

India container traffic surges 9.5 percent

13 state-owned ports handled 7.54 million teu's in fiscal year 2010-11. The volume of containers handled by major ports in India surged 9.5 percent year-over-year in fiscal 2010-11, the Indian Ports Association said in a statement Friday.

Total container traffic through the 13 state-owned ports was estimated at 7.54 million 20-foot equivalent units, compared with 6.89 million teu's the previous year. The tonnage of box volume climbed 12.6 percent to 114 million tons from 101 million tons. Jawarlal Nehru (Nhava Sheva), which handles more than 60 percent of the country's total containerized traffic, reported its highest-ever throughput of 4.27 million teu's, up 5 % from 4.06 million teu's in 2009-10.



Volume at Chennai, the second-largest container gateway, jumped 26 percent to 1.52 million teu's from 1.21 million teu's. Other smaller container ports also posted modest gains in traffic on a year-on-year basis. According to the IPA, overall tonnage at major ports grew 1.5 percent in 2010-11 to 570 million tons from 561 million tons but fell short of the Shipping Ministry's target of 600 million tons.

Kandla was the top cargo handler with throughput of 82 million tons. Based on a recent assessment by the Shipping Ministry, major ports are expected to handle 615 million tons of cargo in fiscal 2011-12, which began April 1, 2011. Total containerized traffic for 2011-12 is projected to reach 11 million teu's, driven by a strong turnaround in the country's foreign trade.

Hamburg Süd expects lower profits

After the nuclear accident in Fukushima, the shipping company Hamburg Süd has changed the course of their vessels to the ports of Yokohama and Tokyo, making a detour of nearly 2000 miles, in order to guarantee the safety of the crew and the cargo.

The cost of this precaution is not yet calculated. Hamburg Süd expects a weaker profit for 2011, but are of course other factors. Competition from large carriers, which otherwise go to the east-west routes will be sharper for Hamburg Süd. There's also the fact of the rising energy costs. The price of a ton of fuel has increased since 2010 by 150 to just over us dollar 600 per ton.



Cost reductions will be achieved by slow steaming (from 21 to 17 to 18 knots (about 32 km / h) and the use of ships that can carry more and more boxes. Hamburg Süd has now ordered its largest container ship. End 2013/early 2014 the Korean shipyard Hyundai will deliver six vessels, each good for 9600 TEU. These four options have been agreed upon. This is likely the contract is worth more than a billion dollars. The freighter will be launched in Hamburg, too.

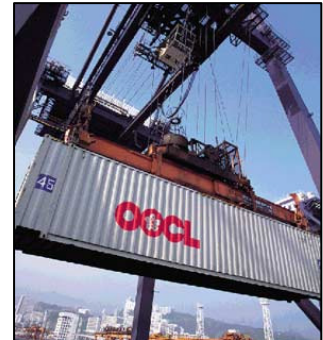
2010 was a record year for Hamburg Süd. In liner shipping, the transport volume increased to the crisis of 2009 by 23 percent to 2.9 million teu's, and was even higher at eight per cent above the 2008 figure. The revenue increased by 45 percent to 3.9 billion euro's.

Spectacular growth for OOCL

OOCL started the year strongly. Both the volume transported and the turnover recorded a double digit growth in the first quarter.

The total traffic recorded in the first quarter of 2011, showed an increase of 12.6%, from 1.05 to 1.18 million teu. Half of that volume is for the trade "Intra-Asia/Australasia", good for 597,200 teu, and thus the strongest growth (17.1%). The service across the Pacific recorded an increase of 9.7% (296,400 teu). On the axis Asia / Europe, OOCL shipped 196,200 teu (+8.3%). The smallest growth was for the service across the Atlantic (+4.3% - 91,000 TEU).

The overall turnover of the Hong Kong operator rose by 17.2%, from 1.13 to 1.33 billion U.S. dollars. Three trades were there at a pace close. Revenues in the Trans-Pacific grew by 23.3% (\$ 473,430,000). "Intra-Asia/Australasia" climbed 22.5% to \$ 421,950,000 and "Trans-Atlantic" rose 22% to \$ 156,550,000. OOCL also reports that the loading capacity increased by 16.8%.



Slow steaming takes over all Far-East-North Europe trade lanes

The last eight-week rotation on the Far East-North Europe route - the CSCL/Evergreen AEX 1/CEM service - has switched to slow steaming on April 20, thus making the trade lane the first to be entirely taken up with once novel fuel saving technique.

A 10-week transit is now typical because of the rise in bunker prices, which makes slow steaming attractive to ship-owners and operators because fuel burn is much reduced at lower speeds. Over the last five years, transit times have increased 22 per cent, or two more weeks on the route.

The Paris-based shipping consultancy Alphaliner reports the AEX 1/CEM service will add an extra week to its rotation from April 20, as a ninth vessel joins the loop (six from CSCL and three from Evergreen), adding two days to the westbound transit and three days to the eastbound return. Evergreen ships' occasional calls at Qingdao will end with the change.



The revised rotation will be Felixstowe, Hamburg, Rotterdam, Hong Kong, Shanghai, Ningbo, Shenzhen-Yantian and back to Felixstowe with nine ships of 8,000 - 9,500 TEU. The three vessels of 10,000 and 14,000 TEU on the route will be reassigned to the AEX 7 service run by Evergreen, CSCL, CMA CGM and UASC, though known as FAL 2 by CMA CGM and AEC 8 by UASC.

CSCL expanding it's fleet

China Shipping Container Lines has suffered severe losses during the first operational quarter of this year. Nevertheless the carrier has announced it will further extend it's fleet, however without giving any specific details.

The net loss suffered during the 1st quarter was reported to be 146 million yen. The last quarter of 2010 there was still a profit announced of 877 million yen. The global turn over from January till March this year was 6.5 milliard yen whereas this was last year 7.5 milliard yen during the same period.

Since CSCL is known to be focussing mainly on spot tariff policy, the shipping line has been influenced immediately by the downward trends of the market. Over more costing has increased with 1 milliard yen due to fuel costs rising in the market. Despite this rather negative news, China Shipping revealed that's it's cash flow capabilities will mainly be used to support their vessels new buildings strategy currently under construction.

