

More container ships could be held up if Red Sea tensions escalate

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Number 9 / Source: VesselFinder

Any intensification of ship attacks in the Red Sea could tie up 30% of the boxship fleet as more vessels will need to be rerouted, according to Linerlytica's latest report today (5 December).

On 3 December, Number 9, a boxship owned by UK firm Castle Harbour and operated by OOCL, was hit by a rocket fired by a drone, amid the ongoing Israel-Palestine conflict.

Linerlytica remarked that the attack on Number 9 "has broadened the threat to all ships passing through the Red Sea, even those that have no links to Israel."

Haifa-based ocean carrier ZIM Line has already diverted its ships from the Suez to the longer route around the Cape of Good Hope, while Denmark's Maersk Line has rerouted two ships chartered from Israeli interests following the attack on the CMA CGM Symi on 25 November.

Of the 653 container ships with a total capacity of 8.25 million TEU currently using the Suez Canal based on Linerlytica's data, only eight of these are operated by Israeli carriers and 29 are owned by Israeli-related interests.

Linerlytica said, "The impact of the current ship diversions are minimal at this point but any escalation in the threat to vessel safety on the Suez will have a larger impact as 30% of total containership capacity will be affected."

Currently, the transit restrictions in the Panama Canal and the diversions from the Suez Canal have caused insignificant impact.

Congestion in the Panama Canal peaked in the week ended 3 December, with the vessel queue reaching 31 ships, although the situation has since been eased as more ships have moved to the Suez and the Cape of Good Hope.

Linerlytica said, "While these moves will help to absorb some of the surplus ships, the impact is limited at this stage as it affects less than 2% of the overall fleet."

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