

5 things

nvd asia
LOGISTICS

08 March 2023

A Word from the NVD Leadership....

Dear Friends, Family and Partners,

Wow, time is flying and what changes do we see. Borders to China are open again, we finally can meet our colleagues again. First big global network event was held last week in Singapore with over 4000 attendees, of course our team was there to meet friends that we haven't seen for a long time. Germany, Switzerland, and our partners in South America celebrated Carnival in full swing for the first time for 3 years. These are all fantastic news, and it shows how life comes back to normal. We are excited to finally welcome guests again in Hong Kong in the next week and cheers to the times ahead of us.

The question remains...what's next? How will the global economy develop and what will happen to the freight rates. Unfortunately, no one has the ominous glass ball which will tell us, but the signs are promising and who would we be to give up now? I see the big chances for all of us, if we work together to find those opportunities and chances.

Let's work together and make it happen.

NVD is here for you and NVD is ready to go with you for the extra mile, as always.

We are looking forward to hear from you or see you in person soon.

Sincerely,
Denis Kronenbitter, CEO

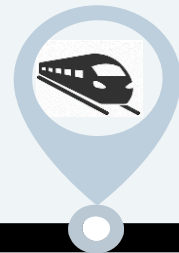
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OCEAN



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AIR



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RAIL

1

OCEAN FREIGHT: RATES IN THE MARKET

Asia to Europe In February, market rates from China to Europe had stabilized, allowing most carriers to extend their rates until middle of March. Spot rates are currently available as usual with volume commitments. Generally, volume is still slow to pick up in the market for March sailing. Most of the carriers expect that the rates will go up from April sailings. In terms of Quarter 2 rates, carriers are still hesitant to extend rates for April sailings. The situation in South-East Asia is like that in China, with most carriers offering spot rates for volume shipments. For heavy stuff, only rare shipments will be approved for spot rates, but it is all subjected to 'rolling' with limited volume.

Asia to the Mediterranean Despite maintaining a comparative higher rate for February sailings, the rates will be extended until middle of March. Due to port congestions from some Mediterranean ports, unexpected blank sailings are available for all Mediterranean services with very short notices. Most of the March sailings are expected to be full at this moment. As usual, spot rates is still available for large volume, light cargoes (all 40'GP and 40'HC) but all the boxes are subjected to roll. In addition, carriers implemented weight limits for 20'GP shipments to minimize weight (or draft) issues. As of today, most Turkish ports have resumed operations after the earthquake and the rates level remains the same as it was in February.

Asia to North America and Latin America (United States West Coast Rates) The United States West Coast and United States East Coast rates for Asia-Pacific trade have both been reduced by the end of February. Most carriers extended Freight All Kind rates until 14th March but expect an increase for April. Only selective sailings are full at this moment and the blank sailing programmes are still in place for both United States West Coast and United States East Coast. Spot offers are generally available for certain services and ports. Some carriers offer special offers for March sailings for specified services.

Asia to South America Trade The rates level continued its downward trend in February and will remain in effect until the first week of March. Spot offers for 40' NOR shipments are available as usual. Slightly reduced Caribbean rates level in the market as the vessel is comparatively light.

Asia to Australia There had been a significant drop in rates for Asia-Australia. The demand is not strong and most of the carriers are light for sailings. All spot rates are available, even for heavy cargoes, but carriers require volume commitments. In the current 'watch and see' policy, carriers will not extend the April rates.

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

Asia to Middle East, Indian Subcontinent and Red Sea Rates to the Middle East, Red Sea, and Indian Subcontinent have stabilized. Expect the volume to drop with Ramadan approaching. Spot rates levels are available for selected port pairs and vessels, but in general, carriers are still full.

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 still high for all carriers in the Asia-Europe trade and most of the carriers are looking for back-up cargoes to avoid any sudden shortfall. Blank sailings are still common and minor rolling is reported to have occurred for selected services.

Asia to North America and Latin America As far as Asia to North America and Latin America is concerned, there is a lot of space available. Only selected services were overbooked with cargoes rolling. Blank sailing are still available for Trans-Pacific/LATAM services.

Asia to Australia/New Zealand There is no pressure on space.

Middle East, Red Sea Space, and India Sub-continent Space is generally open.

Intra-Asia Space is generally available for all trade legs.

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 Currently, it is a low season for us as there are less bookings. Equipment and space are okay. The vessel schedule is stable. Sometimes, there will be a delay for about 3 days.

Ningbo After Chinese New Year, EU trade have enough equipment and space situation are always available. Vessel waiting days are within 2 days. Terminal and warehouse operation are normal. EU volume has increased compared to February, but still far away compared to peak season.

Qingdao Qingdao Port and equipment are both enough. Blank sailing: THE alliance still has blank sailing on Europe/Mediterranean line on March 8th and March 9th. Will be back to normal in the end of March. Ocean alliance has blank sailing on March 8th and will back to normal in the end of March. There is a little delay that happened.

Xiamen/Fuzhou Space and equipment situation are enough in all shipping lines. But ONE, HMM, HAPAG and YML still keep one sailing every two weeks' time.

Tianjin/Dalian Equipment supply and space are enough by all shipping lines except MSC 20' shortage and HPL 40' OT shortage ex Xingang/Dalian. Feeder vessel is average 3 to 4 days delay. Market situation is slightly better than February.

4

AIRFREIGHT: CAPACITY, DEMAND AND RATES

On 1st of March 2023, Import Control System 2 (ICS2) was implemented by the European Union, and it is relevant for all air cargo and airmail shipments with origin in a third(non-EU) country with destination or transit in the EU. However, Lufthansa Cargo was informed on 28th February 2023, that the European Commission made a last-minute change regarding the transition strategy to Release 2: Carriers operating direct flights from non-EU countries to EU member states not ready for ICS2, were strongly recommended to request for a deployment window, in order to maintain safety and security across the EU. By recommendation of EU authorities, Lufthansa Cargo have applied and have been granted a deployment window until latest 30th June.

Airlines are requesting to carry out above ICS2 policies. Following are SOPs on information that must be declared on the waybill.

- 1) Shipper's ZIP Code (Master Air Waybill + House Air Waybill)
- 2) Consignee's ZIP Code (Master Air Waybill + House Air Waybill)
- 3) City Name
- 4) Good Description
- 5) HS CODE
- 6) Economic Operators Registration and Identification (EORI) Number

5

RAIL: SPACE, RATES AND DEPARTURES

Introduction of a new service :

Rotterdam, Netherlands:

Export - Xian to Rotterdam

Weekly departure

Transit Time from Xian to Rotterdam : around 22 days

Routing: Xian-Alashankou/Horgos-Brest-Mala-Duisburg-Rotterdam .

Import - Rotterdam to Xian

Weekly departure

Transit Time from Rotterdam to Xian : 25 to 28 days

Routing: Rotterdam-Duisburg -Mala-Brest-Horgos/ALashankou-Xian

and finally.....



We are happy to introduce Nhi Nguyen, a new colleague who has joined NVD Vietnam as a Sales Executive.

Nhi has 5 years of experience in local sales and direct customers within the forwarding industry.

Nhi loves to listen to music and spend quality time with her family, especially with her lovely baby girl.

Join us in welcoming Nhi into the NVD family!

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...

**Stella Wu,
NVD Asia Shenzhen,
Sea Freight Assistant
Operation Manager**



Where are you from?

I am from Changde, located in the northwest of Hunan province. Changde is a beautiful city, and it is famously known as the 《The land of Peach Blossom》 by Tao Yuanming.

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

When I was a child, I really wanted to be a teacher. However, after I graduated from my University, I worked in a forwarding company as Business English was my major.

What motivates you at work?

In the beginning, I was motivated to gain more knowledge in this field. Now, my motivation shifted to be more professional and to provide the best service to my customer.

Tell us something most people do not know about you?

I almost become a teacher six years ago.

Lastly, can we trust you with secrets?

Sure, you can trust me. Because it is a secret.