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Bulk report – Week 11 2017

Capesize

A heady week for the big ships as rates took off particularly in the Atlantic, with sustained activity from Brazil and a step up in transatlantic activity. An eco 180,000-tonner 2014-built open Ijmuiden 29 March fixed a non-breaching transatlantic round voyage at \$21,000 daily and while a 2011-built 179,000-tonner not quite as well-described also did similar at \$19,000 daily. A 6-15 April cargo was fixed from Colombia to Rotterdam earlier at \$8.40 but timecharter rates were showing higher voyage equivalents than this. It emerged today that CSN took four ships from Itaguai to China nett of commission at around \$17.00 although one was booked at \$16.99.

The tonnage supply continued to thin in the north Atlantic and Winning took a Newcastlemax from Mundra via West Africa to China at \$26,950 daily, having earlier booked a 181,000-tonner from Amsterdam via various load options to the east at \$27,000 daily.

In the east, trading was quieter but rates remained firm with the West Australia/China rate nudging near \$7.00 as Rio Tinto took a Panocean relet for 3-5 April at \$6.95. BHP Billiton provided limited action this week but Thursday booked a ship on its e-platform at \$6.69.

Timecharter talk today included a 2009-built 180,000-tonner booked from Qingdao, for an Australian round at \$17,500 daily.

Charterers remained active for period tonnage, with the 2017-built Star Ariadne 208,000-dwt reported fixed for a year in the mid-\$19,000s.

Panamax

An uncertain market generally with a slower pace from South America, but still underlying confidence that this key market will have another surge in activity. As rates eased, charterers began picking off tonnage as the week closed out with dop rates for Kamsarmaxes giving readiness in India and hovering around \$11,000 daily for the rounds, while some charterers were again managing to secure tonnage on an aps basis plus a bonus. Further north, the tonnage list was long, with only limited trading transatlantic or front haul particularly from the US Gulf. A 78,000-tonne 2015-built fixed from the US Gulf to the Continent at just \$10,250 daily plus a \$160,000 bonus.

In the east, rates for NoPac rounds slipped from the mid-\$10,000s daily for ships giving delivery Japan-South Korea with rates slipping under \$10,000s daily with sources suggesting the rate was closer to the mid-\$9,000s daily. With South America stalled for most of the week, owners were less inclined to ballast and competed for local trade with new business especially from Indonesia and Australia in short supply. However, there remained period business albeit at lower levels. An 84,000-tonner open Inchon fixed for six to nine months trading at \$10,250 daily.

Supramax

Generally, a relatively stable week with some positive numbers achieved. Period activity remained popular with a 63,000-dwt open Navlakhi mid-March, fixed for four to six months trading redelivery worldwide at \$11,100 daily and a 58,000-dwt basis delivery Karachi for about four to seven months trading at \$10,000 daily.

Some sources expected improved rates from east coast South America going forward into next week. A 55,000-dwt was fixed basis delivery Recalada trip redelivery Algeria in the mid-\$12,000s whilst an Ultramax open West Africa was rumoured fixed for an east coast South America front haul at \$13,000 plus \$300,000. Towards the end of the week the US Gulf became quieter with a lack of fresh enquiry although a 56,000-dwt was fixed basis delivery in the US Gulf trip redelivery India in the mid \$19,000s. Activity remained from the

Continent where a 61,000-dwt was fixed for a scrap run to the east Mediterranean at \$13,000 daily.

A slow start this week in the east but rates remained firm but there was talk the market this it has become 'toppy'. Rates emerging this week were still strong and 43,000-dwt 2016-built was reported fixed at the low \$14,000s daily delivery in Indonesia to the CJK area. A Supramax also open in Indonesia was rumoured to have been paid in a rate at mid-\$13,000s for an Australian round voyage. The Medi Manila 57,700-dwt 2014-built was booked delivery Surabaya at \$13,000 daily for a trip via Indonesia to China. The nickel ore market strengthen mid-week and a 56,000-dwt 2011-built delivery in Hong Kong and a 51,000-dwt 2001-built delivery in south China were both fixed for nickel ore via the Philippines to China at rates in the low \$10,000s. There was some improvement for ships trading from east coast India, a Supramax giving delivery Chittagong went at \$9,500 daily for a trip to China.

Handysize

A steady increase across all routes this week with the Asian sector seeing the largest increases. On the period front a 33,000-dwt open CJK was fixed in the low \$8,000s for three to five months.

From east coast South America, we saw a 29,000-dwt being covered at \$7,500 daily for a trip to the US Gulf whilst later in the week a 38,000 went for two to three laden legs delivery Recalada and redelivery Atlantic at \$10,000 daily plus a \$150,000 ballast bonus. From the Continent, a 34,000-dwt was fixed basis delivery Brake for a scrap run the east Mediterranean at \$9,000 daily. A 38,000-dwt was fixed from east Mediterranean trip redelivery US Gulf in the upper \$5,000s.

From Asia, a 28,000-dwt agreed delivery Philippines for a trip via Indonesia redelivery south east Asia at \$7,000 daily. Rumours surfaced that a 38,000-dwt was fixed from the Middle East Gulf to Japan at \$11,000 daily. A handy was also fixed from north China via CIS Pacific redelivery China in the low \$7,000 while 35,000-dwt was fixed for an Australian round with alumina delivery Taichung via Kwinana redelivery India, at \$8,000 daily.

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