



TOEPFER TRANSPORT

April 2023 | Week 14 -18

The banking crisis seems to a large extent to be past us. While last weekend JP Morgan Chase took over First Republic Bank, there is still some nervousness in the middle-sized US banking market, which hopefully will settle down soon. Then the stock markets can again worry about whether to cheer when they hear of the economy slowing down, as it would mean an end to rising interest rates, or to panic, as it would also mean the United States going in the direction of a recession. It is interesting to see how the same news ('slowdown in growth') could be interpreted differently by stockbrokers. The news seems pretty clear for container shipping, though – bad. A US recession, even a mild one, is never good for consumer demand.

At the same time, Germany is celebrating having zero growth in the first quarter. Since Quarter 4 of last year brought Germany negative growth, it was imperative to avoid negative growth in this year's Quarter 1 for Germany to stay out of 'technical' recession. The government just increased its forecast for 2023 from 0.2 per cent to 0.4 per cent growth. Not much to celebrate, maybe, but governments are happy these days for the smallest sign of being able to avoid a recession while increasing interest rates at the same time. What puzzles us is how the economic developments of many Western consumer countries, that is, those experiencing zero or negative growth, and the strong container market fit together. We have not found any statistics that can explain the strength of the container market over the last two months. In general we think it is the lack of available spot tonnage due to long-term charter contracts that is taking the liquidity out of the market. In addition, trading routes have changed over the last few months, with many big liners avoiding Russian trade. The same trade is now being handled by smaller players and hence tying up free and available tonnage. It is a scenario that, like the war and the sanctions, is not likely to come to an end quickly, either, as many feeder ships are fixed well into 2024 and beyond. Still, we stand by our prediction that the second quarter might be the strongest quarter this year in the container market. Just as it was in the last 8 out of 10 years during the pre-Covid times.

One interesting note from last month is that India took over China as the most populated country. There are now 1.4 billion people living in India. However, India has a long way to go in the container trades. China's total container trade in 2022 was around 295 million TEU, against 20 million TEU for India. Those who think that India will take over once China slows down have most likely never been in India before; India's existing and developing infrastructure are quite different from China's. It will be a long time before India comes anywhere close to equalling China as a global production hub. Nevertheless, India is a very good country to offer services and 'export' their back office, research, or similar work via the internet cables.

In the meantime, MSC continues its purchasing activities, with Mr Aponte showing no sign of slowing down. He has already made MSC the biggest container line on the planet, but he continues to buy and order ships. In reality, his fleet is full of old ships, so he has quite a fleet renewal task in front of him. Still, with all due respect, we sometimes ask ourselves if buying ships is this old man's best hobby. At the same time, half of the market participants wonder what Mr Aponte is seeing that they aren't; after all, Mr Aponte often turns out to be right. We have a high level of respect for how MSC is run. We are also stunned by how it manages to continue trading regularly to Russia and how it makes sure that in the thousands of containers it handles it avoids dealing with sanctioned cargo or sanctioned contractual partners. It seems that MSC can take risks that other more public or publicly listed companies could not. Chapeau!

May is ahead of us and the market is set to continue to steam ahead during the traditionally strong second quarter. Liner companies are still making money, and also owners can cash in a little more on their debt-free ships. What a comfortable and enjoyable market environment right now. Enjoy!

Kind Regards,
TOEPFER TRANSPORT

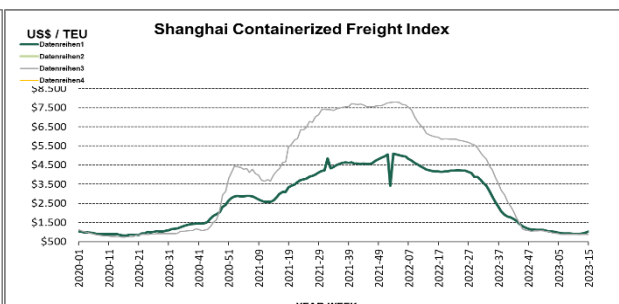
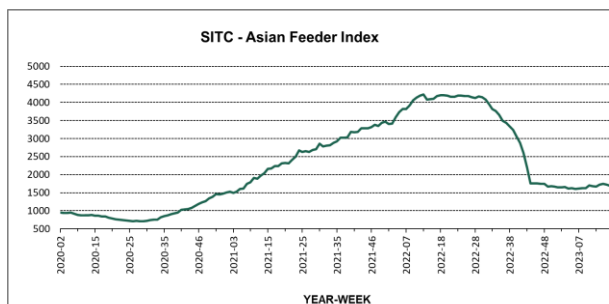


TOEPFER TRANSPORT

April 2023 | Week 14 -18

New Contex

	Mrz-23	Apr-23	+/-	Apr-22
comprehensive	771	834	8,17%	3.163
1100 TEU GRD - 6 MOS TC	\$13.230	\$13.685	3,44%	\$36.583
1700 TEU GRD - 6 MOS TC	\$15.159	\$16.398	8,17%	\$60.667
3500 TEU GL - 12 MOS TC	\$19.200	\$21.255	10,70%	\$89.650

Charrterrate Index**Container Freight Index**

Selected Sales	TEU	DWT	built	price (in mill US\$)	buyer	comment
2nd-hand vsl						
Vasi Moon	1.679		2000	\$6.5	Chinese	
Louisa Schulte	1.740		2008	\$11.5	unknown	
Jiangsu Yangzi Xinfu 2078-2080	3x 1.800		2023	\$28.0	Norse Management U.K.	
TVL Aeon	1.930		2023	\$30.0	RCL	
NYK Maria	2.664		2009	\$14.7	Cosmoship Mangament	
Pohorje	4.043		2006	\$21.0	MSC	
Spirit of Lisbon	4.249		2010	\$24.0	CMA CGM	
Amoliani	6.881		2013	\$61.0	CMA CGM	
Northern Justice	8.814		2010	\$50.0	MSC	

Newbuildings	TEU	GRD/GL	delivery	price (in mill US\$)	yard	comment
Buyer						
Cosco	4 x 16.000		2nd half 2025		Yangzhou	methanol dual fuel propulsion
CMA CGM	6 x 15.000		2025-2026	\$175 each	Jiangnan Shipyard	methanol dual fuel propulsion
Yangming	5 x 15.000		2nd half 2025-2026	excess \$180 each	Hyundai, Korea	LNG Dual Fuelled
Maersk	7+3+3x8.000		2nd half 2025-2026	region \$120 each	Hyundai, Korea	methanol dual fuelled

Fleet Development - Deliveries and Demolitions

(in no. vessel)	fleet size in TEU		orderbook in TEU		scrapped in	
	Mrz-23	Apr-23	+/-	% of fleet	Apr-23	Apr-23
total fleet	26.130.185	26.320.719	0,7%	29,7%	7.827.284	26.555
- 999 TEU	630.028	628.427	-0,25%	1,5%	9.650	
1000 - 1999 TEU	2.069.277	2.082.825	0,65%	14,5%	301.596	10.732
2000 - 2999 TEU	2.022.459	2.023.693	0,06%	14,3%	289.423	
3000 - 5099 TEU	3.812.341	3.826.948	0,38%	8,3%	317.608	9.251
5100 - 7499 TEU	2.727.053	2.727.053	0,00%	16,9%	460.031	6.572
7500 - 15199 TEU	10.365.883	10.392.483	0,26%	26,2%	2.725.784	
15200+ TEU	4.503.144	4.639.290	3,02%	80,3%	3.723.192	

Container Vessel's Value								
5 year old vessel in mill US\$	Mrz-23	Apr-23	+/-	Apr-22	15 year old vessel in mill US\$ (SS/DD due)	Mrz-23	Apr-23	+/-
1000 TEU GRD Eco	\$17,5	\$18,0	3%	\$24,0	1000 TEU GRD	\$7,5	\$8,0	7%
1700 TEU GRD Eco	\$22,5	\$23,0	2%	\$43,0	1700 TEU GRD	\$11,0	\$12,0	9%
2200 TEU GRD Eco	\$26,7	\$27,0	1%	\$50,0	2500 TEU GRD	\$16,0	\$16,5	3%
2500 TEU GRD Eco	\$27,5	\$28,0	2%	\$55,0	2800 TEU GL	\$17,0	\$17,5	3%
2700 TEU GLS Eco	\$29,5	\$29,7	1%	\$56,0	3500 TEU GL	\$17,5	\$17,7	1%
4700 TEU WB	\$45,0	\$46,0	2%	\$100,0	4250 TEU PMX	\$22,5	\$22,8	1%

TOEPFER TRANSPORT GMBH HAMBURG | SINGAPORE | SHANGHAI**Sale & Purchase + Newbuildings + Chartering + Valuations**

Email: snp@toepfer-transport.com
 Phone: +49 (0)40 32 58 21 - 0
 Fax: +49 (0)40 33 93 10
 Web: www.toepfer-transport.com

Clemens Toepfer
 Carlo Brandt
 Yorck Niclas Prehm
 Emile Eggers

Hannes Hollaender
 Moritz Meyer
 Sabine Kilper
 Bernard Foo

Richard Wetzki
 Yuan Xiaofei
 Jennifer Shrestha