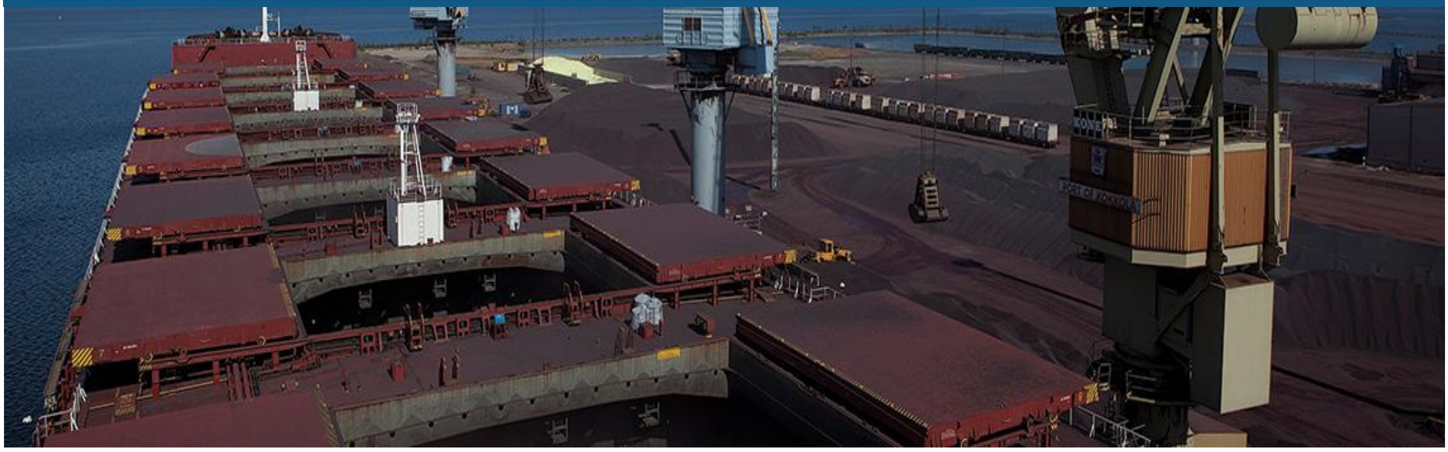
Baltic Briefing
Baltic Exchange member news, views and events



Bulk report – Week 12 2017

Capesize

It looked like a game of two halves for the big ships with the east relatively slow as a cyclone threat in West Australia side lined the miners for most of this week's rates. However, a late run lead to levels around the $7.00 mark for West Australia to China with rumours of five vessels being taken on Friday. Timecharter rates were still largely holding in the mid-teens with a 176,000-tonner fixed at the start of the week at $15,500 from Lanshan for a NoPac round and a similar sized 2004-built booked from CJK for a West Australian round at $16,850 daily mid-week, but rates were slipping with West Australia cargoes limited.

Vale provided the key action in Brazil this week with estimates of ships fixed ranging in excess of a dozen. First half April tonnage remained tight and rates agreed hovered around the mid-high $16.00s for 1-20 April although the charterer secured Korea Line tonnage for a 1-15 May cargo at $14.50. North Atlantic tonnage remained limited and a well-described 180,000 tonner 2016-built open Gibraltar, 22 March fixed for a trip via Port Cartier redelivery Skaw-Cape Passero at $23,500 daily. There were rumours of a front haul fixing with a 2005-built 180,000-tonner, agreeing $33,000 daily for a trip via West Africa to the east, but this was dismissed. Charterers remained in the market for period tonnage, as paper values lent support, with rates for short periods in the east nudging $16,000 daily and the upper $14,000s for 12 months trading. A 179,000-tonner 2012-built fixed in the east for 11 to 13 months trading at $15,500 daily.

Panamax

There was some uncertainty as the week began with a lack of transatlantic business highlighting a growing list of tonnage. Rates here came under pressure, but front haul trading remained active and rates for ships open Gibraltar-Skaw were holding in the $14,000s daily. South America has been the lynchpin of the market for several weeks and charterers soft peddled at the start but the pace quickly gathered momentum and rates recovered with many expecting the market to push on. Aps rates were more evident earlier this week but increasingly, charterers were conceding dop with rates agreed ranging from $11,000 for an 82,000-tonner from Singapore for the east coast South American round, to $12,000 daily or more for India delivery.

Asia rates firmed too as the week closed out with well described 82,000-tonner open Chiba agreeing $12,000 daily for a NoPac round. Increased inquiry from Australia and ongoing Indonesian coal demand also boosted sentiment. Period trading too remained brisk with a 2017-built Kamsarmax open Masinloc fixing a year at $11,000 daily and a 2012-built vessel agreed around $10,700 daily for six to eight months with Zhoushan delivery.

Supramax

The market remained in upward gear this week across both basins, the only area that suffered slightly was the US Gulf, where a buildup of prompt tonnage and less enquiry lead to an easing of rates. Period remained active and a 56,000-dwt 2009-built was fixed basis delivery south east Asia for five to seven months, redelivery worldwide in the high $9,000s and a 52,000-dwt open Indian Ocean secured $9,600 daily for four to six months redelivery worldwide.

Improved rates were seen from east coast South America with a 56,000-dwt was fixed basis delivery up river trip redelivery in the Mediterranean at $14,500 daily and later in the week a 52,000 was reported delivery Recalada again for a trip to the Mediterranean at $15,000 daily. Front haul from this area, a 63,000-dwt was fixed delivery east coast South America redelivery

Singapore-Japan at $12,750 daily plus a $275,000 ballast bonus and a 61,000-dwt was covered on a similar delivery for a trip via the Red Sea redelivery Port Said at $13,000 daily. From the Mediterranean, activity remained a 63,800-dwt was fixed for a trip to west Africa at $11,250 daily.

Again, rates remained steady and a 50,000-dwt open Singapore was fixed for a trip via Indonesia redelivery south China at $11,500. A 63,000-dwt was fixed delivery south China trip via Indonesia with redelivery west coast India at $12,000 daily. For the back haul routes, a 55,000-dwt was booked delivery Longkou trip, redelivery west Africa at $4,900 daily for the first 65 days and $8,750 thereafter. From the Indian Ocean, it was reported a 53,000-tonner went delivery west coast India for a trip the Far East at $11,900 daily and a 56,000-dwt fixed delivery in the Middle East Gulf for a trip to India at $16,000 daily.

Handysize

It had been an all-positive week for handy indices this week. Better numbers were achieved in the Atlantic, Pacific and Indian Ocean, and easing rates were not seen on handy vessels from the US Gulf yet. A 34,000-dwt 2003-built was fixed from west Africa to east coast India at $12,250 daily at the beginning of the week. A 38,000-dwt and a 37,000-dwt were both fixed basis Canakkale for a trip, redelivery US Gulf at $6,200 and $6,500 daily respectively. A 39,000-dwt 2014-built delivery Novorossiysk was booked to Algeria at $10,000 daily and $11,000 daily after the first 25 days. In the east, a 32,000-dwt 1998-built delivery Taiwan was fixed for a trip with slag via Japan back to the Singapore-Japan range at $7,500 daily. A 37,000-dwt open Kosichang end March was fixed for a trip to China at $8,500 daily. Australia coastal trading was reported to have concluded at mid to low $8,000s on a 27,000-dwt but the rate applied to a two-consecutive trip.

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