



WEEKLY REPORT

WEEK 20 – May 16, 2025

In a dramatic easing of trade tensions, the United States and China have agreed to temporarily reduce tariffs on each other's products, creating a three-month window for broader negotiations. The US will decrease its combined 145% levies on most Chinese imports to 30%, while China will lower its 125% duties on American goods to just 10%. Treasury Secretary Scott Bessent emphasized that both nations reject "generalized decoupling," though the US maintains its commitment to "strategic decoupling" in critical sectors including semiconductors, medicine, and steel.

This de-escalation comes less than six weeks after President Trump's "Liberation Day" announcement of reciprocal tariffs that triggered retaliatory measures and effectively halted trade for many companies. The breakthrough reflects substantial progress in recent talks, with markets responding enthusiastically – S&P 500 futures jumped 3.1%, oil prices advanced, and the offshore yuan climbed approximately 0.5%. Importantly, China has also agreed to suspend non-tariff countermeasures imposed since April, including restrictions on rare earth exports that had threatened to disrupt various industries.

While the agreement establishes "a mechanism to continue discussions about economic and trade relations," Secretary Bessent indicated it's "implausible" that reciprocal tariffs would drop below 10%, with potential adjustments to the 20% fentanyl surtax dependent on Beijing's engagement. Trade Representative Jamieson Greer emphasized that the US retains significant leverage, noting that the Trump administration's first-term China tariffs remain in place alongside the new 10% global baseline tariff applied to all trading partners.

Despite market optimism, history suggests reaching a comprehensive agreement could prove challenging. The 2018 temporary truce required over 18 months of negotiations before yielding the "Phase One" trade deal, which ultimately saw China fall short on purchase commitments. Bessent acknowledged that while that deal offers a template, "the world has changed, products have changed, product mix has changed – so I think everything is on the table." For now, both sides appear committed to maintaining the constructive dialogue, with Bessent noting that as long as there is "good faith effort, engagement and constructive dialog, then we will keep moving forward."

Dry Bulk

The Baltic Exchange's dry bulk index climbed to its highest level over a week on Thursday, propelled by stronger rates in the Capesize vessel segment. The main index rose some 90 points to reach 1,388 – marking its strongest position since May 8.

The Capesize sector showed particularly impressive gains, with its index surging to 2,018. Average daily earnings for these vessels increased by US\$1,021 to reach US\$14,691.

Iron ore futures maintained positions near a five-week high, supported by an improved demand outlook following the Sino-U.S. trade truce, though weaker credit data from China constrained further gains.

In contrast, the Panamax index declined to 1,290. Average daily earnings slipped to US\$11,585. The Supramax index on the other hand, gained slightly to 978.

Capesize:

The Pacific established a solid foundation of support as major mining companies actively engaged in trading activities. This positive momentum has been further reinforced by additional bidding demand from Japanese and Korean charterers. Pacific r/v ended the week higher at US\$14,275's a day. The Atlantic region also experienced an upward trend driven by significant influx of Brazil and West African cargoes bound for China leading to vigorous fixture activity.

Panamax/Kamsarmax:

The Atlantic observed stagnation due to a sharp decrease in cargo inflow from North Atlantic and North/Central American routes, combined with increased vessel supply. T/A fell to US\$10,400's a day. In the Pacific, excess vessel supply has limited freight increases despite steady demand.

Supramax/Ultramax:

The Atlantic saw stable rates, supported by a robust demand in North America. The region saw gains driven by vigorous activity in South America and Far East routes. The Pacific, on the other hand, presents a mixed picture. Southeast Asia exhibit saw an uptick in activity with increased Indonesian coal shipments and new cargoes from Australia. However, Northeast Asia remains sluggish with a vessel oversupply. Pacific r/v closed the week at US\$10,750's a day.

Handysize:

Handy market saw rates dip slightly despite a flurry of fixing activities. Oversupply of vessel kept rates low. In the Inter Pacific, rates ended the week at US\$8,450's a day while in the Atlantic similarly, oversupply saw rates remain stagnant with T/A around US\$7,900's.

Baltic Exchange Dry Bulk Indices

INDICES	CURRENT	LAST WEEK	LAST YEAR	W-O-W CHANGE	Y-O-Y CHANGE
BDI	1,388	1,299	1,844	+6.85%	-24.73%
BCI	2,018	1,709	2,675	+18.08%	-24.56%
BPI	1,290	1,353	1,825	-4.66%	-29.32%
BSI	978	969	1,405	+0.93%	-30.39%
BHSI	554	554	690	0	-19.71%

Dry Bulk Values

(Weekly)

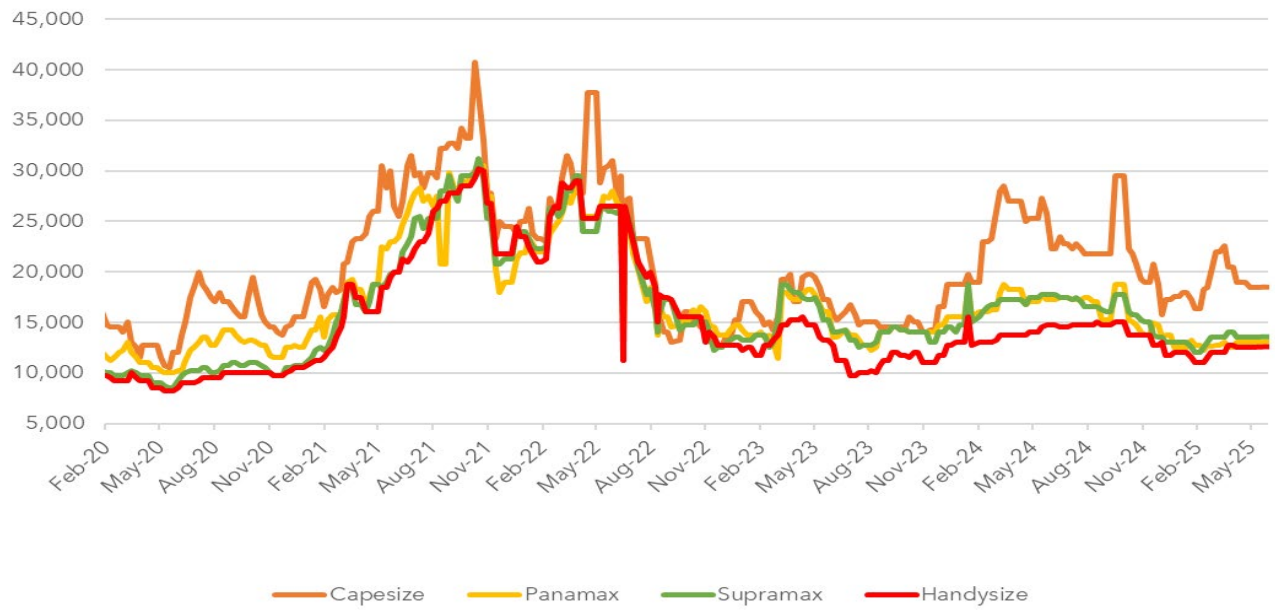
TYPE	DWT	NB CONTRACT	NB PROMPT DELIVERY	5 YEARS	10 YEARS	15 YEARS
CAPE	180,000	74	76	60	43 (E)	29
KAMSARMAX	82,000	37	39	33	24 (E)	16
ULTRAMAX	64,000	34	38	31 (E)	23	15 (56K)
HANDY	38,000	31	33	25	17	14

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

Dry Bulk – S&P Report

VESSEL NAME	TYPE	DWT	YEAR	BUILT	PRICE (MILLION) USD	COMMENTS / BUYERS
DENEB	PMAX	74,078	2000	JAPAN	5.0	CHINESE BUYERS
AQUAVITA LIME	UMAX	63,591	2021	CHINA	30.5	UNDISCLOSED
SFL SARA	SMAX	56,856	2011	CHINA	11.0	CHINESE BUYERS
NS DALIAN	SMAX	56,841	2010	CHINA	9.9	CHINESE BUYERS
WESTERN MIAMI	HANDY	39,000	2015	CHINA	14.5	UNDISCLOSED
CELESTE	HANDY	34,925	2012	CHINA	11.0	UNDISCLOSED
SEASTAR VENTURE	HANDY	32,500	2012	CHINA	9.25	UNDISCLOSED
NYMPHI / MANTICORE	HANDY	28,241	2012 2014	JAPAN	11.5 12.5	ADNOC

Dry Bulk 1 year T/C rates



Tankers

Crude oil prices are poised to end the week with modest gains, breaking a streak of losses following news of a trade war ceasefire between the United States and China. This development has sparked optimism that the two economic powerhouses may reach a comprehensive agreement to end their tariff dispute, with Brent crude trading at US\$64.64 per barrel and West Texas Intermediate at US\$61.72 per barrel.

The relatively modest weekly increase likely reflects significant counterbalancing factors in the market, including reports that the US and Iran are closer to a new nuclear deal than they've been in months, alongside the IEA's downward revision of oil demand growth forecasts. Despite robust Q1 global demand growth of 990,000 BPD, the IEA now projects just 650,000 bpd growth for the remainder of 2025, citing economic headwinds and record electric vehicle sales as key factors slowing petroleum consumption.

However, market observers note the IEA has established a pattern of issuing conservative forecasts that often require upward revision when physical market data tells a different story. Recent evidence pointing to stronger demand includes China's rebounding oil imports at the start of Q2, India's record-high oil imports in March, and Japanese refiners scaling back transition plans to refocus on petroleum processing—all suggesting the market may have more underlying strength than the IEA's projections indicate.

VLCC:

The improved cargo volumes in late May saw freight rates 270,000mt MEG/China improved slightly to WS64 after last week's decline. While military tensions between India and Pakistan have eased following US-mediated ceasefire, reducing geopolitical uncertainties East of Suez, the market is expected to remain relatively flat until early June cargoes begin to enter the market.

Suezmax:

The West of Suez market saw a slight drop at the start of the week, with weak demand for late May cargo and increasing vessel availability. At the end of the week, the continued slowdown in the Black Sea region saw rates remain unchanged. MEG/Med TD23 remain at WS88.

Aframax:

Aframax saw weak fixture activity compared to larger vessels. In the Med, 80,000mt Ceyhan/Lavera fell to WS117. With tight vessel supply, rates are expected to remain unchanged with slight fluctuations.

Clean:

LR: After LR2 last week's decline due to weak demand, charterers resumed activity upon confirming the market bottom start of week, with TC1 recovering to close WS141 points. In the LR1, TC5 saw rates improved some 26 points to WS160.

MR: Alongside the Southeast Asian market, steady fixtures have continued, creating a slightly tight vessel supply, resulting in a modest rate increase. In the MEG, TC17 improved to WS223 since midweek.

Baltic Exchange Tanker Indices

INDICES	CURRENT	LAST WEEK	LAST YEAR	W-O-W CHANGE	Y-O-Y CHANGE
BDTI	988	995	1,195	-0.70%	-17.32%
BCTI	615	573	1,036	+7.33%	-40.64%

Tankers Values

(Weekly)

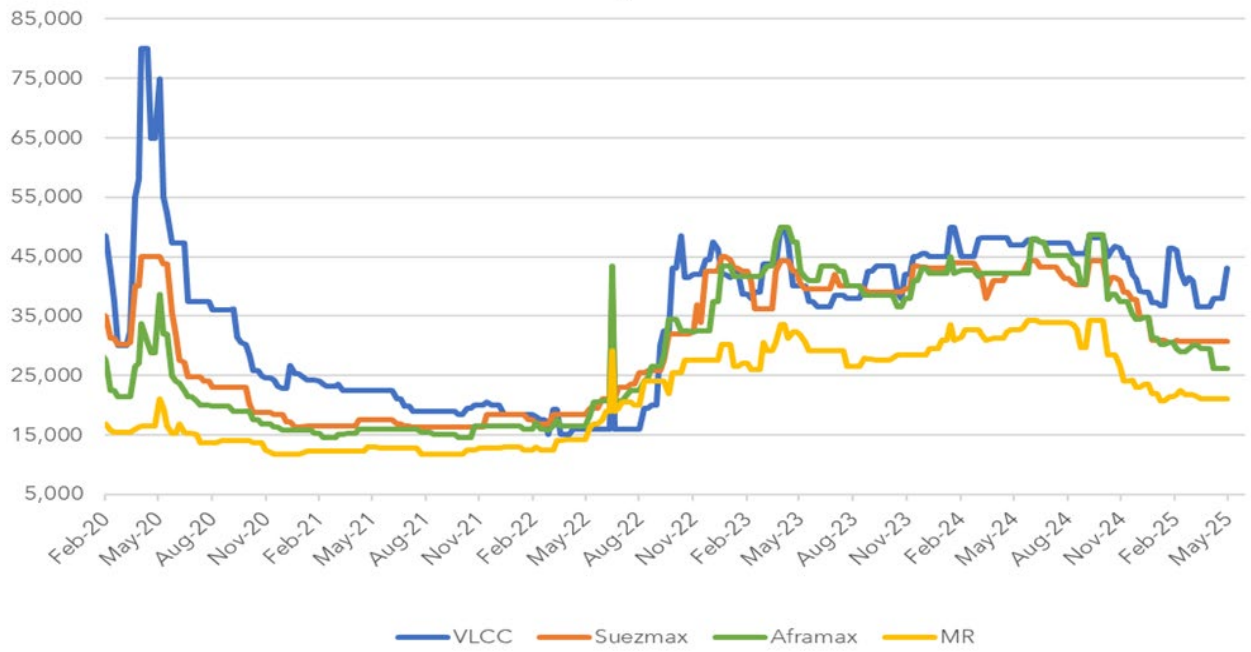
TYPE	DWT	NB CONTRACT	NB PROMPT DELIVERY	5 YEARS	10 YEARS	15 YEARS
VLCC	310,000	125	144	112 (E)	80 (E)	51
SUEZMAX	160,000	87	93	77 (E)	62 (E)	40
AFRAMAX	115,000	72	75	63 (E)	50 (E)	35
LR1	73,000	59	60	50 (E)	40 (E)	25
MR	51,000	49	50	41 (E)	31 (E)	21

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

Tankers S&P Report

VESSEL NAME	TYPE	DWT	YEAR	BUILT	PRICE (MILLION) USD	COMMENTS / BUYERS
NORDIC CASTOR	SUEZ	150,249	2004	JAPAN	22.5	UNDISCLOSED
TORM MATHILDE	AFRA	109,672	2008	CHINA	30.0	CHINESE BUYERS
FEDOR	LR1	70,156	2003	S. KOREA	7.0	CHINESE BUYERS
ANNA M	MR	47,975	2010	JAPAN	17.4	UNDISCLOSED
GRACE LEO	MR	47,409	2009	JAPAN	16.0	TURKISH BUYERS

Tanker 1 year T/C rates



Containers

Uncertainty in Pacific eastbound container trades has triggered a significant surge in cargo demand and spot freight rates as shippers scramble to move goods before the expiration of the 90-day pause in US-China tariffs. Following the temporary reduction of duties from 145% to 30% on Chinese imports to the US and from 125% to 10% on US exports to China, the market has experienced a dramatic shift, with spot rates to the US west and east coasts jumping by over 30% and 20% respectively. Industry experts report booking spikes of between 35% and nearly 280%, with Hapag-Lloyd noting a 50% increase following the trade war pause announcement.

This market volatility appears to represent a new normal in transpacific shipping, with analysts predicting that 2025's volumes and rate graphs could end up resembling "shark's teeth" due to Washington's on-off tariff policies. While carriers are working to redeploy vessels previously pulled from Pacific trades after the initial tariff implementation—a process expected to take two to four weeks—experts remain sceptical about long-term stability. SCFI Shanghai-USWC was up 32% w-o-w to US\$3,091/FEU, while the SCFI Shanghai USWC rate rose to US\$4,069/FEU

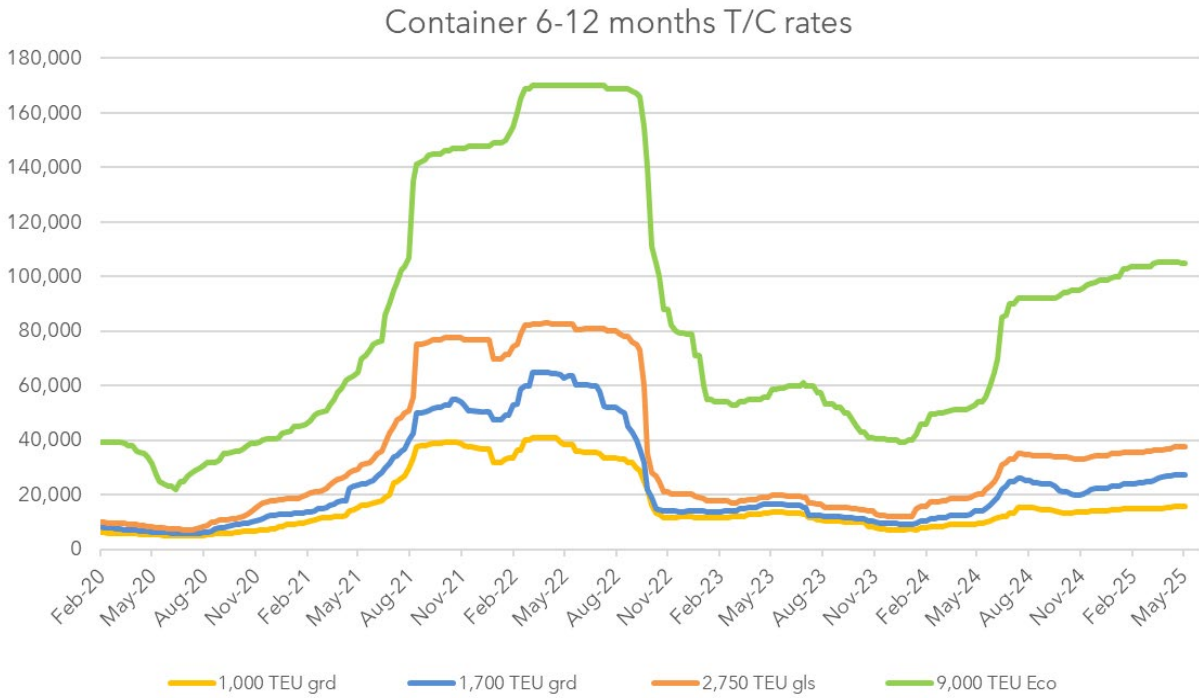
Containers Values

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
TOR	SUB PMAx	2,754	2004	POLAND	10.0	UNDISCLOSED



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	STABLE / 
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	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

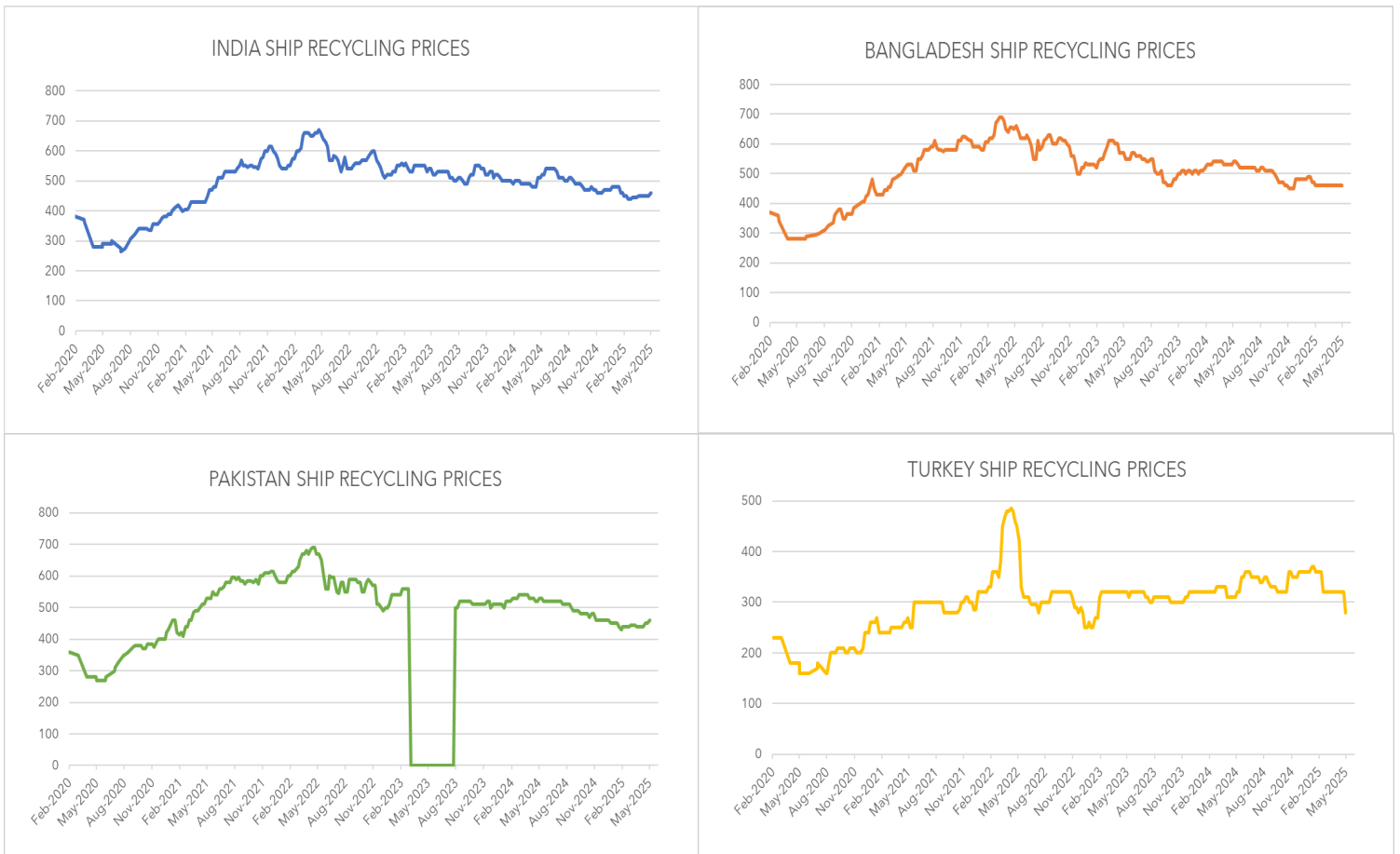
(Week 20)

DESTINATION	2020	2021	2022	2023	2024
ALANG, INDIA	290	480	630	520	540
CHATTOGRAM, BANGLADESH	280	530	640	550	530
GADDANI, PAKISTAN	270	530	650	-	520
ALIAGA, TURKEY	180	250	330	320	350

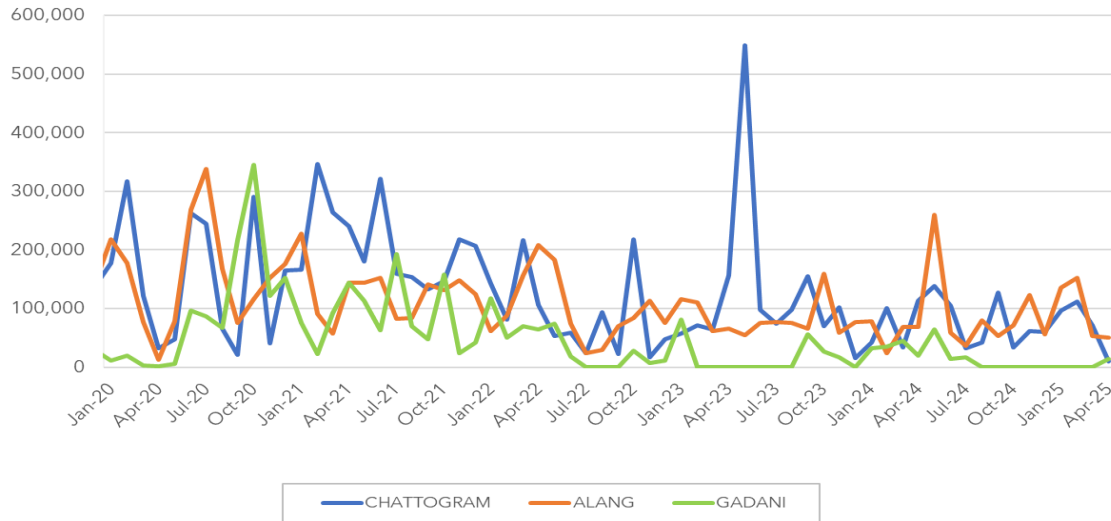
Ships Sold for Recycling

VESSEL NAME	LDT/TON	YEAR / BUILT	TYPE	PRICE (USD/LDT LT)	COMMENTS
ULSAN	2,242	1996 / S. KOREA	CONT.	445	AS IS SINGAPORE
GLOBAL NUBIRA	2,062	1998 / S. KOREA	CONT.	410	AS IS SINGAPORE
ASMAA	7,616	1994 / JAPAN	BULKER	435	DELIVERED ALANG

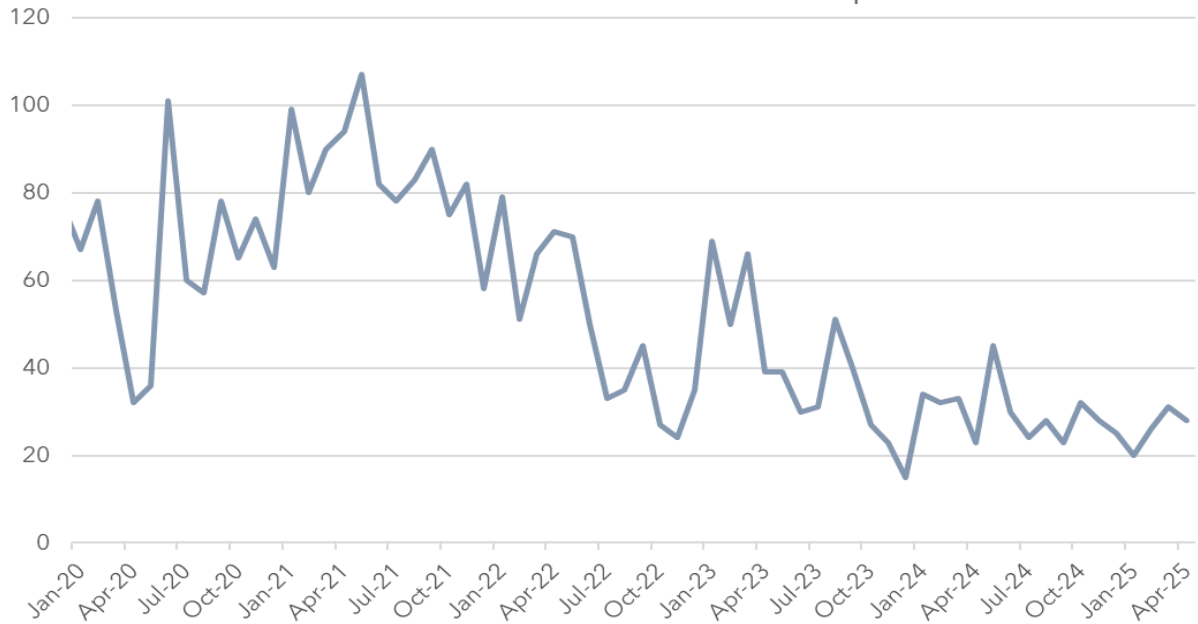
Recycling Ships Price Trend



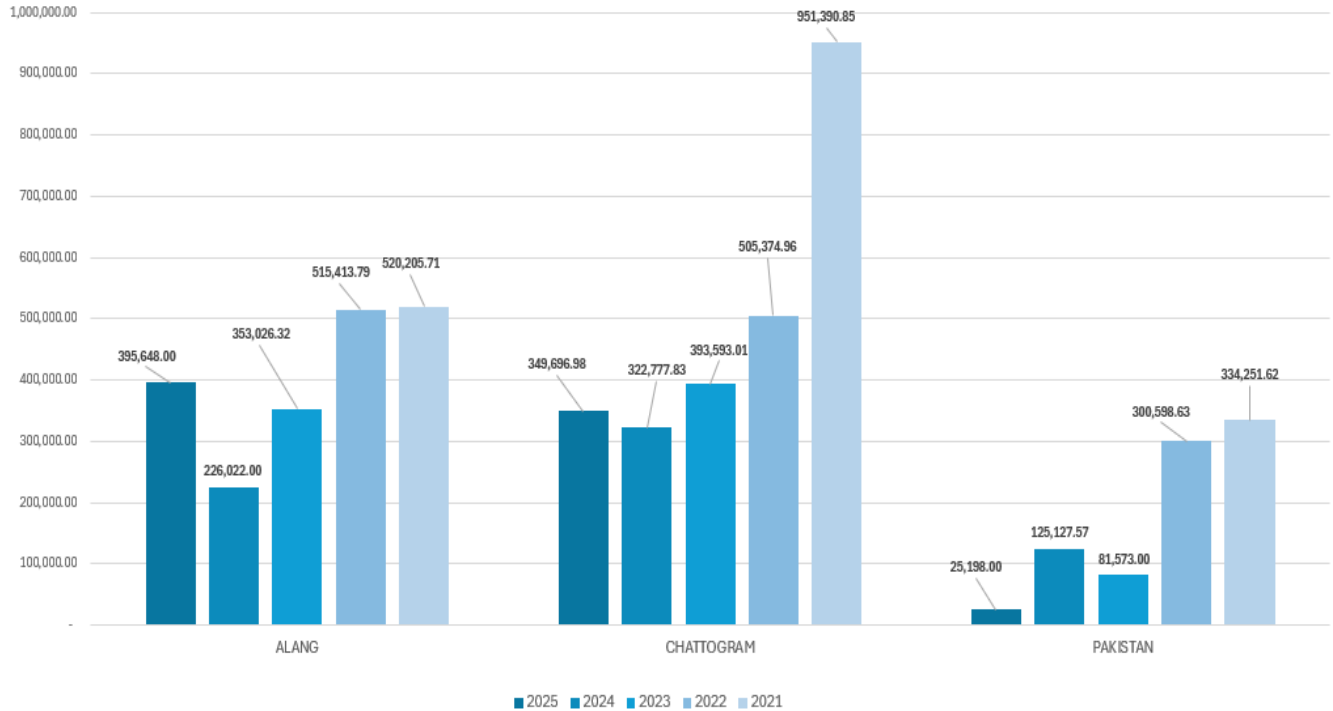
Sub-continent total Light Displacement Tonnage in metric tons



Total number of Vessel sold per month



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



Insights

Alang

India's ship recycling market is navigating a period of moderated trading activity amid geopolitical tensions and market volatility, though it finds support from rising steel plate prices and HKC compliance.

Overall sentiments were positive at the prevailing prices.

Anchorage & Beaching Position (MAY 2025)

VESSEL NAME	TYPE	LDT	ARRIVAL	BEACHING
LORD 17	GENERAL CARGO	2,583	12.04.2025	AWAITING
NIRVANA	TANKER	9,623	07.05.2025	AWAITING
RIGHT	PASSENGER SHIP	11,781	13.05.2025	15.05.2025
ULSAN	CONTAINER	2,422	13.05.2025	16.05.2025
RUN FU 6	BULKER	6,258	06.05.2025	14.05.2025
SEA DOVE	BULKER	7,918	24.04.2025	01.05.2025

Chattogram

Bangladesh continues to face significant operational hurdles as yards work toward achieving HKC compliance, a transition that has notably reduced vessel inflows and dampened market activity while buyers carefully monitor regulatory developments. The situation is further complicated by the current regulatory environment, where no NOCs are being issued to non-green, non-HKC-compliant yards, resulting in approximately five vessels waiting in the pipeline with uncertain prospects.

Despite these challenges in the recycling sector, Bangladesh has recently seen improved restocking demand for imported ferrous scrap as buyers follow their typical 15-20 day inventory replenishment cycle, with Australian HMS scrap currently priced around US\$360-362 per ton CFR Chattogram and modest increases in rebar prices over the past quarter.

Anchorage & Beaching Position (May 2025)

VESSEL NAME	TYPE	LDT	ARRIVAL	BEACHING
XIE HAI	BULKER	10,346	15.05.2025	AWAITING
FIRST 1	WOOD CHIP	7,951	15.05.2025	AWAITING
VISTAR	BULKER	10,693	13.05.2025	AWAITING
WOODS	WOODCHIP	9,462	08.05.2025	15.05.2025
EM UNITY	TANKER	15,672	05.05.2025	15.05.2025
CHARLENE	BULKER	6,071	05.05.2025	12.05.2025
HU GANG YIN 2	OFFSHORE	4,351.30	05.05.2025	13.05.2025
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.

Anchorage & Beaching Position (MAY 2025)

VESSEL NAME	TYPE	LDT	ARRIVAL	BEACHING
-	-	-	-	-

Aliaga, Turkey

Market remains sluggish this week with no new activity to report.

Prices over the last few weeks have largely remained unchanged.

BEACHING TIDE DATES 2025

Chattogram, Bangladesh : 26 ~29 May | 11 ~14 June

Alang, India : 24 May ~ 1 June | 09 ~17 June

BUNKER PRICES (USD/ton)			
PORTS	VLSFO (0.5%)	HSFO (3.5%)	MGO (0.1%)
SINGAPORE	523	444	617
HONG KONG	536	462	630
FUJAIRAH	512	420	712
ROTTERDAM	463	419	617
HOUSTON	468	394	625

EXCHANGE RATES			
CURRENCY	May 16	May 9	W-O-W % CHANGE
USD / CNY (CHINA)	7.21	7.24	+0.41%
USD / BDT (BANGLADESH)	121.45	121.52	+0.06%
USD / INR (INDIA)	85.57	85.37	-0.23%
USD / PKR (PAKISTAN)	281.58	281.54	-0.01%
USD / TRY (TURKEY)	38.85	38.75	-0.26%

Sub-Continent and Turkey ferrous scrap markets insights

INDIA

India's imported scrap market remained under significant pressure amid a confluence of rising freight costs, weak domestic steel demand, and a strategic shift toward more economical alternatives such as sponge iron and pellets. Despite occasional inquiries, buyers maintained their hesitancy with shredded material offered at US\$365-375/t CFR Nhava Sheva against bids at US\$360-365/t, while HMS 80:20 faced similar resistance with offers at US\$350-355/t CFR meeting bids no higher than US\$345-350/t.

BANGLADESH

Bangladesh continued to face pressure from seasonal factors, with the ongoing monsoon dampening construction activity and subsequently reducing scrap demand. Although the letter of credit constraints has eased, trade remained limited as mills focused on inventory management amid subdued domestic steel sales. Australian shredded was offered at US\$375-380/t CFR Chattogram, with HMS 1 at US\$360-365/t and HMS 80:20 at US\$350-355/t, but cautious buyers continued to hold back, maintaining the market's overall soft sentiment.

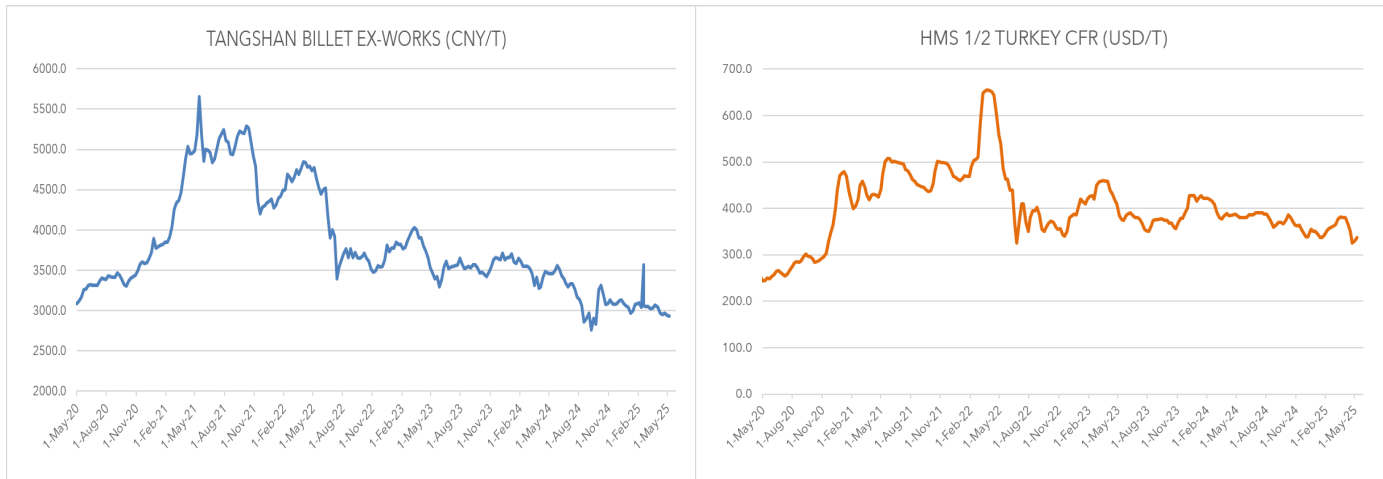
PAKISTAN

Pakistan's market similarly struggled against headwinds of weak construction demand, sluggish steel sales, and compressed rebar margins. Mills have postponed fresh bookings due to sufficient inventories and an anticipated slowdown during the upcoming Eid holiday. Despite offers for shredded material from the UK, EU, and UAE at US\$375-380/t CFR Port Qasim, most buyers limited their bids to US\$370-375/t, finding higher levels economically unviable in the current market environment.

TURKEY

In stark contrast, Turkey's imported scrap market demonstrated remarkable resilience, driven by robust restocking activity and firm seller positions. Mills showed increased buying interest, with a significant US-origin deal reportedly concluded at US\$347/t CFR for HMS 80:20 and US\$367/t CFR for shredded and PNS scrap. US-origin bulk HMS 80:20 offers climbed US\$5/t day-on-day to US\$347/t CFR, with sellers from both the US and EU maintaining firm offers around US\$345-350/t CFR. Market sentiment received an additional boost from optimism surrounding upcoming peace talks scheduled in Istanbul, further reinforcing bullish expectations and likely continued demand from Turkish mills.

HMS 1/2 & Tangshan



Commodities (*Week in focus*)

China's derivatives markets for major ferrous products showed significant gains on Monday following positive developments in the US-China trade talks held in Geneva over the weekend. The most-traded **iron ore** contract for September delivery on the Dalian Commodity Exchange led the increase, closing 3.16% higher than Friday's settlement price, reflecting the market's optimistic response to what China's official news agency Xinhua described as "substantial progress" in negotiations.

This renewed market confidence was further bolstered when both economic powers jointly announced they would temporarily reduce the reciprocal tariffs imposed on each other's goods. Prior to these developments, iron ore prices had been constrained by growing concerns over potential US tariff hikes and China's crude steel output controls, despite relatively strong demand from steelmakers.

Chinese **steel** production has continued to rise in recent weeks as mills actively pursue healthier profit margins, showing that approximately 59% of the 247 sampled integrated steelmakers were operating profitably as of May 8, an increase of 3% points w-o-w and 7% points y-o-y. According to a Shanghai-based iron ore analyst, although the summer lull in steel consumption approaches while production peaks, demand for iron ore is expected to remain resilient until any significant decline in hot metal output occurs, with the reduced threat of US tariffs and strong fundamentals likely supporting **iron ore** prices 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)	102	+2%	-12.8%	100	117
Iron Ore Fines, CNF Qingdao, China	Fines, Fe 62.5% (Brazil Origin)	101	+5.2%	-15.8%	96	120

Industrial Metal Rates

INDEX	UNITS	PRICE	CHANGE	%CHANGE	CONTRACT
Copper (Comex)	USD / lb.	457.95	-10.40	-2.22%	Jul 2025
3Mo Copper (L.M.E.)	USD / MT	9,577.00	-29.50	-0.31%	N/A
3Mo Aluminum (L.M.E.)	USD / MT	2,489.00	-39.50	-1.56%	N/A
3Mo Zinc (L.M.E.)	USD / MT	2,724.50	-40.50	-1.46%	N/A
3Mo Tin (L.M.E.)	USD / MT	32,974.00	+160.00	+0.49%	N/A

Crude Oil & Natural Gas Rates

INDEX	UNITS	PRICE	CHANGE	%CHANGE	CONTRACT
WTI Crude Oil (Nymex)	USD / bbl.	62.48	+0.86	+1.40%	Jun 2025
Brent Crude (ICE.)	USD / bbl.	65.40	+0.87	+1.35%	Jul 2025
Crude Oil (Tokyo)	J.P.Y. / kl	58,210.00	+40.00	+0.07%	May 2025
Natural Gas (Nymex)	USD / MMBtu	3.32	-0.05	-1.37%	Jun 2025

Note: All rates at C.O.B. London time May 16, 2025



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