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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.
+44(0) 20 7667 1000 - sap@eagibson.co.uk - www.gibsons.co.uk*

Dry Cargo – Ultra Aggressive

As we enter the Chinese year of the Rabbit, which is one of the luckiest signs in the Chinese Zodiac representing amongst other things good fortune and nimbleness, many protagonists will be hoping that this is translated into the fortunes of the dry cargo freight market, which is certainly in need of a fillip. Historically dry rates tend to firm after Chinese New Year, so we can expect some respite from the dry decline and the question will be whether this can be maintained going forward. There does appear to be some headwinds to this recovery including China's resurgence after Covid, along with Argentina suffering one of its worst droughts in 60 years resulting in halving its annual grain production which are going to have some bearing on the freight market.

The sales board is dominated by Pacific Basin's purchase of a number of bulkers predominately of ultramax size. This aggressive acquisition certainly underlines their faith in market and their view on asset values today. With over 50pct of the ultramax fleet now being between 6-10 years old and general scarcity of Japanese built tonnage, resulting in values remaining relatively static this would appear to be a shrewd move on their part.

Tankers – Nice Price for Ice

Following recent sales of ice 1A suezmaxes in the very high US\$40s mill range, this week sees the coated, albeit dirty trading, aframax **"SEAMAGIC"** (116,905 dwt/built 2007 Hyundai, Korea) reportedly conjuring a magical US\$47m out of a hat. While generally in line (adjusting for age and type) with this month's sale of suezmax **"ICE TRANSPORTER"** (146,270 dwt/built 2006 Universal, Japan) at US\$47.5m to as yet undisclosed buyers, the sale shows how much more buyers are prepared to pay for highest ice class (and in the SEAMAGIC's case an elevated 135k cubic capacity) when only last month the market saw the high cubics non-ice class aframax **"HOUSTON STAR"** (116,093 dwt/built 2007 Universal, Japan) scoring a firm US\$39.5m, or this week's standard year older aframax sale of the

non-ice **"KRITI GALAXY"** (110,802 dwt/built 2006 Mitsui, Japan) rumoured at a notably firm US\$38m. However, the real takeaway is the meteoric rise in values of ice class aframaxs on show since October when the Ice 1A pair **"BLUESEA" + "PAROSEA"** (113,553 dwt/built 2006 Samsung, Korea) secured US\$31.25m each and Ice 1A **"SOLVIKEN"** (114,524 dwt/built 2007 Samsung, Korea) reportedly changed hands for US\$32.5m.

It was not so long ago, prior to current geopolitical events, that many often viewed ice class as a fuel thirsty hindrance, but while the daylight may be short in the Baltic there are plenty making hay in this cold climate. However, ice class remains a strictly second-hand preserve, not least for the delivery windows misaligned to capitalise on what may prove a short-term phenomenon and for the fact that many ice class buyers are broadly unknown entities without the stature or experience in ordering. So, predictably without ice fleet renewals from traditional stalwarts, we see a lack of any such ice class ordering with business as usual for conventional orders in the form of Seatankers' sextet of LR2s at the former STX Dalian, reborn as Hengli Heavy Industries, for US\$59.5m apiece on a 2 firm, option 2+2 basis, following TMS Tankers' trio of LR2s recently placed at China's CHI Yangzhou for US\$60m each.

Newbuilding – Bouncing forward in the year of the rabbit...

Substantial contracting activity on the bulkers has emerged with a focus on ultramax. Pricing is down marginally, around 5%, from 6 months ago. However, pricing is now benchmarked and yards may try to push pricing especially given the typical high spirits after the return from Chinese New Year celebrations. We may see general newbuilding price increases also as better economic news has appeared and any stimulus in China will increase demand for steel thus impacting shipbuilding steel plate pricing.

The fleet supply situation for tankers remains highly favourable particularly for suezmax and VLCC. We do not see much flexibility on pricing in the near future, partly for the above reason, but also the big yards are generally full with orders from LNG, LPG and Containerships, so do not need to chase business aggressively. Owners are generally cash rich from strong earnings and second-hand pricing continues to rise. We therefore expect some interest in newbuildings over the coming months even though pricing is not where owners would like to see it (albeit still 20% less than all-time highs on the larger sizes).

Recycling – The Waiting Game

Prices are gradually firming across the board throughout the Sub Cont but the distinct lack of tonnage continues. Steel prices too are showing signs of improving, which is encouraging news and indicates there is renewed demand from the end users, but owners of vintage tonnage are still enjoying healthy freight rates. Activity is sporadic and sales are few and far between, but one talking point is the much anticipated en bloc sale of a number of containerships. There is a general feeling that we will see more containers coming for recycling and bulkers too, although this will probably be a gradual flow of tonnage entering the market. With Chinese New Year upon us it is expected activity next week will be especially quiet.

Gibson Sale & Purchase Market Report

S&P SALES

Vessel Name	DWT	Built	Yard	Buyers	Price (\$/m)	Notes
BULKERS						
DYNA GLOBE	99,347	2006	Imabari (JPN)	Indonesian buyer	15.5	DD due 6/24. BWTS fitted.
AM LIBERIA	98,730	2013	Tsuneishi Zhoushan (CHN)	Greek buyer	20.5	SS psd 1/23. BWTS fitted.
PETIT CHAM	63,526	2013	Chengxi (CHN)	Greek buyer	19.7	SS due 6/23. BWTS fitted. Dely 4/23.
ULTRA GUJARAT	61,671	2012	Oshima Zosen (JPN)	Pacific Basin	20.6	SS psd 6/22. BWTS fitted.
ULTRA SASKATOON	61,470	2012	Shin Kasado (JPN)		20.95	SS psd 2/22. BWTS fitted.
ULTRA DWARKA	61,395	2012	Shin Kasado (JPN)		20.7	SS psd 5/22. BWTS fitted.
ULTRA INTEGRITY	61,181	2016	Tadotsu (JPN)		24.3	DD due 1/24. BWTS fitted.
ULTRA LANIGAN	57,950	2012	Tsuneishi Cebu (PHI)		17.5	SS due 8/23.
ULTRA FITZ ROY	37,918	2016	Imabari Marugame (JPN)		20.6	DD due 10/23. BWTS fitted.
IVS HIRONO	60,280	2015	Onomichi (JPN)	Pacific Basin	24.5	SS due 7/23.
KOTOR	32,472	2014	Korea Yanase Tongyeong	Turkish buyer	15.1	SS due 11/24. BWTS fitted. Already delivered.
TANKERS						
SEAMAGIC	116,905	2007	Hyundai Ulsan (KRS)	Undisclosed	47	Ice 1A. Coated. Trading dirty. SS psd 3/22. BWTS fitted.
LEO	112,795	2010	New Times (CHN)	Middle Eastern buyer	43	Coated. DD due 12/23. BWTS fitted.
KRITI GALAXY	110,802	2006	Mitsui (JPN)	Undisclosed	38	DD due 11/24. BWTS fitted.
CHALLENGE PASSAGE	48,658	2005	Iwagi (JPN)	Undisclosed	17.5	Pump-room. DD due 7/23. BWTS fitted. Dely WC Mexico.
MILD BLOOM	20,768	2006	Shin Kurushima (JPN)	Greek buyer	16.1	SUS 316316L. SS psd 1/22. BWTS fitted.
CONTAINERS / RO-RO / REEFER / PCC						
NORTHERN GENERAL	53,870	2008	Hyundai Mipo (KRS)	MSC	20.5	4294 TEU. Gearless. SS due 1/23 Already renamed.
AMALIA C	34,362	1998	Thyssen Nordsee (GER)	Chinese buyer	reg 6	2452 TEU. Geared. SS due 3/23.
HAMMONIA BEROLINA	33,048	2007	Jiangsu Yangzijiang (CHN)	Undisclosed	22.25	2504 TEU. Geared. Inc. TC to Maersk

X-PRESS BRAHMAPUTRA	14,070	1998	Szczecinska (POL)	Undisclosed	4	@ \$32.75k pd to 2q25. 1162 TEU. Geared. SS due 6/23.
ACACIA WA	8,524	2006	Yangfan (CHN)	Turkish buyer	9	704 TEU. Gearless. DD due 9/23.
ACACIA MING	8,483	2010	Yangfan (CHN)	FESCO	10	704 TEU. Gearless. SS psd 8/22.
GAS (LNG / LPG / LAG / CO2)						
PUTERI INTAN SATU	76,110	2002	Mitsubishi Nagasaki (JPN)	Capital Gas	30	137,489 cbm. St.Turbine. Membrane. SS+BWTS overdue 8/22.

NEWBUILDING ORDERS

Ordering Client	Vessel Type	Size / No. of units	Shipyard (Country)	Delivery	Price (\$m)	Notes
BULKERS						
Zhejiang Xiehai Group	Kamsarmax	82,500 dwt x 2	CHI Yangzhou (CHN)	2024-2025	33.8	Scrubber fitted.
Algoma Central Corp	Kamsarmax	80,000 dwt x 2+2	Yanzhijiang (CHN)	2025	65	Self-unloading.
Fujian Guohang Shipping	Panamax	73,800 dwt x 4+2	Jiangsu Haitong OEE (CHN)	2025-2026	32.1 (RMB 216)	EEDI 3.
Doun Kisen	Handysize	40,500 dwt x 2	Nantong Xiangyu (CHN)	2025		
GENERAL CARGO / TWEEN / MULTI-PURPOSE						
Longship	MPP	8,600 dwt x 4	Atlas Shipyard (TRK)	2024-2025		81.9 m box hold. Methanol C ready.
Erik Thun Group	MPP	5,100 dwt x 4	Ferus Smit (NTH)	2024-2025		Ice 1B. Canal/lake trade.
TANKERS						
Golden Energy	Suezmax	158,000 dwt x 1+1	Daehan (KRS)	2025	77	Convention fuel.
Seatankers	LR2	115,000 dwt x 2+2+2	Hengli (CHN)	2025-2026	59.5	Convention fuel.
TMS Tankers	LR2	115,000 dwt x 3	CHI Yangzhou (CHN)	2025	60	Scrubber fitted. No shaft gen.
Erik Thun Group	Prod/Chems	7,999 dwt x 4	Ferus Smit (NTH)	2024-2025		Coastal tanker
CONTAINERS / RO-RO / REEFER / PCC						
SAIC Anji Logistics	PCTC	8,900 CEU x 4	CMI Jinling (CHN)	2025-2026	xs 100	Methanol ready. Against 10 yrs COA to Guangzhou Ocean Car Carrier.
SAIC Anji Logistics	PCTC	8,900 CEU x 3	Jiangnan (CHN)	2025-2026	xs 100	Methanol ready. Against 10 yrs COA to Guangzhou

Samudera Shipping	Containership	1,900 TEU x 2	Naikai Zosen (JPN)	2024-2025	33	Ocean Car Carrier. Convention fuel.
GAS (LNG / LPG / LAG / CO2)						
Dynagas	LNG	200,000 cbm x 3	Hyundai HI (KRS)	2026	261.3	
Capital Gas	LNG	174,000 cbm x 2	Hyundai HI (KRS)	2026	reg 250	Me-Ga M/E.

Recycling Prices (US\$/LWT)

	Bangladesh	Pakistan	India	Turkey
Tank/Cont/Ro-Ro/Capes/LPG/PCC	540/560	540/550	525/535	300/310
Dry Cargo/Bulk/Tween/Gen Cargo	520/535	515/530	505/515	290/300

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	120	100	76	46.3	64.0%
Suezmax	80	68	53	32.9	61.0%
Aframax	64	62.5	49	25.0	95.9%
MR	44	41.5	33	18.3	80.8%
Bulkers					
Capesize	60.5^	44 (eco)	30	24.0	25.2%
Kamsarmax	33.5^	30.5	22.5	16.4	37.5%
Ultramax / Supramax	31^	28.5	18.5	14.1	31.2%
Handysize	28.5^	24	15.75	11.5	36.8%
^ = Chinese price (otherwise based upon Japanese / Korean country of build)				~ = Basis standard contemporaneous DWT/spec for each type.	

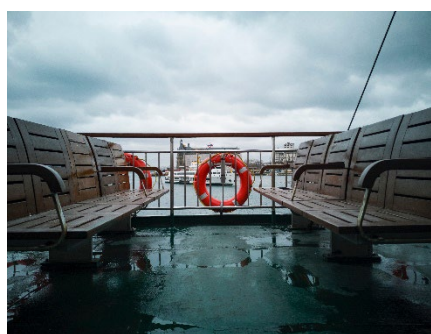
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CJC Market News



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.

MOL Announces Japan's First LNG-Fuelled Ferry



Mitsui O.S.K. Lines this week announced that the first of Japan's LNG-fuelled ferries, the Sunflower Kurenai, owned by MOL and operated by its group company Ferry Sunflower Co. Ltd, entered service on January 13. The 17,300 ton vessel was delivered in late 2022 and testing began before commercial operations commenced late last week.

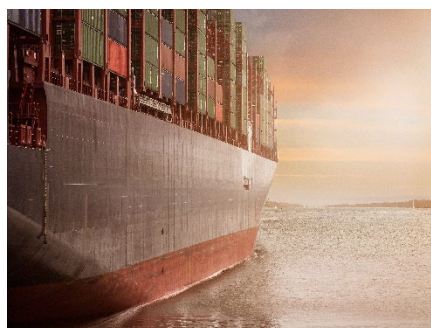
It is Japan's first ferry to adopt the latest environmental-friendly specifications including a high-performance dual-fuel engine, which can run on both LNG and heavy fuel oil. The use of LNG fuel is expected to reduce emissions of carbon dioxide by about

25%, and sulfur oxide by virtually 100%.

MOL has placed orders for four LNG-fuelled ferries, including this one, all of which are expected to be in service within 2025. The move will aid MOL in its target to achieve net zero greenhouse gas emissions by 2050.

Elsewhere, MOL has today announced the delivery of a dual-fuelled methanol carrier, the Cypress Sun, that can run on either methanol or conventional heavy fuel oil, in a further show of commitment to reducing emissions.

Pilot of Ever Forward Surrenders License after Grounding



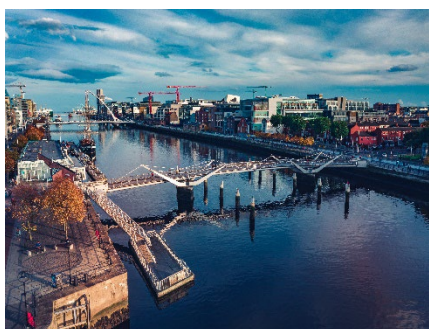
Steven Germac, the pilot of the Ever Forward who was in command of the vessel during its grounding in the Chesapeake Bay in 2022, has agreed to permanently relinquish his Maryland pilot license. The agreement was made in settlement of a hearing surrounding the pilot's conduct, held by the Maryland Board of Pilots. The settlement reportedly brings to a close two other matters to be heard, namely the nature of a previous temporary suspension of Germac's license and whether further disciplinary action, specifically a \$2,000 civil fine, was necessary based upon his role in the Ever Forward grounding.

The settlement terms stated the Germac "agrees, admits, and consents" that he violated the statutes of his profession by "failing to use all available means to monitor the position of the Ever Forward while piloting it ... and by failing to recognize the incorrect vessel position display in time to avoid the grounding".

A recent investigation of the Chesapeake Bay grounding conducted by the US Coast Guard concluded that Germac was distracted by the use of his mobile phone resulting in the vessel failing to make a turn into the Lower Craighill Channel.

During the lead up to the 'initiating event', Germac had made a call which lasted 55 minutes and sent two further text messages during a "critical time period". The Third Officer also reported seeing Germac looking at his phone less than one minute before the 'initiating event' took place.

Adoptions at 79th MEPC Meeting



It was during the 79th session of the Marine Environment Protection Committee of the International Maritime Organisation (IMO) that the IMO decided to amend Annex VI (Prevention of Air Pollution from Ships) of the International Convention for the Prevention of Pollution from Ships (MARPOL) and adopt the Mediterranean Sea Emission Control Area for Sulphur Oxides and Particulate Matter (Med SOx ECA) which will come into effect on 01 May 2025. With this decision, the IMO effectively adds the Mediterranean Sea into the already existing list of other Sulphur Emission Control Areas (the SECAs) which will contribute to attempts to reduce the impact of shipping on the environment.

The IMO decision means that as of 01 May 2025 the ships which will sail in the Mediterranean Sea will have to switch to marine fuels with 0.1% sulphur content.

According to studies undertaken by Mediterranean Action Plan of the United Nations Environment Programme (UNEP/MAP), reduction of air pollutants could benefit the Mediterranean aquatic and land ecosystems by preventing acidification, preventing 1,100 premature deaths and 2,300 cases of childhood asthma every year. It will also improve transport safety through improved visibility.

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

