



Capesize & Panamax FFA Daily Report

London +44 20 7090 1120 - info@freightinvestor.com | Singapore +65 6535 5189 - info@freightinvestor.asia
 Shanghai +86 21 6335 4002 | Dubai +971 4 4493900

06 May 2021

Capesize Panamax Commentary

Capesize - Today's FFA summary: Started off being sold, continued being sold, and never stopped being sold although selling appetite waned on the close. We close the day significantly weaker than yesterday but worth noting, despite the bloodbath, we are at last Thursday's closing levels (or just above) and everyone was very excited about the closing curve that night... Now, some food for thought. Rockets do not fly perpendicular to gravity. They do not go straight up except in the initial phase of launch. Their engines are not used to directly counter gravity, they are merely used to accelerate the vehicle to orbital velocity which is also called escape velocity. In recent weeks, the capes, despite not being aircraft, have rocketed straight up, accelerating through 11 consecutive 'up' days on the index. With the derivative flying high each and every day, this had led some to think that cape FFA's were in fact the new bitcoin and would just continue up, up and away. Let's take a step back, breathe and collect our thoughts. Despite this sell off today, and the run for the hills at escape velocity by the sellers, fundamentally, zero has changed. We are still at \$42,852 on the index and although the futures are pricing in a considerable drop, the crew change issues, the quarantine rules and the supply/demand picture remain incredibly positive. 'Profit taking', 'risk management' and 'the market was long' are all phrases that have been thrown about today and all are correct together with 'stop out central', 'this is getting silly now' and 'can this day just end?' The super cycle, like capes and rockets cannot go at full speed ahead 24/7. It may have developed a slow puncture but punctures can be repaired and who knows? The next cycle may be bigger, better and faster..... Lets see what tomorrow, and more importantly, the rest of the year brings.

Panamax - Morning sellers applied the pressure and we dipped early on, May trading \$24500, June \$24500 and Q3 to \$21500. The day then continued to yoyo, pushing up, May+June to \$25500 high, Q3 to \$22500 before then dipping again late on before finding support at the days lows at the close. Cal22 saw good volume trade between \$15250-15600 and further out any sharp bids were picked off early, Cal23 \$12900 and Cal24 \$11000.

Capesize 5 Time Charter Average

| Spot | 42852 | Chg | -1965 |
|------|-------|-----|-------|
| MTD | 43543 | | |
| YTD | 20994 | | |

| | Per | Bid | Offer | Mid | Chg |
|--------|-----|-------|-------|-------|-------|
| May 21 | | 39000 | 40000 | 39500 | -6250 |
| Jun 21 | | 38500 | 39500 | 39000 | -4750 |
| Jul 21 | | 34000 | 35000 | 34500 | -4250 |
| Q3 21 | | 31250 | 31500 | 31375 | -3500 |
| Q4 21 | | 26000 | 26500 | 26250 | -2250 |
| Q1 22 | | 15250 | 15750 | 15500 | -1125 |
| Q2. 22 | | 19250 | 19750 | 19500 | -1750 |
| Q3. 22 | | 23500 | 24000 | 23750 | -1000 |
| Q4. 22 | | 22500 | 23000 | 22750 | -1000 |
| Cal 22 | | 20150 | 20550 | 20350 | -1250 |
| Cal 23 | | 17750 | 18000 | 17875 | -875 |
| Cal 24 | | 15250 | 15500 | 15375 | -525 |
| Cal 25 | | 14250 | 14750 | 14500 | -200 |

Panamax 4 Time Charter Average

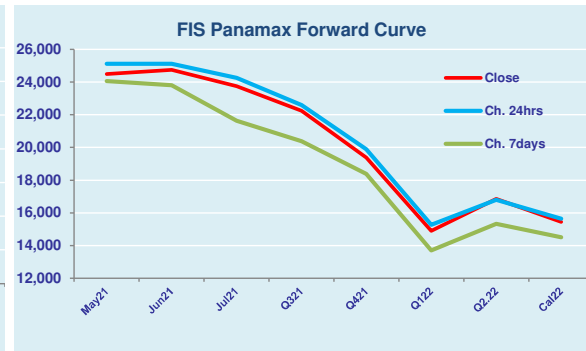
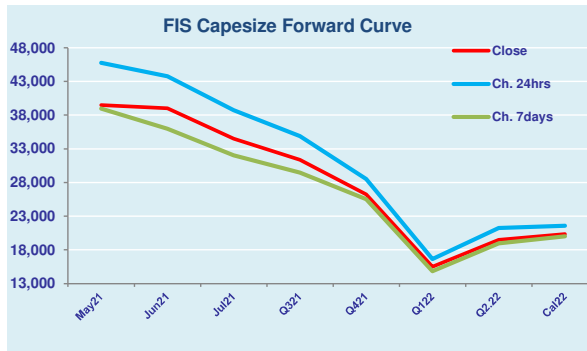
| Spot | 24846 | Chg | 548 |
|------|-------|-----|-----|
| MTD | 24108 | | |
| YTD | 18111 | | |

| | Per | Bid | Offer | Mid | Chg |
|--------|-----|-------|-------|-------|------|
| May 21 | | 24250 | 24750 | 24500 | -625 |
| Jun 21 | | 24500 | 25000 | 24750 | -375 |
| Jul 21 | | 23500 | 24000 | 23750 | -500 |
| Q3 21 | | 22000 | 22500 | 22250 | -350 |
| Q4 21 | | 19250 | 19500 | 19375 | -525 |
| Q1 22 | | 14800 | 15000 | 14900 | -375 |
| Q2. 22 | | 16600 | 17100 | 16850 | 50 |
| Q3. 22 | | 15000 | 15500 | 15250 | -375 |
| Q4. 22 | | 14500 | 15000 | 14750 | -125 |
| Cal 22 | | 15350 | 15550 | 15450 | -200 |
| Cal 23 | | 12800 | 13000 | 12900 | -175 |
| Cal 24 | | 10900 | 11100 | 11000 | -75 |
| Cal 25 | | 10000 | 10250 | 10125 | 25 |

Spread Ratio

| Spread | Ratio |
|--------|-------|
| 18006 | 1.72 |
| 19435 | 1.81 |
| 2883 | 1.16 |

| | Spread | Ratio |
|--------|--------|-------|
| May 21 | 15000 | 1.61 |
| Jun 21 | 14250 | 1.58 |
| Jul 21 | 10750 | 1.45 |
| Q3 21 | 9125 | 1.41 |
| Q4 21 | 6875 | 1.35 |
| Q1 22 | 600 | 1.04 |
| Q2. 22 | 2650 | 1.16 |
| Q3. 22 | 8500 | 1.56 |
| Q4. 22 | 8000 | 1.54 |
| Cal 22 | 4900 | 1.32 |
| Cal 23 | 4975 | 1.39 |
| Cal 24 | 4375 | 1.40 |
| Cal 25 | 4375 | 1.43 |



Disclaimer: The information provided in this communication is not intended for retail clients. It is general in nature only and does not constitute advice or an offer to sell, or the solicitation of an offer to purchase any swap or other financial instruments, nor constitute any recommendation on our part. The information has been prepared without considering your investment objectives, financial situation, or knowledge and experience. This material is not a research report and is not intended as such. FIS is not responsible for any trading decisions taken based on this communication. Trading swaps and over-the-counter derivatives, exchange-traded derivatives, and options involve substantial risk and are not suitable for all investors. You are advised to perform an independent investigation to determine whether a transaction is suitable for you. No part of this material may be copied or duplicated in any form by any means or redistributed without our prior written consent. Freight Investor Services Ltd (FIS) is authorised and regulated by the Financial Conduct Authority (FRN: 211452) and is a member of the National Futures Association ("NFA"). Freight Investor Services PTE Ltd ('FIS PTE') is a private limited company, incorporated and registered in Singapore with company number 200603922G, and has subsidiary offices in India and Shanghai. Freight Investor Solutions DMCC ('FIS DMCC') is a private limited company, incorporated and registered in Dubai with company number DMCC1225. Further information about FIS including the location of its offices can be found on our website at www.freightinvestorservices.com

FIS Capesize & Panamax FFA Daily Report

London +44 20 7090 1120 - info@freightinvestor.com | Singapore +65 6535 5189 - info@freightinvestor.asia
 Shanghai +86 21 6335 4002 | Dubai +971 4 4493900

06 May 2021

Capesize C3

| | | | |
|------|-------|-----|-------|
| Spot | 30.73 | Chg | -0.91 |
| MTD | 30.89 | | |
| YTD | 20.18 | | |

| Per | Bid | Offer | Mid | Chg |
|--------|-------|-------|-------|------|
| May 21 | 30.00 | 31.00 | 30.50 | 0.00 |
| Jun 21 | 29.00 | 30.00 | 29.50 | 0.00 |
| Jul 21 | 27.50 | 28.50 | 28.00 | 0.00 |
| Q3 21 | 25.75 | 26.75 | 26.25 | 0.00 |
| Q4 21 | 23.75 | 24.75 | 24.25 | 0.00 |
| Cal 22 | 17.75 | 18.75 | 18.25 | 0.00 |
| Cal 23 | 15.50 | 16.50 | 16.00 | 0.00 |

Capesize C5

| | | | |
|------|-------|-----|-------|
| Spot | 14.56 | Chg | -0.79 |
| MTD | 14.83 | | |
| YTD | 9.02 | | |

| Per | Bid | Offer | Mid | Chg |
|--------|-------|-------|-------|-------|
| May 21 | 14.00 | 15.00 | 14.50 | -0.63 |
| Jun 21 | 13.00 | 14.00 | 13.50 | -0.50 |
| Jul 21 | 12.25 | 13.00 | 12.63 | -0.25 |
| Q3 21 | 11.25 | 11.75 | 11.50 | 0.00 |
| Q4 21 | 10.00 | 11.00 | 10.50 | 0.00 |
| Cal 22 | 8.25 | 8.75 | 8.50 | 0.00 |
| Cal 23 | 7.00 | 8.00 | 7.50 | 0.00 |

Spread Ratio

| | | | |
|--------|-------|-------|------|
| Spread | 16.16 | Ratio | 2.11 |
| | 16.07 | | 2.08 |
| | 11.16 | | 2.24 |

| Spread | Ratio |
|--------|-------|
| 16.00 | 2.10 |
| 16.00 | 2.19 |
| 15.38 | 2.22 |
| 14.75 | 2.28 |
| 13.75 | 2.31 |
| 9.75 | 2.15 |
| 8.50 | 2.13 |

Capesize C7

| | | | |
|------|-------|-----|-------|
| Spot | 16.85 | Chg | -0.17 |
| MTD | 16.85 | | |
| YTD | 11.39 | | |

| Per | Bid | Offer | Mid | Chg |
|--------|-------|-------|-------|------|
| May 21 | 15.75 | 16.75 | 16.25 | 0.00 |
| Jun 21 | 15.75 | 16.75 | 16.25 | 0.00 |
| Jul 21 | 14.50 | 15.50 | 15.00 | 0.00 |
| Q3 21 | 14.00 | 15.00 | 14.50 | 0.00 |
| Q4 21 | 13.25 | 14.25 | 13.75 | 0.00 |
| Cal 22 | 12.00 | 12.50 | 12.25 | 0.00 |
| Cal 23 | 10.75 | 11.25 | 11.00 | 0.00 |
| Cal 24 | 10.00 | 10.75 | 10.38 | 0.00 |

Panamax P1A

| | | | |
|------|-------|-----|------|
| Spot | 22300 | Chg | 1075 |
| MTD | 21275 | | |
| YTD | 18933 | | |

| Per | Bid | Offer | Mid | Chg |
|--------|-------|-------|-------|-----|
| May 21 | 22500 | 23500 | 23000 | 0 |
| Jun 21 | 22500 | 23500 | 23000 | 0 |
| Jul 21 | 21500 | 22500 | 22000 | 0 |
| Q3 21 | 21500 | 22500 | 22000 | 0 |
| Q4 21 | 19250 | 20250 | 19750 | 0 |

Panamax P8

| | | | |
|------|-------|-----|--------|
| Spot | 55.51 | Chg | -0.278 |
| MTD | 55.11 | | |
| YTD | 45.51 | | |

| Per | Bid | Offer | Mid | Chg |
|--------|-------|-------|-------|------|
| May 21 | 52.00 | 59.00 | 55.50 | 5.85 |
| Jun 21 | 52.00 | 59.00 | 55.50 | 8.50 |
| Jul 21 | 45.00 | 50.00 | 47.50 | 5.85 |
| Q3 21 | 44.00 | 49.00 | 46.50 | 5.50 |
| Q4 21 | 40.00 | 45.00 | 42.50 | 3.85 |

Panamax 2A

| | | | |
|------|-------|-----|-----|
| Spot | 36486 | Chg | 350 |
| MTD | 35781 | | |
| YTD | 28416 | | |

| Per | Bid | Offer | Mid | Chg |
|--------|-------|-------|-------|-------|
| May 21 | 34250 | 35250 | 34750 | -1250 |
| Jun 21 | 34000 | 35000 | 34500 | -1250 |
| Jul 21 | 32500 | 33500 | 33000 | -1250 |
| Q3 21 | 31500 | 32500 | 32000 | -1000 |
| Q4 21 | 28500 | 29500 | 29000 | -500 |

Panamax 3A

| | | | |
|------|-------|-----|-----|
| Spot | 28788 | Chg | 518 |
| MTD | 28056 | | |
| YTD | 19531 | | |

| Per | Bid | Offer | Mid | Chg |
|--------|-------|-------|-------|-----|
| May 21 | 27000 | 28000 | 27500 | 0 |
| Jun 21 | 27000 | 28000 | 27500 | 0 |
| Jul 21 | 25500 | 26500 | 26000 | 0 |
| Q3 21 | 23000 | 24000 | 23500 | 0 |
| Q4 21 | 20000 | 21000 | 20500 | 0 |

Spread Ratio

| | | | |
|--------|------|-------|------|
| Spread | 7698 | Ratio | 1.27 |
| | 7724 | | 1.28 |
| | 8886 | | 1.45 |

| Spread | Ratio |
|--------|-------|
| 7250 | 1.26 |
| 7000 | 1.25 |
| 7000 | 1.27 |
| 8500 | 1.36 |
| 8500 | 1.41 |

Spot Price Source: Baltic

Page 2 of 2