

MPW SUPPLY CHAIN - INDUSTRY UPDATE - 27TH NOVEMBER 2024

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AUSTRALIA & NZ NEWS

NO SLACKENING IN LOCAL RATES PUSH

Despite a slight decline in Drewry's World Container Index, spot rates on the Shanghai-Melbourne route have increased for two out of three weeks this month. Carriers are planning further rate increases for December, including MSC's USD 300/TEU rate recovery and a GRI of USD 300/TEU from China, Hong Kong, Japan, Korea, and Taiwan to Australia East Coast ports. Maersk, ANL, Cosco, and Neptune Pacific Direct Line will also introduce various rate restorations and increases. - [The DCN](#)

BIOSECURITY: TURNING UP THE HEAT

Australia's biosecurity efforts have been bolstered with the introduction of the AusTreat scheme by the Department of Agriculture, Fisheries, and Forestry (DAFF) on July 1. Replacing the Offshore BMSB Treatment Provider Scheme, AusTreat aims to manage biosecurity risks at their source before they reach Australia. This new scheme is expected to reduce manual intervention at the border, expedite clearance processes, and allow for quicker responses to emerging biosecurity threats. [The DCN](#)

SMOOTH SAILING SO FAR FOR SOUTH AUSTRALIA'S BIOSECURITY DEFENSE

Australia's biosecurity efforts extend beyond major ports like Brisbane, Sydney, Melbourne, and Fremantle to all ports, including those operated by Flinders Port Holdings (FPH) in South Australia. FPH maintains high biosecurity standards, with no reported incidents at their ports. They conduct berth hygiene activities, provide biosecurity spill kits, and raise awareness about exotic pests. The introduction of the Biosecurity Bill 2024 aims to protect South Australia's agriculture sector and enhance biosecurity management. [The DCN](#)

SUPPLY CHAIN NEWS

UPDATE YOUR TECH TO ATTRACT THE 'NEXT GEN', BUT RETAIN VITAL 'INSTITUTIONAL KNOWLEDGE'

"Supply chain and logistics companies should integrate digital technology to attract a younger workforce while retaining institutional knowledge. Experts at TIACA's Air Cargo Forum in Miami emphasized making technology user-friendly and involving ground staff early in the development process to ensure usability and maximize benefits - [The Loadstar](#)

COP-OUT: 'ONE OF THE MOST CHAOTIC IN RECENT MEMORY' DRAWS TO A CLOSE

Over the past two weeks, COP29 aimed to agree on an annual \$1.5 trillion of green financing for developing countries to promote renewable energy strategies. However, the latest draft proposes only \$250 billion, with a target of \$1.3 trillion by 2035. Resistance to phasing down fossil fuels, led by Saudi Arabia, has also emerged. The UK, EU, and New Zealand find the draft deal unacceptable, accusing the summit of backsliding - [The Loadstar](#)

INDIA 'A CRITICAL GROWTH MARKET' FOR FEDEX AS IT EXPANDS AIR EXPRESS NETWORK

FedEx Express is strengthening its position to capitalize on India's growing trade opportunities by launching a new flight from Bangalore Airport to Guangzhou Airport, China's third-busiest air cargo hub. This route, which includes stops in Liege, Belgium, and Dubai, aims to optimize import cargo loads for India. The expansion is expected to enhance South India's access to critical imports and support exporters targeting Europe and the US markets - [The Loadstar](#)

MORE BLANKED VOYAGES EXPECTED AS CARRIER EFFORTS TO DRIVE UP RATES FALTER

Container spot rates remained largely unchanged for a third consecutive week, with a 15 November rate hike on Asia-Europe trades having only a marginal impact on pricing. Drewry's World Container Index (WCI) global composite rate declined 1%, although the Shanghai-Rotterdam leg edged up 1% to \$4,071 per 40ft, and the Shanghai-Genoa route increased 3% to \$4,520 per 40ft2. Forwarders remain skeptical about the effectiveness of new FAK rate levels scheduled for 1 December. [The Loadstar](#)

MARITIME UNION OF AUSTRALIA VOICES SUPPORT FOR US DOCKWORKERS

National secretary of the Maritime Union of Australia (MUA) Paddy Crumlin, who is also international president of the International Transport Workers Federation, has expressed support for the International Longshoreman's Association (ILA) in its conflict with the US Maritime Alliance (USMX). Crumlin criticized USMX's automation agenda as a union-busting exercise and emphasized solidarity with the ILA. The dispute, centered around automation, has led to strike actions and ongoing negotiations

WORLD CONTAINER INDEX DOWN 1%

The World Container Index decreased by 1% to USD 3,413 per FEU this past week. Despite this decline, freight rates from Shanghai to Genoa increased by 3% to USD 4,520 per FEU2. Similarly, spot rates from Shanghai to Rotterdam, New York to Rotterdam, and Rotterdam to New York inched up by 1%3. However, rates from Shanghai to Los Angeles decreased by 5% to USD 4,488 per FEU4. Drewry expects spot rates to remain stable next week. [The DCN](#)

EVERGREEN ORDERS 60,500 NEW CONTAINERS FOR GROWING LINER FLEET

Evergreen has ordered 60,500 new containers at a cost of nearly \$187 million. This includes 23,000 containers from CXIC Group, 21,000 from Guangdong Fuwa Equipment Manufacturing, and 16,500 from Dong Fang International. Container manufacturers, mainly in China, have seen surging orders due to the Red Sea crisis. This is Evergreen's second major expenditure this year, following a \$348 million order for six methanol dual-fuelled ships and 50,000 containers in June. [The Loadstar](#)

WESTERN CARRIERS CALL RUSSIAN AIRSPACE BAN AND CHINESE ADVANTAGE 'UNFAIR'

European and US airlines are urging the lifting of sanctions on Russian airspace to unlock unavailable markets and eliminate the "unfair" competition from Chinese carriers. Lufthansa Cargo and United Cargo highlight the unequal playing field, citing cost, fuel, and time advantages for airlines using Russian airspace. They call for new industrial policy responses to address these disparities and enhance international competitiveness. - [The Loadstar](#)

AIRPORTS MUST GET CREATIVE AS SURGING ECOMMERCE THREATENS TO ENGULF CAPACITY

Airport infrastructure and aircraft capacity are not expanding fast enough to keep up with demand, largely driven by e-commerce. Miami International Airport (MIA) faces challenges such as increased air waybills per pallet and longer clearing processes. Despite nearing capacity, MIA will continue accepting cargo and aims to become more efficient through solutions like increasing cargo storage and digitization. The industry must address extreme capacity constraints as demand grows faster than capacity. - [The Loadstar](#)

AIRFREIGHT'S FORWARD PLANNING PREVENTS CHAOTIC Q4 RATE HIKES

"Forward planning by shippers has given the air cargo market a strong but stable fourth quarter. Rates are creeping up, particularly on the Europe-Americas route, which saw a 10% increase in week 46, reaching \$2.71 per kg. Europe to the US experienced consecutive rate rises of 16% and 17% in weeks 45 and 46. However, Asia Pacific remains relatively calm, with spot rates to the US falling by 4% - [The Loadstar](#)

UPSIDE POTENTIAL FOR AMAZON'S MOVE INTO AIR CARGO

Amazon Air's new third-party service offering will benefit from the airline's directional imbalance, increased regularity of its services, and recent expansion at its main hubs. This move addresses the imbalance of cargo at hubs like Cincinnati, Fort Worth, and San Bernardino, where outbound shipments exceed inbound ones. The enhanced regularity in flight schedules allows Amazon Air to sell excess capacity with less risk, while the expansion at key hubs attracts customers with large-scale shipping needs. - [Air Cargo News](#)