

# Lloyd's List

## Berge Bulk sells another capesize for scrap as steel prices climb

*Demolition prices continue upwards trajectory on continued demand and tonnage shortage*

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Berge Bulk has sold another of its ageing capesize bulk carriers for demolition while scrap prices are expected to continue their upwards trajectory as commodity prices continue to rise



BERGE BULK'S 175,000 DWT BERGE ARCTIC HAS BEEN SOLD TO INDIAN SHIPBREAKERS.

HAVING sold its 22-year-old *Berge Aoraki* (IMO: 9223590) for scrap in the past month, Berge Bulk has now sold a second capesize bulk carrier for demolition at an even higher rate.

The latest Berge Bulk scrap sale comprises the 175,000 dwt *Berge Arctic* (IMO: 9221906), which has been sold to Indian breakers at a rate of \$660 per ldt. This compares with the \$640 per ldt, which was realised for the *Berge Aoraki* in a sale to Bangladeshi breakers in February.

“It was another incredibly firm showing from the subcontinent markets this week, particularly Bangladesh and even a recently resurgent India which now seem to be competing even more on tonnage.

“Pakistan misses out on units once again, largely behind on the numbers due to local concerns surrounding the impact of the ongoing war in Ukraine,” said GMS in its latest report.

With the exception of China, local steel plate prices made impressive gains across the board in the major recycling destinations last week in particular in India and Bangladesh.

“In the Turkish market, both import and local steel plate prices have made improvements, with levels for all types of tonnage now firmly poised past the \$400/LDT barrier — a first in memorable history,” said GMS.

However, given the rising rates for both tankers and bulk carriers recently, the supply of ships could dry up in the near future, with the possible exception of those units due for special survey or requiring the installation of ballast water treatment systems.