

# Indian shipbreakers suffer due to higher vessel prices

Posted on December 19, 2013 by [admin](#)



Activity has slowed at India's shipbreaking yards now that higher prices for older ships are making owners less willing to scrap them, according to London-based Clarkson Research Services.

The analyst has warned of a risk of speculative purchases by cash buyers banking on a market hike in the coming weeks. 'It is presently a very tough market to call, with each unit requiring an individual valuation which takes account of many differing factors,' it stresses.

Pakistan-based buyers have been increasingly active in recent weeks, offering strong rates to snatch large tonnages from their Indian and Bangladeshi rivals. However, recent currency fluctuations have also created uncertainty among Pakistan's Gadani yards, according to Lloyd's List.

Prominent recent sales into Pakistan include the 1994-built Suezmax tanker 'Nikator', operated by Cavodoro Shipping, which was reportedly sold for US\$ 12 million (Euro 8.7 million). However, GMS says some Chittagong yards in Bangladesh are anticipating continued improvement in local steel plate prices and have begun to stockpile vessels.

Source: Asian Shipper & Shipping Tribune