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Bulk report – Week 15 2018

Capesize

Sentiment gathered momentum during the week and rates for the main C5 route improved over \$1 to currently stand at almost \$6.40, with market talk of fixtures, perhaps around \$6.50 level, not yet substantiated. Whilst there has been a lack of timecharter fixtures in the Pacific, the better voyage rates have affected the published values, which have jumped from the low \$8,000's at the end of last week, to \$11,750 today. Rates for Teluk Rubiah to Qingdao, have nudged up to \$4.65, which was fixed by Vale on the *Mineral Subic* (179,397 2011). Saldanha Bay to Qingdao, was last fixed at \$10.10 by Anglo American on the *Xin Fu Hai* (178,332 2016). Brazil has not been that active, but a number of the prompter vessels have been covered, and rates for Tubarao to Qingdao are now in the \$13's, with Cargill said to have fixed the *Bosporus* (179,177 2016) for end-April, loading at \$13.50. Similar levels are rumoured for loading ex-Sudeste, with Trafigura linked to the *Kyla Fortune* (170,726 2001) earlier in the week at \$13.45. Refined Success fixed their Drummond to Eren cargo, loading early May, at \$7.50 on Bunge tonnage. Arcelormittal fixed the *Polymnia* (175,800 2011), for Port Cartier to Fos, basis 19/28 April, at \$6.50. There was talk of TS Global fixing CCL tonnage for its Narvik to Port Talbot, at \$3.95 on their e-platform, however, the business was not concluded, and the cargo was withdrawn.

Earlier in the week, the *Ocean Duke* (180,361 2010), open Bayuquan 14/20 April, fixed 11-13 months TC \$17,000 to Daelim. There was talk of the Koch vessel *Mineral Faith* (175,620 2012), open Rugao end April, fixing short period to Kore Shipping Corporation. It remains to be seen where the rates go for next week, as owners' expectations are on the up.

Panamax

After two weeks of relative inactivity on the period market, despite consistent appetite from Charterers, concluded trades resumed this week, as the paper market seemed to signal a bottoming out, and tried to pre-empt a reversal, on the physical market. A modern Kamsarmax, open in the Middle East, fixed at \$14,000 for 12-14 months, in addition, several vessels fixed for short periods at similar levels to those seen previously, all at premiums to the current spot market. Vessels in the North Atlantic struggled to achieve levels close to last achieved, as an oversupply of tonnage on early positions played in to charterers' hands. However, in the South, the market saw a steady volume of fixing all week until Thursday, when sources said the market went "nuts". With so much fixing, levels have improved, and are back to pre-Easter levels, with a modern Kamsarmax covered at \$16,750 plus \$675,000 delivery, aps East coast South America, for first half May. By contrast, the Pacific has remained very dull and uninspiring all week, with little fresh enquiry evident, spot rates have slipped, and owners have been looking at either period business or positional cargoes.

Supramax

The week started on a very quiet note; with routes across the board losing momentum. However, as the week comes to a close, more activity is being seen. Little came to light in the way of period activity, but a 56,000-dwt open Paradip, was linked to an index deal for 11-13 months, worldwide trading.

In the Atlantic, a 61,500-dwt vessel was fixed basis delivery US Gulf, for a trip to the Mediterranean, in the mid \$16,000s. East Mediterranean struggled, but some said a base might have been found. A 61,000-dwt was fixed, from here, back to the US Gulf, with pig iron, in the low \$6,000s. East coast South America remained steady. However, a 66,000-dwt was fixed for a front haul redelivery, Singapore-Japan, in the low \$16,000s plus \$600,000 ballast bonus.

From Asia, some areas also showed signs that a bottom had been found. A 57,000-dwt open Philippines was fixed for a trip via Indonesia, redelivery India, at \$13,500. A 58,000-dwt open Pasir Gudang, was fixed for two to three laden legs at \$13,500. A 58,000-dwt was reported fixed for a trip delivery Cebu, via the Philippines redelivery China, with nickel ore, at \$13,000.

Further north, a 56,000 open CJK, was fixed at \$11,000 for a trip via East coast Australia, redelivery India. From the Indian Ocean little came to light, a 56,100-dwt open Mina Saqr, fixed a trip redelivery Persian Gulf, with aggregate, in the mid- high \$12,000s. It remains to be seen if clearer gains will be made next week.

Handysize

Improving rates from Skaw-Passero and East coast South America, in addition to continuous falling rates from the US Gulf, set the theme for the week. The Pacific market showed more signs of softening since the beginning of the week.

In the Atlantic, a 37,000-dwt open East coast South America, was fixed for a grain trip to the Baltic Sea, at \$12,500 daily. An Imabari 28 type was booked from the US Gulf to the Mediterranean at \$10,250 daily. Another 32,000-dwt was reportedly fixed for a trip, also from the US Gulf, with redelivery in the UK Continent, at a relatively low rate of \$10,000 per day.

In the Pacific, a 35,000-dwt open Singapore, was booked to East coast North Atlantic at mid-high \$8,000s for the first 60 days, and \$12,000 daily thereafter. A 33,000-dwt open Vietnam, was paid \$9,000 daily for a coal run to Japan.

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