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Bulk report – Week 14 2016

Capesize

A more positive end to the week with rates, although still very low, improving in most areas of the market. A push from Rio Tinto as the week closed out saw the charterer take at least six ships and possibly eight or nine with the rate for 11 April onward cargoes at \$3.35. FMG and Roy Hill also took ships while BHP Billiton has yet to book tonnage. Timecharter rates improved a touch with a 180,000 tonner 2012 built open Qinhuangdao fixing a West Australian round at \$3,000 daily – a super type (with electric engines) 180,000 tonner agreed \$4,500 daily for a round. There was some activity from Saldanha Bay/China with a cargo fixed at \$4.75 basis 1.25%.

Brazil was more active with rates firmer, culminating in Oldendorff booking a 13-22 April 170,000 tonne cargo from Tubarao to Qingdao at \$6.50. There was talk of better numbers for transatlantic rounds although little has so far fixed. Cargill took a 2016 built 180,000 tonner ballasting from the East for a trip to the Continent in the mid \$8,000s.

Panamax

South America remained the driving force in the market and rates post Easter continued to rise with renewed demand for April loaders and charterers casting the net to include ships from this side. A 2013 built kamsarmax spot Antwerp fixed to Mansel for a trip via east coast South America to the East at \$8,000 daily. Owners, as the week closed out, put up their rates sharply for ballasters and indicated \$8,000 and \$300,000 bonus – certainly \$7,500 daily and \$250,000 bonus has already been done. The strength here has lent support to the East with owners with tonnage in south east Asia looking to ballast rather than accept low rates for Indonesia or Australian rounds. An LME agreed around the mid-high \$5,000s for a trip from Singapore via east coast South America to the East. Rates for trips via Indonesia to India settled around \$4,000 daily, but trading remained limited for NoPac loaders with cargo in short supply. Charterers were able to pick off tonnage wanting to stay in the area and those keen to fix before a long weekend in China, but as more ships ballast out of south east Asia, charterers could look further north for tonnage for Indonesia and Australia.

Supramax/Handysize

Supramax

With the Easter holidays over and a short week it was still a relatively good time for these sizes with rates doing their best to carry on with the push forward. Most days showing an increase in individual Index routes. The BDI closing on Thursday at 429 up 15 points on the day, the best daily increase for some time but largely because of the capesize activity. Overall sentiment remains firm.

Not much action reported on period but the *Joie N* built 2011 57,000 dwt fixed for four to six months delivery Kosichang at \$5,000 daily.

A 56,881 dwt fixed delivery east Mediterranean for steels run into South East Asia at \$8,400 daily.

With other reports trips to Far East and Bangladesh returning rates of between \$7,500 and \$8,500 daily. Recalada to Continent-Mediterranean paid \$7,600 daily with a 56,800 dwt vessel and talk that a trip to Far East is on subjects at \$8,000 daily plus an \$80,000 ballast bonus with a 56,000 tonner. Sources reported a 2008 built 53,800 dwt ship concluded a trip delivery Recalada to Durban at \$8,750 daily. The US Gulf had more than its fair share of

activity with rates for Singapore-Japan now in the region \$8,000-\$9,000 daily. Trips around to West Coast South and Central America paying \$8,000-\$8,5000 daily.

A Tess 58 secured about \$5,000 daily for delivery Surabaya trip via Indonesia to Thailand with coal and a 56,500 dwt fixed \$5,600 daily delivery Singapore via Indonesia to west coast India. A nickel ore cargo covered delivery Huangpu via Philippines to China at \$5,300 daily with a 55,541 dwt vessel. The *Joie N* was re-let for a trip back to the US Gulf at \$2,000 daily for the first 65 days with the balance at the fixed period rate of \$5,000 daily.

Brokers advised a healthy \$10,500 daily was secured with a 56,825 dwt 2010 built Dolphin type delivery Richards Bay trip west coast India.

Handysize

A few sources willing share some gossip this week. The *Azure Bay* 32,930 dwt built 2005 concluded a trip delivery Vitoria to Ghent with steels at \$7,500 daily and the sweet toothed *Silvaplana* 29,721 dwt fixed a sugar cargo from Maceio to Portugal at \$6,750 daily. From the Continent the *Reunion Bay* 32,354 dwt built 2006 covered a trip to Nador with delivery North France at \$7,000 daily. From the Far East reports a 37,000 dwt fixing delivery North China trip east coast India at \$6,000 daily and an Imabari 28,000 dwt secured \$3,700 daily delivery China trip to west coast central America.

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