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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 – A Tale of Two Markets

The short-term fortunes of the clean and dirty segments have begun sharply diverging this week. Hitherto rampant buying interest for clean MRs and LRs has withered away in the face of diving spot rates in the West, whilst liquidity in the aframax and suezmax sectors is holding steady and prices hold steady. This divergence evidences once more just how sensitive the second-hand market, particularly for older vessels, is to the changing vicissitudes of the spot charter markets. Prices understandably jump when competition for prompt tonnage amongst buyers is at fever pitch and they feel that they will be able to amortize at least some portion of any premium over last done on their first "launch cargo". The insidious inverse to this phenomenon is that when spot rates drop and launch cargo returns fall dramatically, yesterday's prices quickly become unsustainable. This then leads to S&P activity drying up, seemingly overnight, as Sellers refuse to accept the proverbial new normal and buyers focus their attentions elsewhere. Bearing that in mind, we should expect the current respective moods of the dirty and clean segments to continue just as long as it takes for spot rates to move substantially. Given recent volatility, the next big shift in either direction can't be far away.

Dry Cargo – Shifting Sands

The Baltic Dry Index, after three consecutive days of improvement, slipped yesterday to 1,608 points, its biggest daily decline in three weeks, which continues to demonstrate the instability of the dry freight market. On a closer look, Capes had a strong session last week but followed suit yesterday. On the sales side there are no new Cape sales reported, only some older sales resurfacing now. The Panamax sector reached its highest levels in April this year, but since then has only gone south; will prices follow suit? The BSI has shown more stability and currently stays at around 1,105 points, which is on the firmer side since the beginning of the year. Modern Ultras such as "BULK ELECTRA" (66,604 dwt/built 2015 Mitsui, Japan), which we reported last week and had interest from several parties, has found a new home with undisclosed buyers and was able to get the firm levels that owners were aiming for circa US\$27m. The "VOKARIA" (63,614 dwt/built 2020 COSCO Yangzhou, China) from UK-based Owners



Union Maritime fetched around US\$33.5m, which is a good improvement from February when they sold the same aged sister vessel "ASTON" (63,618 dwt/built 2020 COSCO Yangzhou, China) to the stock listed Eagle Bulk Shipping for US\$30m. Handies show parallels to the Supras in both freight rates and price increases as shown by the "MAESTRO DIAMOND" (37,115 dwt/built 2015 Saiki, Japan) passing on to Turkish interests at US\$22.5m while the sister "MAESTRO PEARL" (37,115 dwt/built 2015 Saiki, Japan) went to the same Buyers in March for US\$20.5m.

Recycling – Tensile Tension

Local markets in Bangladesh have come off this past week with steel prices falling equivalent to about US\$20-25/LT. Many end buyers have secured ships for their yards, however the few who are still looking to buy are ready to pay aggressively in order secure tonnage, keeping in mind the upcoming monsoon seasons. It's a similar situation in Alang, but end buyers in India are mainly focused on procuring Green Recycling ships, which they expect shall come aplenty from the container ship sector. There appears to be quite a few ships available in the market, mainly dry and container tonnage unlike last month where the supply was very tight. Meanwhile, Pakistan is in a turmoil with Imran Khan being arrested earlier this week meaning there is chaos around the country. In terms of activity going forward, the Recycling markets are likely to remain dull for the coming months or at least until there is some clarity on various political and economic troubles the country is currently facing.

Newbuilding – Tankers Roll On...

Tanker newbuilding enquiry continues to remain firm with further LR2 orders emerging at the Chinese yards and ongoing enquiries for VLCC. The wobble in market sentiment just over a week ago (slower Chinese economic rebound) has not dented the appetite of those looking to contract although there has been some recovery in sentiment, notably in aframax, this week. Owners contracting newbuildings seem to be driven by fleet renewal pressure and to reinvest record profits from vintage vessel sales. No let up in 2nd hand values is also driving newbuilding interest.

Gibson Sale & Purchase Market Report

S&P SALES

Vessel Name	DWT	Built	Yard	Buyers	Price (\$/m)	Notes
BULKERS						
ZHENG YUAN	177,643	2002	Mitsui (JPN)	Chinese buyer	13	DD due 7/24. BWTS. Sold in April.
OLYMPIUS VICORIUS	+ 171,320	both 2004	Hyundai Samho (KRS)	UAE buyer	33.5 en bloc	SS due 2+6/24.
FPMC B 103	106,668	2011	Hengli HI (CHN)	Far Eastern buyer	24	DD due 9/24. BWTS + Scrubber.
CLAIRE Z	93,313	2009	Jiangsu Newyangzi (CHN)	Chinese buyer	low-mid 16	SS due 9/24. BWTS.
SWEET VENUS + SWEET LYDIA SWEET IRINA + SWEET MELISSA	79,500	both 2012 both 2011	Jinhai (CHN)	Undisclosed	mid-high 17 mid-high 16	DD due 3+7/25. BWTS. DD due 8+11/24. BWTS.
BULK ELECTRA	66,604	2015	Mitsui (JPN)	Undisclosed	reg 27	DD due 11/23. BWTS.



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ULTRA PANACHE	78,450	2011	Sanoyas (JPN)	Undisclosed	xs 20	DD due 1/24. BWTS.
VOKARIA	63,614	2020	COSCO Yangzhou (CHN)	S.Korean buyer	low 30s	SS due 3/25. BWTS + Scrubber.
MAESTRO DIAMOND	37,115	2015	Saiki (JPN)	Devbulk	22.5	OHBC. DD due 5/23. BWTS.
ITHACA STOCKHOLM	35,052	2010	Nantong Jinghua (CHN)	Indian buyer	11	DD due 12/23. BWTS. Logs.
MARDINIK	33,918	2011	21C Shipbuilding (KRS)	Syrian buyer	14.4	DD due 11/23. BWTS.
ATLANTIC BRAVE	33,047	2016	Shin Kurushima (JPN)	Undisclosed	21.65	OHBC. DD due 8/24. BWTS.
TANKERS						
BALTIC SUNRISE	309,373	2005	Hyundai Ulsan (KRS)	Undisclosed	low 50s	DD due 12/23. Scrubber.
AMOROZA	159,167	2001	Hyundai Ulsan (KRS)	Undisclosed	reg 30	DD due 12/23. BWTS fitted.
AGAPE SOUL	159,165	2001	Daewoo (KRS)	Undisclosed	29	DD due 8/24. High comms. Coated.
PS PISA	108,835	2010	Hudong Zhonghua (CHN)	Middle Eastern buyer	36.5	Trading dirty. DD due 3/23. Coated.
WONDER MUSICA	106,290	2004	Hyundai Ulsan (KRS)	Undisclosed	reg 30	Trading dirty. SS due 3/24.
SEA HAZEL	106,085	2004	Tsuneishi (JPN)	Undisclosed	xs 30	SS due 1/24. BWTS.
LUMEN N	63,599	2008	STX Jinhae (KRS)	Chinese buyer	22.5	Ice 1A. Deepwell. SS due 8/23. BWTS fitted.
ADAMAS I	49,998	2009	SPP Sacheon (KRS)	Undisclosed	24.5	Deepwell. SS due 4/24.
BLUE TRADER	37,270	2005	Hyundai Mipo (KRS)	Undisclosed	18	Ice 1B. Deepwell. Trading dirty. DD due 7/23. Cap 1. BWTS.
AYANE	16,791	2010	Turkter (TRK)	Undisclosed	reg 15	Ice 1A. Epoxy. SS due 3/24.
CONTAINERS / RO-RO / REEFER / PCC						
INGRID	8,166	2008	Fujian Mawei (CHN)	Turkish buyer	5.8	Ice 1A. 698 TEU. Gearless. SS due 5/23.
GAS (LNG / LPG / LAG / CO2)						
BW EVERETT	77,552	2003	Daewoo (KRS)	Eddie Steamship	45	135,268 cbm. St.Turbine. SS due 6/23.
GENERAL CARGO / TWEEN / MULTI-PURPOSE						
HUGE SW + FABULOUS SW	11,939	both 2009	Higaki (JPN)	Undisclosed	reg 7 each	Geared. SS+BWTS due 1+3/24.

NEWBUILDING ORDERS

Ordering Client	Vessel Type	Size / No. of units	Shipyard (Country)	Delivery	Price (\$m)	Notes
TANKERS						



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Oldendorff Carriers	Kamsarmax	82,000 dwt x 3+3	Jiangsu New Hantong (CHN)	2025	est. 33	Conventional fuel.
JJ Ugland	Ultramax	66,200 dwt x 2	Tsuneishi Cebu (PHIL)	2026	35	
Meadway Shipping & Trading	Ultramax	64,000 dwt x 1	Tsuneishi (JPN)	2026		Scrubber. Already renamed.
GAS (LNG / LPG / LAG / CO2)						
Dynagas	LNG	200,000 cbm x 2	Hyundai HI (KRS)	2027	277	Against long TC.
MOL	LPG	88,000 cbm x 2	Hyundai HI (KRS)	2026		
BULKERS						
Oldendorff Carriers	Kamsarmax	82,000 dwt x 3+3	Jiangsu New Hantong (CHN)	2025	est. 33	Conventional fuel.
JJ Ugland	Ultramax	66,200 dwt x 2	Tsuneishi Cebu (PHIL)	2026	35	
Meadway Shipping & Trading	Ultramax	64,000 dwt x 1	Tsuneishi (JPN)	2026		Scrubber. Already renamed.
CONTAINERS / RO-RO / REEFER / PCC						
COSCO	Containership	16,000 TEU x 4	Cosco Yangzhou (CHN)	2025		Methanol ready, last unit fitted.
China Merchants Shippin	PCTC	9,300 CEU x 2+4	CMHI Jiangsu (CHN)	2025-2026		Methanol ready.
Hainan Shipping	Containership	2,700 TEU x 2	Taizhou Kouan (CHN)	2024		
GENERAL CARGO / TWEEN / MULTI-PURPOSE						
Al-Kahera Co (KCFMT)	MPP	14,000 dwt x 2	DaeSun (KRS)	2025	45	709 TEU.

Recycling Prices (US\$/LWT)

	Bangladesh	Pakistan	India	Turkey
Tank/Cont/Ro-Ro/Capes/LPG/PCC Dry	600/630	570/580	540/560	350/360
Cargo/Bulk/Tween/General Cargo	590/600	580/590	530/540	330/340

Newbuild and Second Hand Benchmark Values (\$ million)

Vessel Type	New Building	5 Year Old Vessel (Built 2017)	10 Year Old Vessel (Built 2012)	Historical Average Values (\$ million)	
				10 Year Old Vessel~ (10 Years Average)	% Difference Present Vs Historical
Tankers					
VLCC	123	101	77	47.66	61.56%
Suezmax	83	68.5	54	33.86	59.48%
Aframax	67	62.5	51	26.12	95.25%
MR	46	42	34	18.88	80.08%
Bulkers					
Capesize	62.5^	53.5 eco	33	24.24	36.14%



Kamsarmax	34.5 [^]	34	25	16.61	50.51%
Ultramax / Supramax	33 [^]	32	22	14.28	54.06%
Handysize	30 [^]	26.5	19	11.71	62.25%
				~ = 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



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.

Hapag-Lloyd Launches Climate-Friendly Transport Solution



Hapag-Lloyd is introducing "Ship Green", a new solution for climate-friendly transportation based on biofuel which will allow customers to choose from three different options, 100%, 50% or 25%, representing different levels of avoidance in CO2 equivalent emissions.

The emissions avoidance results from the use of biofuel instead of conventional marine fuel oil within Hapag-Lloyd's fleet, with the company guaranteeing that it uses biofuel from 2nd generation feedstock sourced from certified supply chains produced from waste material such as used cooking oil.

"At Hapag-Lloyd, we are committed to making it easier for our customers to avoid emissions and contribute to decarbonisation. With our new Ship Green solution, we are offering our customers an easy and flexible way to reduce their environmental footprint and make their supply chain more sustainable," says Rolf Habben Jansen, CEO of Hapag-Lloyd.

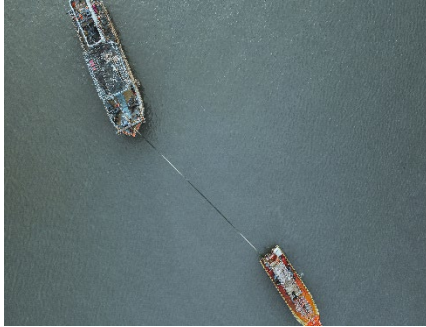
Customers will receive an emissions avoidance declaration at the end of every quarter, verifying the emissions prevented through the ShipGreen initiative in the respective period.

ShipGreen is currently only available for dry cargo but, in the future, will be expanded to other types of cargo.

The press release from Hapag Lloyd can be read [here](#).



Tugs Seized by Russian Court



In late April, a Russian arbitration court seized control of four tugs owned by Maersk's Svitzer towage company, which were operating under a long-term contract at the Sakhalin-II oil and gas project in eastern Russia, through its Russian subsidiary.

Maersk had been trying to terminate the services to end all operations from Russia in protest over the invasion of Ukraine.

According to Russian media, Svitzer planned to transfer the tugs out of Russia and re-register them under a different flag. Svitzer Sakhalin, the Russian subsidiary of Svitzer who chartered the

tugs from the parent company, attempted to suspend the service contract by relying on force majeure on April 17. The Russian operator of the oil and gas project then took Svitzer to court and argued that the loss of the tugs could jeopardize production at the facility.

On April 24, the court temporarily arrested the tugs and handed control to a third-party company, allowing them to continue operating in Prigorodnoye. According to media reports, Svitzer has till May 18 to file an appeal against the decision.

It is reported that the tugs are the last few assets of Maersk, through Svitzer, in Russia.

Maersk issued a statement stating that efforts are underway to find a resolution to the matter.

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