

Dry FFA Market Signals

Bull

- The market expects typhoons to disrupt port operations and vessel turnaround along China's eastern seaboard, pointing to a temporary contraction in effective tonnage in the Pacific. Market activity improved and cargo demand strengthened, with owners holding firmer offers amid increased enquiries. (Weather/Cape)
- Simandou shipments year-to-date in 2026 have reached nearly 19.3mn tonnes, almost matching the market forecast of 20mn tonnes for the full year. (Iron Ore)
- Elevated bunker costs have markedly strengthened owners' willingness to hold firm in spot negotiations. (Energy)
- Indian power plant inventories remain persistently low, with structural support from imported coal restocking demand still intact. (Coal)
- US Gulf grain cargoes remain relatively firm, partially offsetting the seasonal softening in Brazilian cargoes. (Grain)
- Expectations of Russia-Ukraine peace negotiations have strengthened, with the market beginning to anticipate stronger tonnage demand in and around the Black Sea. (PMX)
- Steel export cargoes from North China remain firm, with prompt available tonnage relatively tight, directly supporting Supramax daily hire. (Steel)
- Regional cargo activity in the Indian Ocean market has provided additional short-haul demand for Supramaxes, giving the segment a third source of cargo support beyond the Pacific and Atlantic. (SMX)

Bear

- Capesize spot rates have rebounded while forward prices have moved little; the near-term structure may remain volatile, or the spot rebound may not yet be confirmed by forwards. (Cape)
- Average daily hot metal output at China's 247 steel mills fell to 2.3230mn tonnes, down 13,600 tonnes WoW. China's peak steel demand season has not shown a significant increase compared with Q3. Iron ore port inventories remain near historic highs, suppressing seaborne demand. (Steel/Iron Ore)
- The impact of typhoons is expected to fade this week, with tonnage availability recovering thereafter. (Weather)
- Panamax vessels face excess available tonnage in the Pacific, with charterers holding the upper hand in negotiations and rates lacking upward elasticity. (PMX)

Ferrous Market Signals

Bull

- Total iron ore inventories at seven major ports in Australia and Brazil stood at 11.852mn tonnes, down 732kt WoW.
- In Odisha Mining Corp's 22 October iron ore auction, about 98% of fines and all lumps were sold, up sharply from 53% in September, as steel mills restocked amid post-monsoon supply shortages. Transaction prices for mainstream 60%–65% Fe fines rose by INR35–50/tonne compared with September.
- Some coking coal mines in Kalimantan saw intermittent stoppages due to haze and low visibility from forest fires, affecting October output by about 10%–20%. The Barito River water level is only about 3 metres (barges require 4.5 metres), continuing to constrain coal transport since August. Indonesia's January–September coal exports fell 8.4% YoY to 345.5mn tonnes.
- Daily customs clearance at Ganqimaodu port remained at 650–750 trucks, a low level, contradicting earlier market rumours of 1,000 trucks.
- Australian low-vol hard coking coal sellers said Indian enquiries for LVHCC remain active, with sellers comparing Indian and Chinese buying interest. However, long-term demand for hard coking coal has not been confirmed.

Bear

- Global iron ore shipments in the current period remain at elevated levels for this time of year. Australian shipments rebounded WoW, Brazilian shipments remained in the mid-range, and overseas supply is broadly ample. Non-mainstream shipments totalled 4.95mn tonnes, down 907kt WoW, but the absolute volume remains sizeable. China's 47-port iron ore arrivals totalled 28.35mn tonnes, up 2.73mn tonnes WoW. Imported iron ore inventories at 47 ports stood at 172.75mn tonnes, down slightly WoW but still 14% higher YoY.
- BHP widened its November-loading NHGF discount to \$0.52/dmt (from \$0.42/dmt in October) and its MACF discount to \$0.42/dmt (from \$0.27/dmt in October).
- Apparent demand for the five major steel products fell by 390kt WoW to 8.2413mn tonnes, of which rebar apparent demand fell by 212.4kt to 2.01mn tonnes and hot-rolled coil demand fell by 120.5kt to 2.89mn tonnes, with only cold-rolled products edging higher. Hot metal output still failed to increase during the October peak season, confirming insufficient steel orders and weak demand.
- Further supply-guarantee policies continue to be implemented. Inner Mongolia and Shaanxi both have potential additional approved volumes of around 10mn tonnes, with final amounts yet to be determined, further strengthening supply-growth expectations.
- Physical coke price hikes in China are facing resistance, with steel mills showing limited willingness to accept them.

Market Data Snapshot (23 Oct)

Open Interest (lots)	Oct-26	Nov-26	Dec-26	Jan-27	Feb-27	Mar-27
Cape5TC (180)	27,888	25,548	19,951	10,177	9,297	9,221
Pmx5TC	22,565	25,193	21,504	11,915	11,585	11,530
Smx10TC	12,626	19,091	12,138	7,295	6,365	6,570
Iron Ore (IODEX)	338,909	393,654	428,594	133,210	73,172	53,191
Coking Coal	3,721	2,905	2,345	1,150	1,415	955
US HRC	5,661	6,293	8,615	5,401	4,141	3,560
FOB China HRC	983	924	649	106	18	22

Price	Oct-26	Nov-26	Dec-26	Jan-27	Feb-27	Mar-27
Cape5TC (180) \$/day	33,486	35,468	35,432	29,957	25,071	29,621
Pmx5TC \$/day	20,496	18,814	18,350	16,607	15,736	16,654
Smx10TC \$/day	21,157	20,314	19,571	16,525	14,850	16,496
Iron Ore (IODEX) \$/mt	90.80	90.54	90.55	90.58	90.67	90.76
Coking Coal \$/mt	266.0	261.5	259.5	258.0	257.0	256.0
US HRC \$/st	1,292	1,344	1,381	1,399	1,370	1,350
FOB China HRC \$/mt	485	484	487	490	493	495

OI WoW %	Oct-26	Nov-26	Dec-26	Jan-27	Feb-27	Mar-27
Cape5TC (180)	0.8%	2.1%	4.8%	4.8%	2.2%	2.4%
Pmx5TC	-0.4%	-1.4%	-0.9%	1.0%	0.7%	0.7%
Smx10TC	-0.3%	7.2%	6.6%	7.6%	3.3%	4.5%
Iron Ore (IODEX)	-1.0%	-24.4%	44.6%	11.0%	14.2%	12.8%
Coking Coal	0.0%	-0.7%	19.9%	0.0%	0.0%	0.0%
US HRC	0.3%	-12.9%	8.4%	24.7%	23.4%	21.7%
FOB China HRC	-0.1%	7.9%	0.5%	0.0%	0.0%	0.0%

Price WoW %	Oct-26	Nov-26	Dec-26	Jan-27	Feb-27	Mar-27
Cape5TC (180) \$/day	4.6%	12.6%	0.9%	1.3%	0.1%	1.0%
Pmx5TC \$/day	-2.4%	-4.0%	-5.4%	-1.0%	-0.8%	-0.9%
Smx10TC \$/day	-0.2%	0.9%	-1.4%	0.9%	-2.3%	0.8%
Iron Ore (IODEX) \$/mt	-0.2%	-0.8%	-0.8%	-0.9%	-0.7%	-0.7%
Coking Coal \$/mt	-0.4%	-2.1%	-2.6%	-1.9%	-1.9%	-0.8%
US HRC \$/st	0.5%	1.3%	1.8%	3.2%	2.6%	3.3%
FOB China HRC \$/mt	-1.8%	-1.0%	-0.6%	-1.3%	-1.3%	-1.4%

Sources: EEX, SGX, CME

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