



**Arab Academy**  
for Science Technology & Maritime Transport

The International Maritime  
Transport and Logistics Conference

**“Marlog 11”**

**Freight rates, congested ports,  
container shortage: the new economic  
and maritime tornado in the  
Mediterranean and the new challenges**

Alessandro Panaro  
Head Maritime & Energy Department, SRM



Towards a **BLUE**  
SUSTAINABLE  
**ECONOMY**

20 - 22 March, 2022  
Hilton Green Plaza Hotel

## The Mediterranean remains strategic: key figures

**The Mediterranean Sea**

**is increasing its centrality**

**in the global economy**

**27%  
WORLD'S  
CONTAINER  
LINER  
SERVICES**

**20%  
GLOBAL  
SHIPPING  
TRAFFIC**

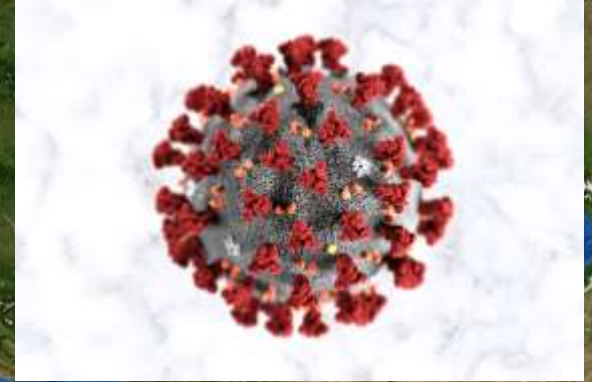
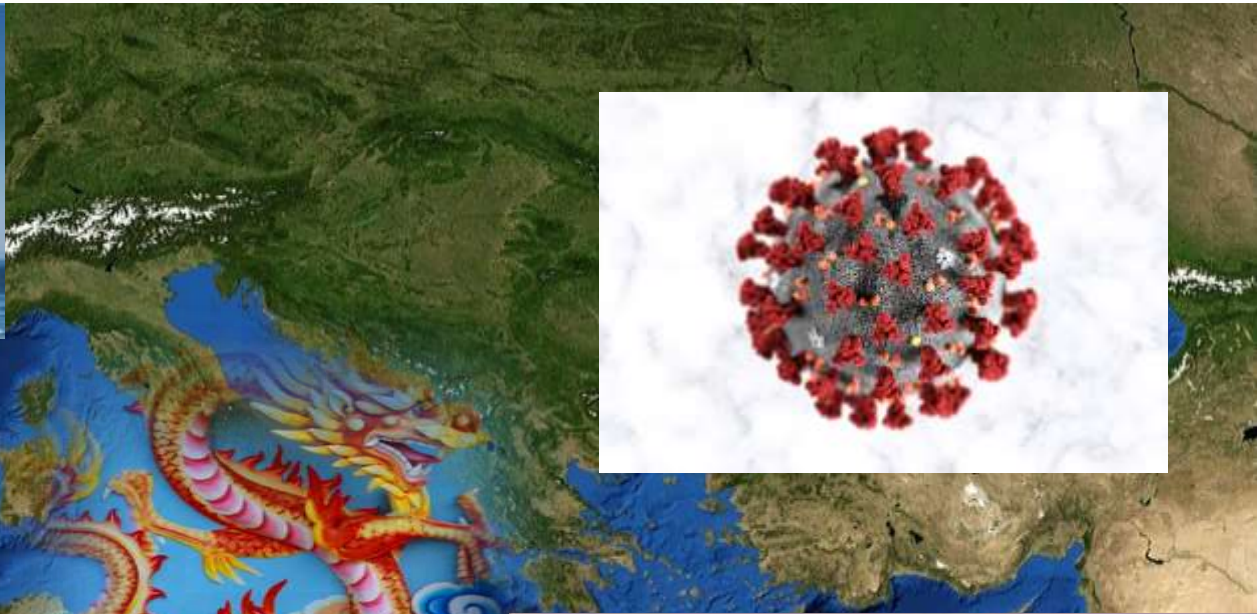
**76%  
SHARE OF  
TRADE BETWEEN  
ITALY AND MED  
BY SEA**

**18 PORTS  
THROUGHPUT  
>1 MLN TEUs**

**More than  
1bn tonnes  
SUEZ CARGO  
TRAFFIC**

**+541%  
GROWTH OF  
CONTAINER  
TRAFFIC SINCE  
1995**

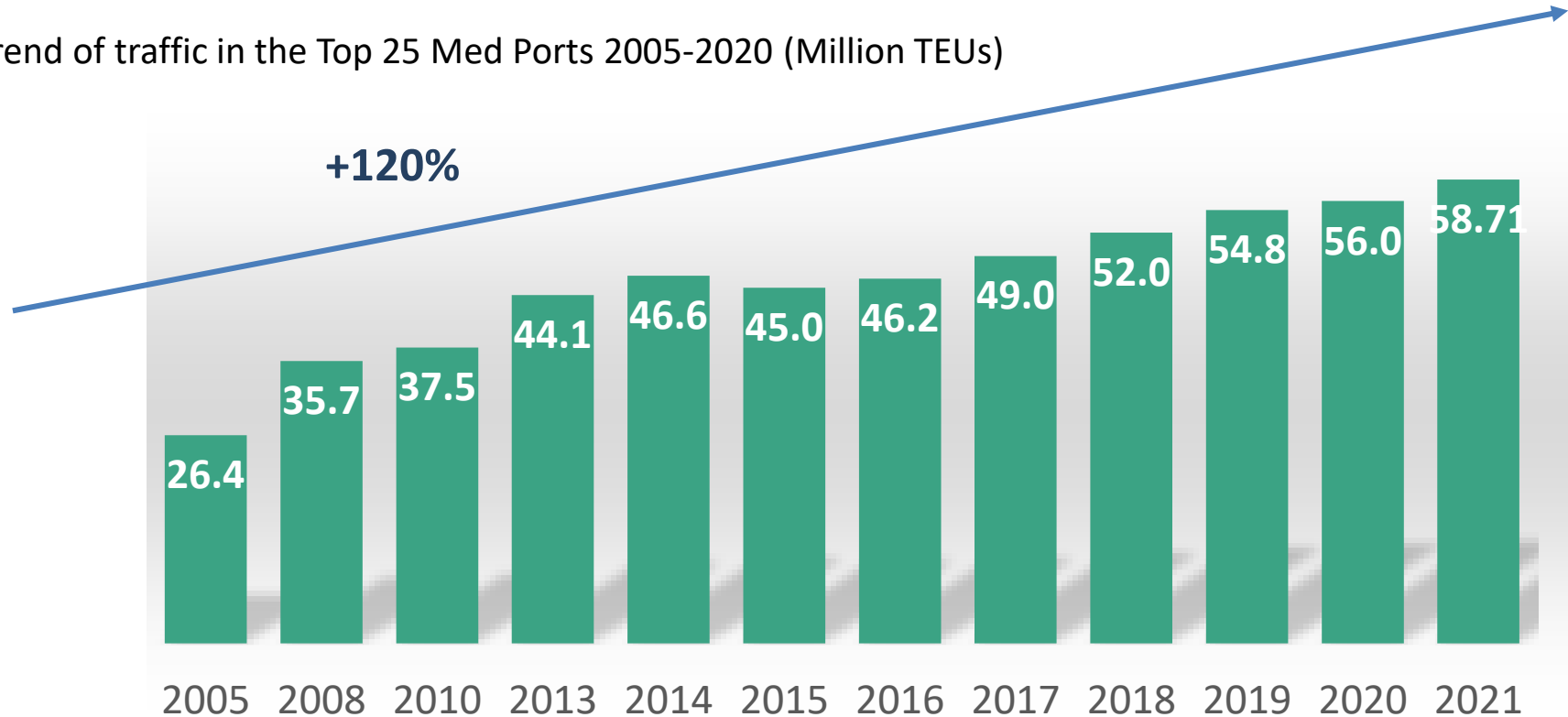
**587 mln  
tonnes  
SHORT SEA  
SHIPPING**





## The increase in ports traffic clearly points to a new centrality of the Med...

Trend of traffic in the Top 25 Med Ports 2005-2020 (Million TEUs)



Source: SRM on Port Authorities

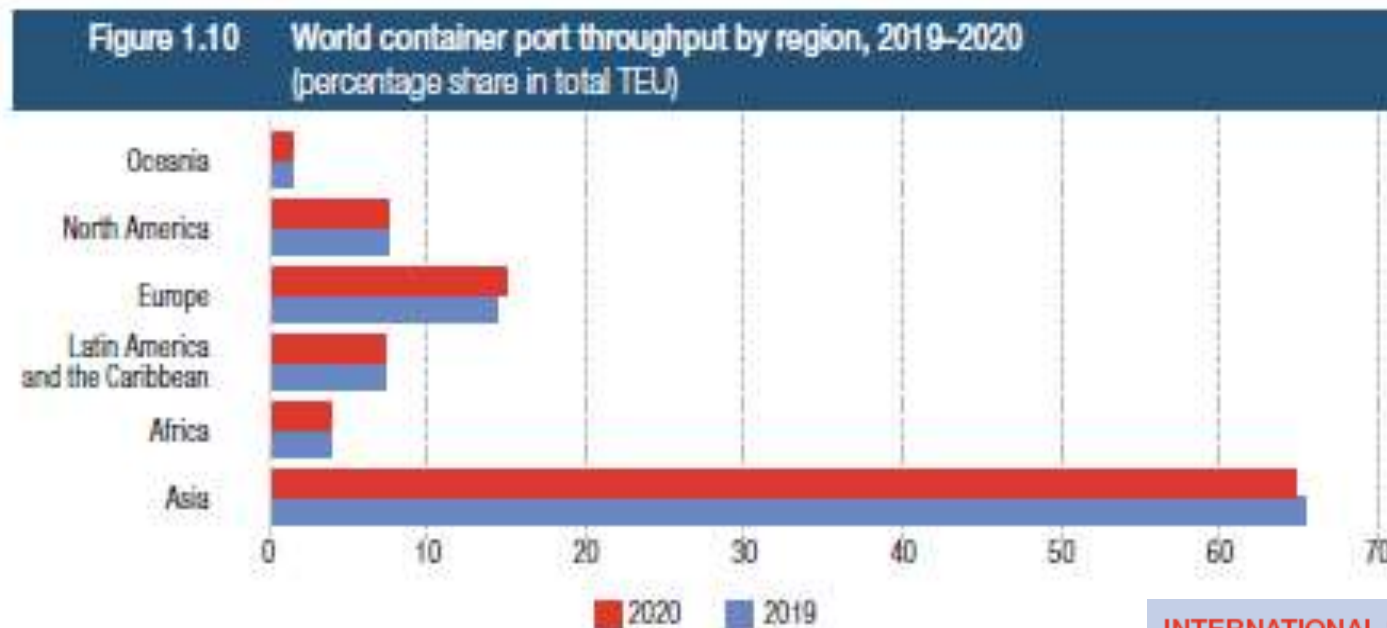
## OCEAN FREIGHT NUMBERS

		2019	2020	2021
	Average Container Spot Price (\$) <small>how much does a 40ft container cost on average on the main world routes?</small>	\$ 1.421	\$ 2.171 ↑	\$ 7.556 ↑
	Worldwide container throughput at ports (million TEUs) <small>how many millions of containers are handled every year in world ports?</small>	802	775 ↓	827* ↑
	Carriers Reliability (%) <small>how many times do cargo ships arrive at the ports of destination <i>on time</i>?</small>	78%	64% ↓	36% ↓
	Transit Times (days) <small>how many days does it take on average for a shipment to arrive at its destination from China to the USA?</small>	39	49 ↑	68 ↑

Sources: Drewry, Statista, Sea-Intelligence.

\* forecast

## Maritime transport\_ global container traffic



Source: UNCTAD secretariat calculations, derived from table 1.10.

- Asia ranks first

UNCTAD expects world maritime trade to recover by

**+4.3%** in 2021

Growth in maritime trade volumes expected to moderate and expand at an annual rate of

**+2.4%**

between 2022 and 2026

### INTERNATIONAL SEABORNE TRADE IN 2020

Growth slipped by

**-3.8%**

following on a weak pre-pandemic growth of 0.5% in 2019

Total volumes reached

**10.7 billion tons**

## Suez has shown remarkable resilience to the effects of the pandemic

**18,829**  
n. ships

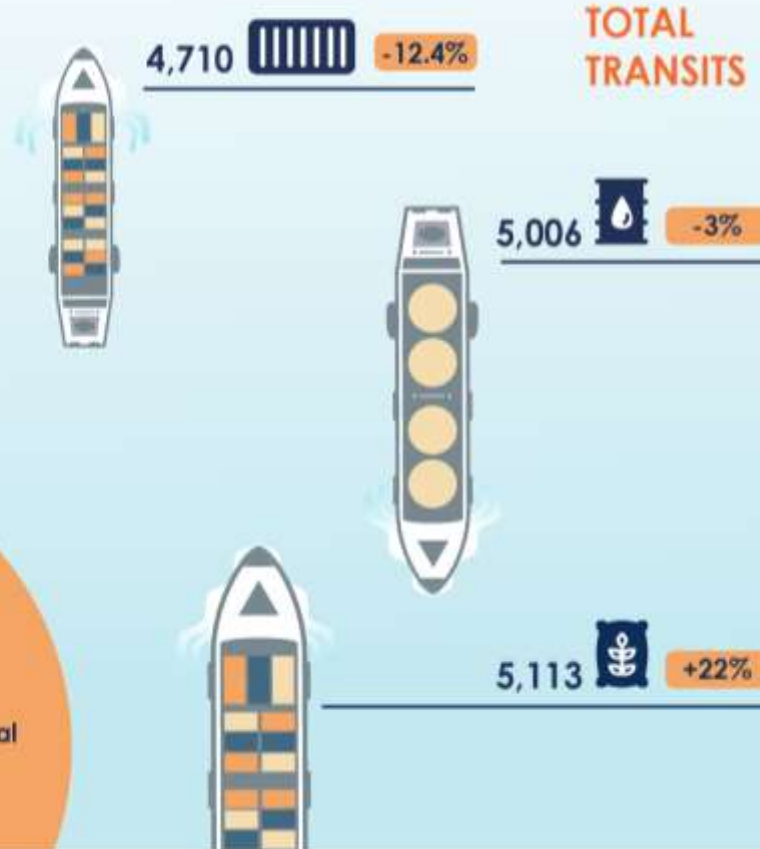
-0.3%

**1.17 bn**  
net tonnage

-3%

**Thanks to the  
tariff discount**

more than 20% of the vessels  
transiting the Suez Canal  
were from lines using the Canal  
for the first time in 2020.



**12%**  
of global  
trade



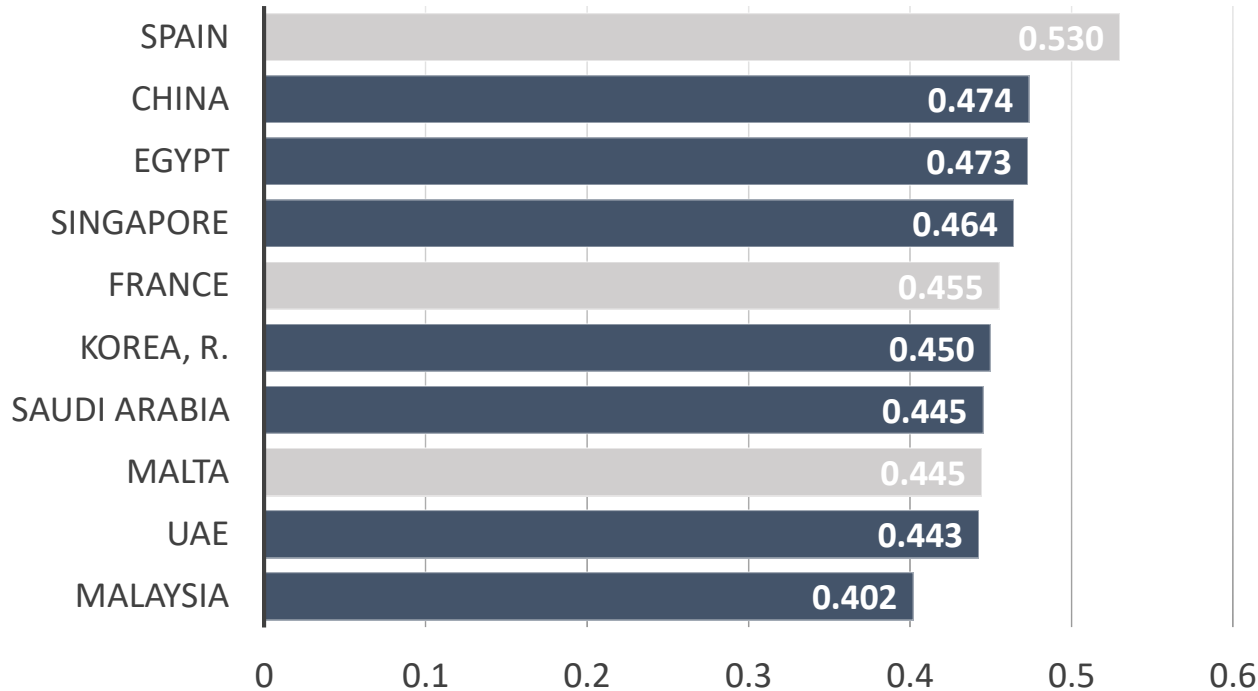
**7-8%**  
of oil  
traffic



**\$5.6 bn**  
the third highest  
annual revenue  
in the history  
of the Canal

## The deep sea routes: bilateral connectivity index 2021

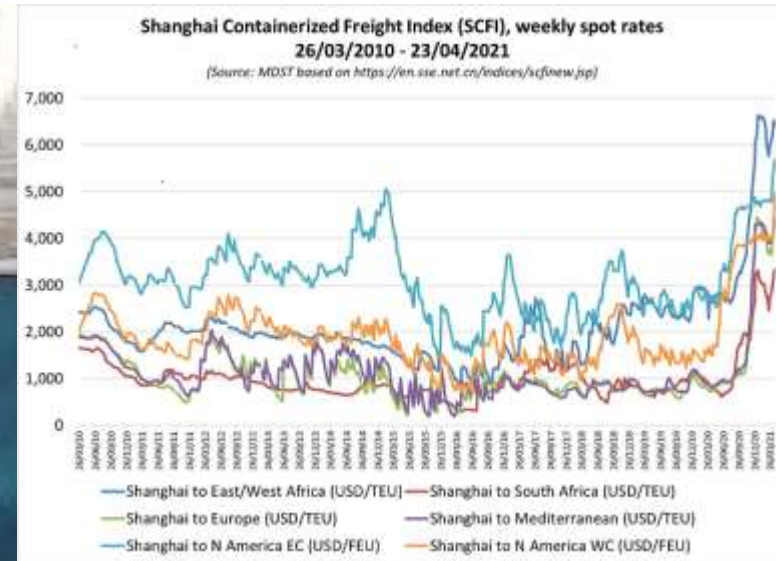
### Top 10 partners in 2021 - Italy



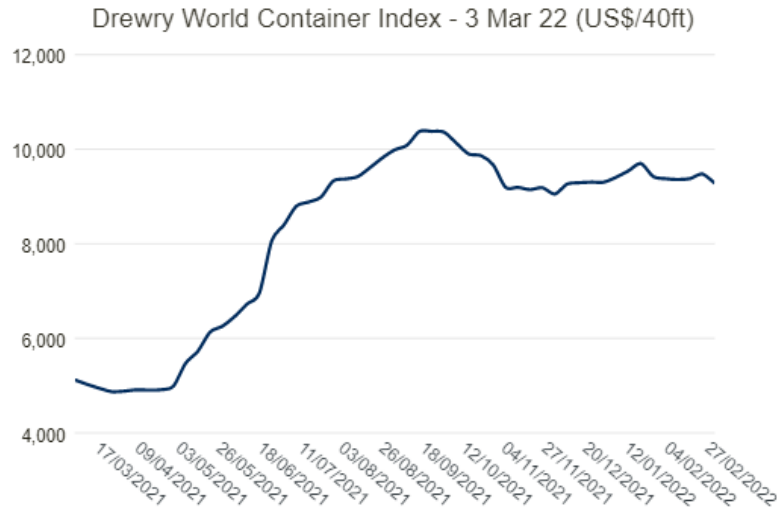
For Italy, Suez is a strategic maritime route: in order to reach 7 of the 10 countries most connected to us, we have to pass through the canal.



## The dynamics of international maritime trade are highly dependent on this crossroads: the case of the Ever Given



## Freight rates: trend on strategic routes



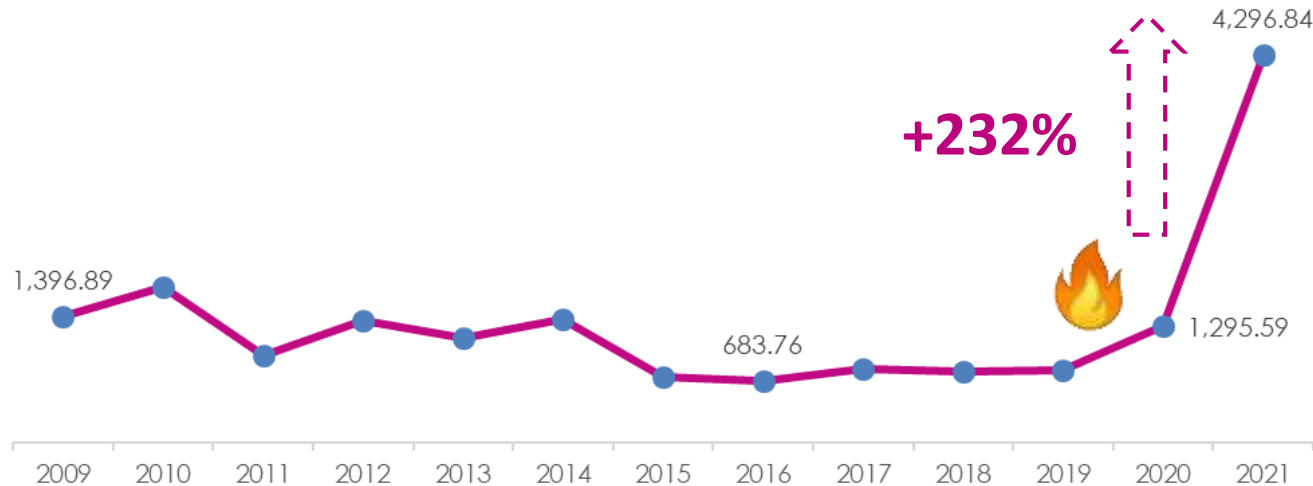
Route	Average for November in \$	Average for December in \$	Average for January in \$	MoM change
Shanghai – Rotterdam	13.619 \$	13.579 \$	13.857 \$	↑
Rotterdam – Shanghai	1.581 \$	1.556 \$	1.495 \$	↓
Shanghai – Genoa	12.747 \$	12.740 \$	12.791 \$	↑
Shanghai – Los Angeles	9.982 \$	10.059 \$	10.757 \$	↑
Los Angeles – Shanghai	1.287 \$	1.307 \$	1.274 \$	↓
Shanghai – New York	12.939 \$	12.984 \$	13.624 \$	↑
New York – Rotterdam	1.188 \$	1.186 \$	1.244 \$	↑
Rotterdam – New York	6.221 \$	6.265 \$	6.280 \$	↑

Source: Drewry

Drewry's composite World Container Index decreased by 2.1% to \$9,279.46 per 40ft container, but, remains 81% higher than a year ago.

## Sea freight rates keep soaring: SCFI Asia - Med reaches all-time high

SCFI Shanghai-Med (base port) Freight Rate - \$/TEU



Average spot rates between Shanghai and the West Med were reported to have reached **USD 4,296 per TEU**, thus increasing 232% compared to the average of the previous year.

## Port congestion

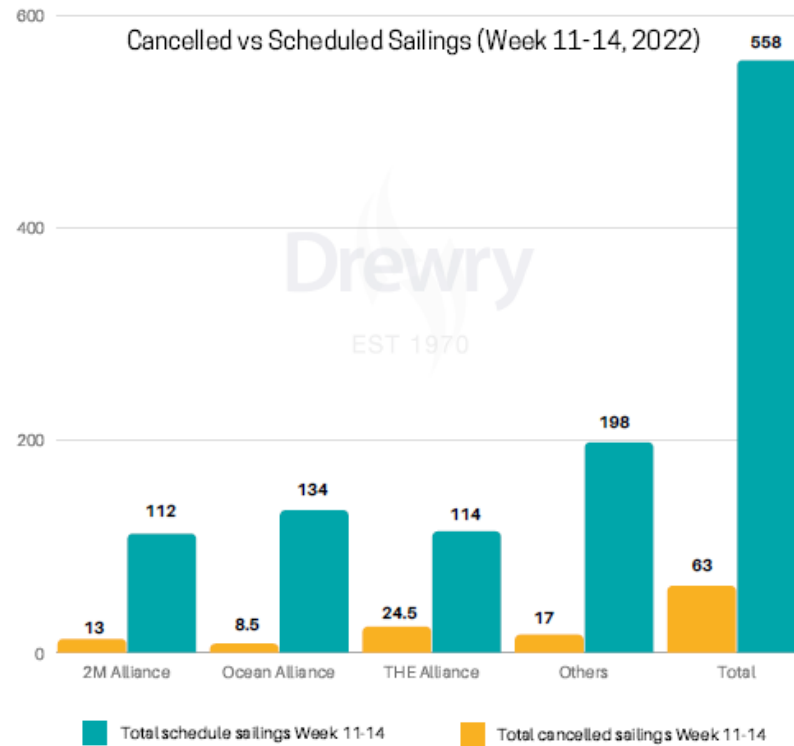


- Omicron vs Logistics system

Source: SRM on Bloomberg



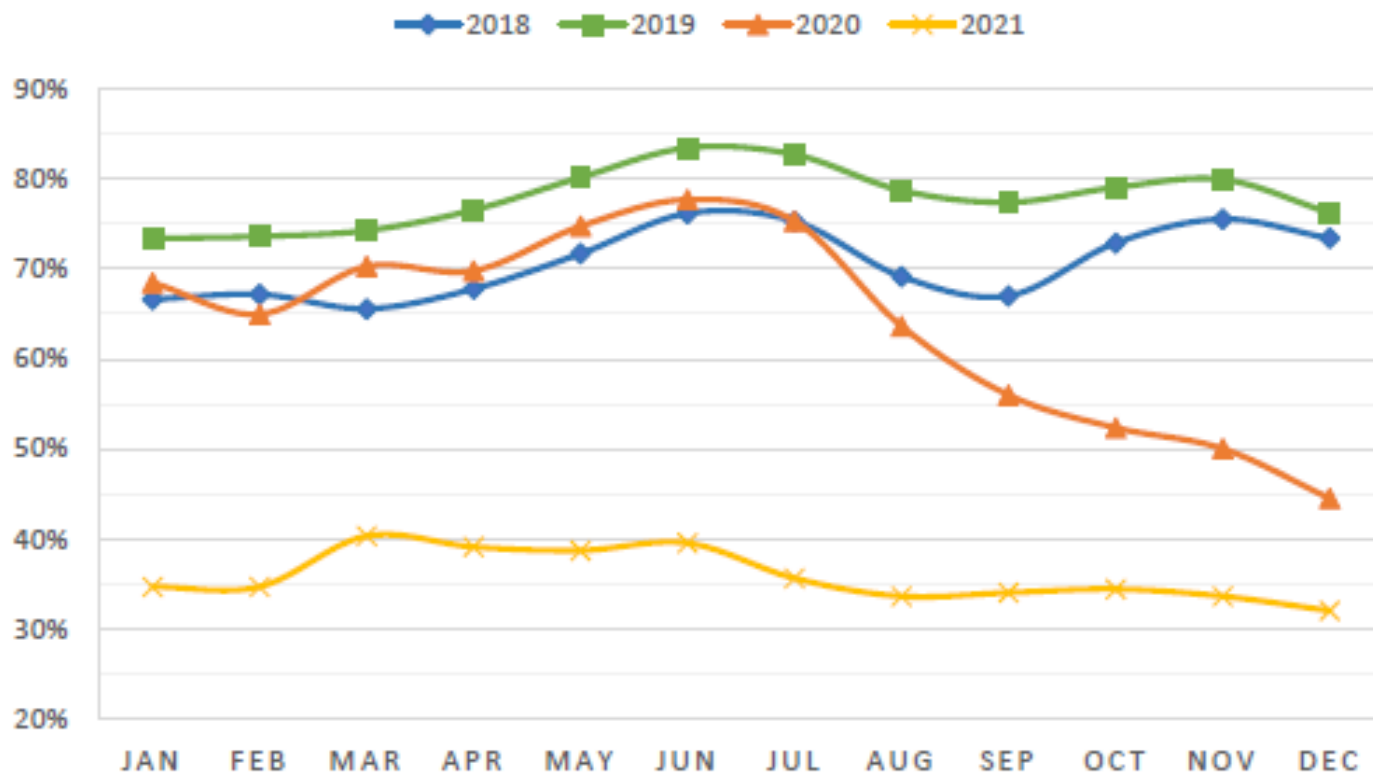
### Blank sailing



- On all the main trades: Transpacific, Transatlantic and Asia-North Europe & Med, 63 cancelled sailings were announced between weeks 11 and 14, out of a total of 558 scheduled sailings, representing a cancellation rate of 11%.

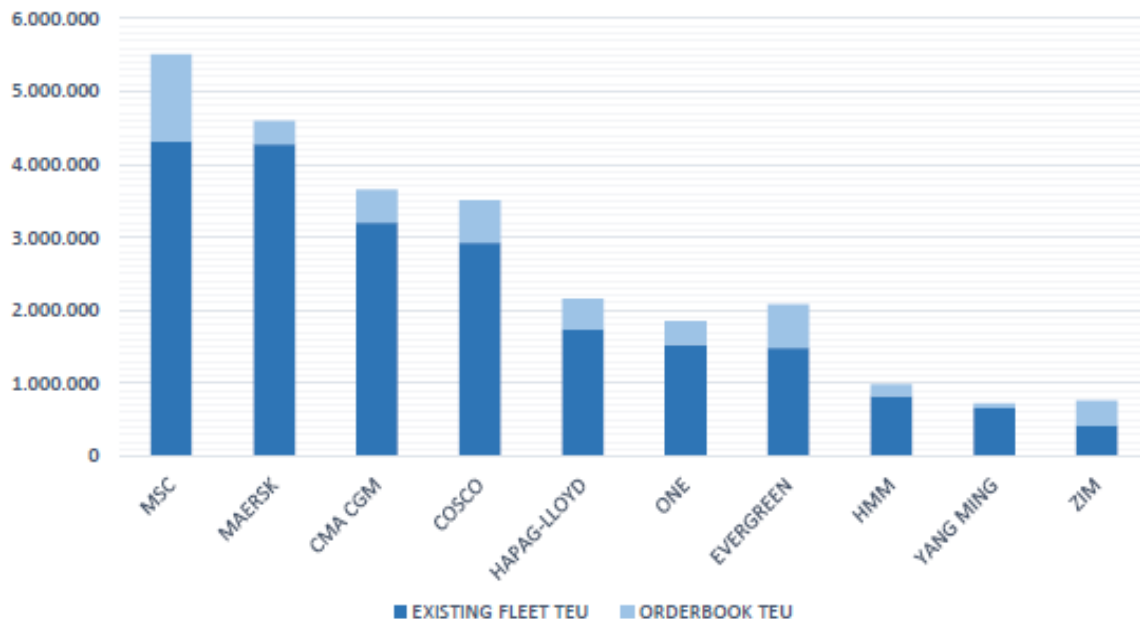
## Orderbook and Reliability

Average Carriers Reliability (Arrival on time within one business day)



## Orderbook and Reliability

Capacity and Orderbook (TEU) by Carrier



Weekly Capacity by Trade-Lane  
(W04 vs W52 - 2021)

Trans - Pacific

**675.208** TEU  
(+1,7% M-o-M)

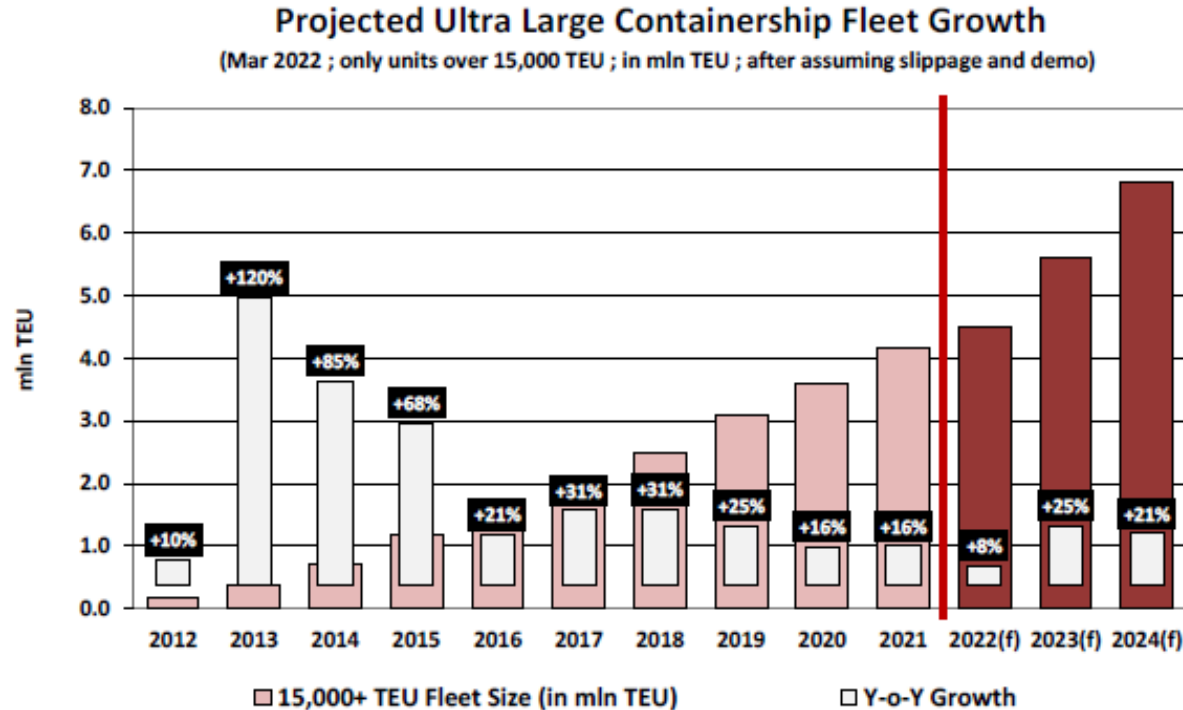
Far East - Europe

**447.762** TEU  
(+0,5% M-o-M)

Trans - Atlantic

**150.183** TEU  
(-0,2% M-o-M)

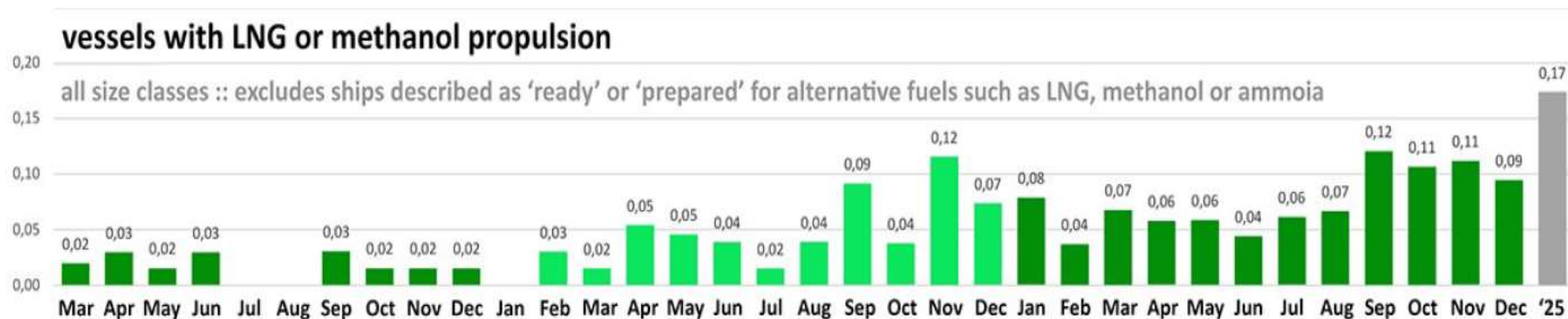
## The containerships' orderbook



- An outlook on Megaships



## The green tonnage: LNG, Methanol and ammonia



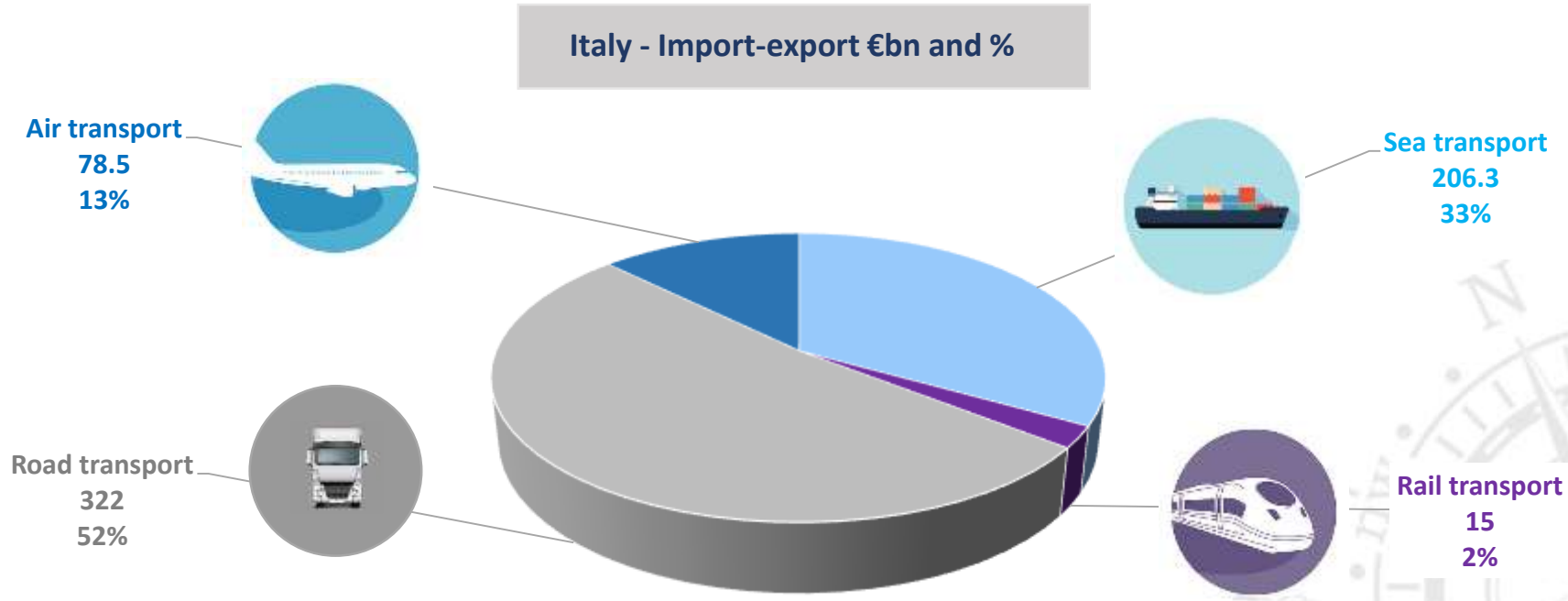
Source: Alphaliner

- An outlook on Green Ships

2022	2023	2024
LNG or methanol		
14	37	76
Mteu		
0.17	0.55	0.90

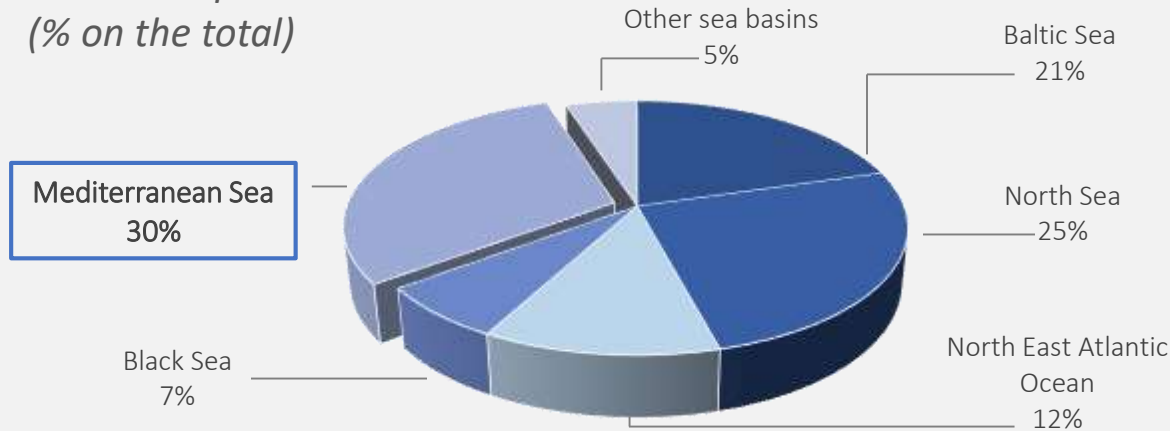
based on confirmed orders only

## A third of the Italian trade travels by sea



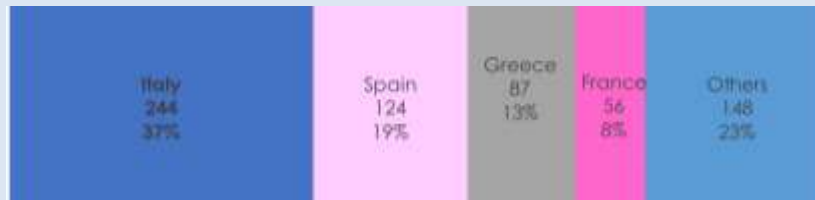
## Short Sea Shipping (SSS) is growing and is always a challenge

*SSS in Europe  
(% on the total)*

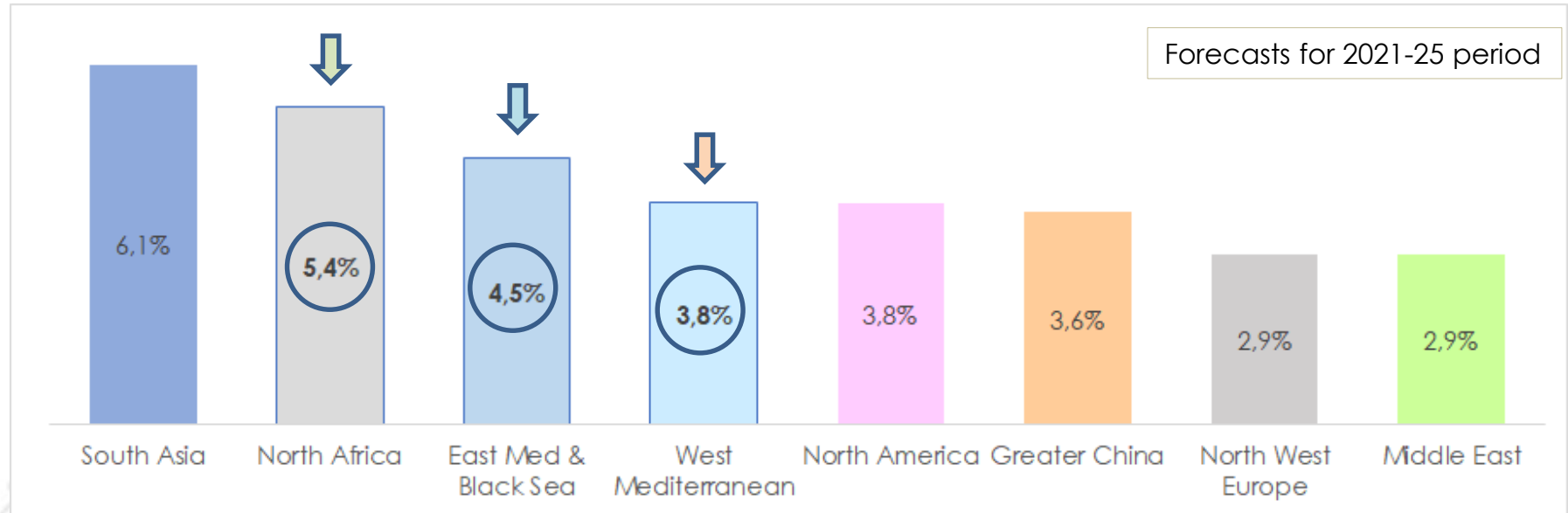


- **Covid pandemic and reshoring** are changing **supply chains: SSS benefits** from this.
- **European SSS** mainly concentrates in the **Mediterranean** with **659 million tonnes** amounting to 30% of total.
- **In the Med Area, Italy ranked 1<sup>st</sup>** with a volume equal to 244 million tonnes of cargo (37% market share).

*SSS  
in the  
Med*



## The Med maritime traffic will increase



Fonte: SRM su Drewry



## Another phenomenon of change also generated by Covid... Aiming at port innovation

The country's position in shipping must be strengthened.

**Innovation** is a crucial means of achieving the changes envisaged in the:

1. energy transition,
2. sustainability,
3. digitisation and dematerialisation,
4. ship and terminal automation.

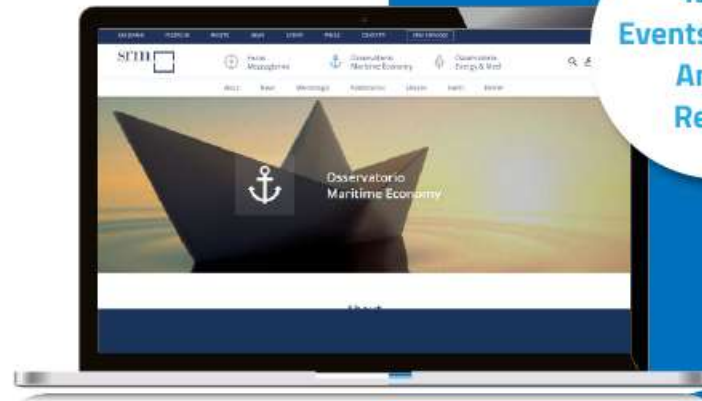


- The world coming out of Covid will be more complex than the previous one:
  - ❑ Changing world trade patterns and routes
  - ❑ The phenomenon of gigantism and large alliances persists, marking the transition from competition to cooperation.
  - ❑ Reshaping the Silk Road
  - ❑ The **growth in** foreign **investment** in the Mediterranean is an indication of its strategic importance and its key role in international trade. But it is also a signal for Europe and for our country.
  - ❑ **Suez** increasingly resilient and relevant in international trade, but in parallel **other alternative routes are gaining market share**,
  - ❑ Reshoring and rethinking global supply chains: **an opportunity for Italy thanks also to positioning** Strategies and structures in the shipping industry are also changing: **an advantage for those who focus on sustainability.**



# Discover the Maritime Economy Observatory

News,  
Events, Papers,  
Annual  
Reports

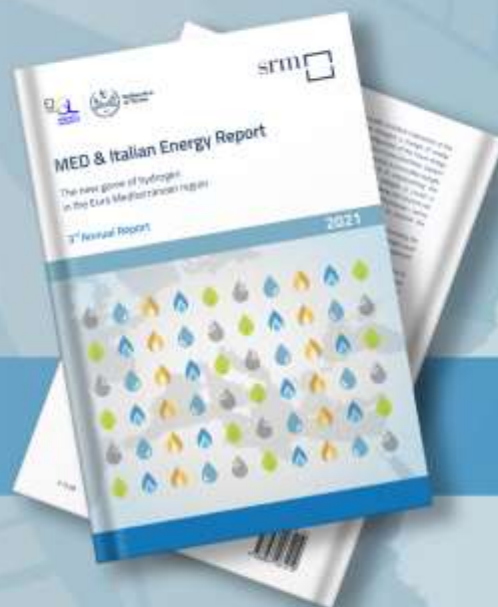


sr-m.it

Follow us



# Discover our Annual Reports 2021



Buy them at **sr-m.it**

\* available individually or by subscription.



Thank you for your attention



Towards a  
SUSTAINABLE **BLUE**  
**ECONOMY**

20 - 22 March, 2022  
Hilton Green Plaza Hotel