FIS Dry Freight Weekly Report

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Market Review:

With iron ore activity in both basins failing to recover, the Capesize market came under heavy pressure and faced rounds of sell-offs last week. The early onset of hot weather in parts of China led to a slowdown in construction activity, as reflected in flat iron ore port inventory levels and slower seaborne demand. In contrast, increased coal demand continued to underpin earnings in the Panamax and Supramax segments. Although gains in their forward curves were modest, trading volumes were notably higher.

A modest rebound in the Capesize market has emerged this week, as fresh cargoes entered the market and helped stem further losses. Nonetheless, sentiment remains fragile with potential downside risks still in play.

Freight Rate $/day	30-Jun	23-Jun	Changes %	Short Term
Capesize 5TC	17,510	23,367	-25.1%	Bearish to Neutral
Panamax 4TC	12,166	10,918	11.4%	Neutral to Bullish
Supramax 10TC	10,762	10,340	4.1%	Neutral
Handy 7TC	11,426	11,306	1.1%	

Capesize

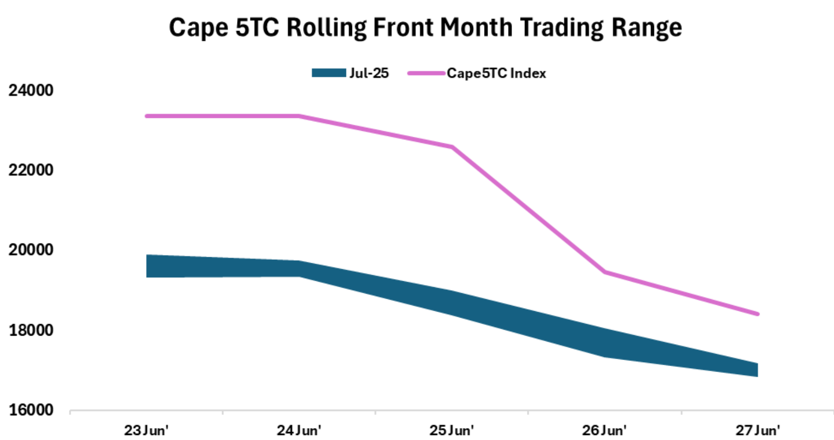
Without any significant improvement in iron ore activity across both basins, and with faded support from Australian coal demand, Capesize timecharter rate gave up another 25% of its value, falling to $17,500 last week, adding further pressure to the FFA market. Bearish sentiment intensified due to subdued activity early in the week. C5 fixtures declined by over $2 to $7.25 for mid-July loadings and deteriorated further to $6.65 by the end of the week. Meanwhile, C3 rates initially firmed at the start of the week to $23.50, but vessel oversupply in the region pushed rates down to $20.35 for 21–27 July loadings.

Total Capesize iron ore shipments dropped noticeably last week, with weekly volumes falling below their 4-week moving average for the first time since mid-May, at 15.9 MMT (-1 MMT, -6% w-o-w). Exports from both major suppliers were lower than seasonal averages, especially from Brazil and- C3 cargo volume fell by 22% to 4.8 MMT, while C5 decreased by 8% to 17 MMT.

Coal shipments on Capesize vessels also declined last week, down by 1.7 MMT or 33% w-o-w to 3.4 MMT, compared to the 4-week moving average of 4.3 MMT. Despite some resurgence in bauxite activity, total Capesize shipments dropped by 10% to a seven-week low of 21.0 MMT. The lack of fresh cargo demand further increased the number of ballasting vessels.

Outlook (Week 27 – Starting 30th June)

Cargo demand for key commodities is expected to decline further this week against a growing tonnage list. Iron ore shipments are projected to fall to a three-month low of 12.0 MMT, down 4.3 MMT or 26% w-o-w, adding uncertainty around a potential rebound in mid-July. Coal volumes are expected to continue pulling back to 2.8 MMT, though stronger flows are forecast for mid-July with more cargoes shifting to Capesize.



High temperatures in parts of China have disrupted construction activity schedules, while steady port inventories for iron ore reflect muted demand in the seasonal lull. Given the sluggish cargo demand projected for early to mid-July, the FFA market is likely to remain under pressure and test the lower end of the current trading range.

Chart source: FIS Live

FFA: The Capesize FFA market began its downward trend last Tuesday, with active contracts falling sharply mid-week. July initially rose nearly $700 to $19,700 on Monday morning, and Q3 lifted to $19,200. However, the physical market failed to provide support, and FFA values weakened in thin trading on Tuesday morning. Post-index, July traded between $19,450–$19,250, and Q3 tested support at $19,000 before falling to $18,500 in larger volumes, ultimately closing lower. Despite some buying interest on Wednesday afternoon, the lack of fresh fixtures across both basins led to heavy losses later in the week. July dropped from $18,250 to below $16,500, then found a brief range-bound recovery before the weekend. Losses were less severe on Q3, which fell from $18,000 to $17,700 and continued testing lower levels.

A quiet start for the week beginning Monday 30th June, seeing July and Q3 edged lower to $16,400 and $17,400, respectively. Post index, prompt contracts settled into range as a firmer tone returned after several iron ore and coal fixtures reported in the Pacific region.

Bearish to Neutral

Panamax

The Panamax market gradually strengthened throughout the week, supported by consistently firm coal cargo volumes in the Pacific and a more balanced return of activity in the Atlantic market. In the Pacific, strong coal flows from Australia to Japan and South Korea were complemented by increased coal exports from Indonesia. Overall, Panamax coal shipments rose slightly for the fourth consecutive week, reaching 12.7 MMT.

In the Atlantic, a modest recovery was observed in the North, driven by improved NCSA grain and USEC mineral activity. In the South, a decent level of fixture reports for the second half of July and early August lifted rates above $13,000. Notable fixtures included coal trips via East Coast Australia to Japan fixed up to $13,000 for early July dates, and a grain run from ECSA to Gibraltar paid at $25,000 for 10th July.

Outlook (Week 27 – Starting 30th June)

Early reports this week suggest lower-than-expected coal flows from both Australia and Indonesia, testing one of the main supportive pillars of the market. Vessel tracking data indicates that Panamax coal shipments could decline by 2.4 MMT to 12.5 MMT, down 16% from the previous week.

Furthermore, mineral and grain shipments from NC America are set to decline, offsetting the steady grains cargoes out of Brazil. As a result, total Panamax cargo volumes are forecast to fall significantly below their four-week range, to around 23.0 MMT (-4.1 MMT). While a potential rebound in ECSA grain exports could boost demand, the tonnage list has only tightened slightly in response to the still-healthy demand. Upside potential remains limited, depending on how the supportive factors evolve.

FFA: It was a challenging week for the Panamax paper market, given the selling pressure from the Capesize segment and broader geopolitical tensions. Despite this, futures prices held steady at the start of the week and recorded modest gains as the days progressed. July moved $200 higher to $10,800 on Tuesday, followed by another $600 gain on Wednesday. Q3 hovered between $10,500–$10,600 before pushing toward $11,000 during a busy Wednesday session. Market activity accelerated on Thursday, with both sides engaging in larger volumes, resulting in a flat closing: July settled at $11,150 and Q3 at $10,800–$10,850. A continued tug-of-war between supportive physical data and weakness in the Capesize market led to a slight uptick on Friday.

This week opened with a firmer tone for Panamax, but most of the early gains were given up by the close. July initially firmed by $200 to $11,500 before settling at $11,250. Q3 traded at $10,950 post-index but eased $100 lower by the end of the session.

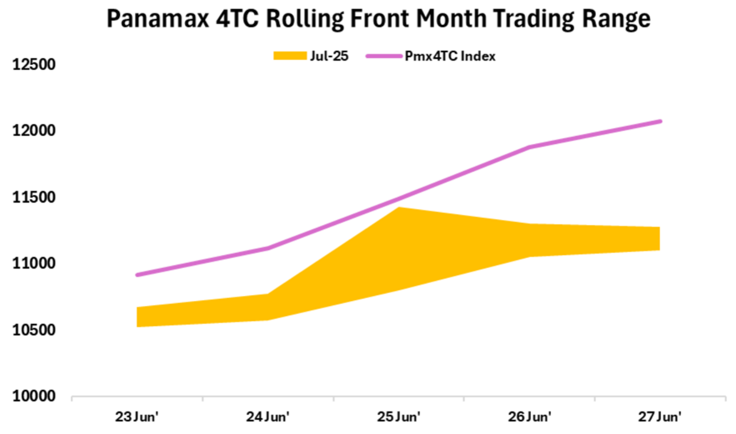


Chart source: FIS Live

Neutral to Bullish

Supramax

The Supramax market remained positive and ended last week with modest gains, supported by the return of Indonesian coal shipments that lifted sentiment, particularly with higher volumes destined for China. Additionally, nickel shipments from the Philippines to China surged by over 60% week-on-week to 1.6 million tonnes. This tightened available tonnage in the region and created further upside for coal runs. The strong momentum is expected to carry into the first half of July.

On the other hand, aside from some iron ore activity on the South Africa–China route, limited action was observed from the US Gulf and South America, which added some downward pressure on rates. Total Supramax cargo volumes slipped last week, but as vessel supply remained at healthy levels.

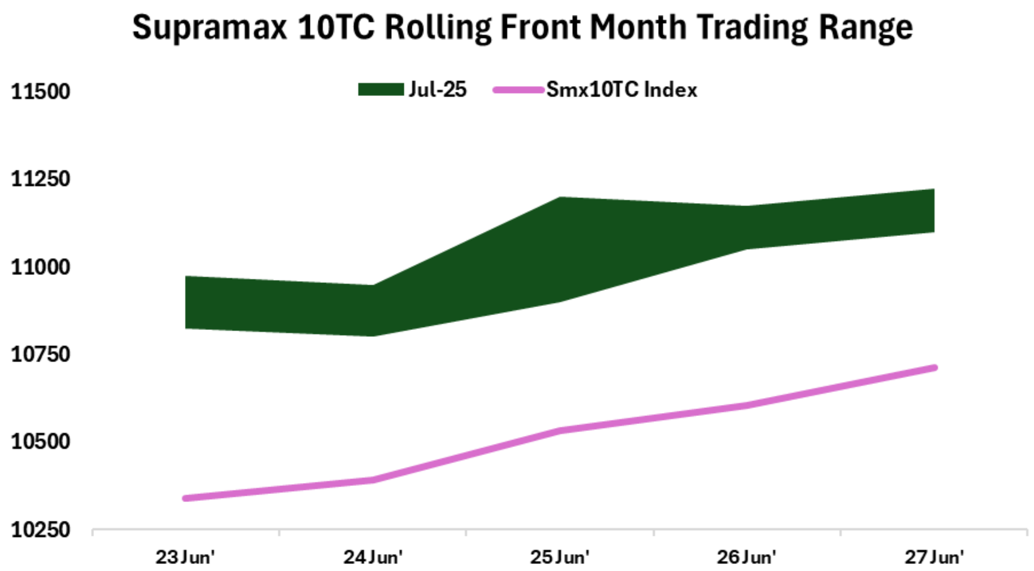
Outlook (Week 27 – Starting 30th June)

Looking ahead, vessel tracking data suggests cargo demand will remain largely unchanged, with a slight uptick in the ballast list. While increasing coal flows into China continue to support the Pacific, weaker demand in the US Gulf and ECSA markets is expected to limit gains. As such, gains in the forward market may remain restrained, with mixed signals across basins.

FFA: The Supramax paper market extended its rally through the week, supported by firm buying interest across the curve. Both July and Q3 contracts followed a consistent upward trend, rising steadily from Monday's levels. July climbed from $11,000 midweek to trade in a tight $11,150–$11,200 range by Friday. Q3 increased from $11,000 on Tuesday to $11,300 by midweek. August also saw strong gains, pushing up to $11,300 on solid buying activity. Thursday was the only session where the market softened, with both July and Q3 closing marginally lower. However, this brief dip was quickly reversed, and gains resumed on Friday.

The rally extended into Monday, 30th June, with trading activity remaining subdued but marked by significant volume. July pushed to a new high of $11,250, while Q3 also firmed with size traded. Cal26 continued its upward movement, printing at $10,450 to close the month on a positive note. The back end of the curve held firm, reinforcing the bullish tone prevailing throughout the week.

Neutral



FFA Market Indexes

Freight Rate $/day	30-Jun	23-Jun	Changes %	2025 YTD	2024	2023	2022	2021
Capesize5TC	17,510	23,367	-25.1%	15,801	22,593	16,389	16,177	33,333
Panamax4TC	12,166	10,918	11.4%	9,388	12,763	11,518	8,587	25,562
Supramax10TC	10,762	10,340	4.1%	9,222	13,601	11,240	8,189	26,770
Handy7TC	11,426	11,306	1.1%	9,825	12,660	10,420	8,003	25,702

FFA Market Forward Values

FFA $/day	30-Jun FIS Closing	23-Jun FIS Closing	Changes %	Weekly Mkt High	Weekly Mkt Low	2025 YTD Mkt High	2025 YTD Mkt Low
Capesize5TC Jul 25	16,400	19,825	-17.3%	19,900	16,300	22,250	16,300
Capesize5TC Q3 25	17,500	19,150	-8.6%	19,285	17,350	23,250	17,350
Panamax4TC Jul 25	11,225	10,650	5.4%	11,450	10,525	11,900	9,150
Panamax4TC Q3 25	10,850	10,575	2.6%	11,040	10,465	12,875	9,425
Supramax10TC Jul 25	11,250	10,850	3.7%	11,325	10,800	11,550	9,725
Supramax10TC Q3 25	11,400	10,925	4.3%	11,450	10,850	13,000	9,750

Data Source: FIS Live, Baltic Exchange

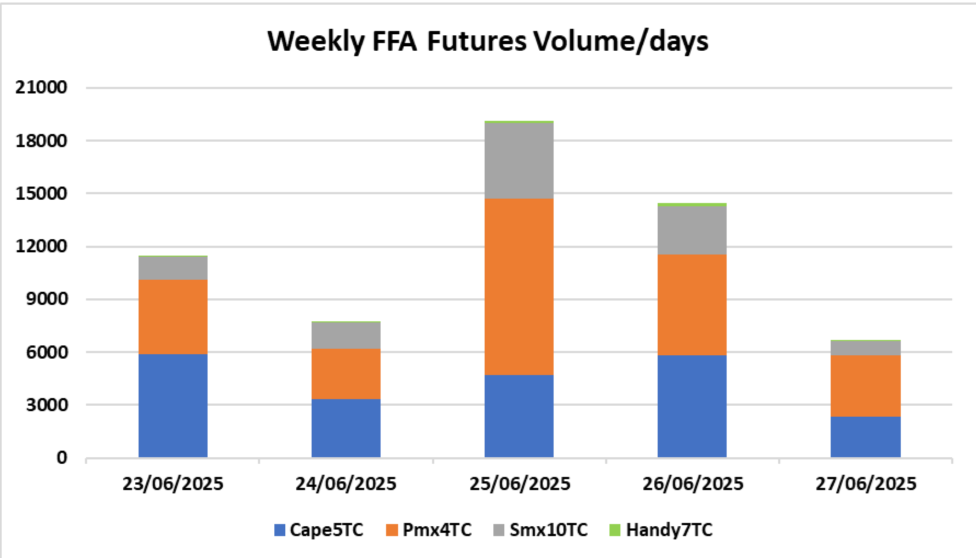
FFA Market

Strong interest persisted in the Panamax segment last week, though overall activity in the larger Capesize segment declined amid heightened price volatility. A total of 23,560 Capesize lots were cleared—comparatively lower volume following the sharp decline in forward prices. Panamax led with 27,800 lots traded. Supramax attracted more attention, clearing 11,240 lots, while Handysize activity remained minimal, with just 630 lots reported.

Options trading also favoured Panamax, though decent volumes were recorded in Capesize. Total options volume reached 72,500 lots, with Panamax accounting for 6,690 lots and Capesize for 2,570 lots. Capesize options interest was spread across July, Q3–Q4 2025, and Q2 2026. Notable trades included 1,260 lots in Panamax Cal26 and 5,400 lots in Cal27. Put/Call ratios at 0.5 for both indicate sentiment remains slightly skewed toward the bullish side.

In terms of open interest, a gradual increase was observed in the larger vessel segments, suggesting short positions were building in Capesize, while Panamax showed a slight uptick in long positions. As June came to a close, open interest declined on 30 June: Cape5TC fell to 168,000 (-22,000 w-o-w), Pmx4TC to 150,640 (-25,290 w-o-w), and Smx10TC to 76,350 (-8,480 w-o-w).

Due to lower iron ore activity in the Pacific last week, voyage route futures volumes also declined. C5 remained the focal point, with 1.5 million tonnes traded on the July contract along with smaller clips in June and August. C3 also drew some interest, with 400 kt traded for July and 45 kt for Q3 2025.



Dry Bulk Trades/Iron Ore

Global iron ore exports declined last week (Week 26), falling 7.5% to 32.9 million metric tonnes (MMT) from 35.5 MMT in Week 25. Among major suppliers, Australia and Brazil both posted decreases, with exports dropping 3.8% to 20.3 MMT and 9.7% to 7.9 MMT respectively. Canada's shipments rebounded strongly, rising 25.9% to 1.07 MMT, while South Africa's exports contracted by 23.7% to 0.87 MMT.

On the demand side, Chinese iron ore imports slipped 9.3% to 22.2 MMT from 24.4 MMT. Japan and South Korea saw a strong rebound in combined imports, increasing by 57.7% to 2.4 MMT from 1.5 MMT.

Vessel Size:

- Capesize: 16.3 MMT (−3.7% w-o-w)
- Panamax: 1.6 MMT (−20.9% w-o-w)
- Supramax: 0.8 MMT (+6.8% w-o-w)
- Handysize: 0.3 MMT (−55.9% w-o-w)

For Week 27, Kpler projects a continued pullback in global iron ore exports, with total volumes expected to decline to 26.8 MMT, down 6.1 MMT from last week. Australia's shipments are forecast to fall sharply to 15.8 MMT, a decrease of 4.5 MMT, while Brazil is expected to ease to 7.0 MMT, down 0.9 MMT. Canada's exports are projected to soften to 0.4 MMT, and South Africa's shipments are expected to remain steady, increasing slightly to 0.9 MMT.

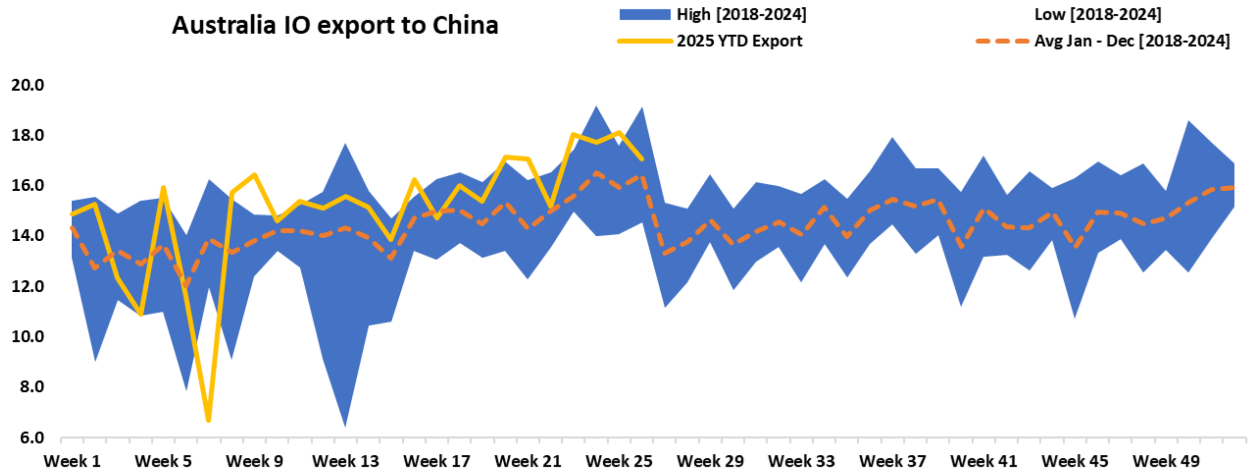
Dry Bulk Trades/Iron Ore

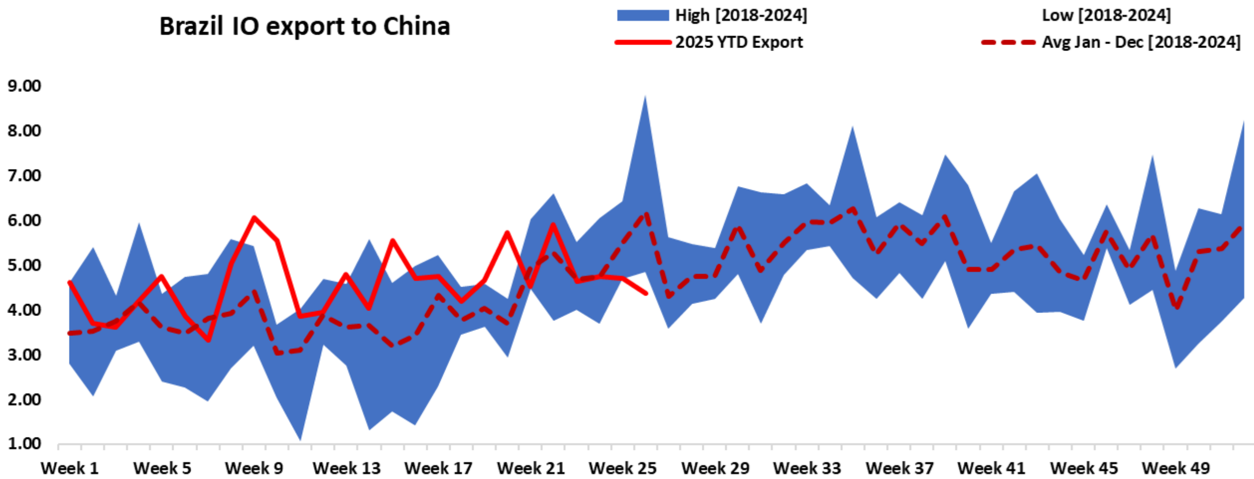
Export (million tonnes)	**May-25**	**Apr-25**	Q1-25	Q4-24	Q3-24	Q2-24	2024	2023	2022
Australia	83.0	74.7	213.4	237.7	234.3	213.4	936.1	925.5	921.6
Brazil	34.4	29.6	79.9	97.3	105.8	94.9	379.7	370.4	342.1
South Africa	4.3	3.9	13.3	13.0	12.9	13.4	53.0	52.9	52.5
India	2.2	2.2	8.6	6.9	6.3	10.2	37.5	44.5	16.2
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	17.0	18.1	**-5.8%**	22.15	24.49	**-9.6%**
Brazil-China	4.4	4.7	**-7.0%**	8.01	9.90	**-19.1%**

Seasonality Charts





Dry Bulk Trades/Coal

Global seaborne coal exports declined sharply last week, falling 12.4% to 23.0 million metric tonnes (MMT) from 26.3 MMT in Week 25. Among key suppliers, Australia experienced a steep drop of 24.0% to 7.2 MMT, while Indonesia’s shipments declined 8.1% to 7.5 MMT. Russia’s exports decreased modestly by 2.8% to 3.09 MMT.

By coal type, metallurgical coal shipments fell sharply by 24.8% to 4.8 MMT, and thermal coal exports decreased 14.2% to 15.6 MMT.

On the demand side, major Asian importers all registered declines. China’s coal imports fell 10.3% to 4.4 MMT. Japan’s intake dropped significantly by 29.9% to 2.6 MMT, while India’s imports decreased 17.3% to 2.8 MMT.

By Vessel Size:

- Capesize: 3.3 MMT (−34.6% w-o-w)
- Panamax: 14.9 MMT (+2.3% w-o-w)
- Supramax: 3.3 MMT (−27.3% w-o-w)
- Handysize: 1.2 MMT (−12.8% w-o-w)

Looking ahead to Week 27, Kpler forecasts a further reduction in global coal exports, with volumes expected to fall by 1.63 MMT to 21.4 MMT. Indonesia’s shipments are forecast to ease slightly to 7.1 MMT, Australia’s exports are expected to decline to 6.5 MMT, and Russia’s volumes are projected to drop to 2.6 MMT.

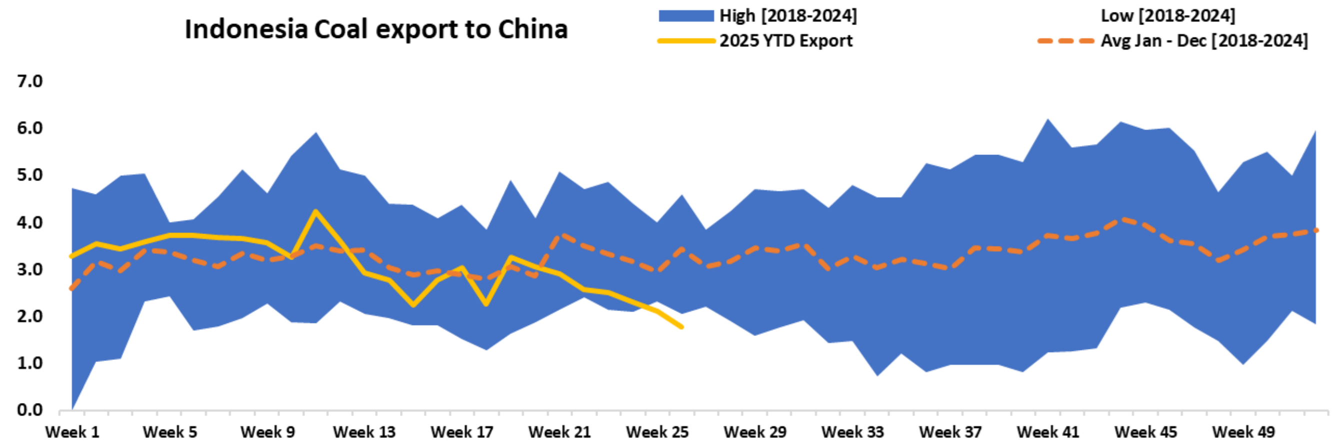
Dry Bulk Trades/Coal

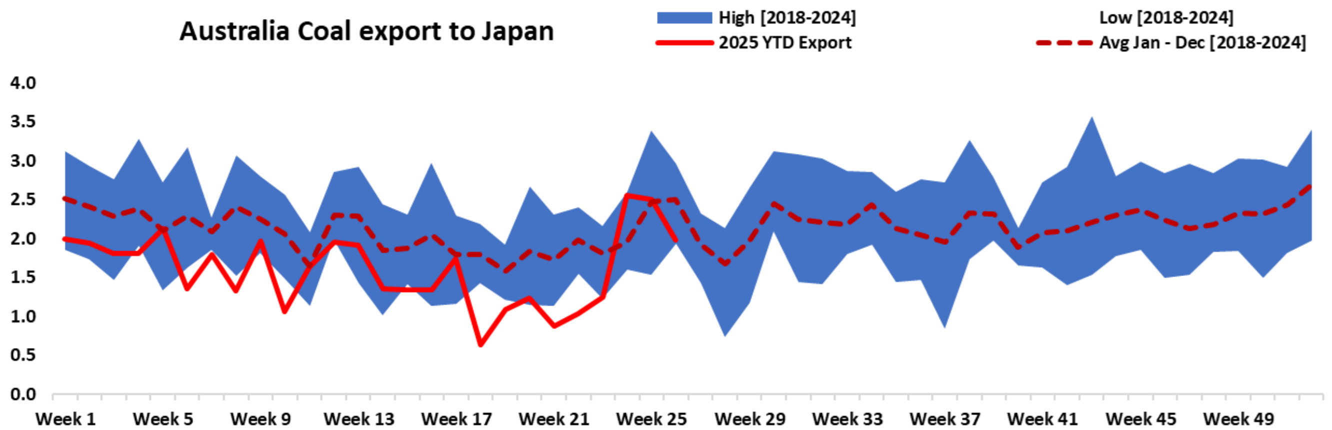
Export (million tonnes)	May-25	Apr-25	Q1-25	Q4-24	Q3-24	Q2-24	2024	2023	2022
Indonesia	40.0	36.9	117.2	142.6	131.4	130.4	533.5	505.8	451.5
Australia	25.2	26.5	77.3	96.6	90.3	88.8	361.2	353.3	341.3
Russia	14.7	14.2	35.5	36.1	40.3	43.3	156.5	180.8	178.3
USA	6.4	6.3	21.5	24.1	22.6	21.6	90.3	83.7	75.9
Colombia	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	1.8	2.1	-16%
Australia-Japan	2.0	2.5	-21%

Seasonality Charts





Dry Bulk Trades/Agri

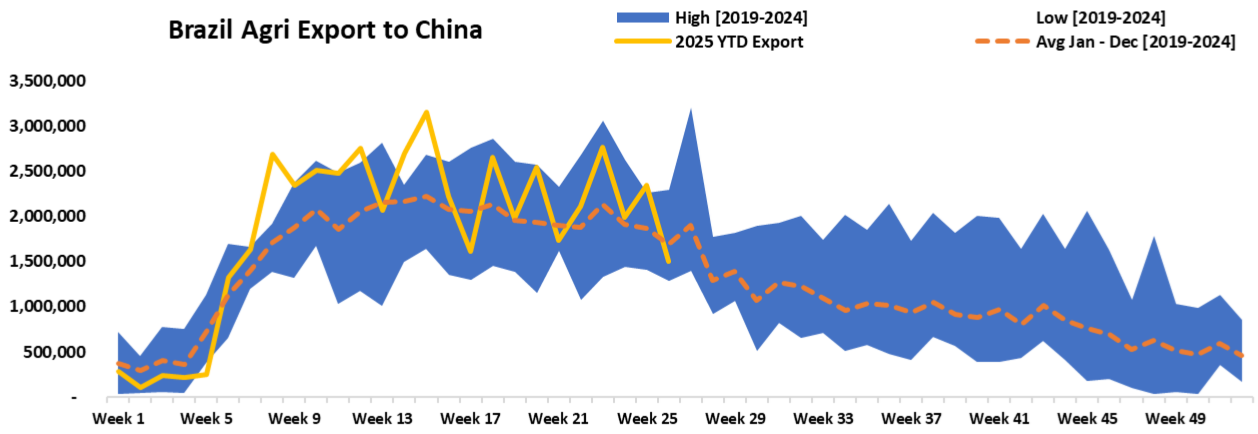
Global seaborne grains and oilseed exports softened last week, declining 4.5% to 10.6 million metric tonnes (MMT) from 11.1 MMT in Week 25. Key regional exporters all saw decreases, with Brazil's shipments down 16.2% to 3.3 MMT and East Coast South America (ECSA) exports easing 13.3% to 5.0 MMT. Argentina's volumes were almost flat, dipping slightly by 1.6% to 1.9 MMT, while US exports bucked the trend with a modest increase of 6.5% to 2.1 MMT.

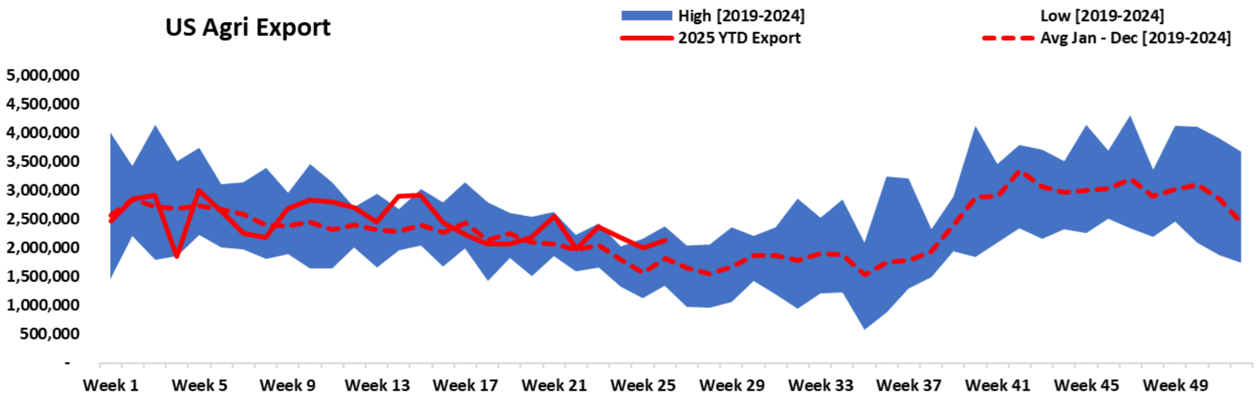
By Vessel Size:

- Panamax: 5.3 MMT (−8.7% w-o-w)
- Supramax: 2.5 MMT (−0.8% w-o-w)
- Handysize: 2.8 MMT (+6.4% w-o-w)

Looking ahead to Week 27, Kpler projects a further contraction in global grains and oilseed exports, with volumes forecast to fall to 8.81 MMT. Brazil's exports are expected to decrease to 3.02 MMT, while Argentina's shipments may rise slightly to 2.06 MMT. ECSA is forecast to maintain a modest recovery at 5.25 MMT. In contrast, US exports are projected to decline significantly to 1.18 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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