

Dry FFA Market Signals

Bull

- **Iron Ore Key Routes:** Australian iron ore exports started last week at a slower pace but improved throughout, ending the week with reduced cargo volume yet still aligned with the strong momentum seen since mid-May. Last week's volume was around 19.8 million tonnes vs the 4-week moving average of 20.0 MMT. With a bullish June outlook, Australian iron ore volumes are expected to rise firmly in the coming two weeks. On the Brazil side, weekly shipments also remained firm at its 4-week MA of 8.2 MMT, with a further increase anticipated for the rest of June. Fixtures-wise, C5 initially dipped to \$9.45 mid-week due to a quiet start and lack of coal demand, before rebounding to \$11 for end-June and early July as activity increased. Similarly, C3 dropped to the low \$23s before reaching \$26 — the highest level since Oct 2024. (Cape)
- **Coal Shipments:** Australian coal exports continued to support the Pacific region, although the Indonesian coal market remained tepid with cargo volume below May levels. According to vessel tracking data, this scenario is likely to persist in the coming weeks, with significant coal shipments from Australia and a flat Indonesian market. The demand increase is supported by Japanese and South Korean buyers due to the early onset of summer. (Cape & Pmx)
- **TA Market:** Rising coal activity from the USEC, along with NCSA grains, continued to support both FH and TA rates. All Panamax routes posted decent gains last week. The P1A gained 17% w-o-w to \$12,605 on 13th June, and the P2A index also rose 10% over the same period, reaching \$19,696. (Pmx & Smx)
- **ECSA Grains:** Grain exports out of ECSA are projected to increase by nearly 3 million tonnes for Week 25 starting 16th June, up 63% from the previous week. (Pmx & Handy)

Bear

- **Vessel Supply:** Ballast vessel supply continues to grow in both Panamax and Supramax sectors. Pmx + Kamsarmax counts increased from 1,580 the previous week to 1,590 on 16th June, while Supramax rose by 10 to reach 1,558. That said, the pace of increase has moderated compared to previous weeks. (Pmx & Smx)
- **Indonesia Coal:** Indonesian coal exports have remained below the 4-week moving average for the third consecutive week, continuing to apply downward pressure on earnings for smaller vessels. (Smx)

Others

- **Middle East Tension:** After the sharp surge in bunker price and tanker TD3C routes end of last week, Brent crude fell slightly on Monday and equity markets also edged up as sentiment turned calmer. Investors anticipate the conflict will likely remain contained.
- **Weather Disruptions:** Typhoon Wutip has been downgraded to a remnant low as it moves inland over southern China.

Ferrous Market Signals

Bull

- The mid-east tension once lifted oil considering the potential disruption on supply. However, steel export should play limited role in Iran and surrounding countries. Iron ore index in a narrow area from \$95-97/mt.
- Some high-cost miners potentially need to cut production because of financial stress.
- From January to May, China's crude steel output reached 431.63 million tons, a YoY decrease of 1.7%. Pig iron output was 362.74 million tons, a YoY decrease of 0.1%.
- Recently, there has been a trend of property prices stabilizing and ceasing to decline in China. The launch of improved housing and the continuous introduction of home-purchase incentives in major cities have effectively increased the willingness to buy properties.
- At the end of May, China stock of social financing scale was around 42.6 trillion yuan, with a YoY growth rate of 8.7%, maintaining a relatively high growth level. A package of financial support measures has effectively boosted market confidence, and there are signs of recovery and improvement in economic activities such as investment and consumption.
- MySteel researched independent cookery plants utilization rate at 73.95%, down 1.4% on the week. Coke inventory at 1.26 million tons, down 13,000 tons on the week. Met coal inventory 7.98 million tons down 208,500 tons.
- Tangshan average billet cost at 2091 yuan/ton, average profit 68 yuan/ton, down 30 yuan/ton on the week.

Bear

- The important margin of PBF was negative in June, resisted the willingness of traders in the background of light season.
- Indian monsoon weather and China rainy weather both resisted iron ore demand.
- According to Mysteel data, the total global iron ore shipments amounted to 33.527 million tons, showing a decrease of 1.577 million tons on the week. However, the shipment was on three-year high from the seasonal angle.
- The U.S. Department of Commerce announced that starting from June 23rd, tariffs will be increased on a variety of steel - made household appliances, including combination refrigerators, washing machines, and dryers. These products are regarded as "steel derivative products", imposing a uniform tariff rate of 50%.

Market Data Snapshot (13th Jun)

Open Interest /lots	Jun-25	Jul-25	Aug-25	Sep-25	Oct-25	Nov-25
Cape5TC	23,582	21,016	14,068	13,435	9,859	9,604
Pmx4TC	28,606	26,214	16,708	14,125	9,159	8,914
Smx10TC	11,565	10,470	8,518	8,048	5,358	5,358
Iron Ore 62%	316,618	412,893	170,765	195,497	61,482	58,315
Coking Coal	3,357	3,637	2,687	2,387	2,029	1,989
US HRC	8,835	6,261	4,123	4,110	2,855	1,783
FOB China HRC	811	458	1011	395	395	366

Price	Jun-25	Jul-25	Aug-25	Sep-25	Oct-25	Nov-25
Cape5TC \$/day	25,013	20,721	17,879	19,463	20,433	20,192
Pmx4TC \$/day	10,658	10,625	10,250	10,379	10,583	10,388
Smx10TC \$/day	10,246	10,792	10,696	10,846	10,958	10,817
Iron Ore 62% \$/mt	95.10	94.16	93.68	93.30	92.98	92.59
Coking Coal \$/mt	180.50	177.00	177.50	178.50	181.25	181.75
US HRC \$/st	862	888	884	854	842	841
FOB China HRC	442.0	443.0	445.0	446.0	452.0	453.5

OI WoW %	Jun-25	Jul-25	Aug-25	Sep-25	Oct-25	Nov-25
Cape5TC	1.6%	19.1%	2.8%	2.1%	2.2%	2.1%
Pmx4TC	1.1%	12.6%	8.5%	3.8%	5.7%	5.9%
Smx10TC	0.9%	8.9%	3.8%	3.2%	5.7%	5.7%
Iron Ore 62%	4.1%	17.3%	13.5%	5.2%	21.8%	30.4%
Coking Coal	-3.5%	4.2%	4.1%	-1.0%	5.2%	8.7%
US HRC	-3.0%	-2.4%	2.4%	5.8%	0.1%	-0.4%
FOB China HRC	0.0%	-6.5%	128.2%	0.0%	-0.3%	-6.4%

Price WoW %	Jun-25	Jul-25	Aug-25	Sep-25	Oct-25	Nov-25
Cape5TC \$/day	14.1%	9.9%	1.4%	1.4%	2.7%	2.8%
Pmx4TC \$/day	9.0%	8.2%	3.6%	0.5%	1.8%	2.1%
Smx10TC \$/day	0.6%	4.3%	1.9%	0.4%	1.8%	2.0%
Iron Ore 62% \$/mt	-1.2%	-1.4%	-1.2%	-0.9%	-0.7%	-0.6%
Coking Coal \$/mt	-1.5%	-1.1%	-1.4%	-1.4%	-0.5%	-0.6%
US HRC \$/st	-1.8%	-3.0%	-2.3%	-3.5%	-2.1%	-1.1%
FOB China HRC \$/t	-0.9%	-1.2%	-1.2%	-0.9%	-0.9%	-1.3%

Sources: EEX, SGX, CME

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