Platts of S&P Global Commodity Insights launches Dry Bulk Freight Index

First composite index in over three decades to be priced in dollars per day

LONDON and NEW YORK and SINGAPORE, Nov. 14, 2023 /PRNewswire/ -- Platts, part of S&P Global Commodity Insights, the leading independent provider of information, analysis, data and benchmark prices for commodities, energy and energy transition markets, launched on November 1, 2023 the Platts Dry Index (PDI), a new combined dry bulk freight industry marker derived from weighted average time charter equivalent indices reflecting the Capesize, Panamax/ Kamsarmax, Ultramax and Supramax segments.

S&P Global
Commodity Insights

This is the first dry bulk composite index in more than three decades to be priced in dollars per day, reflecting the freight paid for hauling various commodities across 35 major routes where Capesize, Panamax/Kamsarmax, Ultramax and Supramax ships ply.

The Platts Dry Index captures the demand for moving widely consumed dry bulk commodities such as grains, coal, chrome, copper, manganese, nickel, iron ore, steel, alumina, bauxite and spodumene. It is based on trade flow volumes accrued on various dry bulk segments and provides an indicator of the performance of the global dry bulk shipping market, bringing transparency to this critical shipping sector.

With the new Platts Dry Index, freight market participants and financial investors with exposure to daily changes in dry bulk shipping prices now have the option of trading a basket of routes incorporating all vessel segments.

Peter Norfolk, Global Head of Freight Pricing, S&P Global Commodity Insights,said, "Following the disruption of global trade flows caused by the Russia-Ukraine conflict and the re-mapping of supply chains due to the Covid-19 pandemic, the freight market is in need of an index that reflects the current reality. In addition, dry bulk is the largest sector in the maritime industry that impacts almost every aspect of the economy. The Platts Dry Index - a unique dollars per day index that encompasses the Capesize, Panamax/ Kamsarmax, Ultramax and Supramax segments, offers market participants a reliable marker reflecting present day global trade flow volumes."

About Platts Dry Index

The Platts Dry Index is derived by applying an allocated weighting to the daily Cape T4, KMAX 9, APUI 5, APSI 5, AUI 6 and ASI 6 indexes. The weighting for the individual indexes is determined by the volume of Capesize, Kamsarmax, Ultramax and Supramax vessel movements observed between the trading regions over the last three years from Platts trade flow system Commodities At Sea (CAS). This ensures the correct weighted average is applied to the index.

Vessel	Index	Weighting (%)
Capesize	Cape T4	60 %
Kamsarmax	KMAX 9	25 %
Ultramax	APUI 5	5 %
Supramax	APSI 5	5 %
Ultramax	AUI 6	2.5 %
Supramax	ASI 6	2.5 %

The Platts Dry Index is calculated in ton-miles and is arrived at by multiplying the volume of cargo moved in metric tons by distance traveled in miles.

For more details, see subscriber note.

The assessments may be found in S&P Global Commodity Insights products and services, including: Dry Freight Wire, PlattsConnect.

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About S&P Global Commodity Insights
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We are a trusted connector that brings together thought leaders, market participants, governments, and regulators and we create solutions that lead to progress. Vital to navigating commodity markets, our coverage includes oil and gas, power, chemicals, metals, agriculture, shipping and energy transition. Platts® products and services, including the most significant benchmark price assessments in the physical commodity markets, are offered through S&P Global Commodity Insights.

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