

Dry FFA Market Signals

Bull

- **Coal Shipments:** Coal flows have shown some positive signs since last week, as coal demand is set to climb during early to mid-November. Australian coal exports are projected to increase from the current level of 6.9 million tonnes (MMT) to 11.1–11.4 MMT in the coming week, supported by rising demand from key buyers. On the other hand, Indonesian coal demand appears to be slowing, with weekly volumes likely to drift lower. Overall, stronger coal cargo volumes should support further Panamax earnings and help absorb some prompt tonnage from the Capesize segment, as coal shipments by Capes are expected to rebound strongly in the coming week to nearly 5.5 MMT, up from 4.2 MMT the previous week. (Cape & Pmx)
- **Chinese Thermal Coal:** China's seaborne thermal coal imports are estimated to rise to nearly 30 million tonnes in October — the highest level this year — driven by increased domestic demand and lower local production. Demand is likely to remain robust amid winter restocking and steady consumption ahead of the peak season. (Pmx & Smx)
- **Grains Market:** Market sentiment turned more positive last week after U.S. and Chinese officials indicated that a trade deal between the two economies is drawing closer, and President Trump reiterated China's intent to buy more U.S. soybeans. Last month, China's soybean imports from Brazil, Argentina, and Uruguay reached record highs. In the coming week, vessel data suggests strong grains exports from ECSA, with weekly cargo volumes expected to hit around 6 MMT, up from recent weekly levels of 4.8–5.1 MMT. (Pmx & Smx)

Bear

- **Iron Ore Key Routes:** Capesize iron ore shipments declined by 2.3 MMT, or 15.4% week-on-week, to 12.8 MMT last week, impacted by reduced iron ore exports from Australia. At the start of the week, both basins were supported by weather delays and firm fixture activity. In the Pacific, Australian exports to China fell by 5.6% w-o-w to 15.7 MMT, with C5 rates easing from the weekly high of \$10.90 to around \$10.70 for 8–12 Nov laycans. In the Atlantic, rates also came under pressure amid weaker iron ore demand — C3 slipped from the mid-\$24s to \$23.50 and further to \$22.60 for mid-Nov dates. Limited enquiries were seen on the C3 route for mid-late Nov, with weekly exports expected to drop further in the coming week. Although C5 cargo volumes are projected to remain steady, they are still below the 4-week moving average. (Cape)
- **Chinese Demand:** Chinese steel production has slowed amid weaker construction activity and winter anti-pollution controls. Steel mills in Tangshan are expected to initiate production cuts this week due to pollution curbs, though the final agenda has yet to be released, potentially dampening demand from Chinese buyers. Nevertheless, iron ore prices have held firm, supported by renewed optimism following China's Fourth Plenum and the US–China trade talks in Malaysia. Kpler vessel data shows weekly iron ore cargoes destined for China have fallen to 23.5 MMT for early November laycans, and further down to 19.7 MMT this week, compared with a recent level of 25.7 MMT. The forecast decline is reflected in lower cargo volumes on both C3 and C5 routes. (Cape)

Ferrous Market Signals

Bull

- From October 25 to 26 (local time), the Chinese Vice Premier held economic and trade consultations with the U.S. Treasury Secretary and Trade Representative in Kuala Lumpur, Malaysia. The two sides reached a basic consensus on addressing each other's concerns and agreed to finalize details and complete domestic approval procedures. Global markets interpreted this as a bullish signal.
- Australian miner Mount Gibson has indefinitely suspended iron ore production at Koolan Island following a rockfall accident. The company has withdrawn its previous sales forecast for FY2025–2026.
- Tangshan will initiate a Level II emergency response to heavy pollution weather at 12:00 on October 27, 2025 (local time), on the premise of ensuring safety. The specific end time will be announced separately.
- Recent exports of hot-rolled coil (HRC) have remained strong. Provided that export prices remain competitive and no new tariff measures are introduced, robust export performance is likely to continue throughout the fourth quarter.

Bear

- Demand for mid-grade fines has dropped significantly. The spread between PBF and SSF has narrowed, prompting mills to purchase alternative low-grade fines from Brazil and India.
- India's total coal production in FY2024–2025 reached 1.05 billion metric tons, up 11.71% year-on-year.
- BHP widened discounts for its November term contracts on iron ore fines, with JMBF seeing the largest increase—from \$3.08/mt to \$6.07/mt.
- The decline in steel mills' hot metal output has slightly exceeded expectations due to multiple factors. A continued downturn is likely to weigh on raw material prices.
- In the short term, apparent demand for rebar has rebounded slightly. However, as cold air moves into northern China, construction progress will likely slow, leading to a seasonal demand decline. Downstream enterprises report slower project execution and fewer new projects, while market capital is returning to the settlement cycle.

Market Data Snapshot (24th Oct)

Open Interest /lots	Oct-25	Nov-25	Dec-25	Jan-26	Feb-26	Mar-26
Cape5TC	21,112	20,252	16,539	9,817	8,982	9,066
Pmx4TC	20,531	20,882	18,387	10,967	10,377	10,397
Smx10TC	11,645	12,840	9,027	5,240	4,905	4,895
Iron Ore (IODEX)	312,966	522,343	567,777	359,366	89,622	68,379
Coking Coal	2,967	3,679	3,139	1,407	1,060	1,008
US HRC	4,834	4,210	5,199	2,939	2,152	2,167
FOB China HRC	626	2,037	300	341	244	203

Price	Oct-25	Nov-25	Dec-25	Jan-26	Feb-26	Mar-26
Cape5TC \$/day	24,400	24,721	24,629	17,843	14,189	18,561
Pmx4TC \$/day	14,843	14,907	13,975	11,748	10,466	12,350
Smx10TC \$/day	15,650	13,843	13,504	11,229	9,743	11,629
Iron Ore (IODEX) \$/mt	105.20	104.20	103.72	100.70	100.15	99.64
Coking Coal \$/mt	193.50	198.00	202.50	207.00	209.00	211.00
US HRC \$/st	813	843	861	875	876	877
FOB China HRC \$/t	460.0	458.5	461.5	461.0	466.5	464.0

OI WoW %	Oct-25	Nov-25	Dec-25	Jan-26	Feb-26	Mar-26
Cape5TC	1.0%	8.0%	9.3%	8.3%	1.6%	1.7%
Pmx4TC	-0.5%	4.8%	7.7%	8.8%	4.6%	4.9%
Smx10TC	-1.1%	7.5%	4.8%	8.5%	5.6%	5.5%
Iron Ore (IODEX)	-4.3%	-7.5%	29.8%	7.1%	6.9%	2.8%
Coking Coal	-2.9%	0.1%	18.2%	5.6%	1.4%	6.3%
US HRC	0.4%	-6.6%	13.7%	9.1%	19.6%	20.9%
FOB China HRC	-0.8%	15.5%	-22.9%	22.7%	4.3%	0.0%

Price WoW %	Oct-25	Nov-25	Dec-25	Jan-26	Feb-26	Mar-26
Cape5TC \$/day	-5.7%	-10.6%	-4.1%	-2.1%	-5.1%	-2.2%
Pmx4TC \$/day	0.8%	2.3%	-0.5%	2.7%	1.7%	5.0%
Smx10TC \$/day	-1.4%	-5.3%	-4.2%	-1.7%	-1.6%	-0.6%
Iron Ore (IODEX) \$/mt	0.3%	0.3%	0.3%	0.2%	0.2%	0.2%
Coking Coal \$/mt	0.5%	1.5%	2.3%	3.0%	3.0%	2.4%
US HRC \$/st	-0.1%	1.1%	0.5%	0.5%	0.5%	0.2%
FOB China HRC \$/t	-0.4%	-0.7%	-0.5%	-1.1%	-0.4%	-1.1%

Sources: EEX, SGX, CME

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