

## APERTURE & FOCUS

WEEK 23 | 05 JUNE 2024



### GLOBAL APERTURE

The global container shortage [has reached a critical point](#), exacerbated by early peak season demand and disruptions including diversions amid the Red Sea crisis, blank sailings out of Asia, and a looming strike at US Gulf and east coast ports. This has led to significant challenges for shippers and forwarders in positioning containers, with port congestion worsening due to equipment imbalances and other disruptions, further disrupting the supply chain and schedule reliability.

Congestion in Asian ports has led to [significant delays in Asia-Europe westbound sailings](#), with nearly half of the sailings failing to depart on time. The situation is causing disruptions in major ports in Singapore and Malaysia, leading to increased waiting times and impacting global vessel queues.

According to shipping analytics platform Xeneta, [May was another month of double-digit growth for air cargo demand](#), with a year on year increase of 12%. However, a US Customs and Border Protection crackdown on e-commerce shipments from China could impact freighter capacity. The recent CBP crackdown on e-commerce shipments [has led to suspensions of multiple customs brokers and increased scrutiny](#), causing hold-ups at borders but not significantly

impacting freighter flight numbers into North America. Despite concerns of disruption, reports indicate that transpacific freighter flights remain unaffected as of yet, with major brokerage houses maintaining compliance.

## REGIONAL FOCUS – AMERICAS

**United States:** The Trucking Association of New York has filed a federal lawsuit against the Metropolitan Transportation Authority [to halt the congestion fee for those driving into Manhattan](#), arguing that truck drivers will unfairly bear the brunt of the fees. They contend the plan is unconstitutional and point out that taxis and for-hire vehicles, which make up half of the traffic, will pass their costs onto customers instead.

**Canada:** As of June 5, 2024, negotiations between the Public Service Alliance of Canada, the Customs and Immigration Union, and the Canada Border Services Agency continue under tight deadlines, [with a strike scheduled for June 7](#) at 4 p.m. ET if no agreement is reached. Concurrently, [large shippers are keeping inventory high due to potential Canadian rail strikes](#), with the Canada Industrial Relations Board's final replies due by June 14, possibly leading to a strike by month-end.

## REGIONAL FOCUS – ASIA-PACIFIC

**Singapore:** Port operator PSA Singapore is [increasing manpower and container handling capacity](#), reactivating older berths at Keppel Terminal, and preparing three new berths at Tuas Port amid shipping delays caused by port congestion. Despite these efforts, disruptions have led to vessel bunching and delays of up to seven days, prompting some liners to skip Singapore to catch up on schedules.

**Bangladesh:** The newly built Patenga Container Terminal (PCT) in Bangladesh [will begin handling containers on June 6<sup>th</sup>](#), adding much-needed capacity to the port of Chittagong. This development is expected to alleviate congestion, boost output, and improve service quality for shippers.

## REGIONAL FOCUS – EUROPE, MIDDLE EAST & AFRICA

**France:** The French National Federation Ports & Docks CGT Union [has announced industrial action](#) between June 4<sup>th</sup> and 28<sup>th</sup>, including four 24-hour work stoppages throughout this time. The strike is likely to cause port service disruptions including the loading and unloading operations of containers, RORO, and bulk cargoes.

**Germany:** Heavy flooding from persistent rain in southern Germany [has significantly disrupted rail and road freight operations](#), particularly affecting services to and from Munich, with Deutsche Bahn and Maersk reporting severe delays and cancellations since June 1<sup>st</sup>. Parts of the Rhine were also closed to cargo shipping on June 3<sup>rd</sup>, with reopening expected on June 7<sup>th</sup>, while operators reassess available capacity and replan affected shipments.

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