

US ports losing direct access to South America

Even with the underlying services from North America-East Coast South America & West Coast South America unchanged pre- and post-pandemic, the number of total and distinct port-pair connections decreased substantially during the latter stages of the pandemic. Had the total port-pair connections decreased while the distinct port-pair connections remained stable, we would have attributed this decrease to blank sailings. However, since both metrics declined, it shows a combination of both pandemic related blank sailings as well as a consolidation of the carriers' service offerings.

Fig. 1: Change in Port-Port Connections

Port Name	Lost	Gained	Net Change
Mobile	0	7	7
Miami	0	2	2
New York	0	2	2
Freeport	2	0	-2
Charleston	3	0	-3
New Orleans	3	0	-3
Savannah	8	5	-3
Houston	7	0	-7
Baltimore	8	0	-8

This consolidation resulted in several US ports losing direct access to South America. Figure 1 shows the largest changes in port-pair connectivity on this trade. Baltimore lost 8 distinct port-pair connections, which meant that it is now cut off from South America as a whole. Houston lost 7 distinct port-pair connections to South America and Charleston lost 3, resulting in both ports losing direct

connectivity to West Coast South America. Savannah also lost 8 distinct port-pair connections, losing direct access to East Coast South America. On the flip side, Mobile gained 7 port-pair connections and direct access to East Coast South America. This came at the expense of both Baltimore and Savannah, which is an indication that carriers are shifting some of their focus to the Gulf Coast instead of North Atlantic.

Another observation that we made was that the pandemic impact on North America-South America didn't really materialize until the second half of 2021, and the connectivity on North America-East Coast South America is still below pre-pandemic levels.

--- 000 --- END OF PRESS RELEASE --- 000 ---

All quotes can be attributed to: Alan Murphy, CEO, Sea-Intelligence.

For more information, please contact: ia@sea-intelligence.com, am@sea-intelligence.com