BRAEMAR

BRAEMAR ACM SHIPBROKING

Weekly Container Briefing

13 October 2020

Time Charter Rates

Vessel (TEU/HOM)	Index	+/-
1,100/715TEU (G) 19 k	8.68	► 0.00
1,740/1,300TEU (G) 20.5 k	9.00	► 0.00
1,714/1,250TEU (G) 19k Bkk Max	4.38	► 0.00
2,500/1,900TEU (G) 22 k	10.58	▲ 0.72
2,500ECO/2,100TEU (G) 18.5 k	3.82	▲ 0.29
2,800/2,000TEU (GL) 22 k	7.03	► 0.00
3,500/2,500TEU (GL) 23 k	5.60	▲ 0.20
4,250/2,800TEU (GL) 24 k	13.60	▲ 0.80
6,500/4,900TEU (GL) 24 k	8.00	► 0.00
8,500/6,600 (GL) 25 k	9.60	▲ 1.76
9,000WB/7,100TEU (GL) 25 k	5.83	▲ 0.67
10,000/8,000 (GL) 25 k	5.83	▲ 0.67
BOXi Total	91.95	▲ 5.11
52 Week High	91.95	
52 Week Low	56.12	

Market comment

Sales activity has notably slowed, not through lack of Buyers but through a distinct lack of workable tonnage above 3,500TEU. Unsurprisingly a number of Owners are revising price ideas up or withdrawing vessels entirely to fix into next year at today's firm rates.

The most news worthy sale this week was the announcement by Costamare of the acquisition of TANJA RICKMERS (4,250-TEU, built 2009 Jiangsu Yangzijiang) at $10.5m. She had been on the market for an extended period of time.

Otherwise a package of 2007 built 3400TEU vessels seem set to make an interesting benchmark to compare with the sale of the sister earlier this year at only a shade above $5m. Given they are to be sold at best, they have, as one would expect seen considerable interest.

Otherwise small Feederships continue to be the most liquid with a number in close negotiations and we expect to be in a position to report further sales next week.

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
5,000 TEU (4 Vessels)	181,000 TEU (78 Vessels)	165,000 TEU (82 Vessels)	186,500 TEU (100 Vessels)	656,500 TEU (92 Vessels)

Vessel Deliveries Wk41/20	TEU	Shipyard	Owner	Deployment	Series No + Comment
-	0	-	-	-	1/4 North Asia Express
Total TEU	0				

Macroeconomics

The UK economy continued its recovery in August, growing by 2.1%. But the figure was below expectations and the economy is still 9.2% smaller than before the pandemic struck. It marked the fourth consecutive month of expansion following the slump induced by the coronavirus lockdown. However, growth in August was slower than the expansion seen in both June and July.

China surpassed the U.S. to become Germany's largest export market for the first time in the second quarter of 2020, as China is recovering from the COVID-19 pandemic more quickly. From April to June, the total value of German exports to China was close to 23 bn euros (about 27.25 bn U.S. dollars), the German Federal Statistical Office said.

Core machinery orders in Japan unexpectedly rose in August, extending gains and highlighting resilience in capital spending. Core machinery orders, a highly volatile data series regarded as an indicator of capital spending in the coming six to nine months, grew 0.2% in August after a 6.3% rise in July.

The U.S. trade deficit rose in August to the highest level in 14 years. The Commerce Department reported Tuesday that the gap between the goods and services the United States sells and what it buys abroad climbed 5.9% in August to $67.1 bn. The politically sensitive deficit in the trade of goods with China fell 6.7% to $26.4 bn. The US trade in goods deficit with Vietnam rose by 11% between July and August to $7.6 bn, and 38.9% increase from a year earlier, US government data showed.

Liner and Trade

The container freight rate spot market is showing signs of resilience in the post-Golden Week period, with indices largely unmoved at the start of the traditional slack season. The Chinese holiday marks the close of container shipping's peak season as the world's largest exporter's factories close down. Production takes time to ramp up in the following weeks. The demand slump that coincides often prompts significant rate erosion in the spot market, before picking up in the latter stages of the year. (Source : Lloyd's List)

Monthly global container volumes climbed above last year's level for the first time in August as carriers reaped the rewards of an unlikely peak season on the trunk trades. Container Trades Statistics data show that while volumes fell back slightly on July traffic, which was the busiest since the corresponding month of last year, figures of 14.8m TEU in August represented a 1.5% on the 2019 monthly tally. (Source : Lloyd's List)

South Korea's HMM has illustrated the rebound in container demand by revealing that it filled all 12 of the world's biggest boxships on their first voyages. The liner operator said the fleet of 24,000-TEU giants has been stacked to capacity after being delivered from Samsung Heavy Industries and DSME between May and September. (Source : Tradewinds)

Indicators	12-Oct-20	Last week	12 months ago
Shanghai Containerised Freight Index	1,438 ►	1,444	716
FTSE 100 Index	6,010 ▲	5,915	7,247
US$ LIBOR 12 month	0.35% ►	0.35%	1.89%
Brent Crude Oil Price $/bbl	41.7 ►	41.4	60.5
Singapore Bunker 0.5% VLSFO $/t	345 ▲	330	544