

NEWSLETTER

wk 6 – February 2012



New service into Trans-Atlantic trade

The New World Alliance (NWA) has announced they will be launching a new service between Europe and the US East Coast and Panama at the end of February. Rotterdam will be included in the sailing schedule of the new loop.

This third service of the NWA is cooperation between APL, Hyundai and MOL and will be commercialized under the name of "Americas Europe Express" or shortly AEE. The South American ports will be served in transshipment via Panama. The three partners of the Alliance will employ vessels with capacities of 3.200 teu with an important reefer capacity. APL will contribute three vessels into the service, while Hyundai and MOL will only have one vessel operating.



The loop will be calling at : Manzanillo, New York, Rotterdam, Bremerhaven and Felixtowe. After Felixtowe the ships will again proceed to New York and Charleston before completing their roundtrip in Manzanillo. The first vessel will sail ex Rotterdam on February 29th and will be the APL Shanghai. The first one departing on his eastbound voyage will sail from Manzanillo and will be the 'APL Indonesia'.

MSC investing in Gioia Tauro terminal

Dutch company "Terminal Investment Limited" a company with strong ties with Mediterranean Shipping Company will become owner for one third of the terminal facilities in Gioia Tauro. TIL, based in Bergen op Zoom in the Netherlands, is not a sister company of MSC but has invested before in another 16 countries in ports where MSC is a main customer.



The company has not disclosed his shareholders or strategy but has communicated in a press release they have a unique relationship with the Swish carrier. Today MSC is already the #1 customer of the Medcenter Container Terminal in Gioia Tauro. The port faced a catastrophically situation when Maersk Line decided to leave the port in favor of Malta. As a result the volume turn over went down with 19% to a level of only 2.3 million teu.



Nevertheless APM Terminal of the Danish Maersk Group is still shareholder of the container terminal for thirty percent. The other 66.7% of share are in the hands of Contship Italia via their branch CSM Italia-Gate. From the latter, TIL will now be taking a 50% participation. MSC's main transshipment hub will now become Gioia Tauro for the Mediterranean in near future.

Before Greek port Piraeus handled the majority of the container operator's volumes. After a meeting with local regional president for Calabria Mr. Giuseppe Scopelliti, MSC's Gianluigi Aponte confirmed the willingness of MSC to further invest in the development of the port.

Fresh capital for CSAV

Chilean container carrier CSAV receives another us dollar 347 million as capital increase from his two main shareholders. It is the first investment in line with decisions taken by the BOD of the operator late 2011. This will involve a total capital increase of us dollar one milliard.

The holding company of #1 shareholder, Quinenco owned by the family Luksic, has invested the sum of us dollar 247 million. The other shareholder Marinsa, which is controlled by the Claro Group, has contributed us dollar 100 million. The fresh money is an absolute must for CSAV to survive and absorb the losses which have occurred last year. The new injections only compares with the losses CSAV has suffered in Q3 of 2011 which amounted to us dollar 343 million.



In total us dollar 788 million have now been re-invested of the budgeted us dollar 1.2 milliard. On February 10th, CSAV will now proceed to the 3th and final stage of his capital injection. Most probably the two main shareholders will provide the rest amount required as they had announced earlier. In a second stage the company will also be split in different structures.

The logistic and port activities will be separated since they are the profitable part of the group. They presently operate under the name of SM SAAM and will be listed at the stock exchange in future. The time line here would be February 15th.

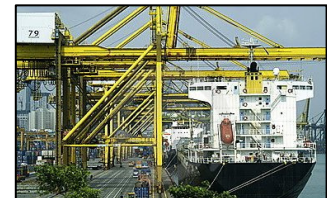
For their liner activities the Chileans are still searching for an industrial partner. At the present stage they have entered into an agreement with MSC already. By using slot capacity with the Swish carrier, CSAV is able to reduce their own operated fleet to only 60 vessels. This is more than half of their last year's total fleet.



60 million teu handled by PSA globally

Temasek, the holding company of PSA International from Singapore has reported a satisfactory performance during 2011 despite the difficult market circumstances. Also the home port of Singapore performed positive figures by handing 29.37 million container units which is a growth of 6.1% in comparison with 2010 results. This is a new local record. The last one was dated back in 2008. Despite this positive development, Singapore was unable to regain their position from 2009 as world's number one container port.

This status remains undisputed in the hands of Shanghai. Outside Singapore, PSA handled 27.72 million teu with an important growth in Antwerp of 5%. As such the stevedore has handled a total of 57.09 million teu. However this figure does not include the volumes handled in Hong Kong by PSA terminals since they have been transferred in March 2011 to HPH Trust. If volumes handled by HPH Trust would be taken in consideration, PSA terminals would have totaled 59.3 million teu.



Maersk changes ULCS policy

Danish carrier Maersk Line has decided to withdraw 10 from their total 23 ULCS class vessels presently operated in the trade between Asia and Northern Europe. In future they will be employed on their Mediterranean loops.



At present these ten vessels are still operational in the AE8 and AE2 services. However the AE8 will be stopped soonest since this is a joint service with CMA CGM. The French carrier will be working together with Swish MSC in the near future. Although Maersk Line has the intention to continue the AE8 loops, five of the ultra large container ships with capacities of 13.093 teu will be taken out of service and transferred to the AE20 Med-loop.

Five other sister vessels with the same capacity will be operated in the AE2 loop who is calling Northern European ports Rotterdam, Bremerhaven, Hamburg and Felixtowe. The 13.093 large ulcs will be replaced by 8.450 teu vessels. Up to now only MSC was operating ultra large container ships in the Mediterranean with their Dragon and Tiger service.

The new Maersk service operating the ulcs will be calling Valencia, Malaga, Algeciras and Tangier before proceeding to Singapore, Qingdao, Bussan, Shanghai, Nansha and Tan Jung Pelepas. The goal for the Danish carrier is to strengthen their presence on this trade lane.



More changes in the loops of Maersk' Far East services are announced. The Danish want to continue to offer their "Daily Maersk" concept without partnership of their previous colleagues of CMA CGM. Especially a number of ports in Europe and Far East are anxiously awaiting the decision on the vessels rotation. It is crystal clear that besides Maersk also the new consortia of MSC / CMA CGM and the CKYH Green Alliance in cooperation with Evergreen are reconsidering their present loops.

Only the G6 Alliance which is a combination of the previous Grand and New World Alliance, has announced officially their future loops of their seven new services from the Far East. The previously published rotations of CMA CGM will result in new changes after the completion of the agreement with their new partners of United Arab Shipping Company.

UASC has announced it will deliver three ulcs units for the FAL1 loop of CMA CGM, while the French will operate five unities of 13.830 teu which they will withdraw from their present AE8 service with Maersk Line. In order to complete the loop with sufficient vessels, CMA CGM will charter some mega vessels from MSC. The first one will be the 13.092 teu large MSC Capella which is targeted to start its maiden trip in Ningbo on April 26th.

