Bulk report – Week 39 2018

Capesize

A stop-start market for the big ships with many expectations and few fulfilled. Holidays curtailed trading early in the week, but the C5 route regained some ground with rates in excess of the mid-$7.00s for 11 October onwards, although, bunker values also rose sharply last week.   Owners remained optimistic, wanting $8.00 as the week closed out, with some suggesting it had been done. Timecharter trading was less prevalent, with rates ranging from $15,000 to the low $17,000s for Australian round voyages, with the rate dependent on how well the ship was described. Brazil was expected to be active, but again fixing was piecemeal, with rates for mid-late October still under $21.00 for Qingdao discharge. Further north, talk focussed on a tightening supply of tonnage, with rumours dominating the market of sharply higher rates agreed, but not always confirmed as fixed. There were various rumours of over $20,000 daily for transatlantic rates and some suggesting the Puerto Bolivar/Rotterdam route was in excess of $10.00 and heading towards $10.50.

Panamax

Despite the disruption due to the holidays in the East at the start of the week, rates have improved everywhere ahead of further holidays this week. The Pacific has been well supported by mineral trades, especially into India, with South America adding fuel to the flames as owners in the South were able to fix on a DOP basis. A well described Kamsarmax achieved $17,000 daily basis Singapore delivery for a South American round. The Atlantic was busy from the start of the week, with a shortage of tonnage from the Mediterranean, with Kamsarmaxes achieving $15,500 to $16,000 for longer grain rounds which were similar levels to the shorter coal trips in the North. There was also a number of front haul stems from St Lawrence to China covered at around $23,000 daily from Continent deliveries. Period activity was sporadic as charterers considered the effect of this week's holidays.

Supramax

Overall a positive week for the BSI with gains made from key areas. Period activity remained, with a 56,000dwt fixed delivery Kandla for three to five months trading at $13,500.

The Atlantic saw better demand from the US Gulf, Mediterranean and South Atlantic regions, with a 52,000dwt being covered from the US Gulf to the East at $24,000. In the Mediterranean, a 60,000dwt was fixed delivery for a Canakkale trip via the Black Sea, redelivery Chittagong, at $24,000. Demand remained from Brazil, with charterers seeing improved values for Ultramaxes on the back of strong rates for Panamaxes, with a 63,000dwt covered in the upper $15,000s plus upper $500,000 ballast bonus.

With holidays last week and imminent holidays this week, the market remained relatively firm. A 56,000dwt fixed delivery for a Surabaya trip with redelivery to west coast India at $13,500. More demand was seen from the Indian Ocean, with a 55,000dwt fixed delivery Durban for an early October trip, redelivery CJK-Japan, at $13,700 plus $370,000 ballast bonus.

Handysize

Like the larger sizes, it was a more positive week for the BSHI, with gains made across many routes. Some period activity surfaced, with a 32,000dwt fixed from the Continent for three to five months, trading redelivery to the Atlantic in the mid $10,000s. The Atlantic saw upward pressure from the US Gulf, with brokers suggesting a tightening in tonnage supply was pushing rates higher. From East coast South America, demand remained, as a 37,600dwt fixed delivery Santos for a trip via the Plate to the Baltic in the mid to upper $15,000s. As the week came to an end some suggested a slight easing of demand from the Mediterranean, but few fixtures were disclosed.

With the upcoming holidays in the Asian market, brokers advised little activity evident towards the end of the working week. A 37,000-dwt was reported fixed for two laden legs delivery Indonesia, redelivery Singapore-Japan, but many were waiting to how see how the market will progress in the coming days.

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