

# 5 things

nvd asia  
LOGISTICS

12 May 2023

A Word from the NVD Leadership....

Dear Friends of NVD,

Quick break for us to take a breather as 1<sup>st</sup> of May is one of the rare holidays celebrated nearly all around the globe. We took the opportunity and extended the same to a 3-day holiday to give everyone a quick break, time to see the family and start “fresh” in the 2<sup>nd</sup> third of this turbulent year.

What is expected – NVD still continues to expand and increase the team count. We have been lucky enough to be awarded with new projects, found new partners to which we were recommended by existing partners, and we joined two new networks to improve our strength on certain trade lanes out of Asia.

Nothing left to say – we are happy to be back in the office and looking forward meeting many of you in the next weeks.

All the best from Asia.  
Sincerely,  
Denis Kronenbitter, CEO

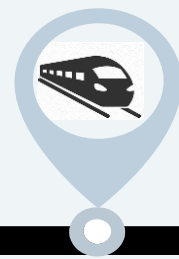
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## 1

### OCEAN FREIGHT: RATES IN THE MARKET

**Asia to Europe** The market rates have been maintaining "status quo" for the first week of May sailings in view of the Labour Day. Most of the carriers are full for the first week of May, with a small rolling pool available. Carriers are pushing the rates up, and therefore only a few spot rates are available in the market. Like previous months, blank sailings are taking place in the market, and port congestion is still prevalent in some terminals. The UK is picking up, and some carriers offer higher rates than EUR main ports. Some carriers had reinstated the OWS [overweight surcharges] for 20-GP shipments, and there were few spot rates in the market for 20-GP heavy stuff. The situation in Southeast Asia is like that in China, with most carriers offering spot rates for selected shipments but few for heavy stuff. All heavy cargoes are required to be split into lots for shipment or subject to "rolling" with limited volume.

**Asia to the Mediterranean** The market rate level is high for May sailings, and most of the carriers are expected to be full as well. Due to port congestion in some Mediterranean ports, unexpected blank sailings are available for all Mediterranean services with very short notice. Carriers are not keen on spot rates in view of full capacity. For heavy stuff, most carriers strictly implement overweight surcharges without exception. Some carriers do not take any heavy cargo to avoid vessel draft issues. In addition, most of the carriers had suspended the extension of free time to maximize the profit margin for their shipments.

**Asia to North America and Latin America (United States West Coast Rates)** All carriers are working for a general rate increase starting May 15<sup>th</sup>. Most carriers have stopped making spot rate offers in the market. On the West Coast of the United States, most carriers still maintained the existing rate level in view of full ships. On the East Coast of the United States, carriers are fully utilized with some rolling in different services, but in general, carriers are working for another general rate increase for June 1<sup>st</sup> too. For LATAM, the general rate increase had been successfully implemented for both West Coast South America and East Coast South America. The weekly rate has increased gradually from the last two weeks of March until now. Carriers will consider spot offers for NOR shipments.

**Asia to Australia** The demand is weak, and most of the carriers have light sailings. All spot rates are available, even for heavy cargoes, but carriers require volume commitments. Currently, most of the carriers have extended the rate until mid-May, and they are also looking for a general rate increase in the second half of May.

**Asia to New Zealand** The market is still maintained at the same level, with no major change in the rate level.

**Asia to Middle East, Indian Subcontinent and Red Sea** For Asia to Middle East & Red Sea, market rates are increasing weekly by a small quantum. Ad/hoc spot rates are available for selected port pairs and services. For the Indian Subcontinent, the market rate level is still maintained as per the last few weeks.

**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 additional volume 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** Space is tight for both United States West Coast and United States East Coast. Generally, space for Latin America is going to be tight, and priority loading will be provided for NOR shipments.

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

**Middle East, Red Sea Space, and India Sub-continent** Space is tight for the Middle East & Red Sea at this moment, while space for the Indian Sub-Continent is generally open.

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

## 3

### OCEAN FREIGHT: PORTS SITUATION CHINA

**Shenzhen and Guangzhou** Air Flights and ground operation are operating normally, Green Health Code is not required. Guangzhou Airport is running normally, and the airport terminal does not require a Green Health Code. Warehouses are back to normal and Green Health Code is not required. Trucking are also operating normally, and Green Health Code is not required anymore. Nansha Terminal does not need the Green Health Code for any In and Out operation. FCL and LCL trucking services are operating normally and does not require the Green Health Code.

Yantian and Shekou terminals does not need the Green Health Code for any in and out operation. Pearl River Delta operating normally and does not require the Green Health Code. All cross-border trucking services to Hong Kong are operating as normal and will not need the Green Health Code. Cross-province service and courier service operate as normal and does not need to provide the Green Health Code.

**Shanghai** Equipment are enough. EU space becomes little bit tight, especial for NAC space. Vessel schedules are major on time without delay. Shipping lines still skip some sailing to maintain the price level.

**Ningbo** EU space situation are better than first quarter of April, it will maintain the same situation till May. Terminal, Depot, Warehouse operation are running normal, Vessel waiting time are within 1 to 2 days. Empty equipment are enough to supply, except one or two shipping lines have 20GP shortage.

**Qingdao** Ocean Alliance liners faster sailing service space still need quick booking as they are still on hot sales for EUR and Med line. The Alliance liners space and equipment is enough. THE alliance has one blank sailing on May 8<sup>th</sup> on Euro line and one blank sailing on May 4<sup>th</sup> for Med liner, others normal till end May. Ocean alliance has one blank sailing on May 12<sup>th</sup> on Europe line, others normal till end of May. Most vessels depart on time.

**Xiamen/Fuzhou** Space and Equipment situation are enough to supply, Vessel sailing are mostly on time, the delays are within 1 to 2 days. EU trade booking situation are stable. Terminal operation are back to normal.

**Tianjin/Dalian** Equipment supply by all shipping lines is almost OK except 20' shortage by MSC and 40[H] OT shortage by COSCO. The space for 20' heavy cargo to NEUR at the month end of April is difficult to book. Usually rejected by shipping line. Bookings to Brazil need to place booking with all shipping lines prior to 3 weeks due to bookings increasing. Feeder vessel schedule back to normal, seldom delay.

## 4

### AIRFREIGHT: CAPACITY, DEMAND AND RATES

Airfreight rates are smooth and back to the same as week 17. Fuel Surcharge have increased from the middle of March.

CMA airline continue to launch new route : CAN to CDG by freighter flight (A330F or B777), three flights per week for E-Commerce biz, Electronics, Fresh and cold cargo. Hongkong Express airline start using the first passenger flight A321NEO.

EY: Etihad Cargo, the cargo and logistics arm of Etihad Airways, has added a fourth gateway destination to its Chinese network with the introduction of weekly flights to Wuhan Tianhe International Airport in the Hubei province of China. The inaugural flight arrived in the Hubei Province on 29<sup>th</sup> April.

The airline currently offers five passenger flights to Shanghai, Beijing Daxing and Guangzhou each week. With the commencement of two weekly freighter services between Abu Dhabi and Wuhan, Etihad Cargo will operate a total of ten freighter services to China, offering an additional 100 tonnes of cargo capacity into the Hubei Province each week. This brings the carrier's total cargo capacity for China to 1,000 tonnes per week, including 850 tonnes of cargo capacity for Shanghai offered via eight weekly freighter services and two passenger flights.

The new flights between Abu Dhabi and Wuhan will give Etihad Cargo's partners and customers greater accessibility to 25 domestic Chinese destinations, including Shenzhen, Dongguan, Hangzhou, Chengdu and Nanjing, via SF Airlines' road feeder service trucking. On 16<sup>th</sup> April, CZ6043 overload 18 tons of the cargo from CSX to NBO, it means the regular schedule/route between CSX and NBO is resume. Frequency: D3,7 by A3500-900.

Present situation of Air marketing [China-Asia Pacific]:

Airfreight charge keep smoothly, Passenger flights and Charter flights be increased from April, Space is abundant.

China-Europe :

- 1) The Airfreight charges keep high level due to E-commerce biz as the master position before National Labor Day.
- 2) After Labor day, even E-commerce biz decreasing demand for space, airfreight charge keep remain as before holiday since big backlog during holiday.

China-US :

- 1) Passenger flights have been slow to resume.
- 2) The Airfreight charges keep high level after National Labor Day since unloading and backlog during Labor day.
- 3) E-commerce cargoes are still as the master position.

From 00:00 on 16<sup>th</sup> May,2023 to 20:00 on 19<sup>th</sup> May,2023, PVG PACTL/PACTL West will suspend the acceptance of outbound cargo that requires for 24-hour cooling off storage.

From 00:00 on 17<sup>th</sup> May,2023 to 20:00 on 20<sup>th</sup> May,2023, PVG PACTL/PACTL West will not be allowed the hand-over of outbound cargo that is after 24-hour cooling off period with airline's ramp handlers.

## 5

### RAIL: SPACE, RATES AND DEPARTURES

New production - LCL service from Duisburg to China

Frequency : 2 schedule per month

Pick up: Europe [ case by case checking with pick up details ]

POL: Duisburg

POD: Yiwu /Xian

Delivery to: China [case by case checking with delivery details ]

Transit Time from Duisburg to Yiwu : 20 to 22 days

Service type : DOOR to DOOR

Commodity : general commodity without battery inside

# and finally.....

Dear employees,

As we navigate through these unprecedented times, it's important to remember that we have the strength, resilience, and determination to overcome any challenge that comes our way. Each and every one of you has demonstrated incredible perseverance and dedication, and for that, I am truly grateful.

As we move forward, I want to remind you that your hard work and contributions are valued and appreciated. Your commitment to excellence inspires us all to do better, to be better, and to push ourselves beyond our limits.

Remember, success is not achieved overnight. It takes time, effort, and persistence to reach our goals. But with a clear vision, a positive attitude, and a willingness to learn and grow, we can achieve anything we set our minds to.

Let us continue to work together, support each other, and strive for excellence in everything we do. Together, we can accomplish great things and make a positive impact in our industry and the world.

Thank you for all that you do and keep up the great work!

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...*

**Owen Wu,  
NVD Asia Qingdao,  
Sales Executive**



### **Where are you from?**

I am from Tai'an city of Shandong province, which is located at the foot of Mount Tai. I welcome all my colleagues to visit my hometown.

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

No, I wanted to be a writer or a soldier when I was a child. I didn't know forwarder until I went to college to study this major.

### **What motivates you at work?**

What drives me to work is to learn new skills at work, make progress in the sales field, get support from leaders and colleagues, and get recognition from customers.

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

I like to travel and want to be a travel blogger to share stories of travelling with various people, but I don't have enough time to do it..

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

Yes, I am a faithful man and will keep secrets.