Polembros scraps capesize

Polembros has become the latest shipowner to send a capesize for demolition in the face of continued weak freight rates.

It is said to have sold its 133,357-dwt Mercedes (built 1981) for $385 per ldt or just over $8.7m, according to US cash buyers GMS.

The ship was reportedly sold ‘as is’ in north China at what GMS described as "impressively high numbers".

"It could be that cash buyers have one eye on the situation in Bangladesh and an expected return to action which should pull prices up across the board," it said.

This is the third capesize to be sold in recent weeks and follows on from Essar’s 115,152-dwt Badri Prasad (built 1978) and the 139,469-dwt Cape Athens (built 1981).

Neu Seeschiffahrt is said to have sold its 224,222-dwt bulker Grace N (built 1993) to Indian buyers for an undisclosed price.

Tsakos is said to have achieved an "extremely strong price" for its 68,160-dwt tanker Victory III (built 1990) which was sold ‘as is’ Singapore.

Also sold to Indian buyers was the Military Sealift Command’s 23,487-dwt logistics vessel Abby G (built 1979) for $441 per ldt or $10.3m.

The only sale into Pakistan was Salmar Shipping’s 33,759-dwt tanker Achilles (built 1982) for levels in "the mid $400s".

China struggled to compete once again with the levels on offer in the Indian subcontinent, remaining some $50 off the pace, GMS said.

"Indeed, with the recent fall in dry rates, a number of Chinese controlled vessels came onto the market for sale, and despite being positioned in the Far East most were seeking offers and fixtures over to the West Coast India – Pakistan range," it said.

GMS said some improvement in levels will be required in order for local Chinese recyclers to keep pace with the current upward market movements in the Indian subcontinent.

"Indeed, it could be that scrap buyers are choosing not to compete for the time being in the hope of picking up tonnage once levels slow somewhat in the competing markets."

By Dale Wainwright in Singapore

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