



CONTENTS

2. Dry Cargo Chartering
Lull Between the Waves
3. Dry Cargo S&P
Battling On
4. Tankers S&P
Product Aplenty

... It has become an East of Suez thing ...

POINTS OF VIEW

What would Donald Trump's foreign policy look like if he wins a second presidential term? *Foreign Policy Magazine* outlines a contrarian view, as outlined here. It may border on wishful thinking; you can decide. The debate ranges between those who believe he will abandon Ukraine, withdraw from NATO, and herald a "post-American Europe", and those who predict he will escalate the Russian-Ukrainian war and continue his fiercely anti-communist policies. Foreign governments have apparently been reaching out to Trump and Republicans to understand, and maybe influence, policy direction. The landscape will be dramatically different to when he took office in early 2017 with active wars in Europe and the Middle East, and the threat of another in Asia. Globalisation is in retreat and great-power politics have returned. Now that Europe is increasing defence spending, under threat from Russian aggression, and as the US economy is recovering, he may decide not to abandon Europe. An alternative would be to build a broad international coalition to enable further China decoupling and to counter the menace of Russia, Iran and its proxies, and North Korea.

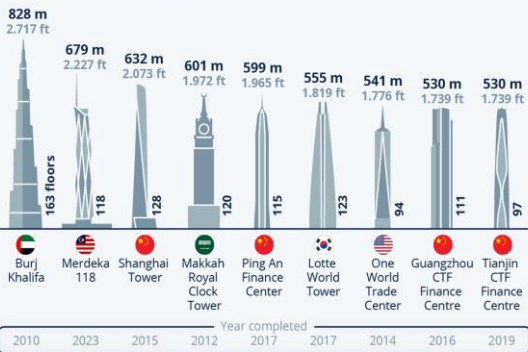
The US-Mexico border is a priority. FP mentions that in 2020, Trump's last year in office, US Border Protection carried out 646,822 enforcement actions, including three individuals on the terrorist list. By 2023, this had risen to 3.2 million and 172 respectively. The unsecured border, broken asylum process, overwhelmed courts and significant fentanyl trafficking will need to be tackled by the next president as a critical national security issue. As the US Army and Navy may be deployed to the border, and given escalating regional conflicts, FP suggests that Trump would likely oversee the most significant US military buildup in almost 50 years.* The US defence industrial base has atrophied and the disastrous defeat in Afghanistan has led to a material drop in the confidence of Americans in its military. Such an expansionary move would not quite chime with Trump's reputation for isolationism and disengagement.^ However, it would lead to a domestic manufacturing boom.

Trump will focus on energy security in contrast to Biden's climate agenda. The US became a net energy exporter in 2019 and, since 2017, its total energy exports have nearly doubled, and it has surpassed Russia and Saudi Arabia to become the world's largest oil producer. Its rising exports of LNG to Europe could reduce Russia's influence and improve trans-Atlantic relations while reducing the US trade deficit with Europe. US energy dominance would give it leverage over China and help reduce global oil prices and US gas prices, appeasing domestic consumers. Trump 2.0 will aim to have greater influence over world trade via bilateral deals. The US economy is now stronger than during his 2017-2020 term with an estimated 26% of global GDP in 2024.** In 2008, the US and Eurozone economies were of similar size. Today, the US economy is almost 80% larger, illustrating Europe's decline. Trump is expected to reopen bilateral trade talks with the EU, UK and Japan and aim to secure better deals for the US. China is likely to be a more adversarial discussion.

The US economy has grown relative to China over the past eight years, with the US economy larger and the Chinese economy smaller than economists expected. China may no longer overtake the US after all, a popular prior assumption. China appears to be going through deep structural challenges in what may be a lost decade with the IMF projecting that China's share of Asia-Pacific GDP will be slightly smaller in five years than it is today. The US has become less dependent on foreign trade, and less dependent on China. The US is now reckoned to be better positioned to withstand a protracted trade war with China than it was a few years ago and it may aim for 'strategic independence' from China. In this respect, it will be more aligned with Europe after Covid-19, China's support of Moscow, its wolf warrior diplomacy, tech competition and flexing supply chains. In the Pacific, the US is strengthening its regional ties with Taiwan, the Philippines and Vietnam and via multilateral bodies such as the Quad and AUKUS. What is less clear is Trump's 'position' on Taiwan which he pointed out is 9,500 miles away from the US but only 68 miles away from China. It is possible that, far from being unilateralist in foreign policy, he may build upon the very multilateral relationships that Biden was at pains to resurrect, as they offer greater strength in numbers. But first up, Trump must regain the presidency.

Asia and the Middle East Lead the Skyscraper Race

The tallest buildings worldwide in 2024



Source: Council on Tall Buildings and Urban Habitat

statista

Source : Statista

In this piece, we have attempted to summarise, and add a few comments to, an article that appeared in *Foreign Policy* magazine on 27 August headed: "Trump 2.0 Would Face a New World" (Dramatic global shifts since Donald Trump's first term could lead to unexpected policies). It was written by Gabriel Scheinmann, the executive director of the Alexander Hamilton Society.

*The US Armed Forces are shrinking. The defence budget is close to its post-WWII low in terms of both federal budget share and percentage of GDP.

^In 2018, under Defence Secretary James Mattis, the US abandoned a long-standing doctrine of being able to fight wars in two regions simultaneously.

It focused instead on deterring China in the Indo-Pacific. The Republicans plan to raise defence spending from 3% of GDP in 2024 to 5% within 5 to 7 years.

**When Trump entered office in January 2017, the US economy was almost 4-times the size of Japan. By the end of 2024, it will be about 7-times larger.

^^In 2016, China was the top US trade partner with 20% of US imports and 16% of total US trade. By 2023, it was third with 13.9% of imports and 11.3% of trade.

Dry Cargo Chartering

A mixed result for **Capesize** markets after a continued period of positivity. Rates began the week strong but took a significant dip mid-week. However, they rebounded considerably on Thursday and Friday, ending the week higher than when they started. The BCI closed at \$27,832, up by \$2,132 from last reported. Plenty of activity was seen in the Australian iron ore markets this week, with Rio Tinto chartering seven vessels for mid-late September dates for 170,000 mtons 10% Dampier/China. Freight paid ranged from \$11.00 pmt to \$11.85 pmt. From Port Hedland, FMG, BHP, and Jera took six positions between them for 160,000 mtons 10% into Qingdao, amongst them *Genco Endeavour* (181,060-dwt, 2015), paying from \$11.20 pmt to \$11.85 pmt. Over in the Atlantic, CSE took an Oldendorff TBN for 150,000 mtons 10% Ponta Ubu/Taiwan at \$31.60 pmt for late September, ECTP fixed *NBA Peace* (174,766-dwt, 2004) Tubarao option West Africa/Qingdao at \$27.25 pmt for mid-October dates, and Costamare reportedly fixed *Cape Kensington* (203,512-dwt, 2006) for 190,000 mtons 10% Tubarao/Qingdao at \$27.00 pmt with ETA Brazil 4/6 October.

Panamax tonnage in the Atlantic continued to build up this week causing further downward pressure particularly in the South Atlantic. Sentiment was more positive in the East with increased demand from loading areas. The BPI closed on Friday at \$11,645, down by just \$198. In the Pacific, *Medi Serapo* (87,091-dwt, 2018) fixed delivery Nagoya for a trip via Australia to China at \$15,000, Cambrian Bulk chartered *Sea Hope* (79,461-dwt, 2010) delivery Vietnam for a trip via Indonesia to South China at \$8,100, and Axiom took on *MSXT Athena* (81,723-dwt, 2018) delivery Huanghua 13 September for 5/7 months trading at \$14,900 with worldwide redelivery. In the Indian Ocean, we heard ASL Bulk fixed *Calipso* (73,691-dwt, 2005) delivery Tuticorin for a trip via South America to the Far East at \$10,150. From the Atlantic, *Panstar* (76,629-dwt, 2005) fixed delivery New Orleans for a trip via the US Gulf with grains to Skaw-Barcelona range at \$16,000, while Bunge fixed *Yarra Star* (82,624-dwt, 2008) delivery APS East Coast South America for a trip to Singapore-Japan range at \$15,650 plus \$565,000 bb with an option for South East Asia redelivery at \$15,400 plus \$540,000 bb. Additionally, Jera took a Louis Dreyfus TBN for 70,000 mtons 10% coal Amsterdam/Jorf Lasfar at \$4.60 pmt.

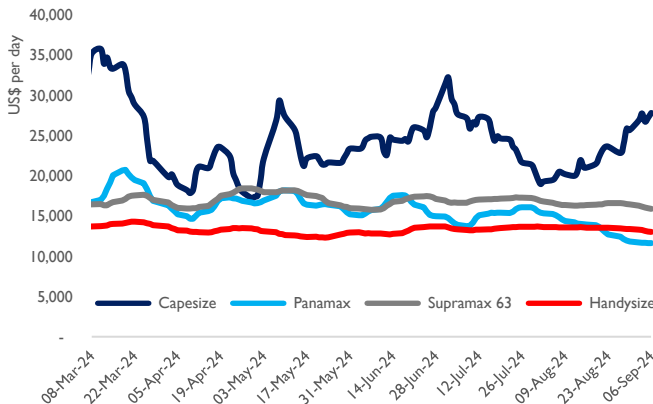
Supramax markets across the Atlantic remained negative across all key regions this week, with very limited fresh enquiry. A similar story was seen in the Indian Ocean which continued its downward trend. Few cargoes were available for late September dates, causing the South African market to see a notable drop, while the Middle East-West Coast India region remained tight on demand. On the other hand, Asia observed a bounceback as more cargoes entered the market and stronger rates were discussed as a result. On Monday, the BSI 63 Ultramax index replaced the BSI 58 Supramax index as the average benchmark for this vessel size. The new BSI closed at \$15,929 on Friday. In

the Pacific, *Savita Naree* (62,971-dwt, 2016) was fixed delivery Koh Sichang prompt for a trip to Bangladesh with clinker at \$15,250, *DSI Polaris* (60,404-dwt, 2018) also open Koh Sichang on 8 September was fixed to ESM for a trip via Indonesia to China at \$14,750. We heard that *Andreas K* (56,729-dwt, 2011) was taken by Drydel delivery Campha for 2/3 laden legs at \$14,500 redelivery Middle East-Japan range, while Fednav took on *Belisland* (61,252-dwt, 2016) open China for 12/14 months at \$15,500. From South Africa, *Ning Jing Hai* (63,573-dwt, 2017) was fixed delivery Saldanha Bay for a trip to China with manganese ore at \$18,000 plus \$180,000 bb to Norden, *Genco Laddey* (61,085-dwt, 2022) was covered delivery Port Elizabeth for a trip to Norway also with manganese ore at \$15,500, and *ST Cergue* (60,696-dwt, 2017) fixed delivery Richards Bay for a trip to Pakistan at \$18,500 plus \$185,000 bb. In the Atlantic, *V Noble* (50,433-dwt, 2011) open Lagos spot was fixed to Guardian Bulk for a trip delivery Dakar at \$14,500 for trip to China, and *Sheng Heng Hai* (56,649-dwt, 2013) open Ortranto 6 September was heard fixed at around \$11,000 delivery APS Mediterranean for a trip to West Africa.

The **Handysize** markets in the Atlantic were very uneventful this week, with most areas staying in the red aside from a hanging on US Gulf market. Overall timecharter averages for the sector ended the week at \$13,039, another slight decrease of \$348 from last reported. In the Atlantic, *Erhan* (38,695-dwt, 2013) open Puerto Cabello was fixed at \$17,000 APS for a Southwest Pass trip to Tunisia, and *CS Jaden* (38,101-dwt, 2013) open San Pedro De Macoris prompt fixed for a trip with coal from Barranquilla to Poland at around \$17,500 to Cetus Maritime. We heard T Bulk fixed a large Handy at \$10,000 for a Continent to Adriatic trip with steels, and in the Mediterranean another large Handy fixed \$10,250 for a clinker run ex East Mediterranean into the Adriatic. Down in the South Atlantic, we heard rates for East Coast South America to Continent-Mediterranean range being exchanged in the \$13,000s. It was also a slow week for the Handy markets in the Pacific with limited activity and further softening. Rates were said to be dipping below last done across the region. We also saw an increase in available tonnage and are expecting the market to continue softening next week. In the Far East, *CH Clare* (33,144-dwt, 2010) was heard fixed at \$13,300 DOP Fangcheng for a trip with steels to West coast India with Panocean. A 33k-dwt vessel open Qingdao was heard fixed for 3/5 months at around \$12,000-\$13,000, while a 32k-dwt vessel open Yantai was reportedly covered at over \$12,000 for a trip to Singapore-Port Kelang range. In South East Asia, a 32k-dwt logger was heard fixed delivery passing Singapore at around the \$13,000 mark for 2/3 laden legs. For 28k-dwt vessels opening in South East Asia, owners are holding out at around \$10,000-\$11,000 DOP while charterers are indicating at around \$9,000-\$9,500 APS. With market conditions anticipated to ease further, it is likely that owners may begin to reduce their rates next week.

Representative Dry Cargo Market Fixtures

| Vessel | DWT | Built | Delivery | Date | Redelivery | Rate (\$) | Charterers | Comment |
|----------------|--------|-------|--------------|------------|-----------------|-----------|---------------|--------------------|
| Medi Serapo | 87,091 | 2018 | Nagoya | 5/6 Sept | China | \$15,000 | Pacific Bulk | Via East Australia |
| Tatry | 82,138 | 2013 | CJK | 9 Sept | Singapore-Japan | \$12,250 | Viterra | Via NoPac |
| Sea Hope | 79,461 | 2010 | Vietnam | 4/5 Sept | South China | \$8,100 | Cambrian Bulk | Via Indonesia |
| Panstar | 76,629 | 2005 | New Orleans | 15/20 Sept | Skaw-Barcelona | \$16,000 | Cnr | Via US Gulf |
| Navios Taurus | 76,596 | 2005 | Hong Kong | 13/14 Sept | South China | \$11,000 | Cnr | Via Indonesia |
| Ocean Road | 75,051 | 2012 | US Gulf | 17 Sept | Singapore-Japan | \$15,750 | Cnr | + \$575k bb |
| Ning Jing Hai | 63,573 | 2017 | Saldanha Bay | Ppt | China | \$18,000 | Norden | + \$180k bb |
| DSI Polaris | 60,404 | 2018 | Koh Sichang | 8 Sept | China | \$14,750 | ESM | Via Indonesia |
| Sheng Feng Hai | 56,879 | 2011 | Muara | Ppt | Indonesia | \$16,000 | Cnr | Via Philippines |



| Exchange Rates | This week | Last week |
|-----------------|------------|------------|
| 1 USD | 143.27 JPY | 145.18 JPY |
| 1 USD | 0.9003 EUR | 0.9023 EUR |
| Brent Oil Price | This week | Last Week |
| US\$/barrel | 71.07 | 78.94 |

| Bunker Prices (US\$/tonne) | This week | Last week |
|----------------------------|-----------|-----------|
| Singapore HSFO | 438.0 | 480.0 |
| VLSFO | 638.0 | 630.0 |
| Rotterdam HSFO | 442.0 | 465.0 |
| VLSFO | 540.0 | 572.0 |

06 September 2024

Dry Bulk S&P

We are tempted to copy and paste last week's report - the Capesize market remains firmly in control at the crease, and while bad light has currently stopped play at the Oval in the third test against Sri Lanka, another three Caper sales have been added to the scoreboard this week. Elsewhere offers are expected on a number of Kamsarmax and Ultramax sales candidates and hopefully next week we should have a clearer picture of how the ball is moving. The sense is that a not enough buyers are ready to jump on Kamsarmax tonnage at current levels and it will be interesting to see if the sellers are prepared to dip their prices to conclude sales. This segment of the market feels a little overcrowded with sales candidates.

Norden have successfully offloaded another Cape. The scrubber-fitted *Nord Magnes* (179,546-dwt, 2011 Hanjin Subic) is reported sold to Chinese buyer for \$31.5m, roughly what they paid for her eighteen months ago. *Azure Ocean* (180,184-dwt, 2007 Imabari) is sold for a firm \$25m, and the upward price trend continues with the sale of *Alpha Prudence* (178,002-dwt, 2008 SWS) for \$24.5m.

A strong price has been recorded for the Japanese built *Amis Miracle* (62,601-dwt, 2018 Oshima). She is recorded sold at 34.35m, ahead of current benchmarks.

Older tonnage is finding it a little tougher, and the discounts for weak survey positions seem to be growing. The TESS58 design *Titan I* (58,090-dwt, Tsuneishi Cebu) is sold for just \$16.2m with surveys due, while the Dolphin57 design *Jag Rani* (56,819-dwt, 2011 COSCO Zhoushan) was likewise discounted to \$13.6m with drydock due.

And so finally to the tailender, in the Handy sector, the logger *Transformer OL* (28,375-dwt, 2009 Imabari) is sold for a low \$9.2m. Again, her surveys are due.

Reported Dry Bulk Sales

| Vessel | DWT | Built | Yard | Gear | Buyer | Price | Comment |
|-----------------------|---------|-------|----------------|-----------|---------------|----------|-----------------|
| <i>Azure Ocean</i> | 180,184 | 2007 | Imabari | | Chinese | \$25.0m | |
| <i>Nord Magnes</i> | 179,546 | 2011 | HHIC – PHI | | Chinese | \$31.5m | Scrubber Fitted |
| <i>Alpha Prudence</i> | 178,002 | 2008 | SWS | | | \$24.5m | |
| <i>Amis Miracle</i> | 62,601 | 2018 | Oshima | C 4 x 30T | | \$34.35m | |
| <i>Titan I</i> | 58,090 | 2009 | Tsuneishi Cebu | C 4 x 30T | Gurita Lintas | \$16.2m | SS/DD due |
| <i>Jag Rani</i> | 56,819 | 2011 | COSCO Zhoushan | C 4 x 30T | | \$13.6m | DD due |
| <i>Transformer OL</i> | 28,375 | 2009 | Shimanami | C 4 x 31T | | \$9.2m | SS/DD due |



06 September 2024

Tanker Commentary

As the fallow summer months come to an end, most are feeling refreshed and ready to have strong finish to the year. It appears MR tankers are the flavour of the week with five vessels reported sold.

Scorpio continue to sell-out more of their ten-year-old eco MR2s. *STI San Antonio* & *STI Texas City* (49,990-dwt, 2014 SPP) reportedly being picked up for \$42.5m each with delivery in Q4 this year. This is a firm price comparing to the last sold MR built at SPP also from Scorpio, which was the year younger *STI Manhattan* (49,990, 2015 SPP) that achieved a price of \$40.5m back in May of this year.

A third eco product tanker has also been sold. *Tenacity* (50,143-dwt, 2014 GSI) has been bought by Aerio Ship Management at a price rumoured to be in the region of \$40m. If true, this would be a very strong number against the same aged Korean built tonnage also sold this week.

At the vintage end of the market, SPM Shipping has offloaded *Pioneer* (49,000-dwt, 2005 DSME) for \$18m. A year younger sister *Bahri Rose* (49,631-dwt, 2006 DSME) sold for the same price at the end of last year. The strength in prices for MR tankers remains in the older assets too.

To round up this week's tanker sales, Norwegian owners Tailwind AS are reported to have sold *Lyderhorn* (33,849-dwt, 2006 Shin Kurushima - Stainless Steel) for \$26.6m with drydock due next month. A slight premium against same aged sister *Ulriken* (33,888-dwt, 2006 Shin Kurushima - Stainless Steel) which sold for \$26m in July with better survey positions.

Reported Tanker Sales

| Vessel | DWT | Built | Yard | Buyer | Price | Comment |
|-----------------|--------|-------|----------------|----------------------|---------|---------------------------|
| Tenacity | 50,143 | 2014 | GSI | Aerio Shipmanagement | \$40.0m | SS/DD freshly passed |
| STI San Antonio | 49,990 | 2014 | SPP | | \$85.0m | Enbloc - Q4 delivery |
| STI Texas City | | | | | | |
| Pioneer | 49,000 | 2005 | DSME | | \$18.0m | |
| Lyderhorn | 33,849 | 2006 | Shin Kurushima | | \$26.6m | Stainless Steel DD due |

Should you have any queries about the content of this report or require any services of Hartland Shipping Services, please contact:

**Hartland Shipping Services Ltd,
London**

Tel: +44 20 3077 1600

Email: chartuk@hartlandshipping.comEmail: snpuk@hartlandshipping.comEmail: consult@hartlandshipping.com**Hartland Shipping Services Ltd,
Shanghai**

Tel: +86 21 2028 0618

Email: newbuild@hartlandshipping.com**Hartland Shipping Services Pte. Ltd,
Singapore**

Tel: +65 8223 4371

Email: chartops.sg@hartlandshipping.com

© Copyright Hartland Shipping Services Ltd 2024. ALL RIGHTS RESERVED.

No part of this publication may be reproduced, stored in a retrieval system, or transmitted, on any form or by any means, electronic, mechanical, photocopying, recording, or otherwise, without the prior written permission of Hartland Shipping Services Ltd.

All information supplied in this paper is supplied in good faith, Hartland Shipping Services Limited does not accept responsibility for any errors and omissions arising from this paper and cannot be held responsible for any action taken, or losses incurred, as a result of the details in this paper. This paper is distributed to the primary user of the delivery email account and may NOT be redistributed without the express written agreement of Hartland Shipping Services Limited. The primary user may make copies for his or her exclusive use.