BRAEMAR

BRAEMAR ACM SHIPBROKING

Weekly Container Briefing

25 May 2021

Time Charter Rates

Vessel (TEU/HOM)	Index	+/-
1,100/715TEU (G) 19 k	24.31	▲ 0.69
1,740/1,300TEU (G) 20.5 k	24.00	▲ 0.50
1,714/1,250TEU (G) 19k Bkk Max	11.46	▲ 0.21
2,500/1,900TEU (G) 22 k	29.81	▲ 0.96
2,500ECO/2,100TEU (G) 18.5 k	9.71	▲ 0.29
2,800/2,000TEU (GL) 22 k	21.39	▲ 0.61
3,500/2,500TEU (GL) 23 k	15.20	▲ 0.40
4,250/2,800TEU (GL) 24 k	41.60	▲ 0.80
6,500/4,900TEU (GL) 24 k	19.91	▲ 0.36
8,500/6,600 (GL) 25 k	19.20	► 0.00
9,000WB/7,100TEU (GL) 25 k	11.00	► 0.00
10,000/8,000 (GL) 25 k	11.00	► 0.00
BOXi Total	238.58	▲ 4.82
52 Week High	238.58	
52 Week Low	56.12	

Market comment

Apart from the smallest container vessels, we are increasingly at the point where anything charter free within 2021 is considered prompt from a sale & purchase point of view. With feeders open toward end 2021 starting to have aggressive numbers put in front of them. The horizons on large second hand tonnage have already moved well into 2022.

Whilst there is not much reportable this week, new benchmarks were set in the 2500, 2800 and 3500TEU sectors. There are no shortage of buyers but is becoming harder and harder for Tramp owners to be competitive with the numbers being proffered up by Liner operators.

It is difficult to see anything changing in the weeks ahead, as the pool of charter free tonnage reduces further and anything that does come to market results in a significant jump in pricing.

Newbuilding remains active with another Asian operator close to finalising an order of 7000TEU vessels and a number of regional Korean operators turning to Hyundai Mipo for 1600TEU. In addition, Greek Owners have contracted with the yard for two 2800TEU vessels at region $35m with delivery first half 2023.

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
NIL TEU (-Vessel)	10,500 TEU (12 Vessels)	33,500 TEU (17 Vessels)	199,000 TEU (89 Vessels)	381,000 TEU (59 Vessels)

Vessel Deliveries Wk20/21	TEU	Shipyard	Owner	Deployment	Series No + Comment
HMM Hanbada	16,010	Hyundai H.I.	HMM	Asia-EUR-Asia	5/8 THE A, FE3
Honiara Chief	2,780	Guangzhou Wenchong	China Navigation Co Ltd	Asia-Oceania	4/4 Asia-Oceania
Maersk Nussfjord	2,086	Imabari	Shoei Kisen	Intra-Asia	3/5 Intra-Asia - Sealand Asia
Wan Hai 286	2,038	Guangzhou Wenchong	Wan Hai Lines	Asia-ISUB-Asia	3/12 China-West India CI-8
Feeder 2	1,762	COSCO Guangdong	Meratus	Intra-Asia	1/2 Sealand Asia IA-18
Containerships Stellar	1,380	Guangzhou Wenchong	Containerships	Intra-UK Cont	6/6 LNG dual-fuel
Total TEU	26,056				

Macroeconomics

The consumer confidence indicator in the Euro Area rose by 3.0 points from a month earlier to -5.1 in May 2021, the highest level since October 2018 and above market expectations of -6.8, a flash estimate showed. Sentiment has been recently supported by the reopening of the economy and the acceleration of COVID vaccinations. Considering the European Union as a whole, consumer sentiment increased by 3.0 points to -6.0.

The IHS Markit US Services PMI jumped to 70.1 in May 2021, from 64.7 in the previous month and well above market expectations of 64.5, a preliminary estimate showed. The latest reading pointed to the sharpest rate of expansion since data collection for the series began in October 2009, amid greater customer confidence and the reopening of non-essential businesses.

Exports from Japan jumped 38.0% y-o-y to JPY 7,181 billion in March 2021, beating market consensus of a 30.9% growth and after a 16.1% rise in March. This was the steepest growth in outbound shipments since April 2010, amid strong signs that a recovery in global trade gained strength.

Liner and Trade

There is little chance of congestion in the supply chain being resolved before the fourth quarter of the year, although some signs of improvement may begin to appear in time for the traditional peak season. “We still see an enormous surge in demand that is overwhelming the shipping industry,” said Hapag-Lloyd chief executive Rolf Habben Jansen. “This has had a huge impact on spot rates, and there are still operational challenges and capacity bottlenecks. (Source : Lloyd’s List)

Singapore's X-Press Feeders has revealed itself as one of the investors in London-based Core-Power's drive to use nuclear power as a source of ship fuel. The containership operator, which describes itself as the world's biggest independent common carrier, said it is working to develop a molten salt reactor (MSR) that could both propel ships with zero emissions and produce other green fuels. (Source : Tradewinds)

Indicators	24-May-21	Last week	12 months ago
Shanghai Containerised Freight Index	3,425 ▲	3,343	854
FTSE 100 Index	7,052 ►	7,033	6,002
US$ LIBOR 12 month	0.26% ▼	0.27%	0.76%
Brent Crude Oil Price $/bbl	67.8 ▼	69.5	34.5
Singapore Bunker 0.5% VLSFO $/t	471 ▼	498	278

Braemar ACM Shipbroking - London - Singapore - Shanghai
Email: teu.snp@braemar.com
London Office: Tel: + (0) 203 142 4250 Singapore Office: Tel: + 65 65 169588