



GLOBAL APERTURE

The United Nations General Summit began on September 21 with world leaders moving quickly to address pressing issues of climate change, vaccine distribution, and multilateral trade cooperation.

Another slew of plant closures and production slowdowns in the Americas, Europe, and parts of the Asia-Pacific drives home the persistence of the global microchip shortage—analysts now predict that affected industries may not see output recovery until late-2022.

Attempts to resuscitate container availability via added container production has not produced desired results, as cargo imports have steered shippers and carriers away from major air, sea, and inland port operations. Agricultural exporters are growing increasingly concerned with more coalitions and industry advocates pressing carriers to address shipment delays and booking cancellations.

Some global ocean carriers are adjusting ad hoc sailings to boost capacity in Asia-Middle East trade lanes, while nearly all major airlines have pressed forward with scheduled freighters and charter flights.

REGIONAL FOCUS

AMERICAS

Capacity
Rates
Demand



Rates
Demand



in the coming weeks.

The Federal Maritime Commission will review two proposed initiatives to address demurrage and detention charges imposed on truckers, shippers, and agents.

The US government has taken a pro-active approach to address cargo challenges this past week: Customs Border Patrol opened a dedicated screening facility at the Los Angeles International Airport (LAX) to more efficiently screen and process e-commerce shipments, which the agency found had increased year-over-year by 147%, and on September 20 the US adjusted traveler bans to allow vaccinated UK and EU tourists entry starting November. This decision may play a major role in revitalizing passenger-belly capacity for trans-Atlantic lanes.

Container shortage has been especially acute in the US Southwest, where the ports of Long Beach and Los Angeles recently expanded service hours to reduce terminal congestion. Shipping trends now favor ports in the US Gulf Coast to avoid shoreside delays, but that won't spare them from inland chaos. Rail yards in Chicago are at near-capacity, though the opening of auxiliary rail hubs and increased staff may alleviate these conditions

ASIA-PACIFIC

Rates
Demand



Capacity

Rates



Capacity



Air Canada flights to Hong Kong will be rerouted through Seoul after a flight crew was detained recently—the individuals tested positive for Covid-19. Cathay Pacific has increased flight frequency for its scheduled freighters after the Hong Kong government extended quarantine exemptions for airline crews to October 31. A solidarity strike by Korea's Federation of Trade Unions (KCTU) began on September 18, with a nationwide general strike rumored to start on October 20.

The landfall of Typhoon Chanthu caused numerous flight cancellations and port closures in Shanghai,



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Ningbo, Zhapu, and Taicang earlier last week, blowing back shipment schedules. Flights remain impacted as airlines international and domestic wait on further announcement from China's aviation authority. In Bangladesh, Chittagong Port has run into another bout of congestion, while spillover demand from garment exporters strains cargo operations at Hazrat Shahjalal International Airport (HSIA). Several of India's ports such as Nhava Sheva, Mundra, and Chennai are still suffering from container shortages, leading ocean carriers CMA CGM and PIL launched new services connecting the region to Eastern US and South China ports, respectively.

EUROPE, MIDDLE EAST & AFRICA

Rates Demand



Capacity Demand



On news of the US' air travel easement, several European airlines have also restored intra-Europe services and Europe-US flights. Unfortunately, Frankfurt Airport's Centerbahn runway was suspended on September 19 for repairs estimated to take two weeks.

Ocean carrier MSC also outfits its new trans-Atlantic service with additional port callings to Felixstowe, UK and Charleston, Virginia. However, new data shows that global ocean carriers have blanked approximately half of all sailings between Asia and the Middle East, citing lack of demand and port congestion.