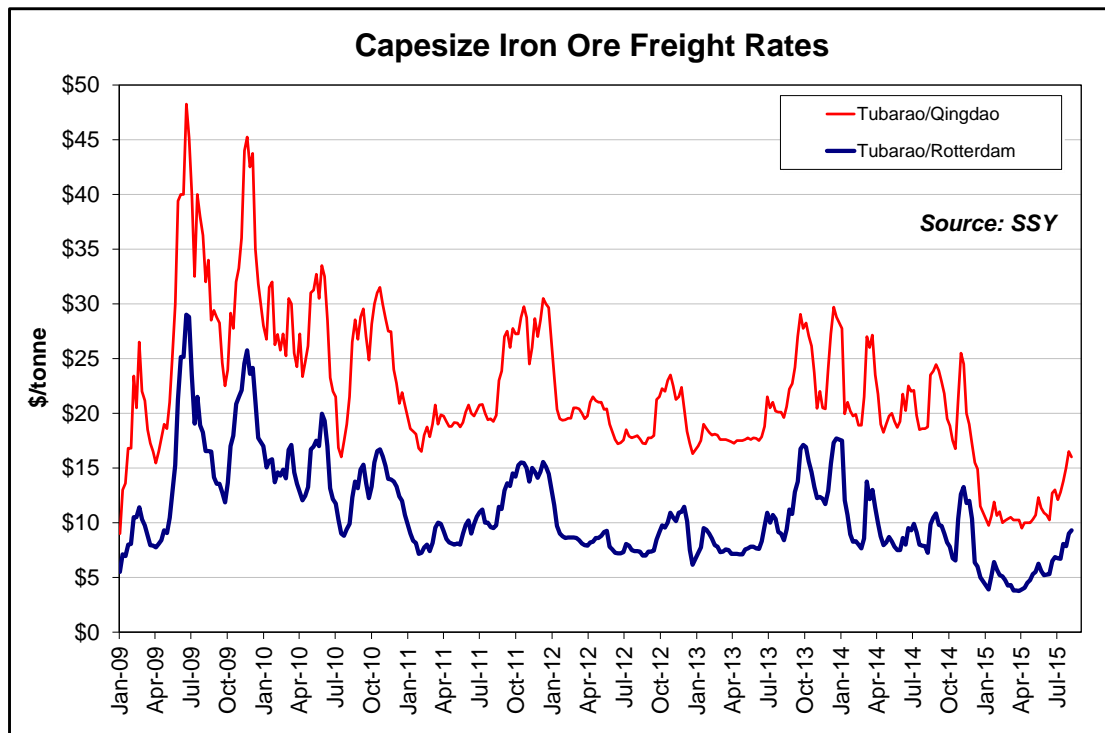


CAPE SIZE/PANAMAX MARKET UPDATE (10 August 2015)

Capesize average earnings (for 180,000 dwt vessels) reached a 9-month high of \$20,600/day on 5 August, before edging lower to \$19,268/day by 10 August, Baltic Exchange assessments show. The Capesize iron ore spot rate from Tubarao to Qingdao stands at \$16.00/t, with the Tubarao-Rotterdam rate rising to \$9.30/t. Preliminary customs data show that Chinese iron ore imports in July climbed to a year-to-date high of 86.1 Mt.

Panamax freight rates were relatively stable last week, with average earnings for 74 kdwts vessels around \$8,000/day. Panamax spot freight rates from Bolivar to Rotterdam declined by \$0.60/t last week to \$10.55/t. Panamax demand in recent weeks has been driven by grain-related chartering activity. Soyabean imports into China hit an all-time high of 9.5 Mt in July, taking total imports during January to July to 44.7 Mt, 3 Mt above the year-ago level. These cargoes have largely been sourced from South America, where grain exports are on course for a record. At 10.5 Mt, Brazil's soya export total in July was 30% above the year-ago level.

Latest fleet data from SSY show a noticeable slowdown in the pace of demolition during July resulting from a combination of upward spot vessel earnings, rising ship values and a slide in ship scrap prices. For the first time in over a year, less than 1 Mdwts of dry bulk carrier capacity was removed from the fleet during July.



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