

WEEKLY MARKET REPORT

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11th April 2025

Bulk report – Week 15

Capesize

The Capesize market faced headwinds this week, with broader macroeconomic pressures, particularly escalating US-China tariff tensions, weighing heavily on sentiment. The BCI 5TC saw significant midweek drops before recovering slightly to close the week at \$14,952, down from \$16,728 at the start. In the Pacific, a longer tonnage list persisted, and although key miners were active midweek, this was insufficient to halt the decline in C5 rates, which dropped from \$7.95 to around \$7.20 midweek before recovering slightly to close at \$7.70. In the Atlantic, pressure was also felt early in the week on the South Brazil and West Africa to China routes. The C3 index mirrored the weak sentiment, falling from \$20.67 to \$18.71 midweek, though improved activity and rising bid levels saw it recover to \$19.185 by week's end. The North Atlantic continued to see a steady flow of cargo, yet softer Trans-Atlantic and Fronthaul fixtures were reported earlier in the week.

Panamax

This week in the Panamax market was significantly influenced by global macro-economic factors, causing disruptions across various regions. In the Atlantic, the trans-Atlantic routes experienced the most pressure due to minimal demand and softer oil prices, resulting in voyage fixtures equating to sub-index timecharter equivalents. The only positive note was the fronthaul grains from NC South America, although even these levels declined as the week progressed. South America saw a quieter week with second half April arrival deals consistently around the \$15,250 + \$525,000 bb mark. In Asia, the market was negatively impacted by a noticeable lack of NoPac enquiries. However, there was a mid-week improvement in demand from Australia, with rates for trips to China hovering around the \$11,500 mark for 82,000-dwt types delivery China/Korea/Japan. Period activity was limited, which was expected given the global uncertainty and an unsupportive FFA market.

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Ultramax/Supramax

With the instability emanating from the so-called Tariff War, unsurprisingly this lack of confidence again influenced the sector. Sentiment remained decidedly poor within the Atlantic as most routes lost ground. The US Gulf lacked much fresh impetus with rumours that the Supramax were seeing in the \$13,000s for fronthaul business. The South Atlantic remained positional although a 63,000-dwt was heard fixed from EC South America to Denmark at \$19,000. Elsewhere there was a bit of activity from West Africa, a scrubber fitted 63,000-dwt was heard fixed from here to China in the mid \$13,000s. The Asian arena was a rather mixed bag, with demand being seen from Indonesia whilst further north a lack of fresh impetus kept rates in check. From the south, a 64,000-dwt was heard fixed from Indonesia to EC India at \$16,000. Whilst for NoPac business a 63,000-dwt was fixed open Japan fixed a NoPac round at \$12,000. Some said period activity had almost come to a halt as the future outlook remained very unstable.

Handysize

Another challenging week for the sector with rates in both the Atlantic and Pacific regions facing continued downward pressure. The Continent and Mediterranean markets remain subdued, with very little activity reported and rates slightly lower than previous levels. In the South Atlantic and U.S. Gulf, sentiment stayed weak, as the tonnage count continues to build, further putting pressure on rates. A 36,000-dwt heard fixed for delivery Recalada trip redelivery West Africa at \$16,000 and a 39,000-dwt fixed delivery US Gulf redelivery West Mediterranean with at \$12,500. In Asia, the tonnage count has been increasing throughout the week, leading downward pressure on rates and anticipating further market softening. A 38,000-dwt heard fixed for a trip delivery Susaki 7 Apr via Korea to redelivery Indonesia with steel at \$11,500.

Tanker report – Week 15

VLCC

The market continued on a downward trend again this week with the rate for the 270,000 mt Middle East Gulf to China trip (TD3C) falling 3 points to WS54.10 corresponding to a round-trip TCE of \$36,533 (about \$1,100/day less than a week ago).

In the Atlantic market, the rate for 260,000 mt West Africa/China (TD15) eased just over a point to WS58.19 giving a round voyage TCE of \$41,981 per day (which is about

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\$700/day more than a week ago). The rate for 270,000 mt US Gulf/China (TD22) has been steadily falling this week losing \$352,500 since last Friday and is currently assessed at \$8,260,000 which shows a daily round trip TCE of \$46,629 (about \$1000/day less than last Friday).

Suezmax

Suezmax owners have capitalised on the demand this week with the rate for the 130,000 mt Nigeria/UK Continent voyage (TD20) reclaiming 9 points to WS104.72 meaning a daily round-trip TCE of \$48,650, while the TD27 route (Guyana to UK Continent basis 130,000 mt) climbed 7 points to WS103.61 translating to a daily round trip TCE of \$47,818 basis discharge in Rotterdam. The recent issues in CPC appear to have been resolved and volumes from here have been maintained. The rate for the TD6 route of 135,000 mt CPC/Med has been steady at about the WS130 level showing a daily TCE of about \$65,500 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 gained a point to a fraction over WS91.

Aframax

In the North Sea, the rate for the 80,000 mt Cross-UK Continent route (TD7) has steadied, with rates holding in the WS135-137.5 range giving a daily round-trip TCE of \$53,221 basis Hound Point to Wilhelmshaven.

In the Mediterranean market the rate for 80,000 mt Cross-Mediterranean (TD19) has recovered 8 points to WS178.39 (basis Ceyhan to Lavera, that shows a daily round trip TCE of just under of \$60,646).

Across the Atlantic, the market improved through the week until Thursday and appears to now be gradually falling, but still not below last week's levels. The rates for the 70,000 mt East Coast Mexico/US Gulf route (TD26) and the 70,000 mt Covenas/US Gulf route (TD9) are about 4 points above last Friday's levels at WS225.83 and WS221.56, respectively, which shows a daily round-trip TCE of \$68,309 and \$61,039.

The rate for the trans-Atlantic route of 70,000 mt US Gulf/UK Continent (TD25) also looks to have peaked at just over WS200 on Wednesday and on Thursday was shown at WS190 (still 11 points up on last Friday's rate) giving a round trip TCE basis Houston/Rotterdam of \$52,404 per day.

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Clean

LR2

MEG LR2's gradually softened this week. The TC1 75kt MEG/Japan index dropped from WS250 to WS130.28 and a TC20 90kt MEG/UK-Continent was also assessed \$271,000 lower at \$3.73m.

West of Suez, Mediterranean/East LR2's remained dormant with the TC15 index holding stable at the \$3m level all week.

LR1

MEG LR1 freight also came down this week but to a lesser extent compared to the LR2's. The TC5 55kt MEG/Japan index lost 6.25 points to WS139.69. A voyage west on TC8 65kt MEG/UK-Continent went from \$3.08m to \$2.86m.

On the UK-Continent LR1's held onto their current position and the TC16 60kt ARA/West Africa index remained at around the WS130 level with the Baltic TCE just under \$25,000 /day round trip.

MR

MRs in the MEG slowed the downward movement this week, the TC17 35kt MEG/East Africa index dropped from WS198.57 to WS190 compared to a much larger drop last week.

UK-Continent MR's have taken a second week of downward pressure. The TC2 37kt ARA/US-Atlantic coast trip came off 21.56 points to WS132.5. The Baltic description round trip TCE for the run dropped \$3,216 to \$13,895 /day. The TC19 voyage of 37kt ARA/West Africa index continued to follow suit of TC2 and went from WS174.69 to WS153.13.

USG MRs have been tested downward for the second week on week. The TC14 38kt US-Gulf/UK-Continent went from WS120.71 to WS98.57. The TC18 the 38kt US Gulf/Brazil index dropped by 37.14 points to WS156.43 and a Caribbean run on TC21, 38kt US-Gulf/Caribbean came off \$203,571 to \$539,286.

The MR Atlantic Triangulation Basket TCE went from \$25,173 to \$19,668.

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Handymax

Baltic Clean Handymax's resurged this week in the Mediterranean, the TC6 index recharged 27.22 points to WS192.22. Up on the UK-Continent the TC23 30kt Cross UK-Continent remained flat around the WS150 mark.