

July 16th, 2021
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Week 29

QUOTE
of the
WEEK

“Talent is cheaper than table salt. What separates the talented individual from the successful one is a lot of hard work.”

– Kathy Collins

Highlights:

- Upward trajectory.
- Supply slow.
- Set to last?
- Re-openings.
- Banking on vaccine.
- Easing up.

MARKET COMMENTARY

600 BREACHED!

Demo markets continue their upward trajectory this week and the USD 600/LDT barrier, as suspected last week, was indeed breached on a number of select units. This may be due to a general paucity in the overall supply of tonnage over these quieter summer / monsoon months, whilst local steel plate prices have regained momentum of late, especially after stalling a few weeks ago!

Just how much longer this momentum will last remains to be seen. But for now, fundamentals for this seemingly sustained rally (of demand and pricing) from sub-continent End Buyers is clearly far from being satisfied at this time.

Bangladesh leads the way once again with a stellar showing on levels this week, while Gadani Recyclers remains hot on the heels of their Chattogram competitors. Meanwhile, India remains positioned some ways behind its sub-continent recycling contemporaries, even though Alang Buyers are starting to narrow the gap (once again), especially after a downward trend that prevailed over the last few weeks. Lastly, the Turkish market remains suspended and relatively unchanged since last week, given the onset of Eid Holidays until July 26th, and an overall quieter time coming up for this market.

Reopening days loom in the UK, with several states in the U.S. already starting to fully re-open, as the vaccine push ramps up so that economies can firm up again and some form of normality can finally ensue. However, the troubling Delta variant is starting to take hold and resuming the spread once again, especially amongst those who are yet to be vaccinated.

Of course, there is still some resistance in certain countries where vaccine supplies and uptake have yet to fully take hold, but it will be interesting to see how those countries that are reopening, fare in the near future, as the world looks to put the worst of the pandemic behind

For week 29 of 2021, GMS demo rankings / pricing for the week are as below.

Demo Rank	Location	Sentiment	Dry Bulk USD / LDT	Tankers USD / LDT	Containers USD / LDT
1	Bangladesh	Improving	580 / LDT	590 / LDT	600 / LDT
2	Pakistan	Improving	570 / LDT	580 / LDT	590 / LDT
3	India	Improving	540 / LDT	550 / LDT	560 / LDT
4	Turkey	Steady	280 / LDT	290 / LDT	300 / LDT

All at GMS would like to wish our colleagues in the industry, A VERY HAPPY EID.

BANGLADESH

MOMENTUM CONTINUES!

600 sales!

On the sales of several Cash Buyer wet units this week, levels in Chattogram finally breached the coveted USD 600/LDT mark, as the market continues its amazing and seemingly unstoppable upward spike.

There has been a noticeable slowdown in the supply of tonnage of late, but as Tanker charter rates continue to suffer, perhaps news of these post-2008 record numbers will entice a growing number of Ship Owners to commit their aging units for recycling.

Note of caution.

Notwithstanding, prior to the boom days of 2008, when the market went as high as USD 800/LDT before spiraling out of control, there is perhaps, a cautionary tale in the offing here after all?

NO MARKET SALES REPORTED

INDIA

BOUNCEBACK!

India had endured a rough few weeks when vessel offers had declined by about 10%, due to declining local steel plate prices and a depreciating Indian Rupee.

However, weeks of consecutive gains in steel prices have left Alang Buyers in a much healthier position and even more eager to compete on some of the more specialist units currently on offer.

Offshore vessels, passenger vessels, reefers and stainless steel tankers have been on the diet of late, due to a surprising lack of HKC green vessels.

Clawing back losses.

Specialist supply.

PAKISTAN

TAILING BANGLADESH!

Missing out.

Pakistan has been tailing Bangladesh for several weeks now, and there may be an opportunity for Gadani Buyers to secure some geographically positioned wet units in the weeks ahead, if the ongoing trend persist.

There has been a general reluctance to come close to (or even breach) the coveted USD 600/LDT mark in Pakistan. But with Bangladesh only recently having done so, Gadani Recyclers will certainly have to rethink their strategy, if they want to secure any market tonnage in the coming months.

Bullish.

Further stringent regulations on tankers have also recently come into effect, after an FSU was beached here recently without adequate cleaning. As such, Ship Owners are reminded to make sure their vessels are cleaned properly and thoroughly for hot works, before arriving any sub-continent recycling destination.

TURKEY

EID CELEBRATIONS!

As Turkey closed the working week to enter a holiday period until July 26th for Eid celebrations, the week ended with import steel weakening by USD 10/Ton, the Turkish Lira firming towards TRY 8.50 against the U.S. Dollar, and vessel prices that have remained steady for several weeks now.

Yet, there have been a marginal number of market sales and local deliveries over recent weeks and we don't expect the situation to change over the next week or so, at least until Eid Holidays conclude.

Meanwhile, despite the recent lockdown measures and a sustained domestic vaccination rate, Covid-19 cases are reportedly on the rise in Turkey once again. Let's hope the situation gets under control soon and this market does not face any further closures / lockdowns as the Turkish market has finally made some positive moves with units for EUSRR based recycling.

Import steel drops again.

Covid-19 on the rise.

AMAZING FACTS

- **Stressed men have altered proclivities.** A 2012 study published in the journal PLoS ONE found that men who are feeling stressed out prefer women with curvier figures. The study had one experimental group perform a stressful activity, while the other control group did not. Afterward, they were shown pictures of women with various body types. When the men in the control group were asked to rate the women on a scale of one to nine, they rated pictures of women with higher BMIs as the most attractive.
- **Crows holds grudges.** In 2010, researchers in Seattle found that formerly captured crows were able to remember the face of their abductor even years after the incident. Once they identified the suspect in question, they would threaten them by diving down and swarming the person that they had felt threatened by years before.
- **Canada once heavily targeted LGBTQ individuals.** Our Canadian neighbors may not have been as friendly as we thought. During the Cold War era, Canada spent thousands on its historic "Fruit Machine." This device was supposedly able to identify gay men and lesbian women by monitoring subjects as they were shown pornographic images with homosexual content. This, unfortunately, led to the wrongful persecution of many of Canada's fine citizens. In 2017, Prime Minister Justin Trudeau apologized for the mistreatment of these people.
- **Bill Gates has donated nearly half his fortune.** Microsoft founder Bill Gates encourages the Giving Pledge, a notion that, if you are fortunate enough, you should be giving 50 percent of your wealth to those who need it most. As of 2013, he has donated \$28 billion and has saved around 6 million lives by bringing vaccines and better healthcare to people worldwide.

IMPORTANT DATES

INDIA	
BANK HOLIDAYS	BEACHING TIDES
July 21 - Eid	July 07 – July 16 July 20 – July 28

BANGLADESH	
BANK HOLIDAYS	BEACHING TIDES
July 20 – July 22 – Eid Ul Azha	July 11 – July 13 July 24 – July 26

IMPORTANT BANK HOLIDAYS		
CHINA	PAKISTAN	TURKEY
No holidays in July	July 19 – July 22 – Eid	July 15 – Democracy & National Unity Day

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ALANG - Port Position as of July 16, 2021

No.	VESSEL NAME	LDT	TYPE	STATUS
1	Bala	12,073	Roro	Beached July 09
2	Dona Paula II	391	Tug	Arrived July 14
3	Isla	5,993	Oil Tanker	Beached July 15
4	Nero	5,985	Oil Tanker	Beached July 13
Total Tonnage		24,442		

CHATTOGRAM - Port Position as of July 16, 2021

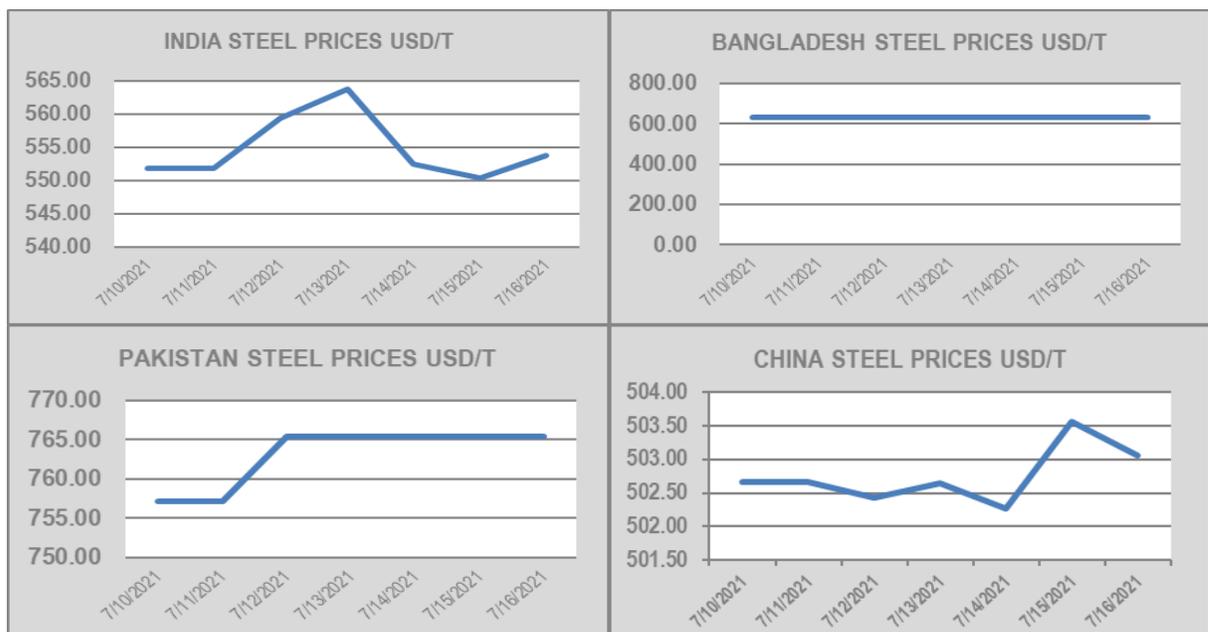
No.	VESSEL NAME	LDT	TYPE	STATUS
1	Bay 1	5,005	Vehicles Carrier	Beached July 10
2	Dai	9,372	Tanker	Beached July 12
3	Daring	40,970	VLCC	Beached July 15
4	Hua Jian 107	2,665	Reefer	Beached July 10
5	Max (Under Tow)	6,674	Bulk Carrier	Beached July 10
6	Mediterranean Energy (Under Tow)	32,001	LPG Tanker	Arrived July 11
7	Merat	3,447	Container	Beached July 14
8	Orient Well	5,218	Tanker	Arrived July 10
9	Pacific B	15,931	Heavy Lift Carrier	Beached July 11
10	St. John	9,364	RoRo	Beached July 14
11	Zhong	5,980	Tanker	Beached July 14
Total Tonnage		136,627		

GADANI - Port Position as of July 16, 2021

No.	VESSEL NAME	LDT	TYPE	STATUS
1	Berge Stahl	41,569	Ore Carrier	Beached July 09
2	Elka Aristotle	17,000	Tanker	Arrived July 15
3	Eminence 1	10,000	Tanker	Beached July 15
4	Julnar	1,600	Barge	Beached July 14
5	MR Nautilus	10,650	Tanker	Arrived July 14
6	Rama 1	2,661	Tanker	Beached July 08
7	Wid A	2,328	Tanker	Beached July 10
8	Yabri	1,800	Barge	Beached July 13
Total Tonnage		87,608		

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
7/10/2021	551.91	41,200.00	757.14	118,000.00	631.58	54,000.00	502.66
7/11/2021	551.91	41,200.00	757.14	118,000.00	631.58	54,000.00	502.66
7/12/2021	559.43	41,700.00	765.37	122,000.00	631.58	54,000.00	502.43
7/13/2021	563.76	42,000.00	765.37	122,000.00	631.58	54,000.00	502.65
7/14/2021	552.43	41,200.00	765.37	122,000.00	631.58	54,000.00	502.27
7/15/2021	550.34	41,000.00	765.37	122,000.00	631.58	54,000.00	503.56
7/16/2021	553.77	41,300.00	765.37	122,000.00	631.58	54,000.00	503.05



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