



DRY BULK MONTHLY

APRIL ISSUE | Friday 07 May 2021



D&F
SHIPPING MARKET ANALYSIS

MONTHLY REMARKS

IRON ORE

SUPPLY CONSTRAINTS AND STRONG STEEL DEMAND DRIVE IRON ORE PRICE TO RECORD US\$203.65/T

COAL

CHINESE PRESIDENT HAS ANNOUNCED PLANS TO SCALE BACK INVESTMENTS IN COAL FIRED POWER PROJECTS

GRAINS

WHEAT FOB PRICES UP ROSE FOR 4 WEEKS CONSECUTIVELY AS COLD WEATHER PUSH WHEAT PRICES UP

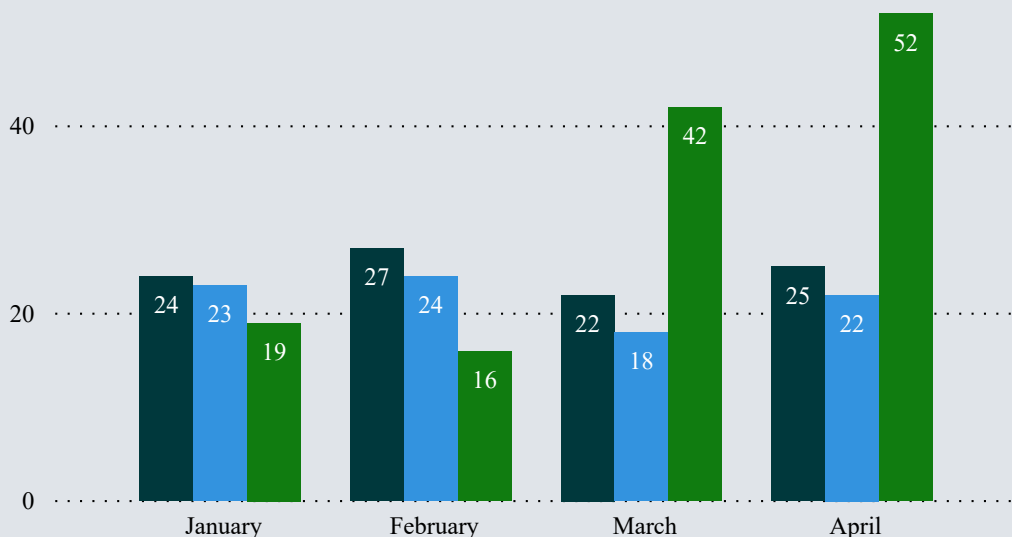
CHINA SET TO IMPORT RECORD CORN VOLUME WHILE HIGH TEMPERATURE THREATEN BRAZIL SECOND CROP

CHINA'S SOYABEAN IMPORTS DOUBLE IN MARCH WHILE USDA FORECAST BRAZIL EXPORTS WOULD HIT 86 MILLION TONS

Month	S&P Transactions	Newbuilding orders	Demolition Sales
April	61	52	2
March	92	42	4
February	85	16	7
Total	238	110	13

Newbuilding Orders - No. Ships

Year ● 2019 ● 2020 ● 2021



CONTENTS

Freight Market

S&P Market: Transactions and Secondhand Prices

Shipbuilding Market: Orderbook, Transactions and Prices

Demolition Market: Recycling Activity and Prices

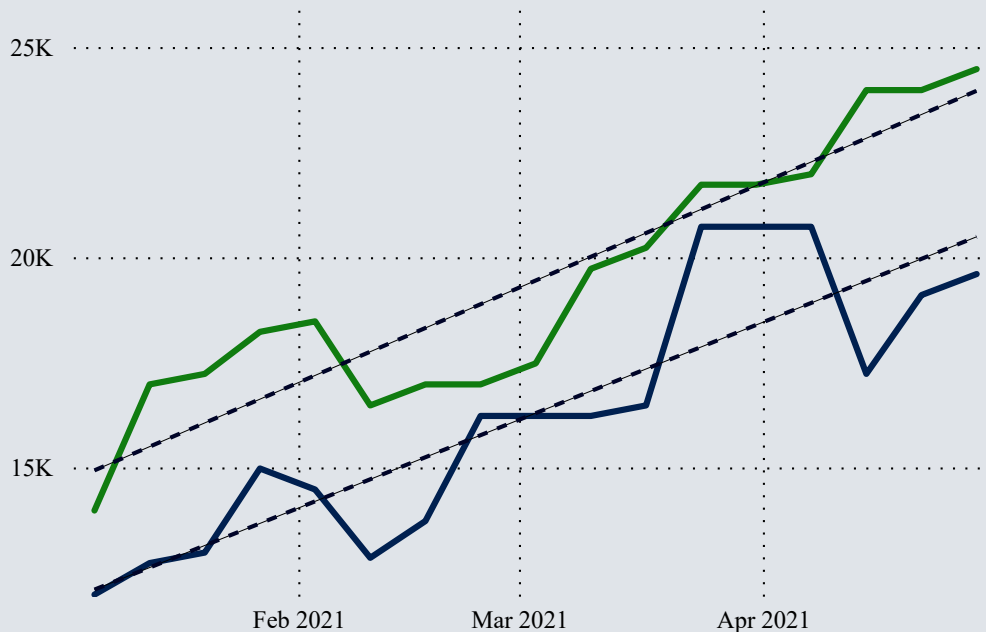
Vessel Tracking and Bunkers

Bulkcarrier Fleet

Monthly Commodities Remarks

1Y Timecharter (\$/day)

● CAPESIZE ● PANAMAX

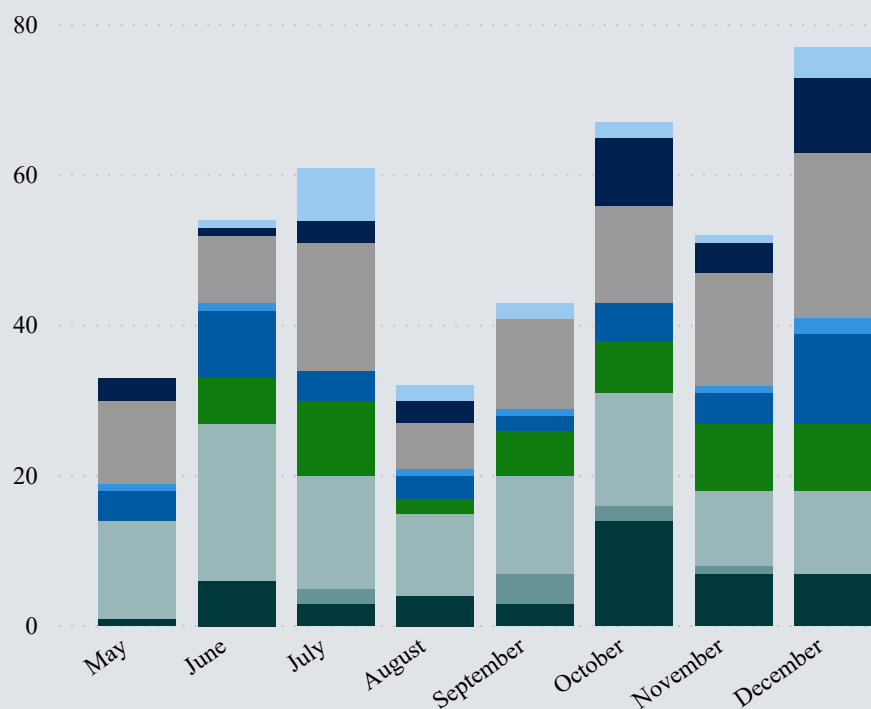


Sale & Purchase Market



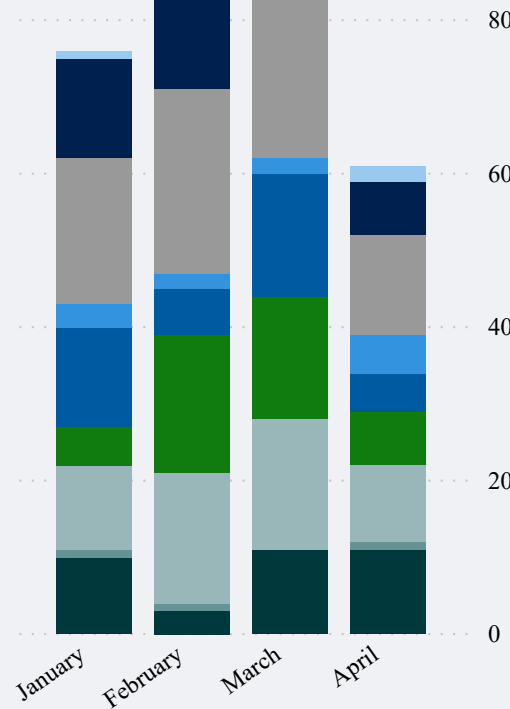
S&P Sales by Month and Size Group - 2020

- Size Group**
- Capesize
 - Handymax
 - Handysize
 - Kamsarmax
 - Panamax
 - Post Panamax
 - Supramax
 - Ultramax
 - VLBC



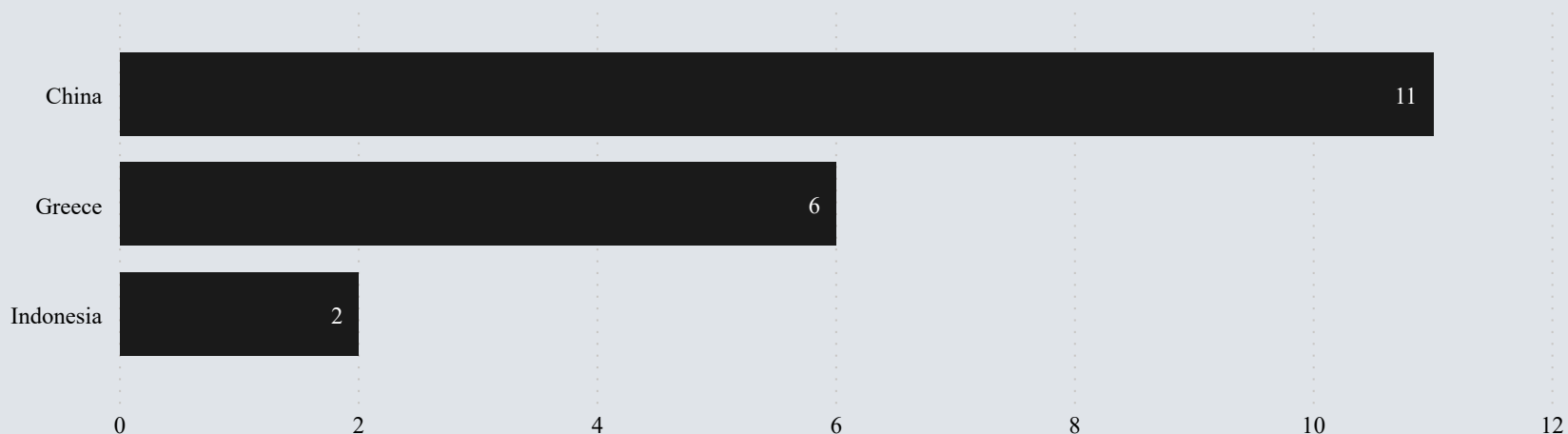
Size Group	May	June	July	August	September	October	November	December
Capesize	1	6	3	4	3	14	7	7
Handymax			2		4	2	1	
Handysize	13	21	15	11	13	15	10	11
Kamsarmax		6	10	2	6	7	9	9
Panamax	4	9	4	3	2	5	4	12
Post Panamax	1	1		1	1		1	2
Supramax	11	9	17	6	12	13	15	22
Ultramax	3	1	3	3		9	4	10
VLBC		1	7	2	2	2	1	4
Total	33	54	61	32	43	67	52	77

2021



Size Group	Jan '21	Feb '21	Mar '21	Apr '21
Capesize	10	3	11	11
Handymax	1	1		1
Handysize	11	17	17	10
Kamsarmax	5	18	16	7
Panamax	13	6	16	5
Post Panamax	3	2	2	5
Supramax	19	24	22	13
Ultramax	13	13	8	7
VLBC	1	1		2
Total	76	85	92	61

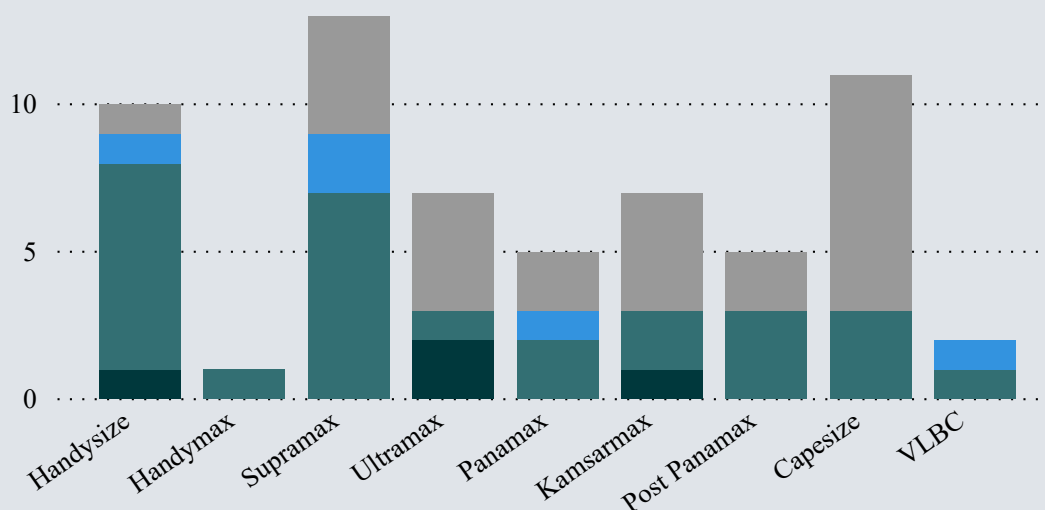
S&P Sales by Country of Known Buyers - April



Sale & Purchase Market

Count of S&P Sales by Size Group and Age Group - April

Age Group ● 0-4 years ● 10-14 years ● 15-20 years ● 5-9 years



Age Group	0-4 years	5-9 years	10-14 years	15-20 years	Total
Handysize	1	1	7	1	10
Handymax	0	0	1	0	1
Supramax	0	4	7	2	13
Ultramax	2	4	1	0	7
Panamax	0	2	2	1	5
Kamsarmax	1	4	2	0	7
Post Panamax	0	2	3	0	5
Capesize	0	8	3	0	11
VLBC	0	0	1	1	2
Total	4	25	27	5	61

S&P Market Comments

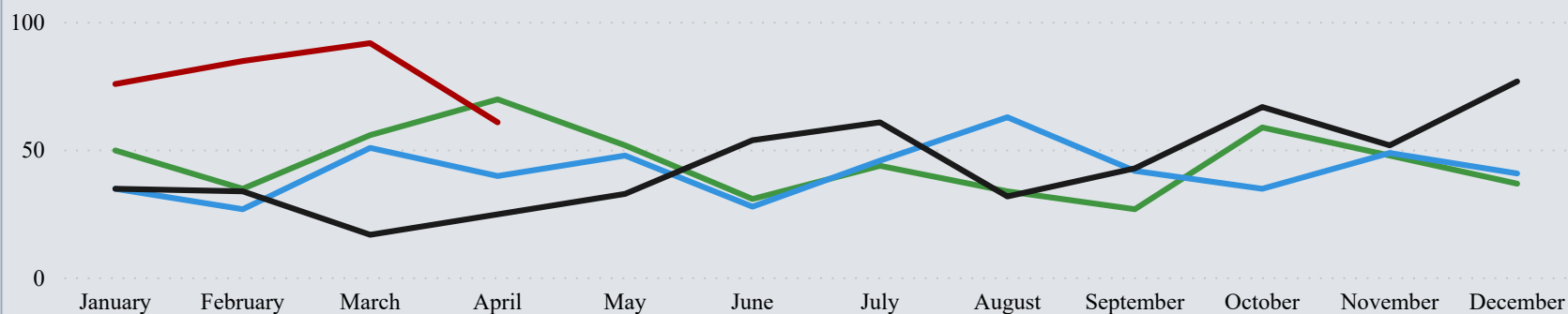
The S&P market has softened after the peak reached in March in terms of volume of transactions. The fourth month of the year ended with the lowest number of sales by month seen so far in 2021. However, activity still remains higher than in 2019 and 2020. The still considerable interest in secondhand ships continues to reflect on the state of the freight market as owners look for prompt tonnage to take advantage of the astounding levels of freight rates.

Chinese owners were back as the top known buyers in April with at least five deals above the usual Greek competitors. Even though, overall, the number of transactions was lower, the attention was focused once again on Handysize and Supramax vessels with 10 and 13 deals respectively, although little over half of the deals seen in March in both cases. On the other hand, we have noticed the interest in the Capesize class continues with eleven new deals closed the past month. Oppositely, Kamsarmax and Panamax classes lacked the previous attention and decreased by 9 and 11 the number of deals month-on-month.

As to the preferred age group, the main two categories as usual were 5-9 years and 10-14 years old. However, we noted vessels with 10-14 years are still the most demanded.

S&P Sales by Month and Year

Year ● 2018 ● 2019 ● 2020 ● 2021



Year	January	February	March	April	May	June	July	August	September	October	November	December	Total
2021	76	85	92	61									314
2020	35	34	17	25	33	54	61	32	43	67	52	77	530
2019	35	27	51	40	48	28	46	63	42	35	49	41	505
2018	50	35	56	70	52	31	44	34	27	59	48	37	543
Total	196	181	216	196	133	113	151	129	112	161	149	155	1892

Shipbuilding Market

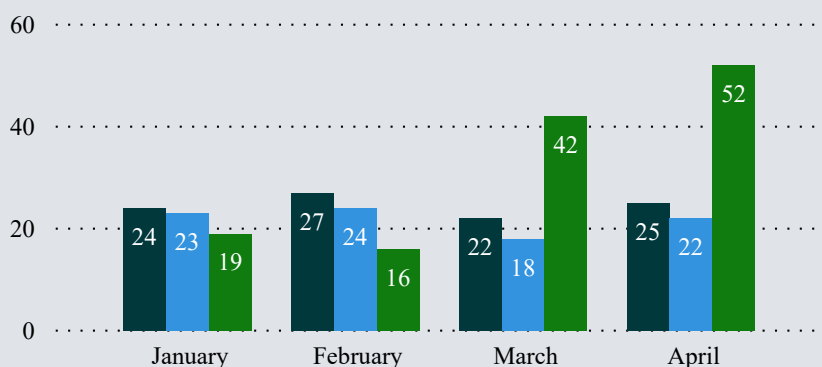


Top 20 Shipbuilders in 2021 by Ordered tonnage (DWT)

Shipbuilder	DWT
NEW TIMES SB, CHINA	3,780,000
QINDAO BEIHAI, CHINA	1,260,000
YAMIC SHIPYARD, CHINA	1,096,600
JIANGSU HANTONG, CHINA	820,000
SWS, CHINA	794,000
CHENGXI SHIPYARD, CHINA	526,000
DALIAN SHIPBUILDING, CHINA	510,000
BEIHAI, CHINA	420,000
YANGZIJIANG, CHINA	410,000
NAMURA SHIPBUILDING CO., LTD, JAPAN	360,000
JINLING SHIPYARD, CHINA	300,000
NACKS, CHINA	286,000
YANGZI-MITSUI (YAMIC), CHINA	264,000
NANTONG XIANGYU, CHINA	239,700
OSHIMA SHIPYARD, JAPAN	238,000
NEW DAYANG SHIPBUILDING, CHINA	226,790
JIANGMEN NANYANG, CHINA	197,500
DACKS, CHINA	183,000
SHANHAIGUAN, CHINA	170,000
HUANGPU WENCHONG, CHINA	169,400
JIANGSU YANGZI, CHINA	164,000
CHINA MERCHANTS JINLING (NANJING), CHINA	149,400
TSUNEISHI ZHOUSHAN, CHINA	128,000
ONOMICHI DOCKYARD, JAPAN	52,500

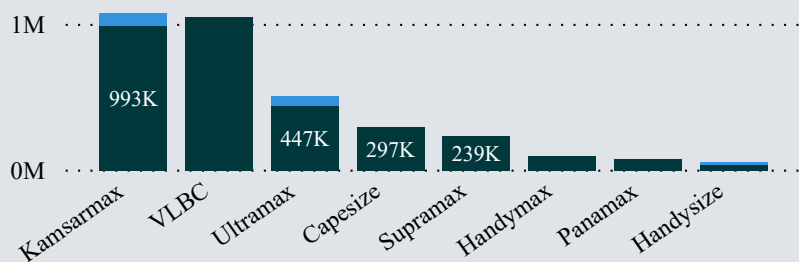
Newbuilding Orders - No. Ships

Year ● 2019 ● 2020 ● 2021



Orders (dwt) by Size Group and Country of Shipbuilder - 2021

● China ● Japan

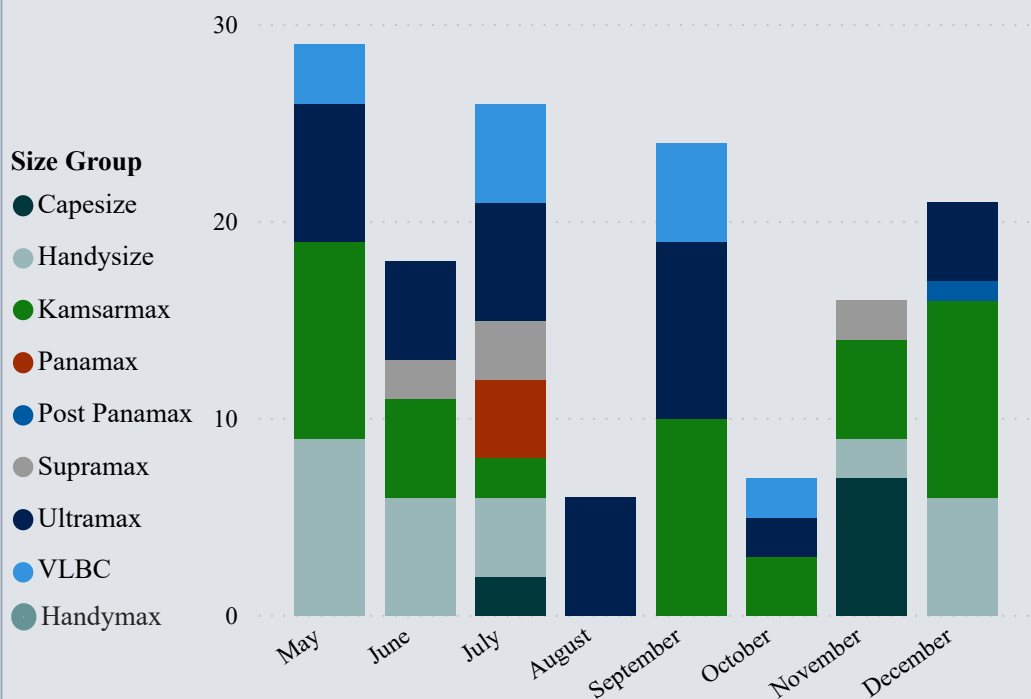


Newbuilding Orders - April

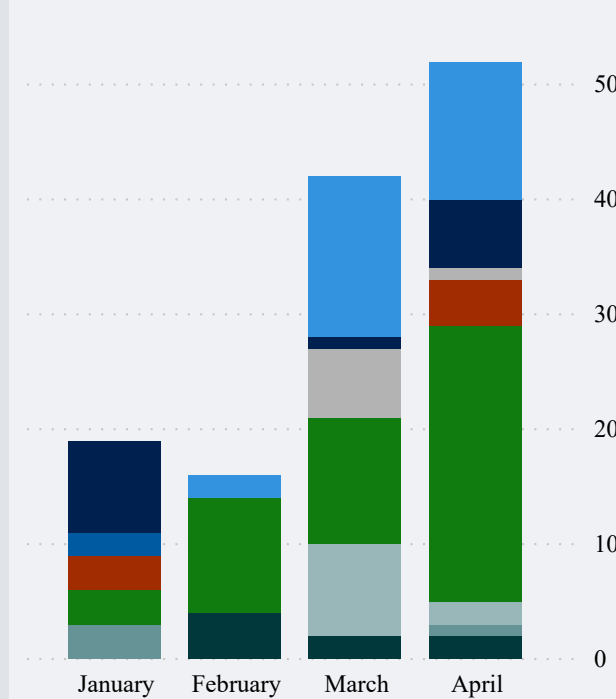
Week	Size Class	Units	Shipbuilder	Buyer	Deliv.
14	Ultramax	2	DACKS, CHINA	OLDENDORFF CARRIERS	2022
14	Kamsarmax	2	HUANGPU WENCHONG, CHINA	SEACON SHIPPING	2023
14	Ultramax	1	NACKS, CHINA	JAPANESE	2022
14	Capesize	2	NAMURA SHIPBUILDING CO., LTD, JAPAN	OCEAN LONGEVITY	2022
14	Supramax	1	NEW DAYANG SHIPBUILDING, CHINA	HUNAN SHUNDA INTERNATIONAL	2023
15	Kamsarmax	1	CHENGXI SHIPYARD, CHINA	EGPN	2023
15	Kamsarmax	2	JIANGSU YANGZI, CHINA	SANTOKU SENPAKU	2022
15	Ultramax	2	TSUNEISHI ZHOUSHAN, CHINA		2022
16	Kamsarmax	1	CHENGXI SHIPYARD, CHINA	EGPN BULK CARRIER	2023
16	Kamsarmax	5	JIANGSU HANTONG	NISSHIN SHIPPING	2022
16	Ultramax	1	NEW DAYANG SHIPBUILDING, CHINA	TANGSHAN DONGFANG SHIPPING	2023
16	Handymax	1	NEW DAYANG SHIPBUILDING, CHINA	ZHEJIANG DACHEN SHIPPING.	
16	VLBC	6	NEW TIMES SB, CHINA	EASTERN PACIFIC	2023
16	VLBC	6	QINDAO BEIHAI, CHINA	H-LINE SHIPPING	2023
16	Kamsarmax	3	YANGZIJIANG, CHINA		
16	Handysize	2	YANGZIJIANG, CHINA	NAVIBULGAR	2023
17	Panamax	4	CHENGXI SHIPYARD, CHINA	ASIA PULP & PAPER	2023
17	Kamsarmax	10	JIANGSU HANTONG, CHINA	NISSHIN SHIPPING	2022

Shipbuilding Market

Orders (No. Ships) - by Month and Size Group - 2020



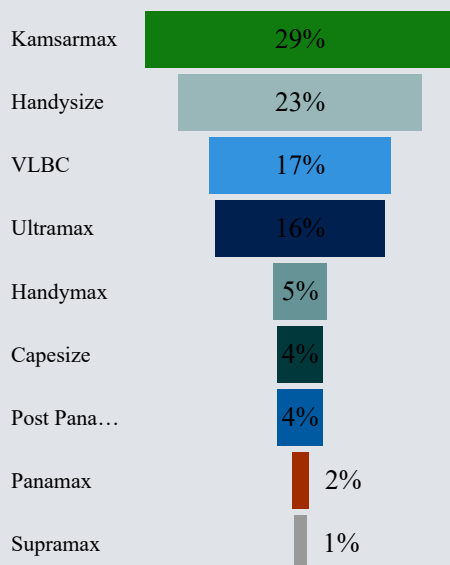
2021



Size Group	May	June	July	August	September	October	November	December	Total
Kamsarmax	10	5	2		10	3	5	10	45
Ultramax	7	5	6	6	9	2		4	39
Handysize	9	6	4				2	6	27
VLBC	3		5		5	2			15
Capesize			2				7		9
Supramax		2	3				2		7
Panamax			4						4
Post Panamax								1	1
Total	29	18	26	6	24	7	16	21	147

Size Group	Jan '21	Feb '21	Mar '21	Apr '21
Kamsarmax	3	10	11	24
VLBC		2	14	12
Ultramax	8		1	6
Handysize			8	2
Capesize		4	2	2
Panamax	3			4
Supramax			6	1
Handymax	3			1
Post Panamax	2			
Total	19	16	42	52

Vessels for delivery in 2021 by Size Group - (% of Total)



Shipbuilding Market Comments

The resurgence in the newbuild market continued in April with newbuild orders up 10 units m-o-m, 30 units y-o-y with 52 units of newbuilds ordered. Dry Bulk shipping's romance with Kamsarmax continues with 29% of newbuild delivery this year, the vessel was the most ordered this month with 24 units ordered while there was only one Supramax and Handymax orders reported. While Kamsarmax orders increased 13 units m-o-m, VLBC orders remain strong in April decreasing only 2 units from March. 4 units of panamax were placed this month by Jakarta based Asia Pulp & Paper with Chengxi Shipyard, China, the first ordered since January.

The shipbuilding investors continue to favour Chinese shipyards led by New times SB with 400,000DWT. Japanese shipbuilder Namura's deal for 2 Capesizes with Ocean Longevity is the only order with a non-Chinese shipyard this month. The Chinese are also the most willing investors in the newbuild market with Japan in a distant second.

Meanwhile price of newbuild could be set to rise significantly with high steel prices putting pressure on shipyards operating profit margins, which have been growing thinner by the day as steel prices hit new highs.

Demolition Market

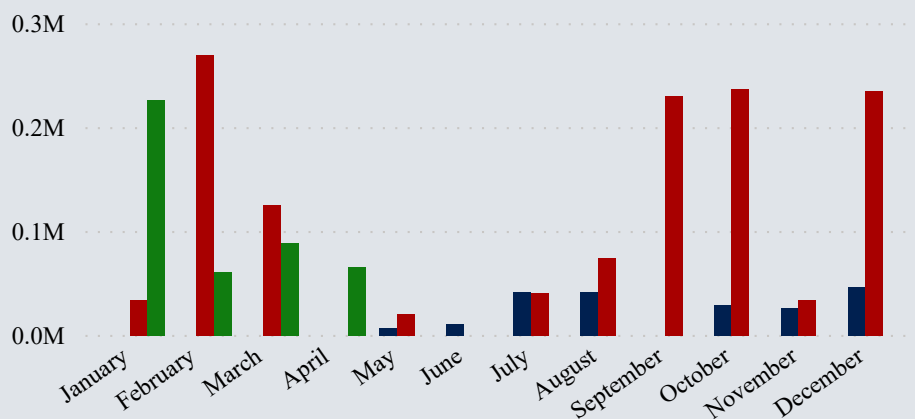


Transactions - April

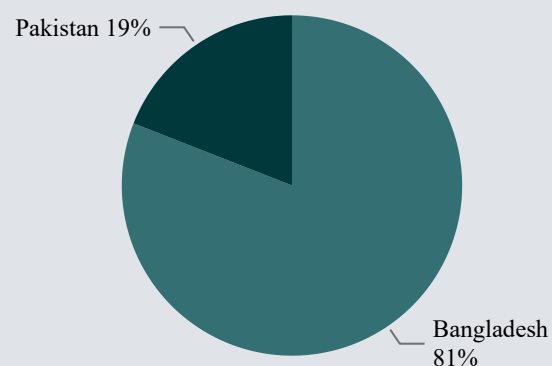
Week	Vessel	Vessel Age	Location of Delivery	USD / LDT	LDT (MT)
15	ALPHA CENTURY	21	Bangladesh	N/A	24570
15	Berge Stahl (VLOC)	35		496	41568

Demolition Activity - LDT by Month

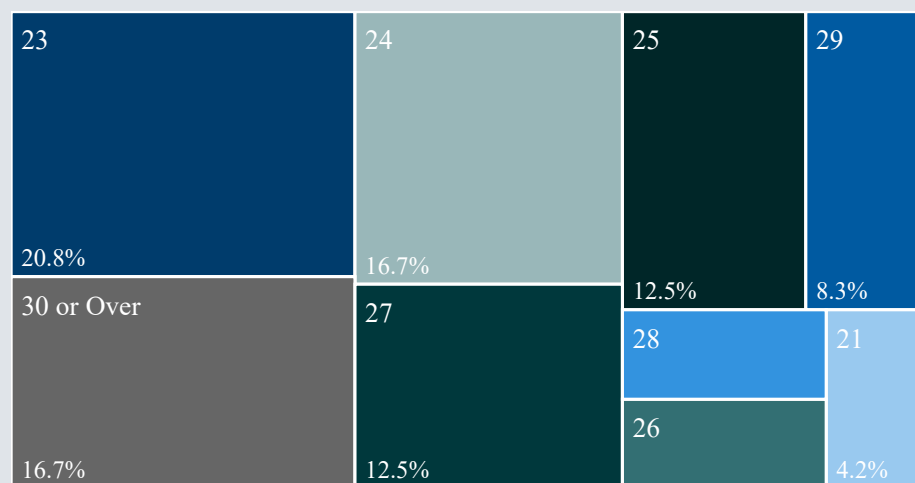
Year ● 2019 ● 2020 ● 2021



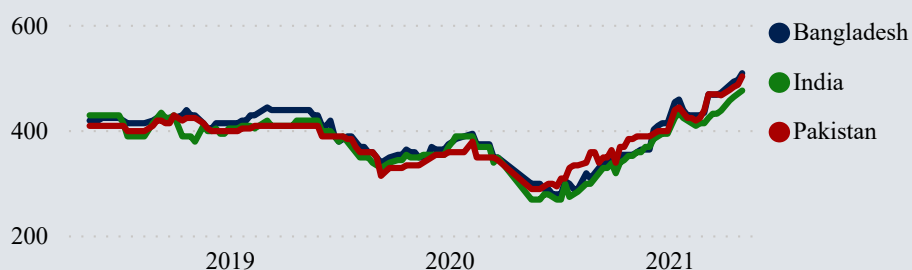
Count of Vessels (%) by Known Location of Delivery in 2021



Count of Vessel (%) by Vessel Age - 2021



Ship scrap prices (\$/LDT)



Demolition Market Comments

Demolition activities this month has been rather lukewarm, despite LDT rates going over the USD500/LDT mark. Rising coronavirus infections in the subcontinent has dominated business meetings more than the actual business of shipbreaking. Shipowners are facing torrid time repatriating crews to their home countries as flight bans are imposed on India with Port of Fujairah banning crew change for vessels which have spent the previous 14 days in India.

Bangladesh continues to lead the demolition market, with Chittagong shipbreakers welcoming the 21-year-old Alpha Century, built in Japan by Sasebo Heavy Industries. The average age of vessels scrapped this month was 28, with the 35-year-old Hyundai Heavy Industries, Korea built Berge Stahl also heading to scrapyards. The UK flagged VLOC was sold at a healthy USD496/LDT for a vessel that old. In terms of volume April saw a 50% decline m-o-m in the number of vessels heading to the scrapyards while LDT dipped 22,923 LDT m-o-m as 66,138 LDT was scrapped.

Bangladesh LDT rates increased 4.7% to USD510/LDT in April while, Pakistan prices rallied 5.4% and India 4.1% respectively to USD504/LDT and USD 477/LDT Bangladesh. Surely in a different freight market circumstance shipowners would be scrambling to take advantage of this bullish run, but expectedly shipowners have their sights elsewhere.

IRON ORE

SUPPLY CONSTRAINTS AND STRONG STEEL DEMAND DRIVE IRON ORE PRICE TO RECORD US\$203.65/T

Despite the surge iron ore under increasing threat as China tries to tighten credit supply which has been behind a booming property market, Iron ore fundamentals however continued to be supported by poor supply with Australian mining giant Rio Tinto and BHP seeing production decline by 11% and 5% quarter over quarter while Vale's production dropped 20% due to seasonal raining season in Brazil and cyclone season in Australia. With the constraints mounting, Iron Ore hit its highest peak in 10 years at US\$190.45/t (CFR Tianjin port) but even this price would be embraced by steel manufactures as prices have continued to soar with prices reaching US\$203.65/t (CFR Tianjin port) this week. Meanwhile Chinese fundamentals are not slowing with steel inventories continually dropping despite 271 mn mt of steel produced in Q1 2021 with mills improving profit margins to \$135/mt-\$175/mt. the unprecedented recovery of global steel demand last year as put wind in the sail of iron ore pushing prices soaring near \$200/mt, prices have more than doubled over the past 12 months from \$83.40/dmt on April 27, 2020.

Furthermore, the iron ore rally has been supported by Brazil's exports. Iron ore exports from the world's second largest producer rose by 34pc on the year in March thanks to increased buying from China and Europe. Rebounding from last year's first-quarter exports were limited by heavy rains and flooding, and Vale's slow recovery from a damn accident in 2019, while full-year exports were at a seven-year low largely as a result of COVID-19. Brazil's shipment to China rose by 27pc on the year to 17.37mn t in March because of China's rapid increase in steel output in the first quarter. Exports to the EU were 3.03mn t, 55pc higher than a year earlier when steel makers implemented production cuts due to Cobid-19. Brazil's first quarter exports to Europe found support from lengthening lead times and rising steel prices. Similarly, shipments to Malaysia more than tripled on an annual basis to 2.59mn t in March. Shipments to Japan however fell 51pc to 619,726t with Japan's steel output at an approximately 50-year low in the April 2020-March 2021 fiscal year, under pressure from weak demand in the vehicle sector and a second state of national emergency over Covid-19.

Source: Reuters, Argus media, Comm Sec.

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COAL

CHINESE PRESIDENT HAS ANNOUNCED PLANS TO SCALE BACK INVESTMENTS IN COAL FIRED POWER PROJECTS

China has announced it will limit the increase in coal consumption /in its 14th five-year plan which is likely to weigh on Chinese import demand. President Xi said at the US-hosted climate summit China will restrict coal-fired power projects in order to ensure this target is met. This is a shift from previous Chinese stance of cutting down share of coal in the overall energy and power mix. President Xi last year set targets for China's carbon emissions to peak before 2030 and the country to achieve carbon neutrality by 2060. Top energy planning agency the NEA last week set targets to bring the share of solar and wind-based power generation to 11pc in this year's overall power mix before increasing it to 16.5pc by 2025. "China's energy structure is dominated by coal power. This is an objective reality," said Su Wei, deputy secretary-general of the National Development and Reform Commission. CNBC translated his Mandarin-language comments, which he made late last week. "Because renewable energy (sources such as) wind and solar power are intermittent and unstable, we must rely on a stable power source," Su said. "We have no other choice. For a period of time, we may need to use coal power as a point of flexible adjustment." He added that coal is readily available, while renewable energy needs to develop further in China.

Meanwhile Chinese coal imports in March were little changed from a year earlier but increased compared with February, as robust industrial power demand boosted consumption. Overall coal imports, including anthracite, coking coal, and thermal coal, reached 27.33mn t in March, preliminary customs data show. This was a rise of 32pc from February although receipts were little changed from 27.83mn t a year earlier.

The value of the imported coal averaged \$79.40/t in March, up from \$72.19/t a year earlier. This was in line with higher seaborne coal prices this year, while Chinese buyers also sought more bituminous coal after Australian imports were unofficially banned last year. Customs authorities will provide a breakdown of the different types of coal and Origin counties later this month. But Indonesia and Russia are likely to have remained key exporters to China, with the country's importers seeking alternatives because of the absence of Australian coal.

Source: Argus Media

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GRAINS

WHEAT FOB PRICES UP ROSE FOR 4 WEEKS CONSECUTIVELY AS COLD WEATHER PUSH WHEAT PRICES UP

Wheat prices continue to rise very rapidly due to the very cold weather in the United States reaching southern Texas. The market reacted to the forecast for lack of precipitation next week in the areas with spring wheat. Similarly, there will be no rain in Canada's productive areas not only in the coming days, but for the entire summer, which is expected to be very dry. Cold weather in Europe is fuelling the price increase. The US is however continuing to meet fulfil export contracts with export sale reaching 240,208 tons (-56,638 tons a week earlier and 244,654 tons a year earlier) In the week ending 15.04.2021. Export commitments for wheat from the United States since the beginning of the season reach 25.37 million tons (25.46 million tons a year earlier).

Wheat FOB prices continued to rise for the fourth consecutive week and for the second week in a row, prices are also rising in the Black Sea region. Nevertheless, FOB wheat prices in the Black Sea region continue to lag significantly behind wheat prices of other major exporters, with Australian wheat May delivery costing an average 19 USD/ton more and French wheat up at a much larger 27 USD/ton.

Source: Reuters

CHINA SET TO IMPORT RECORD CORN VOLUME WHILE HIGH TEMPERATURE THREATENS BRAZIL SECOND CROP

China could be set to import a record 30 million ton of corn crop if all its 23 million tons of American corn were exported this season. It is estimated that in 2021/22, corn imports to China will reach a total of 50 million tons. In the meantime, weekly sales of corn from the United States were not strong on the back of expected precipitation in the United States and Brazil. Corn exports were below 2 million tons, but so far, they are high enough to reach the USDA's annual forecast. At the end of the week, CBOT corn futures prices decreased. After reaching 6 USD/bushel, the new week, the sowing campaign of corn in the United States is expected to gain momentum without significant delays.

Uncertainties continue to plague the second corn crop in Brazil, driven by weather in the main producing areas. However, the center-south region has been registering few rains and high temperatures, hampering the development of corn, which needs high volumes of rainfall or water reserves in the soil to ensure adequate growth. In Parana, Brazil's second largest producing state, the Department of Rural Economics (Deral) recorded a decline in the quality of developing corn crops. Areas rated in good condition fell to 40pc from 62pc last week, while areas rated as average rose to 42pc from 31pc. Areas in poor condition or risking losses jumped to 18pc from 7pc last week. A considerable part of the crop faces water stress. In addition, the second corn crop was planted outside the ideal window for development due to late harvest of Soybean. Market participants believe May will be crucial for good corn production. In Mato Grosso, Brazil's top grain producer, 45pc of the state's planted area occurred outside the ideal window, according to the Mato Grosso Institute of Agricultural Economics (Imea). This prompted the institute to cut its corn production forecast for the 2020-21 season to about 35mn metric tonnes (t), a drop of 1.3pc from the previous year.

Source: Reuters

Wheat Price (\$/t)



Soybean Price (\$/bl)



Corn Price (\$/bl)



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GRAINS

CHINA'S SOYABEAN IMPORTS DOUBLE IN MARCH WHILE USDA FORECAST BRAZIL EXPORTS WOULD HIT 86 MILLION TONS

China's Soybean imports have almost doubled in March alone year-on-year, according to customs data. "Soybean arrivals in Jan-Feb were lower than market expectation due to cargo delay. Some shipments delayed earlier later cleared customs," said Xie Huilan, analyst with agriculture consultancy Cofeed, speaking after the data release. "More than 5 million tonnes of U.S. soybeans were loaded in January for shipment to China, some of which arrived in March," Xie said.

Rains have delayed harvest in top exporter Brazil, and shipments of soybeans earlier this year, but cargoes shipped earlier have begun arriving Chinese ports. Despite the delays customs data show, Soybean imports in the first three months of the year came in at 21.18 million tonnes, up 19% from 2020. However, a recent outbreak of African swine fever, has decimated the breeding herd by at least 20% in northern China, according to some estimates, curbing demand for soymeal, a major feed ingredient.

Meanwhile the USDA in April's WASDE report estimates soybean production in Brazil at 136 million tons while the Agency forecast Brazil exports at 86 million tons. The reports also had US Soybean exports at 62.05 million tons with soybean consumption in China to fall by 2 million tons due to the impact of the African swine fever. In the next 2021/22 season, soybean areas in Brazil are expected to grow to 40 million hectares from 38.5 million hectares in 2020/21. The first forecasts for the soybean production are at the level of 141 million tons (134 - 135 million tons for the old crop). Soybean expansion is expected given the high current prices and strong demand with exports in the new season expected to exceed the current season of 87 million tons.

Source: Grainprices, Reuters

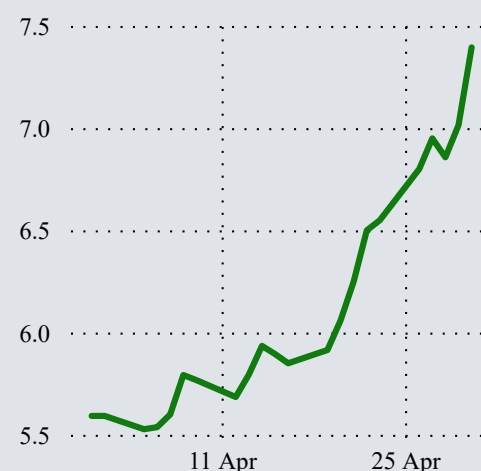
Wheat Price (\$/t)



Soybean Price (\$/bl)



Corn Price (\$/bl)



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