

# MSC in first boxship recycling sale of the year

*World's largest operator of containerships has sold 15 vessels for recycling since January 2023*

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Brokers report the sale of 30-year-old MSC Sophie to Indian recyclers in first containership recycling sale of the year. An expected upturn in the recycling of older containerships could be thwarted temporarily by changes to liner schedules following the crisis in the Red Sea



THE 3,424 TEU MSC SOPHIE WAS BOUGHT ON THE SECONDHAND MARKET IN 2002.

MEDITERRANEAN Shipping Co has sold a sub-panamax containership for Hong Kong Convention-compliant recycling in India.

Brokers reported the 3,424 teu *MSC Sophie* (IMO: 9073062) was sold to shipbreakers in Alang for \$565 per light displacement tonne. The sale price is said to include 1,200 tonnes of remain on board bunkers.

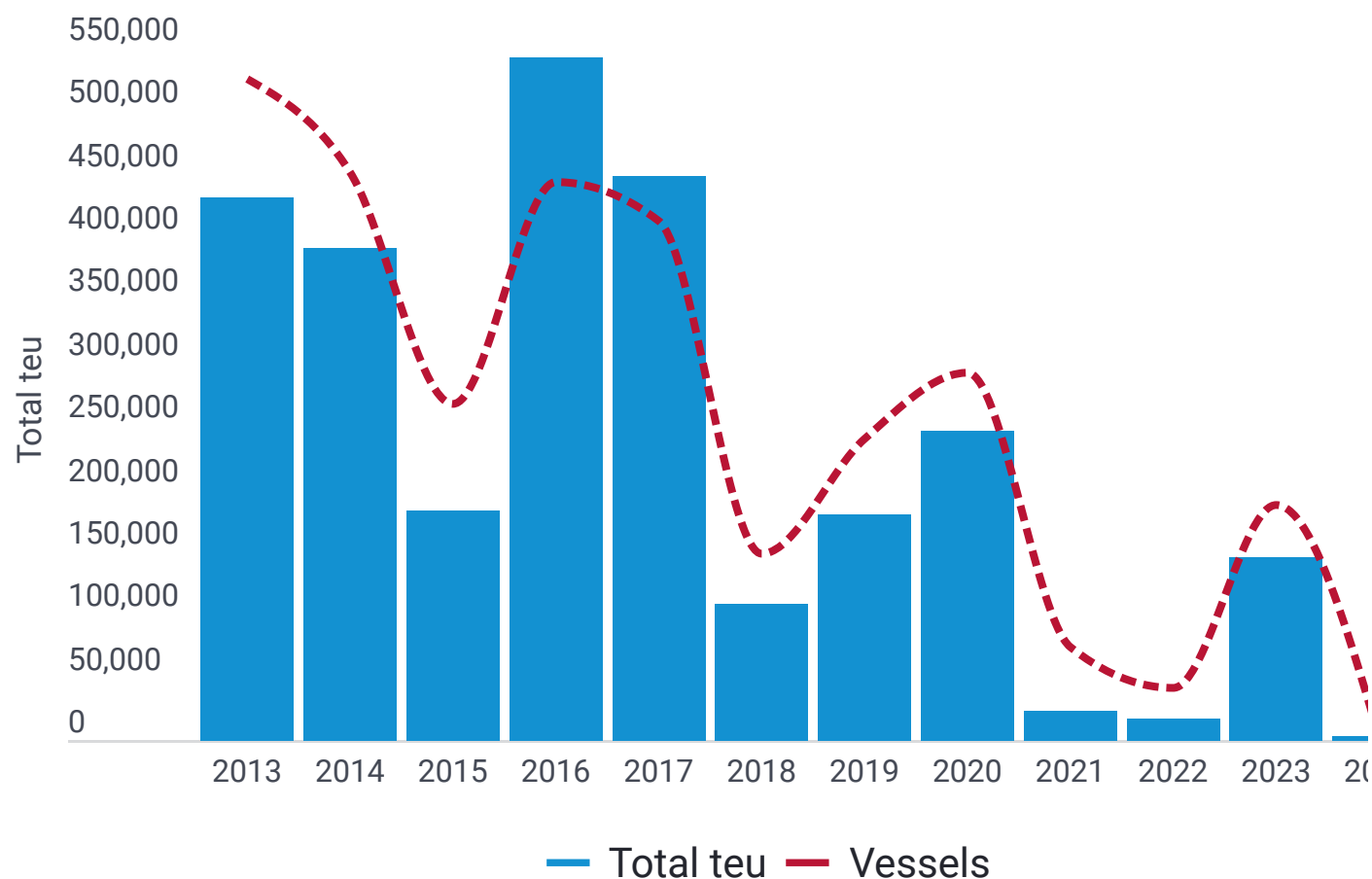
The 1993-built *MSC Sophie* joined the MSC fleet via the secondhand market in 2002 and was purchased from German non-operating owner Leonhardt & Blumberg.

It is one of nine sister vessels built originally for the charter market between 1993 and 1996 by South Korean shipbuilder Samsung Heavy Industries for Leonhardt & Blumberg and Greek shipowner Costamare. All nine ships were subsequently purchased by MSC.

*MSC Sophie*, which was due its sixth special survey imminently, was latterly serving on a China to Southeast Asia service and is the first vessel in the series to have been sold for recycling.

Its sale brings the total number of ships MSC has sold for scrap since the beginning of 2023 to 15 vessels.

## Containership demolition sales



Source: Lloyd's List/Lloyd's List Intelligence



While the recycling of containerships was expected to pick up in 2023 it fell far short of most analysts' expectations of up to 400,000 teu. Any upturn in recycling of older containerships could be thwarted, at least temporarily, by the crisis in the Red Sea as ship capacity requirements have been boosted by the need for Asia/Europe service vessels to omit port calls in the Red Sea and route ships via the Cape of Good Hope.

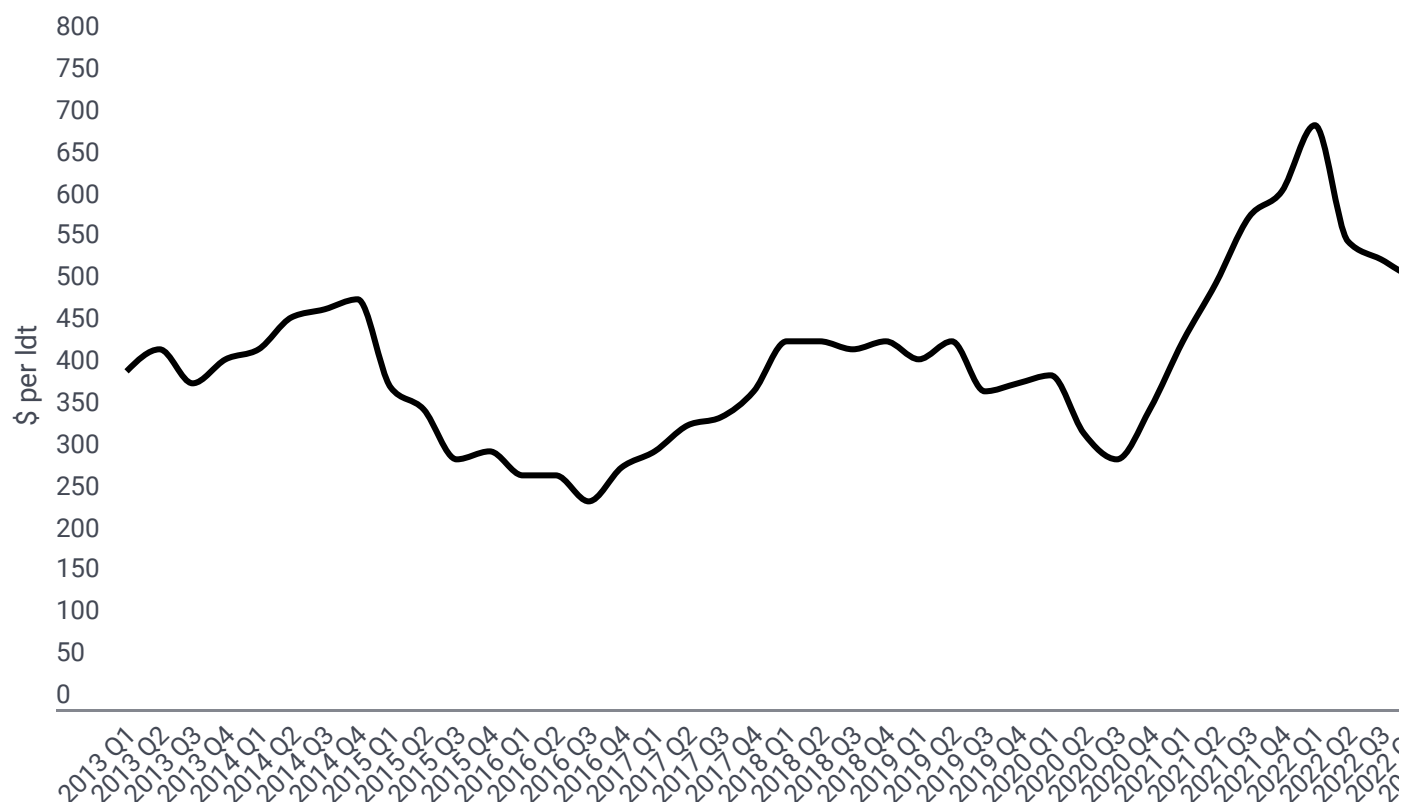
"The supply of fresh tonnages for recycling from the container sector is likely to be delayed because of the ongoing problems in the Red Sea which has increased freight rates. Though, we hope the problem is short lived due to protection forces getting together. The supply of fresh tonnages for recycling should be slow over the next couple of months," noted vessel cash buyer Wirana Shipping.

Meanwhile, the ship recycling market remains quiet with only one other vessel reported to have been sold for scrap in the past week comprising the Oman Navy's amphibious transport vessel *Aldhaferah* (IMO: 8509026)

that was sold on an “as is” basis for \$387 per ldt with delivery in Oman.

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## Average demolition pricing by quarter since 2013 (I subcontinent)



Source: Lloyd's List and Baltic Exchange



GMS noted that the ongoing dearth of tonnage being supplied to ship recyclers appears to have played a part in keeping price levels reasonably buoyant in most international ship recycling markets with prices of circa \$500 per ldt in the Indian subcontinent market and around \$350 per ldt for Türkiye.

“Certainly there are some very strong numbers to contend with given that lows in the \$200s per ldt greeted the subcontinent ship recycling markets only as recently as 2015/2016.”