

Item No.: 7A

Date of Meeting: October 27, 2022



**THE NORTHWEST
SEAPORT ALLIANCE**
Gateway to Solutions

2023 Cargo Forecast

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Trade & Economic Trends

Global Economy

- Inflation => Trade impacts
- Evolving sourcing strategies => shifting trade patterns
- Geopolitical tensions => uncertainty and higher (energy) prices
- “Greening” effect => higher prices, infrastructure readiness

U.S. Economy

- Inflation => low consumer confidence, fewer goods consumed
- Post-pandemic challenges => inventory/rail and other supply chain issues
- Strong US dollar => reduced competitiveness of US exports
- Workforce/labor challenges => greater uncertainty, higher cost



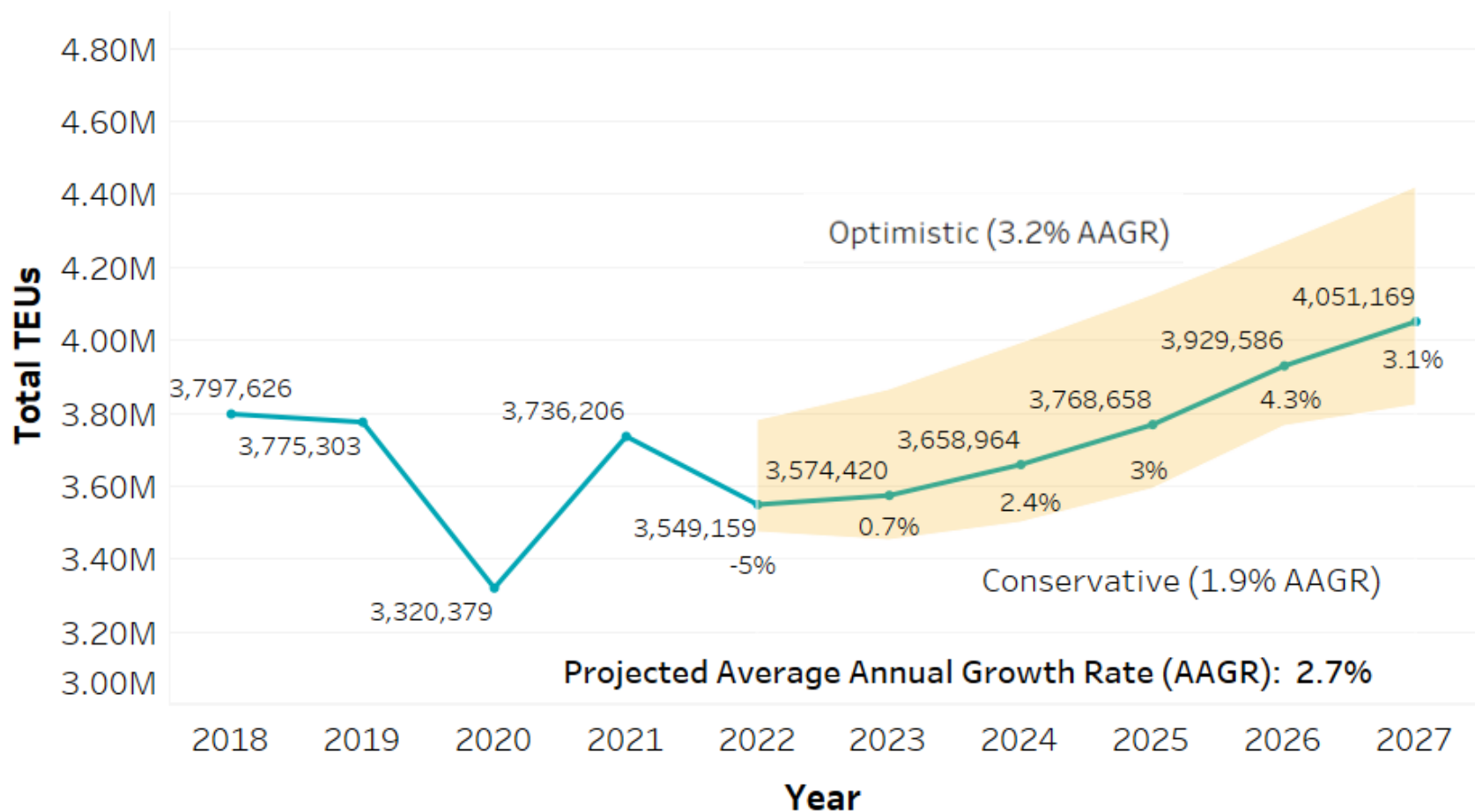
Market Trends

Implications & Opportunities for the Gateway

- Reduced shipping services
- Cargo diversion ahead of West Coast labor negotiations
- Congestion, shortage of equipment, high costs and continued supply chain challenges create challenges and opportunities
 - Growth in e-commerce, transload => Domestic Rail
 - Sustained growth for regional warehouse / distribution centers => BCO and Supply Chain Partner Outreach
 - Inland rail hub expansion => Rail, Carrier, BCO and Supply Chain Partner Outreach
 - Marine terminal capacity expansion & cargo staging yards => BCO, MTO and Carrier Outreach
 - Niche expedited ocean services threatened by declining rates => Ocean Carrier Outreach

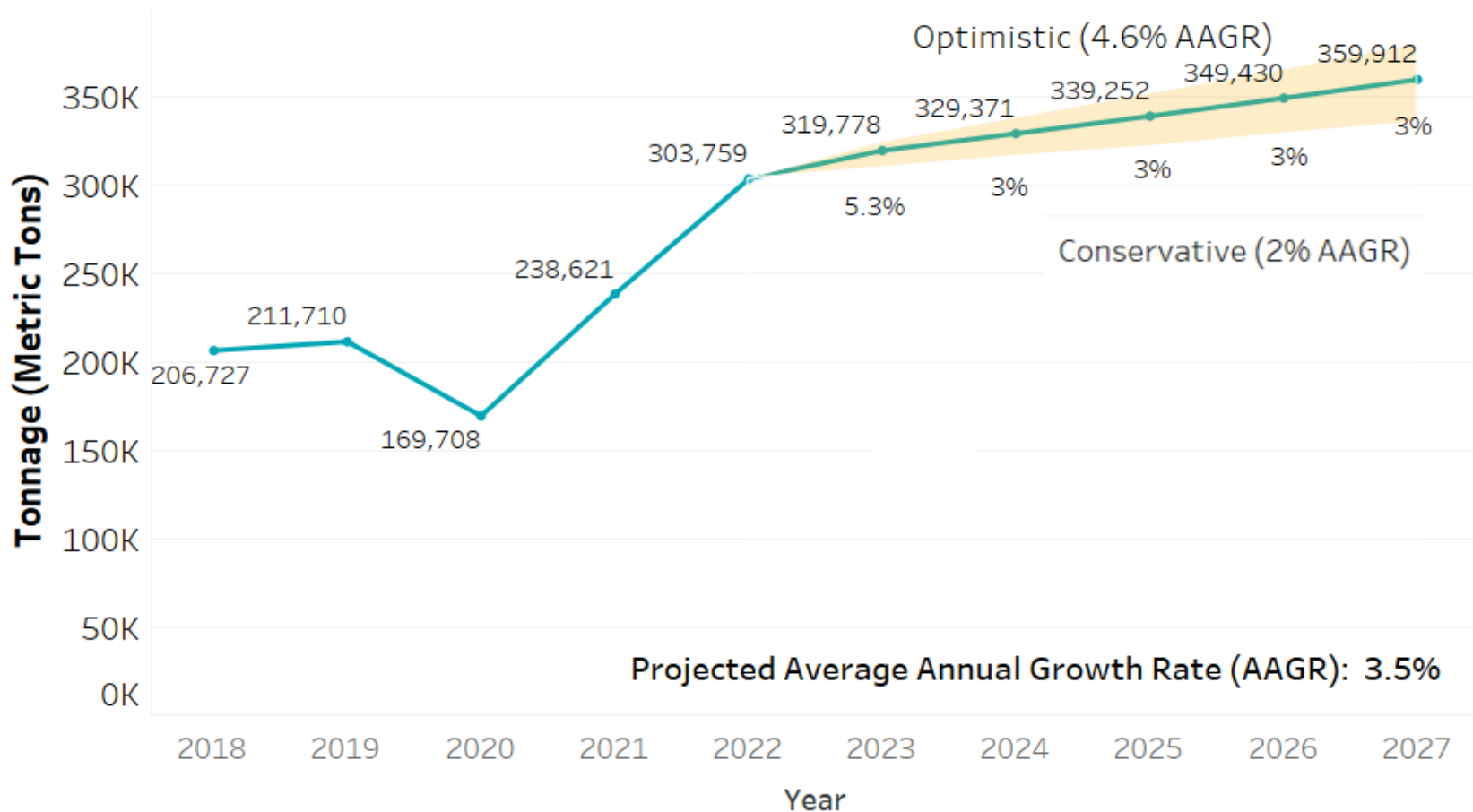


Cargo Forecast – Container (Int’l & Domestic) (2022 – 2027)



Optimistic/Conservative percentages (%) reflect average annual growth rat..

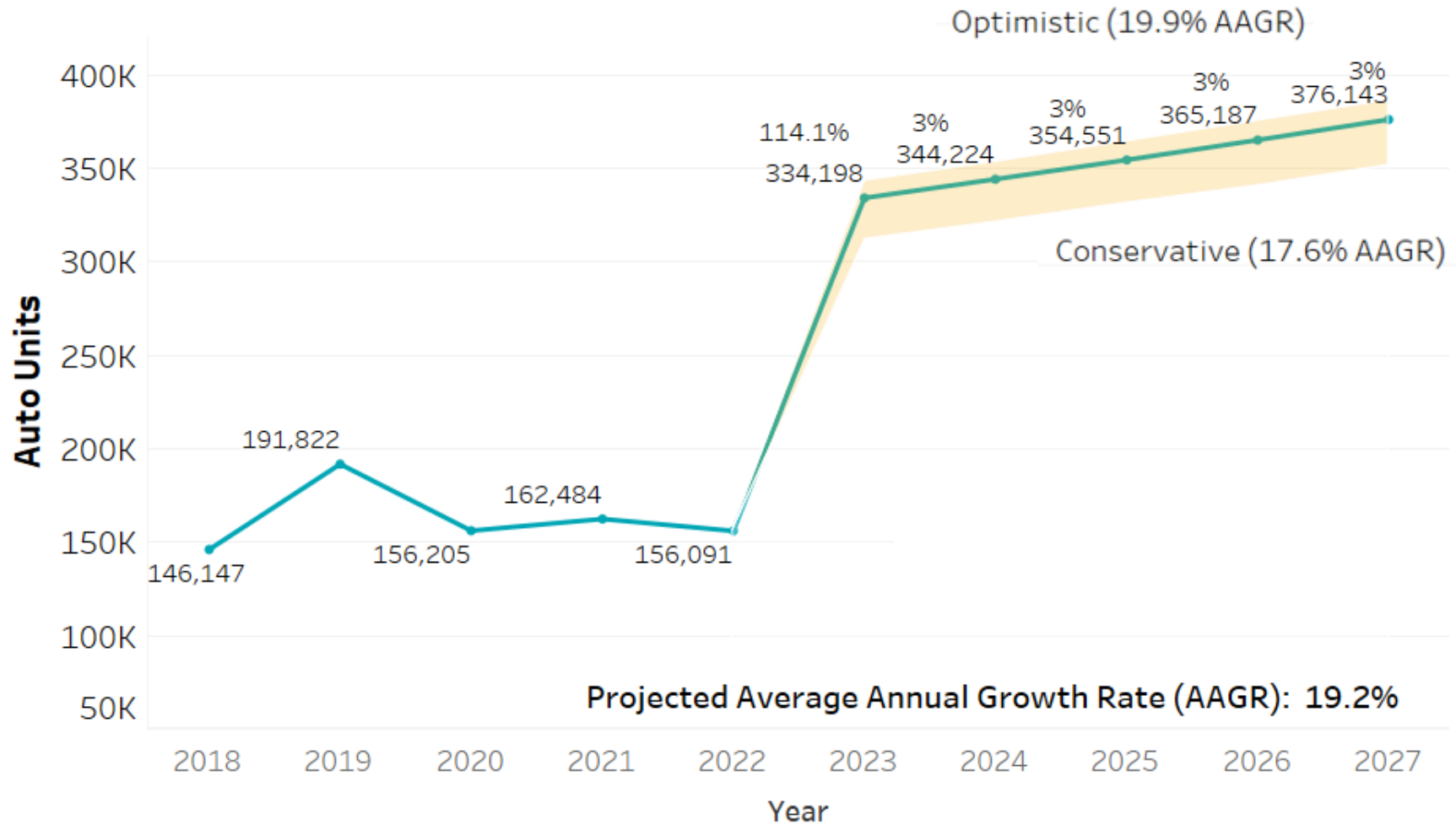
Cargo Forecast – Breakbulk (2022 – 2027)



Optimistic/Conservative percentages (%) reflect average annual growth rates (AAGR)

Cargo Forecast – Autos

(2022 – 2027)



Optimistic/Conservative percentages (%) reflect average annual growth rates (AAGR)