

Latest News

Moderna says its coronavirus vaccine appears to be 94.5% effective. For the second time this month, there's promising news from a COVID-19 vaccine candidate: Moderna said Monday its shots provide strong protection, a dash of hope against the grim backdrop of coronavirus surges in the United States and around the world. The vaccine is among those Canada has preordered for its population. Moderna said its vaccine appears to be 94.5 per cent effective, according to preliminary data from the company's still-ongoing study. A week ago, competitor Pfizer Inc. announced its own COVID-19 vaccine appeared similarly effective — news that puts both companies on track to seek permission within weeks for emergency use in the United States. Dr. Stephen Hoge, Moderna's president, welcomed the "really important milestone," but said having similar results from two different companies is what's most reassuring. "That should give us all hope that actually a vaccine is going to be able to stop this pandemic and hopefully get us back to our lives," Hoge told The Associated Press. "It won't be Moderna alone that solves this problem. It's going to require many vaccines" to meet the global demand, he said. A vaccine can't come fast enough, as virus cases topped 11 million in the U.S. over the weekend — one million of them recorded in just the past week. The pandemic has killed more than 1.3 million people worldwide, more than 245,000 of them in the U.S. Still, if the U.S. Food and Drug Administration allows emergency use of Moderna's or Pfizer's candidates, there will be limited, rationed supplies before the end of the year. Both require people to get two shots, several weeks apart. Moderna expects to have about 20 million doses, earmarked for the U.S., by the end of 2020. Pfizer and its German partner BioNTech expect to have about 50 million doses globally by year end. Canada has ordered up to 56 million doses from Moderna, with a firm commitment on 20 million. That's enough to vaccinate 10 million people; The federal government has an option for 36 million more doses, enough to vaccinate another 18 million.

Pandemic pushes some Canadian companies to thrive, others to fail. Microsoft exec calls it a "Darwinian moment". With the threat of extinction hanging heavy over companies during the pandemic, a top tech executive says we're having a "Darwinian moment" that will see some firms emerge stronger while others will succumb to difficult conditions. Microsoft Canada president Kevin Peesker said in an interview that Covid-19 has been a catalyst for digital transformation. But he said while some companies have harnessed technology and innovation to build resiliency and thrive, other businesses are struggling to survive. "It's a bit of a Darwinian moment where those who have made investments and built up skills within their organizations were the ones that were quickly able to adapt," he said. "Those who didn't ? were faced with the circumstances of the market around them changing so rapidly and not being able to respond in time." It could help explain why Canada's economic recovery has been uneven, with some companies growing during the pandemic while others have failed. Some of the discrepancy is clearly tied to a company's sector or location. A retail store in a downtown business district that relies on foot traffic from office workers, for example, never stood a chance. Yet even within specific sectors in the same location, some businesses have fared better. The secret to that resiliency could lie in the company's overall attitude to innovation and technology adoption. "Companies that are early adopters of technology gain a productivity edge and have a greater likelihood of survival," said Dalhousie University economics professor Lars Osberg. The difference in a pandemic is that the normal evolution of business has been rapidly accelerated. Market changes that ordinarily would have taken years to play out have taken place over a few short months.

Air Freight

IATA issues vaccine distribution guidance. To help ensure air cargo industry is ready to support the large-scale handling, transport, and distribution of a Covid-19 vaccine. GENEVA, Switzerland – The International Air Transport Association (IATA) has released guidance to ensure that the air cargo industry is ready to support the large-scale handling, transport and distribution of a Covid-19 vaccine. IATA's Guidance for Vaccine and Pharmaceutical Logistics and Distribution provides recommendations for governments and the logistics supply chain in preparation for what will be the largest and most complex global logistics operation ever undertaken. "Delivering billions of doses of a vaccine that must be transported and stored in a deep-frozen state to the entire world efficiently will involve hugely complex logistical challenges across the supply chain. While the immediate challenge is the implementation of Covid-19 testing measures to re-open borders without quarantine, we must be prepared for when a vaccine is ready. This guidance material is an important part of those preparations," said IATA's director general and CEO, Alexandre de Juniac.

A third of the world's air routes have been lost due to Covid. Before the coronavirus, a decades-long aviation boom spawned a network of nearly 50,000 air routes that traversed the world. In less than a year, the pandemic has wiped almost a third of them off the map. Border closures, nationwide lockdowns, and the fear of catching Covid-19 from fellow passengers have crippled commercial travel. As thousands of domestic and international connections disappear completely from airline timetables, the world has suddenly stopped shrinking. The crisis is unwinding a vast social and industrial overhaul that took place during half a century of air-travel proliferation. In years to come, overseas business trips and holidays will likely mean more airport stopovers, longer journey times, and perhaps an additional mode of transport. Even when an effective vaccine is found, the economic reality of the recovery may mean some non-stop flights are gone for good. With borders effectively shut from Europe to New Zealand, the bulk of the world's dropped routes are inevitably cross-border. But thousands of domestic legs have also been axed, reflecting the pressure airlines face at home as they cut jobs and retire aircraft to find a cost base that reflects their shrunken situation. In late January, 47,756 operational routes crisscrossed the world, more than half of them in the U.S., Western Europe and Northeast Asia, according to OAG Aviation Worldwide. By Nov. 2, there were just 33,416 routes on global schedules, the data show. In Hervey Bay, a small tourist town on Australia's east coast, residents are mourning their last direct air connection with Sydney, the nation's main domestic and international gateway. The flight was one of eight regional routes scrapped by Virgin Australia Holdings Ltd. after it collapsed in April under A\$6.8 billion (\$5 billion) in debt.

Sea Freight

Hapag-Lloyd: Box boom, capacity crunch may last into 2021, World's fifth-largest carrier reports 68% jump in Q3 profits. If you take a direct hit from a Category 3 hurricane, the fallout is far more severe if the storm stalls over your house than if it quickly passes by. The same goes for supply chains. When demand is super-hot, port and transport infrastructure can deal with short spikes, but eventually, they buckle. Backlogs in the U.S. are mounting in the face of surging imports. Container equipment in China is running out. When could the supply chain get some relief? Next month or next year? Hapag-Lloyd CEO Rolf Habben Jansen commented on timing on Friday's quarterly conference call, after the German carrier reported net income of 252.5 million euros for Q3 2020, up 68% from 150.4 million euros in Q3 2019. Habben Jansen's short answer was: Strong volumes and equipment constraints will last through year-end if not longer. The more nuanced answer from Habben Jansen — who struck a conservative tone — was that today's cargo pace won't last forever, there could always be a big fall around the corner, and equipment shortages will ease. "We have seen a very strong recovery — probably stronger than anyone anticipated," said Habben Jansen. "If we look ahead, the market looks pretty strong at least until Chinese New Year [in mid-February]," he reported. Asked whether he thought fresh consumer demand or inventory restocking is driving volumes, he replied, "Based on what we see right now, [the market] is indeed being driven by demand, not so much by restocking."

Congestion crisis outgrows ports as container stacks pop up across the UK. The container congestion crisis engulfing the UK has spread beyond the country's ports and distribution centres into towns and villages. To say residents in the sleepy Suffolk village of Melton, located about 10 miles inland from Felixstowe, were

surprised to see large numbers of container trucks turning up on a disused plot of land over the past week would be an understatement. Pictures and video taken by The Loadstar over the weekend show container stacks dominating the rural skyline – The Loadstar estimates hundreds of containers are being stored at the site. The build-up of containers at the site comes amid reports that some 11,000 teu of containers containing PPE shipments are stuck in Felixstowe's container yards. One UK freight forwarder told The Loadstar the PPE shipments "can't get into the National Health Service (NHS) supply network – it's already full". Meanwhile, the country's major container gateways continue to struggle with empty containers causing congestion, and other UK ports are offering their services to shipping lines desperate to get empties back to Asia.

Trucking

Covid-19 affecting cargo theft trends. TORONTO, Ont. – North American cargo theft is on the rise this year, and the Covid-19 pandemic caused a spike in cargo crime in April. April 2020 saw a 107% jump in cargo thefts compared to April 2019, according to CargoNet, which gave an update during its Cargo Theft and Transportation Summit Nov. 10. There have been 1,080 reported thefts in the U.S. and Canada so far this year, up to Sept. 30. "Most occurred within a five-month period," said Keith Lewis, CargoNet's vice-president of operations, referring to the height of the initial Covid outbreak in the Spring. Cargo thefts decreased in September, but Lewis anticipates another increase will come in November as holiday shipments ramp up.

Market Sources

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Kintetsu World Express is continuously monitoring the situation and will provide further updates as the information becomes available.

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