

RATE RESTORATION GATHERING MOMENTUM

Dale Crisp - Daily Cargo News – 9th May 2024



Ever Urban. Image: Dale Crisp

RECOVERY in import demand from Asia is encouraging container lines to ramp up rate restoration efforts.

ANL Container line yesterday [8 May] announced another GRI in the North & East Asia-Australia and NZ trades, the fifth in a row. The latest notification is for a rise applicable on 1 June, at US\$300 per 20' dry/reefer and US\$600 per 40' dry/reefer "for all shipments from North East Asia to Australia East Coast & New Zealand. This increase will apply on top of current Spot/FAK rates subject to all applicable surcharges valid on time of shipment," the carrier said.

Previously announced increases, of similar quantum, were applied on 1 April, 15 April, 1 May and 15 May.

While *DCN* has seen no matching announcements from other carriers market sources say there is “general enthusiasm” for the restoration push and increases appear to be “sticking”. Earlier this month *ANL* also announced it would be implementing a southbound South East Asia rate restoration program from 15 May, at US\$100 per 20’ dry/reefer and US\$200 per 40’ dry/reefer for all shipments. This increase will also apply on top of current Spot/FAK rates subject to all applicable surcharges valid on time of shipment.

While *ANL* is citing “unexpectedly heavy demand” there seems to be little agreement amongst competitors, with one contradictory saying demand is currently “slightly soft” and no rises are contemplated.

However, carriers in both trades appear to be supporting the strengthening of rates via capacity management: *DCN* could identify at least eight blankings across various services over the next couple of months. With all schedules now back to pro forma following the *DWP/MUA* disruptions on late 2023/early 2024 there seems no other reason for voyage withdrawals, with the possible exception of drydockings.