

CANADA Daily News and Updates June 14th 2024

Ocean Updates

- Anyone Got a Ship for an East-West Service? Carriers Scramble for Tonnage
- Fears Are Rising that Ocean Freight Rates May Surpass US\$20,000 with No Relief for Global Trade into 2025

Ocean Updates

Anyone Got a Ship for an East-West Service? Carriers Scramble for Tonnage

Ocean carriers are “scrambling for any tonnage” to provide additional capacity on east-west services, but the tonnage providers are “taking advantage” as the cost of chartering vessels has recently risen rapidly.

Maersk’s head of ocean product UK and Ireland, Joe Knight, said at this week’s Multimodal exhibition in Birmingham: “Vessels are fully utilized and that’s why there are new services coming online, which honestly is great for the industry, to get as much pressure out as possible.

“They are very small vessels, in relative terms to the Far East norm. So, you’d be expecting to run 20,000-TEU or 14,000-TEU vessels, and we’re seeing 3,000-TEU ships being deployed,” he added.

Peter Sand, chief analyst for analytics platform Xeneta, said: “All carriers fight for the same ships – either you buy or you charter – and they are all scrambling for tonnage now. There is big money to be made, at the expense of shippers who get only to pay more and more for deteriorating service levels.”

Read more in an [article from The Loadstar](#).

Fears Are Rising that Ocean Freight Rates May Surpass US\$20,000 with No Relief for Global Trade into 2025

A major global trade inflation indicator is headed in the wrong direction. Rising freight rates are a new source of concern in the global supply chain, with forecasts warning that ocean cargo prices could reach \$20,000 – potentially even touch the COVID-era peak of \$30,000 – and stay there into 2025.

Spot ocean freight rates from the Far East to the U.S. popped between 36% and 41% month over month, and ocean carriers increased additional charges known as general rate increases by roughly 140%, according to the CNBC Supply Chain Heat Map. These costs have taken the price of a 40-foot cargo container to about \$12,000.

Read more in an [article from NBC](#).