

WEEKLY MARKET REPORT

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4th April 2025

Bulk report – Week 14

Capesize

The Capesize market started the week slowly due to the Hari Raya Puasa holiday in Singapore but gained momentum as trading resumed. The Pacific saw a midweek rebound, driven by strong C5 activity, with all three miners fixing in the low \$9s. A tightening tonnage list and solid cargo volumes supported rates, while increased coal demand pushed timecharter earnings higher. However, as the week closed, market activity softened, partly due to holidays in Hong Kong and China, with C5 dipping to \$8.78.

In the Atlantic, South Brazil and West Africa to China routes remained stable early on, but later in the week, C3 and West Africa to China rates edged lower despite steady tonnage and moderate cargo flow, with the C3 index ending the week at \$21.815. The North Atlantic saw increased trans-Atlantic activity, though fresh cargoes failed to absorb available tonnage, causing a sharp drop in the C8 index. Overall sentiment turned bearish, with the BCI 5TC falling to \$18,404 by week's end.

Panamax

A compelling week for the Panamax sector, the uncertainty caused by the US tariff measure seeping into the market as momentum stalled as the week ended. All week, the Atlantic provided a positional divide with the North Atlantic tonnage under pressure owing to a lack of demand. With \$18,750 agreed for an 82,000-dwt delivery North Spain for a trip via NC South America redelivery Singapore-Japan, rates now appeared closer to mid \$17,000's for the same criteria. Further south the steady flow of cargo from the Americas kept rates ticking along but appeared to taper off as the week ended as a wide bid/offer spread emerged with Charterers stepping back. Asia too saw steady declines on the week with the north of the basin coming under pressure, whilst further south some limited support lent by steady coal demand ex Indonesia along with grain supply emanating from South America. Plenty of period activity the headline rate being an 82,000-dwt delivery China achieving \$15,500 basis 1 year.

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Ultramax/Supramax

In what has been a remarkable week for international trade, the sector was anything but remarkable. The Atlantic had a rather slow week, perhaps with an air of caution. Activity from the US Gulf wavered, but a 61,000-dwt was heard fixed for a trip to Japan at \$16,000. However, the South Atlantic seemed to have gained traction, a 64,000-dwt fixing at \$14,500 plus \$450,000 ballast bonus basis delivery EC South America trip to SE Asia. The Continent-Mediterranean were seen as positional, with owners looking for a bit of a premium for backhaul legs. Whilst scraps runs saw a 58,000-dwt fixing delivery Continent redelivery East Mediterranean at \$14,000. Limited NoPac and backhaul requirements from Asia led to sentiment remaining rather poor in the basin. Although some felt that owners willing direction India were seeing a premium. A 61,000-dwt fixing delivery Qinzhou trip via Indonesia redelivery WC India at \$16,000. The Indian Ocean remained rather lacklustre although a 63,000-dwt open Pipavav fixed a trip via Arabian Gulf to Bangladesh at \$12,000.

Handysize

The market this week saw minimal visible activity across both basins, with the overall sentiment remaining flat. The Continent and Mediterranean markets stayed subdued, with very little new information emerging, and rates generally held steady. A 35,000-dwt vessel open in Aliaga was fixed to NC South America at \$7,250. In the South Atlantic and U.S. Gulf, sentiment remained unchanged, with the tonnage count maintaining its length, which continued to put pressure on rates. A 38,000-dwt vessel was fixed for delivery Recalada and redelivery Algeria at \$15,250, while a 34,000-dwt vessel was fixed for delivery SW Pass and redelivery EC Mexico with grains at \$11,000. The Asian market also remained flat, despite a gradual increase in tonnage, some fresh demand has helped to maintain current rates, with no significant changes in cargo volumes to drive rates higher. A 40,000-dwt placed on subjects for delivery Kwinana 13 April redelivery China at \$16,000.

Tanker report – Week 14

VLCC

The market continued a downward trend this week with the rate for the 270,000 mt Middle East Gulf to China trip (TD3C) about 2 points lower at WS57.25 corresponding to a round-trip TCE of \$36,465.

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In the Atlantic market, the rate for 260,000 mt West Africa/China (TD15) marginally slipped less than a point to WS59.75 giving a round voyage TCE of \$39,906 per day. The rate for 270,000 mt US Gulf/China (TD22) is assessed \$17,500 lower than a week ago at \$8,645,000 which shows a daily round trip TCE of \$46,055.

Suezmax

Suezmax rates have come under pressure this week with the rate for the 130,000 mt Nigeria/UK Continent voyage (TD20) falling 8 points to WS94.72 meaning a daily round-trip TCE of \$39,389, while the TD27 route (Guyana to UK Continent basis 130,000 mt) remains buoyed by the US Gulf export market and only fell 3 points to WS96.94, translating to a daily round trip TCE of \$40,339 basis discharge in Rotterdam. Due to problems between the USA and the operators of the CPC terminal and further complicated by OPEC for 'over-production' by the Caspian oil fields producers (namely Exxon and Chevron), authorities appear to have shut the two Suezmax berths at CPC leading to fixture cancellations and the leaving balance of the April Suezmax cargo stems in doubt. The rate for the TD6 route of 135,000 mt CPC/Med has therefore been lowered by 10 points so far, to the WS120 level showing a daily TCE of about \$54,500 round-trip however a further fall is expected over the coming days & weeks. 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 slipped 3 points to close to WS90.

Aframamax

In the North Sea, the rate for the 80,000 mt Cross-UK Continent route (TD7) improved again, climbing another 5 points this week to WS135.42 giving a daily round-trip TCE of a little over \$49,200 basis Hound Point to Wilhelmshaven.

In the Mediterranean market the rate for 80,000 mt Cross-Mediterranean (TD19) has fallen back 19 points to WS176.11 (basis Ceyhan to Lavera, that shows a daily round trip TCE of just under of \$56,700).

Across the Atlantic, the rollercoaster ride has continued with the rates for the 70,000 mt East Coast Mexico/US Gulf route (TD26) and the 70,000 mt Covenas/US Gulf route (TD9) rising 33 and 31 points to just WS225.83 and WS222.19, respectively, which shows a daily round-trip TCE of \$65,358 and \$58,497.

The rate for the trans-Atlantic route of 70,000 mt US Gulf/UK Continent (TD25) on the other hand dropped 3.5 points to WS185.28 giving a round trip TCE basis

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Houston/Rotterdam of \$47,945 per day. A twice-failed vessel is now on subjects at sub-WS180 levels and it remains to be seen if this is the trend or an anomaly.

Clean

LR2

MEG LR2's levelled off this week. The TC1 75kt MEG/Japan index remained around the WS152.5-155 mark all week and a TC20 90kt MEG/UK-Continent assessment managed to hold a touch under \$4m.

West of Suez, Mediterranean/East LR2's of TC15 index managed to creep back up \$25,000 to just over the \$3m level.

LR1

MEG LR1 freight also remained flat this week. The TC5 55kt MEG/Japan index held in the low WS150's. A voyage west on TC8 65kt MEG/UK-Continent went from \$3.15m to \$3.16m.

On the UK- Continent LR1 positivity continued this week with reports of vessel availability lower than previous weeks. The TC16 60kt ARA/West Africa index climbed 11.56 points to WS127.5. This took the Baltic TCE up over the \$20,000 /day round trip to \$21,739.

MR

MRs in the MEG suffered another week of downward pressure, the TC17 35kt MEG/East Africa index lost another 33.21 points to WS204.29.

UK-Continent MR's have had some value stripped out of them this week. The TC2 37kt ARA/US-Atlantic coast trip shed 26.25 points to WS159.38. The Baltic description round trip TCE for the trip has as a result dropped \$5,747 to \$17,512 /day. The TC19 run 37kt ARA/West Africa index has also followed suit going from WS205 to WS180.

USG MRs stalled and dipped a little this week following last week's strong upward movement. The TC14 38kt US-Gulf/UK-Continent went from WS136.79 to WS125. The TC18 the 38kt US Gulf/Brazil index only dropped by 2.86 points to WS198.57 and a Caribbean run on TC21, 38kt US-Gulf/Caribbean came off \$60,715 to \$778,571.

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The MR Atlantic Triangulation Basket TCE went from \$31,802 to \$25,902.

Handymax

Baltic Clean Handymax routes slumped again this week. In the Mediterranean, the TC6 index dropped 92.78 points to WS156.11 and on the UK-Continent the TC23 30kt Cross UK-Continent went from WS198.06 to WS154.72.