

# H1 2022



## Robust Cargo Volume Persists as Growth Wanes at West Coast Ports

### RANKING AMONG THE TOP U.S. PORTS AT MIDYEAR 2022

Top 10 U.S. Ports	H1 2022 Total Container Volume (TEUs)	Annual Change (H1 2022 vs 2021)	Import Volume	Annual Change (MY 2021 vs 2020)
Los Angeles	5,413,899	-0.3%	2,761,271	-2.6%
Long Beach	5,007,780	5.3%	2,534,324	9.5%
<b>New York/New Jersey</b>	<b>4,904,629</b>	<b>11.6%</b>	<b>2,518,213</b>	<b>12.4%</b>
Savannah	2,886,896	5.3%	1,443,207	5.8%
Houston	1,897,065	18.0%	969,959	29.4%
Virginia	1,826,525	8.6%	905,859	14.3%
Northwest Seaport Alliance	1,806,731	-4.0%	698,298	-6.9%
Charleston	1,566,906	17.4%	738,025	21.2%
Oakland	1,230,799	-5.5%	627,052	15.1%
Jacksonville	645,020	-9.6%	154,109	-9.7%



**4.9 Million**

Midyear Container Volume

Another historic high—  
11.6% YOY increase



**4.1**

Days

Year-to-date (YTD)  
average wait time at  
anchor



**353,429**

Containers of Rail Cargo  
moved through the  
Port of NY/NJ in the H1 2022

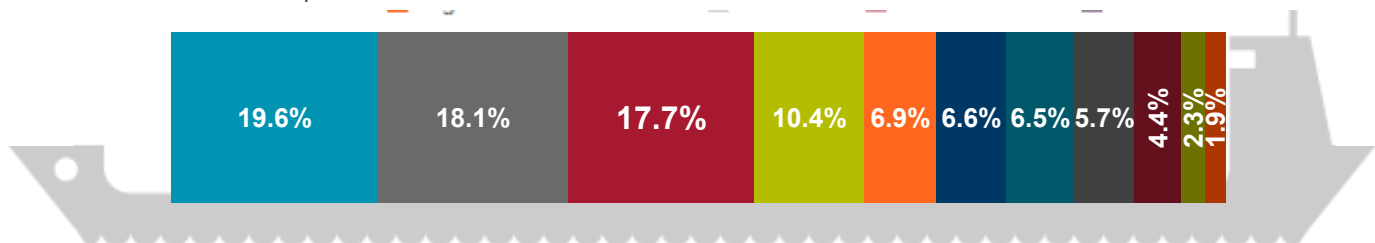


**1 of 3 Ports\***

which posted more than  
2 million TEUs of import  
cargo volume

### H1 2022 U.S. Port Volume Market Share\*

■ Los Angeles   
 ■ Long Beach   
 ■ NY/NJ   
 ■ Savannah   
 ■ Houston   
 ■ Virginia  
■ NW Seaport   
 ■ Charleston   
 ■ Oakland   
 ■ Jacksonville   
 ■ Baltimore



\*of the top 11 Ports in 2022



BUSIEST PORT ON  
THE EAST COAST



ANNUAL IMPORT  
VOLUME IN H1 2022



TOTAL CONTAINER  
VOLUME MY 2022

# H1 2022



## PORT TRENDS TO WATCH

The Port of New York and New Jersey (PONYNJ) has consistently been the busiest port on the East Coast, serving as a key gateway. With six container terminals and multiple cargo rail lines, the PONYNJ services one of the world's wealthiest and most dense consumer markets. The Port has the largest 250-mile radius population of any port in North America, with 61 million people making up one-third of the country's GDP. Railways from the Port can also reach the Midwest, Canada, and greater Boston.

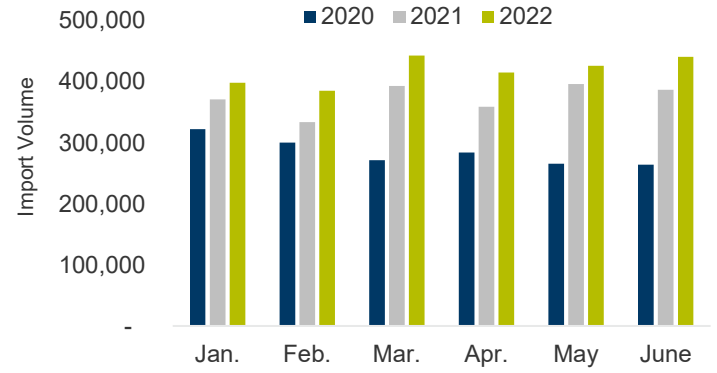
Congestion and labor disputes at the West Coast ports resulted in shipping companies redirecting their vessels to the East Coast to reduce wait times. As such, the PONYNJ continued to see record cargo volume in the first half of 2022. Total year-to-date (YTD) volume through June increased by 11.4% from the prior year, with the seaport handling 4.9 million TEUs. Meanwhile, imports swelled this year, up 12.4% year-over-year (YOY) to 2.5 million TEUs, and are on pace to surpass West Coast's Port of Long Beach by year-end.

Still, challenges persist as a record number of containers passed through The Port of New York and New Jersey. A chassis shortage, empty container backlogs, longer than average dwell times, and port traffic congestion are all issues the PONYNJ has experienced as more container ships diverted to the East Coast. These challenges have led to a surge in warehouse leasing in the Port Region and demand for industrial outdoor storage space. Some relief may be on the horizon, as retailers are cutting back on orders after a slowdown in consumer spending has left them with excess inventory. However, it is anticipated that leasing demand from retailers and 3PLs will remain, as the dialing down of inventories will occur gradually.

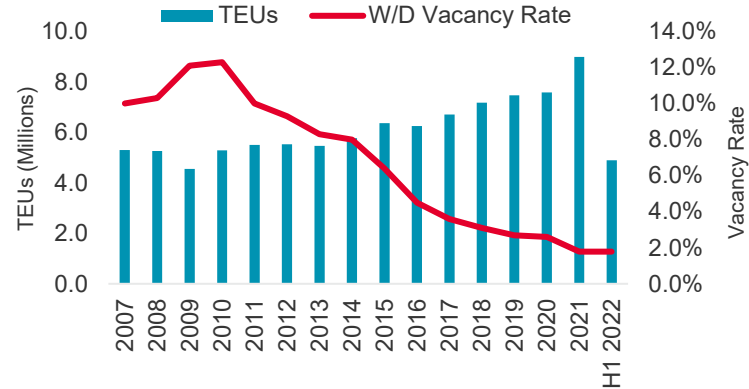
### The Greater Port Region Warehouse Market

The Greater Port Region is one of the most mature submarkets in New Jersey and has seen demand for space increase as cargo volumes and ship sizes grow in response to heightened consumer demand. The vacancy rate continued to diminish during the first half of the year and is now down 130 basis points (bps) from last year to 1.5%. With tightening market conditions persisting, landlords have pushed asking and taking rents to record highs. Asking rents climbed by 24.1% YOY while taking rents saw robust growth, with mid-year 2022 taking rents approaching \$21.00 per square foot, more than double that of the recorded average in 2019. Looking forward, the fears of inflation and the potential recession have recently led to a drop in consumer spending, which may have a short-term impact on the tailwinds that had boosted the market post-COVID.

### Monthly Import Volume

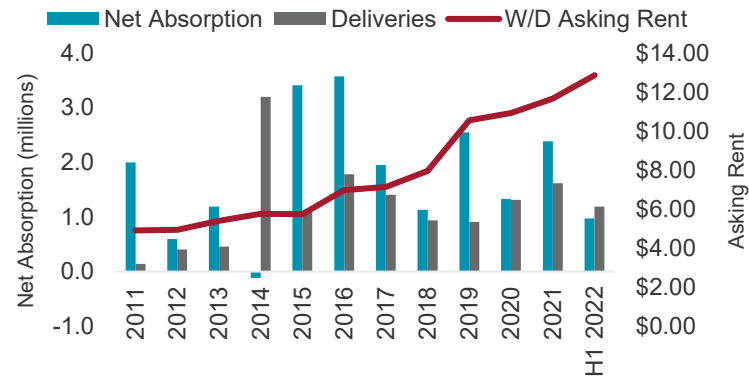


### Annual TEU Volume & NJ Vacancy Rate



### Greater Port Region Submarket

W/D Net Absorption, Deliveries & Pricing



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