

Market Pulse 2024 Week 51

IN FOCUS this week
Rates rebound on stronger year end cargo rush

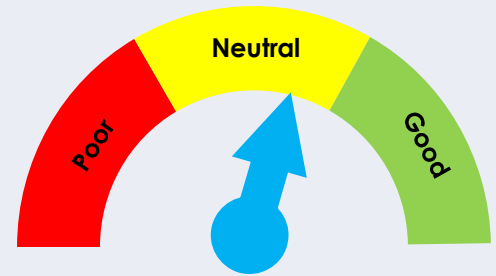
MARKET BRIEF 2024 WEEK 51

As the market approaches the end of 2024 amidst increasing uncertainty given the prospect of another US East Coast port strike, looming US import tariff hikes and potential disruptions from the new alliance reshuffles, there are some positive developments for carriers who have managed to reverse the recent freight rate slide to keep 4Q rates above the 2Q levels. This will allow carriers to negotiate the new 2025 contract rates on a firmer footing despite the market uncertainties.

The positive momentum will continue into January with cargo demand expected to remain firm ahead of the Chinese New Year holidays and front loading before the inauguration of the new US President.

Full year fleet growth in 2024 will exceed 10% with 2.87m teu already delivered this year with just 2 more weeks to go before the year closes.

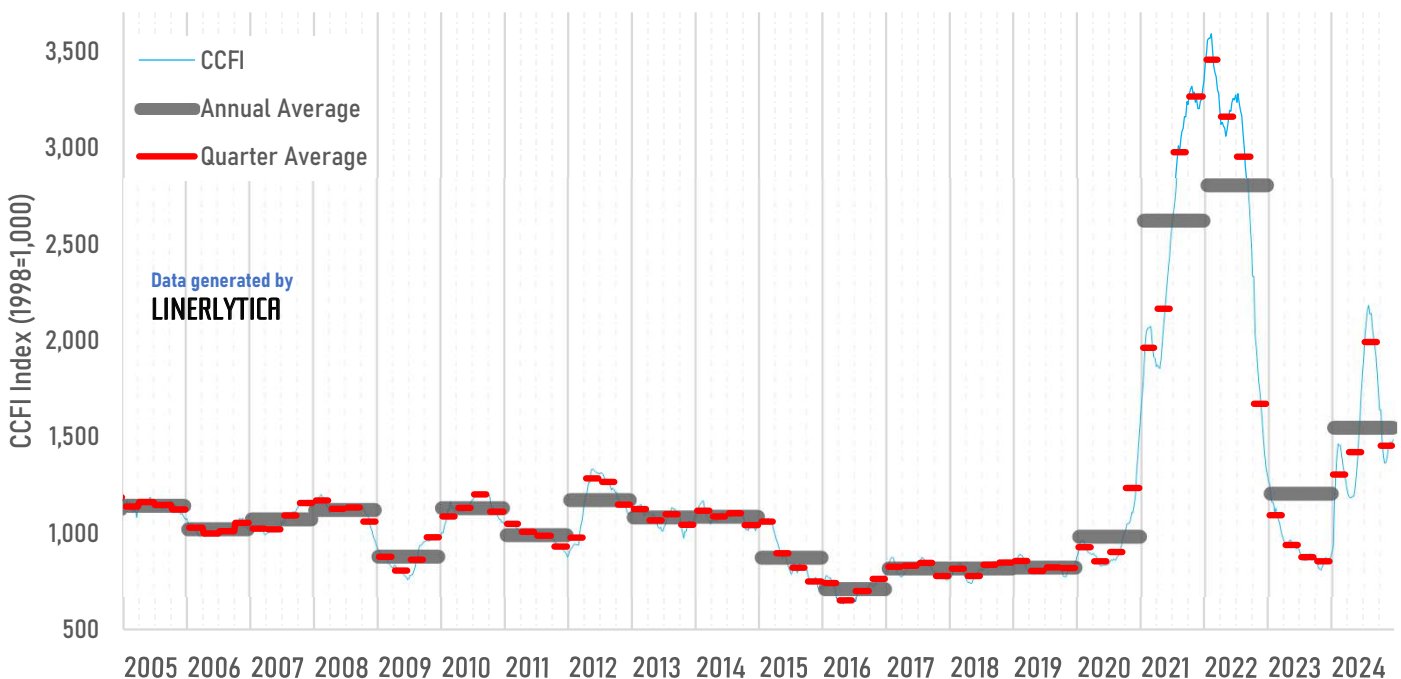
CONTAINER MARKET BAROMETER 2024 WEEK 51



2024 ends on a positive note for carriers with freight rate rebound

Both the CCFI and SCFI rebounded last week with carriers successfully reversing the recent slide in freight rates with Asia-Europe rates still holding on to most of their recent gains while Transpacific rates are staging a late rally amidst growing USEC port labor tensions and the threat of rising trade tariffs. Average CCFI rates in the 4th quarter is holding just above the 2nd quarter levels which will ensure that carriers' earnings will remain healthy in the last quarter of 2024 with carriers' average EBIT margins projected at 20%.

CCFI Average Rates



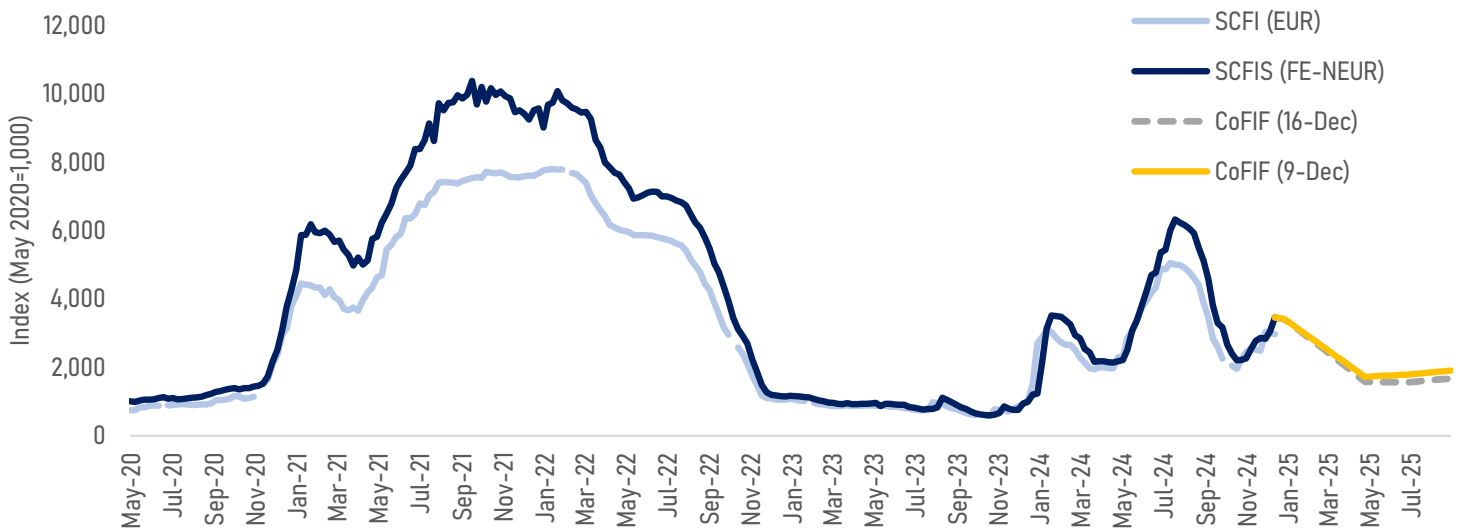
EC Freight Futures Dip as Ceasefire Talks Prompt Short Rollovers

EC contracts mostly lost ground over the past week with the longer dated EC futures after February 2025 registering drops over between 1% to 5%. In contrast, near-term contracts were firm with December 2024 and February 2025 contracts gaining some ground as carriers managed to hold on to the 1 December rate increases. The SCFIS released after the market close on 16 December 16 jumped by 14% week-over-week and 22% over the past two weeks, outperforming market expectations bringing the index to within 1% of the EC2412 price.

The tone in the EC market remains bearish as both trading volume and open interest remained weak despite a minor week-over-week rebound driven by short sellers rolling their positions from near-term contracts to longer-dated ones.

Contracts	Closing Price			Vs SCFIS 3,457	Avg Daily Volume (contracts)			Avg Daily Turnover (\$M)			Open Interest (contracts)		
	16-Dec	9-Dec	WoW		Week 50	Week 49	WoW	Week 50	Week 49	WoW	16-Dec	9-Dec	WoW
EC2412	3,420	3,398	1%	-1%	521	1,059	-51%	12	25	-51%	3,196	4,146	-23%
EC2502	2,629	2,505	5%	-24%	38,800	38,302	1%	671	700	-4%	33,567	37,057	-9%
EC2504	1,652	1,665	-1%	-52%	19,882	13,944	43%	221	174	27%	20,797	18,741	11%
EC2506	1,638	1,725	-5%	-53%	8,907	5,744	55%	98	75	31%	10,178	8,334	22%
EC2508	1,761	1,839	-4%	-49%	6,773	5,172	31%	80	72	10%	9,866	8,505	16%
EC2510	1,406	1,500	-6%	-59%	4,968	2,716	83%	48	30	59%	10,255	7,186	43%
Total					79,850	66,938	19%	1,130	1,076	5%	87,859	83,969	5%

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



CoFIF Daily Closing Price

