

# FIS Dry Freight Weekly Report

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**Market Review:**

The Dry FFA market saw heightened price volatility last week, with Cape5TC 30-day spot volatility holding above 100% and Panamax 4TC exceeding 70%. Both segments retraced prior gains before finding support late in the week. In the Capesize market, robust Brazilian iron ore demand helped to offset weaker Australian exports, preventing further declines. However, the overall outlook remains cautious. For Panamax, rising ECSA grain shipments and increased cargo shifts from Capesize provided support, but a slight uptick in vessel supply could cap further gains. Fresh demand and positive sentiment will be needed to sustain momentum in the coming weeks.

Freight Rate \$/day	24-Mar	17-Mar	Changes %	Short Term
Capesize 5TC	22,311	22,954	-2.8%	Neutral
Panamax 4TC	11,168	11,287	-1.1%	Neutral to Bullish
Supramax 10TC	10,768	10,020	7.5%	Neutral to Bullish
Handy 7TC	10,785	10,315	4.6%	

**Capesize**

The Capesize market faced a gradual pullback last week, surrendering earlier gains before finding support towards the week's end. As previously noted, iron ore flows were constrained by reduced Australian exports, though this was largely offset by strong shipments from Brazil. According to Kpler data, a brief resurgence in iron ore demand could materialize in the coming week, with estimated increases in shipments from both basins. However, overall cargo volumes are projected to gradual decline into early April.

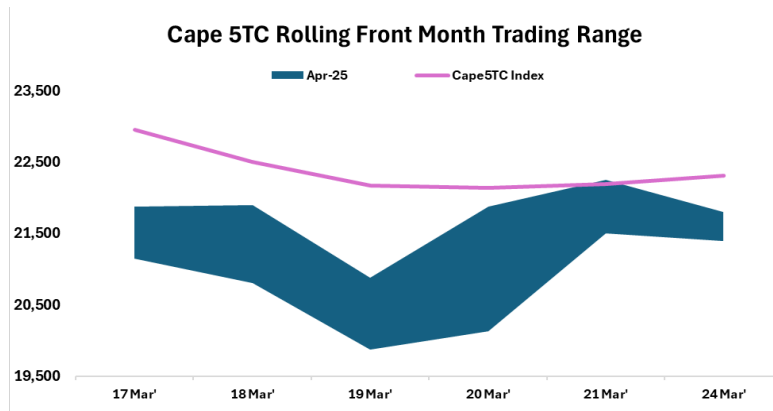
On the demand side, signs of weakness surfaced as some smaller Chinese steel mills initiated production cuts of approximately 10% in response to ample supply and weaker steel margins. While the overall market impact remains limited, sentiment has been dampened. In terms of freight activity, the C5 route saw fixtures decline from around \$10 to \$9.30 for early April laycan, reflecting softer activity levels. Meanwhile, Brazilian exports extended their upward momentum for a second consecutive week, and this trend is expected to persist over the next two weeks. Despite an initial drop in fixing rates due to muted activity, C3 rebounded to prior-week levels, settling around \$24.35 for mid-April cargoes as Chinese buyers are boosting purchases of Brazilian iron ore during dry season.

For the week beginning 24<sup>th</sup> March, Capesize iron ore shipments were estimated at 15.6 million tonnes (-0.1% w-o-w), rising to 17.3 million tonnes for the week starting 31<sup>st</sup> March. Notably, vessel-tracking sources indicate an increasing shift of iron ore cargoes to Panamax vessels, as the Cape-Panamax freight spread remains at its highest level this year. Meanwhile, Capesize coal shipments is anticipating a sharp weekly drop this week to 3.4 million tonnes(-42% w-o-w), but may rebound in early April. Bauxite shipments from Guinea and Australia to China peaked this week at 5.6 million tonnes but are expected to decline to a four-week average of 1.3 million tonnes from 31<sup>st</sup> March onward. In fleet dynamics, the number of Capesize ballasters rose from 567 to 579 as of 24<sup>th</sup> March, increasing vessel availability.

**FFA:** Capesize FFA prices softened at the start of the week, with prompt months shedding \$350 on Tuesday. April traded below \$21,000, while Q2 ranged between \$22,000 and \$22,500. By Wednesday, selling pressure deepened, with April pricing near \$20,000 and Q2 at \$21,250. The Cal26 contract also eased, slipping to \$19,600. However, sentiment improved on Thursday as stronger C3 fixtures supported a price reversal, pushing April to \$21,950 and Q2 towards \$22,650. Despite some profit-taking towards the close, the forward curve finished the week on a firmer footing.

Early this week, limited Pacific activity failed to sustain the rebound, leading to a sharp FFA correction on light volume. April and Q2 contracts softened to \$21,400 and \$22,150, respectively, while Cal26 slipped to \$19,700 (-\$250).

**Short run neutral**



## Panamax

The Panamax market ended last week on a softer note, with weaker momentum in the Atlantic amid limited fresh cargoes on the transatlantic routes. Meanwhile, Pacific rates retreated midweek, prompting market participants to step back. Despite oversupply pressures in the TA market, P1A held firm at the \$10,000 level, while P2A remained above \$17,000. In the southern hemisphere, sentiment shifted midweek as owners hesitated amid a sell-off in the FFA market.

Looking ahead, ECSA grain exports continue to provide a positive backdrop, with Panamax shipments from Brazil and Argentina increasing for the fourth consecutive week. Estimated total weekly shipments for the week starting 24<sup>th</sup> March stood at 4.7 million tonnes (+9% w-o-w), with forecasts suggesting a further rise to 7.4 million tonnes in the following week. On the fixtures side, ECSA-Singapore/Japan trips for April loading were reported at a firm \$14,000-\$15,000.

In the Pacific, Chinese demand showed signs of cooling towards the end of March, with coal flows stabilizing. Kpler data suggests that Australian coal exports will dip this week before surging to a record high of 13.4 million tonnes for the week beginning 31<sup>st</sup> March. Meanwhile, Indonesian coal shipments are projected to edge lower, and total Panamax coal-carrying volumes are expected to decline by 6% to 12.5-13.2 million tonnes for the week starting 24<sup>th</sup> March. While overall cargo volumes dipped this week, they remained in line with the four-week moving average, with expectations of a near-term uptick.

On the supply side, the total number of open Panamax and Kamsarmax ships increasing from 1,387 to 1,415 as of 24<sup>th</sup> March. Despite the rise, availability remains at relatively low levels since December 2023, offering some support to freight rates.

**Panamax FFA:** Following the downward trend in Capesize, Panamax futures softened midweek as sellers capitalized on market premiums. Tuesday saw the highest trading volume of the week, with April contracts falling from \$12,200 to \$11,500, while Q2 dropped from \$12,250 to \$11,850. The sell-off continued into Wednesday, keeping rates in a tight range—April slipped to \$11,500, and Q2 remained at \$11,850. However, sentiment shifted on Thursday and Friday as buyers re-entered the market, pushing April back up to \$11,750 and Q2 to \$12,000. By the end of the week, the market closed with only marginal losses.

This week started on a mixed note, with slow fixture activity in Asia, although P6 remained firm. Panamax FFAs drifted lower, with April and Q2 shedding nearly \$350 in a single session, while further-out contracts like Q4 and Cal26 also lost around \$100. Despite the recent pullback, underlying fundamentals particularly strong grain flows from ECSA suggest potential resilience in the near term.

### Short run neutral to bullish

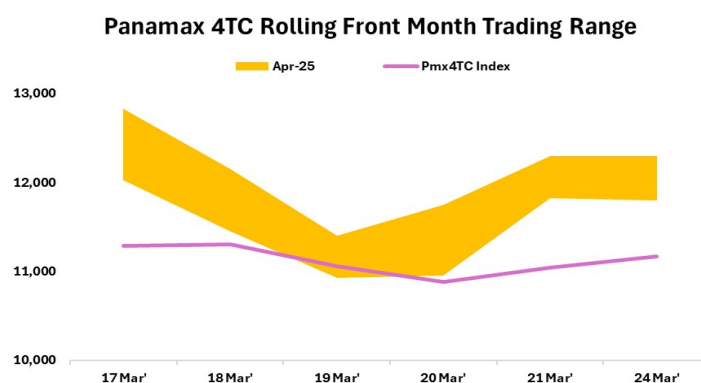


Chart source: FIS Live

## Supramax

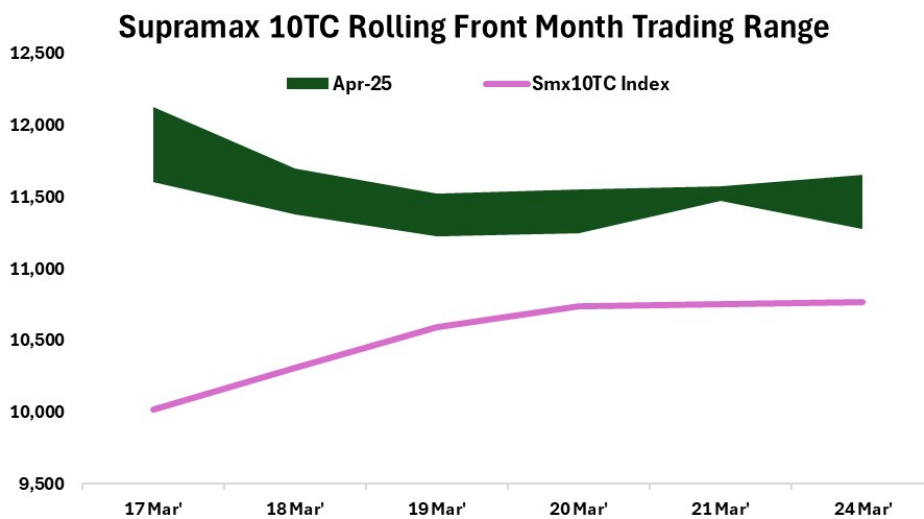
FFA: The Supramax sector saw slight gains over the past week, with positive movements in the US Gulf at the start of the week, though some market participants suggested that the region may have reached a temporary peak. The South Atlantic remained finely balanced, while the Asian market strengthened on the back of improved Indonesian coal demand.

Highlighted fixtures included coal cargoes for redelivery to India fixing at \$17,000- \$18,000, while trips to China were heard at mid \$15,000s. Demand in the northern Pacific weakened slightly, with NoPac rounds closing at close to \$15,000. The Indian Ocean also saw increased activity, highlighted by a 61,000-dwt vessel fixing delivery from Port Elizabeth for a trip to China at \$15,000.

Supramax paper markets started the week quietly, with March trading up to \$10,125 and April fluctuating between \$11,700 and \$11,900. However, selling pressure emerged on Tuesday, pushing April down to \$11,500. Despite a positive index, midweek trading remained flat, with April ranging between \$11,400 and \$11,650. On Thursday, sentiment turned firmer despite weaker physical markets. March contracts traded up to \$10,000, while April recovered to \$11,800, supported by a positive index. Q2 remained stable at \$11,900, and Cal26 moved to \$10,900. Friday ended on a quieter note with thin liquidity, though some back-end interest was seen as Q2 and Q3 traded at \$12,000, Q4 at \$11,450, while a marginal index gain (+\$16) failed to stimulate further activity.

On Monday 24<sup>th</sup> March, Supramax paper had a dull start, with April briefly touching \$11,550 before dropping to \$11,200. An uninspiring index (-\$15) led to thinning liquidity, with Q2 falling from \$12,000 to \$11,800, while the back end saw Cal26 trade at \$10,800.

### Short run neutral to bullish



## FFA Market Indexes

Freight Rate \$/day	24-Mar	17-Mar	Changes %	2025 YTD	2024	2023	2022	2021
Capesize5TC	22,311	22,954	-2.8%	12,467	22,593	16,389	16,177	33,333
Panamax4TC	11,168	11,287	-1.1%	7,999	12,763	11,518	8,587	25,562
Supramax10TC	10,768	10,020	7.5%	8,165	13,601	11,240	8,189	26,770
Handy7TC	10,785	10,315	4.6%	8,928	12,660	10,420	8,003	25,702

## FFA Market Forward Values

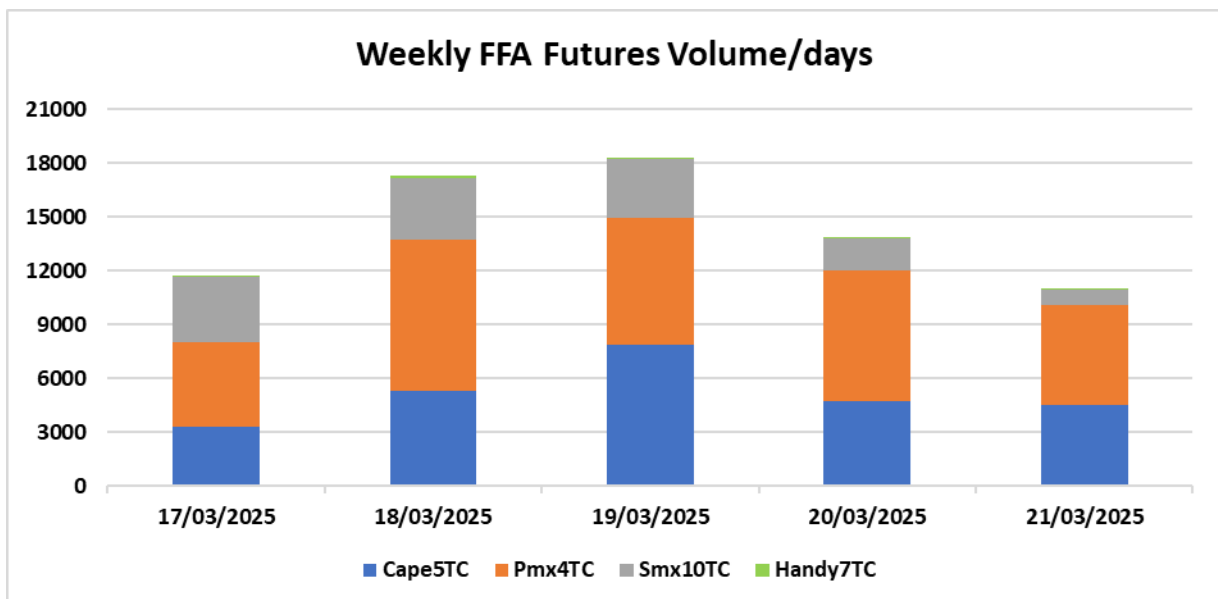
FFA \$/day	24-Mar FIS Closing	17-Mar FIS Closing	Changes %	Weekly Mkt High	Weekly Mkt Low	2025 YTD Mkt High	2025 YTD Mkt Low
Capesize5TC Apr 25	21,400	21,250	0.7%	22,250	19,875	23,900	14,575
Capesize5TC Q2 25	22,150	22,225	-0.3%	22,875	20,950	23,900	16,075
Panamax4TC Apr 25	11,800	12,025	-1.9%	12,300	10,950	13,375	9,475
Panamax4TC Q2 25	11,975	12,375	-3.2%	12,475	11,425	13,300	9,900
Supramax10TC Apr 25	11,300	11,600	-2.6%	11,700	11,225	13,500	9,600
Supramax10TC Q2 25	11,650	11,825	-1.5%	11,950	11,575	13,400	9,875

Data Source: FIS Live, Baltic Exchange

## FFA Market

Dry FFA market saw a surge in price volatility last week with Cape5TC spot 30D vol remaining above 100% mark and Pmx4TC spiking over 70%, in terms of trading activity market volume included options come off to about 83,300 lots. We saw market interests even on the large vessel sizes, around 21,160 lots cleared in Cape where large volume traded at the low on Tuesday and Wednesday; while slightly higher volume cleared on Panamax, around 33,030 lots last week and trading activity were almost evenly mid-week with price dipped to low and rebound, indicating lack of conviction in trend. On the option front, majority of the interests was again focusing on Capes, with weekly total of 3,590 lots traded, along with 960 lots done in the Panamax and small sizes Supramax. On the voyage route, C5 saw decent interest with 6.505 million tonnes cleared mainly on Mar-Apr contracts. Additionally, 260kt of C3 traded on March and Q2.

On Monday 24<sup>th</sup> March Cape5TC open interest stood at 184,632 lots (+8,730 w-o-w), Pmx4TC at 187,321lots (+7,580 w-o-w), Smx10TC at 87,395 lots (+4,070 w-o-w). The weekly increase on open interest has slowed down suggest traders are less aggressive on adding new positions.



## Dry Bulk Trades/Iron Ore

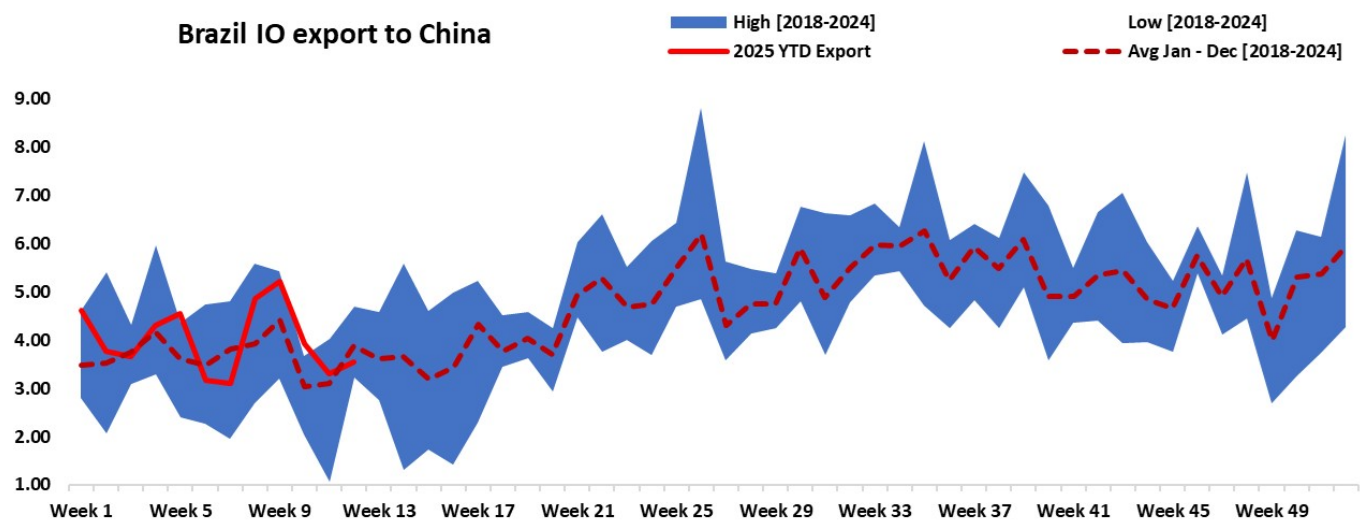
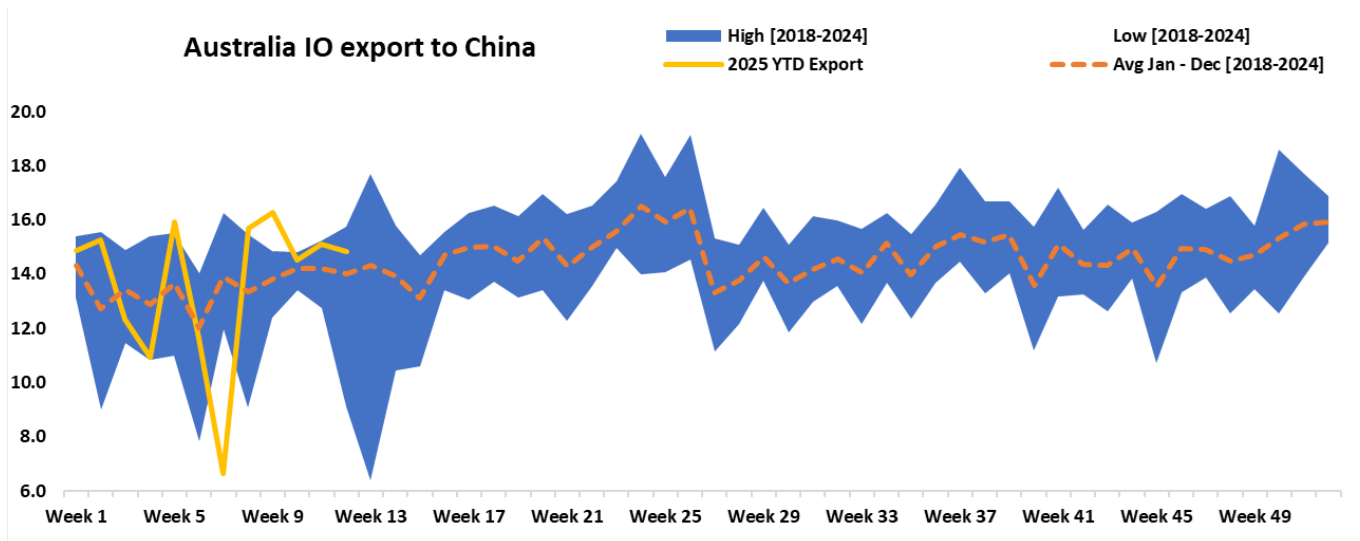
### Dry Bulk Trades/Iron Ore

Export (million tonnes)	Feb-25	Jan-25	Q4-24	Q3-24	Q2-24	Q1-24	2024	2023	2022
Australia	58.1	70.9	237.7	234.3	245.4	237.7	936.1	925.5	921.6
Brazil	25.5	26.1	97.3	105.8	94.9	81.8	379.7	370.4	342.1
South Africa	3.9	4.5	13.0	12.9	13.4	13.7	53.0	52.9	52.5
India	2.9	2.1	6.9	6.3	10.2	14.1	37.5	44.5	16.2
Canada	3.1	4.1	14.3	17.3	13.1	12.5	57.2	57.6	53.1
Others	18.0	17.8	55.6	57.6	58.3	53.2	224.7	206.8	198.9
<b>Global</b>	<b>111.6</b>	<b>125.5</b>	<b>424.7</b>	<b>434.2</b>	<b>435.3</b>	<b>394.1</b>	<b>1688.2</b>	<b>1657.6</b>	<b>1584.4</b>

### Iron Ore Key Routes

	IO Export Million mt			Freight Rate \$/mt		
	Last Week	Prev. Week	Chg %	Last Week	Prev. Week	Chg %
Australia-China	14.8	15.1	-2%	9.71	10.70	-9%
Brazil-China	3.6	3.3	7%	24.21	23.73	2%

### Seasonality Charts



## Dry Bulk Trades/Coal

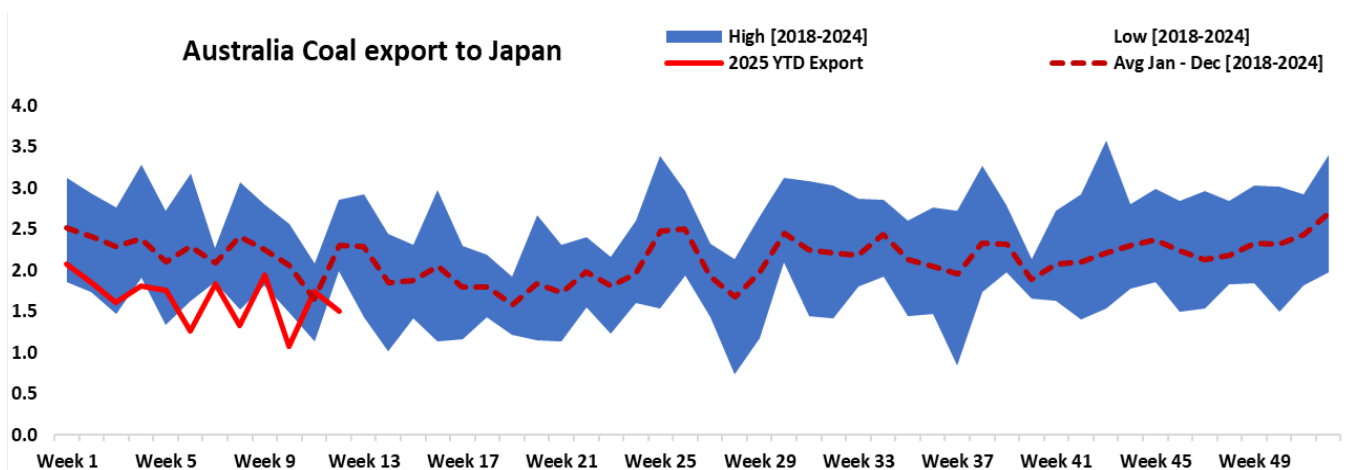
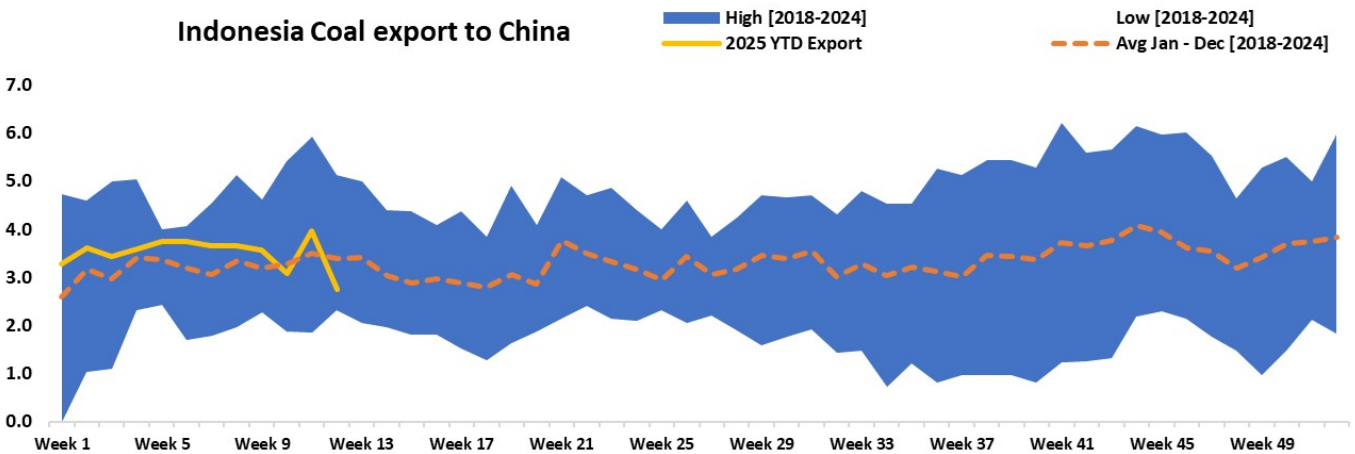
### Dry Bulk Trades/Coal

Export (million tonnes)	Feb-25	Jan-25	Q4-24	Q3-24	Q2-24	Q1-24	2024	2023	2022
Indonesia	39.5	39.3	142.6	131.4	130.4	129.1	533.5	505.8	451.5
Australia	22.4	25.2	96.6	90.3	88.8	85.5	361.2	353.3	341.3
Russia	10.9	12.3	36.1	40.3	43.3	36.8	156.5	180.8	178.3
USA	7.0	6.1	24.1	22.6	21.6	22.0	90.3	83.7	75.9
Colombia	4.6	3.1	13.0	13.3	15.8	14.7	56.9	57.7	54.5
South Africa	17.6	5.6	17.6	13.1	14.7	15.3	60.6	60.0	58.6
Others	7.9	8.4	28.9	29.5	30.3	30.1	118.8	556.0	501.3
<b>Global</b>	<b>96.4</b>	<b>99.9</b>	<b>358.9</b>	<b>340.5</b>	<b>344.9</b>	<b>333.5</b>	<b>1377.8</b>	<b>1365.2</b>	<b>1288.6</b>

### Coal Key Routes

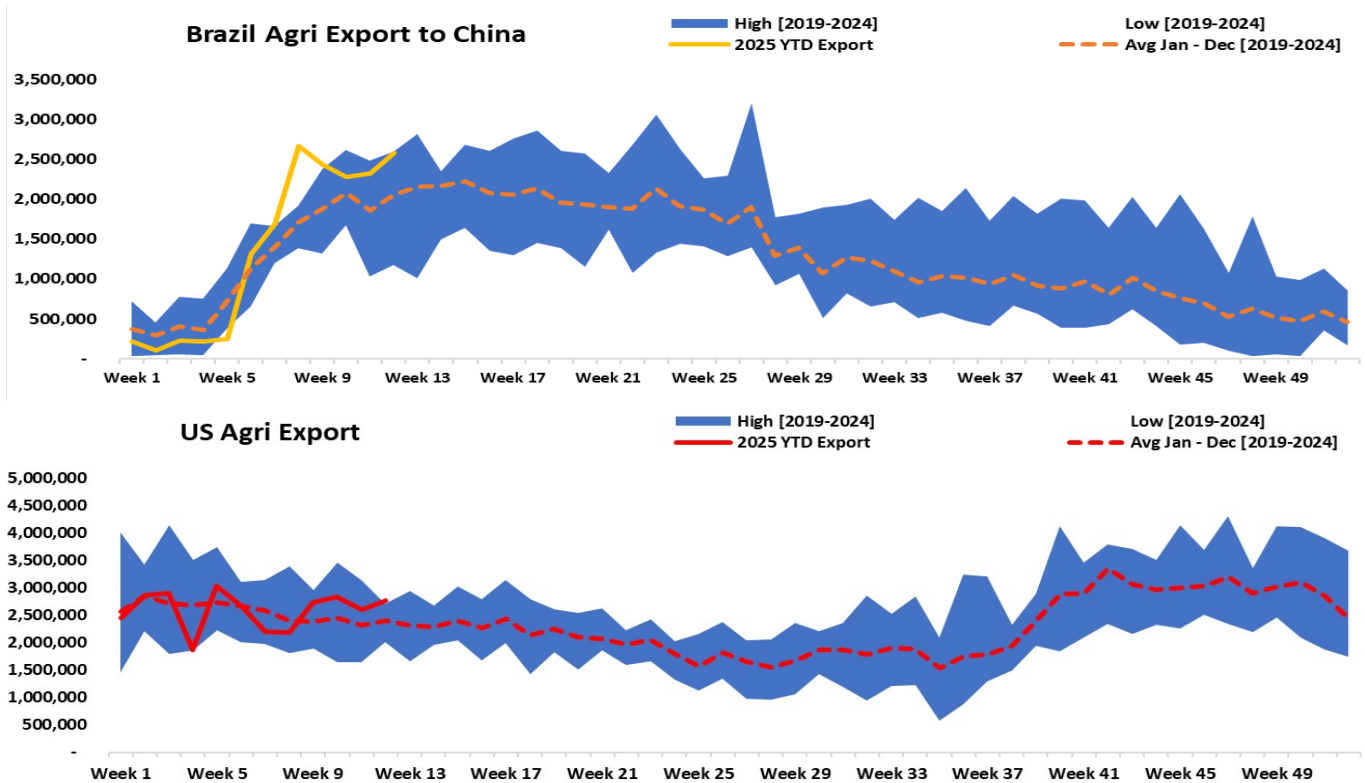
Coal Key Routes	Coal Export Million mt		
Coal Export Million mt	Last Week	Prev. Week	Chg %
Indonesia-China	2.8	4.0	<b>-30%</b>
Australia-Japan	1.5	1.7	<b>-14%</b>

### Seasonality Charts



## Grains

### Seasonality Charts



### Grains/Oilseed

Export (million tonnes)	Feb-25	Jan-25	Q4-24	Q3-24	Q2-24	Q1-24	2024	2023
Brazil	13.7	6.8	29.2	45.9	48.5	36.8	160.4	181.8
USA	9.8	11.5	42.3	24.7	24.1	33.0	124.1	102.4
Argentina	6.3	7.3	17.7	19.8	23.6	18.4	79.6	52.3
Ukraine	2.4	1.3	7.7	9.9	12.1	12.8	42.5	25.3
Canada	3.0	3.9	15.4	9.1	10.3	9.2	44.0	40.3
Russia	1.9	2.2	11.1	12.9	12.1	11.8	47.7	49.9
Australia	3.1	3.4	6.4	5.4	7.8	10.0	29.6	40.7
Others	6.2	5.6	17.8	21.5	21.3	25.7	86.2	100.9
<b>Global</b>	<b>46.4</b>	<b>42.1</b>	<b>147.7</b>	<b>149.2</b>	<b>159.8</b>	<b>157.6</b>	<b>614.2</b>	<b>593.6</b>

Data Source: IHS Markit Commodities at Sea Service, Bloomberg

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