



bestoasis

Recycling with the Best

Weekly Ship Recycling Report

23 December 2023 - 29 December 2023

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Highlights of the Year 2023



We extend our sincerest wishes for a joyful and prosperous New Year to all our esteemed readers.

The ship recycling market experienced significant volatility throughout the year, with various locations witnessing fluctuating trends. There were notable peaks in activity, followed by a series of declines in different regions. In addition, it is worth noting that Bangladesh and Pakistan have ratified the HKC convention. Furthermore, the EU has modified the definition of waste and is considering reevaluating Indian yards. The UAE has also introduced new ship recycling regulations. In summary, significant developments have taken place, and there are further anticipated advancements in 2024, building upon the current momentum of activities.

In 2023 The world economy slowed but remained resilient, avoiding the recession that many had predicted would be brought on this year by rising inflation and commodities prices. Analysts predict that headwinds will lessen and that the worst may be behind us, even if growth is predicted to decline even further in 2024. Although inflation is heading down, it is still over the two percent goal range set by the majority of central banks worldwide. Nevertheless, it is anticipated that the continually high-interest rates will decline. Although declining rates and inflation will be good for growth in the second half of 2024 and beyond, there are still risks that might sabotage the momentum of the economy. Many elements will decide whether the global economy has a soft landing in 2024 or not, including geopolitical tensions, the state of the US and Chinese economies, volatility in oil prices, growing growth divergence, alarmingly high levels of global debt, and the growing cost of climate change.

Addressing the events of this week, it is noteworthy to mention that recycling activities in India experienced a decline due to a lack of demand. Similarly, Bangladesh also witnessed a similar sentiment, and it is currently facing the same downward situation until the conclusion of the election. Pakistan experienced a slight rise in hope and demand while Turkiye experienced a decline in both imports and the local market by 10 USD.

Exchange Rates:

🇺🇸 USD / INR ₹

This Week : 83.16
Previous Week : 83.11
lost : 0.05

🇺🇸 USD / BDT ₳

This Week : 109.95
Previous Week : 109.73
Lost : 0.22

🇺🇸 USD / PKR ₳

This Week : 278.89
Previous Week : 279.05
Gained : 0.16

🇺🇸 USD / TRY ₳

This Week : 29.55
Previous Week : 29.21
Lost : 0.34

India

The market is currently experiencing a significant downturn, with a lack of demand being observed.

- The current state of the market remains negative with a notable absence of demand for scrap materials and vessels.
- Ship-recycling steel plates have reportedly been rejected by a committee established by the Steel Ministry of India for use in the production of TMT-bars. Primary objections of the proposal include the lack of detailed data and the provision of non-standardized offerings.
- India's steel exports for FY2022-23 saw a decrease of approximately 50 percent year-over-year, while imports reached a three-year high.
- For the Indian steel sector, imports seem to be the main source of frustration. For many months, low-cost steel from China, Vietnam, and other nations overflowed the Indian market, severely undermining Indian steel producers. The largest supplier of finished steel to India is China. The nation delivered 1.1 MT of the alloy from April to October, up almost 48% from the previous year.

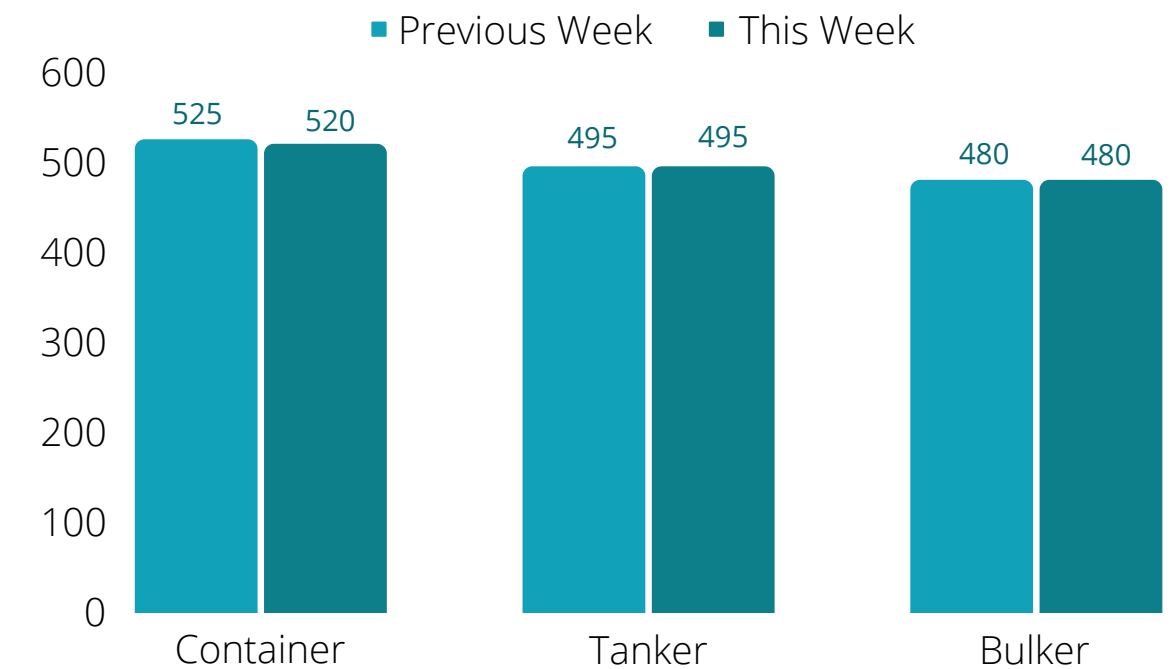
Beaching Dates

09 January to 17 January 2024

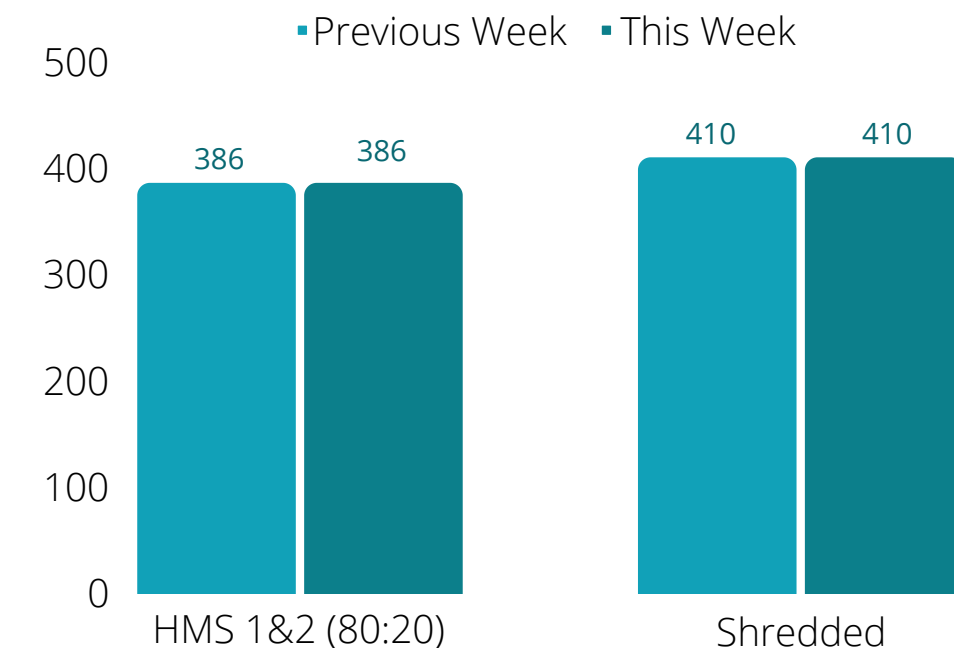
23 January to 30 January 2024

08 February to 15 February 2024

Price for Recycling Ships in India



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



Bangladesh



The market is characterized by a lack of movement, with persistent challenges pertaining to LC.

- The current market exhibits a lack of progress in its current state and is expected to stay in this manner until the conclusion of the election.
- The persisting LC concerns are worsening the gloomy attitude.
- Bangladesh's foreign exchange reserves have started to rise, which is an encouraging development. An accumulation of initiatives by the central bank has resulted in a resurgence of the reserves from \$19 billion to \$21 billion.
- As an integral component of the \$4.7 billion loan program, The Bangladesh Bank is collecting dollars from other banks to fulfill the end-of-year foreign exchange reserve obligations of the International Monetary Fund (IMF).

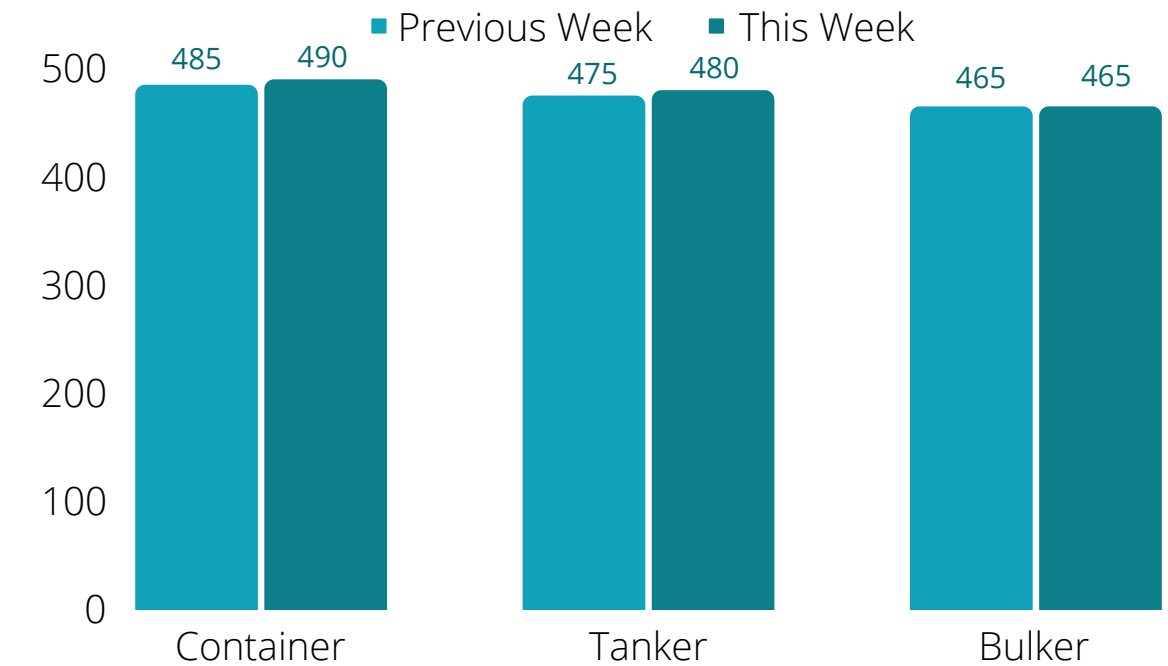
Beaching Dates

29 December 2023

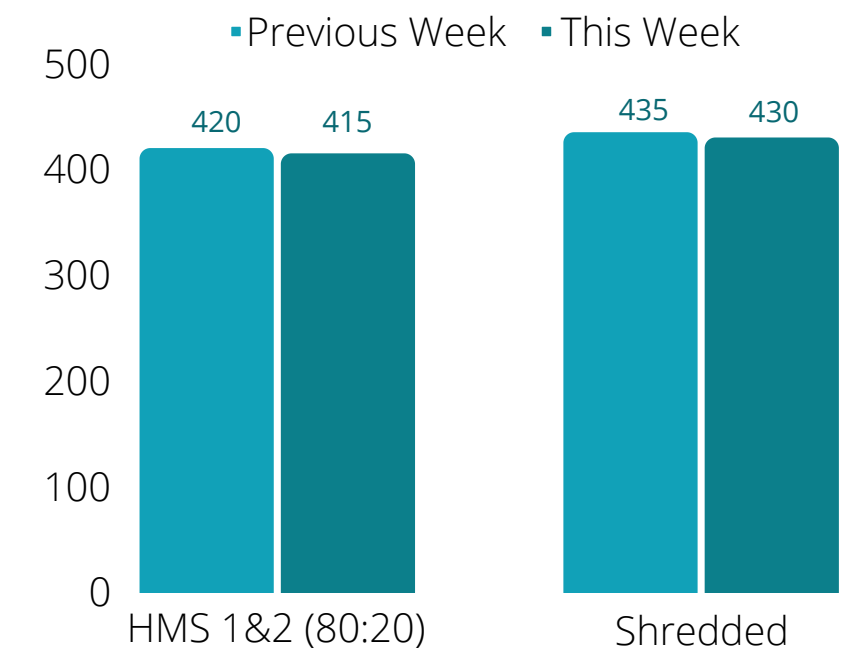
13 January to 16 January 2024

28 January to 31 January 2024

Price for Recycling Ships in Bangladesh



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



Pakistan

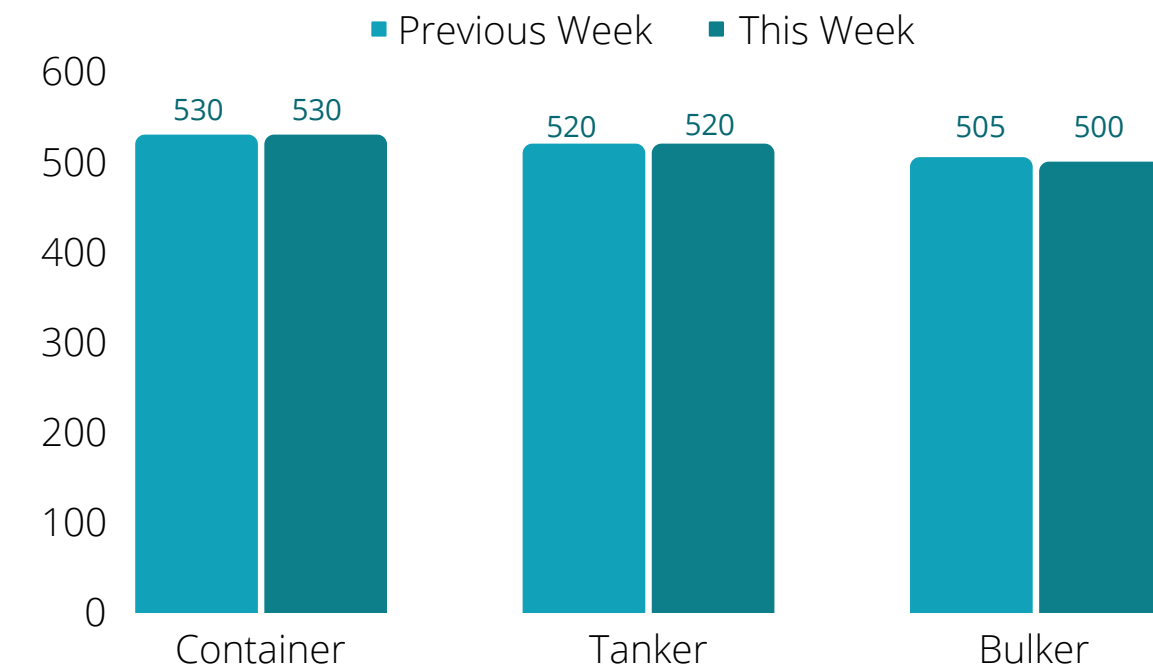
The market currently shows brief signs of movement, with some demand observed for vessels.

- The markets are beginning to show some activity.
- The recyclers want to purchase vessels because they believe that when the next government takes office on February 8th, import restrictions will be implemented.
- Pakistan has seen a notable surge in local steel prices, which has negatively impacted the construction and infrastructure industries.
- A noteworthy determination has been reached by the provisional government, which is to exclude Pakistan Steel Mills from the list of state-owned entities designated for privatization.

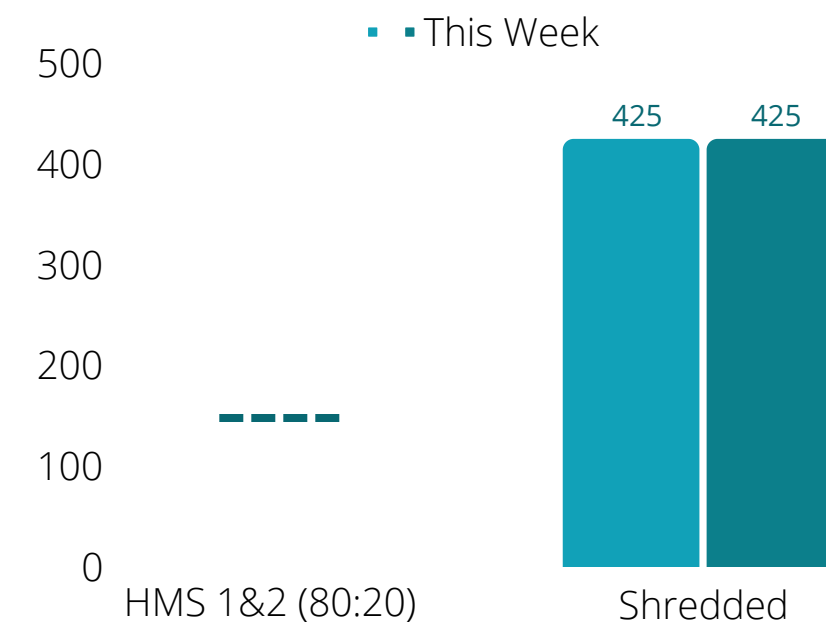
Beaching Dates

Throughout the month

Price for Recycling Ships in Pakistan



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



Türkiye

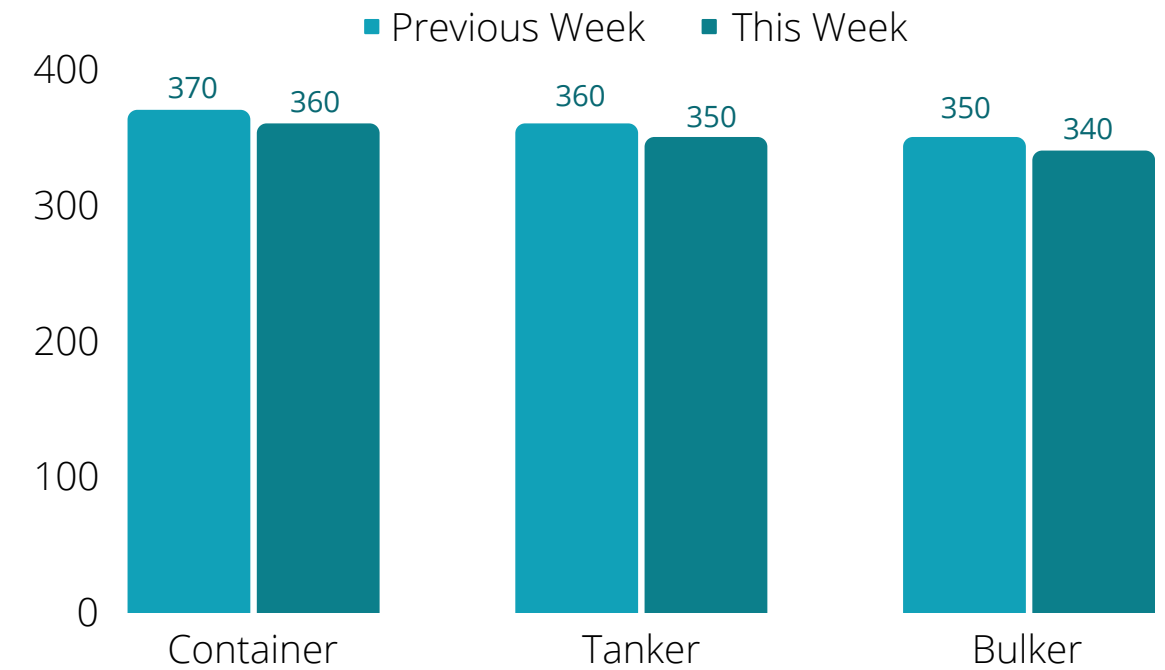
The market appears to be experiencing some stress and may face a decline.

- We have observed a decrease of approximately 10 USD in both import and local prices.
- A hefty 49 percent hike in the monthly minimum wage for 2024 has been announced by Türkiye, which will have a major impact on around 7 million people. The decision has caused ripples throughout the financial system. Experts are raising worries about the potential to worsen the nation's already high rates of inflation.
- The Central Bank of Turkey has set a target to raise the proportion of Turkish lira deposits within the banking system to 50%.

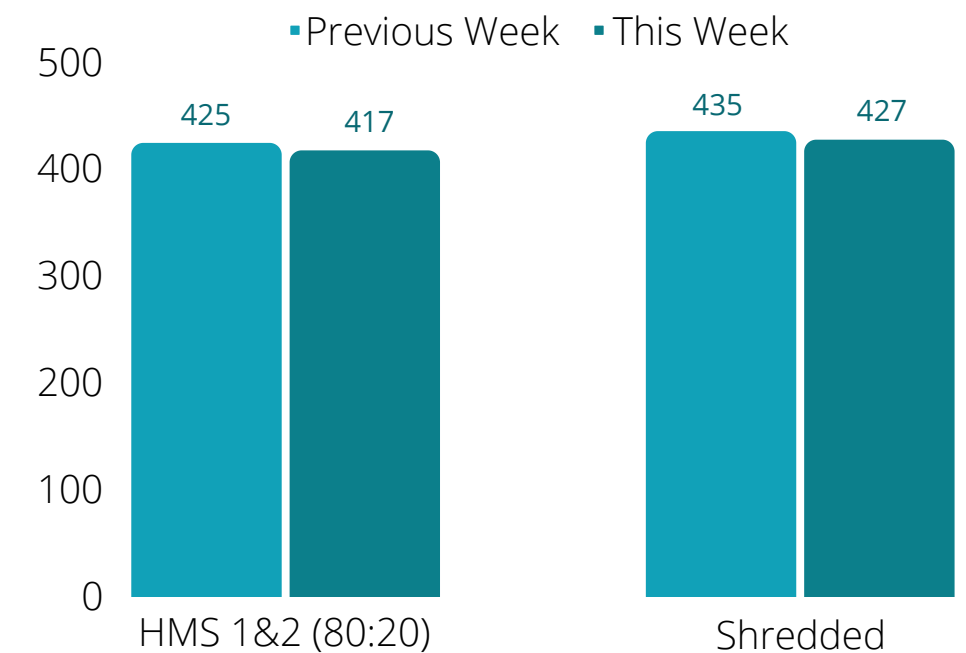
Beaching Dates

Throughout the month

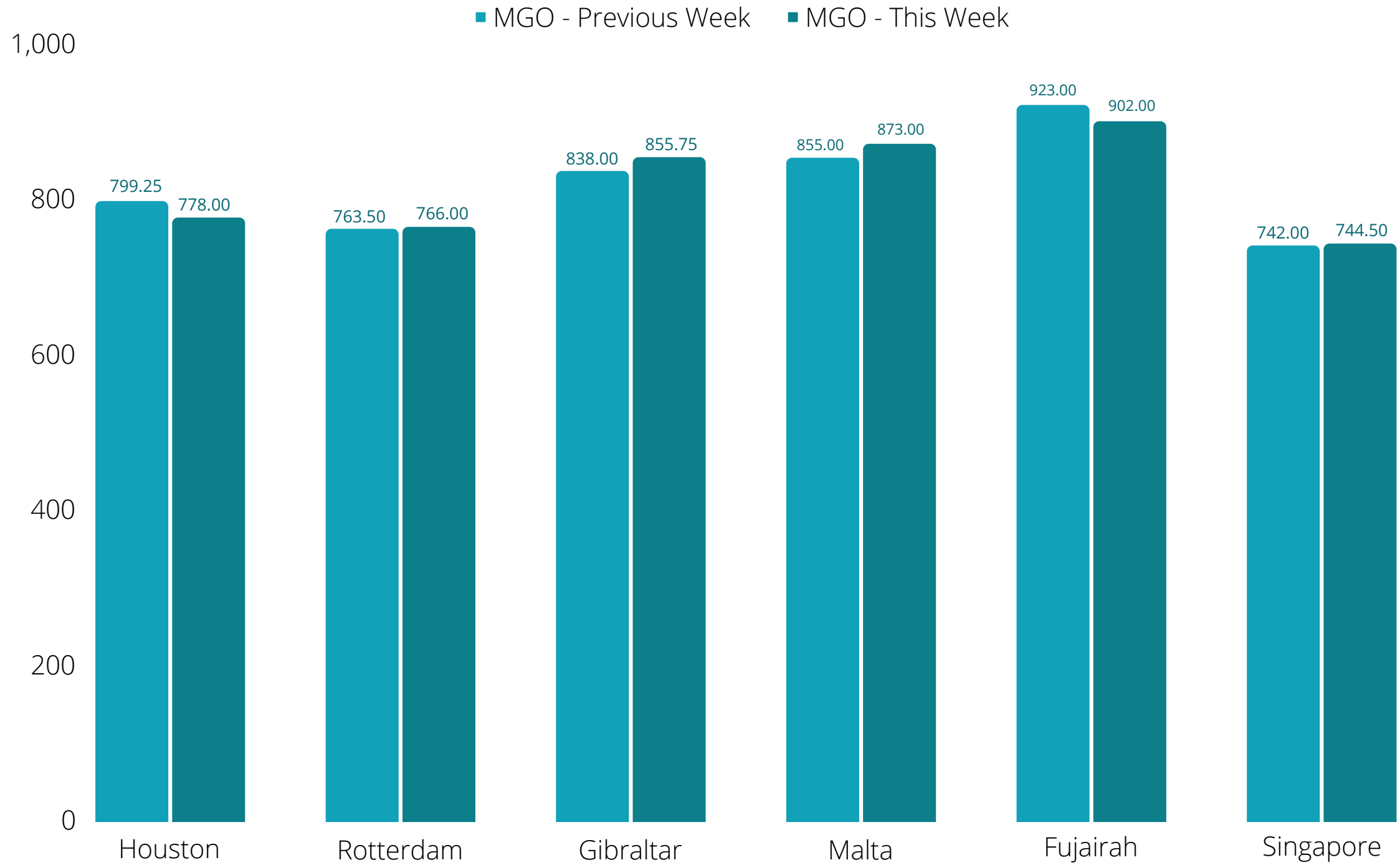
Price for Recycling Ships in Türkiye



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



Bunker Prices at Port



Brent Crude

This Week : 77.63
 Previous Week : 80.23
 Movement : -2.6

WTI Crude

This Week : 72.10
 Previous Week : 74.79
 Movement : -2.69

List of Vessels Sold this Week

VESSEL NAME	TYPE OF VESSEL	IMO NO.	YEAR OF BUILD	COUNTRY OF BUILD	LDT	TERM OF SALE	LOCATION OF DELIVERY	SALE PRICE/LDT (USD)
SILK	CONTAINER	9117131	1996	JAPAN	7,036	DELIVERED	ALANG, INDIA	UNDISCLOSED
XIN HAO JIANG 206	BULKER	-	2009	CHINA	3,328	AS-IS	NINGDE, CHINA	UNDISCLOSED

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