Baltic Briefing

Baltic Exchange member news, views and events

Bulk report – Week 25 2016

Capesize

Some improvement in rates as the week closed out with more activity from Brazil although Vale largely in absentia. Rates here climbed to the low $9.00s but again for late July-August cargoes from Tubarao to Qingdao. A thinning in the list of ballasters heading to Brazil played a part in the rise. Further north transatlantic activity was a touch more active but although a touch improved still remained at low levels with the Puerto Bolivar/Rotterdam run just hovering around $5.00.

In the East, there was limited activity from the major shippers from West Australia to China with fixing spread among operators. Rio Tinto did feature today fixing a 10-11 July 170,000 tonne 10% from Dampier to Qingdao at $4.35. A 170,000 tonner 2000 built today fixed a trip from Qingdao for an Australian round at $6,000 daily for south China redelivery or $6,250 daily for the north. Rates from Saldanha to Qingdao improved with rates now in the low $7.00s range for 170,000 tonne 10% cargoes.

Panamax

Stronger rates in the north Atlantic with prompt tonnage tight. An 81,000 tonner fixed from the ARA for a trip via the Baltic to Skaw-Gibraltar at $6,000 daily – these ships a couple of weeks ago were seeing little more than $4,000 daily for quick rounds. Front haul trips too recovered with rates for kamarsmaxes fixing in the mid-high $9,000 daily for trips from Gibraltar via the US Gulf to the East and significant improvements for ships loading US Gulf cargoes.

South America remained an uncertain factor with trading spasmodic over the week but rates for eco ships still nudging the low-mid $7,000s daily plus low-mid $200,000 bonus for the runs to the East. Early July remained tight but there were more ballasters heading towards South America.

In the East, there was increased trading from NoPac and Australia and rates have improved fuelling owners' optimism. The pace slowed ahead of the weekend as charterers found it difficult to persuade owners to fix. An 82,500 dwt 2014 built vessel open north China fixed for a NoPac round at $5,500 daily. There has been more period activity but the spread between charterers and owners widened as the spot market improved. Currently rates for kamsarmaxes hovered in the low $5,00s for short period and in the lows $6,000s for a year.

Supramax/Handysize

Supramax

The market generally for supramax and handysizes ticked along at a steady pace with gains in the Asian sector with the US Gulf and east coast South America both having a rally. Period was on the agenda for a few charterers this week as a 66,000 dwt fixed delivery Oran for three to six months at $8,350 daily while another 63,000 dwt was suggested fixed for six to eight months delivery West Africa at $7,850 daily. Other Atlantic deliveries were worked in the region of $8,000 daily but not concluded. In the East, a Mitsui 56 managed to obtain $5,850 daily for four to six months and a newbuilding ultramax was suggested fixed for under a year at something in the low-mid $6,000s but details could not be confirmed.
This week has seen east coast South America paying $11,500 plus a $120,000 bonus for ships heading to Vietnam. Tonnage from Santos to Aqaba achieved $9,000 plus $200,000 ballast bonus. A sugar cargo secured $14,500 daily for delivery Santos for a trip to West Africa with talk a trip into Persian Gulf was covered at $10,000 daily plus $100,000 bonus.

The Maritime Emerald 58,717 dwt built 2009 fixed $15,500 daily for petcoke US Gulf to India and it was alleged a larger vessel fixed and failed at $11,000 plus $300,000 for the same business. Brokers talked about a 59,000 tonner fixing delivery Texas for another petcoke cargo to Brazil at $9,000 daily.

Levels continued to creep up in Asia with the Draftdodger 66,000 dwt fixed delivery Singapore trip via Indonesia to west coast India at $8,500. A 48,000 tonner concluded a trip delivery Dafeng to Singapore with steels at $5,000 daily. Brokers advised a 63,800 dwt was fixed for the leg Singapore via Indonesia to China at $7,000 daily. There were a few nickel ore cargoes moving this week with one fixed region of $7,500 daily delivery Subic Bay trip China.

Handysize

US Gulf and east coast South America were the firmer areas for the smaller sizes. Small gains were made but with little definitive fixtures reported. A BHSI 28,000 tonner was fixed delivery Indonesia trip to Japan at $4,100 daily.

Owners with tonnage on the Continent, Black Sea and Mediterranean faced tough trading opportunities. A 34,000 dwt fixed delivery Odessa for a trip to the US Gulf at $2,250 daily for the first 47 days and the balance at $5,000 daily. The same size achieved $7,000 daily for delivery South Brazil for trip to the Continent. A 32,000 tonner managed a healthy $10,250 daily delivery Texas Gulf for a trip to the Mediterranean with petcoke.

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