FIS Dry Freight Weekly Report

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18/06/2024

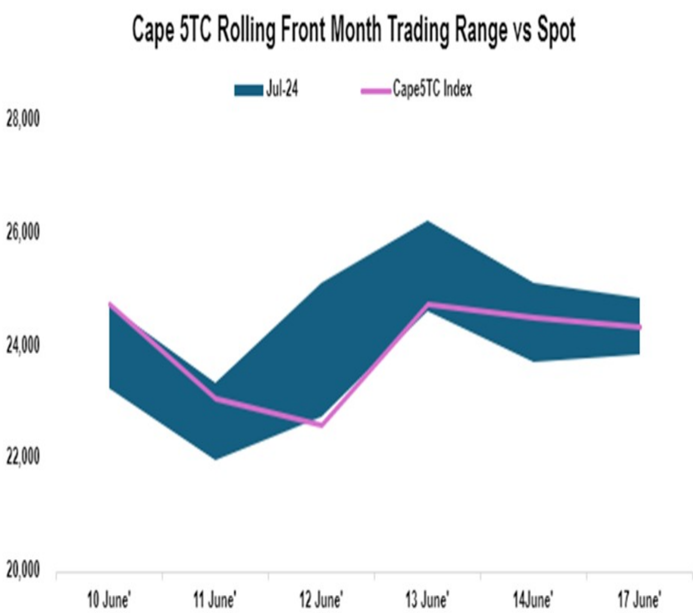
Market Review:

Last week shipment volumes increased for all larger vessel sizes, with improving iron ore demand seen on the Cape. Additionally, robust coal and grain volumes kept lending support to Panamax. Market activity was impacted by two major international holidays, resulting in FFA trading within a narrow range. Looking ahead, we anticipate more activity this week.

Freight Rate $/day	17-Jun	10-Jun	Changes %	Short Term	Sentiment
Capesize 5TC	24,363	24,759	-1.6%	Neutral to Bearish	↘
Panamax 4TC	16,301	13,794	18.2%	Neutral to Bullish	↗
Supramax 10TC	14,810	13,826	7.1%	Neutral to Bullish	↗
Handy 7TC	12,893	12,858	0.3%		

Capesize

A yoyo session for Capesize last week, with both spot and prompt contracts ending the week with marginal losses. The positive market sentiment during mid-week was driven by healthy iron ore and coal demand in the Pacific, coupled with further strength shown on the S. Brazil and W. Africa to China routes. However, the Asian holiday at the start of the week and the Eid holiday a week after took some steam out of the market, resulting in Pacific rates falling below where they started the week. In terms of weekly demand, Cape iron ore shipments reversed a two-week decline, rebounding to 33.1 million tonnes, a 14.5% increase week-on-week, driven by robust exports from Australia to China. Furthermore, coal shipments on Cape vessels recovered from the previous week's low to reach approximately 7.6 million tonnes (+32.6%), reflecting a strong week. Additionally, minor bulk volumes increased by 4.7% to 4.3 million tonnes.



In the Pacific, the key C5 iron ore route (West Australia to China) initially saw fixing rates declining from $10.70 to $10.30 due to holiday, before rebounding to $10.60 for early July loading. A TRMT to Qingdao cargo was fixed at $7.35 for 20-22 June. Moving to the Atlantic, C3, mirroring the Pacific trend, settled one dollar lower at $25.25 for 1-5 July, while another shipment from Itaguai to Qingdao commanded $27.55 for 8-10 July. A coal cargo from Pointe Noire to Japan was fixed at $29.80 for 1-10 July. The demand supply outlook remains positive with a view of tight prompt vessel supply in Pacific and firm demand for July Brazilian cargoes.

FFA: Following the recent trend, Capes started the week quietly. Monday saw a stagnant morning due to the holidays in Asia and the market observed low levels of liquidity which drove rates down in the afternoon. June and July traded down to $24,250 and $23,250, respectively. As we moved into Tuesday, it was the weakest day of the week for capes across the board. Reports of a decline in activity in the Pacific due to a shortage of coal cargo was reflected in rates. From early on we saw June trading at $24,000, July at $23,000 and Q3 at $23,800 though good volume was changing hands at this level. As the day progressed and following a negative index (-$1,680 to $23,089), June getting sold down to a low of $22,000 and

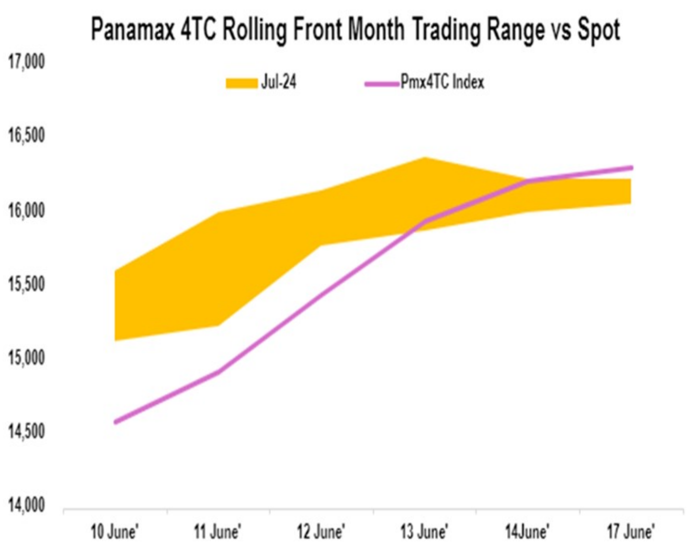
Chart source: FIS Live

Q3 to $23,300 before closing just off the day's lows. On Wednesday, the day was more exciting with some early support which saw June and July trading to $23,500 and $22,500, respectively. As the day continued, rates kept rising despite another negative index (-$481 to $22,608), perhaps driven by rising cargo demand in the Atlantic, and June and July traded up to $24,750 and $25,000, respectively. By Thursday, capes appeared to have truly rebounded off the week's lows in a dramatic fashion. There was a lot of buying interest from the open and off the back of the improving physical market, July pushed up to $26,300 and Q3 to $26,160. The afternoon saw some bid support disappear and July settled back down to $25,000. Following a flurry of late buying on close Thursday, Friday saw a much more cautious open. After a negative index (-$227 to $24,525), though still much higher than Wednesday's index ($22,608), there was some renewed selling in the prompts with July trading under $24,000 at points and Q3 being sold at $24,000.

Short run neutral to bearish

Panamax

Panamax rates strengthened throughout last week amidst busy activity in the Atlantic basin and sustained demand for coal and grains. Coal shipments by Panamax vessels increased by 2.9% to 15.0 million tonnes, while grain shipments showed a positive trend, rising to 5.8 million tonnes. However, minor bulk shipments declined for the third consecutive week to 3.6 million tonnes, down 8.4% from the previous week.



Regarding fixtures, the South Atlantic remained the main focus in the Atlantic basin with more fixtures welcomed in the North. Standard trips with 82kt of grains via ECSA with redelivery in Singapore-Japan were were initially fixed over $21,500, dipped below $18,750 mid-week, and then firmed up again to $22,000 and $22,250. Additional fixtures surfaced from the North for both grain and mineral demand, including a trip via NCSA with redelivery to Skaw-Gib fixed at $18,000, like the previous week. Coal cargoes of 75,000 tonnes via USEC with redelivery to Southeast Asia were fixed at $23,000 and to the Far East at $25,500. In the Asian market, coal shipments from Indonesia dominated activity, with trips for redelivery to WC India fixing in the low to mid $11,000s and to Singapore-Japan at $17,500. Conversely, there were limited grain inquiries, with a Pacific round trip rumoured to be fixed at $16,500-$16,750.

FFA: Monday was a bit of a dull day for the Panamaxes which did nothing to break out of the previous week's levels. Intraday trading was narrow, with June and July trading within a $350 range. Thankfully, Tuesday brought a change in pace despite a bit of a wobble early on. By mid-morning we saw rates gradually pull back the early losses and a better-than-expected index (+$ 243 to $14,929), further fueled the optimism which saw June trade up to $15,400 and July up to $16,000. On Wednesday, we saw the market offered from the onset and June and July traded down to $15,700 and $15,650, respectively. Following another positive index (+$515 to $15,444) off the back of the rebound in cape rates and a strong demand push in the Atlantic. The day saw July and Q3 trading up to $16,100 and $15,900, respectively and the day closed evenly weighted and just below the day's highs. Thursday was another active day and rates continued to push up and tested the week's highs on the prompts. June pushed up to $15,900 and July to $16,400 after another significant rise in the index (+$500 to $15,944). On Friday, there was some early selling in line with the capes which saw July sold in size at $16,000, but by the afternoon session it was trading flat to open.

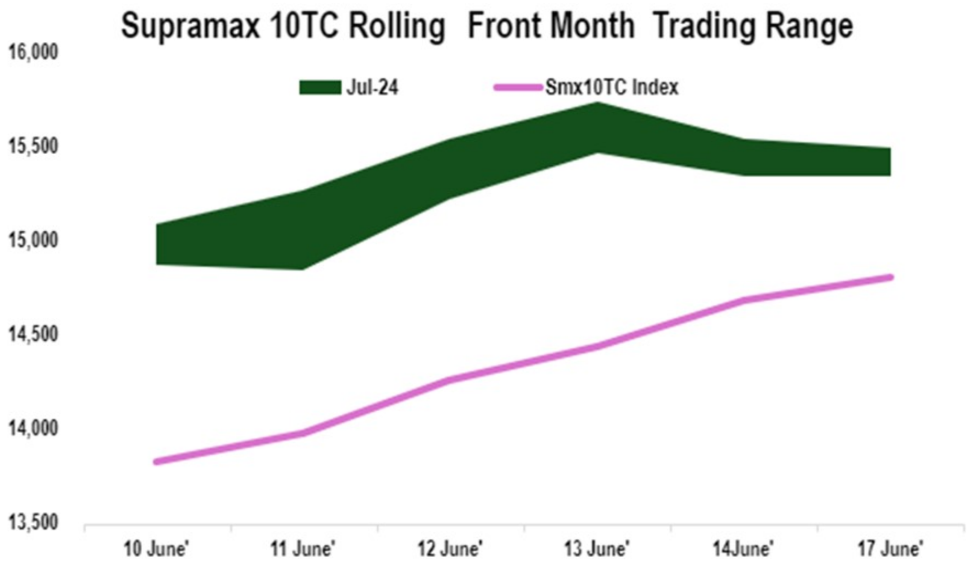
Short run neutral to bullish

Chart source: FIS Live

Supramax

FFA: The week began with Panamax rates under pressure, at least for the morning. Following the index (+$37 to $13,826), despite only being a small change, more bids appeared. Consequently, rates managed to close more or less flat to Friday with July at $15,000 having traded in a $150 range. Tuesday saw bidding support for the Supermax paper early on before the market declined in line with the Capes. However, once the index was published (+$156 to $13,982) we saw renewed support which drove rates higher, and July pushed up to $15,200. Wednesday was a positive day as rates ticked up; there was another good index (+$281 to $14,263) and good volume. July traded to a high of $15,500, while Q3 traded to $15,600. Cal25 traded at $13,000, again suggesting that the push in rates at the front of the curve could be due to the between levels of enquiry in the North Atlantic but the limited prompt tonnage. Thursday was somewhat similar with strong bid support in the morning, though it did slow down slightly despite a positive index (+$183 to $14,466). June and July reached highs not seen since May at $14,900 and $15,650, respectively. The week closed off quietly with no real noticeable movements, offered on the prompt and supported from Q4 out.

Short run neutral to bullish



FFA Market Indexes

Freight Rate $/day	17-Jun	10-Jun	Changes %	2024 YTD	2023	2022	2021	2020
Capesize5TC	24,363	24,759	-1.6%	23,235	16,389	16,177	33,333	13,070
Panamax4TC	16,301	13,794	18.2%	14,531	11,518	8,587	25,562	8,587
Supramax10TC	14,810	13,826	7.1%	13,829	11,240	8,189	26,770	8,189
Handy7TC	12,893	12,858	0.3%	12,381	10,420	8,003	25,702	8,003

FFA Market Forward Values

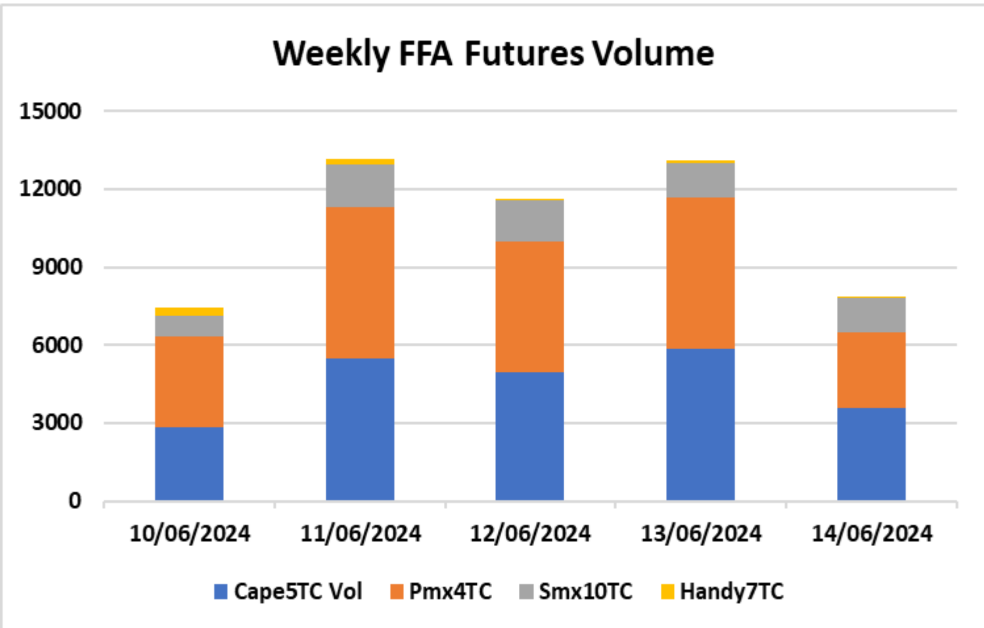
FFA $/day	17-Jun FIS Closing	10-Jun FIS Closing	Changes %	Weekly Mkt High	Weekly Mkt Low	2024 Mkt High	2024 Mkt Low
Capesize5TC Jul 24	24875	23350	6.5%	26,250	22,000	30,500	17,150
Capesize5TC Q3 24	24609	24075	2.2%	26,250	23,125	30,500	17,150
Panamax4TC Jul 24	16100	15375	4.7%	16,400	15,100	17,900	12,400
Panamax4TC Q3 24	15959	15500	3.0%	16,100	15,275	17,950	12,300
Supramax10TC Jul 24	15450	14750	4.7%	15,500	14,800	16,100	12,300
Supramax10TC Q3 24	15550	15225	2.1%	15,600	14,950	15,800	12,650

Data Source: FIS Live, Baltic Exchange

FFA Market

The week started off slowly due to a Chinese holiday, but Tuesday was busy in terms of activity, resulting in a total volume of 56,370 lots traded last week. Among vessel sizes, Cape and Panamax futures dominated the volume, with Cape averaging 4,540 lots per day and Panamax averaging 4,620 lots per day. Supramax followed closely, with about 1,350 lots traded daily. Options trading was primarily focused on the Capesize Cal25 contract, with 4,740 lots cleared in Cape and 1,710 lots in Panamax. In the second half of June, the active contract shifted to the July contract, along with the primary contracts Q3'24, Q4'24, and Cal25. Open interest increased for larger vessel sizes, with rising Panamax prices indicating that long positions were being built. As of June 17th, Cape 5TC stood at 168,086 (+3,430 week-on-week), Panamax 4TC at 166,671 (+2,160 week-on-week), and Supramax 10TC at 76,388 (+1,480 week-on-week).

Regarding voyage routes, there was significant interest in the C5 route last week, with 2.9 million tonnes changing hands for the front two months. Additionally, FIS brokered 125kt June and July contracts on the C3 route.



Dry Bulk Trades/Iron Ore

A positive week for iron ore shipments, as weekly total rebounded 12.4% to 35.9 million tonnes (MMT) thanks to strong exports from key suppliers. Australian iron ore shipments rose significantly to the recent weeks high of 22.3 MMT, up 17.2% week-on-week and above the six-year seasonal average. Furthermore, Brazilian exports recovered 8.7% to 7.3 MMT after a deep dive from the previous week. However, the country's exports to China is coming off from the high levels of the six-year seasonal average for the second week. Elsewhere, iron ore shipments from South and West Africa edged up 4.4% from the previous week, totalling 1.7 MMT. Looking at demand, seaborne volumes destined for China halted their two weeks decline, gaining 13.0% in a week to 28.3

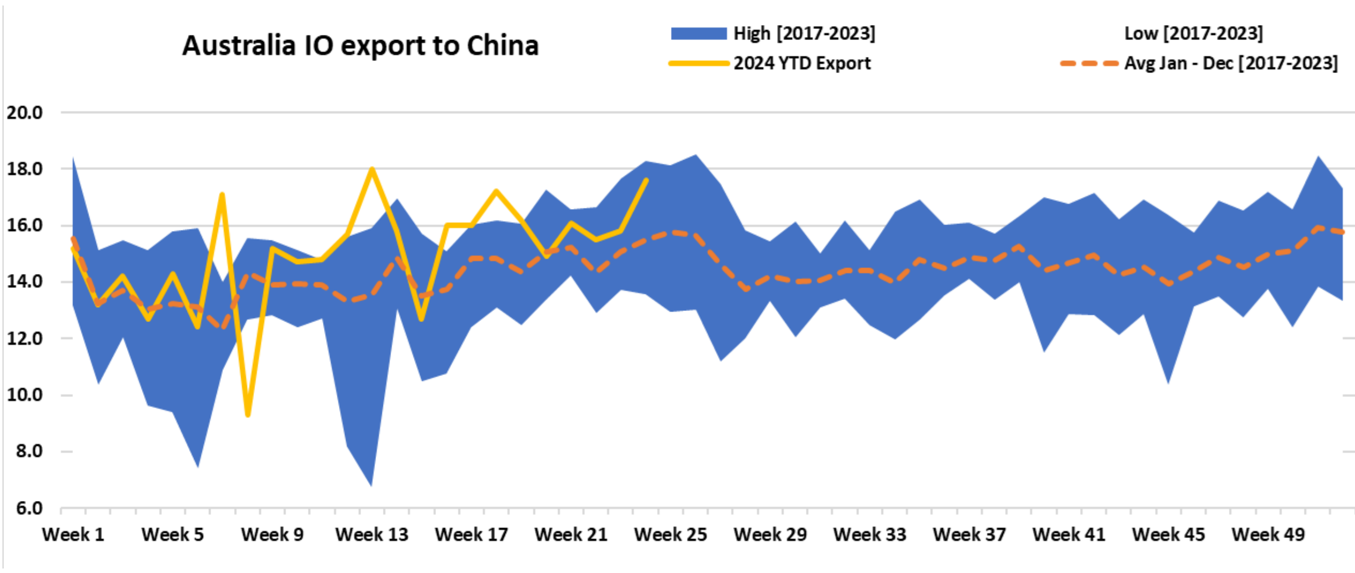
Dry Bulk Trades/Iron Ore

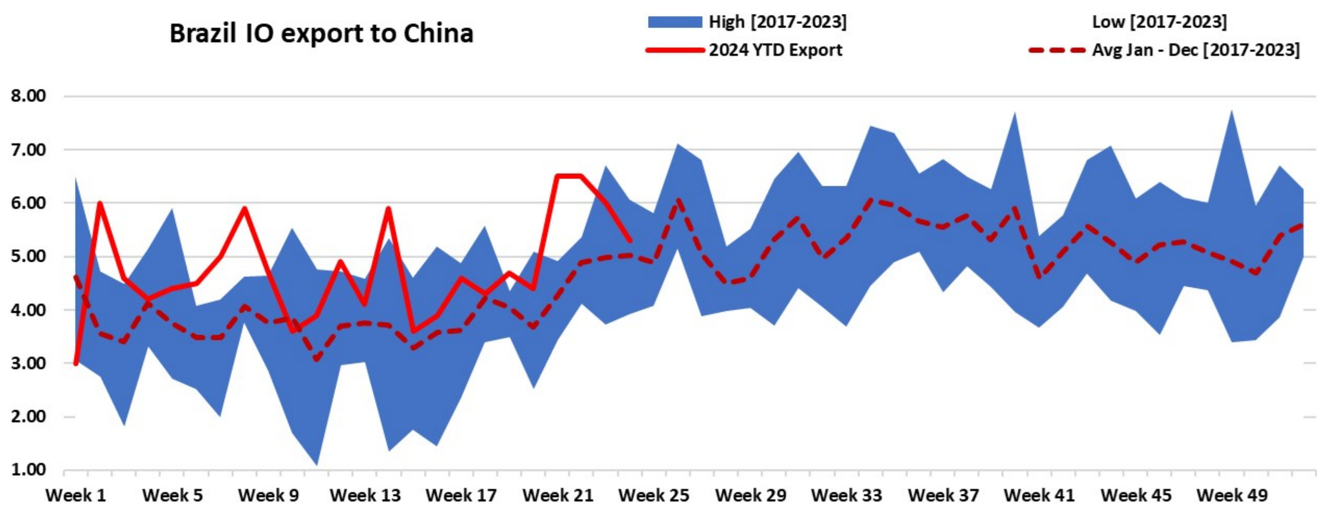
Export (million tonnes)	**Apr-24**	**Mar-24**	Q1-24	Q4-23	Q3-23	Q2-23	2023	2022	2021
Australia	78.0	82.5	222.4	244.3	235.5	238.9	946.6	935.9	923.0
Brazil	29.4	27.7	84.5	103.2	103.6	92.1	371.9	344.6	353.3
South Africa	4.5	4.6	13.9	14.2	13.2	13.6	55.4	56.5	60.0
India	2.5	3.5	15.6	13.7	9.1	10.2	45.3	15.9	36.9
Canada	4.5	5.3	13.8	16.9	17.4	13.8	61.3	57.3	57.1
Others	17.4	17.3	47.5	50.6	46.9	44.7	184.1	177.5	201.8
Global	**136.4**	**140.8**	**397.7**	**442.9**	**425.8**	**413.4**	**1664.6**	**1587.8**	**1632.0**

Iron Ore Key Routes

	IO Export Million mt			Freight Rate $/mt		
	Last Week	Prev. Week	Chg %	Last Week	Prev. Week	Chg %
Australia-China	17.6	15.8	11.4%	10.59	11.16	-5.2%
Brazil-China	5.3	6.0	-11.7%	26.20	25.15	4.2%

Seasonality Charts





Dry Bulk Trades/Coal

Global coal shipments rose by 11.1% to 29.2 million tonnes last week, driven by strong volumes from key suppliers. Australian shipments rose by nearly 10% to 7.7 MMT, fuelled by robust demand from the JKT region, which saw a 71.6% increase to 4.8 MMT. Additionally, shipments from Indonesia grew by 5.7% week-on-week to 10.6 MMT, despite a 14.3% drop in shipments to China, which fell to 4.4 MMT but remained well above its six-year seasonal average.

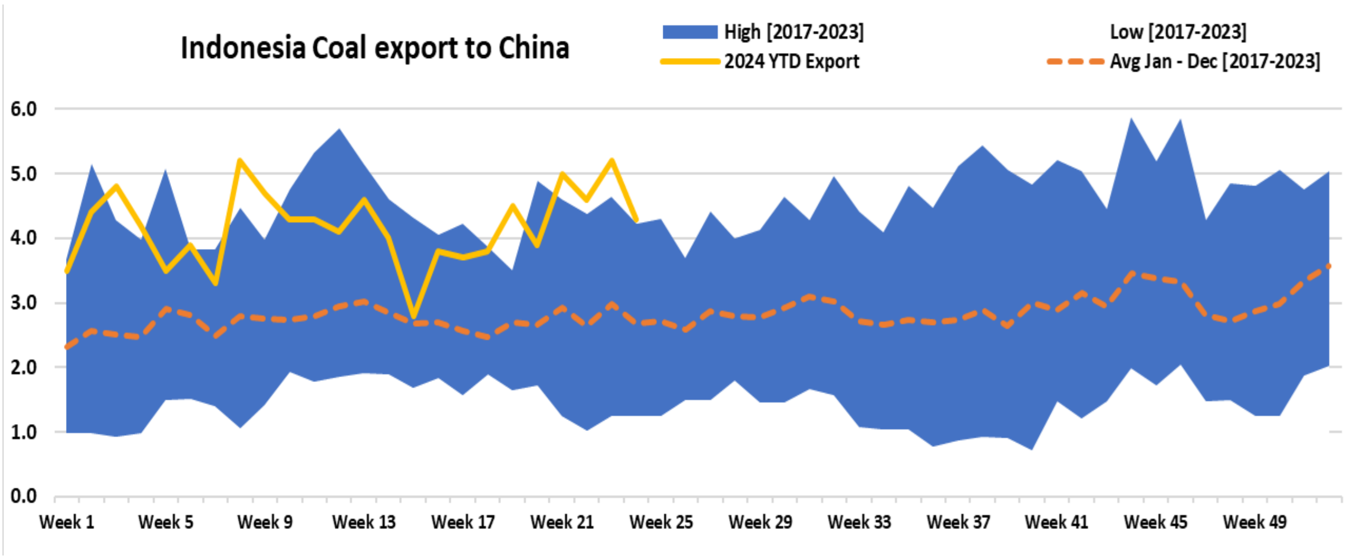
Dry Bulk Trades/Coal

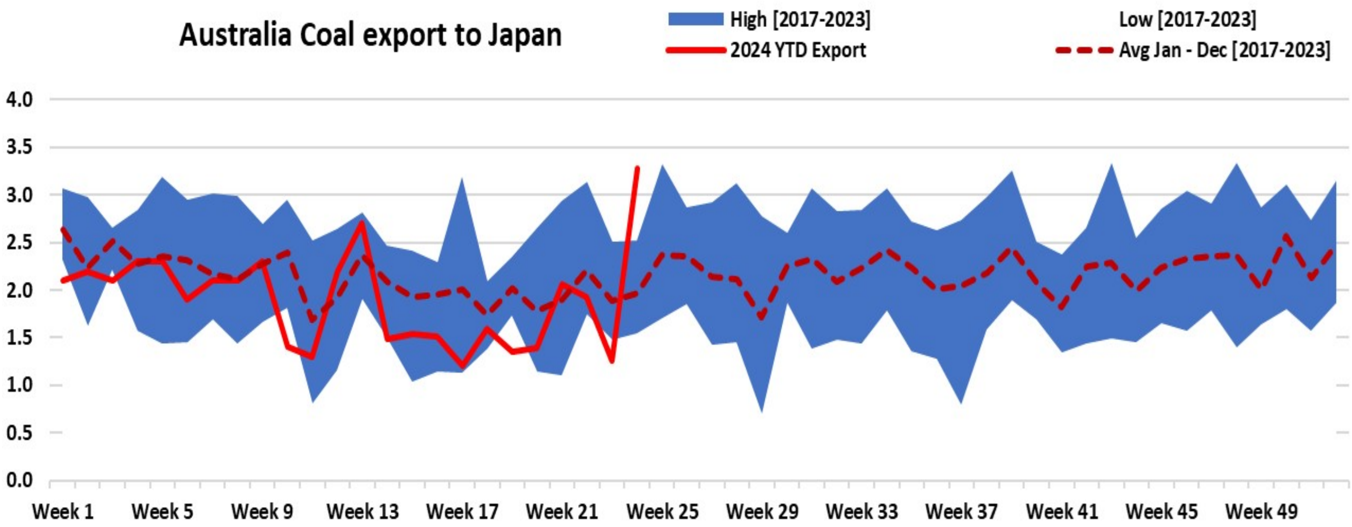
Export (million tonnes)	**Apr-24**	**Mar-24**	Q1-24	Q4-23	Q3-23	Q2-23	2023	2022	2021
Indonesia	44.2	46.3	130.2	143.5	123.2	121.0	508.0	462.2	415.2
Australia	28.4	29.5	86.0	94.6	88.1	93.1	355.3	339.2	368.4
Russia	14.7	12.2	35.8	39.1	46.7	51.3	185.4	192.5	172.1
USA	6.1	8.3	22.2	21.2	19.5	20.2	80.9	69.5	68.6
Colombia	5.0	7.0	16.7	16.3	15.7	14.6	59.2	61.0	60.7
South Africa	5.4	5.2	15.2	16.0	14.9	15.8	62.0	61.6	62.0
Others	9.0	9.8	26.2	29.4	25.9	27.0	105.9	556.0	501.3
Global	**112.8**	**118.4**	**332.3**	**360.2**	**334.0**	**343.0**	**1356.8**	**1279.8**	**1233.1**

Coal Key Routes

Coal Key Routes	Coal Export Million mt		
Coal Export Million mt	Last Week	Prev. Week	Chg %
Indonesia-China	4.3	5.2	**-17.3%**
Australia-Japan	3.2	1.3	**146.2%**

Seasonality Charts

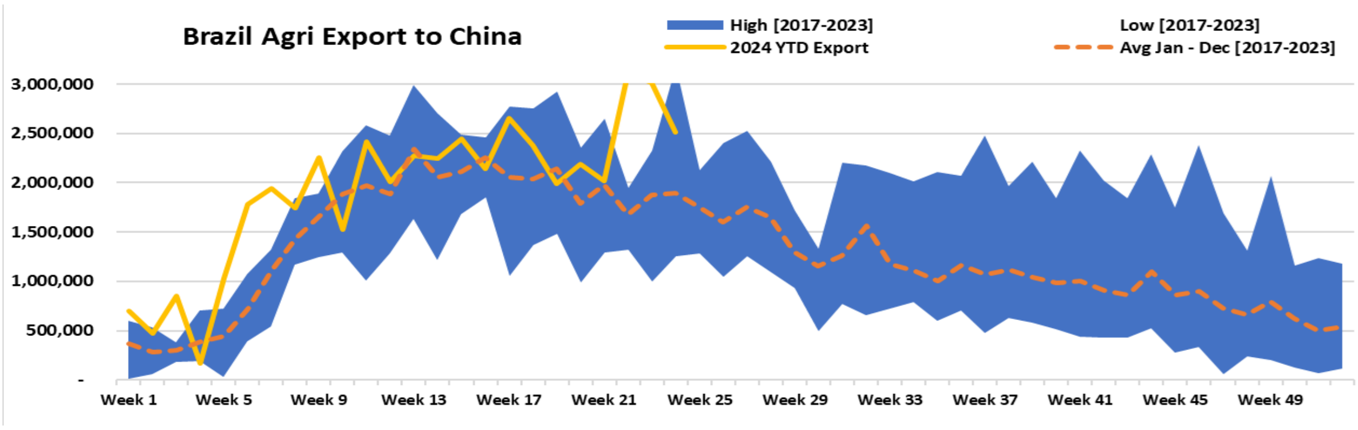


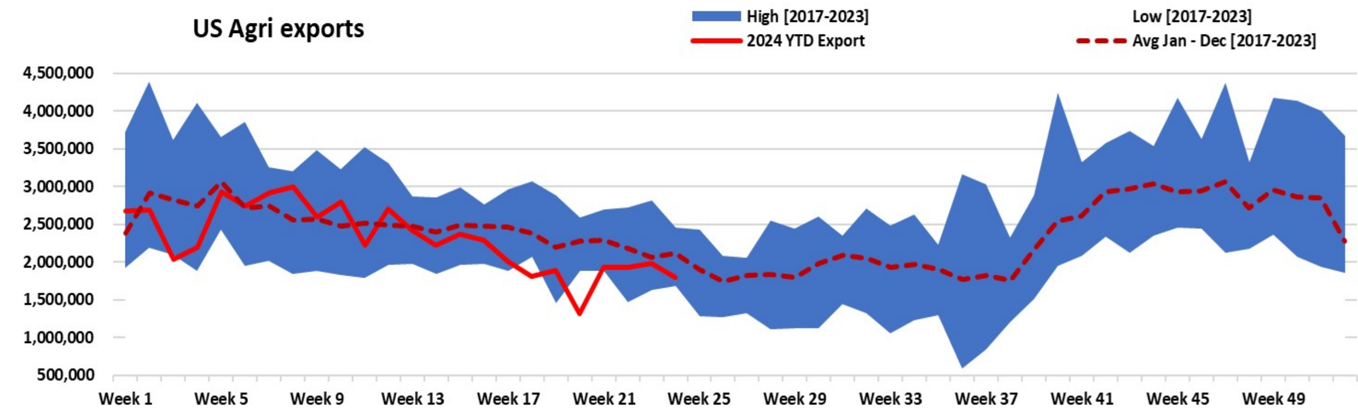


Dry Bulk Trades/Agri

Grain shipments stabilized at around 12.0 million tonnes last week, bolstered by strong volumes from the East Coast of South America (ECSA). According to data from IHS Markit Commodities at Sea Service, ECSA's shipments held steady at just below 7 million tonnes, like the previous week, while its exports to China saw a slight decrease to 3.2 million tonnes. Meanwhile, shipments from the US remained within their recent weekly range at 11.9 million tonnes.

Seasonality Charts





Export (million tonnes)	Apr-24	Mar-24	Q1-24	Q4-23	Q3-23	Q2-23	2023	2022
Brazil	16.9	18.9	45.0	53.2	62.7	58.2	216.7	176.8
USA	9.5	11.4	34.0	34.6	18.3	23.0	106.7	129.5
Argentina	7.9	7.7	19.5	11.7	17.8	14.6	56.1	88.2
Ukraine	3.8	4.2	12.5	5.7	0.4	6.0	21.8	27.0
Canada	3.2	3.0	9.0	12.4	8.1	9.1	41.4	33.4
Russia	2.8	2.1	8.4	9.4	13.1	10.3	42.9	29.2
Australia	2.9	3.8	11.1	9.6	10.5	12.8	47.3	48.4
Others	5.4	7.0	20.7	21.5	21.3	16.7	82.8	402.6
Global	**52.3**	**58.1**	**160.2**	**158.2**	**152.3**	**150.6**	**615.7**	**628.9**

Data Source: IHS Markit Commodities at Sea Service, Bloomberg

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