

CANADA Daily News and Updates April 12th 2024

Ocean Updates

- Transpacific Container Contracts 'Substantially Below' Initial Asking Rates

Truck Updates

- Quebec Advances End Date of Thaw Period in Zone 1

Ocean Updates

Transpacific Container Contracts 'Substantially Below' Initial Asking Rates

The first batch of transpacific contracts are concluding for the May 2024-April 2025 period, with analysts at Jefferies reporting Asia-U.S. west coast rates are understood to be in the \$1,400 to \$1,500 per FEU range, up from \$1,200 to \$1,300 per FEU last year. These agreements compare with current spot rates above \$3,000 per FEU.

"While the latest contracts are a bump from last year's levels, they remain close to break-even levels, highlighting liners' inability to capture stronger long-term rates given the supply outlook even against a stronger than expected market this year," stated a shipping markets update from Jefferies on April 9.

Providing further specifics on the deals being concluded, Hua Joo Tan, co-founder of Asia-based container advisory Linerlytica, explained that there are various tiers of contracts being concluded, with large beneficial cargo owner (BCO) rates expected to come in at below the \$1,400 to \$1,500 range, while smaller BCOs will come in at around that range. The \$1,400 to \$1,500 range was approximately what liners were making on the spot market in 2019, the year ahead of COVID.

Read more in an [article from Splash](#).

Truck Updates

Quebec Advances End Date of Thaw Period in Zone 1

The Ministère des Transports et de la Mobilité durable and the Société de l'assurance automobile du Québec have advanced the end date of the period during which authorized load limits are reduced in Zone 1. (Zone 1 covers southern Quebec, including major centres such as Gatineau, Montreal, Sherbrooke, Trois-Rivières and Quebec City, and extends to Rivière-du-Loup.)

Load restrictions will be lifted in Zone 1 as of Friday, April 12, at 11:59 pm.

Read more in a [press release from the Government of Quebec](#) (translated from French).