

WEEKLY MARKET REPORT

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4th July 2025

Bulk report – Week 27

Capesize

The Capesize market showed signs of stabilisation this week following a period of softness, with improvements in the Pacific basin and a more balanced Atlantic. In the Pacific, C5 rates gradually firmed, rising from \$6.90 early in the week to \$7.44 by week's end. All three major miners were active and fixing volumes increased, tightening the tonnage list toward the close. Operator-led demand, robust iron ore volumes in ex-West Australia, and a rise in coal cargoes underpinned sentiment. The Atlantic began slowly but gained momentum. On the Brazil to China (C3) route, early softness gave way to firmer fixtures later in the week, with a fixture reported at around \$19.50 for end July dates. However, a persistently long ballaster list continues to weigh on forward sentiment. The North Atlantic saw a modest uptick in transatlantic and fronthaul activity, although rates remained largely underpinned. Overall, the BCI 5TC lost \$2,128 over the week, closing at \$15,382.

Panamax

The Panamax market returned mostly a flat week, with the exception being EC South America, which witnessed a steady rise from mid-week with solid levels of demand and firm fundamentals. The North Atlantic disappointed by comparison, while the transatlantic trips remained mixed with far-ranging rates concluded depending on delivery point. Like last week, the Continent delivery ships are not boding well compared to West Mediterranean positions. Fronthaul activity fared slightly better with steady grain and mineral demand emanating from the North Americas. Reports mid-week of an 82,000-dwt delivery Continent achieving \$21,250 for a trip via NC South America to China. In Asia, plentiful activity with steady, if not spectacular, demand from all major load origins. Rates, especially ex Australia, remained steady with talk of an 81,000-dwt delivery Japan agreeing \$11,500 for a trip via Australia redelivery Japan. Period activity was minimal, but the highlight did include rumours of an 82,000-dwt delivery China achieving around \$12,000 basis 1 year period.

Ultramax/Supramax

A rather positive week for the sector as demand increased in some key areas. In the Atlantic, the US Gulf saw stronger numbers being discussed with charterers bidding

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towards the mid \$20,000s for transatlantic runs to attract any interest from Ultramax owners. Better levels were also seen elsewhere, with a 56,000-dwt open Eregli heard fixed for a trip via Constanta redelivery Aqaba at \$14,500. It was fairly positive week in Asia as demand returned from both the south and further north for backhaul business. A 63,000-dwt was heard fixed delivery Tianjin for a trip to the Mediterranean, with steels at \$17,000 for the first 65 days and thereafter at 418,500. Further south, a 61,000-dwt was fixed delivery Hong Kong for a trip to Singapore at \$12,000. The Indian Ocean also saw green shots, with a 63,000-dwt fixing delivery South Africa for a trip to China at \$16,000 plus \$160,000 ballast bonus. Period activity remained, with a 63,000-dwt open Sitra fixing 5/7 months trading at \$15,000.

Handysize

It was generally a quiet week for the Handy sector. Activity continued to slow down across the Continent and the Mediterranean as many participants were away attending various shipping events. A 34,000-dwt was reported fixed from the West Mediterranean to the US Gulf at \$7,000. From the US Gulf, the market maintained its soft tone, with a continued lack of fixing activity and a noticeable build-up in available tonnage. A 39,000-dwt open Wilmington was fixed for delivery SW Pass to Morocco at \$15,000. The South Atlantic remained relatively unchanged, with rates holding steady for now. A 38,000-dwt was fixed for delivery Amazon River to West Mediterranean at \$17,500. Meanwhile, the Asian market stayed largely stagnant. Fundamentals showed little movement and overall sentiment remained flat. A 41,000-dwt was fixed for delivery Richards Bay on 10 July for a trip via South Africa redelivery Pakistan with coal at \$22,500.

Tanker report – Week 27

VLCC

The calming of the recent tension in the Middle East and the onset of the summer lull, or Q3 as some refer to it, has seen the bottom fall out of the market, with VLCCs riding the grey waves of misery. The rate for the 270,000 mt Middle East Gulf to China trip (TD3C) has fallen further, losing six points this week to WS47.4, corresponding to a daily round-trip TCE of \$26,512. In the Atlantic market, the rate for 260,000 mt West Africa/China (TD15) has continued the downward spiral, falling by four points to WS49.56, giving a round voyage TCE of \$29,598/day. In the US Gulf region, the rate for the TD22 route of 270,000 mt US Gulf to China has eased by over \$500,000 to a close to the \$7,000,000 mark, which shows a daily round trip TCE of about \$33,546.

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Suezmax

The Suezmax market has suffered the same fate as their bigger cousins, with rates falling and each fixture in the West being less than the last.

The rate for the 130,000 mt Nigeria/UK Continent voyage (TD20) slumped six points to WS82.22, with the real possibility of falling further. The current daily round trip TCE translates into just over \$30,600. The TD27 route (Guyana to UK Continent basis 130,000mt) lost four points to WS81.94, meaning a daily round trip TCE of just over \$30,000.

The TD6 route of 135,000mt CPC/Augusta fell 10 points to WS93.05, giving a daily TCE of a little over \$29,300. In the Middle East, owners managed to buck the trend and raise the rate for the TD23 route of 140,000 mt Middle East Gulf to the Mediterranean (via the Suez Canal) by five points to the WS97.5 level.

Aframax

In the North Sea market for the 80,000 mt Cross-UK Continent route (TD7), the rate slipped back down two points to the WS120 mark, giving a daily round-trip TCE of about \$31,700 basis Hound Point to Wilhelmshaven. In the Mediterranean, the rate for 80,000 mt Cross-Mediterranean (TD19) lost more than six points to about WS129 (basis Ceyhan to Lavera, showing a daily round trip TCE of a little over \$26,500).

Across the Atlantic, as participants prepped for the 4th of July holiday, rates eased slightly. The 70,000 mt East Coast Mexico/US Gulf route (TD26) and the 70,000mt Covenas/US Gulf route (TD9) has fallen 4-5 points this week to the WS142 and WS138 level, respectively. This translates into a daily round-trip TCE of about \$27,000 and \$25,800. The rate for the transatlantic route of 70,000mt US Gulf/UK Continent (TD25) slipped a meagre point to WS145.28, giving a round trip TCE basis Houston/Rotterdam of just over \$33,000/day.

This week, Baltic Exchange also started a public trial of two new Aframax routes: TD28 (Vancouver to Ningbo) and TD29 (Vancouver to PAL).

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Clean

LR2

LR2 freight in the MEG continued its downward trajectory this week. The TC1 75kt MEG/Japan index dropped 23.61 points to WS120 and a TC20 90kt MEG/UK-Continent voyage also went from \$4.03 million to \$3.59 million.

West of Suez, Mediterranean/East LR2's plateaued this week, reflected in the TC15 index hovering around the high \$2.8 million to low \$2.9 million range.

LR1

MEG LR1's continued to drop in value this week. The TC5 55kt MEG/Japan index went from WS145.94 to WS139.98. A voyage west on TC8 65kt MEG/UK-Continent also came down by \$221,455 to \$2.76 million.

On the UK-Continent, LR1 freight remained stable for the seventh week in a row. The TC16 60kt ARA/West Africa index dropped a modest 2.81 points to WS112.5.

MR

MRs in the MEG also were subject to downward pressure this week. The TC17 35kt MEG/East Africa index was assessed 32.14 points lower than last week taking it to WS190.

UK-Continent MR freight rates were also driven down relatively firmly this week. The TC2 37kt ARA/US-Atlantic coast went from WS103.75 to WS90. This all but halved the current Baltic TCE round trip to \$3,117/day.

USG MRs saw a welcome spike in freight to then return downward. The TC14 38kt US-Gulf/UK-Continent trip peaked at WS232.14 mid-week up from WS219.29 but has since come back to WS211.43 at time of writing. A Caribbean trip on TC21, 38kt US-Gulf/Caribbean ultimately settled at the end of the week down \$175,000 at \$1.06 million after topping out at \$1.32 million. The MR Atlantic Triangulation Basket TCE went from \$36,079 to \$32,553.

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Handymax

The Mediterranean Handymax of TC6, 30kt Cross Mediterranean came down by 35.55 points to WS130.56. Up on the UK-Continent the TC23 30kt Cross UK-Continent also went from WS135 to WS113.33.