

DG WEEKLY 46 / 2020 | www.demogate.com

INDICATIVE DEMO VALUES

Weekly Change
stable
Value

4,7 usdm (Dely Pakistan)



2500 TEU / 12.432 mts ltd /
~ 26 (25) years*

Container

Weekly Change
stable
Value

3,2 usdm (Dely Pakistan)



72.000 DWT / 8.872 mts ltd /
~ 30 (28) years*

Bulker

Weekly change
stable
Value

5,7 usdm (Dely Pakistan)



75.000 DWT / 15.505 mts ldt /
~ 30 (31) years*

Tanker

Weekly change
stable
Value

0,7 usdm (Dely India)



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 ³⁾
India	stable	360 (350)	370 (365)	350 (345)	375
Bangladesh¹⁾	stable	355	360	355	378
Pakistan	stable	375	385	365	376
Turkey²⁾	stable	205 (200)	215 (210)	195 (190)	257

*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 6 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)

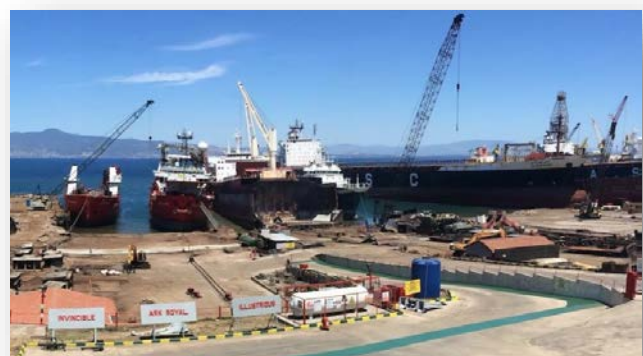
COMMENT

While we are hearing and seeing some signs that the **Pakistani** market is cooling off slightly after its latest price rally, some Cash Buyers seem to remain bullish committing Bulk Carriers above very strong \$390 levels. In general this week was rather quiet in terms of fresh tonnage entering the market with healthy freight markets.

In **Bangladesh** the 'Cartel' is still pricing vessels around \$350-360 levels though we expect a fresh buying wave to start any time soon with prices in Pakistan softening a bit and inventories in Chittagong shrinking. Last week the 'Cartel' snapped up 3 tankers with stainless steel components.

The market in **India** has been relatively quiet again this week. Plate prices are quoting \$10 stronger at \$347 per ton and Melting scrap trading at a stable \$382 per ton.

The Ship Recycling Zone in Aliaga, Turkey, packed with different vessels. The beach is very crowded this year due to the higher demand for EU_SRR compliant recycling capacity but also due to the unprecedented crisis being experienced by the cruise sector.



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	Terms	Price lt/ldt
MV ABK Trader	Bulk	6.011	1991	JPN	Dely Gadani	~ \$ 392
Sold for final Breakup in Pakistan – Flag: Singapore						
MV Prospery	PCC	2.700	1995	MYS	Dely Chittagong	~ \$ 361
Sold for final Breakup in Bangladesh – Flag: Sierra Leone						

Total Demolition	2020 ytd		2019	
Bulk	11.477.346 dwt	103 (99) vessels	7.880.246 dwt	93 vessels
Tank	1.726.725 dwt	51 (50) vessels	4.427.162 dwt	87 vessels
Container	180.735 TEU	76 (76) 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: RECYCLING METHODS *Landing*

Landing is very similar to the beaching method that is being used in the sub-continent but despite this it has a much greener image.

While the tidal ranges in India and Bangladesh allow beaching, landing is practiced in areas with a low tidal range.

In Turkey, where the landing method is used, the tidal range is about half a meter compared to 10 meters in Alang, India.

Vessels are being landed on the beach in a similar manner to beaching. Vessels sail at full steam with empty ballast tanks onto the beach in order to land the bow as high as possible on the beach. Here you see video footage of the Carnival Fantasy in Aliaga, Turkey .

While the forward section of the Vessel is grounded, the aft section is still afloat during the recycling process. This leads to movement which has to be carefully controlled. Vessels are pulled or lifted ashore by winches and cranes, but in general the blocks cut are of a smaller size compared to usual beaching practice.



Although ship recycling reality is ‘beaching’ and around 75% of vessels are being beached today, the method is heavily criticized by environmental organizations. Criticism centres on the potential risk of hazards to the environment and concerns about unsafe working conditions and handling of hazardous materials.

The landing method has been accepted by the EU and other environmentalists since cutting is being performed over solid / impermeable ground that allows safer working conditions and easier prevention of damage to the environment.

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**YARD OF THE WEEK:
ISIKSAN SHIP RECYCLING (TURKEY)**



Located on the shores of Aliaga, Turkey, the EU_SRR and Hong Kong Convention compliant Isiksan Ship Recycling Facility is a well- established Yard that has been active in the industry for two decades and operates Plot No. 22 (see map below) at Aliaga Ship Recycling Zone for dismantling and recycling activities.

The İşıksan Yard has been very active since its foundation in 2000 and over the years has recycled an impressive number of around 650 Vessels. The theoretical capacity of the Yard as per the EU list is 120.000 mts per year. With an area of 26.000 Sq. meters and a workforce of roughly 150 workers it is considered to be one of the largest ship recycling facilities in Europe. The Yard was the first to receive the Hong Kong Convention Certification in Turkey.

Track record



Recycling Standard / Certification

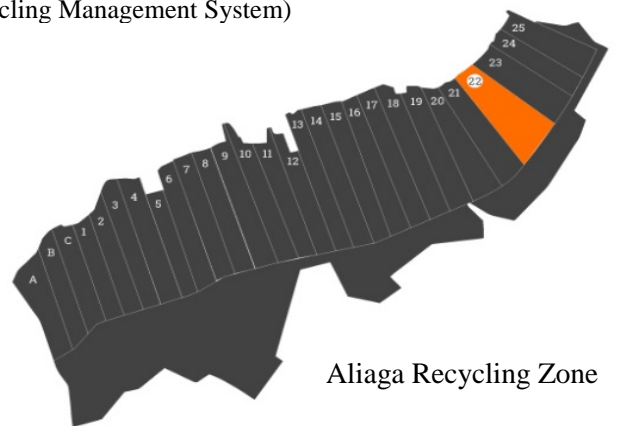


- Certificate of Compliance with the requirements set out in (EU) No. 1257/2013
- Statement of Compliance with the Hong Kong Convention (Class NK)
- Certified for ISO Standard 9001 (Quality Management System)
- Certified for ISO Standard 14001 (Environmental Management System)
- Certified for ISO Standard 45001 (Occupational Health and Safety System)
- Certified for ISO Standard 30:000 (Ship Recycling Management System)

Over the Years the Facility has recycled all types of vessels including Rigs, Drillships, Container Vessels, Cruise Vessels, Bulk Vessels, Heavy Lift Units, Tankers, Ferries.

The applied recycling method in Aliaga, Turkey is the landing method where a vessel's bow is landed on the beach and a combination of afloat (aft section) and landed dismantling is performed.

For more information visit: <https://isiksanship.com/en>



Aliaga Recycling Zone

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