

# Weekly Container Briefing

9 March 2021

## Time Charter Rates

Vessel (TEU/HOM)	Index	+/-
1,100/715TEU (G) 19 k	15.63	▲ 1.04
1,740/1,300TEU (G) 20.5 k	16.00	▲ 0.50
1,714/1,250TEU (G) 19k Bkk Max	8.75	▲ 0.63
2,500/1,900TEU (G) 22 k	20.19	▲ 0.96
2,500ECO/2,100TEU (G) 18.5 k	7.21	▲ 0.15
2,800/2,000TEU (GL) 22 k	14.97	▲ 0.31
3,500/2,500TEU (GL) 23 k	10.60	▲ 0.60
4,250/2,800TEU (GL) 24 k	24.80	▲ 0.80
6,500/4,900TEU (GL) 24 k	13.87	▲ 0.71
8,500/6,600 (GL) 25 k	13.76	▲ 0.32
9,000WB/7,100TEU (GL) 25 k	7.33	▲ 0.17
10,000/8,000 (GL) 25 k	7.33	▲ 0.17
<b>BOXi Total</b>	<b>160.44</b>	<b>▲ 6.36</b>
<b>52 Week High</b>	<b>160.44</b>	
<b>52 Week Low</b>	<b>56.12</b>	

## Market comment

The market continues its unrelenting rise with charter rates and periods boosting asset prices ever further.

This week the **OOCL ANTWERP** (5,888-TEU, built 2006 Imabari Shipyard) has been sold to Regional Container Lines at a price around \$33m basis forward delivery. At the time of writing, there are rumours an early 00 bit 5,700TEU vessel has been committed on subs at levels close to \$30m basis September cancelling. Given the lack of tonnage coming open in the coming months, we expect this trend of forward delivery at today's market prices to continue for at least the next few months.

In the feeder segment, the **NORDVIOLET** and **NORDLILY** (1,756-TEU, gearless, built 2015/16, Zhejiang Ouhua Shipyard) have been committed to Singapore-based Buyers at \$35.6m en bloc.

## Braemar ACM's Demometer - Container Ship Deliveries

Demolition Sales Last 30 days	Total ACTUAL Demolished 2021	Total in Same Period 2020	Total Demolished 2020	Total NBs Delivered 2021
750 TEU (2 Vessel)	4,000 TEU (5 Vessels)	24,000 TEU (13 Vessels)	199,000 TEU (88 Vessels)	126,500 TEU (24 Vessels)

Vessel Deliveries Wk09/21	TEU	Shipyard	Owner	Deployment	Series No + Comment
Wan Hai 326	3,055	JMU	Wan Hai Lines	TBA	TBA
Total TEU	3,055				

## Macroeconomics

Hiring surged in the US last month as virus cases dropped, the vaccination campaign gained steam and restaurants and bars brought back workers. Employers added 379,000 jobs in February, breaking a two-month streak of minimal gains. The growth was stronger than analysts had expected, but the activity did not significantly dent the jobless rate. It dipped from 6.3% to 6.2%.

Exports from China jumped 60.6% y-o-y to \$468.87 billion in January-February 2021 combined, far above market estimates of a 38.9% rise and accelerating from an 18.1% growth in December 2020, amid soaring global demand and improving manufacturing activity in the US and the EU on the trail of coronavirus pandemic.

US trade deficit (goods and services) broke a record in January, rising to \$68.2bn from \$67bn in December, the US Department of Commerce said. Imports of goods increased \$3.4bn to a record \$221.1bn in January, led by pharmaceuticals. Imports of services fell about 1%. US exports of goods rose \$2.1bn to \$135.7bn in January, while exports of services, like transport and travel, declined \$0.3bn to \$56.3bn. The politically sensitive trade gap with China fell 3.2% to \$27.2bn.

The US and the EU have agreed to a four-month suspension of tariffs they imposed on each other as punishment for subsidies provided to rival aircraft manufacturers Airbus and Boeing. The dispute between the US and EU over the aircraft subsidies goes back nearly two decades. In 2019, the World Trade Organization ruled that the EU had illegally provided support to Airbus, clearing the way for the US to respond with tariffs worth up to \$7.5bn in annual trade.

## Liner and Trade

High-flying container freight rates have registered their first significant drops since the onset of the pandemic. Rates from China to the US West Coast dropped to \$4,197/TEU on Thursday. (Source : Tradewinds)

US \$1.9trn pandemic relief bill passed the Senate 50-49 at the weekend and now heads back to the House of Representatives where a vote will be held this week. The movement of the bill through Congress came as China said its exports ramped up by more than 60% in January and February due to increased consumer demand funded by earlier US and European stimulus measures (Source : Lloyd's List)

Containerships calling at Singapore face increased delays in berthing due to a surge in vessel calls. Industry sources told S&P Global Platts that an 18,000-teu containership now faces a delay in turnaround of up to five to seven days from the normal maximum of two days. The number of vessels staying at Singapore port for more than two days in January was 46 per day on average. That is up about 59% compared with January 2020. (Source : Tradewinds)

Container Trade Statistics (CTS) data reported 14.3m TEU throughput handled globally during January 2021, up 3.5% y-o-y. CTS reported that total throughput for the Far East region was up 3.5% y-o-y while European throughput was slightly down by 0.5% y-o-y during January. (Data CTS)

Indicators	08-Mar-21	Last week	12 months ago
Shanghai Containerised Freight Index	2,721 ▼	2,775	871
FTSE 100 Index	6,679 ▲	6,595	6,463
US\$ LIBOR 12 month	0.28% ►	0.28%	0.94%
Brent Crude Oil Price \$/bbl	68.5 ▲	63.5	45.3
Singapore Bunker 0.5% VLSFO \$/t	522 ▲	514	416