Star Reefers scraps second reefer ship it brought out of lay up in March

Tuesday 05 July 2011, 18:09
by Liz McCarthy

Interested in this topic? Set up a custom email alert and we'll tell you everytime we write more like this.

The Scottish Star is following the same fate as its sistership, the Canterbury Star.

STAR Reefers has sold a 26-year-old reefer for demolition in India that was only reactivated out of cold layup in March, writes Liz McCarthy.
The Oslo-listed company was reported by cash buyer GMS as having sold the 1985-built, 5,924 lfd reefer ship Scottish Star (465,164 cu ft) for $465 per lfd on an 'as is' basis to Fujairah, meaning cash buyers will take over ownership and sail it to India where it is thought the ship will be dismantled.

GMS said this price of over $2.7m was “relatively firm” and could be attributed to a good country of build — Ireland — plus non-ferrous items and spares onboard.
The Scottish Star follows the same fate as its sistership, the Canterbury Star, which is also understood to have been scrapped.
Both ships were reactivated out of cold layup earlier in the year, which Star Reefers announced in its first quarter results.
It had said the ships had been brought out of layup due to reefer operators eventually seeing the start of a recovery in charter rates.

Star Reefers had seven ships in cold layup in the Gdansk area but said in early May that it had brought the Scottish Star and Canterbury Star back into service “as a consequence of a perceived opportunity for improved rates.

There had been a “swathe of reefer ships” hitting the ship recycling market in the last few weeks, the majority committed to Chinese or Indian breakers, GMS said in its weekly report.

“Prices are now well below $500 per lfd and even approaching $450 per lfd for India with nearer to $400 per lfd now looking likely for China,” the report added.

Article from Lloyd's List

http://www.lloydslist.com/lisector/dry-cargo/article374531.ece

Published: Tuesday 05 July 2011

© 2010 Informa plc. All rights Reserved. Lloyd's is the registered trademark of the Society incorporated by the Lloyd's Act 1871 by the name of Lloyd's