

## WEEKLY MARKET REPORT

Provided by kind permission of the Baltic Exchange

17<sup>th</sup> May 2024

### **Bulk report – Week 20**

#### Capesize

This week, the Capesize market saw a steady decline, with the BCI 5TC beginning at \$25,773 and dropping daily, except for a modest rise of \$962 today, ending the week at \$22,180. Despite healthy cargo volumes in the Pacific, market activity was sluggish as the week got under way, partly due to holidays in Asia. The derailment of a Rio Tinto train in Western Australia did not significantly impact the market. Activity in the Pacific increased significantly throughout the week, leading to the market finding a level and a positive turn by the week's end. The C5 index rose by 0.521, closing at \$10.656. In the Atlantic, the South Brazil and West Africa to China market also softened, at the early part of the week with an increasing list of available tonnage in ballast, which contributed to declining rates. However, the week ends on a positive note, with reports of improved fixtures on C3, causing the index to rise by 0.314, reaching \$25.094.

#### Panamax

A lacklustre week for the Panamax market more noticeably in the Atlantic as limited demand was met with an increasing tonnage count. The Atlantic lacked trans-Atlantic demand and returned a predominantly fronthaul led basin with a steady grains and mineral flow from most origins, reports of an 81,000-dwt delivery Continent achieving \$26,000 for a trip via US East coast redelivery China. There was little to report on trans-Atlantic, some mineral voyage stems covered, equating to extremely low time charter equivalents. In Asia, a mixed week with the NoPac market lacking any kind of support rates consequently drifted, demand ex Australia picked up over the week with improved levels seen on the nearby position, reports midweek of an 82,000-dwt delivery South China agreeing a rate of \$18,750 for trip via EC Australia redelivery China. There was limited period reporting but it did include rumors of an 82,000-dwt delivery Japan fixed basis 10/12 months at \$18,500.

#### Ultramax/Supramax

A rather subdued week overall which saw rates slip lower. Little in the way of fresh enquiry was seen in the US Gulf and the Continent-Mediterranean lacked fresh impetus with prompt tonnage readily available. A 57,000-dwt was heard fixed delivery Turkey

## WEEKLY MARKET REPORT

Provided by kind permission of the Baltic Exchange

for a trip via Black Sea readily West Mediterranean in the low \$13,000s. From East Coast South America brokers spoke of little fresh enquiry for end of May dates which again kept rates in check. A 58,000-dwt went from Santos to Bangladesh at around \$17,000 plus \$700,000. In the East, a further lack of fresh enquiry from Southeast Asia also meant rates remained lower than of late. However, the Indian Ocean seemingly gained momentum and some stronger levels were seen. A 63,000-dwt fixed delivery Port Elizabeth for a trip to China in the mid \$20,000s plus mid \$200,000s ballast bonus. Period activity was limited, a 63,000-dwt open Philippines was fixed for 3 to months trading at \$20,500.

### Handysize

Limited cargo availability remained an underlying issue across the Atlantic, whilst in the Mediterranean a 37,000-dwt was placed on subjects basis passing Canakkale via the Black Sea to Barcelona at \$8,000. In the South Atlantic, a 36,000-dwt was fixed for a trip basis delivery Recalada with prompt dates for a trip to West Coast Central America at \$23,000, whilst a 38,000-dwt fixed from delivery in the River Plate for a trip to Algeria at \$17,000. Further North a 40,000-dwt was liked to fixing from Vila Do Conde to Norway with an intended cargo of alumina at \$14,000 plus a \$60,000 ballast bonus. In Asia, a 37,000-dwt logs-fitted vessel was fixed basis delivery in Southern China for a round trip via New Zealand with an intended cargo of logs at \$16,000. Period activity also remained as a scrubber fitted 38,000-dwt was fixed for 3 to 5 months at \$16,000 with 40% of the scrubber for Charterer's benefit.

## Tanker report – Week 20

### LCC

The market remained relatively flat in the Middle East with the rate for the benchmark 270,000 mt Middle East Gulf to China at WS72.15 which translates to a daily round-trip TCE of \$51,163 basis the Baltic Exchange's vessel description.

In the Atlantic market a mixed story. The 260,000 mt West Africa/China was about 1.5 points lower than a week ago at WS73.17 showing a round voyage TCE of \$52,539 per day, while the rate for 270,000 mt US Gulf/China climbed by \$220,000 to \$9,560,000 corresponding to a round-trip daily TCE of \$50,341.

## WEEKLY MARKET REPORT

Provided by kind permission of the Baltic Exchange

### Suezmax

The Suezmax market in West Africa relinquished recent gains as the 130,000 mt Nigeria/UK Continent trip shed 7.5 points to WS102.06 (a daily round-trip TCE of \$38,780). In the Mediterranean and Black Sea region the rate gained a point to WS111.75 level for the 135,000 mt CPC/Mediterranean trip (showing a daily TCE of \$41,520 round-trip). In the Middle East, the rate for 140,000 mt Middle East Gulf to the Mediterranean (via the Suez Canal) remains around the WS95 mark.

### Aframax

In the North Sea, the rate for the 80,000 mt Cross-UK Continent remained on equal par with a week ago at the WS144-145 level (a daily round-trip TCE of a shade over \$45,100 basis Hound Point to Wilhelmshaven).

In the Mediterranean market the rate for 80,000 mt Cross-Mediterranean had 16 points added at WS196.39 (basis Ceyhan to Lavera, that shows a daily round trip TCE of \$62,928) on the back of tight itineraries in part caused by seemingly slow scheduling of discharges in Trieste.

Across the Atlantic, the 70,000 mt East Coast Mexico/US Gulf (TD26) lost 20 points to WS150.50 (a daily TCE of about \$31,300 round trip) and the rate for 70,000 mt Covenas/US Gulf (TD9) was assessed 17 points down for the week at WS148.13 (a round-trip TCE of \$29,208 per day). The rate for the trans-Atlantic route of 70,000 mt US Gulf/UK Continent (TD25) fell by another 15 points to WS165.56 (a round trip TCE basis Houston/Rotterdam of \$37,508 per day), again ballasters from Europe are not being encouraged.

### Clean

#### LR2

MEG LR2's continued climbing this week. The TC1 rate for 75,000 mt MEG/Japan rose another 16 points to WS247 and the 90,000 mt MEG/UK-Continent TC20 voyage was over \$583,000 higher at \$7,150,000.

West of Suez, Mediterranean/East LR2's rebounded this week. The TC15 index ascended about \$220,000 to \$3,487,500.

## WEEKLY MARKET REPORT

Provided by kind permission of the Baltic Exchange

### LR1

In the MEG, LR1 freight again followed the trend of the larger siblings. The 55,000 mt MEG/Japan index of TC5 went from WS233.44 to WS268.75. The 65,000 mt MEG/UK-Continent of TC8 climbed from \$5,150,000 to \$6,070,000.

On the UK-Continent, the 60,000 mt ARA/West Africa (TC16) reversed the recent decline, gained 2.5 points, and settled at WS157.5.

### MR

The MR market in the MEG continued to rise with the 35,000 mt MEG/East Africa route (TC17) having a further 14 points added to assessments at WS394.29.

On the UK-Continent the MRs were softer this week. The 37,000 mt ARA/US-Atlantic coast of TC2 fell back six points to WS192.78 (although the Baltic round-voyage TCE remains above the \$20,000 per day mark). The TC19 run (37,000 mt ARA/West Africa) was also weaker, losing seven points to WS213.44.

USG MRs collapsed this week. TC14 (38,000 mt US-Gulf/UK-Continent) lost 40 points to WS132.14, producing a round trip TCE of about \$11,500). The 38,000 mt US Gulf/Brazil on TC18 similarly lost 46 points of its value at WS202.86 (\$24,300 per day TCE round-trip basis Houston to Santos) and the 38,000 mt US-Gulf/Caribbean of TC21 is over \$287,000 weaker at \$585,714 (a TCE of \$14,800 basis a round trip voyage Houston/Pozos Colorados).

### Handymax

In the Mediterranean, 30,000 mt Cross Mediterranean (TC6) recovered by 16 points this week to WS267.5 having slacked off to WS251 last Friday. In Northwest Europe, the TC23 30,000 mt Cross UK-Continent gained five points to WS250.