

# Changing shipping patterns within the Med

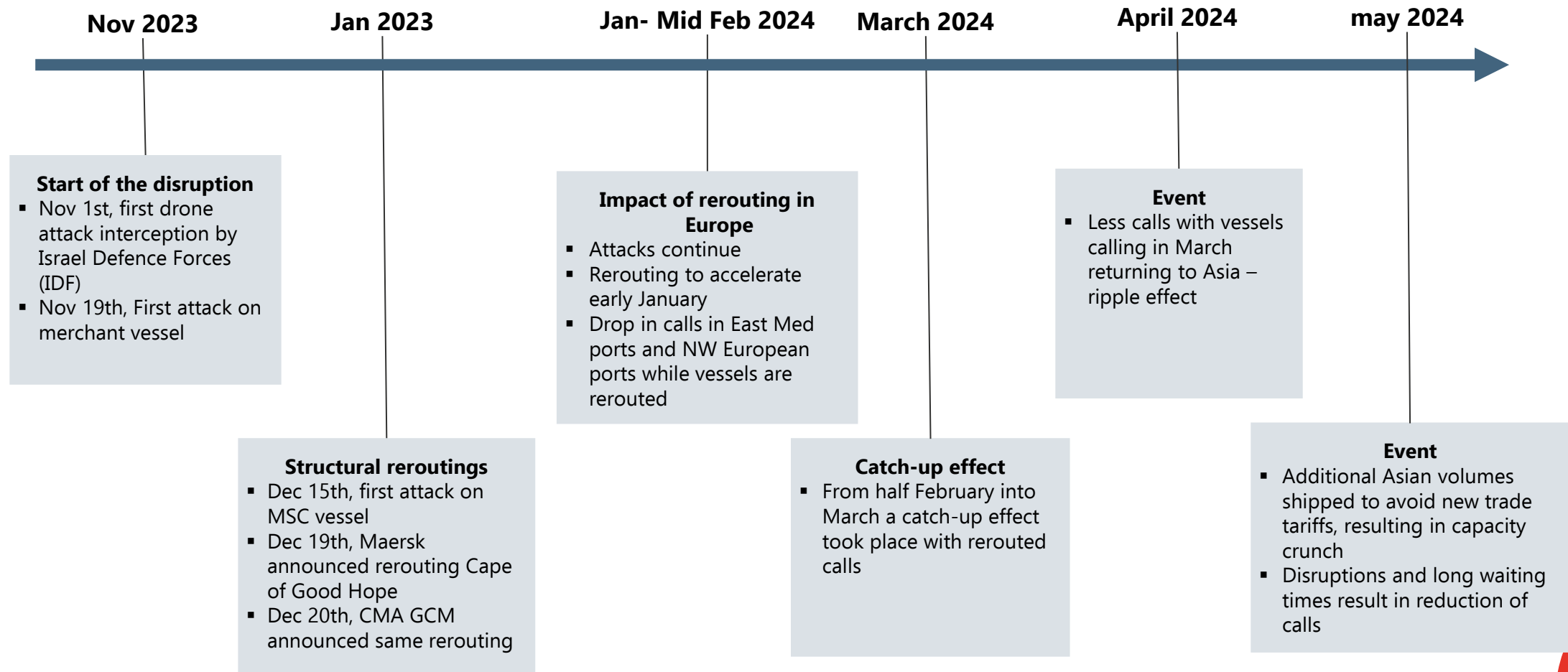
Implications for ports on shipping capacity, size and hub function

TOC Europe 2024

*12 June 2024*

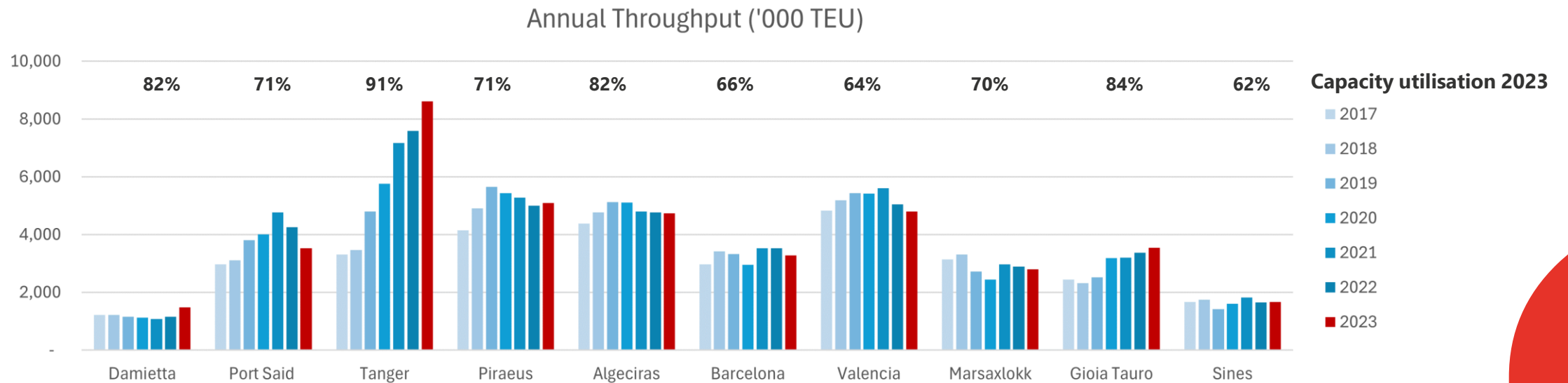


# Disruptions affecting the Med / NW Europe



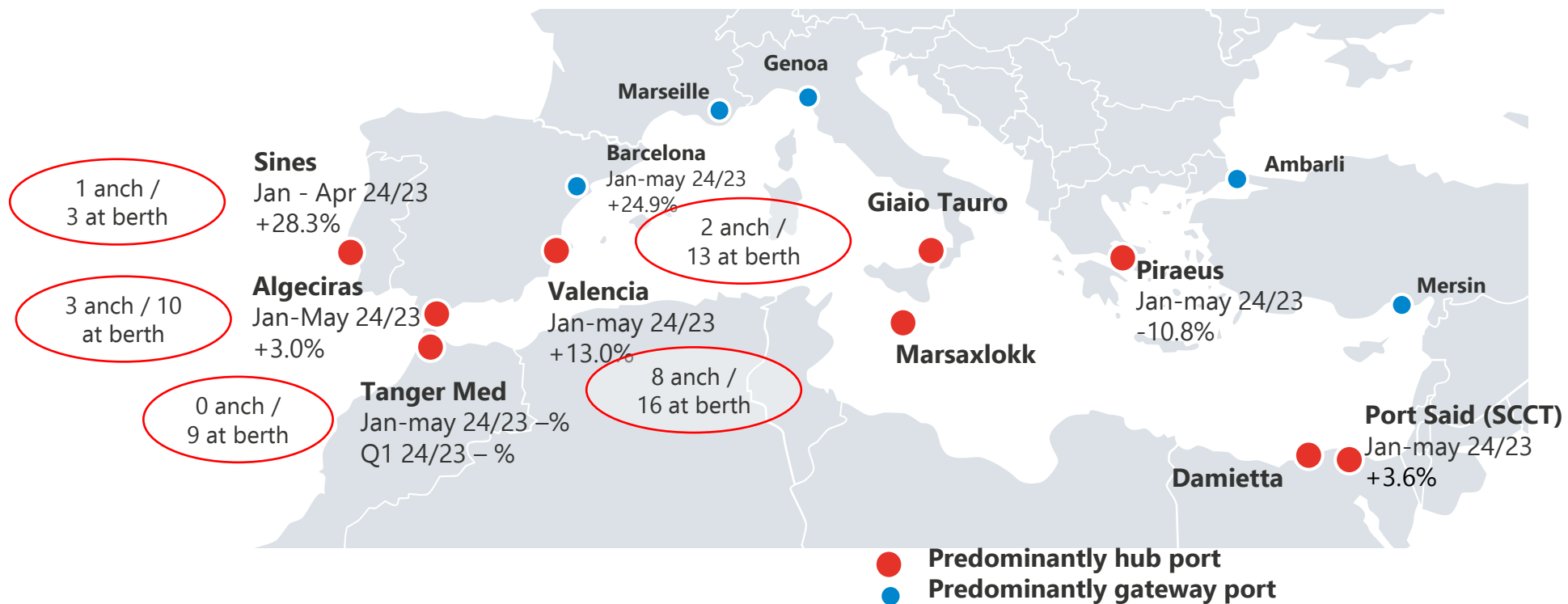
## Key Ports – Throughput (2/2)

Most hubs have seen stable performance with Tanger Med being the big exception. Capacity utilisation at Tanger Med and Algeciras already high in 2023.



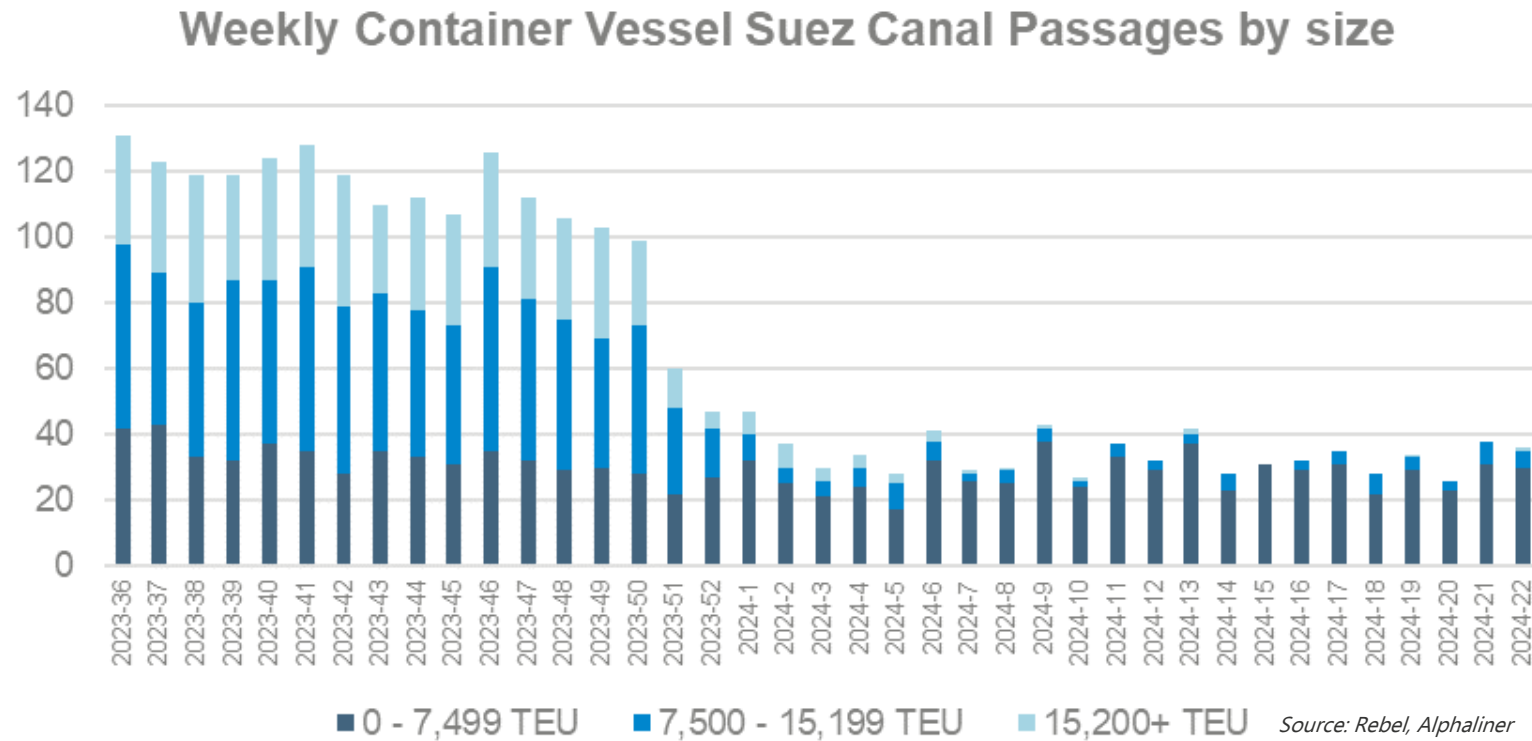
## Key Ports – Throughput (1/2)

With container traffic being diverted, gateway ports and hub ports showed different performances over the past 6 months. Baseline growth around 7.0%.



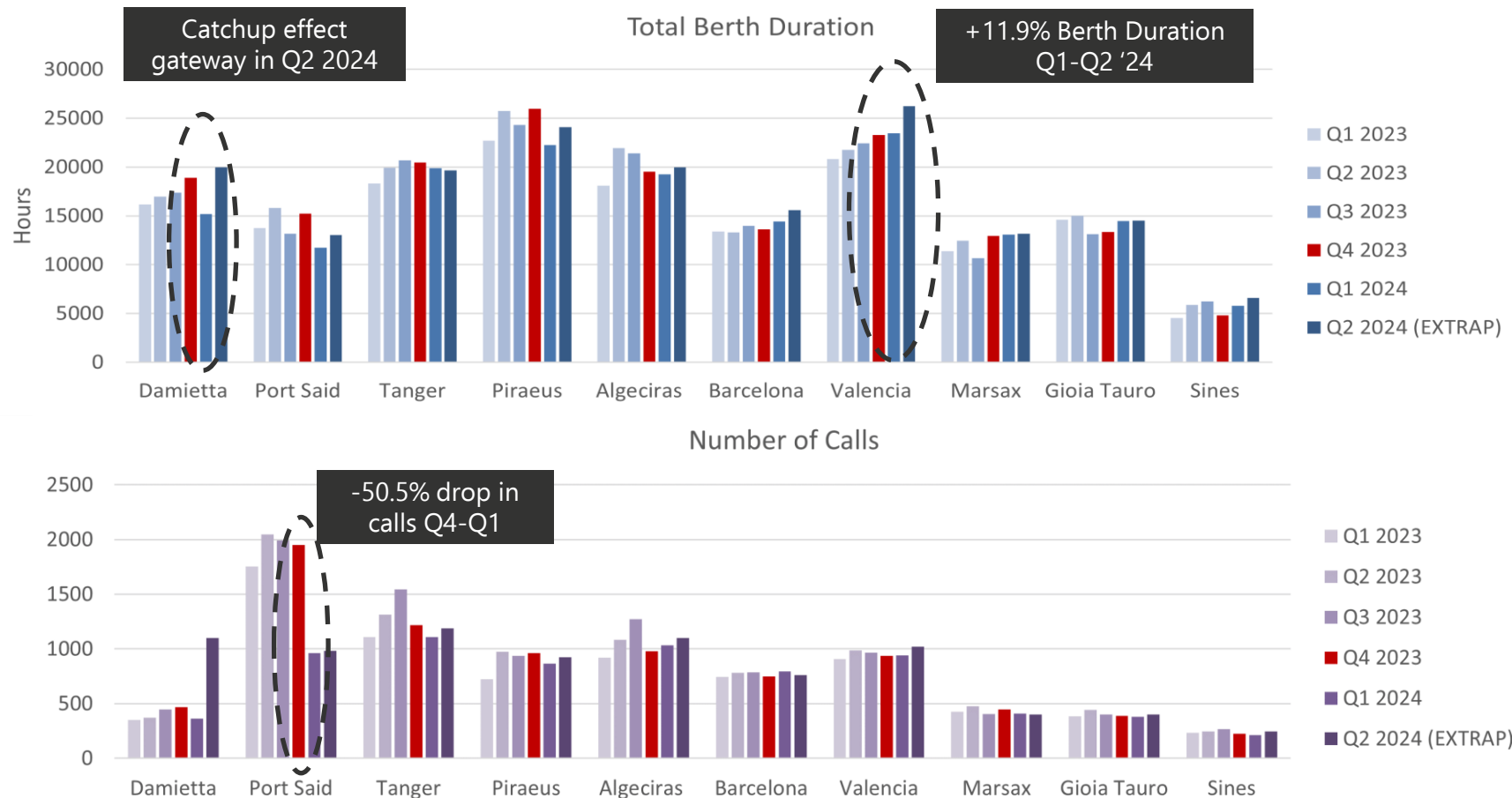
## Suez Canal Transits – by vessel size

Under 8k TEU vessel keep transiting the Suez canal – hardly any transits of vessels over 8k TEU. Around 350 vessels diverted per month.



# Key Ports – Deployed Capacity

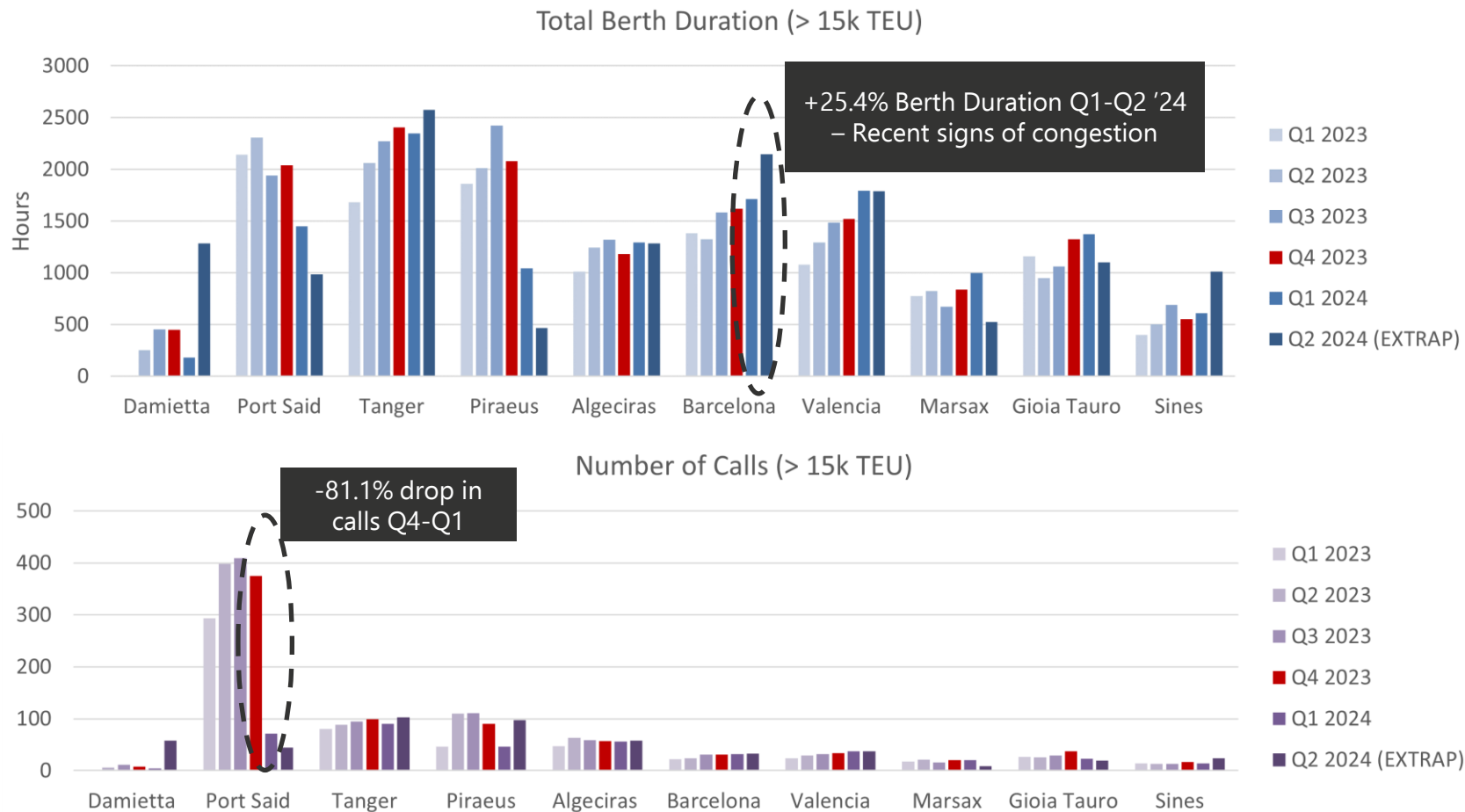
The hubs close to the Suez saw a decline in activity in Q1, but other hubs had similar recorded berth duration. Algeciras and Tanger Med show sharp increases.





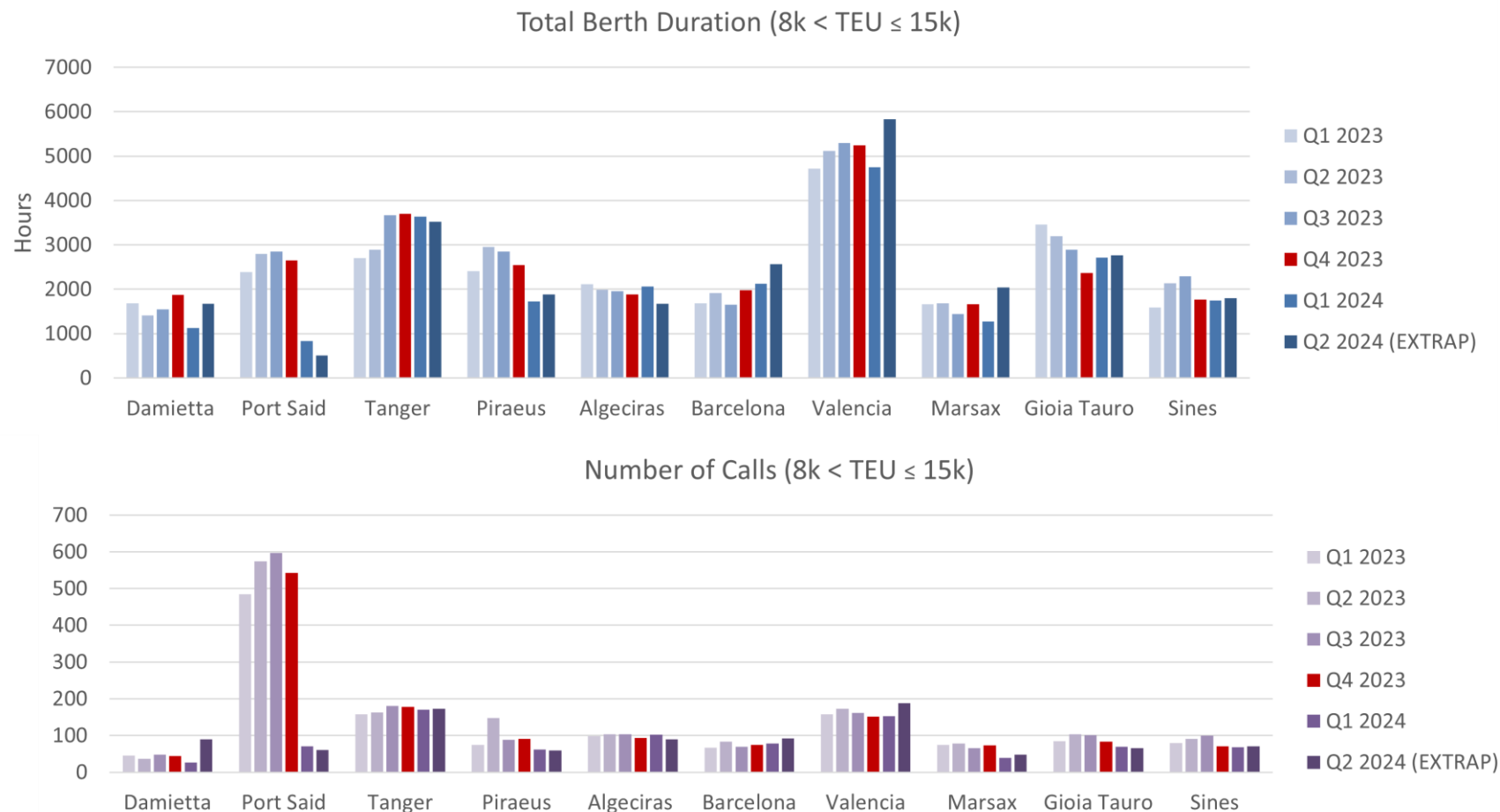
# Deployed Capacity > 15k TEU vessels

Clear drops in total berth duration and calls in Port Said and Piraeus for the largest class vessels due to rerouting in Jan-Feb. Strong rise in Barcelone, Valencia and Sines in Q2.



# Deployed Capacity – 8-15k TEU capacity

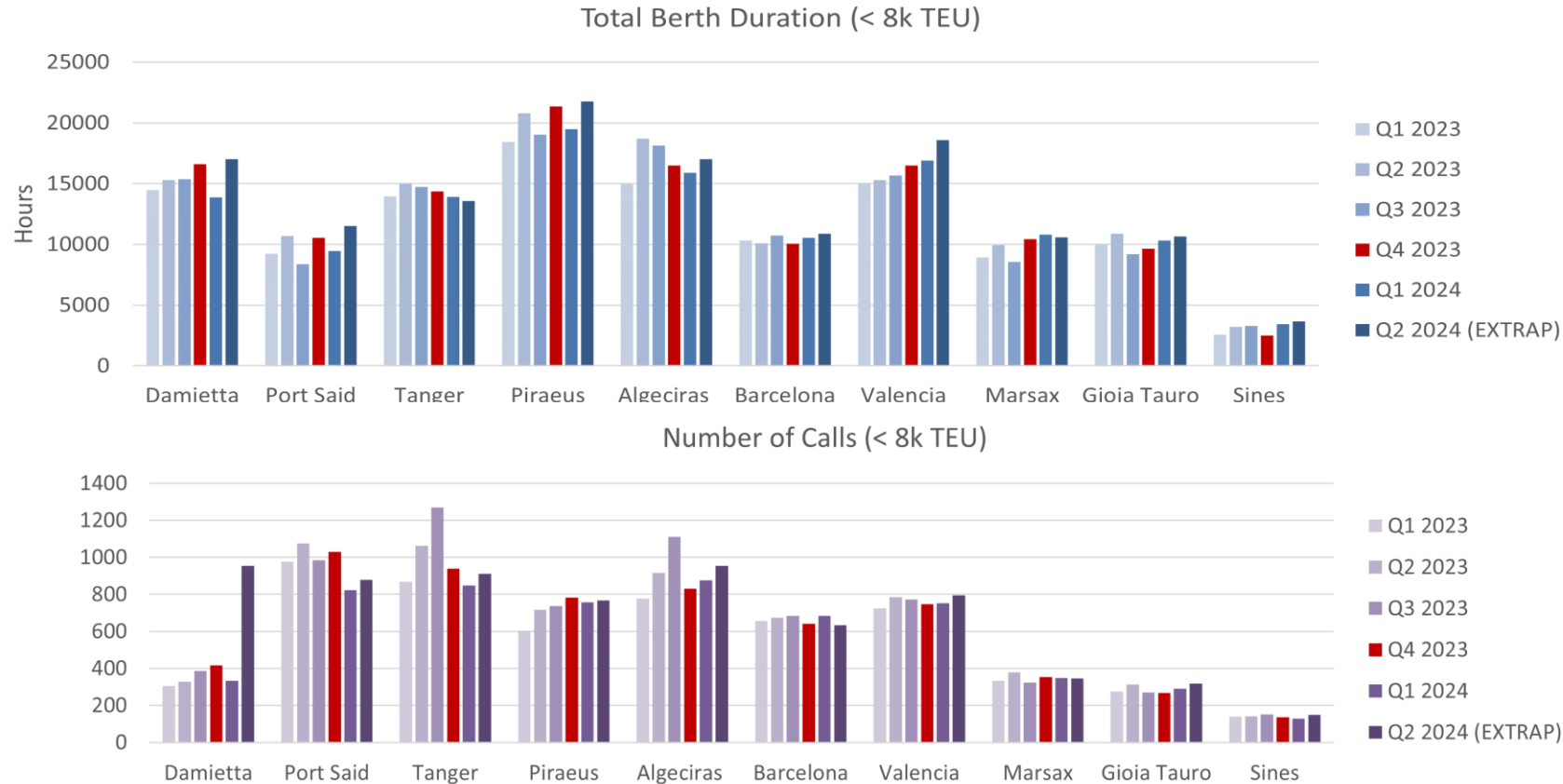
Valencia and Barcelona are also receiving more in the mid-size class. But East-Med ports keep receiving mid-size vessels though not transiting Suez Canal.





# Deployed Capacity <8k TEU capacity

Modest increase in <8k TEU vessels in East Med and across other parts of the Med, which means increased feeding into the Med.



# Equity Ownership

In particular Maersk, CMA CGM, MSC and COSCO have rerouting options – liners without equity shares will be behind in the queue for West Med hub capacity.



# Strategic Reaction?

## Rerouting options

- Rerouting options via Middle corridor or land bridge options can provide relief, but are limited in capacity – infrastructure to be expanded/developed in places developed and more expensive routing.
- Choice between mainline vessels entering Med or feeding into the Med – choices depending on fleet availability. When structural reshuffling of services?

## When will infrastructure investments pay off?

*Hypothetical stabilization in Red Sea would result in shifting back shipping patterns – but when?*

*Structural demand boom or frontloading of demand due to sanctions and risk of strikes?*

- Major hubs were already at high utilization levels going into 2024 – starting point had little resilience when considering volatile conditions.
- Capacity expansions at existing terminals more likely than new terminal developments –
- Additional capacity with flexible uses will be first cases – such as increased linkages to Latam / Central Americas
- Liners without terminal ownership will have more difficulties in rerouting shipping patterns and will face higher operational costs.
- New case for more liner owned terminals – Nador West, Valencia, Tanger Med

