

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

Dry Cargo – Handies Holding Their Own | Recycling – Scrap price Correcting | Tankers – Q4 Vadis? | Newbuilding – No Sign of Tankers... Yet | Sale & Purchase Market Report

CJC Market News

Law Reforms Impact AIS Tracking in China | More Than 8,000 Foreign Sea Crew Vaccinated in Singapore | Saudi Arabi Aims to Boost Tourism with Second Cruise Ship Terminal

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 – Handies Holding Their Own

As we slip further in to this softening market there does indeed seem to be some pressure on prices. For instance, the reported sale of the Japanese controlled "**YUTAI AMBITIONS**" (77,823 dwt/blt 2008 Oshima Zosen, Japan) at US\$18.2m, basis dry-dock recently passed and BWTS fitted, would appear down on recently comparable sales and with the vessel rating around 83 on the Idwal inspection index this fall cannot be attributed to condition. Furthermore, the all-singing all-dancing ultramax "**NORD COLARADO**" (60,396 dwt/blt 2018 Oshima Zosen, Japan) has been reported sold at region US\$31m, which considering the vessel is Scrubber and BWTS fitted is not much of a premium over last month's sale of the three year older and scrubber-less "**DANIELA OETKER**" (61,288 dwt/blt 2015 Shin Kasado, Japan), which was sold at a reported US\$29.8m.

Contrastingly, despite the fall in freights handysize bulkers continue to attract firm interest and prices, as illustrated by the sale of small handy "**LOPI**" (28,346 dwt/blt I-S Shipyard, Japan) at US\$15.3m, and the fact that a number of these vessels are under firm negotiation.

RECYCLING – Scrap price Correcting

With the recent frenzy of competition driving up prices, there currently seems to be a ceiling on how far some cash buyers will go to in their speculation, but nonetheless there are some aggressive buyers out there and a few sales still being reported at firm levels, despite the fact we are witnessing a softening Indian market and to a lesser degree a slowing down from Pakistan too, although a correction in price levels is usually to be expected and especially when rates move up so quickly as has been the case recently. Bangladesh breakers meanwhile are still paying top dollar and leading the way, and indeed most large units will be re-sold into this market. Those Owners looking to sell their tonnage for scrap will understandably be wanting to beat last done levels, but occasionally we're seeing some Sellers trying to achieve unrealistic numbers which are simply not there. Prices had moved up considerably and quickly, but we are now witnessing a correction in levels taking place and cash buyers being extra cautious as some markets are softening.

TANKERS – Q4 Vadis?

Q4 is shaping up to be somewhat quieter in terms of tanker S&P activity than one may have expected, given the relatively large amount of capital looking for opportunities in the sector. While there's a sense that investor interest has driven asset prices to disconnect from a frankly lacklustre freight market, the reality is that actually concluded/confirmed sales at substantially higher than 'last done' prices for 10-15 year-old tankers remain frustratingly out of reach. There have been reports of a number of deals fixed at higher prices having failed over the last two weeks, so market stakeholders will have to wait a little longer yet for actual benchmark transactions upon which they can base their assessment of values in the sector.

Having said that, it's worth mentioning that in the suezmax sector at least the reported sale of the "**DENSA WHALE**" (158,322 dwt/blt 2012 HHI) to Greek buyers at US\$ 32m (basis SS+DD and BWTS being due fairly promptly) gives us a fair benchmark for prime second hand age prices. The last sale of similar Korean-built units dating back to February this year, when Alma Maritime and Ridgebury each picked up 2 x 2011 Hyundai-built units with SSDD/BWTS due for USD 25m each, was unfortunately bank-driven so it's still a bit hard to say with confidence whether or not this genuinely represents a significant jump in values for straight sale candidates; bullish investors and prospective sellers will be wont to argue that it does. Sharp-eyed buyers could well argue that a sustained depression in the freight markets that runs well into the new year will likely imply values are set to take a further beating and that this doesn't really represent an actual upward trend per se - either way one can only hope that the final weeks of 2021 may give some clarity on the matter by generating hard sales data to work with.

NEWBUILDING – No Sign of Tankers... Yet

We are fast approaching the Christmas season when newbuildings are traditionally quiet given the time taken to execute a typical newbuilding negotiation. There remains little change with regards to tanker activity at the yards and owners continue to wait for firm and sustained signs of a market rebound before considering investment in very modern or newbuilding tonnage. We do not yet see yards positioning themselves for tankers as the final run on containers and LNG continues to distract them. This is surprising given that tankers are pretty much the only main shipping sector not to have experienced a high volume of newbuilding orders and this seems likely where the shipyards will make their money next as other sectors will feel the pressures of the very high orderbooks eventually.

Bulker newbuilding activity remains reasonably flat as many try to digest where the market will move to next. Earnings remain good but there has been continued falls in the indices affect sentiment and the forward curves, particularly for 2023. However, the orderbooks remain below 10% and plenty of 1st half 2024 capacity and some end 2023 so if the bulker market continues at around current levels some may return to the yards for investment.

Gibson Sale & Purchase Market Report

S&P SALES

Vessel Name	DWT	Built	Yard	Buyers	Price (\$/m)	Notes
BULKERS						
AQUAPRINCESS	182,060	2009	Odense (DEN)	Undisclosed buyer	24	BWTS fitted. DD due 10/22.
ASL MARS	175,086	2004	SWS (CHN)	Chinese buyer	high 16	BWTS due 4/22.



BUNJI	98,704	2013	Tsuneishi Zhoushan (CHN)	Oldendorff	23.5	DD psd 10/21.
YUTAI AMBITIONS	77,823	2008	Oshima Zosen (JPN)	Greek buyer	18.2	DD psd 10/21. BWTS fitted.
SOHO MERCHANT SOHO TRADER	64,000 63473	2015 2015	Chengxi (CHN) Jiangsu Newyangzi (CHN)	Costamare	50.5 en bloc	BWTS fitted. BWTS fitted.
STAR CRIOS	63,227	2012	Yangzhou Dayang (CHN)	Greek buyer	21.5	Tier II. SS+BWTS due 6/22. Dely F'East.
STAR DAMON	63,227	2012	Yangzhou Dayang (CHN)	Greek buyer	22.5	Tier II. BWTS. SS due 10/22. Inc. TC to 3-5/22 @ \$36.5k pd -5%.
NORD COLORADO	60,396	2018	Oshima Zosen (JPN)	Undisclosed buyer	31	DD psd 10/20. scrubber and bwts fitted
FU HENG SHAN	57,034	2011	Jiangsu Hantong (CHN)	Undisclosed buyer	20	SS psd 3/21.
GUANG ZHOU FA ZHAN 5	57,000	2010	Jiangsu Hantong (CHN)	Undisclosed buyer	18.5	SS psd 12/19.
ZHONG XING DA 98	38,448	2013	Zhejiang Hexing Shipyard	Undisclosed buyer	14.1	RMB 90mill. SS/DD unknown. Chinese flag.
LOPI	28,346	2010	I-S Shipyard (JPN)	Undisclosed buyer	15.3	SS psd 5/20. BWTS fitted. Logs fitted.
ATLANTIC VERACRUZ	28,339	2009	Shimanami (JPN)	Undisclosed buyer	xs 12	SS+BWTS due 7/22.
TANKERS						
MARAN CORONA	306,093	2003	Daewoo (KRS)	Greek buyer	28.5	Cap 1. DD due 12/21.
ASTRO PERSEUS	159,116	2004	Hyundai Ulsan (KRS)	Undisclosed buyer	18.5	DD due 12/21.
DENSAY WHALE	158,322	2012	Hyundai Gusan (KRS)	Greek buyer	32	SS+BWTS due 3/22.
OCEAN GLOBE	50,344	2007	SLS (KRS)	Middle Eastern buyer	10*	Judicial sale. Pump-room.
HYUNDAI VIETNAM S501	50,000	2022	Hyundai Vietnam (VIET)	Undisclosed buyer	38	BWTS fitted. Scrubber ready. Dely 12/22.
OCEAN COSMOS	49,908	2008	SLS (KRS)	Greek buyer	10.7*	Judicial sale. Pump-room.
SEAWAYS BODIE	36,725	2006	Hyundai Mipo (KRS)	Undisclosed buyer	7.6	Deepwell. Ice 1A. SS due/psd 11//21 ???
MESABI + BARDON	12,900	both 2006	Samho (KRS)	Undisclosed buyer	6 each	Epoxy. IMO II. SS psd 10+11/21. BWTS fitted.
IHEM	5,810	2005	Torgem (TRK)	Nigeriaan buyer	1.9	Marineline. IMO II. Laid-up, SS overdue 10/21.
CONTAINERS / RO-RO / REEFER / PCC						

CORONADO BAY + GLACIER BAY	34,325	2008+2009	Xiamen (CHN)	CMA CGM	40 each	2578 TEU. Geared.
BOX EXPRESS	21,730	2016	Guangzhou Wenchong (CHN)	Taiwanese buyer	40.8	1700 TEU. Geared. SS psd 5/21.
GAS (LNG/LPG/LAG/CO2)						
ADAMASTOS + ASKLIPIOS + ATTALOS		all 2021	Hyundai Ulsan (KRS)	Greek buyer	207.67 each	174,062 cbm. Inc. \$74m TCs to Engie / Cheniere / BP resp.

NEWBUILDING ORDERS

Ordering Client	Vessel Type	Size / No. of units	Shipyard (Country)	Delivery	Price (\$m)	Notes
GENERAL CARGO / MULTI-PURPOSE						
Lang Ship	MPP	7,800 dwt x 3	Wuhu Shipyard (CHN)	2024		LNG dual fuel.
ESTE Verwaltungs (c/o Jepsen Shipping)	MPP	5,200 dwt +2	Dajin Heavy (CHN)	2024		Declared options.
TANKERS						
Capital Maritime	MR	50,000 dwt x 6	Hyundai Vietnam (VIET)	2023-2024	38	Ordered in summer. LNG+AMP+wind rotor ready. EEDI 3.
CONTAINERS / RO-RO / REEFER / PCC						
Scandlines Denmark	RoPax	1200 LM x 1	Cemre (TRK)	2024		140 pax.

Recycling Prices (US\$/LWT)

	Bangladesh	Pakistan	India	Turkey
Tank/Cont/Ro-Ro/Capes/LPG/PCC	625/645	610/625	575/590	350/360
Dry Cargo/Bulk/Tween/Gen Cargo	610/625	600/610	565/575	330/340

Newbuild and Second Hand Values (\$ million)

	Newbuild	5 Year Old	10 Year Old
Tankers			
VLCC	108.5	70	46
SUEZMAX	75	47	31
AFRAMAX	60	40	26
MR	41	28	17.5
Bulkers			
CAPE SIZE	60.5^	41.5	35
KAMSARMAX / PANAMAX	35^	34k/31.5p	25k/23p
ULTRAMAX / SUPRAMAX	33^	30u	23s
HANDYSIZE	29.5^	26	18.5

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

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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.

Law Reforms Impact AIS Tracking in China



Two laws recently passed in China appear to have had the effect of preventing Automatic Identification System (AIS) tracking of ships in Chinese waters.

China's Personal Information Protection Law, aimed at increasing government control on how organisations collect and export Chinese data, has added new rules which have already begun to frustrate attempts to track ships in Chinese territorial waters.

Reuters' sources have reported at least a 45% drop in tracking data in recent days. The data enables companies to make decisions on shipping routes which can ease congestion. Given the current situation of port congestion worldwide, the news is worrying.

Anastassis Touros, AIS network team leader at MarineTraffic stated that *"if this continues, there will be a big impact in terms of global visibility especially as we come into the busy Christmas period with supply chains already facing huge problems all over the world."*

"All of a sudden we do not know when ships are leaving and from where, and we also don't have the full picture on port congestion which AIS offers us."

Mainland China is home to six of the world's ten largest container ports and the recent surge in demand worldwide has added to the importance of AIS, especially in China where a large proportion of goods are exported from.

An unnamed Chinese AIS vendor confirmed to Reuters that the data was now only supplied to domestic users.

More Than 8,000 Foreign Sea Crew Vaccinated in Singapore



In a joint media release, the Maritime and Port Authority of Singapore reports that more than 8,000 foreign sea crew have been inoculated with at least one dose of the Covid-19 vaccination in Singapore, out of which, 90% have been fully vaccinated. The 8,000 foreign sea crew is said to comprise around 5,200 resident foreign sea crew working onboard local harbour crafts in the Port of Singapore and some 2,860 non-resident foreign sea crew primarily working onboard cruise ships, fishing and supply vessels, regional ferries, yachts and pleasure craft.

As stated, the Port of Singapore had begun vaccinating foreign sea crew since April 2021. The first exercise started with resident foreign sea crew under the Sea-Air Vaccination Exercise (also known as "SAVE"). A subsequent exercise, the Sea Crew Vaccination initiative or SEAVAX began in August 2021 and targeted non-resident foreign sea crew. At present, it is estimated that about 37,800 frontline and essential maritime personnel have been fully vaccinated in Singapore. However, Singapore will not be stopping its vaccination exercise and plans are already in place to expand the SEAVAX program further. From 15 November 2021 till 30 June 2022, it is reported that Singapore has made available at least 12,000 vaccine doses which will be targeted at sea crew onboard ocean-going vessels calling at Singapore and sea crew signing on to vessels in Singapore.

As part of the above-mentioned initiative, non-resident foreign ocean-going sea crew who opt to receive a dose of the Moderna vaccine in Singapore during their crew change or when their vessels call at Singapore port. In addition to this, Singapore vouches to continue facilitating efficient crew change to ensure that sea crew will not be required to work beyond their contractual duration. Around 190,000 crew changes have been made since March 2020 and this number is reported to grow to 200,00 at year's end.

Saudi Arabi Aims to Boost Tourism with Second Cruise Ship Terminal



Saudi Arabia is hoping to attract more international cruise liners with a second terminal as part of a strategy to revamp their tourism industry which is currently driven by religious pilgrims.

At the beginning of 2021, Saudi Arabia launched a company to establish the cruise sector, aiming to generate more than 50,000 jobs. The first cruise ship terminal was opened in July at Jeddah Islamic Port.

Saudi Arabia has now unveiled plans to build a second cruise terminal at King Abdulaziz port in Dammam, as well as develop four new berths both at King Abdulaziz port and Yanbu Commercial port. The Saudi Ports Authority (MAWANI) signed an agreement with Cruise Saudi and Globe Group for implementation of the project. This includes undertaking a series of training programs for Saudi professionals in collaboration with MSC Cruises.

King Abdulaziz port is the largest port in the Persian Gulf and is the third busiest port in the Middle East and North Africa region after Jeddah Islamic Port. The port is a major export centre for the oil industry, but Saudi authorities are working to diversify its cargo mix. MAWANI is undertaking a \$1.8 billion

expansion program to increase the port's annual container handling capacity by 120 percent to an estimated 7.5 million TEU per year.

As Featured in Tradewinds, Hellenic Shipping News and Splash 24/7: Pre-sale Vessel Inspections put S&P in the Clear

Earlier this week, we explored the recent uptake of pre-sale inspections by sellers, the results of which have become a common feature in the marketing of vessels for sale. CJC Directors, James Clayton and Jonathan Campbell, discuss the benefits of having a pre-sale report available when making a sale in such a bustling secondhand market and whether this trend has a future in the long term.

Read CJC's full take on our website: <https://www.cjclaw.com/site/news/presale-vessel-inspections-put-sp-in-the-clear>

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