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Bulk report – Week 37 2017

Capesize

A busy week for the big ships with the rates strong in all areas of the market. As the week closed out, Vale allegedly fixed ten to twelve ships direct with owners/operators from Tubarao to Qingdao including Newcastlemax tonnage for October positions possibly going into November, with the rates agreed based on the BCI C3 assessment Thursday which came in at \$18.86. A 12 October onwards was also fixed at \$19.10 on this run, these levels were last seen November 2014. North Atlantic rates too remained strong with a 181,000-tonner open Ijmuiden 2-5 October, fixed for a trip to the east including an option of loading West Africa at \$32,000 daily. Transatlantic rates too were hovering in the low \$20,000s daily, although there was a rumour voyage business was concluded at a rate equating to \$25,000 daily and bids over \$10.00 were reportedly seen for Colombia/Continent. Saldanha Bay/Qingdao rates also rose sharply, diverting ballasters enroute to Brazil with rates hovering in the low \$14.00s, while a September ship fixed at around \$14.40.

The key West Australia/Qingdao run saw rates slightly more volatile, having reached \$8.50 mid-week for an early October positions from Port Hedland to Qingdao, dipping to \$8.15

Thursday for Dampier to Qingdao and today rumoured at \$8.25 or \$8.35 from Port Hedland to Qingdao but talk of \$8.50 was denied.

Timecharter rates were strong and a 2015-built 182,481-dwt JMU type fixed from South Korea for a West Australia round at just under \$26,000 daily.

Panamax

Overall the market began to falter on the spot positions. Reported period fixtures remained unchanged from last week with another two kamsarmaxes booked in the mid \$13,000s for five to seven and six to eight months respectively, however these were taken at the beginning of the week.

The Atlantic has seen a steady widening in the bid/offer over the week with most of the early stems from the north Atlantic already covered the shorter rounds were fixing around \$12,000 daily on a good kamsarmax as opposed to mid-teens last week.

Even the US Gulf has slowed, although there a 75,000-tonner was fixed at \$16,900 plus \$690,000 ballast bonus delivery APS US Gulf for 1-10 October, but this was for loading DDGS and routing via Panama, whereas similar ships have since been fixing around \$15,500 daily plus \$550,000 to \$575,000 bonus.

East coast South America also slowed with fewer ships being reported, and rates appearing to slide to around \$13,500 daily compared to around \$15,000 daily basis Singapore delivery, with owners holding back as the week progressed.

The east has been mixed. Vessels in the south continued to do well, albeit fixing at higher levels for short duration trips and giving up their advantageous positions. In the north, rates appeared to be softening for NoPac and Australia rounds, as owners chose to fix Pacific rounds rather than the longer US Gulf or east coast South America trips.

Supramax

Another week of positive increases across all routes, with the exception of the Black Sea which saw rates slip, but brokers here suggested it was tightly balanced. On the period front, a 56,800-dwt 2012-built vessel was covered basis delivery Brunsbuttel for four to seven months trading redelivery within the Atlantic at \$11,500 daily.

From the Atlantic, better rates were seen from east coast South America with a lack of prompt tonnage towards the end to the week. A 55,000-dwt with early October delivery was rumoured

covered in the mid to upper \$13,000s plus a ballast bonus in the mid to upper \$300,000s. For transatlantic trips, a 58,700-dwt was fixed basis delivery Icdas redelivery West Africa at \$10,000 daily. A tightening in the US Gulf saw a 60,000-dwt 2015-built booked at \$24,500 daily for a trip redelivery Pakistan with petcoke. From the Continent, a 56,900-dwt 2009-built was fixed delivery Rotterdam trip redelivery east Mediterranean at \$12,500 with scrap and in the Mediterranean a 52,000-dwt 2003-built was reported delivery Jorf Lasfar trip via Spanish Mediterranean redelivery West Africa at \$12,250 daily.

In Asia, gains continued from last week. An ultramax was rumoured close to fixing basis delivery Indonesia for a coal run to India at \$21,300 daily. Further north, a 52,200-dwt 2001-built was reported basis delivery Xiamen for a trip via Indonesia redelivery China at \$13,000 daily and a 51,000-dwt open CJK was covered on a trip to west coast India at \$11,000 daily. Firm numbers also remained in the Indian Ocean area where a 56,700-dwt 2013-built was fixed delivery Fujairah trip via Salalah redelivery India at \$15,000 daily. Brokers were again hoping for the positive tone to continue next week.

Handysize

It has been a very strong week with all handy indices rising on all routes. Both Atlantic and Pacific markets remained in the positive zone for four consecutive weeks. Period fixtures included a 28,000-dwt delivery China fixing for five to seven months at \$8,000 daily with worldwide redelivery.

In the Atlantic, a 39,000-dwt 2014-built was fixed from Antwerp to east coast South America at \$9,000 per day with fertilizer. A 28,000-dwt went at \$9,750 daily for scrap cargo early in the week basis delivery passing Skaw via the Baltic to the US Gulf, and a 33,000-dwt 2011-built was fixed from Houston to move grain to the east Mediterranean at \$9,750 daily. Another 33,000-dwt delivery Canakkale was booked for a trip via the Black Sea to redeliver in the central Mediterranean at \$9,250 daily. The same level was paid on a 36,000-dwt for a similar run to the west Mediterranean with grains.

In the Pacific, a 24,000-dwt delivery mid-China was paid a rate in the mid \$9,000s daily for a trip to the Middle East Gulf. A 32,000-dwt open in the Philippines was fixed for a trip via Indonesia back to the Philippines at \$11,000 daily and a 34,000-dwt delivery Kwinana was reportedly fixed for a trip via Australia back to the Singapore-Japan range at \$13,000 daily.

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