WEEKLY REPORT

WEEK 25 – June 27, 2025

In a major geopolitical development, Iran and Israel have agreed to a ceasefire after weeks of escalating tensions that raised fears of a broader regional conflict. The truce, reportedly facilitated through indirect diplomatic channels, offers a temporary pause in hostilities and has been welcomed by global leaders. Oil prices eased drastically following the news, reflecting reduced concerns over disruptions in the Middle East. While the ceasefire marks a significant step toward de-escalation, experts warn it remains fragile and contingent on both sides avoiding further provocations. The international community now turns its focus to whether sustained dialogue can follow this fragile calm.

Another good news, this week, the United States and China formalised a trade truce reached in Geneva and London, officially signing a framework agreement that freezes tariffs and sets the stage for broader cooperation. A key element involves restarting China's rare-earth exports—critical for industries from clean energy to defence—in exchange for the U.S. easing non-tariff export controls. Commerce Secretary Howard Lutnick affirmed the pact was completed and flagged that nearly 10 additional trade deals with other major partners are imminent

Market reactions were calm: oil and equities remained steady, while businesses welcomed supply-chain certainty. However, the truce is time-limited tariffs will return by mid-August unless further agreements materialise. The White House has set a July 9 deadline for finalising deals with 18 nations, though an extension remains possible. Observers caution that without deeper structural reforms, the peace may prove fragile and transient.

While in China, the Industrial Profits Plunge, Casting Doubt on Stimulus Effectiveness. China's industrial profits fell 9.1% year-on-year in May, the sharpest drop since October 2024, highlighting continued pressure on factory margins despite ongoing stimulus efforts. Cumulative profits from January to May declined 1.1%, underscoring weak corporate earnings across key sectors. While retail sales rose 6.4% in May, buoyed by subsidies, industrial output and investment disappointed. Economists suggest further stimulus may be delayed until signs of deeper stress emerge. GDP growth is tracking at 5.2% in H1, above target, but risks remain. Export growth has shifted toward Southeast Asia and Europe amid steep U.S. declines, as tariff related uncertainty persists.

Dry Bulk

The Baltic Exchange's dry bulk index retreated on Friday, dragged down by a sharp correction in the Capesize rates. Overall index declined to 1,521 a 200-point drop from last week that marking its lowest reading since early June.

The Capesize segment bore the brunt of Friday's selling pressure, with the index collapsing 579 points to 2,220 a 13.9% single-day loss that represents the steepest decline since mid-January 2024. This marked the eighth consecutive session of losses for the Capes. The weakness stems from limited activity on key routes, particularly the critical C5 voyage from Western Australia to China, with sparse fixture activity among operators.

In contrast, the Panamaxes showed resilience, with their index gaining to 1,490—the fourth straight session of gains as operators continue to benefit from consistent seasonal demand patterns and steady inquiries across both Atlantic and Pacific trading basins. Supramax also posted modest gains, with its index rising to 1,009.

While iron ore sentiment showed signs of improvement on currency movements and Chinese policy signals, the fundamental oversupply of Capesize tonnage relative to available cargo continues to weigh on larger vessel earnings.

Capesize:

The Pacific market saw major mining companies return to the market after a week, but cargo remains scarce while ship supply remains ample, maintaining the downward trend. Pacific r/v ended the week at US$10,600's a day. Similar was also seen in the Atlantic with limited trading activity in North Atlantic, with most deals being concluded at lower levels.

Panamax/Kamsarmax:

The Atlantic continued to rise, centered around the North Atlantic, supported by ship supply shortages and continuous T/A inflows. T/A ended the week at US$12,800's a day. The Pacific on the other hand was supported by cargo from Australia and NOPAC, but levels dipped slightly from weak FFAs.

Supramax/Ultramax:

The Atlantic basin maintained stable levels despite a lack of new cargo from the USG, with some cargo inflows from the Mediterranean region supporting rates. Pacific meanwhile continued to see firm levels with active contracting activity from Indonesian coal and grain cargo. Pacific r/v saw rates closed at US$10,850's a day.

Handysize:

The Handy segment fared well compared to the bigger sizes with all routes seeing an uptick in rates. Inter Pacific saw rates supported by demand for Indonesian cargo as levels closed at the end of week around US$8,600's a day. Similar was also seen in the Atlantic with T/A ending the week at US$9,000's.

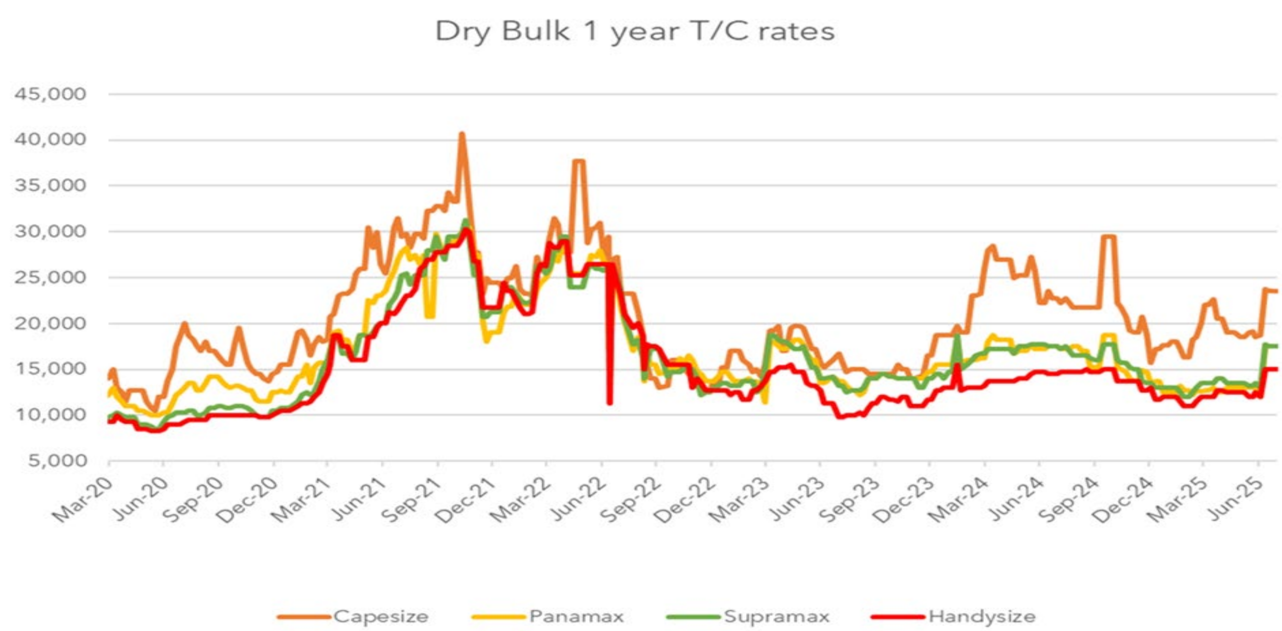
Baltic Exchange Dry Bulk Indices

INDICES	CURRENT	LAST WEEK	LAST YEAR	W-O-W CHANGE	Y-O-Y CHANGE
BDI	1,521	1,751	2,050	-13.14%	-25.80%
BCI	2,220	2,879	3,443	-22.89%	-35.52%
BPI	1,490	1,353	1,667	+10.13%	-10.62%
BSI	1,009	963	1,385	+4.78%	-27.15%
BHSI	636	621	763	+2.42%	-16.64%

Dry Bulk Values

(*Weekly*)

TYPE	DWT	NB CONTRACT	NB PROMPT DELIVERY	5 YEARS	10 YEARS	15 YEARS
CAPE	180,000	74	76	60	43 (E)	29
KAMSARMAX	82,000	37	39	33	24 (E)	16
ULTRAMAX	64,000	34	38	31 (E)	23	15 (56K)
HANDY	38,000	31	33	25	17	14
(amount in USD million) | (E) – eco units						



Dry Bulk – S&P Report

VESSEL NAME	TYPE	DWT	YEAR	BUILT	PRICE (MILLION) USD	COMMENTS / BUYERS
MINERAL HIROSHIGE	VLOC	208,572	2019	JAPAN	64.0	CHINESE BUYERS
BULK GINZA	CAPE	182,868	2020	JAPAN	64.0	UNDISCLOSED
BRIGHT PEGASUS	KMAX	82,165	2013	CHINA	18.0	UNDISCLOSED
SANTA GRACIELA	KMAX	82,149	2013	JAPAN	18.7	SINGAPOREAN BUYERS
ATALANTA	KMAX	82,094	2010	CHINA	15.3	ZELA SHIPPING CO LTD
EXPLORER ASIA / EXPOLORER OCEANIA	KMAX	81,093	2016 /2015	CHINA	20.0 EACH	UNDISCLOSED
STAR NIGHTHAWK	SMAX	57,809	2011	CHINA	12.8	UNDISCLOSED
STAR RUNNER	SMAX	57,809	2011	CHINA	12.8	UNDISCLOSED
YASA PEMBE	SMAX	55,912	2007	JAPAN	12.5	UNDISCLOSED
SPAR VIRGO	SMAX	53,565	2005	CHINA	8.6	UNDISCLOSED
CASTLEGATE	SMAX	53,503	2008	JAPAN	11.0	UNDISCLOSED
THOR INTEGRITY	SMAX	52,375	2001	PHILIPPINES	6.9	UNDISCLOSED
ARIES SAKURA	HANDY	39,870	2020	JAPAN	25.5	GREEK BUYERS
GRANDMA LILA	HANDY	34,372	2011	S. KOREA	12.8	BULGARIAN BUYERS
HUAYANG SUNRISE	HANDY	34,003	2011	CHINA	7.5 (E-BIDDING)	UNDISCLOSED
EREN BULBUL	HANDY	32,259	2002	JAPAN	5.2	SYRIAN BUYERS
CANNY CAROLINE	HANDY	32,070	2012	JAPAN	12.5	UNDISCLOSED
CS CRYSTAL	HANDY	30,478	2010	CHINA	10.0	S. KOREAN BUYERS

Tankers

Crude oil markets are poised to close the week on a decidedly weaker note as the de-escalation of hostilities between Israel and Iran has eased the geopolitical risk premium that had been supporting prices in recent sessions. Brent crude settled around US$68 per barrel at the time of writing, while West Texas Intermediate traded at US$65.55— a significant retreat from the previous week's elevated levels of US$77 and US$73 respectively.

Analyst noted that traders are beginning to recognize just how tight crude inventories have become. With Middle Eastern supply disruption risks now largely discounted, market attention is turning toward trade policy developments. The United States is expected to finalize agreements with ten additional countries following its recent accord with China, and successful completion of these negotiations would effectively remove tariff-related headwinds that have been weighing on global demand expectations.

However, the supply side of the equation presents its own challenges. Analysts expect OPEC+ to announce another 411,000 BPD production increase at their July 6 meeting, continuing the group's measured approach to returning spare capacity to the market. These incremental supply additions are designed to ensure the oil market transitions into a substantial surplus by year-end, assuming Middle Eastern tensions remain contained.

VLCC:

Middle East market has cooled this week following the temporary 'ceasefire' after witnessing the highest geopolitical risk premium in decades. Rates surged 52% last week has now fell to WS55 for MEG/China 270,000mt. Similarly in the Atlantic, WAFR/China lost 12 points closing at WS60. The recent sales of 3 VLCCs are also telling of how the market is expecting volatility to continue in next few weeks.

Suezmax:

West Africa remained stable this week despite the tension rippling through the Middle East market, with 130,000mt Nigeria/UKC unchanged at WS89 as fresh inquiry dried up. The Middle East Suezmax mirrors VLCC— as tension eased on routes to the Med region, falling slightly to WS100.

Aframax:

This week saw the cross-Med region, Ceyhan/Lavera stuck in typical summer doldrums with 80,000mt falling slightly to WS135 mark. On the T/A routes, USG/UKC 70,000mt rose slightly to close at WS148 at week's closing.

Clean:

LR: After a dramatic move in a year in the MEG LR2 market, TC1 fell this week to WS168 losing some 40 points as situation eased. In the LR1, UKC routes remain unchanged holding at WS115 for the sixth session in a row.

MR: Similar situation were seen in the MR MEG markets with levels losing some 100 points closing at WS226 on TC17 routes to East Africa.

Baltic Exchange Tanker Indices

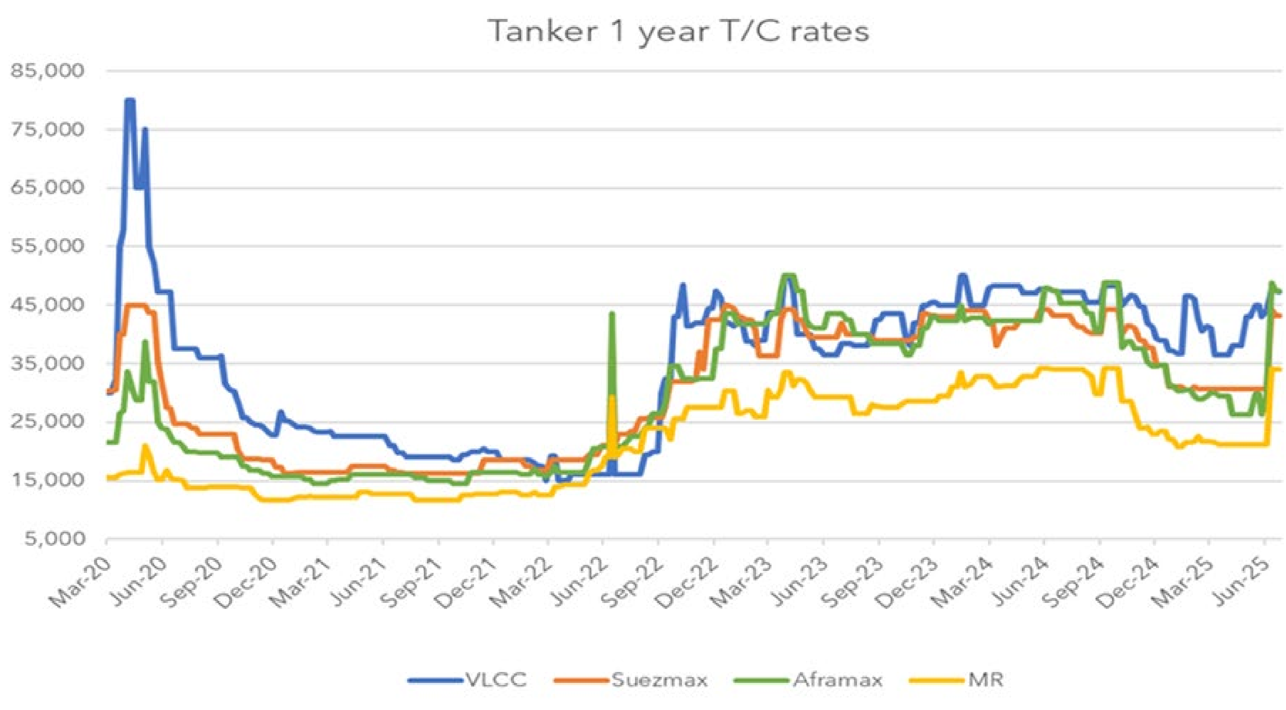
INDICES	CURRENT	LAST WEEK	LAST YEAR	W-O-W CHANGE	Y-O-Y CHANGE
BDTI	1,002	1,040	1,150	-3.65%	-12.87%
BCTI	613	711	834	-13.78%	-26.50%

Tankers Values

(Weekly)

TYPE	DWT	NB CONTRACT	NB PROMPT DELIVERY	5 YEARS	10 YEARS	15 YEARS
VLCC	310,000	125	144	112 (E)	80 (E)	51
SUEZMAX	160,000	87	93	77 (E)	62 (E)	40
AFRAMAX	115,000	72	75	63 (E)	50 (E)	35
LR1	73,000	59	60	50 (E)	40 (E)	25
MR	51,000	49	50	41 (E)	31 (E)	21

**(amount in USD million) | (E) – eco units*



Tankers S&P Report

VESSEL NAME	TYPE	DWT	YEAR	BUILT	PRICE (MILLION) USD	COMMENTS / BUYERS
PAPALEMOS	VLCC	319,191	2018	S. KOREA	108.0	DHT
C. SPIRIT	VLCC	313,998	2013	S. KOREA	67.0	TURKISH BUYERS
NEW TINOS	VLCC	300,257	2003	JAPAN	37.0	UNDISCLOSED
NORDIC THUNDER	SUEZ	157,374	2017	S. KOREA	65.0	MARMARAS NAVIGATION
YASA GOLDEN MARMARA	AFRA	110,769	2008	JAPAN	31.0	VIETNAMESE BUYERS
CASPER	AFRA	108,870	2010	CHINA	34.5	UNDISCLOSED
LIMERICK SPIRIT	AFRA	105,583	2007	S. KOREA	27.8	SEA TRADE MARINE
BANI YAS	LR1	74,913	2010	S. KOREA	22.0	UNDISCLOSED
YAMILAH-III	LR1	74,866	2011	S. KOREA	22.1	UNDISCLOSED
NORD OCEANIA	MR	49,996	2018	JAPAN	37.0	UNDISCLOSED
TORM DISCOVERER / TORM VOYAGER	MR	45,979 45,916	2008	CROATIA	17.0 EACH	UNDISCLOSED
ASP SUNRISE	PROD/ CHEM	13,008	2014	JAPAN	16.0 (STST)	UNDISCLOSED
SINAR MINAHASA	PROD / CHEM	12,693	2007	JAPAN	13.0 (STST)	UNDISCLOSED

Containers

The potential closure of Strait of Hormuz would represent a catastrophic blow to regional maritime operations, with 3.2 million TEU of container capacity currently transiting the waterway according to Linerlytica data. Analyst warns that such a scenario would place enormous pressure on Jebel Ali's position as the region's primary transshipment hub, effectively isolating the Arabian Gulf from global container trade when combined with ongoing Red Sea disruptions.

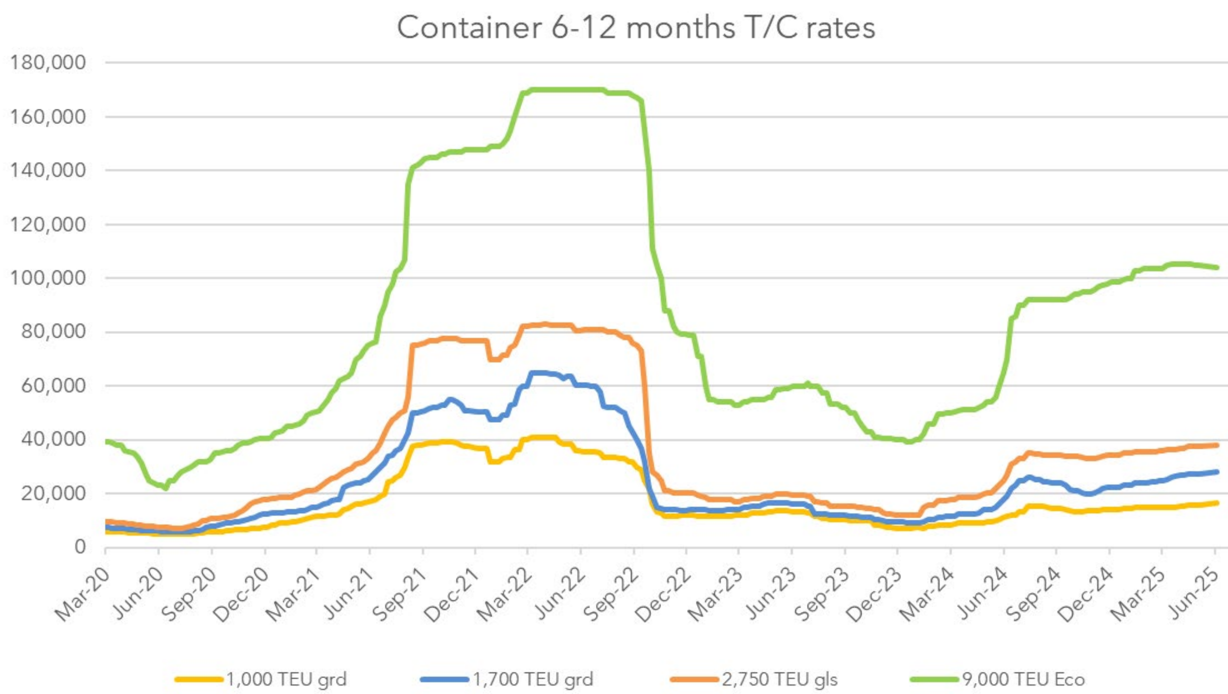
Meanwhile in the container freight market, it was a mixed week. SCFI Shanghai-USEC lost some 12% to US$4,717/FEU, while in the Far East-Europe gains were seen, with the SCFI Shanghai-N. Europe up this week to US$2,030/TEU.

Containers Values

CONTAINERS (BY TEU)	GEARED / GEARLESS	NB CONTRACT	NB PROMPT DELIVERY	5 YEARS	10 YEARS	15 YEARS
900 ~ 1,200	Geared	24	26	20	16	10
1,600 ~ 1,850	Gearless	31	35	29 (E)	23 (E)	18
2,700 ~ 2,900	Gearless	44	46	39	35	26
5,100 ~ 5,300	Gearless	59	82	66	-	41
*(amount in USD million) | = Eco units						

S&P Containers Report

VESSEL NAME	TYPE	TEU	YEAR	BUILT	PRICE (MILLION) USD	COMMENTS / BUYERS
ESPOIR / ESCAPE	FEEDER	1,436	2011	CHINA	20.0 EACH	UNDISCLOSED


Container 6-12 months T/C rates
180,000
160,000
140,000
120,000
100,000
80,000
60,000
40,000
20,000
0
Mar-20
Jun-20
Sep-20
Dec-20
Mar-21
Jun-21
Sep-21
Dec-21
Mar-22
Jun-22
Sep-22
Dec-22
Mar-23
Jun-23
Sep-23
Dec-23
Mar-24
Jun-24
Sep-24
Dec-24
Mar-25
Jun-25
1,000 TEU grd
1,700 TEU grd
2,750 TEU gls
9,000 TEU Eco

Ship Recycling Market Snapshot

DESTINATION	TANKERS	BULKERS	MPP/ GENERAL CARGO	CONTAINERS	SENTIMENTS / WEEKLY FUTURE TREND
ALANG (WC INDIA) .	430 ~ 440	410 ~ 420	400 ~ 410	440 ~ 450	WEAK / ⟷
CHATTOGRAM, BANGLADESH	430 ~ 440	420 ~ 430	410 ~ 420	450 ~ 450	WEAK / ⟷
GADDANI, PAKISTAN	440 ~ 450	430 ~ 440	420 ~ 430	460 ~ 470	STABLE/ ⟷
TURKEY **For non-EU ships. For E.U. Ship, the prices are about USD 20-30/ton less*	280 ~ 290	260 ~ 270	250 ~ 270	280 ~ 290	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

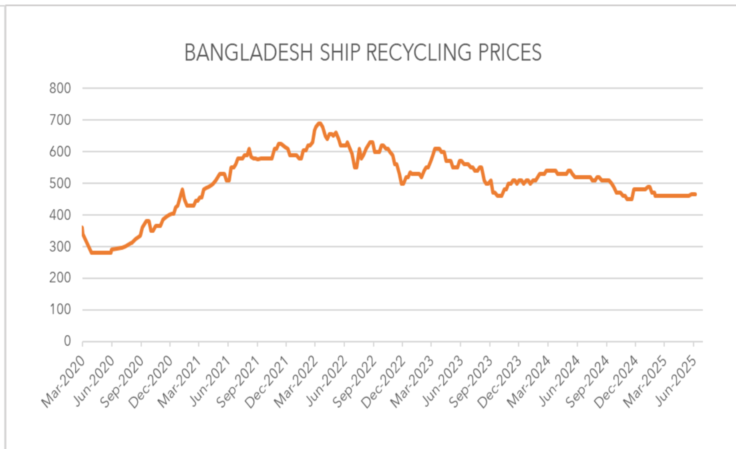
(Week 26)

DESTINATION	2020	2021	2022	2023	2024
ALANG, INDIA	275	510	570	530	540
CHATTOGRAM, BANGLADESH	295	510	620	570	520
GADDANI, PAKISTAN	300	540	560	-	520
ALIAGA, TURKEY	170	300	310	320	360

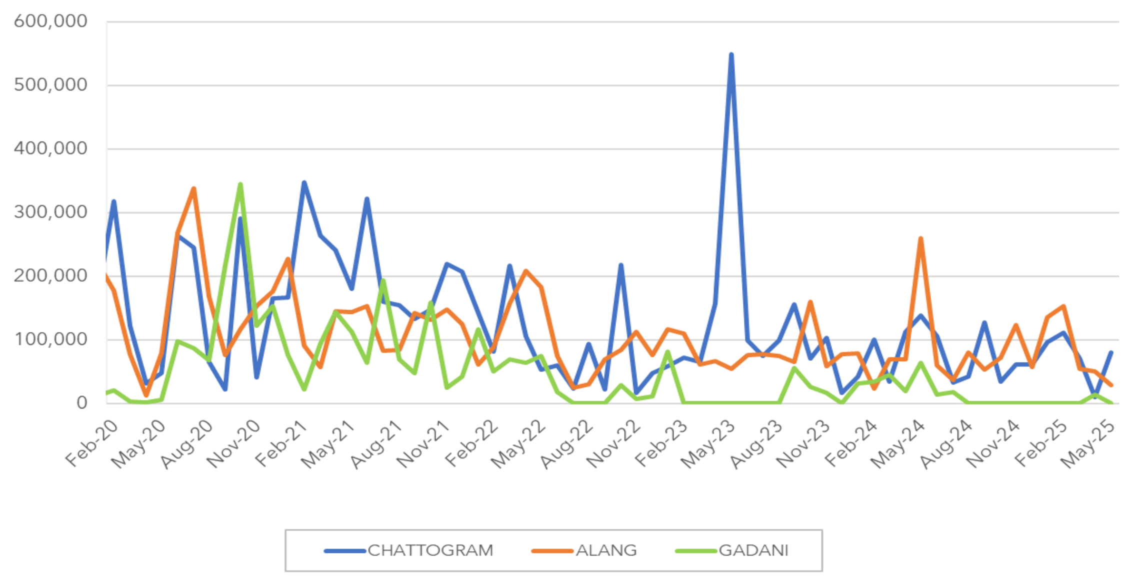
Ships Sold for Recycling

VESSEL NAME	LDT/TON	YEAR / BUILT	TYPE	PRICE (USD/LDT LT)	COMMENTS
BITUMEN PRINCESS	2,883,90	1995 / S. KOREA	TANKER	345	DELIVERED ALANG
ANG MIN	11,243	1998 / JAPAN	BULKER	445	DELIVERED CHATTOGRAM
GAS SOECHI XXVIII	2,179	1994 / JAPAN	LPG	419	DELIVERED CHATTOGRAM
HUGO	2,631	1991 / POLAND	TUG	500	DELVIERED CHATTOGRAM

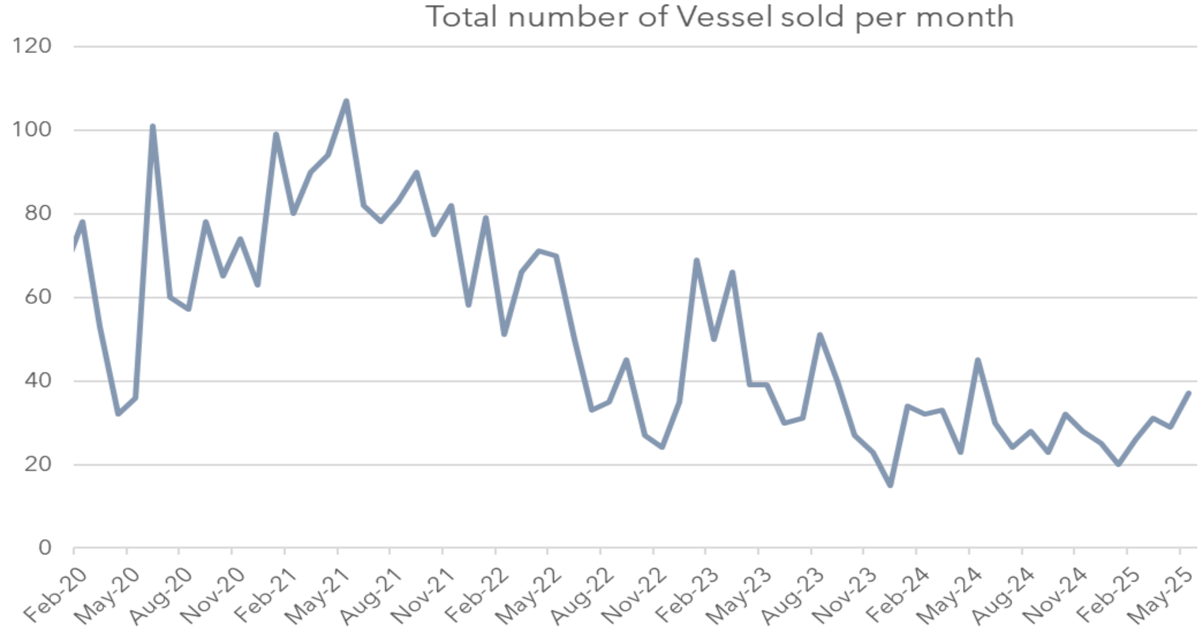
Recycling Ships Price Trend

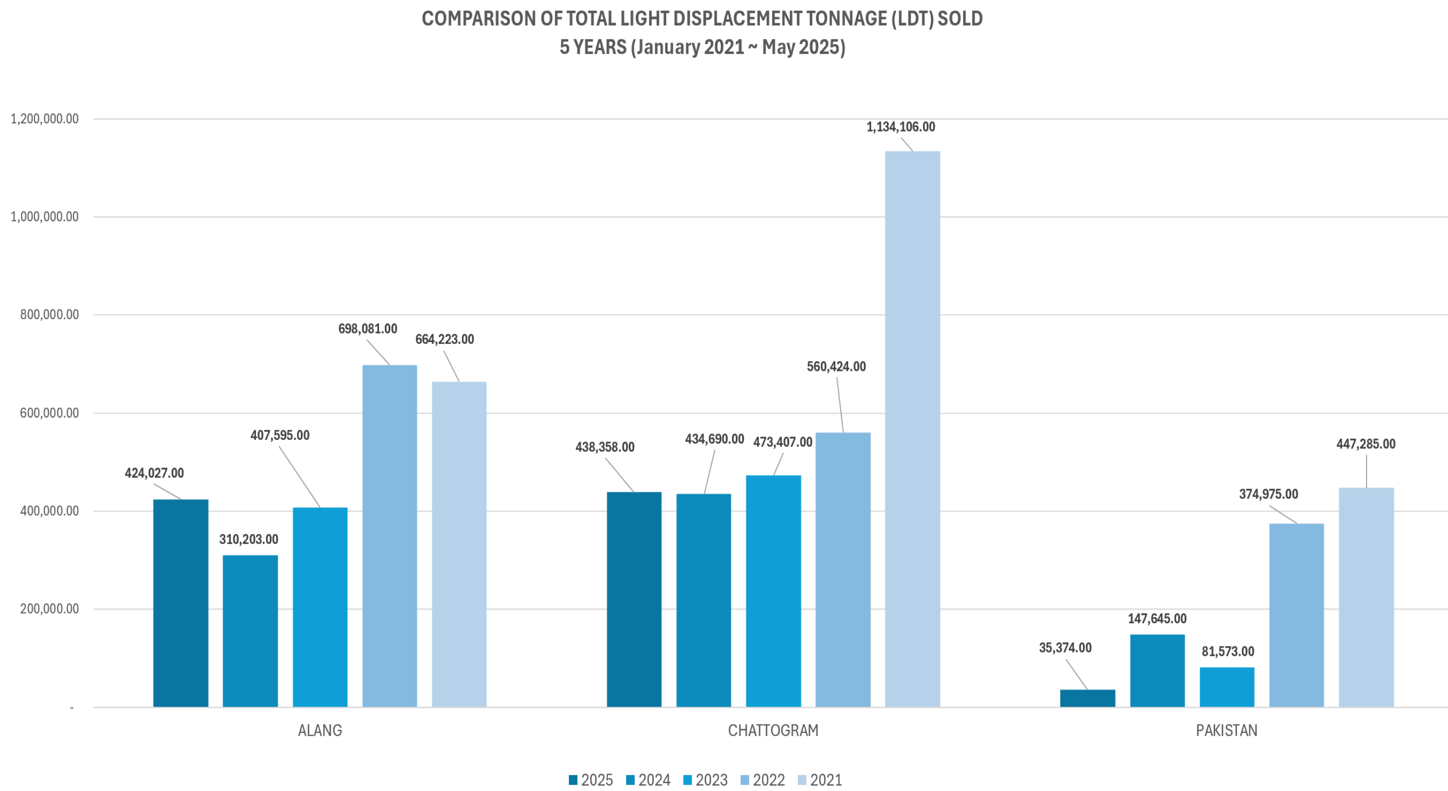


Sub-continent total Light Displacement Tonnage in metric tons



Total number of Vessel sold per month





Insights

June 26, 2025, ushered in a significant regulatory shift for the global ship recycling industry. After more than 16 years since its adoption by the International Maritime Organisation, the Hong Kong International Convention for the Safe and Environmentally Sound Recycling of Ships (HKC) has officially entered into force.

Designed to enhance safety, environmental protection, and transparency in ship dismantling operations, the HKC is expected to set a new international benchmark, though its practical implementation remains under scrutiny.

Now that the HKC has officially entered into force, the landscape for selling end-of-life ships is undergoing a fundamental shift. All transactions must now adhere to a uniform, internationally recognised framework.

The industry is required to follow the procedures and standards outlined below to ensure full compliance:

<u>For ship owners and cash buyers</u>

a. IHM Part I (Inventory of Hazardous Materials – Part I), which is a document listing all hazardous materials present on board the ship (e.g., asbestos, PCBs, heavy metals).

b. IHM Part II & III

Part II: Details of hazardous materials contained in the ship's operational waste (e.g., sludge, oily rags).

Part III: Lists of hazardous materials expected to be generated during dismantling, like residues or tank coatings.

c. Ready for Recycling Certificate (RfRC)

This Certificate is issued by a Recognised Organisation (RO) or the flag State administration of the ship, under the framework of the HKC when IHM I, II, and III are complete.

It marks the formal start of the recycling process in compliance with international standards.

<u>For Ship recycling yards</u>

a. Ship Recycling Facility Plan (SRFP)

A comprehensive document that outlines how a ship recycling facility operates in compliance with HKC standards. It includes site layout, waste management protocols, health and safety procedures, emergency response systems, and worker training programs.

b. Document of Authorisation for Ship Recycling (DASR)

An official certificate confirming that the ship recycling facility is authorised to conduct recycling in line with HKC and that it has an approved SRFP issued by the national competent authority of the country where the yard is located, OR a Recognised Organisation (RO) acting on the authority's behalf.

c. Ship Recycling Plan (SRP)

A vessel-specific plan that outlines how the recycling yard will dismantle a particular ship in a safe and environmentally sound way.

It references the ship's Inventory of Hazardous Materials (IHM Parts I–III) and adapts the SRFP to the specific features of the ship. This is prepared using:

The vessel's IHM

The yard's SRFP as a baseline

This document will be needed before the ship can receive a Ready for Recycling Certificate (RfRC).

However, while these are the baseline requirements under the Hong Kong Convention, absolute clarity on implementation and practical challenges will likely emerge gradually, as the first few ships are delivered for recycling under the new regime in the coming weeks.

In terms of market dynamics, the global ship recycling sector remained largely subdued this week. Across all major breaking destinations India, Bangladesh, Pakistan, and Turkey, activity was slow, with sentiment dampened by a combination of seasonal headwinds, shifting regulatory conditions, and soft steel fundamentals.

Alang

The onset of the monsoon season continued to hamper yard operations. Declining demand from the construction and infrastructure sectors has pushed local steel prices lower, directly affecting breakers' appetite for tonnage.

Prices for scrap ships saw further correction, with buyers maintaining a cautious stance amid uncertainty around HKC enforcement timelines and certification requirements.

Domestic ship scrap prices continued their downward trajectory this week, offering no signs of relief. Melting scrap prices registered a sharp month-on-month decline of approximately 4.5%, while plate prices fell by around 4.2%. The persistent drop has weighed heavily on market sentiment.

Looking ahead, ship prices are expected to remain under sustained pressure amid weak demand and bearish steel fundamentals.

Anchorage & Beaching Position (MAY 2025)

VESSEL NAME	TYPE	LDT	ARRIVAL	BEACHING
CONTACT II	TANKER	9,453	25.06.2025	AWAITING
CONICO ATLAS	TANKER	20,001	13.06.2025	AWAITING
NIRVANA	TANKER	9,623	07.05.2025	AWAITING
BITUMEN PRINCESS	TANKER	2,884	25.06.2025	27.06.2025
UKHAN	LNG	32,467	16.06.2025	17.06.2025
BIRA	CONTAINER	2,063	11.06.2025	16.06.2025
LORD 17	GENERAL CARGO	2,583	12.04.2025	14.06.2025
DHEZI	TANKER	10,470	04.06.2025	12.06.2025
MIMI	GENERAL CARGO	1,227	03.06.2025	10.06.2025
ASMAA	BULKER	7,616	02.06.2025	10.06.2025

Chattogram

One of the largest ship recycling markets by volume also remained quiet. Although a small number of HKC-certified yards continue to operate, overall buying interest stayed limited, as many facilities await clarity on transitional arrangements and possible extensions.

The industry continues to struggle with financing hurdles and infrastructure upgrades necessary for full compliance.

Meanwhile, vessels sold in the past continue to remain in limbo as they await the issuance of necessary No Objection Certificates (NOCs). The prolonged delay in approvals has left the fate of these ships uncertain.

Anchorage & Beaching Position (May 2025)

VESSEL NAME	TYPE	LDT	ARRIVAL	BEACHING
ABRAHIM M	BULKER	8,997	26.06.2025	AWAITING
BERGE FUJI	ORE CARRIER	37,379	23.06.2025	AWAITING
ANG MIN	BULKER	11,243	23.06.2025	AWATIING
HUGO	TUG	2,531	22.06.2025	26.06.2025
GAS SOECHI XXVIII	LPG	2,179	21.06.2025	26.06.2025
SIDIMI	RORO	2,985	16.05.2025	16.06.2025

Gadani

The ship recycling market remained largely subdued this week, with industry participants awaiting further clarity on compliance procedures following the entry into force of the Hong Kong Convention (HKC). Amid the uncertainty, some recyclers have begun leveraging the Baluchistan Development Authority (BOA) circular issued on June 2, 2025.

The directive permits yards that have submitted a documented timeline for obtaining a Statement of Compliance (SOC) from a recognised classification society, provided they are members of the Pakistan Ship Breakers and Recyclers Association (PSBRA) and have signed agreements with recognized organizations such as Bureau Veritas or ClassNK, duly endorsed by the PSBRA.

Meanwhile, speculation continues to circulate that Pakistani authorities may grant an extension through the end of 2025, aimed at allowing additional time for yard upgrades. While reports suggest the extension could apply to yards that have completed over 50% of the required work and formally applied for HKC SOCs, the legal standing of such a move under the Convention remains unclear. As a result, operators are proceeding cautiously, and the coming weeks are expected to shed more light on the regulatory path ahead.

Anchorage & Beaching Position (MAY 2025)

VESSEL NAME	TYPE	LDT	ARRIVAL	BEACHING
PETE	BULKER	10,176	27.05.2025	05.06.2025
PACIFIC K	BULKER	10,386	10.06.2025	AWAITING

Aliaga, Turkey

The Turkish ship recycling market remained unchanged from the previous week, with no fresh sales reported and overall activity stalled. Sentiment across the region was notably gloomy, as yards saw minimal buying interest and continued to operate at a near standstill.

Ship recyclers cited sluggish sales volumes and a lack of workable tonnage as key factors weighing on momentum.

BEACHING TIDE DATES 2025	
Chattogram, Bangladesh	: 11 ~ 14 July | 24 ~ 27 July
Alang, India	: 08 ~ 16 July | 21 ~ 29 July

BUNKER PRICES (USD/ton)			
PORTS	VLSFO (0.5%)	HSFO (3.5%)	MGO (0.1%)
SINGAPORE	517	445	661
HONG KONG	530	464	655
FUJAIRAH	509	428	732
ROTTERDAM	480	442	686
HOUSTON	529	445	712

EXCHANGE RATES			
CURRENCY	June 27	June 20	W-O-W % CHANGE
USD / CNY (CHINA)	7.16	7.17	+0.14%
USD / BDT (BANGLADESH)	122.40	122.35	-0.04%
USD / INR (INDIA)	85.48	86.60	+1.29%
USD / PKR (PAKISTAN)	283.81	283.62	-0.07%
USD / TRY (TURKEY)	39.87	39.66	-0.53%

Sub-Continent and Turkey ferrous scrap markets insights

Imported scrap markets across the Sub-Continent and Turkey remained largely subdued this week, with prices staying rangebound on a day-to-day basis. Seasonal factors, soft steel demand, and ongoing geopolitical uncertainties continued to dampen buying sentiment across key regions.

In India, buyers refrained from making large bookings amid declining rebar prices and the availability of more competitive domestic scrap alternatives. Pakistani mills maintained a cautious approach, influenced by regional tensions in the Middle East and anticipation of upcoming tax revisions. In Bangladesh, post-Eid market activity remained muted, with limited trade despite relatively stable pricing in the bulk segment.

Meanwhile, the Turkish scrap market held firm, as both buyers and sellers adopted a wait-and-watch stance. Downstream demand remained weak, but firm seller offers prevented any significant price corrections.

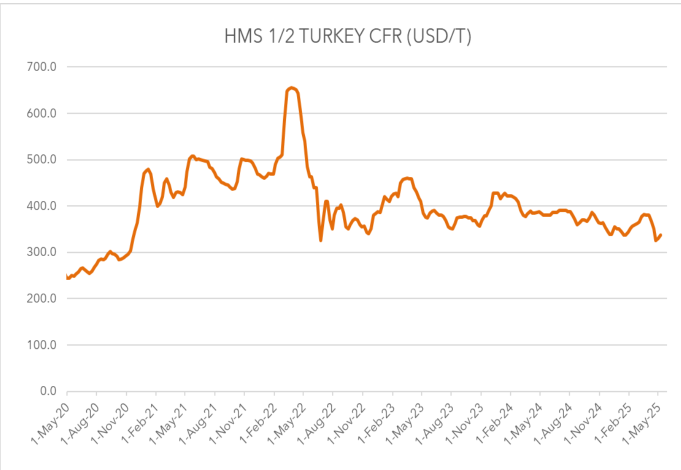
India's imported scrap market remained firmly in the doldrums as weak steel demand, monsoon-related disruptions, and competitive domestic alternatives continued to undermine buying interest. Shredded scrap offers from the UK and EU held steady at US$355-360 per ton CFR Nhava Sheva, though actual tradable levels were estimated closer to US$350-355 per ton. HMS 80:20 from West Africa was commanded US$335-340 per ton, while UK-origin HMS 80:20 was quoted at US$330-335 per ton CFR. Mills demonstrated a clear preference for domestic sponge iron due to its cost advantages, while falling rebar prices and freight uncertainties reinforced the cautious market sentiment. Sellers adopted a wait-and-watch approach, holding back on fresh offers amid unclear price direction and limited trading activity.

Pakistan's market exhibited similar sluggishness as mills avoided fresh commitments against a backdrop of geopolitical tensions and freight-related uncertainties. UK and EU-origin shredded scrap offers remained stable at US$370-375 per ton CFR Qasim, while UAE-origin material commanded a premium at US$385 per ton. Despite firm seller positions, buying interest remained constrained by concerns over vessel delays and rising war risk surcharges linked to Middle Eastern unrest. Market sentiment faced additional pressure from a proposed 5% duty on re-rollable scrap, with traders awaiting clarity from upcoming fiscal announcements.

Bangladesh's post-Eid market struggled to gain momentum as monsoon-related slowdowns and weak construction demand kept mills operating below capacity. Two confirmed US West Coast bulk deals at US$346-350 per ton CFR for HMS, with shredded and bonus grades reaching US$360 per ton CFR, signalled stable pricing despite muted appetite. Containerised shredded offers hovered at US$370-375 per ton, though buyers capped their bids at US$360-365 per ton CFR Chattogram. Traders reported minimal booking activity amid stagnant rebar sales, with one noting that while "demand is there, it is slow-moving," suggesting prices may soften without improved project activity.

Turkey's imported scrap market maintained its equilibrium as both buyers and sellers adopted cautious stances in a subdued trading environment. US-origin bulk HMS 80:20 offers held steady at US$345 per ton CFR, unchanged from previous sessions, with US and Baltic-origin cargoes quoted in the US$345-350 per ton range. Sellers remained firm in their pricing, citing balanced market conditions supported by stable rebar prices and euro strength. However, buyers stayed on the sidelines due to weak downstream demand and uncertain rebar market dynamics.

HMS 1/2 & Tangshan



Commodities (*Week in focus*)

Iron ore futures posted solid gains across key Asian exchanges on Thursday, buoyed by a weakening U.S. dollar and renewed policy support signals from Chinese authorities. The most-active September contract on China's Dalian Commodity Exchange climbed 0.64% to settle at 705.5 yuan per metric ton, while the benchmark July contract on Singapore Exchange advanced 0.55% to US$93.25 per ton.

The rally was underpinned by significant dollar weakness following President Trump's comments about replacing Federal Reserve Chair Jerome Powell, which sparked fresh concerns about central bank independence and sent the greenback tumbling to multi-year lows. This currency move makes dollar-denominated commodities more attractive to holders of other currencies, providing fundamental support for iron ore and other industrial metals. Additional momentum came from Chinese Premier Li Qiang's Thursday announcement that policymakers would implement "forceful steps" to stimulate domestic consumption, signaling Beijing's commitment to supporting economic growth despite ongoing headwinds.

The broader **steel** complex showed mixed performance, with coking coal futures surging 3.5% to an intraday high of 819 yuan following production cuts at coal mines due to safety incidents and environmental concerns. On the Shanghai Futures Exchange, most steel benchmarks posted modest gains, including a 0.1% rise in rebar, 0.39% advance in hot-rolled coil, and 1.16% climb in stainless steel, though wire rod edged 0.06% lower. Analysts noted that iron ore shipments from Australia and Brazil have increased substantially, with major producer Vale ramping up supply to capitalise on end-of-season demand patterns.

Copper prices rose for a fourth consecutive day this week, even as indications emerged that the squeeze on the London Metal Exchange (LME) is beginning to ease. The cash to three-month spread narrowed significantly, with contracts for immediate delivery trading at a premium of US$98/ton over the LME three-month benchmark, down sharply from US$398/ton earlier in the week.

The tightness in supply has been partially attributed to record outbound shipments to the United States, as traders move to front-run expected tariffs. Meanwhile, robust demand from China has continued to support pricing momentum, reinforcing bullish sentiment despite the softening backwardation.

While in the **Coal** sector, China has reduced coal imports and boosted exports amid strong domestic output and weakening demand. Between January and May, coal exports rose 13% to 2.5 million tons, primarily to Japan, Indonesia, and South Korea, while imports fell 8% year-on-year. Domestic production hit 5 billion tons, driven by energy security priorities and low prices.

Thermal coal demand has softened due to high inventories at ports, record production, and sluggish coal-fired power generation, even as the country entered its summer peak demand season. The central government has also mandated a 10% stockpile increase for power generators, further weighing on imports.

Despite rapid wind and solar deployment, coal-fired generation still hit a record 6.34 trillion kWh in 2024, though thermal power growth was the slowest in nearly a decade. China's coal association expects supply to outpace demand through year-end, suggesting import softness may persist in the near term.

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)	93	0	-13.08%	93	107
Iron Ore Fines, CNF Qingdao, China	Fines, Fe 62.5% (Brazil Origin)	93	+1.08%	-14.67%	92	109

Industrial Metal Rates

INDEX	UNITS	PRICE	CHANGE	%CHANGE	CONTRACT
Copper (Comex)	USD / lb.	512.30	+0.25	+0.05%	Sep 2025
3Mo Copper (L.M.E.)	USD / MT	9,878.00	-21.50	-0.22%	N/A
3Mo Aluminum (L.M.E.)	USD / MT	2,595.00	+11.50	+0.45%	N/A
3Mo Zinc (L.M.E.)	USD / MT	2,779.00	+11.00	+0.40%	N/A
3Mo Tin (L.M.E.)	USD / MT	33,762.00	+13.00	+0.04%	N/A

Crude Oil & Natural Gas Rates

INDEX	UNITS	PRICE	CHANGE	%CHANGE	CONTRACT
WTI Crude Oil (Nymex)	USD / bbl.	65.52	+0.28	+0.43%	Aug 2025
Brent Crude (ICE.)	USD / bbl.	67.77	+0.04	+0.06%	Aug 2025
Crude Oil (Tokyo)	J.P.Y. / kl	62,860.00	+180.00	+0.29%	Jun 2025
Natural Gas (Nymex)	USD / MMBtu	3.74	+0.21	+6.04%	Aug 2025

Note: All rates at C.O.B. London time June 27, 2025

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