

# FIS Dry Freight Weekly Report

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**17/09/2024**

**Market Review:**

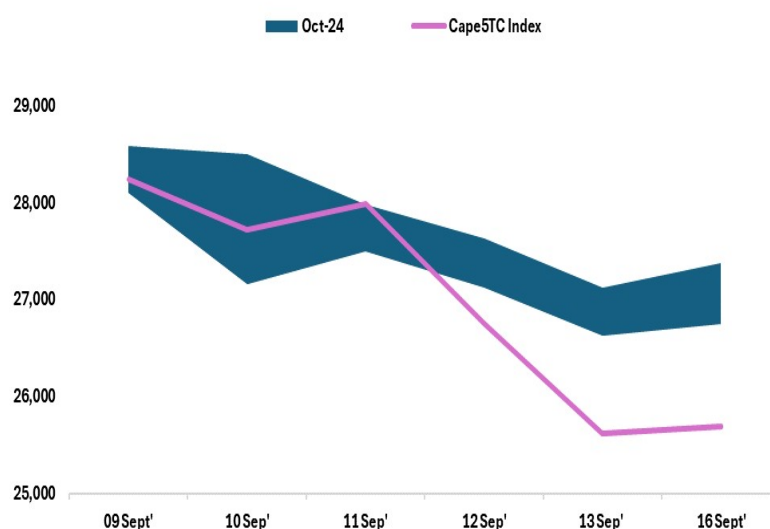
Capesize spot and prompt futures picked up mid-week due to increased coal and iron ore activity ahead of the Asian holiday and weather delays from Typhoon Bebinca, but optimism faded as fixture rates soon retreated. In the Panamax sector, the spot market saw the most improvement among all vessel sizes with increased activity in both regions; however, the paper market, following the larger vessel ended the week with marginal losses. With the Asian market closed for the first two days this week, subdued activity is expected across the board, particularly in the Pacific region.

Freight Rate \$/day	16-Sept	09-Sept	Changes %	Short Term	Sentiment
Capesize 5TC	25,684	28,232	-9.0%	Neutral to Bearish	↘
Panamax 4TC	11,640	10,385	12.1%	Neutral to Bearish	↘
Supramax 10TC	13,954	13,879	0.5%	Neutral to Bearish	↘
Handy 7TC	12,727	12,948	-1.7%		

**Capesize**

The Capesize time charter rates and FFA values picked up mid-week as more coal cargoes returned and iron ore activity increased ahead of the major holiday in Asia. However, the optimism was short-lived following fixture rates soon retreated in both markets. On the demand side, Capesize saw some support last week with a recovery in coal shipments, which improved by 17.8% to 6.5 million tonnes, driven by strong volumes from Australia. Additionally, port disruptions from Typhoon Yagi had minimal impact on iron ore demand from China, as there was a small increase in demand and supply from key regions. However, a sharp decline in volumes from South Africa led to a 1.6% drop in Capesize iron ore shipments, totalling 30.5 million tonnes last week. Lastly, the bauxite segment remained sluggish, with weekly shipments falling for the third consecutive week to around 3.2 million tonnes.

Cape 5TC Rolling Front Month Trading Range vs Spot



In terms of fixtures, the key C5 iron ore route (West Australia to China) initially ticked up to \$11.90 for 25th–27th Sept from the outset but took a sharp turn on Tuesday, fixing at \$11.45 as only one iron ore major was active in the market. The route was mostly fixed between \$11.50 and \$11.70 before ending the week at \$11.25–\$11.30. On Monday, C5 picked up to around \$11.60 due to restocking activity ahead of the holidays on Tuesday and Wednesday in China. Additionally, a coal cargo from Vancouver to China was reported at \$17 for end-September and early October.

In the Atlantic, the C3 route, following the Pacific market, initially ticked up to \$28.50 before drifting to \$27.45 for end-Sept and \$26.40 for 1st–10th Oct. Increased activity was observed from Brazil last week, with another trip from Itaguaí to Qingdao paid at \$28.25. On the transatlantic routes, iron ore cargoes from Acu to Ijmuiden was fixed at \$12.75 for 11th–15th October and Seven Islands to Djen Djen was heard at \$13 for 1st–10th October. Elsewhere, a coal cargo from PDM to Rotterdam was fixed at \$9.50 for 1st–15th October.

Chart source: FIS Live

FFA: Downward pressure across the board with some fluctuating rates this week. On Monday, the Cape market experienced poor liquidity throughout the day. Despite early stability with Oct first trading at \$30,100, the market drifted lower and by the afternoon Oct was sold down to \$29,250. Meanwhile, Sep fluctuated between \$28,250 and \$28,500. Tuesday started on a bearish note with early selling in Asia pushing Sep and Oct down to \$27,250 and \$28,500, respectively. However, post-index (-\$520 to \$27,712), there was a slight recovery, but the day still ended on a subdued note, with bids just above the day's lows. By Wednesday, a mild recovery occurred as Pacific volumes increased, providing the market with more support. Sep and Oct trading up to \$28,000 and \$29,900, respectively, each gaining \$750 on the day. Following a modest index improvement (+\$274 to \$27,986), intraday trading ranges narrowed, and the day closed with offers at the session highs. Thursday saw selling pressure intensify, Sep initially traded at \$27,600 and Oct hovered around \$29,600. As sellers continued to push the market lower, Sep fell to \$27,250 and Oct to \$29,250 and by the afternoon, selling saw Oct dip to \$28,500 and Nov to \$26,500. On Friday, the market weakened further, with Sep sold at \$26,750 (-\$250) and Oct down to \$28,400 (-\$200). Liquidity remained limited, but Oct showed relative strength compared to the rest of the curve, as spread buying kept it above the lows. Overall, the week reflected a fluctuating sentiment, with the market showing sporadic recoveries but ultimately trending lower as liquidity thinned and sellers dominated later sessions.

**Short run neutral to bearish**

**Panamax**

The North Atlantic routes saw some upward movement last week, with the P1A index closing the week over 25% higher, just under \$9,700. In the South, the P6 index also rose, supported by a tighter vessel supply for prompt dates, as shipowners expected further rate increases. In the Pacific, more cargoes were covered for late September to early October as activity picked up ahead of the Asian holiday and potential weather disruptions from Typhoon Bebinca. Overall, market sentiment turned slightly more positive, though further improvements will be needed to sustain upward momentum.

On a weekly basis, Panamax coal volumes held steady at around 14 million tonnes, with some recovery driven by Australian exports, while grain and minor bulk shipments experienced a strong rebound. Early last week, market sentiment improved with grain cargo volumes increasing by 28% to 5.7 million tonnes, thanks to robust supplies from the U.S. Gulf and the West Coast of North America, although there were no significant changes in volumes from the ECSA region. Additionally, minor bulk shipments by Panamax saw a sharp rise, jumping 23.8% to 4.6 million tonnes.

Among the highlighted fixtures, standard trips with 82kt of grains via ECSA with redelivery in Singapore-Japan were fixed higher in the high \$16,000s. On the TA routes, a trip via ECSA redelivery Skaw-Gibraltar was fixed from \$16,000 to \$17,000. The North Atlantic came back to life last weeks with increasing cargo demand from the US Gulf, trips included grains cargo to China fixed at \$53/tonnes for early Oct, while trips via US Gulf redelivery Skaw-Gibraltar was heard at \$10,250 while US EC redelivery India was paid at \$21,000. In the Asian market, by the end of the week, coal cargoes from EC Australia redelivery Japan and S China were fixed up to mid \$15,000 and high \$16,000, respectively. Moreover, NoPac grain run also increased to \$14,600 - \$14,750.

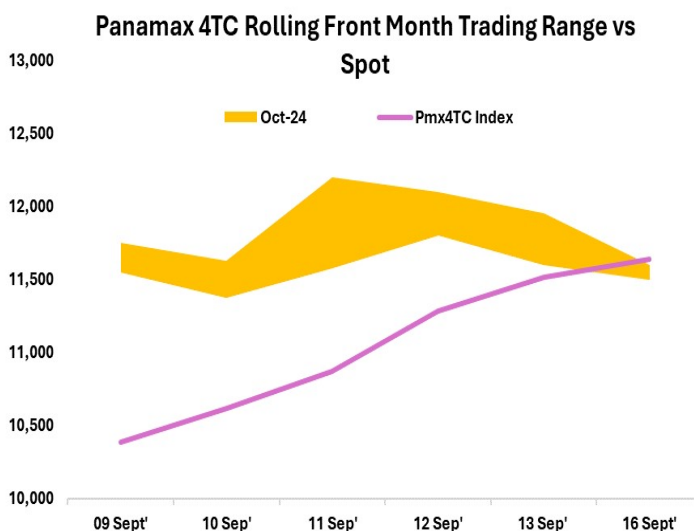


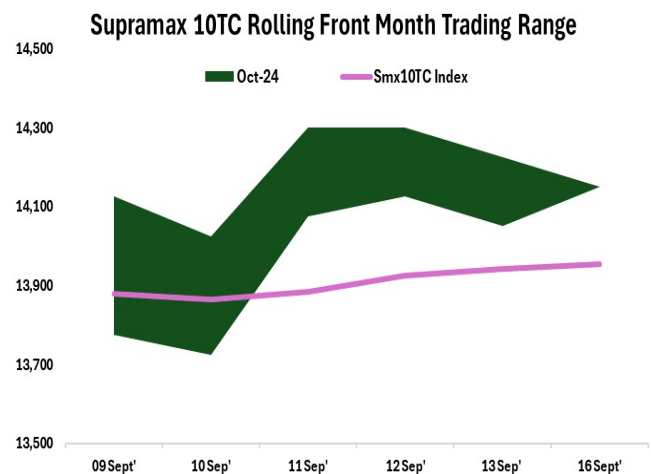
Chart source: FIS Live

**Panamax FFA:** A promising week for Panamax with the market facing early pressure and then a mid-week recovery, though it concluded on a relatively softer note. Monday began quietly, with limited liquidity and narrow trading ranges. Sep and Oct traded at \$11,600 and \$14,350, respectively, but sustained pressure pushed Oct down to \$13,650 and Q4 to \$14,000. Further-out contracts, like Q125, traded down to \$11,500, and Cal25 traded at \$12,600 by the close. Tuesday saw early pressure off the back of the Cape market, with Sep selling off to \$11,400 and Oct down to \$13,300, dragging Q4 down to \$13,550. However, following a positive index (+\$131 to \$10,516) and a recovery in Capes, the market rebounded, with Oct rising back to \$13,800 and Q4 testing \$14,000 resistance, leaving the curve marginally higher by the day's end. On Wednesday, morning support from the previous evening persisted, fuelled by ongoing optimism in both basins. This pushed Sep to \$12,150, Oct rose to \$14,500, Q4 also reached \$14,500, and Cal25 to \$12,725. The day closed having maintained a strong momentum across the curve, driven by firmer Capes and index gains (+\$352 to \$10,868). Thursday started slow, with sellers testing the recent highs. Despite another strong push on the index (+\$416 to \$11,284), renewed pressure from the Cape market saw Sep slip back to \$11,800–\$11,900, and Oct tested \$14,000 support. Q4 traded within a narrow \$14,100–\$14,200 range, with limited changes further out. By Friday, the market came under further selling pressure, as premiums were chipped away at throughout the day. A slowdown in positive momentum saw Sep sold at \$11,800, and Oct struggled to hold its earlier gains, closing at \$14,000. The market finished on a weaker note, as sellers dominated, and liquidity was limited.

**Short run neutral to bearish**

### Supramax

**FFA:** This week, in the Supramax sector saw some minor fluctuations but overall was stable. Downward pressure remains in the Atlantic, while the Asian market appears slightly more optimistic. On Monday, early selling pressure and low liquidity led to declines, with Q4 trading down to \$13,950 and Cal25 at \$12,550 by the end of the day, the market was offered just off these lows. Tuesday saw rangebound trading, with Sep and Oct dipping to \$13,800 and Q4 to \$13,900, but the market found support post-index (-\$14 to \$15,899) and closed at similar levels. Wednesday brought some positive movement as early bid support and large trades pushed Sep and Oct up to \$14,200 and \$14,650, respectively, with Q4 also seeing gains to \$14,400. Thursday's market remained stable, supported by an active physical market, though it lost some ground post-index (+\$41 to \$15,959), with Oct and Nov falling by \$200 and Cal25 was seen trading at \$12,800. Friday concluded with no significant changes. Overall, the Atlantic remains under pressure, while markets in Asia show a bit more positivity. Shorter lead times in the Indian Ocean and the Pacific offer some promise, but it remains uncertain whether this momentum will hold as the upcoming holiday approaches.



**Short run neutral to bearish**

### FFA Market Indexes

Freight Rate \$/day	16-Sept	09-Sept	Changes %	2024 YTD	2023	2022	2021	2020
Capesize5TC	25,684	28,232	-9.0%	23,762	16,389	16,177	33,333	13,070
Panamax4TC	11,640	10,385	12.1%	13,994	11,518	8,587	25,562	8,587
Supramax10TC	13,954	13,879	0.5%	14,270	11,240	8,189	26,770	8,189
Handy7TC	12,727	12,948	-1.7%	12,796	10,420	8,003	25,702	8,003

## FFA Market Forward Values

FFA \$/day	16-Sept FIS	09-Sept FIS	Changes %	Weekly Mkt	Weekly Mkt	2024 Mkt	2024 Mkt
	Closing	Closing		High	Low	High	Low
Capesize5TC Oct 24	29250	29400	-0.5%	30,000	28,400	33,050	24,500
Capesize5TC Q4 24	27475	27850	-1.3%	28,250	26,900	30,500	25,650
Panamax4TC Oct 24	13550	13725	-1.3%	14,500	13,200	16,250	13,200
Panamax4TC Q4 24	13825	13925	-0.7%	14,450	13,500	17,250	12,300
Supramax10TC Oct 24	14250	14200	0.4%	14,650	14,200	16,000	14,000
Supramax10TC Q4 24	14025	13925	0.7%	14,550	13,800	15,650	12,150

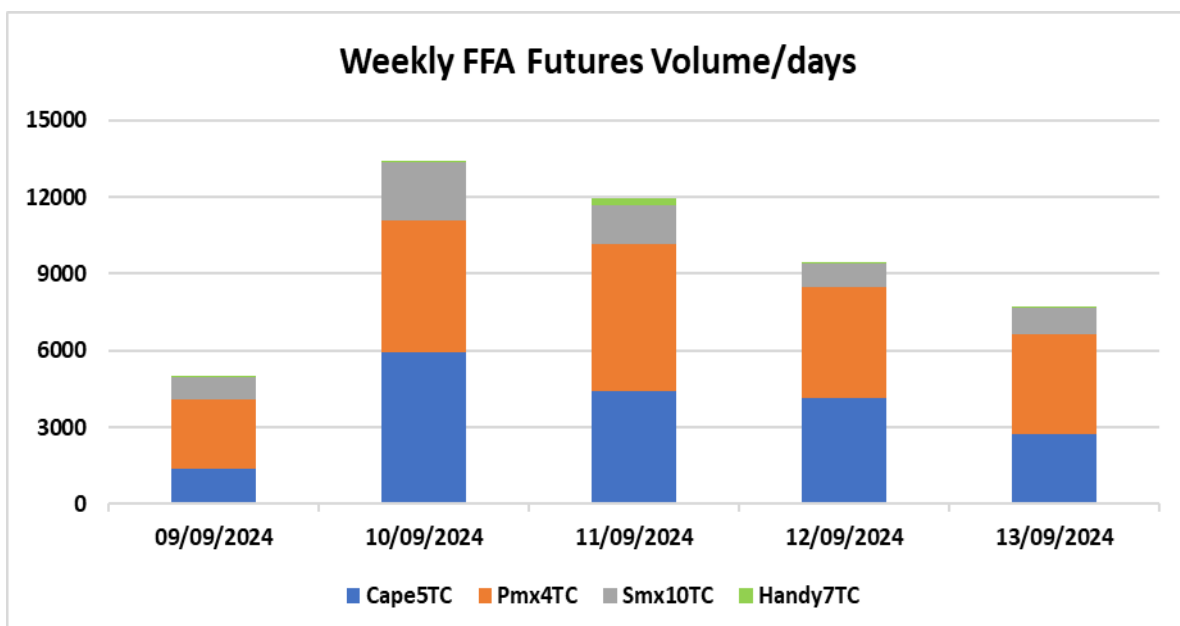
Data Source: FIS Live, Baltic Exchange

## FFA Market

Last week saw a slowdown in trading activity in the dry FFA market due to the upcoming holidays in China, Korea, and Japan. As market participants anticipated these breaks, around 53,430 lots were traded. The Capesize and Panamax contracts garnered the most interest, with daily average volumes of 3,720 and 4,370 lots, respectively. Supramax contracts trailed with 1,310 lots per day, while Handysize contracts saw minimal engagement, averaging only 90 lots daily.

With the transition into the second half of September, the active contract shifted toward the October contract, along with decent volumes seen on September, Q4, and Cal25 contracts. There was also some interest in longer-dated contracts such as Q1 2025 and Cal 2025.

On the voyage routes, the C5 (West Australia to China) route experienced heightened activity, with 1.95 million tonnes traded for September and October prompt contracts, alongside 45,000 tonnes for Q1 2025. Meanwhile, the C7 (Bolivar to Rotterdam) market reported a more modest 50,000 tonnes traded for the Sept contract.



## Dry Bulk Trades/Iron Ore

Iron ore shipments remained largely unchanged from the previous week, bringing the total to approximately 33.7 million metric tons (MMT). Among the leading exporters, Australia recovered by 4.7% from the prior week's dip, reaching around 20.1 MMT, with shipments to China surpassing the six-year seasonal range. Brazil's exports increased by 3.6% to 8.1 MMT last week, while exports from South and West Africa surged by 17.2% to 1.75 MMT.

On the demand side, seaborne volumes headed for China grew by 8.8% compared to the previous week, totalling 28.1 MMT. Australian exports to China increased by 5.2% to 18 MMT, while Brazilian exports to China soared by 24.2% to 7.4 MMT, both exceeding the six-year seasonal average, as shown in the charts below.

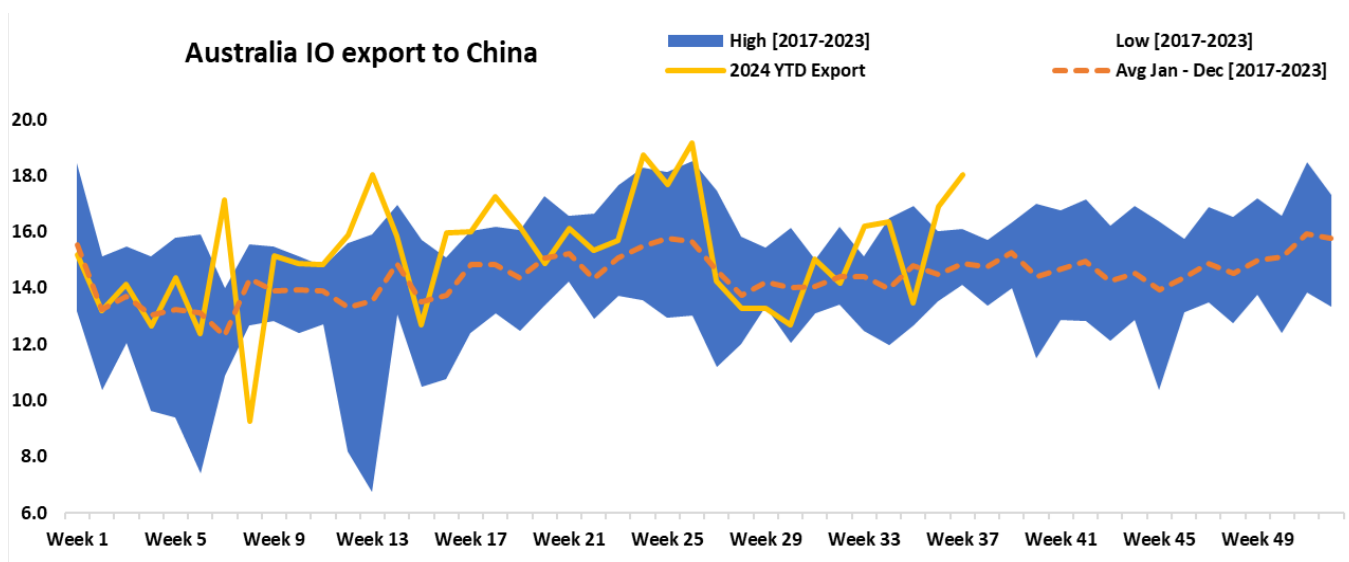
### Dry Bulk Trades/Iron Ore

Export (million tonnes)	Jul-24	Jun-24	Q2-24	Q1-24	Q4-23	Q3-23	2023	2022	2021
Australia	75.7	89.0	249.2	223.2	244.8	236.0	947.9	935.9	923.0
Brazil	35.3	34.6	95.7	84.2	103.3	103.6	372.0	344.6	353.3
South Africa	3.5	4.6	14.2	14.0	14.2	13.2	55.4	56.5	60.0
India	2.8	3.9	10.6	15.6	13.7	9.1	45.3	15.9	36.9
Canada	5.0	5.0	14.6	13.7	16.9	17.2	61.1	57.3	57.1
Others	17.1	18.5	54.4	48.4	51.2	47.7	184.1	177.5	201.8
<b>Global</b>	<b>139.3</b>	<b>155.6</b>	<b>438.8</b>	<b>399.2</b>	<b>444.1</b>	<b>426.8</b>	<b>1667.5</b>	<b>1587.8</b>	<b>1632.0</b>

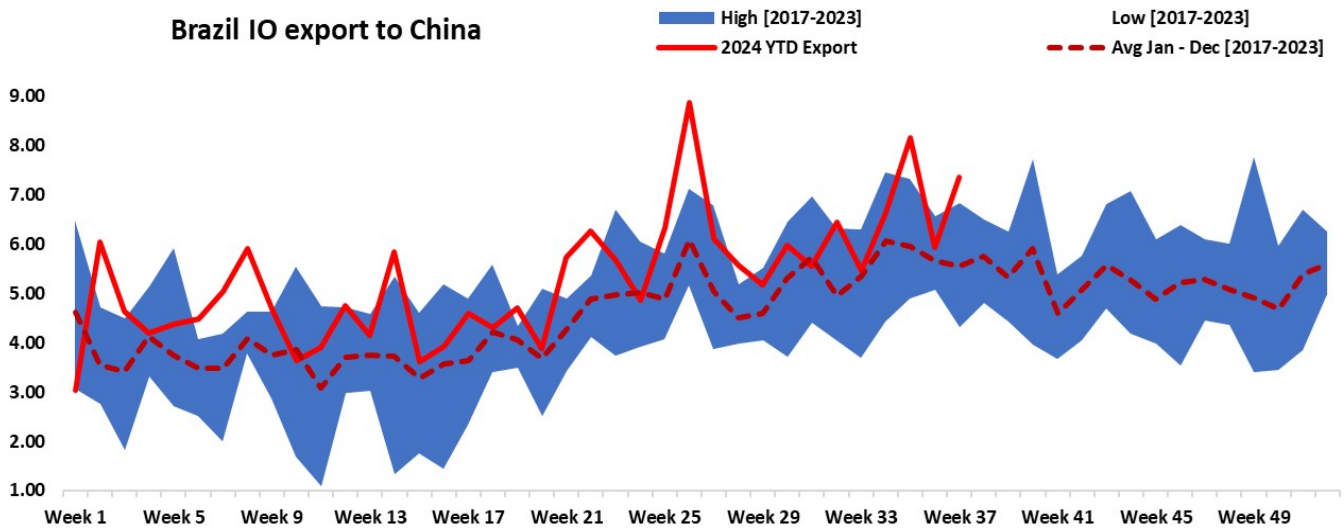
### Iron Ore Key Routes

	IO Export Million mt			Freight Rate \$/mt		
	Last Week	Prev. Week	Chg %	Last Week	Prev. Week	Chg %
Australia-China	18.0	16.9	6.6%	11.60	11.61	-0.1%
Brazil-China	7.4	5.9	24.2%	27.58	27.82	-0.9%

### Seasonality Charts



### Brazil IO export to China



### Dry Bulk Trades/Coal

Global coal shipments rebounded by 6.6% last week, reaching 26.7 million metric tons (MMT). The key driver behind this growth was a significant increase in Australian coal shipments, which surged by 32.1% to approximately 7.7 MMT. Exports from Australia to Japan saw the most notable rise, jumping 108.1% compared to the previous week, reaching 3.4 MMT, far exceeding the six-year seasonal average, as illustrated in the charts below. Shipments to China from Australia also increased by 6.1% to 1.6 MMT, while exports to India dropped sharply by 79.3% to 149 KT.

In contrast, Indonesia's coal exports fell by 7.9% week-on-week, totalling 10.2 MMT. The primary factor for this drop was the sharp reduction in shipments to India, which fell by 24.8% to 1.8 MMT. Exports to the JKT region also decreased by 20.3%, down to 1.6 MMT. Additionally, shipments from Indonesia to China dipped slightly by 1.9%, totalling 4.55 MMT.

### Dry Bulk Trades/Coal

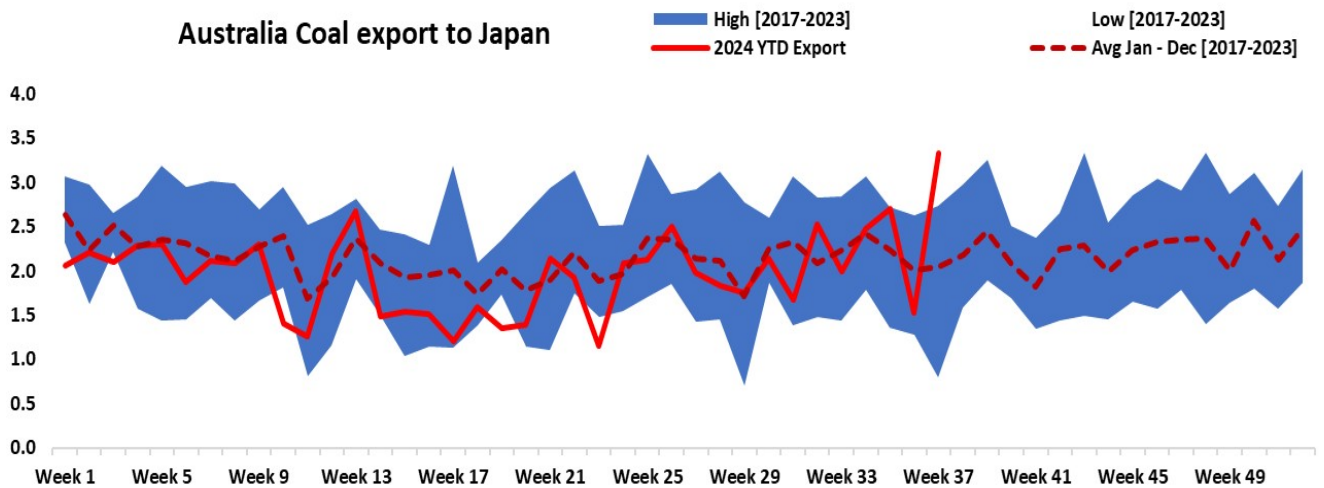
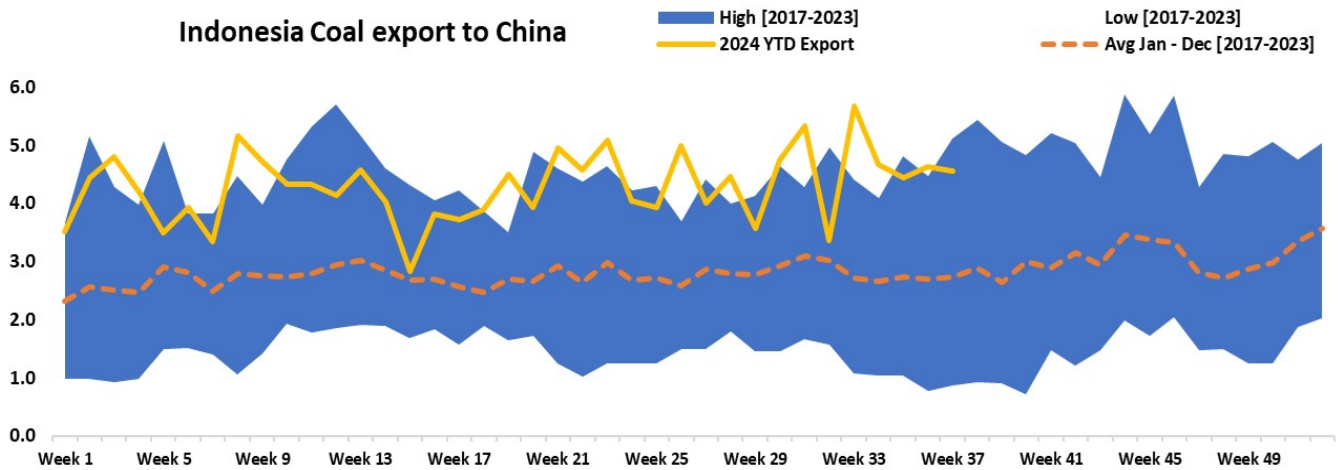
Export (million tonnes)	Jul-24	Jun-24	Q2-24	Q1-24	Q4-23	Q3-23	2023	2022	2021
Indonesia	46.1	44.4	136.4	130.6	143.5	123.4	508.7	462.2	415.2
Australia	28.4	32.4	90.9	86.5	94.9	88.3	356.0	339.2	368.4
Russia	15.1	15.3	45.0	36.8	39.6	47.1	186.9	192.5	172.1
USA	7.9	7.9	21.3	22.4	21.1	19.5	80.8	69.5	68.6
Colombia	4.7	6.2	16.8	16.7	16.3	15.7	59.2	61.0	60.7
South Africa	3.7	4.9	15.0	15.2	16.0	14.9	61.9	61.6	62.0
Others	7.7	9.2	27.2	26.0	29.3	25.8	105.7	556.0	501.3
<b>Global</b>	<b>113.6</b>	<b>120.3</b>	<b>352.5</b>	<b>334.2</b>	<b>360.6</b>	<b>334.7</b>	<b>1359.3</b>	<b>1279.8</b>	<b>1233.1</b>

### Coal Key Routes

Coal Key Routes	Coal Export Million mt		
	Last Week	Prev. Week	Chg %
Indonesia-China	4.6	4.6	-1.9%
Australia-Japan	3.3	1.5	118.0%



## Seasonality Charts



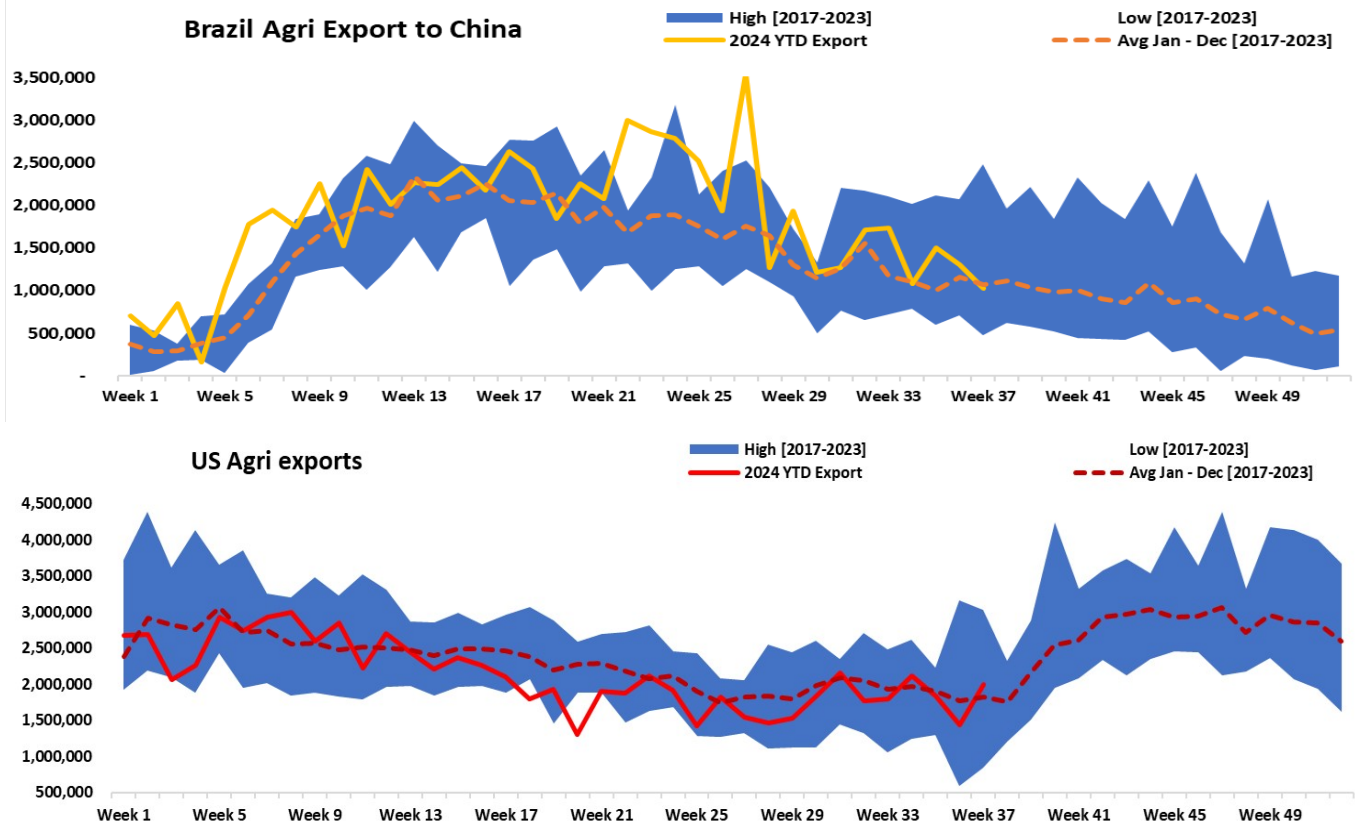
## Dry Bulk Trades/Agri

Global grain shipments rebounded by 8.0% last week, reaching approximately 11 million tonnes, primarily driven by increased shipments from North America. According to IHS Markit Commodities at Sea Service, exports from North America surged by 46.8% week-over-week to 1.5 MMT. This growth was led by Canada, where exports jumped 63.6% to 880 KT, while U.S. shipments rose by 32.5% to 660 KT.

Meanwhile, exports from the East Coast of South America (ECSA) declined by 2.5% to 5.6 MMT. Brazil saw a 4.3% decrease from the previous week, bringing its total to 3.9 MMT, while Argentina's exports remained steady at 1.7 MMT, showing a modest 1.9% week-over-week increase.

On the demand side, grain shipments to China showed a slight recovery after three weeks of subdued activity. Last week's volume increased by 3.0% to 1.9 MMT, with shipments from Brazil holding at their seasonal average level.

## Seasonality Charts



Export (million tonnes)	Jul-24	Jun-24	Q2-24	Q1-24	Q4-23	Q3-23	2023	2022
Brazil	19.6	20.1	55.5	45.3	53.4	62.9	217.2	176.8
USA	7.5	7.7	25.0	34.1	34.7	18.3	106.9	129.5
Argentina	8.6	7.5	24.9	19.5	11.7	17.9	56.2	88.2
Ukraine	2.8	2.8	10.2	12.2	5.7	0.4	21.9	27.0
Canada	2.5	2.9	9.6	9.1	12.4	8.2	41.6	33.4
Russia	1.7	2.1	7.5	7.7	9.1	12.9	42.4	29.2
Australia	2.4	2.7	8.5	11.2	9.7	10.5	47.6	48.4
Others	5.7	5.8	17.8	21.7	22.0	21.9	84.5	96.4
<b>Global</b>	<b>50.9</b>	<b>51.6</b>	<b>159.2</b>	<b>160.9</b>	<b>158.8</b>	<b>153.0</b>	<b>618.0</b>	<b>628.9</b>

Data Source: IHS Markit Commodities at Sea Service, Bloomberg

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