

Vespucci Maritime

Continued choppy waters ahead

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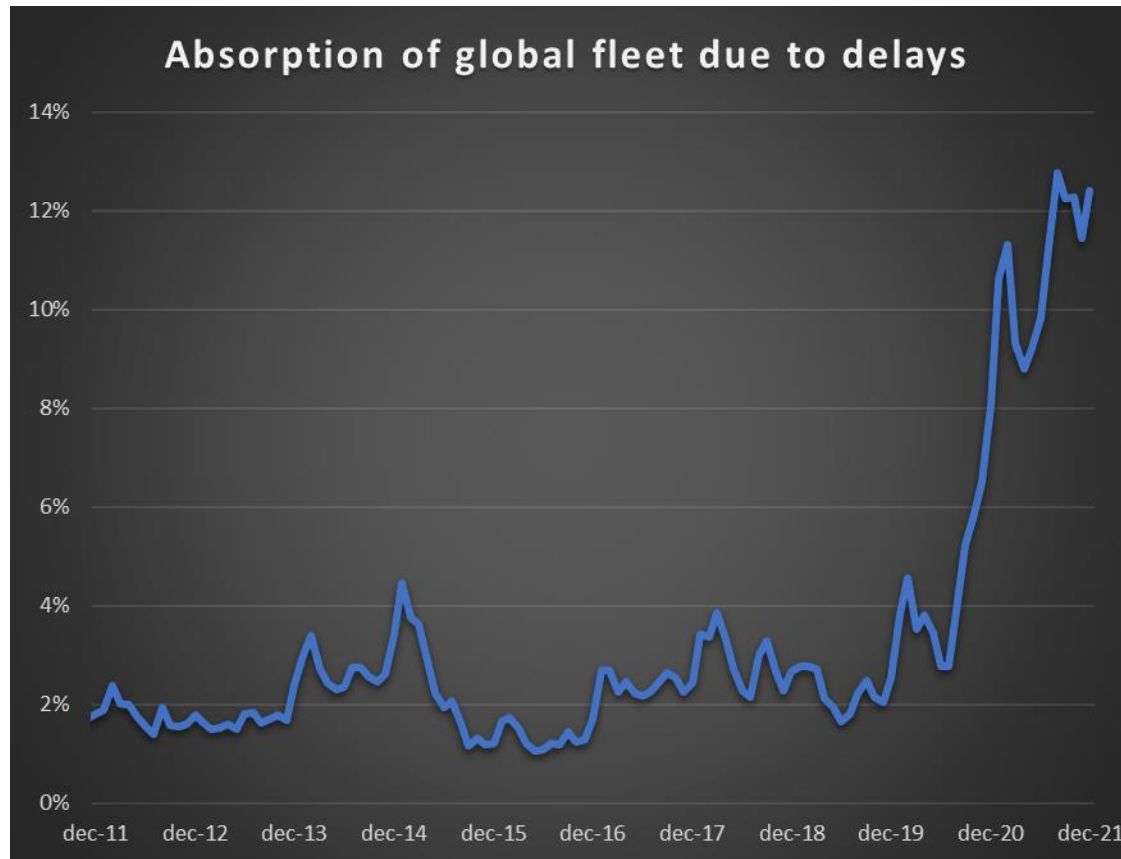
The pandemic impact in 2021

- Suez Canal blockage
- Closures of 2 major ports in China
- Time from exporter to importer China->USA went from 45 days to 110 days
- Vessel queues outside LA/LB went above 100 vessels
- Global reliability plummeted to 33%, and average vessel delays exceed a full week
- Transpacific and Asia-Europe spot rates saw cases in excess of 20.000 USD/FFE
- Charter rates for vessels went from 6-10.000 USD/day in some cases to 100.000-250.000 USD/day
- Container carriers will have profits of 150-200 Billion USD



We have a capacity shortage due to delays

- For full year 2021, 11% of global capacity was not available

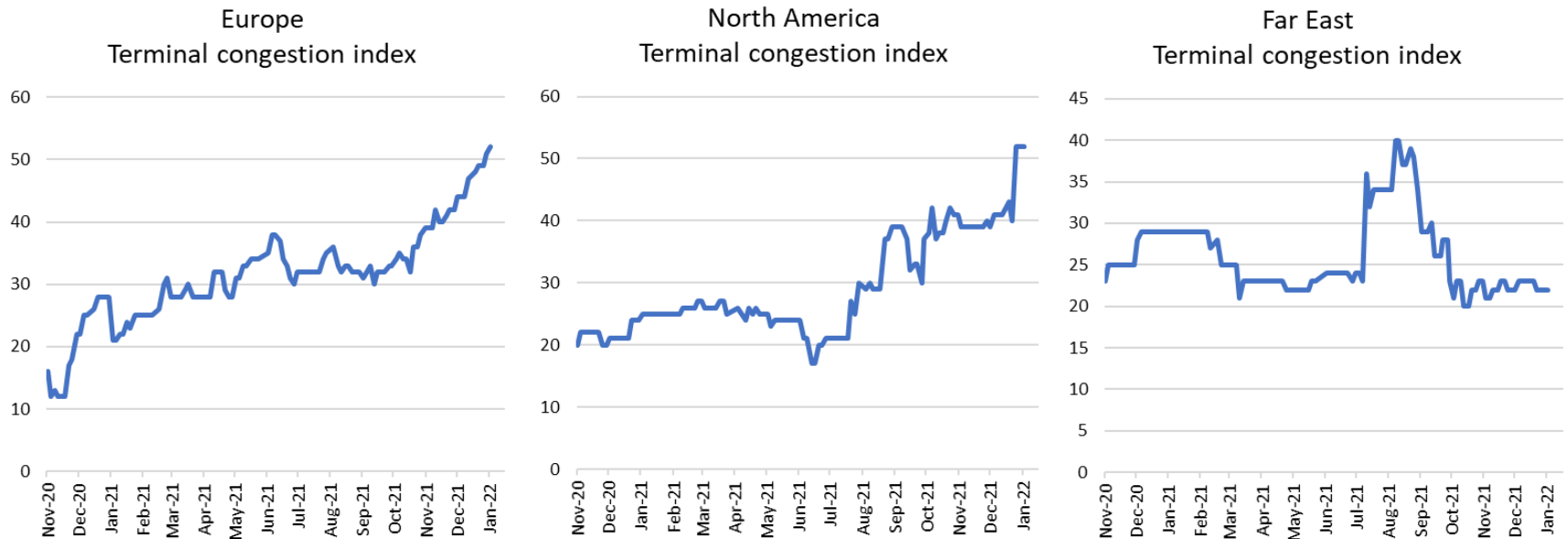


What is in store for 2022 ?

- Bottlenecks got worse in January



Congestion problems are global - and they are getting worse



Index based on HMM bi-weekly customer advisories

Congestion leads to effective removal of both vessels and containers from the supply/demand balance globally

What is in store for 2022 ?

- Bottlenecks got worse in January
- Best case: Reversal to normality in 8-9 months
- Freight rate normalization not until during 2023
- Risk of disruption high in China
- ILWU contract negotiations in the US
- Risk of major disruption due to cyber attacks



2022: Setting the stage

2023-2030 Industry transformation

- 2022 will see major investments and acquisitions
- The digital agenda is being fast-tracked
- Resilience becomes a major factor – however from a data management perspective and not from having excess ships and ports
- Freight rates will stabilize at levels much higher than pre-pandemic. Could likely be at end-2020/early-2021 levels.
- Backhaul rates might go back to the “old” normal, however OSRA21 might prove counter-productive for shippers
- The battle for logistics will eliminate thousands of supply chain participants by 2030. In this game digital is absolutely necessary but not sufficient.
- The green agenda gathers pace

