

CANADA Daily News and Updates January 3rd 2024

Air Updates

- Airfreight Rates Bounce Back to 50% Above Pre-COVID Levels

Ocean Updates

- Maersk Decides the Red Sea Is Too Unsafe for Its Ships for Now
- Asian-Based Carriers Jump to the Lead in Schedule Reliability

Rail and Truck Updates

- Truckers in B.C. Call for More Training After Latest Overpass Strike

International Business/Government

- Logistics Companies Race to Adapt to Shifting Supply Chains

Air Updates

Airfreight Rates Bounce Back to 50% Above Pre-COVID Levels

Preliminary figures for week 50 (December 11 to 17) indicate that global tonnages and average worldwide rates were stable compared with the previous week, after recovering more quickly than last year from the seasonal post-Thanksgiving dip last month, based on the more than 400,000 weekly transactions covered by WorldACD's data.

Comparing weeks 49 and 50 this year with the preceding two weeks (2Wo2W), overall tonnages increased 1%, and overall global average rates continued to rise, by 2%, with capacity up 1%. The figures indicate that demand and pricing are levelling off, as they usually do in the second half of December, after rallying in the last three months.

Although the main driver for the recent increases has been a surge in tonnages and rates ex-Asia Pacific, especially China, volumes ex-Asia Pacific have now flattened, although there have still been some modest rises in average rates ex-Asia Pacific, especially to North America (+4%), on a 2Wo2W basis.

Read more in an [article from Air Cargo Week](#).

Ocean Updates

Maersk Decides the Red Sea Is Too Unsafe for Its Ships for Now

Container shipping giant A.P. Moller-Maersk A/S said it will once again stop letting its vessels sail through the Red Sea, a vital trade corridor, after another of its ships came under attack in the space of a few weeks.

“We have decided to pause all transits through the Red Sea / Gulf of Aden until further notice,” Maersk said in a notice on its website.

Iran-backed Houthi militants have said they are targeting merchant ships transiting the Red Sea that have any kind of link to Israel to punish Tel Aviv for the conflict in Gaza.

Maersk, which only late last year had announced a resumption of transits, rehalted them again on the final day of 2023 after Houthi rebels attempted to board the Maersk Hangzhou, a container ship, with four small boats. Maersk said at the time it would reassess the situation no later than January 2.

Read more in an [article from the American Journal of Transportation](#).

Asian-Based Carriers Jump to the Lead in Schedule Reliability

Schedule reliability took its second major drop of 2023 in November during a year of mostly positive momentum. While still significantly ahead of 2022 levels, reliability fell back to March 2023 levels as the industry was confronted with the growing security challenges in the Red Sea and increased waits and delays at the Panama Canal.

“Global schedule reliability recorded the first proper month-over-month decline in November 2023, of negative 2.5 percentage points to 61.9 percent, bringing the score in line with that of March 2023,” notes Alan Murphy, CEO of Sea-Intelligence. “On a year-over-year level, however, schedule reliability was 5.4 percentage points higher.”

Possibly reflecting some of these challenges to the operations of the global fleets, Asian-based carriers showed the most significant gains. For the first time in many years, Evergreen and Wan Hai jumped to the top of the list, with Maersk, which has been a consistent leader, dropping into third place and MSC falling more significantly, from second in October to seventh in November. Both of the Asian-based carriers achieved significant year-over-year gains of 33 percent for Evergreen and 21 percent for Wan Hai versus an average 15 percent gain among the major carriers. Maersk was up just under six percent and MSC lost more than three percent year-over-year.

Read more in an [article from The Maritime Executive](#).

Rail and Truck Updates

Truckers in B.C. Call for More Training After Latest Overpass Strike

A Metro Vancouver truckers' group said the recent rash of trucks with high loads smashing into highway overpasses cannot be stemmed by tougher punishments alone.

Gagan Singh with the United Truckers Association said his group would write to the provincial government in the coming days asking for better training and support for drivers who have to handle oversized loads but may lack the skills and equipment to measure them.

His remarks come after a semi-trailer crashed into a Highway 99 overpass in Delta on December 28, embedding the load of girders into the concrete and snarling traffic for hours.

Singh said responsibility cannot fall on drivers alone, but must be shared with trucking firms, the companies shipping over-height cargo and the provincial government.

Read more in an [article from Today's Trucking](#).

International Business/Government

Logistics Companies Race to Adapt to Shifting Supply Chains

Trends known as reshoring, nearshoring and friendshoring may cost shippers in the near term. But they stand to benefit from faster lead times and greater diversity in their distribution strategies as a result, said Brian Bourke, global chief commercial officer at SEKO Logistics, at an October media event.

There will need to be enough planes, trains, trucks and container ships to transport products out of shippers' newly opened plants to realize these benefits. That's something carriers are eager to provide amid a prolonged stretch of softer volumes and economic uncertainty.

As logistics offerings improve, more factory groundbreakings are poised to follow.

"Across the board, companies identify logistics as the most important factor when deciding where to source materials from and make direct investments,"

Read more in an [article from Supply Chain Dive](#).