

Time Charter Rates

Vessel (TEU/HOM)	Index	+/-
1,100/715TEU (G) 19 k	9.72	▲ 0.69
1,740/1,300TEU (G) 20.5 k	10.00	▲ 1.00
1,714/1,250TEU (G) 19k Bkk Max	4.38	▶ 0.00
2,500/1,900TEU (G) 22 k	10.58	▶ 0.00
2,500ECO/2,100TEU (G) 18.5 k	3.82	▶ 0.00
2,800/2,000TEU (GL) 22 k	7.94	▲ 0.61
3,500/2,500TEU (GL) 23 k	6.00	▲ 0.40
4,250/2,800TEU (GL) 24 k	14.20	▲ 0.20
6,500/4,900TEU (GL) 24 k	9.60	▶ 0.00
8,500/6,600 (GL) 25 k	9.60	▶ 0.00
9,000WB/7,100TEU (GL) 25 k	5.83	▶ 0.00
10,000/8,000 (GL) 25 k	5.83	▶ 0.00
BOXI Total	97.51	▲ 2.90
52 Week High	97.51	
52 Week Low	56.12	

Market comment

A number of large container vessels were committed this week and more remain under discussion. Whilst there is a limit to what is reportable - activity is high.

A European operator took the lion's share of tonnage and has been willing to commit vessels on the basis of forward deliveries in the full first half of next year. Lending credence to the view that for vessels above 5,500TEU at least the current market may well be here to stay for the foreseeable future. Otherwise in a similar fashion, the Japanese Sellers of 'OOCL Kaohsiung' (5,888TEU, built 2006 Imabari Shipyard) have committed the vessel basis delivery in Q1 2021 on private terms.

In the middle of the market between 3,000-5,000TEU, there are limited Sellers with the pull of taking 12 months or longer periods at today's levels deemed to be a more attractive proposition. The next sales will, no doubt, be a considerable step up from last done.

Likewise, the number of transactions on the feeder market have also slowed slightly as the optimism is starting to drip down from above. With the charter market still making gains it takes a particularly determined Buyer to transact. Just as likely is a Seller revising their ideas upward or withdrawing ships entirely.

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)	189,500 TEU (80 Vessels)	174,500 TEU (86 Vessels)	186,500 TEU (100 Vessels)	665,000 TEU (96 Vessels)

Vessel Deliveries Wk43/20	TEU	Shipyard	Owner	Deployment	Series No + Comment
Green Wave	1,809	Hyundai Mipo Dockyard	XT Shipping Ltd	Intra-Asia	8/8 ONE Intra-Asia (Bangkok-Max)
Inessa	1,762	Cosco Guangdong	Kotoku Kaiun	Intra-Asia	5/5 Wan Hai Intra-Asia (Bangkok-Max)
Total TEU	3,571				

Macroeconomics

British retail sales have continued to increase for the fifth consecutive month, boosted by non-food items including home improvement and garden supplies, according to official figures. The Office for National Statistics (ONS) said retail sales volumes rose by 1.5% m-o-m between August and September. (4.7% y-o-y).

Eurozone consumer confidence weakened more-than-expected to its lowest level in five months in October, preliminary figures from the European Commission showed last week. The flash consumer confidence index for the euro area dropped to -15.5 from -13.9 in September.

The IHS Markit Australia Services PMI increased to 53.8 in October 2020 from 50.8 in the previous month, a flash estimate showed. The latest reading pointed to the second consecutive expansion in the services sector as restrictions designed to contain coronavirus contagions were relaxed further.

New filings for jobless claims in the U.S. totalled 787,000 last week, nearly the lowest total since the early days of the coronavirus pandemic. One reason for the decline in jobless claims has been the migration of workers who have exhausted their regular benefits and have moved to the Pandemic Unemployment Assistance emergency compensation program.

The au Jibun Bank Japan Manufacturing PMI rose to 48.0 in October 2020 from a final 47.7 a month earlier, preliminary data showed. This marked the slowest deterioration in the health of the manufacturing sector since January. Output and new orders fell further but at a slower pace.

Liner and Trade

The startling recovery in containership markets has been underlined by a positive third quarter update from Hong Kong container line OOCL. For the third quarter ended 30 September, the Cosco-controlled company said total volumes were 1.95m TEU. That's a 9.5% increase from the same period last year, despite disruption caused by the coronavirus pandemic. Trans-Atlantic trade was up 22.6%, with trans-Pacific growth at 11%. (Source : Tradewinds)

With container vessels still full from Asia to the US and Europe, shippers and forwarders are not only struggling to secure slots, but are also wrestling with supply chain disruptions caused by cargo rollovers. The disruption caused by rollovers is being exacerbated this year by exceptional demand levels. Normally, the peak shipping season when retailers stock up for the holiday season would be coming to a close towards the end of October. However, so far in 2020, there is little sign of a seasonal lull. (Source : Lloyd's List)

US west coast container ports saw improved throughput in September but an imbalance of imports over exports that has developed across the country in recent months. The four container ports of Long Beach, Los Angeles, Oakland and Seattle-Tacoma collectively saw robust loaded imports of 1,093,872 TEU in September versus loaded exports of just 385,656 TEU. (Source : Lloyd's List)

Indicators	26-Oct-20	Last week	12 months ago
Shanghai Containerised Freight Index	1,469 ▲	1,449	774
FTSE 100 Index	5,814 ▼	5,885	7,324
US\$ LIBOR 12 month	0.35% ▶	0.34%	1.96%
Brent Crude Oil Price \$/bbl	40.5 ▼	42.6	62.0
Singapore Bunker 0.5% VLSFO \$/t	341 ▶	341	551