

MARKET OUTLOOK & FORECAST – MAY 11th – 24th

With carriers reducing rates less than one week before a proposed GRI-date, rates are unlikely to increase on May 15th. If blank sailings in May remain limited as they are today, rates should continue to slip, despite gains made on the demand side. There may not be as much urgency to pull rates up in mid-May since annual BCO contract window is now closing, and BCO market levels have been set. Depending on capacity in the second half of May, carriers may attempt another rate hike on June 1st. That being said, it is unlikely any increases on June 1 will exceed the all-in rate levels achieved from the April 15th GRI. Demand remains soft year-on-year, but we expect overall trade volumes to increase gradually, which puts blank sailings and capacity management back in the spotlight. Nevertheless, ***rates should continue to edge downward in the coming weeks..***

FORWARD RATE ESTIMATES – MAY 11th

TRANSPACIFIC SERVICE & PRODUCT UPDATES



- MSC has announced its Sentosa service will add a direct call at HAIPHONG starting from the sailing of the MSC ORNELLA FV319E, ETA Laem Chabang May 17th. The transit time from Haiphong to LA/LB will be 16 days, and 21 days to Oakland. The service will also alternate calls at WBCT in Los Angeles and TTI in Long Beach on a fortnightly basis. Service map can be found below, courtesy of MSC:



- ZIM has filed a Panama Canal Adjustment Surcharge effective June 6th, for all cargo originating from Far East origins destined to the US moving via Panama Canal
- CMA CGM has filed a revised Panama Canal Adjustment Factor, effective May 25th for all shipments to or via Asia to all US East Coast and US Gulf destinations