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# APERTURE & FOCUS

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## GLOBAL APERTURE

The US Federal Reserve [announced a 0.75% key interest rate hike](#) on September 21 to offset economic inflation—its fifth increase in 2022. Following the announcement, [banks associated with the Gulf Cooperation Council](#) (central banks of Saudi Arabia, the United Arab Emirates, Qatar, Bahrain and Oman) also raised benchmark interest rates. [The British Pound Sterling](#) takes a tumble shortly after the [International Monetary Fund](#) begins its careful watch of the currency, [bulking up](#) the value of the US Dollar.

These shifts in value may signal further impacts on commodity markets and supply chains as several reports tip-toe around [China's export slump](#)—including a [September 27 announcement](#) by the Chinese Ministry of Commerce to alleviate challenges with credit insurance, regulatory hurdles, and cross-border infrastructure. The downturn in US and EU demand bleeds into intra-Asia trade sentiments, highlighted in key sectors of [India](#), [Thailand](#), and [South Korea](#).

[IATA's 15<sup>th</sup> World Cargo Symposium](#) took place September 27-29; highlights include the continuing growth of e-commerce, the benefits of higher airline belly capacity following a global rebound in passenger travel, and the importance of achieving net-zero cargo emissions by 2050.

## REGIONAL FOCUS - AMERICAS

Ten days after [Hurricane Fiona ran through](#) Puerto Rico, [Canada](#), and the Caribbean, [Hurricane Ian made landfall on September 28](#) in its passage through Northwestern Florida as a Category 4 Storm. Tampa International Airport [has remained closed since September 27](#), and Miami city officials have announced flood warnings and Florida's Governor has [lifted HOS restrictions for trucks carrying relief supplies](#) throughout Georgia and South Carolina. Now, [there are a growing number of requests to waive Jones Act requirements](#), while vessel congestion prompts carriers to levy Peak Season Surcharges for US-origin cargo to [Latin America & Caribbean destinations](#).

In Mexico, recent government efforts to increase cabotage and short-distance shipping have so far yielded participation from three ports: maritime authorities in Ensenada, Guaymas, and Puerto Chiapas

are the first of Mexico's 25 seaports to implement [a new discount regime for equipment use](#). The regime is part of revitalized efforts to establish service connections with [Central America, Colombia](#), and US ports.

These regional developments come at a time of unpredictability for North America's pre-eminent ocean gateway as [allegations of slowed port operations](#) in Seattle-Tacoma and Oakland raise tensions surrounding West Coast Labor Talks.

[Canada officially rescinds its](#) Covid-19 air travel restrictions on October 1, just in time for Air Canada Cargo's launch of [daily freighter services from St. John's \(YYT\) to Frankfurt and Madrid](#).

## REGIONAL FOCUS – ASIA-PACIFIC

Following the Hong Kong Government's September 26 announcement [to lift its Covid hotel quarantine policy](#), Cathay Pacific [has announced a gradual restoration of over 200 Hong Kong-origin flights](#) through October, [providing a much needed lift in belly capacity](#). This will also coincide with [China's Golden Week holidays](#); and the easing of visa and quarantine restrictions for arrivals into [Japan](#) and [Taiwan](#) on October 11 and 13, respectively. [Similar policies are also under review](#) by South Korean officials.

Typhoon Noru made landfall [in Da Nang, Vietnam on September 28](#) only days after passing through and disrupting [port operations in the Philippines](#). Five airports in Vietnam's central region pre-emptively closed on the storm's arrival, as [were inland waterway operations](#).

## REGIONAL FOCUS – EUROPE, MIDDLE EAST & AFRICA

Dockworkers at the port of Felixstowe [began their second eight-day strike on September 27](#), leaving both Felixstowe and Liverpool closed; UK officials plan to restrict further strike action via legislation. Thankfully, decreased congestion in North Europe will allow some [carriers room for cargo diversions to surrounding UK ports with minimal impact](#).

Europe's ongoing energy crisis faces further disruption on reports that a major Russian gas pipeline [began leaking into the Baltic Sea](#) on September 27, weeks after another pipeline was shut down for maintenance. According to some shippers, the growing fuel shortage has led to factory shutdowns and a general [weakening demand for container ships](#). Dutch shipping council Evofenedex also [raised concerns over a state decision to cut 60,000 flights annually from Amsterdam Schiphol Airport](#) to combat climate change, warning that cargo capacity will see significant setbacks if exceptions are not made for air freight.