

## Recycling markets show early signs of post-Ramadan recovery



**Stalled ship recycling markets on the Indian subcontinent are showing signs of life once again following a really quiet start to the year and the end of the holy month of Ramadan**

Paul Bartlett | Apr 22, 2024

Bangladeshi breakers, fuelled by new letters of credit and bank limits, are leading the charge with elderly container ships back in play and one deal completed at more than \$600. However, the deal included a significant volume of fuel – about \$2 per ldt – according to the latest market report from GMS, the world's largest cash buyer of end-of-life ships.

In India, the world's most populous democracy, elections are now under way in a process that is likely to take about six weeks. Sentiment is positive, with the Modi

Party likely to head for victory again, signalling a range of new infrastructure projects that should spur the economy further, GMS said. These projects should boost local steel prices, stimulating demand for ships and potentially boosting prices.

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Pakistani recyclers remain in third place, failing to keep up with firmer markets in Bangladesh and India. Several deals slipped through Pakistani hands in recent days and GMS commented that it will be interesting to see whether the country's recyclers adjust their price ideas in the days ahead.

Meanwhile, following what GMS described as 'an exceptionally brutal four quarters, Aliaga recyclers have been approached with several small-to-medium sized container vessels. However, owners of such vessels are likely to receive relatively weak price offers that are expected to fall further in the weeks ahead, especially if local steel plate prices and the Turkish lira decline further.

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GMS' indicative prices see Bangladesh heading the league with indicative prices of \$560 per light displacement ton for containers, \$540 for tankers, and \$520 for bulk carriers. Pakistan recyclers are about ten dollars behind across the board, with Indian firms down by a further ten dollars.

The three markets, GMS said, are showing 'improving' sentiment. Sentiment in Turkey, on the other hand, is 'weak' with typical prevailing prices of \$340 for containers, \$330 for tankers, and \$320 for bulkers.