

BalticBriefing

Baltic Exchange member news, views and events



Bulk report – Week 26 2018

Capesize

The market generally drifted and by mid-week dropped to what some felt was an artificially low level, only to bounce back at the end of the week to better levels as more cargo was quoting in both the Pacific and Atlantic.

Ore movements from West Australia were being fixed at around \$7.20 level before dipping to \$6.75 mid-week. By Thursday, Oldendorff had fixed Mingwah tonnage at \$6.95 for mid-July loading and the sentiment was suggesting \$7 might be breached again.

The KEPCO tender for Newcastle to Dangjin loading 16/20 July was awarded to Hyundai Glovis at \$9.61.

US Steel fixed NYK tonnage for their 120,000 10% cargo from Quebec to Oita loading end July at around \$32. Rates from Brazil nudged up a shade with recent fixtures like NYK's 'Lowlands Orchid' (176,193 2005) loading Tubarao 20/25 July at \$19.75 to Trafigura, while the 'Ocean Confidence' (174,332 2005 Daelim re-let) was loading 15/24 July at \$19.80 to Polaris. Today there is talk of the 'Gotia' (178,010 2012 Phaethon re-let) fixing basis Sudeste to China with an eta of 24 July at \$22.15 to Trafigura.

The Berge Weisshorn (171,995 2004) is said to have fixed trans-Atlantic business, but it is not certain whether on T/C basis or voyage, with rumours of a rate around \$10.75 for Bolivar to Rotterdam being mentioned to Oldendorff.

Panamax

Finally, a week bereft of holidays and the market appeared to consolidate. The Atlantic saw more enquiry in the North for both front haul and trans-Atlantic trades, which has led to a clear out of tonnage, with rates stabilising and in some cases showing improvement. EC America was again very active and consumed a lot of ballasters. However, a weak Ultramax market has seen them take a few smaller stems, with an end July cargo from Paranagua to China fixed at \$35.25 per mt this week, compared to \$36.00 per mt last week. Despite this, in general, timecharter levels remained flat. The Pacific also began to turn the corner, with renewed grain enquiry in the North and more mineral business from Australia. However, the early ships continued to struggle to find cover and even the normally busy Indonesian market experienced a slower week. Owners are still being drawn to EC South America, and there was also more period interest as the paper market showed some improvement, with the next expected move likely to be up.

Supramax

With both basins struggling, it was a week full of negative sentiment. With less enquiry and longer tonnage lists, all routes lost ground. Despite the gloomy feel period activity remained. A 63,000-dwt open West Africa was covered for eight to ten months, trading at \$14,000. From the East, a 60,400-dwt was reported fixed basis delivery Ganyu end of June for four to six months redelivery worldwide at \$14,000.

In the Atlantic, pressure remained on rates, especially from the Eastern Mediterranean, with a ready supply of tonnage. An Ultramax was fixed at under \$16,000 from here to the Far East. From the Continent, scrap continued to move, albeit with weaker rates. A 53,000-dwt was reported covered delivery Antwerp for a trip East Mediterranean at \$11,900. Little activity from the US Gulf again this week, an Ultramax was linked to a front haul at close to \$22,000 at the beginning of the week. From EC South America, limited activity, an Ultramax was on subjects for a trip to SE Asia at around \$14,000 plus \$400,000 ballast bonus.

The Asian market also lacked impetus. A 58,000-dwt was rumoured fixed basis delivery Dalian for a NoPac round redelivery Cebu at \$11,350. Further south, a 56,000-dwt was fixed

basis delivery Singapore trip via Indonesia, redelivery China, at \$12,100. In addition, a 55,800-dwt was reported failed basis delivery Map Ta Phut, redelivery Chittagong, at \$13,000. The Indian Ocean also had a lacklustre feel, but a 57,000-dwt was reported basis delivery Hazira trip via Bandar Abbas, redelivery EC India, at \$15,000.

Handysize

Overall it was a dull week, with a single-digit drop for the Handysize index throughout the week. Most of the routes slipped in both the Atlantic and Pacific basin. On the period front, a 35,000-dwt 2018-built open Casablanca in early July was fixed for the balance of period for about five to seven months at a rate in the \$11,000s. In the Mediterranean and the Black Sea area, a 31,000-dwt open Canakkale was failed for a trip via the Black Sea to the US Gulf at \$7,500 for the first 40 days and \$8,500 thereafter, and failed again for a similar run at \$7,750 and \$8,850 respectively. Another 33,500-dwt open Iskenderun, was later booked for this route at \$6,500 for the first 40 days and \$8,500 afterwards. There was also talk of a Handymax fixing at mid \$12,000s for a Black Sea to Ravenna trip, whilst a 27,000-dwt open spot in Canakkale was reportedly failed on subjects for a trip to the similar redelivery at \$8,000. A 35,000-dwt open Hamburg was fixed for a trip to the East Mediterranean at low \$11,000. In the East, a 34,000-dwt open Cebu was fixed to run via Indonesia to Vietnam at \$8,500.

For daily dry bulk assessments from the Baltic Exchange please visit

<http://www.balticexchange.com/market-information/>