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Bulk report – Week 4 2018

Capesize

A marked improvement on the capes last week, with the headline west Australia/China route jumping up over US\$1.00. Vessels were fixing around the US\$5.60 level at the beginning of the week and now they are obtaining US\$7.00 which was rumoured to have been fixed by FMG on cape tonnage loading 2 February.

Saldanha to Qingdao was fixed at US\$11.35 on capesize tonnage basis 11/20 February by NYK. Midweek, Vale fixed two vessels for Teluk Rubiah to Qingdao, *Pantagruel* (180,181-dwt 2004-built, CCL) basis 30/31 January at US\$4.90 and the *Captain J Papadakis* (179,558-dwt 2011-built) for 1/3 February at US\$4.80.

There was less T/C fixing reported but the *Aqua Vision* (180,353-dwt 2011-built) open Dalian 1/2 February was said to have fixed for an Australian round voyage with redelivery North China at US\$12,500.

With the improved sentiment there was a little more period activity, the *Baltic Lion* (179,185-dwt 2012-built) open Dalian 26 January fixed 4-7 months in the region of US\$16,000 with Bunge.

In the Atlantic TKS fixed NYK tonnage for their Narvik/Rotterdam cargo loading 7/16 February at US\$4.25 and EZDK took K-line tonnage for their Narvik/El Dekheila 10/19 February cargo at US\$6.55.

On the Brazil to China route, the *Cape Splendor* (206,070-dwt 2014-built) fixed a full cargo loading mid-February at US\$14.95 with Dreyfus.

Panamax

The period market remained active with an ECO JMU type achieving US\$14,500 for one year at the beginning of the week, however as the week progressed the focus shifted from one-year trades to shorter periods of four to six months. A decent number of fixtures were evident midweek and sentiment was positive, but on Thursday the spot market appeared to have a wobble as charterers began to challenge the status quo and hold back a little. This was particularly evident in the Atlantic where the market had seemed very firm with modern kamsarmaxes fixing transatlantic grain rounds in excess of US\$15,000 daily on Wednesday, but on Thursday morning the FFA market softened and charterers suddenly decided to take a step back and watch, leading to a stand-off. There were very few fronthaul trades reported from the US Gulf, but east coast South America continued to attract ballasters from the East and Middle East with a kamsarmax fixed at US\$15,000 from Haldia being the high point. In the Pacific, tonnage saw significant gains for North Pacific rounds compared to the previous week, jumping from US\$11,000 daily for modern kamsarmaxes to US\$12,750 daily, with Japanese activity being the main driving force. A few vessels failed on subjects, and owners began to discount trips to India and South-East Asia, but generally rates remained steady.

Supramax

As the week progressed the supramax index lost ground mainly due to the Atlantic routes losing momentum, whilst the Asian routes generally stayed in more positive territory. Period activity however was again seen with a 63,000-dwt open east coast India fixing five to seven months trading redelivery worldwide at close to US\$12,000.

In the Atlantic, the US Gulf saw declines on rates from the previous weeks with a lack of fresh enquiry, a 53,000-dwt was fixed with sulphur basis delivery SW Pass redelivery Morocco at around US\$20,500. From east coast South America, brokers advised a static week but there was a bit more enquiry for forward positions as the week came to a close. From the Continent and Mediterranean again rates eased, a 56,000 was fixed delivery Canakkale for a trip via west Mediterranean redelivery west Africa at US\$9,000.

Rates remained steady from Asia, a newbuilding 63,000-dwt was fixed ex yard Imabari for the end of January for a NoPac round redelivery south east Asia at US\$9,900.

From the Indian Ocean a 58,000-dwt was rumoured fixed at US\$11,750 plus US\$175,000 ballast bonus delivery Durban for a trip to the east.

Handysize

Another pretty flat week overall in the Atlantic and whilst rates from the US Gulf started on a high, as the week progressed they traded sideways. From the Continent and Mediterranean rates eased slightly with a lack of fresh enquiry.

A 28,000-dwt was fixed delivery in the Black Sea for a trip to the east Mediterranean at US\$7,600. Limited activity from the south Atlantic with little being reported from here.

Rates in Asia again remained fairly weak, due to a buildup of tonnage in the North and a lack of fresh enquiry. Further south rates remained steady, a 37,000-dwt open Kosichang fixed a sugar cargo redelivery far east in the mid US\$8,000s. As the week closed holidays in Australia and India slowed things down further.

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