

■ EU freights bounce as sanctions bite ■ Asian and European spot FOB prices turn negative

Acid freights lower but strong underlying fundamentals support rosy outlook

Stainless-steel asset prices are supported, so are time charter rates; evidence that owners not only say the market will go up, but truly believe it.

Nevertheless, near term sentiment in the East deflated in February (a bit like the Chinese spy-balloon), amid a lack of cargos which pressured acid freights lower on the month.

Worsening rates for palm oil, which tumbled further during the month, contributed to lower assessments on average.

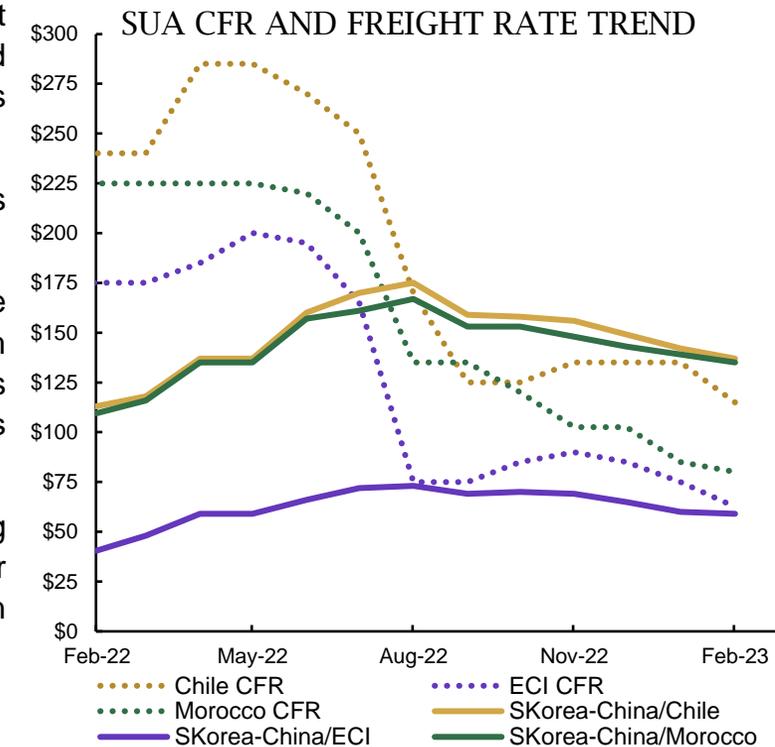
An avalanche of sulphuric acid tenders failed to prop up freight rates, as traders struggled to place material in an overall softer price environment.

But declining sulphuric acid prices against comparatively firmer sulphur prices could see activity in the former ramp up, as buyers with the ability to switch seek cost savings.

That development could harden freight rates in the weeks to come.

In the West, rates and acid prices were firmer. Freight rates found support from volatility in CPP markets, which rallied as EU and G-7 nations took aim at Russia's petroleum sales.

Disruption in the clean tanker space is being viewed as a positive by chemical tanker owners, as operators look to capitalize on supply-side inefficiencies.



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FE - India (\$Bss19kt)		SUA India (CFR)		Copper (LME 3-MONTH)		Nickel (LME 3-MONTH)		Bunkers (Singapore-VLSFO)	
\$59.50	2%	\$63	17%	\$8,802	4%	\$25,505	13%	\$647	0%

Table: Current and monthly price ave, % change on the month.

A series of quarterly results issued by the listed stainless-steel tonnage operators pointed to chemical tanker markets remaining at elevated levels.

Stolt's net operating profit increased to \$95.3mn in the fourth quarter (Q4), up from \$74.7m quarter-on-quarter, while Odfjell's average TCE/day increased to \$31,733/day up from \$29,612/day over the same period. Both cited a low level of swing tonnage due to higher margins in CPP trades, as a contributing factor to tight chemical tanker supply.

It is true that market conditions remain volatile, with inflation and interest rates flattening out, Covid controls in China easing and the instability caused by the Ukraine crisis playing out in the background. But limited fleet growth, reduction in swing tonnage and the slowing down of older tonnage suggest that acid freight will remain at higher levels.

We anticipate that current weaker sentiment East of Suez will be limited to Q1, and freight will firm up once palm oils and higher transpacific sulphuric acid activity return.

Far East

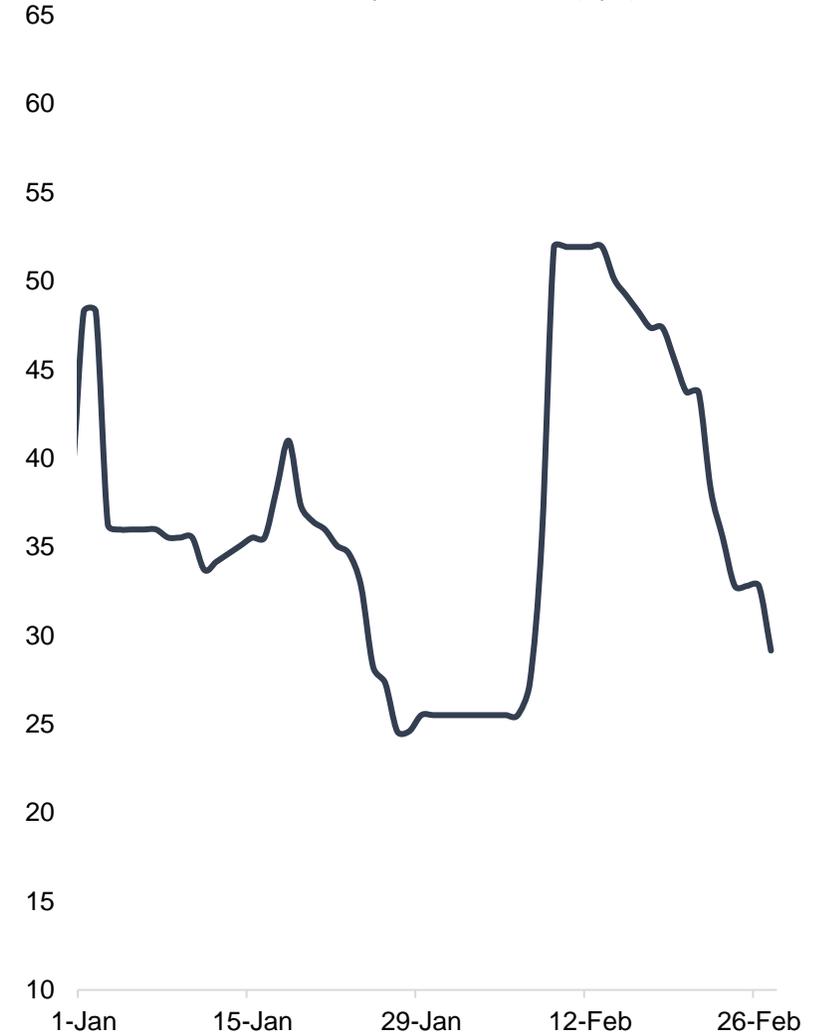
It is safe to say rates were marginally softer in the Far East in February as competition for cargoes was noticeable. But the pressure for Owners to offer significantly below last done levels was not on the menu.

Owners still have the option to parcel chemicals to WCI or further afield, if a full cargo of sulphuric acid was not available ex-FEA. MR rates into the region were above the previous month.

Sales of some acid cargoes were frustrated by weakening regional price sentiment.

Negative FOB was offered ex-Japan for early March loading, while very low single digit FOB was reported ex-Mid China. FOB prices are down across the board. The absence of long-haul acid buying, combined with covered positions in India meant SEA buyers were dictating CFR levels in February. Some Owners considered ballasting up from Straits to load cargoes for discharging in SEA.

TC2 - MR(UKC/TA-37) - AMSTERDAM/NEW YORK (\$/t)



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MONTHLY ANALYSIS JANUARY 23

■ Complicated indicators blur picture
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Acid rates open 2023 session in a mixed fashion

Rates for shipping sulphuric acid East of Suez were softer in January, in contrast to the upward momentum observed last year until the fourth quarter (Q4) when rates corrected then plateaued.

Traders enjoyed a commodity cycle that made a difficult to lose money last year, in an environment where freight rates constituted 50-70% of sulphuric acid CFR values.

Now the winds have changed, and trade is much more marginal, with freight rates occupying a much higher percentage of global CFR values at the turn of the year.

As a result, market participants must exercise creativity to trade and position ships, identify scant arbitrage opportunities or slip out of long positions to at least break even.

Several players have already hedged their exposure to freight fluctuations in buying forward freight rather than speculating on market direction.

Linking COAs at current levels shows confidence that sulphuric acid prices, which have been relatively stable since they crashed in August last year, will remain supported and not drop substantially lower.

The lunar year has prompted a correction in the East, which may represent the calm before a savanna storm kicks off across the West in February.

On forward price direction more broadly, there is a mixed bag of indicators to analyze. Commodity prices are in flux with metals, particularly nickel, promising, fertilizers tumbling and agri-products and energy prices correcting (even in the context of the ongoing Ukraine crisis).

While the Federal Reserve has raised interest rates since early last year to fight inflation, the US dollar devalued against a

FE - India (Basis) 8% **SUA India (Basis)** 12% **Copper (LME (cents))** 9% **Nickel (LME (cents))** -4% **Bunkers (Basis (US\$))** 5%

\$60.50 **\$75** **\$9,210** **\$29,219** **\$645**

Table: Current and monthly price and % change on the month

LOCATION	CHRTN	VESSEL	VOL (KT)	RATE (\$/T)	LAYCAN	LOAD	DISCH	PRODUCT
W.SUEZ	REBRIS	ELCHO GILBY	19	614	10 JAN	RAMBOS	JOSE LASTAR	SUA
W.SUEZ	ULTRA (P&I)	SCHEENEN P&IA	26	11	10 JAN	QUARTERO ANDOR	MEILLONES	SUA
W.SUEZ	BOLEEN	STAR FLOED	18	205	BEOM JAN	RONSHAR	JOSE LASTAR	SUA
W.SUEZ	COOP	FARBLED	17	21	20 JAN	SUN ROTORO	JOSE LASTAR	SUA
W.SUEZ	TRAMBO	MTN PHANG	19	4	205	MTN JAN	SANTA ROSALIA	SAN JUAN DE
W.SUEZ	TRAMBO	CEBUS MEXICO	19	35.12	END JAN	RONSHAR	JACKOBELLE	SUA
E.SUEZ	AMERICA	MTU FANFIELD	19	31	END JAN	DAWELALANG	SAC AL VARR	SUA
E.SUEZ	TRAMBO	OPERATION STELLAR	28	405	END JAN	FRANCOF	MAITY	SUA
E.SUEZ	SORN CORP&Z	TEH	18	1,205	END JAN	ONGAN	MAP TA PLAT	SUA
E.SUEZ	TRICON	STOLT TINI	36	8	405	AM DANIEL	ONGAN	INDONESIA
W.SUEZ	COOP	HANSA	18	22.6	17 FEB	OSWICK	JOSE LASTAR	SUA
E.SUEZ	MTSU	ORIENTAL PROFETA	18	3095	01-30 FEB	HADGMA	FRANSGANG	SUA
E.SUEZ	TRAMBO	ROO TIN	25	8	205	FRANCOF	SAC AL VARR	SUA
W.SUEZ	COOP	ZORING TINI	17	16R	16-19 FEB	STETINI	JOSE LASTAR	SUA
W.SUEZ	COOP	TINI	25	8	205	18-22 FEB	ANTWERP	JOSE LASTAR
W.SUEZ	TRAMBO	WOMAS TINI (FALED)	25	16R	16-20 FEB	SANTA ROSALIA	MEILLONES	SUA
E.SUEZ	TRICON	SUBI	18	19	10 FEB	SAKURAWA	NEALONES	OSL FORF
E.SUEZ	TRICON	OSKJEL TINI	32	11 505.5	01 FEB	FAV EAST	JOSE LASTAR	SUA
E.SUEZ	TRICON	OSKJEL TINI	32	11 505.5	18-20 FEB	FAV EAST	JOSE LASTAR	SUA
E.SUEZ	TRICON	(FALED SUBI)	18	19	21 FEB	FEA	JOSE LASTAR	SUA
E.SUEZ	TRAMBO	STINE TINI	19	14M 505	01 FEB	FEA	JOSE LASTAR	SUA
E.SUEZ	TRAMBO	OSB TINI (ON SUB)	18	8	205	MD FEB DAW	ONGAN	TURCOPIR
W.SUEZ	RETRON	FARBLED TINI	18	8	205	27 FEB - 3 MARCH	MEDICAL	NAPPA
W.SUEZ	TRAMBO	OSKJEL TINI	18	14M 505	11 MARCH	ANTWERP	ROO ORANGE	SUA
E.SUEZ	TRAMBO	MARANO	8	8	14M 505	28 JAN - 1 FEB	AM BUNNA	OSWANG
E.SUEZ	KOAH	CHEMROAD POLARIS	32	8	205	11 FEB	AKADA	MEXELA
W.SUEZ	ZOO	WANGANG TORNEZ	18	840 205	11 FEB	SAP	LUZANO CORWENS	PHOS
W.SUEZ	SUN RT	BOV BRUS	9	82	21-30 JAN	RIKOWES BAY	AG	PHOS
W.SUEZ	RETRON	STOLT TINI	36	8	205	27 FEB	SHARV - V BAP	PHOS

SULPHURIC ACID FREIGHT	CHILE	BRAZIL	EC INDIA	MOROCCO	SEA	USG
Freight from: (Basis 1941 1:1)						
Japan (Spot)	59.0	68.0	25.5	55.0	20.0	54.0
Korea/China (Spot)	58.5	66.0	25.0	54.0	19.5	53.0
ARA (Spot)	59.0	32.0	—	18.0	—	25.0
Weight COI Dated (Spot)	65.0	49.0	21.0	42.0	33.0	69.0
FOB (Basis):						
Japan	41.0	17.0	49.5	20.0	30.0	21.0
Korea/China	41.5	19.0	50.0	21.0	30.5	22.0
ARA	59.0	33.0	—	19.0	—	30.0
Dated	35.0	22.0	54.0	33.0	17.0	15.0
CFR Price:	100.0	85.0	75.0	75.0	50.0	75.0
CFR (Basis):	90-110	75-95	70-80	65-85	45-55	70-80
PHOSPHORIC ACID FREIGHT	WC INDIA	EC INDIA				
Freight from: (Basis 1941 1:1)						
Apple (Spot)	26.0	31.0				
La Habra (Spot)	34.0	38.0				
Richards Bay (Spot)	29.0	30.0				
(to West Java) (COA)	34.0	37.5				
(to West Java) (COA)	35.0	40.0				

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Produced by our dedicated team of brokers and price researchers, our research informs market participants about freight developments and market trends. The company also produces bespoke research on vessel supply and demand and analysis of tonne-mile development.

LOCATION	CHTR	VESSEL	VOL(KT)	RATE (\$/T)	LAYCAN	LOAD	DISCH	PRODUCT
W-SUEZ	ULTRA FIOR	SECO SALARY	19	147.125	10-JAN	HAMBURG	JORF LASFAR	COF
W-SUEZ	BOLDEN	SOUTHERN PRIMA	20	17	10-JAN	QUARTERO ANDOR	MELBOURNE	SUA
W-SUEZ	COCELO	STAR FLOES	19	M 205	BEGUN JAN	ROMSHART	JORF LASFAR	SUA
W-SUEZ	COOP	FARBELD	17	21	24-26 JAN	STETTIN	JORF LASFAR	SUA
W-SUEZ	TRAMBO	MTM PHANG	18	H 305	MED JAN	SANTA ROSALIA	SAN JUAN DE LOS RIOS	SUA
W-SUEZ	TRAMBO	CELESTE MEXICO	18	35.1.2	END JAN	ROMSHART	SOUTHPORT	SUA
E-SUEZ	ABUSIRA	MTM HARFIELD	19	37	END JAN	ZIMWALCARGO	SEA & HAVR	SUA
E-SUEZ	TRAMBO	CHARENTAIS ELLAK	20	405	END JAN	PRINCEP	ARATU	SUA
E-SUEZ	BORN CORFHZ	TIN	18	L 205	END JAN	ORHAN	MAR TA INKAT	SUA
E-SUEZ	TRONK	STOLT TIN	30	M 405	END JAN	ORHAN	JORF LASFAR	SUA
W-SUEZ	COOP	HANGA	16	22.5	1.7 FEB	OSWICK	JORF LASFAR	SUA
E-SUEZ	MESSE	ORIENTAL PROTEA	16	M 205	16-20 FEB	INDONESIA	PANGLOSSING	SUA
E-SUEZ	TRAMBO	WIG TIN	20	M 205	16-20 FEB	PANSEF	SEA & HAVR	SUA
W-SUEZ	COOP	JOCHE TIN	17	405	16-20 FEB	STETIN	JORF LASFAR	SUA
W-SUEZ	COOP	TIN	20	M 105	16-20 FEB	ANTWERP	JORF LASFAR	SUA
W-SUEZ	TRAMBO	BORN	20	405	16-20 FEB	SANTA ROSALIA	MELBOURNE	SUA
E-SUEZ	TRONK	WIMAR TIN (FALD)	18.19	M 105 & CHLE	16-20 FEB	SAGARSHI	MELBOURNE OR JORF LASFAR	SUA
E-SUEZ	TRONK	ODJELL TIN	18	M 405	16-20 FEB	PAN EAST	JORF LASFAR	SUA
E-SUEZ	TRONK	GLORIE GLORY	16-19	L 405	24 FEB	FLA	JORF LASFAR	SUA
E-SUEZ	TRONK	FALD SWED	18	L 405	24 FEB	FLA	JORF LASFAR	SUA
E-SUEZ	TRAMBO	OS TIN (ON SUB)	18	M 205	24 FEB ONW	ORHAN	TUTCHIN	SUA
W-SUEZ	INTRACO	PANFELD TIN	18	M 205	27 FEB 14 HONCH	INDIA	TAMPA	SUA
W-SUEZ	TRAMBO	ODJELL TIN	18	L 405	14 HONCH	ANTWERP	NO GWANDE	SUA
E-SUEZ	COOP	KAPPOE	8	L 405	28 JAN 17 FEB	NO SHARMA	OSWICK	PHOS
E-SUEZ	NOAR	CHEMPOD POLARS	20	M 205	18 FEB	ACABA	KAPOLA	PHOS
W-SUEZ	COOP	WIMARIN TONK	18	M 405	19 FEB	NOI	LAKRO CAROLINE	PHOS
W-SUEZ	SUA INT	BORN SING	9	19	25-29 JAN	ROCHELDS BAY	AD	PHOS
W-SUEZ	INDONESIA	STOLT KANA	30	M 405	2.7 FEB	OSWICK	HAMBURG	PHOS

SULPHURIC ACID FREIGHT	CHILE	BRAZIL	EC INDIA	MOROCCO	SEA	USG
Freight from: (See Tm 1.1)						
Japan (Spot)	59.0	68.0	25.5	55.0	20.0	54.0
Korea/China (Spot)	58.5	66.0	25.0	54.0	19.5	53.0
Arab (Spot)	59.0	59.0	—	58.0	—	59.0
Including CO2 (Spot)	65.0	63.0	21.0	42.9	33.0	69.0
FOB netback:						
Japan	41.0	17.0	49.5	20.0	30.0	21.0
Korea/China	41.5	19.0	50.0	21.0	30.5	22.0
Arab	50.0	53.0	—	50.0	—	50.0
Duba	35.0	22.0	54.0	33.0	17.0	15.0
CFR Price:	100.0	85.0	75.0	75.0	50.0	75.0
CFR Bid-Ask:	90-110	75-95	70-80	65-85	45-55	70-80
PHOSPHORIC ACID FREIGHT	WC INDIA	EC INDIA				
Freight from: (See Tm 1.1)						
Arabia (Spot)	29.0	31.0				
La Chetima (Spot)	34.0	38.0				
Richards Bay (Spot)	28.0	30.0				
(excl. JorfLasf COA)	34.0	37.5				
(excl. JorfLasf COA)	36.0	40.0				



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Southeast Asia

Discharging acid within SEA cost around mid-to-high \$40s/t for 12,000t and mid-to-high \$30s/t for 19,000t in February, which was stable to softer compared with the last month.

What is not helping sulphuric acid rates in the region, particularly for Philippines or South China loading is the death of palm oil shipping since the turn of the year.

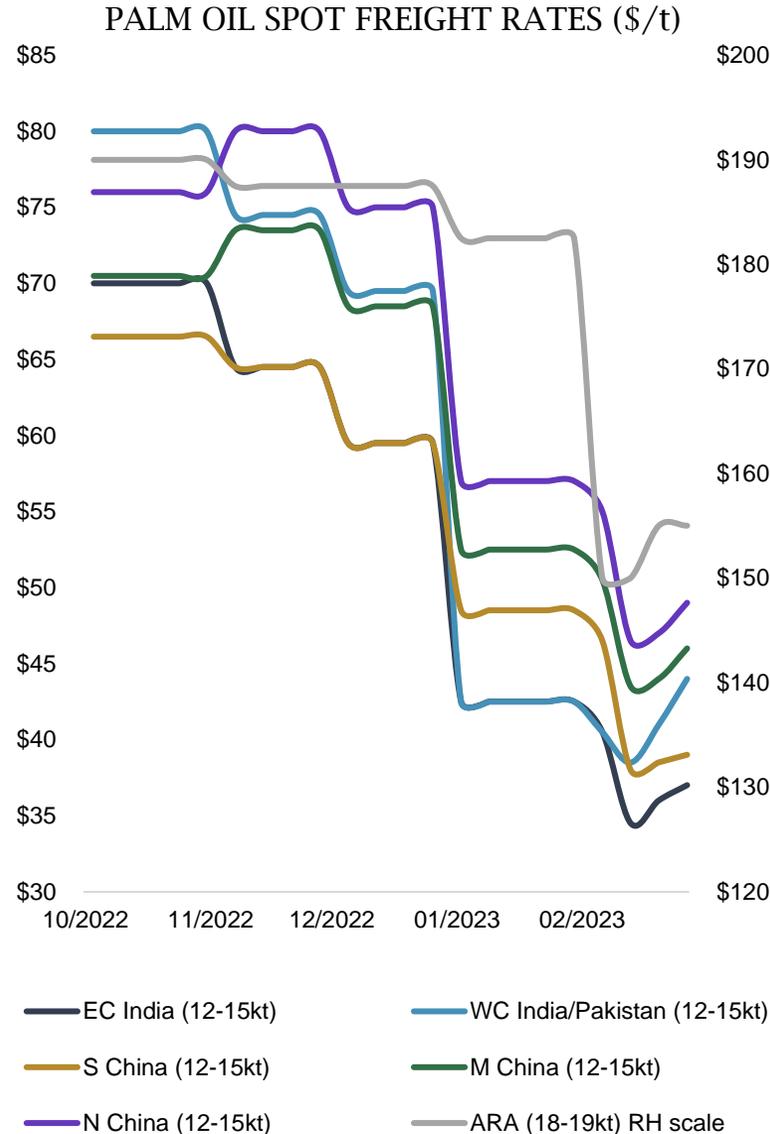
Rates for palm oil have plummeted as demand for the commodity in India and China has fizzled amid high stock levels.

Indonesia, the world's largest producer of palm oil, has limited the issuance of export permits as Ramadan approaches, in a bid to keep a lid on domestic cooking prices.

Malaysia is only expected to reopen the export taps in Q2 when plantations expect a ramp up in production.

Until then, the complex within the region will likely remain soft pressuring acid rates.

Owners open as far as the east coast of India (ECI)



are thinking about bypassing the entire SEA region, to load sulphuric acid in the Philippines up to FEA.

Obi Island closed a tender seeking a 19,000t delivery in early April, after the buyer saw firm prices for dry sulphur.

If awarded, the purchase will mark the Obi Island receivers fifth full cargo shipment of the year, as the buyer leapfrogs many others in the regions import volume rankings.

In Gresik, Petrokimia floated a tender for 120,000t of sulphuric acid for delivery in March-Q2. No award was heard after the enquiry received up to eight offers, with the first cargo for a March loader seemingly scrapped. Some market participants suggested the buyer was just tire-kicking to get a feel on current prices. A buyer in Lhokseumawe also floated a purchase enquiry for 21,000t split into three lots with Q2 delivery.

Delivered prices in SEA were reported to have dropped as low as high \$20s/t CFR which would netback to around minus \$10/t FOB, with freight for 19,000t in the mid-to-high \$30s/t, excluding trader margin.

Australia/New Zealand

Activity ex-Kwinana was noted for a mid-March 20,000t loading in Kwinana. The tender, issued by BHP, attracted a fair bit of interest but was ultimately awarded to Trammo. Trammo is reported to have fixed the Golden Unity for discharge in either SEA or India, some suggested most likely the former. Few vessels were available on dates at the time of fixing.

In New Zealand, fertilizer producer Balance closed a tender for two 8,000t deliveries into Bluff in early April and late May. Freight from FEA was quoted around the \$130/t mark, but no fixtures were reported. It was thought that material would be sourced from Australia, but confirmation was lacking.

India

The cost of shipping sulphuric acid to India from FEA bottomed out in February, putting an end to three consecutive months of declines, while rates from SEA were ostensibly weaker.

There was stiff resistance from Owners to bring levels much below the \$60/t mark in February.

Stubbornly firm freight costs were plaguing Tricon throughout the month. The trader was scrambling to

cover a cargo sold into Tuticorin for March arrival after it became clear no Owner was willing to match their price expectations. A sub fixture was possibly on the cards in the mid-to-high \$50s/t basis part cargo at the time of writing.

Buyers along India's east coast are well covered at present in the run up to turnaround and maintenance season.

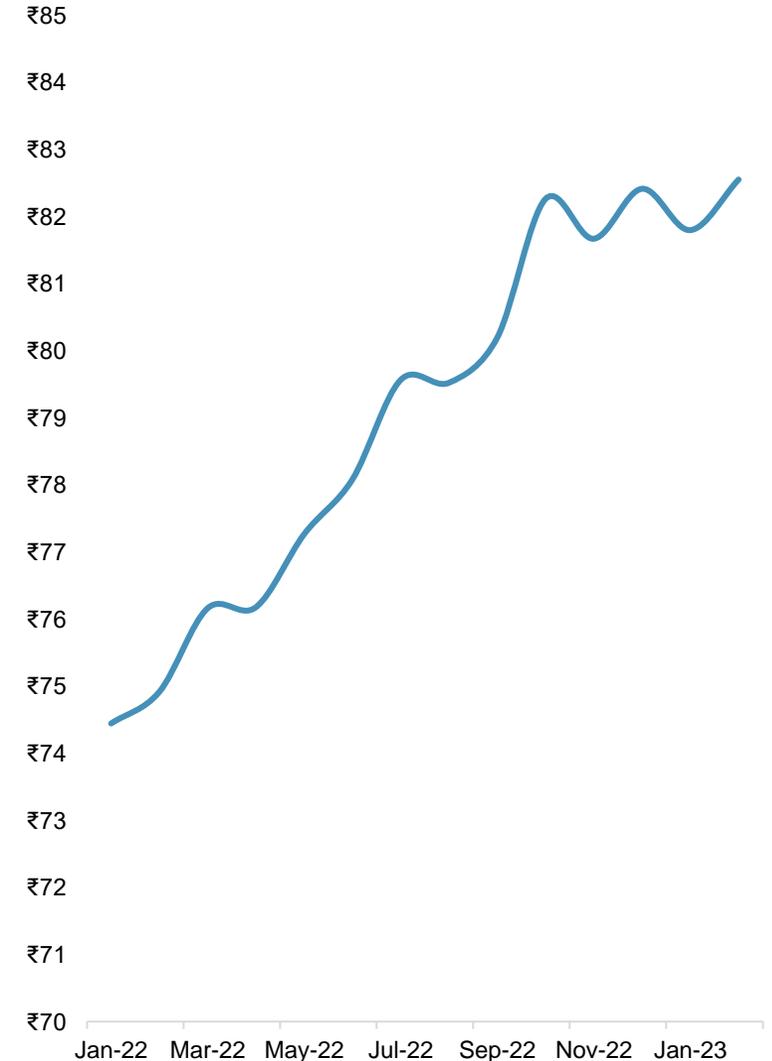
That in turn has put pressure on delivered CFR prices and consequently traders are trying to fatten already slim margins by squeezing freight rates.

Spot prices in India declined by around \$10/t on the month to be assessed in the \$60-70/t CFR level.

Indian buyers purchasing power has been gradually weakening by the strengthening dollar against the rupee, with \$65/t equivalent to INR 5,387/t, compared with INR 4,889/t a year ago — equivalent to an additional \$6/t in currency fluctuations alone.

April demand in WCI cropped up throughout the month with buyers MCFL and FACT issuing purchase enquiries for 15-20 and 20-25 April arrival, respectively, with the former linked to Interacid and the latter unknown at the time of writing.

USD/INR EXCHANGE RATE



PRICES



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SULPHURIC ACID FREIGHT	Chile	±%	Brazil	±%	ECI	±%	Morocco	±%	SEA	±%	USG	±%	RAK	±%
Freight from: (bss 19kt 1:1)														
Japan (Spot)	138	-3%	142	-4%	60	-2%	136	-3%	40	0%	130	-3%	75	-4%
South Korea/China (Spot)	137	-4%	141	-4%	59	-2%	135	-3%	39	0%	129	-3%	74	-4%
ARA (Spot)	87	-4%	63	-3%	—		22	-8%	—		51	-6%	—	
(excluding CC) Dahej (Spot)	149	-7%	112	-7%	31	-14%	124	-5%	39	-5%	110	-4%	30	-3%
FOB netback:														
Japan	-23	-188%	-82	-71%	2.5	-82%	-56	-2%	0	-100%	-55	-90%	5	-58%
South Korea/China	-22	-214%	-81	-72%	3.5	-77%	-55	-2%	1	-96%	-54	-93%	6	-54%
ARA	28	-36%	-3	-109%	—		58	-5%	—		24	-53%	—	
Dahej	-34	-36%	-52	-160%	31.5	-19%	-44	-2%	1	-96%	-35	-250%	50	-15%
CFR Price:	115	-15%	60	-40%	62.5	-17%	80	-6%	40	-38%	75	-29%	80	-11%
CFR Bid-Ask:	110-120		55-65		60-65		40-120		35-45		70-80		75-85	
PHOSPHORIC ACID FREIGHT	WC India	±%	EC India	±%										
Freight from: (bss 19kt 1:1)														
Aqaba (Spot)	46	-1%	49	-3%										
La Skhira (Spot)	55	2%	59.5	3%										
Richards Bay (Spot)	44	0%	46	0%										
(30,000t) Jorf/Safi (COA)	34	0%	37.5	0%										
(30,000t) Dakar (COA)	36	0%	40	0%										

*±% indicates month on month change

AG

Buying interest from fertilizer producer Maaden in Ras A Khair fell silent in February, after the firm provided the bulk of trading liquidity East of Suez in recent months.

Freight rates from FEA to RAK were assessed broadly in line with relative stability in rates to India.

Red Sea

IJC spot fixing ex-Aqaba in Q1 is limited to one cargo a month. February and March was booked with Agrifields for Kakinada discharge.

Freight for a full cargo of phosphoric acid to India was reported in line with current assessments in the mid-to-high \$40s/t to WCI and low-\$50s for ECI.

April looks slightly more liquid with two expected cargoes from IJC, Owners are trying to piggyback on firming CPP markets, which hiked several basis points (on MR AG/JPN) this month, to average over WS 220.

Sun International is expected to seek a 19,000dwt vessel for 10-15 April ex-Aqaba to Haldia followed by Chittagong.

Egypt was even more lackluster this month, with only 9,000t loaded in January and not a single vessel in February.

In March, there will be more activity with around 32-40,000t including two parcels to the Mediterranean and one cargo to India.

Interestingly due to high COA volume nominated from Kisan to Stolt of around 125,000t, in terms of volume Red Sea phosphoric acid exports were above average.

Meanwhile, shipowners transiting the Suez Canal will be hit in the pocket in April, following another planned 12pct rate increase by the authorities.

The increase is equivalent to roughly \$1/t extra in freight costs on both a 19,000t and 30,000t sulphuric or phosphoric acid shipment on either ballast or laden transit legs.

Owners will try to pass this cost on to Charterers, meaning acid voyages transiting the Suez Canal could become more expensive.

SUEZ CANAL TRANSIT COST

	19k dwt				30k dwt			
	From 01 May 2022	±%	From 01 April 2023	±%	From 01 May 2022	±%	From 01 April 2023	±%
Ballast	\$128,735	9%	\$143,578	12%	\$187,756	8%	\$209,672	12%
Laden	\$149,761	9%	\$167,066	12%	\$219,293	8%	\$244,901	12%

Mediterranean/Black Sea/North Africa

Phosphoric acid freight rates looked poised for further increases at the end of the month on higher offer levels for the latest tender for La Skhira to Kakinada loading 12-17 March.

Deals were done last month in the mid-to-high \$50s/t levels which encouraged rates to climb by 5pct on average ex-La Skhira.

With Turkey more balanced on the sulphuric acid front evident on the one hand by some enquiries for imports into Bandirma and on the other hand exports enquires from Samsun, we do not expect bigger lots to be shipped far.

FOB asking prices for Black Sea outlets were heard to be higher than from Continental ports, which certainly makes the product uncompetitive for purchase tenders in the West.

Indagro was still keen to try quoting from Samsun to Paranagua but changed the destination for less cargo to Annaba in Algeria. The trader had already tried last year to make its debut with cargoes quoted several

times from the Black Sea.

Stainless-steel tonnage lists appeared to be a bit longer for prompt ships compared to Europe or the Baltic.

Cont/Baltic

Length in the European system combined with the absence of Moroccan demand has caused FOB prices to notch lower in February.

Sulphuric acid production is poised to increase in the coming months following the resumption of smelting operations at Nyrstar's Auby and Ecobat's Stolberg.

Fairfield has been extremely busy serving Huelva in Q1 on top of other tonnage loading in Huelva for traders.

So far, they will have loaded six vessels including five Atlantic Copper COA voyages to the US and Chile and an additional cargo from Trammo to Aratu.

Trammo sold cargo in Namibia and Brazil below the freight rate concluded with Odfjell for both destinations ex-Antwerp. Either Trammo was willing to assume a loss to regain market share or the

negative netback was passed on to the supplier.

No seat was left for Tricon for their Boliden purchase for end March after the music stopped and all tenders were awarded.

Tricon quotes ex-Pori to various destinations during the month including USEC-USG, Brazil, and Namibia.

One vessel failed after the Mosaic tender was awarded to another party and many owners remained cautious because of the ice risk despite a mild winter.

The coaster market has been slightly weaker since the beginning of this year, but charterers are finding it difficult to bring freight markets lower due to the extent European consolidation that has taken place.

Brenntag's Spanish office had its unpleasant debut trading its first seaborne acid cargo. After being guided well below Euro 200,000 LS, they had to pay Navquim well above that after quoting 7,000mt from Bilbao to Aveiro for several weeks. Not the best timing to start where FOB values are well below the transportation costs.

Next to Nyrstar, other small suppliers have been more active with Tessengerlo quoting 3,000mt from Antwerp to Seal Sands, while others quoted 2,800t from Antwerp to Rochefort for early March. Another coaster enquiry included 3,000t from Huelva to La Goulette.

CPP rallied slumped at the end of the month after rallying on the back of new sanctions. MR (UKC/TA 37) recovered some of its losses posted last month but closed the session at back below the 200 mark.

WAF

Imports to Walvis Bay look promising this year provided uranium producer Rossing keeps up the current pace. Imports in the first four months, which amounted to around 50,000t, were all delivered by Odfjell from ARA and sold by Trammo. Last year full year import volumes of 90,000t into Namibia were slightly above the 2021 total when 80,000t was imported.

In January, two small parcels of 3,000t were delivered which loaded in ARA via STS operation from barges.

In end February, the Bow Clipper discharged around 25,000t from suppliers Nyrstar, while Trammo won

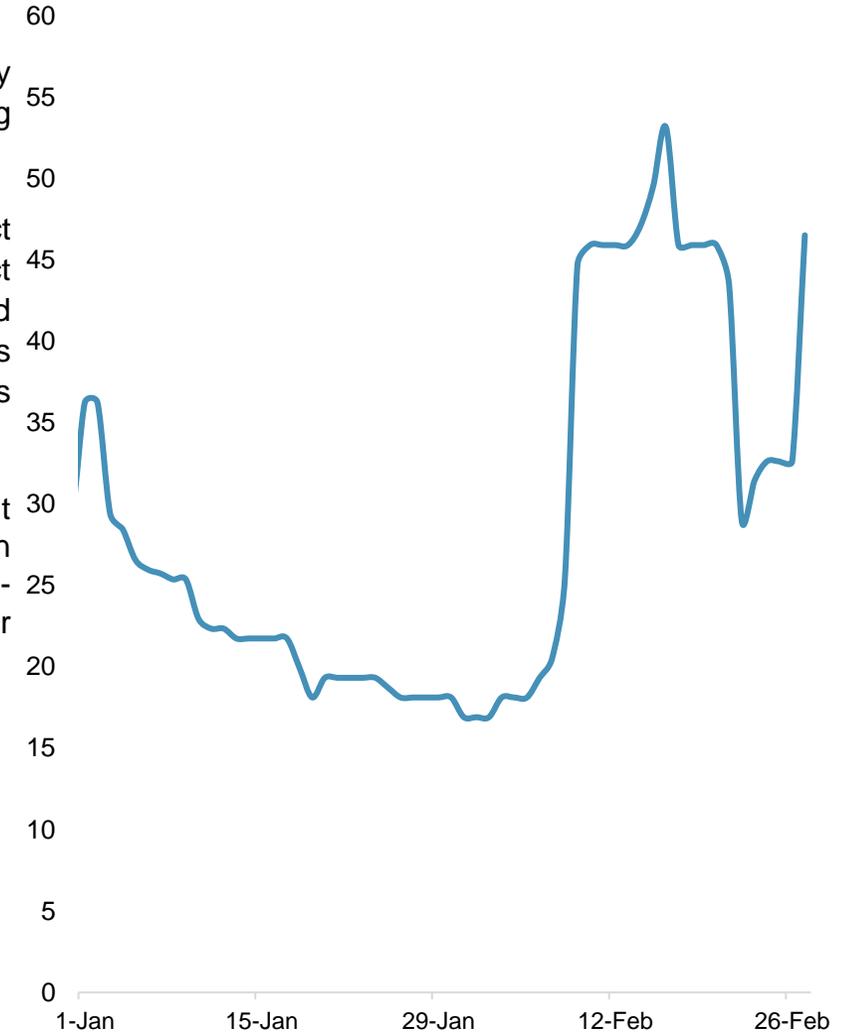
also the recent tender in the high-\$60s CFR loading the Bow Spring with about 20,000t at the end March at freight rates reported in the low-\$70s/t.

Phosphoric acid exports from Dakar were relatively unspectacular in 2022, with around 39 vessels calling compared with 40 in the previous year.

Volume has been stable compared to with the product going exclusively to the Indian market under contract with Stolt, except on two occasions when Odfjell and MOL loaded a vessel each. The prior year period was more exciting with product going to different markets including Brazil and Mexico via a variety of owners.

lino was a first timer this year after loading mt Chemroad Queen with phosphoric acid for India in February, potentially looking for a more frequent long-term supplier to get the ships back East of Suez after volumes from OCP have dwindled.

TC14 - MR (USG/UKC-38) - HOUSTON/AMSTERDAM (\$/t)



LOCATION	CHARTERER	VESSEL	VOL (KT)	RATE (\$/T)	LAYCAN	LOAD	DISCH	PRODUCT
E.SUEZ	TRICON	SAEHAN LIBERTY	19	38-39	FEB	ZHANGJIAGANG	OBI ISLAND	SUA
W.SUEZ	NEXA RESOURCES	SONGA BREEZE	15	50 (FAILED)	FEB	CALLAO	MEJILLONES	SUA
W.SUEZ	NEXA RESOURCES	GOLD TRADER	15	Feb-00	FEB	CALLAO	MEJI	SUA
W.SUEZ	ATLANTIC COPPER	FAIRCHEM ROOIBOS	19	COA	20-25 FEB	HUELVA	MEJILLONES	SUA
E.SUEZ	AGRIFIELDS	JAL SIDDHI	19	79 (CP CANCELED)	23-28 FEB	ISABEL	MUMBAI	PHOS
W.SUEZ	BRENNTAG	NAVQUIM TBN	5-7	L-M € 200K L/S	END FEB	BILBAO	AVEIRO	SUA
W.SUEZ	ATLANTIC COPPER	CHEMSTAR TIERRA	19	COA	EARLY MAR	HUELVA	TAMPA	SUA
E.SUEZ	TRADER	TBN	10	COA RATE (M-H 30S)	ELY MARCH	JAPAN	TAGANITO	SUA
E.SUEZ	TRADER	MARMOTAS	10	H40S	01-10 MARCH	JAPAN	BAHUDOPI	SUA
E.SUEZ	KAYAN INT.	ERDEK	9	62 (FAILED)	3-9 MAR	AIN SUKHNA	BANDIRMA	PHOS
E.SUEZ	TRADER	CHINA	19	RNR	1H MARCH	CHINA	OBI ISLAND	SUA
W.SUEZ	ATLANTIC COPPER	FAIRCHEM TBN	19	COA	15-23 MAR	HUELVA	BEAUMONT	SUA
W.SUEZ	TRAMMO	BOW TBN	19	L-M60S	2H MARCH	ANTWERP	ARATU + RIO GRANDES	SUA
E.SUEZ	INTERACID	MOL TBN	19	COA RATE	2H MARCH	FEA	STOCKTON	SUA
W.SUEZ	TRAMMO	BOW SPRING	20	70S	SECOND MARCH	ANTWERP	WALVIS BAY	SUA
E.SUEZ	TRAMMO	GOLDEN UNITY	19	RNR	20-27 MARCH	KWINANA	SEA	SUA
E.SUEZ	TRADER	STOLT DUGONG	27-28	129	2H APRIL	ONSAN (10.2M)	MEJILLONES	SUA

WCSA/WCMEX

The knock-on impact of a fire in the Q4 last year, followed by a truck strike and now prolonged periods of heavy swell is still being felt with a tonnage tie-up having wider implications on WCSA markets.

Despite some easing in the last week of February, the region remained one of the best performing markets for stainless-steel chemical tankers for the second consecutive month, despite hard work from owners fixing their ships two to three times due to cancelations caused by delays, but often fixing their vessels at higher returns for the next cargo.

Outbound cargoes from WCSA/WCCA such as molasses, ethanol and smaller lots of fish oil commanded a premium amid tight space availability and date sensitivity.

For sulphuric acid going in, transpacific demand is slowly awakening after a long period of hibernation throughout the winter. A 30,000t clip was fixed on Stolt tonnage in the high \$120s/t ex-Onsan to Mejillones for 2H April loading.

Interacid was also seeking a 30,000t loader ex-Fangcheng for Mejillones loading 20-30 March but

latterly dropped the enquiry.

Chile's sulphuric acid deficit has been met by European supply since the beginning of Q4 last year, amid lower delivered prices and higher freight costs from Asia.

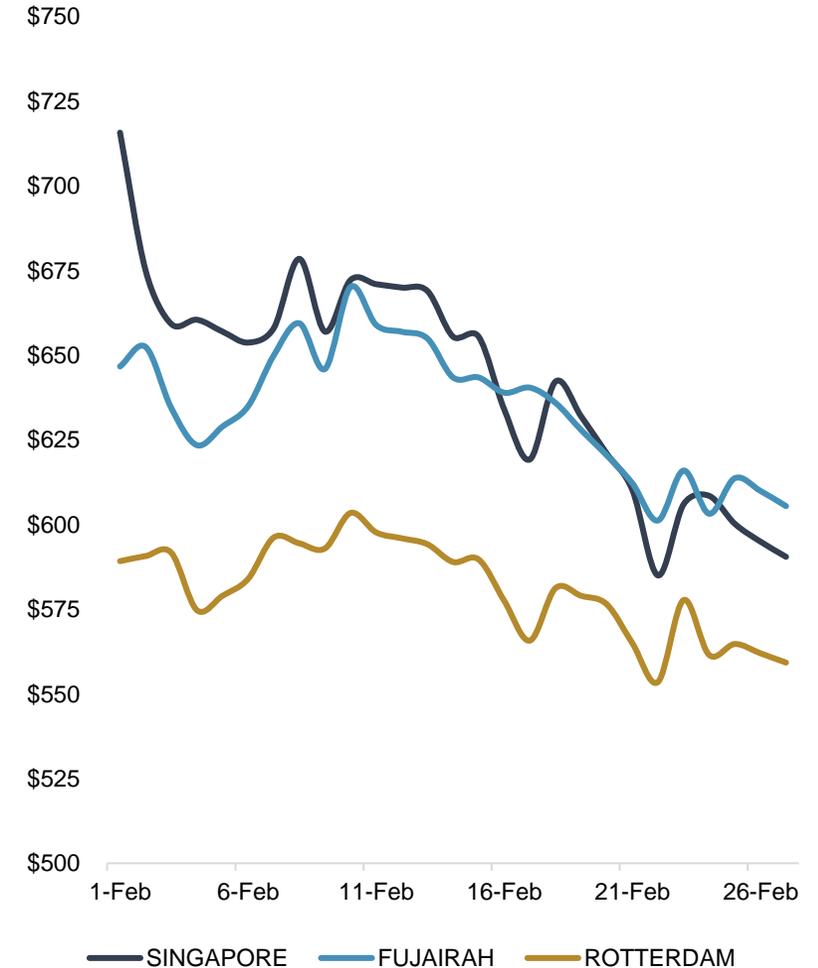
But we are broadly optimistic that once logistical issues abate demand will need to be supplemented by Asian material.

Full year copper production guidance at BHP's Escondida, one of Chile's largest importers, remains unchanged at 1,080-1,180kt, which should help stimulate imports of sulphuric acid further down the track.

Escondida's unit costs of \$1.24-1.45/lb remain above the firm's medium-term expectations of \$1.15/lb on higher consumable costs, which include sulphuric acid, inflationary pressures, diesel, and explosives.

It can be expected that for this year Chile's annual imports will remain above 3mn t, much of which will be supplied from Asia supporting increased ton-mile demand for stainless-steel tankers.

VERY LOW SULPHUR FUEL OIL



ECSA

Brazil was peppered with two acid tenders awards end February for April arrival putting prices to the test, after the year started slowly with less than 100,000t in imported in Q1. Seasonality means Q1 tends to be lower on import volumes and a repeat of last year's record import figures, which stood at about 240,000t, was highly improbable.

April has already confirmed deliveries of more than 70,000t alone which gives hope for a softer landing after Brazil's mega year of 885,000t of imports in 2022.

The two tenders were awarded in the high-\$50s/t with freight on Trammo's award for Timac well above \$60/t considering two port discharge. Freight to Brazil have now hovered in the low \$60s/t for quite some time with little volatility.

NORTH AMERICA

Freight for transatlantic 19,000t lots continues hold around the \$50/t mark coming off a bit from end last year but seldomly tested with little spot demand and the bulk of the volumes shipped under concluded COAs by Atlantic Copper/Fairfield, Saconix/Stolt, Trammo/MTMM and Trader/MOL.

Industry participants were puzzled why Tricon was quoting ex-Baltic to USG/USEC for 20-30 March as buyers appeared broadly covered except frequent spot enquires from Pasadena for too low for current CFR prices.

The outlook for the US market is mostly positive. Full year import volumes grew by 15pct last year to sit at 783,000t but remain well below the record 1.19mn t imported in 2020.

Hibi emerged as the US' top supplier last year supplying 114,000t of transpacific volume which helped to boost overall ton-miles by 21pct year-on-year. Around 67pct of that volume went into Stockton, where MOL is aggressively taking market share from Womar in a takeover bid for their COA with Interacid.

Volumes into one of the US' major import ports, Beaumont, were up at 168,000t but remained far below the 323,000t imported in 2020.

It will be interesting to see how much volume is received in Beaumont this year after Saconix — the chartering arm of the receiver — fixed a contract with Stolt for 6-9 x 20,000t cargoes ex-Hamburg. The base level of the contract suggests volumes should at least be stable, if not closer to 200,000t.

US SULPHURIC ACID IMPORTS (T)

PORTS	2020	2021	2022	Y-O-Y ±%
IMPORTS (t)				
BEAUMONT	323,196	117,510	168,522	43%
HOUSTON	120,227	63,709	103,810	63%
JACKSONVILLE	82,448	86,205	74,768	-13%
NEW ORLEANS	53,313	8,993	52,012	478%
SAVANNAH	113,261	107,955	120,939	12%
STOCKTON	186,648	112,574	77,199	-31%
TAMPA	156,567	152,099	137,323	-10%
WILMINGTON NC	43,058	30,066	49,048	63%
GRAND TOTAL	1,078,718	679,112	783,620	15%
EXPORTS (t)				
BEAUMONT	8,461	10,594	8,252	-22%
HOUSTON		6,000	26,244	337%
TAMPA		10,406		-100%
GRAND TOTAL	8,461	27,000	34,496	28%

News

Songa Breeze and **Songa Winds** – 19,900 DWT, 2009 built stainless-steel chemical tankers will enter Bahri’s fleet under a time charter agreement later this year, fixed above \$20,000/day.

Norwegian financial shipowner **Harald Moraeus-Hanssen** ordered two Fukuoka built 19,900-dwt chemical carriers last summer for delivery in 2024 and 2025. Pricing was not revealed, nor was a planned commercial operator for the units.

Stolt Tankers operating profit rose to \$78.2m in Q4 up from \$61m in the previous quarter, driven partially by 30pct COA renewal hikes during the quarter.

IINO’s net sales jumped by 42.5pct to \$840m in the first nine months on the year on strong chemical tankers and gas markets. “New orders for chemical tankers are at a low level due to environmental regulatory measures and higher construction prices due to rising steel prices, therefore the influx of newbuildings is limited,” the company said. Iino also commented that ton-miles in the chemical market are improving.

Jiangsu Yangzi-Mitsui Shipbuilding has secured its

first MR tanker deal as **Jaldhi Overseas** placed an order to build four 50,000-dwt units. The tankers are scheduled to be delivered between 2H 2025 and 1H 2026.

Maersk Tankers expects tonne-miles to increase by 9pct after the European Union banned imports of Russian refined oil products earlier this month. Maersk Tankers CCO Eva Birgitte Bisgaard predicted that product tankers will benefit the most as the vessel is low supply and low orderbook will lift in ton-miles and potential slow steaming to comply with the new decarbonization regulations.

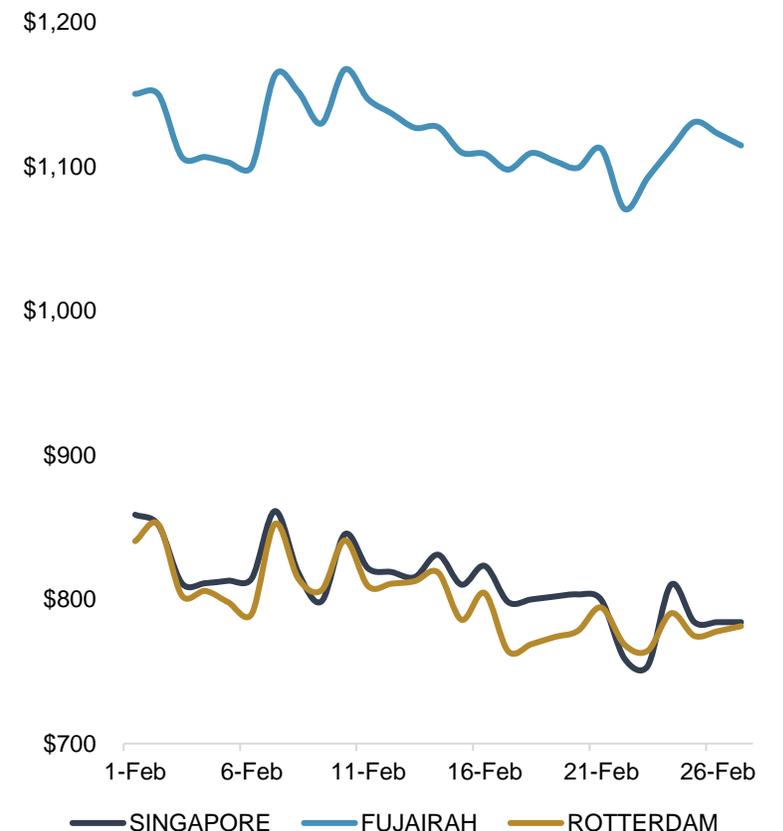
Adani Ports is planning to repay \$605m of loans and halve capital expenditure to INR 40-45bn for the financial year ending March 2023. The firm has moved quickly in response to an attack by US-based short seller Hindenberg Research in order to shore up its share price.

Ineos has secured €3.5bn in financing and plans to develop Project ONE cracker in Antwerp.

Sales and Purchase

Please refer to next page.

LOW SULPHUR MARINE GAS OIL



SECOND-HAND

Name	Built	Yard	DWT	Coat	Price (M)	Buyer	Owner
Egeiro Cyan	2008	JINSE HI	13,241	STST	7M	Undisclosed	ONR
Ariane Makara	2009	Shin Kurushima	20,831	STST	RNR	Vietnamese	Zuyderzee Captial (formerly with DVB)

TIME CHARTER

Name	Built	Yard	DWT	Coat	Charterer	Owner	Period	Rate (K)	Del
Jastella	2018	Mawei	7,947	Coated	High Heat Tanker	Shun Yuen	12 mths	15-16k/day	Singapore



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