

BalticBriefing

Baltic Exchange member news, views and events



Bulk report – Week 49 2018

Capesize

Last week was less eventful than the previous week. After a negative start on Monday the market witnessed a steady rise, with the Pacific far more active than the Atlantic. Rates rose from mid \$7.00s from West Australia to China to finish the week with rumours of multiple ships concluded at \$9.00. Timecharter rates on the same route were around \$15,000, while round vogages went at over \$20,000, returning to the highs seen the previous week. Weather delays in the CJK area probably helped. Atlantic volume remained thin all week, and with problems in Saldanha Bay, Tubarao/China seemed quiet with rates below \$15.00. Despite sparse trade, and a wide bid/offer spread all week, there was talk of \$16.15 bid from 24 December at the end of the week. There was also a rumoured fixture for Bolivar to Karabiga at \$10 level, which equated to around \$9.00 on C7. A stronger fronthaul fixture involving an INL breach was rumoured, as Rio Tinto fixed NYK tonnage for St Lawrence to Japan in the region of \$22.50 level.

Panamax

The Atlantic remained fairly quiet all week. South American rates have held at around the low \$15,000s plus low \$500,000s on modern Kamsarmaxes. Sources suggested this is mainly due

to a large clear out for December dates.. That said, some ballasters were also competing on North Coast South American stems as well as Kamsarmax cargoes. Further north, rates appeared fairly flat in limited trading volume, although the tonnage profile appears to be lengthening now. The Pacific began to look like a two-tier market, with constant Indonesian stems supporting the South, whilst the North was under pressure due to a lack of NoPac and East Australian enquiry. This was despite some weather delays for vessels in parts of China. Owners began turning their attentions to Indian cargoes in order to obtain cover into 2019 rather than remain in the Pacific. More period interest was evident, with several ships covered for a short period this week.

Supramax

The Baltic Exchange Supramax Index (BSI) remained in positive territory this week. This was mainly due to better activity levels from the Asian market. Period cover continued, with a 55,600dwt open Spain fixing at \$12,500 for three to five months trading redelivery in the Atlantic at \$12,500. It was a mixed bag in the Atlantic basins. The East Mediterranean was slow, with a gradual build-up of tonnage. The market was flat from East Coast South America, whilst rates varied from the US Gulf depending on position. An Ultramax open US East Coast was covered in the mid \$23,000s for a US Gulf trip to the Mediterranean, whilst a prompt vessel in the US Gulf fixed at around \$22,000. There was better activity than of late from Asia, with a 61,000dwt open North China fixed for a round via Indonesia at \$10,000. Limited action was heard for Pacific rounds. Some said the Indian Ocean was trading sideways, however, rates remained stable. A 57,200dwt fixed at \$12,500 plus \$200,000 ballast bonus delivery South Africa redelivery Arabian Gulf/West Coast India range.

Handysize

It was a relatively inactive week in both basins, with the rates relatively stable. The Pacific market continued to weaken, whilst the US Gulf and East Coast South America markets showed some promise, with rates slightly improving. A 34,000dwt open Brunswick next week was fixed for a trip to UK/Continent with woodpellets at \$15,000. A 33,000dwt open El Ferrol mid-December was booked for a trip to Algeria at \$12,500 basis Rouen delivery. A 34,000dwt open Casablanca was fixed for a trip to the Black Sea at \$9,850. A similiarly-sized vessel was booked from the Black Sea to Spain at \$13,750. In the East, a 39,000dwt open Surabaya was fixed via Australia, redelivery in South Korea at \$11,500. A metcoke cargo from North China paid around \$8,000 on a 36,000dwt delivery mid China. A 38,000dwt open Fujairah was taken for an inter-PG run with steels at a rate in the high \$10,000s.

For daily dry bulk assessments from the Baltic Exchange please visit

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