



# WEEKLY REPORT

WEEK 31 – August 05, 2023

The highlight of this week was the Fitch Ratings, downgrading U.S. government's credit. The recent downgrade of the U.S. government credit by Fitch Ratings has refocused attention on the nation's debt trajectory, just as the economy is rebounding from recession fears. Despite aggressive interest rate hikes, Chairman Jerome Powell stated that the Federal Reserve no longer expects a downturn, and evidence of strength in consumer and business sectors supports this outlook.

However, Fitch's decision to lower the U.S. sovereign credit grade from AAA to AA+ highlights the substantial debt accumulated due to pandemic stimulus, tax cuts, and investment programs. Fitch predicts U.S. debt to reach 118% of GDP by 2025, raising concerns about future administrations facing tough decisions and the potential for tax increases.

The U.S. budget deficit has been growing for years, and the downgrade signals a need for better fiscal management ahead of expected political battles. Treasury Secretary Janet Yellen called the downgrade "arbitrary" and preferred to focus on inflation-adjusted interest payments as a sustainability metric.

## Dry Bulk

BDI saw an increase start of the week, marking its second consecutive monthly gain. This rise was driven by improved rates for capesize and panamax vessels. The overall index rose by 17 points, reaching 1,127, with a monthly gain of 3.3%. BCI, climbed 43 points or about reaching 1,873, its highest level since late June, gaining about 10% for the month.

The average daily earnings for capes, increased by US\$353, reaching US\$15,533. While iron ore futures saw a slight increase due to measures announced by Chinese authorities to boost consumption, concerns about steel demand and a sluggish manufacturing sector in China limited further gains.

BPI recorded significant growth, gaining 30 points to reach 1,112, marking its seventh consecutive session of increase. The average daily earnings also saw a rise of US\$269, reaching US\$10,010.

### **Capesize:**

In the Pacific, there is a steady flow of iron ore cargoes and an increase in coal inflow. Pacific r/v saw rates improve to close to US\$ 13,700's a day. In Brazil, the supply and demand situation has stabilised, leading to a slight improvement in regional sentiment and a rise in FFA from the previous day. However, in the North Atlantic, cargo inflows continue to decline, even though ship supply is tight, resulting in a decline in the market. The shortage of available ships in the Atlantic is due to reduced demand for raw materials in Europe and an improvement in Brazil's climate situation. This has led to more frequent supply and demand disruptions in the Atlantic due to a seasonal increase in trade volume. T/A levels closed around US\$18,450 a day while ECSA F/H remains around US\$ 35,150's a day range.

### **Panamax/Kamsarmax:**

The Cape T/A market saw significant growth last week, leading to increased demand in undervalued Panamax markets. While the Pacific market managed to secure a short-term low after a month-long decline, Panamax's driving force remains slow. Pacific r/v levels remain unchanged from last week, with levels in the region of US\$6,750 a day. In the Atlantic, market conditions are supported by grain inflows in the North, and there is a slight decrease in intraregional vessel supply. This supports the continuing uptrend in the market. T/A levels saw increases closing at US\$ 7,900's a day region.

### **Supramax/Ultramax:**

In the Atlantic, the supply advantage structure remains intact, but there is a rise in cargo inflows for both the U.S. Gulf and South America as they strive to secure a short-term low. T/A rates slipped slightly, with levels closing around US\$ 9,150's region. In the Pacific, new cargo inflows from Indonesia are still constrained. However, there was an increase in cargo inflows for NOPAC in Northeast Asia and Australia, leading to a stable market condition. Pacific r/v levels climb to US\$ 7,250's a day while the Pacific – India route remains around US\$ 7,000's a day.

### **Handysize:**

The handy market did not fare so well this week, with rates across both basins seeing declines. The Inter-Pacific market saw some enquiries start of the week, but levels fell slightly at closing, settling at US\$ 5,600's regions. In the Atlantic, higher supply manages to see levels remain largely unchanged. T/A closed at US\$ 5,900's a day region.

## Dry Bulk – S&P Report

VESSEL NAME	TYPE	DWT	YEAR	BUILT	PRICE (MILLION) USD	COMMENTS / BUYERS
SHIOSAI	CAPE	176,827	2009	JAPAN	21.0	CHINESE BUYERS
SUNNY ETERNITY	PMAX	77,211	2014	JAPAN	19.5	GREEK BUYERS
SHENG WU	PMAX	76,286	2005	JAPAN	14.9	UNDISCLOSED
DEVBULK GULTEN	SMAX	55,865	2015	JAPAN	22.6	UNDISCLOSED
RHL MARTA	SMAX	53,808	2007	CHINA	10.0	UNDISCLOSED
CIELO DI PALERMO	HANDY	37,059	2013	JAPAN	17.0	UNDISCLOSED

## Dry Bulk Values

(Weekly)

TYPE	DWT	NB CONTRACT	NB PROMPT DELIVERY	5 YEARS	10 YEARS	15 YEARS
CAPE	180,000	63	61	47	29	14
KAMSARMAX	82,000	35	37	31	21	9
SUPRAMAX	56,000	33	36	29	19	8
HANDY	38,000	30	31	24	17	6

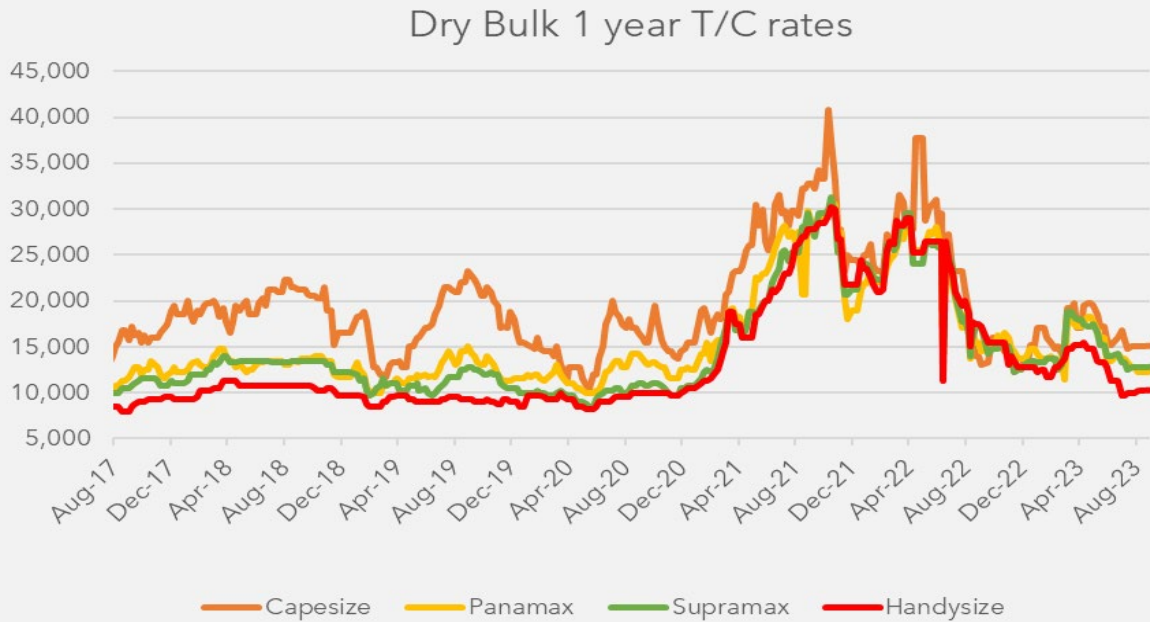
*\*(amount in USD million)*

## Baltic Exchange Dry Bulk Indices

INDICES	CURRENT	LAST WEEK	LAST YEAR	W-O-W CHANGE	Y-O-Y CHANGE
BDI	1,128	1,097	1,560	+2.83%	-27.69%
BCI	1,818	1,830	1,411	+0.66%	28.84%
BPI	1,112	955	1,967	+16.44%	-43.47%
BSI	695	733	1,700	-5.18%	-59.12%
BHSI	391	397	1,058	-1.51%	-63.04%

## Bulker 12 months T/C rates average (in USD/day)

TYPE	DWT	CURRENT	LAST WEEK	LAST YEAR	W-O-W CHANGE	Y-O-Y CHANGE
CAPE SIZE	180,000	15,000	15,000	15,750	0	-4.76%
PANAMAX	75,000	10,750	10,500	16,750	+2.38%	-35.82%
SUPRAMAX	58,000	10,500	10,750	15,875	-2.33%	-33.86%
HANDYSIZE	38,000	9,750	10,250	14,750	-4.88%	-33.90%



## Tankers

Analysts predict that Chinese oil demand may have already reached its peak for this year and is expected to ease in the current quarter. China's challenges in significantly boosting its economy after lifting Covid restrictions are seen as a concern for oil market bulls. Demand for Chinese oil in 2023 likely peaked at 16.4 million bpd in Q2 and is projected to decline to 15.8 million bpd in the current quarter before rebounding to around 16.2 million bpd in Q4.

Despite the anticipated easing of oil demand growth, China has been importing near-record monthly volumes of crude, accelerating stockpiling efforts. In June, the country made the largest monthly additions to inventories in three years, with the help of cheap Russian crude, which was bought in large quantities due to discounted prices. Thanks to this, oil trade in the first part of the year remains solid.

Despite some softening in recent months, the tanker market's earnings remain historically firm, and the outlook for the rest of the year seems positive. Saudi Arabia extended its oil output cut of 1 million bpd for August, and Russia pledged a 0.5 million bpd cut in crude exports for the same month, indicating firm support from OPEC+ cuts. The tanker market is expected to receive continuing support from favourable supply-demand dynamics throughout the year, with earnings remaining at healthy levels overall.

### VLCC:

The MEG/China route saw a decline this week due to a decrease in the inflow of new cargoes resulting from production cuts in the Middle East. 270,000mt MEG to China fell to WS48. However, the drop in rates was limited by a steady flow of cargo between the Americas and Asia. The market was further supported by the anticipation of a decrease in vessel supply caused by operation disruptions from typhoons. As a result, the overall market outlook remains flat.

### Suezmax:

The reduced Russian crude oil exports are driving an increase in vessel supply in the Atlantic. Furthermore, due to the continuous downturn in exports, freight prices for 130,000mt Nigeria/Rotterdam slipped to WS65. Market conditions are projected to stay flat in the coming weeks.

### Aframax:

The European market has been facing continuous decline for over two weeks, resulting in low rates overall. Owners are struggling to find Russian cargo due to Urals trading above the price cap. Additionally, there has been a decrease in the overall supply of oil in the

Western markets in recent weeks, and an influx of available vessels seeking employment has further pushed down rates. The outlook for owners in the short term appears challenging. 70,000mt EC Mexico/USG saw big discounts to WS105.

**Clean:**

MR: This week, there was a surplus of tonnage in the USG MR market, causing downward pressure on rates. TC14 closed at WS145. There was a sudden increase in MR enquiry on the UK-Continent route, resulting in a short-lived surge in freight levels. TC2 rates climbed at the beginning of the week but corrected down to WS162 at closing.

LR: The LRI market in the west had a positive week as the tonnage list tightened, leading owners to ballast east for more attractive rates. TC5 saw improvements settling at WS176. The LR2 market felt more balanced towards the weekend, despite earlier pressure. TC1 climbed 10 points, closing at WS156.

### Tankers S&P Report

VESSEL NAME	TYPE	DWT	YEAR	BUILT	PRICE (MILLION) USD	COMMENTS / BUYERS
SIFA / FIDA / SAHAM	VLCC	316,373 316,373 299,991	2011 2011 2010	S. KOREA S. KOREA JAPAN	64.0 EACH	SINOKOR
WELLINGTON	AFRA	108,940	2009	CHINA	40.0	FAR EASTERN BUYERS
PRESIDENT I	LRI	64,999	2007	CROATIA	28.6	ITALIAN BUYERS
ATHENIA	SMALL	8,828	2008	CHINA	4.5	UNDISCLOSED

### Baltic Exchange Tanker Indices

INDICES	CURRENT	LAST WEEK	LAST YEAR	W-O-W CHANGE	Y-O-Y CHANGE
BDTI	810	881	1,448	-8.06%	-44.06%
BCTI	716	671	1,404	+6.71%	-49.00%

## Tankers Values

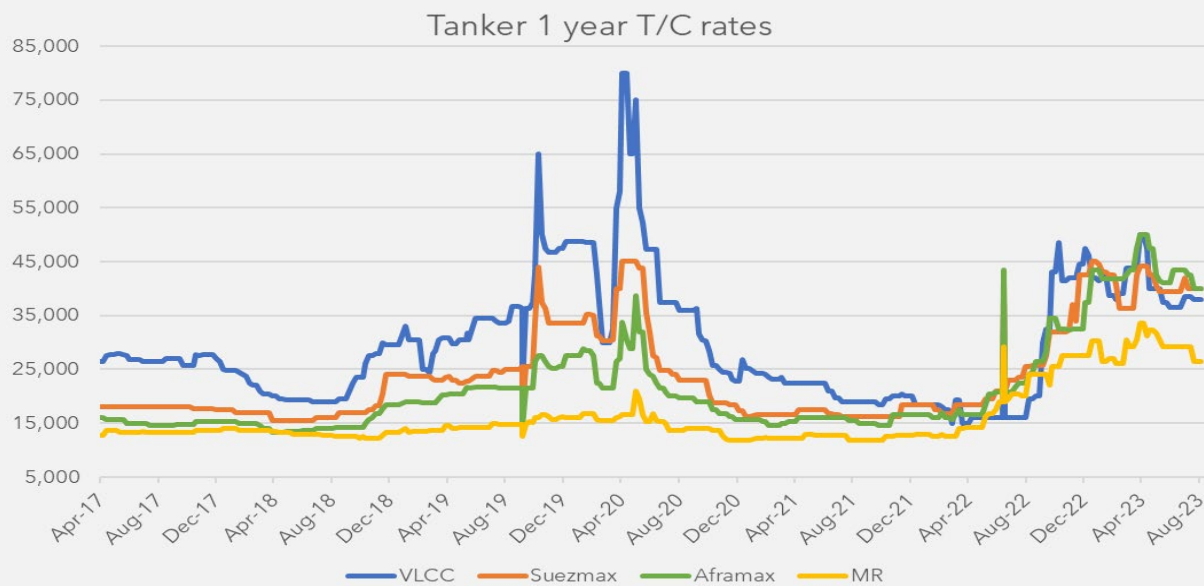
(Weekly)

TYPE	DWT	NB CONTRACT	NB PROMPT DELIVERY	5 YEARS	10 YEARS	15 YEARS
VLCC	310,000	126	125	99	74	49
OSUEZMAX	160,000	85	89	72	58	31
AFRAMAX	115,000	68	78	63	51	28
PANAMAX-LRI	73,000	57	60	49	39	20
MR TANKER	51,000	47	50	40	31	18

\*(amount in USD million)

## Tanker 12 months T/C rates average (in USD/day)

TYPE	DWT	CURRENT	LAST WEEK	LAST YEAR	W-O-W CHANGE	Y-O-Y CHANGE
VLCC	310,000	38,000	38,000	19,500	0	+94.87%
SUEZMAX	150,000	40,000	40,000	25,750	0	+55.34%
AFRAMAX	110,000	40,000	40,000	24,500	0	+63.27%
LRI	74,000	29,250	29,250	26,750	0	+9.35%
MR	47,000	25,000	24,000	24,000	+4.17%	+4.17%



## Containers

The SCFI index remains stable this week at 1,039 points, mainly driven by Transpacific routes. On the Shanghai-USWC route, rates increased by 3% w-o-w to US\$2,002/FEU, marking a significant rise of 42% compared to the start of 2023. The charter market overall has seen a steep decline from last year's exceptional highs, but there has been some resilience and even upward momentum in recent months. Meanwhile, second-hand S&P also remain low compared to 2022. However, so far in 2023, prices have been fairly stable, with some gradual upward movement observed in the feeder segments.

### Containers S&P Report

VESSEL NAME	TYPE	TEU	YEAR	BUILT	PRICE (MILLION) USD	COMMENTS / BUYERS
MH HAMBURG	POST PMAX	6,494	2009	JAPAN	32.0	FOROOHARI SCHIFF
ZHONG GU JIANG SU	PMAX	4,963	2010	ROMANIA	N/A	MSC

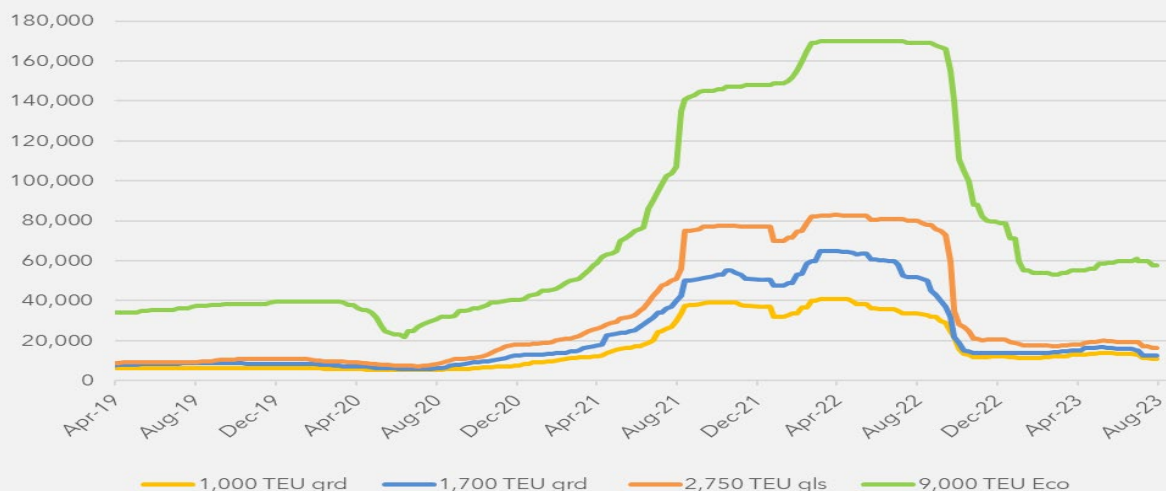
### Containers Values

*(Weekly)*

CONTAINERS (BY TEU)	GEARED / GEARLESS	NB CONTRACT	NB PROMPT DELIVERY	5 YEARS	10 YEARS	20 YEARS
900 – 1,200	Geared	24	24	17	10	8
1,600 – 1,800	Geared	31	28	23	16	12
2,700 – 2,900	Gearless	42	38	30	20	17
5,500 – 7,000	Gearless	93	82	70	45	N/A

\*(amount in USD million)

Container 6-12 months T/C rates





## Ship Recycling Market Snapshot

DESTINATION	TANKERS	BULKERS	MPP/ GENERAL CARGO	CONTAINERS	SENTIMENTS / WEEKLY FUTURE TREND
ALANG (WC INDIA)	500 ~ 510	490 ~ 500	500 ~ 510	510 ~ 520	IMPROVING / 
*CHATTOGRAM, BANGLADESH	530 ~ 540	520 ~ 530	520 ~ 530	580 ~ 590	WEAK / 
**GADDANI, PAKISTAN	520 ~ 530	510 ~ 520	500 ~ 510	530 ~ 540	STABLE / 
<b>TURKEY</b> <i>*For Non-EU ships. For E.U. Ship, the prices are about US\$20-30/ton less</i>	310 ~ 320	300 ~ 310	290 ~ 300	320 ~ 330	STABLE / 

- All prices are USD per light displacement tonnage in the long ton.
- The prices reported are net prices offered by the recycling yards.
- Prices quoted are basis simple Japanese / Korean-built tonnages trading units. Premiums are paid on top of the above-quoted prices based on quality & quality of Spares, Non-Fe., bunkers, cargo history, and maintenance.
- \* Prices are subject to the availability of the Letters of Credit. Preference for smaller-sized ships and case to case buying.
- \*\* Limited recyclers and case-to-case buying only due to Letters of Credit restrictions.

## 5-Year Ship Recycling Average Historical Prices

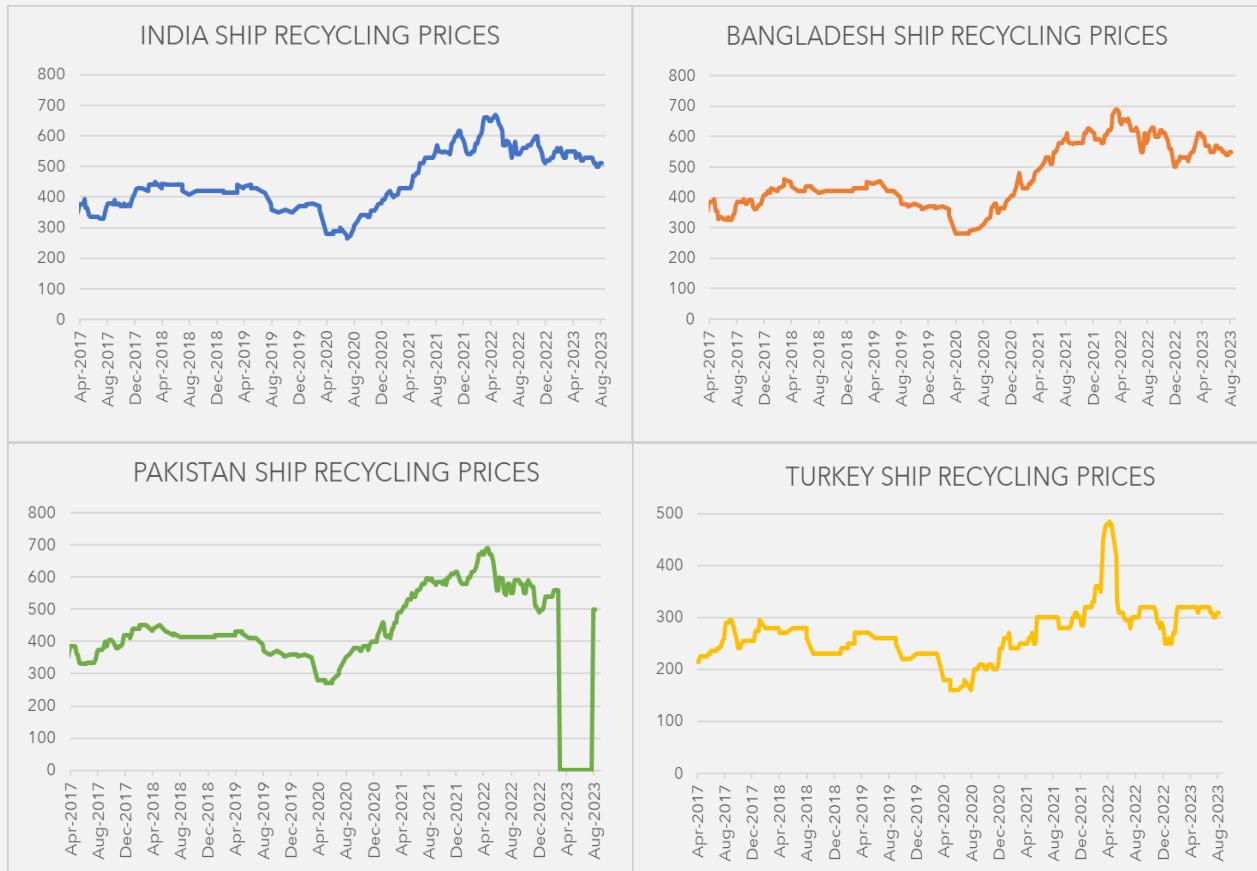
(Week 31)

DESTINATION	2018	2019	2020	2021	2022
ALANG, INDIA	430	370	310	570	560
CHATTOGRAM, BANGLADESH	425	380	310	610	500
GADDANI, PAKISTAN	415	370	350	600	560
ALIAGA, TURKEY	270	260	160	290	300

## Ships Sold for Recycling

VESSEL NAME	LDT / MT	YEAR / BUILT	TYPE	PRICE (US\$/LDT)	COMMENTS
MAERSK PATRAS	12,400	1998 / GERMANY	CONTAINER	405	AS IS UAE PORT FOR REDELIVERY TO ALANG – MAERSK APPROVED FACILITY
MSC LANA II	10,351	1999 / POLAND	CONTAINER	520	DELIVERED ALANG TO MSC APPROVED FACILITY
MSC ERMINIA	17,694	1993 / JAPAN	CONTAINER	505	DELIVERED ALANG TO MSC APPROVED FACILITY
TAI HWA	4,043	1989 / JAPAN	RORO	465	AS IS KAOHSIUNG, TAIWAN
TESSA	2,461	1992 / TURKEY	GEN.CARGO	560	DELIVERED CHATTOGRAM
SOL STRAITS	7,808	1997 / POLAND	CONTAINER	592	DELIVERED CHATTOGRAM

## Recycling Ships Price Trend



## Insight

An interesting week for the Indian sub-Continent markets where Alang took off on the northern direction and Chattogram dropped significantly, with Gaddani recyclers out in the market to buy.

The influx of ships, especially from the Chinese domestic markets, saw a weakening of demand from cash buyers for Chattogram as the recyclers wanted to take a back seat until the inventories were depleted.

As we move forward, the owners of such end-of-life ships may soon have to face the reality of the markets and start to consider selling at Alang or Gaddani centric pricing as the Bangladesh market goes into a temporary hibernation.

On the other hand, after experiencing a sharp decline from its peak in March 2023, international ferrous scrap prices have shown signs of stabilising, dropping by approximately 23.5%. This indicates a potential bottoming out in the market. The ship recycling industry is closely observing these price movements as they heavily influence ship prices. As ferrous scrap prices play a significant role in determining the overall price of ships, any further shifts in the market will be crucial for ship recyclers and could impact the industry's dynamics going forward.

### Alang, India

Positive start to the month, with domestic ship scrap prices witnessing a gradual upturn with demand improving, but the lack of ideal ships destined for Alang remains low.

This week's noteworthy sales from top-class container owners were the sale of Maersk 10,351 tonner, which achieved US\$405/ton as reported on as is where is UAE port for recycling into Maersk approved recycling facility. MSC has sold their two containers, MSC Lana II at US\$520/ton levels for MSC-approved yards and MSC ERMINIA, 1993 Japanese built, weighing 17,694 tons, at US\$505/ton.

Chattogram's weakening is adding optimism in Alang, that a number of ships, especially from the Chinese markets, which are destined for Chattogram may now be available for the Alang recycler; however, the question remains how soon the ship owners realise the situation and start accepting the facts is to be seen in the weeks to come.

As we reach the midpoint of 2023, the Alang ship recyclers are facing a challenging situation, with their inability to secure enough tonnage to meet the demands of domestic mills. In the past seven months, they have only managed to obtain around 73 ships

weighing approximately 560,321 metric tons. This figure marks the lowest count of ship scrap in a decade, indicating a significant shortage in the market.

As a result of this scarcity, domestic mills are now looking towards alternative sources for their scrap material requirements. The situation has motivated these mills to seek imported scrap materials as a substitute to bridge the gap, lifting the overall sentiments, which is positive in the long run for the ship recycling industry.

On the Indian economy front, this week, the Indian government has outlined a roadmap to achieve its ambitious target of making India a \$5 trillion economy, surpassing the economic growth of countries like Germany and the U.K. According to a background, paper circulated among lawmakers, sustaining an annual economic growth of 6.5% with inflation below 5% over the next five years is crucial for this goal. The paper relies on forecasts by the International Monetary Fund (IMF) and suggests that India could become a \$5 trillion economy by 2026-27.

Prime Minister Narendra Modi has prioritised this objective and emphasised the need for every state to identify its strengths and develop a roadmap to contribute to this growth. The paper highlights the corporate sector's readiness to invest, a strong digital economy, and the maturing Goods and Services Tax as key factors that will support India's economic growth.

The outlined roadmap towards achieving a \$5 trillion economy in India brings a sense of optimism for industries like steel. In contrast, not directly, but the ship recycling industry is expected to benefit from the overall economic growth trajectory.

This positive outlook aligns with the vision of a thriving economy that holds promising prospects for these interconnected industries.

### **Anchorage & Beaching Position (August 2023)**

VESSEL NAME	TYPE	LDT	ARRIVAL	BEACHING
NOVA FLORIDA	REEFER	3,347	04.08.2023	AWAITING

### **Chattogram, Bangladesh**

Uncertainty strikes the Chattogram ship recycling market amidst plummeting domestic ship scrap prices and a surge in the supply of ships, especially from the Chinese markets. The ship recycling market in Chattogram has begun showing signs of weakness, with domestic ship scrap prices experiencing a sharp decline. Compounding the issue is the sudden influx of ships, particularly from Chinese owners, which has sparked panic among

local recyclers. Lately, several ships put for sale could not obtain the right pricing from the recyclers.

As a result of these developments, ship prices have been experiencing significant fluctuations, and the absence of a standardised pricing benchmark is intensifying the situation. The price gap between different recyclers has widened considerably, reaching a range of US\$20 to US\$30/ton. This distorted pricing environment makes it challenging to assess ships' actual value accurately.

Despite all the negative sentiments prevailing in the markets, OEL managed to sell their container feeder "SOL Straits", weighing 7,808 tons, at a price of US\$590/ton. Last week a smaller Sinokor feeder was reported sold at US\$622/ton.

A vast majority of the ship recyclers have now adopted a wait-and-watch stand until the markets in both domestic ship scrap prices and ship prices restore confidence in the market. Market experts believe the markets should once again gain momentum in September when a number of yards will be finishing the recycling of existing ships at their yard.

### Anchorage & Beaching Position (August 2023)

VESSEL NAME	TYPE	LDT	ARRIVAL	BEACHING
ENO	WOOD CHIP	10,841	02.08.2023	AWAITING
PSN	TANKER	870	31.07.2023	AWAITING
SANTA	FISHING	803	26.07.2023	AWAITING
FU SHENG	BULKER	10,780	21.07.2023	AWAITING
WELL WIN	BULKER	8,939	11.07.2023	AWAITING
HONG DA XIN 18	CONTAINER	3,661	29.07.2023	03.08.2023
BEAUTY	BULKER	9,502	27.07.2023	03.08.2023

### Gaddani, Pakistan

Amid the current market conditions, Pakistani recyclers are making a noteworthy comeback in the industry. After a prolonged period of inactivity, these recyclers are gaining prominence again, but under strict restrictions. However, it is very important to note only five ship recyclers have been granted a limit of up to US\$5 million each by a local bank to

purchase ships within these parameters, with unusual terms and conditions attached, leading to additional costs for the recyclers.

Once these five recyclers manage to procure ships within the specified conditions, the market is expected to witness a return to closure with uncertainty looming.

The industry remains optimistic about the resurgence of Pakistani players in the recycling sector, a kick start even if it is short-lived, but once the forex situation improves, there should be more recyclers and banks able to enter the trade. For the time being, activities are being closely watched with anticipation.

Once again, the political drama took centre stage as ex-prime minister Imran Khan was arrested a second time in three months after being found guilty in a corruption case. This time the judge sentenced him to three years imprisonment. The coming week may be crucial to see how the situation shapes up in Pakistan.

### Anchorage & Beaching Position (July 2023)

VESSEL NAME	TYPE	LDT	ARRIVAL	BEACHING
-	-	-	-	-

#### Aliaga, Turkey

Turkish scrap prices are seen mostly following a stable trend in both the import and domestic markets.

Although a few mills decreased their domestic scrap buying prices, most are keeping them unchanged.

This points to a stabilisation in prices as the values in these fresh bookings are pegged at last week's transaction levels. Although scrap suppliers were seeking higher prices, they failed to achieve these amid the current unfavourable situation in the Turkish steel market.

The demand, in general, across Turkey remains weak, mainly attributed to the lack of business activity in the local and export rebar sectors.

Ship recycling prices remained stable despite fluctuations in the imported ferrous scrap prices like Alang markets, Turkey is also facing an acute shortage of green recycling ships keeping the prices intact.

### **BEACHING TIDE DATES 2023**

Chattogram, Bangladesh : 16 ~ 19 August | 30 August ~ 02 September

Alang, India : 14 ~ 20 August | 28 August ~ 06 September

<b>BUNKER PRICES (USD/TON)</b>			
<b>PORTS</b>	<b>VLSFO (0.5%)</b>	<b>IFO380 CST</b>	<b>MGO (0.1%)</b>
SINGAPORE	631	567	897
HONG KONG	635	561	900
FUJAIRAH	623	517	937
ROTTERDAM	607	555	876
HOUSTON	597	531	912

<b>EXCHANGE RATES</b>			
<b>CURRENCY</b>	<b>4<sup>th</sup> AUGUST</b>	<b>28<sup>th</sup> JULY</b>	<b>W-O-W % CHANGE</b>
USD / CNY (CHINA)	7.17	7.15	-0.28%
USD / BDT (BANGLADESH)	109.0	108.45	-0.51%
USD / INR (INDIA)	82.75	82.25	-0.61%
USD / PKR (PAKISTAN)	283.57	286.06	0.87%
USD / TRY (TURKEY)	26.99	26.95	-0.15%

## Commodities

### Insight

**Crude oil** prices surged after Saudi Arabia decided to extend its voluntary production cut, with the OPEC leader committing to reducing output by 9 million barrels per day (mb/d) until September. There is a possibility of further extensions or deeper cuts depending on market conditions. Russia also plans to continue its own production cut, albeit at a lower rate of 300,000 barrels per day, in the coming month. These supply reductions, combined with lower supply growth in other regions and a decline in U.S. shale oil output due to reduced drilling activity, are tightening the oil market. However, sustaining the price rally will depend on continued improvement in global demand. While demand seems promising, for now, there are concerns on the horizon. In China, electric vehicles (E.V.s) are becoming more popular, potentially leading to a loss of 260,000 barrels per day in oil consumption from E.V.s in 2023, which could impact oil prices in the medium term.

**Copper's** earlier gains this week were reversed due to mounting evidence of China's fragile economic recovery and the downgrading of the U.S. credit rating. This downgrade led to a rise in bond yields and a rally in the USD. China's Caixin manufacturing purchasing managers index fell to a six-month low of 49.2 in July, indicating a contraction in factory activity.

The U.S. is also experiencing challenges, with factory activity contracting for a ninth consecutive month. Concerns are rising about the effectiveness of Beijing's announced support measures following the lower PMI reading in China. Additionally, China's weak car sales, including a 5% Y-O-Y decline and a worrying 3% M-O-M drop in electric vehicle sales, have further impacted the metals market.

**Iron ore's** rally has also stalled as efforts to aid the property market seem unlikely to boost demand, with Rio Tinto's CEO warning about China's saturated steel production. Supply-side issues in Chile may be nearing resolution, adding to the complexities in the metals sector.

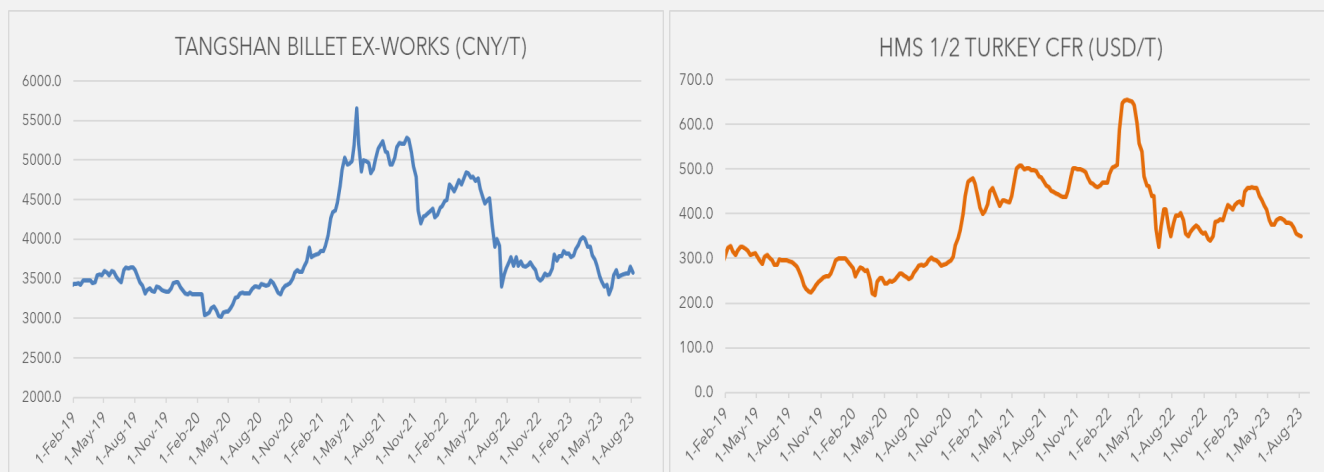
According to a commodity strategist, India is poised to offset a significant portion of the decline in commodity demand growth in China over the current decade, primarily driven by increased energy purchases. While China's economic growth is projected to slow down in the coming years, India's economy is expected to remain stable. It was further revealed that India could potentially replace around 60% of the reduction in Chinese consumption of oil and coal by the year 2030.

The decline in China's commodities demand is attributed to the country's cautious approach towards stimulus spending due to debt concerns, while India is embarking on



an infrastructure-building phase. Despite this shift in consumption, China is likely to maintain its dominant position in the global commodities market in the foreseeable future.

## MS 1/2 & Tangshan Billet



## Iron Ore

COMMODITY	SIZE / GRADE	THIS WEEK USD / MT	W-O-W	Y-O-Y	LAST WEEK USD / MT	LAST YEAR USD / MT
Iron Ore Fines, CNF Rizhao, China	Fines, Fe 62% (Aust. Origin)	104	-7.96%	0%	113	104
Iron Ore Fines, CNF Qingdao, China	Fines, Fe 62.5% (Brazil Origin)	103	-8.03%	-8.03%	112	112

## Industrial Metal Rates

INDEX	UNITS	PRICE	CHANGE	%CHANGE	CONTRACT
Copper (Comex)	USD / lb.	386.35	-3.60	-0.92%	Sep 2023
3Mo Copper (L.M.E.)	USD / MT	8,611.00	+101.50	+1.19%	N/A
3Mo Aluminum (L.M.E.)	USD / MT	2,230.00	+21.00	+0.95%	N/A
3Mo Zinc (L.M.E.)	USD / MT	2,485.00	+2.50	+0.10%	N/A
3Mo Tin (L.M.E.)	USD / MT	28,023.00	+605.00	+2.21%	N/A

## Crude Oil & Natural Gas Rates

INDEX	UNITS	PRICE	CHANGE	%CHANGE	CONTRACT
WTI Crude Oil (Nymex)	USD / bbl.	82.00	+0.45	+0.55%	Sep 2023
Brent Crude (ICE.)	USD / bbl.	85.61	+0.47	+0.55%	Oct 2023
Crude Oil (Tokyo)	J.P.Y. / kl	77,850.00	+430.00	+0.56%	Aug 2023
Natural Gas (Nymex)	USD / MMBtu	2.59	+0.02	+0.82%	Sep 2023

*Note: all rates as at C.O.B. London time August 4, 2023*



Singapore | London | Dubai

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