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Gibson Sale & Purchase Market Report



*With over 125 years of expertise Gibson Shipbrokers is a leading provider of Sale & Purchase, Newbuildings, Recycling and Ship Valuation services.
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Tankers – Treasure Hunt

All ship owners might like to think that they have a little bit of 'pirate' in them, sailing the high seas in search of treasure. The bounty today is in the value of their hulls (along with the freight they earn), which is demonstrated this week by the rumours surrounding the "DELOS" (299,990 dwt / built 2019 DSME, S. Korea), which we hear has been sold to a Middle Eastern buyer at US\$ 116 m. The vessel was reportedly contracted at US\$ 84 m in early 2017.

Stalwart Tankers has sold their "S-TREASURE" (106,061 dwt / built 2005 Hyundai Samho, S. Korea) for US\$ 32 m and also struck gold! They bought her for US\$ 14.5 m two years ago. Pricing on this vintage of aframax is proving difficult to pinpoint as a number of units are being marketed for sale and definitely buyers are thinner on the ground than previously and we believe the sale may therefore have been tied up a while back.

The LR1 "LEON APOLLON" (74,999 dwt / built 2009 Hyundai Mipo, S Korea) has gone for US\$ 28.5 m to a Greek buyer, noting that owners bought her for US\$ 17.8 m in October 2019.

Dry Cargo – All Change Please

This week's sales list encompasses the last two weeks and it certainly gives a very healthy perspective of activity with a deluge of transactions. Despite little direction being given by the BDI, optimism remains surprisingly high with buyers rushing to secure tonnage. Most sellers are achieving or surpassing their ideas with plenty of competition driving prices higher, for instance the Japanese controlled ultramax "GLOBAL ROYAL" (61,211 dwt / built 2022 DACKS, China) reportedly secured a very firm price of US\$ 34.25 m from undisclosed buyers. Similarly the supramax "CORAL BREEZE" (55,582 dwt/built 2009 Mitsui, Japan) after receiving a number of offers achieved a very respectable



price of region US\$16.5 m, to apparently Indonesian buyers. Although it does appear that the owners of panamax "**ULTRA PANACHE**" (78,450 dwt/built 2011 Sanoyas, Japan) are looking to push levels higher, with an offer deadline of last week the vessel still remains unsold with offers not reaching required levels. This week saw offers invited for the panamax bulker "**NAVIOS ALDEBARAN**" (76,529 dwt/built 2008 Imabari, Japan) but at time of writing no information regarding its sale is emerging, recent transactions would suggest that certainly something in excess of US\$15m is obtainable but given market sentiment it would not be surprising to see this level well beaten.

Recycling – (Light) Weight of Expectation

As we enter the closing weeks of 2023 the paltry supply of ships continues and the markets feel sedated. Indian recyclers seem relaxed as local steel demand is slow and ship-breakers are not in a hurry to buy unless offered cheap. Meanwhile, Bangladesh continues to remain beleaguered by economic troubles and this situation may only improve after national elections due on 7 January 2024. Pakistan equally continues to remain stuck in the doldrums with little to no activity reported.

The only glimmer of optimism on offer remains the potential for many older container ships and bulk carriers still to come for recycling, but only time will tell whether hope meets expectations.

Newbuilding – Terse Tango

Greek interests have been testing Korean yards for VLCC at region US\$ 120 m against yards asking for US\$ 130 m. Numerous VLAC discussions are ongoing also in Korea well into 2027 (VLCC owners take note of the same slots). Frustration at modern 2nd hand prices/ availability of slots continues to drive such newbuilding enquiry and we do not see that changing any time soon.

No change in the tempo of medium-sized bulker orders much for the same reasons as above!

Gibson Sale & Purchase Market Report

S&P SALES

Vessel Name	DWT	Built	Yard	Buyers	Price (\$/m)	Notes
BULKERS						
HERUN CHINA	181,215	2017	SWS (China)	Union Maritime	xs 42	DD due 3/25. BWTS. Inc TC to Olam to 15/3-15/7/24 @ 112% of BCI.
IRON MIRACLE	180,643	2011	Tsuneishi Cebu (Philippines)	Greek buyer	low 27	SS due 10/26. DD due 3/25. BWTS.
DOUBLE MIRACLE	95,570	2014	Imabari (Japan)	Undisclosed	mid-high 24	SS de 6/24. Scrubber.
IC HARVEST	83,476	2010	Sanoyas (Japan)	Chinese buyer	17.00	SS due 2/24.
CYMONA GALAXY	81,393	2009	Universal (Japan)	Greek buyer	mid-high 15	SS due 6/24. BWTS. Dely 3/24. SS due 1/24.
KAI OLDENDORFF	81,243	2019	Jiangsu Hantong (China)	Middle Eastern buyer	30.75	BWTS. Scrubber. Inc. 5y TC back @ index rate.



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NAVIOS HYPERION	75,707	2004	Sanoyas (Japan)	Far Eastern buyer	9.00	SS due 2/24.
ST. GEORGE	57,959	2012	Tsuneishi Cebu (Philippines)	Undisclosed	reg 19	SS due 6/24. BWTS.
ZHE HAI 169	56,635	2011	CIC Jiangsu (China)	Undisclosed	11.7 (A)	Auction. DD due 8/24. BWTS.
ERMIONE	56,557	2008	IHI (Japan)	Chinese buyer	14.20	SS psd 7/23. BWTS.
ATLANTIC ALTAMIRA	43,368	2017	Qingshan (China)	Korean buyer	reg 23	DD due 11/25. BWTS.
VULLY	35,697	2011	Shin An (Korea)	Far Eastern buyer	12.90	DD due 6/24. BWTS.
NONG LYLA	33,773	2004	Oshima (Japan)	Undisclosed	8.00	SS due 5/24.
SARONIC SPIRE	32,355	2004	Kanda (Japan)	Undisclosed	8.40	SS due 7/24. BWTS.
TIMARU STAR	31,893	2004	Hakodate (Japan)	Vietnamese buyer	-	SS due 5/24. Logs.
TANKERS						
S-TREASURE	106,061	2005	Hyundai Samho (Korea)	Undisclosed	32.00	SS due 9/25. BWTS.
LEON APOLLON	74,999	2009	Hyundai Mipo (Korea)	Greek buyer	28.50	Deepwell. SS due 7/24.
CONTAINERS / RO-RO / REEFER / PCC						
BEA SCHULTE	59,270	2010	Daewoo (Korea)	MSC	-	4,616 TEU. Gearless. SS due 3/25. BWTS.
LEO PERDANA	33,423	2007	Naikai Innoshima (Japan)	Simatech	11.00	2,553 TEU. Gearless. SS due 8/25.
GAS (LNG / LPG / LAG / CO2)						
SEAPEAK CAMILLA	9,999	2010	Taizhou Wuzhou (China)	Undisclosed	mid-high 6	5,369 cbm. Semi-ref. Ethylene. SS due 5/25. BWTS. FS Ice II.

NEWBUILDING ORDERS

Ordering Client	Vessel Type	Size / No. of units	Shipyard (Country)	Delivery	Price (\$m)	Notes
TANKERS						
Euronav	VLCC	319,000 dwt + 1	Qingdao Beihai (China)	2026	112.20	Declared option. Ammonia dual-fuel. 6k ammonia fuel storage tanks.
Euronav	Suezmax	158,000 dwt x 2	DH Shipbuilding (Korea)	2026	-	Ice class. Against long TC to Valero.
Minerva	LR2	115,000 dwt x 2	New Times (China)	Undisclosed	-	LOI. LNG dual-fuel.
Arcadia Shipmanagement	Aframax	115,000 dwt x 2+2	Dalian (China)	2026-2027	est. xs 63	Conventional fuel. Scrubber.
Hartree Partners	MR2	50,000 dwt x 4	Penglai Jinglu (China)	2025-2026	-	-
Alita (Shanghai)	Chem/Prods	13,800 dwt x 2+2	New Jiangzhou (China)	2025-2026	-	-



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GAS (LNG / LPG / LAG / CO2)						
Shenzhen COSCO LPG	LEG	9,000 cbm x 1	Cosco Dalian (China)	2026	-	Ethylene.
Shenzhen COSCO LPG	LPG	6,300 cbm x 1	Cosco Dalian (China)	2025	-	-
BULKERS						
Shandong Shipping	VLOC	325,000 dwt x 4	Qingdao Beihai (China)	2026-2027	-	Methanol DF. LNG/LAG ready. Wind rotors. Cold- ironing. COA to Vale.
Doun Kisen	Kamsarmax	82,000 dwt x 2	Nantong Xiangyu (China)	2025	34.00	-
Taiwan Navigation	Handysize	40,000 dwt x 2	Onomichi (Japan)	2025	33.00	-
CONTAINERS / RO-RO / REEFER / PCC						
Seaspan	PCC	10,800 CEU x 6+4	SWS (China)	2027	-	LNG dual-fuel. Ammonia+methan ol ready. Against TC to Hyundai Glovis.
HMM	PCC	10,800 CEU x 6	GSI (China)	2027	122.00	LNG dual-fuel. Ammonia+methan ol ready. Against TC to Hyundai Glovis.

Recycling Prices (US\$/LWT)

	Bangladesh	Pakistan	India	Turkey
Tank/Cont/Ro-Ro/Capes/LPG/PCC Dry	535 - 560	530 - 555	530 - 545	315 - 330
Cargo/Bulk/Tween/Gen Cargo	520 - 535	515 - 525	510 - 520	300 - 315

Newbuild and Second Hand Benchmark Values (\$ million)

Historical Average Values (\$ million)

Vessel Type	New Building	5 Year Old Vessel (Built 2017)	10 Year Old Vessel (Built 2012)	10 Year Old Vessel~ (10 Years Average)	% Difference Present Vs Historical
Tankers					
VLCC	128.00	100.00	75.00	50.00	50.00%
Suezmax	85.00	78.00	61.00	35.70	70.90%
Aframax	70.00	70.50	55.00	28.00	96.40%
MR	47.50	44.00	35.00	19.80	76.80%
Bulkers					
Capesize	65.50	51.5 (eco)	31.50	24.60	28.00%
Kamsarmax	35^	33.50	23.50	16.90	39.10%
Ultramax / Supramax	33^	30.50	20.00	14.50	37.90%



Handysize	30 [^]	26.50	17.00	11.90	42.90%
[^] = Chinese price (otherwise based upon Japanese / Korean country of build)				~ = Basis standard contemporaneous DWT/spec for each type.	

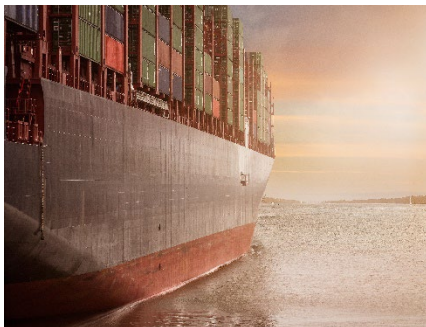
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CJC Market News



Campbell Johnston Clark (CJC) is a medium-sized international law firm advising on all aspects of the shipping sector, from ship finance to dry shipping and comprehensive casualty handling, and all that happens in between. Today, we have offices in London, Newcastle, Singapore and Miami.

International Maritime Organization Takes Action Against 'Dark Fleet' Operations



The International Maritime Organization (IMO) has endorsed a resolution in response to mounting concerns among member states regarding the misuse of flags, exploitation of the IMO numbering system, and other practices employed to evade sanctions.

The resolution faced resistance from Iran and Russia, both under Western or US sanctions concerning their oil and shipping sectors. These nations employ "dark fleet" tankers for transporting energy commodities. Despite attempts to limit the resolution to sanctions agreed upon only by the United Nations

General Assembly, the broader scope prevailed.

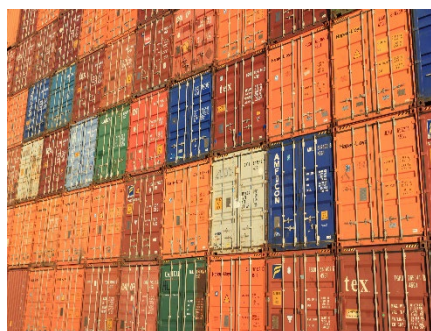
Proposed by the IMO's Legal Committee earlier this year, the resolution addresses apprehensions about unsafe practices, particularly ship-to-ship transfers of oil and petroleum products in international waters without proper oversight. While such transfers are commonplace, those conducted for sanctions circumvention purposes in international waters lack regulatory control, posing environmental risks.

The resolution strongly encourages member states and relevant stakeholders to combat illegal operations by the "dark" or "shadow" fleet. It introduces criteria to define such vessels, including engaging in unsafe operations, intentionally avoiding inspections, lacking liability insurance, avoiding screenings or inspections, operating without transparent corporate governance policies and intentionally evading detection through measures like disabling vessel-tracking systems.



While non-binding, the recommendations establish best practices related to safety and environmental conventions. Vessels are urged to report all ship-to-ship transfers to flag states, with enhanced inspections at ports for suspicious ships that have disabled their vessel-tracking systems.

China State Shipbuilding Corporation Unveils Design for Largest ever Nuclear-Powered Containership



On the 5th of December at the Marintec China expo in Shanghai, the state-owned China State Shipbuilding Corporation (CSSC) revealed its design for a 24,000 TEU container vessel powered by molten salt thorium reactors (MSR).

Nuclear reactors on Vessels are nothing new – they have been used since the 1950s across warships, submarines, and icebreakers, yet there is only one nuclear-powered cargo ship in operation (Russia's *Svemorput*), with only three others having been operated previously.

While the risks of operating a nuclear reactor on a civilian vessel are obvious, so are the benefits. The global shipping industry needs to explore green fuel alternatives and, while the demand for alternatives such as green methane and ammonia remains high across shipping and other industries, safe nuclear power could present a viable zero emission alternative.

Proponents of the idea point to the new fourth-generation MSR as the way forward. By using a liquid salt combination as fuel and coolant, the reactor works at high temperatures and low pressure. This means, in principle, it could avoid core melting.

Though CSSC have not indicated they intend to build the Vessel as of yet, DNV has issued the design with an Approval in Principle certificate.

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