

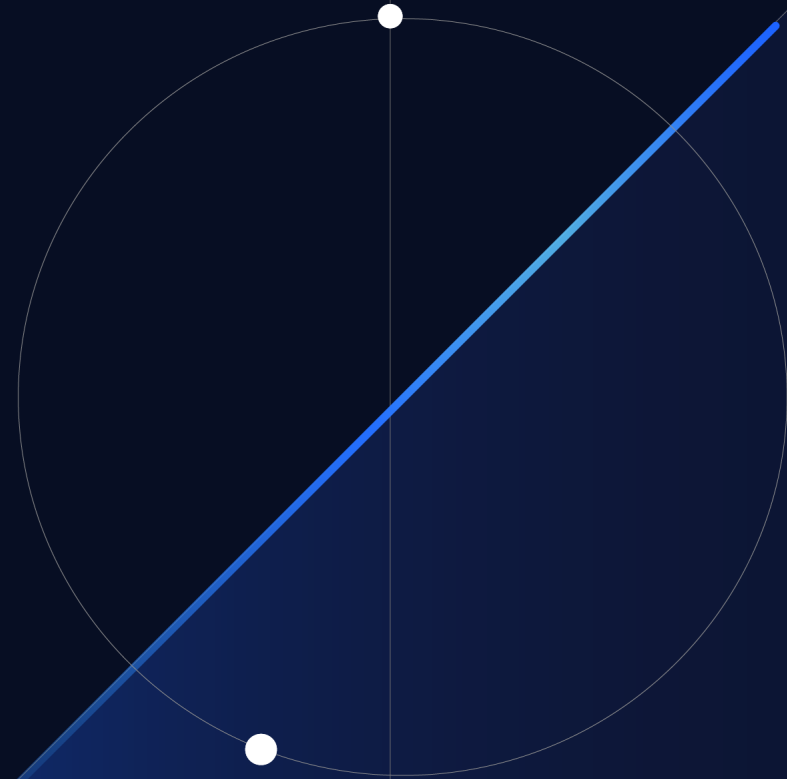


XENETA

February 2024 | Container Shipping Market Trends

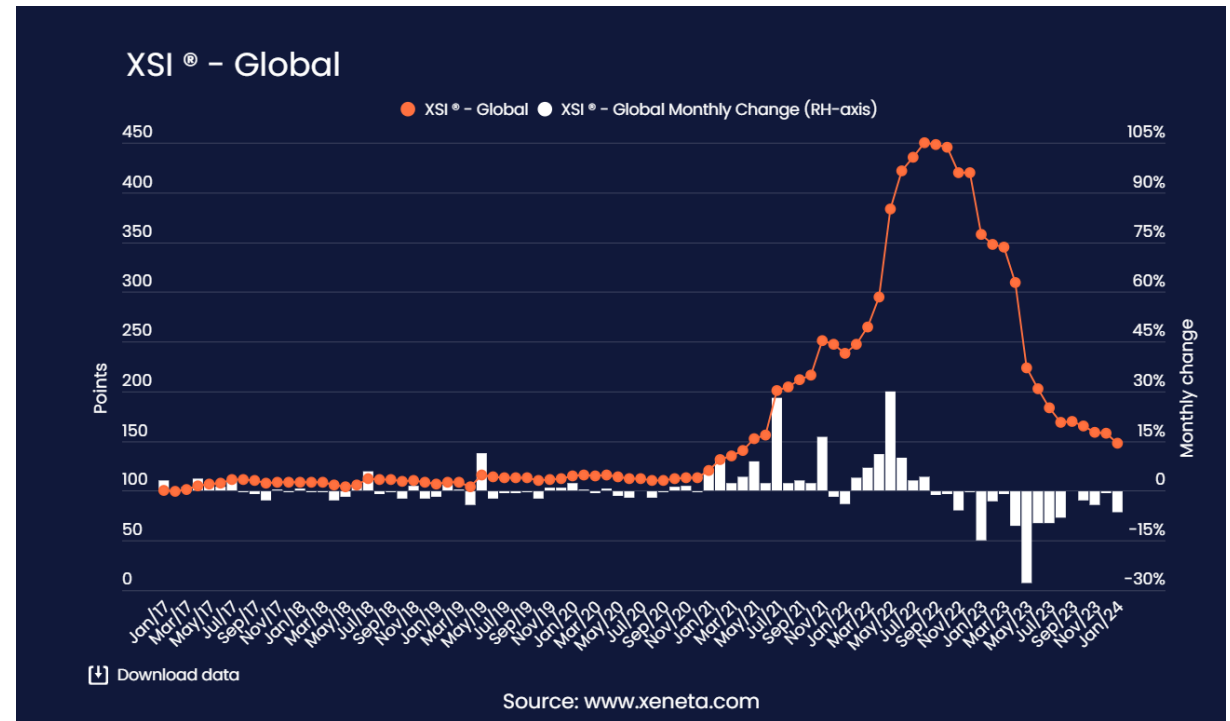
Market Adapts To "New Normal"

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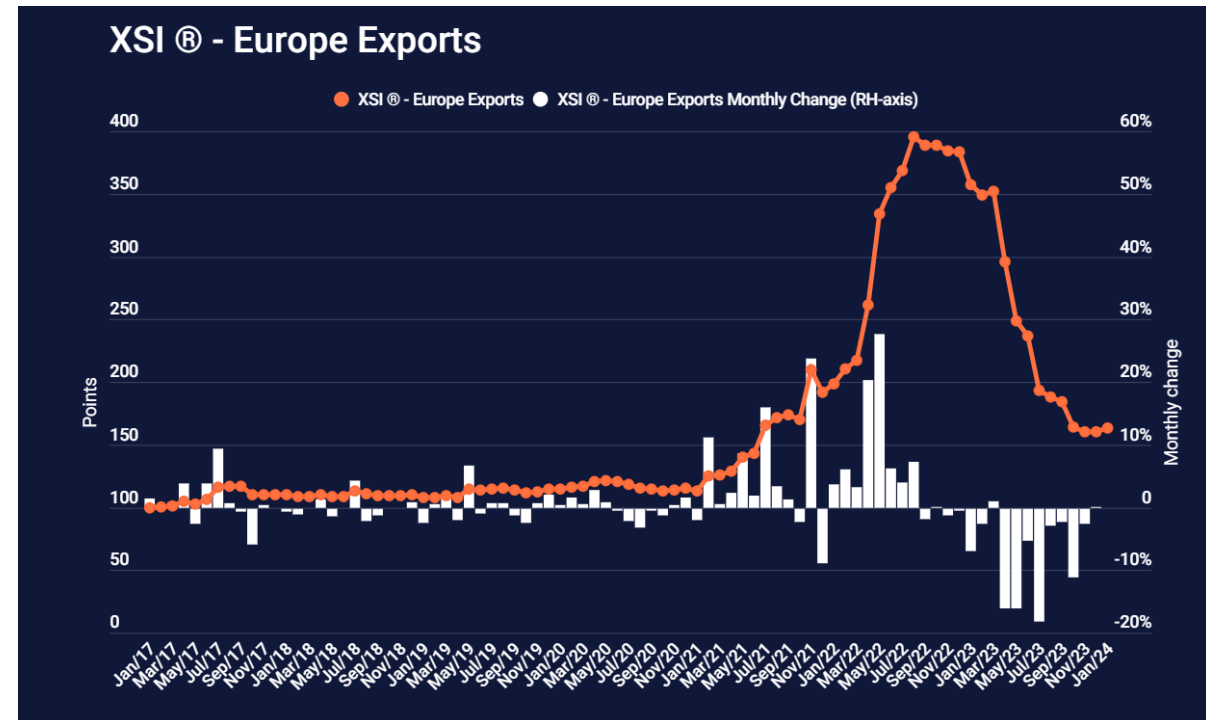
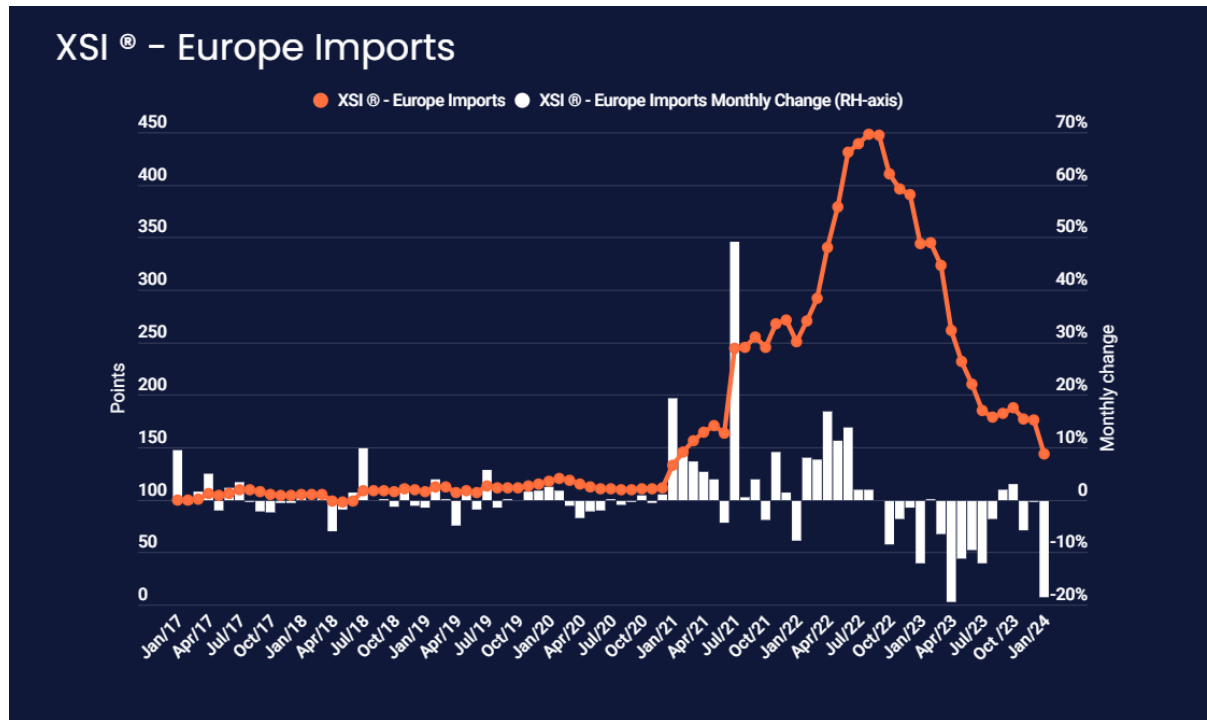
The global XSI® (contract market) fell in January to 148.0 points –this is the lowest the XSI has been since April 2021

- The latest Global XSI® figures show the average of all valid long-term contracts fell by 6.2% in January.
- At 148.0 points this is the lowest the XSI® has been since April 2021.
- However, news of a drop in the XSI will be of little comfort to the many shippers who have been told some of their existing contracts will not be honored due to the Red Sea crisis.
- A recent poll of Xeneta customers revealed almost two thirds are being forced into facing new surcharges or being pushed onto the FAK market.
- A recent poll of Xeneta customers revealed almost two thirds are being forced into facing new surcharges or being pushed onto the FAK market.
- With negotiations ongoing between shippers and suppliers on rates and applicable surcharges, only a minority have signed new long-term rates in January.



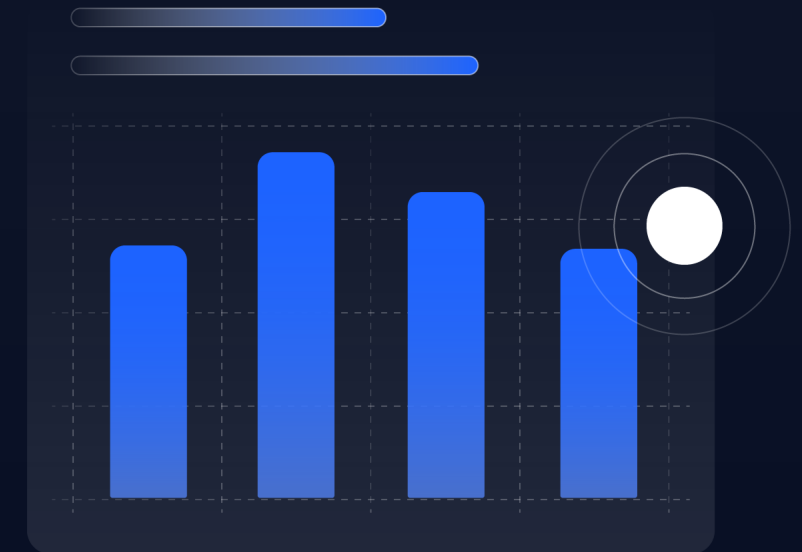
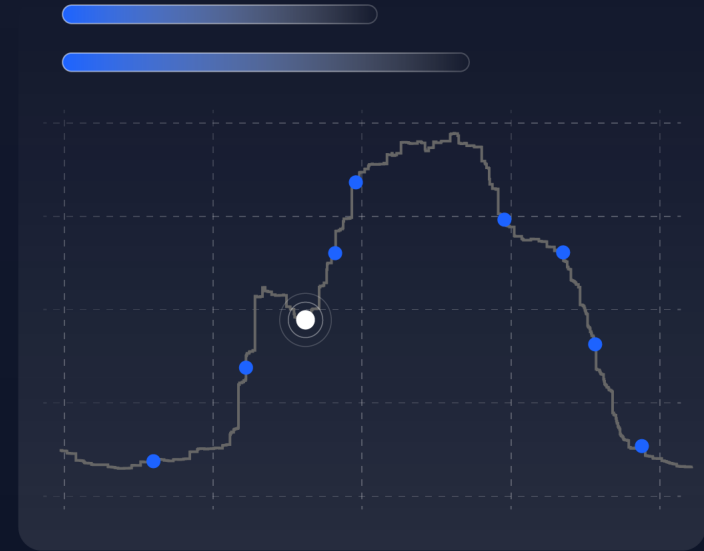
[Click here to view the full Xeneta XSI report.](#)

The biggest drop across the XSI® indices in January was for European imports. It fell by 18.4% From December leaving it at 143.8 points.

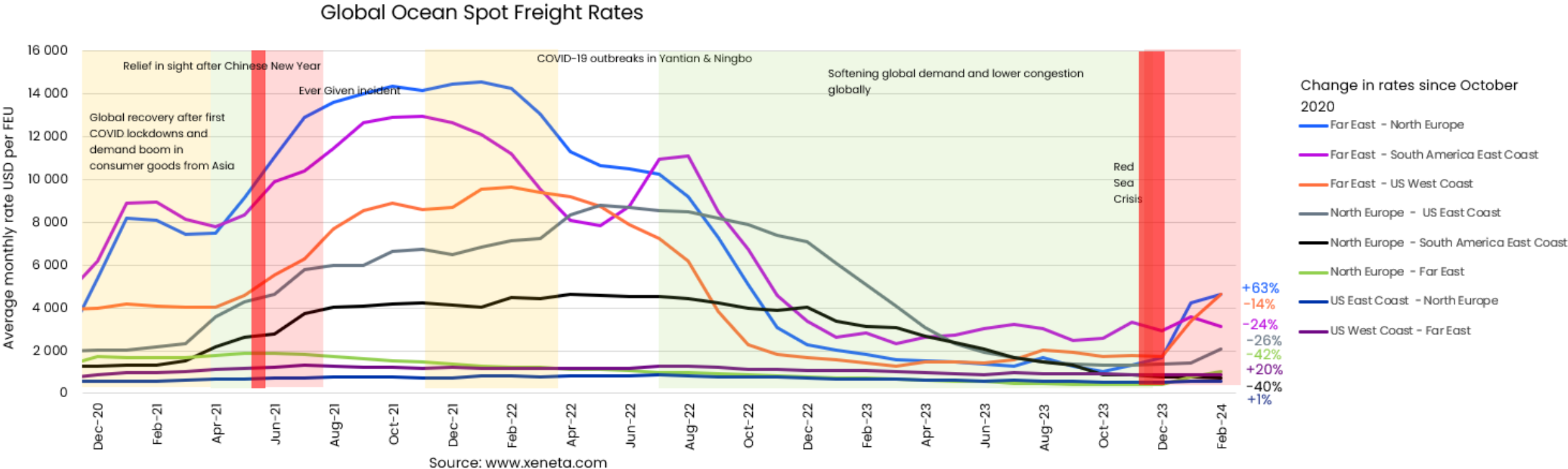


Where are we now?

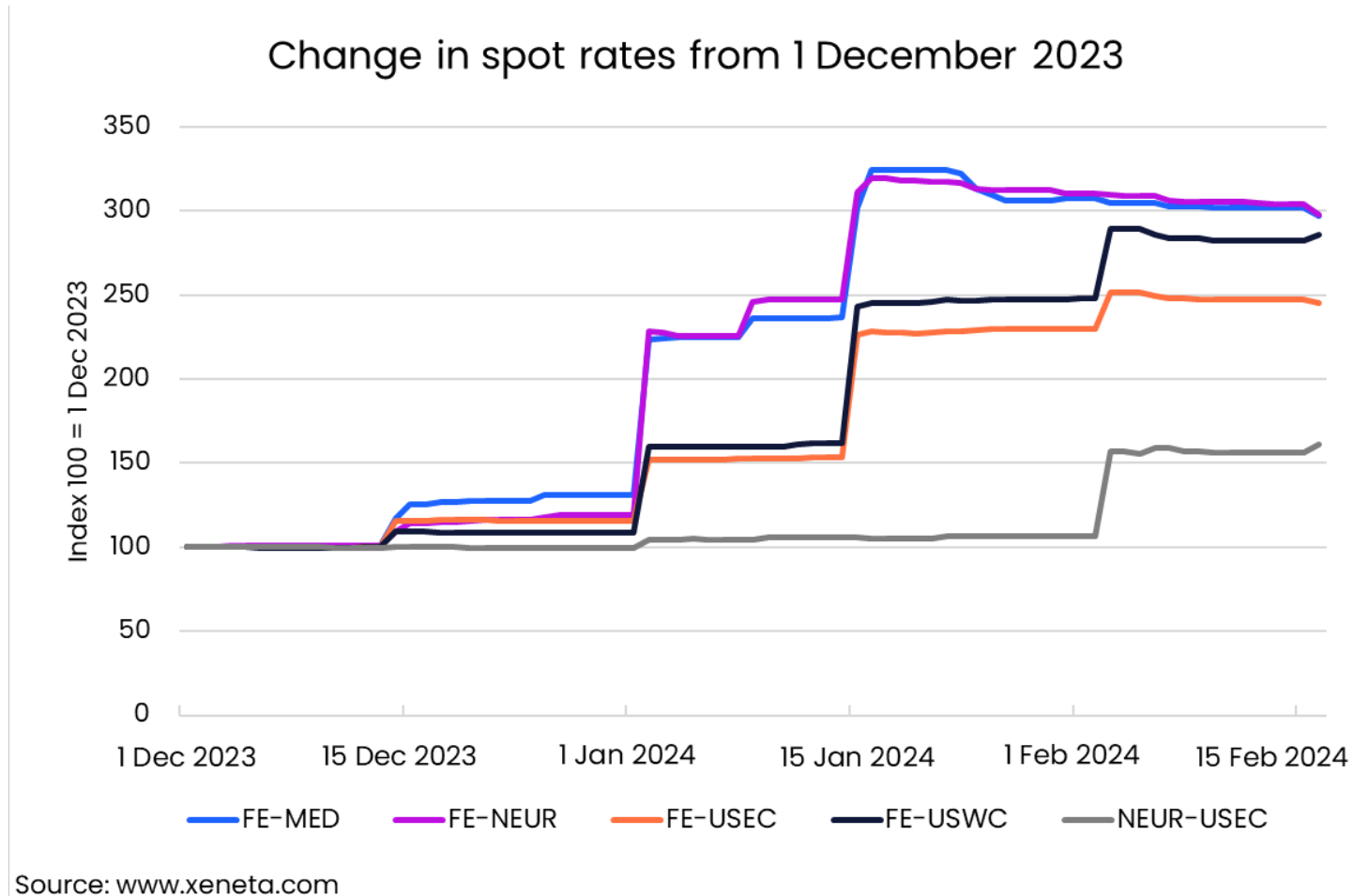
Current Freight Rate Trends



Development of spot freight rates (as of February 15, 2024)

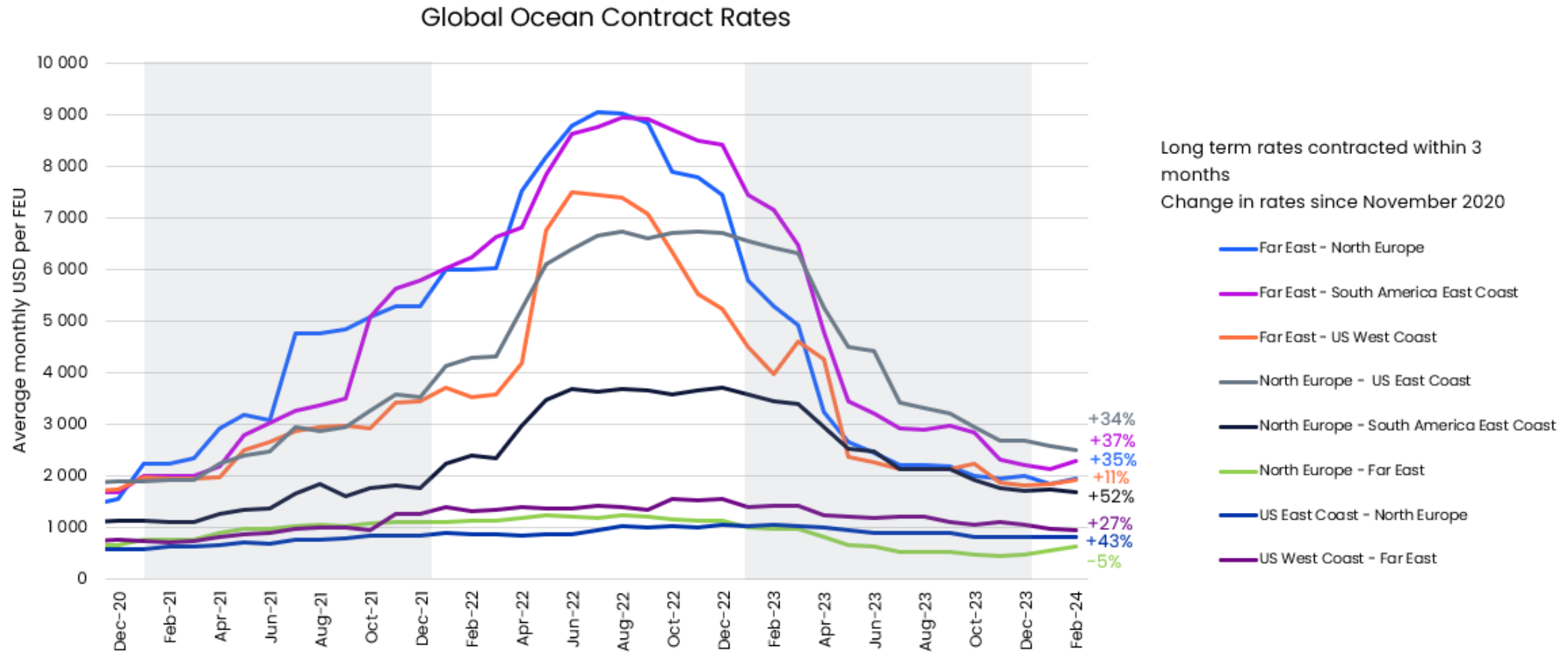


Spot rates from Far East to US copying developments into Europe, with 15-day delay,
 with peaks seemingly behind
 Transatlantic following a month behind



Insert footnote here

Development of contract freight rates (as of February 15 , 2024)



Source: www.xeneta.com

Red Sea Crisis Sparks Significant Spot Rate Surges in Key Trade Routes, Particularly Far East Outbound

How to read this chart

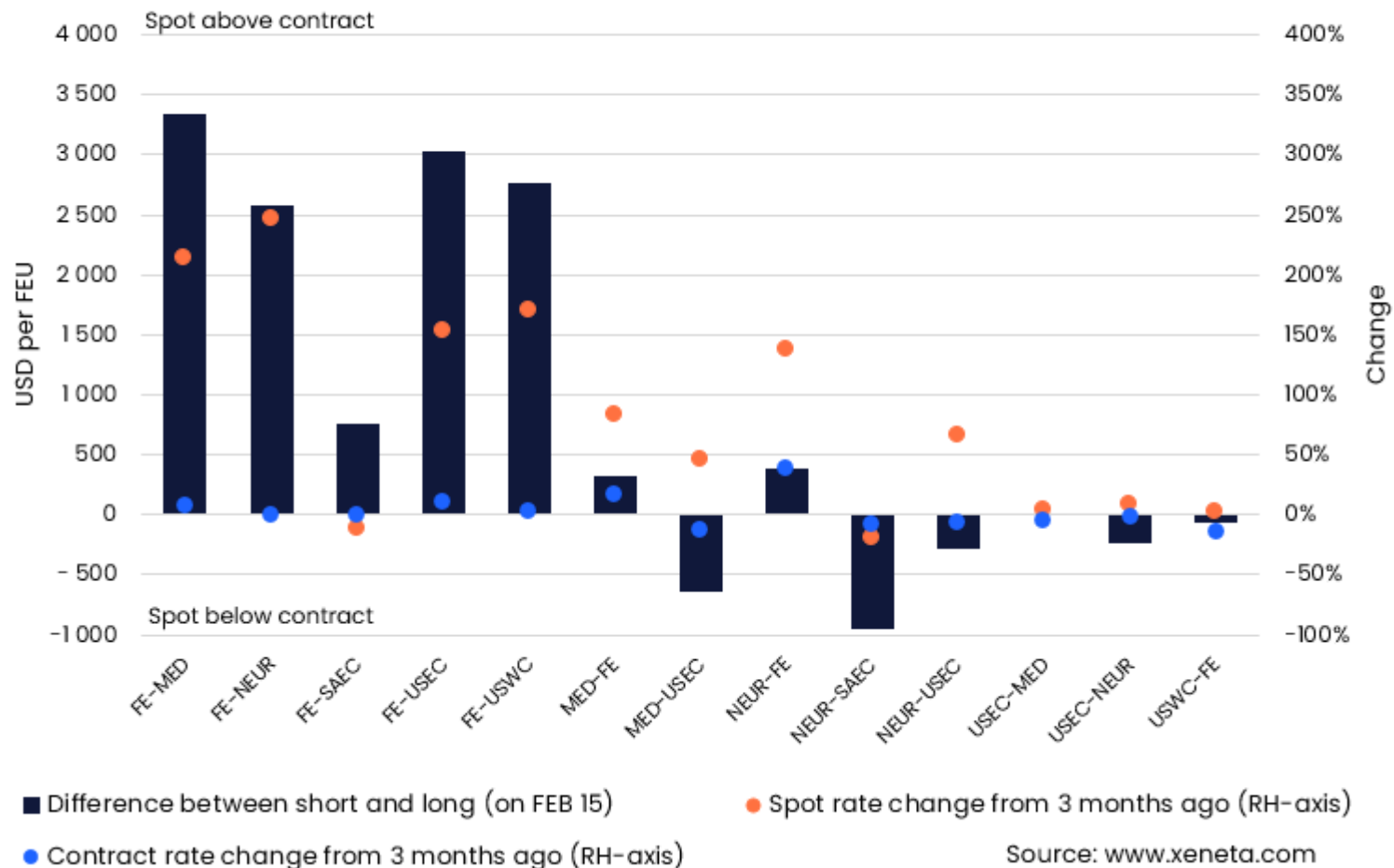
Objective of graph: For the reader to see the price difference between short and long contracts.

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.

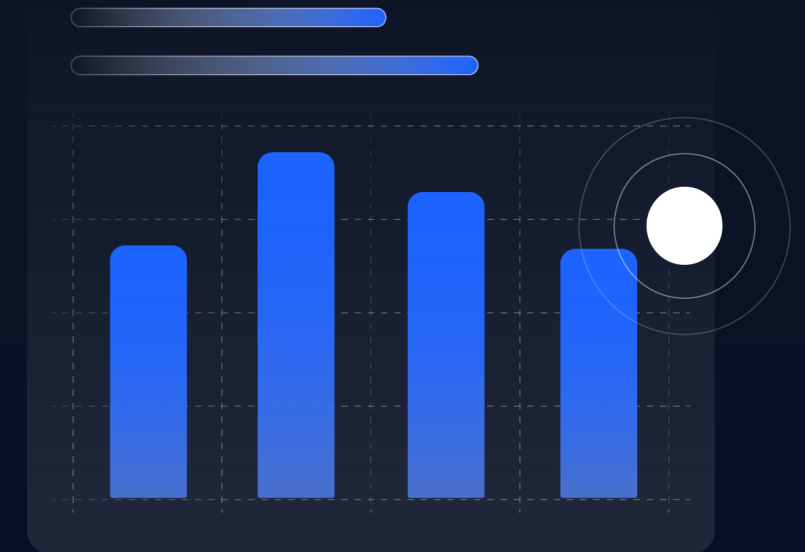
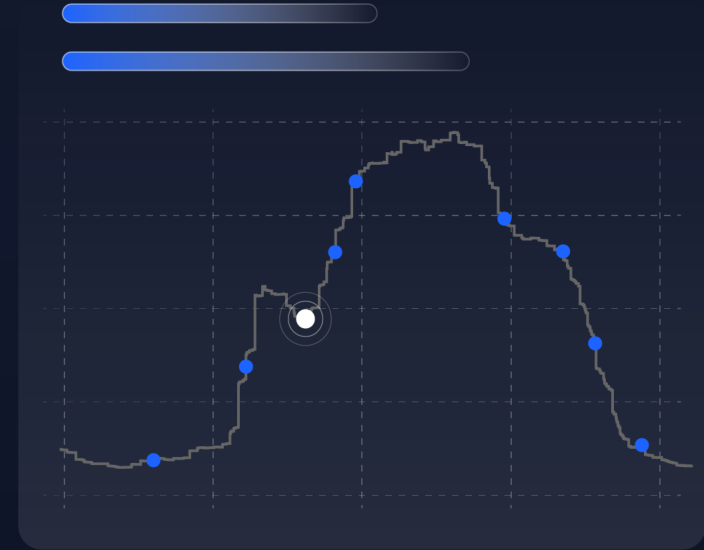
Right Hand Axis: Percentage difference in spot and contract rates from 3 months ago to the current date.

Spot and contract rates – spreads and changes



Supply Chain Heat Maps

From Xeneta



In February The XSI® C- on Far East Exports are Declining Back to Normal Post Dramatic Surge in January

XENETA

Xeneta Shipping Index by Compass (The XSI-C)

		Week	Week	Week	Week	Week	Week	Week	Week	Week	Week	Week
		49	50	51	52	1	2	3	4	5	6	7
		ending										ending
Origin	Destination	08-Dec	15-Dec	22-Dec	29-Dec	05-Jan	12-Jan	19-Jan	26-Jan	02-Feb	09-Feb	16-Feb
Far East	to US West Coast	-2.4%	-1.6%	7.6%	0.5%	33.8%	5.2%	40.0%	10.5%	10.1%	10.3%	1.3%
Far East	to North Europe	14.6%	1.7%	13.3%	3.8%	84.0%	15.9%	26.3%	2.2%	-1.8%	-2.9%	-0.9%
Far East	to South America East Coast	-6.4%	-4.3%	-6.7%	-1.5%	23.4%	8.4%	1.1%	-5.8%	-5.4%	-8.7%	0.0%
North Europe	to Far East	-2.9%	0.0%	0.6%	2.1%	18.1%	29.1%	26.0%	6.4%	19.8%	12.1%	-0.3%
North Europe	to South America East Coast	-4.8%	-7.0%	-1.3%	0.8%	-15.1%	11.7%	-0.1%	-1.8%	-1.6%	-2.5%	1.1%
North Europe	to US East Coast	2.5%	-0.4%	1.9%	0.5%	10.0%	-0.8%	-1.3%	1.1%	15.6%	25.9%	1.1%
US East Coast	to North Europe	1.1%	0.1%	0.3%	-0.4%	-2.9%	1.7%	2.9%	0.5%	0.6%	-0.8%	0.8%
US West Coast	to Far East	0.0%	0.5%	0.2%	0.3%	4.1%	-6.1%	-1.6%	-2.6%	-0.2%	-0.8%	0.8%

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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What is the XSI® - C?

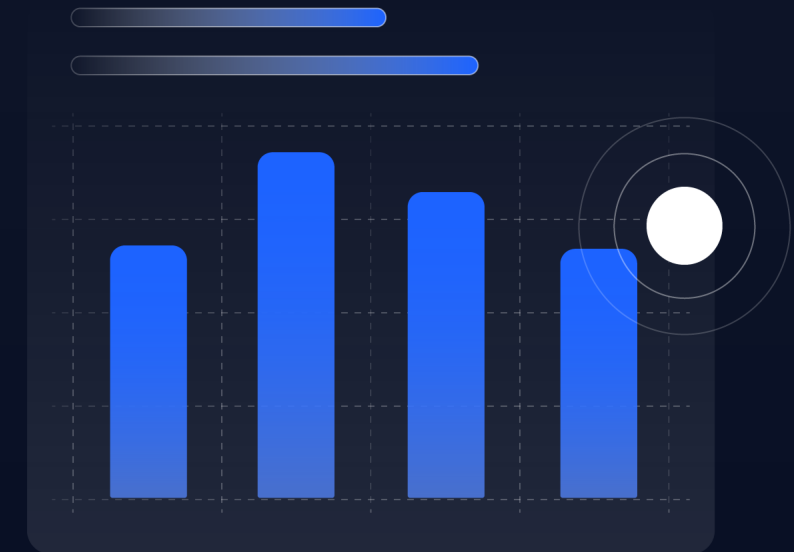
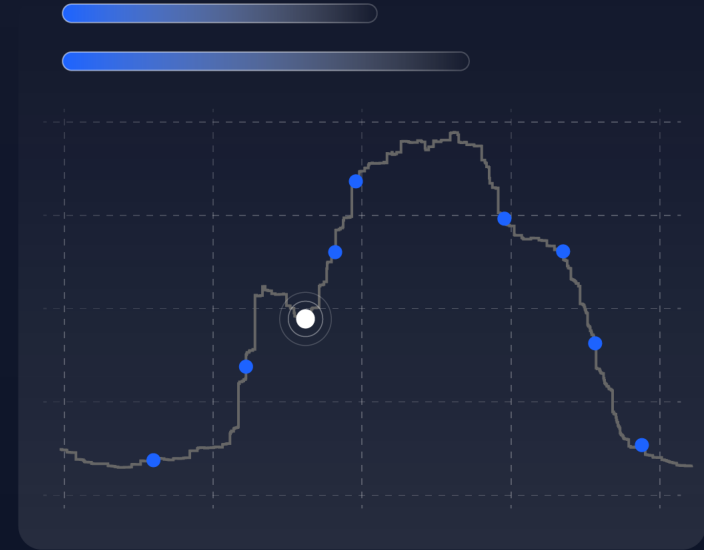
The XSI® - C stands for the Xeneta Shipping Index by Compass. It's EU BMR compliant and ready for index-linked contracting and derivatives.

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.

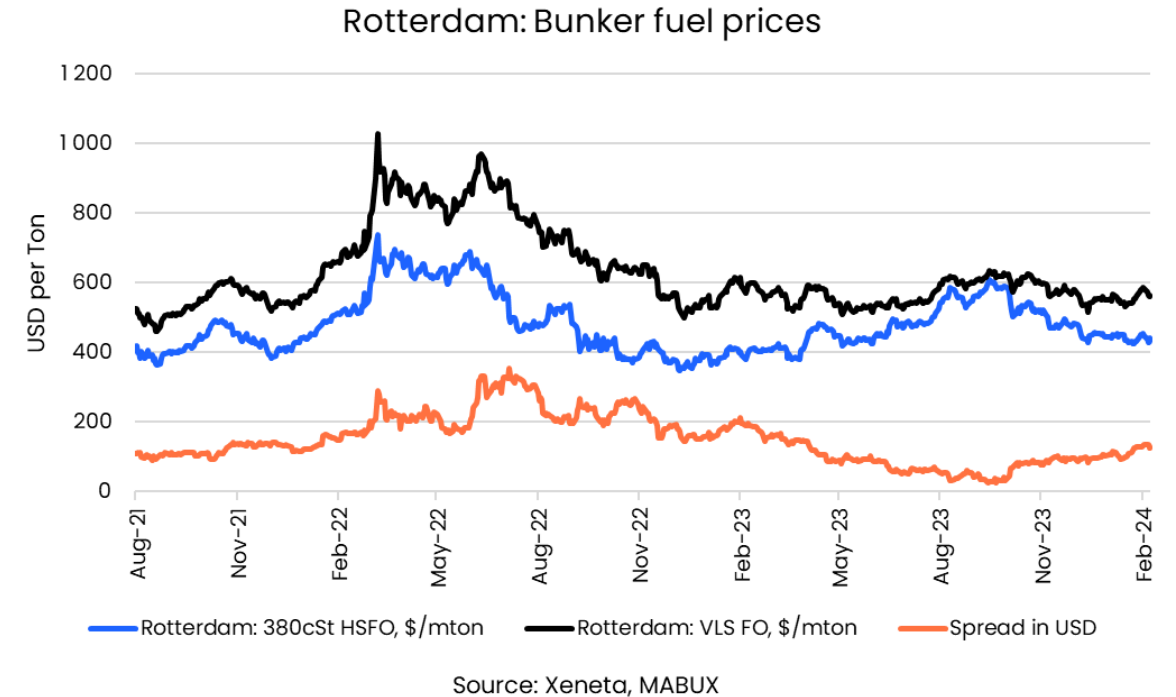
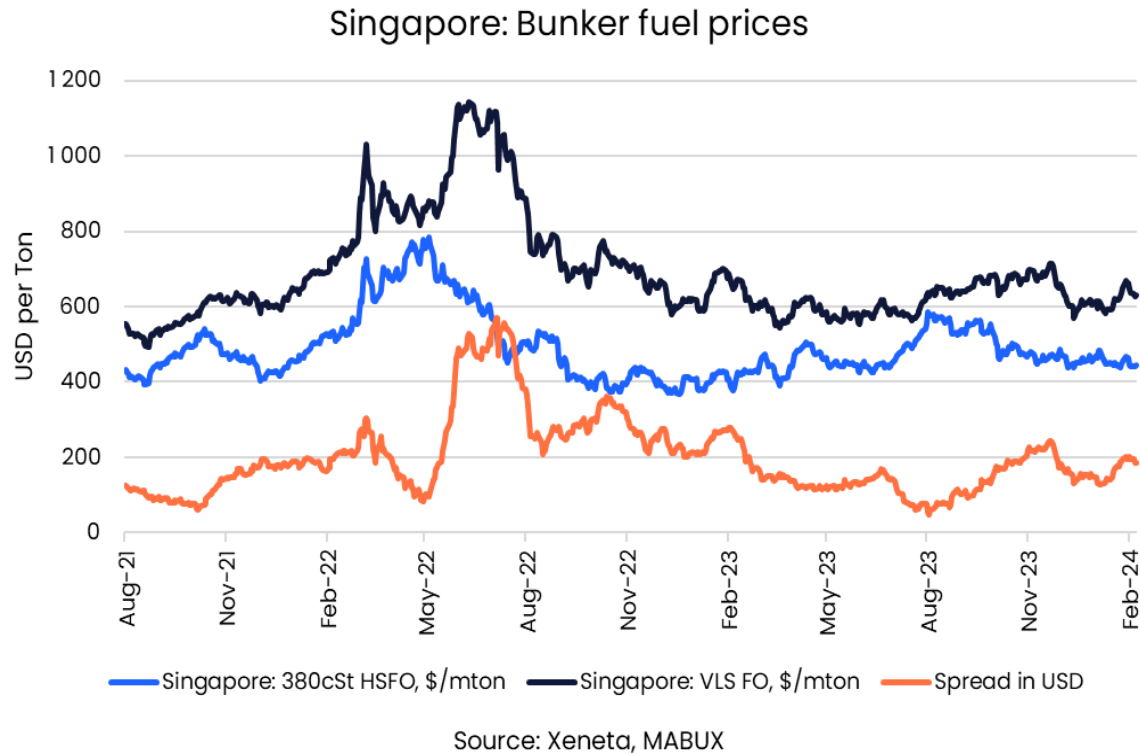
Bunker Fuel

Prices and Surcharges

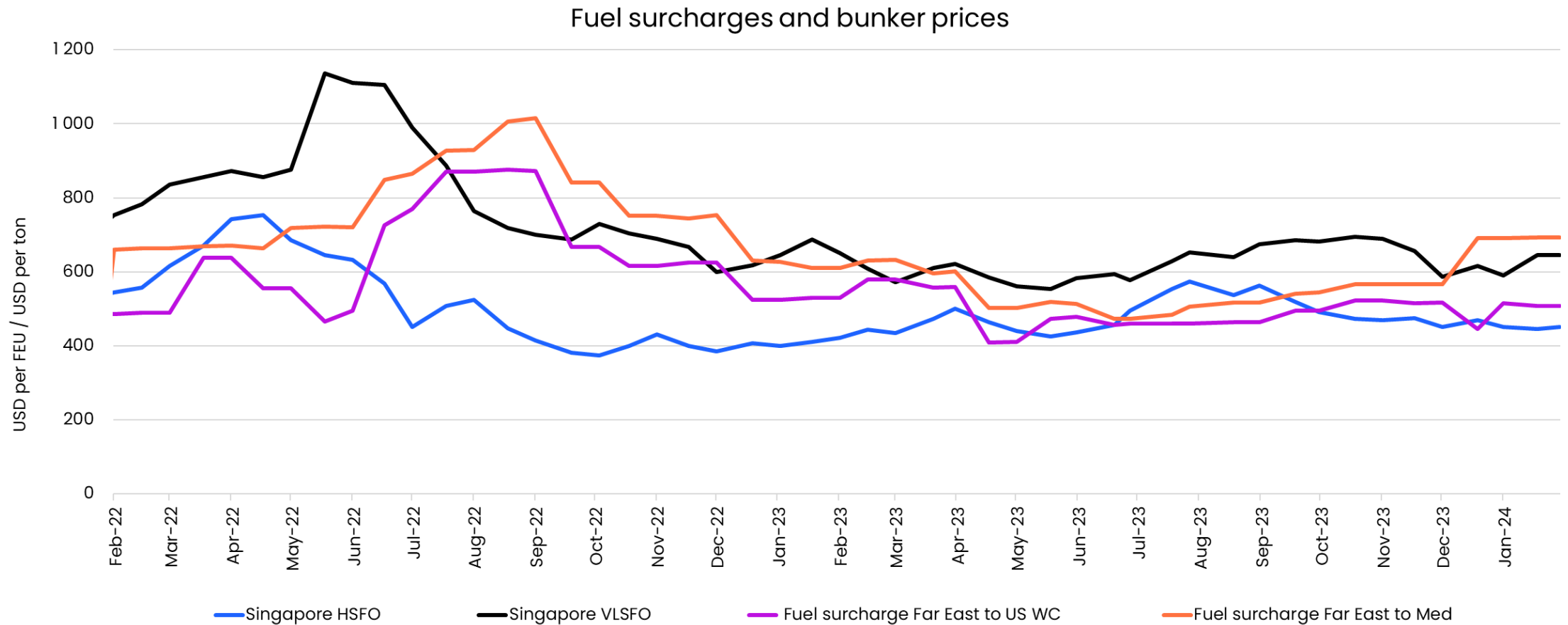
Main Ports



Ongoing Stability: Heavy Sulfur Fuel Oil (HSFO) Prices Rise in Singapore Amid Increased Bunker Fuel Demand from Carriers Navigating Around Africa, Mid-February 2024



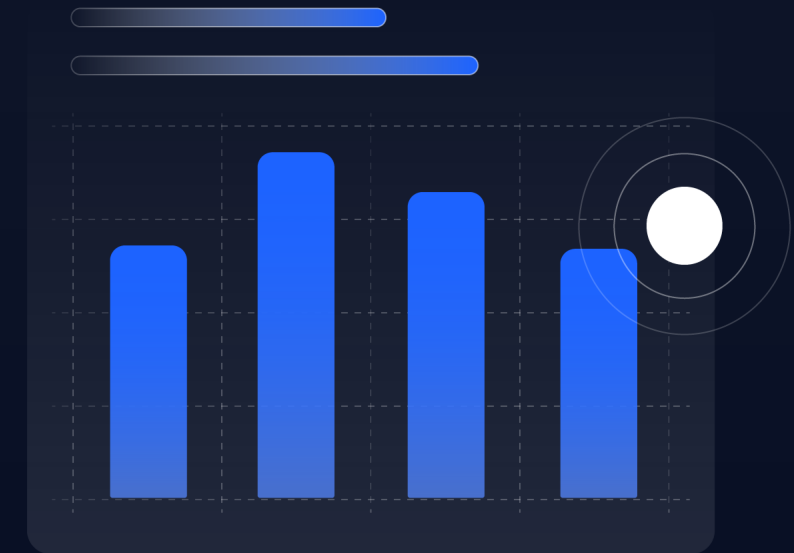
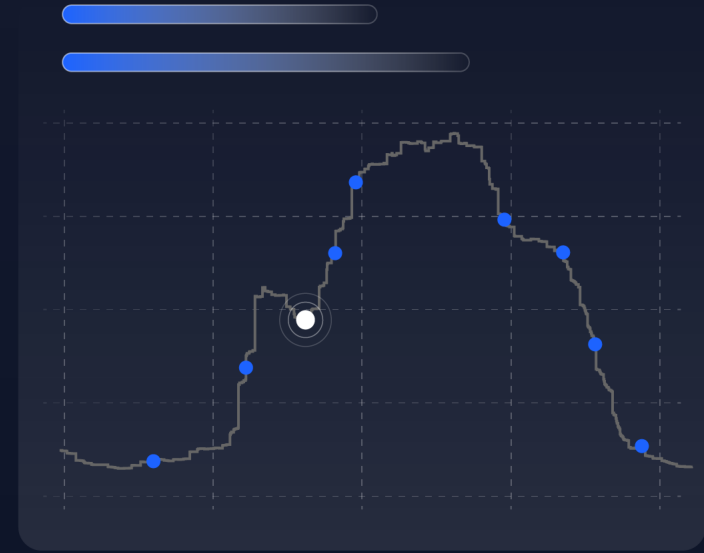
Fuel Surcharge from Far East to Mediterranean rising as longer sailing distance means more bunkers



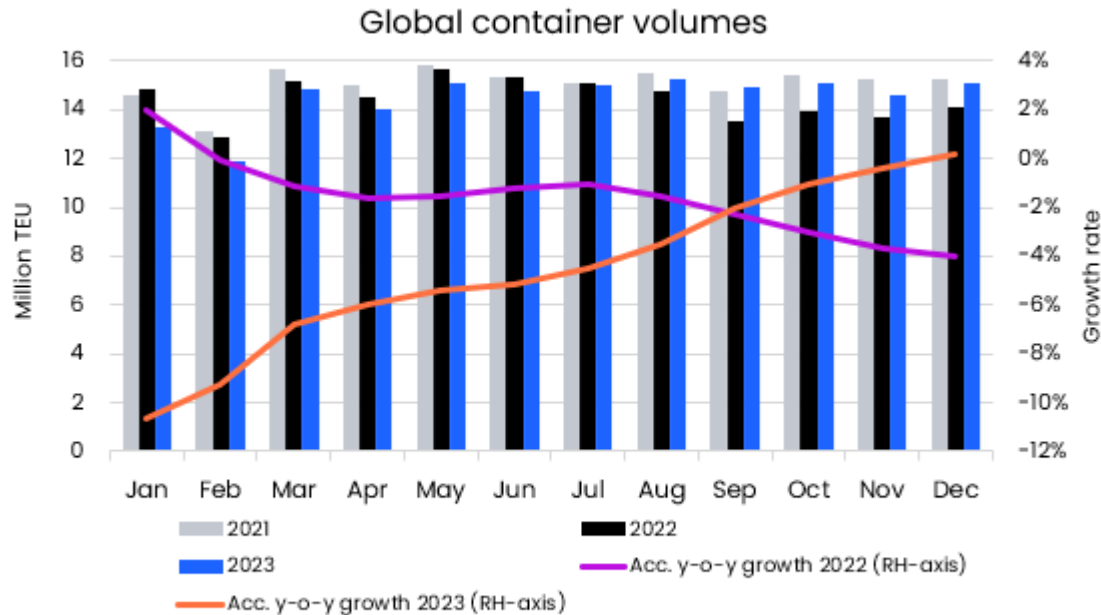
Source: Xeneta, MABUX

What's being shipped?

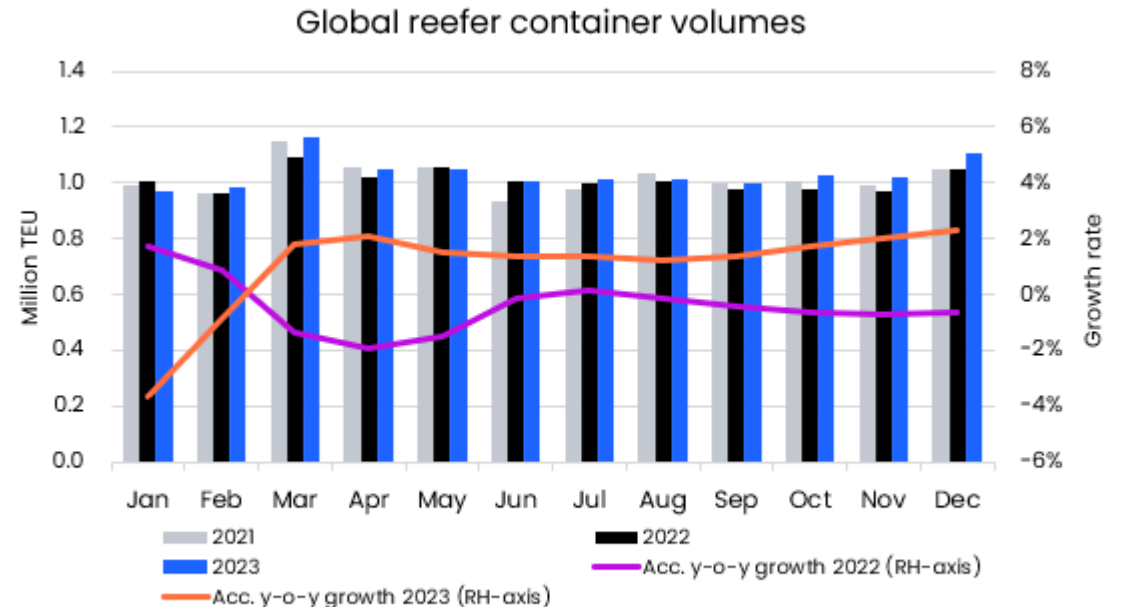
Current Demand Trends



Global container volumes trended downward for much of 2023 compared to 2022, yet ended the year marginally up, +0.2%.



Source: Xeneta, Container Trades Statistics

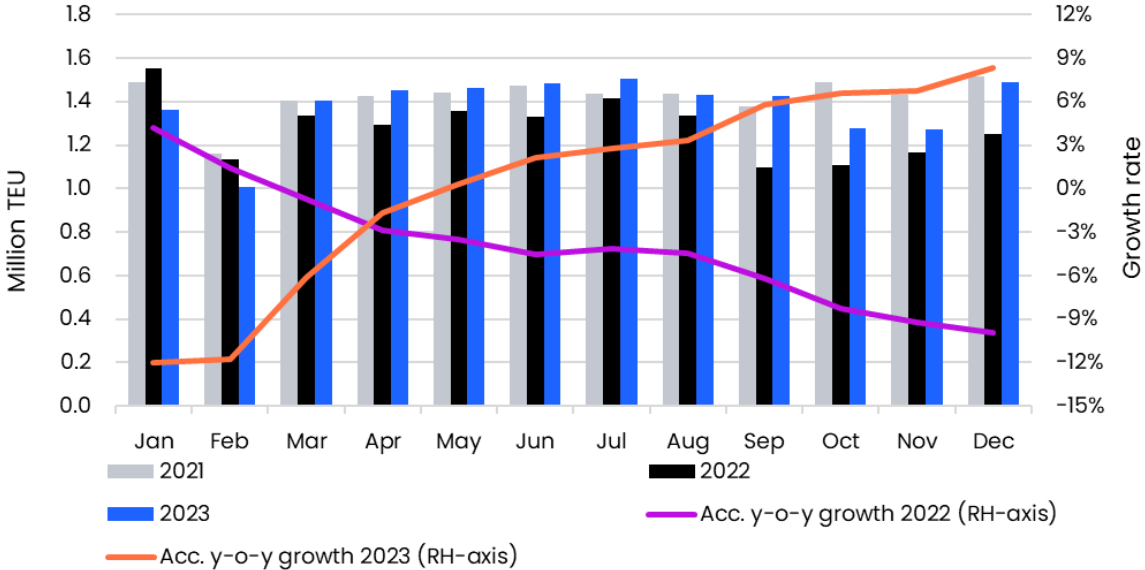


Source: Xeneta, Container Trades Statistics

Strong H2 2023 on major trades brought global demand up, though imports into US still end considerably lower than in 2022

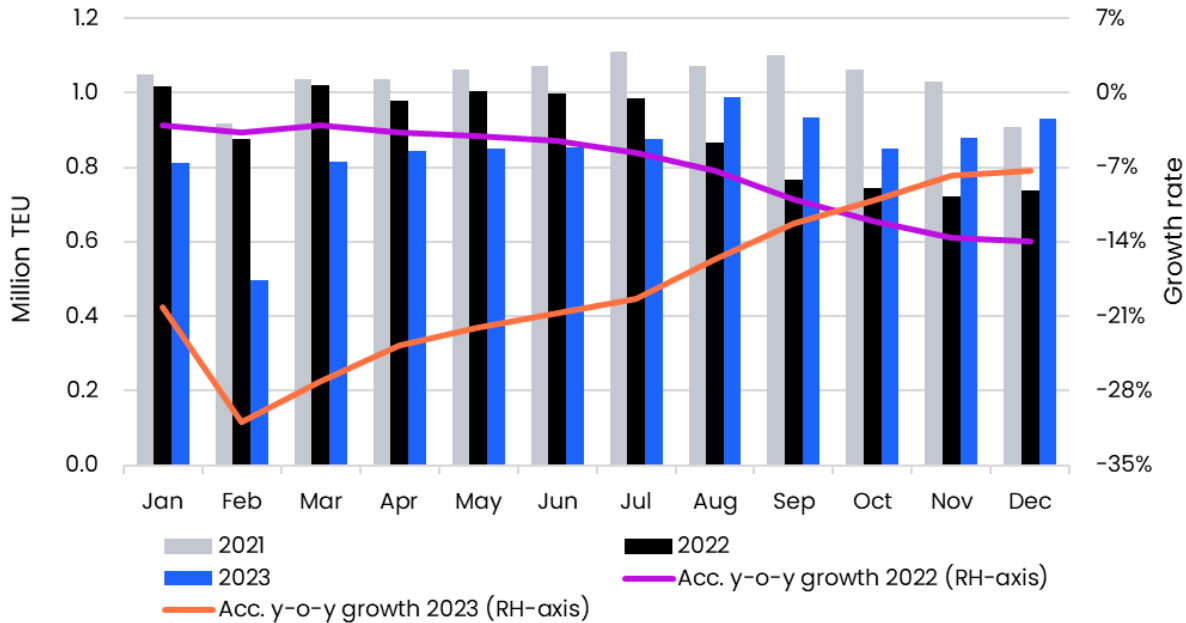
	Far East to Europe	Far East to North America
H1 2023 growth from H1 2022	+2.1%	-20.8%
H2 2023 growth from H2 2022	+13.9%	+13.2%

Far East to Europe volumes



Source: Xeneta, Container Trades Statistics

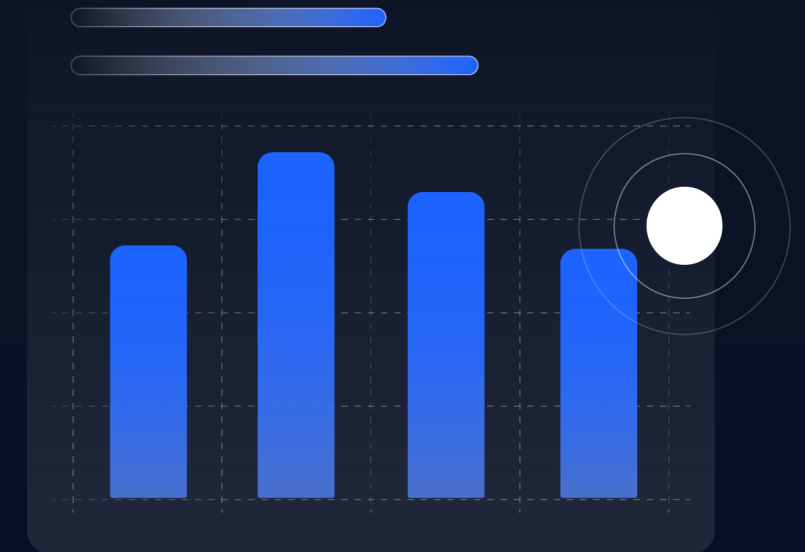
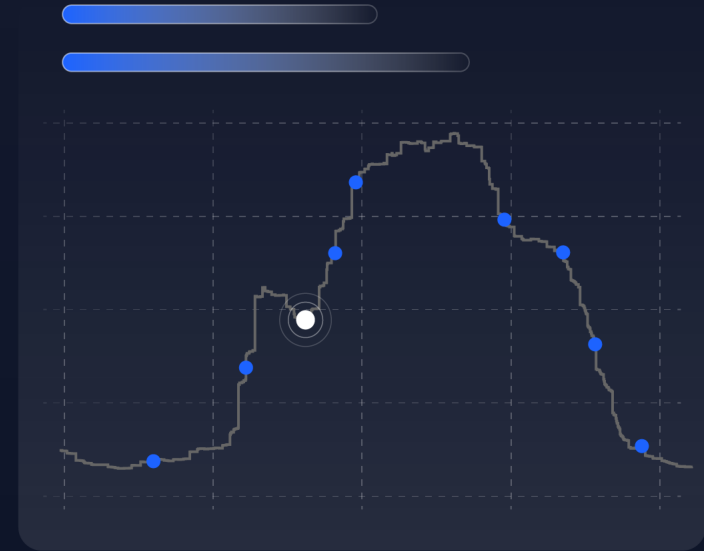
Far East to US West Coast volumes



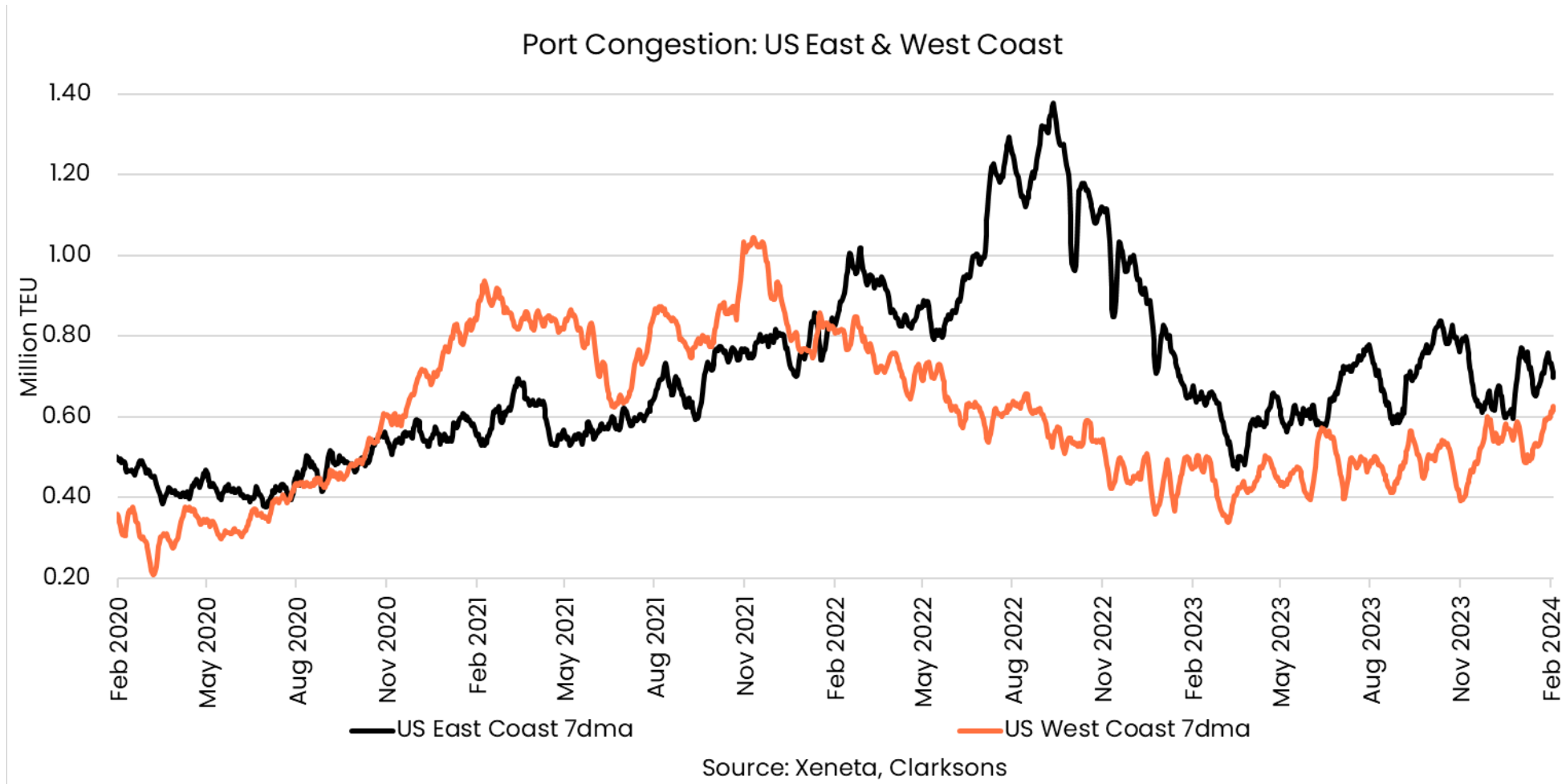
Source: Xeneta, Container Trades Statistics

Where's the congestion?

Improving or getting worse?

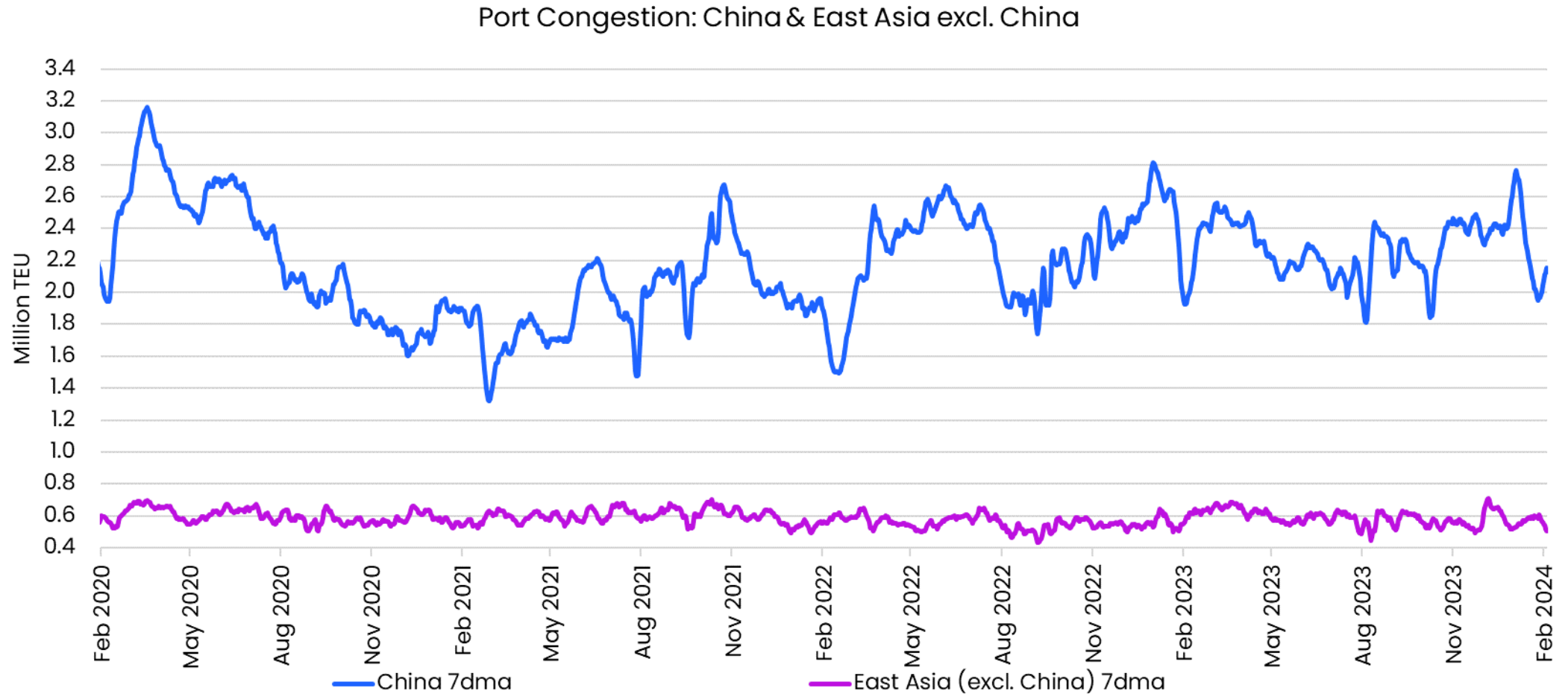


US East Coast Port Congestion Resurges in Early 2024 After December Dip: A Four-Month Low Reversed



7dma Stands for 7 days Moving Average

China Congestion Maintains 1-Year High in Mid-February as East Asia Ports Eased Congestion

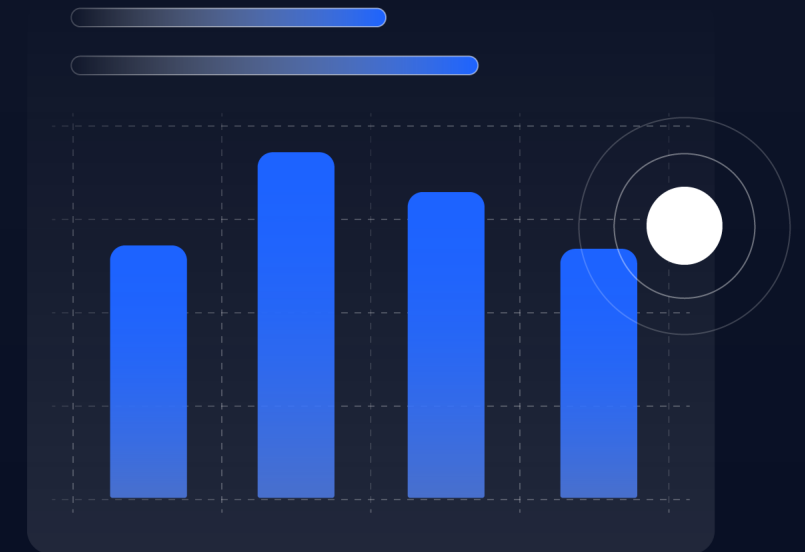
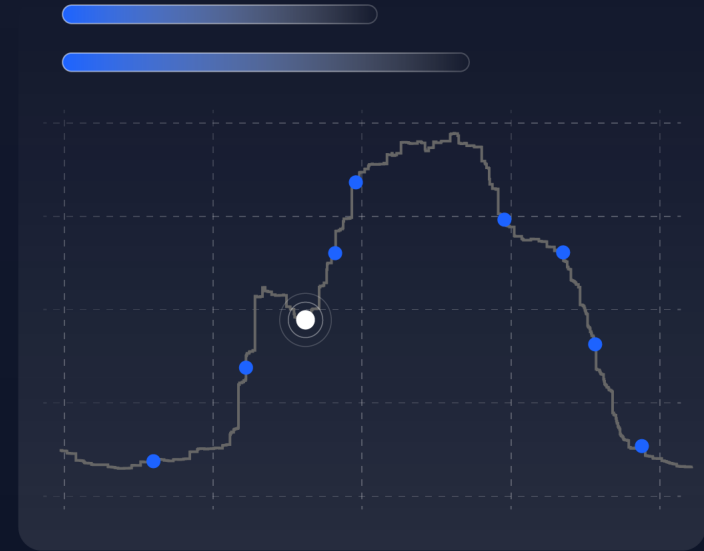


Source: Xeneta, Clarksons

7dma Stands for 7 days Moving Average

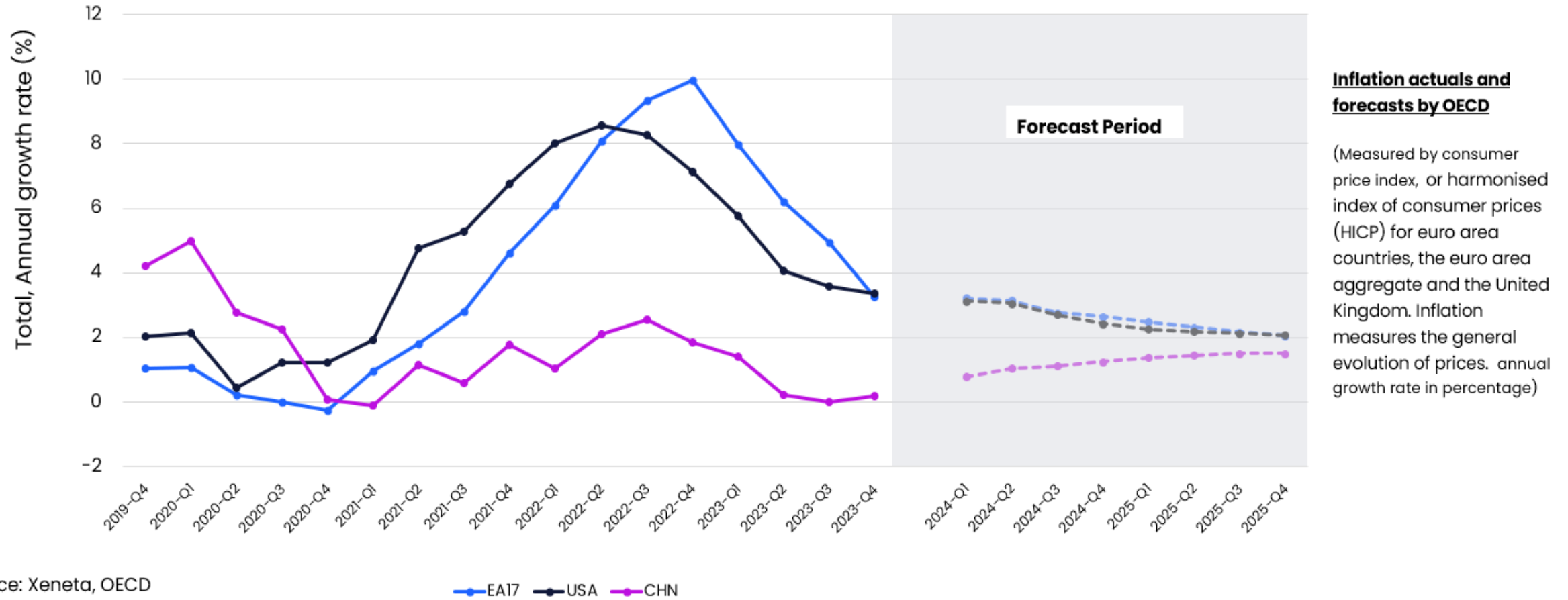
Where's the economy heading?

In the East and in the West



Inflation Insights: USA's Momentum, China's Rebound, EU's Challenge

Inflation and Forecast - Euro Area, USA, China



Source: Xeneta, OECD

GROWTH PROJECTIONS BY REGION

(PERCENT CHANGE)



UNITED STATES



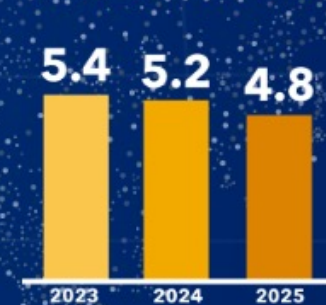
EURO AREA



MIDDLE EAST AND CENTRAL ASIA



EMERGING AND DEVELOPING ASIA



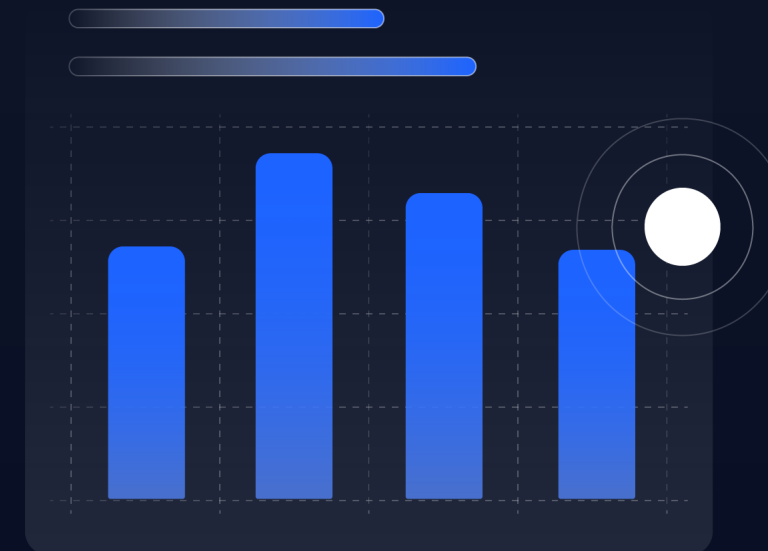
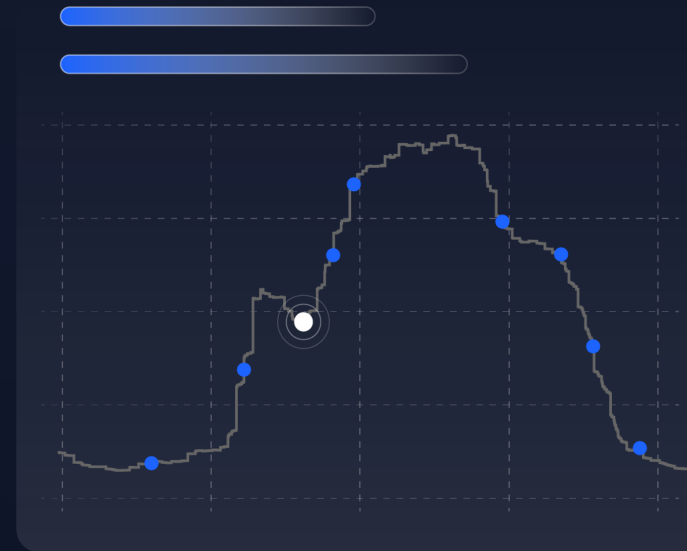
LATIN AMERICA AND THE CARIBBEAN



SUB-SAHARAN AFRICA



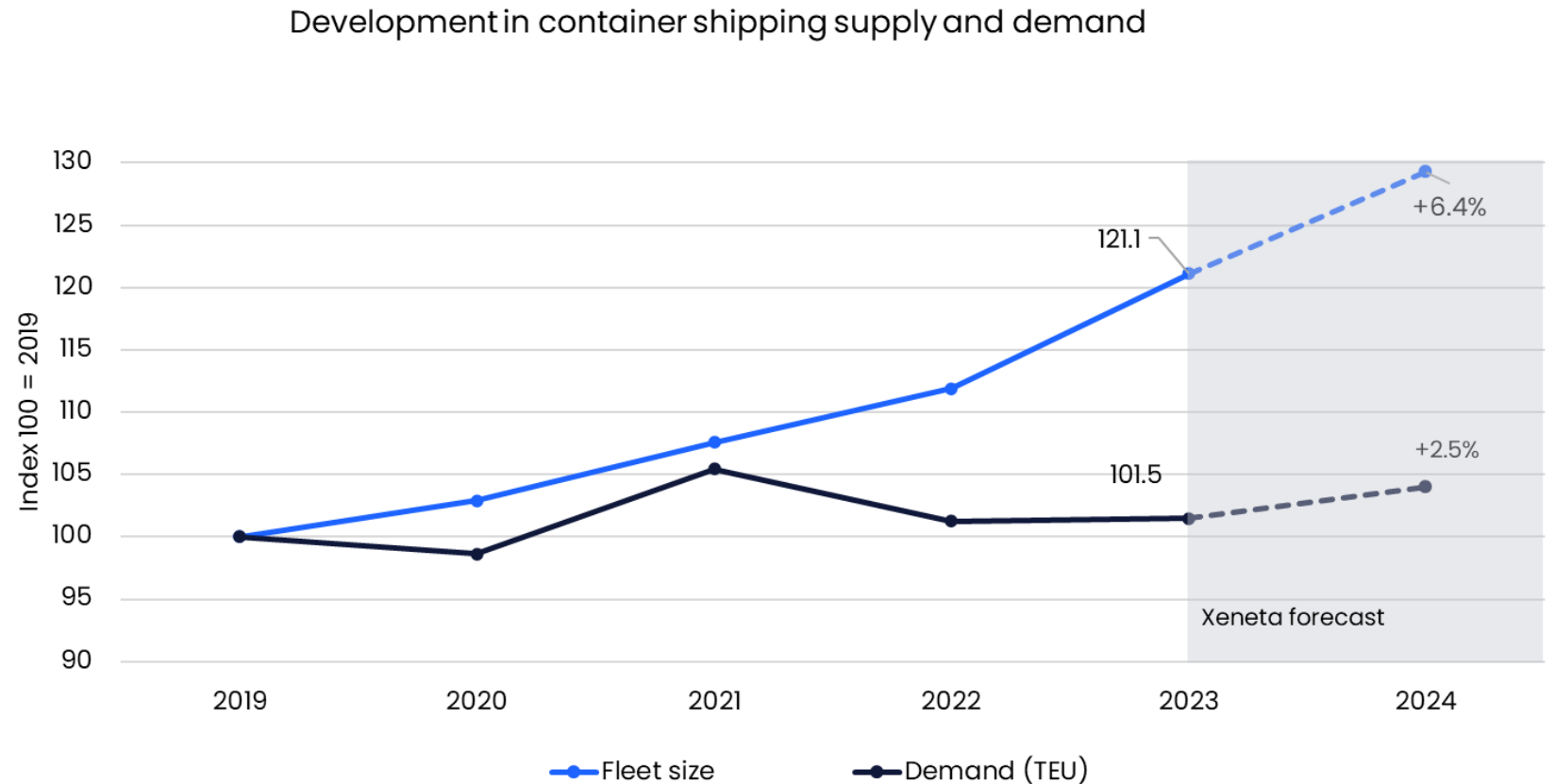
Monthly Specials!



Much higher growth in the global container fleet than in container volumes over recent years, means capacity is there to absorb the extra demand from re-routing around Cape of Good Hope

Since the start of 2019
-capacity has grown by 21.1%
-demand is only up by 1.5%

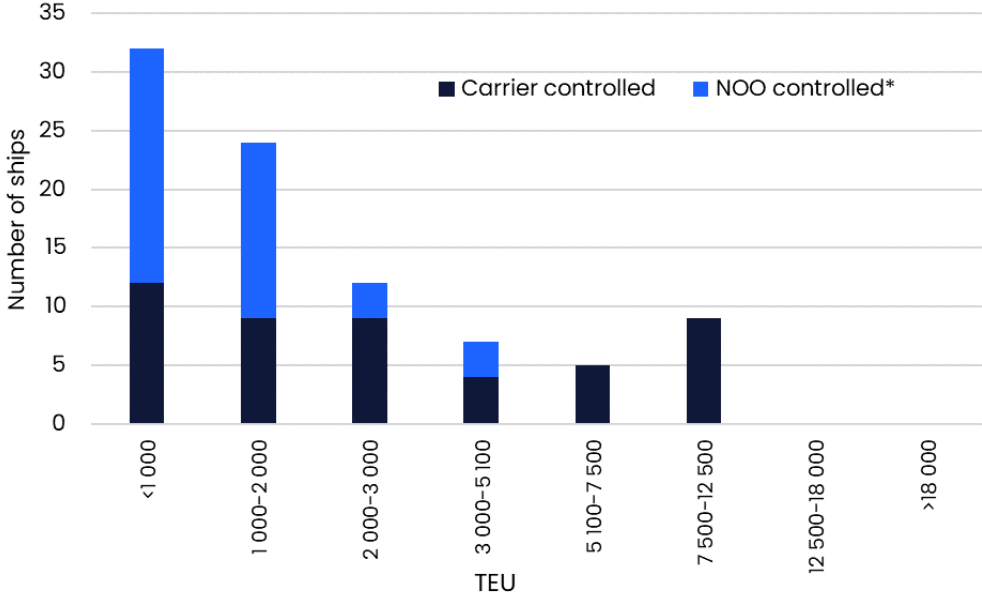
Diverging trend to continue in 2024 as supply growth once again outpaces that of demand



Source: Xeneta, Clarksons, CTS

Number of idle ships falls as carriers charter in more tonnage to fill the gaps in their service schedules caused by longer transit times. But very few ships over 8 000 TEU available to charter in

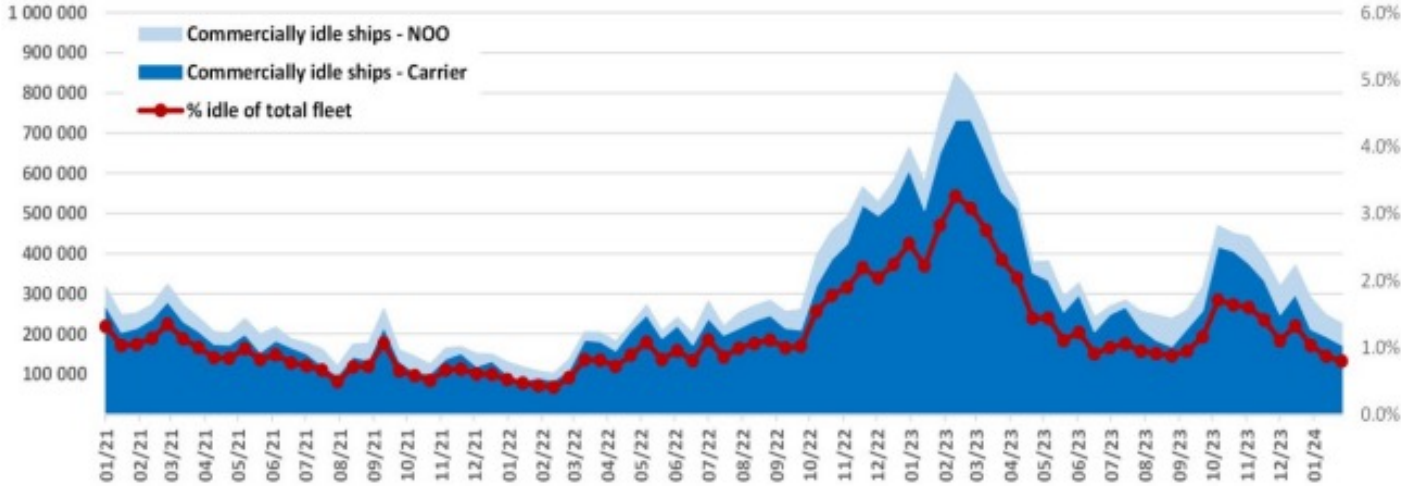
Breakdown of the Idle Fleet



*Non-Operating Owner

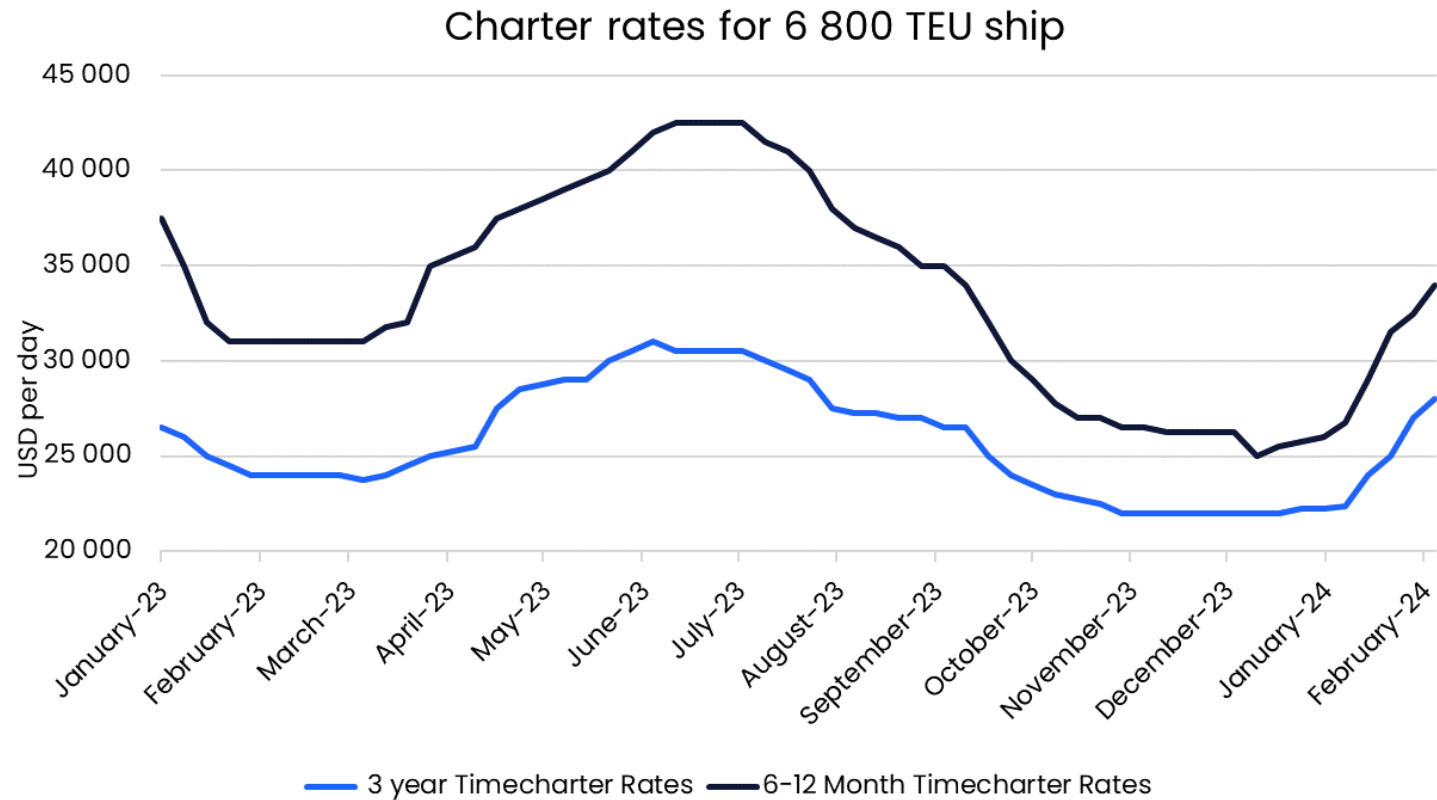
Source: Xeneta, Alphaliner

Commercially idle capacity (teu) and proportion of total cellular fleet (%)



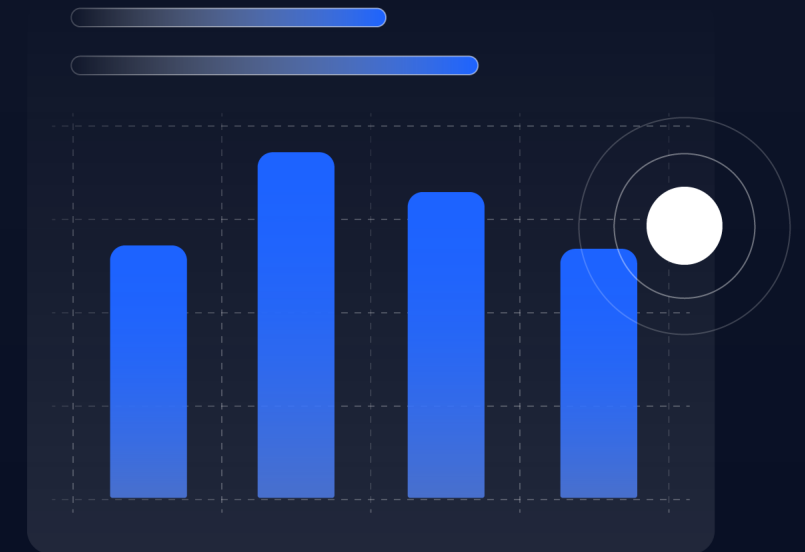
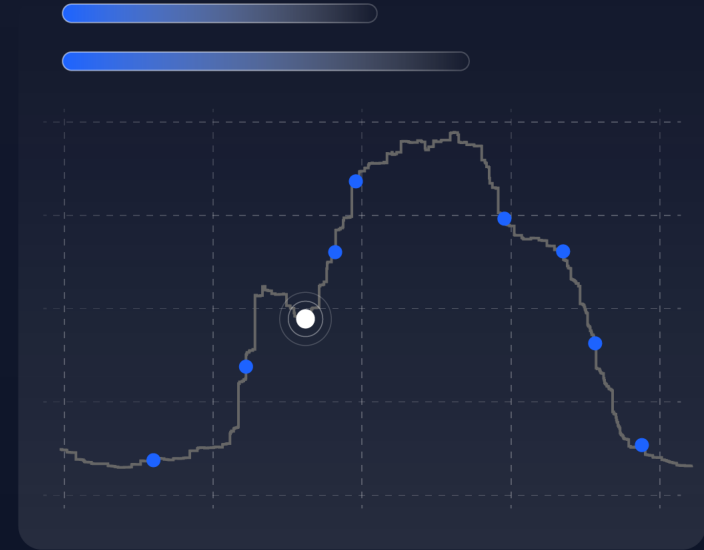
The little tonnage that is available getting more expensive, with carriers having little option but to accept terms laid out by tonnage providers.

However, charter rates still far lower than during pandemic peak, when rates for this ship type rose above USD 125 000 per day



Sources: Xeneta, Clarksons

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Feb
15

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RED SEA CRISIS: Latest data from Xeneta forecasts ocean freight shipping rates are set to rise further in February

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Follow the Red Sea Crisis with Xeneta for regular updates on ocean freight rates and trends

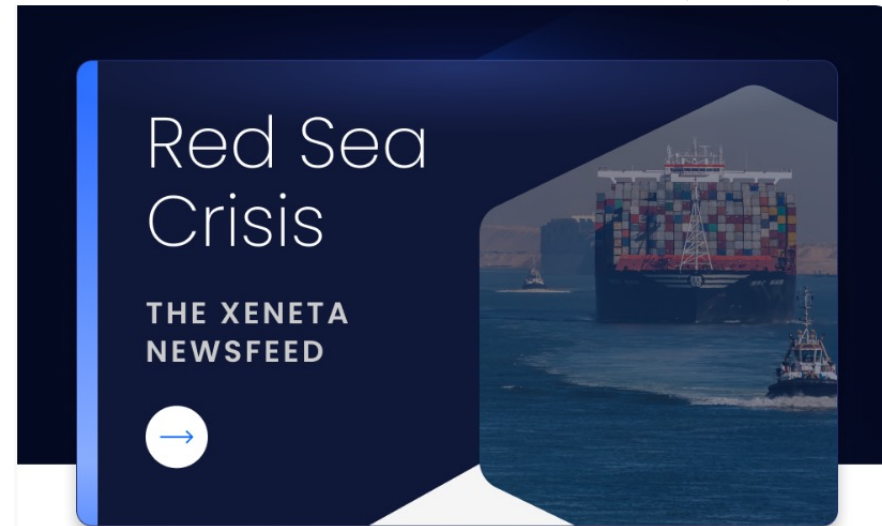
Recent posts on: www.xeneta.com/press

FEATURED RESOURCE

Red Sea Crisis: The Xeneta Newsfeed

Latest update: 15 Feb

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Feb 01

Impact of Red Sea crisis on ocean freight shipping is more rapid than Covid-19 as tensions run high across the industry

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Xeneta Shipping Index (XSI®) January 2024: how does the Red Sea crisis affect the long-term market?

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Surcharges, artificial demands and market opportunists

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Crisis in the Red Sea Webinar: The Impact on Ocean Freight in Q1 2024 – January 2024

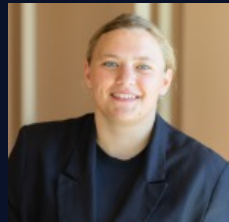
Ocean Webinar



Speakers for the Event

Peter Sand
Xeneta
Chief Analyst

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Emily Stausbøll
Xeneta
Market Analyst

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Customer-Exclusive Live Webinar

Xeneta CEO Presents: February '24 Freight Market Pulse

Ocean Webinar

Speakers for the Event



Patrik Berglund
Xeneta
CEO & Co-Founder



Michael Braun
Xeneta
VP, Customer Solutions

Key Insights

- Freight Market Outlook
- Additional Surcharges
- Red Sea Crisis Update

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