

NEWSLETTER

July 2024



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UN ENVOY TO YEMEN SAYS HOUTHI THREAT TO RED SEA SHIPPING IS GROWING

RECENT developments in the Red Sea and surrounding waterways suggest that the threat to international shipping from Yemen's Houthis is growing, UN Special Envoy to Yemen Hans Grundberg told the UN Security Council early this week. In a briefing on the situation in Yemen, Mr. Grundberg warned of the real danger of a devastating regional escalation following new Houthi attacks on commercial shipping and the first Israeli air strikes on Yemen in retaliation for Houthi drone and missile attacks on Israel. "I remain deeply concerned about the continued targeting of international navigation in the Red Sea and its surrounding waterways," Mr. Grundberg said. "Recent developments suggest that the threat against international shipping is increasing in scope and precision. "The Houthi attacks on Israel and July 20 Israeli retaliatory strikes on Yemen's port of Hodeidah and its oil and power facilities represent "a new and dangerous level" of violence, he said.

(Source: Shipping Gazette)

TRUMP'S PROPOSED US TARIFFS COULD AFFECT LOS ANGELES PORT, DIRECTOR SAYS

THE proposed tariffs recommended by former president and Republican presidential nominee Donald Trump could "change the landscape for the future" of the Port of Los Angeles, the port's executive director Gene Seroka said recently during the monthly presentation of port volumes. Should he be re-elected this November, Trump is proposing a 10 per cent tariff across all imported goods and a 60 per cent tariff on goods from China for the more than US\$3 trillion worth of goods coming into the United States, according to Mr. Seroka. Despite this prospect, the port of LA has been "pretty nimble" after Mr. Trump first issued tariffs on Chinese goods in the spring of 2018 when he was in office, Mr. Seroka said. Since that time, the Californian port has been seeking to diversify its business portfolio.

(Source: Shipping Gazette)

PORT OF ANTWERP-BRUGES HANDLES 6.6M TEU IN H1 2024

CONTAINER throughput at the Port of Antwerp-Bruges in the first six months of the year totalled 6.6 million TEU, an increase of 4.1 per cent compared to the first half of 2023. Total tonnage of the container volume was 6.8 per cent more than the same period last year, reports London's Port Technology International. A port official explained: "This upward trend, which started in the first quarter driven by increased demand for container transport, is now extending to other product categories as well. This is despite ongoing geopolitical tensions and an uncertain macro-economic climate." Additionally, container throughput improved in the first quarter, after a global slowdown caused by economic uncertainty and inflation. This increase continued in the second quarter. Meanwhile, sailing around the Cape of Good Hope has become the 'new normal'. Throughput volumes of conventional breakbulk also showed an upward trend. This started in the first quarter, following a weak final quarter of 2023.

(Source: Shipping Gazette)

EU MULLS CHEAP GOODS DUTY EXEMPTION TO PLUG TAX AVOIDANCE PLOY

THE European Union (EU) is working on a proposal to impose import duties on cheap goods bought from online platforms outside the bloc, reports London's Financial Times. This would mostly target Chinese retailers such as Temu, AliExpress and Shein. The EU currently has a EUR150 (US\$161) duty-free threshold for online purchases that is meant for small gifts or personal packages. But that has enabled a surge in small-value imports from e-commerce platforms. The new proposal would aim to stem this flow and would apply to all non-EU e-commerce platforms. While it remains to be seen if there is consensus across member states to take action, the effort adds to the growing momentum of protectionism against Chinese companies as its cheaper goods threaten local producers.

(Source: Shipping Gazette)

CHINA CONTAINERIZED FREIGHT INDEX

ROUTE	LAST PERIOD	THIS PERIOD
	2024/7/12	2024/7/19
CCFI	2085.05	2153.56
(JAPAN SERVICE)	774.44	779
(EUROPE SERVICE)	3282.9	3520.93
(W/C AMERICA SERVICE)	1688.08	1650.86
(E/C AMERICA SERVICE)	1728.05	1900.11
(KOREA SERVICE)	498.19	538.06
(SOUTHEAST ASIA SERVICE)	1297.25	1377.61
(MEDITERRANEAN SERVICE)	3508.34	3654.79
(AUSTRALIA/NEW ZEALAND SERVICE)	1043.68	1062
(SOUTH AFRICA SERVICE)	2335.83	2437.37
(SOUTH AMERICA SERVICE)	1845.79	1854.89
(WEST EAST AFRICA SERVICE)	1415.65	1404.98
(PERSIAN GULF/RED SEA SERVICE)	2321.25	2153.25

BARCELONA PORT LAUNCHES FIRST OPS SYSTEM AT HUTCHISON PORTS TERMINAL

THE Port of Barcelona has launched its first Onshore Power Supply (OPS) system at Hutchison Ports' BEST container terminal, reports London's Port Technology International. The system, the first at a container terminal in a Mediterranean port, enables ships to be supplied with 100 per cent renewable-origin power, allowing them to switch off their engines while in the Port of Barcelona and thereby cut emissions. The OPS is the first to be deployed under the EUR200 million (US\$218 million) Nexigen initiative, which aims to electrify all of the wharves at the Port of Barcelona, lowering emissions from port operations. According to the port, this is a pilot effort that, if fully operational, will provide firsthand evidence to better understand the demands of this pioneering service and will help Port of Barcelona customers to become more sustainable as we collaborate to cut carbon emissions. Pere Aragones, the President of the Generalitat (Catalan autonomous government), stated: "The OPS is a fundamental project for the future of Catalonia. With the entry into operation of the first charging point for ships in a container terminal we are again demonstrating Catalonia's leading role in Europe and in the Mediterranean."

(Source: Shipping Gazette)

OPERATIONS AT EUROPEAN BOX TERMINALS DISRUPTED BY GLOBAL IT OUTAGE

A GLOBAL IT outage, caused by a software update from American cybersecurity technology company CrowdStrike, has prompted disruptions in several European container terminals, including Poland's Baltic Hub, UK's port of Felixstowe and the Dutch port of Rotterdam, according to Greece's Container News. Baltic Hub informed that on the morning of July 19, the terminal was affected by difficulties caused by an operating systems failure. "The failure was global in nature and involved a third-party software provider used by Baltic Hub," noted Baltic Hub Container Terminal, which said the operation of most systems has been restored. The Port of Felixstowe was also affected by the global IT Crowdstrike issue at 05:40 on July 19, but haulage operations have recommenced. "We are working up to full capacity as soon as possible," pointed out the UK port in a statement. Additionally, some companies in the port of Rotterdam, including a box terminal, are experiencing issues due to the global IT problem.

(Source: Shipping Gazette)

AIR CARGO DEMAND DIPS AS JULY GETS UNDERWAY

THE air cargo market saw volumes decline in the first week of July as US Independence Day celebrations put the brakes on growth, reports London's' Air Cargo News. WorldACD statistics show that demand was down 5 per cent in the first week of the month compared with the prior week. WorldACD said the result includes a fall of 13 per cent from North American origins due to July 4 celebrations, which also contributed to an 8 per cent fall from Central & South America (CSA) and declines of 4 per cent from Europe and 3 per cent from Asia Pacific. Volumes have been on a flat trajectory since the start of June due to the industry entering the quieter summer period. There was a 1 per cent week-onweek decline for the week ending June 16, a 4 per cent fall the following week before rising 4 per cent and then falling 5 per cent at the start of July. However, volumes remain far above the year-ago level. "Worldwide tonnages were up, year on year (YoY), by 11 per cent in week 27, roughly in line with the figure for June and for the second quarter of 2024 as a whole," WorldACD said.

(Source: Shipping Gazette)

PORT OF LOS ANGELES H1 BOX THROUGHPUT SURGES 14PC

THE Port of Los Angeles handled 4.73 million TEU of containers in the first half of 2024 and expects the US economy to drive volumes in the coming months. Handling 4.73 million TEU in the first half of the year the US West Coast gateway port's container volumes was up some 14 per cent on the first six months of 2023. In June the Port of LA handled 827,757 TEU which while 10 per cent up on the previous month was 1 per cent lower than in June 2023, the port's strongest month last year, according to UK's Seatrade Maritime News. Despite the slight dip in year-on-year volumes in June this year Port of LA executive director Gene Seroka was upbeat saying: "June was a great month at the Port of Los Angeles, capping off a stellar first half of the year." June 2024 loaded imports for the Port of LA were 428,753TEU, a 1.5 per cent drop compared to the previous year, while loaded exports were up 13 per cent at 122,515 TEU."

(Source: Shipping Gazette)