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Bulk report – Week 47 2020

Capesize

‘Resistant’ would be one adjective to describe the Capesize market this week, as there was an increasing perception that it had discovered a floor, in several areas – specifically in Asia - where the pivotal C5 West Australia round gained 0.396 \$/mt on the week to reach 6.973 \$/mt, as all the majors became active. Operators played their part, with the well-described scrubber fitted Maran Glory (2012 180,575) said to have fixed on Thursday at \$19,000 basis delivery Fangcheng for a West Australia round. Brazil, meanwhile, proved more prosaic, with Vale seemingly content to pick off early ships at a function of last done – with the Pan Emerald (2012 174,964) said to have fixed a C3 Tubarao-Qingdao lifting at \$13.00-\$13.25, dependent on laycan. The North Atlantic continued to underperform despite, or because of, a flurry of EC Canada fronthaul fixtures during midweek – the underlying C9 route shed \$2,525 on the week to \$23,500.

Panamax

Rates continued to gain traction all week with support led by both the North in the Atlantic and the North Pacific in Asia. The Pacific began the week tamely. But with a spate of Australian demand midweek adding to a healthy NoPac order book, this aided rates to

continue to rise throughout the week with upper \$10,000's/\$11,000 for 82,000-dwt type around the mean average for the longer round trips. In the Atlantic, a long list of committed ballasters to the US Gulf appeared for the most part to keep a lid on rates from this origin. But with a healthy demand of both minerals and grains from the North, tonnage count for Continent/Mediterranean open positions for November dates dwindled. This in turn positively impacted rates in most regions of the Atlantic. Period talk included an 81,500-dwt delivery Japan achieving mid \$10,000's for about five months charter redelivery Singapore-Japan range.

Ultramax/Supramax

A healthier week for the BSI, which saw a gain of over 46 points from Monday's close. The market was helped by more enquiry from key areas such as the US Gulf and stronger demand from south east Asia. Period activity was limited as both sides watched for clear long-term signals but a 55,000-dwt open Arabian Gulf was fixed for three months trading at close to \$11,000. From the Atlantic, well described Ultramax vessels were seeing closer to the mid \$20,000s as the week closed. It was a relatively calm week further south, but a 61,000-dwt was reported fixed delivery Brazil trip to China at \$14,000 plus \$400,000 ballast bonus. From Asia, Indonesian coal exports ramped up. A 60,000-dwt fixing delivery Manila for a trip via Indonesia redelivery west coast India at \$10,500. The Indian Ocean saw better activity, a 58,000-dwt fixing delivery South Africa trip to China in the high \$12,000s plus high \$200,000s ballast bonus.

Handysize

East coast South America captured the spotlight this week. The surge helped the relevant HS3 route recover back to the level last seen at the end of September and early October this year. Tonnage with November dates were tight - especially in north Brazil where cargoes had been moving fast, brokers said. A 32,000-dwt was fixed basis Praia Mole for a trip to the Continent at \$13,000. A similar size did a near identical run from Fazendinha at \$14,000 later in the week. Meanwhile, US Gulf showed further improvement, but Continent / Mediterranean region remained soft. A 28,000-dwt delivery San Juan was fixed for a trip via north coast South America to US east coast at \$10,500. In the east, a 34,000-dwt delivery Indonesia was fixed for a trip to China with coal at \$9,000.

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