

# Dry Bulk Shipping Market Overview & Outlook

## Normalisation of ship routings could cool dry bulk market



### Supply/demand



**Supply is forecast to grow 2.5% in 2024 and 2.0% in 2025.** Supply growth is slowing due to lower deliveries



**Demand is forecast to grow 3.0% in 2024 and stabilise in 2025.** Sailing distances have lengthened due to the rerouting away from the Red Sea and Panama Canal.



**The supply/demand balance should strengthen in 2024, but weaken in 2025,** as ships return to the Red Sea and Panama Canal, shortening sailing distances.

### Demand



According to the IMF, **Global GDP is forecast to grow by 3.2% in both 2024 and 2025.** Inflation has cooled, which should allow a gradual easing of interest rates.



**Iron ore shipments are estimated to grow 2.5% from 2023 to 2025.** China may experience low domestic steel demand, but stronger demand abroad.



**Coal shipments are forecast to fall by 4.0% between 2023 and 2025.** Fast growth in domestic mining in India and increased renewable electricity production could curb demand.

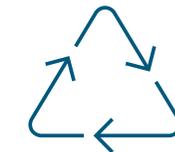


**Between 2023 and 2025, grain shipments are forecast to increase by 3.5%.** Grain supply has stabilised since the start of the war in Ukraine.

### Supply



**The fleet is expected to grow 4.9% between end 2023 and end 2025.** That is the slowest it has grown since 2016.



**Ship recycling is expected to stay low.** However, it may gradually increase from the start of 2025, due to a comparatively weaker market.



**Sailing speed could fall by 1.0% between 2024 and 2025.** After a couple of years when speed fell significantly, it is now starting to stabilise at current levels.



**A reduction in congestion could lead to a 0.5% increase in supply in 2024.** It has notably improved in Brazil due to smaller grain harvest.