



### CONTENTS

2. Dry Cargo Chartering  
A rise in the Mediterranean
3. Dry Cargo S&P  
Bulls on Parade
4. Tankers  
In the Doldrums

### POINTS OF VIEW

Thomas Friedman put it succinctly in the New York Times: “Folks, we just survived something really awful: four years of a president without shame, backed by a party without spine, amplified by a network without integrity, each pumping out conspiracy theories without truth, brought directly to our brains by social networks without ethics – all heated up by a pandemic without mercy.” America has suffered four years without leadership in which latent social tensions that had been contained for decades were stoked up and brought back to the surface. The president – evidently a man devoid of kindness, empathy or grace – then lit the blue touch paper and watched it all burn. This leaves the incoming Biden/Harris team with the urgent and challenging tasks of resetting government and trying to reunite a nation, frustrated by the vindictive and unpatriotic scorched earth policy of the outgoing administration. Fortunately, America is a resilient country and it will bounce back from the last four years of chaos and pain. As Biden said in his inaugural address: “We will repair our alliances, and engage with the world once again. Not to meet yesterday’s challenges but today’s and tomorrow’s challenges. And we’ll lead not merely by the example of our power but by the power of our example.”

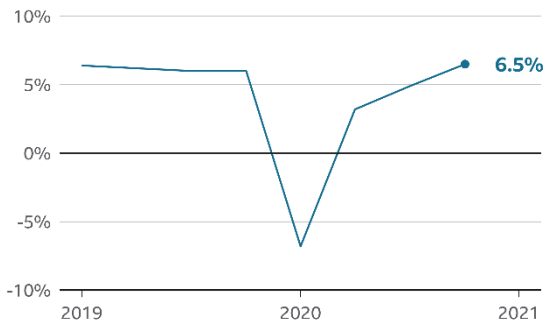
We can hope for a less partisan Congress, less about winning or losing and more about reaching across the aisle to compromise and get things done for the good of the country. What it means for the world beyond America is a return to constructive discussions and diplomacy, rejoining multilateral institutions, tackling climate change, restarting arms control talks and addressing human rights issues on a collective basis. None of this will be easy but it should at least reduce the geopolitical temperature and usher in a less adversarial approach to foreign affairs. Everyone is hoping for a boost to shipping and trade, but much will not change. The US-China trade dispute will not suddenly end. Biden must decide what, if anything, to do about China’s failure to meet its ambitious pledges under the Phase I trade deal that was signed one year ago. It is estimated that China met, by value, about 30% of the energy and about 50% of the 2020 agricultural targets. The relationship between the world’s two largest economies is relevant to shipping but 2021 is more likely to be shaped by supply and demand fundamentals and by the speed at which the world can contain the pandemic and re-open our economies.

It is ironic that China, which is still the presumed source of Covid-19, is the first to emerge from its devastating effects. Year-on-year, its economy grew 6.5% in 4Q20 and 2.3% over 2019, and this was backed up by strong growth in major commodity trades. Its crude oil imports rose 7.3% last year to 542.4mt (10.9m-bpd); iron ore imports gained 9.5% to 1.17bt; soybean imports were up 13.4% to 100.3mt; and coal imports increased 1.5% to 304.0mt. It had record grain imports of 11.3mt of corn and 8.4mt of wheat. Chinese corn futures rose 40% over the past two months after China had sold down its massive reserves only to see typhoons damage the new crop. It is expected to import over 30mt of corn in the 2020/21 season that ends 30 June. We are already seeing a rise in bulk carrier earnings and values this year and, as CNY is effectively diluted, we expect to continue avoiding the usual new year slump. Tankers are having a tougher time as oil consumption is weak and stocks continue to be drawn down.\* In its January report, the IEA estimates global oil demand of 100.1m-bpd in 2019, 91.1m-bpd in 2020 and 96.6m-bpd in 2021. That would mean a graduated increase of 5.5m-bpd in restored demand over the course of this year, much of it in the second half. ISC scrap prices are up over 10% in 30 days to \$450/ldt, while 20-year old VLCC values are sliding, narrowing the gap between the two, and putting tens of VLCCs at risk of demolition this year. A supply moderation in H1, and a demand surge in H2, would be a fine recipe for recovery.

Biden’s proposed \$1.9tn stimulus package, if approved, will take fiscal relief to \$5.2tn since Covid struck, 24% of 2019 GDP. China is also providing the economic support that is driving its own recovery from the pandemic. Between them, they are generating huge seaborne demand, and other countries will no doubt join the party in 2021. Finally, the US is beginning a healing process en route to resuming its leadership of the free world.

### China is the only major economy to grow in 2020

Quarterly year-on-year GDP



Source: China's National Bureau of Statistics



\*Kpler reports about 159m barrels of crude oil and refined products in floating storage now compared with 364m barrels in June.

### Dry Cargo Chartering

The **BDI** closed at 1,810 points up 56 points from last week. The **cape** index closed today at \$24,631 up a \$642 from last week. Positive signs across both basins, Atlantic benefitting from light tonnage with premiums on Transatlantic trips. In the East, plenty of activity coupled with good weather has all contributed to a strong sentiment. Rumours FMG fixed a 160,000mt 10% iron ore stem from Port Hedland to Qingdao at \$8.05. Rio Tinto fixed the *Genco Hadrian* at 170,000mt 10% from Dampier to Qingdao at \$7.85. The enormous *Cape Apollo* fixed a 210,000mt 10% stem from Tubarao to Qingdao for second half February at \$15.70 to Vale. The *Castillo de Catoira* fixed 170,000mt 10% from Ponta Da Madeira to Gijon & Dunkirk East at \$13.00 with Arcelormittal. On Time Charter, the *Guang Heng Hai* (207,389-dwt, 2017) fixed delivery Dalian for a 11-13 months redelivery worldwide \$20,000 with Koch.

Further gains were seen this week in the **panamax** market, with play closing at \$14,934 up by an average of \$389 from last week. In the Indian Ocean, the *Theodore JR* (81,715-dwt, 2015) fixed delivery Gangavaram for a trip via South America to the Far East at \$16,500 with Comerge. In the Atlantic, Cargill fixed the *Star Luna* (82,687-dwt, 2008) delivery Amsterdam for a trip via Klaipeda to Dammam with grains at \$21,000, and also took on the *Ever Grace* (82,039-dwt, 2015) delivery Skaw for 2/3 laden legs redelivery Skaw-Passero range at \$15,000. Plenty of period fixtures were also seen in the Pacific as Hyundai Glovis took on the *Blue Ionian* (76,596-dwt, 2007) delivery CJK for about 5/8 months with worldwide redelivery at \$12,000, while Oldendorff fixed the *Oceania Graeca* (82,033-dwt, 2019) also delivery CJK and again for 5/8 months with worldwide redelivery but at \$14,000.

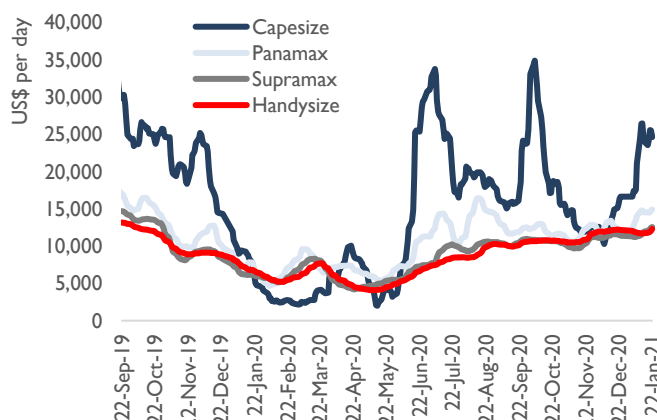
The **supramax** market is marginally up this week with the index closing at \$12,566, up \$615 keeping in line with last weeks gains.

In the Atlantic, Oldendorff was said to fix a supramax basis Cape Town for a trip via East Coast South America to Continent at \$13,500. *Gentle Sea* (63,350-dwt, 2014) at Ireland was reportedly fixed trip via Murmansk redelivery East Coast South America at \$13,500. In the Pacific, the market sentiments remain strong. The *Medi Astoria* (61,233-dwt, 2017) was fixed delivery Japan for a trip via Nopac redelivery Taiwan at \$13,000. Period activity continued to grow this week. Dooyang took the *Global Legend* (52,223-dwt, 2006) open Brunei for 2 laden legs redelivery Singapore – CJK range at \$10,500. The *Emmanuel C* (58,837-dwt, 2008) was fixed delivery CJK for 2-3 laden legs at \$12,000. Pacific Basin took the *Sydney Eagle* (63,523-dwt, 2015) scrubber fitted delivery Zhoushan for 4/ 6 months at \$14,500.

It was an interesting week for the handies, the **BHSI** closed at \$12,056 up \$311 from last Friday. Rumours of a February tax on grains leaving the Black Sea is a possible answer to the spike in the East Mediterranean, reports the *Voge Mia* (36,768-dwt, 2012) fixed 17k dop Diliskelesi to Tunisia, while the *Nordrubicon* (37,985-dwt, 2016) fixed Marmara for a trip redelivery US Gulf – Caribbean open at \$13,000 with Lighthouse Navigation. On the Continent the *Halki* (36,851-dwt, 2011) delivery Bremen for a trip via UK redelivery Egypt intention coal \$15,000 with Pacific Basin. The East coast South America market ticked upwards with sentiment for the coming months generally very positive. We heard that the *Ken Moonys* (37,488-dwt, 2016) fixed delivery Paranagua to West Africa with grains at \$17,000 with Sea Pioneer on Monday, while Suisse-Atlantique took the *Berge Galdhopiggen* (38,800-dwt, 2017) delivery Santos for a trip to Morocco with sugar at \$14,250. In the Pacific, it was reported that the *King Island* (33,152-dwt, 2011) fixed delivery Japan for a prompt grains trip via the North Pacific to South Korea at \$10,500.

### Representative Dry Cargo Market Fixtures

Vessel	DWT	Built	Delivery	Date	Redelivery	Rate (\$)	Charterers	Comment
Tai Chang	93,296	2010	Singapore	19/20 Jan	Singapore-Japan	\$13,500	CNR	Via East Australia
Andreas K	91,873	2009	Ghent	22 Jan	China	\$32,500	Evomarine	Via Ust-Luga Int Petcoke
Ever Grace	82,039	2015	Skaw	24/27 Jan	Skaw-Passero	\$15,000	Cargill	2/3 Laden legs
RB Mya	81,278	2017	Gibraltar	15 Jan	Jorf Lasfar	\$17,000	Viterra	Via US East Coast
Ajax	77,328	2006	Qinzhou	22 Jan	Japan	\$12,900	Asahi	Via Indonesia
Hong Xiang	73,732	1997	Chaozhou	25/26 Jan	South China	\$11,500	CNR	Via Indonesia
Gentle Sea	63,350	2014	Ireland	PPT	EC South America	\$14,000	CNR	Via Murmansk
Bumblebee	55,628	2011	Toledo	24 Jan	Singapore-Japan	\$12,500	CNR	2/3 Laden Legs
SE Marine	33,173	2017	Montoir	PPT	Fazendinha-Santos	\$9,500	Pacific Basin	Via ARAG
Tufty	30,803	2009	US Gulf	PPT	Chile	\$17,000	CNR	



Exchange Rates	This week	Last week
JPY/USD	103.79	103.72
USD/EUR	1.2173	1.2137

Brent Oil Price	This week	Last week
US\$/barrel	55.48	55.47

Bunker Prices (\$/tonne)	This week	Last week
Singapore IFO	430.0	385.0
VLSFO	452.0	465.0
Rotterdam IFO	319.0	335.0
VLSFO	407.0	411.0

22 January 2021

### Dry Bulk S&P

The Chinese Year of The Ox doesn't start for a few weeks yet, however there's plenty of bullish sentiment and behaviour at present. Traditionally the period leading up to and immediately after Chinese year sees earnings soften and S&P activity and values drop. We are not witnessing this year. The BDI is above 1,800 points and the lowest time charter equivalent index on dry shows handy earnings above 12,000 USD per day.

The continuing sale of the Scorpio bulkers fleet is probably the most transparent tool to demonstrate the clearly rising values. At the end of November last year, Pacific Basin paid \$16.75m per unit for four 2015 scrubber fitted NACKS 61s. This week Scorpio announced the sale of two DACKS 61s going for \$17.5m each, a 750k per vessel increase despite being 'a year older'.

Last week we reported 15 dry sales, this week it is 19. This is more sales in a week than we reported in any week throughout the entirety of last year. The sentiment across the board is an optimistic one. The sales reported and the prices that accompany them reinforce this. Values are rising.

#### Reported Dry Bulk Sales

Vessel	DWT	Built	Yard	Gear	Buyer	Price	Comment
Han Fu Star	176,000	2012	Jiangsu Rongsheng	Gearless	Berge Bulk	\$18.25m	
Cape Mars	175,775	2003	CSBC	Gearless	NG Moundreas	\$9.75m	
Horizon Ruby	76,001	2013	Hudong-Zhonghua	Gearless	Chinese	\$14.25m	DD due
Ocean Trader I	76,596	2006	Imabari	Gearless	undisclosed	\$8.70m	SS/DD due 03/21
Angelic Glory	75,007	2002	Hudong-Zhonghua	Gearless	undisclosed	\$4.00m	Auction
SBI Virgo	63,629	2017	Chengxi	C 4x30T	undisclosed	\$19.00m	Scrubber fitted
GH Seabiscuit	63,368	2016	Jinling Hantong	C 4x30T	undisclosed	\$17.60m	SS/DD due 05/21
Asia Ruby I	62,985	2014	Jinling	C 4x36T	Common Progress	\$15.45m	BWTS fitted & Idwal score 76
SBI Lyra	61,559	2015	DACKS	C 4x30T	undisclosed	\$35.00m enbloc	SS/DD passed & BWTS fitted
SBI Leo	61,614						
Iron Lady V	57,295	2011	Dalian	C 4x30T	Chinese	\$8.25m	
Cordelia B	56,617	2011	Qingshan	C 4x30T	Chinese	\$8.00m	SS/DD due
Nordic Tianjin	56,812	2012	Yangzhou	C 4x36T	Chinese	\$9.75m	Tier 2
Nordic Harbin	56,811	2012	Yangzhou	C 4x36T	Chinese	\$8.80m	Tier 1
Seapace Seahope II	56,894	2010	Tiazhou Sanfu	C 4x36T	undisclosed	-	
EM Jade	55,091	2010	NACKS	C 4x31T	undisclosed	\$9.7m	SS/DD passed
EM Sapphire	54,768	2009	Oshima	C 4x30T	undisclosed	\$9.75m	
Asia Zircon I	53,414	2011	Nam Trieu	C 4x36T	Chinese	\$28.5m enbloc	
Asia Zircon II	53,414	2009	Nam Trieu	C 4x36T	Chinese		
Rodina	37,852	2009	Jiangsu	C 4x30T	European	\$8.20m	
Michel Selmer	33,694	2010	Samjin Wehai	C 4x35T	undisclosed	\$6.50m	SS/DD due & BWTS included in sale, Atlantic Delivery

## Tanker Commentary

Crude tanker rates remain un-inspired with no sign of a seasonal lift forthcoming. If recycling prices hold, we are likely to see a lot of older tonnage be removed from the market despite signs of the markets in the subcontinent softening this week. This is due to the lack of demolition in 2020 combined with the short to medium term negativity we are seeing across the board in the tanker segment.

Awilco Eco Tankers have offloaded two scrubber fitted VLCC's in what can be described as the deal of the week. DHT holdings have purchased the *Eco Future* (299,999-dwt, 2016 Daewoo, SS/DD due 08/21) and the *Eco Queen* (299,985-dwt, 2016 Daewoo, SS/DD due 09/21) for \$68m each. The deal falls in line with the, also scrubber fitted TRF owned, *Hudson* (297,638-dwt, 2017 HHIC, SS/DD due 06/22) which was reported sold for \$71.5m last week.

In the Aframax sector the *Esteem Brilliance* (110,802-dwt, 2006 Mitsui, SS-11/21, DD-08/21) has been reported sold to Greek interests for \$13.2m. This is in line with the enbloc sale of the *Mesaieed* (106,075, 2006

Hyundai HI, SS/DD due 05/21) and the *Umlma* (106,005-dwt, 2006 Hyundai Samho, SS/DD due) which went for \$13.75m each in December. The discount in price can be attributed to the vessels being a year older and a smaller deadweight.

Singapore listed First Ship Lease Trust have sold their pumproom MR, the *FSL Osaka* (45,998-dwt, 2007 Shin Kurushima, SS/DD due 08/22) for low \$11m. A good price when we compare it to the BWTS fitted *Ardmore Seamariner* (45k dwt, 2006 Minaminppon, SS/DD due 10/21, epoxy coated), which we reported for \$10.3 mill last week.

### Reported Tanker Sales

Vessel	DWT	Built	Yard	Buyer	Price	Comment
Eco Future	299,999					
Eco Queen	299,985	2016	Daewoo	DHT	\$136.00m enbloc	
Esteem Brilliance	110,802	2006	Mitsui	Greeks	\$13.25m	SS/DD due 08/21
FSL Osaka	45,998	2007	Shin Kurushima	undisclosed	\$11.25m	
Argent Bloom						
Liberty	33,609	2009	Kitanihon	EGD Chemical	\$38.40m enbloc	STST
Chemroute Sun	25,615	2008	Shin Kurushima	Tufton	\$15.00m	STST

### Demolition Sales

Vessel	DWT	Built	Yard	Type	LTD	Price \$	Delivery
Seapol Endeavour	45,758	1996	Imabari	BULK	8,100.00	431	Bangladesh

Should you have any queries about the content of this report or require any services of Hartland Shipping Services, please contact:

#### Hartland Shipping Services Ltd, London

Tel: +44 20 3077 1600  
 Fax: +44 20 7240 9603  
 Email: [chartuk@hartlandshipping.com](mailto:chartuk@hartlandshipping.com)  
 Email: [snpuk@hartlandshipping.com](mailto:snpuk@hartlandshipping.com)  
 Email: [consult@hartlandshipping.com](mailto:consult@hartlandshipping.com)

#### Hartland Shipping Services Ltd, Shanghai

Tel: +86 212 028 0618  
 Fax: +86 215 012 0694  
 Email: [snpcn@hartlandshipping.com](mailto:snpcn@hartlandshipping.com)

#### Hartland Shipping Services Pte. Ltd, Singapore

Tel: +65 6702 0400  
 Email: [chartops.sg@hartlandshipping.com](mailto:chartops.sg@hartlandshipping.com)

© Copyright Hartland Shipping Services Ltd 2021. ALL RIGHTS RESERVED.

No part of this publication may be reproduced, stored in a retrieval system, or transmitted, on any form or by any means, electronic, mechanical, photocopying, recording, or otherwise, without the prior written permission of Hartland Shipping Services Ltd.

All information supplied in this paper is supplied in good faith, Hartland Shipping Services Limited does not accept responsibility for any errors and omissions arising from this paper and cannot be held responsible for any action taken, or losses incurred, as a result of the details in this paper. This paper is distributed to the primary user of the delivery email account and may NOT be redistributed without the express written agreement of Hartland Shipping Services Limited. The primary user may make copies for his or her exclusive use.