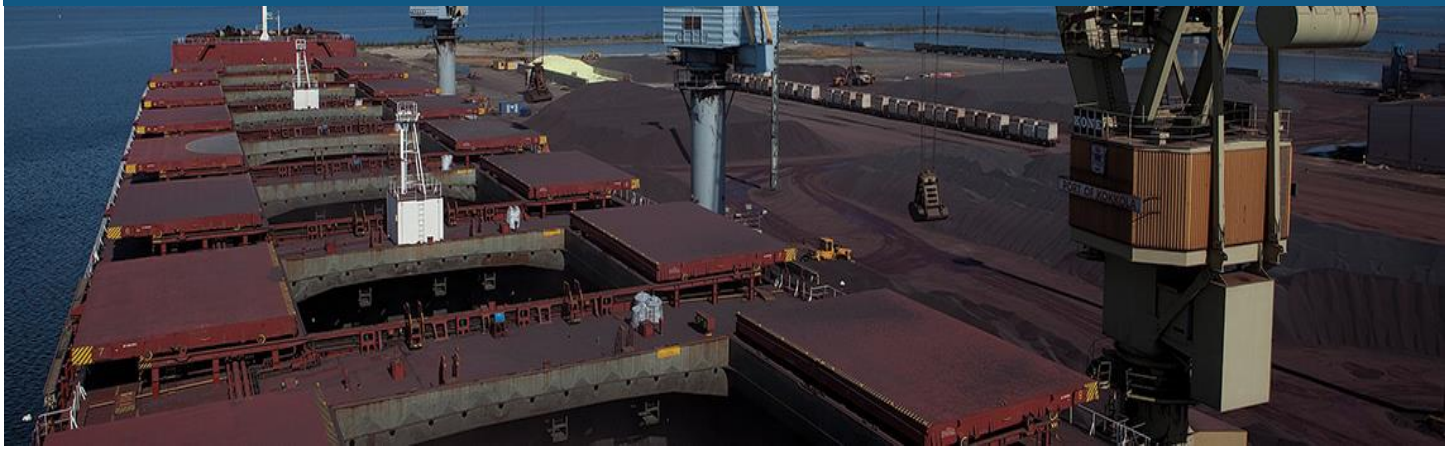
Baltic Briefing

Baltic Exchange member news, views and events



Bulk report – Week 37 2018

Capesize

The Capesize market fell sharply across all areas with the positive sentiment for the fourth quarter being eroded. In Asia, the west Australia/China route remained fairly active but lacked a full set of miners in the market during the week. Rates dropped a dollar in three working days, and for now held at $7.50 for end September. Activity in others was minimal and timecharter rates were barely holding in the high teens depending on size and age. Brazil again remained slow, with a plentiful supply of ballasters for nearby liftings. Rates dropped below $20.00s for the run to China, with an end September-early October cargo fixed on a Newcastlemax at $19.50, basis Tubarao load. Further north, a 180,000dwt 10% cargo fixed from Ponta da Madeira to Rotterdam at around $7.10 on a ship coming from Tarragona. Transatlantic rates slumped as the week closed out and more enquiry slowly appeared with timecharter rates in the low teens. Fronthaul rates were largely holding, with some suggesting voyage equivalents were nearer the mid-to-high $30,000s.

Panamax

Overall, a generally flat market remained last week despite the pressure from a falling paper market and slashed Cape rates. Transatlantic enquiry slowed, especially in the far north, and some vessels fixed short trips in order to reassess later. EC South America saw rates improve slightly for end September positions due to lack of tonnage, but brokers remained cautious for October stems which so far have been less active. The North Pacific appeared more subdued with charterers seeing evidence of a build-up of tonnage and holding off for now. However, further south there was some stronger numbers paid as charterers needing prompt tonnage were forced to improve on last done. Weather delays later in the week, combined with fresh enquiry, appear from Indonesia and Australia, adding to a bullish sentiment. There was a steady amount of period trades concluded throughout the week underlining this positive sentiment. Short period rates for standard Kamsarmaxes were hovering in the high $13,000s.

Supramax

A mixed week with some areas making gains, whilst others had support. Period trading was limited with a gap widening between owners and charterers, but brokers suggested that well-described Ultramaxes were fixing one year periods in the low teens.

Activity levels varied in the Atlantic with the US Gulf trading sideways, but tighter tonnage supply from EC South America and the east Mediterranean. Rates firmed during the week and a 56,000dwt vessel was rumoured fixed for an EC South America/Mediterranean trip at $18,000. From east Mediterranean, a 61,000dwt fixed delivery Canakkale prompt via Kavkaz, redelivery South Korea at $22,500. A slow start to the week in Asia but activity picked up midweek with a little more demand from Indonesia and Australia. A 63,000dwt open CJK was reported fixed for a coal run via east Australia to south China at $12,000. Limited activity from the Indian Ocean, but Ultramaxes were in the mid-teens for trips from the Arabian Gulf to the Far East.

Handysize

The overall Handy index stayed in positive territory last week. Brokers noted more cargoes in the US Gulf with the tonnage list still tight. EC South America improved further, whilst the Pacific market also picked up significantly from midweek.

A 43,000dwt open south Brazil was booked for a trip to the Persian Gulf-Singapore range at $14,000 plus a $400,000 ballast bonus. Another 35,000dwt vessel was covered from Santos to west Mediterranean at $14,500. A 38,000dwt vessel moving clinker was paid $13,000 from Bizerte to Abidjan. From the east, two 28,000dwt vessels were fixed via Australia at mid-$8,000s, basis Singapore to the Far East, and high $9,000s, basis Indonesia to Southeast Asia.

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