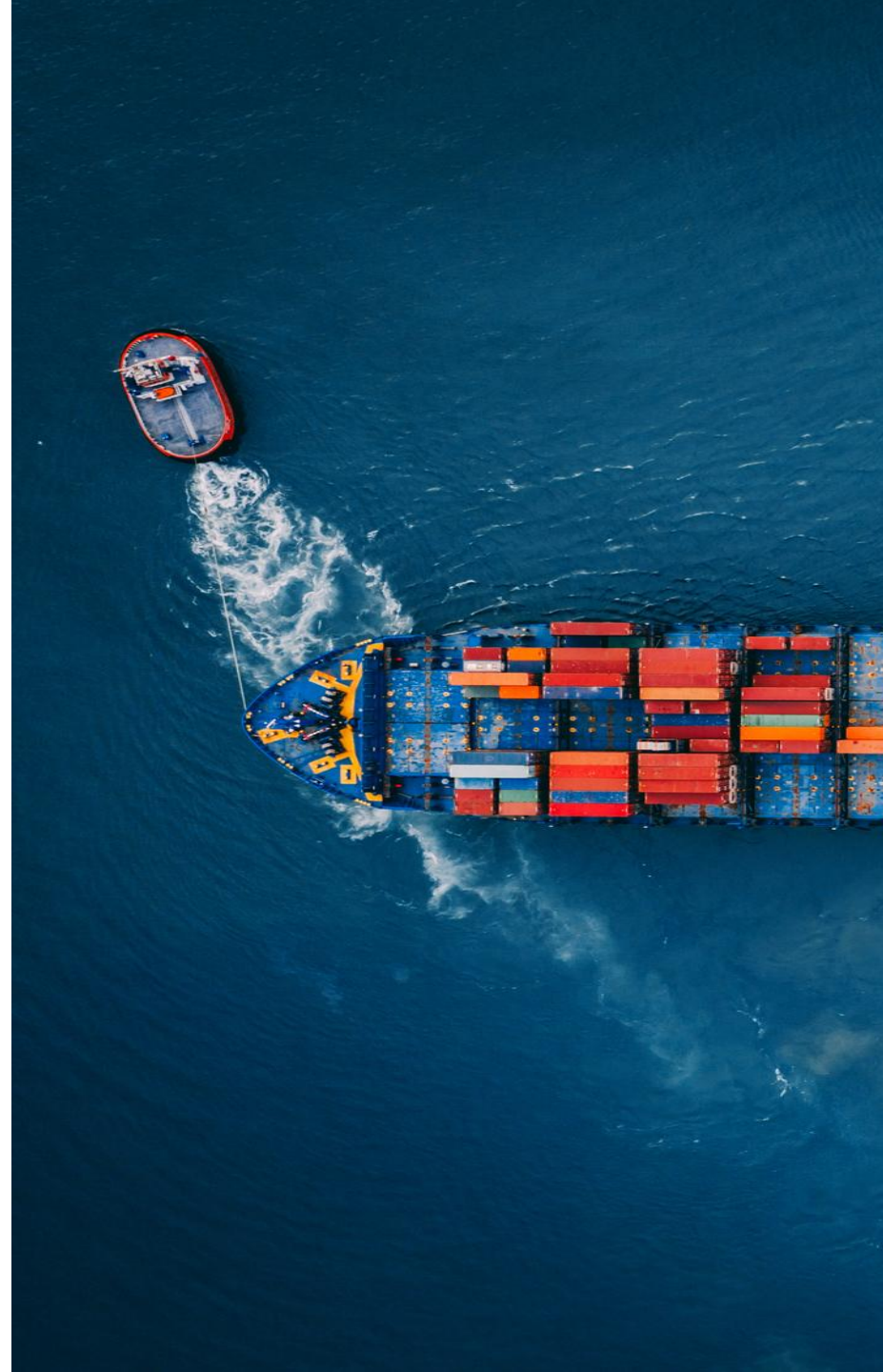


BIPC 2025 by BPA

# Navigating Market Shifts in the Era of Volatility



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## Intro

## Market Fundamental Shifts

- Demand Irregularity
- Dynamic Capacity Shifts
- Alliance Restructuring

Port Operation

## Evolving Competitive Dynamics

## Case : LX Pantos

Since 2020, Freight rate volatility has surged more than 11 times compared to the 2015~2019 period

~2019 : Era of Stability

Variation 122

2020~ : Era of Volatility

Variation 1,330

Traditional Seasonality  
Limited to specific regions&time  
Vessel Reliability↑, Congestion↓  
Prioritized rate cuts

~2016 Rate War, 2017~ Market Consolidation(M&A)

STATUS  
QUO ANTE

Demand  
Risk  
Operation  
Shipper  
Carrier

STATUS  
QUO

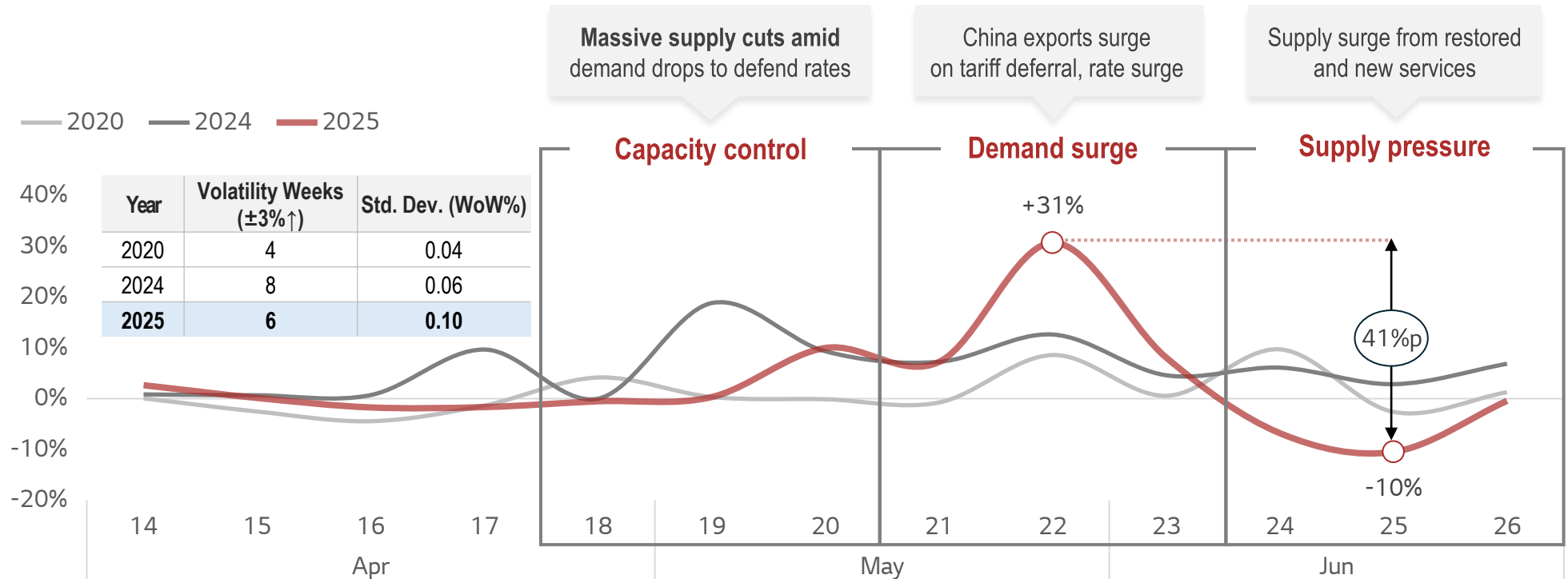
Softening of Traditional Seasonality  
Frequency&Scope Expanded  
Chronic Operational Bottleneck, Service Level↓  
Resilience Prioritize & Risk Mgmt  
Capacity Control



## H1 2025 saw sharp volatility from ▲ Tariff-driven demand shifts ▲ Carriers aggressive capacity management

- H1 2025 rates showed extreme volatility with **repeated sharp swings**
- Driven by sudden **demand shifts from tariffs, carriers' active capacity control, and response delays**
- N.America-bound volume is just 10–15% of global trade, but May tariff suspension triggered supply shifts driving global rate hikes

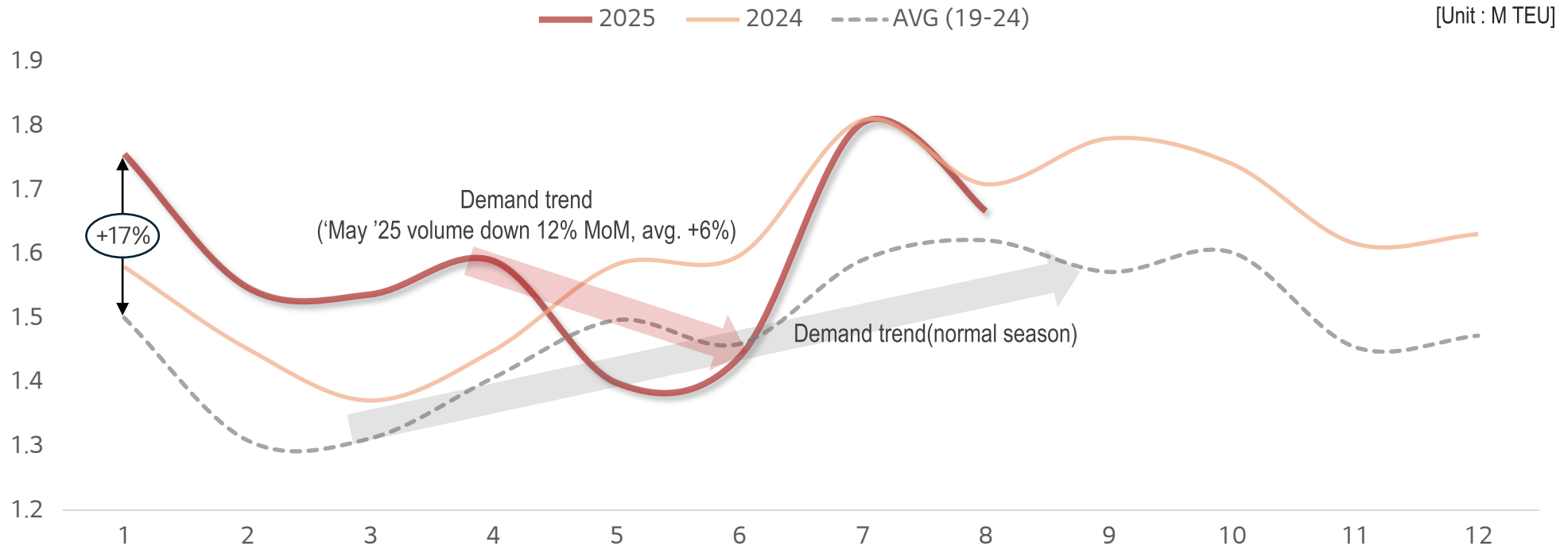
[Figure 1] SCFI Composite Index Change (WoW%, Shanghai Shipping Exchange)



## Demand swings dramatically. Shippers optimize production in response to demand changes

- Typically, Asia–N.A. demand gradually recovers after China New Year, leading to a Q3 peak season
- This year started with strong frontloading, but **May tariffs caused a sharp drop, breaking seasonal patterns**
- June tariff suspension led to a brief rebound, yet seasonality-based forecasts remain difficult  
+3% MoM

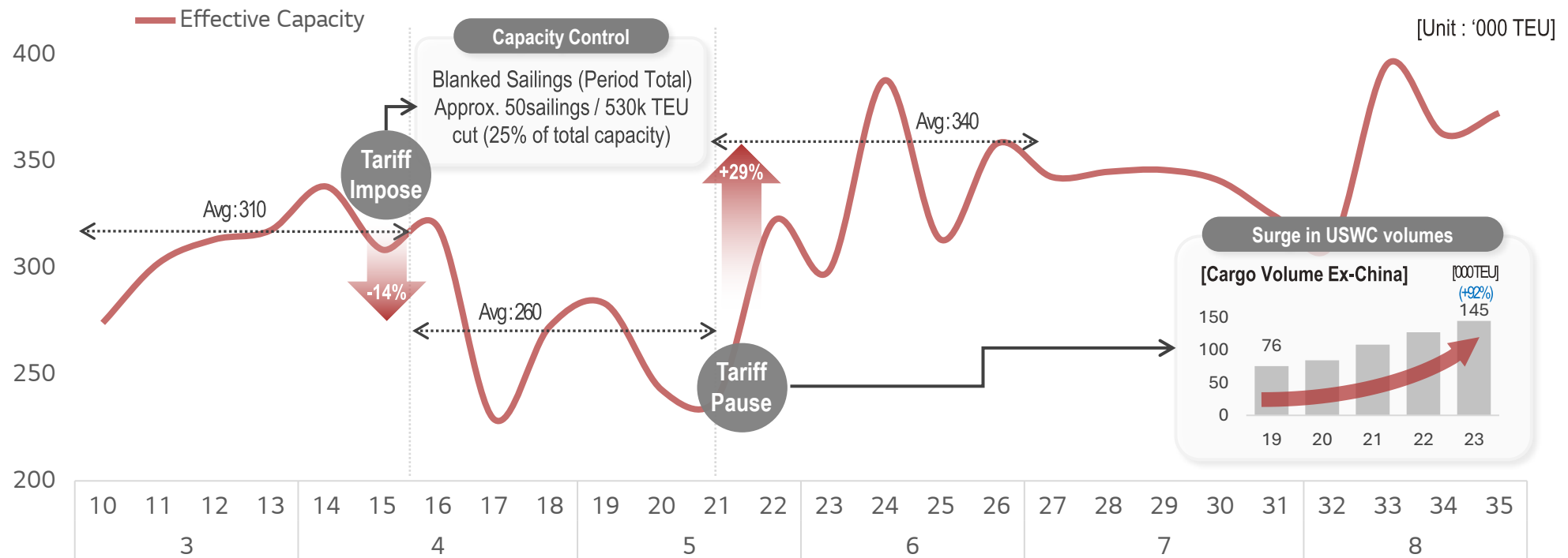
[Figure 2] Asia–US monthly volume trend (Destination-based, Datamyne)



### Supply fluctuates extremely. Carriers optimize capacity in response to demand changes

- To address demand shifts, carriers managed supply through ▲ **Service cut/adds** ▲ **Port rotation changes** ▲ **Cascading**
- But during tariff deferrals, a 2–3 week lag in capacity injection led to a short-term rate surge  
Afterward, rates adjusted with added supply from ▲ speed-ups and ▲ extra loaders

[Figure 3] Capacity control on USWC



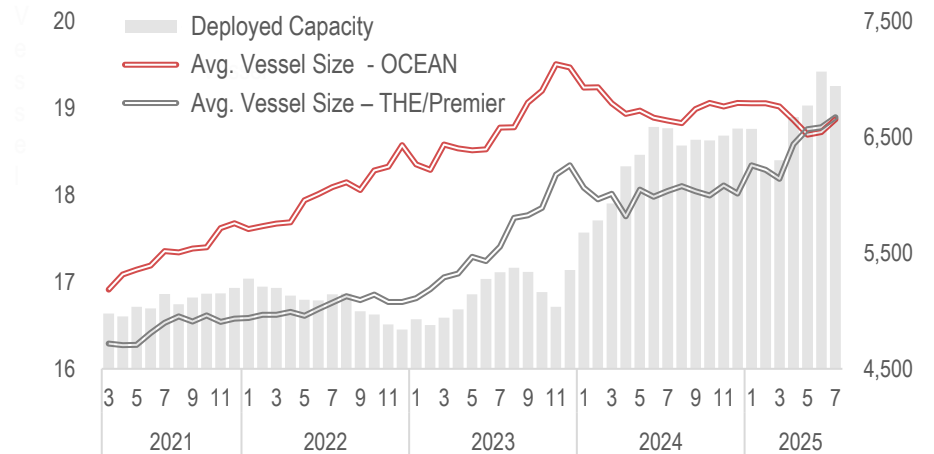
## Hub port concentration and vessel upsizing after alliance restructuring

- Increased hub-port calling services and feeder connection → Any operational disruptions at hub-ports may lead to worse congestion
- Vessel upsizing resulting in longer berthing times, larger handling vol per vessel → Increased total vessel call&dwel days

[Table 1] Change in Service by Port after Alliance Restructuring  
Asia-NEU

Ports		'25.09		Gemini	MSC	Ocean	Premier
		Total	vs'24.06				
Service Count	Singapore	46	+12	11	14	13	6
	Shanghai	38	+13	8	7	13	3
	Yantian	19	+3	3	5	8	2
	Rotterdam	16	+2	5	3	6	2
	Hamburg	12	+4	2	3	5	2
	Antwerp	11	+3	3	5	3	0
	Bremerhaven	8	+4	5	3	0	0

[Figure 4] Main Alliances Upsizing and Average Vessel Size (K TEU)  
Deployed Capacity of 10K+TEU



Port	Category	2024	2025	vs 2024	Remark
Rotterdam	Avg. Dwell Days	2.4	2.6	8.3%	Max 10 days (+43%)
	Total Vessel Call KTEU	7,711	7,950	3.1%	
Antwerp	Avg. Dwell Days	1.9	2.1	10.5%	Max 10 days (+25%)
	Total Vessel Call KTEU	4,763	5,136	7.8%	

## Intensified Volatility

1

### Structural Changes

with intensified competition  
under intensified volatility  
(fluctuates 11 times more)

2

### Agile

Shippers and Carriers  
proactively adjust  
production/capacity

3

### Port Operations

Intensified volatility is a  
burden factor for ports

**Evolving Competitive Dynamics**



# Appendix. Port Congestion Status

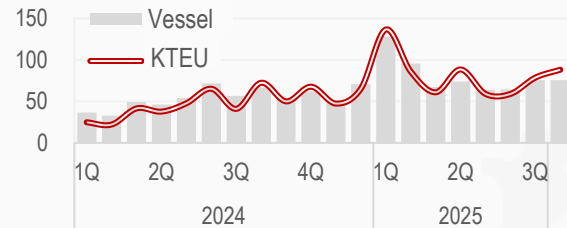
Waiting vessels increased, Yard density exceeds 90% ▲rapid svc restructuring ▲Labor issue ▲Limited port expansions

## Rotterdam

Despite labor deal, congestion persists due to inland bottleneck

- Yard Density :	Terminal	Main Carriers	Yard Density
	APMT	Gemini	90~95%
	RWG	Premier	80~85%
	ECT	Ocean	70~75%

- Vessels Waiting at the Anchorage per Day:

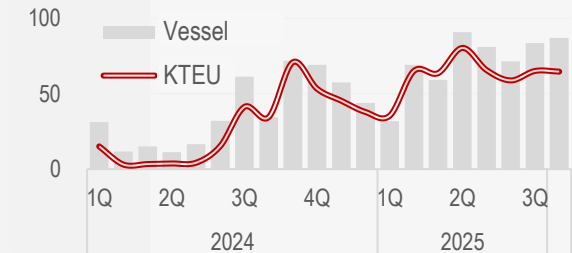


## Hamburg/Bremerhaven

Rail construction in northern Germany is creating congestion

- Yard Density :	Terminal	Main Carriers	Yard Density
	CTH	Gemini, CMA	85~90%
	NTB	Gemini	85~90%

- Vessels Waiting at the Anchorage per Day:

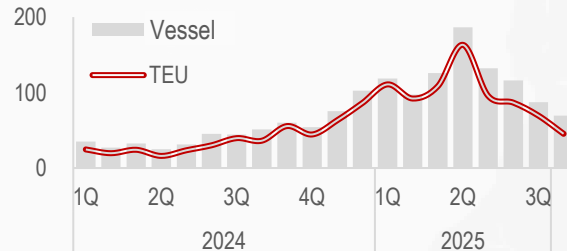


## Antwerp

Post-Belgium National Strike, eases slightly from Q2 peak

- Yard Density :	Terminal	Main Carriers	Yard Density
	PSA	MSC	70~80%
	RWG	Premier	80~85%

- Vessels Waiting at the Anchorage per Day:

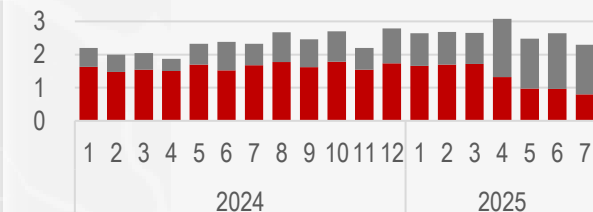


## Koper

Slovenian rail construction (~26) has cut rail capacity by ~50%

- Yard Density :	Terminal	Main Carriers	Yard Density
	KCT	MSC, Cosco	120%

- Average Dwell Days ( ■ Waiting + ■ Berthing days)



## In a highly volatile market,

**Forwarders** face extreme conditions with intensified competition and events  
Need to pursue service differentiation based on agility and buffer capabilities



### STATUS QUO ANTE

#### Predictable

- Seasonality & Reliability, Over-supply market
- Focus : **Forecasting, Planning/Inventory mgmt**

#### Low differentiation factors

- Due to Stable & Low Rate, Service commoditization
- Lowest rates as top priority

#### Specialized sectors

- Carriers, Forwarders, Shippers, Terminals



### STATUS QUO

#### Unpredictable

- Volatility & Low Reliability, Supply Imbalances
- Focus : **Response-driven over forecasting**

#### Some differentiation factors

- Due to Unstable & Relatively High Rate
- Rates + **Agility(MI, Visibility, forecasting, risk mgmt.)**

#### Cross-sector, Convergence

- Direct shipper-carrier deals, logistics asset investment

## In a highly volatile market,

**Shippers** are exposed to various uncertainties across **policy changes** / **logistics expense** / and **low services**.



### Key Pain Points by Shipper

#### Policy Volatility

- Policies change faster than shipper can adapt  
(USTR regulations, Tariffs impact on each countries China, Mexico, India)



**Deliver market impact assessments**  
when policy changes and issues arise

#### Logistics Cost Invisibility

- Market conditions shift unpredictably and frequently, creating zero visibility for transportation budget planning



**Provide scenario planning or buffering**  
through **contract/carrier portfolio optimization**

#### Service Instability

- Low service levels characterized by poor schedule reliability and frequent route/port changes, resulting in increased logistics management complexity



**Build capabilities in first-mile and last-mile**  
segments to manage end-to-end lead times

## MARKET AGILITY LEADER

To be a true Global Logistics Company through world-class service and agility.

### Key Function & Cases



### MARKET INTELLIGENCE

#### Issue Sensing-Solutions

- Risk sensing/analysis/scenarios/strategies
- Guidelines for each departments

#### Rapid Response System

- AGILE organization: War room, optimal solutions
- Cost optimization upon market changes

#### Market Best Experts

- Pricing, Sales, and Operation Experts
- Proactive inventory optimization consulting



### ASSET INVESTMENT

#### Blue Links(Georgia logistics center)

- Securing logistics infrastructure in Southeastern US hub
- Optimizing operational stability and efficiency for clients

#### Busan New Port Eco Logistics Center

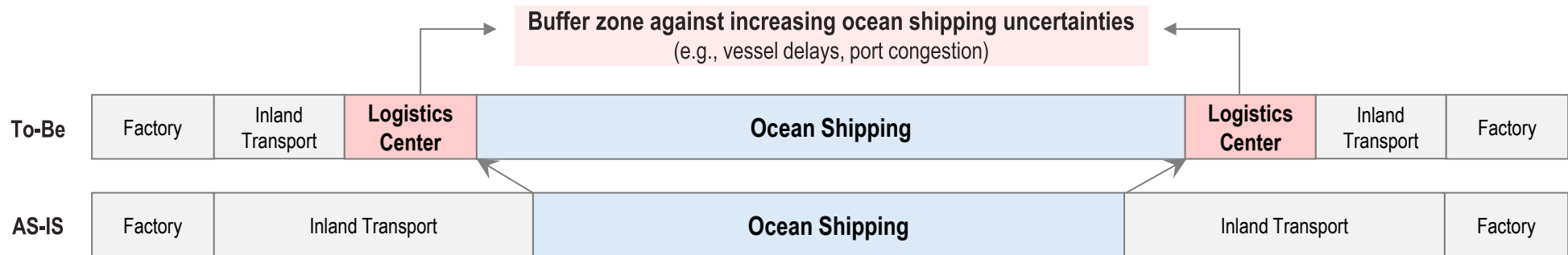
- Mega-scale logistics hub designed to provide client-centric logistics solutions through strategic cargo consolidation

#### LIT(LX Pantos Euro Intermodal Terminal)

- 65km southwest of Budapest
- Strengthens EV/battery freight sales

## LX Pantos: Port-Side Logistics Investment for Supply Chain Stability and Sustainability

- **Buffering lead time instability through port-side logistics investment** amid rising ocean shipping volatility
- Driving service differentiation while **enhancing stability and competitiveness of logistics industry**



### ✓ LX Pantos Logistics Investments (Blue Links, Busan New Port Eco Logistics Center)



# Thank you

## For more information...

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