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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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Dry Cargo – Holidays on Hold

This time of year is typically associated with Christmas parties and anticipation of the holiday season. However, this year is anything but business as usual. Both buyers and sellers remain active in the sale and purchase markets, with noticeable activity across all asset sizes. There is no segment lagging behind, every category is contributing to the overall recovery in asset values largely following a firming in the freight markets.

As a result, many protagonists are staying focused at their desks, closely monitoring the market's momentum. In the Ultramax segment, the sale of **DSI DRAMMEN** (63,507 dwt / built 2016 I-S Shipyard, Japan) for US\$ 26.4 m, just slightly below its previous sale price, marks a solid benchmark. This follows last week's sale of **GRACE HARMONY** (60,259 dwt/ built 2015 Onomichi, Japan) for US\$ 24.7 m as a healthy precedent for strong asset values. This reflects a broader trend of steady price increases and higher transaction volumes seen in recent months.

At the larger dwt end, **FORTUNE VIOLET** (181,366 dwt / built 2012 Imabari, Japan) was committed for just under US\$ 34 m and serves as an important benchmark for similar vintage capes currently in the market.

Tankers – Hopes & Fears

There has been a diplomatic push in the peace process for ending the Russia-Ukraine conflict, however uncertainty of when a breakthrough may come and by how much the markets will turn is keeping the brakes on the tanker S&P market as the whole, albeit with some purchasing proving impervious to the outcome. A number of VLCCs continue to change hands, such as the scrubber-fitted **MERCURY HOPE** + **MERMAID HOPE** (297,250 dwt / built 2011 Universal, Japan) for US\$ 60 m apiece (SS due 5+12/26) and the one year older **OCEANIC FORTUNE** (320,054 dwt / built 2010 Hyundai Ulsan, S.Korea) has gone for a lower US\$ 54m, but it should be noted that she was built



originally constructed as a VLOO and then converted to an oil spill recovery tanker following the Deepwater Horizon disaster.

Suezmaxes appear to be very much on everyone’s shopping list, as we hear the a Greek buyer has picked up Hayfin’s newbuilding Suezmaxes, namely the **GH PANKHURST + GH KELLER** (157,000 dwt / built 2026 Hyundai Samho, S.Korea) at US\$ 97-98 m each, noting they were contracted at US\$ 85m each and have provided a nice return on investment. The older **ADVANTAGE SUMMER** (156,527 dwt / built 2010 Rongsheng, China) has achieved US\$ 40.4 m with surveys recently passed, showing a jump in prices since the one year younger sister, **FRONT BRAGE**, sold for US\$ 38 m in August.

However, the Black Friday shopping list is definitely in the MR2 sector where multiple ships are changing hands and prices being supported by the continued strong earnings.

Newbuilding – Future Fervour

Further and extensive crude tanker orders have emerged this week for VLCC and suezmaxes in both Korean and Chinese yards. Again we are seeing a further push into 2029 and this is likely why pricing has remained unchanged. Clearly yards are making good profit at today’s levels as they would not likely push into 2029 without a buffer for future costs.

Recycling – End of the Steam Age

With the final countdown to the end of 2025 fast approaching there will only be a few weeks left for owners to sell and give delivery before the year is out, and some owners are doing just that. Although activity continues to be pretty thin on the ground there are a few vessels under negotiation, some of which predictably are LNG carriers. With this trend being seen for all of this year and some of 2024, we are anticipating more LNG tonnage to be sold throughout next year as owners come to the realisation there is no future for the old steam turbine models.

Meanwhile, there has been positive news this week from Pakistan where the nation’s first HKC compliant yard has been announced. Hopefully this will be the first of many to come in Pakistan and no doubt next year will see more compliant yards in operation, giving owners more options when requiring HKC Green Recycling and some added healthy competition for India and Bangladesh at last.

Gibson Sale & Purchase Market Report

S&P SALES

Vessel Name	DWT	Built	Yard	Buyers	Price (\$/m)	Notes
BULKERS						
FORTUNE VIOLET	181,366	2012	Imabari (Japan)	Undisclosed	34.00	SS due 6/27. BWTS. Dely 2-8/26.
BELGRAVIA	169,391	2009	Daehan (Korea)	Chinese buyer	26.25	DD due 10/27. BWTS. Scrubber.
NBA REMBRANDT	107,236	2012	Oshima (Japan)	GCL Shipping	18.70	SS psd 10/25. BWTS.
CLIA	92,968	2012	AVIC Weihai (China)	Undisclosed	12.75	SS due 4/27. BWTS.
CATALINA	74,432	2005	Hudong Zhonghua (China)	Undisclosed	7.90	DD due 4/26. BWTS. Scrubber.



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DSI DRAMMEN	63,507	2016	I-S Shipyard (Japan)	Undisclosed	26.40	SS due 8/26. BWTS. Scrubber.
SEACON 7	56,880	2012	Zhejiang Zengzhou (China)	Undisclosed	12.58 (A)	Online auction. SS due 11/26. BWTS.
VICTORIOUS	55,648	2011	Hyundai Vinashin (Vietnam)	Undisclosed	13.00	SS due 9/26. BWTS.
WARISA NAREE	53,840	2010	Hindustan (India)	Undisclosed	9.50	SS psd 1/25. BWTS.
INTREPID	52,346	2005	Tsuneishi Cebu (Philippines)	Undisclosed	9.90	SS due 11/125. BWTS.
WARRIOR	40,053	2024	Namura (Japan)	European buyer	33.00	DD due 6/27. BWTS. Tier III. Logs.
RADIANT REB	38,233	2012	Shimanami (Japan)	Undisclosed	15.50	OHBC. DD due 1/26.
FEDERAL YELLOWSTONE	37,153	2013	Yangfan (China)	Greek buyer	high 14	DD due 6/27. BWTS. Ice 1C.
THOMAS SELMER	34,963	2011	Samjin (China)	Undisclosed	10.20	SS due 4/26. Logs.
TRAWIND DOLPHIN	33,686	2012	Shin Kurushima (Japan)	Greek buyer	13.80	OHBC. SS due 5/27. BWTS.
YANGTZE AMBITION	32,688	2011	Jiangmen Nanyang (China)	Undisclosed	9.00	SS due 4/26. BWTS. Logs.
SOFIA K	32,115	2009	Hakodate (Japan)	Chinese buyer	11.00	SS due 5/27. Logs.
COSCO WUYISHAN	31,958	2010	Mawei (China)	Undisclosed	8.08 (A)	Online auction. SS psd 2/25. Ice1B. Logs.
TANKERS						
OCEANIC FORTUNE	320,054	2010	Hyundai Ulsan (Korea)	Chinese buyer	54.00	SS psd 4/25. BWTS. Scrubber. Cap 1.
MERCURY HOPE + MERMAID HOPE	297,250	2011	Universal (Japan)	Undisclosed	60 each	SS due 5+12/26. BWTS. Scrubber.
ADVANTAGE SUMMER	156,527	2010	Rongsheng (China)	Undisclosed	40.40	SS psd 10/25. BWTS. Scrubber.
SAPPHIRA	149,876	2008	Universal (Japan)	Undisclosed	reg 37	DD due 4/26.
UOG SYROS	51,745	2010	Hyundia Mipo (Korea)	Undisclosed	21.50	Deepwell. SS psd 11/25. BWTS.
PS DREAM + PS QUEEN	51,218	both 2006	STX Jinhae (Korea)	Chinese buyer	14 each	Deepwell. SS both psd 3/25. BWTS.
STAR EAGLE	51,202	2007	STX Jinhae (Korea)	Undisclosed	13.50	Deepwell. DD due 12/25.
HAFNIA LIBRA + HAFNIA PHOENIX	49,999	both 2013	GSI (China)	Undisclosed	23 each	Deepwell. DD due 8+9/26. BWTS.
LVM WARRIOR	49,997	2015	Hyundai Mipo (Korea)	Undisclosed	33.30	Deepwell. SS psd 3/25. BWTS. Scrubber.
GLENDIA MERYL	47,251	2011	Hyundai Mipo (Korea)	Undisclosed	reg 20	SS due 11/25. BWTS.
MTM NORTH SOUND	19,874	2006	Fukuoka (Japan)	Undisclosed	14.85	Stainless steel. DD due 12/27. BWTS.



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KIRANA QUARTYA	19,000	2006	Naikai Innoshima (Japan)	Global Energy International	P+C	Epoxy. 3 grades. SS due 3/26.
CONTAINERS / RO-RO / REEFER / PCC / PCTC						
BUENAVENTURA EXPRESS	142,211	2023	Hyundai Samho (Korea)	Undisclosed	120.00	13,212 TEU. DD due 6/26. BWTS. Scrubber. Tier III. Shore power.
IRENES RESOLVE	51,060	2001	Samsung (Korea)	MSC	23.00	3,739 TEU. Geared. DD due 9/26. BWTS. Scrubber. Ice 1B.
CNC SATURN	22,081	2020	Tsuneishi Cebu (Philippines)	Undisclosed	36.00	1,952 TEU. Gearless. SS psd 10/25. Scrubber.

NEWBUILDING ORDERS

Ordering Client	Vessel Type	Size / No. of units	Shipyard (Country)	Delivery	Price (\$m)	Notes
BULKERS						
Winning Shipping	VLOC	325,000 dwt x 2	Hengli (China)	2027-2028	xs 116	Methanol-ready.
MPP / GENERAL CARGO						
Arklow	MPP	11,000 dwt x 1	Ferus Smit (Netherlands)	2026-2029	-	-
TANKERS						
Maran Tankers	VLCC	320,000 dwt x 4	Hanhwa (Korea)	2028	129.00	
Trafigura	VLCC	319,000 dwt x 2	Jiangsu New Hantong (China)	2029-2030	-	
Eastern Pacific Shipping	VLCC	306,000 dwt x 2	Hengli (China)	2027	-	
Ray Carriers	VLCC	300,000 dwt x 4	HD Hyundai (Korea)	2028-2029	130.00	
EMF	Suezmax	157,000 dwt x 1	Daehan (Korea)	2027	87.00	Old order.
Evalend Shipping	Suezmax	157,000 dwt x 2	HD Hyundai (Korea)	2028-2029	-	Scrubber.
Safety Management	MR2	50,000 dwt x 2	Cosco Guangdong (China)	2027	43.00	Scrubber. Old order.
Super-Eco Tankers	MR1	41,000 dwt 2+2	Yangzhou Guoyu (China)	2028	sub 41	
CONTAINERS / RO-RO / REEFER / PCC / PCTC						
HMM	Containership	13,000 TEU x 4	Hanwha Ocean (Korea)	2029	182.50	
Cape Shipping	Containership	3,100 TEU x 2	New Dayang (China)	2028	44-45	

Recycling Activity

Vessel Name	Built (Country)	Deadweight (DWT)	Lightweight (LWT)	Delivery	Price (US\$ per LWT)	
BULKERS						
KHOZAN MARU	2001 (Japan)	45,229	9,963	Bangladesh	442	KHOZAN MARU



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Recycling Prices (US\$/LWT)

	Bangladesh	Pakistan	India	Turkey
Tankers / Cont / Ro-Ro / Capes / PCC / LPG / LNG	430 - 445	420 - 435	410 - 420	270 - 280
Bulkers / Tween / General Cargo	410 - 420	400 - 410	390 - 400	250 - 260

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	127.00	118.00	88.00	56.70	55.20%
Suezmax	85.50	80.00	64.00	41.00	56.00%
Aframax	74.00	67.00	55.00	33.40	64.70%
MR	50.00	43.00	32.75	23.00	42.30%
Bulkers					
Capesize	73.00^	65.00	50.00	27.60	80.90%
Kamsarmax	36.50^	33.00	26.25	18.70	40.30%
Ultramax	33.50^	32.00	24.50	15.80	55.00%
Handysize	29.50^	26.50	20.50	13.10	56.40%
				~ = Basis standard contemporaneous DWT/spec for each type.	
^ = Chinese price (otherwise based upon Japanese / Korean country of build)					

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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.



Court of Appeal Clarifies Shipowner's Repossession Rights in Bareboat Charter Dispute



In the case of *Songa Product and Chemical Tankers III AS v. Kairos Shipping II LLC (Songa Pride)* [2025] EWCA Civ 1227, the English Court of Appeal considered the interpretation of clause 29 of the BIMCO Barecon 2001 standard form used in bareboat charters, a clause that deals with repossession of a vessel following early termination by the charterers.

The central issue in dispute was the interpretation of clause 29 of the charterparty, which governs the repossession of the vessel upon termination at her current port or next port of call, or at a place that is convenient to the Vessel's Owners. However, it also stipulates that repossession should occur as soon as reasonably practicable following the termination of the charter. An issue arose as to how broadly the requirement of the convenience of the Owners ought to be interpreted.

Initially, the arbitration tribunal ruled in favour of the Owners, interpreting the clause based on its plain meaning, and giving them the right to choose any port that was objectively convenient for repossession. The Commercial Court overturned this decision, finding that the Owners were obligated to repossess the vessel at Stockton unless it was impractical or impossible. The Court of Appeal upheld the Commercial Court's decision, rejecting the Owners' broad interpretation of the term "convenient."

The Court clarified that the default position is that repossession must occur at the current or next port of the vessel unless doing so is impractical or impossible. The Court emphasised that while Owners are allowed some flexibility in choosing the location for repossession, they cannot arbitrarily select a distant or inconvenient port solely based on their preferences. The "convenient" port option should only be invoked in situations where repossession at the current port is not feasible, and the Owners are required to act promptly and without unnecessary delay.

Furthermore, the Court noted that upon termination of the Charterparty, the Charterers became gratuitous bailees of the vessel, meaning that they had a minimum obligation to care for the vessel. The Owners were thus obligated to repossess the vessel as soon as reasonably possible, in order to relieve the Charterers of this unremunerated burden.

This ruling provides important clarification regarding the repossession rights of shipowners following the early termination of a bareboat charter. The Court of Appeal's decision underscores the principle that repossession should be prompt and practical, ensuring that the vessel is returned to the owner without undue delay or inconvenience to the charterer.

The UK Arbitration Act 2025 in the Maritime Context



In August of this year, the English Arbitration Act 2025 came into force, which amends and supplants the English Arbitration Act 1996. Although the 2025 Act is unlikely to have significant practical impact on maritime arbitration in London, several new provisions have been introduced which shall be of general interest to maritime participants who routinely make contracts under English law.



Applicable Law

Section 1 of the 2025 Act inserts a new Section 6A into the 1996 Act. The provision states that the applicable law to an arbitration agreement or clause is the law that is expressly agreed by the parties; otherwise, it is the law of the seat. If the parties have agreed an applicable law to the main contract, this is not to be taken as the applicable law to the arbitral agreement.

The new legislation reverses the UK Supreme Court's decision in *Enka v Chubb* (2020). The new legislation simplifies the English position on the applicable law to the arbitration agreement, although is silent if no seat has been agreed. In this case, it is likely that the common law test would be applied. To take advantage of the new legislation, parties should expressly state the applicable law to the arbitration clause to avoid uncertainty.

Arbitrators' duty of disclosure

Pursuant to Section 23A of the 1996 Act (inserted by Section 2 of the 2025 Act), arbitrators (or potential arbitrators) must disclose any relevant circumstances that might give rise to justifiable doubts as to their impartiality, such as a commercial or personal relationship with one of the parties. This includes circumstances of which the arbitrator ought reasonably to be aware.

The statutory duty goes further than the common law duty laid down in *Halliburton v Chubb* (2020) in extending the duty to an arbitrator's constructive knowledge in addition to their actual knowledge. The continuing and mandatory nature of the duty means that parties cannot contract out of the provision and must disclose after every occasion. Therefore, parties should conduct thorough due diligence on arbitrators and avoid repeated appointments to reduce the risk of bias.

Summary disposal

Section 7 of the 2025 Act inserts Section 39A into the 1996 Act, which empowers tribunals to make summary awards on a party's application if another party has no real prospect of success on its claim or defence, mirroring the test for summary judgment in the English Civil Procedure Rules. However, the tribunal must give the parties a reasonable opportunity to make representations.

The provision prevents weak parties from abusing the process and ensures that respondents have an opportunity to put their case to the tribunal. It could be particularly useful for maritime parties who are defending meritless claims or making debt claims (e.g., claims for dock charges or repair and maintenance costs). On the other hand, this is a non-mandatory provision, so parties can agree to disapply the clause, and there is some uncertainty on how a tribunal could invoke this power if the defendant does not engage in the arbitral process, in consideration of the tribunal's "reasonable opportunity" obligation as referred to above. The current version of the LMAA Terms only permits a tribunal to issue interim awards on a preliminary basis where both parties consent. It remains to be seen whether this will be revised as the statute grants tribunals powers beyond what was contemplated by the LMAA rules.

Emergency arbitrators

Finally, pursuant to section 41A of the 1996 Act (inserted by section 8 of the 2025 Act), parties can agree to apply rules that provide for the appointment of an emergency arbitrator. Crucially, such individuals have powers to make a peremptory order (unless the clause is otherwise agreed) which is enforceable by the courts. This greatly assists parties in time-sensitive proceedings (e.g., if perishable cargo is rapidly deteriorating due to a delay in the vessel's voyage) where compliance with peremptory orders can be enforced by the court. In addition, interim relief is also available against third parties.



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