



MONTHLY CONTAINER REPORT

August 2021 | Week 31 - 34

Those people who spent August on the beaches or their yachts have not missed much. The container market kept on climbing and this abnormal market is continuing. Many freight forwarders remain active on the chartering side and more and more of the large shippers are trying to take a little more control of their transportation. Just last week, Ikea announced that it will also be chartering its own container ships and buying its own container boxes. While we have seen in particular Chinese freight forwarding companies also actively bidding to buy container ships, we have yet to see them actually buying ships. Currently, a number of Chinese owners are putting their older and domestic trading container ships up for sale on the market and we wonder why not more of the Chinese freight forwarders are actually buying these ships. Maybe they are put off by the amount of work and hassle involved in actually buying one of these ships and bringing it back to an international classification status.

But we have still seen a number of ships leaving the Chinese domestic market and we start to wonder what will happen when the international market is back to normal. Our guess is that the Chinese will then buy back other tonnage from the market – at lower prices. But the domestic Chinese freight rates are currently just not competitive on the world market.

August has had our lowest percentage valuation increase this year (page 2). However, prices are still on the way up, as are charter rates, but the periods for which charters are being fixed are not getting any longer; this was the reason for the massive jump in container ship prices in the last few months. However, if someone is nervous that we have reached the peak they just need to talk to the chartering guys, who can confirm that there is still no sign of weakness yet. But, in general, nobody in this market needs either charter rates or prices to go any higher anyway. Everybody is doing very well financially already. Hence, it is basically just good if we level out sometime soon. The key thing is that we do not believe that the logistics problems facing the transportation chains will be resolved and disappear anytime soon. It will sooner or later become apparent that any improvements in port delays or other problem areas are still only making slow progress. Port delays on the US West Coast have been an issue for a while and just recently, in August, a new record for waiting time was set there. As long as we do not experience any sudden surprises in the financial markets, for example sudden fears about inflation, the large debt situation or other issues, which could trigger a large stock market correction, we would expect short-term charter rates to experience a gentle decrease once the tide changes. Of course, charter periods will at some stage get shorter, and liner companies have already been battling for this although without much success so far. Logically, losing one year on the period will have a more significant effect on values. So far, all this is purely theoretical. Anyway, we are of the opinion that this wild party can potentially avoid a huge hangover if it fades out slowly. However, we usually only find this out after the party, unfortunately.

In other news, in September we will see the end of the Merkel era. After 16 years in office, she will depart and so far the identity of her successor is very unclear. Unfortunately, it does not seem that there is any party that is really ready to reform this country. Germany has benefited greatly from the other European economies being fairly weak, as it has been able to run its own economy on the basis of a weak Euro. Germans dream of a 4-day working week, think about where to spend their amazing 5-6 weeks of holiday each year, and wish to make the country CO2 neutral without the help of nuclear power and make our language fairer in terms of gender. Nothing of this will bring us forward really. The lazy Ms. Merkel years will finally end, and at the moment we just see other lazy guys coming in protecting the status quo or even extending the already excessive social benefits. Our national debt keeps on rising for the future generations to pay back. Europe will continue to fall behind. Let's see what sort of new government we get this autumn. One thing is for sure, since this container boom is not a result of price fixing, as some claim it is, no politician will not be able to spoil our party.

Kind regards,

TOEPFER TRANSPORT

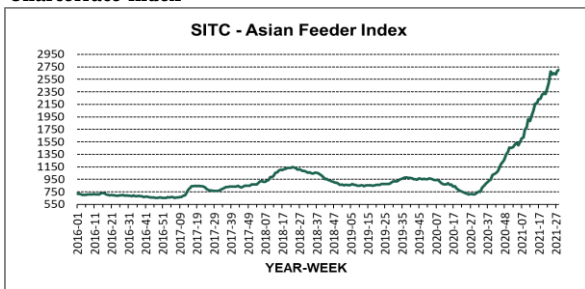


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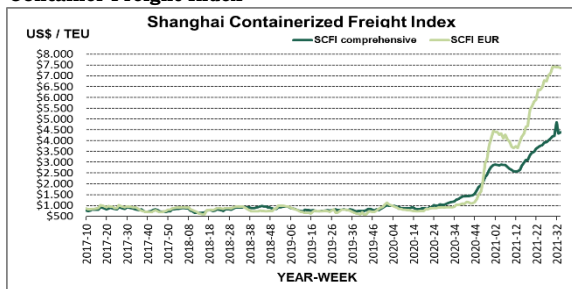
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New Contex				
	Jul-21	Aug-21	+/-	Aug-20
comprehensive	2.460	2.962	20,41%	411
1100 TEU GRD - 6 MOS TC	\$32.554	\$39.517	21,39%	\$5.717
1700 TEU GRD - 6 MOS TC	\$47.438	\$59.752	25,96%	\$7.146
3500 TEU GL - 12 MOS TC	\$65.425	\$79.390	21,35%	\$11.072

Charrterrate index



Container Freight Index



Selected Sales						
	TEU	DWT	built	price (in mill US\$)	buyer	comment
JJ Sky	1.118	13.769	09/2006	\$15,0	Undisclosed	
Jett	1.304	17.004	06/2007	\$19,25	Undisclosed	
Gerrit Braren	1.706	23.780	05/2006	\$25,0	Seacon	
Okee Ann Mari	1.740	23.538	12/2002	\$21,0	MSC	
San Antonio	1.819	28.196	02/2008	\$32,5	Seaboard	
Cape Mahon	2.742	37.901	09/2007	\$38,0	TS Lines	
Cordelia	2.824	39.422	08/2003	\$39,0	MSC	
Songa Lion	3.091	42.200	09/2004	\$43,0	Undisclosed	
MP The Brown / Law	4.330	52.315	2009	\$58,3 mio each	MSC	enbloc
MP The Belichick / Edelman / Gronk / Brady	5.060	68.000	2005 / 2006	\$58,3 mio each	MSC	enbloc

Newbuildings						
Buyer	TEU	GRD/GL	delivery	price (in mill US\$)	yard	comment
TS Lines	6x 1100	GL	2023		Mawei SY	
Star Ocean	2x 1100	GL		abt \$23 mio	Fujian	Extended the orderbook to 16 units
Elbdeich	4x 1400	GL	2023	abt. \$30 mio	Jinglu	
Songa Box Holding	2x 1692	GL			Huanghai	
Sinokor	12x 1800	GL	starting end 2022	abt. \$30 mio	Hyundai Mipo	
MSC	2x 4200	GL	2024	abt. \$50 mio	Mawei SY	

Fleet Development - Deliveries and Demolitions							
(in no. vessel)	fleet size in TEU			orderbook in TEU	scrapped in TEU		
	Jul-21	Aug-21	+/-	% of fleet	Aug-21	ytd	Aug-21
total fleet	24.433.070	24.553.217	0,5%	21,3%	5.222.463	17.142	1.964
- 999 TEU	624.398	625.150	0,1%	0,8%	5.000	5.871	1.964
1000 - 1999 TEU	1.902.645	1.904.407	0,1%	11,7%	223.577	5.913	0
2000 - 2999 TEU	1.875.072	1.889.712	0,8%	9,6%	180.868	2.128	0
3000 - 5099 TEU	3.738.117	3.738.117	0,0%	6,0%	226.030	0	0
5100 - 7499 TEU	2.726.464	2.731.759	0,2%	12,3%	336.332	0	0
7500 - 14999 TEU	9.880.508	9.907.320	0,3%	20,4%	2.022.464	0	0
15000+ TEU	3.685.866	3.756.752	1,9%	59,3%	2.228.192	0	0

Container Vessel's Value									
5 year old vessel in mill US\$					15 year old vessel in mill US\$ (SS/DD due)				
	Jul-21	Aug-21	+/-	Aug-20		Jul-21	Aug-21	+/-	Aug-20
1000 TEU GRD Eco	\$23,0	\$24,0	4%	\$10,5	1000 TEU GRD	\$16,0	\$16,5	3%	\$2,6
1700 TEU GRD Eco	\$34,0	\$35,0	3%	\$15,0	1700 TEU GRD	\$21,0	\$23,0	10%	\$4,1
2200 TEU GRD Eco	\$40,0	\$42,0	5%	\$18,0	2500 TEU GRD	\$34,0	\$36,0	6%	\$6,1
2500 TEU GRD Eco	\$47,0	\$50,0	6%	\$22,0	2800 TEU GL	\$36,0	\$39,0	8%	\$6,3
			-		3500 TEU GL	\$41,0	\$42,0	2%	\$5,3
4700 TEU WB	\$75,0	\$80,0	7%	\$28,0	4250 TEU PMX	\$56,0	\$58,0	4%	\$6,6

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