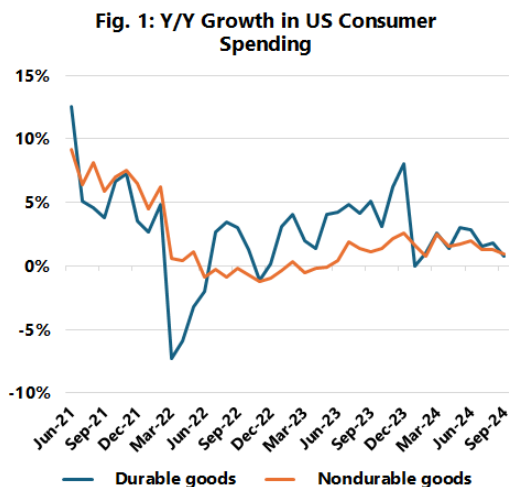


No increase in US spending growth

US consumer spending data for September 2024 has been released by the US Bureau of Economic Analysis (BEA), and the growth rate of US consumer spending on both goods and services declined, from a peak of 2.6% Y/Y in May to 1.8% Y/Y in September 2024.



From a container shipping perspective however, consumer spending on services is irrelevant. As such, Figure 1 shows the Y/Y growth in consumer spending on goods, broken down into 'durable' and 'non-durable' goods. The annual growth rate for both types of goods is seeing a reduction as we exit summer 2024 and get into autumn, with both figures having dropped below 1% growth in September 2024.

One of the largest growth components for goods spending in 2024 was the sub-category of 'Recreational Goods and Vehicles'. Growth in this category far outstripped growth in other categories of goods. In 2019, the average US consumer spent 10.2% of their consumption on goods, on buying something related to recreational goods and vehicles. In June 2024, this had increased to 14.2%, which is a large change in consumer spending.

Within this sub-category, the largest spend is on 'Video, Audio, Photo, and IT'. However, going one level deeper, carrying the bulk of the growth in that sub-category is 'Information Processing Equipment', especially 'Computer Software'; none of which is containerised cargo.

Given that there has been no sudden excess uptick in recent consumer spending that would drive any discernible change in containerised container volumes, implies that the strong summer 2024 peak season for containerised imports from Asia, was driven mainly by front-loading of cargo for later consumption, rather than an underlying increase in consumer demand.

--- 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