GMS WEEKLY

Your Source for Recycling News

September 29th 2023
Volume 253, Issue 1102
Week 39

Highlights:

- **Firmly poised.**
- **Diwali looms.**
- **Container supply.**
- **Dry bulk absence.**
- **Bangla gone.**
- **Scan to download GMS Recycling App**

QUOTE of the WEEK

"Work until your bank account looks like a phone number."

– *Anonymous*

MARKET COMMENTARY

FOURTH QUARTER BOOST!

Despite the impending onset of various holidays at the recycling destinations, India remains firmly poised giving sub-continent markets a real boost over recent weeks and even as the industry heads into Q4 of the year.

While Indian aggression may ease up a touch as Diwali holidays descend, it is expected that Pakistan, and perhaps even a decidedly lackluster Bangladesh, may eventually step up in the weeks and perhaps even the final few months leading into 2024, helping secure any of the remaining unsold tonnage, or fresh ones that may hit the market down the line.

A recently resurgent Pakistani market has witnessed an unexpected decline over the last couple of weeks as the few Buyers that were able to obtain L/C banking limits, managed to book various vessels (mostly Panamax Bulkers) thereby filling their plots quickly through August.

Bangladesh is likely to remain out of the buying for now, at least as long as they continue to insist on clearly presenting unworkable numbers below USD 500/LDT and while competing markets are unequivocally offering higher and faring far better.

On the far end, even though prices remain unchanged, a handful of Turkish Buyers have reportedly been offering extremely firm levels to snag a rare unit that is reported on offer to local Buyers.

Meanwhile, the supply of containers remains strong as some raucous pricing from Alang has meant that owners have been justified lately, in selling their vessels close to and (in some cases) above that magical USD 600/LDT mark.

Dry Bulk charter rates have also seen a slight improvement over recent months, but the supply of vintage 90s built and older Dry vessels should become strong towards the end of the year – and well into 2024.

For week 39 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	Improving	540 / LDT	560 / LDT	580 / LDT
2	Pakistan*	Improving	520 / LDT	540 / LDT	560 / LDT
3	Bangladesh*	Weak	480 / LDT	500 / LDT	520 / LDT
4	Turkey	Improving	300 / LDT	310 / LDT	320 / LDT

Subject L/C approval

BANGLADESH

UNSURPRISINGLY QUIET!

No sales.

It was unsurprising to see no market sales concluded into Bangladesh for another week, as competing sub-continent destinations continue to push on and manage to secure even geographically suitable units (to Bangladesh) at much stronger rates.

Many Chattogram Buyers did manage to fill their plots with tonnage as port reports continue to display a flurry of activity at the waterfront over recent tides, even as a few units that were committed below USD 500/LDT, arrive locally to beach.

Not keeping up.

However, with international steel prices moving up and competing markets firming significantly, there is certainly little doubt that Chattogram Buyers will be able to secure many (or any) vessels in their current form.

But this may not necessarily be a bad thing for this market, especially for domestic Recyclers.

In the middle of a local resale strike of ship's steel resulting in local steel plate prices that are simply dead, a Taka that ended the week at nearly BDT 110 against the U.S. Dollar, and a bevy of local deliveries that will keep their respective Recyclers busy for a month or two – it may be better to simply lay low on the sidelines, at least until some of the local craziness settles.

NO MARKET SALES REPORTED

INDIA

UNDENIABLY UP!

Significant sales over recent weeks have positioned India firmly at the top of the sub-continent rankings board, and fundamentals remain so firm locally (when compared to fundamentals at competing recycling locations) that India is unlikely to be dislodged from the leader board any time soon.

Not dislodged.

Local steel prices continue to meander mindlessly, up and down from one week to the next even though the overall trend has been stable to firming, both in Alang and especially international markets.

Offering ahead.

Moreover, pursuant to a recently successful G20 summit held in India and amidst a raft of infrastructure projects intended in the country, Local Buyers are now viewing the near future of the country with optimism and positive sentiments.

As such, we have seen strong speculative offerings on the various units sold over the last month or two, with Cash Buyers often offering well ahead of what local pricing and sentiments would seem to allow at the time of the sale, likely in anticipation of further upward market moves ahead, not only with steel plate prices, but even the currency that is once again firming towards Rs. 83 against the U.S. Dollar.

NO MARKET SALES REPORTED

PAKISTAN

SET BACK!

Anticipated correction.

An anticipated correction in steel plate prices that have flatlined for months on end, has seen this market set itself back somewhat this week.

Yet, there still remains hope for the Pakistani market, especially as several local Buyers are reportedly working towards obtaining L/C & financing approvals from their banks and we should see demand and subsequently sentiments & pricing, pick up from this market once again.

Fight back!

The Gadani market certainly lags some ways behind Alang at present, but the hope is that India may enter the traditionally quieter Diwali period, which we may see the international focus shift back towards a previously resurgent and tenacious Pakistan – especially if Bangladesh remains out of the fray.

After almost a year on the sidelines, Gadani Buyers have indeed fought back and managed to secure 6 / 7 (primarily) Panamax-sized Dry Bulk vessels, firmly placing themselves back on the ship recycling map.

Moreover, even the Pakistani Rupee continues to firm by leaps and bounds by the week – down from nearly PKR 291 to PKR 287.50 by the time the week ended and as such, there remains much optimism in the industry that Gadani Recyclers can maintain their position moving forward.

NO MARKET SALES REPORTED

TURKEY

HOT BUYERS!!

USD 400/MT.

After last week's murmurings of potential firming of this market, this week saw a couple of tonnage hungry Buyers get into a bidding tizzy and ended up driving levels on a rare market container unit, to nearly USD 400/MT.

While this number may certainly excite some Ship Owners – especially as these levels may indicate that the price gap between Turkey and sub-continent destinations may not be too far apart – the reality remains that these are not the true levels of Turkey today and is just a case of a couple of local Buyers who are certainly over-eager for some preferred rare tonnage.

Busy Q4?

Prices, as stated, remain unchanged, all while local steel plate prices showed minor improvements this week. The Turkish Lira, however, is an entirely different story and continues to weaken against the U.S. Dollar as it approaches TRY 27.50.

As such, like the sub-continent markets and with Winter approaching in the North Seas, we may hopefully see more (offshore) tonnage being offered into Turkey and a busy Q4 to follow.

NO MARKET SALES REPORTED

INTERESTING FACTS

- *Scientists guess that there are more than three thousand minerals spreading on the earth. Most of these minerals haven't been identified yet.*
- *The most common mineral found in the earth is quartz.*
- *The first mineral found that was recorded was a unique kind of turquoise, discovered in ancient Mesopotamia. They also mined jade to make tools and weapons.*
- *Dry air is only twenty one percent oxygen. The rest is seventy-eight percent nitrogen, and the remaining one percent is a variety of other gases.*
- *Oxygen itself doesn't burn, but it does fuel the combustion of other substances.*
- *About two-thirds of the weight of a living thing is oxygen. Most of this weight is because oxygen is a part of water. 88.9% of water's weight is from oxygen.*
- *If there is another planet discovered that has an atmosphere rich with oxygen, we'll know it's most likely inhabited by some sort of life form.*
- *Only planets with living things have a significant amount of oxygen on them because living beings are the who release oxygen into the atmosphere.*

IMPORTANT DATES

INDIA	
BANK HOLIDAYS	BEACHING TIDES
October 02 – Mahatma Gandhi Jayanthi October 24 – Vijaya Dashami October 31 – Sardar Vallabhbhai Patel Jayanthi	September 26 - October 05 October 14 – October 20 October 26 – November 03

BANGLADESH	
BANK HOLIDAYS	BEACHING TIDES
September 28 - Eid-e-Milad-um-Nami October 24 – Durga Puja	September 08 – October 01 October 13 – October 16 October 27 – October 30

IMPORTANT BANK HOLIDAYS		
CHINA	PAKISTAN	TURKEY
October 01 – 06 – National Holiday	October 24 – Founding Day	October 29 – Republic Day

ALANG - Port Position as of September 29, 2023

No.	VESSEL NAME	LDT	TYPE	STATUS
1	*Long*	*2,931*	*MPP*	*Beached September 28*
2	Frio Olympic	4,698	Reefer	Arrived September 28
3	*Hassen*	*7,635*	*Bulk Carrier*	*Beached September 28*
4	MSC Maria	3,958	Container	Arrived September 26
5	*Sinokor Vladivostok*	*4,672*	*Container*	*Beached September 27*
6	*White Purl*	*5,450*	*LPG*	*Beached September 23*
7	*Zho*	*6,729*	*Bulk Carrier*	*Beached September 27*
Total Tonnage		**36,072**		

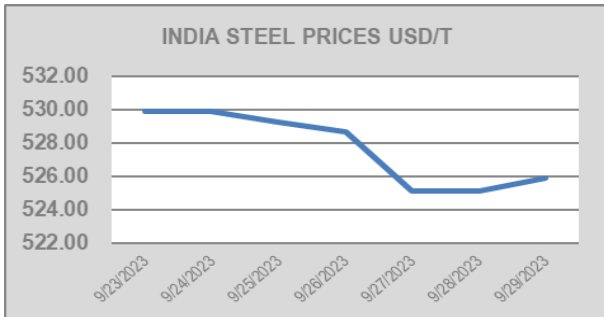
CHATTOGRAM - Port Position as of September 29, 2023

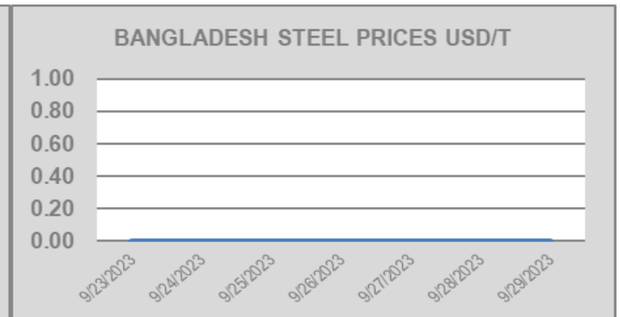
No.	VESSEL NAME	LDT	TYPE	STATUS
1	*Alba 1*	*12,573*	*Bulk Carrier*	*Beached September 29*
2	*Busan Gas*	*1,130*	*LPG Tanker*	*Beached September 27*
3	Express 6	1,265	Tanker	Arrived September 20
4	*Fatema Jahan*	*7,487*	*Bulk Carrier*	*Beached September 23*
5	*Hally*	*9,379*	*Bulk Carrier*	*Beached September 29*
6	Harin Transport 1	1,065	General Cargo	Arrived September 21
7	Haven Guarder	6,079	Bulk Carrier	Arrived September 26
8	Heng Hui 2	14,546	Container	Arrived September 18
9	Siritanasin	757	Tanker	Arrived September 26
10	Yi Ding 9	1,552	Tanker	Arrived September 21
Total Tonnage		**55,832**		

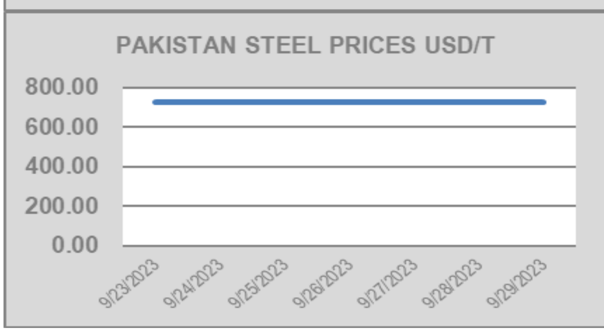
GADANI - Port Position as of September 29, 2023

No.	VESSEL NAME	LDT	TYPE	STATUS
1	Yong Ning	12,724	Bulk Carrier	Arrived September 18
Total Tonnage		**12,724**		

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
9/23/2023	529.93	44,000.00	725.49	222,000.00	NO TRADING	NO TRADING	368.75
9/24/2023	529.93	44,000.00	725.49	222,000.00	NO TRADING	NO TRADING	368.75
9/25/2023	529.23	44,000.00	725.49	222,000.00	NO TRADING	NO TRADING	370.15
9/26/2023	528.66	44,000.00	725.49	222,000.00	NO TRADING	NO TRADING	368.76
9/27/2023	525.11	43,700.00	725.49	222,000.00	NO TRADING	NO TRADING	368.76
9/28/2023	525.11	43,700.00	725.49	222,000.00	NO TRADING	NO TRADING	368.76
9/29/2023	525.87	43,700.00	725.49	222,000.00	NO TRADING	NO TRADING	368.76







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