

WEEKLY SHIP RECYCLING REPORT



24th December to 31st December 2021

Highlights of the Week

The tumultuous 2021 has ended on an uncertain note as the effects and outcome of Omicron variant keeps the world on its toes. For the ship recycling sector, the cyclical nature of demand and pricing is a common case and after several ups and downs the overall consistent rise in steel prices year-on-year is standing as the indication of the growing prospects of the industry. The subcontinent recycling market is witnessing uptrend in offer prices after a brief hiatus of few weeks as the supply of metal scrap tightens globally and an extreme shortage of units available for demolition ensure competitive bidding from all recycling markets.

There's no relief in sight for Europe's energy crisis which is forcing metal smelters from France to Spain to cut production due to implacable increase in prices. Industries will need to grapple with even tighter energy supply as about 30% of the French nuclear power plant will be offline, increasing the reliance on gas, coal, and oil.

An already stressed supply chain that had led to steep hikes in sea freight rates will remain subject to more volatility as the resurgence of virus forces many countries to adopt preventive restrictions thereby creating a fear of running out of inventory.

Oil starts 2022 with rally towards USD 79/barrel supported by tight supply and hopes of further demand recovery in 2022 spurred in part by a view that the world will not face similar level of travel restrictions again as witnessed in 2020-2021.

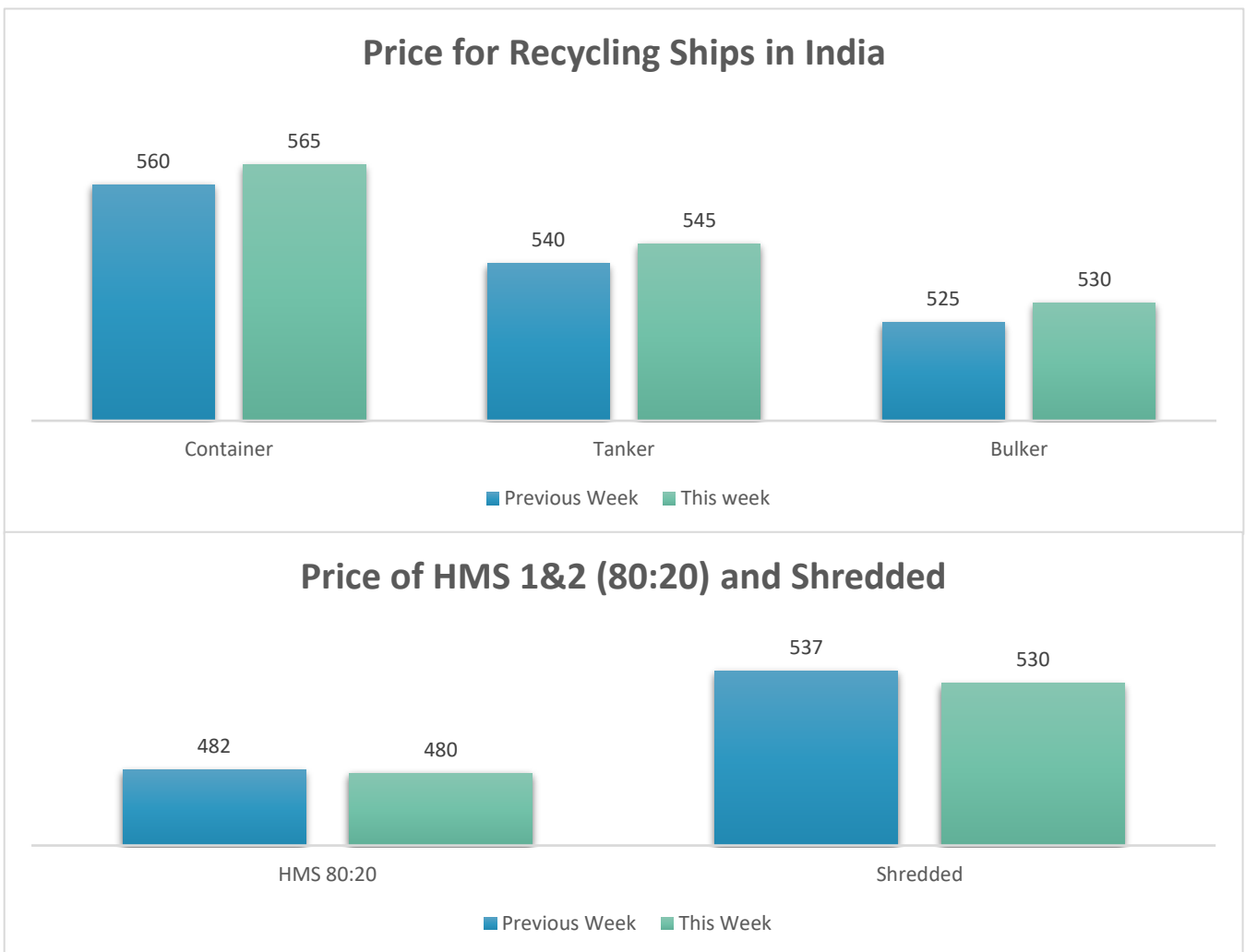


INDIA

Improving domestic demand

The domestic demand for steel has witnessed stability this week leading to firming of prices in the local market but this steadiness in demand has not been able to provide enough confidence to the recyclers. In terms of offering prices for the units available for demolition, there is only a slight uptick of about USD 5/LDT as the end buyers are skeptical about the consistency of these prices in the long term.

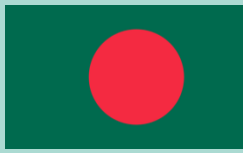
The Indian Rupee has regained strength against US Dollar and is currently trading at INR 74.34/USD thereby giving boost to the domestic market.



Beaching Dates:

1st January to 8th January 2022

16th January to 23rd January 2022

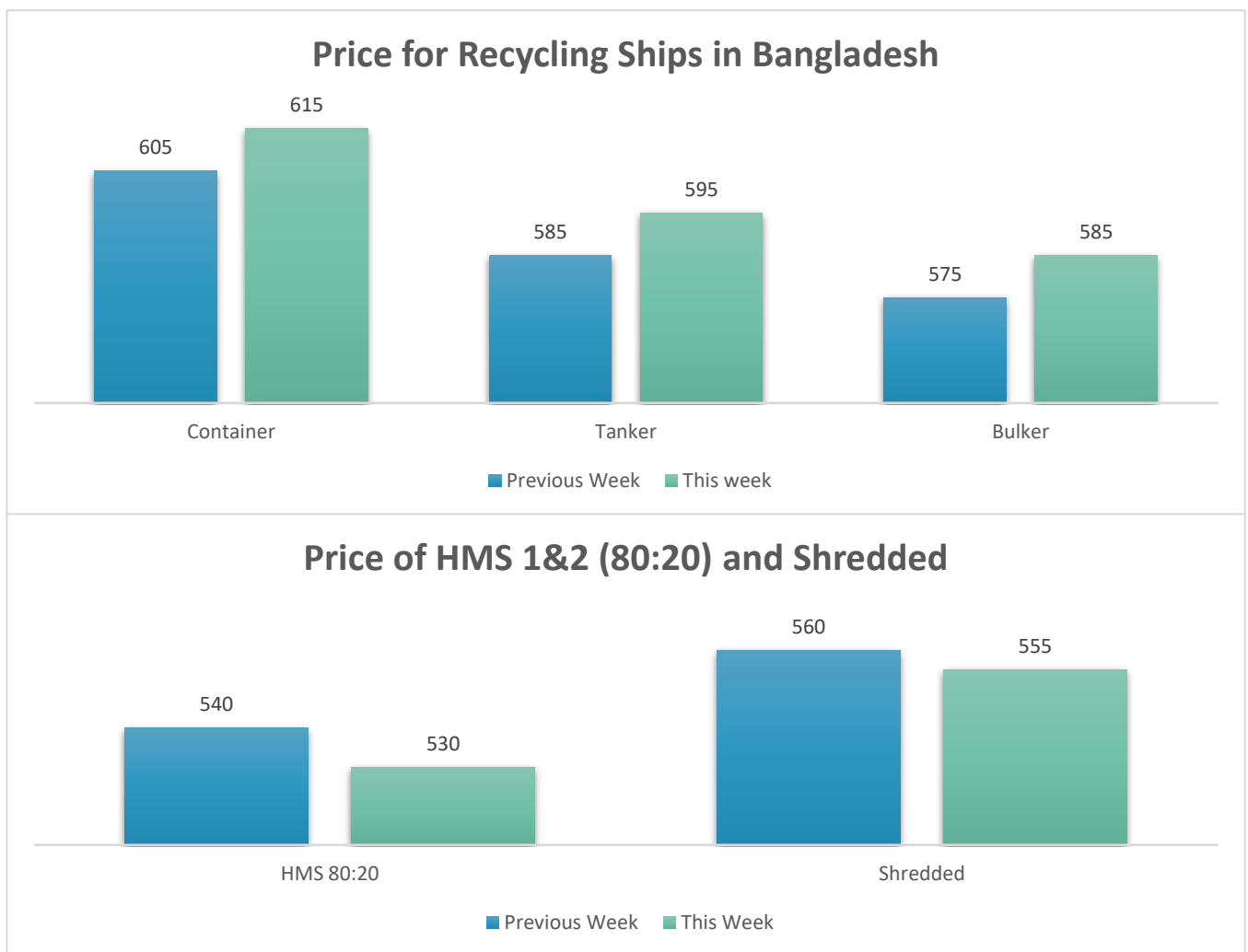


BANGLADESH

Leading the subcontinent market

The offer prices from the recyclers of Bangladesh gained strength as the dependency of the nation on ship metal scrap for meeting their raw material requirements ensures a competitive bidding and higher prices than their subcontinent counterparts to secure tonnage.

Major steel mills remained quiet throughout the week without placing any major imported scrap orders as continual rains slowed down the construction activities in many regions. Imported scrap prices softened by USD 10/MT this week.



Beaching Dates:

2nd January to 5th January 2022

18th January to 21st January 2022



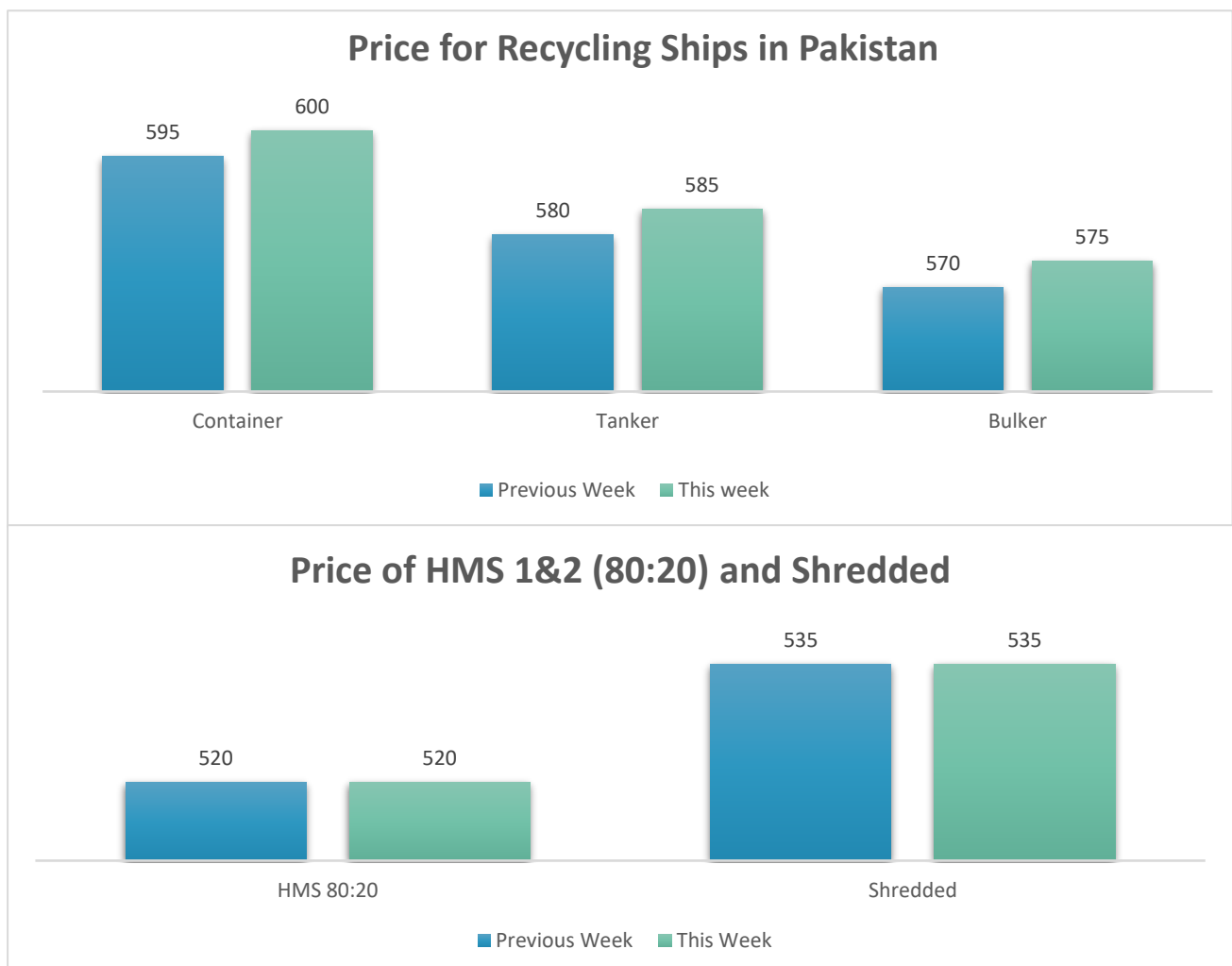
PAKISTAN

Market showing signs of improvement

The impact of slight uptick in prices in India has a ripple effect on the offer prices from Pakistan as they attempt to maintain the same pricing level to remain competitive with their neighbor market. This week saw an improvement in prices by USD 5/LDT.

Pakistan Government has imposed several taxation requirements to gather funds to meet the conditions required for resumption of IMF's USD 6 billion External Fund Facility (EFF). The measures include abolition of the General Sales Tax (GST) exemptions over 150 items.

The Sales Tax on imported Remeltable Scrap has been revised from 14% to 17%.



Beaching Dates:

Throughout the month



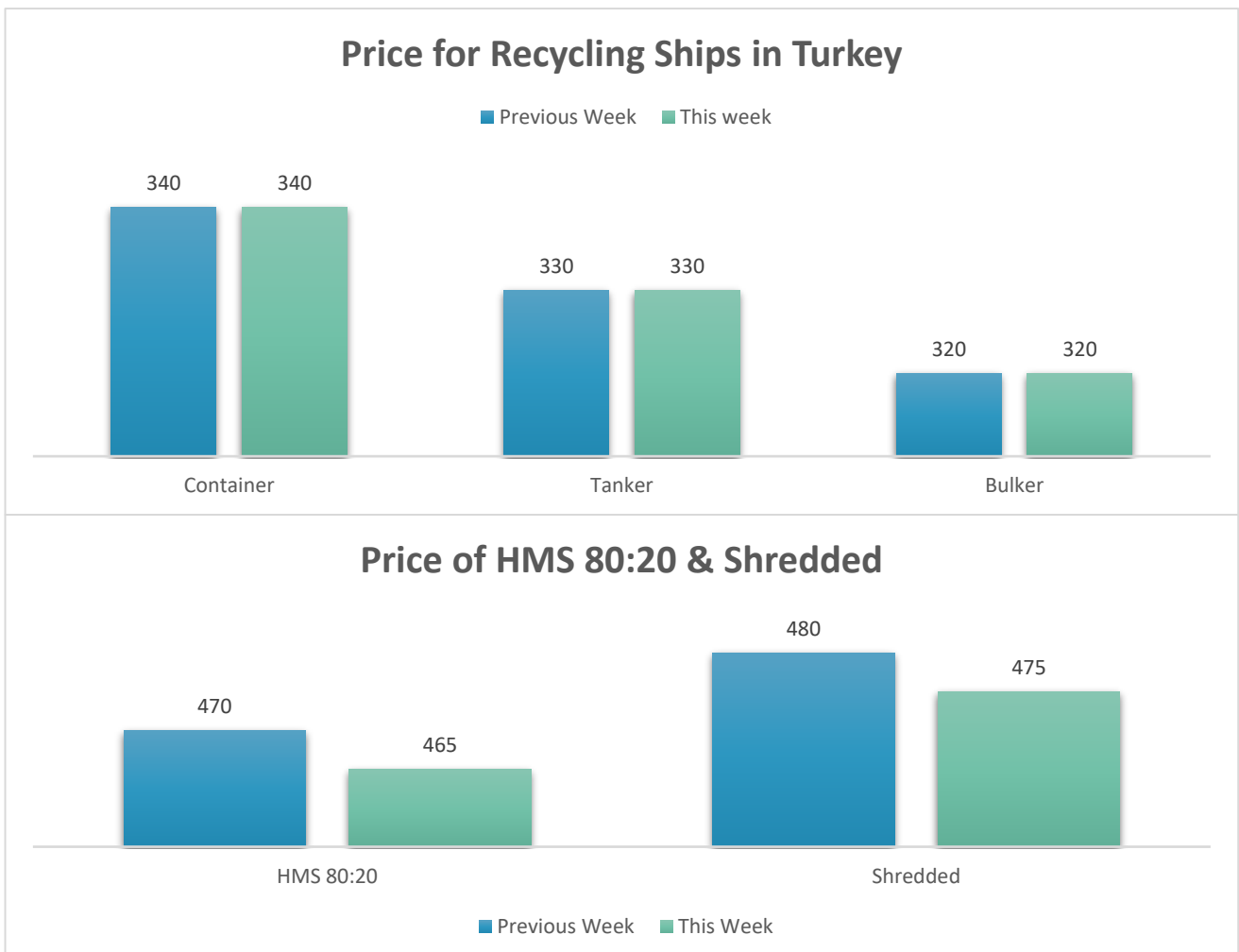
TURKEY

Inflation hits a 19-year-high

One RORO vessel of about 9000 LDT arrived in Aliaga this week.

Imported scrap trading remained subdued this week owing to the holiday season and continuous volatility of national currency.

The inflation rate has jumped to 36.08% in December as per the official data released today thereby further eroding the purchasing power of the nation. The weakened lira has made imports, fuel, and everyday items more expensive and has left many in the country struggling to buy food and other basic goods whereas others are purchasing foreign currencies and gold to protect their savings. It is currently trading at TL 13.30/USD.



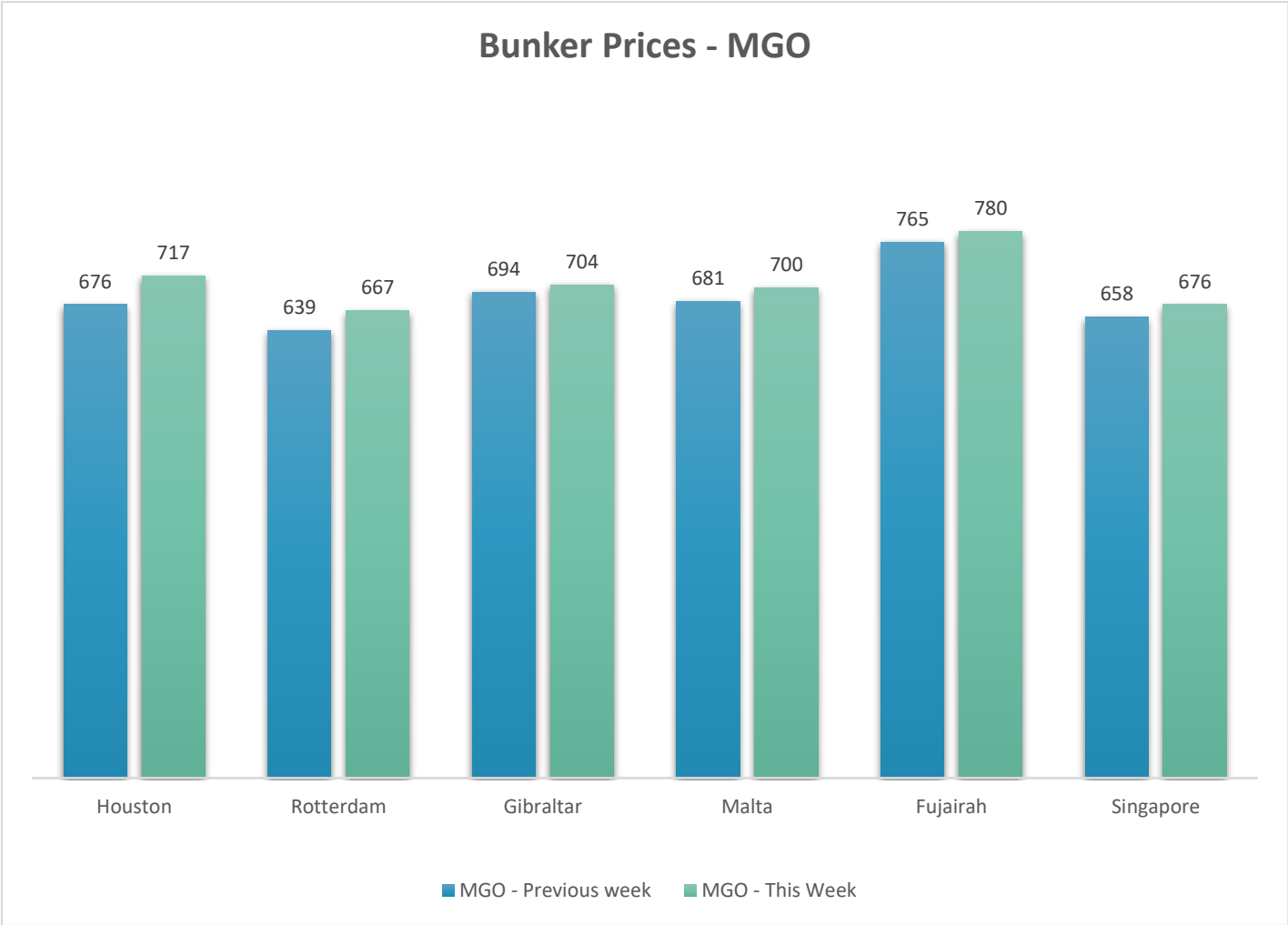
Beaching Dates:

Throughout the month

LIST OF VESSELS SOLD THIS WEEK

Vessel Name	Type of Vessel	Year of Build	Country of Build	LDT	Term of Sale	Location of Delivery	Sale Price/LDT (USD)
OZERSK	REEFER	1984	USSR	2,260.00	DELIVERED	BANGLADESH	600

BUNKER PRICES AT PORT



CONTACT US



www.best-oasis.com



bol@bol.ae



GERMANY

Mr. Gerd Leopold

President (Purchase)

Phone: +49 417 188 0204

Mobile: +49 172 370 1021



U.A.E.

Mr. Naren Sampath

Ship Broker (Purchase)

Phone: +971 4575 4667

Mobile: +971 55 836 9147

Mr. Asif Ali

Ship Broker (Purchase)

Phone: +971 4575 4667

Mobile: +971 58 645 0162



GREECE

Mr. Yiannis Kourkoulis

Vice President (Purchase)

Phone: +30 210 461 7999

Ext: 241

Mobile: +30 694 258 3977



CHINA

Capt. Steven Xu

Company Representative

Mobile: +86 136 6600 0719

Email: capt.xu@139.com,
china@bol.ae

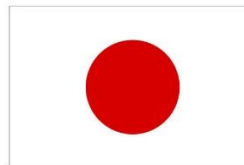
Ms. Irimi Mylona

Commercial Executive

Phone: +30 210 461 7999

Ext: 243

Mobile: +30 694 484 3136



JAPAN

Mr. T Ishii

Company Representative

Phone: +81 354 522 405

Mobile: +81 901 536 1497

Email: ishii.i.i@ktd.biglobe.ne.jp

Disclaimer:

While every care has been taken to ensure that the information in this publication is accurate, Best Oasis Limited can accept no responsibility for any error or omissions or any consequences arising therefrom. Figures are based on latest available information, which is subject to subsequent revisions and corrections. The views expressed are those of Best Oasis Limited and do not necessarily reflect the views of any other associated company. Reproducing any material from this report without permission from Best Oasis Limited is strictly prohibited.