

# AXS MARINE

CONNECTING THE SHIPPING COMMUNITY

## The 2023 Container Shipping Market key facts and global outlook

**INTERMODAL**  
EUROPE 2023

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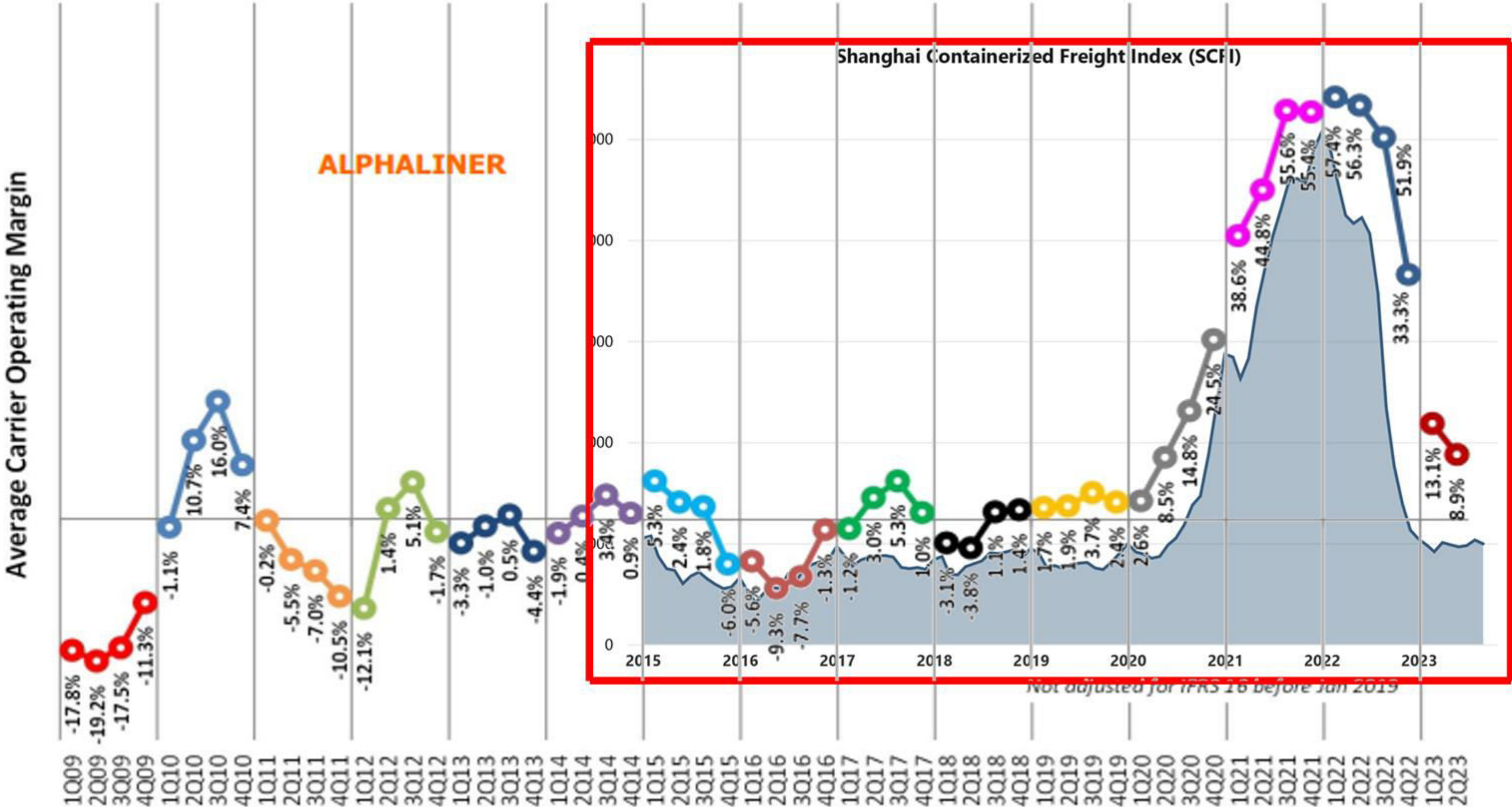
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## Key figures

1. Current cellular liner fleet = 27.3 Mteu. This represents a year-on-year increase of **6.8%**, while cargo demand is **flat**.
2. Jan – Aug 2023: 208 new ships delivered (= **1.4 M teu**), 54 ships deleted (**102,000 teu**).
3. 2024 fleet growth forecast = **9.1%**. It will be lower if massive scrapping, slippage or more slow steaming. Total orderbook (**7.8 M teu** = 28.5% of current fleet)
4. Despite the gloomy outlook for carriers, another **187 ships** were ordered this year for **1.74 M teu**.
5. **Decarbonization drives orderbook expansion**. 2023 orders are **52.2% methanol**, **30.6% LNG** and **17.2%** others (mostly methanol- or ammonia-ready).

# Carrier core EBIT margins 2009 - 2023

Main carriers: Average core EBIT margin by quarter



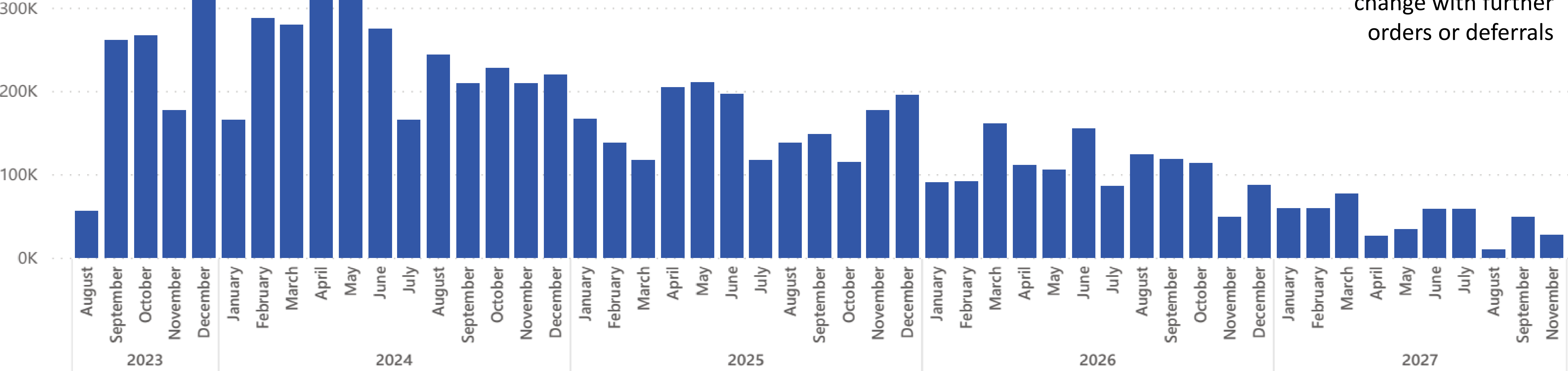
Average of CMA CGM until 2022 (incl APL to 2Q16), COSCO Shg (since 1Q 2019), CSCL (to 1Q 2016), EMC, Hanjin (to 3Q 2016), Hapag-Lloyd (incl CSAV to 2014), HMM, Maersk (Ocean from Q120), ONE (from 2Q 2018, formerly KL/MOL/NYK), WHL, YM, ZIM

## Market situation today

1. Carriers have made hundreds of **billions in profits** from 2020 – 2022, but the party is coming to an end.
2. Carriers use their massive profits to buy into **'everything'**: ship owners, lessors, ports, container terminals, airlines, logistics, warehousing, etc.
3. Many industry stakeholders are **'unhappy'** about the inflated asset prices (newbuildings, terminals, etc. ) caused by the carriers' deep pockets are their willingness to pay more than anyone else can.
4. Carriers have a big problem: Rates are back to pre-COVID levels, but their **cost structure is much higher** than before.

# container ship delivery pipeline (teu per month)

the pipeline will likely change with further orders or deferrals



**rest of 2023**

1.1 Mteu  
179 ships

**2024**

2.93 Mteu  
413 ships

**2025**

1.93 Mteu  
194 ships

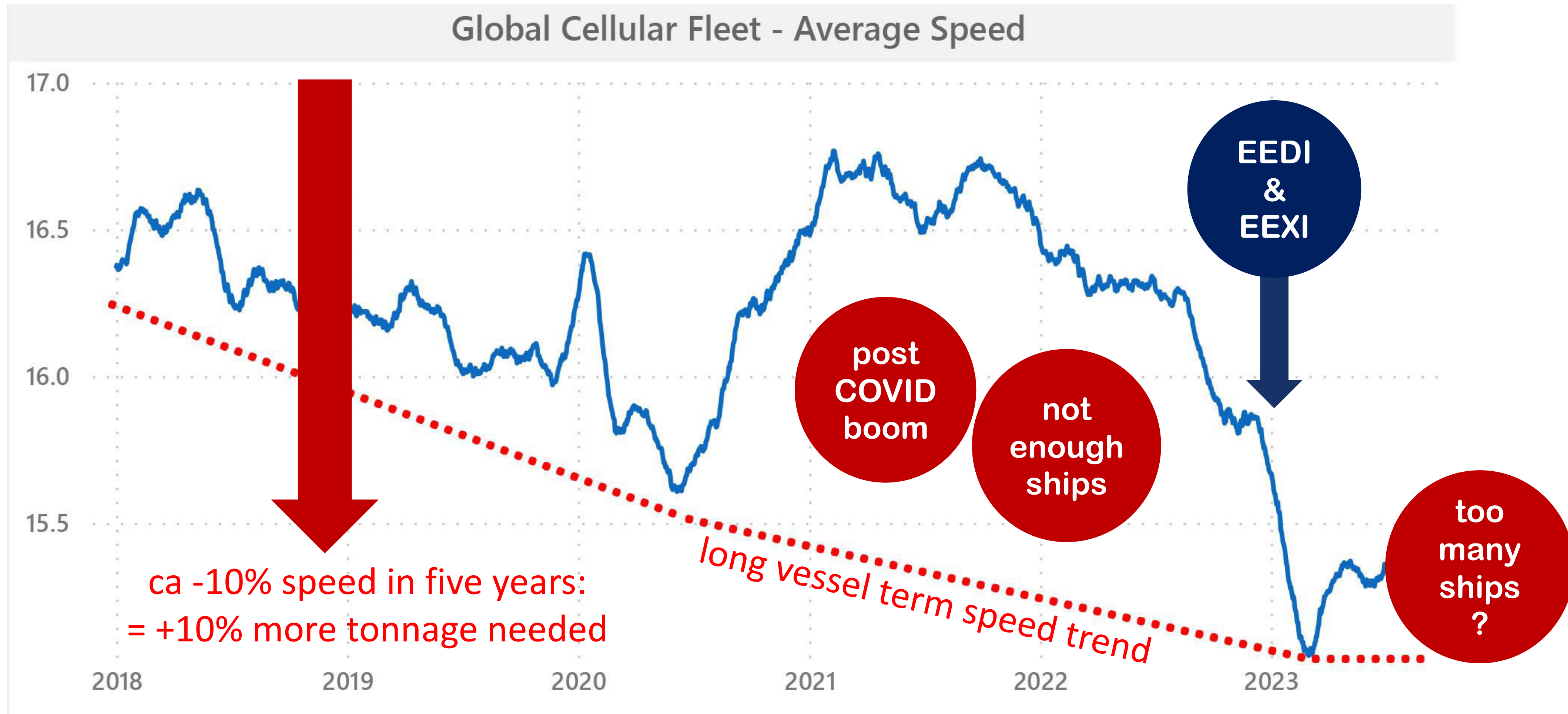
thereof with LNG or methanol propulsion

0.21 Mteu (19%)  
17 ships

0.91 Mteu (38%)  
93 ships

1.02 Mteu (53%)  
90 ships

# is vessel speed a capacity management tool?



## quick facts

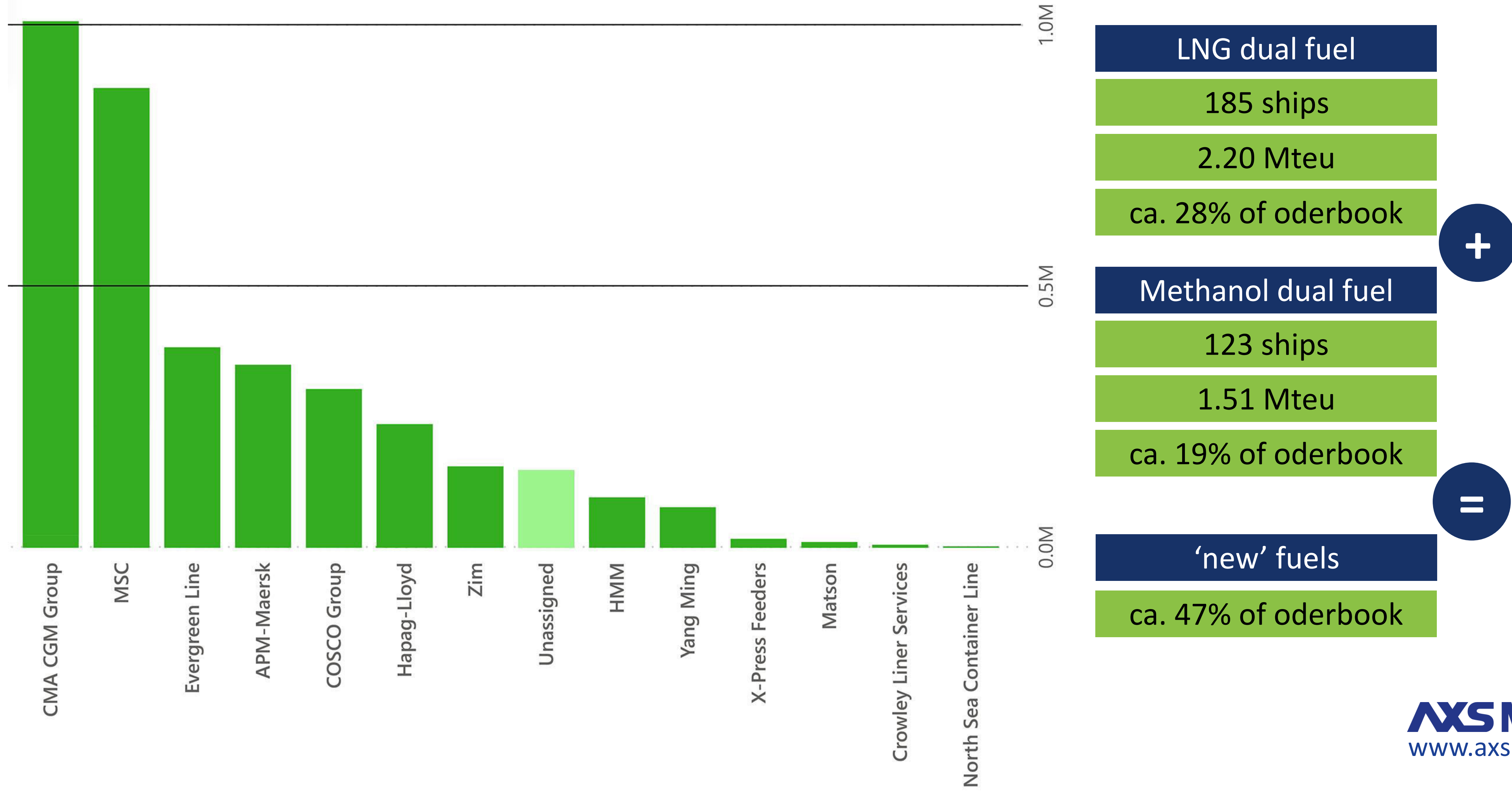
1. Carriers have learned their lessons from the past, and they are much **more adept at managing capacity**. Market slowdowns will be met by service closures and/or void sailings programs.
2. However: Capacity management has its limits and **capacity is expected to outgrow demand**, no matter what the carriers will try.
3. Carriers have absorbed a lot of capacity by slowing down ships (= more vessels deployed per loop).



# 'green' fleet sailing into tough waters



# 'green' orderbook by carrier: LNG and methanol



## quick facts

1. The good news: the 'green transition' is gaining traction. The 'green' orderbook of LNG (28%) and Methanol (19%) combined now accounts for **almost half of the total orderbook (47%)**.
2. The decarbonization challenge has moved from the vessel to the **strategic procurement of sustainable fuels**.
3. **Decarbonization will cost billions**. Cargo owners and consumers will ultimately have to foot the bill. Carriers had / have cash for 'green ships', but alternative fuels will be much more expensive.

after LNG and methanol: ammonia is joining the race



Project lead:



Project partners:



**Mærsk Mc-Kinney Møller Center**  
for Zero Carbon Shipping

Classification society:



Ship Design:



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