

MARKET OUTLOOK & FORECAST – AUGUST 10-23

Carriers have extended current rates through end August, but rates will continue to slide over the next two weeks. Overall demand from Asia will soften from mid-August, and will continue through the month of September. A new contract agreement between the ILWU and PMA is expected in the coming weeks, which will help to rebalance trade volumes back to the US West Coast, but given the expected slump in overall demand, this may not be enough to stem the heavy losses that rates are now experiencing. Blank sailings are expected to remain at or above 30% of the trade’s capacity as carriers continue to struggle with massive congestion-related delays particularly in the Pacific Northwest and East Coast. US Gulf services might also start seeing blank sailings in August as the number of anchored ships climb and dwell times increase.

FORWARD FAK RATE PROJECTIONS AS OF AUGUST 10

MARKET OUTLOOK – AUGUST

- Export volumes expected to weaken in August, in line with weaker demand
- Space to USEC and USWC will remain abundant in August
- Freight rates across all trades will see continued downward revisions in August