



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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Tankers – Big Bench Presses

Last week we talked about the rarity of modern sales and highlighted the sale of aamax **"SOUTHERN GLORY"** (108,554 dwt/built 2019 Tsuneishi, Japan) that went for US\$67.75m. This week that number has been surpassed by the one year younger **"SPERCHIOS"** (114,428 dwt/built 2018 Namura, Japan) which sold for US\$68.5m; one could argue that if the owners of the **"SOUTHERN GLORY"** had waited a few more weeks they could have sold her for closer to US\$72m!

15-20 year old aframaxes remain in high demand as we hear one '07 may have gone for just over USD\$40m. She is Cap 1 and will be delivered surveys passed, if confirmed this will be a new benchmark for non-ice units.

There seems to be no shortage of cash with a few en bloc purchases on show this week. Gulf Energy Maritime has found a buyer for the 3 x LR1s en bloc for US\$61.2m and Latvian Shipping has sold 4 x MR2s for US\$ 90m (see the details in our sales list).

Dry Cargo – Tempered Trading

Sales of dry cargo vessels appear to have been tempered over the last few weeks with our sales list showing some reduction in the number of reported transactions. It is clear that potential buyers are faced by a number of issues going forward, for instance the continued softening of freight rates has not girded their loins for further investments with no softening of prices in the offing. Furthermore, the uncertainty surrounding EEXI and CII ratings and how these new regulations will ultimately play out sits heavily at the back of their minds. Some salient points which we have gathered from CII regulations that came in to force on 1 January 2023, with first submission is by latest 31 March 2024, are that if ships are "D" rated for 3 consecutive years or "E" rated for 1 year, then a corrective active plan must be put in place, where ratings are effectively calculated by tonnes burnt (CO2 produced) divided by



productive carrying miles. Obviously the key factors impacting CII scores are ship efficiency, ship speed, trade routes (number of steaming days) and waiting time. It is clear key routes to be impacted the most, are anything with long waiting, long port days and low annual steaming days. In many cases owners will have little control over this as they will be beholden to their charterers and excessive waiting times will impact heavily on their rating. Also vessels doing short haul voyages will similarly be affected and it may be that owners will have adjust their trading patterns so to assist in improving their rating over the year.

Recycling – Hotting Up

After the recent correction in price levels there appears to be a little more positivity in the markets this week with prices holding firm. Bangladesh is still the top market to go for tonnage of most sizes and types, and despite price levels from Bangladesh being the highest from the Sub Cont and with a few Green Ship Recycling Facilities of their own, it is still the Indian yards where the vast majority of Green ship scrap sales go to, despite there being a disparity of about US\$40/50 between the two breaking nations. Meanwhile, it is notable that summer is now well on its way, which is likely to mean a dip in activity and possibly prices although with a continued drought of tonnage we may see prices remain stable. Monsoon season too is almost upon us, which again historically usually sees activity slow down as yards become less and less active as the weather conditions become increasingly challenging for the recycling process to be undertaken.

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S&P SALES

Vessel Name	DWT	Built	Yard	Buyers	Price (\$/m)	Notes
BULKERS						
XIN HAN	82,297	2013	Dalian No. 2 (CHN)	Capital Ship Management	20	DD due 6/24. BWTS.
GREAT WENCHAO	75,522	1999	Mitsui (JPN)	Undisclosed	7.1	DD due 6/25. BWTS.
ARIES CONFIDENCE + TAURUS CONFIDENCE	63,200	both 2018	Yangzhou Dayang (CHN)	Spar Shipping	28 each	SS due 11/23. BWTS.
DAXIA	56,811	2011	COSCO Dalian (CHN)	Undisclosed	xs 14	DD due 7/24.
RHL JULIA	55,701	2009	Mitsui (JPN)	Undisclosed	15	SS due 11/24. BWTS.
MAGNUM FORTUNE	53,631	2009	Yangzhou Dayang (CHN)	PT Pelayran Bahtera Adhiguna	12.9	DD due 4/25. BWTS.
ELLA	52,454	2003	Tsuneishi (JPN)	Undisclosed	9.7	SS due 11/23.
ATLANTIC ALTAMIRA	43,368	2017	Qingshan (CHN)	Undisclosed	24.5	DD due 11/25. BWTS.
YANGTZE OASIS	34,306	2013	Nantong Huigang (CHN)	Undisclosed	high 13	SS psd 4/23. BWTS.
ALICE STAR	32,029	2008	Hakodate (JPN)	Undisclosed	low 12	Semi-box. SS due 9/23. BWTS onboard/not fitted.
BRIANNA	31,800	2009	Nanjing Dongzhe (CHN)	Turkish buyer	10.6	SS due 4/24. BWTS.



TANKERS						
SPERCHIOS	114,428	2018	Namura (JPN)	Middle Eastern buyer	68.5	BWTS+Scrubber
ADAFERA + ASHAHDA	105,220	both 2004	Sumitomo (JPN)	Middle Eastern buyer	30 each	SS due 1+2/24.
GULF CRYSTAL	74,999	2009	Hyundai Mipo (KRS)	Undisclosed	29.5	Deepwell. Deck heater. SS due 11/24. BWTS.
GULF PEARL + GULF HORIZON + GULF COAST	74,999	all 2005	Hyundai Ulsan (KRS)	Undisclosed	61.2 en bloc	Deepwell. Deck heater. DD due 7+10+11/23. BWTS
PILTENE + TARGALE + UGALE + USMA	52,650	all 2007	3 Maj, Brod (CRT)	Undisclosed	22.5 each	Ice 1B. IMO II/III. Deepwell. Epoxy. BWTS. Cap 1.
FORTITUDE	19,997	2004	Shin Kurushima (JPN)	Undisclosed	high 14	SS+BWTS due 8/24.
HONG KONG PIONEER	6,525	2009	Pha Rung (VNM)	Undisclosed	6.8	Epoxy. SS due 7/24.
AKRI	6,137	2008	Nakatani (JPN)	Undisclosed	mid-high 8	Epoxy. 11 grades. DD due 7/25. BWTS.

CONTAINERS / RO-RO / REEFER / PCC						
ANNA' + ARNOLD' + ARTHUR' + AXEL MAERSK	109,000	all 2003	Odense (DEN)	Global Ship Lease		8272 TEU. Gearless. Basis TC back.

GAS (LNG / LPG / LAG / CO2)						
GLOBAL SCORPIO	58,814	2003	Hyundai Ulsan (KRS)	Undisclosed	high 40s	82,173 cbm. SS due 7/23.

NEWBUILDING ORDERS

Ordering Client	Vessel Type	Size / No. of units	Shipyard (Country)	Delivery	Price (\$m)	Notes
TANKERS						
Pantheon Tankers	LR2	115,000 dwt x 4	Cosco Yangzhou (CHN)	2026	62	Conventional fuel.
Mitusi & Co	MR	50,000 dwt x 2	Hyundai Vietnam (VIET)	2026	43.8	
MOL	MR	48,000 dwt x 1	Hyundai Mipo (KRS)	2025	reg 55	Methanol dual fuel. Against long TC.
GAS (LNG / LPG / LAG / CO2)						
China Merchants Energy Shipping	LNG	175,000 cbm x 2	Dalian (CHN)	2026		Mark III Flex. LNG dual fuel.
BULKERS						
Fortune Ocean Shipping	Kamsarmax	82,000 dwt x 4	Hengli HI (CHN)	2025	est. 32.5	
Greek owner	Kamsarmax	82,000 dwt x 4	Hengli HI (CHN)	2025-2026		
CONTAINERS / RO-RO / REEFER / PCC						
Yang Ming	Containerhship	15,000 TEU x 5	Hyundai HI (KRS)	2025		LNG dual fuel.
Zodiac	PCTC	7,000 CEU x 2	CIMC Raffles (CHN)	2025	92-93	LNG dual fuel.



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Zephyr & Boree	Containership	1,300 TEU x 2	Hyundai HI (KRS)	2026	62.2	Methanol dual fuel. 6 x wind masts.
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Recycling Prices (US\$/LWT)

	Bangladesh	Pakistan	India	Turkey
Tank/Cont/Ro-Ro/Capes/LPG/PCC	605/640	545/570	520/540	350/360
Dry Cargo/Bulk/Tween/General Cargo	590/605	530/565	530/520	330/340

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	125	101	77	47.66	61.56%
Suezmax	85	72	57	33.86	68.34%
Aframax	68	65.5	53.5	26.12	104.82%
MR	46.5	42	34	18.88	80.08%
Bulkers					
Capesize	62.5^	53.5 eco	33	24.24	36.14%
Kamsarmax	34^	34	25	16.61	50.51%
Ultramax / Supramax	32.5^	32	22	14.28	54.06%
Handysize	30^	26.5	19	11.71	62.25%
^ = 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 and Miami.



Trafigura Publishes White Paper into Hydrogen-Based Fuels



Trafigura has published new research into the future role of hydrogen-based fuels will play in the decarbonisation of the shipping industry, as well as the potential for countries in the 'Global South' to produce green ammonia and green methanol to meet growing demand for low-emission fuels.

"Our research estimates the 'Global South' could produce almost 4,000 exajoules per year of competitively priced green hydrogen, against projected annual shipping demand of 20 to 40 exajoules. This could provide developing countries with the chance to develop new export industries and create thousands of skilled

jobs," said Margaux Moore, co-author and Head of Energy Transition Research and Venture Investments at Trafigura. *"It will, however, only be realised if the shipping industry can agree on ambitious decarbonisation targets and, crucially, implement a global price on carbon for marine fuels."*

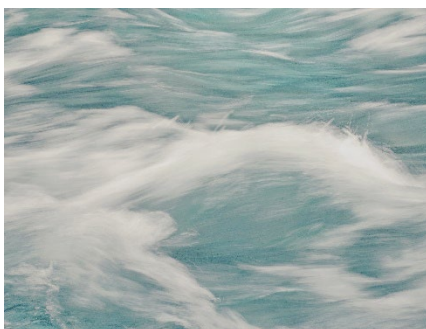
This comes as the IMO is revising its initial GHG strategy. It is likely that revisions to the IMO's initial GHG strategy will be accepted at MEPC80 in July.

"Delaying action will only add to the eventual cost of decarbonisation. The IMO needs to decisively move forward to tackle the shipping industry's emissions and start the journey to a sustainable and resilient future," added Rasmus Bach Nielsen, Global Head of Fuel Decarbonisation at Trafigura and co-author of the whitepaper.

The Trafigura press release can be read [here](#).

The Whitepaper can be downloaded [here](#).

Search for Survivors end for Capsized Chinese Fishing Vessel



An international rescue operation began on 16 May after the 229-foot fishing vessel's distress beacon was first detected. The *Lu Peng Yuan Yu 028* was found capsized three days later by the Indian Navy in a remote area of the Indian Ocean; 5,000 km west of Perth, Australia. A coordinated diving operation was then carried out by members of the Sri Lankan Navy, with Chinese and Australian Search and Rescue vessels and aircraft assisting.

Sri Lanka called an end to its diving operation on 22 May after mapping most of the vessel and determining there were no survivors inside. 14 bodies were reportedly been found on

board, which the navy was unable to recover due to challenging weather conditions. The vessel's lifeboat was also recovered, with no survivors aboard.

The *Lu Peng Yuan Yu 028* is believed to have capsized during heavy weather which battered the area last week. Cyclone Fabian brought waves reported to be 7 meters high along with sustained winds of 120 kilometers per hour.

The *Lu Peng Yuan Yu 028* was a state owned and operated fishing vessel which was on its way to Busan, South Korea. The vessel left Cape Town, South Africa on 5 May with 39 crew members aboard. The crew consisted of 17 Chinese, 17 Indonesian, and 5 Filipino nationals. She was last seen near the Reunion Islands on 10 May.



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