

DECEMBER 2021

MONTHLY MONITOR



Market Update

India - **Air** space is tight and will remain so through December as holiday orders to the US increase. From Chennai, some airlines like AI/EK/QR have imposed an embargo to JFK/LAX/ORD. Due to implementation of new X-ray procedure in arranging Customs clearance at both terminals CELEBI & DCSC, it is taking almost 1-2 days to get shipments Custom cleared at Delhi. **Ocean** ports are experiencing berthing delays due to congestion at all key ports as equipment issues continue.

Bangladesh - **Air** and **ocean** rates remain high and continue to climb due to capacity issues. Congestion at Chittagong port is causing vessel berthing delays of 1-2 days. EDS scanning issues are causing cargo to sometimes miss booked flights. **Ocean** carriers CMA, COSCO, OOCL, and Hapag have started cancelling some bookings due to equipment issues in the region which remain persistent.

Sri Lanka - **Air** capacity to the US has increased with AF, SR and BA adding online flights to their winter schedule, and CX/SQ increasing frequencies. **Ocean** carriers continue to omit sailings causing continued capacity issues.

Hong Kong - Demand will remain strong in December and January prior to the Chinese New Year holiday in February for both **air** and **ocean**. New COVID restrictions have led to Cathay cancelling some flights. Ongoing port congestion is causing further delays in transport. Space and equipment remains tight, and the demand will remain strong in December.

Happy Holidays From Around The Globe!

Date Of Observance	Holiday	Origin
December 8th	Feast of Immaculate Conception	Philippines
December 10th	Constitution Day	Thailand
December 16th	Victory Day	Bangladesh
December 24th	Public Holiday	Sri Lanka
December 24th	Christmas	All origins
December 30th	Rizal Day	Philippines
December 30th	New Year's Eve	All origins
December 31st	Public Holiday	Sri Lanka

Wen-Parker Logistics' Chief Executive Officer, John Singleton, will have a special commentary printed in the January Outlook Issue by the Journal of Commerce.

Shanghai – Capacity remains tight for **air** as PAX flights are still being cancelled and overall capacity is insufficient; rates on the transpacific are increasing. Expect **ocean** space to the US and spot market rates to show some signs of easing in December as demand eases slightly.

Shenzhen - Due to the shortage of **air** and **sea** space, the rates fluctuated in early December. Currently, market capacity is insufficient, but shipment volumes decreased, and the **air** transportation price decreased slightly. Prices are still expected to rise slightly in December. For **ocean**, shipping space is tight due to port rotation omissions, thus keeping rates high in the coming weeks.

South East Asia

Cambodia - **Air** volume is expected to increase for December, and rates are projected to increase. Few airlines have announced that they will resume flights to Cambodia in the coming months – such as Bangkok Airways, Malaysia Airlines, and Philippine Airlines. Space issues continue to persist for **ocean** as port rotations are still being altered.

Indonesia - Demand and capacity look to remain the same as November with moderate rate increases; for BR, the capacity will be reduced 20% due to charters; but for Asia destinations (JPN, PVG, TPE and MNL) space will increase. For **ocean**, demand will remain high, space tight and rates increased.

Malaysia – Demand for space for **both** modes will be in high demand until January 2022. Rates will continue to be elevated for the foreseeable future. **Ocean** ports are experiencing delays and severe port congestion.

Thailand – Demand for space for **both** modes will continue for early part of December. Rates should stay stable for **air** even though demand is high. **Ocean** transport will continue to be affected by regional container issues and rollovers.

Philippines - **Air** and **ocean** rates are expected to continue increasing due to current strong market. Demand is high, space is limited and equipment issues continue to cause delays adding to transit times.

Vietnam (Ho Chi Minh) – COVID-19 spread seems to have moderated slightly in Southern Vietnam, including HCM; many businesses have reopened and resumed operations. There is still a shortage of drivers and facility workers. **Airport** working capacity is still reduced due to COVID restrictions. Many **ocean** shipments are being converted to **air** due to **ocean** port issues and continued congestion and equipment shortages.

Vietnam (Hanoi) – The Hanoi market is strong and capacity for **both** modes is getting tighter; rates are projected to increase until week 50. Commercial flights are still very limited due to airlines converting their flights to charters.

United States

US **airports** and **seaports** continue to struggle with large volumes of incoming/outgoing cargo. All large US gateway airports have extended waits to recover import **air** freight. **Ocean** port delays are occurring on both coasts; USWC ports have significant delays of up to 16-25 days, especially IPI shipments due to rail delays. USEC ports are less affected, but still handling large volumes and port delays are occurring more frequently.