

## WEEKLY MARKET REPORT

Provided by kind permission of the Baltic Exchange

**20<sup>th</sup> August 2021**

### **Bulk report – Week 33**

#### **Capesize**

Both the BCI and time charter average climbed to the highest point of the year this week. Despite there being a few instances of breaching 5000 points in the last decade, the same level in the high 5000s on BCI was last seen only in early December 2009. On the time charter front, the week closed at \$49,731 for the average of 5TC routes, which is also the new high since it replaced the 4TC in 2014. The west Australia to Qingdao voyage route climbed to \$15.823 on Friday, from Monday's \$14.659, whilst the relevant time charter trip was now at \$52,025. The shortage of ballasters to Brazil and in the north Atlantic surged the C3 Tubarao to Qingdao run to \$36.125. The highest value among all time charter routes was at \$74,850, for a standard Baltic Capesize vessel run from the Continent for a trip back to the Far East.

#### **Panamax**

A passive and flat start to the Panamax market this week but positive sentiment built up throughout in most regions. A tight tonnage count on north Atlantic positions with strong mineral demand in the north alongside healthy grain cargoes both from ECSA and Black sea gave the market the impetus over the week. From South America, reports emerged of a couple of 82,000-dwt ships achieving \$35,000 from a Singapore delivery position redelivery Far East. In Asia, levels held steady overall as congestion in China continued to impact too. Healthy demand from the NoPac and CIS Pacific origins fed support into rates coupled with reports of Grain houses securing tonnage from the Pacific for US Gulf and EC South America loading. Reports of an 81,000-dwt delivery mid China achieving in excess of \$33,000 for a trip via US Gulf redelivery Far east. Period news included an 81,000-dwt delivery Taiwan agreeing \$32,000 for six to nine months.

#### **Ultramax/Supramax**

With the port congestion in China affecting prompt tonnage, the effect led to an influx of fresh enquiry and stronger sentiment all around in both basins. Period activity was seen and an Ultramax open south China fixing for short period at \$40,000. From the Atlantic, demand from the south Atlantic saw a 63,000-dwt scrubber fitted (benefit for owners) fixing a trip from east coast South America for a trip to south east Asia at \$29,000 plus \$1.9 million ballast bonus. Elsewhere, a 61,000-dwt was linked to a trip from west Africa to China in the mid \$40,000s plus mid \$400,000s ballast bonus. Asia again saw gains, a 63,000-dwt open south China fixing a nickel ore run via Philippine's redelivery north China option south China at \$42,500 respectively \$41,500. Whilst for Pacific rounds, an Ultramax was linked to a trip basis delivery north China via north Pacific redelivery far east in the upper \$30,000s.

**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

A week of positive gains on the BHSI driven by both basins. Congestion continues in Asia limiting numbers of open tonnage where rates continue to rise. A 33,000-dwt open China fixed a round voyage via Australia at \$35,000. A 34,000-dwt open in Indonesia fixed a trip to Japan with a cargo of Metcoke at \$38,000. A 36,000-dwt open in Thailand fixed via Australia back to Thailand at \$39,000. In the Mediterranean, a 36,000-dwt open Port Said fixed to Houston with Cement at \$42,000. A 32,000-dwt open in West Africa was fixed via the Eastern Mediterranean to Stockton at \$30,000. In the US Gulf a 37,000-dwt fixed from the Mississippi River to Spain at \$30,000. Period remains active with a 32,000-dwt open in North Coast South America fixing for two years at \$18,000 with worldwide redelivery and a 38,000-dwt in Barranquilla fixing for seven to nine months \$27,750 with Atlantic Redelivery.

### Tanker report – Week 33

#### VLCC

The week began slowly in the Middle East to US Gulf (routing via the Cape/Cape) remaining in the WS18-18.5 region, while MEG to China is valued at the WS31.32 level (showing a round-trip TCE of \$-3164/day). In the Atlantic, rates for 260,000mt West Africa to China are again at around the WS33 mark (a TCE of \$-265/day round trip) and 270,000mt US Gulf to China saw another drop of \$68.75k to \$3.9125m (a roundtrip TCE of \$1.696k/day).

#### Suezmax

In West Africa there were a few pieces of enquiry, which caused a modest 1.22 point improvement in rates for the 130,000mt Nigeria/UK Continent market to the WS55.45 level (a round trip TCE of \$3.7k/day). Rates for 135,000mt Black Sea/Med also rose 3.7s points to WS62.61 (a round-trip TCE of about \$-2.9k/day). The Middle East market was relatively subdued this week and rates for the 140,000mt Basrah/Med trip still pegged at around WS26-27 mark.

#### Aframax

In the Mediterranean, the market for 80,000mt Ceyhan/Lavera remains stable thus far at the WS87.5 mark (showing a round-trip TCE of \$2.9k/day).

In Northern Europe the market for 80,000mt Cross-North Sea saw some softening of rates and is now at the WS87.5 level (a round trip TCE of \$-5.9k/day) while in the 100,000mt Baltic/UK Continent market rates eased by 0.94 points to WS57.19 (a round trip TCE of \$-2.4k/day).

**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

Across the Atlantic, the Caribbean market has been relatively static with rates for the 70,000mt Caribbean/US Gulf holding at around WS90 while the Gulf of Mexico region has seen a continuing positive sentiment. Rates for 70,000mt East Coast Mexico/US Gulf gained another 0.78 points to WS88.59 (a TCE of about \$1869/day round trip) and the market for 70,000mt US Gulf/UK Continent improved by 0.5 points to WS70-71 level (showing a round trip TCE of \$753k/day).

### Clean

The Middle East Gulf has seen softening sentiment this week. On the LR2s to Japan TC1 dropped 11.25 points to WS92.5, a round-trip TCE of \$6,826/day. The LR1s have held relatively steady and TC5 55k Middle East Gulf / Japan now at WS138.21 down WS2.5 points, a round-trip TCE \$13,877/day. TC8 Middle East Gulf / Uk-Continent also fell and is now marked at \$29.69/ton (Down \$1.11/Ton). MR rates 35k Middle East Gulf / East Africa (TC17) dropped 0.5 points to WS118, with sentiment indicating lower may come.

The Mediterranean Handy market has seen very little change this week. TC6 30kt Skikda / Lavera stable at WS115. The LR2's in the region have also endured the same non-direction and TC15, 80k Mediterranean / Japan at around the \$1.685m mark.

Rates have been under pressure in the Baltic Handy market and TC9 30k Baltic / UK-Continent dropped to WS121.43 (Down WS19.28). On the UK-Continent MR freight levels have continued downward, TC2 37k UK-Continent / US Atlantic Coast is now at WS102.5 (Down WS7.5), showing a round-trip TCE of \$-835/day. TC19 37k Amsterdam to Lagos also showed a correlating decline to WS105.42 (Down WS9.58).

The LR1's on TC16 60k Amsterdam / Offshore Lome have once again remained relatively unaffected and stay pegged at around WS82.5-85.

In the Americas, freight rates have also weakened this week. TC14 38k US Gulf / UK-Continent route now at WS74.64 (Down WS4.65) and TC18 35k from US Gulf / Brazil, followed suit and ended up at WS106.67 (Down WS6.66).

The MR Atlantic basket TCE dropped from \$5077/day to \$4039/day.