



bestoasis

Recycling with the Best

Weekly Ship Recycling Report

18 May - 24 May 2024

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Highlights of the week

This week, ship recycling destinations experienced mixed performances: In India, the market is strong with rising booking prices driven by robust local demand. The post-election outlook is favorable, with anticipated growth fueled by increased steel demand and improved financial conditions. Bangladesh is seeing a slight downturn, with values dropping by approximately 4.26 USD per LT. Market corrections are expected following the upcoming budget announcement, which should help stabilize conditions. Currently, reduced buyer enthusiasm is cooling the market. Pakistan's market remains steady but unchanged, reflecting a cautious mood as participants await key updates from the early June budget review, expected to stimulate the market. In Turkiye, the market continues to be stable, with no significant changes. Participants are on the lookout for tonnage opportunities that are not yet available.

Global crude steel production dropped 5% year-over-year in April 2024 to 155.7 million tonnes, with China seeing a significant 7.2% decrease. Conversely, India and Germany reported increases of 3.6% and 6.4%, respectively. Production fell across several key nations, including Iran, South Korea, and Russia, with modest declines also in the US, Japan, and Brazil. Regionally, Africa and the EU saw slight production gains, while most other regions experienced declines. Despite this, the World Steel Association forecasts a 1.7% increase in steel demand this year, expecting further growth in 2025.

Oil prices are experiencing their first decline in two weeks, with consecutive session losses leading to multi-month lows. The downturn is driven by concerns over prolonged high U.S. interest rates potentially stifling demand in the world's largest oil market. Contributing to the bearish sentiment, the EIA (Energy Information Administration) reported an unexpected rise in U.S. crude inventories, countering predictions of a significant draw. This situation is exacerbated by ongoing uncertainties about whether current interest rates will suffice to curb persistent inflation, potentially hampering economic activity and reducing oil demand.

Exchange Rates:

🇺🇸 USD / INR ₹

This Week : 83.12
Previous Week : 83.38
Gained : 0.26

🇺🇸 USD / BDT ₳

This Week : 117.45
Previous Week : 117.14
Lost : 0.31

🇺🇸 USD / PKR ₳

This Week : 278.20
Previous Week : 278.52
Gained : 0.30

🇺🇸 USD / TRY ₳

This Week : 32.24
Previous Week : 32.29
Gained : 0.05

India

Market shows strong growth with rising demand and positive post-election outlook.

- The market is currently exhibiting robust performance, underscored by consistently increasing booking prices.
- Strong local demand is significantly contributing to the market's momentum. This persistent demand is a primary driver behind the market's positive trajectory.
- Post-election, the outlook is optimistic with expectations of increased demand for steel and improved financial conditions. These factors are anticipated to further stimulate economic growth and enhance market conditions.
- In April, India's engineering exports fell by 3.2% after four months of growth, mainly due to reduced shipments of metals like iron, steel, and copper. This decline was influenced by increased imports of cheaper Chinese steel and the Red Sea crisis, which impacted India's export capabilities.

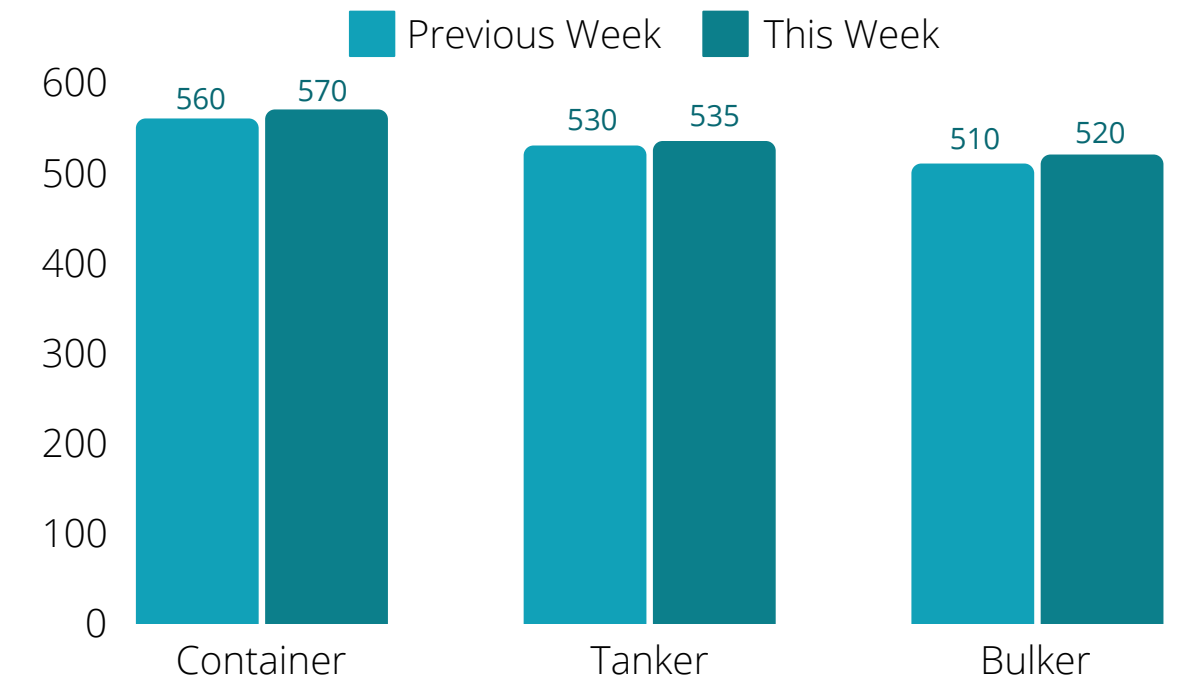
Beaching Dates

24 May to 29 May 2024

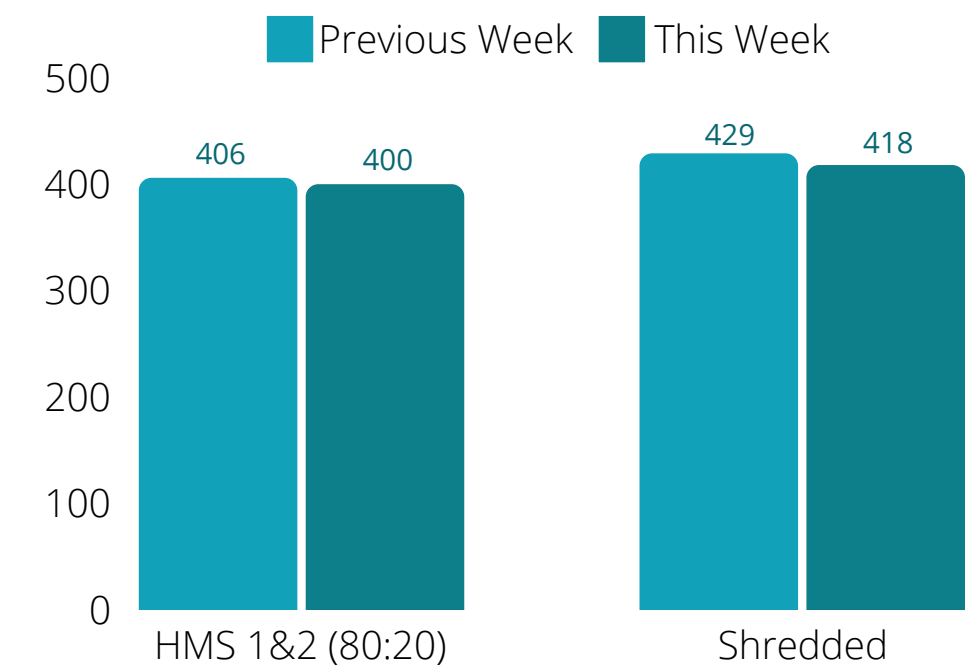
03 June to 11 June 2024

19 June to 28 June 2024

Price for Recycling Ships in India



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



Bangladesh



Local market faces downturn and subdued activity, hopes for post-budget recovery.

- The local market is currently experiencing a slight downturn, with values down by approximately 500 takas (4.26 USD).
- We expect some market corrections after the budget is announced, which could help stabilize things.
- Currently, buyers are showing less aggression in their purchasing behaviors. This lack of enthusiasm is contributing to the market's subdued activity.
- Bangladesh's economy is expected to grow by 5.82% in the fiscal year ending June 30, a modest improvement from last year's 5.78%. This projection is in line with the International Monetary Fund's forecast of 5.7% and the World Bank's estimate of 5.6%.

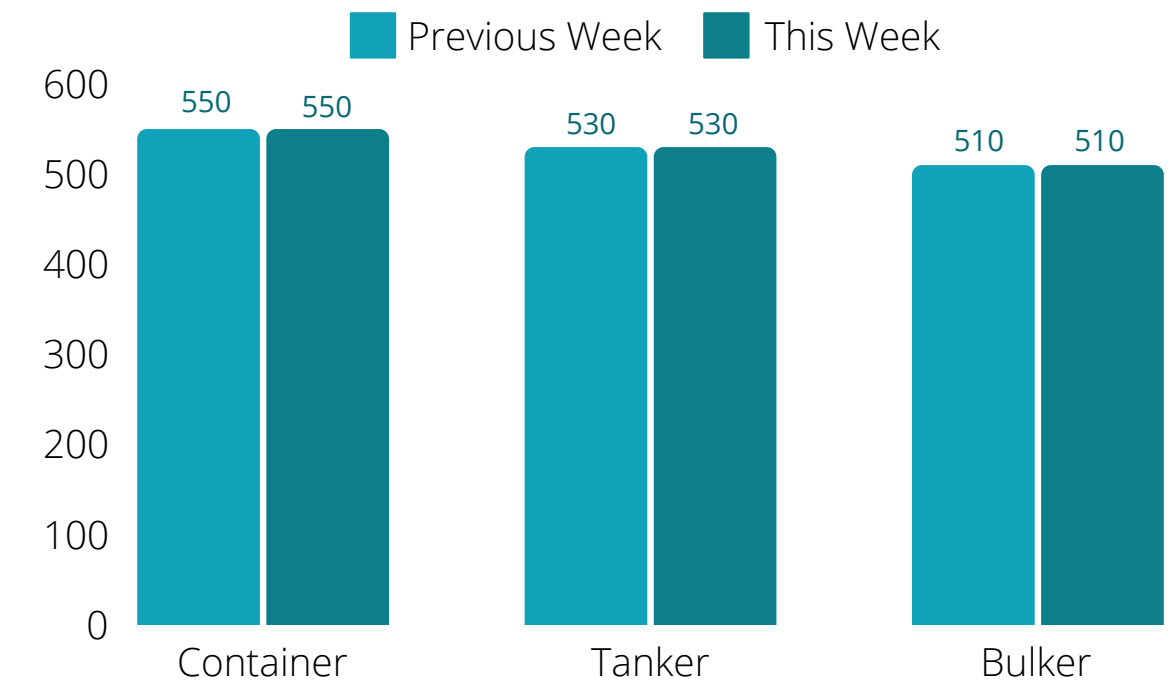
Beaching Dates

24 May to 25 May 2024

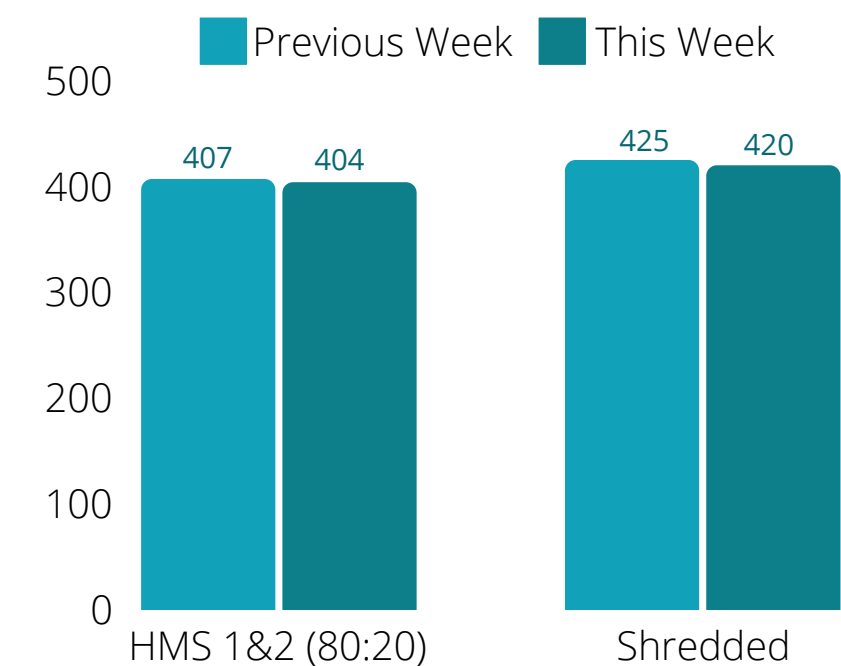
05 June to 08 June 2024

22 June to 25 June 2024

Price for Recycling Ships in Bangladesh



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



Pakistan

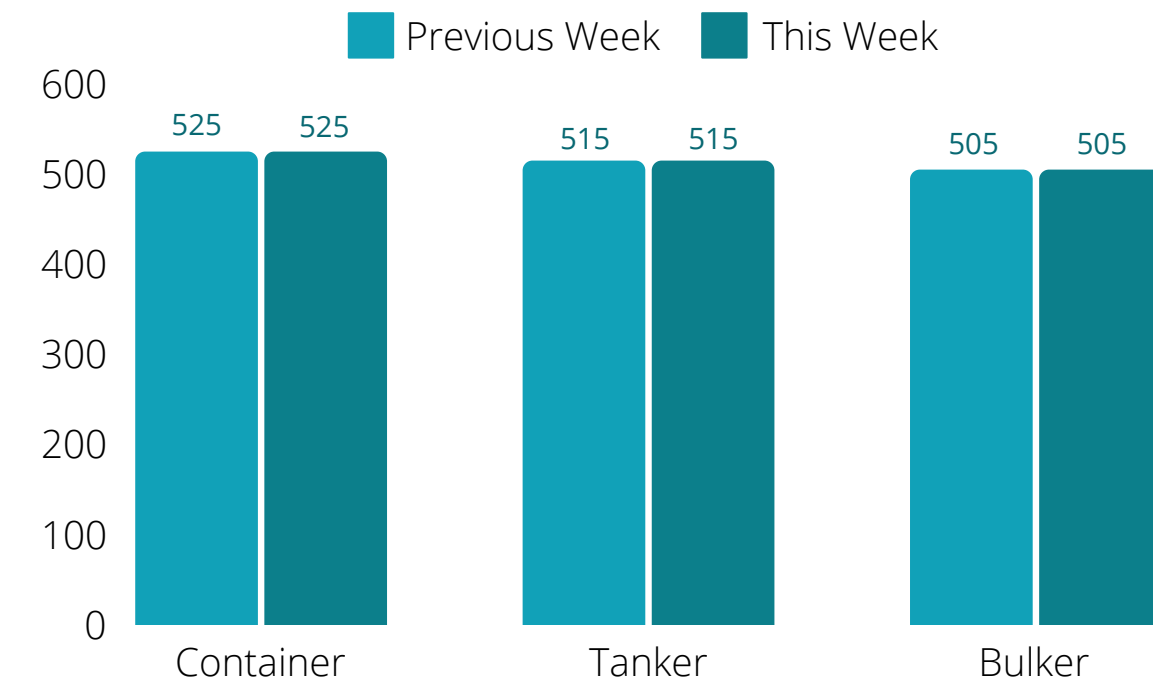
Market remains stagnant with no major changes as participants await crucial June budget review.

- The market has remained steady, showing no major positive changes over the past week, continuing its calm trend. This sustained quiet reflects a cautious mood among investors and market participants, who are waiting for important updates.
- The spotlight is on the upcoming annual budget review in early June. This financial update is expected to energize the market.
- The UAE Ministry of Investment has committed 10 billion USD to invest in key economic sectors in Pakistan. This pledge was announced following a high-level meeting between leaders of the UAE and Pakistan.

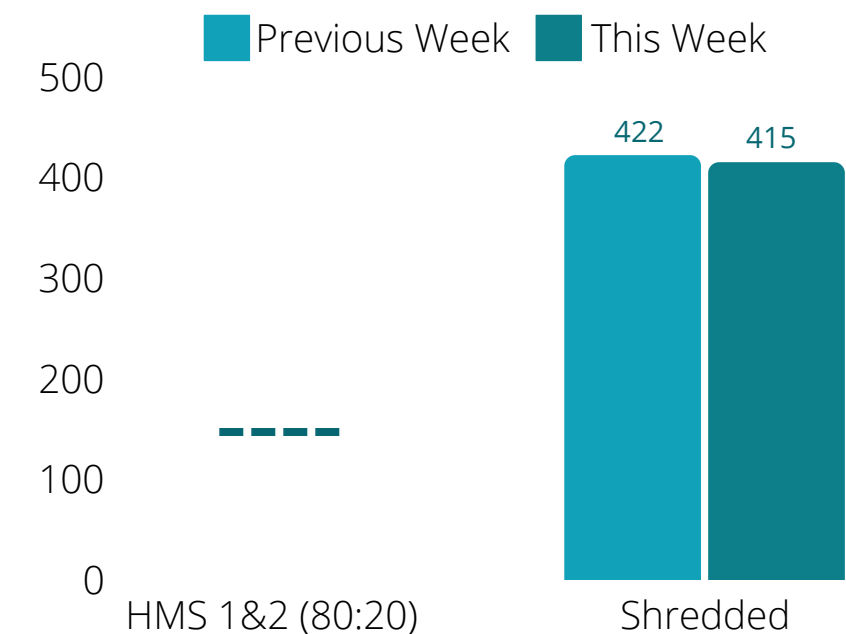
Beaching Dates

Throughout the month

Price for Recycling Ships in Pakistan



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



Türkiye

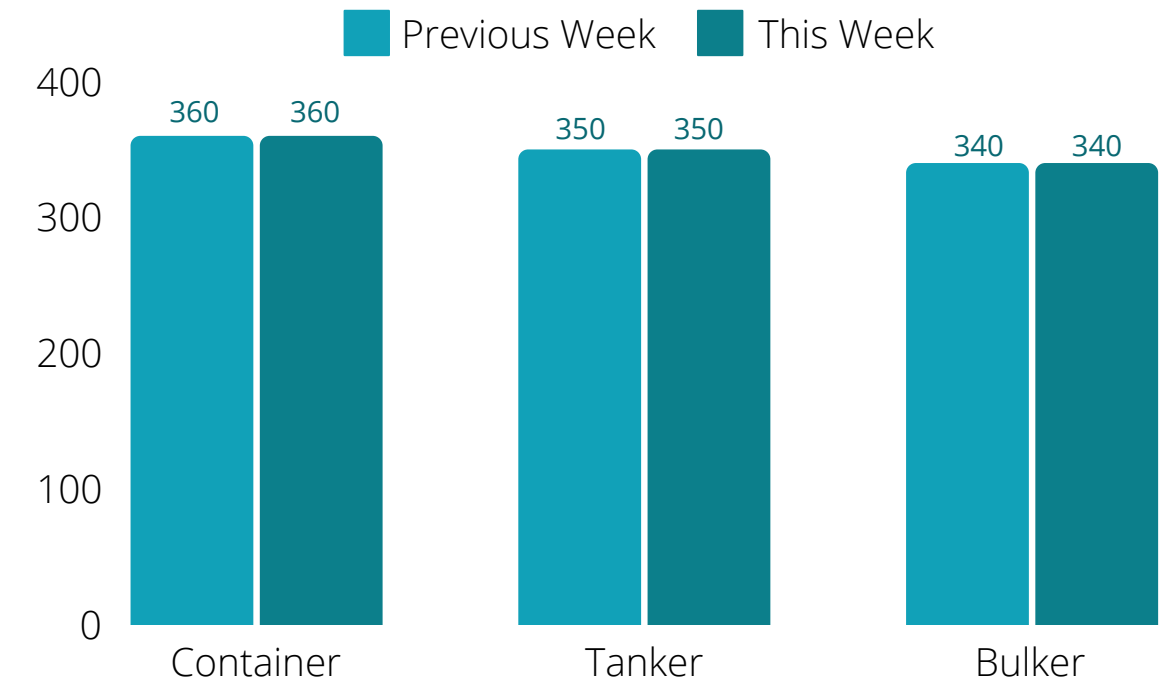
Market remains stable as participants look out for distant tonnage opportunities.

- The market continues to exhibit the same level of stability seen in previous weeks, with no significant changes. Participants are actively monitoring the situation, particularly keeping an eye out for tonnage opportunities that are presently not heading in their direction.
- The Turkish Central Bank projects an increase in the value of the Turkish lira and a significant reduction in inflation come June. This forecast aligns with the bank's commitment to maintaining a tight monetary policy, which has supported sustained profitability within the banking sector despite prevailing high inflation conditions.

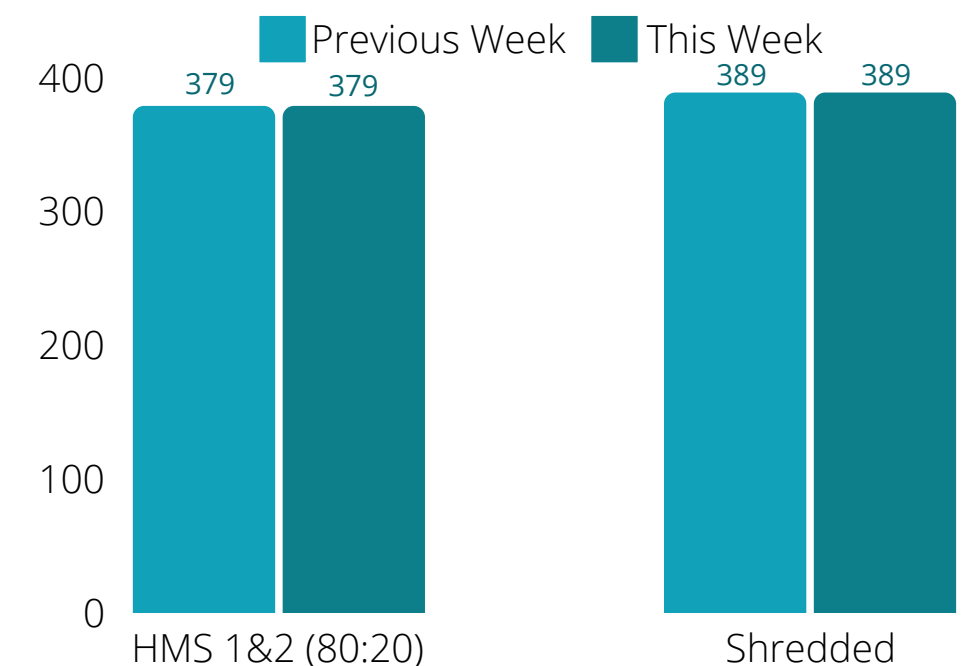
Beaching Dates

Throughout the month

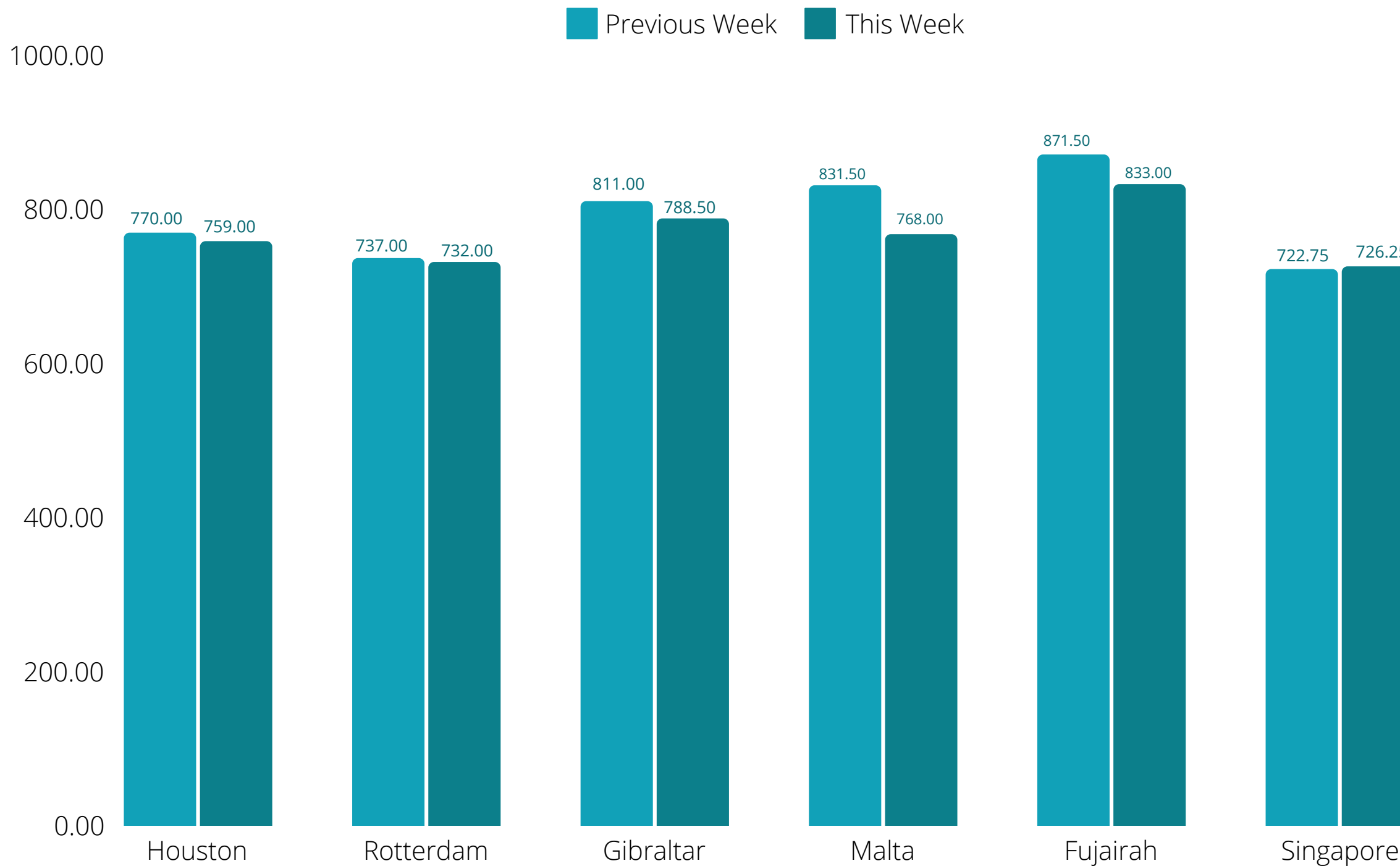
Price for Recycling Ships in Türkiye



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



Bunker Prices at Port



Brent Crude

This Week : 81.07
 Previous Week : 83.70
 Movement : - 2.63

WTI Crude

This Week : 76.54
 Previous Week : 79.52
 Movement : - 2.98

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)
GREEN ATLANTIC	REEFER	8320585	1985	UK	2,378	DELIVERED	ALIAGA, TURKIYE	UNDISCLOSED
UNI-ASSURE	CONTAINER	9130597	1999	JAPAN	7,099	AS-IS	PIRAEUS	373
EVER URANUS	CONTAINER	9168855	1999	JAPAN	24,328	AS-IS	PORT KELANG	542
GAKU	VEHICLES CARRIER	9143764	1997	JAPAN	7,795	DELIVERED	CHITTAGONG,BANGLADESH	516
BAO DI LONG 8	GENERAL CARGO	1046922	2006	CHINA	3,133	DELIVERED	CHITTAGONG,BANGLADESH	485
URANUS J	BULKER	9114464	1995	JAPAN	5,778	DELIVERED	GADANI, PAKISTAN	525
PILATUS 21	LPG TANKER	8822258	1989	JAPAN	889	DELIVERED	CHITTAGONG,BANGLADESH	520
FPSO CAPIXABA	FPSO	7370193	1974	JAPAN	54,656	DELIVERED	DENMARK (EU GREEN RECYCLING)	UNDISCLOSED

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