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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 – Seasonal Sales

This week it is encouraging to report a good number of dry cargo sales being concluded prior to year end. Values, as with the freight market, remain relatively static as illustrated by the sale of the "**SBI ZUMBA**" (81,183 dwt/blt 2016 Hudong, China) at US\$20m with BWTS and scrubber fitted when compared to similar units sold from this stable. The same can be said of the reported sale of the "**KEY EVOLUTION**" (83,416 dwt/blt 2011 Sanoyas, Japan) at region US\$14.6/14.7m with the vessel being delivered with SS/DD freshly passed and BWTS fitted. Elsewhere we hear the panamax bulker "**CORAL AMBER**" (78,072 dwt/blt 2012 Shin Kurushima, Japan) is closely negotiating in the low 14's which if true would show a marked fall from the sale of the two years younger "**CRIMSON MONARCH**" (77,137 dwt/blt 2014 Imabari, Japan) which was sold in October for US\$17.5m.

Otherwise the strong turn over in supramax sales continue unabated and again we can say that values remain flat with little upward or downward trajectory. It is evident that vessel of over 55,000 dwt are now beginning to dominate the sales scene in this sector.

TANKERS – VLCC Orders Keep A' Coming

While this week's tally speaks little of VLCC sales, with just the confirmation of last week's concluded "**EAGLE**" (309,064 dwt/blt 2002 Samsung) to UEA based interests for US\$25m, we are hearing of further early 2000s built units closely negotiating, whilst also not forgetting younger SWS built units awaiting definite sales news in the ongoing Xihe judicial sell-off. In the meantime, it's the newbuilding sector that's seen yet further VLCC action with Shell heading a 10 unit strong order LOI at Daewoo for account of two undisclosed European owners at around US\$ high 90s mill apiece for LNG dual fuel giants (using high-Manganese steel bunker tanks), and Athenian Sea Carriers opting for Hyundai Heavy for a potential quartet of conventionally fuel/non-scrubber fitted units in the mid 80s mill range.

Elsewhere the products sector has seen a relatively robust price has been paid by Marflet for the **"NORD PEARL"** (50,096 dwt/blt 2009 SPP) at US\$ low 16m, albeit with the benefit of a BWTS and Scrubber fitted, which follows their purchase of the **"EVINOS"** (49,997 dwt/blt 2013 STX Jinhae) at US\$23m with BWTS fitted as well. As the week has drawn to a close there is fresh market chatter the clean trading LR1 quartet **"NORDMARS"** + **"NORDMERKUR"** + **"NORDNEPTUN"** + **"NORDVENUS"** (74,999 dwt/blt 2004 Hyundai Ulsan) seling for US\$10.25m each, all having passed SS last year but no BWTS fitted. However, no buyer has been revealed as yet.

RECYCLING – End of Year Cheer

With the end of year in sight, all Sub-Cont markets as well as Turkey seem to be gearing up for a festive splurge with prices firming everywhere. Now that Bangladesh is back and flexing its muscles again, which has given a boost to rates across the board, we expect them to begin taking the lion's share of tonnage going forwards, especially as their levels are in excess of US\$ 400. Sinokor have been active and are taking advantage of current good levels by disposing of some of their LNG tonnage. One of their vintage units which has been laid up the **"PACIFIC ENERGY"** has been sold region US\$ 451 basis delivery under tow, but no destination has been revealed yet. Usually Indian breakers will be aggressive for these types because of the high non-ferrous content in such units, but with Bangladesh looking to buy tonnage she may well end up in Chattogram. There is also talk of a second LNG of theirs being sold but no details yet.

Gibson Sale & Purchase Market Report

S&P SALES

Vessel Name	DWT	Built	Yard	Buyers	Price (\$/m)	Notes
BULKERS						
GAIA CELERIS	229,045	2006	Namura (JPN)	Singaporean buyer	11.8	SS+BWTS due 4/21.
BULK HARVEST + BULK JOYANCE	175,617	2012	Jinhai (CHN)	HNA Technology	22.2 each	
SANGEET	95,671	2012	Imabari (JPN)	Polembros	15.5	BWTS fitted.
KEY EVOLUTION	83,416	2011	Sanoyas (JPN)	Undisclosed buyer	14.7	SS+BWTS psd 12/20.
SBI LYNX	82,012	2018	Jiangsu Newyangzi (CHN)	Transocean	22	BWTS + Scrubber fitted.
SBI ZUMBA	81,183	2016	Hudong Zhonghua (CHN)	Undisclosed buyer	20	BWTS + Scrubber fitted. SS due 10/21.
ADS ARENDAL	76,830	2004	Sasebo (JPN)	Undisclosed buyer	high 7s	BWTS fitted.
RED ROSE	76,629	2003	Imabari (JPN)	Chinese buyer	6.8	DD due 3/21. No BWTS.
SBI ORION	63,500	2015	Chengxi (CHN)	Undisclosed buyer	16.1	SS psd 11/20. BWTS fitted.
SBI TETHYS	61,190	2016	NACKS (CHN)	Thai Thoreson	18.25	SS due 6/21. BWTS fitted.
QUEEN JHANSI	58,758	2007	Tsuneishi Zhoushan (CHN)	Indonesian buyer	7.5	No BWTS.
QATAR SPIRIT	57,000	2009	Qingshan (CHN)	Undisclosed buyer	7.4	DD due 8/21.
GLOVIS MADRID	56,605	2013	Tianjin Xingang (CHN)	Chinese buyer	9.7	DD due 2/21. BWTS fitted.



PANGEA	55,660	2012	Hyundai Mipo (KRS)	Undisclosed buyer	9.8	SS+BWTS due 9/21.
LOUISE B	55,625	2011	Hyundai Vinashin (VNM)	Undisclosed buyer	9.6	SS due 11/21.
ORIENT IRIS	55,464	2014	Kawasaki (JPN)	Greek buyer	14.5	BWTS fitted.
AZZURA	52,050	2004	I H I (JPN)	Chinese or Indonesian buyer	mid 6	BWTS fitted.
GIOVANNA	34,146	2011	Dae Sun (KRS)	Lebanese buyer / Janchart	8.45	SS+BWTS due 5/21. Tier II. Atlantic delivery.
BALTIC HARE	31,887	2009	Hakodate (JPN)	Undisclosed buyer	7.8	BWTS fitted. Logger.
TANKERS						
EAGLE	309,064	2002	Samsung (KRS)	UAE buyer	25	SS due 10/21.
ENERGY TRIUMPH	157,470	2018	Hyundai Samho (KRS)	CSSC Shipping	45	Basis 10 years BB back. Re-purchase obligation.
NORDMARS + N'MERKUR + N'NEPTUN + N'VENUS	74,999	all 2004	Hyundai Ulsan (KRS)	Undisclosed buyer	10.25 each	All SS psd 2019. No BWTS.
NORD PEARL	50,096	2009	SPP Sacheon (KRS)	Marflet	low 16	Deepwell. BWTS + Scrubber fitted. IMO III.
NORIENT SCORPIUS	40,429	2009	Constantza (RUM)	Augusta Due	13.5	Deepwell. Already renamed.
BALTIC ADVANCE	37,330	2006	Hyundai Mipo (KRS)	European buyer	8.5	Ice 1B. SS+BWTS due 2/21. Sale & lease back.
STOLT BOTAN	11,553	1998	Fukuoka (JPN)	Undisclosed buyer	3	Stainless Steel. DD due 2/21.
WOOSHIN ACE	6,575	1998	Murakami Hide (JPN)	S.Korean buyer	1.6	IMO II/III. StSt+Zinc coating.
CONTAINERS / RO-RO / REEFER / PCC						
TEAL HUNTER	52,300	2010	C S B C (TWN)	Wan Hai Lines	18	4043 TEU. Gearless. SS psd 3/20.
MORGANA	51,693	2010	Hyundai Samho (KRS)	Asian Spirit Steamships	14.3	4255 TEU. Gearless. SS psd 5/20.
ALLEGRO N	46,999	2014	Guangzhou Wenchong (CHN)	Undisclosed buyer	13.5	3421 TEU. Geared.
NORDSPRING + NORDWINTER	46,250	2007+2008	STX Jinhae (KRS)	MPC	11 each	3586 TEU. Gearless.
CASTOR N	41,850	2007	Szczecinska (POL)	Undisclosed buyer	9	3091 TEU. Geared.
BOMAR SPRING + TELEMANN	39,000	both 2006	Gdynia - Gdansk (POL)	MSC	7.5 each	2732 TEU. Geared. SS due 8/21.
FILOMATHIA	23,200	2020	Jiangsu Newyangzi (CHN)	Chinese buyer	23	1800 TEU. Gearless.

NEWBUILDING ORDERS

Ordering Client	Vessel Type	Size / No. of units	Shipyard (Country)	Delivery	Price (\$m)	Notes
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BULKERS						
CSSC Leasing	Post-panamax	85,000 dwt x 2+2	Shanhaiguan (CHN)	2022		
Zhongxin Shipping	Bulker	10,000 dwt x 1	Penglai Zhongbai Jinglu (CHN)	2021		Domestic trade.
TANKERS						
2 x European owners (c/o Shell)	VLCC	318,000 dwt x 10	DSME (KRS)	2023-2024	reg 100	LOI. LNG dual fuel.
Athenian Sea Carriers	VLCC	318,000 dwt x 2+2	Hyundai HI (KRS)	2022-2023	85-87	No scrubber.
Daitoh Trading	Chemicals	16,000 dwt x 2	Usuki (JPN)	2023		Stainless Steel. Tier II.
CONTAINERS / RO-RO / REEFER / PCC						
Shoei Kisen	Containership	23,000 TEU x 6	Imabari (JPN)	2023	est xs 150	LOI. Against TC to Ocean Network Express.
MSC	Containership	23,000 TEU x 5-6	Yangzijiang / Jiangnan / Hudong (CHN)	2023	est 145-150	Scrubber fitted.
Capital Maritime & Trading Corp	Containership	13,000 TEU x 5+5	Hyundai HI (KRS)	2022-2023		LOI. Option to upgrade to LNG dual fuel.
Capital Maritime & Trading Corp	Containership	13,000 TEU x 5+5	Samsung HI (KRS)	2022-2023		LOI. Option to upgrade to LNG dual fuel.
CMB (Delphis)	Containership	6,000 TEU x 2+6	Qingdao Yangfan (CHN)	2022-2023		Ice 1A.
CK Line	Containership	1,800 TEU x 1	Hyundai Mipo (KRS)	2022		
GAS						
Evalend Shipping	LPG	40,000 cbm x 2	Hyundai Mipo (KRS)	2022-2023	45.5	Conventional spec.

Recycling Activity

Vessel Name	BUILT	DWT	LWT	Delivery	Price (\$/lwt)	Notes
VLOC						
STELLAR NEPTUNE	1993 / Japan	291,435	39,941	as-is Labuan	422	
CAPE-SIZE						
LILA PORTO	1996 / Japan	171,090	21,221	India	273	old sale
CHEMICAL TANKER						
GULF ADVENTURE	1994 / Korea	9,214	3,551	as-is Khor Fakkan	390	
TANKER						
UNIT STAR	1980 / Japan	6,048	2,020	India	360	
LPG						
QUEEN PHENIX	1996 / Korea	7,027	3,381	India	483	
LNG						
PACIFIC ENERGY	1981 / Seden	71,472	27,575	Sub Cont options	451	under tow

Recycling Prices (US\$/LWT)

Bangladesh	Pakistan	India	Turkey
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Tank/Cont/Ro-Ro/Capes/LPG/PCC	415/430	400/410	390/400	235/250
Dry Cargo/Bulk/Tween/Gen Cargo	400/415	390/400	380/390	225/235

Newbuild and Second Hand Values (\$ million)

	Newbuild	5 Year	10 Year
Tankers			
VLCC	85	63	43
SUEZMAX	56	43	29
AFRAMAX	45	32.5	20
MR	34	26	16.5
Bulkers			
CAPE SIZE	46.5^	26	17
KAMSARMAX / PANAMAX	25^	20.5k	14k / 12.5p
ULTRAMAX / SUPRAMAX	23.5u^	17.5u/15s	10.5s
HANDYSIZE	22.5^	14.5	9

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

Indices

	C.O.B Friday
BDI	1211
\$/Yen	104.09
VLCC	
AG/East	34
TD3 (WS)	

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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.

Turkish Cargoship Detained by Libyan National Army



The Jamaican-flagged m.v. Mabrooka (IMO: 9328613), which was transporting medicine to the Libyan port of Mistrata, has been seized off Libya by rebel forces despite a truce in the country's civil war. The Turkish-owned cargoship was intercepted and detained by the Libyan National Army (LNA) off Ras al-Hilal on 5th December, for supposedly failing to comply with instructions.

Turkey is the main foreign backer of the internationally recognised Government of National Accord (GNA), which has been fighting the LNA for years. The GNA was founded in 2015 under a UN-led agreement, but efforts for a long-term political settlement have failed due to a military offensive by the LNA, which is backed by Russia, the United Arab Emirates and Egypt.

Libya has been in turmoil since the 2011 overthrow of Muammar Gaddafi and although the GNA and LNA signed a ceasefire in October 2020, this latest incident could indicate that the country's civil conflict is not over.

The Mabrooka was heading from an anchorage in Port Said in Egypt to Misrata in Libya when the AIS stopped transmitting at around 1905 GMT on 4th December. The next day, the vessel was spotted 4.4 nautical miles (8 km) north of Ras al-Hilal port and boarded by LNA armed soldiers.

An LNA spokesperson said the vessel had not responded to hails over radio and was operating within Libyan territorial waters and the LNA's no-sail zone. This is the sixth LNA seizure in the no-sail zone in 2020 and the second involving a Turkish-owned vessel.

Four Vessels Sanctioned by US for Involvement in North Korean Coal Trade



Five companies and four ships were blacklisted for violating international sanctions against North Korea on Tuesday.

The companies comprised Chinese manager Weihai Huijiang Trade, Vietnam-based Thinh Cuong and registered owners Good Siblings Ltd, Always Smooth Ltd and Silver Bridge Shipping. The associated vessels were the 7,000-dwt Asia Bridge (built 1991), 6,400-dwt Calm Bridge (built 1984), 8,000-dwt Lucky Star (built 1991) and 6,880-dwt Star 18 (built 1991).

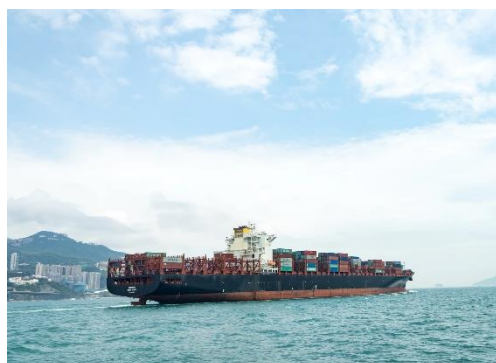
The United States said that all of the ships loaded North Korean coal, with the Lucky Star and Star 18 sailing to Vietnam.

"[North Korea] continues to circumvent the [United Nations] prohibition on the exportation of coal, a key revenue generator that helps fund its weapons of mass destruction programmes," US secretary of the Treasury Steven Mnuchin said.

The US State Department began offering rewards of up to \$5m for information on North Korea's illicit trading through its Rewards for Justice programme, specifically targeting ship-to-ship transfers of cargo destined for, or originating from, North Korea; North Koreans working internationally, and entities worldwide doing business with North Korea in relation to weapons and luxury goods.

The scheme comes as the US accuses China of helping North Korea violate international sanctions, alleging that the former had sent ships laden with prohibited goods to the sanctioned state 555 times in the past year.

Global Container Shortage Causes Major Disruptions



Container shortages have become a new challenge for suppliers as the world plays catch up on the back of the economic disruption caused by the Coronavirus.

Empty 40-foot-containers are currently in short supply – more than ever before. Roughly 60% of global goods move by container, and according to United Nations trade data there are close to 180 million containers worldwide. The CAx, an index of container availability, is now at record low levels. For week 49 Shanghai Port was just 0.03 – compared with 0.53 ten weeks previously, and 0.66 in

Week 6 of 2020. The indices for other global, and also European ports, show plunging container availability in recent weeks.

Exports from China surged this November as a result of Singles' Day, up 21% from the year before. Recently the country has been exporting three containers for every one imported and delays in containers returning to China has created a severe shortage.

Container shortages have also been exacerbated by the volumes of personal protection equipment being transported worldwide. In November, the UK's main container port at Felixstowe was said to be storing some 11,000 containers of PPE ordered by the British Government. Many of these containers have now been moved to inland storage points but the containers are unlikely to be released for many months and potentially longer.

In addition to creating availability challenges, all of these factors are driving major increases in freight costs for importers. BIAFD importers report container freight costs tripling, without factoring in port surcharges or costs of re-routed shipments. This means an effective add-on cost to products often well in excess of ten percent.

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