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Bulk report – Week 44 2017

Capesize

Whilst the rate levels have come off during the week, there still seems to be a reasonable balance. For the west Australia to China run, the market has slipped to around US\$7.50 from last week's levels in the low US\$8s. Brazil to China has remained around the US\$17.50 level with this rate fixed by SwissMarine on the *Kyla Fortune* and the newcastlemax – *Kachodoki* achieving a similar rate from Cargill for a full cargo. Saldnaha Bay to Qingdao was covered at US\$12.80 basis 1.25% total commission with Pacific Bulk tonnage by Ore & Metals. There was some fronthaul activity as the Cape Istanbul fixed with U-Ming basis delivery Passero 9 November for a trip via Kamsar to China at US\$32,000, which is a shade less than last week's levels. RWE's vessel *Vittoria*, 180,025-dwt 2015-built, fixed delivery Rotterdam for two-three laden legs with Atlantic redelivery at 122.5% of the Baltic Cape 5TC with SwissMarine.

Panamax

The index continued its decline for the first half of the week, but has increased in the last two days, on the back of the rising Atlantic market. Tightening supply on the north Continent and west Mediterranean combined with fresh demand pushed transatlantic rates up considerably in the past 24 hours and produced even more period interest. A 2017-built kamsarmax which had fixed at \$16,000 daily for four to seven months at the beginning of the week has reportedly been re-let now at US\$17,250 daily. Front haul grains from the US Gulf have been muted. However, levels remained steady and activity from east coast South America has increased slightly, although rates were relatively unchanged.

In the Pacific, the rates have slowly eased throughout the week rather than dropping dramatically, with good specification ships in premium positions still obtaining reasonable levels. Kamsarmaxes and post-panamaxes have been more in demand on the mineral trades than the panamaxes, with their tonnage list growing and almost causing a two-tier market. It has been a quiet end to the week due to a holiday in Japan and there has been far less period interest compared to the Atlantic with a 2005-built panamax fixing at US\$12,750 daily for five to seven months, representing a drop of approximately US\$750 daily on a comparable fixture last week.

Supramax

Very little was heard on the period market, an ultramax 63,000-dwt 2015-built open north China was said to have fixed for four to six months trading redelivery Middle East Gulf-Japan range at US\$12,000.

The Atlantic routes dropped across most areas, with the exception of the US Gulf, which bucked the trend as tonnage supply balanced out. A 57,000-dwt was fixed delivery Barranquilla via north coast South America for a trip to the Continent at US\$18,500. Also, a 61,000-dwt was reported delivery Southwest Pass for a trip with grains to the Philippines at US\$22,600. Very little activity from South America due to limited supply of fresh enquiry, a 56,000-dwt was fixed delivery Recalada for a trip to Bejaia at US\$14,000. For trips to the east, an ultramax was fixed at US\$14,000 + US\$425,000 ballast bonus redelivery Bangladesh.

In Asia, a lack of fresh enquiry combined with a build-up of tonnage meant rates declined. A 56,600-dwt open Haimen, fixed a trip via the Philippines back to China with nickel ore at US\$10,250. Further south, a 57,000-dwt 2008-built fixed delivery Gresik for a coal run via Indonesia to India at US\$11,800. A 64,000-dwt 2015-built was fixed delivery Sandakan trip to

China at US\$12,000. Other areas remained quiet, from South Africa a 60,000-dwt fixed a trip to west India at US\$12,250 + US\$225,000 ballast bonus.

Handysize

A fairly slow week in general with various holidays worldwide. Negative sentiments remained across all routes, however there was talk of the US Gulf showing slight signs of recovery.

A 28,000-dwt 1996-built delivery east coast South America fixed grains to Yemen at US\$11,750 with redelivery Port Said, whilst a 38,000-dwt 2015-built open in the same area fixed to the west Mediterranean at US\$15,000. A 38,000-dwt delivery Canakkale and a 33,000-dwt delivery Dardanelles were reportedly fixed both via the Black Sea at mid US\$12,000s to west Africa and US\$11,000 to Otranto respectively.

In the Pacific, a 32,000-dwt open north China was fixed at US\$10,000 for a trip to east coast India. Another similar-sized vessel open Lanqiao, achieved a rate in the mid US\$8,000s basis north China trip to Singapore. A 34,000-dwt open in Singapore was fixed for a trip via Indonesia to south China at US\$10,000.

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