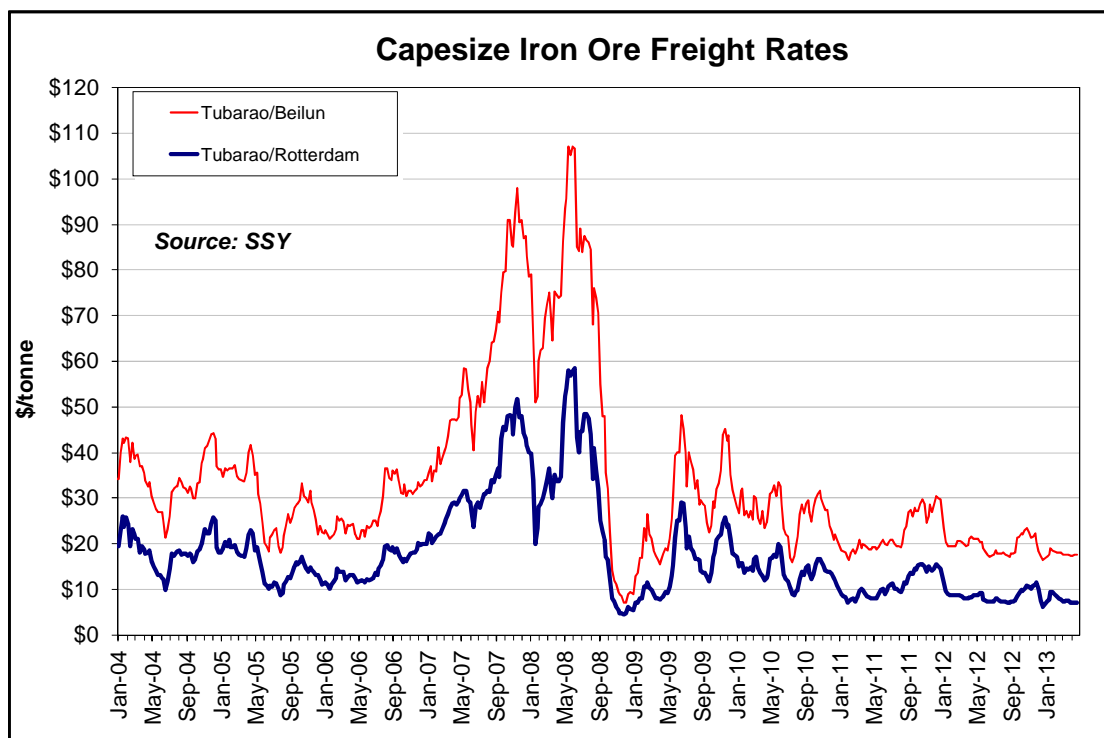


CAPE SIZE/PANAMAX MARKET UPDATE (22 April 2013)

The Panamax sector firmed last week, with average vessel earnings rising to \$9,603/day, approaching the 10-month high of \$9,680/day reached a month ago. Atlantic round voyage earnings climbed above \$10,000/day for the first time since July 2012. In spot voyage rate terms, the Puerto Bolivar to Rotterdam route gained \$0.75/t on the week to reach \$14.60/t, its highest since May 2012. Meanwhile, the Panamax round voyage rate in the Pacific has remained steady, edging up to \$9,700/day.

The latest movements have further distorted the relationship between charter rates for Panamax vessels (of 74,000 dwt) and their far larger Capesize counterparts (172,000 dwt). Capesize average earnings (of \$4,301/day) are now less than half the Panamax equivalent (\$9,603/day). A recent slowdown in iron ore chartering activity from Brazil has helped to drag transatlantic earnings for Capesizes to a mere \$4,355/day, compared with the corresponding rate for Panamaxes of \$10,414/day.

The Capesize iron ore voyage rate from Tubarao to Rotterdam fell to a year-to-date low of \$7.10/t, while the rates from Tubarao to Qingdao were unchanged from the previous week, at \$17.50/t.



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