

CONTAINERSHIPS

Contships bolsters 1,100-teu dominance with twin boxship buy



Nikolas Pateras-led company sharpens focus on feeder containerships with another two acquisitions

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Greece's Contships Management has acquired another pair of feeder boxships, expanding its market leadership in the category of such vessels with a capacity of around 1,100 teu.

Managers at the Athens-based company confirmed that they agreed to buy the 1,100-teu Sonderborg (built 2006), a vessel that has been hitherto trading with Germany's Brise Group.

The price of the acquisition, which was agreed in September, is not disclosed. UK-based brokers said the Chinese-built unit cost around \$2.7m. The Sonderborg is to join the Contships fleet in December.

In July, Contships also revealed it bought a similar-sized vessel — the 1,100-teu CFS Paceno (built 2008) — from a German owner. The Taizhou Kouan-built ship is already trading with Contships under its new name, Contship Leo.

“With the latest acquisitions, Contships' fleet of 39 ships will include 26 containerships of 1100 teu, making it the largest operator of these types of vessels in the world,” the company said in a statement.

The outfit's focus on that particular tonnage is highlighted by recent decisions to offload smaller and older vessels. Contships earlier this year sold for scrap earlier this year the 1,000-teu BFP Galaxy (built 1997) and the 1,000-teu BFP Melody (built 1998).

More recently, it sold for further trading the 700-teu Contship Box (built 2008) and the 700-teu Contship Day (built 2008). Contships managers did not disclose the identity of the buyers but brokers are linking UAE-based Star Feeders to the deal.

Feeder ships have participated in a general surge of boxship freight rates recently, as containerised trade holds up surprisingly well amid the global coronavirus pandemic.

According to Clarksons, six- to twelve-month charter rates for 1,000-teu ships rose to \$6,600 per day in October, their highest level in two years and up 6.6% from the same month in 2019.

Feeder containerships serve primarily in regional and intra-regional trade routes. That protects them from a trend under which containership cargo is carried in ever larger ships, as they often operate in waters and harbours in which the bigger vessels have no access.

SITC International Holdings, an Asian specialist in ships below 3,000 teu, in August confirmed orders for up to a dozen 1,800-teu vessels worth up to \$252m.