

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 – Poker-Faced Pricing | Tankers – Suezmax Spectrum | Recycling – The Waiting Game
| Sale & Purchase Market Report |

CJC Market News

Maersk Aims for World's First Carbon-Neutral Container Ship by 2023 | US Cold Weather Pushes up European Product Tanker Market | Tugging at Reality – Fraud Case Sees Family Caught in Fake Shipyard Scam

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 – Poker-Faced Pricing

Enquiry this week for bulk carriers across the different sizes remains active, as it would appear a common theme is shared amongst prospective buyers comprising of a bullish outlook in the dry market. With this in mind the target price now for an asset to exchange hands is seemingly being revised upwards creating more of a moving target to hit. However, in contradiction to this, actual reported sales this week seem to be more in line with the last comparables and thus it remains to be seen if these increased price targets will indeed get confirmed.

This week sees the sale of "**CAPE TRUST**" (177,346 dwt/blt 2006 Namura) with BWTS fitted and surveys recently passed at US\$17m, which would appear to be concluded off market and thus one could argue is in line with the "**OCEAN COMPASS**" (180,200 dwt/blt 2006 Imabari) at US\$17.5m basis SS/DD freshly passed and BWTS fitted that was a market sale with a healthy amount of interest and competing buyers.

The reported sale of the "**NAVIOS MARCO POLO**" (80,647 dwt/blt 2011 Universal) with two delivery lay/cans and subsequently two prices, April-June at US\$16.2m or August-October at US\$16.5m with surveys due in the latter part of this year is arguably in line with the previous US\$16.2m sale of the "**R.R. AUSTRALIA**" (81,582 dwt/blt 2011 Sungdong). One may draw a conclusion that although the "**R.R. AUSTRALIA**" was delivered basis BWTS fitted and surveys recently passed you would discount the mid-tier Korean builder Sungdong against premier Japanese shipyard Universal.

TANKERS – Suezmax Spectrum

Vintage tonnage continues to dominate the sales sheet with VLCCs and Suezmaxes in buyers' crosshairs. With many such purchases going to often undisclosed interests, it's interesting to note a new Singaporean entity, Shench Energy, emerge as the buyer of the **"ENEOS BREEZE"** (301,013 dwt/blt 2003 IHI) at a modest US\$22.8m, having been rumoured at the start of the month on vaguer terms. As regards Suezmax sales, the **"ICARIA"** (165,293 dwt/blt 2003 Hyundai) is reported sold at a strong looking US\$17m, but with surveys not due until January 2023, and the 20 year-old **"EPISKOPI"** (153,019 dwt/blt 2001) at US\$12.8m, both to undisclosed UAE buyers; the latter sale seemingly a notch down on price against **"LADY AVA"** (160,383 dwt/blt 2001 Daewoo) at US\$13.4m, both noting Special Surveys due in March, although likely attributable to the deadweight differential.

Staying with the suezmax segment, DVB Bank's exit from ship finance has also prompted the sale of a quartet of tankers, challenging perceived ten-year-old benchmarks with the **"SUEZ FUZEYYA"** + **"SUEZ VASILIS"** (158,574 dwt/blt 2011 Hyundai) going to NG Moundreas and sisters **"SUEZ HANS"** + **"SUEZ RAJAN"** have been kept by Empire Navigation. The price is reported to be US\$25m apiece, setting a new benchmark for 10-year-old suezmaxes, although the price does reflect the Special Survey (and Ballast Water Treatment System installation requirements) are due within 2/3Q this year.

RECYCLING – The Waiting Game

All recycling markets are quiet with very little tonnage on offer. More scrap tonnage is definitely required to test the cash buyers resolve as demand is steadily firming across the Sub-Cont, but for now it seems buyers and end users will have to be patient until the time comes that owners will decide to test recycling rates, which will surely as time goes on gradually begin firm. For now, at least, it is apparent both the wet and dry freight markets are performing well and earning owners good returns, so sending tonnage for scrap is not necessarily at the top of their list.

Gibson Sale & Purchase Market Report

S&P SALES

Vessel Name	DWT	Built	Yard	Buyers	Price (\$/m)	Notes
BULKERS						
CAPE TRUST	177,346	2006	Namura (JPN)	Seanergy Maritime	17	SS psd 9/20. BWTS fitted.
MAGICA G	82,740	2012	STX Jinhae (KRS)	Moderna	16.3	
FORTUNE RAINBOW	82,372	2008	Oshima Zosen (JPN)	Greek buyer	14	DD psd 12/20. No BWTS.
NAVIOS MARCO POLO	80,647	2011	Universal Maizuru (JPN)	Globus Maritime	16.2 or 16.5*	*Delivery 4-6, or 8-10/21. SS due 9-12/21.
FORTUNE DAISY	74,979	2011	Sasebo (JPN)	Safe Bulkers	14	SS due 4/21. BWTS fitted.
OCEAN PHOENIX	56,208	2009	Mitsui (JPN)	Far Eastern buyer	10.2	BWTS fitted.
FORTUNE WING	55,650	2011	Mitsui (JPN)	Undisclosed buyer	high 11	SS psd 1/21. BWTS fitted.
FORTUNE BIRD	55,640	2010	Mitsui (JPN)	Undisclosed buyer	high 10	SS psd 12/20. BWTS fitted.
CAPTAIN CHERIF	53,556	2004	Iwagi (JPN)	Turkish buyer	6.6	
GLOBAL FUTURE	52,484	2006	Tsuneishi (JPN)	Chinese buyer	8	SS psd 9/20. BWTS fitted.
BELORIENT	50,272	2008	Pt Pal (IDA)	Chinese buyer	7	DD due 5/21.

OCEAN BARI-STAR	38,243	2011	Imabari (JPN)	Undisclosed buyer	xs 11	SS+BWTS due 10/21.
INDIGO SILVA	38,090	2013	Shimanami (JPN)	Greek buyer	14	SS psd 1/21. BWTS fitted.
CIELO DI DUBLINO	37,064	2011	Hyundai Mipo (KRS)	Danish buyer	10.85	SS psd 9/20. BWTS fitted.
ATLANTIC VENUS	33,677	2012	Fukuoka (JPN)	Russian buyer	10.1	DD due 8/20. BWTS fitted. Dely 6-7/21.
ARISTOS II	32,474	2011	Samho (KRS)	Load Line Marine	8.6	SS+BWTS due 5/21. Logs fitted. Basis 3 yrs BBHP.
ATLANTIC EMBLEM	29,637	2011	Shikoku (JPN)	Greek buyer	10	SS due 7/21. BWTS fitted.

TANKERS

ENEOS BREEZE	301,013	2003	I H I (JPN)	Shenchi Energy	22.8	SS+BWTS due 11/21.
ICARIA	165,293	2003	Hyundai Samho (KRS)	UAE buyer	17	DD psd 11/20. No BWTS.
SUEZ FUZEYYA + SUEZ VASILIS	158,574	both 2011	Hyundai Gunsan (KRS)	NG Moundreas	25 each	SS+BWTS due 5/21. Bank driven sale.
EPISKOPI	153,019	2001	Hyundai Ulsan (KRS)	UAE buyer	12.8	SS+BWTS due 3/21.
STAVANGER BLISS	105,400	2008	Sumitomo (JPN)	Undisclosed buyer	15.2	
AMAZON EXPLORER	72,910	2002	Hyundai Ulsan (KRS)	Undisclosed buyer	9.1	SS psd 6/20. Dirty trading.
OCEAN NEPTUNE	50,346	2005	Shina (KRS)	Greek buyer	7.5	
BRIGHT FORTUNE	48,003	2010	Iwagi (JPN)	Greek buyer	13.5	Pump-room. SS psd 4/20. BWTS fitted.
NORDIC PIA	38,396	2006	GSI (CHN)	Avin	7.15	Deepwell. IMO II/III. SS+BWTS due 8/21. Bank sale.

CONTAINERS / RO-RO / REEFERS / PCC

MY NY	67,270	2004	Koyo (JPN)	Wan Hai Lines	25	5896 TEU. Gearless.
CO OSAKA	50,554	2008	Samsung (KRS)	Greek buyer	20.5	4506 TEU. Gearless. DD due 7/21.
SPHENE	44,234	2007	Hanjin Hi (KRS)	Greek buyer	13	3390 TEU. Gearless. Inc. TC @ \$7,250 pd to 8/21.
WES AMELIE + WES CARINA + WES JANINE	13,200	2011+2011+2012	Jiangdong (CHN)	Elbdeich Reederei	9 + 9.3 + 10.3	1036 TEU. Gearless. Ice 1A.

NEWBUILDING ORDERS

Ordering Client	Vessel Type	Size / No. of units	Shipyard (Country)	Delivery	Price (\$m)	Notes
BULKERS						
Evalend Shipping	Kamsarmax	82,000 dwt x 2+2	Yamic (CHN)	2022	low 27	Tier II.
TANKERS						
Pleiades	Aframax	114,000 dwt x+1	Daehan (KRS)	2022	47	Declared option.
CONTAINERS / RO-RO / REEFER / PCC						
Seaspan Corporation	Containership	24,000 TEU x 2	Yangzijiang (CHN)	2023	150	Scrubbers. Against long TC to MSC.

CDB Leasing	Containership	24,000 TEU x 2	Yangzijiang (CHN)	2023	150	Scrubbers. Against long TC to MSC.
Seaspan Corporation	Containership	13,000 TEU x 2	Samsung (KRS)	2023-2024		Dual fuel. Against 12 year TC to Zim.
GAS						
Benelux Overseas	LPG	40,000 cbm x 2+1	Hyundai Mipo (KRS)	2023	46.7	Conventional fuel.
Trafigura	LPG	40,000 cbm + 2	Hyundai Mipo (KRS)	2023	52.5	LPG dual fuel. Declared options.

Recycling Activity

Vessel Name	BUILT	DWT	LWT	Delivery	Price (\$/lwt)	Notes
BULK CARRIER						
ORHAN-Y	1984 / Japan	27,562	5,711	Pakistan	392	
TANKERS						
SALA 1	1995 / Spain	27,929	8,000	Pakistan	415	
BOISTEROUS	1978 / Japan	4,991	1,892	Pakistan	395	
TWEEN DECKER						
HELGIS	1986 / Germany	9,723	3,339		440	

Recycling Prices (US\$/LWT)

	Bangladesh	Pakistan	India	Turkey
Tank/Cont/Ro-Ro/Capes/LPG/PCC	440/455	430/440	430/440	245/255
Dry Cargo/Bulk/Tween/Gen Cargo	430/440	420/430	420/430	240/250

Newbuild and Second Hand Values (\$ million)

	Newbuild	5 Year Old	10 Year Old
Tankers			
VLCC	89	65	46
SUEZMAX	58.5	43.5	27
AFRAMAX	48	33	21.5
MR	34.5	27	18
Bulkers			
CAPE SIZE	48.5^	28	22
KAMSARMAX / PANAMAX	27k^	24k	16.5k / 15p
ULTRAMAX / SUPRAMAX	25u^	20.5u	11.75s
HANDYSIZE	23.5^	15	9.5

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

Indices

	C.O.B Friday
BDI	1698
\$/Yen	105.38
VLCC	
AG/East	31
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.

Maersk Aims for World's First Carbon-Neutral Container Ship by 2023



Shipping group Maersk will have the first carbon-neutral container vessel on the water by 2023, seven years ahead of schedule, as the world's largest container shipping business comes under growing pressure to cut emissions.

In December 2018, Maersk came out as the first major shipping line to pledge to be carbon neutral by 2050.

Last year, Maersk, together with other large companies such as Nike, Microsoft, Starbucks, Danone and Mercedes-Benz entered the climate coalition "Transform to Net Zero". The coalition aims to deliver guidance and business plans to enable a transformation to net zero emissions, as well as research, advocacy, and best practices to make it easier for the private sector to not only set ambitious goals—but also deliver meaningful emissions reductions and economic success.

The Danish company is beginning with one of its feeder vessels - a relatively small ship that can carry up to 2,000 containers - that will be powered by climate-friendly methanol, although it will be able to use fossil fuel as a back-up if required. Going forward, all its new vessels will have dual fuel technology installed.

Maersk's methanol feeder vessel will be deployed in one of its intra-regional networks, likely Europe. While the vessel will be able to operate on standard VLSFO, the plan is to operate the vessel on carbon neutral e-methanol or sustainable bio-methanol from day one.

In addition to methanol produced from plant waste, Maersk said it experimenting with ammonia and other alternatives. Two of the world's biggest fertilizer producers, CF Industries and Yara, said last month they were reconfiguring ammonia plants in the United States and Norway to produce clean energy to power ships.

US Cold Weather Pushes up European Product Tanker Market



Icy weather sweeping across the US over the past week has boosted demand for refined products, causing a rally in prices for the product tanker market as charterers scramble to fix shipments to the US.

The Baltic Exchange has revealed that the spot rate for medium-range tankers (MR) earning on the TC2 northwest Europe-US Atlantic coast route has risen above \$10,000 per day for the first time since September. The time charter equivalent was assessed to be \$5,336 per day last Friday.

Since then 14 MRs have been fully or preliminary fixed between Monday and Wednesday this week, Kpler data shows. ExxonMobil chartered the 49,000-dwt Yasa Swan at Wordscale 160, one of the highest rates seen this year, with lifting taking place between 24 and 25 February. Market momentum continued on Thursday, with another preliminary fixture done at Wordscale 172.5.

Cross-Atlantic flows of gasoline and diesel are expected to be strong in the short term due to high stocks in Europe and reduced production in the US. Platts estimated that up to 2.4m barrels per day of refining capacity was halted in Texas as of Wednesday. The state makes up nearly one third of the refining capacity in the US, supplying the Atlantic coast via the 2.5bpd Colonial Pipeline.

Tugging at Reality – Fraud Case Sees Family Caught in Fake Shipyard Scam



In India, a mother and daughter have been arrested for fraudulently posing as a shipyard and taking money from prospective buyers. They are reported to have done this on several occasions, defrauding a number of potential buyers by advertising for sale hulls to which they had no connection.

One of the victims, businessman Sushant Shelatkar claims to have paid INR 13m (USD179,000) to purchase a tug and a barge. There are allegations that others have been defrauded out of sums totalling around INR 140m (approx. USD1.9million) to the pair.

this scenario highlights the need for parties to be aware of counterparty risk. Thorough Know-Your-Customer (KYC) checks are recommended whenever dealing with a new entity, and where there are any inconsistencies, these should be raised with a relevant legal advisor. Specifically, the company name, address, standing and incorporation details should be confirmed. The personal details of the individuals purporting to represent it should also be checked, including names, addresses and contact details. This can be done by requesting passport copies. It may also be appropriate to use the above collected information to run a sanctions check, to further mitigate any risks.

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

