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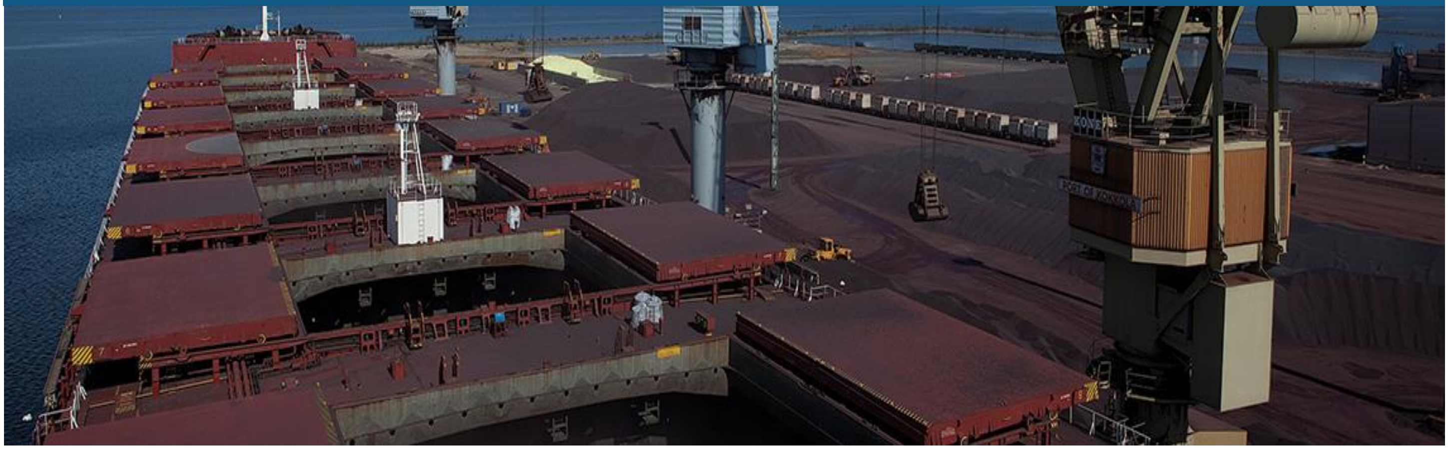

Bulk report – Week 33 2018

Capesize

A week of largely unfulfilled expectations with holidays again curbing activity. Rates remained essentially healthy, but despite bad weather in China, possibly causing disruption to schedules rates on the major West Australia/China routes, rates eased but gained some ground as the week closed out. Rio Tinto fixed an early September cargo from Dampier to Qingdao at $9.60, but a 2000-built, 170,000dwt fixed and failed for an Australian round with CJK delivery 20 August at $26,750 daily. A 176,000dwt, 2011-built with the same owner agreed the same rate for 18 August delivery. There was allegedly a stream of ships in ballast to Brazil for the second half of September, but rates for earlier positions were still holding around the mid $24.00s from Tubarao to Qingdao, and a ship fixed for 31 August cancelling at $25.00, with the vessel said to be open in the Atlantic rather than a ballaster from the East. Early in the week, Vale was rumoured to be fixing several ships for 1-15 September but details were elusive. However, a Newcastlemax was done at $23.75 with standard Capes around $24.15-25 – all fixed without broker input. CSN, as trading closed, was said to have several vessels running East for similar dates, but details were unclear. The North Atlantic was again feast or famine, with rates easing early in the week as the cargo list shrunk. However, the list of tonnage remained limited and as more ships were picked off, supplemented by a fresh injection of cargo in the latter part of the week, owners were again hopeful of further gains. An 181,000dwt, 2013-built open Rotterdam promptly fixed a Ponta Da Madeira/Turkey cargo at $25,000 daily, with redelivery in Cape Passero.

Panamax

There was a steady increase in Trans-Atlantic rates throughout last week as the tight tonnage supply began to take effect. As usual it started on the North Continent with the shorter mineral runs.   Kamsarmaxes fixed midweek via the Baltic redelivery Gibraltar at $15,000 compared to $13,750 a week earlier, and this also filtered down to other areas, with a Panamax fixed at $14,500 for a US EC round compared to a Kamsarmax achieving $12,000 just over a week before. Front haul rates remained flatter with a lack of enquiry from areas other than EC South America which has now become more active for September stems. Rates there increased from about $15,750 plus $575,000 ballast bonus for a Kamsarmax the previous week to about $16,250 plus $625,000 ballast bonus last week. It was a similar story in the Pacific too. The improvement in round-voyage rates began in the North with limited well described Kamsarmax tonnage available for NoPac stems, followed by a sharp increase in mineral demand from EC Australia and Indonesia. The indices rose by more than $1,500 per day on the round voyage routes, with Kamsarmaxes fixed in the low $12,000s for EC Australian rounds, compared to low $10,000s a week earlier. Period interest from charterers increased along with an improved spot market, also supported by increased paper values, although concluded trades were few and far between.

Supramax

Overall it was a positive week for the BSI index with gains made. This was mainly due to improved levels achieved from key areas in the Atlantic Basin. Period activity was seen again with a 52,000dwt open USG covered for a short period in the mid $14,000s, redelivery Atlantic.

The Atlantic saw significantly higher levels discussed with a good demand from the USG and Black Sea regions. An Ultramax was linked to a USG Trans-Atlantic trip at around $23,000, whilst a 57,000dwt fixed a front haul from here at $24,500. Similarly, from the Black Sea area demand was up, with limited tonnage supply. A 56,700dwt was fixed for delivery Egypt for a trip via the Black Sea for redelivery SE Asia in the mid $19,000s. The Continent remained steady with a 60,300dwt booked for a trip, delivery UK via the Continent, redelivery East Mediterranean at $15,500. Whilst activity remained scarce from the South Atlantic rates, held with a 55,000dwt fixed delivery Plate trip to the East Mediterranean in the low $15,000s.

In contrast the Asian market lacked impetus, but as the week came to a close some suggested more positive activity was evident. A 58,000dwt open Cambodia went for a run to Bangladesh at $12,000. Whilst a 63,000dwt open Hong Kong was fixed for a trip via Indonesia, redelivery WC India at $9,250. There was very limited information from the Indian Ocean, but a 57,800dwt was booked, delivery Port Elizabeth trip, redelivery Singapore-Japan at $11,800 plus $180,000 ballast bonus.

Handysize

The Atlantic Basin was largely flat throughout the week, although the USG started to show signs of a minimal recovery towards the weekend. Most of the fixture information came from the East but the rates remained weak. More short period activity was reported during the week with a 38,000dwt, 2010-built fixing at $10,500 basis Khalifa for three to five months. A 32,000dwt, Japan-built open SE Asia in the second half of August was booked for 11-13 months at $9,500. A 29,000dwt logger was fixed at $8,500 for three to five months with delivery in southern China.

A 31,000dwt, 2011-built open Orinoco this week fixed a trip to the Mediterranean-Continent range at $10,250 early last week. A 37,000dwt, 2011-built open South China was covered to move steel to SE Asia at $9,000. A similar steel trip paid $8,250 on a 28,000dwt basis Tianjin, via Japan and redelivery in Thailand. Trips via Australia were reportedly done at $7,400 on a 33,000dwt open in the Philippines to Vietnam, and $8,250 on a 32,000dwt open Singapore to China. A 36,000dwt open in Singapore was booked for moving alumina to EC India at $10,000. In the Persian Gulf, a 38,000dwt, 2015-built was fixed at $9,000, with delivery in Bahrain for a trip to the Red Sea.

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