



XENETA

December 2023 | Container Shipping Market Trends

Different Markets – Different Developments

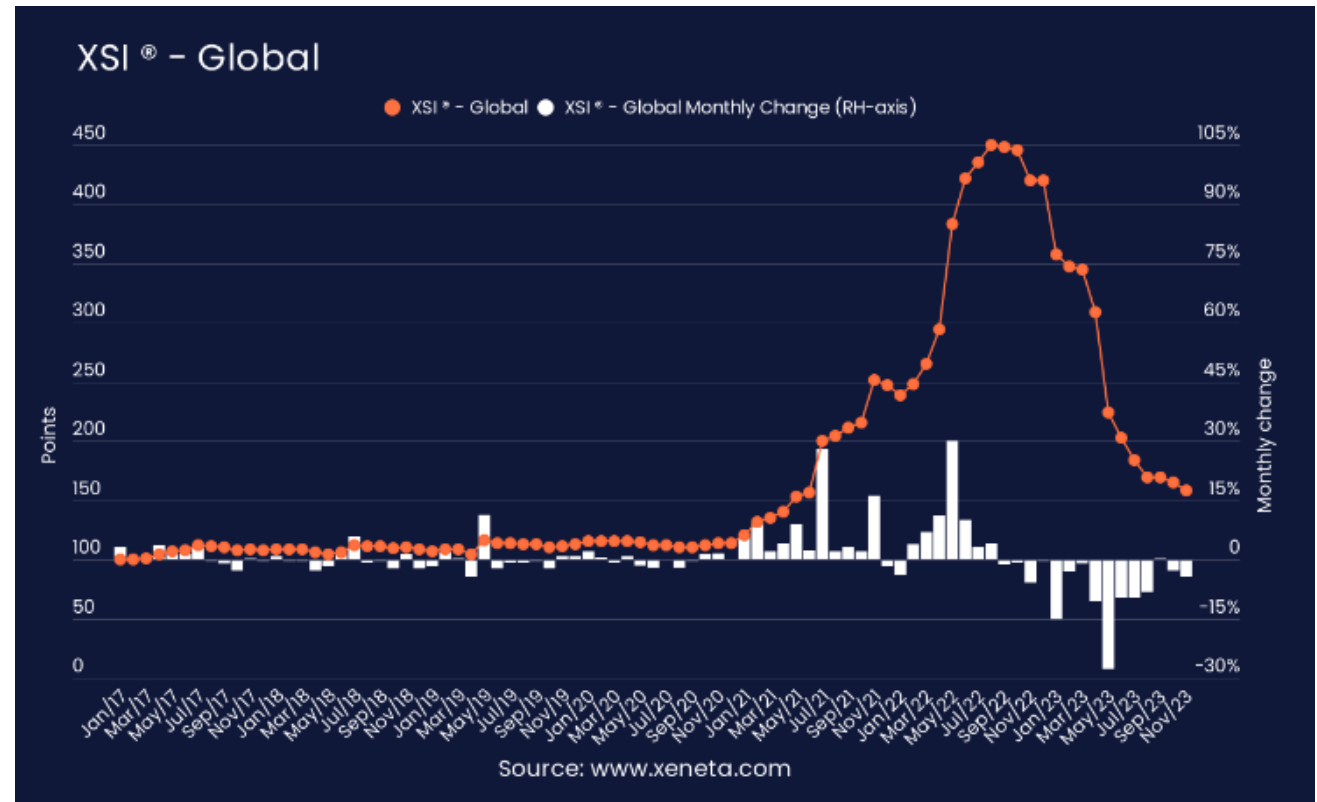
Volumes hold up high

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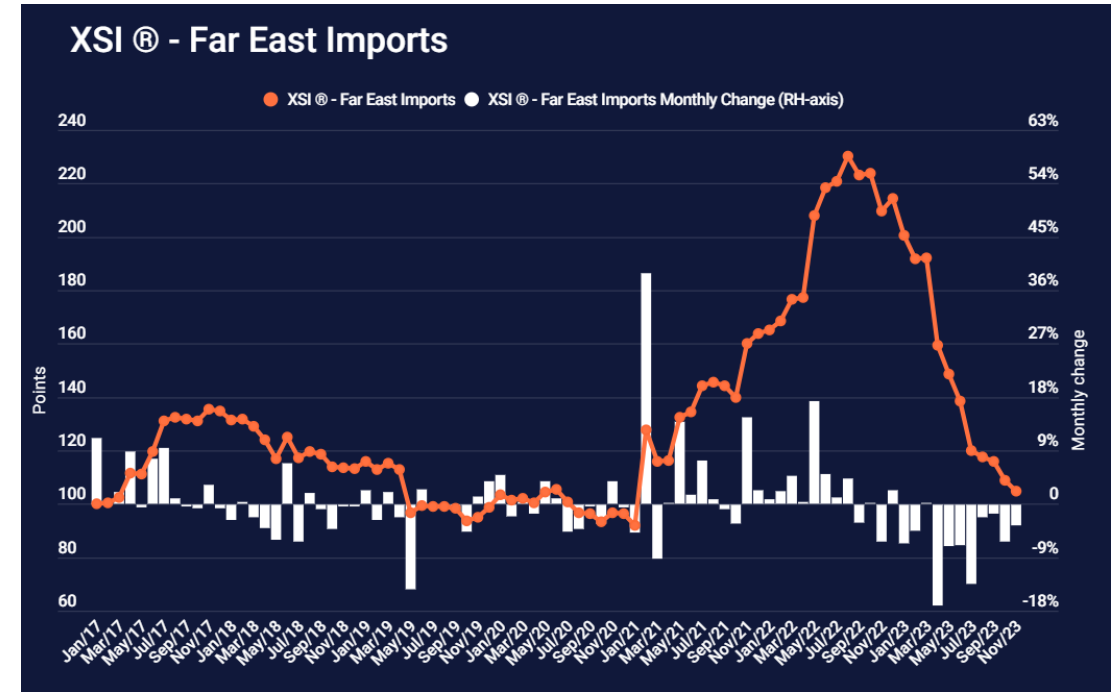
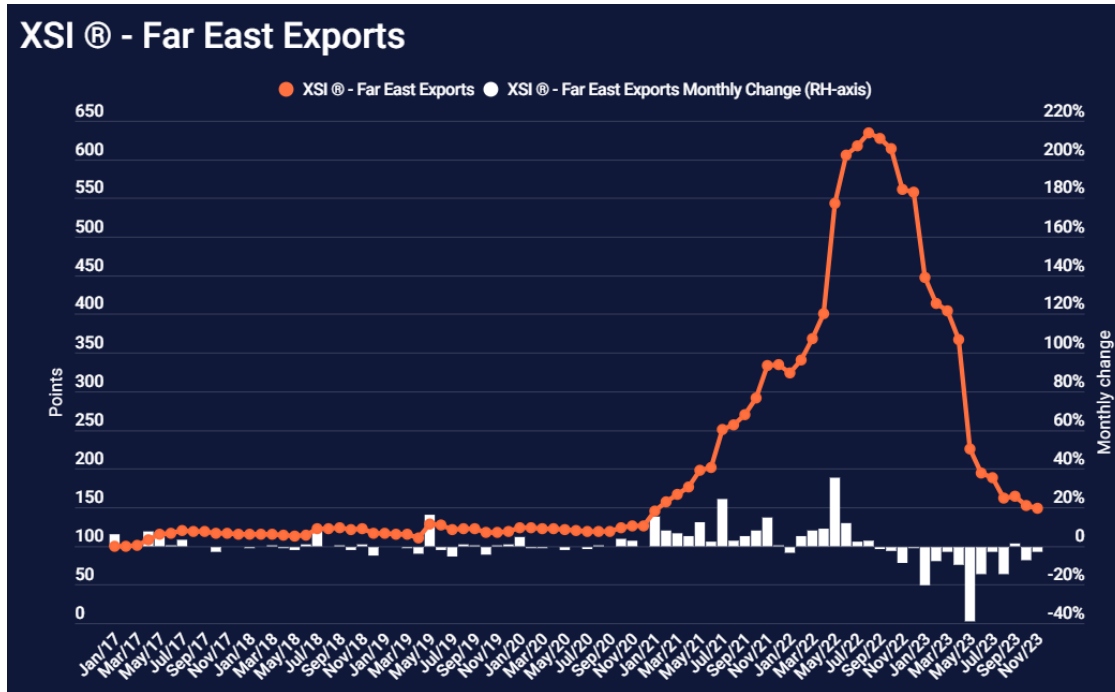
The global XSI® (contract market) fell in November to 158.5 points – down by 4.1% month-over-month

- The index fell by 4.1% in November to stand at 158.5 points. This is 62.3% lower than November 2022.
- This development could be hugely concerning for carriers.
- The biggest shift on the XSI® is not expected until Q1 2024, which is traditionally when most long-term contracts enter validity.
- The new agreements for next year will no doubt be at significantly lower rates, but until then, it could be assumed carriers would be offered some level of protection through existing long-term contracts which were agreed back when rates were much higher.



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

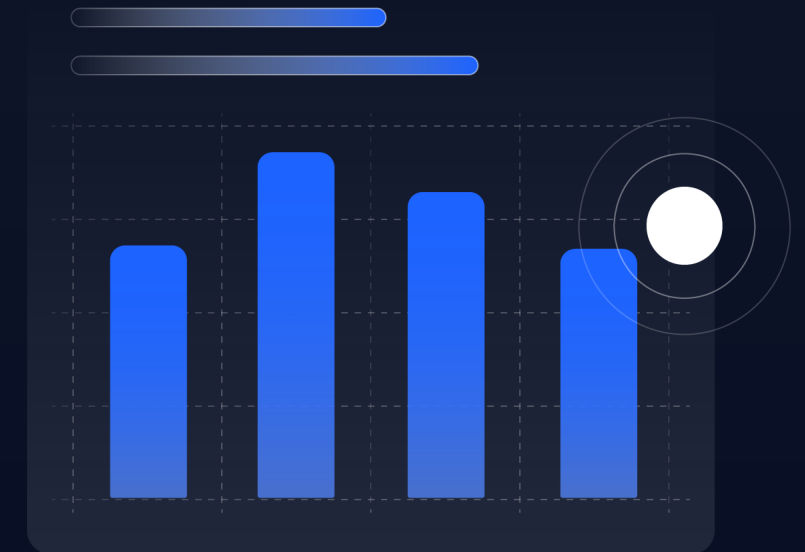
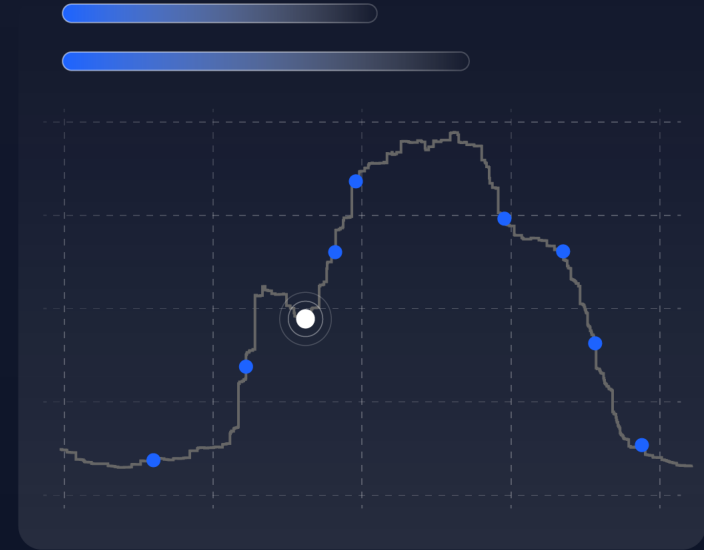
The XSI® for Far East sees continued declines for both exports and imports price indices



Insert footnote here

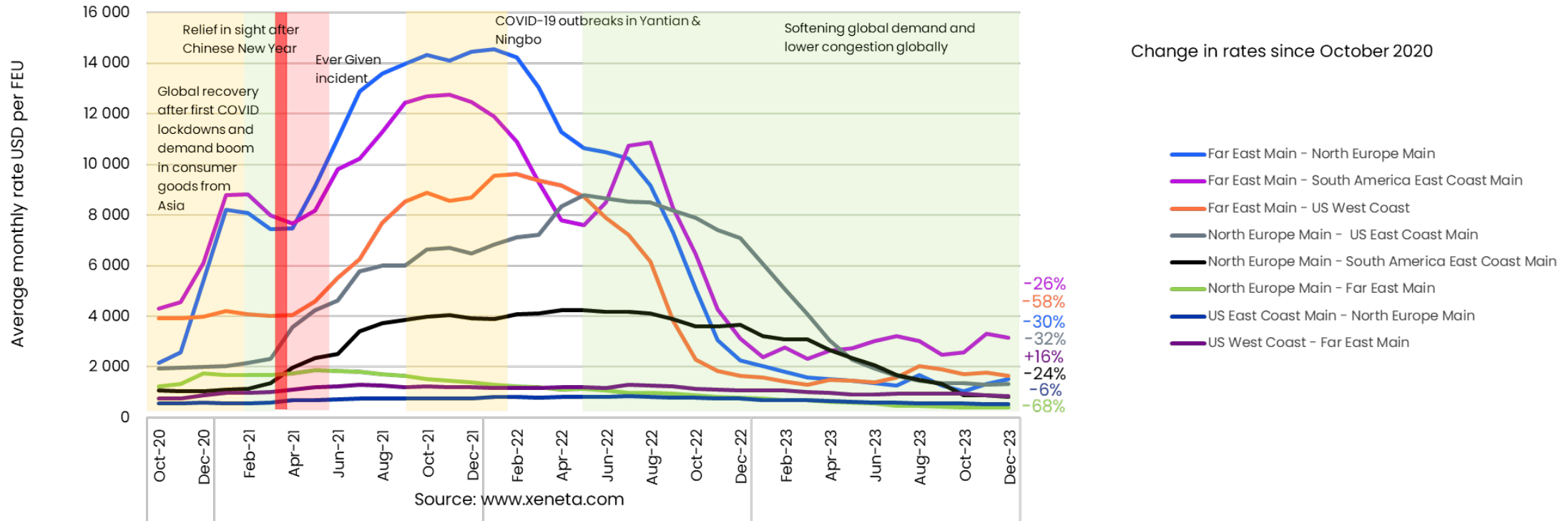
Where Are We Now?

Current Freight Rate Trends

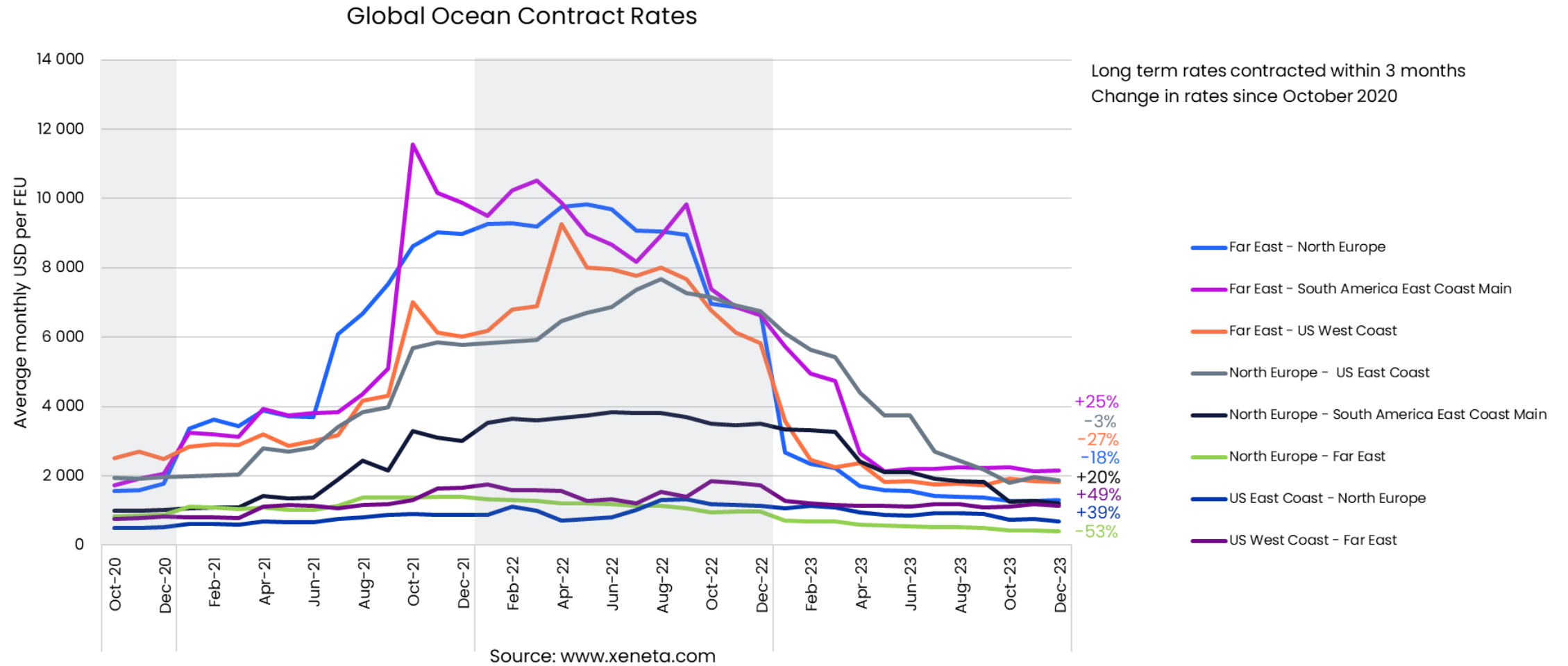


Development of spot freight rates (as of December 12, 2023)

Global Ocean Spot Freight Rates



Development of contract freight rates (as of December 12, 2023)



Most trade lanes rates remain with spot rates below long-term contract rates – signalling weak market

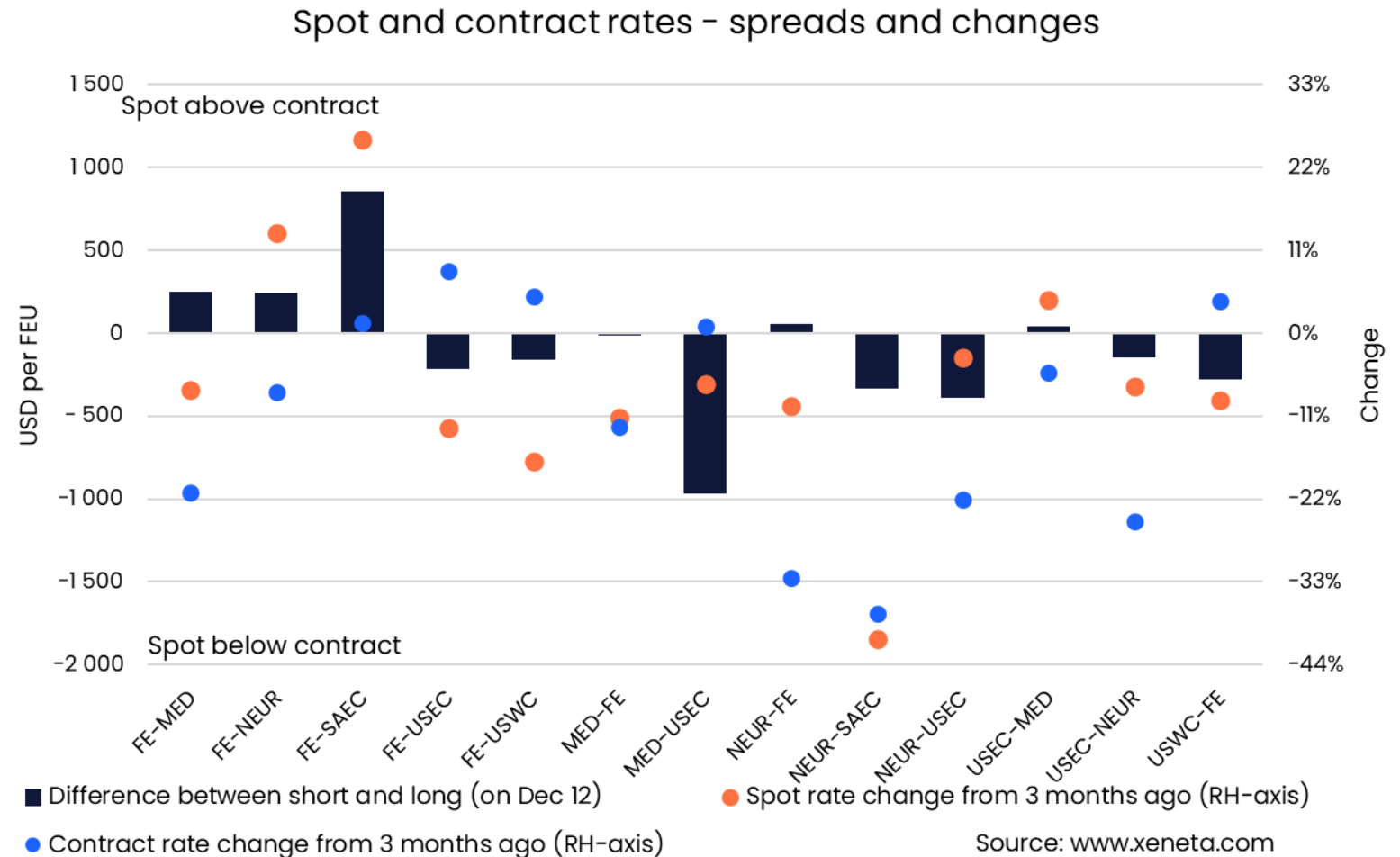
How to read this chart

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)

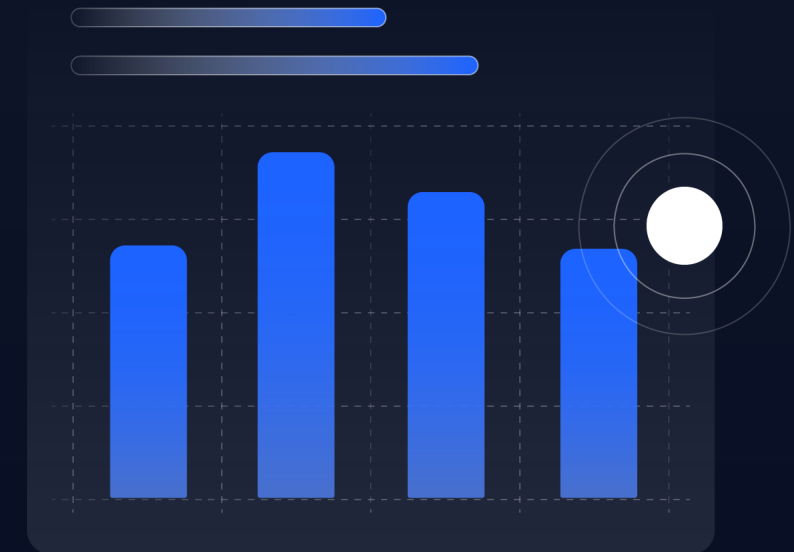
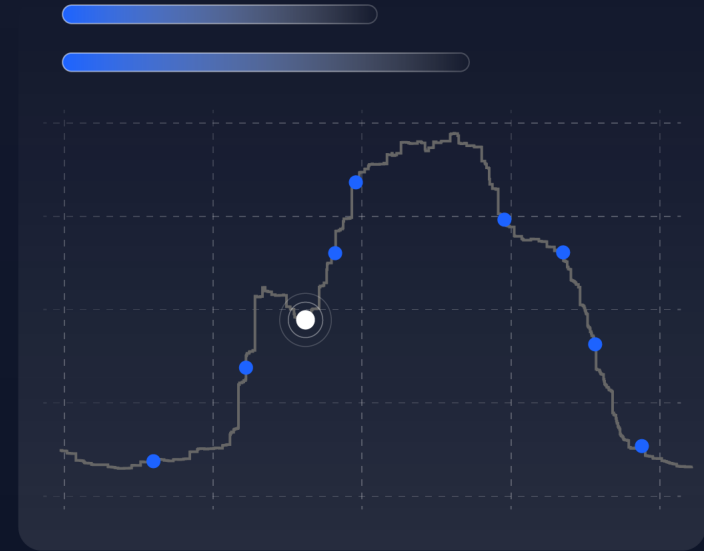
- If the bar shows a positive spread, spot rates are above contract rates, if the bar is in the negative, contract rates are above spot rates.

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



Supply Chain Heat Maps

From Xeneta



The XSI® C- on Far East to North Europe extends the early month increase from November into December



Xeneta Shipping Index by Compass (The XSI-C)

		Week	Week	Week	Week	Week	Week	Week	Week	Week	Week	Week
		39	40	41	42	43	44	45	46	47	48	49
		ending										ending
Origin	Destination	29-Sep	06-Oct	13-Oct	20-Oct	27-Oct	03-Nov	09-Nov	17-Nov	24-Nov	01-Dec	08-Dec
Far East	to US West Coast	-4.7%	-4.7%	-1.5%	-2.0%	1.7%	8.9%	4.6%	-6.8%	-7.1%	-3.8%	-2.4%
Far East	to North Europe	-3.1%	-8.0%	-4.5%	-0.8%	-1.1%	23.6%	11.5%	-2.9%	-4.1%	3.5%	14.6%
Far East	to South America East Coast	-2.2%	-3.8%	0.0%	12.3%	14.0%	7.5%	7.8%	5.2%	3.3%	-2.6%	-6.4%
North Europe	to Far East	-0.2%	-4.9%	2.9%	-3.6%	0.0%	-5.7%	0.3%	8.3%	2.7%	-14%	-2.9%
North Europe	to South America East Coast	-3.0%	-22.7%	-4.6%	-4.2%	-0.7%	18%	-2.3%	0.1%	-0.6%	1.9%	-4.8%
North Europe	to US East Coast	-0.3%	-2.0%	-0.9%	0.9%	-0.5%	-1.6%	-1.8%	-0.7%	-1.2%	0.8%	2.5%
US East Coast	to North Europe	0.4%	-7.4%	5.5%	-1.6%	-0.5%	-2.0%	-0.1%	2.7%	-2.3%	-0.4%	1.1%
US West Coast	to Far East	1.2%	-3.5%	5.7%	-4.6%	-1.4%	-1.2%	-0.6%	2.7%	-0.1%	-2.8%	0.0%

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?

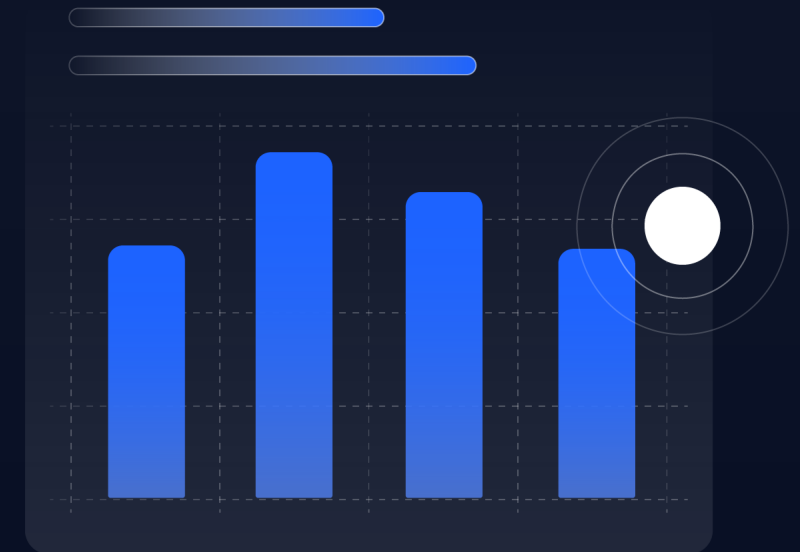
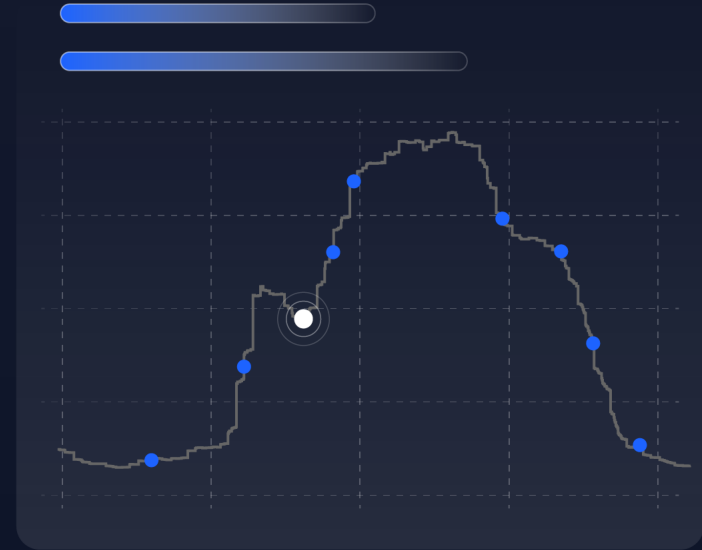
The XSI® - C stands for the Xeneta Shipping Index by Compass. It's EU BMR compliant and ready for index-linked contracting and derivatives.

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.

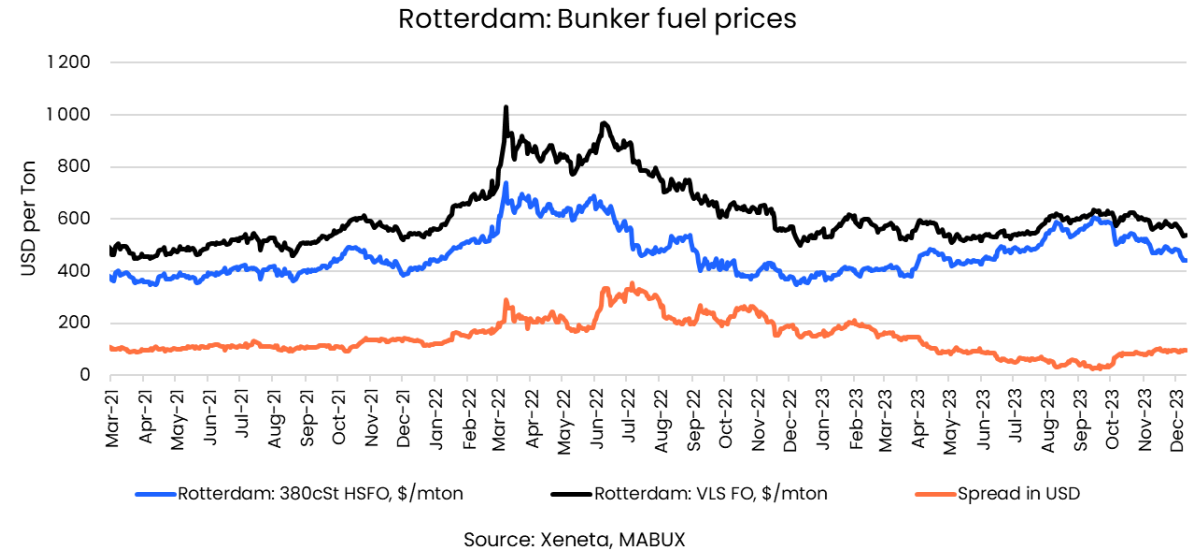
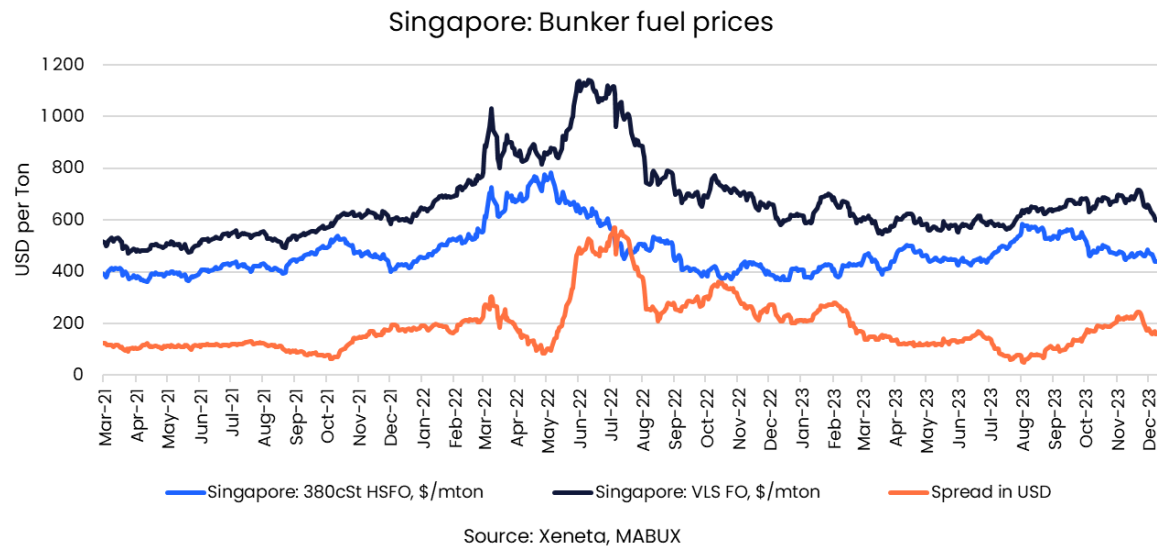
Bunker Fuel

Prices and Surcharges

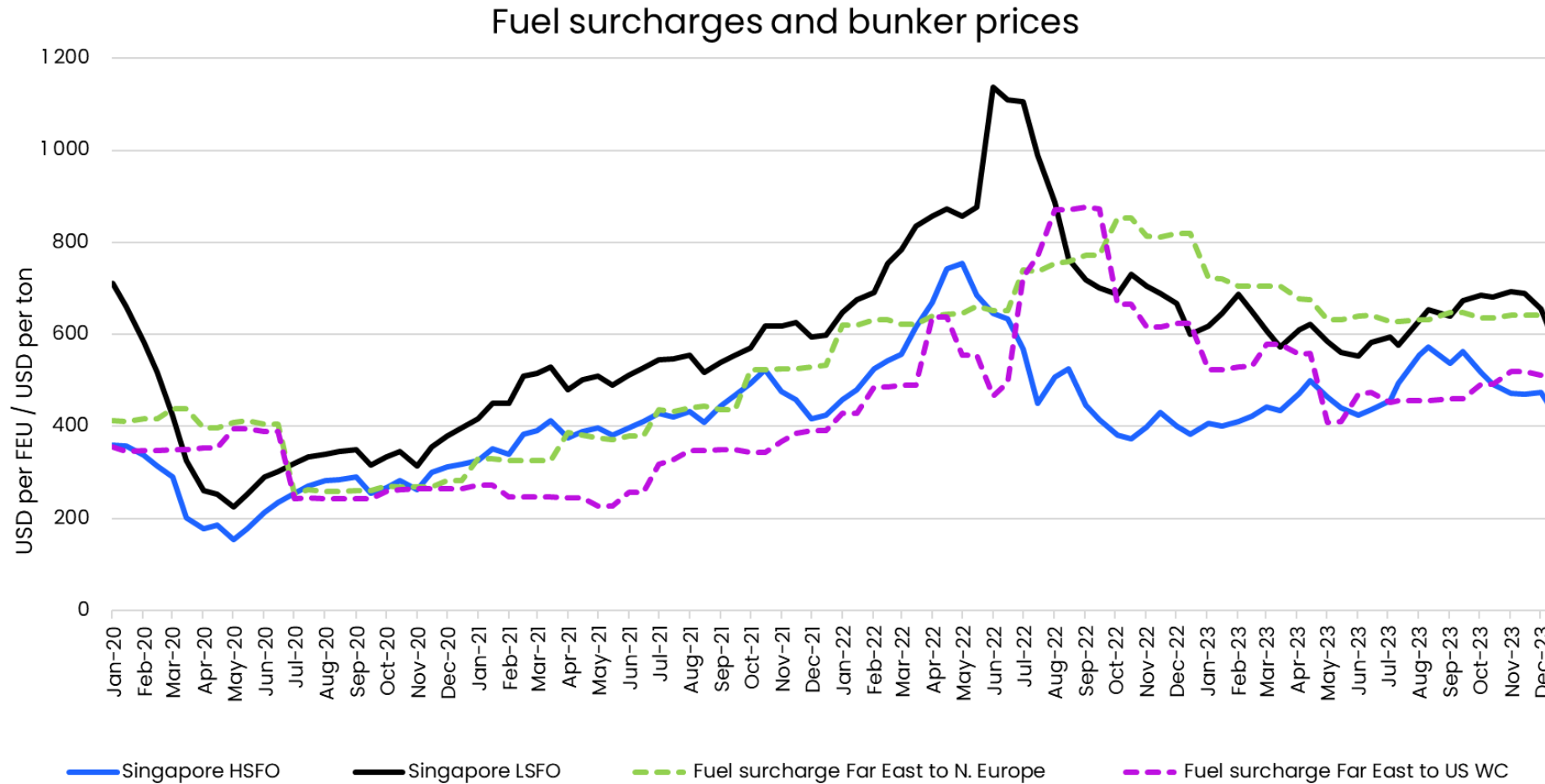
Main Ports



The price of low sulfur fuel oil declines by more than \$100 per ton in Singapore bringing down the spread between high and low sulfur fuel oils below \$200 per ton



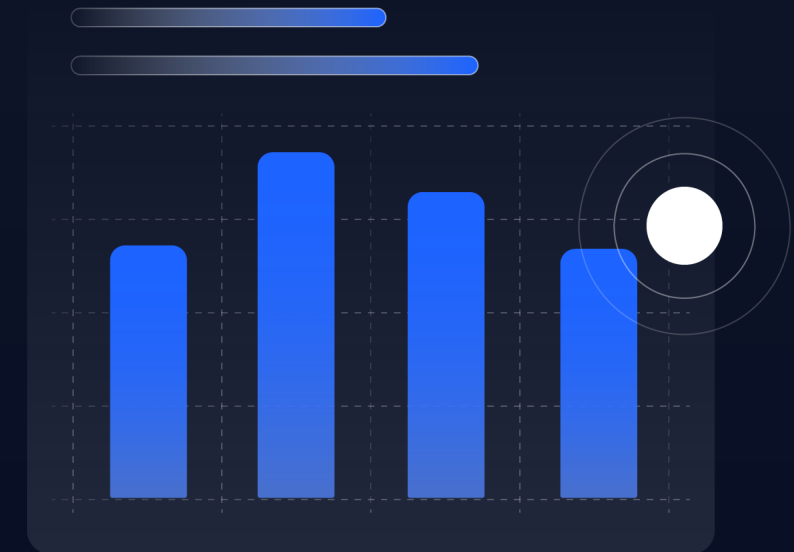
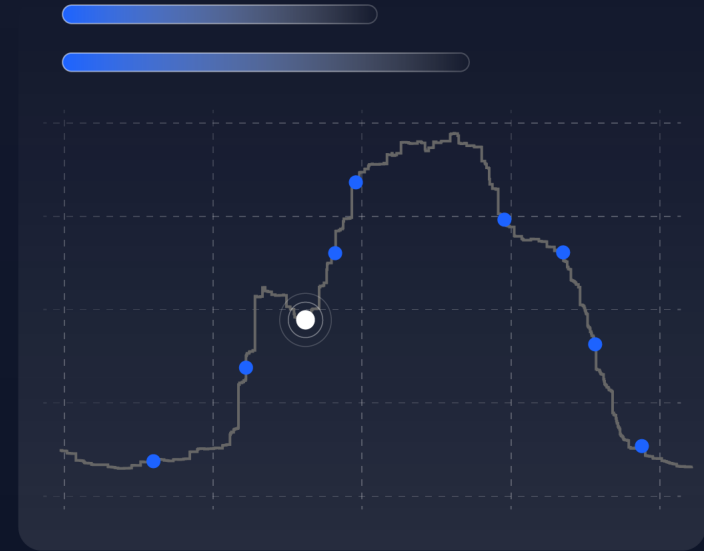
The fuel surcharge from Far East to US WC keeps defying gravity of lower fuel oil prices



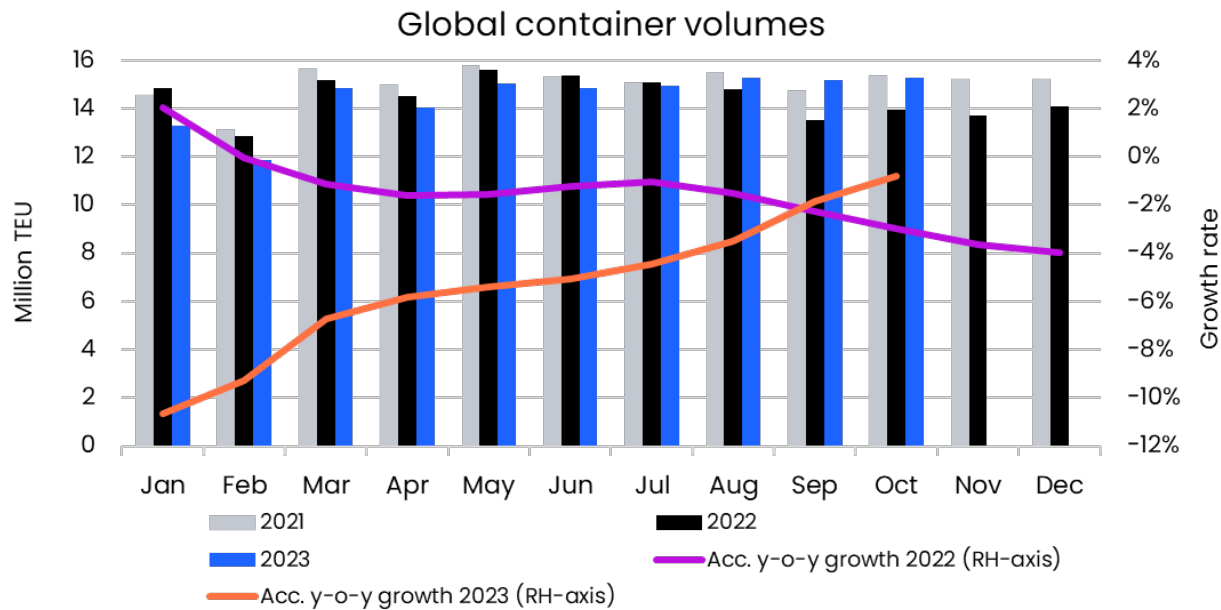
Source: Xeneta, Mabux

What's Being Shipped?

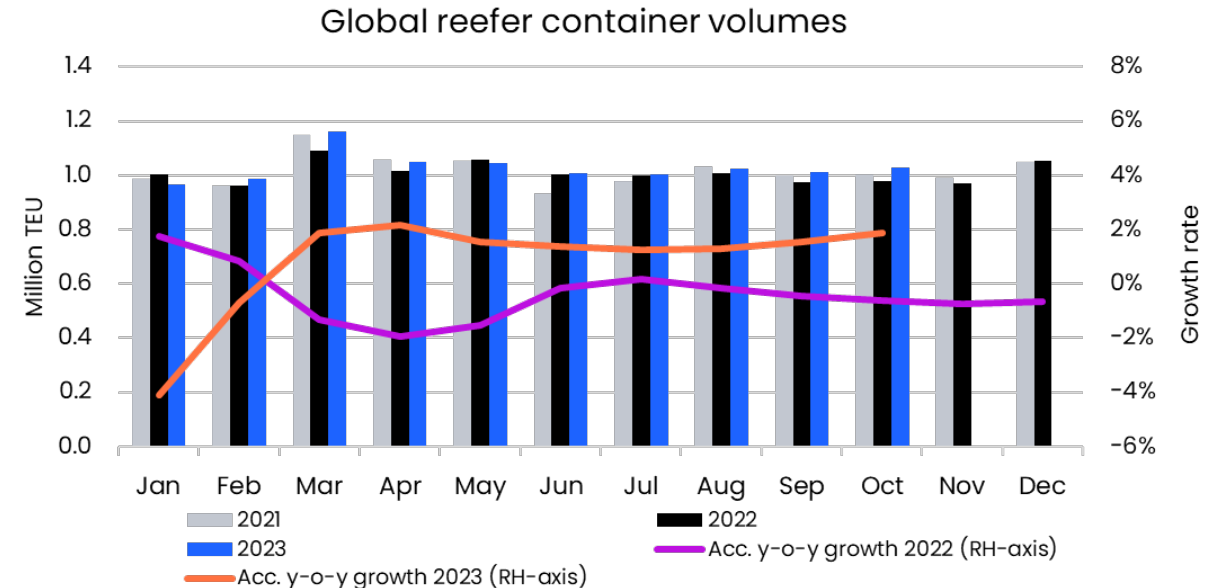
Current Demand Trends



Global container volumes declined by 0.8% for 10m-'23 compared to last year – but aims for growth for the full year after consistent strength in recent month

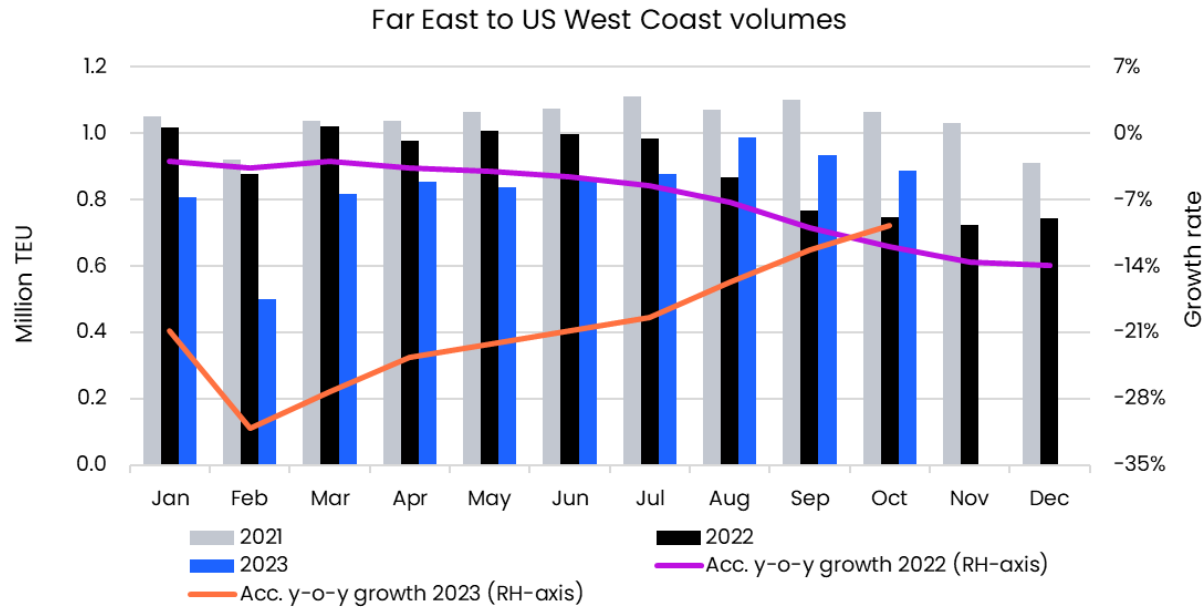


Source: Xeneta, Container Trades Statistics

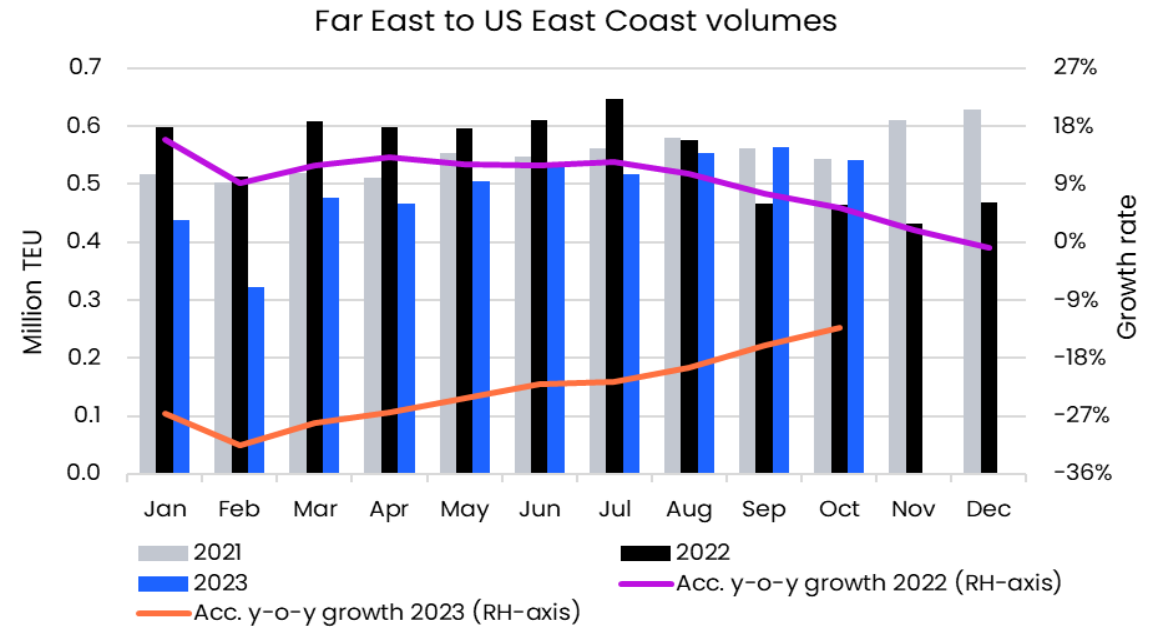


Source: Xeneta, Container Trades Statistics

Far East to US West Coast declines by 9.8% for 10m-'23 and by 13.3% to the US East Coast, yet the most recent three months have been the strongest for this year

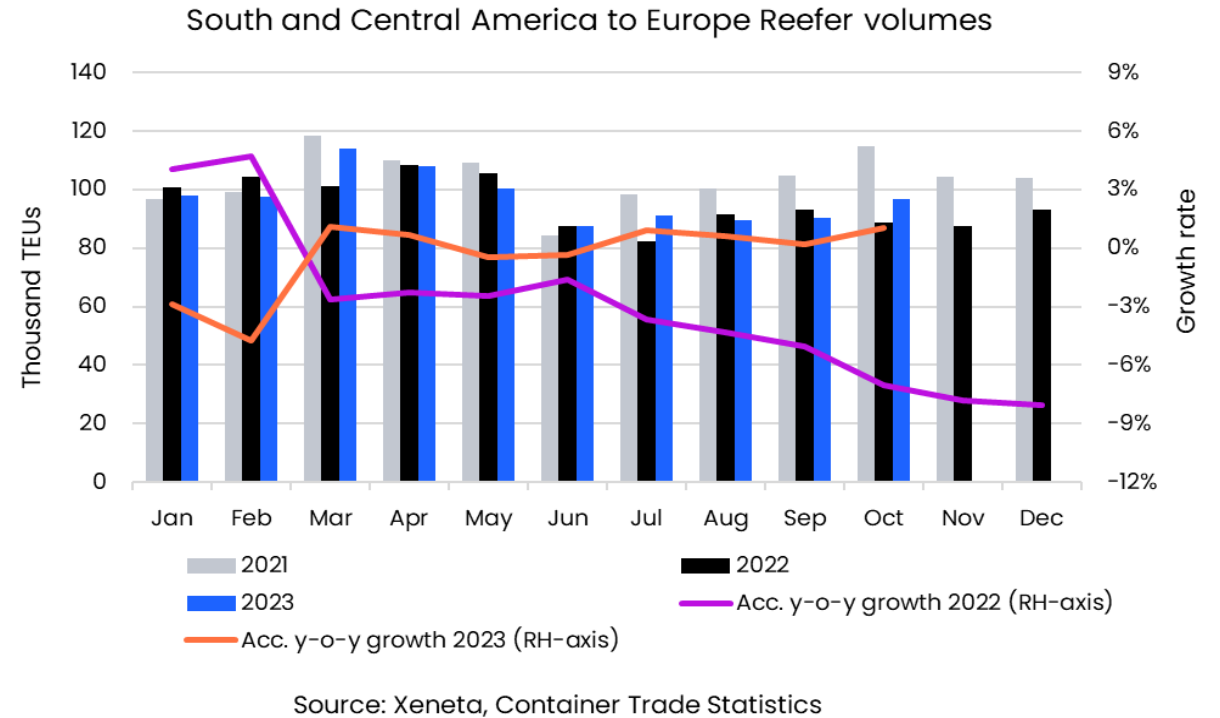
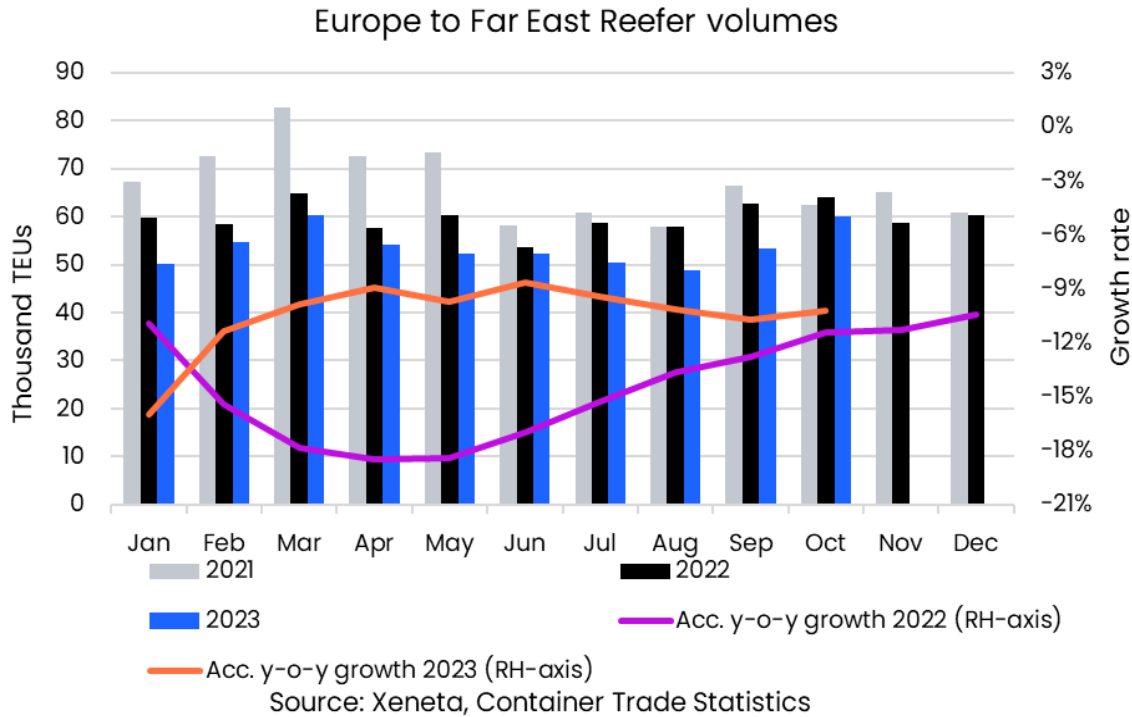


Source: Xeneta, Container Trades Statistics



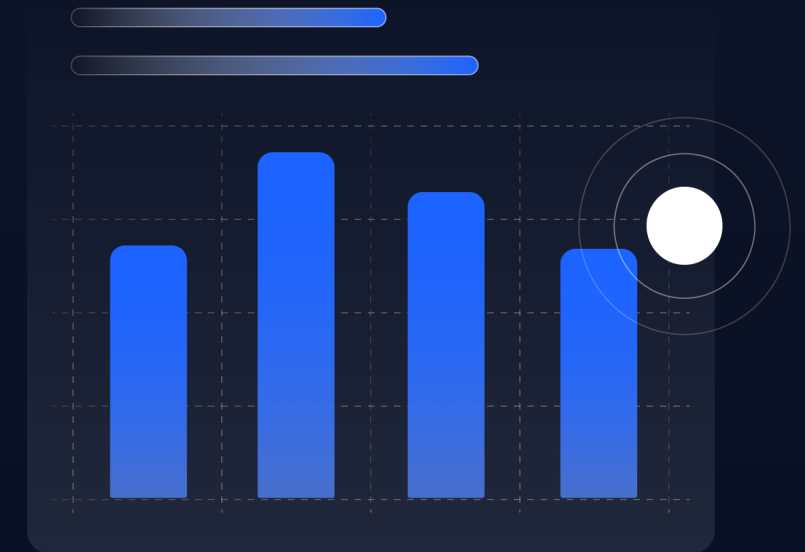
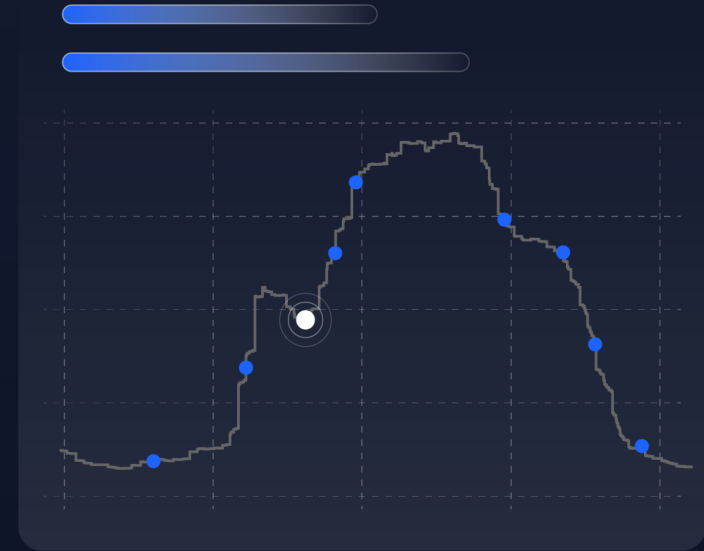
Source: Xeneta, Container Trades Statistics

Europe to Far East Reefer volumes slip by 10.2%. While on the South America to Europe trade lane increases by just 1.0%

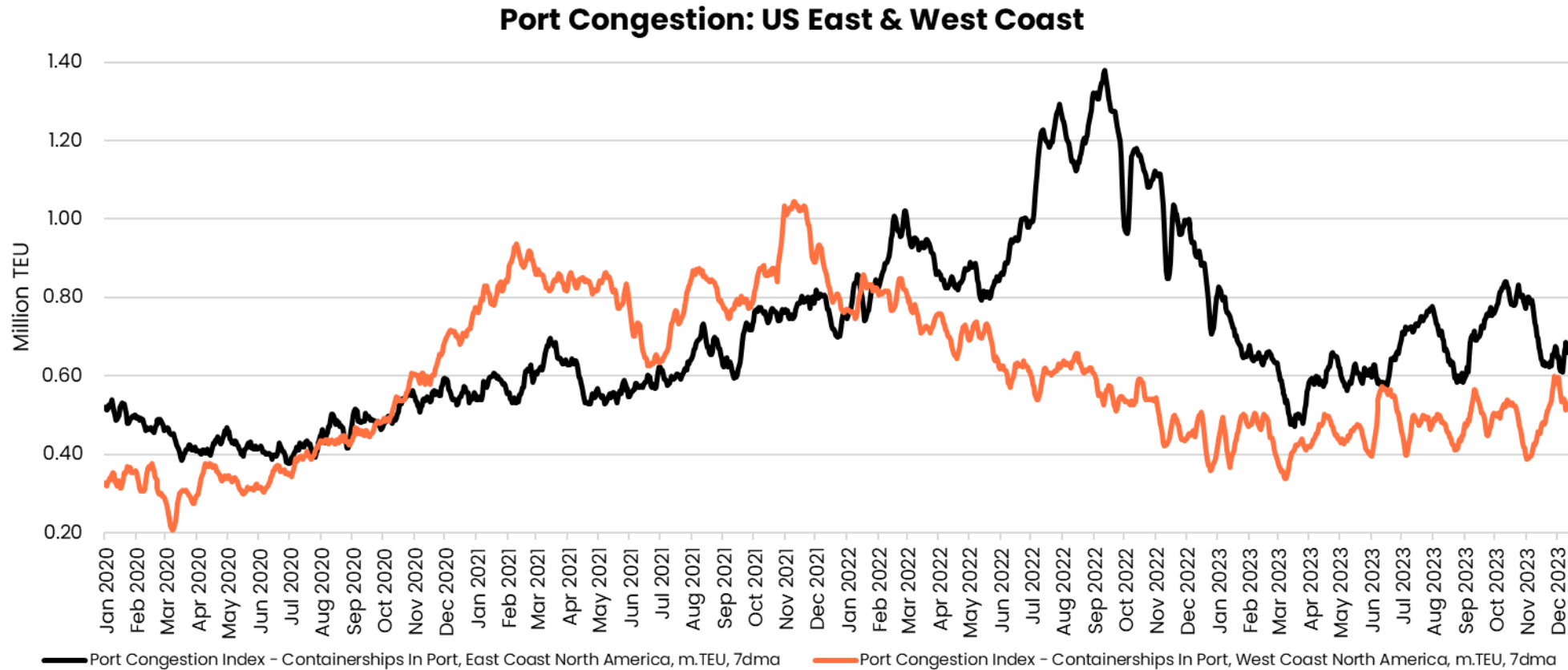


Where's the Congestion?

Improving or getting worse?

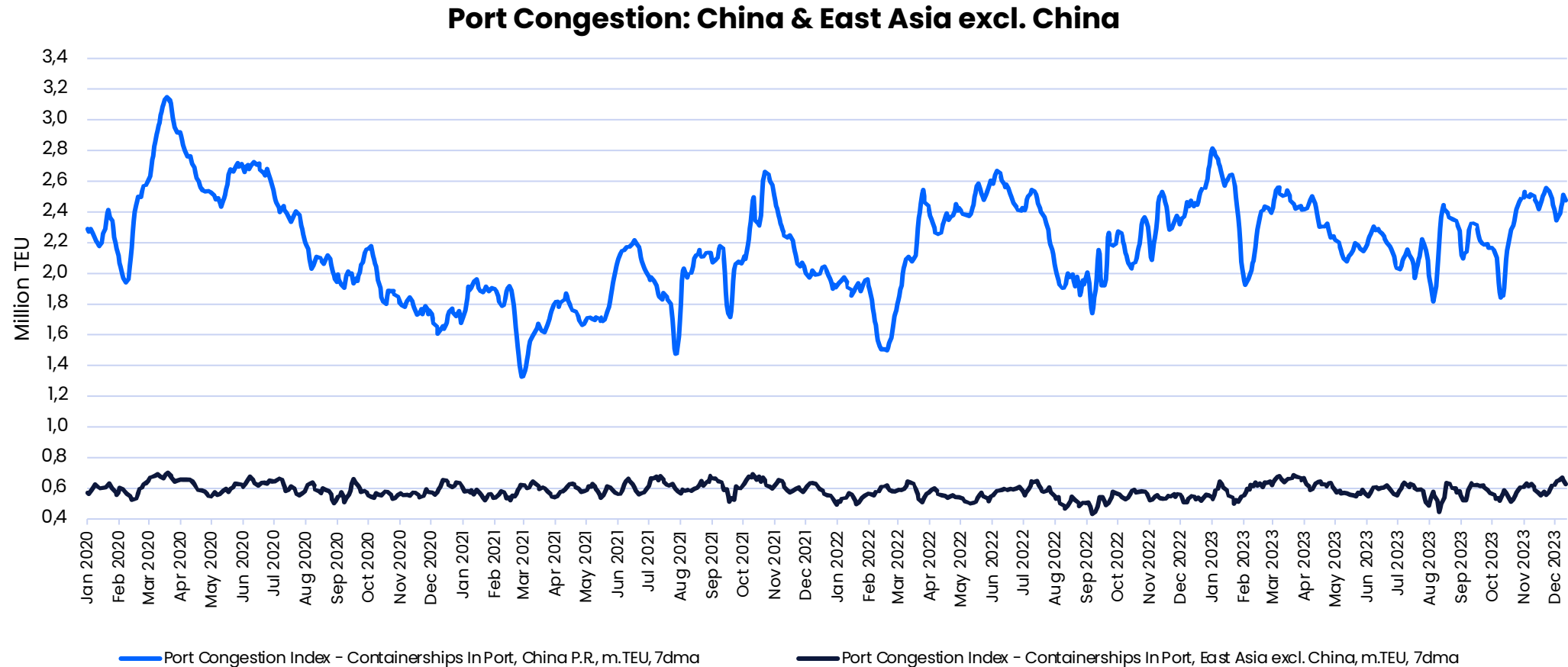


Port congestion on the US West Coast declines in early December after rising throughout November



Source: Xeneta, Clarksons

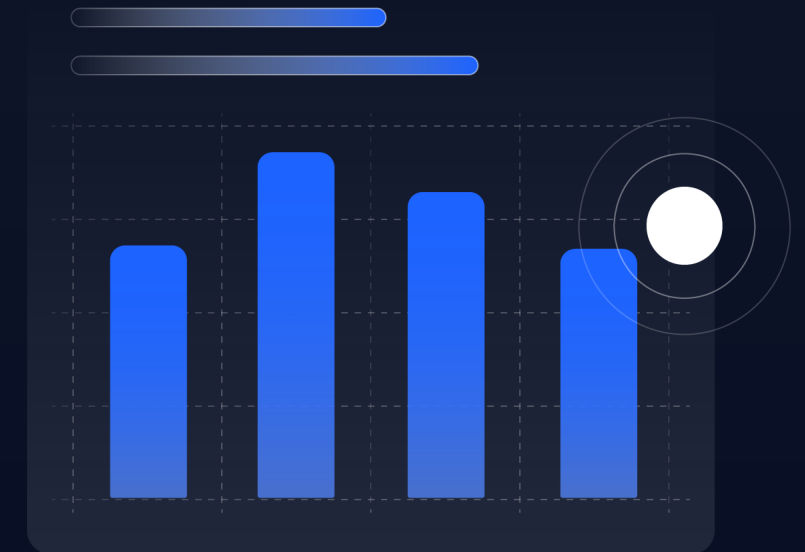
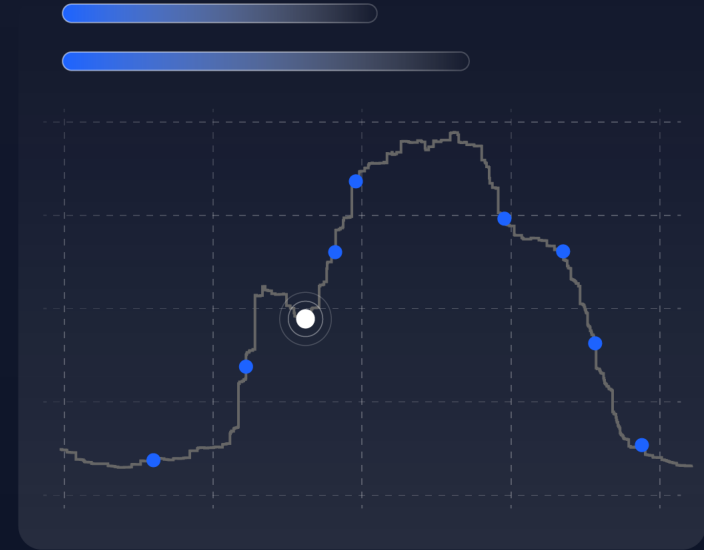
China congestion plateaus after climbing in October while congestion in East Asia ports remain stable



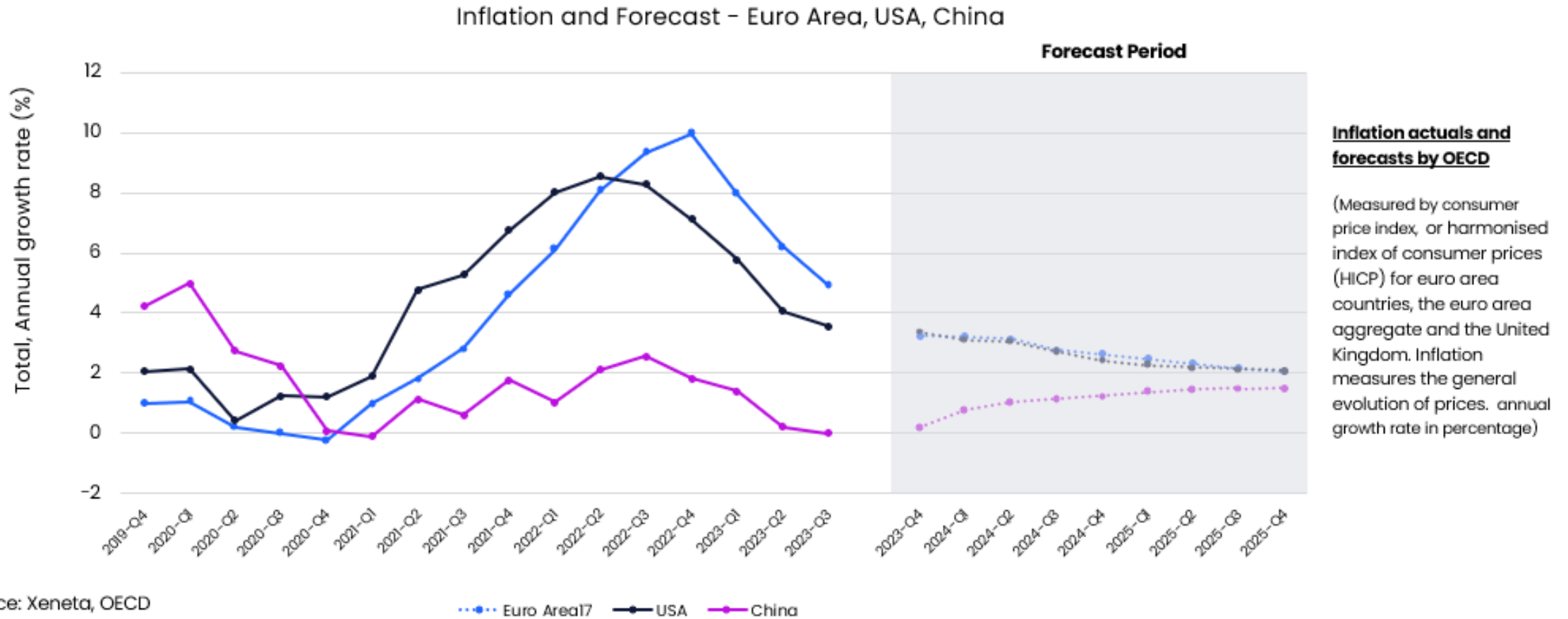
Source: Xeneta, Clarksons

Where's the Economy Heading?

In the East and in the West



China experiences deflation – while inflation is coming down in US and Euro Area

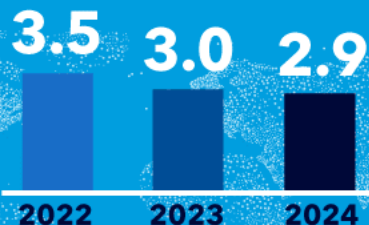


Source: Xeneta, OECD

GROWTH PROJECTIONS BY REGION

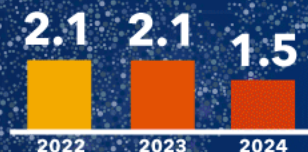
(PERCENT CHANGE)

WORLD

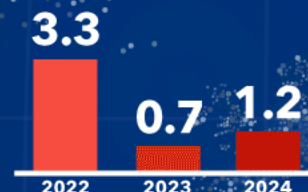


(real GDP growth, percent change)

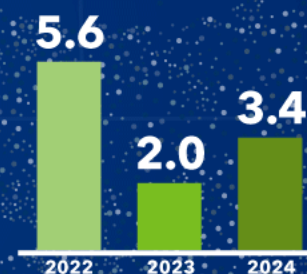
UNITED STATES



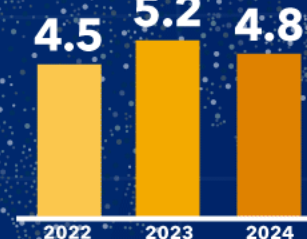
EURO AREA



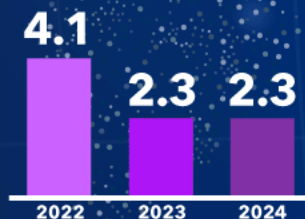
MIDDLE EAST AND CENTRAL ASIA



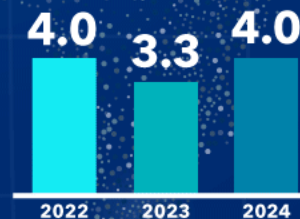
EMERGING AND DEVELOPING ASIA



LATIN AMERICA AND THE CARIBBEAN



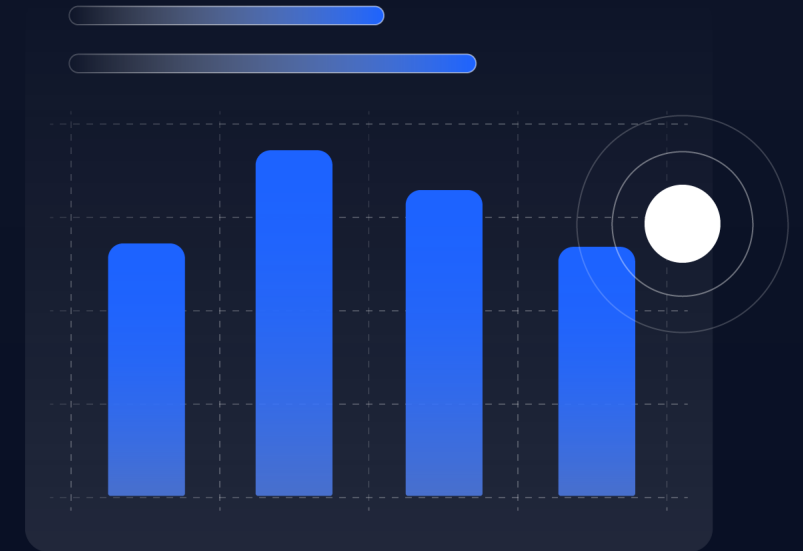
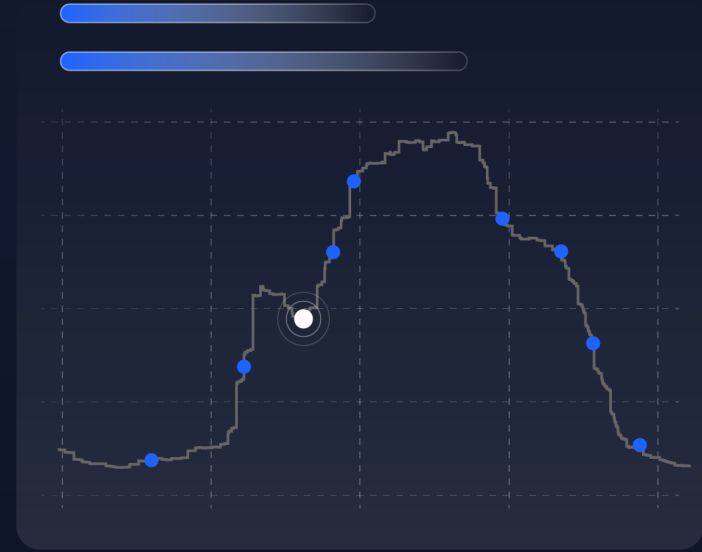
SUB-SAHARAN AFRICA



Source: IMF, *World Economic Outlook*, October 2023.

Note: Order of bars for each group indicates (left to right): 2022, 2023 projections, and 2024 projections.

Monthly Specials

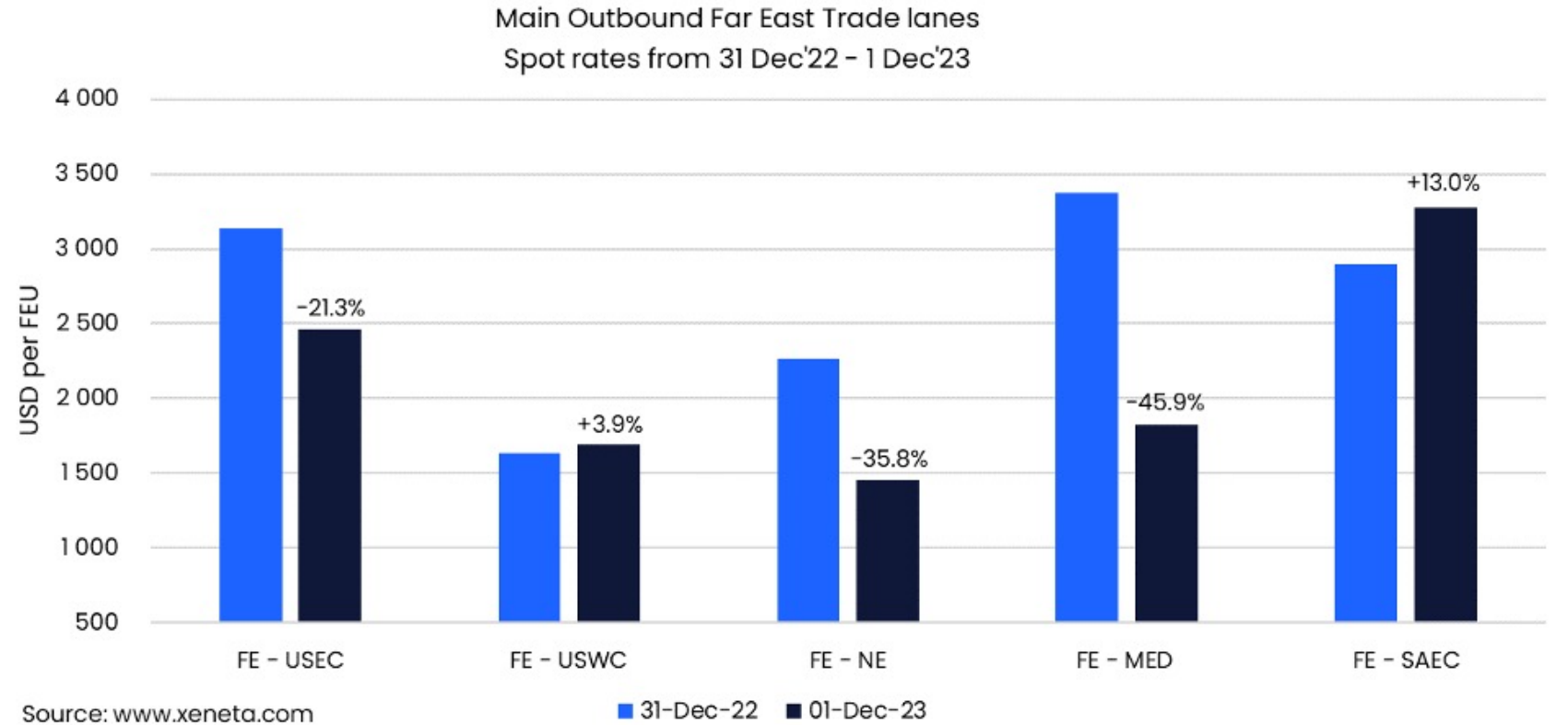


All eyes on the Far East, two out of five trade lanes show a rising spot rate 2023–YTD

Dec
07

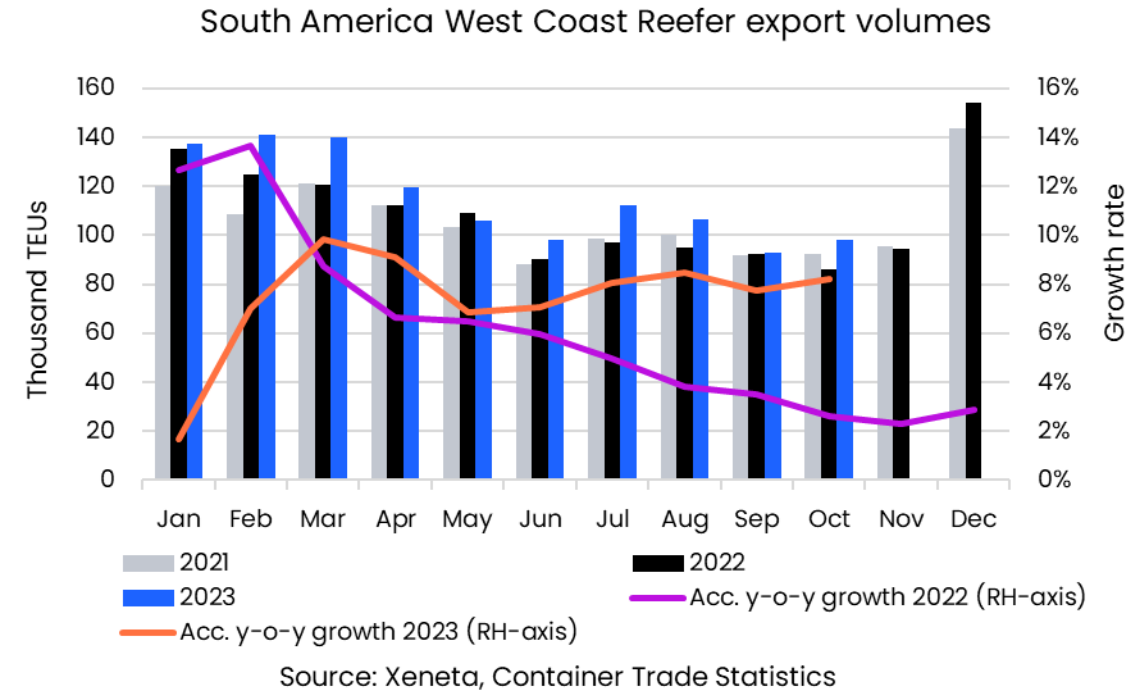
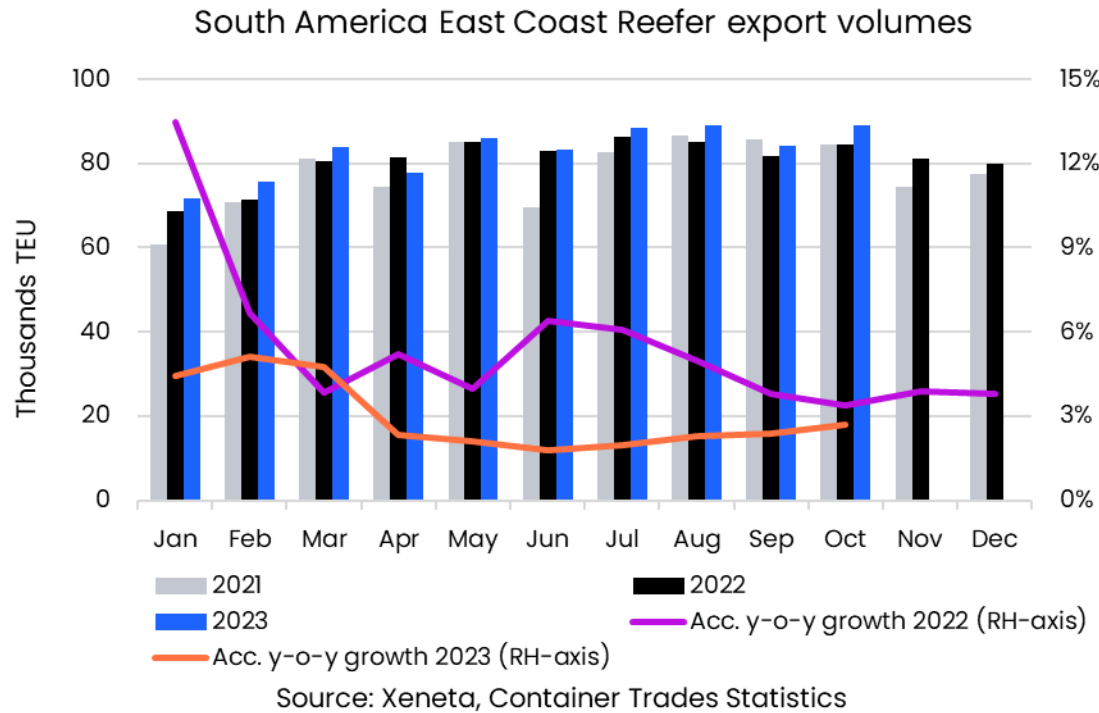
**Weekly Container Rate
Update Week 49'23 | –
Spot Rates out of Far
East**

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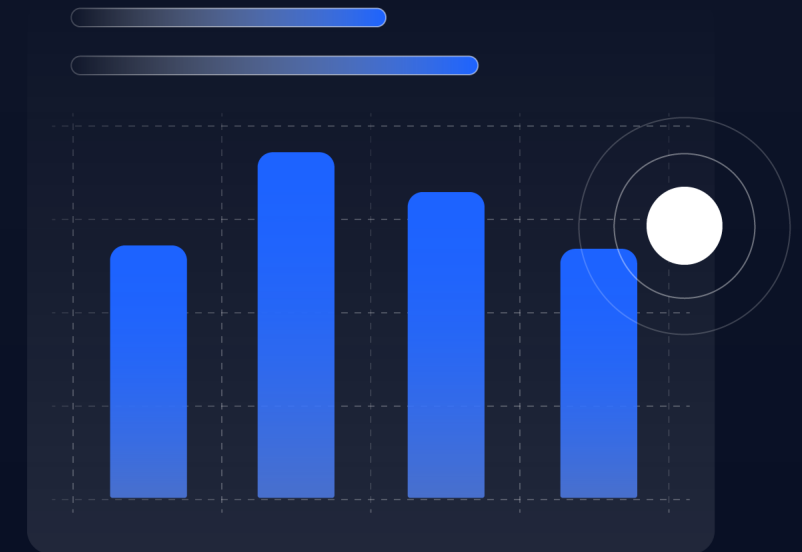
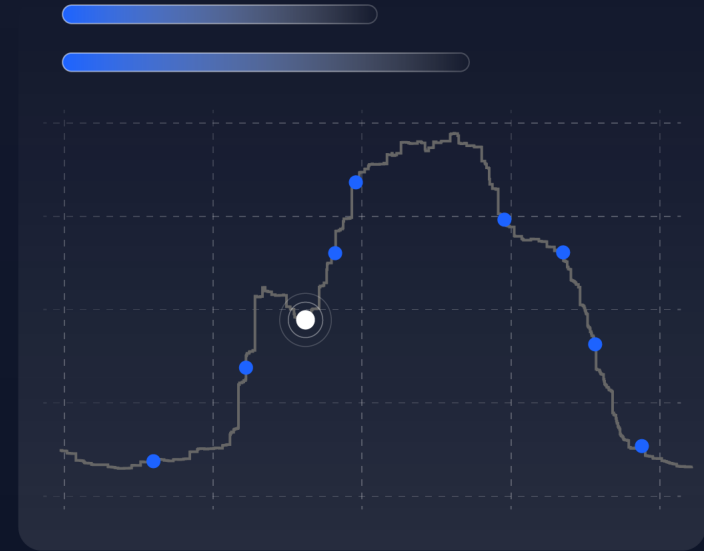


South American reefer export volumes pick up on both coasts, with West Coast increasing the most - up by 8.2% 10-month in comparison to 2022

- Strongest ever month of SAEC reefer exports in October



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Featuring Speakers:

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Xeneta
CEO



Michael Braun
Xeneta
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With Special Guest:

Mario Van den Bussche
AB Volvo

Q4 2023

Xeneta Ocean Deep Dive Report

A customer-exclusive quarterly overview of the major developments in container shipping.

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