



WEEKLY REPORT

WEEK 19 – May 9, 2025

The Trump administration is considering a substantial reduction in tariffs on Chinese imports during weekend negotiations in Geneva, potentially bringing rates below 60% as an initial step toward de-escalating the damaging trade conflict. Treasury Secretary Scott Bessent and Chinese Vice Premier He Lifeng will lead these preliminary discussions, which could result in mutual tariff reductions as early as next week if progress is made. While expectations remain measured for this first diplomatic engagement—described by insiders as more exploratory than solution-focused—both sides appear motivated to address economic pain already manifesting in their respective economies.

President Trump signalled his willingness to reduce the current 145% tariff levels with commerce Secretary Howard Lutnick echoing this sentiment, expressing hope for "a de-escalating world where we go back to each other and then we work on a big deal together."

Meanwhile, Chinese officials have maintained a more cautious stance, with Commerce Ministry spokesman He Yadong insisting that the US "needs to show sincerity to talk and be prepared to rectify its wrongdoing." Song Hong from the Chinese Academy of Social Sciences suggested Beijing would likely match American tariff reductions but emphasized that "China no longer holds the delusion that the US policy on China will change."

Despite the potential breakthrough, economic analysts warn that even significant reductions would still leave historically high trade barriers in place. Both nations face challenging domestic political considerations—Xi Jinping must navigate patriotic sentiment urging resistance to US pressure, while Trump balances campaign promises with concerning approval ratings.

Dry Bulk

The Baltic Exchange's dry bulk index dropped to a more than two-week low on Friday, recording a weekly decline of 8.6% as weakness in both Capesize and Panamax segments weighed heavily on the market. The main index fell 17 points to close at 1,299, touching its lowest level since April 22.

Capesize vessels experienced the steepest decline, with their index plunging 43 points to 1,709, translating to a dramatic 17% weekly loss. Average daily earnings fell to US\$14,169. Iron ore futures traded within a tight range on Friday as investors balanced potential easing of Sino-U.S. trade tensions against seasonally weak demand from China, the market's largest consumer.

Meanwhile, the Panamax index shed 10 points to 1,353, with average daily earnings falling to US\$12,173. In contrast, smaller vessels showed resilience, with the Supramax index adding one point to reach 969.

Capesize:

The Pacific routes are showing signs of recovery as iron ore cargo volumes increase, though market sentiment remains cautious due to uncertainties about future demand. Despite so, rates fell on Friday with Pacific r/v recording US\$13,680's a day. Meanwhile, the Atlantic region faces downward pressure on freight rates, primarily due to insufficient cargo flows from areas outside Brazil and West Africa.

Panamax/Kamsarmax:

The Atlantic region is experiencing an upward trend as robust cargo inflows in both the F/H and T/A segments provide solid support to the market. T/A ended the week higher at US\$10,800's a day. In contrast, the Pacific observed mixed signals—while some areas are seeing renewed cargo influx and activity, the excess vessel supply in North Asia is constraining freight rate recovery, resulting in a stable market.

Supramax/Ultramax:

This week saw Atlantic basin continuing its gains, supported by steady grain cargo inflows from the USG and South America. T/A ended the week US\$13,200's a day. Meanwhile, the Pacific region sees vessel oversupply persisting, as levels saw a gap between owner's asking. Pacific-India ended the week at US\$10,150's a day.

Handysize:

Handy market remains unchanged this week with not much activity in the Atlantic. Levels saw a slight decline as overall market in the basin remain soft. T/A closed the week at

US\$8,000's a day. In the Pacific, some fixtures were seen but levels reflected similar muted outlook.

Baltic Exchange Dry Bulk Indices

INDICES	CURRENT	LAST WEEK	LAST YEAR	W-O-W CHANGE	Y-O-Y CHANGE
BDI	1,299	1,421	2,129	-8.59%	-38.99%
BCI	1,709	2,079	3,292	-17.80%	-48.09%
BPI	1,353	1,363	2,026	-0.73%	-33.22%
BSI	969	955	1,485	+1.47%	-34.75%
BHSI	554	560	703	-1.07%	-21.19%

Dry Bulk Values

(Weekly)

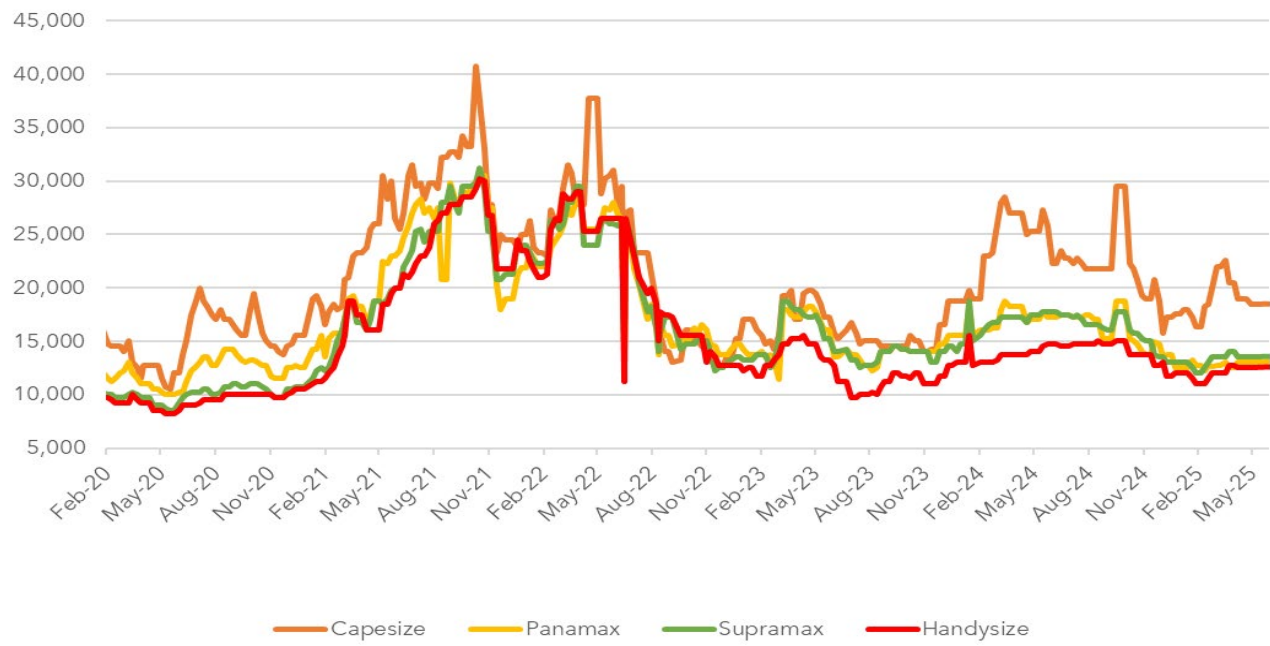
TYPE	DWT	NB CONTRACT	NB PROMPT DELIVERY	5 YEARS	10 YEARS	15 YEARS
CAPE	180,000	74	76	60	43 (E)	29
KAMSARMAX	82,000	37	39	33	24 (E)	16
ULTRAMAX	64,000	34	38	31 (E)	23	15 (56K)
HANDY	38,000	31	33	25	17	14

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

Dry Bulk – S&P Report

VESSEL NAME	TYPE	DWT	YEAR	BUILT	PRICE (MILLION) USD	COMMENTS / BUYERS
MINERAL CHINA	CAPE	171,128	2003	S. KOREA	13.0	UNDISCLOSED
AEOLIAN GRACE	PMAX	76,525	2007	JAPAN	11.2	UNDISCLOSED
FAME	PMAX	75,912	2004	JAPAN	8.5	CHINESE BUYERS
IVS WENTWORTH / IVS GLENEAGLES	SMAX	58,091	2015 /2016	JAPAN	43.0 EN BLOC	EUROPEAN BUYERS
UNITY STAR	HANDY	37,614	2015	JAPAN	18.3	GREEK BUYERS
BELLAVITA	HANDY	35,723	2010	S. KOREA	10.0	ASIAN BUYERS
RESOURCE	HANDY	31,776	2010	CHINA	8.0	UNDISCLOSED

Dry Bulk 1 year T/C rates



Tankers

Oil prices surged more than 1% early Thursday as investors responded positively to anticipated trade developments, with WTI Crude rising 1.89% to US\$59.15 and Brent Crude gaining 1.62% to reach US\$62.12 per barrel by mid-morning trading. Market sentiment improved following President Donald Trump's announcement that the United States would sign its first post-tariff trade agreement with the United Kingdom, describing it as "a full and comprehensive one that will cement the relationship" between the longtime allies.

The presidential statement on Truth Social, which teased an Oval Office press conference scheduled for 10 a.m. ET, emphasized the symbolic importance of making the UK "our FIRST announcement," while promising "many other deals" in advanced negotiations. This positive development helped lift both oil prices and Dow futures as traders interpreted it as a sign that compromises on global trade tensions might be possible, potentially averting recessions and declining oil demand.

Meanwhile, additional optimism stems from Saturday's scheduled meeting in Geneva between U.S. Treasury Secretary Scott Bessent, Trade Representative Jamieson Greer, and Chinese Vice-Premier He Lifeng—representing the first step toward possibly de-escalating tensions between the world's two largest economies. However, price gains remain constrained by OPEC+'s plans to increase production beyond previous expectations.

Meanwhile in a separate development, the UK announced significant new sanctions targeting Russia's shadow fleet of oil tankers. Prime Minister Keir Starmer's office revealed plans to blacklist approximately 100 additional vessels involved in transporting over US\$24 billion worth of Russian oil products since early 2024, with some allegedly damaging Baltic Sea infrastructure through "reckless seafaring." This action, which would bring Britain's total sanctioned Russian vessels to more than 230, surpassing any other European nation, underscores Starmer's pledge to "do everything in our power to destroy President Vladimir Putin's shadow fleet operation" and "starve his war machine of oil revenues."

VLCC:

VLCC market across both basins saw a dip in the latter half of the week. 270,000mt MEG/China fell to WS59 while similar dampening was also seen in the Atlantic as charterers adopt a wait-and-see approach with WAFR/China losing 4 points to WS61.

Suezmax:

The Suezmax sector fell this week, after owners came under pressure with vessel oversupply. New cargoes have absorbed much of the available tonnage leading to a discount on the rates. 130,000mt Nigeria/UKC fell to WS89.

Aframax:

Similar to the bigger counterparts, Aframax market saw weak demand across the routes with the 80,000mt x-med Ceyhan/Lavera slipping some 20 points to WS155.

Clean:

LR: LR2 in the MEG closed the week lower, as chartering activity remains muted. TC1 fell to WS110 at closing as the rate floor end week. Meanwhile, LR1 on the UKC remained stable as TC5 kept close to WS130..

MR: The Far East MR market ended with falling rates as available vessel supply increased amid persistently weak demand. In the MEG, rates saw a slight improvement as trips to East Africa improved to WS213.

Baltic Exchange Tanker Indices

INDICES	CURRENT	LAST WEEK	LAST YEAR	W-O-W CHANGE	Y-O-Y CHANGE
BDTI	995	1,085	1,155	-8.29%	-13.85%
BCTI	573	606	996	-5.45%	-42.47%

Tankers Values

(Weekly)

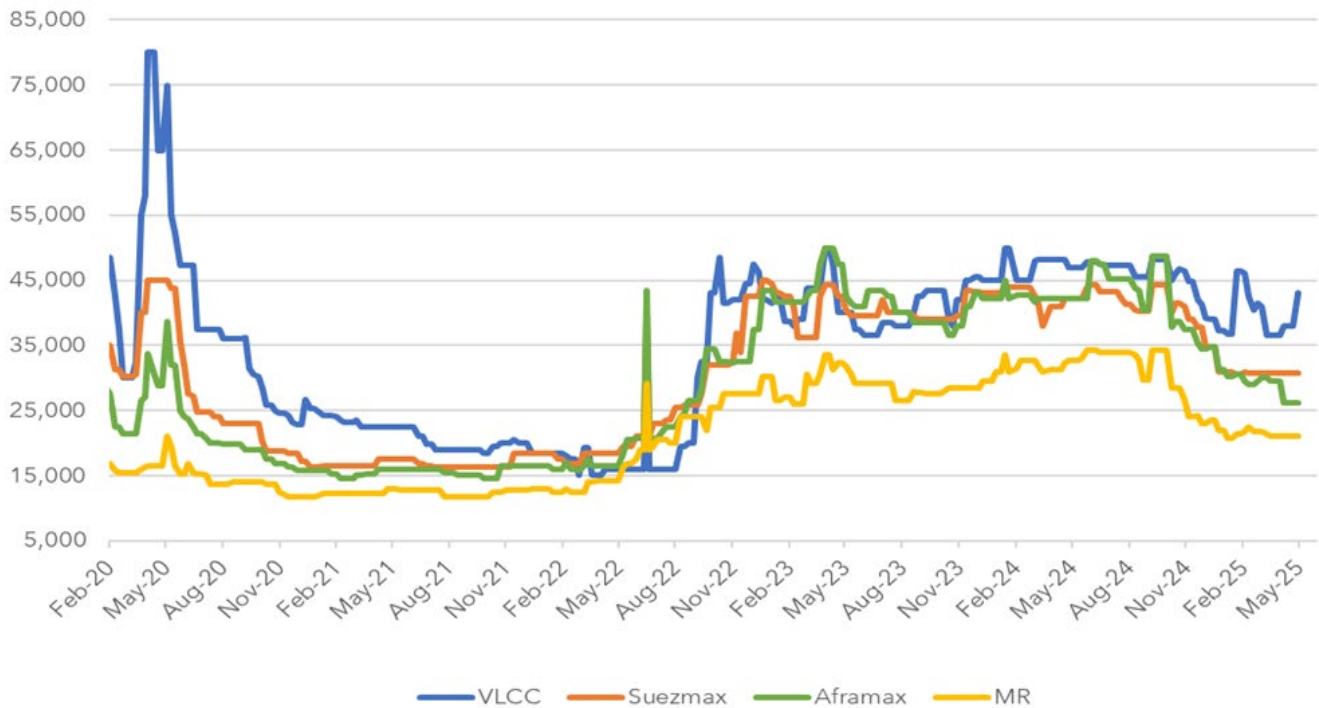
TYPE	DWT	NB CONTRACT	NB PROMPT DELIVERY	5 YEARS	10 YEARS	15 YEARS
VLCC	310,000	125	144	112 (E)	80 (E)	51
SUEZMAX	160,000	87	93	77 (E)	62 (E)	40
AFRAMAX	115,000	72	75	63 (E)	50 (E)	35
LRI	73,000	59	60	50 (E)	40 (E)	25
MR	51,000	49	50	41 (E)	31 (E)	21

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

Tankers S&P Report

VESSEL NAME	TYPE	DWT	YEAR	BUILT	PRICE (MILLION) USD	COMMENTS / BUYERS
LAYLA	VLCC	317,821	2007	S. KOREA	46.75	CHINESE BUYERS
PACIFIC LOYALTY	VLCC	307,284	2006	CHINA	42.0	CHINESE BUYERS
HAKONE / HAKATA	VLCC	302,624 302,550	2010	JAPAN	60.0 EACH	MIDDLE EASTERN BUYERS
NEW NAXOS	VLCC	299,985	2003	JAPAN	33.0	SINGAPOREAN BUYERS
MARITIME VANESSA / MARITIME SUZANNE	MR	44,401 44,363	2002	CHINA	8.5 EACH	CHINESE BUYERS
ZAGARA	MR	37,320	2002	S. KOREA	8.0	CHINESE BUYERS

Tanker 1 year T/C rates



Containers

China's Ministry of Commerce has reaffirmed its commitment to joining the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP), emphasizing its ongoing efforts since applying in September 2021. This diplomatic push comes just as Chinese Vice Premier He Lifeng prepares for crucial trade talks in Switzerland aimed at de-escalating the current tensions that have resulted in retaliatory levies of up to 125% on certain U.S. goods.

The impact of these trade hostilities is already evident in global container markets, with Maersk reporting a dramatic 30-40% collapse in U.S.-China container volumes during April. The shipping giant has consequently downgraded its annual global container volume forecast from 4% growth to a range between -1% and +3%, warning that prolonged disputes could further diminish shipping volumes throughout 2025. While U.S. container imports temporarily surged last month as companies rushed to beat tariff implementation, port executives expect this trend to reverse in May, illustrating the volatile market conditions as China looks to the 11-nation CPTPP as a potential alternative pathway for regional trade integration.

Containers Values

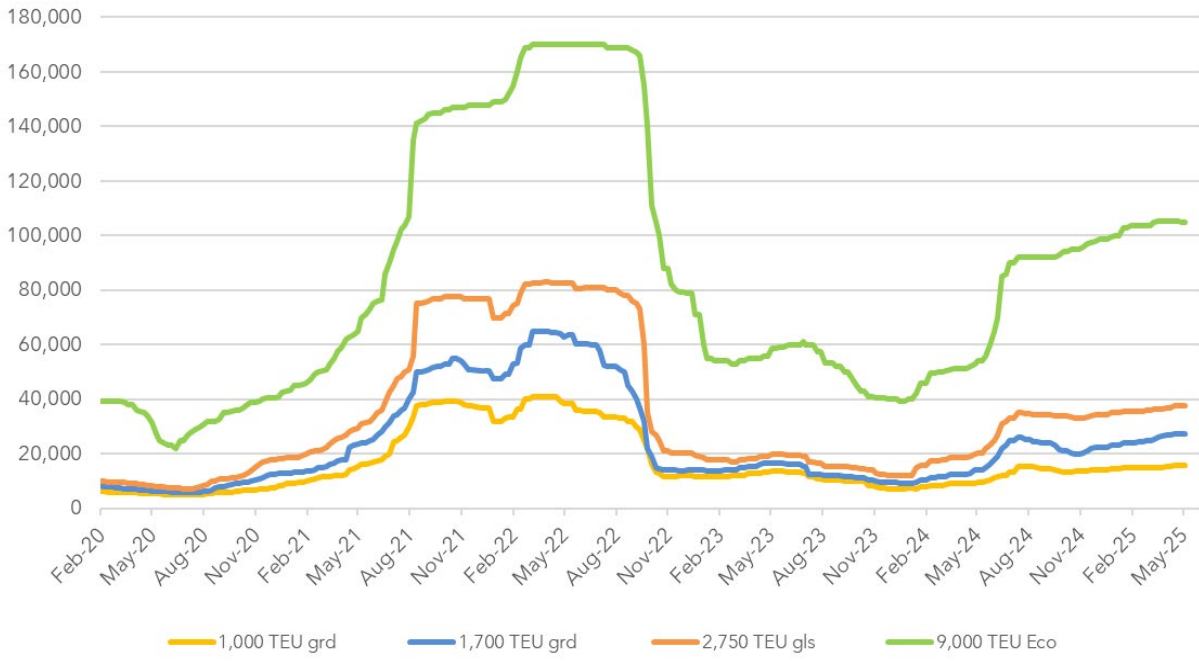
CONTAINERS (BY TEU)	GEARED / GEARLESS	NB CONTRACT	NB PROMPT DELIVERY	5 YEARS	10 YEARS	15 YEARS
900 ~ 1,200	Geared	24	26	20	16	10
1,600 ~ 1,850	Gearless	31	35	29 (E)	23 (E)	18
2,700 ~ 2,900	Gearless	44	46	39	35	26
5,100 ~ 5,300	Gearless	59	82	66	-	41

**(amount in USD million) | = Eco units*





S&P Containers Report

VESSEL NAME	TYPE	TEU	YEAR	BUILT	PRICE (MILLION) USD	COMMENTS / BUYERS
TB KAIYUAN	SUB PMAx	2,456	1997	S. KOREA	13.3	CHINESE BUYERS

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)	460 ~ 470	430 ~ 440	440 ~ 450	470 ~ 480	STABLE / 
CHATTOGRAM, BANGLADESH	460 ~ 470	450 ~ 460	440 ~ 450	470 ~ 480	STABLE / 
GADDANI, PAKISTAN	450 ~ 460	430 ~ 440	420 ~ 430	460 ~ 470	WEAK / 
TURKEY <i>*For non-EU ships. For E.U. Ship, the prices are about USD 20-30/ton less</i>	280 ~ 290	260 ~ 270	250 ~ 270	280 ~ 290	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.

5-Year Ship Recycling Average Historical Prices

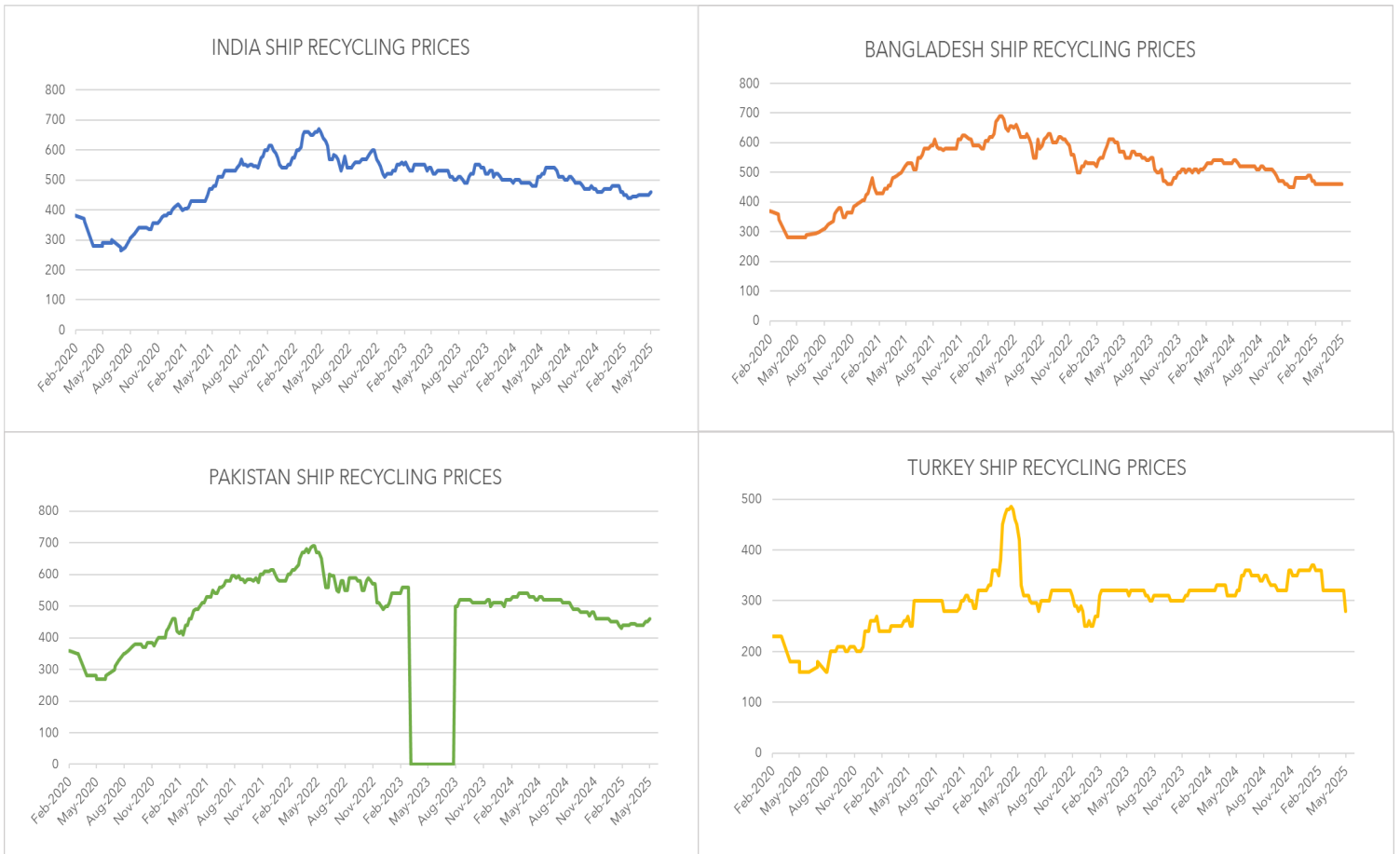
(Week 19)

DESTINATION	2020	2021	2022	2023	2024
ALANG, INDIA	280	470	670	540	510
CHATTOGRAM, BANGLADESH	280	510	655	570	530
GADDANI, PAKISTAN	280	510	690	-	530
ALIAGA, TURKEY	180	260	460	320	310

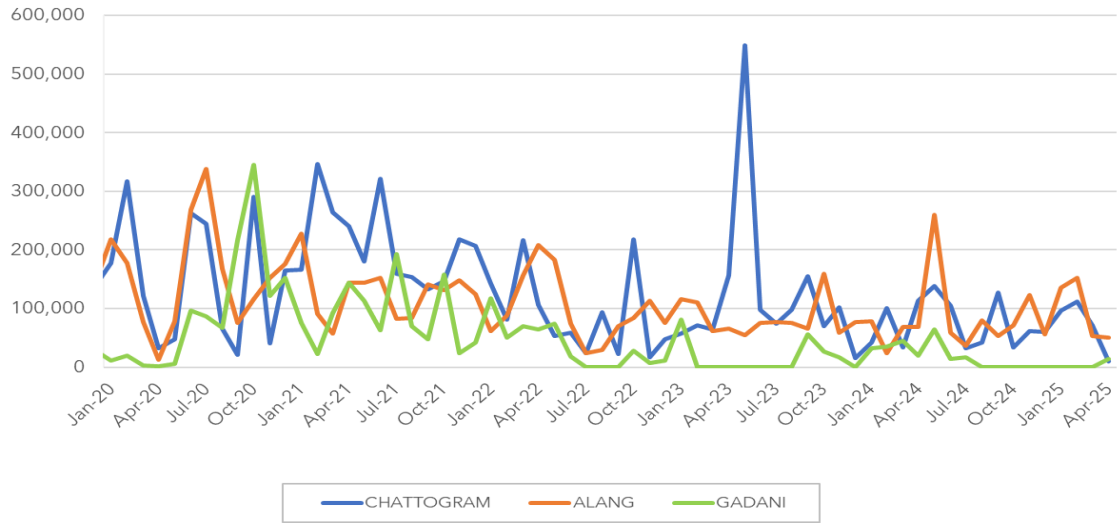
Ships Sold for Recycling

VESSEL NAME	LDT/TON	YEAR / BUILT	TYPE	PRICE (USD/LDT LT)	COMMENTS
OHRYU	3,950	1992 / JAPAN	RORO	500	DELIVERED CHATTOGRAM (GREEN W/ PERMANENT BALLAST)

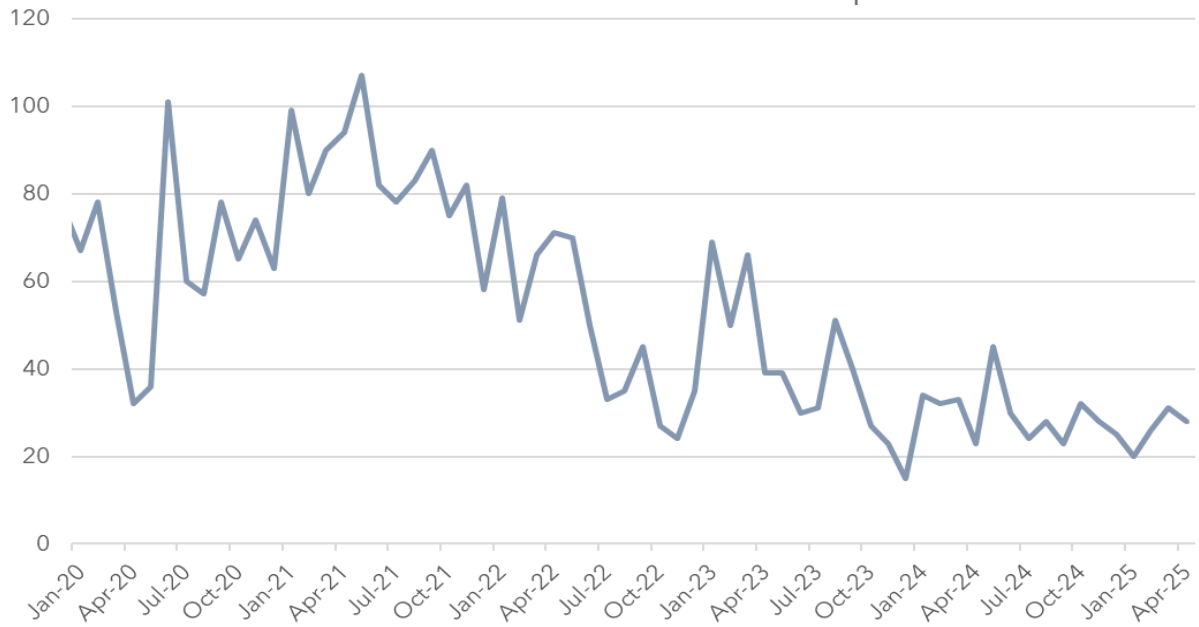
Recycling Ships Price Trend



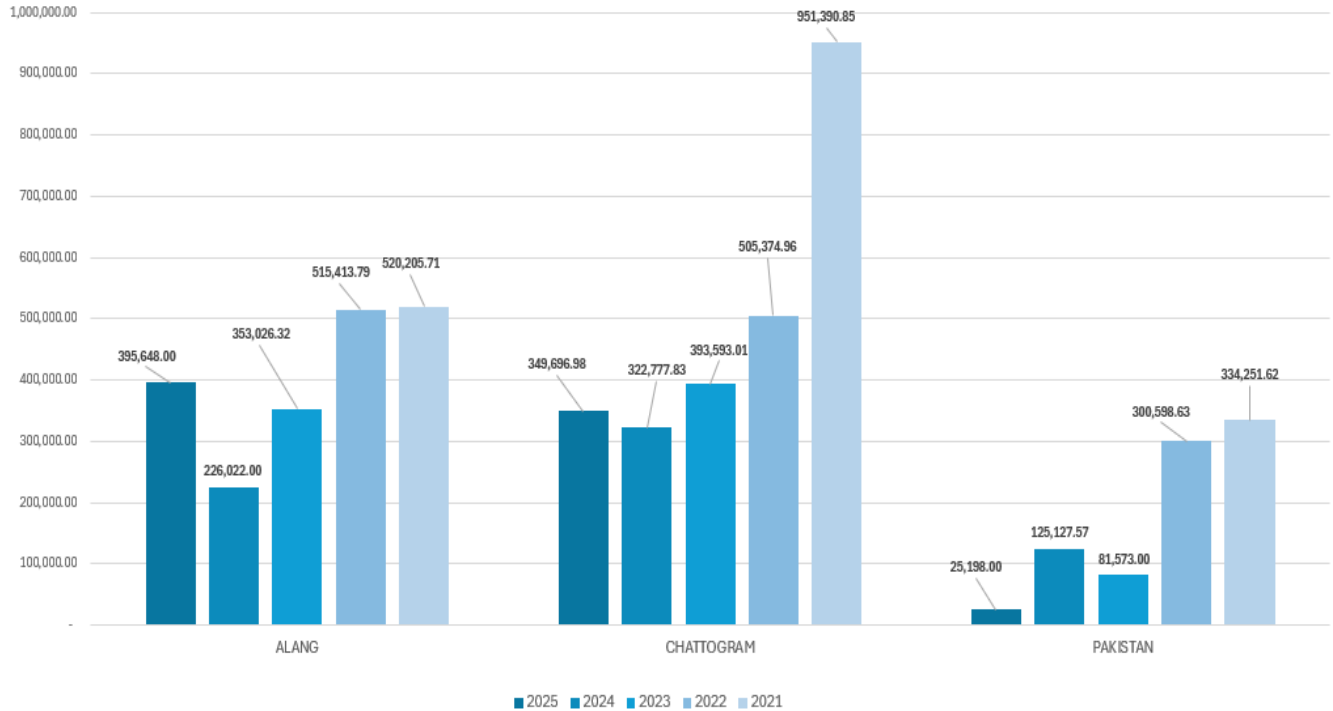
Sub-continent total Light Displacement Tonnage in metric tons



Total number of Vessel sold per month



**COMPARISON OF TOTAL LIGHT DISPLACEMENT TONNAGE (LDT) SOLD
5 YEARS (January 2021 ~ April 2025)**



Insights

Alang

The ship recycling sector in India opened the week with modest firmness, though initial optimism quickly faded as trading activity diminished by mid-week. While the market maintains a steady course overall, recent geopolitical tensions with Pakistan have introduced an element of uncertainty that continues to influence buyer sentiment.

Overall recycling markets remained stable with demand intact.

Overshadowing these challenges is also the persistent liquidity crunch affecting India's financial ecosystem, with limited fund movement constraining both traders and mill owners, ultimately dampening transaction volumes and market confidence.

Anchorage & Beaching Position (MAY 2025)

VESSEL NAME	TYPE	LDT	ARRIVAL	BEACHING
LORD 17	GENERAL CARGO	2,583	12.04.2025	AWAITING
SEA DOVE	BULKER	7,918	24.04.2025	01.05.2025

Chattogram

Bangladesh continues to steer challenging waters as the industry inches toward Hong Kong Convention (HKC) compliance ahead of the June 26 enforcement deadline. While the issuance of No Objection Certificates (NOCs) has resumed, overall activity remains notably subdued, with market sentiment dampened by limited approvals and sluggish transaction volumes.

With just over 5 weeks remaining until this landmark shipping regulation takes effect, Bangladesh appears overwhelmed by the impending regulatory transition that will reshape global recycling standards. The situation is further complicated by local authorities' cautious approach to vessel import clearances, with approvals being processed on a case-by-case basis, creating additional delays and uncertainties for potential deliveries.

Several vessels that had been waiting at the outer anchorage in Chattogram have finally received their No Objection Certificates (NOCs). However, the prolonged delay incurred significant holding costs for cash buyers and owners, rendering many of these deals financially unviable and resulting in losses.

The outlook for newly arriving tonnage remains uncertain, as the issuance of NOCs for non-HKC-compliant yards is still pending an official extension.

The higher authorities from Dhakka are meeting this Sunday, 11 May at Chattogram to evaluate the situation and take a prospective call on whether to give more time to the yards to complete the upgrading and resume issuing NOC's. Until such a directive is granted, the ability to proceed with fresh transactions remains constrained.

Anchorage & Beaching Position (May 2025)

VESSEL NAME	TYPE	LDT	ARRIVAL	BEACHING
WOODS	WOODCHIP	9,462	08.05.2025	AWAITING
EM UNITY	TANKER	15,672	05.05.2025	AWAITING
CHARLENE	BULKER	6,071	05.05.2025	AWAITING
HU GANG YIN 2	OFFSHORE	4,351.30	05.05.2025	AWAITING
OHRYU	RORO	2,468	27.04.2025	01.05.2025

Gadani

Pakistan continues to experience inactivity. Transaction volumes have dwindled to minimal levels as recyclers exhibit limited buying interest and the few tentative offers that do emerge remain significantly below those seen in neighbouring markets.

This pricing disadvantage has sidelined Pakistan, with the market showing troubling signs of prolonged stagnation rather than cyclical slowdown. The ongoing political tensions also may further weigh on current market sentiment, adding to already testing economic conditions.

Anchorage & Beaching Position (MAY 2025)

VESSEL NAME	TYPE	LDT	ARRIVAL	BEACHING
-	-	-	-	-

Aliaga, Turkey

Market activity remains sluggish despite Turkish mills' requirements for June-shipment cargoes, with most buyers resistant to suppliers' price targets amid continued weakness in domestic steel sales.

No new activity to report this week.

BEACHING TIDE DATES 2025

Chattogram, Bangladesh : 11 ~17 May | 26 ~29 May

Alang, India : 10 ~14 May | 24 May ~ 1 June

BUNKER PRICES (USD/ton)			
PORTS	VLSFO (0.5%)	HSFO (3.5%)	MGO (0.1%)
SINGAPORE	490	413	586
HONG KONG	511	450	612
FUJAIRAH	482	425	720
ROTTERDAM	430	414	596
HOUSTON	450	398	613

EXCHANGE RATES			
CURRENCY	May 9	May 2	W-O-W % CHANGE
USD / CNY (CHINA)	7.24	7.27	+0.41%
USD / BDT (BANGLADESH)	121.52	121.51	-0.01%
USD / INR (INDIA)	85.37	84.64	-0.86%
USD / PKR (PAKISTAN)	281.54	281.12	-0.15%
USD / TRY (TURKEY)	38.75	38.52	-0.60%

Sub-Continent and Turkey ferrous scrap markets insights

India

India's imported scrap market remains subdued as buyers maintain a cautious stance amid weak domestic steel demand and mounting challenges. Offers for UK/EU-origin shredded scrap hold steady at US\$370-375/t CFR, but bids linger significantly lower at US\$360-365/t, creating a substantial price gap that has stifled trading activity. EU HMS 80:20 material, offered at US\$350-355/t CFR, faces similar resistance with deals rarely exceeding US\$350-352/t. The approaching monsoon season, combined with rupee depreciation and concerning regional unrest in western and northern states, has further dampened market sentiment, with mills showing little appetite for forward bookings and preferring readily available cargoes instead.

Bangladesh

Acute liquidity constraints and seasonal demand softness continue to plague Bangladesh's imported scrap market, where rising freight costs have further dampened already weak buying interest. Australian shredded and PNS offers stand at US\$375-380/t and US\$385/t CFR Chattogram respectively but face strong buyer resistance with a striking bid-offer gap of US\$57/t hampering transactions. The few deals concluded include Australian HMS 80:20 at US\$355/t and Chilean HMS 90:20 at US\$348/t CFR, while New Zealand shredded offers hover around US\$385/t and Malaysian loose busheling at

similar levels. Notably, UK and EU scrap sources remain largely unviable due to prohibitive freight rates, compounding the market's stagnation amid tight rebar margins and subdued construction activity.

Pakistan

Pakistan's scrap market has seen marginal price increases, primarily driven by rising freight costs that have pushed shredded offers to US\$375-378/t CFR Qasim. However, this uptick has failed to stimulate significant buying interest as mills exercise restraint amid sluggish construction activity, weak finished steel demand, and compressed rebar margins. While some sellers anticipate prices potentially reaching US\$390/t CFR, buyers remain hesitant given their comfortable inventory positions and the country's persistent economic uncertainty. The limited purchasing reflects a broader caution in a market still struggling with fragile conditions and reluctant to commit to elevated price levels.

Turkey

Turkey's imported scrap market has registered a modest improvement with US-origin bulk HMS 80:20 reaching US\$339/t CFR, representing a slight US\$1/t daily increase. Izmir mills have secured several US-origin cargoes at US\$337-342/t CFR, with premium grades like shredded and bonus commanding up to US\$359/t CFR, reflecting strengthening seller confidence. Nevertheless, most Turkish mills maintain a prudent approach due to persistently sluggish rebar sales that continue to constrain broader market participation. The short-sea segment shows limited activity, with Romanian-origin HMS 80:20 reportedly offered at US\$318-320/t CFR, though many market participants question whether these levels can be achieved in current conditions. Despite cautious buying, sellers continue pushing for higher prices in anticipation of near-term market improvements.

HMS 1/2 & Tangshan



Commodities (Week in focus)

Iron ore markets retreated Thursday as confirmation of Chinese steel production restrictions overshadowed recent monetary easing measures, with futures falling as much as 2.3%. The decline erased gains made Wednesday when the People's Bank of China announced stimulus initiatives, including cuts to the seven-day reverse repurchase rate—highlighting how concerns about tariffs and output restrictions are outweighing positive sentiment from government support actions.

The China Iron and Steel Association (CISA) confirmed this week that authorities are "actively deploying and promoting" mandated crude steel production limits, a development that has cast a shadow over iron ore demand prospects. "The main task facing the steel industry is how to maintain a balance between supply and demand under limited market demand," explained Wang Bin, director of CISA's planning and development department, during a recent press briefing.

This follows China's March announcement of its intention to curtail steel output to address industrial overcapacity and restore profitability at struggling mills, though specific reduction targets and implementation timelines remain unclear for an industry that has persistently produced over 1 billion tons annually.

Market pressures are expected to intensify later this year as supply increases with Guinea's Simandou mine coming online. By mid-afternoon trading in Singapore, iron ore futures had declined 2% to US\$96.40 per ton, while yuan-denominated contracts on the Dalian exchange also dropped 2%, with Shanghai steel futures following the downward trend.

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)	100	+2.04%	-13.04%	98	115
Iron Ore Fines, CNF Qingdao, China	Fines, Fe 62.5% (Brazil Origin)	96	-1.03%	-18.64%	97	118

Industrial Metal Rates

INDEX	UNITS	PRICE	CHANGE	%CHANGE	CONTRACT
Copper (Comex)	USD / lb.	463.05	+2.65	+0.58%	Jul 2025
3Mo Copper (L.M.E.)	USD / MT	9,431.50	+12.00	+0.13%	N/A
3Mo Aluminum (L.M.E.)	USD / MT	2,412.50	+30.00	+1.26%	N/A
3Mo Zinc (L.M.E.)	USD / MT	2,619.00	+2.50	+0.10%	N/A
3Mo Tin (L.M.E.)	USD / MT	31,877.00	+241.00	+0.76%	N/A

Crude Oil & Natural Gas Rates

INDEX	UNITS	PRICE	CHANGE	%CHANGE	CONTRACT
WTI Crude Oil (Nymex)	USD / bbl.	61.05	+1.14	+1.90%	Jun 2025
Brent Crude (ICE.)	USD / bbl.	63.94	+1.10	+1.75%	Jul 2025
Crude Oil (Tokyo)	J.P.Y. / kl	58,000.00	+1,860.00	+3.31%	May 2025
Natural Gas (Nymex)	USD / MMBtu	3.71	+0.12	+3.40%	Jun 2025

Note: All rates at C.O.B. London time May 9, 2025



Singapore | London | Dubai

Tel: +65 62277264 / 65 | **Fax:** +65 62277258 | **Email:** snp@starasiag.com | **Web:** www.star-asia.com.sg

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