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Commodity Insights

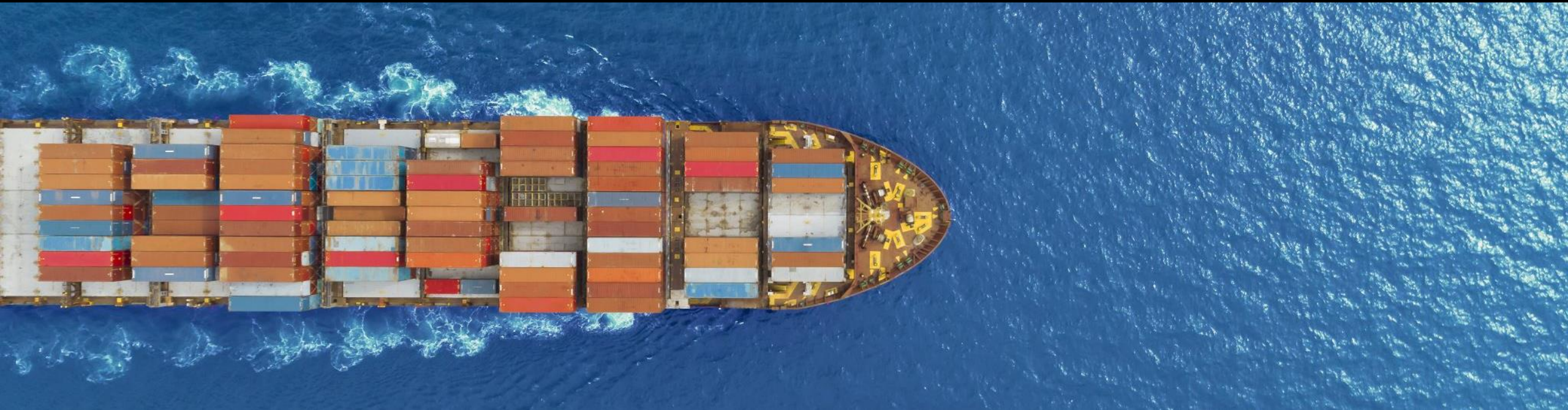
# Impact of Geopolitical Factors on Container Trade

**Tanya Kalra**

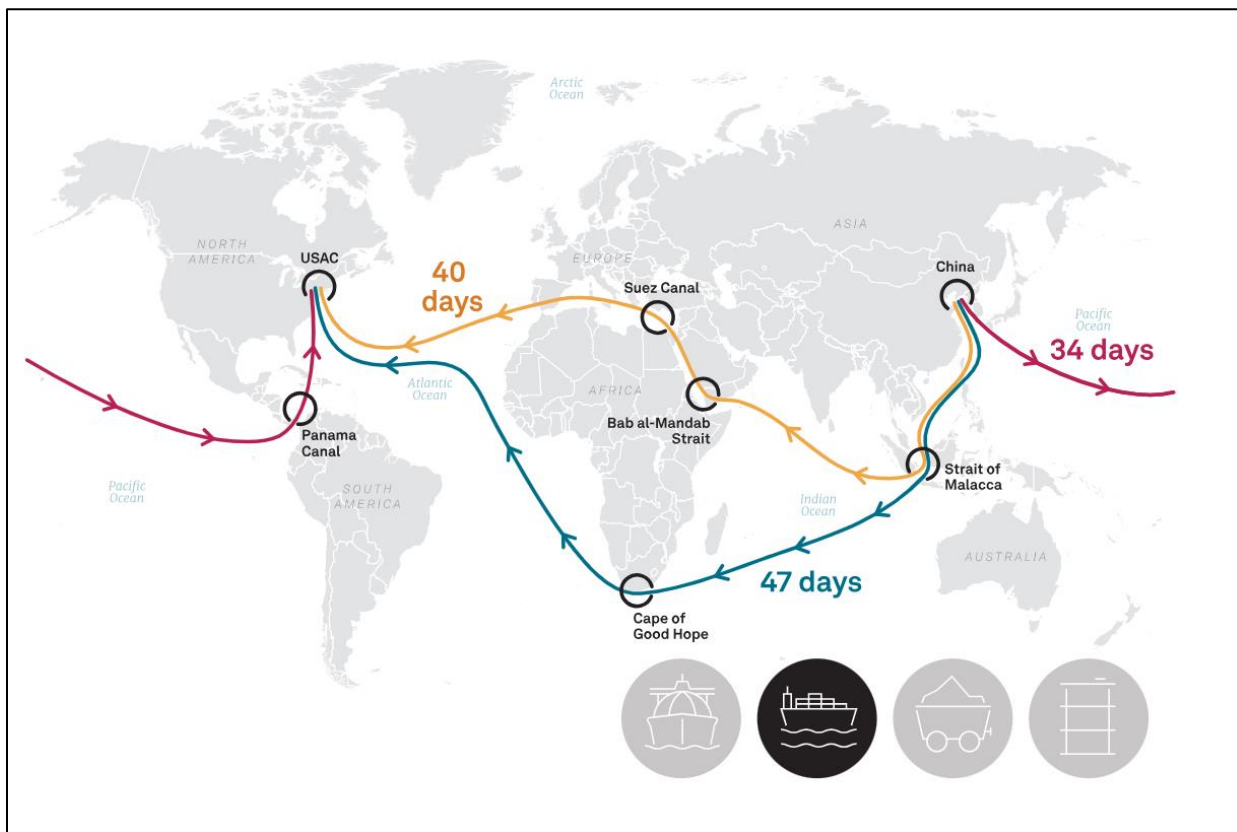
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November 26, 2024



# Finding a new normal and taking the longer route



Source: S&P Global Commodity Insights

## Red Sea transits slump as Yemen's Houthis restart shipping attacks

Published : 10/01/2024 04:18:42 ET | News

## Houthis vow to attack ships with previous Israeli ownership, flag history

11/04/2024 09:06:40 ET | News

## Bab al-Mandab ship transits sink to Israel-Hamas war low as Houthis resume attacks

10/01/2024 08:38:28 ET | News

## Red Sea transits slump as Yemen's Houthis restart shipping attacks

Published : 10/01/2024 04:18:42 ET | News

## Cape of Good Hope reroutes likely to persist well into 2025 as industry adapts: ONE CEO

09/25/2024 02:58:54 ET | News

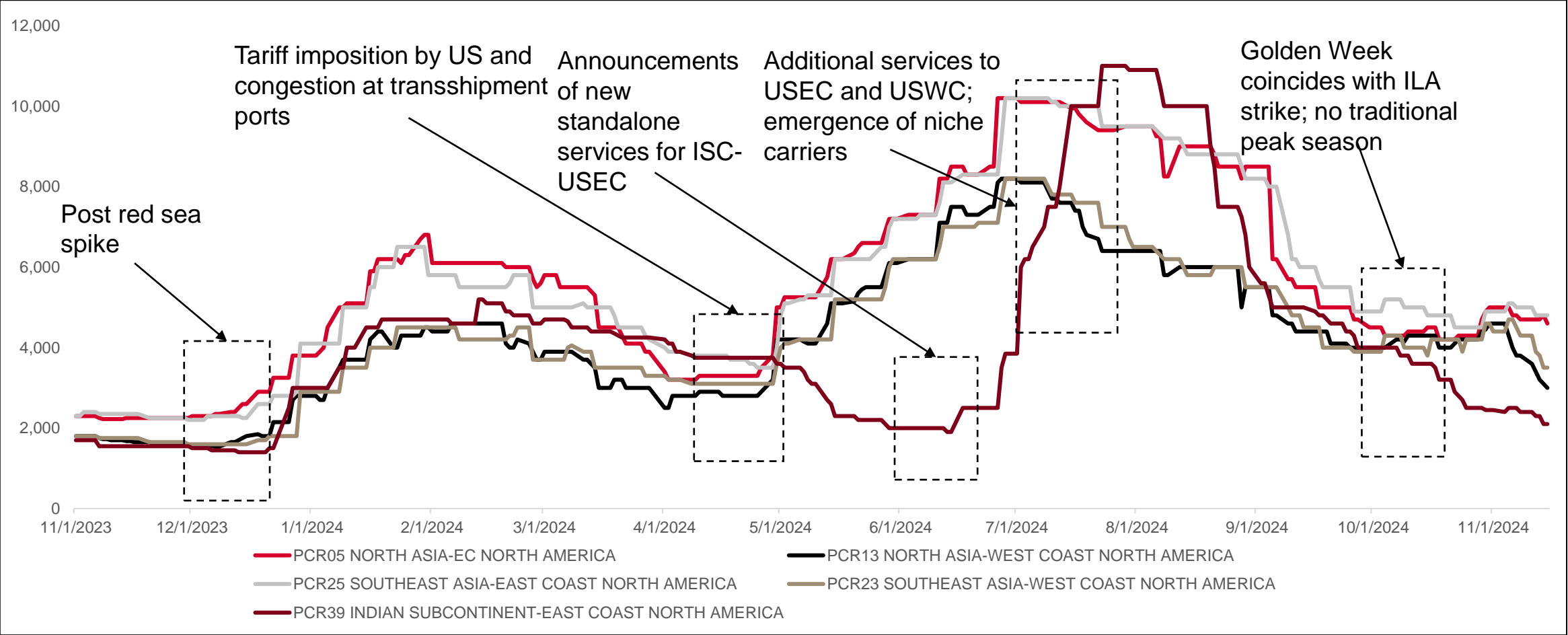
## Recent Houthi attacks suggest new focus on oil tankers: Yemen-based expert

09/04/2024 15:46:48 ET | News

## Two ships damaged in Red Sea after attacks off coast of Yemen

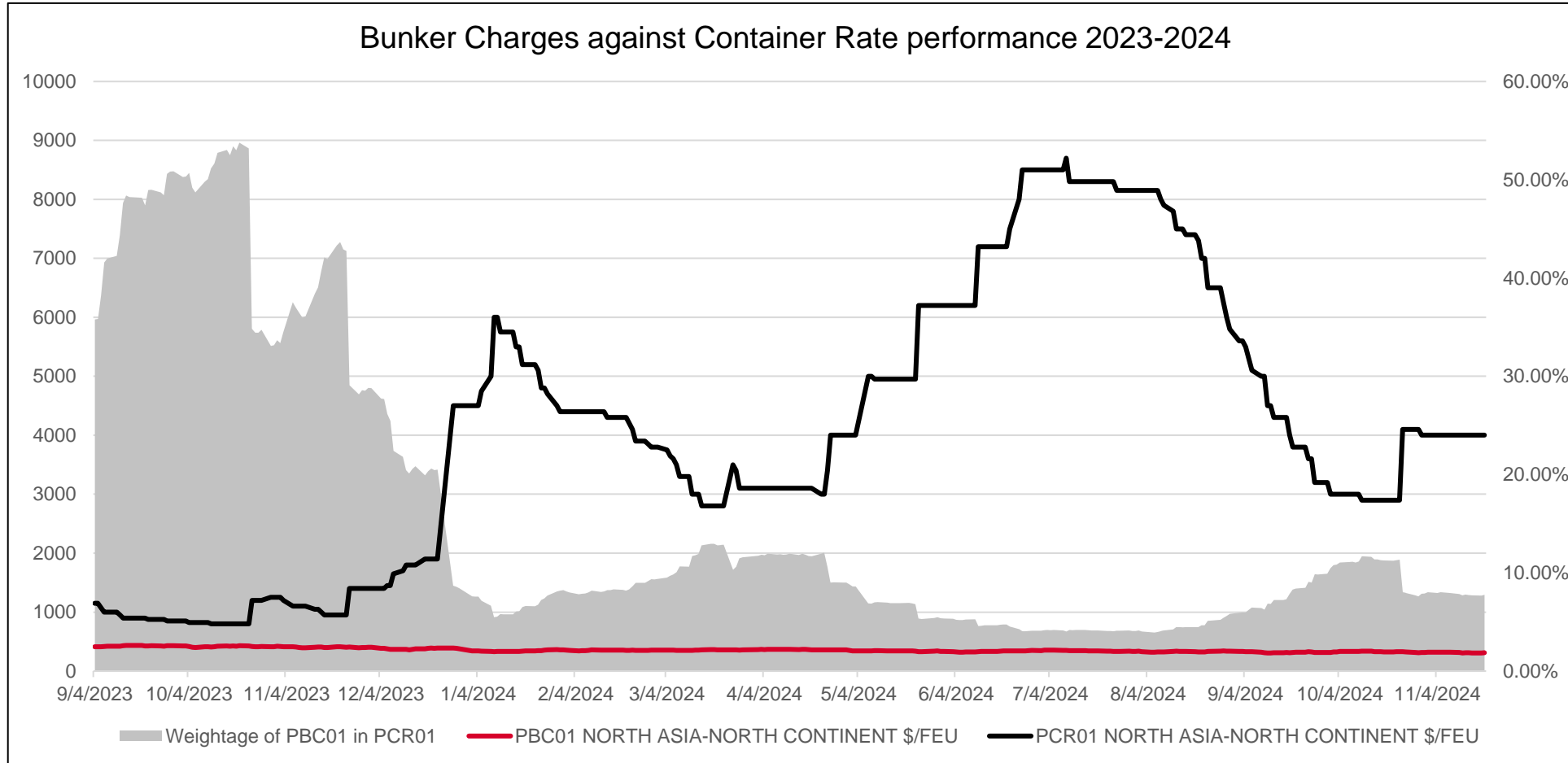
Published : 09/02/2024 05:27:13 ET | News

# Platts Container rates decline amid disruptions



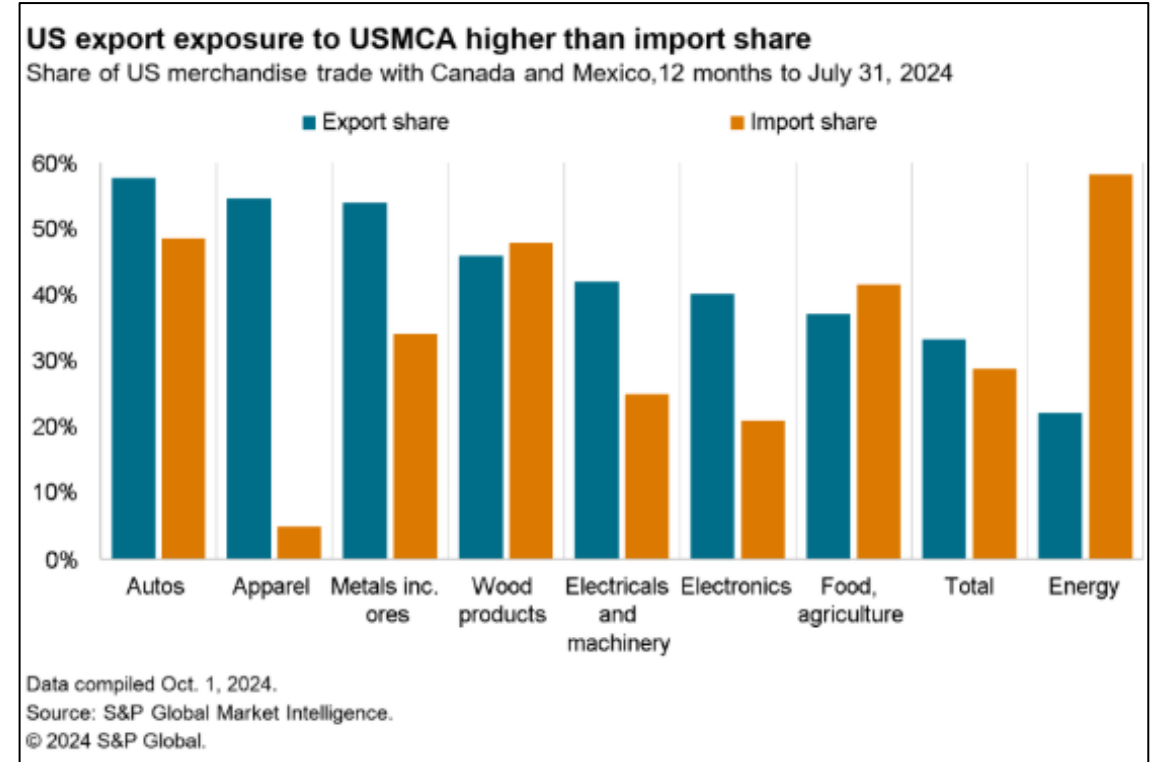
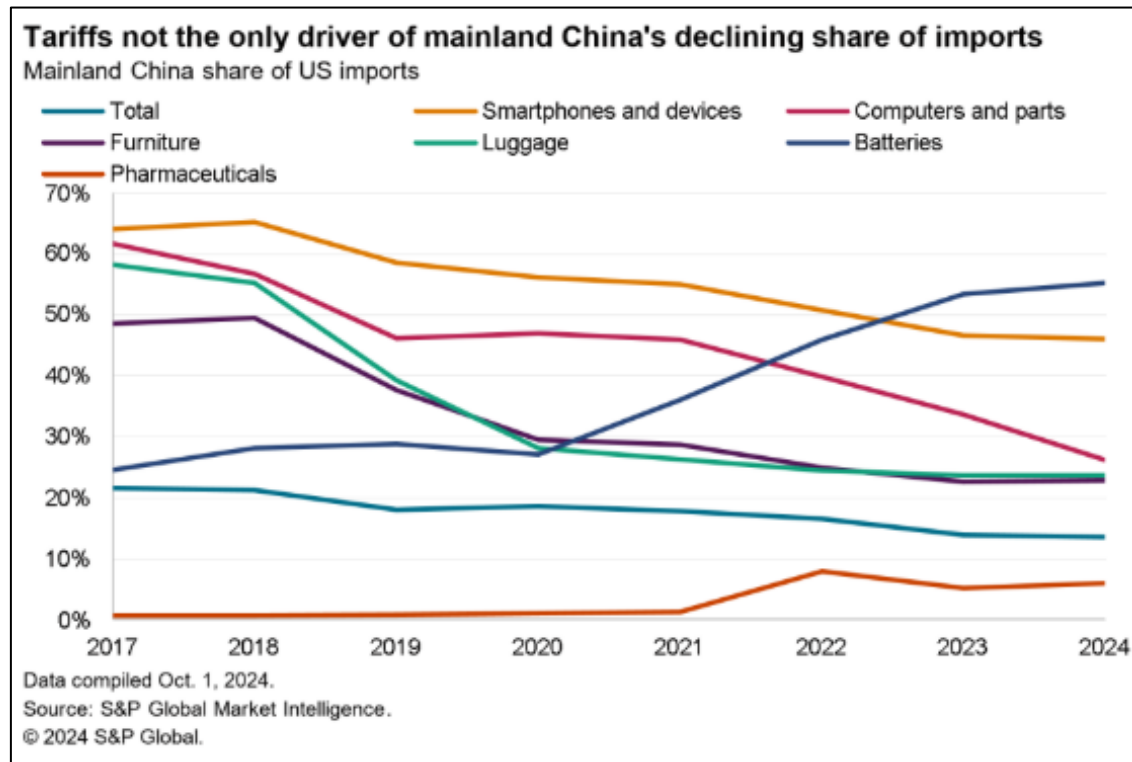
Source: S&P Global Commodity Insights

# Marginal impact on Platts Bunker charges in current market

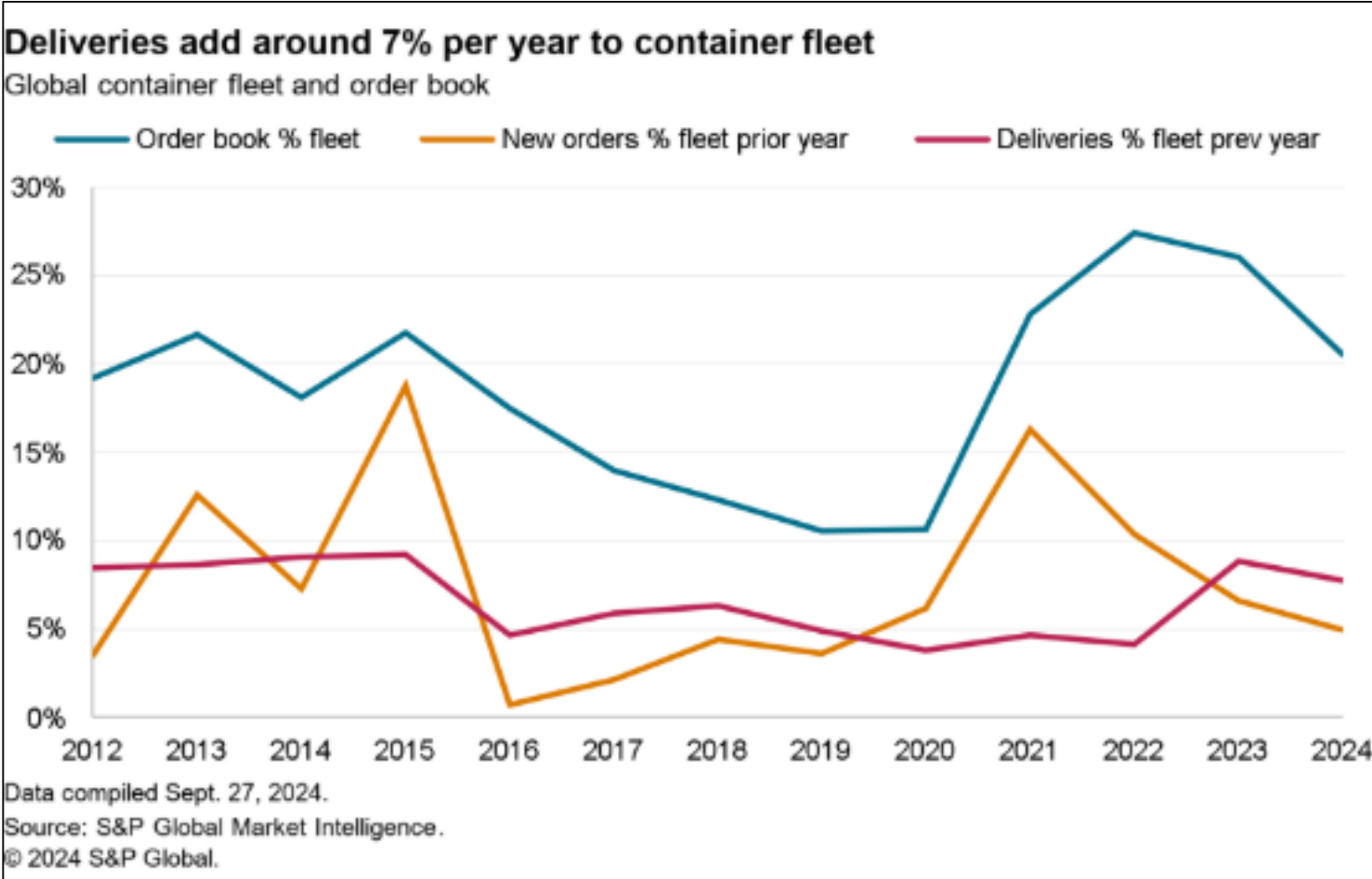


Source: S&P Global Commodity Insights

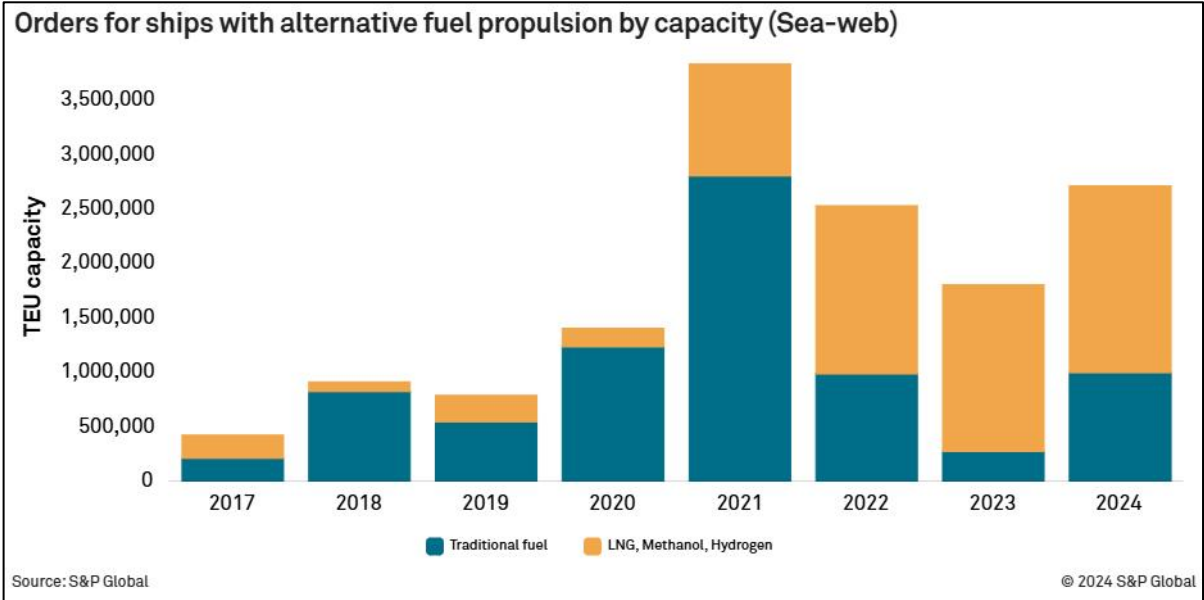
# Regulatory risks post US elections



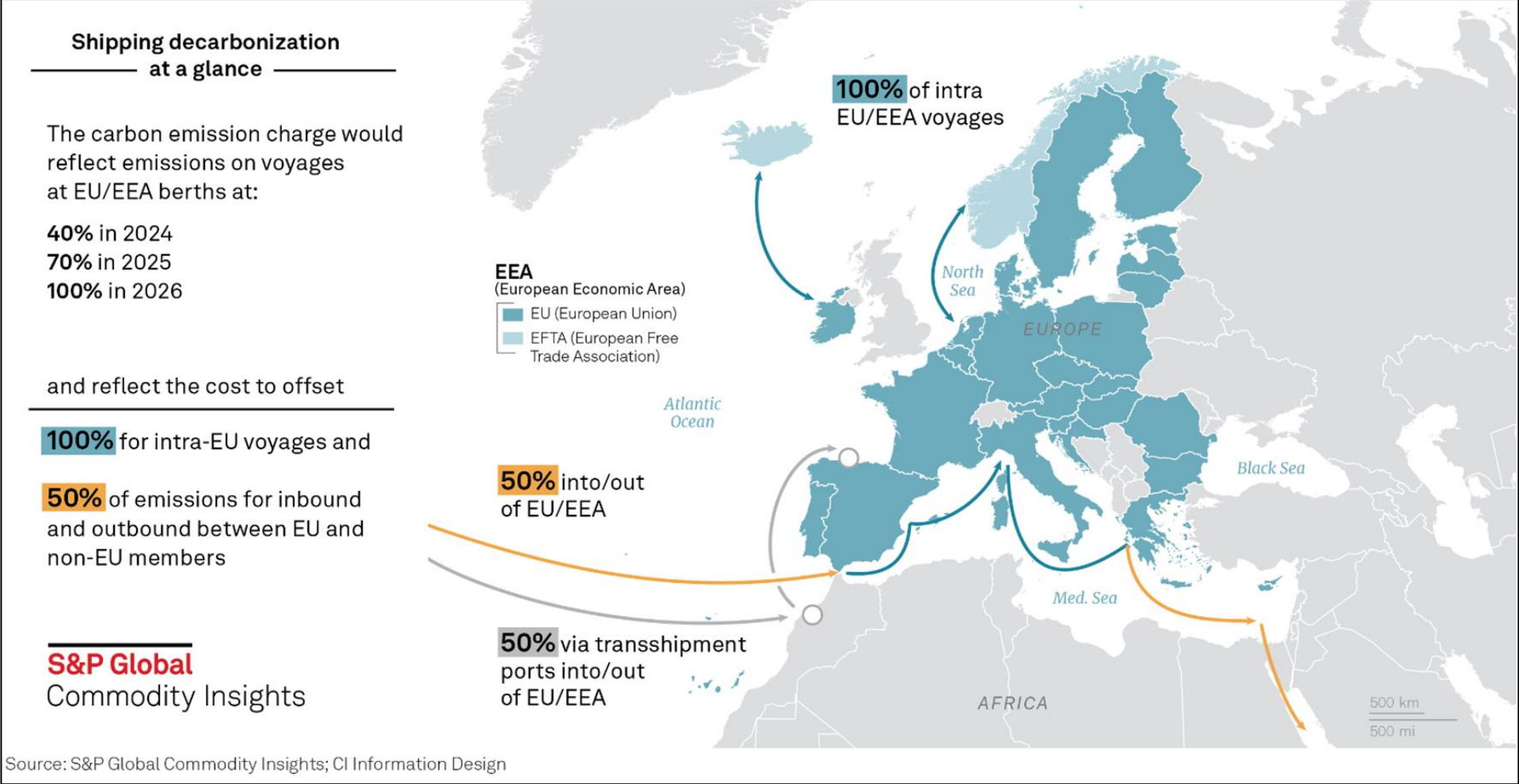
# Global container fleet and orderbook



# Alternative fuel containership dominate the order book

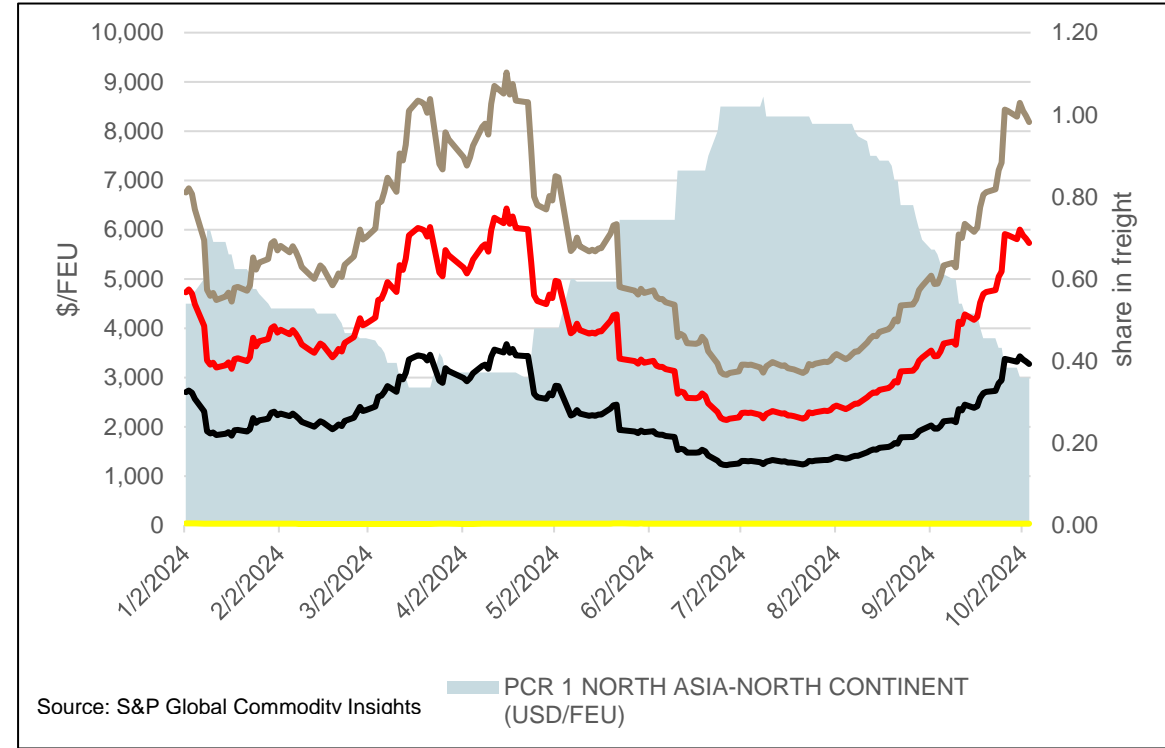
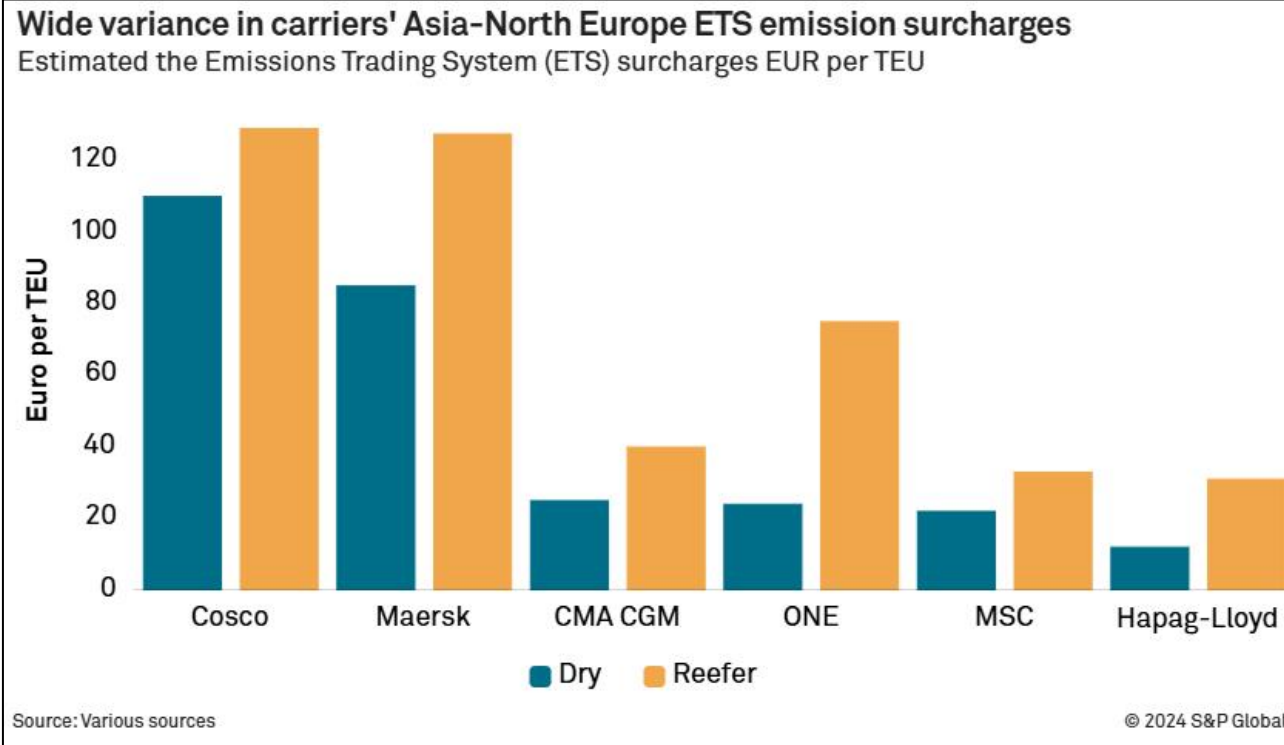


# Impact of EU ETS on shipping

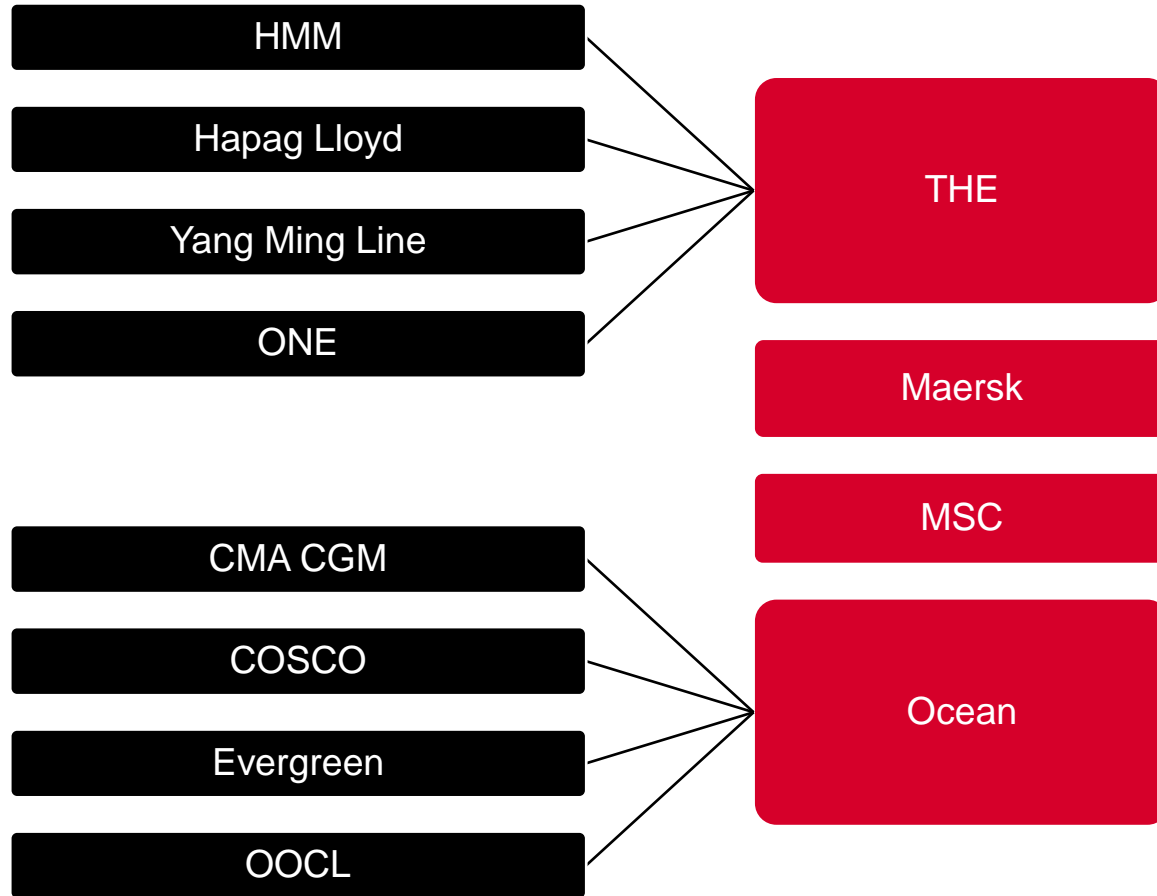




# Container carrier surcharges updated quarterly; show wide discrepancy

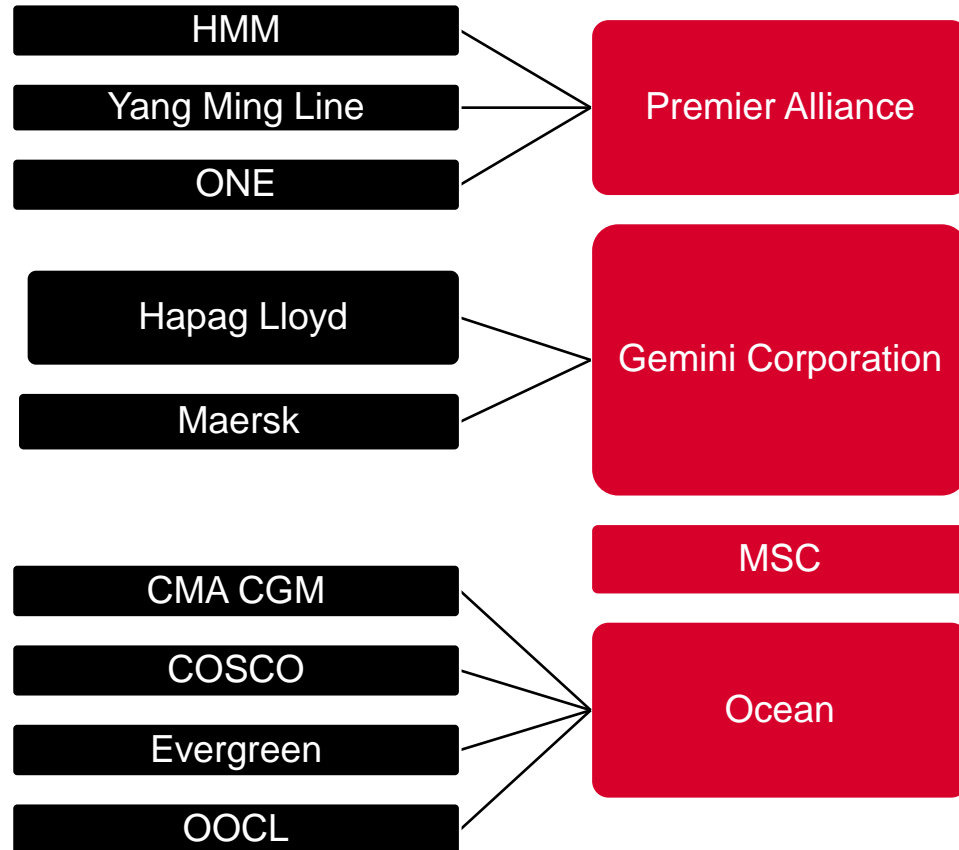


## Market has moved on from 2M



- Set to take effect in 2025
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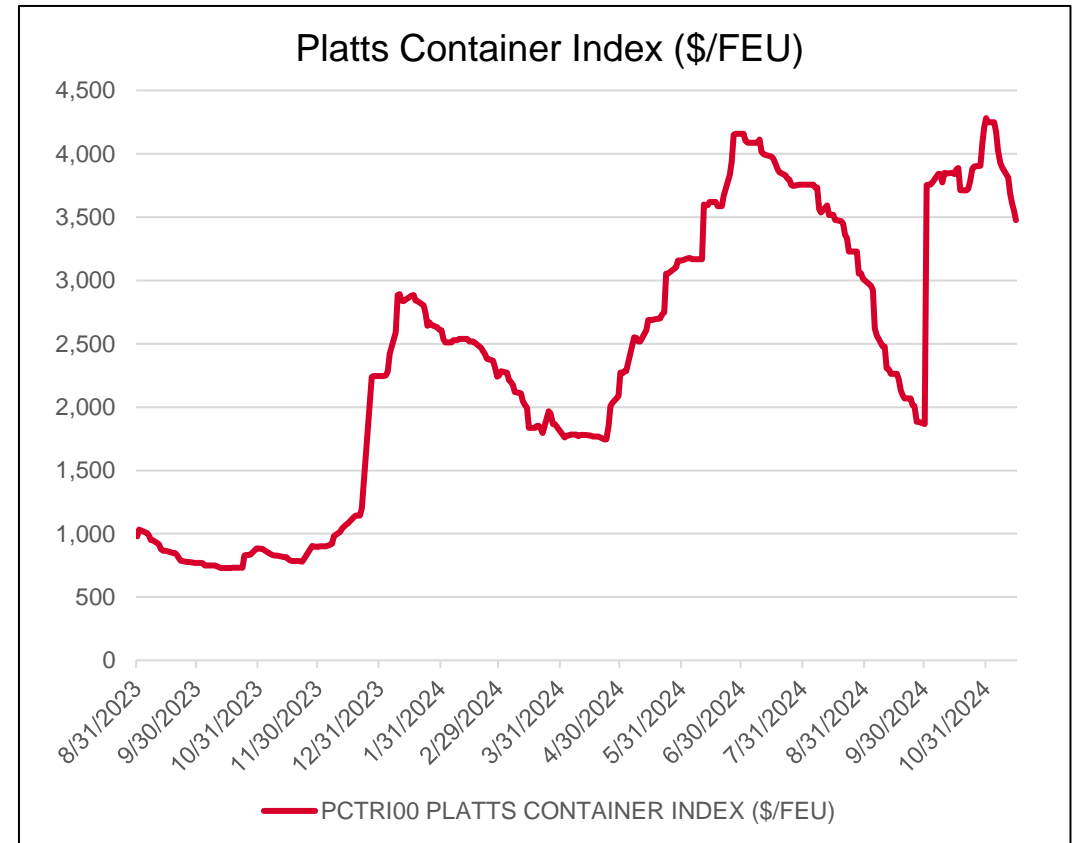
# Containers Market: Key Takeaways

## Current situation

- Carriers opt to take a longer route alongside Cape of Good Hope instead of Suez
- Platts Container Index showing a declining trend.
- Canadian port strikes called off due to government intervention
- Rate Restoration Rates, General Rate Increases are being imposed but shippers are rejecting
- EU-ETS now underway; carriers now accounting for emissions

## Next few months

- ILA and USMX to renegotiate their contract ending in January 2025
- Announcements of tariff changes post US presidential elections
- Change in existing services with change in alliances
- New vessels to increase capacity in the market
- Cargo movement before Lunar new year and back to school demand for the west



**Thank you!**

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