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Bulk report – Week 28 2021

Capesize

The Capesize market endured a week of eroding value across all regions as the 5TC lowered \$2,430 week on week to settle at \$28,572. While the Pacific's West Australia to Qingdao C5 route closed out Friday up 25 cents to \$10.841, appetite from major charterers in the spot market on this route have appeared tepid of late. Activity to the east of Australia for coal cargoes to Northern Asia remains strong while those coal cargoes destined for Europe, admittedly not so frequent, have been required to pay up for the longer duration backhaul route. Brazil this week was heard to have come under sustained pressure as major charterer Vale was heard early on in the week taking numerous vessels as value had ebbed away. Brazil to China C3 lowered \$1.89 over the week to settle at \$24.985. Further north in the Atlantic activity has been sparse. The Transatlantic C8 remains the premium earning region at \$32,188 but those levels seem unattainable for the tonnage located there while a solid influx of cargo in the coming week will be required to keep it from slipping away.

Panamax

A week of declines for the Panamax market in all basins as the gains seen in recent weeks began to erode. In the Atlantic Basin there were one or two bright spots namely the grains run

ex North France to China and Black Sea demand that ultimately never wavered. However, tonnage and ballaster build up negatively impacted rates overall with several APS load port fixtures reported, an 81,500-dwt agreeing \$40,000+\$465,000 delivery APS US East coast for a trip back to Skaw-Gibraltar. Rates in Asia yielded similar losses with a notable lack of demand from both NoPac and Australia, an 82,000-dwt delivery South Korea fixed at \$28,000 for a trip via NoPac redelivery China with grains. Whilst coal demand from Indonesia proved to be well supported, this had little impact in rates with tonnage building in southeast Asia compounded somewhat by a weak EC South American market as well.

Ultramax/Supramax

A lacklustre week with limited fresh enquiry and lengthening tonnage lists in many areas. Limited period activity was recorded with both sides watching for any clear direction, but a 63,000-dwt open China was fixed for four to six months trading at \$36,000. Despite rates remaining relatively firm from the east Mediterranean generally other areas saw slightly lowering rates. A 55,000-dwt was reported fixed delivery Gibraltar via west Mediterranean redelivery west Africa at \$39,000. Whilst an Ultramax was rumoured fixed from east coast south America for a Transatlantic run in the low \$40,000s. Asia also saw decreased activity. A 63,000-dwt open south China fixing a trip via Indonesia redelivery China at \$26,000. Whilst a 57,000-dwt open southeast Asia fixed a coal run via Indonesia to India at \$28,000. Limited fresh Pacific rounds, but a 57,000 open CJK fixed an Australian round at \$26,000. All eyes fixed on the upcoming week to see if there will be change in direction.

Handysize

A week of mainly positive moves with the indices moving up a further 18 points to a new yearly high of 1669 points, this despite a general lack of activity in East, and East Coast South America seeing levels soften whilst the market awaits the batch of requirements. The US Gulf has been more active with a 36,000-dwt fixing a petcoke cargo to the Western Mediterranean at \$30,000. Also a 38,000-dwt was rumoured to have fixed a grain cargo basis Delivery APS SW Pass with Redelivery Continent-UK range at \$24,500. The Asia markets were quiet this week with brokers talking of a growing tonnage list as the week progressed, though a re-emerging logs market did offer some support. The Indian Ocean also remained firm with a 29,000-dwt fixing basis delivery Chittagong via East Coast India with redelivery southeast Asia at \$30,000.

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