

WEEKLY SHIP RECYCLING REPORT



22nd April to 29th April 2022

Highlights of the Week

An unexpected strong wave of demand for trading vessels due to crippling global supply chain and elongating trade routes owing to geopolitical tensions has led to a revival of freight rates in the Tanker segment while the Container and bulker segments remain elevated as usual, resulting in a tight supply of tonnage in the recycling market. Among the subcontinent recycling destinations, India is leading the price board, strongly supported by its booming export market, whereas the end buyers of Pakistan have now become cautious owing to their subdued domestic demand and falling international scrap prices. The recyclers of Bangladesh are expected to resume their buying activity post Eid holidays after getting some clarity about the direction of prices.

Oil prices rallied on Thursday after reports that Germany is no longer opposed to a full Russian oil embargo as long as Berlin is given time to secure alternative supplies. As a result of this, oil from the free world is going to be more expensive as supplies will tighten, and Iron Curtain oil will plunge further in value and be discounted more heavily. WTI is currently trading at USD 105.81 per barrel.

Indonesia, the world's biggest edible oils exporter, stuns the world and sparked concerns over global food prices by announcing an export ban on crude palm oil starting from April 28 to last until domestic cooking oil prices eases. This move added uncertainty in a market and threatened to worsen global food inflation, raising the risk of a full-blown hunger crisis as governments move towards crop protectionism.



INDIA

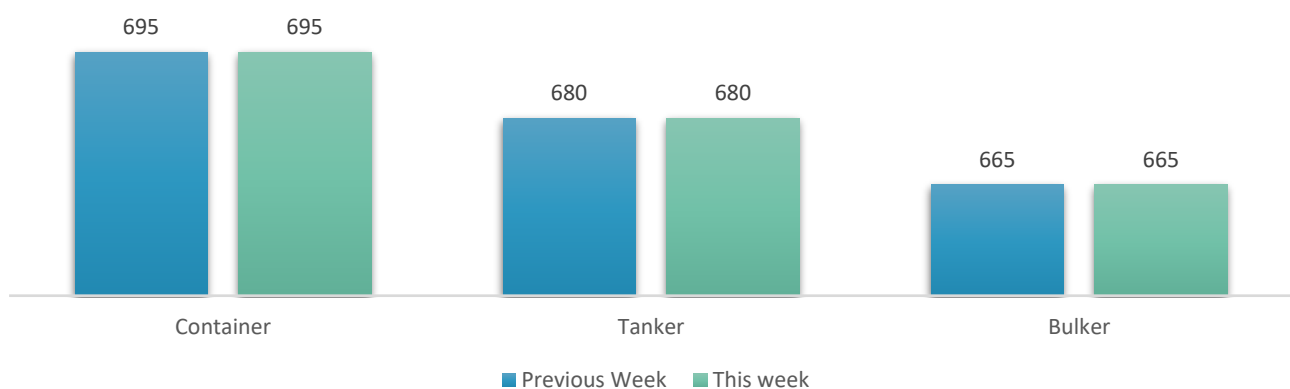
Leading the subcontinent market

The week began with a dip in buying interest from recyclers of Alang but ended with an increase in inquiries, regaining all the lost ground. With a thriving export market, India is currently able to offer attractive prices to secure tonnage available in the recycling market.

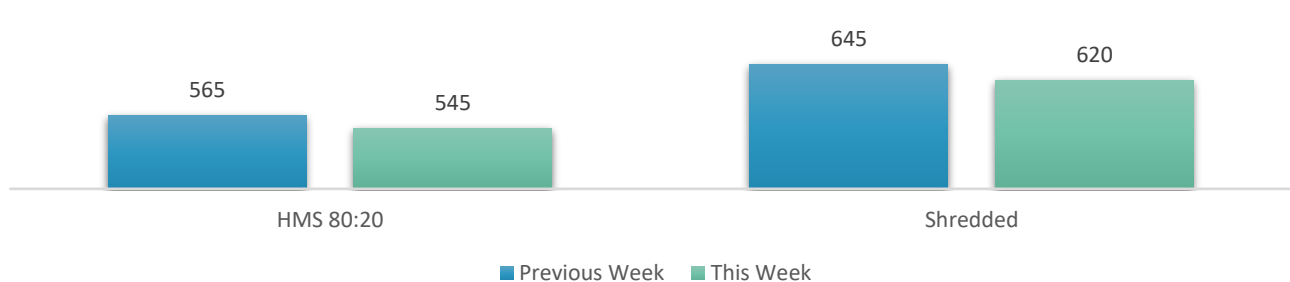
Due to a sharp rise in semi-finished steel prices, rebar prices have increased by about USD 20/MT in key markets.

Indian steel sector posted a record figure of 13.5 million metric tonne finished steel exports in the April 2021-March 2022 financial year as higher international prices prompted mills to boost shipments.

Price for Recycling Ships in India



Price of HMS 1&2 (80:20) and Shredded



Beaching Dates:

28th April to 5th May 2022

14th May to 22nd May 2022

27th May to 4th June 2022



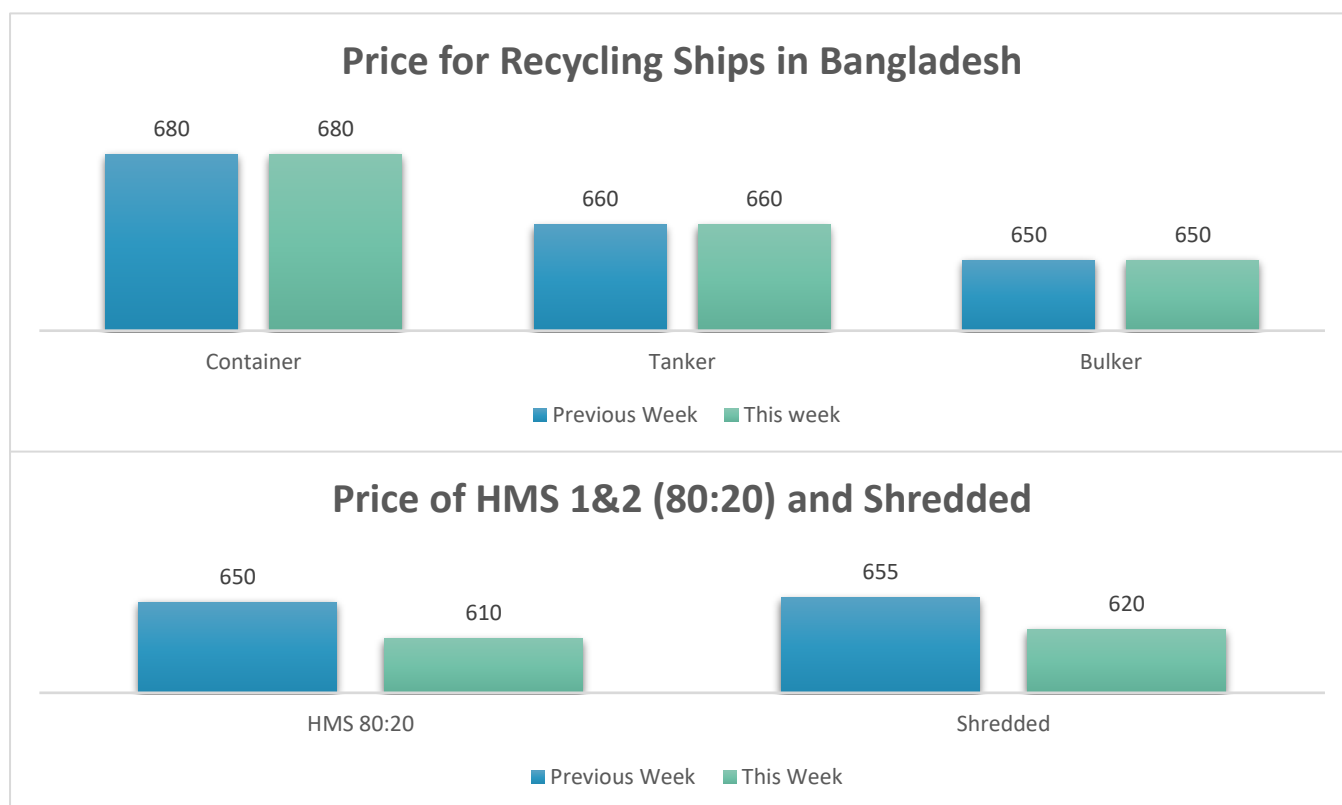
BANGLADESH

Dull market sentiments

The recyclers from Chattogram remained quiet ahead of the Eid holidays as the subdued domestic demand and plummeting international scrap prices are causing them to wait for a clear direction of prices after the trading activity resumes post a weeklong holiday.

In the coming week, banks will remain closed for Eid holidays and therefore it will be difficult to conclude any transactions. The holidays will begin on 28 April and last until 8 May. Trading activities are expected to gain momentum when market reopens on 9 May.

Due to limited buying activities during the month, steel mills are experiencing a shortage of scrap inventory, resulting in expectations of an increase in demand after the holiday season concludes.



Beaching Dates:

30th April to 3rd May 2022

16th May to 19th May 2022

29th May to 1st June 2022

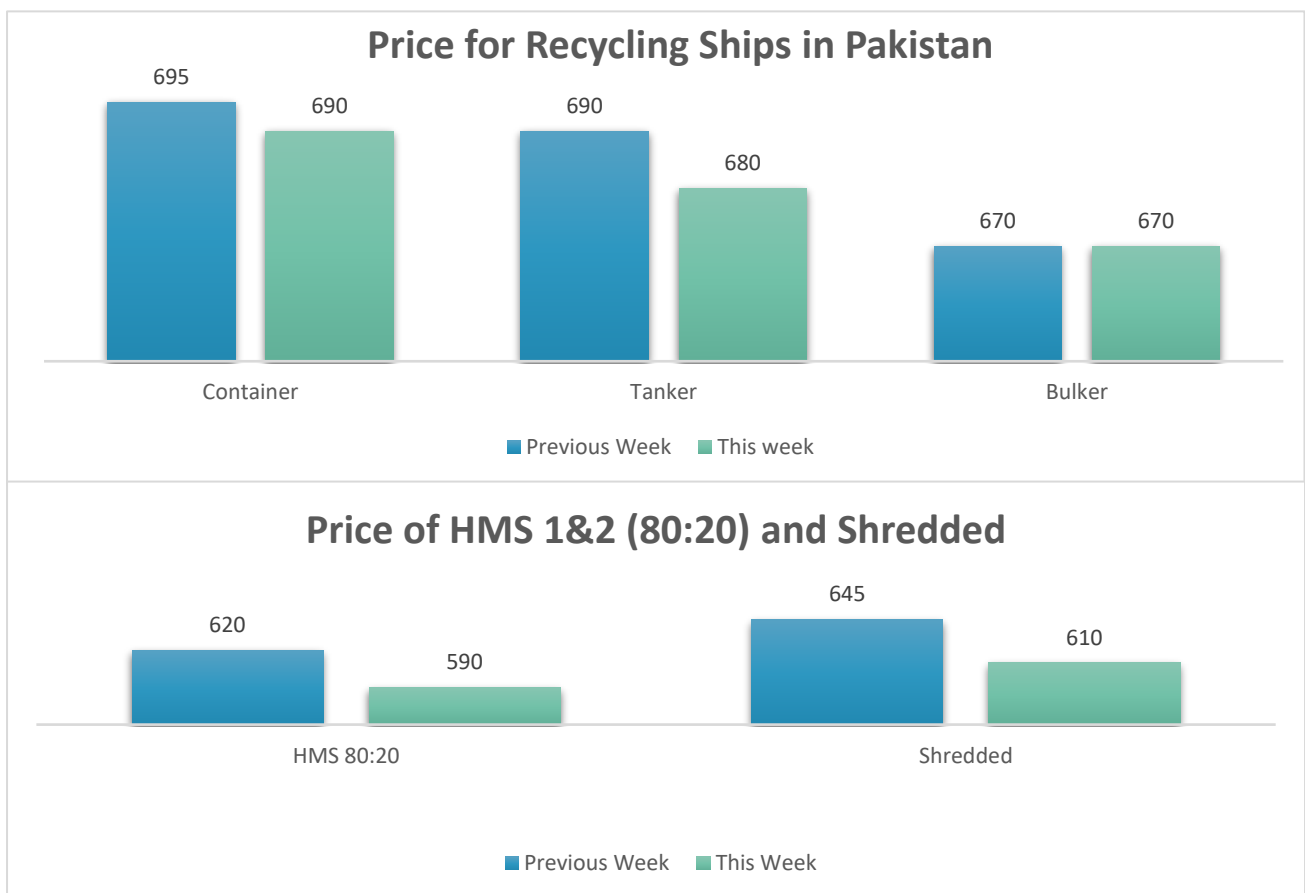


Buying interest dips on weakening global scrap prices

The recyclers from Gadani have slowed down their buying activity as the international scrap prices tumbled this week, leading to lowered inquiries and offer prices. The domestic demand which remained slow due to the month of Ramadan is expected to improve after the Eid holidays.

The government of Pakistan has increased tariffs on the exports of steel from Afghanistan. The hike comes as Afghanistan has recently ramped up its export to Pakistan having exported over 1,000 MT of steel in the last two months. The ongoing geopolitical tensions between the two nations may also be a contributing factor towards this.

Imported scrap prices have softened by about USD 25/MT week on week.



Beaching Dates:

Throughout the month



TURKEY

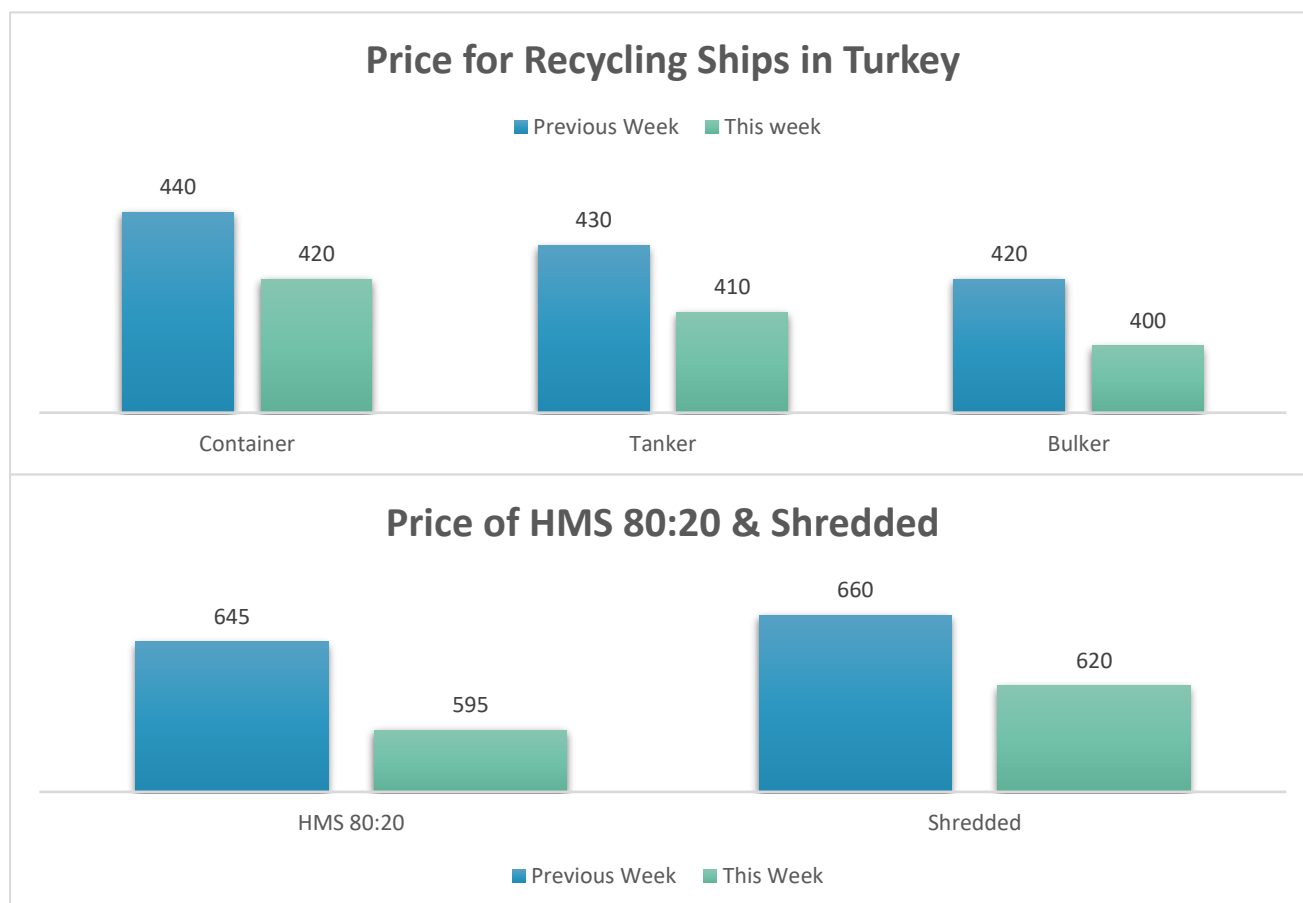
Sharp drop in prices due to weak demand

A RORO of approximately 12,000 LWT and a General Cargo of about 2,000 LWT have arrived in Aliaga this week.

Major steel mills have revised their offers in the face of extremely low imported prices and weak finished and semi-finished demand. Steel producers have also lowered their purchase price for local scrap.

Imported scrap price have plunged by about USD 50/MT this week whereas domestic prices have softened by about USD 25/MT.

Following a period stability over the past few weeks, the Turkish Lira has slightly lost value and is currently trading at TL 14.81/USD.



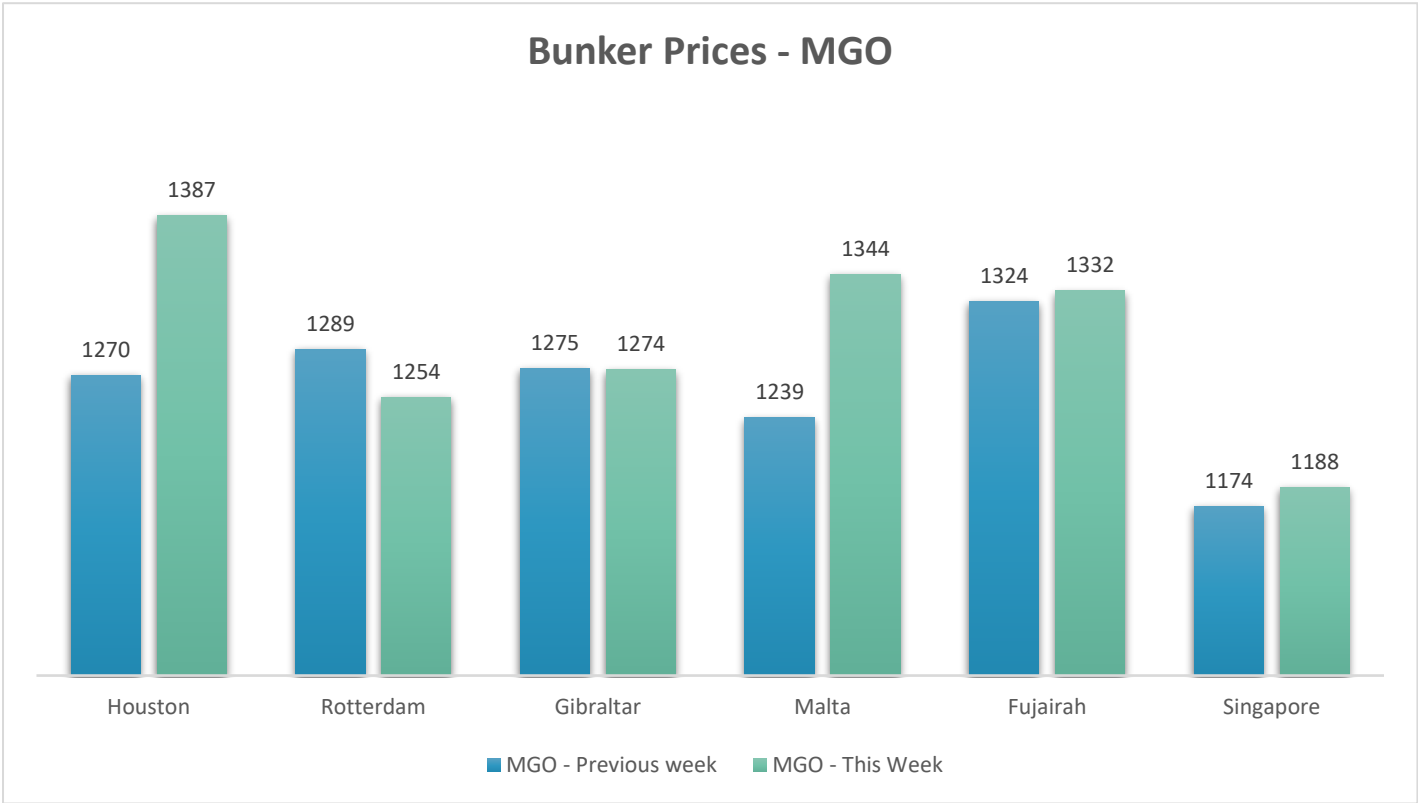
Beaching Dates:

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)
ALWAKRA	GENERAL CARGO	1978	JAPAN	1,985.77	AS-IS	UAE	UNDISCLOSED
ADEBOMI 1	TANKER	1993	SPAIN	5,969.00	AS-IS	LAGOS	460
SONG	SHUTTLE TANKER	2000	S. KOREA	23,236.00	DELIVERED	INDIA (For HKC Compliant recycling)	UNDISCLOSED
REY	TANKER	2004	S. KOREA	13,382.00	DELIVERED	INDIA	UNDISCLOSED

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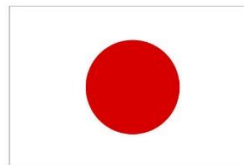
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