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Bulk report – Week 14 2017

Capesize

As holidays in Asia curtailed activity at the start of the week, the absence of the Australian miners dampened trade and saw the West Australia/China rate slump to $6.15 today for 20 April onwards. Added to this, reports of force majeure on Queensland coal shipments due to severe flooding damaging rail lines saw some vessels diverted to West Australia. Prompt ballasters heading to Brazil lost their nerve took lower rates with levels here dipping to around $14.00. However, paper values bucked the trend especially in the face of a still relatively healthy cargo list and helped underpin the physical market. There was a report that a 1-10 May cargo was fixed from Tubarao to Qingdao at firmer $14.50. Further north, there were unconfirmed reports that $31,000 daily was agreed for the run east but this was not substantiated. Rates softened all week for transatlantic runs with a 2011-built 175,800-dwt vessel fixed from Gibraltar for a trip via Colombia with Skaw-Gibraltar redelivery at $16,000 daily – a rate said to equate to $8.60 for a Puerto Bolivar/Rotterdam run. Despite the uncertainty this week there were still charterers there to take period tonnage with Anglo American taking the 175,932-dwt 2012-built *Stella Jade* from Singapore 6 April for 12 months trading at $15,100 daily.

Panamax

A strong end to the week particularly in the north Atlantic where a surge in activity saw charterers taking longer term cover fixing either a couple of legs or period cover. A 2014-built Kamsarmax open Amsterdam fixed for two to three laden legs at $12,000 daily but the charterer involved then fixed and failed a 77,000-tonner retroactive to sailing from Hamburg earlier this week at $14,500 daily. Front haul rates too firmed especially as some charterers looked to source coal cargoes from the US Gulf as a result of Queensland shipment issues. A Japanese charterer fixed and failed today with the 78,833-dwt 2010-built Triton Hawk from Bremen via the US Gulf to Japan at $23,000 daily. The same charterer fixed a 2014-built 81,000-tonner spot north coast South America aps US Gulf for the run to the east at $17,500 daily plus a $650,000 bonus. Aquavita booked *Songa Maru* 82,687-dwt 2008-built from Rotterdam 12-19 April for six to eight months trading at $13,500 daily. South American grain activity was slower at the beginning of the week but rates remained at still steady levels with a 2016-built Kamsarmax claiming to hold $14,500 daily for Haldia delivery for an east coast South American round.

Rates in the east eased during the week but with some suggesting this nervousness was largely unwarranted with still business in the market and more to come. A still active market from South America continued to attract ballasters although a long list of ships has been held up in Queensland, there remained interest from the north Pacific and south-east Asia. The surge in paper values as the week drew to a close, prompted owners to reconsider their rate ideas leaving those charterers needing to fix on the back foot. Today saw a stand-off in fixing. Period talk saw Norden book the 2012-built 75,336-dwt *Triton* open Tanjung Bin 5-9 April for five to seven months trading at $11,800 daily.

Supramax

The week started on a very quiet note with holidays in Asia. The market here struggled to regain its momentum from the previous week with the routes in negative territory. From the Atlantic, activity quickly picked up with the exception of the US Gulf market which saw vessels finding cover difficult.   Period takers remained active with reports that a Japanese built 60,000-dwt open South China was fixed for short period in the mid $11,000s and a 57,000 was fixed for another short period in the mid $10,000’s basis delivery west coast India.

The US Gulf was slow. A 60,000-dwt was fixed basis delivery South West Pass for a trip via Aqaba redelivery Port Said at $12,000 daily. Front haul trading from the area was limited but a   58,000-dwt was fixed in the mid $17,000s for a trip to Japan. Pressure remained on the

east coast South American area and a 63,000-dwt fixed basis delivery Mumbai for a trip via South America redelivery Singapore-Japan at $11,500 daily. From West Africa, a 56,000-dwt was fixed for a fertiliser run direct to China at $16,250 daily. Pressure continued for the prompter positions on the Continent where a 60,000-dwt was linked to a scrap run to the east Mediterranean at around $17,000 daily. A 58,000-dwt was fixed from Alexandria via Taranto redelivery US east coast at $8,000 daily.
The return to work Wednesday gave rise to a little more activity. A 56,700-dwt was reported fixed delivery Philippines for a trip redelivery China at $8,000 daily and another 56,000-dwt was booked from Kosichang to Chittagong at close to $12,200 daily. A 50,000-dwt spot Hong Kong was fixed for a trip from Indonesia to south China at $8,250 daily. A 2008-built 55,000-dwt was linked to a back haul from north China to west Africa at $5,000 daily for the first 65 days and $9,000 daily thereafter. From the Indian Ocean area better rates appeared and a 63,500-dwt went at $21,500 daily delivery Richards Bay for a trip redelivery India. From the Persian Gulf a 56,600-dwt was fixed for a trip to India at $13,000 daily and a 56,000-dwt was reported concluded basis delivery west coast India to the Far East at close to $11,000 daily.

Handysize

A relatively quiet week in this sector although gains continued to be made within the Atlantic except for the US Gulf market. Asia appeared to be at a standstill. A further slow down was likely next week with the pending Easter holidays.

A 28,000-tonner was concluded for a trip delivery Leith to Morocco at a tad over $10,500 daily. The Continent to Ravenna run with a steel cargo moved at a rate in the region of $13,500 per day. Brokers reported a 32,000-tonner was paid $8,250 daily for the Black Sea to US Gulf trip and the *Bosphorus King* 27,321-dwt 1995-built secured $8,500 per day for a trip delivery Canakkale to the Azores with grains.

Sources revealed the *Apollo Bulker* 2011-built 33,124-dwt accepted $9,000 daily delivery dop Brunswick with a scrap cargo to the Mediterranean.

There was a rumour that a 39,000 tonner was taken at $9,500 daily basis delivery dop Abidjan via north Brazil to Norway and the *Port Phillip* 2008 33,171-dwt fixed basis delivery Recalada prompt dates for a trip to West Africa at $14,000.

A 37,000-dwt vessel was linked to delivery Vietnam for a trip to north China at $8,100 daily. The *Jia Tai* 2011 35,112-dwt concluded a trip delivery Cotabaco, Philippines 5-10 April for a trip to China at around $8,000 daily. A large Handy basis delivery China was booked for a trip to the US Gulf at around $5,000.

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