

## Time Charter Rates

Vessel (TEU/HOM)	Index	+/-
1,100/715TEU (G) 19 k	15.28	► 0.00
1,740/1,300TEU (G) 20.5 k	13.00	▼ 1.00
1,714/1,250TEU (G) 19k Bkk Max	6.04	▼ 0.21
2,500/1,900TEU (G) 22 k	16.35	► 0.00
2,500ECO/2,100TEU (G) 18.5 k	5.88	► 0.00
2,800/2,000TEU (GL) 22 k	10.69	▼ 0.31
3,500/2,500TEU (GL) 23 k	7.20	▼ 0.40
4,250/2,800TEU (GL) 24 k	16.00	▼ 3.20
6,500/4,900TEU (GL) 24 k	12.44	▼ 1.78
8,500/6,600 (GL) 25 k	13.60	▼ 0.80
9,000WB/7,100TEU (GL) 25 k	8.33	► 0.00
10,000/8,000 (GL) 25 k	8.33	► 0.00
<b>BOXi Total *</b>	<b>133.15</b>	<b>▼ 7.70</b>
52 Week High	653.51	
52 Week Low	133.15	

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

## Chartering

First of all and after the break between the Christmas Holidays and the New Year festivities, we would like to wish you a happy and prosperous New Year.

Global Container Indices have stabilized in recent weeks and after nearly ten months of dwindling freight rates, it is stability that operators as well as owners are looking for.

Although freight rates have come off a cliff in recent months, it needs to be addressed for the most of the year, operators have been enjoying extremely lucrative freight rates which have generated record profits for the liner industry in 2022.

Likely something for the history books but as we have stated before, the previous decade before this bull run was challenging for most operators, and tremendous investments will be needed within in the coming years to reduce or even eliminate the carbon footprint of liner shipping.

As hinted in our report before Christmas, the period leading up to the early Chinese New Year in 2023 was expected to be inactive but a time when some operators may take advantage of a

seasonal downturn and that is how it felt with MSC having secured multiple vessels in between the holidays.

Two scrubber-fitted Baby Panamax types were absorbed by the constant hunger of the world's largest liner company with charter rates back to the levels last seen two years ago. In the larger size, it was Sea Lead Shipping chartering the Daewoo 6700 type **'NORTHERN MONUMENT'** (6,750 TEU, built DSME 2004) for 4 to 5 months as a sublet from Maersk Line at \$37,500, - which looks to be a firm rate in this market.

No concrete fixture was reported in the sub-Panamax segment except one modern YZJ 2500 type which is linked to being extended with CMA CGM trading in the Caribbean for about 6 months at a firm rate of \$21,000. Several prompt positions are coming available in the coming weeks and it is expected that operators will chase for new benchmarks - the same way owners were chasing the same on the way up.

Modest activity was seen in the Feeder segment although the supply still outperforms the demand side except for specific vessels and or within specific regions.

Akkon Lines finally took the modern Sdari 1900 **'ZHONG GU HUANG HAI'** (1,912 TEU, gearless, built 2019 Jinling Shipyard) for their Far East to Turkey service for 6 months at \$14,500.

Most newcomers with such sized ships and even larger have either exited long-haul trades as the economy of scale simply doesn't add up.

Sea-Lead Shipping fixed **'CAPE FERROL'** (1,440 TEU, gearless, built 2008 Peene-Werft) for 4 to 6 at a robust rate of \$14,000.

Tonnage in the Caribbean remains tight, Tropical Shipping had to pay up when they took the CV1100 **'VEGA VELA'** (1,118 TEU, gearless, built 2005 Jinling Shipyard) for 2 - 6 months at \$14,500.

King Ocean only paid \$12,000 for the slightly smaller **'MICHELANGELO TRADER'** (1,089 TEU, geared, built 2004 Damen Okean). In Asia, CMA CGM did a new low in the smaller 700 TEU size when they took the CW 700 type **'ATLANTIC BRIDGE'** (724 TEU, gearless, built 2007 Cassens) for 2 - 6 months at \$8,500.

With a significant orderbook for 2023 and liners already struggling with utilisation combined with a darkening economic outlook, potentially tepid demand this year with add to the challenges. Ultimately it is down to the operator's capacity management and more importantly their behaviour. New regulations will assist with some of the supply issues as vintage tonnage is removed, but this may prove insufficient.

## Representative Fixtures

Vessel	TEU	14t	Reefer	YOB	Design	Gear	Delivery	Laycan	Period	Charterer	Rate/day
N MONUMENT	6,750	5,150	400	2004	Daewoo 6500		NE Asia	Feb 23	4-5 months	Sea Lead Shipping	\$37,500
BF GIANT	4,398	2,818	450	2010	Corinthiakos		NE Asia	Jan-23	12-14 months	MSC	\$20,000
AS EMMA	4,256	2,801	698	2010	Jiangsu 4250		SE Asia	Dec-22	11-23 months	MSC	\$20,000
CALI	3,614	2,960	500	2013	Sungdong 3600		NE Asia	Jan-23	12-14 months	MSC	\$20,000
LORU	3,600	2,970	500	2013	Sungdong 3600		NE Asia	Jan-23	12-14 months	MSC	\$20,000
ZHONG GU HUANG HAI	1,912		492	2019	SDARI 1900		NE Asia	Dec-22	6 months	Akkon Lines	\$14,500
SAFIR 1	1,800	1,370	258	2022	Huanghai 1800		PGI	Dec-22	4-6 months	RC Line	RNR
CAPE FERROL	1,440	1,050	174	2008	PW 1500		NE Asia	Dec-22	3-5 months	Sea Lead Shipping	\$14,000
VEGA VELA	1,118	700	220	2005	CV 1100+		USG	Jan-23	3-6 months	Tropical Shipping	\$14,500
MICHELANGELO TRD	1,089	654	200	2004	CV 1100+	2x45t	CARIBS	Jan-23	1-3 months	King Ocean	\$12,000
ORTOLAN EPSILON	987	603	160	2008			NE Asia	Dec-22	2-3 months	Macrocean	\$12,000
ATLANTIC BRIDGE	724	440	150	2007	CW700		NE Asia	Jan-23	2-6 months	CMA CGM	\$8,500

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**S&P**

Even with the New Year holidays and Epiphany creating a rather short week, 2023 started with a bit of a bang in terms of activity.

MSC continued where they left off, their insatiable appetite for acquiring tonnage never seems to cease - taking the NORTH-ERN GENERAL (4,294 TEU, built 2008 Hyundai Mipo Dockyard) at \$20.5m with surveys due and rumoured to be discussing another Panamax as well as some smaller feeders.

Other buyers are also active however with particular attention being paid to the 2000-3000 TEU segment where several vessels are under discussion.

The sales list here has grown significantly and whilst prices have been under pressure, a tentative floor may have been found.

In the younger area of the market, a sextet of 2,500TEU re-sales are rumoured to be in firm negotiations alongside a brace of 1,800TEU ships. The numbers being mentioned are high \$30m and high \$20m respectively, demonstrating that Buyers continue to see the value in younger, eco tonnage.

A resale 1,900 TEU from China-based owners is also reportedly close to being sold at \$32m. A drop down from the high 30s these ships had been seeing but a strong level considering the absence of significant period employment for such levels.

The recycling market is also moving strongly. With a number of liners in discussion on various older fleets. Prices remain historically strong but with an influx of tonnage as 2023 moves on there is a possibility of prices dropping.