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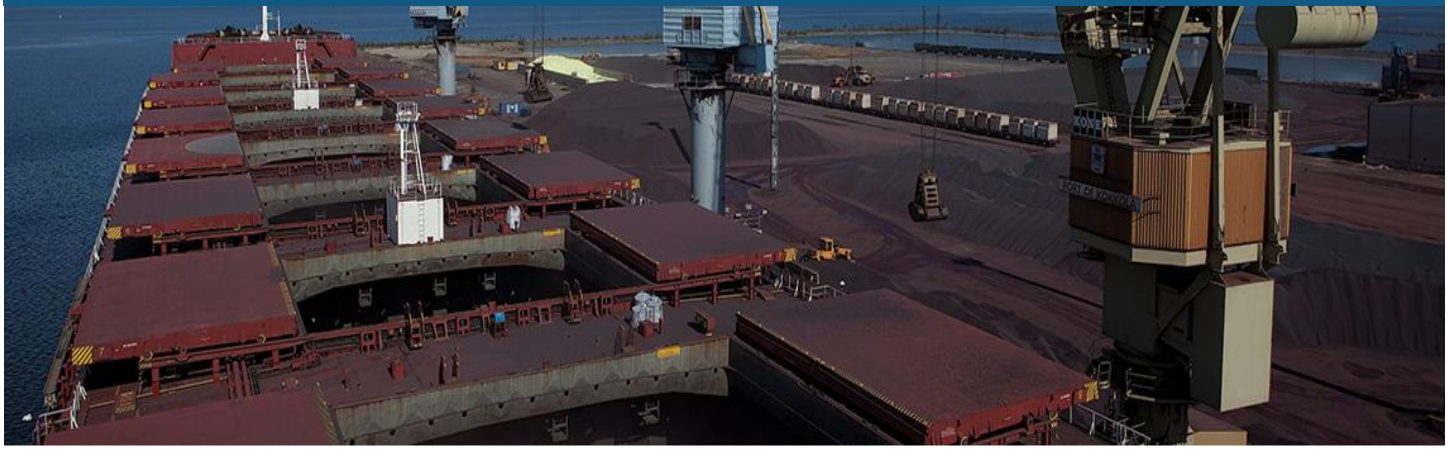

Bulk report – Week 43 2016

Capesize

After a gloomy start to the week there just a touch of optimism as the weekend approached. In the East, the key West Australia/China rate at the start of the week was over $5.00 slipping to a low of $4.60 but today $5.30 is rumoured to have been concluded for mid-November loading. Timecharter activity here was limited; a 2015 built 180,000 tonner fixed from Kemen for an Australian round at $9,500 daily. There was also a report of firmer rates for Saldanha Bay to Qingdao with a 160,000 tonne 10% cargo fixed for 16-21 November shipment at $7.53 basis 1.25% commission, but with the market moving today the rate is likely to be over $8.00 based on the usual commission.

The Brazil/China rate came under pressure this week but rebounded sharply today with 1 December onwards fixing at $11.00 to $11.25 from Tubarao to Qingdao. November laycans were lower with early ships still available, with a 13-20 November cargo rumoured booked today from Tubarao to Qingdao at $9.80 and an end November cargo at $10.40. A newcastlemax was said to be on subjects basis delivery CJK early November at $12,000 for a Brazil roundvoyage. A 2007 built 172,000 tonner agreed a stronger $17,000 daily for 11 November delivery Cape Passero for a trip via Nouadhibou for the trip east. Transatlantic business was largely concluded on voyage basis but sources here suggested stronger rates alleged to equate to around $6.70 basis Puerto Bolivar to Rotterdam. Owners upped timecharter rates significantly to rates in the teens.

Panamax

The outlook remained cautious for Atlantic tonnage with rates easing in the north Atlantic and from the US Gulf and South America. Transatlantic rates for the BPI types had been hovering around $8,500 daily, but little fresh was reported fixed as the week closed out. Mineral shipments east from the north Continent had been paying $13,000 daily to kamsarmaxes with routeing via the Cape of Good Hope. A few charterers were active in the gulf as the week drew to a close but rates came off the highs hovering around the low $11,000s daily and the low $300,000s bonus for kamsarmaxes.

The cargo volume from South America also dwindled and a 75,000 tonner fixed for a 10-20 November cargo from the east coast to Singapore-Japan at $8,250 daily plus a $225,000 bonus.

In the East, rates had been holding at the start of the week but here too charterers were able to secure tonnage at easier numbers mid-week. Owners were trying to resist further falls and the market has possibly bottomed. A Chinese charterer claimed to have fixed an LME basis China at $6,000 daily for a NoPac round but a 2015 built vessel was said to have $8,000 daily on the table from China for a NoPac round.

Supramax/Handysize

Supramax

Rates for vessels loading from the US Gulf maintained the heat by reaching $14,000 daily with delivery Mobile to Turkey on a 63,000 dwt 2015 built. Also a 63,000 dwt open US east coast at the end of October was covered for grain to China at $15,500 daily. For east coast South America tonnage, it was reported a 61,000 dwt fixed $10,250 daily basis up River to Mediterranean. A 56,000 dwt 2011 built delivery Santos was linked to a trip to India at $10,500 daily plus a ballast bonus of $150,000.

In the Pacific, rates slipped due to lack of support from the cargo side. The major routes such as coal via Indonesia to China was covered in the $6,000s on an ultramax with south China delivery, however mid $5,000s was reported in the last business day for the same basis delivery in Singapore. A rate in the $7,000s was fixed for a similar cargo going to India on smaller sized tonnage.

On the period front, an ultramax fresh from shipyard in CJK area was booked for a one-year period at $7,300 daily, but no charterer's name was reported. Two 61,000 dwt were both fixed for a five to seven months trading at $9,500 daily delivery US Gulf and $8,900 daily delivery Canakkale respectively.

Handysize

The week has been relatively flat for Asian deliveries but the Atlantic has seen a good shift upwards with the Continent/Mediterranean and USA markets at last showing some good positive sentiment.

The east coast South America sector might have topped out, brokers suggested. A short period was recorded for a 33,628 dwt delivery Cape Matapan for three to five months redelivery Atlantic at $7,000 daily.

Trips from the Baltic to Egypt/eastern Mediterranean this week were paying around $8,500 to $9,500 daily depending on the size. One 37,000 dwt fixed from the Baltic to west coast Central America at $9,500 daily while another similar sized went to Brazil at $6,500 daily for the first 50 days and the balance at $8,000 daily.

A 37,000 tonner fixed from Recalada to Kaliningrad at $9,500 daily and the same rate was achieved by a 34,416 dwt vessel going to the eastern Mediterranean.

In Asia information was elusive but sources advised a 32,000 toner was covered delivery Singapore for a trip to Colombo with fertilizer at $6,300 daily. An alumina cargo was linked to a 32,000 dwt ship agreeing delivery Singapore for a trip via Australian redelivery China at something in the region of $5,250 to $5,500 daily. The week's Pacific indices saw very little change. There were rumours of a 37,393 dwt 2012 built vessel fixing for four to six months at $6,200 per day basis delivery Mundra.

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