

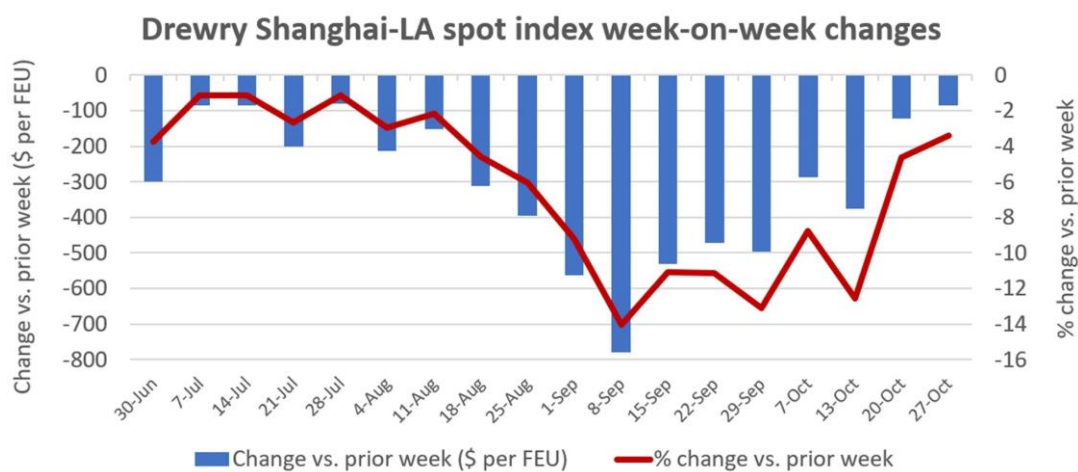


International Monthly Market Update:

November 2022



Last week, an article by American Shipper showed rates at almost pre-covid levels after months of steep declines. Ocean rates are still falling, however, not at the levels we have seen in the past. Over the last few weeks, the Drewry reported that rates dropped down only 3% from previous weeks for Shanghai to LAX. The same was reported for Shanghai to New York. As volumes and rates continue to decline for the 4th quarter, it is expected that many steamship lines will issue blank sailings to compensate.



(Source: [FreightWaves](#))



China/Asia:

- China's zero-covid policy has kept infection rates down with its controlled regime of tests, quarantines, and lockdowns. However, it continues to cause many supply chain issues and financial risks. The policy unintendedly caused food shortages, real estate insolvency, and ultimately has been a disaster for the overall global economy. It's unclear if President Xi Jinping will look to change the policy for the new year.

FMC:

- The FMC's proposed rule on demurrage and detention billing requirements posted mid-month is supposed to bring clarity, structure, and punctuality to the market. The surge over the last two years resulted in over \$8.9 billion in demurrage and detention charges, with only \$6.9 billion collected. Billing parties would be required to issue invoices within 30 days instead of 60. The proposal would void charges for invoices issued after the 30 days.

Carrier Announcements:

- Hapag has revised its cancellation policy. Bookings without gate activity in selected ports will now have up to 24 hours before FCL cut-off; previously, it was 48 hours.
- The Canadian National Railroad is preparing for winter and sending a message out for their plan for drivers. Drivers must ensure container roofs are clear of ice and snow before entering a terminal, or they will be turned away.
- Vanguard announced another GRI taking effect on December 1st. Transpacific Eastbound cargo will be subject to a GRI of \$75.00 w/m for all US Destinations.
- ECU Lines announcing two new services:
 - Atlanta to Kingston with weekly service, five days transit port to port
 - New York to Piraeus with 25-day transit port to port

Port Updates:

- New data from Sea-intelligence shows global schedule reliability declined from September, currently at 45.5%. However, this is still an improvement, as it bottomed out at 30% in January.
- Congestion is still plaguing the East Coast:
 - Savannah currently has 29 vessels awaiting berth; dwell time is estimated at 8-17 days. With market demand starting to fall, the Port of Savannah expects to clear the backlog of vessels by the end of November. This is based on current container counts on the water headed to Savannah.
 - Norfolk has crane maintenance planned for all berths. Delays are expected of up to 3 days.
- Los Angeles and Long Beach continue to struggle with rail congestion, limiting the number of containers to Chicago, Dallas, and Kansas City.



(Photo reference: [FreightWaves](#))

US Customs Updates:

- US Trade Representative announced on October 23rd that it is not opening an investigation at this time in response to the Section 301 investigation of imported seasonal and perishable agricultural products from Mexico. This could have led to trade measures against Mexico, including higher tariffs.
- On October 19th, the Office of Foreign Assets Control announced its designation of a Russian network that procured military and sensitive dual-use technologies from US manufacturers and supplied them to Russian end-users. These are now added to the sanctions list.
- On October 12th, it was announced that the Biden administration might block Russian aluminum imports, but it has yet to be finalized. If this happens, global aluminum prices will rise. This would also go against the previous White House stance against these types of sanctions.
- On October 20th, the US Department of Commerce renewed the temporary denial of export privileges for Aviastar to prevent an imminent violation of regulations.
- US International Trade Commission has issued changes to the USHTS code to reflect harmonized system modifications adopted by the World Customs Organization and changes to statistical categories.

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

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Sources: Sandler, Travis & Rosenberg; CNBC, Customs and International Trade Law, American Shipper, Hapag, Maersk, Freight Waves, CN, Vanguard, ECU Worldwide, ICAT Logistics