BalticBriefing

Baltic Exchange member news, views and events

Bulk report – Week 16 2021

Capesize

The Capesize market this week reached rate levels equivalent of last year’s highs. The 5TC rose $6,242 to settle at the end of the week at $34,762. The Transatlantic C8 roared to life throughout the week and is now the premium paying basin up $12,675 to $37,450. The fronthaul C9 has surpassed last year’s peak as Charterers have found little respite from owners in the usual lightly tonnaged region. The more surprising move comes from the Backhaul C16 as owners are demanding premiums for their vessels to perform the longer durations on coal from East Australia to the Continent. The route settled the week at $19,200 with several sources claiming there’s more to come. While higher headline levels are regularly being heard, the usual major charterers on the C5 and C3 routes look to be able to command solid discounts for their cargoes. However, their fixtures are having a diminishing return on affecting the wider market. Countering their influence, Owners appear emboldened with the wind in their sails as all routes appear busy with iron ore prices flying and Australian coal looking for a home further afield than the usual China destination.

Panamax

Another contrasting week, this time starting out in a bullish fashion, only for rates to ease as Charterers retracted as an FFA sell off seemed to derail activity resulting in a multitude of deals fixing and failing. Up until this change in trend, the EC South America round trips were well supported with several deals concluded. Rates ranging from an 81,000-dwt rumoured to have achieved $26,750 delivery prompt Singapore to $23,600 basis similar delivery/size ship. Aside from some robust numbers for short duration fronthaul trips, it was the story of a wide bid/offer gap in the North Atlantic with moderate activity overall. Asia proved to be broadly NoPac and Indonesia round trip centric with solid support again up until Thursday when the brakes were put on, typified finely by route P5. The Indonesian round trip beginning the week priced at $21,416 to reach $27,219 by Thursday, before easing again on Friday.

Ultramax/Supramax

A positive week generally for the sector, mainly led by strong demand across the Asian arena with increased cargo enquiry. Period activity was seen with a 63,000-dwt open China fixing three to five months trading at $26,500. The Atlantic remained steady, but the focus was from east coast south America. An Ultramax fixing a fronthaul at $21,250 plus $1.1 million ballast bonus. Elsewhere, from the Mediterranean, more enquiries saw a 52,000-dwt fixing from east Mediterranean to south east Asia in the low $30,000s. From the US Gulf, a 57,000-dwt was fixed for a trip to Japan at $26,000. Stronger levels from the Asian sector saw a 53,00-dwt open Singapore fixing an Indonesian coal run to Bangladesh at $30,000. Whilst for trans Pacific business a 61,000-dwt open south east Asia fixed via Australia back to South Korea at $31,000. In the Indian Ocean rates remained firm with a 63,000-dwt fixing delivery Durban trip to China at $19,000 plus $900,000 ballast bonus.

Handysize

The Handy sector continued to improve this week with the BHSI gaining 86 points since last Friday. We have seen Period fixtures in both basins this week. A 34,000-dwt in Venezuela fixing three to five months at $15,500 redelivery Atlantic and a 37,000-dwt in South East Asia was rumoured to have fixed for four to six months at around $20,000. A 34,000-dwt was fixed for two to three Laden Legs from South East Asia at $25,000 with redelivery for end April delivery. In east coast South America, we have seen the biggest movement with a 37,000-dwt fixed on Monday at $18,000 for a trip from Brazil to the Continent. By the end of the week another 37,000-dwt had fixed a trip from Santos to Morocco at $20,000. In Asia a 37,000-dwt open Hong Kong fixed a trip via Australia to Japan at $23,000.

http://www.balticexchange.com/market-information/