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Bulk report – Week 41 2017

Capesize

A Singapore holiday mid-week disrupted trading for the big ships particularly in the East and although rates dipped, the key West Australia/China run was slipping under the mid US\$8.00s for 3-6 November cargoes from Dampier, but October cancelling paid nearer \$9.00. Lower drafts in Dampier reduced cargo lift for October, but levels were expected to significantly improve for November. Timecharter rates were still at steady levels, a 2008-built 180,000-tonner fixed from Tianjin mid-week at US\$21,750 daily. The latter part of the week saw increased activity from Brazil and the north Atlantic. Rates from Brazil closed the week at over US\$18.00. Hyundai Glovis booked a Uniper vessel for a 15-24 November slot from Tubarao to Qingdao at \$18.25. Transatlantic rates hovered around the mid-US\$20,000s daily with a step up in shipments from Brazil, West Africa and Europe. MOL took a CCL-controlled 180,000-tonner to move a cargo from Tubarao to Turkey at US\$25,000 daily, basis Cape Passero delivery and redelivery. The BCI C7 Puerto Bolivar/Rotterdam route saw some trading with rates around the low to mid US\$10.00s. There was some front haul activity with an end October-early November 170,000-tonne 10% cargo from Seven Islands to Qingdao

concluded at US\$22.50. Timecharter rates were said to be holding around the low US\$30,000s daily for ships delivering northwest Europe. Period trading was less visible although Pacific Bulk booked 2016-built eco 179,000-tonner from ECPT for CJK delivery for three to five months trading at a tick under US\$21,000 daily.

Panamax

The BPI 4TC average reached a high for the year so far on 17 October at US\$13,265 daily, beating the previous high of 18 April by almost US\$300. The market failed to make further gains during the week as the Atlantic began to soften on the early positions, but this was off-set by the Pacific basin rates continuing to nudge higher.

The US Gulf seemed to suffer most with delays and congestion limiting new business for first half November dates. A 10-20 November US Gulf/China stem fixed last week at US\$43.75 per tonne whereas 1-10 November was fixed at \$41.75 per tonne this week. There was limited fresh enquiry for transatlantic business and details of the little fixed proved elusive but rates were under pressure as the tonnage list lengthened.

In the Pacific, the focus was on North Pacific grains with added support from numerous coal steams to India.

There were rumours as the week closed out of a of a newbuilding kamsarmax fixing at US\$16,500 daily from South Korea for a NoPac round, while last week a 2013-built kamsarmax was concluded at US\$13,500 daily delivery CJK, China for a NoPac grains stem.

Period rates too firmed with a 2006-built 76,000-dwt allegedly booked for five to seven months at US\$13,500 daily which had previous been the levels achieved by modern kamsarmaxes last week.

Supramax

East coast South America and US Gulf remained firm while the Pacific area appeared flat. The Black Sea and Mediterranean area strengthened in the middle of the week, but the market awaited further business to be fixed to set a new benchmark. Brokers suggested the Atlantic basin overall might have peaked and charterers were slightly holding back as the weekend approached. Short period fixtures reported from the East included US\$12,250 daily paid to a 58,000-tonner and US\$11,000 daily on a 56,000-dwt both delivery north China. Strong numbers were also reported in the Atlantic with a 63,000-dwt 2017-built delivery Brazil fixing at US\$17,000 daily for about four to six months trading with worldwide redelivery. From the West,

a 56,000-dwt 2005-built delivery west Africa was booked to load sugar via Santos back to the India-Japan range at US\$17,000 daily. A 57,000-dwt 2012-built delivery Casablanca was fixed for a trip to Vancouver at a rate in the mid-US\$14,000s. An ultramax agreed US\$9,000 daily delivery Canakkale via the Black Sea to the US Gulf at US\$9,000 daily. In the Pacific, a typical coal trip via Indonesia to China paid US\$14,000 daily on a 52,000-dwt delivery Singapore and US\$12,000 daily on a 56,000-dwt delivery Hong Kong. A regular nickel ore loader 55,000-dwt achieved in the mid-\$12,00, and nickel ore run via the Philippines to China paid a rate in the mid US\$12,000s on a 55,000-dwt experienced loader with Vietnam delivery.

Handysize

A relatively slow week and holidays in the east curbed the trading. However, rates remained firm in general and showed a positive week on various handy routes. The bigger sized handy vessels increased in popularity with brokers suggesting more demand for these sizes worldwide.

A 34,000-dwt 2012-built delivery east coast North America was fixed for a coal trip via the US east coast to the northwest Europe at US\$15,650 daily or the charterer's option to redeliver in the eastern Mediterranean at US\$16,850 daily. A 40,000-dwt 2015-built delivery Poland was fixed to move steel to the east Mediterranean at US\$18,000 daily. A 37,000-dwt 2013-built delivery Japan was fixed for a trip to Southeast Asia at US\$10,100 daily.

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