

WEEK 33

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APERTURE & FOCUS

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GLOBAL APERTURE

Global commerce is showing signs of a downturn [as major economies grapple with contraction in exports](#). China, the largest exporter, experienced a significant drop in overseas shipments, while Germany and the US also faced export declines, potentially indicating an impending recession; however, some countries with resilient internal dynamics, such as India and Indonesia, are seeing growth despite export challenges. Forecasters at the National Oceanic and Atmospheric Administration [have once again revised their prediction for the 2023 Atlantic hurricane season](#), now expecting a 60% likelihood of above-average activity due to record-warm Atlantic sea surface temperatures countering the typically limiting effects of the ongoing El Niño event— double May’s prediction of 30% likelihood and emphasizing the need for preparedness among shippers and seafarers. The ongoing drought conditions affecting the Panama Canal have created significant congestion with no end in sight, [with 154 vessels waiting to cross](#) and [slots for carriers reduced](#) to manage the backlog, prompting alternative route considerations and impacting supply chains and energy sectors.

REGIONAL FOCUS - AMERICAS

USA: The U.S. Maritime Administration has expanded the United States Marine Highway Program [with the addition of two new Marine Highway Routes](#), M-11 in Alaska and M-79 along the Ohio River. These routes aim to improve the movement of goods, strengthen supply chains, and support local economies, offering alternative transportation choices and cost-effective solutions while collaborating with public and private entities for job creation and enhanced supply chain efficiency.

Despite [another month of import decline](#) during the month of July, the United States is expected to experience [a surge in import cargo volume at major container ports](#) in August 2023, according to the Global Port Tracker Report from the National Retail Federation. Although labor disputes initially disrupted supply chains, these issues have been resolved, and retailers are preparing for the holiday season, with predictions of smooth shipping following the winter break.

REGIONAL FOCUS – ASIA-PACIFIC

China: In a significant development, China has surpassed Greece to [become the leading global shipowner based on gross tonnage](#), underscoring its pivotal role in the worldwide movement of goods and raw materials. Chinese corporations currently hold a larger number of ships across bulk commodity and container shipping sectors.

Singapore: Three bulk carriers [fell victim to robbery in the Singapore Strait](#) during the past week, highlighting a surge in piracy in one of the world's busiest commercial waterways. The incidents occurred between August 8-9 and involved vessels in the Phillip Channel, prompting the regional maritime security center to issue a caution to nearby ships due to similar patterns of the robberies.

REGIONAL FOCUS – EUROPE, MIDDLE EAST & AFRICA

UK: The UK has initiated [the creation of green shipping corridors](#) in collaboration with the US to combat climate change, aimed at promoting cleaner fuels and advancing emission-reducing technologies in the maritime industry. These corridors, designed as interconnected routes among multiple ports in the respective countries, are intended to showcase innovative zero- and near-zero-emission solutions, with the ambitious goal of achieving complete elimination of greenhouse gas emissions from these routes by 2050.

Germany, Italy: Germany and Italy are among the latest countries in Europe [to invest heavily in rail infrastructure to shift freight from road to rail](#). Germany's Ministry of Transport is injecting €27 billion for rail network improvements, addressing years of neglect, with more funding routed through trucking CO2 surcharges to help align with climate goals. Italy promoting its modal shift through increased funding and reinstating the [FerroBonus](#) initiative to move freight from roads to rail, particularly in the southern region.