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Bulk report – Week 27 2016

Capesize

A couple of holidays this week unsettled the market and despite a steady start rates slipped over the week recovering just slightly as the week closed out. On the key West Australia/China run Rio Tinto fixed a 22 July onwards 170,000 tonne 10% cargo from Dampier to Qingdao at $4.55. There was some timecharter activity with rates for 180,000 tonners around the low-mid $7,000 daily range.

From Saldanha Bay Baosteel booked Panocean tonnage a 6-20 August 190,000 tonne 10% cargo for Zhoushan discharge. Brazil rates dipped with a few cargoes fixed from Tubarao to Qingdao at $9.38. There was said to be more Atlantic cargoes in the market for transatlantic and fronthaul. A 180,000 tonner 2015 built fixed a cargo from the US east coast to Dangjin at $16.95 a rate said to equate to around the mid $11,000 daily range. Rates dipped to $5.20 for a 160,000 tonne 10% cargo from Puerto Bolivar to Rotterdam.

Panamax

Tonnage remained tight in the north Atlantic particularly for short rounds with a Kamsarmax reportedly fixing at $10,500 daily for a trip from Amsterdam via Kokkola to Hamburg. A 77,000 tonner 2010 built fixed from the ARA via the Continent or a US Gulf option with redelivery in the East at $13,000 daily. There has been increased activity from the US Gulf, but largely kept under wraps, with a steady flow of cargo expected for August and September. South America remained less certain and rates so far steady with in excess of $8,000 daily plus a $300,000 bonus being paid for a five year old kamsarmax. Ballasters heading to the area also eyed opportunities further north.

Period trading lent support in the East with rates improving with a report today of a super eco kamsarmax fixing with CJK delivery for nine to 12 months trading at $7,850 daily and a 2001 built 74,000 tonner achieving near $6,000 daily for a short period. NoPac cargoes were in evidence and rates firmed with a kamsarmax open Busan fixed at $6,500 daily for a round voyage. Some suggested this market has possibly topped but there was still said demand for tonnage south east Asia for India. Spot ships might struggle to fix this side of the week but ballasting to South America or the US Gulf remained an option.

Supramax/Handysize

Supramax

The second half of the year moved into action with a busy week but few fixtures being openly discussed. Brokers talked of a general improvement overall and a lack of tonnage in some areas. East coast South America has had a slight correction but talk of more cargoes could enable it to bounce back. The US Gulf has again been the hot spot with grain and petcoke cargoes to the fore. The mid-week holiday in Singapore led to a temporary lull in fixtures in Asia but sources still expect rates to continue to move up slightly.

The period players were still talking but little as yet reported fixed. A 60,500 dwt reportedly took $7,000 daily for seven to 10 months trading with delivery India and redelivery worldwide.

A 52,000 tonner was said to be on subjects for 6 months delivery Philippines at $5,800 daily and unconfirmed reports of a Nacks 61 close to concluding a 12 month charter with delivery in the Far East in the low–mid $6,000s.

A 56,000 tonner concluded a trip from east coast South America to Mediterranean at $9,600 daily.

A large grain house took a 57,000 tonner delivery Santos for a trip to Singapore-Japan at $9,000 daily plus $100,000 ballast bonus.

Brokers reported a 2012 built 56,778 dwt covered delivery US Gulf trip Turkey at $12,000 daily with a petcoke cargo while a large sized 61,000 dwt secured $13,000 for the same business. A Tess 52 type was suggested on subjects for petcoke cargo delivery US Gulf for a trip to the Continent at $10,000 daily. An ultramax was being linked for a trip from the US Gulf to India at $12,000 daily plus a $200,000 ballast bonus. A Dolphin 57 was taken for two laden legs redelivery in the Far East at $10,750 with delivery north coast South America. Rumours of a 61,000 dwt vessel taking $9,900 daily for delivery Gibraltar trip via the US Gulf to China could not be confirmed.

Various fixtures were concluded this week from the US Gulf to West Coast in the region of $17-17,500 daily.

Talk of a supramax fixing for delivery Canakkale for a trip to the US Gulf at $2,000 coincided with reports the same delivery for a trip to South Africa was paying $8,000 daily. A 55,000 tonner went further east to Singapore-Japan range at $9,500 daily with delivery Izmit. For the smaller sizes a 46,000 dwt was fixed delivery Ghent for a trip to the eastern Mediterranean at $9,250 daily.

The *Aliki Perotis* 2015 built 60,897 dwt was booked delivery Singapore trip via Indonesia redelivery West Coast India at $7,000 daily. A 55,486 dwt 2009 built fixed delivery Xingang for a trip via north China to Yangon redelivery Penang at $6,350 daily with rumours of a 61,458 dwt fixed delivery South Korea trip via No Pac redelivery Singapore- Japan at $7000 daily. Little else was fully reported but brokers continued to expect improvements next week.

Handysize

A 32,000 tonner fixed and failed delivery east Coast South America to Algeria at $7,500 daily. Brokers reported the *Cassiopeia Star* 32,328 dwt built 2005 secured $7,250 daily delivery Rio Grande trip South Spain and a 28,000 tonner was taken for delivery Tampa for a trip Singapore-Japan at $8,000 daily.

Another 32,000 tonner was said booked for delivery Black Sea trip Spain at $3,500 daily and yet another 32,000 dwt was on subjects for delivery Canakkale trip western Mediterranean at $4,500 daily.

In Asia the market continued its upward rates for handysizes but fixture information was again difficult to pin down. The *Skelt* 35,000 dwt built 2010 fixed delivery Kohsichang trip China at $5,650 daily.

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