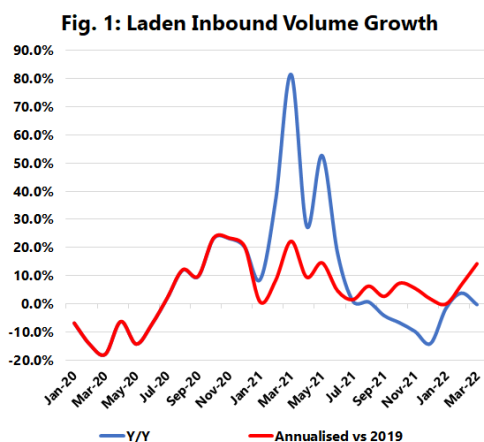


2022-Q1 North America West Coast port volumes

China's continuing zero-tolerance policy towards Covid in 2022 have created an ever-present threat of port closures and operational restrictions, as seen at both Ningbo and Shanghai. Along with Chinese New Year, these restrictions will likely have eased some burden on the volume flows out of China, but likely also have created additional backlog.

To be able to see these changes for North America West Coast ports in 2021-Q1, we need to visualise the changes without unduly distorting the picture due to the volatility in 2020-2021. As such, in figure 1, we illustrate the growth rates using both a traditional Y/Y change, as well as the average annualised growth rate since 2019, which was the last "normal" year.



On a Y/Y basis, the laden inbound volumes contracted heavily in the second half of 2021, but the annualised growth over 2019 shows that this is more an artefact of strong 2020-2H growth. When annualised over 2019, January 2022 volume growth was in line with January 2019, contracting by a marginal -0.1%, while February grew by 6.8%, which is within the range of what we have seen for most of 2021. March 2022, however, grew by 14.2% when annualised over March 2019, which is the strongest growth in almost a year. This spike in March 2022 is possibly a result of the backlog that was cleared after the port closure of Ningbo earlier in the year and then Chinese New Year that followed, as well as the initial operational restrictions in Shanghai more recently.

Further to that, while carriers continue to prioritise empty container exports out of North America West Coast, growing at a rate of around 20% for the past 18 months, in January-March 2022, laden exports contracted at a slower rate of 5%-10%, compared to 10-15% seen in the second half of 2021. A possible explanation is that the port closure of Ningbo for 14 days at the start of 2022 resulted in a pile of empty containers in the port, containers that had been offloaded before the port closed and had since been emptied. It is possible that the carriers deemed that level of empties as sufficient for the time being and therefore cleared out some export cargo from the North America West Coast ports.

--- 000 --- END OF PRESS RELEASE --- 000 ---

All quotes can be attributed to: Alan Murphy, CEO, Sea-Intelligence.

For more information, please contact: ia@sea-intelligence.com, am@sea-intelligence.com

Sea-Intelligence is a leading provider of Research & Analysis, Data Services, and Advisory Services within the global supply chain industry, with a strong focus on container shipping. Combining strong quantitative analytical skills with a deep understanding of the supply chain industry, based on many decades of experience at all central parts of the Ocean supply chain, Sea-Intelligence supports customers across all stakeholder groups.