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Bulk report – Week 25 2018

Capesize

It was a week of two halves, with very slow trading initially spooking some owners/operators resulting in easier numbers across most areas. In the East, the miners were absent earlier and rates on the West Australia/China run slipped to the low \$7.00s, even though BHP Billiton and Rio Tinto made an appearance towards the end of the week. Timecharter rates slipped to the mid-teens for Australian round voyages for standard 180,000-tonners, but with talk of a 1999-built 171,000-tonner fixing an EC Australian round at \$15,000 daily as the week ended. As rates slipped from West Australia more owners/operators took the ballast option to head for South Africa or Brazil, prompting concerns that in turn rates could ease from those areas. The only real positive move in the market was on the Tubarao/Qingdao run, where \$19.50 was done for first half July shipment, but this market remained plagued by rumours as some operators sought to cap rates. There was some talk of a 181,000-tonner, 2009 built, open Sines, fixing for a trip via Ponta Da Madeira to the East at \$35,000 daily. The transatlantic market has been very slow, with 180,000-long ton, 10% cargo, fixed for 13-22 July shipment from Tubarao to Rotterdam at \$8.20. Further north, there was little traded with some nervousness creeping into the market undermining rates. However, there remained some

confidence going forward with period fixing still in evidence. A 2012-built Newcastlemax went in direct continuation from Qingdao for around two years trading at \$20,000 daily.

Panamax

Spot market rates softened in almost all areas in a slow week, with holidays again impacting on trading. However, the period market remained firm with a newbuilding Kamsarmax said to have fixed ex yard for September delivery at \$14,500, with a 2006 built Kamsarmax agreeing \$13,750 for 11-13 months, both of which reflect levels paid for the past month or so. The Atlantic saw a good volume of activity from EC South America, but again rates have eased slightly with a lack of fresh enquiry taking its toll in the North Atlantic, where owners were hit especially hard for shorter Baltic/Murmansk round voyages. A 2009 built Panamax fixed at \$8,000 compared to a 2002 built Panamax booked at \$13,000 early the previous week. Elsewhere, rates have held up from the Black Sea and NC South America/US Gulf, but significantly less front haul activity seen from these areas. In the Pacific, there was a very healthy volume of coal moving to India, and minerals in general helped to offset the lack of grain enquiry. Larger vessels in premium positions continued to fix well, but smaller units suffered and with a shortage of longer trips available mainly fixed from Indonesia or ballasted to EC South America. A 2006 built Kamsarmax went on subjects delivery retroactive Singapore, for an EC South American round voyage at below \$13,000, while a 2014 built Panamax achieved a similar level the previous week.

Supramax/Ultramax

It was a bit of a lacklustre week, certainly from the Atlantic basin, whilst areas in the Asian arena remained steady. Period activity was seen but older fixtures predominated. A 56,000-dwt was fixed basis delivery Hong Kong for four to six months trading at \$13,000 daily. In the Atlantic a 62,400-dwt went for delivery Brazil for three to six months redelivery Atlantic at \$14,750.

Limited activity in the Atlantic, with the Continent and East Mediterranean/Black Sea areas lacking interest, brokers said. Despite some trading in the US Gulf, tonnage lists continued to lengthen. A 57,000-dwt was rumoured fixed in the mid \$15,000s from here to the Mediterranean. However, a 60,300-dwt was reported delivery NC South America for a trip to the Black Sea with coal at \$21,500, a good rate but there was a time restraint and minimum lift for the cargo, brokers said.

In the Asian market, after a slow start with recent holidays in key areas, some improved numbers were talked from South East Asia. A 61,400-dwt allegedly fixed basis delivery

Singapore for a trip via Indonesia to China at \$14,500. Further north, a 63,000-dwt agreed delivery Lianyungang for a trip via the Philippines to China with nickel ore at \$13,200. A little more activity filtered out of the Indian Ocean with a 56,000-dwt was reported delivery South Africa for redelivery Singapore-Japan in the mid \$12,000s and around \$250,000 ballast bonus.

Handysize

The Atlantic market was patchy last week, brokers said. The Continent generally traded sideways and with routes slowly losing ground with scrap shipments to the East Mediterranean and fertilizer cargoes being the primary drivers. A 35,856-dwt was reported fixed passing Skaw for a trip with scrap via St Petersburg redelivery Turkey at \$12,500. The Black Sea remained slow though July could see a pick with more grain requirements appearing. A 38,000-dwt fixed delivery Damietta to Itaquí at around \$7,000. From EC South America, routes saw positive moves with a 39,000-dwt rumoured fixed delivery Rio Grande to WC South America in the high \$16,000s. Routes from the US Gulf also remained in positive territory. With the holidays in the Asian market recently, it was a slow week. A 29,900-dwt went for a trip from Jintang to India in the mid \$11,000s. As the week closed out, there was a little more interest from SE Asia and improved rates discussed.

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