



DEMO MARKET REPORT – APRIL 2021

COMMENTARY

INDIA – Ship Recycling Activity is presently almost at a pause in view of Government redirecting all the oxygen supply to medical facilities in view of huge upsurge in Covid cases. There was a gradual redirection from mid-April but by last week entire supply had to be redirected. Ship Recyclers are still acquiring fresh tonnages. Clearing and beaching of ships is also continuing. Present restriction placed by a number of countries on flights/passengers from India would result in difficulty for Indian crew to take over “as is” vessels. During the month of April, local plate prices have improved by about USD 50/MT and imported scrap prices have also increased by about USD 40/MT. Backed by strong local steel prices as well as continuing shortage of availability of fresh tonnages, Ship recyclers improved their offering by about USD 45 / LT LDT during the month. On demand front, it will need to be seen whether ship recyclers are able to offload their production into the market in May due to Covid situation. Except for the offloading problem which could temporarily affect prices, all other factors point towards price increase.

PAKISTAN – Local prices of scrap from demolition activity stayed at about stable to firm levels during the month based on moderate and continuous demand from local producers. In addition, lack of fresh tonnages also resulted in increased prices offered by ship recyclers for fresh tonnages by about USD 30 during the month. Exchange rates were stable. Pakistan has entered lockdown in the first week of May in view of increasing Covid cases in the country. Whether the situation is likely to affect ship recycling activity is not yet clear and needs to be seen as month progresses. Except for this, all other factors give an indication of a price increase.

BANGLADESH – The country was in partial lockdown from 5th April which will continue till May 16th. This has however not affected Ship recycling activity. Clearing and beaching of ships also continued during the period. Lack of tonnages and increase in international scrap prices along with increased domestic prices resulted in improved prices being offered for fresh tonnages by Ship Recyclers. During the month we have seen a price increase of about USD 30 / LT LDT. During the month of May, we would expect to see price increase except if Covid situation worsens in which case there could be temporary weakness felt on price front.



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TURKEY- Prices offered for fresh tonnages by Ship Recyclers remained unchanged during the month of April though International scrap prices increased by about USD 20 during the month of April. Country entered into lock down period towards end of April. Though there was some nervousness on exchange rate front in first week as President decided to displace central bank governor, sentiments improved during the month due to which Turkish Lira weakened only a bit by about 2%. In view of strong international demand and lack of tonnages, we would expect prices offered by Ship recyclers to increase in the month of May.

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 – Due to increase in prices offered for fresh tonnage, there was comparative increase in supply of fresh tonnages during the first week of April. Though there were not as many fresh tonnages offered in balance part of the month. While there was not much offered from Dry and Container segment, we saw tonnages from tanker and offshore sector.

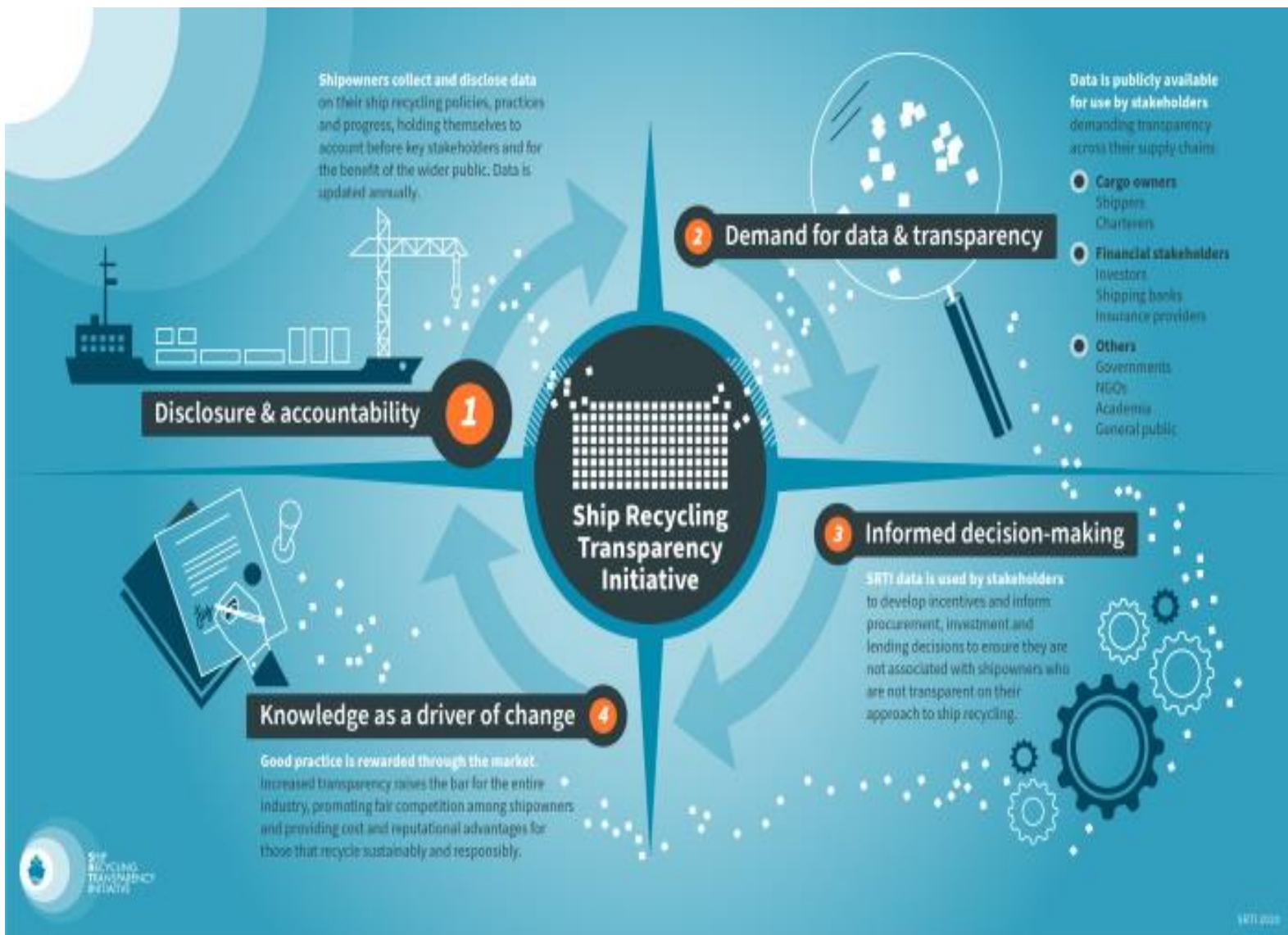
OUTLOOK FOR MAY – We expect to continuity of lack of fresh tonnages being offered for recycling through May due to exceptionally strong freight market being enjoyed by Dry segment and Container segment. Tanker is not enjoying a great freight market so we could see some units from wet segment making their way to demolition in addition of units from offshore segment. We should bear in mind a possibility that if the Iran sanctions are eased, it could bring in about 218 tankers of 37.8m-dwt of NITC tankers (source Lloyds Intelligence) to freight markets which would push off about 100+ old tankers towards recycling and this would result is a price drop due increased supply of fresh tonnages. Except for Iran scenario, there would be a general tightness in supply of fresh tonnages and with an overall strong global demand for steel, we would expect prices to strengthen.



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GREEN RECYCLING:

1. Swiss Re Corporate Solutions, the commercial insurance arm of the Swiss Re Group, has signed up to the Ship Recycling Transparency Initiative (SRTI). SRTI is explained in diagram below.



Source: Hellenic Shipping News



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MAIN DEMOLITION SALES DATA FOR APRIL 2021

Type	Name of Vessel	Built	DWT	LDT	Price	Remarks
AHTS	Reg Mcnee Tide	2009	2070	1969		As is Abidjan
AHTS	Tommy Sheridan Tide	2009	1965	2074		As is Walvis Bay
Bulker	Golden Bay	1996	23725	5366		Ctg
Bulker	Berge Stahl	1996	364767	40913	496	As is Malaysia
Bulker	Amazon	1997	26096	6674		As is Zoushan, U/T
Bulker	Alfa Century	2000	170415	24570		Ctg
Dredger	Goryo 6 Ho	1985	44471	20852	397.5	As is Batam
Drillship	Bully I	2011	24000	27147		Alang
Fish Factory	Altair	1987	17026	3249		As is Vladivostok
FPSO	Tantawan	1976	136960	21300		Aliaga
FSO	Dampier Spirit	1988	115232	16541		Aliaga
Gen Cargo	Mohammed Bey	1981	11274	2865		Alang
Gen Cargo	Youssef M	1980	4510			Aliaga
Gen Cargo	New Hope	1997	13046	5194		Ctg
Gen Cargo	Lev Soldatov	1986	3337	1676		Aliaga
Gen Cargo	Hajeh Hasen	1985	4570			Alang
Gen Cargo	At Bright Star	1990	6921			Gadani
LPG	Sohoe Gas	1995	2999	2068		Ctg
LPG	BP Jacky	1992	6332	2937		Ctg, 60 MT Stainless Steel content
OBO	Arctic	1978	28418	10521		Aliaga
Offshore	Thanos	1985	2685			Alang
Offshore	Endurance	1982	2450			Alang
Offshore	Blue Alfa	1981	2160			
Offshore	Scandi Admiral	1999	4400			
Offshore	Pacific Mistral	2011	60806	44994		
Offshore	Pacific Bora	2010	61038	44762		
Offshore	Thor I	1986	2903			Gadani
Passenger	Fuji Maru	1989	4613	9949	443	As is Singapore
PCC	Sincerity Ace	2009	19265	15198	335.57	As is Korea, fire damaged condition, U/T
Platform	Scarabeo 7	1980		19318		Alang



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Type	Name of Vessel	Built	DWT	LDT	Price	Remarks
Reefer	Win Sheng	1979	4360	2836	420	Ctg
Reefer	Ice Rose	1985	14567	6828	495	Alang
Reefer	China Frost	1985	5409	3376	502	Alang
Reefer	Win Sheng 6	1979	4360	2836	420	Ctg
Reefer	S Princesa	1979	2703	1460		Ctg
Reefer	Ice Ranger	1985	14572	6827	502	Alang
Tanker	Sunyeild	1985	5321	1973		Ctg
Tanker	Mass 1	1999	47172	9302		Gadani
Tanker	Elegant	1996	10320	3292	645	Alang, As is Khorfakkan, has solid SS 186 MT & 123MT cladded SS
Tanker	Elka Nikolas	2001	44737	10176		Alang
Tanker	Hansa	1997	16321	5381		Alang
Tanker	Target	1985	13011	3672		Gadani
Tanker	Hicki Kaan	1986	7859	3127		Aliaga
Tanker	Sun Yield	1985	5321	1958		Ctg
Tanker	R Rose	1991	4998	2150		Gadani
Tanker	Dai Nam	2000	47102	9372	448	As is Vietnam, 700 MT slops, incl 170T IFO
Tanker	Fairdream	1982	43991	9624	465	As is UAE
Tanker	Ontari	1993	18520	4828		Ctg
Tanker	Myrtos V	2000	18596	5671		Alang
Tanker	Costina	1984	7018	2651		Gadani
Tanker	Bull Sulawesi	1999	109579	19601	535	Ctg
Tanker	Angel 121	1989	9013	2763		As is Singapore
Tanker	SC Ocean Li	1999	105501	17124		As is Batam
Tanker	Meratus V	2000	18596	5670		As is UAE
Tanker	Alasphal	2001	81408	16694	529	Ctg
Tanker	Elka Sirius	2003	45467	12389	530	Gadani
Tanker	EM Vitality (FSO)	1996	300361	47929	500	As is Malaysia, Fur Oil 200 MT
Tanker	Marta	1981	17812	5841	383.48	Petrobras Tender sales, As is Brazil



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Type	Name of Vessel	Built	DWT	LDT	Price	Remarks
Tween	Balaji	2007	11201	4475		As is Mumbai
Tween	SC Nordic	1986	3747	2924		Denmark
Tween	Captain Hamada	1988	7938	3400	480	Gadani
Tween	Siham I	1983	3990	1100	462	Gadani

STATISTICS

VESSELS AND QUANTITY LDT BEACHED IN INDIAN SUBCON – IN APRIL 2021, 2020, 2019

	INDIA		BANGLADESH		PAKISTAN	
	Vessel	LDT - LT	Vessel	LDT – LT	Vessels	LDT – LT
2021	16	144,320	21	240,621	12	140,280
2020	04	12,184	04	31,732	01	1,080
2019	20	143,670	27	317,052	05	19,184

VESSELS AND QUANTITY LDT BEACHED IN INDIAN SUBCON – JANUARY TO APRIL 2021, 2020, 2019

	INDIA		BANGLADESH		PAKISTAN	
	Vessel	LDT - LT	Vessel	LDT – LT	Vessels	LDT – LT
2021	66	520,206	89	1,018,343	36	332,876
2020	64	483,871	54	648,767	14	35,563
2019	68	501,057	111	1,210,940	12	36,435

Indicative Price Levels for end of April in Current Year Vs Previous Years

India	Year	DRY			WET
		Cape / Pmx	Handymax	Container	Tanker
	Apr 2021	500	490	545	530
	Apr 2020	Mkt closed	Mkt closed	Mkt closed	Mkt closed
	Apr 2019	430	420	475	445
	Apr 2018	435	415	470	450



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Indicative Price Levels for end of April in Current Year Vs Previous Years

Bangladesh	Year	DRY			WET
		Cape / Pmx	Handymax	Container	Tanker
	Apr 2021	520	515	530	540
	Apr 2020	Mkt closed	Mkt closed	Mkt closed	Mkt closed
	Apr 2019	455	430	485	465
	Apr 2018	435	420	455	445

Indicative Price Levels for end of April in Current Year Vs Previous Years

Pakistan	Year	DRY			WET
		Cape / Pmx	Handymax	Container	Tanker
	Apr 2021	510	500	535	535
	Apr 2020	Mkt closed	Mkt closed	Mkt closed	Mkt closed
	Apr 2019	440	425	435	450
	Apr 2018	450	430	455	460

Indicative Price Levels for end of April in Current Year Vs Previous Years

Turkey	Year	DRY	WET
	Apr 2021	230	240
	Apr 2020	225	225
	Apr 2019	270	275
	Apr 2018	320	325

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.