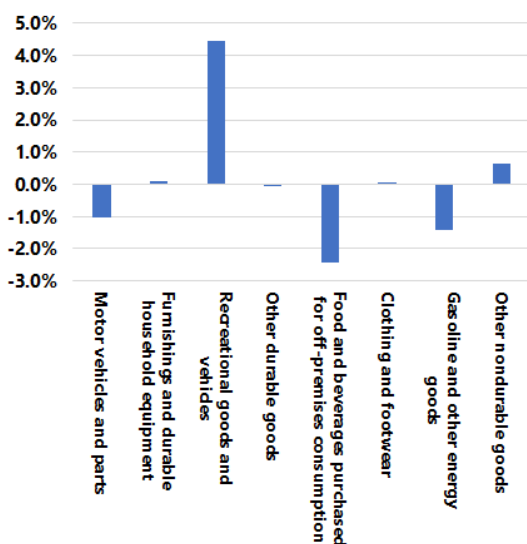


US consumer spending changes

Analysing the US consumer spending data (published by the US Bureau of Economic Analysis) allows us to see whether the subcomponents driving the spending on goods are slanted towards elements moving predominantly in containers or non-containerized goods.

Overall, compared on an annualised basis versus 2019, even though the growth rate has been tapering off to a little under 5%, in absolute terms, we are still at a higher spending level than pre-pandemic. The growth in spending on non-durable goods has essentially stagnated since 2021, albeit with a tiny uptick in February 2024, whereas the actual growth in spending has been taking place primarily for durable goods.

Fig. 1: Change in spending share versus 2019 baseline



To elaborate on this, we have calculated the difference between the average share of total goods spending for each of the major sub-categories in 2019-FY and February 2024, with the result shown in Figure 1.

We see a large increase in relative importance for recreational goods and vehicles. In 2019, the average US consumer spent 10.2% of their consumption on goods related to recreational goods and vehicles. In February 2024 this had increased to 14.7%. While this looks good from a container shipping perspective, if we drill down into details, we find that the goods

showing strong growth are those not traditionally moved in containers.

This is important because, while growth in overall spending on goods in the US is in general still holding up at levels higher than prior to the pandemic, it is now often in categories where the goods in question are not traditionally moving in containers. This presents the shipping lines with the challenge that the growth in the economy does not lead to the expected growth in container volumes that they would usually assume.

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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.