



Vietnam's liner shipping connectivity leaps

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Vietnam's emergence as a manufacturing powerhouse is showing up in ever greater detail on the global container map.

The Southeast Asian nation has become a go-to place for manufacturers seeking factory alternatives to China, and subsequently liners are bringing exports direct to Western markets in larger volumes.

Latest data from Sea-Intelligence, a Danish liner consultancy, shows Vietnam saw the greatest jump in liner shipping connectivity among the top 20 nations in the last quarter (see chart below).

Vietnam's liner shipping connectivity leapt 13.7% year-on-year in Q4 and jumped five places up to ninth in Sea-Intelligence's index.

"Vietnam's connectivity has been on a consistent upwards trajectory, although there was a substantial jump during the pandemic years. In the last few quarters, there has been a slightly sharper upwards trend than pre-pandemic," Sea-Intelligence noted in its latest weekly report.

MB Shipbrokers, formerly known as Maersk Broker, has also been looking at Vietnam in its latest weekly container markets report. Most recent data from January to November 2023 indicates total exports from Vietnam exceeded 2019 levels by 12%.

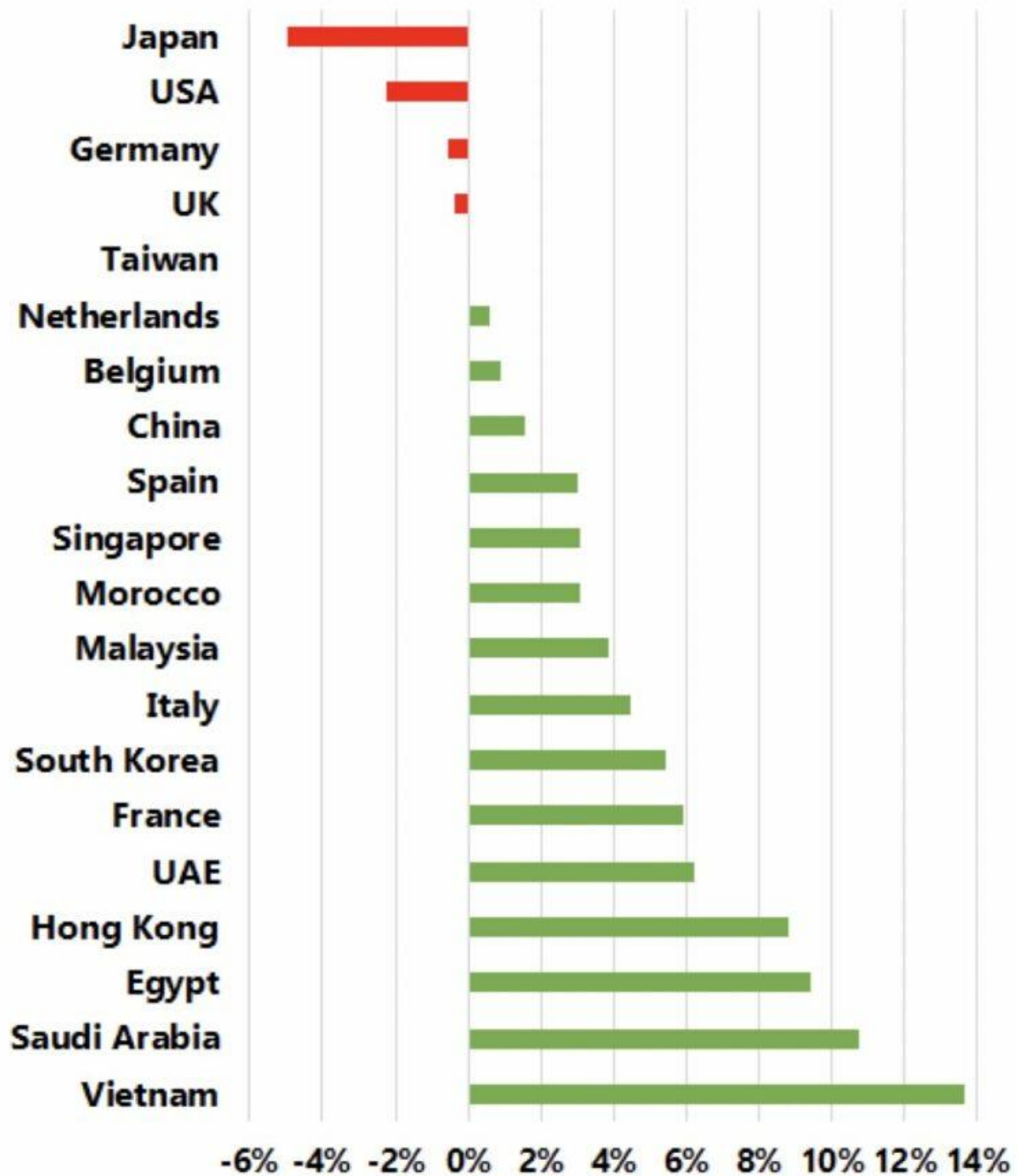
A large contributor to this growth has been the trade into North America, which experienced an impressive 44% increase in containerised exports during the same period.

Data carried in the Review of Maritime Transport 2023 published by the United Nations Conference on Trade and Development (UNCTAD) last September showed that for 2022 the share of US container imports from Vietnam increased to 8%, up from 4% in 2017.

The Ministry of Industry and Trade in Hanoi has outlined a goal to to increase exports by 6% in 2024.

"Amid deglobalisation and a global pandemic, Vietnam has emerged as an outlier, showing that its state capitalism is a capable growth model. Vietnam has secured more time — if not an inside track — in the race to become the next Asian tiger," Long Le, director of the International Business Program at the Leavey School of Business at Santa Clara University, wrote in a recent article for the *East Asia Forum*.

Connectivity changes for top-20 (relative to 2022-Q4)



Source: Sea-Intelligence