

Hapag-Lloyd reduces losses

Thanks to the increase of freight rates over the last months, Hapag Lloyd has been able to stabilize its turnover during the last quarter of 2009. The losses faced during this quarter are budgeted at euro 21.3 million which is a major improvement. During the 1st quarter 2009 Hapag Lloyd had to report losses of euro 242.7 million, while the 3rd quarter reported euro 239.8 million of losses.

Nevertheless the annual result for 2009 is still showing an important overall loss of minus euro 696 million, whereas in 2008 there was still a profit generated of euro 211 million.

During 2009 the turnover decreased with 40% whereas the volumes dropped with 900.000 teu.



Meanwhile budget controlling measures have been taken to an extent of 1.1 milliard us-dollar. Major reduction of costs have been realised by the drastic reduction of vessels capacity. Meanwhile Hapag Lloyd is waiting for the positive verdict of the European Commission in respect of the State guarantees supplied by the German authorities.

OOCL predicts slow revival for container carriers in 2010

OOCL has reported a fall of their turnover in 2009 with 33% while their transported volumes dropped with only 14%. The difference was caused by the drastic fall of freight rates during 2009.

OOCL's chairman, Mr. C.C. Tung stated that 2009 witnessed the worst market conditions ever experienced in the container shipping industry. The container rates collapsed during the first 6 months of the year whereas the shipping capacity chased a dearth of demanded volumes.



Thanks to the fleet reduction realised, freight rates improved in combination with the 1st signs of economical recoverage during the 2nd half of 2009. Unfortunately the increase of the energy prices during the same period had a negative impact on the shipping line's situation.

C.C. Tung is also concerned that the new build orders of vessels who have to be laid up the coming 2 till 4 years, could result in new slumps in freight rates. The challenge between short-term cash flow and longer-term stability will test the market's capacity discipline the next couple of years until trade growth eventually will absorb the surplus capacity, he continued.

Maersk Line is expecting again small profit for 2010

Danish shipping group A.P. Møller-Maersk has closed 2009 with the expected loss of approximately one milliard us-dollar. However according to their CEO Mr. Nils Andersen, Maersk will return back to profitability in 2010, although the results expected on the container activities will remain very poor.

The disappointing results of the Maersk-group are fully the responsibility of the liner container activities of the shipping lines, Maesk Line, Safmarine, and Inter Asian operator MCC Transport.

Main reason for the fall in Maersk's-group results were not the reduced volumes of 13%, but the drastic fall in freight rates which resulted in minus euro 8 million us-dollar of turn over.

Main attention was given to cost reducing factors amounting to an overall total of 1.6 milliard us-dollar. Part of these cost measures was the reduction of 2000 staff on a global scale.



For 2010, Maersk has foreseen an increase in the container transport of 3 till 5%. In comparison their fleet capacity would increase with 7 to 10%. According to their CEO's statement, Mr. Andersen expects a further improvement of the freight rates thanks to the shipping lines discipline after the declining rates during 2009.

Earlier this year, tariffs were nearly on the same level again as in January 2008, however further stabilization upwards are required, he stated. One decisive factor will be whether the "laid up" vessels capacity of the various shipping lines will return back into service within short ... or not. According to Maerks Line there is no planning to re-introduce their fleet back into service.

