

WEEKLY MARKET REPORT

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14th March 2025

Bulk report – Week 11

Capesize

The Capesize market experienced a week of gradual strengthening, with positive momentum building from midweek onwards as activity increased and tonnage tightened in both the Pacific and Atlantic basins. The BCI 5TC experienced a steady rise throughout the week, before a slight correction saw it close at \$23,697, up from \$20,544 at the week's start. In the Pacific, consistent activity from all three miners, improved coal cargo volumes, and a solid flow of operator-controlled cargoes supported the market. Rates on C5 climbed steadily, peaking at \$11.58 before correcting to \$10.665 by the week's end. The South Atlantic saw a persistently short tonnage list of ballasters driving C3 levels from \$22.50 to around the \$25 range for mid-April dates, with fresh cargo providing additional support. The North Atlantic remained relatively quiet, with limited fresh cargo and minimal fixing activity. However, a couple of significant fixtures indicated stronger rates, including a transatlantic and a Fronthaul fixture reported at around \$43,000 for 75 days. Yet, some questioned whether these levels could be repeated.

Panamax

The Panamax market erupted into life midweek with rates surging as a strong push in the Atlantic market, both South and North America led the drive. Aided by a supporting FFA market, the period market kicked into gear with a raft of deals concluded at stronger levels, notably a Japanese built 82,000-dwt delivery Japan achieving \$15,500 for one year's employment. In the Atlantic, strong demand both minerals and grains, a tight tonnage count along with the uncertainty caused by USTR provided the perfect recipe for the strong surge in rates witnessed this week. Midweek witnessed a binge of fixing from EC South America and this in turn gave additional support to the Asia market that, up until that point, had been less vigorous despite robust demand from both NoPac and Australia supporting improved rates, however the week ends with many with time on their hands pausing, but for the moment the immediate outlook appears firmly in owners favour.

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Ultramax/Supramax

A more positive week for the sector although there was stronger demand from the Asian arena, the Atlantic remained somewhat of a mixed affair. The recent tariff on and off causing a cautious approach for many. The US Gulf was generally flat a 63,000-dwt fixing a trip from US Gulf to India with pet coke at \$17,000. Further south, a 61,000-dwt was fixed basis delivery Santos for a trip Bangladesh-China in the upper \$12,000s plus upper \$200,000s ballast bonus. A rather positional feel from the Continent-Mediterranean, a 57,000-dwt fixing delivery Amsterdam trip via Continent to the Far East in the mid-teens. Asia, say stronger rates being discussed as the week progressed, A 63,000-dwt fixing delivery Cigading for a trip via Kalimantan redelivery WC India at \$18,000. Backhaul activity was seen, a 63,000-dwt fixing delivery China for a trip to West Africa at \$13,000. The Indian Ocean remained rather subdued although a 61,000-dwt was fixed delivery Tuticorin trip via South Africa redelivery China at \$10,500.

Handysize

This week, the market exhibited a mixed performance, with modest fluctuations across both basins. The Continent and Mediterranean regions continued their positive trend, with rates slightly surpassing previous levels, indicating ongoing support. For example, a 39,000-dwt fixed a trip delivery Skaw to redelivery Morocco at \$14,000. In contrast, the South Atlantic and U.S. Gulf markets remained sluggish, facing challenges with increasing tonnage and limited cargo availability. A 33,000-dwt open in Tema secured a trip from delivery Fazendinha to redelivery Italy with grains at \$10,500. Meanwhile, in Asia, the market stayed robust, buoyed by a more balanced demand-supply dynamic, especially in Southeast Asia and the North Pacific, with several strong fixtures recorded. A 39,000-dwt vessel, open on March 19, fixed a trip from Guayaquil to Japan via Vancouver, carrying grains at \$11,500.

Tanker report – Week 11

VLCC

The market nudged up slightly this week on the VLCCs. The 270,000 mt Middle East Gulf to China trip (TD3C) was just over a point firmer at WS58.55 corresponding to a round-trip TCE of \$39,305.

In the Atlantic market, the rate for 260,000 mt West Africa/China (TD15) was 3 points firmer week-on-week at WS59.63 giving a round voyage TCE of \$41,173 per day. The rate

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for 270,000 mt US Gulf/China (TD22) increased by \$32,500 since last Friday at \$7,292,500 which shows a daily round trip TCE of \$35,834

Suezmax

Suezmax owners have had the bit between their teeth this week. The rate for the 130,000 mt Nigeria/UK Continent voyage (TD20) rose 10 points to WS98.75 meaning a daily round-trip TCE of \$42,938 while the TD27 route (Guyana to UK Continent basis 130,000 mt) rose 8 points to WS94.17 translating to a daily round trip TCE of \$39,899 basis discharge in Rotterdam. For the TD6 route of 135,000 mt CPC/Med, the early April stems have been at the forefront and the market has gained 23.5 points over the week to WS123.30 showing a daily TCE of a \$57,961 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) was 1 point firmer at WS92.5.

Aframax

In the North Sea, the rate for the 80,000 mt Cross-UK Continent route (TD7) remained flat at a little over WS107.5 giving a daily round-trip TCE of a shade under \$26,000 basis Hound Point to Wilhelmshaven.

In the Mediterranean market the rate for 80,000 mt Cross-Mediterranean (TD19) has lost 5 points to WS115.39 basis Ceyhan to Lavera, that shows a daily round trip TCE of about \$26,200.

Across the Atlantic, the market has eased slightly further. The rate for the 70,000 mt East Coast Mexico/US Gulf route (TD26) and the 70,000 mt Covenas/US Gulf route (TD9) slipped 1-2 points to WS126.11 (showing a daily round-trip TCE of \$22,272) and WS123.13 (a round-trip TCE of \$21,439 per day), respectively.

The rate for the trans-Atlantic route of 70,000 mt US Gulf/UK Continent (TD25) had another 10 points cut out and is now at WS131.11 giving a round trip TCE basis Houston/Rotterdam of \$29,402 per day.

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Clean

LR2

MEG LR2's have been in notable demand this week, as a result freight levels have spiked. The TC1 75kt MEG/Japan index jumped up 21.67 points to WS151.67 and TC20 90kt MEG/UK-Continent assessment climbed \$512,500 to \$3.89m with \$3.9m reported on subjects twice at time of writing.

West of Suez, Mediterranean/East LR2's of TC15 ticked back up over the \$3m mark this week to \$3.1m.

LR1

MEG LR1's have also improved significantly this week. The TC5 55kt MEG/Japan index is as a result currently at WS167.5 (+30.94). A voyage west on TC8 65kt MEG/UK-Continent went from \$2.66m to \$3.1m.

On the UK-Continent, LR1's remained somewhat muted this week with TC16 60kt ARA/West Africa index down a modest WS1.84 points to WS110.94.

MR

MR's in the MEG held stable this week despite the LR's firming, the TC17 35kt MEG/East Africa index hovered between WS205 – WS210 all week.

UK-Continent MR's freight rates have stepped up gradually across the week. The TC2 index 37kt ARA/US-Atlantic coast has ultimately climbed from WS138.75 to WS159.06. At this mark, the Baltic description round trip TCE for the run is \$18,285 /day. The TC19 run of 37kt ARA/West Africa also came up circa 18 points to WS179.69.

In the USG, MR's have been reportedly torpid this week. Subsequently TC14 38kt US-Gulf/UK-Continent remained at the WS85 level. The TC18 the 38kt US Gulf/Brazil index also flat at the WS135-WS137.5 mark and a Caribbean run on TC21, 38kt US-Gulf/Caribbean managed to improve by just under \$11,000 to \$414,286.

The MR Atlantic Triangulation Basket TCE went from \$17,176 to \$19,667.

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Handymax

Baltic Clean Handymax routes were more positive this week. In the Mediterranean, the TC6 index held in its WS180's level it reached last week. Up on the UK-Continent the TC23 30kt Cross UK-Continent managed to return up by 19.72 points to WS195.28.