

# Weekly Container Briefing

31 March 2020

## Time Charter Rates

Vessel (TEU/HOM)	Index	+/-
1,100/715TEU (G) 19 k	8.33	► 0.00
1,740/1,300TEU (G) 20.5 k	8.00	▲ 0.50
1,714/1,250TEU (G) 19k Bkk Max	3.96	► 0.00
2,500/1,900TEU (G) 22 k	8.65	► 0.00
2,500ECO/2,100TEU (G) 18.5 k	3.90	► 0.00
2,800/2,000TEU (GL) 22 k	5.50	► 0.00
3,500/2,500TEU (GL) 23 k	3.80	► 0.00
4,250/2,800TEU (GL) 24 k	9.60	▲ 0.20
6,500/4,900TEU (GL) 24 k	8.18	► 0.00
8,500/6,600 (GL) 25 k	8.00	► 0.00
9,000WB/7,100TEU (GL) 25 k	6.33	► 0.00
10,000/8,000 (GL) 25 k	6.50	► 0.00
<b>BOXI Total</b>	<b>80.75</b>	<b>▲ 0.70</b>
<b>52 Week High</b>	<b>88.89</b>	
<b>52 Week Low</b>	<b>73.25</b>	

## Market comment

Unsurprisingly given the current global situation, there is little to report in the way of concluded transactions.

Enquiry remains muted but not silent. The issue of delivery is still biggest hurdle in any second hand transaction, although rumours continue to circulate of certain ports easing restrictions on offloading crew if they need to be repatriated.

Although we are yet to see the March throughput statistics for China and the rest of the Far East, there have been encouraging signs of factories reopening, vessels exiting drydocks, as well as a small amount of fresh charter enquiries emanating from the lines.

## Braemar ACM's Demometer - Container Ship Deliveries

Demolition Sales Last 30 days		Total ACTUAL Demolished 2020		Total in Same Period 2019	Total Demolished 2019	Total NBs Delivered 2020
4,500 TEU (3 Vessels)		25,000 TEU (13 Vessels)		63,500 TEU (35 Vessels)	195,500 TEU (100 Vessels)	104,500 TEU (25 Vessels)
Vessel Deliveries	Wk13/20	TEU	Shipyard	Owner	Deployment	Series No + Comment
Total TEU		0				

## Macroeconomics

The price of oil has sunk to levels not seen since 2002 as demand for crude collapses amid the coronavirus pandemic. Brent crude fell to \$22.58/bbl at one point on Monday, its lowest level since November 2002. Meanwhile the price of US West Texas Intermediate (WTI) fell below \$20/bbl and close to an 18-year low.

US consumer sentiment fell to a three-year low as the coronavirus outbreak takes a toll on the economy, according to data from the University of Michigan released Friday. The index of consumer sentiment dropped to 89.1 in March — its lowest level since October 2016 — from 101 in February.

The eurozone economy suffered an unprecedented collapse in business activity in March. At 31.4 in March, the 'flash' IHS Markit Eurozone Composite PMI collapsed from 51.6 in February to register the largest monthly fall in business activity since comparable data were first collected in July 1998. The prior low was seen in February 2009, when the index hit 36.2.

The number of Americans filing for unemployment has surged to a record high as the economy goes into lockdown due to the coronavirus pandemic. Nearly 3.3 million people registered to claim jobless benefits for the week ended 21 March, according to Department of Labor data.

Profits earned by China's industrial firms plunged 38.3% y-o-y to CNY 0.41tr in January-February 2020. This was the steepest decline in industrial profits in at least a decade. Profits at state-owned industrial firms slumped 32.9%, and those at private-sector tumbled 36.6%.

## Liner and Trade

Port of New York and New Jersey reported combined TEU throughput of 1.19m TEU for January and February 2020, which is only marginally down by approximately -1% y-o-y. For the main United States east coast hub ports combined, we estimate TEU throughput is down about -1.7% y-o-y for January and February 2020. (Source : Port data)

Maersk's first intercontinental train from Europe to Asia departed St Petersburg on 28 March 2020. The first Eastbound train on Maersk's AE19, will have overall transit time from ports in Northern Europe to ports in South Korea and Japan of 23-25 days, which is a reduction by half compared to 52-57 days via the traditional ocean route. (Source : Maersk Line)

The 2M partners Maersk Line and Mediterranean Shipping Company MSC have announced the suspension of the Far East-North Europe 'AE-2 / Swan' service and of the Asia-Med 'AE-20 / Dragon' service during the second quarter in order to adapt capacity to current market demands as the COVID-19 outbreak has spread to Europe. The suspension is almost with immediate effect as the first blanked sailings for both services were scheduled to start loading in China on 8 April. (Source : AXS Alphaliner)

Indicators	30-Mar-20	Last week	12 months ago
Shanghai Containerised Freight Index	890 ▼	898	793
FTSE 100 Index	5,563 ▲	5,446	7,279
US\$ LIBOR 12 month	0.97% ▲	0.93%	2.68%
Brent Crude Oil Price \$/bbl	22.2 ▼	27.1	68.4
Singapore Bunker 0.5% VLSFO \$/t	269 ▼	283	-