

Market Insight

By Fotis Kanatas, Research Analyst

Tensions between Israel and Iran have risen sharply after Iran fired over 200 missiles at sensitive Israeli sites in one of the most significant escalations in recent years. Israel has retaliated with air strikes on Hezbollah positions in Lebanon and is considering broader military responses, including strikes on Iranian nuclear facilities. The risk of a full-scale regional conflict is high and threatens to disrupt shipping through the Strait of Hormuz, a critical transit point for global oil supplies.

Israel has vowed to retaliate for the latest attacks and market participants are watching the situation closely, as a strike on Iranian oil facilities will not only affect the country in question, but also the wider Arabian Gulf. Iran produces 3.15 million barrels per day (mbpd) in 2024, or around 3% of global production, so a significant amount of global supply is at risk and could be taken off the market. Adding to the risk premium is the potential closure of the Strait of Hormuz, which will affect Arabian Gulf exports, which account for around 20% of global crude oil trade.

Focusing on Iran alone, the country has shown resilience in terms of both oil production and exports, as it exported a record amount of crude in July with a total of 1.56mbpd, while production in September was 3.3mbpd, the highest since October 2018. The country has a long history of sanctions, with the US first imposing sanctions on Iran in 1979, freezing \$12bn of Iranian assets following the hostage crisis. These initial sanctions were expanded in 1987 with an embargo on Iranian imports. By 1995, US companies were prohibited from investing in Iran's oil and gas sector, and foreign companies faced secondary sanctions for similar activities. More recently, in 2012, additional sanctions targeted Iran's cen-

tral bank, crippling its profits from oil exports. This reduced Iran's exports by 1.4 million barrels per day. The 2015 Joint Comprehensive Plan of Action (JCPOA) temporarily eased sanctions, but these were reinstated in 2018 after the US withdrew from the deal, citing concerns over Iran's missile program and regional influence.

The country relies heavily on exports to China, which accounted for 89% of Iranian exports in 2024, although it is not easy to track the actual shipments that facilitate the trade. Due to the US sanctions, carriers are proving resourceful as they increasingly use ship-to-ship transfers in the Riau Archipelago, which is why a large proportion of Iranian exports go to destinations such as Malaysia and Singapore, according to AIS data.

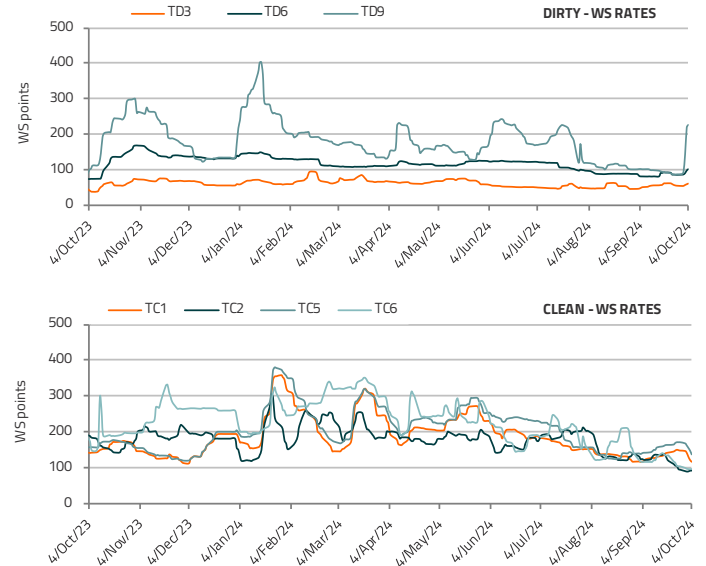
In 2024, the vast majority of tankers carrying Iranian oil were VLCCs, accounting for 86% of the trade, while Suemaxes and Aframaxes accounted for 12% and 2% respectively, with the National Iranian Tanker Company (NITC) being the largest owner of the vessels, demonstrating Iran's ability to build its own fleet and circumvent sanctions.

If hostilities escalate and key oil facilities are hit, much of the world's oil will be taken offline, leaving room for other exporters to take market share. In addition, the tankers currently dedicated to the Iranian trade will find it extremely difficult to be employed in other trades, adding to the upside risk for crude tankers. It will be crucial to monitor how the situation unfolds and what the actual impact on shipping may be.

Indicative Period Charters

3 mos	PS STARS	2022	49,999 dwt
DEL EAST OCT/24	\$35,000/day		Weco Tankers
24 mos	PETALOUDA	2008	47,322 dwt
DEL EAST OCT/24	\$28,500/day		Aramco

Vessel	Routes	04/10/24		27/09/24		\$/day ±%	2023 \$/day	2022 \$/day
		WS points	\$/day	WS points	\$/day			
VLCC	265k MEG-SPORE	60	39,683	55	33,957	16.9%	39,466	20,330
	260k WAF-CHINA	63	41,880	58	36,783	13.9%	38,773	19,980
Suezmax	130k MED-MED	110	54,304	87	34,619	56.9%	62,964	51,634
	130k WAF-UKC	105	41,209	75	24,249	69.9%	25,082	11,031
Aframax	140k BSEA-MED	100	33,289	84	22,073	50.8%	62,964	51,634
	80k MEG-EAST	146	31,291	144	30,831	1.5%	44,757	27,224
Clean	80k MED-MED	149	39,029	110	20,182	93.4%	49,909	46,679
	70k CARIBS-USG	226	59,945	86	7,373	713.0%	46,364	43,030
Dirty	75k MEG-JAPAN	115	20,282	147	31,533	-35.7%	32,625	35,326
	55k MEG-JAPAN	136	16,812	170	25,729	-34.7%	27,593	32,504
Dirty	37k UKC-USAC	91	2,948	93	4,167	-29.3%	21,183	22,919
	30k MED-MED	95	-2,160	103	262	-924.4%	32,775	45,941
Dirty	55k UKC-USG	115	9,981	115	10,753	-7.2%	27,274	19,982
	55k MED-USG	115	9,891	115	10,600	-6.7%	27,060	21,231
Dirty	50k ARA-UKC	110	1,151	124	5,309	-78.3%	46,194	40,364



TC Rates

	\$/day	04/10/24	27/09/24	±%	Diff	2023	2022
VLCC	300k 1yr TC	50,000	50,000	0.0%	0	48,601	34,683
	300k 3yr TC	47,500	47,500	0.0%	0	42,291	33,719
Suezmax	150k 1yr TC	44,500	44,500	0.0%	0	46,154	26,933
	150k 3yr TC	38,000	38,000	0.0%	0	35,469	23,758
Aframax	110k 1yr TC	42,500	40,500	4.9%	2000	47,226	26,135
	110k 3yr TC	40,000	40,000	0.0%	0	37,455	22,878
Panamax	75k 1yr TC	34,500	37,500	-8.0%	-3000	37,769	25,163
	75k 3yr TC	32,000	32,000	0.0%	0	29,748	20,806
MR	52k 1yr TC	28,750	29,250	-1.7%	-500	30,452	21,313
	52k 3yr TC	26,000	26,000	0.0%	0	25,152	16,426
Handy	36k 1yr TC	27,000	27,000	0.0%	0	25,760	18,601
	36k 3yr TC	23,250	23,250	0.0%	0	18,200	14,585

Indicative Market Values (\$ Million) - Tankers

Vessel	5yrs old	Oct-24	Sep-24	±%	2023	2022	2021
		avg	avg				
VLCC	300KT DH	115.0	115.0	0.0%	99.5	80.2	69.7
Suezmax	150KT DH	81.0	81.0	0.0%	71.5	55.1	46.7
Aframax	110KT DH	72.0	72.0	0.0%	64.4	50.5	38.7
LR1	75KT DH	57.0	57.0	0.0%	49.2	38.6	31.2
MR	52KT DH	49.0	49.5	-1.0%	41.4	34.8	27.6

Chartering

Tankers saw divergent trends during last week as the crude tankers surged, while clean tankers softened. VLCC saw increased rates as Asian demand is coming back while geopolitical uncertainty in the Middle East kept rates up. TD3C (MEG/China) rose by 11% standing at WS 59.63 while the TD15 (Waf/China) also surged by +9.52% at WS 63.28. The US Gulf also rose as available tonnage is falling and as a result TD22 (USG/China) stood at \$8.45m lumpsum or +7.5% on the week. The VLCC TCE was on Friday at \$40,398/day marking a +13.76% increase. On Suezmaxes, rates in West Africa increased on the back of limited available vessels and strong demand from the Atlantic. As a result, TD20 (Waf/UKC) rose to WS 105.39 (+41% WoW), while the TD6 (BSea/Med) stood on Friday at WS 100 marking a +19% increase. The Suezmax TCE saw a remarkable increase to \$37,249/day, or 61% up. On Aframax, the recent active fixing on the size finally took its toll on the market as low availability in tonnage sent rates higher and more specifically, in the Americas. TD25 (USG/ARA) settled at WS 219 or +116% higher, while the TD26 (Mexico/USG)

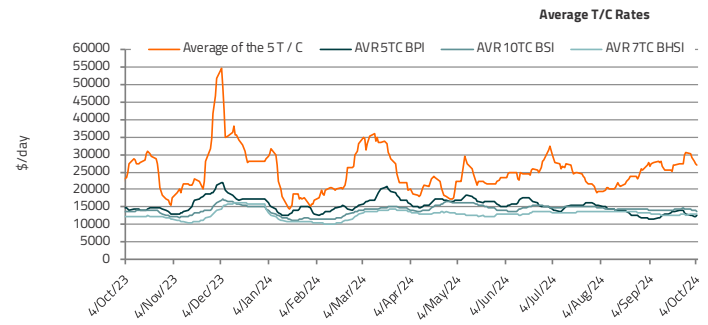
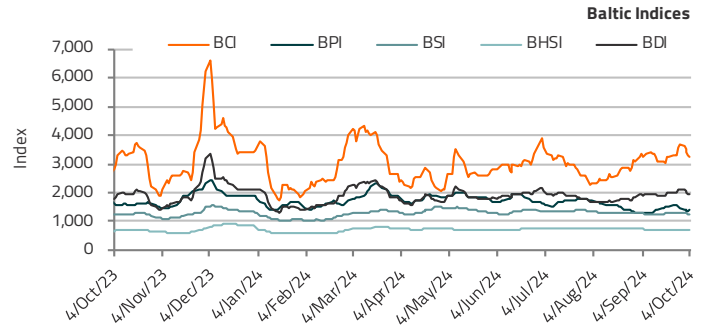
stood at WS 227 or +164%. In the Med, rates also saw an uptick as Libyan production is at pre-crisis levels. TD19 (X-Med) was at WS 150, 36% on the week. The Aframax TCE now stands at \$43,021/day or +104% on the week. On clean tankers, both LR1 and LR2 was down on the week as plenty of available tonnage, particularly in the Middle East. TC1 (MEG/Japan) for LR2s was down by -21% at WS 115 and TC5 (MEG/Japan) for LR1s was down by -20% at WS 136. Additionally, the lucrative earnings in the crude market, prompted a few owners to trade dirty. As far as the MRs are concerned, strong Transatlantic market set the tone last week. The Atlantic Triangulation (MA2TCE) increased by more than 80% standing at \$28,713/day. The main driver for that was the US Gulf as strong local and transatlantic demand sent rates higher. For instance, TC14 (USG/Cont) stood at WS 197 (+67.48%), TC18 (USG/Brazil) at WS 248.57 (+47%). The MP2TCE was on Friday at \$18,986/day marginally up by +1.83%.

Baltic Indices

	04/10/24		27/09/24		Point Diff	\$ / day ±%	2023 Index	2022 Index
	Index	\$/day	Index	\$/day				
BDI	1,928		2,110		-182		1,395	1,931
BCI	3,243	\$26,897	3,689	\$30,598	-446	-12.1%	2,007	1,955
BPI	1,388	\$12,496	1,446	\$13,013	-58	-4.0%	1,442	2,298
BSI	1,258	\$13,863	1,306	\$14,479	-48	-4.3%	1,031	2,006
BHSI	712	\$12,824	710	\$12,773	2	0.4%	586	1,181

Indicative Period Charters

12 mos dely Cai Mep 13/14 Oct redel worldwide	TRANSCENDEN WISDOM \$16,500/day	2021	82,561 dwt Norden
4/7 months dely South China 1/5 Oct redel worldwide	CRYSTAL OCEAN \$18,000/day	2021	82,555 dwt cnr



TC Rates

	\$/day	04/10/24	27/09/24	±%	Diff	2023	2022
Capesize	180K 1yr TC	28,000	28,500	-1.8%	-500	17,957	21,394
	180K 3yr TC	23,250	23,250	0.0%	0	16,697	18,894
Panamax	76K 1yr TC	14,750	14,250	3.5%	500	13,563	20,207
	76K 3yr TC	12,000	12,000	0.0%	0	11,827	14,885
Supramax	58K 1yr TC	15,250	15,250	0.0%	0	13,457	20,053
	58K 3yr TC	13,000	13,000	0.0%	0	11,981	15,005
Handysize	32K 1yr TC	12,000	12,000	0.0%	0	10,644	17,827
	32K 3yr TC	1,000	10,000	-90.0%	-9,000	9,510	12,322

Indicative Market Values (\$ Million) - Bulk Carriers

Vessel	5 yrs old	Oct-24 avg	Sep-24 avg	±%	2023	2022	2021
Capesize Eco	180k	64.0	64.0	0.0%	48.8	48.3	43.1
Kamsarmax	82K	36.5	37.4	-2.3%	32.0	34.1	29.8
Ultramax	63k	36.0	36.0	0.0%	29.5	31.5	26.4
Handysize	37K	27.5	28.0	-1.8%	25.1	27.2	21.4

Chartering

A generally expected slowdown in trading activity occurred last week, largely due to the Golden Week holidays, which kept the majority of Chinese buyers inactive. The Capesize sector experienced the most significant decline, with its main index dropping by 12.1%. Panamax rates also decreased, with the P5TC index once again trailing behind its competitors. Limited support from NoPac and Indonesia was insufficient to sustain market sentiment, as activity from ECSA and USG remained muted. Rates in South America and USG were also under pressure for geared vessel owners, although some strength was observed in the Mediterranean and Continent regions. Meanwhile, market conditions in the Pacific were more balanced overall.

Cape 5TC averaged \$ 28,386/day, down -0.27% w-o-w. The transatlantic earnings decreased by \$ 5,786/day while transpacific declined by \$4,071/day, bringing transatlantic earnings premium over transpacific to \$66/day.

Panamax 5TC averaged \$ 12,455/day, down -8.94% w-o-w. The transatlantic earnings declined by \$ 1,225/day while transpacific earnings fell by \$184/day. As a result, the transpacific earnings premium to the transatlantic widened to \$3,853/day.

Supramax 10TC averaged \$14,065/day down -3.18% w-o-w, while the Handysize 7TC averaged \$12,820/day, up +0.21% w-o-w.

Tankers

Size	Name	Dwt	Built	Yard	M/E	SS due	Hull	Price	Buyers	Comments
LR2	PS GENOVA	108,983	2010	HUDONG-ZHONGHUA, China	MAN-B&W	May-25	DH	excess \$ 40.0m	UAE based	
J19	LILA FRONTIER	19,806	2004	KITANIHON, Japan	Mitsubishi	PASSED	DH	\$ 16.1m	S. Korean	StSt

Bulk Carriers

Size	Name	Dwt	Built	Yard	M/E	SS due	Gear	Price	Buyers	Comments
CAPE	STELLA HOPE	180,007	2016	DALIAN, China	MAN-B&W	Sep-26		mid \$ 47.0m	US based (GENCO)	Eco
UMAX	BEECHGATE	63,449	2019	IWAGI ZOSEN, Japan	MAN-B&W	Mar-29	4 X 30,7t CRANES	\$ 35.6m	Bangladeshi	Eco
UMAX	NORD ADRIATIC	61,254	2016	IWAGI ZOSEN, Japan	MAN-B&W	Apr-26	4 X 30,7t CRANES	excess \$ 29.0m	Bangladeshi	Eco
SUPRA	NPS MOSA	53,556	2007	IWAGI ZOSEN, Japan	MAN-B&W	Jun-27	4 X 30,5t CRANES	high \$ 12.0m	S. Korean	
HANDY	BLUE DRAGON	38,238	2011	IMABARI, Japan	MAN-B&W	Jan-25	4 X 30,5t CRANES	low \$ 15.0m	undisclosed	OHBS

Last week, the newbuilding market experienced stable activity. In the dry bulk sector, it was revealed that Chinese owner Amoyshipping has placed an order for four 64,000 dwt vessels at Jiangsu Haitong Shipyard in China, with a price of \$34.0 million each. In the gas carrier sector, Malaysian owner MISC finalized a contract with Samsung for the construction of two 174,000 cbm units, each priced at \$256.0 million. These vessels will be chartered to Petronas under time charter agreements. Addition-

ally, Singaporean owner Eastern Pacific concluded an agreement for the construction of two 150,000 cbm ULEC units at Hyundai Samho for \$207.0 million each, while Turkish owner PascoGas ordered two 45,000 cbm units from Hyundai Mipo, each priced at \$83.5 million. On the tanker front, it came to light that Shell concluded an order for ten MR2 units at a price of \$48.0m each.

Indicative Newbuilding Prices (\$ Million)

	Vessel		4-Oct-24	27-Sep-24	±%	YTD		5-year		Average		
						High	Low	High	Low	2023	2022	2021
Bulkers	Newcastlemax	205k	80.0	80.0	0.0%	80.0	70.0	80.0	49.5	66	66	59
	Capesize	180k	76.5	76.5	0.0%	76.5	67.5	76.5	48.5	63	63	56
	Kamsarmax	82k	37.5	37.5	0.0%	37.5	35.5	37.5	27.5	35	36	33
	Ultramax	63k	35.0	35.0	0.0%	35.0	33.0	35.5	25.5	33	34	30
	Handysize	38k	30.5	30.5	0.0%	30.5	30.0	31.0	23.5	30	30	27
Tankers	VLCC	300k	129.0	129.0	0.0%	129.5	128.0	130.5	84.5	124	118	98
	Suezmax	160k	90.0	90.0	0.0%	90.0	85.0	90.0	55.0	82	79	66
	Aframax	115k	77.5	77.5	0.0%	77.5	73.0	77.5	46.0	69	62	53
	MR	50k	51.5	51.5	0.0%	51.5	48.0	51.5	34.0	46	43	38
Gas	LNG 174k cbm		262.5	261.5	0.4%	263.0	261.5	265.0	180.0	259	232	195
	MGC LPG 55k cbm		94.0	94.0	0.0%	94.0	91.5	94.0	62.0	85	74	67
	SGC LPG 25k cbm		62.0	62.0	0.0%	62.0	58.0	62.0	40.0	56	51	45

Newbuilding Orders

Units	Type	Size		Yard	Delivery	Buyer	Price	Comments
10	Tanker	49,999	dwt	CSSC Huangpu, China	2027-2028	Dutch (Shell)	\$ 48.0m	
4	Bulker	64,000	dwt	Jiangsu Haitong, China	2026	Chinese (Amoyshipping)	\$ 34.0m	SDARI design, IMO Tier III, EEDI Phase 3
8	Bulker	19,600	dwt	Qinfeng Shipping Industry, China	undisclosed	Chinese (Wuhan Innovation Jianghai Transportation)	undisclosed	Methanol fuelled
8	Bulker	15,000	dwt	Qinfeng Shipping Industry, China	undisclosed	Chinese (Wuhan Innovation Jianghai Transportation)	undisclosed	Methanol fuelled
2	LNG	174,000	cbm	Samsung HI, S. Korea	2027	Malaysian (MISC)	\$ 256.0m	TC to Petronas
2	ULEC	150,000	cbm	Hyundai Samho, S. Korea	2027	Singaporean (Eastern Pacific)	\$ 207.0m	against long term TCs
2	LPG	45,000	cbm	Hyundai Mipo, S. Korea	2027	Turkish (PascoGas)	\$ 83.5m	

The ship recycling market has seen a mixed performance in the major destinations this week. In India, rising local steel prices have given a slight boost to recyclers' confidence, although they are still cautious about taking on new business. Offers have increased modestly, reflecting the improvement in market sentiment.

In Pakistan, however, the market remains subdued with little activity despite a slight increase in imported scrap prices. Improvements in the economy may encourage more interest in the coming weeks, but for now the sector remains quiet

Bangladesh remained under pressure with falling local steel prices and minimal demand. Recyclers are reluctant to commit, hampered by ongoing regulatory constraints and weak construction activity. Until the general economic outlook stabilizes, the market is likely to remain subdued.

In Turkey, however, there was some improvement with local and imported scrap prices rising. Recyclers responded with higher offers, supported by a slightly more favorable economic environment. However, inflationary concerns remain, keeping overall sentiment cautious. Overall, the market remains in a wait-and-see mode, with regional differences influencing trends.

Indicative Demolition Prices (\$/ldt)

Markets	04/10/24	27/09/24	±%	YTD		2023	2022	2021	
				High	Low				
Tanker	Bangladesh	480	480	0.0%	530	480	550	601	542
	India	490	490	0.0%	540	490	540	593	519
	Pakistan	475	475	0.0%	525	490	525	596	536
	Turkey	330	320	3.1%	350	320	325	314	207
Dry Bulk	Bangladesh	470	470	0.0%	520	470	535	590	532
	India	470	470	0.0%	520	480	522	583	508
	Pakistan	455	455	0.0%	510	470	515	587	526
	Turkey	320	310	3.2%	350	310	315	304	276

Currencies

Markets	4-Oct-24	27-Sep-24	±%	YTD High
USD/BDT	116.44	117.45	-0.9%	117.51
USD/INR	83.80	83.74	0.1%	83.80
USD/PKR	275.99	278.21	-0.8%	282.38
USD/TRY	33.10	32.95	0.5%	33.12

Demolition Sales (\$ /ldt)

Name	Size	Ldt	Built	Yard	Type	\$/ldt	Breakers	Comments
MSC ADELE	30,950	8,779	1986	HDW AG - Kiel - GEU, Germany	CONTAINER	\$ 500.0m	Indian	

Market Data

	4-Oct-24	3-Oct-24	2-Oct-24	1-Oct-24	30-Sep-24	W-O-W Change %	
Stock Exchange Data	10year US Bond	3.981	3.850	3.785	3.743	3.802	6.2%
	S&P 500	5,751.07	5,699.94	5,709.54	5,708.75	5,762.48	0.2%
	Nasdaq	20,035.02	19,793.34	19,802.59	19,773.30	20,060.69	0.1%
	Dow Jones	42,352.75	42,011.59	42,196.52	42,156.97	42,330.15	0.1%
	FTSE 100	8,280.63	8,282.52	8,290.86	8,276.65	8,236.95	-0.5%
	FTSE All-Share UK	4,527.24	4,523.17	4,528.14	4,525.27	4,511.00	-0.6%
	CAC40	7,541.36	7,477.78	7,577.59	7,574.07	7,635.75	-3.2%
	Xetra Dax	19,120.93	19,015.41	19,164.75	19,213.14	19,324.93	-1.8%
	Nikkei	38,635.62	38,552.06	37,808.76	38,651.97	37,919.55	-3.0%
	Hang Seng	22,736.87	22,113.51	22,443.73	21,133.68	21,133.68	10.2%
DJ US Maritime	404.51	397.22	402.67	401.81	401.88	-1.7%	
Currencies	€ / \$	1.10	1.10	1.10	1.11	1.11	-1.7%
	£ / \$	1.31	1.31	1.33	1.33	1.34	-1.9%
	\$ / ¥	148.71	146.92	146.46	143.56	143.62	4.6%
	\$ / NoK	10.64	10.60	10.56	10.60	10.54	1.3%
	Yuan / \$	7.02	7.02	7.02	7.02	7.02	0.1%
	Won / \$	1,346.41	1,333.21	1,323.82	1,323.77	1,317.01	2.9%
	\$ INDEX	102.52	101.99	101.68	101.19	100.78	2.1%

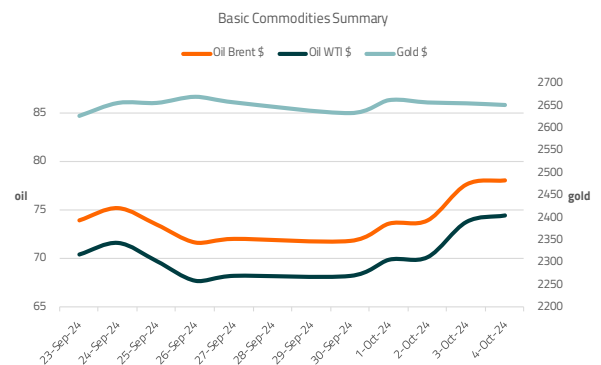
Bunker Prices

		4-Oct-24	27-Sep-24	Change %
MGO	Rotterdam	678.0	610.0	11.1%
	Houston	684.0	636.0	7.5%
	Singapore	687.0	625.0	9.9%
380cst	Rotterdam	501.0	437.0	14.6%
	Houston	460.0	417.0	10.3%
	Singapore	493.0	439.0	12.3%
VLSFO	Rotterdam	539.0	517.0	4.3%
	Houston	544.0	501.0	8.6%
	Singapore	600.0	571.0	5.1%
OIL	Brent	78.1	72.0	8.4%
	WTI	74.4	68.2	9.1%

Maritime Stock Data

Company	Stock Exchange	Curr	04-Oct-24	27-Sep-24	W-O-W Change %
CAPITAL PRODUCT PARTNERS LP	NASDAQ	USD	19.20	18.70	2.7%
COSTAMARE INC	NYSE	USD	14.68	15.53	-5.5%
DANAOS CORPORATION	NYSE	USD	86.61	85.98	0.7%
DIANA SHIPPING	NYSE	USD	2.47	2.53	-2.4%
EUROSEAS LTD.	NASDAQ	USD	44.56	49.42	-9.8%
GLOBUS MARITIME LIMITED	NASDAQ	USD	1.95	1.98	-1.5%
SAFE BULKERS INC	NYSE	USD	5.15	5.16	-0.2%
SEANERGY MARITIME HOLDINGS	NASDAQ	USD	12.18	12.08	0.8%
STAR BULK CARRIERS CORP	NASDAQ	USD	22.71	23.54	-3.5%
STEALTHGAS INC	NASDAQ	USD	7.09	6.86	3.4%
TSAKOS ENERGY NAVIGATION	NYSE	USD	26.17	25.41	3.0%

Basic Commodities Weekly Summary



Macro-economic headlines

- In US, the S&P Global US Manufacturing PMI for September fell to 47.3 (vs 47.9). The ISM Manufacturing PMI (Sep) remained stable m-o-m in the contraction territory at 47.2
- In Japan, the Household spending declined -1.9% y-o-y in August but increase by +2.0% m-om.
- In German, HCOB Germany Manufacturing PMI (Sep) declined to 40.6 from 42.4 in August while the Euro-zone HCOB Manufacturing PMI (Sep) also declined to 45.0 from 45.8 in August

