

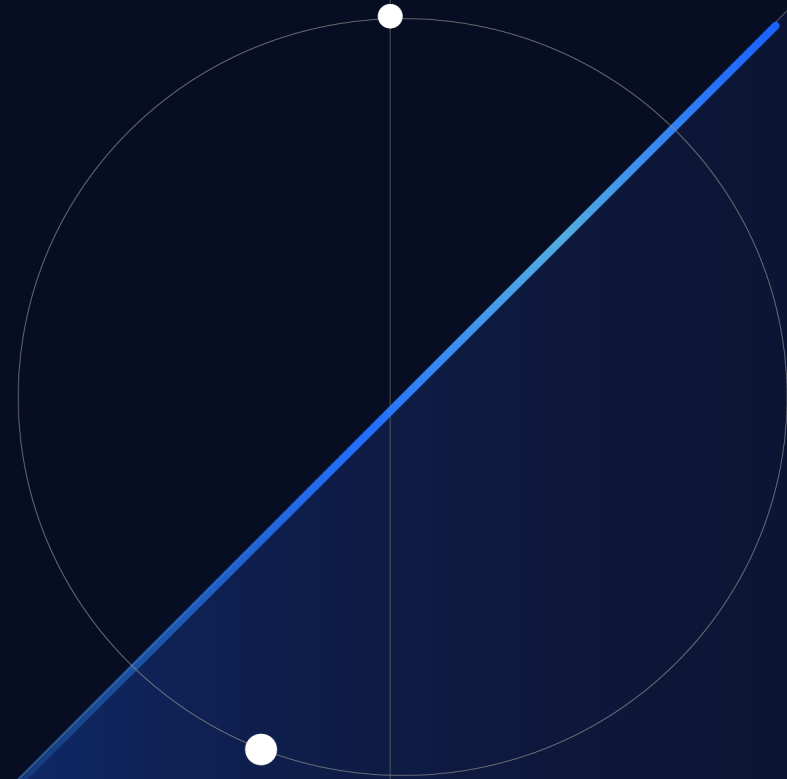


XENETA

April 2024 | Container Shipping Market Trends

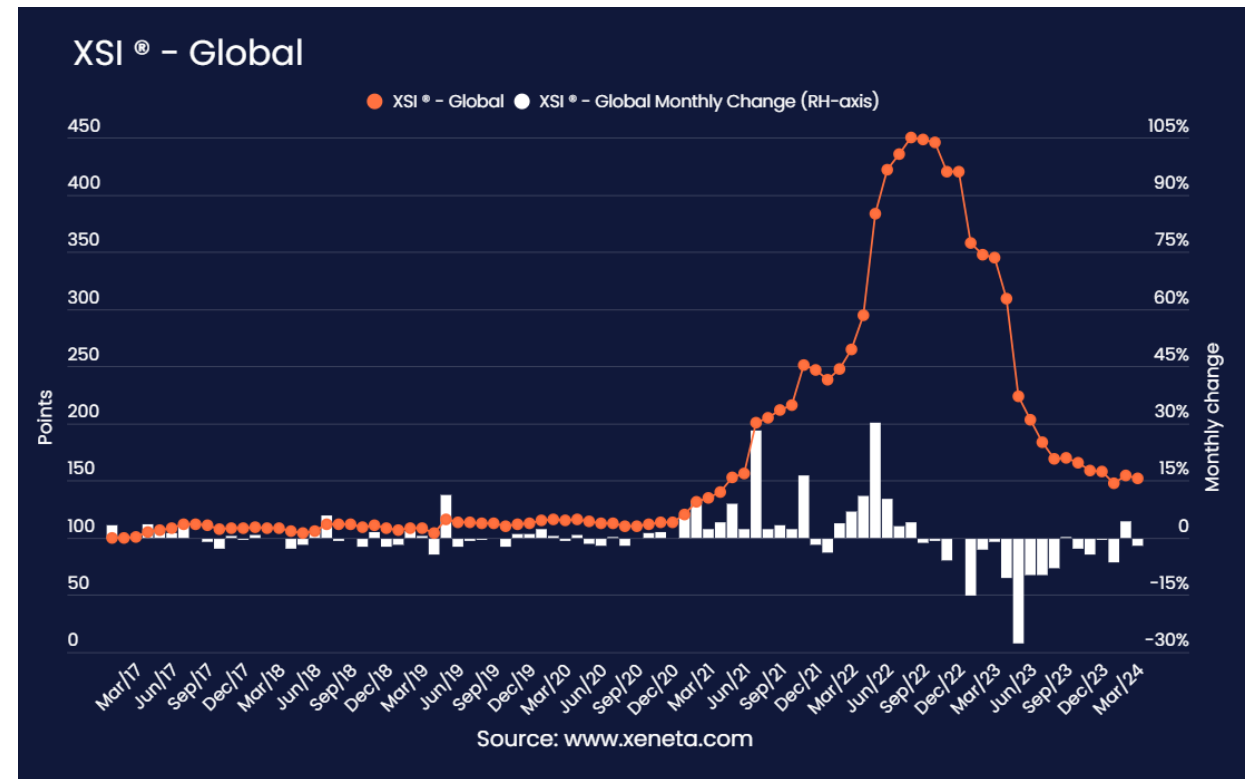
Sea of Change: Key Trends Reshaping Container Shipping Markets

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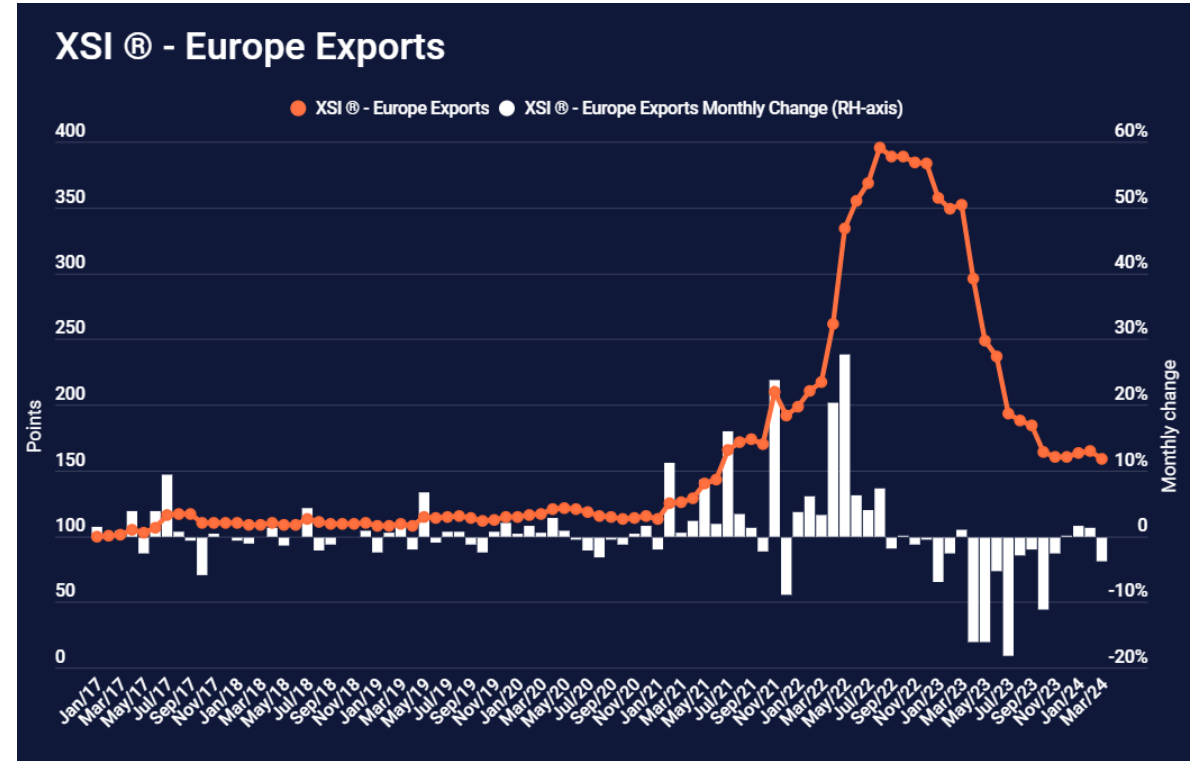
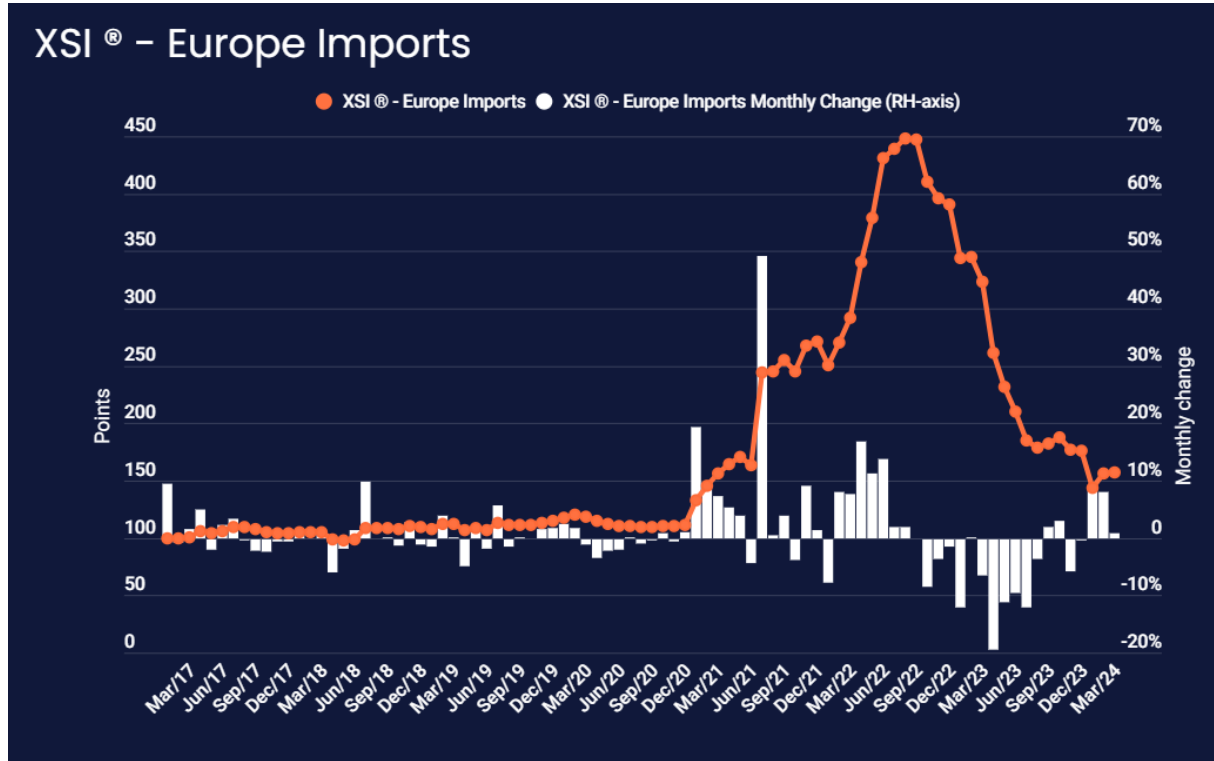
The Global XSI® (Long-term contract market) dropped to 151.6 points in March, showing a 3.9% year-to-date decrease.

- The Global XSI® index dropped to 151.6 points in March, a decrease of 1.8% from February and 56% lower than March 2023.
- Overall, the index has fallen by 3.9% compared to December 2023, with slight fluctuations in February not offsetting declines in January and March
- March saw limited movement in the XSI® due to a low number of new contracts entering validity, attributed to it being mid-quarter and shippers delaying signing new long-term contracts.
- Despite spot market increases at the beginning of 2024 due to Red Sea conflict disruption, long-term rates remain down by 3.9% year-to-date, indicating little impact on carriers.
- Expectations for movement in the XSI® in the next few months include new contracts for European and US shippers entering validity, along with adjustments to existing agreements.
- Overcapacity in the market, exacerbated by a record-breaking number of new ships delivered in 2024 (105, adding 665,000 TEU to the global fleet), is influencing negotiations between carriers and shippers for new long-term contracts.
- Shippers are leveraging market capacity to push back during negotiations, knowing there is enough capacity to meet demand even amidst disruptions like Red Sea diversions or Panama Canal droughts.



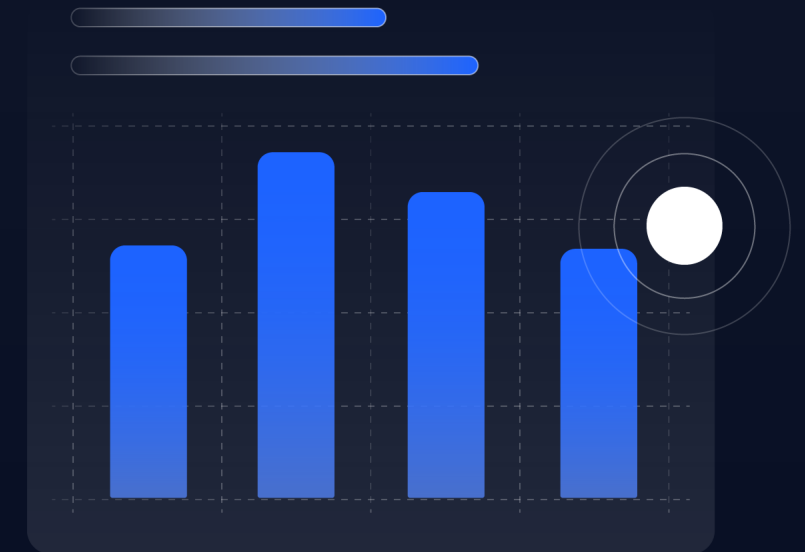
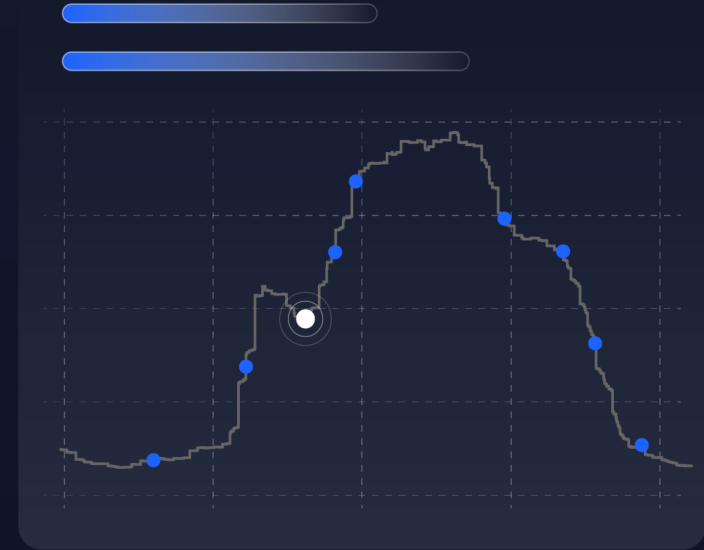
[Click here to view the full Xeneta XSI report.](#)

European Import XSI Surges 0.8% in March to Reach 157.4 Points, Highest in 2024.

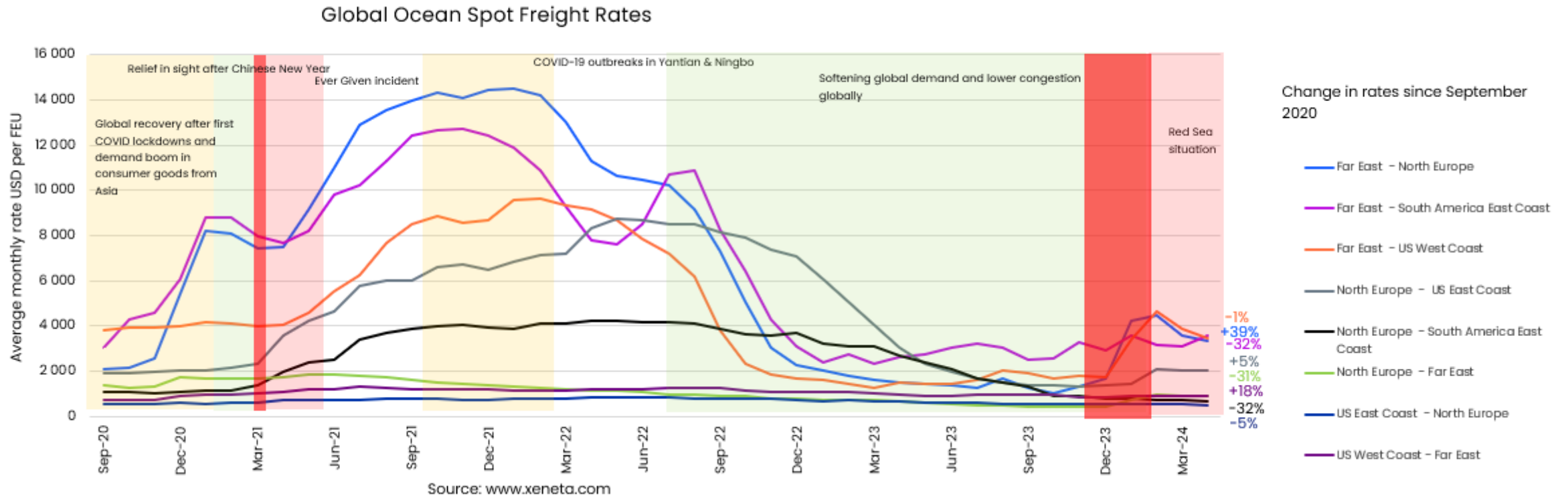


Where are we now?

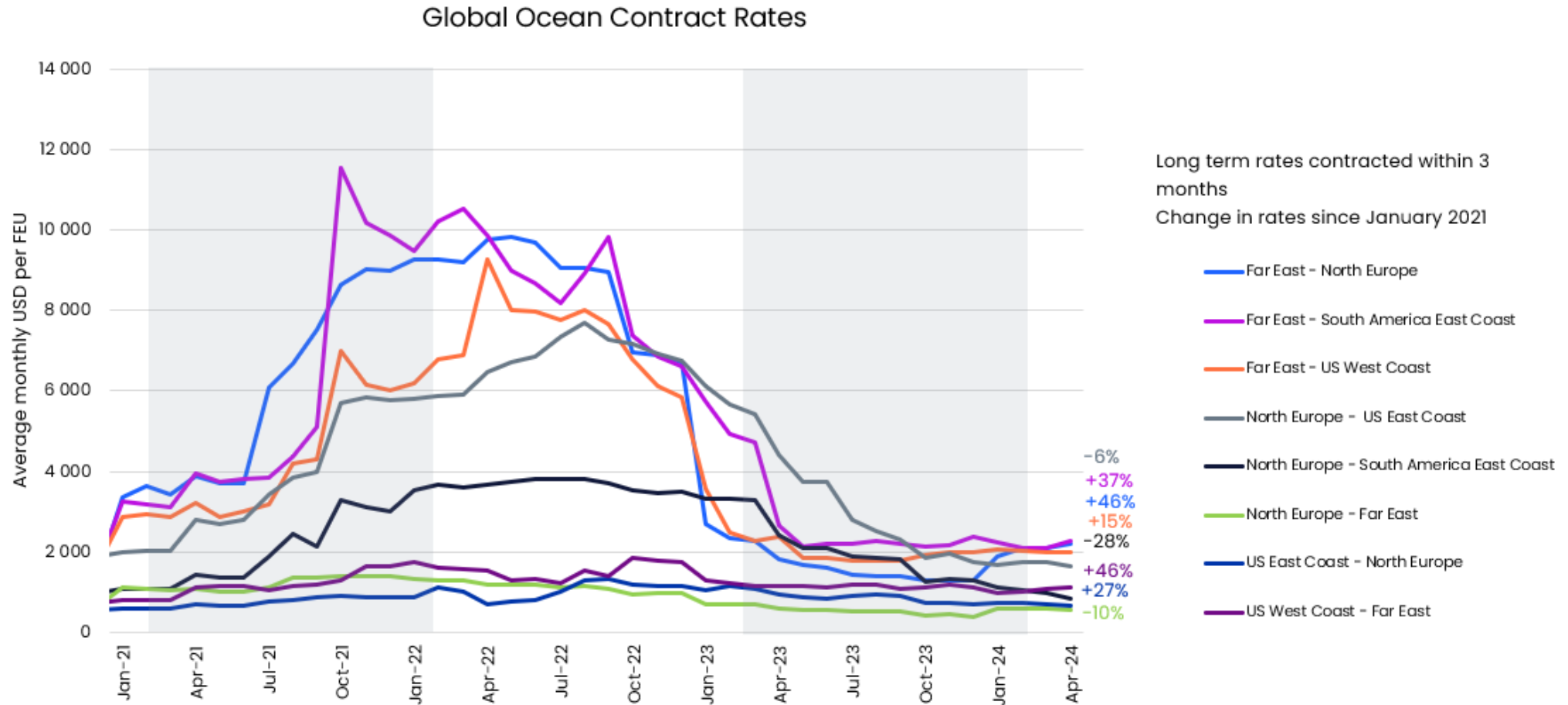
Current Freight Rate Trends



Development of spot freight rates (as of April 15th, 2024)

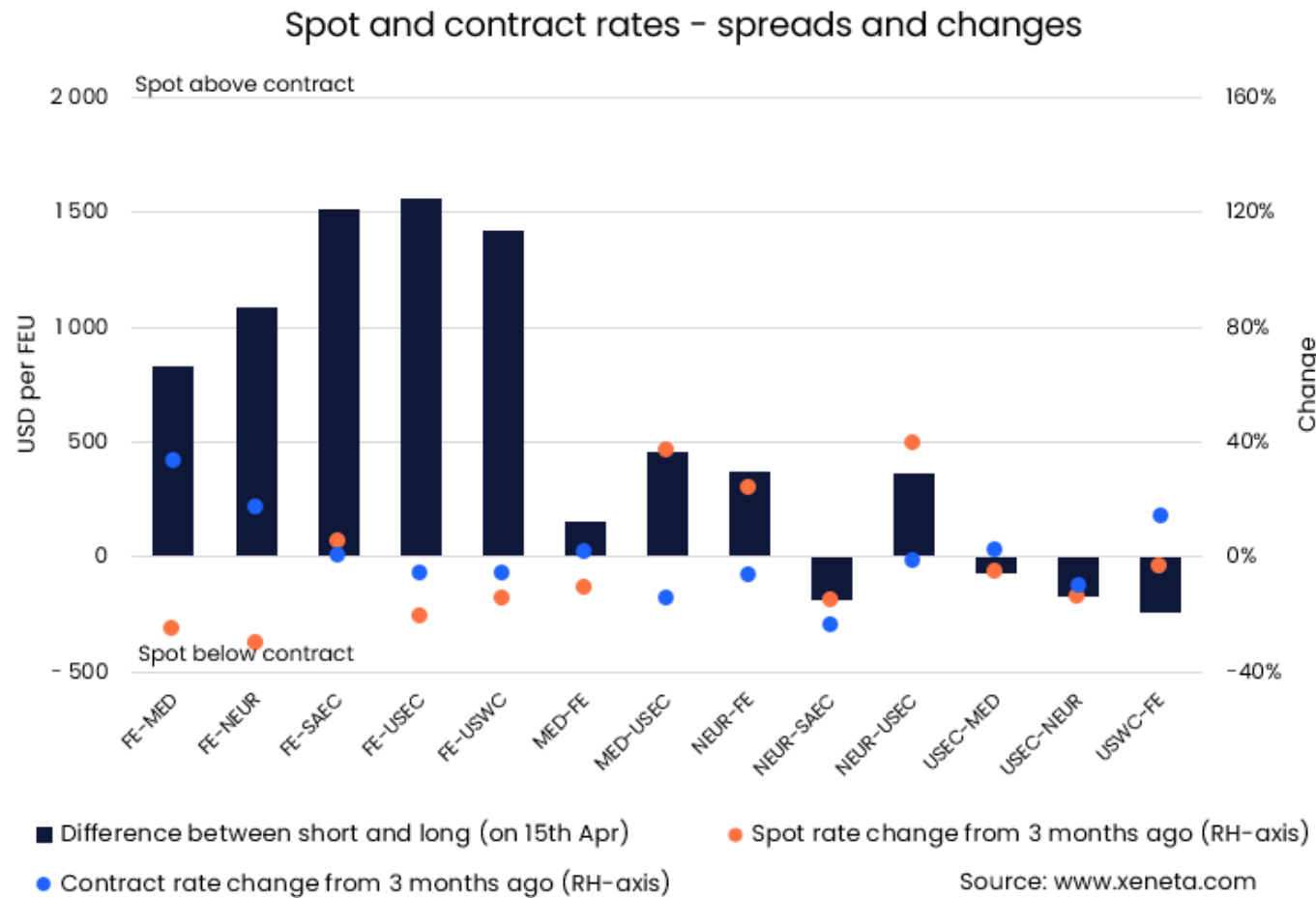


Development of contract freight rates (as of April 15th, 2024)



Source: www.xeneta.com

Rapid rate surge: noteworthy contract and spot rate escalations in Trans-Pacific and Trans-Atlantic shipping routes



How to read this chart

Objective of graph: For the reader to see the price difference between short and long contracts.

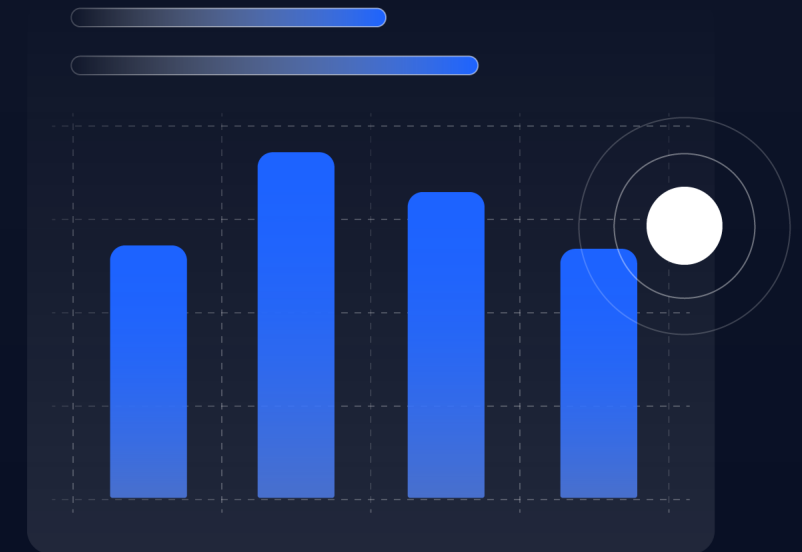
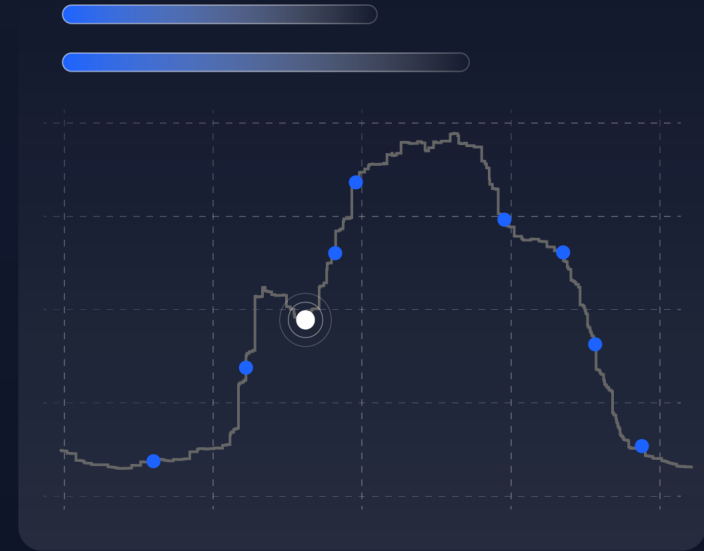
Left Hand Axis: USD per FEU price difference between short and long contracts as of current date.
(Spot Rates minus Contract Rates)

- If the bar shows a positive spread, spot rates are above contract rates, if the bar is in the negative, contract rates are above spot rates.

Right Hand Axis: Percentage difference in spot and contract rates from 3 months ago to the current date.

Supply Chain Heat Maps

From Xeneta



April Sustains Upward Momentum: XSI® C Rates See Consecutive Two-Week Climb in FE – SAEC

XENETA

Xeneta Shipping Index by Compass (The XSI-C)

Origin	Destination	Week	Week	Week	Week	Week	Week	Week	Week	Week	Week	
		5	6	7	8	9	10	11	12	13	14	15
		ending										ending
		26/Jan	02/Feb	09/Feb	16/Feb	23/Feb	01/Mar	08/Mar	15/Mar	22/Mar	29/Mar	05/Apr
Far East	to US West Coast	10.1%	10.3%	2.3%	0.5%	-3.6%	-5.7%	-4.9%	-6.9%	-5.5%	-3.8%	-0.7%
Far East	to North Europe	-1.8%	-2.9%	-2.4%	-3.8%	-2.2%	-7.3%	-4.7%	-6.9%	-3.7%	0.0%	0.0%
Far East	to South America East Coast	-5.4%	-8.7%	-0.4%	0.3%	3.4%	-0.5%	-2.3%	0.3%	0.0%	12.6%	6.1%
North Europe	to Far East	19.8%	12.1%	-2.2%	-4.7%	-0.6%	-5.0%	-2.0%	0.7%	-0.1%	-1.3%	3.9%
North Europe	to South America East Coast	-1.6%	-2.5%	1.0%	0.5%	-2.2%	-0.2%	-1.0%	-1.4%	1.2%	-10.0%	-2.2%
North Europe	to US East Coast	15.6%	25.9%	1.5%	-0.1%	-2.3%	-2.3%	-1.1%	1.5%	-1.5%	-4.1%	3.1%
US East Coast	to North Europe	0.6%	-0.8%	0.8%	1.3%	-0.2%	-2.8%	-0.1%	-1.4%	-1.7%	-5.3%	-0.2%
US West Coast	to Far East	-0.2%	-0.8%	1.1%	0.6%	1.7%	3.2%	0.4%	-2.3%	0.4%	4.0%	0.9%

Powered by XSI.Xeneta.com

Note:

Weekly average

Rates falling by more than 0.4% are GREEN

Rates going down OR up by less than or equal to 0.4% are YELLOW

Rates climbing by more than 0.4% are RED

What is the XSI® - C?

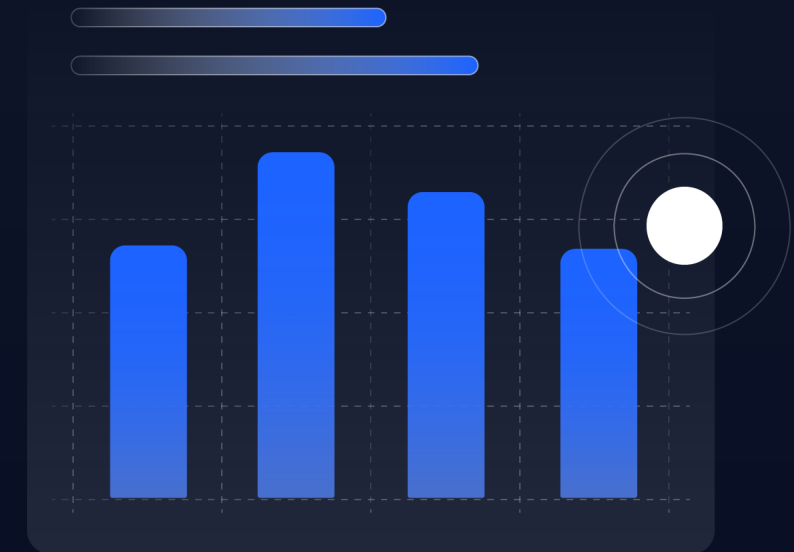
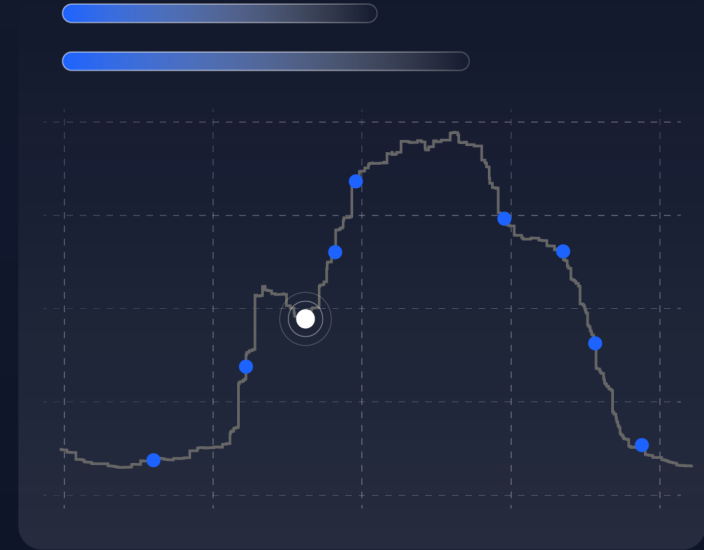
The XSI® - C stands for the Xeneta Shipping Index by Compass. It's EU BMR compliant and ready for index-linked contracting and derivatives.

The XSI® - C is the container shipping industry's most transparent and trusted container rates index. It delivers the most in-depth and most accurate representation of the container freight market.

Bunker Fuel

Prices and Surcharges

Main Ports



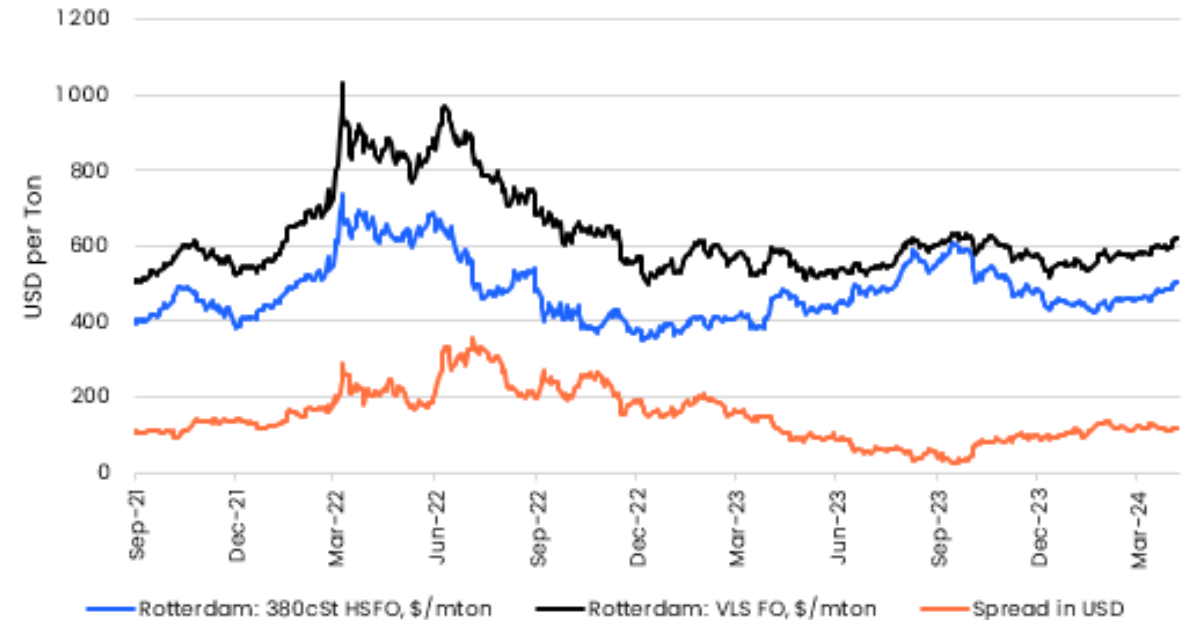
Bunker fuel market trends: Singapore vs Rotterdam highlights – April

Singapore: Bunker fuel prices



Source: Xeneta, MABUX

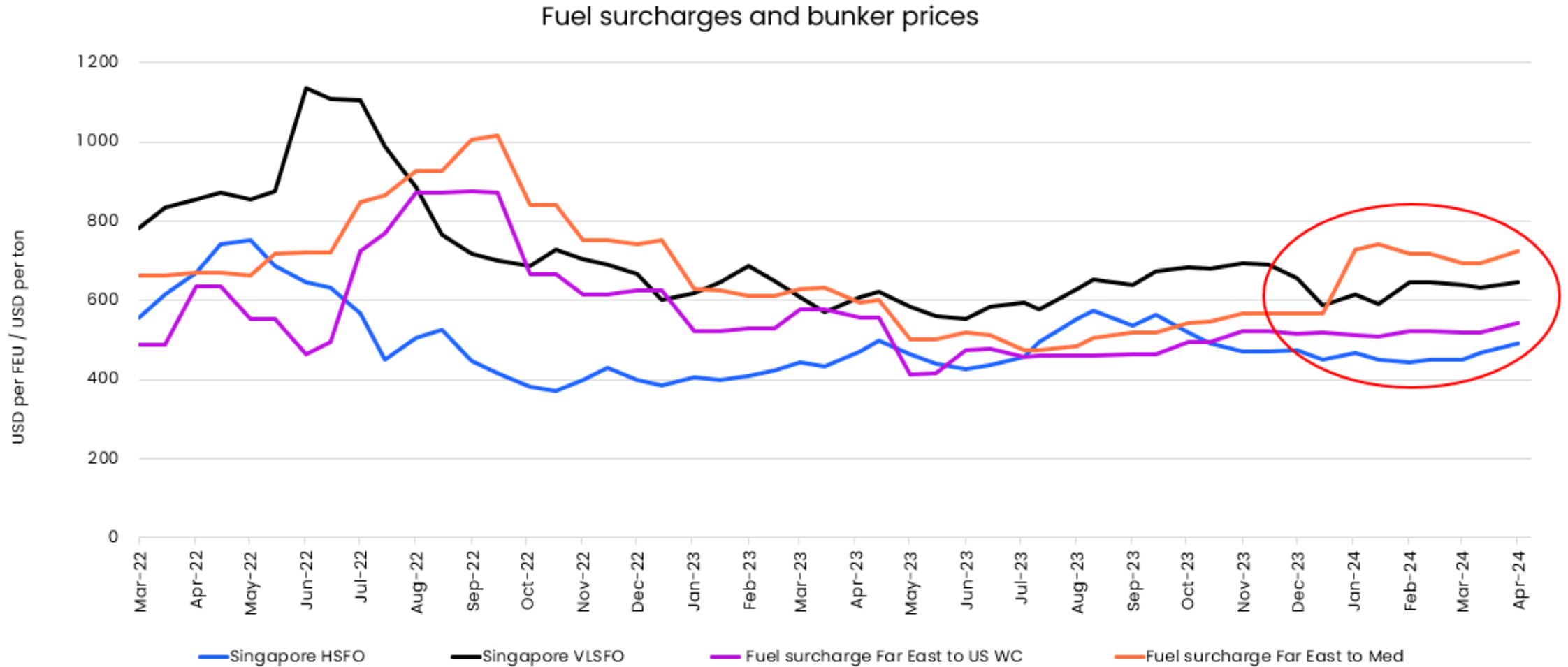
Rotterdam: Bunker fuel prices



Source: Xeneta, MABUX

MABUX is tracking the correlation between market prices (as shown in the charts) and its digital bunker price benchmark. This gives insights on over-/undercharged prices.

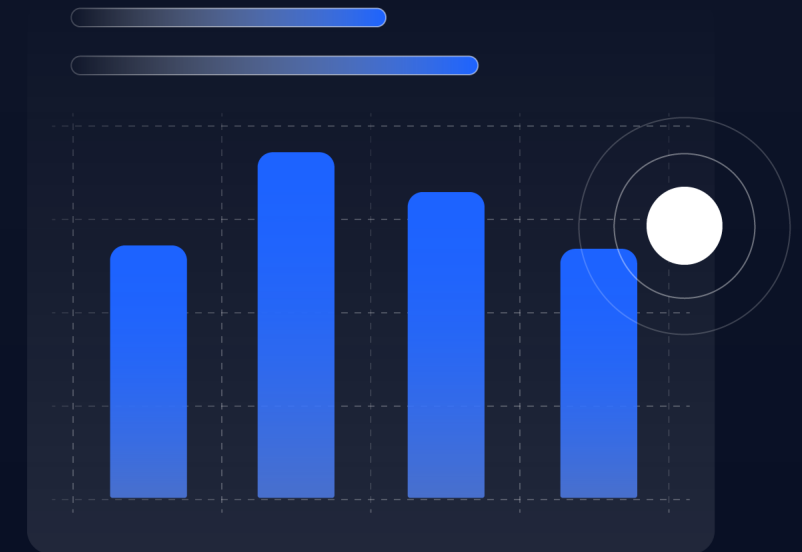
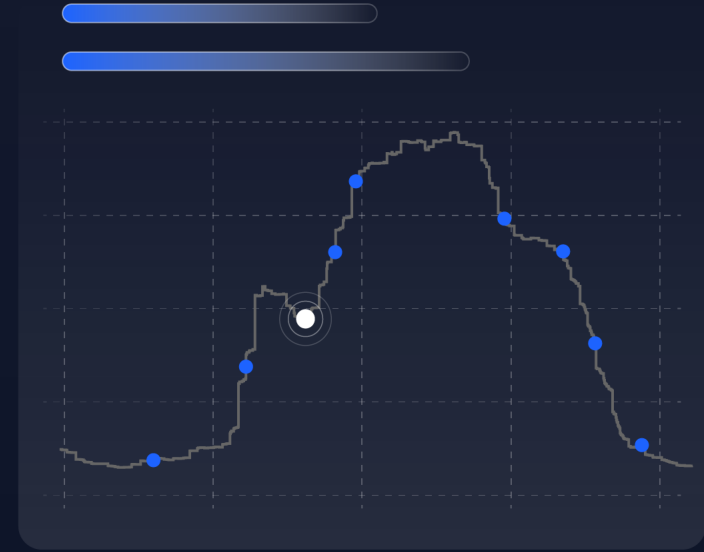
Fuel cost rise: extended travel distance between the Far East and Mediterranean escalates bunker fuel expenditure



Source: Xeneta, MABUX

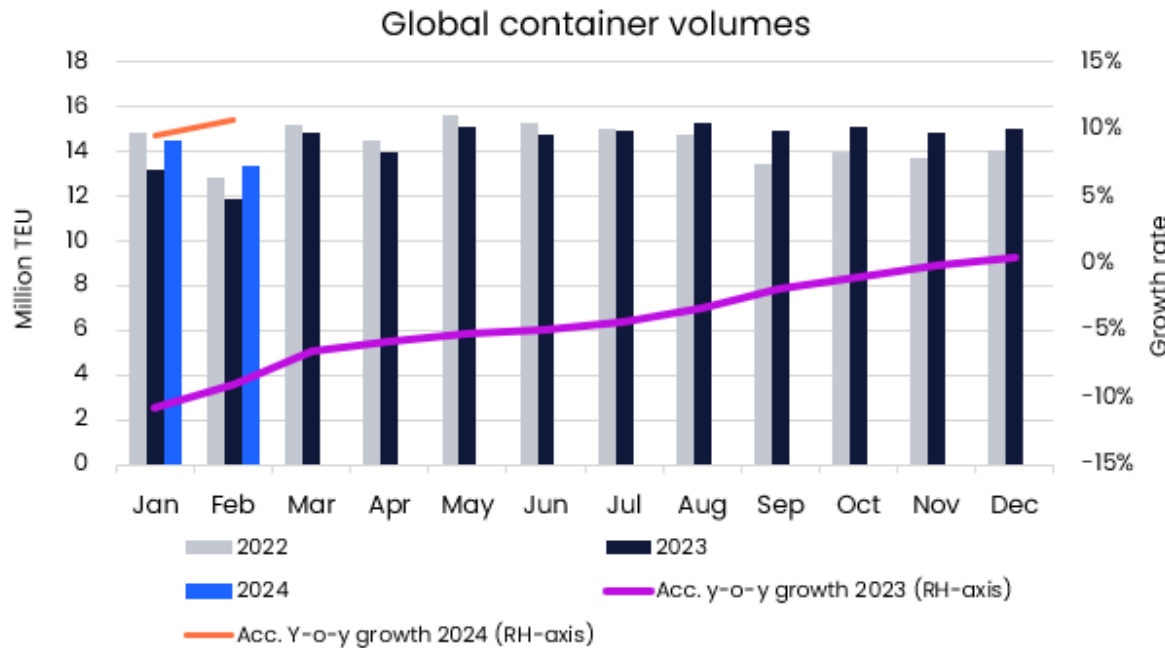
What's being shipped?

Current Demand Trends

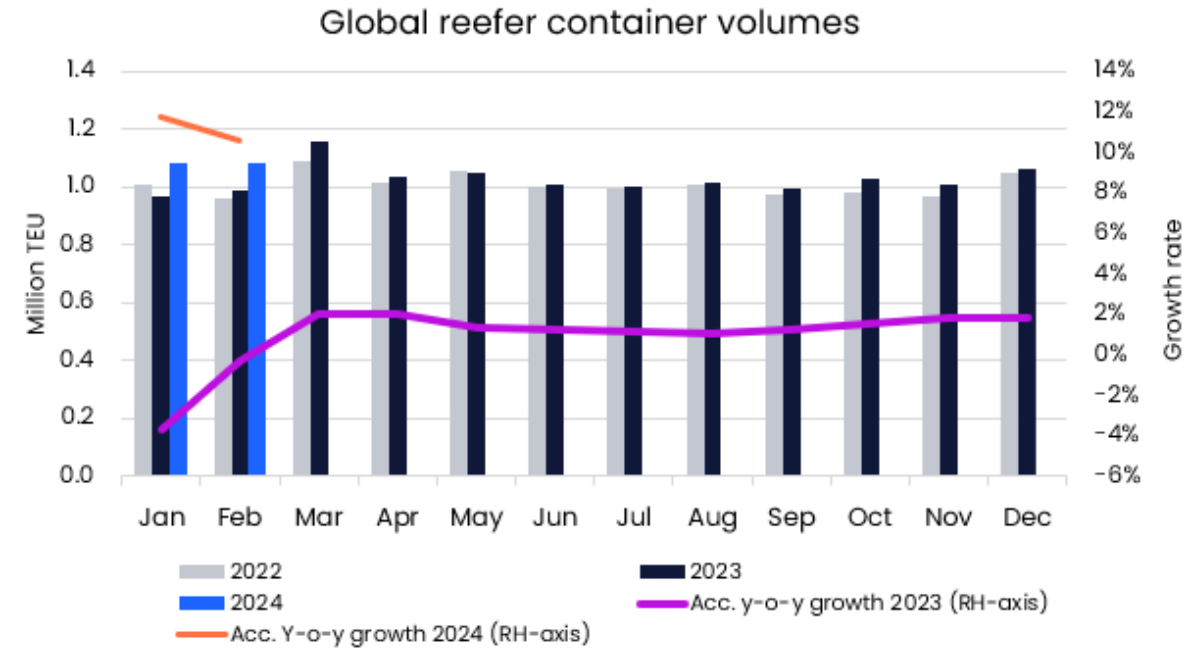


Dynamic growth trends in global container and reefer volumes

In February 2024, while there was a seasonal decrease in total container volume compared to January, both total and reefer container volumes have maintained steady growth. January and February, year-on-year, total containers saw a 10.7% increase, and reefers demonstrated a robust 10.6% growth, indicating sustained momentum in container shipping



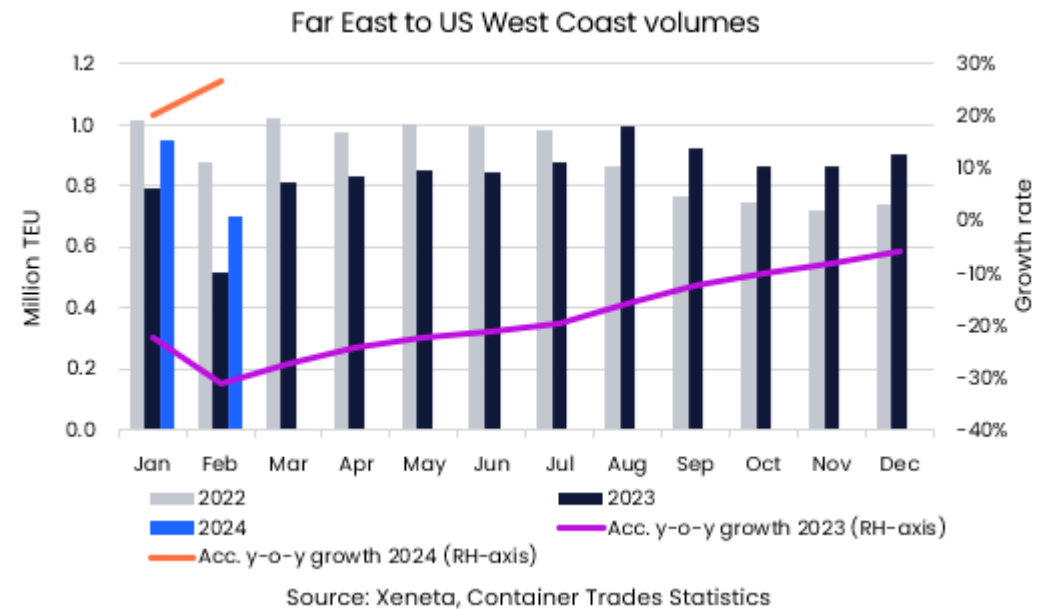
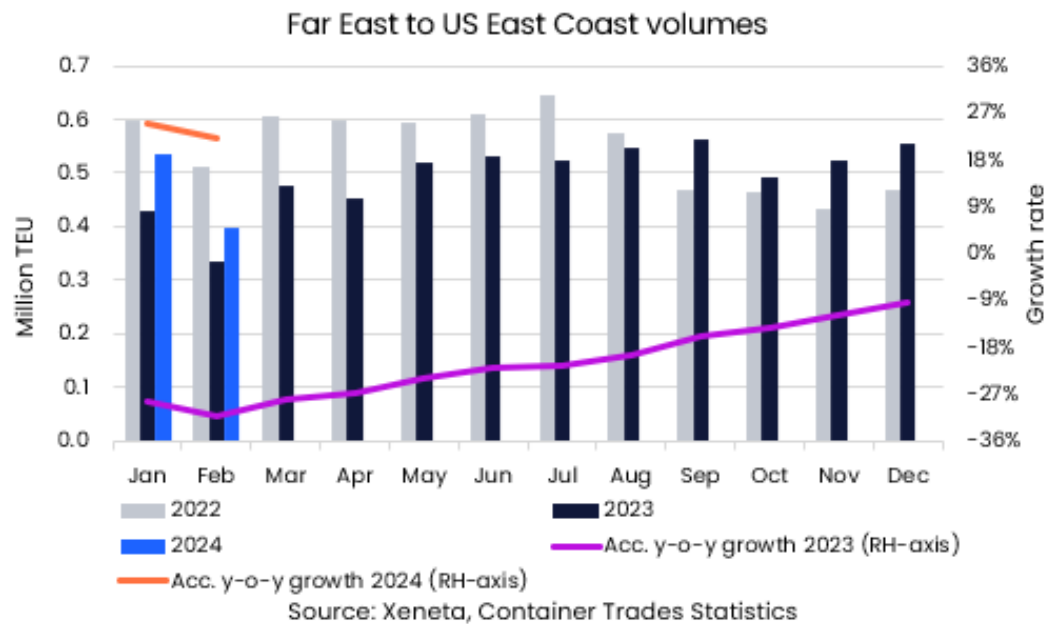
Source: Xeneta, Container Trades Statistics



Source: Xeneta, Container Trades Statistics

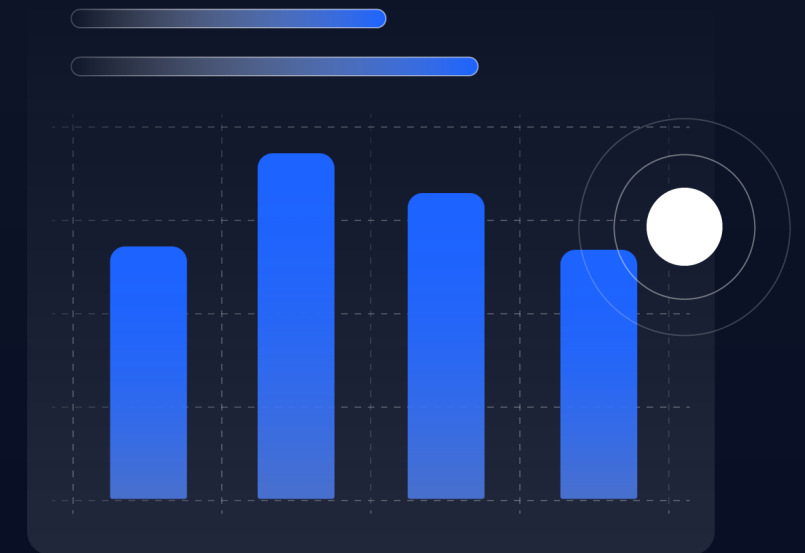
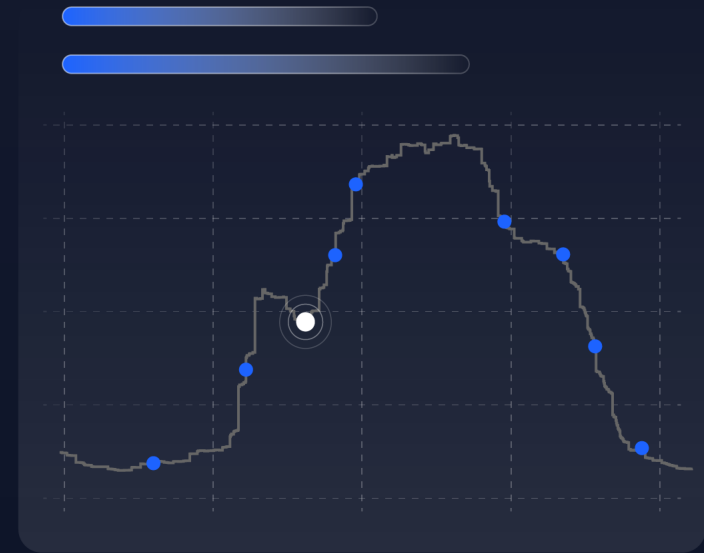
February 2024: Continued Growth in Far East to US Container Shipping

In February 2024, the Far East to US West Coast route saw a notable increase in volume, with shipments rising by 26.7%, while the Far East to US East Coast route experienced a growth of 22.1%. These substantial upticks signify continued robust trade activity and potential adjustments in trade patterns. However, it's crucial to recognize that the timing of the Chinese Lunar New Year, which fell in January 2023 but in February 2024, could have impacted trade dynamics, potentially contributing to the observed fluctuations in volume growth.

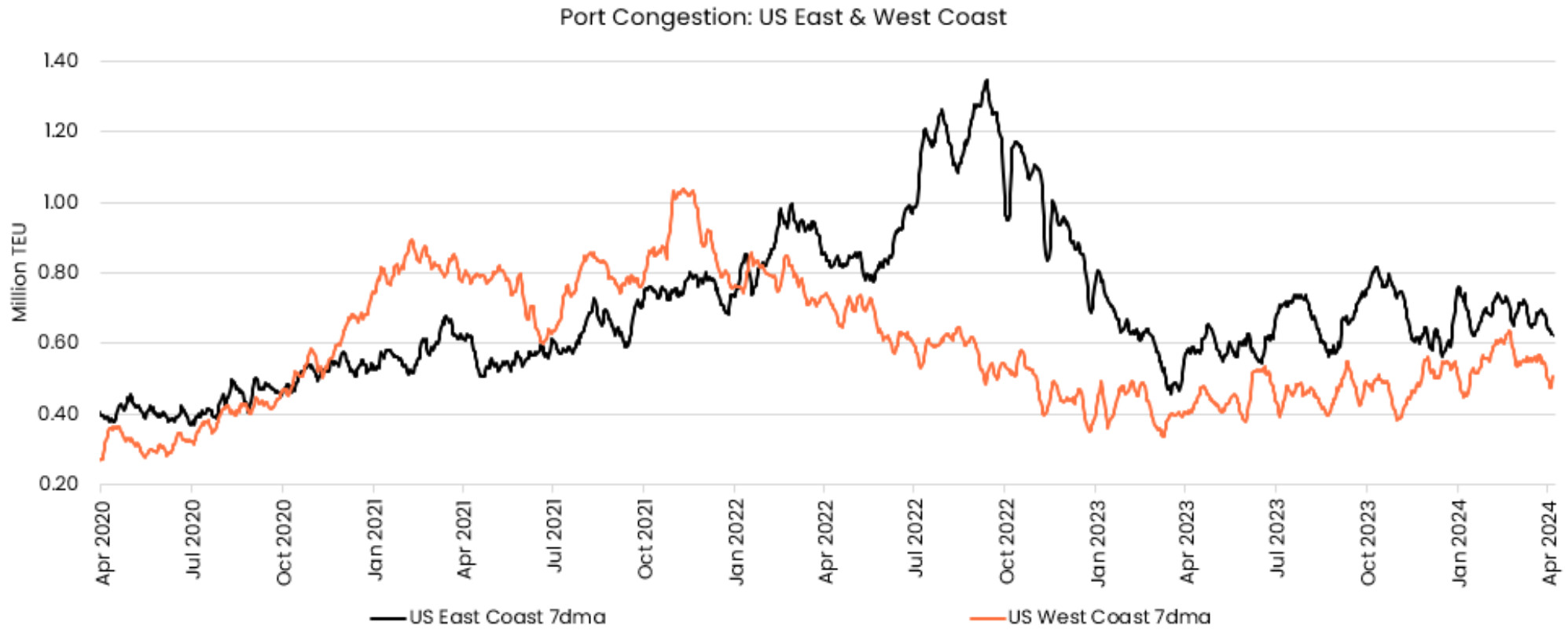


Where's the congestion?

Improving or getting worse?



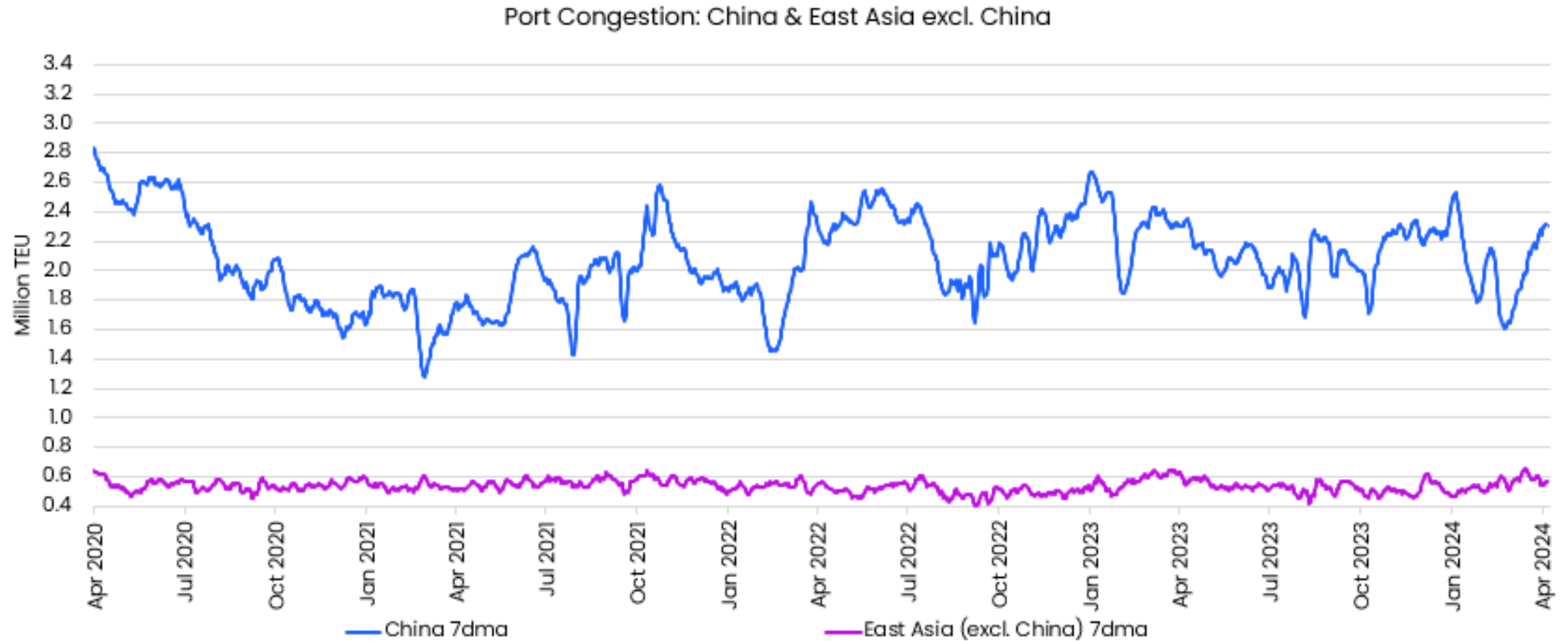
April 2024: signs of easing port congestion bring hope to container shipping Industry



Source: Xeneta, Clarksons

7dma Stands for 7 days Moving Average

April 2024: gradual incline in port congestion in China and East Asia



Source: Xeneta, Clarksons

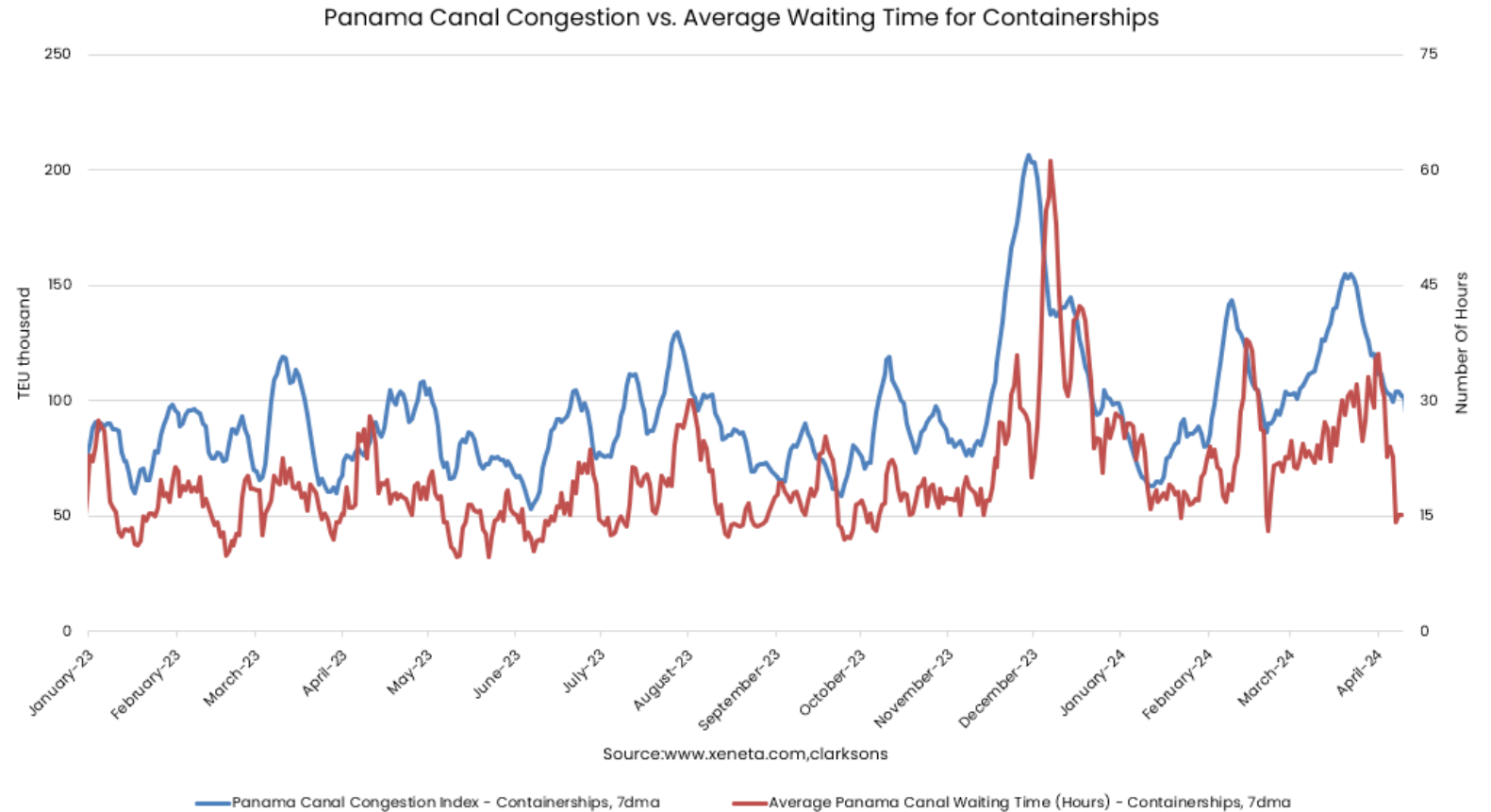
7dma Stands for 7 days Moving Average

Navigating maritime disruptions: impacts on Panama Canal traffic

In light of the Panama Canal's transit restrictions, the congestion scenario significantly affects various sectors. While containerships have faced a modest 9% decrease in transits due to priority booking, bulk carriers experienced a drastic 72% drop, struggling with slot competition.

The Suez Canal is one of the viable alternatives to the Panama Canal, however this waterway is now also compromised due to ongoing conflict in the region. This emphasizes the importance of any potential easing of restrictions in the Panama Canal.

A graphical representation of Panama Canal congestion versus average waiting time for containerships would depict the stark contrast in transit variations across sectors, reflecting the broader challenges in global seaborne trade.



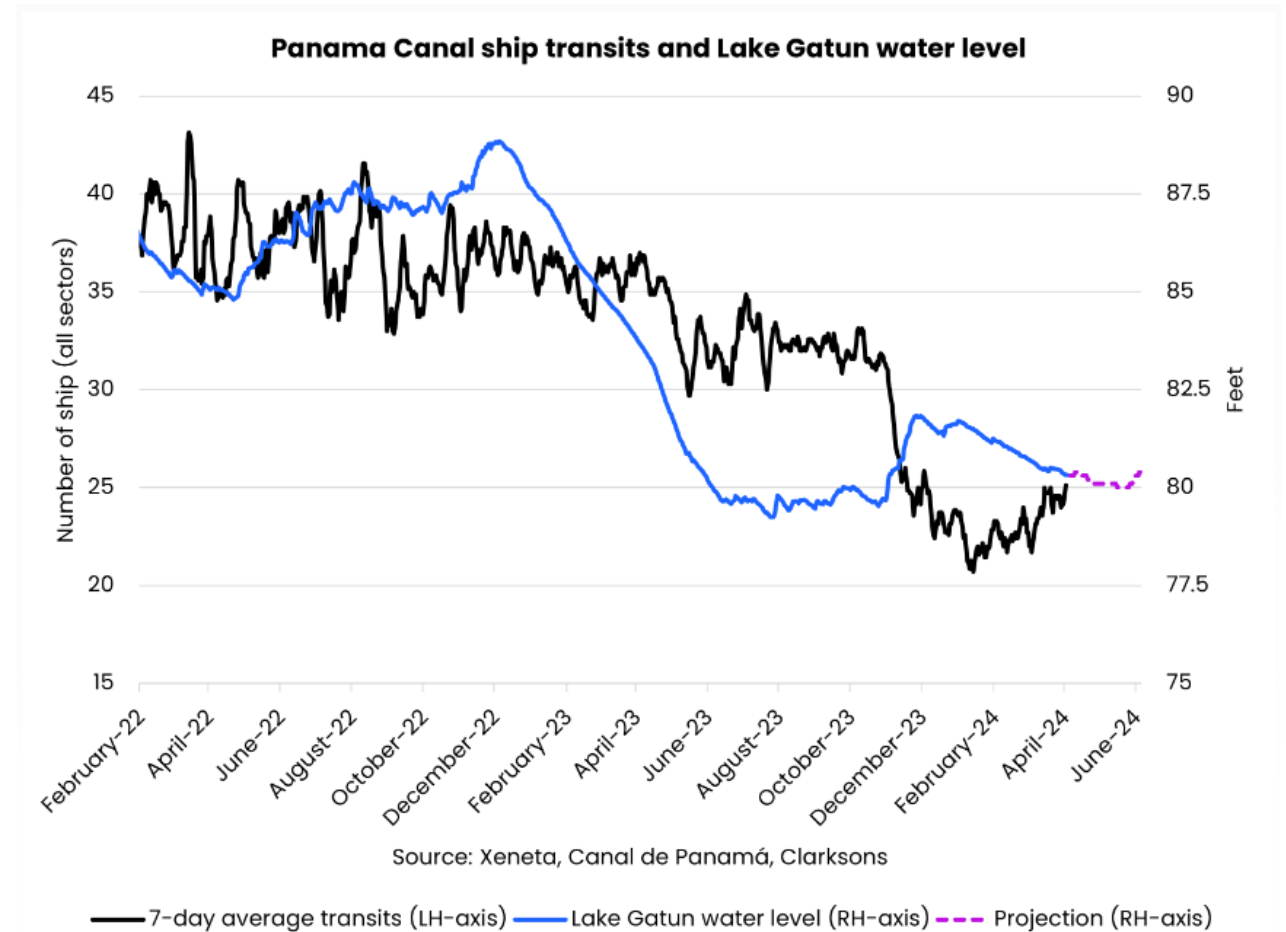
7dma Stands for 7 days Moving Average

Navigating climate challenges: The impact of drought on Panama Canal transit and Gatun lake water levels

Amidst the global discourse on maritime emissions and climate resilience at MEPC81, our graph vividly portrays the consequential effects of climate change on the Panama Canal transit and Gatun Lake water levels.

As vessels navigate this critical waterway, the graph reveals a concerning trend of diminishing transit capacity correlating with declining water levels.

This decline, exacerbated by El Nino and evolving climate patterns, underscores the pressing need for proactive solutions and sustainable practices within the maritime industry.



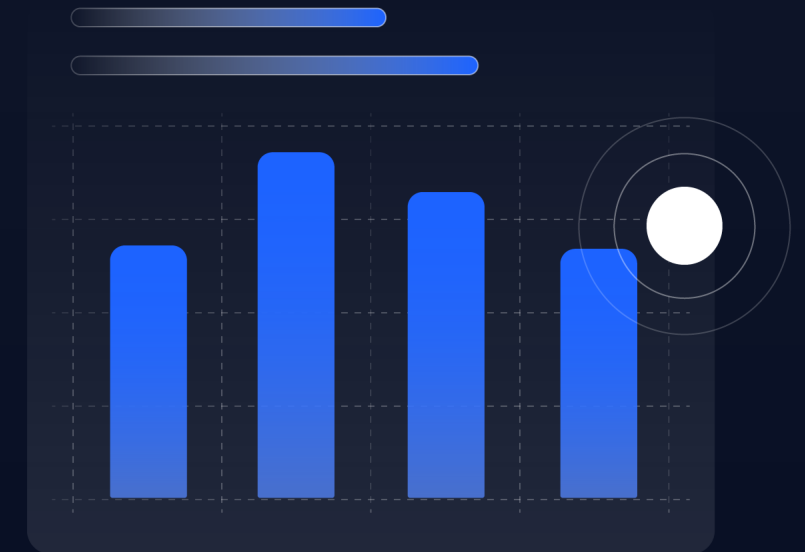
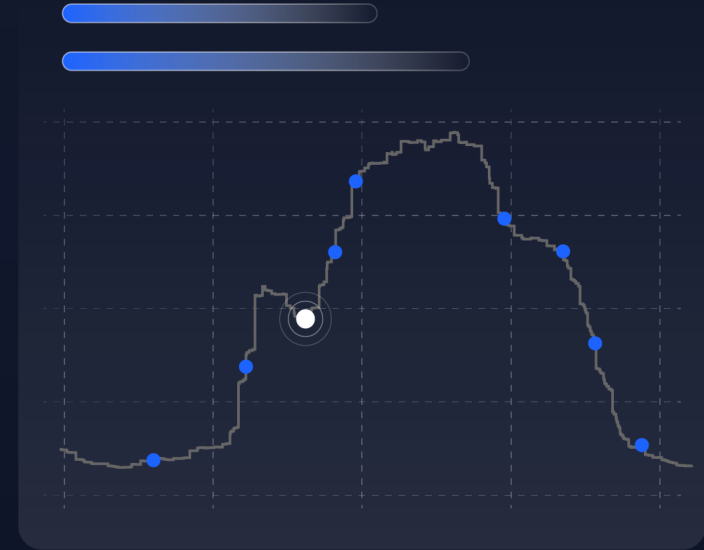
INDUSTRY BLOG

Climate change in maritime shipping: critical waterways across the globe are in the grip of severe drought

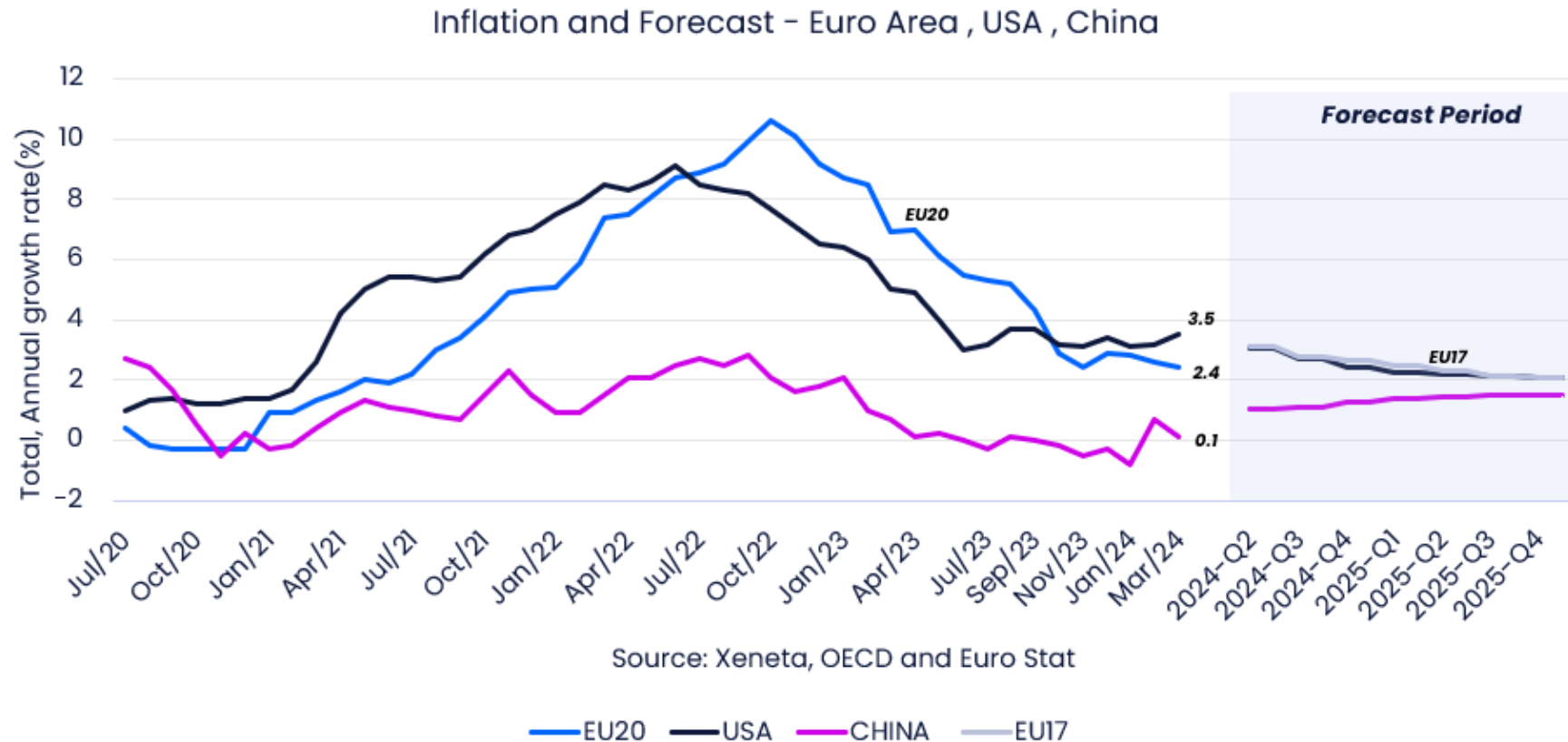
[Read now](#)

Where's the economy heading?

In the East and in the West



Inflation trends: USA and China on the upswing, Euro area maintains stability in March 2024



Inflation actuals and forecasts by OECD

(Measured by consumer price index, or harmonised index of consumer prices (HICP) for euro area countries, the euro area aggregate and the United Kingdom. Inflation measures the general evolution of prices. annual growth rate in percentage)

GROWTH PROJECTIONS BY REGION

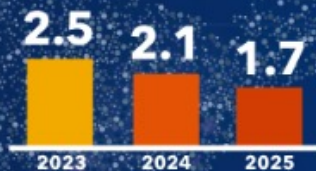
(PERCENT CHANGE)

WORLD



(real GDP growth, percent change)

UNITED STATES



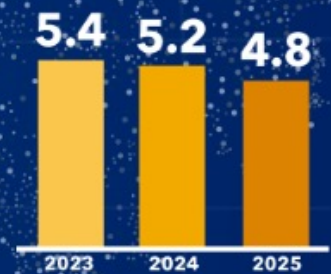
EURO AREA



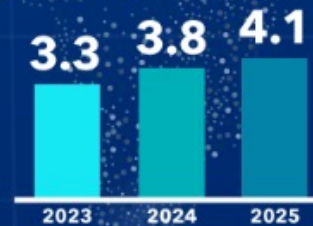
MIDDLE EAST AND CENTRAL ASIA



EMERGING AND DEVELOPING ASIA



SUB-SAHARAN AFRICA



LATIN AMERICA AND THE CARIBBEAN



Source: IMF, *World Economic Outlook Update*, January 2024.

Note: Order of bars for each group indicates (left to right): 2023, 2024 projections, and 2025 projections.

TUESDAY, APRIL 16, 9:00 AM ET: Press Conference



**SPRING
MEETINGS**
2024 | WASHINGTON DC
INTERNATIONAL MONETARY FUND
WORLD BANK GROUP

PRESS BRIEFING

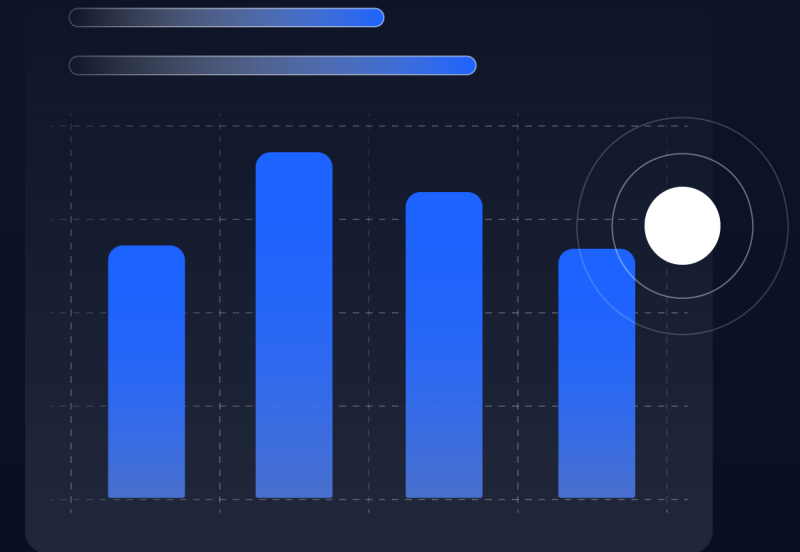
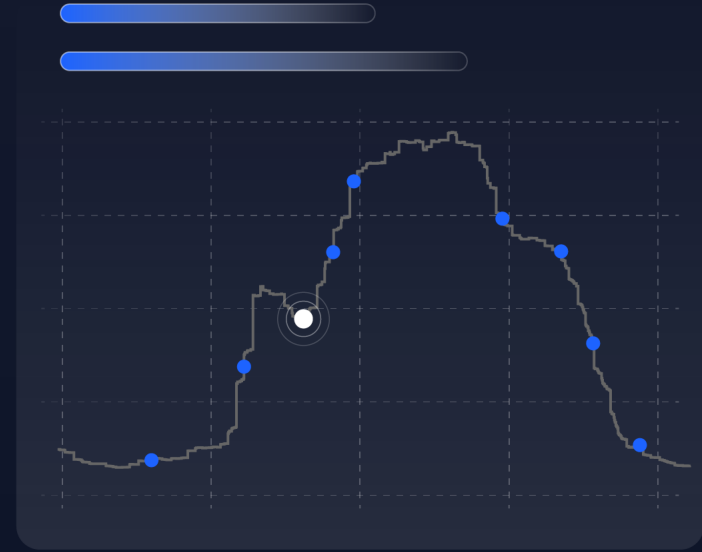
WORLD ECONOMIC OUTLOOK

TUESDAY, APRIL 16
9:00 AM ET

WATCH ON
IMF LIVE

[Read now](#)

Monthly Specials!



Bridge collapse, supply chain disruption, and the looming labor negotiations: navigating challenges on the US East Coast

The collapse of the Francis Scott Key Bridge in Baltimore has indeed caused supply chain disruption on the US East Coast, but contrary to expectations, it has not led to an increase in ocean freight container shipping rates.

However, this doesn't mean that shippers aren't affected; they are now facing unexpected container arrivals at ports, with many containers being rerouted to New York / New Jersey instead of Baltimore.

While the Port of Baltimore expects to restore normal capacity by the end of May, further disruptions are anticipated in 2024 due to labor negotiations, potentially leading to widespread disruption at US East Coast ports and a possible increase in shipping rates.





USACE Baltimore
@USACEBaltimore · Follow



New today: the latest updates to the Francis Scott Key Bridge response. 🏗️ This salvage operations plan is part of a dynamic situation, and both the plan and graphic will be updated as engineering data becomes known. #FSKBridge @USACEHQ

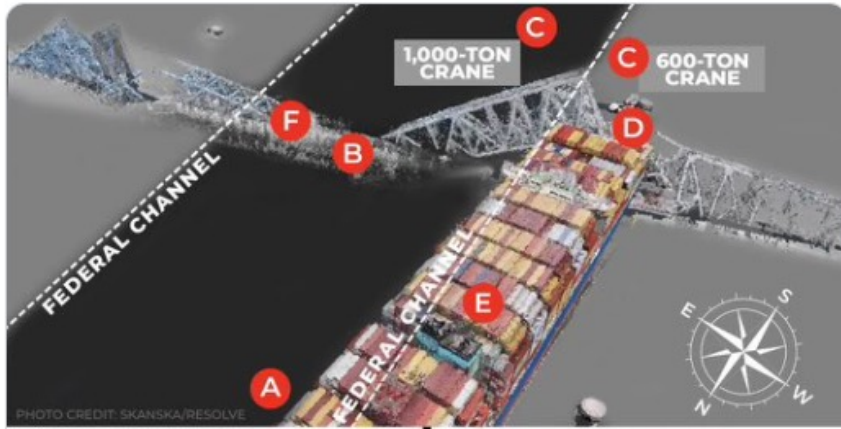


PHOTO CREDIT: SKANSKA/RESOLVE

OBJECTIVES	PRIORITIES
<p>A Stabilize DALI to prevent pivoting.</p> <p>B Analyze internal bridge truss structure.</p> <p>C Position 1000-ton and 600-ton floating cranes.</p> <p>D Cut diagonal truss to lift from vessel and swing wreckage for removal.</p> <p>E Refloat DALI away from wreckage.</p> <p>F Disassemble and remove bridge.</p>	<p>1 CLEAR FEDERAL CHANNEL</p> <ul style="list-style-type: none"> Establish wreckage consolidation point Position cranes to remove bridge span from Dali Clear wreckage from DALI Remove wreckage from Federal Channel <p>2 REFLOAT & REMOVE DALI</p> <ul style="list-style-type: none"> Assess cargo and remove containers as necessary Stage assets for repositioning of DALI Refloat and move DALI from hard grounding <p>3 CLEAR REMAINING WRECKAGE</p> <ul style="list-style-type: none"> Systematically clear wreckage from outside of the federal channel Facilitated under the direction of Maryland Department of Emergency Services

As of 21MAR2024

NAB.USACE.ARMY.MIL

6:22 PM · Mar 31, 2024



FRANCIS SCOTT KEY BRIDGE RESPONSE

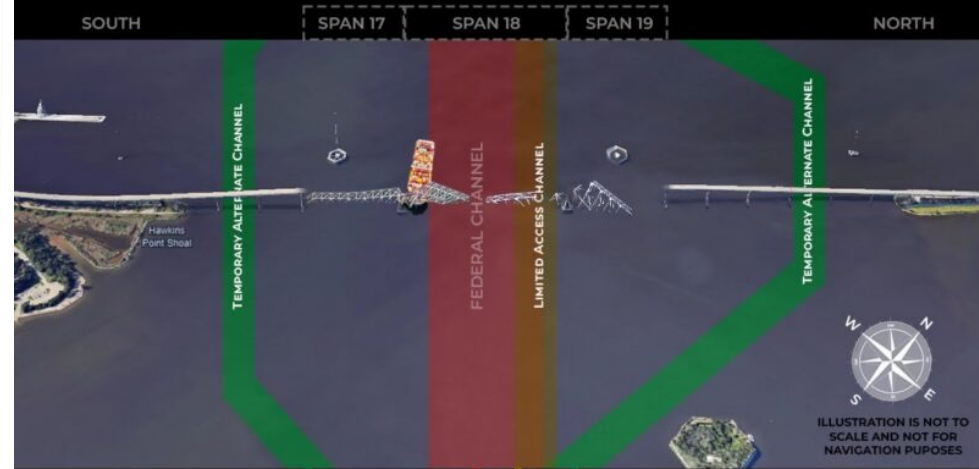


NAVIGATION CAPABILITIES

The situation remains dynamic, and the plan and the graphic will be continually updated as the engineering data becomes known.



US Army Corps of Engineers



HAWKINS POINT

14FT DEEP, 280FT WIDE, 124FT HIGH CLEARANCE

- Empty barges, small tugs, survey vessels, crew boats, floating cranes, Coast Guard Buoy Tenders, crane barges, CG Patrol Boats, Navy YPs, commercially essential vessels.

OPERATIONAL

SOLLERS POINT

11FT DEEP, 264FT WIDE, 95FT HIGH CLEARANCE

- Empty barges, small tugs, survey vessels, crew boats, floating cranes, Coast Guard Buoy Tenders, crane barges, CG Patrol Boats, Navy YPs, commercially essential vessels.

OPERATIONAL

FEDERAL CHANNEL

50FT DEEP, 700FT WIDE, 214FT HIGH CLEARANCE

- Federal Channel supported two-way traffic between Pier 18 and Pier 19.
- Clearing wreckage from federal channel to restore normal port operations.

NON-OPERATIONAL

LIMITED ACCESS

35FT DEEP, 280FT WIDE, 214FT HIGH CLEARANCE (POWERLINE)

- Concerted effort in an area with less wreckage to expedite traffic based on channel restrictions.
- Larger deep draft vessels, large marine tugs, MARAD vessels.

NON-OPERATIONAL

THE TWO TEMPORARY ALTERNATE CHANNELS ARE FOR COMMERCIALY ESSENTIAL VESSELS AND FOR USE DURING DAYLIGHT HOURS ONLY.

Our commitment to supporting the Unified Command Center in the recovery of the missing victims of this tragedy remains our top priority.

RELEASED BY BG JOHN LLOYD AS OF 05 APR 2024

NAB.USACE.ARMY.MIL

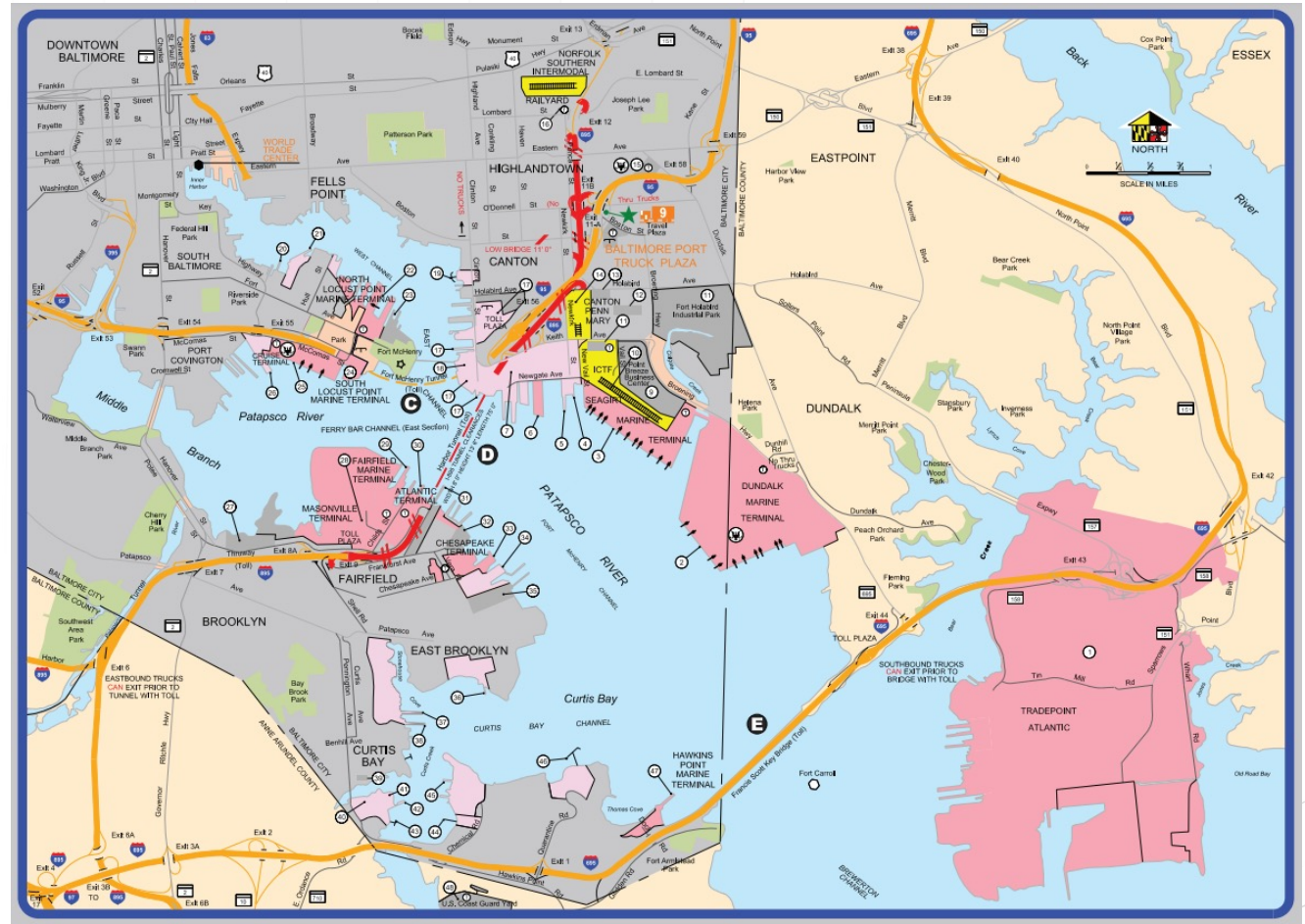
Port of Baltimore



PORT OF BALTIMORE
 Maryland Port Administration
www.mpa.maryland.gov
 1-800-638-7519

<ul style="list-style-type: none"> ① Tradepoint Atlantic ② Dundalk Marine Terminal (MPA) ③ Seagirt Marine Terminal (MPA/Ports America) * ④ Gold Bond Building Products ⑤ Canton Marine Terminal Pier 13 ⑥ Canton Pier 10/11 ⑦ Consol Energy/CNX Marine Terminal ⑧ Point Breeze Business Center ⑨ Intermodal Container Transfer Facility (ICTF) (MPA/Ports America) ⑩ Ports America Chesapeake Grain Operation ⑪ Fort Holabird Industrial Park ⑫ Chesapeake Commerce Center (Amazon) ⑬ MTC Logistics (Cold Storage) ⑭ Canton Rail Road (Penn-Mary Yard) ⑮ Belt's Business Center (U.S. Customs Station) ⑯ Norfolk Southern (Bayview Intermodal Yard) ⑰ Rukert Terminals Corp. (Clinton Street Offices) ⑱ Lehigh Portland Cement ⑲ Petroleum Fuel & Terminals Co. (Apex) ⑳ General Ship Repair ㉑ American Sugar Refining (ARS)/Domino Sugar ㉒ North Locust Point Marine Terminal (MPA) ㉓ C. Steinweg (Baltimore) ㉔ South Locust Point Marine Terminal (MPA) ㉕ Cruise Maryland/Cruise Terminal ㉖ SubCom ㉗ Vulcan Materials Company ㉘ Masonville Terminal (MPA)/ (Mercedes-Benz Auto Facility) 	<ul style="list-style-type: none"> ㉙ Fairfield Marine Terminal (MPA)/(Auto Warehousing Corp.) ㉚ Atlantic Terminal (Amports) ㉛ NuStar Energy LP ㉜ Vane Brothers ㉝ Chesapeake Terminal (Amports) ㉞ Baltimore Asphalt Refinery Dock (Chevron USA) ㉟ SASOL North America ㊱ Citgo/Tosco ㊲ CSX Transportation Chesapeake Bay Piers (Coal) ㊳ CSX Transportation Chesapeake Bay Shiploader Pier 2 (Coal) ㊴ Mid States Oil Terminal ㊵ Bitumar USA ㊶ Liquid Transfer Terminal, Inc. ㊷ Amerada Hess Dock ㊸ BP/Amoco Oil Co. (Curtis Bay Terminal) ㊹ ARGOS Cement ㊺ W.R. Grace & Company ㊻ U.S. Gypsum Dock ㊼ Hawkins Point Marine Terminal (MPA)/ (Eastalco/Yara North America) ㊽ U.S. Coast Guard Yard
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<ul style="list-style-type: none"> ★ Permit Load Escort Waiting Area 🇺🇸 U.S. Customs Stations Ⓐ Toll Facilities (see reverse side of map for locations, contact information, and Axle Rates) 	<ul style="list-style-type: none"> * Ports America - www.pacheseapeake.com
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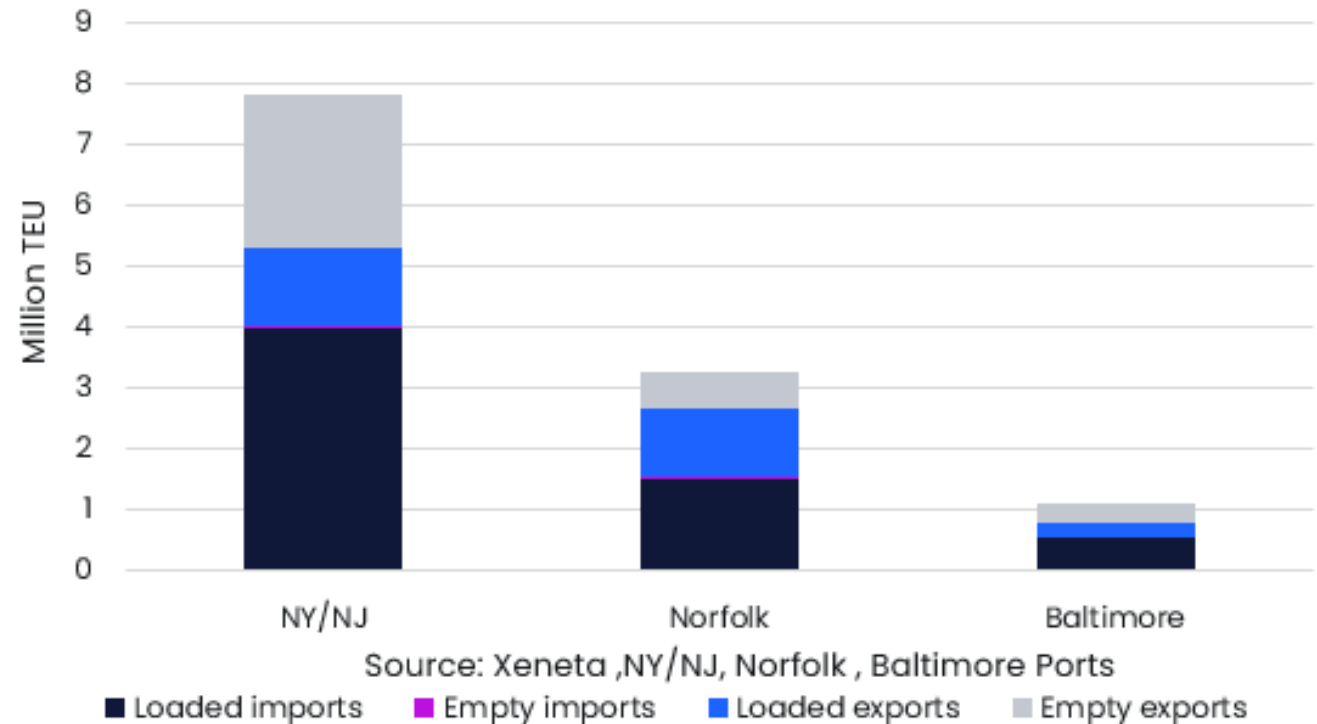
Comparative throughput analysis: Baltimore's role amidst NY/NJ and Norfolk ports

Baltimore, while smaller compared to its neighboring ports NY/NJ and Norfolk, plays a significant role in the regional supply chain.

Despite its smaller size, Baltimore's throughput is notable. It's important to note that the vast majority of container ships calling on Baltimore already have scheduled stops in NY/NJ or Norfolk. Therefore, the collapse of the Francis Scott Key Bridge in Baltimore should not necessarily result in an increase in the number of ships calling on these two ports.

Instead, it is likely to lead to an increase in the number of containers being (un)loaded in NY/NJ and Norfolk, as Baltimore-bound cargo is rerouted to these ports. This could potentially strain the capacity of NY/NJ and Norfolk terminals, impacting efficiency and causing delays in the overall supply chain.

Breakdown of 2023 throughput



SHIPPINGWATCH

but is owned by Israeli businessman Eyal Ofer.

”

”An already bad situation in the Red Sea and Gulf of Aden has just got worse

Peter Sand, chief analyst, Xeneta

On Saturday evening, the same guard announced that it had sent drones and missiles towards Israel. This was in retaliation for the attack on an Iranian consulate in Syria, which Iran believes Israel is behind.

Through the hijacking of the ship in the Strait of Hormuz, the shipping industry has once again been drawn into the Middle East conflict.

”An already bad situation in the Red Sea and Gulf of Aden has just got worse and could put ocean

freight container imports and oil exports in the Middle East at risk,” said Peter Sand, chief analyst at Xeneta, in a statement.

”We don’t yet know the full details of the incident in the Strait of Hormuz, but any widening of the conflict which has already resulted in huge disruption to ocean freight services in the Red Sea region would be extremely concerning,” Sand said.

According to Reuters, Israel’s military said on Sunday morning that over 300 drones and missiles were fired, 99% of which were averted.

Nevertheless, Saturday’s incidents give reason for renewed concern about the situation in the region, according to several heads of state and government, including EU Commission President Ursula von der Leyen and Danish Prime Minister Mette Frederiksen.

The latter said in a statement on the social media site X that the escalation “creates the risk of greater conflict in the Middle East”.

Strait of Hormuz risks becoming a new hotspot in escalating conflict

Several analysts fear that there could be new disruptions to global trade now Iran has joined the conflict between Israel and Hamas.



Photo: Israel Defense Forces/Reuters/Ritzau Scanpix

BY RITZAU & SHIPPINGWATCH

Read our chief Analyst Peter Sand insights on the situation

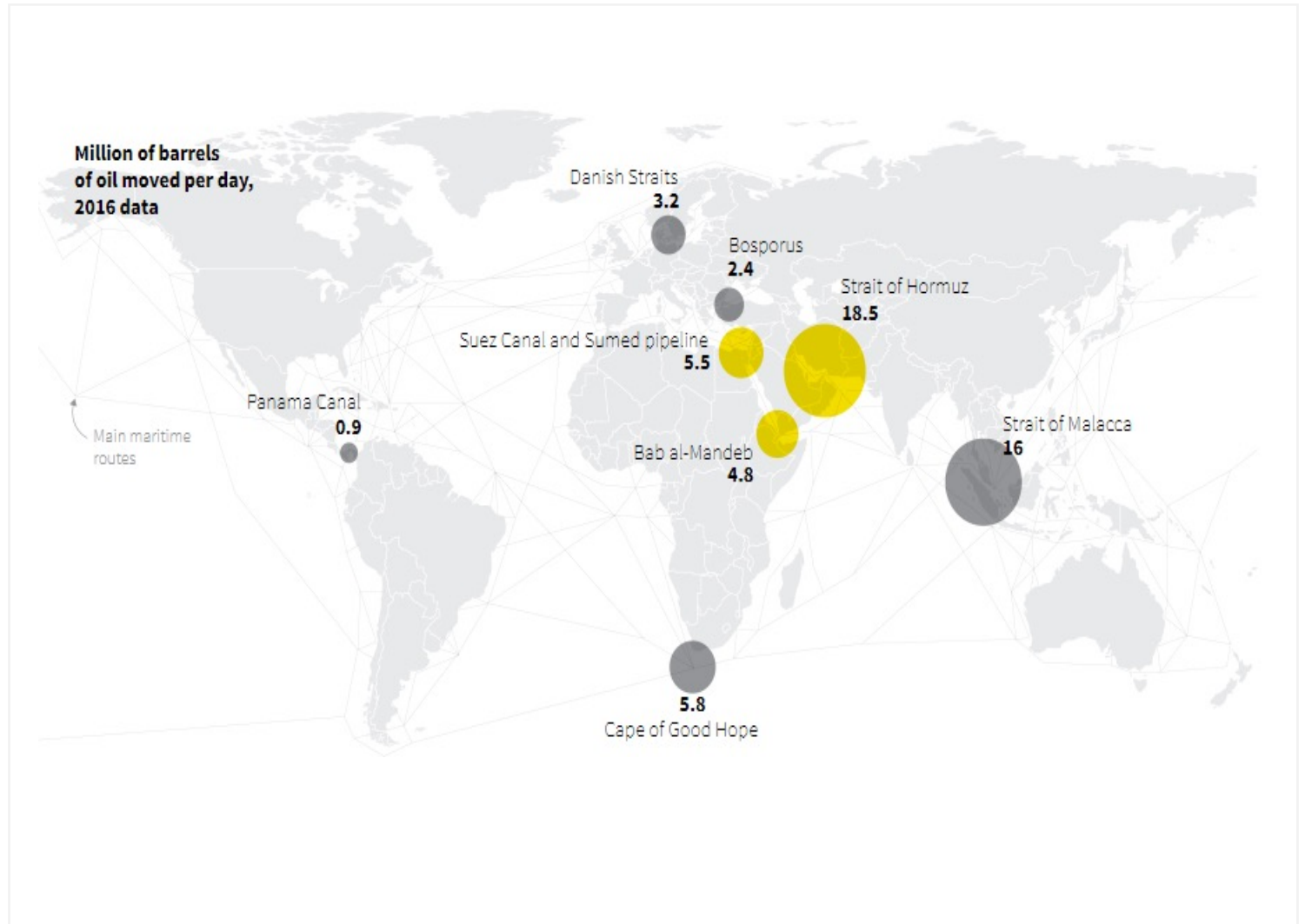
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Tensions rise in the world's most strategic oil chokepoint

The volume of oil transported through three chokepoints around the Arabian peninsula – Hormuz, plus two other critical sea lanes, the Strait of Bab al-Mandeb and the Suez Canal – accounts for more than half of the total crude transported through major maritime passages globally.

With the hijacking of the ship in the Strait of Hormuz, concerns about potential disruptions to oil supplies, leading to an increase in oil prices. With 20% of all oil-related shipping traffic passing through the Strait of Hormuz, any conflict disruption could hit Iran's neighbors hard.

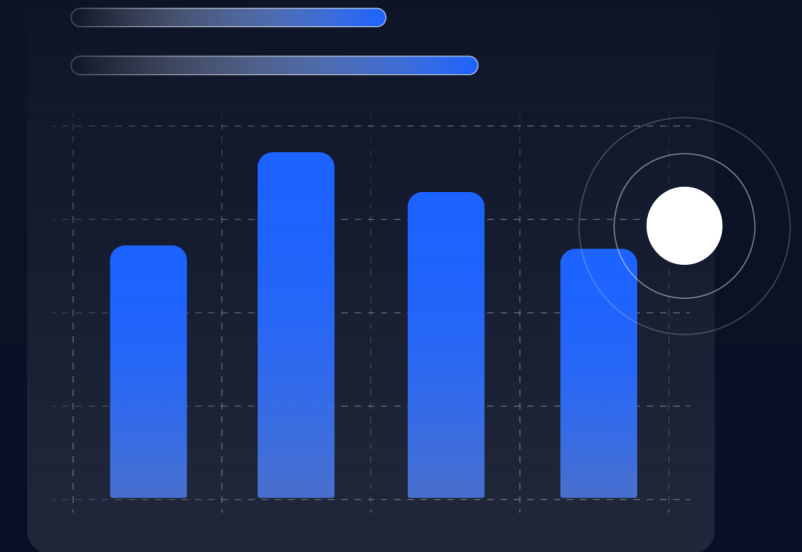
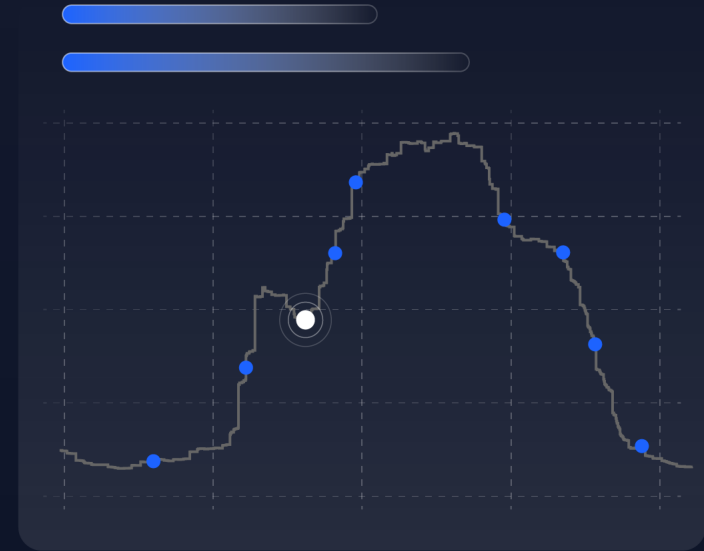
As tensions simmer and risks loom over critical maritime passages like the Strait of Hormuz, the question remains: How will global energy markets adapt to the evolving geopolitical landscape, and what measures will be taken to safeguard against potential disruptions in the years ahead?



Container shipping corridor



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UPDATE: Container ships continue to sail through Strait of Hormuz following seizure of MSC Aries by Iran

Monday, 15 April 2024

Ocean freight container ships are still sailing through the Strait of Hormuz despite the seizure of MSC Aries by Iran Revolutionary Guards in the early hours of Saturday, 13 April.

The map image below shows ocean freight container ships transiting the region today, Monday.

Peter Sand, Xeneta Chief Analyst, said: *"The seizure of MSC Aries is a targeted attack by Iran on Israeli interests rather than a random hijacking"*

"There would be far more concern in the industry if this was the start of sustained and indiscriminate attacks, but that doesn't appear to be the case and container ships are continuing to sail through the Strait of Hormuz."

"Unless the situation deteriorates further, the seizure of MSC Aries is unlikely to result in the kind of supply chain disruption we have witnessed recently in the Red Sea and Gulf of Aden where almost any ship is at risk of attack by Houthi militia."

"However, this is another example of nation states attempting to weaponize international supply chains and that should be a cause for concern for us all."

Sand on the potential impact of the MSC Aries incident on ocean freight shipping rates:

"Whenever there is uncertainty in the market there is the potential for ocean freight shipping rates to increase – as we have seen most recently following the escalation of conflict in the Red Sea. However, oil prices have not spiked as some feared they may do, and ships are seemingly sailing through the Strait of Hormuz without issues, so any direct impact on rates may be limited."

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