

# The Monday Morning Container Briefing

31 January 2022

## Time Charter Rates

Vessel (TEU/HOM)	Index	+/-
1,100/715TEU (G) 19 k	48.61	▲ 1.39
1,740/1,300TEU (G) 20.5 k	55.00	▲ 7.50
1,714/1,250TEU (G) 19k Bkk Max	30.21	▲ 5.21
2,500/1,900TEU (G) 22 k	76.92	▲ 8.17
2,500ECO/2,100TEU (G) 18.5 k	25.74	▲ 2.21
2,800/2,000TEU (GL) 22 k	55.00	▲ 3.06
3,500/2,500TEU (GL) 23 k	40.00	▲ 2.00
4,250/2,800TEU (GL) 24 k	96.00	▲ 4.00
6,500/4,900TEU (GL) 24 k	55.11	▲ 1.78
8,500/6,600 (GL) 25 k	57.60	▲ 1.60
9,000WB/7,100TEU (GL) 25 k	34.17	▲ 1.67
10,000/8,000 (GL) 25 k	34.17	▲ 1.67
<b>BOX Total *</b>	<b>608.52</b>	<b>▲ 40.26</b>
<b>52 Week High</b>	<b>669.79</b>	
<b>52 Week Low</b>	<b>135.02</b>	

\* Benchmark TC rates assessed on the basis of a 12-month time charter period

## Chartering

A busy week in the smaller Feeder segment sub-2,000 TEU, which does not come as a surprise as it is the only segment with a bit of liquidity and actual vessels that need to be fixed.

For the Panamax and above size there is nothing new to report and we get caught repeating ourselves to the previous weeks. With the latest increases in the Feeder sizes, owners are uncertain or clueless how to rate their vessels going forward combined with extremely firm second-hand values which can make a sale more lucrative compared to a straight charter deal.

Sub-4,000 TEU we only noticed the vintage **MESSINI** (2,458-TEU, geared, built 1997 Thyssen Nordseewerke) fixed for a rather short 12 month period with Wan Hai Lines at \$80,000/day. With the rates having reached historical heights last week, it does appear that owners are now shifting their focus on the period instead. We may soon see some four or even five-year fixtures in the 2,000 - 4,000 TEU size, which would simply follow the same development as we have noted in the larger segment during the previous months.

Strong demand and activity was noted in the sub-2,000 TEU size. In particular, ZIM was linked to several vessels and that surge somehow reminded us what happened 12 months ago when the same operator acted early in the year to cover their tonnage requirements. This resulted in other operators struggling to follow their pace. The difference now is that 12 months ago the market still offered alternative supply, but now some operators may not be able to cover their requirements.

In the smaller Feeder size, there seems to be a firming trend now that periods are exceeding the usual two year period, which we have seen in recent months as more vessels of 1,000 TEU are now reported with a three-year period.

## Representative Fixtures

Vessel	TEU	14t	Reefer	YOB	Design	Gear	Delivery	Laycan	Period	Charterer	Rate/day
MESSINI	2,458	1,894	300	1997	Thyssen 2500	3x40t	NE Asia	Mar-22	12-14 m	Wan Hai Lines	\$80,000
REN JIAN ER	1,687	1,180	152	1994	BV 1700		NE Asia	Feb-22	6-8 m	Wan Hai Lines	\$48,500
JULIUS	1,368	870	250	2009	Weihai 1300	2x40t	MED	Feb-22	12-14 m	RIF Group	\$45,000
BAL BOAN	1,050	735	178	1996	-		NE Asia	Feb-22	24-26 m	FESCO	\$25,000
NORDIC HAMBURG	1,036	740	250	2010	SSW 1000		UK Cont	Apr-22	36-38 m	BG Freight Line BV	€20,250
JSP SKIRNER	966	441	120	2006	Zhejiang 950	2x45t	UK Cont	Mar-22	12-14 m	Maersk Line	\$30,000
AVILA	894	605	198	2007	-	2x45t	MED	Mar-22	36-38 m	Sea Consortium Pte Ltd	\$20,000
PLUTO	698	441	120	2008	Mawei 437		UK Cont	Feb-22	35-50 d	Unifeeder A/S	€16,750
PENGALIA	698	443	120	2008	Mawei 437 II		UK Cont	Feb-22	35-50 d	Unifeeder A/S	€16,750

## S&P

The year of the Ox saw the biggest Bull market in container living memory but the year of the Tiger is set to eat all of the existing charter rate records, all of the existing freight rate records, all of the SNP price records, and all of the 2024 and possibly 2025 newbuilding berths. We take the opportunity to wish everyone a peaceful and prosperous year ahead!

Although usually, this may be a time to pause and reflect, there has been absolutely no time for that this week and prices increased exponentially.

In one deal, the **CAPE MARIN** (2,758-TEU, gearless, built 2012 Guangzhou Wenchong) **CAPE MARTIN** (2,742-TEU, gearless, built 2007 Aker Osteel) were said to be sold en bloc at an average price of low \$50m. A step up from the 2012 built **CAPE MANILA** recent sale at \$47m just ten days ago.

In the 1,700TEU segment, the **BINDI IPSA** (1,815-TEU, gearless, built 2013 Guangzhou Wenchong) was reportedly committed at \$35m. In the smaller segments, CV1100s built 2008 were tied up at the beginning of the week at around \$21m with rumours abounding that by Friday the ships were seeing levels in the region of \$22-\$23m.

In the larger sizes, after a long(ish) story, we understand the **IONIKOS** (4,308-TEU, built 2009 Hanjin Subic) was committed at \$96m for a June 2022 delivery. A true record and remarkable sale!

In the Newbuilding segment, Pacific International Lines (PIL) has placed an order for LNG DF 13,000s (four) at Jiangnan, whilst various Asia-based operators are rumoured to be in discussions for 7,000-13,000TEU. A mixture of conventional and DF.

We mentioned last week the pressure not to miss out and the question this week is whether this market will become tamer as we progress throughout the year?. At this point it seems unlikely and given that there are strong rumours that in the Panamax and post-Panamax segment, ships have started to trade hands on the basis of a delivery in 2023 (Q1 and Q2).

It seems much more likely that we can now declare that the *'The Roaring 20s'* are back and the market participants are looking forward to another (more) stellar year.

### Container Ship Demolition Prices US\$/LDT

	This week	Last Week	12 months ago	Momentum
India	640	635	440	▲
Bangladesh	650	640	450	▲
Pakistan	620	610	430	▲
Turkey	410	410	250	▲