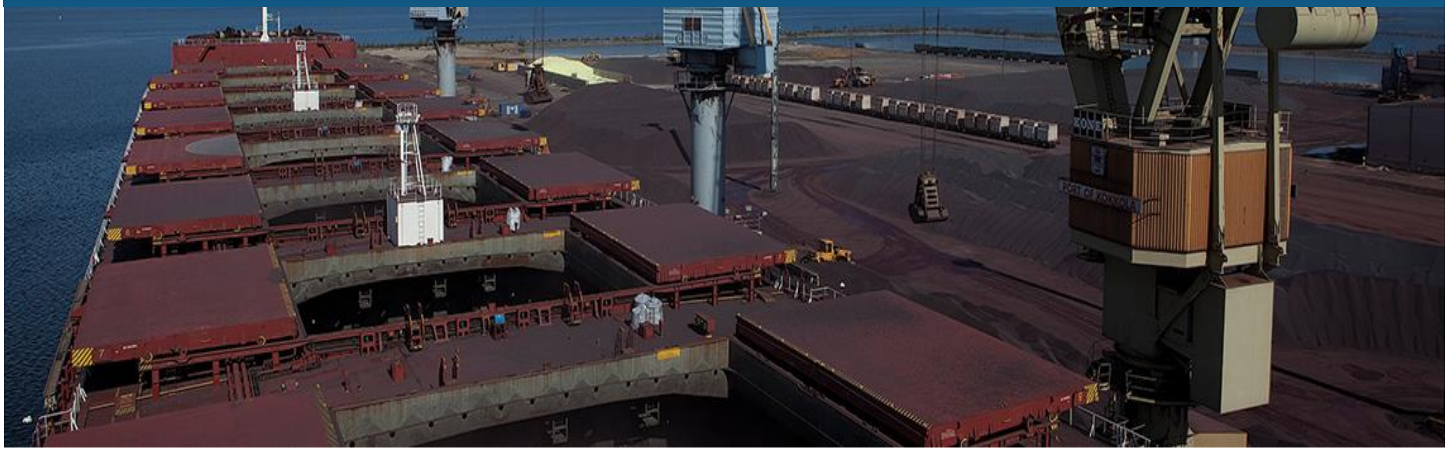
BalticBriefing
Baltic Exchange member news, views and events



Bulk report – Week 44 2019

Capesize

The Capesize market meandered slightly upwards this week before giving back much of its gains mid-week. Opening the week at $24,945, the Capesize market closed the week down at $24,637. The Atlantic Basin saw stronger gains initially as many saw an improving fundamentals position. However, subsequent declines have put a dampener on the situation. The West Australian market maintained its range bound levels, opening at $9.268 to close the week out at $9.032. Trading activity was concentrated on the second half of the week, as Monday was a public holiday in Singapore. Assessing market fixtures is currently proving more difficult to analyse as vessels are now often carrying low sulphur fuel for primary fuel, or, their next intention is affected by the impending requirement to obtain it. Two months out from the IMO low sulphur deadline there is considerable uncertainty still being heard as to the full impact this change will have on the industry.

Panamax

Weaker sentiments continued from last week, with rates further softening in both Basins. Overall relatively thinner fixture volumes were reported throughout the week, with holidays at the beginning and end of the week. The tonnage list from the Continent to North Atlantic was described to be tighter, whilst a quick trip via the Baltic might have received a premium. On the period front, Kamsarmax vessels were reportedly fixed at $13,000 level from Korea, or, $14,000 basis Singapore delivery. A Kamsarmax, open Japan, was fixed for a coal trip via Australia back to Singapore-Japan, at $12,750. A 76,000dwt ship open in Southeast Asia was fixed at approximately $12,000 for a trip via Indonesia to South China. An 81,000dwt scrubber fitted vessel open Hamburg, was linked to a trip via the Baltic/Turkey, with redelivery Passero, at $15,000. From East Coast South America, LME type was booked at $17,000 for moving grains to Skaw-Gibraltar range. A Kamsarmax was fixed in the $16,000s, plus a ballast bonus in the $600,000s, for a trip to the Far East.

Supramax/Ultramax

Widespread holidays didn't help the market this week, with many key areas seeing limited fresh enquiry and tonnage building up. Period activity was limited, with charterers taking a cautious approach in the short term. From the Atlantic, East Coast South America lost momentum. A 56,000dwt ship fixing basis delivery Recalada trip Mediterranean at $12,000. The US Gulf saw a 61,000dwt vessel fixing at $15,250 for a petcoke run to the United Kingdom. Limited fresh enquiry from the Continent/Mediterranean region held rates in check. The Asian basin also lost ground from Southeast Asia a 56,700dwt ship fixed delivery South Kalimantan trip to South China at $13,750 plus a $50,000 ballast bonus. The Indian Ocean region bucked the overall trend slightly, with rates remaining stable. A 57,900dwt vessel fixing delivery Mongla trip via East Coast India, redelivery China, at $13,500. A 58,000dwt ship fixed delivery Arabian Gulf for a trip to West Coast India at $15,000.

Handysize

Like the larger sisters, the Handysize market also lost ground, with the Baltic Handysize Index (BSHI) dropping. The Atlantic suffered with very limited fresh enquiry, especially from East Coast South America, with prompt tonnage piling up. A 30,500dwt ship fixing a trans-Atlantic run, delivery Santos, at $13,000 daily. From the Mediterranean, a 32,000dwt ship fixed a trip with fertiliser to Bangladesh at around $16,000. Whilst for trips back to the Continent, similar size tonnage was fixing in the $9,000 region. Rates remained stagnant in the Asian arena, not helped by widespread holidays.

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