WEN-PARKER LOGISTICS

Creative Ideas For Your Global Supply Chain!

AUGUST 2022 MONTHLY MONITOR




Market Update

India - ***Air*** and ***ocean*** space is readily available, and rates for ***both*** have stabilized. Transit times have improved for ***ocean*** as rollovers have been reduced.

Bangladesh - ***Airline*** space is available, no capacity issues. There is no ***ocean*** equipment crisis currently; however, there are some blank sailings out of transshipment points, hence some pressure on mother vessel connections. ***Ocean*** rates are going lower due to the increasing booking volume specially to MED, USA, EU destinations. Chittagong Port average berthing delays is 2-3 days.

Sri Lanka – ***Both air*** & ***ocean*** capacity are reduced, with several carriers reducing flights/sailings amidst the fuel crisis. With the current port issues, some carriers are not offering to bring freight into CMB and it is expected that August may see more sailing omissions, and ***air*** carriers further reducing flights due to low passenger loads. ***Air*** carriers EK/QR/TK have announced flight frequency reductions, which will reduce the capacity (besides restricted payload due to additional fuel being taken on board for return flight); capacity may be reduced by almost 45-50%. ***Ocean*** freight space is subject to early bookings, while Maersk, ZIM, MSC, CMA-CGM, COSCO, ONE, PIL, YML, HMM, HAPAG, EMC continue operations on restricted capacity.

Happy Holidays From Around The Globe!

Date	Holiday	Origin
August 9th	Muharram	India
August 11th	Public Holiday	Sri Lanka
August 12th	Queen Mother's Birthday	Thailand
August 15th	Independence Day	India
August 17th	Independence Day	Indonesia
August 19th	Krishna Jayanti	India
August 21st	Ninoy Aquino Day	Philippines
August 29th	National Heroes Day	Philippines
August 31st	Independence Day	Malaysia
August 31st	Religious Festival	India

For the 7th consecutive year, Wen-Parker Logistics has been named a Great Supply Chain Partner by Supply Chain Brain Magazine.

Hong Kong – Demand for ***air*** transport remains flat, and rates will stay low for first half of August and then likely steadily increase as we move towards peak season. Regional ***ocean*** equipment issues will continue and are likely to persist through peak season.

Shanghai – A summer slowdown has kept rates for ***both air*** and ***ocean*** modes low. ***Ocean*** space is available as order cancellations by US shippers and reduced COVID restrictions has freed up vessel space.

Shenzhen – For ***both*** modes of transport, rates remain stable as volumes are down. Although the number of chartered flights has decreased, rates are not expected to rise much in August. For ***ocean*** shipments, the price trend is generally downward. ***Ocean*** customers are continuing to book heavily to USEC to avoid potential west coast port disruptions.

<u>South East Asia</u>

Cambodia – Air space for the coming month is manageable, while rates remain low. ***Ocean*** space is available, and the equipment issues are slightly improved but still occasionally challenging.

Indonesia - ***Air*** rates are fairly stable, but some ***airlines*** are raising rates due to congestion in transit hubs. Space for ***ocean*** shipments is available and rates are stable.

Malaysia - ***Both*** rates and space for August are expected to be stable and available for ***both*** modes of transport.

Thailand – ***Air*** rates are decreasing as demand is soft. ***Ocean*** rates are moderate to slightly decreased; demand is still consistent but not strong.

Philippines – Air demand is moderate to increasing, and rates have increased slightly. Expect some ***ocean*** delays due to current port congestion, delays; rates for ***ocean*** are trending lower.

Vietnam (Ho Chi Minh) – Air space is available as demand is slow, rates are decreasing. ***Ocean*** has no space issues and rates are steady. Some minor delays exist, but nothing causing any significant delays.

Vietnam (Hanoi) - ***Air*** freight rates are low and stable, with capacity available due to the lack of cargo in the market. The ***ocean*** freight rates are fairly stable, and they continue to slowly drop; space is readily available for bookings.

<u>United States</u>

The cargo handling at US ***airports and seaports*** is improved somewhat, but issues and delays continue. ***Ocean*** port delays are occurring more now in USEC ports due to increased vessel arrivals, especially Savannah. USWC ports have improved, especially Los Angeles, but this is expected to change with more vessels set to arrive as peak nears. Most USEC ports are now experiencing increased backlogs and berthing delays. Rail delays and congestion continue to be a problem affecting IPI movements and causing backups at ports. Rail labor action could occur, including a possible strike.