



DEMO MARKET REPORT & MARKET OUTLOOK – NOVEMBER 11, 2024

Report No. 96/04081124/111124.

COMMENTARY

INDIA – The resumption of steel demand in the local market after the Diwali holidays has been slow and the local steel prices have been marginally positive this week. Prices offered by ship recyclers also continued at the same levels. Local steel plate prices increased by USD 5/MT and local scrap prices improved by USD 12/MT. Imported scrap prices improved by USD 2/MT. Local steel demand is still slow due to which the secondary steel mills are not keen to stock up. Finished steel products have seen marginal price improvements of about USD 5-7/MT. Retail vehicle sales have registered an increase in October in two wheelers and passenger vehicles by more than 30% y.o.y. basis in October. While there were vessels being circulated this week, there have hardly been any vessels being concluded for Alang this week. There has been a major outflow of foreign exchange (about USD 11 billion) from stock markets as foreign investors think that India's growth is slowing even though the country's central bank states otherwise. The Indian currency touched a record low of INR 84.375 against the US Dollar which is after the central bank's intervention in market to support the local currency. We expect that prices offered by ship recyclers could marginally improve over the coming weeks.

PAKISTAN – There has been a slight improvement in local steel demand but prices offered by ship recyclers continue at the same levels. It is heartening that the price increase for the local steel products made in the previous week has been maintained this week. Imported scrap prices increased by USD 10/MT whereas prices of rebar and local scrap equivalent to shredded continued at the same improved levels this week. The country's central bank reduced interest rates by 2.50%, taking the interest rate to 15%. This reduction will help improve business activities and there is an expectation that construction activities could also improve. Considering that inflation seems to be under control, there could be further interest rate reduction in the next few months. There have not been any new deals concluded on fresh tonnages for recycling this week and ship recyclers continue to offer prices at the same level. We would expect prices offered by ship recyclers could marginally improve over the coming weeks.

BANGLADESH – Local steel prices have improved this week and prices offered by ship recyclers have also improved. Local steel plate prices improved by USD 17/MT and local scrap prices improved by USD 5/MT. Imported scrap prices improved by USD 3/MT. However, there are mixed signals in as much as construction activity continues to be slow and economic growth is expected to be slow due to which substantial market improvement may not seem likely. We would thus need to see if the improved local steel plate prices are sustained over next couple of weeks.



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However, there has been an increased interest from ship recyclers to acquire fresh tonnages. We have seen some vessels in dry segment being concluded at improved price levels by about USD 10-15/LT LDT this week. The country's central bank has indicated this week that the recently increased interest rates are likely to continue unchanged over next 6 months with an intention to bring down inflation. We would need to see whether the recently increased offer prices for fresh tonnages for recycling are sustained over the coming weeks.

TURKEY – There has been a marginal improvement in local steel prices, but the demand continues to be slow. Prices offered by ship recyclers continue at the same levels. Imported scrap prices increased by USD 2- 5 /MT although there is not any further substantial price improvement expected. Overall demand for steel products is expected to be sluggish as the winter season sets in. Prices offered by ship recyclers have continued to be at the same level. The present interest rates are likely to remain unchanged for a longer period as the country is still not able to bring down inflation as per their targeted levels. In the meanwhile, due to the lower supply of fresh tonnages for recycling prices offered by ship recyclers is likely to remain at same levels with a possibility of minor price improvement.

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 – Slow supply of candidates from a mix of dry, tanker, container and offshore segments were circulated this week.

MARKET OUTLOOK – All sizes in the container segment are enjoying good rates and demand for secondhand assets is also good. Spot market rates in the tanker segment are still subdued. In dry segment only capsizes saw improvement in freight rates this week and the secondhand demand for vessel from dry segment has been good though at discounted price levels. Overall supply of vessels for recycling will continue to be slow for now.



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MAIN DEMOLITION SALES DATA FOR 4th Nov – 8th Nov,2024

Type	Name of Vessel	Built	DWT	LDT	Price	Remarks
Container	Horizon Enterprise	1980	31477	13667	315	As is San Diego

MAIN DEMOLITION SALES DATA FOR PERIOD 1st Nov – 8th Nov, 2024

Type	Name of Vessel	Built	DWT	LDT	Price	Remarks
Container	Horizon Enterprise	1980	31477	13667	315	As is San Diego

STATISTICS

VESSELS AND QUANTITY LDT BEACHED IN INDIAN SUBCON – IN NOV 2024,2023, 2022.

Year	INDIA		BANGLADESH		PAKISTAN	
	Vessels	LDT – LT	Vessels	LDT – LT	Vessels	LDT – LT
Nov 2024	00	00	04	26,988	00	00
Nov 2023	10	71,504	09	58,271	01	16,809
Nov 2022	11	112,658	07	16,397	01	6,475

VESSELS AND QUANTITY LDT BEACHED IN INDIAN SUBCON – QUARTER 4 2024, 2023, 2022.

Year	INDIA		BANGLADESH		PAKISTAN	
	Vessels	LDT – LT	Vessels	LDT – LT	Vessels	LDT – LT
2024	12	92,777	11	79,253	01	22,747
2023	45	347,704	26	128,741	06	47,967
2022	27	271,729	32	236,479	08	45,548

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

Year	DRY			WET	
	Cape / Pmx	Handymax	Container	Others	VLCC
Nov 2024	445	460	500	465	435
Nov 2023	485	495	540	500	475
Nov 2022	515	520	555	530	505
Nov 2021	575	565	640	600	575

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



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

Year	DRY		Container	WET	
	Cape / Pmx	Handymax		Others	VLCC
Nov 2024	480	480	525	520	495
Nov 2023	520	520	535	520	495
Nov 2022	535	540	575	550	525
Nov 2021	615	605	635	635	610

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

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

Year	DRY		Container	WET	
	Cape / Pmx	Handymax		Others	VLCC
Nov 2024	475	480	510	495	465
Nov 2023	525	525	540	535	505
Nov 2022	520	510	540	530	505
Nov 2021	615	605	625	635	610

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

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

Year	DRY	WET	CONTAINER
Nov 2024	330	340	350
Nov 2023	320	330	340
Nov 2022	260	270	280
Nov 2021	320	330	340

*(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.