



bestoasis

Recycling with the Best

Weekly Ship Recycling Report

27 July - 02 August 2024

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Highlights of the week

The ship recycling industry continues to struggle across all four major destinations. In India, the market remains stagnant with no available tonnage and little hope for improvement until after the monsoon, as the new budget has failed to generate momentum. Bangladesh sees minimal interest from recyclers due to the monsoon, international steel prices, and low demand for ship scrap, though a few recyclers are still showing interest despite political challenges. Pakistan's market conditions remain poor with few active buyers and minimal activity. In Turkiye, the market is virtually inactive, showing no signs of progress or activity for an extended period.

The global shipping industry is facing disruptions similar to those seen during the COVID-19 pandemic, significantly impacting various sectors. A severe container shortage is worsening supply chain issues. With rising freight rates, shipowners are more inclined to keep their vessels in operation rather than sending them for demolition, resulting in fewer ships available for scrapping and contributing to the sluggish conditions in ship recycling destinations.

China's steel exports are projected to hit a record high in 2024 due to overproduction and declining domestic demand. Analysts foresee reduced steel consumption in China for the coming years, which will impact global steel prices and consumption.

Exchange Rates:

🇺🇸 USD / INR ₹

This Week : 83.74
Previous Week : 83.71
Lost : 0.03

🇺🇸 USD / BDT ₳

This Week : 117.46
Previous Week : 117.48
Gained : 0.02

🇺🇸 USD / PKR ₳

This Week : 278.48
Previous Week : 278.28
Lost : 0.20

🇺🇸 USD / TRY ₳

This Week : 33.18
Previous Week : 33.05
Lost : 0.13

India



Market stagnation continues amid depressed conditions and lack of tonnage.

- The market remains unchanged from the previous week, with a lack of available tonnage, indicating a continued state of depression.
- We can only expect potential relief after the monsoon season, as the new budget has not succeeded in stimulating market momentum.
- India's steel ministry has requested the commerce ministry to investigate imports of cheaper steel from China, Vietnam, and other sources and provide recommendations to the Ministry of Finance. Preliminary data shows India became a net importer of metal products in 2023/2024, with rolled goods imports hitting a five-year high in April and May 2024. The availability of such cheap steel also impacts the ship steel scrap market.

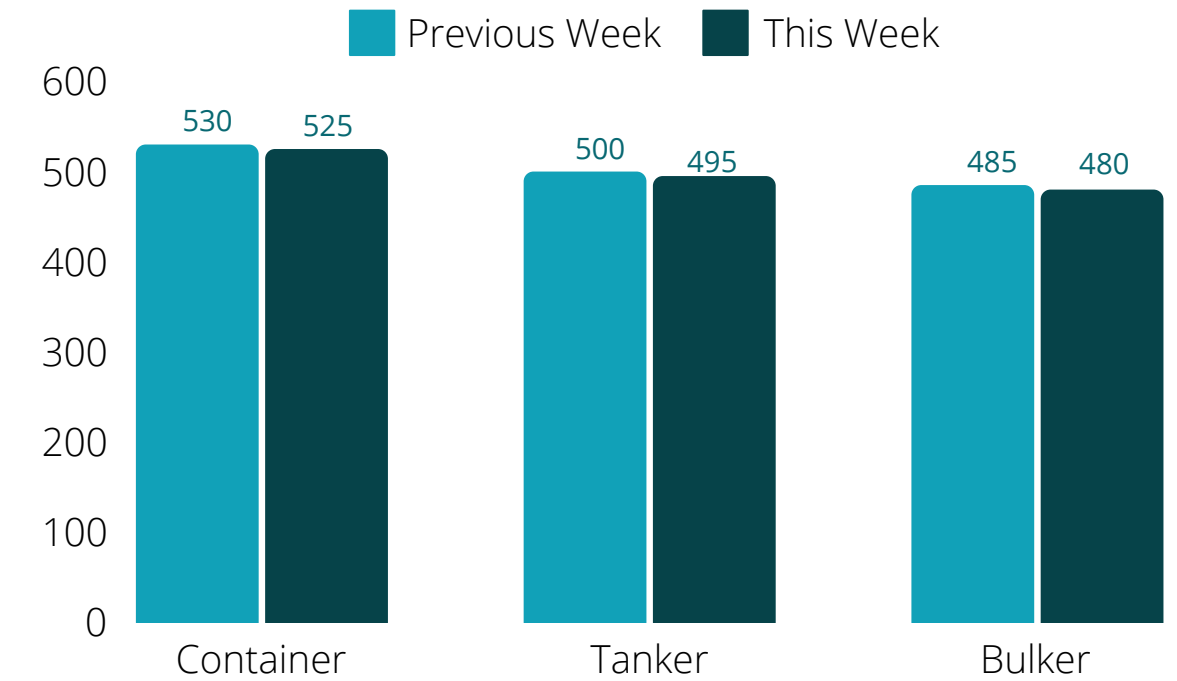
Beaching Dates

02 August to 08 August 2024

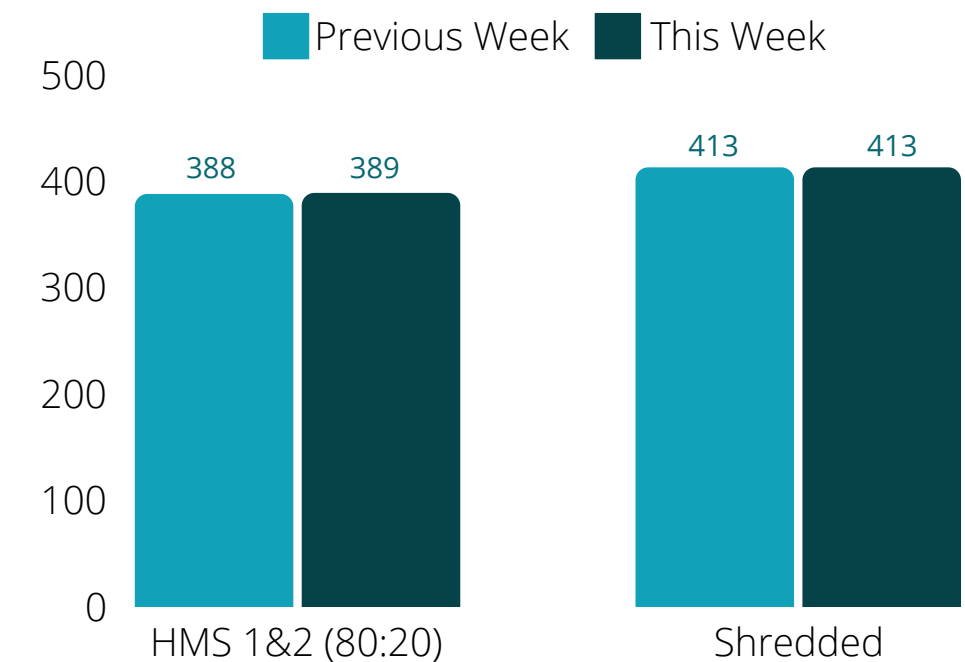
17 August to 26 August 2024

31 August to 06 September

Price for Recycling Ships in India



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



Bangladesh



Market sees minimal interest from recyclers due to monsoon, steel prices, and low ship scrap demand.

- The situation remains unchanged from the previous week, with minimal interest from recyclers in acquiring new ships.
- The primary factors are the monsoon season, international steel prices, and low demand for ship scrap.
- Although the political situation remains unfavorable, there are still a few recyclers demonstrating interest.
- Bangladesh's foreign exchange reserves fell by USD 1.30 billion to USD 20.49 billion in July. The net reserve dropped to USD 15.47 billion last month. Additionally, Bangladesh Bank instructed some banks to offer a higher exchange rate for US dollars to attract remitters to send their income through formal channels.

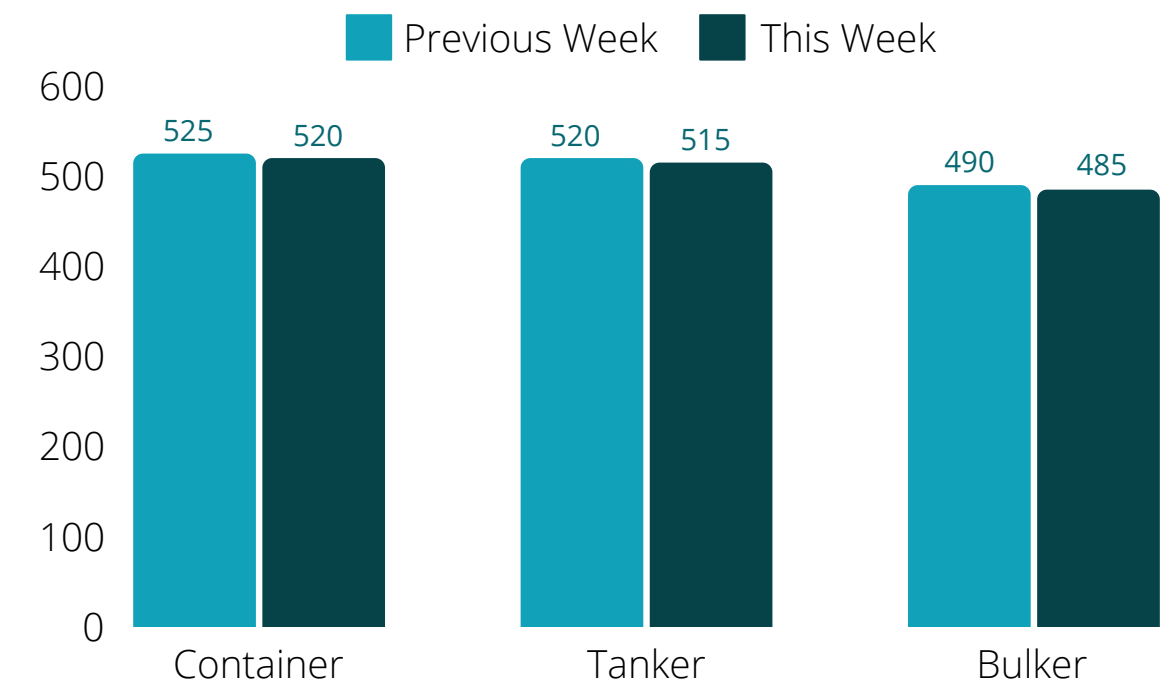
Beaching Dates

04 August to 07 August 2024

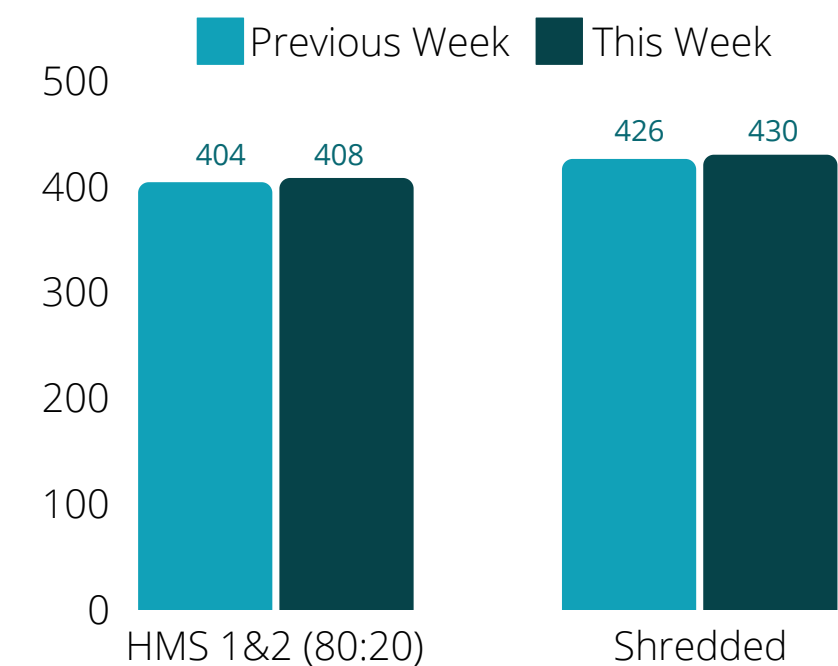
19 August to 22 August 2024

02 September to 05 September

Price for Recycling Ships in Bangladesh



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



Pakistan

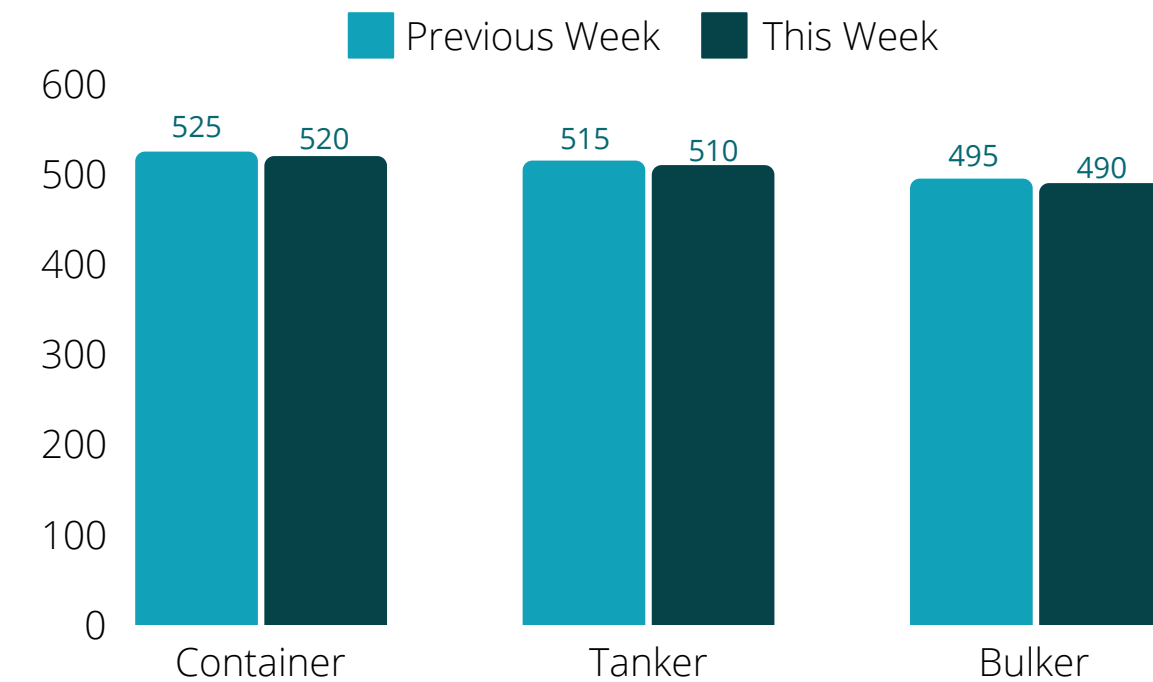
Market conditions unchanged, remaining challenged with minimal activity and few active buyers.

- The market remains the same as last week, continuing to be in poor condition. With only a few active buyers, there is minimal market activity.
- The revival of the Pakistan Steel Mill and the establishment of a Special Economic Zone (SEZ) on the remaining land are being discussed.
- Pakistan's central bank cut the key interest rate by 100 basis points to 19.5 percent, following June's reduction from a record 22 percent due to easing inflation.
- Fitch Ratings upgraded Pakistan's long-term foreign currency issuer default rating from CCC to CCC+, citing increased certainty of continued external funding.

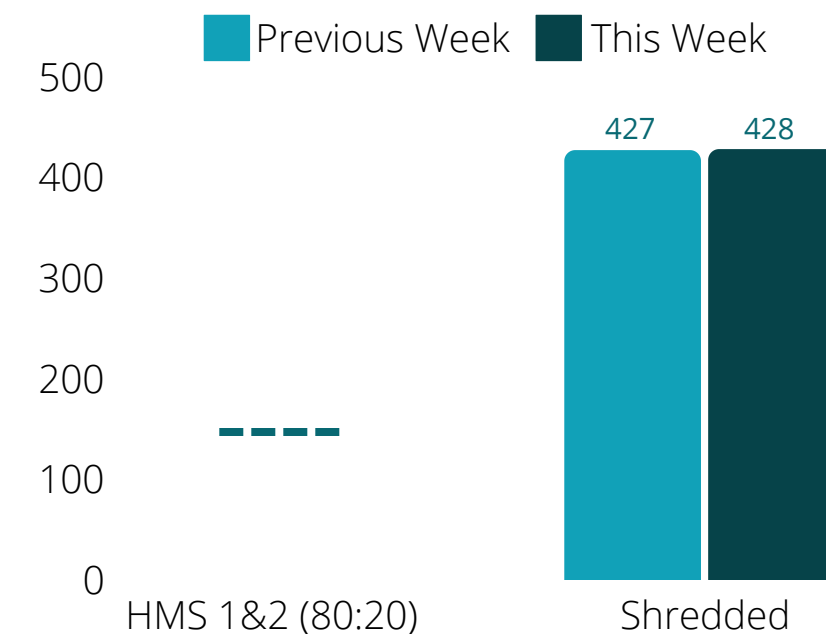
Beaching Dates

Throughout the month

Price for Recycling Ships in Pakistan



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



Türkiye

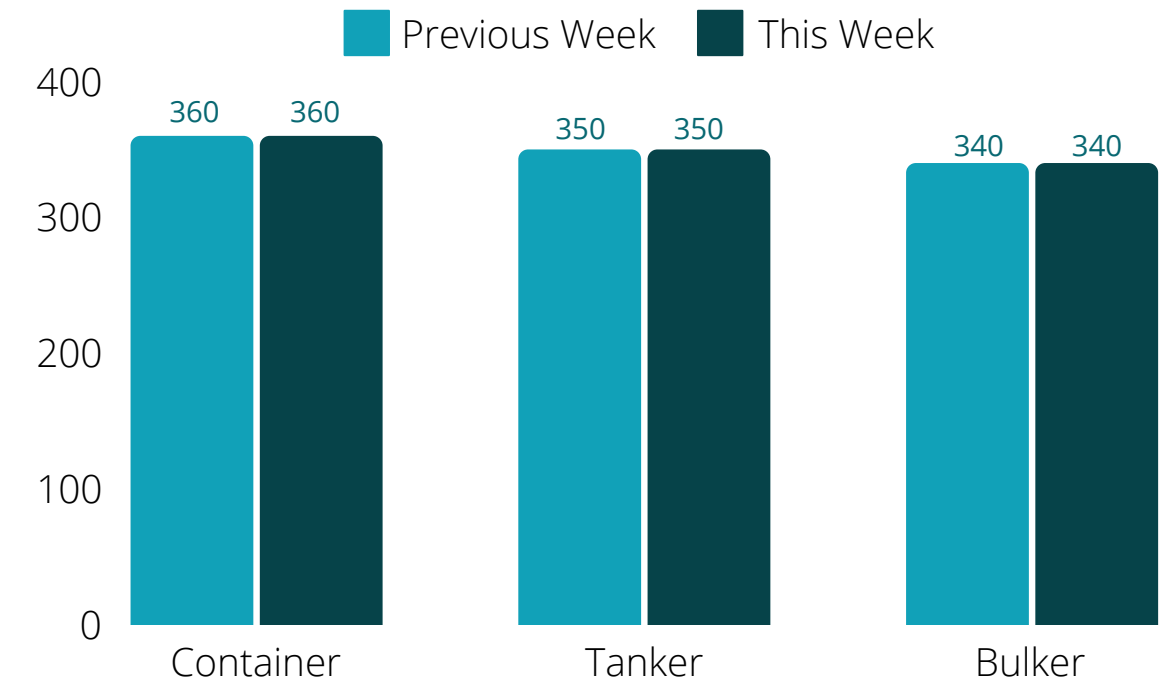
Market in hibernation: no activity, movement, or tonnage for quite some time now.

- The market is practically dead, showing no signs of activity and remaining stagnant for an extended period. There has been an absence of any movement or progress for a long time now.
- On the political front, Turkey has blocked NATO-Israel cooperation since October due to the Gaza war, insisting NATO should not engage with Israel until the conflict ends.

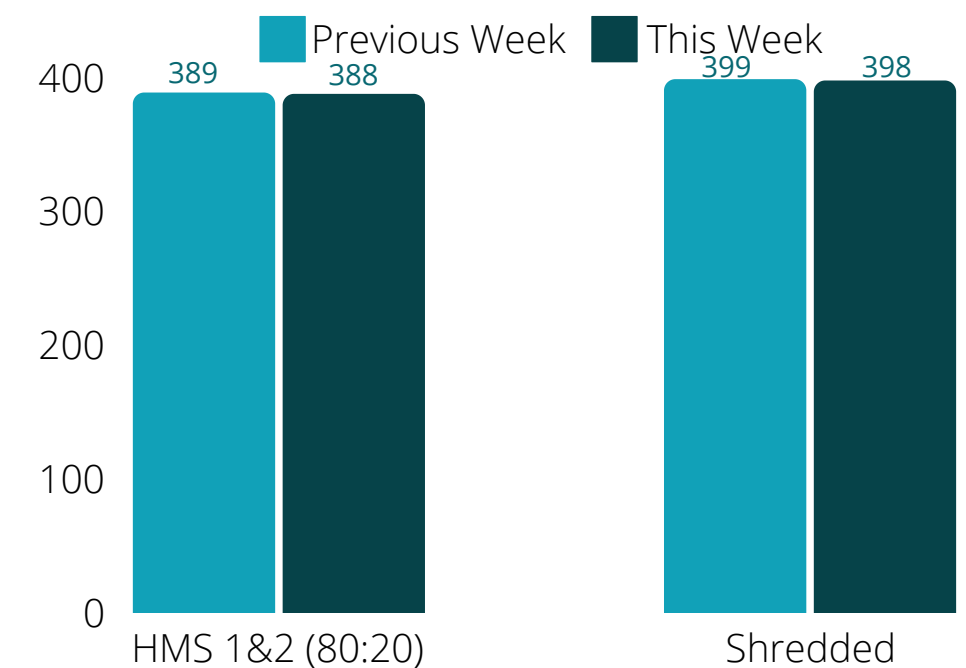
Beaching Dates

Throughout the month

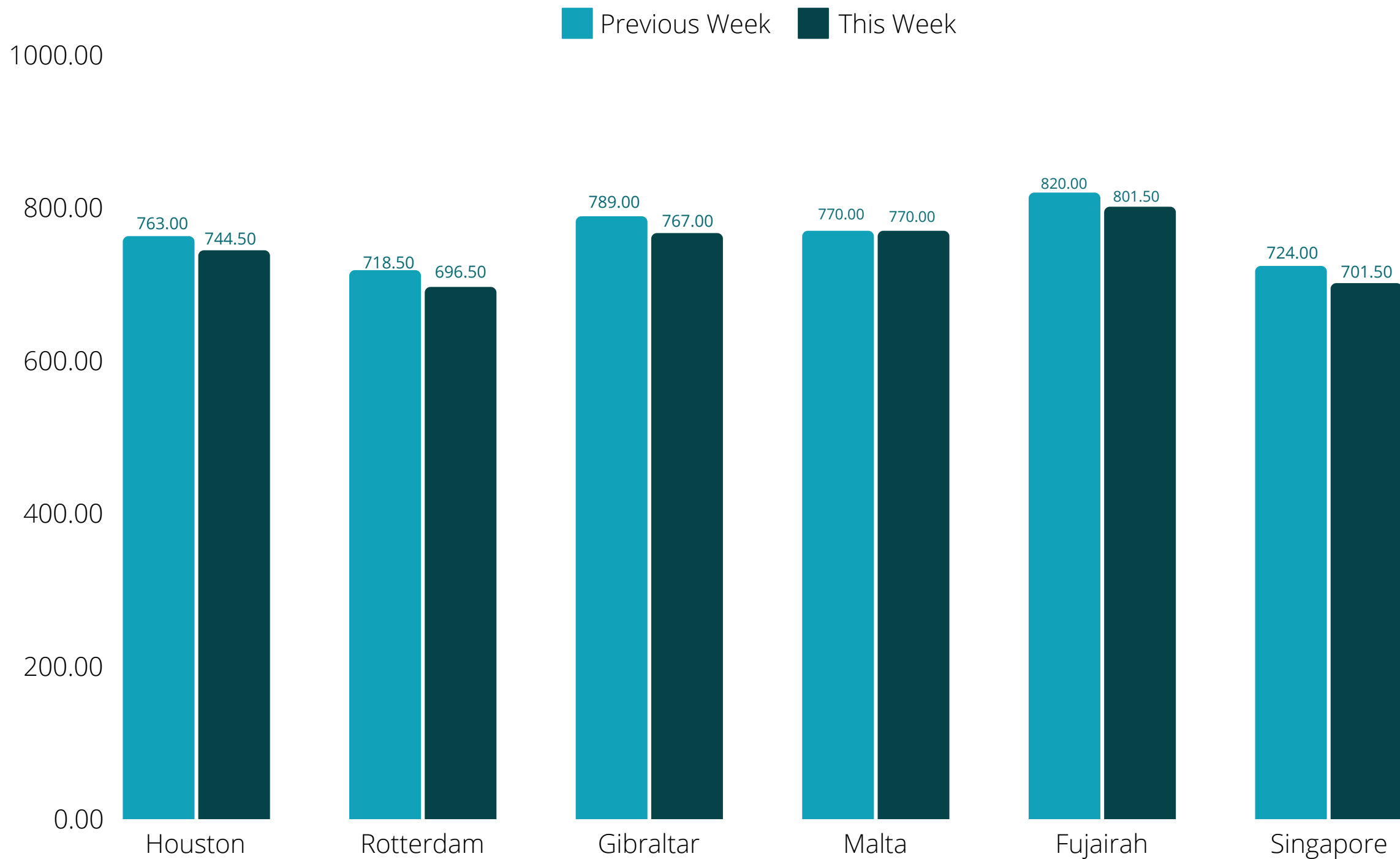
Price for Recycling Ships in Türkiye



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



Bunker Prices at Port



Brent Crude

This Week : 80.25
Previous Week : 82.33
Movement : - 2.08

WTI Crude

This Week : 77.07
Previous Week : 78.19
Movement : - 1.12

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)
HAI 351	BULKER	1073365	2005	CHINA	4,352	DELIVERED	CHITTAGONG,BANGLADESH	UNDISCLOSED
MSC ANNAMARIA	CONTAINER	8521402	1987	GERMANY	8,800	DELIVERED	ALANG, INDIA YARDS A SPER MSC LIST	UNDISCLOSED
TAI	BULKER	1073406	2009	CHINA	3,231	DELIVERED	CHITTAGONG,BANGLADESH	455
SIA 20	GENERAL CARGO SHIP	8608444	1987	GERMANY	1,747	DELIVERED	CHITTAGONG,BANGLADESH	530
ICE RUNNER	REEFER	8311120	1984	SOUTH KOREA	6,937	DELIVERED	ALANG, INDIA	590

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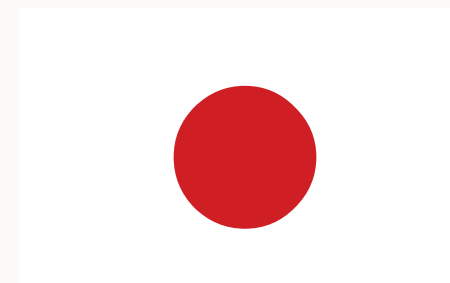


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