

## WEEKLY MARKET REPORT

Provided by kind permission of the Baltic Exchange

**29<sup>th</sup> November 2024**

### **Bulk report – Week 48**

#### Capesize

The Capesize market experienced a turbulent week, marked by a mix of sporadic positivity and mounting downward pressure. The BCI 5TC started the week at \$21,673, gained ground midweek, peaking at \$23,049 on Tuesday, but plunged to \$17,686 by Friday, losing \$3,987 over the week. In the Pacific, initial optimism driven by miner activity was dampened by persistent weather disruptions and an expanding tonnage list. Rates on C5 trended down from a peak of \$10.585 on Tuesday to \$8.85 levels by week end, as dwindling cargo volumes exacerbated market softness. The Atlantic faced consistent challenges, with muted activity on South Brazil and West Africa to China and growing ballaster list weighed heavily on rates. The C3 index saw steady declines, dropping from \$23.090 on Monday to end the week at \$20.050.

#### Panamax

The decline in the Panamax market showed no signs of abating this week with further substantial corrections in both basins. In the Atlantic, a distinct lack of front haul demand as well as a steady build-up of tonnage count ultimately weighed heavy on the deals reported this week. An 81,000-dwt agreeing to \$13,500 early part of the week for a trip via US east coast redelivery India, but rates for this run were heavily discounted and some APS load port deals were rumoured by end week. Rumours emerged mid-week ex EC South America, an 82,000-dwt delivery APS Santos agreeing \$13,300 + \$330,000 ballast bonus for a trip to SE Asia. Asia remained downcast too as Indonesian coal exports continue to be an issue. And, despite some minor support ex Australia, this did little to dent into an ever-growing tonnage count with limited options. Period activity remained sparse, however did include reports of an 82,000-dwt delivery Korea fixing 4/8 months at \$11,650.

#### Ultramax/Supramax

Another rather unsettled week for the sector. The Atlantic lacked fresh impetus in most areas, not helped by the holiday in the United States. Demand from the US Gulf was rather positional, owners slightly reluctant to do business which would see vessels again open in the festive period. A 63,000-dwt fixing trip from the US Gulf to the Mediterranean at \$19,000, but similar size fronthaul business vessels were fixing around \$20,000. The East Mediterranean added further downward pressure as very

## WEEKLY MARKET REPORT

Provided by kind permission of the Baltic Exchange

little in the way of fresh enquiry entered into play. A 63,000-dwt was heard fixed from Turkey to the US Gulf at \$6,000. Whilst the start of the week saw signs of a slightly firmer feel in the Asian arena, it closed down again due to little fresh enquiry and a good supply of prompt tonnage. A 57,000-dwt fixing delivery Singapore for a trip via Indonesia redelivery North China at \$9,000. Further north, a 63,000-dwt open North China fixed a NoPac round at \$11,500. The only slight bright spark was seen from the Indian Ocean, slightly better demand being seen from South Africa, saw a 63,000-dwt fixing delivery Maputo for a trip China at \$18,000 plus \$180,000 ballast bonus.

### Handysize

It's been a challenging week for the sector, with rates in both the Atlantic and Pacific regions continuing to face downward pressure. Across the Continent and Mediterranean, the market showed a lack of fresh impetus with overall sentiment remaining positional. Rates continued to hover around the last done. A 32,000-dwt was fixed for delivery Canakkale trip via Turkey and G.O.A. redelivery Bangladesh at \$9,500. In the South Atlantic, market fundamentals remained relatively unchanged, with trans-Atlantic cargoes continuing to be the main driver for the region. A 37,000-dwt open in Salvador 25/27 November was fixed for delivery Recalada for a trip to West Coast South America at \$21,000. However, the US Gulf market was very quiet, primarily due to the Thanksgiving holiday festivities, with little fixing activity reported. Charterers have been bidding lower than previously agreed levels. A 38,000-dwt fixed delivery SW Pass redelivery West Coast with grains at \$14,750. In the Pacific, challenges persist with rising free tonnages and limited cargo availability. However, some sources suggest that the market may have reached its bottom, with no further significant rate drops expected. A 28,000-dwt vessel was fixed for delivery Vancouver redelivery Japan with petcoke at \$13,000.

## Tanker report – Week 48

### VLCC

The VLCC market took a hit this week with rates falling in all regions. The 270,000 mt Middle East Gulf to China trip (TD3C) lost 8 points to WS45.35 which gives a daily round-trip TCE of \$23,850 basis the Baltic Exchange's vessel description.

In the Atlantic market, the rate for 260,000 mt West Africa/China (TD15) slipped 4 points to WS52.50 (corresponding to a round voyage TCE of \$31,849 per day), while the rate for 270,000 mt US Gulf/China (TD22) dropped by \$115,000 to \$7,333,000 (a daily round trip TCE of \$34,383).

## WEEKLY MARKET REPORT

Provided by kind permission of the Baltic Exchange

### Suezmax

Owners had the upper hand this week, and rates have improved. In West Africa, the 130,000 mt Nigeria/UK Continent voyage (TD20) rose 11 points to WS85.67, meaning a daily round-trip TCE of \$30,508. The TD27 route (Guyana to UK Continent basis 130,000 mt) didn't move by as much, only gaining 3 points to WS77.5 by close of play on Wednesday, which translates into a daily round trip TCE just shy of \$25,000 basis discharge in Rotterdam. With the USA Thanksgiving holiday, this route will only come alive again next week. For the TD6 route of 135,000 mt CPC/Med, owners managed to put the rate up by 7 points to the WS97.5/100 region (showing a daily TCE of just under \$33,000 round-trip). In the Middle East, the rate for the TD23 route of 140,000 mt Middle East Gulf to the Mediterranean (via the Suez Canal) remained flat around the WS91 mark.

### Aframax

In the North Sea, the rate for the 80,000 mt Cross-UK Continent route (TD7) lost a couple of points early in the week and has settled at WS125 (giving a daily round-trip TCE of \$28,555 basis Hound Point to Wilhelmshaven).

In the Mediterranean market, the rate for 80,000 mt Cross-Mediterranean (TD19) gained 4 points to WS145 level (basis Ceyhan to Lavera, that shows a daily round trip TCE of just over \$38,000).

Across the Atlantic, although quiet in the latter part of the week, rates tumbled due in part to the inactivity caused by the Thanksgiving break. By close of business on Wednesday, rates for the 70,000 mt East Coast Mexico/US Gulf route (TD26) and the 70,000 mt Covenas/US Gulf route (TD9) had fallen by 13-14 points to the WS95 level, showing a daily round-trip TCE of about \$10,000 and \$9,600, respectively. The rate for the trans-Atlantic route of 70,000 mt US Gulf/UK Continent (TD25) lost 10 points to WS120 (a round trip TCE basis Houston/Rotterdam of \$22,419 per day).

### Clean

#### *LR2*

LR's in the MEG saw a welcome uptick in activity and freight levels this week. Although rates have not climbed aggressively, sentiments have remained strong. TC1 75kt MEG/Japan hopped up 18.33 points to WS119.44 and for a run on TC20 90kt MEG/UK-Continent the index improved \$268,125 to \$3.36m.

## WEEKLY MARKET REPORT

Provided by kind permission of the Baltic Exchange

West of Suez, Mediterranean/East LR2's on TC15 improved an optimistic \$250,000 this week to \$2.94m.

### *LR1*

In the MEG, LR1's improved more modestly than the LR2's. TC5 55kt MEG/Japan added 3.44 points to WS113.75. Similarly on a trip to the UK-Continent on TC8 65kt MEG/UK-Continent levels hover around the \$3.6m mark all week.

On the UK-Continent, the TC16 60kt ARA/West Africa index ticked up to WS118.33 this week (+WS3.89).

### *MR*

MR's in the MEG remained in balance this week. The TC17 35kt MEG/East Africa index has, as a result, continued around the WS170-175 level.

UK-Continent MR's appear to have paused after last week's improvements. Subsequently TC2 37kt ARA/US-Atlantic coast and TC19 37kt ARA/West Africa rates come under pressure with TC2 currently pegged at WS132.19 (-WS8.44) and TC19 at 2.82 points lower than last week at WS164.06.

A short week in the US Gulf due to Thanksgiving. TC14 38kt US-Gulf/UK-Continent was assessed 7.15 points lower by Wednesday to WS143.21. TC18 the 38kt US Gulf/Brazil index is also 1.43 points lighter than last week at WS206.79. A short run on TC21 38kt US-Gulf/Caribbean also lost 12% of its value this week as it was last pegged at \$493,571 prior to the break.

## Handymax

In the Mediterranean, Handymax's spiked with TC6 spiking from WS195.94 to WS292.78 mid-week only to then recorrect back down to WS240 by time of writing.