

INTERNATIONAL MONTHLY MARKET UPDATE

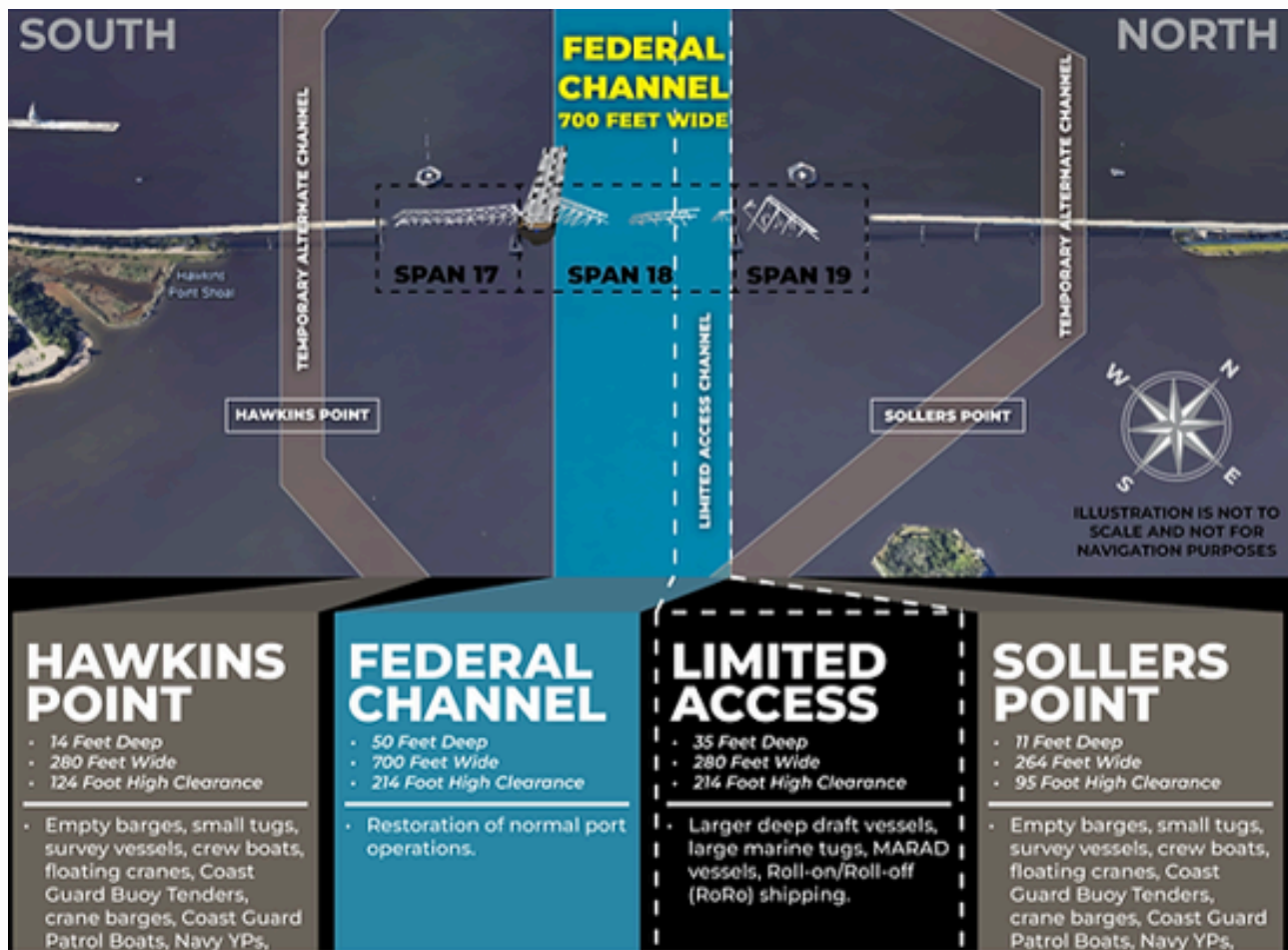
MAY 2024



On April 5, Maryland Governor Wes Moore signed an executive order providing \$60 million to support workers and businesses affected by the Baltimore bridge collapse. Moore is taking steps to help the families who lost loved ones by appointing a liaison to work with the families. In addition, he proposed a permanent scholarship program for the families. Two victims remain unaccounted for.

The US Army Corps of Engineers is working to clear the bridge wreckage and to create one passage for access in and out of the port. Authorities advise that they expect a new 35-foot limited access channel to be open in early May. This would allow smaller ships transporting cars and RORO vessels to move through. Larger container ships must wait as they require deeper clearance, and the current access channel will not support them.

The Baltimore Captain of the Port (COTP) also announced another channel at a depth of 20 feet, which will provide limited access for commercially essential vessels. This could potentially allow ocean carriers to operate limited barge services in and out of the port.



Proposed channel access. Image source: [ACL](#) (Atlantic Container Line)

Due to the increased cargo volume from Baltimore being shifted to other ports, carriers anticipate vessels bunching up and wait times increasing to two to four days. The current wait times at these ports are:

- New York: 1 to 2 days
- Norfolk: 3 to 4 days
- Wilmington and Philadelphia: no delays

Train derailment

A 35-car train derailed on April 26 at the Arizona-New Mexico border is under investigation. According to the Arizona Governor, as the train was carrying propane and gasoline, the accident was treated as a hazardous materials incident. Luckily, no injuries were sustained.



Source [USA Today](#): A train derailed near Lupton, Arizona, near the New Mexico border on April 26, 2024. Photo source: Arizona Corporation Commission

China News

BCO demand increased heavily in April.

- Pacific Southwest and US East Coast is very tight, with heavy rollover due to increasing blank sailings for May. Blank sailings are currently between 12 and 20%.
- Average wait time at China Base ports is 1 to 2 days.
- Equipment shortages in Tianjin and Qingdao.

Port News

Alphaliner released the 30 biggest global ports for 2023. Shanghai, Singapore, and Ningbo took the top spots, while Los Angeles and Long Beach were ranked number nine.

The Port of Los Angeles recorded its eighth consecutive month of growth, with a 19% year-over-year increase in container handling. In the first three months of the year, the port handled 2.38 million TEUs, a 30% increase over the 2023 units handled.

Carrier News



MSC Aries. Photo source: [Vessel Finder](#)

Tensions between Iran and Israel continue as The MSC Aries, a Portuguese-flagged vessel, was seized by Iran on April 13. Iran's foreign ministry stated the ship was violating maritime laws, adding they believed the vessel was linked to Israel. The vessel, carrying over 14,000 TEUs, was taken at the entrance of the Persian Gulf at the Strait of Hormuz. The vessel was moving on the HEX service, which operates between India and North Europe, with weekly rotation to Nhava Sheva and Mundra.

Air Freight

Amerijet International announced in late April that it is planning to furlough a number of pilots to help increase cash flow. The Miami-based cargo airline is reducing the pilot roster due to lower customer demand and the loss of the US Postal Service contract. The Air Line Pilots Association (ALPA) is working out final details to help mitigate the short-term staffing issues. Additionally, FedEx Express acknowledged they have 700 more pilots than needed, as overnight package demand has slowed.

Air freight volumes have finally rebounded. However, Amerijet is forced to downsize further, affecting their core service to the Caribbean and Latin America.

Cargo operations were disrupted in Dubai when unexpected freak rainfall hit the UAE on April 16. Two years' rainfall (26cm) hit in one day, leading to flash floods, flooding and the temporary closure of DXB with the cancellation of around 300 flights. This impacted various cargo airlines, including Emirates SkyCargo, which said they faced "operational challenges, including flight cancellations and delays in cargo." Flights have since resumed, and the schedule has returned to normal.

Intra-country transportation was also affected, with many trucks being unable to transport containers from ports like Jebel Ali to the airport.



Source [CNN](#): Vehicles, including cargo trucks, were stuck on a flooded road after a rainstorm hit Dubai, United Arab Emirates. Photo: Rula Rouhana/Reuters

Customs

US CBP's February monthly operational statistics include:

- More than 2.8 million customs entries processed, valued at more than \$275 billion, with estimated duties of nearly \$6.2 billion to be collected.
- Ocean accounted for 39.67% of all international entries.
- CBP seized 1633 shipments containing counterfeit goods valued at over \$384 million.
- 749 entries were stopped for further examination due to suspicion of being made with forced labor. CBP is the leader in the US government to eliminate goods made with forced labor.

CBP warns of increasing impersonation scams involving individuals posing as CBP employees demanding payment or sensitive information. If you get one of these calls, hang up and report the call to the Federal Trade Commission.

CBP issued an Entry Type 86 fact sheet providing guidance on who may make entries and requirements for brokers. They also warn that bad actors exploit Type 86 entries to traffic illicit goods and circumvent legitimate trade. The data on these entries are limited and vague, and CBP is increasing its enforcement efforts to ensure compliance.

North American Importer groups and brokers sent a letter to Canada's Committee on International Trade warning them that the CARM launch set for May 13 is not ready. They cited a low number of fully certified participants and ongoing incorrect calculation of duties and taxes in CARM.

The international team is here to help with your logistic needs! Making Logistics Happen!

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Sources: FreightWaves, ACL Lines, Alphaliner, Shipco, cbp.gov, Maersk, Reuters, Journal of Commerce, Sinpex, USA Today, Vessel Finder, CNN