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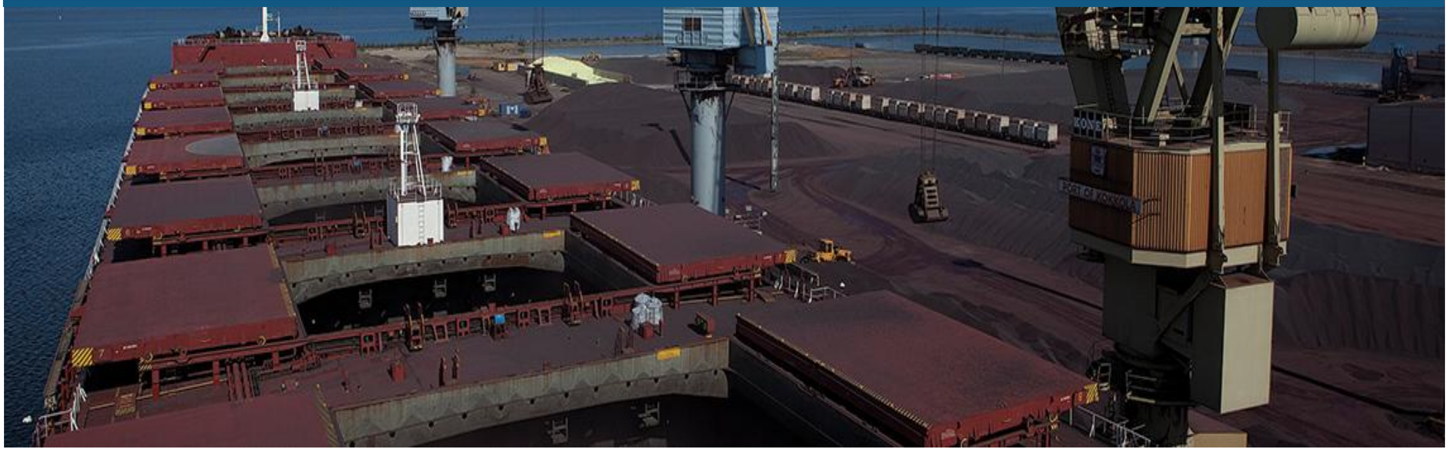

Bulk report – Week 2 2017

Capesize

Last week's gains were eroded this week with slow activity from Brazil impacting the market leaving an imbalance and prompting owners/operators to stay in the East. Rates for West Australia/China runs quickly dropped under $6.00 but appeared to steady as the week closed out but today one of majors allegedly fixed two cargoes for 27-29 January at $5.45. There was a touch more timecharter activity with an eco 179,000-tonner 2015-built fixed from Jintang for a couple of laden legs in the East at $10,000 daily.

From Brazil, rumour largely dominated rather than fact but today a cargo fixed CSN business for early February to Qingdao at $12.00 basis 1.25%. Transatlantic voyage business saw rates ease earlier this week with 29 January -7 February 150,000-tonne 10% cargo fixed from Puerto Bolivar to Rotterdam at $6.85 with an EdF relet but there were some signs of improvement with rates seemingly back in the $7.00s.

Today many described the Atlantic as pushing up and generally with fewer ships in the north just a few more cargoes can turn the market quickly. There were eco ships reportedly fixing around the upper teens to $15,000 daily for transatlantic rounds today. Front haul activity for ships coming open Continent-Mediterranean has been limited this week but rates were still talked of in the high teens to $20,000 daily. The market appeared to have steadied but most remained cautious.

Panamax

A solid market in the Atlantic this week and today rates were still holding especially for the trades breaching INL. A 2001-built 76,000-tonner open Cape Passero allegedly fixed two laden legs with Atlantic redelivery at $9,500 daily, but this has yet to be confirmed. An overaged 73,000-tonner open Dunkirk fixed via St. Petersburg to China at $17,000 daily.

Activity from South America continued although easier rates in southeast Asia prompted more ballasters and likely for now to cap rates. Rates for good ships booked aps east South America to the East were now holding around $9,500 daily plus a $450,000 bonus. There were also several ships retroactively in the East and Indian Ocean area with an eco 75,000 dwt 2012-built fixed from Trincomalee via South America to the East at $9,000 daily.

In the East, ships coming open in the north largely struggled to find NoPac business and rates slipped, but there were still premiums paid for eco vessels and a 78,000-tonner open Yosu achieved $7,750 daily for a NoPac round. Post-Panamaxes struggled with ships open in China fixing Australian rounds around $5,000 or $5,500 daily. However, charterers appeared to back off as the week closed out and owners were resisting further erosions in rates and waiting until next week for further direction. Encouragingly for many, period takers were still in the market but a hiccup in paper trading caused some to back off. There was a rumour of an overaged 74,000-tonner open in China fixing a year at firm $8,000 daily, but this was not confirmed.

Supramax

Overall a disappointing week with levels mainly going south. The Atlantic had a busy few days but so far rates had not had the time to push up. Asia continued its downwards spiral with indices dropping every day this week. With the Chinese New Year holidays fast approaching, there was very little encouragement for Owners in this sector. On the period front there were a few fixtures reported. A Merlin 50,296-dwt 2001-built which will come open Mississippi River 21 to 25 January was fixed for three to five months at $11,500 daily plus an unspecified ballast bonus, and the Spar Ursa 2011-built 58,018-dwt was concluded at $9,500 daily with delivery dop West Africa for 110 to 150 days charter with redelivery worldwide. For slightly longer the Bulk Paraguay 2016-built 63,000-dwt was taken for minimum five/nine months at $9,400 daily delivery dop San Antonio, Chile. There was talk of Panocean taking an Ultramax earlier this week from north of CJK for short period at $7,000 daily but other details remained vague.

Depending on the size of vessel, the usual scrap runs from Continent to Turkey were going at rates between $11-12,000 per day. A 55,000-dwt 2012-built was fixed from Antwerp via the Netherlands to east Mediterranean at $12,000 daily. A 2008 56,600-dwt fixed delivery Iskenderun for a trip to US Gulf at about $7,500 and clinker going from the Mediterranean to West Africa was moving at about $9,000-9,250. A Dolphin 57 open spot in the US Gulf was on subjects for a trip to Spain with petcoke at $15,000 per day while trips from the same area with a 55,771-dwt was fixed via north coast South America to east coast India at $17,500. A small ship the Xin Giang 45,732-dwt 1998 concluded $10,000 per day delivery Mississippi River to north coast South America with grains.

From the US Gulf to Singapore-Japan range, rates were concluded at levels around $16-18,000 daily with the 58,000-dwt 2012-built Golden Oriole reported at $16,800 for such route.

Very few activities were reported on coals from Indonesia to China or India this week. A 56,000-dwt 2010-built open Thailand was fixed for a trip via Indonesia to China at $4,200 daily early of the week. A 53,000-dwt 2009-built was booked at $5,250 daily basis east Kalimantan delivery to China with a ballast bonus of $40,000. Some steel rates to Southeast Asia were on aps basis delivery north China around high $3,000s to $4,000 per day on a standard Supramax. A 53,000-dwt 2009-built open Tianjin was paid $3,000 per day for such trade at the end of the week. In the Indian Ocean, a 55,000-dwt open Bangladesh was fixed via east coast India to China with iron ore at $5,250 daily. An Ultramax built in 2016 and open in west coast India was reported paid over $11,000 daily via Iran back to China. A 56,000-dwt 2012-built open Mumbai was concluded for a trip via the Persian Gulf to China at $9,600 daily.

Handysize

With all the players back at their desk this week it was still a quiet time and all indices were down on a daily basis. Brokers mainly reporting the buildup of spot tonnage forcing further pressure on hires. The Atlantic still out performed Asia although information in this sector was limited. On the short period front there was talk of an Imabari 28 was asking $7,000 delivery dop Sfax but no further news on how close this was to being fixed emerged.

North France to West Africa paid $10,000 with a 2011-built 34,537-dwt vessel. The St Peter 32,688-dwt was taken delivery Aden for a trip via the Persian Gulf with redelivery Singapore-Japan at $8,000 daily plus a ballast bonus of $85,000. One 33,191-dwt was on subjects delivery Canakkale for a trip to the US Gulf at $5,500 daily. The US Gulf market was still reporting the best rates, one trip to the west coast South America concluded at $14,000 per day while 34,000-tonner was taken delivery US Gulf to the Mediterranean at about $13,000. Brokers advised a 30,124-dwt fixed delivery Norfolk for a trip to Tunisia at $10,000 daily. A 33,000-tonner had to ballast from Pecem to fix at $12,000 daily delivery Recalada for a trip to Portugal. Other ships were now facing similar trips at rates around $9,000-10,000 daily. Reports of a 33,398-dwt was fixed delivery Rio Grande trip to west coast central America at $14,000, the same level as paid with a US Gulf delivery.

In Asia the Marcolorado 2010 33,712-dwt was linked to a trip to the Persian Gulf delivery aps Japan at $6,200.

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