# Campbell Johnston Clark
# CJC EXCHANGE

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**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.

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# Gibson Sale & Purchase Market Report

Gibson SHIPBROKERS

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## Tankers – MR Melee

Tanker markets continue to face significant challenges with another dull week and charter rates for MRs in UK/Cont/USCG now well below US$ 10k per day. One could argue with USA election around the corner, or with wider escalation in the Middle East, markets could turn. However, for the time being sentiments are bearish despite winter's onset. Unsurprisingly, no MRs are reported sold this week, and there are rumours that previous sales have failed, both providing indicators of a shift in sentiment. However, with few sellers being receptive to accept lower numbers as yet, it could yet take a few weeks more before the new 'last done' is established.

Little sale activity overall this week makes assessment of crude tonnage hard to dissect, with the price of VLCC "**ALTER EGO**" (299,235 dwt / built 2006 NACKS, China) still unknown, but teenage VLCCs and Suezmaxes have been feeling the pressure for the last few weeks and with MRs potentially joining the mix, some may say that we could be at the cusp of a long awaited 'buyer's market' should we see continued weakness in earnings and asset levels

## Dry Cargo – Dry Decline

There seems to be no let-up in the softening of dry values and this is clearly illustrated by the sale of the "**ALWINE OLDENDORFF**" and "**AUGUST OLDENDORFF**" (61,090 dwt / built 2014 and 2015 JMU, Japan). These ultramax bulkers were previously committed in in June this year at region US$ 61 m en bloc, this deal failing to materialise and now reported to be sold at US$ 50 m showing a drop of US$ 11 m in 4 months. A further example of buyers' reluctance to offer aggressively is the failed auction of the kamsarmax "**CL DALIAN**" (81,700 dwt / built 2014 Jiangnan Changxing, China), which received no bids, presumably because the starting price was set at US$ 20.25 m, which is more than than the market can bear. Interestingly, the year older sister, namely the "**CL BEIJING**" (81,700 dwt / built

2013 Jiangnan Changxing), is coming up for auction with a slightly more attractive starting price of US$ 18.9 m and it will be interesting to see if there are any takers.

## Recycling – Weighted Expectations

India's local steel markets indeed seem to be slowing down, especially with Diwali holidays approaching. This seasonal lull may dampen activity further, but optimism among breakers for post-Diwali market conditions could bring some positive changes for 2025.

In Bangladesh, the sideways movement is concerning, particularly considering ongoing challenges for the issuance of letters of credit (LC) and weak local steel demand. The current offer levels around $475-480/LT from ship-breakers reflect a cautious approach, given the political instability and foreign deficit issues the country is facing.

In short, both markets appear to be in a wait-and-see mode, with potential shifts contingent on external factors and the broader economic landscape. It will be interesting to monitor how the post-holiday period unfolds and whether optimism in the recycling sector can translate into actionable demand.

## Gibson Sale & Purchase Market Report

**S&P SALES**

| Vessel | Dwt | Built | Yard | Buyers | Price | Notes |
|---|---|---|---|---|---|---|
| | | | **Bulkers** | | | |
| **K. DAPHNE + LAVENDER** | 180,000 | 2009 + 2010 | STX + Daewoo (Korea) | Jiangsu Steamship | 53 en bloc | SS due 12/24 + SS due 8/25. BWTS. |
| **HERO** | 178,076 | 2010 | SWS (China) | Undisclosed | 27.0 | SS due 6/25. BWTS. |
| **SPRING BRIGHT** | 174,757 | 2010 | Namura (Japan) | Undisclosed | reg 29 | Dely Q1'25. SS due 1/25. |
| **GREENWICH PIONEER** | 63,500 | 2020 | Nantong Xiangyu (China) | Undisclosed | xs 32 | SS due 8/25. BWTS. Scrubber. Inc. TC to 3/25. |
| **ALWINE OLDENDORFF + AUGUST OLDENDORFF** | 61,090 | 2014 + 2015 | JMU (Japan) | Costamare | 50 en bloc | SS due 12/24 + 1/25. BWTS. Scrubber. |
| **INTERLINK NOBILITY** | 40,098 | 2017 | Taizhou Kouan (China) | Turkish buyer | 25.3 | DD due 6/25. BWTS. |
| **CAROLINE SELMER** | 33,647 | 2011 | Saiki (China) | Aktea Navigation | low-mid 12 | SS due 7/26. |
| **EMIL SELMER** | 32,626 | 2010 | Jiangsu Zhenjiang (China) | Undisclosed | 10.0 | SS due 12/25. |
| **KEN MEI** | 29,734 | 2003 | Shikoku (Japan) | Undisclosed | 7.3 | DD due 10/26. BWTS. |
| **KEN TOKU** | 29,678 | 2005 | Shikoku (Japan) | Undisclosed | 8.4 | SS due 8/25. BWTS. |
| **VANTAGE DREAM** | 29,084 | 2011 | Nantong Nikka (China) | Undisclosed | reg 10 | DD due 3/25. |
| | | | | | | |
| **ALTER EGO** | 299,235 | 2006 | NACKS (China) | Undisclosed | - | SS psd 5/24. |
| **OCTA LUNE** | 72,910 | 2005 | Hyundai Ulsan (Korea) | Undisclosed | 22.0 | Deepwell. SS due 2/25. BWTS. |

| | | | | | | |
|---|---|---|---|---|---|---|
| **ASTELLA** | 37,583 | 2011 | Hyundai Mipo (Korea) | Navigazione Montanari | - | Deepwell. SS due 4/26. Old sale. |
| | | | **Gas (LNG / LPG / LEG / LAG)** | | | |
| **NAVIGATOR PEGASUS** | 23,640 | 2009 | Jiangnan (China) | Undisclosed | 32.0 | 21,768. Semi-ref. SS psd 8/24. BWTS. |
| **GASCHEM WESER** | 5,807 | 1999 | Kodja Bahari (Indonesia) | Ukranian buyer | reg 4 | 5,568 cbm. Semi-ref. SS due 12/24. |
| | | | **Containers / Ro-Ro / Reefer / PCC/PCTC** | | | |
| **BRUSSELS** | 68,790 | 2000 | Hanjin (Korea) | Chinese buyer | 26.0 | 6,078 TEU. Gearless. SS due 5/25. Ice 1B. |
| **NAJADE** | 38,130 | 2007 | Nordseewerke (Germany) | German buyer | reg 20 | 2,702 TEU. Gearless. DD due 5/25. BWTS. Ice 1B. |
| **SEATRADE RED + 'ORANGE + 'WHITE + 'BLUE + 'GREEN** | 27,000 | 2016 - 2019 | Yangfan (China) | CMA CGM | 26-30 each | 2,259 TEU. 672 Reefer. BWTS. |
| **GREEN ACE** | 23,579 | 2005 | Guangzhou Wenchong (China) | Undisclosed | reg 11.5 | 1,740 TEU. Geared. SS due 9/25. Ice 1C. |
| **MARTI STAR** | 16,975 | 2008 | Shandong Weihai (China) | MSC | - | 1,402 TEU. Geared. DD due 10/26. BWTS. Ice 1A. |

**Newbuilding Orders**

| Client | Type | Size | Shipyard | Delivery | Price (US$ mill) | Notes |
|---|---|---|---|---|---|---|
| | | | **Bulkers** | | | |
| **Soki Kisen** | Ultramax | 64,000 dwt x 1 | Imabari (Japan) | 2025 | - | Conventional M/E. |
| **Soki Kisen** | Handysize | 40,650 dwt x 1 | Imabari (Japan) | 2027 | - | Conventional M/E. |
| | | | **Tankers** | | | |
| **Iino Lines** | VLCC | 309,400 dwt x 1 | Nihon (Japan) | 2027 | - | Methanol DF. Shaft gen. Against TC to Idemitsu Tanker. |
| **Horizon Tankers** | MR2 | 50,000 dwt + 2 | Zhoushan Changhong (China) | 2027 | reg 45 | Declared options. |
| | | | **Containers / Ro-Ro / Reefer / PCC/PCTC** | | | |
| **Seaspan** | Containers | 13,600 TEU x 6 | Hudong-Zhonghua (China) | 2026-2028 | - | Scrubber. Against 15 yrs TC to OOCL. |
| **PIL** | Containers | 9,000 TEU x 5 | Hudong-Zhonghua (China) | 2027-2028 | xs 140 | LOI. LNG DF. |

**Recycling Activity**

| Vessel Name | Built (Country) | DWT | Lightweight (LWT) | Delivery | Price (US$ per LWT) | Notes |
|---|---|---|---|---|---|---|
| | | | **Bulkers / Tween / General Cargo** | | | |
| **PRINCESS LOTUS** | 1996 / Japan | 70,189 | 9,214 | As-is Shanwei, China | 435.0 | Inc.200t bunkers ROB.. |
| **NING HUA** | 1993 / Japan | 69607 | 9,713 | As-is taishan, China | 433.0 | |
| **GOLD BRIDGE** | 1998 / Japan | 46,570 | 6,889 | Bangladesh | 475.0 | Already delivered. |

| | | | | | |
|---|---|---|---|---|---|
| **TAHA-Y** | 1985 / Japan | 29319 | 8,603 | India | 480.0 |
| **HAPPY BUCCANEER** | 1984 / Japan | 13,740 | 9,900 | Turkey | - |
| **SEAGRAND** | 1986 / Japan | 9672 | 3,594 | India | 460.0 |
| **ALI A** | 1980 / Japan | 7,106 | 2,500 | India | 455.0 |
| **SS GRAYWOLF** | 1985 / Germany | 2302 | 993 | Turkey | - |
| **Containers / Ro-Ro / Reefer / PCC/PCTC** | | | | | |
| **GREEN MAVERIC (Reefer)** | 1993 / Netherlands | 6,105 | 3,056 | Turkey | - |

**Recycling Prices ($/Ldt)**

| | Bangladesh | Pakistan | India | Turkey |
|---|---|---|---|---|
| **Tankers / Cont / Ro-Ro / Capes / PCC / LPG / LNG** | 490 - 500 | 465 - 485 | 475 - 500 | 340 - 350 |
| **Bulkers / Tween / General Cargo** | 470 - 480 | 460 - 470 | 465 - 480 | 330 - 340 |

**Newbuild and Second Hand Benchmark Values** *($ million)*

**Historical Average Values** *($ million)*

| Vessel Type | NB | 5yo | 10yo | 10yo ave~ | 10yo ave % diff |
|---|---|---|---|---|---|
| **Tankers** | | | | | |
| **VLCC** | 129.00 | 115.00 | 85.00 | 53.10 | 60.2% |
| **Suezmax** | 90.00 | 80.00 | 64.00 | 38.60 | 68.4% |
| **Aframax** | 75.00 | 70.00 | 58.00 | 30.90 | 89.3% |
| **MR** | 52.00 | 47.00 | 37.00 | 21.30 | 78.4% |
| **Bulkers** | | | | | |
| **Capesize** | 76.5^ | 63.00 | 43.50 | 25.30 | 77.9% |
| **Kamsarmax** | 37.5^ | 35.75 | 25.50 | 17.50 | 48.6% |
| **Ultramax / Supramax** | 35^ | 35.25 | 24.75 | 14.70 | 70.1% |
| **Handysize** | 30.5^ | 27.00 | 20.00 | 12.20 | 63.9% |

^ = 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).

# 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.*

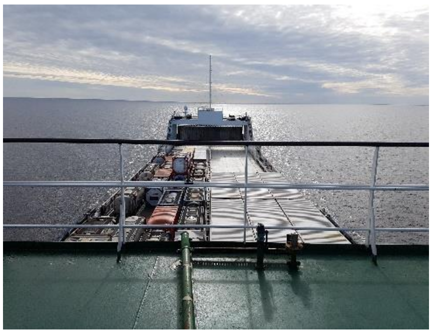
### EU Naval Forces Warn Of Potential Somali Pirate Activity

The The EU Naval Forces' Operation Atalanta cautioned vessels against a possible Somali pirate scouting party sighted on Wednesday. Officials reported that thirteen armed men were spotted departing from the Somali coast, which may suggest that pirate groups have begun searching for targets once again after the failed hijacking of the *Basilisk* in May of this year.

Somali piracy – which began to decline from peak activity in 2013 resurged significantly in late 2023 at around the same time as Houthi strikes began in the Red Sea. This new wave of piracy saw the successful hijacking of the vessels *Ruen* and *Abdullah* in 2023 and 2024 respectively. The *Ruen* was subsequently liberated by an Indian naval operation, while the pirates released the *Abdullah* after an undisclosed ransom was paid.

While it has not yet been confirmed whether the men sighted on Wednesday were indeed pirates, this sighting does come only a day after the UK Maritime Trade Operations centre reported a suspicious approach made by five small vessels towards the bulk vessel *Huan Hang 99*. Reportedly the smaller vessels were dispersed after onboard security fired warning shots, though it is unclear at present whether these vessels were manned by Somali pirates or Houthi rebels.

### Piracy Activity in Indian Ocean and Singapore Strait



Turkey's New warnings have emerged for vessels operating in the Indian Ocean and transiting the Singapore Strait. EUNAVFOR has noted the investigation of suspected pirate activity from Somalia, while ReCAAP ISC reported several incidents in the Singapore Strait occurring within just two hours, cautioning that more incidents could follow.

The ICC International Maritime Bureau (IMB) had reported a 30-year low in crimes against seafarers in the first nine months of 2024, highlighting improvement across all regions. This week however, and after a period of inactivity, EUNAVFOR's Operations Atlanta issued a warning about groups reportedly setting sail from Somalia.

In the Far East on October 18, three incidents occurred, all of which were reported off Indonesia in the Phillip Channel. The bulk carrier *Nyon*, while underway detected five perpetrators with knives in its engine room. The alarm was raised, but nothing was reported stolen. Just over an hour later, the bulker *Aspasia Luck* spotted 10 armed intruders, again in the engine room. Following a search the crew reported that spare engine parts had gone missing. The third incident involved the *Maran Spirit* Bulker where a single perpetrator was detected but nothing was reported to have been stolen.

ReCAAP also reported the Singapore Strait to be an ongoing area of concern, with 38 incidents having occurred since January 2024. Accordingly, vessels are continuously advised to be vigilant and maintain lookouts and the local authorities are called to increase patrols and surveillance.

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