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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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Bulkers – Incongruent Indices

Capesize and Kamsarmax asset prices seem to be moving away from their freight rates. The Capesize index (C5TC) has fallen about a quarter since mid-September, yet **PAN ADVANCE** (179,185 dwt / built 2009 Hyundai Ulsan, S.Korea) has seen xs US\$ 36m. This level is well above **NAVIOS POLLUX** (180,727 dwt / built 2009 STX Jinhae, S.Korea), which sold for US\$ 30.75m at the start of September, when freight was near its peak. Kamsarmax prices still largely follow the spot P5TC and **KIRIBILLI** (82,206 dwt / built 2011 Tsuneishi, Japan) has fetched US\$ 22.75 m, against US\$ 19.35 m for **SPIRIT OF HO-PING** (82,152 dwt / built 2011 Tsuneishi, Japan) in March, largely following the run up in freight rates.

At today's spot rates, both segments are largely priced about where they were a year ago, a Kamsarmax costs 2.9 years of earnings against 2.8 then, and a Cape costs 2.5 years against 2.7. The difference shows up in the forward curve. On next year's FFA earnings, the Kamsarmax multiple rises to 3.5 years, so buyers are paying for spot rates the FFA market doesn't expect to last, and values could slip 15–25% if that curve proves right. Capes stay close to 2.7 years even on forward earnings, and firm forwards into year-end should hold prices for now. The main caveat being that the spot market proves the paper wrong. In shipping, the forward curve is a forecast, not a promise.

Tankers – The Hunt for red hot VLCCs in October

There has been so much activity in the VLCC S&P market since the start of the year and still it continues as a number of Middle Eastern traders, majors and players fight for the ever dwindling supply of prompt tonnage. The prices keep outdoing the last done and not surprisingly as these giants are being paid over US\$ 1.5 m per day, with one voyage reportedly paying US\$ 80 m in freight. The temptation for Eurotankers to sell their last VLCC was too much and we hear the **EUROSPIRIT** (320,105 dwt / built 2011 Daewoo, S. Korea) has sold for region US\$ 153 m, having bought the vessel for US\$ 48 m in the middle of 2020! We also hear that the very vintage **VIEIRA** (306,999 dwt / built 2002 Hyundai Ulsan,



S. Korea) has been sold for a whopping US\$ 75 m, which when you consider she is 24 years old, and in previous years would have been sent for recycling, it's an awful lot of money to pay over scrap value. However, when you consider she can make that money back in one voyage it's probably a very clever move.

Suezmaxes have been very active this week with over 8 units changing hands, around the 15-year-old age range. The values keep on rising and we are now waiting for benchmarks to be broken in the more modern tonnage as numerous buyers seek tonnage.

Recycling – Ship Stagnation

Activity has been thin on the ground as usual with just a handful of sales being recorded, although on the plus side we have seen all types of tonnage across the board reported as being committed to Sub-Cont ship recyclers. It is also interesting to see another LNG carrier being committed for Green Recycling after months of no sales of these types in this sector. The BW-controlled *KNG KANO* obtained US\$ 530 p/ldt from Indian HKC breakers, although she is the lesser preferred Membrane type as opposed to the Moss type tank LNG spec, which is much more sought after amongst the ship breakers for the quantity of non-ferrous materials in the tanks and would usually obtain a big premium. Current price levels are in the high US\$ 400s to low / mid US\$ 500s for all types of tonnage with Pakistan and Bangladesh breakers leading the way.

Gibson Sale & Purchase Market Report

S&P SALES

Vessel Name	DWT	Built	Yard	Buyers	Price (\$/m)	Notes
BULKERS						
GOLDEN MYRTALIA	177,979	2011	SWS (China)	Unknown buyer	40	SS due 10/26.
BULK JOYANCE	175,636	2012	Jinhai (China)	Unknown buyer	33	SS due 4/27. BWTS.
EKATERINI V	173,555	2012	Bohai (China)	Far Eastern buyer	35	SS due 1/27.
EURO BAND	58,761	2009	Tsuneishi Cebu (Philippines)	Unknown buyer	15.5	DD due 12/26. BWTS.
OAK + JUNIPER	57,200	both 2011	Hengli HI (Korea)	Unknown buyer	16.5 each (en bloc)	SS both passed 3/26. BWTS.
NEW HORIZON	55,455	2010	Kawasaki (Japan)	Unknown buyer	18.3	DD due 4/28.
SSI AVENGER	52,949	2004	Oshima (Japan)	Unknown buyer	10	DD due 11/27.
ASL CRYSTAL	38,582	2019	Tsuneishi Cebu (Philippines)	Unknown buyer	27.7	OHBC. DD due 2/27. BWTS. Logs.
DORIS	34,505	2011	SPP Tongyeong (Korea)	Greek buyer	13	DD due 3/29. BWTS.
MAREM	34,148	2012	Daesun (Korea)	Unknown buyer	13	SS due 3/27. BWTS.
TANKERS						
EUROSPIRIT	320,105	2011	Daewoo (Korea)	Middle Eastern buyer	153	SS due 11/26. BWTS. Scrubber.
VIEIRA	306,999	2002	Hyundai Ulsan (Korea)	Unknown buyer	75	SS due 9/27. BWTS. Scrubber.
NICOLAOS	164,758	2010	Hyundai Samho (Korea)	Unknown buyer	high 90s	DD due 11/27. BWTS. Scrubber.
MILITOS	164,751	2012	Hyundai Samho (Korea)	Unknown buyer	95.5	SS due 4/27.



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TIANLONG	159,021	2009	Bohai (China)	Unknown buyer	88	DD due 11/26. BWTS.
YELLOW TRADER	158,609	2004	Daewoo (Korea)	Unknown buyer	61	DD due 10/27.
MARLIN SICILY + MARLIN SANTORINI + MARLIN SHIKOKU TATAKI	156,600	2019	New Times (China)	Trafigura	- (en bloc)	SS all due 1/29. BWTS. Scrubber. Tier III.
	149,992	2010	New Times (China)	Unknown buyer	96	DD due 1/28. Scrubber.
HYDRA	105,744	2004	Sumitomo (Japan)	Unknown buyer	51.5	DD due 1/29. BWTS.
ASIAN PHOENIX	72,782	2006	Dalian (China)	Unknown buyer	20	Pumproom. SS due 6/26. BWTS.
VALLE AZZURRA	49,999	2007	SPP Tongyeong (Korea)	Unknown buyer	20	Deepwell. SS due 12/27. BWTS.
PACIFIC ONYX	49,996	2013	Onomichi (Japan)	Unknown buyer	35	Pumproom. SS due 3/28. BWTS. Scrubber. Prompt dely Atlantic.
STI SOHO	49,990	2014	SPP Sacheon (Korea)	Greek buyer	37	Deepwell. DD due 1/28. BWTS. Scrubber.
ANGEL STAR	48,635	2006	Iwagi (Japan)	Chinese buyer	17.5	Pumproom. DD due 7/27. BWTS. Renamed.
AKAR WEST	47,199	2003	Admiralteiskiy (Russia)	Unknown buyer	4.5	Sanctioned. Deepwell. Trading dirty. DD due 10/26. BWTS.
ANGEL 7	46,346	2003	Hanjin (Korea)	UAE buyer	10.3	Pumproom. DD due 8/26. BWTS. Renamed.
SEYCHELLES PROGRESS	37,558	2005	Lindenau (Germany)	Unknown buyer	12.65	Deepwell. DD due 9/28. BWTS. Ice 1B. Renamed.
EASTERLY JUPITER	36,677	2009	Hyundai Mipo (Korea)	Danship Invest	19	Deepwell. DD due 5/27. BWTS. Basis 12/26 cancelling.
SAKURA SHUCHI	19,969	2006	Fukuoka (Japan)	Unknown buyer	13	Stainless steel. SS due 11/26.
CONTAINERS / RO-RO / REEFER / PCC / PCTC						
COSCO HAMBURG + COSCO FELIXSTOWE	69,150	2001 + 2002	Kawasaki (Japan)	Unknown buyer	32 each (en bloc)	5,618 TEU. SS due 10/26 + 4/27. Scrubber. Ice II. Inc 3 yrs T/C back @ \$35k pd.

Recycling Activity

Vessel Name	Built (Country)	Deadweight (DWT)	Lightweight (LWT)	Delivery	Price (US\$ per LWT)	Notes
Bulkers / General Cargo						
ASIA CEMENT No. 3	1989 (Japan)	12,332	3,626	Bangladesh	446	
LONG HU	1998 (Japan)	73,937	9,798	Bangladesh	540	
Tankers						
FLORA	1997 (Korea)	44,923	9,741	India	-	
ORIS	1982 (Japan)	5,749	2,357	India	-	



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Containers / Ro-Ro / Reefer / PCC/PCTC

CURY	1983 (Japan)	6,060	3,822	Bangladesh	475
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GAS (LNG/LPG)

LNG KANO	2007 (Korea)	86,961	31,022	India	530	HKC Green Recycling
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Recycling Prices (US\$/LWT)

	Bangladesh	Pakistan	India	Turkey
Tankers / Cont / Ro-Ro / Capes / PCC / LPG / LNG	530 - 550	525 - 540	490 - 500	320 - 300
Bulkers / Tween / General Cargo	510 - 520	500 - 510	475 - 485	300 - 310

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	135 (scr)	220.00	190.00	62.20	205.50%
Suezmax	93 (scr)	140.00	125.00	44.40	181.50%
Aframax	79 (scr)	85.00	73.00	36.70	98.90%
MR	53.00	52.00	42.00	24.70	70.00%
Bulkers					
Capesize	76.5^	75.00	58.00	31.50	84.10%
Kamsarmax	38.5^	42.50	34.00	20.60	65.00%
Ultramax	36^	39.50	31.00	17.50	77.10%
Handysize	32^	31.50	24.00	14.60	64.40%

^ = Chinese price (otherwise based upon Japanese / Korean country of build)

~ = Basis standard contemporaneous DWT/spec for each type.

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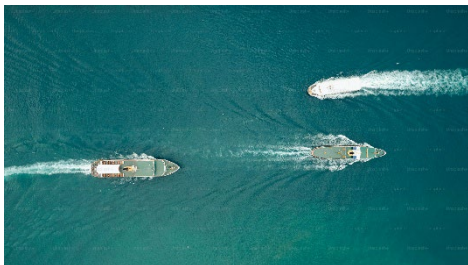


CJC Market News



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, Genoa, and Miami.

Nuclear-powered commercial ships to set sail soon?



Press reports indicate growing interest in powering commercial vessels by way of Small Modular Nuclear Reactors. For instance, Hyundai Glovis recently announced a partnership with U.S.-based Liberty Global Logistics to look at the feasibility of powering car carriers by using SMRs.

On the one hand, in a world where there is increasing awareness of the need for urgent decarbonisation, this would seem to be a welcome development.

On the other hand, at least to date, nuclear power has proven to be an expensive and complicated way of powering ships. The World Nuclear Association's website suggests that only approximately 160 ships are currently powered by nuclear reactors, most of which are submarines, icebreakers, or aircraft carriers.

That number can be contrasted with a global shipping fleet thought to number around 116,000 vessels. There is also the cost to take into account. Ignoring military vessels, a comparison might be drawn with icebreakers. Nuclear-powered icebreakers are commonly reported as costing in excess of USD 500 million.

That contrasts with build costs of approximately USD 80-100 million for LNG dual-fuel car carriers, roughly 20% of the price of the nuclear-fuelled alternative.

Then there are the safety and regulatory concerns. Is the general public ready to accept large numbers of vessels with nuclear-reactors visiting ports in heavily populated cities? Will the high number of governments that currently prohibit visits by nuclear-powered ships to their ports have to revisit their stance?

All in all, then, it remains to be seen whether a new nuclear dawn is here for the commercial shipping sector.



The Lila Lisbon



The Supreme Court has recently handed down an important judgment in *The Lila Lisbon* dealing with the SALEFORM 2012 that the market needs to be aware of ([2026] UKSC 23).

The case dealt with a ship sale contract on the SALEFORM 2012 wherein the sellers were unable to meet the Cancelling Date, and the buyers sued for damages.

The Supreme Court decided that buyers under the SALEFORM 2012 are entitled to “loss of bargain” damages where they can show proven negligence on the sellers’ part (lack of reasonable or due diligence), even in the absence of repudiatory breach by the sellers.

On the facts this meant that the buyers were entitled to USD 1.85 million in loss of bargain damages, being the difference between the agreed price and the market price of the vessel. This was on top of USD 1.65 million in damages for loss of use of the vessel.

The Supreme Court’s judgment arguably accords with general market understanding that loss of bargain damages should be recoverable in such a situation, and it highlights the risks that sellers face if timely delivery of vessels is delayed for whatever reason.

Oaktree completes its divestment of stake in Torm plc



This week Torm plc announced the closing of the sale of more than six million of its Class A shares which had been owned by OCM Njord Holdings S.à r.l., a company indirectly owned by funds indirectly managed by Oaktree Capital Management GP, LLC and its affiliates. This share sale completes the divestment of Oaktree Capital of its stake in Torm.

The buyer of these shares has not yet been announced, but the deal is understood to have generated around U.S. \$253,500,000 (two hundred fifty-three million five hundred thousand) in gross proceeds for OCM Njord Holdings S.à r.l.

TORM is one of the world’s leading carriers of refined oil products, operating a fleet of product tanker vessels worldwide. The company’s shares are listed on Nasdaq in Copenhagen and on Nasdaq in New York. Torm did not sell any Class A common shares as part of this transaction and did not receive any proceeds from the offering.



Tanker set ablaze in Black Sea in ongoing Russia/Ukraine conflict



Ukraine has resumed strikes on tankers trading with Russia, setting a Greek-owned Aframax ablaze off Sochi on the Black Sea coast late Tuesday. The 107,100-dwt Aframax Rio, built in 2004 and understood to be carrying crude oil at the time, was struck by unmanned boats, according to Russia's transport ministry. Russia's transport ministry said the tanker caught fire after being struck, with crude oil burning openly in the water, and that firefighting efforts would begin once the blaze subsided; all 23 crew members, Indian nationals, were rescued, with no casualties reported.

President Volodymyr Zelenskyy indirectly confirmed Ukrainian involvement, posting video of the strike on X with the comment: "There was a response... in the Black Sea."

The incident is the latest in an almost daily drone war in which Ukraine and Russia target each other's commercial shipping industries. Russia also recently struck grain vessels carrying Ukrainian goods near Romania's coast.

More than 40 seafarers have reportedly been killed as part of this conflict this year, bringing the war's total seafarer death toll to more than 60.

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