Campbell Johnston Clark
CJC EXCHANGE

25/08/2023 – ISSUE # 136

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

GIBSON SHIPBROKERS

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

Tankers – Strong Undercurrents

Few deals populate the sale sheet this week, but calm waters belie greater activity below the surface as buyers are invigorated both by an increase of available tonnage coming on the market (albeit consistently older tonnage) and the vacation season coming to an end with focus sharpening on autumn prospects and good liquidity positions buoying hopes for good sailing in the fourth quarter.

Following last week's newbuilding suezmax thread, Maran Tankers has declared options on a quartet of LNG dual fuel units at China's New Times for US$ 87 m apiece and in the second-hand sphere the scrubber fitted "**NAMSEN**" (157,543 dwt / built 2016 New Times, China) presents a rare modern suezmax sale at US$ 67 mill to undisclosed European interests; a firm price relative / age adjusted to the last comparable scrubber-fitted "**ELANDRA OSPREY**" (157,470 dwt / built 2018 Hyundai Samho, S.Korea) sold in June for reg US$ 75 m, with any significant Chinese discount hard to discern and demonstrating pressure to pay up against the scarcity of younger units. Meanwhile, details of off-market sales continued to surface with the aframax "**WILLOWY**" (106,500 dwt / built 2003 Tsuneishi, Japan) sailing into the hands of Malaysian buyers for region US$ 25 m, in line with the "**TORNADO A**" (105,411 dwt / built 2003 Sumitomo, Japan) for US$ 24.75 m sold in recent weeks. A further twenty year old aframax "**SEA LUCK III**" (105,869 dwt / built 2003 Samho, S.Korea) has been sold ahead of surveys and BWTS due in October, but price and buyer details have yet to emerge.

Dry Cargo – Buck the Market

This week's report shows a market increased of sales in the dry sector with no specific size dominating. It is therefore apparent that many buyers have elected to ignore the lacklustre freight market and bite the bullet with their acquisition plans. Certainly, the majority of the vessels being reported sold are less than 12 years old, which would indicate that vessels of this ilk are hitting the sweet spot for buyers. Presumably the thinking behind this is that prices are unlikely to soften much further going into the 4th quarter of 2023 and given the age there is still trading time to benefit from the upside the market has in store for the future.

Despite the above there does appear to be some astute acquisitions, for instance the reported sale of the two Grinrod ultramax bulkers, namely the "**IVS HAYAKITA**" (60,402 dwt / built 20016 Mitsui, Japan) and "**IVS BOSCH HOEK**" (60,280 dwt / built 2015 Onomichi, Japan) at US$ 46.5 m en bloc does appear a lucrative purchase by Eastern Mediterranean compared to the recent sale of the "**NORD EVEREST**" (60,436 dwt / built 2016 Oshima Zosen, Japan) at region US$ 24.5 m reflecting the softening in prices. This depreciation is further reflected by another en bloc sale of the two supramax sisters "**SKY GLOBE**" + "**STAR GLOBE**" (56,680 dwt / built 2009 + 2010 Taizhou Kouan, China) at region US$ 10.7 + 11.2 m respectively. It is interesting to note that it wasn't that long ago when these types of vessels were obtaining more towards mid-teens or higher.

Recycling – Steely Stasis

Recycling markets have seen yet a further correction this week with prices now hovering around $500/LT (and below). Going forward, there seems very little on the horizon to offer prospects for improved sentiments with prices into 4Q'2023 expected to remain stuck in a rut.

With Bangladesh continuing to face more trouble with Letters of credit, Alang has been the most active destination for Recycling but demand for local steel in India is low as breakers remain pessimistic about markets going forward, yet the supply of recycling candidates has been healthy with mainly dry bulk and container ships hitting the beaches. Gadani has opened up for Recycling after many months giving cash buyers an alternate option to sell their tonnage. Prices offered are almost in line with Alang although Gadani breakers traditionally demonstrate a strong preference for larger LDT tonnage.

Gibson Sale & Purchase Market Report

S&P SALES

Vessel Name	DWT	Built	Yard	Buyers	Price ($/m)	Notes
			BULKERS			
HL IMABARI	206,312	2008	Imabari (China)	Chinese buyer	21.4	SS due 10/23.BWTS.
YUAN FU STAR	175,163	2011	Rongsheng (China)	Middle Eastern buyer	reg 23	DD due 1/25. BWTS.
AOM ELENA	106,498	2010	Oshima (Japan)	Indonesian buyer	20.5	SS due 3/25. Scrubber.
ATLANTIC HAWK	95,720	2012	Imabari (Japan)	Shanghai Fengquanyu	22	DD due 12/24. Already renamed.
ALAM KEKAL	82,079	2018	Oshima (Japan)	Undisclosed	31.8	SS due 10/23. BWTS.
HANTON TRADER III	63,800	2014	Jiangsu Hantong (China)	Chinese buyer	20.4	SS due 11/24. BWTS.
IVS HAYAKITA IVS BOSCH HOEK	60,402 60,280	2016 2015	Mitsui (Japan) Onomichi (Japan)	Greek buyer	46.5 en bloc	DD due 5/24. BWTS. DD due 10/23. BWTS.
SKY GLOBE + STAR GLOBE	56,860	2009+2010	Taizhou Kouan (China)	Undisclosed	10.7 + 11.2	SS due 11/24 + 5/25. BWTS.
WINDSOR ADVENTURE	55,975	2008	Mitsui (Japan)	Undisclosed	reg 13.5	DD due 4/24. BWTS.

CAPE TRAFALGAR	55,757	2014	JMU (Japan)	Undisclosed	24	SS due 7/24. DD psd 5/23. BWTS. 2 yrs BBHP.
GIVING	45,428	1997	Oshima (Japan)	Middle Eastern buyer	5.8	SS psd 4/23.
TANKERS						
NAMSEN	157,543	2016	New Times (China)	European buyer	67	DD due 5/24. BWTS+Scrubber.
WILLOWY	106,500	2003	Tsuneishi (Japan)	Malaysian buyer	reg 25	DD due 4/24. Already renamed.
BRUNSWICK	45,902	2010	Shin Kurushima (Japan)	PVTrans	24	Pump-room. SS due 1/25. BWTS.
ACAMAR	37,583	2011	Hyundai Mipo (KRS)	Undisclosed	23.5	Deepwell. DD due 4/24.
HONG HAI 6	16,826	2012	Jiujiang Yinxing (China)	Undisclosed	12.25	Epoxy. 4 grades. DD due 8/25.

NEWBUILDING ORDERS

Ordering Client	Vessel Type	Size / No. of units	Shipyard (Country)	Delivery	Price ($m)	Notes
TANKERS						
Maran Tankers	Suezmax	155,500 dwt + 4	New Times (China)	2027	87	Declared options. LNG dual-fuel.
Oceanix	MR	50,000 dwt x 2	GSI Nansha (China)	2026	-	Methanol capable.
GAS (LNG / LPG / LAG / CO2)						
Sea Jade Investment (CSSC Shipping <JV> Wah Kwong)	LNG	175,000 cbm x 2+2	Dalian (China)	2027	-	LNG dual-fuel. Mark III Flex. Against 20 yrs TC.
China Energy Shipping Investment (Cosco <JA> Sinopec)	LNG	175,000 cbm x 3	Dalian (China)	20027-2028	253.7	-
Avance Gas	LPG/LAG	40,000 cbm + 2	CIMC (China)	2026	61.5	Declared options. LPG dual fuel. Shaft gen.
BULKERS						
Belships	Ultramax	64,000 dwt x 2	TBN (Japan)	2026-2027	-	-
Akmar	Ultramax	64,000 dwt x 2	DACKS (China)	2026	-	-
CONTAINERS / RO-RO / REEFER / PCC						
Seaboard Marine	Containership	3,500 TEU x 3	Taizhou Sanfu (China)	2025	low 60s	LNG dual fuel.

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
Tankers					
VLCC	126	99	74	48.7	52.0%
Suezmax	85	73	59	34.6	67.6%
Aframax	69	63.5	51.5	26.9	91.4%
MR	47	40.5	32	19.3	65.8%
Bulkers					
Capesize	63.5^	47 (eco)	28	24.4	14.8%
Kamsarmax	35^	31.5	21.5	16.7	28.7%
Ultramax / Supramax	33^	28.5	18.5	14.7	25.9%
Handysize	30^	24	17	11.8	44.1%
^ = Chinese price (otherwise based upon Japanese / Korean country of build)				*~ = Basis standard contemporaneous DWT/spec for each type.*	

CJC Market News

CJC

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.

Harland & Wolff Strengthens Energy Sector Presence with Aberdeen-based Subsidiary

Harland & Wolff, renowned for its shipbuilding heritage, has established a new entity, Harland & Wolff Technologies, aimed at servicing the thriving energy sector in Aberdeen, the UK's energy hub. As reported, the new company’s focal point will be on future-oriented energy sources, batteries, propulsion and system integration as well as servicing operational assets in the North Sea.

Operating alongside Harland & Wolff's four delivery centres across the UK and collaborating with other shipyards, Harland &

Wolff Technologies will deliver assistance to currently active assets, eliminating the need for drydock facilities.

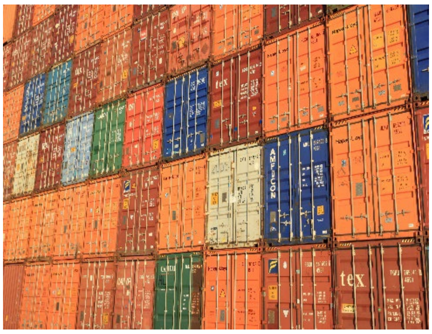
In a rapidly evolving marine technology landscape, Harland & Wolff said that it aims to be an early adopter of emerging technologies. The subsidiary's emphasis on propulsion, advanced fuels, and system integration positions it to become a frontrunner in these domains, thus contributing significantly to the UK's Net Zero objectives. Through strategic partnerships with equipment manufacturers, Harland & Wolff Technologies is also actively establishing support agreements and joint ventures, enhancing service levels for its clients.

While committed to the UK's Net Zero goals and the transition to cleaner energy, Harland & Wolff said that it still recognises the enduring role of conventional energy sources in the coming decades. Recent government announcements regarding North Sea licensing rounds have prompted increased interest in offshore electrification and platform construction projects, offering Harland & Wolff ample opportunities in these markets.

John Wood, Group CEO of Harland & Wolff said, "With projects starting to ramp up and new technologies increasingly being incorporated into the majority of them, the establishment of Harland & Wolff Technologies enables us to be at the forefront of client requirements now and into the future." He added that in the first instance, the new company will be focusing on in-service support which includes services such as pipework and fabrication.

The news release can be read here.

CMA CGM's Takeover of Container Terminals Approved



The Port Authority of New York and New Jersey has approved CMA CGM's proposal to take over operations at two container terminals, GCT Bayonne and GCT New York.

Port Authority Executive Director Rick Cotton said "We welcome CMA CGM as a key partner in the operation of two of our marine terminals, and look forward to working closely with CMA CGM in the future vigorous development of our seaports. This deal with CMA CGM reflects the trust and confidence of our business partners in our port's ability to move cargo efficiently and reliably."

CMA CGM announced its intent to acquire the flagship terminals in December 2022.

CMA CGM has agreed to pay increased rent based on container activity which will be subject to a minimum annual guarantee. The initial terms of the deal were not disclosed but Bloomberg reported that the deal could fetch around US$3 billion.

CMA CGM will also work with the Port Authority to assist in meeting the authorities' sustainability goals, which includes, amongst other things, net-zero greenhouse gas emissions by 2050.

For more information, please contact:
James Clayton
Tel: +44 (0) 207 855 9669
Email: jamesc@CJCLaw.com
www.cjclaw.com

Campbell Johnston Clark

Gibson Shipbrokers
Tel: +44(0) 20 7667 1000
Email: sap@eagibson.co.uk
www.gibsons.co.uk