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Gibson Sale & Purchase Market Report



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Dry Cargo – Make Hay While The Sun Shines

Sale and purchase activity for dry bulk carriers remains relatively subdued with many protagonists either on holiday or otherwise unwilling to act, preferring to wait and see what post-summer developments occur in the market. Typically when most parties are looking right there is usually one or two looking left and it appears Greek buyers have elected to move for the Norden controlled scrubber fitted kamsarmax, namely the “**NORD PENGUIN**” (82,282 dwt / built 2015 Oshima, Japan) at region US\$ 30.5 m and in the same vein we are reporting the sale of the Japanese controlled kamsarmax, also scrubber fitted, “ELSA S (80,954 dwt / built 2015 JMU, Japan) at US\$ 30.3 m – both these prices show a slight softening in values, which probably is inherent to the time of year, with some buyers taking advantage of the reduced competition.

Tankers – Crude Consolidation

While a tangible holiday hiatus of tanker sale activity remains, out of the lull comes headline news of Capital Maritime & Trading divesting 9 VLCCs for around US\$ 1 billion en bloc to Bahri. The scrubber-fitted modern South Korean built vessels, except for “**MILTADIS JUNIOR**” (320,926 dwt / built 2014 SWS, China) are reported to be boosting the Saudi buyer’s VLCC fleet to close to 50 units although said also to primarily be facilitating their “phasing out older vessels in the fleet going forward”, the deal echoing recent consolidation in the VLGC sector with BW LPG acquiring 12 VLGCs from John Fredriksen’s Avance Gas at a similar aggregate price.

Meanwhile, little else is shaking the market with just d’Amico buying-back purchase options at roughly a third below current market price. Also, Navios has been reported to have unearthed a quartet of scrubber-fitted LR2 options at significantly low price of US\$ 66 m. Details remain mysterious, while Wah Kwong is reported to have placed an order for a quartet of LR2s at China’s Hengli Heavy for US\$ 70 m apiece by more conventional comparison.



Newbuilding – Container Competition

Additional containership orders in China, such as the 5 placed by Pacific International Lines (PIL) at Hudong Zhonghua, are increasingly taking up shipyards' capacities. Combined with the further strengthening of containership market enquiries, the slots available for tanker newbuildings are competing with those for containers, affecting yards' sentiments and ability to maintain their pricing and confidently promoting their forward deliveries.

Recycling – Down in the Dumps

Conditions remain weak throughout the scrap markets as we approach the end of the summer season, which still could stretch out a little while longer if industry players prolong their holidays on the back of another rather successful year. However, when markets do resume and Q4 gets underway we do not expect much to change, but the hope is that some vintage Tankers might start finding their way to the beaches in the Sub-Cont, especially some of those which have been trading in unusual places and will struggle to find legitimate buyers. From Bangladesh, where severe political unrest has been taking place, there appears to be some stability at last that will calm the nerves and subsequently should help the local recycling markets. Despite there being little-to-no market tonnage available to purchase, prices from Bangladesh have improved a touch and they are marginally back to the top of the tree in terms of what their local breakers can offer for ship scrap. Prices across the board are high USD 400s to low-mid USD 500s. Overall sentiments are fairly muted and price levels not particularly encouraging, and available ships are of course pretty scarce.

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S&P Sales

Vessel	Dwt	Built	Yard	Buyers	Price	Notes
Bulkers						
NORD PENGUIN	82,282	2015	Oshima (Japan)	Greek buyer	reg 30.5	SS due 1/25. BWTS. Scrubber.
ELSA S	80,954	2015	JMU (Japan)	Greek buyer	30	SS due 8/25. BWTS. Scrubber.
BEAUTY JASMINE + 'LILY + 'LOTUS + 'PEONY	63,650	all 2015	CIC Jiangsu (China)		24.25 each	SS due 1-4/25. BWTS.
EFFICIENCY OL	37,130	2010	Saiki (Japan)		low-mid 15	OHBC. SS due 9/25. BWTS.
VIGOR SW	32,228	2009	Kanda (Japan)	Far Eastern buyer	13	OHBC. SS psd 4/24. BWTS.
Tankers						
*MILTADIS JUNIOR	320,926	2014	SWS (China)	Bahri	reg 1 bill	SS psd 6/24. BWTS. Scrubber.
*AMYNTAS + ANDRONIKOS + AMPHION + AGITOS	320,785	all 2019	Samsung (Korea)		*en bloc	SS psd 5-8/24. BWTS. Scrubber. Tier III.
*APOLLONAS + ATROMITOS	299,999	both 2016	Daewoo (Korea)			SS due 1+4/26. BWTS. Scrubber.
*AMORE MIO + ALTEREGO	299,847	both 2022	Hyundai Samho (Korea)			DD due 7+9/25. BWTS. Scrubber. Tier III.
CRIMSON PEARL	51,492	2017	Minami Nippon (Japan)	d'Amico International Shipping	31 (P.O.)	Purchase option. Deepwell. DD due 9/25. BWTS.



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GALL	28,310	2018	Wuhu Xinlian (China)	Turkish buyer	26	Marineline. 6 grades. DD due 4/26. BWTS. Tier III. Ice 1B.
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Newbuilding Orders

Client	Type	Size	Shipyard	Delivery	Price (US\$ mill)	Notes
Bulkers						
Gearbulk	Kamsarmax (Open Hatch)	82,300 dwt x 2	Huangpu Wenchong (China)	2028-2029	-	Geared. Open deck space. Ammonia+Methanol ready.
Tankers						
Wah Kwong Maritime Transport Holdings	LR2	113,500 dwt x 4	Hengli Heavy (China)	Undisclosed	70	Conventional fuel.
Socatra	MR1	40,000 dwt x 2	GSI (China)	Undisclosed	-	Tier III. EEDI 3.
Odfjell Tankers	Chemicals	26,000 dwt x 2	Undisclosed	2027-2028	-	Stainless steel. Against TC.
Containers / Ro-Ro / Reefer / PCC/PCTC						
PIL	Containership	13,000 TEU x 5	Hudong Zhonghua (China)	2026-2027	-	LNG dual-fuel.
Gas (LNG / LPG / LEG / LAG)						
Eastern Pacific Shipping	LPG	60,000 cbm x 4	Huangpu Wenchong (China)	2027-2028	84-85	Ammonia trade.
Navigator Holdings	LPG/LEG	48,500 cbm x 2+2	Jiangnan (China)	2027-2028	103	Ethane dual-fuel. Ammonia ready.

Recycling Prices (\$/Ldt)

	Bangladesh	Pakistan	India	Turkey
Tankers / Cont / Ro-Ro / Capes / PCC / LPG / LNG	530 - 540	520 - 530	510 - 520	370 - 380
Bulkers / Tween / General Cargo	510 - 520	500 - 510	490 - 500	350 - 360

Newbuild and Second Hand Benchmark Values (\$ million)

Vessel Type	NB	5yo	10yo	10yo ave~	10yo ave % diff
Tankers					
VLCC	129.00	115.00	85.00	52.40	62%
Suezmax	90.00	83.00	68.00	38.00	79%
Aframax	75.00	72.50	60.00	30.30	98%
MR	52.00	48.00	40.00	21.00	91%
Bulkers					
Capesize	76.50^	64.00	45.00	25.10	79%
Kamsarmax	37.50^	38.50	28.50	17.40	64%
Ultramax / Supramax	34.50^	36.00	27.00	14.60	85%
Handysize	30.50^	28.50	21.00	12.10	74%

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



~ = 10 year old vessel over 10 years (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.

Tanker Crew Rescued After Vessel Attacked



The Greek-owned and operated Suezmax tanker *Sounion* had all 25 of its crew evacuated by a European warship after being attacked multiple times on Wednesday, which resulted in one minor injury to a member of the crew and a fire that damaged the vessel's engine. The tanker was first attacked by two small boats carrying armed men who fired upon the vessel with small arms and potentially a shoulder-launched grenade, and two hours later the vessel reported strikes by two to four "projectiles" – though at

present it is unclear whether these projectiles were ballistic missiles or some sort of drone.

While drifting with its cargo of 150,000 tonnes of Iraqi crude oil, the vessel was suffered a further attempted attack by an unmanned surface vessel loaded with explosives, although this was reportedly intercepted and destroyed by a French naval vessel.

With the crew rescued, efforts will now begin to salvage the vessel, which is now anchored but is reportedly taking on water and suffering electrical problems. EUNAVFOR has described the abandoned vessel as a "navigational and environmental hazard".

Bayesian Builder Accuses Crew of "Incredible Mistakes"

Italian Sea Group, the builders of the 180-foot superyacht *Bayesian* which capsized on Monday morning resulting in the deaths of at least five people, including British tech entrepreneur Mike Lynch. The CEO of Italian Sea Group, Giovanni Costantino, told Reuters in an interview on Thursday that "incredible mistakes" and "indescribable, unreasonable errors" were made by the crew of the *Bayesian* including failing to prepare for a forecasted storm – Costantino said that "this is the mistake that cries out for vengeance".

Costantino pointed to a number of human errors that led to the sinking of the *Bayesian* – described by Constantino as "unsinkable" – which should have been "impossible" in ordinary circumstances. Among



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the alleged errors listed were the stern hatch being left open, certain doors in the superstructure likewise being left open, as well as the retractable keel bulb being raised by almost 20 feet, which would have hampered the vessel's ability to resist capsizing.

An investigation into the sinking of the *Bayesian* is already underway. Italian prosecutors are expected to hold their first press conference on the casualty this weekend.

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