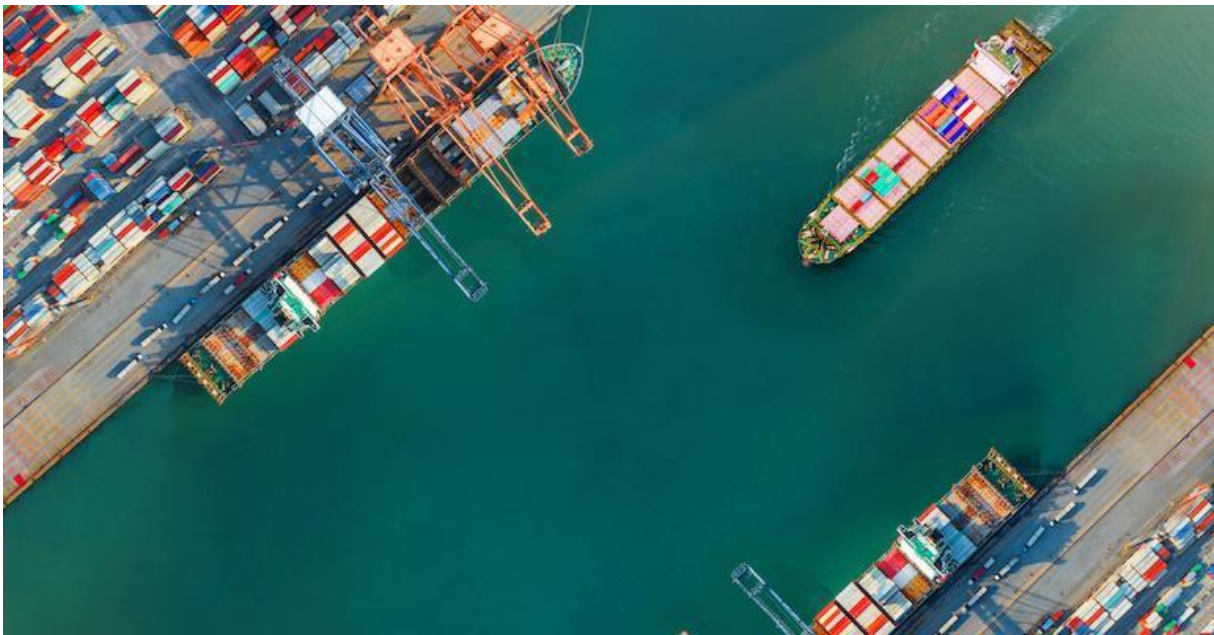


Container spot rates expected to continue rising in June



Fears over a shortage of capacity have continued to push up container freight rates over the past week, hitting levels only previously seen during the pandemic.

Marcus Hand | Jun 07, 2024

Drewry's World Container Index (WCI) was up 12% week-on-week on 6 June at \$4,716 per feu. Meanwhile the [Shanghai Containerized Freight Index \(SCFI\)](#) on 7 June stood at 3184.87 points, a 4.6% increase, slowing from the previous week's double-digit percentage jump that took it to levels not seen since August 2022.

Rerouting ships from the Red Sea via the Cape of Good Hope causing a shortage of capacity, growing port congestion, and rising demand, have all conspired to cause a spike in spot rates for containers on key routes.

Related: [Peak season comes early as container rates continue to soar](#)

HSBC Global Research commented in a report issued today that it had underestimated the timing and strength of an earlier peak season in long-haul trades, which fuelled the recent rally in spot container freight rates.

Looking ahead it said: "We believe spot rates might still have momentum to go higher given strong near-term forward bookings and healthy vessel utilisations in June. Congestion and equipment shortages could remain sticky near term, which may take months to fully unwind."

Related: [Red Sea rerouting causing Asian port congestion](#)

According to Drewry rates for Shanghai – Genoa were up 17% over the last seven days at \$6,664 per feu, while Shanghai to Rotterdam saw a 14% increase to \$6,032 per feu.

On the Transpacific rates from Shanghai to Los Angeles were up 11% at \$5,975 per feu. Shanghai to New York rose 6% to \$7,214 per feu.

Looking ahead Drewry said it, "expects freight rates ex-China to continue rising next week due to the onset of the early peak season".

HSBC said that a front loading of peak season demand could though present a downside risk to container freight rates later in the second half of 2024.