



TOEPFER TRANSPORT

MONTHLY CONTAINER REPORT

February 2023 | Week 05 - 09

As we had predicted, the market started to stabilise in February. This is nothing unusual and a typical market trend in that market activity starts after the Chinese New Year. You always have February and March starting with lots of fixing activity and once the markets become short on ships, the charter rates start increasing. Hence, so far there is nothing unusual in that we do see a slight positive trend in charter rates. We wonder, however, if the cargo volumes are really there and how long this market stabilisation has legs to run on. Until recently, box rates themselves have continued to drop, but liner companies do see stabilisation ahead there as well. A number of trades are now running on very low margins, so it is no surprise if you currently hear about suspension of trades, like, for example, as recently in cross-Pacific trades.

After reaching and stabilising on these current charter hire levels, we do now see quite a healthy S&P activity. Many buyers, who could not buy ships for a while as prices were out of their budget, are now looking for ships. There is also plenty of activity from small players out of China and the Middle East, and not all of them have Russian trade in mind, as one might think. Also German and Greek buyers have acted on new container ship acquisitions and the appetite from MSC to buy more ships seems unlimited. Anything above 3000 TEU is still very much in focus from MSC, however, in particular PostPanamax container ships, i.e. 5500 TEU and larger. On the other hand, MSC is an active seller in the demolition market as well having scrapped two older container ships in February.

Current S&P activity has also pushed prices slightly up in some areas. It looks like it will not get cheaper for the next few months. Of course, we still hold the view that it might also be hard to keep the charter rates and prices holding steady during the 2nd half of this year. Nevertheless, if you would like to get rid of your demolition candidate in your fleet but do not want to sell the ship for demolition yourself, now is the time to do so. Furthermore, whatever you plan to sell during 2023, do it now or in the 2nd quarter. Selling might get harder again in Q3.

Having said this, the market is still at very profitable levels, and if you manage to secure a charter again for 12 months, it might be a very worthwhile alternative.

If you think that the container market is currently working down its order book, you are mistaken. The order book increased last month by another 214,219 TEU, or 0.7%, to now 29.5% of the existing fleet. Against this, we scrapped 7,425 TEU last month. Still quite an imbalance of activity in the market. With lots of old ship in the hands of Western Owners who have to be careful when scrapping ships, we wonder where all the demo candidates will go when times get tough. We could see a bottleneck there. Maybe we'll need the "Genie 'out' of the bottle" then to help us out. Let's see.

Kind regards,

TOEPFER TRANSPORT

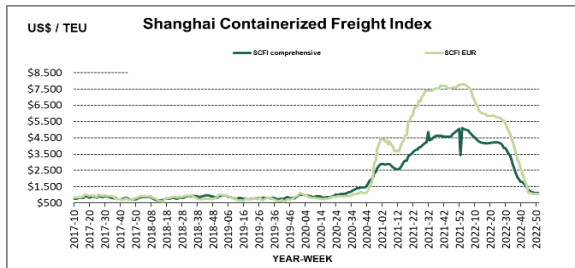


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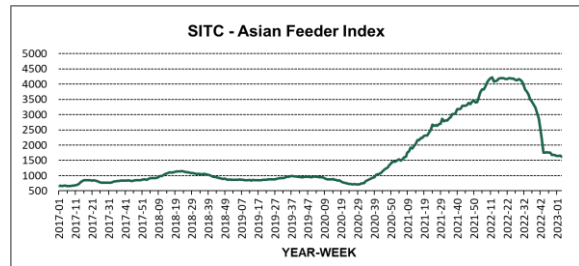
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| New Contex | | | | |
|-------------------------|----------|----------|--------|----------|
| | Jan-23 | Feb-23 | +/- | Feb-22 |
| comprehensive | 729 | 731 | 0,27% | 3.408 |
| 1100 TEU GRD - 6 MOS TC | \$11.546 | \$11.948 | 3,48% | \$42.825 |
| 1700 TEU GRD - 6 MOS TC | \$13.842 | \$14.340 | 3,60% | \$68.629 |
| 3500 TEU GL - 12 MOS TC | \$18.625 | \$18.221 | -2,17% | \$92.450 |

Charterrate index



Container Freight Index



| 2nd-hand vsl | TEU | DWT | built | price (in mill US\$) | buyer | comment |
|--------------------------------|--------|---------|-------|----------------------|-------------------|--|
| SKY Pride | 962 | 13.006 | 2005 | USD 8.5 mio | Shreyas | |
| A Fuku | 1.043 | 12.788 | 2007 | USD 12 mio | Russia | |
| Buxhansa | 2.456 | 33.995 | 1998 | USD 6.5 mio | | SS/DD due |
| TS Manila | 2.553 | 33.704 | 2007 | USD 14.5 mio | | |
| Windmere | 2.797 | 35.376 | 2010 | USD 16.8 | | |
| Northern Volition & N.Vivacity | 5.484 | 75.775 | 2005 | USD 13 mio each | Great White Fleet | |
| Navigare Collector | 11.000 | 119.262 | 2018 | USD 81 mio | Oltmann, Germany | incl. TC to ONE at high 30's till end 2025 |

| Buyer | TEU | GRD/GL | delivery | price (in mill US\$) | yard | comment |
|-------------------------|--------------|--------|-----------|----------------------|--------------------|--------------------|
| Hyundai Merchant Marine | 9x 9000 | GL | 2025 | USD 122 mio | HJ Shiptbuilding | Methanol Dual Fuel |
| CMA CGM | 12x 13000 | GL | 2026 | USD 166 mio | Hyundai Samho | Methanol Dual Fuel |
| Yang Ming | 5x 15-16.000 | GL | 2025-2026 | USD 180 mio | Hyundai Heavy Ind. | LNG Dual Fuel |

| 5 year old vessel in mill US\$ | | | | | 15 year old vessel in mill US\$ (SS/DD due) | | | | |
|--------------------------------|--------|--------|-----|---------|---|--------|--------|-----|--------|
| | Jan-23 | Feb-23 | +/- | Feb-22 | | Jan-23 | Feb-23 | +/- | Feb-22 |
| 1000 TEU GRD Eco | \$16,5 | \$16,3 | -2% | \$28,0 | 1000 TEU GRD | \$6,3 | \$6,5 | 3% | \$20,0 |
| 1700 TEU GRD Eco | \$21,0 | \$21,0 | 0% | \$48,0 | 1700 TEU GRD | \$9,5 | \$9,6 | 1% | \$32,5 |
| 2200 TEU GRD Eco | \$25,0 | \$25,0 | 0% | \$54,0 | 2500 TEU GRD | \$13,5 | \$14,0 | 4% | \$50,0 |
| 2500 TEU GRD Eco | \$26,0 | \$26,5 | 2% | \$60,0 | 2800 TEU GL | \$14,0 | \$15,0 | 7% | \$52,0 |
| 3000 TEU GLS Eco | \$28,0 | \$28,0 | 0% | \$62,0 | 3500 TEU GL | \$16,5 | \$16,0 | -3% | \$61,0 |
| 4700 TEU WB | \$43,0 | \$43,0 | 0% | \$110,0 | 4250 TEU PMX | \$20,0 | \$21,0 | 5% | \$88,0 |

| Fleet Development - Deliveries and Demolitions | | | | | | | |
|--|-------------------|-------------------|-------------|------------------|------------------|-----------------|--------------|
| (in no. vessel) | fleet size in TEU | | | orderbook in TEU | | scrapped in TEU | |
| | Jan-23 | Feb-23 | +/- | % of fleet | Jan-23 | Feb-23 | ytd |
| total fleet | 25.996.005 | 26.075.516 | 0,3% | 29,5% | 7.692.160 | 8.621 | 7.425 |
| - 999 TEU | 629.899 | 629.660 | -0,04% | 1,3% | 8.190 | 0 | 256 |
| 1000 - 1999 TEU | 2.062.180 | 2.080.258 | 0,88% | 15,6% | 325.526 | 8.621 | 5.071 |
| 2000 - 2999 TEU | 2.014.608 | 2.019.840 | 0,26% | 14,3% | 289.614 | 0 | 2.098 |
| 3000 - 5099 TEU | 3.793.111 | 3.804.832 | 0,31% | 8,7% | 330.445 | 0 | 0 |
| 5100 - 7499 TEU | 2.727.053 | 2.727.053 | 0,00% | 16,9% | 460.097 | 0 | 0 |
| 7500 - 15199 TEU | 10.312.621 | 10.325.933 | 0,13% | 26,9% | 2.782.414 | 0 | 0 |
| 15200+ TEU | 4.456.533 | 4.487.880 | 0,70% | 77,9% | 3.495.874 | 0 | 0 |

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