NEWSLETTER
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<u>Hamburg Süd ceases a Mediterranean service.</u>

Hamburg Süd ceased one of it's two Mediterranean services after a disappointing load offer. In compensation they will buy locks from Maersk. For the operation in the Mediterranean area, the German shipping company also collaborated with the Maersk Line for Greece and Turkey. For Israel they had a slot charter with ZIM.

Last year in September, the co-operation with Maersk and Zim was ended and Hamburg Süd began two services to Turkey (north route) and Levant (south route).

In the first week of august, both line services will be scheduled together. The new rotation that will be done by vessels of 2.524 - 2.741 TEU, and will go from Felixstowe, Antwerp, Hamburg, Tanger, Alexandria, Limassol, Beirut, Latakia, Mersin to Izmir. Via Tanger, Hamburg Süd keeps existing transit possibilities open to Tunisia, Algeria and the western half of the Mediterranean area.

To call the ports of Turkey and Israel they have an agreement with Seago Line, the new daughter company of shortsea of the Maersk group. The Germans will receive an allocation on the Scanmed service to Greece and Turkey, but uses these only for the following ports Felixstowe, Bremerhaven, Antwerp and Istanbul (Ambarli). Izmir Korfezi, Gemlik and Izmir (Nemrut Bay).

The containers for Haifa and Ashdod will be loaded on the Euromed Service of the Seago Line. The North-European loading ports are Felixstowe, Rotterdam and Bremerhaven.

By ceasing a service, the German shipping company takes five vessels of 2.061 -2.169 TEU out the sailing area. The last figures of Container Trades Statistics shows us that the traffic in the Mediterranean sailing area in Mai of this year declined with 7%.

<u>In Singapore the container trade is increasing.</u>

In the first half of this year, the port of Singapore had a moderate growth of 4.2% in the container trade. But the level decreased again in June compared in Mai.

Also the port of Singapore is noticing the delay of growth that manifests in the world trade. In the first six months of this year there were preliminary figures that show us that 14,6 million TEU was transshipped. This means a growth of 4,2% comparing with the 14 million TEU in the first six months of 2010.Comparing June of this year with June of last year, their was a growth of 3.5%.

Besides this growth, the volume declined with 3.5% in June comparing to Mai, while normally in June the peak season starts. Allegedly the terminals have a occupancy of more than 85% in the first six months.

June was a weak month for the port of Shanghai.

In the world's biggest port, Shanghai, there was 2,62 million TEU handled. Which is 5% less than in Mai when 2,76 million were loaded and unloaded.

When we compare with June 2010, there is still a growth of 7,6%. But also that percentage is lower than expected. June is normally a busy month for the shipping companies. Especially because the peak season starts. Different shipping companies confirms that there was less cargo last month than expected.

Earlier this year, the Chinese port underwent a bigger growth. After six months the container transshipment has now reached a total of 15,3 million TEU, which is 11% more than in the first semester of last year.

The Shanghai International Port Group stated last month that there will be yearly growth of 10%.

The top 20 shipping companies are strengthening their traction.

The twenty biggest container shipping lines control 84% of the container fleet for the moment. This number was never bigger according to the French databank Alphaliner.

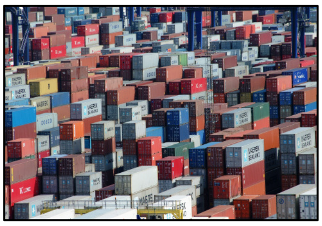
Alphaliner also says the market is still very fragmented, no shipping line has a market share of more than 20%. Mearsk line controls as market leader with 15,4% of all capacity. MSC is the only other shipping company with a market share of more than 10% (12,9%). The presence of a big number of global carriers are making it very difficult for newcomers to take a market share.

The Containership company and Yanghai Shipping Co are two examples of young shipping companies that earlier this year stopped their competitive struggle against the bigger shipping lines.

Also the fast upcoming of the two young Chinese shipping companies, Haian Pan Ocean Shipping and Grand China Shipping has stopped. Because the losses are rising, both shipping companies have limited their offer to the Pacific recently

The forecasts of the Far East trade are optimistic.

In his youngest quarter report about maritime container transport, the Macquarie Research expressed his doubts about the expected growth forecasts. Most analyst expect that the volumes between the Far East and Europe and on the Pacific will increase with an average of 7 to 9%. Macquerie says it is to optimistic.



The Australian researchers wonders from where all the extra load will come, now fewer American and European companies moves their production to China. The accession of China in the World Trade Organization WTO in 2001 had a move of production as a result. That effect seems already a few years out. Macquarie also expects that the production costs in China will raise resulting American companies maybe rather built their factories in Mexico.

An additional reason why the analyst predict a lower growth, is the fact that the shipper use smaller and more solid packaging. This will result in more products per container, and therefore they will need less containers.