

▪ **Exchange Rates:**

Currency 14 th July 16 –14 th Oct. 16	3 Month Low	3 Month High	3 Month Average	Actual Trading Price: 14 th Oct. 2016
Euro-to-US Dollar (€1)	USD 1.0982	USD 1.3390	USD 1.1172	USD 1.1011
Euro-to-Rupee (€1)	INR 73.77	INR 76.08	INR 74.70	INR 73.53
Euro-to-Yuan (€1)	CNY 7.3111	CNY 7.5341	CNY 7.4480	CNY 7.4154
Euro-to-GBP (€1)	GBP 0.8327	GBP 0.9043	GBP 0.8548	GBP 0.9028
Euro-to-AUD (€1)	AUD 1.4450	AUD 1.5037	AUD 1.4712	AUD 1.4478
Euro-to-BRL (€1)	BRL 3.4911	BRL 3.7439	BRL 3.6149	BRL 3.5003
Euro-to-ZAR (€1)	ZAR 14.8482	ZAR 16.3512	ZAR 15.6054	ZAR 15.6755

(Source: European Central Bank: <http://www.ecb.int>)

▪ **Interest Rates**

Country	Current Rate	Previous Rate	Last Change
Australia	1.50%	1.75%	08/2016
Brazil	14.25%	13.75%	07/2015
China	4.35%	4.60%	10/2015
European Monetary Union	0.00%	0.05%	03/2016
India	6.25%	6.50%	10/2016
South Africa	7.00%	6.75%	03/2016
United Kingdom	0.25%	0.50%	08/2016
United States	0.50%	0.25%	12/2015

(Source: <http://www.global-rates.com>)

Oil Prices

ICE Brent Crude (Dec'16) (@LCO.1:Intercontinental Exchange Europe)

* Data is delayed

+ WATCHLIST

52.45 USD ▲0.42 (+0.81%) 26,425
 Last | 8:58:57 AM BST Change Volume

QUOTE CHART NEWS PROFILE EARNINGS PEERS FINANCIALS OWNERSHIP

Stock Summary | Options Chain



Crude Oil	2 Year	1 Year	3 Month	1 Month	Trading Price Oct.14th
	USD 87.27	USD 49.89	USD 48.85	USD 45.84	USD 52.45

(Source: CNBC Market Data, <http://data.cnbc.com/quotes/%40LCO.1>, Oct.14th 2016)

Gross Domestic Product (% year)

Country	Q1-2015	Q2-2015	Q3 2015	Q4 2015	Q1 2016	Q2 2016	Q3-2016	Q4-2016 Forecast	2016 Forecast	2017 Forecast
Australia	2,70%	2,50%	2,00%	2,00%	3,00%	3,10%	3,10%	3,30%	3,00%	2,60%
Brazil	-0,60%	-2,60%	-3,00%	-	-5,90%	-	-5,40%	-3,80%	-2,10%	-0,20%
China	7,30%	7,00%	7,00%	6,90%	6,80%	6,70%	6,70%	6,70%	6,50%	6,20%
Euro Area	0,80%	1,20%	1,50%	1,50%	1,60%	1,70%	1,70%	1,60%	1,60%	1,60%
France	0,41%	0,82%	1,08%	1,10%	1,30%	1,40%	1,40%	1,30%	1,30%	1,00%
Germany	1,20%	1,20%	1,60%	1,80%	2,10%	1,50%	1,50%	3,10%	1,40%	1,20%
India	8,20%	7,50%	7,00%	7,40%	7,30%	7,90%	7,90%	7,10%	7,10%	6,90%
South Africa	1,60%	1,30%	1,20%	1,20%	0,60%	-	-0,01%	0,60%	0,20%	1,00%
South Korea	2,70%	0,80%	2,20%	2,70%	3,10%	2,80%	2,80%	3,30%	2,70%	2,90%
United Arab Emirates	5,20%	4,30%	4,30%	4,30%	4,60%	4,60%	4,00%	3,40%	2,30%	2,60%
United Kingdom	2,40%	2,90%	2,40%	2,10%	2,10%	2,00%	2,00%	2,10%	1,40%	2,36%
United States	2,40%	2,90%	2,70%	2,10%	2,00%	1,60%	1,60%	1,30%	2,20%	2,40%

(Sources: HSBC Global Research – Key Economic Forecast; <http://www.tradingeconomics.com>)

■ JP Morgan Global Manufacturing Purchasing Managers Index (PMI) – Sept. 2016

	July	August	September	Summary, Rate of Change
Global PMI	51.0	50.8	51.1	Expanding, faster rate
Output	52.1	52.0	51.9	Expanding, slower rate
New Orders	51.4	51.0	51.4	Expanding, faster rate
Australia	56.4	46.9	49.8	Contracting, slower rate
Brazil	46.0	45.7	46.0	Contracting, slower rate
China	50.6	50.0	50.1	Expanding, faster rate
Euro Area	52.0	51.7	52.6	Expanding, faster rate
France	48.6	48.3	49.7	Contracting, slower rate
Germany	53.8	53.6	54.3	Expanding, faster rate
India	51.8	52.6	52.1	Expanding, slower rate
United Kingdom	48.3	53.4	55.4	Expanding, faster rate

Source: <https://www.markiteconomics.com/Survey/Page.mvc/PressReleases>

Global manufacturing remains in low growth gear at end of third quarter

The rate of expansion in the global manufacturing sector remained moderate during September. This was highlighted by the J.P.Morgan Global Manufacturing PMI™ – a composite index¹ produced by J.P.Morgan and IHS Markit in association with ISM and IFPSM – posting 51.0, up slightly from 50.8 in August.

JPMorgan Global Manufacturing PMI™-a composite index* produced by JPMorgan and Markit in association with ISM and IFPSM – posted 48.9, up slightly from August’s 38-month low of 48.1, but below the neutral 50.0 mark for the fourth month running.

Full Document available

<https://www.markiteconomics.com/Survey/PressRelease.mvc/6e1c406f48bc4f2484a1e453afe2309d>

The key figure for PMI is 50. A reading of 50 or higher generally indicates that the industry is expanding. If manufacturing is expanding, the general economy should be doing likewise. As such, it is considered a good indicator of future GDP levels. Many economists will adjust their GDP estimates after reading the PMI report. Another useful figure to remember is 42. An index level higher than 42%, over time, is considered the benchmark for economic (GDP) expansion. The different levels between 42 and 50 speak to the strength of that.

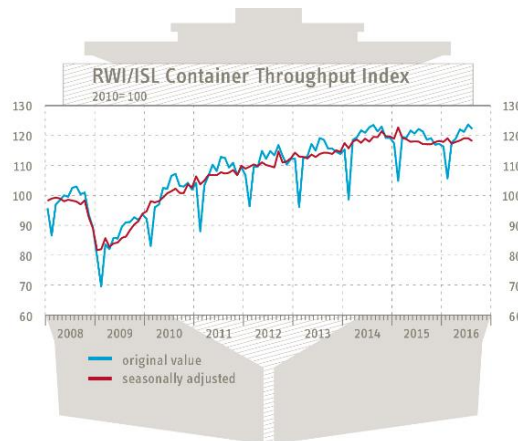
■ **Market Inflation Rate**

Country	Q1 2015	Q2 2015	Q3 2015	Q4 2015	Q1 2016	Q2-2016	Q3-2016	Q4-2016 Forecast	2016 Forecast	2017 Forecast
Australia	1,70%	1,30%	1,50%	1,50%	1,70%	1,30%	1,30%	1,00%	1,30%	2,40%
Brazil	8,13%	9,56%	9,93%	10,67%	9,28%	8,84%	8,97%	8,48%	8,80%	6,30%
China	1,40%	1,60%	1,30%	1,60%	2,30%	1,80%	1,80%	1,30%	2,00%	1,70%
Euro Area	-0,10%	0,10%	0,10%	0,30%	-0,20%	0,20%	0,20%	0,40%	0,10%	0,90%
France	-0,30%	0,30%	0,10%	0,20%	-0,20%	0,20%	0,20%	0,40%	0,30%	0,90%
Germany	0,30%	0,20%	0,30%	0,50%	-0,10%	0,40%	0,40%	0,70%	0,30%	1,20%
India	5,37%	5,40%	5,00%	5,69%	4,83%	5,77%	6,07%	5,05%	5,30%	5,00%
South Africa	3,90%	4,70%	4,70%	5,20%	6,30%	6,03%	6,00%	5,90%	6,70%	6,40%
South Korea	0,40%	0,70%	0,90%	1,30%	1,00%	0,70%	0,40%	1,20%	1,00%	1,60%
United Arab Emirates	3,60%	4,20%	4,30%	3,50%	1,43%	1,76%	1,76%	0,60%	2,60%	2,00%
United Kingdom	0,30%	0,00%	0,10%	0,30%	0,50%	0,50%	0,60%	0,60%	0,70%	2,90%
United States	-0,10%	0,10%	0,20%	0,70%	0,90%	1,00%	0,80%	1,10%	1,20%	1,90%

(Source: HSBC Global Research – Key Economic Forecast)

RWI/ISL-Container Throughput Index: World trade suffered a setback in August

In August 2016, the Container Throughput Index of the RWI - Leibniz Institute for Economic Research and the Institute of Shipping Economics and Logistics (ISL) suffered a setback and fell from a (revised) 119.2 points in Juli to 118.2 points. The index is thus indicating a contraction of world trade following two comparatively healthy quarters. For some time now, the monthly volatility of the index has proven to be extraordinary while all the time the index has been moving rather sideways. The solid revision of the Juli figure (upwards 0.6 points compared to the flash estimate) goes a long way in illustrating this trend.



RWI/ISL computations based on data provided by 81 ports. August 2016: flash estimate.

The index is based on data of 81 world container ports covering approximately 60% of worldwide container handling. The ports are continuously monitored by the ISL as part of their market analysis. Because large parts of international merchandise trade are transported by ship, the development of port handling is a good indicator for world trade. As many ports release information about their activities only two weeks after the end of the respective month, the RWI/ISL Container Throughput Index is a reliable early indicator for the development of international merchandise trade and hence for the activity of the global economy. The flash-estimate for August is based on data reported by 43 ports, accounting for ~ 78% of the total index volume.

Background Information: Construction of the RWI/ISL-Container Throughput Index

The Container Throughput Index is a joint project of RWI with the Institute of Shipping Economics and Logistics (ISL). It aims at providing timely information on short term trends in international trade. The index is based on the consideration that containers have become the most important means of transporting processed products. Therefore, the global container throughput and international trade can be expected to be highly correlated.

As a part of their monthly reporting many ports publish data on container throughput expressed in twenty foot equivalent units (TEU). ISL collects these data systematically in its port database. Currently, the data base covers 75 ports providing time series of monthly figures which are long enough to be integrated into the indicator. In these ports about 60% of world container throughput is handled.

Calculating the indicator starts about 20 days after the end of each month. At that time about 25 ports have already publish information about the container throughput in the latest months, which allow a flash estimate of the indicator. Data still missing are forecasted using statistical time series models. Thereafter, the data are added up and the sum is adjusted for seasonal and calendar effects. Furthermore, the trend-cycle component of the seasonally adjusted figures is estimated to eliminate irregular influences. One month later, as a rule data on 65 ports are available. Then an update of the figures already published is made and a new flash estimate for the latest month is released.

The RWI/ISL-Container Throughput Index shows a close correlation with world trade. The index provides valuable input into business cycles analyses, since it is available 3 to 4 months in advance of data on world trade published by international organizations, and one month in advance of the first estimates of world trade volumes.

Source: <http://en.rwi-essen.de/presse/mitteilung/259/>

Air Freight Indicators:

■ Airfreight Market Analysis

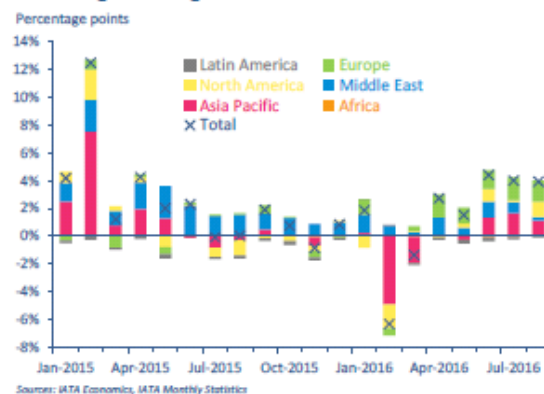
Moderate FTK growth, but global trade conditions remain weak

- Global air freight tonne kilometres grew by 3.9% year-on-year in August 2016, down from 4.0% in July
- Conditions have improved since early-2016, and there are some reasons for cautious optimism in the near term
- but the weak underlying global trade backdrop continues to present a stiff headwind to industry growth
- The seasonally-adjusted freight load factor has stabilized, albeit at a low level, and yields remain under pressure

Another month of moderate growth in FTKs...

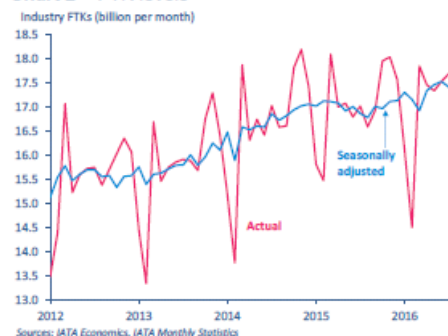
Annual growth in global air freight tonne kilometres (FTKs) eased slightly to 3.9% year-on-year in August 2016, from a revised 4.0% in July. As was the case in May and July, European airlines posted the fastest annual growth of all regions, and have made a solid contribution to overall growth over recent months. (See Chart 1.) By contrast, Middle Eastern traffic growth has slowed, and Latin American carriers saw freight volumes contract in annual terms for the sixth consecutive month.

Chart 1 – Contributions to annual FTK growth by airline region of registration



Industry-wide conditions have improved from the weak patch seen in the first quarter of 2016. Routes to, from and within Asia in particular are doing well, in keeping with reports from the industry, and overall freight volumes are trending upwards in seasonally-adjusted terms at a moderate, if not stellar, pace. (See Chart 2.)

Chart 2 – FTK levels



and reasons for cautious optimism in near term

There are a few reasons for cautious optimism in the near term, particularly following the collapse of the container shipping firm Hanjin at the end of August. Other container shipping firms appear to have seen the biggest boost to demand so far (container shipping rates have risen sharply). But there is the potential for freight forwarders to turn to air cargo during the peak season of product launches and deliveries of new product lines, which may provide a one-off boost to air cargo similar to that seen during the disruption at seaports on the US west coast in early 2015.

The uptick in the new export orders component of the global purchasing managers' index back into expansionary territory in recent months also offers some encouragement for air freight over the months ahead. (See Chart 3, overleaf.)

Air freight market overview - August 2016

	World share ¹	August 2016 (% year-on-year)				% year-to-date			
		FTK	AFTK	FLF (%-pt) ²	FLF (level) ³	FTK	AFTK	FLF (%-pt) ²	FLF (level) ³
TOTAL MARKET	100.0%	3.9%	4.1%	-0.1%	40.8%	1.4%	5.6%	-1.7%	42.1%
International	87.0%	3.5%	4.4%	-0.4%	43.8%	1.1%	5.7%	-2.1%	45.2%

¹% of industry FTKs in 2015

²Year-on-year change in load factor

³Load factor level

Chart 3 – Air freight growth vs. global new export orders



But world trade weakness is an ongoing headwind

But crucially, any boost in the near term is likely to prove transitory; the bigger picture is that the ongoing sluggishness of global trade conditions continues to present a stiff headwind for air freight. Data compiled by the Netherlands CPB show that world trade volumes fell by 1.1% month-on-month in July, and contracted in year on-year terms for only the second time since the end of 2009. Global trade growth has lagged behind that seen in industrial production so far this year – a far cry from the trend before the global financial crisis (GFC) when global trade tended to grow around twice as fast as output. (See Chart 4.)

International traffic within Asia has been the fastest growing of the 'big-four' markets so far this year. Freight traffic grew modestly in year-on-year terms in July on the Transpacific and Europe to Asia markets (the two largest in terms of FTKs flown), although the former remains the laggard of the group this year to date. (See Chart 4.)

Chart 4 – World trade and industrial production growth



To be clear, there is no mechanistic link between air freight and world trade, principally because air freight carries just a very small proportion of total trade volumes. Air cargo is prone to periods of under and over performance relative to global trade volumes, mainly reflecting the narrow product mix transported by air. But in the current political environment, any new impetus to reinvigorate the stagnation in world trade volumes looks unlikely. Indeed, taking political rhetoric at face value, the future of even existing free-trade arrangements appears under threat.

The upshot is that the tailwinds that used to propel global trade and air cargo volumes are likely to be much weaker in the future than they were in the past. Such a backdrop points to continuation of just modest and fitful growth in air freight volumes in the years ahead, rather than a sustained return to the 5-6% growth rates of old.

Load factor (SA) has levelled off, albeit at a low level

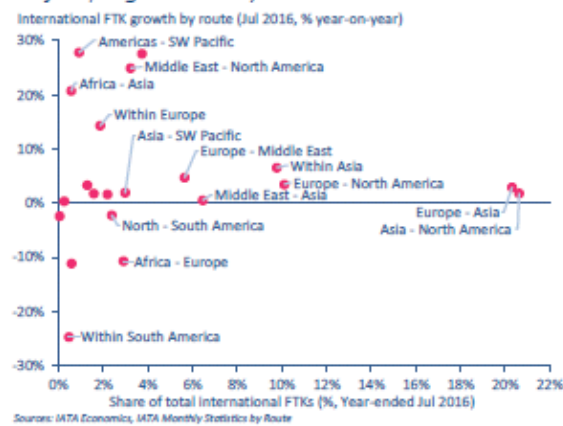
Industry-wide freight capacity increased by 4.1% year on-year in August – the slowest pace in two years. The upward trend in available freight tonne kilometres (AFTKs) has eased in recent months, in part owing to a slowdown in deliveries to the wide-body passenger fleet in 2016 (particularly in Asia Pacific).

As a result, carriers have stabilized the seasonally adjusted industry-wide load factor over the past six months or so, albeit at a historically low level (around 42- 43% of AFTKs). Low loads are continuing to exert downward pressure on freight yields and revenues.

Market-level performance remains mixed

There are signs of a pick-up in the main freight lanes out of Asia. International traffic within the region has been the strongest of the ‘big-four’ markets so far this year, with traffic up by 6.5% year-on-year in July 2016 (the latest data available; see Chart 5.) But also, having trended downwards over the past five years or so, traffic on the Europe to Asia route has risen in seasonally adjusted terms in recent months (volumes grew by 2.9% year-on-year in July). The trend on the Transpacific market has picked up tentatively too, although it remains the laggard of the ‘big-four’ so far this year to date.

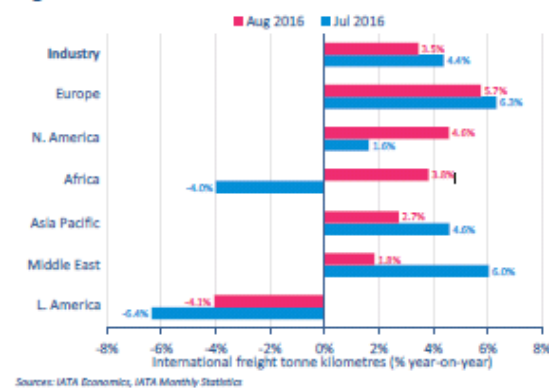
Chart 5 – International FTK growth by route (% year-on-year, segment-basis)



European carriers are the standout story

Growth in international FTKs slowed to 3.5% year-on-year in August, from 4.4% in July. (See Chart 6.)

Chart 6 – International FTK growth by carrier region of registration



The pick-up in European carriers’ fortunes has been the standout story in recent months, and they topped the international growth chart in August. International traffic flown by European airlines has trended upwards strongly, in keeping with a pronounced rise in the new export orders component of the German PMI (which recently reached its highest level since January 2014). Traffic has now firmly broken out of the corridor that it occupied between mid-2010 and the start of this year. In fact, aside from the Middle East, Europe is the only major region whose international freight has surpassed the level reached during the post-GFC rebound.

By contrast, Middle Eastern airlines' growth slumped to 1.8% year-on-year – the slowest pace since July 2009. The strong upward trend in seasonally-adjusted traffic had eased over the past year or so, but has now ground to a halt: in seasonally-adjusted terms, traffic in July 2016 was slightly below that seen in January. The weakening is at least partly attributable to slower growth on the market between the Middle East and Asia. This suggests that Middle Eastern carriers have lost business to European airlines on the Europe-Asia route, with more traffic flying directly between Europe and Asia. In tonnage terms, cargo throughput fell in year-on-year terms in July in both Abu Dhabi and Dubai airports (3.7% and 1.2% respectively).

Conditions improving for Asia Pac carriers

Carriers based in the Asia Pacific region fly almost two-fifths of total international FTKs, and freight is a key part of airline business models in the region. Demand conditions have improved in the 'Within Asia' air cargo market in recent months, as well as on routes to and from the region. While freight volumes in seasonally-adjusted terms are still just marginally ahead of the level seen in early 2015, the seasonally-adjusted trend has improved since March (volumes have grown at an annualized rate of 13% since).

Annual growth in international traffic flown by North American airlines accelerated to 4.6% in August – its fastest pace since the disruption at US seaports in February 2015. But year-on-year growth in August was flattered by the fact that August 2015 marked the nadir of the downward trend last year: in seasonally adjusted terms, FTKs are barely changed from the levels seen in early-2008. The strength of the US dollar has kept US outbound air freight under pressure for some time. According to data published by the US Census Bureau, 16 of the top-20 air cargo markets for the US saw air export volumes from the US decline in annual terms in the first seven months of 2016.

African traffic rebounds but L.America falls again

African traffic rebounded sharply in August to be 3.8% higher than in August 2015 – the fastest growth rate in twelve months. But some context is required because international freight capacity growth has continued to outstrip that of demand, driven by rapid long-haul expansion (particularly by Ethiopian Airlines). The combination of rising capacity and comparatively modest demand growth means the African international freight load factor was just 22.2% in August – almost six percentage points lower than a year ago and almost half the industry average of 43.8%.

International FTKs flown by Latin American carriers have rebounded somewhat in seasonally adjusted terms in recent months. However, having trended downwards sharply since late-2014, traffic was still down by 4.1% year-on-year in August and remains more than 13% lower than its (seasonally-adjusted) October 2014-peak. The 'Within South America' market (-20.3% this year-to-date) has been the weakest performing market so far this year. Northbound flows on the larger North-South America route have been helped by the comparative strength of the US economy. (US imports by air from Colombia and Brazil increased by 4% and 12% year-on-year respectively in the first seven months of 2016.) But FTKs flown on the route have still fallen by 6.5% in annual terms so far this year.

Air freight market detail - August 2016

	World share ¹	August 2016 (% year-on-year)				% year-to-date			
		FTK	AFTK	FLF (%-pt) ²	FLF (level) ³	FTK	AFTK	FLF (%-pt) ²	FLF (level) ³
TOTAL MARKET	100.0%	3.9%	4.1%	-0.1%	40.8%	1.4%	5.6%	-1.7%	42.1%
Africa	1.5%	3.7%	29.2%	-5.3%	21.6%	-1.6%	27.8%	-6.9%	22.9%
Asia Pacific	38.9%	2.8%	1.2%	0.8%	51.8%	-0.8%	3.2%	-2.1%	51.6%
Europe	22.3%	6.6%	4.7%	0.8%	42.0%	4.7%	5.7%	-0.4%	44.2%
Latin America	2.8%	-3.3%	-0.2%	-1.1%	33.4%	-4.8%	0.8%	-2.1%	34.6%
Middle East	14.0%	1.8%	6.9%	-1.9%	38.8%	5.8%	10.1%	-1.7%	40.7%
North America	20.5%	5.5%	3.7%	0.5%	31.2%	0.0%	4.5%	-1.5%	32.7%
International	87.0%	3.5%	4.4%	-0.4%	43.8%	1.1%	5.7%	-2.1%	45.2%
Africa	1.5%	3.8%	30.9%	-5.8%	22.2%	-1.6%	29.2%	-7.4%	23.7%
Asia Pacific	34.6%	2.7%	2.1%	0.3%	55.1%	-1.1%	3.7%	-2.6%	54.6%
Europe	21.9%	5.7%	5.4%	0.1%	42.8%	4.0%	6.3%	-1.0%	45.0%
Latin America	2.5%	-4.1%	-2.5%	-0.6%	38.0%	-5.3%	0.4%	-2.3%	38.8%
Middle East	14.0%	1.8%	6.9%	-1.9%	39.2%	5.9%	10.1%	-1.7%	41.1%
North America	12.4%	4.6%	1.9%	0.9%	34.9%	-1.7%	1.6%	-1.3%	37.5%

¹% of industry FTKs in 2015 ²Year-on-year change in load factor ³Load factor level

Note: the total industry and regional growth rates are based on a constant sample of airlines combining reported data and estimates for missing observations. Airline traffic is allocated according to the region in which the carrier is registered; it should not be considered as regional traffic.

Source: IATA-Air Transport Market Analysis August 2016 published on:

http://www.iata.org/whatwedo/Documents/economics/freight-analysis_august-2016.pdf

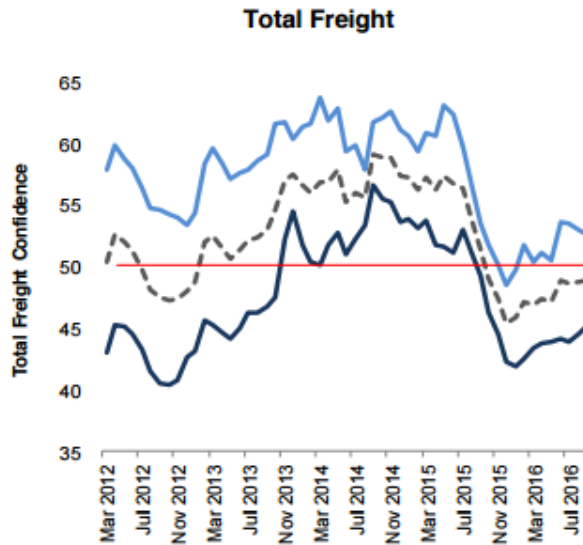
STIFEL NICOLAUS – Logistics Confidence Index

Commentary: Overview September 2016

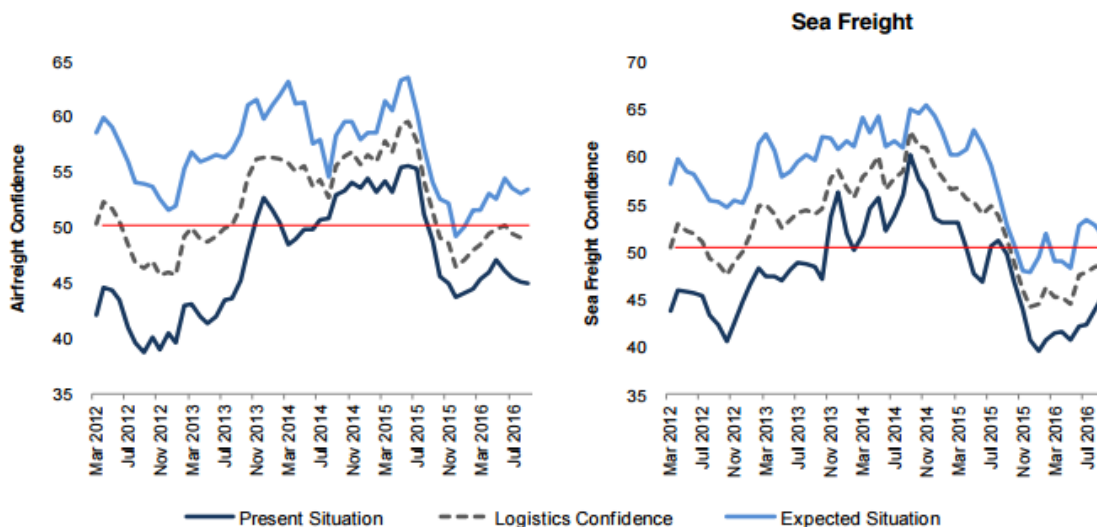
For September, the Stifel Logistics Confidence Index increased 0.4 points sequentially to reach 49.2, but that is still 2.3 points below September 2015, and 10.0 points under September 2014. This month's slight improvement was primarily due to an improvement in the current situation for sea freight.

Overall, the Sea Freight Index improved 0.6 points to 49.0, while the Air Index gained only 0.1 points to 49.3. Overall Logistics Confidence remains negative, however, having stood below the 50 point mark since October 2015.

The September one-off question asked industry participants whether they expect more orders for Ultra Large Container Vessels (ULCVs; 18,000+ TEU). A majority of respondents (57.1%) stated that orders of ULCVs are not likely until volumes begin to improve, but 28.6% do not see any impetus for orders to stop. Only 9.2% of the survey participants argued that ULCVs have had their day. The remaining 5.1% of respondents provided a range of perspectives, including the contention that the price of oil is a key determinant.



The logistics situation index illustrates current condition faced by forwarders, while the logistics expectations index shows how the situation is expected to develop over the next six months. The logistics confidence index, an average of both the present situation and expected situation indices, expresses overall confidence in the market.



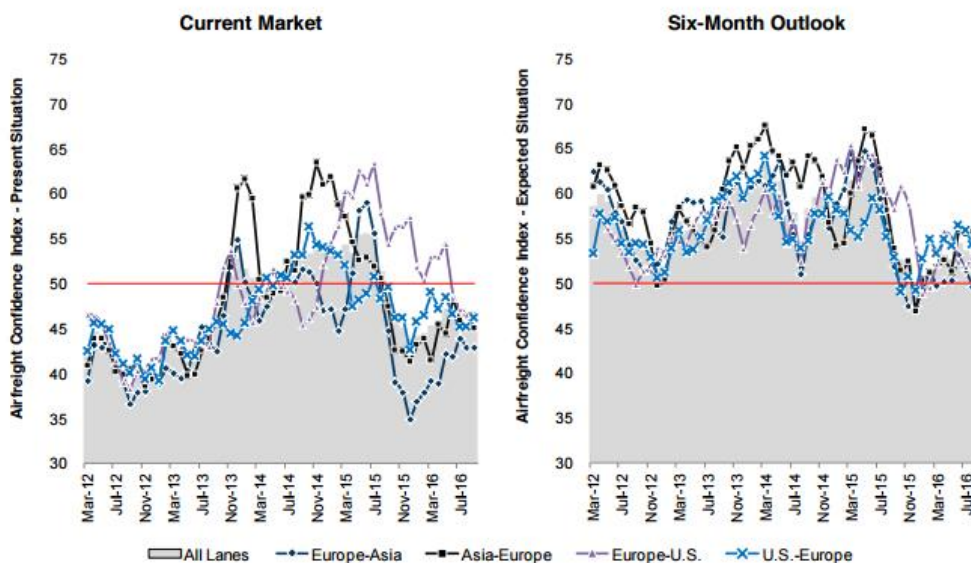
Mode	Present Situation	Expected Situation	Confidence
	Sep 2016	Mar 2017	Average
Air Freight	45.1	53.5	49.3
Sea Freight	45.3	51.8	48.6
Total Freight	45.2	52.7	48.9

Air Freight Confidence Index

The overall Air Index increased a slight 0.1 points, taking it to 49.3 for September. The current Index was down by 0.1 points to 45.1, whilst the expected Index rose 0.3 points to 53.5. Thus, the marginal overall gain was driven by a slight improvement in the expected situation.

For the current air freight situation, lanes between Europe and Asia recorded poor performance, while those between Europe and the U.S. achieved slight gains. Europe to Asia was down 0.1 points to 42.8, with a more significant fall of 1.5 points to 45.0 on the Asia to Europe lane. By contrast, the Europe to U.S. lane improved by 0.1 points to 46.7, with the U.S. to Europe lane rising 1.0 points to 46.1.

For the expected situation, all but one of the lanes surveyed experienced month-on-month improvements. The exception was Europe to Asia, which fell by 3.2 points to 46.4. Meanwhile, Asia to Europe increased 0.8 points to 56.5, and U.S. to Europe improved by 0.9 points to 55.2. The most significant gain was recorded on the Europe to U.S. lane, which rose by 3.3 points to 56.2.



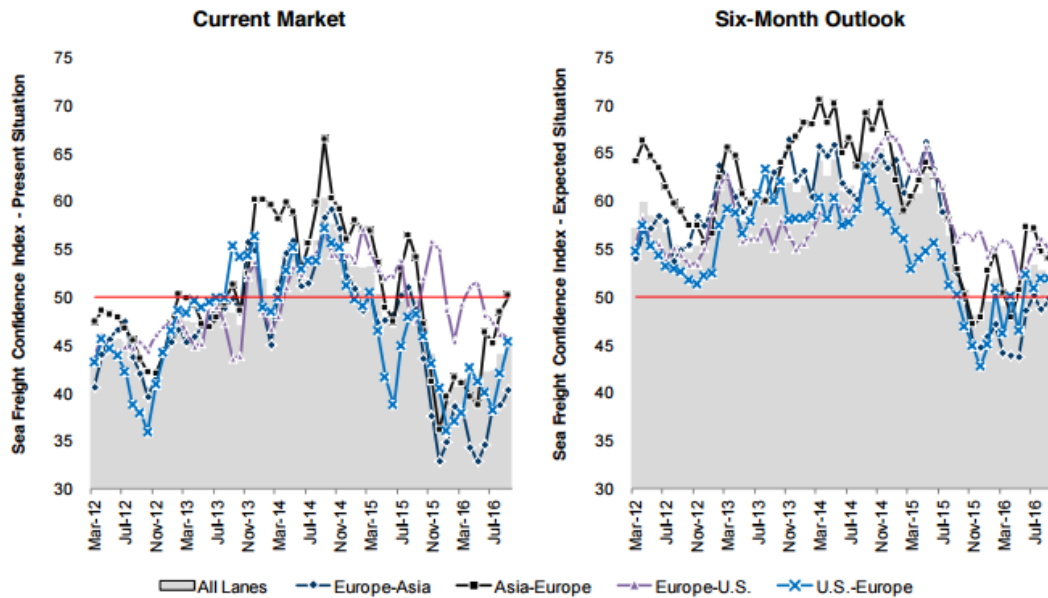
Air Freight			
Trade Lane	Sep 2016	Mar 2017	Confidence
Europe-Asia	42.8	46.4	44.6
Asia-Europe	45.0	56.5	50.8
Europe-U.S.	46.7	56.2	51.5
U.S.-Europe	46.1	55.2	50.7
Total Index	45.1	53.5	49.3

Sea Freight Confidence Index

The Logistics Index for sea freight noted a minor increase of 0.6 points to 49.0. The expected Index fell by 0.2 points to 52.6, though this was offset by the 1.4 point increase in the present Index, which rose to 45.4

The increase in the present Index for sea freight was the result of gains across three of the four lanes. The outlier amongst the surveyed lanes was Europe to U.S., which declined by 0.6 points to 45.6. But the rest have seen nice, consistent gains, including Europe to Asia and Asia to Europe, which both posted gains of 1.6 points to total 40.3 and 50.1, respectively. Notably, Asia to Europe entered positive territory for the first time in a year. The most marked gain came on the U.S. to Europe lane, which increased by 3.3 points to 45.3.

The minor decline seen on the expected Sea Freight Index was due to a mixed set of results amongst the lanes. Falling by 1.3 points to 54.8, the performance of the Europe to U.S. lane drove much of the decline. The Asia to Europe lane also deteriorated, sliding 0.7 points to 54.0. On the other hand, Europe to Asia gained 1.1 points to total 49.8, but this was not enough to arrest the overall decline. The U.S. to Europe lane remained unchanged at 51.8.



Trade Lane	Sea Freight		
	Sep 2016	Mar 2017	Confidence
Europe-Asia	40.3	49.8	45.1
Asia-Europe	50.1	54.0	52.1
Europe-U.S.	45.6	54.8	50.2
U.S.-Europe	45.3	51.8	48.6
Total Index	45.3	51.8	48.6

Methodology

The Stifel Nicolaus Logistics Confidence Index is calculated based on responses from a monthly survey, completed by a number of logistics professionals. The survey questions participants as to volumes that they are currently experiencing, relative to the time of year, as well as how they expect volumes to develop over the next six months. The total index covers four European based trade lanes, including: • Europe to Asia • Asia to Europe • Europe to US • US to Europe

These trade lanes form four sub-indices, from which an overall index for both the air freight industry and sea freight industry is calculated. An index value of 50 indicates no change in the volumes of partaking logistics companies; above 50 indicates higher volumes, while below 50 indicates lower volumes.

About Stifel Nicolaus

Stifel Nicolaus is the main subsidiary of Stifel Financial Corp. (NYSE: SF) and provides securities brokerage, investment banking, trading, investment advisory, and related financial services to individual investors, professional money managers, businesses, and municipalities. Stifel's Transportation & Logistics Group is one of the leading teams on Wall Street in assisting both investors and companies at better understanding the ever-changing global logistics landscape. For more information about the group or the index, please contact Bruce Chan at chanb@stifel.com or (443) 224-1386.

Source: http://www.transportintelligence.com/articles_whitepapers/

Disclaimer

This document is for information purposes only and does not take account of the specific circumstances of any recipient.

Röhlig will not assume any liability, guarantee or warranty with regard to accuracy, completeness or suitability of the data.

Röhlig does not accept any responsibility or liability whatsoever for any expense, loss or damages arising out of or in any way connected with the use of all or any part of this document.

Röhlig may provide hyperlinks to websites of entities mentioned in this document, however the inclusion of a link does not imply that Röhlig endorses, recommends or approves any material on the linked page or accessible from it. Röhlig does not accept responsibility whatsoever for any such material, nor for any consequences of its use.

This document is for the use of the addressees only and may not be reproduced, redistributed or passed on to any other person or published, in whole or in part, for any purpose.