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Bulk report – Week 50 2017

Capesize

Rates slipped as the week closed out with the Atlantic sharply lower while rates in the east held fairly steady. There remained a few cargoes to be fixed in the Atlantic but more ships appeared and were offering at lower numbers as they sought cover before the holidays. Transatlantic timecharter rates dropped to the low US\$30,000s daily and the front haul number was likely to retreat to nearer the mid US\$30,000s daily. An 180,000-tonne 10% cargo fixed for 3-17 January from Tubarao to Rotterdam at a sharply lower US\$11.80. There was talk of a 1-10 January 170,000-tonne 10% cargo fixed from Tubarao to Qingdao at US\$19.50 but it was not clear if the business failed. Rates in the east showed more stability with on-going weather delays disrupting scheduling. The Australian miners appeared in the market intermittently during the week and although rates briefly hit US\$10.00 for West Australia/China they then steadied at around US\$9.75-80. Timecharter rates for Australian round voyages were still near the upper US\$20,000s daily. Period trading was in evidence with talk that a Golden Ocean newbuilding or substitute fixed to Bunge for 11 to 13 months trading with delivery from end December possibly through to February in China at US\$18,500 daily although some suggested the rate was higher. A 177,000-tonner fixed a short prompt for delivery this month in China at US\$21,750.

Panamax

The market reached a new high for the year with the average of the BPI four-time charter routes reaching US\$13,740 on 13 December, but since then the market slowed noticeably and rates are beginning to soften. In the Atlantic, short duration mineral traders drove a very short-lived spike in rates with modern kamsarmaxes agreeing US\$25,000 daily for Baltic round voyages but the excitement evaporated rather quickly as there was no fresh enquiry to sustain it. East coast South America has been steady and rates generally at last done levels, whilst a prompt US Gulf to China grain stem was rumoured to have been fixed at US\$46.00 per mt. In the East, a flurry of prompt north Pacific grain cargoes, supported by an active Indonesian market, saw a large proportion of ships covered at the beginning of the week at slightly improved levels but actively tailed off as the week closed out and the market subdued. An active FFA market supported a healthy period enquiry and fixing.

Supramax

The BSI started last week on a negative note but made gains as week progressed. Limited period activity included a 57,500-dwt being covered for short period with a Scandinavian operator at US\$12,000 basis delivery Durban and redelivery Singapore-Japan and a 63,300-dwt open east coast India fixed for three to five months at US\$11,250.

The pressure was on in the run up to the holidays in key areas of the Atlantic. From the US Gulf for a trip to the east in the mid US\$20,000s. A 63,500-dwt was fixed delivery Mississippi River for a grain run to east coast Mexico at US\$21,500. From the south Atlantic, a tight supply of tonnage supported with a 61,400-dwt fixed delivery Recalada trip redelivery Chittagong at US\$15,000 plus US\$500,000 ballast bonus. The Mediterranean-Black Sea region was steady and a 56,000-dwt was covered basis delivery Iskenderun trip redelivery West Africa in the upper US\$11,000s and an ultramax fixed for a trip via the Black Sea redelivery Singapore-Japan at US\$19,000.

In contrast with a ready supply of tonnage keeping pace with fresh enquiry the Asian routes slipped throughout the week. A 56,000-dwt was covered delivery Singapore trip via Indonesia redelivery south China in the low US\$10,000s. A 52,000-dwt was fixed delivery passing Singapore trip with salt via Australia redelivery Indonesia in the mid US\$10,000s.

Handysize

It was fairly slow last week in the handy sector, with most of the Atlantic routes having improved slightly but eased in the Pacific. For longer duration, a 28,000-dwt 2011-built open Argentina was paid a rate in the low-mid US\$11,000s for a two to three laden-leg trip.

A 39,000-dwt 2015-built open Providence was fixed to move coal to the Mediterranean at the mid-high US\$15,000s. During the week, a 38,000-dwt 2015-built open Liverpool fixed for scrap cargo via Odense to the Black Sea at US\$14,000. A trip with concentrates paid US\$14,000 daily on a 34,000-dwt 2016-built delivery Peru to the west coast India-Persian Gulf range. In the east, a 43,000-dwt 1996-built open Singapore was fixed early in the week for a trip via Indonesia to China at US\$8,000. A 39,000-dwt 2016-built open in the same position was fixed to the Continent at US\$6,000 daily for the first 62 days and US\$10,500 daily thereafter. A similar sized open CJK was booked to load steel from north China to west Africa at 7,100 daily.

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