

SeaIntel Sunday Spotlight

January 26, 2014 – Issue 145

Weekly Indicators –

20 Jan - 26 Jan 2014

Executive Summary

IMF: World economy is on the right track

The IMF has issued their quarterly economic predictions for the global economy. We take a closer look at the expectations for the global economy and international trade, as well as expectations for the main countries. Particularly the outlook for the advanced economies has improved since October 2013.

Review of Carrier CAF levels on Asia-Europe

We revisit the relationship between the Currency Adjustment Factor (CAF) charged by carriers to mitigate currency risks against developments in the EUR/USD rate. Since our last review of CAF levels in January 2012, we find that the spread across the carriers have decreased slightly. CMA CGM continues to have the best correlated CAF level to the EUR/USD exchange rate.

Intra-Asia spot rates stabilized in 2013

We examine developments in Spot Rate volatility for Intra-Asia, and find that overall rate volatility has dropped, but Shanghai to Singapore and Hong Kong rates are 4 times lower than other trades.

Content

Editorial: Worries in MEA and ECSA	Page 2
IMF: World economy is on the right track	Page 3
Review of Carrier CAF levels on Asia-Europe	Page 9
Intra-Asia spot rates stabilized in 2013	Page 13
Carrier Service Changes	Page 17
Carrier Rate Announcements	Page 18
SeaIntel products	Page 19

