

# DG WEEKLY 38 / 2020 | www.demogate.com

## INDICATIVE DEMO VALUES

Weekly Change  
- 70.000\$  
Value

**4,6 usdm** (Dely Bangla)



2500 TEU / 12.432 mts ltd /  
~ 25 (23) years\*

**Container**

Weekly Change  
- 50.000\$  
Value

**3,1 usdm** (Dely Bangla)



72.000 DWT / 8.872 mts ltd /  
~ 27 (29) years\*

**Bulker**

Weekly change  
- 100.000\$  
Value

**5,6 usdm** (Dely Pakistan)



75.000 DWT / 15.505 mts ldt /  
~ 30 (27) years\*

**Tanker**

Weekly change  
+ 30.000\$  
Value

**0,74 usdm** (Dely Bangla)



2800 DWT / 2.123 mts ldt

**AHTS**

\*this is the quarterly adjusted average scrapping age of the vessel type (in brackets the average of last year)

## USD / LDT – INDICATIVE MARKET PRICES

	Change	Tanker (HKC)	Container (HKC)	Dry Bulk (HKC)	Avg. last 3 years <sup>3)</sup>
<b>India</b>	stable	335 (330)	350 (345)	330 (325)	375
<b>Bangladesh<sup>1)</sup></b>	+ 5 %	355	375	355	378
<b>Pakistan</b>	- 2 %	365	370	355	372
<b>Turkey<sup>2)</sup></b>	stable	210 (205)	220 (215)	200 (195)	254

\*All prices are indicative only based on average indications for standard tonnage - all prices in usd / lt/ldt.

1) In Bangladesh only one yard has been awarded a HKC compliance certificate

2) In turkey 8 Yards comply with the EU-SRR and respectively the price in brackets refers to this recycling standard

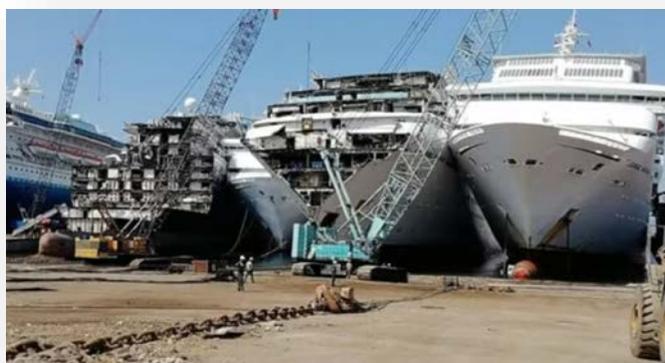
3) The average accounts for the highest price category (i.e. Container Vessels)

## COMMENT

Increasing offers and indications have finally put Bangladesh on top of the table or at least at levels where they start to snap up tonnage again after Pakistan cooled-off slightly with tonnage at Gadani beach piling up. The '88 built Roro `Single Eagle` has been traded at levels of very high \$390 per lt/ldt basis delivery in Chittagong.

While the two destinations are competing on non-green tonnage India is left out on purely commercial tonnage while it keeps on snapping up Vessels that for recycling in line with the HKC like the Car Carrier `Polaris Ace`.

Steel prices were relatively stable and just increased slightly on melted scrap that is trading at \$336 per ton and plate prices at \$392 per ton. Price in turkey remain stable although it is getting increasingly crowded in Aliaga.



The Aliaga Ship recycling zone is becoming packed with new arrivals. The latest cruise vessel `Carnival Imagination` has found her final parking place just next to her sister ships.

## CONTACT

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All details are given in good faith but without guarantee as to accuracy or completeness.

## REPRESENTATIVE FIXTURES

Name	Type	LDT	Built year	Built where	Delivery	Price It/Idt
<b>MV Sinokor Yokohama</b>	Cont	4.768	2000	PRC	Chittagong	~ \$ 385
Sold for final breakup in Bangladesh – Flag: KRS						
<b>MV Polaris Ace</b>	PCC	12.700	1997	JPN	Alang	~ \$ 278
Sold for final breakup in India for HKC compliant recycling in Plot 57 (Lakshmi Steel Rolling Mills Unit II   Class NK) – Flag: Panama						
<b>MV Vega Zeta</b>	Cont	5.805	2006	PRC	Aliaga	~ \$ 210
Sold for final breakup in Turkey after damage as `Ega Ze` under the flag of Zanzibar, previous flag: Liberia						

Total Demolition	2020 ytd		2019	
Bulk	9.191.634 dwt	81 (78) vessels	7.880.246 dwt	93 vessels
Tank	1.369.047 dwt	38 (38) vessels	4.427.162 dwt	87 vessels
Container	157.680 TEU	62 (62) vessels	199.891 TEU	100 vessels

\*Last week's numbers are being shown in brackets / we are reporting **actual deletions** (beached or at the yard), the number of Vessels sold for demolition varies

## SNAPSHOT: History of Ship Recycling *Destinations*

Before giving an outlook on where the industry is heading we wanted to cover some historical developments and facts on ship recycling as an industry, which has always been an integral part of the wider shipping universe, but has operated in quite an opaque, under-the-radar manner making relatively unknown to many stakeholders.

*A vintage Bulk Carrier in its final parking position before breakup at the shore of Alang, India.*



As shipbuilding shifted eastwards in the 1970s, so did recycling, with Taiwan becoming the principal destination until an explosion on 11/08/1986 on board the oil tanker MT *Canari* killed 14 and injured 47. The ensuing public outcry led to a swift legal crackdown.

Almost overnight ship recycling in Taiwan disappeared and 'reappeared' in Alang, where MV *Kota Tenjung* had been beached 3 years earlier on 13/02/1983 – the first vessel of many.

Taiwan's demise led to an explosion in ship recycling in Alang and by 1989 40,000 workers were based in the area, employed by the yards. Pakistan and Bangladesh followed hot on India's heels. More to follow next week!

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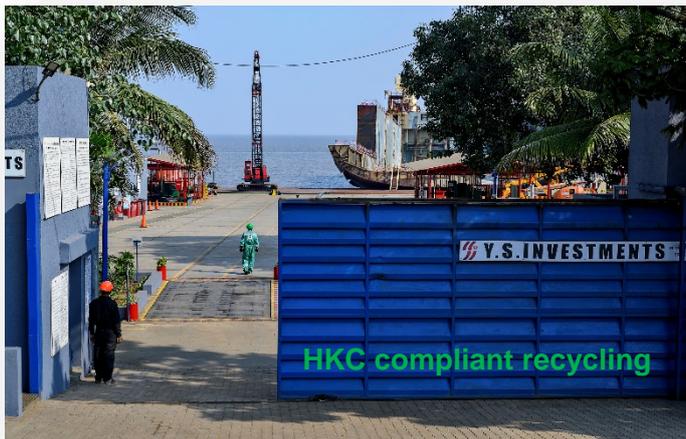
## YARD OF THE WEEK: Y.S. INVESTMENTS (INDIA)



Recycling Standard / Certification



\*not in the EU list



Situated on the shores of Alang in Gujarat, India, the Y.S. Investments Facility is a fully Hong Kong Convention compliant (Class NK & Lloyds register) Yard that operates Plot No. 59 at Alang Ship Recycling Zone for dismantling and recycling activities.

The Facility is currently headed by Managing Director Mr. Naeem Masani who has a broad experience in the recycling industry in Alang.

The Facility has a track record with international top owners demanding the highest standards that go beyond the requirements of the Hong Kong Convention that yet has to enter into force.

The Facility has been recycling obsolete Vessels on behalf of Mssrs. Maersk, Odfjell, CMA CGM and MOL according to the Facilities Quality Policy and Standards.

Track record



- Statement of Compliance with the Hong Kong Convention (Class NK, 2015)
- Certified for ISO Standard 9001:2015 by Bureau Veritas
- Certified for ISO Standard 14001:2015 by Bureau Veritas
- Certified for OSHAS Standard 18001:2007 by Bureau Veritas
- Certified for ISO Standard 30000:2009 by Bureau Veritas

The Facility is furthermore in compliance with the ship regulation (EU) No 1257/2013 and applied to be included in the EU Whitelist of ship recycling facilities (though the inclusion of Indian yards unfortunately is still pending). On the right hand side you see Mr. [Naeem Masani](#) in front of a retired Maersk Line Vessel.



The Facility has an annual recycling capacity of approximately 35.000 lt/ldt, a breadth restriction of roughly 55 meters and operates a modern infrastructure including a 300 ton main and three smaller cranes (2x20 & 1x11 tons). It is built on an impermeable floor in order to avoid pollution to the soil. The Facility employs around 30 staff permanently while the number of workers can increase up to 150 while recycling operations are taking place.

Over the decades the Y.S. Investments Breaking Facility has successfully demolished dozens of Vessels of all types including Bulk Carriers, Container Vessels and Tankers.

For more information visit: <http://www.ysirecycling.com/>

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