



# DRY BULK MONTHLY

JUNE ISSUE | Friday 02 July 2021



## MONTHLY REMARKS

### IRON ORE

WESTERN AUSTRALIA PREMIER URGES MORRISON GOVERNMENT TO RETHINK CHINA STANCE

MIXED FORTUNES FOR AUSTRALIA'S MINERS AS PORT DARWIN SHIPS FIRST IRON ORE SHIPMENT SINCE 2015 WHILE RIO TINTO SUFFERS SETBACK

### COAL

CHINA'S QINHUANGDAO COAL STOCKS EDGE UP

COAL SHIPMENTS FROM AUSTRALIA'S PORT OF GLADSTONE FIND NEW HOME AS CHINA'S BAN ON AUSTRALIAN COAL PERSISTS

### GRAINS

EU REVISE DOWN SOFT WHEAT PRODUCTION AS ALGERIA REJECTS FRENCH WHEAT SHIPMENT

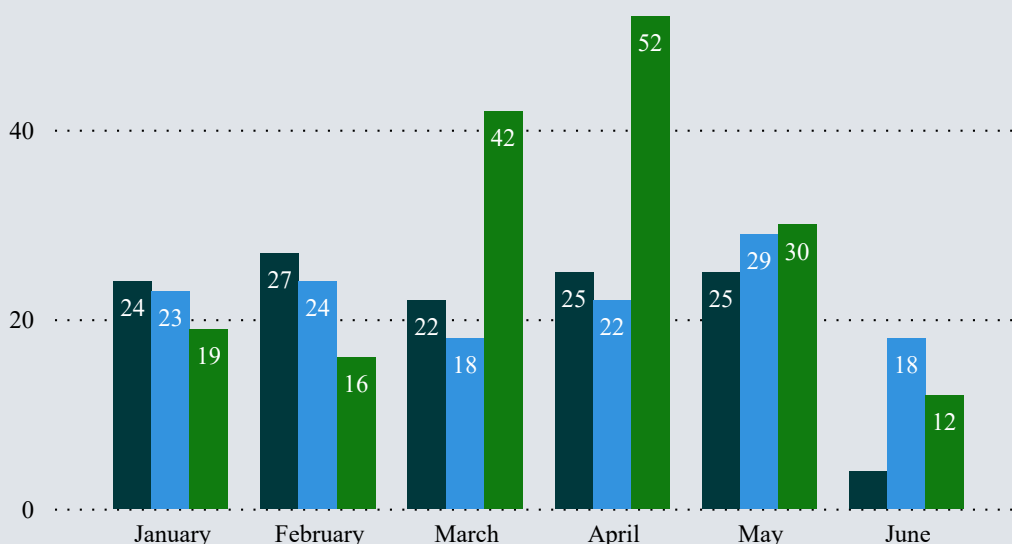
CHINA SET TO IMPORT A RECORD 104 MILLION TONNES OF SOYBEAN IN THE 2020-2021 MARKETING YEAR

CHINA BUYS US CORN AS POOR HARVEST IN SOUTH AMERICA SQUEEZES CORN SUPPLY

Month	S&P Transactions	Newbuilding orders	Demolition Sales
June	94	12	1
May	76	30	2
April	61	52	2
<b>Total</b>	<b>231</b>	<b>94</b>	<b>5</b>

## 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

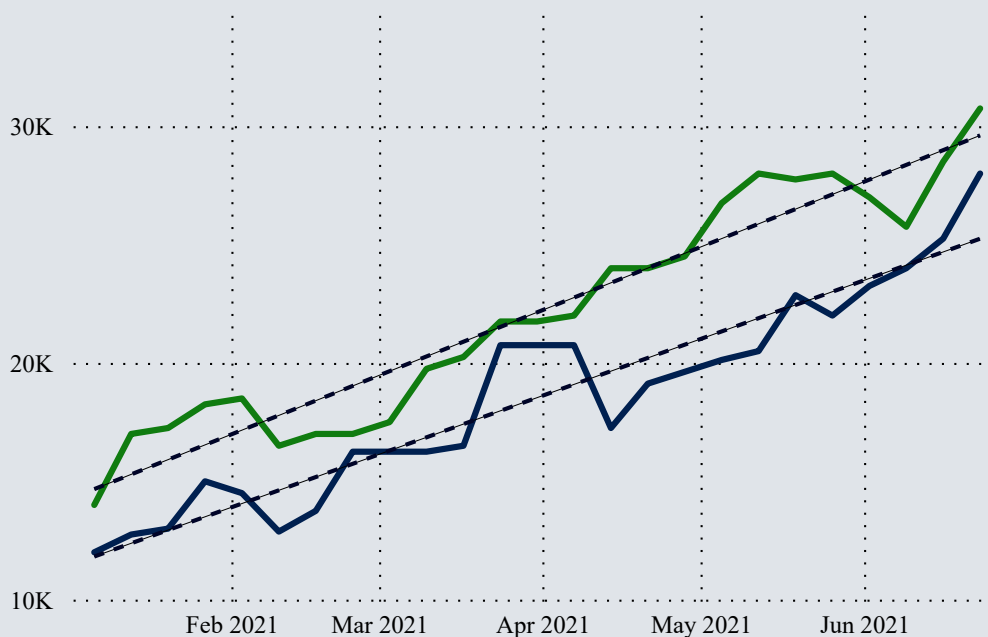
Vessel Tracking and Bunkers

Bulkcarrier Fleet

Monthly Commodities Remarks

## 1Y Timecharter (\$/day)

● CAPESIZE ● PANAMAX



## Transactions June 2021

Week	S&P Sales	Built	DWT	Price (US\$)	Owner	Country of Buyer	Notes
22	AKSON SARA	2010	32,600	\$10,500,000			
22	AMS PEGASUS III	2012	56,521	\$14,700,000	KOREA LINE		
22	BOTTIGLIERI SOPHIE GREEN	2011	93,283	\$16,400,000	BOTTIGLIERI SHIPPING		
22	DESPINA ANGEL	2007	28,534	\$8,300,000	ALMA SHIPMANAGEMENT & TRADING	Greece	
22	ECLIPSE	2010	79,271	\$16,700,000	GOLDEN OCEAN GROUP	Norway	
22	GLOBAL BONANZA	2011	74,916	\$15,500,000	DOUN KISEN		
22	GRACE OCEAN	2013	33,296	\$15,500,000	YANO KAIUN	Greece	
22	HOUYU	2010	55,471	\$15,000,000	NYK BULK & PROJECTS CARRIERS		
22	MARLENE D'AMATO	2012	93,207	\$15,000,000			
22	ORANGE ISLAND	2010	50,806	\$13,000,000	TEMM MARITIME	China	
22	PACIFIC TALENT	2013	56,578	\$15,000,000	KMARIN		
22	PACIFIC TALENT	2013	56,578	\$15,000,000	MING WAH SHIPPING		
22	PANAGIA KORONA	2012	56,600	\$15,200,000	TIMES NAVIGATION		
22	RICH FUTURE	2013	82,197	\$22,000,000	HANDYTANKERS	Greece	
22	SURABHI	2010	56,830	\$12,700,000		China	
22	TERN	2003	50,209	\$9,600,000	EAGLE SHIPPING INTERNATIONAL USA	China	
22	VIET THUAN 35 01	2011	35,200	\$10,500,000			
22	YOU & ISLAND	2011	38,309	\$14,000,000			
22	CLIPPER AEGINA	2010	32,691		CLIPPER BULK	China	\$ 140,500,000 en bloc
22	CLIPPER ALEXANDRIA	2010	32,500			China	\$ 140,500,000 en bloc
22	CLIPPER APOLLONIA	2010	32,755		CLIPPER BULK	China	\$ 140,500,000 en bloc
22	CLIPPER BAROLO	2011	58,923		CLIPPER BULK	China	\$ 140,500,000 en bloc
22	CLIPPER BRUNELLO	2012	58,923		CLIPPER BULK	China	\$ 140,500,000 en bloc
22	CLIPPER KALAVRYTA	2015	63,325		CLIPPER BULK	China	\$ 140,500,000 en bloc
22	CLIPPER KYTHIRA	2015	63,273		CLIPPER BULK	China	\$ 140,500,000 en bloc
22	CLIPPER LIS	2009	28,321		CLIPPER BULK	China	\$ 140,500,000 en bloc
22	CLIPPER TALENT	2009	30,475		CLIPPER BULK	China	\$ 140,500,000 en bloc
22	CLIPPER TARPON	2010	30,427		CLIPPER BULK	China	\$ 140,500,000 en bloc
22	CLIPPER TRIUMPH	2009	30,442		CLIPPER BULK	China	\$ 140,500,000 en bloc
22	ASIA PEARL I	2010	35,300		ASIA MARITIME PACIFIC	Turkey	\$ 40,000,000 en bloc
22	ASIA PEARL II	2009	35,200		ASIA MARITIME PACIFIC	Turkey	\$ 40,000,000 en bloc
22	ASIA PEARL VII	2009	35,300		ASIA MARITIME PACIFIC	Turkey	\$ 40,000,000 en bloc
22	ASIA PEARL VIII	2009	35,300		ASIA MARITIME PACIFIC	Turkey	\$ 40,000,000 en bloc

# Sale & Purchase Market



## Transactions June 2021

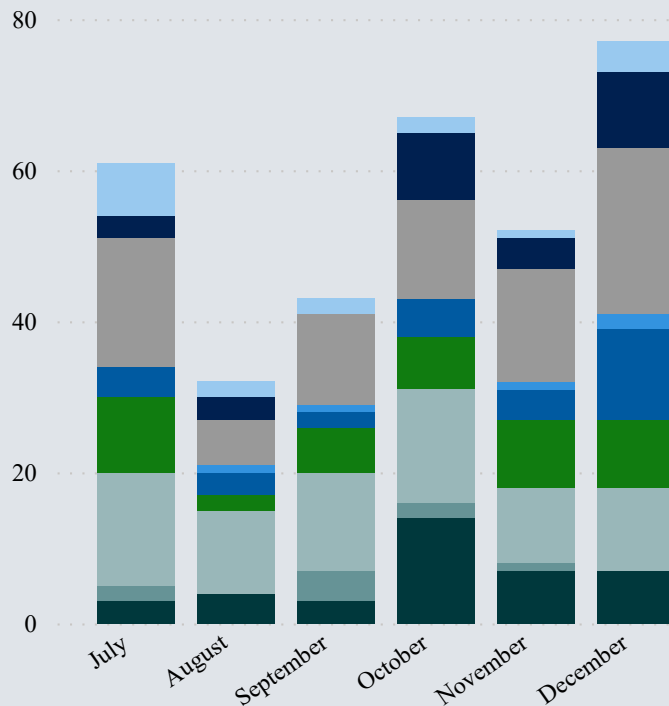
Week	S&P Sales	Built	DWT	Price (US\$)	Owner	Country of Buyer	Notes
24	AMAMI K	2012	58,613	\$19,000,000	ESCOBAL JAPAN		
23	ATHINA	2007	76,635	\$15,700,000	CHRONOS SHIPPING		
24	ATLANTIC HERO	2005	75,804	\$14,900,000	SUN ENTERPRISE		
24	BRIGHT OCEAN	2012	37,207	\$15,000,000	TOYO KAIUN	UK	
24	BULK KYUSHU	2006	180,211	\$20,000,000	DRYLOG SERVICES	China	
24	BULK TITAN	2009	58,090	\$15,000,000	OKOUCHI KAIUN	Greece	
23	CANBERRA	2001	75,410	\$9,500,000	GLOBAL MARINE SHIPMANAGEMENT		
24	CAPRI QUEEN	2009	32,100	\$11,000,000	KOBE SHIPPING		
23	CAPTAIN STEFANOS M	1998	70,529	\$800,000	DIANIK BROSS SHIPPING		
24	CECILIA B	2012	82,154	\$23,000,000	NISSEN KAIUN		
24	CS CAROLINE	2010	30,420	\$10,000,000	CAMPBELL SHIPPING	Middle East	
23	DONAU K	2012	58,682	\$19,500,000	KITAURA KAIUN KK	China	
24	GH DANZERO	2014	63,326		UNION APEX SHIPPING	China	\$129,800,000 enbloc
24	GH DAWN RUN	2018	63,800	\$23,000,000		Greece	
24	GH DESERT ORCHID	2019	63,550			China	
24	GH ECLIPSE	2019	63,519			China	\$129,800,000 enbloc
24	GH GALILEO	2017	63,301		UNION APEX SHIPPING	China	\$129,800,000 enbloc
24	GH SKY BEAUTY	2017	63,398		UNION APEX SHIPPING	China	\$129,800,000 enbloc
24	GH URBAN SEA	2017	63,437		UNION APEX SHIPPING	China	\$129,800,000 enbloc
24	GIULIA I	2014	39,202	\$16,500,000	D'AMICO DRY	UK	
23	INTERLINK COMITY	2010	37,300	\$12,500,000	INTERLINK	Greece	
24	KAGARA	2013	78,129	\$21,000,000	NORIENT PRODUCT POOL		
23	KMARIN BUSAN	2014	63,155	\$20,500,000	HI GOLD OCEAN KMARIN NO.9A		
23	KUMANO MARU	2008	106,507	\$18,500,000			
24	LDN FORTUNA	2011	93,251	\$16,500,000	LIBERTY DI NAVIGAZIONE	China	
23	LEMESSOS QUEEN	2008	76,565	\$17,900,000			
24	LOTUS	2001	48,900	\$8,000,000	GENCO SHIPMANAGEMENT	China	
23	MADONNA III	2007	53,390	\$10,000,000	SINCERE NAVIGATION		
24	MAXIMUS I	2002	18,200	\$4,000,000			
24	NORD OLIVE	2014	56,108	\$22,000,000		Turkey	
24	NS ENERGY	2013	74,559		SCF MANAGEMENT SERVICES	Russia	\$40,200,000 enbloc
24	NS YAKUTIA	2013	74,559		SCF NOVOSHIP	Russia	\$40,200,000 enbloc
23	OCEAN SAGA	2015	82,000	\$21,000,000	PRIMEROSE SHIPPING		
24	ORIENT GENESIS	2014	78,162	\$22,000,000	NEOM MARITIME	Greece	
23	PEAK LIBERTY	2013	82,000	\$25,000,000		China	
23	PEAK PEGASUS	2013	82,000	\$23,000,000	PEAK PROJECT CARRIERS AS	China	
24	POLA ILARIA	2010	37,495	\$12,500,000	INOK	Germany	
23	PRABHU GOPAL	2003	56,060	\$10,500,000	PUNI GOPAL SHIPPING		
24	RAEDA	1997	23,544	\$5,000,000	FGM CHARTERING		
24	SPRING SCENERY	2013	33,847	\$14,500,000	CHINA YANTAI SHIPPING	Greece	
23	STAR ERACLE	2012	58,018	\$15,800,000	G2 OCEAN	China	
24	XIN FENG	2010	79,700	\$16,500,000		Greece	

## Transactions June 2021

Week	S&P Sales	Built	DWT	Price (US\$)	Owner	Country of Buyer	Notes
25	AMBER CHAMPION	2013	63,800	\$20,000,000	GOLDWIN SHIPPING	Greece	
25	CAPE LEGACY	2011	180,161	\$27,000,000	FLEET MANAGEMENT EUROPE		
25	HAMBURG PEARL	2011	35,921	\$14,000,000	SMT SHIPPING		
25	HOUSTON PEARL	2011	35,914	\$14,000,000	SMT SHIPPING		
25	INTERLINK ACUITY	2011	37,152	\$13,000,000	MID ATLANTIC BULK CARRIERS	Greece	
25	JIA TAI	2011	35,112	\$9,000,000	HUAYANG HONG KONG SHIPPING		
25	KING SAIL	2002	177,643	\$12,000,000	JIN FAN INTERNATIONAL COMPANY LIMITED	China	
25	LOWLANDS TENACITY	2011	179,929	\$28,000,000	COBELFRET GROUP	Greeks	
25	MALEN	2011	34,600	\$12,000,000			
25	NANAKURA	2003	91,439	\$12,000,000	NYK LINE		
25	OCEAN CLARION	2009	177,000	\$23,000,000	NYK LINE	Greece	
25	ORIENT ADVENTURE	2011	33,755	\$10,000,000	NORDEN	Greece	
25	STAR PATHFINDER	2015	61,298	\$23,000,000	G2 OCEAN	Norway	
25	VIALLI	2015	63,500	\$22,000,000			
25	WESTERN AIDA	2012	37,000	\$12,500,000	WESTLAKE	Germany	
25	WHITE HAWK	2012	61,360	\$21,000,000	TRITON NAVIGATION	Greece	

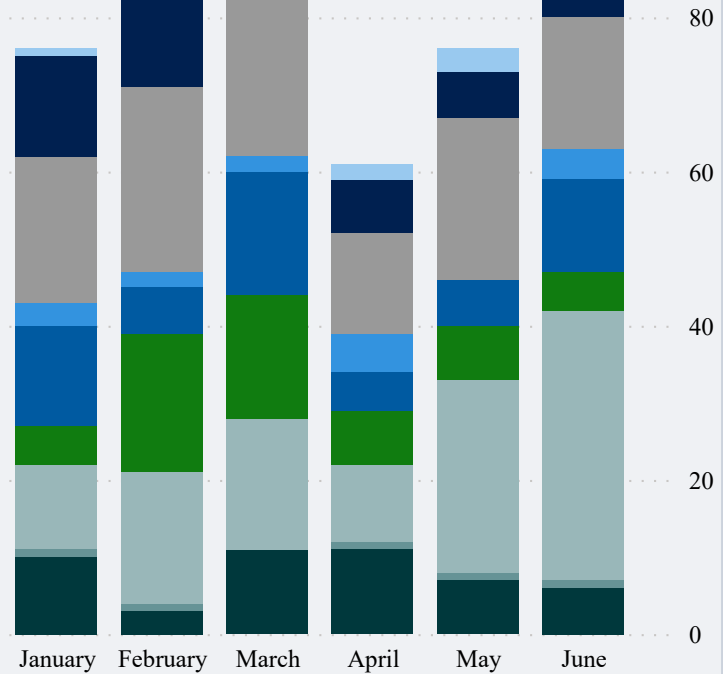
# Sale & Purchase Market

## S&P Sales by Month and Size Group - 2020



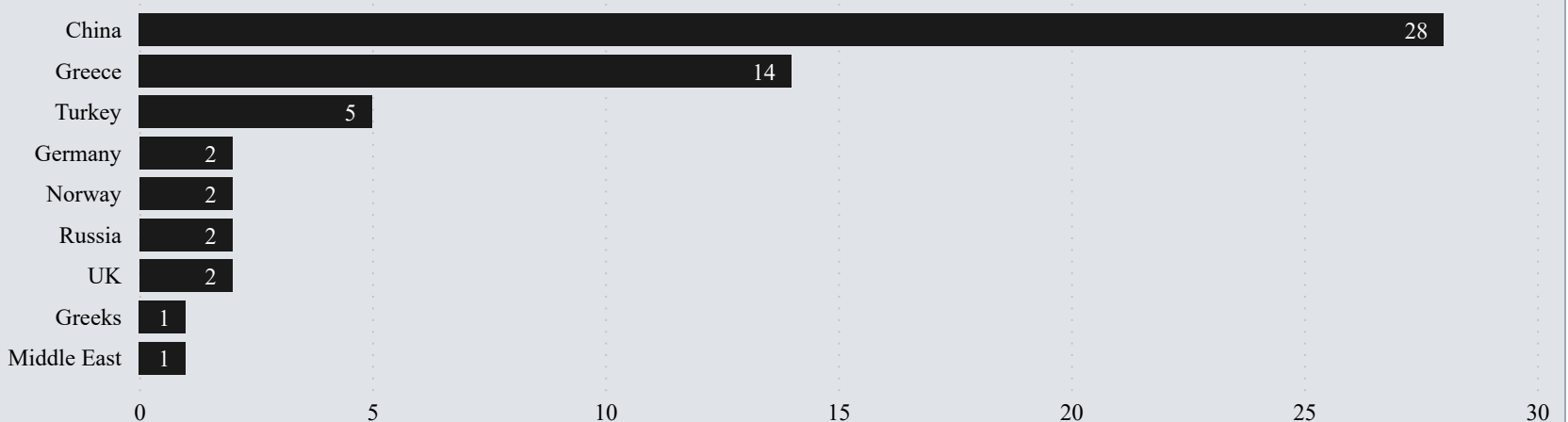
Size Group	July	August	September	October	November	December
VLBC	7	2	2	2	1	4
Ultramax	3	3		9	4	10
Supramax	17	6	12	13	15	22
Post Panamax		1	1		1	2
Panamax	4	3	2	5	4	12
Kamsarmax	10	2	6	7	9	9
Handysize	15	11	13	15	10	11
Handymax	2		4	2	1	
Capesize	3	4	3	14	7	7
<b>Total</b>	<b>61</b>	<b>32</b>	<b>43</b>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

## 2021



Size Group	Jan '21	Feb '21	Mar '21	Apr '21	May '21	June '21
Capesize	10	3	11	11	7	6
Handymax	1	1		1	1	1
Handysize	11	17	17	10	25	35
Kamsarmax	5	18	16	7	7	5
Panamax	13	6	16	5	6	12
Post Panamax	3	2	2	5		4
Supramax	19	24	22	13	21	17
Ultramax	13	13	8	7	6	14
VLBC	1	1		2	3	
<b>Total</b>	<b>76</b>	<b>85</b>	<b>92</b>	<b>61</b>	<b>76</b>	<b>94</b>

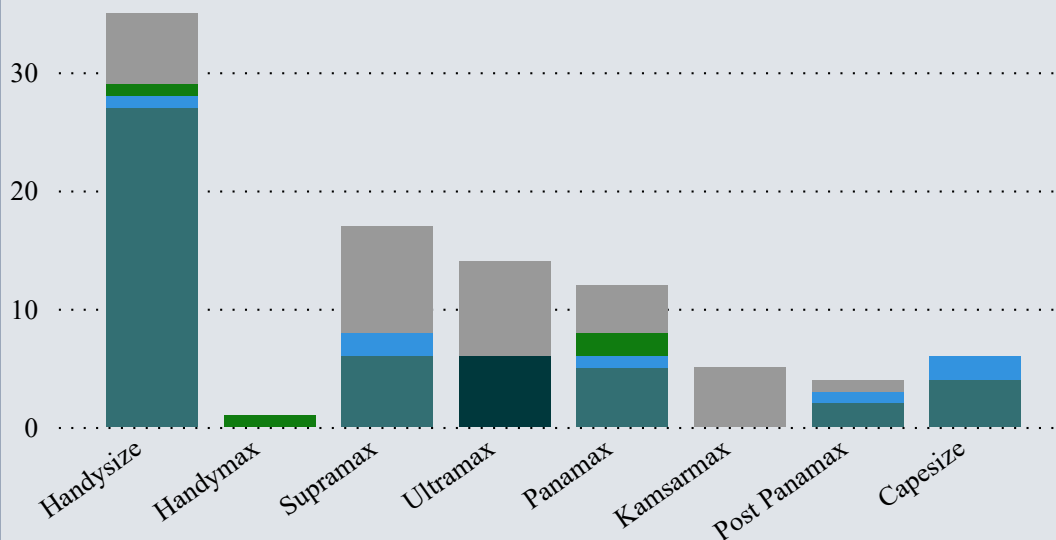
## S&P Sales by Country of Known Buyers - June 2021



# Sale & Purchase Market

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

Age Group ● 0-4 years ● 10-14 years ● 15-19 years ● 20+ years ● 5-9 years



Age Group	0-4 years	5-9 years	10-14 years	15-19 years	20+ years	Total
Handysize		6	27	1	1	35
Handymax					1	1
Supramax		9	6	2		17
Ultramax	6	8				14
Panamax		4	5	1	2	12
Kamsarmax		5				5
Capesize		1	2	1		4
VLBC			4	2		6
<b>Total</b>	<b>6</b>	<b>33</b>	<b>44</b>	<b>7</b>	<b>4</b>	<b>94</b>

## S&P Market Comments

The S&P market picked up in June in terms of volume of transactions. Compared to the last three years, 2021 continues show increased activity regarding second-hand deals.

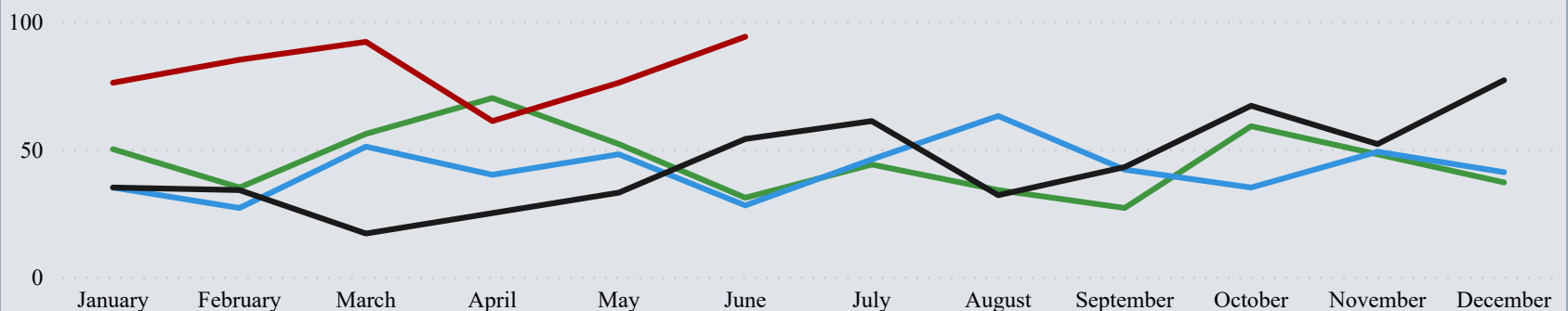
The interest in secondhand ships followed once again the freight market as owners looked for prompt tonnage in the most profitable segments in order to take advantage of the consistent high freight levels.

For the third month in a row Chinese owners remained as the top known buyers in June. Although the total number of transactions was significantly higher, the attention focused once again on Handysize and Supramax vessels. In fact, the number of ships that changed hands in the Handysize segment was up by ten sales compared to the previous month. Similarly, we noted that interest for Ultramax and Panamax ships rebounded, as there were 9 and 6 additional deals respectively. On the other hand, the interest for Capesize vessels remained the same as only 4 ship sales were reported in the last month.

As to the preferred age group, the most demanded range shifted to ships of 10-14 years, although vessels with 5-9 years old were still in the top 2 of the board.

## S&P Sales by Month and Year

Year ● 2018 ● 2019 ● 2020 ● 2021



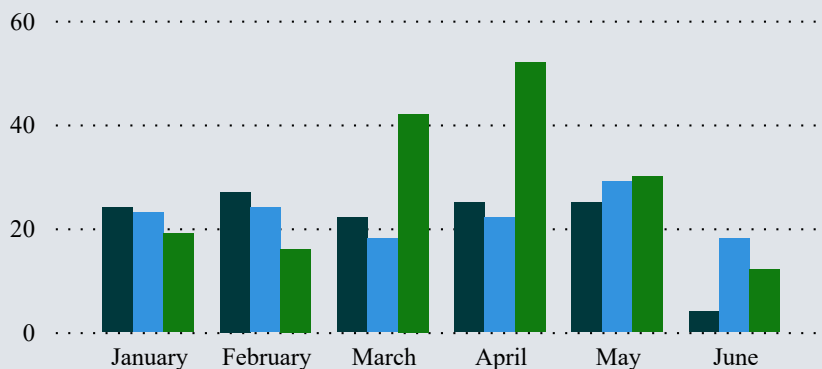
Year	January	February	March	April	May	June	July	August	September	October	November	December	Total
2021	76	85	92	61	76	94							484
2020	35	34	17	25	33	54	61	32	43	67	52	77	530
2019	35	27	51	40	48	28	46	63	42	35	49	41	505
2018	50	35	56	70	52	31	44	34	27	59	48	37	543
<b>Total</b>	<b>196</b>	<b>181</b>	<b>216</b>	<b>196</b>	<b>209</b>	<b>207</b>	<b>151</b>	<b>129</b>	<b>112</b>	<b>161</b>	<b>149</b>	<b>155</b>	<b>2062</b>

## Top 25 Shipbuilders in 2021 by Ordered tonnage (DWT)

Shipbuilder	DWT
NEW TIMES SB, CHINA	3,780,000
NAMURA SHIPBUILDING CO., LTD, JAPAN	3,600,000
QINDAO BEIHAI, CHINA	1,260,000
YAMIC SHIPYARD, CHINA	1,096,600
CHENGXI SHIPYARD, CHINA	1,061,000
BEIHAI SHIPYARD	840,000
JIANGSU HANTONG, CHINA	820,000
DALIAN SHIPBUILDING, CHINA	510,000
BEIHAI, CHINA	420,000
SWS, CHINA	420,000
YANGZIJANG, CHINA	410,000
SWS, CHINA	374,000
JINLING SHIPYARD, CHINA	300,000
SHANGHAIGUAN, CHINA	240,000
NANTONG XIANGYU, CHINA	239,700
OSHIMA SHIPYARD, JAPAN	238,000
OSHIMA, JAPAN	200,000
DACKS, CHINA	183,000
NAMURA SHIPBUILDING, JAPAN	182,000
NEW DAYANG SHIPYARD, CHINA	179,790
SHANHAIGUAN, CHINA	170,000
HUANGPU WENCHONG, CHINA	169,400
JIANGSU YANGZI, CHINA	164,000
NACKS, CHINA	164,000
PENGLAI JINGLU, CHINA	70,000

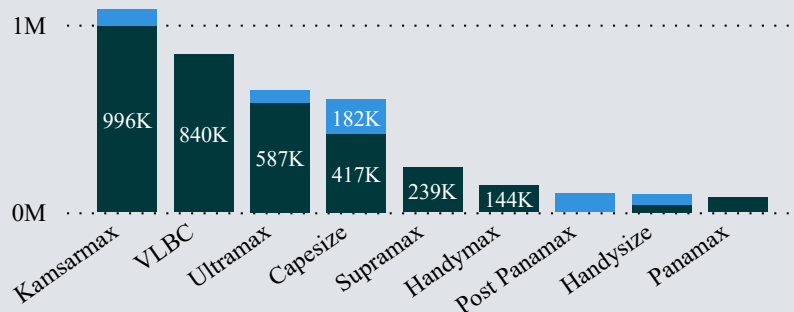
## Newbuilding Orders - No. Ships

Year ● 2019 ● 2020 ● 2021



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

● China ● Japan



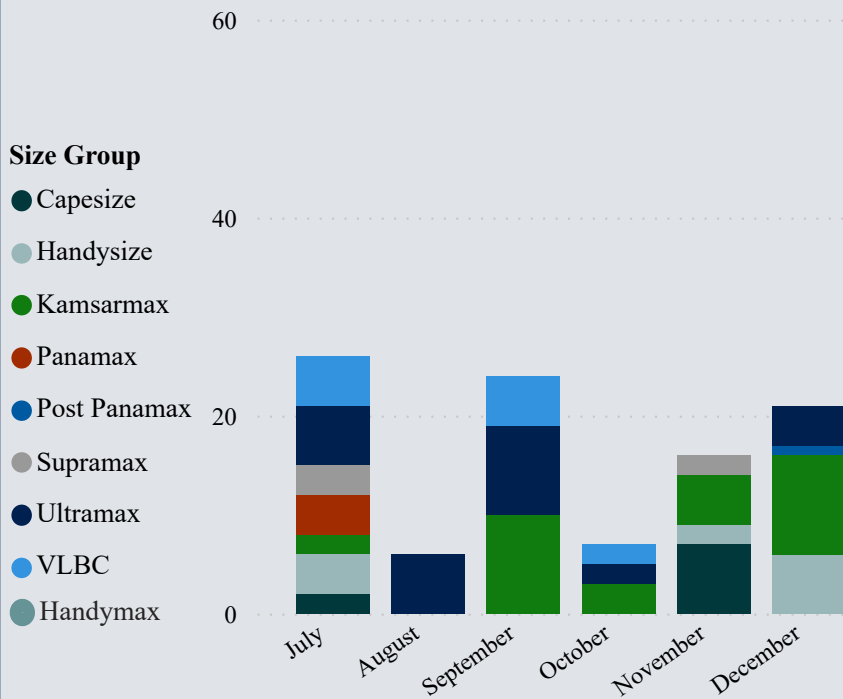
## Newbuilding Orders - June

Week	Size Class	Units	Shipbuilder	Buyer	Delivery
22	Handysize	1	YANGZI-MITSU	ALGOMA CENTRAL CORPORATION	2024
23	Kamsarmax	3	CHENGXI SHIPYARD, CHINA	QINGDAO DA TONG	2023
23	Handysize	2	HAKODATE, JAPAN	SEASTAR SHIPHOLDINGS	2022
23	Capesize	1	NAMURA SHIPBUILDING, JAPAN	OOLDENDORFF CARRIERS	2023
24	Panamax	4	CHENGXI SHIPYARD, CHINA	PT INDAH KIAT PULP & PAP	2023
24	Panamax	1	PENGLAI JINGLU, CHINA	FUJIAN DONGYI SHIPPING	2022

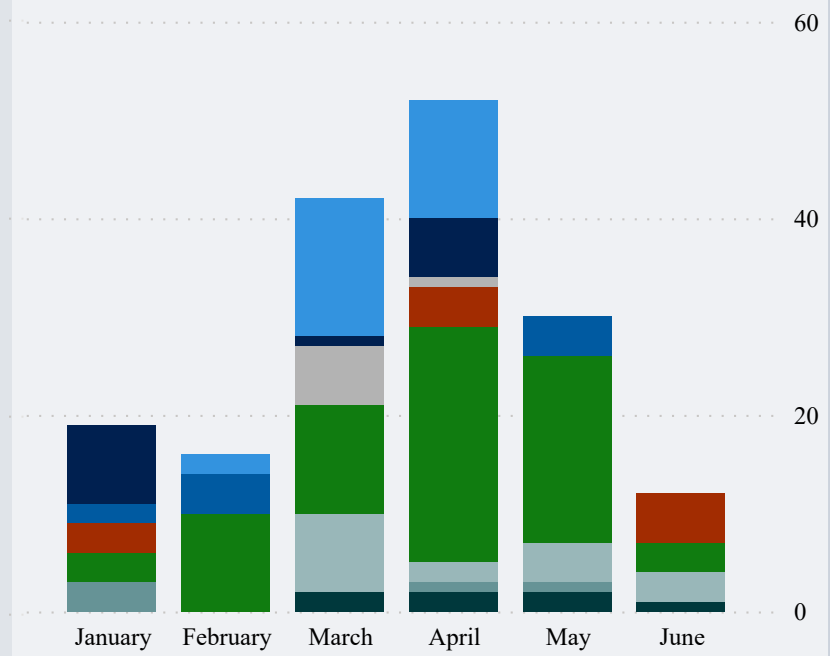
# Shipbuilding Market



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



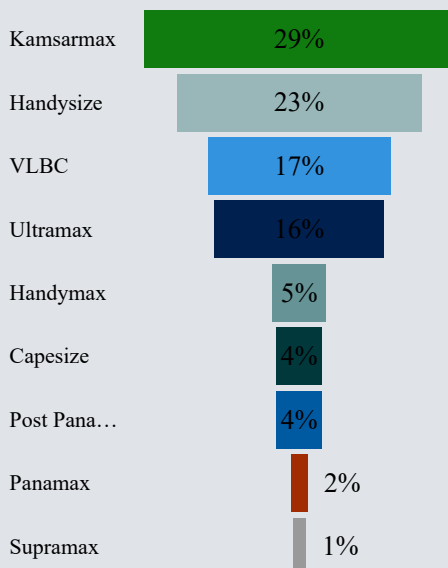
## 2021



Size Group	July	August	September	October	November	December	Total
Kamsarmax	2		10	3	5	10	30
Ultramax	6	6	9	2		4	27
Handysize	4				2	6	12
VLBC	5		5	2			12
Capesize	2				7		9
Supramax	3				2		5
Panamax	4						4
Post Panamax						1	1
<b>Total</b>	<b>26</b>	<b>6</b>	<b>24</b>	<b>7</b>	<b>16</b>	<b>21</b>	<b>100</b>

Size Group	Jan'21	Feb'21	Mar '21	Apr '21	May'21	June'21
Kamsarmax	3	10	11	24	8	3
VLBC		2	14	12		
Handysize			8	2	4	3
Ultramax	8		1	6		
Panamax	3			4		5
Newcastlemax					11	
Post Panamax	2	4			4	
Capesize			2	2	2	1
Supramax			6	1		
Handymax	3			1	1	
<b>Total</b>	<b>19</b>	<b>16</b>	<b>42</b>	<b>52</b>	<b>30</b>	<b>12</b>

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



## Shipbuilding Market Comments

The past month has seen the fewest vessels since October 2020 with 12 vessels ordered. The bulk of the orders were for Panamax vessel, with 5 ordered. 3 Kamsarmax were ordered continuing a streak dating back 9 months. Orders were down 60% m-o-m, 6 units less than was ordered in June 2020.

The interesting newbuild order this month was Ooldendorff's Capesize eco-bulker deal with Japan's Namura shipbuilding which will run on a Mitsui-MAN B&W 6G70ME-C9.5(EGRBP) NOX Tier III main engine. Japan has been picking up order orders in this month. This is as Chinese yards are lacking capacity with the Chinese government building new naval ships in the state-owned yards. This could herald a new era for Japan shipbuilding yards whose best years have been behind them.

The shipping industry has this month seen the chatter around its role in climate change intensify. However, it remains to be seen how regulators would proceed beyond the current targets for IMO 2050. Regardless there is strong evidence shipping can become carbon neutral in the future, with the delivery of the gas powered Fure Viten with an EEDI score of 4.65.

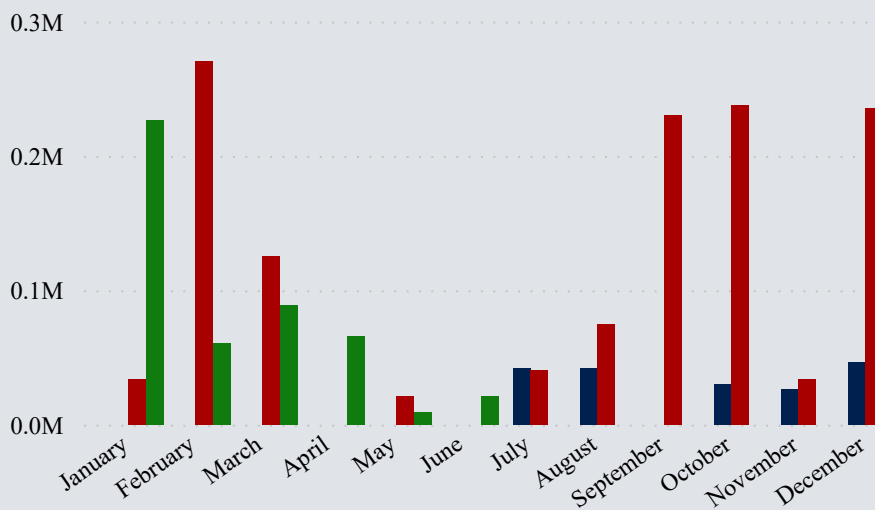


## Transactions - June

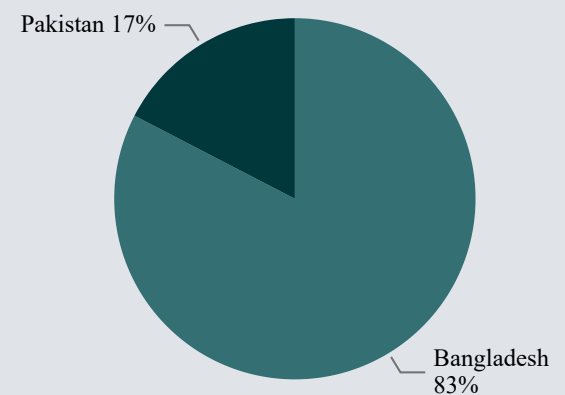
Week	Vessel	Vessel Age	Location of Delivery	USD / LDT	LDT (MT)
24	WIN WIN	20	Bangladesh	580	20980

## Demolition Activity - LDT by Month

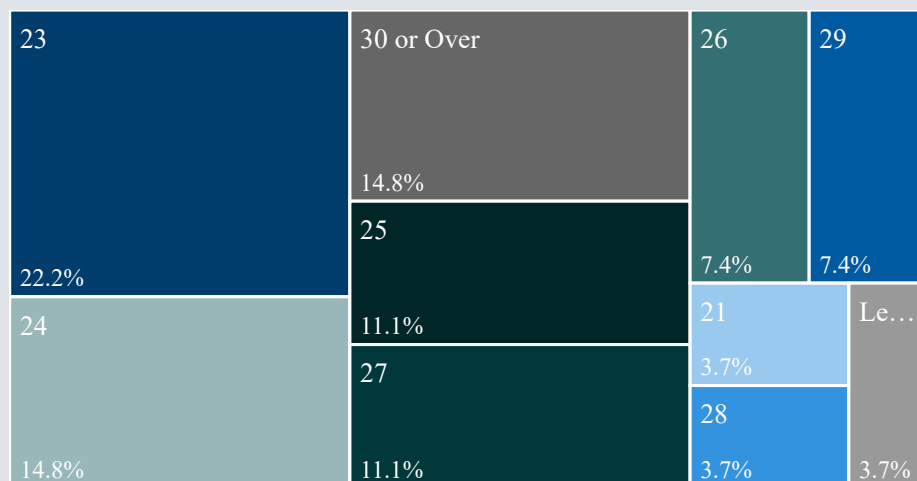
Year ● 2019 ● 2020 ● 2021



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



## Count of Vessel (%) by Vessel Age - 2021



## Ship scrap prices (\$/LDT)



## Demolition Market Comments

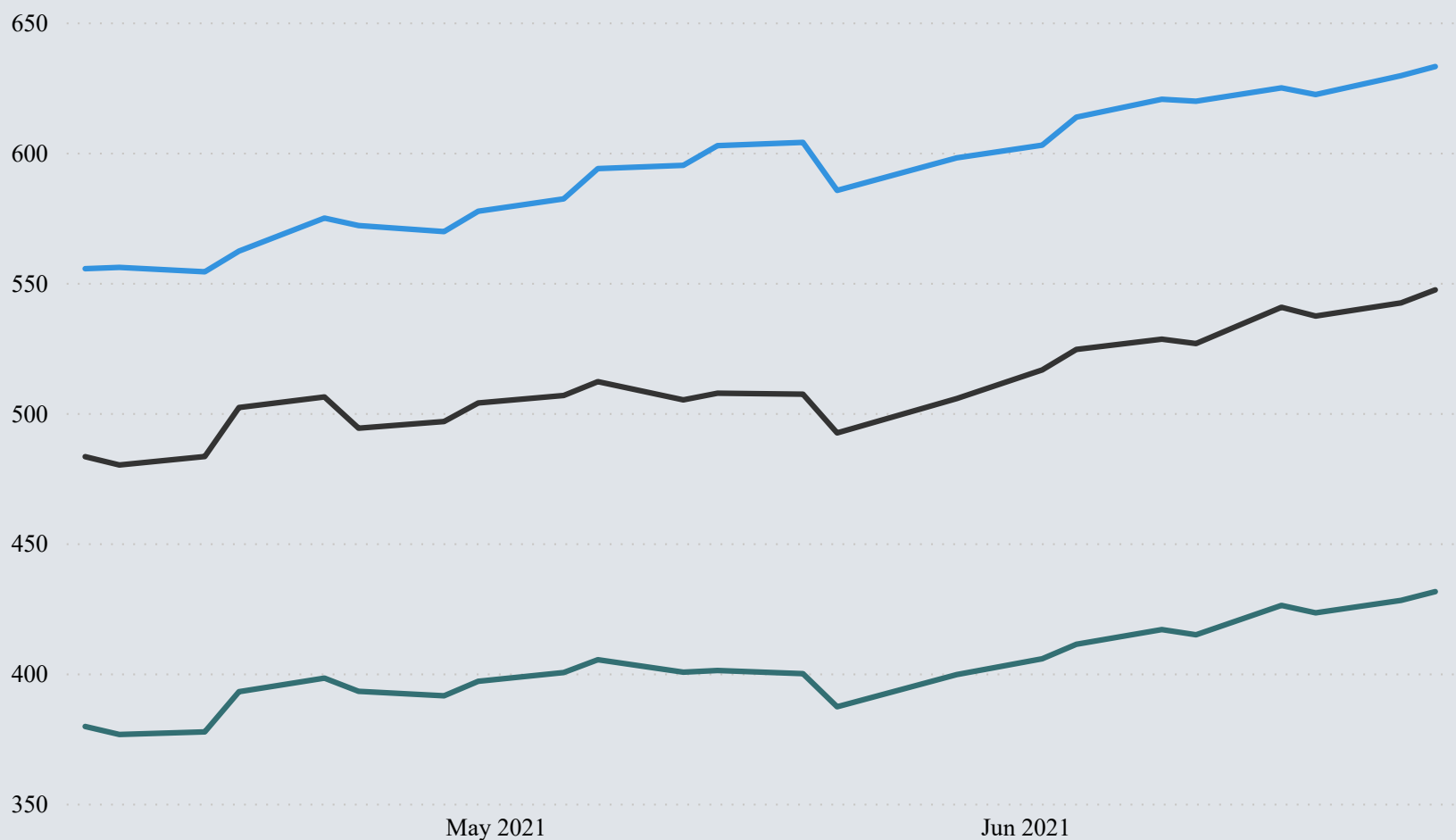
Demolition market continues to lack the important element (tonnage) that it needs to thrive despite LDT rates and demand remaining elevated. A slew of setbacks propelled by the resurgence of the Covid pandemic has set the demolition market on the back foot in the last month.

Demolition market has largely kept to panned to expectations in the last weeks, with 1 bulk carriers reported sold to shipbreakers, despite the high steel demand and buyers offering eye catching rates. The Greek owned WIN WIN Was sold to Bangladesh cash buyers for USD580/LDT, the 20-year-old vessel was built in Japan by Jmu Kure Shipyard.

Recyclers have mainly been on edge in the past month watching budget announcements, despite been deemed favourable, market sentiments remain unchanged with the monsoon season underway. Furthermore, concerns remain regarding the state of covid infections in the Indian sub-continent. While India has passed its peak in the recent wave, Bangladesh has just begun weeks of tightening restriction as infections hit a new peak. Gaddani shipbreakers are holding out for improvements in the local rupee despite local scrap demand strengthening.

## Average of Price (\$/mt) by Date and Fuel

Fuel ● IFO380 ● MGO ● VLSFO



Port	VLSFO	MGO	IFO380	Port	VLSFO	MGO	IFO380
<b>Fujairah</b>				<b>New York</b>			
02 June 2021	515.00	621.50	413.00	02 June 2021	509.50	614.50	403.00
09 June 2021	528.50	641.50	420.50	09 June 2021	525.50	625.00	412.00
16 June 2021	535.50	642.50	433.00	16 June 2021	553.50	622.00	436.00
23 June 2021	540.00	662.50	435.50	23 June 2021	543.50	633.00	420.00
<b>Hong Kong</b>				<b>Rotterdam</b>			
02 June 2021	513.00	552.50	406.50	02 June 2021	504.50	567.00	393.50
09 June 2021	531.00	574.00	420.50	09 June 2021	514.50	579.50	398.00
16 June 2021	543.50	587.50	425.50	16 June 2021	525.00	591.50	409.50
23 June 2021	549.50	599.50	430.50	23 June 2021	527.50	587.50	407.00
<b>Houston</b>				<b>Santos</b>			
02 June 2021	499.50	584.50	387.00	02 June 2021	525.00	677.00	
09 June 2021	520.50	613.50	403.50	09 June 2021	523.00	699.00	
16 June 2021	533.00	617.50	409.50	16 June 2021	534.00	696.00	
23 June 2021	532.50	612.50	419.50	23 June 2021	538.00	701.00	
<b>LA/Long Beach</b>				<b>Singapore</b>			
02 June 2021	546.00	633.00	437.00	02 June 2021	520.00	573.00	399.50
09 June 2021	557.50	642.00	452.00	09 June 2021	526.50	589.50	411.50
16 June 2021	562.00	644.00	447.00	16 June 2021	538.50	598.00	422.50
23 June 2021	568.00	641.00	461.50	23 June 2021	539.50	599.50	422.50

## IRON ORE

### WESTERN AUSTRALIA PREMIER URGES MORRISON GOVERNMENT TO RETHINK CHINA STANCE

The Western Australian Premier has urged the central government to stop antagonizing China, the country's top trade partner. The State's premier Mark McGowan was speaking at Australia's biggest oil and gas industry conference said, "This isn't about kowtowing to other countries and giving in". Western Australia is the country's biggest exporting state and the largest iron ore producer in the world. This is as China continues to intensify plans to replace Australian imports, after the informal coal and wine bans.

The Scott Morrison government's ties with China have continued to deteriorate after Australia called for an independent investigation into the origins of the novel coronavirus. China has gradually replaced Australian products such as wine and coal with outright bans and increased tariffs. A Chinese economic planning agency said last month it was looking to diversify China's supply of iron ore. "While an outright ban would be almost unimaginable, various forms of restrictions, delays or increased administrative burdens on Australian iron ore imports could yet happen," Wood Mackenzie said in a recent note. Meanwhile the battle between the two trade partners have shifted to the WTO. China and Australia have both lodged complaints at the WTO against trade restrictions and unfair practices.

*Source: Mining.com*

### MIXED FORTUNES FOR AUSTRALIA'S MINERS AS PORT DARWIN SHIPS FIRST IRON ORE SHIPMENT SINCE 2015 WHILE RIO TINTO SUFFERS SETBACK

A shipment of Iron ore would leave Australia's Northern Territory Port of Darwin last week as Miners across the country push to take advantage of high iron ore prices. Australian mining firm NT Bullion plans to ship around 30,000t of lump from Darwin this week. It owns the 2mn-3mn t/yr Frances Creek mine in the NT and while mining has restarted, most of this shipment is from stocks left from the last operator of the mine. Frances Creek closed in 2015 when iron ore prices fell below \$50/t cfr China, causing its owner trading firm Noble to write off \$93mn in operating losses.

This will be the first shipment of iron ore from Darwin since 2015, although the port does regularly ship iron and steel scrap to destinations including India and Taiwan. Darwin's shipments of iron ore peaked at around 2mn t in the year to 30 June 2014 before weak prices closed all the iron ore mines in the NT. High iron ore prices have led to a rush of investment into the NT, with Vietnamese steel producer Hoa Phat acquiring the Roper Valley iron ore project this month. Rio Tinto is has entered its fifth week with no shipments from its 45mn t/yr East Intercourse Island (EII) berths, weighing against stronger shipments from the three other largest producers in the Pilbara region of Western Australia (WA) in the week to 12 June. The four largest WA producers — Rio Tinto, BHP, Fortescue Metals and Roy Hill — loaded vessels with a combined 18.31mn deadweight tonnes (dwt) of capacity in the latest week, up from 16.57mn dwt in the week ending 5 June. Loadings were 7pc above the average of 17.17mn dwt/week over the past year, despite Rio Tinto not shipping anything from its EII berths at Dampier since 20 May. (The deadweight tonnage is the maximum capacity of the vessel and overestimates actual shipments by around 5pc). Rio Tinto loaded vessels with 6.17mn dwt capacity in the week to 12 June, up from 5.6mn dwt the previous week, as it used the latent capacity in its rail and port systems to push up exports out of its other berths at Dampier and through Cape Lambert. Its shipments were still 8pc below its annual rolling average of 6.65mn dwt/week, as maintenance work continues at the EII site.

*Source: Argus News*

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## COAL

### CHINA'S QINHUANGDAO COAL STOCKS EDGE UP

Coal stocks at China's key coal transshipment port of Qinhuangdao increased, with utilities resisting higher spot prices despite a tightly supplied market heading into the high-demand summer season when increased air-conditioning use typically pushes up coal consumption. Some buyers in northeast China have started winter restocking now instead of August-September because of supply uncertainty, underscoring the impact of China's supply shortfall and potentially indicating more aggressive competition for limited cargoes, market participants said.

Coal inventories at Qinhuangdao port were at 5.09mn t as of yesterday, up from 4.88mn t a week earlier, according to data from coal industry association the CCTD. Offtake levels were at 3.07mn t in the week to yesterday, down from 3.46mn t a week earlier. Inbound deliveries were at 3.28mn t in the week to yesterday, up from 3.17mn t a week earlier. The vessel queue at Qinhuangdao port averaged 45.7/d for the week to yesterday, down from 46.71/d a week earlier, according to *Argus'* calculations based on CCTD data. There have been recent market discussions that safety inspections at coal mines, which have curtailed production, may be eased after the 100th anniversary of the founding of the Chinese communist party on 1 July. But this appears unlikely given a recent spate of high-profile mining accidents. There have been two mining-related accidents in the coal-producing heartland of Shanxi province so far this month involving multiple fatalities.

Any production curbs in Shanxi as a result of heightened inspections may directly restrict deliveries to Qinhuangdao as this port receives most of its coal from the province. At China's other coal transshipment port of Caofeidian, coal inventories were at 4.19mn t yesterday, down from 4.46mn t a week earlier, according to the CCTD. Recent government investigations on Caofeidian port over allegations of coal hoarding have pressured some sellers to release cargoes, spurring some liquidity. Offtake levels at the port were at 1.58mn t in the week to yesterday, down from 1.64mn t a week earlier. Inbound deliveries were at 1.33mn t in the week to yesterday, down from 1.5mn t a week earlier. The vessel queue at Caofeidian port averaged 21.7/d for the week to yesterday, down from 23/d a week earlier, according to *Argus'* calculations based on CCTD data.

*Source: Argus Media*

### COAL SHIPMENTS FROM AUSTRALIA'S PORT OF GLADSTONE FIND NEW HOME AS CHINA'S BAN ON AUSTRALIAN COAL PERSISTS

Above-average coal shipments to Japan, India and South Korea from Australia's port of Gladstone in Queensland, as well as diversification into new markets, partially offset a lack of sales to China. Trade flows continued to adjust to Beijing's ban on Australian coal imports in May, with sales to Japan, India and South Korea increasing and the tail of export destinations growing. Gladstone is the only Queensland coal port to give destination data and the May data show coal mining firms continuing to adapt to the new trade situation and diversifying their customer base. This follows a similar pattern in the Australian trade data for national exports of metallurgical and thermal coal in April.

May was the seventh successive month that Gladstone shipped no coal to China. Shipments to Japan, India and South Korea were all higher than the year-earlier month, which might have been depressed by Covid-19 lockdowns in mid-2020. They were also significantly higher during January-May 2021 than they were in the same period of both 2020 and the pre-pandemic year of 2019, implying that the increase was not solely related to 2020 lockdowns. Total coal shipments from Gladstone were 5.44mn t, up from 5.28mn t in April but down from 5.57mn t in May 2020, according to data from Gladstone Ports (GPCL). They were down by 5pc in January-May compared with the same period in 2020 and by 7pc from 2019. June is usually a strong month for Gladstone coal shipments ahead of the end of the Australian financial year on 30 June, with the ship queue increasing to around 32 ships on 7 June compared with an average of around 20 ships.

*Source: Argus Media*

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## GRAINS

### EU REVISE DOWN SOFT WHEAT PRODUCTION AS ALGERIA REJECTS FRENCH WHEAT SHIPMENT

The European Commission on June 24 revised down its soft wheat production forecast for the European Union in marketing year 2021-22, to 125.8 million tonnes compared with last month's projection of 126.2 million. If realized, the output would still be 7% higher than last year's drought-affected total of 117.2 million tonnes.

The Commission pegs soft wheat exports from the EU's 27 member countries at 30 million tonnes in 2021-22, compared to this year's projected total of 27 million tonnes. The current marketing year ends on June 30. Meanwhile, imports for the coming marketing year are forecast at 2.7 million tonnes, and the Commission projects ending stocks of 10.1 million tonnes, down from last month's 10.8 million but higher than the 8.8 million tonnes expected to be in reserve at the end of 2020-21. The Commission also made projections for 2021-22 production in barley, down 1 million tonnes from last month's forecast to 53.5 million tonnes; corn, 70.6 million tonnes, down 400,000 from its May projection; and rapeseed, 16.7 million.

Meanwhile, Algeria has rejected a shipment of 27,000 tonnes of French milling wheat as unfit for consumption after two dead animals were found in the cargo, state news agency APS reported on Wednesday, citing the country's agriculture minister. Algerian authorities are seeking compensation for the shipment, which is to be sent back to France, Abdelhamid Hamdani was quoted as saying.

The decaying animals were found in the past week in two separate batches of the cargo, the minister said during a press conference. Algeria is one of the world's biggest wheat importers and France one of its main suppliers. The North African country has also rejected a cargo of 33,000 tonnes of Canadian durum wheat for not meeting specifications, local media outlet Ennahar reported last week.

Source: Argus Media

### CHINA SET TO IMPORT A RECORD 104 MILLION TONNES OF SOYBEAN IN THE 2020-2021 MARKETING YEAR

Chinese state-owned importers bought at least eight cargo shipments of U.S. soybeans, or at least 480,000 tonnes last month, the country's largest U.S. soybean purchases in 4-1/2 months, two U.S. traders familiar with the deals said. The deals, which were for shipment from U.S. Pacific Northwest ports mostly in October, came after new-crop November soybean futures SX1 on the Chicago Board of Trade tumbled nearly 7% on Thursday to the lowest point since March.

China had slowed its U.S. soybean purchases in recent months as cheaper shipments of newly harvested Brazilian soybeans became available and as U.S. soybean prices soared to the highest in about 8-1/2 years. But this week's price plunge gave the world's largest soybean importer a chance to secure purchases needed for later in the year to feed its hog herd, the world's largest. Concerns are also growing that drought could reduce the U.S. harvest and further raise prices. China has largely focused on feed grain purchases from the United States this spring, booking record volumes of U.S. corn and sorghum as China's domestic corn prices soared to historic highs. China is forecast to import all-time high levels of 100 and 104 million mt in 2020-21 and 2021-22 marketing years (October -September).

Source: Argus Media, SP Global Platts

### Wheat Price (\$/t)



### Soybean Price (\$/bl)



### Corn Price (\$/bl)



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## GRAINS

### CHINA BUYS US CORN AS POOR HARVEST IN SOUTH AMERICA SQUEEZES CORN SUPPLY

Argentina's 2020-21 corn harvest have seen further delays compared with the same time last year, as the high moisture of corn grain and unfavourable weather conditions, continue to slow the pace of field operations. The Argentinian corn harvest progressed by 3.2 percentage points to 34.1pc complete in the seven days to 2 June, slowing from 3.3 percentage points a week earlier, Buenos Aires Cereals Exchange (Bage) data show.

This was also considerably below 55.6pc harvested at the same time a year earlier. The harvest in northern Argentina is expected to gain pace in the next few weeks as humidity levels drop with medium-term forecasts for dry weather. But ground conditions are still unfavourable for harvest in parts of the Buenos Aires and La Pampa regions, Bage said. And overall corn yields averaged 8.5 t/hectares (ha), with Bage keeping its 2020-21 production estimate unchanged at 46mn t, down by 5.5mn t from 51.5mn t in 2019-20.

In Brazil, second corn crop is expected to reach a five-year low due to severe drought, according to AgRural, Reuters reported. Brazilian farmers in the center south are expected to produce 60 million tonnes of second corn, a drop of 5 million tonnes from the May forecast and a 17-million-tonne drop from the consultancy's first projection. Expected yields of 77.5 60-kg bags per hectare is the lowest for the region since 2016, Reuters said.

Meanwhile US corn continues to benefit from the woes of south American corn. US corn exports ticked up in the 2020-21 marketing year based on strong foreign demand and reduced competition, according to a report from the Foreign Agricultural Service of the US Department of Agriculture. US corn exports for the 2020-21 marketing year is estimated at about 73 million tonnes. If realized, it would be the largest US corn export season ever and valued at \$17.9 billion, according to the USDA. The previous record was set in the 2017-18 marketing year with 63.7 million tonnes valued at \$11.6 billion.

Source: Argus Media, Reuters, AgRural, World Grain

### Wheat Price (\$/t)



### Soybean Price (\$/bl)



### Corn Price (\$/bl)



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