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Bulk report – Week 11 2016

Capesize

A boost for the big ships in the East and rates rose on the active West Australia/China run said to be largely on the back of bunker rises. As the week closed out there were reports that \$3.40 has been done for a 170,000 tonne 10% cargo for end March and rumours of \$3.50 – though denied. However this remained a faint glimmer of hope in a market that remained on its knees. Timecharter rates barely reached \$3,000 daily in the East – a round voyage with the same rate paid a 177,000 tonner ready 20 March Taicang for a Brazil round. This was hailed as a ‘good rate’ showing a voyage rate over the mid \$6.00s for Tubarao/Qingdao. The Atlantic remained the weakest link for owners with cargoes in short supply in an over-tonnaged market. A record was set this week with a 180,000 tonner fixed from Hamburg for a Narvik round at just \$600 daily.

Panamax

South America has largely been the pivotal market in recent weeks and as the week closed

out charterers stepped back from the market with early cargoes in short supply and most not ready to look at later April positions. Rates here slipped to the low \$6,000 daily and low \$100,000 bonus for standard LMEs mid-April eta from east coast South America to the East. Higher spec ships were managing rates nearer the high \$6,000s and high \$100,000s. There was a touch more activity transatlantic from the area and rates firmed slightly. North Atlantic rates were holding with Baltic and north coast South America providing the cargoes. The US Gulf remained very slow but with now very few committed ships in the area, charterers were switching to supramaxes. A kamsarmax fixed from Gibraltar for an Itacoatiara round at \$4,750 daily.

In the East, cargoes from the north Pacific were in short supply and trading largely focussed on Indonesia – rates came under pressure. A 2001 built 75,000 tonner fixed from south China for a trip via Australia to China at \$3,000 daily.

Supramax/Handysize

Supramax

The market for supramax and ultramax vessels remained healthy with another plus week in most sectors. Brokers were looking forward to their Easter break next week but also hoping the current momentum would be maintained. Some period talk circulated but not much materialising as far as reported fixtures. A Tess 58 did cover three to six months delivery China at \$5,250 daily. South Africa was the place to be this week with a number of fixtures being reported. Ships were securing anything from \$8,500 at the beginning of the week up to \$11,000 daily for trips to India. A 63,000 dwt fixed delivery Richards Bay for a trip to the US Gulf at \$5,250 daily for the first 50 days and the balance at \$6,750 daily. Tonnage open or ballasting to east coast South America fared well. A 51,000 dwt accepted \$8,500 daily for trip to west Mediterranean-Continent range and a smaller 45,000 dwt taking \$7,500 daily for trip to the Baltic. Talk emerged of a 55,000 dwt fixing a round to Buenaventura at a higher level of \$9,500 daily. A London controlled 46,000 dwt concluded a trip from Villa Do Conde to Continent at \$6,500 daily. Sources revealed a 63,000 dwt Ultra was booked Santos to the Red Sea at \$7,000 daily plus \$200,000 ballast bonus and a 55,612 dwt accepted \$8,000 plus \$80,000 for trip to Singapore-Japan. A timecharter delivery US Gulf to Japan went at \$7,250 daily on 55,724 dwt vessel while a similar size fixed and failed to Karachi in the low \$7,000s. Some activity from the Black Sea to the Far East this week with vessels concluding levels

around \$8,000-\$9,000 depending on deadweight. Scrap from Continent to Turkey paid \$7,000-\$8,000 per day.

In the East, the new building *Draftdodger* 66,000 dwt was linked to a NoPac round delivery and redelivery Japan at \$6,250 daily. A Dolphin 57,000 dwt covered delivery Singapore trip via Indonesia to India at \$5,600 daily while a similar vessel accepted delivery Kosichang to China via Kalimantan at \$2,900 daily. There was talk of a 57,700 dwt fixing delivery Singapore trip via southeast Asia to Red Sea at \$7,600 daily. Otherwise reports within the Far East area remained sketchy this week.

Handysize

The usual reluctance to share information within this section remained. A 35,000 dwt concluded a trip delivery Ukraine to the west Mediterranean at \$3,500 daily while a slightly smaller 32,000 dwt accepted Nikolayev to Tunisia at \$4,500 daily. The Solent, a 35,069 dwt built 2002, fixed delivery Skaw trip via Baltic to east Mediterranean at \$6,500 daily and an Imabari 28,000 dwt fixed at a slightly lower level of \$6,000 for the same run. Further south delivery in Recalada a 32,000 dwt fixed a trip to Morocco about \$7,650 daily. In the East a quiet week for this size but one report emerged of a 23,000 dwt 2010-built vessel confirming \$4,500 daily delivery China trip to Vietnam.

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