



ASF ADVANTAGE | Thinking Ahead. Moving Forward

FMC To Hold Hearing on Detention/Demurrage Fees

Following a petition led by the National Retail Foundation, the US Federal Maritime Commission will hold hearings Jan 16th - 17th, regarding tariffs applied by both ocean carriers and terminal operators applicable for container detention and demurrage.

Beneficial cargo owners argue labor disruptions and severe weather are outside of their control, adding that carriers and operators are using fees as a revenue stream instead of motivation in keeping equipment moving.

Terminal operators and carriers deny liability in the matter, arguing that a change of this significance would make them de facto insurers of cargo; instead blame port operations for delays.

Dec 8th is the deadline for testimony; hearing to be held in Washington, DC.

[Source: JOC](#)



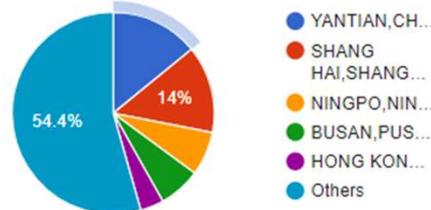
Market Watch

New product releases, Black Friday fulfillment, upcoming Christmas orders and the impending Chinese New Year; Air Freight rates have risen dramatically and capacity is limited. Expect premiums on Asia to US airfreight.

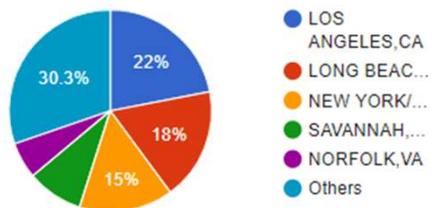
US Import Data – Q3

Furniture, Consumer Electronics & Automotive products remain the top non-refrigerated US imported cargo.

Top Port of Departure



Top Port of Arrival



COSCO & Ocean Alliance To Add 1.2M TEU Capacity

After spending \$6.3B for rival OOCL, Ocean Alliance member COSCO has 20 new vessels on order, split between eleven Ultra-Large 20-21K TEU vessels for Asia to EU lanes, and nine smaller 13-14K TEU Neo-Panamax to be delivered over 15 mo.

COSCO and related holdings remain wholly Chinese, state-owned enterprises.

[Source: JOC](#)



Port Spotlight

Dredging contracts for the Charleston Harbor Deepening project are finalized; expected completion mid-2020. Concurrently, Phase 1 of the new Hugh K. Leatherman terminal in North Charleston slated to open in 2020.

Inland Transportation Capacity Crunch Imminent

Trucking capacity, primarily for domestic shippers, will face rising prices and limited capacity due to a myriad of factors ranging from hurricane rebuilding efforts diverting truck capacity toward Florida and Texas, two quarters of GDP expansion (+3%), an aging driver population without qualified replacements, and the upcoming Electronic Log Device Mandate (ELD) - soon limiting hours of service.

Asset-owning operators will have a distinct advantage in pricing with owned, readily-available, accessible equipment. To date, most trucking companies have yet to expand due to a lack of qualified drivers to fill trucks.

Importers and exporters will not be exempt. Recurring chassis shortages, gensec delays, and terminal congestion issues plague major markets and have forced carriers to charge premiums and surcharges for wait time and detention.

Dray capacity for cargo from USWC to inland (rail) destinations is already near-peak and dray rates have increased dramatically. Chassis reposition, empty container diversion; even obtaining free chassis add to increased rates.



Upcoming Events

ASF Global Webinar:
1/10/2018

Chinese New Year:
2/15/18 – 2/22/18