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Bulk report – Week 18 2018

Capesize

A positive end to the week for the big ships with gains particularly in the East, on the key West Australia/China run and the majors and operators in the market. Rates nudged the high-\$7.00s for mid-May dates, and with two of the major Australian miners allegedly fixing six ships apiece on one day. A very well described 180,000 tonner, open Xiamen, fixing a West Australian round at \$20,000 daily, and a 175,000 tonner, agreed \$16,400 daily basis Qinhuangdao, delivery 7 May for similar business. There was also increased activity from South Africa, with a 20-22 May cargo fixed from Saldanha Bay/Qingdao at an improved \$13.90. A 26 May, onwards 170,000-tonne 10% cargo, from Tubarao to Qingdao, went at \$18.30. There were charterers there still indicating under \$18.00 but with owners now looking for mid to high \$18.00s. The North Atlantic remained limited in fixtures reported, but tonnage remained tight, and new business was quoted as the week closed out. Transatlantic rates were still holding, with the Bolivar/Rotterdam coal rate around, or in excess of, \$10.00. Period business included talk of the 2000-built 171,000 tonner, *Star Aurora*, booked for about a year, with retroactive delivery 20 April Qinhuangdao at \$16,000 daily.

Panamax

Holidays disrupted activity during the week, with 1 May especially slow, as even those working were not prepared to move on anything with the result that reporting was very patchy. The period market saw very few trades, despite the FFA market showing signs of improvement, as the owners held to their numbers, and charterers worried about spot market levels. The North Atlantic saw a reasonable volume of enquiry, but the tonnage list remained too long and rates slipped further during the week, especially for the shorter duration trips. The South remained very active, with additional volume replacing the US cargoes that stopped due to the anti-dumping charges. The increase there has been easily absorbed by the large number of ballasters, although forward dates have remained a little stronger. The positive sentiment in the Pacific continued from the previous week due to the volume of fresh enquiry, with noticeably more mineral demand, and some rates appeared to improve slightly, with the consensus that the bottom had been reached for now.

Supramax

With holidays in many parts of the world this week, the market generally remained very slow. Very little period activity was discussed although a 53,000-dwt open Antwerp, was rumoured fixed for a minimum of 90 days up to 15 October redelivery worldwide, at \$15,000. However, both owners and charterers remained cautious, and wanted to see a clear direction before committing.

In the Atlantic, East coast South American rates remained under pressure with a lack of fresh enquiry and a few ballasters remaining. An Ultramax 63,000-dwt was understood to have fixed from Itaquí to Singapore-Japan range, at around \$14,000 plus a \$400,000 ballast bonus. Whilst a 55,000-dwt 2013 built was rumoured fixed for a similar run in the low-mid \$13,000s plus low \$300,000 ballast bonus. The US Gulf was still slow but a 63,000-dwt was fixed for a trip to the East Mediterranean at \$17,500 with grains, a 57,000-dwt fixed a similar run with pet coke in the mid- \$15,000s. From the Mediterranean-Black Sea region despite brokers seeing slightly better activity there were a number of units remaining to be covered.

From Asia routes made positive gains. A 63,000-dwt open Gangavaram 5-6 May fixed a trip via Australia redelivery Far East, at \$12,000. A 57,000-dwt fixed basis delivery Philippines for an Australian round at \$12,500. A 56,800-dwt was reported booked at \$13,000 passing Singapore trip via South Kalimantan to South China. Further north, a 53,000-dwt open CJK mid-May, was fixed for a trip via CIS Pacific redelivery South Korea, at \$10,000.

Handysize

A short week with holidays in both Europe and Asia, meant little activity was reported from both basins. Most markets remained under pressure and the Handy index stayed in the negative territory for both the overall index and most of the individual routes. Some brokers suggested East coast South America had reached a bottom. A coastal trip was reportedly done in the mid \$11,000s on a larger-sized vessel. A 39,000-dwt open North Brazil was booked to West coast America at \$11,250 with about 10 days waiting time. Another 28,000-dwt was fixed at \$13,000 to China basis delivery in the River Plate. From the US Gulf, a 37,000-dwt was fixed from South West Pass to Morocco at \$10,000. A 30,000-dwt open East coast Mexico was booked for sugar business to the US East coast at \$7,500. The Pacific remained flat with fixtures being kept private.

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