

Dry FFA Market Signals

Bull

- **Iron Ore Key Routes:** As expected, C5 iron ore flows edged lower last week, down 0.7% week-over-week to 15.1 million tonnes, and this trend could persist into early April. However, C3 volumes surged sharply last week to 4.8 million tonnes, marking a 17% increase from the previous week. This upward trend is anticipated to continue until mid-April, with weekly cargo volumes forecasted to peak at 5.3–5.8 million tonnes this week. Additionally, iron ore demand from other regions is expected to pick up. (Cape C3).
- **Metals:** Bauxite shipments from both Guinea and Australia continue to rise. (Cape).
- **TA Market:** The market gained momentum as the P1a and P2a indices climbed to a six-month high amid fresh cargo demand. (Pmx & Handy).
- **ECSA Grains:** Market forecasts indicate a positive outlook, with weekly exports expected to reach 8.7 million tonnes (+3 million tonnes week-over-week) for the week starting March 31, followed by 6 million tonnes per week in early April. (Pmx).

Bear

- **Chinese Demand:** Both steel output and consumption have increased, which could prompt mills to boost production. However, Chinese iron ore port stocks remain high and have risen for a second consecutive week. Weekly iron ore shipment volumes are forecasted to decline for a third consecutive week starting March 31, before potentially rebounding in the following weeks. (Cape).
- **Coal Shipments:** Australian coal shipments dropped 10% to 7.0 million tonnes last week but are projected to hit a record high in the coming week. Exports to China are expected to remain flat, while minor increases are anticipated for South Korea and Japan. However, a noticeable rise in exports to South Asia will drive total weekly exports to 9.4–10.7 million tonnes for the week beginning March 31. This increase, however, is offset by declining Indonesian shipments, which fell last week and are likely to continue decreasing through early to mid-April. If lower Indonesian exports persist, the coal market may not provide strong support in early April. (Pmx).
- **Cape/Pmx Spread:** The Cape/Pmx spread has retreated from its highest level this year. Vessel tracking data suggests that iron ore shipments via Pmx vessels will decrease this week. (Pmx).
- **Market Activity:** Key regions have experienced a slowdown last week due to the Ramadan holiday on Monday 31st March. (Dry bulk).
- **Global Trade Uncertainty:** Market participants remain cautious amid US tariffs and ongoing global trade uncertainties. (Dry bulk).

Ferrous Market Signals

Bull

- According to MySteel, China iron ore daily production at 2.37 million tons, up by 9% on the year.
- China mills profit recovered in March compared to February. The real profit level expected to expand in April with sales improvements and less variable costs.
- China five types of steel apparent consumption up by 1.4% on the week.
- DCE active contract roll from May25 to Sep25, which potentially lower the selling pressure on May contract, with strong deliverable quality of iron ores.
- Indian steel production up by 6.5% for the first two months in 2025, it is expected to increase in Q1 and Q2.
- Asian construction season support resilient steel demand from March to May.

Bear

- Low landing margin on iron ores frustrated some import demand.
- Singapore and China holiday this week dampened short-run import, physical iron ore market was the most quiet week in March during past week.
- Tariffs uncertainties and earthquake rise risk-hedging sentiment.
- China port stocks increased for last two weeks at 145.2 million tons, the number was at seasonal high.
- DCE coking coal May contract refreshed lowest since June 2017, Shanxi secondary coking coal refreshed lowest since Oct 2016, which drag down performance of ferrous sector.

Market Data Snapshot (28st March)

Open Interest /lots	Apr-25	May-25	Jun-25	Jul-25	Aug-25	Sep-25
Cape5TC	21,996	14,199	12,088	10,499	10,469	10,469
Pmx4TC	31,441	22,153	17,086	9,996	9,981	9,976
Smx10TC	11,835	8,140	7,360	5,665	5,675	5,675
Iron Ore 62%	300,988	337,164	159,819	91,071	55,790	53,684
Coking Coal	4,152	3,630	2,284	2,152	1,932	1,892
US HRC	5,939	7,956	9,132	4,556	1,743	1,485

Price	Apr-25	May-25	Jun-25	Jul-25	Aug-25	Sep-25
Cape5TC \$/day	19,508	21,092	21,671	21,733	21,713	22,038
Pmx4TC \$/day	11,888	11,871	11,729	11,713	11,608	11,608
Smx10TC \$/day	13,224	13,207	13,065	13,049	12,944	12,944
Iron Ore 62% \$/mt	103.38	102.23	101.35	100.45	99.68	98.97
Coking Coal \$/mt	175.5	176.5	177.5	180.5	184.75	186.75
US HRC \$/st	890	847	820	819	825	825

OI WoW %	Apr-25	May-25	Jun-25	Jul-25	Aug-25	Sep-25
Cape5TC	6.8%	8.1%	-0.6%	3.2%	2.9%	2.9%
Pmx4TC	2.0%	12.7%	4.0%	4.2%	4.0%	4.0%
Smx10TC	7.0%	6.2%	1.4%	1.0%	1.0%	1.0%
Iron Ore 62%	-9.8%	28.0%	16.8%	23.1%	12.5%	13.4%
Coking Coal	4.4%	11.6%	0.0%	0.9%	1.0%	1.1%
US HRC	-2.7%	0.0%	-0.8%	2.6%	0.0%	-0.2%

Price WoW %	Apr-25	May-25	Jun-25	Jul-25	Aug-25	Sep-25
Cape5TC \$/day	-10.9%	-8.0%	-5.6%	-5.1%	-4.6%	-4.3%
Pmx4TC \$/day	-1.8%	-5.1%	-5.5%	-5.5%	-4.4%	-4.1%
Smx10TC \$/day	13.8%	9.4%	7.8%	7.8%	8.1%	9.3%
Iron Ore 62% \$/mt	3.5%	3.5%	3.5%	3.5%	3.4%	3.4%
Coking Coal \$/mt	2.0%	2.0%	2.0%	0.8%	3.2%	4.3%
US HRC \$/st	-3.2%	-5.7%	-3.8%	-1.9%	-1.2%	-1.2%

Sources: EEX, SGX, CME

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