

# FIS Dry Freight Weekly Report

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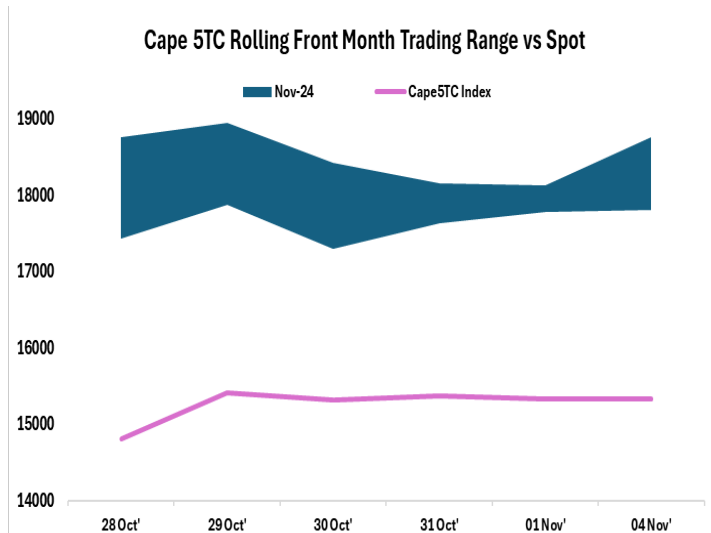
**Market Review:**

As October ended last week, the dry FFA market took a breather after a remarkable month. The BDI index marked down 15% to 1,667 and FFA volumes surged by 44% in Oct to reach 355,820 lots compared to the previous month. This robust activity was driven by high volatility in larger vessels size, with Cape5TC settling in Oct at \$20,903 (-23.7% MoM), Pmx4TC settled at \$10,539 (-7.8% MoM) and Smx10TC \$13,774 (-2.6% MoM). An eventful week lies ahead, as market participants await the results of the US election, quickly followed by the expected Chinese stimulus package announcement on 8th November.

Freight Rate \$/day	04-Nov	28-Oct	Changes %	Short Term	Sentiment
Capesize 5TC	15,332	14,811	3.5%	Neutral to Bearish	⬇️
Panamax 4TC	9,422	9,375	0.5%	Neutral to Bearish	⬇️
Supramax 10TC	12,552	13,568	-7.5%	Neutral to Bearish	⬇️
Handy 7TC	12,874	13,023	-1.1%		

**Capesize**

A quiet and steady week for the Capesize market last week, with sentiment turning slightly more positive supported by healthy cargo volumes. Before the Diwali holiday arrived at the end of the week, good fixture was reported on iron ore and coal in the Pacific. Before the holiday at the end of the week, good fixtures were reported for iron ore and coal in the Pacific. Additionally, tonnage supply in the Pacific was expected to be tighter due to weather-related disruptions. In the underlying market, both commodity prices climbed last week as market participants eye on the National People’s Congress for anticipated economic policy signals. Meanwhile, Chinese steel margins showed signs of recovery, leading some traders to anticipate better demand in November. Nevertheless, Capesize timecharter rates were held back by slow activity from the Atlantic basins, where cargo volumes from Brazil and South Africa were thinner.



On a weekly basis, Capesize iron ore shipments remained flat at a recent weekly high of 29.4 million tonnes. Furthermore, coal shipments on Capesize vessels surged nearly 58% over the week to around 7.1 million tonnes, while minor bulk weekly shipments decreased by 10.7% from the previous week to 3.9 million tonnes.

In terms of fixtures, the key C5 iron ore route (West Australia to China) ticked up to \$8.60 - \$8.70 and remained stable at this level before the weekend. In the Atlantic, there were fewer Brazilian cargoes for mid-Nov loading. Among the limited fixtures, the C3 fixture fell to \$20.35 for 21-25 Nov, with other cargo from Sudeste to Qingdao fixed at \$21.25 then \$21 for 11-15 Nov. In the Northern Atlantic, slightly lower rates were observed for both fronthaul and transatlantic trips. Rates for trips from Narvik to Arzew and to Drummond to Gijon were \$6.50 and \$10.40 respectively, for mid Nov.

Chart source: FIS Live

FFA: A quieter week for Capesize rates, which continued to fall but at a slower rate and with narrower intraday ranges particularly by the week's end. On Monday, initial support was minimal, with Nov holding around \$17,500 and Q1 trading down to \$13,450. However, by evening, bid support had weakened, closing the day at its lows. Tuesday brought a much-needed positive index movement (+\$604 to \$15,415), sparking early buying with Nov starting at \$18,000 and reaching up to \$18,900 by evening, and Q1 climbing from \$13,500 to a high of \$14,100. Spreads were active, with Nov vs. Dec trading at -\$2,600 to -\$2,200. Midweek saw some increased activity, partly due to a rise in East Australian coal cargoes. The Pacific market softened slightly as Singapore prepared for holidays. On Wednesday, Nov had traded down to \$17,250 (a \$2,250 decrease), while Dec moved up to \$19,900 (+\$1,150). With the index down slightly (-\$104 to \$15,311), offers intensified through the afternoon. Thursday saw low liquidity due to holidays in Singapore, and while Nov opened at \$17,750, it closed marginally higher at \$17,875, propped up by demand from Brazil and South Africa. Friday saw low volume and a narrow range, with Nov closing at \$17,775, Dec up slightly at \$20,275, and Q1 flat at \$13,325.

**Short run neutral to bearish**

## Panamax

The Panamax market remained range-bound last week, as early gains in the index proved short-lived, though a floor was believed to be found in the FFAs. Nevertheless, market players were cautious and awaiting steady cargo flows and fresh demand to drive activity. Demand-wise, key demand over coal and grains volumes fell significant last week. Grain shipments by Panamax vessels plunged 23% over the week to 4.9 million tonnes. Moreover, coal shipments edged lower to 16.7 million tonnes, down 2.9% from the previous week. Minor bulk shipments also dropped by 16.7% from the previous week to 3.9 million tonnes.

In the Pacific, the supply and demand outlook seemed balanced, but conditions still lacked momentum for a

sustainable rally. Fixture-wise, NoPac round trips were reported at around \$12,500, while Australian coal trips were fixed lower, with East Coast Australia redelivery to China at just under \$12,000. Other coal trips from Indonesia to China ranged from \$10,500 to \$11,500, with redelivery to South Korea at approximately \$11,000.

Turning to the Atlantic, there was mixed sentiment. In the North, demand for minerals and grains on transatlantic routes showed improvement, though fronthaul activity remained limited. A transatlantic trip via the US Gulf to Skaw-Barcelona fetched \$9,500. In contrast, the South faced additional pressure due to sparse fronthaul business and reduced activity from Singapore holidays. A grain run from East Coast South America (ECSA) to Skaw-Gibraltar was fixed at \$14,000 for a 75,000 dwt vessel.

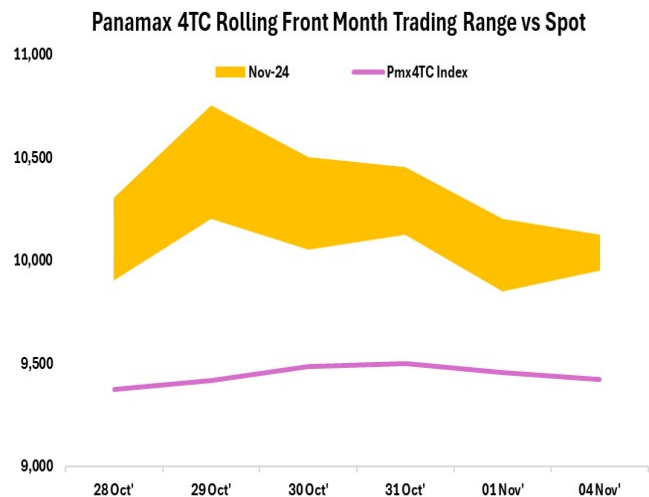


Chart source: FIS Live

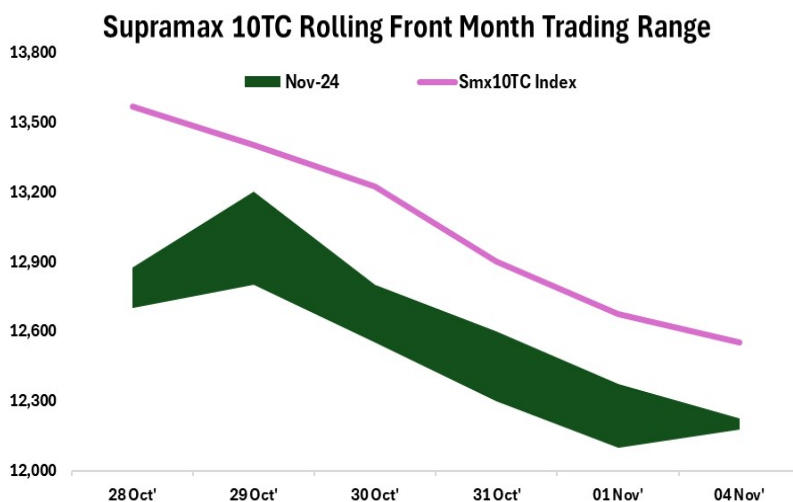
Panamax FFA: Panamax rates saw a flattening last week compared to previous weeks. Monday began slower than expected, with Nov showing resistance at \$10,000 and Dec trading around \$10,550. Most volume focused on Cal25, which was trading between \$11,600 and \$11,500. Tuesday saw a pickup in activity, with Nov and Dec trading up to \$10,700 and \$11,200, respectively, and Q1 testing the \$10,000 resistance. Wednesday, however, reversed these gains, with Nov and Dec down to \$10,100 and \$10,500, respectively, and Q1 down to \$9,550. Backend losses followed, with Cal25 dropping to \$11,350. Thursday began firm but weakened following a flat index (+\$16 to \$9,499). Buyers held back as the market remained uncertain, leading to a close of \$10,125 for Nov, \$10,650 for Dec, and \$9,600 for Q1. Friday was quiet due to the Singapore holiday slowdown, with Nov briefly touching lows of \$9,850 before closing at \$9,975, and Dec rebounding from \$10,400 to end at \$10,575. Overall, a steady yet subdued week for Panamax.

**Short run neutral to bearish**

## Supramax

FFA: Another downtrend for Supramax as demand remained thin across both the Atlantic and Asian markets. Monday saw early weakness, with Nov and Dec trading down to \$12,650 and Cal25 at \$12,300. Tuesday held rangebound with some bid support, pushing Nov to \$13,000 but closing flat at \$12,900. Q1 traded back above \$11,000. Wednesday was similarly slow, with Nov and Dec trading at \$12,500 and \$12,600, respectively, closing the day at the lows. Thursday's activity was met with increased selling interest, with Nov trading down to \$12,350 and Cal25 to \$12,150. Friday opened with Nov at \$12,375 but softened through the day, closing at \$12,250. Low demand weighed on Supramaxes, with improving sentiment in larger vessels offering little relief from the slump of the last few weeks.

**Short run neutral to bearish**



## FFA Market Indexes

Freight Rate \$/day	04-Nov	28-Oct	Changes %	2024 YTD	2023	2022	2021	2020
Capesize5TC	15,332	14,811	3.5%	23,528	16,389	16,177	33,333	13,070
Panamax4TC	9,422	9,375	0.5%	13,480	11,518	8,587	25,562	8,587
Supramax10TC	12,552	13,568	-7.5%	14,104	11,240	8,189	26,770	8,189
Handy7TC	12,874	13,023	-1.1%	12,814	10,420	8,003	25,702	8,003

## FFA Market Forward Values

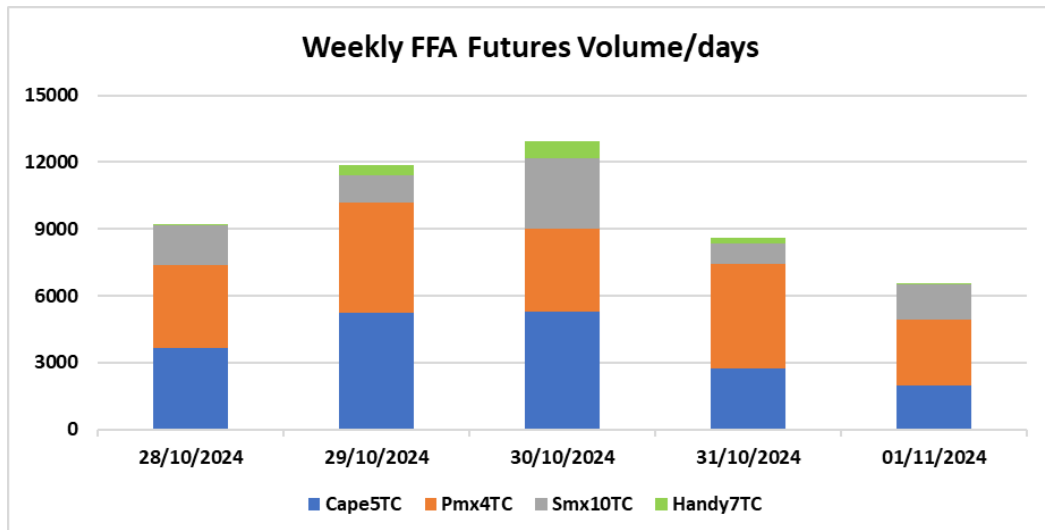
FFA \$/day	04-Nov FIS Closing	28-Oct FIS Closing	Changes %	Weekly Mkt High	Weekly Mkt Low	2024 Mkt High	2024 Mkt Low
Capesize5TC Nov 24	18,675	17,800	4.9%	19,850	17,250	27,750	17,250
Capesize5TC Q1 25	14,000	13,375	4.7%	14,100	13,100	18,000	13,100
Panamax4TC Nov 24	10,025	10,200	-1.7%	10,800	9,850	14,000	9,850
Panamax4TC Q1 25	9,825	9,900	-0.8%	10,000	9,300	13,125	9,300
Supramax10TC Nov 24	12,200	12,825	-4.9%	13,650	12,100	14,800	12,100
Supramax10TC Q1 25	10,650	10,825	-1.6%	11,050	10,500	13,250	10,500

Data Source: FIS Live, Baltic Exchange

## FFA Market

It was a relatively quiet week for the FFA market, with trading activity impacted by the Singapore holiday, resulting in weekly volumes drifting down to 57,350 lots. By vessel size, Capesize and Panamax contracts saw reduced activity, with daily average volumes of 3,780 and 4,000 lots, respectively. In contrast, Supramax contracts gained traction, averaging 1,740 lots per day, while Handysize contracts also showed improved liquidity, averaging 330 lots daily. The options market experienced subdued activity as well, with Supramax options being the primary focus at 2,160 lots traded over the week, followed by Capesize options with 1,460 lots.

Trading on key voyage routes remained active, particularly along the C5 route (West Australia to China), where volumes reached 4.275 million tonnes for November and December contracts. The C3 route (Brazil to China) also saw steady trading, with 235,000 tonnes cleared across November, December, and Q2 contracts.



## Dry Bulk Trades/Iron Ore

After a remarkable spike the previous week, iron ore shipments softened by 4.3% last week, reaching approximately 32.4 million metric tonnes (MMT). This pullback aligns with October's overall trend, as declining steel margins have tempered restocking demand from the Chinese steel mills.

Australia's iron ore exports fell by 6.2% to 18.1 MMT last week, while Brazil's exports similarly declined by 3.8% to 8.6 MMT, both affected by weakening demand from China. Canada's exports also dropped sharply, down 25.7% to 1.1 MMT. In contrast, South and West Africa continued their positive trend, with exports rising for the second consecutive week, up

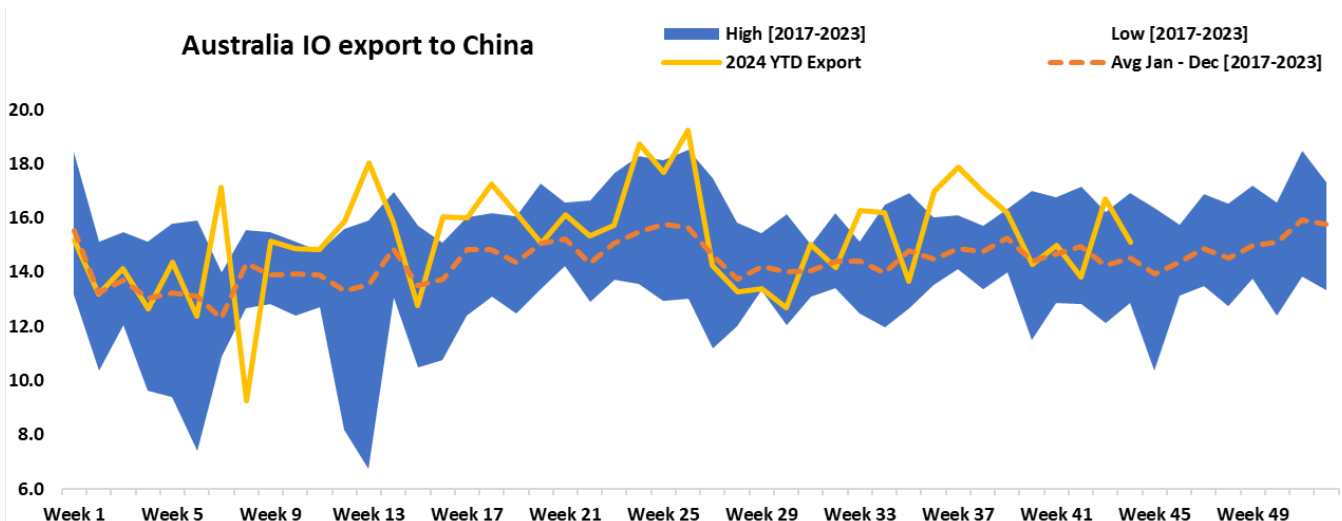
### Dry Bulk Trades/Iron Ore

Export (million tonnes)	Sep-24	Aug-24	Q3-24	Q2-24	Q1-24	Q4-23	2023	2022	2021
Australia	83.9	78.9	238.5	249.4	223.2	244.8	947.9	935.9	923.0
Brazil	35.1	38.1	108.2	95.6	84.2	103.3	372.0	344.6	353.3
South Africa	5.2	5.0	13.6	14.2	14.0	14.2	55.4	56.5	60.0
India	1.4	1.9	6.2	10.5	15.6	13.7	45.3	15.9	36.9
Canada	6.6	7.1	18.6	14.6	13.7	16.9	61.1	57.3	57.1
Others	16.1	17.4	50.5	53.9	48.4	51.2	184.1	177.5	201.8
<b>Global</b>	<b>148.3</b>	<b>148.4</b>	<b>435.7</b>	<b>438.2</b>	<b>399.2</b>	<b>444.1</b>	<b>1667.5</b>	<b>1587.8</b>	<b>1632.0</b>

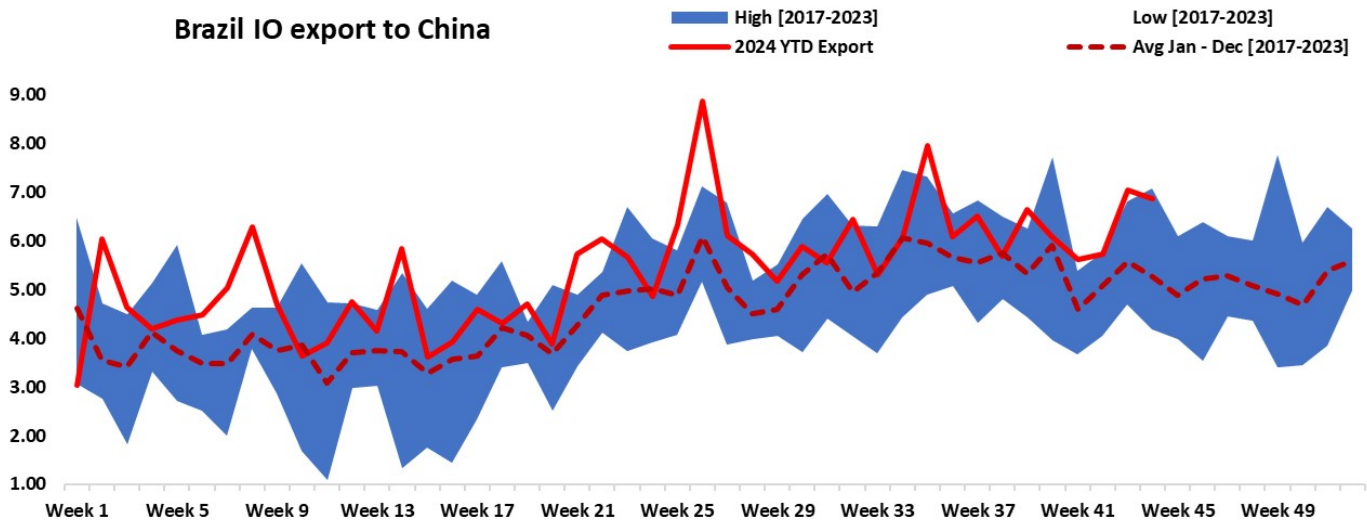
### Iron Ore Key Routes

	IO Export Million mt			Freight Rate \$/mt		
	Last Week	Prev. Week	Chg %	Last Week	Prev. Week	Chg %
Australia-China	15.1	16.7	-9%	8.63	8.71	-1%
Brazil-China	6.9	7.1	-3%	20.61	21.12	-2%

### Seasonality Charts



### Brazil IO export to China



### Dry Bulk Trades/Coal

Global coal shipments have continued their upward trajectory into the second week, rising by 3.5% to 30.1 MMT. This increase is primarily driven by sustained high demand from China, likely due to rising electricity consumption as temperatures drop with the approach of winter, and reduced hydropower availability. Indonesia’s coal exports fell marginally by 1.6%, despite the increased demand from China, as shipments to other smaller regions declined. Similarly, Australia’s exports also decreased by 4.9% to 7.1 MMT, reflecting a similar trend with reduced shipments to smaller markets. While the two top exporters experienced a decline, the third largest exporter Russia saw an increase of 8.0%, with exports rising to 3.2 MMT.

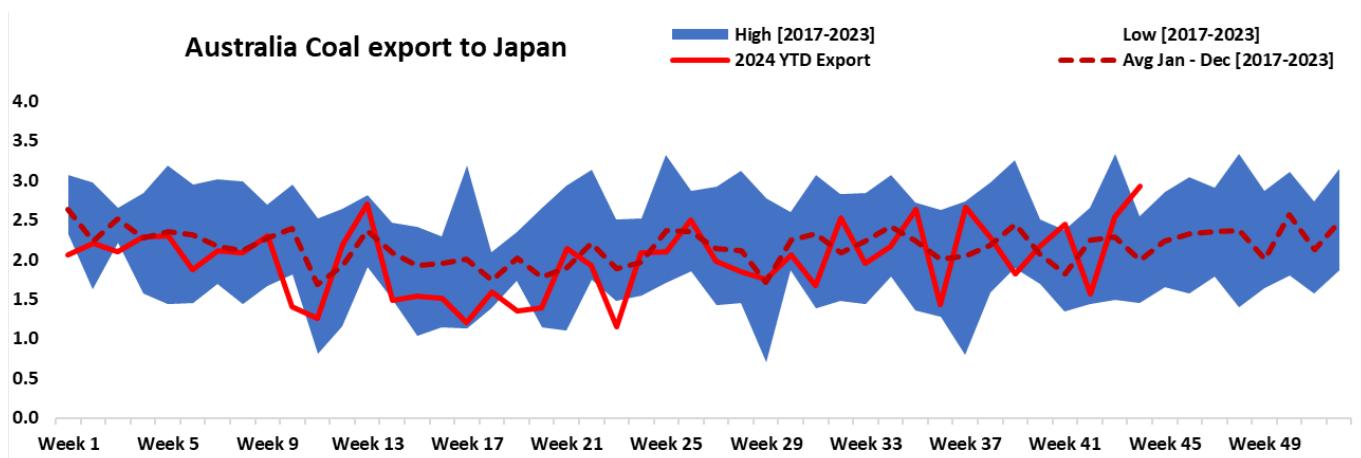
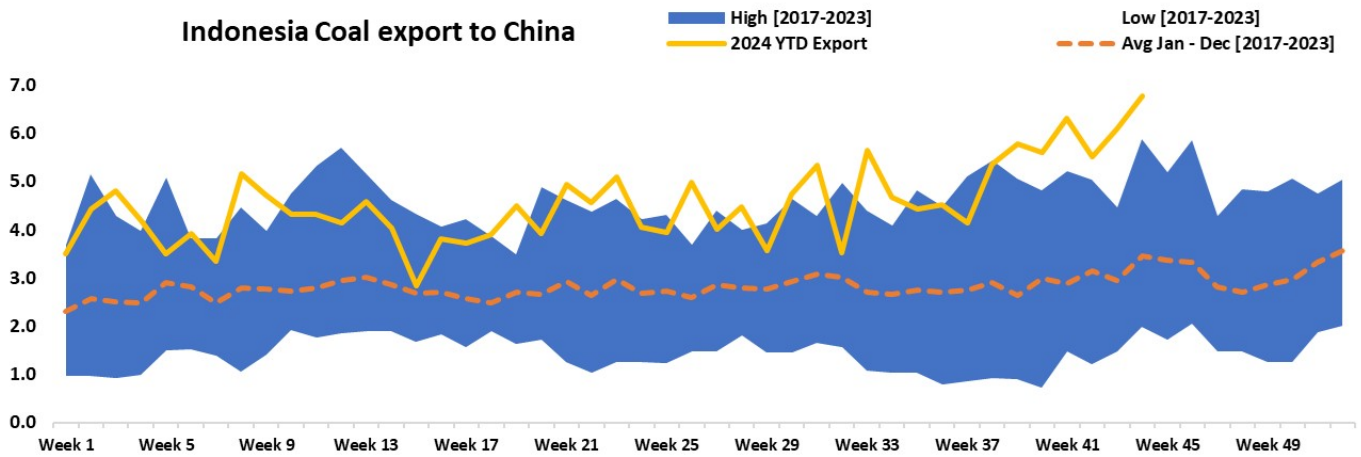
### Dry Bulk Trades/Coal

Export (million tonnes)	Sep-24	Aug-24	Q3-24	Q2-24	Q1-24	Q4-23	2023	2022	2021
Indonesia	48.1	45.9	139.7	136.3	130.6	143.5	508.7	462.2	415.2
Australia	30.9	33.6	92.4	90.7	86.5	94.9	356.0	339.2	368.4
Russia	11.4	14.8	41.8	45.0	36.8	39.6	186.9	192.5	172.1
USA	8.3	7.4	23.1	21.2	22.4	21.1	80.8	69.5	68.6
Colombia	4.7	5.7	15.1	16.8	16.7	16.3	59.2	61.0	60.7
South Africa	5.4	5.2	14.1	15.0	15.2	16.0	61.9	61.6	62.0
Others	8.9	7.7	24.9	27.2	26.0	29.3	105.7	556.0	501.3
<b>Global</b>	<b>117.6</b>	<b>120.3</b>	<b>351.2</b>	<b>352.3</b>	<b>334.2</b>	<b>360.6</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	6.8	6.1	11%
Australia-Japan	2.9	2.5	16%

### Seasonality Charts

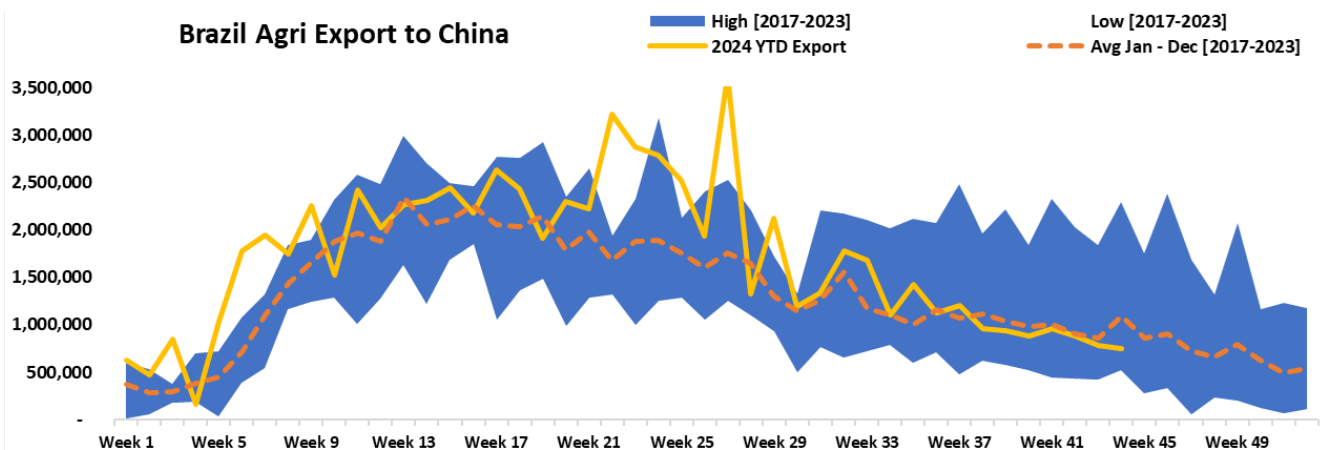


### Dry Bulk Trades/Agri

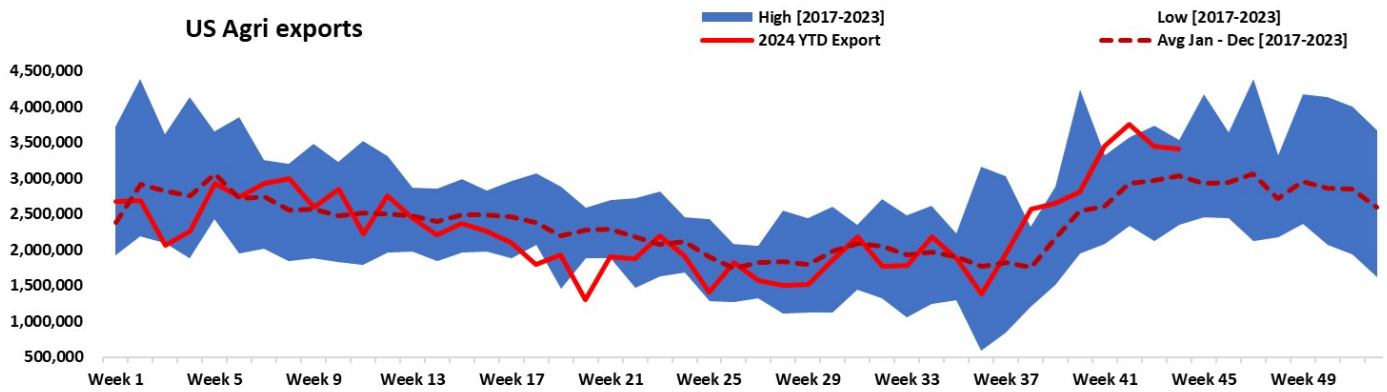
Global grain shipments slipped last week, falling by 8.1% to 11.1 MMT as major exporters volume contracted. According to data from IHS Markit Commodities at Sea Service, shipments from the East Coast of South America (ECSA) decreased by 3.5% to 4.5 MMT. A key contributor to this decline was Brazil, which fell by 13.4% to 3.2 MMT. In contrast, Argentina saw an increase of 32.3% to 1.3 MMT; however, this rise was insufficient to offset the overall decline in regional volumes from Brazil.

On the other hand, shipments from North America reported a decline, with weekly volumes falling by 3.3% to 4.6 MMT. Both the US and Canada experienced negative growth last week, with US export volumes decreasing by 0.9% to 3.4 MMT, while Canada saw a more significant drop of 9.8%, falling to 1.1 MMT.

### Seasonality Charts



## Seasonality Charts



## Dry Bulk Trades/Agri

Export (million tonnes)	Sep-24	Aug-24	Q3-24	Q2-24	Q1-24	Q4-23	2023	2022
Brazil	16.5	20.3	56.4	55.9	45.3	53.4	216.7	176.8
USA	9.2	8.6	25.2	25.0	34.1	34.7	106.7	129.5
Argentina	6.8	6.0	21.5	24.8	19.5	11.7	56.1	88.2
Ukraine	2.9	3.0	8.6	10.4	12.2	5.7	21.8	27
Canada	3.0	2.6	8.2	9.7	9.1	12.4	41.4	33.4
Russia	3.3	3.4	8.9	7.5	7.7	9.1	42.9	29.2
Australia	2.1	2.3	6.7	8.4	11.2	9.7	47.3	48.4
Others	4.2	5.3	15.8	18.1	21.7	22.0	82.8	402.6
<b>Global</b>	<b>48.0</b>	<b>51.4</b>	<b>151.4</b>	<b>159.8</b>	<b>160.9</b>	<b>158.8</b>	<b>615.7</b>	<b>628.9</b>

Data Source: IHS Markit Commodities at Sea Service, Bloomberg

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