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Weekly Newsletter

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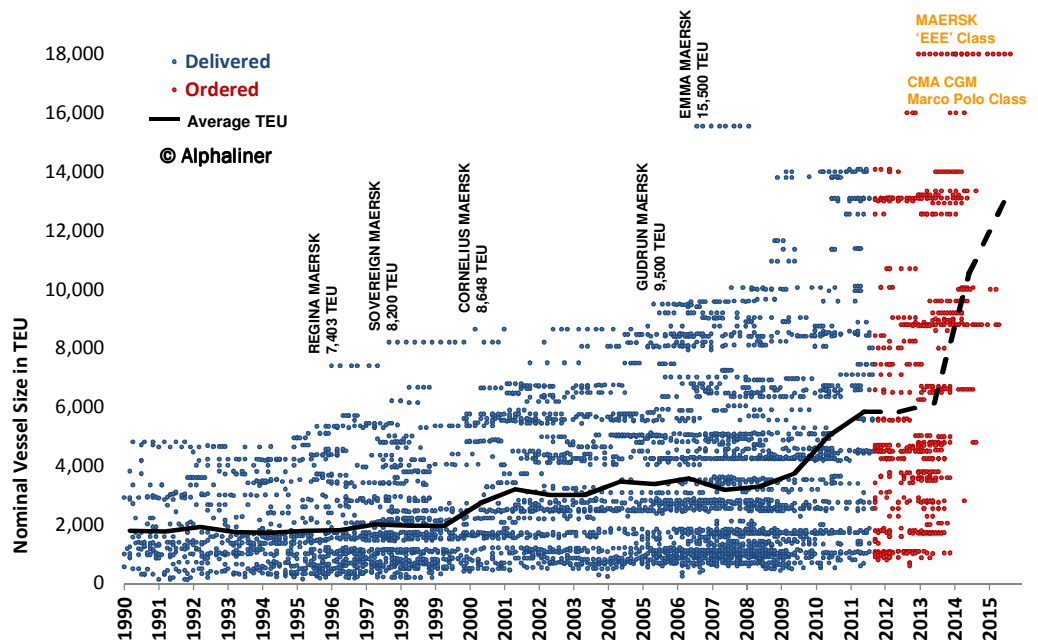
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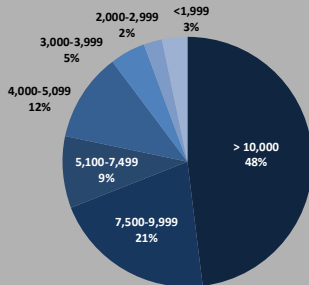
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Chart of the week

Containership Deliveries Scatter Graph : 1990-2015(F) as at Oct 2011



Cellular containership orderbook capacity breakdown as at Oct 2011 (by size range)



- Almost half of the containership capacity on order is concentrated in vessels of above 10,000 teu
- The average size of new-buildings to come on stream within the next three years is larger than 6,000 teu

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VLCS to dominate new vessel deliveries

It appears that the container carriers' answer to the challenges of sustainable shipping and the reduction of emissions is to build ever-larger ships. Apart from increasing the size of container vessels, there has been very little real innovation in the industry since the first overpanamax container ship was delivered in 1988. The average size of new cellular container ships delivered this year will reach 6,100 teu. Thus, compared to a decade ago, the average container vessel size more than doubled, according to Alphaliner figures.

In 2000, the average size of new container ships was only 2,900 teu while the largest delivery reached 8,200 teu. Compared to the year 2000, the size of the biggest vessel will double to 16,000 teu by the end of next year and increase to 18,000 teu by 2013. Very large / ultra large containerships (VLCS/ULCS) of above 7,500 teu will continue to dominate deliveries in the next decade as carriers strive to achieve greater scale economies and reduce slot cost per teu.

Carriers have scaled up across all tradelanes, to the point that 7,000-9,000 teu ships are becoming a common size on high-volume north-south trades covering Africa, Middle East and South America, while 2,500-3,500 teu ships are nowadays employed on many feeder services. Very recently, Maersk line even introduced a 5,500 teu feeder vessel, though this remains an isolated case. Deploying vessels of such sizes in north-south and feeder trades is a relatively new trend, observed during the past twelve months.

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