



DEMO MARKET REPORT & MARKET OUTLOOK – October 21, 2024

Report No. 93/14181024/211024.

COMMENTARY

INDIA – The festive holidays resulted in a slowdown in local steel demand pushing prices downward in some sections of the market although overall positivity in the local steel market continues. Ship recyclers continued to offer prices at the same levels this week. Local steel plate prices as well as local scrap prices continued at the same levels this week whereas imported scrap prices were reduced by USD 2/MT. International factors which had also resulted in fueling local steel prices lost steam this week and the ship recyclers have been mindful on their offer for fresh tonnages. Ship recyclers were hesitant in improving their offers for fresh recycling tonnages this week. The country's central bank will not likely follow the interest rate cuts being announced by many countries in the world. With inflation still at 5.50% and the country's economic growth stable, the central bank may only look at interest rate reduction in Q1 2025. We would expect positive sentiment to prevail in the coming weeks though demand would continue to be slow due to the festive holidays of Diwali. Prices offered by ship recyclers could start marginally firm up after the Diwali holidays.

PAKISTAN – The local steel market continues to be weak, and ship recyclers have maintained their prices for fresh tonnages at same levels this week. An increase in the local steel market that has been expected for about a month now has not yet come through. In fact, some traders are willing to reduce prices to address liquidity issues faced by them. Prices of local scrap equivalent to shredded reduced by USD 20-25/MT whereas local finished steel product prices continued at same levels. Imported scrap prices also continued at the same levels this week. Ship recyclers are not very keen to purchase fresh tonnages for recycling and that could be seen in vessels worked this week where they were resisting any price improvement on their offers. On the economic front, the country has started earning confidence of international investors as inflows into the treasury bills increased to USD 875 million. In the meanwhile, we would expect local steel market challenges to continue, including the liquidity issues being faced by businesses due to which we expect prices offered by ship recyclers to continue at the same levels.

BANGLADESH – The weak local steel market got a bit weaker this week although local steel prices remain broadly unchanged. Prices offered by ship recyclers continued at the same levels this week. Local steel plate prices as well prices of local scrap remained unchanged this week. Imported scrap prices were reduced by USD 6/MT. While there is an expectation that the local steel demand may improve, there are substantial economic challenges that need to be overcome. The existing government faces substantial challenges as it tries to stabilize the economy and restore confidence globally and locally. Falling local deposits in the country's banks are also



DEMO MARKET REPORT & MARKET OUTLOOK – October 21, 2024

Report No. 93/14181024/211024.

indicative of a lack of confidence amongst investors. Ship recyclers are not willing to offer improved prices considering the present weakness in the local steel market. We would expect prices offered by ship recyclers to continue at the same levels.

TURKEY – The local steel market continued at a broadly steady pace in terms of local demand although domestic finished product prices reduced. However, the reduction of finished steel product prices is not substantial as compared to a major erosion of imported steel scrap prices. Imported scrap prices were reduced by USD 12-15/MT. Prices offered by ship recyclers continued to be at the same level this week, which is mainly due to slower supply of fresh tonnages for recycling as well as steady prices being maintained by local steel mills despite drop in imported scrap prices. The country's real estate sales have increased in September by 5% over the previous month and by 37% on a year- on-year basis. The country's central bank is expected to continue with its fight to bring down inflation to the targeted rate due to which an interest rate reduction may not be expected this year. We may expect prices offered by ship recyclers to marginally soften in the coming week.

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 – Supply of tonnages for recycling was slow paced with a mix dominantly from dry and container segment being circulated.

MARKET OUTLOOK – The Container segment is enjoying good demand and freight rate across all sizes and sometimes it seems too difficult to understand on when we could see the much-awaited impact of NB deliveries in pushing older candidates for recycling. Demand for secondhand vessels in the container segment continues to be strong. Freight rates in the dry segment continued to be under pressure across all sizes except the handysize. However, the secondhand market for the vessels in the dry segment continue to hold firm. In the tanker segment, the owners are still enjoying a healthy return at present freight levels. All in all, supply of fresh tonnages for recycling will continue to be slow paced.



DEMO MARKET REPORT & MARKET OUTLOOK – October 21, 2024

Report No. 93/14181024/211024.

MAIN DEMOLITION SALES DATA FOR 14th Oct – 18th Oct,2024

Type	Name of Vessel	Built	DWT	LDT	Price	Remarks
Bulker	Princess Lotus	1996	70189	9214	435	As is Shanwei, incl bunkers - FO 170T and 35T MDO
Bulker	Ning Hua	1996	62858	9713	433	As is Taishan, China
Container	MSC Malin	1982	21370	10655		Aliaga
General Cargo	Seagrand	1986	9672	3320	460	Alang
Bulker	Ali A	1980	7107	2500	455	Alang
MPP	Happy Buccaneer	1984	13740	9900		Aliaga

MAIN DEMOLITION SALES DATA FOR PERIOD 1st Oct – 18th Oct, 2024

Type	Name of Vessel	Built	DWT	LDT	Price	Remarks
Container	MSC Adele	1986	31205	8800	501	Alang
MPP	Atlas Wind	1997	5196	2486	445	As is Port Kelang, Malaysia
Tanker	PK10	1988	1905	724		Ctg
Bulker	Princess Lotus	1996	70189	9214	435	As is Shanwei, incl bunkers - FO 170T and 35T MDO
Bulker	Ning Hua	1996	62858	9713	433	As is Taishan, China
Container	MSC Malin	1982	21370	10655		Aliaga
General Cargo	Seagrand	1986	9672	3320	460	Alang
Bulker	Ali A	1980	7107	2500	455	Alang
MPP	Happy Buccaneer	1984	13740	9900		Aliaga

STATISTICS

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

Year	INDIA		BANGLADESH		PAKISTAN	
	Vessels	LDT – LT	Vessels	LDT – LT	Vessels	LDT – LT
Oct 2024	08	68,410	05	41,029	01	20,000
Oct 2023	19	160,510	12	56,352	01	9,743
Oct 2022	07	83,439	17	173,078	05	28,803



DEMO MARKET REPORT & MARKET OUTLOOK – October 21, 2024

Report No. 93/14181024/211024.

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	08	68,410	05	41,029	01	20,000
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 Oct in Current Year Vs Previous Years

Year	DRY			WET	
	Cape / Pmx	Handymax	Container	Others	VLCC
Oct 2024	460	475	520	480	445
Oct 2023	510	515	565	520	495
Oct 2022	575	580	615	590	575
Oct 2021	590	580	655	615	590

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

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

Year	DRY			WET	
	Cape / Pmx	Handymax	Container	Others	VLCC
Oct 2024	465	465	525	520	495
Oct 2023	510	510	530	515	480
Oct 2022	610	605	640	625	600
Oct 2021	610	600	630	630	610

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

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

Year	DRY			WET	
	Cape / Pmx	Handymax	Container	Others	VLCC
Oct 2024	475	480	510	495	465
Oct 2023	500	510	515	505	470
Oct 2022	595	590	625	610	585
Oct 2021	610	600	620	630	610

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



DEMO MARKET REPORT & MARKET OUTLOOK – October 21, 2024

Report No. 93/14181024/211024.

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

Year	DRY	WET	CONTAINER
Oct 2024	340	350	360
Oct 2023	300	310	320
Oct 2022	240	250	260
Oct 2021	300	310	320

***(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.