

# Weekly Container Briefing

7 July 2020

Time Charter Rates		
Vessel (TEU/HOM)	Index	+/-
1,100/715TEU (G) 19 k	7.64	► 0.00
1,740/1,300TEU (G) 20.5 k	6.00	▼ 0.20
1,714/1,250TEU (G) 19k Bkk Max	3.23	► 0.00
2,500/1,900TEU (G) 22 k	6.73	► 0.00
2,500ECO/2,100TEU (G) 18.5 k	2.65	► 0.00
2,800/2,000TEU (GL) 22 k	4.58	▲ 0.15
3,500/2,500TEU (GL) 23 k	3.00	▼ 0.10
4,250/2,800TEU (GL) 24 k	6.20	▲ 0.40
6,500/4,900TEU (GL) 24 k	4.27	► 0.00
8,500/6,600 (GL) 25 k	4.80	► 0.00
9,000WB/7,100TEU (GL) 25 k	4.17	► 0.00
10,000/8,000 (GL) 25 k	4.17	► 0.00
<b>BOXI Total</b>	<b>57.43</b>	<b>▲ 0.25</b>
<b>52 Week High</b>	<b>88.89</b>	
<b>52 Week Low</b>	<b>56.12</b>	

## Market comment

Costamare have emerged as the eventual Buyer of the MOL PARTNER & MOL PARADISE (6,400-TEU, built 2005 Imabari Shipyard) pricing is rumoured to be slightly in excess of \$19m en bloc.

Otherwise, once again it was demo that took centre stage with numerous vessels concluded over the week.

First, Taiwanese operators Evergreen invited bids on their EVER DIVINE (4,211-TEU, built 1998 Mitsubishi HI) which sold to GMS at a reported price of \$280 / Ldt (as is Hong Kong and nett of Buyers address). Then it was fellow countrymen Yang Ming's turn to sell, this time a brace of 5500s YM PINE & YM GREEN (5,551-TEU, built 2001 CSBC and Hyundai HI) which also went to GMS at a fraction over \$280/Ldt (as is Hong Kong and nett of Buyers address).

Greek Owners disposed of the EM OINOUSSES (2,506-TEU, geared, built 2000 Samsung HI) on the basis of non HKC compliant recycling and delivery Pakistan which is very keen to secure tonnage given they have been so quiet over the past few years. The price is in excess of \$340/Ldt. It will be interesting to see whether this transpires to more container vessels hitting the market for demo looking to replicate these levels.

## 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
58,500 TEU (18 Vessels)	90,000 TEU (38 Vessels)	145,500 TEU (74 Vessels)	195,500 TEU (100 Vessels)	334,500 TEU (55 Vessels)

Vessel Deliveries Wk27/20	TEU	Shipyard	Owner	Deployment	Series No + Comment
HMM Rotterdam	23,792	Samsung H.I.	HMM	Asia-EUR-Asia	2/5 THE-A FE3 scrubber fitted
Chefoo	2,381	Guangzhou Wenchong	China Navigation Co	Asia-Oceania-Asia	2/4 Asia-PNG scrubber fitted
Cape Altius	2,708	Guangzhou Wenchong	Cape Shipping S.A.	TBA	1/4 scrubber fitted
<b>Total TEU</b>	<b>28,881</b>				

## Macroeconomics

The US economy created jobs at a record pace in June as firms took on more staff after the coronavirus downturn. Payrolls surged 4.8 million, the most since the Labor Department began keeping records in 1939, helped by the reopening of factories and restaurants. It follows May's jobs rebound, when 2.5 million joined the labour market, and comes after consumer spending data saw a jump in activity.

Consumers in the euro zone returned en masse to shops in May as lockdowns were eased in the bloc. Sales in the 19 countries sharing the euro zone rose by 17.8% in May from April, Eurostat said, it was the steepest increase since euro zone records for retail sales began in 1999. On a year on year basis, retail sales in the euro zone declined - 5.1% in May, that is compared to a 19.8% y-o-y decline in April.

German new manufacturing orders surged 10.4% m-o-m in May of 2020, following an upwardly revised 26.2% drop in the previous month which was the highest on record. May's reading is the second highest ever after the coronavirus lockdown was lifted.

China's Caixin Services PMI hit its highest level in a decade in June as economic activity continues to pick up in the first country hit by coronavirus. The services PMI came in at 58.4, up from 55 in May. On Wednesday, the Caixin China manufacturing purchasing managers index rose to 51.2 compared to 50.7 in May. The services sector accounts for almost 50% of China's GDP.

## Liner and Trade

CMA CGM, the French container shipping line, has teamed up with 10 partners to form a coalition to accelerate energy transition in transport and logistics. The coalition aims to accelerate the development of energy sources and technologies to address the challenges posed by "sustainable mobility in the transport and logistics industry by reducing emissions, fighting global warming and protecting biodiversity", CMA CGM said in a statement. (Source : Lloyd's List)

Maersk announced that it has reached an agreement with Bridgepoint Development Capital to acquire KGH Customs Services (KGH), a Sweden-based specialist in trade and customs management services in Europe. This will further enhance Maersk's capabilities as an integrated container logistics company, offering end-to-end supply chain solutions to its customers. (Source : AP Moller-Maersk)

The Kiel Canal has suspended crossing fees through 2020 amid historically low bunker costs that have led to ships sailing the long way around Denmark instead of through the canal. The price for very-low-sulphur fuel oil in and around Rotterdam has fallen 49% since the beginning of the year. (Source : Tradewinds)

Indicators	06-Jul-20	Last week	12 months ago
Shanghai Containerised Freight Index	1,055 ▲	1,001	811
FTSE 100 Index	6,282 ▲	6,226	7,553
US\$ LIBOR 12 month	0.54% ▼	0.57%	2.18%
Brent Crude Oil Price \$/bbl	43.4 ▲	41.7	64.2
Singapore Bunker 0.5% VLSFO \$/t	335 ▲	319	-