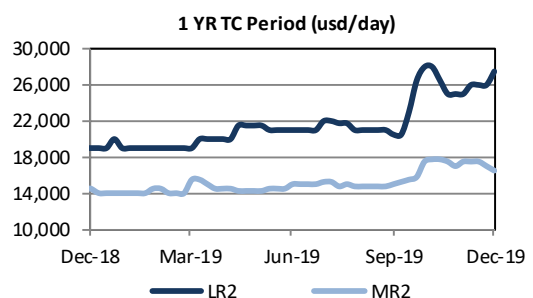
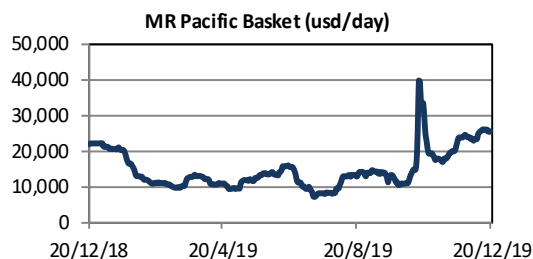
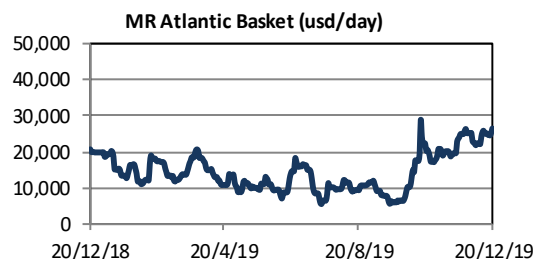
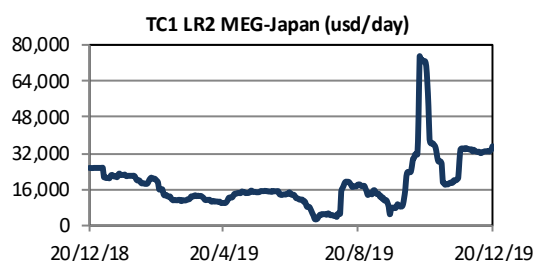
On the other side of the Atlantic MRs demand from USG was softening and vessels' availability increased leaving USG-Cont rates unchanged around WS125 for the whole week.

Quiet week for dirty Handies and MRs in the MED: Handy rates decreased to 30@335 level from BSea and to WS325 for CrossMed; due to a tight tonnage list MR rates remained stable at 45@240 from BSea and around WS240 on CrossMed. The market in UKC was busy and rates for CrossUKC went up to 30@305 level and Panamax rates for a TA from UKC touched 55@195 level.

Rates		Unit	20-Dec	13-Dec	W-o-W	Y-o-Y
Clean	TC1 MEG-Japan (75k)	ws	163.44	154.38	+5.9%	+2.5%
	TC1 MEG-Japan (75k)	usd/day	35,217	32,991	+6.7%	+38.8%
	TC8 MEG-UKC (65k)	usd/mt	34.61	31.69	+9.2%	+7.7%
	TC5 MEG-Japan (55k)	ws	168.89	156.11	+8.2%	-9.4%
	TC5 MEG-Japan (55k)	usd/day	26,297	23,897	+10.0%	+15.6%
	TC2 Cont-USAC (37k)	ws	192.22	173.28	+10.9%	+18.7%
	TC2 Cont-USAC (37k)	usd/day	21,604	18,657	+15.8%	+74.3%
	TC14 USG-Cont (38k)	ws	125.36	127.14	-1.4%	-21.7%
	TC14 USG-Cont (38k)	usd/day	11,118	11,741	-5.3%	-12.5%
	TC9 Baltic-UKC (22k)	ws	216.79	213.57	+1.5%	+9.2%
	TC6 Med-Med (30k)	ws	299.38	299.69	-0.1%	+27.4%
	TC7 Spore-ECAu (30k)	ws	221.11	216.67	+2.0%	-4.7%
	TC7 Spore-ECAu (30k)	usd/day	23,916	23,515	+1.7%	+22.0%
	TC11 SK-Spore (40k)	usd/day	19,271	18,422	+4.6%	+1.7%
	MR Pacific Basket	usd/day	25,469	25,967	-1.9%	+17.9%
	MR Atlantic Basket	usd/day	26,682	25,314	+5.4%	+17.3%
LR2 1 Year TC Period	usd/day	27,500	26,000	+5.8%	+44.7%	
MR2 1 Year TC Period	usd/day	16,500	17,000	-2.9%	+13.8%	
Dirty	TD12 Cont-USG (55k)	ws	190.31	183.13	+3.9%	+13.6%
	TD18 Baltic-UKC (30k)	ws	306.67	295.00	+4.0%	+12.0%
	BSea-Med (30k)	ws	335.0	350.0	-4.3%	+1.5%
	Med-Med (30k)	ws	325.0	340.0	-4.4%	+4.8%

Delays at Turkish Straits for Daylight Restricted Vessels

	Unit	20-Dec	13-Dec	W-o-W	Y-o-Y
Northbound	days	8.0	7.0	+14.3%	-38.5%
Southbound	days	8.0	6.0	+33.3%	-20.0%



Containership Market

The ConTex at 436 points had a moderate increase of 24 points compared to last December. However during the week the activity was still stagnant and charter hire rates followed the trend of previous weeks with a moderate decrease.

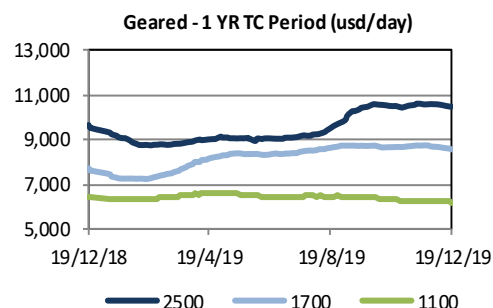
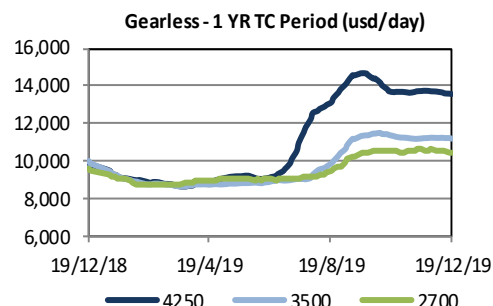
Recent Fixtures

Vessel Name	Built	TEUs	TEU@14	Gear	Fixture	Period	Rates
Rdo Conception	2006	6539	4840	no	fixed to Gfs	4-5 m	\$25,250/d
Tejas	2011	4250	2805	no	fixed to Msc	2 years	\$15,500/d
Express Black Sea	2011	3398	2430	no	fixed to Cma Cgm	12 m	\$11,000/d
Aldebaran	2008	2785	2187	yes	fixeed to Log In	3-4 m	\$10,800/d
Cape Fortius	2017	2202	1574	no	extended to Oocl	4-6 m	\$12,500/d
Lantau Bride	2008	1049	655	no	extended to Cosco	12 m	\$7,850/d

VHSS Containership Timecharter Assessment

(source: Hamburg Shipbrokers' Association)

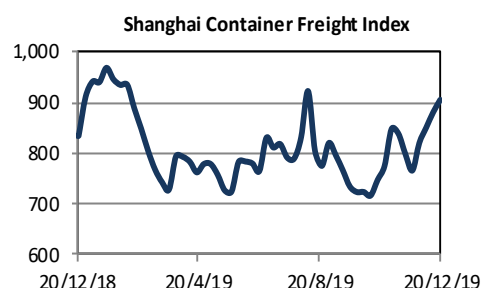
	Unit	19-Dec	12-Dec	W-o-W	Y-o-Y
ConTex	index	436	438	-0.5%	+6.9%
4250 teu (1Y, g'less)	usd/day	13,569	13,608	-0.3%	+38.3%
3500 teu (1Y, g'less)	usd/day	11,195	11,230	-0.3%	+13.4%
2700 teu (1Y, g'less)	usd/day	10,500	10,545	-0.4%	+10.3%
2500 teu (1Y, geared)	usd/day	9,843	9,892	-0.5%	+4.5%
1700 teu (1Y, geared)	usd/day	8,547	8,608	-0.7%	+11.9%
1100 teu (1Y, geared)	usd/day	6,192	6,220	-0.5%	-3.4%



Shanghai Containerized Freight Index

(source: Shanghai Shipping Exchange)

	Unit	20-Dec	13-Dec	W-o-W	Y-o-Y
Comprehensive Index	index	905	880	+2.8%	+8.5%
Services:					
Shanghai - North Europe	usd/teu	944	893	+5.7%	+8.3%
Shanghai - Mediterranean	usd/teu	1,096	1,083	+1.2%	+30.6%
Shanghai - WC USA	usd/feu	1,342	1,370	-2.0%	-23.9%
Shanghai - EC USA	usd/feu	2,451	2,512	-2.4%	-10.9%
Shanghai - Dubai	usd/teu	1,158	1,017	+13.9%	+94.0%
Shanghai - Santos	usd/teu	2,000	2,014	-0.7%	+224.7%
Shanghai - Singapore	usd/teu	163	158	+3.2%	+10.9%



Newbuilding Market

In the dry bulk market, Seacon booked 4 + 4 Kamsarmax units from Huangpu Wenchong for delivery in 2021 and 2022.

Fujian Southeast received an order for 4 x 22,500 dwt Handysize to be delivered during 2021. Japanese owner Fukujin Kisen ordered 2 x Kamsarmax at NACKS with delivery early 2021.

In the gas market, Avance Gas (division of Stolt –Nielsen) signed 2 x 91,000 cbm LPG carriers to be delivered in late 2021 and early 2022 at Daewoo.

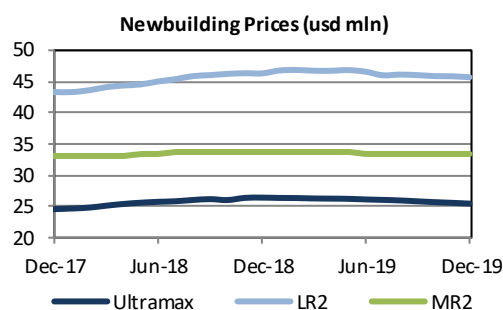
AET Tanker signed 3 x Suezmax shuttle tankers with Hyundai. Vessels are expected to be delivered in 2021 and 2022 when will start a long TC to Shell.

Newbuilding Reported Orders

TYPE	SIZE	BUILT	YARD	BUYERS	PRICE	COMMENT
Bulk	82,000	2021/22	Huangpu Wenchong	Seacon	n.a.	4 + 4
Bulk	82,000	2021	NACKS	Fukujin	n.a.	2
Bulk	22500	2021	Fujian Southeast	n.a.	n.a.	4 units
LPG	91000	2021/22	Daewoo	Avance Gas	n.a.	2 units
Tank	165,000	2021/22	Hyundai	AET Tanker	n.a.	3 shuttle tanker

Indicative Newbuilding Prices (China)

	Unit	01-Dec-19	M-o-M	Y-o-Y
Capesize	usd mln	48.1	-0.4%	-1.3%
Ultramax	usd mln	25.4	-0.5%	-3.6%
Supramax	usd mln	22.7	-0.2%	-2.2%
VLCC	usd mln	84.0	-0.1%	+0.8%
LR2 Coated	usd mln	45.6	-0.3%	-1.3%
MR2 Coated	usd mln	33.3	-0.5%	-1.3%



Interest Rates

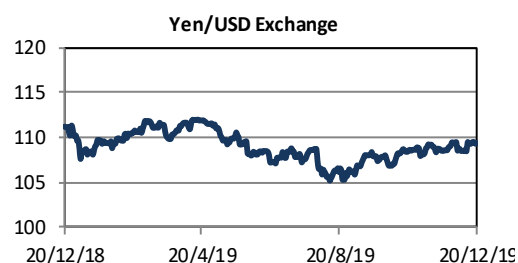
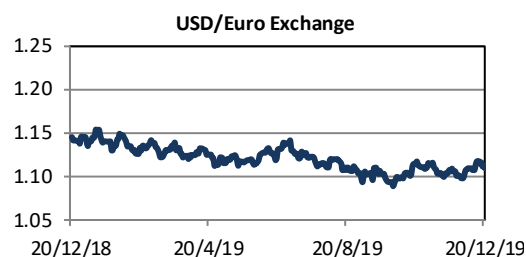
	Libor USD	Libor Euro	Euribor Euro
6 Months	1.90	-0.38	-0.33
12 Months	1.97	-0.28	-0.25

Interest Rate Swaps

	3 yrs	5 yrs	7 yrs	10 yrs	15 yrs	20 yrs
USD	1.69	1.73	1.78	1.86	1.96	2.02
Euro	-0.26	-0.14	-0.03	0.16	0.41	0.54

Exchange Rates

	20-Dec	13-Dec	W-o-W	Y-o-Y
USD/Euro	1.11	1.12	-0.7%	-3.1%
Yen/USD	109.4	109.4	+0.1%	-1.7%
SK Won/USD	1,160	1,172	-1.0%	+2.9%



Secondhand Market

Four Capesize were sold to Chinese buyers for a reported price of \$84 mln: TIGER GUANGDONG, TIGER SHANDONG, TIGER LIAONING all 180,000 dwt built 2011 Qingdao Beihai and the 2010 built sistership TIGER JIANGSU. A few interesting sales registered in the Supramax segment, a resale Ultramax HULL NR 214 about 63,700 dwt prompt delivery was sold for \$28 mln to undisclosed buyers whilst a 58,000 dwt built in 2013 at NACKS, the DRACO OCEAN was reported sold for region \$14,8 mln. A high standard BWTS fitted 2003 Mitsui Supramax MAROUDIO about 56,000 dwt Mitsui was sold to Indonesians for region \$9 mln (with fresh SS) and a younger sistership ALAM MANIS about 56,000 dwt built 2007 was sold again to Indonesians for region \$10,8 mln. The most active market for SAP is no doubt the product tanker where a few sale were reported and requirements in general are many. The Japanese controlled FREJA BALTIC about 47,500 dwt built in 2008 at Onomichi (pump room) fitted with BWTS was sold for about \$16 mln to Greeks (rumored being Spring Marine) whilst the PYXIS DELTA about 47,000 dwt built in 2006 at Hyindai Mipo was sold to Indians for a price of region \$13,5 mln. Another slightly older sister units LIBERTY and FIDELITY about 47,000 dwt built in 2004 at Hyundai Mipo were sold for a soft \$10,75 mln which evidences the prompt due date of the SS.

Secondhand Reported Sales

TYPE	VESSEL NAME	DWT	BLT	YARD	BUYERS	PRICE	NOTE
Bulk	Tiger Guangdong	180,000	2011	Qingdao Beihai	Chinese buyers	21,3	
Bulk	Tiger Jiangsu	180,000	2010	Qingdao Beihai	Chinese buyers	20,1	Internal deal, en bloc sale
Bulk	Tiger Shandong	180,000	2011	Qingdao Beihai	Chinese buyers	21,3	
Bulk	Tiger Liaoning	180,000	2011	Qingdao Beihai	Chinese buyers	21,3	
Bulk	Pan Kyla	79,000	2012	Jinhai	Undisclosed	11,5	
Bulk	Phoenix Bay	74,000	2006	Hudong Zhonghua	Undisclosed	8,25	
Prod	Freja Baltic	47,000	2008	Onomichi	Spring Marine, Greece	16	Incl at \$13,600/ day till Jun '20
Prod	Liberty	46,000	2004	Hyundai Mipo	Seven Islands	11	En bloc deal, price each
Prod	Fidelity	46,000	2004	Hyundai Mipo	Seven Islands	11	
Chem	Torm Loire	37,000	2004	Hyundai Mipo	Greek buyers	9,3	
Chem	Sunrise Salvia	13,000	2006	Higaki Zosen	Indonesian buyers	6,9	
Chem	Oriental Nadeshiko	12,000	2009	Miyoshi Zosen	Woojin Industrial	10,7	
Cont	Asterix	1,849	2008	Sedef Gemi	Admiral Container Lines	9,7	

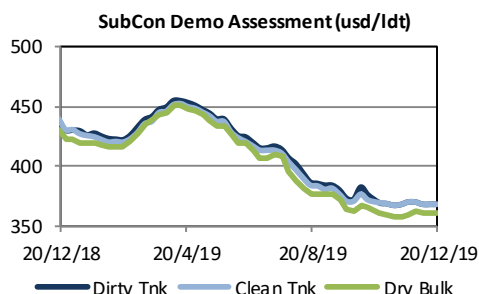
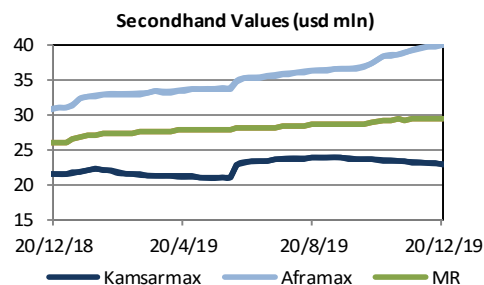
Baltic Secondhand Assessments

	Unit	20-Dec	13-Dec	W-o-W	Y-o-Y
Capesize	usd mln	34.0	34.1	-0.3%	-4.1%
Kamsarmax	usd mln	23.0	23.0	-0.3%	+6.4%
Supramax	usd mln	16.9	17.0	-0.3%	-7.5%
VLCC	usd mln	75.3	75.3	+0.1%	+18.1%
Aframax	usd mln	40.0	39.9	+0.3%	+30.1%
MR Product	usd mln	29.5	29.5	-0.0%	+12.8%

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

Baltic Ship Recycling Assessment (Subcontinent)

	Unit	20-Dec	13-Dec	W-o-W	Y-o-Y
Dry Bulk	usd/ldt	361.1	361.1	+0.0%	-16.2%
Dirty Tanker	usd/ldt	367.9	367.9	+0.0%	-16.0%
Clean Tanker	usd/ldt	367.9	367.9	+0.0%	-16.5%



Dry Bulk Commodities

Argentina's new government raises export taxes on corn, wheat, soybeans

Argentina's new government, in a widely anticipated move, raised taxes on corn, wheat and soybean exports in order to meet the country's fiscal requirements, but this is expected to hit farmers and export volumes. Taxes on corn and wheat exports were raised 12 percent from 6.7 percent, while taxes on beans, soybean oil and soybean meals shipments were increased to 30 percent from 24.7 percent earlier. The higher taxes are to impact farmers' planting intentions, and possibly reduce fertilizer application and quality of seeds.

Brazil and China finalizing soy meal export protocol

Brazilian and Chinese government authorities are finalizing a protocol setting health standards for domestic processors to export soy meal to the Asian country, president of oilseeds industry group Abiove said. The health guidelines will allow companies to export and eventually compete with soy processors based in China, something they cannot do now. The change is happening as local processors are required to increase crushing to produce more biodiesel to boost local blending. Brazil exports a lot more raw soybeans than in meal form, and the industry would prefer a better balance.

Frost damage a risk for late-sown EU cereal

Frost tolerance for winter cereals in the European Union is much weaker than usual this year due to the above-average temperatures increasing risks for an already delayed crop, EU crop monitoring unit MARS said. The autumn sowing season in Europe has been disrupted by heavy rain and in western countries and dryness in some eastern regions, putting crops like wheat behind their usual growth pace ahead of winter. "The current situation is delicate, because winter crops in many of these regions are underdeveloped due to delayed sowing and inadequate soil moisture conditions, which, combined with reduce cold tolerance, makes them particularly vulnerable to frost damage," MARS said in a monthly report.

Russia to invest \$500 mln in Syrian port and build grain hub

Russia plans to invest \$500 mln in the Syrian port of Tartus and build a grain hub there to boost its presence on Middle East markets. Russia, the world's largest wheat exporter, has stepped up grain supplies to support Syrian President in recent years since Moscow's 2015 military intervention on his behalf in Syria's civil war. Construction of the necessary infrastructure at the port which Russia rented out for 49 years from Syrian authorities in 2017, could begin next year.

Brazil farm sales to China to shrink by \$10 bln with trade truce

Brazil could lose \$10 bln per year in farm exports to China if a recent Sino-US trade deal is implemented as proposed. Brazil-China trade could return to pre-trade war levels, erasing some of the gains seen, particularly last year. Brazilian farm exports to China surged \$35.4 bln in 2018 from 26.6 bln the year before, as farmers and meatpackers took advantage of higher tariffs on US agricultural products to boost deals. In that period, US farm exports to China dropped to \$13.2 bln from \$24 bln. Cotton and poultry are among other products that could be affected, the study said.

British mills buy more German wheat after sowing delays

British mills have been buying more German wheat than usual this winter after heavy rain caused serious delays to the sowing of wheat in the United Kingdom. Heavy rain in Oct and Nov has delayed grain sowing in parts of the European Union with the situation particularly severe in Britain where they could trigger a significant shift to spring planted crops. Spring crops have less time to develop than grains planted in the winter, raising the danger of a small crop.

Iran bought up to 1 mln tonnes of wheat in recent weeks

Iran has bought up to 1 mln tonnes of wheat in recent weeks on international markets. Origins for the purchase are expected to include Russia and some European Union countries. Tehran has signed memorandums of understanding with Russia and Kazakhstan for temporary imports of wheat. Under US sanctions over Iran's nuclear programme, the Islamic republic is blocked from the global financial system. Food, medicine and other humanitarian supplies including animal feeds are exempt. But the US measures targeting everything from oil sales to shipping and financial activities have deterred some foreign banks from doing any Iranian business including humanitarian deals such as food shipments. "We will have to see how much actually gets delivered as trade finance with Iran is still very difficult," a trader said of the latest purchases.

Rain relieve dry conditions in Argentina, speeding up soy planting

Argentine soy planting advanced 8.9 percentage points over the last week, reaching 70.2 percent of expected sowing area thanks to rains that relieved excessively dry conditions, the Buenos Aires Grains Exchange said in a report. The South American grains powerhouse is the world's no. 3 soybean and corn exporter, as well as its top supplier of soy meal livestock feed. Recent hot and dry weather had threatened soy and corn planting and early development of 2019/20 crop. "During the last seven days there was abundant rainfall over north-central Santa Fe and east-central Entre Rios provinces, improving water supply. Important planting advances are expected over the new few days," the report said.

Source: Refinitiv

Oil & Gas

China announces new tariff exemptions for US chemical and oil products

China unveiled a new list of import tariffs exemptions for six chemical and oil products from the US, days after the world's two largest economies announced a Phase 1 trade deal. The exemptions will be for one year from Dec. 26, the Finance Ministry said, without providing a value for the imports excluded from duties. China waived import tariffs for some soybeans and pork shipments from the US on Dec. 6, before the two sides reached a Phase 1 trade deal to cancel tariffs that were planned to take effect on Dec. 15. China said that it would continue to work on the product exemptions and release the second batch of waivers at an appropriate time.

Illegally traded chemical halted Russian oil pipeline

The substance that brought one of Russia's longest oil pipelines to a halt in April was carbon tetrachloride, a lethal chemical meant to be tightly controlled by an international agreement. A summary of a test carried out for Russia's Ministry of Energy and Transneft, the operator of the pipeline, by a Moscow-based state chemical laboratory shows that the contaminant was 85 percent carbon tetrachloride. The presence of carbon tetrachloride suggests Russia has not stamped out the illegal trade in the chemical as carbon tetrachloride is supposed to be strictly regulated by Russian law.

US renews waiver on COSCO's tanker unit hit by Iran sanctions

The Trump administration renewed a waiver for companies to wind down transactions with the Dalian unit of a Chinese tanker company on which it had imposed sanctions in Sept for allegedly transporting Iranian oil. The waiver, good until Feb. 4 2020, allows activities and transactions "ordinarily incident and necessary to the maintenance or wind down of transactions" including offloading of non-Iranian crude oil involving COSCO's Dalian Shipping Tanker Co, US Treasury Department said.

Brazil prosecutors sue Petrobras over Rio refinery contamination

Brazilian federal prosecutors filed a civil liability lawsuit against Petroleo Brasileiro SA seeking to force the state-run firm to halt some operations at its Refinaria Duque de Caxias refinery until it deals with effluents discharged into Rio de Janeiro's bay. REDUC, is one of the largest refineries in Brazil and accounts for 80 percent of the country's production of lubricants, according to Petrobras. The lawsuit also seeks to hold Rio de Janeiro state government and the state environmental institute responsible for the discharges into Iguacu river and the Guanabara Bay. Prosecutors are asking the court to order Petrobras to pay 50 mln reais (\$12.3 mln) in reparation for the damage to the environment and the health of the local population.

Shipping industry proposes \$5 bln clean fuel fund

The global shipping sector has proposed creating the world's first collaborative research and development program to help slash CO2 emission from maritime transport, which, if adopted, could transform the fuels used to power the global trade in goods. The International Maritime and Development Board proposed that they would be financed by shipping companies worldwide via a mandatory contribution of \$2/mt of marine fuel purchased for consumption by shipping companies, which would generate about \$5 bln in core funding over a 10-year period. The funding will be used to catalyze the deployment of commercially viable zero-carbon ships by early 2030s.

India aims to buy stakes in producing oil and gas fields abroad

India aims to invest in producing oil and gas fields abroad to compensate for falling domestic output and to help reduce the impact of oil price volatility. India, the world's third-biggest oil consumer, imports about 80 percent of its oil needs, making it highly susceptible to crude price swings. Indian firms have invested in foreign oil and gas assets, but many of these assets are still under exploration or not hitting production goal. India's oil minister said that India was negotiating with Russia's Rosneft to invest in eastern Russia.

Argentina seeks to freeze gas and power tariffs to revive economy

Argentina's government submitted a bill to Congress that contains measures intended to help pull the economy out of recession, including freezing natural gas and power tariffs for six months and then lowering them to revive consumer spending and industrial production. The bill also proposes a new 30 percent tax on buying dollars for saving and making purchases abroad with local debit or credit cards, plus higher taxes on agriculture exports and on individuals, measures to encourage saving pesos instead of dollars and making changes to the pension system.

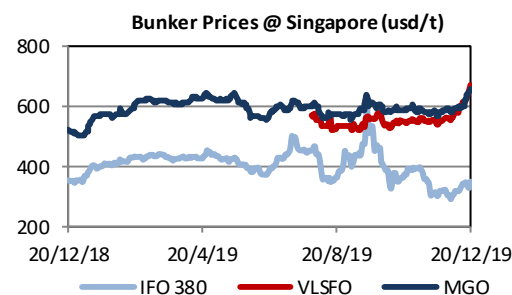
20 crew kidnapped from tanker off West Africa

India's foreign ministry said that 20 of its nationals had been kidnapped from an oil tanker in West African waters, where piracy has been on the rise. The ship's operator Union Maritime wrote on its website that the craft was "attacked and boarded" while carrying fuel oil to the Togolese capital Lome from Angola and that the company was working with relevant authorities to resolve the incident. The shipping industry has warned in recent months about the increased incidents of piracy and kidnapping the Gulf of Guinea, particularly around Nigeria.

Source: Refinitiv

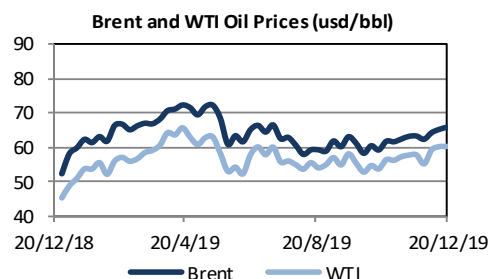
Bunker Prices

		Unit	20-Dec	13-Dec	W-o-W	Y-o-Y
IFO 380	Rotterdam	usd/t	278.0	269.0	+3.3%	-14.3%
	Fujairah	usd/t	308.0	295.5	+4.2%	-12.6%
	Singapore	usd/t	351.0	344.5	+1.9%	-1.3%
VLSFO	Rotterdam	usd/t	573.0	527.0	+8.7%	n.a
	Fujairah	usd/t	703.0	614.0	+14.5%	n.a
	Singapore	usd/t	669.0	613.0	+9.1%	n.a
MGO	Rotterdam	usd/t	592.5	571.0	+3.8%	+17.1%
	Fujairah	usd/t	726.0	702.0	+3.4%	+0.5%
	Singapore	usd/t	656.0	603.0	+8.8%	+25.3%



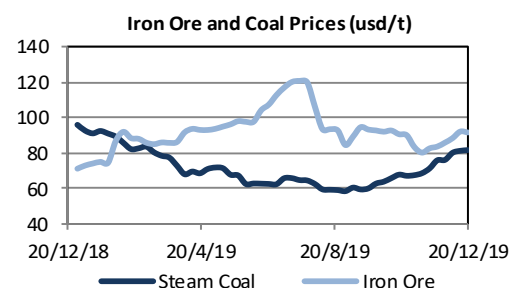
Oil & Gas Prices

	Unit	20-Dec	13-Dec	W-o-W	Y-o-Y
Crude Oil Brent	usd/bbl	66.0	65.4	+1.0%	+9.5%
Crude Oil WTI	usd/bbl	60.2	60.2	+0.1%	+17.7%
Crude Oil Dubai	usd/bbl	67.2	66.2	+1.5%	+13.4%
Natural Gas Henry Hub	usd/mmbtu	2.25	2.30	-2.2%	-38.4%
Gasoline Nymex	usd/gal	1.69	1.67	+1.2%	+17.4%
ICE Gasoil	usd/t	611.0	605.5	+0.9%	+9.8%
Naptha Tokyo	usd/t	565.3	559.5	+1.0%	+13.6%
Jet-Kerosene Asia	usd/bbl	77.6	76.5	+1.4%	+5.4%



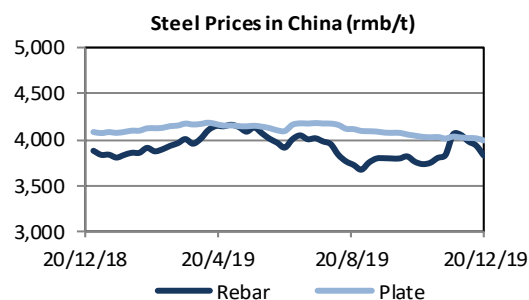
Coal Prices

	Unit	20-Dec	13-Dec	W-o-W	Y-o-Y
Steam @ Richards Bay	usd/t	82.0	81.6	+0.5%	-15.2%
Steam @ Newcastle	usd/t	66.4	66.3	+0.1%	-35.1%
Coking Coal Australia	usd/t	137.0	137.0	+0.0%	-39.4%



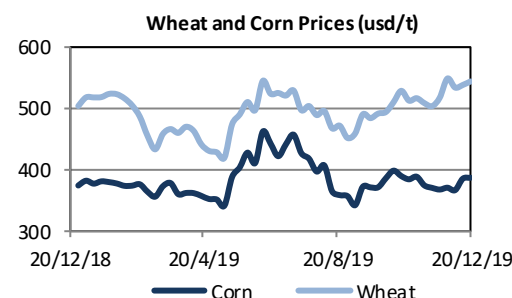
Iron Ore and Steel Prices

	Unit	20-Dec	13-Dec	W-o-W	Y-o-Y
Iron Ore (Platts)	usd/t	91.7	92.3	-0.6%	+35.1%
Iron Ore China @Tangshan	rmb/t	679.0	689.0	-1.5%	+21.3%
Rebar in China	rmb/t	3,822	3,933	-2.8%	-1.6%
Plate in China	rmb/t	3,986	4,010	-0.6%	-1.7%
HR Coil in China	rmb/t	3,958	3,948	+0.3%	+3.6%
CR Sheet in China	rmb/t	4,452	4,445	+0.2%	+2.3%



Agricultural

	Unit	20-Dec	13-Dec	W-o-W	Y-o-Y
Wheat	usd/t	543.3	537.5	+1.1%	+1.8%
Corn	usd/t	387.5	386.0	+0.4%	+0.6%
Soybeans	usd/t	929.0	915.5	+1.5%	+2.7%
Palm Oil	usd/t	699.2	673.6	+3.8%	+41.2%



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