SHIPPINGUTVALGET

Weekly Report

WEEK 5

Compiled by Shippingutvalget

Summary

Freight rates across shipping markets are showing increasing divergence. Crude tanker rates have softened at the VLCC level, reflecting weaker spot activity and a temporary shift in market control toward charterers, while Suezmax and Aframax segments remain firmer due to regional tightness, weather disruptions, and infrastructure normalization supporting physical flows. In dry bulk, Capesize rates are volatile but stabilising at higher levels, underpinned by resilient iron ore demand, while mid-size segments lag as excess tonnage caps upside. Gas markets remain subdued, with both LPG and LNG rates constrained by vessel availability. Overall, rates are transitioning from peak momentum to a more selective, structurally driven phase, where regional imbalances and cargo flow concentration matter more than broad market strength.

SEGMENT	TYPICAL VESSEL	SPOT ($/DAY)	1-YR TC ($/DAY)
VLCC	300 000 DWT	95 000	70 000
SUEZMAX	150 000 DWT	93 000	48 000
AFRAMAX	110 000 DWT	90 000	42 000
CAPESIZE	180 000 DWT	29 000	31 500
KAMSARMAX	82 000 DWT	15 000	16 000
SUPRAMAX	58 000 DWT	13 000	14 000
VLGC	84 000 cbm	65 500	50 000
LNG (EAST)	174 000 cbm	30 000	40 000
LNG (WEST)	174 000 cbm	10 000	39 000

Latest Headlines

- MSC enters the crude market with Chinese VLCC newbuildings
- US plans to revive Venezuelan oil trade
- Ukraine seaborne export levels lowest since the start of the war
- First Simandou cargo delivered with 65% Fe

Key Figures

Energy & Commodities

Brent spot: USD 68.8/bbl

Brent front month: USD 70.2 /bbl

Iron ore: USD 105.90/mt

Thermal coal: USD 109.00/mt

Coking coal: USD 246.50/mt

Wheat: USD 186.00/mt

Bunkers

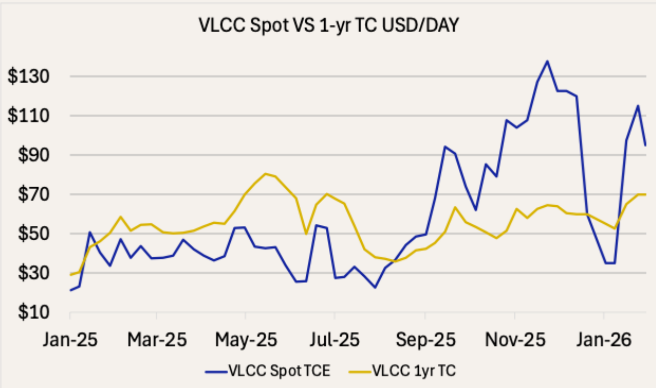
Singapore: VLSFO 476.00, MGO 640.00 USD/mt

Rotterdam: VLSFO 435.00, MGO 650.00 USD/mt

Tankers

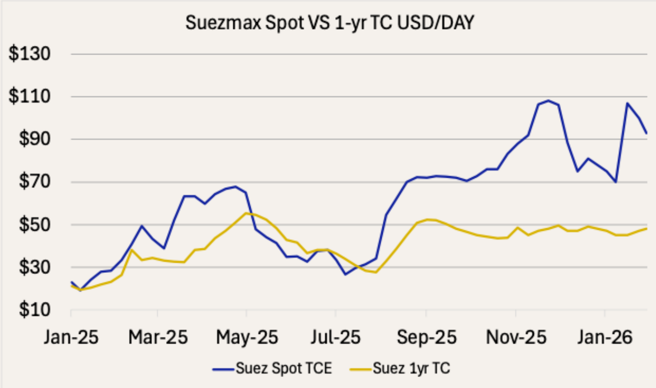
VLCC

The VLCC market softened in the latter half of last week amid muted activity and limited fixtures. Unipec fixed a WAF/East cargo at WS 107.5, while TD3C ended at WS 111.25 returning around USD 95,000/day and TD15 at WS 108.75 returning about USD 91,500/day. With sentiment shifting in charterers' favor and thin surface activity, rates continued to ease into this week, slipping below WS 100 in both East and West. That said, the AG tonnage list does not appear overly long, and a heavier mid-month laycan cargo program should provide near-term support. In the Atlantic, sentiment also softened, though owners maintained resistance and Atlantic-Asia flows remained resilient. Petrobras fixed two Brazil-China cargoes at WS 92.25, offering longer-duration earnings near USD 80,000/day. Structurally, cargo programs remain active, ballast supply is being absorbed efficiently, and near-term sentiment remains constructive.



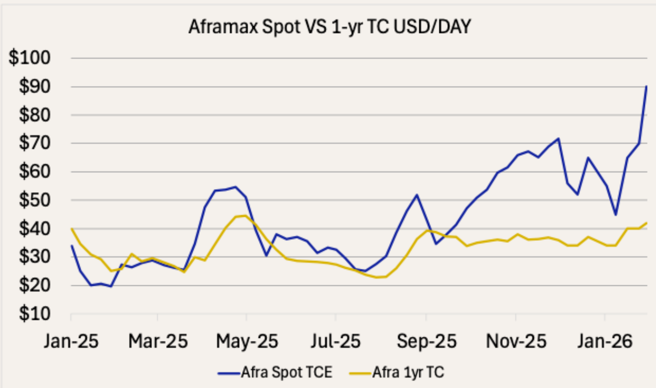
Suezmax

Suezmax markets showed mixed momentum this week, with softness in the Atlantic and Black Sea partly offset by firmer structure in the East, supported by improving export infrastructure conditions. In the Black Sea, TD6 was assessed at WS 197.50, generating USD 117,167/day, easing as prompt availability improved. In the Atlantic, TD20 at WS 157.50 delivered USD 70,329/day, reflecting a modest correction and a more balanced fixing environment. In the East, TD23 firmed to WS 125, with earnings of USD 60,737/day, supported by resilient long-haul demand. Sentiment was further supported by repaired CPC loading infrastructure, restoring Black Sea export reliability.



Aframax

Challenging weather across Northern Europe continues to disrupt itineraries, tightening prompt availability in the North Sea as vessels ballast toward firmer USG and Mediterranean markets. This has driven TD7 sharply higher to WS 235, reflecting a clear tonnage squeeze and strong replacement activity. Early February stems appear lighter, suggesting stabilization once disruptions ease. In the Mediterranean, delays persist but with some safe positions available, sentiment has softened; TD19 eased to WS 257.5 despite owners holding firm. Meanwhile, the USG remains the earnings leader, with TD25 elevated at WS 317.5, underlining continued transatlantic strength.

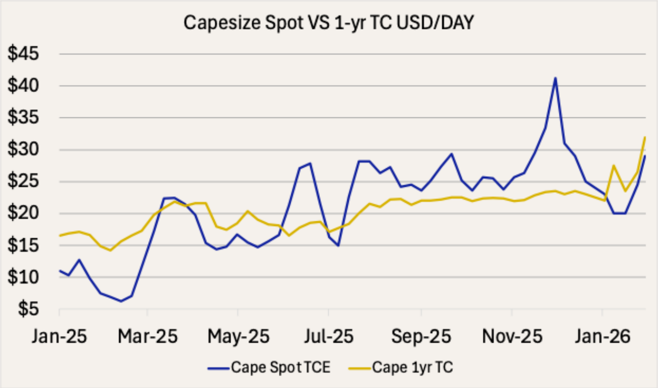


Dry Bulk

The Baltic Dry Index strengthened further this week to 2,016, driven by continued Capesize outperformance, while mid-size segments lagged amid mixed underlying fundamentals.

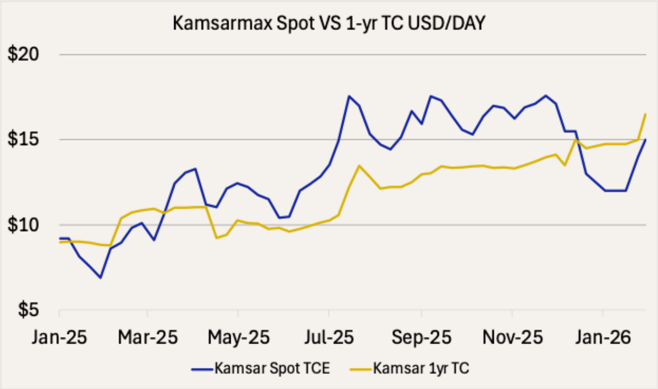
Capesize

Capesize markets remain under pressure, though rate developments this week showed a sharp rebound before easing. The Capesize TC Average surged from around USD 24,000/day early in the week to above USD 29,000/day, driven by strong gains on Atlantic–Asia routes, particularly Brazil-China, while Pacific performance lagged. C5 West Australia-China improved from the mid-USD 7/mt range to around USD 9/mt before correcting slightly toward weekend. Support continues to come from China's policy focus on domestic steel production rather than exports, helping to keep iron ore import demand relatively stable, though ample Pacific and Atlantic tonnage continues to cap upside.



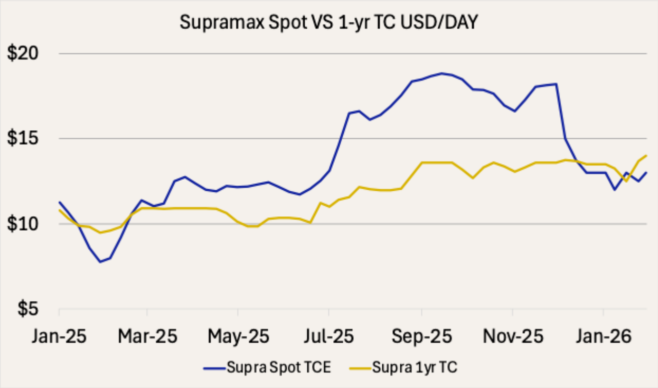
Kamsarmax

Kamsarmax markets remained rangebound this week, with the Panamax 5TC holding approx USD 15,000/day, supported by improved sentiment following the Capesize rebound. In the Pacific, the P3A Japan-South Korea transpacific round showed modest improvement, while fronthaul demand on the P2A Skaw-Gibraltar-Far East route remained cautious amid limited cargo visibility. Atlantic trades were largely unchanged as ample vessel supply capped upside. The segment continues to trade as a sentiment follower rather than a fundamentally tightening market.



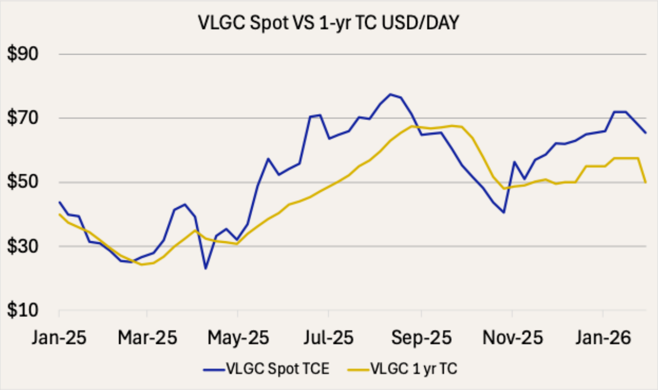
Supramax

Supramax markets remained under pressure this week, with the Supramax 11TC holding approx USD 13,000/day. Asian regional trades stayed soft, with the S10 South China-Indonesia round remaining weak amid reduced Chinese steel export activity. Long-haul demand from the Atlantic provided some support, with the S1C US Gulf-Far East route holding firmer, though not enough to offset oversupply in Asia. With steel exports constrained, earnings remain reliant on minor bulk flows to absorb excess tonnage.



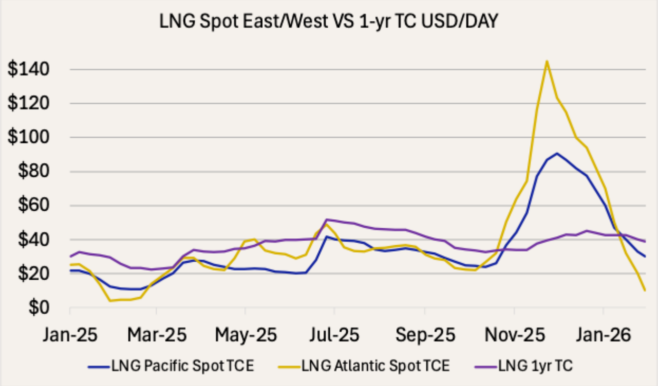
LPG

LPG markets were largely stable this week, with Baltic BLPG routes showing limited movement across both basins. In the East, BLPG1 AG-Far East remained steady, reflecting balanced conditions. In the Atlantic, BLPG2 USG-Continent and BLPG3 USG-Japan stayed firmer, though momentum moderated after last week. Overall, indications imply earnings near USD 65,500/day, supported mainly by Atlantic trades while Eastern routes remain flat.



LNG

LNG earnings softened this week, with Baltic route levels easing across both basins. East of Suez, BLNG1 indicate MEGI/XDF earnings around USD 30,000/day, reflecting a moderate weekly decline. In the Atlantic, conditions weakened further, with West of Suez spot earnings slipping to around USD 10,000/day. The softer tone reflects ample vessel availability and limited Atlantic fixing activity, keeping charterer urgency low and spot rates under pressure.



Market Outlook

Freight markets enter the coming weeks in a structurally supported but increasingly selective environment, with tanker fundamentals providing the main pillar of strength and dry bulk sentiment stabilising rather than accelerating. In tankers, earnings remain supported by active cargo programs, long-haul flows, and resilient utilisation, even as short-term rate momentum has softened at the VLCC level. Structural balance in tonnage positioning and continued absorption of ballasters point to stability rather than renewed downside, while Atlantic-Asia flows continue to underpin longer-duration earnings. Suezmax and Aframax markets remain regionally driven and flow-dependent, with Black Sea, Atlantic Basin, Mediterranean and US Gulf trades providing a resilient earnings base that limits downside risk.

In dry bulk, Capesize strength has improved overall market psychology and utilisation, helping stabilise sentiment across vessel classes. Support into February is expected from tight positioning and long-haul demand, though further upside will depend on consistent cargo follow-through. Panamax and Kamsarmax segments are likely to benefit from seasonal grain programs, helping stabilise rates despite ample tonnage, while Supramax markets face near-term pressure as weaker Chinese steel exports weigh on regional demand.

Gas markets remain mixed. LPG continues to draw support from Atlantic trades and steady arbitrage flows, while LNG remains capped by high vessel availability and muted lifting activity, limiting near-term upside.

Overall, the freight environment remains selectively constructive: strength is concentrated in crude tankers and Capesize bulkers, while other segments trade in balanced structures, with near-term performance driven by cargo flow execution rather than sentiment alone.

Shipping Glossary

Vessel types

VLCC - Very Large Crude Carrier
A crude tanker of ~300,000 dwt, primarily trading Middle East - Asia and long-haul crude routes.

Suezmax
A crude tanker of ~150,000 dwt, sized to transit the Suez Canal fully laden. Common on West Africa - Europe/Asia trades.

Aframax
A crude/product tanker of ~80,000-120,000 dwt, dominant in regional trades such as North Sea, Mediterranean, US Gulf and Asia short-haul.

Capesize
A dry bulk carrier of ~180,000 dwt that is too large for the Suez Canal. Mainly used for iron ore and coal on Brazil/Australia - China routes.

Kamsarmax
A subtype of Panamax bulk carrier, ~80,000-85,000 dwt, optimized for loading at Port Kamsar (Guinea). Used mainly for grains, coal, and bauxite.

Supramax
A dry bulk vessel of ~58,000 dwt, employed in regional and mid-range trades carrying coal, steels, fertilizers and minor bulks.

VLGC - Very Large Gas Carrier
A ~84,000 cbm LPG carrier used for transporting propane and butane, especially on US Gulf/Middle East - Asia routes.

LNG Carrier
A gas carrier of 160,000-180,000 cbm designed to transport liquefied natural gas at -162°C. Megi/xdf propulsion - also known as two-stroke.

Freight Metrics

WS - Worldscale
A percentage of the Worldscale flat rate used to price tanker voyages. WS100 equals the flat rate; WS200 means double the flat rate.

TC - Time Charter
A contract where the charterer hires the vessel for a period (e.g., 6 months, 1 year) at a daily rate.

TCE - Time Charter Equivalent
A normalized $ per day earnings figure calculated from voyage returns after deducting bunker, port, and canal costs. Used to compare voyage and period economics.

Tonne-Mile Demand
A measure of shipping demand combining cargo volume × distance. Longer routes (e.g., US - Asia) create more tonne-miles and tighten vessel supply.

Regional Abbreviations

MEG - Middle East Gulf
Core loading area for crude and LPG, including Saudi Arabia, UAE, Iraq, Kuwait, Qatar.

WAF - West Africa
Key crude export region including Nigeria and Angola, heavily influencing Suezmax and VLCC markets.

UKC - United Kingdom Continent
European refining and discharge region covering the UK, France, Belgium, Netherlands, Germany.

ECSA - East Coast South America
Major agricultural and mineral export region - primarily Brazil and Argentina - driving Panamax and Supramax demand.

ARA - Amsterdam-Rotterdam-Antwerp
A major Northwest European refining, storage, and trading hub, comprising the ports of Amsterdam, Rotterdam, and Antwerp.

Disclaimer

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Shippingutvalget BI

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In addition to its event portfolio, Shippingutvalget produces structured weekly market reports that translate complex freight developments into accessible insights for students across programmes, strengthening BI's maritime academic profile. The committee is known for its high professional standards, collaborative culture, and close ties to the wider industry, with many former members moving into broking, chartering, finance, and consulting roles. Shippingutvalget strives to deepen students' understanding of shipping while building lasting links between BI and leading maritime companies, helping members transition smoothly into industry roles.