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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 – Spring Tides?

We have seen a plethora of sales in all areas of the dry cargo market over the last few weeks. Lack of newbuilding opportunities has most likely been an attributing factor of more tonnage changing hands, with Almi Marine Management's ultramax trio order at Dacks, China this week and HuaXia Financial Leasing and TMS Dry ordering a pair and quartet respectively at Nantong Xiangyu, China, at the start of the month providing the only orders to note this month.

Earnings on the Kamsarmaxes down to Handysizes remain strong, with sales volumes reflecting the sentiments. Meanwhile, Capesize owners struggle with just about break even returns; congestion at ports may have helped, but low volumes from Brazil has put a lid on any potential upside. Sale activity remains healthy with Unisea Shipping divesting a pair of Chinese built capes, namely "AQUAPROUD" (178,055 dwt/blt 2009 SWS) for US\$26.5m and the smaller "AQUASCOPE" (174,008 dwt/blt 2006 SWS) for US\$19.7m with Special Survey just passed (and BWTS fitted) comparing to the year older "MINERAL BELGIUM" (173,806 dwt/blt 2005 SWS) sold back in mid-February for US\$15.8m with Special Survey due in June.

### Tankers – MR Muscle

As we amalgamate the last fortnight's sales it's abundantly clear that while all size segments are seeing a healthy level of activity, MR2 and MR1 tankers come out on top for both volume and strength in asset values. From the January sales of Premuda's Korean built "PS LONDON" + "PS MILANO" + "PS HOUSTON" (all 51,000 dwt/blt 2008 STX Jinhae and SPP Sacheon) sold in the US\$ low-upper 11 mill range, in particular we contrast this week's sale of "HIGH SATURN" (51,527 dwt/blt 2008 STX Jinhae) at very firm US\$14.25m for example, buoyed by significant strength in spot rates in recent weeks.

Newbuilding ordering has been conspicuously absent in April with owners looking to rare opportunities to acquire young tonnage such as Euronav's acquisition of Scrubber fitted VLCCs "GHILLIE" + "CHELSEA" (299,995 dwt/blt 2019+2020 Daewoo) for US\$184.2m en bloc and GNMTC's aframax

upgrading purchase of Scrubber fitted "NEW YORK STAR" + "PHILADELPHIA STAR" (115,468 dwt/blt 2022 Daehan) for US\$61m, having sold their "LIBYA" + 17 FEBRUARY (160,000 dwt/blt 2007+2008) to Norwegian interests in March for US\$46m en bloc.

## Newbuilding – Fleet Supply Fortunes

Tanker newbuilding activity has remained very limited to date as owners have been restricted by poor charter markets (albeit now improving), relatively high newbuilding pricing, very forward delivery slots and a lack of clarity over future regulation/ designs.

However, despite these obstacles we see a number of fundamental drivers already underway to support the case for placing tanker newbuildings in the near future. The coming historically low orderbooks (typically a standalone driver for newbuilding demand) may well provide structural stimulus to the market/ rates and with 2023/2024/1st half 2025 capacity mostly sold out to other ship types, such stimulus would not be diluted by any fresh ordering. Over the same period we also expect to see an increase in demolition (sanctions lifted and EEXI/ CII removing vintage vessels) and as a result we forecast negative fleet growth in 2023/2024. Such a favourable fleet supply situation has not been seen in many years. It is also unique to tankers in the wider, mainstream shipping space and therefore represents a significant investment opportunity in our view.

The medium sized bulker market indices have recovered losses however we have yet to see ordering resume at the yards. It has also been Easter holidays and Greek Easter now however we expect remaining 2024 slots to be sold if rates remain around current healthy levels and in that event likely cheaper, nominally, than very modern 2nd hand tonnage.

## Recycling – Tight Tonnage

With various holidays throughout the world taking place recently including Easter, it has felt somewhat quiet of late and activity not surprisingly has been fairly sluggish and hardly any sales have been reported, especially as the dearth of tonnage continues, but demand across the board is healthy and price levels keep on improving. With second hand asset values holding firm and freight rates performing well there is unlikely to be much change in the supply of tonnage, and although there can occasionally be volatility in ship scrap price levels, we expect market conditions to remain bullish and demo rates to stay firm. We have already seen a few sales being reported in the low US\$ 700's for various good spec vessels, and if such speculation proves profitable for the cash buyers and if the local steel plate markets hold firm, we are likely to see further sales of good quality tonnage at ever impressive numbers.

## Gibson Sale & Purchase Market Report

### S&P SALES

Vessel Name	DWT	Built	Yard	Buyers	Price (\$/m)	Notes
<b>BULKERS</b>						
MOUNT OPHIR	180,181	2004	Imabari Saijo (JPN)		high 17	DD due 7/22. Scrubber fitted. Sold 3/22, already renamed.
AQUAPROUD	178,055	2009	Shanghai Waigaoqiao (CHN)	Alpha Bulklers	26.5	DD due 9/22.

AQUASCOPE	174,008	2006	Shanghai Waigaoqiao (CHN)	Chartworld	19.7	SS psd 3/22. BWTS fitted.
ROSCO PALM	82,087	2011	Tsuneishi Zhoushan (CHN)	Chinese buyer	26	SS psd 2/21.
DERBY	80,333	2011	STX Jinhae (KRS)	Chinese buyer	24	DD psd 1/22. BWTS fitted.
CORAL CRYSTAL	78,103	2012	Shin Kurushima (JPN)	Greek buyer	reg 25	DD due 7/23. BWTS fitted.
S'HAIL AL KHOR	75,228	2001	Samho (KRS)		9.9	SS psd 1/21. BWTS fitted. Dely 1/23.
SHAO SHAN 1	74,009	1997	Tsuneishi (JPN)	Chinese buyer	8.6	SS+BWTS due 6/22.
NAVIGARE BACCA	61,286	2016	Imabari (JPN)	Bangladeshi buyer	32.5	SS psd 4/21. BWTS fitted.
TITAN II	57,337	2009	STX Jinhae (KRS)	Chinese buyer	17.5	Dely + DD due 8/22. BWTS fitted.
JIA LONG SHAN + JIA MAO SHAN + JIA SHENG SHAN	57,000	all 2011	CIC Jiangsu (CHN)		17.5 each	SS psd 2021. BWTS fitted.
NEW ABLE	55,889	2014	Oshima Zosen (JPN)	Daido Kaiun	27	BWTS fitted. Open hatch. Eco.Passing DD 4/22.
GDF SUEZ NORTH SEA	55,848	2012	IHI (JPN)		21.5	DD due 6/23. BWTS fitted.
OSIOS DAVID	55,831	2012	IHI (JPN)		22.2	DD due 12/23. BWTS+Surf bulb fitted.
ERATIOS	55,060	2011	Taizhou Jiantiao (CHN)	UAE buyer	17.6	SS psd 9/21. BWTS fitted.
NZ SHANGHAI	54,808	2010	Jiangsu Qinfeng (CHN)	Chinese buyer	16.9*	*Auction sale. DD due 7/23. BWTS due 8/22.
UNION VICTORY	53,716	2010	Chengxi (CHN)	Indian buyer	17.2	DD due 11/23. BWTS fitted.
DORIC SPIRIT	52,428	2001	Tsuneishi (JPN)		13.5	SS psd 10/21. BWTS fitted.
ELIM PEACE	51,187	2001	New Century (CHN)	Chinese buyer	12.5	SS due 1/23.
DOLCE VITA	38,762	2015	Chengxi (CHN)		24.9	DD due 4/23. BWTS fitted.
NILE CONFIDANTE	37,300	2012	Shandong Huahai (CHN)	Asian buyer	12.8	DD due 5/22. BWTS due by 11/22.
OCEAN FALCON	37,152	2011	Hyundai Mipo (KRS)	Greek buyer	18.2	SS psd 5/21. BWTS fitted.
PROMISE 3	32,312	2010	Samho (KRS)	German buyer	17.2	DD due 4/23. Dely basis BWTS to be fitted 5/22.
ZEUS IV	32,165	2009	Hakodate (JPN)		15.1*	*Auction sale. SS due 5/22. Logs fitted.
<b>TANKERS</b>						
NISSHO MARU	300,544	2004	I H I (JPN)	0	31	DD psd 11/21.
GHILLIE + CHELSEA	299,995	2019+2020	Daewoo (KRS)	Euronav	reg 184 en bloc	BWTS+Scrubber fitted.
SKS SKEENA	158,933	2006	Hyundai Samho (KRS)	Brave Maritime	23.5	Coated.Trading dirty. SS psd



NEW YORK STAR + PHILADELPHIA STAR	115,468	both 2022	Daehan (KRS)	GNMTC	61 each	8/21. BWTS fitted. BTWS+Scrubber fitted. Tier III. Coated. Trading dirty. Uncoiled. SS due 10/22. Has BWTS uninstalled.
WAFRAH	113,849	2007	Daewoo (KRS)	Greek buyer	17	DD due 7/23. BWTS fitted.
SILVER	107,507	2010	Tsuneishi (JPN)	0	24.3	DD due 5/22. Scrubber fitted.
BANDA SEA	105,576	2007	Sumitomo (JPN)	Greek buyer	21	SS due 1/23.
ASTRO SCULPTOR	105,109	2003	Daewoo (KRS)	0	15.6	Deepwell.
??tn?? (Vitol owned)	MR	2019	???	0	35.5	Deepwell. SS+BWTS due 4/23.
HIGH SATURN	51,527	2008	STX Jinhae (KRS)	Greek buyer	14.25	Deepwell. DD psd 12/21. BWTS fitted.
ST JACOBI	50,210	2014	SPP Sacheon (KRS)	Indonesian buyer	22.9	Deepwell. Ice 1A. SS psd 6/22.
ARCTIC LIZZARD + ARCTIC BREEZE	49,999	both 2006	STX Jinhae (KRS)	0	reg 24 en bloc	Deepwell. SS psd 9/21. BWTS fitted.
LARGO SEA	49,990	2016	SPP Sacheon (KRS)	0	29.8	Deepwell. SS psd 2/21. BWTS fitted.
MAERSK TANGIER	49,834	2016	Sungdong (KRS)	0	31	20 grades. For 5 yrs TC to Weco Tanker. Dely by 7/22.
TROGIR KAIROS I + SONGA PRIDE	49,710	2015+2016	Trogir (CRT)	Hammonia Schiffsholding (HHX)	50.5 en bloc	Pump-room. DD due 9/23.
SUNLIGHT EXPRESS	45,931	2011	Shin Kurushima (JPN)	0	reg 17	Pump-room. SS due 1/23.
PRO EMERALD	44,993	2003	Shin Kurushima (JPN)	Far Eastern buyer	6.8	Deepwell. Ice 1A. SS psd 7/21. BWTS fitted.
SEAWAYS CANAVERAL	37,582	2006	Hyundai Mipo (KRS)	Trans KA	9.85	Deepwell. Ice 1A. SS all psd 2021. BWTS fitted.
SEAWAYS AMBROSE + SEAWAYS CAPE HORN + S' CHANIA	37,000	all 2006	Hyundai Mipo (KRS)	Chemikalien Seetransport	9.9	Epoxy. IMO II. SS due 11/23.
VALE	19,997	2008	Sekwang (KRS)	0	9	Stainless Steel. SS due 11/23.
FOREST PARK	19,803	2013	Kitanihon (JPN)	0	16.5	Epoxy. IMO II. SS due 2/22.
PHUONG DONG STAR	9,045	2007	Yangzhou Kejin (CHN)	Middle Eastern buyer	3.1	

### NEWBUILDING ORDERS

Ordering Client	Vessel Type	Size / No. of units	Shipyard (Country)	Delivery	Price (\$m)	Notes
<b>BULKERS</b>						
Almi Marine Management	Ultramax	64,000 dwt x 2+1	DACKS (CHN)	2024	0	EEDI 3.
<b>CONTAINERS / RO-RO / REEFER / PCC</b>						
Cido Shipping	Containership	15,000 TEU x 2	Hyundai Samho (KRS)	2024	176	0
Seaspan Corp	Containership	8,000 TEU x 4+2+2	K Shipbuilding (KRS)	2024-2025	xs 120	LOI. LNG dual fuel.

Ray Car Carriers	PCTC	7,500 CEU x 2	Hyundai Samho (KRS)	2025	119	LNG dual fuel.
Cosco Shipping Specialised Carriers	PCTC	7,500 CEU x 6	Fujian Mawei / Xiamen (CHN)	2024-2025	reg 86	LNG dual fuel.
Cosco Shipping Specialised Carriers	PCTC	7,500 CEU x 6	GSI (CHN)	2024-2025	reg 86	LNG dual fuel.
Cosco Shipping Specialised Carriers	PCTC	7,500 CEU x 3	Shanghai Waigaoqiao (CHN)	2024-2025	reg 86	LNG dual fuel.
Danaos Shipping	Containership	7,200 TEU x 4	Daehan (KRS)	2024	91	Scrubber fitted. Methanol ready.
Celsius Shipping	Containership	3,000 TEU x 2	Penglai Jinglu (CHN)	2024	0	*Declared options. Methanol ready.
MSC	Containership	1,800 TEU x 4+6	Fujian Mawei (CHN)	2023-2024	est xs 30	Bangkokmax. EEDI 3. Tier 3.
<b>Gas (LNP / LPG / GAG/ CO2)</b>						
Cosco	LNG	174,000 cbm x 6 + opts	Hudong-Zhonghua (CHN)	2026	0	Against long TC to Sinopec.
MOL	LNG	174,00 cbm x 2	Daewoo (KRS)	2026	0	ME-GA M/E. Onboard re-liquefaction
NYK	LPG/NH3	86,700 cbm x 1	Kawasaki Sakaide (JPN)	2024	0	LPG dual fuel. 230m LOA.

## RECYCLING ACTIVITY

Vessel Name	BUILT	DWT	LWT	Delivery	Price (\$/lwt)	Notes
<b>CAPESIZE</b>						
KEOYANG ORIENT	1997 / Korea	149,322	18,138	as-is Taiwan	650	HKC Green Recycling
<b>LR1 / PANAMAX TANK</b>						
SEAWAYS RUBYMAR	2002 / Korea	69,599	13,247	India		HKC Green Recycling
<b>TANKER</b>						
SPLENDOR SAPHIRE	1998 / Croatia	47,314	9,697	Pakistan	722	
ANNABELLE	2005 / Croatia	40,746	10,466	Bangladesh		
VS RIESA	2003 / China	34,558	9,169	India		HKC Green Recycling

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

	Bangladesh	Pakistan	India	Turkey
Tank/Cont/Ro-Ro/Capes/LPG/PCC	695/710	690/700	690/700	460/470
Dry Cargo/Bulk/Tween/Gen Cargo	685/695	680/690	680/690	450/460

### Newbuild and Second Hand Values (\$ million)

	Newbuild	5 Year Old	10 Year Old
<b>Tankers</b>			
VLCC	116	74	51
SUEZMAX	77.5	50	34

AFRAMAX	60.5	45	30
MR	41	32.5	21
<b>Bulkers</b>			
CAPE SIZE	62.5 <sup>^</sup>	48.5 eco	34
KAMSARMAX / PANAMAX	36 <sup>^</sup>	36.5	27.5
ULTRAMAX / SUPRAMAX	33.5 <sup>^</sup>	33.5	22.5
HANDYSIZE	30 <sup>^</sup>	28.5	19.5

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

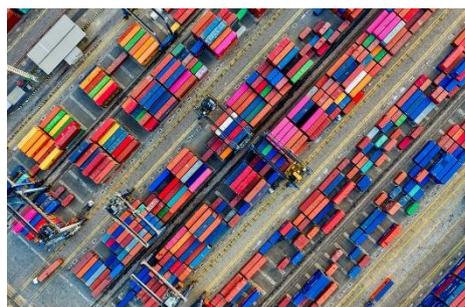
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## CJC Market News



*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.*

### Shipping Costs Lower but Trade Continues to be Affected



Despite the notable drop in the cost of shipping containers from China to Europe and the United States since late 2021, Chinese exporters have been forced to delay their delivery time for existing orders, instead prioritising new orders to tackle the ever-changing trade landscape.

The conflict in Ukraine has had a profound effect on the prices of energy and agricultural products in Europe and beyond, whilst causing fluctuation in exchange rates, most notably to the US dollar. Chairman of Zhejiang Kingston Supply Chain

Group Co Ltd, Jin Xiaomin, stated: *"These factors have weakened consumption in these regions and squeezed our export volume. Many Chinese companies booked shipping containers in advance last year because it was hard to find an available container back then. But, they stopped adopting such measures this year as freight rates and foreign trade orders have declined while shipping capacity provided by companies such as Maersk Line and CMA CGM SA has surged."*

Last year, the price for a container shipped from Shenzhen to West Coast USA ports hit a high of US\$17,000. That has now dropped to US\$8,000. Despite that, trade has continued to be hindered by other external factors. A resurgence in Covid-19 across parts of China is one of those factors. As a result, an exporter at the Iiwu International Trade Market, Chen Yanzhen, stated *"Our manufacturing and delivery period used to be between 30 and 60 days. Affected by the price increase of raw materials*

*last year, together with the COVID-19 resurgence in Shanghai, our production capacity is tight. It has been extended to 60 to 90 days."*

Measures have also been implemented to ease the pressure on exporters in the Yangtze River Delta region to improve operating efficiency to combat the Covid resurgence. Import and export declarations can now be completed online, while goods inspections can be carried out without staffers in attendance at various Shanghai ports.

In order to offset the decline in orders from Europe and the Middle East, many Chinese companies have now expanded their sales channels in other emerging economies.

## **EU Ports ask Bloc for 'Clear List' of Banned Russian Vessels**



The European Union announced last week a fifth round of sanctions against Russia and its businesses due to the war in Ukraine, including a ban on Russian vessels from accessing EU ports. However, representatives of European sea ports have stated they need a "clear list" of all the Russian ships banned under the latest round of EU sanctions.

The European Sea Ports Organisation (ESPO) voiced support but stressed in a statement the need for "*governments and competent public authorities, both at national and EU level, to take up their responsibilities and plan enough staff and resources to ensure a smooth application of the measures*".

The EU has shut its ports to all Russian ships until August, except for those carrying "*agricultural and food products, humanitarian aid, and energy*." The ban also extends to vessels that have changed their Russian flag or their registration to the flag or register of any other State after 24 February 2022.

Given the difficulties of identifying vessels which may have undergone this change, the ESPO have called on the European Maritime Safety Agency to provide "*a clear list of Russian vessels to be banned from EU ports, taking into account those vessels that have re-flagged or re-registered since February 24*", when the invasion began.

The latest round of EU sanctions also include a ban on Russian coal imports into the EU, wseen as a possible first step towards what could eventually become a broader prohibition on energy supplies from Russia.

## **Danaos Fleet to Expand Further with Newbuild Orders**



The Coustas-led NY-listed Danaos Corporation from Greece announced on Monday, 11 April, their order for four neo-panamax 7,200 TEU newbuild containerships from Daehan Shipbuilding in South Korea scheduled for delivery in 2024.

According to the announcement, the vessels will be at the forefront of new technology built with the latest specifications on emissions requirements and will be methanol fuel ready.

They will comply with IMO's latest requirements in relation to Tier III emission standards and EEDI Phase III and will come with open loop scrubbers.

Danaos CEO, Dr. John Coustas has stated: "*the current world developments are pointing out to significantly elevated fuel prices in the future and bearing in mind the uncertainty of green fuel availability we are following a strategy of investing into the most fuel-efficient vessels together with scrubbers that will minimize the fuel cost while maintaining the option to modify the vessels into green methanol use when the fuel will be available. This strategy removes the risk of technical obsolescence while it delivers short and medium term benefits on the fuel cost front.*"

These vessels will be the latest in a number of new additions to the Danaos fleet, as recently as August 2021, the corporation brokered a deal for 10 new vessels, including one 8,500 TEU, three 3,400 TEU, and six 2,200 TEU, for charter periods ranging from three to four years. With these new acquisitions Danaos aims to solidify its position as one of the major players in the containership market worldwide.

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