

INTERNATIONAL MONTHLY MARKET UPDATE

APRIL 2023

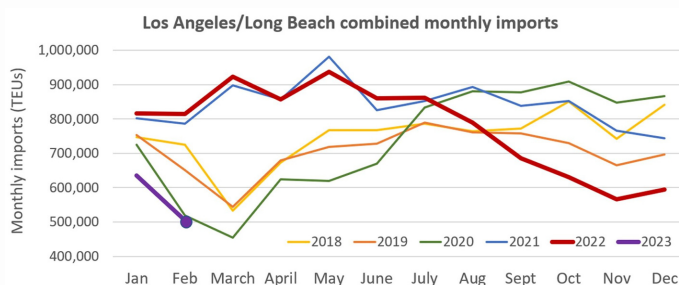


Spring is upon us. However, we are still plagued by bad weather in certain regions. MSC recently lost 40 containers overboard a vessel that hit inclement weather 350 nautical miles east of Bermuda. This is one reason marine insurance is so critical in today's supply chain. A World Shipping Council (WSC) study covering 2020–2021 showed a spike in containers lost at sea. The average loss for the two years studied showed 3113 containers compared to 779 from the previous period. Please reach out to the international team at IL2000 for help with any questions on marine insurance! It could save you thousands!

Last month the annual TPM conference was held in Long Beach with a record number of attendees. The conversations focused on importers carrying high inventories and the outlook for the second half of the year and then turned to the need for carriers to pass on the costs of using sustainable fuels. Shippers are highly concerned that maritime discussions on decarbonization will result in "the mother of all BAFs". The International Maritime Organization (IMO) is meeting in July to discuss the expected increase in the carbon emissions percentage.

China Updates:

- Capacity to the West Coast continues to be wide open as imports through Los Angeles and Long Beach continue to decline. Imports from China are trending down 33% month over month, as new data from February was just released.



(Source: [FreightWaves](https://www.freightwaves.com))

- Blank Sailings have caused some space capacity issues, forcing delays.
- Base ports are seeing vessel delays from 5–7 days, with an average wait time of around 1–2 days for berthing.

Europe Updates:

- A strike by transportation workers is planned for April 2nd through the 4th at Frankfurt and Munich airports. Expect delays, as many airlines have already canceled flights.
- In late March, the port of Hamburg closed for 48 hours because of a strike announced by the German Union. Discussions took place for several days to try and settle negotiations. Eighteen vessels were affected by the closure.

Air Freight:

- With demand falling short in Q1, Maersk Air Cargo put its new service from China to the US on hold. Due to the deteriorating demand for airfreight, adding new capacity doesn't make sense until volumes increase. However, Maersk continues its drive and announced a new Denmark-to-China freighter service to help with growing demand out of Europe.

- Last year, CMA CGM suspended their Europe to US service without notice, causing customer delays. However, it was just announced the service has recently resumed due to high demand.
- The International Air Transport Association predicts demand will continue to drop another 5% this year due to low volume in and out of the US.

Port Updates:

- Vancouver is making some changes to try and improve overall dwell time. In mid-March, the terminal made some fundamental changes to service rotation to reduce rail discharge. This has improved timing from 9 to 6 days currently.

- Montreal and Halifax are showing delays due to bad weather and vessels arriving simultaneously. Terminals are working diligently to try and keep congestion down to 1 to 2 days.
- Houston is averaging 1 to 2 days.
- East Coast has seen huge improvements over the last few months, with average wait times now under 5 days.
- South Carolina Ports were down over 13%; however, they still reported one of the highest volume records to date.



(Photo: SCPA/English Purcell. Source: [FreightWaves](#))

The international team is here to help with your logistic needs! Making Logistics Happen!
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Sources: Sinpex, FreightWaves, ECU Worldwide, Maersk, Splash 247.com, American Shipper, Shipco, The Load Star, Vanguard