

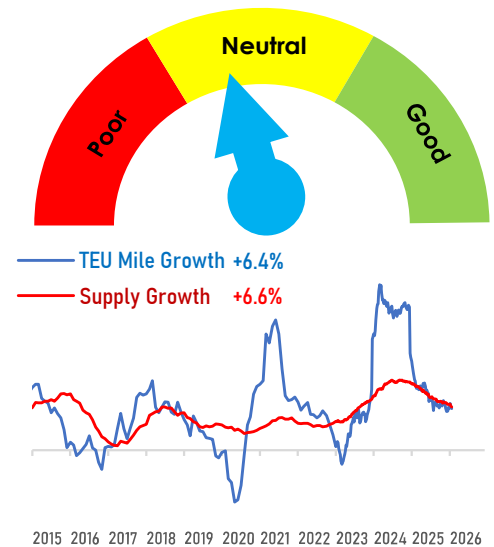
Market Pulse 2026 Week 03

MARKET BRIEF 2026 WEEK 03

Trump's Greenland tariffs would threaten the fragile balance on the Transatlantic container trades, with westbound rates from Europe to the US already down by 40% since the beginning of 2025. But carriers face a bigger challenge away from the Transatlantic arena as freight rates out of Asia are eroding despite earlier expectations of a market rally ahead of the Chinese New Year. The lack of capacity discipline continues to pull down freight rates with the SCFI shedding 4.4% last week with carriers rolling back earlier rate increases.

The threat of further capacity surplus arising from the reopening of the Suez routes has risen following Maersk's decision to return its ISC/Middle East-US East Coast MECL service to the Suez route from January. Further re-routings could follow the Gemini Cooperation's IMEX/ME11 ISC/ME-Med service expected to be the next service to make the switch. The looming over-capacity crisis has not deterred carriers from adding to the already bulging orderbook with COSCO and PIL the latest to place newbuilding orders while MSC is set to take a substantial number of Sinokor's current 78 units containership fleet.

CONTAINER MARKET BAROMETER 2026 WEEK 03


Port Congestion
Week 03

3.06m TEU
9.1% of fleet

Idle
Containerships

52 ships
123,192 TEU
0.4% of fleet

Ships Delivered
Last 30 days

11 ships
92,128 teu

Ships Deleted
Last 30 days

1 ship
1,139 teu

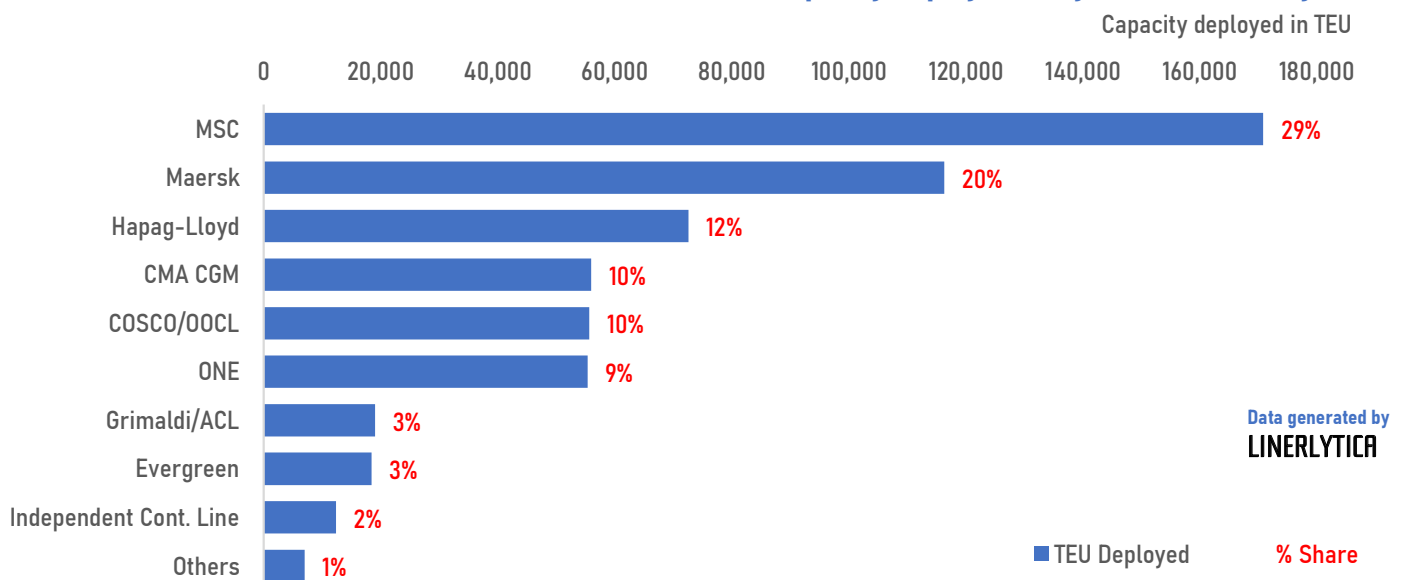
Freight Rates
SCFI Week 03

1,574
-4.4% WoW
-26.1% YoY

Transatlantic carriers at risk after Trump imposes 10% import tariffs

Trump announced on 17 January that eight European countries would face increasing tariffs starting at 10% on 1 February and rising to 25% on 1 June. The tariffs target Denmark, Norway, Sweden, France, Germany, United Kingdom, Netherlands and Finland if a deal is not reached on Greenland. Transatlantic container imports from North Europe to the US grew by 5.9% in 2025, but growth was already slowing in December and could be further hit by the new tariffs. The 4 main European carriers control 71% of the total capacity deployed on the North Atlantic route and would be the most badly affected by the potential fallout.

North Atlantic capacity deployment by carrier (January 2026)



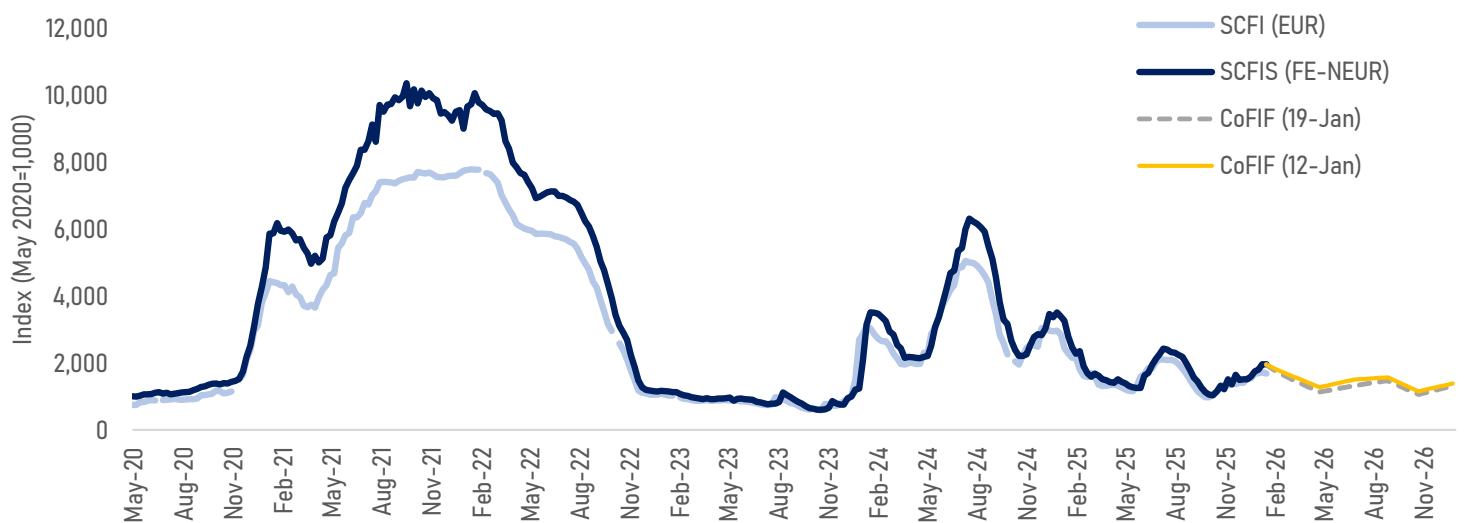
Maersk's return to Suez sends EC market crashing

Maersk's announcement on 15 January that the MECL service will return to the Suez route pulled the Shanghai-listed EC freight futures sharply lower with all the 2026 futures contracts registering drops of between 2% to 12% week on week. The main EC2604 contract retreated by 12%, reversing all of the previous week's gains that were driven by expectations of a potential rush of solar panel shipments.

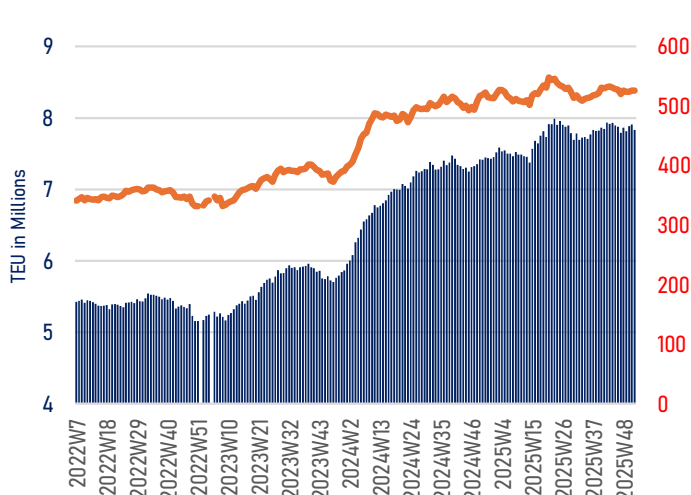
Despite the overall decline in both trading volume and open interest in the aggregate EC market, the average daily trading volume and open interest for EC2604 rose 65% and 13% week on week respectively, underscoring growing conviction among short sellers. The concern over the return of up to 2 million TEU of vessel capacity currently absorbed by the longer voyage around the Cape of Good Hope continues to weigh heavily on the futures market, with the April contract trading at a 42% discount to the latest SCFIS published on 19 January 2026 as more Suez returns are anticipated after the Chinese New Year.

Contracts	Closing Price			Vs SCFIS	Avg Daily Volume (contracts)				Avg Daily Turnover (\$M)			Open Interest (contracts)		
	19-Jan	12-Jan	WoW		1,954	Week 2	Week 1	WoW	Week 2	Week 1	WoW	19-Jan	12-Jan	WoW
EC2602	1,714	1,748	-2%	-12%	3,791	24,098	84%	-84%	47	312	-85%	6,439	13,344	-52%
EC2604	1,132	1,281	-12%	-42%	41,994	25,404	65%	65%	358	224	60%	41,888	37,092	13%
EC2606	1,318	1,485	-11%	-33%	2,603	1,551	68%	68%	26	16	59%	4,200	2,936	43%
EC2608	1,459	1,565	-7%	-25%	239	257	-7%	-7%	3	3	-10%	1,366	1,451	-6%
EC2610	1,054	1,154	-9%	-46%	1,677	1,750	-4%	-4%	13	14	-7%	8,186	7,228	13%
EC2612	1,300	1,389	-6%	-33%	41	19	123%	123%	0	0	119%	122	90	36%
Total						50,346	53,079	-5%	447	570	-22%	62,201	62,141	0%

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



Deployment to FE-EUR Route



Average Turnaround Time (weeks)

