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Bulk report – Week 8 2020

Capesize

The Capesize market found little to cheer about this week as it again endured remarkable lows. The Atlantic continued to improve, with the Transatlantic C8 now pricing at \$2,655. Cargo remains limited for owners, while a healthy ballaster list is running low on options. The Pacific Transatlantic C10 continues to make modest gains to close the week out at \$4,900. The C5 voyage route, West Australia to China, remains under pressure, but managed to lift slightly this week, finishing at \$5.986, a rise of +.391. Re-fuelling timing for owners remains critical as bunkers continue to fluctuate wildly. Fuel demand across all industries has weakened in recent weeks, with the slowdown in China, giving some respite to owners. The Capesize 5TC opened the week at \$2,445 to close out the week at \$2,787.

Panamax

A markedly better week, with all routes posting gains. This was led by the P1A Transatlantic round voyage, which gained \$1,380 on the week to close at \$4,805. The 5TC average duly climbed \$1,170 to close at \$7,087, an almost 20 per cent gain for the week. Whilst sentiment is much more positive, these things are rarely linear, even when coming from such a low base. Consequently, opinion remains divided as to whether the momentum can be maintained. The

East Coast South America (ECSA) market was also active this week, with delivery Arrival Pilot Station (APS) Brazil, becoming delivery dropping outward pilot station (DOP) India in the latter stages of the week. Some short period fixtures were also concluded to cover the Brazil fronthaul as a first leg. Notable fixtures included the '*Konkar Venture*' (82,099dwt, 2015 built), which fixed basis delivery APS Santos at \$13,450 plus \$345,000 ballast bonus basis 6/10 March. In addition to the '*Sea Gemini*' (81,715dwt, 2014 built), which fixed basis delivery Singapore 3/6 March at \$10,200 for a similar Brazil round voyage. Some short period fixing was reported, including the '*Avicl Artemis*' (82,000dwt, 2019 built) at \$11,500 for four to seven months basis delivery Machong with redelivery worldwide. This was supposedly to Louis Dreyfus in direct continuation – although this was not confirmed. Moreover, the '*Coronis*' (74,381dwt, 2006 built) purportedly fixed \$8,000 for about nine to ten months to Koch. The consensus amongst most is that further improvements will be seen next week.

Supramax/Ultramax

A more positive week, with the Baltic Supramax Index (BSI) making ground. There was a tightening of tonnage supply in many areas in the Atlantic. In the Asian arena rates improved slowly, with more enquiry, but tonnage availability remained abundant. On the period front, activity was more evident. A 55,000dwt ship, open China, fixing for one year in the high \$8,000s. From East Coast South America, a 60,000dwt ship was fixed delivery Recalada trip to Egypt at \$11,250. Further north from the US Gulf, a 63,800dwt ship was fixed for a petcoke run via India, redelivery Port Said, in the low \$14,000s. The Continent also saw better numbers. A 55,700dwt ship fixing delivery Portugal trip, via the Continent, redelivery East Mediterranean at \$11,250. In Asia, stronger numbers for trading China, with a 57,000dwt ship fixing delivery South Kalimantan trip, redelivery CJK, at \$7,600. The Indian Ocean also saw healthier numbers. A 63,000dwt ship fixing delivery South Africa trip, redelivery Colombo, at \$11,000 plus \$100,000 ballast bonus.

Handysize

Like other sizes, the Handysize sector started to show signs of recovery from the early part of the week, with the Baltic Handysize Index (BHSI) making gains for the first time since 2020. There were some stronger rates fixed from the Continent, Mediterranean and especially East Coast South America. The US Gulf was relatively quiet. In the East there was a slight improvement, with Southeast Asia delivery leading the positive trend. On the period front, brokers noticed more charterers taking in vessels in both basins, with discounted rates applied. A 35,000dwt ship open in Indonesia in early March was fixed for five to eight months at \$5,250 for the first 35 days and \$9,000 thereafter. For time charter trips from East Coast South

America this week, a 37,000dwt ship open Santos was fixed to Morocco at \$10,500. Another large Handysize vessel was fixed from Vila Do Conde for a trip to Norway at \$10,000. From the Pacific, a 38,000dwt ship was fixed from Japan to Southeast Asia at \$4,000. A 32,000dwt ship open Thailand was fixed to East Coast India at \$4,000.

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