







## MARKET OUTLOOK & FORECAST – DECEMBER 9 - 20

Load factors to the US West Coast are continuing to improve as pre-Chinese New year demand rises, and carriers have not yet extended current west coast rates beyond the middle of December. For the first time in many months, services to the US West Coast may be overbooked and some rollover may occur as the month progresses. **However, it remains unlikely that carriers will be able to pass a meaningful GRI on December 15<sup>th</sup>, if any at all.** East Coast utilizations will improve but we expect rates will extend into the second half of December with relative ease, as the floor of the east coast market rates continues to decline in early December, and has not yet stabilized for the minimum two-to-three weeks required to signal rate stability. Peak volume weeks will likely be the last week of December and first week of January, so **if carriers fail to raise rates on December 15<sup>th</sup> they may have another small window on January 1<sup>st</sup>.** Following that opportunity, however, slack market conditions may persist for the foreseeable future as many factories are planning minimum one-month hiatus – instead of the traditional 2-3 week break - in light of weaker demand.

## FORWARD AVERAGE FAK RATE PROJECTIONS – AS OF DECEMBER 9