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

DRY CARGO – Dry Dilemma

Optimistically the BDI stands well above where we were a year ago, but there may be some initial headwinds to navigate in the short term. Historically the first quarter of the year presents a softer dry cargo freight market, but this year this could be countered by the Indonesia coal export ban for potentially one month, as this kind of disruption usually benefits the freight rates. Second-hand values have shown some weakness for certain type and builds of late, and some buyers may look to take advantage through acquisitions, should this state of affairs continue.

Understandably the volume of reported sales has fallen over the holiday period and sellers will have the quandary of whether to sell now with seemingly little aggression on the buying side or wait for potential firmer markets on the horizon. It would seem logical for buyers to move now in a relatively uncertain environment prior to the expected return of even firmer markets, rather than face the prices that come with a rising freight market.

RECYCLING – Wet January

2021 was a brilliant year for the Recycling Industry and here we are again with high hopes for 2022! Considering the lack of tonnage of late, it has been a fairly healthy start to the new year as a bunch of vessels having already been sold in the first week. Unfortunately though, markets in Alang are weak and so too are the general sentiments of the Indian Ship-Breakers. Local steel markets in Alang haven't been supportive since early December thus keeping buyers pessimistic. Meanwhile, elsewhere things are fairly positive in Bangladesh as breakers continue to offer in excess of US\$ 600/LT as Chittagong remains the hottest destination for Recycling.

Markets in Pakistan are stable and levels offered are much better than India, but they're unable to compete with Bangladesh on the major tonnage. Tankers continue to dominate as the main type of tonnage being recycled since the beginning of 2021 and we could witness this trend continue well

into 2022. Due to multiple factors it remains unclear how the markets could fair this year, although much will of course depend on the number ships being offered for Recycling and how freight rates perform may well determine things.

TANKERS – Year End Resolutions

Since we last signed off on 17th December there's been a solid number of sales to wrap up 2021, with all sectors well represented from small chemical tankers upto VLCCs.

2021 was tough year for tankers, but with rising newbuilding costs and strong recycling rates, asset values did well to generally hold their ground. The forced dissolution of the Xihe Holdings/Ocean Tankers group loomed large earlier in the year but ultimately did little to really swamp the market and rather drip-fed tonnage into a diverse number of players with another six MR down to small product chemical tankers sold in December. 2022 broadly holds some optimism for a recovery in earnings and hopefully asset values by default, but the crude market has a hurdle to straddle with some 100 VLCC and Suezmax units heading onto the water this year with knock-on potential to encroach on the clean markets on their clean maiden voyages.

As for most recent developments, the court sale of VLCC "**CHLOE V**" (320,137 dwt/blt 2011 Daewoo) on 30th December has finally closed a long running dispute with the gavel falling at a price of US\$42.1m reflecting particularly the Special Survey now expired and an unknown Navygold Maritime named as the buyer. In contrast, December saw the standard market sale of year older "**ATHENIAN HARMONY**" (298,995 dwt/blt 2010 Hyundai) at US\$42.5m with SS passed back in 2020 to undisclosed Greek interests.

On the products front, the sell-off of three Nordic Tankers' owned LR1/MR2s has also come to a conclusion with a still undisclosed German buyer picking up the "**NORDIC ANNE**" (73,774 dwt/blt 2009 New Times) for US\$13.7m and handysize sisters "**NORDIC AGNETHA**" + "**NORDIC AMY**" (37,750 dwt/blt 2009 Hyundai Mipo) for US\$11.7m apiece.

Gibson Sale & Purchase Market Report

S&P SALES

Vessel Name	DWT	Built	Yard	Buyers	Price (\$/m)	Notes
BULKERS						
SAKURA	229,069	2010	Namura (JPN)	Winning International	22	Ore Carrier. SS due 8/22.
JIN QI	93,079	2012	Jiangsu Jinling (CHN)	Hong Kong buyer	17.34*	*Auction sale. SS due 3/22.
LOWANDS LIGHT	87,605	2017	Oshima Zosen (JPN)	Chinese buyer	32.5	Dely basis SS psd 1/22. SS psd 5/21. BWTS fitted.
ATLANTIC LEGEND	83,685	2009	Sanoyas (JPN)	Undisclosed buyer	reg 18	Inc TC @ \$16.5k pd to 4-7/22.
SCARLET ALBATROSS	81,923	2015	Tsuneishi (JPN)	Greek buyer	31.7	SS psd 6/20.
ORIENT UNION	79,754	2011	Fujian Crown (CHN)	Chinese buyer	17.5	SS psd 5/21. BWTS fitted.

CORAL DIAMOND	76,596	2007	Imabari (JPN)	Chinese buyer	16.4	SS psd 1/21. BWTS fitted.
SCORPIO	74,930	2012	Sasebo (JPN)	Castor Maritime	23.55	SS due 11/21.
HH PIONEER	72,940	1997	Daedong (KRS)	Undisclosed buyer	8.5	BWTS fitted
JIN TAO	56,731	2012	Qingshan (CHN)	Chinese buyer	16.06*	*Auction sale. SS due 6/22.
TANIKAZE	56,064	2013	Minami Nippon (JPN)	Undisclosed buyer	23	SS psd 10/20.
CRIMSON PRINCESS	38,395	2012	Naikai Innoshima (JPN)	Undisclosed buyer	19.5	Logger. SS due 6/22.
TIENTSIN	37,657	2016	Imabari (JPN)	Undisclosed buyer	27	SS psd 7/21. BWTS fitted.
BERGE TARANAKI	36,440	2019	Oshima Zosen (JPN)	Turkish buyer	27	DD due 4/22.
MELBOURNE SPIRIT	35,573	2013	Qingshan (CHN)	European buyer	17	
XING JING HAI + XING YUAN HAI	34,443	both 2015	Namura (JPN)	Undisclosed buyer	xs 22 each	SS psd 2020. BWTS fitted.
AS ELBIA	34,394	2011	SPP Tongyeong (KRS)	Undisclosed buyer	16.75	SS psd 11/21.
BOXY	34,148	2012	Dae Sun (KRS)	Greek buyer	15.5	SS due 3/22. On TC to 2-3/22 @ \$19k pd.
UBC SYDNEY + UBC SACRAMENTO	31,750	both 2001	Saiki (JPN)	Undisclosed buyer	11 each	SS psd 4Q/21 + BWTS fitted. Logger.
UNIVERSE KAISA	28,388	2004	Imabari (JPN)	Undisclosed buyer	8.2	DD+BWTS (included in sale) due 1/22.
DD VANGUARD	26,479	2007	Sungdong (KRS)	Turkish buyer	12	SS due 8/22.
TANKERS						
CHLOE V	320,137	2011	Daewoo (KRS)	Navygold Maritime	42.1	SS overdue 11/21.
ATHENIAN HARMONY	298,995	2010	Hyundai Ulsan (KRS)	Altomare	42.5	SS psd 2/20. On subs.
PROSTAR	115,643	2019	Daehan (KRS)	Greek buyer	52	Coated. BWTS fitted.
GUANABARA	106,045	2007	Tsuneishi (JPN)	Castor Maritime	16.6	SS due 6/22.
NORDIC ANNE	73,774	2009	New Times (CHN)	German buyer	13.7	DD due 8/22.
OCEAN PLUTO	50,353	2007	SLS (KRS)	EGPN	9.6*	*Xihe forced sale. Pumphoom. Clean trading. SS due 7/22.
NORD GAINER	50,281	2011	Guangzhou (CHN)	Undisclosed buyer	xs 18	Deepwell. SS psd 4/21. BWTS+Scrubber. Basis 12 mths TC back.
HYUNDAI MIPO 2853	50,000	2022	Hyundai Mipo (KRS)	Dee4 Capital Partners	38.25	Deepwell. BWTS fitted.
DONG-A KRIOS + DONG-A THEMIS + DONG-A TRITON	49,997	all 2015	Hyundai Mipo (KRS)	Tufton Oceanic	30 each	SS psd 2020. BWTS fitted.

BIENDONG VICTORY	47,084	2001	Onomichi (JPN)	UAE buyer	6.25	Pumproom. Clean trading. SS due 9/21.
HARUNA EXPRESS	45,761	2004	Minami Nippon (JPN)	Seven Islands	9	Pumproom. Clean trading. DD due 12/22. Old sale.
NORDIC AGNETHA + NORDIC AMY	37,750	both 2009	Hyundai Mipo (KRS)	German buyer	11.7 each	Deepwell. DD due 8+10/22. BWTS fitted.
OCEAN CLOVE + OCEAN DAHLIA + OCEAN IRIS	34,800	2019+2021+2021	Fujian Mawei (CHN)	Pioneer Tanker	-	Xihe forced sales. Twin ME. Already renamed.
GS FABULOUS	17,527	2008	Samho (KRS)	BTS Tankers	-	Marineline.
OCEAN MANTA	13,488	2017	Zhejiang Shenzhou (CHN)	Undisclosed buyer	-	Xihe forced sale. Epoxy coated.
OCEAN JACK	11,999	2018	Samjin (CHN)	Hong Lam Marine	-	Xihe forced sale. Epoxy coated.
DAEHO SUN STAR	8,832	2002	Usuki (JPN)	Undisclosed buyer	4.9	St. Steel. SS due 1/22.
NORTHSEA ALPHA + NORTHSEA BETA	8,615	both 2010	Yangzhou Kejin (CHN)	Undisclosed buyer	4.45 each	Epoxy coated.

GENERAL CARGO / MULTI-PURPOSE

HAYATE	13,121	2011	Hakata (JPN)	Undisclosed buyer	10	SS psd 10/21. BWTS fitted.
SPLENDOR TAIPEI	11,300	2007	Nishi (JPN)	S.Korean buyer	7	Tween. Dely SS psd 1/22 + BWTS fitted.

CONTAINERS / RO-RO / REEFER / PCC

CAROLINA TRADER + CALIFORNIA TRADER DELAWARE TRADER	37,000 36,919	both 2017 2018	Jiangsu Newyangzi (CHN) Guangzhou Wenchong (CHN)	Wan Hai Lines	48.5 each	2782 TEU. Geared. 2708 TEU. Geared.
MELBOURNE STRAIT	25,849	2008	Taizhou Kouan (CHN)	European buyer	reg 27	1795 TEU. Geared. DD psd 9/21.
REN JIAN ER	23,465	1994	Seebeckwerft (GER)	Chinese buyer	7.2	1687 TEU. Gearless.

NEWBUILDING ORDERS

Ordering Client	Vessel Type	Size / No. of units	Shipyard (Country)	Delivery	Price (\$m)	Notes
BULKERS						
Bocimar	Newcastlemax	210,000 dwt +2	Qingdao Beihai (CHN)	2024	-	Declared options. Tier III. EEDI phase 2. Ammonia ready.
Huaxia Financial Leasing	Ultramax	64,000 dwt x 2	Nacks (CHN)	2023	-	
Taiwan Navigation	Ultramax	63,000 dwt x 2	Oshima (JPN)	2024	-	
Wisdom Marine	Handymax	40,000 dwt x 1	Hakodate (JPN)	2024	-	
GENERAL CARGO / MULTI-PURPOSE						



? German buyer	Gen Cargo	5,000 dwt x 6	Fosen Yard (GER)	2023	-	
CONTAINERS/RO-RO/REEFER/PCC						
Maersk	Containership	16,000 TEU +4	Hyundai HI (KRS)	2024-2025	175*	*Declared options. Ammonia ready.
Costamare	Containership	13,000 TEU x 2	Yangzijiang (CHN)	2023-2024	-	Against long term T/C.
TS Lines	Containership	7,000 TEU x 2	SWS (CHN)	2024	-	
GAS (LNG / LPG / LAG / CO2)						
Celsius Shipping	LNG	180,000 cbm x 1	Samsung (KRS)	2025	-	ME-GA M/E.
CMES	LNG	175,000 cbm x 1+1	Dalian (CHN)	2024	-	LOI.
CSSC Leasing	LNG	175,000 cbm x 1+1	Jiangnan (CHN)	2024	-	LOI.
CSSC Leasing	LNG	174,000 cbm x 1	Hudong (CHN)	2024	-	GTT NO96 cargo system,
JS&Co	LPG	93,000 cbm x 2+2	Jiangnan (CHN)	2025	85	Ammonia powered
CenerTech	LNG Bunkering	12,000 cbm x 1	Nantong CIMC (CHN)	2024	-	

Recycling Activity

Vessel Name	BUILT	DWT	LWT	Delivery	Price (\$/lwt)	Notes
FPSO						
STYBARROW VENTURE MV16	2007 / Korea	155,273	25,324	India		HKC Green Recycling into India
TANKER						
GARIN	1995 / korea	46,700	9,597	as-is Oman	575	
LPG						
APODA	1997 / Korea	23,469	9,835	as-is Singapore	550	HKC Green Recycling into India
CHEMICAL TANKER						
PROSPERITY	1997 / Korea	19,481	5,341	India		

Recycling Prices (US\$/LWT)

	Bangladesh	Pakistan	India	Turkey
Tank/Cont/Ro-Ro/Capes/LPG/PCC	600/610	590/605	565/575	340/355
Dry Cargo/Bulk/Tween/Gen Cargo	590/600	580/590	555/565	330/340

Newbuild and Second Hand Values (\$ million)

	Newbuild	5 Year Old	10 Year Old
Tankers			
VLCC	111	73	48
SUEZMAX	76	49	31.5
AFRAMAX	60	43.25	28.5

MR	42	31	20
Bulkers			
CAPE SIZE	60.5^	43.5	35
KAMSARMAX / PANAMAX	35^	33.5k	24.5k/21.75p
ULTRAMAX / SUPRAMAX	33^	30.5u	21s
HANDYSIZE	29.5^	27	19

^=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.

Vessel seized in Red Sea



As reported by various international media, Yemen’s Houthi rebels have seized a United Arab Emirates flagged cargo vessel off the Hodeidah province. The vessel, reportedly bearing the name “RAWABI”, was en-route to the Saudi port of Jizan from the island of Socotra in the Red Sea. Houthi rebels and the Saudi-led coalition, the latter still in the midst of a battle with the Houthis and have been for years, have provided contrary explanations as to the incident. Houthi rebels have alleged that the vessel was carrying Saudi military equipment and had entered Yemen’s waters for the purpose of

carrying out “hostile acts”.

A spokesperson for the Saudi-led coalition states that this was untrue and that the vessel was, in fact, carrying medical supplies. They furthered that the vessel was returning to Jizan after completing a mission to establish a field hospital on Socotra island. The coalition spokesperson also stated that the rebels must release the ship forthwith and threatened that the coalition forces will take all necessary measures and procedures if this is not done, including the use of force.

On Sunday, the United Kingdom Maritime Trade Operations (UKMTO) stated that it received a report of a vessel attack near Hodeidah and have begun an investigation. It is unclear at the moment whether this was the same attack. Nevertheless, the UKMTO issued an advisory to mariners to exercise caution in the area.

Since 2014, the Houthi rebels have been in a battle with the Yemen government, the latter recognised by the United Nations. In 2015, the Saudi-led coalition intervened and pledged to assist the government. The United Nations have stated that by the end of 2021, hundreds of thousands of people would have been killed by the on-going conflict. Observers have stated that the conflict in Yemen is the largest humanitarian crisis in the world.

The Swedish Club and the Greek Charity, Project Connect, Adopting a Ship (AAS)



This Christmas the Swedish Club decided to support the Greek charity, Project Connect, in its 'Adopt a Ship' campaign. The "Adopt a Ship" programme of Project connects primary school students with seafarers in order to educate youngsters about the seafaring profession and the maritime sector. In practice, a primary school class adopts a vessel for one academic year and, during this period, primary school students communicate with the crew on a weekly basis, gain first-hand knowledge of life at sea by sharing their experiences, "travel" with the crew by tracking their voyage on a world map and engaging in interactive learning activities.

The program is addressed to primary school (third, fourth, fifth and sixth grades) and is introduced in the context of different courses (e.g. history, geography, music), aiming to inform students about life onboard vessels, cargo carried by ships, trading patterns and geography. The goals of the programme are to highlight the importance of the contributions seafarers and shipping companies make to the world and society, enhance students' knowledge about seafarers, ships, shipping, geography, culture and commerce and offer opportunities to the young generation to pursue a maritime career.

The Swedish Club achieved to support the Adopt a Ship programme due to the success of the Club's very first Marine Insurance Course online, which took place in May of this year and saw more than 70 members and business partners joining the Club. The use of technology meant that the Club was able to invite a greater number of delegates to participate, and as a result, made the decision that the course fees that would normally be charged for non-members would be donated to a charitable cause.

The Swedish Club's Team Piraeus is active in supporting the local charities in Greece. Ludvig Nyhlén, Area Manager Team Piraeus says: "This is a cause very close to our hearts. It is important that we look to encourage the seafarers of the future. Even in such a maritime focused environment as Greece, modern children can feel very divorced from what happens at sea. The 'Adopt a Ship' programme is an ideal way to encourage that involvement and, hopefully, generate enthusiasm for a career in the maritime sector."

Shipping probe demand by UK freight forwarders

UK freight forwarders have demanded that the UK government open a probe into the container shipping market following widespread disruption to supply chains.

The British International Freight Association (BIFA) cited "dreadful service levels, and hugely inflated rates" whilst accusing carriers of profiteering without regard to customers. BIFA has suggested that the UK competition law's exemptions for liner operators are causing further harm to international trade on top of the already precarious situation.

In a letter to Parliamentary Under-Secretary of State for Transport, Robert Courts, BIFA director Robert Keen said "BIFA members fully accept that a free-market economy is open to all, but are increasingly

concerned that the activities of the container shipping lines, and the exemptions from legislation from which they benefit, are distorting the operations of that market to the shipping lines' advantage."

Pointing to the consolidation of the shipping industry, BIFA has made clear that in 2015 there were 27 major container shipping lines, with the largest line controlling 15.3% of the market. Today, those figures stand at 15 shipping lines, with one alliance controlling over 40%.

Keen further stated that "Drewry recently issued a profit forecast of more than \$150 billion for 2021 for the main container shipping lines. To put that into perspective, this is more than has been achieved in the previous 20 years combined, and many BIFA members consider it to be a case of blatant profiteering."

BIFA joins an ever-growing list of organisations in calling on the government to take action to assess whether the current arrangements in place, in the container shipping market, are in breach of competition law.

Regulators in the United States have already begun to look closely at the sector, keeping an eye on three major liner alliances to ensure that competition is fair.

Price spike sees LNG tankers re-routed to Europe



According to data from Kpler and Bloomberg, thirteen Liquefied Natural Gas carriers have been diverted from their regular deliveries in Asia. The vessels are now in transit to ports across Europe in order to capitalize on the higher sale prices currently seen on the Continent. The vessels are mainly sailing from West Africa and the United States of America.

Traders of Natural Gas are sparing no expense to capitalize on Europe's energy crisis, which may not last for shipments arriving in February. Of the thirteen vessels, one has reportedly been instructed to turn around and re-trace its footsteps through the Panama Canal. Bloomberg estimates the canal charges alone for the vessel's re-transit are around USD \$400,000.

The gas crisis in Europe has seen LNG carriers flock to the Continent over recent weeks. The last week of December saw more than 30 tankers from the U.S. making the voyage, driven by a record spike in European Natural Gas prices on the 21st December 2021.

Prices have declined since the December spike but remain higher than the current rate in Asia. The Asian market rate remains lower than expected this year. Subdued demand from China, pollution restrictions ahead of the Winter Olympics and reduced factory activity before the Lunar New Year have ensured that for the time being, LNG carriers will continue to prioritize Europe over Asia as the destination to offload their cargoes.

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





Campbell Johnston Clark
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www.gibsons.co.uk