



TOMAX
NEWS

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PLUS:



MARKET SUMMARY

- Blank sailings implemented by shipping lines on China to Australia trade-routes are not having any effect on pricing as rates remain stagnated and reaching 3 year lows. Shipping lines are scrambling for cargo in an attempt to fill post-Chinese New Year sailings.

TARIFF CONCESSIONS GAZETTE (TC)

Tariff Concession Orders (TCOs) are an Australian Government revenue concession that exists where there are no known Australian manufacturers of goods that are substitutable for imported goods.

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ON THE RAIL TO RECOVERY



Following the train collision and derailment in Marmor, Queensland, repair works are now underway. On Sunday 29th January during the night, an Aurizon coal train collided with a Pacific National freight train. As a result, the rail corridor between Gladstone and Rockhampton (part of Aurizon's Central Queensland Coal Network) was subsequently closed.

Currently, the Office of the National Rail Safety Regulator and Australian Transport Safety Bureau (ATSB) are investigating the incident. The investigation notice said, "at about 1902 local time, while travelling on the main line, a Pacific National freight train (82P7) derailed and subsequently collided with an Aurizon coal train (9F02) on the adjacent track. As part of the investigation, the ATSB will interview involved parties, analyse event recorder data, and examine rolling stock and maintenance records."

The ATSB has since released the site to the track operator, enabling recovery works to commence. An ATSB spokesperson said, "after deploying on Monday to the site of Sunday night's derailment at Marmor, Queensland, ATSB investigators released the site to the track operator on Tuesday afternoon. Along with evidence gathered from on-site activities, investigators placed protection orders on several train components, which

will be further analysed at engineering facilities in Brisbane."

Aurizon advised recovery work had begun, involving the removal of damaged rollingstock, restoration of the track infrastructure and repair of overhead power and electrical masts. They stated that the scope of recovery works is "significant" and will involve replacing two kilometres of rail, inserting more than 2000 new concrete sleepers, laying down 2300 tonnes of ballast and replacing at least 12 electrical masts and 1.5 kilometres of each of four types of overhead wire.

"Rail crews together with external contractors have been mobilised to work 24/7 on the recovery, ensuring the work is delivered safely and within all fatigue requirements," Aurizon said.

Aurizon estimates the track will re-open to rail traffic by Thursday 9th February, subject to weather conditions and any other unforeseen damage/ issues emerging through the recovery process. Meanwhile Aurizon will liaise with customers on the delivery of the recovery works and ATSB will publish a final report at the conclusion of the investigation during the third quarter of 2023.

Williams, A. (2023). Recovery underway at train collision site. Retrieved from <https://www.thedcn.com.au/news/logistics-and-supply-chain/recovery-underway-at-train-collision-site/> on 2nd February, 2023.



ROBOTS IMPROVE WAREHOUSE MANAGEMENT

Maersk claims that while inventory management, a crucial indicator of the movement of goods across supply chains, is a tiresome, labor-intensive, and occasionally dangerous operation, technology can ease some of these demands.

The Danish transport company said that it had implemented an automated inventory management system created by Swiss company Verity to “lift the pressure off its staff and boost the accuracy of the count.”

The Verity drone flies through warehouses, checking barcodes to update the warehouse management system automatically. It is autonomous, able to avoid obstacles and has the ability to recharge itself when necessary. The drones fly during the night and weekends when warehouse staff are away from the facility.

Maersk has already tested the drone at its Performance Team warehouses and is ready to roll out the system. Dutch retailer INGKA and Maersk’s Danish compatriot, forwarder DSV are also utilising the drone system.

According to Maersk, “warehouse operators are trained to schedule the drones to perform inventory checks and to review the insights generated by the system, comparing results found by the drones against what is expected from their warehouse management system. There is no programming or flight training needed to operate the system.”

Meanwhile, London-based robotics and data intelligence company Dexory, recently launched its DexoryView warehouse management system, which is a real time and fully automated data collection system that builds a digital twin via data collected by a robot. The robot collects data from storage up to 12m high and submits the information electronically. Dexory said the system “allows companies unprecedented and up-to-date access to their inventory – across the receiving, storing and dispatch stages – from anywhere and at any time”.

Savvides, N. (2023). Robots can relieve the pressures of warehouse management. Retrieved from <https://theloadstar.com/robots-can-relieve-the-pressures-of-warehouse-management/> on 3rd February, 2023.

SILICA SHIPMENTS BOOM

In 2022, high-grade silica shipments through Fremantle Ports have more than doubled the average of 300,000 tonnes per year in 2016. According to Fremantle Ports, high-grade silica sand is abundant in the Perth area and is valued for its high silica content, low iron levels and brightness. Silica, or silicon dioxide, is a mineral that presents as hard rock quartz and naturally weathered sand.

Fremantle Ports acting general manager operations, Mark Pearce, said, “Fremantle Ports is proud to work with local businesses in our state’s shift to new commodities, including facilitating the export of high-grade silica to international markets.” He added that by understanding our customer’s requirements, Fremantle Ports can support companies to satisfy global demand for their products, including Hanson, a local subsidiary of Heidelberg Materials.

Hanson representative, Josh Maldon, said, “Western Australia has some of the

world’s best natural sand deposits and in such proximity to important Asian industrial markets. We have an enviable position to access these markets and rely on Fremantle Ports experience in handling the commodity and having the capacity in place to support the expected growth in demand”.

Fremantle Ports’ largest export markets for silica include South Korea, who receive more than 50% of the total annual exports of this commodity, followed by China, Thailand, Japan, Mexico and India. Mr Pearce said Fremantle Ports was investigating options to expand its capacity in the outer harbour, to keep up with the demand for the high-quality inputs derived locally and shipped interstate and overseas at ever-increasing volumes.

Ackerman, I. (2023). Silica exports booming from Freo. Retrieved from <https://www.thedcn.com.au/news/bulk-trades-shipping/silica-exports-booming-from-fremantle/> on 2nd February, 2023.





A PREDICTED TOUGH YEAR FOR THE GLOBAL ECONOMY

A ccording to a harrowing World Bank global forecast, any further major financial shocks could see the global economy sink into recession. The World Bank expects a sharp deceleration in global growth to 1.7%, “its third-weakest pace in nearly three decades, overshadowed only by the 2009 and 2020 global recessions”.

Major economies such as Europe, the US and China, are experiencing “pronounced weakness” in their economies and warned that a combination of other factors, such as indebtedness and tightening financial conditions, trigger corporate defaults.

Amsterdam-based ING Bank issued a forecast for European trade this year, revealing a patchy outlook for a number of key industries. Manufacturing and construction are likely to see small contractions while the technology and transport sectors are expected to grow more modestly than last year. ING stated that consumers are now spending more on services, with demand for goods diminishing. Sanctions on Russia which are also affecting demand in Europe, add to the weakened market.

ING said, “the European transport and logistics sector is entering a new phase of reality after the unprecedented impact

from the pandemic and the Russian invasion of Ukraine. Unlike 2022, this year starts with (nearly) all travel restrictions removed.”

However, the bank does offer some optimism, with the second half of the year offering a stronger manufacturing sector, due to China’s abandonment of its COVID policy freeing trade again. The retail sector shows demand falling to pre-pandemic levels as a result of consumers spending on services and the sector has also been hit by high inflation since the latter part of last year.

For manufacturing in general, ING said, “the outlook for European industry has improved somewhat, thanks to a mild winter and governments bolstering producer confidence by dampening the extreme energy prices.” According to the bank, manufacturing output last year held up well, showing 2% growth overall. Although, there was a wide range within that manufacturing label, with oil-dependent goods, such as chemicals and base metals, declining 5.5% and 3.5%, respectively, while pharmaceuticals and apparel increased 14% and 5%, respectively.

Savvides, N. (2023). Gloomy picture as global economic indicators predict a tough year. Retrieved from <https://theloadstar.com/gloomy-picture-as-global-economic-indicators-predict-a-tough-year/> on 3rd February 2023.

STAFF SPOTLIGHT

MEET SHU CHEN GROUP ACCOUNTANT TOMAX LOGISTICS GROUP



What is your role at Tomax?

I am a Group Accountant, supporting the financial functions of Tomax China and USA teams.

What are your hobbies/interests?

Binge watching shows, reading and camping.

Which destinations do you wish to go to?

Japan and Singapore

Do you have any New Year's resolutions or goals you want to achieve?

- Get my driver's license: already achieved
- Pass another CPA exam: working towards it

If you could have any superpower, what would it be and why?

Teleportation - it would be possible for me to travel anywhere instantly with this superpower!

What kind of music do you listen to?

Usually, I just listen to the songs picked up by Siri!

Best things to snack on?

Peanuts & Sunflower seeds.

Does pineapple belong on pizza?

I'm not a pizza lover, so I don't mind.



FRIDAY FUNNIES

We hope these jokes put a smile on your face
as we welcome the weekend!

Why are hairdressers never late for work?
Because they know all the short cuts!

Did you hear about the cheese factory that exploded in France?
There was nothing left but de Brie.

What do you call someone who doesn't like carbs?
Lack-Toast Intolerant.

How do you measure a snake?
In inches—they don't have feet.

What type of candy is always late?
A chocolate.

What do you call malware
on a Kindle?
A bookworm.

Which table fits in
the fridge?
VegeTABLE.

What do you
call a musician
with problems?
A trebled man.



Scavenger Hunt Answers! Tomax Newsletter Issue 113

Circled are the following:

1 Airplane

1 Bird

1 Yellow Shipping Container

2 Tomax Logos

2 Delivery Boxes

4 Port Workers



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