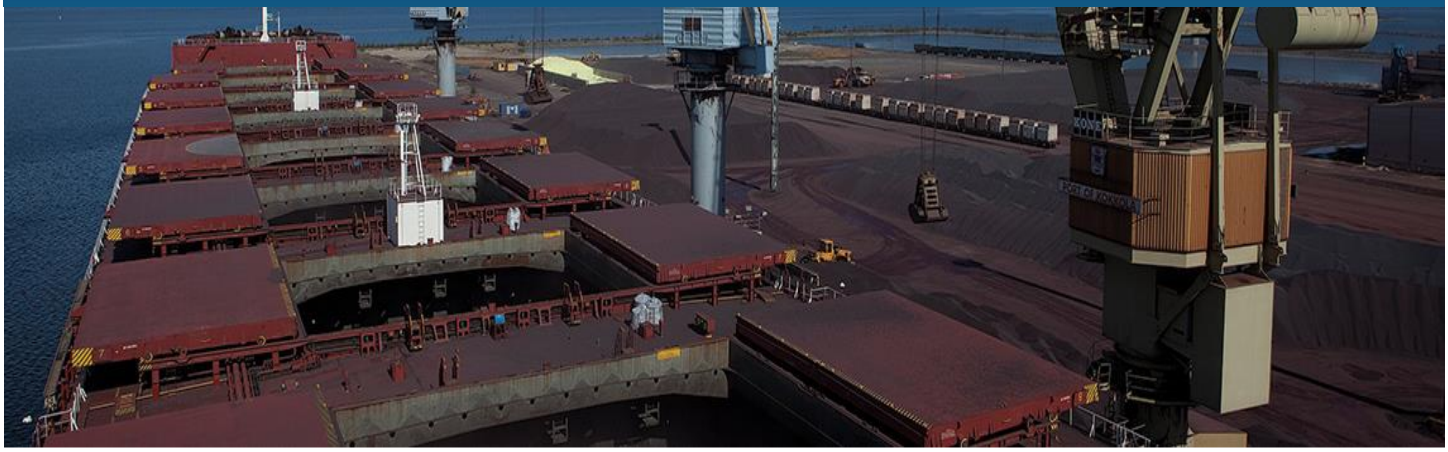
BalticBriefing
Baltic Exchange member news, views and events



Bulk report – Week 51 2019

Capesize

The Capesize market this past week has been attempting to recalibrate itself in consideration of weakening freight levels and increasing IMO bunker costs. A week out from Christmas there was a definite holiday feel, with some traders already absent. Opening Monday, trade was sparse in both Basins, but by mid-week there was signs the Atlantic had bottomed out and improved sentiment was found.   The Pacific continued its rout, with the C10 opening the week at $17,000 to close at around $11,200. The two Basins are once again diverging with each other, with the Atlantic C8 at $17,300. Throughout the week the West Australia C5 was volatile, but as the week closed more activity was rumoured and settled at $7.20. The Brazil to China C3 closed in the upper $18.00’s. The C5TC settled at $14,451 on Friday, with two days left to price for the year.

Panamax

Negative values spread across most areas of the market this week, with the Pacific witnessing the biggest losses. In the Atlantic, cargo demand from the South Atlantic weakened a little, but steady enquiry was seen further north. For transatlantic trips from the US Gulf at start of the week we saw a 75,000dwt ship achieving $13,400 plus $340,000 ballast bonus. By the end of the week, an 81,000dwt ship was fixing $12,500 plus $250,000 ballast bonus, both delivery Arrival Pilot Station (APS) US Gulf, with redelivery Skaw-Gibraltar range. From East Coast South America, highest fixed was $15,000 plus $500,000 ballast bonus on an 81,000dwt ship for a trip to the Far East, with the low a 75,000dwt ship achieving $13,600 plus $360,000 ballast bonus. In Asia a big sell off in rates as the week progressed. The highlight at the start of the week was an 81,000dwt vessel agreeing $11,000 for an Australian round trip. However, by Friday a 79,000dwt vessel had conceded $6,250 for a trip via Australia to India.

Supramax/Ultramax

With the long holidays ahead, the market ends on a quiet note, with the Baltic Supramax Index (BSI) having lost ground. Period activity surfaced mid-week, with a 61,000dwt ship, open US East Coast, fixing short period Atlantic trading in the low $13,000's. The Atlantic softened as owners sort cover over the holiday period. From the US Gulf, 55,000dwt ships saw around $16,000 for transatlantic runs. The South Atlantic closed on a subdued note, although some said there was still demand for trips to the Far East. There was limited information from the Mediterranean, but a 56,000dwt vessel was fixed from Turkey to Spain in the upper $8,000s. As the week closed, tonnage lists in Asia increased, with a lack of fresh enquiry. A 63,000dwt vessel, open Cigading, fixed a trip via Indonesia, redelivery West Coast India, at $8,500. Further north, a 61,000dwt vessel, open South Korea, was fixed for a North Pacific round, redelivery Southeast Asia, at $8,000.

Handysize

Activity started slowing down with year-end holidays fast approaching. Overall the indices slipped in both the Atlantic and Pacific, with the Baltic Handysize Index (BHSI) going back to the 500 point level. Early in the week a 32,000dwt ship open in Singapore was fixed for a trip to South China at high $6,000s. A 39,000dwt vessel open in Southeast Asia was booked for a trip to West Coast North America at $5,000 for the first 55 days and $10,500 for the balance period. From the Atlantic, a 32,000-tonner was fixed from the Black Sea for a grain trip to Huelva at $8,250. A 31,000dwt vessel open spot in East Mediterranean was fixed for a steel trip to East Coast South America at $8,000. A similar sized vessel was fixed from the Continent to Portugal at $11,000.

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