

Red Sea crisis still leaves alliances short of ships, as newbuildings fully absorbed

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The three container shipping alliances are still short of 36 ships, or 10% of the required tonnage, to entirely fulfill their 25 Asia – Europe loops as of 10 May.

Despite record newbuilding deliveries this year, and 1.14 million TEUs delivered so far, the Red Sea crisis has soaked up all available tonnage.

Alphaliner's report says, "Taking into account that the average vessel size on this trade currently stands at 14,150 TEUs, some 509,400 extra slots are still

needed. This represents 9.6% of the total capacity required to guarantee weekly sailings for all alliance loops.”

According to Alphaliner, 376 ships are currently needed for 25 loops, compared to 321 for 27 loops one year ago.

The extra ships are needed as 24 loops are being re-routed via the Cape of Good Hope due to the Red Sea crisis.

The recent closure of the third Asia–North Europe loop of the Ocean Alliance jointly operated by OOCL (LL3) and COSCO Shipping Lines (AEU7) has freed up 12 ships for redeployment and the suspension in November 2023 of the Southeast Asia–North Europe FE5 loop released another ten.

Compared to May 2023, this means that the alliance members actually require 77 additional vessels as 24 loops are sailing via South Africa to avoid attacks on merchant ships by Houthi rebels operating from the coast of Yemen.

Ocean Alliance members face the largest challenge as their 120 ships on Asia-North Europe lanes are 20 ships or 14% fewer than needed. At the same time, THE Alliance is operating 102 vessels on the Asia-Europe lane, leaving it just eight vessels short.

On the other side, MSC is the least affected, thanks to its massive fleet expansion.

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