



## Newsletter 1 - 2016

### Nanyang Star Group – China

Nanyang Star Group is a modern and advanced shipyard group for ship repair. The group was founded in December 2011, whose headquarters is strategically located in Dinghai District, Zhoushan City, China. It has 2 subsidiary shipyards. They are Zhoushan Nanyang Star Shipbuilding Co., Ltd. (NASCO) and Zhoushan Zhongtian Heavy Industry Co., Ltd. (ZTHI). NASCO was founded in 2004 and is located in Cezi Island, Zhoushan City which is connected by a sea-crossing bridge to the mainland.



NASCO is providing one drydock with a docksize of 280 m x 42 m (dock 1) with 120,000 dwt and two outfitting quays of 200 m with a draft of 9.5 m and a second of 220 m with a draft of 11 m. Dock no 2 is under construction and will be a 200,000 dwt dock. Besides different workshops also alongside berths are available with rail cranes (60t, 30t, 25t). NASCO has been authenticated for ISO9001 by LR, ISO14001 and OHSAS 18001 by DNV. Also the following classification society are available: LR, NK, KR, GL, ABS, DNV, CCS, etc... Moreover, with 10 years ship repair experiences, NASCO is reliable for you to put your vessels here for repair.

ZTHI Shipyard is located in Changbai Island, Dinghai District, Zhoushan City, Zhejiang province, which is very near to anchorage WUHUIJIAO. It covers an area of 1 million square meters with an impressive coastline of 3,500 meters. 2 drydocks are operated presently with sizes of 280 m x 40 m and 340 m x 54 m. Also two quays (483 m, draft 11m and 600 m - 19 m), hull workshop, ME-, painting- and service workshops are available as well as compressor room and other production supporting equipments are in well operation. ZTHI has annual repair capacity of around 160 vessels, among which, more than 95% are foreign vessels. Vessel type includes bulk carrier, refrigerator vessel, oil tanker, container ship, chemical tanker and different type of construction vessels.

### Desan Shipyard

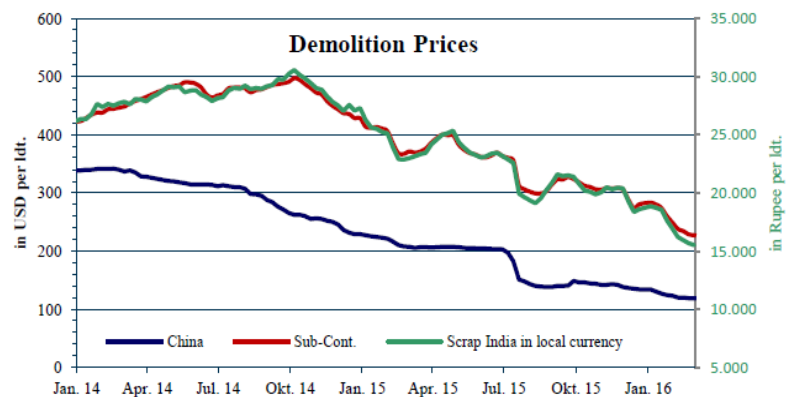
Desan shipyard located in Tuzla, Istanbul has increased level of vessels docked in 2015 by acquiring one more floating dock with 145 meter length and 25 meter inner breadth. Not only with dry-docking capacity but also acquiring one more shipyard next to Desan Shipyard main facilities made their corner in Turkey more flexible for vessels up to post panamax size needed to be either dry-docked and/or repaired in a safe berth area. Having additional workshops including paint workshop, pipe workshop and in house machinery workshop with gantry crane capacity up to 200 ton Desan added values for smooth repairs. With all investments made together with unique experience on different type of vessels from management & owners, Desan team will welcome you with target of full satisfaction.

### Effects on demolition market

All hopes of balancing the dry bulk and container ship market rest on the demolition market, which itself looks extremely strained in the face of tough competition from steel markets and a glut of vessels offered for scrap sale that keeps pushing ldt rates lower and lower. Activity emanation from the dry bulk sector was very high during the last month. Of note, the age barrier for scrapping keeps falling as trading conditions show no signs of improving.

By contract, demo sales from container ship sector slowed down, only a handful of vessels were sent to the beaches with focus again on panamax units.

The softening of rates continues as it is seen in the Baltic Exchange's demolition assessments which on the other hand leads to an advantage for cash buyers and breakers who can choose out of a lot of vessels these days. The iron ore prices seem to have found a floor, but pressure from low steel prices keeps pressing into the demolition market and will continue to do so until China finally resolves to curb its steel output.



Source: "The Maritime Overview" published by Ernst Russ Shipbroker

