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Bulk report – Week 38 2017

Capesize

The Moon Festival holidays this week failed to stimulate any significant fixing with rates easing across the board. Mid-week saw some excitement with the Chinese revoking licenses for polluting mines but the impact was short lived. Rates on the key routes came off the highs with C5 West Australia/China finishing the week in the mid US\$7.00s for mid-October. Timecharter rates similarly with a 10-year old 175,000-tonner open Wenzhou fixing an east coast Australian round at US\$19,100 daily. Earlier in the week, Korea Line took a similar size/aged vessel from China 3-5 October for a Port Hedland/South Korea run at US\$21,000 daily.

Rumour drove the Brazil/China route with suggestions mid-week of off-market business concluded at higher numbers but these were largely discounted. However, CSN was said to have taken a couple of Oldendorff Newcastlemaxes for 5 October onwards cargoes from CSN facility to China at US\$18.40 net of commission.

Further north, tonnage remained tight but fresh cargoes scarce. On the C7 route Puerto Bolivar/Rotterdam, reports surfaced of business concluded at \$9.15. Front haul trading from

the north Atlantic was scarce although Rio Tinto was rumoured fixing a cargo from Seven Islands to Qingdao at US\$19.50 and some suggesting the timecharter equivalent just about in the high US\$27,500 to US\$29,000 daily.

Panamax

Last week, the market softened in all areas and subsequently period activity evaporated.

The Atlantic has been subdued with a distinct lack of cargoes in the north impacting on rates, owners were left with few options for transatlantic business. Even the US Gulf has slowed noticeably although concluded fixtures here were still at similar levels to last done, a 2017-built Kamsarmax fixed at US\$15,500 daily plus US\$550,000 for first half October dates to the east. Activity from east coast South America was sporadic but like the US Gulf, rates have remained close to levels seen last week, a 2007-built Kamsarmax fixed at US\$13,250 daily delivery retroactive Singapore 18 September for the round voyage via east coast South America.

The Pacific has seen the most activity this week which many assumed was due to the upcoming holidays but some suggested charterers had been previously holding off and were now having to cover at the lower levels on offer. Mid-week there was a deluge of vessels failing on subjects and a Kamsarmax reported Tuesday fixing US\$13,800 daily for a trip via Australia to India was then reported failed and fixed two days later on the same route at US\$11,500 daily. The impact of the long tonnage list in the north also had an adverse impact on those open further south, which previously been enjoying much firmer rates.

Supramax

Like all the other sizes in the dry market the week started on a strong note but with this week's Moon Festival in the East the second half of the week slowed dramatically for owners looking to cover prompt position. Period activity was still reported and a 63,000-dwt 2016-built was booked for a year delivery Tuticorin redelivery worldwide at \$11,750 daily.

Some strong numbers were reported from the Atlantic, especially the US Gulf where transatlantic runs were done at improved levels. A 55,742-dwt 2006-built was fixed basis delivery Canaveral for a trip via Mobile redelivery on the Continent at \$14,650 daily and a 60,400-dwt 2015-built was rumoured fixed delivery US Gulf for a trip to Finland with coal at US\$19,000 daily. East coast South America treaded sideways with a 63,500-dwt 2013-built fixed delivery Recalada for a trip to Egypt at US\$16,000 daily. The east Mediterranean maintained a gentle decline throughout the week with a build-up of tonnage.

An Ultramax was rumoured covered for a trip to the Continent at US\$8,000 daily.

Asian routes all lost ground towards week-end but levels were still healthy. A 61,400-dwt 2013-built was fixed delivery Singapore trip via Indonesia redelivery China at US\$16,000 daily. Further north a 53,400-dwt 2008 was reported booked delivery Zhanjiang prompt trip redelivery east coast India with fertilisers at US\$10,300 daily. Reasonable levels were seen from the Indian Ocean area and a 57,800-dwt 2010-built was reported delivery Karachi prompt for a trip via the Persian Gulf redelivery Indonesia at US\$13,000 daily.

Handysize

Handy rates came off the highs in the East from earlier in the week and a still healthy but flat Atlantic market. The Continent market remained firm, a small handy vessel fixed for short period from the area in the mid \$8,000s. Other period fixtures include a 34,000-dwt fixed for about three to five months delivery north China at US\$9,850 daily with worldwide redelivery.

A 34,000-dwt was booked from Sfax for two laden legs at US\$10,100 daily redelivery in the Atlantic. A 39,000-dwt delivery in the east coast Mexico was fixed for moving petcoke to the Mediterranean at \$12,500 daily. A 35,000-dwt 2013-built was agreed US\$15,000 daily delivery south Brazil to Morocco with sugar. In the Pacific, a trip to China paid US\$10,000 daily on a 34,000-dwt delivery Indonesia and on another similar-sized delivery in the Philippines. Tonnage open further north was booked at US\$10,000 daily on a 28,000-dwt delivery Japan for a trip to Thailand and US\$9,500 daily on a 34,000-dwt delivery South Korea for two laden legs redelivery worldwide.

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