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Kpler Insight Webinar
Seaborne dry bulk commodity & freight outlook

20 May 2025

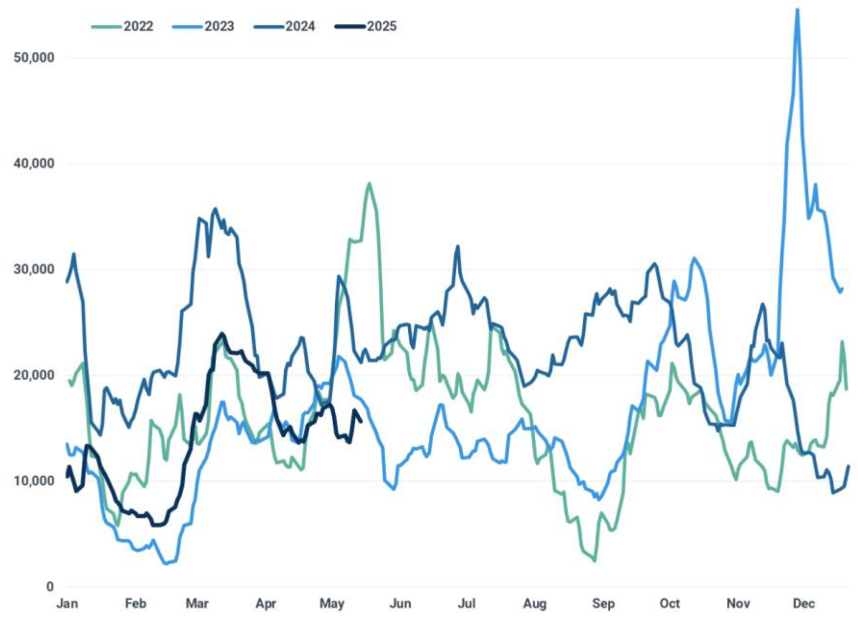
Three key trends for the 2h25

Iron ore trade growth to lift Capesize demand

Capesize earnings start the year softer, but are set to firm

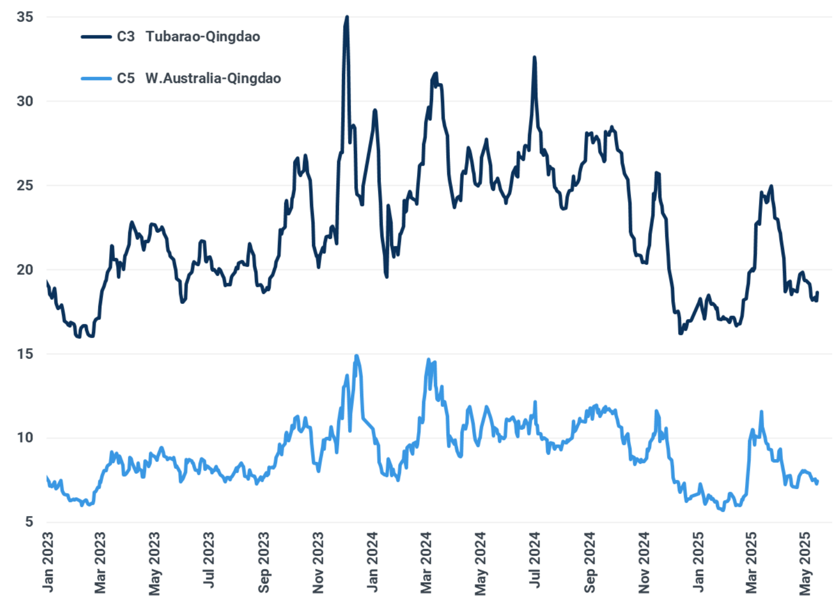
Timecharter average underperforms year-ago level, lower bunker prices weigh on spot voyage rates

Capesize timecharter average: seasonal view (Mt)



Sources: Baltic Exchange

Iron ore spot voyage rates ($/t)

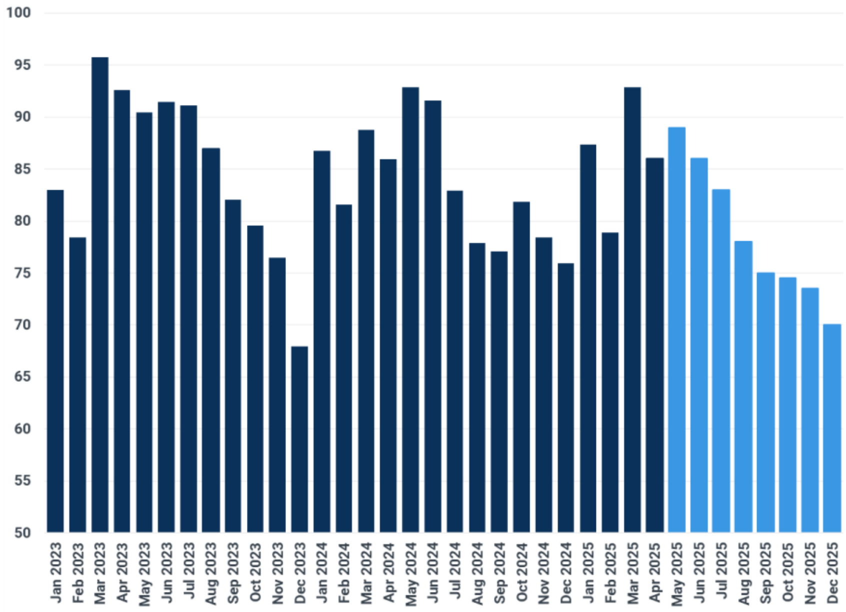


Source: Baltic Exchange

What does a slowing Chinese steel sector look like?

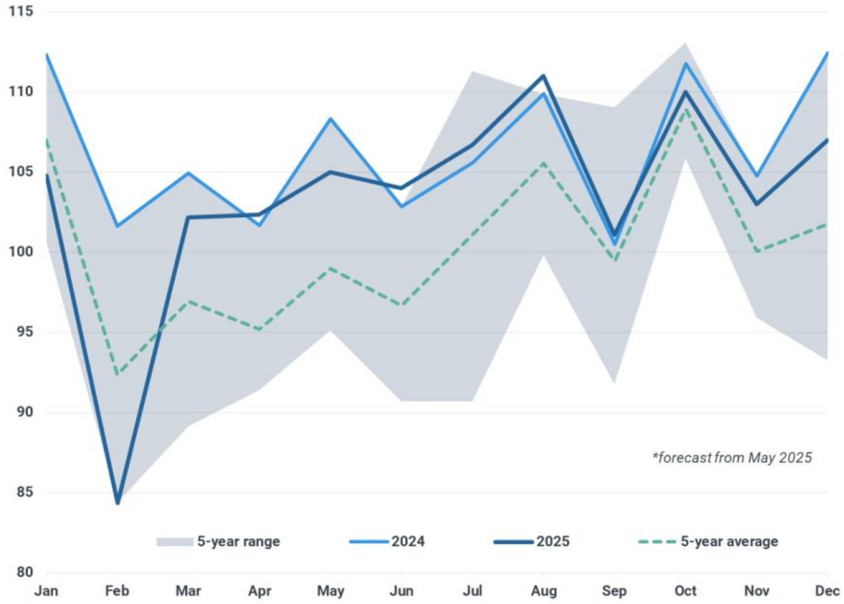
A sharp drop is expected in Chinese CSP in 2h25, seaborne iron ore to displace domestic supply and rebuild stocks

Crude steel production in China set to slow (Mt)



Sources: NBS, Kpler Insight

Chinese iron ore imports to remain firm (Mt)

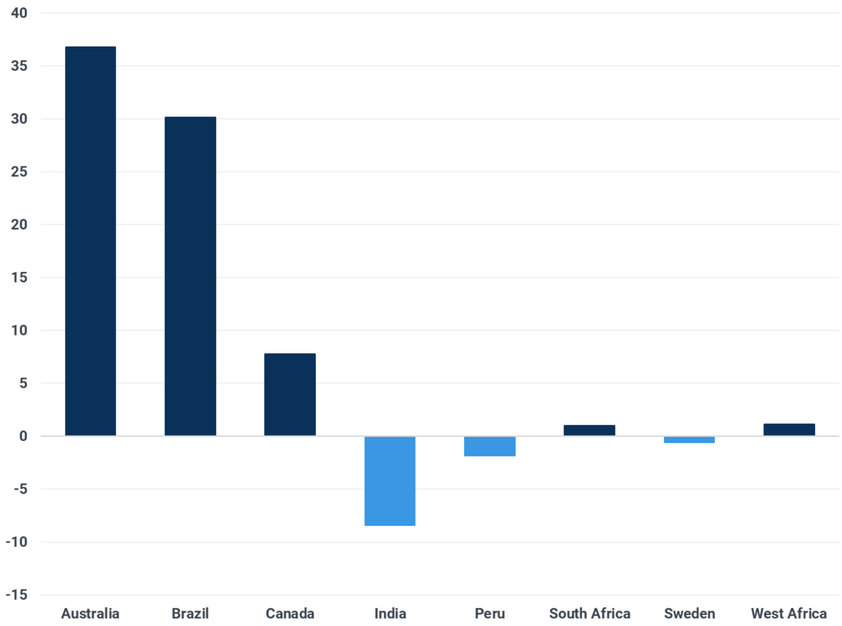


Source: Kpler Insight

Seaborne iron ore trade to increase in 2h25

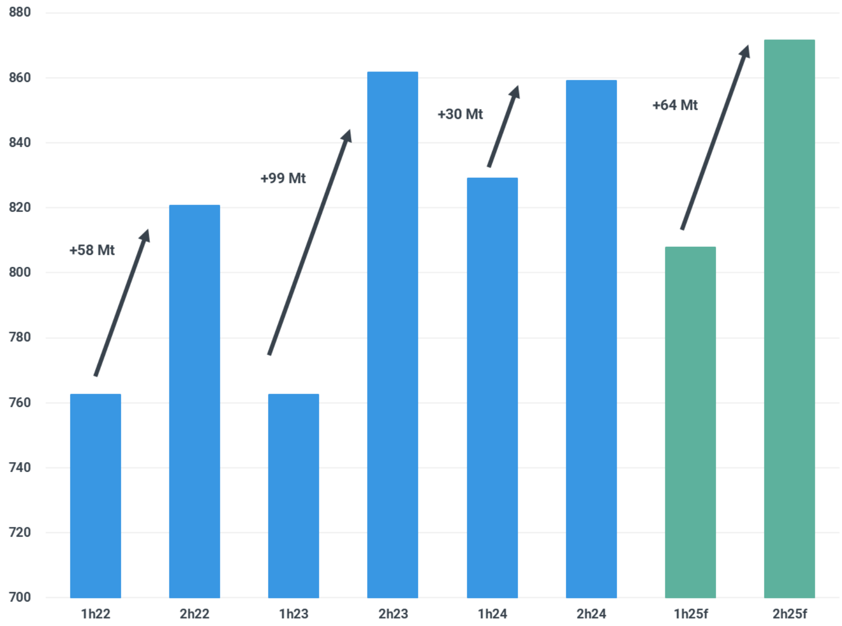
Seasonal export strength and project ramp-ups to boost seaborne iron ore supply at a greater rate than in 2024

Seaborne iron ore exports Δ1h vs 2h25 by exporter (Mt)



Sources: *Kpler Insight*

Global seaborne iron ore exports (Mt)



Source: *Kpler Insight*

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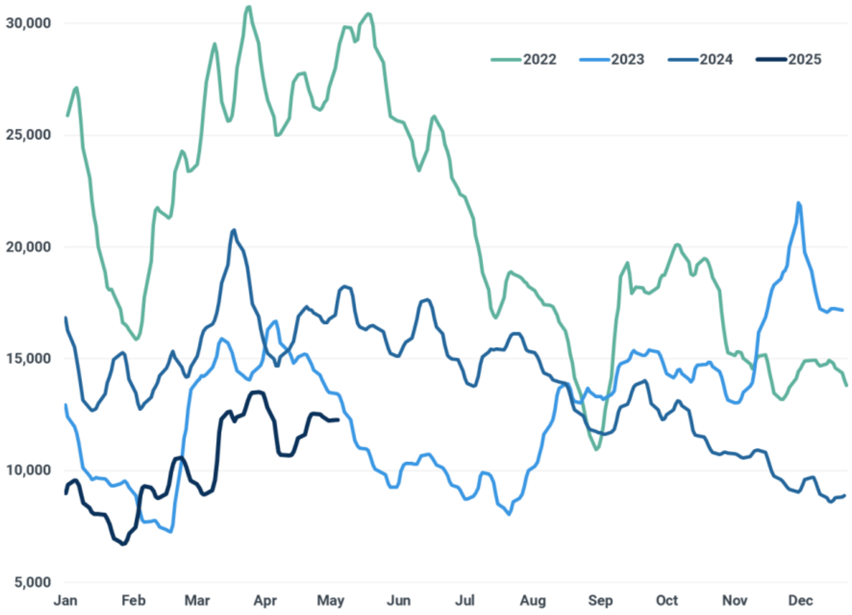
Pressure on sub-Capesize sectors to persist

Sub Capesize markets under pressure

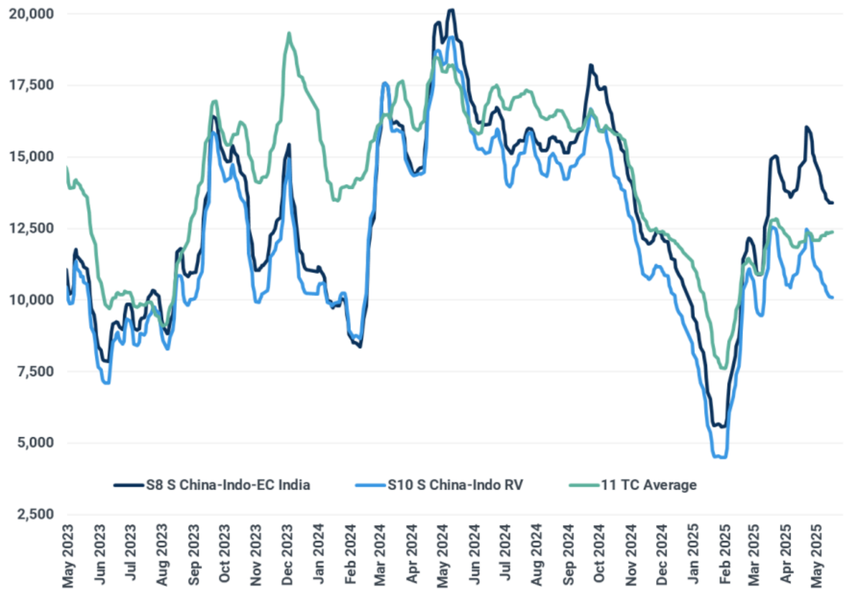
Panamax earnings underperform the year-ago level, while Supramax rates struggle to rebound from seasonal lows

Panamax timecharter average: seasonal view ($/day)



Sources: Baltic Exchange

Supramax Pacific coal routes and TC average ($/day)

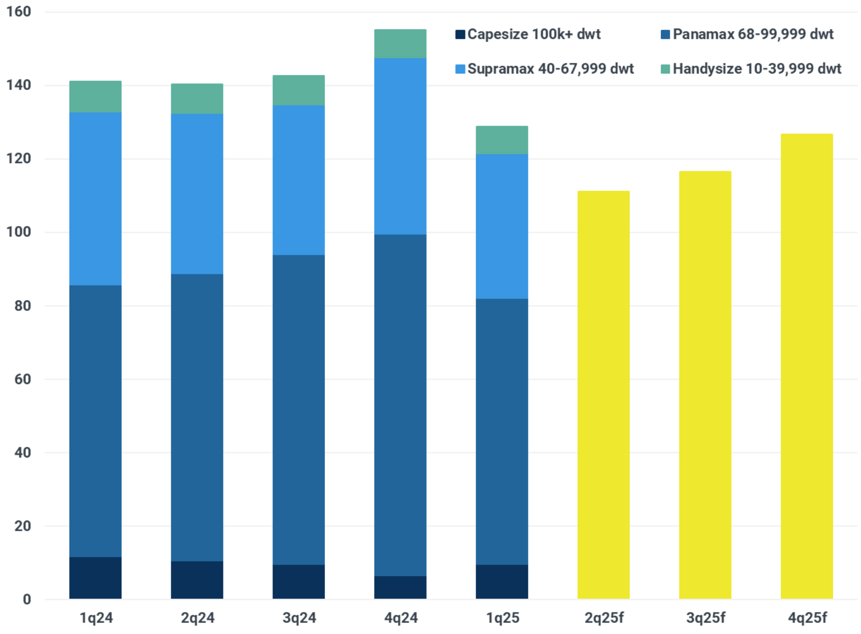


Source: Baltic Exchange

Coal trade will continue to decline in the 2h25

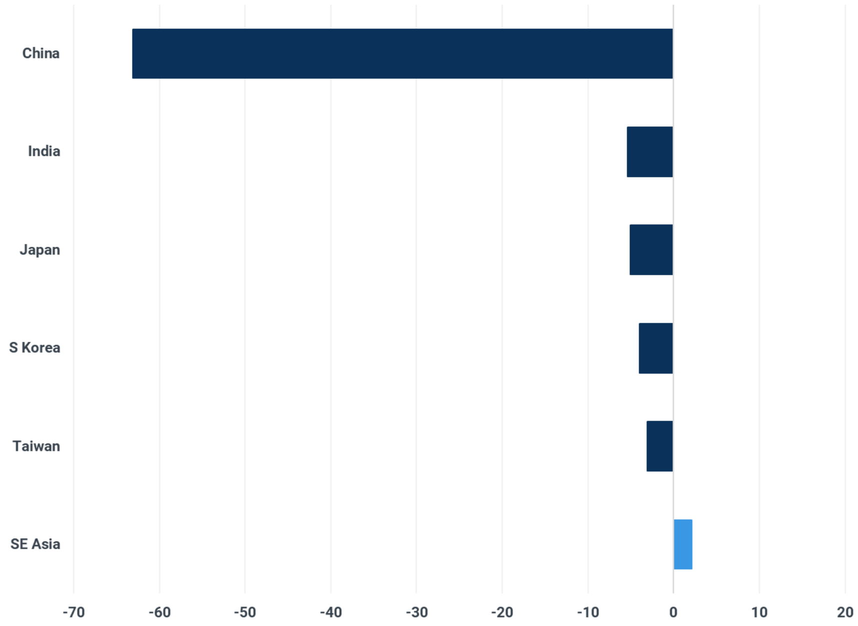
Panamax and Supramax demand to fall as lower Chinese & Indian imports sees softer Pacific coal trade

Indonesian coal exports by vessel type (Mt)



Sources Kpler Insight

Projected change in 2025 seaborne thermal coal imports (Mt)

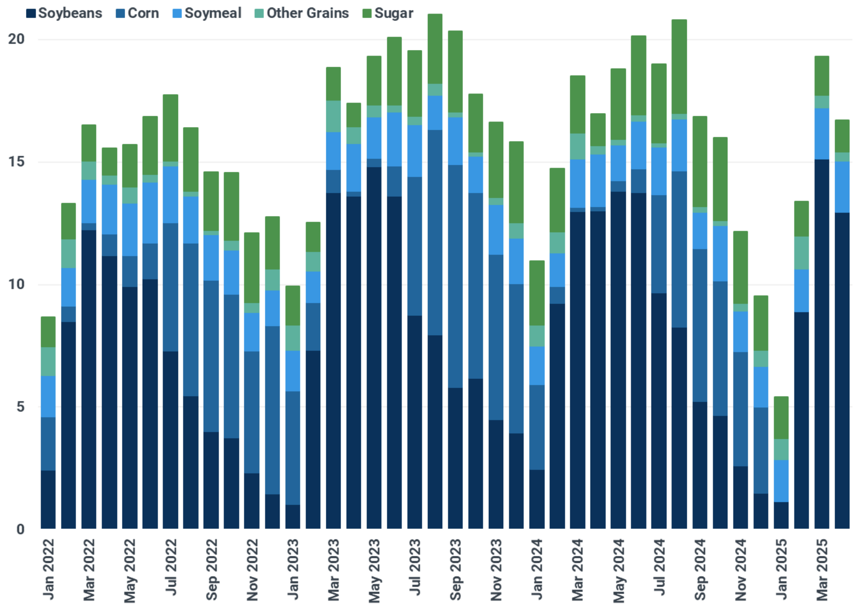


Source: Kpler Insight

Loss of US soybeans to curb 4q25 grain trade

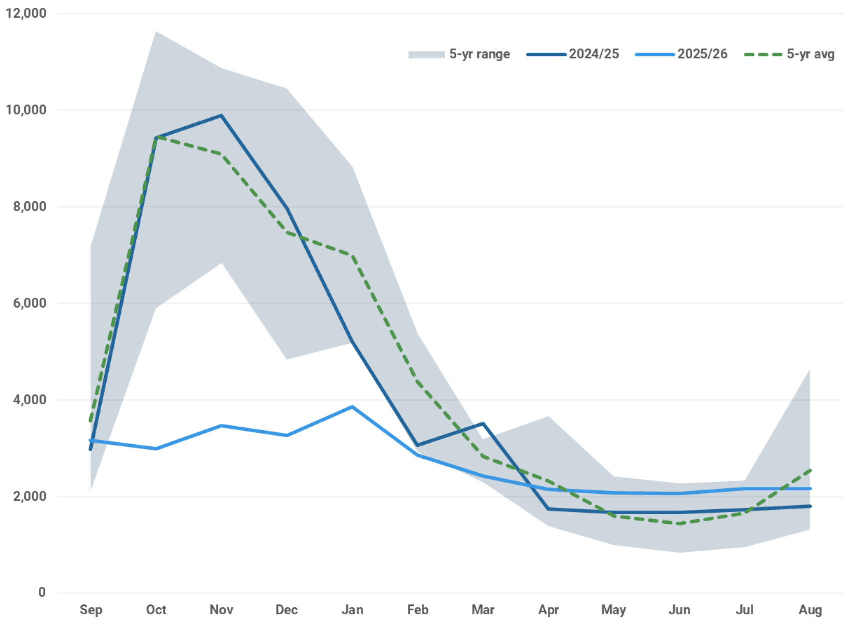
Brazilian soybean exports surge on Chinese buying, no upturn in shipments expected from the US in the 4q25

Brazil soybean trade accelerates on Chinese demand (Mt)



Source: Kpler

US soybean exports set to plunge y/y (Mt)



Source: Kpler Insight

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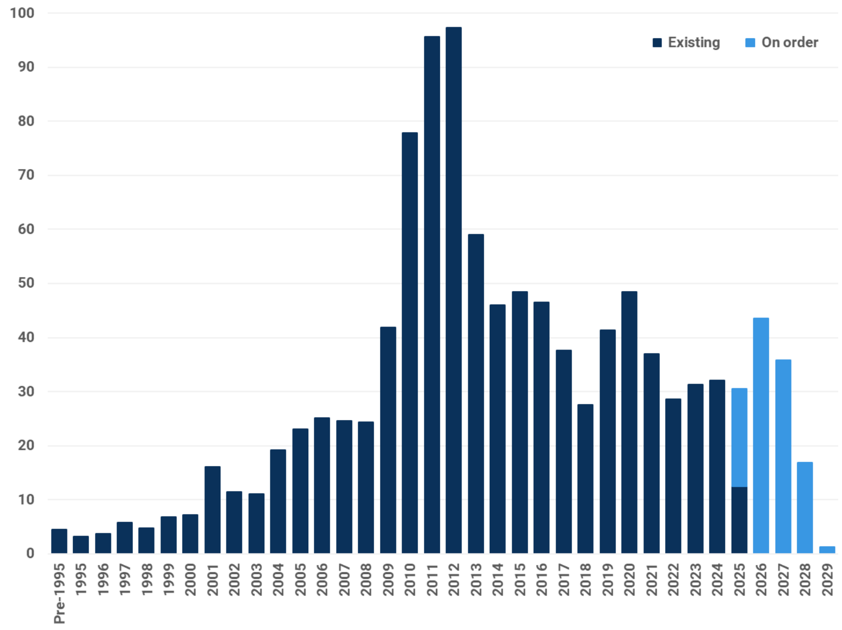
Fleet (in)efficiencies and dry bulk carrier supply

The number of bulkers off market is set to increase

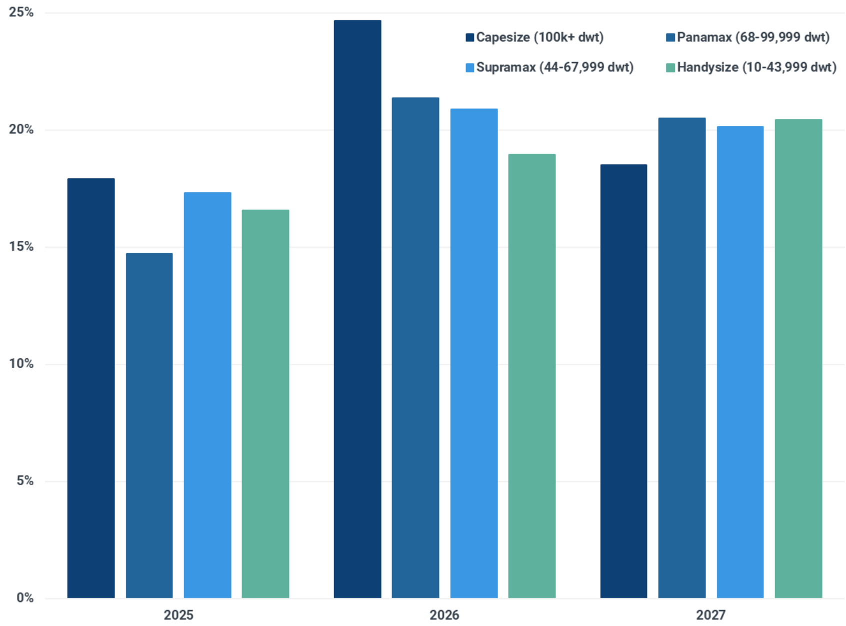
Vessels built over 2010-2012 coming up for special surveys, set to tighten supply over the next three years

Dry bulk carrier fleet: existing and on order (Mdwt)



Source: industry data, Braemar, Kpler Insight

Proportion of fleet due for special survey by year (% count)

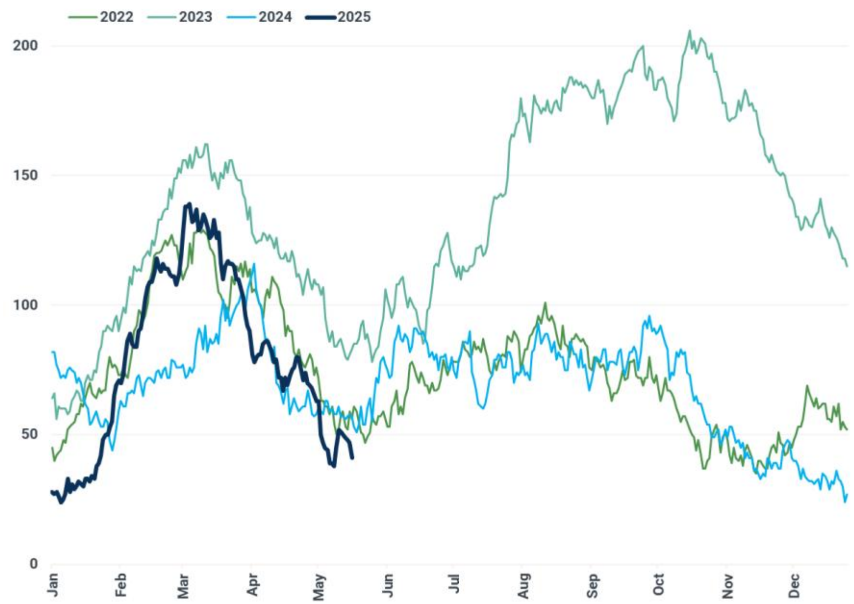


Source: Kpler Insight

Supply-side risks: port congestion and rerouting

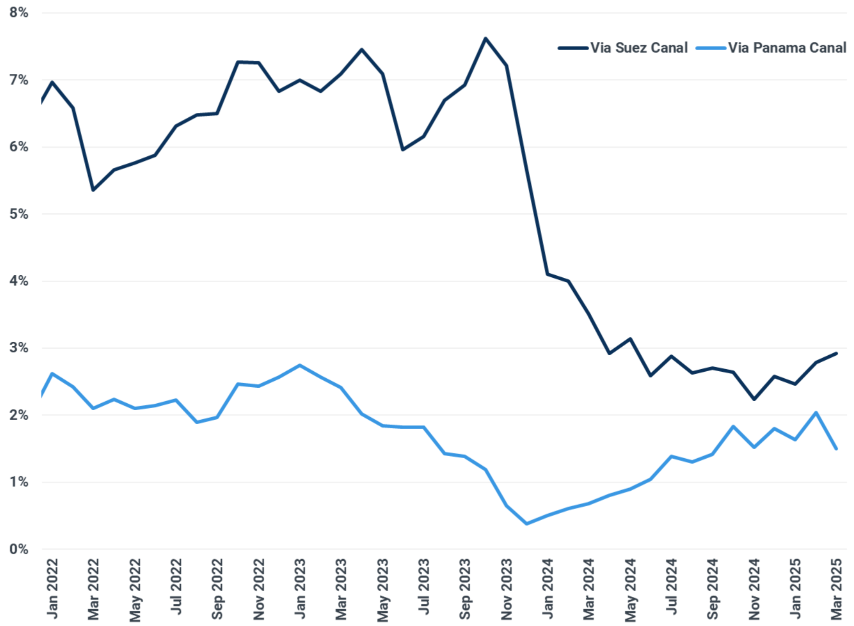
Brazil is at risk of higher port congestion in 2025, an end to rerouting will add to vessel supply in sub-Capesize markets

Congestion at Brazilian grain ports (vessel count)



Source: Kpler

Dry Bulk trade via Suez and Panama Canals (% total trade)



Source: Kpler Insight

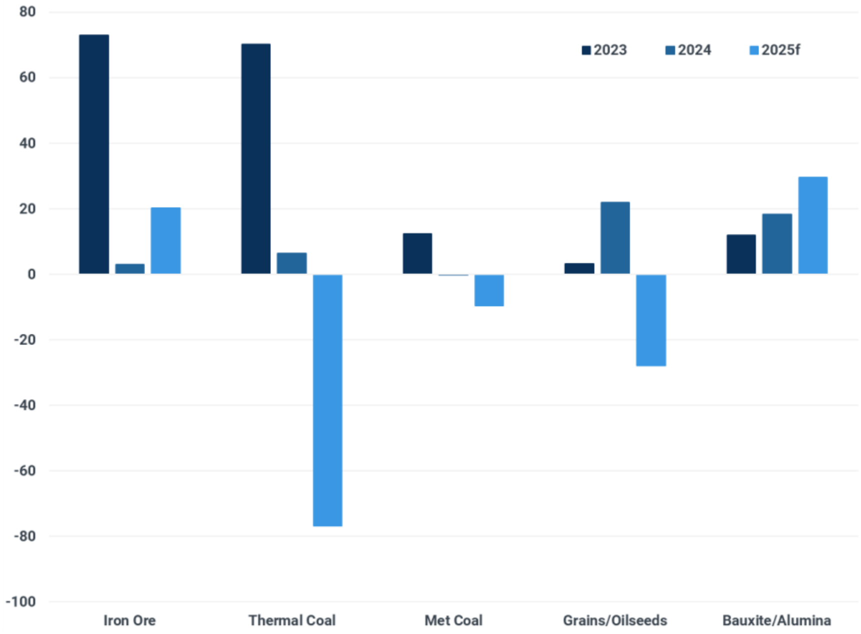
Key takeaways

Key takeaways and outlook

Capesize outlook to firm in the 2h25, but headwinds mount for Panamaxes and Supramaxes

- **The Capesize market has started 2025 down y/y**, with lower bunker prices weighing on spot voyage rates, **but is set to firm**
- **Iron ore chartering will boost demand in the 2h25 as export availability increases**; a steel sector slowdown in China does not necessarily mean a large fall in trade
- With China and India importing less thermal coal, **Pacific coal chartering activity has fallen y/y and declines are forecast to persist through 2025**
- **Demand for grain-carrying bulkers in the 4q25 will be lower** due to a lack of US-China trade; after buying Brazilian beans in the 2q, China does not need the US
- A sharp increase in vessels due for **special surveys will tighten supply over 2025-2027**
- Supply-side risks from **port congestion** and **trade chokepoints**

Annual change in seaborne trade (Mt)



Source: Kpler Insight

Q&A

Thank you

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