

WEEKLY MARKET REPORT

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7th February 2025

Bulk report – Week 06

Capesize

The Capesize market experienced a generally softer week, with the 5TC declining to \$6,733 by Thursday then edging back up to \$6,964 by the end of the week. Despite the Pacific showing signs of strength with a healthy cargo flow and tightening of tonnage early in the week, reported fixtures struggled to push levels higher. The C5 index hovered around the upper \$6s to settle at \$6,71 by weeks end. In the Atlantic, the North saw continued oversupply of tonnage, particularly on transatlantic routes, where limited cargo led to steep declines on C8, which fell to \$4,257 by midweek. Some Fronthaul activity provided slight support, keeping the C9 index steady in the low \$25,000s. Conditions from South Brazil and West Africa to China were relatively subdued, though bids and offers remained around the high \$16s versus low \$17 range. Despite some midweek positivity in the Pacific, overall sentiment remained weak.

Panamax

Mixed market signals highlighted well with a volatile FFA market failed to dampen spirits in the Panamax sector, with significant gains made. Transatlantic volume remained thin still, but positive sentiment radiated from firmer rates on the fronthaul trips. South America mid-week became the market's driving force, with the March arrival window absorbing several vessels at firmer rates compared to end February where rates inevitably became discounted. Typically, some of the well described units were able to achieve firmer levels, the headline rate of \$13,000 delivery Singapore with various load options of EC South America/US Gulf and NC South America trip to Far East. This seemingly impacted positively on south positions in the Pacific basin despite limited fresh demand from Indonesia and Australia. NoPac rates appeared well supported all week, \$10,500 agreed on 82,000-dwt delivery Japan for a NoPac round trip. Period activity was muted but reports emerged of an 85,000-dwt delivery Vietnam fixing at \$14,00 basis 1 year period

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Ultramax/Supramax

With the end of the widespread Lunar New Year holidays, the sector saw upward momentum return in most areas throughout the week. In the Atlantic, better numbers were seen than of late, a 63,000-dwt was heard fixed delivery EC South America for a fronthaul in the mid \$11,000s and mid \$100,000s ballast bonus. Elsewhere, a 58,000-dwt fixed a trip delivery SW Pass redelivery Buenaventura at \$13,100. Asia saw a significant increase in activity again this renewed interest helped push rates up. A 53,000-dwt fixing delivery North China for a trip to Bangladesh at \$9,000. Further south, a 55,000-dwt fixed delivery Singapore for a trip to China at \$8,500 with option redelivery SE Asia at \$8,000. From the Indian Ocean, a 64,000-dwt was heard fixed delivery Chittagong trip via Indonesia redelivery WC India at \$7,000. Period interest was seen a 63,000-dwt open Germany fixed for 4/6 months trading redelivery worldwide at \$12,250.

Handysize

This week, the market displayed a mixed performance with slight movements across both basins. The Continent and Mediterranean regions saw some positive momentum, with rates edging slightly above previous levels and market appearing more supported. For instance, a 37,000-dwt reported fixed delivery Skaw via Riga to redelivery Morocco with grains at \$8,250. Meanwhile, the South Atlantic also showed improvement as new requirements entered the market and tonnage availability tightened, prompting owners to raise their offers. A 35,000-dwt open Puerto Montt 2 - 3 Feb fixed delivery Recalada via upriver redelivery WC South America at \$13,000. On the other hand, the U.S. Gulf market remained subdued and still showing signs of weakening support. A 38,000-dwt placed on subjects for SW Pass for redelivery West Coast Central America at \$10,250. In Asia, activity began robustly, with an optimistic sentiment prevailing as the cargo book displayed healthy volumes. A 40,000-dwt fixed delivery Yeosu to redelivery Mumbai with steel coils at \$7,750.

Tanker report – Week 06

VLCC

Now that the Year of the Snake has arrived and the Asian charterers are back in their chairs, the VLCC market has come under pressure. Rates in both the Atlantic and Middle East rose early in the week, however they have now started to ease back. The 270,000 mt Middle East Gulf to China trip (TD3C) continued to climb to the WS71 level, but has

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now fallen to WS67.60, which is still 7 points firmer than a week ago. The corresponding round-trip TCE is \$47,309 per day basis the Baltic Exchange's vessel description.

In the Atlantic market, the rate for 260,000 mt West Africa/China (TD15) also rose to the WS71 level early in the week but has come down to WS68.44 by close of play on Thursday. Again, this is 7 points more than a week ago and gives a round voyage TCE of \$48,618 per day. The rate for 270,000 mt US Gulf/China (TD22) rose to \$9,400,000 on Tuesday and has now steadily fallen to \$9,110,000 (a rise of \$335,000 week-on-week) which shows a daily round trip TCE of \$48,659.

Suezmax

The Suezmaxes have had another busy week in the West. The 130,000 mt Nigeria/UK Continent voyage (TD20) pushed up by 6.5 points to WS94.17, meaning a daily round-trip TCE of \$38,639, while the TD27 route (Guyana to UK Continent basis 130,000 mt) gained 10 points to WS88.06 which translates into a daily round trip TCE of \$34,616 basis discharge in Rotterdam. For the TD6 route of 135,000 mt CPC/Med, the rate rose 5 points to WS96.65 (showing a daily TCE of a \$34,961 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) regained 1.5 points to WS92.89.

Aframax

In the North Sea, the rate for the 80,000 mt Cross-UK Continent route (TD7) remained flat at the WS107.5 level giving a daily round-trip TCE of \$26,719 basis Hound Point to Wilhelmshaven (taking into consideration the flat rate change and increased port costs).

In the Mediterranean market, the rate for 80,000 mt Cross-Mediterranean (TD19) recovered 10 points this week to WS128.72 (basis Ceyhan to Lavera, that shows a daily round trip TCE of \$32,246).

Across the Atlantic, the market has risen slightly. The 70,000 mt East Coast Mexico/US Gulf route (TD26) and the 70,000 mt Covenas/US Gulf route (TD9) saw rates climb around 1.5-2 points to both end up at the WS120 level, which shows a daily round-trip TCE of a little over \$19,000 for each. The rate for the trans-Atlantic route of 70,000 mt US Gulf/UK Continent (TD25) rose 6 points to WS132.78 (giving a round trip TCE basis Houston/Rotterdam of \$28,712 per day).

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Clean

LR2

MEG LR2's continued downward this week. TC1 75kt MEG/Japan was marked 22.5 points less at WS102.22 and a voyage west on TC20 90kt MEG/UK-Continent went from \$3.43m to 3.25m.

West of Suez, Mediterranean/East LR2's of TC15 also dipped by \$191,000 to \$3.16m.

LR1

LR1's also came down but with lesser magnitude compared their larger counterparts this week. The TC5 55kt MEG/Japan index shed 3.75 points to take the index to WS120.63. A run to the UK-Continent on TC8 65kt MEG/UK-Continent also came off \$92,000 to \$2.46m.

On the UK-Continent, the TC16 60kt ARA/West Africa index remained level around WS130.

MR

MR's in the MEG managed to tick up modestly this week. At time of writing, a charter is reported on subjects at WS190 which is where the TC17 35kt MEG/East Africa index currently sits, (+WS4.29) from last week.

UK-Continent MR's have spiked up and back down this week. The TC2 index 37kt ARA/US-Atlantic coast shot up circa 50 points early in the week to top out at WS205 mid-week. It has since recorrected back down to WS173.13 with a corresponding Baltic description TCE of \$20,426 \$/day round trip.

Freight for MR's in the USG was relatively sedate this week. TC14 38kt US-Gulf/UK-Continent has floated around WS110-115 level all week with a stop at WS117.5 on Tuesday. The TC18 the 38kt US Gulf/Brazil index followed the same pattern all week just around the WS160-WS167.5 range. A Caribbean run on TC21, 38kt US-Gulf/Caribbean mirrored the same behaviour with the index currently sat at \$530,714 after a peak at \$551,429.

The MR Atlantic Triangulation Basket TCE went from \$22,099 to \$25,805.

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Handymax

BCTI Handymax routes both improved significantly this week. In the Mediterranean, TC6 index jumped 31.39 points to WS200.28 and up on the UK-Continent the TC23 30kt Cross UK-Continent went from WS178.33 to WS205.