

SeaIntel Sunday Spotlight

April 20, 2014 – Issue 157

Executive Summary

CKYHE's Asia-Europe optimisation

During the last few weeks, CKYHE have announced significant restructuring to their Asia-Europe network, as Evergreen is integrated into the alliance. We take a closer look at the optimisation of the network and find that the new network means that CKYHE vessels will sail 10% less nautical miles and make 17% fewer port calls.

Risk of contract cargo rolling

We take a closer look at likelihood of the carriers not being able to carry their promised contract volumes every week. We find that contract volume on North Europe-ECSA will almost always find enough capacity, while shippers on Asia-ECSA and especially on Asia-Europe, cannot be sure on the same level of service.

Volatility amplitude stabilizing

We analyse freight rate volatility from a new angle, and find that whilst freight rate volatility has increased in terms of frequency over the past few years, the amplitude of the volatility has declined and appears to have stabilized.

Content

Editorial: A first step in consolidation	Page 2
CKYHE's Asia-Europe optimisation	Page 3
Risk of contract cargo rolling	Page 7
Volatility amplitude stabilizing	Page 13
Carrier Service Changes	Page 17
Carrier Rate Announcements	Page 19
SeaIntel products	Page 21

Weekly Indicators –

14 – 20 Apr 2014

Port of Singapore

March 2013 Throughput

2.64 mTEU
+7.2% Y/Y

Port of Hong Kong

March 2013 Throughput

1.99 mTEU
+8.7% Y/Y

Port of Shanghai

March 2013 Throughput

2.96 mTEU
+3% Y/Y

PIERS US Imports

March 2013