



WEEKLY REPORT

WEEK 31 – August 3, 2024

This week, global recession fears dominated as over US\$2.9 trillion was wiped from major indices, marking the worst day for stocks since March 16, 2020. On Friday, U.S. markets plunged, with the S&P 500 dropping 1.84% to 5,346.56 and the Nasdaq Composite falling 2.43% to 16,776.16, entering correction territory. The massive sell-off raises questions about whether a global recession is imminent or if this is merely a knee-jerk reaction. Investors will keenly watch the coming week for clues on the true state of the global economy.

The Fed kept the rates steady but signalled a possible rate cut in September amid labour market concerns. FED Chair Jerome Powell indicated that the Fed might cut interest rates in September unless inflation progress stalls. Powell highlighted growing confidence among officials to ease economic restraints while expressing concerns about the labour market weakening further. The Fed has kept the federal funds rate between 5.25% and 5.5% since last July.

In the U.K., the Bank of England is cutting interest rates for the first time in over four years. In a narrow vote, BoE's Monetary Policy Committee reduced the key interest rate by a quarter point to 5%, marking the first cut in more than four years. The decision, passed by a 5-4 vote, follows inflation's return to the 2% target. BoE Governor Andrew Bailey warned against rapid successive cuts, emphasising the need for cautious monetary policy.

While in Japan, The Bank of Japan (BOJ) raised its interest rate to 0.25% and announced a bond tapering plan, signaling confidence in economic recovery and concerns over the weak yen. BOJ Governor Kazuo Ueda hinted at further hikes if inflation continues. The policy rate is still negative after inflation, aiming not to hinder the economy. This unexpected move surprised the market, as only 26% anticipated a rate hike.

The BOJ will halve its monthly bond purchases by early 2026, ensuring a smooth tapering process. The yen remains weak against the dollar, prompting previous yen-buying interventions by currency authorities.

Dry Bulk

The Baltic Exchange ended its 10-session losing streak at the week's close, buoyed by stronger Capesize rates. The overall index gained 7 points, reaching 1,675 after hitting a 3-month low. The Capesize index rose 38 points to 2,327, breaking its own 10-day decline, with average daily earnings increasing to US\$19,299.

However, other segments saw declines. The Panamax index dropped 8 points to 1,705, its lowest in over two weeks, with average daily earnings falling to US\$15,345. The Supramax index also decreased by 10 points to 1,342.

Capesize:

The Pacific is seeing an upturn, driven by an increased influx of new iron ore cargoes from Western Australia and expanded coal imports from Eastern Australia. Since mid-July, despite the seasonal lull, the market has been following a pattern of establishing short-term bottom prices and then rebounding, supported by robust iron ore shipping demand. Pacific r/v climb to US\$19,950's a day. In contrast, the Brazilian market continues to decline due to ample vessel supply. Brazil r/v fell slightly to US\$19,500's a day.

Panamax/Kamsarmax:

In the Atlantic region, despite a steady influx of North American cargoes, the market continues to face downward pressure on rates. This is due to a persistent oversupply of vessels in the area. T/A fell to US\$14,000's a day. Meanwhile, the Pacific region is showing signs of gradual recovery, with increasing cargo flows from Indonesia and Australia. However, this improvement is not yet substantial enough to drive an overall market upturn. Pacific r/v fell to US\$13,150's a day.

Supramax/Ultramax:

In the Atlantic, the market continues its downward trend. This is primarily due to an increasing vessel supply in the USG, coupled with a lack of significant demand from other routes. T/A fell to US\$20,250's a day. The Pacific is experiencing a similar decline. Most major routes in this area are seeing sluggish inflow of new cargoes, contributing to the ongoing downward pressure on rates. Pacific r/v fell to US\$13,950's a day.

Handysize:

It was another lacklustre week in the Handy with rates mostly remaining unchanged. F/H routes saw rates similar to last closing at US\$14,000's a day. Meanwhile in Pacific, rates

across saw discounts owing to excess tonnage in the region. Inter Pacific close the week at US\$10,900's a day while r/v routes were at US\$11,900's a day.

Baltic Exchange Dry Bulk Indices

INDICES	CURRENT	LAST WEEK	LAST YEAR	W-O-W CHANGE	Y-O-Y CHANGE
BDI	1,675	1,834	1,128	-8.67%	+48.49%
BCI	2,327	2,696	1,818	-13.69%	+28.00%
BPI	1,705	1,785	1,112	-4.48%	+53.33%
BSI	1,342	1,387	695	-3.24%	+93.09%
BHSI	759	760	391	-0.13%	+94.12%

Dry Bulk Values

(Weekly)

TYPE	DWT	NB CONTRACT	NB PROMPT DELIVERY	5 YEARS	10 YEARS	15 YEARS
CAPE	180,000	76	77	64	45	29
KAMSARMAX	82,000	37	43	38	29	19
SUPRAMAX	56,000	34	42	36	28	16
HANDY	38,000	30	35	28	21	12

*(amount in USD million)

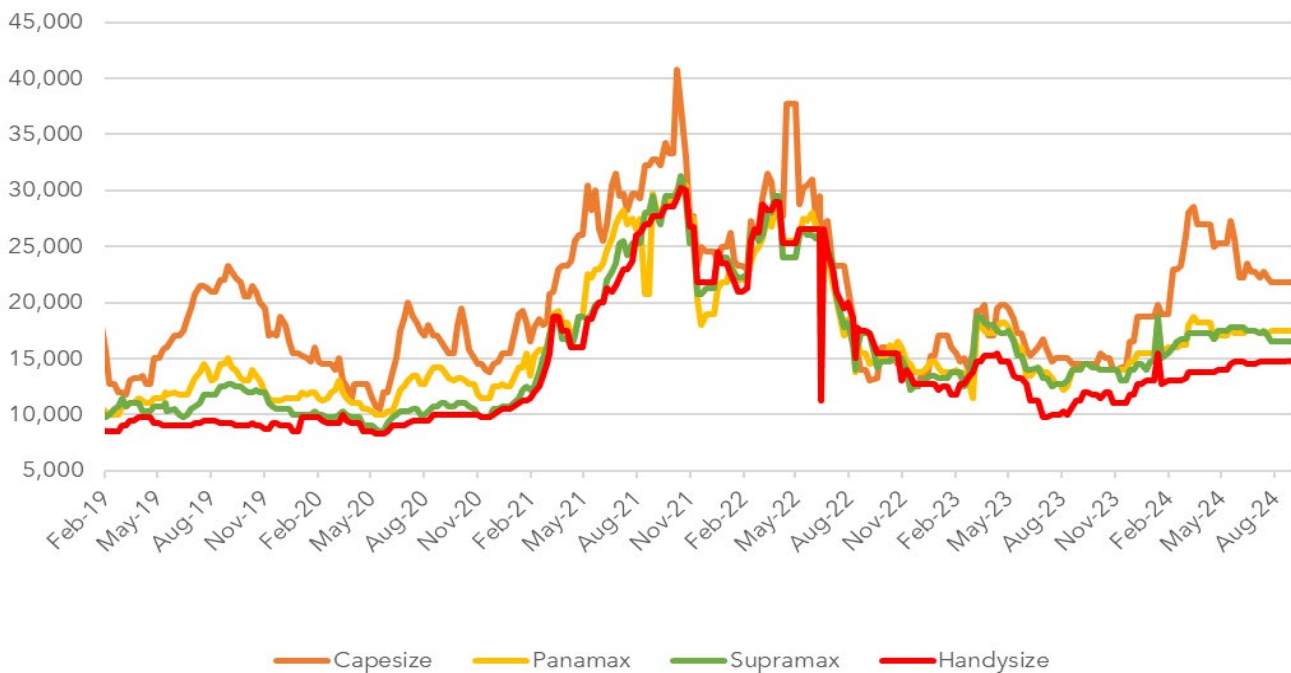
Bulker 12 months T/C rates average (in USD/day)

TYPE	DWT	CURRENT	LAST WEEK	LAST YEAR	W-O-W CHANGE	Y-O-Y CHANGE
CAPE SIZE	180,000	22,000	22,000	15,000	0	+46.67%
PANAMAX	75,000	15,700	15,750	10,750	-0.32%	+46.05%
SUPRAMAX	58,000	15,000	15,000	10,500	0	+42.86%
HANDY SIZE	38,000	15,000	15,000	9,750	0	+53.85%

Dry Bulk – S&P Report

VESSEL NAME	TYPE	DWT	YEAR	BUILT	PRICE (MILLION) USD	COMMENTS / BUYERS
FOMENTO TWO	VLOC	206,960	2017	S. KOREA	60.0	PANOCEAN
HERUN GLOBAL	CAPE	181,056	2016	CHINA	49.5	ALPHA BULKERS
GREAT NAVIGATOR	CAPE	176,303	2006	JAPAN	18.7	CHINESE BUYERS
XING DE HAI	KMAX	82,204	2017	JAPAN	37.0	ARCELORMITTAL
SWANSEA	UMAX	63,310	2015	CHINA	25.5	CASTOR MARITIME
XING XI HAI	UMAX	60,498	2017	JAPAN	32.0	GREEK BUYERS
OLYMPUS	SMAX	57,374	2013	CHINA	17.0	GREEK BUYERS
HEILAN CRUISER	SMAX	56,922	2012	CHINA	14.0	FUJIAN HIGHTON
TRISTAR PROSPERITY	SMAX	56,824	2012	CHINA	14.5	UNDISCLOSED
IONIC STORM	SMAX	56,032	2005	JAPAN	13.3	GREEK BUYERS
MONICA D	SMAX	52,478	2001	JAPAN	7.8	UNDISCLOSED
UGLJAN	HANDY	37,729	2010	CHINA	11.0	UNDISCLOSED
SEASTAR TITAN	HANDY	30,439	2009	CHINA	9.8	UNDISCLOSED

Dry Bulk 1 year T/C rates



Tankers

The Middle East conflict has escalated to its most critical point since October 7th, with recent events pushing oil markets into high alert. The assassination of Hamas leader Ismail Haniyeh on Iranian soil by Israel has created a tense situation, forcing Iran to consider a proportional response that could potentially lead to a wider regional war.

This latest escalation began with a Hezbollah attack on the Golan Heights, followed by Israel's retaliation in Beirut, targeting a senior Hezbollah commander. Hours later, Israel assassinated Haniyeh in Iran, dramatically heightening tensions and likely derailing Gaza ceasefire talks.

Oil prices have spiked in response, with WTI rising past US\$77 and Brent nearing US\$81. The geography of these strikes, occurring in Beirut and Tehran, marks a significant escalation that threatens to push the region into a full-scale conflict.

International reactions have been swift, with Iran, Qatar, Jordan, and Lebanon condemning Israel's actions. The U.S. has distanced itself from the assassination, while Qatar described it as a "heinous crime and dangerous escalation."

The killing of Haniyeh, who played a key role in ceasefire negotiations, coupled with the strike on Hezbollah's military commander, has brought geopolitical risk back to the forefront of oil markets. The situation remains highly volatile, with the potential for further escalation dependent on Iran's response and the international community's efforts to prevent a broader conflict.

VLCC:

Despite the typical summer lull, the Middle East VLCC market experienced a brief surge in rates due to temporary tonnage shortages for early August cargoes. Rates peaked at WS55 mid-week. However, as early August fixtures concluded, chartering activity rapidly decelerated, resulting in a decline with 270,000mt MEG/China falling to WS47. In the Atlantic, WAFR/China also saw discounts falling to WS52. The momentum for rate increases has dissipated due to stagnant chartering demand, with some owners likely to compromise on rates, potentially leading to gradual declines.

Suezmax:

The West African Suezmax market initially showed promise of a rate rebound, buoyed by improved VLCC demand. However, this optimism was short-lived. Rates began to decline

more sharply in the latter half of the week, ending on a weak note. 130,000mt Nigeria/UKC fell to WS80. The coming week offers little prospect for demand recovery sufficient to reverse this trend, suggesting a continued decline in rates.

Aframax:

The Middle East Aframax sector saw a slight improvement in supply-demand balance early in the week, thanks to owners' efforts in managing vessel supply. This sparked hopes for rate increases. However, the underperformance of the Suezmax market limit further gains. In the Med, some improvements were seen with Ceyhan/Lavera route gaining 18 points to WS146.

Clean:

LR: The LR2 market, particularly on Middle East/Japan routes, continues to grapple with dual pressures for another week. The summer season has brought an increase in available vessels, coupled with a persistent cargo shortage. These factors have driven rates down significantly, closing at WS148. In LR1, TC5 remains relatively unchanged with levels hovering at WS155.

MR: MR market in the Far East region is also experiencing downward pressure on rates. This decline is primarily attributed to weakened export activities from key players in the region, notably China and South Korea. In the UKC, some recovery was noted. TC2 closes at WS200.

Baltic Exchange Tanker Indices

INDICES	CURRENT	LAST WEEK	LAST YEAR	W-O-W CHANGE	Y-O-Y CHANGE
BDTI	952	1,036	810	-8.11%	+17.53%
BCTI	755	814	716	-7.25%	+5.45%

Tankers Values

(Weekly)

TYPE	DWT	NB CONTRACT	NB PROMPT DELIVERY	5 YEARS	10 YEARS	15 YEARS
VLCC	310,000	130	145	115	85	58
SUEZMAX	160,000	90	99	83	68	50
AFRAMAX	115,000	75	86	72	62	44
LR1	73,000	62	64	54	44	32
MR	51,000	52	54	47	39	28

*(amount in USD million)

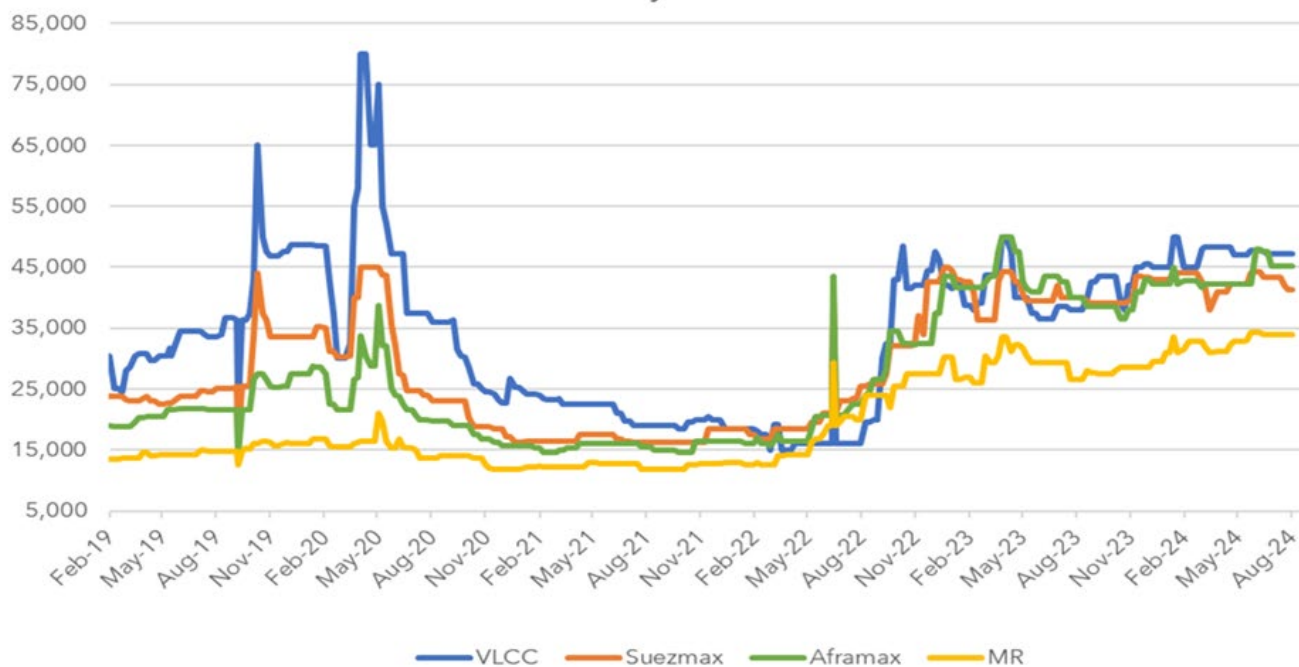
Tanker 12 months T/C rates average (in USD/day)

TYPE	DWT	CURRENT	LAST WEEK	LAST YEAR	W-O-W CHANGE	Y-O-Y CHANGE
VLCC	310,000	45,750	47,500	38,000	-3.68%	+20.39%
SUEZMAX	150,000	40,000	41,000	40,000	-2.44%	0
AFRAMAX	110,000	43,750	45,000	40,000	-2.78%	+9.38%
LRI	74,000	37,000	37,000	29,250	0	+26.50%
MR	47,000	29,250	30,000	24,000	-2.50%	+21.88%

Tankers S&P Report

VESSEL NAME	TYPE	DWT	YEAR	BUILT	PRICE (MILLION) USD	COMMENTS / BUYERS
JAG PRANAV	MR	51,383	2005	S. KOREA	17.5	UNDISCLOSED
GREEN SEA	MR	50,927	2014	S. KOREA	38.0	LVM
SUGAR	MR	42,721	2002	S. KOREA	14.0	NIGERIAN BUYERS
BRAVELY SINCERITY	PROD/ CHEM	14,445	2010	CHINA	10.7	UNDISCLOSED

Tanker 1 year T/C rates



Containers

Container freight rates continued their downward trend this week, with the overall SCFI index dropping 3% w-o-w to 3,333 points. Mainlane routes experienced widespread softening. The Shanghai-North Europe rate fell 2% to US\$4,907/TEU, while the Shanghai-US West Coast rate decreased 6% to US\$6,245/FEU.

Despite the continued easing, current rates still reflect a market that's considerably stronger than pre-pandemic levels, indicating ongoing volatility in the global shipping industry.

Containers S&P Report

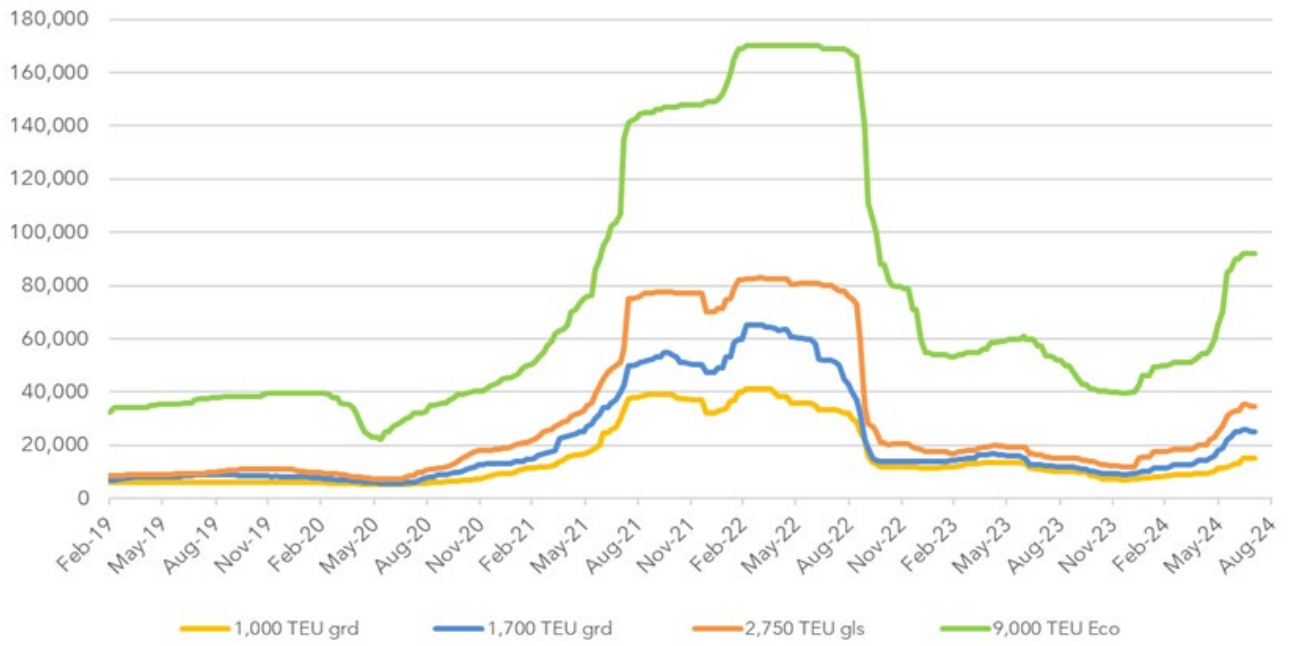
VESSEL NAME	TYPE	TEU	YEAR	BUILT	PRICE (MILLION) USD	COMMENTS / BUYERS
IKARIA	POST PMAX	5,576	2002	JAPAN	N/A	MSC
ATLANTIS	FEEDER	660	2003	CHINA	N/A	PHILIPPINE SPAN ASIA CARRIER CORP

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	18	15
2,700 – 2,900	Gearless	41	43	34	27	22
5,100	Gearless	81	77	66	35	32

**(amount in USD million)*

Container 6-12 months T/C rates



Ship Recycling Market Snapshot

DESTINATION	TANKERS	BULKERS	MPP/ GENERAL CARGO	CONTAINERS	SENTIMENTS / WEEKLY FUTURE TREND
ALANG (WC INDIA)	510 ~ 520	490 ~ 500	500 ~ 510	520 ~ 530	WEAK / 
CHATTOGRAM, BANGLADESH	520 ~ 530	510 ~ 520	490 ~ 500	530 ~ 540	WEAK / 
GADDANI, PAKISTAN	510 ~ 520	490 ~ 500	480 ~ 490	520 ~ 530	WEAK / 
TURKEY <i>*For Non-EU ships. For E.U. Ship, the prices are about USD 20-30/ton less</i>	360 ~ 370	330 ~ 340	340 ~ 350	380 ~ 390	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

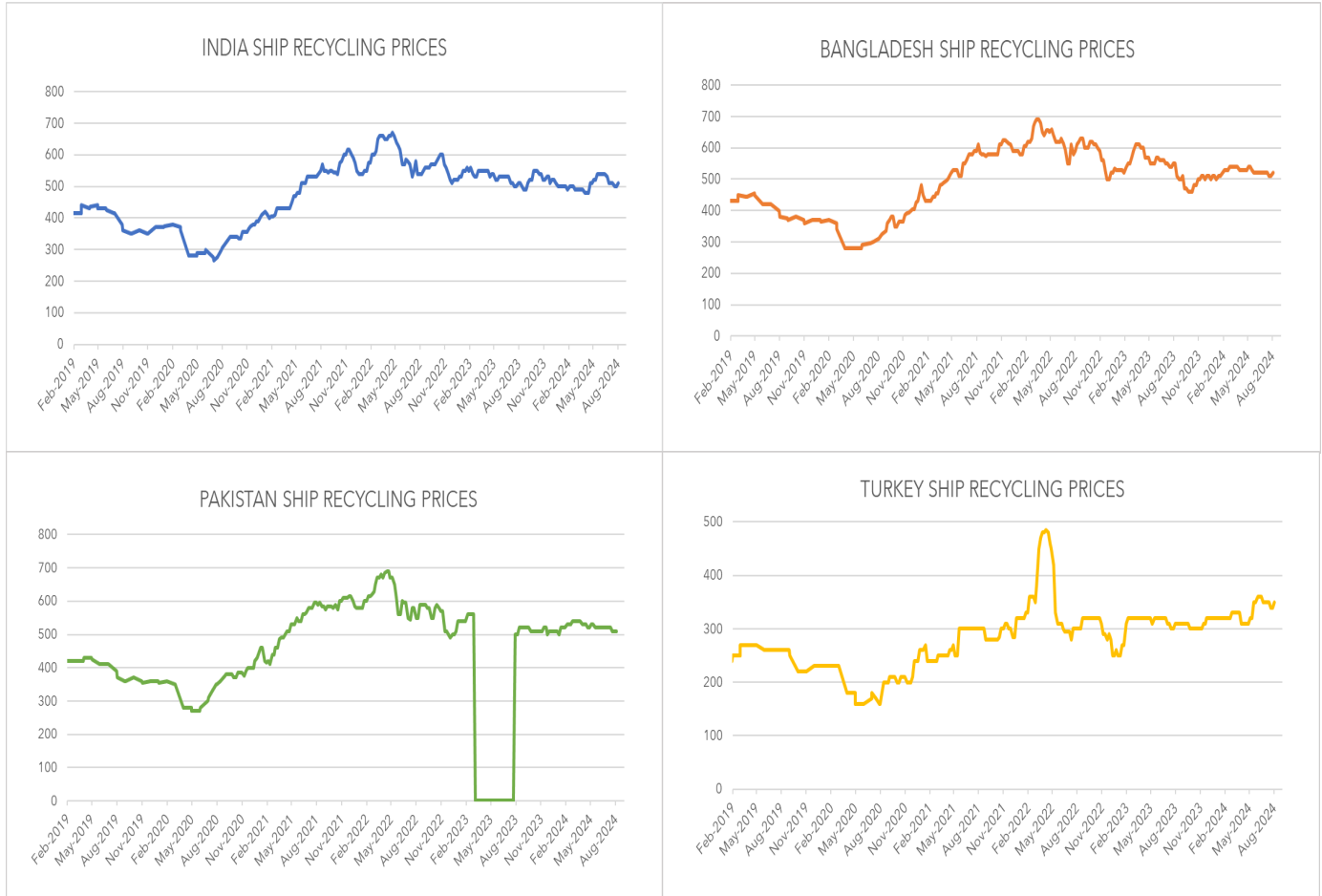
(Week 31)

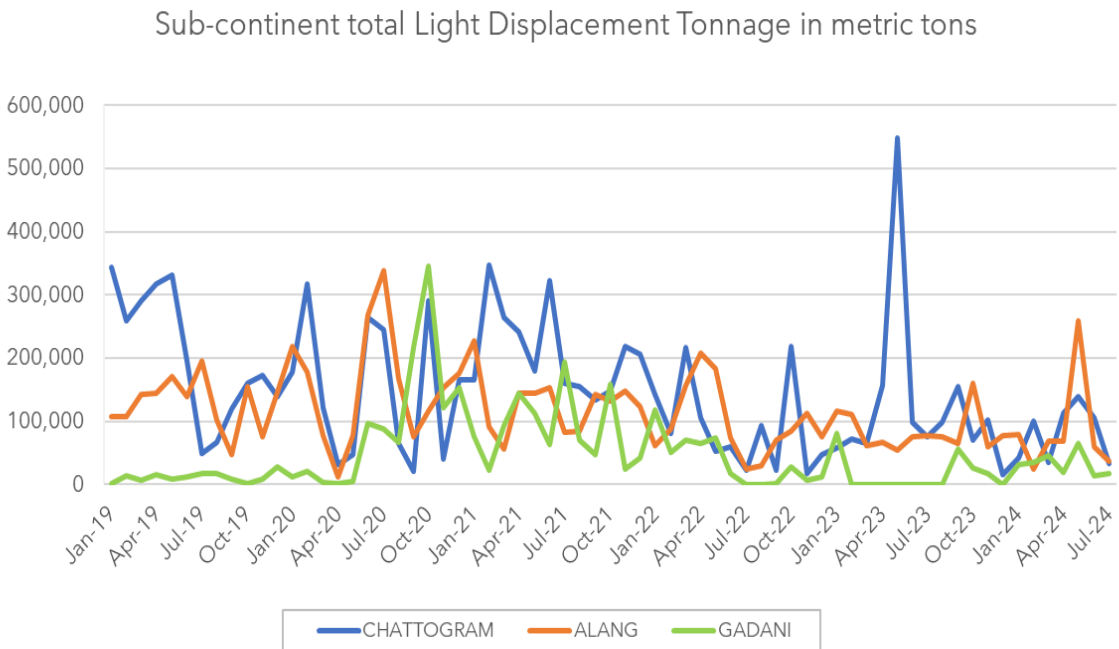
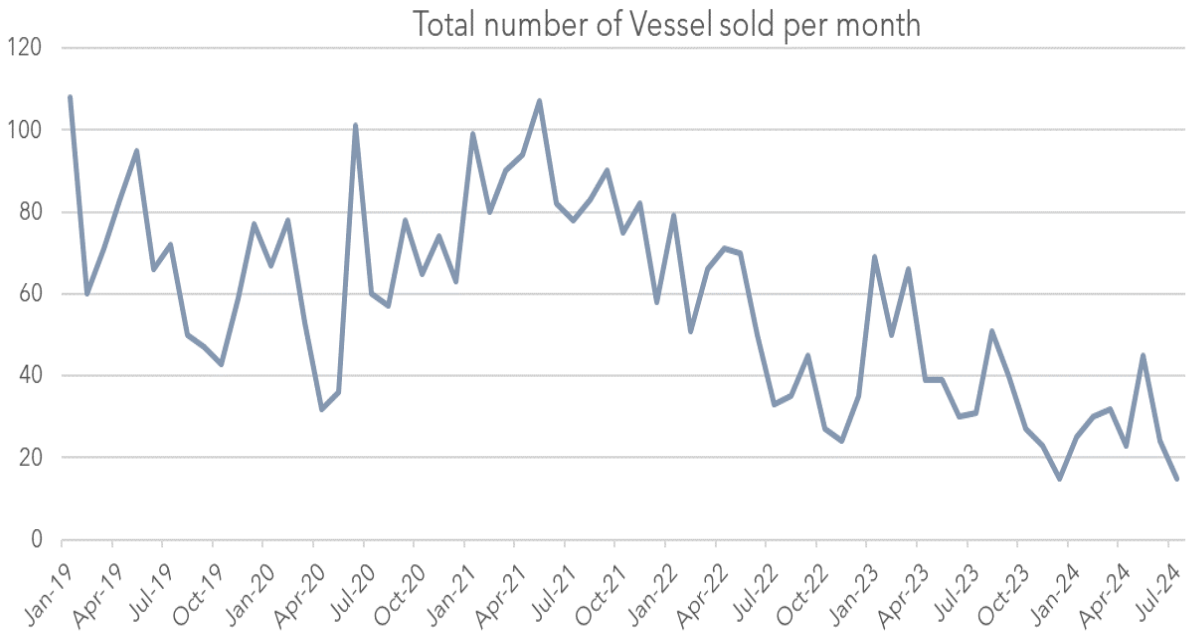
DESTINATION	2019	2020	2021	2022	2023
ALANG, INDIA	425	270	600	570	530
CHATTOGRAM, BANGLADESH	420	300	620	590	565
GADDANI, PAKISTAN	410	305	680	580	530
ALIAGA, TURKEY	270	210	170	300	325

Ships Sold for Recycling

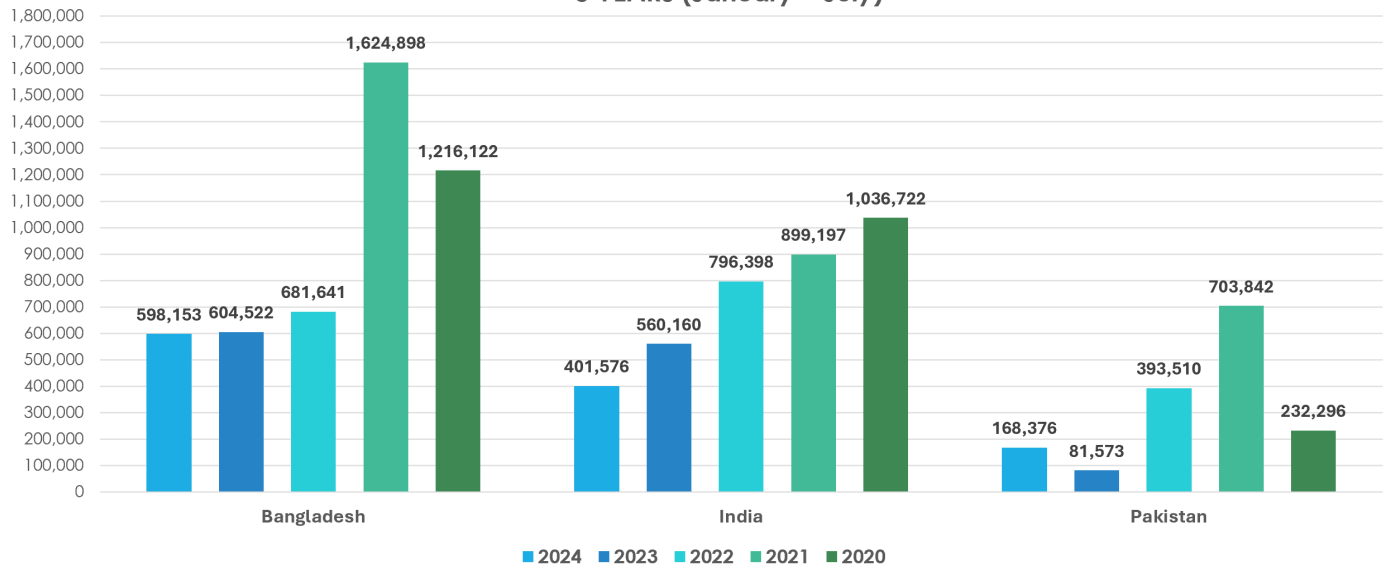
VESSEL NAME	LDT	YEAR / BUILT	TYPE	PRICE (USD/LDT LT)	COMMENTS
MSC ANNAMARIA	8,805	1987 / GERMANY	CONTAINER	535	DELIVERED ALANG FOR MSC-APPROVED YARDS

Recycling Ships Price Trend





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



Insight

As we enter a new month, there has been a significant decrease in ship recycling tonnage across Bangladesh, India, and Pakistan from June to July 2024. The most dramatic drop is observed in Bangladesh, where the tonnage of ships recycled plummeted from 105,409mt in June to 32,264 MT in July, a decrease of nearly 70%.

India also experienced a substantial decline, with recycling tonnage falling from 59,527mt in June to 37,126 in July, a reduction of about 38%. Pakistan, in contrast, saw a modest increase from 14,105 MT tons in June to 17,147 MT tons in July.

The big news this week for the ship recycling industry was from China. The subsidies are coming back. China is set to expand its policies aimed at boosting large-scale equipment upgrades and consumer goods trade-ins to stimulate domestic demand, as announced at a State Council executive meeting chaired by Premier Li Qiang last month.

The meeting revealed plans to issue ultra-long special treasury bonds to fund these initiatives. Support measures will be optimised for equipment upgrades, extending to the energy and power sectors, old elevator renovations, and key industry safety and environmental upgrades.

Enhanced subsidies will be provided for scrapping and upgrading old ships and trucks, renewing agricultural machinery, and new energy buses. Additionally, the subsidy ratio for equipment upgrade loans will be increased. These actions align with the guiding

principles from the third plenary session of the 20th Communist Party of China Central Committee.

However, clarity on ship recycling subsidies remains pending. Once clarified, this will significantly impact the Chinese domestic ship market, which has been directing vessels to Chattogram over the past year. It is anticipated that these ships will once again be recycled within China, as was previously the norm.

This shift is expected to add further supply pressure to the already starved Sub-Continental markets.

The Chinese steel market faces significant challenges in August, with recovery hinging on supply cuts by steelmakers. These cuts have become crucial due to stricter rebar standards announced on June 25, which have further pressured the sluggish market. Traders are rushing to clear inventories, fearing the government's three-month buffer period is insufficient to sell soon-to-be non-compliant stocks, causing rebar prices to plummet and squeezing profits across the sector. As of July 25, only 15.15% of the 247 blast-furnace steel mills were profitable, the lowest since November 2022. Anticipated voluntary production cuts are expected to reduce construction steel output by 1.98 million tons by the end of August. Extreme heat is also impacting downstream demand, particularly in construction. However, new government initiatives to upgrade large-scale equipment and trade in consumer products could stimulate demand for flat-steel goods.

Alang, India

This week, the domestic ship scrap prices took a breather from further falling and stabilised. The past few months have been a rough ride for the Alang recyclers, with sharp declines in the prices of domestic ship scrap wiping out all the gains. The sentiments remain dull due to lagging demand.

The markets remained cautious and closely monitored the domestic ship scrap pricing to get the right direction. For now, the prices have stopped falling, but whether this is the bottom is yet to be determined.

The only sale reported this week was the MSC's container ship called "MSC Annamaria", built in 1987 in Germany, weighing 8,805 tons at a gross price of US\$535/ton for an MSC-approved green yard. This sale marks the 10th sale by MSC this year.

India's Steel Ministry is negotiating with mills to diversify coking coal (*key component in steel making*) imports from Russia, Canada, and the U.S. to reduce dependency on

Australia. This initiative follows record-high steel imports from China and Vietnam, prompting the Ministry to request the Trade Ministry to investigate and recommend measures to the Finance Ministry.

India, the world's second-largest crude steel producer, became a net steel importer last fiscal year, with imports peaking in April and May. The Steel Ministry has also urged the EU not to impose higher carbon taxes on its industries, maintaining its stance against the EU's proposed tariffs on high-carbon imports.

In addition, Indian firms, including JSW Steel and SAIL, are trialing coking coal imports from Mongolia. With Indian steel companies consuming around 70 million metric tons of coking coal annually, these efforts aim to secure a more diverse and stable supply chain.

India's steel sector is poised for a significant investment of nearly USD3.66 billion, boosting its production capacity by 25 million tons within five years, according to a senior official from the Ministry of Steel. By the end of FY 2029, the sector is expected to achieve a total investment of about USD3.6 billion and increase its production capacity by 25 million tons, as stated by the Secretary of the Ministry of Steel.

Anchorage & Beaching Position (August 2024)

VESSEL NAME	TYPE	LDT	ARRIVAL	BEACHING
SOVEREIHN	LNG	30,120	01.08.2024	AWAITING
MERSIN 15	RORO	5,280	23.07.2024	AWAITING

Chattogram, Bangladesh

The Chattogram ship recycling market is experiencing a significant slowdown, driven by declining demand and rising inventories. Domestic ship scrap prices continued to fall, with the price gap between melting scrap and plate widening considerably. This has led to notable price differences between smaller ships (ranging from 2,000 to 4,000 light displacement tons) and larger ones.

However, demand for larger ships remains intact, with some recyclers keen to offer a premium as the plate prices remain highly elevated.

In response to this price disparity, several smaller ships that typically head to Chattogram from the Far East are now being discussed at Gadani, Pakistan.

The market remains subdued, with limited buying activity compounded by the peak monsoon season. Looking ahead, the market is expected to stay quiet throughout the

month. However, once the monsoon season ends, there is potential for a rebound in prices.

Anchorage & Beaching Position (August 2024)

VESSEL NAME	TYPE	LDT	ARRIVAL	BEACHING
AN 11	GEN.CARGO	1,632	30.07.2024	AWAITING
AN TON	REEFER	4,842	30.07.2024	AWAITING
APJ MAHAKALI	BULKER	9,126	25.07.2024	AWAITING
TAI 97	BULKER	3,231	24.07.2024	AWAITING
SIA 20	CONTAINER	1,747	20.07.2024	AWAITING

Gadani, Pakistan

This week, Pakistani ship recyclers are experiencing a lull as they reassess the cost structure of domestic ship scrap prices and explore alternative imported scrap options. The price disparity with neighbouring countries, particularly Bangladesh, has once again pushed them out of the competitive arena.

Pakistani recyclers are struggling, making it challenging to secure deals in the face of more attractive pricing from regional competitors.

On the domestic economic front, Pakistan's central bank has slashed its key interest rate by 100 basis points, bringing it down to 19.5 percent. This follows a previous cut in June, which reduced the rate from a record high of 22 percent, amid signs of easing inflation. In a related development, Fitch Ratings has upgraded Pakistan's long-term foreign currency issuer default rating from CCC to CCC+. The rating agency cited increased certainty of continued external funding as the primary reason for the upgrade.

Anchorage & Beaching Position (August 2024)

VESSEL NAME	TYPE	LDT	ARRIVAL	BEACHING
-	-	-	-	-

Aliaga, Turkey

Turkish steel market conditions remain static, with domestic and imported scrap prices unchanged from last week.

Despite expectations that billet imports would pressure scrap prices downward, scrap suppliers are attempting to maintain firm prices, citing tighter supply due to holidays.

The euro's slight strengthening to EU\$1.084 midweek further challenges European suppliers. Domestic rebar demand in Turkey remains weak, with mills' official offers at US\$585-610/t ex-works. Turkish shipbreaking scrap prices stood at US\$375-390/t delivered, and the Turkish lira closed at 33.19 to the dollar at closing.

BEACHING TIDE DATES 2024

Chattogram, Bangladesh : 4 ~ 7 August | 19 ~ 22 August

Alang, India : 31 July ~ 8 August | 17 ~ 26 August

BUNKER PRICES (USD/TON)			
PORTS	VLSFO (0.5%)	HSFO (3.5%)	MGO (0.1%)
SINGAPORE	612	506	720
HONG KONG	608	512	721
FUJAIRAH	609	494	824
ROTTERDAM	564	497	720
HOUSTON	589	479	751

EXCHANGE RATES			
CURRENCY	August 2	July 26	W-O-W % CHANGE
USD / CNY (CHINA)	7.16	7.24	+1.10%
USD / BDT (BANGLADESH)	117.46	117.48	+0.02%
USD / INR (INDIA)	83.78	83.72	-0.07%
USD / PKR (PAKISTAN)	278.87	278.34	-0.19%
USD / TRY (TURKEY)	33.19	33.09	-0.30%

Sub-Continent and Turkey ferrous scrap markets insight

The Sub-Continent and Turkey scrap steel market remains beset by multiple challenges, with notable trends observed in India, Pakistan, Bangladesh, and Turkey.

In **India**, the demand for imported scrap remains sluggish, primarily due to the availability of cheaper alternatives such as sponge iron and domestic scrap. Additionally, the lack of support from the downstream steel sector has impacted scrap consumption.

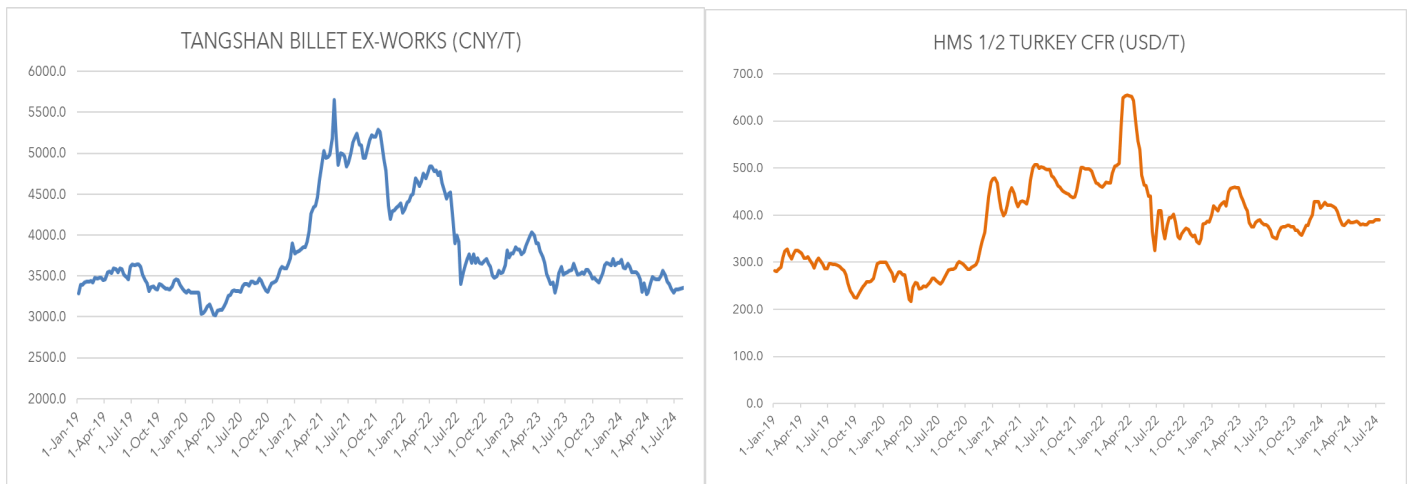
Indicative offers for shredded scrap from the US and UK/Europe hovered around US\$410-420/ton CFR Nhava Sheva, while buyers aimed for US\$400-405/ton CFR. Offers for HMS (80:20) were at US\$390-395/ton CFR, with buyers looking for US\$385-390/ton CFR.

In **Pakistan**, demand for imported scrap remains constrained by rising electricity and gas costs, making it difficult for rebar producers to pass on these expenses to finished steel products. Consequently, scrap consumption remains limited. Indicative offers for shredded scrap from the UK/Europe were assessed at US\$425-430/ton CFR Qasim.

Bangladeshi buyers increasingly favour short transit materials from nearby regions such as Australia, Hong Kong, New Zealand, and the UAE, avoiding UK/Europe scrap due to high freight rates. Indicative offers for shredded scrap from the UK/Europe were assessed at US\$427-430/ton CFR Chattogram, while HMS (80:20) stood at US\$405-410/ton CFR.

In **Turkey**, deep-sea imported ferrous scrap prices have softened as European and Baltic recyclers struggle to attract demand from Turkish mills. Offers for US-origin bulk HMS (80:20) scraps were at US\$386/ton CFR, down US\$2/mt from the previous day. Indicative tradable values for EU-origin HMS (80:20) were around US\$380/ton CFR, but offers at US\$383/ton CFR struggled to find buyers. Market sentiment remains negative, with expectations of further price corrections amid declining billet prices. However, mills are expected to resume purchases soon.

HMS 1/2 & Tangshan Billet



Commodities

Iron ore futures climbed to a one-week high on Thursday, driven by Rio Tinto's positive outlook on Chinese demand and expectations of further stimulus in China. The most-traded September iron ore contract on China's Dalian Commodity Exchange rose 2.35% to 783.5 yuan (US\$108.28) /ton, while the Singapore Exchange benchmark increased 1.91% to US\$102.85/ton.

Rio Tinto, the world's largest iron ore producer, reported higher first-half earnings and projected Chinese economic growth of "plus or minus 5%". The company's CEO, Jakob Stausholm, highlighted the significant impact of China's green transition on steel demand and high-grade iron ore consumption. Recent weak Chinese economic data, including a contraction in factory activity, has fueled hopes for additional government stimulus.

Despite these challenges, Chinese officials expressed confidence in achieving the full-year growth target of around 5%. Other steelmaking ingredients on the Dalian exchange saw declines, with coking coal and coke dropping 1.68% and 1.18%, respectively. However, steel benchmarks on the Shanghai Futures Exchange showed gains across various products, including rebar, hot-rolled coil, stainless steel, and wire rods.

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	-6.48%	-13.67%	108	117
Iron Ore Fines, CNF Qingdao, China	Fines, Fe 62.5% (Brazil Origin)	104	-6.30%	-9.56%	111	115

Industrial Metal Rates

INDEX	UNITS	PRICE	CHANGE	%CHANGE	CONTRACT
Copper (Comex)	USD / lb.	410.30	+2.05	+0.50%	Sep 2024
3Mo Copper (L.M.E.)	USD / MT	9,055.50	+3.00	+0.03%	N/A
3Mo Aluminum (L.M.E.)	USD / MT	2,263.50	-32.50	-1.42%	N/A
3Mo Zinc (L.M.E.)	USD / MT	2,653.00	-54.00	-1.99%	N/A
3Mo Tin (L.M.E.)	USD / MT	30,188.00	+294.00	+0.98%	N/A

Crude Oil & Natural Gas Rates

INDEX	UNITS	PRICE	CHANGE	%CHANGE	CONTRACT
WTI Crude Oil (Nymex)	USD / bbl.	73.52	-2.79	-3.66%	Sep 2024
Brent Crude (ICE.)	USD / bbl.	76.81	-2.71	-3.41%	Oct 2024
Crude Oil (Tokyo)	J.P.Y. / kl	72,990.00	-1,510.00	-2.03%	Aug 2024
Natural Gas (Nymex)	USD / MMBtu	1.97	0.00	-0.05%	Sep 2024

Note: all rates as at C.O.B. London time August 2, 2024



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