TP report for week 01

	Summary	*Supplement*
TP News		**Source: enews@gccports.com, S&P Global**
1	**Carriers look to higher rates, fewer sailings on key Asia-US route**	Capacity reductions and an array of announced blanked sailings on the trans-Pacific have so far failed to bolster recent general rate increases (GRIs). “Last week West Coast rates retreated 6% from a start of the month GRI bump, to $1,963 per FEU (forty foot equivalent unit),” said Freightos Head of Research Judah Levine, in a note to clients. “ Prices to the East Coast increased 8% to $3,150 per FEU this week, but are down 15% from a month ago. Despite that sawtooth profile, “carriers have succeeded in keeping rates above October lows of $1,400 per FEU and $3,000 per FEU, respectively, likely with benefits of higher rates for short periods in between the dips.” Carriers walk a fine line with GRIs, which can push some shippers to lower spot rates for their short-term needs. About 60% of cargo moves under contract, and 40% under spot rates although those figures can fluctuate when capacity is tight. Concurrently, analysts say capacity issues are exacerbated by liners continuing to deploy new tonnage in a soft market. “Slumping Q4 demand, in addition to growing fleets, is an important factor to rate levels,” Levine said, “making planned mid-month GRIs unlikely to hold and a more sustained rate rebound more likely only as we get closer to Lunar New Year.” That’s when shippers rush to move orders before Chinese factories close for two weeks. A wildcard that’s clouding demand forecasts is a reported pause in imports by U.S. manufacturers, a percentage bet that duties will fall if the U.S. Supreme Court rules against President Donald Trump’s emergency tariffs. That decision isn’t expected until January at the earliest, and there is speculation that the administration will seek another avenue to restore those levies. But Neale Mahoney, director of the Stanford Institute for Economic Policy Research, told a Freightos webinar that Trump could use the court’s decision as a tariff off-ramp as he faces increasing criticism over cost of living concerns. The rate situation is different on Asia-Europe lanes, where prices have maintained their increases from recent GRIs, Levine said, despite overcapacity. Rates on the Asia-Mediterranean lane were unchanged this past week at $3,342 per FEU after climbing 15% to start the month for its fourth consecutive successful GRI since mid-October, said Levine, following falling prices that dipped to a year-low of about $2,000 FEU.
2	**Premier Alliance trims Asia-Europe port calls in new 2026 network**	While the alliance of HMM, Ocean Network Express (ONE) and Yang Ming will strengthen its presence in Southeast Asia, the refined network that was unveiled earlier this week and will be put into play in April has removed several direct calls in other parts of Asia, according to Alphaliner. “This will be compensated for by more feeder services calling at Busan for transshipment to and from Kaohsiung, Xiamen and the Japanese ports of Tokyo, Kobe and Nagoya,” the analyst wrote in its latest newsletter. The Gemini Cooperation alliance of Maersk and Hapag-Lloyd uses a hub-and-spoke approach, with its east-west network consisting of 29 mainline services and 28 intra-regional shuttle services. The carriers wholly or partly control the hub terminals where Gemini ships call, with Maersk controlling most of the shuttles that make up the spokes. “While not adopting the hub-and-spoke principle applied by the Gemini Cooperation, some [Premier Alliance] Asia-North Europe loops will only have five ports in their rotation,” Alphaliner noted, adding that the Asia-Europe trade was most affected by the network revision. For example, the Asia-North Europe leg will be maintained as a dedicated Southeast Asia-North Europe FE1 loop calling at five ports — Laem Chabang (Thailand), Cai Mep (Vietnam), Singapore, Rotterdam and Hamburg before returning to Singapore and Laem Chabang. The FE4 loop from April will also have a limited rotation, with calls at Shanghai and Busan on the Asian side and at Rotterdam, Hamburg and Le Havre in Europe. On the FE3 loop, Busan, Shanghai and Xiamen will be removed, with the Asian rotation including stops at Qingdao, Ningbo, Yantian and Singapore. The European rotation will become Algeciras (Spain), Felixstowe (replacing Southampton), Hamburg and Antwerp (replacing Rotterdam). Another change is that the vessels will return directly from Antwerp to Qingdao, skipping current eastbound calls at Singapore and Yantian.
3	**Despite headwinds, Port of Los Angeles nears 10M TEUs**	Tariffs, trade intrigue, economic uncertainty – even a ship fire – won’t keep the Port of Los Angeles from turning in one of its best years ever in 2025. The leading U.S. import gateway processed 782,249 twenty foot equivalent units (TEUs) in November – down 12% from year-ago levels elevated by frontloading – pushing total traffic to 9,447,731 TEUs, 1% ahead 2024 with one month still to be counted. “Even with all the trade uncertainty, we’ll finish 2025 north of 10 million TEUs, putting this year firmly in our top three of all time,” Port Executive Director Gene Seroka said in a media briefing. “All that cargo moved without congestion and not a single ship backed up. He credited resilient consumer spending, as well as the work of longshore labor, truckers, terminal operators, rail partners and other stakeholders for the banner year, adding 200,000 importers and exporters do business with the port annually. Seroka also said a recent fire aboard the container ship ONE Henry Hudson had no measurable effect on port operations. No injuries were reported in the Nov. 21 blaze, and crews continue to salvage the ship’s cargo. November loaded imports came in at 406,421 TEUs, 11% lower y/y. Exports numbered 113,706 TEUs, off 8%, while empties, an indicator of future import volume, fell 13% to 262,122 units.
4	**Ocean rates: New Year promises a good ‘blanking’ for US East Coast**	Ocean container rates got a pre-holiday bump in the latest week’s data as inbound Asia traffic continues to run stronger to the East Coast while carriers look ahead to the New Year for improvement on the West Coast. Asia-West Coast spot rates for the week ending Dec. 14 climbed $366, or 21.3%, to $2,086 per twenty foot equivalent unit on capacity that was broadly steady, up less than 1% to 301,668 TEUs, according to analysts Xeneta and eeSea. That put rates narrowly higher from November, up $45 or 2.2% as capacity fell by 7% or 22,734 TEUs. Rates were only ahead $100, or 5%, as capacity fell by 0.4% from December 2024. Approximately 40% of global container traffic moves under spot rates, when shippers require capacity on short notice, or when cargo is rolled, or bumped, from a previously scheduled service. In a weak market, spot pricing can offer leverage for cargo owners looking to negotiate better long-term deals with carriers. On the East Coast, weekly spot rates gained $463, or 18.4%, to $2,982 per TEU as capacity swelled by 12,556 TEUs, or 7.2%, to 186,898 TEUs. Rates increased $236, or 8.6% month-on-month, as capacity rose by 12,913 TEUs, or 7.4%. Since Dec. 1 rates are better by $136, or 4.8% on capacity that added 15,792 TEUs, up 9.2%. Xeneta noted many departure delays out of the East Coast, which pushed offered capacity into the next week. “Capacity offered from Far East to U.S. West Coast is expected to increase 10.4% in January compared to December, with blanked capacity decreasing 48.5%,” said Peter Sand, chief analyst for Oslo-based Xeneta, in a research note. “It’s a different story into the U.S. East Coast with 162,219 TEUs of blanked capacity announced for the next eight weeks. “There is a distinct difference in the services offered into U.S. East Coast and U.S. West Coast and the way carriers are managing capacity. This is motivated by underlying stronger demand into the East Coast, with the West Coast more sensitive to U.S.-China geopolitical tensions.” Separately, the North Europe to U.S. East Coast rate for the week was unchanged at $1,566 even as capacity fell by 3,081 TEUs, or 6.2%, to 46,773 TEUs. Since November, rates were slightly lower by 1.2% despite capacity that tumbled by 21.8% or 13,047 TEUs. Rates sank by 1.1% y/y as offered capacity slipped by 6.9%. On Asia-Mediterranean trade routes, rates climbed 18.9%, 38% and 18.4% for the week, month and year on capacity that grew 7.4%, 8.6%, and 26.1%.
5	**Port Houston November volumes dip, but exports up 8% year to date**	Cargo volumes at Port Houston softened in November amid seasonal and market headwinds, but year-to-date totals remain strong and on track for another record year, port officials said. The port handled 335,275 twenty-foot equivalent units (TEUs) in November, a 9% year-over-year decline compared with the same period last year. Port Houston also handled 4.19 million short tons during the month, a 15% year-over-year decrease, reflecting slower trade flows late in the fall shipping season. The November slowdown comes as Gulf Coast ports adjust to softer late-year demand, while export-heavy trade lanes — particularly resin, energy-linked manufacturing and freight tied to global supply chains — continue to underpin Port Houston’s year-to-date gains. The port remains a critical outlet for U.S. exports moving into Latin America and Mexico, even as import volumes cool and global trade flows normalize after earlier disruptions. In November, loaded imports fell 12%, while loaded exports slipped 2%. Even so, export demand tied to resin and other Gulf Coast manufactured goods helped keep outbound volumes elevated, supporting the year-to-date export gains. Through November, Port Houston handled 3.97 million TEUs, a 5% increase year over year, positioning the port for another record container year despite recent volatility in global trade flows.
6	**US rail shipments down 7% in last full week**	Rail traffic on U.S. railroads totaled 487,138 carloads and intermodal units in the last full week of 2025, down 7% compared with the same period a year ago. Total traffic for the week ending Dec. 20 was 206,674 carloads, according to the Association of American Railroads, down 10.5% y/y. Intermodal units numbered 280,464 containers and trailers, a decrease of 4.3%. Grain led just two carload gainers, up 5.9%, and motor vehicles and parts, 1.1%. Coal topped losers, 15.7% weaker y/y, followed by chemicals and forest products, at 15.7% and 7.1%. Through the first 51 weeks of 2025, U.S. railroads reported cumulative volume of 11,320,426 carloads, up 1.5% y/y, and 13,851,979 intermodal units, ahead 1.6%. Total combined traffic was 25,172,405 carloads and intermodal units, better by 1.5%. North American rail volume for the week on nine reporting U.S., Canadian and Mexican railroads totaled 310,557 carloads, down 8.7%, and 361,679 intermodal units, a decline of 3.9% from 2024. Total combined weekly rail traffic in North America fell by 6.1% to 672,236 carloads and intermodal units, while year-to-date shipments came to 34,645,846 carloads and intermodal units, up 1.4%
TP Market dynamics		**Source: China Shipping Gazette, S&P Global**
1	**Hapag-Lloyd to expand feeder fleet with new methanol-ready ships**	Hapag-Lloyd is making its biggest bet on methanol’s future as a ship fuel with plans to spend $500 million building eight dual-fuel feeder vessels, adding to its alternative fuel fleet that currently leans on liquefied natural gas (LNG). The carrier said in a statement Friday it has contracted with Chinese shipyard CIMC Raffles for the construction of the eight newbuilds, which will have 4,500-TEU capacity. The ships are expected to be delivered in 2028 and 2029. The dual-fuel ships are 30% more efficient than older vessels, Hapag-Lloyd said, noting that under methanol propulsion, the ships will lower their carbon dioxide output by 350,000 metric tons per year, which is the output of approximately 76,000 vehicles. The newbuild order will be Hapag-Lloyd’s second big move into methanol. A year ago, it announced plans to retrofit five of its post-Panamax chartered ships into dual-fuel methanol, along with a long-term supply deal with Chinese methanol producer Goldwind. In addition to the eight newbuilds, Hapag-Lloyd said it entered long-term charters on another 14 newbuilds between 1,800 TEUs and 4,500 TEUs of capacity. CEO Rolf Habben Jansen said in the statement the newbuilds and new charters will put Hapag-Lloyd on track to meet the International Maritime Organization’s target for net-zero shipping emissions by 2045. “The new ships will help replace older tonnage, further decarbonize the Hapag-Lloyd fleet, and reduce our dependence on the charter market,” Habben-Jansen said. “What’s more, operating these state-of-the-art ships will be much more cost-efficient.”
2	**Maersk, Hapag-Lloyd drop US East Coast city from trans-Atlantic services**	Maersk and Hapag-Lloyd are eliminating calls at the port of Baltimore, among several changes to their Gemini cooperation’s North Europe-North America services. To better align with customer needs, Philadelphia will replace Baltimore on the TA3 service, Maersk (MAERSK-B.CO) said in a customer advisory Monday. The new rotation is Southampton – Rotterdam – Hamburg – Wilhelmshaven – Newark – Norfolk – Philadelphia – St. John – Southampton. The new schedule kicks off with the sailing of the Maersk Fredericia from Southampton Jan. 4. Hapag-Lloyd (HLAG.DE) in an update said its North Europe–North America AL1 service and Americas Service Northbound Service (USW) will omit Baltimore “for schedule recovery”. The changes comes as the Maryland port continues to recover from the collapse of the Francis Scott Key Bridge in 2024, which is now expected to take longer and cost more than originally planned. At the same time, CSX recently restarted operations on the city’s Howard Street tunnel following construction to clear the century-old bore for doublestack trains along the I-95 corridor. That was projected to boost Baltimore volume by as much as 160,000 containers per year. Baltimore has long been known as the leading Northeast ro-ro hub, with vehicle traffic compromising more than 50% of all cargo, according to some reports. In 2024 Baltimore handled approximately 750,000 cars and light trucks as well as 850,000 tons of farm and construction equipment, second to Brunswick, Ga., among U.S. gateways. Disruptions from the Key bridge collapse hurt container throughput, which fell 41% from a record 1.26 million TEUs in 2023 to an estimated 741,215 TEUs.
3	**ONE returns to Red Sea with new service**	Ocean Network Express plans a return to the Red Sea with the launch of the new RCS (Red-Sea China Service). The announcement comes as part of a slot charter agreement with Regional Container Lines – and several other carriers – on its RCL China Red Sea Service inaugurated in November. “This new service has been introduced to meet the demand between China and Red Sea ports, allowing us to better serve our customers with optimized network coverage and reliable shipping solutions,” Singapore-based ONE said in a release. Interest in a return to the Red Sea has picked up following a ceasefire in the Gaza war. Yemen-based Houthi rebels said they would end attacks on shipping as long as the ceasefire holds. Vessel arrivals in November at the Gulf of Aden dropped by 65% compared to the same month in 2023, according to shipping consultant Clarkson, shortly before the Houthis began their attacks. Notably, the new service does not transit the Suez Canal. The fortnightly service commences with the sailing of the SSF Dream from Shanghai on Jan. 15. The eight-week rotation is Shanghai, Qingdao, Nansha and Shekou in China; Jeddah (Saudi Arabia), Sokhna (Egypt), Aqaba (Jordan) and return via Jeddah, Shanghai and Qingdao.
4	**Evergreen to invest $174 million on new containers**	Taiwan's Evergreen Marine is paying $174 million to buy 52,000 dry freight and reefer containers, the carrier said in a Taiwan stock exchange filing. Evergreen said the container orders were split between three different suppliers, including its own manufacturing subsidiary Evergreen Heavy Industrial Corporation based in Malaysia. The largest of the three orders, worth almost $65.6 million, was placed with Dong Fang International Container (Hong Kong) for 12,000 dry freight and 7,000 reefer containers. Evergreen Heavy Industrial Corporation (Malaysia) secured a $57.3 million contract to supply 18,000 containers, although Evergreen did not specify the size or type of boxes. The final order, valued at $51.2 million, was awarded to China’s Guangdong Fuwa Equipment Manufacturing Company for 12,000 dry cargo and 3,000 reefer containers. The purchase of the containers coincides with a significant fleet expansion by Evergreen, which is set to take delivery of 846,000 TEUs of additional shipping capacity through 2030. Weak outlook for 2026 The container orders from Evergreen come as Hong Kong-listed box maker Singamas Container Holdings and maritime consultancy Drewry have predicted a weaker outlook for the container market after output peaked at 8.3 million TEUs in 2024. The impact from the overproduction of dry freight containers in 2024 “ is becoming increasingly apparent, with supply significantly outstripping demand, resulting in selling prices trending downward,” Singamas said in a market commentary.

5	**Hapag-Lloyd, ONE expands terminal networks with deals in Brazil, China**	Hapag-Lloyd and Ocean Network Express (ONE) are expanding their container terminal portfolios with separate deals for facilities in Brazil and China, the carriers announced Tuesday. In Brazil, Hanseatic Global Terminals, Hapag-Lloyd’s ports division, has signed a joint venture agreement with the Imetame Group to take a 50% stake in Imetame Logística Porto (ILP), which focuses on container terminal operations. Under the deal, Hanseatic and Imetame will build and operate the 1.2 million-TEU capacity Hanseatic Global Terminals Aracruz container terminal at Aracruz in Brazil’s Espírito Santo state, about 310 miles north of Rio de Janeiro. The two companies declined to disclose the cost of the project, although local sources estimated the terminal would cost $486 million to build. The facility, with 2,461 feet of quay and water depth of 56 feet, is expected to start operations in mid-2028 and handle breakbulk in addition to containerized cargo. “Latin America is a key strategic market for Hanseatic Global Terminals and Hapag-Lloyd,” Dheeraj Bhatia, Hanseatic Global Terminals CEO, said in a statement. “Our joint venture with the Imetame Group and the development of a new transshipment hub and gateway port on Brazil’s east coast strengthens our terminal portfolio while addressing capacity constraints in a growth region.” Operations at some of Brazil’s existing ports, including Santos and Navegantes, are often disrupted due to bad weather, congestion and port construction work, according to advisories published by Hapag-Lloyd and forwarder Kuehne + Nagel. The investment in the Aracruz terminal project is part of a Hapag-Lloyd plan announced by CEO Rolf Habben Jansen last March to expand its ports network to more than 30 terminals by 2030. ONE extends terminal holdings Meanwhile, ONE has bolstered its container terminals portfolio after signing a deal to take a minority stake in Dalian Container Terminal (DCT) in northern China, the Singapore-headquartered carrier said.
Carrier indications for fixed levels		
1	Regarding the rate increase on January 1st, 2026 YML USWC $3100 USEC $3950 GULF $4050 MSC USWC $3000 USEC $3850 GULF $3950 ONE USWC $3000 USEC $3850 GULF $3950	