## CAPESIZE

Trading made a strong finish last week, achieving levels not seen in over a decade. Tighter tonnage availability was helping push up rates in both basins. Atlantic remained active into the close, with fronthaul firmly moving up, whilst in the trans-Pacific rounds stayed strong into the end of the week.

Despite the start of Golden Week holidays in both South Korea and China Monday, still we had a positive opening of week 40, although activity was suppressed with details of concluded business hard to come by.

Tuesday the market rallied at an astonishing rate despite the holidays. All routes were seen to have jumped by amounts that were now starting to become a common occurrence while definitely reminded the levels a decade past.

In the Atlantic it emerged that end last week, an iron ore loading from Seven Island to Qingdao on 28 October-2 November was fixed at approximately $50.00 fio. Musa took a vessel for a Sudeste to Qingdao 20-26 November loading but the rate was not disclosed. Vale also covered a second half November C3 cargo from Tubarao to Qingdao at $40.00, as well as another one with December dates.

Tuesday tight tonnage availability added to the overall firmness. The C9 route moved well over $100,000 daily. Fresh inquiry from South America helped push rates up there too. An end October loading from Sudeste to Qingdao was fixed with a vessel eta 26 October at $49.00 fio, with a second lift on the same run for early November at $48.25. Classic Maritime also covered their CSN/Qingdao on November 2-8 at $48.60 fio having fixed earlier their end-October loading at $47.50.

In Asia, Five Ocean fixed its Newcastle/Korea stem for 10-19 October but the rate was not reported. FMG covered a C5 loading from Port Hedland to Qingdao possibly with 17 October/onwards dates but the exact rate was not confirmed. Posco tendered for a coal cargo from Kembla and Gladstone to Gwangyang on 18-27 October but the result could not be verified. Allianz Bulk booked a 2008-built 106,507 dwt mini-caper prompt delivery Jinzhou for a trip via North China to India at $41,000 daily.

Tuesday Rio Tinto covered an October 20-22 loading from Dampier to Qingdao at $22.75 followed by a second one for the same dates and route at $22.35 fio. NYK also covered their iron ore stem from West Australia to Qingdao on 13-22 October loading at $22.45 fio. Elsewhere Vale fixed its October 26-November 5 coal shipment from Nacala to Kandla at $25.00 plt.

Period business in the East saw a 2003-built 171,012 dwt vessel fixed to Seakoudos September 30-October 2 delivery Huanghua for 5-7 months trading at $41,000 daily, whilst a 2012-built 180,000 dwt caper went to undisclosed charterers October 20-30 delivery Tokuyama for 36-40 months trading at $24,500 daily.

On the oil front, Aramco CEO said that "Global demand was very healthy and lack of investment could send the prices higher". The reasons are short term, he said, such as high electricity costs in the UK and Europe in general and a shortage of natural gas, estimating the switch from gas to oil at some 500,000 b/d.

Crude extended gains October 5th, on OPEC+ decision to stick with agreed output. Many market participants had assumed a bigger output increase was forthcoming, due to the ongoing supply tightness and the fact that additional demand for oil could be as great as 1 million b/d as some power plants switch to oil instead of natural gas, which had recently reached record high prices.



**Carriers Chartering Corp. S.A.**
Kaplanon 7 & Massalias Street, 106 80 Athens, Greece
Telephone: +30-210 3668700, Facsimile: +30-210 3631493, Email Address: capespmx@carriers.gr, handy@carriers.gr, snp@carriers.gr
www.carrierschartering.gr

Midweek, Wednesday proved another strong day for the sector, with both Atlantic and Pacific trading seeing improved rates despite Golden Week holidays. Rates surged once again. The BCI surpassed 10,000 points benchmark to 10,475 which was last seen in August 2008. C3 Brazil to Qingdao run posted a rise over $2.00 at $49.60, taking them to levels not seen since September 2008. C5 West Australia to Qingdao index at $23.55 today showed $86,521 on the transpacific round.

The Atlantic basin saw plenty of fresh inquiry, with short tonnage lists adding to the overall firmness. Classic Maritime fixed a 2010-built 178,076 vessel Isdemir 13-17 October for a trip via the Black Sea to the Far East at $150,000 daily. Both South and North Atlantic were tight on tonnage. Good amount of backhaul cargoes and strong backhaul fixtures, with offers remaining high for transatlantic trips together put pressure on C2.

In Asia on C5 there was talk of BHP covering a Port Hedland/Qingdao 25-27 October loading at $22.50, whilst Rio Tinto fixed two vessels from Dampier at $23.55 for 22-24 October and at $23.60 for October 21-23 loading. Later, tonnage was linked to low-mid $23s on C5 with eta 21 to 22 October but further details could not be confirmed.

On the period front, it emerged that late last week Koch took a 2010-built 175,800 dwt caper for a year at $33,000 daily delivery Tainjin 10 October. Later the charterer was also linked with a 2010-built 180,136 dwt vessel for similar period at a rate in the mid-high $35,000's delivery next week in Zhanjiang.

Bunkering demand firmed in Hong Kong Wednesday, as ships been diverted from China during holiday. Bunkering operations continued at the major ports of Zhoushan and Shanghai, but availability had tightened. Singapore delivered LSMGO bunker differential at 2-year high amid gains upstream. Due to the wide differential, the optionality to switch clearly leaned toward the cheaper Marine Fuel 0.5%S than LSMGO for buyers' in-port consumption, a Singapore-based bunker supplier said.

Trading slowed in the approach to the weekend, and with paper values retreating, any upside to the market was limited at best. Most of the major routes pulled back slightly and FFAs reacted with a sharp dip as the sentiment dropped.

In the Atlantic, NYK reportedly covered a C3 November 1-10 loading from Tubarao to Qingdao at approximately $51.00 fio.

Pacific trading heard Kepco awarded its October 22-31 coal from Dalrymple Bay to Yeongheung at $27.50 and its Gladstone to Taean also for October 22-31 at $25.85, while a larger Newcastlemax was rumoured to have been fixed for NSC's coal tender from Gladstone to Japan on 21-30 October loading dates but no further details emerged. On C5 Rio Tinto covered two October 23-25 Dampier/Qingdao loadings; one at $23.30 and the other at $22.50 fio.

Thursday Singapore VLSFO-HSFO spread fell to 10-month low amid slower VLSFO spot sales; "I don't think there's any particular bullishness in the [HSFO] bunkers side, I think sales are quite stable" a barge owner said.

Friday's trading was extremely slow. It now remains to be seen whether this is a turning point of consequence in the market or the market was just recovering its breath after the frenetic rally in the week. BCI climbed 823 to end at 10,112 and BCI 5TC average rocketed 6,830 standing on Friday at $83,865 daily.



**Carriers Chartering Corp. S.A.**
Kaplanon 7 & Massalias Street, 106 80 Athens, Greece
Telephone: +30-210 3668700, Facsimile: +30-210 3631493, Email Address: capespmx@carriers.gr, handy@carriers.gr, snp@carriers.gr
www.carrierschartering.gr

## PANAMAX

Panamax trading saw a variety of rates over the course of previous week, with Atlantic numbers showing early gains and then dropping back to close the week down on last dones, as tonnage count built in the North. Despite decent demand from the Black Sea rates eased on both the trans-Atlantic as well as the fronthaul. In the East, NoPac rounds provided most of the support and the Australia to India coal runs continued to command decent premiums. There had also been further interest in period.

Trading got off to an inevitable slow start Monday as holidays in the East limited activity. Atlantic was still struggling to make a comeback as longer tonnage lists and limited inquiry weighed on the market. Asia also proved "slow motioned" with both China and Korea on holiday. Consequently activity remained thin, and a wide bid/offer spread prevailed as a direction was sought in the basin. The market continued to struggle Tuesday against the weight of Golden Week holidays with longer tonnage lists and a lack of fresh inquiry. The hot Capesize sector could provide some respite, as charterers started splitting cargoes but the voyage rates returning thus far were much weaker time charter equivalents than what the index published at.

In the Atlantic, Monday's major Asian holidays resulted to a slow & subdued start to the week. Tonnage continued to lengthen in the North and although there were some fresh mineral stems, more enquiry was required to prevent further losses. The Black Sea remained steady with healthy demand still for transAtlantic. EC South America was flat, but with thin demand/bids some pressure was building on the early vessels. A 2013-built 80,559 dwt kamsarmax was fixed to unnamed charterers prompt delivery Tarragona for a trip via the Black Sea redelivery on the Continent at $33,000 daily.

Tuesday the North was under further pressure with tonnage count still too high. The quicker tranAtlantic runs were getting heavily discounted. It was worth noting that panamaxes being taken by cape splits, which if it continued could offer a let up. Black Sea was steady with enough cargo, especially short transatlantic rounds to sustain rates. Further South, EC South America lost traction with offers coming off in order to cover October positions, but we were yet to see true direction for the early November dates. Cargill fixed a 2011-built 75,038 dwt panamax basis October 4 delivery Brindisi for a trip via the Black Sea to Skaw-Safi range at $35,000 daily. In addition the charterer booked a 2012-built 82,306 dwt kamsarmax Taranto prompt for a trip via the Black Sea redelivery Egypt at $38,000 daily. Elsewhere a 2017-built 81,960 dwt kamsarmax went to undisclosed charterers retro-sailing Haldia October 1 for a trip via EC South America redelivery Singapore/Japan at $37,750 daily.

A quiet, flat feel to the market in Asia to commence the week, with numerous Asian holidays Monday and the rest of the week. Demand continued to trickle through across all areas within the Pacific, and the tonnage profile also looked to be growing steadily. Owners were hoping that positive sentiment from the Cape FFA market could filter down to the smaller sizes, together with more enquiry from both the grain and mineral sectors, to cause further improvement. All in all, bids remained same or similar to last, with owners so far, resistant. A 2005-built 82,331 dwt vessel was fixed October 5-8 delivery CJK for an Australian round at $37,500 daily but the charterer involved was not identified. Further South, Deyesion took a 2010-built 82,158 dwt vessel October 1 delivery Nansha for a trip via Indonesia redelivery Singapore/Japan at $34,000 daily, while a 2013-built 81,630 dwt kamsarmax Putian 7-10 October fixed & failed on a trip via Indonesia redelivery India at $35,000 daily. Voyages in the basin reported SAIL awarded its October 20-29 Haypoint-Dalrymple Bay/Visakhapatnam coal tender at $34.40 fio.

Tuesday a significant push in the derivatives market did little to reflect any cause for improvement in Pacific trading, with charterers reducing their bids in early trading against a growing fleet profile. On the flip side, owners had been content to standoff, in the hope that more demand will start to trickle back in the latter half of the week, as China returns to the



**Carriers Chartering Corp. S.A.**
Kaplanon 7 & Massalias Street, 106 80 Athens, Greece
Telephone: +30-210 3668700, Facsimile: +30-210 3631493, Email Address: capespmx@carriers.gr, handy@carriers.gr, snp@carriers.gr
www.carrierschartering.gr

market, however this appeared unlikely. Sineway fixed a 2012-built 75,051 dwt panamax prompt Taichung for a trip via Indonesia to South China at $34,500 daily. Voyage business heard that KEPCO awarded its Bunati/Hosan October 10-19 coal tender at $24.17 fio, whilst SAIL awarded their EC Australia to Visakhapatnam 25-30 October at a stronger $35.30 fio.

Gains on futures brought a flurry of period interest. ASL Bulk took a 2019-built super-eco kamsarmax Tianjin 9-11 October for 10/12 months trading at $32,000 daily. Tuesday the charterer booked another nicely described 2020-built 81,600 dwt vessel Nansha 7-10 October for 9/11 months at $33,000 daily. In addition Reachy agreed $28,000 daily for 10/12 months trading with a 2003-built 76,602 dwt panamax delivery Manila 7-12 October.

Mid-week early tonnage continued to struggle in the Atlantic, while new business was scarce in the East as the local holidays impacted trading. More forward dates in the Atlantic felt steadier with more inquiry heard. On the contrary the early ships were still chasing rates on a relatively small amount of employment available, with the voyage rates still discounted. In Asia, Wednesday proved to be another inactive day. Charterers continued to reduce their bids given the growing tonnage count, but largely this had been met with something of a stand-off by owners in anticipation of better demand post Golden week holidays. Activity did not really change Thursday, with rates and volume in the Atlantic slow and low, while the Pacific trended sideways on the lack of inquiry. Fronthaul trips from the Atlantic were easier and early business struggled to hold at last dones. NoPac rounds remained busy but rates trended sideways rather than improved. There were some new Indonesian cargoes in the market at steady numbers. Period interest remained on the table.

A mixed Wednesday in the Atlantic. North Continent seemed to have found a floor, with charterers happy to execute around last done levels for the quicker transAtlantic rounds, whilst longer transAtlantic business was still paying a premium, however we needed to see some continued volume in order for these levels to be maintained. In the South, for October arrivals in EC South America, fixing levels were 500-1,000 dollars under last done, with the cargo count lacking for fronthaul, whilst November arrivals still had not been tested. Period bids dried up in Wednesday's afternoon once the paper sell off happened. Outlook appeared cautious. Flame booked a 2012-built 75,700 dwt panamax October 20 delivery US Gulf for a trip via Italy redelivery Gibraltar at $34,000 daily plus a ballast bonus of $475,000 and Viterra fixed a 2013-built 81,804 dwt kamsarmax retro-sailing Singapore 20 September for an EC South America round at $34,500 daily. TS Global covered its two October 17-21 ore stems from Seven Islands to Port Talbot; one at $16.00 and the second at $15.50 fio.

Healthier cargo volume in the North Thursday, helped make a dent in the tonnage list, and after a heavy correction, levels were not getting any lower. Further Cape splits could help bolster gains although, tonnage ex Continent was still lengthy and the volume needed to continue to prevent a return downwards. EC South America was better bid for November prior to the paper correction, but remained steady thanks to support from EC South America transAtlanic for October along with US Gulf/South Africa and Period business. Oldendorff were heard fixing a cape split cargo on two kamsarmaxes, a scrubber-fitted 2015-built 82,013 dwt Rotterdam 5 October fixed for a trip via US East coast redelivery India at $47,500 daily and a 2011-built 81,660 dwt Rotterdam 7 October at $46,750 daily. Atlantic Coal and Bulk were linked with a 2017-built 74,232 dwt panamax Hamburg 6 October for a trip via Ust Luga redelivery Hamburg at $24,000 daily, whilst Cargill fixed a 2013-built 81,675 dwt kamsarmax October 7-8 delivery Ghent for a trip via Murmansk redelivery Skaw-Gibraltar at $28,000 daily.

In the Pacific despite the remarkable run of positivity in sentiment drawn largely from a rampant Cape market, the general lethargy on panamaxes was perplexing. Many owners had increased offers across all sectors, but still bids remained few and far between, as charterers appeared to be taking stock, circulating more forward cargo. Nearby tonnage remained oversupplied and a few of the prompter units were rumoured reducing to charterers' levels.

There had been a notable surge in backhaul demand however, which will probably fuel more period bids from the operators. All in all a flat outcome on the spot market. Some talk of MOL fixing a scrubber-fitted 2020-built 81,492 dwt kamsarmax Hong Kong 8-10 for a trip via EC Australia redelivery Japan at $37,000 daily proved premature.
A very flat Thursdays trading in the Pacific, with some owners happy to come off their high offers, to meet charterers halfway, given an early sell off on Cape FFAs. A few charterers moved off the bid, in case any derivatives correction translated into the Physical market. A 2014-built 81,944 dwt kamsarmax went at $37,000 daily plus a $100,000 ballast bonus to an unnamed charterer October 9 delivery Indonesia for a trip redelivery India. Cargill booked a 2005-built 75,411 dwt panamax October 6-8 delivery Zhoushan for a NoPac round at $34,000 daily, while another grain house was said to have fixed a 2008-built 76,554 dwt panamax October 10- 12 delivery Busan on the same run at $36,000 daily. Also an unnamed charterer booked a 2013-built 84,094 dwt kamsarmax October 3 delivery retro-sailing Inchon for a trip via EC Australia to India at $36,000 daily. On voyage business, KEPCO awarded its coal tender for October 11-20 loading from Vanino to Hadong at $14.43 and its October 13-17 Vanino/Goseong at $14.30 fio.
Period business reported Koch took a 2012-built 80,276 dwt kamsaramx mid-October delivery in direct continuation North China for 4-6 months trading at $34,250 daily.

Trading ended the week 40 on an extremely quiet note, with rates easing on the lack of trading activity. As China comes to the end of their holiday, owners are counting on a renewed energy in the market.
In the Pacific SAIL awarded its 1-10 November from Gladstone to Visakhapatnam coal tender at $35.25 fio and KEPCO its West Canada to Taeon on 22-31 October at $33.73 fio.

## *SUPRAMAX – HANDYMAX - HANDYSIZE*

### EAST COAST SOUTH AMERICA / WEST AFRICA

Week is closing without any significant change on the market levels. Throughout the week the index of supramax/ultramax and handy size segment remain steady. A typical ultramax could secure around $35,000/$36,000 plus $1.3 million bb for a trip via Recalada to Far East, whilst a small supramax could get paid around $39,000/$40,000 for a trip via Recalada to Bay of Bengal. Ultramaxes could get paid around $45,500 basis delivery afsps Ecsa for trips to East Mediterranean and for the same route a typical 58k vessel could get payed around $42,000. Supramaxes via West Africa to Continent/Baltic could get paid around $28,000/$29,000. Handies remained strong, a typical 38k vessel could get paid around $40,000 for trip via Recalada to West Mediterranean whilst trips to USG were around $42,000/$43,000. Also the trips to Continent/Baltic were around $34,000/$35,000 on daily basis.

### MEDITERRANEAN/ CONTINENT / BLACK SEA

As far fronthauls for handysize a 37dwt was rumoured to have been fixed for a trip from Sea of Marmara via the Turkish Black Sea to China with an intended cargo of soda ash at $60,500.

The continent and Mediterranean markets remained firm.
Sentiment remained positive from the Cont/Med region and some said more fresh enquiry was seen.



**Carriers Chartering Corp. S.A.**
Kaplanon 7 & Massalias Street, 106 80 Athens, Greece
Telephone: +30-210 3668700, Facsimile: +30-210 3631493, Email Address: capespmx@carriers.gr, handy@carriers.gr, snp@carriers.gr
www.carrierschartering.gr

More specific Mediterranean remained finely balanced, rates held around last dones and there was some ongoing interest.

As far the handysize, modern eco handies could gain around 38,000 for the usual intermed run with grains whilst similar levels were paying trips to the Continent It was reported that a 31,000 open in the Sea of Marmara was fixed for a trip via the Black Sea to Brazil at $37,000. As far fronthauls for handysize a 37dwt was rumoured to have been fixed for a trip from Sea of Marmara via the Turkish Black Sea to China with an intended cargo of soda ash at $60,500.

In the period front for the handies, rates were floating around low/mid 30's for short period, redelivery always in the Atlantic subject of course to trade/cargo flexibility and vessels specs.

On the Supramax/Ultramax sector a 53dwt 2007-built has fixed for prompt delivery in Nemrut Bay on a trip with redelivery on the Continent at $39,000.

A 60 dwt was failed basis delivery Canakkale for a trip via Black Sea to Egyptian Mediterranean at $40,000. A 57dwt was heard to have been covered basis delivery Marmara for a trip to West Africa with Clinker at $43,500 whilst another Umax 61 dwt fixed at 52,000 basis Alexandria for trip to Douala.
As far the fronthaul trips ex Black Sea a 60dwt open in Constantza was on subs at 60,000 dwt for trip to Pakistan but also a 58 dwt fixed at mid 50's region for trip to Singapore/Japan range.

The Continent also remained active and routes indices were up or same as last dones at least.
A 61dwt ultramax open in Bremen fixed at 41,000 daily for the usual scrap run to East Med but a 57dwt which was open in Antwerp fixed at 34,500 for same route.
Another 58dwt agreed close to $37,000 daily for trip via delivery Hamburg with redelivery in the U.S. Gulf.

On the period front a 56 dwt open in Belfast fixed at $43,000 for min 5/max 7 months redelivery Atlantic.

**FAR EAST/ INDIA**

(**Below info on the basis of an average 58k dwt vessel - basis our views/feeling/information on the market)
Market’s sentiment has been more or less unchanged this week – activity has been relatively slow just like we have been used to the last few weeks, but very strong levels maintaining for all routes. A coal run via Indonesia to West Coast of India would pay around $35,000/36,000 levels basis Manila while Australia rounds would move closer to $36,000/36,500 basis CJK and NOPAC rounds more like $35,000/35,500 basis South Korea, subject to the cargo/duration/eventual destination. Ships opening Pakistan would aspire towards $46,000/47,000 levels for aggregates back to Bangladesh and Ballasters looks could earn shade less this week, ie around $31,000 plus $600,000/700,000 afsps Richards Bay for coal to Pakistan or closer to $31,000 plus $1,100,000 passing Durban for parceling stems to Far East. On the period font, a nice and eco 58 could get fixed at around $36,500/37,500 basis Far East for 4/6 months period or more like $39,000/40,000 if basis Pakistan, depending on actual delivery/dates and flexibility offered of course.



**Carriers Chartering Corp. S.A.**
Kaplanon 7 & Massalias Street, 106 80 Athens, Greece
Telephone: +30-210 3668700, Facsimile: +30-210 3631493, Email Address: capespmx@carriers.gr, handy@carriers.gr, snp@carriers.gr
www.carrierschartering.gr

## FFA

The week started firmer for cape and panamax was slower but supported. Tuesday was firmer for both sizes pushing higher and higher. Mid of the week same direction and pace continued. On Thursday although started firm turned south aggressively and the day ended with the thin volume. Week ended lower with thinner volume.



**Carriers Chartering Corp. S.A.**
Kaplanon 7 & Massalias Street, 106 80 Athens, Greece
Telephone: +30-210 3668700, Facsimile: +30-210 3631493, Email Address: capespmx@carriers.gr, handy@carriers.gr, snp@carriers.gr
www.carrierschartering.gr