

MARKET BRIEFING Week 45 – 2025

HEAD LINES

US – China trade deal - a zero-sum game for shipping?



The pandemic proved that disruption and chaos can benefit container shipping lines, tariffs are beneficial for some too, with the surge in demand for South American soya beans a direct impact of Donald Trump's trade policy. Bimco, this week analyzed the trade deal agreed between China and the US as beneficial to both countries, and to the dry bulk market. Read more at: <https://www.seatrade-maritime.com/containers/us-china-trade-deal-a-zero-sum-game-for-shipping->

Tanker Orderbook High Despite Market Unpredictability



increased sanctions (enforcement), resilient oil demand, partly due to stock building in China, and growing OPEC+ supply have all contributed to creating a rate environment we have not seen since the freight rate boom in the early days of the pandemic, says Poten & Partners in an opinion this week. Very limited fleet supply growth in 2024 and 2025 has also contributed. "A tightening supply-demand balance has made the freight market more susceptible to small changes in ton-mile demand. Read more at: <https://www.marinelink.com/news/tanker-orderbook-high-despite-market-532182>

US, China enter talks on maritime dominance after fee suspension



The Trump administration said on Thursday it would pursue negotiations with China over its dominance of shipbuilding and ocean logistics as it formalized plans for a one-year pause on US port fees on China-linked vessels as part of a wider deal to reduce trade tensions. The US Trade Representative's office said in a Federal Register notice that it will pause for a year starting November 10 all punitive actions against China. Read more at <https://www.bairdmaritime.com/shipping/ports/us-china-enter-talks-on-maritime-dominance-after-fee-suspension>

SHIPPING MARKET REPORT

DRY BULK

The Baltic Exchange's primary index achieved an important milestone on Friday, rising to its highest point in over two weeks as rates strengthened across every vessel segment. BDI increased by 138 points week-over-week, closing at 2,104 points, achieving its highest level since October 22nd. The Capesize segment delivered the most significant boost for the overall increase, as BCI surged 412 points from last week to reach 3,341, marking its highest level in more than three weeks; average daily earnings rose by US\$1,315 to US\$26,888.

This market strength was bolstered by favorable commodity news, as Dalian iron ore futures prices broke a four-session decline to finish higher on Thursday, a recovery credited to a decrease in global shipments, although increases were somewhat constrained by ongoing

Capesize: In the Pacific, prices rose because of improved iron ore demand from China and the steady arrival of iron ore shipments from Australia. Pacific r/v rose to US\$26,850 per day. In the Atlantic, market sentiment slowly strengthens as trading volume rose across all routes, resulting in a minor decrease in available vessels as T/A finished higher at around US\$25,000

Panamax/Kamsarmax: The market remains in a downward trend in the Atlantic, maintaining a charterer-friendly perspective because of the surplus of ships in the Northern area. T/A concluded the week at a reduced rate of US\$17,750 a day. In the Pacific, active trading from Indonesia is bolstering rates

Supramax/Ultramax: The Atlantic shows a rising trend backed by steady demand for USG shipments and an increase in November cargo in the South Atlantic. T/A closed the week at US\$24,850. In the meantime, the Pacific experiences a stable outlook. Although NOPAC experienced consistent demand, the increase in rates was restricted despite strong interest in Indonesian coal earlier in the week

Handysize: Handy experienced a disappointing conclusion to the week as rates declined in both basins. In the Inter Pacific, demand was strong at the beginning of the week but decreased slightly toward the end, settling at around US\$10,350 per day. The Atlantic shows a similar trend, with T/A concluding the week at around US\$15,150

Baltic Exchange Dry Bulk Indices

	CURRENT	LAST WEEK	LAST YEAR	W-O-W CHANGE	Y-O-Y CHANGE
BDI	2,104	1,966	1,495	+7.02%	+40.74%
BCI	3,341	2,929	2,316	+14.07%	+44.26%
BPI	1,833	1,821	1,176	+0.66%	+55.87%
BSI	1,319	1,326	1,079	-0.53%	+22.24%
BHSI	810	847	703	-4.37%	+15.22%

Dry Bulk 1 year T/C rates



TANKER

The one-year trade agreement established by Presidents Trump and Xi last week brings considerable hope to the crude tanker industry, especially for VLCCs. The expected return of crude exports from USG to China is seen as a beneficial development, overcoming the slight inefficiencies resulting from the halt in port fees. Still, the dynamics of the market remain intricate, since the halt of the USTR port fees creates financial uncertainty for the proposed "Ships for America Act."

VLCC: The Middle East experienced market accelerated chartering unpredictability as the shortage of available tonnage worsened and US/EU sanctions on Russia tightened. 270,000mt MEG/China decreased by 19 points to WS107. A comparable situation was observed in the Atlantic, where journeys to China from WAFR decreased to WS106

Suezmax: The availability of ships continued to decline because of competing demand for Russian oil. The West Africa market is anticipated to exhibit stability this week, influenced by seasonal demand and a supply shortage affecting many areas. Nigeria/UKC rose modestly to WS159.

Aframax: Rates kept rising, influenced by a supply limitation caused by a surge in fuel oil cargo volumes in October. Even with a significant increase in October, the shortage of supply continued because of proactive repairs in the Western market, decreasing the arrival of ballasters to the East of Suez. In the Mediterranean, 80,000 my Ceyhan/Lavera edged down to WS198 at the close

Clean: LR: Rates concluded the week low, influenced by declining demand from the MEG to the Far East. Amidst the recent reduction of tariffs between China and the US, TC1 experienced a slight decrease in rates to WS132. Likewise, LR1 experienced a decline on the same route, ending at WS142, dropping about 8 points.

MR: The market saw a minor drop in rates but rebounded at the week's conclusion on the MEG/E.Africa route, finishing at WS215. In the USG, rates keep declining with TC14 dropping around 33 points to WS147.

Baltic Exchange Tanker Indices

	CURRENT	LAST WEEK	LAST YEAR	W-O-W CHANGE	Y-O-Y CHANGE
BDTI	1,403	1,436	922	-2.30%	+52.17%
BCTI	642	627	478	-2.39%	+34.31%

Tanker 1 year T/C rates

