DEMO MARKET REPORT & MARKET OUTLOOK – June 29, 2026

Report No.178/22260626/29062026

COMMENTARY

INDIA – Local steel prices are under pressure while prices offered by ship recyclers continue at the same levels even though the fundamentals do not support same price levels for ship recycling candidates. Local steel plate prices have been reduced by another USD 6/MT taking total price reduction of steel plates by USD 27/MT in the month of June. Local scrap prices have reduced by USD 13/MT this week which brings the total reduction in price this month by USD 24/MT. There have been limited sales of standard recycling candidates during the month of June to be able to see a clear impact on offer prices for recycling candidates, however, there is a recent General Cargo vessel being circulated in the market specifically for approved ship recycling facilities in Alang and we may see reduced offer prices from ship recyclers if the buyers are reasonable. India's central bank has allowed lenders to leverage borrowings against foreign currency deposits up to 9 times and lenders are also offering guaranteed returns on foreign currency deposits of up to 7.10%. These schemes are expected to substantially increase foreign currency inflows from Non-Resident Indians and help government improve its foreign currency reserves which in turn will support the local currency. The local currency registered an improvement of about 1% about 20 days earlier and has maintained its improved rate since then. Delayed rains worry the government about a possible increase in inflation and in the meanwhile the country's central bank has kept interest rate unchanged. Ship recyclers in India must factor in these multiple variants as well when they bid for a recycling candidates which makes it even more challenging. We would expect prices offered by ship recyclers for recycling candidates to be under pressure.

PAKISTAN – The local steel market is slow, but price reduction is not uniform across all steel variants while prices offered by ship recyclers continued at the same levels. Prices of local scrap equivalent to shredded were reduced substantially by about USD 15-20/MT whereas rebar prices continued at the same levels this week. Imported shredded scrap prices were reduced marginally by USD 2/MT while local steel plate prices were almost the same as last week. The local market was not fully working this week as the country observed two Ashura public holidays. There are hardly any recycling candidates that are being circulated in the market whereas ship recyclers are looking to acquire recycling tonnages. Gas prices were reduced this week as international prices have dropped. Reduction in energy costs is likely to result in cost reductions of finished steel products due to which present purchases by end buyers and thus the steel mills purchase as well, are restricted to minimal. This has resulted in softer sentiments amongst ship recyclers, but the ship recyclers have maintained same price levels this week. Pakistan will stand to benefit in the long term if Iran sanctions are lifted because the country can complete Iran-Pakistan (IP) gas pipeline project which was halted in 2014 and this could reduce its LNG import cost by 33%. Though, considering its present LNG contract with Qatar, any benefit of this project can only come in from 2031. In the meanwhile, we would expect that prices offered by ship recyclers may continue at the same levels for a short time before they would come under pressure.

BANGLADESH – The local steel market is very slow, and local steel prices are under pressure, but ship recyclers surprisingly continue to maintain the same price levels. Local steel plate prices have dropped by a substantial USD 20/MT, but the local scrap prices have marginally improved by USD 2/MT. Imported scrap prices have reduced by USD 3/MT whereas imported shredded scrap prices remain unchanged. The local steel mills as well as the traders are not keen to buy at prevailing prices, especially as the impacts of costs increase post budget and ability of end buyers to absorb such cost increases are still not clear. The monsoon season is also not helping the demand situation. Recycling candidates are being circulated in the market and ship recyclers are also keen to buy the tonnages which is keeping the offer prices for recycling candidates at elevated levels, but it may not likely be for long. The country's Prime Minister was on a foreign trip to Malaysia and China to secure infrastructure financing and deepen trade ties. We will await the outcome of the visit to see if it results in improved infrastructure growth plans as well as economic growth. We would expect prices offered by ship recyclers to be under pressure in the coming weeks

TURKEY – The local steel market is soft on the prices and prices offered by ship recyclers have continued at the same reduced levels this week. Imported scrap prices have reduced by another USD 3/MT this week which takes total imported scrap prices reduction to about USD 15-17/MT in the month of June. The local scrap prices have reduced by about USD 10/MT this week which is in line with reduced imported scrap prices. The finished product rebar sales are low thus putting overall sentiment in a weaker spot. Prices offered by ship recyclers have continued to be at the same level. It is noted that ship recyclers had reduced their offer prices on recycling candidates by about USD 10/LT LDT in the previous week. The country is experiencing increased an inflow of foreign exchange once again as the middle east situation as well as the country's political situation improves. 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.

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SUPPLY – The supply of recycling candidates is slow with smaller sized vessels being mainly circulated from dry segment.

MARKET OUTLOOK – The tanker segment saw rate improvements across all sizes except VLCC which saw major softening as the Strait of Hormuz opened. It was a mixed week in the dry segment in terms of freight rates with capsize and supramax experiencing some softening. However, the secondhand market in the dry segment is active. The container segment remains as firm as ever, both in freight and secondhand. The LNG segment has seen some softening of rates whereas LPG has seen more softening in charter rates this week. The supply of recycling candidates continues to be slow and would be at the same levels in the near short term.

GREEN RECYCLING:

Turkey: New legislation – "Regulation on Authorization of Ship Recycling Facilities" has been published in Official Gazette dated 22.6.2026. This legislation fully incorporates requirements of HKC into its domestic laws. The regulation has introduced measures for strict enforcement of the regulation to ensure compliance with the requirements which also include fines and suspension of activities.

MAIN DEMOLITION SALES DATA FOR PERIOD 22nd June to 26th June, 2026

Type	Name of Vessel	Built	DWT	LDT	Price	Remarks
General Cargo	Wantong 497	1986	9656	3610		Ctg

MAIN DEMOLITION SALES DATA FOR PERIOD 1st June 2026 to 26th June, 2026

Type	Name of Vessel	Built	DWT	LDT	Price	Remarks
LNG	Sohar LNG	2001	71997	33003		Alang
Tanker	Octans	2001	309371	41477		Alang
Roro/Pass	Gala	1979	1757	6378		Alang
Bulker	Ron	1982	89846	21502		Gadani
Passenger	Mary	1990	4840	10509		Alang
Bulker	Xin Hai 18	2004	4395	1543	410	Ctg
Bulker	Trogir	2001	44314	9187		Aliaga
Tanker	Mai 1	1985	4999	1844		Ctg

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Type	Name of Vessel	Built	DWT	LDT	Price	Remarks
Chemical Tanker	Stolt Innovation	1996	36786	12940		Alang, Vsl has high qty of SS
Bulker	Andhika Paramesti	1997	73726	9369	Abt 450	As is Sambi, Indonesia
MPP/HLift	Neptune Starlight	1995	8143	5130		Ctg
Fish factory	Butov	1980	1815	3956		Alang
General Cargo	Wantong 497	1986	9656	3610		Ctg

STATISTICS

VESSELS AND QUANTITY LDT BEACHED IN INDIAN SUBCON – IN JUNE 2026,2025, 2024.

Year	INDIA		BANGLADESH		PAKISTAN	
	Vessels	LDT – LT	Vessels	LDT – LT	Vessels	LDT – LT
June 2026	07	162,704	06	22,835	01	21,502
June 2025	09	47,217	07	25,897	02	13,643
June 2024	03	42,926	15	121,029	04	19,204

VESSELS AND QUANTITY LDT BEACHED IN INDIAN SUBCON – QUARTER 2 2026, 2025, 2024.

Year	INDIA		BANGLADESH		PAKISTAN	
	Vessels	LDT – LT	Vessels	LDT – LT	Vessels	LDT – LT
2026	22	350,397	30	202,173	02	23,161
2025	21	144,296	25	168,654	04	34,205
2024	25	186,634	51	330.376	09	48,677

INDIA – Indicative Price Levels for June in Current Year Vs Previous Years

Year	DRY			WET	
	Cape / Pmx	Handymax	Container	Others	VLCC
June 2026	420	430	485	445	420
June 2025	400	405	450	415	400
June 2024	500	505	560	510	490
June 2023	505	510	540	530	505

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

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

Year	DRY			WET	
	Cape / Pmx	Handymax	Container	Others	VLCC
June 2026	495	495	525	515	490
June 2025	435	435	460	450	420
June 2024	545	545	570	565	530
June 2023	575	580	635	610	585

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

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

Year	DRY			WET	
	Cape / Pmx	Handymax	Container	Others	VLCC
June 2026	485	490	500	495	470
June 2025	435	425	470	455	435
June 2024	520	525	540	535	505
June 2023	505	510	535	520	495

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

TURKEY – Indicative Price Levels for June in Current Year Vs Previous Years

Year	DRY	WET	CONTAINER
June 2026	270	280	290
June 2025	250	260	270
June 2024	340	350	360
June 2023	330	340	350

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