STAR ASIA WEEKLY REPORT

WEEK 20 – May 21, 2023

This week the G-7 leaders convened in Hiroshima, Japan, for their annual summit, where they discussed further sanctions against Russia in response to its invasion of Ukraine. The allies have committed to imposing additional measures aimed at increasing the costs for Russia and its supporters involved in the war effort. In a statement released on Friday, the G-7 stated their intention to deprive Russia of technology, industrial equipment, and services from G7 countries that contribute to its military capabilities. To add to the G7 in coordination, U.S. also imposed new sanctions against Russia.

Furthermore, the group has assured Ukraine of receiving the necessary financial support for 2023 and early 2024. The G-7 has been relying on sanctions as a means to deplete Russia's financial resources and impede the progress of its military offensive in Ukraine.

Taking a proactive stance, the United Kingdom has already implemented concrete actions. British PM Rishi Sunak announced a ban on the import of Russian diamonds, as well as copper, aluminum, and nickel. Additionally, the U.K. has introduced new restrictions to counter the theft and illegal resale of Ukrainian grains. These measures form part of the broader efforts by the G-7 countries to exert economic pressure on Russia in response to its aggression in Ukraine.

In other news, economic data from the world's largest economies fell short of expectations, raising concerns about the future outlook. China, the second-largest economy globally, reported industrial production and retail sales figures for April that disappointed analysts. Although industrial production showed a significant annual increase compared to March, the growth rate of 5.6% fell well below the consensus projection of 10.9%. These disappointing figures have fueled worries about the Chinese economy facing greater challenges than anticipated earlier this year.

China's economic recovery is slowing down, raising concerns about the need for additional policy measures to support growth. Data from April showed disappointing growth in industrial output, retail sales, and fixed investment, despite the boost from a low base comparison due to last year's lockdown. Of particular concern is the record-high youth unemployment rate, indicating that the recovery is not robust enough to absorb new entrants into the labor market.

Meanwhile, in the United States, retail sales for April also failed to impress. Although there was a 0.4% m-o-m increase, ending a two-month decline, it fell short of the consensus forecast of 0.8%. This weaker-than-expected growth in retail sales gives the Federal Reserve more leeway. It increases the likelihood of the central bank pausing its current cycle of interest rate hikes as it grapples with mounting concerns over the debt ceiling and the health of the banking sector.

Dry Bulk

Iron ore has been experiencing extreme fluctuations. In March 2023, iron ore prices soared by a staggering 65% to reach US$134.50. This surge was driven by a mix of factors, including industry demand and macroeconomic influences. However, this period of prosperity was short-lived, as prices dropped below US$99.50 by May 5, indicating a dramatic shift in market sentiment.

This sudden decline served as a wake-up call to the inherent volatility of commodity markets. As of May 15, 2023, the price of iron ore stands at approximately US$105, demonstrating the market's resilience and the consistent demand for iron ore in the global economy. It is evident that the iron ore market is closely intertwined with broader economic trends and sentiments, as even the slightest indication of a recession can cause prices to plummet.

Looking ahead, it is expected that the iron ore market will continue to be influenced by the same factors that have recently driven price movements.

Recent turbulence in iron ore prices serves as a stark reminder of the complex interplay between various factors that can impact commodity prices. It underscores the importance of closely monitoring global economic indicators and industry trends when attempting to predict future price trajectories.

Capesize:

Chinese iron ore port inventories have been decreasing steadily for over two months, which will temporarily prevent a sharp drop in the freight rate market. However, medium-term downside pressure has increased due to shrinking steel production margins, weaker-than-expected steel demand recovery, and anticipated production cuts in the second half of the year, while the upside potential is limited. At the week's closing, iron ore shipments in the Pacific remain steady, but the ample supply of ships in the region is seeing a decrease. Levels for Pacific r/v fell to US$ 17,200's a day region. In the Atlantic, there was a small increase in F/H cargoes following the European national holiday. However, the overall market supply and demand situation is still not significantly favorable. There is a slight advantage in terms of supply. T/A levels overall saw a fall to US$ 34,700's a day on Friday.

Panamax / Kamsarmax:

Grain sales in Brazil have declined due to ongoing adjustments in pace and sluggish demand for coal in the Pacific region. As international prices for soybeans and maize continue to decrease, influenced by Brazil's abundant harvest, grain exporters in Brazil are trying to adjust their export rates to protect prices. Coal imports are expected to increase as the summer season approaches in the northern hemisphere, and the export of double-cropped corn from Brazil will also begin in earnest. Overall rates in both basins saw a dip. South America remains active, but contract reports show intermittent maintenance at previous levels. T/A levels closed around the low US$9,500 range. In the Pacific, there is increasing downward pressure due to sluggish demand. However, improvements in ports and the inflow of cargo from Indonesia are preventing excessive declines. Levels for Pacific r/v slipped to an average of US$8,950 a day.

Supramax / Ultramax:

The market began the week with increased demand from Southeast Asia, but it ended without any significant further gains. Coal inventories in both China and India are at a healthy level, limiting the demand for new coal imports. The demand for Supramax ships, which are undervalued compared to Panamax, is growing temporarily due to increased shipments to India. However, as coal stocks at major power plants in India reached a 14-day supply and the freight rate gap between Panamax and Supramax narrowed, the demand for ships decreased once again. Levels for T/A route climb slightly, settling around US$ 17,500's a day, with F/H faring better at around US$ 23,300's a day. Pacific on the other hand remains in the region of US$9,700 a day.

Handysize:

Handy markets saw an overall weakness this week with discounts on all routes. Charterers in the Atlantic region are adopting a cautious approach, despite slight increases in USG grain. Contract activity remains limited and secluded. T/A levels were around US$10,000 a day. Meanwhile, in the Pacific, although there is a rise in coal demand in Indonesia, the supply and demand situation in Northeast Asia is gradually improving. The market does not show any signs of a significant recovery and the downward trend persists. Inter-Pacific saw rates lower around the US$ 7,200's range.

Dry Bulk – S&P Report

VESSEL NAME	TYPE	DWT	YEAR	BUILT	PRICE (MILLION) USD	COMMENTS / BUYERS
TASIK MELATI	CAPE	180,310	2004	JAPAN	15.0	JIANGSU STEAMSHIP
OLPYPIUS / VICTORIUS	CAPE	17,314	2004	S. KOREA	17.0 EACH	UAE BASED BUYERS
FPMC B 103	POST PMAX	106,668	2011	CHINA	24.0	LANDSEADOOR INTERNATIONAL
CLAIRE Z	POST PMAX	93,313	2009	CHINA	16.3	CHINESE BUYERS
SWEET LYDIA / SWEET IRINA / SWEET VENUS / SWEET MELISSA	KMAX	79,469	2011 / 2012	CHINA	17.0 EACH	GREEK BUYERS
HONG CHENG	PANAMAX	75,081	2011	CHINA	17.2	GREEK BUYERS
MAESTRO DIAMOND	HANDY	36,920	2015	JAPAN	22.5	TURKISH BUYERS
SUPPER GUNNER	HANDY	31,922	2009	JAPAN	13.0	UNDISCLOSED

Dry Bulk Values

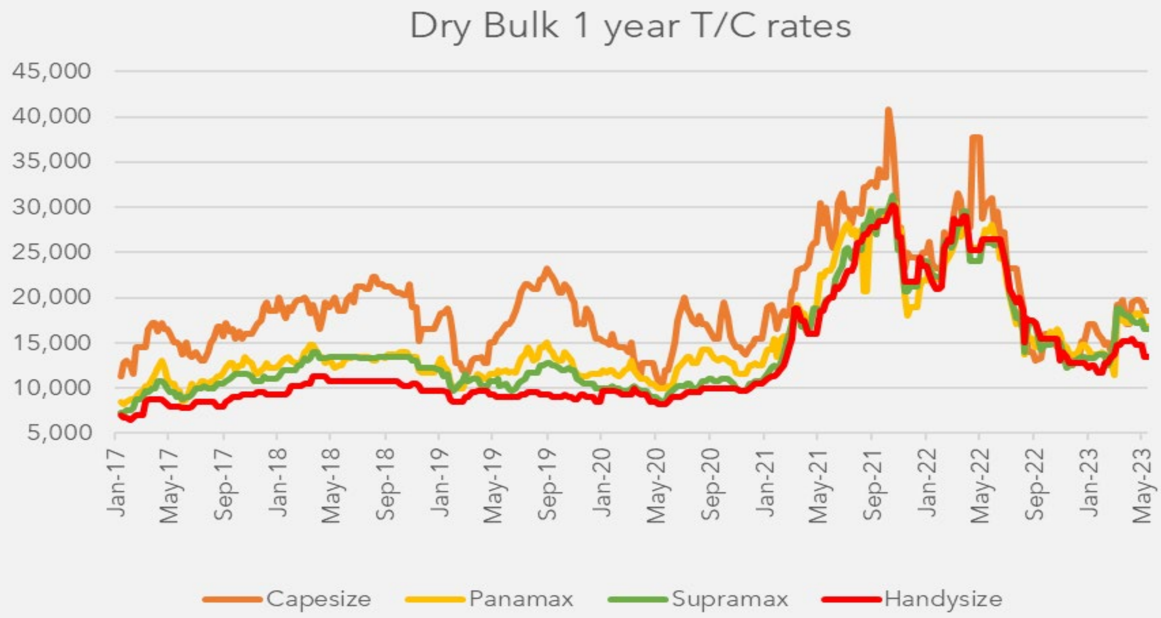
(Weekly)

TYPE	DWT	NB CONTRACT	NB PROMPT DELIVERY	5 YEARS	10 YEARS	20 YEARS
CAPE	180,000	62	65	55	32	15
KAMSARMAX	82,000	34	40	35	25	10
SUPRAMAX	56,000	32	38	32	22	10
HANDY	38,000	29	32	27	20	8
*(Amount in USD million)						

Baltic Exchange Dry Bulk Indices

BALTIC EXCHANGE DRY BULK INDICES					
	CURRENT	**LAST WEEK**	**LAST YEAR**	**W-O-W CHANGE %**	**Y-O-Y CHANGE %**
BDI	1,402	1,608	3,344	-12.81%	-58.07%
BCI	2,105	2,456	4,526	-14.29%	-53.49%
BPI	1,235	1,445	3,382	-14.53%	-63.48%
BSI	1,085	1,112	2,816	-2.43%	-61.47%
BHSI	614	635	1,662	-3.31%	-63.06%

BULKER 12 MONTHS T/C RATES AVERAGE (IN USD/DAY)						
	DWT	**CURRENT**	**LAST WEEK**	**LAST YEAR**	**W-O-W CHANGE %**	**Y-O-Y CHANGE %**
CAPE	180,000	17,250	18,250	31,000	-5.48%	-44.35%
PANAMAX	75,000	14,250	14,350	28,000	-0.70%	-49.11%
SUPRAMAX	52,000	13,650	13,750	26,000	-0.73%	-47.50%
HANDYSIZE	32,000	10,500	10,500	23,250	0	-54.84%



Tankers

Oil is on track for its first weekly gain in over a month due to optimism surrounding a potential agreement to raise the U.S. debt ceiling, avoiding a catastrophic default.

West Texas Intermediate (WTI) futures rose above US$72 per barrel, resulting in a roughly 3% increase for the week. House Speaker Kevin McCarthy expressed hope that negotiators could reach a preliminary agreement as early as this weekend. Asian refiners are once again purchasing U.S. oil cargoes, and analysts continue to anticipate a tightening of global crude markets during the summer.

Despite these positive developments, crude prices remain 10% lower for the year due to China's sluggish economic recovery and the Federal Reserve's tightening of monetary policy. Uncertainty was injected into the market by Fed officials, who expressed divergent views on whether to raise interest rates at their upcoming meeting or adopt a pause.

Bank of America Corp. noted that oil has struggled to gain strength this year. However, they believe that supply deficits will emerge and expect prices to rise throughout the second half of the year.

Meanwhile, wildfires in Alberta, Canada's leading energy-producing province, have disrupted output and contributed to some market tightness. Rystad Energy estimates that approximately 240,000 BPD have been shut down due to the fires. Additionally, the impasse in U.S. debt ceiling negotiations has weighed on the oil market. Despite these factors, estimates of decreasing U.S. fuel inventories and the International Energy Agency's positive outlook on Chinese oil demand have provided support to oil prices.

Meanwhile, in the tanker segment, despite expectations of increased Chinese oil demand, VLCC freight rates from the Middle East Gulf (MEG) to China have continued to decline. This sustained decrease in rates reflects changes in supply and demand dynamics in the trade route. The decline in rates has also led to reduced seagoing ballast speeds. VLCC rates have shown a modest increase compared to the previous week but remain significantly lower than the peak observed earlier.

VLCC:

The inflow of new cargo continues to decrease due to OPEC+ production cuts and refinery maintenance in China. In the MEG/China section, there was a slight improvement, with 270,000 mt climbing to WS49. The Eastern Suez market also saw a recovery in the latter part of the week, driven by increased activity in the Atlantic. The increased movement of vessels to the Atlantic basin is expected to alleviate the pressure on ship supply in the Middle East, leading to a positive market trend. 260,000mt WAFR/China improved to WS54.

Suezmax:

In the West Africa/Europe segment, the market experienced a significant 28% increase in the W.S. index from improved circumstances in the Atlantic and a rise in new cargo inflows. Shipments from the USG also contributed to balancing ship supply and demand by reducing overcapacity. 130,000 mt Nigeria/Rotterdam, climb a few points to WS116 at closing. This positive growth is expected to continue, and the market is expected to remain firm.

Aframax:

The Aframax size segment has shown a stronger performance in recent weeks, although there have been mixed signals in certain trade areas. However, currently, the market sentiment is significantly bullish due to a sharp increase in the Caribs-USG route. 70,000 mt E.C. Mexico/USG is 186 points higher than a week ago, coming in at WS380. 70,000mt Covenas/USG has also increased by 100% to WS351.

Clean:

L.R.: MEG/NE Asia W.S. experienced a 4.3% increase in the weekly rate. This rise can be attributed to the higher import of Chinese naphtha caused by refinery facility maintenance. However, the declining profit margins of petrochemical products and the competitive pricing of alternative LPG are factors that are constraining further growth. TC5 close to the WS180 mark.

MR: Rates between Korea and Singapore dropped as a result of a decrease in petroleum product exports from NE Asia and an increase in the number of available vessels in the region. In the Atlantic, TC14 fell a few points, closing around WS85.

Tankers S&P Report

VESSEL NAME	TYPE	DWT	YEAR	BUILT	PRICE (MILLION) USD	COMMENTS / BUYERS
BALTIC SUNRISE	VLCC	309,373	2005	S. KOREA	51.5	CHINESE BUYERS
WONDER POLARIS / WONDER BELLATRIX	AFRA	115,341	2005 / 2006	S. KOREA	72.0 EN BLOC	UNDISCLOSED
AFRAMAX RIVIERA	AFRA	107,113	2005	JAPAN	35.0	UAE BASED BUYERS
LUMEN N	LR1	63,599	2008	S. KOREA	22.25	UNDISCLOSED
GREEN POINT	MR	49,511	2003	S. KOREA	13.0	UAE BASED BUYERS
SPLENDOUR CHILTERN	MR	44,999	1999	S. KOREA	14.2	UAE BASED BUYERS
JENNY I	MR	40,128	2003	S. KOREA	17.0	EUROPEAN BUYERS
SUPER INFINITY / SUPER HERO / SUPER EASTERN / SUPER FORTER	PROD / CHEM	15,004 ~ 12,814	2009	S. KOREA	9.0 EACH	UNDISCLOSED

Tankers Values

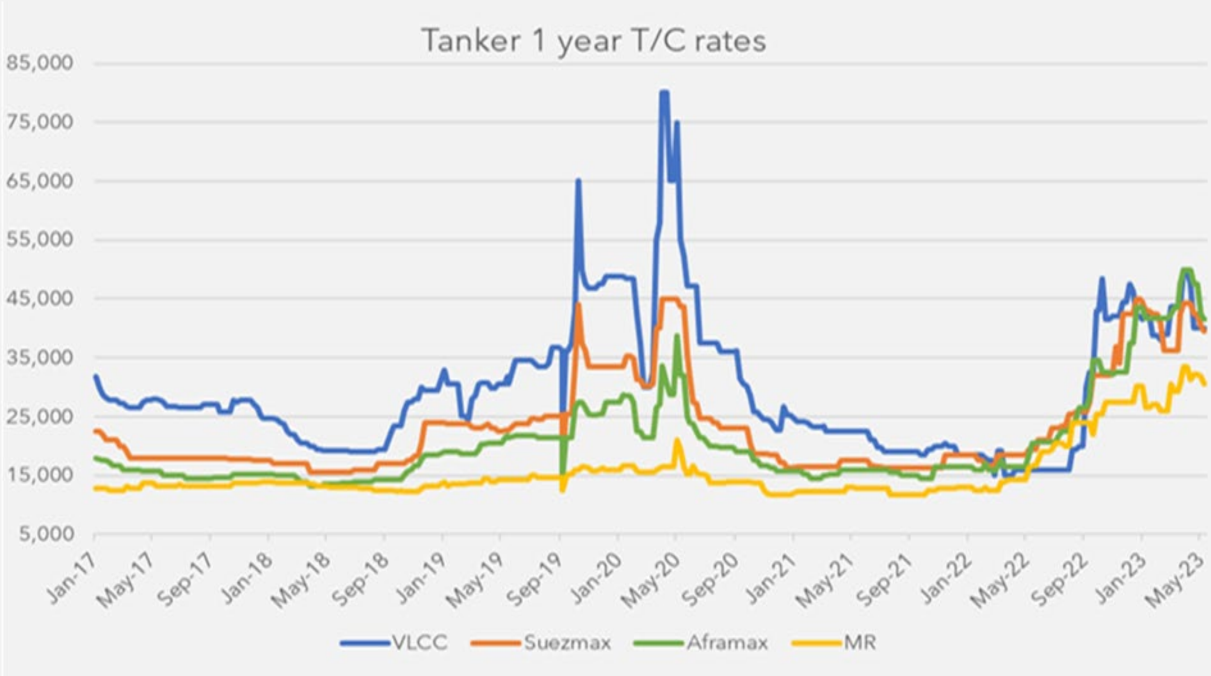
(Weekly)

TANKERS	DWT	NB CONTRACT	NB PROMPT DELIVERY	5 YEARS	10 YEARS	20 YEARS
VLCC	310,000	125	125	100	75	52
SUEZMAX	160,000	83	85	70	55	30
AFRAMAX	115,000	75	77	62	50	29
PANAMAX-LR1	73,000	58	60	48	38	19
MR TANKER	51,000	46	50	42	32	19
*(amount in USD million)						

Baltic Exchange Tanker Indices

BALTIC EXCHANGE TANKER INDICES					
	CURRENT	LAST WEEK	LAST YEAR	W-O-W CHANGE %	Y-O-Y CHANGE %
BDTI	1,312	1,218	1,111	+7.72%	+18.09%
BCTI	587	637	1,465	-7.85%	-59.93%

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	300,000	37,500	37,000	16,000	+1.35%	+134.38%
SUEZMAX	150,000	39,500	39,500	21,000	0	+88.10%
AFRAMAX	110,000	41,000	41,000	20,750	0	+97.59%
LR1	74,000	35,500	35,500	17,500	0	+102.86%
MR	47,000	26,500	28,000	17,500	-5.36%	+51.43%



Containers

The Valencia Containerised Freight Index (VCFI), ended 2022 at 3,603 points, down 11.3% compared to December 2021. Since January 2019, the VCFI has gained a total of 260%. The index experienced two distinct phases in 2022, with monthly gains until August reaching a peak of 4,918 points, followed by a significant drop in export prices from September onwards. Meanwhile, SCFI fell 1% w-o-w, reaching 972 points. The decline was primarily driven by a 4% drop in rates on the Shanghai-USWC route. However, rates on other major routes were also affected, with the Shanghai-USEC rate slipping to US$2,365 per FEU.

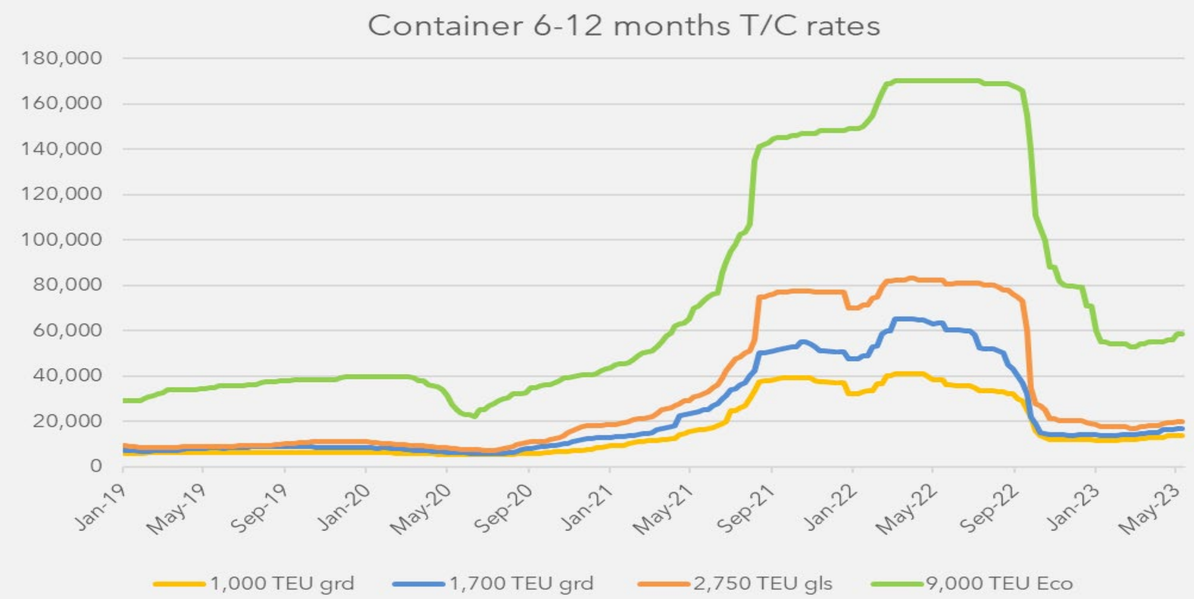
Containers S&P Report

VESSEL NAME	TYPE	TEU	YEAR	BUILT	PRICE (MILLION) USD	COMMENTS / BUYERS
INGRID	FEEDER	698	2008	CHINA	5.8	TURKISH BUYERS

Containers Values

(Weekly)

CONTAINERS (by TEU)	GEARED / GEARLESS	NB CONTRACT	NB PROMPT DELIVERY	5 YEARS	10 YEARS	20 YEARS
900 – 1,200	Geared	23	22	15	10	8
1,600 – 1,800	Geared	29	28	22	16	12
2,700 – 2,900	Gearless	43	38	30	20	15
5,500 – 7,000	Gearless	88	80	70	45	N/A
*(amount in USD million)						



Ship Recycling Market Snapshot

DESTINATION	TANKERS	BULKERS	MPP/ GENERAL CARGO	CONTAINERS	SENTIMENTS / WEEKLY FUTURE TREND
ALANG (WC INDIA) *For green ship recycling, the prices are about US$15-20/ton lower.	540 ~ 550	520 ~ 530	530 ~ 540	550 ~ 560	STABLE /
CHATTOGRAM, BANGLADESH	*560 ~ 570	*550 ~ 560	*530 ~ 540	*570 ~ 580	STABLE /
GADDANI, PAKISTAN	NA	NA	NA	NA	NA
TURKEY *For Non-EU ships. For E.U. Ship, the prices are about US$30-40/ton less	320 ~ 330	310 ~ 320	300 ~ 310	330 ~ 340	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 based on the subject Letters of Credit opening and case-to-case buying.

5-Year Ship Recycling Average Historical Prices

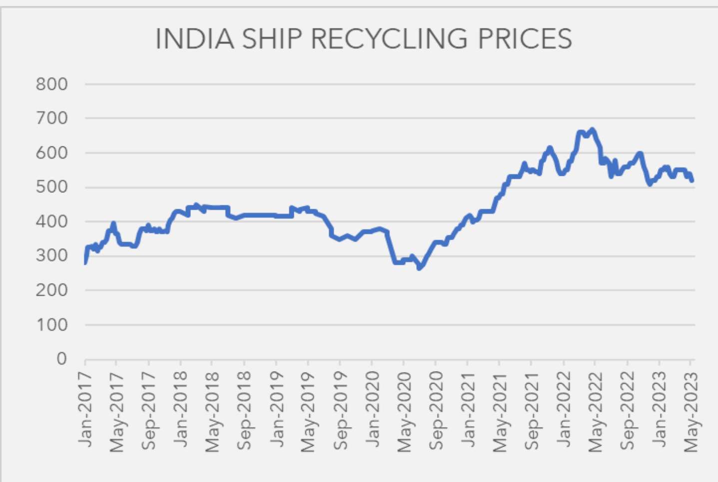
(Week 20)

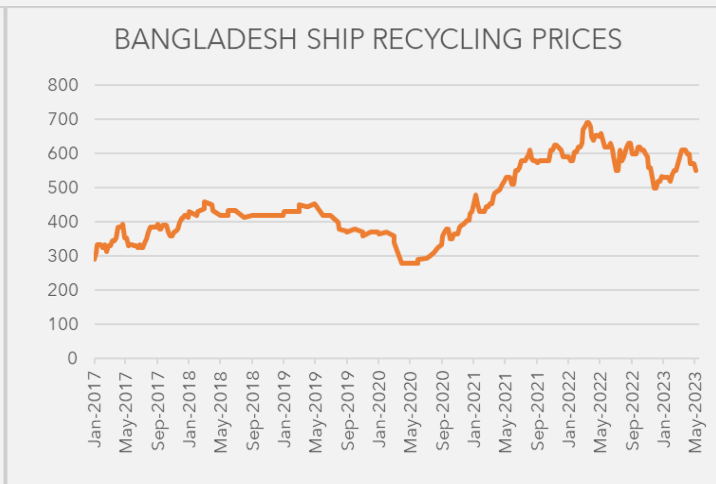
DESTINATION	2018	2019	2020	2021	2022
ALANG, INDIA	450	435	330	510	675
CHATTOGRAM, BANGLADESH	420	430	310	520	645
GADDANI, PAKISTAN	440	420	300	510	660
ALIAGA, TURKEY	290	270	170	280	400

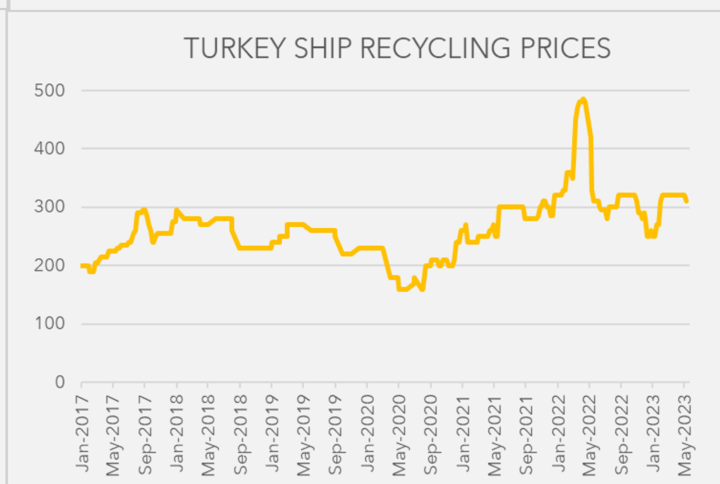
Ships Sold for Recycling

VESSEL NAME	LDT / MT	YEAR / BUILT	TYPE	PRICE (US$/LDT)	COMMENTS
KUMUL ARROW	10,998	1984 / S. KOREA	GEN.CARGO	525	DELIVERED ALANG / PAST SALE FAILED AND RESOLD
XIANG JIANG 6	7,290	1977 / JAPAN	BULKER	563	DELIVERED CHATTOGRAM / PRE-BUDGET DELIVERY
TIAN HE SHUN	7,450	1977 / JAPAN	BULKER	UNDISCLOSED	DELIVERED CHATTOGRAM / PRE-BUDGET DELIVERY
GANDRIA	29,500	1977 / GERMANY	LNG	525	AS IS LABUAN, MALAYSIA, UNDER TOW / FOR HKC RECYCLING / DELIVERY POST-MONSOON
BLUE OCEAN	4,361	1989 / JAPAN	CONTAINER	625	DELIVERED CHATTOGRAM / DELIVERY JUNE END / JULY

Recycling Ships Price Trend







Insight

Overall, the ship recycling sector in the Sub-Continent experienced a lackluster demand by the domestic steel mills amid the decline in global steel prices. Ship recyclers exercised caution in their approach due to sluggish demand from steel mills. The global steel industry finds itself in a state of uncertainty and stagnation, struggling to regain momentum.

In the realm of end-of-life ship supplies, the market has witnessed a consistent improvement in the availability of vessels this week, primarily originating from the Far Eastern markets. Ship owners had grown accustomed to this upward trend, eagerly capitalising on the increasing options at their disposal.

However, an unforeseen and abrupt decline in ship prices for the last one month has sent shockwaves through the industry, catching many owners off guard and leaving them scrambling to navigate this new reality. Consequently, a significant majority of these owners have opted to adopt a cautious approach, choosing to wait and closely monitor the situation before making any definitive moves.

While in the Chinese steel markets, Chinese steelmakers are urging the government to quickly revise standards governing the import of scrap materials in order to boost their volume of imports. The current standards are strict, limiting the availability of suitable varieties and leading to exporters being reluctant to comply. Consequently, Chinese steel plants are cautious about importing raw materials due to the potential for legal consequences.

China is the world's largest consumer of scrap, and increasing scrap imports would help to reduce its reliance on imported iron ore. Additionally, this move would align with China's commitment to carbon emissions reduction, targeting carbon neutrality by 2060. To achieve this, Beijing plans to raise the share of steel produced from electric arc furnaces (EAFs), which rely on scrap as a raw material, to 15% by 2025. However, the shortage of domestic scrap is hindering these plans.

The revision of scrap standards is crucial for Chinese steelmakers as they seek to expand steel production using electric arc furnaces and address the domestic scrap shortage while striving to achieve sustainability goals.

Earlier this year, industry experts and government officials highlighted several factors affecting the potential for increased scrap usage. Global scrap consumption in the steel industry decreased by 7% to 610 million tons in 2022. The top three consumers were China (225 million tons), the European Union (78 million tons), and the United States (55 million tons).

This week, the United Nations has now put the famous ULCC-sized FSO Safer, weighing 60,453 tons up for recycling sale due to its potential to cause a catastrophic environmental disaster.

FSO Safer has not undergone drydocking since its conversion in 1987 and was abandoned in 2015 mainly due to the Yemen civil war. It will be an interesting deal to see due to the nature and complexities involved, and due to the size, there are very limited recycling facilities available in India. Her fate for Bangladesh seems unlikely due to the size as opening a Letter of Credit will be a challenge. Pakistan is one lucrative place, once the markets reopen. The coming week shall shed some more light on her negotiations.

ALANG, INDIA.

With domestic ship prices stabilising this week, some respite came in for the Alang ship recyclers. The recyclers who were cautiously waiting to see the direction now got on the driving seat, looking to buy ships at the prevailing rates. Though, no signs of desperation were noticed from Alang despite a weak ship supply.

A vast majority of the recyclers believe that the current rebound in the midst of scarcity is primarily unsupported by genuine demand, resulting in a deceptive recovery, while the global ferrous scrap market remains stagnant, feeble, and in decline. Experts within the industry contend that the global prices of ferrous scrap, rupee performance and the fluctuations in iron ore will play a pivotal role in determining shipping prices.

Anchorage & Beaching Position (May 2023)

VESSEL NAME	TYPE	LDT	ARRIVAL	BEACHING
MSC PILAR	CONTAINER	23,740	18.05.2023	AWAITING
MARITIME LIRA	TANKERS	12,235	09.05.2023	AWAITING
SUDARSHAN	OFFSHORE	1,762	09.05.2023	16.05.2023
GERIMA	D/V	1,774	03.05.2023	04.05.2023
APOLLO PACIFIC	LPG	2,189	28.04.2023	05.05.2023
GREEN KARMOY	REEFER	2,699	29.04.2023	05.05.2023
CYNTH	TANKER	3,349	03.05.2023	06.05.2023

CHATTOGRAM, BANGLADESH

In a troubling turn of events, domestic markets are grappling with a persistent decline in prices of domestic ship plates and melting scrap. This can be attributed to the sluggish demand from steel mills, which has weakened onward sales due to the ailing economy. Adding to the complexity of the situation are the mounting challenges surrounding ongoing issues with Letters of Credit (LC) and the strengthening of the U.S. dollar against the local currency.

The domestic ship plate and melting scrap prices are on a steady downward trajectory, causing concerns within the market. The primary reason behind this slump is lackluster sales to steel mills. The reduced demand from these mills has a direct impact on the prices of ship plates and melting scrap, exacerbating the downward trend.

Ship prices are expected to remain within a certain range as industry experts foresee continued pressure on their value. Furthermore, the upcoming monsoon season is anticipated to have a dampening effect on both production and demand for ships.

The initial initiatives by the government to curb imports to preserve foreign exchange in the last few months have proven to be a positive development. The trade gap and current account deficit have narrowed significantly. However, analysts believe that such a fall in imports alone might not be enough to bring stability to the economy. Bangladesh's international currency reserves stood at $30.34 billion last week, in contrast to $42.20 billion in May last year, a decrease of 28 percent year-on-year. Mustafizur Rahman, a distinguished fellow at the Centre for Policy Dialogue, thinks strengthening the financial account is the most important task now is to restore discipline in the economy and highlighted that the government should look into getting more foreign-funded projects as it will help the country mobilise U.S. dollars from external sources.

For the time being, the focus now shifts to the upcoming budget to take clues on what's stored for the recycling industry.

Anchorage & Beaching Position (May 2023)

VESSEL NAME	TYPE	LDT	ARRIVAL	BEACHING
SHANG HANG 68	BULKER	6,719	19.05.2023	AWAITING
ATLANTIC RAY	GEN.CARGO	2,461	19.05.2023	AWAITING
WESTERN ENDEAVOUR	BULKER	1,488	18.05.2023	AWAITING
VASI STAR	CONTAINER	7,771	17.05.2023	AWAITING
XIN ZHOU SHAN	CONTAINER	3,454	10.05.2023	19.05.2023
HAI CHANG	BULKER	7,585	09.05.2023	18.05.2023
THOR	GEN.CARGO	1,103	26.04.2023	10.05.2023
SIAM OCEAN	WOODCHIP	7,996	05.05.2023	09.05.2023
OCEAN SMART 1	BULK	10,019	03.05.2023	08.05.2023
S MARU 3	CEMENT C.	851	26.04.2023	08.05.2023
LOGAN	GEN.CARGO	1,769.45	30.04.2023	07.05.2023
HONG YANG	GEN.CARGO	11,883.80	18.04.2023	06.05.2023
WEST OCEAN 9	GEN.CARGO	1,671.48	29.04.2023	05.05.2023
GLEN	REEFER	3,185	25.04.2023	05.05.2023
S MARU	TANKER	860	25.04.2023	05.05.2023
PABLO	D/V	7,362.30	29.04.2023	04.05.2023
HAN	REEFER	2,184.45	18.04.2023	04.05.2023

GADDANI, PAKISTAN

Pakistan continues to grapple with economic struggles and escalating U.S. Dollar Crisis.

The currency dealers have attributed the rise in prices to a shortage of dollars, but other factors have also impacted on the exchange rate. In the open market, the dollar reached as high as Rs.301, while the Exchange Companies Association of Pakistan reported it as Rs.299.70, significantly higher than the interbank rate of Rs.285.40. The shortage of dollars in the open market, particularly outside of Karachi, is more severe. Banks are reluctant to provide cash dollars, leading to unexpectedly high prices.

The State Bank of Pakistan is managing the exchange rate with limited resources and declining foreign investment and remittances. Currency dealers believe the ongoing political crisis is the primary cause of the dollar's appreciation.

Anchorage & Beaching Position (May 2023)

VESSEL NAME	TYPE	LDT	ARRIVAL	BEACHING
-	-	-	-	-

ALIAGA, TURKEY

Despite the uncertain political climate surrounding the Turkish General Election, domestic steel prices in the country have shown remarkable stability, holding steady as the nation awaits a crucial runoff. This resilience in steel prices reflects the industry's strength and ability to withstand economic challenges. Key regions such as Marmara, Izmir, and Iskenderun have experienced consistent prices for rebar, with no significant fluctuations observed.

The stability follows a notable increase in prices shortly after the election, indicating an initial market response to the political uncertainties. Billet prices in Turkey have also remained constant, while imported ferrous scrap prices have shown minor fluctuations. The stability in steel prices is particularly noteworthy, considering the country's economic future hinges on the election outcome, which could have significant implications for the steel industry due to currency movements and reliance on imported scrap. The market remains watchful, aware of the potential impact of the election runoff on the economy and the steel market.

BEACHING TIDE DATES 2023

Chattogram, Bangladesh : 18^{th} ~ 21^{st} May | 4^{th} ~ 7^{th} June

Alang, India : 16^{th} ~ 24^{th} May | 2^{nd} ~ 10^{th} June

Bunker Prices

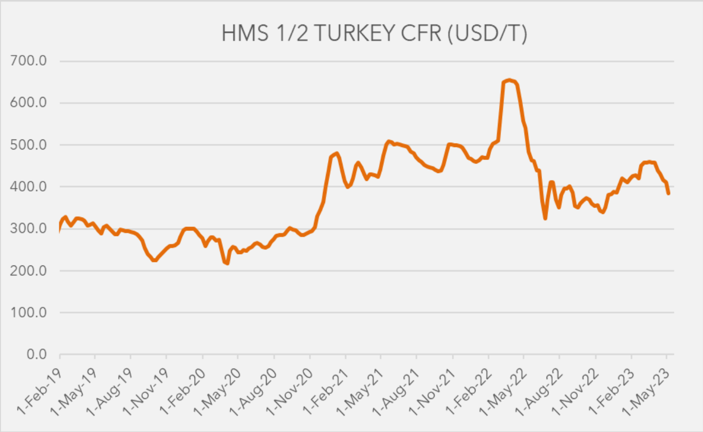
BUNKER PRICES (USD/TON)			
PORTS	**VLSFO (0.5%)**	**IFO380 CST**	**MGO (0.1%)**
SINGAPORE	584	453	695
HONG KONG	597	471	694
FUJAIRAH	566	465	875
ROTTERDAM	537	439	687
HOUSTON	528	413	719

Exchange Rates

EXCHANGE RATES			
	19^{th} MAY	12^{th} MAY	W-O-W % CHANGE
USD / CNY (CHINA)	7.01	6.94	-1.01%
USD / BDT (BANGLADESH)	107.32	107.38	+0.06%
USD / INR (INDIA)	82.73	82.17	-0.68%
USD / PKR (PAKISTAN)	285.70	285.25	-0.16%
USD / TRY (TURKEY)	19.81	19.58	-1.17%

Commodity Prices

HMS 1/2 & Tangshan Billet



Iron Ore

COMMODITY	SIZE / GRADE	PRICE/ MT	CHANGE W-O-W	CHANGE Y-O-Y	LAST WEEK	LAST YEAR
Iron Ore Fines, CNF Qingdao, China	Fines, Fe 62.5% (Brazil Origin)	US$98	+7.69%	-15.51%	US$91	US$116
Iron Ore Fines, CNF. Rizhao, China	Fines, Fe 62% (Australia Origin)	US$110	+6.79%	-14.72%	US$103	US$129

Industrial Metal Rates

INDEX	UNITS	PRICE	CHANGE	%CHANGE	CONTRACT
Copper (Comex)	USD / lb.	374.70	+5.75	+1.56%	Jul 2023
3Mo Copper (L.M.E.)	USD / MT	8,172.50	-129.50	-1.56%	N/A
3Mo Aluminum (L.M.E.)	USD / MT	2,283.50	-13.00	-0.57%	N/A
3Mo Zinc (L.M.E.)	USD / MT	2,459.00	-65.00	-2.58%	N/A
3Mo Tin (L.M.E.)	USD / MT	25,014.00	+212.00	+0.85%	N/A

Crude Oil & Natural Gas Rates

INDEX	UNITS	PRICE	CHANGE	%CHANGE	CONTRACT
WTI Crude Oil (Nymex)	USD / bbl.	72.77	+0.91	+1.27%	Jun 2023
Brent Crude (ICE.)	USD / bbl.	76.85	+0.99	+1.30%	Jul 2023
Crude Oil (Tokyo)	J.P.Y. / kl	64,960.00	+670.00	+1.04%	Jun 2023
Natural Gas (Nymex)	USD / MMBtu	2.59	0.00	-0.19%	Jun 2023

Note: all rates as at C.O.B. London time May 19, 2023.