

Baltic Briefing

Baltic Exchange member news, views and events



Bulk report – Week 31 2017

Capesize

A strong end to the week for the big ships despite a Singapore holiday mid-week and Japan today. The momentum gathered pace when Singapore was on holiday with rates pushing in the Atlantic both for Brazil cargoes and transatlantic and front-haul further north.

Today saw rates for C3 Tubarao/Qingdao climb to US\$15.30 for early September 170,000-tonne 10% cargoes. Front-haul rates rose sharply too, with a standard 179,400-tonner fixing from Ashkelon via the US east coast to the east at US\$25,000 daily, while a 2010-built 180,000-tonner failed at US\$31,500 daily from Sines for a trip via the US east coast to the East. Today saw an eco179,000-tonner booked from Rotterdam on subjects for a trip via St.Lawrence and Turkey at US\$18,000 daily with redelivery Cape Passero. A 2009-built 180,000-tonner allegedly fixed from 19 August Cape Passero for a transatlantic round at a rumoured US\$15,750 daily.

In the East, West Australia rates had been faltering, but the return to work in Singapore on Thursday saw owners buoyed by the Atlantic rises and are today moving closer to US\$7.00.

FMG booked 24-26 August SwissMarine tonnage from Port Hedland to Qingdao at US\$6.95 and Rio Tinto covered a couple of 26-28 August cargoes at US\$6.75. Earlier, Roy Hill took two ships for 21-24 August from West Australia to China at US\$6.65 and US\$6.70 respectively having been in the low US\$6.00s at the start of the week. A 2008-built 180,000-tonner open South Korea 15-18 August fixed for an Australian round at US\$16,500 daily.

Panamax

A busy week here too, despite the holidays with rates firmer across the regions. North Atlantic tonnage remained tight, but the emphasis here was on the shorter Baltic runs with an 81,000-tonner fixing at US\$13,000 daily from Hamburg for a trip via the Baltic with redelivery Skaw-Gibraltar. Front-haul rates were firm too, but mostly for Baltic or Kamsar loading but with rates at US\$18,500 to US\$19,000 daily, while a Post-Panamax fixed at US\$20,000 daily from Amsterdam via the Baltic to Malaysia.

The US Gulf has seen more grain inquiry but charterers were largely sourcing tonnage from the East, helping to boost rates there. An 82,000-tonner fixed from Ulsan via the US Gulf to the East at US\$11,000 daily. Similarly, there remained a steady pace of fixing from east coast South America with Kamsarmaxes fixing in the low US\$11,000's and low US\$600,000's for APS to the East and several fixing retroactively or DOP with a Kamsarmax fixing retroactive Hazira 2 August at US\$11,000 daily, and even older LMEs agreeing rates from Singapore in the mid-high US\$8,000s daily. Rates for the short Indonesia rounds for Kamsarmaxes hovered in the US\$10,000s daily and mid US\$9,000s for LME's. A 76,000-dwt 2012-built fixed from CJK for two laden legs at US\$9,250 daily.

Period rates were also stronger and a well described Japanese-built 77,000-tonner fixed for four to seven months trading with Longkou delivery at US\$11,750 daily.

Supramax

The week started on a quiet note with route levels in negative territory but later some resistance was seen particularly from the US Gulf where activity increased. Limited period activity but a 52,000-dwt 2004-built vessel open east Mediterranean-Black Sea area was fixed for five to seven months trading redelivery worldwide at close to US\$10,500 daily.

From east coast South America, a 55,600-dwt 2006-built was fixed basis delivery Recalada trip to Turkey at US\$13,500 daily. A 61,400-dwt 2012-built was also said booked for the delivery but for a trip to Chile at US\$16,000 daily. For coastal business, a 56,700-dwt 2010-built was reported fixed basis delivery Itaqui for trip redelivery US Gulf at US\$9,750 daily.

From the Continent, a 56,700-dwt 2007-built was fixed for a scrap run from Liverpool to the east Mediterranean in the mid US\$9,000s and a 57,900-dwt 2013-built was finalized from Rotterdam for a front-haul redelivery Singapore-Japan at US\$14,500 daily. In the east Mediterranean a 50,400-dwt 2012-built went at US\$15,250 daily for the Black Sea to the Middle East at US\$15,250 daily.

With holidays in trading was generally slower but on the North Pacific rounds a 57,000-dwt was rumoured fixed delivery north Asia trip via Portland redelivery Singapore-Japan in the mid US\$7,000's. For the coal runs, a 63,500-dwt 2014-built was fixed basis delivery Guangzhou trip via Indonesia redelivery India in the low US\$9,000, whilst a 2009-built 53,600-dwt 2009-built was fixed delivery Haiphong for a trip via Indonesia redelivery south China US\$6,600 daily.

Handysize

The Asian holidays during this week did nothing to help, as the market remained uneventful. The Handysize Index was still on a gentle downward slope and no period activity reported.

In the Atlantic, a 37,000-dwt 2009-built was fixed from east coast South America for a trip to Singapore-Japan at US\$11,750 daily, whilst for the transatlantic trips a similar size vessel was fixed with sugar to Morocco at US\$9,300 daily. Later in the week, a 35,200-dwt 2014-built was rumoured fixed for a scrap run from the Continent to east Mediterranean in the low US\$9,000's.

Not surprisingly, there was very limited activity from the Asian sector. A 36,800-dwt 2011-built was fixed basis delivery CJK for a trip to west coast India at US\$7,250, and a 32,700-dwt 2010-built was booked for a trip from Lanshan to south Asia at US\$7,000 daily. Further west a 32,000-dwt was heard fixed from Mongla to south-east Asia in the very low US\$6,000s.

It remains to be seen what next week will bring with participants trickling back to their desks.

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