

# Baltic Briefing

*Baltic Exchange member news, views and events*



## Bulk report – Week 39 2020

### Capesize

After the past few weeks of rates snaking sideways while softening, the Capesize market took on a clear and decisive upward trajectory these past few days. The Capesize 5TC gained over 50% in value opening the week at \$15,761 to settle Friday at \$24,178. The Transatlantic C8, meanwhile, lagged in value as other routes lurched higher. It had a reckoning midweek, along with the Fronthaul C9, as a couple of much higher fixtures exposed the tightness that had developed in the basin. Trade activity remains low but the basin is up and running now. The Brazilian trade activity was the driving force this week. The pace of fixing could be felt speeding up right through until Thursday as charterers began to understand the change in the situation. The Pacific basin C10 remains on par in value with the Atlantic C8 and Brazil to China C14. The west Australia to China C5 lifted +\$1.62 to settle the week at \$8.705, although worth noting it did manage a down tick on Friday as some took advantage of the elevated levels.

### Panamax

Overall a positive week for the Panamax market with the Atlantic routes the most prominent risers. This was largely led by solid mineral demand from the Baltic, but well supported by

other US origins too. \$12,500 was the highlight, agreed by an 82,000-dwt for a trip via USEC delivery and redelivery Gibraltar. US Gulf to China grain demand fared well on the week with vessels being priced and fixed from as far afield as India and Singapore, with the better described units with Neo-Panama canal fittings commanding a premium from a DOP Far east delivery point. In Asia a two-tier market but overall a flat week, NoPac demand being the catalyst with the P3a route hovering flat at around \$12,000 on the week for Kamsarmax units. A tough week for the coal rates ex Indonesia by and large created by a saturation of tonnage changing crew at Manila compounded with weak demand.

### Ultramax/Supramax

BSI again saw positive gains throughout the week. With the forthcoming Chinese holidays, many were looking to cover their positions and this buoyed demand. Period activity was seen **with Ultramax sizes seeing in the low \$11,000's for a short period. The Atlantic** was patchy, with the larger sizes in short supply from the Continent helping rates here. A 58,000-dwt fixing a trip from the Continent to the eastern Mediterranean at \$18,500. East coast South America remained uneventful. A 63,000-dwt fixed for a trip to south east Asia at \$14,500 plus \$450,000 ballast bonus. From Asia, demand remained as the week closed. A 56,000-dwt fixing delivery passing Busan for a trip via US north Pacific redelivery Indonesia at \$10,000. Further south Indonesian/India coal runs remained firm. A 58,000-dwt open Vietnam was fixed in the low \$13,000s for a trip via Indonesia redelivery India. The Indian Ocean saw limited activity. A Supramax fixing from Saldanah Bay to the Far East at around \$12,500 plus \$250,000 ballast bonus.

### Handysize

Both the overall index BHSI and the time charter average climbed back to the highest point of the year this week. The Continent continued to be on the rise with strong numbers reported. Brokers saw limited spot Handysize vessels left in the region, whilst the difference between redelivery east coast South America and the US Gulf remained minimal. Large Handysize vessels open in the Continent were reportedly fixed for trips to east coast South America, Mediterranean and US Gulf / US east coast at \$14,000s. The US Gulf showed more signs of improvement with a trip from the Gulf to Skaw-Passero range now being marked at the same level as a trip from east coast South America to Skaw-Passero range. In the East, a 31,000-dwt was fixed from CJK for 2 laden legs at \$8,000. A 36,000-dwt non-logger was fixed from Campha for a trip with limestone to south China at \$7,250.

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