

## Market Commentary:

We are witnessing a correction in the Dry Bulk markets since last weeks. We see daily rates move to lower levels when compared to 2-3 weeks ago. The Capesize average was during first week of October 2021 close to \$87,000/day, and today has more than halved. The Panamax index fell to its lowest since mid Sep2021, the Capesize, Supramax & Handysize indices dropped to their lowest since early Aug2021.

Are there changes in the market fundamentals, disrupting what has up to now been feeding the booming freight markets? It was common talk, that we have been witnessing a rising demand in a “pre-post” covid era, that “covid is not over yet”, and “that there is still more to come”, as many largely populated countries/regions are still in lockdown. What has changed over the past few weeks, causing this correction? The main cause for this fall is a worldwide decrease in both demand and supply. Disruptions in worldwide logistics, the increased energy cost and the significant delays of product deliveries, are some reasons that lead the supply and demand decrease. We are aware of Evergrande, which is struggling to pay another bond coupon on November 6th and China’s real estate industry which is trying to survive from another bankruptcy (Fantasia Holdings & China Property Group). Real estate development halted, reducing demand for steel products, iron ore & other construction raw materials, which are so crucial for Dry Bulk shipping. Let alone we had seen increasingly high prices for raw materials & finished goods inevitably creating inflationary price pressures. So far inflation or even stagflation was our main if not only concern as to the sustainability of booming dry bulk and container markets.

Meanwhile there is a halt in coal imports in China, as the Government is trying to cope with high coal prices and Beijing orders more energy output and price cuts, which highlights difficulty of balancing carbon goals with energy needs to keep China’s economy humming. China is the Worlds biggest carbon emitter and has not made up to now any significant advance on targets set. Emissions would peak by 2030 and be reduced to net zero three decades later, according to the nationally determined contribution (NDC) submitted to the UN by the Chinese government. Given China’s commitment to decarbonisation by 2060 and as China tackles troubled property growth, wealth gap and the much talked about pollution, they have to deal also with Beijing Winter Olympics planned very shortly, so the pollution issue needs to be more dramatically addressed. This brings us to the very timely COP26 gathering, which ends on 12th Nov in Glasgow, with countries set to bring medium-term action plans to the table. Preparations for the meeting come as energy prices soar on a combination of slowing fossil fuel investment and fears of a spike in demand during winter. China, India, Brazil and Russia agree on the importance of reducing carbon emissions, but they oppose calls to eliminate coal entirely.

Our shipping industry has great interest in the decisions that will be taken. As shipping industry accounts for 3% of the world’s CO2 emissions, a rather small figure when one considers that 90% of world trade is transported by sea, there is increasing pressure for our industry to turn “greener” and introduce a carbon levy on its greenhouse gas emissions. Finally, most classification societies agree that zero-emission ships will have to start entering into service by 2030 in order to achieve the International Maritime Organization’s decarbonisation targets. “Shaping the Future of Shipping”, in Glasgow on November the 6<sup>th</sup> will address key strategic issues in shipping’s rapidly evolving decarbonisation journey and will showcase its efforts to decarbonise and deliver a sustainable and equitable future for the industry.

BALTIC DRY INDICES						
BALTIC INDICES	Week 43	Week 42	±%	Average Indices		
				2021	2020	2019
BDI	3,519	4,410	-20.2%	2,970	1,064	1,353
BCI	4,349	6,205	-29.9%	4,066	1,752	2,261
BPI	3,896	4,327	-10.0%	3,018	1,101	1,387
BSI	3,104	3,584	-13.4%	2,438	743	880
BHSI	1,972	2,057	-4.1%	1,396	444	491

BALTIC TANKER INDICES						
BALTIC INDICES	Week 43	Week 42	±%	Average Indices		
				2021	2020	2019
BDTI	797	768	3.8%	617	722	855
BCTI	568	566	0.4%	505	586	607

DRY NEWBUILDING PRICES (in USD mills)						
Size Segment	Oct/21	Oct/20	±%	Average Prices		
				2021	2020	2019
Capesize	60.2	46.5	30%	55.2	47.6	50.6
Kamsarmax	36.2	27.4	32%	31.0	29.7	33.4
Ultramax	32.5	24.1	35%	28.5	24.6	25.9
Handysize	30.0	22.9	31%	26.3	23.1	23.9

WET NEWBUILDING PRICES (in USD mills)						
Size Segment	Oct/21	Oct/20	±%	Average Prices		
				2021	2020	2019
VLCC	107.3	85.4	26%	96.3	88.6	92.6
Suezmax	73.9	56.0	32%	64.7	58.6	61.5
Aframax	59.4	46.3	28%	52.3	47.8	48.5
Panamax	51.0	42.5	20%	45.9	43.6	44.5
MR2	40.5	34.0	19%	36.7	34.6	36.4

DEMOLITION PRICES (in USD/ldt)						
Demo Country	BULKERS			TANKERS		
	Week 43	Week 42	Change	Week 43	Week 42	Change
INDIA	595	590	5	605	600	5
BANGLADESH	605	600	5	615	610	5
PAKISTAN	600	595	5	610	605	5
TURKEY	275	275	0	285	285	0

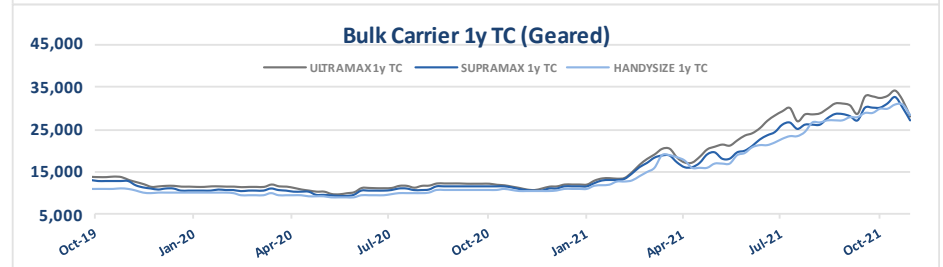
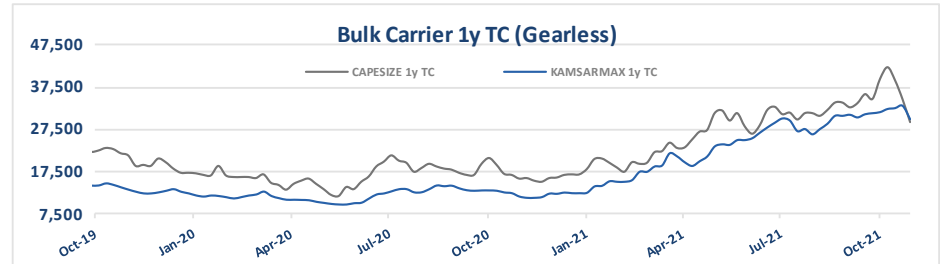
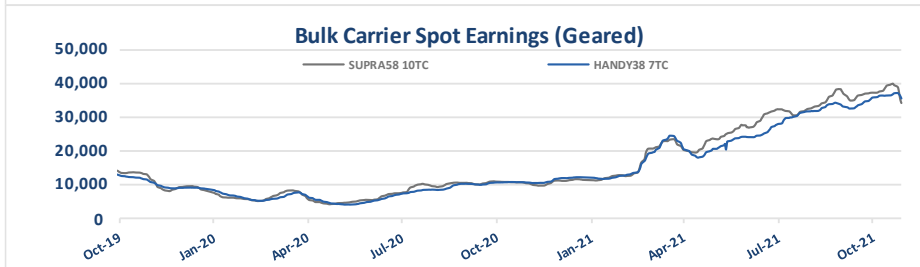
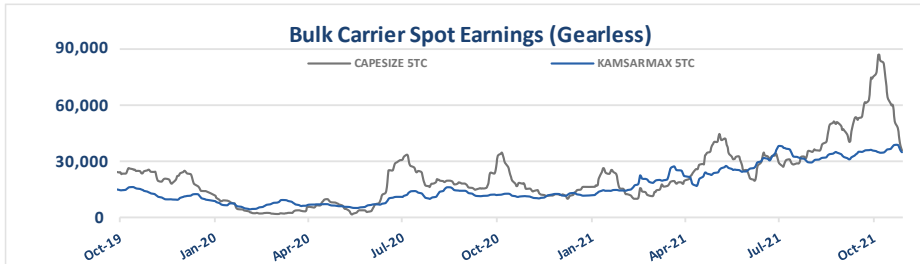
**Capesize:** The Capesize average of the 5 T/C Routes started the week at USD 51,463/day and closed the week suffering a dramatic weekly fall by more than \$15k/day, down at USD 36,065/day, dropping by 58.5% from its record high of USD 86,953/day on the 7th of October. Trip from Cont. to F.East is now USD 63,225/day, Transatlantic Return voyage is down by abt \$24k/day at USD 41,600/day, while Pacific Return voyage is reduced by \$9k/day at USD 32,979/day. Capesize 1 year T/C rate is reduced to USD 27,750/day, while eco 180k Capesize is down at USD 29,250/day..

**Panamax:** The BPI-82 5 T/C route average started the week at USD 38,945/day and closed the week softer at USD 35,061/day. Trip from Skaw-Gib to F.East is down by \$5k/day at USD 47,955/day, while Pacific Return voyage is down by \$6k/day at USD 34,313/day, while Atlantic R/V is softer at USD 35,125/day. Kamsarmax 1 year T/C rate is USD 30,000/day, while Panamax 1 year T/C is USD 27,750/day.

**Supramax:** The BSI-58 10 T/C route average closed the week \$5k/day lower than its opening at USD 34,147/day. S.China trip via Indonesia E.C.India is down by abt \$8k/day at USD 29,200/day, W.Africa trip via ECSA to N.China is USD 43,911/day, Med/BI Sea to China/S.Korea at USD 51,192/day, Atlantic R/V pays USD 38,850/day, while Pacific Return voyage pays more than \$6k/day less at USD 29,357/day. Ultramax 1y T/C rate is down at USD 28,250/day, with Supramax 1y T/C down by more than \$4k/day at USD 25,250/day.

**Handysize:** The BHSI-38 average of the 7 T/C Routes closed the week lower at USD 35,487/day. Brazil to Continent is USD 37,056/day, S.E.Asia trip to Spore-Japan down at USD 34,100/day, U.S.Gulf to Continent is up at USD 38,000/day. 38k Handy 1y T/C USD 26,750/day, 32k Handy 1y T/C Atlantic region USD 25,250/day, 32k Handy 1y T/C Pacific region USD 22,750/day.

DRY SECONDHAND PRICES (in USD mills)							
Size	Oct/21	Oct/20	12m ch (%)	12m diff	Average Prices		
					2021	2020	2019
Capesize 180k Resale	58.9	49.0	20%	9.9	53.1	49.4	52.0
Capesize 180k 5y	47.7	34.5	38%	13.2	42.0	35.3	35.3
Capesize 180k 10y	34.1	19.8	72%	14.3	28.1	20.3	23.9
Capesize 180k 15y	22.5	12.5	80%	10.0	18.7	12.5	14.4
Kamsarmax 82k Resale	41.7	29.5	41%	12.2	33.9	29.6	31.2
Kamsarmax 82k 5y	34.3	22.6	52%	11.7	28.5	22.6	22.6
Panamax 76k 10y	25.2	13.4	89%	11.9	20.6	13.2	13.9
Panamax 76k 15y	18.1	8.2	121%	9.9	14.3	8.7	9.2
Ultramax 64k Resale	37.8	26.3	44%	11.5	31.4	26.8	28.1
Ultramax 61k 5y	31.6	18.1	75%	13.5	25.1	19.1	19.1
Supramax 58k 5y	26.6	15.3	74%	11.3	21.2	15.8	17.7
Supramax 56k 10y	23.3	10.7	119%	12.7	16.6	11.1	13.2
Supramax 52k 15y	16.5	6.7	146%	9.8	11.6	7.2	8.2
Handy 38k Resale	29.9	20.5	46%	9.4	25.6	21.3	23.7
Handy 37k 5y	25.1	14.7	71%	10.4	20.2	14.9	14.9
Handy 32k 10y	17.3	8.4	106%	8.9	13.2	8.5	10.5
Handy 28k 15y	11.1	5.0	124%	6.2	7.6	5.2	6.3



**Crude:**

**VLCC** average T/CE ended the week firmer at USD -5,286/day. M.East Gulf to China trip is up at USD 5,861/day, US Gulf to China improved at USD 10,047/day, M.East Gulf to Singapore up by \$3.8k/day at USD 8,573/day, W.Africa to China also firmer at USD 9,163/day, M.East Gulf to US Gulf at USD -16,432/day. 1y T/C for 310k dwt D/H Eco VLCC is USD 27,500/day.

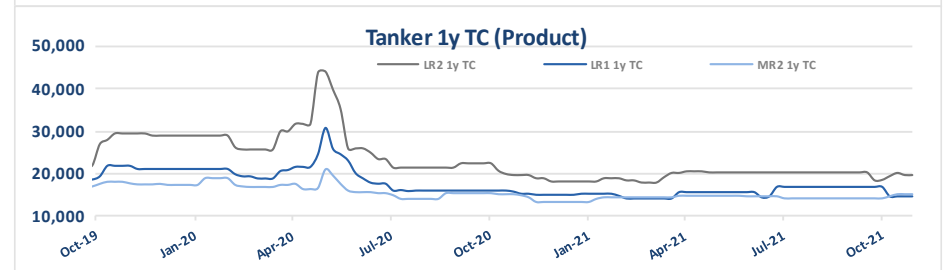
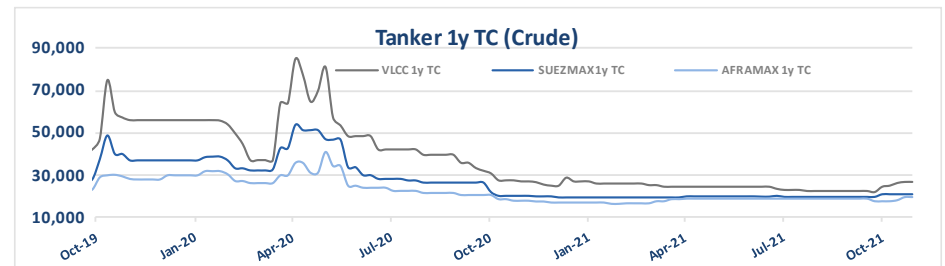
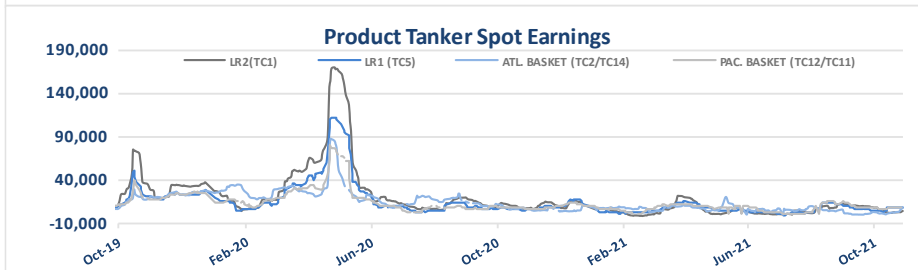
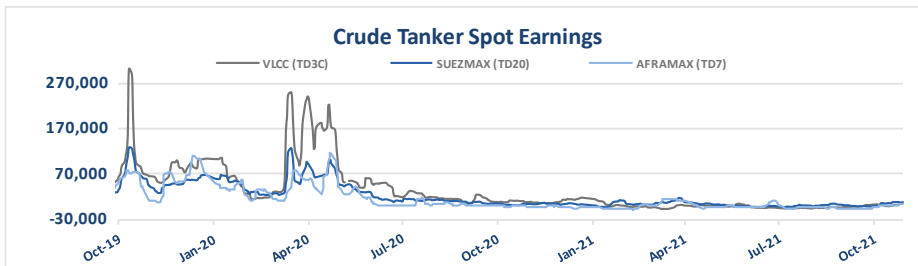
**Suezmax** average closed the week at USD 7,775/day. Trip from W.Africa to Continent is USD 8,581/day, Bl.Sea to Med is firmer at USD 6,968/day, while Middle East Gulf to Med is USD -6,095/day. 1 year T/C rate for D/H Eco 150k dwt Suezmax is USD 21,250/day.

**Aframax** average Average TCE closed the week at USD 10,375/day. Trip from N.Sea to Continent is at USD 5,915/day, trip from Kuwait to Spore at USD 5,164/day, trip from Carribs to US Gulf at USD 13,510/day, and S.E.Asia to EC Australia at USD 8,377/day. 1 year T/C rate for D/H Eco Aframax is at USD 19,750/day.

**Products:**

The **LR2** route (TC1) M.East Gulf to Japan is this week up at USD 4,137/day. Trip from Middle East to F.East is USD -7,742/day, while the **LR1** (TC5) route Mid.East Gulf to Japan is firmer at USD 8,839/day, and Amsterdam to Lome is USD 4,389/day. The MR Atlantic Basket earnings is improved by \$4.8k/day at USD 7,776/day, with **MR** route from Cont. to USAC up at USD 2,712/day, US Gulf to Cont. greatly improved at USD -592/day, US Gulf to Brazil also much firmer at USD 6,846/day, ARA to W.Africa up at USD 4,495/day. Eco **LR2** 1 year T/C rate is at USD 20,000/day, and Eco **MR2** 1 year T/C rate is at USD 15,250/day.

WET SECONDHAND PRICES (in USD mills)							
Size	Oct/21	Oct/20	12m ch (%)	12m diff	Average Prices		
					2021	2020	2019
VLCC 320k Resale	97.6	90.0	8%	7.6	94.1	95.5	96.1
VLCC 320k 5y	70.0	65.0	8%	5.0	69.0	70.5	70.5
VLCC 300k 10y	46.4	44.0	6%	2.4	47.3	47.9	47.7
VLCC 300k 15y	33.1	30.0	10%	3.1	33.7	33.5	32.9
Suezmax 160k Resale	67.4	60.0	12%	7.4	63.7	64.9	67.6
Suezmax 160k 5y	47.9	44.0	9%	3.9	46.6	48.7	48.7
Suezmax 150k 10y	32.0	30.0	7%	2.0	31.4	33.7	34.2
Suezmax 150k 15y	22.0	22.0	0.1%	0.0	22.0	23.2	19.4
Aframax 110k Resale	54.8	46.6	18%	8.2	51.5	51.0	52.0
Aframax 110k 5y	40.0	33.8	18%	6.2	38.0	37.7	37.7
Aframax 105k 10y	25.9	22.1	17%	3.8	24.6	26.0	24.8
Aframax 105k 15y	15.9	14.4	11%	1.5	15.4	15.9	14.8
MR2 52k Resale	38.0	36.0	6%	2.0	37.0	37.5	38.6
MR2 51k 5y	27.8	26.0	7%	1.8	27.6	27.9	27.9
MR2 47k 10y	17.6	17.0	4%	0.6	18.6	18.2	18.3
MR2 45k 15y	11.0	11.0	0.4%	0.0	12.0	11.7	10.3



### Sale and Purchase:

The sharp drop (-37.71%) of the BDI during the last three weeks, from when the BDI reached its 13-year high, may have affected the volume of secondhand bulker sales significantly. On the Kamsarmax sector, the “*Jiangsu Yangzi-Mitsui YZJ2015-2686*”- 82K/2022 Jiangsu Yangzi- Mitsui was reported sold for USD 38.5 mills to Greek buyers. Also, Greeks bought the “*Key Discovery*”- 82K/2010 Tsuneishi for high USD 23mills. The 10-year Ultramax “*Sunleaf Grace*”-61K/2011 Oshima changed hands in the region of USD 21.5mills while the Supramax “*Sophia N*”-57K/2009 Qingshan was sold for USD 17.75mills.

On the NB front, it is worth noting that clients of Nisshin have ordered a series of 36K DWT Handysize at Kitanihon for xs USD 31mills each basis delivery 2<sup>nd</sup> half of 2024. Clients of Navibulgar have ordered 4x EEDI Phase III compliant 45K DWT Handymax at Yangzijiang Shipbuilding for region USD 33mills each basis delivery in 2024.

The Tanker market has begun to gain momentum with the BDTI & BCTI showing some significant monthly gains, 28% for the BDTI and 15% for the BCTI. The Suezmax “*Seaways Saugerties*”- 162K/2006 Daewoo was sold for USD 21.8mills to European Buyers. The MR2, “*Nord Stingray*”-51K/2009 STX fetched region USD 17mills, whilst the 3-year older “*High Venture*”51k/2006 STX was sold for xs USD 10.7mills.

#### BULK CARRIER SALES

NAME	DWT	YEAR	COUNTRY	YARD	BUYERS	PRICE (usd mills)	NOTES/ COMMENTS
JIANGSU YANGZI-MITSUI YZJ2015-2686	82,300	2022	CHINA	JIANGSU YANGZI- MITSUI	GREEK	38.5	
KEY DISCOVERY	82,152	2010	JAPAN	TSUNEISHI	GREEK	high 23	SS: 11/2025 - DD: 08/2023
SUNLEAF GRACE	61,683	2011	JAPAN	OSHIMA	UNDISCLOSED	21.5	DELIVERY MARCH/ MAY 2022, SS/DD: 08/2023
SOPHIA N	56,868	2009	CHINA	QINGSHAN	UNDISCLOSED	17.75	BWTS FITTED, SS: 08/2024 - DD: 10/2022
AAL MARS	33,200	2011	CHINA	ZHEJIANG OUHUA	AAL	35 enbloc	NOT CONVENTIONAL HANDY, SS: 11/2025 - DD: 05/2024
AAL MERKUR	33,192	2010	CHINA	ZHEJIANG OUHUA			NOT CONVENTIONAL, SS: 10/2025 - DD: 10/2023
LILIAN	24,838	1999	JAPAN	SHIKOKU	UNDISCLOSED	6.8	SS: 09/2024 - DD: 09/2022
BERNA	21,964	1995	JAPAN	SAIKI	UNDISCLOSED	low 6	2 GENS, SS: 01/2025 - DD: 08/2022

#### GENERAL CARGO SALES

NAME	DWT	YEAR	COUNTRY	YARD	BUYERS	PRICE (usd mills)	NOTES/ COMMENTS
MARIWIT	12,190	2009	CHINA	LIAONING LONGDE	CHINESE	5.8	SS: 07/2024 - DD: 07/2022
MIGHTY CHAMP	10,084	2005	JAPAN	SHIN KURUSHIMA	UNDISCLOSED	rgn 6	SS: 02/2025 - DD: 02/2023
MIGHTY BOSS	10,074	2004	JAPAN	SHIN KURUSHIMA	UNDISCLOSED	rgn 6	BWTS FITTED, SS: 11/2024 - DD: 11/2022

**TANKER SALES**

NAME	DWT	YEAR	COUNTRY	YARD	BUYERS	PRICE (usd mills)	NOTES/ COMMENTS
SEAWAYS SAUGERTIES	162,293	2006	S. KOREA	DAEWOO	EUROPEAN	21.8	SS: 04/2026 - DD: 06/2024
TAI HU	73,980	2007	CHINA	NEW CENTURY	UNDISCLOSED	xs 10.5	JUDICIAL SALE, CPP, SS/DD: 08/2022
NORD STINGRAY	51,291	2009	S. KOREA	STX	UNDISCLOSED	rgn 17	BWTS & SCRUBBER FITTED, SS: 05/2204 - DD: 06/2022
HIGH VENTURE	51,088	2006	S. KOREA	STX	UNDISCLOSED	xs 10.7	CAP 1, CPP, BWTS FITTED, SS: 04/2026 - DD: 05/2024
CHEMSTAR JEWEL	21,313	2012	JAPAN	ASAKAWA	UK	UNDISCLOSED	StSt, SS/DD: 06/2022
CRIMSON RAY	19,984	2007	JAPAN	FUKUOKA	UNDISCLOSED	12.5	StSt, SS/DD: 07/2022
CELSIUS MACAU	20,768	2006	JAPAN	SHIN KURUSHIMA	CHINESE	rgn 12	StSt, BWTS FITTED, SS/DD: 12/2021
CHEM WOLVERINE	19,991	2006	JAPAN	USUKI	UNDISCLOSED	9.8	StSt, SS/DD: 11/2021

**GAS SALES**

NAME	CBM	YEAR	COUNTRY	YARD	BUYERS	PRICE (usd mills)	NOTES/ COMMENTS
SUNNY GREEN	76,936	1992	JAPAN	mitsubishi nagasaki	UNDISCLOSED	18.5	SS/DD: 03/2022

**COMMODITIES AND CURRENCIES**

Energy	Price	+/_	Day	Weekly	Monthly	YTD
Crude Oil	83.57	0.76	0.92%	-0.23%	11.38%	72.24%
Brent	84.38	0.06	0.07%	-1.34%	7.75%	62.90%
Natural gas	5.569	-0.208	-3.60%	5.47%	-5.08%	119.34%
Gasoline	2.4325	-0.0025	-0.10%	-2.00%	10.87%	72.51%
Heating oil	2.4964	-0.0201	-0.80%	-1.67%	6.75%	68.22%
Ethanol	2.207	0	0.00%	0.00%	0.00%	54.01%
Naphtha	759.23	-3.77	-0.49%	-0.72%	11.85%	75.46%
Propane	1.39	-0.06	-3.82%	-4.32%	7.65%	115.34%
Uranium	46.1	-1.65	-3.46%	-5.92%	4.89%	50.16%
Methanol	2793	73	2.68%	-13.93%	-19.90%	15.60%
TTF Gas	77.74	-9.08	-10.46%	-12.12%	-10.24%	306.53%
UK Gas	192.09	-26.5	-12.12%	-13.24%	-10.70%	240.59%

**Metals**

Gold	1,782.9	-15.68	-0.87%	-0.53%	1.50%	-5.99%
Silver	23.885	-0.215	-0.89%	-1.75%	7.59%	-9.38%
Platinum	1,017.2	-2.04	-0.20%	-2.24%	5.58%	-4.57%

**Industrial**

Copper	4.3755	-0.062	-1.40%	-3.33%	6.98%	24.34%
Coal	223.45	-0.25	-0.11%	-2.21%	5.40%	177.58%
Steel	4,849	144	3.06%	-3.19%	-16.90%	14.91%
Iron Ore	107.5	-3.5	-3.15%	-4.02%	-2.27%	-32.18%
Aluminum	2,716.5	-30	-1.09%	-5.28%	-4.68%	37.15%
Iron Ore Fe62%	121.23	-0.71	-0.58%	-1.04%	1.32%	-22.21%

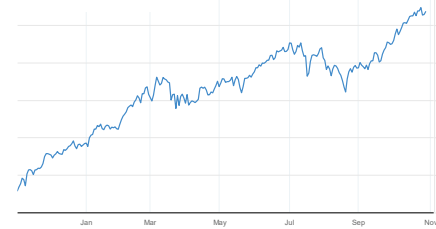
**Currencies**

EUR/USD	1.15605	-0.0122	-1.04%	-0.72%	-0.12%	-5.37%
GBP/USD	1.3687	-0.0112	-0.81%	-0.52%	1.62%	0.10%
USD/JPY	114.01	0.44	0.38%	0.45%	2.32%	10.42%
USD/CNY	6.40549	0.0176	0.28%	0.35%	-0.68%	-1.49%
USD/CHF	0.91513	0.0031	0.34%	-0.09%	-1.85%	3.40%
USD/SGD	1.34825	0.0041	0.31%	0.01%	-0.72%	1.98%
USD/KRW	1171.1	6.5	0.56%	-0.21%	-0.74%	8.03%
USD/INR	74.9155	0.1325	0.18%	-0.10%	1.01%	2.57%

Bunker Prices	VLSFO	IFO380	MGO	Spread VLSFO-IFO380
Singapore	617.00	474.00	704.00	\$143.0
Rotterdam	589.50	465.50	702.50	\$124.0
Fujairah	632.50	514.00	813.50	\$118.5
Houston	623.50	480.50	744.50	\$143.0

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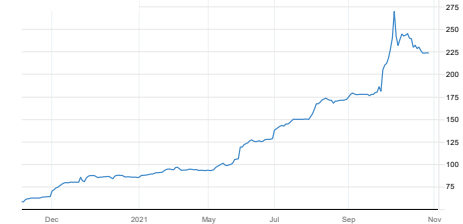
**WTI Crude Oil**



**Iron Ore**



**Coal**



**Natural Gas**



- All 3 major US indices closed at record high levels on Friday. The S&P 500 index closed at 4,605, the Dow Jones Industrial Average closed at 35,819, while the Nasdaq Composite index at 15,498. Stock futures rise slightly ahead of first trading day of November, as investors await key Fed meeting. One major test for that run will come as the Fed begins to taper its bond buying program, a move the central bank is expected to announce at the end of its monetary policy meeting next week. The S&P 500 has rallied 22.6% year-to-date, its best January-through-October performance since 2013, and November and December tend to be among the strongest months for stocks..
- WTI crude futures retreated slightly, after China reported that it released gasoline and diesel reserves to increase market supply and support price stability. However, oil prices remained near 7-year highs ahead of the Nov. 4<sup>th</sup> OPEC+ meeting, with analysts expecting the group to stick with its plan to add 400,000 barrels per day in December despite calls from countries including the US for production increases.
- Spot gold traded below \$1,790, remaining under pressure from a strong dollar. The US dollar rallied against other currencies this Friday after the latest US inflation reading came higher than expected, fuelling bets for earlier tightening by the Federal Reserve.
- Gas prices in Europe tumbled more than 15% to 64.9 euros a megawatt-hour on Friday, the lowest in near six weeks, on growing hopes that supplies will increase with the help of Russia.
- BDI and BCI completed 7 consecutive negative sessions and have been reduced by 25% and 40% respectively since October 21<sup>st</sup>. However, if we see how the BDI and BCI have moved since 7<sup>th</sup> Oct 2021, we note that both indices had 15 negative sessions with only one minor positive “disrupting” the streak. Losses since 7<sup>th</sup> Oct -38% BDI and 58.5% BCI.

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