

# Weekly Container Briefing

16 June 2020

Time Charter Rates		
Vessel (TEU/HOM)	Index	+/-
1,100/715TEU (G) 19 k	7.29	▶ 0.00
1,740/1,300TEU (G) 20.5 k	6.00	▶ 0.00
1,714/1,250TEU (G) 19k Bkk Max	3.23	▼ 0.10
2,500/1,900TEU (G) 22 k	6.73	▶ 0.00
2,500ECO/2,100TEU (G) 18.5 k	2.65	▼ 0.22
2,800/2,000TEU (GL) 22 k	4.43	▼ 0.15
3,500/2,500TEU (GL) 23 k	3.10	▼ 0.10
4,250/2,800TEU (GL) 24 k	5.44	▼ 0.16
6,500/4,900TEU (GL) 24 k	4.27	▼ 0.71
8,500/6,600 (GL) 25 k	4.32	▼ 0.48
9,000WB/7,100TEU (GL) 25 k	4.33	▼ 0.17
10,000/8,000 (GL) 25 k	4.33	▼ 0.17
<b>BOXI Total</b>	<b>56.12</b>	<b>▼ 2.26</b>
<b>52 Week High</b>	<b>88.89</b>	
<b>52 Week Low</b>	<b>56.12</b>	

## Market comment

This week we saw more reportable activity, particularly in the feeder segment as a result of a number of Bank driven transactions. This continues to be the main source of what Buyers consider 'realistic Sellers' today.

The 'FRITZ REUTER' (1,732-TEU, geared, built 2006 Guangzhou Wenchong) was committed on subjects to clients of Lomar at a reported \$4.1m and the 'NELSON' (3.390-TEU, gearless, built 2007 Hanjin H.I.) was re-committed at \$5.2m. In both cases the pricing was in-line with expectations.

Whilst not bank driven the 'AS LEONA' (1,049-TEU, gearless, built 2008 Daesun Shipbuilding) was recommitted this time to Chinese buyers at a reported mid-\$5m levels, which sets a new benchmark. Albeit one that is expected to be eroded slightly in short order with a number of insolvent sisters from different ownership in the market.

Otherwise operators remain busy with demolition, with a number of feeder vessels committed on private terms last week and more coming to the market with offers invited over the coming few days.

## Braemar ACM's Demometer - Container Ship Deliveries

Demolition Sales Last 30 days	Total ACTUAL Demolished 2020	Total in Same Period 2019	Total Demolished 2019	Total NBs Delivered 2020
46,000 TEU (14 Vessels)	45,000 TEU (22 Vessels)	133,000 TEU (67 Vessels)	195,500 TEU (100 Vessels)	278,000 TEU (49 Vessels)

Vessel Deliveries	Wk24/20	TEU	Shipyard	Owner	Deployment	Series No + Comment
MSC Virgo		15,000	Hyundai H.I.	Zodiac Maritime	Asia-WAF-Asia	3/8 MSC Africa Express
Ever Focus		12,118	Samsung H.I.	Evergreen Marine Corp	Asia_USEC-Asia	2/8 Evergreen OCEAN-A, AWE2 via Panama
YM Continent		2,940	CSBC (Taiwan)	Yang Ming	Intra-Asia	2/10 Japan-Taiwan-South China JTS
Hui Fa		2,400	Taizhou Sanfu Ship Eng	Quanzhou Ansheng	China coastal	China coastal
Star Explorer		1,011	Daesun Shipyard	Namsung Shipping	Intra-Asia	3/4 S.Korea-China-Vietnam BIH
<b>Total TEU</b>		<b>33,469</b>				

## Macroeconomics

Exports from Indonesia tumbled 28.95% y-o-y to US\$10.53bn in May 2020, worse than market consensus of a 17.98% fall and after an upwardly revised 7.24% decline in the prior month. It was the steepest decline in exports since 2009. Imports to Indonesia slumped 42.2% y-o-y to US\$8.44bn in May 2020.

China's industrial production grew at the strongest rate since December 2019, but retail and investment remained negative in May. China's industrial production, a gauge of manufacturing, mining and utilities sector activity, grew by 4.4% y-o-y in May up from 3.9% growth in April. China retail sales remained in negative at -2.8% y-o-y in May but an improvement compared to the -7.5% decline in April.

Industrial production in the eurozone plunged by a record 17.1% m-o-m in April. (-28% y-o-y). The figures were slightly better than most analysts had expected, but still underlined how many factories and building sites were forced to close or drastically scale back their activities at the height of the strict lockdowns.

Turkey's retail trade sank 19.3% y-o-y in April of 2020, following a revised 0.9% increase in the previous month. It was the steepest decline ever recorded in retail activity amid broad lockdown measures.

UK's gross domestic product tumbled at a record 24.5% y-o-y in April of 2020, following a 5.7% fall in the previous month and compared to market expectations of a 22.6% plunge. On a monthly basis, the economy contracted a record 20.4%.

## Liner and Trade

Transpacific ocean freight rates are at an 18-month high. China-US west coast ocean rates climbed 17% last week because of tight capacity and an "unexpected" jump in demand, lifting rates to their highest level since January 2019, according to digital rates specialist Freightos. (Source : Lloyd's List)

Danish shipowners have revealed their latest plans to reach carbon neutrality by 2050. The Blue Denmark group of shipping companies and related businesses has come up with 21 initiatives and recommendations that set the course for sustainable shipping. The plan was launched this week by chairman Soren Skou, chief executive officer of AP Moller-Maersk, at a conference attended by Danish business minister Simon Kollerup. (Source : Tradewinds)

The port of Singapore has handled 14.8m TEU during the first five months of 2020, marginally down 0.7% y-o-y. For full-2019, Singapore handled 36.9m TEU up 1.6% y-o-y. (Data sourced : PSA)

CEVA Logistics is expanding its operations into Africa with the acquisition of a majority stake in AMI Worldwide, a third-party logistics provider. The deal, announced on Monday and effective from July 1, gives the Switzerland-based company a presence in 41 countries on the continent and 1,000 AMI employees. (Source : Lloyd's List)

Indicators	15-Jun-20	Last week	12 months ago
Shanghai Containerised Freight Index	1,015 ▲	926	757
FTSE 100 Index	6,061 ▼	6,469	7,346
US\$ LIBOR 12 month	0.60% ▼	0.63%	2.31%
Brent Crude Oil Price \$/bbl	38.6 ▼	40.1	62.0
Singapore Bunker 0.5% VLSFO \$/t	306 ▼	327	-