

## WEEKLY MARKET REPORT

Provided by kind permission of the Baltic Exchange

17<sup>th</sup> March 2023

### Bulk report – Week 11

#### Capesize

The Capesize lifted \$2,401 for its time charter average on Tuesday, but failed to keep up the uprising trend throughout the week. It closed at \$15,867, which is still an improvement week-on-week. The Atlantic basin cooled off in the middle of the week with limited cargoes lending further support. The fronthaul run eventually slipped beneath \$30,000 on Friday. In the Pacific, the backhaul run was one step away from coming back to positive territory and is currently marked at -\$333. The west Australia to Qingdao run climbed above \$9, but soon declined back to the mid/high \$8s. Coal from east Australia to China appeared active, with some paying close to \$20,000 for a round trip at one stage.

#### Panamax

It proved to be a muddling week for the Panamax market, which started out positively for owners but ends on something of a tepid nature. In the Atlantic, much of the activity early part of the week was on the fronthaul trips from the America's with solid levels of support. The end March arrival window ex EC South America was perhaps the exception with rates here under pressure. Fronthaul rates via NC South America hovered around the \$22/23,000 level depending on the respective ship's specs and delivery. Asia returned a similar story with the coal runs ex Indonesia supported early part with several deals concluded around the \$17,000 mark for 75,000-dwt types. However, rates eased back as the weekend approached. Longer trips were lacking and Australia coal runs into India were the only trip supported. Plenty of period activity on the week, \$18,750 agreed for one year on an 82,000-dwt delivery China.

#### Ultramax/Supramax

The Supramax market has been in a buoyant mood, with the S10TC average gaining 922 over the week to settle at 14,502. It was a quiet start in the Atlantic, but it picked up as the week progressed. Gains were modest with the market described as positional. By the close, more cargoes were coming into the market which lent some confidence. There is healthy demand from the South Atlantic with the tonnage list getting shorter. A 64,000-dwt vessel reported for a USG fronthaul at \$20,000pd. A Supramax, meanwhile, was rumoured to have fixed for Brazil to Turkey with grains at \$22,000pd.

The Pacific was busy from the start, with healthy coal demand from Indonesia and backhaul cargoes driving the market. This, combined with rising NoPac and Australian round voyage rates, saw sentiment improve as the week progressed. Owners have been unwilling to discount given the stable cargo levels. A 56,000-dwt reported for an Indonesia to China voyage was fixed at \$20,000 delivery Singapore. Meanwhile, a 63,000-dwt open Indonesia for a trip to China was at similar levels. An Ultramax was fixed ex-yard for a Nopac round voyage at \$17,000pd.

**The information provided in this report is for the exclusive use of FONASBA associations and their member companies. As such it must not be distributed further**

## WEEKLY MARKET REPORT

Provided by kind permission of the Baltic Exchange

### Handysize

Positivity continued this week. The US Gulf was active with a 40,000-dwt fixing from SW Pass to Morocco with an intended cargo of grains at \$15,000, whilst a 38,000-dwt was rumoured to have fixed from Mexico via Florida to the UK in the region of \$12,000. In East Coast South America a 37,000-dwt fixed from Santos to Morocco at \$16,000. A 37,000-dwt was fixed from Recalada to West Coast South America at \$22,000. In the Mediterranean, a 40,000-dwt fixed passing Canakkale via the Black Sea to the US Gulf with an intended cargo of cement at \$16,000. Period was active with a 40,000-dwt fixing ex-yard in Japan for 11 to 14 Months with mid April dates at \$16,000. A 38,000-dwt open Continent was rumoured to have fixed for three to five months with Atlantic redelivery at \$13,500. A 36,000-dwt open in Algeria was fixed for four to six months at \$15,000 with worldwide redelivery.

### Tanker report – Week 11

#### VLCC

The VLCC market eased slightly in most areas this week. For the 270,000mt Middle East Gulf to China voyage the rate fell six points early in the week and then recovered about three points by Thursday to W93.77, which shows a daily round voyage TCE of \$89,100 (about \$1,000 less than a week ago) basis the Baltic Exchange's vessel description. The rate for 280,000mt Middle East Gulf to the US Gulf (via the cape/cape routing) is assessed 1.5 points lower at WS60.28. In the Atlantic market, the rate for 260,000mt West Africa/China also lost a net three points to WS90.50, showing a round-trip TCE of \$84,700 per day. The rate for 270,000mt US Gulf/China rose a steady \$122,000 at \$11,472,000 (\$64,900 per day round-trip TCE).

#### Suezmax

The rate for 135,000mt CPC/Augusta regained most of the recent lost ground, rising three points to WS169 (a round-trip TCE of \$91,300 per day). In the Atlantic, a busy programme in West Africa and the US Gulf has seen tonnage thin out and rates improve with the market still trending upward. For the 130,000mt Nigeria/Rotterdam voyage the rate climbed 13 points to WS128/129 level (\$59,400 daily TCE basis a round-trip). In the Middle East the rate for 140,000mt Basrah/Lavera rose 6.5 points to just over WS71.

#### Aframax

In the North Sea market, the rate for the 80,000mt Hound Point/Wilhelmshaven route slipped 1.5 points to WS169 (a daily round-trip TCE of \$70,300). In the Mediterranean, the rate for 80,000mt Ceyhan/Lavera rebounded and climbed 22.5 points to WS198 (a daily round-trip TCE of \$70,600). Across the Atlantic, the Stateside Aframax market reversed the recent trend and rates rose. The rate for 70,000mt East Coast Mexico/US Gulf gained more than 18.5 points to between WS390-392.5 (\$149,800 per day round-trip TCE). The rate for 70,000mt Covenas/US Gulf climbed 20 points to the mid-point of WS360-362.5 (a daily round-trip TCE of \$125,300). For the

**The information provided in this report is for the exclusive use of FONASBA associations and their member companies. As such it must not be distributed further**

## WEEKLY MARKET REPORT

Provided by kind permission of the Baltic Exchange

Transatlantic route of 70,000mt US Gulf/Rotterdam, the rate regained 26 points to WS258 (showing a round trip TCE of \$78,600 per day).

### **Clean**

In the Middle East Gulf this week freight levels have suffered as enquiry seemingly dropped off. TC1 is currently marked at WS182.5 (-14.06) and WS180 is reported on subjects. Similarly, for a run West on TC20, the index has come off \$42,859 to \$4,728,571. Much like their larger counterparts the LR1s have felt weakening sentiments this week but not to the same extent. TC5 dipped a meagre 1.08 points to WS195.71 and TC8 similarly shed \$66,000 from \$3,825,000 to \$3,758,000.

AG MRs have been somewhat unsettled. The TC17 index fluctuated up and down - ranging between WS217 and WS232 - where it topped out and is currently marked at WS228.57.

West of Suez, LRs have improved off the back off some activity. TC15 jumped up to \$4,250,000 and has since resettled back to \$4,150,000, which is still a \$216,667 improvement. TC16 has risen an incremental five points to WS182.14 where it looks to have plateaued for the moment.

Rates have surged circa 35% this week on the UK-Continent MRs. TC2 has jumped up to WS270.56 (+72.78) with a couple of vessels reported on subs at WS270 at the time of writing. Similarly, TC19 has hopped up 73.57 points to WS280.

European Handymax freight has rebounded this week with TC23 adding 85 points to WS258.56 and TC6 likewise climbing 80.62 points to WS333.75.

The American MR market had another week of big movement. But sadly for owners it was in a downward direction. TC14 has had 57.5 points cut away, dropping the index from WS166.67 to WS109.17 with reports of WS105 currently on subjects. TC18 similarly lost 91.66 points to WS181.67 after a widely reported charter at WS182.5 on Wednesday. A run to the Caribbean on TC21 has followed suit and is currently pegged at \$675,000 (-\$412,500).