

Time Charter Rates		
Vessel (TEU/HOM)	Index	+/-
1,100/715TEU (G) 19 k	7.29	▼ 0.35
1,740/1,300TEU (G) 20.5 k	6.00	▼ 0.50
1,714/1,250TEU (G) 19k Bkk Max	3.48	► 0.00
2,500/1,900TEU (G) 22 k	6.73	▼ 0.48
2,500ECO/2,100TEU (G) 18.5 k	2.87	▼ 0.29
2,800/2,000TEU (GL) 22 k	4.58	► 0.00
3,500/2,500TEU (GL) 23 k	3.10	► 0.00
4,250/2,800TEU (GL) 24 k	5.80	▼ 0.60
6,500/4,900TEU (GL) 24 k	4.98	▼ 0.53
8,500/6,600 (GL) 25 k	5.44	▼ 0.32
9,000WB/7,100TEU (GL) 25 k	4.67	▼ 0.17
10,000/8,000 (GL) 25 k	4.67	▼ 0.17
BOXI Total	59.60	▼ 3.41
52 Week High	88.89	
52 Week Low	59.60	

Market comment

Whilst there are no reportable second hand transactions this week, negotiations continued on a number of market vessels and several bank forced sale candidates are set to invite offers in the coming days, which are expected to be sold strictly at best.

All the South Asian demolition markets are now essentially 'open' to new Vessels, with authorities in India now saying foreign crewed Vessels will be allowed to clear import and beach in Alang following a similar announcement from Pakistan last week. That being said, flights out of each country are still very limited due to ongoing lockdowns, when crew would be able to be repatriated remains an open ended question.

Likewise it is reasonable to expect that Bangladeshi breakers become more aggressive now that the Eid holidays and cyclone Amphan have passed.

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
12,000 TEU (4 Vessels)	35,000 TEU (17 Vessels)	121,500 TEU (60 Vessels)	195,500 TEU (100 Vessels)	241,500 TEU (43 Vessels)

Vessel Deliveries	Wk22/20	TEU	Shipyard	Owner	Deployment	Series No + Comment
HMM Copenhagen		23,964	DSME	HMM	Asia-EUR-Asia	2/7 THE-A FE2
HMM Dublin		23,964	DSME	HMM	Asia-EUR-Asia	3/7 THE-A FE4
CMA CGM Brazil		15,052	Hyundai H.I. (Samho)	Eastern Pacific Shipping	Asia-ME-Asia	5/11 CMA CGM OCEAN-A Red Sea Express
YM Celebrity		2,904	CSBC (Taiwan)	Yang Ming	Intra-Asia	1/10 Japan-Taiwan-South China JTS
Green Pole		1,809	Hyundai Mipo Dockyard	XT Shipping	Intra-Asia	6/10 Gold Star Line China-Thailand-Vietnam
TS Shenzhen		1,096	Kyokuyo Shipbuilding	TS Lines	Intra-Asia	2/3 China-Japan SJX
Total TEU		68,789				

Macroeconomics

A private survey showed manufacturing activity in China expanded for the month of May. The Caixin/Markit Manufacturing Purchasing Manager's Index came in at 50.7 for May, compared to 49.4 in April. Data suggested that production recovered faster than demand, and the rate of expansion for output was at its fastest since January 2011.

South Korea's exports dropped for the third consecutive month in May. Outbound shipments dipped 23.7% y-o-y to hit US\$34.8bn last month, compared with \$45.7bn posted a year earlier, according to the data compiled by the Ministry of Trade, Industry and Energy. Imports fell 21.1% y-o-y to \$34.4 billion in May.

Conditions in the Eurozone manufacturing sector picked up somewhat in May as countries in the currency bloc lifted coronavirus restrictions, but the zone's factories were still far from healthy. The IHS Markit manufacturing purchasing managers' index (PMI) – a gauge of the sector's health – rose to a final reading of 39.4 in May after plunging to a record low of 33.4 in April.

Japan will launch a subsidy program to encourage domestic manufacturers to transfer their overseas production bases to Southeast Asia, as the coronavirus pandemic has greatly disrupted their supply chains heavily dependent on China. The ¥23.5bn (US\$220mn) program, incorporated into the government's emergency stimulus package to ease the economic fallout from the pandemic, will help firms diversify their supply chains by financially assisting the construction of production facilities as well as feasibility studies in ASEAN countries.

Liner and Trade

The Export-Import Bank of Korea, known as Kexim, has increased its loan supply to shipyards to Won5.2trn (\$4.2bn) this year, from Won3.8trn planned previously, according to a release. The move comes as the sector is being hit by a severe downturn with a sharp drop in newbuilding orders amid the pandemic-led economic recession. (Source : Lloyd's List)

CMA CGM has announced that its 23,000 TEU LNG-powered ULCS fleet has been given certification recognising its environmentally friendly credentials from classification society Bureau Veritas. In a statement, the carrier, the fourth biggest in the world, described the recognition as "a major step" in its energy transition. The certification applied specifically to the WinGD X92DF dual-fuel engine which is fitted onboard the CMA CGM Jacques Saadé. (Source : Port technology International)

Container lines are reinstating sailings on their transpacific and Asia-to-Mediterranean services after an unexpected pick-up in demand. The development is raising hopes among tonnage providers for a bottoming-out of the charter market. Strong demand on the Asia-to-US West Coast route has prompted carriers to reverse an earlier decision to blank a record number of transpacific sailings in May. (Source : Tradewinds)

Indicators	01-Jun-20	Last week	12 months ago
Shanghai Containerised Freight Index	920 ▲	848	782
FTSE 100 Index	6,150 ▲	6,086	7,162
US\$ LIBOR 12 month	0.68% ►	0.68%	2.58%
Brent Crude Oil Price \$/bbl	37.5 ▲	36.2	64.5
Singapore Bunker 0.5% VLSFO \$/t	265 ▼	290	-