

Dry FFA Market Signals

Bull

- **Iron Ore Key Routes:** Capesize weekly iron ore shipments rebounded from a two-month low for the week ending 13th July (Week 28), with volumes rising to 18.8 MMT (+1.2 MMT, +6.5% w-o-w), due to robust exports from Brazil and a slightly lower week from Australia. Brazil shipped out 8.1 MMT of iron ore last week, 1.3 MMT or 19% higher than the previous week. The forecast for Brazilian iron ore shipments for early Aug is around 10.3 MMT per week, against the 4-week moving average of 8.1 MMT. On the other hand, Australian weekly shipments for end-July loading are estimated at 19.3 MMT—below the June peak but a positive recovery compared to the 4-week moving average of 18.8 MMT. On the fixtures side, plenty of activity surfaced in the Pacific on last Thursday, coupled with a firm Atlantic market on Friday. C5 was initially stuck at the mid \$7s but later was heard above \$8 for 26–29 July. Ballaster tonnage remained high on C3, with rates rebounding from earlier in the week to \$19.75 for 4 Aug. (Cape)
- **Coal Shipments:** Coal demand remained firm, with strong flows into China, Japan, and Korea. Indian demand also peaked last week, with EC Australia/India fixtures reported at \$12,800. For the week beginning 14 July, shipments to Japan and Korea are set to hit YTD highs at 6.1 MMT and 2.6 MMT, respectively. Combined with 7.5 MMT bound for China, this backdrop continues to underpin Pacific strength across all three vessel sizes. (Cape & Pmx)
- **ECSA Grains Market:** ECSA grains exports rose 12.5% w-o-w to 6.1 MMT in Week 28, with volumes expected to climb further—projected to peak at 9.6 MMT from 20 July onward, above the 4W MA. The P6 index surged to a 12-month high of \$16,909 on Friday, 11 July, as bullish sentiment persists. (Pmx & Smx)
- **TA Market:** Positive NCSA grains and USGC coal fixtures were reported last week, with owners holding the upper hand. P1A reached an 18-month high at \$19,705 and P2A hit a 12-month high at \$24,421 last Friday. (Pmx)

Bear

- **Trade Tension:** US equities extended their retreat after the Trump administrations threatened to impose 30% tariffs on the EU and escalate trade measures against multiple partners, reviving concerns over transatlantic trade flows.
- **Minor Bulk Demand:** A retreat of Chinese demand for mineral and minor bulk demand was noticed for the late July dates, potentially reduce the cargo demand in the SE Asia and S Africa regions and ease support for freight rates. (Smx)

Ferrous Market Signals

Bull

- Trading activities of iron ore remained active on both ports and seaborne markets. Many PBFs were traded at fixed price, indicated resilient demand market and positive outlook from physical traders' side.
- The China Ministry of Housing and Urban-Rural Development (MOHURD) announced that the total transaction volume of new and existing homes maintaining a generally stable trend in H1 2025 year-on-year. The enquiries in the new home markets of first-tier cities have continued to rise. Over 340 policy measures were introduced nationwide, focusing on optimizing provident fund policies, offering home purchase subsidies and trade-in programs, and adjusting land supply. From January to June, the cumulative transaction volume of new and second-hand housing in Shanghai reached 13.11 million square meters, a year-on-year increase of 17%, hitting the highest level for the same period since 2022.
- China 45 iron ore port inventories down 1.13 million tons at 137.66 million tons.
- Wang Jianhua, chief analyst of MySteel, predicts that the steel market will have an opportunity for price rebound in H2 2025 amid reasonable production control, and the duration of the rebound would be longer than that in the H2 2024.
- The operating rate of 110 major China coal - washing plants increased by 5.4% week - on - week.

Bear

- The high-grade concentrates including IOCJ start to lose cost-efficiencies, given a narrow spread against PBF. MB65- P62 recovered from \$8.8/mt to \$14.74/mt during past three weeks, which potentially saw limited upside room in the current few weeks.
- National Bureau of Statistics of China: In June 2025, PPI fell by 3.6% year-on-year and declined by 0.4% month-on-month. The CPI rose by 0.1% year-on-year but dropped by 0.1% month-on-month.
- US will impose a 30% tariff on products imported from Mexico and the European Union.
- China construction activities in July are expected to slow down, since more than a dozen provinces are experiencing sweltering heat with temperatures exceeding 40°C. This extreme heat can pose significant challenges to construction projects.

Market Data Snapshot (11th Jul)

Open Interest /lots	Jul-25	Aug-25	Sep-25	Oct-25	Nov-25	Dec-25
Cape5TC	23,262	18,721	13,423	10,494	10,229	10,479
Pmx4TC	30,373	28,780	19,105	11,410	10,789	11,004
Smx10TC	12,305	11,633	9,773	6,485	6,280	6,275
Iron Ore 62%	416,147	437,908	330,096	134,367	130,263	92,571
Coking Coal	3,392	3,912	2,487	2,119	2,064	1,994
US HRC	5,560	4,866	4,964	2,791	1,861	2,507
FOB China HRC	897	1,567	546	335	335	185

Price	Jul-25	Aug-25	Sep-25	Oct-25	Nov-25	Dec-25
Cape5TC \$/day	18,225	21,383	22,775	23,458	22,413	20,838
Pmx4TC \$/day	15,396	15,121	13,871	12,696	12,161	11,221
Smx10TC \$/day	13,808	14,492	14,258	13,363	12,763	11,663
Iron Ore 62% \$/mt	97.80	99.28	99.36	99.28	99.01	98.68
Coking Coal \$/mt	178.50	179.00	180.50	183.00	185.00	187.00
US HRC \$/st	877	844	844	841	842	844
FOB China HRC	448.5	460.0	462.5	464.5	469.0	470.5

OI WoW %	Jul-25	Aug-25	Sep-25	Oct-25	Nov-25	Dec-25
Cape5TC	1.5%	9.0%	0.5%	4.2%	4.0%	4.0%
Pmx4TC	6.1%	21.4%	15.2%	5.1%	2.7%	2.5%
Smx10TC	1.0%	8.5%	5.5%	6.6%	3.8%	3.5%
Iron Ore 62%	4.5%	4.1%	25.9%	49.2%	18.4%	47.0%
Coking Coal	-0.9%	14.3%	5.1%	-2.8%	-3.3%	-2.0%
US HRC	4.4%	-0.3%	16.9%	-1.0%	0.4%	14.0%
FOB China HRC	0.6%	54.8%	54.2%	0.0%	0.0%	0.0%

Price WoW %	Jul-25	Aug-25	Sep-25	Oct-25	Nov-25	Dec-25
Cape5TC \$/day	13.8%	19.9%	14.5%	11.5%	9.4%	9.0%
Pmx4TC \$/day	23.4%	28.6%	19.0%	11.7%	9.4%	5.7%
Smx10TC \$/day	13.3%	18.2%	16.1%	9.3%	7.2%	4.1%
Iron Ore 62% \$/mt	2.0%	3.6%	3.9%	4.2%	4.3%	4.3%
Coking Coal \$/mt	0.3%	0.6%	0.6%	0.3%	0.8%	1.4%
US HRC \$/st	-0.9%	-2.0%	-0.8%	0.7%	0.8%	1.0%
FOB China HRC \$/t	0.6%	1.7%	2.0%	1.6%	1.7%	1.7%

Sources: EEX, SGX, CME

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