

JUL 07, 2025



INDUSTRY UPDATES

FREIGHT FORWARDING

BIMCO: CONTAINER DEMAND HOLDS STEADY DESPITE TRADE RISKS

BIMCO reports a 5.1% year-on-year growth in global container volumes from January to April 2025, showing resilience despite geopolitical and tariff-related uncertainty. While demand remains strong, BIMCO expects a moderate softening later this year as fleet capacity increases faster than cargo volume. This could pressure spot rates unless carriers continue to manage capacity through blank sailings.

FREIGHT RATES DROP AFTER JUNE SURGE

Following sharp increases in early June due to front-loaded shipments and tariff fears, Transpacific freight rates have now declined significantly.

- West Coast: Down 43% to ~\$3,388/FEU
- East Coast: Down 15% to ~\$6,116/FEU

This indicates a brief spike, not a sustained trend, as capacity returns and demand levels out post-peak.

MSC & MAJOR ALLIANCES CONTROL OVER 80% OF MARKET

New data shows MSC alone now controls 20.6% of global capacity, while the Ocean Alliance and Gemini Cooperation push total alliance market share to 82.1%. This high consolidation raises competition concerns and limits market access for smaller and independent carriers.

HIGHLIGHT

BIMCO: DEMAND HOLDS STEADY

FREIGHT RATES COOL AFTER SPIKE

MSC & ALLIANCES DOMINATE MARKET

SHIPPING STOCKS SHOW MIXED TRENDS

ABS UNVEILS EV FIRE SAFETY MODEL

OBS NEWSLETTER QUICK TAKEAWAYS

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SHIPPING STOCKS REFLECT MIXED INVESTOR SENTIMENT

Global shipping stock performance diverged in June:

- Maersk and Matson posted gains on strong contract and intermodal positioning.
- Evergreen, Yang Ming, and Wan Hai saw declines due to spot market exposure and cost pressures.



This signals investor preference for diversified, charter-backed carriers in uncertain rate conditions.

ABS RELEASES FIRE SIMULATION MODEL FOR EV SAFETY AT SEA

The American Bureau of Shipping (ABS) introduced a lithium-ion battery fire simulation model aimed at improving safety protocols for EV shipments aboard container vessels. With EV volume rising in global trade, this tool is expected to help ship operators mitigate fire risks and comply with stricter safety regulations.



QUICK TAKEAWAYS

-  **Cargo Demand** : Strong growth persists, but trade policy could reshape dynamics later in the year.
-  **Freight Rates** : Peak-season spikes give way to rapid normalization—shippers are navigating volatility.
-  **Industry Structure** : Hyper-consolidation in container capacity—focus for regulators and shippers.
-  **Investor Watch** : Market rewards diversified, charter-heavy carriers over spot-exposed ones.
-  **Safety Innovation** : EV battery fire model cues enhanced onboard safety protocols amid growing e-comm trade.

Source: Data drawn from publicly available industry news