



# WEEKLY REPORT

*We would like to wish all our readers a Happy New Year 2025!*

## WEEK 52 – December 28, 2024

Once again, Chinese data made headlines this week, with China's Industrial Profits Declining for the Fourth Straight Month, which was the sharpest annual decline since records began in 2000.

China's industrial profits fell 7.3% year-on-year in November, marking a fourth consecutive monthly decline, according to the National Bureau of Statistics said in a statement on Friday. While the drop reflects continued pressure on corporate earnings, it was less severe than October's 10% slump and the 27.1% plunge in September – the sharpest fall since March 2020.

From January to November, industrial profits fell 4.7% compared to the same period last year, widening from a 4.3% drop recorded in the first 10 months of 2024. Mining industry profits plunged 13.2% year-on-year, and manufacturing profits declined 4.6%, while the utilities sector showed resilience with a 10.9% profit increase.

Despite policy interventions, broader economic indicators highlight lingering challenges. Consumer inflation hit a five-month low in November, and retail sales, exports, and imports missed expectations. However, manufacturing activity expanded for the second consecutive month, reaching a five-month high.

The World Bank revised its GDP growth forecast for China to 4.9% in 2024, up from 4.8%, reflecting optimism about the impact of recent policy shifts. Still, the embattled property sector and subdued confidence remain significant hurdles to sustained recovery.

China is poised to achieve its growth target of around 5% this year, supported by emerging signs of economic recovery. However, new challenges are on the horizon as Donald Trump prepares to take office next month.

His proposed steep tariffs on Chinese goods pose a significant threat to China's export sector, which is already under pressure from rising trade barriers in key markets like the European Union.

## Dry Bulk

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Capesize spot rates have plunged to multi-year lows for this season, a stark contrast to earlier expectations of a strong year-end – with only the COVID-19 period seeing lower levels. The decline has surpassed even conservative stability projections, while Panamax rates show signs of recovery from their historic lows. With both basins experiencing tonnage oversupply against steady demand, a significant Capesize rebound before year's end seems unlikely.

The market has shown interesting divergence throughout the year: Capesize rates maintained robust performance while Panamax rates steadily declined from their March peak. Forward expectations have moderated considerably, with 2025 Capesize futures trading below US\$18,000, matching levels from this time last year. While iron ore inventories remain unseasonably high, any positive shift in market sentiment could lift freight rates.

### Capesize:

The Pacific experienced a brief rebound following a sustained downturn. However, a full recovery remains distant due to weak cargo inflows across both the iron ore and coal sectors. The Atlantic observed typical holiday trading patterns. Despite last Friday's rate increases, market sentiment remains bearish, with supply-demand fundamentals mirroring the Pacific region's challenges.

### Panamax/Kamsarmax:

The Atlantic, while lacking strong upward momentum, is finding support from positive sentiment in the T/A routes. In contrast, the Pacific continues to decline despite recovering grain flows from the North Pacific, especially with the holidays. This downward stems from the absence of new demand from Indonesia and the increasing congestion of spot vessels.

### Supramax/Ultramax:

The Atlantic is experiencing limited rate fluctuations due to stable supply-demand fundamentals and modest spot activity. Similarly, Pacific continues to see oversupply across routes; the surplus is not excessive relative to demand, with a slight loss at closing.

### Handysize:

Not much activity was recorded during this period of holidays. The handy segment did

see slight activity in the Pacific, but the Atlantic remains mostly muted. BHSI ended the week with a slight loss.

### Baltic Exchange Dry Bulk Indices

INDICES	CURRENT	LAST WEEK	LAST YEAR	W-O-W CHANGE	Y-O-Y CHANGE
BDI	997	990	2,094	+0.71%	-52.39%
BCI	1,147	1,115	3,398	+2.87%	-66.24%
BPI	988	976	1,909	+1.23%	-48.25%
BSI	923	940	1,369	-1.81%	-32.58%
BHSI	569	579	879	-1.73%	-35.27%

### Dry Bulk Values

(Weekly)

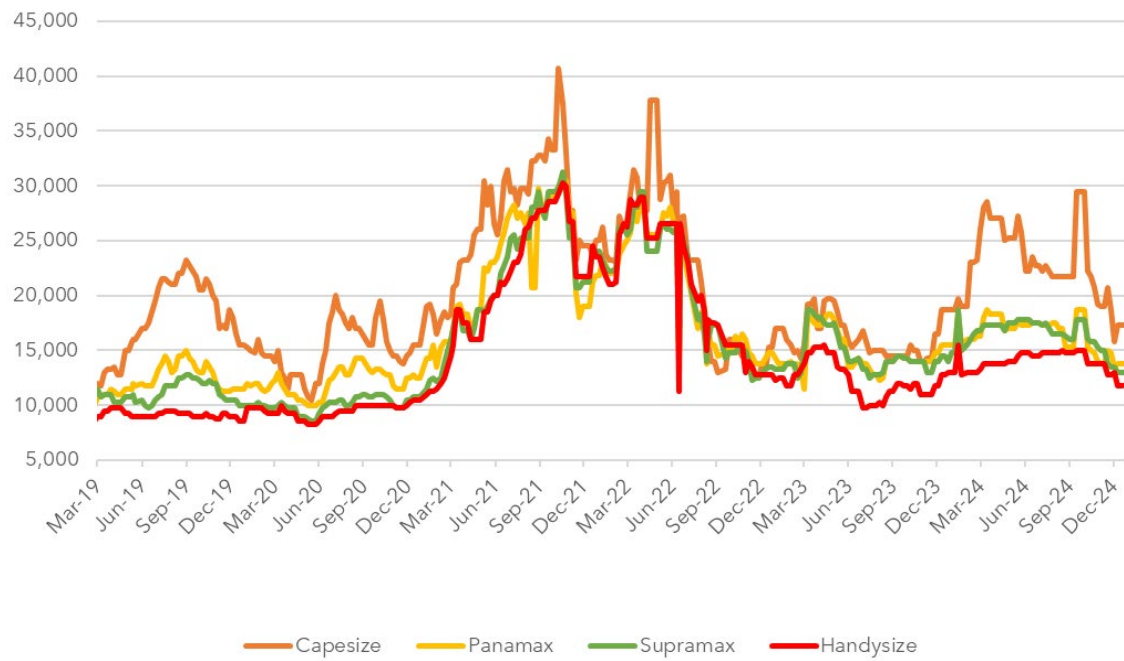
TYPE	DWT	NB CONTRACT	NB PROMPT DELIVERY	5 YEARS	10 YEARS	15 YEARS
CAPE	180,000	74	75	62	44	27
KAMSARMAX	82,000	36	42	36	27	17
SUPRAMAX	56,000	33	39	34	25	15
HANDY	38,000	29	33	27	20	12

\*(amount in USD million)

### Dry Bulk – S&P Report

VESSEL NAME	TYPE	DWT	YEAR	BUILT	PRICE (MILLION) USD	COMMENTS / BUYERS
LINDA OLDENDORFF	VLOC	207,562	2014	S. KOREA	48.3	BOHAI SHIPPING
BETTYS DREAM	KMAX	82,641	2008	JAPAN	12.8	CHINESE BUYERS
TWINKLE ISLAND	KMAX	82,265	2012	JAPAN	20.0	ORION
RU MENG LING	KMAX	81,487	2010	JAPAN	15.0	GREEK BUYERS
ELPIDA	PMAX	73,311	2001	JAPAN	7.5	MIDDLE EASTERN BUYERS
QING DAO GANG DA GANG	SMAX	56,444	2012	CHINA	12.9	UNDISCLOSED
INDIGO OMEGA	SMAX	56,092	2012	JAPAN	17.3	KOUROS MARITIME
SSI NEMESIS	SMAX	56,023	2005	JAPAN	10.9	UNDISCLOSED
ZEIN	SMAX	52,402	2001	JAPAN	7.0	UNDISCLOSED
MOMO GLORY	HANDY	28,222	2014	JAPAN	12.0	GREEK BUYERS

Dry Bulk 1 year T/C rates



## Tankers

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As 2024 concludes, the oil market faces significant headwinds with OPEC's downward revision of demand forecasts for 2025, particularly highlighted by China's reduced growth outlook to 430,000bpd. Structural changes in transportation present ongoing challenges to crude oil demand recovery. However, potential increases in OPEC crude exports, whether driven by Russian oil sanctions or market share strategies, could provide some support for crude tanker demand in the coming years.

The crude tanker freight market continues to underperform during what should be the peak winter season, with VLCC rates in both the Arabian Gulf and West Africa regions struggling to gain momentum. This weakness is primarily attributed to limited spot cargo availability and heightened vessel competition.

Looking ahead, market sentiment remains cautious as geopolitical uncertainties loom large, particularly regarding potential U.S. sanctions on Russian and Iranian oil exports.

### VLCC:

MEG showed slight improvement at the start of the week following January cargo flows. With some available vessels being absorbed, rates recovered to the WS39 range. Looking ahead, markets are beginning to emerge from the downturn, rate movements are expected to remain stable during the holiday period.

### Suezmax:

The west African market maintained stability until mid-week, which was supported by strength in the Black Sea and Med region. However, rates declined significantly from the previous week as multiple vessels previously engaged in regional trading returned to the spot market.

### Aframax:

MEG closed lower despite expectations for new cargo flows before the New Year. The decline was attributed to limited fresh demand, combined with Suezmax vessels competing for Aframax cargoes.

### Clean:

Despite the holiday season, MEG saw an increase in LR2 vessel availability due to lower-than-expected charter demand. Rates trended downward as owners offered discounts amid concerns about diminished activity during this season. Meanwhile, MR in the Far East closed firm, with available vessels quickly being absorbed by regional cargo flows.

## Baltic Exchange Tanker Indices

INDICES	CURRENT	LAST WEEK	LAST YEAR	W-O-W CHANGE	Y-O-Y CHANGE
BDTI	927	914	1,200	+1.42%	-22.75%
BCTI	625	627	960	-0.32%	-34.90%

## Tankers Values

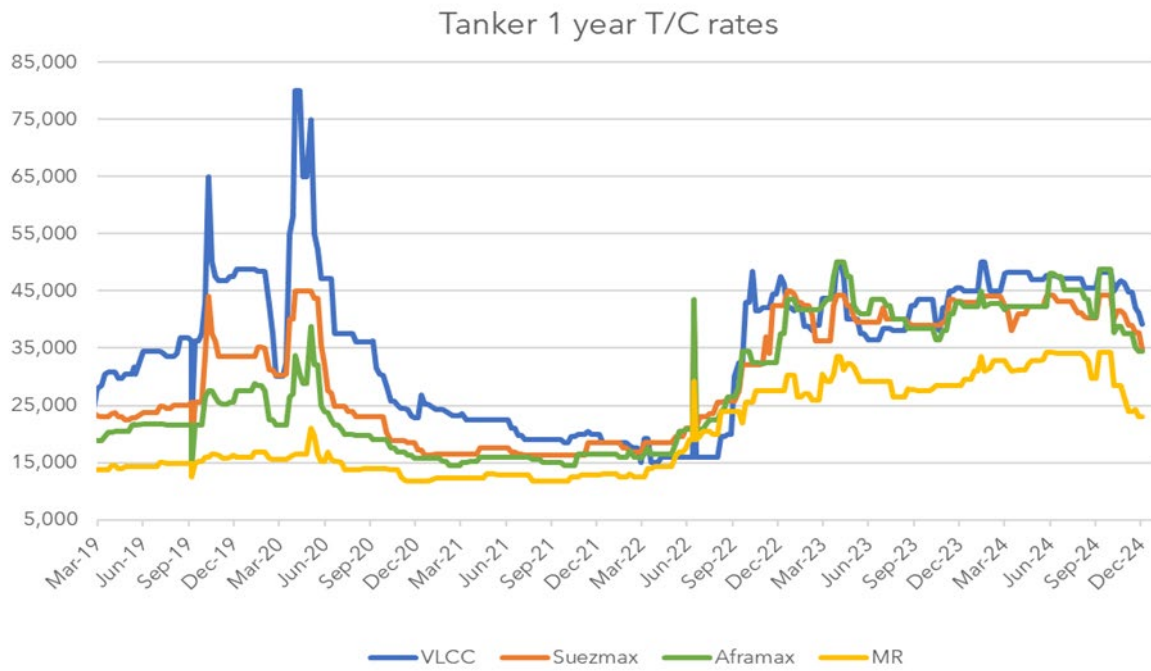
(Weekly)

TYPE	DWT	NB CONTRACT	NB PROMPT DELIVERY	5 YEARS	10 YEARS	15 YEARS
VLCC	310,000	128	143	114	84	56
SUEZMAX	160,000	89	97	82	66	49
AFRAMAX	115,000	74	85	71	60	43
LR1	73,000	61	67	57	47	31
MR	51,000	51	52	49	40	27

\*(amount in USD million)

## Tankers S&P Report

VESSEL NAME	TYPE	DWT	YEAR	BUILT	PRICE (MILLION) USD	COMMENTS / BUYERS
TORM HELVIG	MR	46,081	2005	S. KOREA	18.0	CHINESE BUYERS
CHIBA	MR	45,975	2007	JAPAN	17.0	UNDISCLOSED
RAYLEIGH FISHER	MR	35,192	2005	CHINA	13.2	UNDISCLOSED
MONAX / MARMOTAS	PROD / CHEM	20,762	2005	JAPAN	31.2 (SS)	TUFTON
DH HONESTY	PROD / CHEM	13,148	2021	CHINA	25.6 (SS)	UNDISCLOSED



## Containers

Trans-Pacific routes present a mixed picture. The West Coast is seeing rate increases driven by early Lunar New Year shipping demand and GRI implementation, with some cargo rolling to the next sailings due to space constraints. East Coast rates are supported by steady volume growth as shippers rush to move cargo amid ILA strike concerns and anticipated 2025 tariff increases. Meanwhile, Southeast Asian routes are experiencing slight rate declines as shippers complete holiday bookings, leading to firm competition for cargo among carriers.

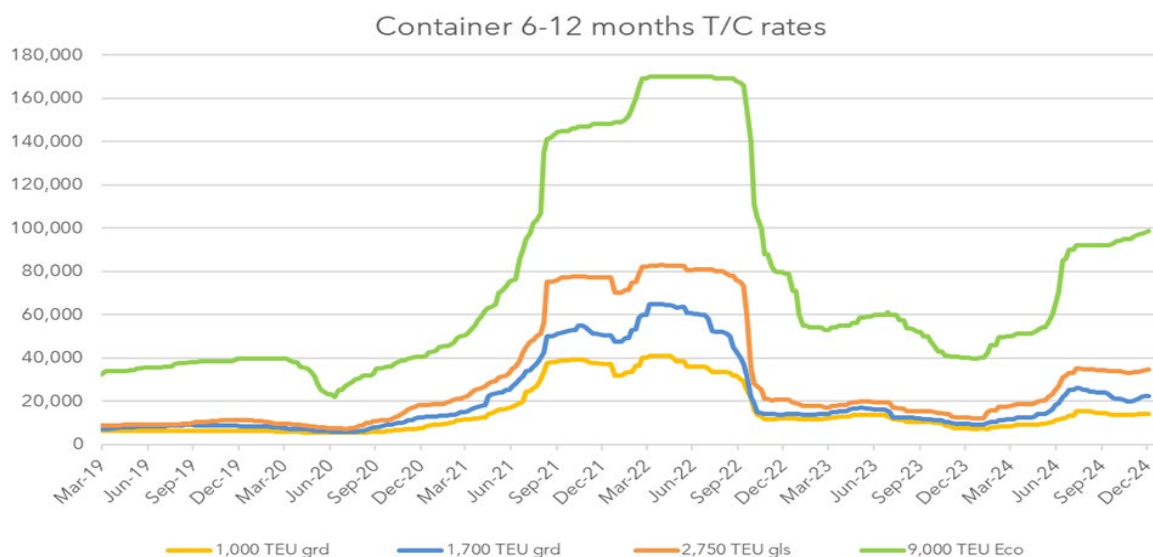
### Containers S&P Report

VESSEL NAME	TYPE	TEU	YEAR	BUILT	PRICE (MILLION) USD	COMMENTS / BUYERS
SOFIA I	PMAX	5,100	2010	CHINA	41.0	CHINESE BUYERS
AS FENJA	FEEDER	1,223	2005	GERMANY	8.5	CHINESE BUYERS
KOTA TENAGA	FEEDER	802	2002	S. KOREA	4.2	UNDISCLOSED

### Containers Values





CONTAINERS (BY TEU)	GEARED / GEARLESS	NB CONTRACT	NB PROMPT DELIVERY	5 YEARS	10 YEARS	15 YEARS
900 – 1,200	Geared	24	24	17	14	8
1,600 – 1,850	Geared	30	33	25	19	15
2,700 – 2,900	Gearless	41	43	34	27	23
5,100	Gearless	81	77	66	35	32

\*(amount in USD million)





## Ship Recycling Market Snapshot

DESTINATION	TANKERS	BULKERS	MPP/ GENERAL CARGO	CONTAINERS	SENTIMENTS / WEEKLY FUTURE TREND
ALANG (WC INDIA)	470 ~ 480	450 ~ 460	440 ~ 450	480 ~ 490	STABLE / 
CHATTOGRAM, BANGLADESH	470 ~ 480	460 ~ 470	440 ~ 450	480 ~ 490	STABLE / 
GADDANI, PAKISTAN	440 ~ 450	420 ~ 430	420 ~ 430	460 ~ 470	WEAK / 
<b>TURKEY</b> <i>*For Non-EU ships. For E.U. Ship, the prices are about USD 20-30/ton less</i>	360 ~ 370	340 ~ 350	350 ~ 360	370 ~ 380	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.

## 5-Year Ship Recycling Average Historical Prices

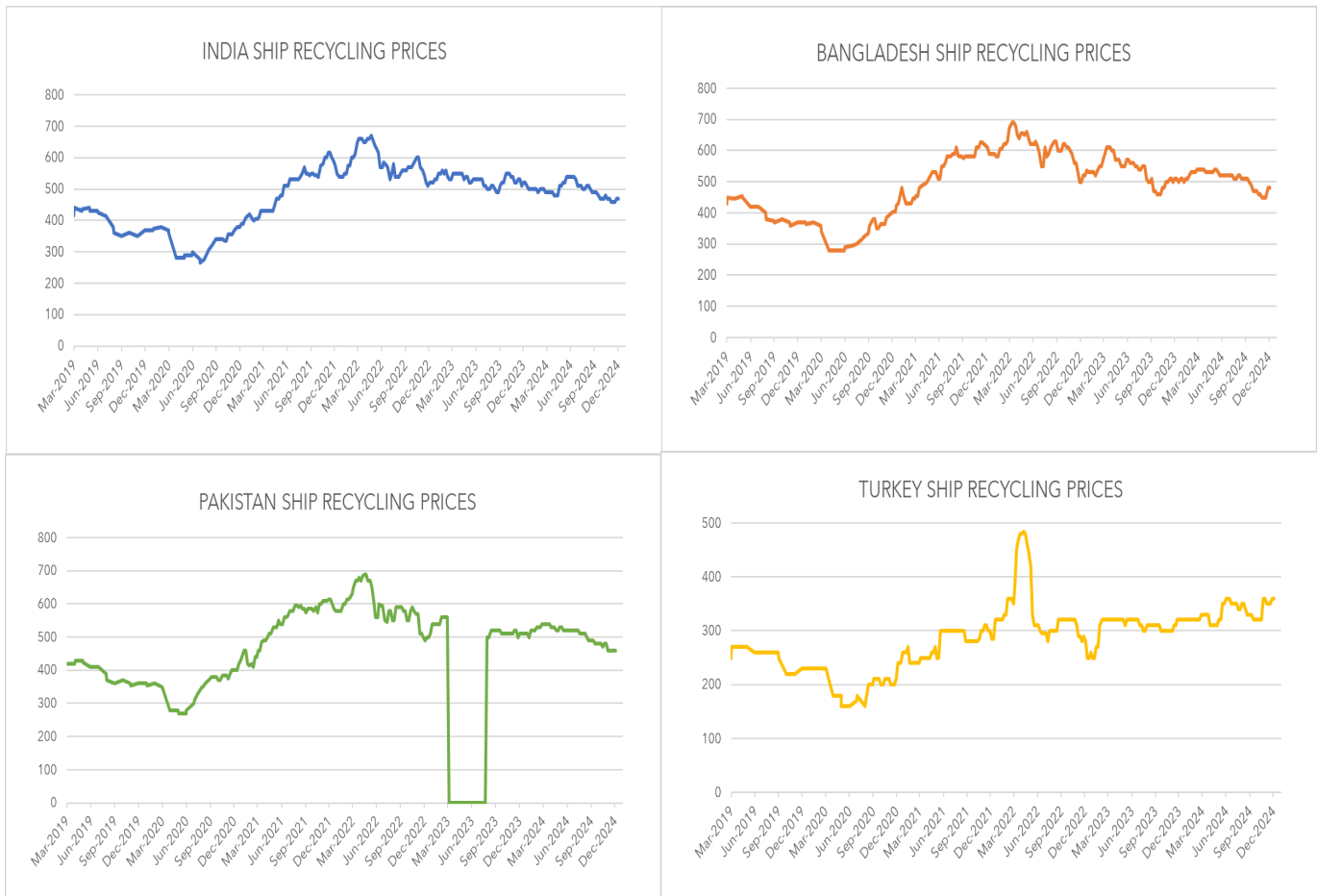
(Week 52)

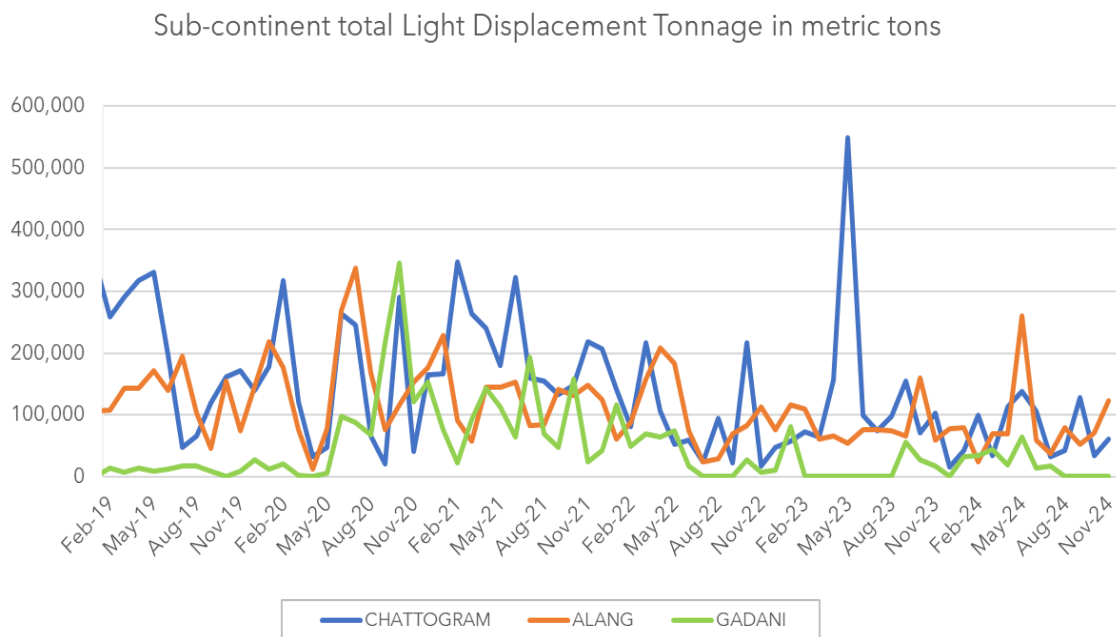
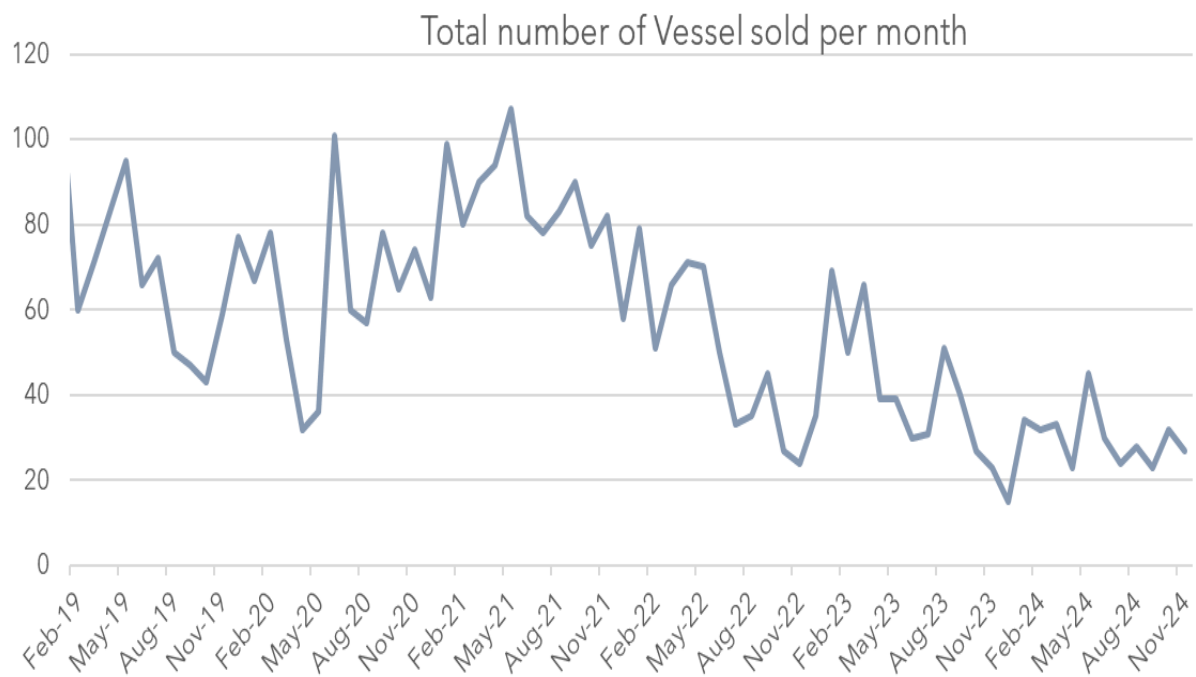
DESTINATION	2019	2020	2021	2022	2023
ALANG, INDIA	425	270	810	570	530
CHATTOGRAM, BANGLADESH	420	300	850	590	560
GADDANI, PAKISTAN	410	305	800	580	520
ALIAGA, TURKEY	270	210	300	300	320

## Ships Sold for Recycling

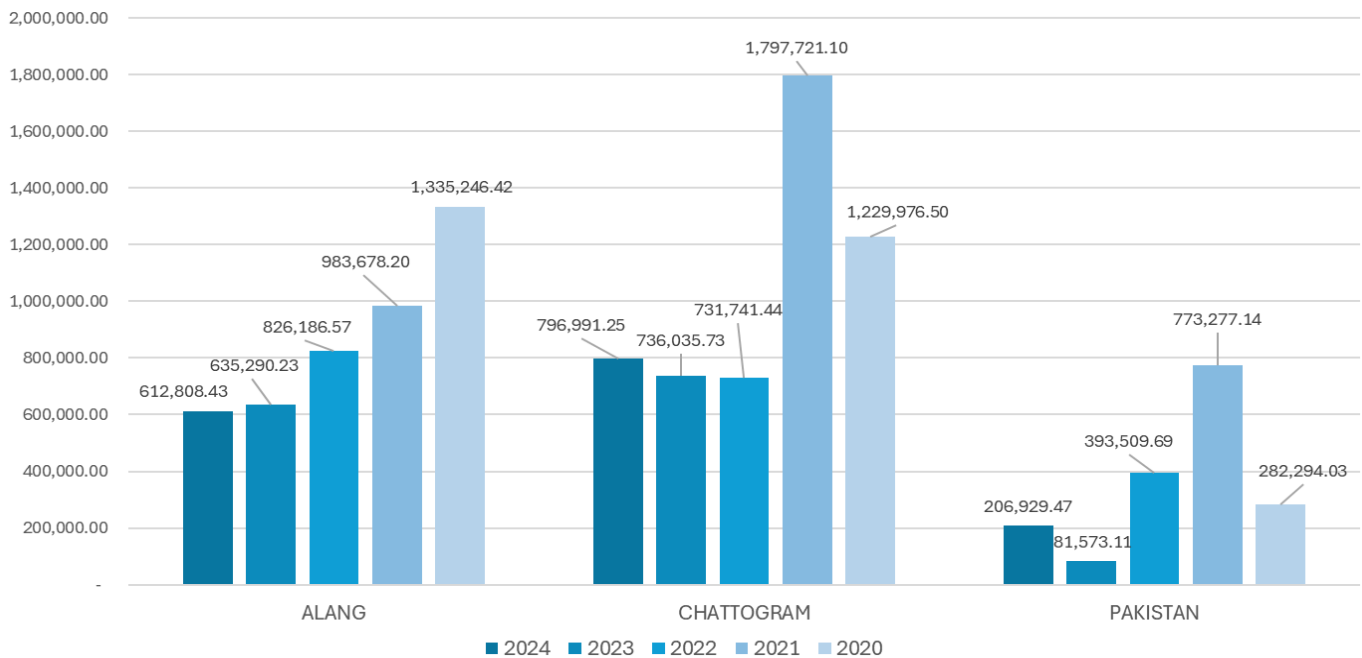
VESSEL NAME	LDT	YEAR / BUILT	TYPE	PRICE (USD/LDT LT)	COMMENTS
HL PYEONGTAEK	28,809	1995 / S.KOREA	LNG TANKER	480	AS IS SOUTH KOREA FOR THE REDELIVERY FULL SUB-CONTINENT
MSC ESHA F	4,950	1993 / GERMANY	CONTAINER	492	DELIVERED ALANG FOR MSC- APPROVED YARDS
ITAGUA	48,100	1997 / JAPAN	VLCC	447	DELIVERED ALANG
ENZO	17,398	1999 / S.KOREA	TANKER	UNDISCLOSED	DELIVERED ALANG
THREE STAR	7,627	1996 / JAPAN	BULKER	480	DELIVERED CHATTOGRAM
RIALTO	9,711	1998 / CROATIA	TANKER	475	DELIVERED ALANG

## Recycling Ships Price Trend





### COMPARISON OF TOTAL LIGHT DISPLACEMENT TONNAGE (LDT) SOLD 5 YEARS (January ~ November)



## Insight

The ship recycling markets in the Sub-Continent ended the year on a positive note, marked by a steady recovery and a gradual improvement in the supply of end-of-life vessels.

Several ships were sold during this period, with a notable number of deals still under negotiation. The uptick in activity has injected a sense of cautious optimism into the industry, signalling a potential steadiness after a challenging phase. Recyclers remain hopeful that the momentum will carry into the new year, fostering stability and continued support to the ship recycling sector.

### Alang, India

The Sub-Continent ship recycling markets held steady this week, with domestic recycling prices maintaining their stability and helping restore confidence among industry participants. This stability, coupled with key sales, has sparked renewed optimism in the sector.

Alang saw notable activity, including the sale of the VLCC *Itagua* to local recyclers and the Aframax tanker *Enzo*. The sale of tankers for recycling is viewed as a promising sign, suggesting a potential shift in market dynamics. Recyclers believe this development could mark the beginning of an uptick in supply from the tanker segment, providing a much-needed boost to the market.

Looking ahead, as freight rates experience a temporary lull, a significant number of ships that were initially slated for recycling but delayed due to market conditions are expected to re-enter the supply pipeline. This influx of vessels is likely to revitalise domestic secondary mills, many of which had been shuttered due to a lack of raw materials.

However, market participants remain cautious, closely watching global freight trends and economic indicators that could influence supply and pricing dynamics.

### **Anchorage & Beaching Position (DECEMBER 2024)**

VESSEL NAME	TYPE	LDT	ARRIVAL	BEACHING
BEREG MATCHY	REEFER	7,263	26.08.2024	22.12.2024
PRINCE 4	BULKER	2,860	18.12.2024	26.12.2024
TANTO	CONTAINER	4,218	10.12.2024	14.12.2024
MSC AUGUSTA	CONTAINER	8,800	10.12.2024	14.12.2024
BOSS 7	GENERAL CARGO	4,713	30.11.2024	14.12.2024
SEAGRAN	GENERAL CARGO	3,593	08.12.2024	13.12.2024
NEW SKY	REEFER	2,410	07.12.2024	12.12.2024
A STAR	RIG	14,856	30.11.2024	01.12.2024
HUMPBAC WHALE	FISHING	3,869	02.12.2024	06.12.2024
PROFORIY CHANCHIBADZE	FISHING	3,909	04.12.2024	07.12.2024

### **Chattogram, Bangladesh**

The ship recycling market demonstrated sustained strength this week as domestic ship scrap prices inched upward, bolstered by improving local demand. This marks a notable shift following a period of stagnation since the interim government assumed office.

The gradual price recovery reflects a combination of factors, including increased activity from local steel mills seeking raw materials and enhanced confidence in the economic outlook.

However, the market's upward trajectory remains cautious as challenges such as fluctuating global steel prices could influence momentum in the coming weeks.

#### **Anchorage & Beaching Position (DECEMBER 2024)**

VESSEL NAME	TYPE	LDT	ARRIVAL	BEACHING
NEW SMILE	TANKER	1,969	26.12.2024	26.12.2024
ASIA 10	MPP	2,413	12.12.2024	15.12.2024
CORAL	LNG	30,193	10.11.2024	11.12.2024
ARMADA SEIATI	CONTAINER	3,321	05.12.2024	11.12.2024
FATIMA SARI	BULKER	8,008	25.11.2024	04.12.2024

#### **Gadani, Pakistan**

The local ship recycling market endured another challenging week as ship prices remained subdued under the weight of cheaply available imported Chinese semi-finished and finished steel products. The influx of low-cost semi-finished and finished steel products from China continues to dampen domestic market sentiment, posing a significant obstacle to domestic price recovery.

Due to this, the recyclers in the region are facing fierce competition from neighbouring markets, particularly India.

Despite these headwinds, overall demand for end-of-life vessels remains steady at the prevailing prices.

#### **Anchorage & Beaching Position (DECEMBER 2024)**

VESSEL NAME	TYPE	LDT	ARRIVAL	BEACHING
-	-	-	-	-

#### **Aliaga, Turkey**

The Turkish hot-rolled coil market continues to experience weak demand. Export activity remains subdued due to the winter holiday season.

Turkish mills, meanwhile, are adjusting their February delivery prices upward, citing recent increases in scrap values and production costs. Despite these price hikes, Turkey's fourth-quarter EU tariff quota for HRC remains underutilised at 33% of the allocation, reflecting the broader market challenges.

The ship recycling market remains quiet, with not much activity to report.

### BEACHING TIDE DATES 2024

Chattogram, Bangladesh : NO TIDES IN DECEMBER

Alang, India : NO TIDES December

BUNKER PRICES (USD/TON)			
PORTS	VLSFO (0.5%)	HSFO (3.5%)	MGO (0.1%)
SINGAPORE	555	467	674
HONG KONG	566	498	677
FUJAIRAH	538	448	747
ROTTERDAM	514	453	655
HOUSTON	559	482	690

EXCHANGE RATES			
CURRENCY	December 27	December 20	W-O-W % CHANGE
USD / CNY (CHINA)	7.29	7.29	0
USD / BDT (BANGLADESH)	119.49	119.46	-0.03%
USD / INR (INDIA)	85.40	85.12	-0.33%
USD / PKR (PAKISTAN)	278.25	278.0	-0.09%
USD / TRY (TURKEY)	35.21	35.10	-0.31%

### Sub-Continent and Turkey ferrous scrap markets insight

#### **Weekly Market Report: Sub-Continent Scrap Markets Face Regional Challenges Amid Persistent Cautious Sentiment**

The Sub-Continent scrap markets exhibited cautious sentiment this week, as India, Pakistan, and Bangladesh grappled with unique regional challenges. The combination of a domestic steel market slowdown, liquidity constraints, and economic hurdles suppressed activity across the board, leaving trading volumes thin amid persistent buyer resistance and broader economic uncertainties.

#### **India: Buyers Await Post-Holiday Market Movement**

Indian buyers adopted a wait-and-see approach this week, influenced by a slowdown in the domestic steel market and reduced supplier activity ahead of upcoming holidays.

Market activity remained subdued, with some yards temporarily halting operations until after the festive period.

Indicative offers for shredded scrap from the UK/Europe and the US ranged between US\$380–385/ton CFR Nhava Sheva, while HMS (80:20) offers were at US\$360–365/ton CFR from the UK and US\$365–370/ton CFR from West Africa. A supplier noted, “Current offers for shredded scrap are around US\$375–380/ton, but buyer interest remains limited. We anticipate prices to rise by at least US\$10/ton post-holidays.”

### **Pakistan: Liquidity Crunch Dampens Trade**

Pakistan’s imported scrap market remained subdued, weighed down by liquidity challenges, year-end financial closures, and cautious buyer sentiment. UK-origin shredded scrap offers stayed firm at US\$390–393/ton CFR Qasim, while UAE-origin HMS was priced at US\$380–385/ton CFR. Domestic scrap traded at PKR 135,000–140,000/ton, with rebar prices at PKR 240,000–245,000/ton.

Reduced mill operations, weak domestic demand, and minimal trading volumes reflected a bearish market sentiment. Seasonal factors and financial closures added to the slow pace, with limited deals reported throughout the week.

### **Bangladesh: Economic Hurdles Constrain Recovery**

Bangladesh’s imported scrap market struggled under the weight of LC delays, banking restrictions, and rising dollar rates, all of which constrained liquidity and hindered recovery efforts. Offers for UK/Europe origin shredded scrap hovered at US\$390–395/ton CFR Chattogram.

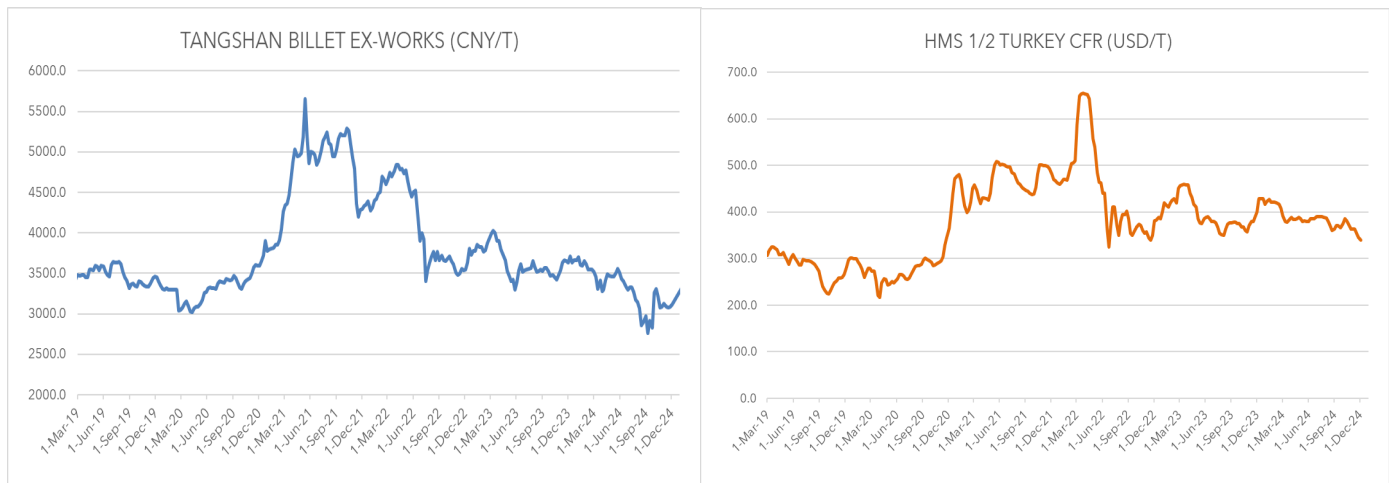
On the domestic front, rebar prices saw modest increases, reaching BDT 78,000–82,000/ton, while billet was priced at BDT 62,000–63,000/t. Although seasonal demand for rebar provided slight support, weak infrastructure development and economic challenges kept the market subdued. The outlook remains cautious as broader challenges overshadow prospects for recovery.

### **Turkey: Market Quiet Amid Absence of Firm Offers**

The Turkish imported ferrous scrap market was largely inactive this week, with no firm offers or bids reported. Market participants remain on the sidelines, awaiting clearer price signals to guide trading activity.



## HMS 1/2 & Tangshan Billet



## Commodities

**Iron ore** prices have fallen below the psychological US\$100 per ton mark, reaching their lowest level in over five weeks, amid persistent concerns about China's economic health. While Chinese steelmakers showed some improvement in profitability last month, the broader industrial sector continues to struggle, with November marking the fourth consecutive month of profit declines.

The commodity has experienced a significant 29% decline this year, primarily due to China's prolonged economic slowdown and troubled property sector, despite repeated government intervention attempts. Adding to the downward pressure, major suppliers Australia and Brazil have increased their output, further weakening the market fundamentals.

In Singapore trading, iron ore futures touched US\$98.95 per ton, setting up for a second consecutive weekly loss, while Shanghai **steel** futures also weakened. Meanwhile, base metals showed mixed performance, with **copper** gaining 0.5% on the London Metal Exchange following a two-day holiday break, while aluminium and zinc both declined by 0.5%.

### 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)	101	+2.02%	-28.36%	99	141
Iron Ore Fines, CNF Qingdao, China	Fines, Fe 62.5% (Brazil Origin)	101	+1%	-29.86%	100	144

### Industrial Metal Rates

INDEX	UNITS	PRICE	CHANGE	%CHANGE	CONTRACT
Copper (Comex)	USD / lb.	413.00	+0.25	+0.06%	Mar 2025
3Mo Copper (L.M.E.)	USD / MT	8,950.50	+38.50	+0.43%	N/A
3Mo Aluminum (L.M.E.)	USD / MT	2,565.00	+38.00	+1.50%	N/A
3Mo Zinc (L.M.E.)	USD / MT	3,049.00	+64.50	+2.16%	N/A
3Mo Tin (L.M.E.)	USD / MT	28,818.00	+276.00	+0.97%	N/A

### Crude Oil & Natural Gas Rates

INDEX	UNITS	PRICE	CHANGE	%CHANGE	CONTRACT
WTI Crude Oil (Nymex)	USD / bbl.	70.45	+0.83	+1.19%	Feb 2025
Brent Crude (ICE.)	USD / bbl.	74.01	+0.75	+1.02%	Feb 2025
Crude Oil (Tokyo)	J.P.Y. / kl	70,250.00	-180.00	-0.26%	Dec 2024
Natural Gas (Nymex)	USD / MMBtu	3.51	-0.20	-5.41%	Jan 2025

*Note: All rates at C.O.B. London time December 27, 2024*



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