

Weekly Market Report

Week 30 | Tuesday 01st August 2023

Market Insight

By Yiannis Parganas, Head of the Research Department

Due to the adverse weather outlooks expected in August, there has been a 1% decrease in the projected U.S. corn production for the 2023/24 season, bringing the estimated total to 367 million tons. The weather forecasts indicate that the U.S. Corn and Soybean belts will continue to experience hot and dry conditions, particularly raising concerns for the northernmost corn and soybean regions where crop development is still in progress. Unfortunately, these areas have the highest likelihood of facing combined hot and dry weather, which poses significant challenges to agricultural prospects. Regarding corn exports, the data for June reveals a substantial decline, with volumes plummeting to 3.4 million tons (34.7% below the 5-year average and the second lowest in the past 10 years). This reduction in U.S. corn exports can be attributed to decreased purchases by China, which only imported 0.5 million tons in June. Up until now, a total of 34.2 million tons of corn have been exported from the U.S. for the 2022/2023 MY, out of the projected 44.2 million tons, with an estimated 49.7 million tons for the 2023/2024 MY.

In contrast, Brazil is poised to increase its share of the global corn market and potentially surpass the US as the world's leading corn exporter. This would mark the second time Brazil has achieved this feat, the first being in the drought year of 2012/2013. U.S. corn exporters are facing considerable challenges due to stiff competition from cheaper Brazilian supplies and the impact of a strong dollar, which makes their produce more expensive for international buyers. Brazilian corn offers are currently \$30 per metric ton below U.S. prices, exacerbating the competition. Brazil's corn export performance has been remarkable, with June exports reaching 1.2 million tons, surpassing the 5-year average by 33.5%. July is projected to witness even higher exports of approximately 6.5 million tons, second only to the record of 6.7 million tons set in July 2019. Cumulatively, for the 2022/2023 MY, it is estimated that Brazil will export a total of

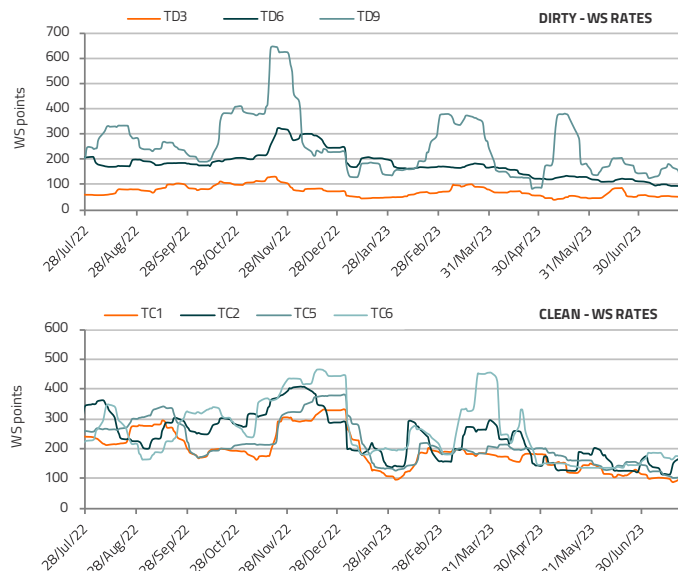
52.3 million tons, with 6.7 million tons already exported so far.

As for Argentina, adverse weather conditions have resulted in a considerable decrease in its corn production. For the 2022/2023 marketing year (MY), the estimated corn production stands at 34 million tons, compared to the 50 million tons recorded during the previous year (2021/2022). This decline in production has significantly impacted export volumes. So far, only 9 million tons have been exported, which is substantially lower than the average of 22.7 million tons for this point in the year. Looking ahead to the remaining months of the current MY, it is predicted that a total of 12.4 million tons will be exported. However, this export estimate could be influenced by the activation of the Agro Dollar program, which sets the Argentinian Peso at 340 pesos per one US dollar. The implementation of this policy raises concerns about its potential impact on the country's grain trade.

Brazilian corn exports are expected to play a crucial role in compensating for the lost productions of both the US and Argentina while with the expiration of the Black Sea grain deal, there may be significant disruptions to Ukrainian corn exports. This situation creates an opportunity for Brazil to step in and fill the void in the global corn market left by these countries. Regarding vessel utilization, both the US and China are using Kamsarmax vessels to transport their corn cargoes to China. This sector is being utilized at 85% from Brazil and 95% from US. If Chinese demand shifts towards Brazilian corn, it may not lead to a radical change in the shipping sector's share, as Kamsarmax vessels can still accommodate the increased demand, while, although there is a decrease in the distance between Brazil and China, this reduction may be counterbalanced by the increasing waiting times experienced at Brazilian ports when compared to the waiting times at ports in the United States.

Indicative Period Charters

5 years	Kyrakatingo	2017	113,600 dwt
	\$33,500/day		Trafigura
6 to 12 mos	OLAF	2010	52,000 dwt
	\$27,000/day		ExxonMobil



TC Rates

		\$/day	28/07/23	21/07/23	±%	Diff	2022	2021
VLCC	300k 1yr TC		44,000	44,000	0.0%	0	34,683	25,684
	300k 3yr TC		41,500	41,500	0.0%	0	33,719	28,672
	150k 1yr TC		46,000	46,000	0.0%	0	26,933	17,226
Suezmax	150k 3yr TC		35,500	35,500	0.0%	0	23,758	22,700
	110k 1yr TC		46,500	46,500	0.0%	0	26,135	15,854
Aframax	110k 3yr TC		37,500	37,500	0.0%	0	22,878	19,714
	75k 1yr TC		35,000	35,000	0.0%	0	25,163	14,184
Panamax	75k 3yr TC		28,000	28,000	0.0%	0	20,806	15,950
	52k 1yr TC		27,000	27,000	0.0%	0	21,313	12,608
MR	52k 3yr TC		24,500	24,500	0.0%	0	16,426	13,804
	36k 1yr TC		24,000	24,000	0.0%	0	18,601	11,292
Handy	36k 3yr TC		18,000	18,000	0.0%	0	14,585	13,054

Indicative Market Values (\$ Million) - Tankers

Vessel	5yrs old	Jul-23 avg	Jun-23 avg	±%	2022	2021	2020
VLCC	300KT DH	99.0	99.0	0.0%	80.2	69.7	71.5
Suezmax	150KT DH	72.0	72.0	0.0%	55.1	46.7	49.9
Aframax	110KT DH	63.0	63.0	0.0%	50.5	38.7	38.8
LR1	75KT DH	49.0	49.6	-1.2%	38.6	31.2	30.7
MR	52KT DH	40.3	41.3	-2.5%	34.8	27.6	27.5

Chartering

The crude carriers' market weakened during the last week with rates testing down across all sectors. The BDTI of Friday, July 28th, closed at 873, a decrease of 67 points w-o-w. In the VLCC segment, the USG was the only positive territory, with US Gulf to China (TD22) route surging to 8.24 million, \$461k higher w-o-w. Rates for major routes to Asia, namely TD3C and TD15 were slightly down with TD3C losing 1.0WS point w-o-w and TD15 down by only 0.3WS points to sit at 52.65WS points. Pressure was more evident on the Suezmax sector. TD20 lost 15.09 points w-o-w to ended up to WS 68.32 on Friday amidst limited enquiry especially towards the end of the week. In the meantime, TD6 was seen 5.05 points lower on the week. Aframax also saw their rates losing value during the

past days as both Med and Baltic markets faced a short injection of fresh cargoes against a plethora of available vessels. As a result, TD19 cross-Med trip lost 18.95WS points w-o-w while the rate for the 80,000mt Hound Point/ Wilhelmshaven was assessed at WS 119.64WS, -15.63WS points lower w-o-w.

VLCC T/C earnings averaged \$ 16,507/day, down - 17.79% w-o-w, and closed off the week at the \$15,224/day mark.

Suezmax T/C earnings averaged \$ 23,168/day, down - 29.34% w-o-w. On the Aframax front, T/C earnings averaged \$ 27,679/day, down - 18.35% w-o-w.

Baltic Indices

	28/07/23		21/07/23		Point Diff	\$ /day ±%	2022	2021
	Index	\$ /day	Index	\$ /day			Index	Index
BDI	1,110		978		132		1,931	2,921
BCI	1,830	\$15,180	1,442	\$11,958	388	26.9%	1,955	3,974
BPI	975	\$8,774	924	\$8,320	51	5.5%	2,298	2,972
BSI	726	\$7,989	758	\$8,333	-32	-4.1%	2,006	2,424
BHSI	396	\$7,123	400	\$7,202	-4	-1.1%	1,181	1,424

TC Rates

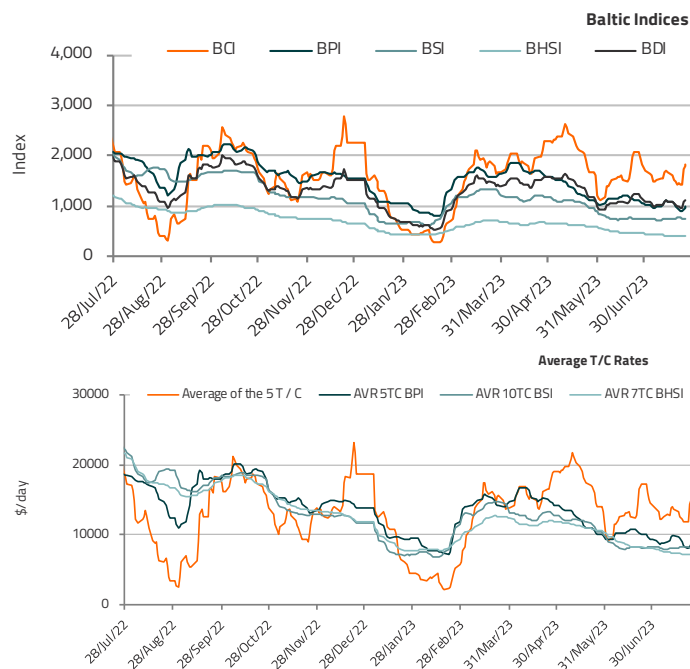
	\$ /day	28/07/23	21/07/23	±%	Diff	2022	2021
Capesize	180K 1yr TC	15,000	15,000	0.0%	0	21,394	26,392
	180K 3yr TC	14,750	14,750	0.0%	0	18,894	20,915
Panamax	76K 1yr TC	10,500	10,750	-2.3%	-250	20,207	21,849
	76K 3yr TC	10,000	10,250	-2.4%	-250	14,885	15,061
Supramax	58K 1yr TC	11,000	11,000	0.0%	0	20,053	21,288
	58K 3yr TC	11,000	11,000	0.0%	0	15,005	14,552
Handysize	32K 1yr TC	8,000	8,000	0.0%	0	17,827	18,354
	32K 3yr TC	9,000	9,000	0.0%	0	12,322	11,825

Chartering

The dry bulk market presented a mixed picture, as the Capesize segment recorded weekly gains while Panamax experienced improved activity. However, weaker demand for geared sizes posed challenges. The strength in the Capesize sector was primarily attributed to the Atlantic Ocean, where positive trends were seen due to NCSA coal shipments and ECSA iron ore cargoes destined for China. In contrast, the Pacific market remained relatively stable, supported by consistent iron ore flows from Australia. The Panamax market also demonstrated a favorable trend, with increased mineral shipments from NCSA and active grain activity from ECSA, boosting market sentiment. Furthermore, steady shipments from Australia contributed to healthy rates in the Asian market. Conversely, the geared sizes faced a different scenario, as increased vessel availability was met with limited demand from the USG and South Amer-

Indicative Period Charters

12 mos	CL TIFFANY	2013	81,687 dwt
dely Hong Kong 24 Jul redel worldwide	\$9,500/day		Undisclosed
5 to 8 mos	ARETHOUSEA	2012	75,003 dwt
dely Sual 3/10 Aug redel worldwide	\$11,950/day		Bluepool



Indicative Market Values (\$ Million) - Bulk Carriers

Vessel 5 yrs old	Jul-23 avg	Jun-23 avg	±%	2022	2021	2020
Capesize Eco 180k	48.0	50.6	-5.1%	48.3	43.1	36.1
Kamsarmax 82K	31.5	32.2	-2.2%	34.1	29.8	23.2
Ultramax 63k	29.5	30.2	-2.3%	31.5	26.4	19.4
Handysize 37K	24.6	25.3	-2.7%	27.2	21.4	16.1

ica regions. Additionally, requirements for NoPac grains in the Pacific were limited, adding pressure on owners of geared size vessels.

Cape 5TC averaged \$ 13,619/day, up +9.85% w-o-w. The transatlantic earnings increased by \$ 7,719/day with transpacific ones rising by \$318/day, bringing transatlantic earnings premium over transpacific to \$7,216/day.

Panamax 5TC averaged \$ 8,370/day, down -6.96% w-o-w. The transatlantic earnings increased by \$1,075/day while transpacific earnings fell by \$238/day. As a result, the transatlantic earnings premium to the transpacific widened to \$1,527/day.

Supramax 10TC averaged \$ 8,163/day, down -1.24% w-o-w, while the Handysize 7TC averaged \$ 7,166/day, down -1.38% w-o-w.

Tankers

Size	Name	Dwt	Built	Yard	M/E	SS due	Hull	Price	Buyers	Comments
VLCC	SIFA	316,373	2011	HYUNDAI HI, S. Korea	Wartsila	Jan-26	DH	\$ 64.0m	South Korean (Sinokor)	scrubber, BWTS fitted
VLCC	FIDA	316,373	2011	HYUNDAI HI, S. Korea	Wartsila	May-26	DH	\$ 64.0m		scrubber, BWTS fitted
VLCC	SAHAM	299,991	2010	UNIVERSAL, Japan	MAN-B&W	Oct-25	DH	\$ 64.0m		scrubber fitted
AFRA	TORNADO A	105,411	2003	SUMITOMO HI YOKOSUKA	Sulzer	Sep-25	DH	\$ 24.75m	undisclosed	BWTS fitted
MR2	CASSIOPEIA II	50,696	2008	SPP Shipbuilding - Tongyeong	MAN-B&W	Jul-23	DH	\$ 23.0m	undisclosed	SS due, BWTS fitted

Bulk Carriers

Size	Name	Dwt	Built	Yard	M/E	SS due	Gear	Price	Buyers	Comments
CAPE	SHIOSAI	176,827	2009	NAMURA, Japan	MAN-B&W	Jul-27		excess \$21.0m	Chinese	
HANDY	CIELO DI PALERMO	37,059	2013	SAIKI, Japan	MAN-B&W	Aug-27	4 X 30,5t CRANES	\$ 17.0m	undisclosed	BWTS fitted
HANDY	CECILIA	34,094	2010	ORIENT, S. Korea	MAN-B&W	Nov-25	4 X 30t CRANES	rgn \$13.0m	undisclosed	BWTS fitted

Containers

Size	Name	Teu	Built	Yard	M/E	SS due	Gear	Price	Buyers	Comments
POST PMAX	MH HAMBURG	6,494	2009	KOYO MIHARA, Japan	MAN-B&W	Mar-24		\$ 32.0m	German (Foroohari Schiff)	TC included, scrubber fitted
PMAX	ZHONG GU JIANG SU	4,963	2010	DAEWOO-MANGALIA, Romania	MAN-B&W	Apr-25			Swiss (MSC)	
PMAX	MAERSK LAUNCESTON	4,533	2005	Odense Staalskibs - Lindo	Sulzer	Nov-24			Swiss (MSC)	
PMAX	ZIMQINGDAO	4,250	2006	Dalian Shipbuilding Ind - No 1	MAN-B&W	Aug-26				
PMAX	ZIMSHEKOU	4,250	2007	Dalian Shipbuilding Ind - No 1	MAN-B&W	May-27				
PMAX	ZIM VANC OUV ER	4,250	2007	Dalian Shipbuilding Ind - No 2	MAN-B&W	Aug-27		\$ 80.0m	Swiss (MSC)	
PMAX	ZIM YOKOHAMA	4,250	2007	Dalian Shipbuilding Ind - No 2	MAN-B&W	Aug-22				
FEEDER	WAN HAI 267	1,662	2002	SHIN KURUSHIMA, Japan	B&W	Jun-27			Indian	
FEEDER	A XINXIA	907	2007	KYOKUYO ZOSEN, Japan	MAN-B&W	Jun-24		\$ 8.0m	Vietnamese	

The newbuilding market remains in good shape despite the summer lull, with 31 firm newbuilding orders and 12 options. In tankers, Swiss owner Advantage Tankers placed firm orders for two 157,000 dwt tankers in Japan for \$85m each, with delivery scheduled for 2025. In smaller sizes, Zodiac Marine ordered four 19,900 dwt stainless steel tankers from Fukoka, Japan, for \$30m each, with delivery expected in

2024. In the dry bulk sector, TMS Dry was responsible for both orders. The Greek owner ordered two 82,600 dwt vessels from Chengxi in China and four 63,500 dwt vessels from Nantong. The Kamsarmaxes will be NOx Tier III and EEDI Phase 3 compliant, cost \$36m each and are expected to be on the water in 2026.

Indicative Newbuilding Prices (\$ Million)

Vessel			28-Jul-23	21-Jul-23	±%	YTD		5-year		Average		
Bulkers						High	Low	High	Low	2022	2021	2020
	Newcastlemax	205k	66.0	66.0	0.0%	66.0	64.0	69.0	49.5	66	59	51
	Capesize	180k	63.0	63.0	0.0%	63.0	61.0	64.5	48.5	63	56	49
	Kamsarmax	82k	35.0	35.0	0.0%	35.0	34.0	37.5	27.5	36	33	28
	Ultramax	63k	33.0	33.0	0.0%	33.0	31.5	35.5	25.5	34	30	26
Tankers	Handysize	38k	30.0	30.0	0.0%	30.0	29.0	31.0	23.5	30	27	24
	VLCC	300k	125.0	125.0	0.0%	125.0	120.0	125.0	84.5	118	98	88
	Suezmax	160k	84.0	84.0	0.0%	84.0	76.0	84.0	55.0	79	66	58
	Aframax	115k	70.0	69.0	1.4%	69.0	64.0	69.0	46.0	62	53	48
Gas	MR	50k	47.0	46.0	2.2%	47.0	44.0	47.0	34.0	43	38	35
	LNG 174k cbm		261.0	261.0	0.0%	261.0	248.0	261.0	180.0	232	195	187
	LGC LPG 80k cbm		92.0	92.0	0.0%	92.0	90.0	92.0	70.0	86	76	73
	MGC LPG 55k cbm		86.5	86.0	0.6%	86.5	77.5	86.5	43.0	74	67	63
	SGC LPG 25k cbm		56.0	56.0	0.0%	56.0	53.0	55.5	40.0	51	45	42

Newbuilding Orders

Units	Type	Size		Yard	Delivery	Buyer	Price	Comments
2	Tanker	157,000	dwt	Nihon, Japan	2025	Swiss (Advantage Tankers)	\$ 85.0m	LNG ready, scrubber fitted
2+2	Tanker	115,000	dwt	Hyundai Vinashin, Vietnam	2026	Greek (Transpetrol)	\$ 68.6m	
4	Tanker	50,000	dwt	Chengxi, China	2026	German (Schoeller Holdings)	\$ 42.0m	NOx-Tier III, EEDI phase 3
4	Tanker	19,900	dwt	Fukuoka, Japan	2024	UK based (Zodiac Maritime)	\$ 30.0m	StSt
2	Bulker	82,600	dwt	Chengxi, China	2026	Greek (TMS Dry)	\$ 36.0m	NOx-Tier III, EEDI phase 3
4	Bulker	63,500	dwt	Nantong Xiangyu, China	2026	Greek (TMS Dry)	undisclosed	
2+2	LNG	175,000	cbm	DSIC, China	2027	Hong Kong based (Wah Kwong Shipping)	undisclosed	against long term TC
1	LNG	174,000	cbm	Hanwha Ocean, S.Korea	2027	Japanese (MOL)	\$ 251.7m	option exercised
2	LNG	174,000	cbm	Hudong Zhonghua, China	2025-2026	Chinese (United Liquefied Gas)	\$ 245.0m	
6+10	Gen. Cargo	7,400	dwt	Taizhou Sanfu, China	2025	Dutch (Mare Balticum)	undisclosed	

The market remains subdued due to stable freight rates and the traditional summer slowdown. In India, the market is stuck with no new arrivals and expectations of a further glut in the market in the coming weeks. Local steel prices are down as there is little activity in the local steel market. The summer has seen limited activity and the monsoon in the region is putting further pressure on the market. It is expected that the market could pick up from the winter. The IMF has forecast Indian growth at 6.1%, 0.2% higher than the April estimate. In Pakistan, the country is still considered to be out of the market due to the difficulty of opening new letters of credit as banks require a 50-70% margin to open them. On a more positive note, China's EXIM Bank will extend loans totaling 2.4 billion, half of which will be disbursed in FY24 and the other half in FY25. In Bangladesh, local scrap market prices are under

pressure, although they are still the best found among top breakers. The country continues to face L/C restrictions and foreign exchange reserves remain a concern for the country. They currently stand at \$23.5 billion, while the IMF requires them to be \$25.32 billion by the end of September and \$26.81 billion by the end of 2023. In Turkey, the market remains stable with limited to no activity. The country's central bank expects the unemployment rate to rise to 58% by the end of the year, putting further pressure not only on the recycling industry but on the economy as a whole. In terms of fundamentals, steel exports fell 39.2% to \$7.2 billion in the first half of the year, while exports were \$80.8 billion (+3%) and imports were \$124.3 billion (+7.14%) in the same period .

Indicative Demolition Prices (\$/ldt)

	Markets	28/07/23	21/07/23	±%	YTD		2022	2021	2020
					High	Low			
Tanker	Bangladesh	560	560	0.0%	615	515	601	542	348
	India	510	510	0.0%	570	555	593	519	348
	Pakistan	500	500	0.0%	540	535	596	536	352
	Turkey	310	310	0.0%	340	330	314	284	207
Dry Bulk	Bangladesh	540	540	0.0%	600	505	590	532	336
	India	490	490	0.0%	540	520	583	508	335
	Pakistan	485	485	0.0%	520	500	587	526	338
	Turkey	300	300	0.0%	285	275	304	276	198

Currencies

Markets	28/07/23	21/07/23	±%	YTD High
USD/BDT	108.37	108.57	-0.2%	110.07
USD/INR	82.23	81.98	0.3%	82.88
USD/PKR	286.40	285.12	0.4%	290.52
USD/TRY	26.91	26.97	-0.2%	27.17

Demolition Sales (\$ /ldt)

Name	Size	Ldt	Built	Yard	Type	\$/ldt	Breakers	Comments
GREAT WENWU	68,621	9,759	1994	SASEBO, Japan	BC	\$ 465/Ldt	Bangladeshi	
SINOKOR TIANJIN	11,031	4,672	1998	MAWEI SHIPYARD - CHR, China	CONTAINER	\$ 622/Ldt	Bangladeshi	incl. 250T ROB
Eos	6,198	2,222	1976	Vujik Scheepswerven BV	TANKER	undisclosed	Turkish	
ASTERDEA	2,738	1,231	1976	NIEUWE NOORD, Netherlands	BC	undisclosed	Turkish	

Market Data

	28-J ul-23	27-J ul-23	26-J ul-23	25-J ul-23	24-J ul-23	W-O-W Change %
Stock Exchange Data						
10year US Bond	3.957	4.002	3.873	3.890	3.878	3.1%
S&P 500	4,582.23	4,537.41	4,566.75	4,567.46	3,990.97	1.0%
Nasdaq	14,316.66	14,050.11	14,127.28	14,144.56	14,058.87	2.0%
Dow Jones	35,459.29	35,282.72	35,520.12	35,438.07	35,411.24	0.7%
FTSE 100	7,694.27	7,692.76	7,676.89	7,691.80	7,678.59	0.4%
FTSE All-Share UK	4,195.17	4,198.69	4,188.48	4,194.39	4,187.55	0.3%
CAC40	7,476.47	7,465.24	7,315.07	7,415.45	7,427.31	0.6%
Xetra Dax	16,469.75	16,406.03	16,131.46	16,211.59	16,190.95	1.7%
Nikkei	32,759.23	32,891.16	32,668.34	32,682.51	32,700.94	0.2%
Hang Seng	22,044.65	19,639.11	19,365.14	19,434.40	18,668.15	0.0%
DJ US Maritime	263.78	263.78	255.61	255.61	251.97	4.7%
Currencies						
€ / \$	1.10	1.10	1.11	1.11	1.11	-0.9%
£ / \$	1.28	1.28	1.29	1.29	1.28	-0.1%
\$ / ¥	141.15	138.78	140.37	140.92	141.52	-0.4%
\$ / NoK	0.0981	0.0982	0.0987	0.0994	0.0994	-1.2%
Yuan / \$	7.15	7.17	7.15	7.14	7.19	-0.5%
Won / \$	1,273.38	1,284.23	1,275.45	1,274.52	1,280.88	-1.0%
\$ INDEX	101.70	101.77	100.89	101.35	101.35	0.6%

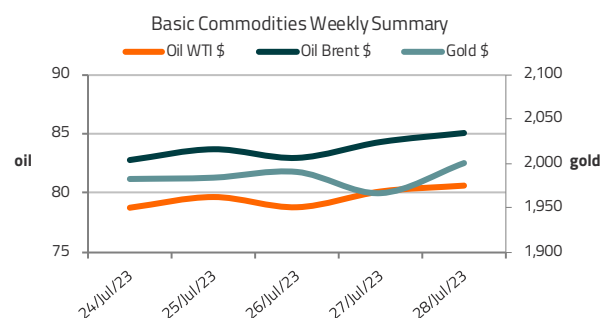
Bunker Prices

		28-J ul-23	21-J ul-23	Change %
MGO	Rotterdam	1,066.0	1,060.5	0.5%
	Houston	1,116.5	1,178.5	-5.3%
	Singapore	1,068.5	1,076.5	-0.7%
380cst	Rotterdam	409.0	397.0	3.0%
	Houston	432.5	462.0	-6.4%
	Singapore	420.5	400.5	5.0%
VLSFO	Rotterdam	652.0	663.0	-1.7%
	Houston	682.5	674.5	1.2%
	Singapore	700.0	720.5	-2.8%

Maritime Stock Data

Company	Stock Exchange	Curr.	28-J ul-23	21-J ul-23	W-O-W Change %
CAPITAL PRODUCT PARTNERS LP	NASDAQ	USD	15.42	15.13	1.9%
COSTAMARE INC	NYSE	USD	11.59	9.56	21.2%
DANAOS CORPORATION	NYSE	USD	71.19	65.83	8.1%
DIANA SHIPPING	NYSE	USD	3.91	3.69	6.0%
EAGLE BULK SHIPPING	NASDAQ	USD	45.86	43.51	5.4%
EUROSEAS LTD.	NASDAQ	USD	21.94	20.95	4.7%
GLOBUS MARITIME LIMITED	NASDAQ	USD	0.92	0.89	3.4%
NAVIOS MARITIME HOLDINGS	NYSE	USD	1.89	1.73	9.2%
SAFE BULKERS INC	NYSE	USD	3.34	3.24	3.1%
SEANERGY MARITIME HOLDINGS	NASDAQ	USD	0.98	0.99	-1.0%
STAR BULK CARRIERS CORP	NASDAQ	USD	18.17	17.06	6.5%
STEALTHGAS INC	NASDAQ	USD	4.76	4.26	11.7%
TSAKOS ENERGY NAVIGATION	NYSE	USD	19.67	17.62	11.6%

Basic Commodities Weekly Summary



Macro-economic headlines

- US: The central bank raised interest rates to a range of 5.25% to 5.5%, the highest since 2001. Both the composite and services PMIs fell in July, with the former at 52 (53.2 in June) and the latter at 52.4 (54.4 in June).
- EU: The ECB raised interest rates by 25 bps to 4.25%. Among the PMIs, the manufacturing PMI fell to 42.7 in July from 43.4 in June, while the services PMI fell to 51.1 from 52.0 in June.

- China: The country's Politburo announced that measures will be taken to support the economy. The measures will focus on spending, fiscal expansion and housing. China's NBS manufacturing PMI rose marginally to 49.3 from 49 in June, remaining in contractionary territory.

