



DEMO MARKET REPORT & MARKET OUTLOOK – February 10, 2025

Report No.108/0307225/100225.

COMMENTARY

INDIA – The expected budgetary impact in improving local steel demand has flaked away and the demand for finished steel is slacking and impacting other steel products down the line. Sentiments of ship recyclers are also weak. Local steel plate prices were reduced by USD 3/MT whereas local scrap prices were reduced by USD 8/MT. Imported scrap prices reduced by USD 4/MT this week. Some of the large Indian Steel mills have increased their finished product price by USD 15-17/MT this week in view of expected safeguard duty on imports but we still must see whether the end buyers would accept such price increases. There have hardly been any vessels that have been worked in Alang this week due to which we cannot gauge whether there is a reduction in prices offered by ship recyclers. The local currency continues to weaken against the US Dollar this week reaching INR 87.79 against 1 USD. The liquidity injection undertaken by the central bank has helped reduce interest rates in the market by about 0.25%. The central bank plans to further inject liquidity into the system which should help improve businesses and help economic growth. We would expect prices to continue at the same levels.

PAKISTAN – The indications of possible improvement in the local steel markets continue this week as well. Ship recyclers continue their offers at the same price levels. Even though there have not been any new government infrastructure projects announced, and the finished steel demand is weak, there has been a modest demand resulting from restocking requirements in the market. Prices of imported scrap improved by USD 5/MT whereas prices of local scrap equivalent to shredded continued at the same levels. Local rebar prices have increased by about USD 10-15/MT. The local ship recyclers have concluded. We saw a bulker earlier reportedly sold for Alang which has now been sold to ship recyclers in Gadani and another tanker vessel has also been concluded. We should also remember that ship recyclers seeking HKC certification would also require a vessel to demonstrate their understanding and application of HKC regulations before they can get HKC certification. The country's economic stability has improved but considering that there are still huge debt obligations to be funded, the government could be expected to continue with its tight monetary control policies. We would expect prices to continue at the same levels with the possibility to marginally firm up.

BANGLADESH – The demand in the local steel market is moderate at best for now and some ship recyclers are cautiously looking to acquire fresh tonnages for recycling. Local steel plate prices as well as prices of local scrap remain unchanged this week. Imported scrap prices remained unchanged but there is a positive incline for marginal price increase. The few ship recyclers who



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are actively looking for fresh tonnages for ship recycling are not willing to improve their offer prices. The Ministry of Industries has issued a circular this week wherein they have allowed Ship Recycling facilities to complete their yard developments plans (*earlier submitted while obtaining NOC for import of recycling candidates*) from 31st January 2025 to 31st March 2025, provided, the Ship Recycling Facilities must obtain HKC certification latest by 26th June 2025. Considering the overall market position, we would expect prices offered by ship recyclers to continue at the same levels with the possibility to marginally firm up.

TURKEY – The local steel demand has not yet picked but we are seeing some price increases across steel products due to increasing raw material costs. Domestic scrap prices have moved up by about USD 2-4/MT and finished steel product prices have increased by USD 10-12/MT. Imported scrap prices have increased by USD 6/MT. It is expected that imported scrap prices may increase by another USD 10/MT in the coming weeks. However, we still need to wait for another 7-10 days to confirm whether such price increases are sustained. There is also an expectation of an increase in construction activities starting in a few weeks which could increase demand for steel. We are seeing an increase in the number of candidates being offered for recycling as well. The country's central bank may delay interest rate cut considering that the inflation in January 2025 reduced less than expected. We would expect prices offered by ship recyclers to continue at the same levels.

CHINA – With effect from 1.1.2019, China has stopped accepting any foreign flagged ship for recycling as per directives from Government. Breakers now can only recycle local ships from China.

SUPPLY – We are seeing vessels from LNG, tanker and dry segment circulated this week. The candidates circulated are still not as many as expected but it is being matched by a lower appetite of ship recyclers considering their local market.

MARKET OUTLOOK – The LNG segment continues to face a situation of weak demand resulting in reducing freight rates and considering availability of tonnages, the freight rates are likely to be under pressure. The LPG segment saw flat rates this week. Tanker segment now is showing mixed signals but the sentiment is positive in terms of freight rates and secondhand asset values at the moment. The dry segment had almost a flat week in terms of freight but there is an expectation of improved rates in the coming weeks. The container segment had flat rates this week even as



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the demand for vessels across all sizes continues but we are now waiting to see how soon we could expect an impact of the easing of the Red Sea Route crisis and possible tariff effects. There is a mismatch in terms of circulated candidates versus deals concluded as some Sellers want to wait and watch the market for a possible improved price.

MAIN DEMOLITION SALES DATA FOR 3rd Feb 2025 – 7th Feb, 2025

Type	Name of Vessel	Built	DWT	LDT	Price	Remarks
Tanker	Athina 3	1988	39977	8653	Abt 478	Alang
RORO/Cargo	Sidimi	1987	7130	2985		Ctg
Tweendecker	Arel 2	1983	3170	972	280	Aliaga
Tanker	Athina 1	1995	96001	14883		Gadani

MAIN DEMOLITION SALES DATA FOR PERIOD 1st Feb 2025 – 7th Feb, 2025

Type	Name of Vessel	Built	DWT	LDT	Price	Remarks
Tanker	Athina 3	1988	39977	8653	Abt 478	Alang
RORO/Cargo	Sidimi	1987	7130	2985		Ctg
Tweendecker	Arel 2	1983	3170	972	280	Aliaga
Tanker	Athina 1	1995	96001	14883		Gadani

STATISTICS

VESSELS AND QUANTITY LDT BEACHED IN INDIAN SUBCON – IN FEB 2025,2024, 2023.

Year	INDIA		BANGLADESH		PAKISTAN	
	Vessels	LDT – LT	Vessels	LDT – LT	Vessels	LDT – LT
Feb 2025	05	72,532	03	40,854	0	0
Feb 2024	08	23,820	13	97,750	02	15,455
Feb 2023	14	109,930	10	67,822	00	00

VESSELS AND QUANTITY LDT BEACHED IN INDIAN SUBCON – QUARTER 1 2025, 2024, 2023.

Year	INDIA		BANGLADESH		PAKISTAN	
	Vessels	LDT – LT	Vessels	LDT – LT	Vessels	LDT – LT
2025	15	193,354	12	135,284	0	0
2024	45	347,704	34	199,663	11	105,845
2023	28	183,096	34	191,527	05	81,638



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INDIA - Indicative Price Levels for Feb in Current Year Vs Previous Years

Year	DRY			WET	
	Cape / Pmx	Handymax	Container	Others	VLCC
Feb 2025	435	445	480	460	430
Feb 2024	475	485	525	490	455
Feb 2023	535	540	585	550	525
Feb 2022	625	620	685	645	615

*(a) (Prices LT/LDT, less 3% Add Comm)

BANGLADESH - Indicative Price Levels for Feb in Current Year Vs Previous Years

Year	DRY			WET	
	Cape / Pmx	Handymax	Container	Others	VLCC
Feb 2025	460	460	510	500	460
Feb 2024	515	515	555	540	505
Feb 2023	570	575	635	595	570
Feb 2022	680	670	695	695	660

*(a) (Prices LT/LDT, less 3% Add Comm)

PAKISTAN - Indicative Price Levels for Feb in Current Year Vs Previous Years

Year	DRY			WET	
	Cape / Pmx	Handymax	Container	Others	VLCC
Feb 2025	465	470	500	485	455
Feb 2024	530	530	545	540	510
Feb 2023	555	545	585	565	530
Feb 2022	670	665	675	685	655

*(a) (Prices LT/LDT, less 3% Add Comm)

TURKEY - Indicative Price Levels for Feb in Current Year Vs Previous Years

Year	DRY	WET	CONTAINER
Feb 2025	280	290	300
Feb 2024	340	350	360
Feb 2023	300	310	320
Feb 2022	380	390	400

*(a) (Prices LT/LDT, less 2% Add Comm)

Disclaimer: The information has been drawn from Wirana Shipping Corporation's (WSC) database and other sources. All efforts have been made to ensure that information contained in this report is accurate. While WSC has taken reasonable care in compilation of information, WSC makes no representations or warranties and cannot accept responsibility for error, omission or consequences therefrom.