



CJC Exchange is a weekly newsletter from **Campbell Johnston Clark**, incorporating with kind permission from **Gibson Shipbrokers** the most recent issue of the Gibson Sale & Purchase Market Report. A blend of market intelligence and relevant industry news, CJC Exchange is distributed free of charge to parties on the CJC mailing list who have given permissions to receive S&P updates from CJC. CJC Exchange is available to new subscribers [here](#).

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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 – Handynomics

Appetite for bulk tonnage continues unabated across all sizes and with the BDI having taken an upwards turn in the last week this will have reinvigorated buying interest. Winning Shipping who appears to have been absent from the second-hand market for a while is reported to have picked up the Newcastlemax **CAPE ALLIANCE** (206,190 dwt / built 2007 Imabari, Japan) for US\$ 35.5 m. This is the first Newcastlemax sale we have reported for over a month and the price is reflective of the appreciation in values, a year ago these vessels were achieving between low to mid 20s. The kamsarmax **PANORAMA** (81,504 dwt / 2012 Hyundai Samho, Korea) has expanded the horizon for 2012 Korean built vessels by breaking the US\$ 20 m barrier. The similar vessel **DENSA PELICAN** (82,967 dwt / built 2012 STX Jinhae, S.Korea) was also reported to have seen excess US\$ 20 m, but has not yet been sold.

There are a healthy number of ultramax sales including the **DESERT NAMULI** (63,666 dwt / built 2021 Tadotsu, Japan) reported at US\$ 38.5 m a price showing a continued firmness in this sector. Ugland has reportedly sold the **KRISTINITA** (58,470 dwt / built 2011 Tsuneishi Zhoushan, China) at excess US\$ 20 m, which is in line with recent sales. Lastly, Taylor Maritime has divested its final vessel, namely the **SUNNY SANDRA** (37,154 dwt / built 2012 Saiki, Japan) for US\$ 15.1 m finalising the company's exit from ship owning.

Tankers – In the Shadows

Tanker markets extend their historic run and crude tanker demand shows no sign of easing, with reports that the US may lift sanctions doing little to impact charter rates. While this week's VLCC transactions are less plentiful than of late, it's reported that **DS VISION** (297,345 dwt / built 2011 Dalian No.2, China) has been sold for US\$ 96 mill. A price that needs the context of its forward delivery in May 2027 and thus being unable to capitalise on the premiums that prompt ships can command, such as **EUROSPIRIT** (320,105 dwt / built 2011 Daewoo, Korea) sold for US\$ 153 m at the start of the month,



or last week's FSO **SOUTHERN EMPEROR** (297,376 dwt / built 2004 Dalian New, China) at a staggering US\$ 110 m, for a ship seven years senior.

A slimmer sales tally this week in general perhaps hints at buyers holding back for results of the US Mid-terms and proposed trilateral talks between US, Russia and China to dictate Ukraine's fate, albeit not stopping charterers taking tonnage on long-term charter. Aframaxes are enjoying greater utilisation off the back of rampant VLCC (and Suezmax) rates and this week's sales of **AEGEAN HARMONY** (115,824 dwt / built 2007 Samsung, S.Korea) at US\$ 55 m and dirty-trading LR2 **AFRA MARE** (105,348 dwt / built 2008 Hyundai Ulsan, S.Korea) at US\$ 59 m both offer some price concurrence. Whilst these values may not ape the incredible VLCC price trajectory, it's noteworthy that 6-7 months ago such vessels were changing hands in the US\$ low-mid 30 m range.

Recycling – Scarce but Stable

Recycling markets continue to stagnate with almost no ships being offered for demolition. With festive holidays in India and Bangladesh markets have been further muted with almost zero activity.

Steel prices have remained stable across the sub-continent. With LNG charter rates picking up, the few LNG carriers that were destined for recycling are also either finding new homes or employment.

With the ongoing global geopolitical insecurity it appears that cash buyers and ship breakers will have to wait much longer before they get back in the driving seat.

Gibson Sale & Purchase Market Report

S&P SALES

Vessel Name	DWT	Built	Yard	Buyers	Price (\$/m)	Notes
BULKERS						
CAPE ALLIANCE	206,190	2007	Imabari (Japan)	Winning Shipping	35.5	SS due 2/27. BWTS.
PANORAMA	81,504	2012	Hyundai Samho (Korea)	Unknown buyer	xs 20	SS due 2/27. BWTS.
TARIEL	76,623	2001	Imabari (Japan)	Unknown buyer	reg 8	DD due 12/27. BWYTS. Delivery 12/26-1/27.
DESERT NAMULI	63,666	2021	Tadotsu (Japan)	Greek buyer	38.5	SS passed 3/26. BWTS.
LIBRA CONFIDENCE	63,220	2019	Yangzhou Dayang (China)	Unknown buyer	33.5 (A)	Online auction. DD due 10/27. BWTS.
DIAMOND QUEEN	61,494	2013	Shin Kasado (Japan)	Unknown buyer	24	SS psd 3/26. BWTS.
ES WARRIOR	60,513	2016	Sanoyas (Japan)	Unknown buyer	29.5	SS due 10/26. BWTS.
KRISTINITA	58,470	2011	Tsuneishi Zhoushan (China)	Unknown buyer	xs 20	SS passed 5/26. BWTS.
SALTWIND EXPLORER	55,783	2011	Hyundai Vinashin (Vietnam)	Transworld Shipping Lines	16.5	SS passed 4/26. BWTS.
UNITY MELODY	55,705	2012	Hyundai Mipo (Korea)	Unknown buyer	18.6	SS due 11/27. BWTS.
YASA UNSAL SUNAR	55,526	2007	Mitsui (Japan)	Unknown buyer	15.1	SS passed 4/26.



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MOUNTPARK	37,839	2016	Naikai Setoda (Japan)	Devbulk	23.5	OHBC. SS psd 5/26. BWTS. Logs. Renamed.
SUNNY SANDRA	37,154	2012	Saiki (Japan)	Unknown buyer	15.1	OHBC. SS due 7/27. Delivery 12/26.
AMARELLA	35,212	2011	Nantong Changqingsha (China)	Lebanese buyer	12.1	SS passed 10/26. BWTS. Renamed.
TANKERS						
DS VISION	297,345	2011	Dalian No. 2	Unknown buyer	96	SS passed 4/26. BWTS. Forward delivery 5/27.
AEGEAN HARMONY	115,824	2007	Saumsung (Korea)	Unknown buyer	55	SS due 7/27. BWTS.
AFRA MARE	105,348	2008	Hyundai Ulsan (Korea)	Chinese buyer	59	Coated. Trading dirty. SS due 9/28. Dely 11/26 basis DD passed. BWTS. Scrubber.
ASEAN FORWARDER	74,543	2006	Sasebo (Japan)	Unknown buyer	26.8	Pumproom. Trading dirty. SS passed 9/26. BWTS.
NEW FUTURE	49,991	2007	STX Jinhae (Korea)	Unknown buyer	20.6	Deepwell. SS due 11/27. Ice 1A.
GOLDEN PINE + GOLDEN POPLAR + GOLDEN OAKTREE	18,500	all 2026	Fujian Southeast (China)	Unknown buyer	36.5 each (en bloc)	Marine. BWTS. Tier III. Methanol ready.
CONTAINERS / RO-RO / REEFER / PCC / PCTC						
EVRIKIKI G	34,654	2001	Hyundai Ulsan (Korea)	Unknown buyer	reg 26	2,556 TEU. Geared. SS passed 9/26. BWTS.
NORDMAAS	23,417	2019	Jiangsu Newyangzi (China)	MPC	35	1,774 TEU. Gearless. DD due 8/27.
GAS (LPG / LNG)						
GRACE DAHLIA	86,512	2013	Kawasaki (Japan)	Golar LNG	-	173,878 cbm. Membrane. Steam turbine. SS due 9/28. Ice 1C. For FLNG conversion.



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Newbuilding Activity

Ordering Client	Vessel Type	Size / No. of Units	Shipyard (Country)	Delivery	Price (US\$ mill)	Notes
BULKERS						
Lavinia Bulkers	Newcastlemax	212,000 dwt x 4	Zhoushan Changhong Int'l (China)	2030	reg 78	
ICBC Leasing	Post-Panamax	87,000 dwt x 11	Xiamen & Fujian Mawei (China)	2029-2030	-	Grain carrier. Against TC to COSCO.
Zheyin Leasing	Post-Panamax	87,000 dwt x 3	Xiamen & Fujian Mawei (China)	2029-2030	-	Grain carrier. Against TC to COSCO.
Yongying Financial Leasing	Post-Panamax	87,000 dwt x 2	Xiamen & Fujian Mawei (China)	2029-2030	-	Grain carrier. Against TC to COSCO.
YZJ Maritime	Kamsarmax	82,000 dwt x 4+2	Jiangsu Watts Energy (China)	2029-2030	33-34	
EuroDry	Kamsarmax	82,000 dwt x 1	Jiangsu New Hantong (China)	3Q 2029	37	
Gestion Maritime	Ultramax	64,000 dwt x 3	Nantong Xiangyu (China)	2028-2029	-	
TANKERS						
Liquimar Tankers	Suezmax	157,000 dwt x 3	Jiangsu New Hantong (China)	2030	84-86	Scrubber.
Nanjing Tankers	LR2	115,000 dwt x 4	Shanhaiguan (China)	2029	-	
Emarat Maritime	LR1	74,000 dwt x 6	Jiangsu New Hantong (China)	2029-2030	57	
Containers / Ro-Ro / Reefer / PCC/PCTC						
MSC	Containership	24,000 TEU x 10	Hengli HI (China)	2029-2030	230-235 (estimated)	LNG DF.
Shanghai Zhonggu Logistics	Containership	14,000 TEU x 2	Hudong-Zhonghua (China)	2029-2030	155	Scrubber.
Danaos	Containership	9,200 TEU x 2	SWS (China)	2029	109	
Tsakos	Containership	3,200 TEU x 2	Hengli HI (China)	2028	48	Scrubber.
Gas (LPG / LNG)						
MISC	LNG	174,000 cbm x 5	Hudong-Zhonghua (China)	2030	-	Against 20 years TC to Petronas.
BGN	VLGC	93,000 cbm x 4	HD Hyundai (Korea)	2030	116.7	LPG DF.
Alpha Gas	VLAC	88,000 cbm x 2	Hengli HI (China)	2029	-	Contracted 9/26.

Recycling Activity

Vessel Name	Built (Country)	Deadweight (DWT)	Lightweight (LWT)	Delivery	Price (US\$ per LWT)	Notes
Bulkers / General Cargo						
B- LPG SOPHIA	1997 (Japan)	6,389	3,421	Bangladesh	390	
FOTEX	1997 (Japan)	8,668	2,594	Bangladesh	530	
ZHENG NENG FANG ZHOU	1995 (Japan)	45,031	7,813	Bangladesh	-	
Tankers						



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VIRINI PREM	1988 (Korea)	148,394	21,205	as-is Nigeria	-
LIGERA	2002 (Korea)	299,222	44,411	Bangladesh	520
MODESTE	2001 (Korea)	42,721	8,776	India	-
Gas (LNG / LPG)					
BAI HUA YUAN	1997 (Japan)	3,338	2,099	China	373

Recycling Prices (US\$/LWT)

	Bangladesh	Pakistan	India	Turkey
Tankers / Cont / Ro-Ro / Capes / PCC / LPG / LNG	530 - 550	525 - 540	490 - 500	300 - 320
Bulkers / Tween / General Cargo	510 - 520	500 - 510	480 - 490	300 - 310

Newbuild and Second Hand Benchmark Values (\$ million)

Historical Average Values (\$ million)

Vessel Type	New Building	5 Year Old Vessel	10 Year Old Vessel	10 Year Old Vessel~	% 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^	76.00	60.00	31.50	90.50%
Kamsarmax	38^	42.50	34.00	20.60	65.00%
Ultramax	36^	38.50	31.00	17.50	77.10%
Handysize	32^	31.50	23.50	14.60	61.00%

^ = 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.

Too valuable to scrap?



Strong freight markets are encouraging shipowners to retain ageing vessels for longer, contributing to a slowdown in ship recycling activity.

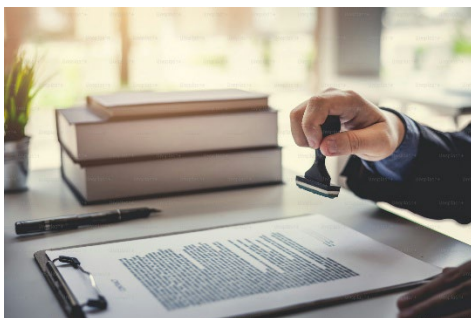
According to recent reporting by TradeWinds, Clarksons Research has highlighted the growing number of older vessels remaining in operation as favourable earnings continue to outweigh the financial incentives for demolition.

This growing pool of ageing tonnage could provide a natural release valve should freight markets weaken. As earnings decline, the economics of operating older vessels may become less attractive, prompting owners to accelerate recycling activity.

Such a shift could help rebalance the market by reducing the supply of available tonnage, potentially easing downward pressure on freight rates.

For the sale and purchase market, the prospect of increased recycling activity highlights how quickly changing freight conditions could influence decisions over whether to retain, sell or recycle ageing vessels.

A second life for sanctioned tankers?



The US administration is exploring proposals that could see idled sanctioned tankers sold to non-sanctioned shipowners and returned to mainstream commercial trading, potentially increasing available vessel capacity and easing pressure on freight rates.

According to recent reporting by Tradewinds, the proposals envisage approved investors acquiring sanctioned vessels with a view to transporting non-sanctioned oil.

However, the practical implications remain uncertain. Some vessels may face restrictions imposed by other jurisdictions, while concerns surrounding their age, condition, certification and insurance could complicate their return to conventional trading. It also remains to be seen whether the proposals would materially increase tanker availability or ease freight rates, particularly given the wider geopolitical factors affecting the market.



For the sale and purchase market, the proposals could present opportunities to acquire previously sanctioned tonnage, but any prospective buyers would need to navigate complex legal, regulatory, technical and commercial considerations before completing any such acquisition.

Iran and the Persian Gulf



As tensions continue to escalate between the US and her allies and Iran, attacks on vessels in or near the Strait of Hormuz, as well as in the Arabian Gulf, show no sign of abating. Two container ships have been sunk after being struck by missiles in the last week, with at least 15 container ships passing through the Strait being attacked by Iran and her proxies in the past fortnight.

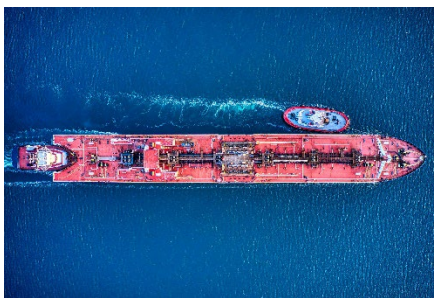
The Strait is said to be littered with debris from cargo lost overboard as vessels are hit by drones, mines, and RPGs.

This represents the sharpest rise in Iranian attacks on shipping in the Gulf since the start of the US war with Iran. In addition to successful attacks, merchant shipping is being harassed in an obvious attempt for Iran to assert dominance over the area.

The JMIC reports that US assisted daily traffic flows through the Strait are in single digits in the 72 hours leading up to Sunday 18th October, with transits in the week preceding 14th October approximately 70% below pre-conflict levels. Anchorage congestion continues to be high in the region.

CJC has been assisting clients in their salvage operations of vessels struck by various ordinance and continues to advise regularly on contractual disputes arising out of the ongoing situation since the conflict began.

Global Oil Tanker Freight rates skyrocket along with vessel values



The average global freight rate for oil has increased almost sevenfold to \$20 a barrel, with Middle East routes said to be \$35 a barrel, by comparison with the same time last year, as a result of the outbreak of the Iran war and ongoing conflict between Russia and Ukraine. These represent historic highs.

The Middle East prices factor in heavy increases in war risk premiums and higher fuel costs but also as many vessels are operating on STS transfers and shorter routes within the Middle

East, as the conflicts disrupt the established trade routes. This was already a growing issue following the G7 ban on Russian oil and the increase in vessels operating in the shadow fleet (carrying Russian and Iranian oil circumventing US and European sanctions).

The disruptions in the market are also having an effect on second hand and new-build tanker prices as global fleet availability is squeezed along with the trade routes on which they operate.

We have seen vessels salvaged from the Gulf, ostensibly fit only for scrap, being redirected for repair, such is the increase in their value, making it cost effective to repair what previously one would only have thought suitable for beaching and cutting up.

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