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Gibson Sale & Purchase Market Report



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Dry Cargo – Japanese Spring Cleaning

This week was one of the most active periods for Dry Bulk sale and purchase activity this year, with 21 sales reported across all sizes from Capes to Handysizes. Five Japanese-controlled bulkers hit the market this week, inviting offers later this month. This surge in activity likely relates to the end of the Japanese fiscal year on March 31st, when owners traditionally tidy up their accounts. It will be interesting to see the price levels these ships achieve, as asset values have tracked the rise in freight rates for most of the year. The Ultramax segment is a clear example with rates now above US\$ 17k per day. This is much higher than in early January and is reflected in asset prices. The sale of the **'DESERT DIGNITY'** (63,503 dwt / built 2016 in Imabari, Japan) for US\$ 28m shows this strength when compared to the **'ONLY YOU'** (60, 492 dwt / built 2017 in Sanoyas, Japan), which was sold for US\$ 28.3m just two weeks ago. Even though the former vessel was older and had worse survey positions, the price gap was very small, underscoring the week-over-week appreciation in asset values. Given the current bullish sentiment and the availability of new ships, we expect deals to continue at these elevated levels, with geopolitical uncertainties adding further fuel to the fire.

Tankers – Rates Rocket!

The sale-and-purchase market has been left reeling from recent overenthusiastic activity. Meanwhile, VLCC spot earnings have perhaps topped out at US\$ 700k per day (short voyage to India), and, more realistically, are aligned with TD22, giving US\$ 200k per day. We know of 12-month time charters fixed at over US\$110k per day. Buyers are asking themselves where prices will go and how long the turmoil in the Middle East will last. It takes guts to purchase tankers in this market, but when earnings are incredible, you have to move very fast!

We discussed last week the sale of the non-scrubbed **'KIHO'** (300,866 dwt / built 2006, IHI, Japan) at US\$ 50m, but it appears fierce competition has pushed the price closer to US\$ 55m. Frustrated with competition on the VLCCs we see buyers pursuing the smaller crude sizes and this week we hear the



'SIGRUN' (156,229 dwt / built 2013 Sumitomo, Japan) has gone to Naftomar at US\$ 65m with surveys due later this year; this is a jump from last weeks sale of the 'STENA SUNSHINE' (159,039 dwt / built 2013 Samsung, S. Korea) at US\$ 62.5m and a sizeable leap of the sale of the 'FAIRWAY' (160,250 dwt / built 2013 Hanjin, Philippines) in mid Feb at now a bargain looking US\$ 56m.

Recycling – Which Way?

If before the war started, things were quiet, roll on 7 days, and the situation is a bit more confusing. The uncertainty surrounding this conflict has affected not only secondhand values but freight rates too are firming, and the knock on effect will of course now be seen in vintage tonnage whose owners will be cautious not to commit their tonnage for scrap when there could be rewards to be had if freight rates continue to pick up; which we are already seeing in the Tanker sector and to a lesser degree Gas and Dry. The LNG market, meanwhile, is seeing a mini resurgence in old Steamer tonnage, with TC rates improving, which means some likely demo candidates might be temporised for a short time. The shipbreaking nations in the Sub-Cont haven't seen much change in prices or demand, but if this continues, we may see some speculative offers being bid in the hope of securing some much-needed tonnage for the yards.

Newbuilding – Conflicted Considerations

This week, shipowners have taken a noticeably quieter approach to shipyards than in previous weeks, when large-scale negotiations were underway ahead of the conflict. Much of the further significant activity seems to have now slowed as attention shifts to developments in the Middle East conflict, and it remains uncertain how long this cautious stance will continue.

Gibson Sale & Purchase Market Report

S&P SALES

Vessel Name	DWT	Built	Yard	Buyers	Price (\$/m)	Notes
BULKERS						
LUCKY CARINA	177,947	2007	SWS (China)	Chinese buyer	high 23	SS due 7/27. BWTS.
CAPE SANDRA	175,549	2011	Hanjin (Philippines)	Undisclosed	32	SS due 5/26. BWTS. Scrubber.
ROZA + TRINITY I	93,300	both 2010	Jiangsu Newyangzi (China)	Chinese buyer	11.5 each	SS psd 3+5/25. BWTS.
WELFINE	93,146	2011	Jiangsu Newyangzi (China)	Modion Maritime	11.8	SS due 5/26.
NORD AURIGA	81,795	2020	Jiangsu Newyangzi (China)	Undisclosed	32	SS psd 5/25. BWTS. Scrubber.
ASL MOON	81,702	2008	Mitsui (Japan)	Chinese buyer	13.6	SS due 9/26.
OCEAN LION	75,656	2005	Sanoyas (Japan)	Undisclosed	9.75	SS psd 10/25.
QIDONG XIANGYU XY197	63,800	2026	Qidong Xiangyu (China)	Undisclosed	36.5	BWTS. Tier III.
JIN PING	63,800	2014	Jiangsu Hantong (China)	Undisclosed	high 23 / 23.46	DD due 8/27. BWTS.



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DESERT DIGNITY	63,503	2016	Imabari (Japan)	Undisclosed	28	SS due 11/26. BWTS.
SIIRT	63,500	2013	Yangzhou Dayang (China)	Greek buyer	21.5	SS due 3/28. BWTS.
KAPTA MATHIOS	58,743	2009	Tsuneishi Zhoushan (China)	Chinese buyer	13.75	SS due 11/26. BWTS.
GENCO PREDATOR + GENCO PICARDY	55,400	both 2005	NACKS (China)	Undisclosed	10.5 each (en bloc)	SS psd 5/25. BWTS.
CORAL GEM	55,073	2010	NACKS (China)	Greek buyer	14.5	DD due 7/27. BWTS.
THEODORA	53,569	2008	Iwagi (Japan)	Undisclosed	13	SS psd 2/26. BWTS.
CL CONTIGO	40,799	2015	Jiangsu Hantong (China)	Undisclosed	19.5	OHBC. SS psd 5/25. BWTS.
ACTION TRADER	39,481	2017	Jiangmen Nanyang (China)	Undisclosed	21	OHBC. SS due 4/27. BWTS.
ZAFER	35,186	2011	Samho (Korea)	Undisclosed	13	SS extended 3/26.
MANGUSTA	33,393	2015	Shin Kochi (Japan)	Undisclosed	16.7	OHBS. DD due 2/27. BWTS. Logs.
KEN GIANT	28,323	2009	I-S Shipyard (Japan)	Undisclosed	8.6	DD due 7/27. BWTS.
TANKERS						
HAISHEN	308,930	2005	Samsung (Korea)	Undisclosed	38	DD due 10/26. BWTS. Scrubber.
ILL GAP	306,352	2004	Samsung (Korea)	Undisclosed	31	DD due 7/26.
SIGRUN	156,229	2013	Sumitomo (Japan)	Naftomar	65	DD due 6/26. BWTS.
SINBAD	115,928	2009	Samsung (Korea)	Undisclosed	41	DD due 5/27. BWTS. Scrubber. Coated. DD due 8/27. BWTS. Scrubber.
ZENOVIA LADY	109,999	2009	Sungdong (Korea)	Undisclosed	41	Sanctioned. Non-IACS. Renamed.
REMIZ	106,532	2002	Tsuneishi (Japan)	Undisclosed	10.5	SS due 8/27. BWTS.
VOLTA RIVER	105,839	2007	Tsuneishi (Japan)	Undisclosed	33	Deepwell. SS due 10/27. BWTS.
OCEAN SPIRIT	49,995	2012	SPP (Korea)	Undisclosed	28	Marine. Methanol ready. Tier III. Renamed. Epoxy. 4 grades. SS due 6/27. BWTS.
GOLDEN SPRUCE	18,500	2026	Fujian Southeast (China)	BTS Tankers	32.2	
ASIA EVERGREEN	14,000	2012	Fujian Shenglong (China)	Vietnamese buyer	xs 9	
CONTAINERS / RO-RO / REEFER / PCC						
KANWAY LUCKY	24,738	2022	Guangzhou Huangpu (China)	Undisclosed	33	1,930 TEU. Gearless. SS due 11/27.



HANSA FRESENBURG	23,432	2013	Guangzhou Wenchong (China)	Global Feeder Shipping	25	BWTS. Scrubber. 1,740 TEU. Gearless. SS due 1/28. Ice 1B.
TRANSIMEX SUN	15,204	2009	Hakata (Japan)	Vietnamese buyer	15.5	1,060 TEU. Gearless. DD due 11/27. BWTS.
ASIATIC REUNION	12,821	2008	Dae Sun (Korea)	Undisclosed	11	1,049 TEU. Gearless. DD due 8/26.
Gas (LNG / LPG / LEG / LAG)						
CORAL SHASTA	10,770	2003	Hudong Zhonghua (China)	Sanmar Shipping	10.5	Semi-ref/Ethylene. Ice 1B. DD due

NEWBUILDING ORDERS

Ordering Client	Vessel Type	Size / No. of units	Shipyard (Country)	Delivery	Price (\$m)	Notes
BULKERS						
Maran Dry	Capesize	182,000 dwt x 2	Hengli (China)	2028	–	Options declared.
Seanergy	Capesize	181,500 dwt x 1	Hengli (China)	2027	75.2	Scrubber.
Shanghai Ruining	Kamsarmax	82,000 dwt x 2	Wuhu (China)	2028	37.2	–
Suisse Atlantique	Ultramax	63,500 dwt x 5	Jiangmen Nanyang (China)	2028 – 2029	33.5	-
MPP / GENERAL CARGO						
Amisco	MPP-General Cargo	5,900 dwt x 2	Jiangsu Dajin (China)	2027	–	Amisco
TANKERS						
Cape Shipping	VLCC	319,000 dwt x 1	CSSC Qingdao Beihai (China)	2029	120	Option declared. Scrubber.
MSC Shipping	VLCC	306,000 dwt x 4	Hengli (China)	2028 – 2030	120	Option declared.
Eastern Pacific Shipping	VLCC	306,000 dwt x 2	Hengli (China)	2029 – 2030	–	–
Hayfin Capital	MR2	50,000 dwt x 4	Hyundai Mipo (Korea)	2028	50	–
Gulf Energy Maritime	MR2	50,000 dwt x 6	Hyundai Mipo (Korea)	2028	50	–
Nanjing Yangyang Chemical Transportation & Trading	Chemicals	6,600 dwt x 3	Yangzhou Dingheng (China)	2028	23.65	Stainless steel.
Thun Tankers	Product	4,500 dwt x 2	Ferus Smit (Netherlands)	2028 , 2029	–	–
CONTAINERS / RO-RO / REEFER / PCC/PCTC						
Lecang Logistics	Containership	11,000 TEU x 2	CSSC SWS (China)	2028 – 2029	118	–
Conbulk	Containership	5,000 TEU x 2	Guoyu (China)	2028	–	Option declared.
Costamare	Containership	3,100 TEU x 4	TBN (China)	–	–	–
Venergy	Containership	1,900 TEU x 2	CSSC Huangpu	2029	30	Option declared.



Korean Marine Transportation Company	Containership	1,800 TEU x 6	Wenchong (China) HD Hyundai Heavy (Korea)	2027 – 2028	43	–
Cosco Shipping Lines	Containership	540 TEU	COSCO Guangdong (China)	2027	–	–
United European Car Carriers	PCTC	3,000 ceu x 2	CMHI Nanjing (China)	2028	–	LNG DF.
GAS (LNG / LPG / LEG / LAG)						
NYK & Ocean Yield	LNG	200,000 cbm x 4	HD Hyundai Heavy (Korea)	2029	260	Options declared. Against TC.
Malaysia International Shipping Corporation	LNG	174,000 cbm x 2+2	CSSC Hudong-Zhonghua (China)	2029 – 2030	–	Options declared. Against TC.

RECYCLING ACTIVITY

Recycling Prices

	Bangladesh	Pakistan	India	Turkey
Tank/Cont/Ro-Ro/Capes/LPG/PCC	450 – 460	445 – 455	440 – 450	280 – 290
Dry Cargo/Bulk/Tween/Gen Cargo	430 – 440	425 – 435	420 – 430	260 – 270

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 (Scr)	135 (Scr)	110.00	57.30	92.00%
Suezmax	86.5 (Scr)	90.00	75.00	41.40	81.20%
Aframax	76 (Scr)	75.00	62.50	33.80	84.90%
MR	50.00	46.00	36.00	23.20	55.20%
Bulkers					
Capesize	74.5^	68.50	52.50	28.50	84.10%
Kamsarmax	36.5^	35.50	27.50	19.10	44.00%
Ultramax	33.5^	34.50	26.50	16.20	64.00%
Handysize	29.5^	27.00	21.00	13.40	56.30%
				~ = Basis standard contemporaneous DWT/spec for each type.	
^ = Chinese price (otherwise based upon Japanese / Korean country of build)					

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CJC Market News



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Uncertainty and war in Iran, further catalyst for charter hikes



With the recent hostilities between Israel, Iran, and the United States, world headlines have been in a constant state of updates as the list of belligerent and effected countries expands and casualties rise. One of the latest of such headlines is the closure of the Strait of Hormuz by the Iranian military, an action the region has dreaded since the tanker wars in the late 1980s.

The closure of the Strait of Hormuz is likely to have lasting effects on supply chains and the price of goods in the near future. What is certain, as is the case for any major conflict, is that charter rates spike due to unrivalled uncertainty and a much tighter supply. It is not therefore surprising that, in less than a week following hostilities, VLCC have reached record high rates of over USD 400,000 per day with LNG carriers following suit with increases of 40% in charter rates over the weekend. The closure of the strait is however only the final straw in what was already a rising market fuelled by tensions.

Due to this, an estimated 4% of the global fleet (3,200 vessels) is currently reported to be stuck in the Gulf. Most will be aware that the substantial oil and LNG production in the region, which accounts for approximately 30% of the world's production, is effectively blocked from the international market thus increasing demand and lengths of voyages to other producers.

In light of all of this, estimates place the potential daily charter rate of VLCC as high as USD 800,000 if Iran will be successful with its closure of the Strait. Any records and all-time highs would be shattered by such an event but, potentially, so would the underlying market. It appears that the gamble of aggressive players in the VLCC market may have already paid off with a gripping supply being redirected worldwide to fill the unwavering energy demand.

The same trend can be seen in the world of private aviation with charters from the middle east seeing a concerning spike due to thinning supply (as many operators are simply unwilling to risk the flight) and overwhelming demand to reach apparent safety. Although not on the same scale and with smaller effects on the global economy the trend is a worrying one, nonetheless.

As Iran's grip on the strait tightens and the tensions in the region (and beyond) rise, the increased charter rates are virtually sure to follow. Time will tell whether charterers and market players will be able to keep up with the exponentially increasing demands made by owners or if, at one point, the sails will be drawn until a reasonable compromise can be reached.



Attacks on Vessels in the Gulf Intensify Amid Rising Tensions



Security conditions in the Arabian Gulf and the Strait of Hormuz have deteriorated sharply in recent weeks, following a series of attacks on commercial vessels that have raised fears of a renewed “tanker war” in the region. Multiple incidents involving tankers and container ships highlight the growing operational and legal risks facing shipowners, charterers and insurers transiting one of the world’s most strategically critical maritime corridors.

The escalation comes amid heightened geopolitical tensions involving Iran, the US and Israel, with analysts warning that the Gulf may once again become a focal point for attacks on merchant shipping similar to those seen during the Iran–Iraq tanker conflict of the 1980s. Given that the Strait of Hormuz carries roughly one-fifth of the world’s seaborne oil trade, even isolated incidents have the potential to disrupt supply chains and drive volatility in global markets.

Several vessels have already been affected. A Maltese-flagged container ship, *Safeen Prestige*, transiting the Strait of Hormuz was struck by a projectile in what appeared to be a drone or missile attack, sparking a fire on board and forcing the crew to abandon the vessel. While no injuries were reported, the incident demonstrated how quickly commercial vessels can become collateral targets in the escalating conflict.

Tankers operating in the Gulf have also come under attack. In one reported case, a US-managed tanker was damaged in a suspected sabotage operation involving small craft. The risks were further illustrated by an explosion aboard the Suezmax tanker *Sonangol Namibe*, which occurred while the vessel was anchored approximately 30 nautical miles southeast of Kuwait’s Mubarak Al-Kabeer port. The blast breached the hull and damaged a cargo tank, resulting in oil leaking into surrounding waters while the vessel reportedly began taking on water. Aside from the commercial and economic risks associated with operating in the region, the incident also highlights the potential environmental consequences that further attacks may lead to. Maritime security specialists have suggested the explosion may have been caused by a limpet mine placed by a small craft, a tactic that has been used repeatedly in past Gulf shipping incidents.

The deteriorating security environment is already affecting shipping operations. AIS data suggests that traffic through the Strait of Hormuz has declined by as much as 90% as shipowners reassess the risks of trading in the region. On Tuesday, US President Donald Trump announced plans to provide vessels stranded in the Strait of Hormuz with “reasonably priced” insurance and military escorts. However, there are doubts as to whether these measures will be effective. While an offer of insurance may generate commercial interest, it has no impact on the likelihood of continued attacks. Previous attempts at escorts, such as Operation Prosperity Guardian, have also not been effective. A major reason for this is the geography of the Strait itself. Given the narrow passage and speed of vessels passing through, attacks are likely to continue despite a military presence. Iran’s use of scalable low-cost attacks through drones and small-crafts, make an effective counter-response difficult to co-ordinate and the costs associated are difficult to justify.

With tensions showing little sign of easing, the prospect of continued attacks on merchant shipping remains high. The Gulf’s importance to global energy flows means that even a limited campaign against commercial vessels could have significant legal, economic and environmental consequences for the shipping industry.



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