



Weekly Commentary

Firm. Still the most relevant headline but steady, or at least steadier, could also be applicable now. It was inevitable that activity would begin to slow down in the final approach to the year-end and that was evident in this final full week of trading before a fortnight of holiday disruption kicks in. Spot supply is still very limited but that came as no surprise and Charterers were, for the most part, already prepared to deploy workarounds on any outstanding December requirements. In contrast to recent weeks that meant there was a noticeable dip in the level of urgency on both sides and, whilst the pressure remains upward, rates held comfortably in line with last rather than being markedly improved.

At this point in the calendar the emphasis always shifts to planning and plotting the most efficient use of time and avoiding delays around the various holiday interruptions and shutdowns. That was very much the recurring theme this week with Owners more benevolent towards stems which offered convenient timing and/or positioning and equally with Charterers showing a greater willingness to kick back against further increases and take their chances. The extent of the market's recovery through Q4 is reflected by attention already being focused on 1H January and less so for the remainder of December which is now mostly operational housekeeping.

The short-term outlook is changeable. From a trading perspective 2020 is effectively over bar the shouting and the next two weeks will not be representative of 'normal' conditions as we enter the New Year transition. Inevitably momentum is always lost over the holidays and it's very rare for the market to come out of the blocks in January at the same pace it ended December. The pre-Brexit rush, which has been a partial but nonetheless significant influence over the last few weeks, is effectively over and the post-Brexit fallout is still an unknown quantity. Readjustment ahead is therefore most likely but it will be early January before the market finds its feet again.

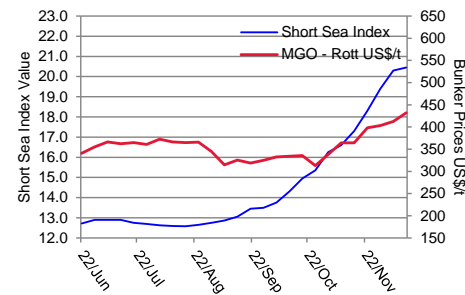
Hull City Update

Being a Hull City fan teaches you to expect the worst even when it's going well. Back to back defeats at home to Shrewsbury Town and away at Blackpool and suddenly we're back in familiar territory. They're still top but looking shaky and tonight it's a top of the table clash at home to 2nd placed Portsmouth which is also live on TV where they never perform well. Expect the worst, anything else will be a bonus.

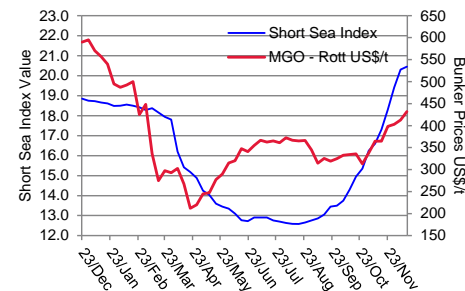
Have a nice weekend

The Short Sea Index is based on the average freight rates for five routes, ECUK/N. Spain, ECUK/ARAG, Lower Baltic/ARAG, French Bay/ECUK and WCUK/East Med in 3000/4000 mts deadweight and bunker prices in USD basis MGO delivery ARAG range

Short Sea Index vs Bunkers - 6 Month Graph



Short Sea Index vs Bunkers - 12 Month Graph



Short Sea Rate Assessments (EUR/mt)

3500 Mtons	N. France / Irish Sea	16.00	17.00
6000 Mtons	N. Spain/ARAG	11.00	12.00
4000 Mtons	ECUK/Lower Baltic	13.00	14.00

Bunkers & Exchange Rates

Bunkers	Rotterdam Bunkers (US\$/t)	380 cst	18-Dec	301.00
	Rotterdam Bunkers (US\$/t)	MGO		432.00
Currencies	EUR - USD			1.23
	GBP - USD			1.35
	GBP - EUR			1.11

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