



Signal Ocean Dry Weekly Market Monitor - Week 12, 2025

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Chart of the Week: Capesize Market Analysis - C3 route



The dry bulk freight market is currently experiencing a significant upswing, primarily fueled by a notable decrease in the number of ballasters on the C3 route. This has led to anticipation of a market undersupply in the coming weeks, fostering a bullish sentiment among market participants.

Iron Ore Dynamics and China's Strategic Positioning

China is preparing to significantly increase its iron ore imports in 2025, despite weakening steel demand. This move coincides with production increases by major suppliers in Australia and Brazil and the expected launch of the Simandou iron ore project. These supply-side changes are expected to reshape global iron ore trade flows and contribute to the ongoing decline in iron ore prices.

Brazilian Iron Ore Shipments Surge

Chinese importers are strategically increasing their purchases of Brazilian iron ore during the dry season, leading to an expected surge in shipments in March and April. This seasonal pattern reflects China's proactive approach to securing raw materials at favorable prices and ensuring a stable supply amid potential market volatility.

Congestion and Market Implications

The C3 Brazil-to-China market remains strong, as evidenced by the congestion of nearly 100 vessels in the South Atlantic, the highest level in the past year. This supply chain bottleneck is further exacerbated by strong activity in the region, with daily volume loaded consistently exceeding 1

million tonnes and approaching 1.3 million tonnes. This congestion could continue to put upward pressure on freight rates.

Supply-Demand Disparity in the South Atlantic

Weekly arrivals of Capesize vessels to the South Atlantic are expected to decline over the next 40 days. With fewer incoming vessels, the gap between supply and demand is widening, providing additional support for elevated freight rates. This trend suggests that demand-side pressures may intensify, reinforcing the bullish outlook for the C3 route in the short term. The anticipated decline in Capesize vessel arrivals to the South Atlantic over the next 40 days will likely widen the gap between supply and demand. This will put additional upward pressure on freight rates and suggests that demand-side pressures may intensify, reinforcing the bullish outlook for the C3 route in the short term.

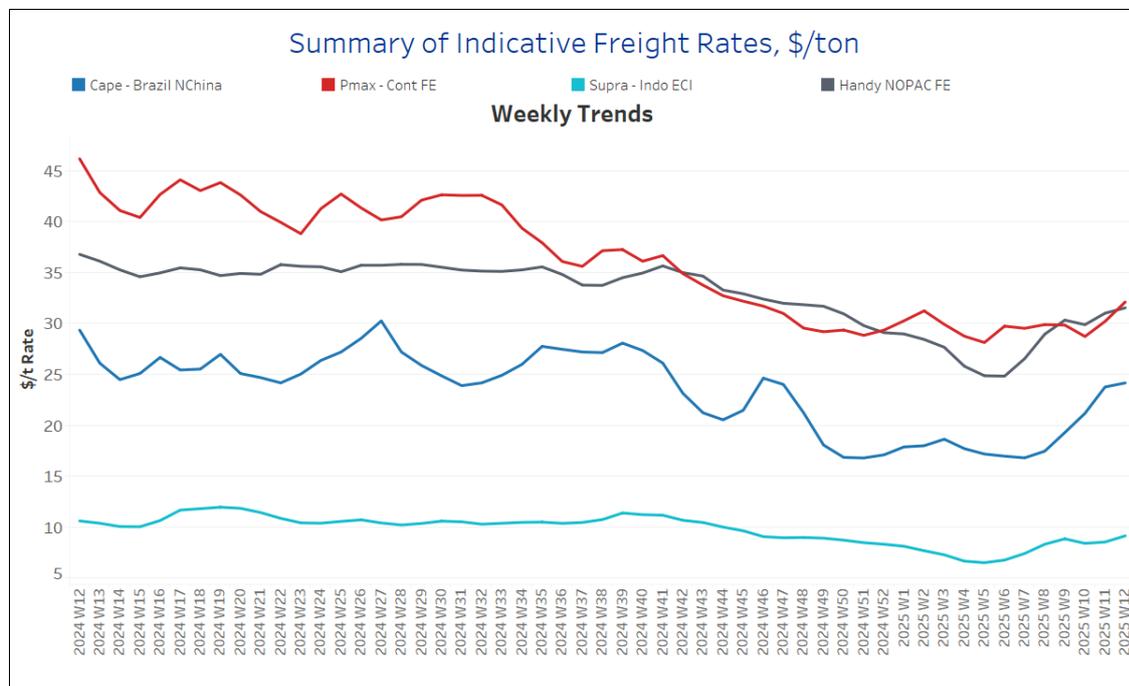
Conclusion

The lack of available vessels and increased iron ore shipments from Brazil have tightened the supply side, creating a favorable environment for freight rates, particularly on the C3 route. This is further exacerbated by China's aggressive import strategy, which, combined with seasonal surges in Brazilian exports, is expected to continue market volatility. Traders and shipowners would be well advised to monitor congestion trends and vessel availability, as these will be key factors in determining future freight market dynamics.

For more information on this week's freight, supply and demand shipping trends, see the analysis sections below. You can also log in to our [Newsroom page](#) under Insights & News to stay updated with the latest reports.

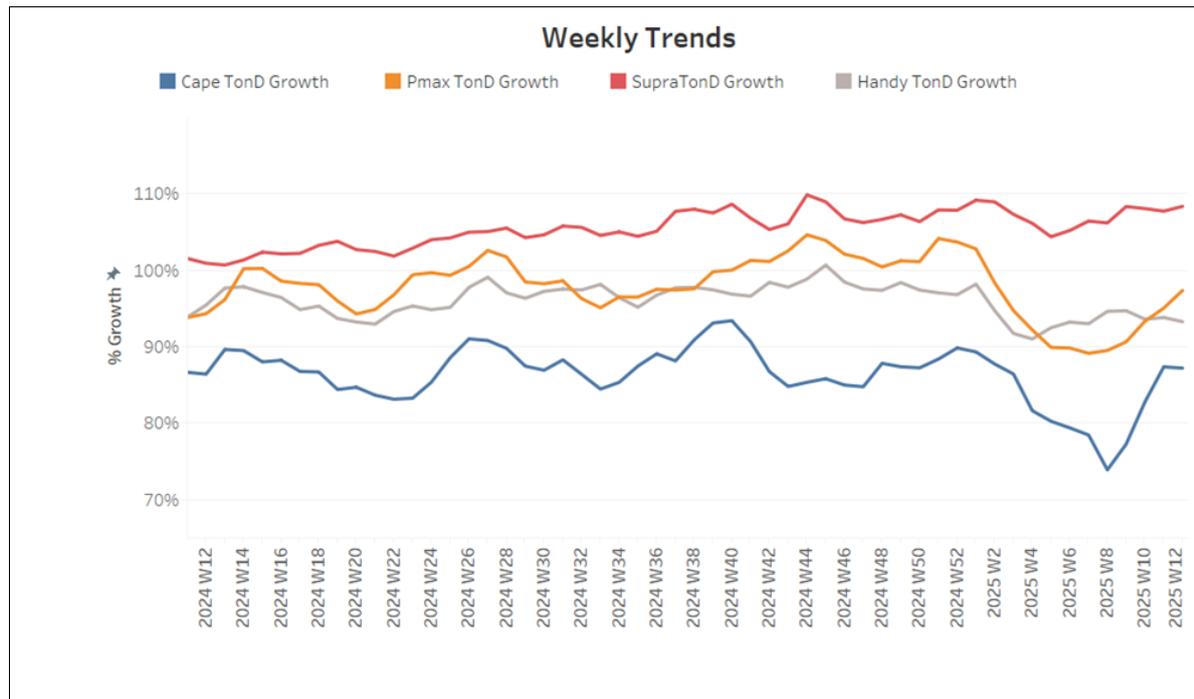
SECTION 1/ FREIGHT - Freight Rates (\$/t) Firmer

‘The Big Picture’ - Capesize and Panamax Bulkers and Smaller Ship Sizes



The diminishing number of ballasters continued to drive the accelerated rise in Capesize rates from Brazil to North China during the third week of March.

Summary of Dry Bulk Demand, per Ship Size

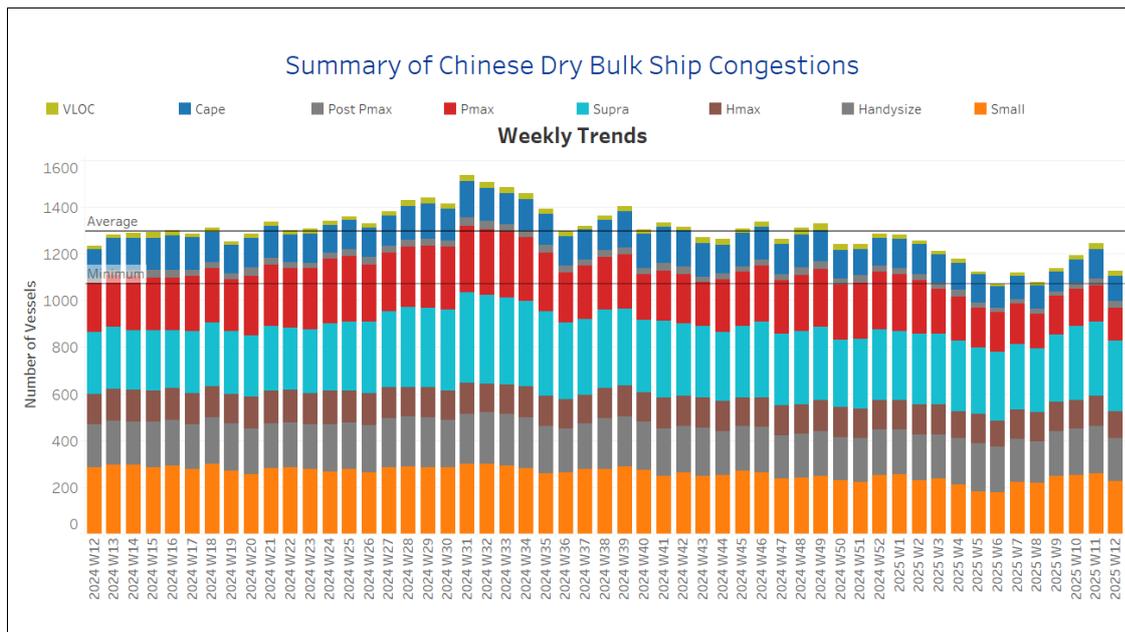


The third week of March continued the upward trend seen in the previous week for the Capesize and Panamax vessel segments, reinforcing market expectations for a strong close to the first quarter of the year.

- **Capesize:** The growth rate has established a steady momentum, surpassing the highs recorded at the end of last year.
- **Panamax:** Tonne-day growth maintained its upward trajectory, signaling a potential surpassing of the growth rate observed in the Handysize vessel segment. It remains to be seen whether this trend will ultimately exceed the peak recorded at the end of the previous year.
- **Supramax:** The growth rate remains the strongest among vessel size categories; however, no significant spikes have been observed yet, with the trend instead maintaining a steady momentum.
- **Handysize:** Its growth rate is no longer in line with that of the Panamax segment, and signs of a downward trend have been observed since the end of the second week of March.

SECTION 4/ PORT CONGESTION - No of Vessels Decreasing

Dry bulk ships congested at Chinese ports



Congestion at Chinese dry bulk ports has declined since peaking in the second week of March, with a downward trend observed across all vessel size segments.

- **Capesize:** Capesize vessel congestion declined to 108, down by 17 compared to the previous week's end.
- **Panamax:** Panamax vessel congestion recorded lows around 140, 16 lower than the end of the previous week.
- **Supramax:** Congestion levels, which neared the 300 mark in early March, have now stabilized at that level over the past two weeks, showing no signs of further increase.
- **Handysize:** Congestion levels have fallen below 190, marking a decrease of 15 compared to the previous week.