

**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](#).

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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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### Tankers – Time to Thrive

It's been another week of near fever pitch activity on the second-hand tanker markets, with buyers and sellers seemingly set to maintain their frenzied pace through the summer. MRs and aframaxes continue to capture the lion's share of attention from buyers on the back of continuing strength in underlying freight rates, though as mentioned previously, it appears likely suezmaxes may well to be the next segment to "pop".

In terms of specific noteworthy transactions, Vitol have reportedly set a new benchmark for ca. 15-year-old MRs this week with the sale of the "**ELANDRA BLU**" and "**ELANDRA CORALLO**" (50,000 dwt/blt 2008 SPP) for a strong US\$18.5m each; for comparison, the DPP-trading, but otherwise similarly-specced, "**PS MILANO**" (50,000 dwt/blt 2008 SPP) was sold to Turkish buyers about six months ago for US\$11.5m.

### Newbuilding – Second-hand Pricing Food for Thought...

Summer months are well upon the market and the appetite for big investment decisions, such as newbuildings, maybe waning. Tanker owners are also enjoying strong rates on their existing vessels so there is a bit of inertia with regards to buying (and paying perceived strong pricing) and selling (keeping vintage tonnage at strong rates). Newbuilding pricing is viewed as high still but as we have mentioned, modern second-hand pricing continues to climb. Many await a confirmed deal to benchmark pricing but perhaps the fact that many modern vessels that were considered for sale are withdrawn (to trade in strong charter markets) is a benchmark in itself. Newbuilding pricing still remains a some way from all time highs e.g. suezmax at US\$90m in 2007 and US\$75m today all in Korea, also and today's resale prices are now in line if not exceeding newbuilding pricing.

Bulker newbuilding demand is down as owners digest recent falls in the bulker market and falling, wider industrial data such as key commodity pricing.

## Dry Cargo – Where there's a Will there's a Way

Our recent commentary on dry has highlighted the disparity in price ideas between sellers and buyers on certain vessels, but it would be remiss to ignore the fact some sellers are getting deals done and still walking away smiling. For instance it is reported that Costamare have sold the **"MERIDA"** (56,670 dwt/blt 2012 Taizhou Kouan, China) at region US\$19.75m which shows a good capital gain from their purchase from Pacific Carriers almost a year ago at US\$15m, especially given the earnings that will have been achieved over this period. Similarly Golden Ocean has sold their ultramax bulkers **"GOLDEN CATHERINE"** & **"GOLDEN CECILIE"** (60,623 dwt/blt 2015 JMU Kure, Japan) for US\$63m enbloc which is in line with recent sales of similar tonnage.

It is apparent that the appreciation in capesize rates is the only factor keeping the BDI positive, as when we drill down to specific sizes we can see rates for the smaller vessels are still softening. Whether this firming in capes will have a knock-on effect remains to be seen but certainly rates are still attractive across all a sizes.

## Recycling –Green Shoots?

Despite the ongoing doom and gloom surrounding the market, there seems to be some positive movements in the Sub-Continent local steel markets with Bangladesh and India having firmed a little, thus creating some positive sentiments amongst breakers. On the grapevine we're hearing a couple of tankers have been sold into Bangladesh this week at levels above US\$600/LT which is encouraging given the recent crash of price levels being talked about during the past month or so. Meanwhile Indian breakers too are also willing to offer numbers in the low US\$600's, however the lack of tonnage, especially vessels for Green Recycling, is keeping the breakers pretty much starved at the moment. On the contrary, the international steel, iron ore and non-ferrous markets have softened significantly in the past week which will no doubt keep cash buyers and breakers on the edge of their seats... Overall, the recycling markets have been very quiet for well over a month now with almost no sales of significance to report, except for a few here and there and of course various private / off-market sales being discussed / concluded.

## Gibson Sale & Purchase Market Report

### S&P SALES

Vessel Name	DWT	Built	Yard	Buyers	Price (\$/m)	Notes
<b>BULKERS</b>						
HUI XIN 8	92,974	2012	COSCO Dalian (CHN)	Xin E Maritime Ltd	22	SS psd 7/22. BWTS fitted. Already renamed.
CELINE OLDENDORFF	93,016	2010	COSCO Dalian (CHN)	Indian buyer	reg 20	DD due 1/23. Scrubber fitted.
OCEAN SCALLION	82,215	2013	Dalian No. 2 (CHN)	Chinese buyer	23.5	Tier II. SS due 12/23. BWTS fitted.
THERESA SHANDONG	82,000	2012	Jiangsu Eastern (CHN)	Greek buyer	22	SS due 8/22.
LILA TOKYO	79,386	2010	Jiangsu Eastern (CHN)	Undisclosed buyer	low-mid 19	DD due 12/22.
GOLDEN CATHRINE + GOLDEN CECILIE	60,263	both 2015	JMU Kure (JPN)	Chinese buyer	31.5 each	DD due 2/23. BWTS fitted.
NEUTRINO	58,612	2012	Kawasaki (JPN)	Undisclosed buyer	xs 24	SS due 10/22. BWTS fitted.



MERIDA	56,670	2012	Taizhou Kouan (CHN)	Undisclosed buyer	19.75	SS psd 1/21. BWTS fitted.
VENTURE OCEAN + VENTURE TEAM	38,947	both 2015	Jiangmen Nanyang (CHN)	Undisclosed buyer	25 each	Open hatch. DD due 10+11/23. Logs+BWTS fitted.
OMNIA	36,783	2011	Hyundai Mipo (KRS)	Undisclosed buyer	19.6	SS psd 10/21. BWTS fitted. DD due 12/23.
SAN FORTUNE	35,366	1999	Kanasashi (JPN)	Syrian buyer	10	Logs fitted. Dely Vietnam.
YANGTZE SPIRIT	35,169	2012	Nanjing Dongzhe (CHN)	Undisclosed buyer	xs 17	SS psd 1/22. Logs+BWTS fitted.
ELEFThERIOS T	32,419	2013	Samho (KRS)	Greek buyer	reg 20	SS due 5/23. BWTS fitted. Inc. TC @ \$26k pd to 9/22 + 6mths opt.
SUNRISE	29,828	2006	Shikoku (JPN)	Vietnamese buyer	high 11	SS due 8/22.

**TANKERS**

ELANDRA ANGEL	115,928	2009	Samsung (KRS)	Undisclosed buyer	33	DD psd 4/22. BWTS+Scrubber fitted.
BW LARA	73,495	2004	New Century (CHN)	Undisclosed buyer	15	Pump-room. DD due 11/22. BWTS fitted.
ELANDRA BLU + ELANDRA CORALLO	50,650	both 2008	SPP Sacheon (KRS)	Undisclosed buyer	18.5 each	Deepwell. SS due 7+10/23. BWTS fitted.
EASTERN KALMIA	50,359	2007	SLS (KRS)	Undisclosed buyer	14.8	Pump-room. SS due 7/22.
NEUTRON SONIC	49,995	2007	SPP Tongyeong (KRS)	Undisclosed buyer	14	Deepwell. SS+BWTS due 9/22.
KIRANA SAPTA	19,000	2016	Naikai Setoda (JPN)	Undisclosed buyer	20	Epoxy. SS psd 1/21. BWTS fitted.
DH ADMIRAL + DH BLOSSOMING	8,710	both 2018	Nantong Tongbao (CHN)	Undisclosed buyer	18.5*	*Auction. Duplex 2205 St.Steel.

**CONTAINERS / RO-RO / REEFER / PCC**

X-PRESS MONTE ROSA	8,691	2004	Hegemann (GER)	Medkon Linea	8	707 TEU. Gearless. Ice 1A. Already renamed.
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**GAS (LNG / LPG / LAG / CO2)**

SASAKI 717	7,200	2022	Sasaki (JPN)	Jadroplov	25.15	7,350 cbm. Fully press'd. Dual fuel. Basis 3 yrs TC back.
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**NEWBUILDING ORDERS**

Ordering Client	Vessel Type	Size / No. of units	Shipyard (Country)	Delivery	Price (\$m)	Notes
<b>GENERAL CARGO / MULTI-PURPOSE</b>						
Golden Ocean Group	Kamsarmax	85,000 dwt x 3	Dalian (CHN)	2024-2025		Eco spec.
Inui Global Logistics	Handysize	40,000 dwt x 2	Imabari (JPN)	2025	30.5	
Inui Global Logistics	Handysize	40,000 dwt x 2	Oshima (JPN)	2025	30.5	
<b>TANKERS</b>						





Shanghai Jinghan	Chemicals	7,300 dwt x 1	Taizhou Wuzhou (CHN)	2024		Stainless steel.
Shanghai Jinghan	Chemicals	3,700 dwt x 1	Taizhou Wuzhou (CHN)	2024		Stainless steel.
<b>CONTAINERS / RO-RO / REEFER / PLC</b>						
CMB FL (obo Cosco Shipping Specialised Carriers)	PCTC	7,500 CEU x 6	Xiamen (CHN)	2024-2025	86	LNG dual fuel. Against long TC.
Cosmoship Management	Containership	1,800 TEU x 2+2	Yangzi Changbo (CHN)	2023-2024	32	EEDI 3.
<b>GAS (LNG / LPG / LAG / CO2)</b>						
TMS Cardiff Gas	LNG	174,000 cbm x 2	Hyundai Samho (KRS)	2026	245	LPG dual fuel.

### Recycling Activity

Vessel Name	BUILT	DWT	LWT	Delivery	Price (\$/lwt)	Notes
<b>VLCC</b>						
HIKARI	2003 / Japan	300,667	38,673	Bangladesh	606	
KYOTO	2000 / Japan	281,050	42,099	Bangladesh	606	

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

	Bangladesh	India	Pakistan	Turkey
Tank/Cont/Ro-Ro/Capes/LPG/PCC Dry	595/610	585/600	580/590	270/280
Cargo/Bulk/Tween/Gen Cargo	580/595	570/585	570/580	260/270

### 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	120	82	57	45.0	26.5%
SUEZMAX	82	56	42	32.1	30.7%
AFRAMAX	65	51	37	23.8	55.3%
MR	42.5	34	25.5	17.5	45.7%
<b>Bulkers</b>					
CAPE SIZE	64.5^	52.5 eco	37	23.3	58.6%
KAMSARMAX	37.5^	37.5	28	15.9	75.9%
ULTRAMAX / SUPRAMAX	35^	34	24	13.8	73.4%
HANDYSIZE	31^	29	23	11.1	106.7%
				~ = Basis standard contemporaneous DWT/spec for each type.	
^ = Chinese price (otherwise based upon Japanese / Korean country of build)					
~ = Basis standard contemporaneous DWT/spec for each type.					

## 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.*

### Progress Made Towards Ukrainian Grain Export Agreement



The Turkish government believe that an agreement is close to being reached with the U.N, Ukraine and Russia to facilitate the export of grain currently stranded in Ukraine.

The deal would allow 22 million tonnes of Ukrainian grain to be released, with Ukrainian ports having been the subject of a Russian blockade for almost five months. However, recent developments, such as an improvement in Ukrainian coastal defences, have limited Russia's ability to control the north-western Black Sea and could provide means to export millions of tonnes of grain currently trapped in Ukraine.

On Wednesday, Ukrainian Deputy Infrastructure Minister, Yuriy Vaskov, said that 16 ships have been able to safely transit the Bystry Canal, providing access to ports on the Danube River. Vaskov went on to state that opening up further capacity on the Bystry Canal, as well as the Sulina Canal, would allow Ukraine to export another 500,000 tonnes of grain per month. This would not, however, be able to fully substitute the terminals in and around Odessa.

Turkish Defence Minister, Hulusi Akar, stated "*An agreement has been reached on the establishment of a coordination center with representatives of all sides, joint controls for checking grains at harbors, and ensuring the safety of the vessels in the transit routes.*"

It is understood that ships will have to be inspected for any inbound armament cargoes. Mine hunting and mine clearance operations may also be required in places, and security guarantees to limit Russian attacks on ports will need negotiated.

General Antonio Guterres, U.N Secretary General, stated he was encouraged and optimistic, but that more technical work will be needed.

### Piracy and Armed Robbery at Lowest Level in 28 Years





The ICC International Maritime Bureau (IMB), an anti-piracy watchdog, have this week reported that piracy and armed robbery incidents have fallen to their lowest level since 1994. During the first six months of 2022, some 58 incidents were reported - down from 68 incidents in the same period of 2021.

30 bulkers were targeted in the period, along with 18 tankers, 5 container ships and 5 other ships. 32 of the ships were anchored, 19 were steaming and 7 were berthed when attacked.

IMB director Michael Howlett commented, *"Not only is this good news for the seafarers and the shipping industry it is positive news for trade which promotes economic growth."*

However, the IMB has urged the shipping community not to become complacent. Owners and operators must remain vigilant and government authorities should continue to patrol waters to deter pirates.

Of the 58 reported incidents between January and June, 20.69% occurred in the Gulf of Guinea and 27.59% occurred in the Singapore Straits. Outside the Singapore Straits, the wider Indonesian archipelagic saw a slight increase in reported incidents for the first time since 2018 - seven incidents were reported compared to five over that same period in 2021.

Although no incidents have been reported in the region year, the IMB has stressed that the threat of piracy still exists in the waters off the southern Red Sea and in the Gulf of Aden (which includes the Yemeni and the once-infamous Somali coasts).

## NEPIA in the Maritime Anti-Corruption Network (MACN)



As part of its commitment to supporting a more sustainable maritime community, NEPIA has joined the Maritime Anti-Corruption Network (MACN). MACN is an international business network of more than 165 companies which work towards the elimination of corruption and the promotion of fair trade. Their activities include raising awareness; implementing the MACN Anti-Corruption Principles and establishing best practices; collaborating with governments, non-governmental

organisations and wider society to determine and address the root causes of corruption; and fostering a culture of integrity within the shipping community.

NEPIA's MACN membership represents a significant step on its sustainability roadmap as outlined in the inaugural North Group Impact Report, which names seven of the United Nations' Sustainable Development Goals.

Mark Church, Head of Sustainability of NEPIA, said: *"That over 50,000 anonymous incidents have been reported to the MACN since its foundation in 2011 highlights the importance of its existence. By joining the Network, we can contribute towards the elimination of a significant but under-acknowledged threat – and in doing so, help ensure that our Members, and the maritime community at large, continue to trade with confidence."*

Paul Jennings, Chief Executive of NEPIA commented: *"The North Group Impact Report set out a roadmap for the Club to follow in achieving its sustainability targets, and it is highly encouraging to see tangible progress being made in a key area barely six months on from the report's publication. The MACN's goals align with our own ambitions for a fairer, more sustainable maritime industry that has society's best interests at heart."*

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