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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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DRY CARGO – Cape Crusaders

As the saying goes one swallow does not make a summer but this sentiment has not been the case for some buyers in the capesize market, with the recent spike in the freight market prompting some aggressive prices being obtained for these dry cargo behemoths. The stand out sale that gives some idea of the direction, is that of "**OCEAN COMPASS**" (180,200 dwt/blt 2006 Imabari, Japan) at US\$17.5m basis SS/DD freshly passed and BWTS fitted, similar sales at the end of last year would have suggested a price in the region of US\$15m. This significant premium can be attributed to competition for the vessel with ultimate buyer being a listed entity that was ultimately able to outbid its private counter parties. Contrastingly, the sale of "**KING ORE**" (175,944 dwt/blt 2010 Namura, Japan) at region US\$20.3m does not appear as such a big jump as to when compared to the sale in October 2020 of the "**PACIFIC ENDURANCE**" (181,458 dwt/2011 Koyo, Japan) at US\$19.15m basis surveys and BWTS due. Furthermore, excitement surrounding the auction price of the small cape namely the "**CAPE PROVIDENCE**" (169,233 dwt/blt 2010 Daehan, South Korea) at US\$18.1m with surveys due can be tempered due to the fact the buyers are rumoured to be the mortgagees who were presumably protecting their interests. The more realistic market indicator, although somewhat above where it was at the end of last year, is that obtained by the one year newer sister "**JABAL NAFUSA**" at US\$15.5m basis SS/DD due to Greek buyers.

TANKERS – Under Pressure

Tanker earnings are still in the doldrums and prices are under pressure, but for the moment still holding up. There remains interest in the vintage VLCC sector as we hear the "**PANTARISTE**" (309,288 dwt/blt 2002 Samsung) has been sold, after the previous deal failed, to Cosmship Maritime at US\$23m. Navios

have also sold the **"NAVE CELESTE"** (298,717 dwt/blt 2003 DSME) for US\$25m. We also know of two more similarly aged VLCCs negotiating closely at similar levels.

Modern afras and LR2s are hard to find for buying interests and the only deal picked up this week is another Scorpio tankers sale and lease back involving an LR2 and three MR2s (see sales sheet). Interestingly we hear this week that Eastmed has bought three resale MR2s from Topships, the **"ECO SANTA MONICA"** + **"ECO VAN NUYS"** + **"ECO VENICE BEACH"** (50,000 dwt/blt 2021 Hyundai Mipo) at around US\$34m each; the ships were originally ordered by Pistoris' private arm, Central Group and sold to the public company.

RECYCLING – Bangladesh Putting the Breaks on

After a blazing start to the year which saw prices from Bangladesh edge into the high US\$400's, this week has been a little more subdued with the Bangladesh market showing signs of cooling off and perhaps a slowing down from India too. It seems end users in Bangladesh believe the market is getting too hot with rates going up much too quickly, especially with talk that the US\$500 per LWT barrier could be breached, therefore this week we have seen prices correct by about US\$5/10. When demo markets move up as quickly as it has done since the Bangladesh cartel collapsed (but more so since about a month ago) there is always the chance of volatility with rates moving down just as fast as they moved up. Perhaps in the short term we may now see a bit more stability in price levels being offered, but nevertheless prices are still impressive, and demand is still very much there from the end users. On the sales front we have again seen a decent amount of deals being concluded across the board in differing ship types.

Gibson Sale & Purchase Market Report

S&P SALES

Vessel Name	DWT	Built	Yard	Buyers	Price (\$/m)	Notes
BULKERS						
OCEAN COMPASS	180,200	2006	Imabari Saijo (JPN)	Castor Maritime	17.5	SS+BWTS due 3/21.
TIGER JIANGSU	180,096	2010	Qingdao Beihai (CHN)	Chinese buyer	15.35 (A)	Auction sale.
KING ORE	175,944	2010	Namura (JPN)	Union Maritime	20.3	DD psd10/20. BWTS+Scrubber fitted.
CAPE ISTANBUL	175,607	2011	Hanjin Subic bay (PHIL)	Union Maritime	19.1	BWTS + Scrubber fitted.
CAPE PROVIDENCE	169,233	2010	Daehan (KRS)	Undisclosed buyer	18.1 (A)	Auction sale. SS+BWTS overdue.
JABAL NAFUSA	169,097	2011	Daehan (KRS)	Greek buyer	15.5	SS+BWTS due 1/21.
YM EFFORT	81,702	2008	Mitsui (JPN)	Chinese buyer	11/11.5	DD due 8/21.
HORIZON RUBY	76,001	2013	Hudong Zhonghua (CHN)	Ningbo Marine	14.62	
ANGELIC GLORY	75,002	2002	Hudong Zhonghua (CHN)	Undisclosed buyer	4 (A)	Auction sale.
SBI LIBRA	64,679	2017	Chengxi (CHN)	Undisclosed buyer	18.65	BWTS + Scrubber fitted.



DARYA MAHESH	56,056	2008	Mitsui (JPN)	Greek buyer	9.3	DD due 8/21. No BWTS.
ASIA ZIRCON	53,500	2009+2011	Nam Trieu (VNM)	Chinese buyer	14.1 en bloc	
GOLBAL LEGEND	52,223	2006	Oshima Zosen (JPN)	Undisclosed buyer	7.2	Open hatch. SS +BWTS due 9/21.
ERO L	50,457	2003	Jiangnan (CHN)	Chinese buyer	5.25	DD due 6/21. No BWTS.
BELFORT	50,292	2008	PT Pal (INDO)	Undisclosed buyer	6.2	DD psd 5/20.
LA LOIRAIS	39,300	2018	Jiangmen Nanyang (CHN)	Undisclosed buyer	16.2	DD due 3/21. BWTS fitted.
JUPITER ACE	32,527	2010	Zhejiang Hongxin (CHN)	Undisclosed buyer	5.9	SS psd 11/19.
ALBANY SOUND	28,379	2002	Imabari (JPN)	Undisclosed buyer	4.5	Logger.

TANKERS

PANTARISTE	309,288	2002	Samsung (KRS)	Cosmoship Maritime	23	SS due 12/21.
AMALFI	105,483	2003	Sumitomo (JPN)	Undisclosed buyer	11.3	Coated. Trading dirty.
ECO SANTA MONICA + ECO VAN NUYS + ECO VENICE BEACH	50,000	all 2021	Hyundai Mipo (KRS)	Eastmed	34 each	BWTS+Scrubber fitted.
NORDIC HANNE	38,396	2007	Guangzhou (CHN)	German buyer	7.8	No BWTS. Deepwell. Clean.
ADFINES SKY	19,118	2011	Yangfan (CHN)	RF Ocean	9.2	Marineline. Ice 1A. SS due 11/21.
GUANG HUI 328	4,261	2016	Rizhao Kingda (CHN)	Shandong Port Shipping	6.03 (A)	RMB 39m. Auction sale. Twin engine.
C.P. 41	4,023	1998	Higaki (JPN)	Undisclosed buyer	1.5	

CONTAINERS / RO-RO / REEFERS / PCC

MOL PACE	72,968	2006	Koyo (JPN)	Taiwanese buyer	27	6350 TEU. Gearless. SS due 1/21.
SEAMELODY	63,355	2009	Daewoo (KRS)	Undisclosed buyer	18.5	4860 TEU. Gearless. DD due 11/21.
ITAL MELODIA	53,679	2007	Hyundai Mipo (KRS)	TS Lines	15.5	2824. Gearless. 586 Reefer. DD psd 7/20.
ORTOLAN GAMMA	44,239	2007	Hanjin Hi (KRS)	Maersk AS	10	3380. Gearless.
NORO	44,165	2007	Hanjin Hi (KRS)	Norwegian buyer	11.3	3388. Gearless.
MAX KUDO + MAX KING	23,845	both 2008	Aker Mtw (GER)	Asian buyer	7.5 each	1702. Gearless. DD due 5+6/21.

NEWBUILDING ORDERS

Ordering Client	Vessel Type	Size / No. of units	Shipyard (Country)	Delivery	Price (\$m)	Notes
BULKERS						
Safe Bulkers	Post-panamax	87,000 dwt x 1	Oshima (JPN)	2023		
Meghna Group	Ultramax	64,000 dwt x 4	Yangzi-Mitsui Shipbuilding (CHN)	2022-2023	26	Neo-66 design.

Densay Shipping	Ultramax	64,000 dwt x 1	Jinling (CHN)	2022	23	
Sojitz	Ultramax	64,100 dwt x 2	Oshima (JPN)	2023		
TANKERS						
Continental Bitumen	Asphalt Carrier	21,500 dwt x 2+2	Wuhu Xinlian (CHN)	2023	30	LNG dual fuelled + battery power.
CONTAINERS / RO-RO / REEFERS / PCC						
Eastern Pacific Shipping	Containership	15,000 TEU x 6	Hyundai HI (KRS)	2023	137	LNG fuelled.
GENERAL CARGO / MULTI-PURPOSE						
Tianjin Zhonghai	General Cargo	9,700 dwt x 4	Penglai Jinglu (CHN)	2023		
GAS						
Pancoean Shipping	LNG	174,000 cbm x 1	Samsung (KRS)	2023	184-187	Against TC to Galp Energia
Byzantine Maritime	LPG	40,000 cbm x 1	Hyundai Mipo (KRS)	2022	46	
Tiger Clean Energy	Container LNG	25000 cbm +1	Yangzijiang (CHN)	2022	46	Declared option. LNG dual fuelled.

Recycling Activity

Vessel Name	BUILT	DWT	LWT	Delivery	Price (\$/lwt)	Notes
VLOC						
STELLAR PIONEER	1994 / Korea	298,624	46,048	as-is Labuan	430	
STELLAR TOPAZ	1994 / Korea	298,468	45,865	as-is Labuan	430	
SINOTRADER	1993 / Japan	267,906	38,705	Bangladesh	440	
PANAMAX BULK						
WUYI HK	1995 / Denmark	75,460	11,750	Bangladesh	478	
BULK CARRIER						
KT 02	1998 / Japan	47,374	7,500	Bangladesh	478	
KT 05	1998 / Japan	47,375	7,500	Bangladesh	478	
FSO						
MERLION M	1999 / Korea	308,571	43,228	as-is Malaysia	427	
TANKER						
KNIGHT	1987 / Japan	19,084	6,070	as-is Singapore	395	
CHEMICAL TANKER						
COUNT	1997 / Korea	11,042	3,306	as-is Singapore	395	
LPG						
GAS STELLAR	1991 / Japan	3,866	2,265	Bangladesh	450	
VEHICLE / PASSENGER						
VRONSKIY	1978 / Holland	1,763	7,136	Turkey	260	

Recycling Prices (US\$/LWT)

	Bangladesh	Pakistan	India	Turkey
Tank/Cont/Ro-Ro/Capes/LPG/PCC	460/475	440/455	420/440	275/285
Dry Cargo/Bulk/Tween/Gen Cargo	450/460	430/440	410/420	270/280

Newbuild and Second Hand Values (\$ million)

	Newbuild	5 Year Old	10 Year Old
Tankers			
VLCC	85.5	65.5	46
SUEZMAX	56.5	45	30.5
AFRAMAX	46.5	34	22
MR	34	27	17.25
Bulkers			
CAPE SIZE	47 [^]	28	20
KAMSARMAX / PANAMAX	26 [^]	21	14.5k / 13p
ULTRAMAX / SUPRAMAX	24 [^]	18.5u / 15.5s	11.5s
HANDY SIZE	23 [^]	15	9.25

[^]=Chinese price (otherwise based upon Japanese / Korean country of build)

Indices

	C.O.B Friday
BDI	1754
\$/Yen	103.68
VLCC	
AG/East TD3 (WS)	27 (basis 2021 rates)

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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.

World's First Smart LNG Bunkering Vessel Delivered at Largest Bunkering Port



The 7,500 cubic metre liquefied natural gas bunkering vessel (LBV), the "FUELNG BELLINA" was delivered early last week to FuelNG. The vessel is the world's first smart LNG bunkering vessel and was designed by Keppel Offshore & Marine's (Keppel O&M) technology arm, Keppel Marine and Deepwater Technology. It was built in Keppel O&M's Nantong shipyard. FuelNG is a joint venture between Keppel O&M and Shell Eastern Petroleum (Pte) Ltd.

The LBV boasts an extended flat surface which is expected to provide the necessary specifications to provide fuel to a wider range of vessels. As reported, it is also highly versatile in maneuverability allowing operators to minimise the need for tug assistance during bunkering operations. It is contemplated that this would significantly reduce fuel consumption and emissions as a whole as less support is required. The vessel is also equipped with Smart Notations which makes it the first LNG bunker vessel to adopt such digital systems. The system will enable remote supervision as well as real-time support of vessel operations. This is envisioned to boost vessel performance and efficiency as it would provide, amongst other things, a more robust method of handling the vessel's maintenance aspects.

The vessel is reportedly being classed by the American Bureau of Shipping (ABS). ABS and Keppel O&M have previously worked together in the development of two drilling rigs also equipped with smart notations in the bid to utilise digital technologies to enhance asset care and efficiency.

The delivery of the LBV is in line with Keppel's Vision 2030 which includes searching for opportunities in LNG solutions and renewables. By end 2021, Keppel O&M is also expected to open an LNG bunkering facility catering to smaller vessels such as harbour crafts.

LNG, along with alternative fuels such as liquefied petroleum gas (LPG), is widely attributed by the market as being the forerunner alternative fuel in the industry's bid to lower emissions and shift to clean energy.

LNG Shipping Rates from U.S. Surge to Record Highs on Asia Buying Boom



Following on from the article above, the cost of shipping LNG from the United States to Asia hit a record high on Tuesday as appetite for the fuel from buyers there and delays through the Panama Canal reduced the amount of ships for hire.

Freezing temperatures across Asia and Europe have pushed up LNG prices and lifted wider gas prices as buyers grapple with shrinking inventories and the shortage of tankers.

An apparent ban on Australian coal imports into China, which has been reported by Chinese media, had also bolstered demand by Chinese buyers for LNG tankers to carry cargoes to Asia.

Delays through the Panama Canal had been compounded of late by weather disruptions, higher than expected LNG traffic as well separate tanker shipments of LPG, which were also trying to sail through the waterway.

Average daily tanker rates on the U.S. Gulf to Japan route rose to \$253,270 on Tuesday, its highest since earnings were first published in 2019, Baltic Exchange data showed. This compared with \$174,000 a day at the end of last year, the Baltic data showed.

LNG tanker rates from the U.S. Gulf to Europe softened this week to \$310,691 a day from a high of over \$320,000 a day last week, Baltic Exchange data showed.

Increased Drug Smuggling Activity in North Africa



Shipowners should be aware that Libya and adjacent regions of North Africa - including Morocco, Algeria and Tunisia - are increasingly becoming a hotspot for cocaine smuggling as traffickers move away from their usual West African gateway to Europe.

Last month, there were two seizures of cocaine in Libya-bound containers within just a week of each other. This recent increase in activity is like due to stronger security having been implemented in the usual transshipment routes through West Africa.

Customs inspectors at Malta Freeport seized 612 kg of cocaine worth €69m (\$84m) in December 2020. The drugs, which were bound for Libya, had been hidden in pallets of cooking oil from Ecuador. Three days earlier, authorities at the port of Guayaquil in Ecuador seized 582kg of cocaine hidden in 19 pieces of teak also bound for both Libya and Syria.

The size of these recently seized shipments suggest that South American trafficking networks are seeking to establish direct transshipment points in North Africa, most likely due to its geographic proximity to Spain as a gateway to Europe.

Drug smuggling has wide ranging implications including fines, criminal sanctions and commercial impacts. Given the recent increase of drug smuggling activity in North Africa, it is recommended that all parties seek to ensure clearly worded provisions are incorporated into their charterparties and bills of lading to prevent disputes arising from contractual ambiguities.

Enesel Place First Bulker Order Since 2013



The London-Greek based shipowner Enesel are set to return to the dry bulk market following its recent order of two 61,000-dwt bulkers, from Dalian Cosco KHI Ship Engineering, China. This signals a long-awaited return for Enesel who currently only own tankers and container vessels, since the sale of their last bulker in 2013. These bulker newbuilds are in addition to recent orders for two Oil/Product Tankers and six Crude Oil Tankers, which are set to grow the Enesel fleet by almost 60%, to 27 vessels.

Ordered in October, the vessels would likely have been priced on favourable terms to Enesel, especially given the recent increase in steel plate costs, and exchange rate fluctuations, which forced yards to recalculate their newbuilding prices. With prices steadily declining throughout 2020 many prospective owners may have waited too long, to the point where they have now, quite literally, 'missed the boat'.

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