FIS

Dry Freight Weekly Report

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27/05/2025

Market Review:

The Capesize sector faced mounting pressure despite a slight improvement in fundamentals. As the decline in Guinean bauxite exports offset gains from iron ore and coal cargoes, limiting total cargo volumes. While Pacific activity remained strong with iron ore supply are expected to rise in Jun, especially from Australian miners before the fiscal year-end. However, near-term caution persists due to expected dips in iron ore flows tied to activity slow down due to industrial events in Singapore and various holiday this week. For the Panamax market, rates deteriorated as both Atlantic and Pacific basins saw declining activity. Supply-side pressure intensified with further increase in ballast vessels. Until more solid ECSA grain cargo flows return, the near-term Panamax outlook stays bearish.

Freight Rate $/day	27-May	20-May	Changes %	Short Term
Capesize 5TC	15,757	15,454	2.0%	Bearish to Neutral
Panamax 4TC	9,882	10,310	-4.2%	Bearish
Supramax 10TC	10,392	10,377	0.1%	Neutral to Bullish
Handy 7TC	10,451	10,085	3.6%	

Capesize

Despite a gradual recovery in physical market fundamentals, Capesize FFA values came under pressure last week, driven primarily by bearish sentiment surrounding restricted bauxite exports from Guinea. Bauxite shipments fell 25% week-on-week—down 1.3 million tonnes to 3.88 million tonnes—effectively offsetting the increase in iron ore and coal cargoes. As a result, total Capesize shipments saw only a marginal increase, reaching 21.8 million tonnes. On a positive note, the C5 (West Australia–China) route recorded its third consecutive week of growth, reaching 17.0 million tonnes. Pacific fixing activity was robust, with rates on the C5 climbing from the mid-to-high $7s to $8.50 for 10–12 June laycans. Conversely, C3 (Brazil–China) saw rates ease slightly to $18.60 for 14–23 June dates, reflecting a softening Atlantic market.

Looking ahead to Week 22, Capesize cargo volumes are projected to edge higher for the fourth week running, to 22.8 million tonnes, underpinned by stronger iron ore flows. A more pronounced surge is forecast for the week beginning 2nd June, as Australian miners push volumes ahead of the financial year-end. Shipments are expected to jump 47% to 33.5 million tonnes—an increase of 10.7 million tonnes week-on-week. That said, near-term caution is warranted: Week 22 iron ore volumes may retreat by 2.2 million tonnes to 13.1 million tonnes (-14% w-o-w), due to reduced activity around an industry event in Singapore and a holiday in China end of May. Coal flows are forecast to rise modestly by 2% to 5.3 million tonnes, ahead of a projected record 9.3 million tonnes in early June, driven by strong buying from Japan and India.

On the supply side, ballast vessel counts dropped to 624 last week (-19), as more vessels were absorbed into Pacific employment. However, this number is expected to rebound to 648 by 26th May, reflecting a rebalancing as demand fluctuates. With bauxite volumes still under threat and iron ore flows temporarily easing, the Capesize market appears vulnerable to near-term downside.

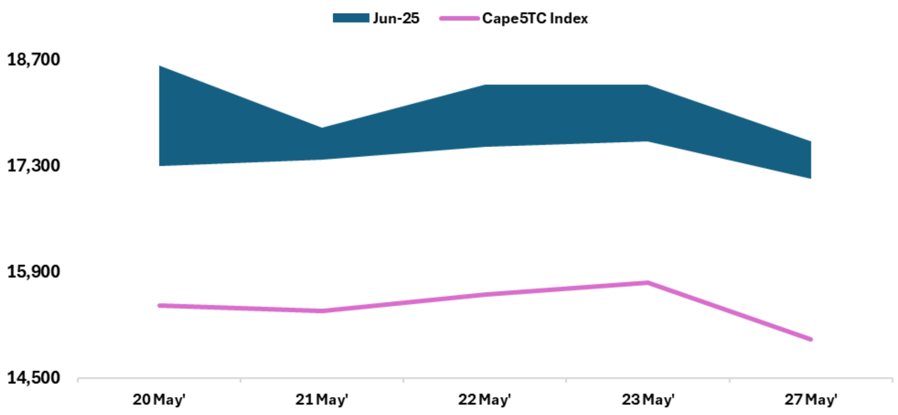
FFA: A volatile week saw prompt Capesize FFA contracts largely round-trip, despite heavy trading volumes. June opened near $17,750 but fell sharply midweek on negative bauxite news, briefly dropping $2,000. A rebound on Tuesday lifted June to a weekly high of $18,400, before another sell-off brought it back to $17,600 by Friday. July mirrored the same pattern, topping $18,500 midweek but ending at $17,600. Q3 showed initial stability around $18,000–$18,500 before succumbing to selling pressure and closing just below $17,500.

After the UK bank holiday, sentiment remained bearish: June quickly slid to $17,400, and Q3 opened $500 lower at $17,000.

Bearish to Neutral

Chart source: FIS Live

Cape 5TC Rolling Front Month Trading Range



Panamax

The Panamax market came under broad pressure last week, with both basins turning negative midweek. Total Panamax shipments dropped 15% or 4.1 million tonnes to 22.3 million tonnes in Week 21, well below the 4-week moving average of 24.8 million tonnes. The largest drag came from coal, particularly in Asia, where weekly Panamax coal shipments fell 21% week-on-week to 11.8 million tonnes—a two-month low. In the Atlantic, pressure stemmed from a 12% decline in ECSA grain exports to 3.2 million tonnes. On the supply side, the number of ballast vessels rose significantly, up 62 vessels to 1,484.

Fixing activity began the week on a firm note, with NOPAC rounds fixed at around $10,000. However, as the week progressed, rates declined. EC Australia to South China coal trips fixed at $9,000, and Indonesia saw limited fresh demand. In the Atlantic, trans-Atlantic activity was again subdued—P1A fell sharply to $9,805 (-10% w-o-w), while P2A softened to $17,117. Some front-haul support persisted, with NCSA grains fixed at $19,000 (29–31 May laycans), and ECSA-Singapore/Japan trips paid up to $12,800.

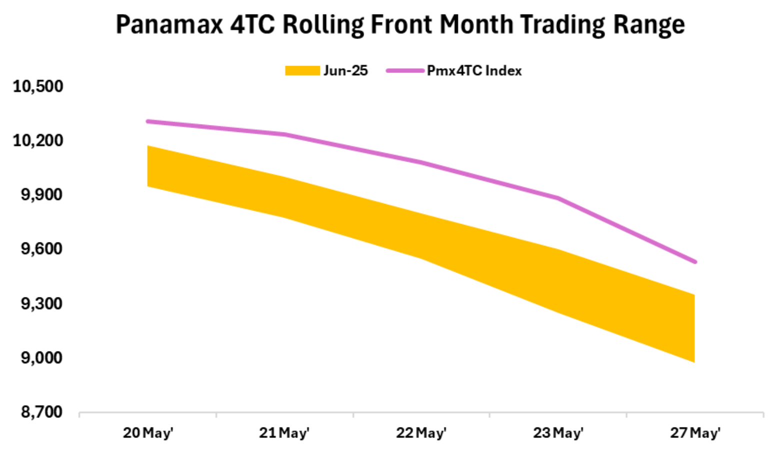
Looking to Week 22, Panamax shipments are projected to recover modestly to 22.9 million tonnes. However, this remains below recent averages, and until stronger demand materialises, the market outlook stays bearish. Positively, ECSA grains are expected to rebound to 4.6 million tonnes (+45%), and further to 5.5 million tonnes the week after. Still, vessel supply continues to rise, with the open Panamax/Kamsarmax list expected to reach 1,510 by 26th May, compounding pressure on rates.

FFA: Panamax paper turned sharply lower midweek as sentiment turned negative, June spent two days hovering around $10,000 before trading below $9,800 on Thursday and $9,250 on Friday. July followed suit, trading from $10,100 to $9,700-$9,800, last $9,400 towards the weekend. Large volume changed hand on Q3, initially held between $10,300 and $10,450, before falling below $10,000 and large sizes done at around $9,850, closing the week at $9,700. Although futures were fairly discount, selling pressure remained significant.

At the new week, Pmx front months opened $200 lower - June stayed near $9,000, July art $9,200 while Q3 drifted to $9,500. Unless a clear turnaround from the physical side, we could see Panamx tests new lows this week.

Bearish

Chart source: FIS Live



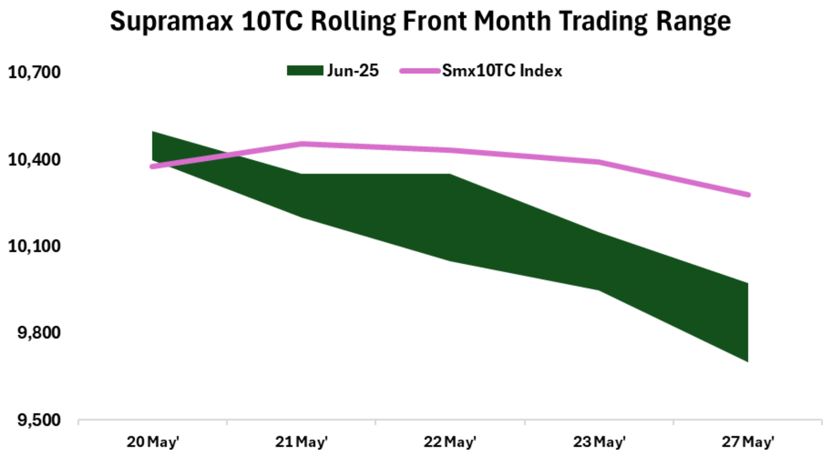
Supramax

Supramax rates remained relatively steady, diverging from the declines seen in larger segments. Spot market activity was supported by consistent front-haul and trans-Atlantic demand, with better US coal flows into India and small uptick in mineral and grains activity from the Continent. In Asia, Indonesian coal activity declined for a second consecutive week, but this was offset by stronger Australian grain exports.

For Week 22, Supramax demand is expected to rise by 13% to 19.5 million tonnes, driven by increasing coal and mineral shipments. However, the supply side is also expanding: the number of open Supramax and Ultramax vessels rose for the fourth consecutive week to 1,528 (as of 19th May), maintaining a balanced near-term outlook.

FFA: Supramax paper saw a softening trend across the week, with activity picking up midweek before tapering off amid weaker sentiment and poor index prints. Monday opened quietly, with the Jun/Jul spread trading between -$50 and +$50 and Cal26 printing at $10,100 as the curve held session lows. Tuesday brought more activity, with the Jun/Jul spread trading at -$50 again and Cal26 firming to $10,200 and $10,250, while Cal27 printed at $10,700. Wednesday saw a busier market, though ultimately flat on the day—Cal26 traded at $10,250, and the Jun/Jul spread remained active at -$50. On Thursday, the curve softened as June fell to $10,050, July to $10,200, and Q3 down to $10,350 following a negative index. The downtrend continued into Friday, with June and July both slipping to $10,000, and Q3 trading down to $10,200, ending the week with thin liquidity and muted sentiment.

Neutral to Bullish



FFA Market Indexes

Freight Rate $/day	27-May	20-May	Changes %	2025 YTD	2024	2023	2022	2021
Capesize5TC	15,757	15,454	2.0%	14,013	22,593	16,389	16,177	33,333
Panamax4TC	9,882	10,310	-4.2%	9,104	12,763	11,518	8,587	25,562
Supramax10TC	10,392	10,377	0.1%	9,005	13,601	11,240	8,189	26,770
Handy7TC	10,451	10,085	3.6%	9,526	12,660	10,420	8,003	25,702

FFA Market Forward Values

FFA $/day	27-May FIS Closing	20-May FIS Closing	Changes %	Weekly Mkt High	Weekly Mkt Low	2025 YTD Mkt High	2025 YTD Mkt Low
Capesize5TC Jun 25	17,875	17,975	-0.6%	18,625	17,125	23,875	17,125
Capesize5TC Q3 25	18,000	18,675	-3.6%	19,100	17,500	23,250	17,500
Panamax4TC Jun 25	9,150	10,050	-9.0%	10,175	8,975	13,325	8,975
Panamax4TC Q3 25	9,675	10,275	-5.8%	10,425	9,525	12,875	9,425
Supramax10TC Jun 25	9,900	10,400	-4.8%	10,500	9,700	13,300	9,650
Supramax10TC Q3 25	10,200	10,700	-4.7%	10,775	10,150	13,000	9,750

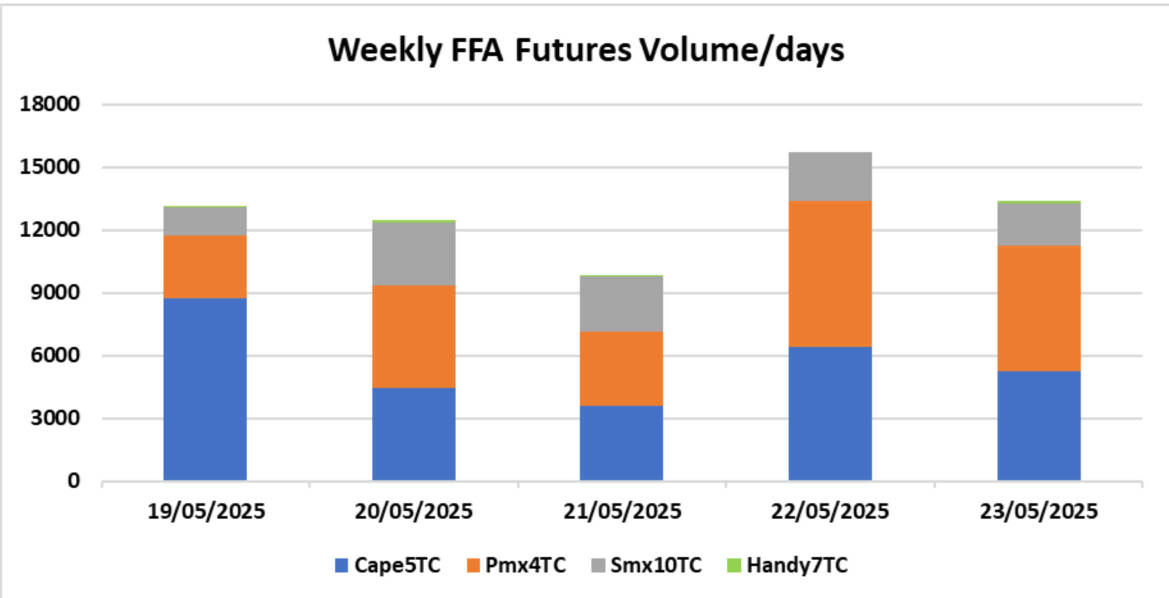
Data Source: FIS Live, Baltic Exchange

FFA Market

It was an exceptionally active week for the dry FFA markets, with significant trading volumes from both the buy and sell sides. Total derivatives volume surged to over 76,000 lots, driven by strong activity across the larger vessel segments. Capesize led the market with 34,330 lots cleared, Panamax followed with 24,550 lots, while Supramax also saw solid activity, clearing 11,530 lots. While Handysize volumes remained limited, with just 275 lots traded.

Renewed interest was noted in Panamax options, particularly in the Panamax5TC Cal26 and 1H26 contracts, alongside modest volumes in Pmx4TC Q3-Q4 2025. Capesize options saw interest extend from prompt June–July contracts out to Q3 2025 and Q1 2026. Total options volume reached 2,520 lots on Capesize and 2,810 lots on Panamax. On the voyage side, C5 focus on Jun contract with 4.225 million tonnes traded and 350kt on May. Additionally, 30kt Jul and 177kt September contracts were traded on the C3 route.

On top of high trading volumes, open interest increased in a less extend across all vessel size indicated some position closures, while price decline across bigger vessels confirmed selling pressure. As of 26th May, Cape5TC open interest rose to 188,177 (+3,130 w-o-w), Pmx4TC rose to 180,246 lots (+3,100 w-o-w), and Smx10TC at 86,630 lots (+3,380 w-o-w).



Dry Bulk Trades/Iron Ore

Global iron ore exports edged down by 1.4% last week to 33.0 MMT, compared to 33.5 MMT the week before last. Among major exporters, volumes remained positive. Australia's exports rose modestly by 1.6% to 19.7 MMT from 19.4 MMT, while Brazil recorded a stronger gain of 11.3%, reaching 8.2 MMT from 7.4 MMT. In contrast, smaller exporters saw declines. Canada's exports nearly halved, falling 46.0% to 0.81 MMT from 1.5 MMT, while South Africa posted a milder decrease of 7.1% to 0.9 MMT from 1.0 MMT.

On the demand side, China imported 0.8% more iron ore last week at 22.7 MMT, up from 22.5 MMT the week before. Japan and South Korea also increased their imports by 37.5%, reaching 3.0 MMT from 2.2 MMT.

By Vessel Size:

- Capesize: 15.4 MMT (+6.7% w-o-w)
- Panamax: 1.1 MMT (−46.3% w-o-w)
- Supramax: 0.8 MMT (+1.3% w-o-w)
- Handysize: 0.4 MMT (+27.3% w-o-w)

For the week starting 26th May (Week 22), Kpler's data projects a further decline in global iron ore exports, with total volumes estimated at 28.1 MMT, down by 5.0 MMT from the previous week. Australia's shipments are expected to fall to 16.1 MMT, down by 3.5 MMT, while Brazil is projected to export 6.8 MMT, a decrease of 1.4 MMT. Canada's exports are forecast to rise to 1.2 MMT, up by 0.4 MMT, whereas South Africa is expected to remain flat at 0.9 MMT.

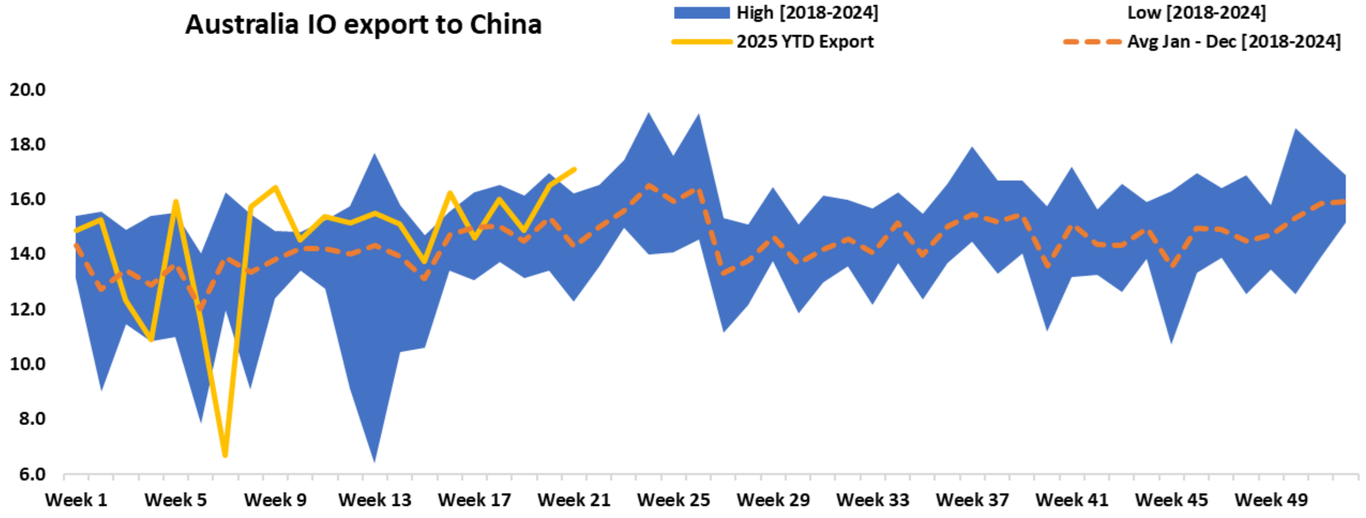
Dry Bulk Trades/Iron Ore

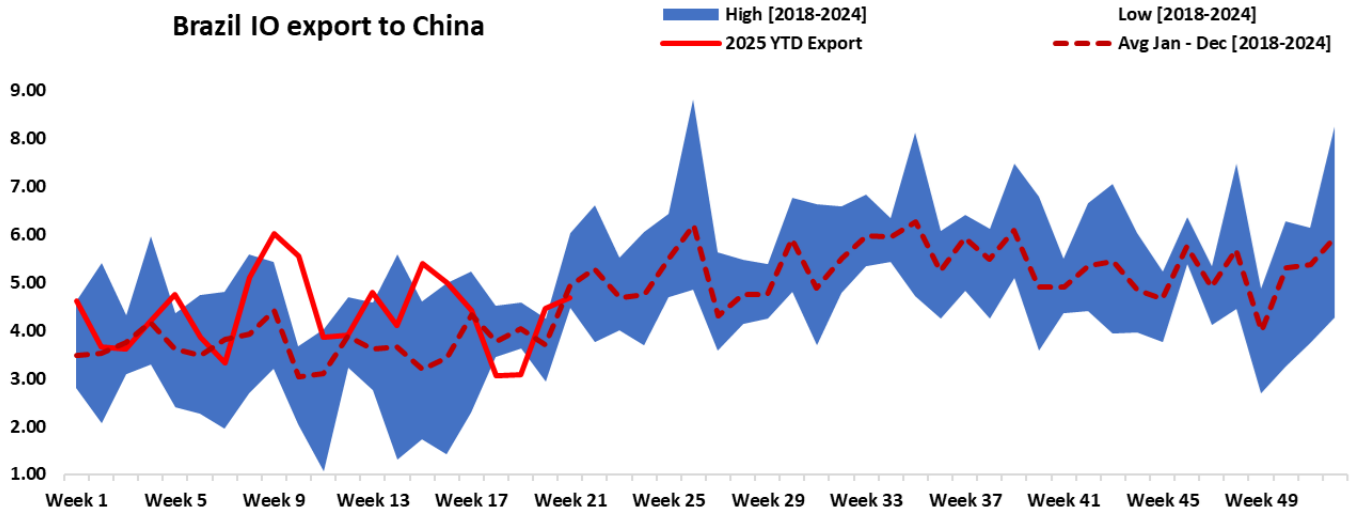
Export (million tonnes)	**Apr-25**	**Mar-25**	Q1-25	Q4-24	Q3-24	Q2-24	2024	2023	2022
Australia	74.3	83.6	213.4	237.7	234.3	213.4	936.1	925.5	921.6
Brazil	29.6	28.5	79.9	97.3	105.8	94.9	379.7	370.4	342.1
South Africa	3.8	4.8	13.3	13.0	12.9	13.4	53.0	52.9	52.5
India	2.2	3.4	8.6	6.9	6.3	10.2	37.5	44.5	16.2
Canada	4.6	4.0	11.0	14.3	17.3	13.1	57.2	57.6	53.1
Others	15.6	22.5	58.1	55.6	57.6	58.3	224.7	206.8	198.9
Global	**130.1**	**146.9**	**384.4**	**424.7**	**434.2**	**435.3**	**1688.2**	**1657.6**	**1584.4**

Iron Ore Key Routes

	IO Export Million mt			Freight Rate $/mt		
	Last Week	Prev. Week	Chg %	Last Week	Prev. Week	Chg %
Australia-China	17.1	16.5	**3.6%**	8.14	7.59	**7.3%**
Brazil-China	4.7	4.5	**4.9%**	18.62	18.55	**0.4%**

Seasonality Charts





Dry Bulk Trades/Coal

Global seaborne coal exports fell sharply last week to 22.5 MMT, down 11.6% from 25.4 MMT the week before last. The decline was driven by a 14.0% drop in thermal coal exports, which fell to 15.4 MMT from 17.9 MMT. Metallurgical coal exports also saw a significant contraction, down 20.6% to 4.5 MMT from 5.7 MMT. Indonesia extended its downward tend, exporting 8.6 MMT of coal last week, a 5.9% drop from 9.1 MMT. Australia posted a steeper decline, with shipments falling by 38.6% to 4.5 MMT from 7.4 MMT. Russian exports remained relatively flat, easing by 1.5% to 3.26 MMT from 3.31 MMT.

On the demand side, coal imports from major Asian buyers weakened considerably. China's intake dropped 38.6% to 3.9 MMT from 6.4 MMT. Japan's imports declined by 33.7% to 1.2 MMT from 1.8 MMT, while India posted a 34.9% drop to 2.7 MMT from 4.1 MMT.

By Vessel Size:

- Capesize: 5.1 MMT (+5.4% w-o-w)
- Panamax: 11.8 MMT (−21.2% w-o-w)
- Supramax: 3.3 MMT (−16.7% w-o-w)
- Handysize: 1.8 MMT (+53.4% w-o-w)

For Week 22, Kpler projects a modest increase in global seaborne coal exports, with total volumes estimated at 23.4 MMT, up by 0.94 MMT from the previous week. Indonesia's exports are expected to decline slightly to 8.1 MMT, down by 0.48 MMT. Australia is forecast to post a strong rebound, with volumes rising by 3.24 MMT to 7.8 MMT. In contrast, Russia's shipments are projected to fall to 1.9 MMT, down by 1.39 MMT.

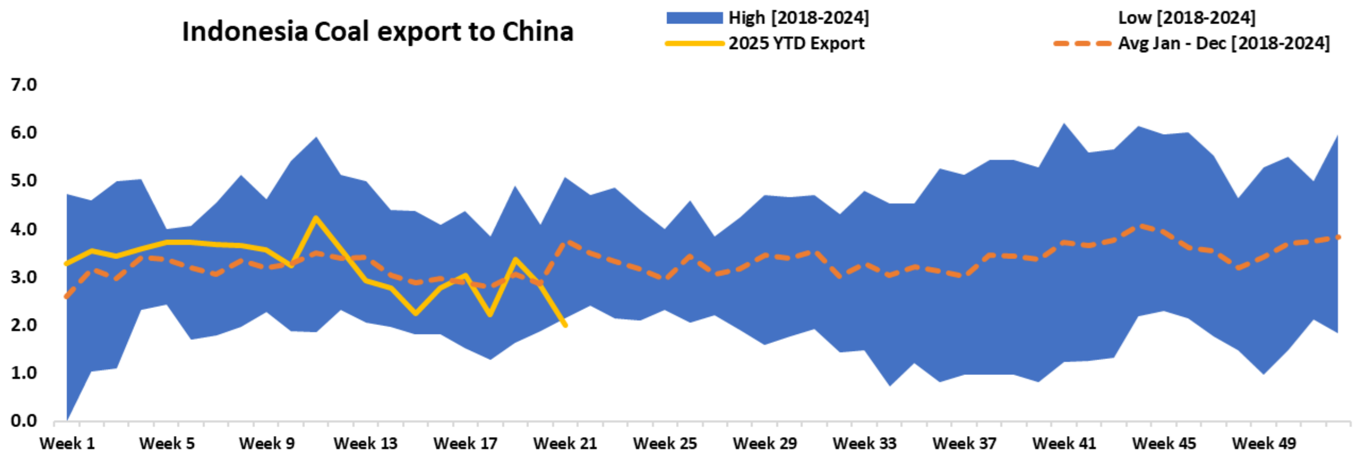
Dry Bulk Trades/Coal

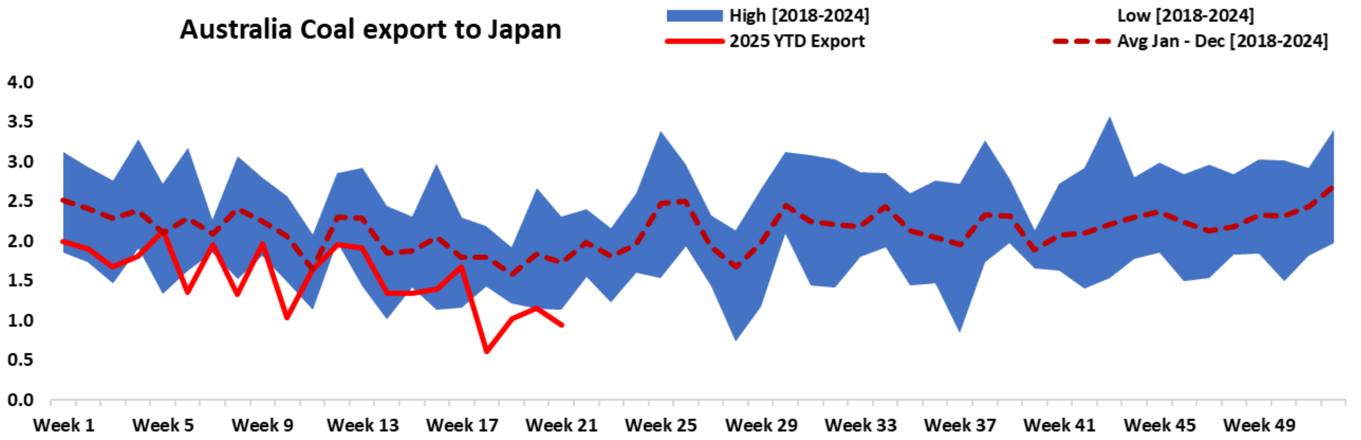
Export (million tonnes)	Apr-25	Mar-25	Q1-25	Q4-24	Q3-24	Q2-24	2024	2023	2022
Indonesia	37.0	38.2	117.2	142.6	131.4	130.4	533.5	505.8	451.5
Australia	26.4	30.5	77.3	96.6	90.3	88.8	361.2	353.3	341.3
Russia	13.4	12.0	35.5	36.1	40.3	43.3	156.5	180.8	178.3
USA	6.3	8.5	21.5	24.1	22.6	21.6	90.3	83.7	75.9
Colombia	2.8	4.7	12.2	13.0	13.3	15.8	56.9	57.7	54.5
South Africa	16.3	6.7	16.3	17.6	13.1	14.7	60.6	60.0	58.6
Others	10.2	10.7	27.4	28.9	29.5	30.3	118.8	556.0	501.3
Global	**100.9**	**111.3**	**307.5**	**358.9**	**340.5**	**344.9**	**1377.8**	**1365.2**	**1288.6**

Coal Key Routes

Coal Key Routes	Coal Export Million mt		
Coal Export Million mt	Last Week	Prev. Week	Chg %
Indonesia-China	2.0	2.8	-30%
Australia-Japan	0.9	1.2	-19%

Seasonality Charts





Dry Bulk Trades/Agri

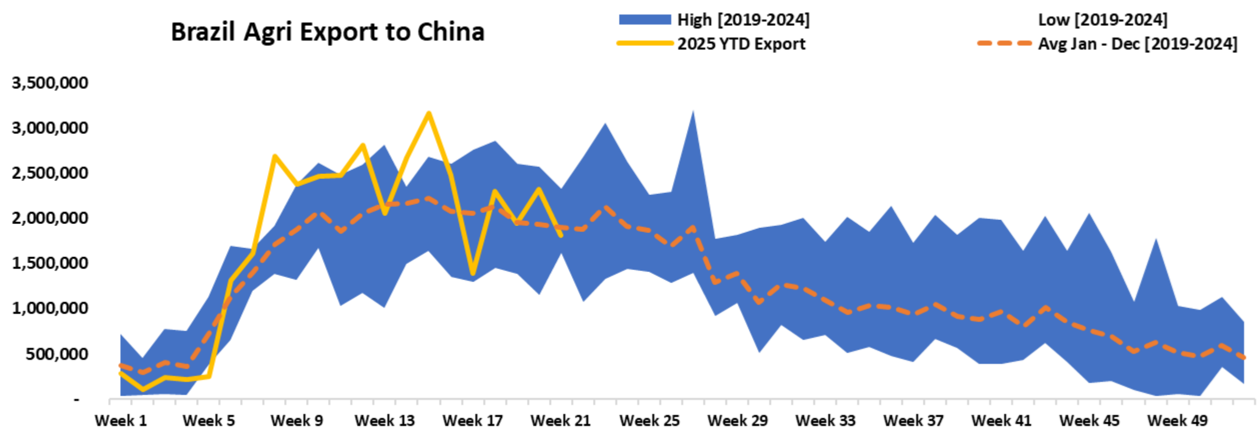
Global seaborne agricultural exports held steady last week at 11.1 MMT, showing no change from the previous week. Shipments from East Coast South America (ECSA) declined slightly by 7.7% to 4.8 MMT, down from 5.2 MMT. Within the region, Brazil exported 3.3 MMT, down 6.4% from 3.6 MMT, while Argentina maintained stable volumes at 1.6 MMT. The United States saw a positive week, with exports rising 16.9% to 2.4 MMT from 2.1 MMT.

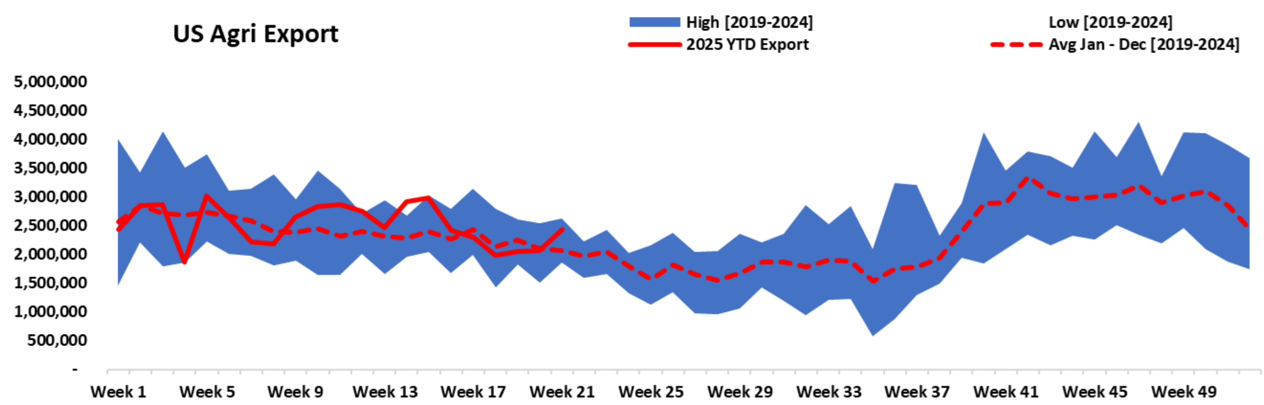
By Vessel Size:

- Panamax: 5.1 MMT (−4.7% w-o-w)
- Supramax: 3.3 MMT (+18.1% w-o-w)
- Handysize: 2.7 MMT (−8.9% w-o-w)

For Week 22, Brazil and Argentina are projected to increase agricultural exports to 4.77 MMT and 1.94 MMT, rising by 1.43 MMT and 0.33 MMT respectively. The ECSA region is also expected to see strong growth, with exports reaching 7.01 MMT, up 2.20 MMT. In contrast, US agricultural exports are forecast to decline to 1.17 MMT, down by 1.25 MMT. Overall, global agricultural exports are predicted to rise by 0.83 MMT to 11.94 MMT.

Seasonality Charts





Dry Bulk Trades/Agri

Export (million tonnes)	**Apr-25**	**Mar-25**	Q1-25	Q4-24	Q3-24	Q2-24	2024	2023
Brazil	15.5	18.1	38.4	29.2	45.9	48.5	160.4	181.8
USA	11.1	12.3	33.5	42.3	24.7	24.1	124.1	102.4
Argentina	7.3	6.5	20.2	17.7	19.8	23.6	79.6	52.3
Ukraine	2.2	2.4	6.0	7.7	9.9	12.1	42.5	25.3
Canada	4.3	4.0	10.7	15.4	9.1	10.3	44.0	40.3
Russia	1.8	1.4	5.6	11.1	12.9	12.1	47.7	49.9
Australia	3.7	3.2	9.7	6.4	5.4	7.8	29.6	40.7
Others	5.9	6.5	18.8	17.8	21.5	21.3	86.2	100.9
Global	**51.7**	**54.4**	**143.0**	**147.7**	**149.2**	**159.8**	**614.2**	**593.6**

Data Source: Kpler, Bloomberg

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