

80% of all container ships on Suez route divert to Cape of Good Hope

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The number of container vessels that have re-routed via the Cape of Good Hope due to the Red Sea crisis has risen to 354 units as of 7 January, according to the latest Linerlytica report, translating to 4.65 million TEUs or 16.4% of the global fleet.

This number also accounts for 80% of all the boxships moving between the Atlantic/Med basins and the Indian Ocean. The number will continue to grow over the coming week with most of the main carriers currently opting for the Cape route.

Only the French shipping company CMA CGM and a small number of niche carriers operating in the Asia to East Med and Baltic markets have continued to use the Suez route, according to Linerlytica, with reports emerging that

some ocean carriers have negotiated with Houthi forces in Yemen for safe passage through the Red Sea.

"These diversions will result in an expected capacity shortfall of up to 40% for departures from Asia to Europe and the US East Coast in weeks 4 to 6, with freight rates expected to surge further over the coming weeks," said Linerlytica.

The aggregate [SCFI composite index](#) has already risen by 97% since the beginning of December with room for further hikes in the upcoming weeks.

Additionally, the delays have also affected the availability of containers returning to Asia, with new box production rising sharply since December while prices of new equipment have jumped by over 20% in the past month, according to Linerlytica, which noted that "the only relief will come from new vessel deliveries".