

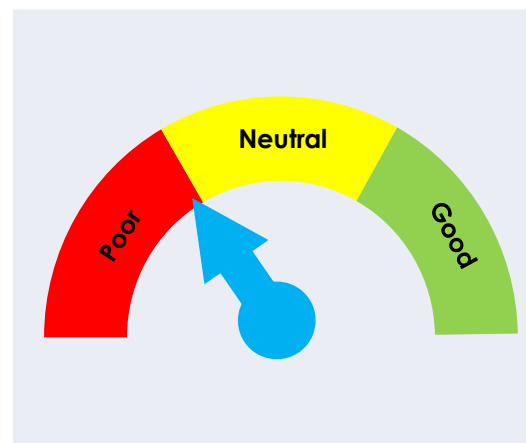
Market Pulse 2025 Week 33

MARKET BRIEF 2025 WEEK 33

The 90 day tariff extension for China moves the current US tariff expiration to 10 November 2025, but the impact on container volumes will be limited as front loading has already shifted most of the peak season cargo in June and July. Further rate weakness on the Transpacific and Asia-Europe routes were recorded last week with the SCFI slipping for its 10th consecutive weekly decline, with the composite index shedding 35% of its value in that period. Prospects for a rate rebound in September continues to recede, with carriers unwilling to take active capacity management measures to address the declining utilization rates. Gemini carriers in particular have maintained a zero blank sailing record on its core services, largely ignoring the rate slide as they continue to prioritise volumes over freight rates.

The charter market remains stubbornly resilient despite the freight market turbulence, with demand in certain Asia, Med, Middle East and Latin America corridors are still firm enough to support the high charter rates.

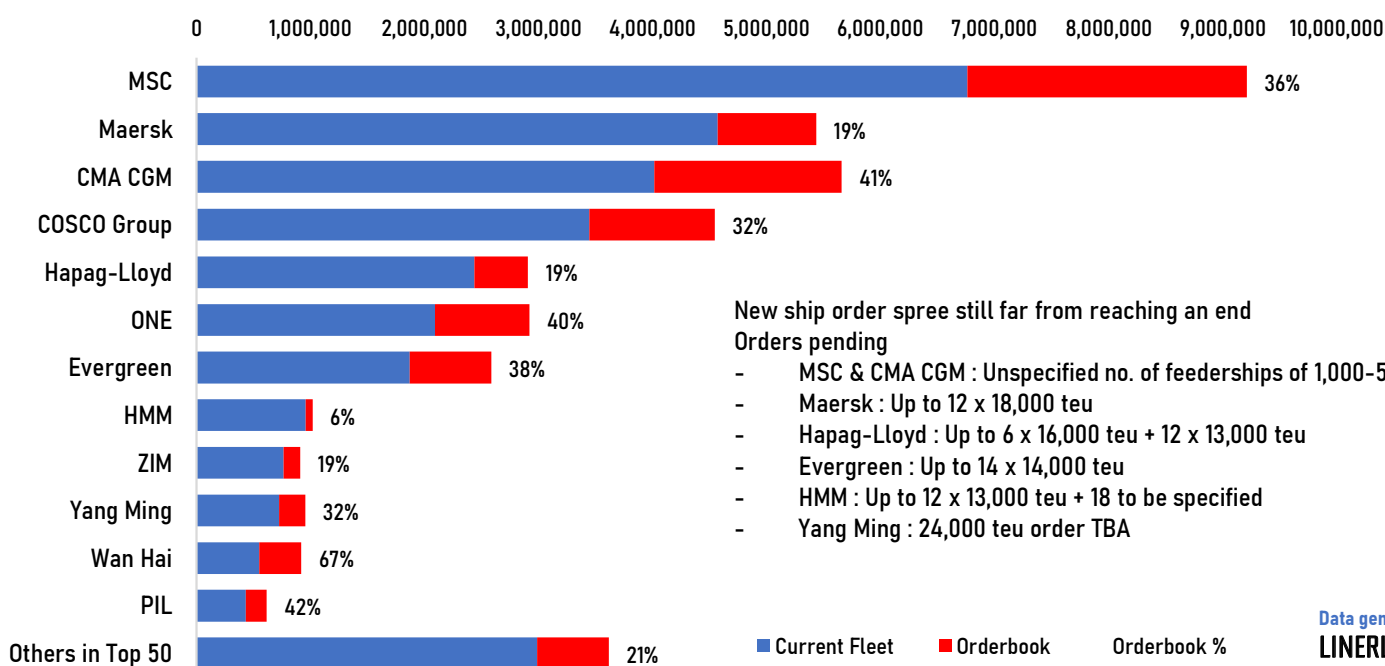
CONTAINER MARKET BAROMETER 2025 WEEK 33



Growing containership orderbook a cause for concern

The containership orderbook has reached a record high of 10.4m TEU, following the flurry of new ship orders placed in the last 12 months, with the orderbook ratio rising to 31.7% of the fleet - its highest levels since 2010. The last time the orderbook ratio exceeded this level in 2004-2009, it ended in a decade-long supply overhang that took 10 years to clear. There is still over 1m TEU of pending ship orders that are due to be added before the end of this year.

Top 12 Carriers : Operated Capacity & Orderbook in TEU (as at Aug 2025)



New ship order spree still far from reaching an end Orders pending

- MSC & CMA CGM : Unspecified no. of feederships of 1,000-5,000 teu
- Maersk : Up to 12 x 18,000 teu
- Hapag-Lloyd : Up to 6 x 16,000 teu + 12 x 13,000 teu
- Evergreen : Up to 14 x 14,000 teu
- HMM : Up to 12 x 13,000 teu + 18 to be specified
- Yang Ming : 24,000 teu order TBA

October rates set to fall in absence of capacity consensus

The benchmark EC2510 contract slipped below its key resistance level of 1,400 (roughly equivalent to \$2,000/feu) on 13 August but open interest surged above 60,000 contracts on the same day as the price decline was driven by heightened short-selling while long position holders maintained their positions. Traders are still anticipating a freight rate rebound by the end of the year with EC2512 ending the week with a 2% gain to close to 1,790 with rates expected to rebound to the \$2,500 per FEU level at the end of December.

The SCFIS benchmark slipped a further 2.5% on 18 August to 2,180, with carriers still cutting rates. Freight rates remain in flux as the delayed departure of several vessels from the preceding week may have helped to keep the SCFIS temporarily higher.

Carriers have lowered their spot rate quotations to North Europe to the \$2,500–2,700 per FEU range, although Gemini Cooperation carriers are offering rates as low as \$2,100–2,300 per FEU as they retain their zero blank sailing policy while Ocean Alliance carriers remain at the higher end of the rate spectrum with up to 25% of their North Europe sailings scheduled to be blanked in August. With carriers taking contrasting positions on capacity management, freight rates will retain its downward bias until a consensus could be found.

Contracts	Closing Price			Vs SCFIS 2,180	Avg Daily Volume (contracts)			Avg Daily Turnover (\$M)			Open Interest (contracts)		
	18-Aug	11-Aug	WoW		Week 32	Week 31	WoW	Week 32	Week 31	WoW	18-Aug	11-Aug	WoW
EC2508	2,088	2,080	0%	-4%	254	371	-31%	4	5	-31%	2,452	3,330	-26%
EC2510	1,373	1,409	-3%	-37%	38,739	41,341	-6%	370	412	-10%	53,182	56,688	-6%
EC2512	1,790	1,750	2%	-18%	6,793	5,938	14%	82	72	13%	11,796	10,238	15%
EC2602	1,538	1,517	1%	-29%	1,345	1,200	12%	14	13	12%	4,449	4,202	6%
EC2604	1,331	1,345	-1%	-39%	1,107	1,100	1%	10	10	0%	5,566	5,295	5%
EC2606	1,495	1,497	0%	-31%	122	141	-13%	1	1	-14%	847	770	10%
Total					48,360	50,091	-3%	481	514	-6%	78,292	80,523	-3%

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

