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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 – Mexican Standoff

Earnings are still being enjoyed across all the tanker sectors. The week does not boast a multitude of sales and maybe one could argue that we are seeing a Mexican standoff between buyers and sellers on pricing of tonnage, forcing buyers to seek deals off market. One deal worth mentioning is the sale of the **"ATHENIAN GLORY"** (317,441 dwt / built 2011 Hyundai, S.Korea) where buyers and sellers have found common ground at reg/xs US\$65m and the ship has already been delivered. The price looks a touch light against 10 year old benchmark values, but with a good named buyer these are some of the sacrifices you may need to take. It is interesting to look back to where values stood in February 2022 when same owners sold the sister **"ATHENIAN SUCCESS"** (298,995 dwt / built 2010 Hyundai, S.Korea) for US\$42.5m.

LR2/Aframax activity is abundant as ever and we hear the 'rotor sail assisted' LR2, **"EPANASTASEA"** (109,647 dwt / built 2008 Dalian No.2, China) has been sold for US\$37.5m, which is a strong price for a Chinese built unit of this vintage and definitely wind assisted! Minerva Tankers had resisted selling their older units until recently but has now sold the **"MINERVA ZOE"** (105,330 dwt / built 2004 Hyundai, S.Korea) for a strong looking US\$31m.

Valuing in MR sector has been proving difficult to pinpoint, given erratic sale signals, but we now hear the **"FALCON SEXTANT"** (44,997 dwt / built 2009 STX Jinhae, S.Korea) has been sold at high US\$25m with another year to run on the surveys. The price looks firm, but we hear there may be some subjects connected to the deal.

Dry Cargo – Dry Dichotomy

Dry cargo freights continue to give little direction or succour to buyers and with this we are seeing a dichotomy in some buyers' thoughts with some bidding up and others thinking the opposite. For



instance, this week we are reporting the sale of the panamax bulker "**CORAL OPAL**" (78,090 dwt / built 2012 Shin Kurushima, Japan) in the US\$ low 19's, which is somewhat firmer than recently reported sales of similar types. Similarly, the auction sale of the kamsarmax "**JY HONGKONG**" (81,107 dwt / built 2019 Changxi, China) at US\$30m was over a million dollars more than what was achieved by the exact sister "**JY PACIFIC**" at auction last week. Contrastingly, with Lauritzen's ongoing sales via purchase options of handysize bulkers, earlier in the month we reported the sale of their "**AMERICAN BULKER**" (36,228 dwt / built 2016 Shikoku, Japan) at US\$23m and this week we understand they have sold the year older sister "**AFRICAN BULKER**" at US\$21.5m, which at first glance looks in line but when you factor in that the latter was scrubber fitted this price could be considered a little light.

Recycling – Maritime Metamorphosis

The recent ratification of the HKC laws by Liberia has emerged as the biggest news this week. The Hong Kong Convention for the Safe and Environmentally Sound Recycling of Ships, on the cusp of entering into force within a mere two years, finds its path unequivocally paved by this crucial step. With Bangladesh having already accepted the convention earlier, these developments undoubtedly pave the way for a greener future in ship recycling, truly metamorphosing the industry.

Turning our gaze to market dynamics, an intriguing transaction captured the attention of industry aficionados—the sale of the LNG Carrier "**SEAPEAK POLAR**", changing hands on an "as is" basis at Khor Fakkan for US\$637/ldt, a figure that resonates with the pulse of HKC Compliant recycling. This sale brings the total number of LNG carriers sold for recycling to five this year, with the same owner being responsible for two of them. Notably, a significant proportion of last week's sales transpired on an "as is where is" basis, making final destinations a matter of speculation. However, the allure of considerable premiums offered by Bangladeshi recyclers over their subcontinental counterparts positions Bangladesh as the likely haven for many of these vessels. It is worth highlighting that the subdued activity witnessed across the subcontinent can be partially attributed to the recent Eid holidays.

Beyond the realm of immediate transactions, we delve into the fundamental undercurrents that shape the fate of ship recycling. In a noteworthy development for US-India trade relations, the US has agreed to roll back import duties on steel and aluminium products, this development could potentially increase India's steel exports to the US. Complementing this propitious note, India's steel production witnessed a noteworthy surge of 4.1%, a stark contrast to the 5% decline in global steel output as documented by the venerable World Steel Association. The convergence of these two favourable currents augurs well for the long-term demand for steel derived from ship scrapping. Meanwhile, Pakistan, which was engaged in talks with the IMF for its 23rd bailout since the nation's inception, has reached a staff level pact of US\$3 billion. Only time will tell whether this deal can have any meaningful impact for the recycling industry there. Furthermore, problems with opening LCs in Bangladesh still persist, hampering their ability to actively purchase ships. In Turkey, despite recent interest rate hikes executed by the Central Bank and pronouncements emanating from the Finance Ministry, the swift and unyielding depreciation of the Lira continues unabated. Many analysts monitoring Turkey anticipate that interest rates may rise even further from already elevated levels. Such an increase in Turkish rates could pose challenges for recyclers in the country.

Overall, we maintain a stable outlook for ship recycling prices, primarily driven by India's voracious appetite for steel.

Newbuilding – Summer Berthing

After the recent torrent of LR2 ordering there now seems to be a bit of a lull in ordering as yards push remaining slots in late 2026 and perhaps with the effect of the onset of the summer/holiday months



for owners. There are also numerous yards offering LR2 berths in China, from some who have not constructed LR2s before, which is testing buyers' appetite. LPG enquiry has picked up significantly with a number of MGCs contracted in Korea and China with further negotiations ongoing. Similar themes here to tankers and bulkers in that there are few modern second-hand candidates for sale and what is available is priced at a premium. This combined with fleet renewal pressure seems to be overriding the current newbuilding pricing and forward deliveries.

Gibson Sale & Purchase Market Report

S&P SALES

Vessel Name	DWT	Built	Yard	Buyers	Price (\$/m)	Notes
BULKERS						
LORD STAR	82,938	2013	Sanoyas (JPN)	Greek buyer	23	DD due 3/24. BWTS. Scrubber.
RIKKE	81,895	2016	Tsuneishi Zhoushan (CHN)	Hellenic Star	27	DD due 7/24. BWTS.
JY HONGKONG	81,107	2019	Chengxi (CHN)	Undisclosed	reg 30*	Auction sale. SS due 8/24. BWTS.
CORAL OPAL	78,090	2012	Shin Kurushima (JPN)	Undisclosed	low 19	DD due 2/25. BWTS.
PRABHU PUNI	76,016	2002	Tsuneishi (JPN)	Undisclosed	9.6	DD due 3/25. BWTS fitted.
GEMINI CONFIDENCE + VIRGO CONFIDENCE	63,300	both 2019	Yangzhou Dayang (CHN)	Undisclosed	27 each	SS due 7/24. BWTS.
GREAT SPIRIT	61,087	2019	DACKS (CHN)	YZJ Shipping	28.9*	SS due 11/24. BWTS. Auction.
BUNUN BRAVE	45,556	2014	Tsuneishi Zhoushan (CHN)	European buyer	19	SS due 7/24. BWTS. Already renamed.
PACIFIC CYPRESS	38,055	2012	Shimanami (JPN)	Undisclosed	high 16	DD due 10/23. BWTS.
AFRICAN BULKER	36,170	2015	Shikoku (JPN)	Far Eastern buyer	21.5	OHBC. Logs. DD due 3/24. BWTS. Scrubber.
IVS ORCHARD	32,535	2011	Jiangmen Nanyang (CHN)	Undisclosed	10.8	DD due 8/23. BWTS. Logs.
TANKERS						
ATHENIAN GLORY	317,441	2011	Hyundai Ulsan (KRS)	Greek buyer	reg/xs 65	DD due 11/23. BWTS. Scrubber. Already renamed.
EPANASTASEA	109,647	2008	Dalian No. 2 (CHN)	Undisclosed	37.5	Coated. SS psd 1/23. BWTS. Dely mid-8/23. 2 x rotor sails.
MINERVA ZOE	105,330	2004	Hyundai Samho (KRS)	Chinese buyer	reg 31	SS due 3/24. Ice 1D.
FALCON SEXTANT	44,997	2009	STX Jinhae (KRS)	Pacific Ocean	high 25	Deepwell. SS due 9/24. BWTS on board/novated.



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SAMPURNA SWARAJYA	32,950	1999	Hyundai Ulsan (KRS)	UAE buyer	4.225*	Auction. DD overdue 3/22.
BOMAR QUEST	8,501	2003	Sasaki (JPN)	Undisclosed	4.8	Zinc. SS due 9/23.
CONTAINERS / RO-RO / REEFER / PCC						
NYK MARIA	34,558	2009	STX Jinhae (KRS)	Greek buyer	14.5	2664 TEU. Geared. DD due 4/25. Already renamed.
MELLUM	25,985	2010	Dalian No. 1 (CHN)	Milaha	12*	1810 TEU. Geared. SS due 4/25. BWTS. Purchase option.
HOLANDIA	9,113	2000	Szczecinska (POL)	Salamis Lines	5.7	Ice 1A. 907 TEU. Gearless. DD due 9/23.
GAS (LNG / LPG / LAG / CO2)						
GAS KOMODO	56,875	1991	NKK Corporation (JPN)	Undisclosed	reg 20	78,374 cbm. Fully ref. DD due 9/24.
ECO DREAM + ECO GREEN	5,200	both 2015	STX Jinhae (KRS)	Undisclosed	17.675 each	Ice 1B. 4,989 cbm. Pressurised. BWTS. Scrubber.

NEWBUILDING ORDERS

Ordering Client	Vessel Type	Size / No. of units	Shipyard (Country)	Delivery	Price (\$m)	Notes
TANKERS						
Dynacom	LR2	115,000 dwt x 2	New Times (CHN)	2026		
Mitsui & Co (obo Nissen Kaiun)	MR	50,000 dwt x 4	Hyundai Mipo (KRS)	2025	46.9 / 45.25	
GAS (LNG / LPG / LAG / CO2)						
Japanese buyer	LPG	40,000 cbm x 4	YAMIC (CHN)	2026-2027	reg 65	Methanol dual fuel.
BULKERS						
TMS Dry	Newcastlemax	210,000 dwt + 2	Cosco Yangzhou (CHN)	2026		Declared options.
Okouchi Kaiun	Ultramax	64,000 dwt x 1	Cochin (IND)	2025		
CONTAINERS / RO-RO / REEFER / PCC						
CMA CGM	Containership	24,000 TEU x 12	Yangzijiang (CHN)	2026	240	Methanol dual fuel.
Evergreen	Containership	16,000 TEU x 24	Nihon (JPN) + Samsung (KRS)	2026-2027	175	Methanol dual fuel.
Maersk	Containership	8,800 TEU x 6+4	Yangzijiang (CHN)	2026-2027	115	Methanol dual fuel.
A2B Online	Containership	650 TEU x 2	Sedef (TRK)	2025		Methanol dual fuel.

Recycling Prices (US\$/LWT)

	Bangladesh	Pakistan	India	Turkey
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Tankers / Cont / Ro-Ro / Capes / PCC / LPG / LNG	600/6450	550/575	530/550	350/360
Bulkers / Tween / General Cargo	580/610	530/550	520/530	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	126	100	75.5	47.3	59.6%
Suezmax	85	73	57	33.6	69.6%
Aframax	69	65	52.5	25.9	102.7%
MR	46.5	41.5	33.5	18.8	78.4%
Bulkers					
Capesize	63^	50 eco	31	24.2	28.3%
Kamsarmax	35^	31.5	21	16.6	26.5%
Ultramax / Supramax	33^	19.5	19.5	14.6	33.6%
Handysize	30^	25	17.5	11.7	49.6%
^ = 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.

IMO Highlights Role Played by Seafarers in Conserving World's Oceans



The annual Day of the Seafarer is marked each year on 25 June to recognise the role seafarers play in international trade, the world economy and society. This year, the International Maritime Organization has also highlighted the role played by seafarers in conserving the world's oceans.

In his message for Day of the Seafarer 2023, the IMO's Secretary-General, Mr Kitack Lim reiterated that seafarers have always played a crucial role in protecting the health of the ocean and the planet by enforcing the IMO's environment related conventions and by implementing rules on garbage, sewage and air pollution prevention. He also added that this year was particularly significant as it was the 50-year anniversary of the IMO's main environmental instrument, the International Convention for the Prevention of Pollution from Ships Convention, or MARPOL for short.

MARPOL is the main global treaty for the prevention of pollution of the marine environment by vessels from operational or accidental causes.

As part of his message, the Secretary-General said that, "*As the shipping industry accelerates its support of the global efforts to combat climate change by moving towards decarbonization, seafarers' voices and actions are key to ensuring a just transition to a zero-carbon future.*"

Mr. Lim also took the opportunity to reinforce the IMO's ongoing commitment to the work done through this vital treaty.

The full news release as well as a video of the Secretary-General's message can be found [here](#).

Singapore Maritime Foundation Establishes Bursary Fund



On 28 June 2023, the Singapore Maritime Foundation (SMF) launched the MaritimeONE Bursary Fund which will award selected applicants, from Singapore institutions such as universities and polytechnics, pursuing maritime-related studies or intending to pursue a career in maritime.

On the same day, Pacific Carriers Limited (PCL) contributed a sum of SGD 1 million to the fund. This gift coincides with PCL's 50th anniversary celebrations which took place a few days before.

The fund will be administered by the SMF in cooperation with the state's public universities, polytechnics and the Institute of Technical Education. The fund also adds to the SMF's talent development programmes which now includes the MaritimeONE Scholarships, the MaritimeONE Internships, MaritimeONE Case Competitions and the MaritimeONE Career Portal.

Ms. Tan Beng Tee, Executive Director of the SMF, said that the foundation were, "*...honoured to launch the MaritimeONE Bursary Fund with a S\$1 million gift from Pacific Carriers Limited. The MaritimeONE Bursaries level the playing field by ensuring that no academically qualified student is denied the opportunity of a quality education due to financial difficulties. The MaritimeONE platform signifies the maritime industry coming together as one to nurture a pipeline of talent.*"

Mr. Hor Weng Yew, Managing Director and Chief Executive Officer of PCL and Chairman of the SMF added that PCL recognised the importance of giving back to the community and were delighted to make



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the contribution to the fund. He said that, "This gift is a testament to our dedication in nurturing the next generation of maritime talent."

Applications to the fund will be open in late 2023.

The full media release can be read [here](#).

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