

## WEEKLY MARKET REPORT

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26<sup>th</sup> July 2024

### **Bulk report – Week 30**

#### Capesize

The Capesize market experienced a steady decline this week, with the BCI 5TC falling from \$24,521 on Monday to \$21,676 by Friday. The Atlantic saw significant fixing activity, particularly from South Brazil to China, but an oversupply of tonnage in ballast and weakening demand led to a softening trend. The C3 index dropped from \$25.97 on Monday to \$24.69 by Friday. There were some signs of potential improvement in the North Atlantic with new cargoes being noted, but the overall sentiment remained bearish. In the Pacific, despite disruptions from Typhoon Gaemi, the market remained relatively active, with the C5 index slightly increasing to \$9.54 on Thursday from a low on Wednesday of \$9.37 due to increased operator activity and involvement from the major miners. However, as the week draws to an end there has been a notable slowdown in activity.

#### Panamax

This week, the Panamax market experienced mixed activity levels with a general sense of cautious optimism. The Panamax timecharter average fluctuated, ending with a modest weekly gain of \$698, closing at \$16,125.

In the Atlantic, the market showed strength, particularly in the North Atlantic, with a shortening tonnage list and increased cargo levels. ECSA saw more fixtures as the week progressed at better than last done levels, with a 82,700 dwt fixed delivery Singapore at \$17,750. Asia saw a more nuanced performance, influenced significantly by Typhoon Gaemi, which caused port closures and disrupted schedules. Despite these challenges, there was a healthy fixing volume and some optimism from the south, with possible weakness for NoPac. A 74,900 dwt vessel fixed for East Australia redelivery Japan at \$13,250.

Period fixtures reflected ongoing demand. The Belmonte (81,344 dwt / 2014) fixed for two years at \$17,000 with scrubber benefit for charterers and the Argeus (82,226 dwt / 2013) fixed for 4-6 months at around \$17,250.

#### Ultramax/Supramax

What can only be described as a 'positional week' overall for the sector. From the Atlantic, it was a rather mixed affair with rates from the US Gulf spiking a little only to

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fall back as the week closed. A 63,000-dwt fixing a petcoke run from the US Gulf to India at around \$30,000. The Continent-Mediterranean remained rather subdued as the holiday season continued. A 63,000-dwt fixed a scrap run from the Continent to Turkey at just under \$15,000. The South Atlantic remained finely balanced with tonnage supply keeping pace with demand, with a 56,000-dwt fixing from EC South America to the Indian Ocean in the \$15,000s plus in the \$500,000s ballast bonus. From Asia, another mixed affair that was not helped by bad weather in the north. A 58,000-dwt fixing delivery China trip to the US Gulf at around \$10,000. The Indonesia coal sector saw limited activity, although a 61,000-dwt fixed delivery Philippines trip via Indonesia redelivery China at \$19,000. Period activity remained, with a 63,000-dwt open India fixing a balance of period minimum December 2024 to maximum mid-February 2025 in the \$17,000-\$18,000 region.

### Handysize

Generally a steady week as the market remained fairly balanced. Across the Continent and Mediterranean, not much activity other than a few forward bookings. A 32,000-dwt was heard fixed basis delivery passing Skaw for grains run via the Baltic redelivery West Africa at \$11,000. Upward pressure across the South Atlantic as better levels of fresh enquiry were seen. A 40,000-dwt open Up River was fixed for a trip to the Mediterranean at \$22,750. The US Gulf region kept the positive momentum with further gains on the rates, with a 34,000-dwt open Caribbean heard to have been fixed for a trip from Jamaica to Iceland in the \$17,000s. Improving levels of enquiry across Australia and Indonesia led to positive sentiment across Asia but fresh fixing information remained limited. A 36,000-dwt open Paradip was heard fixed for EC India coastal to WC India at \$14,000. Period cover was actively sort in both basins. A 32,000-dwt open Jakarta fixing 5/7 months trading redelivery worldwide at \$14,000. Whilst in the Atlantic, a 38,000-dwt open Morocco fixed a short period at \$15,000.

## Tanker report – Week 30

### VLCC

The VLCC market improved this week across all regions. The 270,000 mt Middle East Gulf to China trip rose six points to WS58.8, corresponding to a daily round-trip TCE of \$36,358 basis the Baltic Exchange's vessel description.

In the Atlantic market, the rate for 260,000 mt West Africa/China climbed 4.5 points to WS59.83 (which shows a round voyage TCE of \$37,885/day), whilst the rate for

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270,000 mt US Gulf/China was pushed up \$222,500 to \$7,460,000 (\$33,789/day round trip TCE).

### Suezmax

Suezmaxes in West Africa softened again this week, with the rate for 130,000 mt Nigeria/UK Continent dropping seven points to WS87.47 (a daily round-trip TCE of \$30,255/day). In the Mediterranean and Black Sea region, the 135,000 mt CPC/Med route eased by three points to WS101.55 (showing a daily TCE \$33,687/day round-trip). In the Middle East, the rate for 140,000 mt Middle East Gulf to the Mediterranean (via the Suez Canal) slipped 2.5 points to WS85.61.

### Aframax

In the North Sea, the rate for the 80,000mt Cross-UK Continent held at WS120 (translating to a daily round-trip TCE of about \$24,200/day basis Hound Point to Wilhelmshaven).

In the Mediterranean market, the rate for 80,000mt Cross-Mediterranean slackened by 2.5 points to WS128.11 (basis Ceyhan to Lavera that shows a daily round trip TCE of about \$28,500/day).

Across the Atlantic, the market is tumbling. For the 70,000mt East Coast Mexico/US Gulf (TD26) the rate dropped 34 points to WS201.25 (a daily TCE of close to \$54,500/day round trip) while the rate for 70,000mt Covenas/US Gulf (TD9) slumped by 35 points to WS190 (a round-trip TCE of \$45,500/day). The rate for the trans-Atlantic route of 70,000mt US Gulf/UK Continent (TD25) lost 18 points to just below WS160 (a round trip TCE basis Houston/Rotterdam of about \$35,500/day).

### Clean

#### LR2

LR's in the MEG remained in the doldrums this week. The 75Kt MEG/Japan TC1 index dropped another 11.94 points to WS148.06. Correspondingly, a 90kt MEG/UK-Continent TC20 trip is currently assessed at \$4.66m, down from \$5.13m.

West of Suez, Mediterranean/ LR2's on TC15 plateaued at about \$4.2m where the index has been all week.

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### LR1

In the MEG, LR1's have been cut down again this week. The 55kt MEG/Japan index of TC5 dropped 20.63 points to WS156.25. Likewise on the 65kt MEG/UK-Continent of TC8 lost nearly 20% of its value to \$3.84m.

On the UK-Continent, the 60Kt ARA/West Africa TC16 index continued to quietly tick upwards and is currently marked at WS149.17.

### MR

MR's in the MEG were subject to downward pressure early in the week but appear to have reached a floor. The 35kt MEG/East Africa TC17 index went from WS231.43 to WS200 mid-week where it currently rests.

UK-Continent MR's saw just enough activity to keep them from dropping dramatically this week. The 37kt ARA/US-Atlantic coast of TC2 bottomed out at WS192.81 down from WS205 but has since returned to WS199.38. TC19 (37kt ARA/West Africa) continued to follow TC2 and is currently marked at WS218.13 after flooring out at WS213.75.

The USG MR's continued to display their peaks and troughs this week. Within the week TC14 (38kt US-Gulf/UK-Continent) went from WS170 to WS181.43 and back down to its current level of WS167.14. The 38kt US-Gulf/Brazil of TC18 followed suit but not to the same magnitude, with it currently sitting at WS242.86. A 38kt US-Gulf/Caribbean TC21 trip topped out at \$837,000, up from \$792,000 and not lies at \$750,000.

### Handymax

In the Mediterranean, Handymax's shuffled around a bit with the TC6 30kt Cross-Med hitting WS220 mid-week from WS205 and is now WS215. Up in northwest Europe, the TC23 30kt Cross UK-Continent continued upwards from WS191.39 to WS207.5 .