Port Congestion Indices: Bottleneck Tracking

Supply chain "bottlenecks" have made international headlines this year, and in *SIW 1,481* we profiled the impact of port congestion on containership and bulkcarrier market conditions. This week we return to the subject to take another look at the impact across shipping, using our port congestion indices (see *SIN*) to provide updated statistics, put the congestion into context, and identify some of the "hotspots".

No Letting Up

Amidst general global supply chain disruption since the onset of the Covid-19 pandemic, port congestion has grabbed the most prominent headlines in the container sector. Our port congestion index shows that at 10th Oct, on a 7dma basis, 9.0m TEU of containership capacity was at port (within a port or anchorage "shape"), 36.7% of the fleet (see top graph). This compares to a 'pre-Covid' average across 2016-19 of 31.4%, so more than an additional 5% of the fleet 'tied up' as a result of bottlenecks, part of the 'perfect storm' driving extraordinary container shipping markets and showing no sign of winding down as yet.

The impact has been notable in the bulkcarrier sector too. Our Capesize/Panamax port congestion index now shows 209m dwt (7dma) is at port, 34.3% of the fleet, compared to an average of 29.9% over 2016-19, helping bulker earnings to the highest levels for over a decade. Car carriers have also seen significant port congestion; our PCC port congestion index now shows that 1.0m ceu (7dma) is at port, 25.8% of fleet capacity, compared to an average of 22.8% across 2016-19. Meanwhile our overall Deep Sea Cargo vessel (see graph description) congestion index shows 32.3% of the fleet at port, compared to an average of 29.7% over 2016-19. As the graph shows, these trends are showing no sign yet of a concerted let-up.

Congestion In Context

Comparison of the current level of our port congestion indices against 2016-19 'pre-Covid' average levels helps put the severity of the bottlenecks into context. For example, in the containership sector, the total TEU capacity at port on average in 2021 ytd is 25% above the 2016-19 level (see bottom graph). This compares to 23% for bulker congestion, 19% for car carriers over 6,000 ceu and 17% for deep sea cargo vessels overall. Though amplified by underlying fleet growth, these statistics capture the trends well.

Hotspot Spotting

A similar approach allows us to identify congestion "hotspots". Our Cape/Panamax bulker port congestion index for China is up by 42% in 2021 ytd compared to 2016-19. On the same basis containership congestion is up 22% in SE Asia, 51% in ECNA, and an astonishing 149% in WCNA. On an individual port basis, containership capacity at port in the ytd is up vs the 2019 average by 82% at Ningbo, 67% at Yantian, 46% at Oakland and 216% at LA/Long Beach.

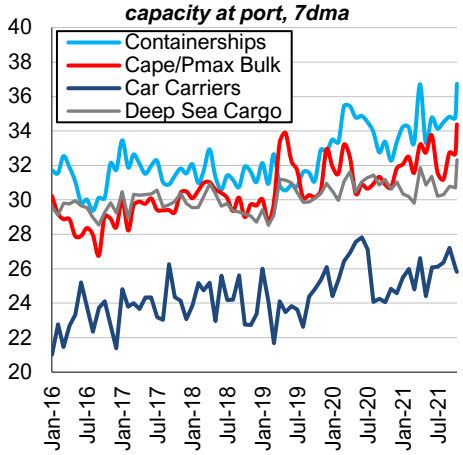
Bottleneck Tracking

So seaborne supply chain "bottlenecks" have had a major impact on the world economy for more than a year now. Meanwhile, port congestion has had a major impact on capacity availability and shipping market conditions in a number of sectors, with the impact on container shipping making the most headlines. Broadly, there is little sign yet of a material easing of the disruption, but regular and consistent port congestion indices allow us to track the progress.

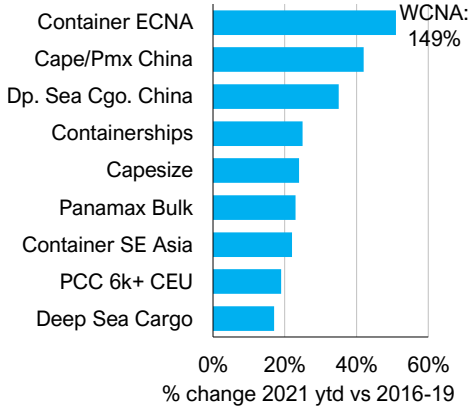
The author of this feature article is Trevor Crowe. Any views or opinions presented are solely those of the author and do not necessarily represent those of the Clarksons group.

Graphs of the Week

Port Congestion Indices, % fleet capacity at port, 7dma



Port Congestion Indices, selected, % change in average capacity at port



Port Congestion Indices available on *Shipping Intelligence Network*. Statistics basis vessel positions to 10th October. Deep Sea Cargo vessels include oil tankers MR and above, bulkcarriers Panamax and above, containerships 3,000+ TEU, VLGCs, LNG carriers 60,000+ cbm and PCTCs 6,000+ ceu.

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