



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](#).

In this issue:

Gibson Sale & Purchase Market Report

Tankers – Time to Drink A Vintage | Dry Cargo – Dry Reflections | Recycling – Taking a Break | Sale & Purchase Market Report

CJC Market News

Louis Dreyfus Company chooses bound4blue to Install Four eSAILS on Juice Vessel | USA announces New Naval Coalition to Protect Shipping interests in Red Sea

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. +44(0) 20 7667 1000 - sap@eagibson.co.uk - www.gibsons.co.uk

Tankers – Time to Drink A Vintage

As we close reporting for 2023, we look back on a year that perhaps defied naysayer's expectations. That is to say that the explosion of ship values in 2022, on the back of the Russian war on Ukraine and consequent escalation of dark fleet trading, seemed impossible to continue with the same fervor in 2023. However, many asset classes, despite a notable summer wobble, have notched up 10-15% gains year on year, particularly in the aframax/suezmax segments. MR-LR1 product tankers have for their part gained steady to good ground, with 10-year-old LR1s and 15-year-old MR2 tonnage being where the bigger crude matched appreciation has been evident, and almost not a week going by without some vintage MR sale to register – this indeed with the notable Russian controlled "**SCF ANGARA**" (50,956 dwt / built 2008 STX Jinhae) showing it's Ice 1A appeal at US\$ 25 m this week.

Vintage VLCCs are perhaps the only blot on this pretty picture of appreciation, with 10-year-old tonnage worth broadly the same then substantially declining in value by vintage, where the S&P market is currently over-tonnaged. This vintage end is certainly not assisted by 2024 promising a turbo boost leap forward in ship emissions regulation/trading but is conversely aiding some astonishing price achievements in the Tier III specification modern VLCC fold, where resale values are now finally back out in front of newbuilding prices, although with VLCC/Suez/Afra earnings all running Disproportionally to Dwt, the Aframax remains the darling workhorse of choice and king of the resale premia and Q4 proving a busy quarter for Aframax/LR2s newbuilding orders accordingly.

Dry Cargo – Dry Reflections

As 2023 draws to a close we can reflect on what kind of year it has been for dry ships. Certainly there has been a large element of volatility in freight rates but at least we can console ourselves that earnings are in a better place than they were a year ago with revenues sitting at pretty healthy levels. Looking at value movements over the year it is not surprising that levels have firmed over the year with the



Baltic Dry Sale and Purchase Index standing at close to 9 pct higher than at the same time last year. It is evident that values have recently stabilised and even softened given the recent downward trajectory of rates. The reported sale of kamsarmax the "MELODIA" (80,554 dwt / built 2013 JMU, Japan) at excess US\$ 22 m illustrates a slight softening when compared to the sale of the similar "ROYAL FUKUYAMA", which was sold in October for reg US\$ 23 m. Similarly, the off-market sale of "ULTRA TIGER" (83,611 dwt / built 2009 Sanoyas, Japan) in the US\$ low 16s is a similar level achieved by these owners for their year older sister the "ULTRA PANTHER" also in October.

The stand-out deal of the year is Star Bulk Carriers' takeover of Eagle Bulk Shipping, creating the largest US-listed bulk company with a fleet of 169 bulk carriers ranging from capes to supramaxes. This underlines the continued push for consolidation in the industry, just as we have already seen in the tanker sector. Next year owners will see the results of the first year of implementation of CII and EEXI and it will be interesting to how these ratings results will be coordinated and developed by market protagonists.

Recycling – Taking a Break

We come to the end of 2023 in a similar vein to how we left 2022, i.e. ending on a damp squib and without much to shout about. The year has been active in parts with sporadic recycling here and there, which has consisted primarily of containerships and dry-bulk tonnage (many of these units coming from the East), but a combination of geopolitical activities, healthy returns on freight rates, and second-hand values holding firm, has meant owners of vintage tonnage have not and are not willing to have 'scrapping' conversations at this moment in time. Will the tide turn during 2024? Of course we hope so and breakers will be eager to secure inventory for their yards, and we will no doubt see more of the same type of tonnage being scrapped. We may also see other types heading for the breakers, but unfortunately we do not envisage seeing many tankers being phased out for some time yet. So let us enjoy the seasonal festivities and look forward to what next year brings!

Gibson Sale & Purchase Market Report

S&P SALES

| Vessel Name | DWT | Built | Yard | Buyers | Price (\$/m) | Notes |
|------------------------|---------|-------|-----------------|--------------------|--------------|---|
| BULKERS | | | | | | |
| BEKS BROWN | 206,204 | 2005 | Imabari (Japan) | Chinese buyer | 16.50 | DD postponed 1/24. BWTS. Scrubber. |
| ULTRA TIGER | 83,611 | 2009 | Sanoyas (Japan) | Undisclosed | low 16 | SS due 5/26. BWTS. |
| MELODIA | 80,554 | 2013 | JMU (Japan) | Undisclosed | xs 22 | SS psd 5/23. BWTS. |
| TOPAZ | 75,574 | 2004 | Sanoyas (Japan) | Undisclosed | xs 10.5 | SS due 6/24. BWTS. |
| UNITY ENDEAVOUR | 61,617 | 2014 | NACKS (China) | Bernhard Schulte | 23.00 | SS due 8/24. BWTS. Inc TC to 5-9/24 @ 110.5% ave BSI. |
| XING XI HAI | 60,492 | 2017 | Mitsui (Japan) | Scandinavian buyer | 29.00 | DD due 1/25. BWTS. |
| XING SHOU HAI | 60,492 | 2016 | Mitsui (Japan) | Greek buyer | 28.00 | DD due 10/24. BWTS. |
| TR CROWN | 53,474 | 2005 | Imabari (Japan) | Korean buyer | 10.30 | SS due 2/25. BWTS. Dely 2-3/24. |



Campbell Johnston Clark

CJC EXCHANGE

| | | | | | | |
|--|---------|-----------|---------------------------|------------------|-------------|---|
| CLIPPER COPENHAGEN | 37,852 | 2010 | Jiangsu Eastern (China) | Armator Shipping | 11.20 | SS due 6/26. BWTS. Ice 1C. |
| TANKERS | | | | | | |
| SERENEA | 158,583 | 2009 | Samsung (Korea) | Eurotankers | reg 46 | SS due 6/24. BWTS. Scrubber. |
| S-TRUST | 106,094 | 2005 | Hyundai Samho (Korea) | Undisclosed | 32.00 | DD due 12/23. |
| CHEMTRANS MOON + CHEMTRANS SEA | 72,365 | both 2004 | Hudong Zhonghua (China) | Undisclosed | reg 17 each | Pump-room. SS due 1+4/24. BWTS. Prompt dely. Ice 1A. |
| SCF ANGARA | 50,956 | 2008 | STX Jinhae (Korea) | Undisclosed | 25.00 | Deepwell. SS due 12/23. BWTS. |
| HANA | 47,198 | 1997 | Onomichi (Japan) | Undisclosed | 6.50 | Pump-room. SS due 12/23. |
| ALICUDI M | 40,083 | 2004 | Shina (Korea) | Turkish buyer | 14.50 | Deepwell. SS due 2/24. BWTS novated. Ice 1B. |
| BLUE TRADER | 37,270 | 2005 | Hyundai Mipo (Korea) | Turkish buyer | 17.80 | Deepwell. SS due 3/25. BWTS. Already renamed. |
| XING HAI HUA 728 | 17,204 | 2009 | Zhejiang Zhenxing (China) | Undisclosed | 8.20 | Epoxy. SS due 9/24. FS Ice II. |
| HZ SINGAPURA | 13,899 | 2022 | Fujian Shenglong (China) | Tupras | 21.50 | Epoxy. 18 grades. DD due 1/25. BWTS. |
| CONTAINERS / RO-RO / REEFER / PCC | | | | | | |
| ROTTERDAM BRIDGE | 50,953 | 2001 | Saamsung (Korea) | Undisclosed | 12.50 | 4,253 TEU. Gearless. SS psd 2/23. |
| SUNNY IRIS | 12,454 | 2013 | Dae Sun (Korea) | NT Marine Co Ltd | 10.20 | 1,048 TEU. Gearless. SS due 11/23. BWTS. Already renamed. |

NEWBUILDING ORDERS

| Ordering Client | Vessel Type | Size / No. of units | Shipyard (Country) | Delivery | Price (\$m) | Notes |
|------------------------------------|-------------|---------------------|----------------------------------|-----------|-------------|-----------------------------|
| TANKERS | | | | | | |
| Performance Shipping | LR2 | 115,000 dwt x 2 | SWS (China) | 2026 | 64.85 | Scrubber. LNG ready. |
| Advantage Tankers | LR1 | 73,400 dwt x 2 | K Shipbuilding (Korea) | 2025-2026 | - | - |
| GAS (LNG / LPG / LAG / CO2) | | | | | | |
| Scale Gas | LNG BV | 12,500 cbm x 1 | Nantong CIMC Sinopacific (China) | 2026 | - | Bunkering. Elec propulsion. |
| BULKERS | | | | | | |



Campbell Johnston Clark

CJC EXCHANGE

| | | | | | | |
|--|---------------|--------------------|--------------------------|-----------|--------|--|
| MOL | Newcastlemax | 210,000 dwt x 3 | Qingdao Beihai (China) | 2026-2027 | 86.00 | LNG dual dual. |
| MOL | Newcastlemax | 209,000 dwt x 2 | Nihon - Imabari (Japan) | 2026-2027 | - | LNG dual dual. |
| Angelakos | Kamsarmax | 82,000 dwt x 3 | DACKS (China) | 2026 | ca. 39 | - |
| Safe Bulklers | Kamsarmax | 82,000 dwt x 1 | TBN (Japan) | 2026 | - | - |
| Century Bulk Carriers | Ultramax | 64,000 dwt x 3 | NACKS (China) | 2026 | - | - |
| East Med | Ultramax | 63,500 dwt x 4 | Nantong Xiangyu (China) | 2026 | sub 34 | - |
| CONTAINERS / RO-RO / REEFER / PCC | | | | | | |
| AP Moller-Maersk | Containership | 3,500 TEU x 6+9-11 | Huangpu Wenchong (China) | 2026-2027 | ca. 68 | Methanol dual-fuel. |
| General Cargo / Tween / Multi-purpose | | | | | | |
| SAL Heavy Lift | Muli-Purpose | 14,600 dwt x 1 | Wuhu (China) | 2025 | - | Declared options. Methanol DF. Battery hybrid. |

Recycling Prices (US\$/LWT)

| | Bangladesh | Pakistan | India | Turkey |
|---|------------|-----------|-----------|-----------|
| Tankers / Cont / Ro-Ro / Capes / PCC / LPG / LNG | 530 - 560 | 530 - 550 | 520 - 540 | 315 - 330 |
| Bulkers / Tween / General Cargo | 520 - 530 | 510 - 520 | 500 - 510 | 300 - 315 |

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 | 128.00 | 100.00 | 75.00 | 50.00 | 50.00% |
| Suezmax | 85.00 | 78.00 | 61.00 | 35.70 | 70.90% |
| Aframax | 70.00 | 70.50 | 55.00 | 28.00 | 96.40% |
| MR | 47.50 | 44.00 | 34.50 | 19.80 | 74.20% |
| Bulkers | | | | | |
| Capesize | 66.50 | 51 (eco) | 30.50 | 24.60 | 24.00% |
| Kamsarmax | 36^ | 33.50 | 22.50 | 16.90 | 33.10% |
| Ultramax / Supramax | 33.5^ | 30.00 | 19.50 | 14.50 | 34.50% |
| Handysize | 30^ | 26.00 | 17.00 | 11.90 | 42.90% |
| | | | | ~ = Basis standard contemporaneous DWT/spec for each type. | |
| ^ = Chinese price (otherwise based upon Japanese / Korean country of build) | | | | | |



This report has been produced for general information and is not a replacement for specific advice. While the market information is believed to be reasonably accurate, it is by its nature subject to limited audits and validations. No responsibility can be accepted for any errors or any consequences arising therefrom. No part of the report may be reproduced or circulated without our prior written approval. © E.A. Gibson Shipbrokers Ltd 2021.

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.

Louis Dreyfus Company chooses bound4blue to Install Four eSAILS on Juice Vessel



Louis Dreyfus Company (LDC), a global agricultural goods leader, has chosen bound4blue for an eco-friendly transformation of its chartered juice vessel. In collaboration with Wisby Tankers AB, Sweden, bound4blue will install four innovative 26-meter-high eSAILS® on the MV Atlantic Orchard in 2024.

Owned by Wisby Tankers and chartered by LDC, the vessel retrofit aims to reduce annual fuel consumption and CO2 emissions by a minimum of 10%, subject to the chosen vessel routes.

Bound4blue's advanced eSAIL® system employs wind-assisted propulsion, utilizing suction sails for a remarkable seven times more lift than conventional airplane wings. The decision to adopt this technology follows a meticulous assessment by Lloyd's Register, affirming bound4blue's suction sails as the solution.

José Miguel Bermúdez, bound4blue's CEO, expressed excitement about the partnership, stating, "LDC's commitment to emission reduction aligns with our mission. This collaboration underscores our technology's maturity and adaptability."

Sébastien Landerretche, LDC's Global Head of Freight, emphasized the company's dedication to a low-carbon economy, saying, "Partnering with bound4blue and Wisby Tankers reinforces our commitment to advanced sail technology for sustainable shipping."

The eSAILS® installation on MV Atlantic Orchard is slated for 2024, marking a significant step toward cleaner and more efficient maritime transport. The collaboration signals a joint effort to propel the shipping industry towards a greener future.

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

USA Announces New Naval Coalition to Protect Shipping Interests in Red Sea



Campbell Johnston Clark

CJC EXCHANGE



In response to the increasing number of shipping companies diverting from the Suez route (including Maersk, MSC, and CMA CGM), the Pentagon announced on Monday that it would be launching Operation Prosperity Guardian to protect merchant vessels transiting the Red Sea via the Bad el-Mandeb strait.

While the Operation's rules of engagement are unknown beyond being focused on "ensuring freedom of navigation for all countries and bolstering regional security and prosperity." (per the Department of Defense's announcement), the confirmed list of members includes the United Kingdom, US, Canada, France, Italy, the Netherlands, Bahrain, Norway, Spain, and the Seychelles. While this list does notably exclude major regional allies such as Egypt and Saudi Arabia, an additional ten nations have reportedly joined on the condition of anonymity.

Though a naval escort for every vessel travelling through the region would be impractical given the sheer number of merchant ships operating in the area under usual circumstances, it seems that the operation would instead position military vessels in key areas to deter attacks from Houthi rebels, who have been growing bolder since their initial hijacking of the Galaxy Leader in November.

The Department of Defense's statement can be found [here](#).

For more information, please contact:

James Clayton
Tel: +44 (0) 207 855 9669
Email: jamesc@CJCLaw.com
www.cjclaw.com



Gibson Shipbrokers
Tel: +44(0) 20 7667 1000
Email: sap@eagibson.co.uk
www.gibsons.co.uk

