



MARKET INSIGHTS

Global Logistics Update

SEPTEMBER 2023



State of Global Trade

Trade Summary

- U.S. retail spending picked up in August, up 0.6%, largely due to a spike in gas prices
 - Q2 sales across major retailers were a mixed bag, with Amazon, Walmart, and TJX reporting strong numbers, and others like Macy’s, Target, and Dick’s Sporting Goods not faring as well
 - U.S. retail inventory levels continue to decrease; however, they remain elevated, with analysts expecting inventory correction to last throughout the remainder of the year
 - Sectors hardest hit include apparel, home improvement, computers & electronics, and furniture
- The U.S. trade deficit rose 2.0% in July, reversing two months of declines
 - Imports were up 1.7% to \$316.7 billion
 - Exports rose 1.6% to \$251.7 billion
- Global manufacturing PMI output increased to 49.0 in August, up from 48.6 in July
 - U.S.: 47.9, down from 49.0
 - China: 49.7, up slightly from 49.3
 - Eurozone: 47.0, down from 48.6
 - Germany: 39.1, up from 38.8
 - UK: 42.5, down from 45.3

*A PMI reading above 50 indicates growth, while anything below 50 denotes contraction

Upcoming Global Holidays

| Holiday | Country | Date(s) Observed |
|------------------------|------------------------------------|----------------------|
| Yom Kippur | Jewish | September 24 – 25 |
| Harvest Moon Festival | South Korea | September 28 – 30 |
| Mid Autumn Festival | China | September 29 - 30 |
| Golden Week | China | October 1 – 7 |
| Unity / Foundation Day | Germany and S. Korea | October 3 |
| Multiple | U.S., Canada, Japan, and S. Korea | October 9 |
| Multiple | Brazil and Spain | October 12 |
| Multiple | Hungary, New Zealand, and Thailand | October 23 |

For a more comprehensive list of business holiday closures, please click [here](#).

Major Disruptions

- U.S. dollar soars to five-month high, rising 0.7%, making U.S. exports more expensive for foreign buyers
- Fed Chair Jerome Powell warns there could be more rate hikes coming down the pike if the economy doesn’t slow
- The cost of inputs (raw materials and components) increased in August for both manufacturing and non-manufacturing sectors, which will result in higher costs for businesses and consumers
- After a three-and-a-half-year pause, federal student loan payments are set to begin in **October 2023**



State of Global Trade (Cont'd)

Requests for Public Comment

- The Treasury Department is seeking public comment on various topics related to the implementation of the [Executive Order](#), which restricts investment in Chinese technology sectors, due **September 28**
 - Electronic comments should be submitted through the Federal Government eRulemaking portal located at www.regulations.gov
- The **Office of the U.S. Trade Representative** (USTR) is seeking public comment to [identify significant foreign barriers](#) to U.S. exports, direct foreign investment, and electronic commerce, due **October 23**
 - Electronic comments should be submitted through Federal eRulemaking Portal located at www.regulations.gov
 - Docket No. USTR–2023–0010
- The **Bureau of Industry and Security** (BIS) is seeking public comment on a [proposed rule](#) to revise the tariff exclusion process for imports of aluminum and steel under Section 232, due **October 12**
 - Electronic comments should be submitted through the Federal Government eRulemaking portal located at www.regulations.gov
 - Docket No. BIS–2023–002
- The **Surface Transportation Board** (STB) is seeking public comment on a [proposed rule](#) that would allow for reciprocal switching to improve nationwide rail service, due **October 23**
 - The proposed rule would allow shippers to divert cargo to another railroad, when alternative options are available, if the STB finds issues with service reliability, service consistence, or inadequate local service
 - Docket No. EP 711 (Sub-No. 2)

Announcements

- The **FDA** has issued [draft guidance](#) to assist industry stakeholders in submitting cosmetic product facility registrations /product listings required under the Modernization of Cosmetics Regulation Act of 2022 (MoCRA)
 - The guidance covers a broad range of products including, makeup, nail polishes, shaving creams, grooming products, perfumes, face and body cleansers, haircare products, moisturizers, and other skincare products
 - Under MoCRA, every person that owned or operated a facility that “engages in the manufacturing or processing of a cosmetic product for distribution in the U.S.” (as of December 29, 2022) must register each facility no later than **December 29, 2023**
 - Facility registrations must be renewed every two years or within 60 days of a change
 - Additionally, any updates to a product listing, such as a change in product ingredients, are to be provided annually
- Electric Vehicle (EV) batteries and car parts from China will now be scrutinized under the Uyghur Forced Labor Prevention Act (UFLPA)
 - The announcement comes on the heels of a report to Congress in July in which **U.S. Customs and Border Protection** (CBP) listed lithium-ion batteries and other automobile components (including tires and parts made from steel and aluminum) as some of the "potential risk areas" it was monitoring due to the use of slave labor
- **FEMA** and **TSA** have issued a [public service announcement](#) encouraging travelers (both business and personal) to make an emergency preparedness plan before embarking on travels, which includes packing items they may need during an emergency or natural disaster



Air Freight

Market Expectations, Space, Volume, and Rates

Global volumes held steady in Week 36, after dropping 3% at the end of August, despite an uptick in eCommerce volumes. Comparing the overall market with the same period last year, volumes were down 7%, dragged down by sharp decreases from North American (-20%) and Europe (-13%).

On a regional level, the largest volume decrease were recorded from North America due to Labor Day holiday in the U.S. and Canada, with volumes to Europe down 12% and Asia down 8%. Conversely, the largest increases were seen between Europe and Asia Pacific (westbound +7%, eastbound +6%) and from Europe to North America (+6%). All other major trade routes remained fairly stable.

Worldwide capacity has tightened since the last report, with the bulk of the declines coming from Asian, African, and North American origins. That said, we are still seeing a lot of excess supply, with load factors at a six-year low.

On the pricing side, average worldwide rates ticked up slightly WoW, driven by gains out of Shanghai, Hong Kong, India, and many U.S. locations. However, rates out of Chicago, Frankfurt, and London saw huge declines. While rates remain higher than pre-COVID levels, they have fallen to their lowest level since the pandemic began.

Market Forecast

Air freight professionals are writing off any hope for a traditional peak season this year as inflationary pressures and inventory destocking continue to drag out the 16-month freight downturn. With global demand yet to hit bottom, air cargo volumes will likely remain stuck at current levels before picking up sometime next year.

Rates are expected to rise briefly in September, given a number of product launches expected this fall; however, shippers have signaled they are not concerned about finding space when they need it due to the forecasted lack of a peak season volumes. While capacity reductions scheduled for the second half of October could also put pressure on rates, it should not be significant.

Meanwhile, in the medium- to long-term, nearshoring will likely have a significant impact on international freight volumes. With companies moving production closer to their markets, this reduces the overall need for air freight.



CAPACITY



DEMAND



RATES

Major Disruptions

- Jet fuel has spiked more than 26% in recent weeks, with many carriers rolling out fuel surcharges
- **UPS** offers 167 senior pilots early retirement packages to cut costs amid weak demand
- French Air Traffic Controllers (ATC) announce **October 13** strike; significant disruption for European aviation is expected
- Industrial actions by crews and ground staff continue to impact flight schedules across Europe

Announcements

- **Cargolux** returns to the skies after reaching a new labor deal with unions over the weekend
- **American Airlines** pilots approve new four-year contract, closing the door on a potential strike
- **Southwest** pilots vote overwhelming (99%) in favor of a strike
 - SWAPA, the union representing the pilots, has formally asked to be released from federal mediation so that they may legally strike
- **American, Southwest, and Alaska** flight attendants vote overwhelmingly in favor of a strike
 - Unions for both airlines are currently in federal mediation, so the earliest a work stoppage could happen would be during the winter holiday travel season
- **United Cargo** opens new temperature-controlled storage facility at Chicago (ORD)
- Mexican cargo airline **Mas** has been accused of labor violations under the U.S.-Mexico-Canada Agreement (USMCA) by denying pilots the right to organize in a union
 - The U.S. has asked the Mexican government to investigate accusations of intimidation, interference, and reprisals following the dismissal of 8 pilots who tried to affiliate with the ASPA pilots union
- **Lufthansa Cargo** opens new facility at Detroit (DTW) to support growing international volumes and speed up customer deliveries



Ocean Freight

Market Expectations, Space, Volume, and Rates

Peak season is here, and while volumes are lower than they were last year, they are following normal pre-pandemic patterns. According to Descartes' latest report, August import volumes were up 0.4% over July. However, new export bookings leading up to China's Golden Week are reported to be 'disappointing,' with recent data from FreightWaves showing booking volumes have plummeted 35% since the peak reached on August 1.

The chronic overcapacity, exacerbated by deliveries of new ultra large containership vessels (ULCVs), is forcing carriers continue to implement aggressive capacity management strategies, including blanking programs, cancelling voyages with low utilizations (often at the last minute), slow steaming, and idling the new vessels before their maiden voyages. Carriers are also rejecting more cargo in an effort to pressure rates, with rejection rates hovering around 11% - the highest since May 2020. This has created bottlenecks at origin, leading to lengthy shipping delays.

Meanwhile, containership scrapping looks set to boom by the end of the year as vessel owners prepare to offload older, smaller vessels. However, Alphaliner notes that this year's scrappage levels will be nothing compared to the massive fleet reductions of 2016-2017.

Global schedule reliability remained unchanged in July, averaging 64.2%. However, the average delay for late vessel arrivals increased by 6 hours to 4.59 days. According to Alphaliner, MSC remained the most reliable carrier, with a schedule reliability of 71.5%, followed by Maersk and Hamburg Sud at 69.8% each. Yang Ming remained at the bottom of the pack at 51.3%.

Drewry's composite global spot index continues to decline – despite the attempted September 1 GRI - with rates on many routes dropping below pre-pandemic levels and cost of carriage. On the contract side, rates are exceeding the spot market, despite plunging by over 60% since this time last year, with major tradelanes from the Far East seeing the most dramatic declines. According to a recent article by Business Insider, carriers may seek to "renegotiate contract rates mid-term to maintain volumes" and warns that shippers should "anticipate an extended period of service cuts, cancelled sailings, and disruption as lines adopt a more aggressive approach to capacity management

Market Forecast

The National Retail Federal is forecasting that U.S. ocean imports will remain relatively strong through October, with September and October volumes 6% - 7% higher than in 2019, followed by

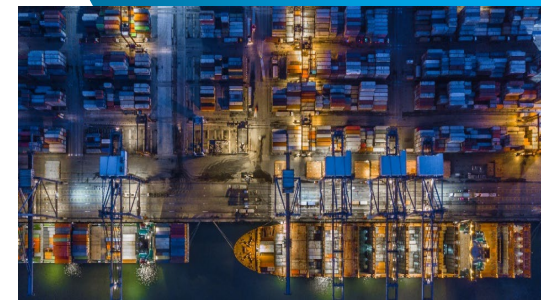
Market Snapshot

| Market | Trade Lane | Capacity | Demand | Rates | Origin Performance | | |
|---------------|------------------------|----------|--------|-------|--------------------|-------------|------------|
| | | | | | Equipment | Reliability | Congestion |
| Asia | Asia – North America | ● | ● | ↓ | ● | ● | ● |
| | Asia – Europe | ● | ● | ↓ | ● | ● | ● |
| North America | North America – Asia | ● | ● | ↑ | ● | ● | ● |
| | North America – Europe | ● | ● | ↓ | ● | ● | ● |
| | North America - LATAM | ● | ● | → | ● | ● | ● |
| Europe | Europe – North America | ● | ● | ↓ | ● | ● | ● |
| | Europe – Asia | ● | ● | ↓ | ● | ● | ● |
| | Europe – LATAM | ● | ● | ↓ | ● | ● | ● |
| LATAM | LATAM – North America | ● | ● | → | ● | ● | ● |
| | LATAM – Europe | ● | ● | ↓ | ● | ● | ● |

a moderate dip in November and December, pointing to a possible restocking cycle in January. However, many anecdotal reports of a slowdown point in another direction. Indeed, according to a recent article by Seatrade Maritime, the global growth forecast for 2023 is 0.3%, recovering to 2.6% in 2024 and 2.9% in 2025.

Meanwhile, supply is expected to outstrip demand through 2025, with overall tonnages set to increase an additional 5% by the end 2023, 6.35% in 2024, and 5.2% in 2025. However, in order to comply with the increasingly stringent IMO carbon regulations, roughly 30% of the existing fleet will need to slow steam, reducing effective capacity by approx. 7%.

On the pricing side, rates from Asian origins are likely to stabilize starting in late September as carriers implement aggressive capacity management programs to tighten the supply – demand gap. On the Transatlantic trades, rates will likely remain low through Q4; however, there are indications of a rate recovery here too, with capacity management efforts starting to yield results.



Ocean Freight (Cont'd)

Major Disruptions

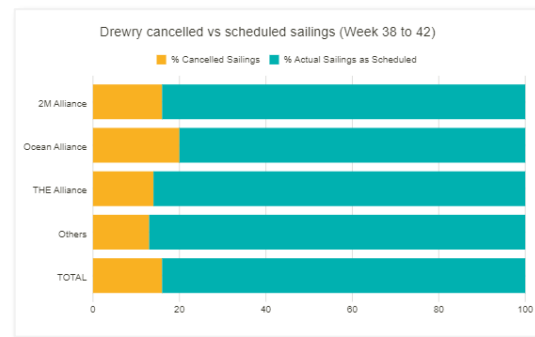
- The Panama Canal Authority plans to keep current restrictions in place for another 10 months
 - Despite the restrictions, there has been minimal impact on container trade as larger vessels have been given priority due to their size and cargo value
 - it is looking unlikely that these restrictions will cause significant disruption in the weeks ahead due to waning volumes, excess capacity, and alternative routings
 - Meanwhile, auctions for transit slots for vessels without reservations have skyrocketed, with one owner paying \$2.4 million for a winning bid to skip the 10-day wait
- Barge rates on the Mississippi River have skyrocketed as water levels continue to drop
 - Barges are imposing weight limitations - reducing overall capacity - to avoid a repeat of last year, when low water levels stranded more than 2,000 barges
- Multiple typhoons in Asia have caused delays at origin, disrupting port operations, departures
- Brazil's Port of Santos is now refusing containerships due to congestion
 - According to terminal operators, the terminals are operating at 95% capacity and no longer have room for contingencies

Blank Sailings

Between Weeks 38 - 42, carriers have cancelled 16% of sailings from major markets. While we normally see a decrease in capacity during the Golden Week holiday and the weeks immediately following it, this year we are seeing a significantly higher reduction than the pre-pandemic average of 11% -17%, suggesting no real peak season is expected. Of the cancelled sailings, 57% are on the Transpacific, 37% on Asia – North Europe, and 7% on the Transatlantic trades.

Carriers are likely to make more aggressive capacity modifications in October given the bleak outlook for the weeks following the Golden Week holiday. Therefore, we advise shippers to monitor carriers closely and prepare contingency plans for large-scale blank sailings or last-minute cancellations.

On the Transatlantic trade, shippers should expect more blanked sailings – or even cancelled services - in the coming weeks if demand continues to wane.



Source: Drewry

Announcements

- West Coast dockworkers have approved the new six-year contract, finally ending the strike threat
 - The ILWU, which covers more than 22,000 longshore workers at 29 ports across California, Oregon, and Washington, voted 75% in favor of the tentative agreement ushered in by Acting Labor Secretary Julie Su in mid-June
- **CMA CGM** has completed its acquisition of Port GCT Bayonne and Port GCT New York container terminals in New York and New Jersey, expanding its U.S. terminal portfolio to seven
- A **new rule** currently being drafted in California to limit pollution threatens to impose volume caps on port activities in Los Angeles and Long Beach, according to a **recent article** by Cal Matters
 - If approved, the proposed rule will restrict delivery of critical imported goods and basically halt the export of manufactured goods and agricultural products, which would “deliver a fatal blow to the ports’ long-term viability”
- **American Waterways Operators (AWO)** slams California’s Commercial Harbor Craft (CARB) amendments, citing serious risk to human life, the environment, and the supply chain
 - Most alarming is the requirement to install unapproved Diesel Particulate Filters (DPFs) on vessels - which have been associated with serious fire risk – that could put mariners’ lives at risk and lead to “catastrophic environmental damage” should a breach occur, a concern the U.S. Coast Guard raised in 2021
 - The AWO also warned that many of the emission-reducing technologies are either not available or have been deemed unsafe
- Combative **MSC executive** bashes shippers at JOC’s Transatlantic trade webinar, saying “99% of shippers want to screw us and get the most out of us,” adding that “clients shouldn’t look at the pandemic [the profits carriers made], they should build relationships with carriers going forward and that would lead to better services.”

Port Rotation Changes

- **MSC** has reinstated the Sentosa service between Southeast Asia, China and the U.S. West Coast
 - Port Klang • Singapore • Laem Chabang • Vung Tau • Busan • Long Beach • Oakland • Busan • Qingdao • Shanghai • Ningbo • Shekou • Singapore • Colombo • Mundra • Nhava Sheva • Colombo
- **MSC** and **Maersk** have reduced capacity on their Transatlantic TA2/NEUATL3 services, replacing 8,300 TEU containerships with 4,750 TEU vessels, which equates to a 43% reduction in overall tonnage

Trucking

Market Expectations, Space, Volume, and Rates

Domestic demand is on the rise after months of declining volumes, with the truck to load ratio rising to the highest level since June. As expected, dry van and refrigerated loads fell 9.5% and 9.9% respectively due to the Labor Day holiday after rising 10% and 7% during the prior week, while flatbed loads contracted 2.4% after jumping 15% a week earlier. Contracted tender volumes, meanwhile, rose 1.82% WoW, but down 6.37% YoY. Of the 135 markets tracked, 72 reported weekly increases, although mostly in smaller markets.

Despite the ongoing exodus of small- and mid-sized carriers, the market remains in an over-capacity, rising 4.39% from the prior week, with more trucks available than freight to haul.

On the pricing side, average spot and contract rates inched up for a third straight week, primarily due to the “uncharacteristic” strength in flatbed rates. By segment, flatbed posted its sharpest increase since early February and dry van rates ticked up slightly, while refrigerated were essentially flat. Comparing YoY numbers, rates were almost 12% below the same week in 2022.

Market Forecast

Looking ahead, industry experts are predicting a modest uptick in the back end of the year based upon the most recent report by the National Retail Federation. “My assessment is this is not likely to be a very gangbuster peak season,” said Avery Vise, vice president of trucking at FTR Transportation Intelligence. “I think it’s going to be better than certainly a lot of people expected. But I don’t think we’re going to look back at the peak season of 2023 and say that was a really good year. I think it’s going to be fairly modest.”

Excess capacity is expected to retreat over the next year as more small- to mid-sized carriers leave the market.

Shippers will have the upper hand entering into the bid season, with contracted rates expected to be relatively low. However, we are hearing that some carriers are expected to refuse long-term bids based upon current market conditions, fueled by a renewed sense of optimism, and will likely opt to play the spot market instead.



CAPACITY



DEMAND



RATES

Major Disruptions

- **Mansfield Energy** warns of potential East Coast diesel supply shortage, issuing a Level 4 (Red) Alert, urging businesses to prepare for disruptions
 - According to Fox News, East Coast markets normally have 50 million barrels in storage, but there are currently less than 25 million barrels available
 - Domestic stockpiles are currently at the second-lowest level since 2000, compounding a looming world-wide shortage due to the OPEC alliance’s recent decision to extend output limits, threatening broader inflationary pressure on everything from groceries to electronics
 - While sporadic shortages are expected to hit most East Coast markets, Alabama, Georgia, Maryland, North Carolina, South Carolina, Tennessee, and Virginia are expected to feel the brunt of it
 - At serious risk are farmers who need diesel to harvest fall crops and homeowners relying on heating oil to get through the winter
- Diesel prices continue to rise amid supply strains, marking the 10th straight week of increases
 - According to the DOE, the national average price for diesel for the week of September 11 came in at \$5.54/gallon
 - California saw the highest increase, surging \$0.17 to \$5.97, while the Gulf Coast recorded the lowest price at \$4.21
- CBP temporarily suspends cargo processing at the Bridge of Americas port of entry in order to assist in processing migrants entering the country, effective **September 18**
 - Cargo processing operations will continue at nearby Ysleta, Santa Teresa, and Marcelino Serna (Tornillo) cargo facilities
- Truckers warn that the **EPA’s** new emission standards will “crush the supply chain and put the American food supply at risk,” says Fox News
 - The **American Truck Dealers Association** estimates that the technology required to meet the new regulation will cost \$42,000 per truck, and will push many small trucking companies out of business, tighten nationwide trucking capacity, and drive up rates



Trucking (Cont'd)

Announcements

- **UPS** Teamsters have voted to ratify a new five-year contract, averting a nationwide strike
- **FedEx** announces 2024 rate hikes for all shipments within the U.S. and Canada, effective **January 1, 2024**
 - Express (domestic, export, and import), Ground, and Home Delivery shipping rates will increase by 5.9%, while Freight shipping rates will increase by 5.9% - 6.9%, depending upon the customer's transportation rate scale
- **UPS** has also announced it will raise 2024 tariff rates by 5.9% for all air, ground, and international services, effective **December 26**
- California Senate votes to ban driverless trucks on state highways; Assembly Bill 316 advances to the governor's office
 - Despite dozens of safety incidents related to autonomous vehicles, Gov. Newsom is likely to veto the bill

Cargo Theft

- CargoNet has reported a 57% rise in cargo theft so far this year, with most occurrences happening near major supply hubs in Southern California, Atlanta, Chicago, Dallas - Ft. Worth, and Memphis
 - While cargo thieves have primarily focused on stealing truckload shipments of food and beverage products (esp. alcoholic beverages and energy drinks), auto parts, motor oil, solar power generation equipment, and consumer electronics, other goods are susceptible, including building materials and power tools
 - While many cargo thieves continue to target goods while in transit, they are developing more sophisticated tactics, with the most pervasive known as a "shipment misdirection"
 - In these schemes, the thieves impersonate a motor carrier using load boards or other legitimate processes to obtain the cargo. They hire legitimate carriers using load boards to transport the shipment to multiple warehouses, effectively laundering the shipment by generating warehouse receipts, which are then used to create new, legitimate bills of lading – just in case the driver is pulled over by law enforcement



Truck Driver Shortage

- According to the Bureau of Labor Statistics, truck transportation jobs nosedived in August, with 36,700 jobs lost
 - While we won't know until later this month which sectors the losses occurred, it's more than likely the majority of losses were due to the bankruptcy of LTL giant Yellow Corp

Rail

Market Expectations, Space, Volume, and Rates

U.S. rail volumes continue to decline, with railroads logging a 1.7% drop in carloads, containers, and trailers in Week 36 compared with the same week last year. According to data issued by the Association of American Railroads, total carloads were up 0.6% YoY, while intermodal units fell 3.8%. Looking at year to date figures, total combined volumes declined 4.8% compared to the same period last year, driven by a 9.0% decline in intermodal units.

Six of the 10 commodity groups tracked posted weekly increases, including petroleum and petroleum products (+17.0%) and motor vehicles and parts (+11.9%). Meanwhile, commodity groups that posted notable decreases included grain (-14.2%) and forest products (-6.2%).

Chicago area ramps are still struggling with backlogs and chassis shortages caused by the ILWU Canda strike earlier this summer. While not as intense, challenges have also been reported in Kansas City, Omaha, and Dallas. All other regions are operating normally.

Major Disruptions

- Train car carrying toxic chemical explodes at Union Pacific's railyard in North Platt, Nebraska on **September 14**
 - The explosion occurred in a railcar carrying perchloric acid, which is used in explosives and a variety of food, drug, and biocidal products
 - An undisclosed number of railcars also caught fire and authorities have yet to announce their contents
 - Evacuation orders have been issued for a 4-mile radius as huge plumes of toxic smoke filled the sky, moving across farmland

New Services

- **CSX** and the Georgia Port Authority (GPA) launch new intermodal service between Savannah and Rocky Mount, North Carolina
 - In addition, shippers will have access to long-term storage options at Savannah's new Garden City Terminal West yard without the need to pay demurrage, according to GPA
- **CSX** and **NS** to launch new intermodal service connecting Canada, Detroit, and Chicago to markets in Atlanta and Kansas City, effective **October 2**

Announcements

- **Union Pacific** furloughed an undisclosed number of workers and announced plans to park 200 locomotives in August, citing lower volumes
 - According to an IAM union spokesperson, at least 94 employees, including 43 IAM members - who work as locomotive machinists, track equipment mechanics, and facility maintenance personnel - were furloughed at 11 locations across the UP network
- The Federal Railroad Administration has blasted **Union Pacific** after finding an alarming number of defects in locomotives and railcars at the world's largest railyard in western Nebraska
 - According to [a recent letter](#) to top UP executives, the agency said it found that more than 72% of train engines and 20% of railcars had safety defects – twice the national average - and continued to use the defective locomotives, posing a “significant risk to rail safety”
 - The agency also noted that “UP was unwilling or unable to take steps to improve the condition of their equipment” and questioned whether the August furlough left UP without enough people to complete the necessary repairs
- According to [Rail Magazine](#), the debate over reducing the number of passenger trains to provide more capacity for freight has heated up
- Six months after pledging that all Class I railroads would join the voluntary Confidential Close Call Reporting System following public pressure after the East Palestine, OH train derailment, not one of the railroads have delivered on their promise
 - The system enables rail workers to confidentially report close call safety incidents to the Federal Railroad Administration without fear of retaliation by employers
 - Meanwhile, [lawyers and unions](#) representing rail workers say there is an industry-wide pattern of retaliation against workers for reporting safety violations and on-the-job injuries, which discourages other workers from speaking up
 - OSHA's statistics show safety complaints fell to 96 last year, from 218 in 2018
 - “People are being killed, towns are being evacuated, rivers are being poisoned, all in the name of profit,” argued Nick Thompson, a lawyer representing an engineer fired for speaking up, earlier this year
- Despite rail safety being in the public spotlight since beginning of the year, little has changed – except that the Class I's have promised to install 1,000 more trackside detectors to spot mechanical problems and reevaluate their responses to alerts from those devices



In Other News

Regulatory crackdown on slavery in cotton supply chains a wake-up call

Reuters

The fashion industry's record in tracking abuses in its supply chains has not been good. Some \$468 billion of garment imports in the G20 are at risk of modern slavery, equivalent to a third of goods imports in these countries ...

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FAA suspects nearly 5,000 pilots concealing medical issues to keep flying

FreightWaves

Nearly 5,000 civilian pilots may be providing false information during their medical examinations in order to continue flying. Prior to a June blog post, the FAA had largely hidden the investigation from the public...

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China's economic collapse carries a warning about our own future

The Hill

Christmas is coming early to America, but in the form of a warning, not a gift. Just as Ebenezer Scrooge was shown his future, enabling him to change his ways, America is seeing its own future in China's ongoing economic collapse. ...

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Railroads Resist Joining Safety Hotline

Transport Topics

The major freight railroads say a disagreement over whether they will be allowed to discipline some workers who use a government hotline to report safety concerns has kept them from following through on their promise to join the program ...

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Fed rate hikes don't just fight inflation. They hurt economy over long-term, study says

USA Today

Hiking interest rates aggressively, as the Fed has done over the past 14 months, doesn't just fight inflation by tamping down economic growth in the short term. The strategy also curtails the economy's output and ...

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House Republicans say Buttigieg neglecting aviation and rail safety

FreightWaves

Transportation Secretary Pete Buttigieg isn't doing enough to address rail and aviation safety, according to a letter citing 13 incidents involving mostly passenger air operations at takeoff and landing, as well as nine incidents involving freight rail ...

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