
Slowdown signs - Chinese allied ship building sector hit on low orders

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The halt in businesses of new ship orders give straight cut in ship matching sector, given that many key ship fitting companies in Jiangsu eye great decline in their new orders; what's worse, part of them suffer heavy order cancellations, surpassing their acquisitions of new orders.

According to a leading official of a ship equipment-making firm, which both deals with naval and civil businesses, the firm can remain full production till October and will lie on a few naval orders in the following, since civil orders are sharply shrinking.

Longteng Special Steel in Changshu, Jiangsu tells to China Ship News that there are more than 10 rivals in the surrounding market; however, over half of them have been forced out of the market.

As to how long the shortage of orders will last, Mr Mao Lingguang deputy director of the official of scientific & technological industry of national defense in Jiangsu, optimistic said that the shipbuilding market will come back to the normal after a proper adjustment, while some shipbuilders, pessimistic, think the cold weather of orders will preserve for a long time; during the period, cut throat competitions will be inevitable in ship prices, forcing most of shipbuilders out.

(Sourced from MySteel.net)

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