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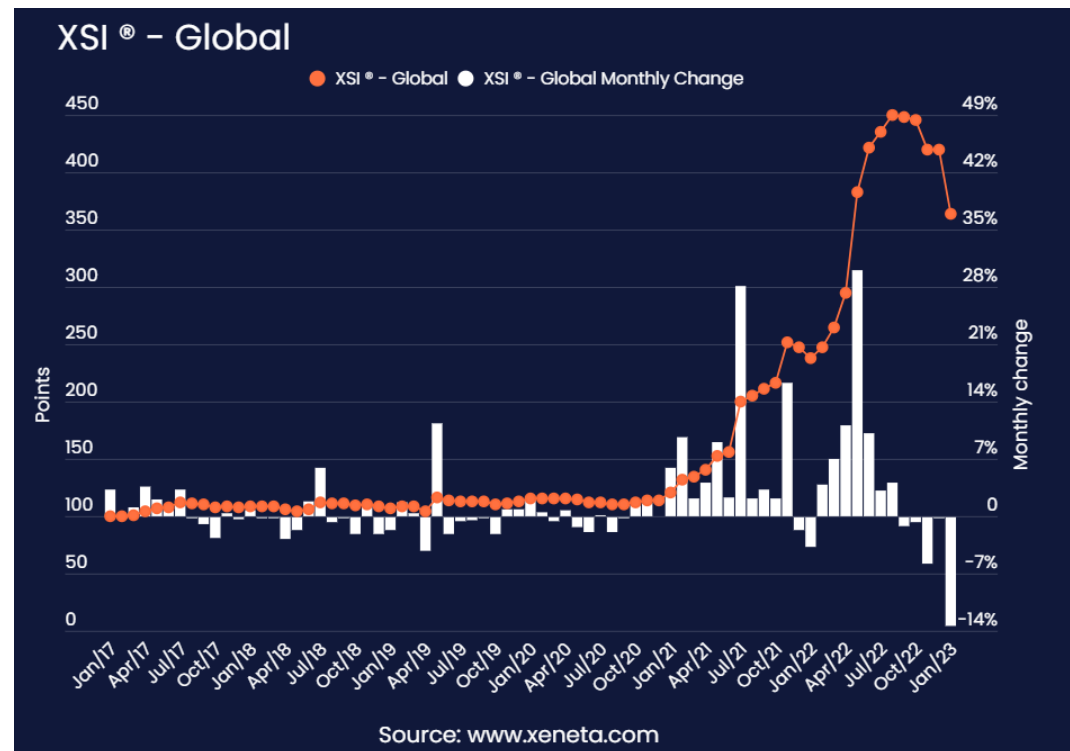
Long term rates closing in on spot rates as demand remains weak

February 2023 | Container Shipping Market Trends



The global XSI[®] fell in January to 364.15 points.

- Biggest month-on-month drop for the global XSI[®]
- Compared to January 2022, the global XSI[®] is up by 52.7% and compared to January 2020, it is up by 316.4%.
- The much bigger drop in January compared to December can be attributed to the larger number of older contracts expiring and new contracts entering validity.
- All six of the XSI[®] sub-indexes fell month-on-month, half of which saw record-high falls.
- Though carriers were able to protect their average long-term rates for many months despite the crash of the spot market, they've been unable to keep this up into the new year.
- Shippers are well aware of market dynamics turning in their favor.



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

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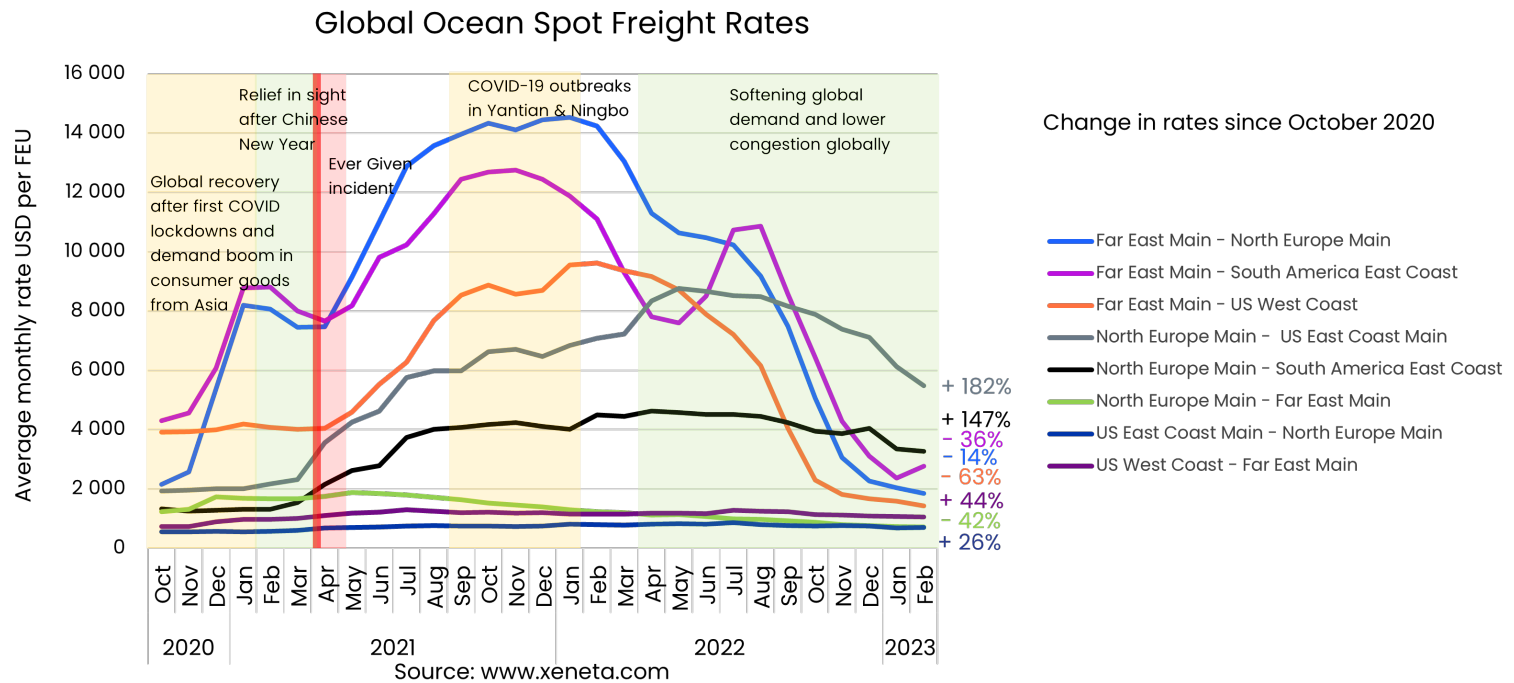
Where are we now?

Current Freight Rate Trends →

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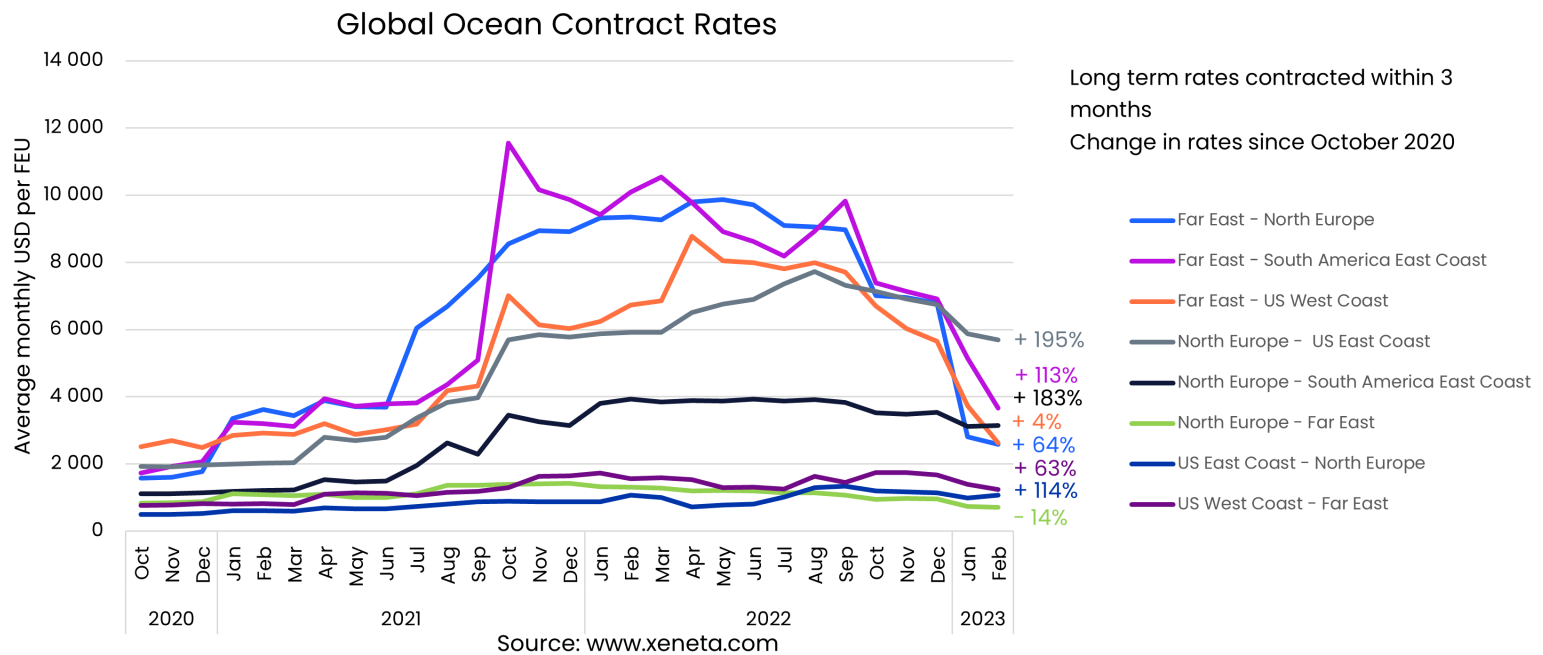


Development of spot rates (as of 09 Feb)



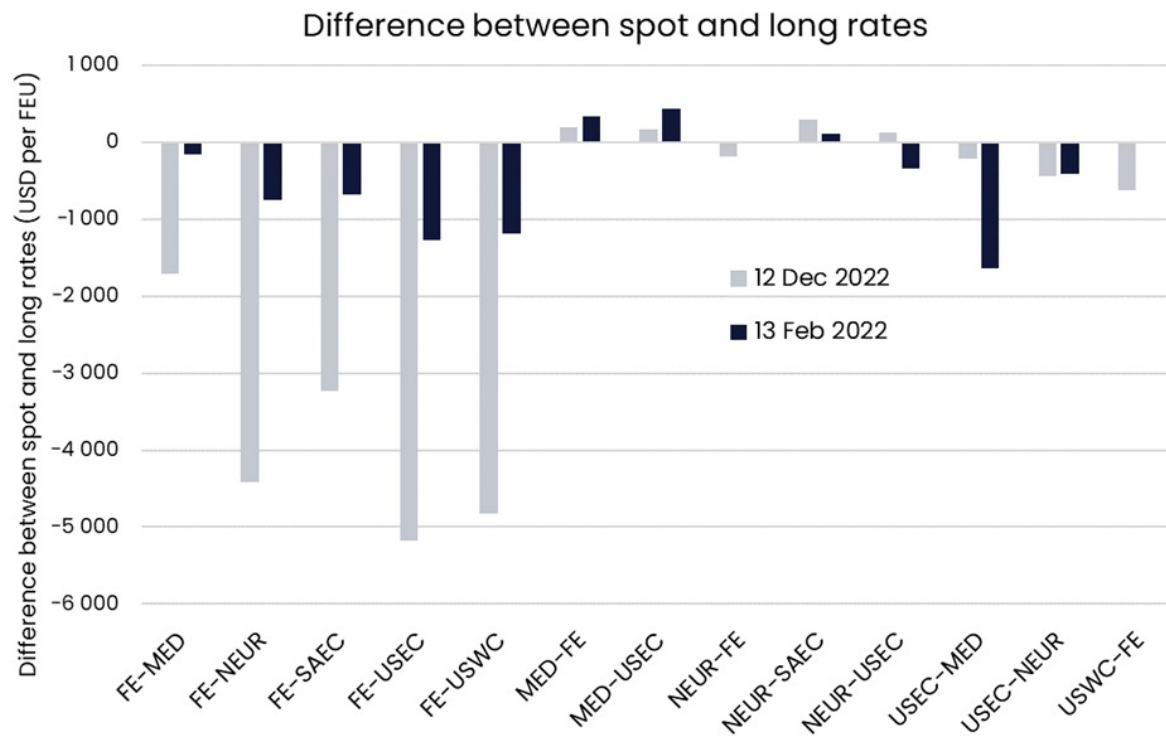


Development of contract rates (as of 09 Feb)





Premium between long and spot rates coming down from previous highs



Source: www.xeneta.com



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Supply Chain Heat Maps

From Xeneta and CNBC →

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Spot rates continuing to fall on world's busiest trades

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Xeneta Shipping Index by Compass (The XSI-C)

Origin	Destination	Week	Week	Week	Week	Week	Week	Week	Week	Week	Week	
		48	49	50	51	52	1	2	3	4	5	6 ending
		1 Dec	9 Dec	16 Dec	23 Dec	30 Dec	6 Jan	13 Jan	20 Jan	27 Jan	3 Feb	9 Feb
Far East	to US West Coast	-3.6%	-4.4%	-1.5%	-0.5%	0.5%	-2.0%	-1.7%	1.7%	6.1%	-7.7%	-6.5%
Far East	to North Europe	-6.5%	-11.9%	-1.7%	-3.4%	0.5%	1.6%	-8.2%	-3.8%	-1.1%	-4.1%	-2.2%
Far East	to South America East Coast	-3.3%	-4.8%	-9.2%	-12.3%	-3.9%	-16.3%	-5.2%	-6.3%	1.2%	10.3%	15.5%
North Europe	to Far East	-1.2%	1.4%	1.7%	1.0%	0.4%	-9.4%	-0.1%	2.8%	7.3%	-6.4%	-3.2%
North Europe	to South America East Coast	1.0%	2.3%	0.8%	0.5%	0.4%	-6.3%	-2.3%	-2.5%	-1.1%	-4.5%	-1.5%
North Europe	to US East Coast	-1.7%	-0.7%	-0.1%	-0.8%	-0.1%	-8.7%	-1.5%	-3.2%	-1.3%	-5.9%	-5.4%
US East Coast	to North Europe	1.4%	-0.1%	-1.4%	-1.4%	-0.4%	-5.4%	0.2%	-3.3%	-1.0%	3.3%	3.4%
US West Coast	to Far East	0.3%	-1.4%	-1.5%	-0.1%	-0.3%	-0.4%	1.6%	0.3%	-0.7%	-2.3%	1.4%

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



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Bunker Fuel Prices

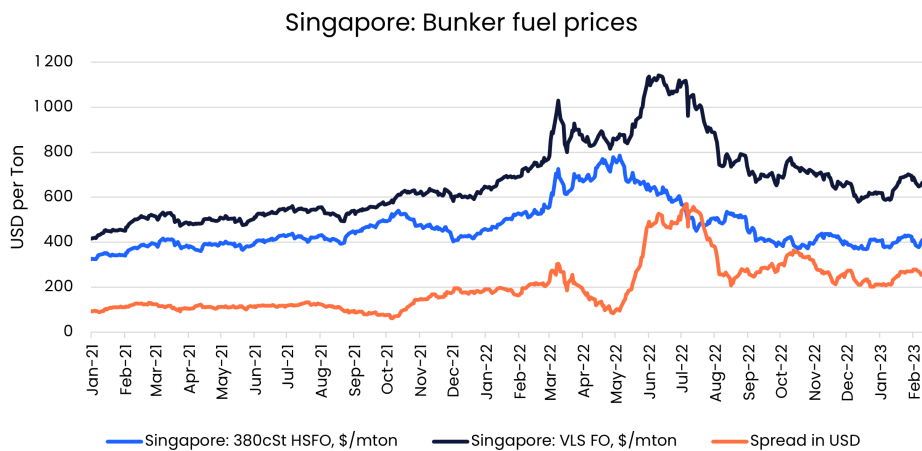
In main ports



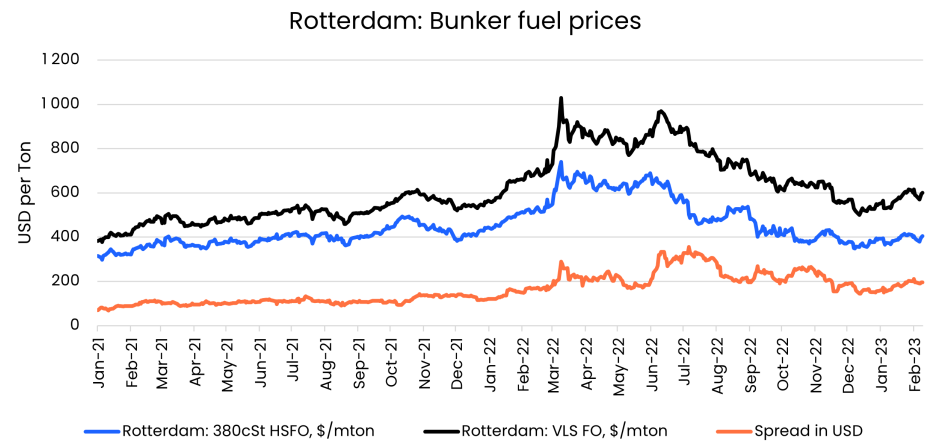
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Fuel prices and spread between low and high sulphur fuel remained stable over the past month



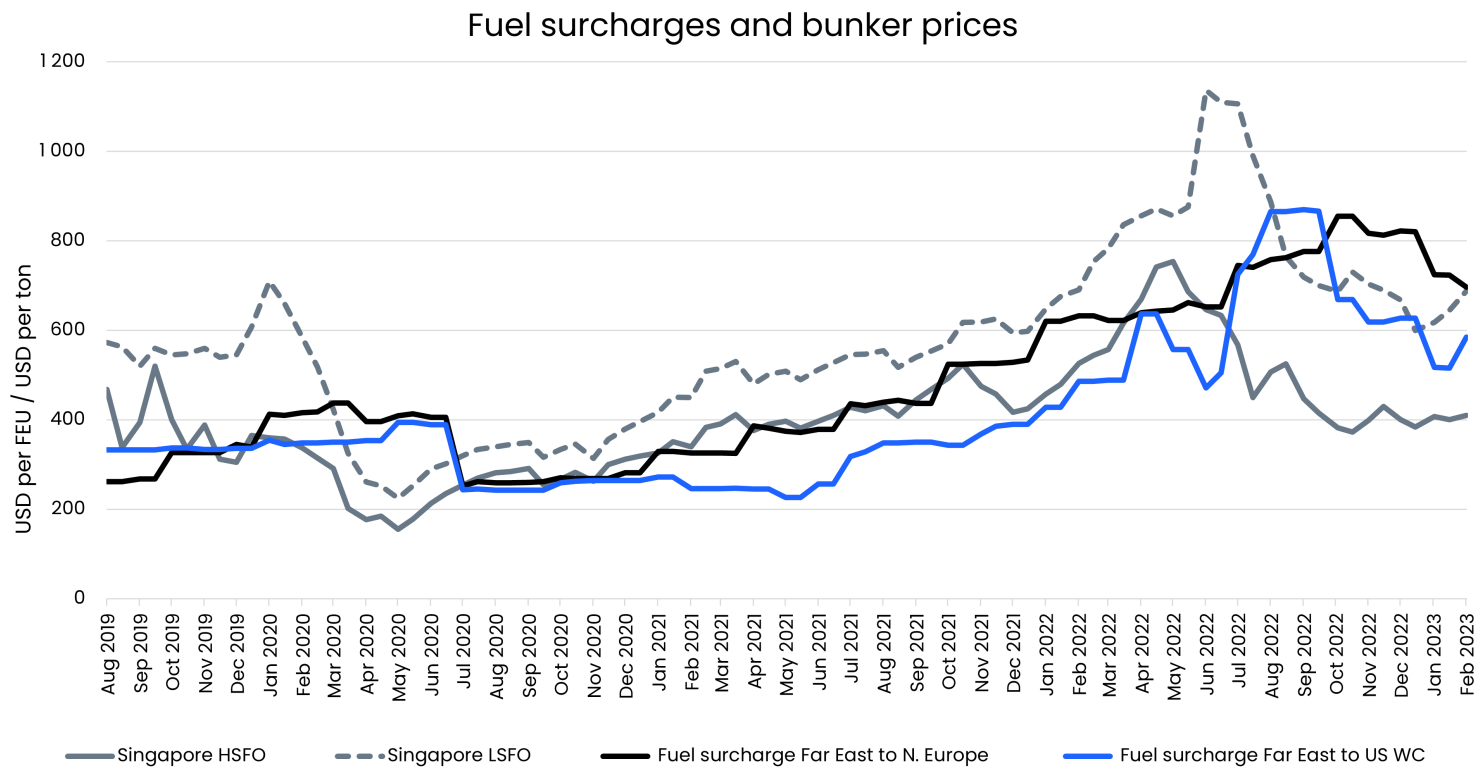
Source: Xeneta, MABUX



Source: Xeneta, MABUX



Fuel surcharges dropping from the Far East to North Europe, though upwards tick from Far East to US West Coast



Source: Xeneta, Mabux



What's being shipped?

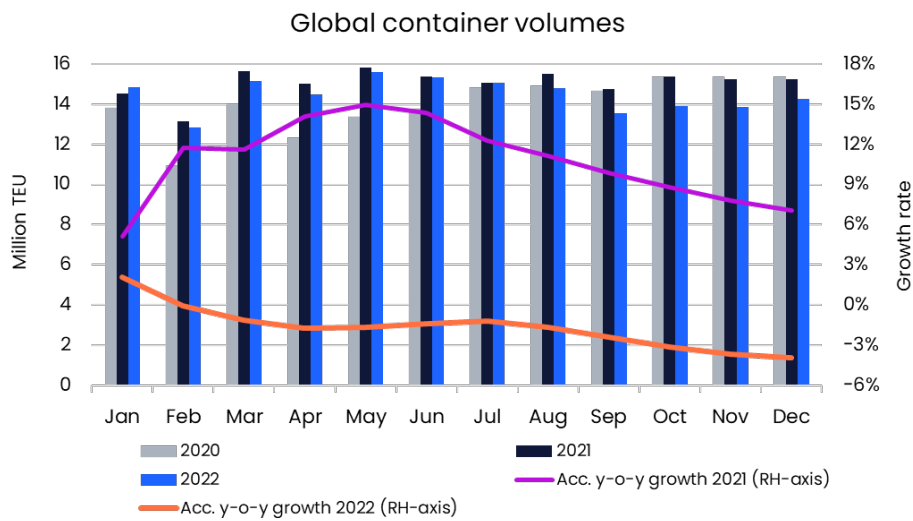
Current Volume Trends



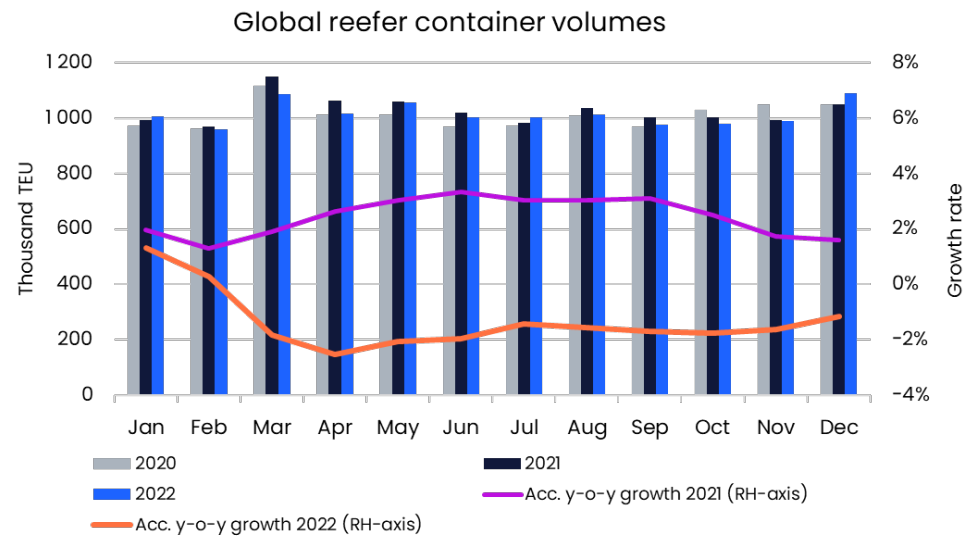
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Global container volumes fell by 3.9% in 2022, reefer volumes down 1.1%



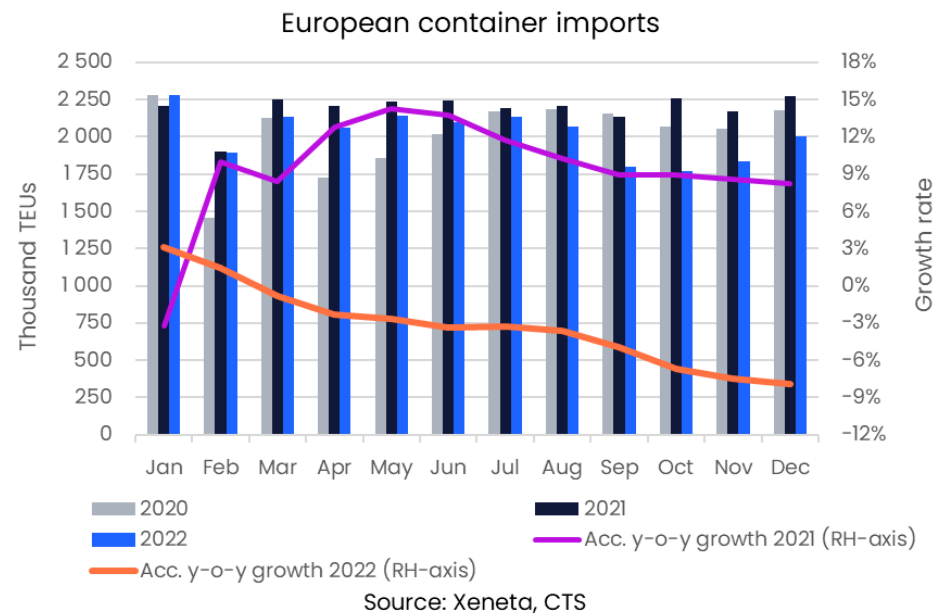
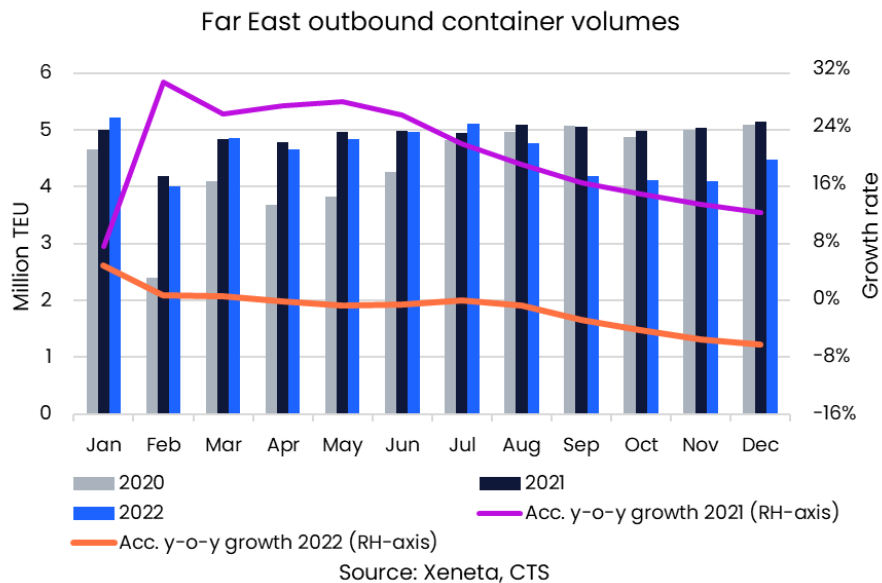
Source: Xeneta, Container Trade Statistics



Source: Xeneta, Container Trade Statistics

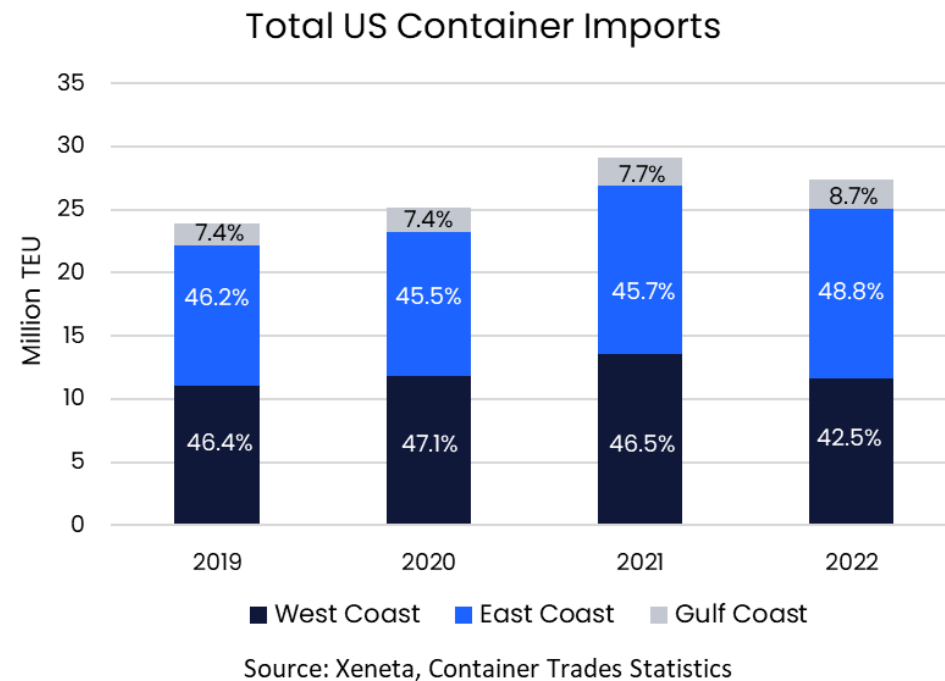
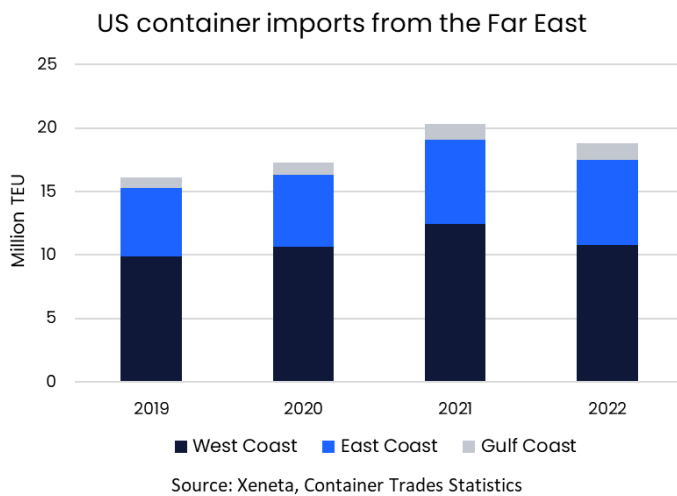


European imports post five month high in December, but end the year down by 7.9%



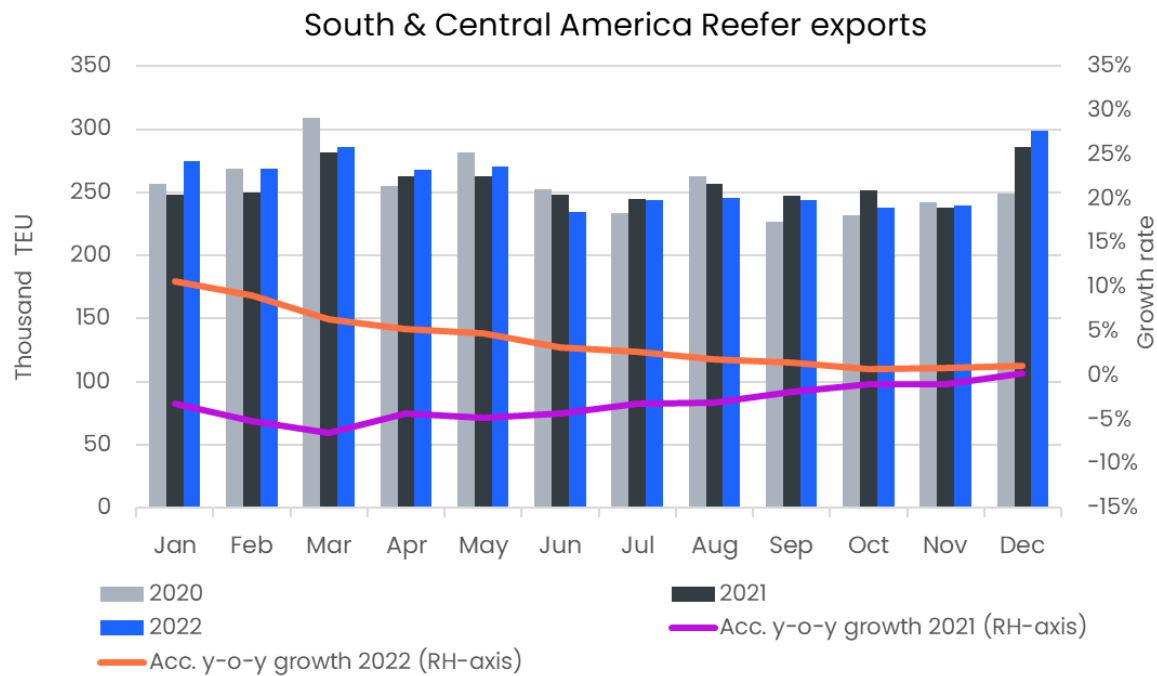


Thanks to higher imports from the Far East, the US East Coast overtook the US West Coast as busiest coast





Strong December brings year to date growth in South & Central America reefer exports into positive territory (+1.1%)



Source: Xeneta, Container Trades Statistics

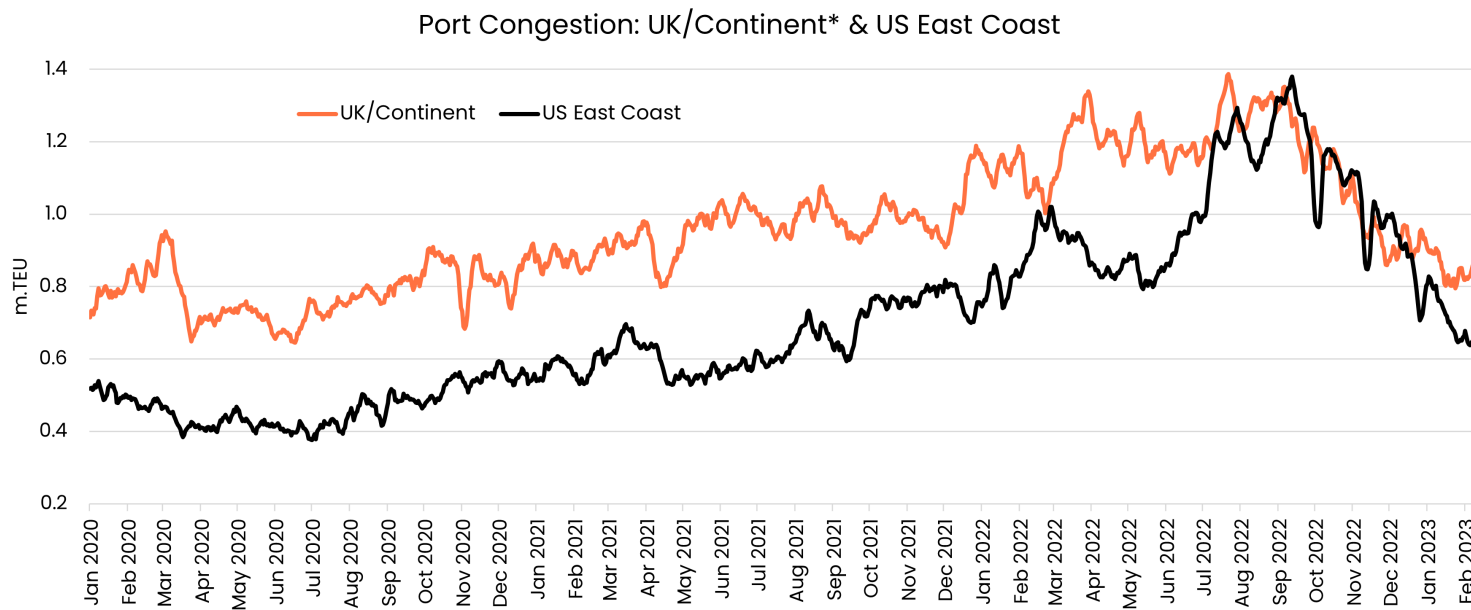


Where is the Congestion?

Improving or getting worse? →



Congestion falls to lowest levels in two years on the back of falling demand

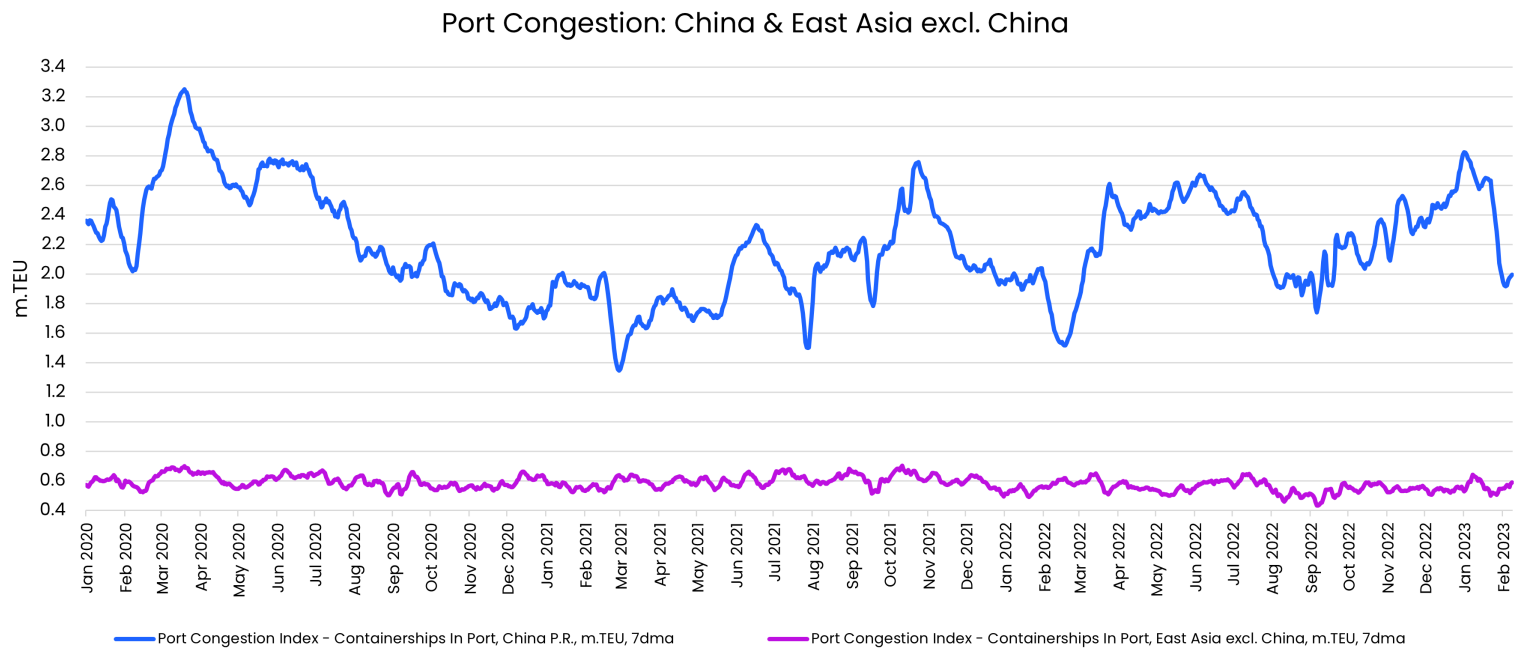


Note*: "Continent" refers to the ports ranging from Baltics (incl. Poland), Northern European, Benelux, Germany, France and the Iberian peninsula coastlines.

Source: Xeneta, Clarksons



Easing of Chinese COVID-19 restrictions helps lower port congestion in China dramatically



Source: Xeneta, Clarksons



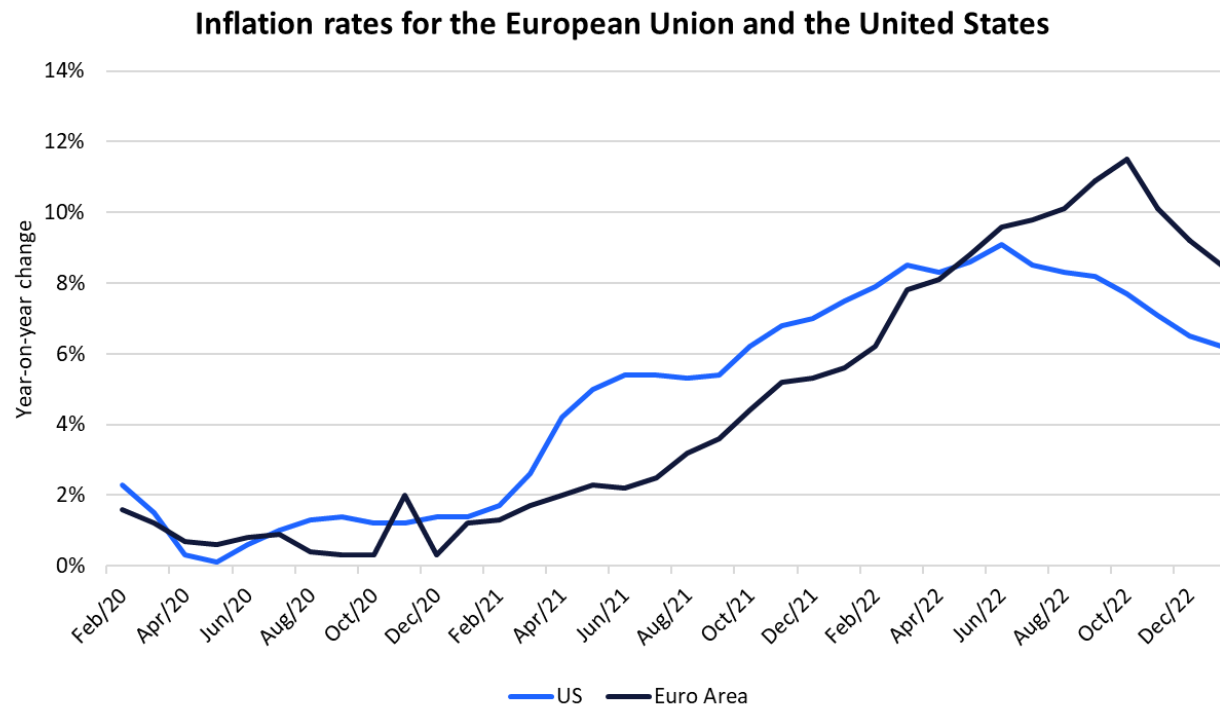
Where is the Economy heading?

In the East and in the West →

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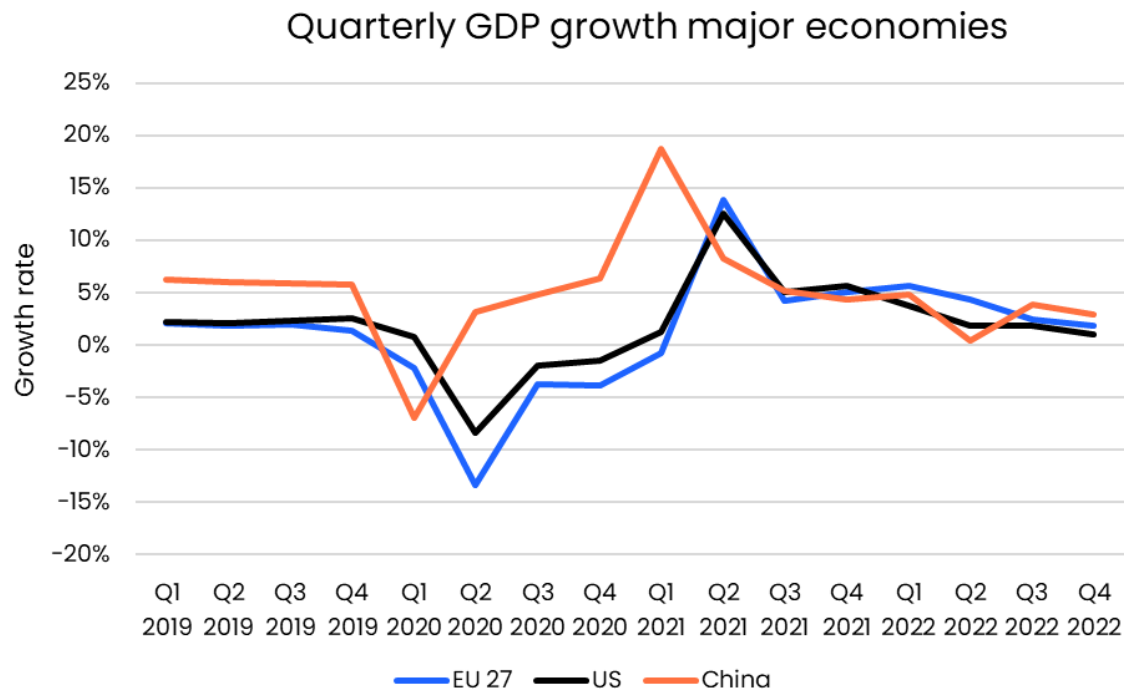
Inflation rates continuing to ease



Source: Xeneta, Eurostat, U.S. Census



Chinas FY GDP growth fell to 3.0% from 8.4% in 2021, lower than full year growth in both the EU and US



Source: Xeneta, Eurostat, NBS China, BEA



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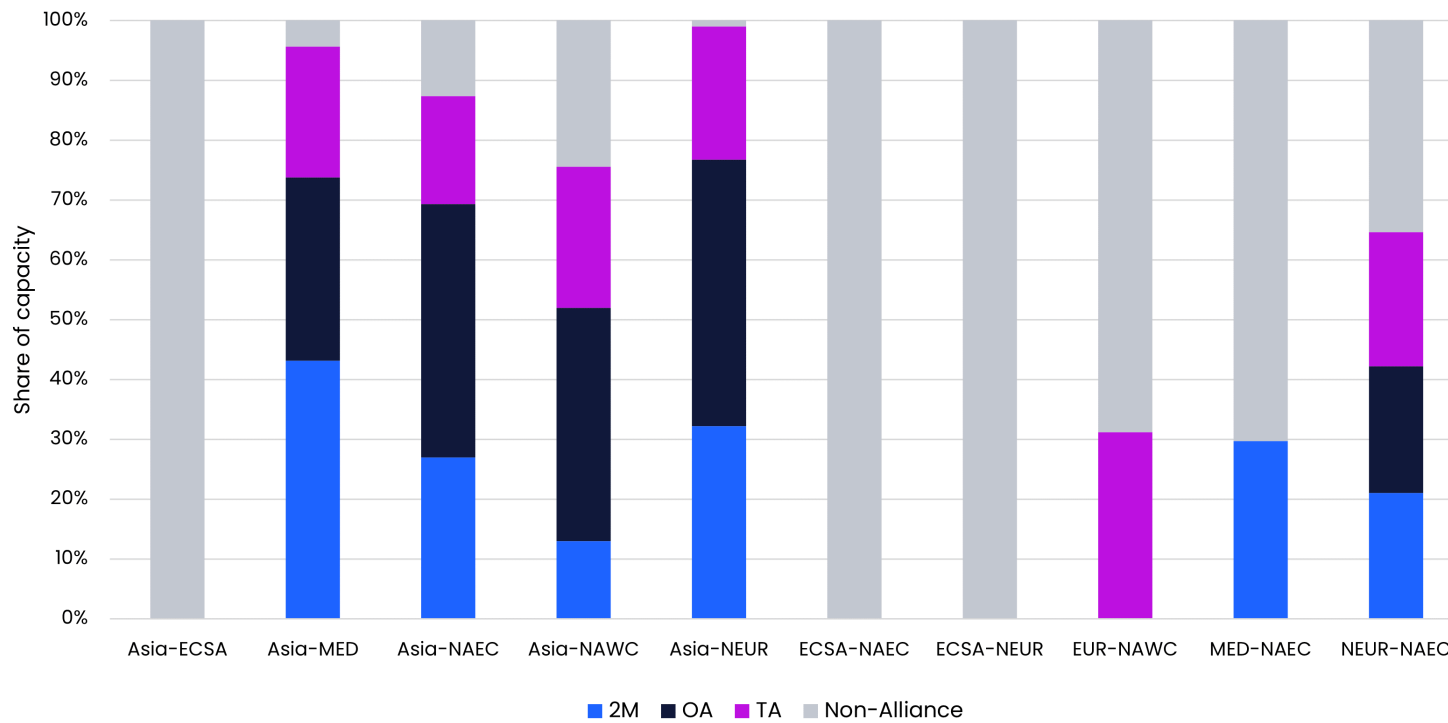
Monthly specials!

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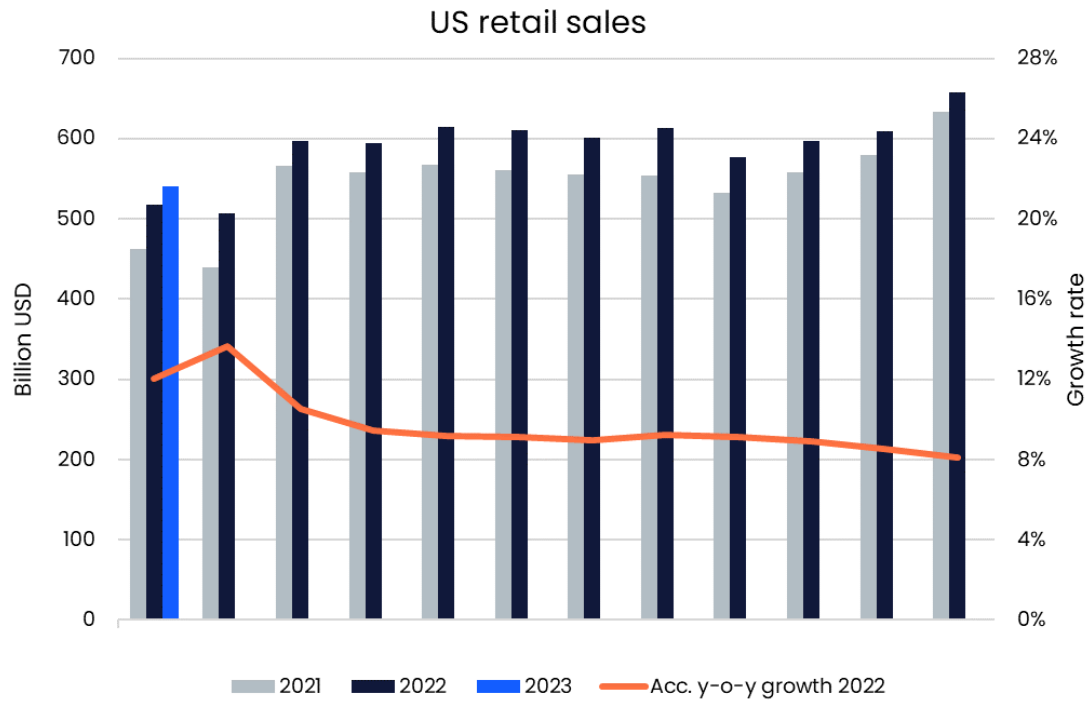
How is capacity shared among alliances on major trades

Capacity by Alliance for 2023 YTD on major trades



Source: Xeneta, Sea-Intelligence

US retail sales at 11 month low – 4.4% fall from January 2023, below inflation

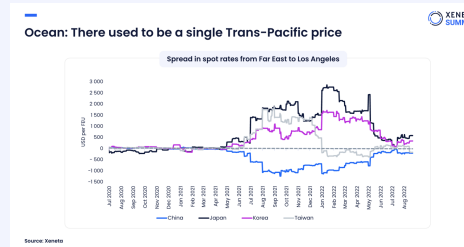


Source: Xeneta, US Census Bureau

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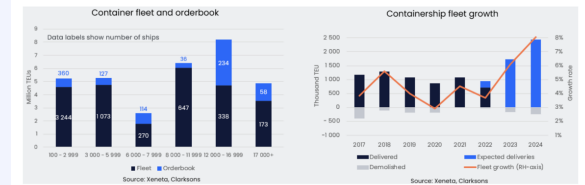
Feb 09

[Xeneta Summit 2022 | How Data is Driving Multi-Million Dollar Profits in Shipping](#)



Feb 03

[After the shipping boom, here comes the doom | How can shippers deal with container shipping challenges in 2023?](#)



Jan 30

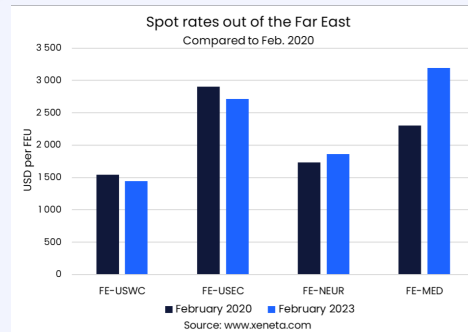
[Box Rates: No Reason to Quickly Improve](#)

Jan 31

[Xeneta Shipping Index \(XSI®\) Contract Market: January 2023](#)

Feb 08

[Weekly Container Freight Update Week 06, 2023 | Spot rates out of the Far East](#)



Feb 02

[Xeneta Customers Leaning on Index-Linked Contracts This Tender Season](#)



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Xeneta CEO Presents: *February'23* *Freight Market Pulse*

February 2023 In-depth Analysis

Join us to receive your updated market commentary from hosts, Patrik and Michael. This month will review notable market movements and provide a monthly data recap on relevant trade lanes. Michael will speak to customer sentiment and share the value of how customers are optimizing their procurement and profit margins using Xeneta data. Available exclusively to the Xeneta customer community.

In this month's Customer Webinar, CEO and Co-Founder, Patrik Berglund, Vice President of Customer Solutions, Michael Braun will provide updates on monthly market movements and speak to customer procurement strategy. How are customers continuing to maximize value from carriers, with the use of Xeneta data? Critical market conditions aligned with economic decline has some shippers newly trusting carrier pricing – leaving more opportunity for those hoping to use data in negotiations.

Key Insights

- Changing Shipper Carrier Relationship
- Notable Market Movements
- Forecasted Market Movements
- Trade Lanes to Watch
- Customer Sentiment

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UPCOMING:

February 2023 Webinar State of the Ocean Freight Market

Overcapacity is driving down long-term rates; how can you capitalize on this market?

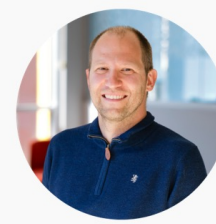
LIVE on Feb 22, 2023
16:00 CET / 10:00 AM EST

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Meet Us | Presenters



Emily Staussboll
Chief Analyst
Xeneta



Erik Devetak
Chief Technology Officer
Xeneta

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NOT TO BE MISSED – the latest episode of our new podcast series:



Transportation Insights
Digitalization & Future of Container Shipping
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