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#### CHINA-AUSTRALIA BILATERAL TRADE UP 16PC IN FIRST SIX MONTHS OF 2023

CHINA-AUSTRALIA bilateral trade reached CNY800 billion (US\$111.7 billion), up 16.4 per cent year on year between January and June, indicating a steady improvement in economic relations, while efforts to address trade matters, including tariffs on barley, remain in progress. Data released by the General Administration of Customs of China show an upbeat trend for major products such as iron ore and coal. Full-year imports of Australian coal are expected to reach 30 to 40 million tonnes, a new high since relations soured, Zhang Feilong, an industry analyst, told the Global Times of China. Speaking at a regular press conference last week, Shu Jueting, spokesperson of the Ministry of Commerce (MOFCOM) said that the ministry is willing to work with Australia to continue to properly resolve economic and trade concerns in the spirit of dialogue, consultation and cooperation.

(Source: Shipping Gazette)

#### SM LINE PLANS TAKEOVER OF HMM FOR US\$3 BILLION: REPORTS

SOUTH Korea's smaller shipping company SM Line has put an end to months of speculation confirming that it plans to attempt a takeover of the much larger HMM when the shipping company officially goes up for sale. In an exclusive interview with The Korea Economic Daily, SM Group chairman Woo Oh-hyun confirmed his intentions to bid for the container carrier, reports The Maritime Executive, Fort Lauderdale, Florida. Incorporated in 2016, SM Line acquired assets including the route to the US from the failed Hanjin Shipping Co. The operation was rebranded SM Line in 2018 and today according to Alphaliner ranks as number 26 in the list of the top 100 carriers. Speculation has been centering around SM Group's intentions for more than a year since it first became public that they were buying shares of HMM's stock. The initial investment was just 60,000 shares in December 2021 but at the time the company said it was only an investment denying rumours that it was posturing for a takeover. By mid-2023, SM Group held over five per cent of HMM's shares and then made a further purchase reported in a filing at the beginning of July.

(Source: Shipping Gazette)

#### CANADIAN FEDERAL MEDIATORS HELP END WEST COAST PORT STRIKE

THE International Longshore and Warehouse Union (ILWU) Canada and BC Maritime Employers Association (BCMEA) have accepted the terms of settlement from federal mediators and reached a tentative agreement, bringing to an end the strike of the port workers at Canada's west coast ports. The parties are now finalizing details for the resumption of work at the ports, according to a joint statement by Canadian ministers Seamus O'Regan Jr and Omar Alghabra, reports Container News. "We thank the Union and the Employer for their commitment to the collective bargaining process, and federal mediators for their instrumental role in supporting the parties in their negotiations and proposing the successful settlement," said the ministers. The two ministers pointed out that the scale of supply chain disruption has been "significant" and has highlighted the importance of the relationship between the industry and labour.

(Source: Shipping Gazette)

#### LA, LONG BEACH SUFFER JUNE DECLINES, BUT ONE MORE THAN THE OTHER

SOUTHERN California ports of Los Angeles and Long Beach both suffered declines in June cargo volumes, but one suffered far more than the other. The Port of Los Angeles lifted five per cent fewer containers in June year on year to 833,035 TEU, yet it was still LA's best performance since last July. The adjacent Port of Long Beach lifted 28.5 per cent fewer containers in June year on year to 597,076 TEU, blaming the decline on retailers overstocking as a result of the Covid scare, said LA port executive director Gene Seroka: "Cargo volume has increased 70 per cent since February with four months of consecutive gains. "Although we will likely see cargo ease in July, I'm optimistic that the second half of 2023 will show improved performance compared to the first six months," he said.

(Source: Shipping Gazette)

CHINA CONTAINERIZED FREIGHT INDEX

ROUTE	LAST PERIOD 2023/7/14	THIS PERIOD 2023/7/21
CCFI	869.92	866.08
(JAPAN SERVICE)	817.36	812.23
(EUROPE SERVICE)	1052.27	1027.66
(W/C AMERICA SERVICE)	659.13	670.35
(E/C AMERICA SERVICE)	793.02	829.06
(KOREA SERVICE)	458.59	445.94
(SOUTHEAST ASIA SERVICE)	578.43	583.17
(MEDITERRANEAN SERVICE)	1568.12	1515.35
(AUSTRALIA/NEW ZEALAND SERVICE)	575.69	580.51
(SOUTH AFRICA SERVICE)	719.62	712.07
(SOUTH AMERICA SERVICE)	702.77	703.05
(WEST EAST AFRICA SERVICE)	587.73	581.79
(PERSIAN GULF/RED SEA SERVICE)	1084.86	1091.58

#### SHENZHEN'S SF AIRLINES OPENS CHINA-GERMANY AIR CARGO ROUTE

DUE SHENZHEN'S SF Airlines, the largest air cargo carrier in China, has announced the launch of a new air cargo route connecting Ezhou in Hubei Province, central China, with Frankfurt, Germany, reports Xinhua. The inaugural flight, operated by a B747-400 freighter, departed from Ezhou Huahu Airport, the country's first cargo-focused airport. This marks the second air route connecting the airport with Europe, according to SF Airlines. The route will offer two round-trip cargo flights per week, with a total air express capacity of 400 tonnes. It will primarily handle general cargo, e-commerce goods, and express shipments, contributing to the growth of air logistics between China and Europe. SF Airlines is the aviation division of SF Express, a leading courier enterprise in China.

(Source: Shipping Gazette)

#### US CONTAINER IMPORTS AHEAD OF 2019 LEVELS: DESCARTES SYSTEMS

US CONTAINER import volumes fell slightly in June compared to May, but were markedly higher than pre-Covid levels of 2019, according to Descartes Systems Group's July Global Shipping Report. Descartes' data shows that container import volumes in June came in at 2,081,793 TEU, down 0.7 per cent from May 2023. While down 16.1 per cent compared to June 2022, against last month's import volume, which was six per cent higher than in June 2019. The July report shows slightly stronger import volume performance in June compared to previous years amid signs that key challenges to global supply chain performance, such as US west coast labour relations and port transit time delays. Unlike the first four months of 2023, the growth in import volume last month accelerated past 2019 volume by 2.1 per cent. Meanwhile, Chinese imports increased slightly, by 0.3 per cent, over May to 783,019 TEU, but were still down 22 per cent from last August's high.

(Source: Shipping Gazette)

#### INVESTMENT UNDERPINS ONE'S 'SUSTAINABLE PROFITABILITY' TARGET

SUSTAINABLE profitability is the goal of Japanese-owned but Singapore-based Ocean Network Express (ONE) by investing in the container shipping value chain and expediting decarbonisation, according to its CEO Jeremy Nixon, reports New York's Journal of Commerce. ONE has dedicated its investments over the last three years to expanding its terminal portfolio and procuring environmentally friendly vessels. Mr Nixon confirmed that this focus on expansion and sustainability will persist throughout the coming decade. "We're looking to invest in other ancillary businesses, and a good example are container terminals," he said. "We will look to bring more container terminals on board in due course, primarily starting with those which are already partially owned by our legacy companies and get those onto our balance sheet. Where it makes sense strategically, we will also invest in some key gateways." ONE has invested in three terminals on the US west coast, acquiring stakes in facilities in Los Angeles and Oakland that were held by Mitsui OSK Lines (MOL), NYK Line and "K" Line.

(Source: Shipping Gazette)

#### BIOFUELS, FATS, OILS, GREASES DISPLACE PETROLEUM ON US WEST COAST

PETROLEUM-BASED fuels, as measured by sales data, were at the lowest since 2002 on the US west coast, and are on track to decline again this year, according to the US Energy Information Administration (USEIA), reports the American Journal of Transportation. The growing use of biofuels instead of diesel is the primary cause for the decline in sales of petroleum distillates, said the USEIA. Renewable diesel has a growing share of the region's diesel fuel market because clean-fuel programmes have provided incentives for consuming it.

(Source: Shipping Gazette)

#### MSC ABOUT TO TOP MAERSK IN OWNERSHIP OF BOX TONNAGE

FIRST THE Mediterranean Shipping Co (MSC) is about to achieve another milestone as it becomes the liner with the largest owned box fleet in the world completing its ascent to the summit of the global container carriers, reports Singapore's Splash 247. The Soren Toft-led MSC is just three ship deliveries away from overhauling rival Maersk as the carrier with the largest owned box fleet in the world. It was in January 2022 that MSC overhauled Maersk's quarter-century-long position at the top of the Alphaliner-tracked global liner rankings amid an unprecedented splurge in the secondhand market as well as ordering record volumes of newbuilds. The next three megamax newbuilds to come out of yards in China will see MSC close and ease past the current 66,000 slot gap it has with Maersk in terms of owned tonnage, as well as stretch its overall lead with the Danish carrier to more than one million TEU. MSC also continues to populate S&P broking reports, being linked to four more secondhand ships in the last fortnight.

(Source: Shipping Gazette)