

# BalticBriefing

Baltic Exchange member news, views and events



## Bulk report – Week 49 2017

### Capesize

The cape market continued to firm with the 5TC average pushing to further record levels, on Friday it was marked at US\$29,693, further gains are expected. There has been some encouraging period activity with the *Pacific Century* 180,467-dwt 2011-built fixing CJK mid December basis 11-13 months at US\$17,750 with Bilgent.

Bad weather persisted in Asia with CJK being closed again and this affected vessel schedules. Nevertheless on the main ore route west Australia to China whilst the rates had hovered around the US\$9.85 level earlier in the week, they nudged down slightly to around US\$9.70 later on and on Friday there was talk that US\$9.60 was achieved by Rio Tinto. The timecharter equivalents of such voyage rates are still showing something around the US\$26,000 level, it remains to be seen where rates go during the festive period. At the week's end the *Boston* 177,828-dwt 2007-built fixed delivery Liuheng spot for a trip via Australia to China at US\$28,000 with MOL.

The Atlantic remains very tight for tonnage and rates have improved during the week. Earlier in the week the *Evgenia* 176,000-dwt 2011-built fixed delivery Wilhelmshaven 7/10 December for a trip via Colombia to Skaw-Passero at US\$30,000 with Cargill. There has not been much

more activity on time charter reported, but the last C8 index assessment was US\$36,925 a jump of US\$5,500 from the previous week. The CCL vessel *KSL Sapporo* 180,960-dwt 2014-built open in Brazil fixed 160,0000 10% ore from Tubarao to El Dekheila for end December loading at US\$13.50 with EZDK.

## **Panamax**

Sentiment seemed to have turned at the beginning of last week with most assuming rates would soften, but as the weekend approached there were one or two areas seeing a mini revival. The North Continent saw some fresh mineral demand, rates are very solid albeit on shorter duration trades from the Baltic and USEC. Grain volume is seemingly petering out again there remains a two tier market with rates from EC South America weakening slightly. Pacific coal demand from Indonesia and Australia saw a flurry of fixing at the end of the week, with rates appearing to show some resistance. Earlier in the week tonnage in the South had been in demand whilst the lengthening tonnage list in the North and minimal grain activity saw owners struggle to cover on prompt positions. Period demand remained healthy, buoyed by the positive FFA market, with a 2006-built kamsarmax on subjects at US\$12,500 daily delivery India.

## **Supramax**

The supramax index remained flat, Atlantic rates from certain areas made ground but routes in the Asian market saw negative movements. Period activity remained quiet, but a 63,000-dwt 2017-built was reported fixed delivery Houston for minimum four to six months trading redelivery Atlantic at US\$15,750.

In the Atlantic, the highlight was from the US with better levels being achieved. A 58,600-dwt was fixed for a trip US Gulf to the Far East at US\$25,500, with rumours that an ultramax was fixed to India at around US\$28,500 daily from north coast South America.

In Asia rates eased a little where a 56,800-dwt open CJK was fixed via CIS Pacific redelivery Yangon US\$9,750. Later in the week a 56,400-dwt fixed delivery Map Ta Phut for a trip via Indonesia redelivery south China at US\$9,000. We also saw activity from a 57,600 was linked to a trip delivery South Africa trip redelivery Far East at US\$12,000 plus US\$200,000 ballast bonus. A supramax was also said to have been covered for a trip to the Continent at US\$10,000

## **Handysize**

There were no significant changes on the handy index. The BHSI moved up point by point with gains in the Atlantic basin but losses in the Pacific. Further improvement came from east coast South America and US Gulf but information remained limited. On the period front, a 38,000-dwt 2016-built vessel open Norway was fixed for short period with a minimum 80 days at a rate in the low US\$12,000s.

In the Atlantic, a 32,000-dwt 2008-built vessel open in the Baltic was fixed to north Spain at US\$11,000. A trip from east coast South American paid 17,000 on a 34,000-dwt 2012-built vessel to the west Mediterranean and mid US\$18,000s on a 28,000-dwt 2009-built vessel to US west coast at US\$18,500. From the Pacific, a 34,000-dwt 2010-built vessel open South Korea was booked for moving slag via China to Singapore at US\$7,250. Moving towards the Indian Ocean, a 33,000-dwt 2015-built vessel was fixed in the mid US\$10,000 delivery Kandla.

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