

## Market Pulse 2025 Week 09

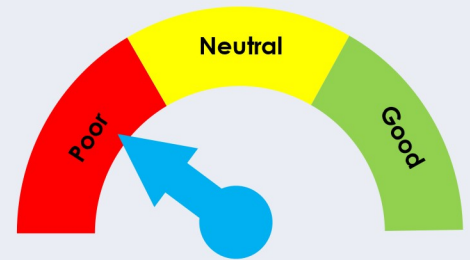
**IN FOCUS this week**  
Runaway charter rates set for correction

### MARKET BRIEF 2025 WEEK 09

Carriers are finally taking action to curb capacity increases in their bid to reverse the recent freight rate slide, with MSC confirming the withdrawal of the transpacific Mustang service while also redeploying its largest 24,000 teu ships from the Asia-North Europe to the Med and West Africa routes. The OCEAN Alliance has also delayed plans to launch a new Asia-North Europe string in March, with Premier Alliance also expected to postpone the launch of 2 Transpacific strings scheduled to start in May.

These moves could trigger a correction in the containership charter market where rates have remained firm despite the recent sharp freight rate correction. Freight futures could also see a drop in the coming week as hopes of a rate rebound in March are dashed by carriers' continued price slashing.

### CONTAINER MARKET BAROMETER 2025 WEEK 09

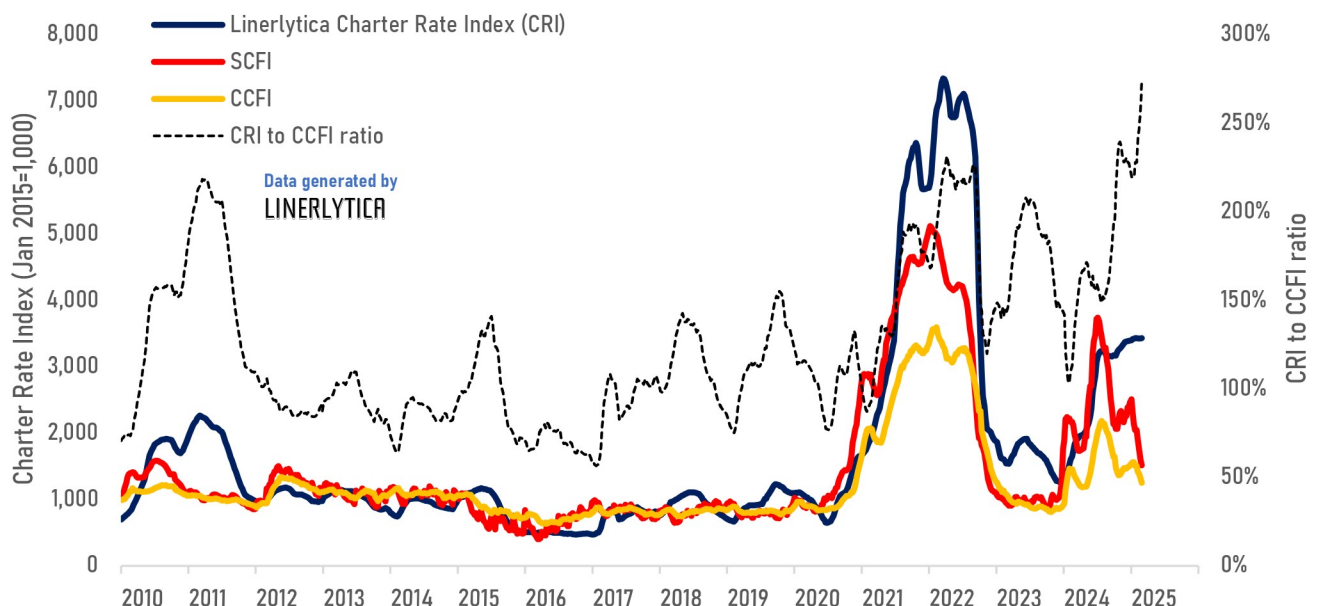


### Containership charter market correction imminent

The widening disconnect between faltering container freight rates and the continued strengthening of containership charter rates is unsustainable, with the ratio of the charter rate index to the CCFI currently at a historic high.

Although charter rates and freight rates tend to move in tandem, there have been various periods in the past where they have diverged due to differences in demand and supply dynamics in the charter and freight markets. The Red Sea diversions have driven the widening divergence in the 2 indices since the beginning of 2024 but this could soon be reversed as carriers start to curb their appetite for additional ships amidst a weakening freight market.

### Containership Charter Rate & Freight Rate Indices



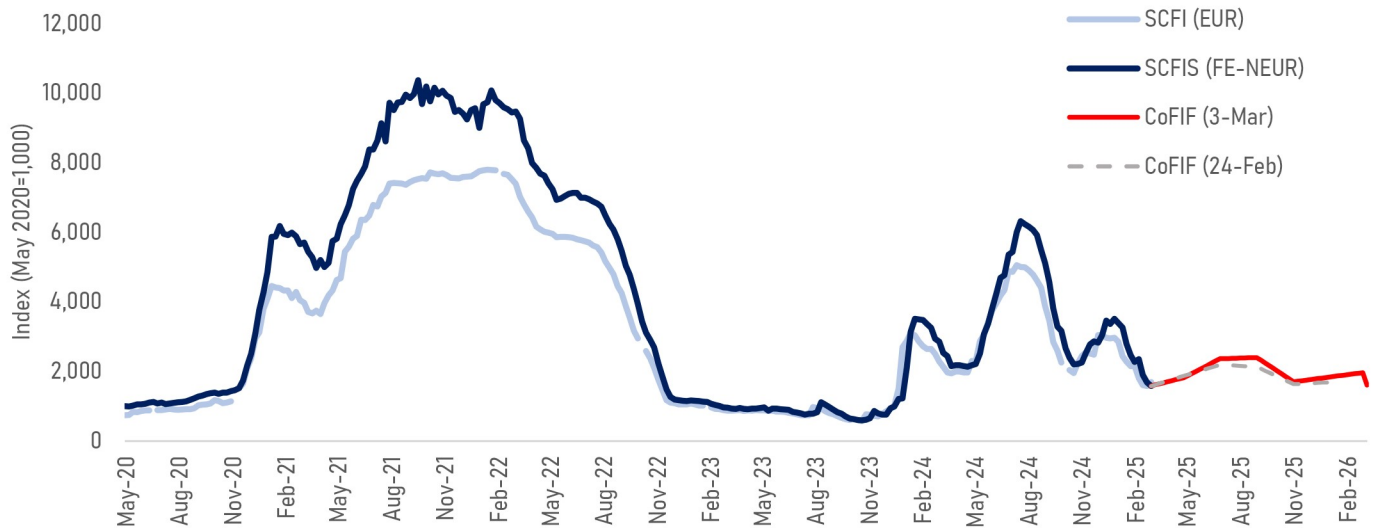
### Carriers' rate cuts dash market recovery hype

Container freight futures received a minor boost last week from the planned capacity cuts by carriers to North Europe and renewed hopes of a seasonal demand rebound, with no signs of any return to the Suez route. Although the SCFI assessment for North Europe recovered by 7.3% on Friday on the early March rate hike hype, the actual market rates have continued to slump with the SCFIS index published on 3 March dropping by 6.2%.

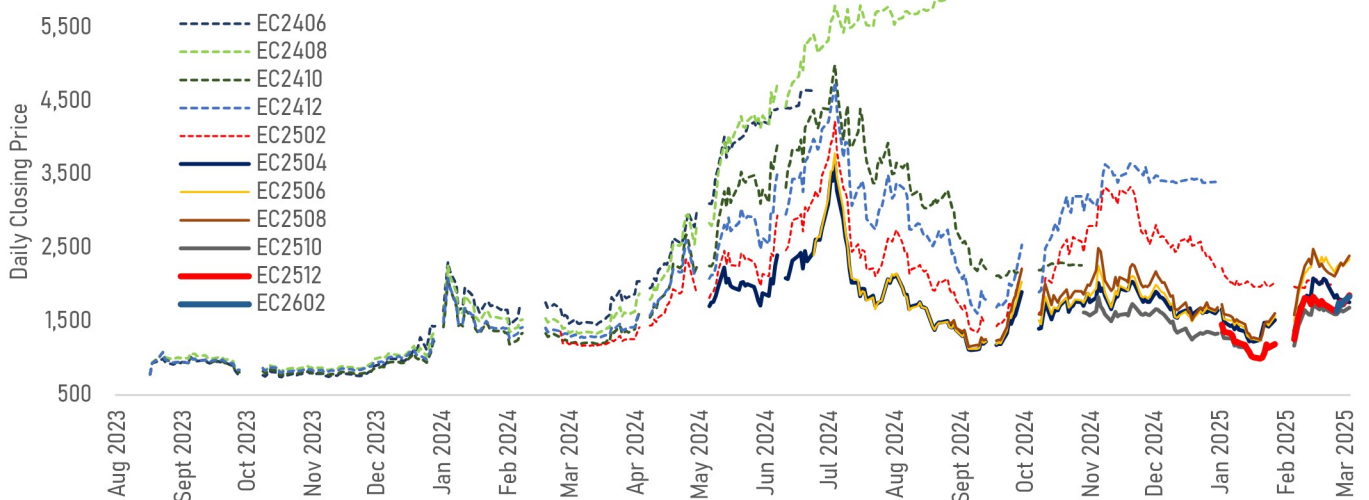
Futures contracts are now trading at a 12-52% premium to the latest SCFIS rates, but sentiment is turning negative after Maersk slashed online rate quotations further to \$2,000 per FEU with validity extended until the end of April, dashing hopes of any quick rate rebound.

Contracts	Closing Price			Vs SCFIS	Avg Daily Volume (contracts)			Avg Daily Turnover (\$M)			Open Interest (contracts)		
	3-Mar	24-Feb	WoW		1,581	Week 8	Week 7	WoW	Week 8	Week 7	WoW	3-Mar	24-Feb
EC2504	1,764	1,824	-3%	12%	46,860	61,635	-24%	584	854	-32%	24,045	30,287	-21%
EC2506	2,346	2,167	8%	48%	38,820	27,847	39%	605	443	37%	33,583	28,048	20%
EC2508	2,395	2,117	13%	52%	18,452	16,252	14%	287	245	17%	23,312	19,115	22%
EC2510	1,691	1,598	6%	7%	11,198	14,499	-23%	126	167	-25%	15,457	15,937	-3%
EC2512	1,854	1,645	13%	17%	3,810	2,909	31%	46	35	32%	4,104	3,686	11%
EC2602	1595	NA	NA	1%	1,171	NA	NA	12	NA	NA	1,321	NA	NA
Total					120,311	123,142	-2%	1,660	1,744	-5%	101,822	97,073	5%

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



CoFIF Daily Closing Price



For use of Tiger-Shi.sn@bands.financial. Unauthorized distribution prohibited.