

Boxship newbuildings still in demand despite high deliveries

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Record newbuilding deliveries of 3.1 million TEUs this year have not discouraged new orders, according to Alphaliner's report.

However, operators and tonnage providers are shifting their focus to mid-sized vessels of 8,000 to 17,000 TEUs, rather than the megamax ships commissioned during the Covid-19-induced boom.

Year-to-date, 64 boxships of 543,500 TEUs have been ordered, as the resurgent freight market and stricter environmental regulations have made market players renew their fleets.

The largest ships ordered this year are four compact neo-panamax 14,170 TEU units that the German tonnage provider Peter Döhle commissioned at Hudong-Zhonghua Shipbuilding. The vessels are expected to be on long-term charter to Dubai-based Emirates Shipping Line. Taiwanese regional carrier TS

Lines has recently contracted a pair of 14,000 TEU ships at Shanghai Waigaoqiao Shipbuilding as it considers another shot at long-haul routes.

Alphaliner noted, "The ordering frenzy is not over yet.....More orders from the main carriers are expected in the second half of the year as newbuilding brokers hint at ongoing talks with shipyards for orders for up to a hundred ships, with many of them in the 8,000 to 17,000 TEU size range."

Operators and tonnage providers have not been daunted by deliveries being twice to thrice more than in 2023 to 2025, as well as newbuilding prices being 5% to 10% higher year-on-year.

A second observation to be made is that the new orders are not exclusively 'green' ships. Thirty of the newbuildings ordered this year are equipped with dual fuel engines, of which 24 have methanol propulsion and six are LNG-powered.

Not including four small hybrid newbuildings with batteries, 30 of the orders to date are conventionally powered, with 14 of them described as methanol-ready.

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