

Time Charter Rates

Vessel (TEU/HOM)	Index	+/-
1,100/715TEU (G) 19 k	12.85	▲ 0.35
1,740/1,300TEU (G) 20.5 k	14.50	▲ 0.25
1,714/1,250TEU (G) 19k Bkk Max	6.77	▲ 0.10
2,500/1,900TEU (G) 22 k	18.75	▲ 0.24
2,500ECO/2,100TEU (G) 18.5 k	7.35	▲ 0.29
2,800/2,000TEU (GL) 22 k	12.53	▲ 0.31
3,500/2,500TEU (GL) 23 k	10.40	▲ 0.40
4,250/2,800TEU (GL) 24 k	23.60	▲ 0.80
6,500/4,900TEU (GL) 24 k	16.00	▲ 0.89
8,500/6,600 (GL) 25 k	16.00	▲ 0.48
9,000WB/7,100TEU (GL) 25 k	10.00	▲ 0.83
10,000/8,000 (GL) 25 k	9.67	▲ 0.67
BOXi Total *	158.42	▲ 5.61
52 Week High	158.42	
52 Week Low	93.27	

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

Chartering

Despite a slight decrease in fixture numbers compared to previous weeks, the bull market persisted, with new heights being reached regularly. Throughout the week, several news stories emerged highlighting record highs in Charter rates, leading to freight indices experiencing their most significant weekly gains in months. As vessel owners grow increasingly optimistic, charterers are quickly adapting to meet the new demands to secure necessary tonnage. While the primary catalyst can be attributed to disruptions in the Red Sea, the resulting ripple effects are becoming increasingly evident.

Once again, and as previously mentioned, port congestion is on the rise, exacerbated by a serious decline in schedule reliability. Some carriers are focusing on improving this reliability, which necessitates additional tonnage.

However, certain trade lanes are experiencing unexpectedly high volumes, possibly due to improved economic conditions, such as those observed in the trans-Pacific trade with increased consumer spending.

Liner operators have also noted that major shippers are booking peak season cargo earlier than usual, likely to mitigate risks associated with potential future disruptions in global supply chains.

Representative Fixtures

Vessel	TEU	14t	Reefer	YOB	Design	Gear	Delivery	Laycan	Period	Charterer	Rate/day
TS DUBAI	7,092	5,342	800	2024	SDARI SL 7000		NE Asia	Jun-24	3 months	CMA CGM	\$80,000
KUMASI	2,207	1,725	350	2001	CSBC 2200	3x45t	NE Asia	Jun-24	70-110 days	Tailwind	\$22,000
AS ANITA	1,970	1,388	442	2010	Hyundai 2000		MED	Jun-24	7-9 months	COSCO	\$18,000
ERASMUS LEO	1,850	1,286	250	2013	Hyundai 1800		NE Asia	May-24	5-6 months	Maersk Line	\$15,500
EMORA	1,795	1,312	319	2007	Kouan 1800	2x40t	SE Asia	Jun-24	12-15 months	Evergreen	\$15,000
CAPE FULMAR	1,440	1,050	174	2007	PW 1500		MED	Jun-24	11-12 months	Sealead Shipping	\$14,500
WILHELMINE	1,102	700	220	2006	CV 1100	2x45t	W MED	May-24	3-6 months	CMA CGM	\$8,800
BF CARP	980	621	254	2009	CV 1100		NE Asia	Jun-24	6-7 months	Macrocean	£8,750

This cautious approach reflects the uncertainty prevailing in the current global climate, where future developments remain unpredictable.

As observed previously, there's a recurring trend where operators are willing to pay significant premiums for short-term charters to address ad hoc needs or fill gaps that would otherwise result in sailing cancellations.

In the Post Panamax segment, CMA CGM reportedly secured the Sdari 7000 newbuilding **'TS DUBAI'** (7,092 TEU, built 2024 SWS) directly from the shipyard for a charter lasting approximately three months at a robust rate of \$80,000. There were rumours that the charterer failed an older 5,000 TEU vessel previously, also at a very favourable rate.

With scarce Panamax tonnage available until late summer, it's unsurprising that there are no fixtures to report this week. While demand is high, owners seem to be holding back in anticipation of further market improvements, even for longer-term positions.

While history may not always provide clear lessons, in May 2023, the Panamax market peaked with vessels securing two-year charter deals at the mid-to-low \$20 thousand. However, by October 2023, similar vessels were securing flexible charters of up to six months at around \$17,000, demonstrating the volatility of the market.

Similarly, there isn't much to report in the smaller sub-Panamax market, which also faces supply challenges. The CSBC 2200 **'KUMASI'** (2,207 TEU, geared, built 2001 China Shipbuilding) was once again extended by Tailwind for another short period at a solid rate of \$22,000, consistent with our earlier observation that short-term charters are commanding healthy premiums. Anticipated deliveries of modern 2,800 TEU newbuildings in the next two months are expected to continue the trend of owners aiming to surpass previous deals, given the sustained demand.

The Feeder market remains active. Cosco Shipping extended the scrubber-fitted Hyundai 2000 **'AS ANITA'** (1,970 TEU, geared, built 2010 Hyundai Mipo Dockyard) in the Mediterranean for 7 to 9 months at a strong rate of \$18,000, while the new owners of the Hyundai 1800 **'ERASMUS LEO'** (1,850 TEU, geared, built 2013 Hyundai Mipo Dockyard) reportedly secured a 6-month charter with Maersk at \$15,500, trading in the Far East, which may seem slightly lower but could be due to prior negotiations.

Evergreen extended the Kouan 1800 **'EMORA'** (1,795 TEU, geared, built 2007 Taizhou Kouan) for a 12 to 14-month charter at \$15,000, aligning with recent rates for similar vessels.

Sale and Purchase

The container sale and purchase market experienced a busy week to mirror the improving charter market. In the mid-sizes, the **NORTHERN GUILD** (4,319 TEU, built 2009 Hyundai Mipo Dockyard) is understood to be committed close to \$26m to undisclosed interests, and European buyers are linked to the sale of the **CSL MANHATTAN** (5,039 TEU, built 2005 Hyundai H.I.) at an undisclosed price.

In the feeder segment, the Eco Bangkokmax area stole the headlines. Germany-based owners paid Circa \$16m for the 2014 Topaz **JOSITA B** (1,756 TEU, gearless, built 2014 Zhejiang Ouhua). China-based buyer Ningbo Ocean has been linked to the sale of a Yangfan June Delivery resale 1,800 TEU ship at close to \$26m. The more basic specification **BAO ZHOU CI TONG** (1,836 TEU, gearless, built 2024 Fujian Changxing Shipbuilding) is thought to be committed to Malaysia-based Buyers at \$21.7m.

The market remains active throughout the sizes, and values are pushing on along with the charter market.

In the recycling arena, Evergreen is trading two vessels. **UNI-ASSURE**, (1,164 TEU, gearless, built 1999 (25 years) Evergreen Shipyard Japan and **EVER URANUS**, (5,364 TEU (40.0m beam) built 1999 (25 years) Mitsubishi Kobe).

Newbuilding has also taken a step forward this week with several liners inviting interest in various series in the post-Panamax segment. Reports of significant confirmed LOIs will likely follow in the next few weeks, with the orderbook set again to swell. On this note, TS lines have been linked to LOIs for 2+2 14,000s and 8,000s at Chinese yard SWS, with prices rumoured at \$145m and \$89m respectively.