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Bulk report – Week 9 2017

Capesize

It all happened at the end of the week with a flood of fixing on the key West Australia/China routes and rates nudging the mid-\$6.00s for mid-March onwards cargo. Rio Tinto and FMG were the key miners fixing today with other operators in the frame although BHP Billiton was largely absent from the market. Paper values climbed resulting in further period fixing with a 178,000-tonner fixing retroactive sailing Lanqiao 21 February for around 12 months at \$12,500 daily to Rio Tinto while another similar sized vessel going to Pacific Bulk at \$13,000 daily for the same period. Holidays in Brazil curbed much of the activity here at the beginning of the week but the back end saw activity and rates firmed especially as there fewer ships ballasting. A 10-15 March 170,000-tonne 10% cargo fixed from Tubarao to Qingdao at \$11.75. Trading was thinner further north with rates yet to show any real signs of recovery with a modern eco vessel allegedly fixed on timecharter at the voyage equivalent from Puerto Bolivar to Rotterdam at around \$5.80.

Panamax

South American trading again underpinned market activity impacting on activity in the east and the north Atlantic. As the week drew to a close charterers appeared to be targeting

specific ships to try and take the heat out of the market from east coast South America. More charterers were having to take tonnage drop in the east with one JMU Kamsarmax claiming to have seen \$14,000 daily basis Singapore while ap's rates for well described ships comfortably around \$10,500 daily and \$500,000 bonus. There still remained a long list of tonnage in the north Atlantic but sentiment has helped the market here and a 79,000-tonner fixed from the Netherlands via the Orinoco to the east at \$15,500 daily while an 82,000-tonner open Amsterdam spot fixed for a minimum of 70 days probably via Murmansk to the east at \$15,000 daily. Transatlantic rates for average types were holding \$8,000 to \$8,500 daily. Charterers conceded premiums for ships to trade locally with an 82,000-tonner fixed today from CJK for a NoPac round at \$9,500 daily although the ship has to deviate to load bunkers at the charterer's expense. The bounce in rates and support from paper saw rates rise and again with well described Kamsarmax fixing in the east for around a year close to \$10,500 daily while a Kamsarmax went to a grain house with Morocco delivery at \$12,000 daily.

Supramax

Overall an active week with indices climbing up further in both Atlantic and Asia. Rates for US Gulf delivery remained firm and Pacific had been a good place for owners. Most period fixtures were reported from the east, such as an Ultramax fixed at over \$9,000 basis south China delivery for about five months and a Dolphin 57 type open east coast India achieved in the low \$8,000s for about nine to 11 months.

In the Atlantic, a scrap trip was fixed at \$11,000 daily on a 56,000-dwt basis Continent delivery to east Mediterranean. A 57,000-dwt delivery Recalada was fixed at \$10,750 daily with redelivery in Skaw-Passero. A 56,000-dwt was fixed at \$18,750 daily for a petcoke trip from the US Gulf Coast to Japan with March dates. In the Pacific taking delivery in Singapore for a trip via Indonesia, a 55,000-dwt 2003-built was fixed at \$11,000 daily to Thailand and 56,000-dwt 2010-built at \$10,650 daily to China. For longer durations, a 57,000-dwt 2012-built was reportedly fixed at mid \$5,000s from north China to the Black Sea and NoPac run maintained its level in the mid-high \$7,000s to mid \$8,000s basis Far East delivery depending on the size of the vessel. India coastal trading was concluded at rates in the \$8,000s from east coast to west coast on Supramaxes. A 58,000-dwt was done at \$11,000 daily from Damman to east coast India.

Handysize

Brokers remained positive for now about South America and with sentiment buoyant for this area. Fixtures from the Continent were apparently still improving albeit at a slow pace. On the

back of the Supramax market the US Gulf has picked up but started to slow as the week progressed. Asia has witnessed a daily rise for the Index routes although fixture information has been limited. There was talk about a 39,000-dwt vessel having been fixed delivery Casablanca for short period redelivery Atlantic at \$8,750 per day.

A 32,500-dwt vessel failed with a scrap cargo from UK to Turkey at \$8,250 while a logs cargo was covered on a 25,000 tonner at \$6,500 daily passing Skaw to the eastern Mediterranean. Reports of the Bunun Fortune 2015 built 37,790-dwt which was open in Aliaga 4-5 March was covered on subjects for a trip to the US Gulf at about \$5,500 daily. Sources advised a 34,000-dwt was currently asking \$10,000 for a trip to China basis delivery eastern Mediterranean. There was a vague rumour circulating of a 36,000 tonner having been fixed delivery US Gulf for trip to east coast Mexico at \$11,000 daily.

The Sider Venus 32,120-dwt 2009 fixed \$10,000 basis March 20 in Tampa for a trip to Uruguay with a pet coke cargo. A 34,000-tonner was concluded for a trip delivery Recalada to Mediterranean at about \$10,000 per day. There was another report that a Handysize fixed delivery east coast South America to Singapore-Japan at about \$14,000 daily.

The Obrovac 2010 34,444-dwt was reported fixed open Cigading at \$7,500 daily or two to three laden legs redelivery Singapore-Japan.

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