



ASIA PACIFIC FREIGHT UPDATE

March – April 2023



GLOBAL 2023 ASIA PAC FREIGHT OUTLOOK

Air capacity is slowly returning, but ocean container capacity is expected to exceed demand for the foreseeable future.

AIR. Freighter schedules have not fully returned to pre-pandemic levels, But passenger flights are expected to recover by the summer, especially for Intra-Asia and Asia-Europe lanes. One item of note: The U.S. is not allowing Chinese carriers to fly to the U.S. via Russian airspace. This will depress belly capacity on China-to-US routes.

OCEAN: Carrier orders for new container ships will increase capacity by over 5 million TEUs once ships are delivered in 2023 and 2024 (Alphaliner). Given this infusion of capacity, coupled with continued sluggish trade volumes, carriers are expected to aggressively manage this supply-demand imbalance with a variety of strategies, including laying up ships, blank sailings and slow steaming.



Supply chain inventories remain high, pushing off new factory orders and delaying a rebound in trade volumes to Q3. However, there are positive signs. China continues to reopen after 3 years of COVID restrictions, so China GDP growth is forecast to rise sharply during the next year.

AIR. Suppressed demand will result in surplus cargo capacity and increased rate competition among carriers. The exception will be cross-border eCommerce (18-20% of all air cargo), where we've seen a recent surge in air shipments from South China to the U.S.

OCEAN: A host of geopolitical factors – the Russia-Ukraine conflict, bank failures and continued inflation – will continue to dampen demand from the U.S. and Europe through the first half of 2023. Bargaining power on rate negotiations is shifting from carriers back to BCOs.

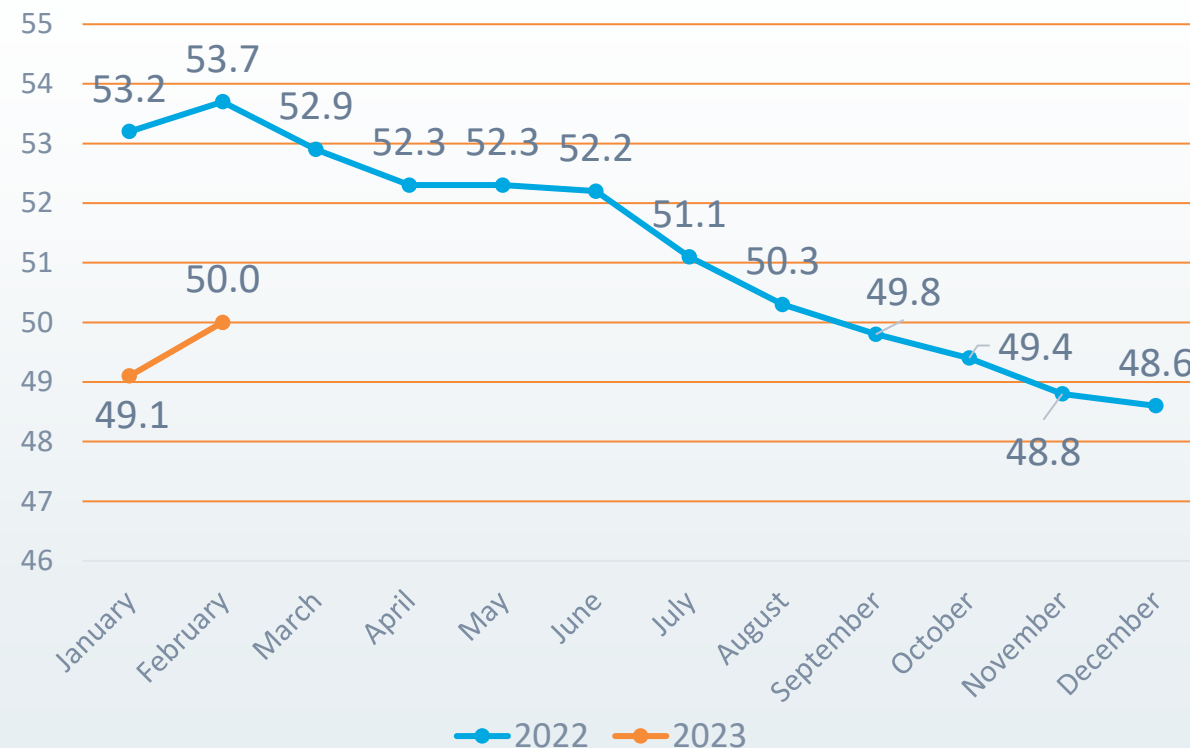
ECONOMIC INDICATORS

The **Global Manufacturing PMI for February is at 50.0**, a slight increase vs. previous month (49.1).

The administrators' bailouts have kept bank crises at Silicon Valley Bank (SVB), Signature Bank and Swiss National Bank from further crippling in the shaky global economy. On the plus side, the reopening of China after nearly 3 years of COVID-19 restrictions has sparked GDP growth from 3.2% in 2022 to 5.2% by 2023.

Driven by the rebound in China, the Asia Pacific (APAC) GDP is expected to grow from 3.2% in 2022 to 4.2% in 2023 – reaching even brighter heights of 4.7% in 2024.

Global Manufacturing PMI 2022 VS 2023



ECONOMIC INDICATORS

ASIA PACIFIC MANUFACTURING PMI

	2022										2023	
	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb
Global	52.9	52.3	52.3	52.2	51.1	50.3	49.8	49.4	48.8	48.6	49.1	50.0
USA	57.7	56.0	53.6	52.3	47.5	44.6	49.5	50.4	47.7	46.2	46.9	47.3
China	49.5	47.4	49.6	50.2	49	49.4	50.1	49.2	49.4	49	49.2	51.6
Taiwan	54.1	51.7	50.0	49.8	44.6	42.7	42.2	41.5	41.6	44.6	44.3	49
Hong Kong	42	51.7	54.9	52.4	52.3	51.2	48	49.3	48.7	49.6	51.2	53.9
Japan	54.1	53.5	53.3	52.7	52.1	51.5	50.8	50.7	49	48.9	48.9	47.7
S. Korea	51.2	52.1	51.8	51.3	49.8	47.6	47.3	48.2	49	48.2	48.5	48.5
Singapore	50.1	50.3	50.4	50.3	50.1	50.0	49.9	49.7	49.8	49.7	49.8	50.0
Vietnam	51.7	51.7	54.7	54.0	51.2	52.7	52.5	50.6	47.4	46.4	47.4	51.2
Malaysia	49.6	51.6	50.1	50.4	50.6	50.3	49.1	48.7	47.9	47.8	46.5	48.4
Philippines	53.2	54.3	54.1	53.8	50.8	51.2	52.9	52.6	52.7	53.1	53.5	52.7
Indonesia	51.3	51.9	50.8	50.2	51.3	51.7	52.9	51.8	50.3	50.9	51.3	51.2
Thailand	51.8	50.7	51.9	50.7	52.4	53.7	55.7	51.6	51.1	52.5	54.5	54.8
India	54.0	54.7	54.6	53.9	56.4	56.2	55.1	55.3	55.7	57.8	55.4	55.3
Australia	55.7	58.5	52.4	54.0	52.5	49.3	50.2	52.7	51.3	50.2	50.0	50.5

Source: S&P Global PMI

A manufacturing Purchasing Managers' Index™ (PMI™) is a survey-based economic indicator designed to provide a timely insight into changing business conditions in the goods-producing sector.

A PMI reading over 50 indicates growth or expansion of the manufacturing sector of the country as compared to the previous month, while a reading under 50 suggests contraction. A reading at 50 indicates that the number of manufacturers reporting better business is equal to those stating business is worse.

AIRFREIGHT MARKET UPDATES

Freighter service is not fully resumed as compared to the pandemic period, but passenger flights are expected to recover in the summer, especially for Intra Asia to Europe.

The US is not allowing Chinese carriers to fly to US via Russian airspace, which will impact the recovery of passenger flight traffic between China and US. It is expected that belly capacity for this route will not recover quickly.

There is a business surge for eCommerce from South China to the US since March. Business for auto parts and outdoor products from East China to Europe is growing, as well. The increasing demand, coupled with flight cancellations, led to an increase in rates by 40% - 50% for US and Europe destinations in Mar vs. Jan and Feb.



AIR FREIGHT MARKET MARKET FORECAST (MAR 20 – APR 02)

Air Freight Market Forecast

Asia -> Intra Asia

Origin (Country/District)	Air Hub	Space	Rate	
Greater China	Hong Kong	HKG	Soft	Stable
	South China	CAN/SZX	Soft	Stable
	Southeast China	XMN/FOC	Soft	Stable
	Central & East China	PVG	Soft	Falling
	North China	BJS/CGO/TAO	Soft	Stable
Northeast Asia	Korea	ICN	Soft	Stable
	Taiwan	TPE	Soft	Stable
Southeast Asia	India	MAA/BLR	Upturn	Stable
	Indonesia	CGK	Upturn	Stable
	Malaysia	KUL	Soft	Stable
	Malaysia	PEN	Soft	Stable
	Philippines	MNL	Soft	Stable
	Singapore	SIN	Soft	Stable
	Thailand	BKK	Soft	Stable
	Vietnam	HAN	Soft	Stable
	Vietnam	SGN	Soft	Stable

Air Freight Market Forecast

Asia -> US/CA

Origin (Country/District)	Air Hub	Space	Rate	
Greater China	Hong Kong	HKG	Upturn	Stable
	South China	CAN/SZX	Soft	Stable
	Southeast China	XMN/FOC	Soft	Stable
	Central & East China	PVG	Soft	Stable
	North China	BJS/CGO/TAO	Soft	Rising
Northeast Asia	Korea	ICN	Tight	Stable
	Taiwan	TPE	Upturn	Stable
Southeast Asia	India	MAA/BLR	Upturn	Stable
	Indonesia	CGK	Soft	Stable
	Malaysia	KUL	Soft	Stable
	Malaysia	PEN	Soft	Stable
	Philippines	MNL	Upturn	Rising
	Singapore	SIN	Soft	Falling
	Thailand	BKK	Soft	Stable
Vietnam	HAN	Upturn	Rising	
Vietnam	SGN	Upturn	Rising	

Key for available space

SOFT
Supply is more than demand

UPTURN
Market is picking up, but demand of space can still be met by current supply.

TIGHT
Space Gets tight. Pre-arrangement of space is needed.

BACKLOG
Backlog of 1-2 days is found in the market.

SERIOUS
Space demand critical, turnaround of booking found. Alternative routing may be needed.

AIR FREIGHT MARKET MARKET FORECAST (MAR 20 – APR 02)

Air Freight Market Forecast

Asia -> Europe

Origin (Country/District)	Air Hub	Space	Rate	
Greater China	Hong Kong	HKG	Upturn	Stable
	South China	CAN/SZX	Upturn	Rising
	Southeast China	XMN/FOC	Soft	Stable
	Central & East China	PVG	Upturn	Stable
	North China	BJS/CGO/TAO	Soft	Stable
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	Singapore	SIN	Soft	Stable
	Thailand	BKK	Soft	Stable
	Vietnam	HAN	Upturn	Rising
	Vietnam	SGN	Upturn	Rising

Air Freight Market Forecast

US/CA -> Asia

Origin (Country/District)	Air Hub	Space	Rate	
North America	US	US West Coast	Upturn	Stable
	Canada	YVR	Upturn	Stable

US/CA -> Europe

Origin (Country/District)	Air Hub	Space	Rate	
North America	US	US East Coast	Upturn	Stable
	Canada	YYZ/YUL	Upturn	Stable

Europe -> Asia

Origin (Country/District)	Air Hub	Space	Rate	
Europe	Netherlands	AMS	Soft	Stable
	UK	LHR	Soft	Stable
	Germany	FRA / MUC	Upturn	Stable

Europe -> US/CA

Origin (Country/District)	Air Hub	Space	Rate	
Europe	Netherlands	AMS	Soft	Stable
	UK	LHR	Soft	Stable
	Germany	FRA / MUC	Soft	Stable

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OCEAN FREIGHT MARKET UPDATES

Despite the positive GDP outlook, the global economy in the manufacturing sector didn't sync with the healthier GDP forecasts in China and APAC. Inventory levels are still high, pushing off new orders and delaying the rebound of trade volumes by Q3. Although the rate drop has recently tapered, the SCFI composite index for all trades ex Asia by early March posted an 80% decrease vs. the same period in 2022, but still 5% higher vs the same period in 2020.

To cope with the sluggish trade volume, the year-to-date capacity withdrawn from the market stayed on the high side at 27%, with a forecast of an overall weekly pullout by 14% in the coming few weeks. Due to this, it is crucial to pay attention to the changes in the 2 key long haul-lanes (Asia/Transpacific and Asia/Europe). As fewer carriers are willing to remove their capacity by suspending their services outright, it is anticipated that most will continue to struggle with the same old blank sailing issues as those which were prevalent during the outbreak in the previous years.



OCEAN FREIGHT MARKET UPDATES

While most people are still pessimistic over the global economic outlook, it is expected that the BCO-Carrier service contract renewals this year will generally become trickier and harder for both parties to wrap up.

Carriers, BCOs and logistics companies were congregating at the annual TPM 23 event in Long Beach in early March. It's evident that the bargaining power is shifting from the carriers back to the BCOs. However, it is too early to know how much the carriers are willing to compromise their agreements with their clients. After all, the carriers' overhead costs are said to **be elevated by 40%** compared to 2016, when Hanjin declared chapter 11.



OCEAN FREIGHT MARKET MARKET FORECAST (MAR 20 – APR 02)

Ocean Freight Market Forecast

Asia -> Asia (Intra Asia)

Trade Lane	Space	Rate
Northeast Asia -> Southeast Asia	Soft	Falling
Northeast Asia -> Indian Subcontinent	Soft	Falling
Southeast Asia -> Northeast Asia	Soft	Falling
Indian Subcontinent -> Northeast Asia	Soft	Falling

Asia -> North America (Trans-Pacific Eastbound - TPEB)

Asia -> US West Coast	Soft	Stable
Asia -> US East Coast	Soft	Falling
Asia -> US Gulf	Soft	Falling
Asia -> Canada	Soft	Falling

Asia -> Europe (Far East Westbound - FEWB)

Asia -> European Base Ports	Upturn	Stable
Asia -> Mediterranean	Soft	Stable

North America -> Asia (Trans-Pacific Westbound - TPWB)

US -> Asia	Soft	Falling
Canada -> Asia	Soft	Stable

Europe -> Asia

Europe -> Asia	Upturn	Stable
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Asia -> Europe (Far East Westbound - FEWB)

Asia -> European Base Ports	Upturn	Stable
Asia -> Mediterranean	Soft	Stable

North America -> Asia (Trans-Pacific Westbound - TPWB)

US -> Asia	Soft	Falling
Canada -> Asia	Soft	Stable

Europe -> Asia

Europe -> Asia	Upturn	Stable
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TAIWAN

Taiwan



The Mainland Affairs Council of Taiwan has announced its plan to reopen flights for cross-strait passenger service beginning March 9, 2023.

	Regular Flights	Charter Flights Only
	10	13
Flight points	Guangzhou, Shenzhen, Chongqing, Nanjing, Hangzhou, Fuzhou, Qingdao, Wuhan, Ningbo, Zhengzhou	Tianjin, Shenyang, Wuxi, Xi'an, Changsha, Haikou, Wenzhou, Jinan, Guilin, Xuzhou, Dalian, Nanchang, Hefei

Air cargo tonnage for February increased by 9.8% for Air Export and 18.4% for Air Import vs. January.

CHINA MARKET SITUATION

EAST CHINA



Air Freight

The flight cancellations and the surge in e-commerce for the US lane and auto parts and outdoor products for the European lane has helped uplift the Shanghai market in March vs. the previous month. Exports to Hong Kong and Taiwan continue to be weak and on a downward trend.

Ocean Freight

The space for Europe and Southeast Asia routings are gradually getting tight in March due to the withdrawal of shipping vessels and the shipment recovery after the spring festival. The Transpacific East Outbound route is also expected to become tight in late March with an expected increase in GRI in April.

CHINA MARKET SITUATION

NORTH CHINA



Air Freight

The adjustment of international airlines for summer and autumn flight season will begin on March 27 and end on October 28. It is expected that most airlines will increase flight frequency during this time.

- **Tianjin:** Since mid-March, prices for Europe and US routes have risen slightly with the space for US routes is getting tight. However, the price and space for Southeast Asia is stable.

Ocean Freight

The rates to US and Europe remain stable as supply and demand is in balance. The rates to India may experience a decline as MSC aims to launch a new direct call to India in early April.

SOUTH CHINA & HONG KONG

Air Freight

The prices to US and Europe increased in March due to the surge in e-commerce volumes. For Southeast Asia, rates decreased as passenger flights are back to normal.

Ocean Freight

Export to all major trade lanes are falling amidst the unfavorable external environment.

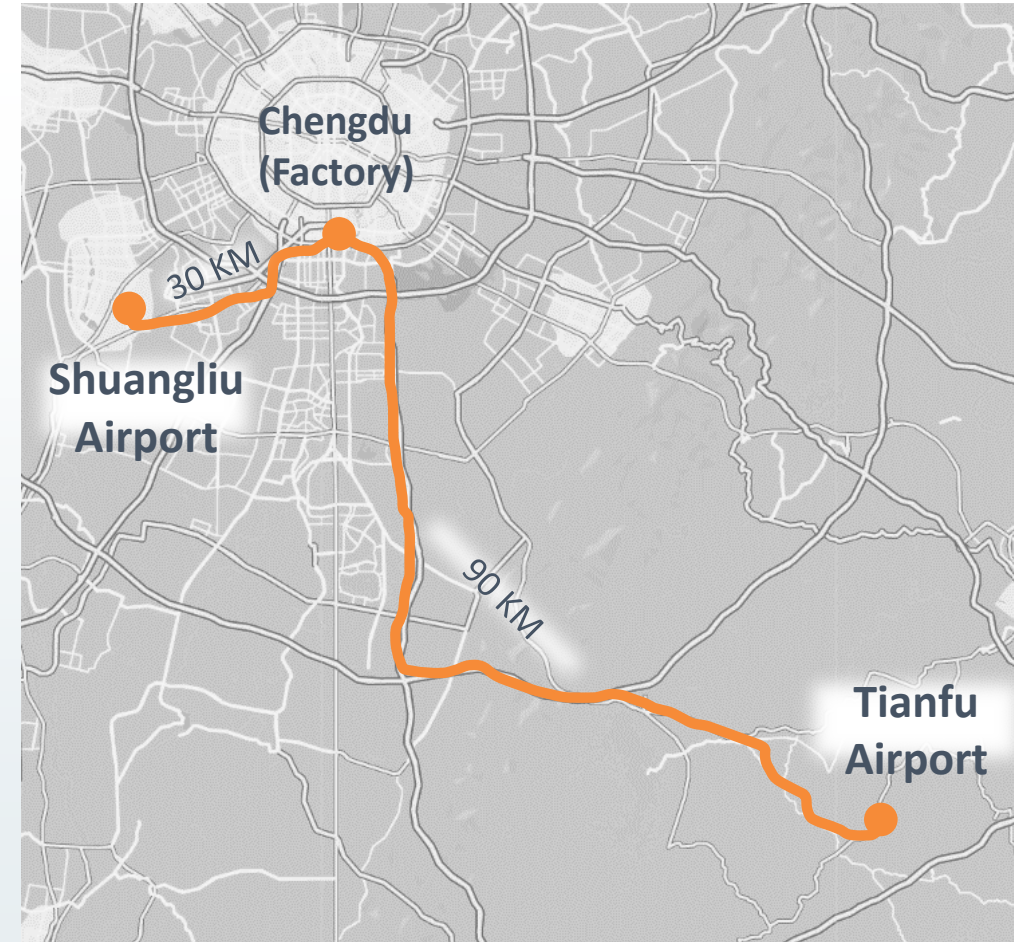
- **South China:** For the US trade lane, the rates decreased slightly and the market is expected to remain depressed through March. For Europe, there are spaces available with no significant fluctuations in the freight rates.
- **Hong Kong:** The deceleration of global economic growth will continue to be a challenge to Hong Kong's export performance in the near term. However, the mainland's economic acceleration and the lifting of restrictions on cross-border road transport is expected to ease some economic pressure.



INTERNATIONAL PASSENGER FLIGHTS MOVE TO TIANFU AIRPORT

Air freight

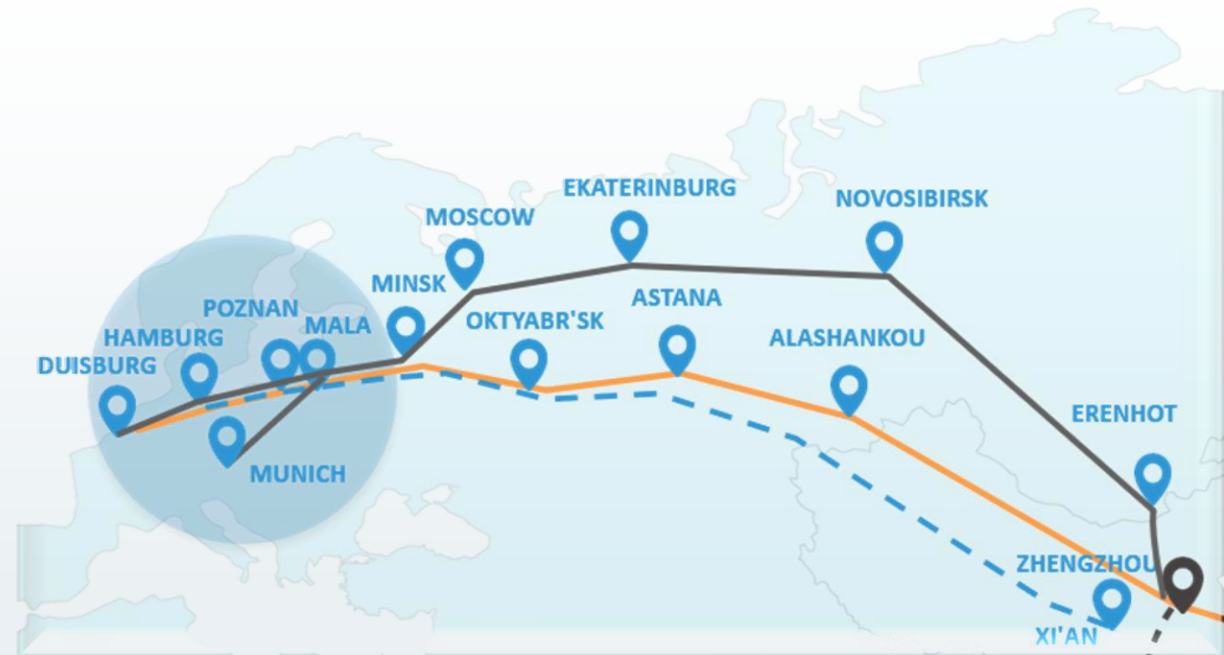
- Beginning March 26, 2023, all international passenger flights operating at Shuangliu Airport (CTU) will be transferred to Tianfu Airport (TFU). However, air freighters will continue to operate in Shuangliu airport (CTU)
- The Cargo in Chengdu is mainly loaded on passenger flights as the freighter frequency is low (Around 5 – 6 flights a week to US and Europe)
- Local trucking fees will increase by 50% from major factories to Tianfu airport (90 kilometers) as compared to Shuangliu airport (30 kilometers)



CHINA -EUROPE FREIGHT TRAIN OPERATES SMOOTHLY

China – Europe: The volume and prices remain stable for European routes. The spaces at Xi’an, Zhengzhou, Chengdu are relatively tight. The leasing price for European routes decreased slightly, at around 12% for East China to Malasevic

China – Russia: There are sufficient spaces at some departures as spot rates fall. The leasing prices remain stable.



BORDER CONGESTION AND HOLIDAY PREPARATION

Supply Chain Impact

Border Congestion

- There is a congestion at the borders due to a sudden surge in trucks passing through. The surge is mainly inbound to Vietnam.
- Waiting time can last between 5 – 7 days for regular processes

Upcoming Holidays

- Expect some announcements from the local governments of Southeast Asia countries in relation to the holiday celebration that may effect cross-border trucking:

APR 07, 2023	Good Friday
APR 08, 2023	Nuzul-Al Quran
APR 22 – 24, 2023	Hari Raya



BORDER CONGESTION AND HOLIDAY PREPARATION

Origin	Destination	Transit Time
Thailand	East China (Kunshan)	5 - 7 Days
	South China (Guangzhou/Shenzhen)	4 - 5 Days
	Vietnam Malaysia Singapore	3 - 4 Days
Shenzhen	Vietnam	2 Days
Shanghai	(Hanoi)	4 Days
Vietnam (Hanoi)	Shenzhen	2 Days
	Shanghai	4 Days
Malaysia	Singapore	1 Day

Note: Pingxiang and Dongxing Border is used for cross border trucking movement between Southeast Asia and China. However, the Pingxiang border is recommended due to its wide-range o commodity operations. Special commodities such as DG cargo or Lithium ION Batteries shall be checked in case by case through the Pingxiang and Dongxing Borders.

SOUTHEAST ASIA AND INDIA (1/3)



Vietnam

Air	1 The beginning of March saw a massive e-commerce demand from China to the US, significantly increasing the market rates to the US week by week. This led to a backlog at some major hubs such as Taipei, Incheon, and Narita. Longer transit times are also expected, especially to the US east coast (4 – 8 days)
Ocean	1 The recent cancellation of sailings continues as capacity is still higher than demand (e.g. Wan Hai Line has blank sailed Vung Tau - Long Beach for ETD MAR 26, APR 2, and APR 9.)

Recommendation

|Ocean| It is recommended to have backup plans in case your shipment is affected by the blank sailings.
|Air| It is recommended to reserve one week prior to ETD for US shipments and anticipate longer transit time.

Philippines

Air	1 The Philippines will be having their Holy Week holiday from APR 6 – 10. There will be limited operations as the workers will be on break celebrating the holiday.
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Recommendation

- |Air|**
- Export – Book in advance to avoid cancellation of flights and offloads to hit the target export date.
 - Import – Arrange an earlier arrival date or delay the ship out from origin to avoid long storage charges from the terminal.

SOUTHEAST ASIA AND INDIA (2/3)



Malaysia

Ocean	1 Wan Hai Line increased Equipment Maintenance effective March 1 st , 2023. 2 The PSS Depot Penang has revised its Depot Gate Charge (DGC) effective March 15, 2023.
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Thailand

Air	1 Airlines are open to negotiate for large-quantity shipments for special ad-hoc rates. 2 The rates are stable compared to February but they are expected to fall entering the 2 nd quarter. 3 The space to the US is tight approaching the end of the 1 st quarter, but it is expected to improve in April. The transit time for US destinations is around 5-7 days vs. the previous 3-5 days.
Ocean	1 Sailing schedules and transit times continues to be uncertain due to port omission, skipped calls, and blank sailings. 2 There is a container shortage due to the reduced sailing frequency, especially for 20' containers to long haul with some containers at below B - grade quality.

Recommendation

|Ocean| As carriers are applying blank sailing, it is recommended to book spaces 2-3 weeks before cut-off date. Plan enough loading time in case the containers need to be repaired or relocated.

SOUTHEAST ASIA AND INDIA (3/3)



India

Ocean

| 1 | There is congestion at one of the five facilities in Bharat Mumbai Container Terminal (BMCT) due to a sudden surge in export volume caused by missed vessel schedules raised from the developments in China and the closure of berths in other terminals at Jawaharlal Nehru port. According to the port authorities, the situation will improve by the end of March. For containers that missed the closing time, they are being moved to the buffer zone while waiting for the next vessel schedule.

Recommendation

Check with your local freight forwarder for updates on the port situation

Indonesia

Air

| 1 | The fasting month started from Mar 22 to Apr 21 may affect the Customs Process and Pick up/Delivery as working hours are adjusted. **| 2 |** Passenger loads are expected to increase during the Eid Holiday, which may impact the cargo capacity and rate increments. **| 3 |** Road restriction lasting for a week may be implemented by the government.

Recommendation

Check with your local freight forwarder for updates on the inland trucking restrictions.

EUROPEAN UNION RELEASES NEW IMPORT CONTROL SYSTEM

Starting March 1, 2023, air freight shippers and their freight forwarders must ensure compliance with Release 2 of the European Union's (EU) new Import Control System (ICS2) or risk delays and possible fines.

The system requires shippers to submit more detailed data, prior to arrival, on all goods shipped to or transiting through the EU, Northern Ireland, Norway, and Switzerland. The Import Control System was instituted to better identify high-risk cargo and protect the citizens of these countries against security and safety threats.



[Read more on the ICS2](#)

FREIGHT RATE AND MULTIMODAL TREND FOR ASIA - EUROPE

The expectation for the airfreight rates from Asia to Europe is expected to decrease as ocean freight rates are falling. The increase in air capacity is also adding to this pressure as airlines like Cathay Cargo are operating widebody services to Frankfurt, Amsterdam, London, Paris and Manchester.

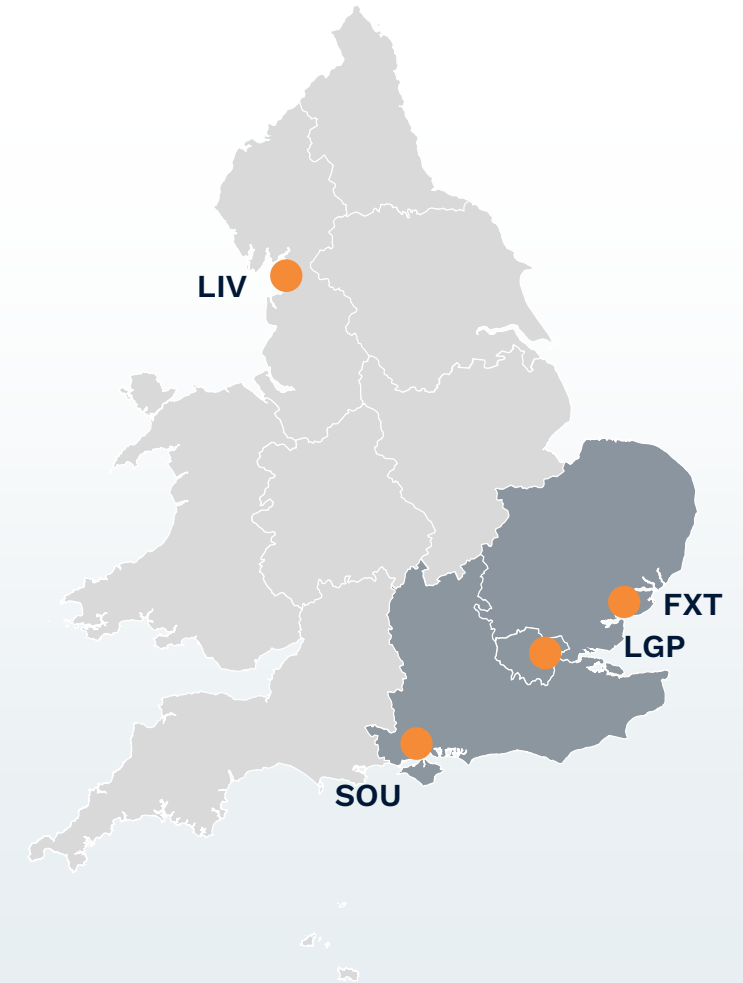
The trend of Green Logistics is shifting the demand in favour of greener routes such as multimodal air-sea transport from the Europe to Oceania destinations and sea-air transportation for Asia-Pac to Europe.



UK SEA PORTS UNDER NORMAL OPERATION

- All ports are currently operating within normal parameters (around 2-3 days delay) with slight delays in Southampton (around 6 days delay).

Port	Delay
London (LGP)	1 day
Southampton (SOU)	6 days
Liverpool (LIV)	1 days
Felixstowe (FXT)	2 days



Recommendation

Use Felixstowe and London Gateway port to avoid backlog and congestion at the Southampton port.

USA AIR AND OCEAN MARKET SITUATION

Air Freight

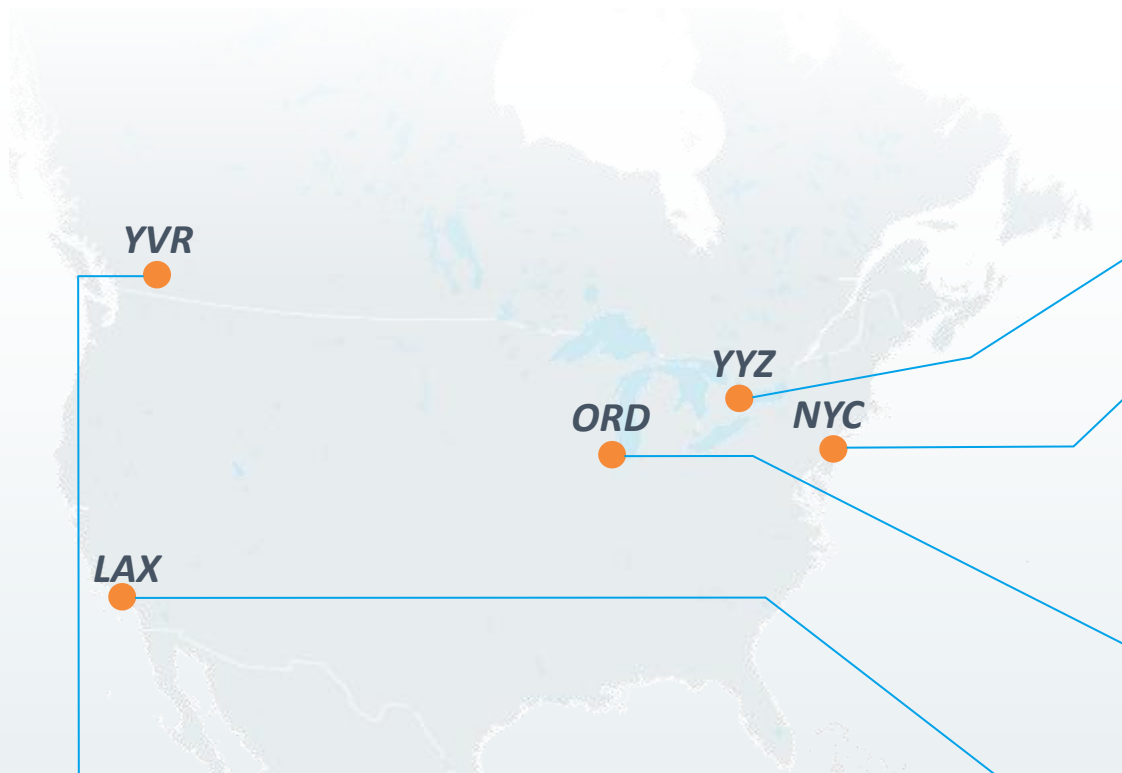
Due to low demand & sufficient capacity, the market remains aggressive on most trade lanes. The rates are competitive and expected to stabilize towards the middle of Q2 2023.

Ocean Freight

February import volumes from Asia to USA are 31.1% lower year-over-year, the sixth consecutive month of year-over-year declines. The declines are forecasted by retailer to continue until at least July.



CAPACITY & RATE ARE STABLE WITH FSC DECREASING



Toronto (YYZ):

- Flights to smaller ports in China (Ningbo and Dalian) remain suspended.
- There are limited direct options to Europe with more service to hub cities.
- Space & Rate to Asia-Pac and Europe are normal.
- Fuel surcharge is currently fluctuating.
- The Winter season has caused delays in operations.

New York (NYC):

- Space is tight to Europe but normal to Asia Pacific.
- FSC decreases further:
(China Airlines \$1.35 | Eva Air \$0.90 | Cathay Pacific \$0.7 | Air China \$0.94)

Chicago (ORD):

- Capacity to most destinations are open except to India.
- Rates are stable or have decreased further (e.g. to Singapore).
- Trucking rates and capacity are stable but will not return to pre-pandemic levels.

Los Angeles (LAX)

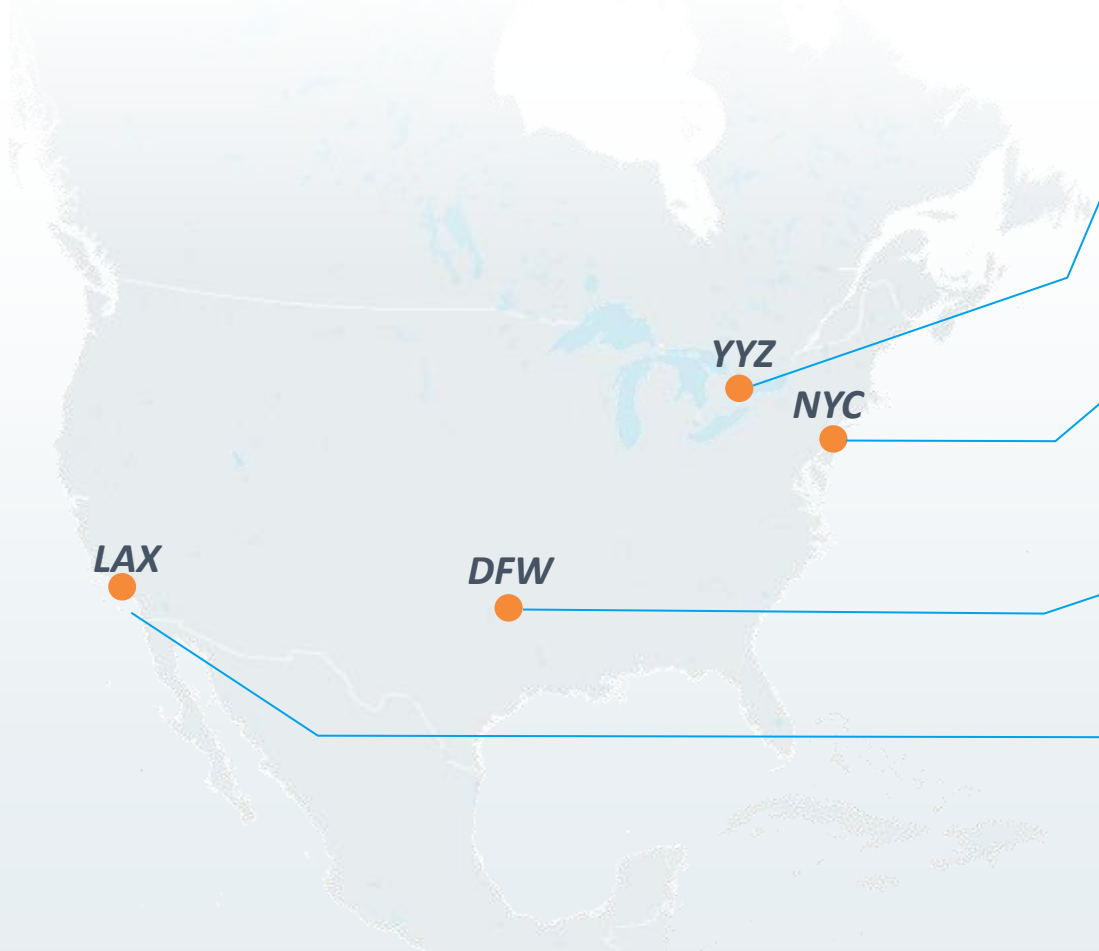
- Space to Europe: The end of asparagus season should relieve some of the congestion to Europe.
- Space to Asia: Starlux will join the LA - Taipei market at the end of April.
- Congestion is expected at the end of April due to Golden Week in Japan.

Vancouver (YVR):

- Weekly flight frequency increases:
Cathay Pacific 6 flights | Air Canada 4 flights | Singapore Airlines 3 flights

NORTH AMERICA AIR IMPORT GATEWAY SITUATION

IMPORT TONNAGE REMAINS LOW & TRUCK FSC



Toronto (YYZ)

- The terminal situation is normal, but the winter snow may cause delays in operations.

New York (NYC)

- JFK Airport now allows only 24 hours of free time upon cargo arrival, compared to 48 hours earlier this year.
- Avoid flights arriving in JFK Airport on Fridays and Saturdays.
- Current truck fuel surcharge is at 35%–40%

Dallas (DFW)

- Import tonnage is increasing with waiting time at around 1–2 hours.

Los Angeles (LAX)

- Terminal Fees have increased to \$200 per HAWB
- Terminal congestion now is 2-4 hours waiting time.

ISSUES WITH EQUIPMENT AVAILABILITY & APPOINTMENT (1/2)

Vancouver

- No congestion
- Market is soft and more blank sailings will happen in April.

Los Angeles/Long Beach

Ocean Export:

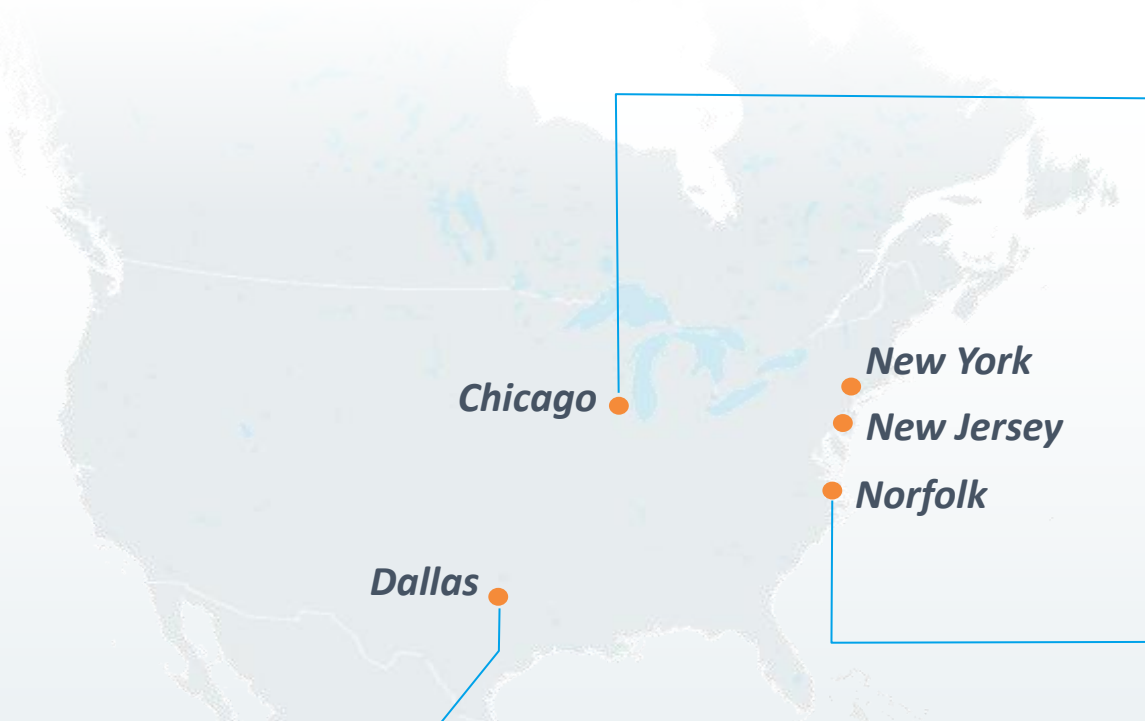
- Feeder vessel space from tranship port is still tight, especially to Southeast Asia.
- Due to each terminal having different rules on chassis, chassis split happens more often than before.

Ocean Import:

- Terminals are not allocating enough labor to the gate/yard operation, and it has become extremely hard to secure a pickup appointment at terminals.
- Empty returns are still an issue for certain carriers due to the lack of empty return appointments, sometimes as extreme as no empty returns for two weeks.



ISSUES WITH EQUIPMENT AVAILABILITY & APPOINTMENT (2/2)



Chicago

- Ocean Export is short on empty containers due to lower import volumes.
- Ocean Import is stable

New York, New Jersey & Norfolk :

- For IT inbound rail moves, there is an average delay of 2–3 days.
- Expect a \$150 additional congestion fee for both Import & Export.
- The average trucker wait time is 3 hours.
- Rates decreased for FEB and MAR.
- Pre-booking of trucks 1-2 weeks in advance is required due to the shortage of truck drivers & chassis for ocean import.
- For LCL, all New York CFSs can only provide 3 days free time instead of 4 days after cargo devanning.
- Vessel arriving at New York port average 2 days for berthing.
- The fuel/trucking rate is decreasing 35-40%.

Dallas

Ocean Export - Space is getting better to all markets.

Ocean Import:

- There is additional congestion at railways in Santa Teresa, El Paso, and Dallas due to severe equipment and worker shortages.
- There's a risk of significant delays with no ability to recover the containers.
- What to Watch: Backlog conditions for any containers requiring IPI rail service

GLOBAL FREIGHT SITUATION

WHAT TO WATCH

Thailand and Shenzhen, China sign a mini – FTA to grow trade

The signing of this mini FTA aims to help the economies of both countries by increasing the value of trade and investments. In 2022, the value of trade between Thailand and Shenzhen was 868 billion baht. Now, It is expected that the bilateral value by 2024 will rise to 910 billion baht.

US draft legislation seeks to update OSRA-22

New legislation that will update some parts of OSRA-22 is being drafted. This focuses on the broader publishing of penalties imposed on terminals and ocean carriers as a result of shipper complaints and the heavy limitation of China-based entity ties with US Shipping.

Manila International Container Terminal to expand by 200,000 TEUs

The ICTSI is adding another berth at the MICT, increasing the total capacity to 3.5 million TEUs. MICT's berth 8 is also under development, designed with a depth of 15 meters to be able to handle large container vessels of up to 18,000 TEUs.

The US IEPs files dispute to FMC on Chassis ruling

The Independent Equipment Providers (IEPs) voiced their concerns over FMC's ruling allowing Shippers and Truckers to decide on their own Chassis. IEP argued that this will worsen the equipment shortage problem as they will not be able to efficiently allocate the equipment.

Freighters serving Mexico City will need to land at new airport

Starting July 5th 2023, all freighters serving Mexico City will have to land elsewhere. The closest alternative to MEX is a new commercial airport: Felipe Angeles International Airport(NLU) which is 45 minutes away from MEX.

Wide – ranging transport strike to be held by German Union

Thousands of workers are called to participate in the 24-hour transport strike on Monday (March 27) across Germany's transport system. The workers include security and ground workers at all German airports except Berlin, local transit employees in seven of the Germany's 16 states, harbor employees and highway workers



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