

December 15th, 2023
Volume 256, Issue 1113
Week 50

QUOTE
of the
WEEK

“Fall seven times. Stand up eight.”

– Japanese Proverb

Highlights:

- Lackluster.
- Trickle of deals.
- Regulatory moves.
- UAE ruling.
- Adjustments ahead.

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MARKET COMMENTARY

NO BUMPER XMAS!

As we enter the final few weeks of the year, it is clear that sub continent markets are not going to have the bumper conclusion to 2023 that many had been hoping for.

Instead, only a trickle of deals are being done to muted markets, as demand and sentiments continue to struggle for another week.

There was one further container deal done, amidst a last quarter flurry, but dry bulk supply has stalled as trading markets have enjoyed an unexpected spike, and it seems many owners are holding on to see if either recycling prices or charter rates improve going into next year.

Some interesting regulatory developments have also been announced of late – not only Pakistan acceding to the Hong Kong Convention ahead of its entry into force in 2025, but also, somewhat surprisingly, the UAE announcing new rules on vessels bound for demolition.

Last week the UAE ruling stated that any vessels calling UAE ports or flying UAE flag, from March 2024 must go for HKC recycling only – stating in rather contradictory language that vessels cannot be beached or ‘landed’, thereby presumably ruling out the sub continent and Turkey for ship deliveries.

Further clarity on the intentions and aims of this ruling will be sought in the weeks ahead before owners and cash buyers alike begin this next phase of what is sure to be a busy next few years ahead for recycling after an overall slower 2022 and 2023.

For week 50 of 2023, GMS demo rankings / pricing for the week are as below.

Rank	Location	Sentiment	Dry Bulk USD / LDT	Tankers USD / LDT	Containers USD / LDT
1	India	Weak	510 / LDT	530 / LDT	550 / LDT
2	Pakistan*	Weak	500 / LDT	520 / LDT	540 / LDT
3	Bangladesh*	Weak	490 / LDT	510 / LDT	530 / LDT
4	Turkey	Improving	305 / LDT	315 / LDT	325 / LDT

*Subject L/C approval

BANGLADESH

UNREST!

Elections due.

Bangladesh has endured a miserable second half to the year – suffering with both constant strikes and a lack of available financing (leading to minimal workable LCs with which to pay cash buyers).

All eyes will be therefore focused on the upcoming nationwide elections of January 7th, but there seems little hope of a new party getting into power to stimulate the economy, so it is likely to be status quo there for the market unfortunately.

IMF loan hopes.

Port reports remain barren as yards empty out again, so the hope is that once the second part of the IMF loan comes in next week or so (approx. USD 600 million worth), some of the LC capabilities may ease up and some buying will resume.

NO MARKET SALES REPORTED

INDIA

COUNTING ON CONTAINERS!

Several local sales have taken place at improving levels into a somewhat tentative Indian market this week. The major supply of units remains containers – and this is expected to continue going into the next few year for this beleaguered sector.

Tentative.

One such deal saw the SSL DELHI (10,669 LDT) concluded in the latest sale from the Transworld group this year, for a firm USD 532/LT LDT as is Sri Lanka with 100 Ts bunkers for the voyage.

The INR is trading in the low 83s to the US dollar, whilst steel prices have endured another disappointing week, having seen 7-8 percent lost from local markets over the preceding month, contrary to the upward movements of international steel.

Steel losses.

MARKET SALES REPORTED

VESSEL NAME	TYPE	LDT	REPORTED PRICE
SSL DELHI	Container	10,669	USD 532/LT LDT ('as is' Sri Lanka with 100 Ts bunkers)

PAKISTAN

RENEWED TENACITY!

Switching positions.

Pakistan has switched positions with India to lose out as the top placed sub continent market over this most last week, simply due to the fact that there are minimal new LC approvals in place after the last set of mostly panamax bulker sales.

Steel prices are firm, the currency more settled than in recent times, plots remain largely empty and demand is there to acquire, yet financing and LC ability remains the chief barrier to fresh transactions.

LC concerns.

Moving into next year, hopefully this volatile and unpredictable situation starts to resolve itself and Gadani buyers can get back into the action with a renewed tenacity and hunger.

NO MARKET SALES REPORTED

TURKEY

FIRMER YET!

Turkey continues to surprise the industry, with weekly ongoing improvements amidst a key depreciating fundamental that should have taken the steam entirely out of its domestic ship-recycling market.

As import steel plate prices improved by another USD 8/Ton, which may have (directly or indirectly) affected local offerings by another USD 5/MT this week, the Lira continues to commensurate its ongoing demise against the U.S. Dollar, as it treads deeper towards an eventual TRY 29 leap.

Overall, this market, while firming, continues to suffer from the deathly starvation of meaningful tonnage.

USD 8/MT jump.

Closer to TRY 29?

INTERESTING FACTS

- *The James Webb Space Telescope captured the deepest and sharpest infrared image of the universe ever. This image, nicknamed "Cosmic Cliffs," reveals galaxies formed billions of years ago, offering a glimpse into the early universe..*
- *Scientists created the first ever self-replicating DNA molecule. This breakthrough could pave the way for new forms of genetic engineering and medicine.*
- *A new species of giant tubeworm was discovered living in the depths of the Mariana Trench. These bizarre creatures can grow up to 3 meters long and survive on chemosynthesis, thriving in extreme environments.*
- *The world’s largest coral restoration project began in the Great Barrier Reef. This ambitious effort aims to restore damaged coral reefs using 3D-printed structures and innovative techniques.*
- *A massive iceberg, twice the size of New York City, broke off the Thwaites Glacier in Antarctica. This event raises concerns about the impact of climate change on polar ice sheets.*
- *The first all-civilian space mission, Inspiration4, successfully completed a three-day orbit around Earth. This mission marked a significant step forward in private space travel.*
- *The excavation of a 1,000-year-old Viking longhouse in Norway revealed the remains of a feasting hall and workshops. This discovery sheds new light on Viking life and culture*

IMPORTANT DATES

INDIA	
BANK HOLIDAYS	BEACHING TIDES
December 24 – Christmas Eve December 25 – Christmas Day December 26 – Christmas Holiday December 31 – New Year’s Eve	November 12 – November 19 November 25 – December 02 December 11 – December 19 December 24 – December 31

BANGLADESH	
BANK HOLIDAYS	BEACHING TIDES
December 16 – Victory Day December 25 – Christmas Day December 31 – Bank Holiday	November 25 – November 28 December 12 – December 15 December 26 – December 29

IMPORTANT BANK HOLIDAYS		
CHINA	PAKISTAN	TURKEY
No holidays in December	December 25 – Quaid-e-Azam Day December 26 - Day After Christmas	No holidays in December

Prices indicated above are as reported in the market and are not necessarily accurate. This information is provided without prejudice and is given in good faith and without any guarantees whatsoever. While every care has been taken in the preparation of this report, no liability can be accepted for any loss incurred in any way whatsoever by any person relying on the information contained herein. Opinions expressed herein may be deemed subjective and arbitrary. This WEEKLY is intended only for the person or entity to which it is addressed and may contain confidential and/or privileged material. Any review, retransmission, dissemination, or other use of this information by persons or entities other than the intended recipient is prohibited.

ALANG - Port Position as of December 15, 2023

No.	VESSEL NAME	LDT	TYPE	STATUS
1	One Story	7,775	Bulker	Arrived December 9
2	Yang	7,481	Bulker	Arrived December 11
3	Aleksandr Shalin	839	Fish Carrier	Arrived December 11
Total Tonnage		16,095		

CHATTOGRAM - Port Position as of December 15, 2023

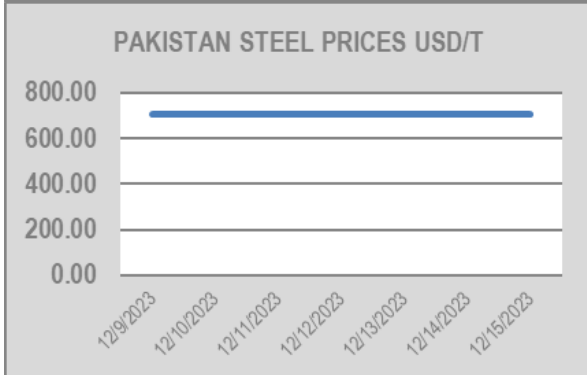
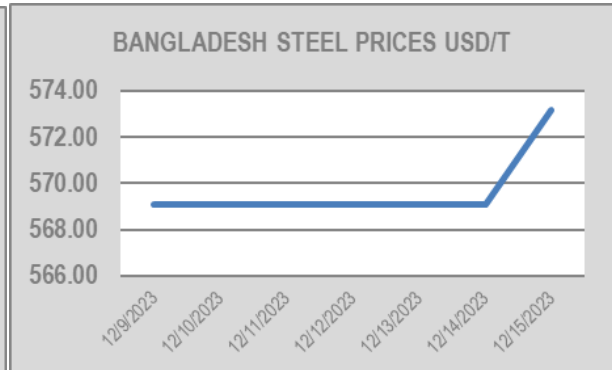
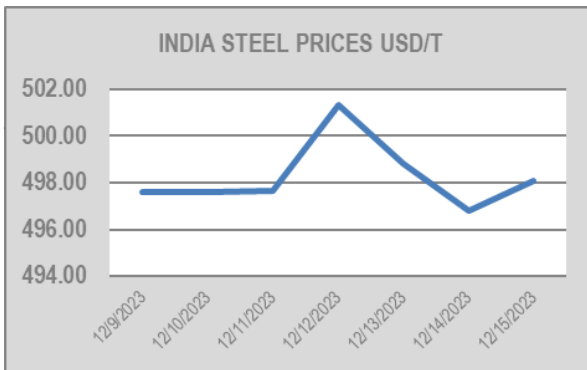
No.	VESSEL NAME	LDT	TYPE	STATUS
1	Shun Shin	527	General Cargo	Beached December 11
Total Tonnage		527		

GADANI - Port Position as of December 15, 2023

No.	VESSEL NAME	LDT	TYPE	STATUS
No new vessels reported.				
Total Tonnage		0		

WHILE EXTREME CARE HAS BEEN TAKEN IN THE PREPARATION OF THIS REPORT, NO LIABILITY CAN BE ACCEPTED FOR ANY LOSS INCURRED IN ANY WAY WHATSOEVER BY ANY PERSON RELYING ON THE INFORMATION CONTAINED HEREIN.

DATE	INDIA STEEL PRICES USD/T	INDIA STEEL PRICES	PAKISTAN STEEL PRICES USD/T	PAKISTAN STEEL PRICES	BANGLADESH STEEL PRICES USD/T	BANGLADESH STEEL PRICES	CHINA STEEL PRICES USD/T
12/9/2023	497.60	41,500.00	706.71	200,000.00	569.11	70,000.00	365.99
12/10/2023	497.60	41,500.00	706.71	200,000.00	569.11	70,000.00	365.99
12/11/2023	497.66	41,500.00	706.71	200,000.00	569.11	70,000.00	365.99
12/12/2023	501.32	41,800.00	706.71	200,000.00	569.11	70,000.00	370.22
12/13/2023	498.80	41,600.00	706.71	200,000.00	569.11	70,000.00	370.22
12/14/2023	496.82	41,400.00	706.71	200,000.00	569.11	70,000.00	370.22
12/15/2023	498.08	41,500.00	706.71	200,000.00	573.17	70,500.00	371.35



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