

Dry FFA Market Signals

Bull

- Iron ore demand remains robust with tight available tonnage. (Iron Ore)
- Atlantic freight rates remains firm with Brazil Chian fixtures at elevated levels, while South Africa- China gains on improved cargo flow and tightening vessels availability, both supporting overall Capesize sentiment.(Capesize Freight)
- Brazil soybean record harvest at peak export window; North America old-crop grain clearance driving sustained Panamax demand. (Grains)
- Panamax market remains strong, driven by robust coal shipping demand and steady release of grain cargoes, with daily rates continuing to trend firmly upward.
- Bunker prices surge, increasing voyage costs of energy.(Bunker)
- Supramax rates were supported from strong China steel mills exports, effectively offsetting nickel ore cargo contraction. (Supramax)

Bear

- European trading subdued due to multiple holidays, eyeing liquidity fragmented.(Capesize)
- Rio Tinto fixtures show rates dropped periodically. (Capesize)
- Increased ballast vessel arrivals from the US Gulf have weighed on Panamax freight rates. (PMX Capacity)
- According to BIMCO's forecast, global dry bulk carrier deliveries are expected to reach 41.2 million dwt in 2026, hitting a six-year high. Among these, Panamax vessels will be the absolute mainstay, accounting for an estimated 33.9% of total deliveries over the 2025–2026 period.(Ship deliveries)
- Coal and Nickel ore shipping demand decreased slightly. Indonesian nickel ore flows were moderating.(Supramax)
- Indonesia to China nickel ore routes seeing softer enquiry levels, however index level maintains high(Supramax)

Ferrous Market Signals

Bull

- As of May 14, coking coal social inventory was 26.86 million tonnes, down 6.4% YoY and down 0.7% WoW.
- According to Mysteel's survey of 247 sample steel mills, daily hot metal output rose to 2.3933 million tonnes (2,393,300 tonnes) for the week ending May 14, 2026, representing an increase of 4,200 tonnes or 0.18% week-on-week from the previous week's 2.3891 million tonnes.
- Strong steel mill profits (64% of mills profitable) and low coke inventories are fueling expectations of a fourth round of coke price hikes.
- In April, Vietnam imported 18% more coking coal MoM (+37% YoY), driven by expanding steel capacity.
- Geopolitical risks (Middle East) have raised shipping costs (Panamax vessels), making delivered seaborne coal prices sticky.
- China relaxed unofficial import curbs on BHP iron ore products (NHGF, JMBF). While this increases supply, it normalized trade flows and reduced discounts.
- Mongolia long-term contract prices for Q3 are expected to rise, supporting import cost floors.

Bear

- Australia exported 12.5 million tonnes of coking coal in April 2026: +11% MoM and +20% YoY, increasing global seaborne supply.
- While China coking coal imports rose 10% MoM in April, they were down 45% YoY, reflecting a structural shift towards alternative domestic supply sources
- Japanese coking coal imports fell 22% MoM in April as domestic steel demand softened, reducing major buyer activity in Asia.
- Domestic Chinese mills are cautious purchasing high-priced imported metallurgical coal and are demanding lower coke prices.
- Simandou high-grade iron ore trades at a discount to Vale's IOCJ, driven by a concentrated customer base in China and likely higher impurity levels (including alumina).
- While bearish for supply, the fact that BHP resolved contract negotiations with China Mineral Resources Group restores stable trade flows, removing the overhang of political trade friction

Market Data Snapshot (15th May)

Open Interest /lots	May-26	Jun-26	Jul-26	Aug-26	Sep-26	Oct-26
Cape5TC (180)	21,919	19,054	13,066	12,293	12,338	11,137
Pmx5TC	22,973	21,750	16,210	14,695	13,305	9,206
Smx10TC	12,965	13,803	7,922	7,348	6,993	5,548
Iron Ore (IODEX)	433,324	642,523	268,716	95,281	81,406	32,810
Coking Coal	2,213	3,584	2,335	1,960	1,585	580
US HRC	7,695	8,136	6,249	3,630	3,677	3,272
FOB China HRC	1,202	882	806	166	26	8

Price	May-26	Jun-26	Jul-26	Aug-26	Sep-26	Oct-26
Cape5TC (180) \$/day	42,500	38,579	34,936	32,900	32,829	32,614
Pmx5TC \$/day	21,529	21,832	21,332	20,586	19,818	18,993
Smx10TC \$/day	17,621	18,507	18,482	18,032	17,557	17,007
Iron Ore (IODEX) \$/mt	110.50	109.13	108.66	108.03	107.51	106.97
Coking Coal \$/mt	239.00	239.50	240.00	241.00	242.00	243.00
US HRC \$/st	1,079	1,109	1,135	1,142	1,145	1,100
FOB China HRC \$/t	507.0	510.0	510.0	513.0	514.0	515.5

OI WoW %	May-26	Jun-26	Jul-26	Aug-26	Sep-26	Oct-26
Cape5TC (180)	6.1%	7.1%	7.8%	2.8%	2.6%	2.1%
Pmx5TC	2.5%	5.2%	6.5%	2.7%	3.2%	4.7%
Smx10TC	-0.9%	7.2%	11.8%	9.9%	6.0%	2.8%
Iron Ore (IODEX)	-6.0%	-4.6%	45.4%	14.3%	10.7%	5.0%
Coking Coal	-0.9%	4.2%	0.2%	3.2%	8.9%	0.0%
US HRC	-0.1%	-6.9%	3.1%	-5.6%	2.8%	0.7%
FOB China HRC	0.0%	17.6%	214.8%	0.0%	-18.8%	0.0%

Price WoW %	May-26	Jun-26	Jul-26	Aug-26	Sep-26	Oct-26
Cape5TC (180) \$/day	10.7%	12.2%	9.6%	7.0%	5.5%	5.1%
Pmx5TC \$/day	4.3%	3.7%	4.1%	3.2%	1.7%	1.7%
Smx10TC \$/day	-0.1%	1.8%	2.1%	2.5%	1.6%	2.4%
Iron Ore (IODEX) \$/mt	-0.4%	-1.2%	-1.0%	-1.0%	-1.0%	-0.9%
Coking Coal \$/mt	0.4%	0.1%	0.3%	0.2%	0.0%	-0.2%
US HRC \$/st	0.1%	0.7%	0.4%	1.2%	2.2%	2.0%
FOB China HRC \$/t	-1.0%	-0.7%	-1.4%	-1.0%	-0.8%	-1.0%

Sources: EEX, SGX, CME

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