



Bulk report – Week 35 2017

Capesize

A punchy week for the big ships as the rate for West Australia/China hit \$8.00 the first time in nearly three years. A Jiangsu Steamship vessel allegedly went at \$8.00 for about 22 September onwards but again this was not confirmed. Timecharter rates too rose sharply with a well described 180,000-tonner fixing from Pohang for an Australian round at \$21,750 daily earlier this week. A report of a voyage cargo emerged with a cargo booked from two ports load east coast Australia to Rotterdam at \$15.90. A longer duration but some suggestion that the timecharter equivalent showed at least five figures. Solid support from the FFA market saw more charterers looking to take period tonnage with rates for a year for a standard 180,000-tonner nudging \$16,000 daily for delivery in the east and nearer \$18,000 daily for short periods. There were too better numbers talked and paid for Brazil rounds although reports of business done reaching the wider market have been limited but were estimated around \$19,000 daily. Similarly, the voyage route Tubarao/Qingdao has seen improved numbers with rates rumoured hitting around \$17.00. The north Atlantic too saw a touch more activity this week and sentiment also here played a part in trading in thin volumes. A

Newcastlemax fixed for a 1-15 October 180,000-tonne 10% cargo from Tubarao to Rotterdam at a strong \$8.49 while the Puerto Bolivar/Rotterdam rate was said in the low \$9.00.

Panamax

A steady improvement throughout the week in all areas. Rates for east coast South America were up over \$1,000 from last week, with a well described Kamsarmax fixing at \$15,250 daily retro Vizakhapatnam and generally Kamsarmaxes achieving excess of \$14,000 basis Singapore, and Panamaxes over \$13,000 daily. The US Gulf saw a spike in grain interest with voyage rates to China for 1-10 October jumping to \$41.00 by the middle of the week from \$38.75 at the end of last week. Even the perceived weakness of the north Continent saw a flurry of fixing with rates improving dramatically, especially for vessels open in the Baltic. Last week owners discounted short rounds and fixed below \$10,000, this week there was a rumour of a Kamsarmax agreeing \$16,000 due to her premium position in Poland. These improvements prompted more period activity with one charterer taking three prompt ships on the Continent each for six to eight months, and a Kamsarmax open Taranto fixing for one year at \$13,500 daily redelivery worldwide. At the beginning of the week, a charterer booked at Kamsarmax for two to three laden legs at \$11,300 daily delivery Gibraltar, before reletting the vessel two days later at \$12,500 daily.

In the east, there was increased intra pacific fixing with owners discounting rates compared to the longer duration business via US Gulf or east coast South America, however rates were higher across the board. A very eco Kamsarmax fixed at \$13,000 delivery north China for an Australian round, and there were a few period fixtures including a 81,000-dwt 2013-built fixing at \$12,500 daily for five to eight months with Qinhuangdao delivery approximately \$1,000 daily higher than a similar fixture last week.

Supramax / Handysize

A more positive tone to market this week with period activity evident. A 57,800-dwt 2012-built was taken basis delivery Norway for three to five months trading redelivery Atlantic at \$10,750 daily and a 63,300-dwt 2015-built was fixed delivery Marmara for seven to nine months trading redelivery Atlantic in the mid \$11,000s. Elsewhere a 55,700-dwt 2007-built was fixed delivery Kosichang for four to six months trading redelivery worldwide at \$10,000 daily.

In the Atlantic, increased activity was seen from east coast South America and a 63,300-dwt 2015-built was fixed from there for a trip to the Continent at \$14,250 daily with a grain house. From north coast South America, a 53,000-dwt was fixed for a trip via west Africa redelivery Australia at \$14,000 daily. The Black Sea market was more difficult to assess with some saying it was a little quieter but a 55,800-dwt 2005-built vessel achieved \$20,000 daily in order to move an HBI cargo basis delivery Mersin trip via Black Sea redelivery Chittagong. Activity remained from the Continent where scrap runs for the east Mediterranean paid in the low-mid \$10,000s depending upon the unit.

The Asian market was also busy with, a 53,000-dwt 2008-built reported fixed delivery Hong Kong for two laden legs redelivery Singapore-Japan at \$10,850 daily. For inter-Asia runs a 57,400-dwt 2013-built was fixed delivery Gresik trip via Indonesia redelivery Thailand at \$13,000 daily. In the coal trades, a 63,300-dwt 2017 built agreed delivery Toledo for a trip via Indonesia redelivery west coast India at \$12,500 daily. From the Middle East, a 63,500-dwt 2015-built was fixed delivery Abu Dhabi for a trip via Iran to China at \$17,000. Brokers remained optimistic going forward.

Even though the Handy index made gains this week, there were two distinct sides to the coin. All but the east coast American routes lost ground in the Atlantic whilst the Asian routes all made positive moves. On the period front a 34,400-dwt 2011-built was taken for four to six months delivery Brazil redelivery Atlantic ranges in the low \$9,000s. In Asia, a 35,000-dwt 2012-built open Longkou was failed for three to five months at \$8,500 daily.

From east coast South America better rates were achieved as the week progressed. A 34,600-dwt 2016-built was fixed delivery Rio Grande for a trip to the Mediterranean at \$12,000 daily and a 38,700-dwt 2015-built was on subjects, at the time of going to press, for a trip to the Baltic in the mid-\$13,000s. From the Mediterranean, a 37,900-dwt 2016-built was fixed for a steels run from the Black Sea to US Gulf at \$8,000 daily and a 45,000-dwt handymax was covered for two to three laden legs redelivery Atlantic in the low-mid \$9,000s. Otherwise little action from other areas.

The Asian market remained buoyant. A 37,700-dwt 2017-built was reported booked delivery Taicang for a south Australian round redelivery south Asia in the low \$9,000s, whilst another 37,000-dwt vessel was fixed for a trip from south east Australia to the Far East at \$13,000. A 34,800-dwt 2012-built was covered basis delivery CJK for a trip via South Korea redelivery

Malaysia at \$7,000 daily. Further west, a 42,700-dwt 1998-built was covered for delivery Yangon for a trip via east coast India to the Philippines at \$6,400 daily. It remained to be seen if the overall positive mode will continue into next week.

For daily dry bulk assessments from the Baltic Exchange please visit

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