



TRADE DASHBOARD

Global Freight Procurement - February 2023



EUROPE

EUROPE TO NORTH AMERICA

Space availability	
Ocean rates, next 3-months	
Ocean rates, last 3-months	

US demand still weaker than usual, as a result from inflation and overstocked warehouses from earlier months. Consequently, **port congestion is easing up**, with less disruptions affecting container circulation, although East Coast ports remain difficult. **Currently vessels remain with high utilization factor**, although volumes have softened. Smaller niche carriers are entering the market, aiming to get a piece from a strong trade.

Ocean carriers are recently re-configuring their service loops, adding additional vessels to service loops, like 2M, also as a response to the IMO 2023 guidelines pushing for more additional slow steaming.

EUROPE TO OCEANIA

Space availability	
Ocean rates, next 3-months	
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The **direct** services, both to Australia and to New Zealand, are **under high demand and space pressure**, but with pressure from **transshipment** services, which can display short term improved pricings, rates are easing up. Somehow **lower rates are coming through with several delays in Asia**, as transshipment hubs remain a challenge, even with reduced volumes.

Operationally, delays through Europe ports eased, resulting in weekly schedule integrity. Equipment availability is stable, with few challenges.

EUROPE

EUROPE TO ASIA / MIDDLE EAST

Space availability	
Ocean rates, next 3-months	
Ocean rates, last 3-months	

With the continuous lack of demand besides the waiver of the zero Covid strategy, **spot rates have continued to decrease, though at a lower pace. With the CNY holiday**, services continue to be amended to address the lower demand, with more slow steaming, or diversions around the Cape of Good Hope instead of Suez. Additionally, all pre CNY Westbound blank sailings will **affect the backhaul Europe to Asia services in the weeks ahead**. Furthermore, niche carriers that entered the trade in 2020-2021 have exited, like China United Lines or TS Lines.

To Middle East we experienced a drop in demand after the end of the World Cup in Qatar. With an early Ramadan starting March 22nd we will see increase in demand for transport. All-water services have been reinstated for Ajman, Sharjah and Umm Al Quwain.

NORTH AMERICA

NORTH AMERICA TO EUROPE

Space availability	
Ocean rates, next 3-months	
Ocean rates, last 3-months	

Schedule reliability continued to improve by 3%, to 49%. Situation at NY/NJ is definitely better and ports Savannah and Charleston are operating better as well. Waiting days at berth now zero at NY/NY and Charleston but 2 days at Savannah. However delays on rail keep affecting the deliveries.

The bump on rates of October 2022 is now recovered, and rates remain stable for recent and for short term future. On longer term there may be more decreases on rates, in case carriers move more capacity from other East-West trades that suffer.

NORTH AMERICA TO SOUTH AMERICA

Space availability	
Ocean rates, next 3-months	
Ocean rates, last 3-months	

Rates have gone up slightly in Q4'2022, but the short term future looks stable as inflation hampers demand in the region. On the operations side, after strikes at ports across multiple countries in previous months, the majority of ports are now working in full swing. At least when they are free of weather-related disruptions, which affected lately the Gulf of Mexico. **All services reliabilities look better**, USWC to SAWC is definitely better in terms of operations, the situation we had for the past two years seems to be over.

NORTH AMERICA

NORTH AMERICA TO ASIA

Space availability	
Ocean rates, next 3-months	
Ocean rates, last 3-months	

Space availability and equipment stocks are ok, as there were relatively few blank sailings and no significant changes in market capacity as carriers prepared for the Lunar New Year. Schedule reliability increased by 6%, to around 51% today. While US ports have abundant equipment availability, several inland markets, especially in the Midwest have a balance of equipment availability. Demand-wise, the ongoing US-China trade war and a strong currency continue to affect US exports, particularly of agricultural products, however **experts still anticipate a growth, of 1.2% in 2023. Rates can be expected to remain stable for short term future.**

NORTH AMERICA TO OCEANIA

Space availability	
Ocean rates, next 3-months	
Ocean rates, last 3-months	

Rates did not go down as much as some expected lately. May be “just” a 5 to 10% down. Reason is capacity and demand remaining equal. When there is a void on a carrier’s vessel, it is being filled rather quickly by alternatives. **Short term future looks mild but further decrease.**

In terms of schedule integrity, this trade had a decrease of 8% (to 42.6%) showing how the congestion at USEC ports and at the transshipments ports affected in November. Now all regions are getting better, and shippers should be in a better position to have visibility on their ETAs.

ASIA

ASIA TO EUROPE

Space availability	
Ocean rates, next 3-months	
Ocean rates, last 3-months	

Volumes bounced back to more normal levels for North Europe in the latest few weeks. **Also the increased blank sailing program did stop the rates fall**, both *Drewry* and *SCFI* reporting spot benchmarks stabilized around same values since December.

However stocks levels in Europe remain elevated, and consumer confidence rather low, which should limit further spending. Carriers are expected to perform more blank sailings to further balance supply and demand.

ASIA TO NORTH AMERICA

Space availability	
Ocean rates, next 3-months	
Ocean rates, last 3-months	

Space is widely available, and all equipment types are now with sufficient supply across Asia, **however most carriers are experiencing chassis shortage issues**. Particularly in China, with drivers going back home for Chinese New Year, some of them after 3 years of strict Covid quarantine policy, we have seen chassis shortage at main ports like Shanghai, Ningbo, Yantian, Shekou, etc.

Rates levels as assessed by *SCFI* are now around \$1400 /FEU to USWC, a level last seen in March 2020.

ASIA

INTRA ASIA

Space availability	
Ocean rates, next 3-months	
Ocean rates, last 3-months	

Rates are stabilized despite some movements locally, depending on markets. **Stronger market are imports into Japan and Philippines, with difficult access to space there.** Generally in most other areas, demand remains soft.

CNC introduced a new service, the “Yangon Cambodia Express” (YCX) linking Myanmar and Cambodia to Singapore and Malaysia.

PIL also launched this month a new loop serving Xiamen, Nansha, Manila, Cebu : the “South China Philippines” (SCP).

ASIA TO OCEANIA

Space availability	
Ocean rates, next 3-months	
Ocean rates, last 3-months	

Space is generally still open and can be obtained on short notice to Australia, thanks to added capacity, new services, and a less disrupted maritime supply chain in Q4. Situation keeps being **a bit more challenging to New Zealand,** where rates remained stable, due to a lesser supply.

Equipment situation stabilized due to drop in overall volumes.

OCEANIA

OCEANIA TO NORTH AMERICA

Space availability	
Ocean rates, next 3-months	
Ocean rates, last 3-months	

Demand is still strong from both Australia and New Zealand, so space remains under pressure.

The direct service **to the USWC** remains challenged by chronic port delays, resulting in vessel bunching, and therefore impacting on what should be a fortnightly Adelaide caller... **Space to the USEC** on all services is also tight, although service integrity is not as impacted.

20ft equipment remains challenged in both Adelaide and Nelson. Feeder services from Nelson are unstable for all carriers, who are using different services to reach the deep sea connection.

OCEANIA TO ASIA

Space availability	
Ocean rates, next 3-months	
Ocean rates, last 3-months	

Whilst demand remains strong, particularly for primary commodities, **the addition of new shipping lines has meant space is available more freely, particularly from Australian East Coast ports.**

That had also led to more competitive rates being available notably from Melbourne and Sydney.

Ex New Zealand, Auckland is unproblematic for space and equipment, however **the major wine ports of Nelson and Napier remain restricted** by lack of service options and equipment unavailability.

OCEANIA

OCEANIA TO EUROPE

Space availability	
Ocean rates, next 3-months	
Ocean rates, last 3-months	

The direct CMA CGM / MSC service remains full as Europe import volumes stay strong, and Asian commodity demand is loading on the same service. Equipment, particularly 20fts, remains challenged in Adelaide (which call was omitted several times around Christmas) and to a lesser extent in Melbourne.

Ex New Zealand, the direct CMA CGM / Marfret service has been under pressure in Q4 for space, although this has now slightly eased ahead of the Q2 reefer peak, when dry space will be severely restricted. Transshipment services from NZ remain open, also showing stable rates and demand.

Equipment in all outports (particularly Nelson and Napier) remains difficult and inconsistent.

SOUTH AMERICA

SOUTH AMERICA TO NORTH AMERICA

Space availability	
Ocean rates, next 3-months	
Ocean rates, last 3-months	

Services offering widened in the last few weeks, in particular with CMA CGM kicking off a new weekly service connecting South America West Coast with Port Everglades, Philadelphia and New York, and Hapag Lloyd re-opening a transshipment option from South America West Coast to California.

At the same time, **demand lowered in the last two months of 2022. In particular for wines, Argentina and Chile suffer the competition from Australia, which continues** to look for new markets and price red wines aggressively, in reaction to China prohibitive tariffs on Australian wines.

SOUTH AMERICA TO ASIA

Space availability	
Ocean rates, next 3-months	
Ocean rates, last 3-months	

The maritime situation improved a lot, with reliability exceeding 62%, figures we hadn't seen since 2020. Generally carriers are now able to confirm space and equipment for bottled wine to Asia. More specific requests however can remain more problematic, and flexitank suitable container availability should remain an issue in Chile.

According to these services improvements, rates to main ports have decreased, going back around pre-pandemic levels.

SOUTH AMERICA

SOUTH AMERICA TO EUROPE

Space availability	
Ocean rates, next 3-months	
Ocean rates, last 3-months	

Despite few changes on services offerings **from West Coast, rates have been on a downwards trend lately, due to an erosion on demand**, enabling easier access on board.

From East Coast, rates are decreasing very slowly, seasonal demand for reefers ex Brazil sustains rates levels somehow, even though it may not be as high as carriers hoped. One vessel has been added on the MSC / Hapag Lloyd to Europe, and a second one will join in the next few weeks, together with more slow steaming so weekly capacity isn't changing, but that should enable more schedules reliability.

SOUTH AFRICA

SOUTH AFRICA TO EUROPE

Space availability	
Ocean rates, next 3-months	
Ocean rates, last 3-months	

Equipment situation remains tight, **meanwhile rates are stable**, still at \$3400 /40 in December ex Durban to Rotterdam according to *Drewry's* benchmark – which is still some 18% higher than December 2021 (and +28% for 20ft).

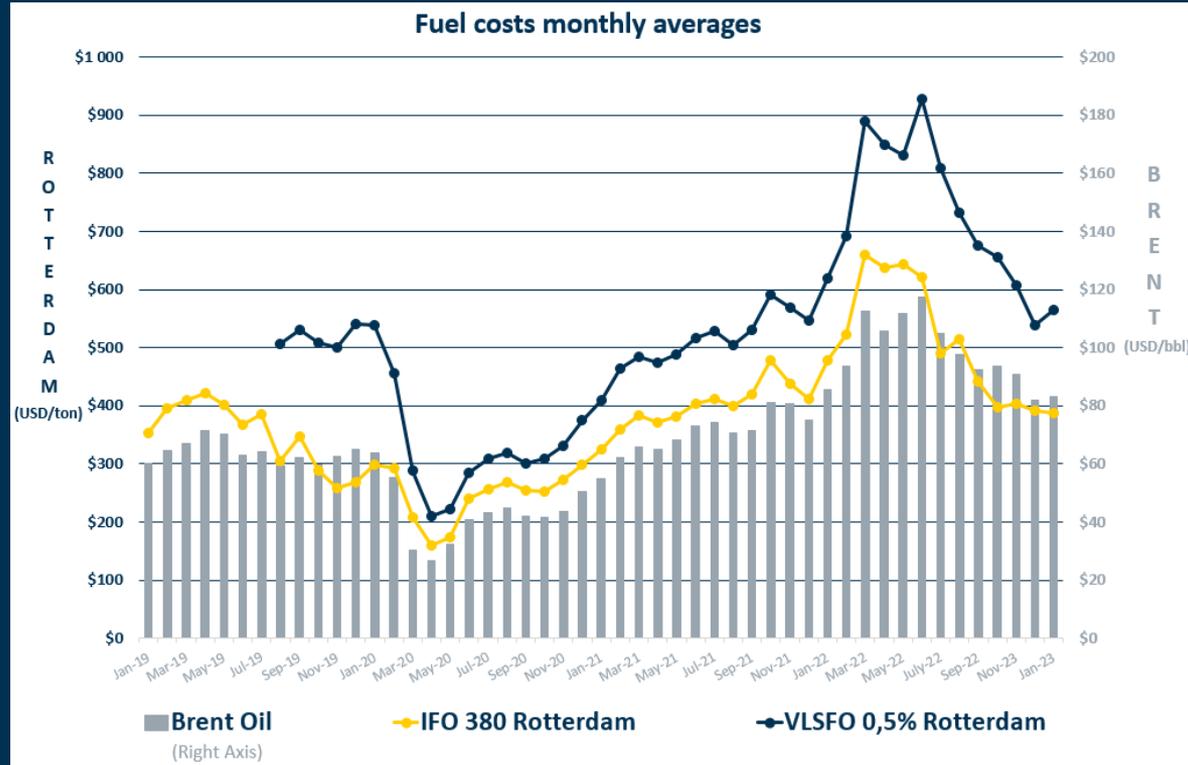
Specifically on the wines, the upcoming 2023 crop is expected to be quite abundant, which together with maintained attractive pricings, can foretell good trade volumes to Europe moving forward.

LEGEND

Space availability:

Space extremely limited (or stop booking)	
Space limited	
Space available	

BUNKER WATCH





Thank you



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