



## **DEMO MARKET REPORT & MARKET OUTLOOK – March 10, 2025**

Report No.112/0307325/100325.

### **COMMENTARY**

**INDIA** – The local steel market continued to show positive trend for second week in terms of demand but impact on price improvements is still awaited. Prices offered by ship recyclers continued at the same levels. Local steel plate prices improved by a marginal USD 1/MT whereas imported scrap prices continued at the same levels as last week. Local scrap prices increased by USD 3/MT. There is a demand for finished steel products from big projects as well as retail buyers. In terms of ship recycling, it has been a quiet week with not much activity. Decision by US government to levy 25% tariff on steel imports from India will hurt Indian exporters. At the same time, there is a possibility of cheaper steel coming into India which could further hurt local steel industry. In present uncertain times when there is a constant threat of cheaper steel imports coming into India and reduction of steel exports, it would be difficult to see any price increase offered by ship recyclers in the near short term. However, a recent lack of supply in terms of recycling candidates could encourage some ship recyclers to pay a bit higher to procure ships for recycling on exceptional basis.

**PAKISTAN** – Local steel demand has further slowed down due to the ongoing holy month of Ramadan. Prices of local scrap equivalent to shredded has reduced by USD 10/MT whereas prices of imported scrap has softened by USD 5-7/MT. Slowing down of production by steel producers during the Ramadan period has also affected demand for steel scrap. Despite the slower local steel market, ship recyclers have been active this week as three vessels have been concluded for Gadani delivery this week. These small bulkers have been sold at prices that are higher than normally expected levels mainly because these vessels are bought by yards working of their HKC certification. This definitely also shows the seriousness with which some yards have decided to get their HKC certification despite the difficult times being faced by ship recyclers. The government is making good efforts to raise revenue like they have taxed agricultural income amongst other steps making them well placed to clear first review of USD 7 billion loan from IMF. Barring a few cases where we saw some ship recyclers paying higher prices for small er candidates to meet HKC requirement, we would expect prices to continue at the same levels.

**BANGLADESH** – The local steel market is very slow during this Ramadan period. Local steel plate prices have reduced by USD 4/MT whereas local scrap prices have increased by USD 6/MT. Interestingly local scrap prices have been increasing gradually over last 6 weeks continuously. Immediate availability without having to block in money for imports clubbed with premium



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payment to obtain foreign exchange makes local scrap an attractive option for local buyers. Prices offered by ship recyclers continued at the same levels this week but there were not many vessels that were worked this week. There was a meeting organized by BSBRA (Bangladesh Ship Breakers and Recyclers Association) this week and you can see more details about it in our green recycling section below. The country has received an inflow of USD 2.528 billion in February 2025 which is the fourth highest in its history. While this is currently attributed due to remittances for families made by their kith and kin for the holy month of Ramadan, it also shows a growing confidence amongst the population about stability of its local currency. We would expect prices offered by ship recyclers to continue at the same levels.

**TURKEY** – While the local steel market demand has not changed, the prices of imported scrap and finished steel products have increased this week. Prices offered by ship recyclers continue at the same levels. Supply of recycling candidates has been good. Imported scrap prices increased by USD 3/MT this week and the finished steel product prices also increased by about USD 3-5/MT. Imported scrap prices were expected to increase but since US administration has decided to postpone levy of tariff on imports on Canada and Mexico by 30 days, the price increase on imported scrap may not happen in the next 2-3 weeks. The country's central bank has reduced interest rate by another 2.50% to 42.50%. The country's inflation rate has fallen to 42% and with strong domestic demand, the country has emerged from technical recession. We would expect prices offered by ship recyclers to continue at the same levels with a possibility to firm up.

**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** – The slowdown in supply of tonnages for recycling has now reduced for over last two weeks. Lower prices from the Indian sub-continent could be one of the reason and freight market which offers some hope is another reason.

**MARKET OUTLOOK** – The LNG segment is seeing some upward movement of freight rates with some demand for secondhand assets also being seen. This may delay recycling decision by some LNG vessel owners. The tanker segment experienced a mixed but mostly softer freight rates across all sizes except for Aframax which seemed to be in a better position. The dry segment experienced mostly a flat market except capsized which saw a freight increase. The container



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segment continues to enjoy a steady freight market as well as good secondhand market. All in all, the supply of tonnages for recycling would continue to be slow.

### **GREEN RECYCLING**

1. BSBRA – Bangladesh Ship Breakers and Recyclers Association, at a recent meeting titled “Challenges and Possibilities of Ship recycling in Bangladesh”, urged the government to take measures to postpone implementation of HKC by 5 years to 2030. In addition, they also sought government support for making the yards HKC compliant in view of huge costs required to be incurred for same. They also urged government to change ship recycling industry status from “red” to “orange” so as to reduce the time required to obtain cutting permission.

### **MAIN DEMOLITION SALES DATA FOR 3<sup>rd</sup> March 2025 – 7<sup>th</sup> March, 2025**

Type	Name of Vessel	Built	DWT	LDT	Price	Remarks
Bulker	Socal 9	1989	9588	3672		En-Bloc sale with Socal 10
Bulker	Socal 10	1988	9653	3681		En-Bloc sale with Socal 9
Bulker	Seawise	1995	24842	5588		Gadani
Pass/Car/Ferry	Kriti II	1979	5339	12920	279	

### **MAIN DEMOLITION SALES DATA FOR PERIOD 1<sup>st</sup> March 2025 – 7<sup>th</sup> March, 2025**

Type	Name of Vessel	Built	DWT	LDT	Price	Remarks
Bulker	Socal 9	1989	9588	3672		En-Bloc sale with Socal 10
Bulker	Socal 10	1988	9653	3681		En-Bloc sale with Socal 9
Bulker	Seawise	1995	24842	5588		Gadani
Pass/Car/Ferry	Kriti II	1979	5339	12920	279	

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### STATISTICS

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

Year	INDIA		BANGLADESH		PAKISTAN	
	Vessels	LDT – LT	Vessels	LDT – LT	Vessels	LDT – LT
Mar 2025	06	60,465	05	68,002	00	00
Mar 2024	05	69,057	07	42,124	06	58,423
Mar 2023	10	60,994	09	70,029	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	26	334,367	23	255,840	01	5,040
2024	45	347,704	34	199,663	11	105,845
2023	28	183,096	34	191,527	05	81,638

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

Year	DRY		Container	WET	
	Cape / Pmx	Handymax		Others	VLCC
Mar 2025	435	445	470	450	420
Mar 2024	470	475	520	485	450
Mar 2023	525	530	580	545	505
Mar 2022	655	650	715	675	650

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

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

Year	DRY		Container	WET	
	Cape / Pmx	Handymax		Others	VLCC
Mar 2025	450	455	510	500	460
Mar 2024	535	540	555	545	510
Mar 2023	575	565	630	615	585
Mar 2022	685	675	700	700	665

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

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

Year	DRY		Container	WET	
	Cape / Pmx	Handymax		Others	VLCC
Mar 2025	465	470	500	485	455
Mar 2024	530	530	545	540	510
Mar 2023	555	560	620	620	595
Mar 2022	660	655	665	675	650

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

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

Year	DRY	WET	CONTAINER
Mar 2025	280	290	300
Mar 2024	330	340	350
Mar 2023	330	340	350
Mar 2022	450	460	470

\*(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.*