

BalticBriefing

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Bulk report – Week 13 2017

Capesize

A volatile market this week, with the bullish sentiment from last Friday carried over in the early part of the week but then rates began to slip. The east was not as active as the Atlantic and largely improved on the back of Brazil demand but this too slowed. Most of the big Australian shippers were absent from the market and the West Australia/China rate slipped under \$7.00. Rio Tinto today covered two cargoes for 15-17 April from Dampier to Qingdao at \$6.50. BHP Billiton came into the market today and fixed a 13-15 April 170,000-tonne 10% cargo from Port Hedland to Qingdao at \$6.60 direct with the owner and then had cargoes for trading on its e-platform and allegedly fixed a 17 April onwards at \$6.70. Korea Line took a 2015-built 182,000-tonner mid-week for a round voyage at \$20,750 daily while a 180,000-tonner achieved \$21,000 daily retroactive to sailing Tianjin 20 March for a Brazil round. In the Atlantic, rates too strengthened in the early part of the week but eased as the week progressed with timecharter rates hitting \$25,000 daily for round voyages but today saw a 179,000-tonner open Ijmuiden 1 April fixed a Colombia/Israel redelivery Cape Passero round at \$19,000 daily. Today there was talk of fresh transatlantic business, which prompted a rise in paper values with this market drifting and looking for direction from the physical market. However, these fresh cargoes appeared to be no more than a rehash. Next week's moves remain anyone's

guess but most hoped the market had bottomed out but holidays in the east could make for a slow start.

Panamax

A heated market took a breather as the week closed out. Rates strengthened in most areas apart from the US Gulf where activity has been minimal. The north Atlantic made big gains, although some talked it lower towards the end of the week and with little sign of any easier numbers reported. A 2015-built 81,600-tonner open Ijmuiden prompt went for two to three laden legs about 100 days at \$12,500 daily. A 2010-built Kamsarmax fixed passing Gibraltar for a trip via the Amazon with redelivery Skaw-Barcelona range at \$12,400 daily.

South America continued to dominate the front haul activity with owners able to fix DOP rather than APS with in the mid-\$12,000s daily range. A 2017-built Kamsarmax fixed retroactive Singapore 20 March at \$13,500 daily for a trip via east coast South America to the east.

Pacific trading slowed as the week closed out as charterers backed off trying to cool the market. Rates remained strong for Australian and NoPac rounds. A 2011-built 82,000-tonner open Sakata 5-7 April fixed an east coast Australian round at \$12,500 daily.

Period trading remained active and a 2008-built 81,702-dwt *Medi Salerno* went to Louis Dreyfus for five to eight months trading at \$11,950 daily and the Sasebo type *Sasebo Green* 77,880-dwt 2014-built went to another grain house ex dry dock Qingdao for five to seven and a half months, trading at \$12,000 daily.

Supramax/Ultramax

Overall a good week for this size with improvements across all routes apart from the US Gulf where a lack of fresh enquiry prompted downward pressure on rates. The Asian market remained steady but with the holidays in the early part of next week, this lead to a slight easing towards the end of this week with a lack of fresh enquiry. Period activity remained, albeit with some failing. A 58,000-dwt open in the Mediterranean was fixed for five to seven months redelivery in the Atlantic in the \$11,000s

Atlantic

Better numbers from the Continent this week where a 63,500-dwt was fixed for a trip delivery Bilbao via the Baltic redelivery east Mediterranean at \$16,000 daily. At the end of the week a 55,000 was on subjects for a front haul from the Continent to south east Asia at close to \$18,000 daily and an ultramax rumoured for a fertilisers run from Baltic to China in excess of

\$20,000 daily. From east coast South America, a 64,000-dwt was fixed by a large grain house for a trip to Singapore-Japan at \$14,000 daily plus \$400,000 ballast bonus and a 61,000-dwt was booked for an east coast South America transatlantic run to the Egyptian Mediterranean at \$17,000 daily. The market was not quite as rosy from the US Gulf and a prompt 56,000-tonner was reported fixed for a petcoke run from Pascagoula for a trip to Greece in the upper \$9,000s.

Asia

The middle east bubbled along and a 61,000-dwt was fixed basis delivery Aqaba for a trip to India at \$16,650 daily and a 57,000-dwt was fixed basis delivery India for a round voyage via South Africa at \$10,000 daily. For the inter-Asia trades a 57,000-dwt was fixed basis delivery Jakarta trip via Indonesia redelivery China at \$13,200 daily and an Ultramax 61,000-dwt was fixed for a trip delivery Singapore via Indonesia to China at \$12,500 daily. Little was reported on the NoPac and Australian routes this week.

Handysize

Overall the week was positive for the handy size sector although the US Gulf had a stutter. The Continent and Mediterranean markets continued to pick up while east coast South America showed for positive signs for the near future. Asia just managed keep the momentum going although reported business proved difficult to find.

With April and the Easter holidays on the horizon there was a genuine fear from brokers that the loss of working days may lead to another slow down.

A few owners took period cover and fixtures included the *Crystal Confidence* 2016 34,874-dwt for about three to five months delivery Continent in the low \$9,000s with redelivery Atlantic and a similar unconfirmed deal that a major European charterer had taken a ship for short period at \$10,000. A longer charter was concluded on the *CS Candy* 2012 37,459-dwt at \$8,850 per day for 10 to 12 months trading delivery dop Lianyungang but the account was not disclosed.

Atlantic

The *Nordic Skagen* 2010 33,741-dwt fixed a coal cargo from Baltic to ARA-Ghent/north Spain at \$9,500 daily while the *Laser Ace* 2007 28,416-dwt accepted \$6,750 per day delivery Continent for a trip to Brazil. The *Tanta T* 2011 32,527-dwt went to Ultrabulk dop Iskenderun for one trip to the US Gulf/Caribbean at \$7,500 for the first 55 days and the balance at \$8,900.

Canfornav fixed a 35,000-dwt basis delivery St Lawrence for a trip to East Coast UK at \$10,000 daily.

There was talk a 34,000-tonner was taken delivery South West Pass at \$10,250 daily for a trip to Morocco but this might have been from last week. A 23,000-tonner was linked to a trip delivery Maceio to the Continent at \$9,000. The *Cielo di Dublino* 37,064-dwt 2011 built was apparently booked for a transatlantic trip delivery Rio Grande at \$11,500 daily. The *Strategic Fortitude* 2016-built 37,829-dwt was linked to a fixture delivery Aratu 4-9 April for a trip via Brazil with redelivery west coast Mexico at \$10,000 daily. The Gail 2011-built 29,966-dwt fixed to Amaggi at \$10,400 from Brazil via River Plate to Israel.

Asia

A 32,000-dwt vessel open Japan was booked for a trip from CIS to South Korea at \$7,500 daily. There was a rumour the *Cherry Island* 28,220-dwt 2014-built was taken for an alumina cargo at \$7,500 daily, delivery Gresik for an Australian round voyage. Sources advised the New Leader 2011-built 36,768-dwt concluded a trip delivery north China to west coast Mexico at \$5,500 for the first 45 days and \$8,500 for the balance. A 39,000-dwt open north China was fixed for a trip to India at low \$9,000s. The *Evolution* 1995 24,306-dwt was covered delivery Dammam for a trip via west coast India redelivery east Africa at \$8,000 per day with a fertiliser cargo and 32,000-tonner was covered delivery Fujairah for a trip to the Red Sea at \$10,250 daily.

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