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11,100 new slots a day: April smashes records for liner deliveries

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The teu tsunami coming out of Asian yards shows no let-up, but for the time being the armada of newbuilds is being absorbed with liner executives confident of decent financial results for the coming months.

March had already seen 41 new vessels and 260,000 teu delivered, but April topped this with Alphaliner recording 50 new ships and what it described as a “whopping” 333,000 teu of capacity. By way of comparison, April saw more capacity delivered than the entire extant fleet of Pacific International Lines (PIL), the world’s 12th largest liner.

“A few years ago, many had predicted that liner shipping would run into a massive overcapacity situation in 2024, but so far the market has absorbed all the new capacity fairly well,” Alphaliner noted in its most recent weekly report.

Vessel diversions via the Cape of Good Hope and additional slow-steaming due to stricter environmental regulations have “artificially” created fresh tonnage demand, Alphaliner explained.

The containership fleet capacity currently stands at 29.37m teu. It will reach 30m teu by the end of June in this record year for newbuild deliveries, according to data from rival analysts at Linerlytica.

Although the nominal fleet growth has reached 10% year-on-year, effective capacity on the four main east-west trades has grown by only 3% this year, according to Linerlytica, as the vessel diversions to the Cape route due to the Red Sea crisis has absorbed most of the new capacity.

“Cargo volume forecasts seem healthy and confidence appears to have returned despite various geopolitical issues that persist,” stated the most recent liner report from MB Shipbrokers, formerly called Maersk Broker.

The additional demand is also keeping idle container ship capacity low. In late April only 0.6% of the global fleet was idle in the sense of unemployed, according to Alphaliner.

“Despite the large number of newbuildings, totaling at about 1m teu of capacity, delivered since the start of the year, tonnage supply remains fairly tight. Currently, the liner fleet can be considered ‘fully employed’ and there is no ‘structural’ idling,” Alphaliner stated.