TP report for week 51

	Summary	Supplement
TP News		**Source: enews@gccports.com, S&P Global**
1	**Asia-US container rates fall 32% in latest week**	Overcapacity in the trans-Pacific container trade lanes blew up carriers' plans for November general rate increases, which had briefly pushed prices to the U.S. West Coast up to about $3,000 per forty foot equivalent unit (FEU). Rates dropped 32% last week to $1,900 per FEU, according to the latest update from Freightos (NASDAQ: CRGO) and fell an additional $100 this week, though they remain above the $1,400 per FEU yearly low from early October. East Coast rates fell 8% last week to $3,400 per FEU and are now at $3,000 per FEU this week, roughly back to early October levels. "Last week's vessel fire at the Port of Los Angeles does not seem to have had an impact on prices as operations have quickly recovered," said Freightos research chief Judah Levine, in a note to clients. Rates are now about even with levels from early October before the rollout of the latest GRIs.
2	**Suez container ships near low for all of 2025**	Transits by container ships through the Suez Canal ticked closer to a low for all of 2025 even as global carriers mulled a return to the Mideast trade route. The final week of November saw the second-lowest number of boxship transits through the waterway this year, said Xeneta Chief Analyst Peter Sand, a total of 28 containerships compared to 30 the previous week and 25 for the week of Sept. 15-21. "July had the lowest monthly number of transits, 146, marking a change of direction in the trend," Sand said on LinkedIn, quoting data from shipping agency Leth in Egypt. "An average 4.7 containerships were transiting the Suez Canal on a daily basis in July. Since then a slow-burning increase is identified, reaching 5.0 in October, before going down to 4.9 in November." Most major carriers since 2023 diverted away from the Suez/Red Sea route linking Asia to the Mediterranean, Europe and North America and around the tip of Africa. But the ceasefire in Gaza has buoyed hopes for a return after Houthi militia in Yemen sympathetic to Hamas said they would pause attacks on merchant shipping. Steamship lines have seen profits slip on higher operating expenses for the longer voyages and falling rates on headhaul routes from Asia to the United States. "On average 34.5 containerships were transiting the Suez Canal in weeks 36 through 48, a period of significant volatility," Sand said. "Seeing a highpoint by mid-November (week 46) where 43 transits took place and a low point in week 38 at just 25 container ships." Sand pointed to data from Seasearcher for the previous week that showed 39 transits through the Bab al-Mandab strait at the southern end of the Red Sea near the Gulf of Aden, to the Port of Jeddah in Saudi Arabia. But Sand said the increases weren't enough to prevent the United Nations Trade & Development (UNCTAD) port liner shipping connectivity index to drop from 557.57 in Q4-2023 to 413.52 in Q3-2025. The Suez Canal has seen a 20% increase in daily transits of all other vessels in the past six months, said Sand, from 28.3 in June to 33.9 in November.
3	**Premier Alliance adds Cai Mep call amid US import surge from Vietnam**	The Premier Alliance is adding port calls in Vietnam and Halifax to its mainline service between China and the US East Coast, part of the reshuffling of vessel services stemming from new trade flows out of Asia. Ocean Network Express (ONE) said Monday that the East Coast 2 (EC2) service jointly operated with HMM and Yang Ming will call the Port of Cai Mep in Vietnam on eastbound rotations, dropping a call at China's Port of Xiamen. The first call at Cai Mep will be the Dec. 22 departure of the 13,154-TEU HMM Victory. The EC2 will also start routing via the Cape of Good Hope in southern Africa instead of returning to Asia via the Panama Canal. Its outbound rotation will now make its last North American call at Halifax in eastern Canada, with a call to Singapore also added to the return voyage. The new rotation takes effect with the Dec. 10 departure of the 10,055-TEU Hyundai Pluto from Halifax. To accommodate the new rotation, the Premier Alliance will adjust westbound voyages of the EC1 service to include calls at Manzanillo in Mexico and South Korea's Busan that were dropped from the EC2. Premier Alliance's EC3 service out of Southeast Asia will also drop a second call at Halifax as part of its North American rotation. Along with the EC3's existing service from Cai Mep, the additional call reflects the growing trade between Vietnam and the US. Through August, Vietnamese exports to the US this year totaled $122.6 billion, according to the US Census Bureau, a 43% increase from the year-earlier period. Containerized exports to the US from Cai Mep, part of the broader Vung Tau port system in southern Vietnam, reached 35,400 TEUs in the third quarter of 2025, according to PIERS, a sister product of the Journal of Commerce within S&P Global, a 20% increase from 2024. Containerized exports from Xiamen to the US reached 194,895 TEUs in the third quarter, according to PIERS. While that is a rebound from the second quarter's 158,916 TEUs, it is 15% lower than the third quarter of 2024.
4	**Trans-Pacific carriers tweak pricing strategy to keep rates from collapsing**	Container lines over the past two months have been able to keep spot rates from crashing in the eastbound trans-Pacific despite US imports from Asia falling and while they deployed significantly more tonnage in the same period. But that high-wire act will become increasingly precarious over the next two months. Import volume declines are expected to accelerate over the next 60 days as forwarders bemoan a deep lull in new bookings due to shipper uncertainty. Yet carriers plan to keep capacity elevated, with tonnage from Asia to the US West Coast set to rise almost 13% year over year in January to hit what would be close to a 37-month high, according to data from Xeneta's eeSea. The additional tonnage comes ahead of Lunar New Year in mid-February, but forwarders are skeptical that the historical shipping rush before Chinese factories slow or halt production for the celebrations will have much oomph. Ocean tonnage from Asia to the US East and Gulf coasts is set to hit a two-year high in January, up 14% from a year ago, according to eeSea. The spot rate from China to the US West Coast hit its 2025 low point on Oct. 3 at $1,300 per FEU, according to Platts, a sister company of the Journal of Commerce within S&P Global. In the two months since, carriers have been able to hold that line, with the rate bouncing as high as $2,220 in early November before retreating. It was at $1,500 per FEU as of Tuesday. Carriers have been able to avoid a sub-$1,300 market by resisting old urges to slash freight-all-kinds (FAK) rates. Instead, carriers have watched prices drift down and then reacted by adding some pep via general rate increases (GRIs) that were just successful enough to keep spot and FAK rates from collapsing. At the same time, liners have been protecting their individual market shares by offering so-called bullet rates to non-vessel-operating common carriers (NVOs).
5	**Global container volume growth slows on US, EU declines**	Global container volume growth in October fell to its slowest pace since February as increased trade in Asia, Africa, the Middle East and Latin America was offset by falling US and European imports, according to new data from Container Trades Statistics (CTS). Global volumes expanded 2.1% year over year in October, with volumes in the first 10 months up 4.4% compared with a year earlier, according to CTS. The softer global growth in October pulled the 12-month rolling average down to the lowest level in 20 months, according to Simon Heaney, senior manager of container research at Drewry. Global container growth slows in October Monthly Global containerized volume, with year-over-year change "Regional container trade growth in 2025 is increasingly asymmetric, with economies commonly grouped — albeit loosely — under the term 'Global South' pulling decisively ahead of their 'Western' counterparts," Heaney said. Import volumes into North America in October fell 6.7% compared with October 2024, while exports from Asia to Europe fell on a year-over-year basis for the first time since February, dropping 3%, according to CTS. But the plunge in US imports has been the biggest drag on global container volumes. US import volumes are on track to end the year down 1.4% at 25.2 million TEUs, according to the Global Port Tracker released Monday. Moody's Ratings on Nov. 18 warned that US import volumes in 2026 will be flat to down 2% from this year Comparably, shipowner association BIMCO forecasts that global container volumes will expand 2.5% to 3.5% next year, while volumes will end this year up 4.5% to 5.5% from 2024.
6	**Vancouver's new scheduling system gives 96-hour advance notice of vessel arrivals**	The completion of a centralized scheduling system at the Port of Vancouver will provide marine terminals with at least four days of advance notice of container ship arrivals, allowing for better labor and equipment planning to mitigate import surges. The system, launched two years ago by the Vancouver Fraser Port Authority, helps coordinate the five different types of vessels, ranging from bulk to cruise ships, that call on some 29 marine terminals in three different districts. The port also presents unique navigational challenges, from confined waters to changing river flow conditions, said Capt. Gord Cooper, chair of the Fraser River Pilots Committee. Through the centralized scheduling system, the nearly 450 port stakeholders now have a "port-wide view" of vessel arrivals, said Sean Baxter, the port's harbor master and director of marine operations. Similar to other North American West Coast ports, Vancouver experiences seasonal container cargo surges tied to the pre-Lunar New Year and holiday shipping seasons. Baxter said the centralized scheduling system will allow vessel operators to optimize vessel speeds when moving to berth or anchorage, terminal operators will have greater visibility to vessel arrivals and Canadian National Railway (CN) will be better able to handle CN trains run over the Second Narrows Rail Bridge, which must be raised regularly to allow vessels to pass underneath.
7	**US container volumes set for weak 2026 amid ongoing trade uncertainty**	US ports face another down year for volumes in 2026 due to ongoing uncertainty over the direction of US trade and tariff policy, according to an S&P Global credit outlook. The forecast drop in container volumes echoes similar outlooks from major US port operators whose fortunes are not expected to turn around until 2027. S&P Global Ratings said Tuesday that while US economic output and employment are expected to remain stable through next year, ports face a down year as the Trump administration's wide-ranging tariffs against most US trade partners likely make shippers cautious and continue to reshore production. Trade with China might stabilize in 2026 due to the trade deal the US struck with China through next November, S&P Global Ratings said. But tariffs against China and other trading partners remain at record high levels, forcing shippers to be cautious. A US Supreme Court ruling against Trump's tariffs could reignite cargo shipments, the outlook said. Nevertheless, S&P Global said US port container volumes will decline 2% in 2026. The outlook calls for a rebound in volume of 6% in 2027 on the hopes of a more stable trade policy. The outlook did not include actual volume figures.
TP Market dynamics		**Source: China Shipping Gazette, S&P Global**
1	**Cosco Shipping inks $7 billion deal for big fleet expansion**	China Cosco Shipping Group has signed a $7 billion deal with China Shipbuilding Group for a massive fleet renewal and expansion covering 87 ships, including container ships and multipurpose vessels, that is the largest single order for new ships ever placed with the Chinese shipbuilder. The deal could also mark a departure for Cosco Shipping because its most recent container ship orders, including a deal for 14 18,500-TEU container ships placed in April, have been contracted with Cosco's own shipyards including Dalian COSCO KHI Ship Engineering Co. and Nantong COSCO KHI Ship Engineering Co. "This new shipbuilding cooperation is a milestone in the joint development of the two groups," China Shipbuilding said in its statement. Container ship orderbook hits 30% of total in-service fleet fleet Global container ship capacity in service measured in TEUs and on order as a percentage of the total in-service fleet Globally, there are currently 10.4 million TEUs on order, equivalent to 32% of the existing fleet, according to Sea-web, a sister company of the Journal of Commerce within S&P Global. Cosco Shipping Holdings is currently the world's fourth-largest container line with an in-service fleet totaling 3.45 million TEUs and a further 722,000 TEUs on order, according to Sea-web. Cosco Shipping Specialized Carriers has more than 150 ships, including MPVs and 20 heavy-lift semi-submersible ships.
2	**Report: Container Majors Are All Interested in Buying Zim**	Just days after the board of directors of the Israeli shipping company Zim confirmed they were considering alternatives for the future of the company, a report surfaced saying the industry majors are all expressing interest in the company. A sale of Zim, which is publicly traded on the New York Stock Exchange, however, would be complicated by the strategic importance of the company to Israel and restrictions placed by the government. The Israeli news outlet Globes reported today, December 4, that Hapag-Lloyd has made an offer, although they believe it is "in the initial stages and negotiations have yet to begin." Globes also reports that Maersk and MSC Mediterranean Shipping Company have also expressed initial interest. MSC, which is a private company, has long been reported to have significant investors from Israel. The brewing bidding war for the ninth-largest container carrier was set off by the company's current president and CEO, Eli Glickman, who has led the company since 2017. Glickman is reported to be working with Israeli investor and shipping magnate Rami Ungar and made an offer that also includes other Zim senior executives to the board of Zim to acquire the company. The board confirmed on November 25 that it had received the offer and was looking at its alternatives. Glickman is credited with leading a turnaround of a nearly bankrupt carrier and turning it into a strong niche competitor. In addition to maintaining a critical lifeline for Israel, Zim has grown offerings such as its express container service targeted at Asian electronics manufacturers, and is among the first companies to adopt LNG and new technologies. The Gaza war and the overall market pressures in the container sector have made Zim a volatile investment since it went public in 2021, which was also compounded by the decision of long-time investor Idan Ofer's Kenon Holdings to liquidate its Zim holdings in 2024. An acquisition of Zim could be complicated by a Special State Share that was issued to the Israeli government in 2004 when the company was privatized. A potential buyer that would exceed 24 percent of the stock must first notify Israel, and a position over 35 percent requires Israeli approval. The special share requires the company to remain incorporated in Israel, and at least a majority of the members of the Board of Directors, including the chairperson of the board and chief executive officer, must be Israeli citizens. The company must also maintain a fleet of at least 11 vessels, with at least three being cargo vessels, but it currently has a waiver permitting it to own fewer than the required number of ships. The State of Israel must also consent in writing to any winding-up, merger, or spin-off unless the Special State Share would remain effective.

3	**Zim faces proxy fight after rejecting CEO’s buyout bid**	A group of shareholders has launched a proxy fight to get their candidates elected to the board of Zim Integrated Shipping Services after the ocean carrier rejected an initial buyout offer from its chief executive as too low and continues to review other potential bids. The Israel-based ocean carrier said in a statement Tuesday that a proxy advisor recommended shareholders reelect eight current board members at the company’s Dec. 26 annual meeting. The advisor also recommended that Zim shareholders vote against a slate of three directors nominated by an investor group that “made no attempt to work constructively with the board nor provided any suggestions for improving the company’s business or any other insight into how to create long-term value for shareholders,” Zim said. The investor group — Mor Gemel & Pension Ltd., Reading Capital Ltd., and Sparta 24 — said in a letter nominating its candidates that it holds 5% of the company’s stock, Zim said. The investor group did not release the required stock exchange disclosures or a public statement about its proxy fight. There was no contact information available for the investors. The investor group put up their nominees after a report that Zim Chief Executive Eli Glickman made a buyout offer that was less than the company’s cash balance, Zim said in its statement. While Zim evaluated Glickman’s proposal, it “unanimously determined that it materially undervalued the company,” the carrier said. “The rumor that the board was willing to accept such an undervalued bid was clearly false,” Zim said. The investor group wants the company to issue a special dividend, Zim said, which would undermine Zim’s “liquidity and create substantial risk to shareholder value given our charter-intensive model, which requires adequate cash to navigate industry cycles.”
4	**CargoWise’s pricing model change could mark final milestone in market ascent**	The number of complaints from forwarders about last week’s pricing model change by software provider WiseTech Global is an indication that the company’s flagship product has reached a level of market penetration that many technology companies can only dream of. There’s a saying in technology circles that software companies want their products to be so successful that everyone grumbles about them. That scenario generally only occurs when a product is so ubiquitous that it’s hard to envision an industry using anything else. CargoWise occupies that place in the world of forwarding. Simply put, most forwarders of any size and scale are using CargoWise for something, whether it be back-office accounting, transportation management, trade compliance or some mix of all three. By some estimates, CargoWise has as much as a 70% share of the forwarding software market, dwarfing the market share that even the largest forwarder, DSV (a current CargoWise customer) has over the logistics industry. Which means that WiseTech Global, with a $16 billion market capitalization, has a more dominant position in its market than its largest customer — with a $60 billion market cap – has in its market. That explains, in part, why something as seemingly banal as a change in the way WiseTech prices its product has created such a furor. Over the past three decades, a small software provider to Australian forwarders has morphed into a global technology powerhouse, a brand everyone loves to hate, because so many people must use its products. WiseTech’s fortress is, in part, built around a string of acquisitions of country-specific customs software vendors it made over the past dozen years. Those acquisitions give WiseTech direct connections to customs authorities that its competitors mostly lack, allowing its customers to remain compliant in a range of export and import markets. The importance of this network of customs capabilities can’t be understated — without it, forwarders struggle to help their customers clear regulatory authorities in key markets. That, along with general ledger and accounting functions upon which many forwarders base their operations, creates a scenario that makes it difficult for forwarders to switch to other solutions. As one forwarder put it to the Journal of Commerce: “It would be like ripping out a person’s circulatory system while the person was still alive. ”

Carrier indications for fixed levels

1	Regarding the price increase on December 15th, the base pricing is expected to be in the range of $2200-$2300 for the US West Coast and $3100-$3200 for the US East Coast. After the price hike, it is highly likely that FIX space will be opened to attract cargo. The actual quotes on the 15th will be at the Fix rate level, and it is anticipated that FAK rates will soon fall below the Fix rate.
2	In early January, shipping carriers are likely to raise prices again, with an increase of $200–$400 compared to late December rates, forming a pattern of gradual price hikes. January 15th is the peak shipping period before the Lunar New Year, making another substantial price rise highly probable.