



WEEKLY REPORT

WEEK 39 – September 30, 2023

This week, the Eurozone made headlines with encouraging developments. Eurozone inflation saw a notable decline in September, dropping to 4.3%, its lowest level since October 2021, as per preliminary data. This marked a significant decrease from August's 5.2% annual rate, with month-on-month inflation also easing from 0.5% to 0.3%.

Core inflation, which excludes volatile components like energy, food, alcohol, and tobacco and is closely monitored by monetary authorities, decreased to 4.5% year-on-year in September, down from 5.3% in August.

These figures followed the European Central Bank's decision in September to raise interest rates to a historic 4%, a move described as a "dovish hike." The ECB signalled growing confidence that rates might be sufficiently high to steer inflation toward its target in the medium term.

While Eurozone officials have attempted to temper expectations of impending rate cuts, the economic landscape remains intricate. The ECB's latest economic projections foresee inflation averaging 5.6% in 2023, declining to 3.2% in 2024 and 2.1% in 2025. The inflationary picture varies widely among European nations, with Germany experiencing higher-than-target annual price increases at 4.3%, while Slovakia and Slovenia grapple with inflation rates of 8.9% and 7.1%, respectively, according to Eurostat estimates.

Dry Bulk

Midweek saw BDI, reached its highest level in over nine months primarily due to significant gains in capesize rates. The overall BDI, surged by 80 points or approximately 5.0% to reach 1,752 points, marking its highest level since late December.

Tuesday specifically saw BCI having an outstanding day, rising by 246 points or 11.5% to 2,394, its best performance since September 7. Capes witnessed an increase in their average daily earnings, rising by US\$2,045 to US\$19,855. The surge in activity, particularly from Australia, provided substantial support to the segment. BPI also saw some gains, rising by 9 points to 1,1694. Rates saw an increase in their average daily earnings, climbing to US\$15,244.

Meanwhile, iron ore prices faced downward pressure due to profit-taking by investors ahead of Chinese holidays and concerns about reduced demand caused by slow restocking and upcoming steel production restrictions in China, the world's second-largest economy.

Furthermore, a cargo vessel left a Ukrainian Black Sea port on Tuesday after loading but remained in close proximity to the port without providing additional details.

Capesize:

Leading up to China's holiday season, there has been continued demand for iron ore to build up stockpiles. Additionally, a shortage of vessels in the Atlantic has contributed to rising rates. In anticipation of the long National Day holiday, which coincides with the Mid-Autumn Festival, Chinese port iron ore inventories have decreased to their lowest levels since September 2020, reaching 116 million tonnes. This has led to demand for rebuilding stockpiles, supporting Cape rates. In the coming week, strong demand is expected to support the market. However, as the holiday approached on Friday, it was noticeably a quieter end.

Panamax/Kamsarmax:

The structure led by South American grain demand continues, but weekly rates have remained stable due to constraints on additional cargo inflow in the Pacific and increased ballast arrivals in the Atlantic. Throughout this season, Brazil's soybean and corn production have both been abundant, maintaining strong shipping volumes even beyond the peak seasonal export period. With the onset of reduced activity due to the East Asian holidays, particularly in China, this week is expected to see a slightly weaker Panamax market. Rates slipped slightly at the end of the week with levels overall falling to US\$ 15,800's a day.

Supramax/Ultramax:

Despite a downturn in the USG, the market is being bolstered by strong performances in South America and the Pacific. The Chinese government has taken measures to enhance coal mine safety during the Asian Games, leading to increased demand for coal to ensure stable power supply during the event. This has driven up domestic coal prices in China, along with the demand for coal stockpiling ahead of the holiday, coupled with robust coal shipments in the Pacific. However, we likely see that coal import demand will be restricted once the holiday period begins. In the coming week, most cargoes are anticipated to have been cleared, leading to a quiet and slightly weaker market. BPI fell to 1,701 points.

Handysize:

Contract prices in the Atlantic have dipped below the previous level, primarily attributed to the absence of T/A cargo. There is a noticeable decline in the Pacific compared to the previous week due to the start of the holiday on Friday. This decrease is despite a reduction in vessel supply, sluggish Indonesian activity, and a general decrease in cargo volume across waters. BHSI, however, managed to climb slightly, rising some 1.49% to 679 points.

Dry Bulk – S&P Report

VESSEL NAME	TYPE	DWT	YEAR	BUILT	PRICE (MILLION) USD	COMMENTS / BUYERS
CLEAR HORIZON / BLUE HORIZON	VLOC	207,947 / 207,867	2012	CHINA	63.0 EN BLOC	NEU SEECHIFFAHT
NORD SUN	KMAX	82,146	2013	CEBU	22.0	GREEK BUYERS
SANKO FORTUNNE	PMAX	74,940	2012	JAPAN	20.0	ASTRA SHIP MANAGEMENT
KOUROUPI	SMAX	56,047	2008	JAPAN	14.0	INDONESIAN BUYERS
GOLD OAK	HANDY	37,732	2017	JAPAN	24.0	UNDISCLOSED
COPACABANA	HANDY	37,202	2011	JAPAN	15.35	CHINESE BUYERS
PURPLE SEA	HANDY	35,214	2011	CHINA	10.0	UNDISCLOSED
IVS MERLION	HANDY	32,071	2013	CHINA	11.5	GREEK BUYERS
IRIS SKY	HANDY	28,725	2008	JAPAN	7.35	GREEK BUYERS
GLORIOUS JUPITER	HANDY	26,091	2013	JAPAN	13.7	UNDISCLOSED

Dry Bulk Values

(Weekly)

TYPE	DWT	NB CONTRACT	NB PROMPT DELIVERY	5 YEARS	10 YEARS	15 YEARS
CAPE	180,000	64	61	47	29	14
KAMSARMAX	82,000	35	37	32	22	9
SUPRAMAX	56,000	33	35	28	19	7
HANDY	38,000	30	31	24	16	6

*(amount in USD million)

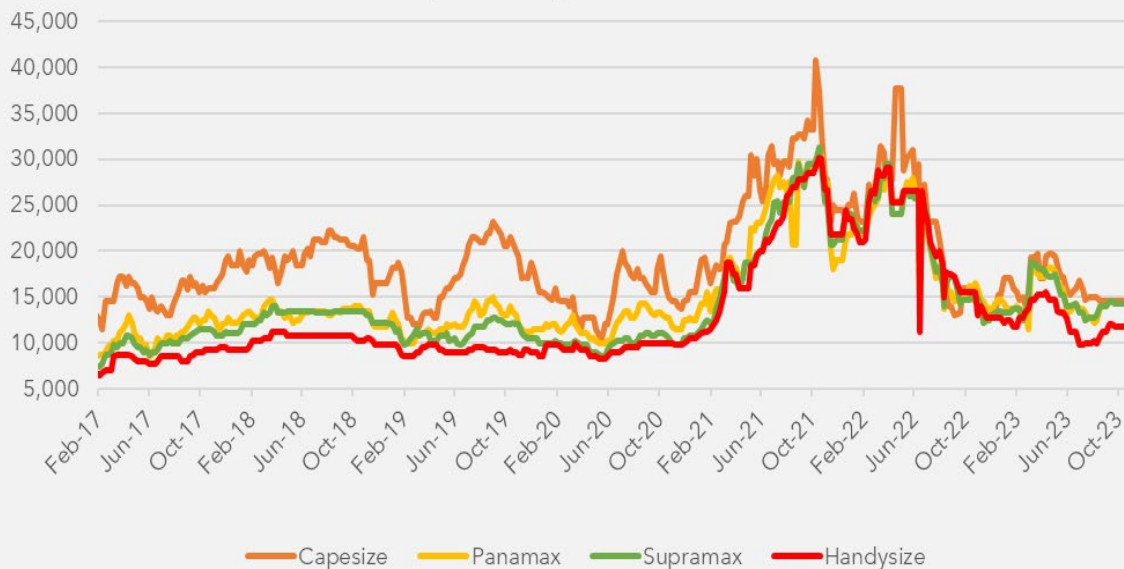
Baltic Exchange Dry Bulk Indices

INDICES	CURRENT	LAST WEEK	LAST YEAR	W-O-W CHANGE	Y-O-Y CHANGE
BDI	1,701	1,569	1,760	+8.41%	-3.35%
BCI	2,474	2,083	1,955	+18.77%	+26.55%
BPI	1,701	1,696	2,082	+0.29%	-18.30%
BSI	1,276	1,350	1,663	-5.48%	-23.27%
BHSI	679	669	1,009	+1.49%	-32.71%

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	17,000	14,500	12,250	+17.24%	+38.78%
PANAMAX	75,000	12,600	12,750	14,950	-1.18%	-15.72%
SUPRAMAX	58,000	11,500	12,500	14,750	-8.00%	-22.03%
HANDYSIZE	38,000	11,250	11,500	13,500	-2.17%	-16.67%

Dry Bulk 1 year T/C rates



Tankers

For the past four weeks, oil traders have been aggressively buying futures contracts in the six most traded crude and fuel markets. This trend began when Saudi Arabia and Russia announced an extension of their combined 1.3 million BPD supply cut, shifting trader focus away from concerns about Chinese demand.

On Thursday, oil prices reached their highest during Asian trading hours after crude stocks at a key storage hub fell to their lowest since July last year. West Texas Intermediate futures reached US\$95.03 per barrel during Asia trading hours, marking the highest since August 2022, while benchmark Brent rose 1.05% to US\$97.56 a barrel.

The oil market has remained relatively steady recently due to tightness in the physical market and Russia's export ban on diesel and gasoline. Nevertheless, market dynamics remain uncertain, influenced by factors like the Federal Open Market Committee's recent hawkish stance.

Analysts noted, however, that refinery throughputs are expected to decrease as refinery maintenance season approaches. Despite the current high prices, many believe that this rally may not be permanent. OPEC is likely to signal a reduction in supply restrictions as the year progresses, as excessively high prices could harm long-term demand.

In the Tanker market, sentiments remain positive, and spot rates have yet to show significant momentum to align with this optimism. Recent deals for period rates, particularly one-year contracts, have reached a new six-month high, and freight futures for the fourth quarter have rebounded to late August levels.

Historically, September is not the strongest month for tanker rates, often marking the bottom of the annual cycle. As the Northern Hemisphere approaches the peak fuel demand season, the demand for oil transportation is expected to rise. When combined with the prevailing bullish sentiment, the conditions for a strong winter market appear to be firmly in place.

VLCC:

Shipping volume in the Atlantic is recovering due to an increase in U.S. crude oil exports, and market conditions are rising on the eastern Suez route. But overall, it was a quiet week with subdued activity, mainly due to holidays in the Far East. Rates have maintained stability, and on the MEG/China route, remained unchanged w-o-w at WS50.

Suezmax:

WAFR/Europe region saw rates drop due to a decrease in the arrival of new cargo and an increase in the number of available vessels. Additionally, Nigeria's Dangote refinery commenced pilot operations in October, with an expected production capacity of 370,000 BPD of middle distillate. Although the refinery's maximum capacity is 650,000 BPD, the decline in Nigerian crude oil exports is likely to lead to reduced petroleum product imports and a transformation in trade dynamics in the Atlantic region. 130,000mt Nigeria/UKC fell this week to WS67.

Aframax:

The market witnessed a varied week, marked by an initial increase in rates on the cross-Mediterranean route, followed by a fall. However, activity in the UKC was limited, resulting in a w-o-w decline in the cross-UKC rate to WS90.

Clean:

MR: This week, M.R. rates in the USG exhibited sharp fluctuations. TC14 reached its highest point at WS162 in the middle of the week, experiencing a remarkable 60% increase in just two days, only to later settle back down to WS122. The same volatility was also seen in the UKC/Baltic, resulting in a w-o-w decrease in the rate on the UKC/USAC route to WS187.

L.R.: LR1 market in western Suez became busier throughout the week, and the limited position list suggests that fixing forward may have limited downside. TC16 fell slightly to the WS155 region. In the East, the LR2 market saw increased activity during the week, and although the tonnage list was tight, rates decreased amid upcoming refinery turnarounds.

Tankers S&P Report

VESSEL NAME	TYPE	DWT	YEAR	BUILT	PRICE (MILLION) USD	COMMENTS / BUYERS
PS VENEZIA	AFRA	108,870	2010	CHINA	37.5	VIETNAMESE BUYERS
HIGH JUPITER	MR	51,608	2008	S. KOREA	22.0	INDIAN BUYERS
PYXIS EPSILON	MR	50,124	2015	S. KOREA	40.75	U.S. BASED BUYERS
PATNOS	PROD / CHEM	16,714	2006	CHINA	10.5	UNDISCLOSED

Baltic Exchange Tanker Indices

INDICES	CURRENT	LAST WEEK	LAST YEAR	W-O-W CHANGE	Y-O-Y CHANGE
BDTI	827	790	1,477	+4.68%	-44.01%
BCTI	813	868	1,162	-6.34%	-30.03%

Tankers Values

(Weekly)

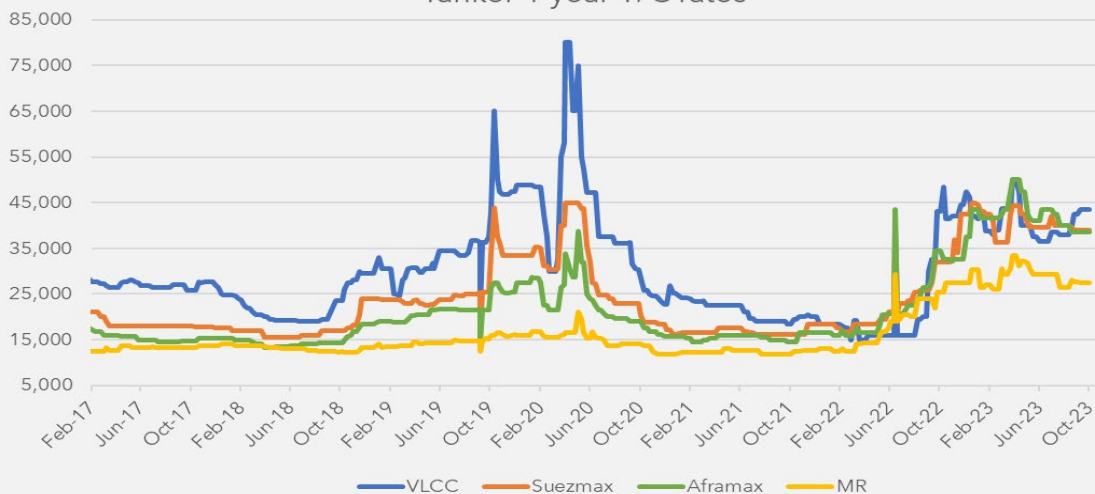
TYPE	DWT	NB CONTRACT	NB PROMPT DELIVERY	5 YEARS	10 YEARS	15 YEARS
VLCC	310,000	128	125	98	74	48
OSUEZMAX	160,000	85	90	73	58	31
AFRAMAX	115,000	68	78	63	53	27
PANAMAX-LR1	73,000	57	60	49	39	19
MR TANKER	51,000	47	50	40	31	18

*(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	43,250	43,500	41,500	-0.57%	+4.22%
SUEZMAX	150,000	38,750	38,750	32,000	0	+21.09%
AFRAMAX	110,000	38,500	38,500	32,500	0	+18.46%
LRI	74,000	28,750	28,750	37,500	0	-23.33%
MR	47,000	26,000	25,500	25,500	+1.96%	+1.96%

Tanker 1 year T/C rates



Containers

Container spot freight rates continued their decline this week, with the SCFI spot box freight rate index decreasing by 2.7% w-o-w to 887 points. This marks the lowest level since May 2020 and represents a 16% decrease since January 2023. Notably, on the SCFI Shanghai to Northern Europe route, rates fell by 4% w-o-w to US\$599/TEU, reaching the lowest point since October 2019 and reflecting a 43% decrease since the beginning of 2023. Similarly, rates on the SCFI Shanghai to the U.S. East Coast route dropped by 5% w-o-w to US\$2,249/FEU.

Containers S&P Report

VESSEL NAME	TYPE	TEU	YEAR	BUILT	PRICE (MILLION) USD	COMMENTS / BUYERS
JOSEPH SCHULTE	POST PMAX	9,403	2013	CHINA	55.0	MSC

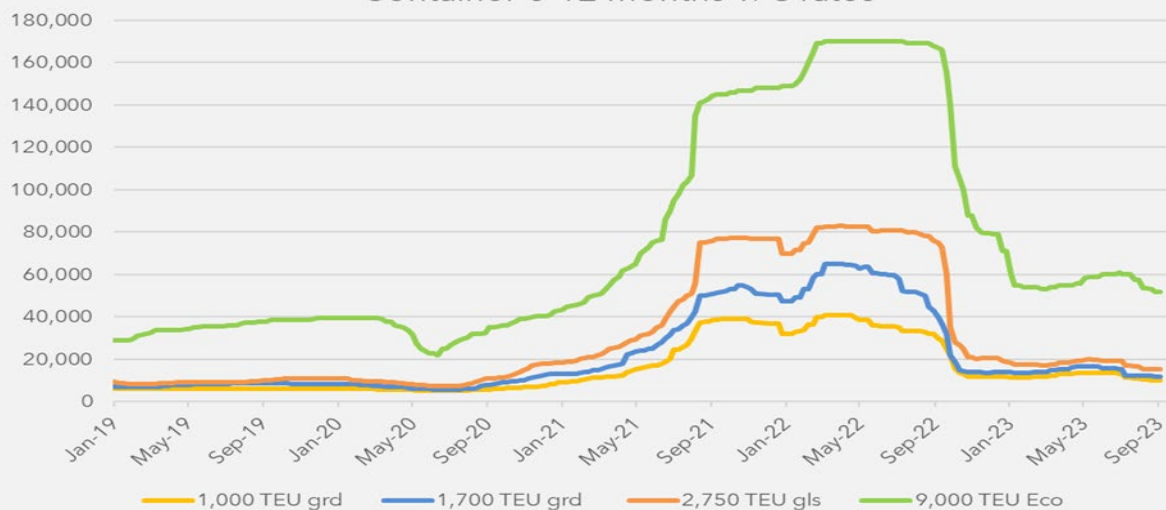
Containers Values

(Weekly)

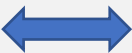



CONTAINERS (BY TEU)	GEARED / GEARLESS	NB CONTRACT	NB PROMPT DELIVERY	5 YEARS	10 YEARS	20 YEARS
900 – 1,200	Geared	24	24	17	10	8
1,600 – 1,800	Geared	29	28	23	16	12
2,700 – 2,900	Gearless	41	37	29	19	16
5,500 – 7,000	Gearless	93	78	66	41	N/A

*(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)	590 ~ 600	530 ~ 540	550 ~ 560	600 ~ 610	STABLE / 
*CHATTOGRAM, BANGLADESH	460 ~470	440 ~ 450	420 ~ 430	480 ~ 490	WEAK / 
**GADDANI, PAKISTAN	520 ~ 530	510 ~ 520	500 ~ 510	530 ~ 540	WEAK / 
TURKEY <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

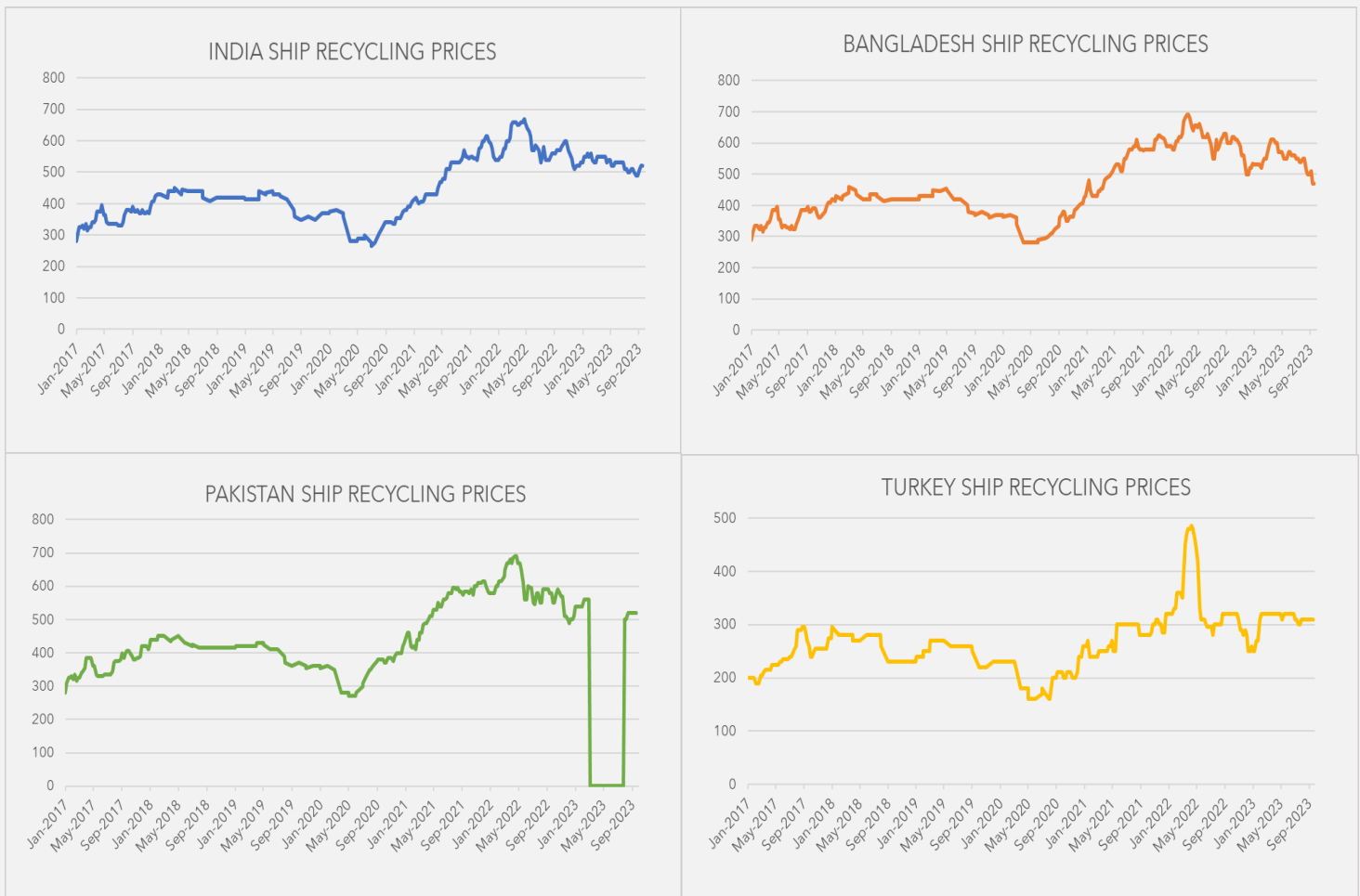
(Week 39)

DESTINATION	2018	2019	2020	2021	2022
ALANG, INDIA	455	370	350	580	600
CHATTOGRAM, BANGLADESH	450	380	390	595	625
GADDANI, PAKISTAN	440	370	380	590	580
ALIAGA, TURKEY	270	230	210	275	330

Ships Sold for Recycling

VESSEL NAME	LDT / MT	YEAR / BUILT	TYPE	PRICE (US\$/LDT)	COMMENTS
GULF VENTURE	16,809	1999 / S. KOREA	TANKER	500	AS IS SINGAPORE WITH 250MT ROB GAS FREE FOR HOT WORKS
BRADLEY	16,368	1999 / JAPAN	TANKER	500	AS IS SINGAPORE WITH 250MT ROB GAS FREE HOT WORKS
TYCOON	12,620	2000 / CHINA	BULKER	570	DELIVERED ALANG / ABT 650 MT OF BUNKERS INCLUDED IN THE SALE
MSC JASMINE	13,977	1988 / FRANE	CONTAINER	580	DELIVERED ALANG FOR MSC-APPROVED GREEN RECYCLING WITH 650 TONS OF BUNKERS INCLUDED IN THE SALE

Recycling Ships Price Trend



Insight

Throughout this week, the ship recycling markets in the Sub-Continent region remained subdued, largely due to extended festive holidays. Notably, India stood out as the sole active and viable market in the region, taking the lead in terms of activity. Meanwhile, Bangladesh and Pakistan showed no signs of improvement, with sluggish activities attributed to a decline in domestic ship scrap prices and cheaply available imported semi-finished steel products booked from China.

As freight rates experienced a significant improvement, especially in the dry bulk segment, the supply of ships entering the recycling market temporarily slowed down, with no significant sales reported except for the sale of 2 Aframax tankers under as-is-where-is Singapore terms. The ultimate destination of these tankers remains uncertain.

For recyclers, another cause for concern this week was the strengthening of the U.S. dollar, which took a pause by the close of the week. The U.S. dollar turned from recent highs overnight on Thursday after a weaker-than-expected GDP reading – and more bad news from existing home sales – hit sentiment towards the U.S. economy.

This volatility in F.X. lately has marked a cause of concern for the recyclers, and such volatile developments are being closely monitored by ship recyclers in the near term, as foreign exchange fluctuations play a pivotal role in price determination.

This week, the BIMCO roundtable on safe and environmentally responsible ship recycling took place during London International Shipping Week, emphasised the importance of dispelling misconceptions surrounding the Hong Kong Convention (HKC) and urged all stakeholders to collaborate in realising the convention's potential.

Despite significant progress, such as the ratification of the HKC by Bangladesh and Liberia in June 2023, challenges remain on the road to its full implementation, which is set to occur in the next 22 months. The discussions highlighted the complexity of regulations governing ship recycling. The HKC intersects with numerous global and regional rules, including the Basel Convention, Basel Ban, and the E.U. Ship Recycling Regulation and Waste Shipment Regulation. External pressures from investors, charterers, the public, governments, and NGOs further complicate the landscape.

The International Labour Organization and the secretariat of the Basel Convention actively participated in the development of the HKC to ensure consistency with existing instruments. The goal is to seek equivalence between Basel and the HKC over the next two years to establish a global framework. Collaboration between the two is seen as crucial for its success.

The IMO's role in facilitating was also discussed. This includes support for shipyards and governments, capacity building, and alignment of E.U. regulations and the Basel Convention. Amendments to the HKC may be considered after its entry into force.

Alang, India

Market sentiment is currently driven by fierce domestic competition to acquire suitable ships while neighbouring competitors are absent. However, it's important to note that the prevailing pressure in the market is somewhat one-sided at the moment. This is primarily due to a slowdown in the supply of ships, which has effectively prevented a significant drop in ship prices from occurring.

In Alang this year up to week 39, about 700,775 metric tons (*light displacement tonnage*) have been beached as compared to 895,757 metric tons last year in the same period.

In the recent notable sales reported this week, Greek-owned panamax bulker "Tycoon" built in 2000 and weighing 12,620 tons, was sold at a gross price of US\$570/ton, which was due to being a grain carrier, which fetches a high premium and 650 mt of bunkers, including in the sale, valued at about US\$28/ton itself.

MSC as well made headlines this week selling their vintage post panamax container called the 'MSC Jasmine', built in 1988 in France, weighing 13,977 tons at a gross price of US\$580/ton with 650 tons of bunkers worth about US\$28/ton, making it the 11th MSC container ship sold this year for recycling.

While the markets have gained momentum recently, market experts have expressed their confidence in the anticipated demand for ship scrap for the coming months. However, the prevailing belief among experts is that ship prices have reached their peaks, with limited prospects for further improvement. This sentiment persists despite a notable scarcity of end-of-life ships available in the market.

For Alang ship recycling, in the long term, the purchasing activity remains grounded in stable demand dynamics. This stability is underpinned by the significant growth potential in India, which is driven by the ambitious objective of achieving a US\$5 trillion economy by 2025, with a strong reliance on infrastructure development as a pivotal driver.

Anchorage & Beaching Position (September 2023)

VESSEL NAME	TYPE	LDT	ARRIVAL	BEACHING
BERRY	CONTAINER	6,499	30.09.2023	AWAITING
FRIO OLYMPIC	REEFER	4,698	28.09.2023	AWAITING
MSC MARIA	CONTAINER / RORO	3,952	26.09.2023	29.09.2023
HASEEN	BULKER	7,635	24.09.2023	28.09.2023
LONG	MPP	2,931	26.09.2023	28.09.2023
ZHO	BULKER	6,729	20.09.2023	27.09.2023
SINOKOR VLADIVOSTOK	CONTAINER	4,672	19.09.2023	27.09.2023
WHITE PURL	LPG TANKER	5,450	19.09.2023	23.09.2023
MARITIME RIYAL	CHEMICAL TANKER	12,246	16.09.2023	20.09.2023
INSTA	DIVING SUPPORT	3,000	07.09.2023	14.09.2023
ALDO	OFFSHORE	1,740	08.09.2023	14.09.2023
SINOKOR AKITA	CONTAINER	4,672	29.08.2023	07.09.2023
ONE HAPPY	BULKER	7,726	01.09.2023	07.09.2023
ZEFYROS REEFER	REEFER	4,731	03.09.2023	08.09.2023

Chattogram, Bangladesh

The ship recycling markets have descended into a significant slump, and recyclers are presently reluctant to offer any fresh tonnage. Their current stance is one of caution as they await improvements in the domestic ship scrap prices along with the easing of banks to open the required LC's. In Bangladesh, the current situation has become so challenging that even obtaining LCs for smaller ships has become a difficult and cumbersome process. This has added to the general sense of uncertainty and caution among recyclers in the region.

On the other hand, the markets entered into the third week of suspended sales of the domestic ship scrap in light of the significant fall in the prices locally, while the inventories kept increasing at the yards.

The financial challenges in Bangladesh are having a significant impact on recycling activities. Downstream activities, many steel mills still have pending LCs for July and August, causing uncertainty among sellers about offering new shipments.

There are shipments scheduled to arrive in Bangladesh within a week, but the LCs for these shipments have not been processed yet. The LC issue has become so severe that even when mills have paid 100% of the L.C margin money to banks, they are unable to open the L.Cs due to a shortage of foreign reserves in the banks. This LC problem has resulted in a delay in purchases by many mills, as they turn their focus instead on fulfilling previous orders.

Anchorage & Beaching Position (September 2023)

VESSEL NAME	TYPE	LDT	ARRIVAL	BEACHING
HARIN NAVEE 10	GEN.CARGO	959	01.10.2023	AWAITING
HAVEN GUARDER	BULKER	5,983	26.09.2023	AWAITING
SIRITANASIN	TANKER	744	26.09.2023	AWAITING
HARIN TRANSPORT	GEN.CARGO	1,047	24.09.2023	AWAITING
YI DING 9	TANKER	1,552.20	21.09.2023	AWAITING
EXPRESS 6	REEFER	1,264.50	20.09.2023	AWAITING
HENG HUI 2	CONTAINER	14,775	18.09.2023	30.09.2023
ALBA 1	BULKER	12,573	19.09.2023	29.09.2023
HALLY	BULKER	9,379	09.09.2023	29.09.2023
BUSAN GAS	LPG	1,130.35	20.09.2023	27.09.2023
FATEMA JAHAN	BULKER	7,487	09.07.2023	23.09.2023
ANG FAN	BULKER	10,934	11.09.2023	17.09.2023
NAUTICA MUAR	FSO	12,126	09.09.2023	16.09.2023
KEMA	RORO	2,950	07.09.2023	15.09.2023
DAPITAN BAY 1	RORO	5,899	12.09.2023	17.09.2023
ABDULLAH	BULKER	7,528	27.07.2023	17.09.2023
YOUNG SHENG 19	TANKER	1,118	06.09.2023	14.09.2023
PATCHARAWADEE 11	LNG	1,060	04.09.2023	14.09.2023
LAUREN OCEAN	BULKER	8,400	31.08.2023	05.09.2023
JABAL ALI 5	RORO	5,965	30.08.2023	05.09.2023
YUAN TU	BULKER	3,494	31.08.2023	05.09.2023
FINE STAR	BULKER	9,859	31.08.2023	04.09.2023
OCEAN SUCCESS	BULKER	10,163	31.08.2023	04.09.3023
HARMONIA	WOOD CC	9,737	30.08.2023	03.09.2023
THIDA 7	CONTAINER	6,232	28.08.2023	01.09.2023
XIANG HE	G. CARGO	9,016	28.08.2023	01.09.2023
ZEN G	BULKER	10,750	25.08.2023	01.09.2023
SOL HIND	CONTAINER	7,852	22.08.2023	01.09.2023

Gaddani, Pakistan

Pakistan markets were quiet this week. With LCs approval still lagging behind despite banks opening, Gaddani recyclers are slowly gaining pace to purchase, but the fresh developments within the domestic scrap market have changed the entire equation.

Recyclers who were initially involved in the purchase of the first five ships are currently assessing potential losses stemming from a sudden and significant drop in domestic ship scrap prices, which have dipped by approximately US\$50 to \$60 per ton.

Adding to the challenges faced by such recyclers is the strengthened Pakistani rupee, a result of stringent administrative measures aimed at curbing illicit outflows of U.S. dollars to Afghanistan and Iran. In the interbank market, the U.S. dollar was trading at Rs288.64 midweek, in contrast to the previous day's closing rate of Rs289.80. Notably, a considerable portion of the ships had been acquired when the Pakistani rupee was trading at Rs.300 to Rs.307 to a U.S. dollar.

This unforeseen double setback has led capable recyclers to adopt a cautious stance, temporarily refraining from further engagements. Their optimism now hinges on the possibility of a substantial turnaround in domestic scrap prices.

Anchorage & Beaching Position (September 2023)

VESSEL NAME	TYPE	LDT	ARRIVAL	BEACHING
YONG NING	MPP	12,724	18.09.2023	29.09.2023
SOTIRIA	BULKER	11,608	11.09.2023	17.09.2023
GLORIA I	BULKER	11,259	03.09.2023	13.09.2023
SUN SHINE	BULKER	10,317	28.08.2023	02.09.2023
CHANG MIN	BULKER	9,483	26.08.2023	02.09.2023

Aliaga, Turkey

Turkish mills have maintained their buying prices for domestic scrap unchanged from the previous week, and imported scrap prices are also holding steady despite subdued activity.

There is a reluctance to initiate November shipment bookings as mills assess the situation with steel sales. While export demand for rebar remains weak, there was a slight recovery

in domestic demand midweek, with stockists replenishing their inventory. Market observers attribute this uptick to the continued depreciation of the lira, but concerns persist about the sustainability of this recovery due to lingering loan issues in the market. Mills have maintained their prices at US\$565-585/t ex-works, accompanied by an increased premium for thin-gauge material.

Shipbreaking scrap prices were seen at US\$335-376/ton delivered at the end of the week, contingent on the requirements of western Turkish mills, while the lira closed at 27.44 per dollar.

BEACHING TIDE DATES 2023

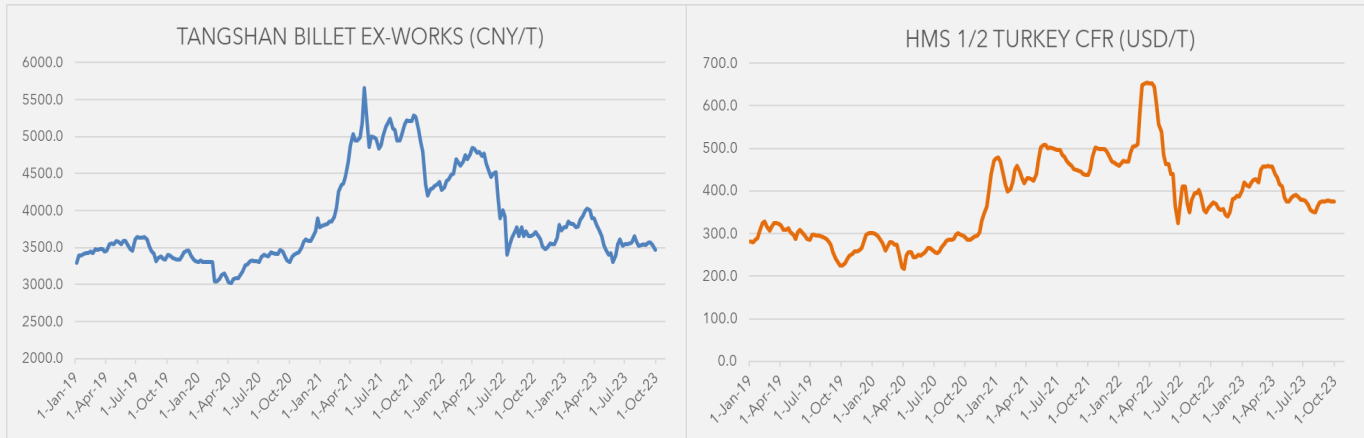
Chattogram, Bangladesh : 13 ~ 16 October | 27 ~ 30 October

Alang, India : 01 ~ 05 October | 14 ~ 20 October

BUNKER PRICES (USD/TON)			
PORTS	VLSFO (0.5%)	IFO380 CST	MGO (0.1%)
SINGAPORE	684	558	959
HONG KONG	688	564	950
FUJAIRAH	670	537	975
ROTTERDAM	638	597	967
HOUSTON	658	566	1022

EXCHANGE RATES			
CURRENCY	29 th SEPTEMBER	22 nd SEPTEMBER	W-O-W % CHANGE
USD / CNY (CHINA)	7.28	7.29	+0.14%
USD / BDT (BANGLADESH)	110.11	109.70	-0.37%
USD / INR (INDIA)	83.14	82.93	-0.25%
USD / PKR (PAKISTAN)	287.74	288.25	+0.18%
USD / TRY (TURKEY)	27.44	27.15	-1.07%

HMS 1/2 & Tangshan Billet



Commodities Insight

After a sharp decline in **industrial metals** across the board, On Thursday, industrial metals experienced an upturn in response to a declining U.S. dollar. **Zinc** prices, in particular, climbed to \$2,620 per metric ton as inventories dwindled. This shift led to a narrowing of the cash-3m spread by \$14.50 per metric ton. Both **copper** and **aluminium** also managed to recover some of their losses.

However, **nickel** was the exception among metals, as it saw a decline, primarily driven by rising inventories at the SHFE (Shanghai Futures Exchange). Meanwhile, **iron ore** prices remained relatively stable, hovering near \$116 per metric ton.

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)	117	-2.5%	+21.8%	120	96
Iron Ore Fines, CNF Qingdao, China	Fines, Fe 62.5% (Brazil Origin)	120	-6.2%	+23.7%	128	97

Industrial Metal Rates

INDEX	UNITS	PRICE	CHANGE	%CHANGE	CONTRACT
Copper (Comex)	USD / lb.	374.40	+3.60	+0.97%	Dec 2023
3Mo Copper (L.M.E.)	USD / MT	8,217.50	+103.50	+1.28%	N/A
3Mo Aluminum (L.M.E.)	USD / MT	2,277.50	+39.50	+1.76%	N/A
3Mo Zinc (L.M.E.)	USD / MT	2,620.50	+144.00	+5.81%	N/A
3Mo Tin (L.M.E.)	USD / MT	25,324.00	-326.00	-1.27%	N/A

Crude Oil & Natural Gas Rates

INDEX	UNITS	PRICE	CHANGE	%CHANGE	CONTRACT
WTI Crude Oil (Nymex)	USD / bbl.	92.05	+0.34	+0.37%	Nov 2023
Brent Crude (ICE.)	USD / bbl.	95.10	-0.28	-0.29%	Nov 2023
Crude Oil (Tokyo)	J.P.Y. / kl	87,550.00	-1,850.00	-2.07%	Oct 2023
Natural Gas (Nymex)	USD / MMBtu	2.96	+0.01	+0.44%	Nov 2023

Note: all rates as at C.O.B. London time September 29, 2023



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(A Member of BIMCO, The Baltic Exchange and Singapore Shipping Association)

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