

Fracht News

Fracht News Now Offers More!

Fracht News contains the same great ocean freight news, but now also includes Air freight & Rail freight.



LOGISTICS MARKET REPORT

Global Market



AIR FREIGHT

Orders for Freighter Aircraft Slow to a Trickle

“Aerospace companies that specialize in converting passenger planes to freighters are expected to crank out a record number of units this year, but deteriorating international freight and e-commerce volumes have chilled orders for new and aftermarket aircraft.

Although more cargo aircraft are being produced than currently needed, airlines and lessors are mostly sticking with aircraft commitments to take advantage of forecast growth in e-commerce and international trade, and to modernize their fleets.

Warnings about a looming glut of narrowbody cargo jets serving short- and medium-haul express routes are tempered by the fact that, while some conversions have been postponed, few have been canceled so far.

There are 270 factory-built cargo aircraft on back order, according to London-based aviation analytics and appraisal firm IBA. Data provided by U.S. consultancy AeroDynamic Advisory shows more than double that number (600) of passenger planes in queue for retrofits.”



Source: Kulisch, E. (2023, September 14). Orders for freighter aircraft slow 'to a trickle'. FreightWaves. <https://www.freightwaves.com/news/orders-for-freighter-aircraft-slow-to-a-trickle>



Air Cargo Market Yield Versus Weight Tracker



"The Champ Market Analytics Air Cargo Market Tracker is a useful tool that provides insight into the monthly trends in demand and yield in the air freight industry. You can access the chart using the link below."

Access the chart here:
<https://www.aircargonews.net/data-hub/champ-cargo-systems-air-cargo-market-tracker/>



North American Market



AIR FREIGHT

MEXICO

Mexico Regains Category One Aviation Safety Status from FAA

A welcome boost for the U.S./ Mexican Air Cargo Market

The US Federal Aviation Administration (FAA) has delivered good news for air cargo operators in Mexico as it returned Mexico’s aviation safety rating to the highest level after the country was downgraded more than two years ago.

With a return to Category 1 status, Mexico can add new service and routes to the US, and US airlines can resume marketing and selling tickets with their names and designator codes on Mexican-operated flights,” said the FAA in a press release on September 14.

The FAA downgraded Mexico’s International Aviation Safety Assessment (IASA) rating to Category 2 in May 2021 after finding the country did not meet International Civil Aviation Organization (ICAO) safety standards.

Under the IASA programme, the FAA assesses the civil aviation authorities of all countries with air carriers that have applied

to fly to the US, currently conduct operations to the US, or participate in code-sharing arrangements with US airlines. The assessments determine whether international civil aviation authorities meet minimum ICAO safety standards, not FAA regulations.

To obtain and maintain a Category 1 rating, a country must adhere to the safety standards of ICAO, the United Nations’ technical agency for aviation. ICAO establishes international standards and recommended practices for aircraft operations and maintenance.”

Source:

Jeffrey, R. (2023, September 18). Mexico regains category one aviation safety status from FAA. Air Cargo News. <https://www.aircargonews.net/policy/mexico-regains-category-one-aviation-safety-status-from-faa/#:~:text=18%20%2F%2009%20%2F%202023&text=The%20US%20Federal%20Aviation%20Administration,more%20than%20two%20years%20ago>





OCEAN FREIGHT



Ship Tilted in Mazatlan Port Due to Water Leak; Maritime Activities Were Suspended

With the help of tugboats, its sinking was prevented

“**M**aritime activities in the navigation channel of the port of Mazatlán were suspended, due to the accident of the cargo ship “Chiapas Star” that was tilted dangerously in the fiscal dock of the Administration of the National Port System, whose refloating maneuvers are in charge of the Navy.

With the help of tugboats, it was managed to prevent its sinking, however, the ship remains tilted, so port administration

personnel and with the support of elements of the navy, are trying to refloat it with maneuvers.”

Source:

Martinez, J. C. (2023, September 13). *Barco Queda inclinado en Puerto de Mazatlán por fuga de agua; Actividades Marítimas Fueron Suspendidas*. El Universal. <https://www.eluniversal.com.mx/estados/barco-queda-inclinado-en-puerto-de-mazatlan-por-fuga-de-agua-actividades-maritimas-fueron-suspendidas/>

Latin American Market



OCEAN FREIGHT



How a Drought is Affecting the Panama Canal and Global Supply Chain

The Panama Canal, one of the world's largest trading channels, has been dealing with a severe drought this spring and summer, and is expected to continue to experience serious dryness in upcoming months. Panama has two seasons in a year: a dry season and a rainy season. Though the rainy season usually runs from late April until late November, Panama is still experiencing the lowest amount of rainfall since 2000. The unusual drought has caused lower water levels in the canal.

Due to such low water levels, canal authorities have placed new restrictions on ships traveling through; the new rules give all ships a lower maximum weight they can carry through the channel, and the number of vessels that can go through each day has dropped from 36 to 32. These changes have led to a considerable hold-up of ships trying to cross the canal.

This has led some shipping companies, such as Ocean's Alliance, to chart different route. Instead of taking the Panama Canal on their trips back to China, many ships have taken longer courses, such as the Suez Canal or the Cape of Good Hope. Although these routes take more time to cross, they are not backed up and don't require lighter loads, like the Panama Canal does under current stipulations. Though a permanent solution has not been proposed yet, there is hope that one will be soon."

Source:

Fleming, S. (2023, September 13). *How a drought is affecting the Panama Canal and Global Supply Chain*. globalEDGE Blog: How a Drought is Affecting the Panama Canal and Global Supply Chain >> globalEDGE: Your source for Global Business Knowledge. <https://globaledge.msu.edu/blog/post/57282/how-a-drought-is-affecting-the-panama-canal-and-global-supply-chain>

European Market



AIR FREIGHT

Lufthansa Expands Network

New Flights to Asia, Africa and Mexico



Lufthansa Cargo's 2023/2024 winter flight schedule offers expanded capacity in the international route network with 83 weekly connections. These result from frequency increases to destinations in high demand as well as the addition of new destinations. Furthermore, the Boeing 777 freighter fleet will comprise a total of 17 aircraft with the addition of a new freighter in service by the end of the year.

To Tel Aviv (TLV) and Cairo (CAI), Lufthansa Cargo will operate three weekly B777 freighter services from October. Towards Asia, the frequency to Hong Kong (HKG) will be increased from six to seven weekly flights by routing via Mumbai (BOM). With the combined connection from Frankfurt via Riyadh (RUH) to Taipei (TPE), Lufthansa Cargo is adding two new freighter

destinations to its current flight schedule in November, serving them twice a week. Taipei will become part of the global route network for the first time, while Riyadh has already been served by Lufthansa Cargo until 2020.

Due to steady demand, Lufthansa Cargo is also increasing the number of weekly connections to Mexico City (NLU) from six to a total of seven weekly freighter rotations in this year's winter flight schedule."

Source:

Newsroom. Lufthansa Cargo. (2023, September 12). <https://lufthansa-cargo.com/ci/newsroom#/pressreleases/lufthansa-cargo-increases-flight-offerings-to-asia-africa-and-mexico-3272207>



Beluga Transport Hopes to Gain AOC in October

Airbus aims to set up full new subsidiary

“At the Air Cargo Conference in Frankfurt, Airbus Beluga Transport managing director Benoit Lemonnier explained how the company would grow its commercial business. Beluga Transport is being set up as a fully dedicated Airbus subsidiary to operate and market five BelugaST freighters, which until 2021 were used to carry aircraft parts for Airbus. With Beluga Transport waiting in the wings, some of the ST freighters have been operated on a commercial basis by Airbus’ internal airline, Airbus Transport International (ATI), and marketed by Airbus Customer Services.

A BelugaST has a maximum payload of 40 tonnes, but its unique selling point is the largest cross-section of any aircraft,

with a cargo bay measuring 7.1 m high, 6.7 m wide and 39 m long – opening up new possibilities for shippers wanting to move large items by air. The aircraft are available to the military sector, for example for the transport of helicopters but other industries could also use them, said Lemonnier – such as the aviation sector, the oil and gas industry, mechanical engineering, or the automotive industry.”

Source:

Brett, D. (2023, September 8). *Beluga transport hopes to gain AOC in October*. Air Cargo News. <https://www.aircargonews.net/airlines/freighter-operator/beluga-transport-hopes-to-gain-aoc-in-october/>

OCEAN FREIGHT



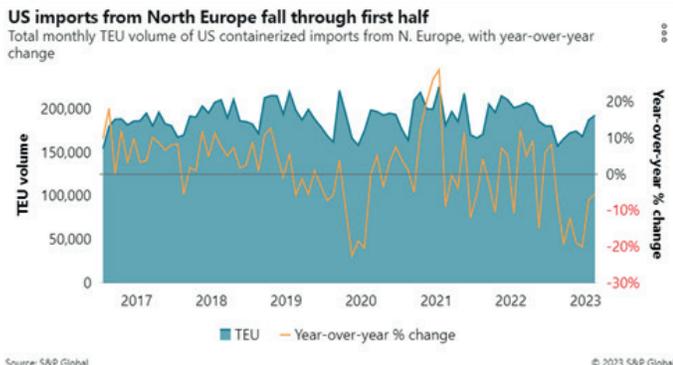
Expect More Blankings on the ‘Difficult’ and ‘Sensitive’ Transatlantic Trades

“Shippers and forwarders on the transatlantic trades have been warned to expect more blanked sailings – and possibly even cancelled services – unless there is an urgent reversal in the recent freight rate declines. The trade appears caught in a classic pincer trap: healthy demand and strong rates led carriers to inject more capacity onto a trade that was performing better than the transpacific and Asia-Europe; but a recent decline in volumes

– caused, in part, by inventory de-stocking across a wide range of verticals – has resulted in a sudden surge of overcapacity and the precipitous decline in rates.”

Source:
Marle, G. van. (2023, September 8). *Expect more blankings on the “difficult” and “sensitive” transatlantic trades.* The Loadstar. <https://theloadstar.com/expect-more-blankings-on-the-difficult-and-sensitive-transatlantic-trades/>

No Bottom in Sight for Free-falling Trans-Atlantic Rates



“Trans-Atlantic westbound rates have fallen further below pre-pandemic levels — with no bottom in sight — as excess capacity and weak US import demand continue to burden last year’s most profitable trade lane. Despite moves by some carriers on the trade to reduce services, the relatively small capacity withdrawals have not matched the decline in demand.”

Source:
Knowler, G. (2023, September 5). *No bottom in sight for free-falling trans-atlantic rates.* Journal of Commerce. https://www.joc.com/article/no-bottom-sight-free-falling-trans-atlantic-rates_20230905.html

Asia Market



OCEAN FREIGHT



Container Lines Add Blank Sailings to Match Supply with Lower Demand in Golden Week

“With the upcoming Golden Week holiday in Asia in early October, as factories close, and container demand to and from Asia declines, shipping lines respond by blanking sailings to match supply with the lower demand, according to latest Sea-Intelligence report.”

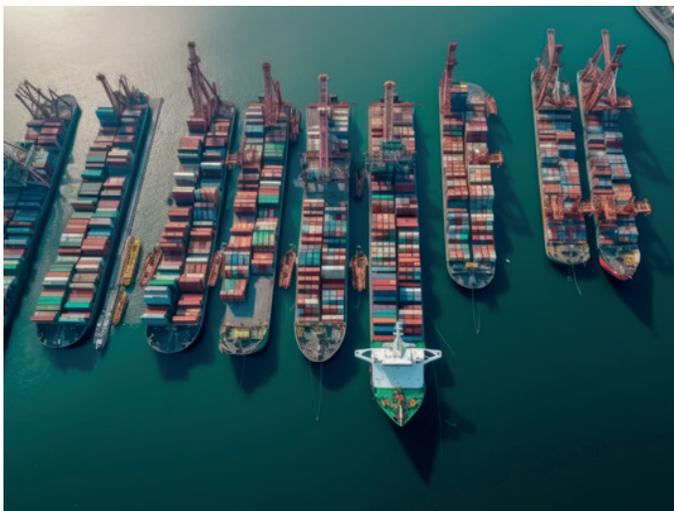
Source:

Kontos, I. (2023, September 22). *Container Lines add blank sailings to match supply with lower demand in Golden Week*. Container News. <https://container-news.com/container-lines-add-blank-sailings-to-match-supply-with-lower-demand-in-golden-week/>



Vessel Queues in Storm-Hit Areas Fail to Stem Freight Slide

Cargo volumes increase year on year for key Asian hub



“Extreme weather, particularly typhoons and hurricanes in North Asia and the United States, resulted in congestion building up in major ports. Linerlytica’s report today stated that vessel queues went up in the week that ended on 10 September. North Asia, particularly, had been battered by heavy rain amid the typhoon season, with Super Typhoon Saola, Typhoon Khanun and Typhoon Haikui hitting China, Japan, South Korea and Taiwan. Ships had to wait up to three days to berth, due to the disruptions to port operations in Hong Kong, Shenzhen, Kaohsiung, Ningbo and Busan.”

Source:

Li, M. (2023, September 12). *Vessel queues in storm-hit areas fail to stem freight slide*. Container News. URL: <https://container-news.com/vessel-queues-in-storm-hit-areas-fail-to-stem-freight-slide/>

Oceania Market



OCEAN FREIGHT



Long Ship Berths at Port Botany

CMA CGM Pelleas became the longest ship to berth at Port Botany, at 350 metres LOA



The Maltese-flagged ship is 42.87 metres wide and has a nominal container capacity of 9658 TEU and 700 reefer points, according to its operator, CMA CGM. The vessel is on the A3 Central Express service, which calls Kaohsiung, Xiamen, Shanghai, Ningbo, Sydney, Melbourne and Brisbane before heading back to Kaohsiung to start the loop again.

CMA CGM Pelleas is due in Melbourne on 21 September and Brisbane on 27 September.

NSW Ports CEO Marika Calfas welcomed the CMA CGM Pelleas to Port Botany and said its arrival showcased the port's "excellent infrastructure capabilities".

"Port Botany's deep-water shipping channel and premier infrastructure facilities enable it to service vessels of this scale," she said. "There are more than 2200 ship movements in and out of Port Botany each year that transport all manner of goods that support our way of life. In fact, about 42% of all goods in the average Sydney home have arrived via container through Port Botany."

Ms. Calfas said the port's location is the most cost-efficient for transporting freight.

DP World executive vice-president for Oceania Nicolaj Noes said: "Our workers have had multiple quay cranes working on the CMA CGM Pelleas since it docked early [Thursday] morning". He said the cranes were unloading containers filled with various consumer goods bound for businesses and their customers across Greater Sydney and beyond."

Source:

Ackerman, I. (2023, September 18). *CMA CGM Pelleas at Port Botany - daily cargo news*. The DCN. https://www.thedcn.com.au/news/containers-and-container-shipping/long-ship-berths-at-botany/?utm_source=DCN%2BDaily%2BNewswire&utm_campaign=8fa2baf4f-EMAIL_CAMPAIGN_10_06_2021_COPY_01&utm_medium=email&utm_term=0_505d67c448-8fa2baf4f-143540829&mc_cid=8fa2baf4f&mc_eid=9382390649

General Fracht News Sources:

THELOADSTAR.COM
AIRCARGONEWS.NET
JOC.COM
FREIGHTWAVES.COM
CONTAINER-NEWS.COM

LUFTHANSA-CARGO.COM
THEDCN.COM
ELUNIVERSAL.COM
GLOBALEDGE.MSU.EDU

Fracht Group is committed to finding solutions utilizing our carrier partnerships.

Contact us at info@fracht.com