

SEPTEMBER 2021

MONTHLY MONITOR



Market Update

India - Both *air* and *ocean* are experiencing very tight capacity and significant delays. *Air* transit to the US is now up to 7-8 days and uplift is often delayed by 2 days. *Ocean* delays are occurring due to port congestion, berthing issues and equipment shortages. We expect rates for *air* and *ocean* to remain at elevated levels.

Bangladesh - *Airlines* are slow to give bookings due to delays at their hubs; delays are also occurring due to equipment shortages; shipment processing can sometimes take several days. The *sea* freight situation is difficult and getting worse; possibly the worst congestion ever at Chittagong port now exists.

Sri Lanka - *Airfreight* service is being impacted by hub congestion, and transit times have increased to 8 -10 days; some airlines are not accepting US bound freight. TK and others are fully booked into the US. *Ocean* freight has been affected also, with many rollovers due to vessel port omissions and equipment shortages.

Hong Kong - *Air* capacity is very tight due to demand and *ocean-to-air* conversions. Capacity will be in higher demand as tech product launches occur; *Air* charter activity keeps increasing. Space remains tight for *ocean* as well, and GRI/PSS charges continue to be implemented by the Lines.

Shanghai - Huge *air* backlog exists at SHA airport due to COVID restrictions. *Ocean* freight demand continues to be strong, and the rates are climbing steadily. Congestion and strong demand will likely cause rates to continue climbing.

*Happy Holidays
From Around The Globe!*

Date	Holiday	Origin
September 2nd-3rd	Independence	Vietnam (Hanoi)
September 6th	Labor Day	United States
September 16th	Malaysia Day	Malaysia
September 19th-21st	Chinese Mid-Autumn Festival	Shanghai, Shenzhen
September 20th	Public Holiday	Sri Lanka
September 22nd	Chinese Mid-Autumn Festival	Hong Kong
September 24th	Constitution Day	Cambodia

Wen-Parker Logistics was recently named a Top 100 3PL by Inbound Logistics Magazine for the 2nd consecutive year. WPL was also just named a Great Supply Chain Partner by SCB Magazine for the 6th consecutive year!

Shenzhen - Conversions from *sea-to-air* are increasing, and *air* transport capacity continues to be affected by high demand and COVID restrictions. *Ocean* space is tight and the price will likely continue to rise. We expect *air* and *ocean* demand to steadily increase through September and continue through December.

South East Asia

Cambodia - *Air* demand is strong, and rates will continue to rise as volumes increase during September. We are using alternative airports like BKK to move Cambodia cargo when necessary, especially large shipments. *Ocean* will likely see the same as lack of capacity and equipment shortages continue.

Indonesia - Some *airlines* Like CI and BR cancelled flights in late August due to COVID infections; reduced capacity will continue to be an issue, but some flights might be restored by mid-September. *Air* rates are high and continue to climb; *ocean* rates will also continue to increase due to port skips and carrier capacity shortages.

Malaysia – Higher *air* freight rates and capacity issues to the US are expected to be a factor during the month of September. *Ocean* freight rates are high and capacity is expected to remain tight as demand increases, with shortage of equipment, port skips and cargo rollovers causing longer ocean transit times.

Thailand – *Air* freight demand and rates have increased since the second half of August, and they are expected to continue increasing in September. *Ocean* freight is still experiencing issues due to high demand, rollovers and containers shortages.

Philippines - *Air* space is very tight to the US, which will continue through September as seasonal demand increases. *Ocean* carriers continue to skip ports and change rotations, often causing cargo to be delayed by 1-2 weeks. Rates will likely continue to climb as these issues persist in the region.

Vietnam (Ho Chi Minh) – Significant factory closures due to COVID are affecting the south Vietnam market; Many factories remain closed. *Air* capacity will be tight due to flight cancellations and continued COVID restrictions. *Ocean* will continue to be a challenge as well due to the capacity shortage and port issues. When factories start to reopen (probably mid-September) there will be a significant surge in cargo.

Vietnam (Hanoi) – The *air* space for September will be tighter; we expect the *air* freight rates this month will keep increasing because of tight capacity and strong demand. *Ocean* rates will remain high due to space/equipment shortages. *Air* charter activity will be strong for September as importers continue converting from ocean to air.

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, especially USWC ports with 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 delays are occurring more frequently.