# MARKET REPORT

Week 25 2025- 23rd June

## COMMENTS

Despite sanctions, Iran is a major oil exporter, sending over 1.5 million barrels per day primarily to China. As an influential member of OPEC+, it also helps shape global oil supply and pricing policies. Its strategic control over the Strait of Hormuz, a critical chokepoint for oil transit, gives it the power to disrupt the global market. Even a minor threat to this waterway could cause a rapid spike in oil prices and escalate a regional issue into a global energy crisis.

The Baltic Dry Index dropped to 1,689 due to falling rates for Capesize and Panamax vessels, mainly caused by declining steel demand in China and reduced iron ore futures. While Capesize rates fell significantly to about US$19,450 per day, Panamax rates remained flat at around $12,000. The Supramax segment saw a rise, reaching about $10,700 per day due to increased Cargo demand in the Pacific.

In the tanker market, Israeli airstrikes on Iran caused oil prices to surge and tanker charter rates to multiply due to increased risk. VLCC rates climbed sharply as fears of disruptions increased. The clean tanker market experienced volatility, especially in the LR segment, while the container shipping sector saw Maersk suspend operations at Haifa, and rates from Shanghai to the US West Coast fell by 33%.

## DRY BULKS:

The Baltic Dry Index fell significantly, closing the week at 1,689, primarily due to a sharp decline in rates for larger Capesize and Panamax vessels. The drop in the Capesize segment was the most severe, influenced by weakening steel demand in China and falling iron ore futures. While Panamax rates also retreated, the smaller Supramax vessel index moved in the opposite direction, reaching a two-week high.

**Capesize:** The shipping market for routes in the Pacific Ocean is in a sharp decline. This downturn is caused by a lack of market activity from major mining companies and weak demand for iron ore. Consequently, the daily rental rates for ships (freight rates) have plummeted, with the benchmark rate for a Pacific round voyage (r/v) finishing the week at approximately US$19,450 per day.

**Panamax/Kamsarmax**: The Atlantic shipping market is weak because there are too many available ships and customers are unwilling to pay higher prices, keeping rates flat at around $12,000. In the Pacific, a small amount of new business from Australia and Indonesia isn't enough to boost the market, as there is a lack of cargo from the crucial North Pacific region.

**Supramax/Ultramax**: The shipping market is currently split into two distinct stories. The Atlantic market is weak and inactive, with rates from the US Gulf remaining flat. In contrast, the Pacific market is strong and growing, fueled by high demand for cargo from Southeast Asia and India, which is pushing shipping rates higher in that region. Specifically, Pacific round voyage rates have risen to approximately $10,700 per day.

**Handy size:** The market for Handy size cargo ships was quiet at the end of the week. In the Pacific, the daily rental price for these ships went up to around $8,500 because there was a shortage of available ships. In the Atlantic, prices remained steady because there was a consistent amount of cargo that needed to be moved.

Baltic Exchange Dry Bulk Indices

| INDICES | CURRENT | LAST WEEK | LAST YEAR | W-O-W CHANGE | Y-O-Y CHANGE |
|---|---|---|---|---|---|
| BDI | 1,751 | 1,968 | 1,997 | -11.03% | -12.32% |
| BCI | 2,879 | 3,722 | 3,142 | -22.65% | -8.37% |
| BPI | 1,353 | 1,401 | 1,827 | -3.43% | -25.94% |
| BSI | 963 | 936 | 1,398 | +2.88% | -31.12% |
| BHSI | 621 | 604 | 753 | +2.81% | -17.53% |

Dry Bulk – S&P Report

| VESSEL NAME | TYPE | DWT | YEAR | BUILT | PRICE (MILLION) USD | COMMENTS / BUYERS |
|---|---|---|---|---|---|---|
| BABY CASSIOPEIA | MINI CAPE | 110,842 | 2012 | JAPAN | 19.0 | VIETNAMESE BUYER |
| JAWOR | PMAX | 79,649 | 2010 | CHINA | 11.0 | UNDISCLOSED |
| BULK AQUILA | UMAX | 66,613 | 2014 | JAPAN | 22.25 | MEGHNA |
| FLC CELEBRATION | SMAX | 57,000 | 2011 | CHINA | 11.0 | UNDISCLOSED |
| PAX SILVA | HMAX | 46,900 | 2007 | JAPAN | 8.0 | VIETNAMESE BUYER |
| NY TRADER III | HANDY | 39,388 | 2016 | CHINA | 17.0 | GERMAN BUYER |

## TANKERS:

Recent Israeli airstrikes on Iran have marked a significant escalation from proxy conflicts to direct military confrontation, causing immediate and severe reactions in the energy and shipping markets. Oil prices surged, with Brent crude rising nearly 8%, while the cost to charter oil tankers through the vital Strait of Hormuz more than doubled in a week due to massive risk premiums and shipowners withholding vessels in anticipation of even higher rates.

**VLCC:** Due to recent Israeli military action against Iran, companies that need to ship crude oil (cargo owners) are becoming very nervous about potential disruptions in the Middle East, a critical region for oil transport. This fear has created a rush to hire oil tankers (a "scramble for tonnage"), causing a sudden and significant increase in shipping prices (freight rates) for major routes. 270,000mt MEG/China climb 22 points to WS75.

**Suezmax:** The market for shipping crude oil from West Africa was weak last week because there weren't many buyers. However, this week, prices have bounced back strongly. The reason for this is the rising tension in the Middle East. When there's conflict in the Middle East, it creates uncertainty about the oil supply from that region. As a result, oil buyers look for more reliable sources, and West Africa is a major alternative. This new, increased demand for West African oil is pushing up the shipping rates for tankers.

**Aframax:** Even though there was enough oil in the Middle East to meet needs, shipping costs became very unpredictable due to political tensions in the area. A similar trend of rising costs happened in the Mediterranean, with a specific route from Turkey to France seeing a significant price increase. Gains were seen with Ceyhan/Lavera route improving to WS139.

### Clean:

**LR:** Middle East fundamentals shifted decisively despite oversupply conditions. The Middle East tension escalated volatility from late week, marking a new phase for the sector. LR2 saw a big jump in the TC1 as MEG/Japan jumped some 90 points to WS211 on Friday.

Similar was seen in LR1, with TC5 climbing to WS218.

**MR:** Far East operations remained largely insulated from Middle East developments. Ample tonnage supply kept rates steady with minimal fluctuation. In the MEG, MRs rose similarly like the bigger units with trips to E. Africa on TC17 to WS362.

#### Baltic Exchange Tanker Indices

| INDICES | CURRENT | LAST WEEK | LAST YEAR | W-O-W CHANGE | Y-O-Y CHANGE |
|---|---|---|---|---|---|
| BDTI | 1,040 | 909 | 1,205 | +14.41% | -13.69% |
| BCTI | 711 | 600 | 795 | +18.50% | -10.57% |

#### Tankers S&P Report

| VESSEL NAME | TYPE | DWT | YEAR | BUILT | PRICE (MILLION) USD | COMMENTS / BUYERS |
|---|---|---|---|---|---|---|
| CELSIUS PORTSMOUTH | MR | 50,299 | 2021 | CHINA | 36.25 | TORO CORP |
| UOG CONSTANTINE G | MR | 49,999 | 2010 | S. KOREA | 17.0 | GREEK BUYER |
| UOG PHOENIX | MR | 47,367 | 2010 | JAPAN | 17.4 | GREEK BUYER |
| OSAKA | MR | 37,923 | 2008 | S. KOREA | 14.8 | MIDDLE EASTERN BUYER |
| BIRDIE TRADER | PROD / CHEM | 19,822 | 2016 | JAPAN | 28.5 (SS) | TAIHUA SHIP MGMT LTD |

### CONTAINERS

Maersk has suspended ship visits to the Port of Haifa in Israel as a direct result of Iranian missile strikes, prioritizing crew safety amid the escalating regional conflict. Hapag-Lloyd, another major carrier, stated its Middle East operations have not been affected by the same geopolitical tensions. Freight rates from Shanghai to the US West Coast fell by a record 33% in a single week, dropping to US$2,772 per FEU (forty-foot equivalent unit). In contrast, freight rates from the Far East to Europe remained relatively stable.

#### Containers Values

| CONTAINERS (BY TEU) | GEARED / GEARLESS | NB CONTRACT | NB PROMPT DELIVERY | 5 YEARS | 10 YEARS | 15 YEARS |
|---|---|---|---|---|---|---|
| 900 ~ 1,200 | Geared | 24 | 26 | 20 | 16 | 10 |
| 1,600 ~ 1,850 | Gearless | 31 | 35 | 29 (E) | 23 (E) | 18 |

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|---|---|---|---|---|---|---|
| 2,700 ~ 2,900 | Gearless | 44 | 46 | 39 | 35 | 26 |
| 5,100 ~ 5,300 | Gearless | 59 | 82 | 66 | – | 41 |

## S&P Containers Report

| VESSEL NAME | TYPE | TEU | YEAR | BUILT | PRICE (MILLION) USD | COMMENTS / BUYERS |
|---|---|---|---|---|---|---|
| GALEN / GARWOOD | FEEDER | 1,810 | 2007 2008 | S. KOREA | 18.5 EACH | UNDISCLOSED |