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Bulk report – Week 16 2016

Capesize

A busy end to the week with rates again firming after a mid-week drop. The key Australian shippers have largely been active, beginning briskly, stepping back mid-week and then a late burst today. West Australia/China rates culminated at a rumoured $4.60 with Rio Tinto for 170,000 tonnes 10% from Dampier to Qingdao, allegedly paying this level and FMG reported at $4.50 for a 160,000 tonne 10% cargo from Port Hedland to Qingdao. Rio Tinto and BHP Billiton each took cargoes. Timecharter activity included Panocean booking the 2015 built *Nightkiss* 179,000 tonner from Jintang for a West Australia/China run at $8,000 daily.

In the Atlantic, there were those talking lower rates from Tubarao/Qingdao claiming that $8.35 had been done, but by the close Thursday it emerged that Panocean took a Caravel vessel for an18-27 May 170,000 tonne 10% cargo at $8.95.

Improved spot rates stimulated some period activity and a 2003 built 171,000 tonner agreed five to seven months trading with Classic Maritime at a better $7,500 daily with spot delivery Fangcheng.

Atlantic rates were mixed but sources suggested that this market showed signs for firming but some low rates for now have been agreed. Cargill secured the 2009 built *Nymphe*, an EdF re-let, for a 10-19 May 170,000 tonne 10% cargo from the Guaiba Island Terminal to Rotterdam at $4.80 – allegedly a 30 cent premium over Tubarao.

Panamax

South American rates have eased as charterers seemingly cleared out earlier May cargoes with most hoping for a fresh batch for later May/June positions to absorb the ballasters heading to Brazil/Argentina. Rates dipped with a super eco 2015-built 81,000 tonner fixed for a 10-20 May cargo from east coast South America to the East at $7,800 daily plus a $280,000 bonus. Transatlantic rates were fairly steady with Cargill booking a 2011-built 82,000 tonner from the River Plate to Skaw-Gibraltar at $9,000 daily. The north Atlantic has been strong but some suggested much of the early business has been covered and may just be a touch softer. An 84,000 tonner (after fixing and failing) fixed voyage business from Seven Islands to the East but with the rate said to equate to $12,000 daily dop Rotterdam.

Rates in the East held steady as the week closed out with period activity lending some support. Owners were resisting charterers' push to reduce rates even though the concentration of activity remained around southeast Asia. A 73,000 tonner open north Japan fixed at $5,250 daily for a NoPac round with grain. A 2016 built kamsarmax fixed from Huangpu for a trip via Australia to the Persian Gulf with grain at $6,500 daily.

Several ships went for short periods with a 2004 built 74,000 tonner fixed from Jiangyin 22-27 April for four to seven months trading at $5,750 daily while an 82,000 tonner was booked for a year from Kunsan at about $5,850 daily.

Supramax/Handysize

Another busy, active week with rates in most sectors still improving but signs of a slow-down in east coast South America evident for the supramax sizes.

The US Gulf has seen a buoyant market with a significant volume of ships reported. The handysizes have shown some very strong numbers within the Atlantic and continued talk of lack of tonnage may well support further rises. The Far East theatre for handysize has lacked information over the past few days making it difficult to see any real trend.

Some period activity was reported and more talk evident, sources said. A 62,657 dwt vessel secured $6,500 delivery Singapore for four to six months and a 63,800 tonner picked up $6,300 for four to seven months delivery Hachinohe. A slightly smaller 56,489 dwt was concluded for five to seven months at $5,750 daily with a Thailand delivery. In the Atlantic a Diamond 53 fixed delivery Gibraltar for three to five months at $6,750 daily.

Brokers reported a 53,000 dwt concluded a trip to PG-west coast India at $8,000 daily with delivery Eregli. Very little concrete information emerged for Continent delivery. A few reported fixtures from east coast South America with one 63,238 dwt fixed for a trip Bangladesh at $10,500 daily plus $100,000 ballast bonus and another smaller 57,000 tonner to Singapore-Japan at $9,250 plus $92,500. From the US Gulf sources revealed a 50,000 dwt fixed a trip from east coast India but redelivery Singapore at $9,000 daily. A Tess 52 fixed a trip to Pakistan at excess $11,000 daily, a Mitsui 56 for a trip Spain at $8,250 daily and a Dolphin 57 to Japan in the low $11,000s.

On the smaller sizes brokers heard a 35,000 dwt fixed Recalada to Continent at $8,750 daily and the same destination witnessed a 31,699 dwt booking delivery Paranagua at $7,750 daily.

It was alleged a 61,500 dwt concluded a trip delivery Manila via the Philippines to China with nickel ore at $6,000 daily and a 55,580 dwt fixed delivery Longkou via north China with steels to Philippines at $4,500 daily. The continued stream of newbuilding deliveries assisted charterers on keeping rates down. A smaller 49,000 dwt went from CJK to the Persian Gulf at $5,500 daily. A 53,000 dwt fixed delivery Goa for a trip to China at $4,100 daily. A 63,500 tonner allegedly went at $6,500 daily for a trip from Fujairah to east coast India. Very liitle information for the smaller sizes but a 32,000 dwt secured $5,000 daily delivery Japan for a steels run into Vietnam.

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