

Market Pulse 2025 Week 19

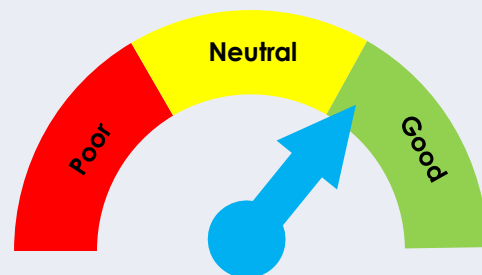
IN FOCUS this week

Cargo surge expected to drive rate rebound

MARKET BRIEF 2025 WEEK 19

The de-escalation in the Sino-US trade war came earlier than expected after the 2 countries agreed to lower reciprocal tariffs to 30% for Chinese exports to the US for 90 days from 14 May 2025 while tariffs on US exports to China is lowered to 10%, setting the stage for a surge in Transpacific cargo volumes in the next 3 months. The volume rebound will coincide with the traditional summer peak season, with freight rates set to surge as a result. Carriers have pre-announced provisional transpacific peak season surcharges of \$1,000 to \$2,000 per feu that would apply as early as 15 May that will push rates to the US West Coast above \$3,500 again. Freight rates on routes outside of the US are also expected to benefit as vessel capacity is drawn back to the transpacific. EC freight futures hit their daily upper limits across all forward contracts in the next 12 months, and the buoyant market sentiment is also expected to spread into the charter market with charter rates expected to recover their earlier strength as carriers put back the tonnage removed from the US in the last 4 weeks.

CONTAINER MARKET BAROMETER 2025 WEEK 19



Port Congestion
Week 19

2.45m TEU
7.7% of fleet

Idle
Containerships

36 ships
62,615 TEU
0.2% of fleet

Ships Delivered
Last 30 days

15 ships
155,385 teu

Ships Deleted
Last 30 days

3 ships
1,369 teu

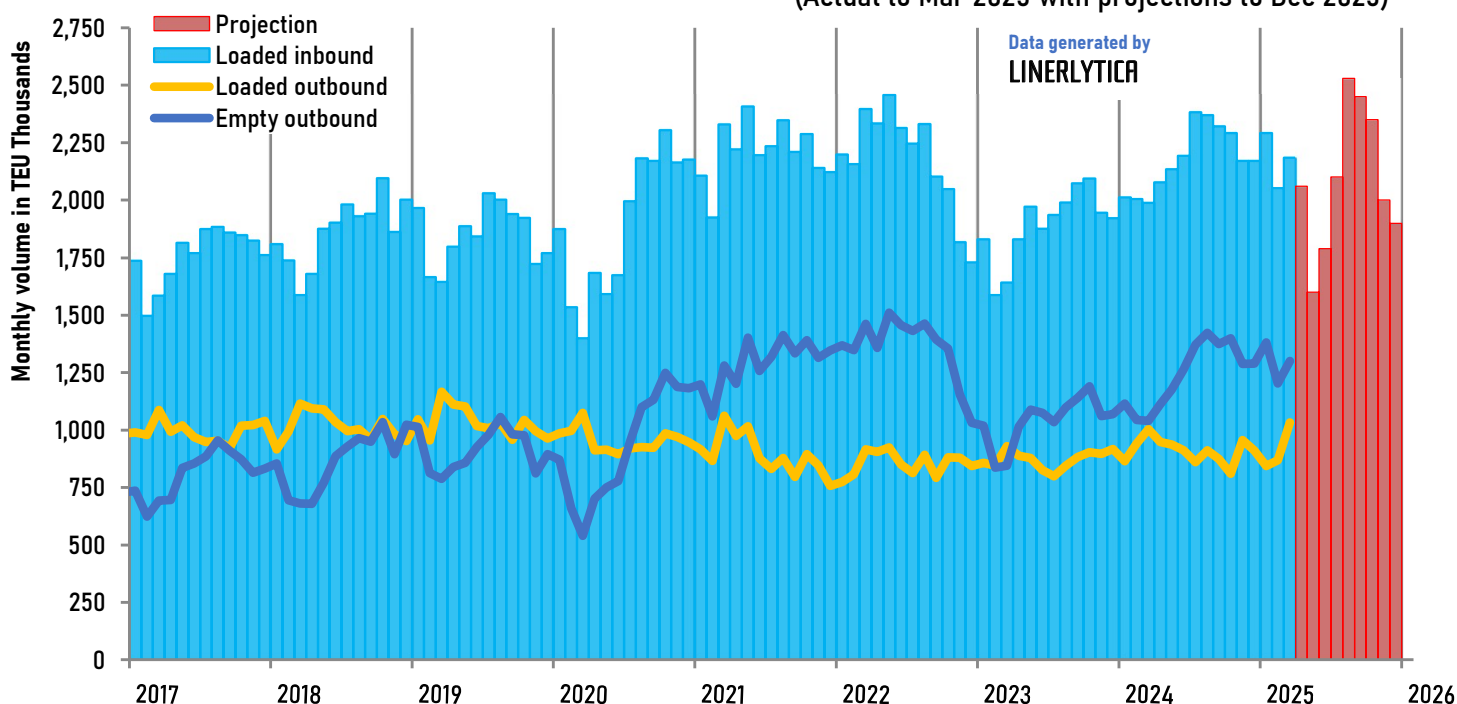
Freight Rates
SCFI Week 19

1,345
0.3% WoW
-41.7% YoY

Transpacific peak season surge expected after Sino-US trade deal

The 115% cut in US tariffs on China was larger than expected amidst signs of severe strain on US import volumes that would have hit store shelves in the coming weeks. This is now set to reverse, with an import surge expected over the next 3 months that could exceed the COVID-era peaks seen in 2021-2022.

Top 10 North American Ports Monthly Container Volumes (Actual to Mar 2025 with projections to Dec 2025)



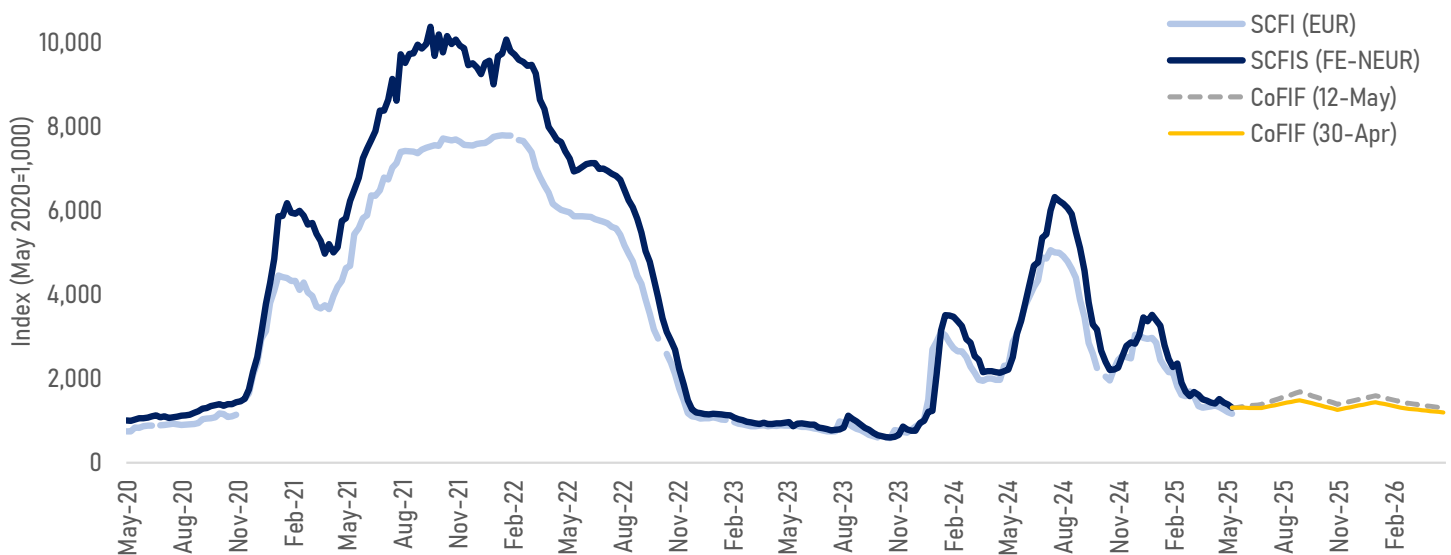
Freight futures up by daily limit on Sino-US trade deal

Shanghai-North Europe freight futures surged on 12 May with all contracts hitting their daily upper limit after the Sino-US trade deal was announced. Trading was brisk as volumes reached 158,000 contracts, almost double the average of the previous four days as both short covering and fresh buying lifted open interest to 104,000 contracts, up 19% from a week ago.

The SCFIS fell a further 5.5% after market closed on 12 May, marking its 4th consecutive weekly drop but the forward curve is now pricing for a 38% rebound for August (EC2508), with vessel capacity that has been transferred from the transpacific routes since April now expected to be return to the US.

	Closing Price			Vs SCFIS	Avg Daily Volume (contracts)			Avg Daily Turnover (\$M)			Open Interest (contracts)		
Contracts	12-May	30-Apr	WoW	1,303	Week 18	Week 17	WoW	Week 18	Week 17	WoW	12-May	30-Apr	WoW
EC2506	1,466	1,324	11%	13%	50,349	46,044	9%	460	409	12%	37,399	33,250	12%
EC2508	1,794	1,506	19%	38%	30,086	21,837	38%	331	223	48%	39,463	31,243	26%
EC2510	1,482	1,259	18%	14%	9,466	6,894	37%	87	59	47%	17,820	15,439	15%
EC2512	1,683	1,450	16%	29%	1,867	1,419	32%	20	14	41%	4,551	4,027	13%
EC2602	1,500	1,300	15%	15%	1,017	839	21%	10	7	30%	2,944	2,620	12%
EC2604	1,360	1,194	14%	4%	717	594	21%	6	5	27%	1,518	684	122%
Total					93,502	77,626	20%	914	718	27%	103,695	87,263	19%

Shanghai Export Containerized Freight Index based on Settled Rates (SCFIS) vs Futures



CoFIF Daily Closing Price

