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Gibson Sale & Purchase Market Report



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Tankers – Firming and the Firmament

As alluded to in recent weeks tanker prices remain firm across the board with sporadic flashes of firming set against a feeling of a ceiling as to how much can be supported on paper. Driven largely by incremental newbuilding increases and ever-later delivery availability such gains are most evident in the Tier III tonnage bracket, for example, the Tier III scrubber-fitted “**STAVANGER PIONEER**” (49,999 dwt / built 2019 Hyundai Vinashin, Vietnam) reported sold around US\$ high 47 m with Special Survey due later this year revises market broker's benchmarks of around US\$ 45.5/46 m upwards, even assuming around US\$ 1 m premium for the scrubber but also viewing how Vietnamese built would normally imply a discount against pure Korean build.

Meanwhile, the scrubber-fitted Chinese-built coated “**STIRLING**” (112,750 dwt / built 2021 Cosco Zhoushan, China) is reported sold in the US\$ low 70s-71 m price range to Greek interests with few recent comparisons, save for the uncoated scrubber-fitted “**CALYPSO**” (111,930 dwt / built 2021 Sumitomo, Japan) at US\$ 79 m to GNMTC, albeit the former being Tier II versus Tier III on the latter as perhaps explaining why even when considering Chinese discount but coating versus uncoated that the gap is not tighter. At the same time, when looking at current newbuilding quotations on offer it is becoming increasingly apparent that China is seeking to ape Japanese/Korean pricing, viewing their quality to be on a par with their neighbours, although the high-demand environment is understandably the key, and arguably variable, driver of this rather than necessarily establishing a new norm.

Dry Cargo – Cape Spring Back

While most markets experienced sluggish activity this week due to bank holidays, the Capesize market stood out with a flurry of reported transactions.

The Nasdaq Listed company OceanPal, a spin-off of Diana Shipping, locked in the sale of



“**BALTIMORE**” (177,243 dwt / built 2005 Namura, Japan) at US\$ 18.25m with a forward delivery in Autumn 2024. The asset prices are softer than the high March levels where the sister “**MOUNT CARMEL**” (177,003 dwt / built 2007 Namura, Japan) achieved US\$ 25m, being scrubber-fitted and with better SS/DD positions. However, the recent increase in rates may suggest that prices may soon reach similar levels.

The “**CUMA**” (83,006 dwt / built 2006 Tsuneishi, Japan) is reported to have achieved US\$ 15m, setting a new benchmark from the previous sale of “**YASA FORTUNE**” (82,849 dwt / built 2006 Tsuneishi, Japan) back in February, which was disposed at US\$ 12.65m. This signals a growing interest in the Kamsarmax segment of the dry bulk market. Rumours circulating about a similar unit built in 2008 seen high US\$ 16m, in alignment with the “**CUMA**”, further reinforcing the positive sentiment in the market. It remains to be seen whether the latter will establish an even higher benchmark.

Recycling – Scrapping Slowly

Activity continues to be sporadic and fairly uneventful at times, especially bearing in mind the gap between ‘demo levels’ and ‘a premium above demo levels’ is still quite a significant one therefore most tonnage of a certain vintage is still managing to find a home that continues to trade onwards and avoid the beaches. Generally, we see sentiments across the Sub-Cont as being fairly positive with demand firm and prices appear to be slowly edging upwards, but Bangladesh breakers in particular are clearly taking the lion’s share of what does get sold for recycling as evidenced by tonnage arriving at the waterfront, a far cry from what we can see arriving in Pakistan which is almost nonexistent. India meanwhile continues to dominate the Green Ship Recycling segment and has picked up another MSC Vessel which will be recycled under strict HKC standards.

Newbuilding – More in the Tank?

Further speculation on tanker newbuilding pricing continues with some predicting it has peaked and may come off. As we have commented in recent weeks, yards have not been able to enjoy the same level of interest in VLCC as in Product tankers. Therefore we do not see much more upward pressure on VLCC pricing currently. On the product side, we have continued to see further LR2, LR1, and MR2 orders placed, so it seems unrealistic to expect any flattening of pricing here or a significant reduction. Some pundits point to the more favourable fixing (T/C) positions of modern second-hand candidates over what are now far forward newbuilding slots. To buy and fix a ship on the water at attractive rates is common sense, however, with sellers’ asking prices remaining packed with a premium (in many cases a 5-year-old is the same price as newbuilding) it’s challenging to make the numbers work. Elsewhere, we await for the New Times to get government approval for their new dry dock with Q1/2027 deliveries onwards and we understand they have a credible waiting list of owners for Suezmaxes, having registered interest in the region of US\$ 80 m.

Gibson Sale & Purchase Market Report

S&P SALES

Vessel Name	DWT	Built	Yard	Buyers	Price (\$/m)	Notes
BULKERS						
LOWLANDS PROSPERITY	179,895	2012	Hanjin Subic Bay (Philippines)	Costamare	31.00	DD due 2/25. BWTS. Inc TC @ \$24k pd to 12/24.
BALTIMORE	177,243	2005	Namura (Japan)	Undisclosed	18.25	SS due 3/25. BWTS. Dely 9-



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							11/24 upon TC expiry.
HAITI	174,766	2004	SWS (China)	Jiangsu Steamship	15.00		SS overdue 11/23.
HENG SHAN	174,145	2007	SWS (China)	Chinese buyer	high 21		DD due 12/24. BWTS.
P MELIS	171,448	2003	Hyundai Ulsan (Korea)	Chinese buyer	16.00		SS psd 12/23. BWTS not yet installed.
CUMA	83,006	2006	Tsuneishi (Japan)	Undisclosed	15.00		SS due 4/26. BWTS.
DONG JIANG YOU	75,265	1999	Fincantieri (Italy)	Undisclosed	reg 7		DD due 7/25.
FLORENTINE OEKTER	63,490	2017	Imabari (Japan)	Ince Shipping Group	33.00		DD due 10/25. BWTS.
NAVIOS CELESTIAL + NAVIOS CHRISTINE B	58,060	both 2009	Tsuneishi Zhoushan (China)	Undisclosed	15 each		SS due 9+12/24. BWTS.
GILLINGHAM	58,000	2010	Yangzhou Dayang (China)	Undisclosed	13.80		SS due 8/25. BTWS.
GLOBAL STRIKER	32,976	2013	Hakodate (Japan)	Greek buyer	14.50		SS due 11/25. BWTS. Logs.
LAGO DI LUGANO	32,271	2008	Kanda (Japan)	Undisclosed	11.40		OHBC. SS due 10/25. BWTS.
TANKERS							
STIRLING	112,750	2021	COSCO Zhoushan (China)	Greek buyer	71.00		Coated. DD due 6/24. BWTS. Scrubber.
CLARET PRINCE	109,005	2010	Hudong Zhonghua (China)	Chinese buyer	43.50		SS due 1/25. BWTS. Scrubber.
SONA STAR	105,483	2003	Sumitomo (Japan)	Undisclosed	27.50		Coated. Trading dirty. SS psd 4/24. BWTS.
BOLERO	50,094	2009	SLS (Korea)	Undisclosed	27.50		Pump-room. High CBM. SS psd 4/24. BWTS.
STAVANGER PIONEER	49,999	2019	Hyundai Vinashin (Vietnam)	Coral Shipping	high 47		Deepwell. SS due 11/24. BWTS. Scrubber. Tier III. Already renamed.
PETRONILLA	49,000	2005	Daewoo (Korea)	Undisclosed	16.30		Deepwell. SS due 4/25. BWTS.
TRF KOBE + TRF KRISTIANSAND	19,997	both 2016	Kitanihon (Japan)	Hansa Tankers	32 each		Stainless Steel. DD due 5+7/24. BWTS. Scrubber.
IVORY RAY	19,991	2011	Fukuoka (Japan)	Undisclosed	24.90		Stainless Steel. DD due 5/24. BWTS.
CONTAINERS / RO-RO / REEFER / PCC							
MENDELSSOHN	46,956	2012	Shanghai Shipyard (China)	Undisclosed	22.50		3,635 TEU. Geared. DD due 4/25. BWTS. FS Ice II.



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NEWBUILDING ORDERS

Ordering Client	Vessel Type	Size / No. of units	Shipyard (Country)	Delivery	Price (\$m)	Notes
TANKERS						
Safe Bulkers	Kamsarmax	82,000 dwt x 1	Undisclosed (Japan)	2026	-	-
United Marine Egypt (UME)	Ultramax	64,000 dwt x 2	New Dayang (China)	2027	-	-
GAS (LNG / LPG / LAG / CO2)						
Nakilat	LNG	271,000 cbm x 9	Hudong Zhonghua (China)	TBA-2031	reg 333	Against long TC to QatarEnergy.
China Merchants Energy Shipping	LNG	271,000 cbm x 4	Hudong Zhonghua (China)	TBA-2031	reg 333	Against long TC to QatarEnergy.
Shandong Marine Energy	LNG	271,000 cbm x 3	Hudong Zhonghua (China)	TBA-2031	reg 333	Against long TC to QatarEnergy.
China LNG Shipping (Holdings)	LNG	271,000 cbm x 2	Hudong Zhonghua (China)	TBA-2031	reg 333	Against long TC to QatarEnergy.
Evalend Shipping	LNG	- x 2	HD Hyundai Heavy (Korea)	2028	269.20	-
BULKERS						
Safe Bulkers	Kamsarmax	82,000 dwt x 1	Undisclosed (Japan)	2026	-	-
United Marine Egypt (UME)	Ultramax	64,000 dwt x 2	New Dayang (China)	2027	-	-
CONTAINERS / RO-RO / REEFER / PCC						
RCL	Containership	4,400 TEU x 2	Huangpu Wenchong (China)	2027	56.60	-
General Cargo / Tween / Multi-purpose / Misc.						
Schoeller Holdings	Heavy-Lift	32,000 dwt x 2	Huangpu Wenchong (China)	TBA	-	Cr 3 x 350 t.

Recycling Prices (US\$/LWT)

	Bangladesh	Pakistan	India	Turkey
Tankers / Cont / Ro-Ro / Capes / PCC / LPG / LNG	555 - 575	550 - 560	530 - 545	350 - 360
Bulkers / Tween / General Cargo	530 - 545	520 - 540	510 - 520	330 - 340

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	114	85	51.6	64.7%
Suezmax	88	84	70	37.2	88.2%
Aframax	73	72.5	58	29.5	96.6%



MR	50	47	38	20.5	85.4%
Bulkers					
Capesize	69^	63.5	44.5	24.9	78.7%
Kamsarmax	37.5^	37	29.5	17.2	71.5%
Ultramax / Supramax	34.5^	34.75	28	14.6	91.8%
Handysize	30^	28	19	12	58.3%

~ = 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.

CJC Navigating the Seas of Ship Finance: Insights, Trends, and Networking



On 24th April 2024, Campbell Johnston Clark, in partnership with the Shipping Professional Network London (SPNL), held a panel discussion titled "S&P – Ship Finance: Trends, Opportunities, and Risks." Led by Harry Savva, Senior Associate at Campbell Johnston Clark, the event drew a sizable audience and delved into various topics including global trends, the influence of geopolitical and regulatory factors, financing strategies, risk mitigation, and financial incentives. To promote relationship building between the attendees, the event concluded with networking drinks.

The panel featured industry experts Steven Davies (CEO of Anglo International), Peyton Broer (Managing Director of Corporate Finance at Braemar), Amy Lindemann (Managing Associate at Campbell Johnston Clark), Chris To (Managing Editor Global Container Markets at S&P Global), and Alistair Collins (Director – Newbuilding at Braemar), who shared their valuable insights.



CJC expresses gratitude to SPNL, the esteemed panellists and all participants for contributing to the event's success.

Mice Infestation Delays Europe's First Kiwi Shipment of the Year



A portion of kiwifruit shipment bound for Europe must be destroyed due to a mice infestation in the holds of a refrigerated (reefer) vessel, announced by Zespri International. This incident affects the company's inaugural shipment for the 2024 season.

The infestation was discovered during a routine clearance at Zeebrugge, Belgium. Zespri, a company fully owned by kiwifruit growers with exclusive rights to export nearly all New Zealand kiwifruit, had to quarantine and eventually destroy all affected fruit to maintain their quality standards. Jason Te Brake, Zespri's Chief Operating Officer, highlighted the severity of the situation,

noting that this was the first occurrence of such an infestation in over two decades. The company prides itself on delivering high-quality fruit and has established a trusted brand. Te Brake affirmed that no compromised fruit would reach consumers.

The infestation prompted an operational delay, pushing back the start of Zespri's European season by a week. Approximately 1.2 million trays of SunGold kiwifruit, representing about 0.5 percent of Zespri's projected crop for the year, were on board the affected vessel. This ship was one of the first of 63 charter vessels scheduled for the 2024 season, which is expected to see a significant increase in volume compared to the previous year. The company plans to transport about 695,000 tonnes of kiwifruit using these vessels.

The 2024 fleet includes multiple shipping routes: three to Northern Europe, 14 to the Mediterranean, four to North America's West Coast, and 42 to Asia, with additional shipments via container services. This distribution strategy underscores Zespri's robust logistical framework designed to support its substantial export operations.

In response to the infestation, Zespri is working with the shipping company and insurers to investigate the cause of the mice invasion and to implement measures to prevent future occurrences. A second charter vessel is scheduled to arrive shortly in Zeebrugge for inspection before its cargo is released into the market, ensuring that all outgoing fruit meets the company's high-quality standards.

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