WEEKLY MARKET REPORT

Provided by kind permission of the Baltic Exchange

14th April 2023

Bulk report – Week 15

Capesize

Weather factors in the Pacific this week threatened to disrupt activity from West Australia to China. However, other than Port Hedland closing on Thursday, there was a steady flow of fixing which resulted in a rather volatile week. Several vessels were fixed by the middle of the week from East Coast Australia to China with coal, which offered support to the market at the time. By the end of the week, with these cargoes gone, confidence began to slip as did the rates. The North Atlantic witnessed more activity during the week resulting in less available tonnage and improvement in sentiment. However, the list of ballasters from the Pacific has continued to grow which could potentially cap any upside from South Brazil. There has also been a slight increase in activity from West Africa. All in all, a mixed bag with the 5TC's starting the week after the Easter weekend at $15,849 and ending the week at $15,344.

Panamax

In a week disrupted at both ends by Easter holidays, the market has lost ground and tonnage lists grew in both basins. Overall it was subdued in the Atlantic with Owners having to reduce offers to find cover. A scrubber fitted 82,000-dwt was fixed for a ECSA grain cargo redelivery Skaw-Gib at $16,250, and a 75,000-dwt fixed for a grain cargo from ECSA for Singapore-Japan at $17,250. In the Pacific it was a similar story with prompt Indonesian trips covered quickly and a lack of longer duration enquiry. There has been some short period fixing. A 76,000-dwt fixed for four to six months at $14,000 pd, and a 76,000-dwt fixed for similar period at $15,800.

Ultramax/Supramax

With widespread holidays both at the beginning and end of the week it was a rather muted affair for the sector. The Atlantic remained rather positional with sentiment remaining relatively strong from the US Gulf and a tightness of larger vessels from the South Atlantic, but other areas lacked fresh impetus. The Asian arena saw sentiment remain soft with limited fresh enquiry from the south and a build-up of prompt tonnage downward pressure on rates remained. Period activity remained limited, although a 54,000-dwt open Indian Ocean was rumoured fixed in the low $13,000s for one year. Some brokers did say that rate was closer to low $14,000s. From the Atlantic, a 52,000-dwt fixed delivery United Kingdom trip via Continent with scrap to the East Mediterranean at $13,000. Elsewhere, a 54,000-dwt fixed delivery Santos for a trip to Malaysia at $14,000 plus $400,000 ballast bonus. Asia, saw a 63,0000-dwt open Taichun fix a trip via West Australia with salt redelivery Japan at $13,400. Otherwise, an Ultramax was heard fixed for a trip delivery Samarinda redelivery full India at $12,000.

Baltic Exchange
Our word our bond

WEEKLY MARKET REPORT

Provided by kind permission of the Baltic Exchange

Handysize

In a short week bookended by holidays, visible activity remained limited. The Atlantic showed signs of positivity with brokers speaking of more enquiry in general. In East Coast South America a 38,000-dwt fixed basis delivery when we're ready San Nicolas for a trip to West Coast South America at $23,000, whilst another 38,000-dwt fixed basis delivery Rio Grande for a trip to Caldera with an intended cargo of grains at $22,500. A 43,000-dwt open prompt in Bizerte was rumoured to have been fixed for a trip to the Arabian Gulf at around $18,500. In Asia, prompt vessels continued to see levels soften with a 37,000-dwt fixing from Japan to Boston-Vera Cruz range at $11,250. A 39,000-dwt fixed from Sun Duong via Indonesia to China at $7,000. A 34,000-dwt open in Zhoushan with prompt dates was rumoured to have been placed on subjects for a trip via Eastern Australia to Japan with an intended cargo of sugar in the $7,000s.

Tanker report – Week 15

VLCC

The VLCC market showed some optimism this week off the back of a thinner tonnage list, with the exception of the US Gulf to China route. 270,000mt Middle East Gulf to China market saw a 5.05 point improvement taking the index up to WS72.64, which shows an actual rise of about $6,200 per day with a TCE of $56,017 basis the Baltic Exchange's vessel description. The rate for 280,000mt Middle East Gulf to US Gulf (via the cape/cape routing) is assessed at a similarly improved WS47.06 (+W2).

In the Atlantic markets the rate for 260,000mt West Africa/China followed the trend of the MEG seeing the index climb WS1.85 to WS96.95 (a round-trip TCE of about $52,721 per day, which is $1,700 per day improvement within a short, post easter, week). The TD22 run, 270,000mt US Gulf/China, is yet to feel the improvements from other regions and the index dipped $144,000 this week to $9,950,000 (a round-trip TCE of $47,159 per day).

Suezmax

The Suezmax market was somewhat fragmented this week and freight rates have slipped. The rate for 135,000mt CPC/Augusta eased an incremental 2.95 points to the WS157.61 mark (a round-trip TCE of about $78,434 per day). In West Africa, for the 130,000mt Nigeria/Rotterdam voyage, WS115 and WS112.5 were widely reported in the market and the index dropped 10.5 points to WS108.75 (a daily round trip TCE of $42,254, which is $7,476 per day less than a week ago). In the Middle East the rate for 140,000mt Basrah/Lavera dropped 2.57 points to WS63.06.

Aframax

WEEKLY MARKET REPORT

Provided by kind permission of the Baltic Exchange

In the North Sea market rates for the 80,000mt Hound Point/Wilhelmshaven route dropped about 3.75 points to the WS170 region (a round-trip daily TCE of $67,018). In the Mediterranean, the rate for 80,000mt Ceyhan/Lavera crumbled about 28 points to around the WS185 mark (a daily round trip TCE of $59,300). Across the Atlantic, freight for the stateside Aframax vessels has also taken a hit this week. The rate for 70,000mt East Coast Mexico/US Gulf shed around 25 points to WS132.19 (about $25,643 per day round-trip TCE), while the 70,000mt Covenas/US Gulf has fallen about 16.57 points to W129 (a daily round-trip TCE of $23,000). For the Transatlantic route of 70,000mt US Gulf/Rotterdam, rates were reduced by 13.12 points to WS138 (rendering a round trip TCE of $28,104 per day).

Clean

LR2s in the MEG this week have been balanced with a tip towards a softer dynamic. TC1 has shed five points to WS159.38 (a round trip TCE of $37,317 /day) and TC20 has had a $257,000 chunk taken out of it, the index currently sits at $3,971,429 with reports of $3,900,000 currently on subjects.

West of Suez, Mediterranean/East LR2s have been relatively sedate this week. Following an early week fixture at $3,550,000 the TC15 index is currently pegged at $3,537,500.

In the MEG, LR1 activity has been reportedly low this week. TC5 has shed 7.85 points to WS199.29 and a round trip TCE of $37,488/day. For a trip West, TC8 has dipped circa $150,000 to $3,725,000.

On the UK-Continent, TC16 has improved five points this week to WS175.71 with WS177.5 reported on subjects at time of writing.

MEG MRs have been somewhat fragmented this week with a large influx of enquiry mid-week, including replacements, generating a directionless market. Subsequently the TC17 index has held around the low WS290s all week.

Up on the UK-Continent, activity levels saw a marked uptick this week. As a result The TC2 index has hopped up 35 points to WS250.56 and similarly the TC19 index has jumped 35.71 points to WS260.71.

Over in the Americas, a slower week has dropped the indices over there. TC14 losing 10.83 points to WSWS139.17, TC18 coming down 19.09 points to WS218.33 and a TC21 trip to the Caribbean coming off $135,000 to $826,000.

Mediterranean Handymax vessels saw the TC6 index bottom out at WS218 from WS231 to then return to WS225 off the back of improved activity.

Up on the Continent the TC23 index similarly had a big lump (circa 50 points) taken out if it early in the week WS270,s down to WS220s to then return back to WS231.25.