

# 5 things

nvd asia  
LOGISTICS

16 February 2023

A Word from the NVD Leadership....

Dear Friends around the world,

2 days ago, worldwide Valentine's day was celebrated, and I think it is the right time to think about our loved one, the one at home who keeps supporting us no matter what.

For me, without my wife I wouldn't be here where I am today, and I can say with confident that without all the spouses and partners of my colleagues, NVD wouldn't be there where we are today. Our industry is always hectic, and our working hours are crazy sometimes – but I hope everyone will take a moment to enjoy a peaceful dinner with their partner and [for once switch off the mobile for the same].

This one goes out to all our partners at home, thanks for keeping us going!

Happy valentine's day everyone.

Sincerely,  
Denis Kronenbitter, CEO

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## 1

### OCEAN FREIGHT: RATES IN THE MARKET

**Asia to Europe** China to Europe rates is kept "status quo" for the 2nd half of February. No rates dropping because of the blank sailing programme along with the remaining backlog after Chinese New Year. Limited spot offer is available for selected port pairs/vessel schedule. Carriers expected General Rate Increase from March 2023, but chances of it happening may not be high. The situation is the same from Southeast Asia to Europe. Spot rates level will be offered for selected sailing with volume commitment for light cargoes.

**Asia to the Mediterranean** China to Mediterranean rate has increased in the 2nd half of February because of the volume increasing before Ramadan and the blank sailing programme after Chinese New Year. Spot rates are available for large volumes, light cargoes but all subjected to rolling. Heavy stuff cargoes are being held and they do not prefer to take them in view of the full situation. All carriers are talking about General Rate Increase from 1st March in view of the full situation, but the General Rate Increase quantum is not finalized yet.

**Asia to North America and Latin America [United States West Coast Rates]** For Asia to Trans-Pacific trade, both west coast and east coast rate are stabilized, and we expect the rates will be extended for March sailings. Space is not too tight for all carriers and most of them are still considering spot rates level for selected sailings.

**Asia to South America Trade** The rates level continued its downward trend in February and expected General Rate Increase will not be a success for March sailings. Spot offers for 40' NOR shipments are available. Rates to the Caribbean continue to be stable, as usual.

**Asia to Australia** Asia-Australia rates is going to be on downward trend for March as slack season is coming. The demand is not strong, but the carriers does not prefer to drop the Freight All Kind rate level as their requirement is to create an artificial peak for Beneficial Cargo Owner's contract and Named Account rates negotiations for 2023 to 2024 bidding. As usual, spot rates are available for the volume shipment with space available.

**Asia to New Zealand** The market has not seen major drops in rates over the past few weeks and continues to remain the same.

**Asia to Middle East, Indian Subcontinent and Red Sea** Rates to Middle East and Red Sea had been picking up because of the Ramadan season. Only weekly rates level is available in the market and most of the carriers are full at this moment. Rate for Indian Subcontinent is stabilized. Spot rates levels are available for selected port pairs and vessels. Carriers continue to be full for sailing.

**Intra-Asia** The rates have stabilized

## 2

### OCEAN FREIGHT: EQUIPMENT AND SPACE SITUATION

**Asia to Europe** In general, carriers do not encounter equipment issues on all trade legs. Space utilization is very high for all carriers in the Asia-Europe trade. Most of the cargoes are required to roll due to the carrier's blank sailing program, even though space protection was granted. Majority of services are required to roll twice or even three times on average. Cargo rolling is unavoidable unless you purchased a "space guarantee" from the carriers' online platform. Some carriers' rolling pools can cover their standard allocations until week 12 along with the blank sailing programs in weeks 8 to 10.

**Asia to North America and Latin America** Space is full due to services and vessels merging. Rolling is available for all trade legs, but in general, they require it to roll around every 1 to 2 weeks, depending on the service routings. Blank sailing actions for January and February are still in effect.

**Asia to Australia/New Zealand** There is space available and no pressure on space at all.

**Middle East, Red Sea Space, and India Sub-continent** Space is very full for both Middle East and Red Sea but a bit tight for India Sub-continent.

**Intra-Asia** Space is generally available for all trade leg

## 3

### OCEAN FREIGHT: PORTS SITUATION CHINA

**Shenzhen and Guangzhou** Warehouses are back to normal but needs the driver's 48 hours negative COVID test, green code, and has not been in medium or high-risk areas. Trucking are also back to normal and now accepts inland truck and drivers must have 24 hours COVID test negative report.

Yantian and Shekou terminals required drivers to have 24 hours COVID test negative report. Pearl River Delta back to normal operations, but needs the driver's 24 hours negative COVID test, green code, and has not been in medium or high-risk areas. All cross-border trucking services to Hong Kong is back to normal but supply is limited and so, many Hong Kong cross border trucking company prefers feeder services.

**Shanghai** The transportation demand after Chinese New Year is still low, However, with the optimization of epidemic prevention measures the transportation market is expected to continue recover.

**Ningbo** Space and equipment situation are enough to feed all bookings. The terminal operation are back to normal. Vessel waiting time and delay are within 1 to 2 days. North Europe space are enough to receive all bookings, but Mediterranean space has slightly tight in certain voyage.

**Qingdao** Space and equipment are enough. THE Alliance blank sailing on Europe/Mediterranean line of 8<sup>th</sup> March and 9<sup>th</sup> March, 2023. Then normal until the end of March. OCEAN Alliance blank sailing on 8<sup>th</sup> March 2023, then normal until the end of March. Mostly, there is no delay situation.

**Xiamen/Fuzhou** The shipping space and equipment are sufficient in Xiamen. Booking situation are still not back to normal. Most of the factories in Fujian province just got back to work after the Lantern Festival. Shipping lines has skip sailings. Example: ONE, HMM and HAPAG only have on schedule in 2 weeks now.

**Tianjin/Dalian** Equipment supply, and space are enough by all shipping lines ex Xingang/Dalian. Feeder vessel is average 3 to 4 days delay.

## 4

### AIRFREIGHT: CAPACITY, DEMAND AND RATES

As of 1<sup>st</sup> of March 2023, the European Union will be implementing ICS2 (Import Control System 2), a customs security program which requires additional data for a pre-loading risk assessment of shipments entering the European market. It is relevant for all air cargo and airmail with origins in third non-EU country with destination or transit in the EU. Lufthansa Cargo only transport shipments that have received the clearance by authorities. Otherwise, they will need to hold shipments until all required actions as indicated by authorities are performed.

Requirements to jointly ensure the ICS2 compliance are as follows:

- 1) Provide the mandatory Harmonized System code and consignee Economic Operators Registration and Identification Number (EORI) where assigned.
- 2) Provide electronic data for a timely ICS2 filling.
- 3) Provide meaningful and complete data such as the goods description, also on House Air Waybill.

Harmonized Commodity Code (HCC) is a 6-digit code to be provided on House Air Waybill. For direct shipments, HCC must be provided on Air Waybill. A Consignee Trader Identification number is assigned to the trader. This could be an EU EORI number, Argentinian CUIT, etc. to be provided on Master Air Waybill and House Air Waybill.

▼ FHL Example

FHL/4  
 MBI/020-96146105PVGFR/T6K572.6  
 HBS/7FE7877/PVGBER/6/K572.6/6/PHARMACEUTICALS  
 ...  
HTS/300490  
 ...  
 FHL/4  
 MBI/020-33417731EZEFR/T59K2238.1  
 HBS/1029302185/EZELUX/1/K220/1/STEEL PARTS NOT  
 /SPX/EAP  
 TXT/STEEL PARTS NOT RESTRICTED  
HTS/392690  
/722090  
/848790  
/731824  
/732690  
/420292

**Harmonized Commodity code for Air WayBill and House Air WayBill**

▼ CIMP (FWB and FHL) messages shall contain this information in OCI line

Example of Italian EORI number: OCI/IT/CNE/T/IT123456789012  
 Example of TCUIN: OCI/AR/CNE/T/UIT30688329201

▼ CXML (XFWB and XFZB) messages shall contain this information in "Included Customs Note"

Example of German EORI number:  
 <IncludedCustomsNote>  
 <ContentCode>T</ContentCode>  
 <Content>DE1234567892345</Content>  
 <SubjectCode>CNE</SubjectCode>  
 <CountryID>DE</CountryID>  
 </IncludedCustomsNote>

Example of Argentinian CUIT number:  
 <IncludedCustomsNote>  
 <ContentCode>T</ContentCode>  
 <Content>CUIT30688329201</Content>  
 <SubjectCode>CNE</SubjectCode>  
 <CountryID>AR</CountryID>  
 </IncludedCustomsNote>

**Consignee Trader Identification Number**

Chinese New Year factory shuts down and reduces demand for air cargo space in the first month of the year. Airfreight charges have increased about CNY4-5/kg based on week 4 and 5, but rates between China and Europe have fallen by 50-60% compared to this time last year. whether the airfreight rates increase currently or likely to fall.

## 5

### RAIL: SPACE, RATES AND DEPARTURES

Introduction of the new services and these are the following:

Milan, Italy :

Export: Xian to Milan, Italy

Estimated Time of Departure: Wednesday or Saturday

Transit Time from Xian to Italy : around 22 days

Routing: Xian-Alashankou/Horgos-Brest-Mala-Milan .

Import: Milan, Italy to Xian

Estimated Time of Departure from Milan: Friday

Transit Time from Milan to Xian : 22 to 25 days

Routing: Milan-Duisburg/Hamburg-Mala-Brest-Horgos/Alkashankou-Xian

Burghausen, Germany [intend to be open in March]:

Port of Loading: Xian

Port of Destination: Burghausen

Estimated routing : Xian-Alashankou/Horgos-Brest-Mala-Poznan-Hamburg-Burghausen

Estimated Transit Time: 27 days [subject to first testing schedule]

## and finally.....

We are delighted to announce that we have officially open NVD office in Malaysia. We are based in the country's capital and 30 mins drive to the main port, Port Kelang and our office is strategically located Sunway City, where we are a short drive away from manufacturing hubs.

Apart from being the local office for Malaysia shipments, NVD Malaysia will also act as the Control Tower for Southeast Asia Region. We have an experienced and dedicated Operations, Customer Service, and Pricing Team to support businesses around Southeast Asia. The team are currently handling Ocean, Air, Cross-border trucking, Custom Brokerage and Warehousing. NVD Malaysia is headed by our Managing Director, Ms Gui Miow Chuin and you can reach out to Miow Chuin directly or to our team at email: [malaysia@nvdasia.com](mailto:malaysia@nvdasia.com)

We would like to introduce you the portrait of Malaysia Managing Director and the Team.



NVD Malaysia Managing Director  
[MS. Gui Miow Chuin]



NVD Malaysia Team



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

**Chris Liu,  
NVD Asia Qingdao,  
Operation Manager**



**Where are you from?**

I am from a beautiful city of Jinan, which are in the north of Mountain Tai and South of Yellow River. It is called “Spring City” because of the well-known bubbling waters of 72 famous springs distributed in the city zone.

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

I wanted to be a tour guide when I was a child. After I graduated from my University, I worked in a logistics company because my major is international trade.

**What motivates you at work?**

In the beginning, I was motivated to use my knowledge at work and then my motivation shifted to achievements and recognition from customers and colleagues.

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

I am interested in a Chinese ancient poetry. I already watched all eight seasons of the TV programs which is “Chinese poetry Conference” during my spare time.

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

Of course, you can. Because it is a secret.