

Market Pulse 2025 Week 02

IN FOCUS this week

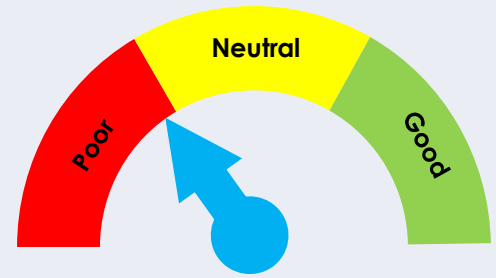
Comparison of new Alliance networks in 2025

MARKET BRIEF 2025 WEEK 02

Spot freight rates and container freight futures drifted further downwards last week, with the resolution of the ILA contract negotiations on the US East Coast removing the last catalyst for a rate rally before the Chinese New Year. The SCFI recorded its worst weekly performance since October, slipping by 8.6% last week with rates dropping across all tradelanes. Market sentiment has turned negative, with further rate cuts expected in the next 4 weeks.

Freight futures are predicting rates to fall by 55-65% over the course of this year, with the only short-term upside coming from the disruptions to services in February as 6 out of the 9 largest carriers will be reshuffling their East-West service networks due Alliance reconfigurations. Ports across Asia, Europe and North America remain highly congested and this would add the disruptions in the coming weeks with Gemini Cooperation partners facing the biggest challenges as they transition to a new integrated hub and spokes network.

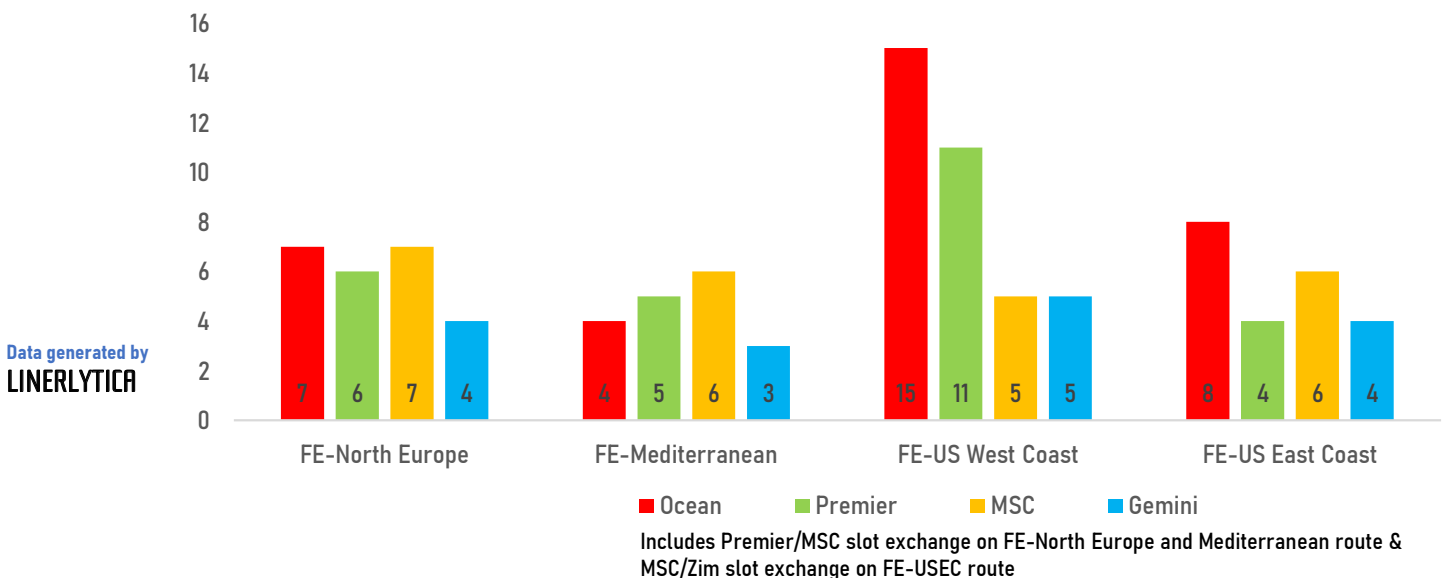
CONTAINER MARKET BAROMETER 2025 WEEK 02



OCEAN Alliance unveils Day 9 service network

The OCEAN Alliance carriers will have the largest market share and widest market coverage in 2025 after they unveiled their Day 9 product that will be launched in April this year. 3 additional Alliance services will be added to their existing service network, giving them a dominant position on the Transpacific market with 15 sailings to the West Coast and 8 sailings to the East Coast. It will also have the widest coverage to North Europe with a 7th service to be added, matching MSC's coverage that includes 4 self-operated services and slots on 3 additional services operated by the new Premier Alliance. MSC will remain the dominant carrier to the Med where it will offer 6 weekly services including slots on 2 services operated by the Premier Alliance. Gemini cooperated will become the smallest alliance with the fewest number of weekly sailings on offer in 2025.

No. of weekly services by Alliance per Trade



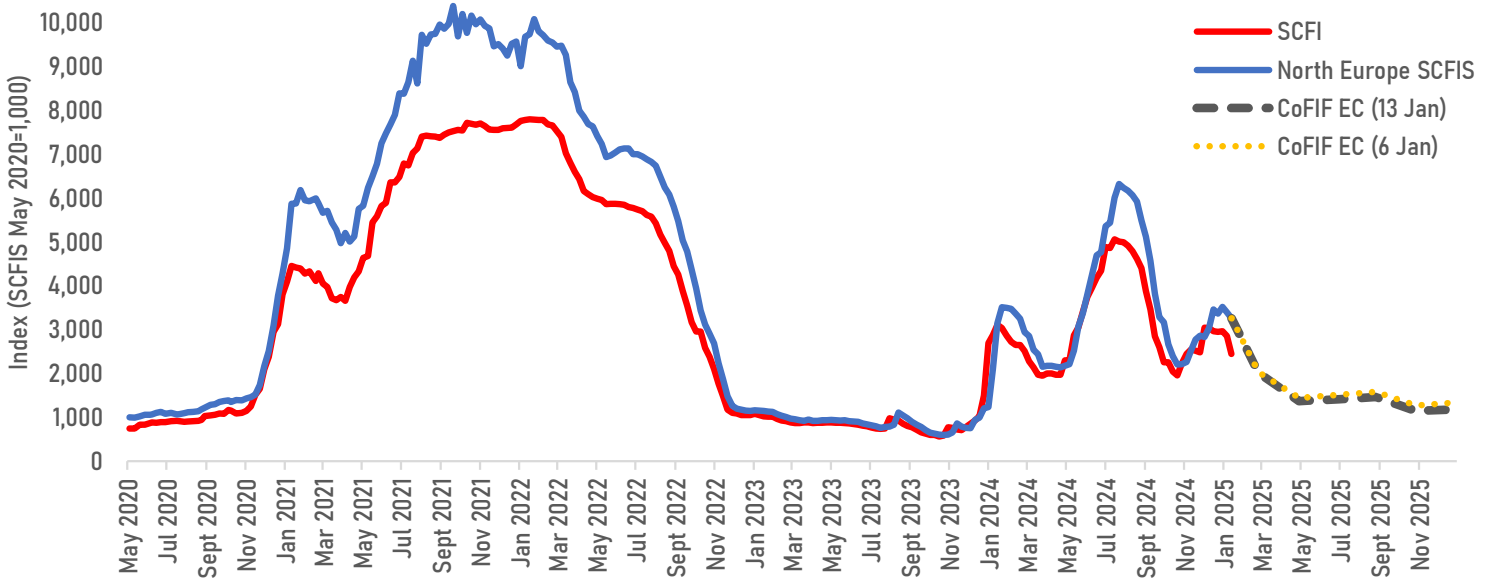
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Freight Futures in Steep Backwardation

Longer-dated container freight futures contracts for April to December 2025 fell by 5-12% week-over-week, with the futures market in steep backwardation as freight rates are expected to drop by 55 to 65% below current spot rates for most of 2025. The SCFIS recorded its second successive decline this year, dropping by a further 3.8% after last week's 3.6% fall. The resolution of the ILA contract negotiations on the US East Coast removed the only potential catalyst for a freight rate rally, with carriers expected to continue slashing rates over the coming weeks. However, EC2502 contracts were still able to hold their ground shedding just 1% over the past week, on expectations of service disruptions in February due to the Alliance reshuffling. Average daily trading volume decreased by 10% week-over-week with contracts expiring from April onwards recording an increase in open interest, driven primarily by the short sellers.

Contracts	Closing Price			Vs SCFIS 3,259	Avg Daily Volume (contracts)			Avg Daily Turnover (\$M)			Open Interest (contracts)		
	13-Jan	6-Jan	WoW		Week 1	Week 53	WoW	Week 1	Week 53	WoW	13-Jan	6-Jan	WoW
EC2502	2,021	2,033	-1%	-38%	23,217	26,882	-14%	318	399	-20%	21,715	25,477	-15%
EC2504	1,367	1,441	-5%	-58%	17,071	18,312	-7%	166	197	-16%	23,146	21,189	9%
EC2506	1,413	1,514	-7%	-57%	6,313	7,447	-15%	64	82	-22%	16,796	15,313	10%
EC2508	1,462	1,581	-7%	-55%	3,846	5,143	-25%	40	58	-31%	9,618	9,115	6%
EC2510	1,148	1,270	-10%	-65%	4,516	3,521	28%	37	32	16%	14,501	13,135	10%
EC2512	1,181	1,342	-12%	-64%	551	509	8%	5	5	-5%	1,344	734	83%
Total					55,515	61,813	-10%	629	773	-19%	87,120	84,963	3%

Shanghai-North Europe Freight Rate Trend



CoFIF Daily Closing Price

