Scrap shock

Scrap prices have softened as shockwaves hit the demolition industry following the shutting down of all Bangladesh’s breakers yards.

Two sales in Bangladesh were reported, but these could be the last for some time, after the government gave yards two weeks to close from 18 March over the lack of environmental clearance for breaking work.

The 138,000-dwt bulker Duri (built 1981), owned by Chang Myung of South Korea, was said to have gone for $335 per ldt, while a boxship was sold on a private and confidential basis, US-based cash buyer GMS reported.

In India, buyers took four general cargoships, including the 20,500-dwt Commander (built 1976), owned by Glory Shipmanagement of Singapore, at $309 per ldt.

A containership and a car carrier were also reportedly taken by Indian yards, while Pakistan bought a tanker and a bulker.

GMS said the Bangladeshi court order has “spooked an already nervous industry even more.”

It added: “To start with, not only were demolition prices already softening on the back of falling steel prices, local recyclers are now fearing that the displaced tonnage from Bangladesh will find its way towards India.

“They feel that the unexpected increase in availability of tonnage and lack of competition will have a greater downward pressure on prices.”

By Gary Dixon in London

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