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US Imports at record high

- The performance of the US import market continues at unprecedented levels.
- US imports flooded into the country since July as several states resumed economic activity that had been suspended during COVID lockdowns.
- U.S. imports of containerized freight jumped 16.8% year over year in October to reach a record high.
- Record levels of demand on TPEB trade are carrying through November and most likely end of the year.

Source: Seabury



Terminal congestion

Terminals are receiving more cargo that they could handle



- Terminals have less employees due layoffs and/or furloughs
- Social distancing rules limit full crew capacity
- Unexpected increase in volume
- LAX/LGB terminals:
- Vessel wait time: Average 5 days
- Yard utilization: 73-89%
- Other areas experiencing high congestion are New York, Charleston,
 Savannah, and all major rail facilities.



Photo Credit: JOC

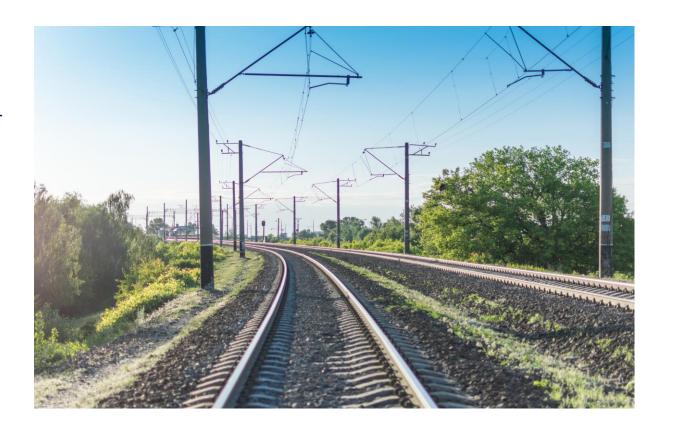


Rail congestion

Railcar shortages



- Shortage of railcars initially affected the inland transportation transit time to all main inland ramps.
- This situation has not fully improved, they are still congested, and the ondock rail performance is still not optimal.
- The off-dock ramp is heavily congested and there are still containers stacked (some ramps have had units in the stack for weeks).
- Several measures have been adopted including:
 - increasing train length to the maximum permitted on the network
 - increased number of trains per week
 - expanding receiving windows for weekend train departures
- Although measures have eased some of the backlog as the demand continues to increase these past weeks, customers and shipping lines are having a difficult time securing reservations.
- Ramp dwell times vary from:
 4-5 days up to + 10 days





Trucking Availability

Capacity remains tight





Overall capacity in North America remains tight and short in face of overall influx of volumes, resulting in pick up and deliveries delays.

This has also caused a spike in trucking rates across the country.

Below please find main markets, and estimate lead-time to secure capacity:

- Markets Average +7 days:
 - Los Angeles, CA. Long Beach, CA. Memphis, TN. Baltimore, MD. & Norfolk, VA.
- Markets Average 5-7 days:
 - Charleston, SC. Savannah, GA. & Atlanta, GA.
- Markets Average 3-5 days:
 - Buffalo, NY. New York, NY. Chicago, IL. Cincinnati, OH. Columbus, OH. Philadelphia, PA. Washington D.C. Denver, CO. Laredo, TX. Dallas, TX. Salt Lake City, UT. Minneapolis, MN. Alabama & Arkansas



Chassis Availability

Excessive equipment dwell times





Photo Credit: JOC

Low productivity at warehouses due labor shortages, social distancing requirements and the fact they need to accommodate more volume than they have room for has caused excessive equipment dwell times at the warehouses and transloading facilities throughout the region. With these "street chassis" dwell times increasing, there is a Chassis shortage at the terminals causing difficulties in delivering loaded import containers and returning empties to the terminals.

Chassis dwell has increased from under 4 days to over 7 days.

- Main chassis availability issues are:
 - Long Beach/Los Angeles
 - New York
 - Philadelphia
 - Cleveland
 - Columbus
 - Louisville
 - Nashville
 - Atlanta

However, as chassis from surplus areas are being repositioned to deficit, the issue will spread across the country.



