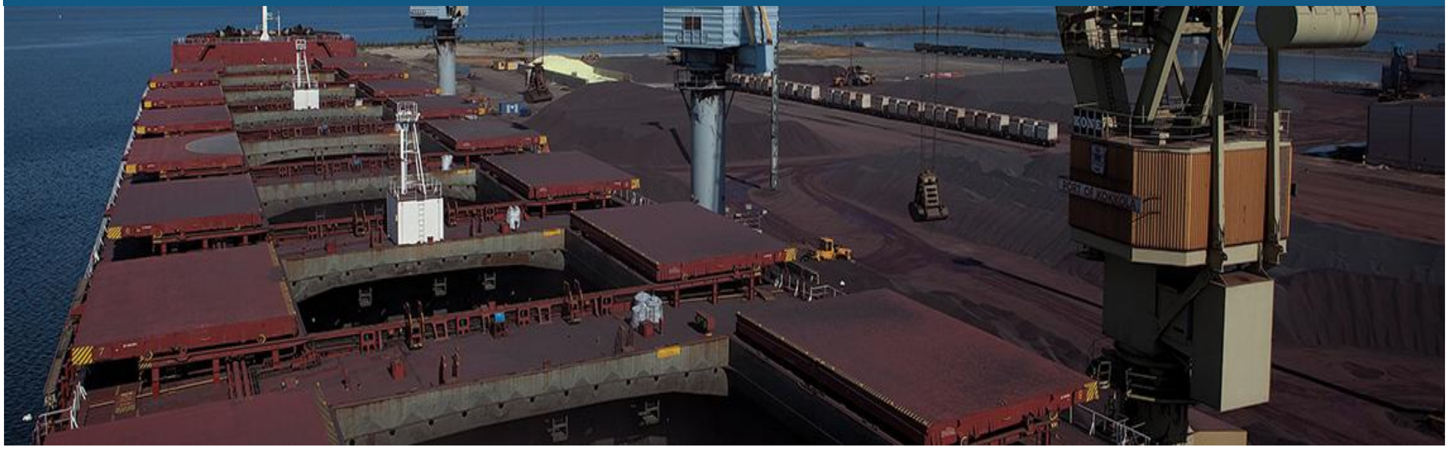
BalticBriefing

Baltic Exchange member news, views and events



Bulk report – Week 44 2016

Capesize

A rumour-fuelled market this week but essentially rates a touch firmer and owners cautiously optimistic. The flotilla of vessels heading to Brazil appeared to have thinned and some higher rates emerging as the week closed out. After failing at $10.75 for a November and a December cargo from Tubarao to Qingdao, Panocean booked tonnage for 20-30 November at $11.25.

BTG fixed a 10-20 December 160,000 tonne 10% cargo from Itaguai to Qingdao at $11.55. A well-described 179,000 tonner fixed from Flushing via Baltimore to India at $18,000 daily. Transatlantic trading was limited with rates for Puerto Bolivar to Rotterdam hovering around the mid $6.00s.

In the East, West Australia/China rates slipped under $5.00 at the beginning of the week and then recovered as the week closed out to $5.50. Timecharter trading was slow although there were ships here booked for Brazil rounds with a 10 year old 171,000 tonner fixed from CJK at $10,500 daily.

Period activity included a report that a 175,000 tonner 2011 built fixed for CJK delivery for 12 months trading at $8,000 daily or the low $8,000s.

Panamax

It was a cautious end to the week with the slowdown in activity impacting on the Atlantic market generally. Rates slipped with news that a major grain house secured a 2010 built kamsarmax from the US Gulf for 14-15 November dates for the run east at $10,900 daily plus a $285,000 bonus. Further north, tonnage remained tight but there were fewer short haul cargoes, but there remained transatlantic interest from the US/Canadian east coast. An 83,000 tonner spot Amsterdam was rumoured fixed with redelivery Gibraltar with grain at $11,000 daily.

In the East, rates topped out and slipped as the week closed out. Demand was healthy but the tonnage list continued to grow as more arrived from the US and east coast South America with grain cargoes. Owners were increasingly wanting period cover for the rest of the year and the uncertain first quarter. Round voyage rates for average panamaxes slipped under $7,000 daily but the more eco kamsarmaxes saw $8,000 daily for NoPac rounds, but one booked at that rate has since failed. Period rates for kamsarmaxes for the longer duration up to 11 months or so were hovering around $7,000 daily.

Supramax/Handysize

Supramax

A well-attended Eisbein festival this week resulted in a slow end. Period information was hard to find but a Tess 52 was fixed on subjects basis delivery Persian Gulf for two to four months at $6,750 daily while the same size open in South Korea was said to have accepted $6,250 for short period with a few other negotiations on going.

A 63,000 dwt was linked to a Setubal to West Africa run at $11,500 daily and a 53,000 toner fixed delivery Gibraltar via Spain to West Africa at $13,000 daily.

The CMB Coralie 53,463 dwt concluded a trip delivery El Dekheila to Bangladesh with grains at $10,750 daily.

This week the US Gulf to Skaw-Passero took over the front haul rates. One ultramax of 63,233 dwt fixed at $14,100 daily delivery US Gulf for a trip redelivery SE Asia while a 58,000 tonner secured $15,000 daily with a petcoke cargo to Skaw-Passero.

Brokers reported a 56,000 dwt built 2006 was covered delivery Recalada for a trip to the Persian Gulf at $10,000 daily plus a $100,000 ballast bonus. A transatlantic trip into the Baltic from the River Plate was fixed at $8,750 daily with a 55,442 dwt vessel.

Asia reported a number of fixtures but all tending to be less than last done. The Bao Resource 2011 built 56,582 dwt fixed delivery CJK trip redelivery Yangon at $5,500 daily. There was talk of 53,000 tonners fixing from South Kalimantan to Thailand at $6,700 daily and to China at $6,250 plus a bonus of $15,000.

The Santa Virginia 2014 built 61,271 dwt open Chittagong fixed $5,000 dop for a trip via east coast India to China. Sources revealed today a 60,000 dwt vessel was on subjects delivery Prai for an Australian round voyage at about $6,300 daily. Back haul was paying $4,000 daily with a Tess 58 agreeing this basis delivery CJK for a trip via Japan to West Africa. Other smaller vessels were reported as achieving about $3,500 daily for similar business.

Handysize

The Asian indices recorded a gradual drop every day this week and brokers said ships have started to build up. The US Gulf sector has fared the best with rates improving, probably on the back of the increased volume for the supramax sizes. After its recent success there has been a drop this week for deliveries east coast South America.

The Continent to Mediterranean run continued to pay rates around the mid $7,000s. The Crimson Majesty 2013 built 38,058 dwt was linked to a trip the East at about $11,000 daily with delivery Continent. A vessel fixed this week from the Black Sea to the US Gulf this week around $7,500 daily. Sources advised the KBS Star 2007 built 30,548 dwt fixed delivery Nemrut Bay for a trip via the Black Sea to the Adriatic at $8,250 daily. It was revealed that a 33,000 tonner was fixed delivery US Gulf for a trip to Continent at $8,000 daily with handysizes US Gulf to west coast Central America now seeing at least $12,500 daily. The Interlink Fidelity 38,800 dwt 2015-built concluded a trip delivery Houston to Morocco at $8,500 daily with Cargill. Unconfirmed reports emerged of a 34,000 dwt booked delivery Houston trip to South Africa at $9,000 daily.

In Asia brokers advised the Daiwan Brave 2014 built 34,358 dwt secured $6,300 daily basis delivery Fangcheng prompt dates for a trip via New Zealand with redelivery China.

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