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May 16, 2011

Comprehensive Review Concludes Equipment Supply Will Be Tight

Washington, D.C., U.S.A. – Recognizing that questions arise from time to time about the adequacy of the supply of containers, the World Shipping Council undertook an evaluation of whether the expected global container fleet size is sufficient to handle the expected cargo demand. The issue of sufficient container equipment availability arises in various contexts, but there are few overall analyses of what factors are most relevant to whether supply is constrained or ample. A number of market forces affect the availability of containers, and their impacts are difficult to quantify and predict. Therefore, the World Shipping Council's review seeks to evaluate each of those factors independently, utilizing multiple sources in order to draw some conclusions about the status of the aggregate supply compared to demand.

Traditional measures of supply versus demand, like the ratio between the container inventory size and the container vessel capacity, or the number of loaded containers moved as compared to the container inventory size, indicate that equipment supply is likely to be constrained in the 2011 peak season. An evaluation of a number of other market forces that have an impact on container availability also indicates that most of these factors will reduce, not increase, container availability. As a result, the World Shipping Council's paper concludes that equipment supply will be tight in 2011, especially during the peak shipping season, and that proper planning and forecasting by shippers and carriers will be important to manage through times of constrained equipment supply. The paper's analysis is based on global container fleet and volume forecasts, and does not seek to make any projections about equipment availability in particular trade lanes or geographies or about particular carriers' equipment situation.

The complete analysis is available at: http://www.worldshipping.org/public-statements/2011_Container_Supply_Review_Final.pdf

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ABOUT THE WORLD SHIPPING COUNCIL:

The World Shipping Council (WSC) is an association of liner shipping companies with offices in Brussels and Washington, D.C. Its members carry over 90 percent of international containerized trade. The WSC's goal is to provide a coordinated voice for the liner shipping industry in its work with policymakers and other industry groups interested in international transportation issues. For more information about the World Shipping Council and the international liner shipping industry, please visit www.worldshipping.org .