



ACC NEWS



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YOUR WEEKLY UPDATES

Week 6 of 2021



Healthcare



Ports



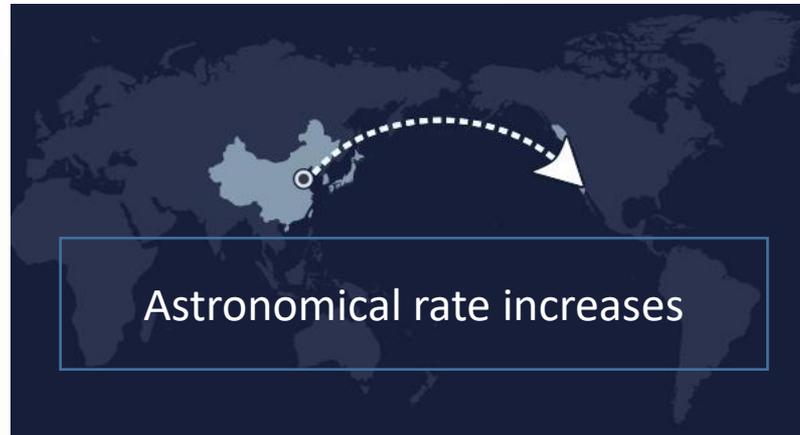
Shipping



Rail



Supply Chain



Astronomical rate increases



Beverages



Retail



C-Stores



Road



Handling



- Slide 3 – Freight trends in 2020
- Slide 4 – 2021 Business Leaders Outlook
- Slide 5 – Ail Marketing Data Report
- Slide 6 – Retail Update
- Slide 13 – Supply Chain Update
- Slide 21 – Shipping Update
- Slide 27 – Beverages, CBD & C-Stores
- Slide 28 – Healthcare Update
- Slide 31 – Cybersecurity Update
- Slide 32 – Alternate Energy Update
- Slide 35 – Asset Classes Performance
- Slide 36 – The Crazy World of Stonks Explained
- Slide 37 – Hunger Map 2020

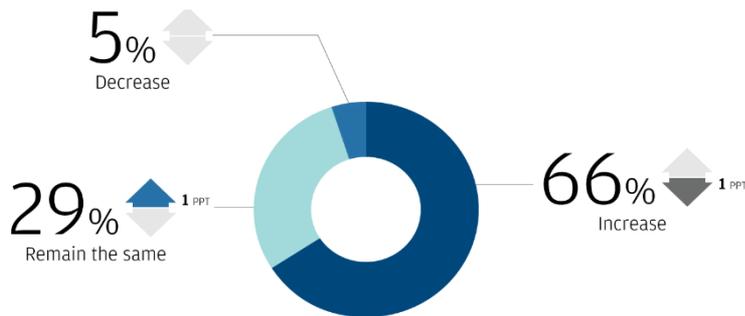
- **COVID-19 defined the year** - When analyzing last year's freight data, the effects of the COVID-19 are plain to see. The pandemic was a once-in-a-lifetime event that changed how people live. With over 26 million cases, nearly 350,000 deaths, and millions of jobs lost in the United States over the course of 2020, it's difficult to overstate the devastation COVID-19 has inflicted on society.
- **Record-breaking volumes** - COVID-19 sparked a consumer demand shock in March of 2020, setting off a wave of panic buying. April and May saw demand fall off a cliff as states locked down and citizens sheltered in place. Despite this chaos, the demand disruptions ultimately proved short-lived.
- **Consumer demand soars for goods, but plummets for services** - COVID-19 drove to a disconnect between the goods economy and the services economy. A striking example is spending on food. Spending at restaurants and bars declined, reversing a decades-long upward trend.
- **People spent more on retail and CPG, especially online** - Non-discretionary spending—the purchases made on groceries, utilities, and other essentials—spiked in March, then returned near its pre-pandemic trajectory. Discretionary spending, which includes lifestyle purchases like hobbies and home improvements, ground to a halt in March and April, then jumped above pre-pandemic levels as people received relief checks and reduced spending in other areas.
- **Dwell times rose for CPG and Retail compared to 2019** - Shipments carrying CPG and retail goods tended to have the longest dwell times, for 20 more minutes on average in 2020 compared with 2019.
- **Drop-and-hook shipments earned higher ratings, shorter wait times** - The dwell times cited on the previous page look solely at live shipments, excluding the pre-loaded trailers used for drop-and-hook freight. If your company has yet to embrace drop-and-hook, this data may convince you to give it consideration.
- **Detention trends** - Detention costs per shipment rose overall in 2020 compared to 2019. This corresponds to the increased dwell times we saw year over year.
- **COVID-19's rippling effects on TONU** - TONU (truck ordered, not used) is a charge for ordering a truck then canceling the order. This tends to occur most often during times of surging demand. Companies may order more trucks than they require in anticipation of higher consumer need for a product. 



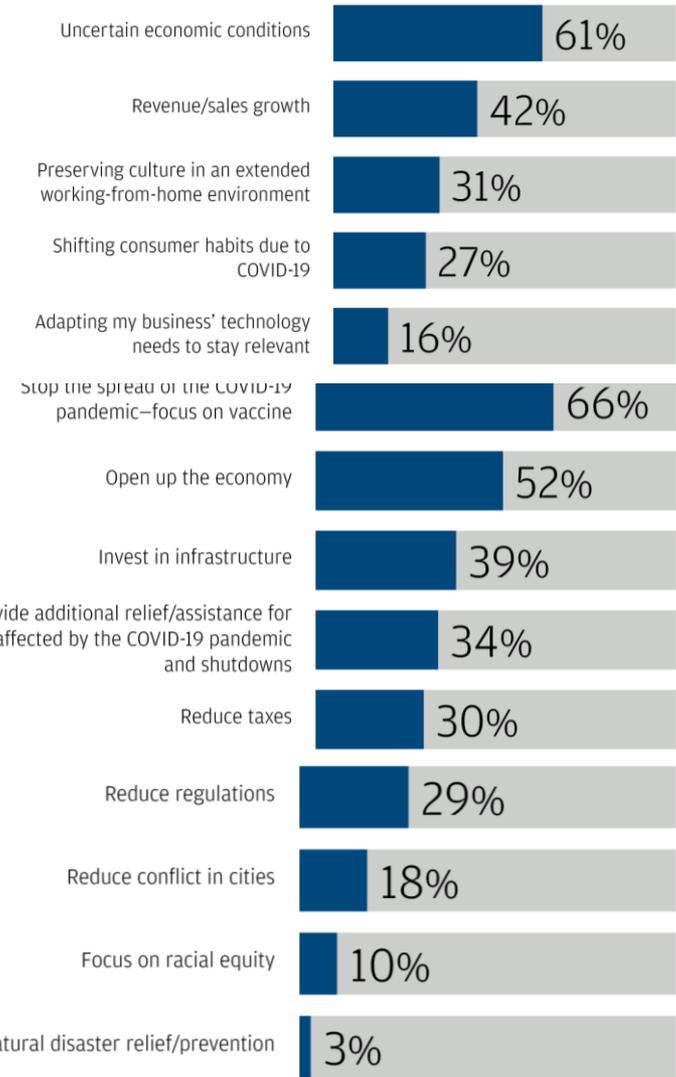
Top 6 concerns for international businesses



Reasons for international activities



Expected global sales in the next 5 years





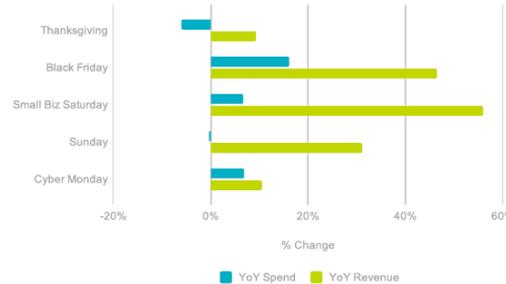
YOY CLICK AND REVENUE CHANGE

COVID-19 also forced consumers online in 2020. In aggregate, clicks increased 40% YoY in 2020 while revenue increased 63% YoY as consumers spent more time and money with online ad platforms.



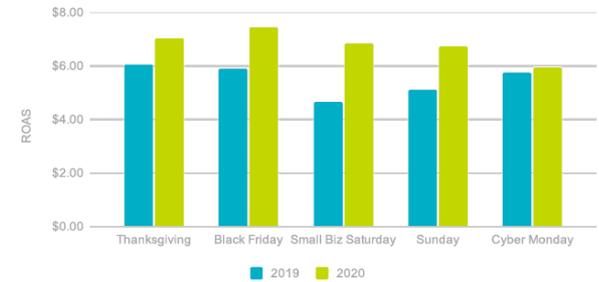
YOY CYBER 5 SPEND AND REVENUE CHANGE

Since online advertising surged in 2020, it's no surprise that Cyber 5 (Thanksgiving Thursday through Cyber Monday) also saw higher budget commitments and strong consumer engagement. Cyber 5 YoY spend was up 6% while clicks were up 30% and revenue was up 29%.



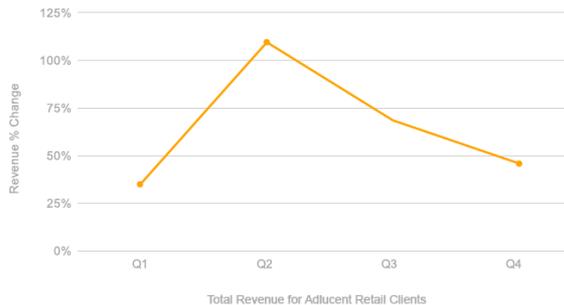
YOY CYBER 5 ROAS

2020 Cyber 5 YoY ROAS was up 21%, with CPCs down 18%. This observation is consistent with the 19% cheaper YoY CPCs experienced across the full year. Stable and even reduced prices in the advertising auctions (evidenced by lower CPCs) helped advertisers drive better advertising return in 2020 compared to 2019.



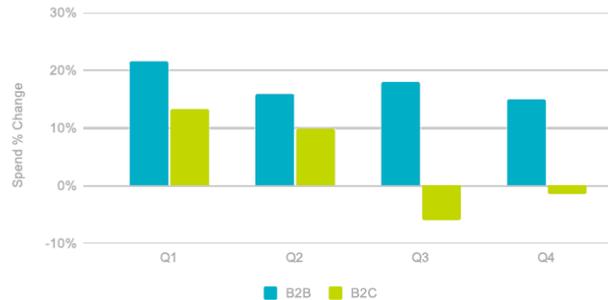
YOY REVENUE INCREASE (ALL CHANNELS AGGREGATED)

2020 was an abnormal year for digital advertisers, with Q2 standing out as the most deviant quarter compared to 2019 (widespread lockdowns beginning in March are a major contributing factor). Digital retailers who were able to quickly react to the shift to digital shopping saw especially large gains. The revenue lift seen across channels in Q2 (110%) was 72% higher than the lift across the entire year (63%).



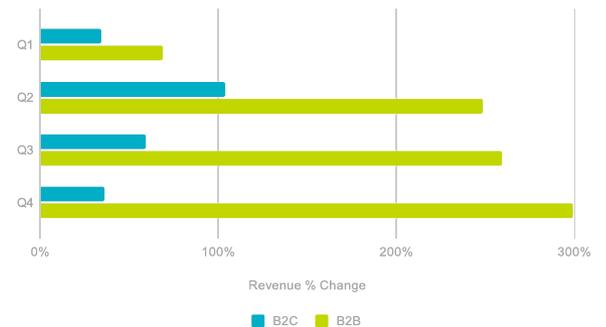
YOY B2B AND B2C SPEND TRENDS

While digital advertising grew overall, growth was primarily against B2C rather than B2B as consumer shopping habits shifted online while B2B marketers and buyers had to manage uncertainty, often leaving revenue opportunity on the table. YoY digital advertising spend increased by 17% for B2C clients and 3% for B2B clients, with modest B2B spending declines in the second half of the year despite strong performance.



YOY B2C AND B2B REVENUE TRENDS

YoY digital advertising revenue was up in every quarter of 2020 for both B2B and B2C clients. B2B revenue growth was remarkable, especially against flat or declining budgets: +200% higher YoY in quarters 2, 3, and 4! B2C's highest YoY revenue quarter was Q2 (104% increase), but all quarters saw greater than 30% YoY B2C revenue growth.





Will smart carts like KroGO be part of the new normal in grocery aisles?



- Smart grocery carts have been in the news over the last couple of months. First, Amazon's Dash Cart and now Kroger's KroGO Cart powered by Caper. There are other technologies that let customers skip the checkout lane, but the newest generation of smart carts is significant because it brings capabilities that benefit both customers and retailers – also, these smart carts don't require the hassles and cost of complicated installation.
- The big benefit is the “stickiness” that smart carts have with regular shoppers. Customers really like the time-saving convenience and increased control once they've learned to use smart carts.
- In today's market, "speed to shop" has joined price and quality as the main drivers impacting where consumers chose to shop, per dunnhumby's recent Annual Retailer Preference Index study.



Britain's JD Sports in \$495 million deal to buy another U.S. retailer ~~CSA~~

- JD Sports, the owner of The Finish Line, continues to expand its U.S. retail portfolio.
- The British sporting goods giant said that it has entered into a conditional agreement to acquire Baltimore-based athletic footwear and streetwear retailer DTLR Villa for approximately \$495 million in cash (of which about \$100 million will be used to repay existing company debt). The deal comes less than two months after JD Sports bought Shoe Palace, which is based in California and operates approximately 165 stores.
- DTLR, which is currently majority owned by BRS & Co. and Goode Capital, was established in 1982 under the name Downtown Locker Room. The company later rebranded as DTLR and, in 2017, acquired Sneaker Villa Inc. DTLR currently operates 247 stores across 19 states, primarily in the north and eastern parts of the United States.
- Once the acquisition is completed, Glenn Gaynor and Scott Collins will remain in their roles as co-CEOs of DTLR. They will also reinvest a portion of their proceeds into the company in exchange for a new 1.4% minority stake.
- In 2018, JD Sports acquired The Finish Line <https://chainstoreage.com/breaking-news/finish-line-acquired-european-retailer> in a deal valued at \$558 million. The British retailer recently opened a flagship in New York City's Times Square. The U.S. market now accounts for more than a quarter of the company's total sales.



Korn Ferry survey reveals retailers' rosy outlook for 2021 **CSA**

- Retailers are optimistic that they will experience a better sales year in 2021.
- That's according to a Korn Ferry survey of more than 50 major U.S. retail companies in which 80% of retailers that sell essential goods such as groceries and hardware say they expect sales growth, with 20% saying they expect growth rates of 10% or more.
- More than half (54%) of non-essential retailers, such as gift and specialty clothing stores, also expect to see an increase in sales.
- "Big-box grocery and home improvement stores saw a temporary surge in sales at the beginning of the pandemic, and many finished the year with double-digit sales growth," said Korn Ferry retail expert Craig Rowley. "This year retailers expect steady, ongoing increases as the vaccine becomes more readily available and more people return to their normal shopping habits."
- The survey by the global organizational consulting firm also shows that the way people shop may shift permanently. Nearly half (43%) of retailers predict that at least 20% of their sales will be from online shoppers. This is increasing the need for distribution center workers, and 68% of respondents say they are having a difficult time filling those positions.
- In terms of employee retention, more than three quarters (79%) of retailers say they are actually seeing a decrease in part-time store employee turnover.
- "As the pandemic started, many retailers saw a downturn in-store traffic as more customers changed to shopping online, and as a result, they reduced store staffing levels," said Rowley. "Now, employees who kept their jobs are staying put."

EU opens up to US clearing houses in blow to City of London **CITYA.M.**

- Brussels will allow US clearing houses operate throughout the EU in what could be a blow to the City of London's largest clearing agencies. This means the EU will now allow Wall Street clearing houses to operate throughout the bloc. This will likely be seen as a way to replace the Square Mile's iron grip in this space, with City of London clearing houses only allowed to operate in the EU until June next year.



Amazon hands customers palm-based payment option in more stores **CSA**

- Amazon will soon offer its Amazon One contactless payment device at eight Seattle-area stores.
- Initially introduced at two Seattle-area Amazon Go stores in September 2020, Amazon One is a proprietary technology designed to let customers use their unique palm signature to pay or present a loyalty card at a store. Currently, Amazon provides Amazon One payment at five select Amazon Go, Amazon Go Grocery, Amazon Books and Amazon 4-star stores in and around Seattle. Starting Monday, Feb. 1, the retailer is offering Amazon One at an additional Amazon Go store in Seattle and will expand the technology to two more Seattle Amazon Go locations in the coming weeks.

Jeff Bezos to step down as CEO of Amazon **CSA**

- Jeff Bezos is stepping down from the helm of the company he founded in 1994.
- Amazon announced that Bezos will transition from CEO to the role of executive chair in the third quarter of 2021. He will be succeeded by Andy Jassy, the CEO of Amazon Web Services, the company's fast-growing cloud computing business.

Amazon's jaw-dropping new HQ2 looks like a glass mountain **FASTCOMPANY**

A mountain of glass and steel is soon to rise in Arlington, Virginia. Spiraling up from the earth and interwoven with gardens, trees, and workspaces, the structure is the architectural centerpiece of Amazon's HQ2, which is set to bring nearly 3m f³ of office, retail, and public space to the company's 2nd HO just outside Washington, D.C., the mountain itself will be more of an amenity than an active office building, but will include indoor and outdoor space.





Retail Update



Source: Edge by Ascend Retail Insight. Last Updated Q1 2021. Access our full range of retailer ecosystems from our [Retailer Profiles](#).

Keep Safe

ACC



2021 Canada Taste Charts



2021 CANADA TASTE CHARTS

Ingredients

Multi-Sensorial	Functional	Alternative	Taste Enhancers
Visual Crystalized Ginger Edible Flowers Gold Leaf Matcha Tea Ruby Chocolate Turmeric Purple Yam	Texture Brittle Chia Cream Foam Gelatin Layers Meringue Mushroom Nitro Popcorn Puff Seeds Tile Wafer	Physical Wellbeing Cayenne Pepper CBD Oil Collagen Drinking Vinegar Echinacea Kombucha Flax Ginger Green Coffee Bean MCT Panax Ginseng Prebiotics Probiotics Protein Turmeric Yeast Yerba Mate	Emotional & Mental Wellbeing Ashwagandha Chaga Chamomile Lavender Reishi
Dairy Alternative A2 Milk Cashew Oat Ghee	Natural Sweetener Alternative Coconut Sugar Tapioca Fiber Monk Fruit Date Honey Maple	Liquid Aminos (Coconut, Soy) Mushrooms Seaweed Soy Sauce	Miso Nutritional Yeast Black Garlic

2021 CANADA TASTE CHARTS

Sweet

Mainstream	Key	Up & Coming	Emerging
Chocolate Vanilla Vanilla Bean French Vanilla Madagascar (Bourbon) Mexican † Tahitian † Boreal Vanilla † Almond	Strawberry Caramel Coconut Hazelnut Peanut Blueberry Maple	Dark Chocolate Raspberry Lemon Cranberry Cherry Orange Salted Caramel Honey	Banana Fudge Mango Mint Apple Cinnamon Berries
		Acai S'mores Lemonade Sweet & Salty Lemon-Lime Cream Cheese Lavender Peach Blue Raspberry Matcha Tea Grape Green Apple	Birthday Cake Dulce de Leche Oat Spices Turmeric Chili Pepper Ginger Pumpkin Spice Chai Cardamom Pistachio Brownie Cocoa Coffee
			Custard Cola Red Berries Apple Pie White Peach Watermelon Cookie Gingerbread Wafer Oreo Cookie & Cream † Butter Cookie Chocolate Chip Cookie Cookie Dough Mandarin

2021 CANADA TASTE CHARTS

Salty Snacks

Mainstream	Key	Up & Coming	Emerging
Roasted Cheese Cheddar White Cheddar Mozzarella Parmesan Vegan † Barbecue	Garlic Chili Pepper Jalapeno Pepper Vegetables Lime Caramel	Black Pepper Coconut Honey Caramelized Butter Sweet Chili Onion Bacon	Rosemary Smoked Herbs Maple Salt & Vinegar Sriracha Sour Cream
Nacho Cheese Ranch Caramelized Onion Dill Lemon Teriyaki Ginger Habanero Pepper Tamari Spinach Seaweed	Pizza Sweet & Salty Ketchup Dill Caramel Chocolate Peanut Butter Smoked Paprika Tamari Thai Cinnamon	Korean Barbecue Harissa Wasabi Chive Pickles Mango Indian Butter Chicken Serrano Pepper Mac n' Cheese Cheeseburger Mesquite Smoke Pumpkin Spice Sweet & Smoky	Ghost Pepper Toffee Tzatziki Chipotle Pepper Truffle Mushroom Wild Mushroom Mesquite Smoke Everything Bagel

2021 CANADA TASTE CHARTS

Beverages

Dairy & Hot

Mainstream	Key	Up & Coming	Emerging
Vanilla Chocolate Milk Dark Cocoa White Strawberry Caramel	Mint Ginger Raspberry Lemon Cinnamon Mango	Peach French Vanilla Blueberry Hazelnut Coconut Banana Honey Orange	Berries Apple Turmeric Coffee Citrus Mocha Strawberry-Banana
		Jasmine Maple Pomegranate Salted Caramel Lemongrass Hibiscus Lavender Cranberry Chamomile Pumpkin Spice Lemonade	Cold Brew Coffee Cherry Cookie & Cream Matcha Tea Chai Peanut Butter Oat Marshmallow Passion Fruit
			Blackberry Beet Cayenne Pepper Coffee Wafer Nutmeg Rose Vanilla Bean Toffee Elderberry Acai S'mores
			Tahitian Vanilla Gingerbread Chocolate Chip Cookie Apple Cinnamon Chocolate-Banana Cucumber Eggnog Bone Broth Vietnamese Coffee

Keep Safe





US ECONOMY: Coronavirus Predictive Indicators for Economic Impact

prevedere

All Categories: Look at these indicators to understand how they are placing upward or downward pressure on the economy.

Last Refresh: 02-01-2021

Category	Indicator	Relationship	Next Update	Sep 2020	Oct 2020	Nov 2020	Dec 2020	Jan 2021
Business Investment	Average Weekly Hours - Retail	Procyclic	02-09-2021	0.32%	0.76%	1.42%	1.42%	
	Small Business Sentiment	Procyclic	02-13-2021	-2.13%	0.29%	0.16%	-2.74%	
	Weekly Economic Index	Procyclic	02-05-2021	-5.22%	-3.82%	-2.73%	-1.94%	-1.95%
	Weekly Jobless Claims	Countercyclic	02-05-2021	316.38%	273.44%	244.23%	268.88%	296.49%
Transportation and Tourism	Google Search "Travel Cancellation"	Countercyclic	02-06-2021	-15.62%	-37.50%	-27.59%	-14.81%	
	ISM Services Index	Procyclic	02-07-2021	6.21%	4.64%	5.65%	3.79%	
	Restaurant and Bar Sales	Procyclic	02-16-2021	-16.39%	-14.58%	-14.96%	-17.45%	
	Sentiment: Vacation Travel Next 6 Months	Procyclic	02-18-2021	-40.80%	-42.84%	-42.69%	-43.43%	-42.90%
Consumer Big Ticket Purchases	Auto Sales	Procyclic	03-02-2021	-22.65%	-18.46%	-15.24%	-14.80%	
	Consumer Sentiment - Discretionary Spend	Procyclic	02-17-2021	-11.68%	-11.32%	-12.31%	-14.07%	-14.68%
	Global Luxury Index	Procyclic	03-04-2021	17.59%	19.67%	22.38%	27.22%	35.33%
	Home Building Permits Issued	Procyclic	03-01-2021	5.38%	3.49%	6.16%	9.24%	
Logistics and Manufacturing	Economic Policy Uncertainty	Countercyclic	02-02-2021	113.91%	171.74%	213.04%	89.84%	99.81%
	Industrial Production	Procyclic	02-16-2021	-6.47%	-5.94%	-5.55%	-4.65%	
	Overtime for Hourly Mfg Workers	Procyclic	02-09-2021	-11.11%	-8.80%	-5.65%	-2.44%	
	Purchasing Managers Index - Mfg	Procyclic	03-04-2021	11.82%	17.56%	19.42%	22.95%	20.37%
Financial	Financial Stress Index	Countercyclic	02-02-2021	-41.40%	82.57%	88.78%	40.24%	46.82%
	S&P 500	Procyclic	02-02-2021	13.19%	15.02%	14.63%	16.02%	15.47%
	US High Yield Index Option - Adjusted Spread	Countercyclic	02-02-2021	32.37%	23.63%	12.40%	10.00%	7.93%
	VIX Volatility Index	Countercyclic	02-02-2021	78.65%	81.56%	99.24%	63.31%	83.41%

NOTES

Values represent the percentage change from the previous year.

In January, 3 out of 11 indicators are signaling economic improvement from the previous year.

In December, 7 out of 20 indicators are signaling economic improvement from the previous year.

Look to subsequent pages for monthly trend analysis.

■ Upward pressure on economy

■ Downward pressure on economy



US ECONOMY: Coronavirus Predictive Indicators for Economic Impact

prevedere

Financial: A good source of real-time information, versus data release lags in other sectors. Many signals of future economic health.

Date Range: 1/1/2007 2/1/2021

Financial Stress Index



Composite of 18 weekly data series measuring financial stress in the markets.

Source: Federal Reserve Bank of St. Louis

Data as of 01-15-2021

S&P 500

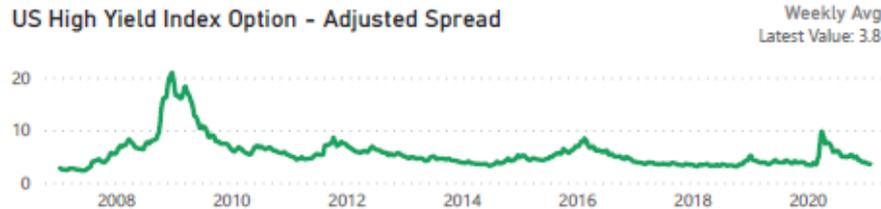


Commonly watched stock composite, but an important indicator for a signal of broad recovery

Source: S&P Dow Jones Indices

Data as of 01-29-2021

US High Yield Index Option - Adjusted Spread



Rises in times of higher risk of business defaults.

Source: Bank of America Merrill Lynch

Data as of 01-28-2021

VIX Volatility Index



Measures future volatility. An increase is a leading signal for economic decline.

Source: Chicago Board Options Exchange

Data as of 01-28-2021

MONTHLY TRENDS

How have these indicators changed up or down in the past 5 months.

Indicator	Relationship	Sep 2020	Oct 2020	Nov 2020	Dec 2020	Jan 2021
Financial Stress Index	Countercyclic	↓	↓	↑	↓	↑
S&P 500	Procylic	↓	↑	↑	↑	↑
US High Yield Index Option - Adjusted Spread	Countercyclic	↓	↑	↑	↑	↑
VIX Volatility Index	Countercyclic	↓	↓	↑	↓	↓

Upward pressure on economy
 Downward pressure on economy



Intermodal volume gain continued in Q4



- Intermodal volume continued its "comeback" in fourth-quarter 2020, after declines in the first half of the year that were caused by the COVID-19 pandemic, the Intermodal Association of North America (IANA) reported yesterday.
- Total intermodal volumes rose 9.6% year over year to 4,874,842 units in Q4, according to IANA's "Intermodal Quarterly" report.
- International intermodal volume rose 9.4% to 2,402,320 units, while domestic container volume climbed 8.7% to 2,128,885 units compared with volumes in the same 2019 quarter.
- Year over year, trailer volume increased 17.5% in Q4 to 343,637 units.
- The seven highest-density trade corridors, which collectively handled more than 60% of total volume, rose 10.3% in Q4. Three were up double digits: Trans-Canada, 19.7%; South Central-Southwest, 13.4%; and Midwest-Southwest, 13%. The Intra-Southeast noticed a 9.6% increase, and the Northeast-Midwest, a 9.5% increase.
- The Midwest-Northwest was up 7.5%, and the Southeast-Southwest grew 2.4%.
- Full-year 2020 total intermodal volume slipped 2% to 17,789,192 units compared with 2019's level.

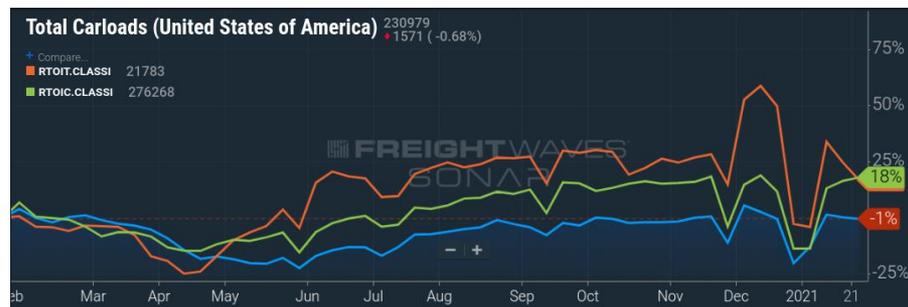
Class I railroads upbeat about intermodal in 2021



- Class I rail executives are hoping anticipated higher North American intermodal volumes will be a moneymaker for their companies in 2021.
- The COVID-19 pandemic is continuing to spur high e-commerce levels, with consumer spending expected to remain elevated, executives said over the last two weeks in fourth-quarter earnings calls to investors and analysts.

Meanwhile, executives also hope to convert some truck volumes to rail amid the tight truck market.

- Weekly U.S. intermodal volumes rose 17.8% to 298,051 containers and trailers for the week ending Saturday. Year-to-date, U.S. intermodal traffic is up 13.6% to 883,897 intermodal units. Meanwhile, U.S. carloads on a weekly basis were down by 0.7% to 230,979 loads.





- **Home Depot offers freight rail a shipper wish list** **FREIGHT WAVES**
- Rail competition, connectivity, network speed and reliability are some of the big freight rail issues on the minds of shippers like Home Depot, according to the company's director for logistics.
- Because Home Depot sells products from across North America, from forest products in western Canada to more localized building materials like drywall and concrete, good rail network connectivity "is really important," said Baggs of Home Depot. He was a panelist for a Jan. 27 session on rail freight growth. The session was part of the annual meeting of the Transportation Research Board, an organization aimed at promoting innovation through transportation research.
- If Home Depot's distribution center is served by one railroad but a vendor is served by another, it takes effort to determine how to connect the two, Baggs said.
- To help establish connections between two Class I railroads, short line railroads often play the biggest role. "Short lines are often unsung heroes," Baggs said.
- A competitive rail environment, or access to multiple railroads, is also something that Home Depot seeks because it affects how the company does its own business, he said.

ACC Comment – U.S. Rail service was historically required to service all corners of the U.S. by federal warrants provided them when starting up their rail businesses – back then. This led to huge cash flow challenges and the threat of rail companies entering Chapter 11 or leaving the sector.

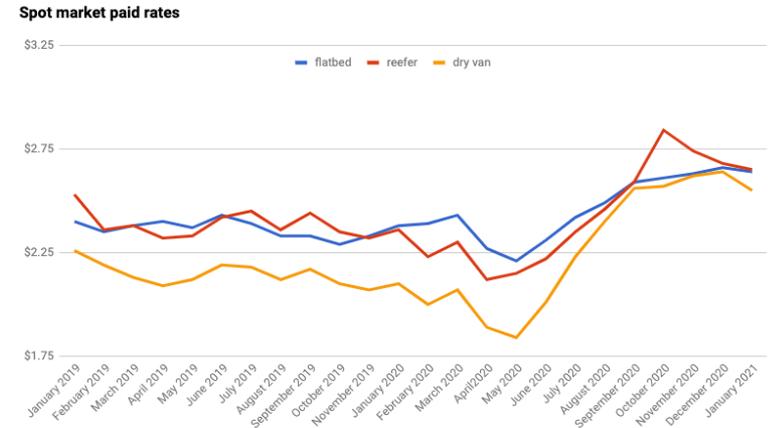
The Reagan Administration stepped in during the mid-1980's and deregulated the industry where rail companies no longer needed to serve all and everyone. This led to them selling off various non-profitable lines and stops, creating the "short haul" sector. Thus, shipping from Seattle to Green Bay for example, now see's one of the 7 Class 1 Railroad companies move the goods from Seattle to Chicago on the own lines, whereafter it is contracted to a short haul operator for the switch to Green Bay.

Of late there has been a consolidation drive among short haul operators with larger (short haul) rail entities absorbing multiple smaller short haul entities, creating a consolidation of rail operators to distant, low volume tracks and stops, lowering service as critical mass to any "last mile" rail destination now is hostage to an acceptable investment return.



Spot rates droop to start 2021 as recovery momentum stalls **OVERDRIVE**

- The momentum that buoyed spot market rates since June appears to have stalled in the first month of 2021, with the economic recovery slowing and seasonal trends re-emerging in the freight market in what's a typically slower month than most other years. All three major truckload sectors -- flatbed, dry van and refrigerated -- in January posted month-to-month declines, according to monthly rates averages provided by Truckstop.com.
- Those were the first monthly dips for flatbed and dry van, which both posted seven consecutive months of growth, from June to December. Refrigerated spot rates in January dipped for the second straight month, following seven months of upward momentum from May to November. Despite January's dips, monthly rates averages are still historically high.
- The declines for flatbed and reefer rates were more muted than dry van, whose national average per-mile rate fell 9 cents from December, to \$2.55 a mile in January (these averages are "all in," with fuel costs reflected in the rate). That's still 45 cents higher than the same month in 2020 and 29 cents higher than the same month in 2019. Likewise, it's 71 cents higher than the segment's low last May.



Truck drivers exempt from CDC mask mandate **OVERDRIVE**

Operators of commercial trucks traveling alone are explicitly exempt from a transportation-focused mask mandate issued Friday, Jan. 29 by the Center for Disease Control and Prevention, according to the 11-page CDC order. The order requires passengers on public transportation -- buses, trains, airplanes, taxis and ride-share (Uber, Lyft, etc.), among other public transportation systems -- to don a face covering. The order, however, does not apply to truck drivers, which are specifically stated as being exempt from the mandate so long as they do not have a passenger. If they do, both parties must wear a mask to comply with the CDC order.



North American 3PLs notch growing revenues as economy recovers “in spits and spurts”



- North American 3PL saw incremental revenue increases in the third and fourth quarters of 2020 as the economy continued to bounce back from a pandemic recession “in spits and spurts,” a new study shows.
- As a sector, 3PLs providing value-added warehousing & distribution services saw profits drop 5.8% in the first half of 2020 as measured by net revenue, according to a report from Armstrong & Associates. And the impact of Covid-19 stay-at-home orders and business shutdowns would have been even greater if it had not been balanced by strong growth in retail e-commerce business.
- Overall, the pandemic tamped down VAWD sector revenue from \$57.2b in 2019 to \$46.9b in 2020, but that trend is expected to relent in the coming year with a forecast of \$48.8b revenue for 2021.
- The study measured results at the 50 largest 3PLs in North America, which represented a total of 3,821 facilities and 939.2 million square feet of warehousing space. On average, each of those 3PLs operates 71 warehouses measuring 311,081 square feet each, Armstrong said in the report, “The Business of Warehousing in North America in the E-Commerce Era – 2021, Market Size, Major 3PLs, Benchmarking Costs, Prices and Practices.”
- By name, DHL Supply Chain is the largest with 139 million square feet of warehousing space within North America, followed by XPO with 90 million square feet, and Ryder SCS with 56.4 million. Rounding out the top 10 are: NFI, Geodis North America, Americold, Lineage Logistics, FedEx Logistics, Kenco Logistics Services, and CI Logistics North America.
- However, that list would change if it included the online retailer amazon.com, which Armstrong defines as belonging to the “private” warehousing sector, which is dedicated to e-commerce B2C (business-to-consumer) business as opposed to 3PL services. But Amazon increasingly provides de facto 3PL services as well, at a scale which Armstrong estimates as comprising 136.8 million square feet in North America in 2019, a size which would rank it in second place on that list.
- Focusing in on U.S. e-commerce 3PLs, that sector’s revenue reached \$43.4 billion in 2019, and Armstrong expects a 28.0% compound annual growth rate (CAGR) through 2020, saying that e-commerce purchases continue to expand during the pandemic and companies continue to outsource versus build internal fulfillment operations.

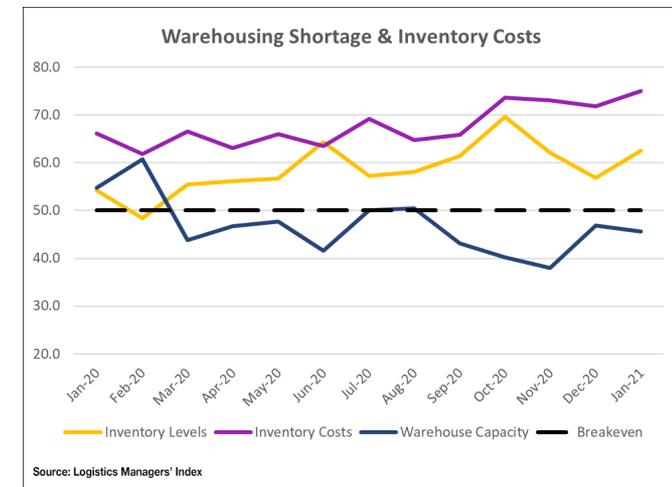
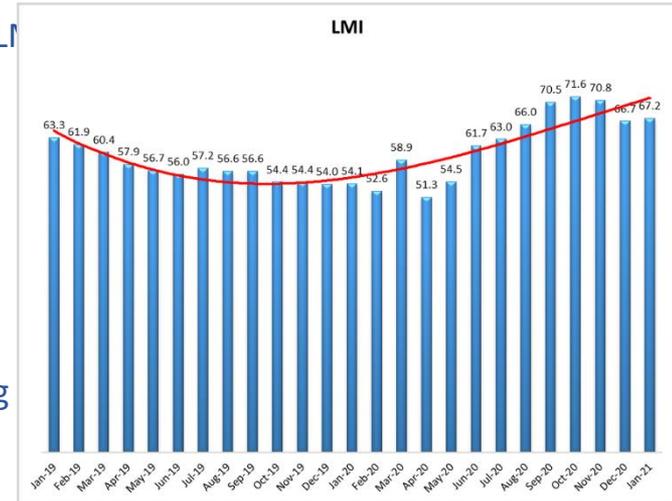


Logistics continues strong growth path in January



Growing inventory levels, tight warehouse capacity keep industry humming, LMI

- Economic activity in the logistics industry continued to grow in January, driven by increasing inventory levels throughout the supply chain and tight capacity across warehousing and transportation markets, according to the latest Logistics Manager’s Index (LMI) report, released today.
- The LMI, which gauges industry growth monthly, registered 67.2 in January, up slightly compared to December but well above the 54.1 reading from a year ago, LMI researchers said. The numbers indicate a continuation of the strong growth the industry has seen since rebounding last summer from lows brought on by the pandemic.
- An LMI above 50 indicates growth in the industry; an LMI below 50 indicates contraction.
- “Much of the increase in this month’s LMI [is] driven by increases in the rate of growth for the inventory metrics,” LMI researchers wrote. “Due to constricted capacity and high inventory levels, it would appear that as firms increase the amount of inventory they’re holding, the cost of doing so is increasing at an increasing rate. This combined with tight capacity and high prices contribute to the increasing rate of growth detected in this month’s LMI.”
- Inventory levels rose nearly six points compared to December and were up 8 points compared to 2019, all while warehousing capacity continued to contract. The warehousing capacity index remained below 50 for the 5th straight month in January, falling 1.3 points compared to December and highlighting an ongoing shortage of space. Inventory costs rose more than 3 points during the month.





Boeing reports \$11.9bn 2020 loss, logs billions in Q4 charges [FlightGlobal](#)

- US manufacturing giant Boeing lost a staggering \$11.9 billion in 2020, due partly to a \$6.5 billion charge on its 777X programme but also the 737 Max grounding and the Covid-19 pandemic's evaporating effect on travel demand.
- In disclosing its full-year results on 27 January, the Chicago-based airframer says it has delayed its 777X programme by another year, with first delivery of its 777-9 now scheduled for late 2023.
- The 2020 loss highlights a storm of separate and related pressures facing Boeing, chief among them the pandemic, which hit just as the company was working to bring its 777-9 to market and get hundreds of grounded 737 Max aircraft back into service.

Almost half of UK exporters hurt by Brexit, says new survey [CITYA.M.](#)

- Almost half of Britain's exporters have been negatively affected by the end of the Brexit transition period on 1 January, according to a new survey.
- The YouGov/HSBC poll found that 42% of exporters said the UK's exit from the EU's single market and customs union on 31 December had a "negative impact" on their business.
- The survey also revealed that 58% of all UK businesses have been unaffected by Brexit, while 62% said "free trade agreements are important to growing profits in the future".
- The post-Brexit trade deal sees zero tariffs on goods traded between the UK and EU, however companies now have to fill out lengthy customs declarations.
- HSBC head of international trade Ian Tandy MBE said: "The end of the transition period coupled with the third national lockdown has presented a challenging start to the year for businesses who are desperate to start executing strategies to recover.
- It comes as the UK yesterday asked the EU for a grace period extension until 2023 on checks made on trade moving between Northern Ireland and the rest of the UK.
- Cabinet Office Minister Michael Gove has written to the European Commission vice president Maros Sefcovic to ask for urgent "political solutions" to ensure the smooth transport of chilled meats, mail and medicines between Great Britain and Northern Ireland.



Tonnes of meat from UK thrown out at EU borders due to post-Brexit changes **CITYA.M.**

- UK meat exporters have warned the government that post-Brexit changes at the border have caused disruption to meat shipments crossing the channel.
- Tonnes of produce worth hundreds of thousands of pounds coming from the UK has been confiscated at EU ports over the past two weeks due to companies not filling out the right paperwork.
- UK companies exporting into the EU now have to fill out a set of customs declaration forms and some goods, like agricultural products, have to undergo checks at the border.
- Nick Allen, chief executive of the British Meat Processors Association, told The Times that one British exporter had 23 tonnes of meat worth £500,000 impounded at Calais, France, for three days.
- Most of the meat that has been impounded will need to be destroyed as products like pork and chicken need to be processed within eight days of being slaughtered.

North American industrial outlook CUSHMAN & WAKEFIELD

- Market fundamentals in the North American industrial sector remained strong in 2020 despite pandemic-driven challenges. What's the outlook for industrial real estate in 2021-2022?
- The tailwinds of e-commerce and heightened focus on supply chain resiliency will certainly keep the market in an upswing with record construction and new all-time high rental rates on the horizon. Potential pandemic headwinds and ongoing tensions with international trade suggest an interesting ride for the North American industrial market over the next two years.
- The forecast for North American industrial absorption from 2021 to 2022 is a healthy 481.3m f². New supply—which has surpassed demand two years in a row—will maintain this trend over the next two years. New deliveries are projected to reach 697 f² of product from 2021 to 2022. NA vacancy will remain low, ending 2022 at 6.2%—an increase of only 130 basis points over year-end 2020. Despite the forecasted uptick, NA vacancy will remain nearly on par with its 10-year average (2012-2021) of 6%. Average net asking rents for classes of industrial product will rise to a new nominal high of \$6.97 per square foot at year-end 2022. Supply-side constraints, such as onerous municipal approval processes, will continue to constrain supply growth in Canada at USD\$10.19 psf by the close of 2022.



Ten Ways COVID-19 Has Changed the World Economy Forever SUPPLYCHAINBRAIN

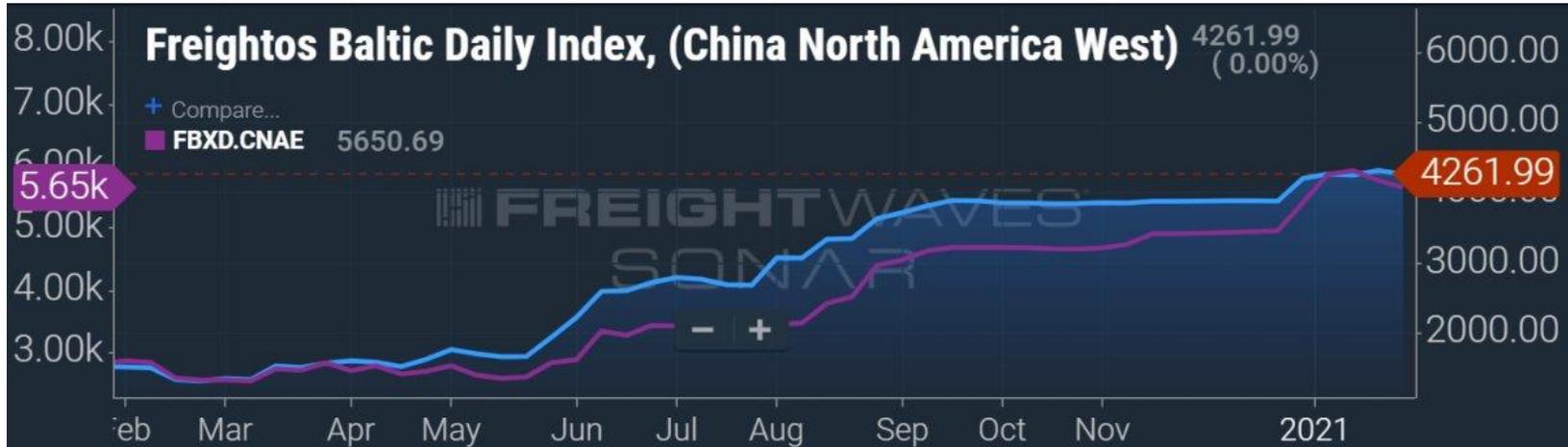
Economic shocks like the coronavirus pandemic of 2020 only arrive once every few generations, and they bring about permanent and far-reaching change. Measured by output, the world economy is well on the way to recovery from a slump the likes of which barely any of its 7.7 billion people have seen in their lifetimes. Vaccines should accelerate the rebound in 2021. But other legacies of COVID-19 will shape global growth for years to come.

1. **Leviathan** - Big government staged a comeback as the social contract between society and the state got rewritten.
2. **Even Easier Money** - Central banks were plunged back into printing money. Interest rates hit new record lows.
3. **Debts and Zombies** - Governments offered credit as a lifeline during the pandemic — and business grabbed it. One result was a surge in corporate debt levels across the developed world.
4. **Great Divides** - The stimulus debate can feel like a first-world luxury. Poor countries lack the resources to protect jobs and businesses — or invest in vaccines — the way wealthier peers have done, and they'll need to tighten belts sooner or risk currency crises and capital flight.
5. **K-Shaped** - Low-paying work in services, where there's more face-to-face contact with customers, tended to disappear first as economies locked down.
6. **Rise of the Robots** - COVID-19 triggered new concerns about physical contact in industries where social distancing is tough — like retail, hospitality or warehousing. One fix is to replace the humans with robots.
7. **You're on Mute** - Higher up the income ladder, remote offices suddenly became the norm. One study found that two-thirds of U.S. GDP in May was generated by people working at home.
8. **Not Going Anywhere?** - Global tourism fell 72% in the year through October, according to the United Nations. McKinsey reckons 25% of business trips could disappear forever as meetings move online.
9. **A Different Globalization** - When Chinese factories shut down early in the pandemic, it sent shock waves through supply chains everywhere — and made businesses and governments reconsider their reliance on the world's manufacturing powerhouse.
10. **Going Green** - Before the pandemic, it was mainly environmentalists musing over peak oil — the idea that the rise of electric vehicles could permanently dent the world's demand for one of the most polluting fossil fuels.



Importers face massive hike in ocean contract costs FREIGHTWAVES

- Remember when people thought container shipping spot rates would peak around Chinese Golden Week last October? They weren't even close. Then they thought year-end. Wrong again. Then they pointed to Chinese New Year, which starts next week.
- That's not going to happen either. Spot rates remain stratospheric. California port congestion keeps breaking records (there were 40 container ships at anchor in San Pedro Bay on Monday — a fresh all-time high). Liners are canceling voyages this month due to the port crunch, pushing even more volume to the months after Chinese New Year.
- It now appears spot rates will remain strong all the way through the second quarter. They may ebb from current highs, but they almost certainly won't crash.
- This is exactly the scenario U.S. importers feared. They will have to negotiate their annual contracts — which generally expire by May 1 — in the midst of a spot-rate boom.
- “The spot market has been insane ... [and] timing is in carriers' favor to negotiate contract rates, because spot rates are so high,” said Nerijus Poskus, Flexport's global head of ocean freight, during a webinar presented by Flexport last week.





Terrifying Video Shows Cargo Ship Break in Half Off Turkey

- Turkish maritime authorities have published some terrifying video showing a cargo ship breaking in half in a matter of minutes.
- The incident took place January 17 when the Palau-flagged Arvin broke in half and sunk at a Black Sea anchorage off the Port of Bartin. The 1975-built ship was reported to be carrying 2,902 tons of urea.
- Sadly, this incident did not end well. A day after the ship broke, six of the ship's 12 crew members were still reported missing.
- You can hear the captain making the MAYDAY call in the video below.



California asks FMC for immediate action on export delays JOC.com

California's request for the Federal Maritime Commission to take immediate action on export delays shows political pressure is mounting to deal with Southern California port congestion that began over the summer.

CMA CGM's new Oakland service offers Southern California alternative JOC.com

In announcing its new Oakland service, the president of CMA CGM and APL in the US says he doesn't expect congestion in Southern California to clear up until at least June.

SCA to build new container port in Sweden

- Swedish forest products company SCA will build a new container port to improve the transportation of goods to regional and far afield markets. In a statement, the company said the new container hub will cost \$54.67 million (SEK460 million) and have an annual capacity of 100,000 TEU.
- Furthermore, SCA will also expand the Port of Tuandal to increase its draft capacity from 12 to 15 meters and increase cargo handling capabilities. SCA said it will make these investments as it expects pulp production to more than double and sawmill operations are increasing.
- Containers are being increasingly used to transport pulp and solid-wood products, it said.



COSCO Shipping signs strategic supply chain partnership with Midea Group



- COSCO Shipping and Midea Group have signed a strategic cooperation and transportation framework agreement to improve supply chain logistics processes.
- In a statement, COSCO Shipping said it will look to establish a comprehensive strategic partnership based on the principles of equality, mutual benefit, win-win cooperation and common development with Midea Group.
- It will also look to build an in-depth strategic cooperation in container shipping, logistics, overseas collaboration, digital transformation, centralized procurement and technology exchange.

More misery for European exporters as carriers tighten Asia bookings



- Carriers are imposing booking stops around Europe, as well as tightening the time allowed to pick up equipment prior to vessel departure dates.
- The moves come as exporters from North Europe to Asia continue to struggle to secure equipment and vessel space.
- One UK forwarder source told The Loadstar that, for one client, it had taken him over three weeks of searching in December to find a carrier prepared to offer equipment and space to a particular destination.
- “I’m unsure, given the amount of import boxes we have arriving, as to why there are not enough [empty containers],” he said.
- Another contact told The Loadstar he had tried unsuccessfully to book space to Asia via a carrier’s digital platform and had been “transferred from pillar to post” when he tried to make a telephone booking.
- Similar to the problems associated with US exports, ocean carriers serving North Europe are prioritizing the return of empty equipment to Asia, unencumbered by import loads, which can delay the return of boxes into the system by two to three weeks.
- By doing so, carriers can secure mind-boggling rates of up to **\$16,000 per 40ft high-cube** on the headhaul.
- However, currently, all carriers are reporting severe shortages of the popular 40 ft high-cube container at most Chinese port depots and are actively encouraging the use of other equipment, possibly resulting in some shortages of 20ft standard boxes.



War of words escalates as exporters scramble for scarce containers **American Shipper**

- A war of words is heating up over U.S. exports, particularly food exports — and the outcome of that clash could affect U.S. containerized imports as well. Reports first surfaced in late October that carriers were rushing containers back empty from California to Asia to serve lucrative headhaul trades instead of loading U.S. export cargoes.
- Federal Maritime Commission Chairman Khouri warned in December: “We are looking into all potential responsive actions, including a review of whether ocean carriers’ actions are in full compliance with the Shipping Act.”
- California government officials informed the FMC last Thursday that “the operations of our agricultural sector, which relies heavily on export markets, are being heavily affected.” They blamed carrier practices “related to detention and demurrage charges, export container availability and container-return practices.”
- California officials asked the FMC to compel carriers to suspend or reduce detention and demurrage charges, cancel congestion surcharges, and enhance notifications on empty-container receiving locations.
- The World Shipping Council (WSC) and the Pacific Merchant Shipping Association (PMSA) countered that the proposed cure is worse than the disease.
- In response to California’s letter to the FMC, the shipping groups responded on Tuesday that “the adoption of these proposals would make congestion and intermodal equipment availability worse, not better.”
- “Imports into the U.S. are at an all-time high, but exports are dropping like a rock,” said Flexport Vice President Anders Schulze during a webinar last week. “The ratio of U.S. imports to exports is increasing to a level we’ve never seen before — it’s now more than 3 to 1.”
- According to the WSC, which represents carriers, and PMSA, which represents terminal operators, congestion and equipment shortfalls are driven by COVID changes to consumer behavior, not carrier and terminal practices.
- Regarding California officials’ proposal to suspend or reduce detention and demurrage and other charges, the groups maintained that “this would create a disincentive for cargo interests to move import cargo off of marine terminals or to promptly ... unload cargo from containers and return those containers for further use.”
- They argued that this would reduce container availability for both importers and exporters — and create even more port congestion.



Congestion Worsens at Southern California Ports **Transport Topics**

- Ship congestion around the ports of Los Angeles and Long Beach hit an unprecedented level, worsening the bottleneck at the busiest gateway for U.S. imports.
- A record 38 containerhips are awaiting berth space — 36 at anchor and two that were directed to wait in designated areas at sea until anchorages are available, the Marine Exchange of Southern California said in a note late Jan. 28. It's the first time since 2004 that so-called drift zones have been used to manage traffic into the neighboring ports.
- “This is a problem which does not have a short-term fix,” said Lars Jensen, CEO of SeaIntelligence Consulting in Copenhagen, Denmark.
- Just how long it lasts hinges on whether the carriers maintain scheduled sailings to the U.S. or cancel some trips in coming weeks. The best-case scenario to relieve the pressure: a seasonal decline in shipments from Asia after Chinese New Year in mid-February.
- “This will dampen the inwards flow of goods by the end of February and give some breathing room to clear the backlog — but that clearing will still take some time,” Jensen said.
- The vessels floating off Los Angeles have capacity to be carrying almost 300,000 20-foot-equivalent units, according to the marine exchange's list. L.A. said it is expecting to handle 155,000 inbound containers next week, 80% more than a year ago, and Long Beach estimates taking in just under 100,000.
- On top of the sheer volume of the loaded vessels, port authorities are facing another round of inclement weather Jan. 29 that could make for choppy conditions. Earlier this week, strong winds and 17-foot swells prompted several vessels to hoist anchor and seek safety away from shore.
- Ships are piling up outside Los Angeles and other major U.S. ports as American companies try to restock warehouses and consumers — lacking travel and other entertainment options during the pandemic — buy more products for their homes.
- Compounding the logjams are issues on land such as sick longshoremen, social distancing restrictions for those who are working and shortages of equipment and truckers to move the containers.



MSC Boxship Loses Empties While Recovery Continues for Maersk and ONE [The Maritime Executive](#)

- MSC confirmed reports that one of its containerships lost a small number of empties during its trans-Pacific crossing. While the incident is much smaller in scope it is still receiving significant attention following the recent large losses experienced by ONE and Maersk.
- The 158,000 dwt MSC Aries departed LB, CA on Jan 5 for its westbound trip to Ningbo and Shanghai, China. The boxship has a capacity of 14,300 TEU, but since it was on a westbound trip it is unclear at what level of capacity the vessel was loaded and currently a large portion of the westbound traffic is empties being returned to China.
- The Aries encountered heavy weather on Jan 29 in the western area of the Pacific in a position south of Japan. Cargo claims consultant WK Webster reported that 41 containers were lost overboard at that time. The vessel's position data shows that it turned north and slowed before resuming course for Ningbo.
- "A limited number of empty containers were impacted and initial reports from the vessel suggest that no cargo was spilled overboard," MSC says in its statement on the incident. "MSC has been working closely with the necessary parties and authorities to allow the vessel to berth at the Port of Ningbo, with a view to assessing the status of any containers damaged onboard and any further action to take."

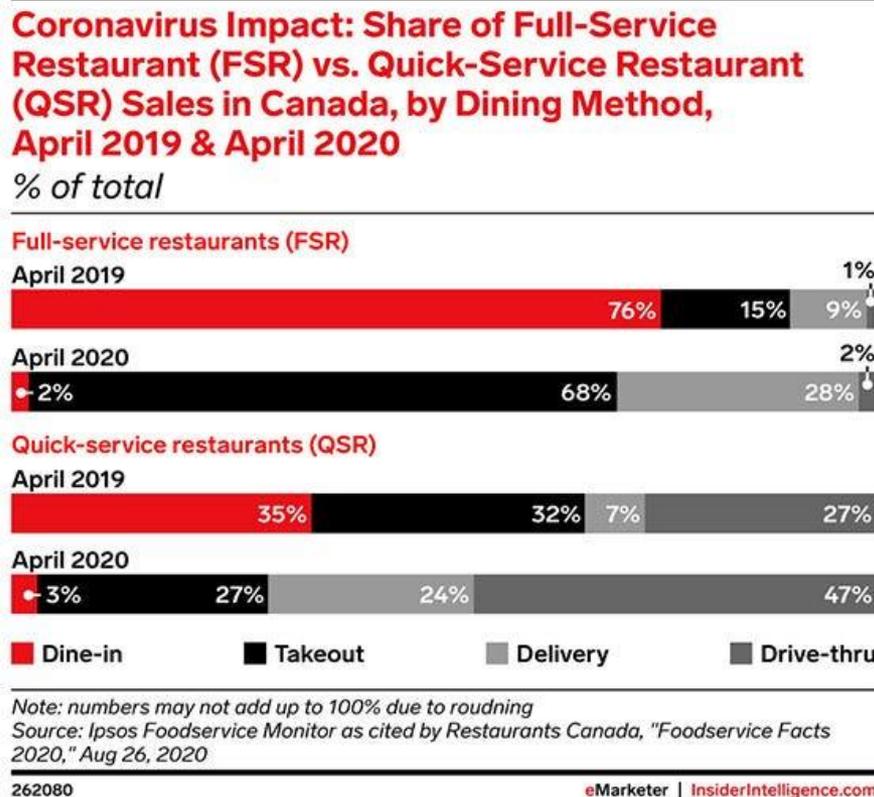
CMA CGM Reroutes to Oakland to Avoid Port Congestion and Delays [The Maritime Executive](#)

- With the ongoing lack of space on containerships bound to the U.S. and port congestion when the ships arrive at the ports, there are increasing calls for actions to ease the bottlenecks. Shipping giant CMA CGM Group announced steps that it is taking to address the current conditions in the U.S. market.
- The line announced that it plans to reroute ships sailing on a route from Shanghai and Yantian, China with a new route starting February 12 called the Golden Gate Bridge, which will use Oakland, California instead of the previous calls at Los Angeles. According to CMA CGM it will be the first and only Transpacific direct service from Asia to Oakland.
- The announcement of the new route comes as there are increasing complaints about bottlenecks in the Southern California ports. Last week, it was reported that vessels waiting for terminal space in the San Pedro Bay ports had reached a new record high.



Food delivery orders in Canada increased substantially; How US media use will change in 2021, virtual co-viewing, and video games replacing music

- Food delivery apps like Uber Eats, DoorDash, and SkipTheDishes — a Winnipeg-based homegrown competitor to the US-based services — had already established a foothold before the pandemic. The greater need for delivery last year elevated their influence in food service, even though the fees they charge have raised concerns in the restaurant industry and for regulators.
- Food service revenues in Canada were decimated by the pandemic, and early on: Monthly food service sales countrywide dropped to CA\$2.4 billion (\$1.81 billion) in April, the first full month of lockdowns, per Statistics Canada. In February, they had peaked at CA\$6.3 billion (\$4.75 billion).
- According to Restaurants Canada’s “Foodservice Facts 2020” report, “In the span of a few months, the industry was shattered, seeing a devastating drop in sales in March and April. Food service sales won’t likely return to 2019 levels until late 2021, or possibly even 2022.”
- “The carnage in the industry overall was a boon to an emerging food service channel: delivery apps, or third-party aggregators as dubbed by the industry,” said Paul Briggs, eMarketer senior analyst at Insider Intelligence and author of our new report, “Canada Digital Outlook 2021.”
- Sales increases for these entities has risen dramatically through the COVID-19 period and is expected to continue on this path for the foreseeable future. 





Identifying the demand for the vaccine Ti

- The demand picture for the vaccine is becoming somewhat clearer. It is strongly the case that those nations with large production facilities on their territory will fare better than those without, although there are exceptions such as Israel, which has been very effective in the roll out of its vaccine.
- Although the situation is dynamic, changing weekly, it seems that there is a clear structure that will emerge in the first months of 2021.

USA. Although the US has a fragmented healthcare system, both in-terms of healthcare providers and the organization at State – as opposed to Federal – level, it has been relatively successful in terms of the volume of vaccinations. By the first weeks of January the US had given doses totaling 31.1m (as of 31st January), representing 9.4 doses per 100 population. This makes the US the largest vaccinator if measured in gross terms.

UK. The earliest approval of vaccines in the West came from the UK and in theory it is well placed, notably for access to the AstraZeneca/Oxford product. Its access to the rest of the vaccine pipeline is not as strong as they are generally made outside the UK, with other major UK producers, such as GSK, not having an advanced product. Unsurprisingly, therefore, Britain seems to be accessing large quantities of the Astrazeneca/Oxford vaccine.

China. The Chinese situation is very different with China apparently having an approved vaccine or vaccines for several months. China has vaccinated an estimated 15 million people by 20 January, although the deployment of the vaccine seems to be comparatively slow.

European Union. The situation here is complex. Although there is significant production capacity, notably the Pfizer facility in Belgium, the distribution of vaccines has been poor, with even large countries such as Germany or France managing to vaccinate a very small proportion of their populations by late January. At the present speed and trajectory, few EU countries will have exceeded 3% of their populations by the end of January.

- What can be seen so far provides clear evidence that the problems of deployment are not what was generally perceived to be the case. For example: (i) Movement of vaccines has been straight-forward, (ii) Storage of vaccines is not a large problem and (iii) Packaging solutions are readily available.
- In terms of the vaccine supply chain two issues remain: (i) Production batches and (ii) User-facing batch sizes.



UK Begins Door-To-Door Testing Of 80,000 People As New COVID Variants Spread REUTERS

Britain begins a door-to-door COVID-19 testing of 80,000 people on Tuesday in a bid to stem the spread of a new highly infectious so called South African variant of the novel coronavirus. Public Health England said it had identified a total of 105 cases of the South African variant since Dec. 22, and to contain new outbreaks, residents in eight areas of the country will now be tested whether or not they are showing symptoms, a process known as “surge testing”.

South Africa Welcomes First Delivery Of COVID-19 Vaccines Associated Press

South Africa gave a hero's welcome Monday to the delivery of its first COVID-19 vaccines — 1 million doses of the AstraZeneca vaccine produced by the Serum Institute of India. South African President Cyril Ramaphosa greeted the crates of vaccine that arrived at Johannesburg's O.R. Tambo International Airport. The shipment will be followed up later this month by another 500,000 doses.

Kaiser would need 4 years to vaccinate all California patients at current supply rate KHN KAISER HEALTH NEWS

- At the pace Kaiser Permanente is receiving COVID-19 vaccines from the federal government, it would take the Oakland, Calif.-based system more than four years to vaccinate all of its patients, ABC 7 reports.
- Kaiser CEO Greg Adams sent an email to patients over the weekend saying that though the health system has 9.3 million patients in California, it has only received 300,000 vaccine doses since mid-December. That's an average of about 43,000 per week, ABC 7 reports.
- At that pace, it would take about 216 weeks, or just over four years, to receive enough doses to give all of Kaiser's California patients a first dose of a COVID-19 vaccine.
- "The unfortunate reality is that the number of vaccine doses being produced and distributed is currently not enough to meet the need — and it will be several months before vaccine supply in the U.S. approaches what is required," Mr. Adams said in the email.
- Experts told ABC 7 they expect the pace of vaccines delivered to the system to pick up in the next three to four weeks.
- "With a new administration in Washington, I'm expecting the amount of vaccine that's available to start going up,"



AstraZeneca CEO: 'Britain will hit its vaccine targets' *la Repubblica*

- CEO of AstraZeneca Pascal Soriot is confident the UK will hit its vaccine rollout targets and has confirmed AZ will not reconsider its pre-agreed contract with the UK in the face of supply shortages in the EU.
- Speaking to Italian news site Repubblica, Soriot said the UK will have succeeded in vaccinating 28 to 30 million people, adding: "The Prime Minister has a goal to vaccinate 15 million people by mid-February, and they're already at 6.5 million, so they will get there."
- The CEO also gave a thumbs up for the one-dose strategy being used by the UK at the moment in order to offer more people protection from the coronavirus over a shorter period of time.
- "I think the UK one-dose strategy is absolutely the right way to go, at least for our vaccine," he continued. "Oxford University conducted the so-called Oxford trial in the UK and Brazil, and we have data for patients who received the vaccine in one-month intervals, two-and-three-months intervals."

Coronavirus vaccine: syringe and vial makers also face a race against time to meet demand *South China Morning Post*

- Millions of people around the world have now been vaccinated against Covid-19, but the high demand for basic equipment such as glass vials and syringes now threatens to cause delays to the roll-out if the manufacturers cannot meet their orders in time.
- Syringe makers in China – one of the two key producers along with India – say they are racing to supply clients from around the world.
- "The supply situation for syringes is tight and we've got orders that will have to be fulfilled until July," said Ryan San, from TrusCare Medical, which produces 20 million plastic syringes a month.
- San said the company from Nantong, in the eastern province of Jiangsu, had received orders from the Middle East, South America and Southeast Asia, which were filled on a first come, first served basis and shipped by sea.
- So far this year, domestic demand had not been as high because the vaccination programme in China had just started and had not yet covered a significant portion of the population, he said.
- The raw materials for vaccine vials must pass stringent quality tests to ensure durability and safety.



6 common types of cyber attacks and how to prevent them

1. **Malware** - Malware, or malicious software, is an umbrella term used to refer to a hostile or intrusive program or file that is designed to exploit devices at the expense of the user and to the benefit of the attacker.
2. **DDoS** - A distributed denial-of-service (DDoS) attack is an attack in which multiple compromised computer systems attack a target, such as a server, website or other network resource, and cause a denial of service for users of the targeted resource.
3. **Phishing** - A phishing attack is a form of fraud in which an attacker masquerades as a reputable entity, such as a bank, tax department, or person in email or in other forms of communication
4. **SQL injection attacks** - Any website that is database-driven -- and that is the majority of websites -- is susceptible to SQL injection attacks. An SQL query is a request for some action to be performed on a database, and a carefully constructed malicious request can create, modify or delete the data stored in the database, as well as read and extract data such as intellectual property, personal information of customers, administrative credentials or private business details.
5. **XSS** - This is another type of injection attack in which an attacker injects data, such as a malicious script, into content from otherwise trusted websites. Cross-site scripting (XSS) attacks can occur when an untrusted source is allowed to inject its own code into a web application and that malicious code is included with dynamic content delivered to a victim's browser.
6. **Botnets** - A botnet comprises a collection of internet-connected computers and devices that are infected and controlled remotely by cybercriminals.

6 common types of cyber attacks



As most email and chat systems now use end-to-end encryption and employees use a VPN to access company networks, these attacks are becoming less effective. However, security teams need to ensure DNS traffic is monitored for malicious activity to prevent DNS tunneling attacks, where hackers "tunnel" malware into DNS queries to create a persistent communication channel that most firewalls are unable to detect.





This Sailing Yacht Feeds On Ocean Plastic

- A French ocean adventurer and his team have designed a yacht that he says can scoop up plastic garbage to stop it blighting the world’s oceans and converts the same waste into fuel to help power the boat.
- Yvan Bourgnon has spent his career racing sailing vessels around the globe as a competitive yachtsmen. Over the years, he said, his encounters with floating carpets of trash became more and more frequent.
- That inspired his new venture: the Manta, a 56-metre (183 foot) long catamaran propelled by a combination of high-tech sails and electric motors.
- Right now, it exists only on the drawing board, but Bourgnon and his team hope to turn into a working prototype that can be launched in 2024.
- As the boat moves through the water, conveyor belts will scoop up waste, sort it, then feed it into a burner. That will melt the plastic, producing gas which drives a turbine, and in turn generates electricity for the boat’s systems to use.
- That electricity, along with solar cells and wind turbines on the boat’s deck, will make the boat 70% self-sufficient in energy, according to Bourgnon.



Apple car

Apple car has been the hot topic for motorheads and tech enthusiasts alike for quite some time now. It finally seems to be heading towards fruition as Apple has officially announced plans to collaborate with Hyundai-Kia to manufacture Apple electric vehicles as Apple plans to manufacture the car at the Kia assembly plant in Georgia. Presumably, the self-driving EV will be called Apple Car and slated for a 2024 production initiation.





Amazon's Custom All-Electric Vans Start Making Deliveries **PC**

- Amazon's custom, all-electric delivery vehicles are now ferrying packages to customers.
- The company has been testing the vehicles, which can travel up to 150 miles on a single charge, on delivery routes in the LA area.
- The custom blue vans are part of Amazon's pledge to become a net zero carbon company by 2040. To reach the goal, the e-commerce giant made an investment in 2019 to buy 100,000 electric vans from a startup called Rivian.
- "From what we've seen, this is one of the fastest modern commercial electrification programs, and we're incredibly proud of that," Ross Rachey, director of Amazon's global fleet and products, said in a statement.



BOEM Resumes Vineyard Wind's Environmental Permit Review **Bloomberg**

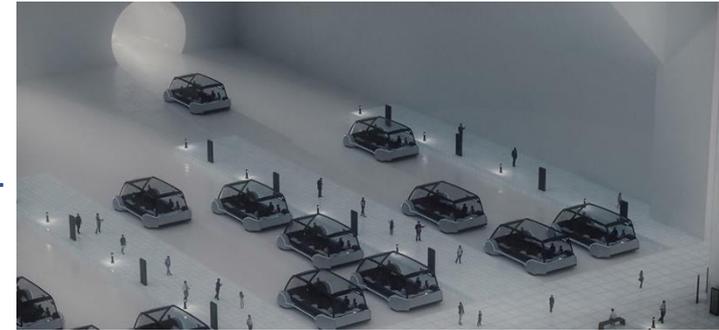
- In one of her first acts, the newly-appointed director of the U.S. Interior Department's Bureau of Ocean Energy Management (BOEM) has reopened consideration of the permit application for the first commercial-scale offshore wind farm in U.S. federal waters.
- In early December, Vineyard Wind's developer asked for a temporary pause on its EIS review to consider the possibility of using a new model of wind turbine. The Department of the Interior under different leadership - ruled that by requesting the halt, Vineyard Wind had "formally withdrawn" its application. BOEM had been expected to rule on the application by January 15 and starting over would have meant a new delay of six to 18 months, according to Bloomberg.
- Vineyard Wind asked BOEM to restart processing its original application on January 22, BOEM agreed.





'Loop' project with Tesla cars near LA **electrek**

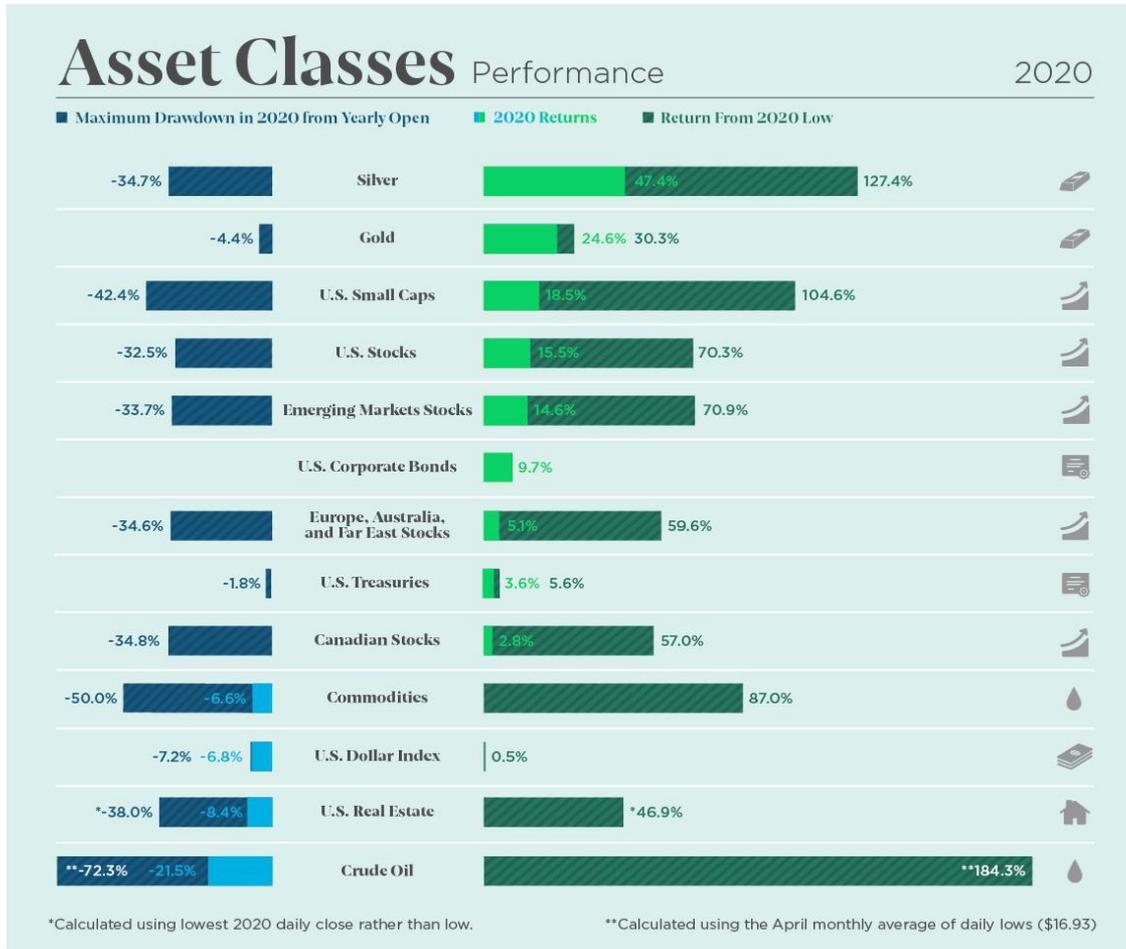
- Elon Musk's Boring Company is moving forward with negotiations on a new "Loop" project with Tesla electric vehicles near Los Angeles.
- Last year, the company submitted a Loop project to link Rancho Cucamonga with Ontario International Airport in the greater LA region.
- San Bernardino County, which is overseeing the project, has been so impressed by the company's proposal that they have dropped studies about other transportation options and instead focused on the Loop.
- Elon Musk's transportation startup became the only bidder on the project, which would consist of a 2.8-mile tunnel system that would link the airport to a station in Rancho Cucamonga, and it would transport people in electric vehicles inside the tunnels.



Flower Power: Startup's Small-Scale Wind Turbines Have Big Potential **ZENGER**

- Solar power is a hot commodity in the arena of distributed renewable energy. Wind power, on the other hand, hasn't picked up as much speed.
- What's stifling smaller-scale distributed wind energy?
- "Many small wind turbines are loud, inefficient and interfere with each other when placed in groups. Furthermore, the larger ones are big and clunky — fine for an industrial zone but not so nice for a residential zone," says Daniel Farb, inventor of the Israeli-developed Wind Tulip by Flower Turbines.
- Already generating energy at installations in Colombia and The Netherlands, Wind Tulips' unique aerodynamic design makes them quiet, efficient and capable of producing up to 50 percent more electricity in clusters because they feed air currents into one another, says Farb.
- Shaped like sleek flowers in assorted colors and sizes (1-meter/3.3 feet; 3-meter/13 feet; and 6-meter/19.6 feet high) for small-scale installations, Wind Tulips are designed to do double duty as eco-art on the roof of a house, shopping mall, school or skyscraper.



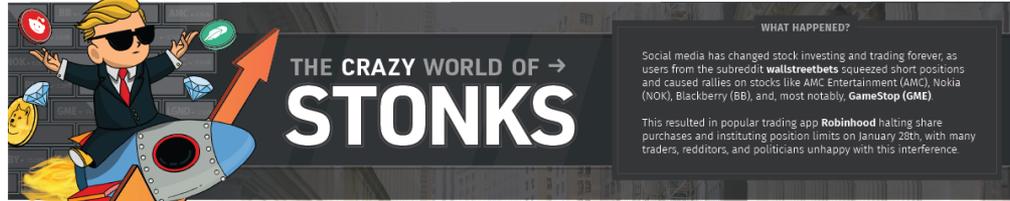


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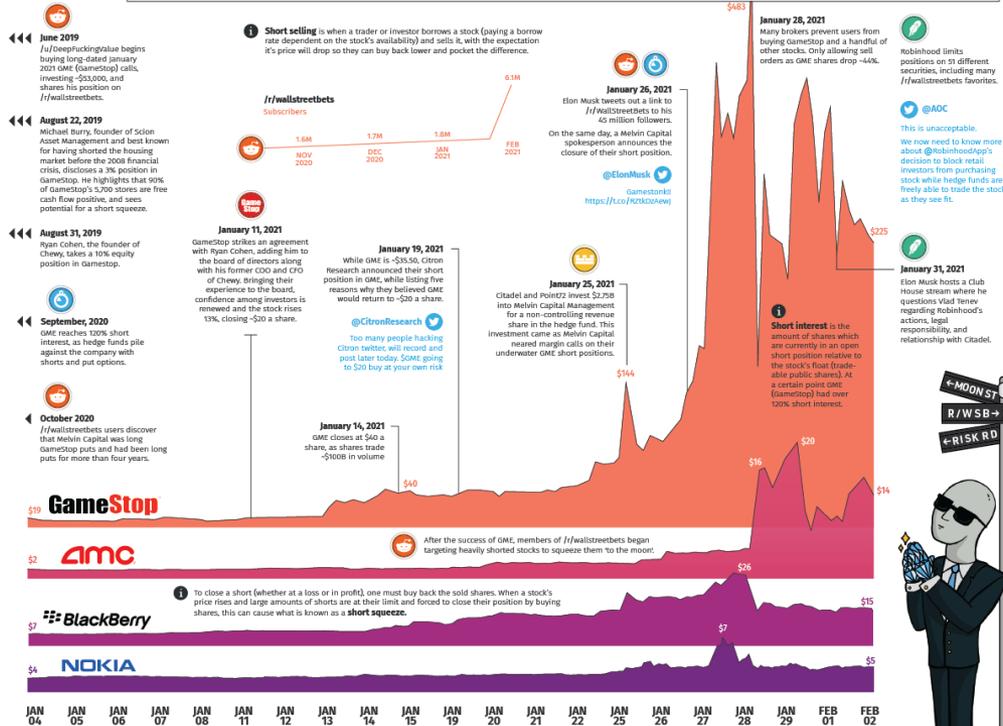
WHAT HAPPENED?

Social media has changed stock investing and trading forever, as users from the subreddit **wallstreetbets** squeezed short positions and caused rallies on stocks like AMC Entertainment (AMC), Nokia (NOK), Blackberry (BB), and, most notably, **GameStop (GME)**.

This resulted in popular trading app **Robinhood** halting share purchases and instituting position limits on January 28th, with many traders, redditors, and politicians unhappy with this interference.

THE KEY PLAYERS

- GameStop**
The world's largest brick-and-mortar video game retailer, known for selling used games and buying back games from customers.
- The Hedge Funds**
Melvin Capital Management is a hedge fund which was heavily short GME. They started 2017 with a \$1.2B portfolio, and after closing their short at a loss currently manage ~\$6B.
- r/wallstreetbets**
An active subsection of the popular web forum reddit, where users post stock investment or trade ideas. A user known as **DeepFuckingValue** was the first to post his long GME trade which turned ~\$3,000 into millions.
- Robinhood**
Robinhood is a discount brokerage that offers commission-free trading of shares and options with the goal to democratize finance and markets for everyone.
- Citadel**
Two companies founded by **Kenneth C. Griffin** that operate independently of each other. Citadel operates as a hedge fund, managing \$28 of investment capital. Citadel Securities is a global market maker, working with Robinhood and other brokers to provide liquidity.
- The SEC and NSCC**
The National Securities and Clearing Corporation (NSCC) provides clearing, settlement, and central counterparty services for nearly all broker-to-broker trades, including Robinhood. The NSCC is regulated by the U.S. Securities and Exchange Commission (SEC).



June 2019
r/deepfuckingvalue begins buying long-dated January 2021 GME (GameStop) calls, investing ~\$3,000, and shares his position on r/wallstreetbets.

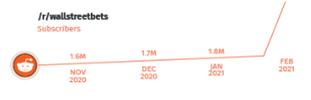
August 22, 2019
Michael Burry, founder of Scion Asset Management and best known for having shorted the housing market before the 2008 financial crisis, discloses a 1% position in GameStop. He highlights that 90% of GameStop's 5,200 stores are free cash flow positive, and sees potential for a short squeeze.

August 31, 2019
Ryan Cohen, the founder of Chewy, takes a 10% equity position in GameStop.

September, 2020
GME reaches 100% short interest, as hedge funds pile against the company with shorts and put options.

October 2020
r/wallstreetbets users discover that Melvin Capital was long GameStop puts and had been long puts for more than four years.

Short selling is when a trader or investor borrows a stock (paying a borrow rate dependent on the stock's availability) and sells it, with the expectation it's price will drop so they can buy back lower and pocket the difference.



January 11, 2021
GameStop strikes an agreement with Ryan Cohen, adding him to the board of directors along with his former CEO and CFO of Chewy, bringing their experience to the board, confidence among investors is renewed and the stock rises 13%, closing ~\$20 a share.

January 19, 2021
While GME is ~\$35.50, Citron Research announced their short position in GME, while listing five reasons why they believed GME would return to ~\$20 a share.
@CitronResearch
too many people hacking Citron writes, will record and post later today, \$GME going to \$20 buy at your own risk

January 14, 2021
GME closes at \$40 a share, as shares trade ~\$100B in volume

January 25, 2021
Citadel and Point72 invest \$2.7B into Melvin Capital Management for a non-controlling revenue share in the hedge fund. This investment came as Melvin Capital needed margin calls on their underwriter GME short positions.

After the success of GME, members of r/wallstreetbets began targeting heavily shorted stocks to squeeze them to the moon.

To close a short (whether at a loss or in profit), one must buy back the sold shares. When a stock's price rises and large amounts of shorts are at their limit and forced to close their position by buying shares, this can cause what is known as a **short squeeze**.

January 28, 2021
Many brokers prevent users from buying GameStop and a handful of other stocks. Only allowing sell orders as GME shares drop ~44%.

January 26, 2021
Elon Musk tweets out a link to r/wallstreetbets to his 65 million followers.
On the same day, a Melvin Capital spokesperson announces the closure of their short position.
@ElonMusk
Gamestonk
https://t.co/hc3zscvew

Robinhood limits positions on 31 different securities, including many r/wallstreetbets favorites.

@AC

This is unacceptable. We now need to know more about @RobinhoodApp's decision to block retail investors from purchasing stock while hedge funds are freely able to trade the stock as they see fit.

January 31, 2021
Elon Musk hosts a Clubhouse stream where he questions Vlad Rensel regarding Robinhood's actions, legal responsibility, and relationship with Citadel.

Short interest is the amount of shares which are currently in an open short position relative to the stock's float (tradeable public shares). At a certain point GME (GameStop) had over 100% short interest.



Sources: Yahoo Finance, Reddit, Robinhood, media reports

