



Bulk report – Week 46 2016

Capesize

A fast paced market this week with rates rising. The BCI 5-timecharter average Thursday hit its highest level so far this year at \$19,515 daily, but today wobbled slightly and stood at \$19,364 daily. The key routes all recorded sharp gains with the West Australia/China nudging \$7.50 Thursday but today slipping back to \$7.25 to \$7.30 and then talk that a tick under \$7.00 was done.

A 2016 built 180,000 tonner open Jintang fixed an Australia round at \$20,000 daily but sources today said rates were under pressure. The Saldanha/Qingdao route stood in excess of \$11.50 and from Brazil Vale booked several ships at Thursday's BCI C2 index value at \$13.271.

The north Atlantic saw big gains with the fronthaul rate something in excess of \$30,000 daily and again a well described vessel open Amsterdam agreed \$25,000 daily for a Brazil/Turkey run.

However, today saw a talk down in the Atlantic with fewer cargoes in the market and paper values easing. Despite tonnage still being tight in the north, if an owner had to fix today the rate would be lower with few charterers pushed to do anything.

Panamax

A busy week too for panamaxes with rates sharply up in nearly all areas. The Atlantic remained particularly strong, especially northwest Europe where tonnage remained very limited. A 76,000 tonner fixed from Ijmuiden 26-30 November for a Murmansk/Jorf Lasfar run at \$17,500 daily while a post panamax open Hamburg fixed for a minimum of 70 days trading in the Atlantic at \$16,000 daily.

Carvel early this week booked in a 74,000 tonner open Montoir 27 November for two to three laden legs and relet the vessel today at \$13,000 daily with worldwide redelivery. A 1997 built 72,000 tonner open east coast South America fixed for a trip to the Continent at a strong \$14,000 daily plus a \$120,000 bonus. Charterers too have been talking vessels basis Cape of Good Hope delivery for trips from the US Gulf to the East while a kamsarmax achieved \$10,000 daily for retroactive delivery Krishnapatnam 5 November for a trip via east coast South America to the East at \$10,000 daily.

In the East, rates too made gains with a 2010 built kamsarmax open in South Korea 20-26 November fixed for a NoPac round at \$10,000 daily. Increased Indonesian and Australian cargoes lent support to the market. A 79,000 tonner open Taiwan fixed and failed for an Indonesian round voyage at \$11,000 daily.

Many owners were keen for period cover especially taking them over an uncertain first quarter with rates for standard panamaxes in the East hovering around the low-mid \$8,000s for the short duration and similar numbers for a year. The spot market strength in the Atlantic saw charterers having to concede period with a short period on a 74,000 tonner allegedly done at \$13,000 daily.

Supramax/Handysize

Ultramax/Supramax

There were improving rates from both the Atlantic and Pacific this week and the gains were maintained until the end of the week.

Trips from the US Gulf were done at strong rates throughout the week. A prompt 53,000 dwt 2006 built open in the Gulf was booked for pet coke to India-Japan range at \$15,500 daily. A

Tess 58 was covered from the US Gulf to China at \$16,500 daily. The market was later fixing close to \$20,000 a day with the same delivery for a trip to the Mediterranean. A 61,000 dwt 2013 built and a 56,000 dwt 2010 built both open Canakkale were fixed at \$9,200 daily and \$14,250 daily towards the Continent and the Far East respectively.

In the East, brokers saw a tight tonnage list for end November laycan in Southeast Asia. However there were still a handful of vessels open further in north of CJK. For a typical coal run via Indonesia, rates climbed to \$9,000 daily on an ultramax basis Singapore to China and low \$8,000s daily basis south China to India. For NoPac round voyages a rate in the mid \$6,000s per day was reported on a 56,000 dwt 2011 built with north China delivery and Southeast Asia redelivery. Two Dolphin 57 types were covered for steel trips at \$5,250 daily with Rizhao and Zhoushan delivery also to Southeast Asia.

On the period front, two ultramax were booked both for ten to fourteen months at \$7,150 daily with delivery in India and Singapore respectively. A 57,000 dwt 2012 built open in Mexico was fixed at mid \$7,000s with Atlantic redelivery. A 61,000 dwt 2014 built was taken for two to four months at \$6,750 daily basis north China delivery.

Handysize

An active week for handys especially within the Atlantic sector, with rates and indices all improving daily. The Pacific could not match the buoyancy reached in the Atlantic and levels marginally decreased.

Brokers reported two 32,000 dwt vessels having been fixed for two to three laden legs, one securing \$8,000 delivery Antwerp and the other delivery Spanish Mediterranean at about \$6,250 daily, both having Atlantic redeliveries. An Imabari 28 fixed delivery Londonderry for a trip via Murmansk with redelivery Continent at \$6,000 daily while a larger 35,000 tonner concluded a scrap run delivery Brake via St Petersburg to Turkey at \$8,500 daily. A handy covered a Black Sea for inter Mediterranean business at around \$7,750 daily.

The real hot spot was in the US Gulf and sources revealed a 33,755 dwt was on subjects delivery South West Pass trip to west coast Central America at \$16,750 daily. There was a rumour about a 32,000 toner having fixed delivery Vila do Conde for a trip to Norway at \$11,000 daily plus a \$20,000 ballast bonus. The Pola Onega 2014 built 37,666 dwt fixed delivery east coast Mexico with prompt dates for a trip via the US Gulf redelivery Western Mediterranean/Morocco range with grain at approximately \$11,500 daily.

A fertilizer cargo was moved on a 38,140 dwt vessel delivery Persian Gulf trip to West Coast India at \$6,750 daily.

A 28,000 dwt was linked to a trip to Singapore-Japan range with delivery Persian Gulf at around \$6,150 daily. The Pretty Ivory 35,000 dwt built 2011 was taken basis delivery Port Kelang for a trip via Australia with a cargo of alumina at \$5,350 daily with redelivery Bintulu.

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