

Container spot freight rates plunge 8%

The Shanghai Containerized Freight Index (SCFI) and Drewry World Container Index (WCI) both dropped 8% over the last week.

[Marcus Hand](#), Editor

September 6, 2024



File photo of CMA CGM container vessel calling SingaporeCredit: Marcus Hand

The two key indexes registered sharp falls with [SCFI](#) losing 236.8 points, to drop to 2726.58 points on 6 September, 8% lower than a week earlier. Meanwhile Drewry's WCI also decreased 8% to \$4,775 per feu on 5 September.

Trade breakdowns from [Drewry](#) show the trades between Asia and Europe/Med leading the fall in rates. These were routes most directly impacted by rerouting from the Red Sea and the Suez Canal to transit via the Cape of Good Hope, and latterly port congestion at key ports.

Shanghai to Rotterdam plunged 14% or \$985 to \$6,219 per 40ft container, Shanghai to Genoa declined 12% or \$769 to \$5,842 per feu. A spike in demand representing an early peak season would appear to have subsided and the transshipment hub of Singapore reported that vessel waiting times had been reduced to an average of under on day in July.

The decline rates on the trade is expected to continue with the analyst saying: "Drewry expects Asia-Europe rates to decline in the upcoming weeks."

On the Transpacific Shanghai to Los Angeles 3% or \$218 to \$6,030 per feu. "Despite the looming threat of an ILA port strike, transpacific Eastbound freight rates have seen a slight dip this week," Drewry noted.

Westbound on the Transatlantic though saw a sharp rise in rates ahead of a possible US East Coast port strike. Rotterdam to New York increased 16% or \$304 to \$2,212 per feu.

Related: [ILA demands on wages and automation as port strike looms](#)

The current WCI is 54% below the previous pandemic peak of \$10,377 in September 2021, but it is 236% more than the average 2019 (pre-pandemic) rate of \$1,420.