CONNECTING THE SHIPPING COMMUNITY

Seminar on International Port Strategy

“Resilience”

APEC – IAPH – Antwerp Management School (C-MAT) – Port of Antwerp Bruges

14 May 2024

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www.axsmarine.com

You might know us better as Alphaliner, part of AXSMarine

2M / Zim - Us Gulf-South China Express (TP-88 / Pelican / ZGX)

Am

Service Overview

Coverage	**Asia / North America services with USEC calls**
Type	**Full Container**
Sailling Frequency	**every 7 days**
Duration Of Rotation	**77 days**
Proforma fleet	**11 ships (from 8,189 - 9,784 teu)**
Weekly Capacity (one way)	**8,802 teu**

Current Service Participants

Carrier	Status	Service Branding	Remar
Zim	Vessel provider	ZGX	
MSC	Vessel provider	Pelican	
Maersk A/S	Vessel provider	TP-88	

Port Rotation

- Xiamen, Yantian (Shenzhen), Busan New Port, Houston, Mobile, Tampa, Balboa, Busan New Port, Xiamen

Comments

Comments - Service Chronology

- Aug 2019 - Service organized by 2M and Zim, superseding for 2M the existing 'TP-18 / Lone Star' service (See details) (See news).
- Jan 2021 - Manzanillo (Pan) removed (See news).
- July 2023 - Rotation up from 10 to 11 weeks. 11th ship added.

Ships deployed

Inject

	Vessel name	Fav	Blt	Flag	Dwt	Teu	14T	Spd	Gear	Operator	Open
☑	ZIM HONG KONG	☆	05	DEU	110,860	9,784	6,970	25.0	No	Zim	01-30 Apr 24
☑	ZIM NEWARK	☆	05	DEU	109,835	9,784	6,970	25.0	No	Zim	01-30 Nov 24
☑	ZIM WILMINGTON	☆	14	MHL	112,171	9,034	7,428	22.0	No	Zim	01-30 May 26
☑	MSC JASPER VIII	☆	09	PRT	108,804	8,814	6,923	23.0	No	MSC	(own)
☑	TYNDALL	☆	14	LBR	116,058	8,704	7,200	21.9	No	Maersk A/S	01-31 May 26
☑	ZIM SHENZHEN	☆	11	HKG	102,518	8,586	6,100	25.2	No	Zim	01-31 Mar 29

ALPHALINER | News | Vessel Manage | Order Book | Services | Owners | Operators | Fixtures | Sales | TOP 100 Top 100 | Port 1 | Vessel Desc 1

Search for Port, Vessel, Operator, ...

Ves

Vessel Description | Trade history | **AIS Position** | Documents | Data amendments

MSC JASPER VIII TEU 8,814 BLT 2009 ROUTE FE-N AMERICA

Vessel information

Alphaliner Information

IMO	9466960	TEU	8,814
Built	2009	Loa	332.40
Max draft	14.50	Beam	43.20
Max speed	23.0		

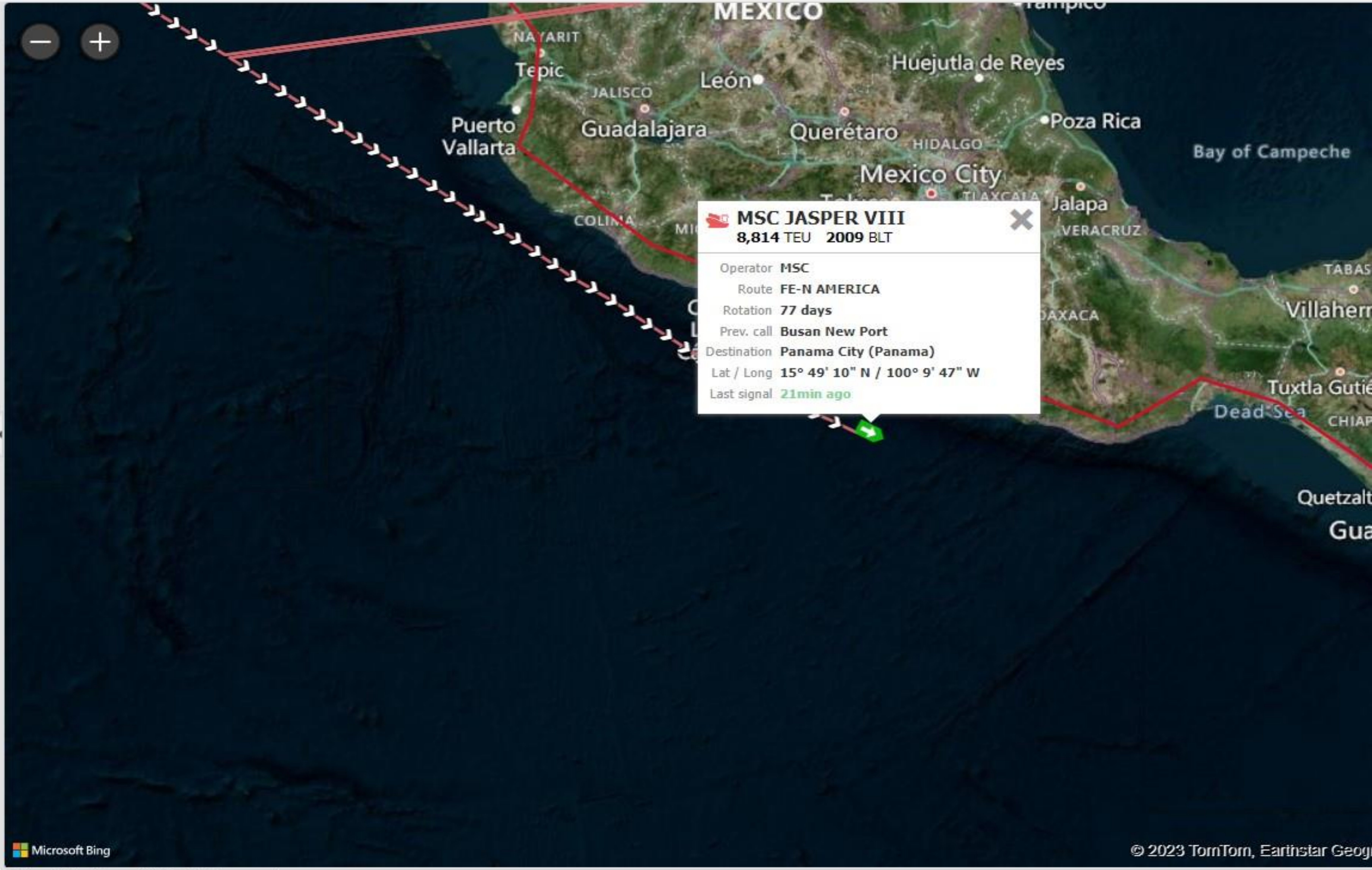
AIS Information

MMSI	255806034
Draft	12.3 mtrs (85% of max)
Draft Change	-0.1 mtrs (2h 53min ago)
Speed	19 kts (83% of max)
Speed Change	+0.1 kts (2h 53min ago)
Actual Zone	WCCA
Heading	118
Unified dest	Panama City (Panama)
Original dest	PAPTY
ETA	2023-10-20 13:00:00
Last signal	21min ago
Status	No data
Latitude	15° 49' 10" N
Longitude	100° 9' 47" W

Estimations to reach

Port calls

Ports	Entry Date	Exit Date	Stayed
Busan New ...	29/09/23	01/10/23	1.0 d
Yantian (She...	24/09/23	25/09/23	1.4 d
Xiamen	21/09/23	22/09/23	1.2 d
Busan New ...	16/09/23	17/09/23	1.0 d
Balboa	26/08/23	27/08/23	1.3 d



Port Details | Terminals | AIS/Stats | Ships | Live Traffic | ETA | News

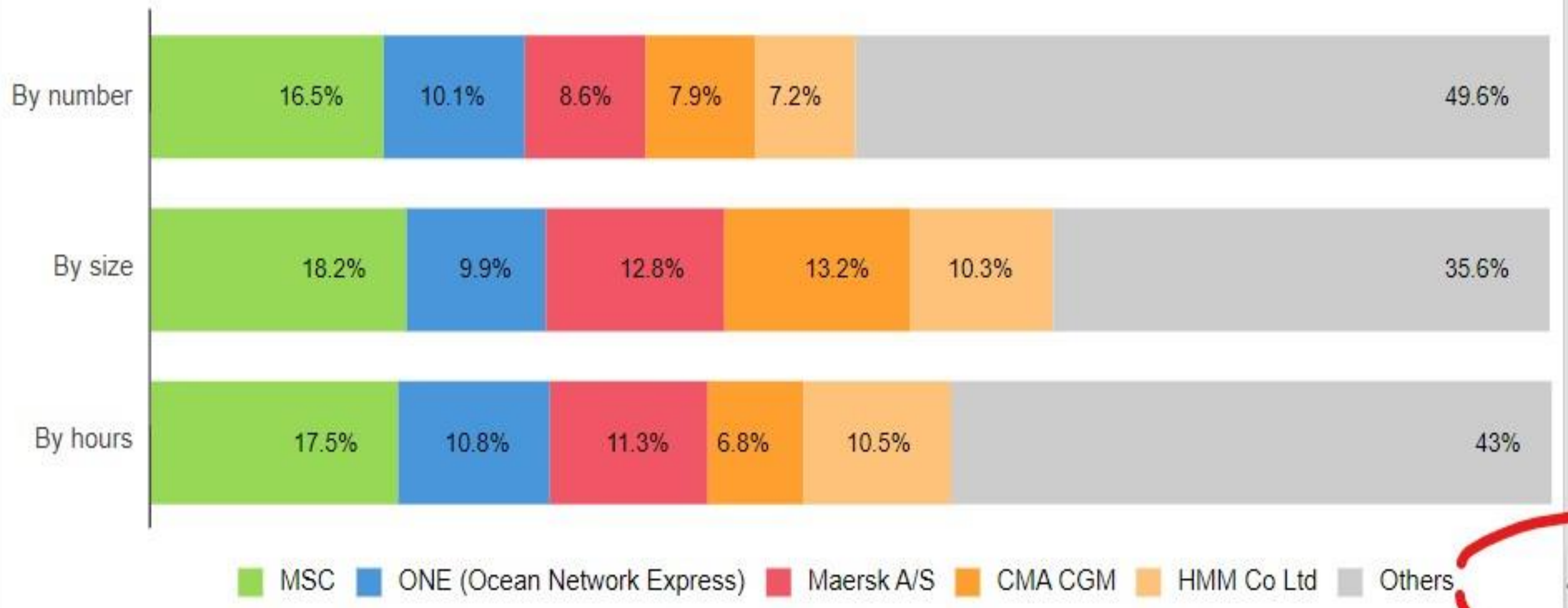
W39 — Display: W M Q

Busan New Port

2023 - Q03 - September - Week 39

Select another port

Call statistics by operator (week 39)



Call statistics by operator (week 42 so far)

List of all vessels calls in week 39

Operator/Vessel	Service	Calls / %	TEU / %	Usage / %
MSC		23 / 16.5%	185,880 / 18.2%	459h / 17.5%
MSC CHERYL 3	Extra sailers (Intra Asia services)	Tue 26 Sep	2,474 / 0.2%	19h / 0.7%
MSC OSCAR	2M agreement - Asia-Med - AE-15 / Tiger	Tue 26 Sep	19,224 / 1.9%	35h / 1.3%
MSC RAVENNA	MSC - Far East-India-California service (...	Mon 25 Sep	14,036 / 1.4%	18h / 0.7%
MSC LENI	2M agreement - Asia-Med - AE-11 / Jade ...	Sat 30 Sep	23,756 / 2.3%	22h / 0.8%
MSC BEATRICE	2M agreement - FE-USWC service (TP-2 ...	Tue 26 Sep	13,798 / 1.4%	33h / 1.3%
MSC LA SPEZIA	MSC - Far East-US East Coast service (N...	Sun 24 Sep	14,036 / 1.4%	21h / 0.8%
MSC RIKKU	MSC - Yantian-Shanghai-Busan-Vancouv...	Wed 27 Sep	8,566 / 0.8%	21h / 0.8%
MSC GIANNINA II	MSC - Japan-Korea-Russia service (Gold...	Thu 28 Sep	1,740 / 0.2%	10h / 0.4%
MSC ANDREA F	MSC - South Korea-Russia service (Kam...	Thu 28 Sep	1,118 / 0.1%	9h / 0.4%
MSC JASPER VIII	2M / Zim - Us Gulf-South China Express (...	Fri 29 Sep	8,814 / 0.9%	25h / 1%
MSC KYMEA II	MSC - Japan-Korea-Russia service (Gold...	Sun 01 Oct	1,732 / 0.2%	12h / 0.5%
MSC LONG BEACH VI	2M / Zim - FE-US Gulf service - TP-18 / L...	Sun 01 Oct	6,039 / 0.6%	13h / 0.5%
GSL NINGBO	2M / ZIM - FE-USEC service - TP-16 / Em...	Fri 29 Sep	8,603 / 0.8%	28h / 1.1%
MSC LILOU III	MSC - Japan-Busan-Central China-SE As...	Fri 29 Sep	3,108 / 0.3%	22h / 0.9%
MSC ASTRID III	Extra sailers (Intra Asia services)	Mon 25 Sep	3,534 / 0.3%	21h / 0.8%
BOTANY	MSC / Zim - Asia-Australia service (Pand...	Sun 01 Oct	2,646 / 0.3%	8h / 0.3%
MSC PRECISION V	MSC - Japan-SE Asia service (New Origa...	Sat 30 Sep	4,600 / 0.5%	17h / 0.7%
MSC DURBAN IV	MSC - Japan-SE Asia service (New Origa...	Tue 26 Sep	4,045 / 0.4%	16h / 0.6%
MSC PRELUDE V	MSC - Japan-SE Asia service (New Origa...	Tue 26 Sep	4,600 / 0.5%	18h / 0.7%
MSC CHIYO	MSC / ONE / Hapag-Lloyd / HMM - Far E...	Sun 01 Oct	16,550 / 1.6%	19h / 0.8%
ETOILE	MSC - Japan-Busan-Central China-SE As...	Thu 28 Sep	2,556 / 0.3%	14h / 0.6%
MSC BERANGERE	MSC - Asia-West Africa service (Africa Ex...	Fri 29 Sep	15,413 / 1.5%	27h / 1%
MSC LYSE V	MSC - China-Korea-Thailand-Straits-Indo...	Tue 26 Sep	4,892 / 0.5%	20h / 0.8%
ONE (Ocean Network Express)		14 / 10.1%	101,231 / 9.9%	282h / 10.8%

The Alphaliner ‘Top 100’ on Sunday 12 May

available for free. no log-in. updated daily!

Global figures

6,934 active ships
including 6,133 fully cellular

29,650,965 TEU
29,252,464 TEU fully cellular

DWT **352,161,358** DWT

Figures are consolidated

Regional Trades weekly capacities

Trans-Atlantic	**161,701** TEU
Trans-Pacific	**525,916** TEU
Feast-Europe	**459,432** TEU

Top carriers history 1996-2019

Rank	Operator	Teu	Share
1	Mediterranean Shg Co	5,834,996	19.8%
2	Maersk	4,275,983	14.5%
3	CMA CGM Group	3,688,280	12.5%
4	COSCO Group	3,160,418	10.7%
5	Hapag-Lloyd	2,084,747	7.1%
6	ONE (Ocean Network Express)	1,867,623	6.3%
7	Evergreen Line	1,662,848	5.6%
8	HMM Co Ltd	816,077	2.8%
9	Zim	717,750	2.4%
10	Yang Ming Marine Transport Corp.	707,018	2.4%
11	Wan Hai Lines	495,044	1.7%
12	PIL (Pacific Int. Line)	326,697	1.1%
13	SITC	162,614	0.6%
14	X-Press Feeders Group	161,911	0.6%

Existing fleet / Orderbook

top-3 market share
47%
ten years ago: 37%

top-5 market share
65%
*ten years ago: 46%

top-10 market share
84%
*ten years ago: 64%

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agenda for today

1. Three basic principles

2. COVID-19 pandemic

3. Red Sea crisis

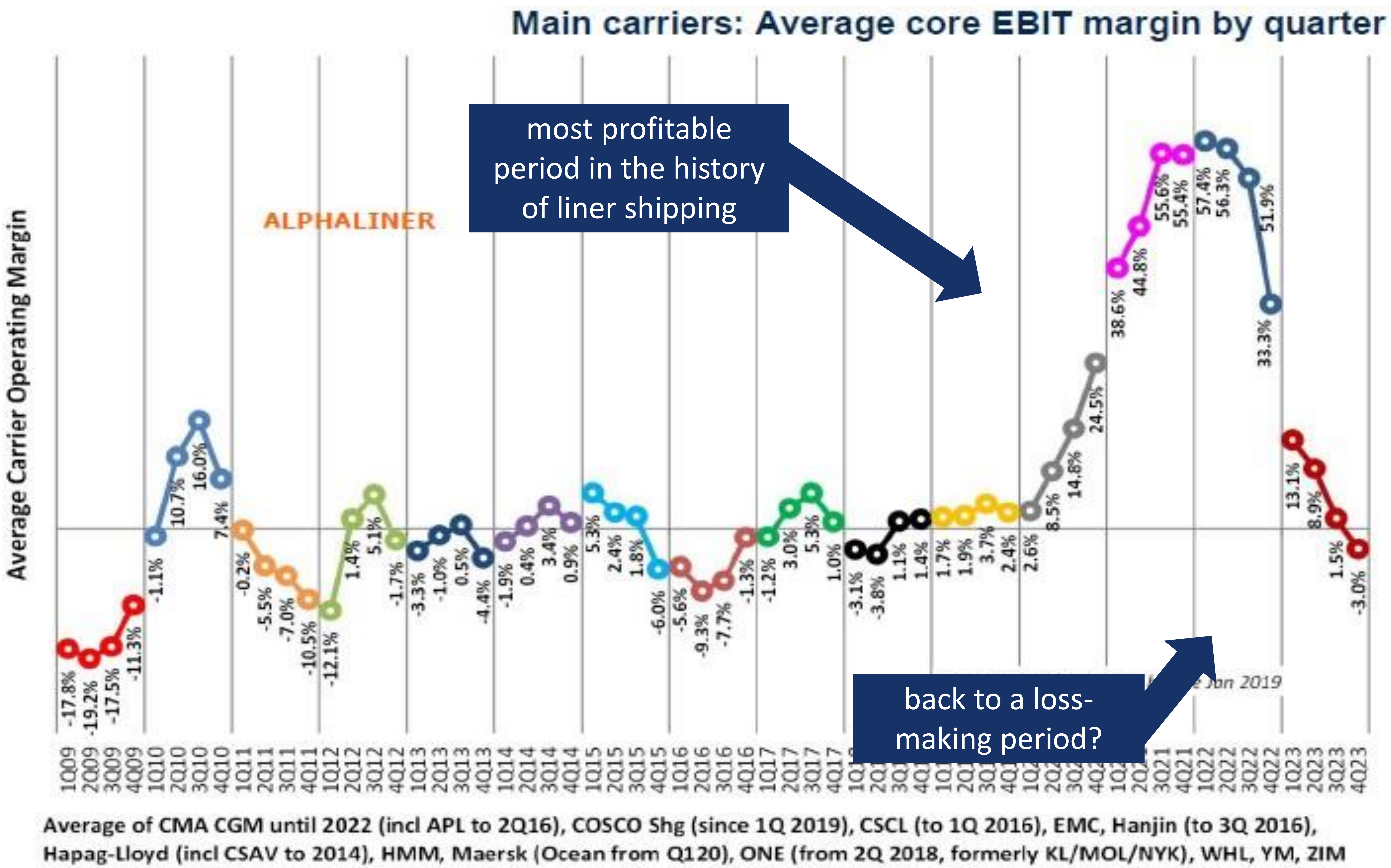
4. Conclusions

1. Three basic principles to understand a volatile industry

Three basic principles

1. Container carriers are private companies
2. Cargo demand versus vessel supply is always key!
3. Trade keeps flowing, despite what happens

1. Carriers are private companies: core EBIT margins 2009 - 2023



Average operating margin falls into negative territory for first time since 2018

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2. Cargo demand versus capacity is key!
Balancing demand and supply at least two years in advance

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3. Trade keeps flowing. See Ukraine conflict

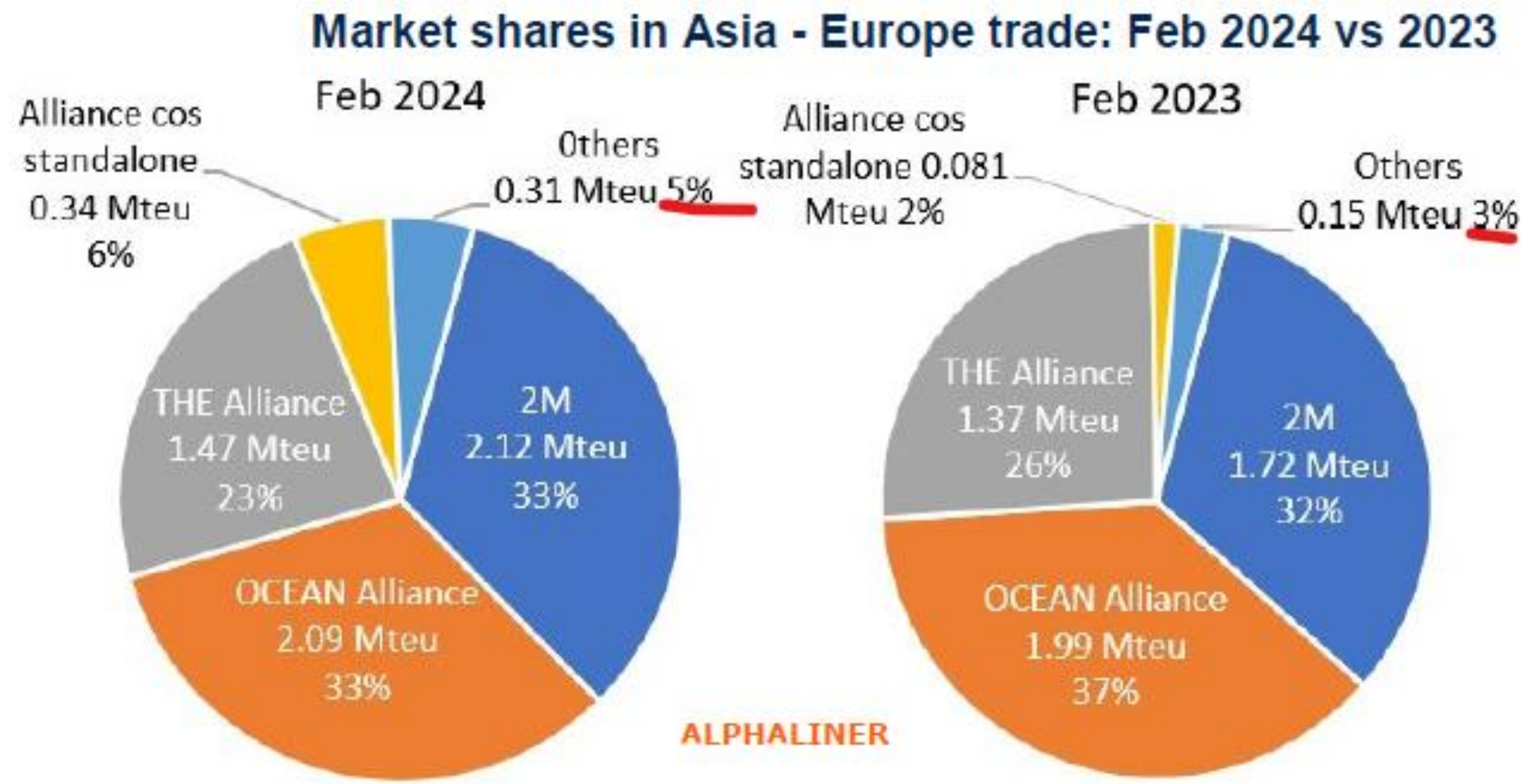
More competition for the three mega alliances

Since the Russian invasion of Ukraine, most global carriers have halted their services to and from the Russian ports of Saint -Petersburg and Novorossiysk.

This has created opportunities for newcomers with Russian, Chinese, Middle East or Turkish backgrounds.

Although these carriers such as New New Shipping, OVP Shipping, Safetrans, FESCO, Akkon or CStar operate relatively small ships, the capacity deployed by non-alliance carriers has doubled in the space of a year from 154,600 teu to 308,300 teu.

The combined market share of these smaller carriers has reached almost 5%. This also includes the 1.2% market share of the fast-expanding ZIM.



2. COVID-19 pandemic

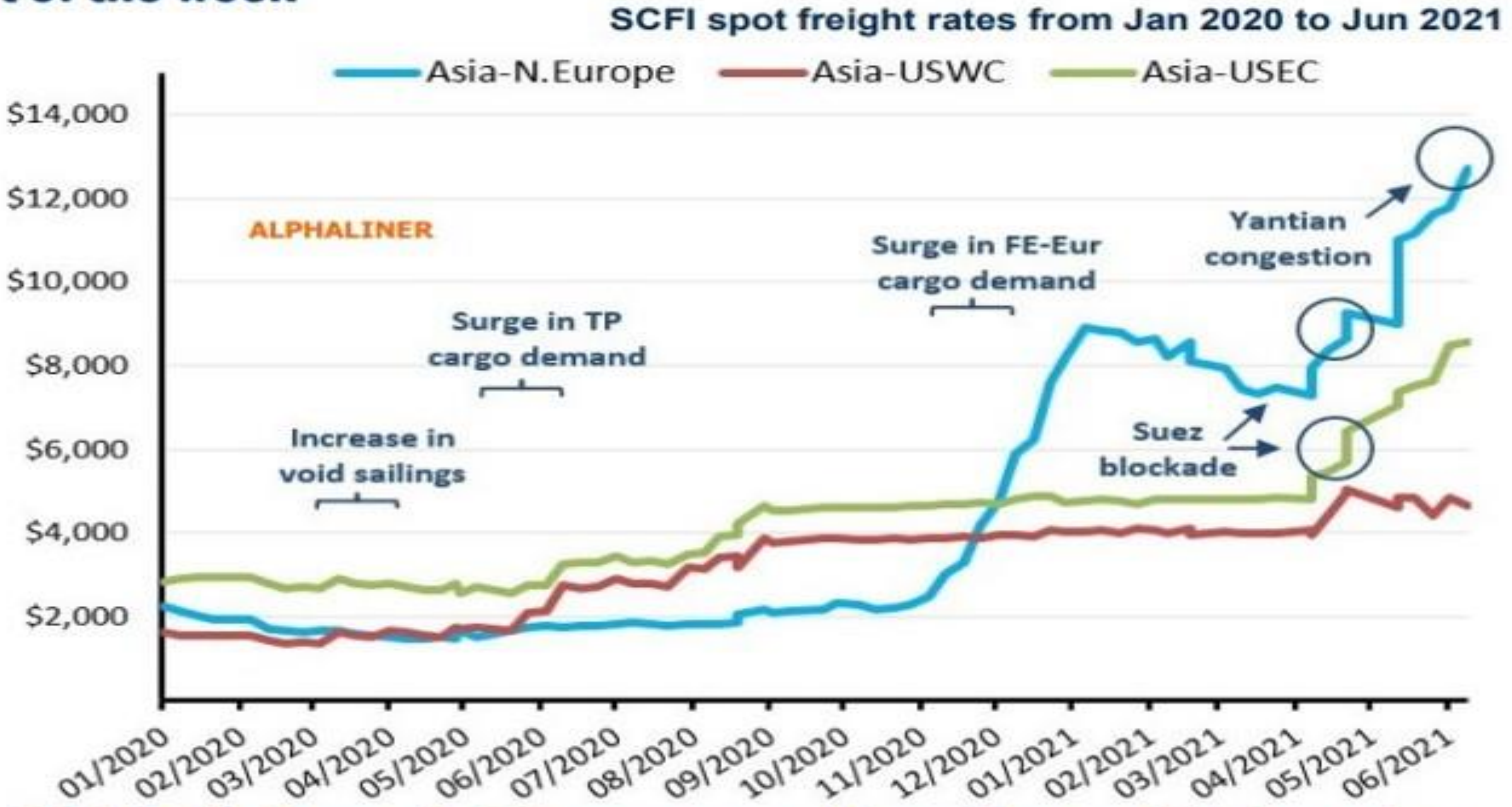
ALPHALINER
Weekly Newsletter
2021-24
09.06.2021 to 15.06.2021
web: www.alphaliner.com research: data@alphaliner.com sales: commercial@alphaliner.com

Chart of the week

Heavy congestion in the port of Yantian excludes any 'back to normal' for the liner shipping industry in the upcoming months.

- **Yantian is currently operating at only 40-45% of its shoreside capacity**
- **Spot freight rates ex Shanghai to Europe and the USEC are at an all-time high**

The Yantian congestion will wreak even more havoc on liner shipping schedules than the Suez Canal obstruction.



COVID-19 drama Act 3: even more disruption and higher rates

INSIDE THIS ISSUE:

During and after the Coronavirus pandemic, the market saw a quick cargo volume increase since consumers shifted spending from services to goods. This increased containerized ocean transport.

services

vacations
travel
restaurant dining

demand

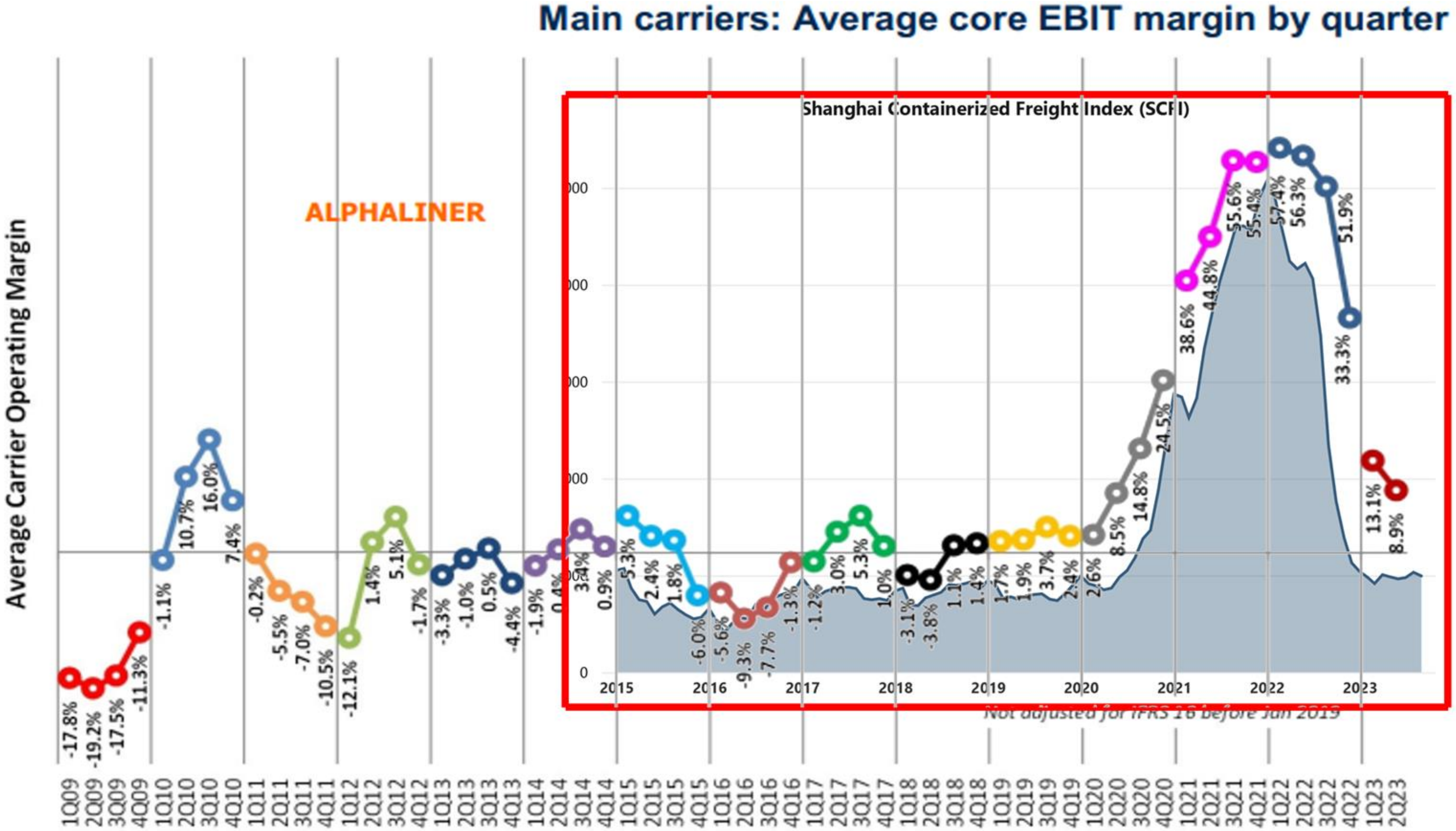
goods

computers, toys
furniture
do-it-yourself items

At the same time, various supply chain problems tied up 10% to 15% of the global container ship capacity.

port congestion	IMO-2020 scrubber retrofits	EVER GIVEN Suez Canal	cargo and weather events
vessel supply	**vessel supply**	**vessel supply**	**vessel supply**

Carrier core EBIT margins 2009 - 2023



Average of CMA CGM until 2022 (incl APL to 2Q16), COSCO Shg (since 1Q 2019), CSCL (to 1Q 2016), EMC, Hanjin (to 3Q 2016), Hapag-Lloyd (incl CSAV to 2014), HMM, Maersk (Ocean from Q120), ONE (from 2Q 2018, formerly KL/MOL/NYK), WHL, YM, ZIM

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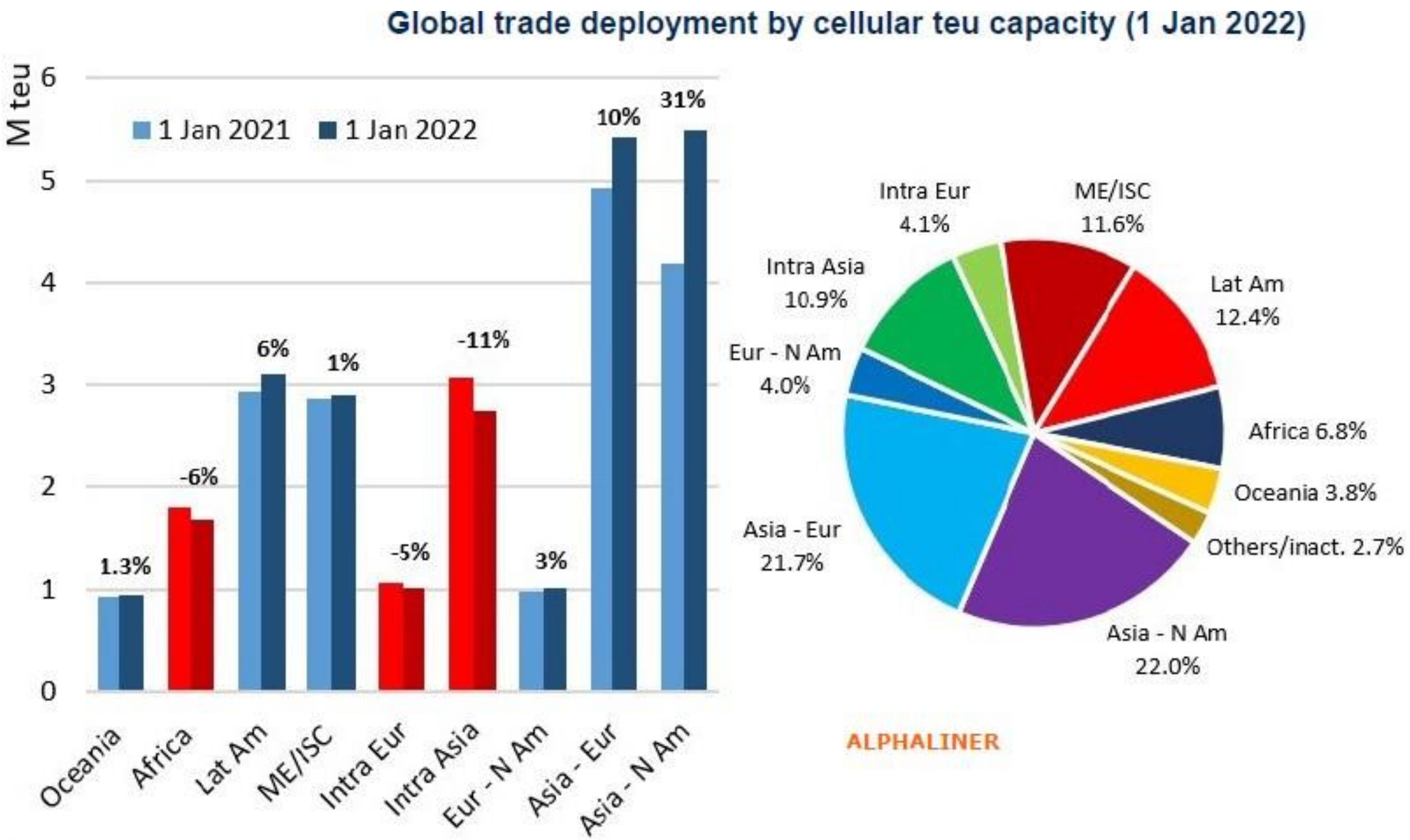
COVID-19 fleet redeployment in January 2022



Intra-regional and Africa trade capacity drops as carriers prioritize lucrative East-West routes

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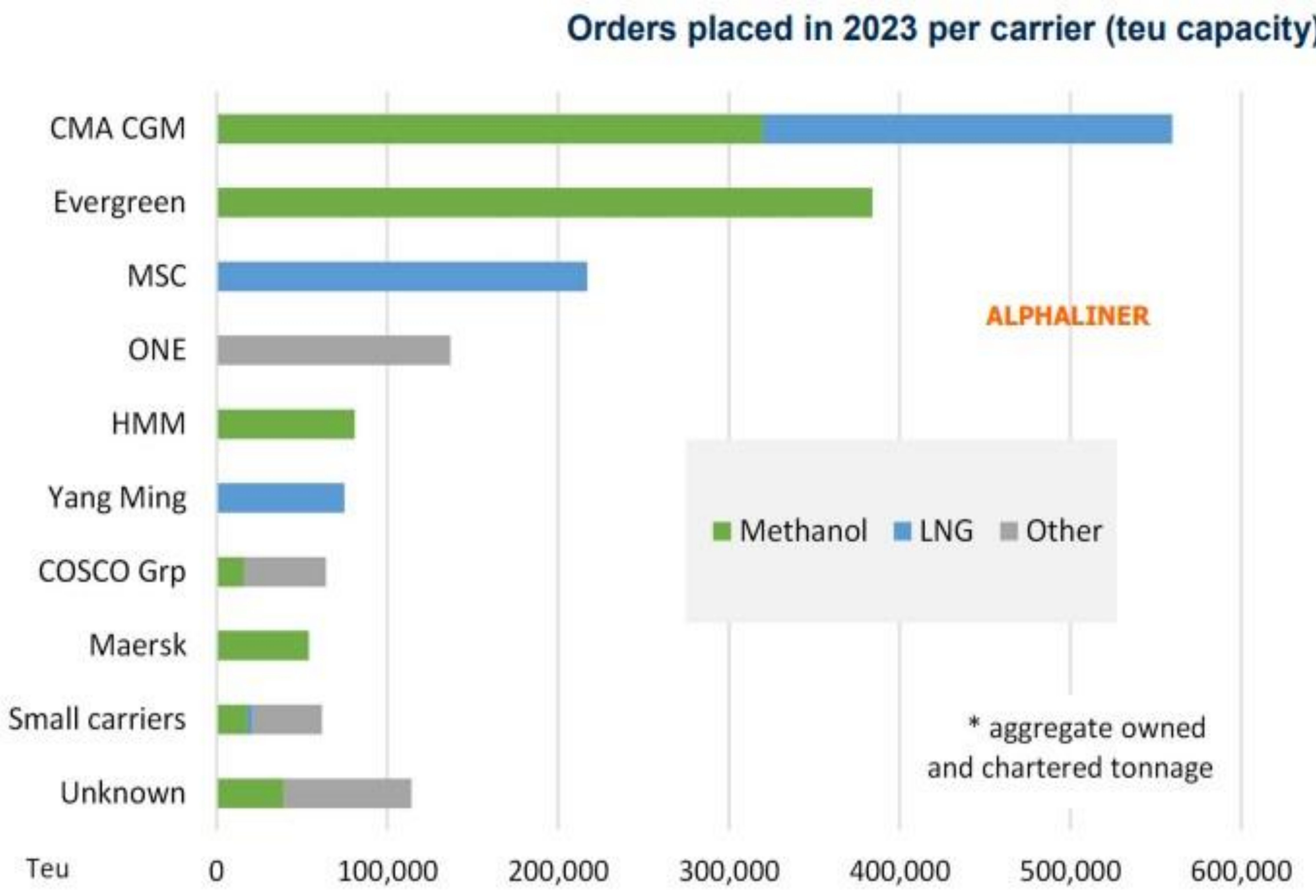
The benefit of COVID: orders placed in 2023 (first ten months)



LNG dual fuel

534,900 Mteu

31% of orders

+

Methanol dual fuel

911,600 teu

52% of orders

=

'new' fuels

83% of orders

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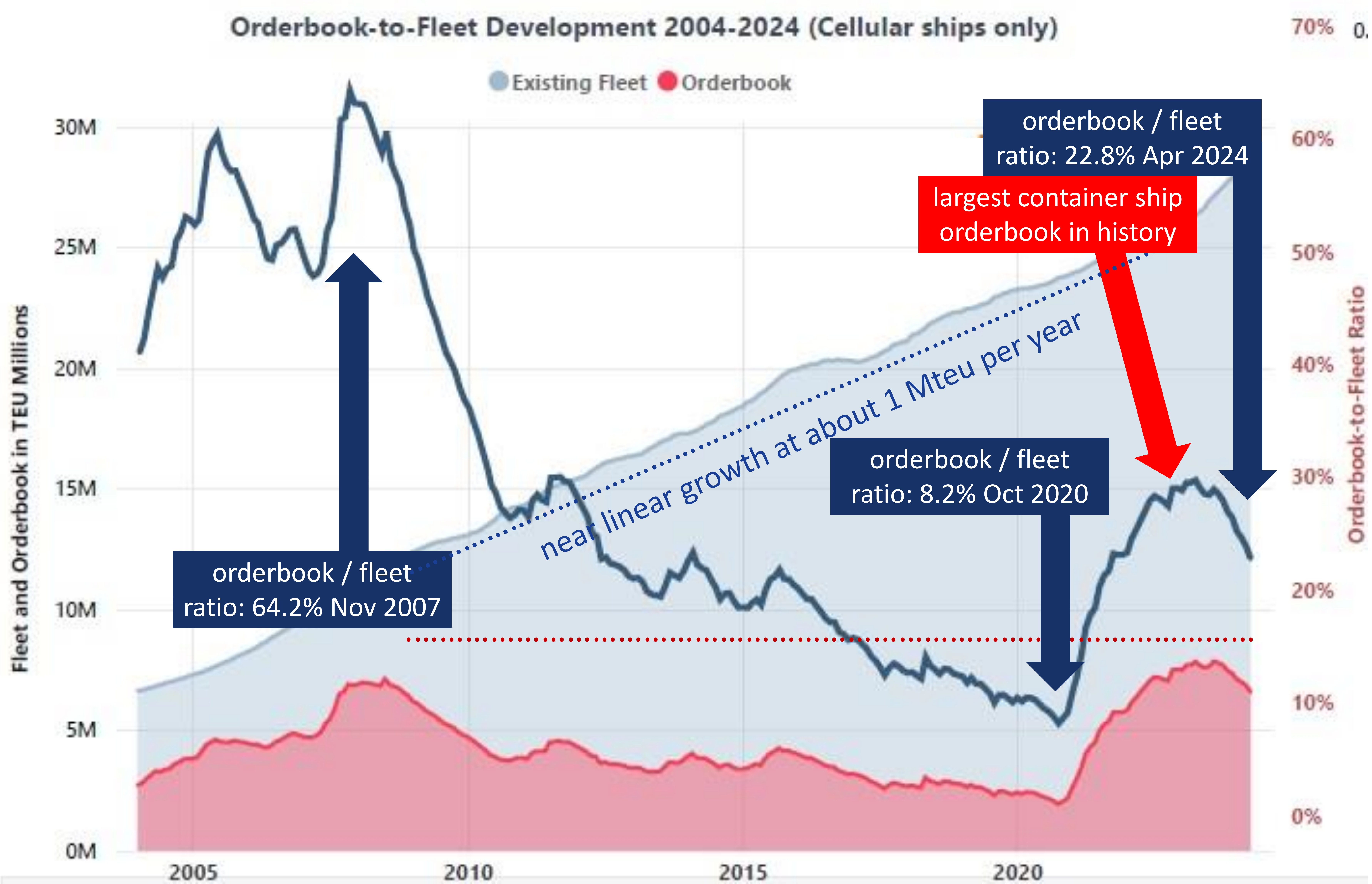
3. Red Sea crisis

orderbook and orderbook-to-fleet ratio timeline



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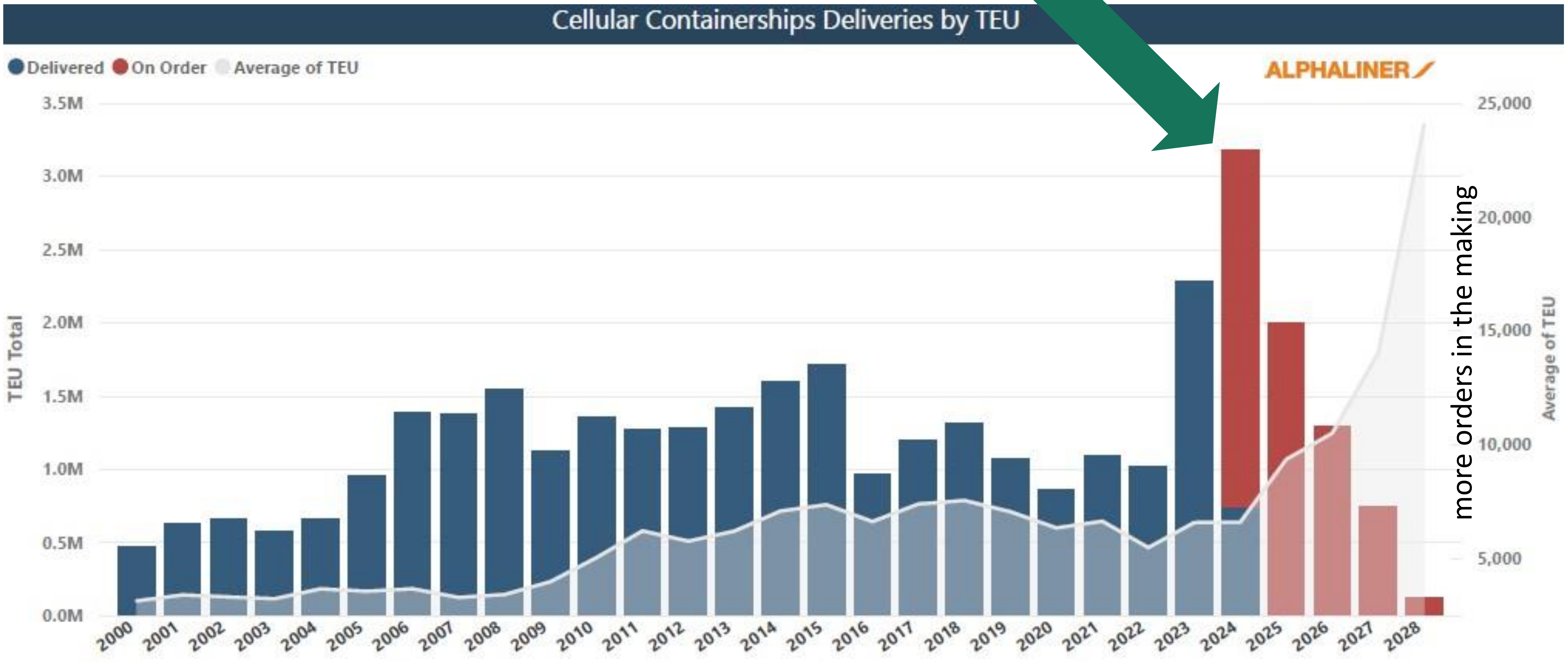
The market will struggle to absorb this massive vessel capacity influx!

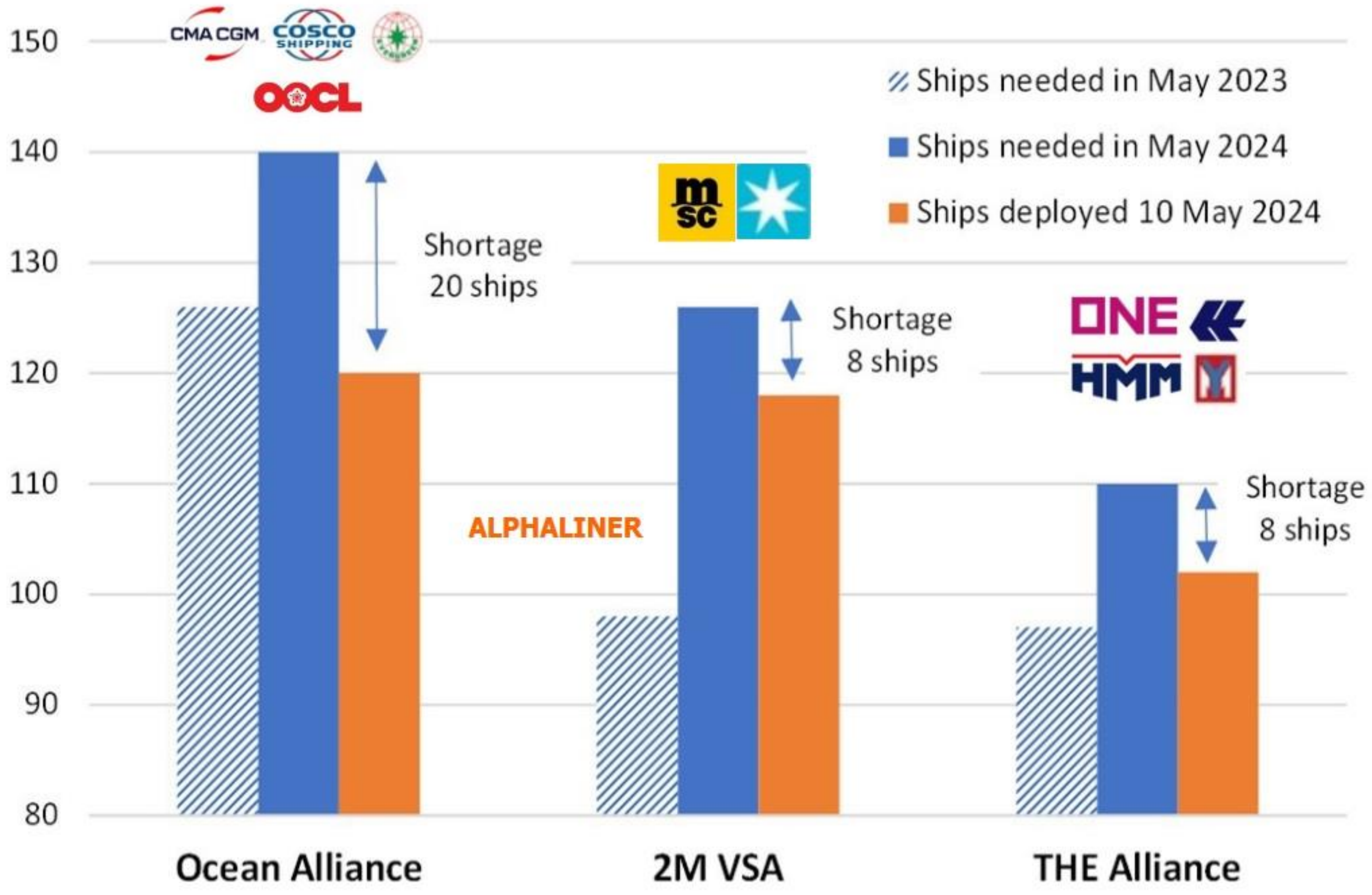


Alphaliner’s magic crystal ball tells us…

(October 2023, Intermodal Europe Conference)

‘Despite increased scrapping, the tonnage market will experience chronic overcapacity for several years.’

Missing ships on Asia-Europa trade (Alphaliner newsletter 20)



too many ships ?

not enough ships

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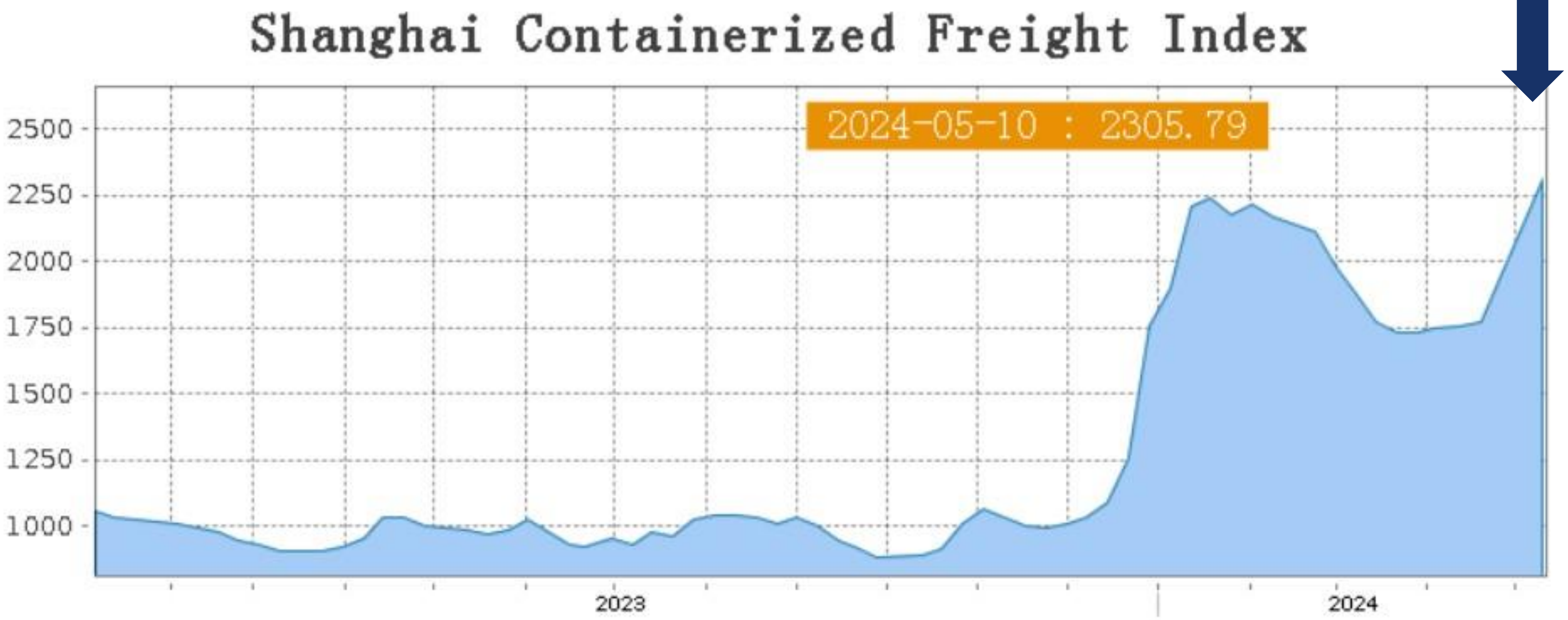
Latest SCFI (rate index for export of spot cargo)

Good news for carriers!



4. Conclusions

Conclusions

* Some major recent disruptions have been beneficial for the financial results of the carriers.

* Liner industry faces major problem/crash if Red Sea crisis gets resolved.

* For the panel debate: carriers create chaos which ports and other stakeholders in the supply chain will have to deal with. Food for thought and discussion…