CAPESIZE

Previous week saw a positive opening, a decline in the mid of the week and a push up on Friday. The price of iron ore, Australia's main export, had fallen 60% to below $100 a tonne from its highest point in May, due to a slowdown in the Chinese property and in the construction sectors.

Rates thundered Monday despite the holiday in Asia. The time-charter average and BCI both rose to new record high's with both of the key C3 and C5 routes moving up sharply. Tuesday the market had to face the public holidays in several Asian countries but that didn't stop the index from posting a huge increase to settle at breath taking levels.

While fixture numbers were relatively mild and not overly remarkable in the Atlantic, the West Australia to China C5 market was all fireworks as charterers were paying up strongly on later dates. While the jump in rates was on very few fixtures leaving some doubt its sustainability the busy route did have further legs as prompter positions were tight on tonnage.

Atlantic trading heard that Rio Tinto Friday last covered its 8-14 October Seven Islands to Qingdao loading at $40.50 fio option via Suez at $39.00. It further emerged that previous Friday Vale fixed an October 1-10 loading from Ponta Da Madeira to Rotterdam option Constantza at $18.75 fio.

Tuesday, Olam covered its C3 stem from Tubarao to Qingdao from October 10/onwards at $35.50 and ArcelorMittal their Port Cartier to Qingdao or Japan 26 September-5 October loading at $41.00 fio. Alcoa was also rumoured to have fixed their West African cargo to China basis 10th October cancelling at $37.25.

In Asia it was rumoured that Rio Tinto covered a Dampier to Qingdao at $17.25 and BHP fixed from Port Hedland at $17.00 but further details were lacking. It further emerged that Friday last BHP covered a 4-6 October cargo at $16.60 and Rio Tinto an October 3-5 loading from Dampier at $16.50 fio followed by $16.95 for October 5-7.

Tuesday Rio Tinto agreed $18.45 for their Dampier/Qingdao 8-10 October loading. The charterer further covered at $18.50 another stem with 10 October cancelling. Meantime according to BHP, supply chain congestion is eating up 15% of global bulker capacity.

Crude oil prices fell September 20, with front-month NYMEX WTI briefly testing the $70/b threshold, as stock market combined a stronger US dollar, recovering US supplies and Chinese economic concerns to weigh on commodities. Supply woes seemed to be easing as Baker Hughes reported the US oil and gas rig count, a gauge of future output, adding nine rigs in the past week and taking the total to the highest since April 2020.

Goldman saw oil over $85/b if cold winter triggers more gas-to-oil switching.

Tuesday crude oil futures finished higher in a volatile session as a weaker dollar and rising costs for alternative fuels backstopped markets despite near-term growth risks.

Meantime Finance analysts point out that the global recovery continues as the growth momentum accelerates in Europe, following strong restarts in China and the US. They further comment that the world economy has now entered its stationary phase, where drivers of growth inevitably evolve as the evolution of the pandemic, policy support and inflation shape the path ahead.

Mid-week rates took another leap upwards, approaching or surpassing levels not seen in more than 11 years. C3 moved above $37.00 and C5 managed to hit a strong $20.50. Consequently all index routes were up across the board.

In the Atlantic, it emerged that ECTP covered on Tuesday its October 12-15 C3 loading from Tubarao to Qingdao at $37.00, amongst talk that $38.00 was done for second half October

Carriers Chartering Corp. S.A.
Kaplanon 7 & Massalias Street, 106 80 Athens, Greece | Telephone: +30-210 3668700
Email Address: capespmx@carriers.gr, handy@carriers.gr, snp@carriers.gr
www.carrierschartering.gr

dates, whilst unnamed charterers fixed an October 14/onwards Sudeste to Qingdao cargo also at $37.00.
ArcelorMittal covered its October 1-10 loading from Acu to Lazaro Cardenas at $35.00 and Vale its October 1-10 loading from Ponta Da Madeira to Constantza at $24.50 fio.

In Asia there was a rumour of $20.50 fixing for C5 however, the squeeze on the C5 rate was particularly for vessels able to make West Australia loading before 10th October. Rio Tinto covered an October 8-10 cargo Dampier to Qingdao at $20.00 fio. The charterer also fixed an October 7-9 loading at $19.75, having earlier agreed for October 6-8 $19.50 fio. An undisclosed charterer had reportedly fixed an October 7-9 cargo from Port Hedland at $18.95 and Oldendorff was linked with an 10-13 October cargo in the low $18.00s for a similar run.

Crude futures pushed higher September 22 amid tightened global supply outlooks. On the supply front, traders have estimated the arrival of marine fuel oil cargoes in Singapore during October to be below 2 million mt, lower than September's estimated levels of 2.2 million-2.3 million mt. Meantime a fresh report from the US Energy Information Administration showed weekly US crude exports ticked up slightly over last week, but flows to Asia continued to slide, with the four-week moving average sinking to an over two-and-a-half year low, according to an intelligence firm's data. Data from the API released late September 21 showed a 6.1 million barrels drawdown in US crude oil inventories in the week to September 17, considerably more than analyst expectations of a 2.4 million-barrels decline in inventory.

On the approach of the weekend both BCI and 5TC lost some ground.

In the Atlantic, Anglo American was linked to a Koch vessel for its ACU to Bahrain trade on 15 to 21 October but no details came to light and TKSE with a Newcastlemax for a backhaul from Saldanha Bay to Rotterdam on 12-22 October but again the rate was not confirmed. Earlier Pacbulk covered its coal loading from Baltimore to Jingtang 5-14 October at $61.25 fio. Also Alcoa was rumoured covering a Kamsar/Yantai 1-7 October loading at $41.00.

In Asia, Rio Tinto was rumoured to have covered its Dampier/Qingdao 13th October onwards loading at $18.40 and unnamed charterers were heard fixing from Port Hedland at $18.95 for 7-9 October, whilst BHP was rumoured covering its Port Hedland/Qingdao 12-14 October at $19.20. On time charter Panocean booked a 2011-built 175,155 dwt caper Kunshan 25-26
September for a round voyage via west Australia at $69,000 daily, and Kline took a 2010-built 177,775 dwt vessel prompt Hong Kong for a trip via east Australia to India at $69,250 daily. A backhaul run from Haypoint to Rotterdam was rumoured to have done at around $29.00 routing via Cape of Good Hope.

Crude oil futures settled higher September 23 amid tailwinds from tightened supply outlooks, a weaker US dollar and a broader cross-asset market rally.

Trading currents run at a high pace in week 38 with the usual exception of its last working day, strengthening hopes that the market will continue pushing upwards. The Baltic Cape Index expressed the confidence in the market over the week with gains across all the routes.
BCI was up 906 to end at 7,393 and BCI 5TC average rocketed $7,514 standing on Friday at $61,309 daily.

PANAMAX

A strong week 37 for the sector principally for the Atlantic with a good replenishment of mineral cargoes seen all week versus a limited tonnage list. Rates returned to end August levels with charterers taking ships for laden legs in the north Atlantic suggesting confidence farther out. NoPac demand was solid, the main drivers in the north. The market in general appeared to be fueled by support in FFA's aligned with a firmer cape market. As a result period interest for 1 year shorter continued and sentiment remained firm.

As expected with various Asian holidays throughout this week, Monday was extremely quiet. Korea was on holiday 20 to 22 September and China 19 to 21 September for the Mid-autumn Festival. Some signs of US Gulf grain activity for second half October arrival leaked in the market with various rumors emerging. Despite being a slow day sentiment stayed firm in the Atlantic with owners standing firm on their offers. Same story in Asia with rates well supported from end of last week heading into this week.

Feeling remained firm on Tuesday. FFA's rallied making up Monday's losses, and with port congestion still being a prevalent factor any increase in demand would inevitably impact rates given tight tonnage count for prompt tonnage, with talk of firmer rates being bid further out. Modest increases were seen on all routes, with Asian holidays still influencing trading.

In the Atlantic, with major holidays in the East and paper seeing losses early on Monday brought an unsurprisingly slow start to a more than likely disrupted week. Fundamentals looked relatively unchanged across the main loading areas but with FFA off (albeit mainly due to more macro reasons) charterers had no interest in moving and owners too seemed happy to wait. EC South America was back to action. ADMI was linked with a 2012-built 81,438 dwt kamsarmax retro-Singapore 10 September for a trip via EC South America option US Gulf redelivery Far east at $32,750 daily, Olam fixed a 2011-built 79,024 dwt vessel retro-Port Dickson 30 August at $30,000 daily, Copa booked a 2006-built 82,849 dwt kamsarmax retro-Haldia 7 September for a trip to the Arabian Gulf at $34,000 daily and ASL Bulk a 2001-built 74,540 dwt panamax spot delivery Singapore redelivery back to Singapore-Japan at $29,000 per day. Also Cofco fixed a 2011-built 81,444 dwt kamsarmax CJK September 21 for a trip via US Gulf to Far East at $33,500 daily.

Despite the subdued start to the week, things turned quickly on Tuesday when we saw more being traded in the north, with an unchanged, firm Continent/Baltic/US East Coast area. We also saw increasing activity ex Black Sea, where a number of ships got covered, mostly for Atlantic grains at firmer levels. Further South, EC South America activity was improving for 2nd Half October arrival, with plenty of bids at slightly firmer levels. Cofco fixed a 2014-built 77,000 dwt panamax Trincomalee 23-25 September for a trip via the Black Sea redelivery Singapore/Japan at $34,500 daily, whilst a 2017-built 81,276 dwt went to an unnamed charterer retro-Singapore 19 September for a trip via EC South America back to Singapore/Japan at $36,500 daily. Voyage business heard that ArcelorMittal placed on subs its 1-10 October coal cargo Norfolk to Dunkirk East & Ghent at $25.50 fio but confirmation was lacking.

A predominantly flat Monday in Asia, with week on weak demand largely unchanged. Rates and fixing volume were rather patchy due to the various Asian holidays. Kamsarmax NoPac bids were in the region of $33-34,000.

Australia/India continued to be the better paying route. Allianz Bulk fixed a 2004-built 76,602 dwt panamax Ennore prompt for 2/3 laden legs redelivery WC India at $30,000 daily, whilst Teambulk took a 2013-built 81,545 dwt scrubber-fitted vessel September 20 delivery passing Muscat for a trip via the Arabian Gulf to EC India at $45,000 daily. The scrubber benefit was for the owner's account. Bainbridge fixed a 2019-built 82,044 dwt kamsarmax September 20-25 delivery Beihai for a trip via Australia redelivery India at $36,000 daily. Voyages in the basin reported SAIL awarded its October 6-15 Hay Point/Visakhapatnam coal tender at $32.25 fio.

Tuesday was busy with overall demand looking healthy. Charterers were hoping the negativity on the equity markets might filter through but owners remained unified in their resistance. Fixtures concluded remained in line with last done or in some places showing a slight improvement.

Outlook remained steady, with charterers and owners generally relaxed to wait for a return from holidays and in turn a more transparent market.

Cargill was linked with a 2013-built 82,099 dwt kamsarmax Dafeng prompt for a NoPac round at $34,750 daily and Umang fixed a 2014-built 81,842 dwt vessel Fukuyama prompt for a trip via EC Australia redelivery India at $37,000 daily.

Period business heard that ASL Bulk took a 2013-built 75,403 dwt panamax spot delivery Yuhuan for 1-years trading at $26,000 daily.

Rates were firmer mid-week, despite the lack of concluded business actually reported. A number of deals were done off-market and charterers appeared willing to pay up for cover. Fresh inquiry from EC South America and US Gulf helped spur the gains against shorter tonnage lists. Holidays in the East contributed for patchy demand, but more inquiry for NoPac rounds pushed rates up. All panamax index routes showed positive returns on Wednesday despite limited trade.

The market remained well supported Thursday, however, some doubt emerged in the Atlantic with talk of a build-up of prompt tonnage on the north Continent in particular with little fresh demand. The Pacific was ending on a strong note, with ample enquiry ex NoPac and Australia which aided numbers despite a disrupted week of holidays.

There was more activity Wednesday in the Atlantic from US Gulf and US East Coast with higher bids in places against a tight tonnage count.

Enquiry improved in the north after an initially very slow start to the week. Levels for Baltic rounds were off from the peak of rates achieved last week; however the longer transatlantic levels seemed largely unchanged despite thin reported volume. Fronthaul levels remained well supported. In the South, EC South America rates saw some improvements mostly, with vessels being drawn for a mixture of Black Sea/EC South America and US Gulf trading from here. Trading saw Cofco Agri fixing a 2014-built 76,822 dwt panamax September 23-25 delivery Trincomalee for a trip via the Black Sea to Singapore-Japan at $34,500 daily basis 2.50% address commission. A 2017-built 81,277 dwt kamsarmax was taken retro sailing Singapore 19 September for an EC South America round at $36,500 daily, but little else emerged as to charterers' identity.

Thursday we saw renewed interest from some grain houses ex US Gulf fronthaul for end October/November dates which inspired some activity in the morning trading. Whilst the bid/offer spread was far apart, it was encouraging see enquiry from US Gulf which has been noticeably absent.

The Black Sea, which has been active this week, had taken a breather however fundamentals here remained supported. North Atlantic remained subdued, with a lack of mineral demand and a lengthy tonnage supply on the North Continent meaning charterers here were in no rush to find cover. Further South, EC South America also slowed in momentum in the latter part of this week, however levels here remained steady after a healthy number of vessels finding cover this week. The outlook remained positional, with some further upside possible if US Gulf fronthaul picks up in enquiry. Cargill was active taking a 2007-built 76,499 dwt panama Singapore 22-23 September for a trip via EC South America redelivery Singapore- Japan at $31,500 daily, a 2019-built 82,014 dwt kamsarmax Zhanjiang 22-23 September for a US Gulf round at $34,000 daily followed by a 2014-built 81,001 dwt vessel South China end September on the same run at the same rate. LDC also booked a 2010-built 76,487 dwt panamax retro-Gangavaram 12 September for a trip via EC South America redelivery Singapore-Japan at $34,250 daily.

A far more active Wednesday in the Pacific, bolstered by an increase in demand, most notably ex Australia and NoPac. A number of short period trades heard in the $33,000-$34,000 region underlined the confidence in the forward market. The negative movement on paper had little impact on the positive physical outlook. NoPac bids showed solid gains approaching the $35,000 mark, as the prompt tonnage continued to tighten and all the major grain houses were actively present with cargo. Cargill fixed a 2013-built 82,099 dwt vessel prompt delivery Dafeng for a NoPac round at $34,750 daily, whilst LDC was linked with a 2008-built 77,283 dwt panama on the same run prompt delivery Yosu at $34,300 daily, and a 2012-built 76,116 dwt vessel was reported fixed September 24 delivery CJK at $32,000 daily but no word heard on the charterer involved. Elsewhere Multimax agreed $36,500 daily with 2020-built 81,607 dwt kamsarmax prompt delivery Taichung for a trip via Indonesia to South China. Voyages in the basin reported RINL awarded at $30.05 fio its October 5-14 Dalrymple Bay to Gangavaram coal tender.

Thursday NoPac continued to lead the way, with charterers competing over the ever thinning spot tonnage and rates for kamsarmaxes reaching up to $36,000. At the same time, a dominant Australia/India market also displayed similar levels. Naturally charterers, where possible, were leaning towards the smaller/eco units to reduce demurrage exposure. With such strong levels now being achieved, those charterers with slightly later dates pulled back and seemed content to wait till next week. A

2008-built 82,624 dwt kamsarmax Lumut 26-29 September fixed for a trip via Indonesia redelivery India at $38,250 daily but charterers remained unnamed. Klaveness booked a 2017-built 81,361 dwt vessel delivery Mizushima prompt for a NoPac round at $36,500 daily whilst a 2011-built 76,116 dwt panamax went on the same run delivery Cjk 24 September at $32,000 daily. Also Norden fixed a 2012- built 76,072 dwt vessel was fixed delivery Zhoushan 28-30 September for a trip via NoPac redelivery Arabian Gulf at $31,250 daily. Voyage business reported SAIL's coal tender Haypoint to Visakhapatnam for 10-19 October was awarded at $33.15 fio. Period trading included Trafigura taking in a Hyundai Glovis-relet 2006-built 82,214 dwt kamsarmax September 27 delivery Gresik for the balance period through to February 5, 2022 at $34,250 daily. Thursday Cobelfret was linked with a 2012-built 81,472 dwt kmsarmax delivery Port Dickson 26-28 September for 4/6 months trading at $34,000 daily.

Following Wednesday's and Thursday's sizeable gains, the market, as expected, took a breather on approaching the weekend.

In the Atlantic, Jera fixed a 2021-built 100,309 dwt mini-caper Flushing 21 September for a coal trip of minimum 55 days via US East coast to Japan at $63,250 daily whilst K-Line covered its 8-15 October iron ore loading from Seven Islands to Antwerp at $18.50 fio.

In the Pacific Cobelfret took a 2017-built 81,770 dwt kamsarmax Wakayama 1-2 October for a trip via Lyttleton redelivery South Korea at $37,000 daily, whilst a 2005-built 75,944 panamax went to unnamed charterers delivery Bahodopi 23-30 September for a trip via Indonesia to India at $38,000 daily.

Week 38 proved busy and profitable, with rates moving up in both basins, stronger sentiment prevailing and optimism all over for the days to come.

SUPRAMAX – HANDYMAX - HANDYSIZE

EAST COAST SOUTH AMERICA / WEST AFRICA

Although the market was positive during the week, the reported fixtures for Supramax/ Ultramax were almost nonexistence, with supramaxes in West Africa getting payed around $43,000/ $44,000 for trips via West Africa to China and around $41,000/ $42,000 on dlosp basis for trips via Ecsa to China, which apparently is a better option considering the duration.

On the other hand, the Handysize seems to follow last week’s tendency, with trips via Ecsa to Continent/Baltic paying around $34,000/ $35,000.

Trips with shorter duration within Ecsa were paying around $38,000/$39,000 whilst a typical 28,000 dwt handy could secure around $34,000/ $35,000 for trip to West Med.

MEDITERRANEAN/ CONTINENT / BLACK SEA

The positive momentum continues with all routes indices higher in general.

Especially for the handysize in general routes there was new yearly high, beating the previous high in august this year.

The Continent and Mediterranean markets, remained active with sentiment improving in both regions

In the Black Sea it was rumored a 28,000-dwt was fixed basis delivery Canakkale to the Continent at $35,000. A 39,000-dwt open Eregli was fixed for inter Mediterranean business at $42,000 DOP.

Another 37,000-dwt open Iskenderun was fixed for a trip to the US Gulf with an intended cargo of steels in the low $40,000's. A 36,000-dwt open in Taranto was also fixed from Taranto via the Black Sea to the Continent at around

Carriers Chartering Corp. S.A.
Kaplanon 7 & Massalias Street, 106 80 Athens, Greece | Telephone: +30-210 3668700
Email Address: capespmx@carriers.gr, handy@carriers.gr, snp@carriers.gr
www.carrierschartering.gr

$35,000. A 38,000-dwt was rumoured to have been placed on subjects for a trip from the Eastern Mediterranean to Brazil for early October dates at $36,000. There were rumors that handies were seeing in the low 40's from Emed to West Africa. As far as fronthauls ex Black Sea a 37,000-dwt fixed from the east Mediterranean via the Black Sea to China with an intended cargo of concentrates at $43,000 whilst a 35,000-dwt. From west Med, fixed basis delivery Jorf Lasfar on a trip with redelivery Bangladesh at $45,250 daily.
On the period front for a modern eco handy from East Mediterranean could get low 30's with the redelivery in Atlantic ranges.

From the Continent more activity this week due to more fertilizer cargoes, remained marker firm and active.

For handysize, there was a rumor of 38,000-dwt fixing a scrap requirement at $40,000 but no further details.
A 38,000-dwt rumored to have been fixed close to $40,000 for a trip from the Baltic to east coast South America.

On the Supramax/Ultramax sector a 55,000-dwt was heard to have been placed on subjects basis delivery Ghent for a scrap run to Turkey at $40,500 whilst the a 63,000-dwt open Rotterdam was heard fixed around $45,000 for a trip via Poland redelivery Annaba but some said it was closer to $44,500.
On the period front a 63,000-dwt was rumoured fixed for minimum 5 to about 7 months trading with redelivery in the Atlantic at $40,000.

FAR EAST/ INDIA

(**Below info on the basis of an average 58k dwt vessel - basis our views/feeling/information on the market)

With Far East off the arena for almost the entire week, activity has been very slow in the Pacific Ocean, with rates however resisting and indices driving upwards. The general impression is that next week will be a better one however question remains whether Chinese holidays during the 1st week of October will affect market's sentiment or not. As such, an eco 58K grabber could still aspire towards $35,000/36,000 levels basis Philippines for a coal shipment via Indonesia to WCI and Australia rounds have been hovering close to $36,500/ $37,500 basis CJK delivery, subject to duration/cargo and actual destination. NOPAC rounds would pay close to $35,000/ $36,000 levels basis Japan again depending on cargo/duration/destination. Persian Gulf has still been paying robust levels of around $51,000/ $52,000 basis delivery Pakistan for aggregates to Bangladesh. Levels moved a bit higher for ballasters to South Africa that could now secure around $32,000 plus $700,000 afsps Richards Bay for coal to Pakistan or closer to $32,000 plus $1,100,000/ $1,200,000 passing Durban for parceling stems to Far East.

On the period font, a decent 58 could aspire towards $36,500/ $37,500 basis Far East for 4/6 months or more like $40,000/ $41,000 basis Pakistan for 4/6 months, subject to vessel's design and flexibility offered.

FFA

The week started negatively for both sizes strongly affected from the news of the Chinese property giant. Next day the dust settled and both sizes balanced positively. Mid of the week was a volatile day and trading was taking place in a tight range. Thursday cape turned bullish affecting also the panamax. Week ended with good volume.

Carriers Chartering Corp. S.A.
Kaplanon 7 & Massalias Street, 106 80 Athens, Greece | Telephone: +30-210 3668700
Email Address: capespmx@carriers.gr, handy@carriers.gr, snp@carriers.gr
www.carrierschartering.gr