

The Monday Morning Container Briefing

21 March 2022

Time Charter Rates

Vessel (TEU/HOM)	Index	+/-
1,100/715TEU (G) 19 k	62.50	▼ 6.94
1,740/1,300TEU (G) 20.5 k	70.00	► 0.00
1,714/1,250TEU (G) 19k Bkk Max	32.29	► 0.00
2,500/1,900TEU (G) 22 k	81.73	► 0.00
2,500ECO/2,100TEU (G) 18.5 k	26.47	► 0.00
2,800/2,000TEU (GL) 22 k	56.53	► 0.00
3,500/2,500TEU (GL) 23 k	40.00	► 0.00
4,250/2,800TEU (GL) 24 k	96.00	► 0.00
6,500/4,900TEU (GL) 24 k	55.11	► 0.00
8,500/6,600 (GL) 25 k	57.60	► 0.00
9,000WB/7,100TEU (GL) 25 k	34.17	► 0.00
10,000/8,000 (GL) 25 k	34.17	► 0.00
BOXi Total *	646.57	▼ 6.94
52 Week High	669.79	
52 Week Low	171.51	

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

Chartering

A very active week in the chartering market with several reported deals and further gossip about more vessels under discussion. However, any market participant should be thoughtful of widely circulated rumours as currently, it does look that there is a lot of talk which often is not factual.

In the post-Panamax segment, it was officially announced that Hapag Lloyd secured close to 10 x 14,000 TEU vessels for a five-year charter delivering from late-2023 to mid-2024 after their long-term charter agreements with Evergreen come to an end. Based on the owner's

Representative Fixtures

Vessel	TEU	14t	Reefer	YOB	Design	Gear	Delivery	Laycan	Period	Charterer	Rate/day
9 x THALASSA types	13,806	10400	800	2013/14	Hyundai 14000		WW	2023/4	60 m	Hapag-Lloyd A/G	\$49,500
CONTI ANNAPURNA	8,084	6,170	700	2004	Hyundai 8000		NE Asia	Sep-23	36 m	Ocean Network Express	\$65,000
CONTI CONQUEST	8,084	6,170	700	2006	Samsung 800		NE Asia	Aug-23	36 m	Ocean Network Express	\$65,000
NAVIOS AMARILLO	4,250	3,019	400	2007	CS4250		NE Asia	Nov-22	60 m	Zim Integrated Shipping	\$43,500
X-PRESS MEKONG	2,743	2,300	600	2021	MARIC 2700	3x45t	NE Asia	Apr-22	40-60 d	Pasha Hawaii	\$180,000
THANA BHUM	1,858	1,300	300	2005	Saylemoon		NE Asia	Apr-22	35-38 m	Wan Hai Lines	\$40,500
WINNER	1,841	1,293	462	2008	Hyundai 1800	3x45t	PG	Apr-22	35-38 m	Emirates Shipping	RNR
SEVILLIA	1,794	1,350	319	2008	Kouan 1800	3x40t	SE Asia	Apr-22	36-38 m	Samudera	\$40,000
HANSA FREYBURG	1,740	1,330	300	2003	Wenchong 1700	2x40t	NE Asia	May-22	36-38 m	China COSCO Shipping	\$39,850
A KIBO	1,708	1,260	172	2008	Imabari 1700		NE Asia	May-22	6-8 m	Namsung Shipping	\$90,000
EF ELENA	1,338	914	449	2007	MRC 1100	2x45t	R Sea	May-22	18-20 m	WFP	RNR
ISARA BHUM	1,055	700	180	2008	Murakami 1100		NE Asia	Apr-22	12-14 m	Sinotrans	\$41,500
SIRI BHUM	1,006	655	180	2013	Daesun 1000		NE Asia	Mar-22	10-11 m	TS Lines Ltd	\$41,500

S&P

'Beware the Ides of March' seemed to be on the mind of a few within the container second-hand market this week.

Slightly puzzling from our point of view, even though freight rates have dropped/stabilised a little, tonnage availability has not increased, charter hires have not shifted down and volumes have not fallen either.

Unfortunately, this weakening theme has forced its way into the market with a few ships fixing and failing on 'buyers' subjects'. An uncertain market is not something participants have seen for some time and collective amnesia seems to have set in with conviction of decision being in short supply.

filings, the rate is close to \$50,000/day, which is on par with the historical average for this particular size and reflects a fair discount considering the forward deliveries. ONE has also extended two existing 8,500 TEU vessels from Q3 2023 for another three years at a reported rate of \$65,000/day.

In the Panamax size, Navios extended the CS 4250 type **NAVIOS AMARILLO** for five years at an average rate of \$43,500/day which, is a tick above what another Greece-based owner announced last week. The rumours of additional vessels being fixed which are coming available during the 1H 2023 are not going away. Considering the lack of supply as well as the never-ending supply chain crisis, the demand for additional tonnage will remain despite recent corrections in the freight market which is historically not unusual at this point of the year.

The modern Maric 2700 **X-PRESS MEKONG** was reported to have extended for another two months with Pasha Hawaii at \$180,000/day, which reconfirms that shippers are still willing to pay for ad-hoc solutions. Another two standard 2,800TEUs are also rumoured to be on subjects for extension but no further details are yet available at the time of writing.

Despite some talk about uncertainty in the Feeder market sub-2,000 TEU, the reported fixtures do not reflect that picture and the market remains stable and the vessels are fixed in-line with last done. Owners do however appear comfortable for fixing in-line with last done levels and are not chasing to beat every single fixture which is hinting towards a reflection of the current market. This was shown by the Wenchong 1700 **'HANSA FREYBURG'** which reported to have done a replica of what an exact sister vessel did two weeks ago with an affiliate of Cosco.

After being failed on subjects for a two-years period the previous week, RCL now managed to extend two 1,100 TEU Feeder vessels and this time opted to go short instead for about one year period at around \$41,500/day. We may see some more liquidity in this size band and below considering service re-arrangements related to Russian sanctions.

There are worries in the world geopolitically and some reservation is natural but it seems to have been a week that has given an early voice to the 'told you so' brigade, but it is far too early to start listening to these types who enjoy a doomsday and a negative article. (Even a broken clock is right twice a day.)

From a container market point of view, there are reasons for optimism. Port and equipment disruption is on the rise again in certain parts of the world, post Covid spending is up in other areas and the charter market remains pretty well illiquid, a fact recognised by liner companies who have been in a flurry of fixing on 2023 positions for long periods and they do not seem to think the market is headed down.

Having a break is not a bad thing and the second hand and newbuild markets have been relatively quiet, but the fundamentals have not changed and we expect a busier few weeks ahead.