

# Container Shipping Market Overview & Outlook

## Continued fleet expansion darkens outlook



### Supply/demand



**Ship supply is expected to grow 5,8% in 2025 and 2.8% in 2026.** After increasing in 2024, sailing speeds are expected to reduce in 2025 and 2026.



Rerouting via the Cape of Good Hope is assumed to impact all of 2025. We forecast that **ship demand will increase 3.5% in 2025 and fall 5.5% in 2026** if ships return to the Suez Canal.

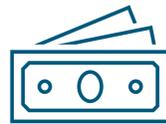


**The supply/demand balance is forecast to weaken slightly in 2025 and significantly in 2026.** Development in 2026 assumes a return to normal routings.



**Significant uncertainty remains** as it is unknown when ships can return to the Red Sea. In addition, President-elect Trump's plan to increase import tariffs could hurt global trade growth.

### Demand



According to the IMF, **the world economy will grow 3.2% in 2025 and 3.3% in 2026.** Of the world's five largest economies, only the EU and Japan will grow faster than in 2024.



**Global manufacturing PMI continues to indicate stability** as it hovers around 50. In the EU, the manufacturing PMI continues to be significantly below 50.



**Retail sales in the US are down slightly while up slightly in the EU.** EU consumers are reporting higher confidence while US consumers' confidence has slipped backwards.

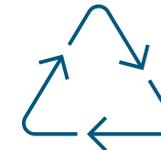


Due to attacks on ships in the Red Sea 90% of container ships sail around the Cape of Good Hope, **adding 10-12% to average sailing distances and ship demand.**

### Supply



Ship deliveries will hit a new record high in 2024, beating the record set in 2023. **The fleet is expected to grow 8.5% between end 2024 and end 2026.**



**Recycling is expected to remain low in 2025 but increase in 2026** as we have assumed that ship demand will reduce as ships return to normal routings.



**Congestion remains low in most ports.** Failure to renew longshoremen contract for US East and Gulf Coast could cause disruptions in early 2025.



Red Sea reroutings have led to higher sailing speeds. **We expect average sailing speed to fall in 2025 and 2026** as supply grows faster than demand.