



DEMO MARKET REPORT & MARKET OUTLOOK – Jan 23, 2023

Report No. 09/16200123/23012023

COMMENTARY

INDIA – Local steel plate prices softened by about USD 14/MT but imported scrap prices remain unchanged. Prices offered by ship recyclers softened by about USD 5-10/ LT LDT. But it must be noted that Government is giving positive signals of driving next round of growth with a large capital budget outlay for infrastructure development which is expected to be the most in at least a decade. This has resulted in local price increase of billets by about USD 20-25/MT and local rebar prices have increased by about USD 20/MT. There has also been good growth in construction activities. Indian Rupee has shown some stability with an inkling towards strengthening adding to positivity. Supply of fresh tonnages is seen but is still low. On an overall basis, we would expect prices for fresh tonnages to strengthen.

PAKISTAN – Foreign exchange problem continued through the week. Pakistan Ship Breakers' Association had a meeting with State Bank where the urgency to address foreign exchange situation was highlighted. Pakistan's central bank governor Mr. Jameel Ahmad that their country will see dollar inflow in coming days after funding commitment from Middle East. In the meanwhile, due to shortage of materials, there were increase in local rebar prices by about USD 30-35/MT and buying is only on need basis. Ship recyclers are ready to buy fresh tonnages and await availability of foreign exchange.

BANGLADESH – Foreign exchange problem continues to hamper imports. There has been a small improvement in local steel plate prices of about USD 5 /MT. Imported scrap prices have dropped by about USD 5/MT which is in line with the reduction in international scrap prices. There were hardly any transactions on purchase of fresh tonnages last week due to foreign exchange problems. There has been no further development after an initial pact with IMF for USD 4.50 billion in loans was reached last November.

TURKEY – Imported scrap prices dropped by about USD 13/MT. There has been a reduction of domestic rebar prices by about USD 10-17/MT and domestic wire rod prices have dropped by about USD 15/MT. Overall demand sentiment in the steel market is negative due to lower finished steel sales. Ship recyclers, however, have maintained prices at the same levels as last week. We would expect prices to continue at the same levels this week though if local demand does not show signs of improvement there could be softening of prices offered by ship recyclers in subsequent period.



DEMO MARKET REPORT & MARKET OUTLOOK – Jan 23, 2023

Report No. 09/16200123/23012023

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 – There has been a limited supply of fresh tonnages this week as well. Ship recyclers are looking to buy fresh tonnages now.

MARKET OUTLOOK – We would expect scarce supply of fresh tonnage to continue which would help the prices for fresh tonnages to register marginal improvements in spite of the fact that ship recyclers from Pakistan and Bangladesh are not able to make purchases of fresh tonnages. Dry bulk sector performance has not been encouraging this year and with global recessionary pressures it will be important to see direction of freight movement over next two months. In the short term, prices of fresh tonnages could strengthen given the limited supply of fresh tonnages and growing appetite of ship recyclers.

GLOBAL – GENERAL NEWS –

1. Indian government is set to ban 25 years bulk carriers, tankers and other ships – both Indian flag and foreign flagged from calling India ports.
2. US Dollar weakened due to soft economic data and comments from federal reserve officials which suggest that pace of rate hike may slow down. Whereas Europe’s policymakers have not signaled slowing down on rate hike which should strengthen Euro this week.

MAIN DEMOLITION SALES DATA FOR PERIOD JAN 16th – JAN 20th, 2023

Type	Name of Vessel	Built	DWT	LDT	Price	Remarks
Container	SSL Kochi	1998	24554	8361	581	As is Srilanka/Jebel Ali in Seller's option
Container	Wan Hai 161	1996	17738	5194		Alang / HKC
Container	Wan Hai 162	1996	17697	5235		Alang / HKC
Container	Wan Hai 163	1998	17706	5233		Alang / HKC
Container	Wan Hai 165	1998	17697	5222		Alang / HKC
Container	Wan Hai 215	1994	23801	6999		Alang / HKC
Container	Wan Hai 216	1994	23837	6963		Alang / HKC
Container	Wan Hai 221	1994	23802	6998		Alang / HKC



DEMO MARKET REPORT & MARKET OUTLOOK – Jan 23, 2023

Report No. 09/16200123/23012023

Type	Name of Vessel	Built	DWT	LDT	Price	Remarks
Container	Wan Hai 222	1994	23805	6995		Alang / HKC
Container	Wan Hai 223	1994	23802	7001		Alang / HKC
Container	Wan Hai 225	1994	23792	7008		Alang / HKC

MAIN DEMOLITION SALES DATA FOR PERIOD JAN 1ST – JAN 20TH 2023

Type	Name of Vessel	Built	DWT	LDT	Price	Remarks
Gen Cargo	Fu Ocean	1998	12000	3531	498	As is Batam
Tanker	Honour Luck	1988	5204	2044	523	Ctg
Tanker	De Xiang	1990	4978	1820	530	Ctg
Pallet Carr	Hakuru	1991	2510	5954		Alang
Reefer	Yong Hang 3	1993	11585	5701		Alang
Container	Vladivostok	1998	23800	7447		Alang
Container	Maersk Aberdeen	1999	17526	5966		As is Jebel Ali
Fish Factory	Pioneer Nikolayeva	1981	1815	3889	650	Alang, vsl has high non-ferrous content
Bulker	Lila Kyoto	1999	172566	20886	517	Original Pakistan sale did not materialise
Container	Akinada Bridge	2001	71336	23911	575	Original Pakistan sale did not materialise
Bulker	Pitsa D	2002	170109	23001		Gadani, incl bunker 850 MT
Bulker	Murat Bay	1990	42025	6729		Gadani
RORO	Super Shuttle RORO	1986	6897	5382		Alang
Container	SSL Kochi	1998	24554	8361	581	As is Srilanka/Jebel Ali in Seller's option
Container	Wan Hai 161	1996	17738	5194		Alang / HKC
Container	Wan Hai 162	1996	17697	5235		Alang / HKC
Container	Wan Hai 163	1998	17706	5233		Alang / HKC
Container	Wan Hai 165	1998	17697	5222		Alang / HKC
Container	Wan Hai 215	1994	23801	6999		Alang / HKC
Container	Wan Hai 216	1994	23837	6963		Alang / HKC
Container	Wan Hai 221	1994	23802	6998		Alang / HKC
Container	Wan Hai 222	1994	23805	6995		Alang / HKC
Container	Wan Hai 223	1994	23802	7001		Alang / HKC
Container	Wan Hai 225	1994	23792	7008		Alang / HKC



DEMO MARKET REPORT & MARKET OUTLOOK – Jan 23, 2023

Report No. 09/16200123/23012023

STATISTICS

VESSELS AND QUANTITY LDT BEACHED IN INDIAN SUBCON – IN JAN 2023, 2022, 2021

	INDIA		BANGLADESH		PAKISTAN	
	Vessel	LDT – LT	Vessel	LDT – LT	Vessels	LDT – LT
2023 (Till 20 th Jan)	12	82,083	12	37,937	04	58,637
2022 (Till month end)	13	61,392	21	236,502	10	98,568
2021 (Till Month end)	28	227,855	10	166,339	06	77,431

VESSELS AND QUANTITY LDT BEACHED IN INDIAN SUBCON – UPTO JAN 2023, 2022, 2021

	INDIA		BANGLADESH		PAKISTAN	
	Vessel	LDT – LT	Vessel	LDT – LT	Vessels	LDT – LT
2023 (Till 20 th Jan)	12	82,083	12	37,937	04	58,637
2022 (Till month end)	13	61,392	21	236,502	10	98,568
2021 (Till month end)	28	277,855	10	166,339	06	77,431

Indicative Price Levels for January in Current Year Vs Previous Years

India	Year	DRY			WET
		Cape / Pmx	Handymax	Container	Tanker
(On 20 th Jan)	Jan 2023	540	530	582	540
(Till month end)	Jan 2022	570	565	630	590
(Till month end)	Jan 2021	390	440	420	400
(Till month end)	Jan 2019	400	390	435	410

Indicative Price Levels for January in Current Year Vs Previous Years

Bangladesh	Year	DRY			WET
		Cape / Pmx	Handymax	Container	Tanker
(On 20 th Jan)	Jan 2023	530	525	550	555
(Till month end)	Jan 2022	635	625	650	650
(Till month end)	Jan 2021	435	455	455	445
(Till month end)	Jan 2020	415	400	425	420



DEMO MARKET REPORT & MARKET OUTLOOK – Jan 23, 2023

Report No. 09/16200123/23012023

Indicative Price Levels for January in Current Year Vs Previous Years

Pakistan	Year	DRY			WET
		Cape / Pmx	Handymax	Container	Tanker
(On 20 th Jan)	Jan 2023	555	545	585	565
(Till month end)	Jan 2022	615	610	620	630
(Till month end)	Jan 2021	420	430	435	430
(Till month end)	Jan 2020	400	390	405	410

Indicative Price Levels for January in Current Year Vs Previous Years

Turkey	Year	DRY	WET
(On 20 th Jan)	Jan 2023	300	310
(Till month end)	Jan 2022	320	330
(Till month end)	Jan 2021	240	250
(Till month end)	Jan 2020	265	270

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.