



CONTENTS

2. Dry Cargo Chartering
Taking a Breather
3. Dry Cargo S&P
Take Dry & Carry On
4. Tankers
High Demand

... A Reminder of Past Mistakes ...



Source : UK Ministry of Defence

POINTS OF VIEW

Last Monday, 20 March, marked the 20th anniversary of the US-led and UK-backed invasion and occupation of Iraq. It was commemorated in the UK by a low-key wreath-laying ceremony to pay tribute to the 179 UK servicemen and women who lost their lives in Iraq. The intervention was justified by a dodgy dossier asserting that Iraq could deploy weapons of mass destruction, although none were ever found in the searches conducted by Hans Blix and his team on the UN Monitoring, Verification and Inspection Commission. Despite a lack of evidence, George W. Bush, the US president, and Tony Blair, the UK prime minister, announced on 17 March 2003 their intention to go ahead with an attack unless Saddam and his sons left Iraq in 48 hours. They stayed. The BBC's Gordon Corera has made a podcast from 20 years of records and interviews entitled "Shock and War: Iraq 20 Years On", in which it is revealed that the US had decided, years before 9/11* and any fruitless searches for WMD, that regime change in Iraq was needed. Blair backed Bush because he vainly wanted the UK to look strong by standing with the US.

What followed was the overthrow of Saddam, the absence of a post-invasion plan, the disbandment of Iraq's security forces and two decades of civil war. Allied troops were like a piggy-in-the-middle, taking the crossfire from assorted militias, Al-Qaeda, Isis and disbanded Iraqi army defectors. Putin's concocted justification for invading Ukraine for a second time in 2022 seems almost to be an echo of the false premises that Bush and Blair used to support intervention in Iraq. The West sought democratisation of the Middle East while Putin seeks denazification of Ukraine. It was no coincidence that Xi Jinping's arrival in Moscow on Monday was timed for a 20th anniversary that most western citizens would rather forget. Putin and Xi want to expose western hypocrisy and highlight the West's long history of meddling in the sovereign affairs of other states.* Most importantly, they both oppose a global order dominated by the US and its allies. It all supports their narrative that the West is in decline and the East is in the ascendancy^ and the uncomfortable truth is that the Global South is mostly with China and Russia.

Sunday night saw the shotgun marriage of UBS and Credit Suisse. It has variously been referred to as a merger, a takeover, an emergency rescue and an historic scandal.^ Market turmoil continued all week, helped along by a Fed rate rise and a Treasury walk-back on deposit guarantees. Investors have been trying to assess at what point the banks and their bond portfolios and deposits are safe. Central banks and treasuries have stepped up beyond the call of duty in providing guarantees, so it would seem that the central bank put still exists. Moral hazard is everywhere. Central banks are focused on shoring up the global financial system that they themselves destabilised with too much too soon interest rate hikes. Tackling inflation is on the back-burner. Stormy financial markets have impacted listed shipping companies, which are mostly small cap (sub \$2bn) or mid cap (\$2-10bn). They get sold off at times like these regardless of any unique mitigating characteristics. Some positive macro views of shipping's prospects emerged at a Capital Link shipping forum in NYC and at a FT commodities summit in Lausanne.

According to Lloyds List, over in New York on Monday, Clarkson Equity Research observed that China's real estate sector will not be a major factor in shipping demand growth this year. It said: "Grain and coal combined is more than enough. You don't have to take a view on China's real estate outlook." Iron ore trade is expected to remain flattish year-on-year in 2023, 1.51 to 1.53bt being +20mt, coal shipments could rise by c. 3% y-o-y, 1.23 to 1.27bt being +40mt, and grains up c. 5%, 575 to 602mt being +27mt. Forecast 1-2% net fleet growth will be wiped out by slow steaming while the OB/FL ratio is expected to drop to 3.6% by year end. On the oil front, the IEA's latest forecast of global oil demand growth is for 2m-bpd this year, with half coming from China, taking us to annual average demand of 102m-bpd. In Lausanne this week, Goldman reduced its peak projection for Brent from \$100 to \$94 a barrel, influenced by the CS affair. Trafigura was unfazed, saying that China is booming again, restaurants are full and domestic travel is above pre-pandemic levels.+ Its chief economist said: "The further you are away from China, the less likely you are to believe in the China recovery." Have faith.

*Apart from the fictional existence of WMD, attempts were also made to link Iraq with 9/11 despite a lack of intelligence to that effect.

**The West's accusations of human rights abuses by China and Russia overlook Guantanamo Bay, Abu Ghraib, extraordinary rendition, etc.

^It is not a new concept. "There are two winds in the world today, the east wind and the west wind ... I believe that the east wind is prevailing over the west wind." Mao when visiting Moscow in 1957.

^^It is reported that the Swiss state and SNB have had to provide \$230bn of emergency liquidity and loans, over one third of GDP.

+Customs says China's appetite for Moscow's oil, gas and coal has soared in the year to end Feb to \$88bn from \$57bn a year earlier.

Dry Cargo Chartering

Capesize markets dipped midweek before rallying again by Friday leaving time-charter averages down by just \$256 from a week ago. By the end of trading average freight prices for Brazil-China were at around the \$20.50 pmt mark while ex. Western Australia prices were sub \$9.00 pmt. Plenty of iron ore fixtures came to light this week. Rio Tinto were active and took at least 6 vessels for their usual Dampier-Qingdao route all for early April dates. Freight prices for 170,000 mtons 10% ranged from \$8.50 pmt to \$9.10 pmt. Elsewhere we heard that *CSC Leader* built 2019 fixed 190,000 mtons 10% loading Acu for China at \$19.35 pmt. Charterers were Anglo. *Genco Constantine* was fixed by Vale for a Tubarao-Qingdao cargo of 170,000 mtons 10% at \$19.70 pmt. Jiangsu fixed an Oldendorff TBN vessel for 180,000 mtons 10% loading Boffa to Huanghua for 1/5 May at \$21.25 pmt. Little was heard in terms of coal, T/C, or period deals.

Panamax market has appeared weaker as activities have slowed down this week. P5 TC closed at \$14,149 down by \$1,360 since last reported 17th March. In the Pacific, it was reported that *AE Jupiter* (74,476-dwt, 2007) was fixed passing Taichung to South China via Indonesia at \$14,500 and Viterra took *Seaduty* (82,449-dwt, 2008) open Xiamen for a trip via Australia to Far East for about \$15,000. *DL Adonis* (79,329-dwt, 2010) was secured by Pan Ocean for a trip to South Korea via Gladstone at \$10,000. Over in the Atlantic, *Hampton Ocean* (80,979-dwt, 2017) open Gibraltar was heard fixed for a trip via US Gulf to Upriver Plate at \$13,500 with Norvic. Down South, Cofco was linked to *Captain Adams* (82,018-dwt, 2017) open East Coast South America for a trip to Skaw-Gibraltar range at \$22,500. Similarly, scrubber fitted *JY River* (81,161-dwt, 2019) open East Coast South America was fixed for a trip to Skaw-Gibraltar range at \$22,000 with scrubber benefit going to owners. On voyage, Kepco Tender fixed Korea Shipping TBN for their 80,000/10 coal lift Semirara/Gangreung 6/15 Apr at \$9.78.

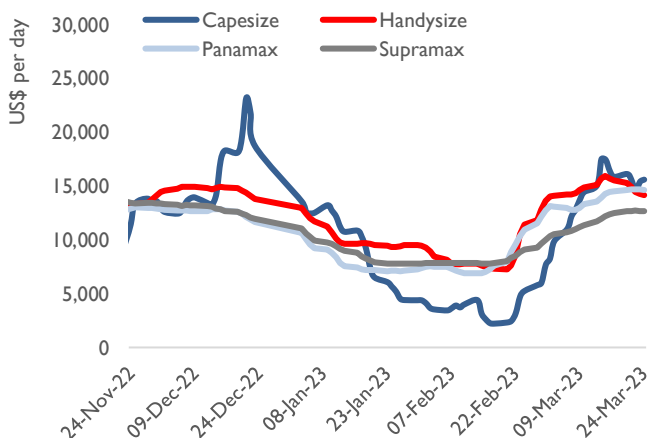
Supramax market has seemed to settle the last fortnight as rates have remained flat. There seemed to be a little downward pressure on the indices throughout the week but eventually the S10TC closed at \$14,657

up by \$155 (1.07%) since last reported on the 17th of March. In the Pacific, NYK fixed *Nord Bering* (61,186-dwt, 2015) delivery Kohnsichang 25-27 March for a trip via Indonesia to Japan at \$17,000, Seatrans covered *Sania* (57,011-dwt, 2010) delivery Beilun 21st March for a trip via Indonesia to China at \$12,000 and Cambrian took *Hua Si Hai* (56,568-dwt, 2012) delivery Fangcheng 27-28 March for a trip via Indonesia to China at \$13,000. Whilst in the Indian, *Jal Kalpataru* (66,264-dwt, 2021) was covered delivery Hamriya 30-31 March for a trip via AG with aggregates to Bangladesh at \$30,000, *Hong Long Hai Sheng* (56,450-dwt, 2013) was fixed delivery Bahodopi 23rd march for a trip via Indonesia to China at \$18,000 and Dava took *Magnum Energy* (53,628-dwt, 2009) delivery Dahej 26-30 March for a trip via WC India with grains to Vietnam at \$16,000. And in the Atlantic, Trithorn fixed *Brilliant Journey* (61,417-dwt, 2012) delivery Poland prompt dates for a trip via Baltic with metcoke to India at \$18,250.

The **BHSI** closed this week at \$12,652 up marginally \$152 from last Friday. The handy market may have slowed down in parts within the Atlantic but the rates remain firm. *Darya Sindhu* (34,790-dwt, 2020) fixed \$11,000 from Hamburg to North Coast South America. Owners were asking close to low teens for scrap trips to Turkey. High activity levels in the Mediterranean, *Ahsoka* (36,332-dwt, 2013) open Tuzla fixed \$14000 dop for grains from Romania to Algeria. In the US Gulf, *Ippokratis* (37,000-dwt, 2011) fixed a grains trip from Mississippi river to Morocco at \$12,900. South America, was quiet in parts with majority of March inquiry now covered, *Beyond 2* (34,184-dwt, 2010) open Vila De Conde fixed a front haul trip redelivery Japan with Alumina at \$17,000. The Pacific market shows signs of negativity across the region. Limited activity and fresh enquiry continuing but levels have remained stable. A 38,000-dwt open in Thailand was rumoured to have been fixed for a trip to the Arabian Gulf at \$12,500, whilst a 28,000-dwt open in Indonesia was heard been fixed for a trip to East Coast India with steels at \$9,000. From West coast India, A 38,000-dwt open in Kandla was rumoured to have been fixed for a trip to Bangladesh at \$22,000 but no further details surfaced.

Representative Dry Cargo Market Fixtures

Vessel	DWT	Built	Delivery	Date	Redelivery	Rate (\$)	Charterers	Comment
Flag Trias	93,492	2007	Kwangyang	27/31 Mar	Taiwan	\$14,000	Reachy	Via EC Australia
Star Diamond	93,407	2009	EC South America	6/12 Apr	Skaw-Gibraltar	\$20,400	Cargill	-
Taho America	81,788	2019	Yuhuan	22/24 Mar	China	\$16,000	Deyesion	Via EC Australia
JY River	81,161	2019	EC South America	1 Apr	Skaw-Barcelona	\$22,000	Bunge	Scrubber benefit to owners
Bentley	80,856	2019	EC South America	5/10 Apr	Singapore-Japan	\$16,750	Bunge	+\$675,000 bb
Nord Bering	61,186	2015	Kohnsichang	25/27 Mar	Japan	\$17,000	NYK	Via Indonesia
Sania	57,011	2010	Beilun	21 Mar	China	\$12,000	Seatrans	Via Indonesia
Hua Si Hai	56,568	2012	Fangcheng	27/28 Mar	China	\$13,000	Cambrian	Via Indonesia
St Paul	37,054	2014	Sea of Marmara	Ppt	Tunisia	\$12,500	NMC	Via Constantza
Hope	34,146	2011	Constantza	Ppt	Algeria	\$14,250	NMC	Via Black Sea



Exchange Rates	This week	Last week
JPY/USD	130.75	132.14
USD/EUR	1.0751	1.0669

Brent Oil Price	This week	Last week
US\$/barrel	74.81	72.74

Bunker Prices (\$/tonne)	This week	Last week
Singapore IFO	410.0	415.0
VLSFO	558.0	560.0
Rotterdam IFO	385.0	395.0
VLSFO	533.0	530.0

24 March 2023

Dry Bulk S&P

Nervous financial markets cannot seem to slow the pace that the Dry S&P Market is currently moving at.

COSCO Shipping have sold their *C H S Splendor* (170,000-dwt, 2006 IHI Marine) to Middle Eastern interests for high \$17.0m. It is thought that the buyer could be clients of GMS who have also been linked to the purchase of another Chinese owned Capesize, *Huang Shan* (175,980-dwt, 2003 CSBC) for \$14.6m. We also note that Minsheng Leasing have sold one of their older units, *Mulan* (176,279-dwt, 2005 Universal) for \$16.2m, discounted for a September-October delivery. It is not just Chinese companies that have cashed out on their older Capes this week as the Greek owned *Maran Innovation* (171,681-dwt, 2004 Daewoo - Scrubber Fitted) has been sold on private terms.

Continuing with gearless tonnage sales, two Panamax bulkers have changed hands this week. The Honma Senpaku controlled *TR Infinity* (77,113-dwt, 2015 Imabari) has been sold for \$26m, with rumours linking Greek owners, Newport to the purchase. *Hui Xin 9* (75,658-dwt, 2012 Shanghai) has also sold, fetching a price of \$17m.

In the Ultramax sector, the scarcity of quality Japanese design vessels continues to push second hand values higher. This week, there are unconfirmed rumours *Atlantic Monterrey* (63,590-dwt, 2017 Shin Kasado) has been committed for around \$30.0m. The last done comparable sale was the scrubber-fitted *Nord Potomac* (63,679-dwt, 2016 Imabari) which went for \$27.9m in early February.

Swire Bulk have committed three of their B-Delta design Handysizes to JP Morgan for a combined price of \$61.5m. It is understood that the *Wulin / Erisort / Erradale* (39,049-dwt, 2014 Chengxi) have all been sold. This is a similarly structured deal to that which JPM carried out last year, when they purchased the entire Louis Dreyfus Handysize fleet in a deal worth over \$300m.

Reported Dry Bulk Sales

Vessel	DWT	Built	Yard	Gear	Buyer	Price	Comment
Mulan	176,279	2005	Universal	-	Chinese	\$16.20m	Delivery Sep-Oct BWTS fitted
Huang Shan	175,980	2003	CSBC	-	GMS	\$14.60m	
Maran Innovation	171,681	2004	Daewoo	-	-	-	BWTS & Scrubber fitted
C H S Splendor	170,000	2006	IHI	-	Middle Eastern	\$17.00m	
Blumenau	81,652	2012	Taizhou Catic	-	W Marine	\$19.80m	BWTS fitted
TR Infinity	77,113	2015	Imabari	-	Greek	\$26.00m	
Atlantic Monterrey	63,590	2017	Shin Kasado	4x31t	-	\$30.00	
Castle	53,477	2009	Zhejiang	4x35t	-	\$11.50m	BWTS fitted
Erradale	39,757			4x36t		\$20.50m	
Wulin	39,049	2014	Chengxi	4x30t	JP Morgan	\$20.50m	BWTS fitted
Erisort	39,763			4x36t		\$20.50m	
Baltic Pearl	37,227	2014	Zhejiang	4x30t	-	\$16.30m	BWTS fitted
Daiwan Champion	34,393	2015	Namura	4x30t	-	-	
Merchant Three	28,364	2012	Imabari	4x31t	-	\$13.00m	BWTS fitted



Tanker Commentary

MR tankers continue to be the flavour of the month with 8 reported sales last week and a further 6 ships this week. With firm enquiry for eco-ships and limited tonnage available, prices have remained firm. Hong Kong based Parakou Shipping have sold *PTI Danube* (49,999-dwt, 2017 SPP, epoxy phenolic coated) for \$40.25m. The last eco-MR to have sold was the *Marlin Amethyst* (49,999-dwt, 2015 GSI) which achieved \$33.75m earlier in the month.

Japanese controlled *Rich Breeze* (47,409-dwt, 2009 Onomichi, BWTS fitted) is reported to have sold this week for \$23.75m. The last Japanese pumproom to sell was *Evian* (48,676-dwt, 2006 Iwagi) which went for \$18m to Middle Eastern interests.

In the landmark deal this week, Torm have picked up three vessels from US fund Alterna Capital Partners. *Gladys W*, *Julia L*, *Marjorie K* (49,995-dwt, 2013 STX Offshore) have changed ownership in a cash/share deal equating to circa \$32.3m each. This is \$1.3m less than what they paid for the vessels as newbuilding's ten years ago.

Reported Tanker Sales

Vessel	DWT	Built	Yard	Buyer	Price	Comment
PTI Danube	49,999	2017	SPP	Trafigura	\$40.25m	Epoxy Phenolic
Gladys W						
Julia L	49,995	2013	STX Offshore	Torm	-	Cash & Share deal
Marjorie K						
Rich Breeze	47,409	2009	Onomichi	-	\$23.75m	BWTS fitted
Jo Karl	47,128	2007	HMD		\$22.00m	

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
Email: chartuk@hartlandshipping.com
Email: snpuk@hartlandshipping.com
Email: consult@hartlandshipping.com

**Hartland Shipping Services Ltd,
Shanghai**

Tel: +86 212 028 0618
Email: newbuild@hartlandshipping.com

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

Tel: +65 6702 0400
Email: chartops.sg@hartlandshipping.com

© Copyright Hartland Shipping Services Ltd 2023. 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.