



THE LOADSTAR

MAKING SENSE OF THE SUPPLY CHAIN

Container shortage worsens as box ships avoid Chinese ports that need empties



By Mike Wackett

The availability of containers at southern Chinese ports continues to deteriorate as carriers omit calls due to a wave of Covid outbreaks in Guangzhou province.

According to the latest data from Container xChange, the ports of Yantian, Shekou and Nansha have been hit worst by the box shortages.

“Far fewer empty boxes are arriving back to southern China as container lines skip calls, and many shippers will face long delays or higher prices for equipment if they can’t avoid using the affected ports,” said Container xChange founder Dr Johannes Schlingmeiner.

In a customer advisory today, Maersk said that, including partner vessels, it had omitted 64 planned calls at Yantian and Shekou, due to "delays upwards of 16 days" at the congested ports.

And as well as cancelled loading of export cargo, the port omissions mean urgently required empty equipment onboard the diverted ships will not be discharged to replenish dwindling stocks at depots.

Container xChange said Yantian had seen a drop of 19% in empty container imports in the past five weeks, Nansha saw a fall of 16% and Shekou a more dramatic 30%.

According to the container leasing and trading online platform's CAx index, 40ft availability readings for last week at Yantian, Shekou and Nansha fell to 0.47 – below the level of 0.50 in the index, which suggests more containers leaving the port than coming in.

Dr Schlingmeiner added: "Our forecasts suggest container availability at these ports will not increase in the coming weeks as more container lines cancel calls."

He suggested shippers unable to secure equipment from carriers may need to turn to using shipper-owned containers (SOCs) for urgent shipments. However, the price of empty equipment has skyrocketed in the past few months and there is no guarantee carriers will even accept SOC bookings.

Moreover, even if a shipper succeeds in getting his own container on board a vessel, keeping track of the box can be challenging. One UK-based NVOCC with an office in China told The Loadstar recently it had 'lost' its SOCs for several weeks after shipment.

"We tried the SOC option, but I don't think we will be doing that again anytime soon," he said.

"We eventually got our boxes on a ship and thought that was a result, but we were then told by the line they had been transhipped en route and would be relayed onto another vessel. But the person on the phone couldn't tell us what ship, or when the boxes would arrive at Felixstowe.

"Several weeks later, after receiving no further updates from the carrier despite daily emails, we were told out of the blue that the boxes had come off at Rotterdam and were awaiting a feeder ship to bring them to Felixstowe.

"As you can imagine, our customer was pulling his hair out," said the NVOCC, "he just could not accept that the containers went missing without anybody having a clue where they were. At one stage we thought that the boxes might have been on the Ever Given, thankfully they were not."

IFCBAA Team