

JANUARY 2022

MONTHLY MONITOR



Market Update

India - Market continues to remain unstable for **air** and **ocean**, with freight rate fluctuations occurring. Due to continuing COVID impact and restrictions, space is expected to remain tight for **both** modes. **Air** to **ocean** conversion is predicted due to flight restrictions, high rates and capacity issues.

Bangladesh – **Air** capacity continues to be challenging to manage despite some carriers operating US charters every week. **Ocean** container shortage, coupled with scanning equipment issues, berthing delays and hub port delays will continue, causing delays and extending transit times by several days.

Sri Lanka - **Air** capacity for US has increased with AF/SR and BA adding online flights to their winter schedule and CX/SQ increasing frequencies, while the **ocean** carriers continue to omit sailings, thus causing capacity issues that will persist for the month of January. **Air** backlog will continue before Chinese New Year; transshipment cargo will continue to grow from regional markets.

Hong Kong - Recent HKG government COVID restrictions on **airline** flight crews are creating issues and flight cancellations, especially for Cathay Pacific. **Air** freight demand will start picking up in middle of January, and the pre-Chinese New Year rush will push a further increase of rate levels as Chinese New Year approaches. **Ocean** capacity and equipment issues continue; ongoing port congestion and blank sailing will lead to further delays. GRI & FAK will be imposed, we expect **ocean** freight rates to increase in January.

Happy Holidays From Around The Globe!

Date	Holiday	Origin
January 7th	Victory Day	Cambodia
January 14th	Pongal Festival	India
January 14th	Public Holiday	Sri Lanka
January 17th	Public Holiday	Sri Lanka
January 18th	Thaipusam	Malaysia
January 31st – February 6th	Chinese New Year	Shanghai

Wen-Parker Logistics' Chief Executive Officer, John Singleton and Vice-President of Operations Shana Riggs, will be appearing as contributors to two articles forthcoming in the Freight Business Journal North America publication in January.

Shanghai – Space and rates for **both** modes of transport will be in high demand with elevated rates leading up to Chinese New Year. COVID restrictions are causing issues in some parts of the country. Trucking and warehouse personnel will be in short supply as they will be taking off for Chinese New Year. Port of Ningbo is now reopened but with delays occurring.

Shenzhen – **Air** space is tight leading up to Chinese New Year and rates will increase steadily. **Ocean** space continues to be challenged for schedule integrity is changing daily as ships are delayed coming into ports; rates remain elevated as USWC is worsening.

South East Asia

Cambodia - Space for **both** modes of transport continue to be in high demand, with **air** rates fluctuating. **Ocean** space for US, EU, and Canada is tight with elevated rates as a result.

Indonesia - **Air** space is stable for airlines such as BR, CI, KE; EK still have many charter flights to US. **Ocean** rates are still high; feeder vessels are subject to delays due to congestion and delayed arrival from previous port, space issues, and connecting vessel schedules subject to change with or without prior notice. Cancellation fees are being applied by **ocean** carriers.

Malaysia – **Air** rates and capacity are expected to be stable by February. **Ocean** freight rates and capacity expected to be tight and in high demand. Rates to the EU, Asia and US are high; port congestion continues to be a major issue.

Thailand – Space to US and Europe is available with rates temporarily decreasing since second half of December. Rates are expected to increase as Chinese New Year approaches and transit hubs are affected. Space from BKK to various Asia hubs (HKG/BJS/TYO/ICN/TPE) are still very congested with high rates. Rates remain elevated for **ocean** and space is very limited.

Philippines - Space for **both** modes will have continued strong demand. **Air** rates could stabilize with slight increase due to a fuel surcharge increase. Cargo movement still delayed by ongoing congestion, schedule changes etc.

Vietnam (Ho Chi Minh) – **Air** rates declined early January but are expected to increase as the month progresses. Regional equipment issues continue to slow down **both** modes of transport. **Ocean** rates continue to be elevated as vessels are being delayed and USWC challenges still persist.

Vietnam (Hanoi) – Rates for **both** modes will see increasing demand and rate levels in the coming weeks. Space is available early January but will be more challenging to secure for **air** and **ocean** as January progresses.

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. Congestion issues at Savannah port have improved slightly in January.