



# XENETA

September 2023 | Container Shipping Market Trends

Fundamentals weaken – spot rates remain unimpacted

No one market fits all strategy, every trade is different

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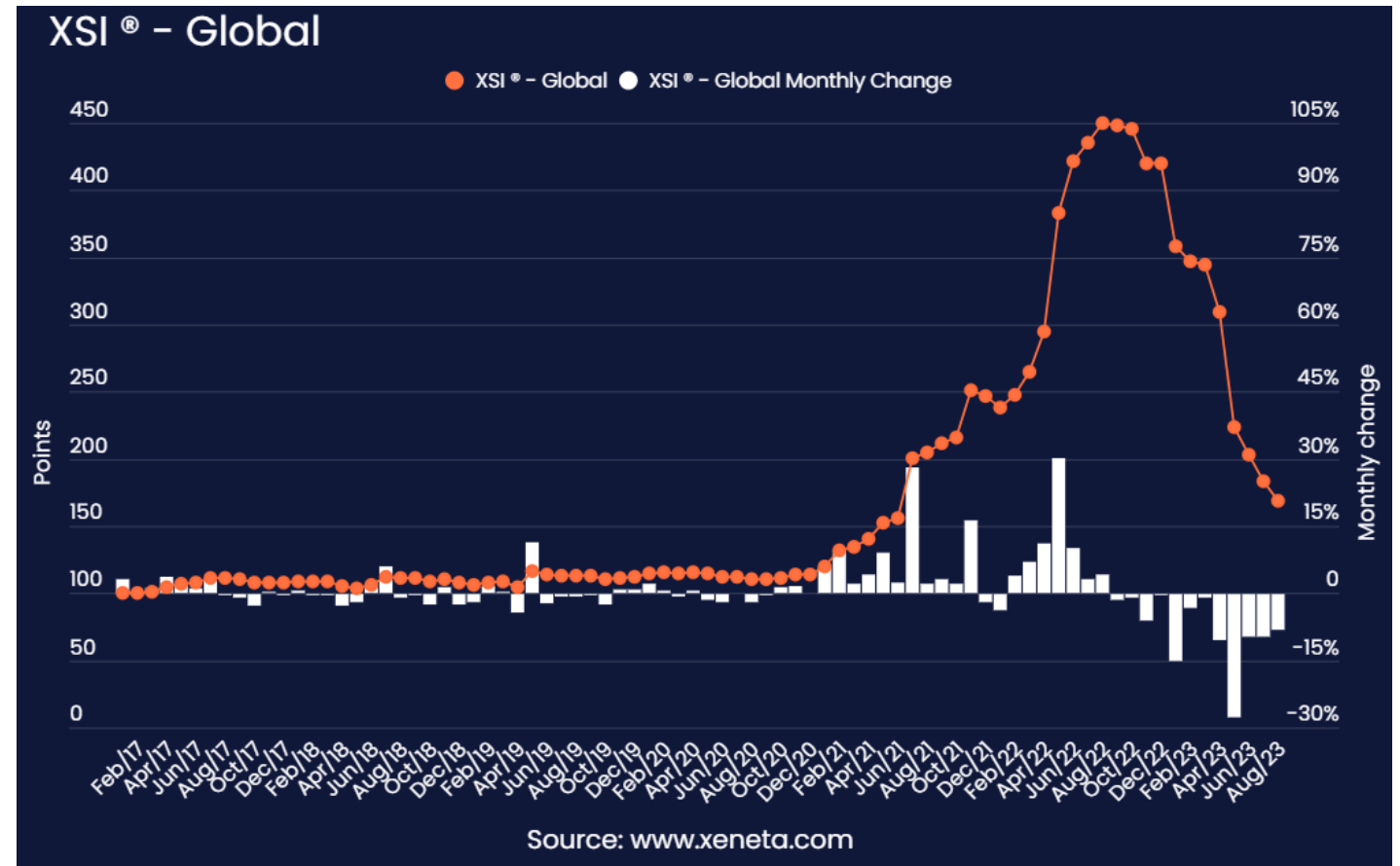
# The global XSI® (contract market) fell in August to 169.2 points – 7.8% MoM

- Long-term ocean freight rates continued to fall in August, marking the 12th consecutive month of decline for carriers struggling to balance weak demand with rampant overcapacity.
- The Global XSI® followed last month's slump of 9.5% with another fall of 7.8% in August, bringing it down to 169.2. Compared to the historically high rates of 'just' one year ago, the index has collapsed by 62.7%, with consistent MoM declines.
- In that time, the smallest individual monthly fall was 0.1%, in December 2022, while the largest was 27.5% experienced in May 2023. The Far Eastern sub-index for exports has emerged as 'the biggest loser', with a fall of 75% since August 2022.

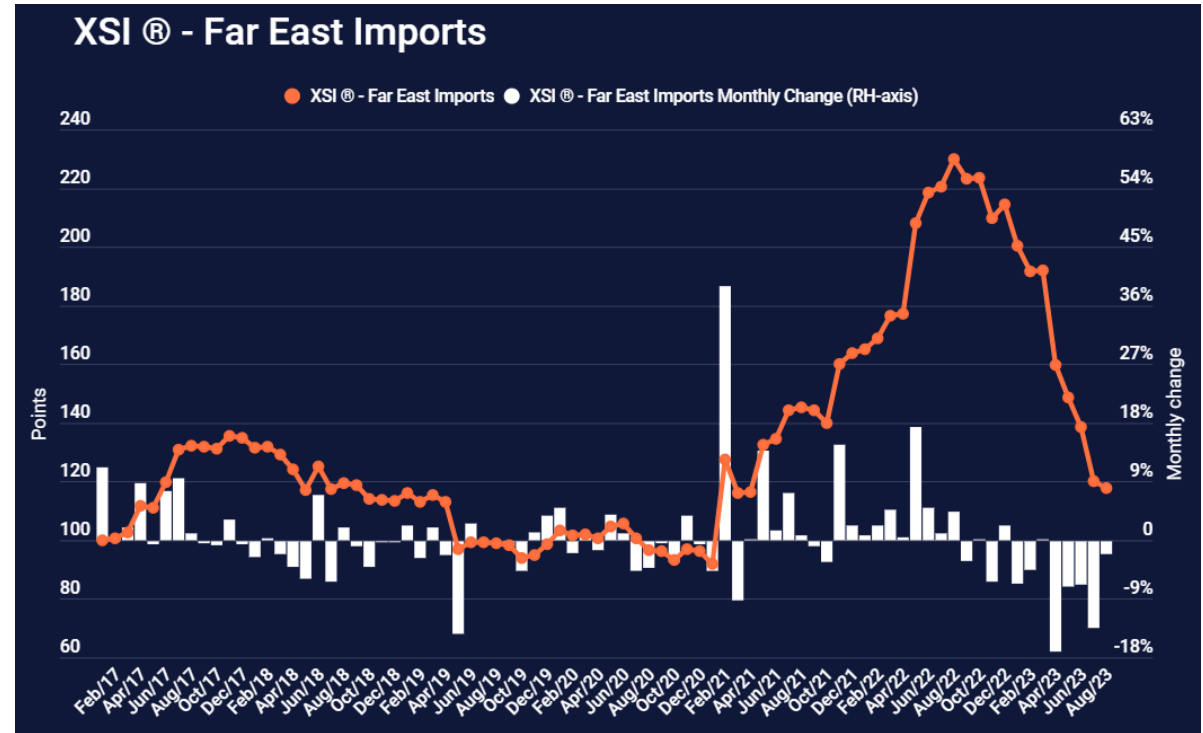
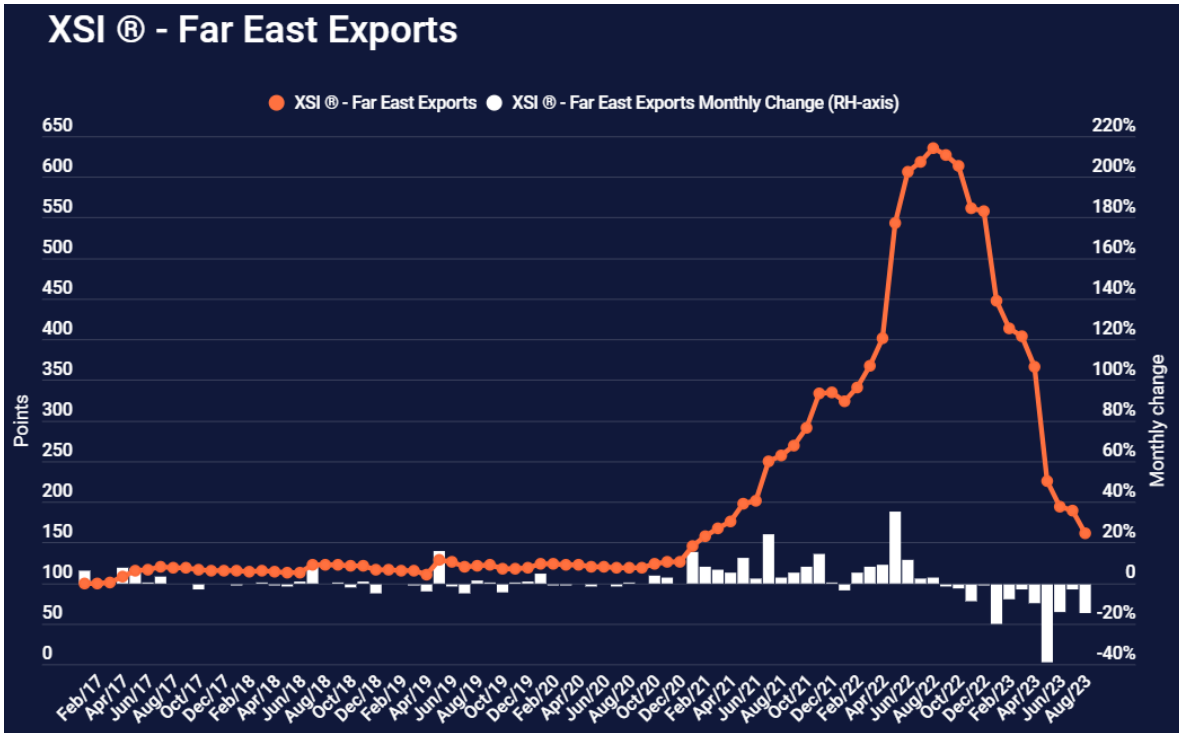
Read the full report to discover which trade lanes are up against the ropes, and which appear to be punching above their weight.



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



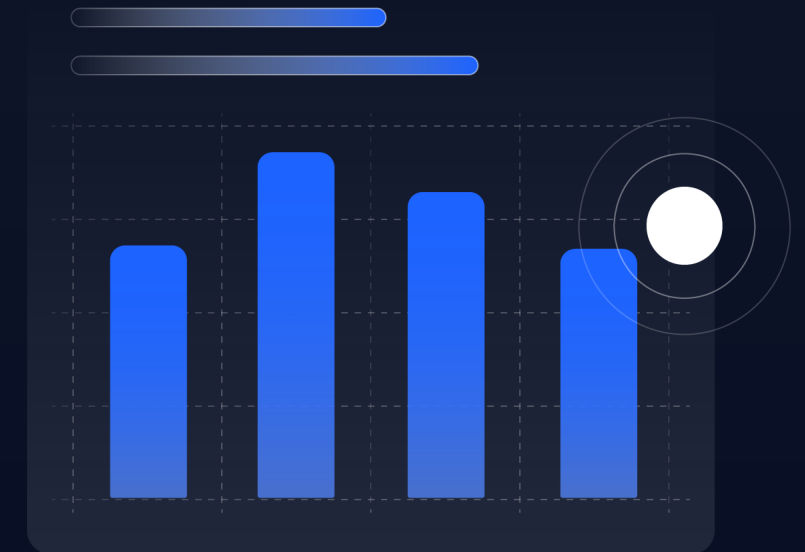
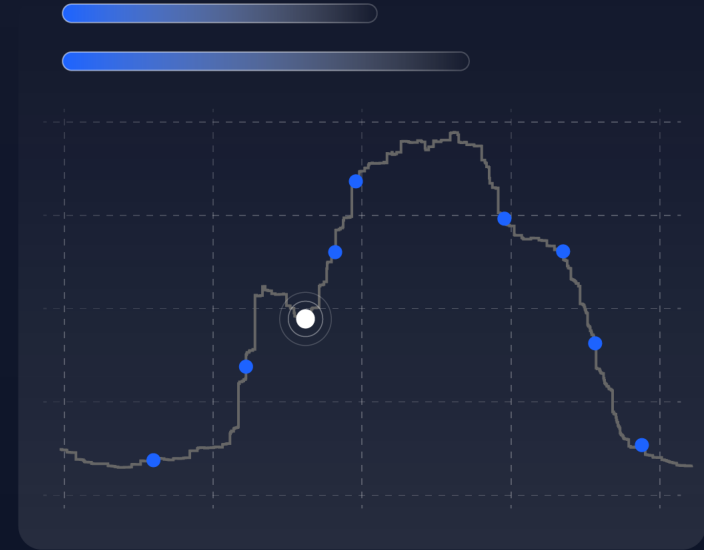
The Far East Export XSI® decreased almost 75% over the past year, with August seeing another 14.2% drop – Far East import dropped 51.1% with August seeing a 2% drop



Insert footnote here

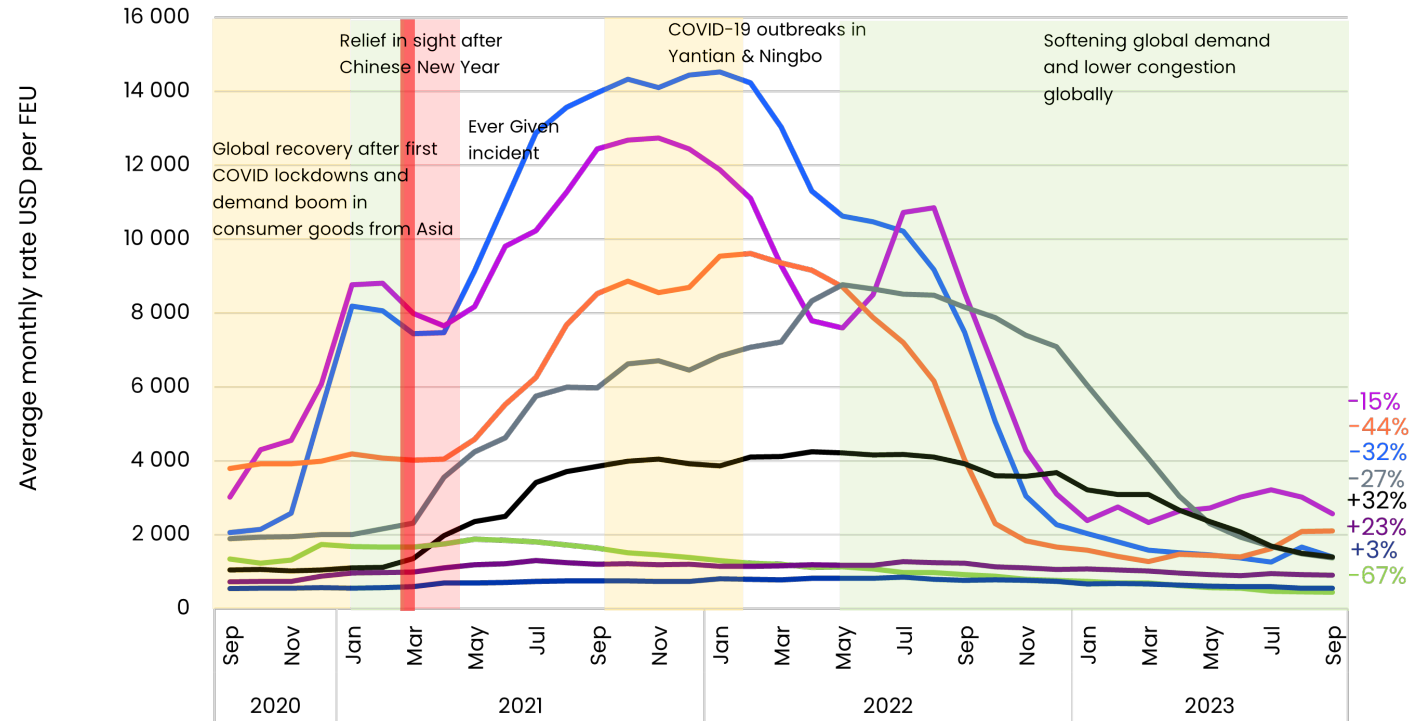
# Where are we now?

## Current Freight Rate Trends



# Development of Spot Freight Rates (as of September 14)

## Global Ocean Spot Freight Rates



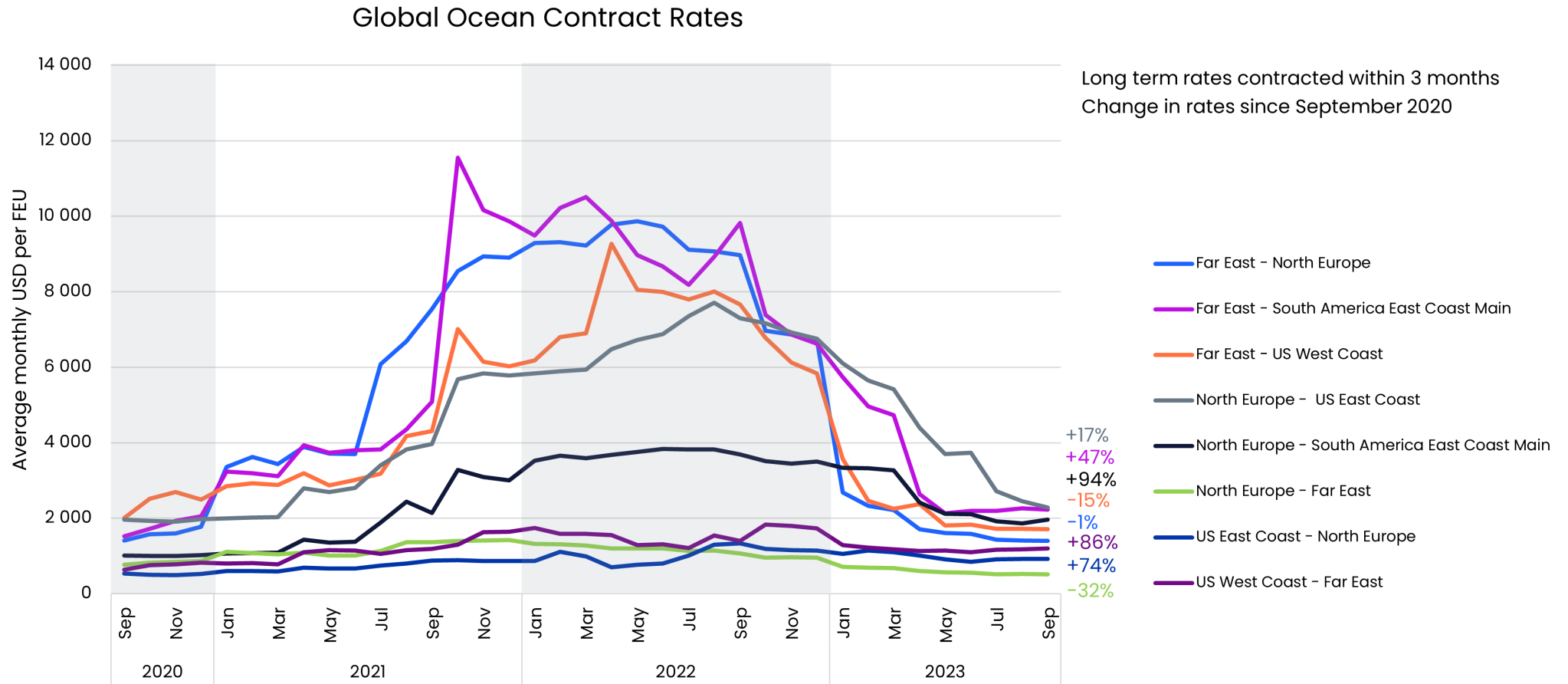
Source: www.xeneta.com

## Change in rates since September 2020



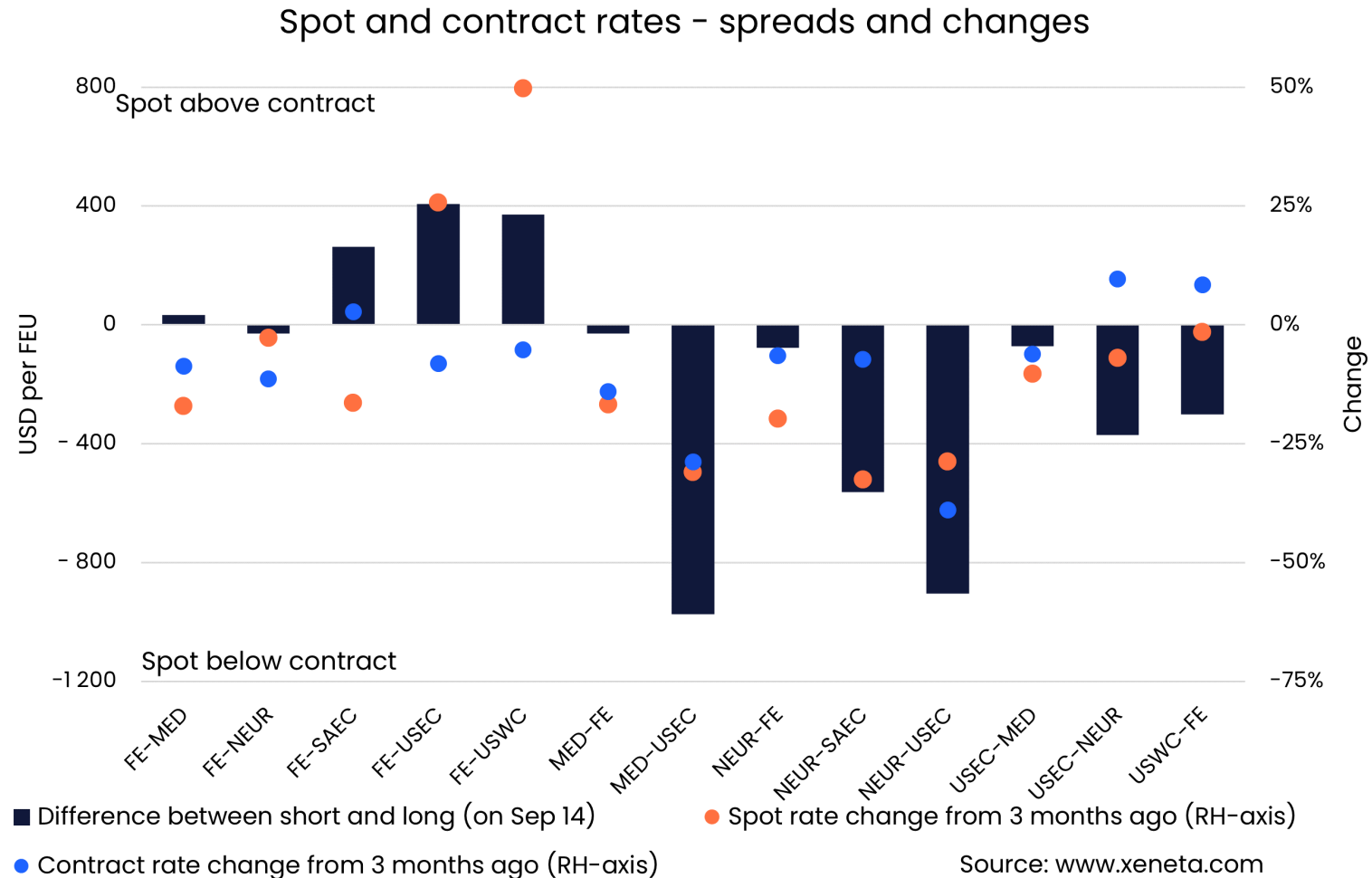
-15%  
-44%  
-32%  
-27%  
+32%  
+23%  
+3%  
-67%

# Development of Contract Freight Rates (as of September 14)



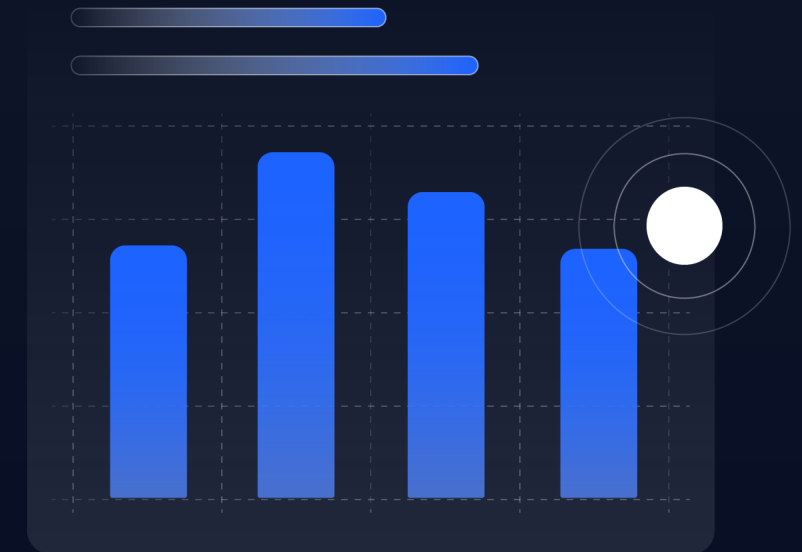
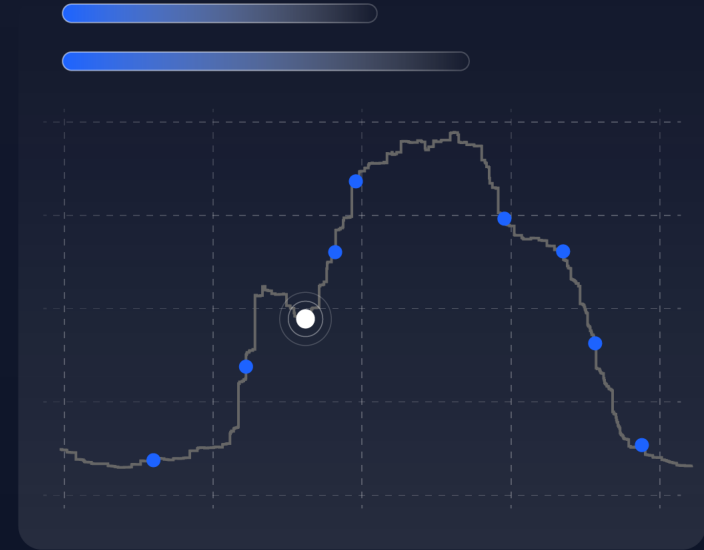
Source: www.xeneta.com

Spot rates for Far East Exports saw a large increase compared to the previous 3 months (as of September 14)



# Supply Chain Heat Maps

From Xeneta





# Carriers' nightmare resumes - All trades showing mainly green

## XENETA

**Xeneta Shipping Index by Compass (The XSI-C)**

		Week	Week	Week	Week	Week	Week	Week	Week	Week	Week	Week
		27	28	29	30	31	32	33	34	35	36	37
		ending										
Origin	Destination	7 Jul	14 Jul	21 Jul	28 Jul	4 Aug	11 Aug	18 Aug	25 Aug	1 Sep	8 Sep	15 Sep
Far East	to US West Coast	18.5%	0.1%	23.6%	2.2%	4.9%	4.7%	4.3%	1.9%	0.4%	-0.4%	-2.3%
Far East	to North Europe	-1.3%	0.5%	-0.9%	-1.1%	37.2%	4.3%	-1.8%	-5.6%	-5.1%	-8.3%	-4.1%
Far East	to South America East Coast	4.7%	3.6%	-0.7%	-3.4%	3.4%	-2.7%	-5.1%	-7.1%	-6.3%	-4.8%	-6.1%
North Europe	to Far East	-14.5%	3.8%	-0.8%	-3.0%	-2.0%	-2.0%	4.1%	0.5%	-1.9%	-4.3%	-0.1%
North Europe	to South America East Coast	-17.1%	0.8%	0.5%	-1.5%	-11.8%	-4.0%	2.5%	0.4%	-3.7%	-7.5%	-2.9%
North Europe	to US East Coast	-20.7%	1.1%	3.8%	0.1%	-3.8%	-3.3%	-3.5%	-2.8%	-4.4%	-1.5%	-0.2%
US East Coast	to North Europe	2.4%	1.6%	-3.1%	-6.6%	-5.1%	1.5%	0.8%	-1.4%	1.8%	-0.5%	-1.2%
US West Coast	to Far East	1.5%	-2.9%	4.0%	-0.3%	-0.7%	-3.8%	-1.6%	-0.7%	-0.9%	0.5%	-0.3%

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.

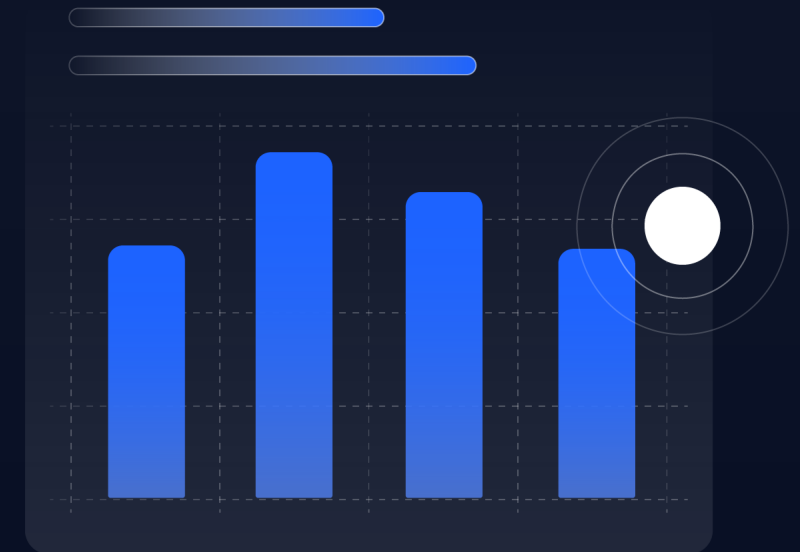
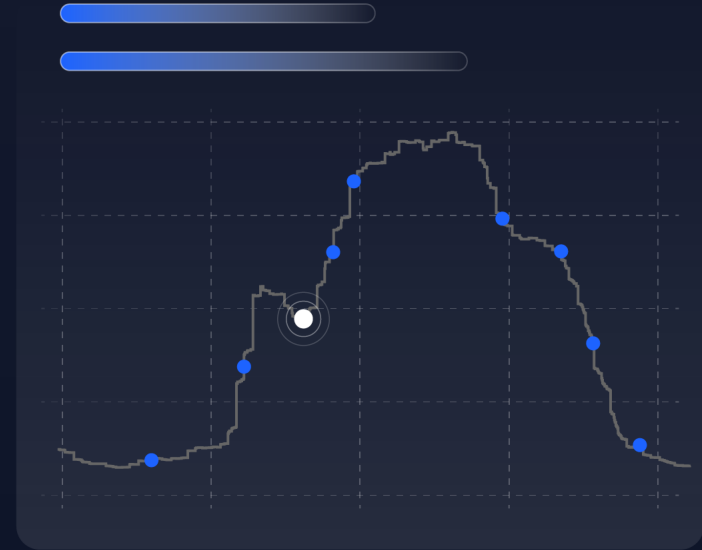


XENETA

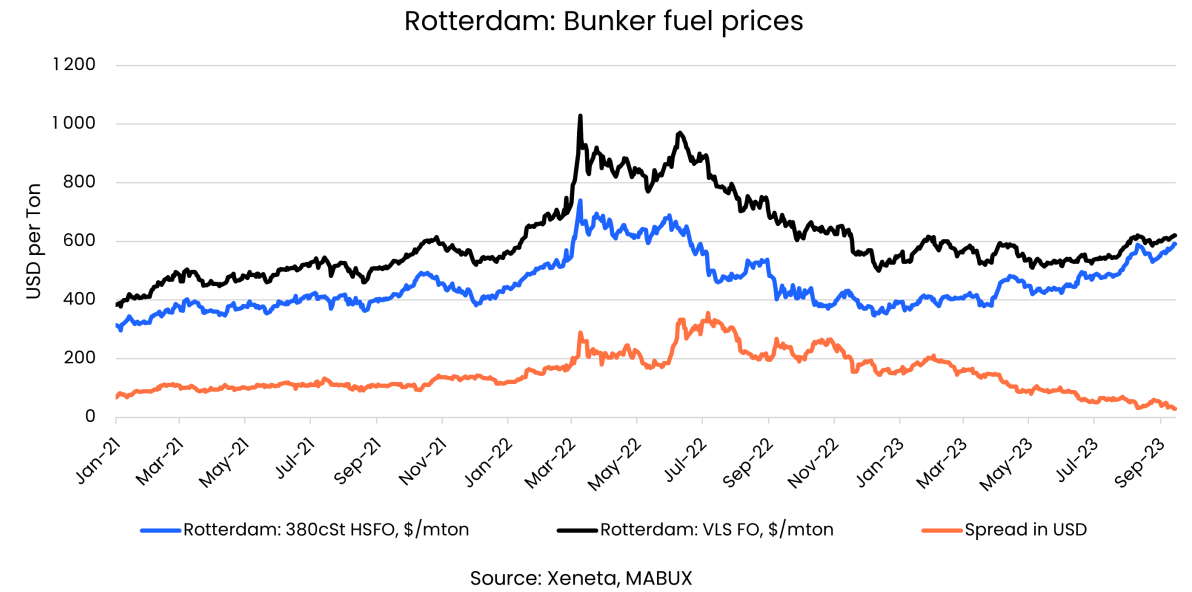
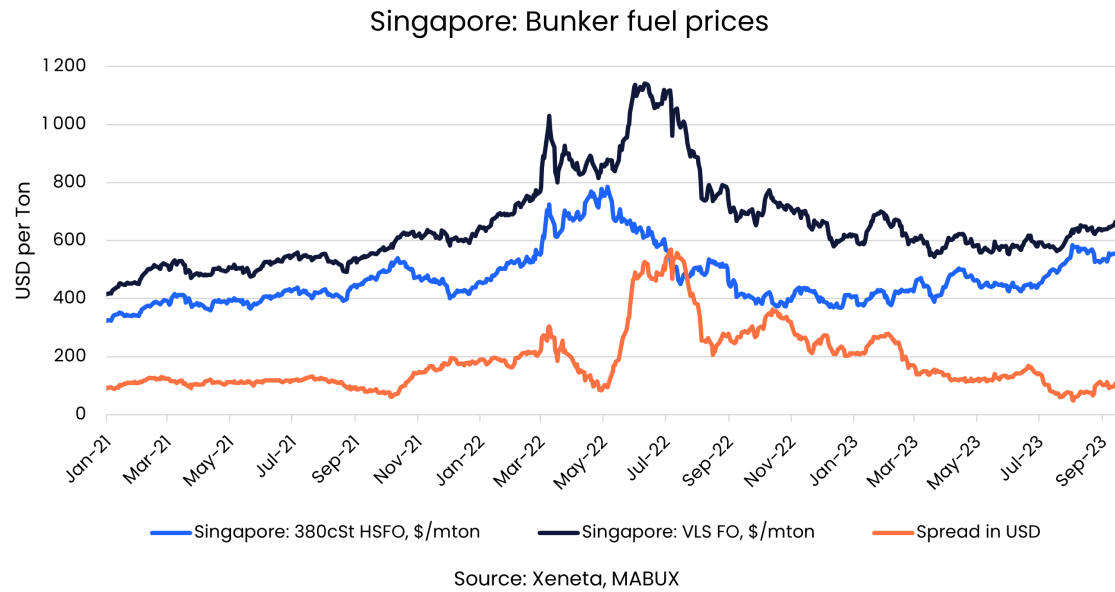
# Bunker Fuel

## Prices and Surcharges

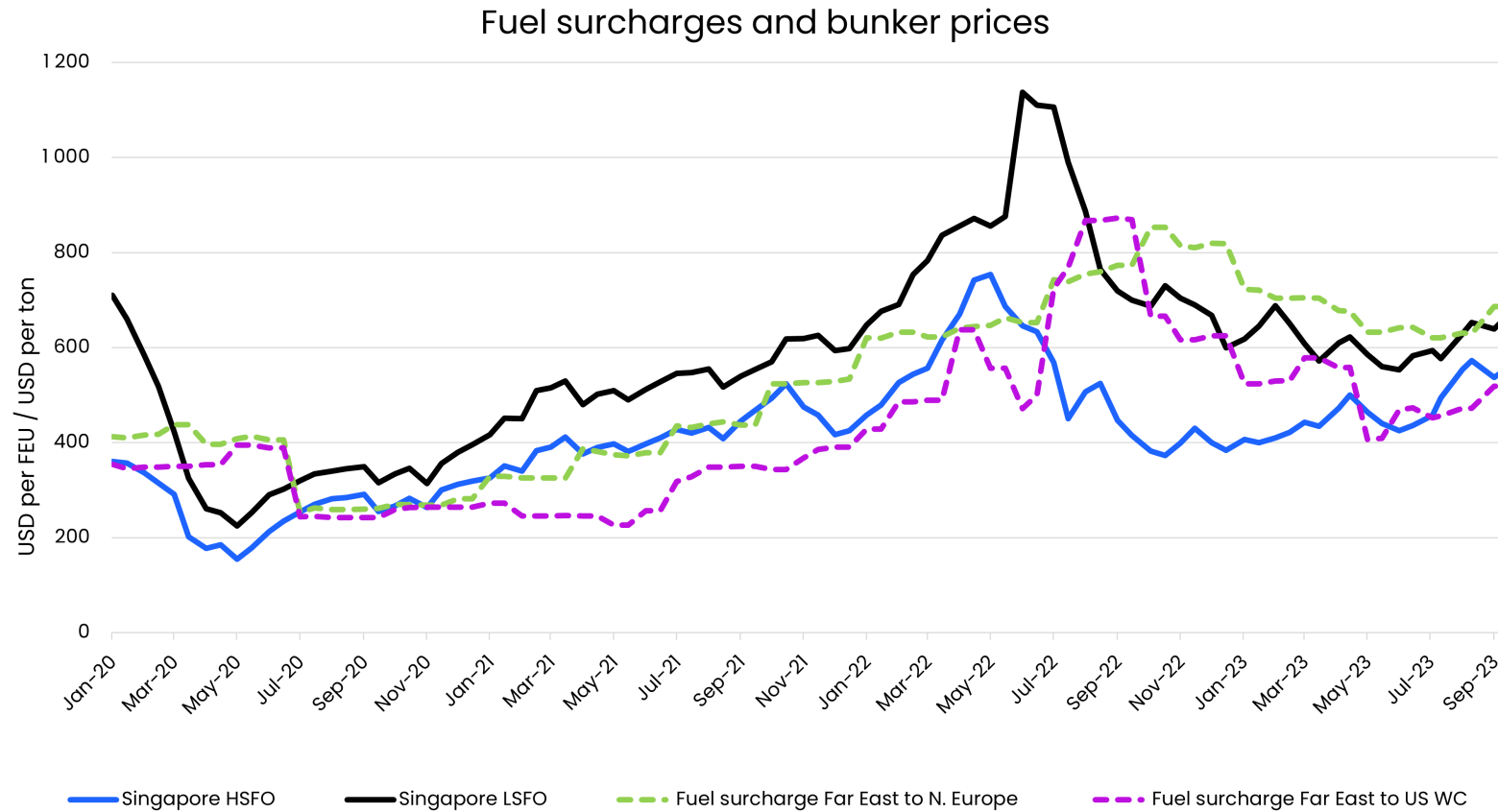
Main Ports



# Singapore spread increases while Rotterdam spread falls below USD \$30



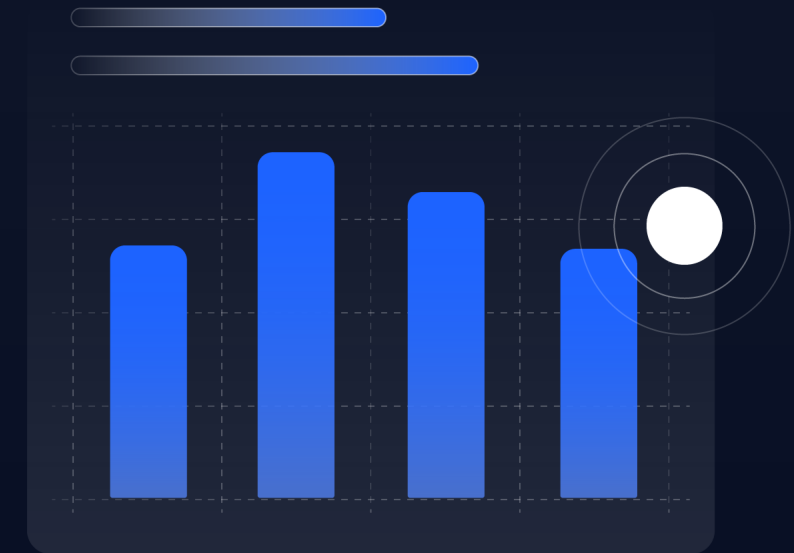
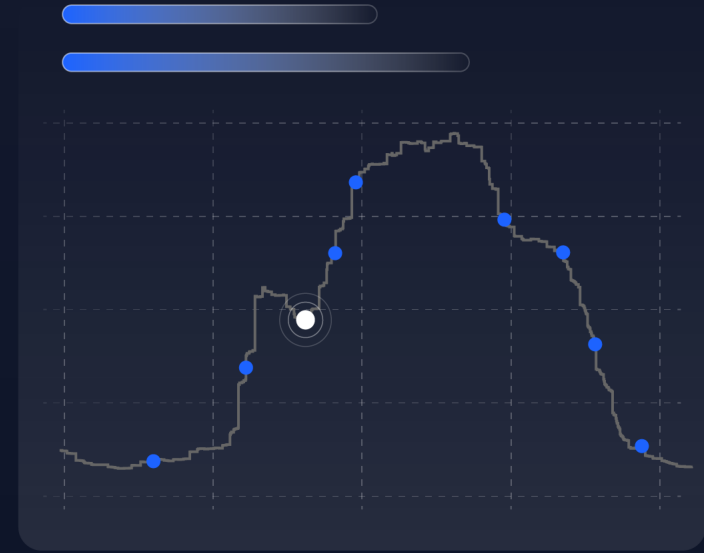
# Fuel surcharges for both major trades increasing – will there be more to come?



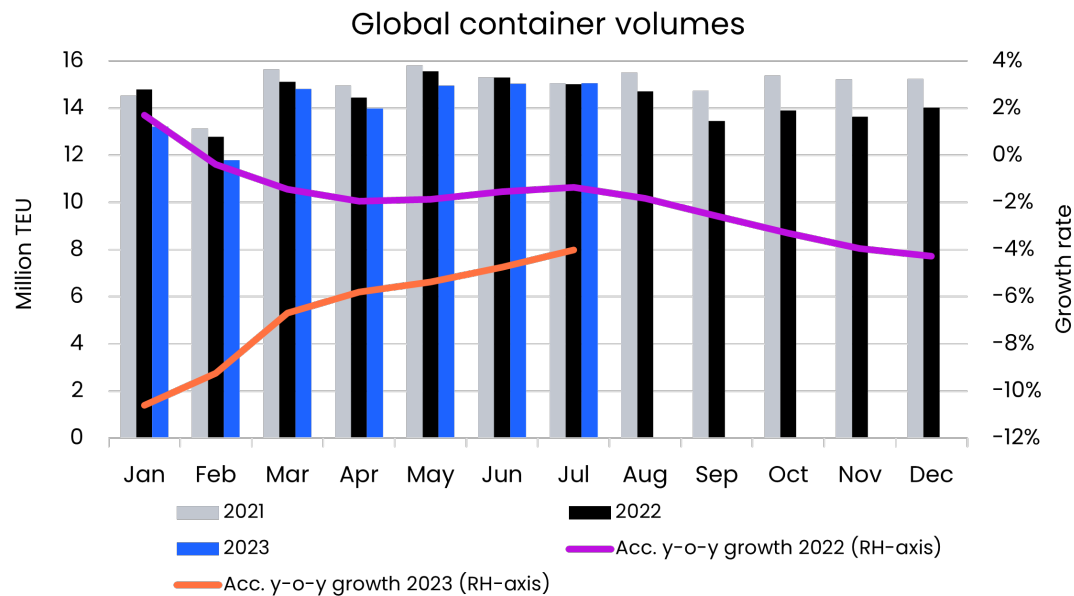
Source: Xeneta, Mabux

# What's being shipped?

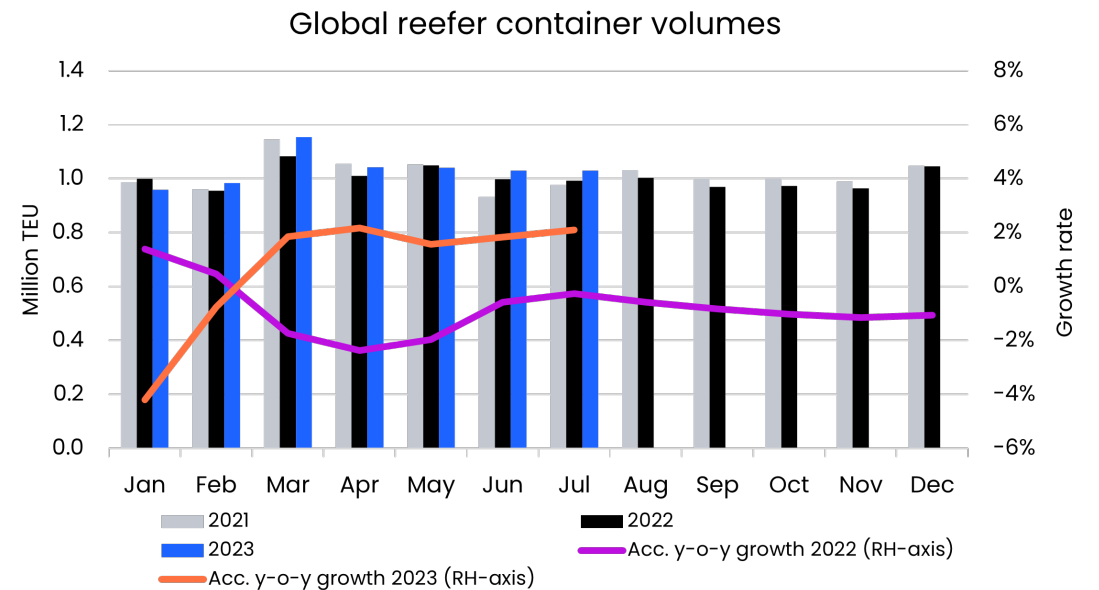
Current Demand Trends



# Global container volumes approach 2022 levels, with July reefer volumes seeing stable growth YoY



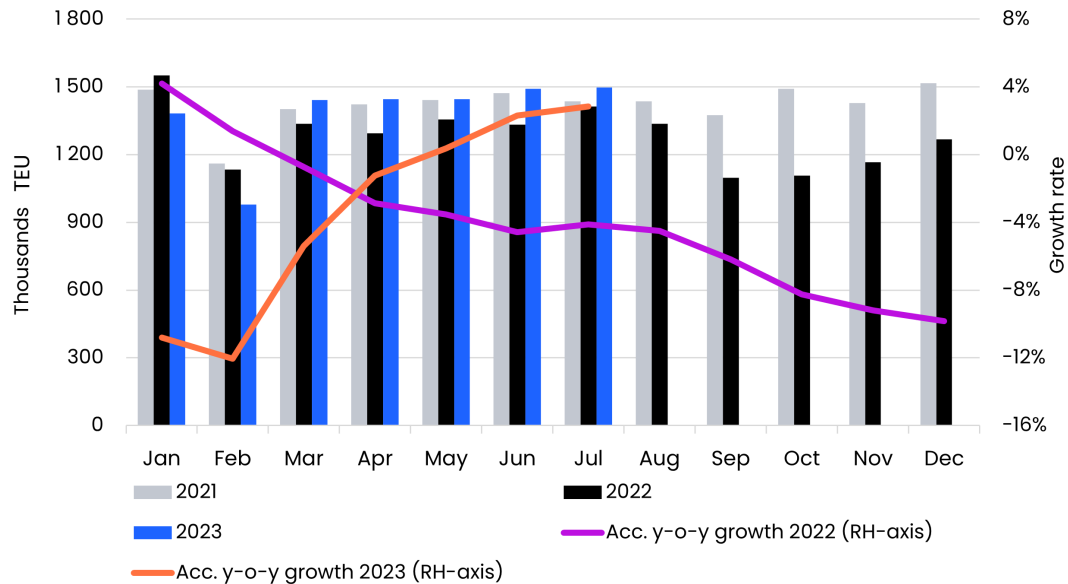
Source: Xeneta, Container Trades Statistics



Source: Xeneta, Container Trades Statistics

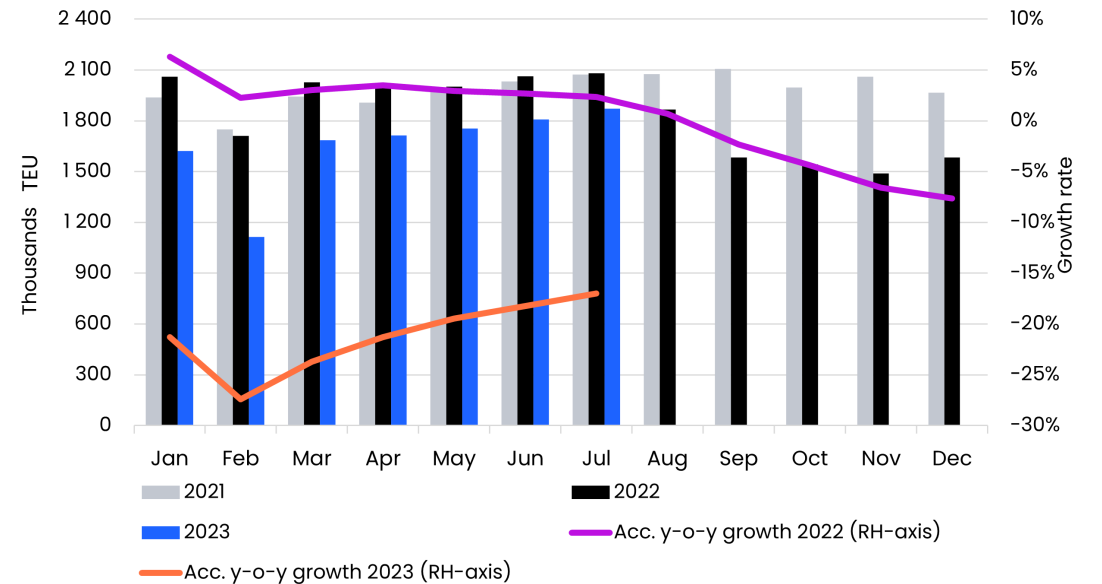
# Volumes from Far East to Europe steadily increase – Far East to North America also on the rise. Volumes for H2-2023, expected to outperform that of H2-2022

Volume from Far East to Europe



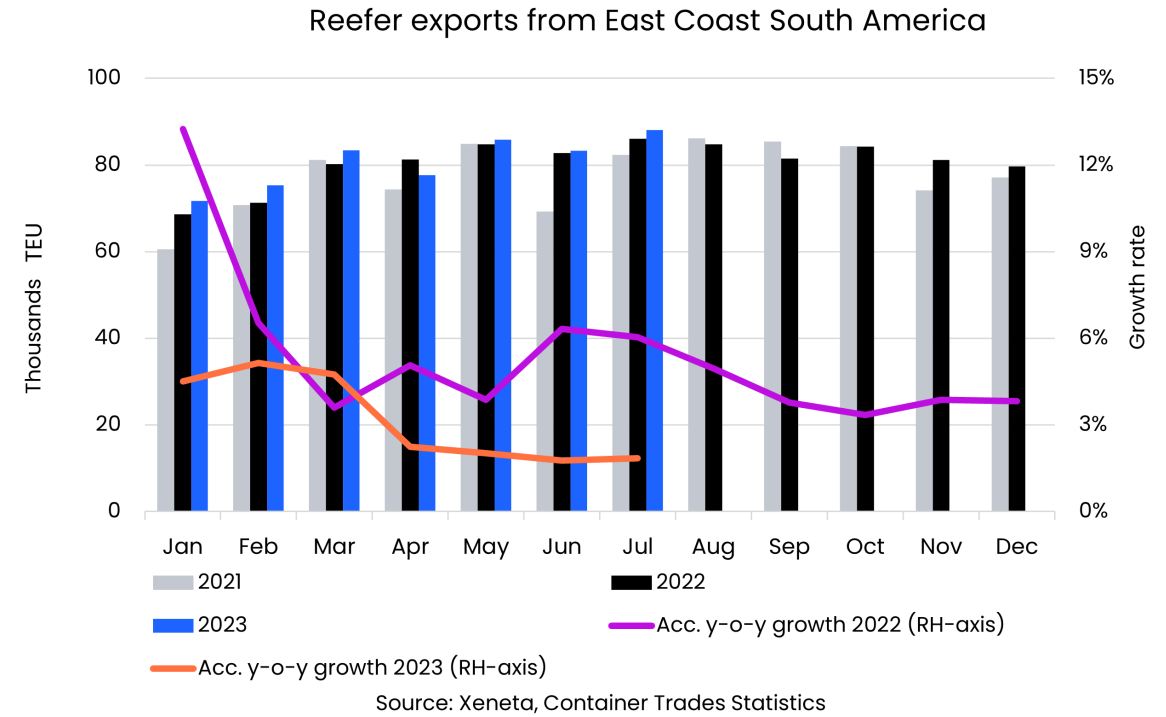
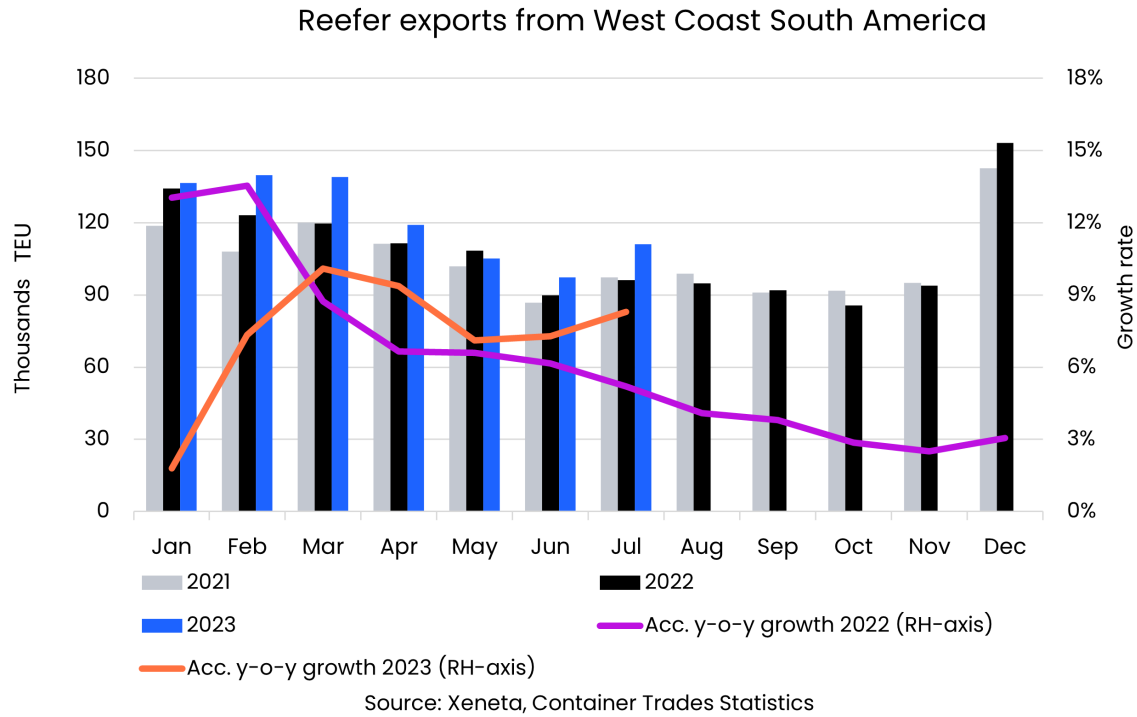
Source: Xeneta, Container Trades Statistics

Volume from Far East to North America



Source: Xeneta, Container Trades Statistics

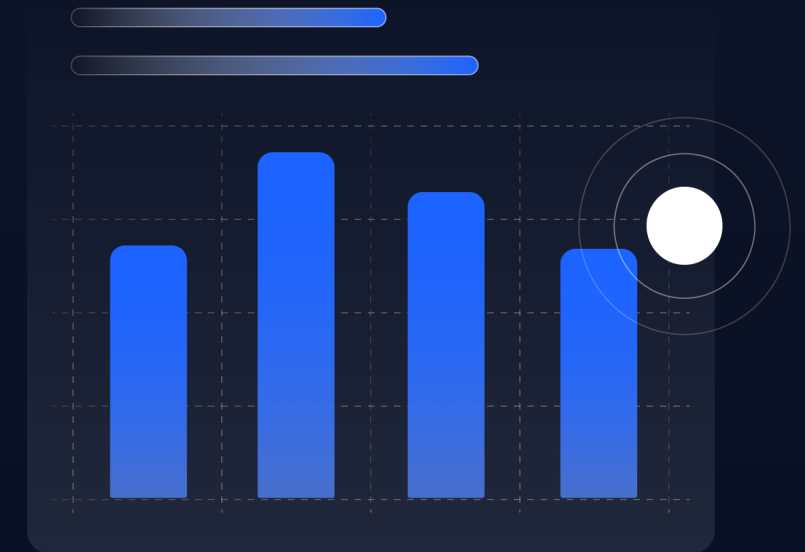
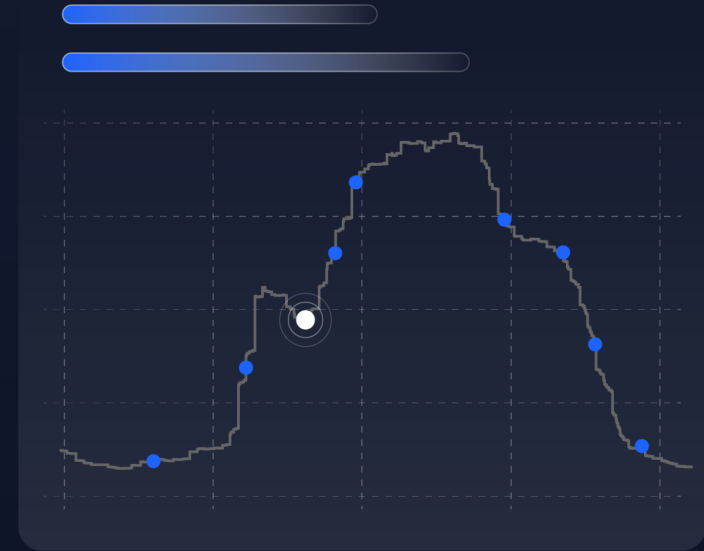
# The East Coast continues to inch forward – South America West Coast sees almost 20k TEU jump for reefer exports in July



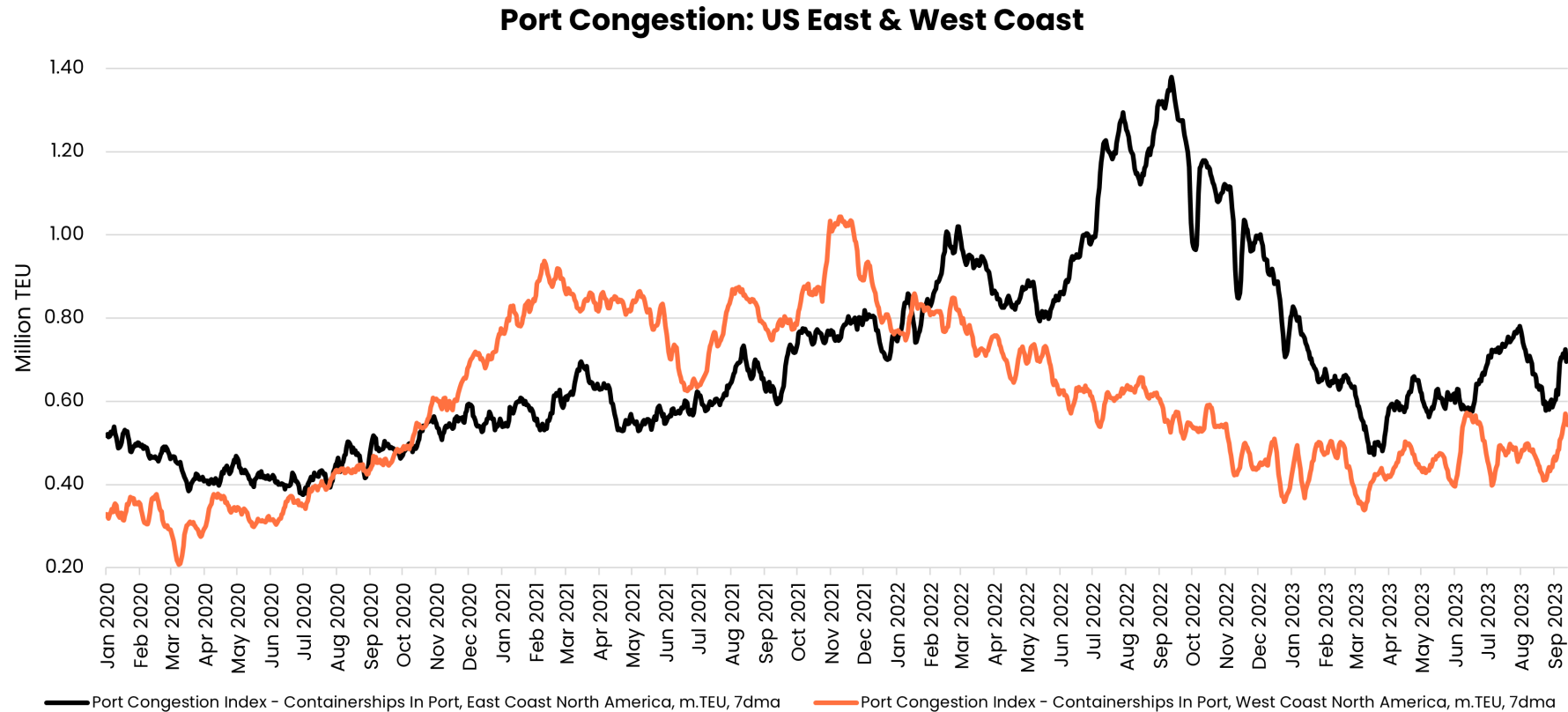


# Where's the congestion?

Improving or getting worse?

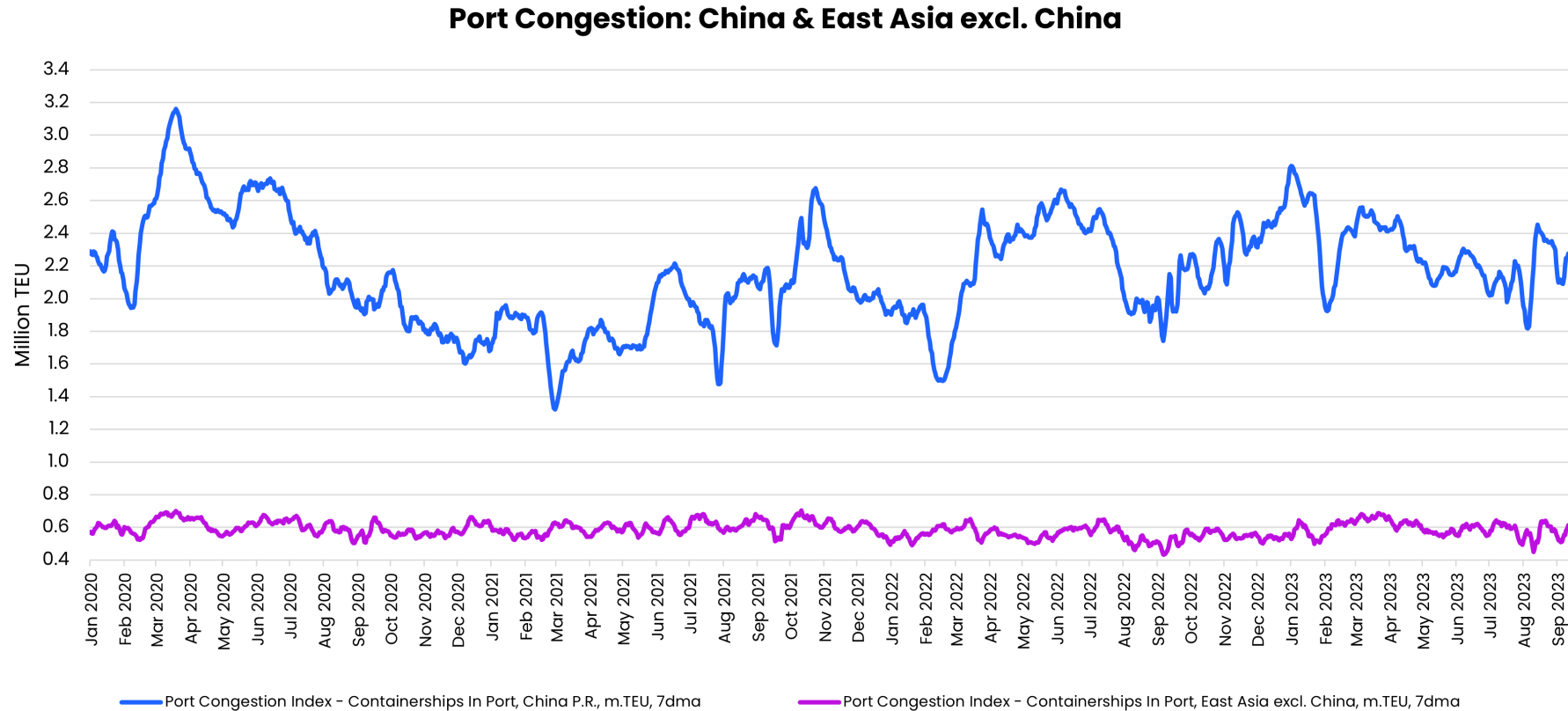


Both US coasts see spikes in congestion - showing not all obstacles of the COVID-years have been cleared



Source: Xeneta, Clarksons

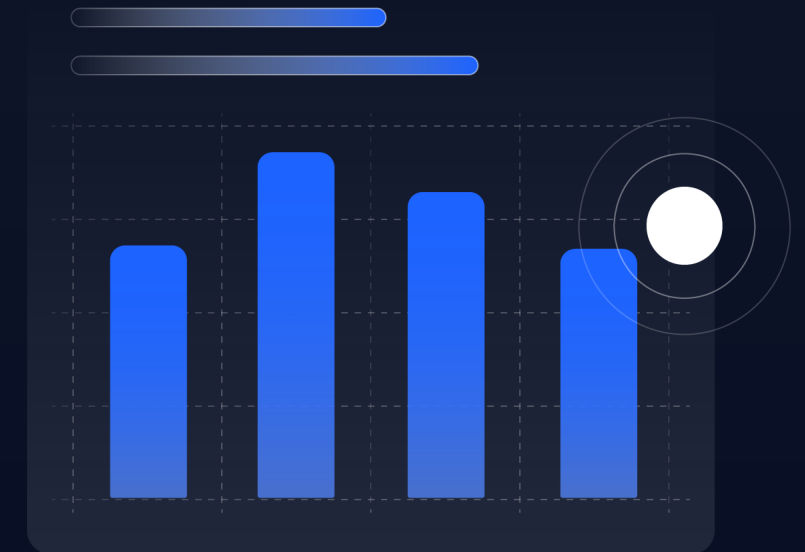
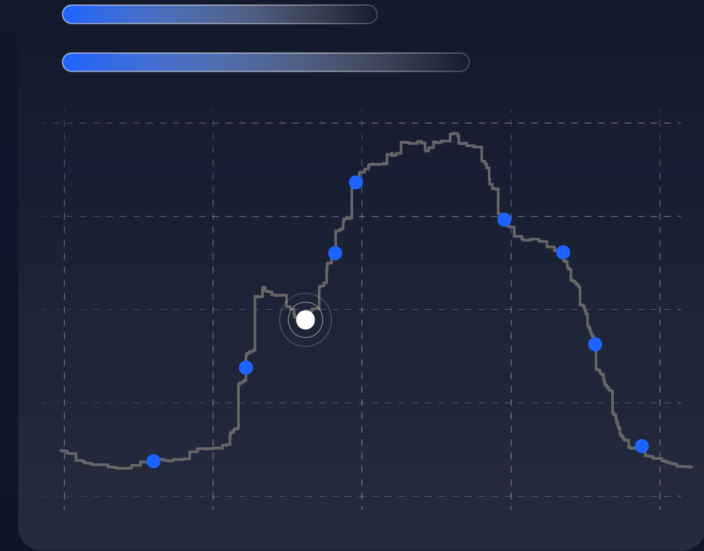
# After a big surge, China congestion eases up



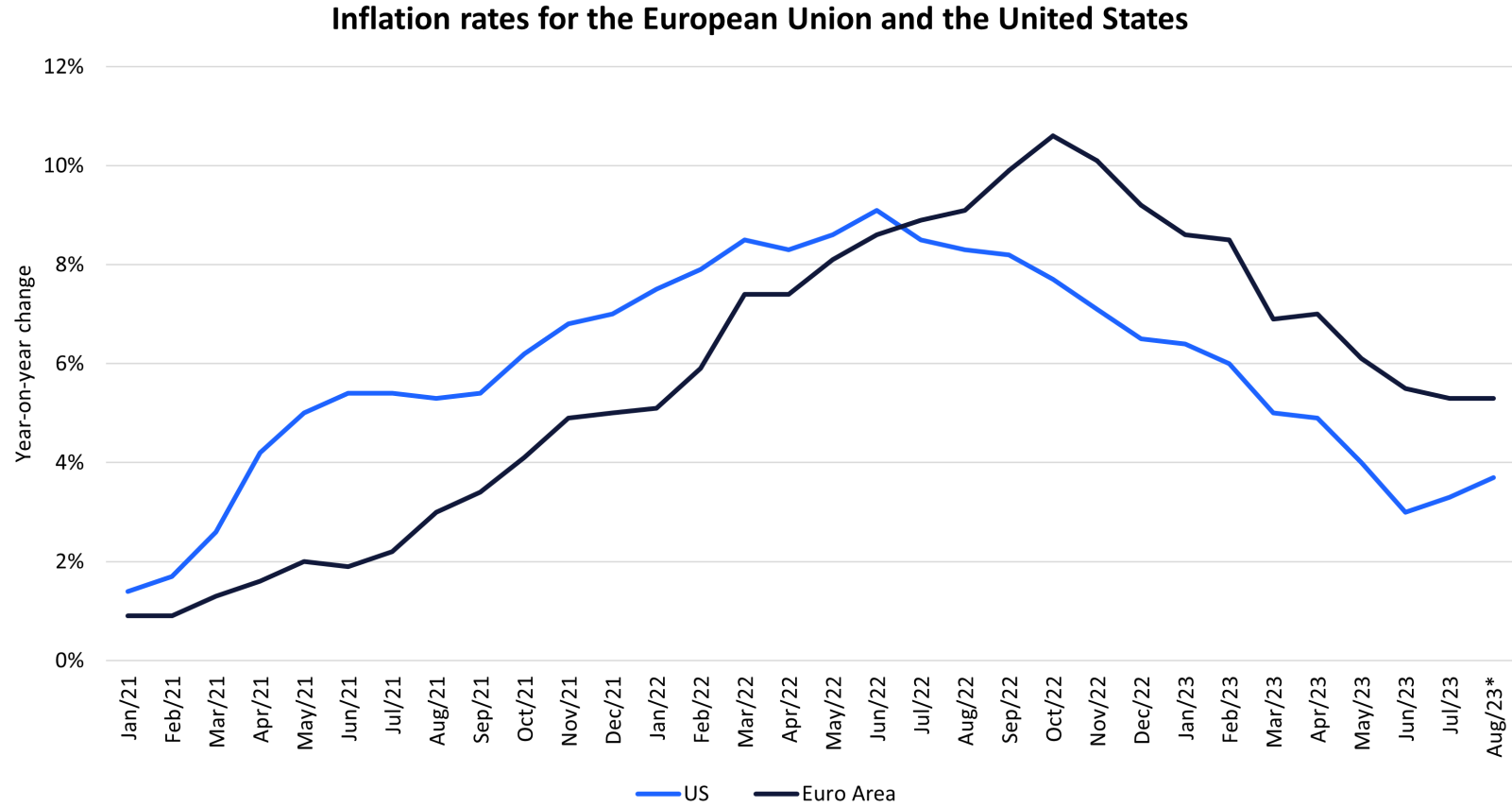
Source: Xeneta, Clarksons

# Where's the economy heading?

In the East and in the West



# US inflation increases for second month in a row – while EU inflation stagnates at 5.3%

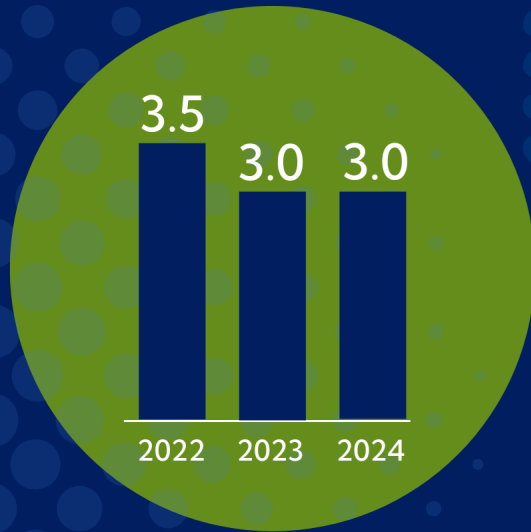


Source: Xeneta, Eurostat, U.S. Census

\* EU estimate

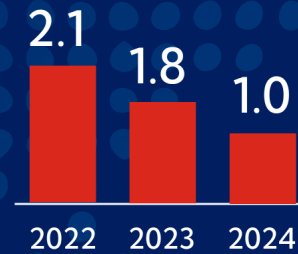
# GROWTH PROJECTIONS BY REGION

## GLOBAL GROWTH

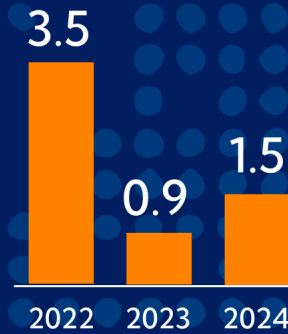


(Real GDP growth, percent)

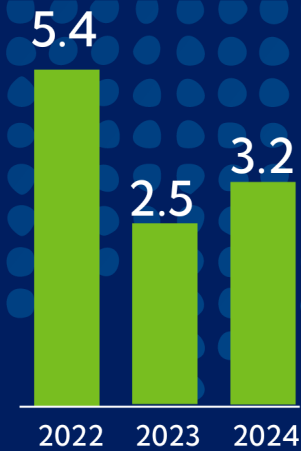
## UNITED STATES



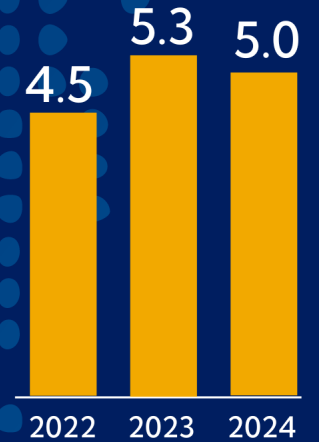
## EURO AREA



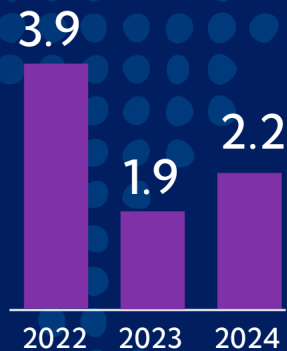
## MIDDLE EAST & CENTRAL ASIA



## EMERGING & DEVELOPING ASIA



## LATIN AMERICA & THE CARIBBEAN



## SUB-SAHARAN AFRICA



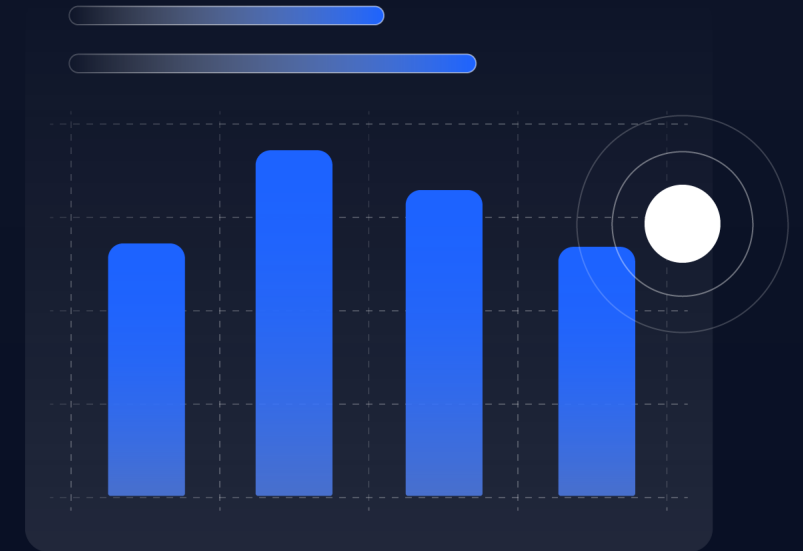
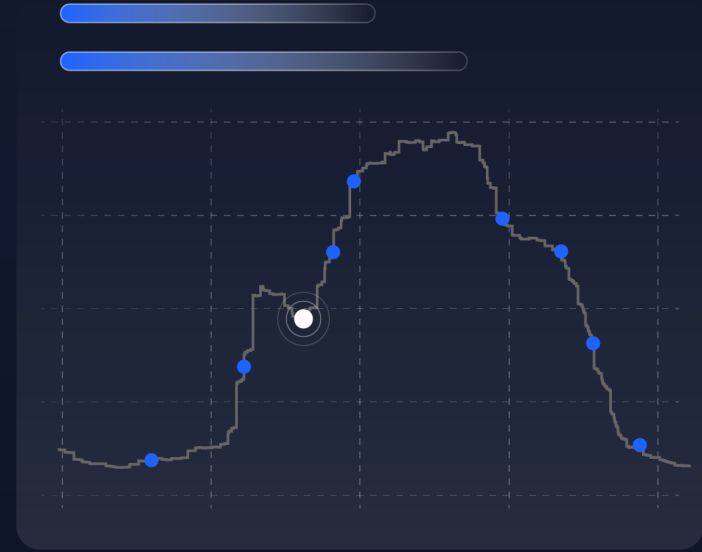
### Source

IMF, World Economic Outlook, July 2023.

### Note

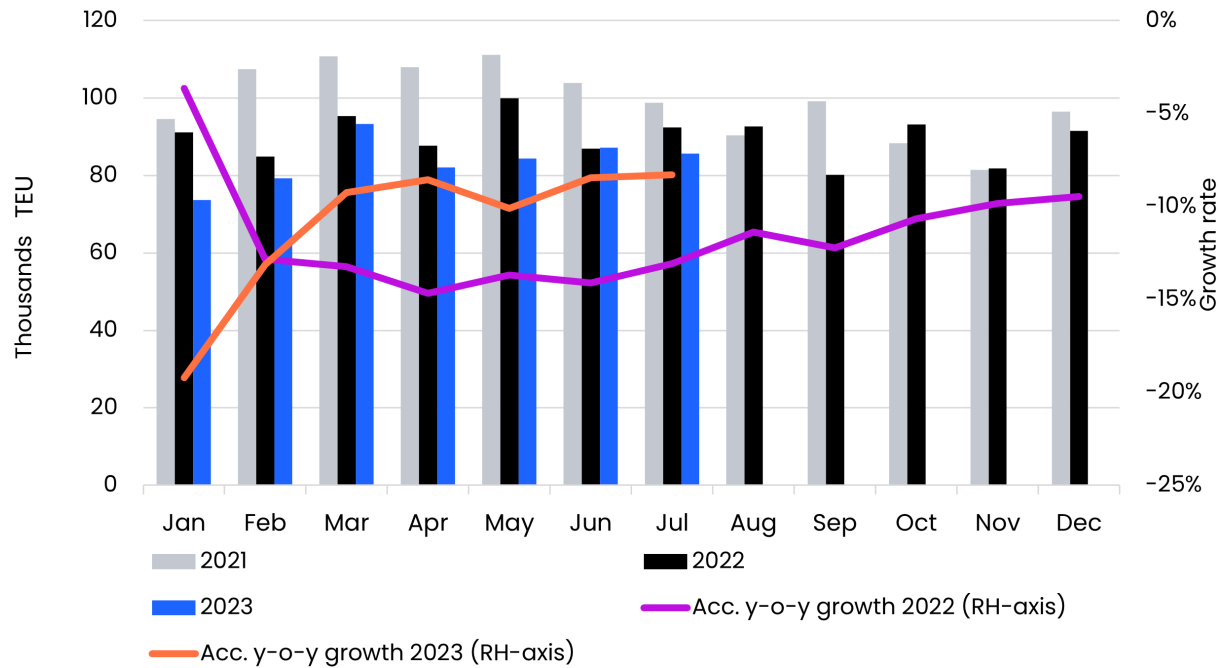
Order of bars for each group indicates (left to right): 2022, 2023 projections, and 2024 projections.

# Monthly Specials



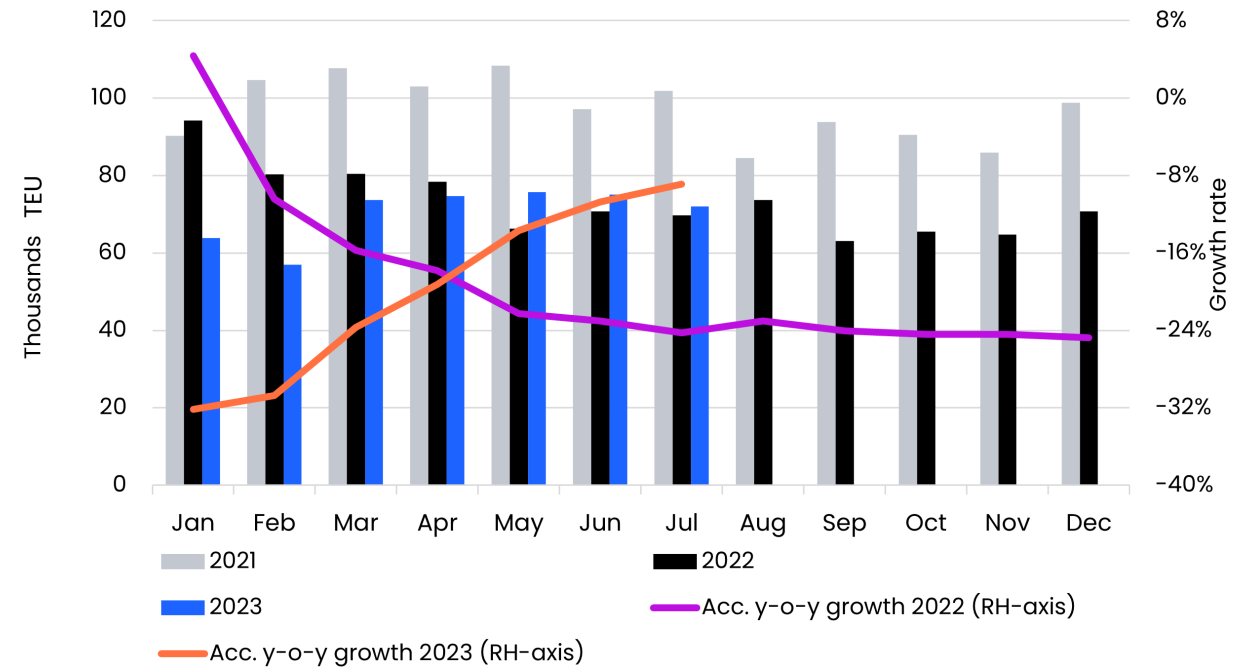
# Backhaul out of the Mediterranean in focus – a weak trade lane

## Volume from West Med and North Africa to Far East



Source: Xeneta, Container Trades Statistics

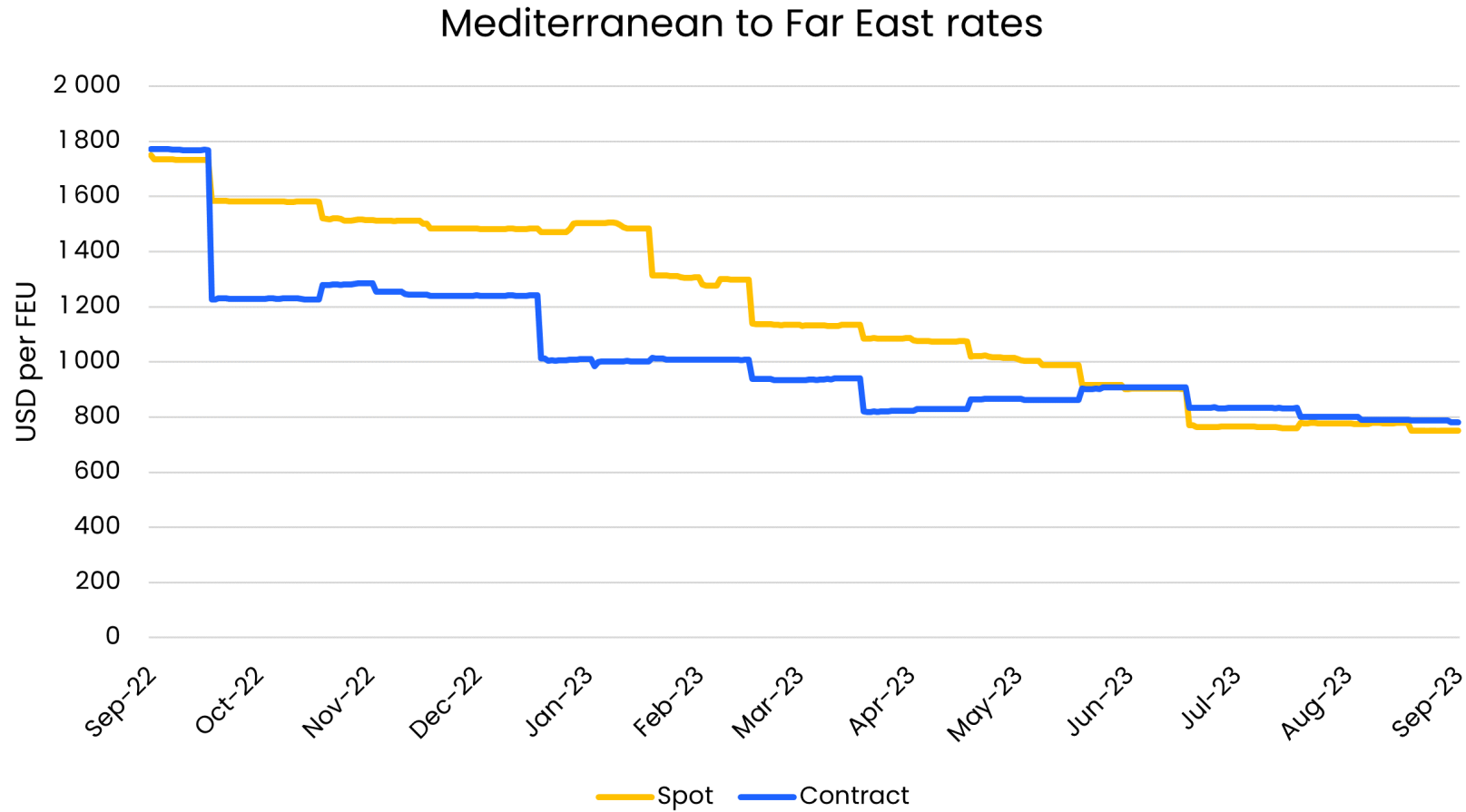
## Volume from East Med and Black Sea to Far East



Source: Xeneta, Container Trades Statistics



# Rates from Mediterranean to Far East flatten out at 2018-level



Source: [www.xeneta.com](http://www.xeneta.com)



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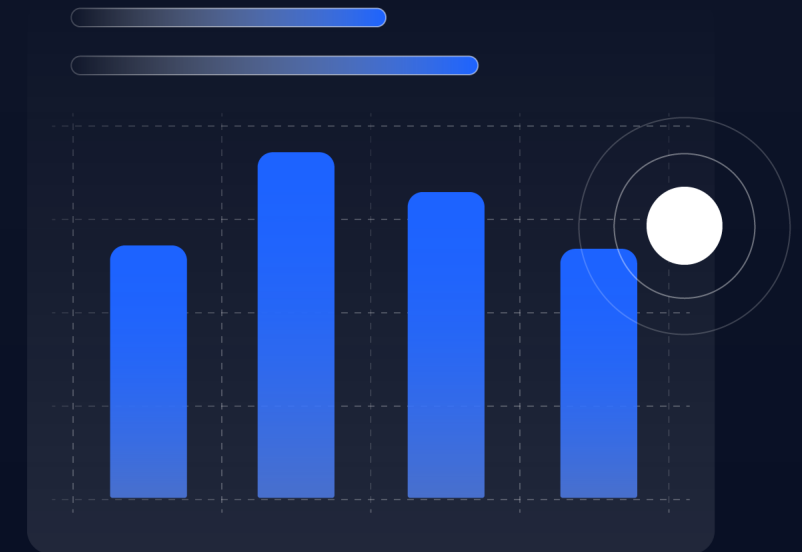
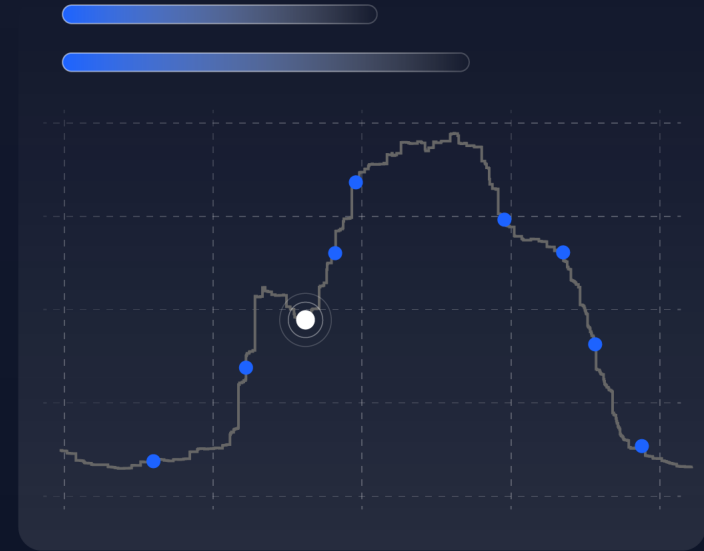
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Week**

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# State of the Ocean Freight Market Webinar

Live Webinar | September 19, 2023

## Speakers for the Event



Peter Sand  
Xeneta  
Chief Analyst



Emily Stausbøll  
Xeneta  
Market Analyst

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Ocean freight rates have **bottomed out**,  
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# Q2 2023 | Xeneta Air Deep Dive Report

Xeneta customer-exclusive quarterly overview of the major developments in air freight.

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## SUMMARY

- Market sentiment remains pessimistic and during the past quarter, global air-freight spot rates reached their lowest level since the onset of the pandemic (but still higher than the period just prior to the pandemic).
- The pick-up in passenger belly capacity amid increased widebody deliveries will continue to put downward pressure on rates if demand fails to improve.
- Although cargo demand was hit hard by the pandemic, there are some signs that the contraction is easing. However, growth has been lagging world GDP and a softened global economy is likely to dampen hopes for a rosy year-end peak season.



**XENETA**

**Thank you!**

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