

# Fracht News

Fracht News Now Offers More!

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

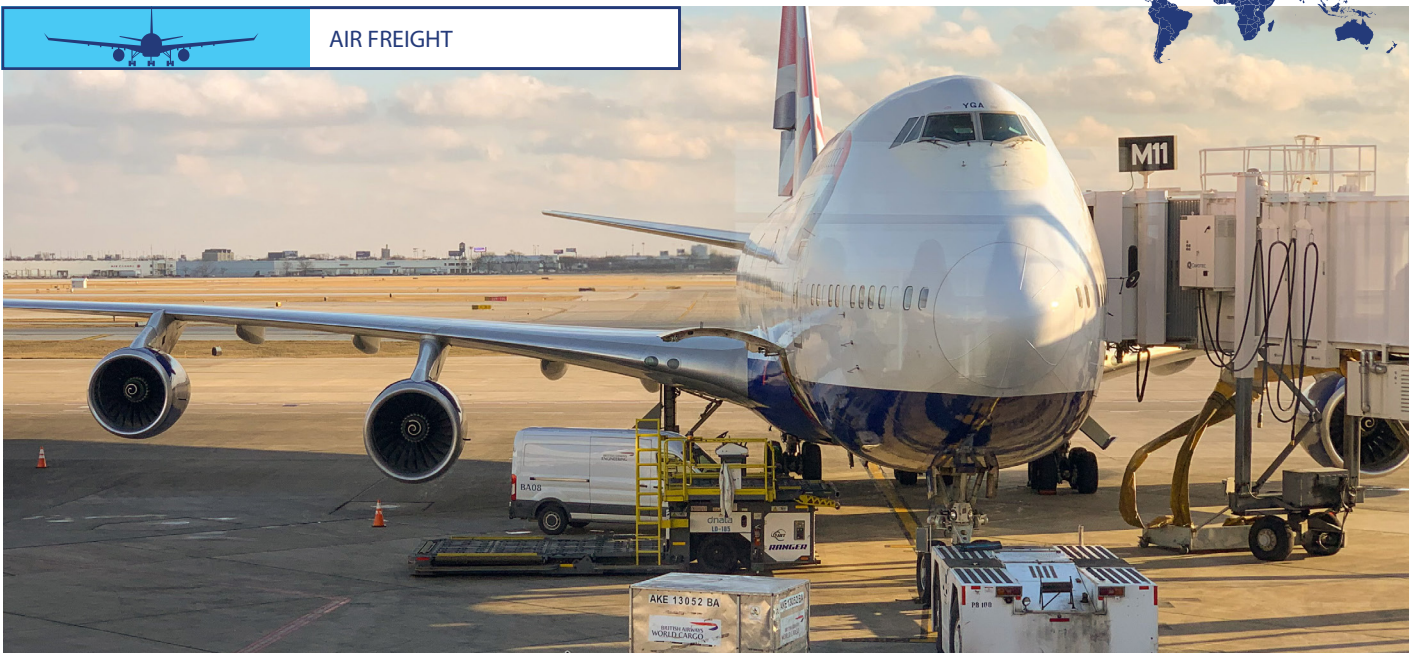


## LOGISTICS MARKET REPORT

### Global Market



AIR FREIGHT



## Air Cargo Market Still Weakening Players search for optimism

“News that airlines are starting to park some freighters due to weak demand has been underlined by rate data showing further falls – and any hopes that a long port strike in Canada may boost demand have been dashed.

Volumes and rates dropped again at the start of July: week 27, to 9 July, saw a 4% fall in tonnage versus the week before, while rates globally fell an average of 1%, according to WorldACD. For

the fortnight ending 9 July versus the fortnight before, tonnage fell 6%, with rates down 1%. “Some smaller airlines are starting to park freighters,” said one GSA. The rates can’t support them.”

**Source:**

Lennane, A. (2023, July 14). Air Cargo Market still weakening while players search for optimism. The Loadstar. <https://theloadstar.com/air-cargo-market-still-weakening-but-there-is-cautious-optimism/>



## 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 yields in the air freight industry. You can access the chart using the link below.



Access Chart Here:

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

## Post-COVID: Ocean Market Has Normalized, Not Collapsed

### Analyst

"Have demand and ocean freight rates collapsed in recent months? First, it is worth asking whether the question is even relevant. "Collapse" is merely a descriptive word. Much like asking whether the glass is half full or half empty, it does not matter if we can objectively measure it and say the glass contains exactly half a liter. Similarly, we can measure the amount of TEUs shipped, and there is plenty of freight rate data available as well. The point where words and phrasing become a factor is in the negotiations between shippers and carriers. The general sentiment of the market does have an impact on the negotiation positions taken by both sides, and hence there is an impact."



**Source:**

Jensen, L. (2023, July 17). Post-covid ocean market has normalized, not collapsed: Analyst. Journal of Commerce. [https://www.joc.com/article/post-covid-ocean-market-has-normalized-not-collapsed-analyst\\_20230717.html](https://www.joc.com/article/post-covid-ocean-market-has-normalized-not-collapsed-analyst_20230717.html)

## North American Market



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### USA

## 2022 Top 20 Cargo Airports

### Cincinnati/Northern Kentucky, the big winner

"Cincinnati/Northern Kentucky International Airport reported the largest percentage increase in cargo volumes last year of the top 20 cargo airports, according to the latest statistics (see chart at end of article) from Airports Council International (ACI).

ACI released its provisional figures for the top 10 airports back in April, showing that Hong Kong International remained the busiest cargo airport in the world last year despite a fall in demand related to Covid restrictions on airline crew and airport workers that hampered operations."

**Source:**

Brett, D. (2023, July 19). Top 20 cargo airports: Cincinnati/northern kentucky the big winner. Air Cargo News. <https://www.aircargonews.net/cargo-airport/top-20-cargo-airports-cincinnati-northern-kentucky-the-big-winner/>

## Air Canada Latest Airline to Confirm Mexico Freighter Move

### Airline switches airport in Mexico

"Air Canada Cargo will switch its Boeing 767 freighter flights from Mexico City International Airport (MEX) to Felipe Ángeles International Airport (NLU) starting in July. The carrier is making the move following a government decree that ordered the move of cargo flights due to capacity limitations at MEX. The move creates issues when transferring cargo between belly and freighter operations given the two airports are around a 40 km drive from each other. "Cargo shipments will continue to be accepted on our passenger flights to/from MEX, with our ground handler in MEX remaining as IMM," Air Canada said."

**Source:**

Brett, D. (2023, June 30). Air Canada the latest to confirm Mexico freighter move. Air Cargo News. <https://www.aircargonews.net/airlines/freighter-operator/air-canada-the-latest-to-confirm-mexico-freighter-move/>





AIR FREIGHT

## TSA Security Exemption for Unwieldy Air Cargo Sunsets Oct. 31

### Businesses urged to sign up for self-inspections or risk shipping embargo

“MIAMI — Companies that ship oversize or liquid products could be prevented from using air transport if by Oct. 31 they don’t adopt security measures to check for explosives. That’s when a Transportation Security Administration exemption from 100% cargo screening expires.

The U.S. two years ago implemented a scan-all requirement for international outbound shipments moving on freighter aircraft, raising the security bar to the same level in place for a decade for cargo carried on passenger aircraft. Airlines, logistics companies and other entities can use X-ray, explosives trace detection machines, canine detectors or physical search to comply.

The TSA granted a temporary allowance for unique shipments that are difficult to screen, such as drums with chemicals, large machinery and jet engines. Shippers essentially can vouch on paperwork that the goods are secure.

That allowance sunsets in four months and the TSA is urging shippers to quickly sign up for the Certified Cargo Screening Facility (CCSF) program, which allows non-airline companies that follow TSA-approved criteria to inspect cargo and tender it to the airlines following strict chain-of-custody requirements. The program was created to prevent backlogs at crowded airline warehouses by pushing more security checks upstream.”

**Source:**  
Kulich, E. (2023, July 11).  
TSA security exemption for  
Unwieldy Air Cargo Sunsets  
Oct. 31. FreightWaves.  
<https://www.freightwaves.com/news/tsa-security-exemption-for-unwieldy-air-cargo-sunsets-oct-31>

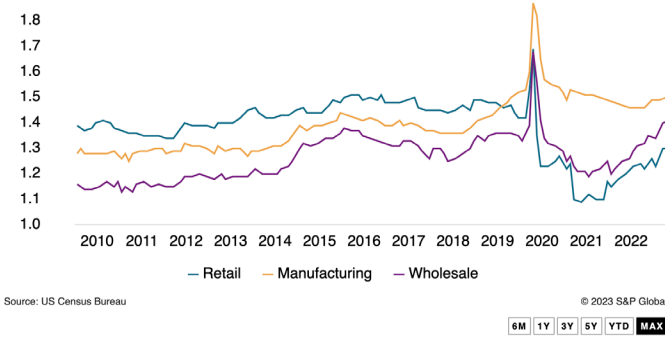


# Wholesale Weakness Slowing U.S. Inventory Destocking

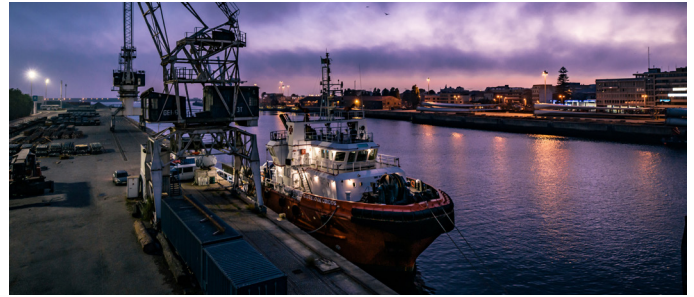
## Freight demand

“There is growing conviction among U.S. companies that inventory destocking is working, thinning stockpiles of goods built up in 2022 – but just not fast enough.”

**US retail, manufacturing and wholesale: sales to inventory**  
Ratio of US retail end-of-month inventories to monthly sales. A ratio of 2.5 indicates retail stores have enough merchandise on hand to cover 2.5 months of sales.



**Source:** Cassidy, W. B. (2023, July 12). Wholesale weakness slowing US inventory destocking, freight demand. Journal of Commerce. [https://www.joc.com/article/wholesale-weakness-slowng-us-inventory-destocking-freight-demand\\_20230712.html](https://www.joc.com/article/wholesale-weakness-slowng-us-inventory-destocking-freight-demand_20230712.html)



# Longshore Labor Unrest a New Daily Fact of Life for North American Shippers

“Shippers of goods in and out of ports in the U.S. and Canada have been forced to navigate an unusually volatile longshore labor environment over the past three years that is not guaranteed to settle down despite the recent tentative contract agreement on the U.S. West Coast. With dockworkers on the Canadian West Coast planning to resume a strike on July 22 after rejecting a tentative agreement, upcoming talks in Montreal and an unsettled picture on the U.S. East Coast, shippers are staring at the prospect of ongoing waterfront labor uncertainty for many months to come.”

**Source:** Tirschwell, P. (2023, July 19). Longshore labor unrest a new daily fact of life for North American Shippers. Journal of Commerce. [https://www.joc.com/article/longshore-labor-unrest-new-daily-fact-life-north-american-shippers\\_20230719.html](https://www.joc.com/article/longshore-labor-unrest-new-daily-fact-life-north-american-shippers_20230719.html)

# Canada ILWU Strike Update Destocking

## 07/19/2023

“After 13 days of disruption to Canada’s West Coast ports through ILWU’s strike action, the BCMEA and ILWU Canada reached a tentative agreement on July 13, 2023 and both recommended ratification of this proposed settlement to their respective memberships. The BCMEA ratified the agreement that same day.

Unfortunately, ILWU Canada’s internal caucus leadership rejected the tentative agreement yesterday without it being taken to a vote of the full union

membership and ILWU Canada then renewed its strike activity. The CIRB subsequently has ruled this action to be an illegal strike and a cease and desist order was issued, ordering labor to be back at work beginning with today’s 16:30 shift. **In response, ILWU Canada has now reissued a 72-hour notice that it intends to resume its strike on Saturday, July 22.**

Evergreen Line is carefully monitoring the state of negotiations and evaluating whether any alterations to our

operations at the affected ports may become necessary as a result.

It is important to recognize that this labor action is beyond Evergreen Line’s control. As such, we reserve all rights and immunities under applicable laws, regulations and the terms and conditions within our contract of carriage.”

**Source:** Evergreen Shipping Agency (America) corp. Evergreen Shipping Agency (America) Corp. (2023, July 19). <https://www.evergreen-shipping.us/>

## Latin American Market



OCEAN FREIGHT

### Overview of the Trade Lanes to LATAM

**From North America to LATAM:** We have been seeing a noticeable decrease in FAK rates on specific corridors during Q3. Carriers are promoting services to WCSA. Fortunately, there have been no reports of space, allocation and congestion issues.

**From Asia to LATAM:** This trade remains extremely busy, and carriers anticipate a strong peak season from June to October. Especially to ECSA, vessel utilizations are exceeding 95% and rates are steadily on the rise, with GRIs implemented. We are seeing a lack of available space in July, leading to further rate hikes, as carriers are not offering short-term NAC agreements. Regarding WCSA, vessel utilizations are at 90% approx.

**From Europe to LATAM:** No space issues, and the rate reductions, being more stable as form July and on Q3.

#### Port congestions in main LATAM countries:

PORT	DWELL TIME (DAYS)
<b>BRAZIL</b>	
PECEM	58
NAVEGANTES	4
<b>CHILE</b>	
CORONEL	5
<b>ECUADOR</b>	
POSORJA	6
<b>COSTA RICA</b>	
CALDERA	10



## ONE Launches Weekly Service to Connect Europe with the East Coast of South America

“The LUX service is ONE’s first dedicated service connecting Europe and the Mediterranean to South America East Coast and is designed to provide a competitive northbound transit time from the East Coast of South America to the Mediterranean and Europe.

This new service offers customers a competitive alternative to the existing products on the market, especially for refrigerated cargo. It is also the only service on the market making a direct call from Lisbon to South America East Coast, providing customers with the opportunity to ship from these unique port pairs.

The inaugural sailing for LUX will commence from Montevideo on 16th September with the following rotation: Rotterdam – London Gateway – Hamburg – Antwerp – Lisbon – Algeciras – Santos – Paranagua – Montevideo – Buenos Aires – Itapoa – Paranagua – Santos – Rio De Janeiro – Algeciras – Rotterdam”

#### Source:

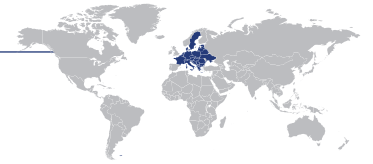
One lanza servicio semanal que conectará europa con la Costa Este de Sudamérica. MundoMaritimo. (2023, July 12). <https://www.mundomaritimo.cl/noticias/one-lanza-servicio-semanal-que-conectara-europa-con-la-costa-este-de-sudamerica>



## European Market



OCEAN FREIGHT



# Cosco Shipping Launching New Europe South America Service

“Cosco Shipping is launching the ESE2 service, offering a swift transit time of 12 days between Algeciras, Spain, and Santos, Brazil. This comprehensive service covers the South America East region, serving markets in Brazil, Argentina, and Uruguay, with calls at major ports like Santos, Rio de Janeiro, Paranagua, and Itapoa.

The weekly ESE2 service ensures stable schedules and efficient transit times, facilitating seamless connections between East Coast South America and Europe. It connects Santos and Rotterdam in just 18 days in one direction and 26 days in the other.

Cosco Shipping leverages its supply chain products and European feeder network to ensure smooth connectivity between all areas in Northern Europe and the Mediterranean with the main economic regions along South America’s East Coast.

The new ESE2 service will commence operations on 16th September 2023 in Montevideo, Uruguay, with the vessel Xin Nan Tong leading as the inaugural voyage on this route. In Europe, the Xin Chong Qing will begin its journey from Rotterdam on 21st September 2023.

The port rotation for the ESE2 service covers a range of cities, including Rotterdam, London Gateway, Hamburg, Antwerp, Lisbon, Algeciras, Santos, Paranagua, Montevideo, Buenos Aires, Itapoa, Paranagua, Santos, Rio De Janeiro, Algeciras, and back to Rotterdam.”

**Source:**

Labrut, M. (2023, July 19). Cosco Shipping Launching New Europe – south america service. Seatrade Maritime. <https://www.seatrade-maritime.com/containers/cosco-shipping-launching-new-europe-south-america-service>



# New Containership Deliveries Hit Record 285,000 TEU in June

“The record 285,000 teu of new containership capacity delivered in June is actually lower than the 400,000 teu range that Alphaliner had originally expected due to a mix of labour shortages in Asian shipyards and deliveries being pushed back due to the sluggish cargo market.”

**Source:** Hand, M. (2023, July 5). New containership deliveries hit record 285,000 TEU in June. Seatrade Maritime. <https://www.seatrade-maritime.com/containers/new-containership-deliveries-hit-record-285000-teu-june>



# Airbus Rolls Out Sixth and Final Beluga XL

## Last addition to airbus's specialized Beluga fleet

“**A**irbus has rolled out the sixth and final example of its BelugaXL high-capacity transport, designed to fly aerostructures between the airframer’s manufacturing facilities. The BelugaXL – formally designated the A330-700L – is a heavily-modified A330, developed to replace the older A300-600ST Beluga fleet.

Airbus operated five Belugas and originally intended to build five BelugaXLs. But it later opted to extend production to six of the type. All six aircraft are fitted with Rolls-Royce Trent 700 engines. Airbus’s first BelugaXL conducted its maiden flight almost exactly five years ago, in July 2018.”

**Source:**

Brett, D. (2023b, July 7). Airbus Rolls Out Sixth and final belugaxl transport. Air Cargo News. <https://www.aircargonews.net/airlines/freighter-operator/airbus-rolls-out-sixth-and-final-belugaxl-transport/>





## Oceania Market



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# Western Australia Government and Lithium Producer Investigate Reopening Freight Line to Bunbury

"The government has allocated \$3.3 million for a joint feasibility study focusing on the disused Greenbushes to Bunbury Railway Line. Talison Lithium, which operates the Greenbushes lithium mines, plans to match the funding with a further \$3.3 million. The state government expects production from Greenbushes to rise to more than two million tonnes in the coming years.

Around 1.5 million tonnes of lithium mineral concentrate are currently moved between the Greenbushes Lithium Operation and Bunbury each year, equating to around 135 daily truck movements on the South Western Highway. The state government said recommissioning the Greenbushes line and moving the lithium mineral concentrate by train would remove approximately 200 trucks movements from the highway each day.

Talison Lithium will work with rail network manager Arc Infrastructure and the state government on a detailed assessment of the engineering requirements to bring the railway line back into operation. Arc Infrastructure noted the study would also look at new intermodal loading and unloading infrastructure and any requirements or modifications at Bunbury Port.

WA transport minister Rita Saffioti said global demand for lithium is growing rapidly, meaning production will increase at mines like Greenbushes. "In the next five years, we're expecting the number of truck movements to and from the Greenbushes Lithium Operation to increase to around 200 every day, which will further increase congestion on the road network," Ms Saffioti said. "Whilst there are significant positives such as reducing congestion, cutting emissions and improving road safety, we need to understand in detail what would be required to recommission the train line and the associated costs."

The process will also involve a substantial community impact assessment, recognizing that trains have not been seen on the line for more than 15 years. The study is expected to be completed in the second half of 2024."

**Source:**

Abby Williams (14th July 2023). WA Govt and Lithium producer investigate reopening freight line to Bunbury. [Thecdn.com.au](https://www.thedcn.com.au/news/logistics-and-supply-chain/wa-govt-and-lithium-producer-investigate-reopening-freight-line-to-bunbury/?utm_source=%E2%80%A6). [https://www.thedcn.com.au/news/logistics-and-supply-chain/wa-govt-and-lithium-producer-investigate-reopening-freight-line-to-bunbury/?utm\\_source=%E2%80%A6](https://www.thedcn.com.au/news/logistics-and-supply-chain/wa-govt-and-lithium-producer-investigate-reopening-freight-line-to-bunbury/?utm_source=%E2%80%A6)



# Port of Newcastle Unveils 30 Clean Energy Partnerships

## Development of a clean energy precinct

“Some of the partnership agreements were signed on Wednesday 12 July as climate change and energy minister Chris Bowen declared an offshore wind zone for the Hunter coast during a visit to Newcastle. To date, Port of Newcastle has signed 15 memoranda of understanding agreements to support the development, storage and export pathway enablement of a clean energy economy at the port.

Port of Newcastle CEO Craig Carmody said the relationships represent industry support across clean energy production, mobility, export and bunkering, energy generation, transport, infrastructure, offtake, agriculture, education, innovation, research and development. “This kind of collaboration allows for connections to be forged from the outset between the State’s renewable energy projects,



right across the Hunter Region” Mr Carmody said. “We are standing at the forefront of the development of a new industry. Partnerships, both local and international, which bring together infrastructure, investment, knowledge, skills and resources, will be critical in the establishment and scale-up of a domestic clean energy economy and export trade pathway at Port of Newcastle. “Creating a place for local, Australian and international commercial expertise and research knowledge to work collaboratively, ensures Newcastle and the Hunter remains Australia’s energy powerhouse.”

“This kind of collaboration allows for connections to be forged from the outset between the State’s renewable energy projects, clean energy production projects and the port’s biggest assets, its deepwater channel and existing global partnerships,”

**Craig Carmody,**  
CEO Port of Newcastle

The formal MoU agreements are backed by 15 other organizations for the Clean Energy Precinct project via letter of support or a letter of intent for future collaboration.

Those organisations include AGL, Ampcontrol, Aurizon, bp Australia, Business Hunter, Hunter iF, Hyundai Australia, Infrabuild, Jemena, Keolis Downer, Linde Engineering, NewH2, Newcastle City Council, Snowy Hydro and Westrac.

clean energy production projects and the port’s biggest assets, its deepwater channel and existing global partnerships,” he said.

Mr Carmody said the dedicated 220-hectare Clean Energy Precinct offered “the perfect platform” for large scale clean energy production. “It will be supported by common user, open access, shared infrastructure across clean energy storage, transport and export facilities servicing production from the Precinct itself and from

**Source:**

Abby Williams (12th June 2023). Port of Newcastle unveils 30 clean energy partnerships. Thecdn.com.au. [https://www.thecdn.com.au/region/australia/port-of-newcastle-unveils-30-clean-energy-partnerships/?utm\\_source=DCN+Daily+Newswire&utm\\_campaign=E2%80%A6](https://www.thecdn.com.au/region/australia/port-of-newcastle-unveils-30-clean-energy-partnerships/?utm_source=DCN+Daily+Newswire&utm_campaign=E2%80%A6)

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