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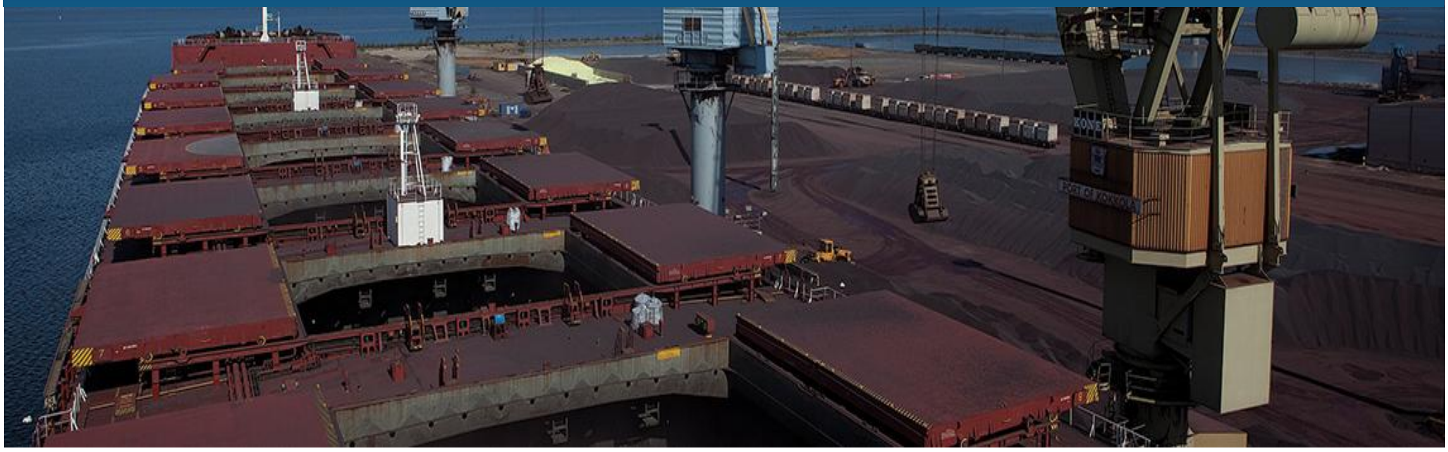

Bulk report – Week 5 2017

Capesize

Whilst the Chinese New Year was celebrated there was a fall in all rates this week with west Australia/China route now trading sub $5.00 with a rumour of perhaps $4.85 being fixed by Rio Tinto today. There was very little timecharter enquiry or fixing, the Anangel Grace (180,391 built 2010) fixed retro sailing Liuheng 31 January for an Australian round voyage at $7,000 mid-week; currently brokers assess the route around $6,000 daily. There was some activity for Saldahna Bay to Qingdao with Sedibang Iron Ore fixing tonnage basis 160,000 min/max for 15/20 February at $8.70. Later in the week there was talk of Cargill fixing an Anglo TBN for 170,000 10% cargo at $7.90 for slightly later dates.

The backhaul market saw more interest. Arcelor Mittal covered their Hay Point to Gijon + Dunkirk East for 15/24 February dates, but no rate was reported. TKS fixed Classic tonnage for Gladstone to Rotterdam at $8.80 basis 144,000 cargo and 18/28 February dates.

In the Atlantic earlier in the week, Cargill fixed the Imperius (179,062 built 2011) for Puerto Bolivar to Icdas at $7.80 for 15/23 February, which brokers were suggesting carries around $1 premium or a shade more over Rotterdam; currently the C7 route is marked at $6.47 for Rotterdam.

Vale were said to have been active on Tubarao to Qingdao, fixing a Dreyfus newcastlemax (Mount Kinabalu 203,185 built 2005) and the Dong A Oknos (179,329 built 2005) at levels said to be in the low $11s but an exact rate has not yet emerged. There is further talk of Vale taking more vessels, but no details have been reported yet.

Arcelor Mittal have taken the Navios Melodia which is a Phaethon vessel (179,132 built 2010) for Tubarao to Gijon + Hansaport for mid-February dates but no rate is reported.

Period levels remain at a premium to current spot levels with some brokers estimating the Baltic Cape would be around $11/12,000 level for 12 months.

Panamax

With the holidays in the East the early part of the week the market started out relatively flat and directionless. However with the return to work for many market participants, enquiry in both basins has picked up including some period cover being taken. A 75,000-dwt 2001-built was fixed basis delivery Singapore early February for nine to 12 months at $7,200 for the first 90 days and $7,050 daily for the balance of period.   For slightly shorter period a 76,000 open South China was taken by a grain house at $7,250 daily for four to seven months.

The Atlantic has seen more activity as the week progressed, but rates remained flat. A 76,000-dwt 2014-built was fixed at the beginning of the week basis delivery US east coast mid-February for a trip to the Continent at $10,250 daily plus $100,000 ballast bonus. Improving activity from east coast South America led to a slight push on rates for the trips to the East. At the beginning of the week we saw a 76,000-dwt 2012 achieving $9,000 daily plus $400,000 ballast bonus and towards the end a 78,000-dwt 2004-built was covered for a similar run at $9,250 daily plus $425,000 ballast bonus. A 75,000-dwt 2010-built was fixed basis retro sailing Sri Lanka for a trip via east coast South America redelivery Singapore-Japan at $8,100 daily.

The Pacific basin has seen improved activity but rates remain fairly flat at the moment. A 75,000-dwt 2009-built was fixed basis delivery Japan for a NoPac round redelivery Singapore-Japan at close to $6,000 daily. For Australian rounds a 77,000-dwt 2006-built was fixed basis delivery Japan trip via East Australia redelivery Malaysia at $5,950.

Supramax

Some Asian countries came back to work from Tuesday and China resumed from today, which limited the activity. On period front, a 55,000-dwt 2004-built delivery in Canakkale was fixed for a minimum of 76 days up to a maximum of 140 days with worldwide delivery at $10,550 daily. A Dolpin 57 type was taken from the US Gulf at $11,000 daily for three to five months redelivery in the Atlantic.

US Gulf activities were still taking place with a 61,000-dwt 2013-built being fixed at $18,250 per day to the Far East and a 58,000-dwt at $18,000 per day to China. A 57,000-dwt open US east coast was fixed via the US Gulf to east Mediterranean at $12,250 daily, and a 61,000-dwt with the same delivery was fixed to Turkey with coal at $17,500 daily. A 63,000-dwt open east coast South America was booked to move to China at $12,000 daily with a ballast bonus of $200,000. There was also talk of a 61,000-dwt del Vila Do Conde fixing to the Persian Gulf at $12,250 daily plus $335,000 ballast bonus.

The typical coal loading from Indonesia paid low $5,000s on a 57,000-dwt basis aps to India and aps $5,000 daily on a similar-sized to China. In Indian Ocean, a 50,000-dwt 2002-built fixed from Fujairah to PG at $8,250 daily. A 55,000-dwt 2009-built delivery Jebel Ali was taken to west coast India at $9,750 per day. For longer durations, a 52,000-dwt delivery US west coast was booked for a Nopac run with coal to Japan at $5,000 daily with $185,000 ballast bonus. A 61,000-dwt Ultramax open Hong Kong was fixed at $6,250 daily for a grain trip via Australia to China and a 58,000-dwt open Singapore was covered for a similar route with alumina at $4,500 daily.

Handysize

The year of the Rooster struts it way in. The Stones once sung about ‘A little red rooster ‘ but this week the song on owners’ minds is more likely to be ‘I can’t get no satisfaction’. The downwards momentum within the Atlantic has continued this week and the buildup of tonnage and lack of requirements has forced rates to fall further. Brokers have little confidence at the moment in both sectors and with the Chinese New Year holidays very little has been reported in Asia. Indices did not have a good time and on Thursday 2 February the BHSI stood at 386.

The Allegra 1995 24,173-dwt was reported covered basis delivery Rouen for a trip with steels via the Russian Baltic with redelivery UK at $8,000 per day. The African Heron 2016 34,370-dwt which was open Brunsbuttel fixed $8,500 daily delivery dop for a trip with redelivery Spanish Mediterranean. Brokers suggested the Melody 2010 30,116-dwt was fixed delivery Poti for a trip with corn to Egypt at $7,500 daily.

The Shelduck 2012 34,467-dwt was fixed by Cargill delivery Houston for a trip to Turkey at $10,500 and a 28 was also reported for a similar trip at the same level. The Pola Uglich

37,666-dwt built 2014 was apparently fixed at $10,000 daily delivery USEC for one trip to Morocco.

A 37,500-dwt, maybe a Norden controlled vessel, was concluded at $8,500 daily delivery aps Vila do Conde for a trip to Norway with alumina. Early in the week the Oriana C 2012 34,417-dwt achieved $8,000 daily basis aps Recalada for a trip to to Skaw / Cape Passero with Tunisia being the intended redelivery port and a few days later the Ocean Echo 2013 37,084-dwt went at $6,800 delivery Rio de Janeiro for a trip to Morocco.

A 37,113-dwt was allegedly concluded delivery aps Conakry for a trip to the Black Sea at $8,250.

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