

Market Pulse 2025 Week 21

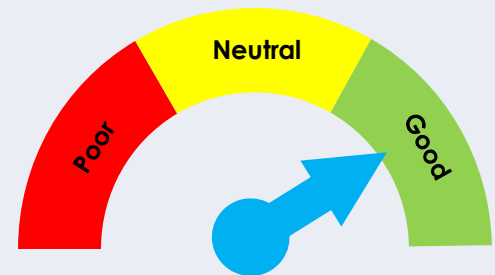
IN FOCUS this week
Transpacific capacity rebounds

MARKET BRIEF 2025 WEEK 21

Total capacity on the Transpacific is set to rebound sharply in the coming 4 weeks, with an average of over 560,000 teu departing from Asia to the US weekly compared to the Week 19 low of 377,000 teu. Additional capacity are still being added as carriers capitalize on rising demand and soaring transpacific freight rates. CUL is the latest carrier to join the bandwagon, adding a new standalone Transpacific service from June while incumbent carriers have also added extra loaders and resumed suspended services.

The sudden boom has also lifted charter rates with carriers scrambling to cover the immediate vessel positions as demand remains strong across all segments. The Atlantic trade could receive a short term boost after the US delayed their threat to impose 50% tariffs on EU imports, but attention remains focused on Asian export routes with the Asia-Europe rate rally losing steam after Maersk was once again singled out for undercutting their rivals' rates.

CONTAINER MARKET BAROMETER 2025 WEEK 21



Port Congestion
Week 21

2.50m TEU
7.8% of fleet

Idle
Containerships

34 ships
59,049 TEU
0.2% of fleet

Ships Delivered
Last 30 days

18 ships
166,118 teu

Ships Deleted
Last 30 days

2 ships
2,150 teu

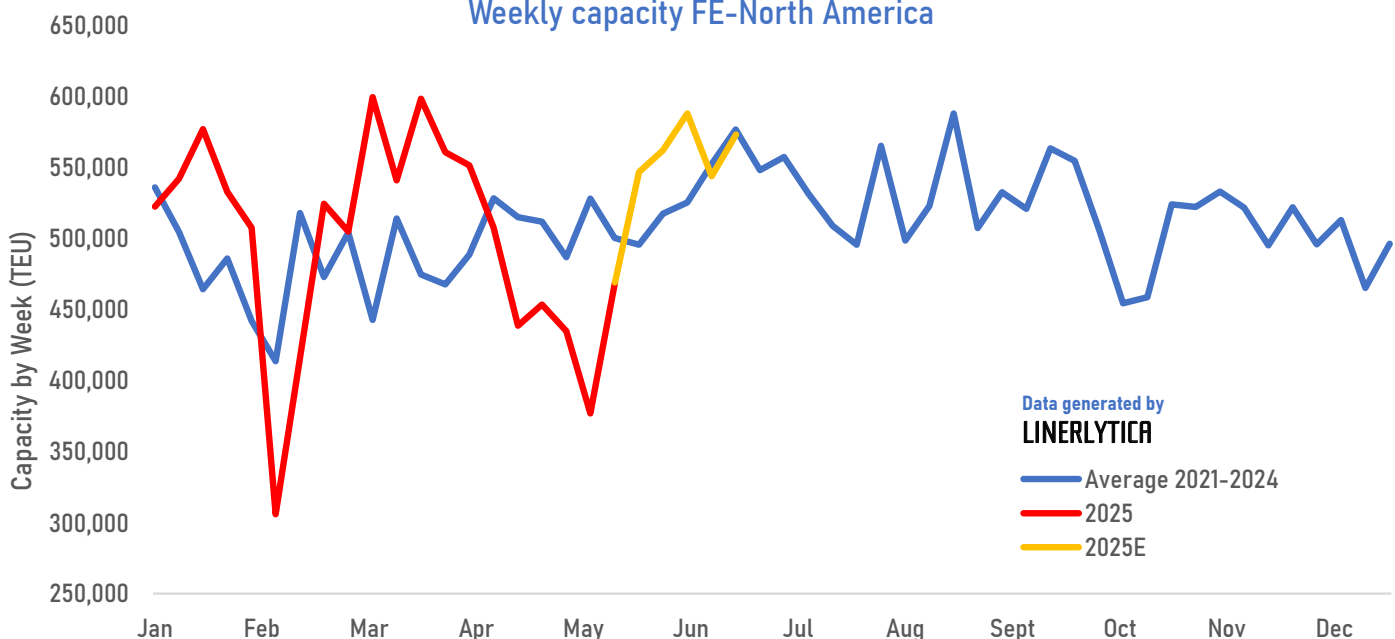
Freight Rates
SCFI Week 21

1,586
+7.2% WoW
-41.3% YoY

Rebound in Transpacific capacity to ease June rate hike

The restoration of suspended Transpacific services along with the addition of extra loaders have fully restored the total capacity available on the Far East-North American route. These capacity additions are expected to mitigate the impact of soaring Transpacific rates which are expected to rise to \$6,000/feu to the US West Coast and \$7,000/feu to the US East Coast on 1 June 2025. With container equipment availability and port congestion both under control, coupled with the rebound in vessel capacity, there are few parallels to the pandemic-era bottlenecks that helped push freight rates to record highs in 2021 and 2022 of over \$10,000/feu.

Weekly capacity FE-North America



Data generated by
LINERLYTICA

— Average 2021-2024
— 2025
— 2025E

Freight futures traders exit as rally fizzles

Freight futures on the Shanghai–North Europe corridor continued their slide, with the benchmark EC2508 contract tumbling 13% week on week. Traders spent much of the period rolling short positions from the soon to expire EC2506 contracts into later maturities, wagering that any near-term firmness arising from the spill over from the Transpacific route would prove transitory as Far East to North Europe now commands the lowest rates among major routes. Average daily volume dropped 38% while open interests dropped 16% for the week on highly volatile trading.

The market was rattled by Maersk's decision on 21 May to undercut rivals' \$3,000/feu FAK rate in June with rates on certain corridors at just \$2,100/feu which sent EC2508 contract tumbling immediately by 7%. The market staged a modest rebound on 23 May ahead of the release of the SCFI with North Europe rates rising by 14% week-on-week. However, the rebound was short-lived as carriers moved swiftly to slash their June rates at the start of the week, pushing futures lower on 26 May ahead of the SCFIS release that was published after market closed with a further week over week drop of 1.4%.

	Closing Price			Vs SCFIS	Avg Daily Volume (contracts)			Avg Daily Turnover (\$M)			Open Interest (contracts)		
Contracts	26-May	19-Apr	WoW	1,247	Week 20	Week 19	WoW	Week 20	Week 19	WoW	26-May	19-Apr	WoW
EC2506	1,842	1,772	4%	48%	26,745	87,711	-70%	328	1,009	-67%	19,342	28,322	-32%
EC2508	2,085	2,388	-13%	67%	85,551	81,512	5%	1,301	1,235	5%	46,519	54,051	-14%
EC2510	1,379	1,482	-7%	11%	14,516	31,877	-54%	145	327	-56%	23,511	24,236	-3%
EC2512	1,568	1,625	-4%	26%	1,817	5,009	-64%	20	57	-65%	4,440	4,998	-11%
EC2602	1,405	1,451	-3%	13%	634	2,372	-73%	6	24	-74%	2,686	3,081	-13%
EC2604	1,243	1,249	0%	0%	835	2,609	-68%	7	23	-69%	3,165	3,518	-10%
Total					130,098	211,091	-38%	1,808	2,675	-32%	99,663	118,206	-16%

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

