FIS

WEEKLY DRY FFA AND FERROUS MARKET PREVIEW

21 Sep 2026

info@freightinvestor.com | freightinvestorservices.com | fis-live.com
London (+44) 20 7090 1120 | Dubai (+971) 4 4493900 | Singapore (+65) 6535 5189 | Shanghai (+86) 21 6335 4002

Dry FFA Market Signals

Bull

- Capesize freight rates on the Brazil and South Africa routes rose amid tight spot vessel supply and steady cargo activity. (Capesize)

- Loading volumes at Simandou's Morebaya Port have increased for two consecutive weeks. Simandou iron ore shipments for 2026 are projected at roughly 23 million tonnes, with potential upside of an additional 2–3 million tonnes if output accelerates. Key infrastructure at Morebaya is 85% complete, leaving further room for shipment growth upon full commissioning. (Iron Ore)

- Capesize vessels command a substantial earnings premium and have captured market share from Kamsarmax vessels in Australian coal trades. Larger, more efficient vessels enjoy greater advantages amid high bunker costs. (Capesize)

- Pre-holiday restocking by steel mills lifted China's seaborne iron ore imports in the week ending 13 September, up 9.9% WoW and 19.3% YoY. (Iron Ore)

- CMRG instructed selected Chinese steel mills to suspend separate negotiations for Pilbara Blend from September. A prolonged deadlock could reduce weekly shipments of Pilbara fines and lumps to China by 0.5–1.5 million tonnes. (Iron Ore)

- China's steel product exports topped 10 million tonnes for the fourth consecutive month in August, sustaining demand for self-discharging bulk carriers. Tight vessel availability in the Mediterranean and Continental Europe supported Supramax earnings and boosted backhaul rates. (Steel)

- Starting 15 September, the Panama Canal reduced daily transits from 36 to 32 vessels, with Panamax slots cut to 23. Lower-than-average rainfall in the watershed reduced maximum draft limits for the Neopanamax locks. Some dry bulk vessels are opting for Suez diversion. The New Orleans/Qingdao voyage via Suez is around 40% longer, increasing tonne-mile demand, absorbing effective vessel capacity and lifting fuel demand. (PMX)

- Nickel ore exports from the Philippines are approaching their seasonal peak, offering marginal support to Supramax freight rates. (Nickel)

Bear

- Coal freight rates to India softened. Australia/India Panamax rates faced pressure, while South Africa/India routes were weighed down by a weak Atlantic market. Panamax rates from Paradip to Tangshan posted notable declines. (PMX)

- Weekly coal consumption by major coastal Chinese power plants fell 3% WoW. Weak buying sentiment pulled the price of imported NAR 5,500 kcal/kg coal down by approximately $5/tonne WoW. (Coal)

- Black Sea shipping remains disrupted by the Russia-Ukraine conflict, with active hostilities ongoing. (Geo-Tension)

- The first round of coke price cuts in China is likely to begin after the Mid-Autumn Festival and be implemented before National Day, with a cut of 100–110 yuan/mt. The market is pricing in another one to two rounds of cuts after the holiday. (Coke)

- The Mediterranean market remained sluggish amid a lack of fresh cargoes, with rates for earlier vessel positions softening. (PMX/SMX)

- Indonesia’s seaborne coal exports reached 36.1 million tonnes in August, down 23.34% YoY and 6.54% MoM. Exports declined for the third consecutive month and hit the lowest August level in five years. (Coal)

Ferrous Market Signals

Bull

- The extended Mid-Autumn Festival and National Day holiday period this year has driven pre-holiday restocking among steel mills, supporting iron ore prices amid a sharp drop in coking coal prices.

- Shipments from non-major countries remained high year-on-year, adding to supply pressure. Usiminas suspended part of its mining facilities amid surging ocean freight rates, cutting weekly shipments by 170,000–200,000 tonnes.

- Rio Tinto and Simandou project partners secured key financing approval and a capital injection of over $620 million for railway and infrastructure works. The funds will upgrade the cross-Guinea railway corridor to support higher exports. Port commissioning is underway, pointing to a gradual rise in long-term supply.

- The China Iron and Steel Association (CISA) released an initiative on self-regulated production cuts and inventory reduction across the steel sector, jointly endorsed by 44 major steel enterprises. The proposal, covering 45 steel mills, strengthened market expectations for production curtailment.

- Bloomberg cited sources saying that negotiations between China Mineral Resources Group (CMRG) and Australian miner Rio Tinto have entered a critical phase. CMRG notified domestic steel mills to suspend purchases of Rio Tinto's flagship Pilbara Blend. Procurement discussions will remain on hold pending the outcome of negotiations.

Bear

- The NDRC, National Energy Administration and National Mine Safety Administration jointly issued the Circular on Ensuring Safe, Stable Production and Supply of Coal. It states that authorities will "actively and steadily promote coal mines to resume and increase production and release coal capacity reserves in a timely manner". This directly contradicts the previous market narrative of tight safety supervision, with resumed mines but limited output growth. The change in expectations pressured coking coal prices lower.

- Global iron ore shipments and China's port arrivals both increased last week. Global iron ore shipments rose to 35.171 million tonnes, up 1.587 million tonnes WoW. China's port arrivals reached 28.975 million tonnes, up 1.979 million tonnes WoW, while port congestion eased.

- All Mongolian No. 5 coking coal offered on Mongolia's ETT bidding platform went unsold last week. The starting price was reduced from $197.5/mt to $181.5/mt, reflecting weak market demand for high-priced cargoes.

- Less than 10% of domestic steel mills are profitable, close to historical lows. Blast furnace steelmaking is operating at a marginal loss. EAF production during peak power hours is also operating at a marginal loss, while off-peak operations yield only thin profits.

Market Data Snapshot (18th Sep)						
Open Interest /lots	Sep-26	Oct-26	Nov-26	Dec-26	Jan-27	Feb-27
Cape5TC (180)	26,408	20,745	18,131	15,812	7,818	7,818
Pmx5TC	24,891	22,080	19,326	16,716	9,815	9,700
Smx10TC	12,917	12,248	11,986	8,993	5,280	5,110
Iron Ore (IODEX)	347,535	379,675	261,410	162,711	84,189	34,048
Coking Coal	3,225	3,610	2,515	1,725	1,145	1,265
US HRC	6,078	6,857	8,181	6,526	3,680	2,857
FOB China HRC	1,417	934	418	465	85	24

Price	Sep-26	Oct-26	Nov-26	Dec-26	Jan-27	Feb-27
Cape5TC (180) $/day	49,382	48,307	46,289	43,864	33,521	28,696
Pmx5TC $/day	21,268	22,400	22,643	21,782	18,393	17,550
Smx10TC $/day	20,011	21,739	21,625	20,800	17,054	15,921
Iron Ore (IODEX) $/mt	97	97	97	97	97	97
Coking Coal $/mt	275	262	258	254	252	250
US HRC $/st	1,237	1,280	1,300	1,294	1,276	1,245
FOB China HRC $/t	500	502	504	505	508	512

OI WoW %	Sep-26	Oct-26	Nov-26	Dec-26	Jan-27	Feb-27
Cape5TC (180)	1.9%	7.2%	1.9%	0.5%	9.9%	9.9%
Pmx5TC	-0.5%	0.1%	0.1%	1.2%	9.5%	9.5%
Smx10TC	-0.4%	5.1%	10.6%	2.9%	10.8%	9.9%
Iron Ore (IODEX)	-2.0%	5.0%	39.5%	17.4%	18.5%	22.1%
Coking Coal	-1.8%	-4.4%	28.3%	-1.1%	-1.7%	-1.6%
US HRC	-0.6%	-4.5%	5.7%	5.3%	5.9%	7.4%
FOB China HRC	0.6%	48.3%	109.0%	24.0%	0.0%	0.0%

Price WoW %	Sep-26	Oct-26	Nov-26	Dec-26	Jan-27	Feb-27
Cape5TC (180) $/day	-3.5%	-0.4%	1.8%	1.3%	1.6%	1.5%
Pmx5TC $/day	-3.8%	-5.0%	-1.8%	-0.9%	-1.6%	-2.0%
Smx10TC $/day	1.0%	1.8%	2.1%	2.6%	2.5%	2.0%
Iron Ore (IODEX) $/mt	0.1%	0.7%	0.8%	0.7%	0.7%	0.7%
Coking Coal $/mt	2.6%	-3.3%	-3.0%	-3.8%	-2.3%	-2.3%
US HRC $/st	0.2%	1.1%	2.0%	3.1%	3.9%	4.6%
FOB China HRC $/t	0.6%	0.7%	0.5%	0.7%	0.5%	0.5%

Sources: EEX, SGX, CME

FIS

Edited by: Hao Pei, Senior Research Analyst

CONTACT

Paul Geddes
PaulG@freightinvestor.com
m: (+44) 7745644966

Federico Picciolini
FedericoP@freightinvestor.com
m: (+44) 7543223444

The information provided in this communication is not intended for retail clients. It is general in nature only and does not constitute advice or an offer to sell, or the solicitation of an offer to purchase any swap or other financial instruments, nor constitute any recommendation on our part. The information has been prepared without considering your investment objectives, financial situation, or knowledge and experience. This material is not a research report and is not intended as such. FIS is not responsible for any trading decisions taken based on this communication. Trading swaps and over-the-counter derivatives, exchange-traded derivatives, and options involve substantial risk and are not suitable for all investors. You are advised to perform an independent investigation to determine whether a transaction is suitable for you. No part of this material may be copied or duplicated in any form by any means or redistributed without our prior written consent. Freight Investor Services Ltd (FIS) is authorised and regulated by the Financial Conduct Authority (FRN: 211452) and is a member of the National Futures Association ("NFA"). Freight Investor Services PTE Ltd ('FIS PTE') is a private limited company, incorporated and registered in Singapore with company number 200603922G, and has subsidiary offices in India and Shanghai. Freight Investor Solutions DMCC ('FIS DMCC') is a private limited company, incorporated and registered in Dubai with company number DMCC1225. Further information about FIS including the location of its offices can be found on our website at freightinvestorservices.com