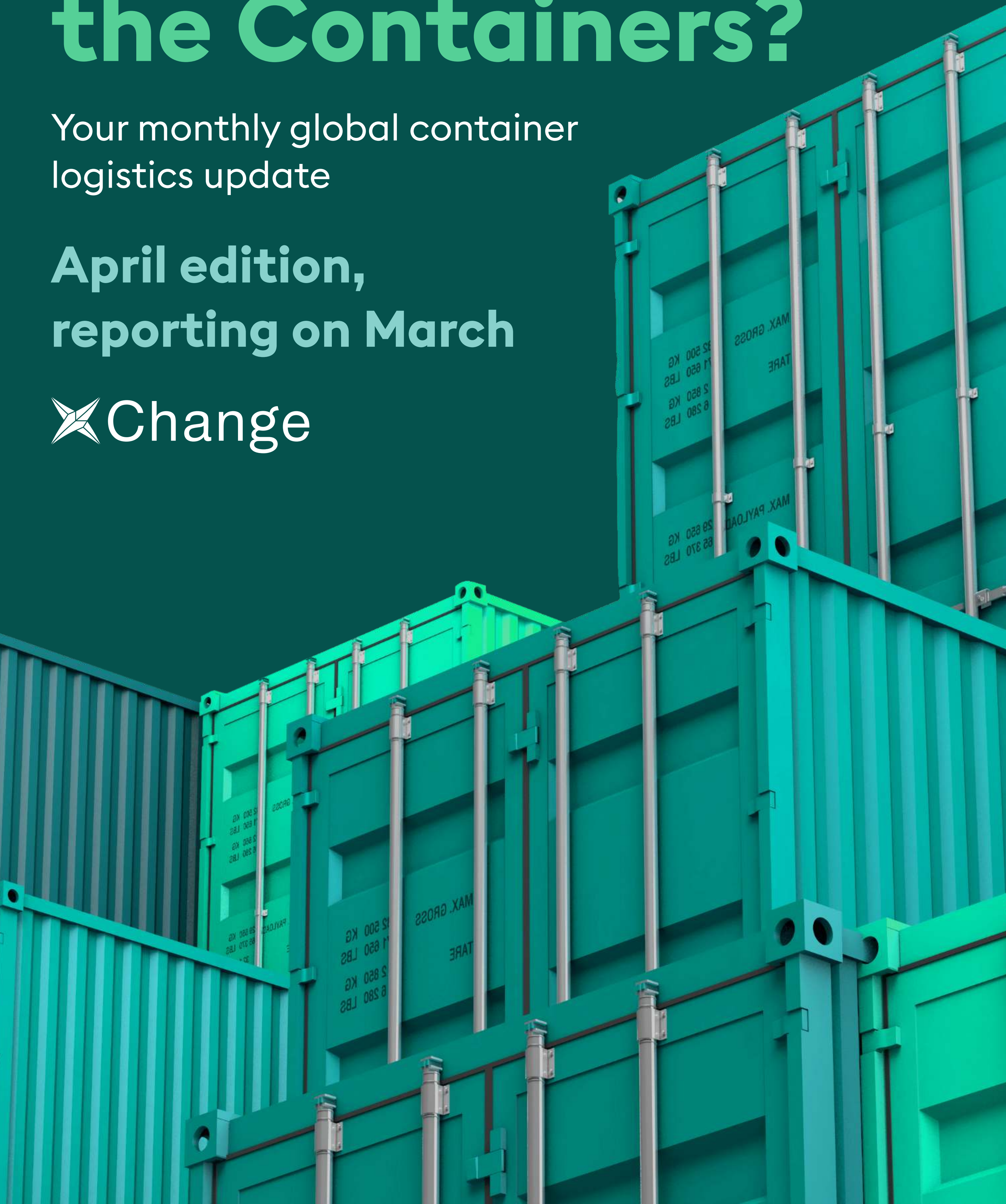
Where Are All the Containers?

Your monthly global container logistics update

April edition, reporting on March

XChange



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Letter from the CEO

Policymakers across the globe are continuing to increase their key interest rates, although at a slower pace than what was anticipated prior to the uncertainties in the global banking sector. For central banks, it is imperative to succeed in the balancing act between fighting inflation and ensuring the stability of banking. Otherwise, we might see a hard landing of the global economy. Of course, this affects container logistics too and we are closely monitoring sentiment within the industry.

Light at the end of the tunnel is currently provided by Southeast Asia—which is not only benefiting from the diversification of supply chains away from China, but is also increasingly important as a centre of global demand. In this edition of *Where Are All the Containers?*, we explore this in detail. We also discuss the excess inventory and falling container prices in Asia; transatlantic services shifting their focus towards the Indian sub-continent and Middle East; the emergence of the Middle Corridor as a commercially attractive region for container movement; the surplus of containers at European ports; and what April holds for the US as imports into the country drop.

Of course—as usual—you will also find detailed data and forecasts average (container) prices and pickup rates. At Container xChange, we are a technology company striving to simplify the logistics of global trade by making processes around the container as simple as the box itself.

We do that by providing a neutral infrastructure that connects all logistics companies to remove friction and create economic opportunities. As part of this mission, we are also continuously studying the industry, market, participants, strategies, trends, etc—and building reports around this to share these insights with you. We hope you enjoy yet another update from our end.

Christian Roeloffs

Asia

China Plus One in full swing as container supply overshoots demand

China is the focal point of the global supply chain. It is also the world’s largest container market, one that determines the course of international trade operations. So, if container demand softens in China – or Asia by extension – global economic growth slows down as well.

Container traders in Asia are concerned with the current glut of inbound containers as they are leading to excess inventory, plummeting container rates (for both leasing and buying) and dropping demand.

Year-over-year drop in container prices in Asia from March 2022-March 2023:

- China: 47% from $4,287 to $2,284.
- Singapore: 55% from $4,338 to $1,951.
- Vietnam: 51% from $4,812 to $2,331.
- Thailand: 46% from $3,727 to $1,992.
- Malaysia: 42% from 3,562 to $2,046.
- Indonesia: 40% from $2,793 to $1,682.

Supply overshooting demand at depots

At the same time, our Container Price Sentiment Index (xCPSI), which shows how shipping experts around the globe expect container prices to evolve in the future – found that a rebound in container prices is expected in 2023 Q2. Container xChange CEO and co-founder Christian Roeloffs said, “We learn from many customers of Container xChange that the demand for containers is still there, just that the supply is overshooting the demand. Due to this, we see ripple effects such as depots working on max capacity and therefore, not being able to accept new clients.”

Plummeting demand and rising inflation led to an oversupply of containers in China last year. This, in turn, has resulted in depots in the country reportedly working on 90% utilization. An oversupply also makes it harder for the depots to move boxes. And because depots make money by moving these boxes as opposed to storing them, the current circumstances are rendering the depots inefficient in both their operations as well as revenue generation. Roeloffs highlighted that because the depots are working on maximum capacity, they are not being able to accept new clients. This situation could be a struggle for the NVOCCs and shipping lines that wanted to open new markets globally.

CNY recovery slower than expected

While recovery from the Chinese New Year (CNY) has always been a gradual process, the Shanghai Shipping Exchange stated in February that the recovery of Chinese exports after the CNY 2023 holiday has not been ideal, leading to a further imbalance between demand and supply. Drewry’s composite World Container Index decreased by 2% to $1,756.83 per 40ft container on March 23. This is 83% below the peak of $10,377 reached in September 2021. It is also 35% lower than the 10-year average of $2,690, indicating a return to more normal prices but remained 24% higher than average 2019 (pre-pandemic) rates of $1,420.[1]

With this increasing number of idle containers at terminals, not only are the ports are getting congested but repositioning empty containers have become more expensive and inconvenient as well.

[1] https://www.drewry.co.uk/supply-chain-advisors/supply-chain-expertise/world-container-index-assessed-by-drewry

What did Container xChange's data say?

We looked at the CAx values for 40ft containers at some of the major ports in Asia and noted that all of them scored higher than 0.50. This means that more containers are entering all these ports than moving out.

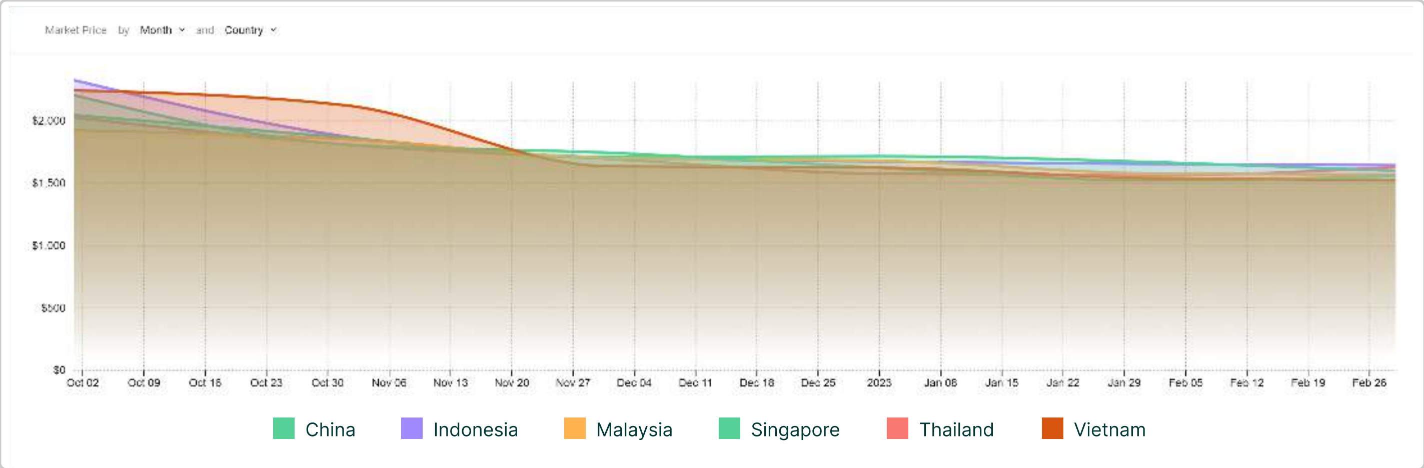
Container Availability Index per Port per Year

Week	Port of	CAx 2021	CAx 2022	CAx 2023
12	Ho Chi Minh City	0.82	0.70	0.71
12	Port Kelang	0.85	0.82	0.82
12	Shanghai	0.63	0.57	0.64
12	Singapore	0.54	0.60	0.73

CAx values for 40ft containers in Asia

Data source: Insights

And while we saw increasing CAx, we also noted decreasing prices, thereby reflecting how the oversupply is resulting in low prices for the containers. The average price for a cargo-worthy 40ft container on our platform was anywhere between $1,500 to $1,700 in most parts of Asia.



Average prices of a cargo-worthy 40ft container in Asia

Data source: Insights

At the same time, there is good news for intra-Asia trade as businesses across the world are now launching projects to diversify the global supply chains.

The China Plus One strategy[2] is expected to create a more integrated trade chain among Asian countries. The China-Southeast Asia trade is seen to be emerging as a strong economic partnership this year. China is also developing strategic ties with the Middle East and Russia, thereby underlining why the country is still one of the strongest geopolitical and economic facilitators in the world.

According to March's forecaster created by Container xChange, charges from China to Southeast Asia saw a major slump of 84% from $559 in January 2023 to $91 in March 2023 and a 90% year-over-year drop from $899 in March 2022. This is an evident indicator of increased Intra-Asia trade.

[2] https://en.wikipedia.org/wiki/China_Plus_One

The ISC & Middle East

World's biggest carriers shift focus to the region

With the drop in cargo demand in China, ocean freight rates have fallen too. This has also brought significant changes in how the global container fleet moves. As Container xChange has been reporting for the last few months, several sailings and services have been either cancelled or suspended in the Asia-North America and Asia-Europe routes. Amidst this, one region is emerging as commercially attractive: the Indian sub-continent and the Middle East.

Transatlantic services emerging as lucrative

Container fleet operations on the transatlantic service have only been growing. Reportedly, 162,300 TEUs were added to them in 2022, of which, the largest change was in the services related to the Indian sub-continent and the Middle East. Shipping giant Hapag-Lloyd suspended the China-Germany Express (CGX) service and redeployed ships on the transatlantic service. Hapag-Lloyd also has ownership stake in one of India's main private terminal and inland transport service providers, JM Baxi Ports & Logistics. On the other hand, COSCO and OOCL launched a Southeast Asia-India-US East Coast service in December 2022 after closing a China-Vietnam-US East Coast loop.

Not only shipping companies, but one of the world's biggest industrial conglomerates, Siemens, is keen on investments in Southeast Asia. Reportedly, this is to reduce supply chain risks amidst the ongoing geopolitical tension between the US and China. Siemens is currently taking on staff and considering setting up factories in Indonesia, Vietnam and Thailand. The Financial Times quoted Judith Wiese, the company's Chief People and Sustainability Officer, as saying, "It is a very varied region, but one that has a lot of potential and with the world talking very much about the US and China from a diversification perspective, it is very interesting for us."[3]

[3] https://www.ft.com/content/a84b8cf4-53b4-4470-ad92-818978c72b2a

Expansion of supply chains in the Middle East

Many other parts of the Middle East are expected to benefit from a diversified supply chain as well. For example, COSCO Shipping Ports has announced its investment in 25% of the equity in Egypt's Sokhna New Container Terminal. The project, with the total investment of approximately $375 million, will operate for 30 years. It is believed that once complete, the terminal's container capacity will reach 1.7 million TEUs.

Another recent big news was the CMA CGM Group announcing the launch of the new Bangladesh India Gulf Express (BIGEX) service. BIGEX will start sailing from the port of Chittagong on 5 April 2023, and will offer Bangladesh and India a direct connection with the Gulf. The transit times will be much faster and exports from Chittagong will reach Nhava Sheva and Mundra within 10 days and Jebel Ali and Abu Dhabi within 15 days. Vessels deployed on the service will follow a rotation of Chittagong-Colombo-Mangalore-Nhava Sheva-Mundra; and the eastbound leg to Jebel Ali-Khalifa Port.

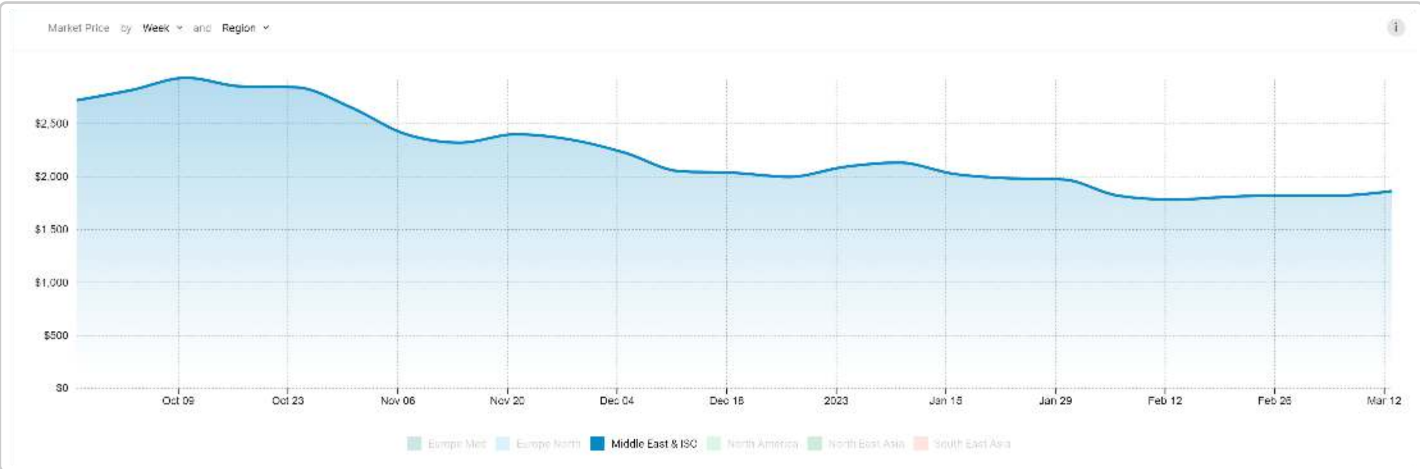
Maersk creates a new shipping region

A.P. Moller – Maersk (Maersk) even integrated two emerging markets – West & Central Asia and Africa – to form a new combined IMEA (Indian sub-continent, Middle East and Africa) region. The primary markets for this new region will be India, Pakistan, the UAE, Saudi Arabia, South Africa, Kenya, Ivory Coast, Cameroon, Nigeria, Senegal, and Ghana, among others. Maersk clarified that their customers would continue to work with the same teams and the products and solutions they are offered will stay the same until informed otherwise.

The Indian sub-continent and the Middle East are thus not just viable regions thriving in resources but also strategic locations. The regions are now creating hubs for manufacturers, building infrastructure to support ocean and air transport, and actively making consumer markets more compact. Evidently, the global supply chains are now getting more efficient with better accessibility and higher potential.

What did Container xChange's data say?

Our data noted that it is a suitable time to buy containers in the Indian sub-continent and the Middle East right now, as the prices of standard containers have been steadily dropping. For example, the average price of a cargo-worthy 20ft container at ISC and ME was $1,200 in March. For a cargo-worthy 40ft container, it was $1,860. Only six months back, it was 38% more expensive to buy this box.



Average prices of a cargo-worthy 40ft container in Asia

Data source: Insights

There are many containers available at the ports of Mundra, Chittagong and Jebel Ali.

Container Availability Index per Port per Year

Week	Port of	CAx 2022	CAx 2023
12	Chittagong	0.89	0.92
12	Jebel Ali	0.67	0.79
12	Mundra	0.78	0.87

Average CAx values for Mundra, Chittagong and Jebel Ali

Data source: Insights

As you can see, the Chittagong port has a high CAx score of 0.92. The port authority of this prime seaport of Bangladesh issued an official notification last month inviting cargo carriers up to 200-metre length and 10-metre draught to take berth at the jetties. With the new length and water draught, over 3,000 TEU vessels will be able to come to Chittagong.

Smart shipping route:

This is a suitable time for importers in Bangladesh. Chittagong port now berths larger vessels and this will bring more cargo and containers into the country.

Through the BIGEX service mentioned above, the traffic can now also move from Bangladesh to India and the UAE.

Find containers to lease

Europe

Can the Middle Corridor solve Europe's problem of excess capacity?

Russia was a major route for trade between China and the European Union until the Russia-Ukraine war broke out and reconfigured connectivity in Eurasia. Fortunately, one year later, a strong alternative route is emerging for Eurasian trade: the Middle Corridor.

What is the Middle Corridor?

The Trans-Caspian East-West-Middle Corridor Initiative is also known as the 'Middle Corridor'. It begins in Türkiye and covers Central Asia, the Caspian Sea and the Caucasus region via Georgia and Azerbaijan, before reaching China. It is an important link to reviving the Silk Road.

According to the website of Türkiye's Ministry of External Affairs: "In one year, out of approximately 10 million containers that are transported from China to Europe, 96% utilizes the sea and only the remaining 4% uses the Trans-Siberian Railway, which is also called the Northern Corridor. The Middle Corridor is more economical and faster compared to the Northern Corridor as a trade route between Europe and Asia and as such, is 2,000 km shorter, has more favourable climate conditions and shortens the travel time by 1/3rd (15 days) compared to the sea route."

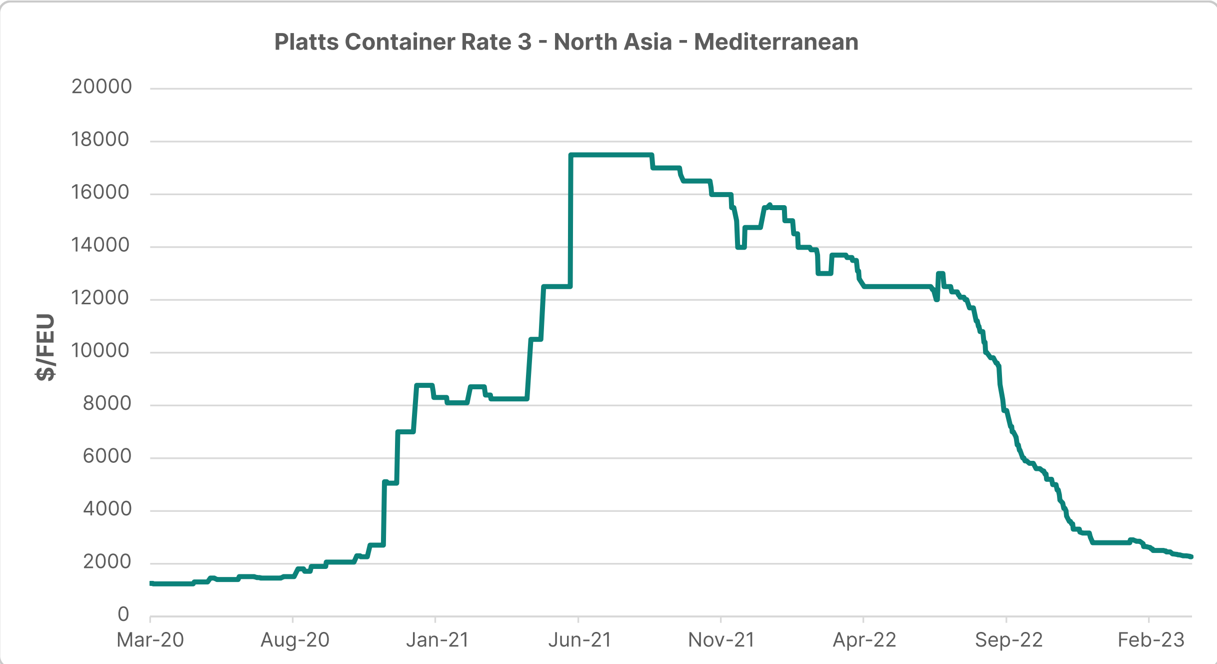
Can it be an answer to Europe's problem?

A year earlier, right after the war broke out, Georgia, Azerbaijan, Türkiye and Kazakhstan signed a quadrilateral declaration on the Trans-Caspian East-West Middle Corridor, emphasising the signatory states' transit potential and the need to strengthen it. Soon after, in April 2022, Maersk started a new train service along the Middle Corridor. Finnish company Nurminen Logistics followed suit in May by running a container train from China to Central Europe through the trans-Caspian route.

On the other hand, Türkiye has deepened its economic and trade ties with Russia in recent times. Russia is already Kazakhstan's biggest trading partner. And trade between Russia and China is stronger than ever.

All these developments imply that this region is becoming a major logistics hub, connecting the Far East, Central Asia and Europe. It is also rich in oil, natural gas and other natural resources by itself.

And when it comes to container movements, both port operations and freight rates in the Asia to Europe routes are going back to the pre-pandemic levels. For example, S&P Global's Platts Container Rates (PCRs) are a suite of daily rate assessments that reflect market-value. The average PCR3 rate development from North Asia-Mediterranean route that includes Istanbul reflects that rates are now at the pre-pandemic levels.



Source: S&P Global Commodity Insights

Challenges for the Middle Corridor

However, the region still has some harsh challenges to face. As many mainstream container shipping lines are absent in the region, containerised shipping is mostly one-way. Most of the time, importers are bound to buy containers to be able to import cargo. As a result, they end up paying for both containers and goods.

Besides, the Caspian region is a challenging terrain, having only one waterway, which passes through Russia. Therefore, it cannot be used in the face of sanctions. Besides, it is always shut from November 15 to March 15 during excessive snowfall when no navigation can be done in the Volga-Don canal that links the Caspian Sea to Black Sea ports (via the Sea of Azov).

However, container traders can still use rail and road links to Europe and thereby ship their boxes to the Black Sea and the Mediterranean Sea.

Overcapacity in Europe

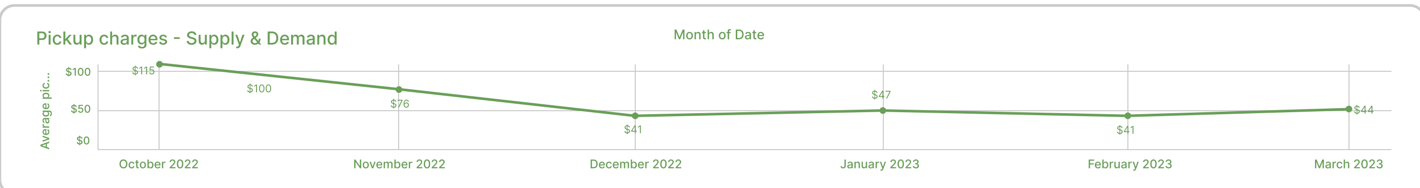
The Middle Corridor can help in container movement especially as Europe struggles with an overcapacity. For Europe, a burning issue is an excess of around 3-5 million TEUs in the market currently.

One Container xChange customer shared, “Liners are now increasingly selling off second-hand units into the market at prices below what the leasing companies are requesting in their resale divisions. Most of the second-hand equipment should now be the liner equipment. This is also a sign that depot congestion is now a real issue and liners are aware of this and have started to sell off the inventory.” While the trade-deficit North Europe struggles with excess containers, the Middle Corridor might demonstrate the potential to change the current container and economic landscape.

What did Container xChange's data say?

As expected, we saw that the CAx values for the ports of Hamburg, Rotterdam, and Antwerp were above 0.70. Hamburg exhibited the highest value of 0.84, more so after the port strikes from March 22-24. Wage negotiations are due March 27-29, and so, further strikes are possible in the coming weeks

To tackle this problem of overcapacity, container prices and leasing rates should be lowered as well. The average price of a cargo-worthy 20ft container at the port was $1,150. The average pickup charge to ship a 20ft box (all conditions) from Europe North to the US in March was $44. Six months earlier, it was $115.



Data source: Active offers on Container xChange

Want to source SOCs in your location?

- 50,000+ containers available worldwide.
- Get containers from 1,500+ suppliers in 2,500+ locations.
- Make deals directly via calls and chats. Compare prices and terms and select the best offer for you.
- Book any survey of your choice and connect with surveyors in 4,000+ locations.

Rent containers here

The US

What to expect in April as US imports hit a new low

China represented 36.5% of the total US container imports. However, Chinese imports to the US showed a downward trend in February 2023, with a decrease of 17.1% (632,702 TEUs) since January.[4]

Here is a quick recap of the import volumes in the US ports in 2023 Q1 through different but reliable sources.

The US ports covered by Global Port Tracker from NRF and Hackett Associates handled 1.81 million TEUs in January, down by 16.5% year-over-year but up by 4.4% from December 2022.[5] On the other hand, the Descartes Systems Group reported that almost 1.73 million TEUs were imported in February.[6] According to their data, it was a 25% drop year-over-year and 16.2% from January 2023. And finally in March, a slight increase in import volumes was expected.

According to Freightos, the Asia-North America rates dropped by 40% since the end of February and are now on par with 2019 levels. As mentioned in our last report, this strengthens the theory that carriers are choosing a price competition on this lane and on the transpacific route as well. Freightos concluded that the Asia-North America West Coast rates fell 8% to $1,071/FEU in March, 93% lower since a year ago and essentially, even lower than its November 2019 level of $1,321/FEU. Whereas the Asia-North America East Coast rates fell 10% to $2,344/FEU in March and were 87% lower than last year.[7]

There are 3 reasons why the imports are falling.

[4] https://www.descartes.com/resources/knowledge-center/global-shipping-report-february-2023-us-container-volumes-remains-aligned-with-2019-levels

[5] https://sourcingjournal.com/topics/logistics/us-cargo-imports-container-volume-global-port-tracker-nrf-february-july-422230/

[6] https://www.descartes.com/resources/knowledge-center/descartes-releases-march-global-shipping-report-february-decrease-keeps

[7] https://www.freightos.com/freight-resources/coronavirus-updates/

1: February: The shortest and slowest month

February has always been the slowest month because of factory shutdowns in Asia to celebrate the Lunar New Year. It also has fewer days than the other months. And on top of it, factors such as restrictions in China due to the recurrent Covid-19 breakouts, congestion at the US ports that kept several vessels waiting to unload and rising global inflation have resulted in the drop in Asian imports to the US year-over-year.

2: Friendshoring on the rise

The US has been pushing hard for friendshoring.[8] Apple supplier, Taiwan's Foxconn, had announced a new factory in Vietnam along with a $300 million investment to expand its operations in the country. In fact, China's leading tech firms Goertek and Luxshare, also Apple suppliers, are increasing their investments in high-performing economies such as India and Vietnam. But can the global supply chains reduce their dependency on China so easily? The answer is a resounding no. It is not possible to shift capacity out of China overnight. The repercussion of friendshoring will also reflect in low imports from China to the US, thereby posing strong challenges for the US economy as well.

When Foxconn's Zhengzhou plant tried to implement Beijing's strict Zero-Covid restrictions last year, not only it struggled to produce iPhone 14 orders but also led to a violent conflict, resulting in a workers' exodus. This slowed production at the factory ahead of the shopping season. Reportedly, this is one of the crucial reasons why the tech giant wants to diversify its supply chain and reduce dependency on only one country.

3: Inventory overhang in the US

Retailers stocked up in 2022, fearing a shortage of containers as well as high shipping costs. Now, until these stocks in the inventories are sold off, import demand will stay low. Because of inflation, consumer confidence has been declining this year. As a result, the inventory overhang will continue at least for the first half of 2023. Hackett Associates founder Ben Hackett was quoted as saying, "Retailers are maintaining reduced inventories in anticipation of rebuilding with new seasonal stock once they have a clearer take on expected levels of consumer spending...While import volumes remain low, the tight labour market and strong wages are helping consumers absorb the impact of inflation and continue to spend."

[8] https://www.weforum.org/agenda/2023/02/friendshoring-global-trade-buzzwords/

What to expect in April

At the time of drafting this report, the ports had not revealed their March numbers. But it is speculated that the imports will remain below 2022's levels. A small rise is expected from the March-end onwards, as this is also the time when the spring shopping season and sales start. The forecast for March was at 1.74 million TEUs (down by 25.9% year-over-year), April at 1.87 million TEUs (down by 17.2% year-over-year), and May at 1.92 million TEUs (down by 19.7% year-over-year). The forecast for June at 2 million TEUs is the first time that imports are expected to be that high since last October but still down by 11.5% from last June. [9]

Container traffic in the East Coast vs West Coast ports

The negotiations between the International Longshore and Warehouse Union (ILWU) and Pacific Maritime Association (PMA) to renew their labour contract began in May last year, but the talks have not reached a conclusion yet. This pressures cargo flow. The West Coast dockworkers are currently operating without a contract and cautious shippers want to avoid any pressure on cargo flow because of it. They are trying to shift cargo to East and Gulf Coast ports. As a result, the biggest port in the US, the Port of Los Angeles, handled 726,014 TEUs in January, a 16% year-over-year decrease.

US importers of goods made in Asia are instead favouring ports in the Southeast, especially Savannah. Savannah has consistently seen a steady growth in its Asian imports. The port moved approximately 395,000 TEUs in February, marking its second-busiest February since 2022 when it carried 460,400 TEUs. According to the most recent data from transportation data provider PIERS, the Georgia Ports Authority now processes one out of every 8.8 loaded TEUs in the US, its greatest national market share ever. This means that despite the drop in container movements, the port has gained national market share.

In their March report, Descartes compared the performance of the top five West Coast ports to the top five East and Gulf Coast ports in February 2023 versus January 2023. They found that of the total import container volume, the East and Gulf Coast ports' import volumes increased to 46.8% up 1.6% versus January 2023 and the West Coast ports' decreased in February to 36.0%, down 2.8% versus January 2023. This is the lowest share for West Coast ports in the last year.

[9] https://nrf.com/media-center/press-releases/imports-expected-slowly-climb-should-remain-below-2022-

What did Container xChange's data say?

Our data noted a substantial drop in the CAx values for the major US ports in March compared to January. For example, the CAx score of the port of New York fell from 0.92 in January to 0.84 in March; Savannah from 0.88 to 0.72; and Los Angeles from 0.83 to 0.76. This means that so far in 2023 Q1, ports in the US are managing to clear their congestion. And one important factor leading to this easing of congestion is also that imports – or containerised cargo in general – to the US have dropped. As you can see below, the share of imports from the total volumes handled at the ports of Los Angeles/Long Beach has fallen 10% compared to last year.

Container Availability Index per Port per Year

Week	Port of	CAx 2023
11	Huston, TX	0.81
11	Los Angeles	0.76
11	Long Beach, CA	0.82
11	New York, NY	0.84
11	Savannah GA	0.72

Data source: Insights

As for the prices, the average price of a cargo-worthy 40ft container in the US is steadily dropping this year. It was $2,180 as of March. Meanwhile, Savannah had the cheapest average market price for a cargo-worthy 40ft container at $1,880, a 40.5% drop from January. Los Angeles, on the other hand, had the highest price for the box at $2,260 in March. This is still a 20.6% drop compared to the average price in January.

Average prices of a cargo-worthy 40ft container in some US ports

Data source: Insights

Conclusion

Methodology

Container xChange's monthly report – ***Where are all the containers?*** – offers a commentary on the main events in the global logistics and supply chain industries. With the unique and cutting-edge data that the company has, this report explains how they affect the global economy and consequently, our mundane lives.

We also bring forward valuable insights for users and suppliers of shipping containers as well as update them about the average prices of the 20ft, 40ft and 40 ft HC containers, pick-up charges for one-way moves, and the Container Availability Index (CAx) of key ports. Our analysis is based on global news, industry research material and insights directly from established professionals in logistics and supply chain.

The data in this report as well as the pictorial representation are powered by Container xChange's product, Insights.

Insights provides container intelligence in real-time to enable companies to make smart trading decisions. This report uses Insights to get access to accurate container prices, one-way leasing rates and their development for up to 2 years.

Additional notes for the reader

- All the data that represents average prices refers to different types of containers. Their details are mentioned in the text and the graph headings.
- The prices of buying and selling and PU (pickup) charges for one-why leasing are always the average numbers (in USD) over the month we are reporting on.
- Data representing average prices and average PU charges for one-way leasing of various types and conditions of containers, are based on the containers transacted on Container xChange's trading and leasing platforms.
- A metric created by Container xChange, CAx is the tool or index which we use to measure the import and export of full containers around the major ports of the world. A CAx score of 0.5 means that the same number of containers leave and enter a port in the same week.

Key findings:

China Plus One: Suitable time for intra-Asia trade

Plummeting demand and rising inflation led to an oversupply of containers in China last year. This, in turn, has resulted in depots in the country reportedly working on 90% utilization. An oversupply also makes it harder for the depots to move boxes. And because depots make money by moving these boxes as opposed to storing them, the current circumstances are rendering the depots inefficient in both their operations as well as revenue generation.

But at the same time, there is good news for intra-Asia trade as businesses across the world are now launching projects to diversify the global supply chains. The China Plus One strategy is expected to facilitate a more integrated trade chain among Asian countries. The China-Southeast Asia trade is seen to be emerging as a strong economic partnership this year. China is also developing strategic ties with the Middle East and Russia, thereby underlining why the country is still one of the strongest geopolitical and economic facilitators in the world.

A new dawn in the East

Container fleet operations in the Indian subcontinent and the Middle East have only been growing. Hapag-Lloyd suspended the China-Germany Express (CGX) service and redeployed ships on the transatlantic service instead. On the other hand, COSCO and OOCL launched a Southeast Asia-India-US East Coast service in December 2022 after closing a China-Vietnam-US East Coast loop.

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And Maersk has created a new shipping region altogether. The company integrated two emerging markets – West & Central Asia and Africa – to form a new combined IMEA region. This new region will entail core parts of the Indian sub-continent, the Middle East, and Africa, and the primary markets will be India, Pakistan, the UAE, Saudi Arabia, South Africa, Kenya, Ivory Coast, Cameroon, Nigeria, Senegal, and Ghana, amongst others.

The untapped potential of the Middle Corridor

The Trans-Caspian East-West-Middle Corridor Initiative is also known as the 'Middle Corridor' in short. It begins in Türkiye and covers Central Asia, the Caspian Sea and the Caucasus region via Georgia, Azerbaijan, before reaching China. It is an important link to reviving the Silk Road.

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Imports to the US drop further

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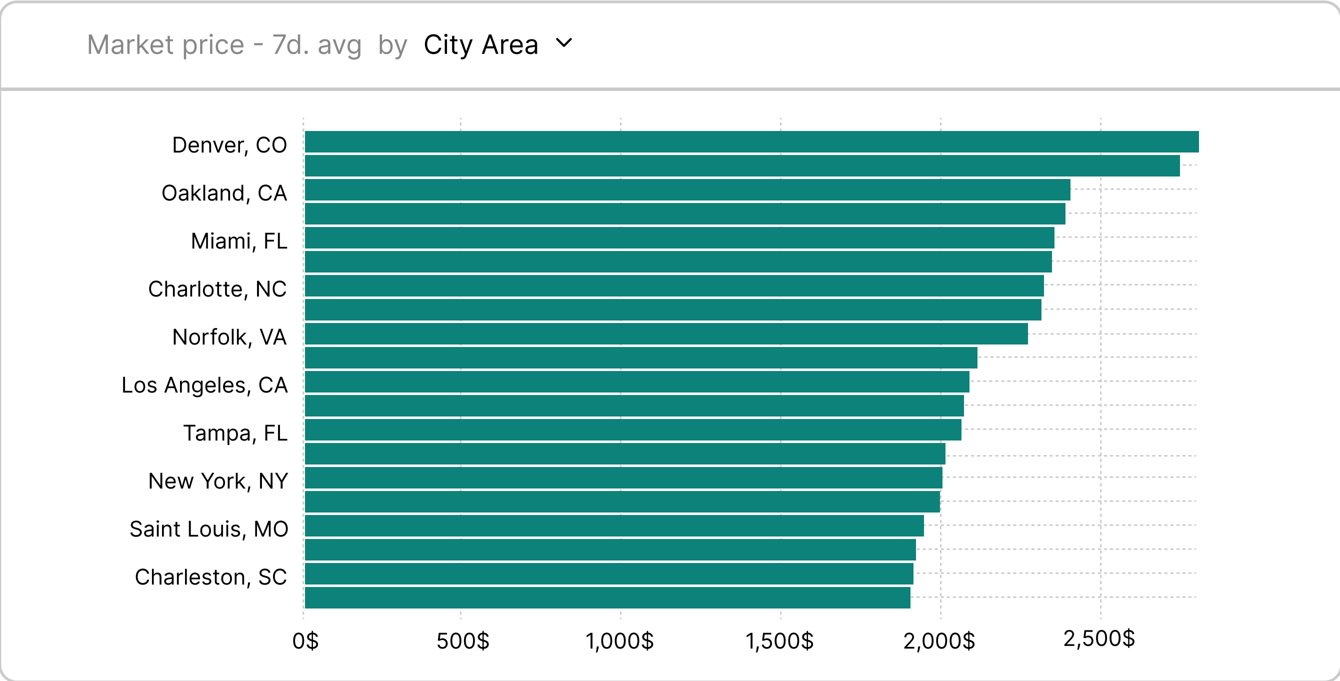
The US ports, covered by Global Port Tracker from NRF and Hackett Associates, handled 1.81 million TEUs in January, down by 16.5% year-over-year but up by 4.4% from December 2022. On the other hand, the Descartes Systems Group reported that almost 1.73 million TEUs were imported in February. According to their data, it was a 25% drop year-over-year and 16.2% from January 2023. And finally, in March, a slight increase in import volumes was expected.

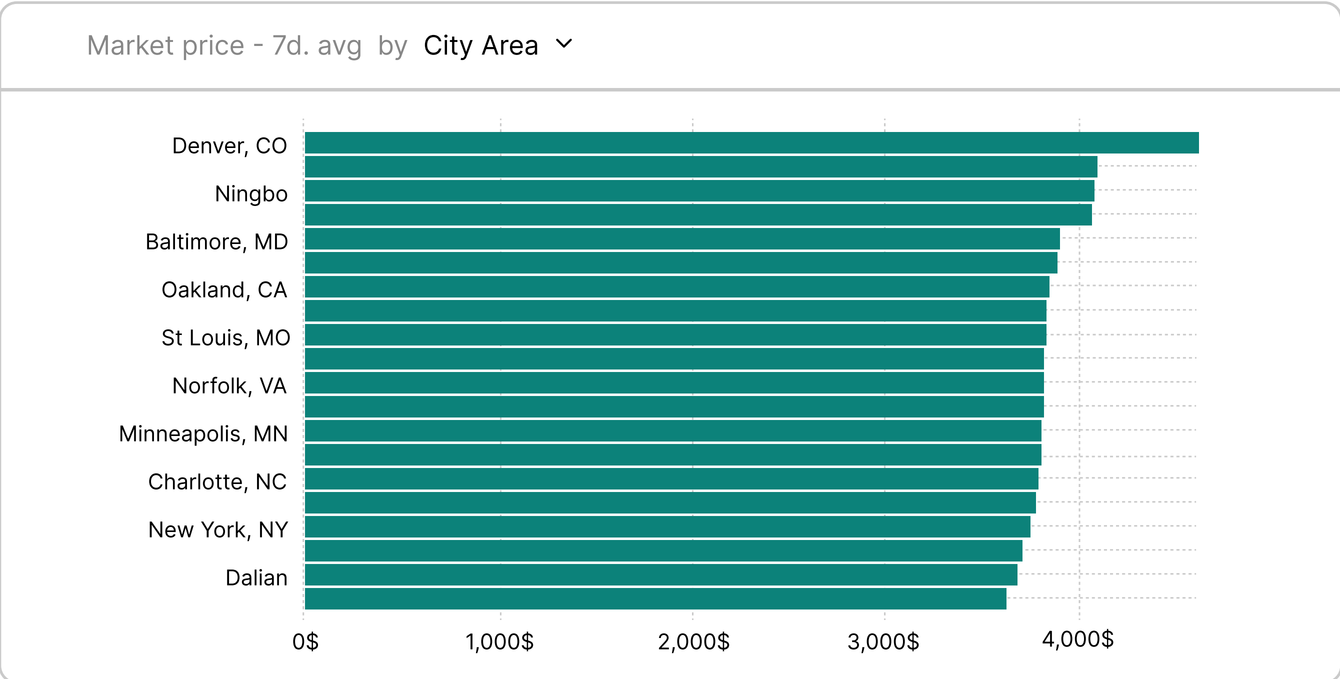
Top 10 ports on xChange

Here are the most popular trading locations on our platform in the last two months:

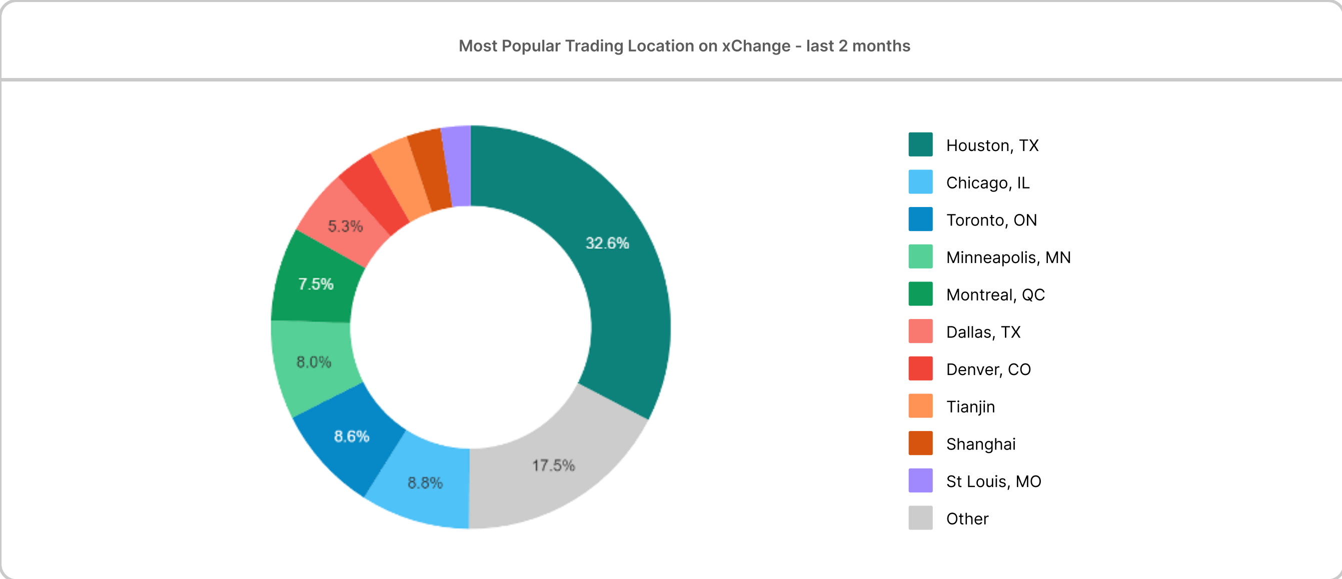
Top 10 ports on xChange to buy or sell cargo-worthy 40ft containers. As we can see, the US ports dominated the list. Mundra was No. 14, Ningbo No. 17 and Shanghai No. 19.



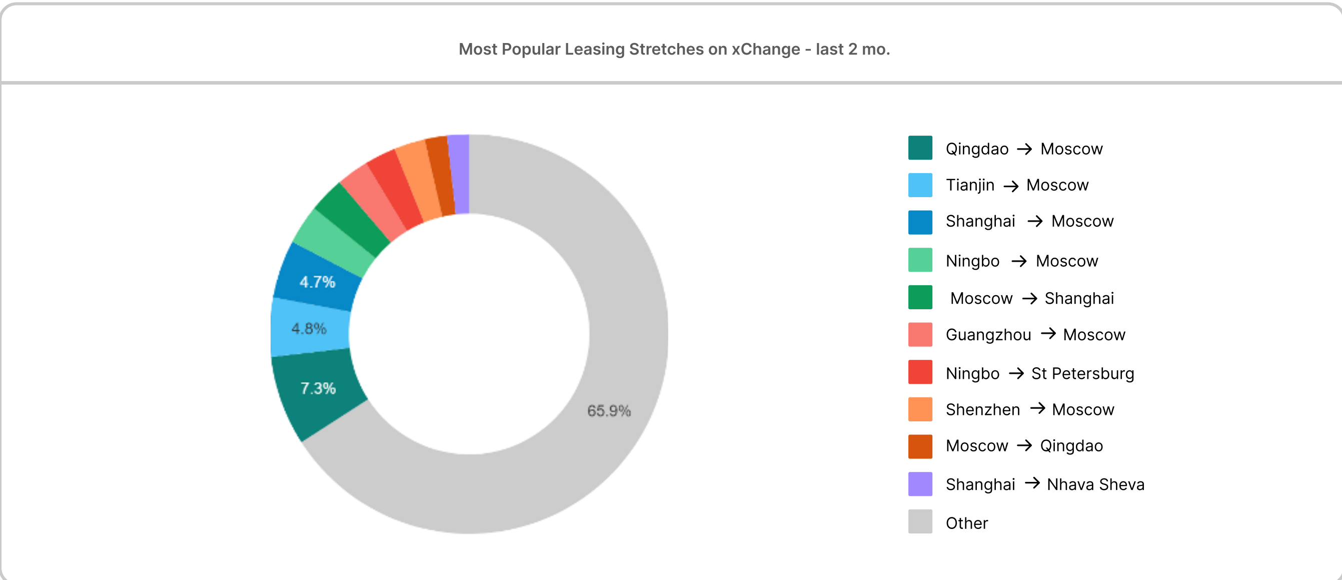
The same for 40ft HC cargo-worthy containers are here:



Most popular trading locations on xChange in the last 2 months for brand-new 20ft containers:



Most popular leasing stretches on xChange in the last 2 months:



You can get actual container prices and one-way leasing terms in up to 130 global locations through our product, Insights. Find the best time and location to buy, sell and lease your containers by clicking on the button below.

Tell me more

What the X?

1 I am a new entrepreneur and want to get into the business of renting containers. I have read that SOCs will be a good option for me. But what is an SOC certificate?

Answer: *Yes, SOCs will be a great start for you. They are also cost-efficient and more environment friendly. The Convention for Safe Containers (CSC) is a standard established by the International Maritime Organization (IMO) for shipping container certification. The CSC was established to protect the cargo and the handlers of containers. A valid CSC plate is essential to confirm that your container conforms to the safety standards. Surveys are done to evaluate your SOC's structural condition and integrity. The surveyor then issues a container survey report, and this document certifies whether your box is fit to be leased out for cargo transportation. You can, in fact, find certified surveyors on our platform as well.*

2 Amid inflation and the drop in container prices, why should I invest in a container?

Answer: *While we understand your hesitation and acknowledge that the selling prices for shipping containers are low right now, we also want to highlight that it is still a profitable business. We help our customers buy boxes at a low price at one location and then sell the same box at a higher price in another location. You can contact and negotiate directly with your partners on our platform, and we can help you fully with the payment infrastructure. You do not have to chase anyone for payments.*

3 I lost 50 containers at sea! What type of a tracking system can Container xChange offer me?

Answer: *It is shocking the number of boxes that are lost at sea every year! At Container xChange, we not only help you track your containers but also give you automated real-time updates about them. We do it for our members, even if they have not secured the containers through xChange.*

Do you have a question that you want us to answer? Please write to us at:

communications@container-xchange.com *and we'll answer it in our next edition.*

Industry Buzz

Unlocking Profit Potential: Best Practices for NVOCCs and Container Owners in the Indian Subcontinent & Middle East By Container xChange

Watch video here

The Indian subcontinent and Middle East are key regions in the global logistics, with high volumes of cargo moving in and out of these areas. However, recent market trends have led to a challenging situation for NVOCCs and container owners in these regions. A drop in cargo and empty equipment pile-up have caused a significant decrease in revenue streams for these businesses. On 21 March, our experts provided insights into the current market situation and practical strategies for increasing revenue streams to learn how to:

- optimise financial transactions to reduce costs (while doing xyz)
- benchmark container prices and find cheaper containers for trade (on the routes Russia-China-India)
- solve container repositioning problems by utilising idle inventories
- stay up-to-date and resist challenges from successful case studies in the shipping industry

X2 Conference 28 April -2 May 2023 Khao Lak, Thailand

Registration link

We will look forward to meeting you at the X2 Conference soon. This conference is about smart freight forwarders coming together to grow and develop business within the group by providing an opportunity for all members to gather in one place to form and extend personal relationships. At the annual X2 Conference, you can expect 500+ delegates coming together for 5 days of logistics networking. You will not be limited to only networking in the standard 1-1 meetings during the day, but there will also be opportunities to network by the pool, at the bar, or at the Cargo Weekend.

Industry Buzz

Transport Logistics
9-12 May 2023
Munich
Registration link

Meet us in May in Munich at the Transport Logistics event. It is the leading international trade fair for logistics, mobility, IT and supply chain management. Since 1978, it has been held every two years in Munich. Being considered the leading platform for international networking in the logistics industry, this four-day trade show offers innovative products, systems and technologies as well as a wealth of expert knowledge. Part of the exhibition is air cargo Europe, a meeting place for the international air cargo industry.

*For event queries, you can reach us at **communications@container-xchange.com***

About Container xChange

The online platform for container logistics and operations

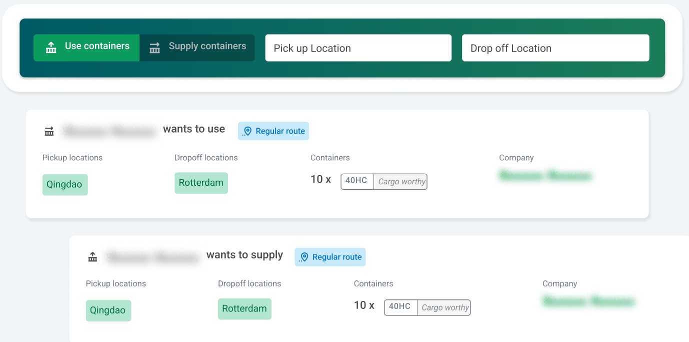
TRUSTED BY 1500+ LEADING INDUSTRY PARTNERS

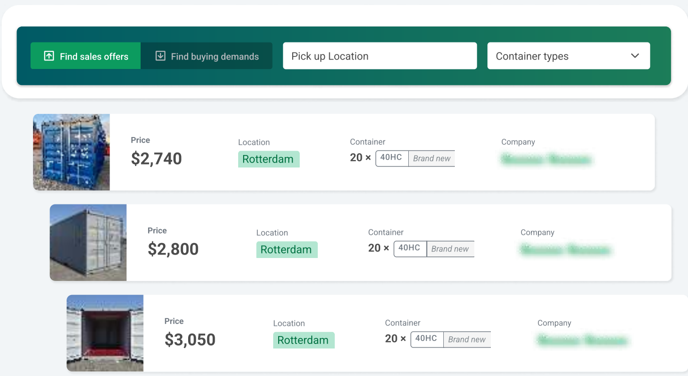
KUEHNE+NAGEL DSV YANG MING BOLLORÉ

Buy, sell and lease containers in just a few clicks with Container xChange Marketplace

Container Leasing

Lease one-way containers and grow your business. Choose among 2500+ global locations, connect with only certified companies, and negotiate the best terms.





Container Trading

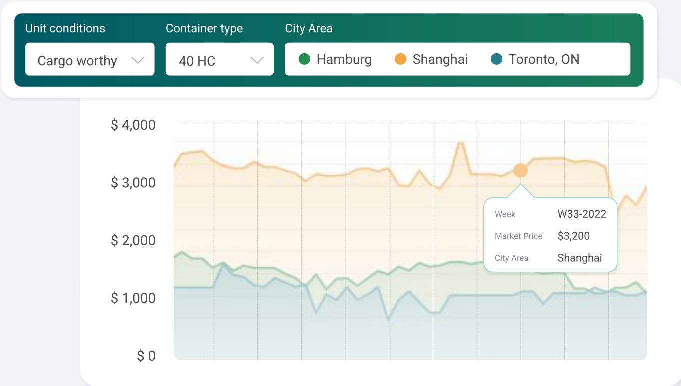
Buy containers at the best prices with 50,000+ containers up for sale globally. Or quickly sell your stock to 1000+ certified companies.

100% payment protection

Customer support on all deals

Certified companies only

Find the best locations to buy, sell or lease containers



Insights

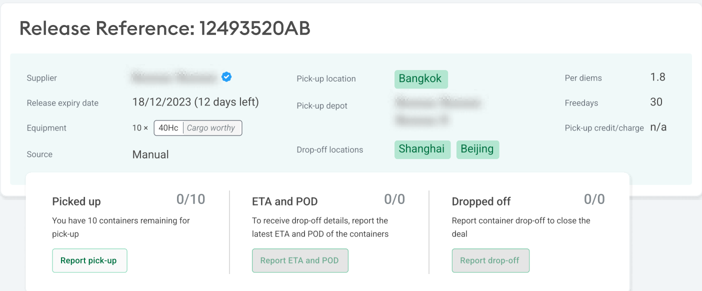
With Insights, learn and compare the live container prices and one-way leasing terms in 130+ global locations.

Daily data updates

Global coverage

Various data sources

Simplify your container operations



Container Control

Have all your container movement information connected in one place – release references, container gate moves, and container bookings.

Pick-up and drop-off monitoring

Quick status check

Error-free

Boost your container operations with xChange

Book a demo

www.container-xchange.com

Contact Us

Established in 2017, Container xChange is a technology company headquartered in Hamburg, Germany. It is the world's first online marketplace for buying, selling and leasing shipper owned containers (SOCs). At present, we have more than 1,500 international companies on our platform.

We offer our members efficient digital processes and market transparency to enhance their operational flexibility. We cover the entire transaction process, from finding new partners to do business with to tracking containers and managing payments.

We are working towards a mission to simplify the logistics of global trade. And we are creating an ecosystem of products and services for container logistics companies to empower them with digitalization and help them reduce their manual workload.

For questions about this report, our products and to request a demo, please write to:

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