# WEEKLY MARKET REPORT

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**15th October 2021**

**Bulk report – Week 41**

**Capesize**

The week ended on a negative note with continuous downward momentum in both basins. The BCI broke the barrier of 10,000 points upon opening on Monday and closed at 7767 by Friday, whilst the average of five time charter routes declined from $82,722 to $64,417 throughout the week. The Pacific west Australia to Qingdao run moved sharply lower with the last done currently at the level of $16.7 per ton, reflecting a rate at about $54,813 per day on the relevant transpacific round voyage. Typhoon Kompasu was said to be causing some disruption to vessel schedules in the Taiwan, Philippines, South China region. In the Atlantic, transatlantic trips had not seen signs of recovery since last Friday. It was suggested few cargoes are left in the Atlantic but tonnage also remained relatively starved. Brazil to China run saw trades at $48 per ton early on in the week, with limited transparency in the mid-week. This subsequently dropped to $40 on Friday with tonnage reportedly fixing at such level on second half November loading dates.

**Panamax**

The Panamax market returned a mixed week. Rates in the Atlantic were largely seen under pressure during the first half but rebounded as the week came to an end. Solid demand from NoPac kept rates in Asia well supported throughout. And with healthy coal demand as well, ex-Indonesia enabled the market to end on a high note. A long tonnage count and a lack of demand from the North Americas were largely the contributing factors to start the week in the North Atlantic. But it reached a floor midweek with nearby tonnage able to fix away as the demand returned. US Gulf grains appeared to be back in focus again with numerous accounts of November arrivals being concluded by differing grain houses. Asia again proved to be dominated by solid levels of activity from the NoPac with $41,000 being agreed for a nicely described 82,000-dwt delivery Japan on a NoPac round trip.

**Ultramax/Supramax**

A stronger week than previously as key areas such as the US Gulf saw a shortening list of prompt tonnage and increased fresh enquiry from South East Asia. This again led to tighter tonnage. Overall BSI gained with a weekly increase of 159 points from last Friday. Period activity was seen with a 63,000-dwt open US Gulf fixing about one year's trading redelivery Atlantic in the mid $30,000s. From the Atlantic, stronger numbers surfaced as Ultramax size saw in the mid to high $50,000s for trips from the US Gulf to Far East. Elsewhere, demand increased from West Africa a 52,000-dwt fixing a trip to the US Gulf in the mid-low $30,000s. Backhaul interest remained from Asia and an Ultramax open China fixing a trip via Taiwan to the Continent in the low-mid $30,000s. From South East Asia, a 60,000-dwt fixing a trip from Indonesia to China at $49,000. There was positive movement in the Indian Ocean, a 63,000-dwt fixing a trip from South Africa to China with redelivery Indonesia at $32,000 plus $1,175,000 ballast bonus.

**Handysize**

After a prolonged period of positive moves the BHSI made some negative moves this week. In the Mediterranean, a 37,000-dwt fixed a trip from Tuapse to West Africa with an intended cargo of grains at $46,000 and a 37,000-dwt was fixed from Canakkale via the Black Sea to Tunisia with an intended cargo of grains at $35,000. East Coast South America has been more active with a 38,000-dwt fixing from Vila Do Conde to Norway with an intended cargo of alumina at $38,000 and a 39,000-dwt fixed for a coastal run from Bahia Blanca to North Brazil at $42,000. A 35,000-dwt open in Rio De Janerio fixed for two laden legs and Atlantic redelivery at $32,000. In Asia, a 32,000-dwt was fixed for a trip from Taiwan to the Continent at $35,000. A 35,000-dwt was fixed basis December delivery in the Atlantic for 12 months period at $27,750 and worldwide redelivery.

**Tanker report – Week 41**

**VLCC**

A steady week of fixing in the Middle East has kept rates relatively flat. And, although West Africa was seemingly busier, rates remain static here also. A 280,000mt Middle East Gulf to US Gulf (Cape/Cape routing) remains at the WS20.5 level, while 270,000mt Middle East Gulf to China arguably eased half a point to WS40.25 (showing a roundtrip TCE of about minus $100 per day). In the Atlantic, rates for 260,000mt West Africa to China are stuck at the WS42.5 mark (a TCE of about $3.4k/day roundtrip) and 270,000mt US Gulf to China slipped $56k to $5.275m (a TCE of $7.6k per day roundtrip). This is on the back of SK reportedly taking the Miracle Hope USG to South Korea at $5.25m. Chevron, meanwhile, are reported to have fixed a Maran vessel at $5.275m to China.

**Suezmax**

In West Africa, the rate for 130,000mt Nigeria/UK Continent rose another three points this week to WS71 (a roundtrip TCE of about $6.2k/day) while the rate for 135,000mt Black Sea/Med was steady at WS75 (a TCE roundtrip of about $600 per day). The Middle East market had another busy week with a handful of fixtures done for Western destinations where the rate for 140,000mt Basrah/Lavera started at WS36.5 and steadily rose to WS45 now.

**Aframax**

In the Mediterranean, a softer market was seen and the rate for 80,000mt Ceyhan/Lavera eased five points back to WS100 ($4.8k per day TCE roundtrip) while in Northern Europe the market for 80,000mt Cross-North Sea experienced a modest improvement of two points to WS107.5 region ($1000/day TCE roundtrip). The rate for the 100,000mt Baltic/UK Continent trip saw a similar step up to just over WS80 (a TCE of about $4.9k per day roundtrip). Across the Atlantic, a much different but exciting tale unfolded with rates for 70,000mt US Gulf/UK Continent climbing 44 points to WS134 (a TCE of $13.9k/day roundtrip), while the shorter local voyages similarly rose. Rates for 70,000mt Caribbean/US Gulf are up 48 points to between 147.5-150 (a TCE of just shy of $17k/day roundtrip) and 70,000mt East Coast Mexico/US Gulf is 44 points higher than last week at just below WS155 (which shows a roundtrip TCE of $20,000/day).

**Clean**

There have been mixed movements in the Middle East Gulf this week. The LR2s to Japan have been tested down and TC1 dropped 7.43 points to WS 90.36, a round-trip TCE of $2,537/day. The LR1s on the other hand have seen healthy activity levels and have risen WS23.57 points this week TC5 55k Middle East Gulf / Japan is now at WS123.57, a round-trip TCE of $7,955/day. On the MRs, 35k Middle East Gulf / East Africa (TC17) has also had an upturn and is now at WS191.67 (+WS18.34).

The Mediterranean Handy market has been pushed up this week from bad weather affecting available tonnage and TC6 30kt Skikda / Lavera is now at WS 143.13 (+WS 21). The LR2s, TC15 80k Mediterranean / Japan have been lacklustre by comparison and are subsequently now marked at around $1.675m. The Baltic Handy market has continued steady this week and TC9 30k Baltic / UK-Continent is still at WS120.

On the UK-Continent MRs, enquiry levels have been encouraging. And, after a long period of stationary freight levels, owners are now refusing to repeat last done of WS100. Both TC2 37k UK-Continent / US Atlantic Coast and TC19 37k Amsterdam to Lagos have seen improvements and are currently WS109.44 and WS110 respectively. On the LR1s, TC16 60k Amsterdam / Offshore Lomé activity continued to put ships on subs this week without moving rates from the WS85 level.

In the Americas, depressed volumes of market enquiry have left plenty of tonnage still available. TC14 38k US Gulf / UK-Continent has dropped WS3.22 to WS69.64 and TC18 35k from US Gulf / Brazil has also seen an incremental drop of WS3.57 to WS111.43. The MR Atlantic basket TCE dropped from $1446/day to $1246/day.