



Bulk report – Week 39 2016

Capesize

The fundamental fragility in the market was highlighted this week as the upcoming Chinese holidays next week led to lower rates. The start of the week saw some still firm numbers in both the East and the Atlantic; by mid-week rates began to slip away. The rate on the key West Australia/China run today stood at \$5.40 – a drop of a dollar in a week. Rio Tinto allegedly paid this number for a 15 October onwards cargo. Timecharter rates too eased with Oldendorff fixing a 176,000 tonner from Luojin for an Australian round at \$11,500 daily.

There was still some pressure for Saldanha/Qingdao cargoes with Classic Maritime booking NYK tonnage for a 21-28 October cargo at \$9.45.

The Brazil/China rate slipped too over the week as trading eased. Rates eased again over the week and were barely holding at \$12.00 with business concluded towards the end of last week at \$12.90.

Front-haul trading too slowed during the week and rates slipped with timecharter rates talked around \$19,000 daily. The pace too slowed transatlantic, although rates for Puerto Bolivar to Rotterdam so far remained significantly in excess of \$7.00.

Panamax

Chinese holidays impacted here and although charterers were more active as the week closed out, the rates were mixed with some achieving last done in the East and others taking easier numbers.

A 2013 built Kamsarmax fixed from CJK 7-12 October for a NoPac round at a rate in the low \$6,000s while a 77,000 tonner 2003 built open CJK 6-7 October fixed a NoPac round at \$5,700 daily. On the short runs, a 12-year old 76,800 tonner went at \$5,000 daily for a trip from Guanzhou via Indonesia to south China.

Period trading this week included Cobelfret paying the 76,294 dwt 2005 built Red Gardenia \$7,000 daily for four to six months trading with retroactive delivery 23 September CJK.

Cautious outlook in the Atlantic with the transatlantic pace eased as coal cargoes reduced.

A 2015 built Kamsarmax fixed and failed from Gibraltar for a trip via the St. Lawrence to the Continent at \$5,500 daily. Today BG Shipping allegedly booked tonnage for a trip via the St. Lawrence to the East via the Cape of Good Hope at under \$10,000 daily.

Supramax/Handysize

Supramax

Despite minimal activity the Atlantic remained balanced on indices for most of the routes. The Pacific market slowed towards the end of the week due to forthcoming local holidays. The Persian Gulf seemed to be the only area showing some support.

On period front, there was talk of a 55,000 tonner open PG fixing four to six months at \$7,500 daily, a 58,000 dwt delivery Damietta in early October fixing three to six months at \$9,300 daily with redelivery in the Far East and two Chinese controlled vessels open in the US Gulf fixing \$10,000 daily and \$8,500 daily respectively both for three to five months duration.

A Japanese built 58,000 dwt fixed delivery Canakkale with early October dates for a trip via Black Sea to India at 11,700 daily. COFCO took a 56,000 dwt open Alexandria on voyage basis to Thailand but no rate was disclosed.

An Ultramax delivery Immingham fixed a trip with scrap to the East Mediterranean at \$10,200 daily. A 63,000 dwt Ultramax open in New York was linked to a two to three laden legs to redeliver in the Atlantic at \$8,300 daily.

The rates for a steel trip from north China to Southeast Asia were sitting at \$6,000 daily early in the week on a Dolphin 57. Same level was reported later on a 54,000 dwt and a 56,000 dwt for such route. On the Indonesia to China route, rates varied which was demonstrated by a Tess 52 type said to have achieved \$7,500 daily, whilst a Tess 58 type fixed at \$7,000 daily and a 57,000 dwt fixed at \$7,500 daily, all basis Singapore delivery. Stems from Indonesia to Thailand paid \$7,000 daily for tonnage open in the Philippines and \$7,250 daily basis Singapore on similar sized tonnage. A 52,000 tonner open Kohsichang was linked to India redelivery at \$7,500 daily with loading in Indonesia.

A 52,000 dwt with PG delivery was booked to Mesaieed at \$6,500 daily. A 55,000 dwt open Jebel Ali reported covered for a trip to east coast India at \$8,500 daily.

Handysize

A very positional market this week with some routes firmly in positive territory whilst others in negative, so overall the Index moved by only a few points.

Pressure remains on rates from east coast South America where a 34,000 dwt was reported fixed for a trip to Algeria at \$5,750 daily. Also a 32,000 dwt was fixed at \$7,000 daily for delivery US Gulf with petcoke to Japan. Brokers said that with increased grain exports from Black Sea the rates remained positive. A 28,000 dwt open Damietta was reported fixed for a trip via Black Sea to the Continent at \$6,400 towards the end of the week. Also mid-week a 39,000 dwt was fixed for a trip basis delivery Casablanca for a trip via Spain with redelivery West Africa at \$11,500. From the continent a 45,000 dwt was taken by a Scandinavian owner-operator for a trip from the Continent to Brazil in the mid \$5,000s.

From Asia rates seemed to hold up. A 32,000 dwt open Kuching first week of October was fixed for two laden legs redelivery Singapore-China in the upper \$6,000s. A 36,000 dwt open Singapore was fixed in the high \$6,000s for an Australian round.

On the period front very little came to light.

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