



U.S. West Coast Price Drops

Comparing 2022 import rates from Asia to the current 2023 rates is shocking to say the least. Hardly 6 months ago, it was not uncommon to expect ocean rates to be 5-digit figures; whereas now shipping is back to ultra-competitive low rates that are even dipping below pre-pandemic rates (for trans-Pacific movements). The familiar disclaimers seen almost everywhere about congestion, delays, worker shortages, etc. have almost disappeared overnight. Rates have declined and volume right along with them, but there is still trouble brewing in the logistics industry.

Price Uncertainty in the Near Future



US West Coast spot rates have reached pre-pandemic rates. There is daily competition to see which steamship line is marginally less than the others. Though this is great news for U.S. importers, it is leading the way for artificial reduced capacity to ensure that rates do not drop even more drastically. Volume is down significantly which is playing a direct role in the steep price drops, though after the Lunar New Year and the beginning of Q2 it can be expected that rates will not continue to drop, but rather rise slightly as carriers

plan to reduce capacity. How much will rates change? The answer is unknown, but a more steady, less fluctuating rate structure is likely to occur within the next few months.

East Coast U.S. Ports

U.S. East Coast rates are seeing some interesting shifts as well. North Europe to the USEC are finally seeing rate decreases for the first time in over a year. Keep in mind freight is still 3 times more than pre-pandemic levels. Demand for European imports is rising as a result. However, trans-Atlantic westbound rates are seeing the long-term effects of pandemic-oriented changes. At the height of the pandemic, to alleviate congestion in the Pacific, shippers shifted to East Coast ports. But as rates are declining along the West Coast there have been approximately 23% cancelled sailings (over the past 6 weeks) for trans-Atlantic trade. Trying to balance less demand with increased availability is creating a void where rates are not stable and are shifting constantly. Carriers are expected to reduce capacity and create more blank sailings to mitigate the fluctuations that were a product of their own doing.



Trucking Updates

U.S. inbound services, like trucking and rail movements, are finally easing some congestion fees and dropping line haul rates. The congestion fees were put in place to help truckers manage the extreme overcrowding conditions at the ports and rail hubs. Because of COVID and the extreme increase in imports, truckers would easily be waiting 3-4 hours more than usual. These delays would upset the whole logistic flow and create expenses that would have to land on someone's bill. These delays had a bullwhip effect which impacted the whole logistic chain from securing chassis to freeing up port space for staging. Luckily, with demand dropping, some of these congestion fees are disappearing, or dropping drastically, and with it line haul rates are lowering, too. However, one of the largest factors impacting cost is fuel. Fuel service charges are still relatively high, ranging between 35% - 55% of the total cost of the line haul. Though some additional costs like congestion fees are dropping, trucking is still a pricy portion of shipping, with rates not expected to drop drastically like ocean freight has.



Improvements at Rose

Rose has been shipping in and out of the U.S. for more than 28 years. Our team of experts have seen shifts come and go and are capable of navigating the market to make sure we are offering the best service with the best costs. Though changes in demand and the cost of fuel are out of our control, you can trust that our team is monitoring the ever-changing market and is always ready to answer questions and build confidence. Contact our team today to talk about our recent improvements, new LCL lanes, and hear about our international growth. You will surely be surprised to hear all the ways Rose can service you.



Below is a list of the most up-to-date information on U.S. rail and port delays

Updates & Info

For a listing of current port conditions please see below:

West Coast:

- Seattle/ Tacoma: Vessel waiting time no more than 5 days
- LA/LGB & Oakland: Little to no delays or dwell time

Gulf Coast:

- Houston: Vessel waiting time no more than 6 days

Northeast Coast:

- All major ports have little to no delays or dwell time

Southeast Coast:

- Savannah and Charleston: Vessel waiting time no more than 6 days
- Miami: Vessel waiting time no more than 2 days

Rail/ Ramp Terminals & Trucking Nationwide:

- BNSF / UP: Chicago / Columbus / Los Angeles are experiencing delays. Expect 5-6 days delay with picking up and delivery containers

Equipment Shortages:

- Though chassis availability has been improved lately, there is still a national shortage, with the most impacted areas being: Los Angeles/Long Beach, New York, Philadelphia, St. Louis, Columbus, Cleveland, Chicago, Memphis, Atlanta, Nashville, and Louisville.



www.shiprose.com

Visit our website

Rose Containerline Inc | www.shiprose.com



Rose Containerline | 733 Third Avenue | 16th Floor, New York, NY 10017

[Unsubscribe {recipient's email}](#)

[Update Profile](#) | [Constant Contact Data Notice](#)

Sent by nicole@shiprose.com powered by



Try email marketing for free today!