

# Dry Bulk Shipping Market Overview & Outlook

## Q2 2023 Highlights



### Demand



The IMF forecasts **China's GDP to grow by an average of 4.9% during 2023-2024**, after only growing 3.0% in 2022.



**Global steel demand is estimated to grow 4.0% from 2022 to 2024.** This should lead to an increase in iron ore and steel shipments.

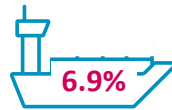


**Coal shipments should be 2.3% higher in 2024 than in 2022** after rising 5-6% in 2023, but falling 2-4% in 2024. Higher electricity production from renewables trims demand.



In 2023, weak grain supplies could lead to a 0.9% drop in exports. In 2024, volumes should recover and rise 5.0% for a **total increase in grain shipments of 4.1% between 2022 and 2024.**

### Supply



**The current orderbook stands at 6.9% of the dry bulk fleet**, the lowest ratio in over 25 years.

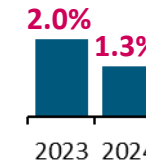


Amid low fleet growth and a stable market, **only 14mn DWT is forecasted to be recycled during 2023-2024.**

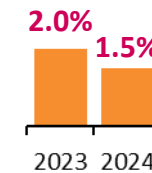


Climate regulations is expected to cause **sailing speed to fall 1-2% from 2022 to 2024.**

### Supply/demand



In total, **supply is forecast to grow 1.8-2.3% in 2023 and 1.1-1.6% in 2024.** Lower sailing speed limits supply growth.



In total, **demand is forecast to grow 1.5-2.5% in 2023 and 1-2% in 2024.** Growth could slow down in 2024, due to lower coal volumes.



**The supply/demand balance will marginally strengthen until the end of 2024.** However, the development of China's recovery could still upset this balance.