

BalticBriefing

Baltic Exchange member news, views and events



Bulk report – Week 34 2017

We are pleased to announce that David Knights has joined the Baltic Freight Market reporting team.

David brings with him a wealth of experience and knowledge from his many years at Clarksons which will be invaluable as we strive to maintain the necessary service for all our members and users.

Direct Tel: 0207 369 1671

Mobile: 07764 556 637

Capesize

Expectations of a strong opening to the week for the big ships were checked with bank holiday Monday in the UK and a slow start from some of the major charterers causing jitters. The West Australia/China run saw rates easing to \$6.80-\$6.85 for 13 September onwards regaining some ground as the week closed out with Rio Tinto paying a high of \$7.20 for 15-18 September. Brokers pointed out that a lower draft at Dampier was expected for these dates. For similar dates, BHP Billiton secured tonnage on Thursday for Port Hedland load at \$6.95 and \$7.10. A holiday in Singapore today saw trading virtually at a standstill on the key Asian routes.

Trading on the Brazil/China run was also piecemeal starting the week lower with Panocean booking tonnage under \$16.00 while others since suggested some recovery as the week closed out this so far proved elusive with even today talk of under \$16.00 done. Further north, the 2009-built 179,759-dwt *Marijeannie* reportedly fixed Gijon 7-8 September for a trip to the East via usual options at \$27,500 daily while a 2010-built 169,000-tonner was booked from Sines via Nouadhibou to the Continent at \$19,000 daily. The Puerto Bolivar/Rotterdam routes hovered around the low-mid \$8.00s for a 160,000-tonne 10% cargo but it was not clear how much business remained in the market

Panamax

Rates remained steady to firmer for ships trading from east coast South America with most charterers still taking ships from the Asia or the Indian Ocean area. There were attempts to push rates lower but owners remained stalwart with a rumour today that a vessel fixed Singapore for an east coast South American round at \$14,000 daily. Earlier, a 2015-built 81,500-dwt vessel agreed retroactive delivery Singapore 30 August for a trip via east coast South America to the east at \$13,000 daily and a 2005-built LME went at \$12,200 daily. The US Gulf remained under pressure for prompt tonnage but there was increased interest going forward. Grain charterers continued to source ships from the east and a well-described 2016-built kamsarmax went at \$13,000 daily. The north Atlantic has been the weaker area of the market with cargoes in short supply and owners appeared to be discounting for short rounds. A 10-year old 77,000-tonner fixed from Skaw via Murmansk to Amsterdam at \$9,500 daily.

In the east, rates were largely flat with owners still prepared to ballast to east coast South America and the US Gulf. A 2002-built 74,000-tonner open Donghae fixed for a NoPac round at \$9,250 daily. There remained period interest in the market with a 2013-built 81,000-tonner fixing at \$11,500 daily for six to eight months trading with Qinhuangdao delivery.

Supramax / Handysize

A short week with a UK holiday on Monday and Singapore on Friday. Rates showed no sign of weakening from east coast South America but slightly slipped from the US Gulf. All Asian routes remained in positive territory and even firmer towards the end of the week. On the period front, a 56,000-dwt 2010-built was booked for about four to six months delivery Colombo at \$11,500 daily with worldwide redelivery. An ultramax vessel delivery Las Palmas was booked for the same duration at \$14,500 daily also redelivery worldwide.

In the Atlantic, a 63,000-dwt 2015-built was fixed at \$20,000 daily delivery Canakkale for a trip via the Black Sea to the Far East. A 52,428-dwt 2003-built delivery Jorf Lasfar was booked for a run via Setubal to west Africa at \$11,900 daily. A 57,000-dwt 2013-built delivery Casablanca agreed \$17,000 daily to move fertilizers to India. An ultramax type from the US Gulf went at \$20,000 per day redelivery Japan, and a 55,000-dwt 2011-built was fixed to the Mediterranean at \$13,000 daily also delivery in the Gulf.

A 66,000-dwt 2015-built was concluded from the east coast South America to the Far East at \$14,500 daily plus a ballast bonus of \$450,000.

Coal trading remained active in the east. A trip via Indonesia paid \$8,500 daily on a 55,000-dwt 2008-built delivery south China to Thailand and \$9,150 daily on a 52,000-dwt 2006-built delivery Kosichang to China. A 56,000-dwt 2011-built delivery south China went at \$8,500 daily for a trip to west coast India. Nickel ore trips via the Philippines to China paid \$11,250 daily delivery south China on a 55,000-dwt 2007-built and \$11,500 daily on a 61,000-dwt 2012-built delivery CJK.

Even though a quiet week for fixtures reported, the Handy index made gains this week. The Asian market was active at the beginning of the week but then trailing off in the build up to the holiday in Singapore today. From the Atlantic a mixed bag with some brokers seeing gains whilst others suggesting the opposite. Very little period activity surfaced, however, a 31,800-dwt 2009-built open Terneuzen was fixed in the mid \$8,000s for three to five months.

In the Atlantic, a 36,800-dwt 2011-built was reported fixed basis delivery Paranagua for a trip the Far East in the mid \$13,000s and from north coast South America a 34,000-dwt 2012-built was fixed in the mid to upper \$7,000s for a trip to Morocco. From the Continent, a 38,000-dwt was reported basis delivery Rotterdam for a trip via the Baltic to east coast South America at \$7,250 for the first 45 days and then \$8,250 for the balance. In the Mediterranean, a 33,600-dwt 2010-built was covered basis delivery Canakkale for a trip to the US Gulf with steels at \$7,250 daily for the first 40 days and \$9,750 thereafter.

From Asia, a 35,000-dwt open China went for a trip to south east Asia in the mid \$7,000s and a 36,000-dwt open Philippines was rumoured fixed for an Indonesia round in the mid \$9,000s. Further west, a 39,800-dwt 2016-built was reported delivery Karachi for a trip redelivery in the east at \$10,500 daily.

For daily dry bulk assessments from the Baltic Exchange please visit

<http://www.balticexchange.com/market-information/>