



**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 – Inching Up | Dry Cargo – BDI Blip | Newbuilding – Boom or Bust? | Sale & Purchase Market Report

#### CJC Market News

U.S. Special Ops Gunship Conducts Exercises in South China 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](mailto:sap@eagibson.co.uk) - [www.gibsons.co.uk](http://www.gibsons.co.uk)*

### Tankers – Inching Up

A short week for most in Europe and few tanker sales to talk about as we approach Pimm's o'clock. However, an announcement from Scorpio yesterday broke the ice with the product tanker giant reporting the sale of their "**STI MANHATTAN**" (49,990 dwt / built 2015 SPP, S.Korea) for US\$ 40.8m with delivery Q2-Q3 this year. This sale follows on agreeably from their sale of 2 x 2013 built sister vessels for US\$ 36.5m a few weeks back. In the older MR2 sector there seems to be plenty of active negotiations, but confirmed deals are lacking, although we understand the "**GRACE FORTUNA**" (47,786 dwt / built 2007 STX Jinhae, S.Korea) has sold for a respectable US\$ 23m. Strong earnings continue to support values with prices inching up, but buyers will be looking at historical values and resistant on inflating them further.

### Dry Cargo – BDI Blip

Since its rather impressive appreciation from the beginning of this month the BDI has come off in the last few days, due mainly to the depreciation in the Capesize Index and this seems to have been reflected in the volume of sales reported this week. With cape sales notable in their absence, nevertheless prices remain firm and some sales in other sectors include the reported sale of the Kamsarmax "**ASL URANUS**" (82,372 dwt / built 2008 Oshima Zosen, Japan) at US\$ 17 m, which is in line with last week's sale of the two year older "**CUMA**". The off market sale of the Kamsarmax "**OASEA**" (82,217 dwt / built 2010 Tsuneishi Zhoushan, China) at US\$ 20.3 m shows an even stronger improvement, probably reflecting that the vessel is more attractive, being less than 10 years old.

There seems to be still some appetite from Chinese buyers for older panamax vessels with a couple of vessels changing hands within China. Interesting to note is the sale of the two TESS58's by Belships namely the "**BELFRIEND**" & "**BELTIDE**" (57,679 dwt / built 2016 Tsuneishi Cebu, Philippines) at US\$ 28.3 m each and given the fact these vessels were built in the penultimate year before this design was stopped having been replaced by the Ultramax design, similar age Ultramax vessels would likely achieve excess US\$ 31 m, hence showing a reasonable discount for relatively modern purchase.



### Newbuilding – Boom or Bust?

Further MR and LR1 newbuilding orders are emerging this week continuing the focus in this area. There are mixed views on the newbuilding market moving forward with regards to continued demand. On one hand, we now have deliveries far forward, high historical pricing showing no signs of softening and remaining uncertainty over the best alternative fuel choice. On the other, we have relatively low orderbooks (still), an ageing fleet, a shipping market awash with plentiful cash reserves and buoyant modern second-hand pricing (as an alternative to newbuilding investment) with few candidates for sale. Of high significance also, tankers are one of the few remaining sectors that have not fully embraced alternative fuel. There are a number of reasons behind this but as we move closer and closer to the event horizon for owners to do something we may see an increase in newbuilding demand on this basis. Newbuilding is traditionally a boom or bust market! However, taking the above factors in to account (notably high cash reserves and the need to decarbonise tankers at some point) we may therefore be in for a period of historically high pricing for some time to come, as a case of need versus lust!

### Gibson Sale & Purchase Market Report

#### S&P SALES

Vessel Name	DWT	Built	Yard	Buyers	Price (\$/m)	Notes
<b>BULKERS</b>						
<b>ASL URANUS</b>	82,372	2008	Oshima (Japan)	Undisclosed	17.00	DD due 1/26. BWTS.
<b>OASEA</b>	82,217	2010	Tsuneishi Zhoushan (China)	Greek buyer	20.25	SS due 1/25. BWTS.
<b>CHAILEASE GLORY</b>	76,633	2003	Imabari (Japan)	Undisclosed	11.00	SS psd 4/23. BWTS. Inc TC to 7-10/24.
<b>AC SHANGHAI</b>	75,247	2001	Samho (Korea)	Chinese buyer	8.00	DD due 5/24. BWTS. FS Ice II.
<b>BELTIDE + BELFRIEND</b>	57,679	both 2016	Tsuneishi Cebu (Philippines)	Pangaea Logistics Solutions	28.30 each	DD due 8+12/24. BWTS. Dely 3Q'24.
<b>DELTA AVON</b>	56,897	2012	COSCO Guangdong (China)	Undisclosed	14.30	DD due 3/26. BWTS.
<b>FLC LONGIVITY</b>	56,785	2009	Taizhou Kouan (China)	Undisclosed	11.80	SS due 7/24. BWTS.
<b>CRYSTAL OCEAN</b>	48,913	1999	IHI (Japan)	Chinese buyer	5.40	DD due 3/25. BWTS. Already renamed.
<b>ADMIRALTY SPIRIT</b>	32,189	2004	Saiki Havy (Japan)	Undisclosed	8.00	OHBC. SS due 7/24. BWTS.
<b>TANKERS</b>						
<b>STI MANHATTAN</b>	49,990	2015	SPP Goseong (Korea)	KSS Line	41.00	Deepwell. SS due 3/25. BWTS. Scrubber.
<b>GRACE FORTUNA</b>	47,786	2007	STX Jinhae (Korea)	Undisclosed	23.00	Deepwell. SS due 8/25. BWTS.
<b>G BRIGHT</b>	19,930	2004	Kitanihon (Japan)	Undisclosed	15.00	Stainless Steel. Basis SS passed 6/24.



# Campbell Johnston Clark

## CJC EXCHANGE

### NEWBUILDING ORDERS

Ordering Client	Vessel Type	Size / No. of units	Shipyard (Country)	Delivery	Price (\$m)	Notes
<b>TANKERS</b>						
Performance Shipping	LR1	75,000 dwt x 1	Yangzijiang (China)	2027	xs 54	Scrubber.
Sea Pioneer	MR	50,000 dwt x 2	K Shipbuilding (Korea)	2026	reg 45	Declared options. Conventional fuel. Scrubber ready.
Panocean	MR	50,000 dwt x 2	Hyundai Vinashin (Vietnam)	2027	46.80	-
Trafigura	MR	46,000 dwt x 4	Hyundai Mipo (Korea)	2027	-	Ammonia dual-fuel.
<b>BULKERS</b>						
Oldendorff	Kamsarmax	82,000 dwt x 2	Jiangsu New Hantong (China)	2026	-	-
National Shipping	Kamsarmax	82,000 dwt x 2	Jiangsu New Hantong (China)	2026	-	-
Kasuga Kaiun	Ultramax	64,100 dwt x 1	New Dayang (China)	2027	reg 34	-
<b>CONTAINERS / RO-RO / REEFER / PCC</b>						
Evergreen	Containership	2,400 TEU x 6	Huangpu Wenchong (China)	2026-2027	reg 53	-

### Recycling Prices (US\$/LWT)

	Bangladesh	Pakistan	India	Turkey
Tankers / Cont / Ro-Ro / Capes / PCC / LPG / LNG	555 - 575	550 - 560	530 - 545	350 - 360
Bulkers / Tween / General Cargo	545 - 550	530 - 540	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
<b>Tankers</b>					
VLCC	130.5	114.0	85.0	51.6	64.7%
Suezmax	88.0	84.0	70.0	37.2	88.2%
Aframax	73.0	72.5	58.0	29.5	96.6%
MR	50.0	47.0	38.0	20.5	85.4%
<b>Bulkers</b>					
Capesize	71.0^	63.5	43.0	24.9	72.7%
Kamsarmax	37.5^	37.0	29.0	17.2	68.6%
Ultramax / Supramax	34.5^	34.8	27.5	14.6	88.4%





Handysize 30.0^ 27.5 19.0 12.0 58.3%

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

~ = Basis standard contemporaneous DWT/spec for each type.

*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.*

### U.S. Special Ops Gunship Conducts Exercises in South China Sea



In a recent demonstration of military readiness, the U.S. conducted an exercise in the South China Sea, drawing attention to the region's escalating tensions. The exercise involved the deployment of an AC-130J Ghost rider gunship, showcasing its capabilities in addressing potential maritime security threats.

This exercise took place within the context of an ongoing joint training between U.S. and Philippine forces. The AC-130J Ghost rider, a long-standing aircraft with a rich history, demonstrated its abilities and effectiveness for a sinking exercise by targeting small fishing vessels. Reports suggests that this

exercise has drawn the attention of the Chinese government.

This follows from recent confrontations between Chinese and Philippine vessels in the last few years. Just last week, it was reported that a water-cannoning incident occurred between the Chinese Coast Guard and Philippine patrol vessels which resulted in, amongst other things, bent railings, interior flooding and broken radar being suffered by the latter party.

The tensions derive from the two countries being in dispute over sovereignty over a large area of the South China Sea. As the geopolitical dynamics in the South China Sea continue to evolve, the recent exercise involving the U.S. may complicate matters and the delicate balance of power in the region. Before the joint drills began, the Chinese government had warned against flexing muscles which they say would only heighten tensions.



# Campbell Johnston Clark

## CJC EXCHANGE

For more information, please contact:

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

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



**Campbell Johnston Clark**

