

GLOBAL FREIGHTS

- There was not a single continent where volumes of containerized imports were higher than in September or October in previous years. The biggest declines were noted for the Far East and Europe.
- Rates are dropping very quickly and we expect that the trend will be maintained through the beginning of 2023.
- Growth in demand has stalled. Vessels are sailing under-utilized and freight rates have been dropping consistently and considerably.
- Economic uncertainties such as a potential recession, inflation, high interest rates and a shortage of supplies are impacting overall export market volumes.
- Schedule reliability has improved but we're not at pre-pandemic levels yet.
- VLSFO low sulphur fuel was at 825 USD/ton average in September 2022. Prior to the pandemic, the average price for IFO380 was 434 USD/ton. A 90% price increase.
- The decline in the major trades is in part due to the complete absence of a peak season. However, even when comparing to the pre-pandemic situation, the market appears weak and hence the current situation cannot solely be called a seasonality effect. This implies we should expect continuing declines in spot rates and associated spill-over into the contract markets.
- The newbuilding tally rises to 7.3m TEU including vessels due by the end of 2025, amounting to 28.3% of the existing cellular fleet.

NORTH AMERICA

Ports situation

- NY/NJ port congestion persists and port dwell times remain high.
- Toronto CN/CP rail depots are also still extremely congested. The rail has opened additional storage locations but this is causing additional delays as containers are shunted from the rail head to another depot. The situation is impacting empty container return locations. Warehouses are at full capacity. There is a shortage of drivers and yard storage, and long dwell times continue to make the situation even more cumbersome.
- LA/LB market has seen an increase in Customs/FDA examinations.
- Houston congestion has picked up. The port authority is implementing long import container dwell time fees to incentivize rotation of equipment to attempt to alleviate congestion.
- Savannah is plagued with congestion and long queue of vessels waiting to berth.
- Vancouver continues experiencing long discharge times. It takes an average of 7-10 days to discharge cargo.

Inland transportation

- While spot freight has been on a continual decline, there is still a robust demand on the trucking market where capacity is becoming abundant.
- The price of the diesel market has increased 33% for November deliveries and the expectation is they could continue to rise. This could have an impact on fuel surcharges from carriers.

EUROPE

Ports situation and inland transportation

- Port congestions across Europe are finally easing up.
- Nonetheless, strikes continue to create disruptions. The latest one was in Antwerp was on November 9th. More strikes may potentially be announced for UK ports.
- The cost of warehouse operations across the region keeps increasing with the energy crisis and high inflation. The impact is already being perceived in Italy and is expected to be perceived in the rest of the continent beginning in January 2023.

LATIN AMERICA

BRAZIL

Container availability + vessel space

- Container availability is much better. Having said this, however, some shipping lines have specific problems with releasing containers.
- There has been a slight improvement on vessel spaces, but anticipation is necessary to request bookings.
- With dry port customs, clearances are being done but inspections are taking longer than usual.
- NPPO Brazil's latest instructions on the Phytosanitary certification are that non-governmental organizations are not allowed to issue certificates with the title "PHYTOSANITARY CERTIFICATE" to destinations that do not require such certification. All independent companies should change their certification so that it does not mention NPPO Brazil's certificate title.

COLOMBIA

Container availability + vessel space

- Overall, there is availability in vessel space and containers.
- There is an increase in port activity due to a higher volume being exported, thanks to the main crop.

OTHER

- In Peru, we are facing difficulties with bookings and container availability. We are also experiencing difficulties with issuing phytosanitary certificates.
- In Nicaragua, bookings are being confirmed only after the second half of November to early December.

AFRICA

UGANDA, RWANDA AND KENYA

Container availability + vessel space

- Changing schedules and sailing delays keep increasing, resulting in an average of 15 quay days.
- In Kigali and Kampala, container availability is moderate.

Other

- Ebola cases are rising and could have an impact in supply chain labour and efficiency.

TANZANIA, BURUNDI

Container availability + vessel space + port situation

- We are experiencing vessel changes with most shipping lines, as well as booking rejections for nearby bookings due to capacity restrictions (e.g. Maersk). All shipping lines have moderate containers availability
- Dar es Salaam port operates normally.

ETHIOPIA

Container availability + vessel space

- No issues regarding bookings.
- Container availability is moderate.

ASIA PACIFIC

VIETNAM

- Diesel price went down 11% in early Oct and up again 13% exactly 1 month later, which continued creating turmoil in transportation costs as well as in daily life when people and truck drivers had to get in long queues to buy gasoline in maximum controlled quantities.

CHINA

- China on 11 Nov decided to ease some coronavirus rules and shortened quarantines by two days (from seven to five), bringing some positive hopes on terminal efficiency and vessel productivity.
- Carriers continue to apply consecutive blank sailings from China to North Europe and US West Coast and hope to gain back demand in late November and December thanks to early Lunar New Year beginning from 22 January 2023.

INDIA

- Availability of containers & booking acceptance for coffee shipments are now far better than in the past 2 months from all shipping lines except with Hapag Lloyd.

SUCAFINA SA

- The regular route to Mangalore port from the main Robusta region (Coorg District), that was closed in early June 2022, has been opened for container movement from 15 October 2022.
- MSC opened their office in Mangalore from 1st November 2022. Before that they had operated through agents M/S. Samsara Shipping.

KOREA

- Korean cargo truck drivers union announced that they will go on an indefinite general strike starting on 24 Nov. The main motive for the strike is that the government has not implemented on full safety fare system, which was agreed upon as a result of strikes the last summer.
- It is expected that both import and export of private and commercial cargo will have a massive blow as all the ports around the country will be paralyzed due to cargo inland line blockage.

