

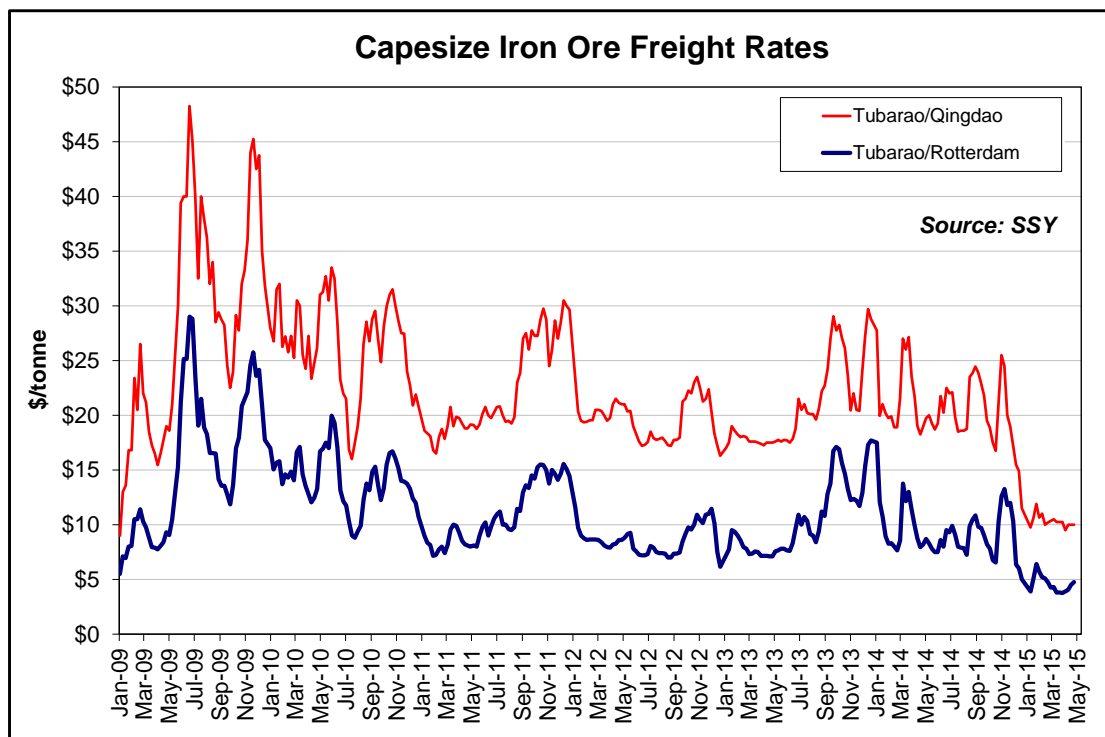
CAPE SIZE/PANAMAX MARKET UPDATE (27 April 2015)

There was little movement in the Capesize market last week, with Pacific round voyage rates hovering around a meagre \$3,900/day, assessments from the Baltic Exchange show. The Capesize spot voyage rate from Tubarao to Rotterdam edged higher by \$0.25/t last week to \$4.75/t, while the corresponding rate to Qingdao was unchanged from the previous week at \$10.00/t.

The Panamax market edged higher, supported by grain chartering activity from the East Coast of South America, with round voyage rates in the Atlantic of around \$6,400/day translating into a spot voyage rate from Bolivar to Rotterdam of \$9.75/t.

Further negatives for shipping supply:demand balances continue to emerge. A breakdown of China's coal imports by source reveals that March imports into China of 17.0 Mt involved the smallest long-haul component since June 2009, totalling less than 0.2 Mt (counting sources more distant than Australia). +

Average Panamax vessel earnings are still underperforming their smaller Supramax counterparts. The continued inversion is despite the delivery of 69 Ultramax newbuildings of 60,000-64,999 dwt in the year to date. Furthermore, there are more than 200 vessels in this size range still on order with 2015 delivery dates. This compares with 142 Panamaxes scheduled for delivery over the remainder of 2015.



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 Consultancy & Research Ltd can accept no responsibility for any errors or any consequence arising therefrom.