OCEAN FREIGHT MARKET UPDATE

MAY 2022 –
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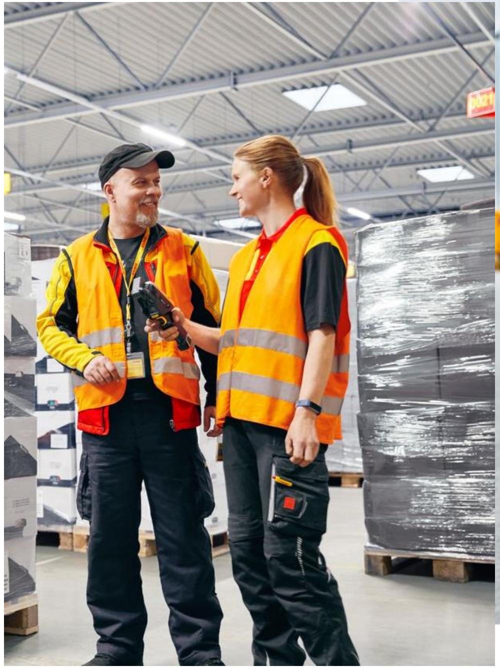
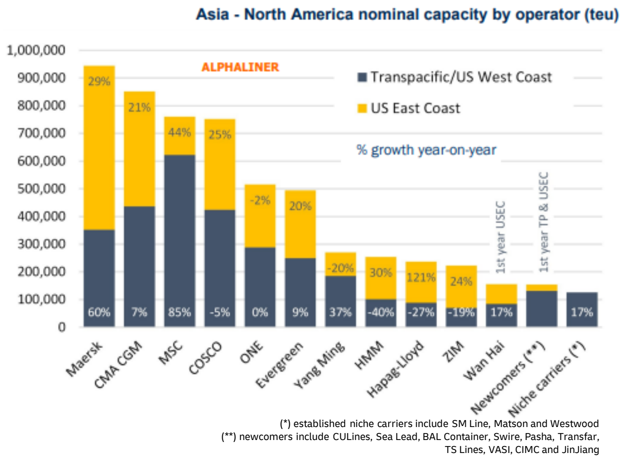
Ocean Freight Market update – May 2022

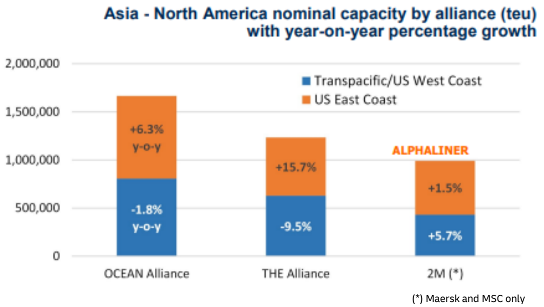


Topic of the month – Capacity growth Asia to North America trade

Reduced role for major alliances on Asia – North America trade

- As per the last survey on April 1st, 702 container ships were counted deployed between Asia and North America. This represents a total capacity of 5.75 MTEU and an **increase of 24%** compared to April last year.
- Carriers have **shifted** more ships to **US East Coast** services. Asia – USEC capacity (+28.1%) grew faster than Asia – USWC capacity (+20.5%) over the last year.
- Share of the **major alliances** has **dropped** from 82.2% to 67.7%. The drop comes from the arrival of many **newcomers** (jointly controlling 2.7%), a steep increase in **'extra sailers'** and MSC and Maersk launching numerous **standalone loops** outside the scope of their 2M agreement. 67.4% of the MSC fleet on Asia – North America is operating on standalone loops.
- **THE Alliance** increased its capacity by 15.7% on the Asia-USEC Trade, as its partners only operate a limited percentage of capacity, mainly 'extra sailers', outside THEA.





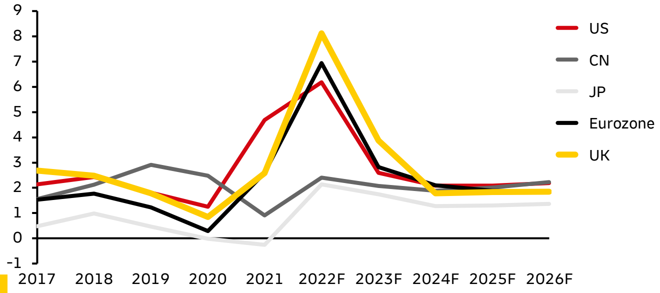
Source: DHL, Carriers, DynaLiners, Alphaliner

High level market development

ECONOMIC OUTLOOK GDP GROWTH BY REGION[1)]

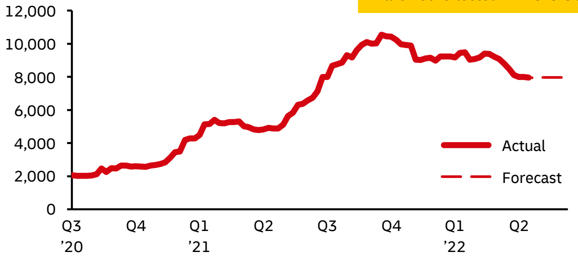
	2022F	2023F	2024F	2025F	2026F	CAGR (2023-26)
AMER	3.0%	2.7%	2.8%	2.7%	2.5%	2.7%
ASPA	4.5%	4.5%	4.3%	4.2%	4.2%	4.2%
EURO	1.2%	1.8%	1.9%	1.7%	1.6%	1.7%
MEA	4.6%	3.9%	3.3%	3.1%	3.0%	3.1%
DGF World	**3.2%**	**3.2%**	**3.1%**	**3.0%**	**3.0%**	**3.1%**

INFLATION, YOY in %[2)]

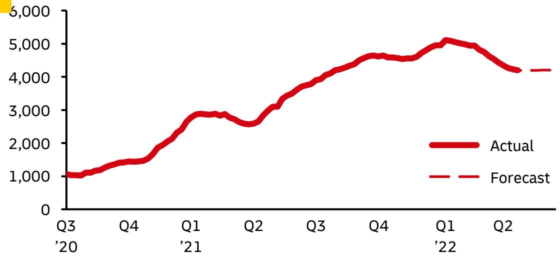


Surcharges related to e.g., equipment & space availability are not reflected in WCI & SCFI

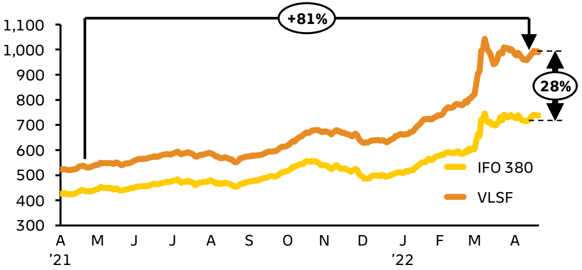
WORLD CONTAINER INDEX (WCI)[3)]



SHANGHAI CONTAINERIZED FREIGHT INDEX (SCFI)[4)]



BUNKER PRICES[5)]



1) Real GDP, Copyright © IHS Markit, Q1 2022 Update 24 Mar '22. All rights reserved; 2) IHS Markit Q4 2021 Update 24 Mar '22. All rights reserved; 3) Drewry, in USD/40ft container, including BAF & THC both ends, 42 individual routes, excluding intra-Asia routes; 4) Shanghai Shipping Exchange, in USD/20ft ctnr & USD/40ft ctnr for US routes, including BAF, EBAF, CAF, PSS, WRS, PCS & SCS/SCF/PTF/PCC, excl. THC, 15 routes from Shanghai; 5) Source: DHL

Major trades –
Market outlook May 2022 month-on-month development

EUROPE

Import region	Capacity	Rate
AMNO	=	+
AMLA & MX	=	=/+
ASPA	=	=/-
MENAT	-	=
SSA	=/-	=/+

NORTH AMERICA

Import region	Capacity	Rate
EURO	=	=
AMLA	-	++
ASPA	=	=
MENAT	--	+
SSA	=	=

ASIA PACIFIC

Import region	Capacity	Rate
EURO	=	-
AMNO	=	+
AMLA	= EC / = WC	- EC / + WC
ASPA	-	+
MENAT	-	+
OCEANIA	+	=

LATIN AMERICA*

Import region	Capacity	Rates
EURO	=	=
AMNO	-	++
ASPA	=	+
MENAT	=	=
SSA	=	+

Source: DHL
*incl Mexico and Central America/Cenac

KEY										
	Strong Increase	++	Moderate Increase	+	No Change	=	Moderate Decline	-	Strong Decline	--

Market outlook May 2022
Ocean Freight rates – Asia-Pacific exports

ASPA-EURO	The current Covid outbreak in China and related restrictions will soften the demand for the next few weeks. After that we could see a major rebound.
ASPA-AMNO	Due to the current China Covid restrictions, there is FAK space opening up especially on the services that are calling Shanghai. Demand expected to come back once situation improves.
ASPA-AMLA	ECSA : demand continues its downward trend putting pressure on FAK rates. WCSA/MX : demand picking up and rates are increasing. Generally NAC long term still sustaining.
ASPA-MENAT	Overall market demand softens largely due to China Covid restrictions. More blank sailings/slidings are in place in view of weaker utilization and continuous port congestion issues. Equipment shortages are observed in particular for 40' Box and High Cube Containers. BAF increases are expected due to continuous elevated fuel prices. Market is expected to rebound once China is out of the large-scale Covid restrictions.
ASPA-ASPA	Slight improvement on space and equipment availability, however situation remains tight. Except for key South Eat Asia exporting countries that are still struggling to secure equipment. Demand is strong. Shippers show clear preference for direct services in order to avoid potential delays at transshipment port due to port congestions. Advance booking remains necessary. Expected to see continuous increase in BAF surcharges as carriers start announcing emergency fuel surcharges or increase the frequency of reviewing bunker mechanism.

Source: DHL

Market outlook May 2022
Ocean Freight rates – Other major trades

EURO-AMNO

US: Vessel congestion in Los Angeles/Long Beach slightly diminished due to COVID-19 close down in China. Container dwell time is still ranging between 5 and 7 days as the rail infrastructure still cannot compensate the volumes. East Coast ports became more and more congested over the month, now leading to another volume shift towards the Gulf. Berth utilization remains high in all ports and congestion is expected to worsen again as soon as China suspends the COVID-19 restrictions. Truck and especially chassis availability remain a concern, adding to the congestion of the intermodal system. Port omissions continue as carriers are aiming to compensate vessel delays caused by the congestions.
CA: Still high demand on all services into Canada. The Alliance's service into Vancouver still suspended until approx. week 21 leading to more volumes moving via Montreal. As carriers are working on the schedule recovery process, vessels are still arriving Montreal and Halifax with delay as a result of severe weather on the North Atlantic on past voyages. CP Rail strike/lock out in March only had a minor impact on the productivity, but rail car supply is inconsistent, mainly due to ongoing congestions in Vancouver. Dwell time in Montreal still ranging between 6 and 7 days. Following the latest GRI and PSS increases as of April, rates are expected to remain stable through Q2/2022 but overall costs are negatively impacted by the recent fuel price development.

EURO-ASPA+MEA

Asia: space situation is still relaxed. No bigger issues with capacity. Rate-wise, we mostly see reductions to Asia.
AU/NZ: still very tense situation due to congestions in all transshipment ports in Asia. The direct service is still heavily overbooked. NEMO service calls ports in MED & North Continent only fortnightly to get back in schedule.
MEA: Space is available. Rates have been mostly extended.

AMNO-EURO

Capacity situation remains unchanged. The Ocean Alliance will omit Charleston through the end of June. May rates will remain stable with the exception of MSC announcing a USD 1’000/40ft GRI in early May from all US ports to Europe , Med , Black Sea.

AMNO-ASPA

AMNO – ASPA: Rates and Capacity are stabilizing after the blitz of Imports and carriers prioritizing empties back to Asia.
AMNO – SPAC: demand continues to far exceed the available capacity with a two month back log of cargo. Cosco and Yang Ming have left the trade and have no plans on returning.

AMLA Exports

AMLA – AMNO & INTRA: COVID impacting labor at some ports which are reporting low productivity & delays as consequence (especially in CO, CL & PE). Strong demand expected through Q2 without much changes in current space / rate environment. Guaranteed space at premium pricing only. Trucker shortages remain strong throughout Mexico market.
AMLA – ASPA: Exports from AMLA to ASPA pushed by commodity high prices. Demand exceeding supply.
AMLA – EURO, MENAT & SSA: Structural port omissions, equipment shortages (particularly BR, AR, EC, CO and CL) and local labor actions have continued to plague the region. Services are being restructured again across the entire Latin America region until early May. Central American services after Panama Canal to EMEA region are functioning well and looking for cargo.

Source: DHL

Economic outlook & demand evolution – Supply resilience is key to avoiding a global recession

With inflation pressures building, Western Europe's real GDP growth will likely slow from 5.6% in 2021 to 2.6% in 2022 and 1.7% in 2023. Recent economic data are mixed: S&P Global PMI™ survey data suggest resilience, but consumer confidence is collapsing in the wake of Russia's invasion of Ukraine. The forecast incorporates a modest contraction in eurozone and EU real GDP in the second quarter. Growth should resume in the third quarter, supported by a rebound in services activity in response to COVID-19 trends, excess household savings accumulated during the pandemic, and still-accommodative monetary policies.

With interest rates rising, the US economy faces a cooling-off period but no recession. US real GDP growth will likely slow from 5.7% in 2021 to 3.0% in 2022 and 2.8% in 2023. Fueled by strong gains in employment, real consumer spending is projected to increase 3.1% in 2022, which is led by services. Despite high inflation, household finances are in good shape, thanks to savings accumulated during the pandemic and asset appreciation; the ratio of household net worth to disposable income reached a record 8.3 at the end of 2021. In response to higher inflation and further tightening of labor markets, the Federal Reserve will likely reduce asset holdings and raise the target range for the interest rates to 3.00–3.25% in mid-2023, temporarily overshooting its terminal range of 2.50–2.75%.

Despite new policy stimulus, mainland China's real GDP growth will unlikely reach the government's 5.5% target for 2022. Real GDP increased 4.8% year on year (y/y) in the first quarter, up from 4.0% in the final quarter of 2021, as an acceleration in industrial and construction output was partially offset by slower growth in services. Widespread outbreaks of COVID-19 and adherence to Beijing's "dynamic zero-COVID" policy have undermined growth in March and April. The Asia Pacific region will sustain robust economic growth, benefiting from expanding international trade. After 6.1% real GDP growth in 2021, the region's economy will likely expand about 4.5% annually over the next three years, accounting for half of global economic growth. The region is benefitting from robust export growth and free trade agreements such as the Comprehensive and Progressive Trans-Pacific Partnership (CPTPP) and the recently launched Regional Comprehensive Economic Partnership (RCEP).

Russia's war on Ukraine will send Emerging Europe into recession in 2022, with real GDP plunging 45.7% in Ukraine and 11.1% in Russia. Belarus, Kyrgyzstan, and Tajikistan will also experience contractions because of close economic ties with Russia. While other countries in the region will likely avoid recession, factors like rising inflation, supply chain disruptions, and declining consumer sentiment will sap economic growth. Meanwhile, increases in defense spending and refugee support will strain public finances. While Ukraine's economic recovery is expected to take five years, Russia's recovery could take a full decade as severe sanctions take a toll on trade, finance, and private investment.

The March survey of purchasing managers was the first to be conducted since Russia's invasion of Ukraine on 24 February. The JPMorgan Global Composite Output Index (compiled by S&P Global) fell 0.8 point to 52.7, reversing one-third of February's gain. Global expansions in both manufacturing and services lost momentum, and business optimism fell to a 15-month low.

Source: IHS Markit, IHS Purchasing Manager Index Manufacturing, a PMI at 50 is considered neutral, expanding above 50, and business shrinking below 50

Capacity 1/2

High yard density at the **Hamburg** container terminals has forced Hapag Lloyd to temporarily **divert** the German call of its **brand new China – Germany Express 'CGX'** service **to Wilhelmshaven**. Hapag Lloyd has opted for the diversions despite the fact that the 'CGX' was specifically marketed as a fast connection between South China and Hamburg with a transit time of only 27 days. According to Hapag Lloyd, the 8 x 3,300 – 5,100 TEU panama ships of the new express service will start calling at Hamburg, as soon as cargo congestion and yard density at the Hamburg terminals stabilize to allow smooth operations.

Hapag Lloyd has announced the **closure** of its direct **Med – US West Coast 'Mediterranean Pacific Service' ('MPS')** on which also ZIM is slotting. The 'MPS' was supposed to turn in twelve weeks with 12x 4,250 – 5,100 TEU ships. As actual transit times in the US West Coast have increased drastically, Hapag Lloyd has decided to organize **rail connections between Norfolk and Los Angeles and Oakland**. These new connections replace the 'MPS' service and will initially focus on dry containers only. Containers to/from Los Angeles and Oakland will cross the Atlantic Ocean on the ships of the revised Med – US Gulf 'MGX' loop.

MSC is temporarily **omitting** calls at **Charleston** on its weekly **USEC – ECSA 'String 1' service**. The move comes in response to **persistent congestion** issues at the US port, that impact schedule reliability and cause delays to shipments. Charleston will be skipped until further notice. Congestion in Charleston has been an ongoing issue in recent times. On early April, 20 container vessels were at anchor off the US port waiting for a berth. While delays at US West Coast ports have eased somewhat from their 2021 peaks, East Coast gateways are now badly affected.

After having identified that **overall operational capacity at Felixtowe's Trinity Terminal** has **improved**, the 2M partners Maersk and MSC have decided to reinstate the Felixtowe call in the rotation of their Far East – North Europe 'AE7 / Condor' service. Felixtowe will again become the first port of discharge in North Europe. Maersk and MSC decided last October to temporarily skip Felixtowe due to congestion problems.

The OCEAN Alliance will l**aunch** it's 8th **Asia – USEC loop** on May 9th. The new loop is part of the OCEAN Alliance 'Day 6 Product' and will be operated by CMA CGM as the 'Chesapeake Bay Express' service. The service will turn in ten weeks with 10x 10,000 – 11,400 TEU CMA CGM ships.

Hapag Lloyd is to launch at the end of May a seasonal **North Europe – Canada 'AT3' service** calling at Hamburg, Antwerp, Saint John (New Brunswick), Hamburg. The new service will be the **first weekly container service** between **North Europe and Saint John**. Hapag Lloyd explains this port choice by saying that this **uncongested port** has **good hinterland connectivity** from and to the US Midwest and Canada.

Hapag Lloyd and **ZIM** will start **weekly sailings** between **Turkey** and the **US East Coast** in mid-May. The two carriers will upgrade their current direct offer on this route, which so far consists of separately-operated monthly sailings. Contrary to the current monthly loop, the new weekly 'TEX / ZCT' service will only serve New York and Savannah in the US and drop calls at Miami and Houston to keep **transit times short**.

Source: Alphaliner, THE LOADSTAR, Dynaliners, Carriers

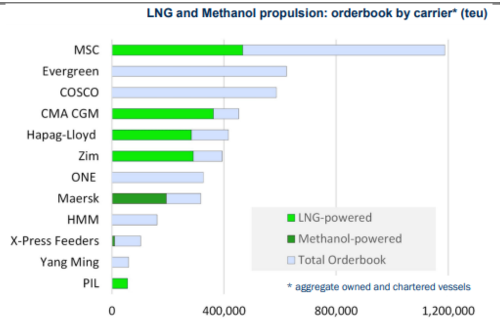
Capacity 2/2

The port authorities of **Antwerp and Zeebrugge** on 22 April officially signed an **agreement to merge**. The **new Port Antwerp-Bruges** is controlled by the Belgian cities of Antwerp (80%) and Bruges (20%). Antwerp handled 12.02 MTEU last year, while the coastal port of Zeebrugge handled 2.08 MTEU. Their combined traffic of 14.4 MTEU compares to 15.3 MTEU for Rotterdam, which remains the largest European container port in 2021.

The **global inactive containership fleet's** slow and persistent increase over the past two months has started to show signs of **stabilizing** as of the first half of April. The fleet revealed a small uptick in terms of total slot capacity, even as the number of inactive vessels has dropped slightly. As per the latest survey on 11 April, there were 198 ships of 756,585 TEU counted as inactive. This represents 3% of the global cellular fleet capacity, the highest level recorded since late 2020. 55 vessels of 180,658 TEU were counted in the commercially idle portion. Vessels in repair yards continue to make up the majority of the inactive fleet, at 76%.

Following a **surge in orders** over the past year, **LNG-powered 'dual fuel' containerships** orders now **represent 25%** of the **total orderbook by TEU capacity**. This figure rises to 28% if methanol propulsion is added.

- The number of LNG-powered ships on order has now risen to 138 vessels of 1.67 MTEU, compared to fewer than 50 ships of around 720,000 TEU a year ago.
- CMA CGM has made the greatest commitment to LNG, at 80% of its current orderbook and by far most ships in service, but MSC now has more capacity on order.
- The average size of LNG unit ordered by the main carriers is 14,400 TEU, with Hapag Lloyd's 23,660 TEU ships currently the only megamaxes on order. So far, PIL is the only major Asian carrier to adopt LNG.
- The majority of the new vessels will enter the market in 2023 and 2024.



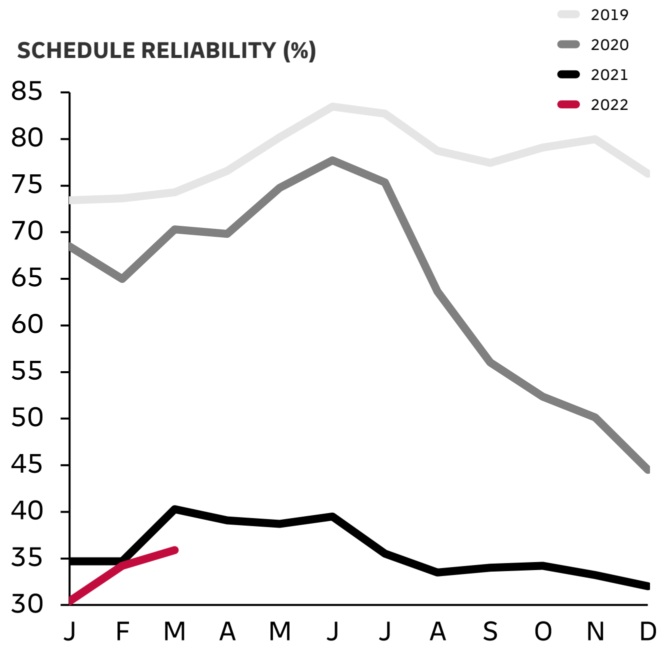
Ocean Network Express (ONE) stated that it will **invest USD 20 bn** in its **liner business** between now and 2030 to add approximately 150,000 TEU of newbuilding tonnage to its fleet each year. The growth strategy marks a shift for the Japanese carrier, which has previously chartered large tonnage from founders MOL, NYK and K Line. ONE now has 38 vessels of some 520,000 TEU on order. The new investment program would be in addition to these ships, said the company. The carrier will also be extending its charter program. ONE's fleet expansion is regarded as fairly reasonable in light of market growth predictions and given the newbuildings will partly replace chartered-in tonnage.

Source: Alphaliner, Dynaliners, Carriers

Ocean Schedule Reliability

Reliability slowly creeping upwards

- Global schedule has recorded a marginal MoM improvement yet again. The March figure reached 35.9%. While the highest figure in 2022 so far, it is still slightly below the respective 2021 score, by -4.4 ptp.
- The lowest reliability was recorded on the **Europe-Oceania** trade (13.2% in Mar vs, 15.2%). With 14.4.% closely followed by the **Far East-Europe** trade where port congestion was a major problem.
- Despite a +3.4 ptp increase **Transatlantic Westbound** recorded a low 17.9% in March, while the **Eastbound** leg decreased by 6.8 ptp to 20.2% reliability.
- The **Transpacific Westbound** trade recorded an increase to 29.8%.
- The most reliable trade was once again the **Asia-ECSA** trade that recorded 61.8%.



Source: Sea Intelligence, DHL

Did you know?
Non-Operating Ship Owners loosing market share

In the last 20 months almost 500 vessels, totaling 1.7 million TEU have been sold by non-operating ship owners (NOOs) to liner operators.

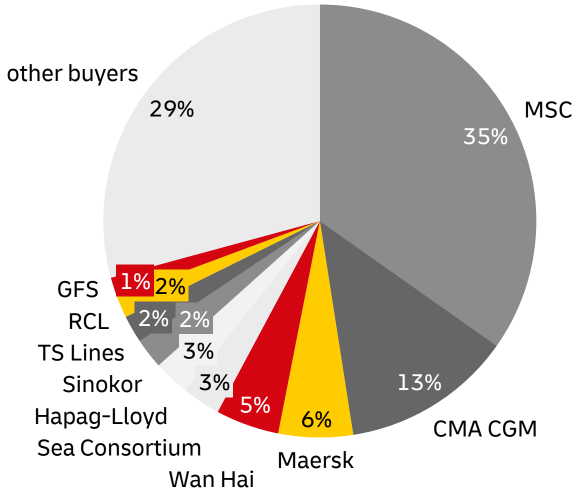
This massive fleet shift was caused by the post-COVID cargo surge. The sudden need for capacity caused charter rates to skyrocket to levels never seen before.

Buying instead of chartering quickly became the 1st option for container carriers, especially at the beginning when second-hand vessels were still cheap.

MSC was by far the largest buyer, with 169 container vessels for 636,900 TEU. Ranking second was CMA CGM, with 62 vessels purchased for 207,000 TEU, followed by Maersk with 27 vessels for 141,600 TEU.

In the meantime 175 vessels for 710,321 TEU were ordered by NOOs over the last twenty months according to Alphaliner. Just over half of this has already been fixed on long-term employment and will therefore not hit the charter market any time soon. a number of factors including soaring newbuilding prices, increasingly faraway deliveries in the future and uncertainties regarding environmental regulations and fuel choices have contributed to keeping speculative NOO orders at low levels.

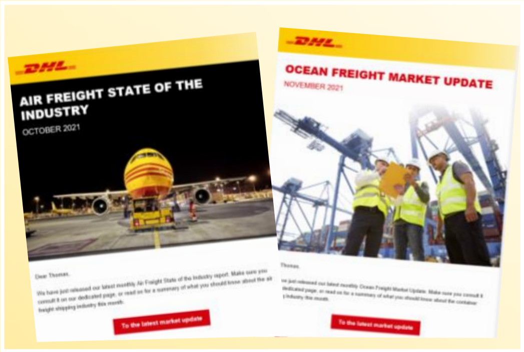
MAIN BUYERS OF NOO TONNAGE



Source: Alphaliner, cellular ships only

STAY IN TOUCH WITH THE EXPERTS

ARE YOU READY TO MOVE FORWARD?



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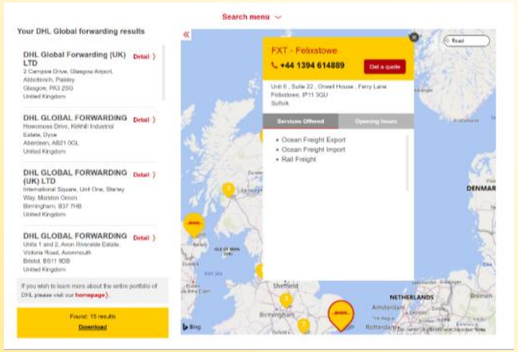

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BACK-UP

Market outlook May 2022 – Ocean Freight rates additional trades (1/3)

EURO-AMLA + MX	**MX:** High demand into Mexico continues and sufficient pre-notice on bookings should be given (advising 6-7 weeks, as for AMLA). Slight rate increases expected for May. **South America:** Space remains tight on all services, especially to the west coast. ECSA rates have either been extended for Q2 or suffered minor GRIs (i.e.: EUR 100/ctr). WCSA saw heftier GRIs last month, from EUR 600/TEU to EUR 1'300/Container.
EURO-MENAT	Space will remain tight. The demand on IPBC is bigger compared to ME. Rates have been mostly extended.
EURO-SSA	**South Africa:** Ongoing tight capacity, delays and vessel schedule disruptions, as well as extended waiting times for berthing. Main concern is the port of Durban, which is still closed and inaccessible. All carriers are omitting ZADUR until further notice. Cargo will be unloaded in alternative ports, e.g. Coega. **West Africa:** space remains tight across all carriers. Pre-bookings 6-8 weeks in advance are required. Ongoing congestion situation in PODs. **East Africa:** very high vessel utilization, space is very tight. Pre-bookings 6-8 weeks in advance are required.
AMNO-MENAT	Service to Jeddah is nearly impossible at this point due to the frequent port omissions over heavy congestion at the port. Expectation is that service will improve by early July. GRIs continue to enter the market for the entire destination region, with heaviest ones hitting Mideast since capacity is down due to several port omissions.
AMNO-SSA	Rates are stable mainly due to the recovery of the trade continuing to be slower than expected. Hapag's service to South Africa currently under temporary suspension as they finalize their acquisition of Deutsche Afrika-Linien (DAL).
AMNO-AMLA	FAK market is on the rise with more GRI's announced for Q2. USGULF & USEC ports affected by fog closures , weather delays & port omissions which further impacts declining schedule reliability. Carriers omitting the port Charleston up to a 9 week period until berth congestion alleviates. Services to the WCSA continue to be suspended and unreliable as congestion continues worsen at the transshipment ports.

Market outlook May 2022 – Ocean Freight rates additional trades (2/3)

EURO MED-AMNO	Space constraints, equipment shortage and congestion at origin / destination ports continue. Hapag Lloyd Service to USWC has been cancelled. All carrier announced further rate increases as of May 1st.
EURO MED-AMLA	SAEC and SAWC trade are both stable. Hapag Lloyd announced a new service from WMED to LATAM.
EURO MED-ASPA and MENAT	Slight softening of rates depending on the service and alliance, issue on empties, blanks, and congestion in MED hubs.
EURO MED-SSA	Unchanged/stable.
ASPA-SPAC	Overall market demand slightly reduced due to CN Covid situations. Extra capacity is expected to be available from May'22 as per pre-launched meeting with ANL with additional capacity expected from Ex CNSHA/CNSHK into AUSYD and AUBNE mainly. Equipment situation remains tight and alternative equipment such as NOR/SOC is still encouraged to be used if customer able to accept. Carriers feedback that the current rate reductions in spot market will only be temporary and market rates will be expected to increase once market situation stabilize and factories resume. Schedule reliability remains an ongoing issues for all carriers.

Source: DHL

Market outlook May 2022 – Ocean Freight rates additional trades (3/3)

MENAT Exports	**Intra Gulf & ISC:** Additional GRI implemented by carriers for Intra Gulf & ISC sectors. Port congestions at Mundra leading to transshipment delays. **Asia:** Carriers providing special allocations, equipment and space available , Rates are stable for East Asia sector and extending support with weekly space commitment. **Oceania:** Space situation for Australia is tight. Advance booking is a must (2 - 3 weeks prior) for any vessel. Port congestion fees applied by most of the carriers for shipment transshipment via any New Zealand ports. Rates are increasing. **Europe & MED :** Rates increased for Europe sector. Carriers requesting advance booking (2 weeks prior) to secure space. Carriers are currently preferring light weight cargo. **Africa (West & South):** Space tight, bookings to be made at least 2 week in advance. Carriers releasing bookings against "Sea Priority/Shipping Guarantee" on most lanes. Rates increasing for Q2 2022 due to increase in the surcharges. **Africa (East):** Space available for bookings done in advance (at least 2 weeks) especially for POD Mombasa & Dar Es Salaam. Most carriers are releasing space on premium rates only "Sea Priority/Shipping Guarantee". **AMNO:** Space remains a challenge for US West Coast as carriers are serving very limited PODs. Carrier requesting advance booking (2 weeks prior) to secure space. Additional PSS implemented for Q2 2022. Rates continue to increase. **AMLA:** ex Gulf : most of the carriers are not accepting bookings due to limited allocation. Situation expected to remain same till end of Q2. Ex Egypt : MSC and HL starting to accept bookings again. Space is tight. Rates continue to increase.
North Africa + Turkey Exports	**Europe:** Vessels have limited space for especially Spain and Italy ports. North Europe ports are more stable. **Asia:** Vessels have capacity and carriers are open for new volume. **Middle East:** Vessels have capacity and carriers are open for new volume. **AMLA:** Vessels are full, vessels collecting cargo for all MED countries, there is an on-going export increase from MED. **Africa:** Space is extremely tight. Arkas, CMA have limited allocation, ONE still not accepting any volume. MSC accepts very limited cargo cause of their transshipment port congestions. **AMNO:** The 2 new services published with both MSC and Hapag, are expected to ease the equipment & space problem to US East Coast. US West Coast remains the same and almost closed with some carriers not accepting bookings. Transhipments continues at transshipment ports. **East Med:** Local carriers are looking for new volume, vessels have capacity especially for Beirut and Alexandria.

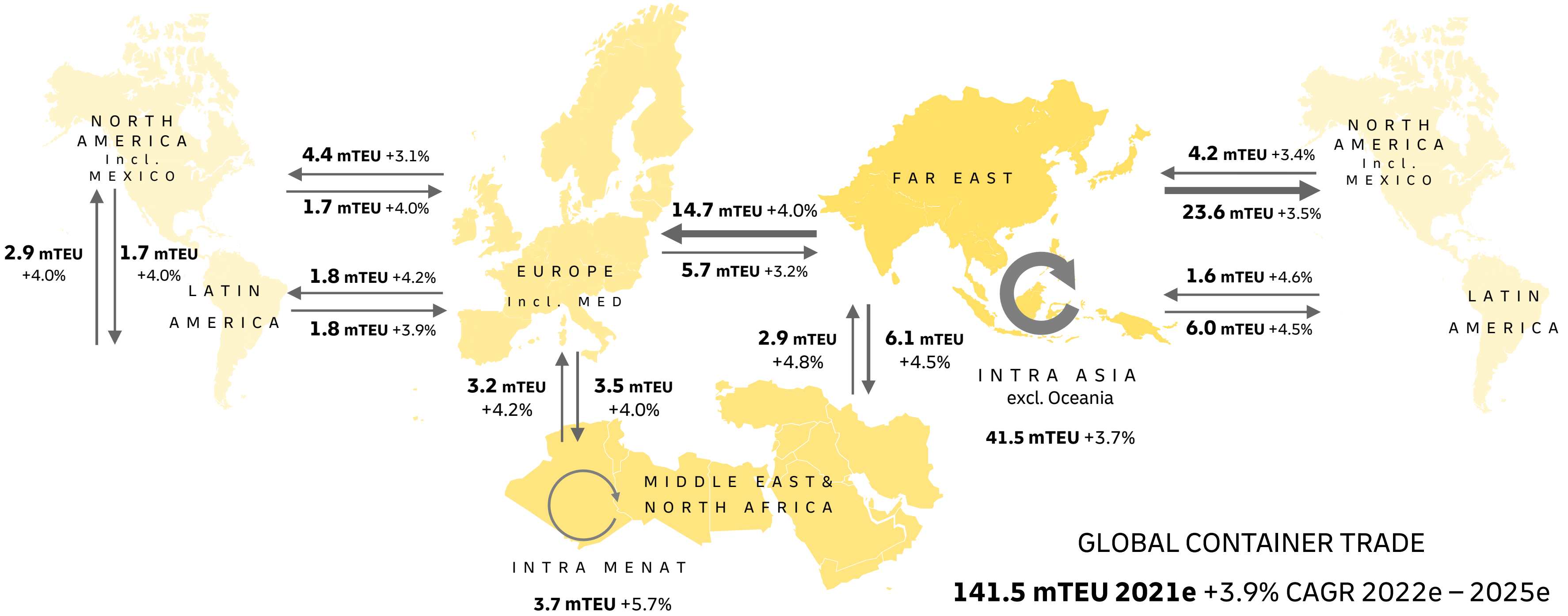
Source: DHL

Carrier Financial results 2020–2021 (US$ million)
Carrier’s Operating Profit Margin more than doubled.

	Revenue			Operating Profit			Operating Profit Margin		Net Profit		
Carrier	**2020**	**2021**	**%**	**2020**	**2021**	**%**	**2020**	**2021**	**2020**	**2021**	**%**
COSCO SHIPPING Holdings 6)	25’393	51’527	103%	2’122	19’902	838%	8.4%	38.6%	1’518	14’031	824%
CMA CGM 2), 5)	24’006	45’290	89%	5’232	22’069	322%	21.8%	48.7%	1’755	17’894	920%
Maersk Group 8), 10)	24’920	42’734	71%	6’545	21’432	227%	26.3%	50.2%	2’900	18’033	522%
Hapag-Lloyd 5), 10)	14’577	26’356	81%	1’501	11’111	640%	10.3%	42.2%	1’068	10’750	907%
ONE 3), 10)	9’674	21’665	124%	2’635	12’782	385%	27.2%	59.0%	1’626	11’648	616%
Evergreen Marine Corp. 1), 7)	7’370	17’643	139%	1’234	10’269	732%	16.7%	58.2%	1’024	9’485	826%
Yang Ming	5’400	11’610	115%	830	6’210	648%	15.4%	53.5%	100	4’480	4380%
HMM	5’384	12’029	123%	693	7’332	958%	12.9%	61.0%	434	5’970	1276%
Zim	3’992	10’729	169%	1’036	6’596	537%	26.0%	61.5%	524	5’900	1026%
Wan Hai	2’914	8’220	182%	455	4’603	912%	15.6%	56.0%	404	3’728	823%
Average 3)			**98%**			**457%**	**17.2%**	**48.4%**			**828%**

Source: Alphaliner, DynaLiners; n.a. = not available, n.m. = not meaningful; 1) container shipping segment only, excl. CEVA Logistics, Net Profit for Group; 2) result is Q3 of Japanese financial year, i.e. Apr-Dec not calendar year; 3) Average excluding ONE; 4) container shipping business incl. OOCL; 5) not consolidated for Evergreen Group; 6) Ocean segment only

Market volume 2021 – 2025



GLOBAL CONTAINER TRADE

141.5 mTEU 2021e +3.9% CAGR 2022e – 2025e

Source: Seabury Nov21 update

State of the industry – Ocean Carrier alliances

THE ALLIANCE

HAPAG-LLOYD
ONE
YANG MING
HMM

OCEAN ALLIANCE

OOCL
CMA CGM
CHINA COSCO SHIPPING
EVERGREEN

2M

MAERSK LINE
MSC

Source: Carriers

Acronyms and Explanations – Ocean Freight glossary

AMLA – Latin America
AMNO – North America
AR – Argentina
ASPA – AsiaPacific
BR – Brazil
CAGR – Compound Annual Growth Rate
CENAC – Central Amercia and Caribbean
CNC – CNC Line (Cheng Lie Navigation Co. Ltd.)
DG – Dangerous Goods
DWT – Dead Weight Tonnage
EB – Eastbound
ECSA – East Coast South America (synonym for SAEC)
ECRS - Emergency Cost Recovery Surcharge
EGLV – Evergreen Marine Corp
EURO – Europe
GRI – General Rate Increase
HMM – Hyundai
HL – Hapag-Lloyd
HSFO – High-Sulphur Fuel Oil (< 3.5% Sulphur)
HSUD – Hamburg Süd
HWS – Heavy Weight Surcharge
IA – Intra Asia
IPBC – India Pakistan Bangladesh Ceylon (= Sri Lanka)
IPI – Inland Point Intermodal
ISC – Indian Sub Continent (synonym for IPBC)
MENAT – Middle East and North Africa
ML – Maersk Line
mn – Millions
MoM – Month-on-Month
NOO – Non-operating (vessel) owners
NOR - Non-operating reefer
OCRS – Operational Cost Recovery surcharge
OOCL – Orient Overseas Container Line
OWS – Overweight Surcharge
PH – Philippines
PNW – Pacific North West
Ppt. – Percentage points
PSW – Pacific South West
QoQ – Quarter on quarter
SAEC – South America East Coast
SAWC – South America West Coast
SOC - Shipper Owned Container
SOLAS – Safety of Life at Sea
SPRC – South People’s Republic of China – South China
SSA – Sub-Saharan Africa
SSL – Steam Ship Line
T – Thousands
TEU – Twenty foot equivalent unit (20‘ container)
TSA – Trans Pacific Stabilization Agreement
USGC – US Gulf Coast
US FMC – US Federal Maritime Commission
USEC – US East Coast
USWC – US West Coast
VGM – Verified Gross Mass
VLCS – Very Large Container Ship
VLSFO – Very Low-Sulphur Fuel Oil
VSA – Vessel Sharing Agreement
WB – Westbound
WCSA – West Coast South America (synonym for SAWC)
WHL – Wan Hai
WRS – War Risk Surcharge
YML – Yang Ming Line
YoY – Year-on-Year
YTD – Year-to-Date
THEA – The Alliance

Source: DHL