Time Charter Rates

Vessel (TEU/HOM)	Index	+/-
1,100/715TEU (G) 19 k	10.76	▶ 0.00
1,740/1,300TEU (G) 20.5 k	8.75	▶ 0.00
1,714/1,250TEU (G) 19k Bkk Max	4.48	▲ 0.21
2,500/1,900TEU (G) 22 k	11.30	▲ 0.48
2,500ECO/2,100TEU (G) 18.5 k	4.41	▶ 0.00
2,800/2,000TEU (GL) 22 k	7.64	▲ 0.31
3,500/2,500TEU (GL) 23 k	6.00	▲ 0.40
4,250/2,800TEU (GL) 24 k	13.60	▲ 0.80
6,500/4,900TEU (GL) 24 k	8.36	▲ 0.71
8,500/6,600 (GL) 25 k	9.60	▲ 0.64
9,000WB/7,100TEU (GL) 25 k	6.67	▲ 0.50
10,000/8,000 (GL) 25 k	6.25	▲ 0.50
BOXi Total *	97.81	▲ 4.55
52 Week High	152.22	
52 Week Low	93.27	

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

Chartering

With the Christmas and New Year celebration behind us, the year has started strong from an activity point of view. The news that is currently dominating the Container Market remains the distressing events around the Gulf of Aden and the Red Sea. Most Liner operators are now omitting the region and diverting their services around the Cape of Good Hope and the impact is being felt among all market participants.

With the Chinese New Year around the corner, shippers are rushing with bookings to secure space before the holidays. This created stress on the supply chain caused by an overwhelming number of bookings. Freight rates have consequently realised significant gains as seen in the latest FBX Global Container Freight index which surged 88% during the past week.

Considering vessels are severely delayed on their return leg from the Atlantic, new demand for extra loaders entered the market and the supply situation for January was further reduced with often few options for operators to choose from except the small Feeder market. Owners immediately adjusted to the market while increasing their rate ideas and for the first time since Q1 2023. We have noted fixtures being concluded at above last done level although the far majority are for shorter periods only indicating the uncertainty.

Strong freight increase was also seen for cargo moving into the Red Sea which in return created specific requirements for vessels where owners willing to take the risk and strong premium rates are being quoted.

In the post-Panamax segment, it was reported that the Hyundai 8000 ‘**SEAMAX STRATFORD**’ (8,533 TEU, built 2006 Hyundai Samho) was extended by OOCL for another 2 years at $33,000 which is in line with what some slightly larger vessels were fixed in November. Some more Widebeam types were also finalized on a forward basis as we stipulated previously. Given the current momentum in the market, one might question if such deals were possibly done too early?

In the Panamax segment, with limited options being available, the Jiangnan 5000 ‘**SOFIA I**’ (5,089 TEU, built 2010 Jiangnan Changxing) was extended for another 2 to 4 months at a firm rate level reported to be in the region of $20,000. In early December before the events in the Red Sea, a similar vessel obtained $17,500, so a 15% increase within three weeks.

Within the sub-Panamax segment between 2,000 – 4,000 TEU, the vintage CV2900 **‘PALERMO’** (2,890 TEU, gearless, built 1998 Kvaerner Warnow) benefited from the demand in the Red Sea and the owners secured a 6 to 9-month charter at $15,000 with Sea Consortium including a positioning into the Persian Gulf from the Mediterranean. And in the Pacific one 3,500 TEU vessel was said to have fixed a Far East Europe round voyage on private terms. Other vessels are across the globe in discussion and expected to be finalized so the supply is expected to decrease further.

Very firm activity was also noticed in the smaller Feeder segment between 1,500 – 2,000. The Sdari 1900 ‘**ZHONG GU DONG HAI**’ (1,912 TEU, gearless, built 2019 Jinling) was reported to have fixed a Europe round voyage as well with Tailwind whereof the vintage Imabari 1500 ‘**TAICHUNG**’ (1,560 TEU, gearless, built 1999 Imabari) secured a short 1 to 2 months charter trading into the Red Sea with Sealead Shipping on private terms. More units are on subjects or in talks and are expected to conclude soon.

The only segment that has not (yet) seen any benefit from the current events is the small Feeder market with too many vessels on offer. Charter rates are stable though, but periods are often only very short and flexible. There is a possibility that increasing Feeder activity could be seen in the Mediterranean and the Continent possibly caused by operators omitting ports from their usual European rotations to return vessels to the east faster.

Although owners, as well as the Liner Operators, are currently benefiting from the irregular events in the market out of the Red Sea as well as the Panama Canal, then it may be prudent to remember the 3.1m TEU in extra Capacity that is expected to deliver in 2024, with around 140 vessels due in the first quarter.

Representative Fixtures

Vessel	TEU	14t	Reefer	YOB	Design	Gear	Delivery	Laycan	Period	Charterer	Rate/day
SEAMAX STRATFORD	8,533	6,260	700	2006	Hyundai 8000		NE Asia	Mar-24	24 months	OOCL	$33,000
SOFIA I	5,089	3,350	385	2010	Jiangnan 5000		NE Asia	Feb-24	2-4 months	Maersk Line	$20,000
PALERMO	2,890	2,150	350	1998	CV 2900		PGI	Jan-24	6-9 months	X-Press Feeders	$15,000
ZHONG GU DONG HAI	1,912	1,380	300	2019	SDARI 1900		NE Asia	Jan-24	2-3 months	Tailwind	$13,000
TAICHUNG	1,560	1,218	200	1999	Imabari 1500		PGI	Jan-24	1-2 months	Sealead Shipping	RNR
WILHELMINE	1,102	700	220	2006	CV1100	2x45t	E MED	Jan-24	14-21 days	Tailwind	€7,450
CONTSHIP UNO	1,098	700	220	2007	CV1100		NE Asia	Jan-24	10-30 days	Asean Seas Lines	$6,000
PADIAN 4	1,032	900	156	2002	Iwagi 1100		NE Asia	Jan-24	1-6 months	CMA CGM	$6,900
CONTSHIP SUN	966	604	252	2007	Zhejiang 950	2x45t	E MED	Jan-24	2-4 months	CMA CGM	$8,500
JVK STAR	907	625	200	2007	Kyokuyo 900		NE Asia	Dec-23	1-2 months	Undisclosed	RNR

London Tel + (0) 203 142 4250—Singapore Tel + 65 65 169588—Athens Tel + 30 698 334 2204 —Seoul Tel + 82 10 9901 8978

Email : teu.snp@braemar.com

Sale & Purchase

The Container market has returned after the holiday season cautiously optimistic. Global events have sent some of the main indicators upward.

The Freight rate indices have climbed considerably with the SCFI registering its largest weekly gain for over a decade, shares of listed container companies have spiked and the chartering market is very active.

As events seem to be happening more often the term 'Black Swan' may soon need to be dropped from contemporary vocabulary; but with the changes in trade patterns owing to the dangers posed in the Red Sea, those watching the sale and purchase market are wondering if the spikes in rates, charters and shares will translate to asset prices.

The main question is how long will the disruption last? However, already in the opening days of 2024, there are signs that certain companies are considering purchasing tonnage on the back of the changing market. Enquiry levels for older ships have increased in all segments and certainly, there seems more activity in the second hand market; even without a plethora of sales to report, January 2024 is looking more interesting than the back end of 2023.

London Tel + (0) 203 142 4250—Singapore Tel + 65 65 169588—Athens Tel + 30 698 334 2204 —Seoul Tel + 82 10 9901 8978
Email : teu.snp@braemar.com