

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 – China Celebration | Tankers – Wrung Dry | Recycling – Muddling On | Sale & Purchase Market Report |

CJC Market News

Black Sea MoU annual PSC report 2020 released | Gulf of Guinea Declaration on Suppression of Piracy gaining support |

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 – China Celebration

This week China celebrated the 100th birthday of the Communist Party and its rise to an economic superpower and, certainly in the case of dry bulk acquisitions, it is notable over the years of the surge of vessels being sold into China. Imports of raw materials continue at a pace with 89.79m tonnes of iron imported in May and current stockpiles are estimated at 121.76m lower than last month's figure of 126.22m tonnes. China is also breaking records for wheat imports with 10m tonnes expected to be imported this year, which is the highest figure in more than 25 years. With a similar situation for corn and soya imports China's positive influence on the dry cargo freight market continues to look rosy.

Bulk sales continue aplenty with prices remaining firm, although we understand the kamsarmax **"YARRAWONGA"** (82,279 dwt/blt 2008 Tsuneishi, Japan) has been sold at US\$17m with its previous sale in May at US\$16.75m having failed. Despite this price surpassing this level it still looks a little light in comparison to recent sales and this could be put down to the rumours of the vessel having steel plate issues. It is interesting to note the sale of ultramax **"VIALLA"** (63,493 dwt/blt 2016 Chengxi, China) where owners stuck to the guns and are rumoured to have achieved between US\$22.7m-US\$23m; it was only back in May that a figure of US\$21m was bandied about.

TANKERS – Wrung Dry

It appears there really wasn't much more juice left to squeeze out of the second quarter of this year, and it ended much as it began, with rates continuing to scrape the bottom and little clear sense of when the market may take a turn for the better. This week did, however, deliver the rare sale of modern VLCCs, with Alafuzos-led Okeanis Eco Tankers selling the **"NISSOS ANTIPAROS"** and **"NISSOS SANTORINI"** (319,000 dwt/blt 2019 Hyundai) for US\$90m a piece to Frontline. This sale was coupled

with Okeanis' concurrent purchase of two scrubbered, dual fuel-ready resale VLCCs being built at Hyundai from by Alafuzos' private arm, Kyklades Maritime, for US\$97m each.

There continues to be a steady trade in older tonnage, with the ongoing strength of scrap prices giving values in this segment a welcome boost. Maran has continued clearing out their older tonnage, selling the **"MARAN TRITON"** (318,692 dwt/blt 2003 Hyundai) to undisclosed buyers for US\$29m, while China VLCC has sold the **"NEW CENTURY"** (299,031 dwt/blt 2004 Universal) for US\$ 30.2m, also to undisclosed buyers. These prices are a far cry from the mid-20s which similar-aged vessels were sold for earlier this year, and this jump can be ascribed almost entirely to the fact that scrap prices have jumped more than 30% since the beginning of the year.

RECYCLING – Muddling On

Once again it has been a fairly quiet week in Recycling markets as scant supply of ships continues. Local steel markets in Alang weakened for a second consecutive week, which comes as a disappointment to breakers. This could just be a temporary blip, as overall sentiments and fundamentals remain strong

The full lock-down in Bangladesh started from 1 July due to the surge in Covid-19 cases, although this has not impacted the demolition markets as such with local steel prices, and demand still healthy and the Bangladeshi government has allowed Ship-Breaking activities to operate as normal.

Markets in Pakistan are also steady and end-breakers anticipate a jump in prices in Q4 2021 and as a result remain hungry to buy ships at prevailing prices.

Gibson Sale & Purchase Market Report

S&P SALES

Vessel Name	DWT	Built	Yard	Buyers	Price (\$/m)	Notes
BULKERS						
SPRINGBANK	177,066	2010	New Times (CHN)	Greek buyer	26.5	SS psd 11/20. BWTS fitted.
MANGAS	173,918	2011	Bohai (CHN)	Undisclosed buyer	24	SS psd 5/21. BWTS fitted.
NANAKURA	91,439	2003	Oshima Zosen (JPN)	Indonesian buyer	low 12	Coal trader. No BWTS.
YARRAWONGA	82,279	2008	Tsuneishi (JPN)	Greek buyer	17	SS psd 4/20. BWTS fitted.
KOULITSA	76,858	2003	Oshima Zosen (JPN)	UAE buyer	13.7	BWTS fitted. Dely 10/21.
VIALLI	63,493	2015	Chengxi (CHN)	Undisclosed buyer	22.7-23	BWTS Fitted
LA LAMA	61,301	2016	I-S Shipyard (JPN)	Undisclosed buyer	low 26	SS psd 1/21. BWTS fitted.
SERENE SUSANNAH	57,266	2010	STX Dalian (CHN)	Undisclosed buyer	high 14	SS psd 12/20.
DARYA LAKSHMI	55,469	2009	Mitsui (JPN)	Costamare	low 16	
IMPERIAL FORTUNE	53,505	2006	Imabari (JPN)	Undisclosed buyer	13.25	SS psd 10/20. BWTS fitted. Dely 10-11/21.
NEW UNITY	53,472	2006	Iwagi (JPN)	Undisclosed buyer	13.3	SS due 9/21.
POLA ANISIA	46,412	2006	Oshima Zosen (JPN)	Undisclosed buyer	10.25	SS psd 3/21. BWTS fitted.

LIBERTY ISLAND	37,218	2011	Saiki (JPN)	Greek buyer / Korean buyer	15.1	Dely 7/21. SS due 8/21. +BWTS \$420k contract.
INTERLINK PARITY	37,148	2012	Huatai Heavy (CHN)	Greek buyer	14.2	SS due 3/22. Ice 1C.
N DISCOVERY	37,019	2012	Zhejiang Ouhua (CHN)	Costamare	14.2	SS due 10/22.
HOUSTON PEARL + HAMBURG PEARL	35,921	both 2011	Hyundai Mipo (KRS)	Undisclosed buyer	14.35 each	Open hatch. SS psd 1+2/21. BWTS fitted.
JIA TAI	35,112	2011	Zhejiang Yueqing Changhong (CHN)	European buyer	9.2 (A)	Auction sale. SS due 12/21.
DREAM ISLAND	34,467	2015	Hakodate (JPN)	Greek buyer	18.2	SS psd 9/20. BWTS fitted.
KING COTTON	33,622	2011	Shin Kurushima (JPN)	Undisclosed buyer	xs 14	SS due 10/21. Price inc. BWTS novation.
STAR LIFE	28,210	2011	Shimanami (JPN)	Undisclosed buyer	11.25	SS psd 1/21. BWTS fitted.
GLOBAL AQUARIUS	23,328	2010	Imabari (JPN)	Greek buyer	10	SS psd 2/20. BWTS fitted. Dely 11-12/21.
TANKERS						
NISSOS ANTIPAROS + NISSOS SANTORINI	318,744	both 2019	Hyundai Ulsan (KRS)	Frontline	90 each	Scrubber fitted. Dely 4q21.
MARAN TRITON	318,692	2003	Samho (KRS)	Undisclosed buyer	29	Scrubber fitted. Alternative fuels ready.
NISSOS KEA + NISSOS NIKOURIA	300,000	both 2022	Hyundai HI (KRS)	Okeanis Eco Tankers	97 each	
NEW CENTURY	299,031	2004	Universal Ariake (JPN)	Undisclosed buyer	30.2	BWTS fitted.
PERICLES	114,671	2003	Samsung (KRS)	Undisclosed buyer	13	DD due 11/21.
GENERAL CARGO / MULTI PURPOSE						
SIGMA	10,131	2005	Zhejiang Fanshun (CHN)	Turkish buyer	3	Geared. SS+BWTS due 9/22.
CONTAINERS / RO-RO / REEFER / PCC						
SYDNEY TRADER	67,222	2005	Hyundai Ulsan (KRS)	Undisclosed buyer	42	4849 TEU. Gearless. SS psd 10/20.
MEXICO	66,686	2002	Hyundai Ulsan (KRS)	MSC	50.5	4839 TEU. Gearless. Dely 4/22 basis SS psd 2/22+BWTS fitted.
CORNELIA I	63,069	2010	Jiangnan Changxing (CHN)	MSC	42	5100 TEU. Gearless. SS psd 11/20.
SPRING MAS	37,087	2002	Kanasashi (JPN)	MSC	29	2607 TEU. Gearless. SS due 7/22.
GDYNIA TRADER	22,968	2001	Szczecinska (POL)	Undisclosed buyer	11	1730 TEU. Geared. SS due 7/21.
GAS						
BW LIBERTY	54,975	2007	Daewoo (KRS)	Arcadia Shipping	46.5	82,905 cbm. SS due 11/22.
TOURAINÉ	30,309	1996	Hitachi (JPN)	UAE buyer	9.5	37714 cbm. Fully ref.

NEWBUILDING ORDERS



Ordering Client	Vessel Type	Size / No. of units	Shipyard (Country)	Delivery	Price (\$m)	Notes
BULKERS						
Himalaya Shipping	Newcastlemax	208,000 dwt x 8+4	New Times (CHN)	2023	67	LNG dual fuel.
Wisdom Marine	Kamsarmax	82,400 dwt x 3	Tsuneishi Zhoushan (CHN)	2022	34	EEDI Phase 3.
BoComm Leasing	Woodchipper	70,000 dwt x 2	Chengxi (CHN)	2023-2024	est 38-39	Gearless. Against TC to Nine Dragons Paper Holdings.
BoComm Leasing	Woodchipper	64,000 dwt x 6	Chengxi (CHN)	2023-2024	est 38-39	Gearless. Against TC to Nine Dragons Paper Holdings.
TANKERS						
Elandra Tankers	LR2	115,000 dwt x 4+4	Hyundai Vinashin (VIET)	2024	56.5	Conventional fuel.
Proman	MR	49,900 dwt x 2	GSI (CHN)	2023		Methanol DF IMO II. Declared option.
CONTAINERS/RO-RO/REEFER/PCC						
HMM	Containership	13,000 TEU x 6	Hyundai HI (KRS)	2024	reg 130.8	LNG ready. Hybrid scrubber.
HMM	Containership	13,000 TEU x 6	DSME (KRS)	2024	reg 130.8	LNG ready. Hybrid scrubber.
Seaspan Corporation	Containership	11,800 TEU x 2	Yangzi Xinfu (CHN)	2022		Against long TCs.
Wan Hai Lines	Containership	3,055 TEU x 12	Nihon (JPN)	2022-2023	48.8	
Euroseas	Containership	2,800 TEU x 2	Hyundai Mipo (KRS)	2023	38	
Jinjiang Shipping	Containership	1,900 TEU x 2+2	Yangfan (CHN)	2023		Gearless.
GAS						
SK Shipping	LPG	91,000 cbm x 2	Hyundai HI (KRS)	2023	81.5	T/C to Alta Gas.
Hartmann Schifffahrt	LPG	40,000 cbm x 3	Yamic (CHN)	2024		

Newbuild and Second Hand Values (\$ million)

	Newbuild	5 Year Old	10 Year Old
Tankers			
VLCC	98	71	49
SUEZMAX	65	49	33.5
AFRAMAX	53	41	26.5
MR	37	27.5	19
Bulkers			
CAPEXSIZE	58.5^	37.5	31
KAMSARMAX / PANAMAX	33^	29.5k	21k / 19p
ULTRAMAX / SUPRAMAX	31^	25.5u	18.5s
HANDYSIZE	26.5^	21	14.5

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

Indices

	C.O.B Friday
BDI	3285
\$/Yen	111.43
VLCC	
AG/East	31.5
TD3 (WS)	

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.

Black Sea MoU annual PSC report 2020 released

The Black Sea Memorandum of Understanding on Port State Control has just released its Annual Report for 2020.

A total of 5,721 inspections were conducted in 2020, about 315 less when compared to 2019. Notwithstanding this, it was reported that there was an approximate 13.7 per cent increase in vessel detentions when compared to 2019. Further, a total of 241 vessel detentions were recorded in 2020. This is 29 more than in 2019 even though lesser inspections were carried out.

The report states that the most notable operational deficiencies recorded in 2020 was in safety of navigation (15.1%), then life-saving appliance (12.9%), health protection, medical care, social security (12.0%), fire safety measures (9.18%) and structural conditions (7.14%). Additionally, of all detainable deficiencies, International Safety Management ("**ISM**") issues accounted for about 10 per cent of them, an increase of 1.15 per cent from the previous year. The Black Sea MoU states that this is one area (i.e ISM issues) that remains a noteworthy concern for them and will continue to investigate ships in the region for any shortcomings in their Safety Management Systems or SMS.

On a positive note however, the average deficiencies per ship inspection has decreased in 2020 when compared to 2019. The average number of deficiencies in 2020 was recorded at 2.70, which is an approximate decrease of about 16 per cent. Total deficiencies stood at 15,442, down from 19,422 from the previous year.

When looking at the data by top five ship type inspected, bulk carriers accounted for majority of the inspections with a 37.29% share and this is followed by general cargo (34.7%), oil tankers (11.7%), chemical tankers (7.68%) and then container vessels (3.44%). The rest were made up of Ro-Ros, livestock carriers, tugs and other vessel type. This is not surprising as the top 5 account for the majority of the ships in the world's merchant fleet, with general cargo ships topping the list.

However, of ships detained out of the inspections, general cargo and multi-purpose ships topped the list with 37.8 per cent of the share and then followed by bulk carriers, with 34.9%.

The PSC Annual Report covers the period between 1 January 2020 and 31 December 2020. The report can be read [here](#).

References:

<http://www.bsmou.org/downloads/annual-reports/BSMOU-AR-2020.pdf>

<https://safety4sea.com/black-sea-mou-annual-psc-report-ship-detentions-increased-with-241-in-2020/>

Gulf of Guinea Declaration on Suppression of Piracy gaining support

Increasing support for the Gulf of Guinea Declaration on Suppression of Piracy, raises hope that efforts are on the right track to end piracy in the region and increase safety for seafarers.

In 2020, 135 crew were kidnapped from their ships globally, with the Gulf of Guinea accounting for over 95% of the crew numbers kidnapped. This has happened in international waters in an area less than 20% of the size of the sea area dominated by Somali pirates a few years ago. The pirates launch their attacks from the Niger Delta, where they also subsequently hold their hostages.

The world's three biggest flag states, many of the world's biggest shipowner companies, major shipping associations and the World Economic Forum have now joined the support for the declaration. Drafted on 17 May by a group of shipowners convened by BIMCO, the declaration now has over 350 signatures.

By signing up, the signatories commit themselves to – among other things: Tangibly supporting antipiracy law enforcement as mandated by international law, including international treaties, (e.g. the United Nations Conventions on the Law of the Sea (UNCLOS)), by non-regional naval forces providing a capable incident response capability to complement regional coastal states' antipiracy law enforcement operations.

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
www.gibsons.co.uk

