

Containers

Large-cap liners fade from view



Sam Chambers • October 18, 2023 • 0 comments • 411 likes • 1 minute read



In line with this year's reversal in fortunes for container shipping, the number of large-cap listed carriers has shrunk from seven to just three.

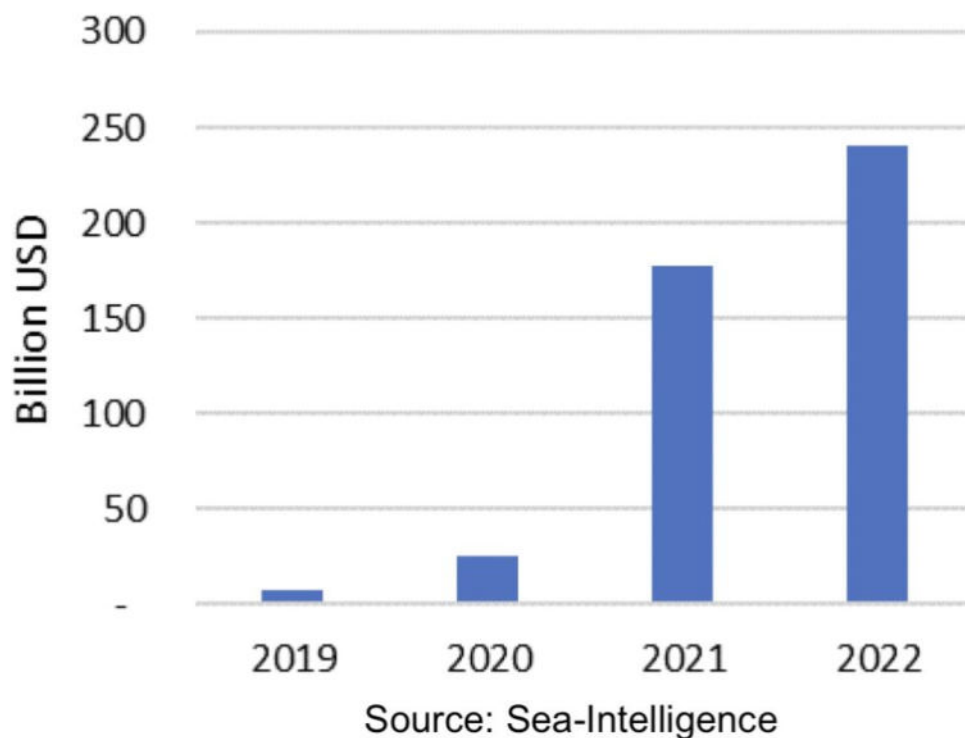
According to analysis from Alphaliner, investors have shaved a massive \$135bn off the stock valuation of the 11 largest publicly traded liner companies. The number of listed carriers with a market capitalisation of more than \$10bn has fallen back to just three companies, namely COSCO, Hapag-Lloyd and Maersk.

Collectively, the 11 largest listed carriers today have a combined market capitalisation of just under \$110 bn, versus \$243bn at their peak in May 2022.

Liner shipping made a collective record net income significantly north of \$200bn last year, a figure that is on course to drop by 80% to 90% in 2023.

In a sign of a market in retreat, the inactive container fleet has this month risen above 1m teu again.

Total industry estimated profits



Capacity marked as inactive in Alphaliner's latest survey reached 315 ships of 1.18m teu, as of October 9, accounting for 4.3% of the total cellular container fleet.

A new liner report from HSBC predicts freight rates will continue to edge lower in the near-term until restocking demand materialises before the Lunar New Year in mid-February, especially as the anticipated Q3 peak season failed to boost spot rates, coinciding with an influx of new tonnage.

"Rate levels that have fallen since the end of August reflect easing volumes as well as significant overcapacity in the market. Prices from Asia to the US east coast and North Europe are well below 2019 levels, while rates to the US west coast are still 17% higher than in 2019," commented Judah Levine, head of research at box booking platform Freightos.

**Carrier Market Capitalization
Oct 2023 vs May 2022 (USD bn)**

Carrier	Oct-23	May-22
Hapag-Lloyd	30.1	82.5
Maersk	28.6	52.6
COSCO	20.2	25.0
Evergreen	6.8	24.5
HMM	5.3	11.4
Yang Ming	4.6	13.8
SITC	4.2	9.4
Wan Hai	3.9	12.1
Matson	3.2	3.5
ZIM	1.2	7.3
RCL	0.5	1.1

Value mid-month.
Conversion to USD
using exchange rate at
the time

Large cap
Medium cap
Small cap

