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Bulk report – Week 22 2017

Capesize

A lacklustre week for the big ships with owners trying to resist but having only piecemeal success and holidays early in the week slowing trade. There has been a reasonable volume of fixing from West Australia to China but rates here barely touched the high \$5.00s. As the week closed out rates improved with a cargo fixed for 24 June onwards at \$5.90 with operators helping to bolster trade. Yet again the market lacked Brazil input with rates still around the low \$13.00s but there was a rumour a 181,000-tonner 2016-built fixing from Tubarao to Qingdao at \$13.50 but sources said this rate was incorrect and suggested the ship fixed on timecharter at something over \$15,000 daily plus a \$500,000 bonus basis the Cape of Good Hope delivery. Further north, owners were a touch more successful in resisting drops with the Cosbulk relet *Cape Agamemnon* 179,221-dwt 2010-built due Cape Passero 14-16 June fixing to EdF for a transatlantic round with Gibraltar-Skaw redelivery at \$11,500 daily which some suggested equated to \$6.35 for a Puerto Bolivar/Rotterdam run. Front haul trading from here was limited although an EdF relet went to X Coal for a 19-24 June 150,000-tonne 10% cargo from Baltimore to Beilun at \$20.65 and again some said this rate showed a timecharter equivalent of under \$19,000 daily.

Panamax

The focus was again on east coast South America with many ships fixed in the past couple of days for June positions and more cargoes appearing. Eco ships have commanded improved rates for the run east and the more standard types were seeing some gains. There were mixed views whether it would push on but it has caused a stand-off as owners up their rate ideas. Rates for premium tonnage nudged to near \$10,000 daily and a \$500,000 bonus. The north Atlantic remained tight for tonnage and rates have firmed slightly with a 2006-built 76,000-tonner fixing from Barcelona for a transatlantic round at \$6,250 daily.

The east has been more active this week with Australian and Indonesian cargoes lending support and the market steadier. A 2006-built Kamsarmax open Qingdao 14 June fixed for a NoPac round at \$6,250 daily. However, caution was the key, a good flow of new cargoes needed combined activity from South America. A re-emergence of period trading helped underpin the market but rates here were still improved a touch but in the east charterers were still faced with low spot rates. There was very little fresh period fixing today and rates still remained at low levels. A 76,800-tonner agreed \$8,250 daily for six to nine months trading with delivery passing Singapore.

Supramax

A slow start to the week on all supramax routes but an increase in east coast South America activity for forward cargoes offered a ray of light. The Pacific saw little improvement and vessels open in the Far East still struggled. On the period front, a 58,000-dwt and a similar-sized delivery in the east were both booked for short period at \$7,500 and \$8,000 daily respectively. A 53,000-dwt 2006-built delivery west Africa was fixed for about three to five months at \$9,000 per day redelivery worldwide.

In the Atlantic, a 61,000-dwt 2016-built delivery in the US Gulf was booked for a trip India at \$18,750 daily with a minimum duration of 60 days. A 53,000-dwt 2006-built was fixed to South Korea with pet coke at \$14,750 daily delivery in the gulf. An ultramax was paid \$9,000 daily delivery South Africa to the Far East with a ballast bonus of \$200,000 and a 62,000-dwt 2016-built was fixed to China at \$14,000 daily basis the same delivery. A trip from Skaw via the Baltic to Morocco went at \$9,000 daily on a 55,000-dwt.

In Asia, a coal trip paid \$8,000 daily via Indonesia to CJK on a 58,000-dwt and \$6,000 daily for the similar run on a 53,000-dwt both delivery Singapore. A 56,000-dwt 2011-built was fixed to move nickel ore from the Philippines to China at \$7,500 delivery south China. A 55,000-dwt

2006-built was paid \$6,650 daily for salt from west coast India to South Korea. Steel or NoPac business remained quiet.

Handysize

Another quiet day in this sector and reported fixtures difficult to obtain. Asian routes were hit the hardest on the BHSI and dropped throughout the week. The east coast South America market for route HS3 had a small gain during the week. Brokers sentiment in general remained bearish for these sizes.

Sources revealed the *Shi Long Ling* 2013 34,610-dwt was fixed at \$8,300 delivery US Gulf for a trip to Chekka, Lebanon with pet coke. Oldendorff took a 35,000-dwt for delivery aps New Amsterdam for a trip to the Black Sea at about \$9,500 daily.

A 35,000-tonner was concluded for a trip delivery north Brazil to the Baltic at \$10,250 daily while the *Crystal Confidence* 2016-built 34,914-dwt was suggested covered at \$10,500 daily plus \$50,000 ballast bonus for a trip up River Plate to Dakar. There was a rumour that the *Northern Confidence* 2016-built 34,914-dwt which was in ballast to Recalada for middle June may have fixed a coastal trip at around \$10,500 per day with delivery aps. The *Interlink Fidelity* 2015 built 38,568-dwt was taken for a trip to the Baltic basis delivery North Brazil at \$10,250 daily.

Very little emerged from Asia this week but it was suggested the *Sea Melody* 2010-built 34,467-dwt was fixed and failed for a trip delivery Singapore via Australia to Kaohsiung with salt at a rate in the region of \$4,750 daily. The *Lovely Klara* 2002-built 28,168-dwt secured a bagged cement cargo delivery Haiphong for a trip to the Philippines at \$6,750 daily.

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