

WEEKLY MARKET REPORT

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23rd May 2025

Bulk report – Week 21

Capesize

The Capesize market ended the week on a firmer note after a shaky start, recovering well from early pressure caused by uncertainty in Guinea. The announcement of revoked mining licenses initially rattled sentiment, but the market quickly regained composure. The Pacific basin emerged as the strongest performer, underpinned by consistent miner and operator demand. The C5 index climbed steadily from the high \$7.00s early in the week to reach \$8.55 by week's end. Meanwhile, the South Atlantic gained traction midweek, with mid-June laycans repeatedly fixing in the mid-to-high \$18s, supported by fresh cargo flow from a major miner. However, the North Atlantic lagged behind, dampened by weaker fronthaul sentiment and a subdued transatlantic market. Initial weakness gave way to a modest recovery, with the BCI 5TC average rebounding slightly after early losses to close Friday at \$15,757, just a touch above Monday's opening.

Panamax

Another softer week for the Panamax market as owners felt the recent pressure continue across all basins. Owners' resistance was hard to find with early tonnage and ballaster tonnage continuing to discount. The P2A route hovered in the \$17,000 mark all week, with several deals concluded from NC South America to far east. Activity ex EC South America was described as positional, but essentially returned flat for index arrival dates, average levels hovered around the low-mid \$12,000 levels all week. Asia returned good demand overall, mixed views on rates to start the week as South America failed to impact or ingest some of the earlier tonnage, as a result rates eased over the week with the tonnage count surpassing any demand. Rates as high as \$13,000 and in the \$12,000's were seen for various Australia round trips but eased back as the week developed, with rates now more akin to \$10,000/low \$10,000's, whilst much of the Indonesia demand was absorbed by smaller/older tonnage at 4-digit levels.

Ultramax/Supramax

The week started off certainly from the Atlantic on a slightly more positive note, but as the week closed some of this sentiment had eroded slightly. Support was seen from the

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US Gulf, a 63,000-dwt fixing a trip from Houston to India with petcoke at \$19,750. The South Atlantic was finely balanced with demand for trans-Atlantic runs, however fronthaul business remained lacking. The Continent-Mediterranean was positional although some felt a bit more demand was seen from the Continent. The Asian arena was also a bit positional. Demand remand from the north for both trans Pacific rounds whilst fresh enquiry was lacking from the south. A 66,000-dwt open North China fixing at \$11,000 for the first 45 days thereafter at \$14,500 for a trip to the US Gulf. Further south, a 58,000-dwt fixed from South China via Indonesia redelivery Thailand in the mid \$10,000s. The Indian Ocean remained rather subdued, a 62,661 2020) was heard fixed from South Africa to EC India at \$16,000 plus \$160,000 ballast bonus. Period activity was limited although a 64,000-dwt open Thailand was heard fixed for short period in excess of \$14,000.

Handysize

It was generally a positive week, with freight rates increasing across most loading areas. The Continent-Mediterranean region continued to show steady improvement, with market sentiment remaining largely positional. For instance, a 40,000-dwt were fixed for delivery Antwerp trip via Norway to redelivery Brazil at \$10,500 for 45 days \$14,500 thereafter. The South Atlantic and US Gulf markets were supported by limited vessel availability and healthy cargo demand. Notable fixtures included a 38,000-dwt vessel fixed delivery Rio Grande to redelivery Venezuela at \$16,000, and a 37,000-dwt fixed delivery Brunswick to redelivery Immingham with wood pellets at \$13,750 plus a \$20,000 GBB. Meanwhile, the Asian market also remained firm, particularly in Southeast Asia and the North Pacific, where tightening tonnage prompted charterers to raise their bids. A 40,000-dwt heard fixed delivery Koh Sichang redelivery Rizhao or Qingdao with concentrates at \$11,750.

Tanker report – Week 21

VLCC

The market softened this week across all routes. The rate for the 270,000 mt Middle East Gulf to China trip (TD3C) eased back 3 points to WS61.15 corresponding to a round-trip TCE of \$42,278.

In the Atlantic market, the rate for 260,000 mt West Africa/China (TD15) slipped 2 points to WS61.94 giving a round voyage TCE of \$43,883 per day and the rate for 270,000 mt US

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Gulf/China (TD22) tumbled another \$253,667 to \$7,898,833 which shows a daily round trip TCE of \$41,072.

Suezmax

Suezmax owners have been under pressure this week with charterers gaining the upper hand. The rate for the 130,000 mt Nigeria/UK Continent voyage (TD20) tumbled 8 points to WS78.89 meaning a daily round-trip TCE of about \$30,000 while the TD27 route (Guyana to UK Continent basis 130,000 mt) has fallen 6 points to the WS78.33, translating to a daily round trip TCE of \$29,247 basis discharge in Rotterdam. The TD6 route of 135,000 mt CPC/Augusta has been lowered to WS103.95 giving a daily TCE of about \$39,500, although after publishing on Thursday WS100 was reported to have been twice, so the downward spiral will continue with perhaps the UK holiday on Monday putting the brakes on. In the Middle East, the rate for the TD23 route of 140,000 mt Middle East Gulf to the Mediterranean (via the Suez Canal) eased 2 points to almost WS85.

Aframax

In the North Sea market for the 80,000 mt Cross-UK Continent route (TD7), the rot was stopped and owners managed to pull back some of the recent losses here, adding 11 points to attain just over WS125 giving a daily round-trip TCE of about \$38,600 basis Hound Point to Wilhelmshaven.

In the Mediterranean, the rate for 80,000 mt Cross-Mediterranean (TD19) also turned around and recovered some ground, in the form of 14 points, to almost WS135 (basis Ceyhan to Lavera, that shows a daily round trip TCE of about \$31,800.

Across the Atlantic, the market reversed again, and rates dropped on all routes. For the 70,000 mt East Coast Mexico/US Gulf route (TD26) and the 70,000 mt Covenas/US Gulf route (TD9) the rates fell around 18 points to just below WS130, which shows a daily round-trip TCE of around \$23,900 and \$24,400, respectively.

The rate for the trans-Atlantic route of 70,000 mt US Gulf/UK Continent (TD25) dropped 15 points to WS124.72 giving a round trip TCE basis Houston/Rotterdam of \$26,854 per day.

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Clean

LR2

Following a second week of climbing freight on LR2's in the MEG seemingly a plateau has been reached for the moment. The TC1 75kt MEG/Japan index climbed from WS145 to WS154 mid-week where it has then rested since. A TC20 90kt MEG/UK-Continent also climbed by \$121,000 to \$4.1m where it has taken pause.

West of Suez, Mediterranean/East LR2's held flat all week around \$2.9m on a TC15 run

LR1

MEG LR1 freight also ticked up modestly this week. The TC5 55kt MEG/Japan index stepped up from low WS160's to low WS170's gradually across the week. A voyage west on TC8 65kt MEG/UK-Continent went from \$3.12m to \$3.18m.

On the UK-Continent LR1 freight levels were again, flat this week. The TC16 60kt ARA/West Africa index stayed at the WS118 mark.

MR

MRs in the MEG bounced up and down this week. The TC17 35kt MEG/East Africa index shot up from WS254 to WS279 mid-week, only to return to WS261 at time of writing.

UK-Continent MRs have seen a welcome ride upwards this week in freight. The TC2 37kt ARA/US-Atlantic coast trip firmly climbed 27 points this week to WS150. The Baltic description round trip TCE for the run has subsequently gone up 50% to \$16,602 /day. The TC19 voyage of 37kt ARA/West Africa index tracked in line and went from WS145 to WS170.

USG MRs resurged with gusto this week. The TC14 38kt US-Gulf/UK-Continent went from WS79 to WS101. The TC18 the 38kt US Gulf/Brazil index jumped by 19 points to WS152 and a Caribbean run on TC21, 38kt US-Gulf/Caribbean came up \$123,000 to \$534,000 (+29%).

The MR Atlantic Triangulation Basket TCE went from \$13,741 to \$21,283.

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Handymax

Baltic Clean Handymax's improved significantly this week. The TC6 30kt Cross Mediterranean index went from WS145 to WS213. Up on the UK-Continent the TC23 30kt Cross UK-Continent added 43.61 points to its value from last week taking it to WS179.