

NEWSLETTER

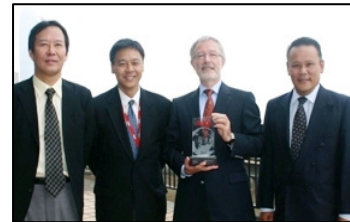
26 – August 2011



Agreement realised between Grand and CKYH Alliance

Various members of both the Grand Alliance and the CKYH Alliance have been successful in realizing a mutual cooperation to exchange future vessels capacities with each other. Grand Alliance member NYK shortly agreed with K-Line to use their NE4-service capacity on the CKYH Alliance. In exchange K-Line was enabled to use space on the D-loop of the Grand Alliance.

Also OOCL, alliance partner of NYK, has now received the green light to have access to the NE4-service. The Hong Kong carrier made an agreement with Cosco in this respect and following this agreement Cosco will have space capacities on their D-loop. Earlier NYK also made a slot charter agreement with Hanjin. The Japanese container operator will slots on the NE-6 service of Cosco, K-Line, Yangming and Hanjin.



The South Korean carrier will be compensated by receiving space allocations on the A-loop of the Grand Alliance who has their main focus on Japanese ports. The first vessels receiving OOCL containers on the NE-4 service will be the "Henry Bridge" departing on August 4th fro Asia. This service will carry OOCL equipment between Qingdao, Shanghai, Ningbo, Hong Kong, Singapore, Port Said, Rotterdam, Hamburg and Antwerp. Vessels with capacities of 8.204 till 9.040 teu will be delivered by Yangming and K-Line.

The D-loop of the Grand Alliance is quite interesting to the CKYH Alliance members due to the fact the service is calling Cai Mep and Le Havre. These two ports disappeared from their sailing schedule when their NE5-service stopped earlier this year. The full rotation of the Grand Alliance 4th loop will be : Busan, Qingdao, Shanghai, Ningbo, Shekou, Yantian, Cai Mep, Singapore and Southampton, Le Havre, Hamburg, Rotterdam. OOcl, NYK and Hapag Lloyd operate 10 vessels in this service with capacities between 5.344 and 6.750 teu.

Yang Ming and China Shipping intensify their cooperation

China Shipping is starting two extra services between the North of Europe and the Far East. The Chinese carrier will use slots on two loops of the CKYH Green Alliance. After the stoppage of the NE5-service from the Green Alliance, Yangming approached China Shipping in order to find solutions for their volumes to Le Havre. This resulted in a slot charter agreement on the AEX7-service from the Chinese operator.

After the achievements of this agreement, both carriers tried to work out closer cooperation's resulting in these new agreements. The new AEX5 service offered by China Shipping is in fact similar with the NE6 service of the CKYH Green Alliance. This weekly container service operated with units of 8.400 till 10.000 teu by Cosco and Hanjin is rotating between Hamburg, Felixstowe, Rotterdam, Singapore, Kwan yang, Busan, Ningbo, Shanghai, Xiamen, Hong Kong and Yantian.



With China Shipping included, the NE4-service is now used by eight carriers being, Cosco, Yangming, K-Line and Hanjin as CKYH Alliance members, but also by UASC and shortly also NYK and OOCL. Because the intensive slot exchange, Yangming announced they will be starting a 7th service on this trade lane. The Taiwanese carrier will also receive slots on the AEX1-service from China Shipping for shipments from Shanghai, Ningbo, Yantian to Felixstowe, Hamburg and Rotterdam. The AEX1-service is a joint service of China Shipping and Evergreen, where besides Yangming also CMA CGM and Zim have space allotments. This service is operating 9 vessels with capacities varying between 8.468 and 10.062 teu.

Transatlantic Trade growing

In comparison with the negative growth of volumes between the Far East and Northern Europe, the container carriers to the North Atlantic are performing satisfactory.

According to statistics of the American PIERS, the export of North Europe to the USA has grown with 14.7 % during Q1. In the other direction growth figures stabilized at 15.5%. More good news was reflected by the fact that imbalance between east and west bound became very small. Eastbound 362.00 teu were carried whereas 380.000 teu's were counted in the other direction.



Also the trade between the Mediterranean and the United States were more or less balanced. On this route the growth figures of Q1 showed an increase with 20.9% in relation to the first quarter of last year. Recent statistics showed that also April and May proved to be very stable months. The European export to the US and Canada increased again with 9.55 and 9.2% whereas imports showed a 14.2 and 9.9% result.

Carriers have not really increased their vessels capacity because the economical crisis had huge impacts the years before and there was still sufficient capacity available on these routes. Hapag Lloyd restarted their Atlantic Express Shuttle service in March which they stopped at the end of 2010 and which made port calls at Hamburg, Antwerp and New York.

CMA CGM more focus on Hamburg

French container carrier CMA CGM has promised the German ports of Hamburg and Bremerhaven to increase their container handlings in their favour transferring volumes from Rotterdam and other Benelux ports to Germany. This message was announced by CMA CGM director for Germany, Mr. Reinhard Peschel earlier last month in Hamburg.

During the crisis years, volumes handled in Antwerp and Rotterdam increased but this will now be changed. Especially the transshipment containers for the "west-ports" had been handled in other ports during the last years. As a result, volumes of container transshipments decreased in both Hamburg and Bremerhaven to only 150.000 teu during 2010. However Peschel announced that within short this would rise again to volumes of 340.000 on a yearly basis.



During 2010 a total of 830.000 teu were handled in German ports by CMA CGM. These figures included besides the transshipment volumes, also the in- and outbound cargo's. According to Mr. Peschel this will further increase during 2011. Already during the first five months of this years, the German ports handled 4.5% more vessels then during the same period last year.

According to top manager Mr. Farid Salem of CMA CGM, the shipping lines will invest in larger vessels the coming years. The carrier has refinanced his assets over the last years during the crisis and has sufficient financial resources to start re-investments in new vessels. Mr. Salem indicated that CMA CGM has various running orders for the construction of vessels with 16.000 teu capacities. Insiders believe he was referring to six existing ship building orders of 400 mtr. vessels which would be prolonged. Deliver is foreseen during 2012 and 2013.

MSC interested in Gioia Tauro



Italian logistic newspaper "TrasportoEuropa" has shortly published that shipping line MSC has an interest for investing in the port facilities of Gioia Tauro. According to TrasportoEuropa the chairman of the Calabria region, Mr. Giuseppe Scopelliti, has had positive discussions with MSC president Mr. Gianluigi Aponte. According to the same source, basic cooperation agreements were agreed with a focus on the further development of the port of GioiaTauro.

From their side, MSC confirmed they are ready to carry out investments in the port. This will lead to a further reorganisation of MSC services in the whole region due to new strategically decisions which will be required. The new role of Gioia Tauro in the MSC operations will either be one of transshipment activities either one of logistic operations.

In order to be in a position to invest in the infrastructure of the port of Gioia Tauro, MSC will need to become partner in the Medcenter container terminal. This terminal is partly controlled by MSC's competitor Maersk Line, who is having a 33% share. Recently Maersk Line transferred his operations to Malta what lead to the present crisis in Gioia Tauro. (see our newsletter #18, June 7th 2011)
When both shipping giants could not find any solutions to a renewed shareholder ship of the "Medcenter container terminal", it will be hardly possible for Mr. Aponte to realise his ambitions for the port restructuration's.

