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Bulk report – Week 47 2017

Capesize

A strong end to the week with weather delays in China combined with stronger iron ore prices boosting activity. All the Australian miners put in an appearance, taking several ships for loading within the 1-10 December time frame, with the West Australia/China ending the week at the high for the year at over US\$9.00. Timecharter rates were over US\$20,000 daily for ships loading mid-China for west Australian round voyages. Brazil activity was largely opaque for most of the week, but finished strongly with Oldendorff fixing a 15 December cancelling 170,000-tonne 10% cargo from Tubarao to Qingdao at US\$18.65 and one at 18.60 for 25 December cancelling. An earlier 181,000-tonner in ballast reportedly went on timecharter at a firmer rate but little detail surfaced.

North Atlantic rates also firmed, with timecharter rates hitting the upper US\$20,000 daily for transatlantic rounds with a fuel-economical 179,000-tonner allegedly paid US\$28,500 daily. Tonnage remained tight in the Atlantic and at least one charterer took two panamaxs rather than a capesize, to move a cargo from Nouadhibou to Rotterdam, with talk that some were looking at splitting cargoes from Colombia to the Continent but there were few to move on this

run. Front haul rates also held and a 181,000-tonner fixed from Gijon for a minimum 70-day at US\$34,700 daily.

Panamax

After a slow start, the Atlantic eventually saw improved volume mainly due to transatlantic mineral trades, and towards the end of the week talk of charterers trying to split cape cargoes added to improved sentiment. Rates were slightly higher but with a lacklustre US grains market it has been positional and limited to inter Atlantic trades only. East coast South America remained quiet and this was reflected by a drop in rates, to close to US\$14,000 daily, plus US\$400,000 ballast bonus for kamsarmaxes for trips back to the East. The Pacific saw a steady increase in activity throughout the week, despite a holiday in Japan on Thursday, however rates could be best described as flat. The South firmed due to Indonesian and Australian coal volumes and a tightening of available tonnage, but this was off-set by the plentiful tonnage open in the north. Renewed optimism was driven by significant cape market gains and period interest was evident, although owners largely resisted the levels on offer.

Supramax

The Baltic Supramax Index (BSI) overall made gains this week despite a few areas trading sideways. More positive sentiment was seen across Asian routes and in the Atlantic, better numbers were evident from the Gulf and a touch more activity further south. Period activity remained under the radar but a Tess 58 open Arabian Gulf, was rumoured covered for short period on private terms. In the Atlantic, from the Continent this week, a 61,000-dwt 2017-built open Ghent fixed trip to the eastern Mediterranean at US\$13,800 daily with scrap and a 63,000-dwt 2015-built open Iceland was covered for a trip via Murmansk with coal to the east Mediterranean at approximately US\$14,000 daily. In the Black Sea, a 54,000-dwt was fixed for a trip to West Africa at US\$12,500 daily. From the US Gulf area, a 63,000 was fixed delivery north coast South America trip redelivery Chile at US\$24,000 daily. From east coast South America, a 61,300-dwt 2014-built was booked basis Rio Grande to the Continent at US\$16,000 daily, option redelivery Mediterranean at US\$16,500 daily.

Asian markets activity levels increased. A 63,000-dwt 2016-built was fixed basis delivery Bintulu trip via Indonesia redelivery China at US\$11,500 daily and a 57,000-dwt 2012-built was linked to a trip delivery Cebu redelivery west coast India at US\$9,500 daily. Limited activity in the Indian Ocean, a 56,500-dwt 2012-built was covered delivery Nacala, trip

redelivery United Arab Emirates at US\$11,000 daily plus US\$125,000 ballast bonus. Brokers hope that the momentum will continue.

Handysize

The handy market struggled and lost ground again this week. Limited activity particularly with the US holiday at the end of the week and little reported. The Pacific market continued to slip further.

A two to three laden-leg within the Atlantic was rumoured at US\$8,600 daily delivery Morocco on a 32,000-dwt 1997-built, while from the Black Sea/Mediterranean area, a 37,000-dwt 2017-built was fixed to west Africa at US\$12,250 daily delivery Canakkale. A 28,000-dwt, 2009-built and a 35,000-dwt 2012-built were fixed at US\$10,000 daily for a steel trip to Damietta and US\$9,500 daily to Algeria both delivery Canakkale to run via the Black Sea. A 35,000-dwt 2013-built was booked at a rate in the mid-high US\$13,000s, delivery Recalada for a trip to north Brazil.

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