

24/06/2025

Market Review:

Despite a negative index last week, the FFA market posted marginal weekly gains after a highly volatile period. The strong momentum in the Capesize stalled early in the week, as iron ore flows came in slower than anticipated. In contrast, smaller vessel sizes held onto their gains more effectively, with Panamax getting most of the market interest. Market views remained mixed, underpinned by steady demand in key regions, yet tempered by softer fixing rates for July loadings.

Oil prices fell sharply after Israel accepted a ceasefire proposal with Iran, and US President Trump declared the war "over." Investors continued to monitor the situation closely for any signs of escalation or retaliation.

Freight Rate \$/day	23-Jun	16-Jun	Changes %	Short Term
Capesize 5TC	23,367	30,944	-24.5%	Bearish
Panamax 4TC	10,918	11,358	-3.9%	Neutral to Bullish
Supramax 10TC	10,340	9,839	5.1%	Neutral to Bullish
Handy 7TC	11,306	10,922	3.5%	

Capesize

Capesize spot rates fell sharply last week, dropping nearly 25% w-o-w, in contrast to a volatile FFA market that ultimately closed the week flat. The decline was largely driven by reduced iron ore activity in both the Atlantic and Pacific basins. According to market sources, including Bloomberg, port congestion in Australia hindered iron ore exports, while Kpler data indicated elevated congestion levels in China, further restricting trade flow. In the Atlantic, iron ore exports from Brazil remained healthy, yet bauxite activity failed to materialize, with muted volumes reported. The limited fixtures resulted in a swift correction, with the C5 route dropping from \$11.00 to \$9.50 for early July loadings. Similarly, weakness in the Atlantic basin was evident on the C3 route, where rates fell from \$26.00 (5–11 July laycan) to \$22.00 (14–15 July laycan).

Coal shipments from Australia provided some cushion, with Capesize coal loadings rising 25% w-o-w to 5.2 MMT, well above the 4-week moving average of 4.5 MMT. However, despite strong coal volumes, total Cape shipments slipped slightly to 22.7 MMT, just below recent averages.

Meanwhile, the number of ballasting vessels began to climb again, increasing by 14 to 616 on 23rd June, reversing the previous downtrend. Despite the uptick, this figure remains historically low for the past three months, still indicative of a relatively tight tonnage supply.

Outlook (Week 26 – Starting 23rd June)

Capesize iron ore shipments are projected to decline this week, down 2.3 MMT or 14% week-on-week to 14.3 MMT, halting a seven-week upward trend. Coal volumes are also expected to pull back from last week's peak to 3.8 MMT, although early July cargo flows are forecasted to rebound. Bauxite shipments may grow, but reliability of the projection remains uncertain. Overall, Capesize cargo demand is set to dip this week, and until July's expected demand surge materializes, FFA markets may under pressure to give more of previous week's gains.

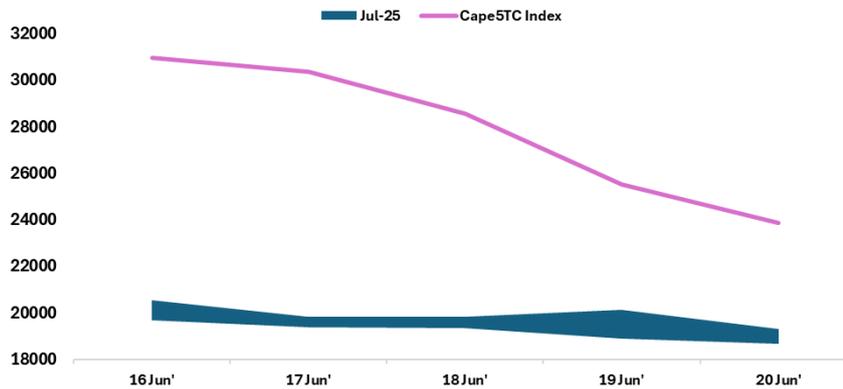
FFA: Given the uncertainty in the Middle East and oil market fluctuations, the Cape FFA market saw an active and turbulent week. Prompt contracts were more volatile than quarterly positions, and price movements diverged across the curve. July dropped nearly \$1,000 to \$19,500 on Tuesday in thin trading, then rebounded to \$19,750–\$19,850 on a busier Wednesday. In contrast, Q3 remained stable at \$19,750 for the first half of the week and gained \$250 to \$20,000 mid-week. However, Thursday saw a sharp reversal, with July surging to \$20,000 in the Asian session, before plunging to sub-\$19,500, closing at \$19,000. Q3 also gave up \$500, ending the day at \$18,500. Friday was mixed—early selling pressure was followed by a post-index rebound, allowing July and Q3 to close slightly higher at \$19,000 and \$18,600, respectively.

Trading resumed actively on Monday, 23rd June, with July rising \$500 in early trade, holding gains through the session and pushing higher to \$19,700 despite a weaker spot index. Q3 also strengthened, climbing from \$18,850 to \$19,200.

Bearish

Chart source: FIS Live

Cape 5TC Rolling Front Month Trading Range



Panamax

The Panamax paper market posted small gains last week, supported by firm cargo demand in key regions. By commodity, coal shipments from Australia remained steady, with weekly volumes above recent averages. Fixture rates also strengthened, reaching \$13,000 for end-June laycans. However, weaker demand for Indonesian coal weighed on earnings in the region. In the Atlantic, grain and mineral activity on Trans-Atlantic routes remained limited, with reduced flows out of the US and Canada. Both the P1A and P2A routes declined mid-week, ending at \$12,273 and \$18,916 respectively by Friday—down 4% w-o-w. In the South Atlantic, grain activity provided support, with another significant weekly increase in ECSA exports, although fixing rates adjusted lower to the mid \$12,000s for early July loadings due to growing vessel availability in the region.

On the supply side, Panamax ballast vessel counts began to increase this week, rising by 30 to 1,519 on 23rd June. This added further downward pressure particularly in the Pacific where cargo demand is projected to weaken.

Outlook (Week 26 – Starting 23 June)

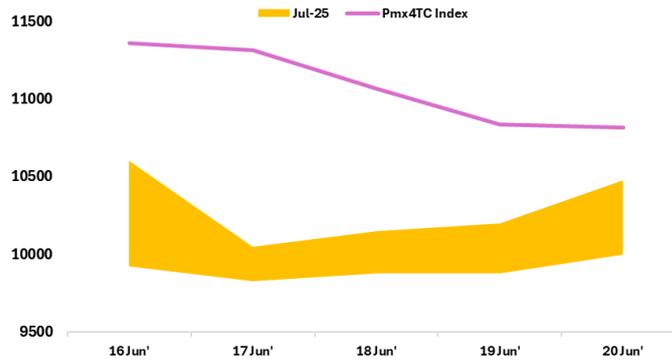
Panamax cargo volumes are forecast to fall toward the lower end of their four-week range, around 23.0 MMT. The steady increase in grain demand from ECSA is unlikely to offset another week of declining coal and mineral volumes across both basins. Panamax grain exports from ECSA are projected to rise 6% w-o-w to 4.3 MMT, with further upside possible in early July. Coal volumes, however, are expected to soften due to reduced Australian shipments. A potential rebound may be deferred to Week 27, depending on whether Australian port congestion eases. With only a few supportive factors currently in play, Panamax may face limited upside this week.

FFA: Mirroring the Capesize market's pullback, Panamax paper came under pressure in the first two trading days last week. July dropped by \$500, trading at \$9,900 on Tuesday, while losses on the Q3 contract were more moderate, slipping \$200 to \$10,000. Mid-week trading remained largely range-bound, with July recovering to \$10,100 and moving within a narrow \$200 band before firming further to \$10,400 on Friday, supported by short covering and a stronger P6 index. Q3 followed a similar pattern, trading between \$10,000 and \$10,150, large volumes changed hands at the upper end of this range before it too lifted to \$10,400 by week's end.

Panamax cautiously opened this week with modest gains. July climbed over \$200 to trade at the high \$10,650s amid active trading and multiple repeat transactions. Q3 also edged up to \$10,500.

Neutral to Bullish

Panamax 4TC Rolling Front Month Trading Range



Supramax

In contrast to the larger vessel segments, both Supramax spot and FFA markets posted modest gains last week, supported by steady coal flows out of Indonesia bound for China and India. In Asia, robust nickel shipments from the Philippines to China persisted, with the strong momentum expected to carry into the first half of July. In the Atlantic, activity from the US Gulf and South America helped absorb available tonnage, while a slight uptick in cargo interest was noted from South Africa, although overall volumes there remained limited. Total Supramax shipments rose 7.2% last week to 19.3 million tonnes.

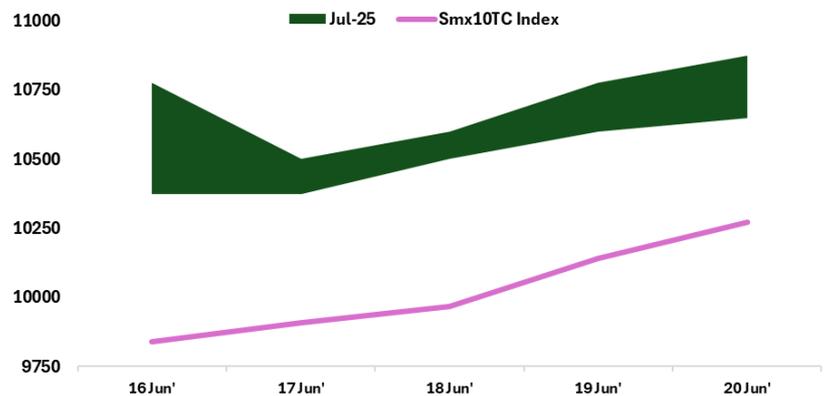
Outlook (Week 26 – Starting 16 June)

Looking ahead, vessel tracking data points to firm cargo demand, driven by increasing coal and nickel flows into China, which has bolstered volumes from Indonesia and South Africa. However, downside risks remain with overall coal shipments declining due to fewer cargoes bound for India and other minor regions, alongside reduced grain and minor bulk activity from the South Atlantic and US Gulf. With vessel supply rising this week to 1,530 (+72), a flat demand projection may limit further gains in the forward market.

FFA: The Supramax paper market saw a more gradual uptick starting mid-week last week. Monday opened on a softer note, with market sentiment weighed down by escalating concerns over the Israel–Iran tensions.

July slipped to \$10,400, while Q3 edged lower to \$10,500 despite a positive index. A modest recovery followed on Tuesday as buying interest returned, lifting July to \$10,500, while Q3 remained steady with prints between \$10,450–\$10,500. Momentum picked up midweek, with July gradually climbing from \$10,600 on Wednesday to \$10,875 by Friday. Q3 followed a similar trajectory, reaching \$10,900 on Thursday and further strengthening to \$11,000 on Friday, supported by improved bid activity and a firmer Panamax market.

Supramax 10TC Rolling Front Month Trading Range



On Monday, 23rd June, market activity slowed with a more cautious tone. July held steady at Friday's level, while Q3 ticked marginally lower.

FFA Market Indexes

Freight Rate \$/day	23-Jun	16-Jun	Changes %	2025 YTD	2024	2023	2022	2021
Capesize5TC	23,367	30,944	-24.5%	15,670	22,593	16,389	16,177	33,333
Panamax4TC	10,918	11,358	-3.9%	9,281	12,763	11,518	8,587	25,562
Supramax10TC	10,340	9,839	5.1%	9,161	13,601	11,240	8,189	26,770
Handy7TC	11,306	10,922	3.5%	9,759	12,660	10,420	8,003	25,702

FFA Market Forward Values

FFA \$/day	23-Jun FIS	16-Jun FIS	Changes	Weekly	Weekly Mkt	2025 YTD	2025 YTD
Capesize5TC Jul 25	19,825	19,875	-0.3%	20,525	18,675	22,250	16,875
Capesize5TC Q3 25	19,150	18,625	2.8%	19,285	18,375	23,250	17,500
Panamax4TC Jul 25	10,650	9,975	6.8%	10,675	9,825	11,900	9,150
Panamax4TC Q3 25	10,575	10,075	5.0%	10,575	9,875	12,875	9,425
Supramax10TC Jul 25	10,850	10,400	4.3%	10,975	10,375	11,550	9,725
Supramax10TC Q3 25	10,925	10,475	4.3%	11,050	10,450	13,000	9,750

Data Source: FIS Live, Baltic Exchange

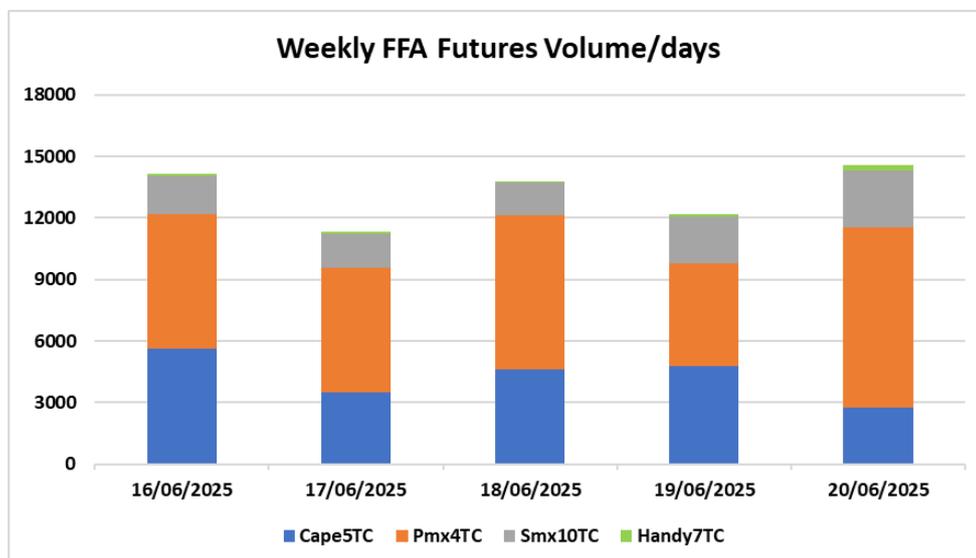
FFA Market

A less active week for the Capesize segment followed the sharp decline in spot rates; however, large volumes were observed in Panamax and Supramax markets. In total, the dry FFA market finished the week with 68,830 lots traded. Of this, Capesize cleared 27,110 lots, while Panamax led with 31,630 lots. Supramax attracted solid interest, changing hands for 9,570 lots, while Handysize activity remained minimal, reporting just 625 lots traded.

Options trading activity also leaned heavily towards Panamax. Total options volume for the week reached 12,960 lots, with Panamax accounting for 12,120 lots and Capesize at 840 lots. Although interest in Capesize options was limited, 810 lots traded on Q4 and just 30 lots on July, solid trading was reported in Panamax Cal26 and Cal27. The Put/Call ratios of 0.5 and 0.55, respectively, suggested that sentiment remained skewed to the bullish side, with market participants expecting prices to rise from current levels.

Open interest data supported the observed volatility in the larger vessel sizes last week, with a small uptick seen in Cape positions and moderate increase for the Panamax, indicated no strong trending in either direction of the price swings. As of 23rd June, Cape5TC open interest stood at 189,990 (+1,960 w-o-w), Pmx4TC edged up to 175,924 lots (+6,370 w-o-w), and Smx10TC at 84,828 lots (+2,730 w-o-w).

On the iron ore voyage routes, the C5 route remained the focal point, with the bulk of trading volume rolling into the July contract, approximately 3.225 million tonnes. In addition to that, notable volumes were also observed - 675 kt for June, 250 kt for August, 825 kt for Q3-25, and 630 kt for Q4-25.



Dry Bulk Trades/Iron Ore

Global iron ore exports edged down last week (Week 25), falling by 1.0% to 34.7 million metric tonnes (MMT) from 35.1 MMT in Week 24. Among major suppliers, Australia and Brazil both posted modest gains, with exports rising 2.5% to 20.9 MMT and 8.5 MMT respectively. Canada's shipments declined sharply by 22.5% to 0.86 MMT, while South Africa saw a strong rebound, increasing by 28.1% to 1.14 MMT.

On the demand side, Chinese iron ore imports slipped by 1.5% to 24.4 MMT from 24.8 MMT. Japan and South Korea saw a more pronounced drop of 12.9%, with combined imports falling to 1.4 MMT from 1.6 MMT.

Vessel Size:

- Capesize: 16.6 MMT (-0.1% w-o-w)
- Panamax: 1.7 MMT (+22.8% w-o-w)
- Supramax: 0.7 MMT (-9.2% w-o-w)
- Handysize: 0.3 MMT (-48.1% w-o-w)

For Week 26, Kpler projects a significant pullback in global iron ore exports, with total volumes expected to decline to 28.7 MMT, down by 6.0 MMT from the previous week. Australia's shipments are forecast to fall to 18.3 MMT, a decrease of 2.7 MMT, while Brazil is expected to drop to 6.4 MMT, down 2.1 MMT. Canada's exports are projected to recover slightly to 1.1 MMT, and South Africa is forecast to ease to 1.0 MMT.

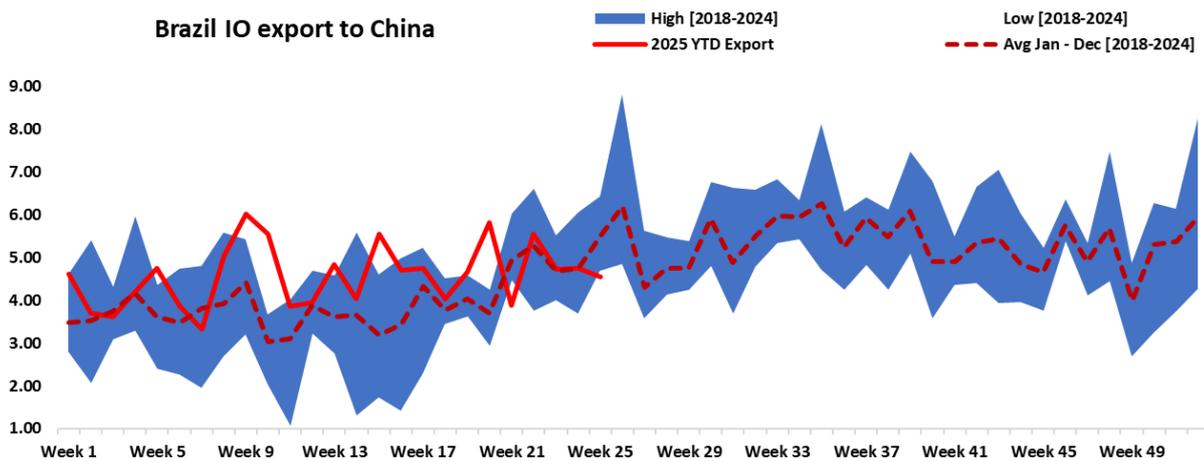
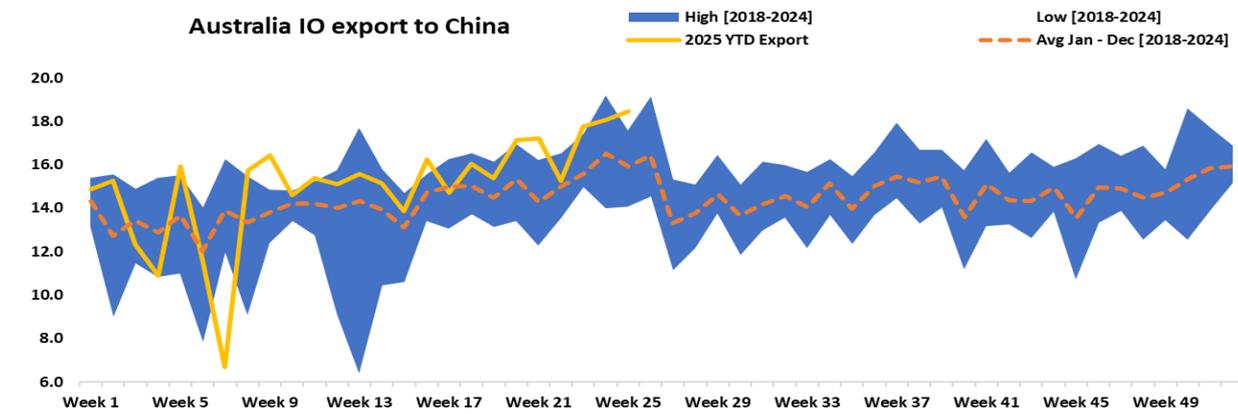
Dry Bulk Trades/Iron Ore

Export (million tonnes)	May-25	Apr-25	Q1-25	Q4-24	Q3-24	Q2-24	2024	2023	2022
Australia	83.0	74.7	213.4	237.7	234.3	213.4	936.1	925.5	921.6
Brazil	34.4	29.6	79.9	97.3	105.8	94.9	379.7	370.4	342.1
South Africa	4.3	3.9	13.3	13.0	12.9	13.4	53.0	52.9	52.5
India	2.2	2.2	8.6	6.9	6.3	10.2	37.5	44.5	16.2
Canada	5.4	4.8	11.0	14.3	17.3	13.1	57.2	57.6	53.1
Others	16.8	16.4	58.1	55.6	57.6	58.3	224.7	206.8	198.9
Global	146.0	131.5	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	18.5	18.1	2.2%	24.49	25.05	-2.2%
Brazil-China	4.5	4.8	-4.6%	9.90	10.15	-2.4%

Seasonality Charts



Dry Bulk Trades/Coal

Global seaborne coal exports rose strongly last week, climbing 10.9% to 25.8 MMT from 23.3 MMT in Week 24. Australia led the increase with shipments jumping 25.7% to 9.6 MMT, followed by Russia with a 29.2% gain to 3.01 MMT. In contrast, Indonesia's exports declined by 7.6% to 7.5 MMT.

By coal type, metallurgical coal shipments rose 14.6% to 5.9 MMT, while thermal coal exports increased 7.4% to 17.8 MMT.

On the demand side, all major Asian importers saw declines. China's coal imports dropped 14.3% to 3.8 MMT. Japan's intake fell 7.8% to 3.4 MMT, and India posted a sharp 44.9% drop to 2.1 MMT.

By Vessel Size:

- Capesize: 5.1 MMT (+28.5% w-o-w)
- Panamax: 14.0 MMT (+2.5% w-o-w)
- Supramax: 4.5 MMT (+25.2% w-o-w)
- Handysize: 1.4 MMT (+8.5% w-o-w)

Looking ahead to Week 26, Kpler projects a notable pullback in global seaborne coal exports, with volumes expected to fall to 21.5 MMT, down 4.37 MMT from Week 25. Indonesia's shipments are forecast to recover slightly to 7.7 MMT. In contrast, Australia's exports are expected to drop sharply to 7.2 MMT, while Russia's volumes are projected to decline to 2.3 MMT.

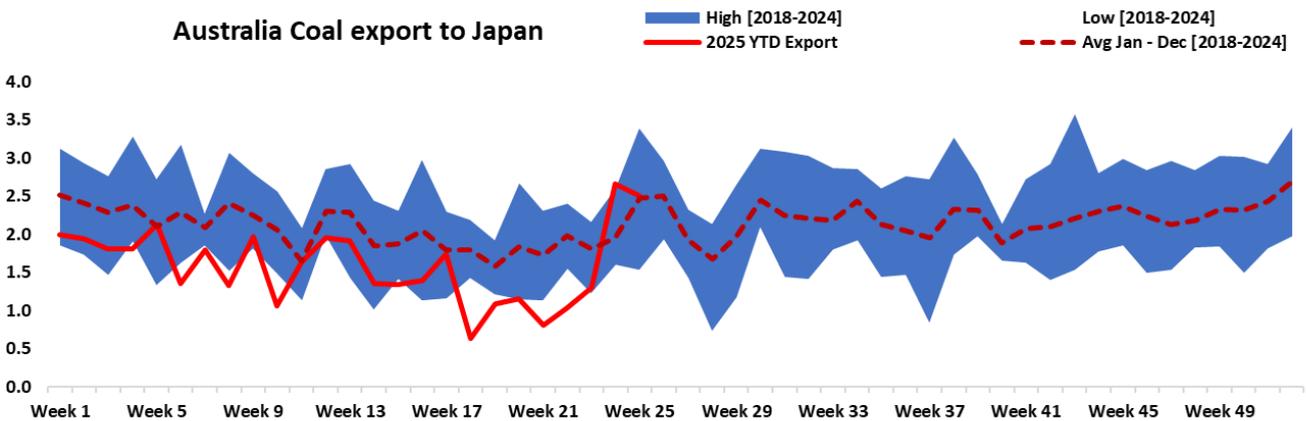
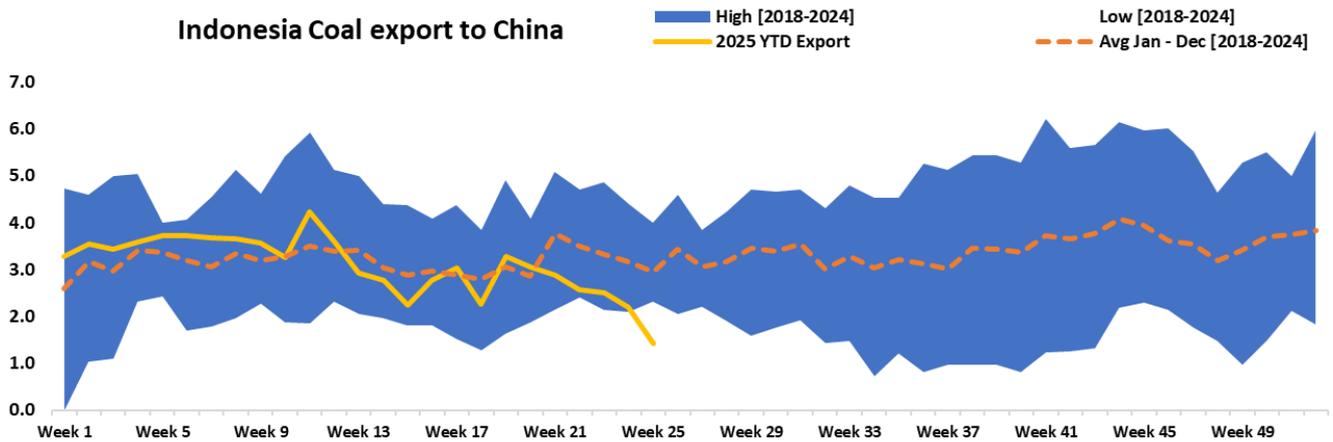
Dry Bulk Trades/Coal

Export (million tonnes)	May-25	Apr-25	Q1-25	Q4-24	Q3-24	Q2-24	2024	2023	2022
Indonesia	40.0	36.9	117.2	142.6	131.4	130.4	533.5	505.8	451.5
Australia	25.2	26.5	77.3	96.6	90.3	88.8	361.2	353.3	341.3
Russia	14.7	14.2	35.5	36.1	40.3	43.3	156.5	180.8	178.3
USA	6.4	6.3	21.5	24.1	22.6	21.6	90.3	83.7	75.9
Colombia	3.1	2.9	12.2	13.0	13.3	15.8	56.9	57.7	54.5
South Africa	16.3	4.9	16.3	17.6	13.1	14.7	60.6	60.0	58.6
Others	11.0	10.1	27.4	28.9	29.5	30.3	118.8	556.0	501.3
Global	105.8	101.7	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	1.4	2.2	-35%
Australia-Japan	2.5	2.7	-6%

Seasonality Charts



Dry Bulk Trades/Agri

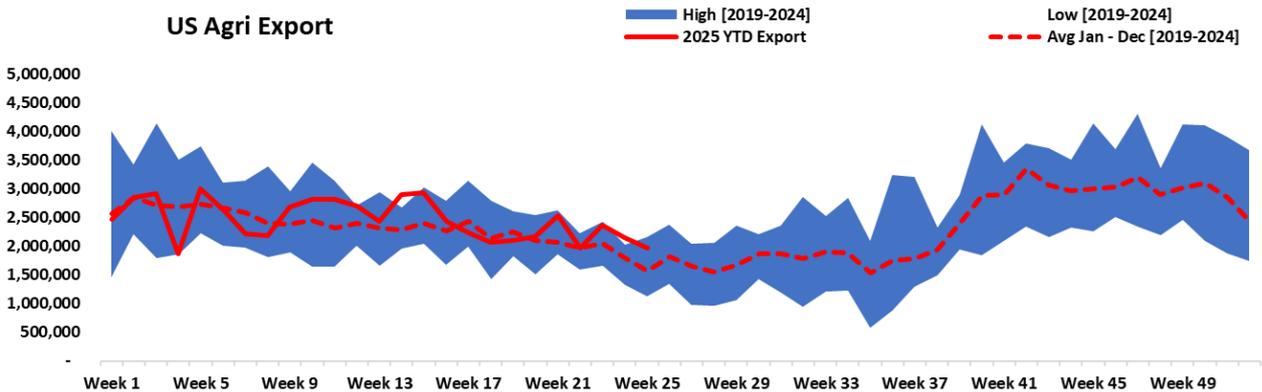
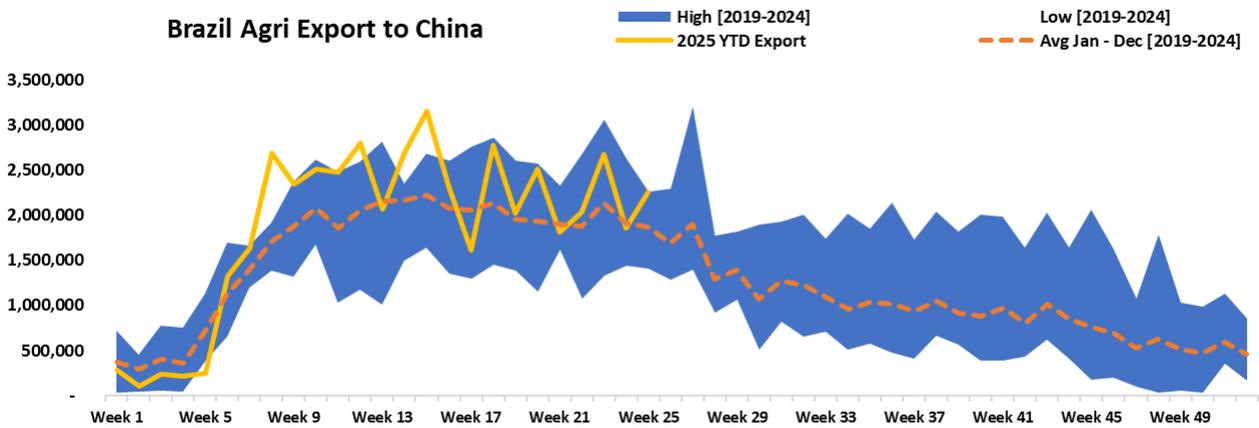
Global seaborne grains and oilseed exports posted a modest recovery last week, rising 3.8% to 10.9 MMT from 10.5 MMT in Week 24. The increase was driven by a sharp rebound in ECSA shipments, which rose 25.2% to 5.6 MMT. Brazil's exports climbed 17.6% to 3.7 MMT, while Argentina saw a significant jump of 50.8%, reaching 2.0 MMT. In contrast, US exports declined by 10.7% to 1.9 MMT.

By Vessel Size:

- Panamax: 5.6 MMT (+17.3% w-o-w)
- Supramax: 2.5 MMT (-12.7% w-o-w)
- Handysize: 2.5 MMT (-7.7% w-o-w)

Looking ahead to Week 26, Kpler projects global grains and oilseed exports to remain steady at 10.8 MMT. ECSA is expected to maintain upward momentum, with shipments forecast at 6.33 MMT. Brazil's exports are predicted to rise slightly to 4.07 MMT, and Argentina's volumes may increase to 2.24 MMT. US exports, however, are expected to decline further to 1.16 MMT.

Seasonality Charts



Dry Bulk Trades/Agri

Export (million tonnes)	May-25	Apr-25	Q1-25	Q4-24	Q3-24	Q2-24	2024	2023
Brazil	15.7	16.1	38.4	29.2	45.9	48.5	160.4	181.8
USA	9.7	10.9	33.5	42.3	24.7	24.1	124.1	102.4
Argentina	7.6	7.3	20.2	17.7	19.8	23.6	79.6	52.3
Ukraine	1.9	2.6	6.0	7.7	9.9	12.1	42.5	25.3
Canada	4.4	4.3	10.7	15.4	9.1	10.3	44.0	40.3
Russia	1.8	1.9	5.6	11.1	12.9	12.1	47.7	49.9
Australia	3.7	3.6	9.7	6.4	5.4	7.8	29.6	40.7
Others	5.9	6.4	18.8	17.8	21.5	21.3	86.2	100.9
Global	50.6	53.1	143.0	147.7	149.2	159.8	614.2	593.6

Data Source: Kpler, Bloomberg

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