

5 things

nvd asia
LOGISTICS

19 May 2023

A Word from the NVD Leadership....

Dear Partners and Friends around the globe,

What a pleasure to meet so many of you the last week in Munich. It was so good to have a chat, cheer with a drink and discuss new projects and possibilities. Finally, the "logistics" world is coming back together, and we have the pleasure to discuss in person and no more virtual meetings.

After Munich we were honoured to be invited by our partner in the US for the annual meeting and were able to present the strength and capabilities of NVD Asia. We are very much looking forward extending the cooperation and strengthen our capabilities on the trans-pacific trade.

Now for me it's time to head home again and celebrate the birthday of my kids before getting back out on the road again. You can reach us 24/7 and we are happy to work with you on new opportunities and projects.

We are looking forward to hearing from you.

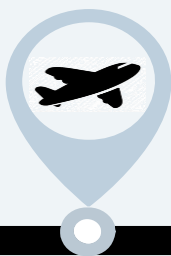
Sincerely,

Denis Kronenbitter, CEO

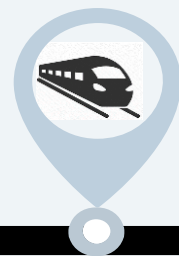
Today's Market Insight is powered by



nvd asia
OCEAN



nvd asia
AIR



nvd asia
RAIL

1

OCEAN FREIGHT: RATES IN THE MARKET

Asia to Europe The market rates has maintain "status quo" for May sailings after the Labour Holiday. Most of the carriers are full in May, with a rolling pool available. Carriers are trying to increase the rates level, and therefore only a few spot rates are available in the market. The UK cargoes are picking up, and most of the sailings with UK calls are overbooked. Rolling pools are available, and therefore, some carriers offer higher rates compared with 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 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 rates level is stable for May sailings, and most of the carriers are expected to be full as well. Carriers are not keen on spot rates in view of full capacity and high utilization. For heavy containers, most carriers strictly implement overweight surcharges without any exception. Some carriers do not take any heavy cargo to avoid vessel draft issues. In addition, most of the carriers have 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] United States Rates: Most carriers had extended the rates for the second half of May, with a few exemption port pairs. Carriers are talking about two General Rate Increase in June 2023 (on June 1 and June 15), and all carriers are trying to implement them. Carriers will offer spot rates for selected sailings and services but need to have volume commitments. 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 going to be full, along with some rolling in different services. For LATAM, the rate had been stabilized for next week. Carriers are expected to push General Rate Increase weekly for both West Coast South America and East Coast South America. Carriers will consider spot offers for NOR shipments in view of their equipment requirements at destination.

Asia to Australia All spot rates are available, even for heavy cargoes, but carriers require volume commitments. Currently, most of the carriers have extended the rates until the end of May, and they are also looking for a General Rate Increase in June.

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

Middle East, Indian Subcontinent and Red Sea Market rates are increasing weekly by a small quantum. Most of the vessels are fully utilized. Ad/hoc spot rates are available for selected port pairs and services only. For the Indian Subcontinent, the market rates level is still maintained as per the last few weeks.

Intra-Asia The rates level and general market outlook 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. Rolling is available for selected services.

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 Presently, 20'GP of CMA is tight. Other equipment situation is still normal. Space to Europe from CMA and OOCL becomes limited, sometimes will get roll over. Vessel schedule is stable.

Ningbo Whole EU trade space situation are better, only heavy 20', still have space issue. Ningbo port operation are on normal situation, vessel calling waiting days limit to 1-2 days. Equipment situations are available for all bookings, except one or two carrier have little issues, example, CMA lack of 20'GP and 45'.

Qingdao Ocean Alliance liners offer services with shorter transit time, but booking space would need to be done online and fast as it is on hot sales for EUR and MED line. The Alliance liners space enough, Equipment is enough. No blank sailing in June. Most of the vessel depart on time.

Xiamen/Fuzhou The shipping lines space and equipment are enough for Xiamen and Fuzhou port. Maersk always have changes of their vessel from Xiamen to Europe. Skip sailing etc., so that their schedule are not stable at all.

Tianjin/Dalian Equipment supply by all shipping lines is almost normal except 20' shortage by CMA. The space for 20' heavy cargo to NEUR in May is difficult to book. Usually rejected by shipping line. THE blank sailing on May 26th, OA blank sailing on May 28th and 2M blank sailing on May 30th to NEUR, hence, some bookings switch to the beginning of June.

4

AIRFREIGHT: CAPACITY, DEMAND AND RATES

Rates :

Air freight prices fluctuated greatly in the first quarter. Overall demand fell back to the pre-epidemic level in the first quarter. Fuel Surcharge are increased from the middle of March.

Airlines:

BA: Recover daily flight from PVG to LHR from 23rd April, recover 4 flights per week from PEK to LHR from 3rd June.

CC: (Air Atlanta Icelandic): NGB open the first EU route, NGB-LGG-RKV, 3 flights per week by B747F.

PVG airport: Will do Runway Maintenance work from 26th March to 4th June, it will be reduced about 10% of the capacity ability from/to PVG to/from USA; it will be reduced about 25-30% of the capacity ability from/to PVG to/from EU.

CZ add from 8 to 12 PAX flights per week between China and USA.

In the first quarter of 2023, the cross-border e-commerce air freight business volume of Shenzhen Airport increased by 85%, the cargo value increased by 5 times and the fresh cold chain import business volume increased by 22.6% year-on-year.

From 00:00 on 16th May 2023 to 20:00 on 19th May 2023, Majority Chinese Airports' PACTL will suspend the acceptance of outbound cargo that requires for 24-hours cooling off storage. From 00:00 on 17th May 2023 to 20:00 on 20th May 2023, Majority Chinese Airports' PACTL will not be allowed the hand-over of outbound cargo that is after 24-hours cooling off period with airline's ramp.

Transport Capacity:

The recovery in beltway capacity is expected to add a significant amount of capacity over the summer from Europe, North America and Asia. Increased capacity by using passenger plane could affect rates in the third quarter.

Both markets remain weak, and demand continues to decline. US and European airlines are adding significant capacity to their summer schedules, with volumes and rates expected to rebound in the third quarter as a result of new product launches and improving economic conditions.

Present situation of Air marketing:

1. China-Asia Pacific : Airfreight charge keep smoothly, Space is abundant.
2. China-Europe: The big backlog during National Labor Day, airfreight charges are increased a little bit due to E-commerce biz as the master position.
3. China-US: Airfreight charge keep smoothly, Space is abundant.

5

RAIL: SPACE, RATES AND DEPARTURES

New Service or rail-road part:

Border cross :

Singapore-Ningbo/Qingdao-KZ [Kazakhstan]

Routing details :

By ocean from Singapore to Ningbo or Qingdao terminal. By trucking from Qingdao/Ningbo to KZ. Transit time around 20 – 25 days.

General running situation :

Weekly departure for both public train and block train and border cross on Alashankou/Horgos/Erenhot by smoothly.

Transit time :

Xian Normal : 18 - 20 Days to Germany, 12 - 15 days to Poland. Xian Express: 12 – 14 days to Germany, no stop in Poland. Yiwu/Zhengzhou : 20-22 days to Germany, 15 – 18 days to Poland.

Commodity : besides NEV keep under license by rail, other cargos related battery still be rejected by rail.

POL	POD	Delay situation/ depature/ days)	train performance per railway/ (in days)			Border Transshipment performance/ (in days)		total TT (in Days)	Space situation
			China	Kaz/Rus/Bye	PL/DE	CN-KZ	BL-PL		
Xian (Normal)	Duisburg /Hamburg	on time	3	7	2	2	4	18	Open for booking
Yiwu	Duisburg/Hamburg	on time	4	7	4	2	5	22	Open for booking
Zhengzhou	Hamburg/Munich	3-4	4	7	2	2	5	20	Open for booking

and finally.....



I would like to introduce you to our new Country Manager for NVD Taiwan, Fin Tung. Fin is Taiwanese, born and raised in Taipei and still lives in the outskirts of the capital city.

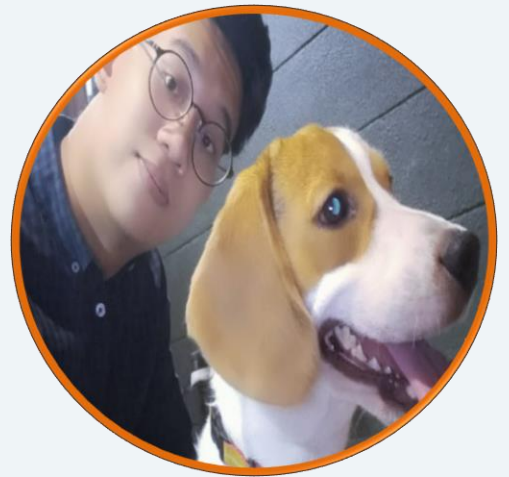
She started her forwarding career in the year 2000 and was mainly focused on commercial parts in forwarding and logistics and sales. Fin then switched to air freight operation and procurement. From 2018 onwards, she began to strengthen her operational skills to be perfectly prepared and equipped for her forwarding career.

Let's welcome and support Fin as our Country Manager for NVD Taiwan and wishing her best of luck.


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...

**Marcus Cheok,
NVD Asia Malaysia,
Junior Data Support Officer,
Global Partnership**



Where are you from?

Hi Friends!! I am from Malaysia, which is an amazing place to be in. We have many cultures, many races and amazing food. Next time you visit Malaysia, be sure to visit the KLCC twin towers  and our national dish, Nasi Lemak. 

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

Nope. Never knew about this industry until recently. I have always wanted to be someone that can help others.

What motivates you at work?

My motivation comes from: Colleagues, friends, environment, and food.

Tell us something most people do not know about you?

As much as I love talking to people and making a lot of noise in the office... I am an introvert. 😊

Lastly, can we trust you with secrets?

Well... That would depend on the secret. But...yes, I would keep it safe.