

Agri Freight Outlook 2026

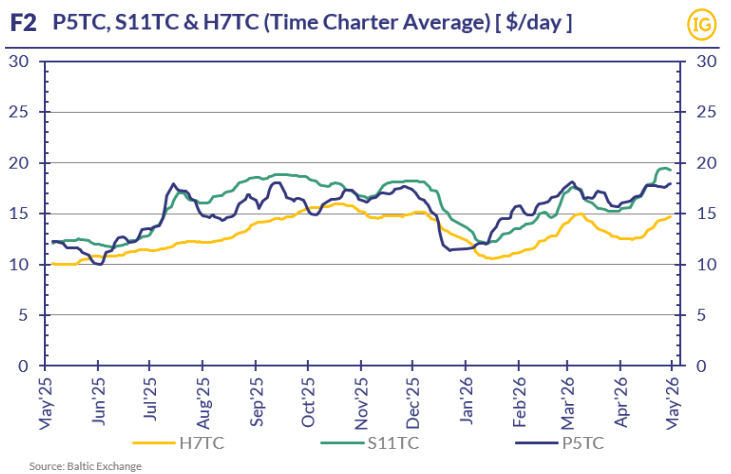
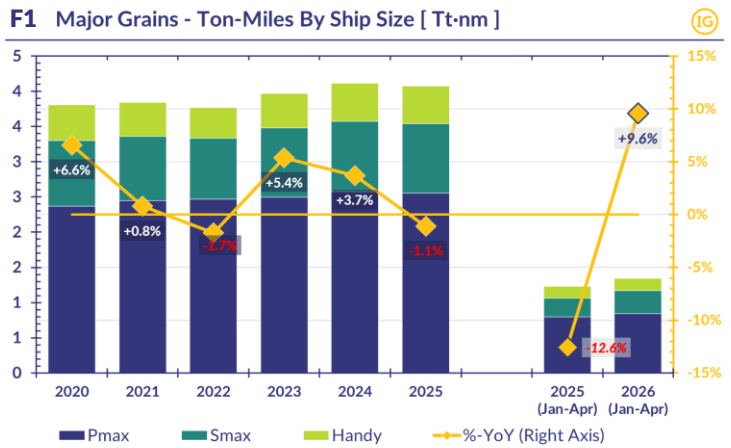
Dry bulk markets entered 2026 in a firmer position than anticipated, supported by resilient grain flows, tighter vessel positioning and renewed volatility across global energy markets. Panamax vessels continue to dominate agricultural trades, transporting close to two-thirds of agri ton-miles (F1), while Supramax/Ultramax and Handysize vessels remain critical for regional and niche commodity flows. The first four months of 2026 delivered the strongest start in four years for Panamax and Handysize freight markets, while Supramax earnings rose sharply year-on-year.

Volatility didn't destroy demand, it compressed time

The war in the Middle East injected exceptional volatility into energy and freight markets, primarily through bunker price swings and disruptions to trading conditions. Although the overall intensity of the conflict eased through April, the continued blockade of the Strait of Hormuz – and the uncertainty surrounding its resolution – have maintained a high level of unpredictability. For bulk carriers, this volatility is not neutral: ships don't sit on shelves, time lost is supply gone. Periods of disruption, hesitation and rapid repositioning reduce effective supply and compress decision cycles. In that sense, the war has acted less as a drag on demand than as a volatility-driven accelerator, amplifying freight market moves and lifting sentiment (F2).

Dry Bulk ton-miles recover faster than expected

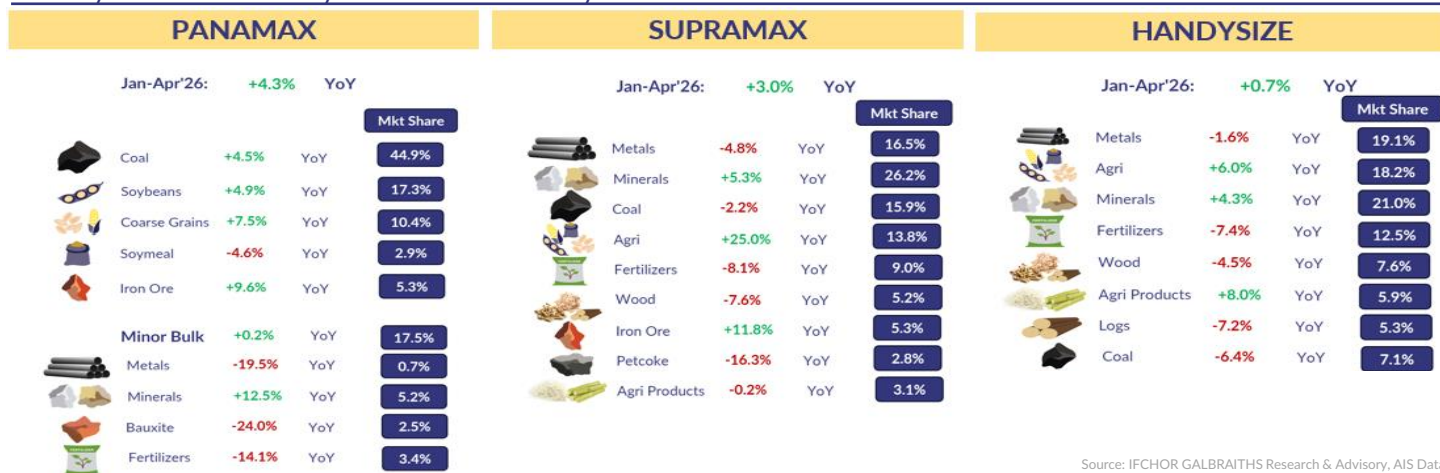
After a volatile start to the year, demand across Handysize to Panamax segments recovered more convincingly than anticipated, although the drivers differed significantly by vessel size. Panamax ton-miles (F3), increased +4.3% YoY in Jan-Apr'26, outperforming Supramax (+3.0%) and Handysize (+0.7%), mainly supported by coal (+4.5% YoY) and agri cargoes. This remains important as coal still accounts for ~45% of Panamax ton-miles, while coal demand contracted on Supramax (-2.2%) and especially Handysize (-6.4%), confirming weaker regional coal activity on smaller vessels. Another key divergence emerged in metals, where Supramax ton-miles contracted faster (-4.8% YoY) than Handysize (-1.6% YoY), reflecting pressure on steel-related trades despite metals remaining Supramaxes' largest commodity exposure (~16.5% market share). In contrast, minerals continued driving geared demand, increasing +5.3% YoY on Supramax and +4.3% YoY on Handysize, supported by stronger cement/clinker and construction-related flows into Africa and South Asia. The Dec'25 thesis – Panamax supported by coal and Atlantic grains, while geared vessels increasingly rely on minerals and diversified minor bulks – is now materialising faster than expected and continues helping absorb part of the fleet expansion due in 2026.



Panamax P5TC	YTD avg: 16,399\$/day 4-yr high
Supramax S11TC	YTD avg: 15,796\$/day +43%
Handysize H7TC	YTD avg: 12,930\$/day 4-yr high

From 1 Jan 2026 to 18 May 2026

F3 Dry Bulk Ton-miles by Size and Commodity



Source: IFCHOR GALBRAITHS Research & Advisory, AIS Data

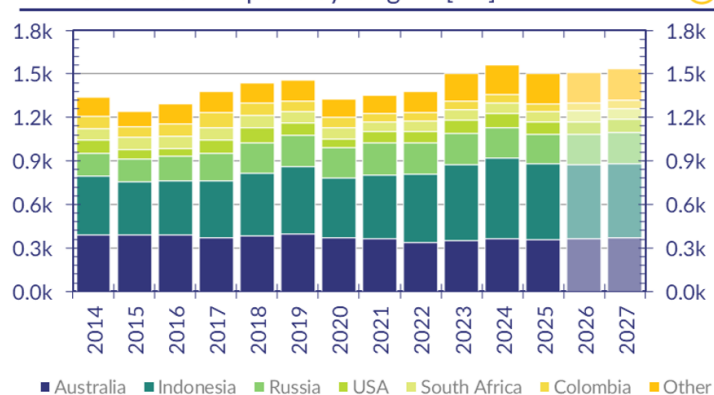
Coal: Hormuz reshapes energy security priorities

Coal demand remained more resilient than expected in early 2026, particularly on Panamax vessels where coal ton-miles increased despite weaker performance on Supramax and Handysize. Indonesia's new production quota of 600Mt (lowest since 2020) became the main bearish factor for coal trade. As the world's largest seaborne coal exporter, Indonesia is expected to significantly reduce export availability, particularly impacting Supramax employment in the Pacific, while Panamax will likely continue benefiting from longer-haul Australian and Atlantic coal movements. At the same time, the Strait of Hormuz crisis reshaped short-term energy policies across Asia: several countries accelerated coal stockpiling, relaxed coal-fired generation limits and delayed phase-out plans to reinforce energy security. Overall, coal market dynamics in 2026 (F4) are expected to remain supportive for Panamax employment, while geared segments continue facing a more challenging regional environment. However, over the longer term, both China and India continue prioritizing domestic coal production to reduce import dependency – in China's case also increasingly relying on landborne imports from Mongolia – limiting the structural growth potential for seaborne coal demand. Southeast Asia is expected to remain the only region showing structural growth in coal import demand.

Agri: Atlantic grain flows to remain main pillar

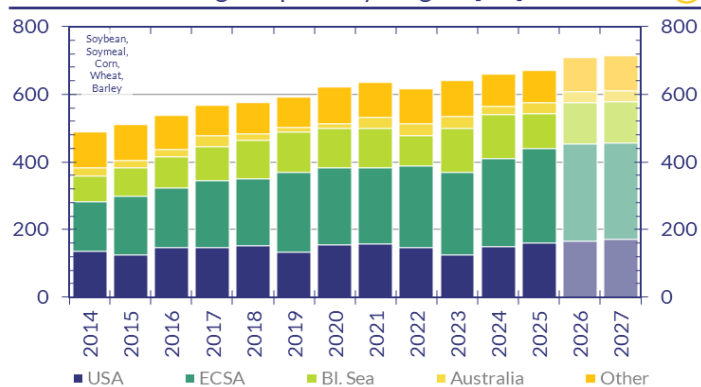
Agricultural cargoes are expected to provide the strongest support for Handy-to-Panamax demand in 2026, led by record ECSA soybean exports, recovery in U.S. grain flows linked to improving U.S.–China trade relations, and stronger Black Sea shipments (F5). Panamax is likely to remain the main beneficiary given its dominant share in long-haul grain trades, particularly on ECSA–Asia routes. Elevated Panama Canal costs – driven by rising tanker transit demand linked to the Hormuz crisis and tighter slot availability – are likely to redirect U.S. Gulf exports to the Far East and Southeast Asia via the Cape of Good Hope, increasing voyage distances by more than 50% and further boosting ton-mile demand (F6). The Hormuz blockade also introduces additional uncertainty for agri markets through fertilizer supply disruptions. With Gulf-origin fertilizers accounting for the 14% of global ton-miles, alongside export restrictions from China and Russia aimed at protecting domestic fertilizer availability during the sowing period, higher fertilizer costs and tighter supply could increase inflationary pressure across agricultural supply chains during 2026.

F4 Global Coal Exports by Origin - [Mt]



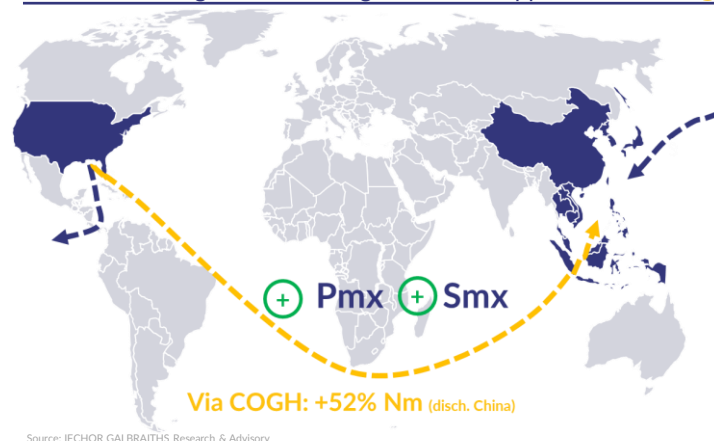
Source: IFCHOR GALBRAITHS Research & Advisory

F5 Combined Agri Exports by Origin - [Mt]



Source: IFCHOR GALBRAITHS Research & Advisory, Customs Data

F6 USG-Feast Agri flows: routing via COGH supports ton-miles



Source: IFCHOR GALBRAITHS Research & Advisory

Minor bulks: minerals offset weakness in metals

Minor bulk demand support for Supramax and Handysize segments was driven more by minerals and agri than by metals and coal from Jan-Apr'26 (F3). Minerals continued driving geared demand growth, supported by longer-haul cement/clinker trades from Asia into West Africa and resilient construction-related flows. In contrast, steel-related trades weakened, particularly on Supramax, as China introduced export licensing for steel products. The Hormuz crisis further pressured several geared minor bulk trades, including fertilizers, petcoke, gypsum and clinker, given the Gulf's strategic role in global exports. While some cargoes may eventually reroute from alternative origins, disruptions are expected to reduce overall ton-mile demand across geared segments in the near term.

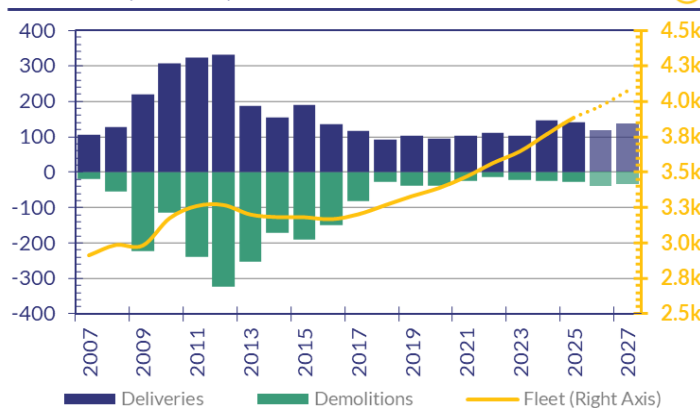
Fleet: deliveries remain the key counterbalance

Fleet growth remains the main headwind across dry bulk markets in 2026. Kamsarmax (F9) and Ultramax (F8) deliveries are accelerating to the highest levels in years, with fleet growth expected around 4-4.5% YoY, while Handysize remains comparatively balanced at around +2%. Demolition potential remains insufficient to fully offset incoming supply, particularly in Panamax and Supramax segments where orderbooks significantly exceed scrapping candidates (F10). Slow steaming linked to higher bunker costs and geopolitical disruptions is partially reducing effective fleet supply, but overall market balance will still depend heavily on demand resilience throughout 2026.

Conclusions

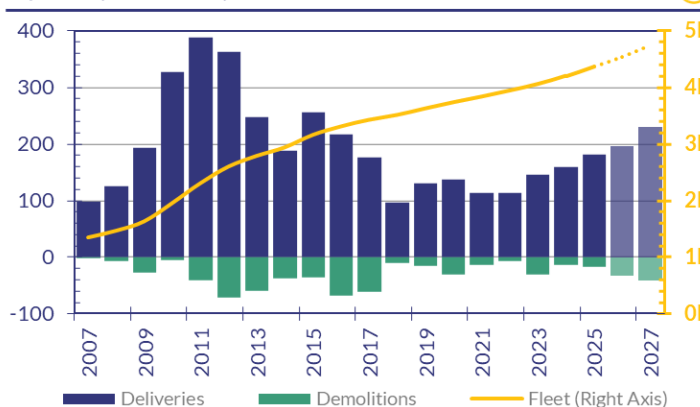
The 2026 outlook remains cautiously constructive for Handy-to-Panamax markets. Panamax continues benefiting from stronger Atlantic grain flows, resilient coal demand and longer voyage distances, while the Strait of Hormuz crisis and Panama Canal congestion are reshaping trade patterns, increasing volatility and tightening effective vessel supply. Sentiment contagion from the stronger Capesize market is also providing support to smaller segments, as firm iron ore flows and favourable Australian weather conditions tightened Capesize availability and incentivized cargo splitting wherever possible. For geared segments, the picture remains more balanced. Supramax markets are expected to face increasing pressure from elevated fleet growth alongside softer coal and steel-related trades, while Handysize fundamentals appear comparatively more stable thanks to a less aggressive supply outlook and stronger exposure to diversified regional minor bulk flows. Overall, volatility, geopolitical disruptions and shifting trade patterns are increasingly seen driving freight market direction through the balance of 2026.

F7 Handysize Group: Fleet, Deliveries & Demolitions [#]



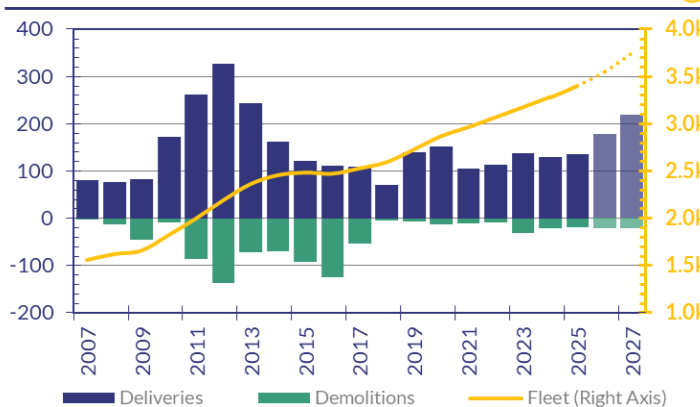
Source: IFCHOR GALBRAITHS Research & Advisory, Sea-web™

F8 Supramax Group: Fleet, Deliveries & Demolitions [#]



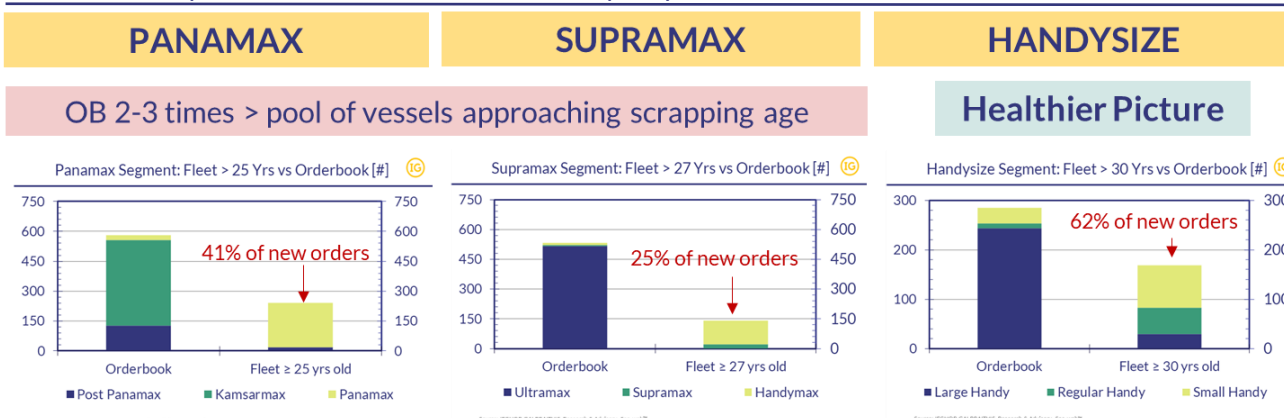
Source: IFCHOR GALBRAITHS Research & Advisory, Sea-web™

F9 Panamax Group: Fleet, Deliveries & Demolitions [#]



Source: IFCHOR GALBRAITHS Research & Advisory, Sea-web™

F3 Demolition potential Vs Current Orderbook by Ship Size



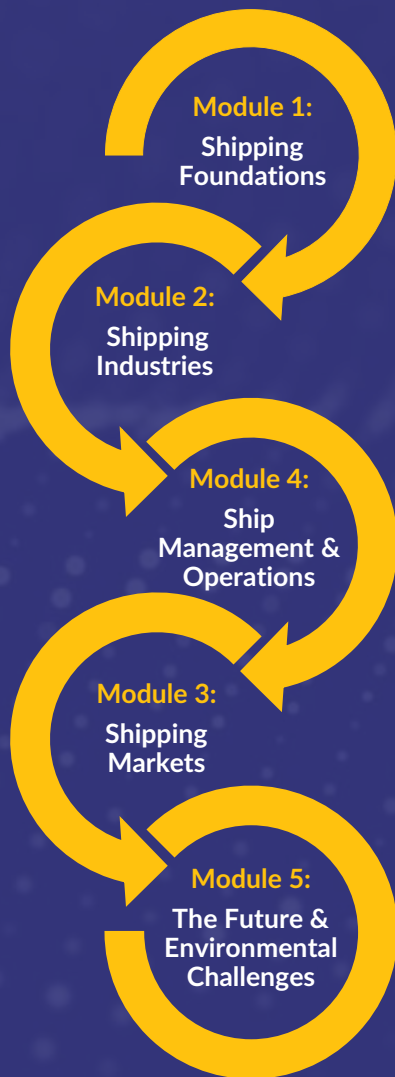
*Average scrapping for 2000-25: 20 years for Capesize, 25 years for Panamax, 27 for Supramax and 31 years for Handysize

IG Shipping Course



The IG Shipping Course is a unique opportunity for maritime professionals embarking on or looking to expand their knowledge of this global and diverse sector.

The residential course runs from **12th – 24th July 2026** and contains a tremendous range of beneficial, practical information which would otherwise take years to acquire through day-to-day experience.



The course offers delegates three key components:

1. Sessions

Each module's sessions are meticulously designed to provide participants with a comprehensive understanding of specific topics. They are led by experienced and practising shipping professionals, chosen for their expertise and skills.

2. Practical Workshops

Beyond sessions, the workshops allow delegates to apply theoretical knowledge in practical settings, helping them to practice and develop their newly acquired skills.

3. Networking

Delegates are encouraged to draw upon their own industry experience, therefore sharing and enriching each other's experience and learning on IG Shipping Course.

Five Structured Modules:

The IG Shipping Course consists of five main modules, each building on and complementing the other. This structure allows delegates to gain a holistic overview of the maritime industry.

The course is held at Ashridge House, only a 35 minutes train ride from London.

For more details of the venue please visit: ashridgehouse.org.uk

For further information or to book please visit www.ifchorgalbraiths.com/product/shipping-course/

Delegate places are limited. For specific questions or request last years' timetable email us directly: shippingcourse@ifchorGalbraiths.com





Dry Bulk
Capes@ifchorGalbraiths.com
Panamax@ifchorGalbraithds.com
Handy@ifchorGalbraiths.com



Tankers
Tankers@ifchorGalbraiths.com
Chems@ifchorGalbraiths.com
Specialised@ifchorGalbraiths.com



S&P and Projects
SnP@ifchorGalbraiths.com
SnP.Projects@ifchorGalbraiths.com



Offshore
Offshoreprojects@ifchorGalbraiths.com



Gas
Tankers.india@ifchorGalbraiths.com



Research & Advisory
Research@ifchorGalbraiths.com



IG Sustainability
Sustainability@ifchorGalbraiths.com



For updates & insights follow us on LinkedIn



LAUSANNE
+41 21 310 31 31



LONDON
+44 20 7378 6363



DUBAI
+971 4 770 6939



SINGAPORE
+65 6908 1856



ATHENS
+30 210 6859799



BEIJING
+86 10 6448 2478



BERGEN
+47 56 99 50 00



COPENHAGEN
+45 69 15 31 95



GENEVA
+41 58 411 31 44



GENOA
+39 010 8480 516



HAMBURG
+49 172 9819636



HAUGESUND
+47 21 41 46 90



HOUSTON
+1 713-554-0240



MELBOURNE
+61 410 668 506



MONACO
+377 9798 0790



MUMBAI
+91 75969 14999



NEW DELHI
+91 11 2808 1980



NEW YORK
+1 631-923-1099



RIO DE JANEIRO
+ 55 21 2511 7181



SEATTLE
+1 206-538-0187



SEOUL*
+82 10 9039 1542



SHANGHAI
+86 21 6888 0845



TOKYO
+81 90 6523 8724



VANCOUVER
+1 778-960-4159



ZUG
+41 58 411 31 57

* operates as representative office

