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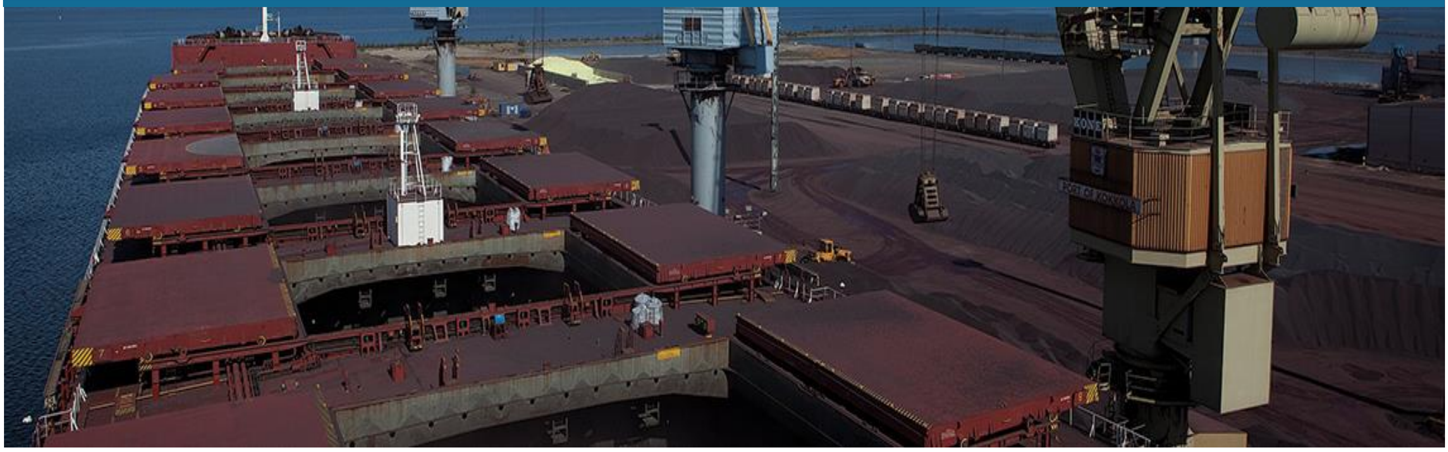

Bulk report – Week 28 2020

Capesize

This week witnessed the dreaded correction in the Capesize market, with the timecharter average shedding almost 18 per cent to close the week at $27,644. But in recent context, this cannot be considered as anything other than healthy. The Pacific round – and the backhaul – proved to be the biggest drivers. Both lost approximately 25 per cent on the week, although all routes posted losses – including the crucial Brazil round and north Atlantic fronthaul, which dropped 19 per cent and 13 per cent respectively on the week. Polling day in Singapore on Friday brought the week to an abrupt end, but Vale were said to be active on Thursday, being linked with a weaker C3 fixture at $18.50 basis a mid-August laycan. Nevertheless, broad sentiment remains strong. Several brokers indicated that the market had merely plateaued and was set for a renewed push next week, citing the iron ore forward curve as a pointer to China's seemingly insatiable appetite for the material..

Panamax

A tumultuous week in the Panamax market ensured all markets gained value on the week. The Atlantic, which was the largest mover, saw rates attaining close to $3,000 overall. This was an improvement on the start of the week, with front-haul rates commanding large premiums to entice owners to consider same in consideration of losing their advantageous position for trans-Atlantic trips paying akin to $17,000. Shorter Baltic round trips were regularly fixed at $20,000 plus, whilst strong demand ex Black sea continued. Charterers in one case reported placing tonnage delivery India for the same. In Asia, some genuine concerns now appear real, with new crew regulations enforced by the Australian Maritime Safety Authorities contributing to premium numbers paid to the few candidates able and confident enough to comply. But good all round demand this week has seen decent activity in the basin with circa $12,000 returning as average rates for the Kamsarmax fleet for vanilla P3A pacific rounds.

Supramax/Ultramax

BSI maintained its positive moves gaining 127 points over the week. With a lack of prompt tonnage in the Atlantic, some stronger numbers were being paid from key areas on the ultramax vessels. From Asia the week was more staggered with less pressure from the Indian Ocean rates eased across the region. Period activity was limited, but a 63,000-dwt open far east end of August was failed for 11-13 months trading in the mid $10,000s. From east coast south America, ultraxmax vessels gained a 63,000 with eta on the coast end July was fixed in the upper $14,000s plus upper $400,000s ballast bonus. The US Gulf also saw increases and a ultramax was fixed at $18,000 for a trans Atlantic run. A short week with the holiday in Singapore on Friday slowed trading down. However, a 58,000 was reported fixed delivery South Korea for a NoPac rounds at $9,000. Elsewhere a 63,000-dwt was fixed delivery Arabian Gulf via Pakistan redelivery Bangladesh at $16,500.

Handysize

The US Gulf market moved quickly this week, with decent volumes emerging – especially petcoke. Together with east coast South America, rates continued climbing which pushed the BHSI to a higher level. However, there was a bit of a division between the two basins. Atlantic routes further improved throughout the week, but the Pacific remained slow. Brokers suggested a wider spread between owners and charterers particularly for Far East delivery vessels. Prompt tonnage supply in the East still appeared to be excessive with limited activity. On the period front this week, a 30,000-dwt open in the Continent was fixed for three to five months at $7,000. For single trip out of the US Gulf area, large Handy vessels were fixed to Brazil with clean cargo between mid $6,000s to mid $7,000s. A transatlantic run paid $9,600 for moving petcoke on an eco and well-described vessel. In the East, a 32,000-dwt delivery Vizag was fixed for a trip to Southeast Asia at $11,050.

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