

S&P Dow Jones Indices

A Division of [S&P Global](#)

PRESS RELEASE

S&P Dow Jones Indices Launches S&P GSCI Freight Indices Tracking Dry Bulk Sector

LONDON, AUGUST 4, 2022: S&P Dow Jones Indices (“S&P DJI”), the world’s leading index provider, today announced the launch of the **S&P GSCI Freight Index Series**, expanding S&P DJI’s suite of S&P GSCI single-commodity indices.

The S&P GSCI Freight Indices provide transparent, reliable and publicly available performance benchmarks for the Dry Bulk freight markets. Dry bulk commodities refer to raw materials that are shipped in bulk for global manufacturing and production such as iron ore, coal and grain. Dry bulk is the largest sector in the shipping industry and is dominated by two vessel types: Capesize and Panamax which are the largest and second largest standard sizes of the dry bulk carriers.

The indices utilize the **Baltic Exchange**’s monthly and quarterly forward freight agreements (FFAs) prices. FFAs are cash-settled futures contracts and the main derivative instruments for the physical shipping markets. The indices are the market’s first transparent indices based on the FFAs.

The Index Series includes the:

- [S&P GSCI Freight Capesize \(Monthly\)](#)
- [S&P GSCI Freight Capesize \(Quarterly\)](#)
- [S&P GSCI Freight Panamax \(Monthly\)](#)
- [S&P GSCI Freight Panamax \(Quarterly\)](#)

Fiona Boal, Head of Commodities and Real Assets, S&P Dow Jones Indices said, “Disruptions to global supply chains over the last few years have put global freight markets in the spotlight, highlighting their important link in the chain of the world economy and contributions to international trade. We are pleased to have collaborated with the Baltic Exchange and TonnEdge to fill a market gap and bring the S&P GSCI Freight Indices to life. As global investors increasingly seek to diversify their investments and look for alternative vehicles to tap into niche market segments, this index series can be a meaningful gauge for the final value of this commodity.”

The dry bulk FFA market is highly liquid. Dry bulk FFA volumes hit 2,524,271 lots in 2021, up 61% on 2020, according to the Baltic Exchange. The FFA volumes based on both Capesize and Panamax vessels accounted for approximately 90% of the underlying physical dry bulk market flows. The S&P GSCI Freight Indices, which also draws from **TonnEdge**’s unique market knowledge in the shipping industry, now provide the market efficient tools through which financial market participants can monitor, measure and capture opportunities in this dynamic market segment.

S&P Dow Jones Indices

A Division of **S&P Global**

Mark Jackson, Baltic Exchange Chief Executive Officer said, “Reflecting expected changes in supply and demand, Baltic Exchange forward pricing for the dry bulk freight market is an important tool for traders and shipowners looking to manage their exposures to volatile markets. Our assessments are provided by a panel of leading FFA brokers and are based on contracts listed by the Singapore Exchange (SGX) and the European Energy Exchange (EEX) clearing houses.”

Professor Nikos Nomikos, TonnEdge and Bayes Business School, London said, “Shipping is an important link in the global economy. The market for freight derivatives has grown significantly over the last few years and is now an integral part of the global shipping markets. The development of S&P GSCI Freight Indices provides opportunities for connecting the global investment community with the shipping markets.”

ABOUT S&P DOW JONES INDICES

S&P Dow Jones Indices is the largest global resource for essential index-based concepts, data and research, and home to iconic financial market indicators, such as the S&P 500® and the Dow Jones Industrial Average®. More assets are invested in products based on our indices than products based on indices from any other provider in the world. Since Charles Dow invented the first index in 1884, S&P DJI has been innovating and developing indices across the spectrum of asset classes helping to define the way investors measure and trade the markets.

S&P Dow Jones Indices is a division of S&P Global (NYSE: SPGI), which provides essential intelligence for individuals, companies, and governments to make decisions with confidence. For more information, visit: www.spglobal.com/spdji.

ABOUT THE BALTIC EXCHANGE

The Baltic Exchange is the world’s only independent source of maritime market information for the trading and settlement of physical and derivative contracts. Its international community of over 600 members encompasses the majority of world shipping interests and commits to a code of business conduct overseen by the Baltic.

Baltic Exchange members are responsible for a large proportion of all dry cargo and tanker fixtures as well as the sale and purchase of merchant vessels.

In November 2016, the Baltic Exchange was acquired by Singapore Exchange (“SGX”), bringing together complementary strengths of Singapore and London, two of the world’s most important maritime centres.

Full details, including Baltic Exchange market data and fixtures, can be found at www.balticexchange.com.

ABOUT TONNEDGE

TonnEdge is a shipping investment technology and analytics company that aims to map standard best practices in financial analytics, risk and investment management to those of the ‘instinct’ driven commercial shipping markets. By doing so, we seek to empower both shipping players looking for an edge, and financial investors looking to diversify, with the requisite tools necessary for efficient vessel-level financial risk and investment management.

S&P Dow Jones Indices

A Division of **S&P Global**

For more information, visit: www.tonnedge.com.

FOR MORE INFORMATION:

S&P Dow Jones Indices

Nadja Jiang

(+852) 9860 2162

nadja.jiang@spglobal.com

spdji.comms@spglobal.com