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In this issue:

Gibson Sale & Purchase Market Report

Tankers – New Year, New Gear? | Dry Cargo – Sky’s The Limit | Recycling – Sluggish Start For Scrap
| Newbuilding – Punchy Prices | Sale & Purchase Market Report

CJC Market News

Red Sea Traffic Continues to Decrease Amidst Increasing Houthi Attacks

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 – New Year, New Gear?

The year has started slowly on the S&P side with little to show over the festive period. Prices remain firm and buyers will have to get their heads around these levels and pay up if they want to transact, definitely with no sign of January sales! Pertamina has coughed up for a modern suezmax as we hear **“BELLA CIAO”** (156,586 dwt / built 2020 New Times, China) is rumoured to have gone to them at region USD 86m.

Elsewhere, we hear that Advantage has picked up a pair of ST-owned LR1s, namely the **“ALPINE PEMBROKE”** and **“ALPINE PIONEER”** (74,602 dwt / built 2010 + 2011, Hyundai Mipo, S.Korea) for region US\$ 65m enbloc, which looks a good price for sellers if you consider the sale of the **“LEON APOLLON”** (74,999 dwt / built 2009 Hyundai Mipo, S.Korea) at US\$ 28.5m in early December. We also hear the MR2 **“SOCHRINA”** (46,583 dwt / built 2008 Sungdong, S.Korea) has gone to Turkish buyers for US\$ 24m with surveys freshly passed, which is US\$ 1m less than same aged **“SEAWAYS LORAIN”** (51,218 dwt / built 2008 STX Jinhae, S. Korea) sold early November.

Dry Cargo – Sky’s The Limit

If the Dry Cargo market could make New Year resolutions it would be to have a more stabilized environment complemented by optimistic sentiment for the year ahead with expectations of firming rates.

Week one is yet to yield 2024 concluded sales, but reveals the likely final Capesize sale of 2023, with China Merchants Bank divesting the **“CAPE STAR”** (175,366 dwt / built 2010 Rongsheng, China) at region US\$ 21m, to undisclosed buyers at still prevailing market price levels.

The Supra/Ultramax segment closed the year with a further sale from Star Bulk Carriers, with **“STAR BOVARIUS”** (61,602 dwt / built 2015 DACKS, China) finding new a home with Greek



compatriot buyers at US\$ 25.25m – a notable step up on same owner’s November sale of scrubber fitted “**STAR ATHENA**” (63,371 dwt / built 2015 Chengxi, China) at US\$ 23.50m, although having since witnessed some strengthening in ultramax values and also a premium to be expected for the Sino-Japanese DACKS builder pedigree.

Recycling – Sluggish Start For Scrap

Although it’s very early days it does seem we have witnessed a fairly poor start to the year with rates and sentiments under pressure, and demand also weak. The supply of tonnage is understandably slow but there is some activity here and there, albeit very limited. As we start 2024 there are the same issues hampering recycling nations such as weak steel plate prices and L/C problems facing some markets, but with people still coming back from festive and New Year holidays we expect during the next couple of weeks to have a slightly clearer picture on where things stand and where price levels are.

Newbuilding – What Will 2024 Deliver?

During this first week back after the Christmas and New Year break many owners are still returning to their offices. However, a number of tanker discussions underway have now been officially reported over the holiday period with notable and continued LR2 activity. The dynamics at the yards remain unchanged and recent order runs in other ship sectors (notably on VLGC/VLAC/VLEC) continue to provide alternative orders (to tankers) for the larger yards. The VLCC supply side remains highly favourable and owners with modern tonnage are unlikely to sell at bargain levels and so we remain confident that some will place VLCC orders this year, not least to reinvest healthy earnings from the last few years.

Gibson Sale & Purchase Market Report

S&P SALES

Vessel Name	DWT	Built	Yard	Buyers	Price (\$/m)	Notes
BULKERS						
CAPE STAR	175,366	2010	Rongsheng (China)	Undisclosed	reg 21	SS due 7/25. BWTS.
ARTEMIS	81,963	2013	Cosco Dalian (China)	Chinese buyer	19.50	DD due 2/26. BWTS.
STAR BOVARIUS	61,602	2015	DACKS (China)	Greek buyer	25.25	SS due 10/25. BWTS. Dely Atlantic 3/24.
IKAN PARANG	56,618	2011	Taizhou Kouan (China)	Undisclosed	high 11	SS due 12/25. BWTS.
DESERT RHAPSODY	54,239	2007	Taizhou Kouan (China)	Indonesian buyer	9.20	DD due 4/24. BWTS.
RICHMOND PEARL	53,100	2009	Yangzhou Dayang (China)	Undisclosed	10.80	SS due 6/24. BWTS.
AGALI	28,202	2013	Imabari (Japan)	Undisclosed	low 13	SS psd 10/23. Logs.
TANKERS						
BELLA CIAO	156,586	2020	New Times (China)	Pertamina	reg 86	SS due 7/25. BWTS. Scrubber. Tier III.



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ALPINE PEMBROKE + ALPINE PIONEER	74,602	2010 + 2011	Hyundai Mipo (Korea)	Advantage Tankers	reg 65 en bloc	Deepwell. DD due 2/24 + passed 9/23. BWTS.
SOCHRINA	46,583	2008	Sungdong (Korea)	Besiktas	reg 24	Deepwell. SS psd 11/23. BWTS.
CONTAINERS / RO-RO / REEFER / PCC						
ZHONG AN XIN HUA YUAN	57,197	2002	Hanjin HI (Korea)	Chinese buyer	14.00	4,515 TEU. Gearless. DD due 5/24. Domestic sale.
GAS (LNG / LPG / LAG / CO2)						
VENUS GLORY	54,474	2008	Daewoo (Korea)	ADNOC	66.00	82,090 cbm. SS psd 10/23. BWTS.

NEWBUILDING ORDERS

Ordering Client	Vessel Type	Size / No. of units	Shipyard (Country)	Delivery	Price (\$m)	Notes
TANKERS						
Cape Shipping	LR2	115,000 dwt x 2	Hantong c/o SWS (China)	2026	ca. 66	LOI.
Union Maritime	LR2	114,200 dwt x 2	Cosco Yangzhou (China)	2026-2027	-	-
Hainan CSET	Aframax	114,200 dwt x 3	Cosco Yangzhou (China)	2026-2027	81.80	Methanol ready.
Hainan CSET	LR1	75,000 dwt x 2	Cosco Yangzhou (China)	2026	58.75	Methanol ready.
Cosco Shipping Energy Transportation	MR2	50,000 dwt x 1	Cosco Dalian (China)	2026	49.30	Methanol ready.
Compagnie Maritime Belge	Chemicals	25,000 dwt x 2	CMJL Yangzhou (China)	2025	-	Ammonia ready. Old order.
Union Maritime	Chemicals	19,900 dwt x 2	Fukuoka (Japan)	2026	-	Stainless steel.
Union Maritime	Chem/Prods	18,500 dwt + 2	Wuhu (China)	2026	-	Declared options. Methanol ready.
Union Maritime	Chem/Prods	18,500 dwt + 1	Fujian Mawei (China)	2026	-	Declared options. Methanol ready.
GAS (LNG / LPG / LAG / CO2)						
Cedar LNG	FLNG	250,000 cbm x 1	Samsung (Korea)	2028	1.5 bn	To be sited Kitimat, British Columbia.
Economou	VLAC	93,000 cbm x 2	Samsung (Korea)	2027	120.00	
BULKERS						
Cosco Shipping Bulk	Guaibamax	325,000 dwt x 1	Cosco Yangzhou (China)	2026-2027	est. xs 130	Methanol dual-fuel. Against COA to Vale.
Eastern Pacific Shipping	Newcastlemax	210,000 dwt + 4	Qingdao Beihai (China)	2027	-	Declared options. Ammonia dual-fuel.



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CMC Leasing	Ultramax	62,000 dwt x 4	Huanghai (China)	2025	-	Against TC to Season Shipping.
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Recycling Prices (US\$/LWT)

	Bangladesh	Pakistan	India	Turkey
Tankers / Cont / Ro-Ro / Capes / PCC / LPG / LNG	530 - 540	520 - 540	505 - 530	315 - 330
Bulkers / Tween / General Cargo	510 - 520	500 - 520	490 - 500	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	110.00	81.00	50.30	61.00%
Suezmax	85.00	81.50	64.00	36.00	77.80%
Aframax	70.00	73.00	58.00	28.30	104.90%
MR	47.50	45.75	36.00	19.90	80.90%
Bulkers					
Capesize	66.50	55 (eco)	35.00	24.60	42.30%
Kamsarmax	36^	34.75	24.75	17.00	45.60%
Ultramax / Supramax	33.5^	31.50	21.50	14.50	48.30%
Handysize	30^	27.50	18.50	11.90	55.50%

^ = 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.



Red Sea Traffic Continues to Decrease Amidst Increasing Houthi Attacks



The situation in the Red Sea and around the Horn of Africa continues to worsen – in addition to missile strikes and attempted boardings, Houthi rebels have now deployed explosive sea drones. At the same time, there are also rising concerns of piracy incidents off the Somali coast.

The effects on commercial shipping have been predictably severe; Maersk has again halted all transits through the Red Sea, the volume of LNG tankers travelling through the Suez has dropped by 50%, and around 20% of the global container fleet is now actively avoiding transiting the Suez Canal. Global container freight rates have also increased significantly as a result.

The container giant Maersk has stated that cargo movement through the area will be paused until further notice as the company assesses the evolving situation.

While Operation Prosperity Guardian has seen some success thus far, including repelling a boarding attempt of a Maersk vessel by Houthis last Sunday, many operators still do not see the time saving of travelling through the region as being worth the risk until the situation stabilises.

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

