

WEEKLY MARKET REPORT

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28th February 2025

Bulk report – Week 09

Capesize

The Capesize market saw a strong upward trajectory throughout the week, with the BCI 5TC surging from \$8,620 on Monday to \$15,074 by Friday, reflecting improved sentiment across both basins. The Pacific market was notably firm, driven by a tightening tonnage list, steady demand from miners and operators, and increased coal cargoes, which underpinned rates. The C5 index rose from \$6.65 on Monday to \$9.885 by Friday. In the Atlantic, South Brazil and West Africa to China routes saw consistent support, bolstered by fresh cargo and a shorter ballaster list. Rates on the C3 index climbed from \$18.31 to \$19.875 by the end of the week, with early April dates fixing as high as \$20.25-\$20.30. Despite limited fresh cargo, sentiment in the North Atlantic remained positive, with the C8 and C9 indices rising steadily. Overall, it was a strong week for the market.

Panamax

Rates in the Atlantic came under severe pressure this week. Sizeable losses witnessed on the trans-Atlantic routes, with absent mineral demand and long tonnage counts only compounded a bleak situation. Asia initially appeared to resist the negative sentiment emanating from other areas as the week started out with healthy volume of fresh enquiry and volume of fixtures, with the North Pacific seeing a steady flow of enquiry along with mineral demand from Australia and Indonesia but less dominant. However, as the week progressed much of the market came under pressure, and end-week rates began to look softer in most areas. EC South America saw moderate levels of fixing throughout the week but index-type tonnage by Thursday were only capable of achieving low \$14,000's + low \$400,000's levels delivery at the port with a ballast bonus. NoPac rounds in the Pacific hovered around the \$12,000-13,000 mark for 82,000-dwt, whilst the median rate for shorter Indonesian round trips lent towards the \$10,000 mark.

WEEKLY MARKET REPORT

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Ultramax/Supramax

As the week progressed it became apparent that the recent upturn in the sector had come to a halt. The Atlantic was described as stable, while the US Gulf was considered fairly busy, though rates remained relatively flat. The South Atlantic lacked fresh impetus and rates eased slightly, a 61,000-dwt was heard fixed basis delivery Recalada trip to the Arabian Gulf at Arabian Gulf in the mid \$12,000s plus mid \$200,000s ballast bonus. The Mediterranean-Continent also lacked demand, at the beginning of the week a 55,000-dwt fixed from the Continent to the Mediterranean at \$12,500. From Asia, a similar positive sentiment continued at the beginning of the week but soon eased. Despite this, it was heard a 56,000-dwt open Japan fixed a backhaul via the C.O.G.H. to the Continent-Mediterranean at \$14,000. From the south, a 64,000-dwt open Indonesia was heard fixed for a trip to China at \$17,000. The Indian Ocean was patchy, Ultramax sizes seeing around \$12,000 plus \$120,000 ballast bonus for South Africa to China runs whilst further north Supramax sizes seeing between mid \$5,000s and mid \$6,000s for trips from India to China.

Handysize

This week, the market showed mixed performance, with modest movements across both basins. The Continent and Mediterranean regions maintained their positive momentum, with rates edging slightly above previous levels, and the market appeared supported. For instance, a 25,000-dwt reported fixed delivery Egypt trip redelivery US Gulf with fertiliser at low \$6,000. In the South Atlantic, market fundamentals remained strong and indicating continued support, particularly for larger sizes. A 39,000-dwt fixed delivery Recalada redelivery Liverpool at \$16,500.

In contrast, although rates in the U.S. Gulf showed gentle improvement, overall activity was relatively minimal compared to other routes. A 38,000-dwt placed on subjects for SW Pass for redelivery West Coast Central America in the \$12,000. Meanwhile, in Asia, the market remained strong, driven by a healthy demand-supply balance, particularly for NoPac and Southeast Asia, with several strong fixtures reported. A 38,000-dwt fixed delivery Japan to redelivery Brazil at \$10,500.

WEEKLY MARKET REPORT

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Tanker report – Week 09

VLCC

The market steadily dropped this week. The 270,000 mt Middle East Gulf to China trip (TD3C) fell 5 points week-on-week to WS58.10 corresponding to a round-trip TCE of \$37,997 per day basis the Baltic Exchange's vessel description.

In the Atlantic market, the rate for 260,000 mt West Africa/China (TD15) fell about 2.5 points to WS59.83 giving a round voyage TCE of \$40,610 per day. The rate for 270,000 mt US Gulf/China (TD22) is now assessed \$210,000 less than a week ago at \$8,122,500 which shows a daily round trip TCE of \$42,167 (which actually is only about \$700 per day lower than this time last week).

Suezmax

Suezmax owners have again felt the pressure this week with the rate for 130,000 mt Nigeria/UK Continent voyage (TD20) falling 6 points to settle at WS85 meaning a daily round-trip TCE of \$33,818 while the TD27 route (Guyana to UK Continent basis 130,000 mt) has dipped 3 points to WS84.06 translating into a daily round trip TCE of \$32,978 basis discharge in Rotterdam. For the TD6 route of 135,000 mt CPC/Med, charterers have chipped away at owners translating into a fall of about 10 points to WS103.75. This shows a daily TCE of a \$41,640 round-trip). In the Middle East, the rate for the TD23 route of 140,000 mt Middle East Gulf to the Mediterranean (via the Suez Canal) has hovered at the WS89-90 level.

Aframax

In the North Sea, the rate for the 80,000 mt Cross-UK Continent route (TD7) remained flat at WS110 giving a daily round-trip TCE of a little over \$29,000 basis Hound Point to Wilhelmshaven.

In the Mediterranean market the rate for 80,000 mt Cross-Mediterranean (TD19) has continued sliding and has lost 7 points since a week ago to the WS122.5 level (basis Ceyhan to Lavera, that shows a daily round trip TCE of about \$29,700).

Across the Atlantic, the market has settled for the shorter-haul business with the rate for 70,000 mt East Coast Mexico/US Gulf route (TD26) remaining around WS132.5 and

WEEKLY MARKET REPORT

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the 70,000 mt Covenas/US Gulf route (TD9) dipping slightly to the WS130 mark, which shows a daily round-trip TCE of about \$24,800 and \$24,000, respectively.

The rate for the trans-Atlantic route of 70,000 mt US Gulf/UK Continent (TD25) on the other hand has firmed by 12.5 points to WS156.67 giving a round trip TCE basis Houston/Rotterdam of \$38,214 per day.

Clean

LR2

MEG LR2 freight was resolute this week with much of the industry in London attending International Energy Week. The TC1 75kt MEG/Japan index continued at around the WS120 mark and TC20 90kt MEG/UK-Continent assessments remained around the \$3.35m – \$3.4m level.

West of Suez, Mediterranean/East LR2's of TC15 dipped from \$2.9m to \$2.85m.

LR1

MEG LR1's as with the 2's remained stable this week. The TC5 55kt MEG/Japan index held level around WS137.5-140. A voyage west on TC8 65kt MEG/UK-Continent finished the end of the week at \$2.78m up from \$2.72m.

On the UK- Continent, the TC16 60kt ARA/West Africa index held at the WS125 mark without much movement this week.

MR

MR's in the MEG continued their upward trend for the second week on week, reflected in the TC17 index, 35kt MEG/East Africa index going from WS208.93 to WS222.86.

UK-Continent MR's had a small run during the week, moving the TC2 index 37kt ARA/US-Atlantic coast up to WS162.81 on Tuesday where it paused and has since returned to WS155.31 where it started the week. These freight levels equate to around \$16,000-18,000 /day Baltic description round trip. The TC19 run of 37kt ARA/West Africa as usual followed the same pattern just with around a 22.5 point premium to TC2.

WEEKLY MARKET REPORT

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In the USG, MR Freight crumbled this week. TC14 38kt US-Gulf/UK-Continent went from WS111.43 to WS90. The TC18 the 38kt US Gulf/Brazil index lost 15 points to WS144.29 and a Caribbean run on TC21, 38kt US-Gulf/Caribbean dropped \$70,000 to \$440,714.

Handymax

Baltic Clean Handymax routes were tested back down this week. In the Mediterranean, the TC6 index dumped 52.5 points to WS157.5 with WS150 reported on subjects at time of writing. Up on the UK-Continent the TC23 30kt Cross UK-Continent held flat at around WS200.