

Weekly Container Briefing

7 January 2020

Time Charter Rates

Vessel (TEU/HOM)	Index	+/-
1,100/715TEU (G) 19 k	8.68	► 0.00
1,740/1,300TEU (G) 20.5 k	8.50	► 0.00
1,714/1,250TEU (G) 19k Bkk Max	4.58	► 0.00
2,500/1,900TEU (G) 22 k	9.62	► 0.00
2,500ECO/2,100TEU (G) 18.5 k	3.90	► 0.00
2,800/2,000TEU (GL) 22 k	6.42	► 0.00
3,500/2,500TEU (GL) 23 k	4.40	► 0.00
4,250/2,800TEU (GL) 24 k	11.00	▲ 0.80
6,500/4,900TEU (GL) 24 k	8.89	► 0.00
8,500/6,600 (GL) 25 k	9.60	► 0.00
9,000WB/7,100TEU (GL) 25 k	6.50	► 0.00
10,000/8,000 (GL) 25 k	6.67	► 0.00
BOXi Total	88.75	▲ 0.80
52 Week High	88.75	
52 Week Low	65.32	

Market comment

Happy New Year to all of our readers, wish you the best for 2020.

Barring small feeders, unsurprisingly little in the way of second hand transactions over the festive break. Although it has emerged that the YM UTOPIA (8,236-TEU, built 2008 CSBC Taiwan) remains on subs to Germany-based Buyers at \$29m, although uncertainty continues to shroud the sale.

Whilst most were enjoying a turkey dinner, cash Buyers were hungry for steel after local steel prices rose dramatically over the past weeks.

Sinokor disposed of two feeder vessels, the SAWASDEE LAEMCHABANG (1,511-TEU, geared, built 1994 Thyssen Nordseewerke) and the SINOKOR ULSAN (200-TEU, built 1990 Fukuoka Shipbuilding). The vessels sold enbloc for slightly excess of \$430/LDT to Alang. The strong price was predominately achieved because of the large volume of bunkers to ROB the Sawasdee LaemChabang, this being worth excess \$20/LDT alone.

At the time of writing, two x 22,000 LDT Panamax ships are on the market for HKC compliant Alang yards only. So far these have seen some way in excess of \$430/LDT on a delivered basis.

Braemar ACM's Demometer - Container Ship Deliveries

Demolition Sales Last 30 days	Total ACTUAL Demolished 2019	Total in Same Period 2018	Total Demolished 2018	Total NBs Delivered 2019
4,000 TEU (5 Vessel)	195,500 TEU (100 Vessels)	88,000 TEU (48 Vessels)	88,000 TEU (48 Vessels)	1,050,000 TEU (145 Vessels)

Vessel Deliveries	Wk01/20	TEU	Shipyard	Owner	Deployment	Series No + Comment
Lurline	2,750	NASSCO	Matson Navigation Inc	USWC- Hawaii	1/2 Matson (Dual-fuel)	
CMA CGM Kourou	2,200	Jiangsu Yangzijiang	CMA CGM	TBA	1/3 (scrubber)	
Green Forest	1,809	Hyundai Mipo Dockyard	XT Shipping	TBA	3/8 (scrubber)	
TS Pusan	1,808	CSBC (Taiwan)	TS Lines	Intra- Asia	6/6 Taiwan- Japan- South China P A S	
Uddipon Express	158	Western Marine	Bangladesh Inland Water Tpt	Intra- PGI	-	
Total TEU	8,725					

Macroeconomics

China's manufacturing activity expanded in December. The Markit/Caixin Purchasing Managers' Index (PMI) for China's manufacturing activity came in at 51.5, compared to 51.8 in November. Last week, China also released its official manufacturing PMI for December that was slightly above expectations at 50.2, data from the country's statistics bureau showed.

Activity in the US manufacturing sector contracted at a stronger pace than expected in December with the Institute for Supply Management's (ISM) PMI dropping to 47.2 from 48.1 in November and falling short of analysts' estimate of 49. The Employment Index dropped to 45.1 from 46.6 in November and the New Orders Index registered its lowest reading since April 2009 at 46.8.

Donald Trump has announced he will sign a long-awaited trade agreement with China on 15 January. The pact, a "phase one" deal, is expected to reduce tensions between the two economic giants. The US president said the treaty would be signed in Washington in the presence of "high level representatives" from China.

Manufacturing activity in the eurozone contracted for the 11th month in a row in December. The IHS Markit eurozone manufacturing purchasing managers' index fell to 45.9 in December, from 46.9 in the previous month. The overall eurozone figures were dragged down by a deterioration in Germany. German manufacturing PMI dropped to 43.4 in December from 44.1 in the previous month, the first downward movement in three months

Liner and Trade

DSME has landed a contract for LNG dual-fuelled containerships worth \$771m. Shipbuilding players say the South Korean firm has bagged an order for the six 15,000-TEU vessels from an as-yet unnamed Asia-based shipping company. These will be the first LNG-powered boxships that DSME has built. (Source : Tradewinds)

AP Moller-Maersk is close to clinching deals to buy several land-based logistics businesses as part of its ongoing transformation strategy, the Financial Times reported. (Source : Lloyd's List)

The Shanghai Containerised Freight Index started 2020 on the up. The weekly index published by the Shanghai Shipping Exchange reached 1022.72 index points on 3 Jan 2020, the highest reading since February 2017. As low sulphur costs have pushed up the cost of shipping, Asia-Europe rates, according to the SCFI, are noted at \$1,124/TEU, the highest assessment since the end of 2016. (Data source : Shanghai Shipping Exchange)

Indicators	06-Jan-20	Last week	12 months ago
Shanghai Containerised Freight Index	1,023 ▲	959	941
FTSE 100 Index	7,575 ▼	7,587	6,837
US\$ LIBOR 12 month	1.99% ▼	2.00%	3.01%
Brent Crude Oil Price \$/bbl	68.9 ▲	68.4	57.4
Singapore Bunker 0.5% VLSFO \$/t	725 ▲	720	-