

Global Trade and Logistics with Dr. Walter Kemmsies



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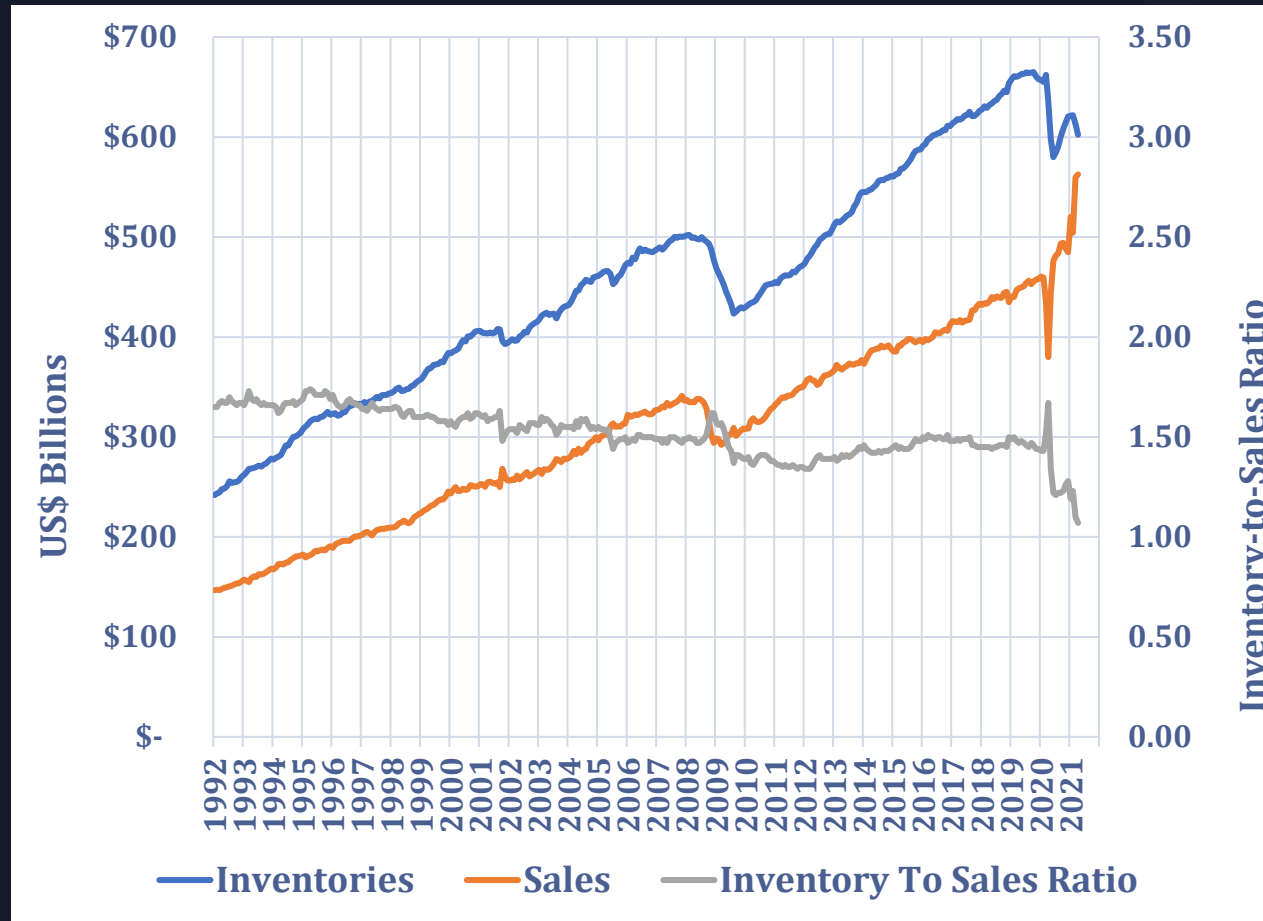
SPEAKERS



DR. WALTER KEMMSIES
Global Trade Expert



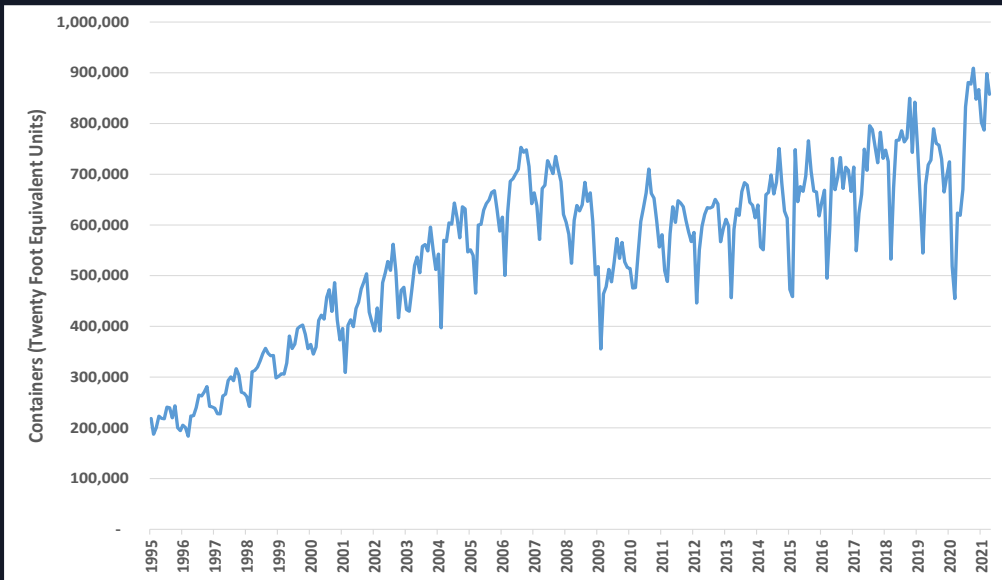
CRAIG MEYER, SIOR
*JLL Industrial + Logistics
President | Global Chair*



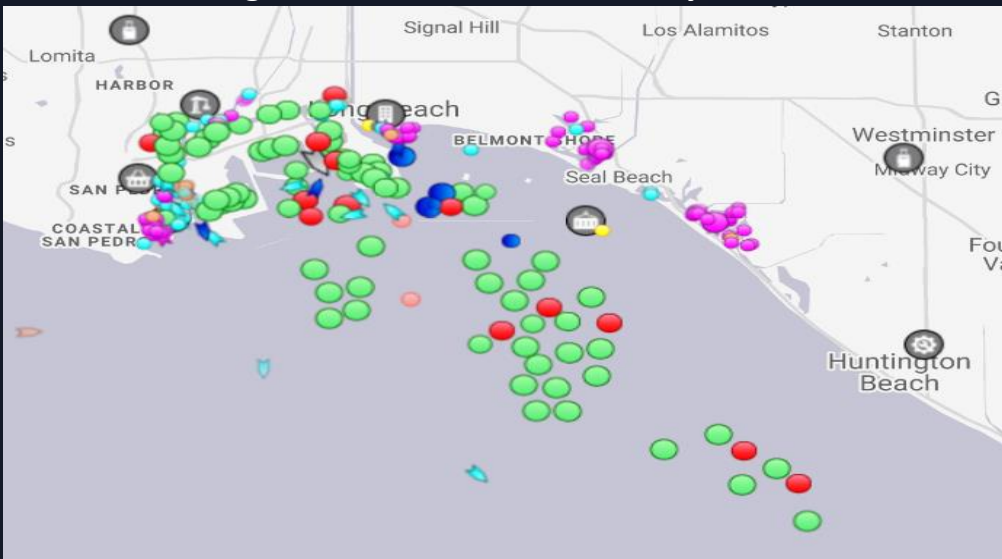
THE INVENTORY DRAIN

- » Several fiscal stimuli drove retailers' sales substantially above trend
- » Pandemic-driven production and transportation capacity shortages around the world have kept inventories at unsustainably low levels
- » Importers are about to start trying to bring 4th Quarter Holiday sales merchandise into the US

Southern California Ports' Import Container Volumes



Vessels Waiting for a Berth in San Pedro Bay - Feb 2021



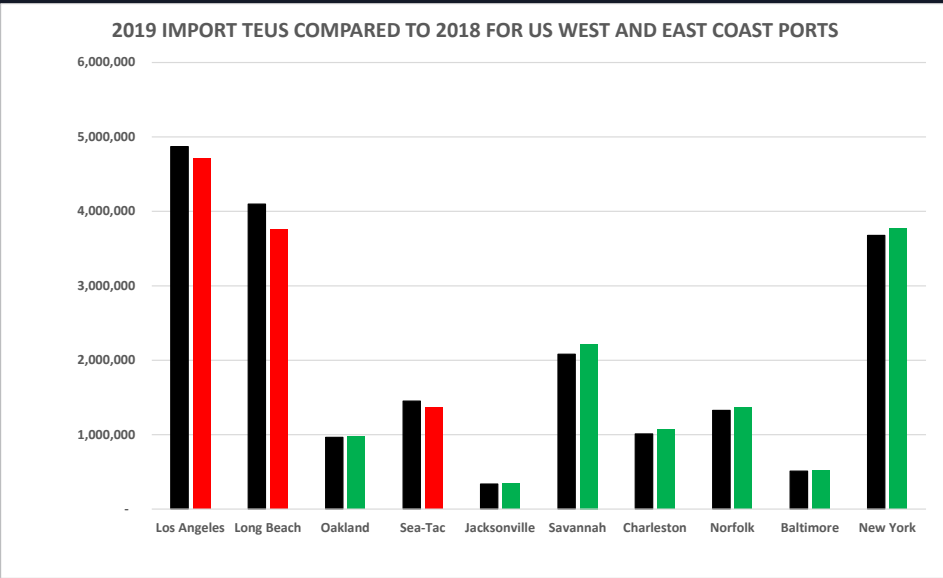
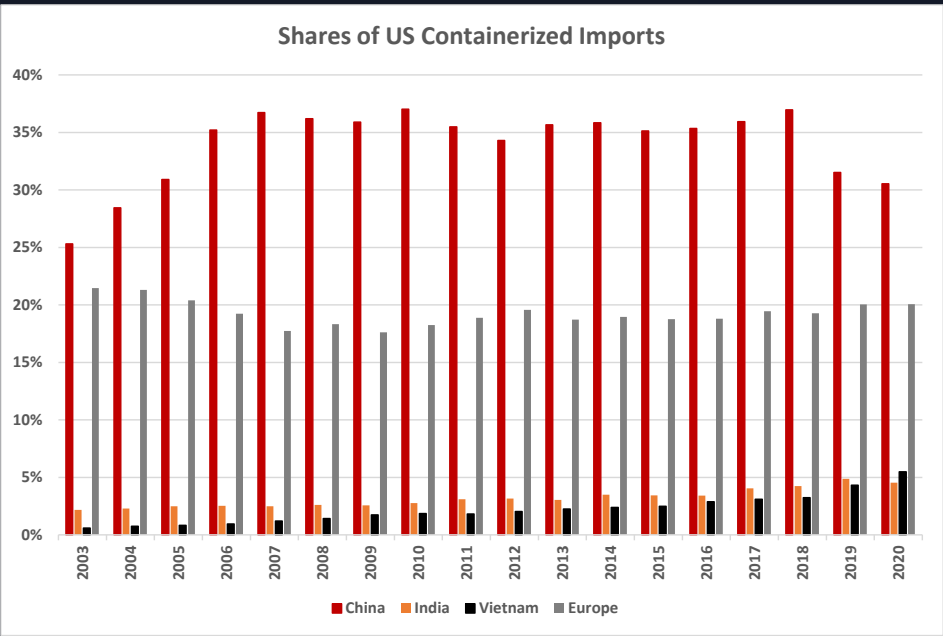
PORT CONGESTION DRIVES DIVERSIFICATION

- » China was the first country to reopen
- » Southern California is the main US port gateway for North Asia/China imports
- » Southern California ports have been dealing with volumes exceeding past peak levels since July 2020
- » With the added impact of the pandemic, the SoCal gateway was crushed

Port City	Average Area in Square Miles	Port City	Ratio of 5pm to 10am
Mobile	181	Jacksonville	92%
Savannah	180	Baltimore	89%
Jacksonville	160	Savannah	87%
Sea-Tac	134	Mobile	85%
Houston	130	Norfolk	80%
Everglades	124	Houston	79%
LA/LB	117	Sea-Tac	77%
Norfolk	114	NY/NJ	68%
Baltimore	105	LA/LB	66%
Philadelphia	80	Philadelphia	65%
Charleston	74	Charleston	61%
Oakland	71	New Orleans	60%
Miami	69	Miami	44%
NY/NJ	58	Everglades	43%
New Orleans	56	Oakland	31%

CONGESTION ON LAND DRIVES INLAND PORTS

- » Trucks haul 60% to 80% of containers in and out of ports
- » Data shown here are estimates of how far a truck can travel from the port in 20 minutes
- » Southeast and Gulf Coast ports top list for truck freight fluidity



TRADE POLICY IMPACTS

- » US is pulling away from China, economically speaking
- » Since 2018, US imports are increasingly sourced from locations to the West of China
- » Imports from Western Asia are routed to the US via the Suez Canal to the East Coast, so those ports are gaining share of US imported containerized goods

THANK YOU



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