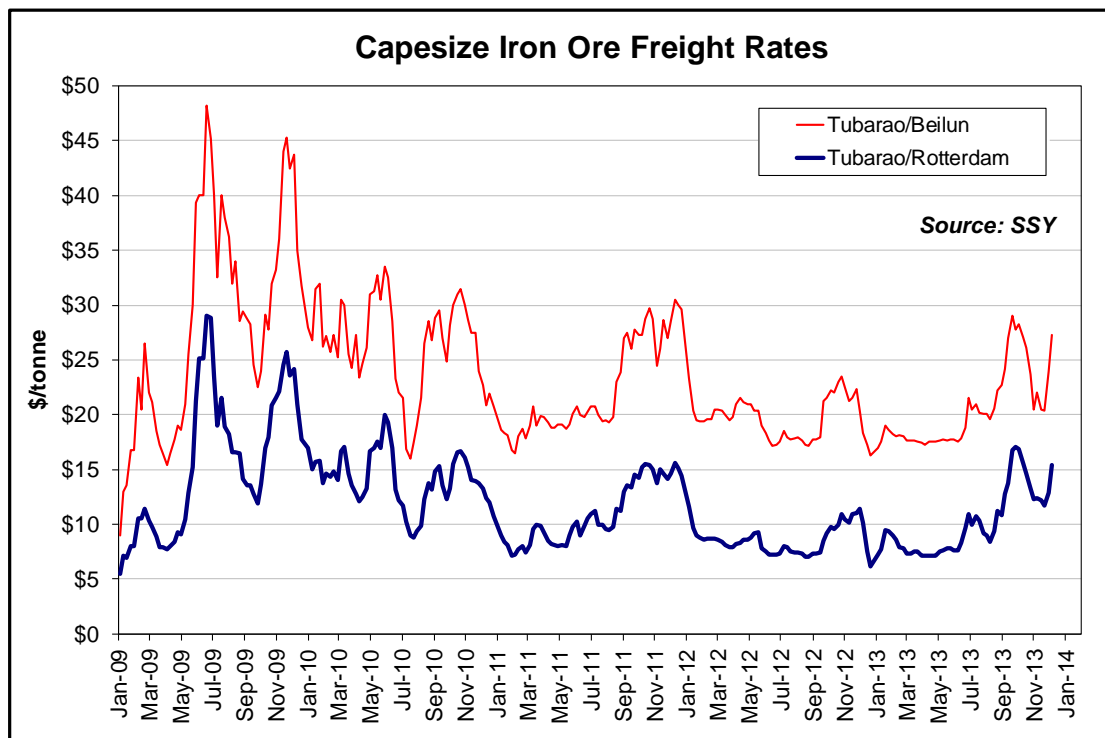


## CAPE SIZE/PANAMAX MARKET UPDATE (9 December 2013)

The dry bulk freight markets experienced a sustained upward trend last week, taking the BDI to its highest level since November 2010 of 2,183 points.

The Capesize timecharter average surged to a two-month high of \$33,852/day, marking the second rally in the 2h13 after the previous spike seen in September. A massive gain was in evidence in the Atlantic, where round voyage rates climbed by \$11,225/day to \$37,575/day. The Capesize iron ore freight rate from Tubarao to China climbed by \$6.8/t from one-month ago to \$27.3/t while the spot voyage rate from Tubarao to Rotterdam was rose by \$3.2/t during the same period to \$15.4/t.

The latest surge in Capesize markets coincided with a marked jump in reported iron ore spot fixture volumes, especially from West Australia to China. Australian iron ore exports reached a record 56.0 Mt in October and iron ore shipments from Port Hedland remained above 28 Mt for the third successive month in November. Meanwhile, iron ore import demand remains firm. Preliminary customs data put Chinese iron ore imports in November at an all-time high of 77.8 Mt, while the delivered spot price into northern China (Tianjin), as measured by The Steel Index, has held above \$130/t since August and currently stands at a three-month high of nearly \$140/t.



### SSY Consultancy & Research

While care has been taken to ensure that the information contained in this report is accurate, it is supplied without guarantee. SSY can accept no responsibility for any errors or any consequence arising therefrom.