

# 5 things

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LOGISTICS

15 August 2022

A Word from the NVD Leadership....

Summertime – wow, finally some time with family and friends.

On one hand, the world is opening again. In Europe and other parts in the world, birthday celebrations, summer parties, sporting events or concerts are returning, whereas our side of the world is still very reluctant to open again.

Having the pleasure to travel and meet “have not seen in ages family and friends” comes with the burden of quarantines in small hotel rooms, multiple PCR tests and always the fear of positive Covid-19 results, and we are placed in government quarantine facilities. This is even more of a concern when traveling with family - because close contact still means they must come along.

Nevertheless, there are also positive signs as vaccination rate is increasing, summer temperatures helped in decreasing the number of cases and quarantine is reduced from 14 to 7 days now. It is even hoped that it will only be done within 3 to 4 days.

For the first time in one-year, colleagues in China where able to meet each other in different cities which is a huge step for all of us.

Finally, a team lunch or dinner was happening and the smile on everyone’s faces says it all. Logistics is and always will be a people’s business – and we couldn’t be more proud and thankful to our people!

Denis Kronenbitter, CEO

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1

OCEAN FREIGHT: RATES IN THE MARKET

[Asia to Europe](#) Rate keeps dropping from time to time and all The Alliances has planned for a blank sail in September. Spot rate level is opened with volume / commodity commitment.

[Asia to West Mediterranean / East Mediterranean](#) Rate for West Mediterranean is maintaining at status quo, but the East Mediterranean rate level had dropped significantly. There are many spot-offers available in the market for East Mediterranean cargoes for selected sailings.

**Asia to North America & Latin America United States West Coast Rate** The rate for United States West Coast is still dropping. Volume is slowing down and carriers are still looking for cargoes to fill up the space.

The rate for United States East Coast is much better compared to United States West Coast, as the rate is not dropping too much compared to the first half of August.

Rate & volume for East Coast South America is comparative higher than West Coast South America

**Asia to Middle East & Red** All Middle East / Indian Subcontinent / Red Sea rate are still dropping, but its decline has been narrowed compared to the first half of August.

**Intra-Asia** Rate is comparative stable for August sailings; spot rate is available for volume shipments.

## 2

### OCEAN FREIGHT: EQUIPMENT AND SPACE SITUATION

**Asia to Europe** Blank sailing plan for September is in progress. Labor strikes in Germany and UK are causing the delay of operation.

**Asia to North America & Latin America** Space is quite open for United States West Coast but for United States East Coast space is limited with a chance of light cargo. Savannah is still facing terminal congestion at this moment.

Blank sailing plans for both United States West Coast and United States East Coast are available for first half of September.

East Coast South America space is still tight at this moment, and 2 vessels from Hapag-Lloyd is deployed to reduce roll-over strain at Shanghai and Ningbo. Charters space is available for East Coast South America as well.

**Intra-Asia** Space is not an issue now and only selected port pairs are tight. In general, only CMA is still having a limited amount of equipment and Evergreen is limited on 40'HC in South China.

### Chartering

We have dedicated sailings from Southeast Asia to Seattle & Vancouver. Ports of destinations are Ho Chi Minh City & Haiphong with feeder connections from Phnom Penh, Laem Chabang & Jakarta. For destinations, we have a direct line to Seattle and a feeder connection to Vancouver.

We have a charter sailing from China to Brazil. Charter will stop by Taicang, China before sailing directly to Santos.

## 3

### OCEAN FREIGHT: PORTS SITUATION CHINA

**Shenzhen and Guangzhou** Airports, Warehouse, Trucking and Terminal are all operating normally. A 24 hours COVID negative test report is still needed before entering the areas.

**Shanghai** Shanghai reported no local confirmed or asymptomatic cases for the past two weeks until recently, two new confirmed case and five asymptomatic cases. Sea and air are operating normally.

Sea freight rates to Europe continue to decrease, vessel delays are around a week longer than usual. Equipment supply is back to normal, but Latin America trade still have shortage on NOR. CMA still have a shortage on 40' and 40'HC.

**Ningbo:** Vessel delay one week longer and booking volume decreased by 15%, but equipment is sufficient. All vessels have to wait for the berthing window [All terminals take one day, while DAXIE terminal need two days]

Terminal yard utilization: 100% idle / Load increased. FE4 HMM LE HAVRE will be idling at Ningbo for 1 week. Ningbo port needs strong support for late arrival of feeders and rail-sea shipment.

**Qingdao:** Space conditions on carriers are getting better and equipment are sufficient to match the demands.

There will be a blank sailing in September for both THE and OCEAN alliance. THE alliance only has 3 vessels available and OCEAN alliance has 1~2 vessel per week  
Delays are still on an average of 4~7days

**Xiamen:** All vessel departures delay at least 1 week. Transit time is 5 to 9 days longer than usual.  
CMA has a shortage of 40'GP. Vessel spaces are open for book without worry of shortages.

**Tianjin/Xingang:** With an average delay of 7 days for all vessels, lower EU trade prices. The clients mentioned that export orders were rejected, could assume that export volume will decrease in August. All shipping lines have sufficient equipment, no shortages were reported.

## 4

### AIRFREIGHT: CAPACITY, DEMAND AND RATES

Marketing has gone downhill these two weeks, but there are test cargoes and garment cargoes pending. Airlines are suspending flights in East and North China due to high temperatures. Airfreight rates remains unchanged from last week.

1. Density has a great impact on the rates in the North and East airlines, such as CA/CZ/CK/TK/AF/KL/LH etc. Usually, rates are cheaper if density is higher. For other carriers, rates stay the same, no matter the density value.
2. QR will operate 2 to 3 charter flights this month in North China. This charter service would be appropriate for big cargo heading to Europe.
3. Volume cargo is also welcome in East and West China, but every cargo should be checked with airline on a case-by-case basis. Whatever the requirements are, we will try to find the best one for our agents/clients.

## 5

### RAIL: SPACE, RATES AND DEPARTURES

Space – Difficult | Freight Rate – Increasing | Departures – Delays in Most Origins

Cargos listed in the Sanitary inspection list will be under inspection when crossing the border into Europe. Any bookings by rail needs to clearly display the commodity information and Hs code for further inspection with operator. Currently, Chongqing refuses to accept any cargo listed in the Sanitary inspection list

Xian: The Brest-Mala route accepts general cargo bookings for sanitary inspection but refuses to book space for the Kaliningrad sea-rail route. There are no restrictions for sanitary inspection cargoes on other routes

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and finally.....

After many months of travel restrictions, our Executive Vice President and COO finally had the chance to visit all offices in China! Well, "all offices " is not fully correct as the trip to Xiamen had to be cancelled last minute due to an outbreak there.

Besides this small set back, the trip was a great success and the local management, and our EVP finally had the chance to meet in person and exchange thoughts and ideas. Strengthening our local offices and getting them ready for our growth journey will be one of the main tasks in the coming months.

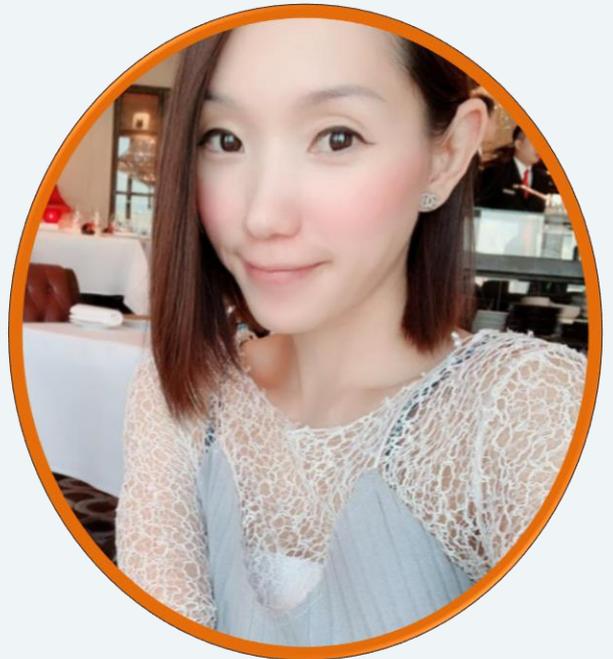
Besides these rather professional talks, the fun part was not neglected during these visits, as the following pictures prove 😊

Dennis Kleine Arndt, EVP and COO



*At NVD Asia, we love to show off the awesome people who work hard to give you peace of mind...*

**Meet Kenix Ho**  
**NVD Hong Kong Accountant**



**Where are you from?**

I was born and grew up in a vibrant and exciting country called Hong Kong.

**Did you grow up, always wanting to be a freight forwarder?**

I specialize in accounting and reporting, and my career has always been a freight forwarder.

**What motivates you at work?**

Professionalism and respect from colleagues motivate me to work harder

**Tell us something most people do not know about you?**

I have more than 17 years working experiences in accounting

**Lastly, can we trust you with secrets?**

I don't tell you -secret