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Gibson Sale & Purchase Market Report



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Tankers – Off to the Races

With Royal Ascot in full swing, buyers continue placing big wagers on tanker assets. Far Eastern Buyers are taking a flutter on Frontline's scrubber fitted "**FRONT THOR**" (156,719 dwt / built 2009 Rongsheng H.I, China) at xs US\$ 48 m. SK Shipping are under starter orders by securing Buyers for their "**C. PROSPERITY**" (313,875 dwt / built 2009 Hyundai Ulsan, S. Korea) VLCC at US\$ 58 m basis SS/DD due and prompt delivery. MRs remain a sure bet with "**DIGNITY**" (50,392 dwt / built 2010 GSI, China) leading out the blocks with US\$ 28 m and China Merchants "**CSC PROGRESS**" (45,790 dwt / built 2007 Jinling, China) holding steady at US\$ 21.5 m to Europeans. Blystad are on the final straits with their stainless steel tanker "**SONGA CHALLENGE**" (19,993 / built 2009 Usuki, Japan) selling to Heung-A for US\$ 23 m with SS/DD due. In the Winners Enclosure is Grace Management having sold their deepwell LR1 "**AVRA PATROS**" (74,998 dwt / built 2008 Sungdong, S. Kore) for US\$ 29.75 m and walking away with US\$ 11.75 m in winnings after purchasing in 2002.

Dry Cargo – Mid Summer Sedentary

The post Posidonia hangover seems to be lingering with few dry cargo sales to report and with little aggression in the freight markets there is little to drive buyers into a Summer buying frenzy. As with every rule there are exceptions and the sale of the Japanese controlled panamax the "**CORAL JASPER**" (78,087 dwt / built 2012 Shin Kurushima, Japan) is reported to have been committed in the high US\$ 22 m's, which is a big jump on last done. Similarly the kamsarmax "**LIVIA ROSA**" (81,828 dwt / built 2018 Tsuneishi Zhoushan, China) has also achieved a good price of US\$ 35.6 m, a great price for a 6 year old vessel.

Whilst activity in the small sizes seem clarify the headline sentiment with reports that the handy bulker "**SINLAU BULKER**" (34,485 dwt / built 2018 Hakodate, Japan) invited offers recently and was reportedly not in receipt of any offers that drew owners interest. Also the supramax bulker "**MAINE**



DREAM (58,105 dwt / built 2012 Tsuneishi Cebu, Philippines) invited offers this week and at time of writing no reports of a sale are evident.

Recycling – Demo in the Doldrums

The supply of Ships for Recycling is at all time low, end buyers are struggling to fill their yards and since elections in India The sentiments have softened. Eyes are now on the Indian Budget which is scheduled for July 2024. Local steel prices in India softened this past week which is certainly not helping, while as the charter markets across all segments is relatively high and giving almost no incentive for owners to consider Recycling their older units. Price levels in Bangladesh remain stable however no activity has really been witnessed this past week due to Eid holidays. Pakistan meanwhile continues to remain out of the market as their steel prices are even lower than Alang, hence local recyclers in Gadani have not been able to compete; therefore unable to buy anything.

Newbuilding – Containers Come Back

Container orders are up again and taking available slots for tankers. Some of the major container players are also pivoting back to DF LNG from methanol as the quest for the "best" alternative fuel continues. This has yet to happen on any meaningful scale in tankers with only a few owners moving speculatively to order and those have been DF LNG focused. Demand at the yards is roaring generally from containers as we say but also LPG is back again and steady levels of bulker and tanker enquiry continue. It therefore seems that we are in for a sustained period of high newbuilding pricing supported by this demand also choke points on labour costs and a very heated marine equipment supply chain (particularly main engines).

Gibson Sale & Purchase Market Report

S&P SALES

Vessel Name	DWT	Built	Yard	Buyers	Price (\$/m)	Notes
BULKERS						
STELLA HOPE	180,007	2016	Dalian No.2 (China)	Greek Buyer	45.00	DD due 08/24. BWTS
KLARISSA OLDENDORFF KAMILLA OLDENDORFF	82,223	2023	Jiangsu New Hantong (China)	Undisclosed Buyer	40 each	DD due 10/26. BWTS + DD 01/27. BWTS
LIVIA ROSE	81,828	2018	Tsuneishi Zhoushan (China)	HMM	35.60	DD due 12/25. BWTS
CORAL JASPER	78,087	2012	Shin Kurushima (Japan)	Undisclosed Buyer	high 22's	DD due 09/25
TAI HUNTER	55,418	2007	Oshima Zosen (Japan)	Chinese buyer	high 14	DD due 11/25. BWTS
TANKERS						
C. PROSPERITY	313,875	2009	Hyundai Ulsan (Korea)	Undisclosed Buyer	58.00	SS/DD due 05/24
FRONT THOR	156,719	2010	Rongsheng H.I. (China)	Undisclosed Buyer	xs 48	DD due 01/25. BWTS + Scrubber



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AVRA PATROS	74,998	2008	Sungdong (Korea)	Undisclosed Buyer	29.75	DD due 09/26
GENERAL CARGO						
SCORPIO GLORY	14,407	2007	Higaki (Japan)	Undisclosed Buyer	6.50	DD due 11/24. BWTS

NEWBUILDING ORDERS

Ordering Client	Vessel Type	Size / No. of units	Shipyard (Country)	Delivery	Price (\$m)	Notes
TANKERS						
Vitol	LR2	115,000 dwt x 4	Tianjin DSIC (China)	2026-2027	reg 72.5	-
Cape Shipping	LR1	74,000 dwt x 2	Yiangzjiang (China)	2027	reg 55	Conventional M/E.
Tsakos Energy Navigation	LR1	74,000 dwt x 5	Far Eastern Shipyard	2027-2028	-	Scrubber.
BULKERS						
Agricore Shipping	Ultramax	63,500 dwt x 4	Jiangsu New Hantong (China)	2026-2027	-	-
Alassia NewShips/Itochu	Handysize	40,000 dwt x 1	Yangzhou Nakanishi (China)	2026	-	Conventional M/E.
CONTAINERS / RO-RO / REEFER / PCC						
Peter Dohle	Containership	14,000 TEU x 4	Hudong-Zhonghua (China)	-	-	Conventional M/E. Methanol dual-fuel ready. Scrubber.
Navios	Containership	7,900 TEU x 2 + 2	HJ Shipbuilding (Korea)	2026	110.00	Methanol dual-fuel ready. Scrubber.
CMA CGM	Containership	16,000 TEU x 12	Hyundai (Korea)	2027-2028	-	LNG dual-fuel.
CMA CGM	Containership	8,000 TEU x 8	Hyundai (Korea)	2027-2028	-	LNG dual-fuel.
Toyofuji Shipping	Ro-Ro	2,300 VEH x 1	Mitsubishi (Japan)	2027	-	Methanol fuel.
Fukuju Shipping	Ro-Ro	2,300 VEH x 1	Mitsubishi (Japan)	2027	-	Methanol fuel.

Recycling Prices (US\$/LWT)

	Bangladesh	Pakistan	India	Turkey
Tank/Cont/Ro-Ro/Capes/LPG/PCC	545- 565	540 - 560	530 - 540	370 - 380
Dry Cargo/Bulk/Tween/General Cargo	530 - 540	525 - 535	510 - 520	350 - 360

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	130	115	85	52	64%
Suezmax	90	83	68	38	81%
Aframax	75	73	60	30	101%
MR	52	47	39	21	86%
Bulkers					
Capesize	76 [^]	64	45	25	81%
Kamsarmax	37.5 [^]	39	30	17	71%
Ultramax / Supramax	34 [^]	37	29	15	95%
Handysize	30.5 [^]	29	21	12	75%
				~ = Basis standard contemporaneous DWT/spec for each type.	
[^] = Chinese price (otherwise based upon Japanese / Korean country of build)					

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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.

SS United States Faces Urgent Relocation Challenge



The iconic ocean liner SS United States, once the fastest passenger ship in the world, now faces a critical challenge in its long-standing effort to be repurposed as a static attraction. The vessel has been ordered to vacate Pier 82 in Philadelphia by September 12, 2024, forcing the non-profit organization that owns it to urgently find a new location and secure the funds necessary to move the nearly 1,000-foot long ship.

Ironically, this eviction order came 25 years to the day after the SS United States was listed on the National Register of Historic Places due to its "compelling national significance."



The SS United States Conservancy has been engaged in a legal dispute with Penn Warehousing, the operator of the Philadelphia pier where the ship has been docked for the past 28 years under the care of a caretaker. U.S. District Court Senior Judge Anita Brody ruled that the pier operator could not arbitrarily double the dockage fees without notice, as the Conservancy had alleged. However, she also ordered the ship's removal. Throughout the court proceedings, the landlord claimed the ship had damaged the berth, while the Conservancy argued this was an attempt to evict the ship.

"While the Conservancy was vindicated in not being compelled to pay a large sum of back rent to the SS United States' pier operator, the ruling makes clear this iconic American symbol is in peril," stated Conservancy President Susan Gibbs, granddaughter of the ship's designer, William Francis Gibbs. "The judge's decision gives us a very limited window to find a new home for the SS United States and raise the resources necessary to move the ship and keep her safe."

The Conservancy is actively exploring potential pier locations in the Philadelphia area and along the East Coast to accommodate the former ocean liner. They are also reaching out to federal and state officials for assistance.

"Relocating a ship the size of the SS United States (53,000 gross tons and 990 feet in length) is complex and costly. It requires funds for insurance, tugs, surveys, and dock preparations to ensure the ship's safe passage to a new home," Gibbs explained.

Built during the Cold War by Newport News Shipbuilding and Drydock Company in Virginia, the liner was the brainchild of William Francis Gibbs, a leading naval architect. It became the fastest Atlantic passenger liner on its maiden voyage, achieving speeds above 35 knots.

The SS United States operated regular transatlantic service through the 1950s and 1960s but was decommissioned in November 1969 due to competition from jet airliners and declining subsidies. The ship changed ownership several times before the Conservancy unveiled a redevelopment plan in November 2023, in collaboration with RXR and MCR, to transform the liner into a mixed-use destination and museum. This plan depends on securing a permanent home for the ship.

Surveys show the hull remains solid, though the interior has been stripped, leaving it ready for redevelopment. The Conservancy is launching an urgent campaign to aid in relocating the vessel while continuing long-term redevelopment efforts.

MAIB Releases Report on Collision Between Trawler and Tug at Port of Hull in 2022



The UK's Marine Accident Investigation Bureau (MAIB) has released a report on the collision between the trawler Kirkella and a moored tug at the port of Hull in 2022. The incident was attributed to a mismatch between the controllable pitch propeller's control levers during the transfer of control from the bridge to the engine room.

On June 24, 2022, the Kirkella returned from a fishing trip and docked at King George Dock in Hull. At 0611, the master began the shutdown sequence for the ship's engines, transferring helm control first to the center console and then to the engine room.

The first engineer, in the engine control room, accepted control of propulsion, but the pitch control lever was set at 85 percent, causing the propeller to shift and match the unintended "ahead" setting.



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As a result, the Kirkella started moving forward. The first officer on the bridge noticed the movement immediately and raised the alarm. Despite efforts to stop the engine, the ship's momentum continued. Within 10 seconds, the bow of Kirkella collided with the moored harbor tug Shovette, causing it to spill diesel and take on water. Quick action by another tug prevented Shovette from capsizing.

The MAIB investigation focused on the vessel's propulsion control system which was designed for complex dynamic positioning vessels. The system, installed in 2018 during outfitting on the vessel, lacked an interlock to prevent control switching when the pitch control lever positions differed between consoles. The bridge officers had an informal practice of setting controls to "stop" before switching consoles to avoid abrupt changes. On the incident day, the first engineer, distracted by administrative tasks and working a long shift, accepted the control transfer without noticing the incorrect pitch setting. One of the MAIB's conclusions was that, *"As fitted to Kirkella, the Rolls-Royce Helicon-X3 propulsion control system did not align to the standard of UR M43.12, which required a means to prevent significant alteration of the propelling thrust when transferring control."* It is reported that the shipowner has proceeded to retrofit an interlock.

The report can be read [here](#).

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