



# WEEKLY REPORT

WEEK 41 – October 14, 2023

The October 7 raid carried out by Palestinian militants caught the Israeli government and intelligence services off-guard, leading to a chaotic response to the most significant attack in years. Hamas fighters infiltrated southern Israel via land, sea, and air, resulting in the tragic deaths of 1,300 Israelis as per various news reports, primarily unarmed civilians, in various locations such as villages, military bases, and even a desert event. Moreover, they took numerous individuals as hostages.

Prime Minister Benjamin Netanyahu swiftly pledged an uncompromising offensive against Hamas, which governs Gaza and maintains a stance of hostility towards Israel. Gaza now finds itself under a comprehensive blockade, with over 1,500 casualties from retaliatory strikes. Furthermore, on Friday, roughly half of its 2 million inhabitants were instructed to relocate southward, hinting at Israel's possible preparation for a ground invasion that could escalate tensions with other adversaries, including Hezbollah.

The scenes of devastation on both sides have triggered outrage among civilians in the region and globally. This week, protests and demonstrations took place in various countries, reflecting the widespread concern over the escalating conflict.

The upcoming week holds immense significance as the world watches closely to discern the evolving dynamics of this conflict and its far-reaching consequences on the commodity and financial markets.

## Dry Bulk

BDI, reached a one-year high at the start of the week, driven by increased rates for capesize units. Capesize average daily earnings rose to US\$28,901 before levels saw a decline throughout the week.

By Thursday, BDI experienced its third consecutive day of decline. This was attributed to reduced demand in more significant vessel segments, with the overall index falling to 1,935 points. BCI also fell by 0.8% to 3,278 points, with average daily earnings declining to US\$27,185. BPI and BSI indices also witnessed declines, while the Supramax segment saw a slight increase, noted for its strength in the Far East.

Iron ore futures experienced a decline, hitting a nearly six-week low after the Golden Week holiday. Factors such as negative steel mill margins, production restrictions, and uncertainties in China's economic recovery contributed to the downturn.

### **Capesize:**

Demand from major iron ore shippers continues to rise during the Chinese holiday, with increased supply from T/A vessels. The fourth quarter sees a boost in shipments from Australia and Brazil due to improved weather conditions in the Southern Hemisphere. China's heightened demand for Australian coking coal has also led to an influx of cargo into East Australia. While the Pacific route has become more profitable than the Atlantic due to the slowing demand for high-grade iron ore from Brazil, the lack of ship supply in the Atlantic contributes to the rally. Despite the recent uptick, the lack of clarity regarding improvements in steel demand in China looks to an impending correction. At closing, rates have come off with T/A in the region of US\$34,200's a day and Pacific around US\$23,150's a day.

### **Panamax/Kamsarmax:**

Holidays in the Pacific last week saw an overall sluggish activity, but a rebound in demand for cargo conversion, with Capes at the start of the week, narrowed the decline in the Pacific. However, as new demand decreases persistently, shipowners are holding back and delaying commitments, anticipating further decline. Rates in Pacific r/v fell to US\$13,800's a day. In the Atlantic, steady coal demand is being consistently received on the T/A route, but on most routes, there is a continued trickle of cargo inflow compared to supply, leading to a decline.

### **Supramax/Ultramax:**

Supras in the Med saw cargo inflow gradually decreasing, while the USG and South America continued to experience an upward trend due to increased new cargo inflow, leading to an overall strong and stable situation in the Atlantic. As such F/H saw levels climb slightly to US\$ 22,700's a day. Despite a sluggish inflow of coal in Indonesia affecting the Pacific, increased demand in the NOPAC is contributing to a stable situation. Pacific r/v remains the same as last, with levels in the region of US\$11,700 a day.

### **Handysize:**

The Atlantic has an overall positive market sentiment as ship demand surpasses supply along major grain shipping routes. However, T/A routes are seeing a weaker performance compared to the previous, with rates falling slightly to US\$15,500 a day. The prevailing North Pacific demand that supported the market this week is diminishing, intensifying the supply-dominant structure.

## Dry Bulk – S&P Report

VESSEL NAME	TYPE	DWT	YEAR	BUILT	PRICE (MILLION) USD	COMMENTS / BUYERS
AM GIJON	CAPE	178,462	2011	JAPAN	25.75	ALBERTA SHIP MANAGEMENT
EAST TRADER	CAPE	175,886	2009	CHINA	18.2	DANAOS
CAPE STAR	CAPE	175,366	2010	CHINA	21.5	CHINESE BUYERS
KUNO OLDENDORFF	KMAX	82,206	2022	CHINA	32.5	GREEK BUYERS
HONWIN	SMAX	57,334	2009	S. KOREA	15.0	PETRO VIETNAM
JAG ROHAN	SMAX	52,450	2006	CEBU	9.25	CHINESE BUYERS

## Dry Bulk Values

(Weekly)

TYPE	DWT	NB CONTRACT	NB PROMPT DELIVERY	5 YEARS	10 YEARS	15 YEARS
CAPE	180,000	64	62	47	29	13
KAMSARMAX	82,000	35	37	32	22	8
SUPRAMAX	56,000	33	35	28	20	7
HANDY	38,000	30	32	25	16	6

\*(amount in USD million)

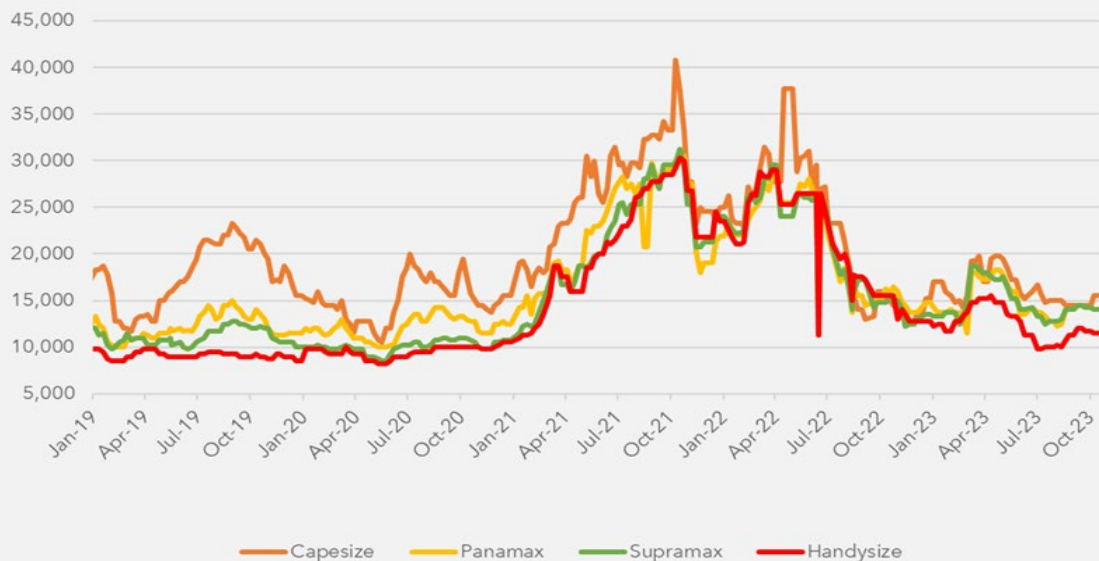
## Baltic Exchange Dry Bulk Indices

INDICES	CURRENT	LAST WEEK	LAST YEAR	W-O-W CHANGE	Y-O-Y CHANGE
BDI	1,935	1,827	1,838	+5.91%	+5.28%
BCI	3,278	2,982	2,166	+9.93%	+51.34%
BPI	1,593	1,592	2,081	+0.06%	-23.45%
BSI	1,266	1,236	1,690	+2.43%	-25.09%
BHSI	684	674	1,012	+1.48%	-32.41%

## Bulkers 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	15,250	0	-1.64%
PANAMAX	75,000	12,550	12,600	15,800	-0.40%	-20.57%
SUPRAMAX	58,000	11,500	11,750	15,350	-2.13%	-25.08%
HANDY SIZE	38,000	12,000	11,750	13,500	+2.13%	-11.11%

Dry Bulk 1 year T/C rates



## Tankers

OPEC released its 2023 World Oil Outlook on Monday, projecting increased world oil demand for the medium and long term. In contrast to forecasts by entities like the IEA predicting a peak in demand this decade, OPEC anticipates a decade or more of rising consumption. The organisation emphasises the need for US\$14 trillion in investments to meet this demand despite the growing use of renewable fuels and the rise of electric cars.

OPEC Secretary General highlighted a pragmatic approach to energy transition and criticised calls to halt investments in new oil projects, warning against potential energy and economic chaos. The expected world oil demand is set to reach 116 million barrels a day by 2045, an increase of 6 million barrels from the previous year's estimate, with growth driven by China, India, other Asian nations, Africa, and the Middle East.

OPEC raised concerns about pushback against net-zero policies and emphasised that climate action should not compromise global energy security. The latest outlook suggests a further increase of 1.6 million barrels per day in the last decade of the forecast period. OPEC+ is currently cutting supply to support crude prices, and the report envisions OPEC's total share of the oil market rising to 40% in 2045 from 34% in 2022 as non-OPEC output declines from the early 2030s.

The oil market experienced increased volatility at the start of the week following a weekend conflict in Israel/Palestine, disrupting the geopolitical landscape in the crucial oil-exporting region of the Middle East.

The potential impact on oil supply is a concern, and the situation could lead to stricter enforcement of U.S. sanctions on Iran, potentially reducing oil supply and disrupting the anticipated surplus for 2024. The attack may prompt a more stringent stance on Iranian oil exports. This could further tighten the oil market, with global supply and price implications.

### **VLCC:**

The ongoing increase in cargo inflow from the Middle East is easing vessel supply pressure. The Middle East/China route witnessed a weekly climb in the W.S. index with 270,000mt, improving 17 points to WS53. It is anticipated that the recovery in activity in the Western Atlantic, encompassing the U.S. and West Africa, will aid in gains for the market.

### **Suezmax:**

The Suezmax market witnessed significant activity, particularly in the U.S., where rates on the USG-UKC route increased w-o-w to WS100. An increase in cargo inflow from Nigeria also saw a rise in the W.S. index for the West Africa/Europe route, surging 37 points to WS109. The simultaneous growth in cargo from the U.S. alleviates vessel supply pressure in the Western Atlantic region. In the Middle East, 140,000 mt from the MEG to the Med rose by 13 points compared to the previous week, reaching WS70.

### **Aframax:**

Increased cargo volume in the U.S./Europe route and growing demand in the Western Atlantic region limit the inflow of vessels towards the East of the Suez. This week, Aframax rates from the UKC route strengthened w-o-w to WS115, driven by robust demand and a scarcity of available tonnage in the region. The product tanker sector also shows an accompanying upward trend, and there is an anticipation that the influx of cargo transfer demand will be limited. Overall, a strong stabilising trend in the market is expected.

### **Clean:**

MR: The MR market in the UKC concluded the week on a quiet note, witnessing a significant increase in available vessels. Rates on the UKC-USAC route experienced a w-o-w drop to WS160, reflecting softer trends in the U.S. Gulf. MEG has also seen a correction in terms of rates, with TC17 losing 18 points to WS224.

L.R.: Limited LR1 demand was observed, maintaining steady rates on the UKC-WAF route at WS155. The LR2 market, however, saw healthy volumes, leading to a w-o-w rise in rates on the same route at WS120. In the MEG, LR1 vessels mirrored the performance of larger tankers. On TC5 route, the index increased by 12 points to WS169.

## Tankers S&P Report

VESSEL NAME	TYPE	DWT	YEAR	BUILT	PRICE (MILLION) USD	COMMENTS / BUYERS
CHEMTRANS AEGEAN	LR1	76,578	2007	CHINA	22.0	UNDISCLOSED
SANDPIPER PACIFIC	MR	51,833	2013	S. KOREA	34.0	UNDISCLOSED
EVINOS	MR	49,997	2013	S. KOREA	33.7	R SHIPPING
LACERTA / BORA BORA	MR	49,996	2016	S. KOREA	40.0 EACH	TURKISH BUYERS
TRF BERGEN	MR	49,126	2015	VIETNAM	36.0	HAFNIA

## Baltic Exchange Tanker Indices

INDICES	CURRENT	LAST WEEK	LAST YEAR	W-O-W CHANGE	Y-O-Y CHANGE
BDTI	1,149	854	1,554	+34.54%	-26.06%
BCTI	748	775	1,226	-3.48%	-38.99%

## Tankers Values

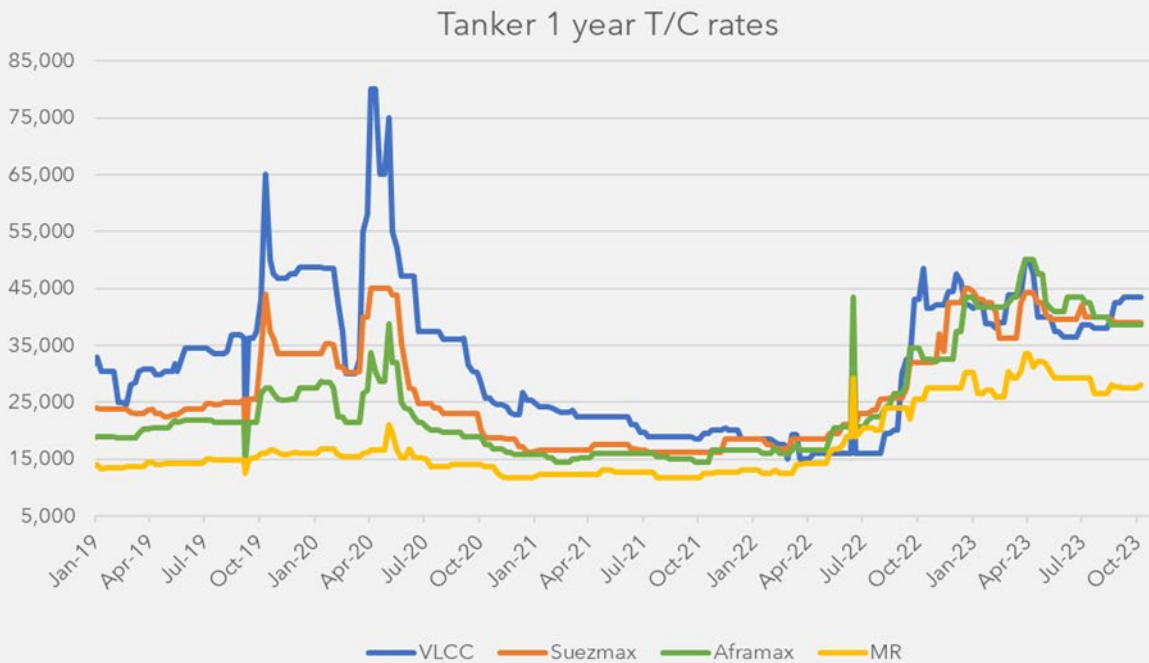
(Weekly)

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	80	67	55	27
PANAMAX-LR1	73,000	57	60	50	37	20
MR TANKER	51,000	47	50	41	33	19

\*(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	36,500	39,000	41,500	-6.41%	-12.05%
SUEZMAX	150,000	38,750	38,750	32,000	0	+21.09%
AFRAMAX	110,000	36,250	36,250	32,500	0	+11.54%
LRI	74,000	30,750	28,750	37,500	+6.96%	-18.00%
MR	47,000	26,000	26,000	27,500	0	-5.45%



## Containers

The container spot freight market showed varying patterns this week. Although major routes saw significant drops, significant improvements were observed on non-mainlane ones. The SCFI rate for container spot freight increased by 0.6% from September but has decreased by 16% since January 23, 2016. On the Shanghai to Northern Europe trade route, the rates dropped 6% to around \$552 per TEU, which is the lowest since June 2016.

## Containers S&P Report

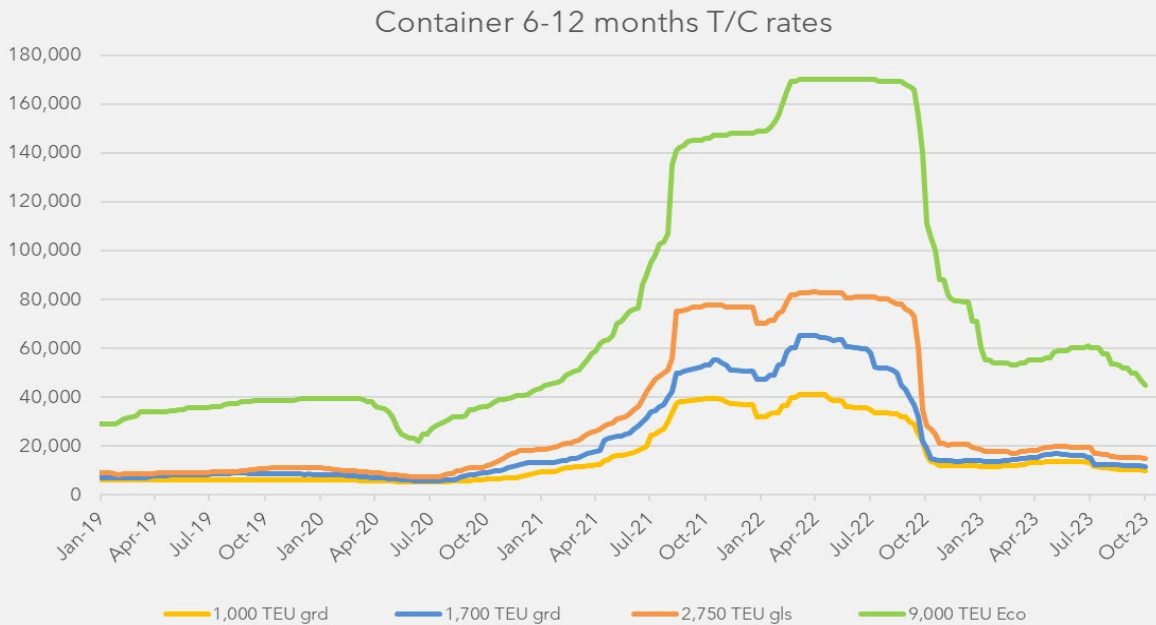
VESSEL NAME	TYPE	TEU	YEAR	BUILT	PRICE (MILLION) USD	COMMENTS / BUYERS
MSC REN V	PMAX	4,515	2002	S. KOREA	18.5	UNDISCLOSED

## Containers Values

(Weekly)

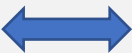



CONTAINERS (BY TEU)	GEARED / GEARLESS	NB CONTRACT	NB PROMPT DELIVERY	5 YEARS	10 YEARS	20 YEARS
900 – 1,200	Geared	24	24	17	10	8
1,600 – 1,800	Geared	29	27	22	16	12
2,700 – 2,900	Gearless	41	37	29	18	15
5,500 – 7,000	Gearless	93	78	66	41	N/A

\*(amount in USD million)





## Ship Recycling Market Snapshot

DESTINATION	TANKERS	BULKERS	MPP/ GENERAL CARGO	CONTAINERS	SENTIMENTS / WEEKLY FUTURE TREND
ALANG (WC INDIA)	540 ~ 550	530 ~ 540	520 ~ 530	580 ~ 590	WEAK / 
*CHATTOGRAM, BANGLADESH	490 ~500	450 ~ 460	460 ~ 470	510 ~ 520	WEAK / 
**GADDANI, PAKISTAN	510 ~ 520	500 ~ 510	480 ~ 490	510 ~ 520	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	WEAK / 

- 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

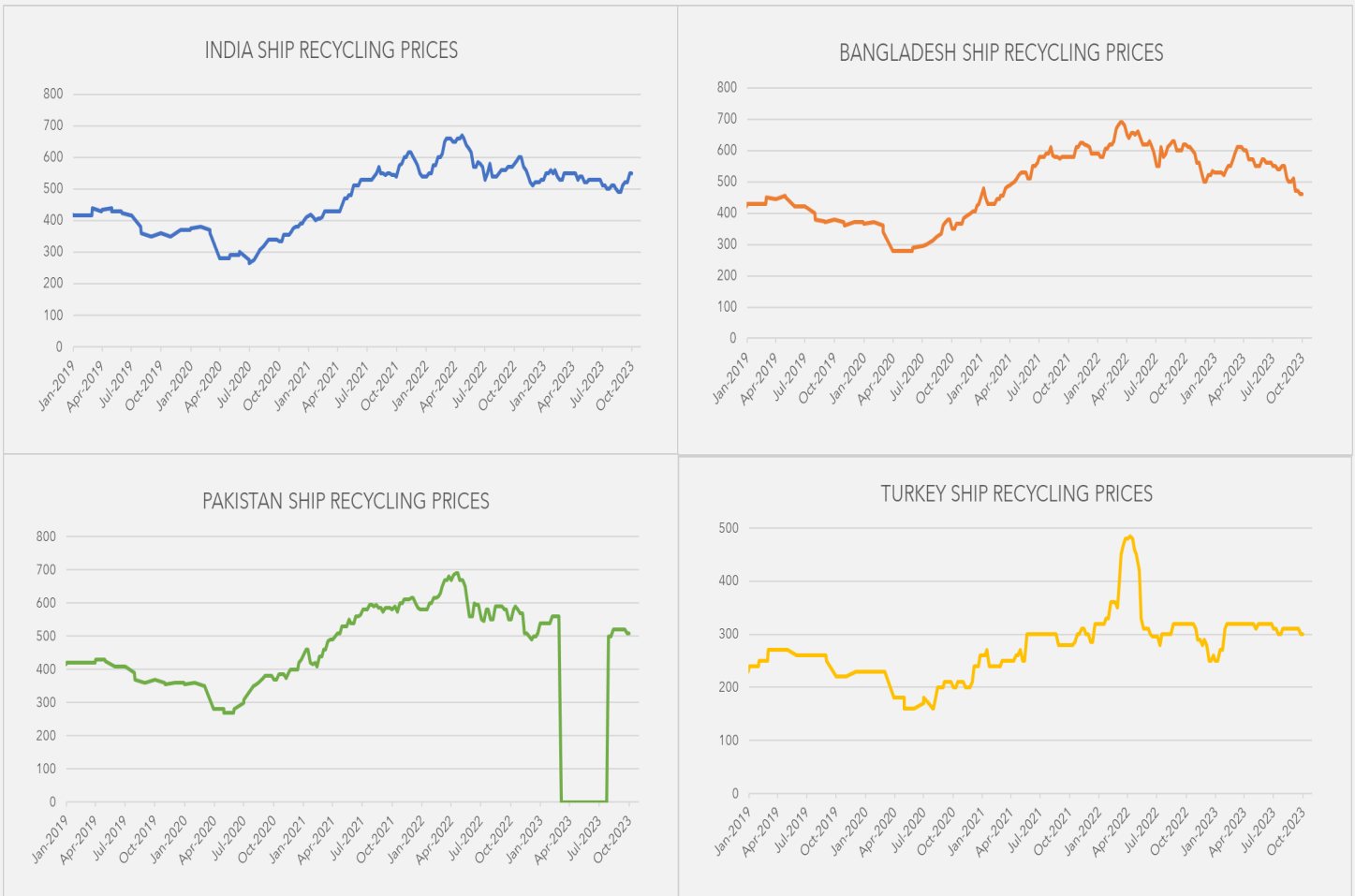
(Week 41)

DESTINATION	2018	2019	2020	2021	2022
ALANG, INDIA	445	360	345	600	615
CHATTOGRAM, BANGLADESH	450	370	355	610	615
GADDANI, PAKISTAN	440	360	375	605	590
ALIAGA, TURKEY	270	220	200	290	330

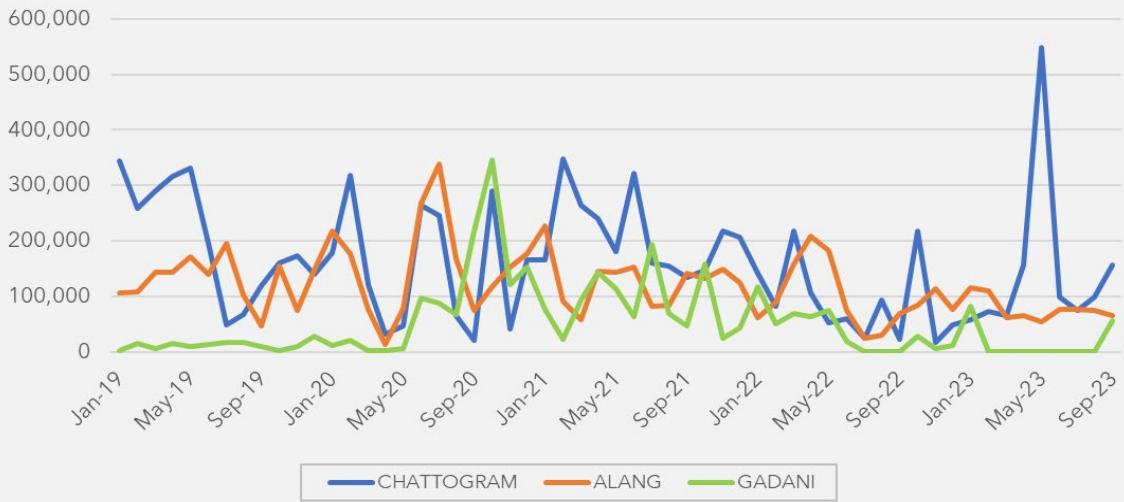
## Ships Sold for Recycling

VESSEL NAME	LDT / MT	YEAR / BUILT	TYPE	PRICE (US\$/LDT)	COMMENTS
HUA DA 606	3,500	2005 / CHINA	GEN.CARGO	510	DELIVERED ALANG
SEA SMILE	8,118	1995 / JAPAN	BULKER	520	DELIVERED FULL SUB-CONTINENT IN BUYERS OPTION FOR DECEMBER DELIVERY.
MSC LEVINA	12,858	1989 / S.KOREA	CONTAINER	565	DELIVERED ALANG FOR MSC-APPROVED YARDS WITH ABOUT 400 TONS OF BUNKERS INCLUDED

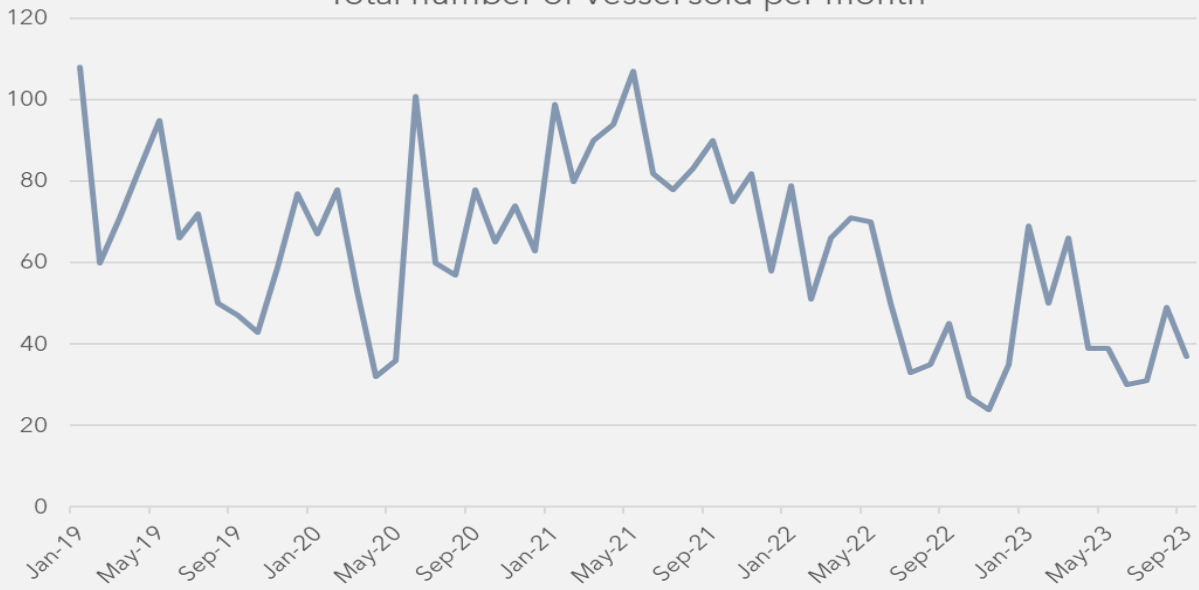
## Recycling Ships Price Trend



Sub-continent total Light Displacement Tonnage in metric tons



Total number of Vessel sold per month



## Insight

The Tradewinds Ship Recycling conference in Singapore delved into critical issues shaping the ship recycling industry, providing insights into the challenges and progress across various countries. One of the topics discussed centred on the Recycler's Perspective regarding the future trajectory of the Hong Kong Convention (HKC), with a collective aspiration for Pakistan to emulate Bangladesh's strides in rectifying HKC compliance.

Another point was the complexity of regulations, including Basel and EUSSR standards, which highlighted the need for international governance to create a unified understanding and preference was given to have HKC as the suitable framework for green recycling.

Here are some of the highlights from the recycling regions.

Turkey recyclers faced a challenging year with historically low ship volumes and light displacement tonnage. The difficulties were attributed to both economic factors, such as rising interest rates, and global dynamics, including China's steel export pressure. Despite a challenging first half, optimism existed for a potential recovery towards the end of the year, fuelled in part by demand from India. However, the expectation of a decline in scrap steel prices added a note of realism.

Indian recyclers showcased advancements with 126 yards achieving the Standard of Compliance (SOC) and continuous improvements in worker training. However, the challenges they faced were also a decline in ship arrivals and some yards struggling with the recovery of their investments after making the improvements. One of the pivoting talk points was the divergence in regulations between HKC and EUSSR, which presented a significant challenge, with Indian recyclers asserting that HKC standards were sufficient.

Bangladeshi recyclers, on the other hand, emphasised the need for a governing board overseeing recycling. They showcased their SENSREC project in Norway, fostering collaboration between recyclers and regulators to rectify HKC compliance. While there are currently four HKC-compliant yards in Chattogram, efforts are underway to ensure all the yards meet the standard. An achievement highlighted by the Bangladesh Ship Breakers & Recyclers Association (BSBRA) was the establishment of a 200-bed hospital as part of the SENSREC initiative.

Lastly, industries' best wishes go to Pakistan, as they unveiled their commitment to rectifying HKC by 2025 at The Tradewinds Recycling Conference this year. Pakistan recognised its challenges, including the time constraint and the necessity for an industry mindset shift within the yard owner. Currently, most shipyards in Pakistan are ISO certified, but their main contest will be how they handle the safe disposal of Inventory of Hazardous

Material (IHM). Plans for a Treatment, Storage, and Disposal Facilities (TSDFs) near Gadani are also currently ongoing aimed at reducing the carbon footprint of hazardous material, but there is a significant financial hurdle to cross. Pakistan calls for stakeholders and owners to have a vested interest in the future developments of the yards. Despite navigating severe economic challenges, Pakistani recyclers have expressed their unwavering determination to take requisite actions, extending their commitment hopefully beyond HKC.

## Alang, India

The week introduced uncertainty within the recycling sector as domestic ship scrap prices began to be corrected along with U.S. dollar strengthening. This tandem negative effect weakened the ship recycler's sentiments. While this adjustment was noted, the demand for ships appeared to maintain a reasonably stable status, mainly as steel mills engaged in restocking activities in preparation for the upcoming festive season.

Despite the limited supply of end-of-life ships, there is now less urgency to pursue deals, as practical calculations indicate that they would be incurring losses based on domestic scrap prices.

During this week, another container ship from MSC, the MSC Levina, built in South Korea in 1989 and weighing 12,858 tons, was sold at a slightly reduced gross price of US\$565/ton levels. The sale price also included 400 tons of bunkers. Last week, a similar container, MSC Denisse, was able to fetch gross US\$575/ton levels. This transaction serves as a clear indication of prices stabilising in the Alang ship recycling market.

Going forward, more fresh sales into Alang should give more clues to the price setting.

### Anchorage & Beaching Position (October 2023)

VESSEL NAME	TYPE	LDT	ARRIVAL	BEACHING
TYCOON	BULKER	12,651	13.10.2023	AWAITING
MSC DENISSE	CONTAINER	14,348	13.10.2023	AWAITING
UNI ASPIRE	CONTAINER	7,098	09.10.2023	AWAITING
MARSA IRIS	CONTAINER	7,852	07.10.2023	AWAITING
AUSTIN III	TANKER	2,402	06.10.2023	AWAITING
FORTUNE TRADER	CONTAINER	7,912	04.10.2023	AWAITING
BERRY	CONTAINER	6,499	30.09.2023	05.10.2023
MSC JASMINE	CONTAINER	14,305	01.10.2023	05.10.2023
E DRILL	RIG	4,904	01.10.2023	05.10.2023

FRIO OLYMPIC	REEFER	4,698	28.09.2023	04.10.2023
HONG KONG	CONTAINER	7,009	02.10.2023	04.10.2023

### Chattogram, Bangladesh

The ship recycling markets have been slowly recovering with the resumption of domestic sales for ship scrap plates, driven by domestic mills reinitiating their purchases. Nevertheless, issues with L.C.s have persisted, with only a limited number of ship recyclers successfully securing L.C.s lately.

Looking ahead, the ship recycling industry in Bangladesh is expected to gradually regain momentum as mills continue their purchasing activities.

### Anchorage & Beaching Position (October 2023)

VESSEL NAME	TYPE	LDT	ARRIVAL	BEACHING
TAI H	RORO	4,043.72	10.10.2023	AWAITING
YI DING 9	TANKER	1,552.20	21.09.2023	AWAITING
HARIN NAVEE 10	GEN.CARGO	959	01.10.2023	04.10.2023
SIRITANASIN	TANKER	744	26.09.2023	04.10.2023
ANA	BULKER	7,981	28.09.2023	04.10.2023
EXPRESS 6	REEFER	1,264.50	20.09.2023	03.10.2023
HAVEN GUARDER	BULKER	5,983	26.09.2023	02.10.2023
HENG HUI 2	CONTAINER	14,775	18.09.2023	02.10.2023

### Gaddani, Pakistan

A sharp decline in domestic ship scrap prices has significantly dampened enthusiasm amongst ship recyclers for fresh purchases. Even as the Pakistani rupee experienced a notable uptick, appreciating by approximately 12% in just two weeks, the domestic ship scrap prices dropped by about 30%, offsetting the FX gains.

Despite some encouraging steps by banks to ease LC procedures, it has not yet rekindled a strong buying eagerness. Instead, most recyclers have opted to remain on the sidelines. They are closely watching the currency's stability and are also awaiting improvements in domestic scrap prices before committing to further transactions.

Going forward, Pakistani recyclers have taken a back seat at the prevailing price levels as they cannot compete with their neighbours.

### Anchorage & Beaching Position (October 2023)

VESSEL NAME	TYPE	LDT	ARRIVAL	BEACHING
NIKOS	BULKER	9,743	02.10.2023	03.10.2023

### Aliaga, Turkey

Turkish mills have maintained their domestic scrap buying prices despite the lira weakening against the dollar, with imported scrap prices facing pressure due to excess supply over demand. Few mills showed interest in scrap mid-week, but the growing availability of offers from various regions pushes scrap prices down. Following recent EU-origin bookings, European suppliers offer HMS 1&2 80:20 at US\$360/t CFR Turkey, while Turkish mills aim below US\$355/ton CFR.

Suppliers expect Turkish mills to raise purchasing prices in the domestic scrap market due to the accelerated depreciation of the lira post-war outbreak. Shipbreaking scrap prices range from US\$365-376/t delivered, depending on Western Turkish mills' needs. The lira closes at 27.80 per dollar.

#### BEACHING TIDE DATES 2023

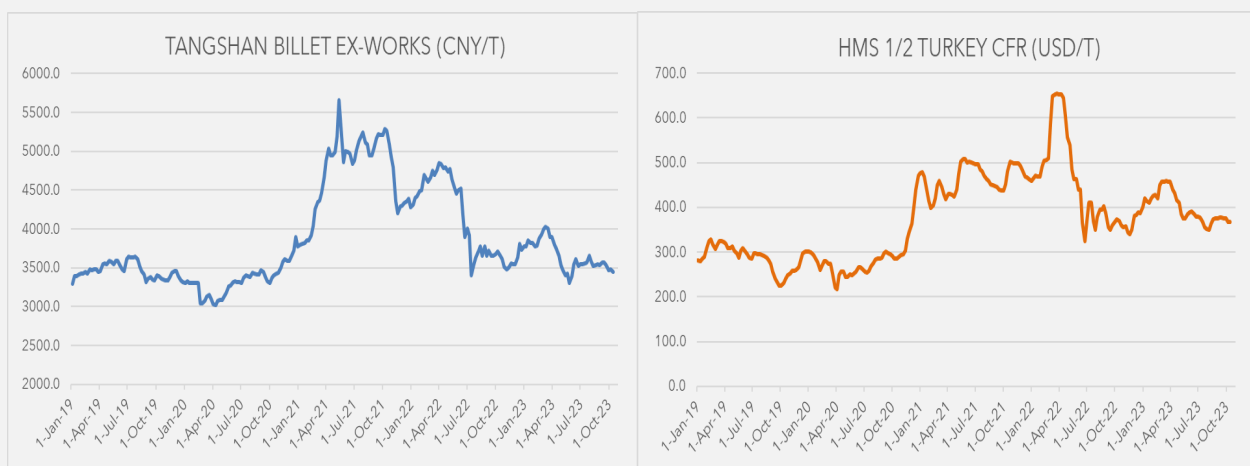
Chattogram, Bangladesh : 13 ~ 16 October | 27 ~ 30 October

Alang, India : 14 ~ 20 October | 26 October ~ 03 November

BUNKER PRICES (USD/TON)			
PORTS	VLSFO (0.5%)	IFO380 CST	MGO (0.1%)
SINGAPORE	660	477	883
HONG KONG	654	494	875
FUJAIRAH	643	479	935
ROTTERDAM	602	514	871
HOUSTON	613	502	896

EXCHANGE RATES			
CURRENCY	13 <sup>th</sup> OCTOBER	6 <sup>th</sup> OCTOBER	W-O-W % CHANGE
USD / CNY (CHINA)	7.28	7.19	-1.25%
USD / BDT (BANGLADESH)	110.66	110.09	-0.52%
USD / INR (INDIA)	83.23	83.22	-0.01%
USD / PKR (PAKISTAN)	277.44	283.83	+2.25%
USD / TRY (TURKEY)	27.80	27.56	-0.87%

## HMS 1/2 & Tangshan Billet



## Commodities Insight

**Copper** saw an initial rise in early trading, benefiting from a boost in risk assets following less hawkish comments from the Fed. Positive reports of additional fiscal stimulus in China were well-received by the market. However, sentiment took a hit later in the session due to increased copper inventories. Stockpiles on the LME reached 181.2kt, their highest level in nearly two years. This increase coincided with a deteriorating demand outlook in traditional sectors like construction, further exacerbated by a stronger USD, which posed challenges for the base metals sector.

On the other hand, **Iron ore** futures saw an uptick in price despite production cuts by Chinese steel mills. These cuts were implemented to support steel prices, which had experienced significant declines in recent months. However, iron ore prices rose following Australia's decision to reintroduce a list of critical minerals, hinting that domestically abundant commodities like iron ore might be added.



For the Chinese steelmakers, lately, they are struggling with plummeting prices and a post-holiday slump in demand. Some of the steel producers, like Yunnan steel, are cutting construction steel output by 300,000 tonnes in October due to high coal costs and weak steel prices. Yunnan Xianfu Steel has suspended several blast furnaces temporarily. Furthermore, Yunnan steel mills now demand advance payments from traders before shipping, indicating a lack of confidence in the market.

Hubei steel mills are also taking measures to mitigate losses by limiting the sales price and quantity of steel. Jinshenglan Steel is reducing billet production and conducting maintenance on a construction steel rolling mill.

Many Chinese steel mills are opting for production cuts to prevent escalating losses, with Shanxi-based companies like Lvliang Jianlong, Jinnan Steel, and Taihang Steel, as well as industry giants Shougang Jingtang and Baosteel, implementing restrictions and overhauls. These actions aim to restore market confidence, but the overall impact remains limited as more mills are compelled to reduce production temporarily.

### 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)	118	-1.6%	+22.9%	120	96
Iron Ore Fines, CNF Qingdao, China	Fines, Fe 62.5% (Brazil Origin)	121	0%	+23.4%	121	98

### Industrial Metal Rates

INDEX	UNITS	PRICE	CHANGE	%CHANGE	CONTRACT
Copper (Comex)	USD / lb.	360.80	+1.70	+0.47%	Dec 2023
3Mo Copper (L.M.E.)	USD / MT	7,991.00	-33.00	-0.41%	N/A
3Mo Aluminum (L.M.E.)	USD / MT	2,200.00	-14.00	-0.63%	N/A
3Mo Zinc (L.M.E.)	USD / MT	2,449.50	-27.00	-1.09%	N/A
3Mo Tin (L.M.E.)	USD / MT	24,812.00	-107.00	-0.43%	N/A

## Crude Oil & Natural Gas Rates

INDEX	UNITS	PRICE	CHANGE	%CHANGE	CONTRACT
WTI Crude Oil (Nymex)	USD / bbl.	85.15	+2.24	+2.70%	Nov 2023
Brent Crude (ICE.)	USD / bbl.	88.20	+2.20	+2.56%	Dec 2023
Crude Oil (Tokyo)	J.P.Y. / kl	83,340.00	+540.00	+0.65%	Oct 2023
Natural Gas (Nymex)	USD / MMBtu	3.29	-0.05	-1.64%	Nov 2023

Note: all rates as at C.O.B. London time October 13, 2023



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*This report is performed to the best of our knowledge based on the market conditions prevailing at the time mentioned. The report relates solely to the date/place referred to, and we emphasise that it is a statement of information collected from various market sources. All details above are from information given to us and such information as we have obtained from relevant references in our possession. Still, we can accept no responsibility, and we bear no liability for any loss or damage incurred to any person acting upon this report. STAR ASIA believes the information to be accurate and given in good faith but without guarantee. STAR ASIA will not be held responsible in any way for any action or failure to act based on the information given in this report. The use of the report cannot be reproduced or used without authorisation from STAR ASIA.*