

▪ **Exchange Rates:**

Currency 19 th Apr.17 –19 th Jul.17	3 Month Low	3 Month High	3 Month Average	Actual Trading Price: 19 th Jul. 2017
Euro-to-US Dollar (€1)	USD 1.0598	USD 1.1555	USD 1.1144	USD 1.1527
Euro-to-Rupee (€1)	INR 69.11	INR 74.33	INR 71.83	INR 74.16
Euro-to-Yuan (€1)	CNY 7.3666	CNY 7.8001	CNY 7.6258	CNY 7.7864
Euro-to-GBP (€1)	GBP 0.8343	GBP 0.8892	GBP 0.8656	GBP 0,8849
Euro-to-AUD (€1)	AUD 1.4219	AUD 1.5182	AUD 1.4798	AUD 1.4547
Euro-to-BRL (€1)	BRL 3.3368	BRL 3.7737	BRL 3.6046	BRL 3.6379
Euro-to-ZAR (€1)	ZAR 14.0587	ZAR 15.4595	ZAR 14.6521	ZAR 14.9150

(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	10.25%	11.25%	05/2017
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	1.25%	1.00%	06/2017

(Source: <http://de.global-rates.com/zinssatze/zentralbanken/zentralbanken.aspx>)

- Oil Prices

ICE Brent Crude (Sep'17) (@LCO.1:Intercontinental Exchange Europe)

+ WATCHLIST

*Data is delayed | USD

Last | 7:55:41 AM BST

Volume

48.64 **-0.2 (-0.41%)**

5,702



Crude Oil	2 Year	1 Year	3 Month	1 Month	Trading Price Jul. 19th.
	USD 58.08	USD 46.81	USD 51.38	USD 47.03	USD 48.64

(Source: CNBC Market Data, <http://data.cnbc.com/quotes/%40LCO.1>. Jul..19th 2017)

- Gross Domestic Product (% year)

Country	Q1 2016	Q2 2016	Q3 2016	Q4 2016	Q1 2017	Q2 2017	Q3 2017 Forecast	2017 Forecast	2018 Forecast
Australia	3,00%	3,10%	3,10%	3,10%	1,90%	2,40%	1,70%	2,40%	2,50%
Brazil	-5,90%	-5,40%	-3,60%	-3,60%	-2,90%	-2,50%	-0,40%	0,50%	0,80%
China	6,80%	6,70%	6,70%	6,70%	6,80%	6,80%	6,90%	6,50%	6,40%
Euro Area	1,60%	1,70%	1,60%	1,70%	1,90%	1,80%	1,90%	1,50%	1,90%
France	1,30%	1,40%	1,10%	1,30%	1,20%	2,00%	2,10%	1,30%	1,70%
Germany	2,10%	1,50%	3,10%	3,10%	1,50%	1,80%	1,70%	1,70%	1,90%
India	7,30%	7,90%	7,30%	7,10%	7,40%	7,00%	6,10%	7,10%	6,70%
South Africa	0,60%	-0,01%	-0,10%	0,70%	0,70%	0,70%	1,00%	1,20%	0,80%
South Korea	3,10%	2,80%	3,30%	3,30%	2,40%	2,40%	2,90%	2,60%	2,90%
United Arab Emirates	4,60%	4,60%	4,00%	4,00%	4,00%	3,40%	3,00%	2,30%	3,00%
United Kingdom	2,10%	2,00%	2,10%	2,00%	1,90%	1,90%	2,00%	1,80%	1,60%
United States	2,00%	1,60%	1,30%	1,30%	1,70%	2,00%	2,10%	2,50%	2,30%

(Sources: HSBC Global Research – Key Economic Forecast
<http://www.tradingeconomics.com/country-list/gdp-annual-growth-rate>)

■ JP Morgan Global Manufacturing Purchasing Managers Index (PMI) –Jun. 2017

	April	May	June	Summary, Rate of Change
Global PMI	52.7	52.6	52.6	no-change
Output	53.6	53.5	53.3	Expanding, slower rate
New Orders	53.6	53.6	53.3	Expanding, slower rate
Australia	59.2	54.8	55.0	Expanding, faster rate
Brazil	50.1	52.0	50.5	Expanding, slower rate
China	50.3	49.6	50.4	Expanding, change of direction
Euro Area	56.7	57.0	57.4	Expanding, faster rate
France	55.1	53.8	54.8	Expanding, faster rate
Germany	58.2	59.5	59.6	Expanding, faster rate
India	52.5	51.6	50.9	Expanding, slower rate
United Kingdom	57.3	56.3	54.3	Expanding, slower rate

(Source: <https://www.markiteconomics.com/Survey/PressRelease.mvc/86ea13cd52754d3f87dfce492120586e>)

Global manufacturing growth solid and steady through second quarter

At 52.6 in June, unchanged from May, the J.P.Morgan Global Manufacturing PMI™ – a composite index¹ produced by J.P.Morgan and IHS Markit in association with ISM and IFPSM – signalled a further solid and steady improvement in manufacturing operating conditions. The average reading over the second quarter as a whole (52.7) was slightly below that for quarter one (52.9).

Full Document available: <https://www.markiteconomics.com/Survey/PressRelease.mvc/86ea13cd52754d3f87dfce492120586e>

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.

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.

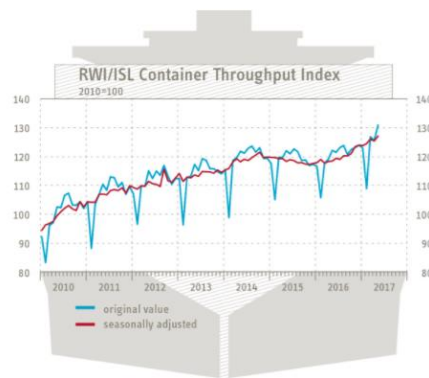
■ **Market Inflation Rate**

Country	Q1 2016	Q2 2016	Q3 2016	Q4 2016	Q1 2017	Q2 2017	Q3 2017 Forecast	2017 Forecast	2018 Forecast
Australia	1,70%	1,30%	1,30%	1,30%	1,50%	1,50%	2,10%	1,90%	2,10%
Brazil	9,28%	8,84%	8,97%	5,35%	4,76%	3,60%	3,00%	3,70%	3,90%
China	2,30%	1,80%	1,80%	2,50%	0,90%	1,50%	1,50%	2,10%	2,40%
Euro Area	-0,20%	0,20%	0,20%	1,80%	2,00%	2,00%	1,60%	1,90%	2,00%
France	-0,20%	0,20%	0,20%	1,30%	1,10%	0,80%	0,70%	1,20%	1,60%
Germany	-0,10%	0,40%	0,40%	1,90%	1,60%	1,50%	1,60%	1,80%	1,80%
India	4,83%	5,77%	6,07%	3,41%	3,65%	2,99%	2,18%	3,00%	3,80%
South Africa	6,30%	6,03%	6,00%	6,80%	6,30%	5,30%	5,40%	5,70%	5,60%
South Korea	1,00%	0,70%	0,40%	2,00%	2,20%	2,00%	1,90%	2,30%	2,10%
United Arab Emirates	1,43%	1,76%	1,76%	1,20%	2,70%	2,20%	1,90%	2,70%	3,10%
United Kingdom	0,50%	0,50%	0,60%	1,60%	2,30%	2,70%	2,90%	2,90%	2,70%
United States	0,90%	1,00%	0,80%	2,10%	2,70%	2,20%	1,90%	2,00%	2,30%

(Source: [HSBC Global Research – Key Economic Forecast](https://www.hsbc.com/press-releases/key-economic-forecast))

RWI/ISL Container Throughput Index still pointing upwards

The Container Throughput Index of the RWI – Leibniz Institute for Economic Research and the Institute of Shipping Economics and Logistics (ISL) shows a significant leap upwards in May from a (revised) 125.4 points to 127.2 points. The increase more than compensates last month's decrease and the index reaches a new record high. Favourable values for ports which had not yet reported a month ago for the April flash estimate, led to a marked upward revision of the April value by 1.1 points. Consequently, the downturn compared with the March value shrunk to 0.7 points. All in all, the latest data indicates that world merchandise trade continues to expand noticeably.



RWI/ISL computations based on data provided by 82 ports. May 2017: flash estimate.

The index is based on data continuously collected from world container ports by ISL as part of its market monitoring. 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. Together, the 82 ports covered in the index account for about six out of ten containers handled worldwide. The flash-estimate for May is based on data reported by 41 ports, accounting for close to 75% 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/284/>

Air Freight Indicators:

■ Airfreight Market Analysis

Another strong month, but has the cyclical growth peak passed?

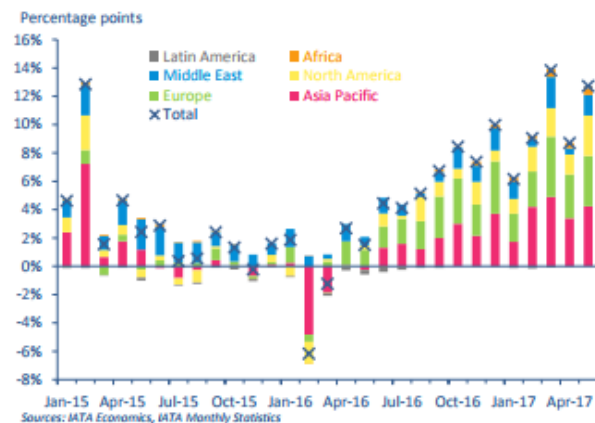
- Global freight tonne kilometres (FTKs) grew by 12.7% year-on-year in May, up from 8.7% in April.
- Having made a mixed start to 2017 in seasonally adjusted (SA) terms, freight volumes grew strongly in May compared to April. That said, industry drivers suggest that the best of the cyclical upturn may have passed.
- International FTKs grew at a double-digit annual pace in May in all regions except Latin America.
- Demand growth outpaced that of capacity in May, lifting the SA load factor to its highest level since July 2014.

Year-on-year FTK growth accelerates in May...

Global FTKs grew by 12.7% year-on-year in May, up from 8.7% in April. This pace is more than three times the five-year average growth rate (3.8%). As has been the case in recent months, airlines registered in Asia Pacific, Europe, and North America accounted for the bulk of the annual increase in freight volumes. (See Chart 1.)

Industry-wide FTKs have now grown by 10.2% in annual terms so far this year to date. Allowing for the extra day in February 2016 owing to the leap year, this is equivalent to annual growth of just under 11%. All told, it is the strongest start to the year since the rebound from the global financial crisis (GFC) in 2010.

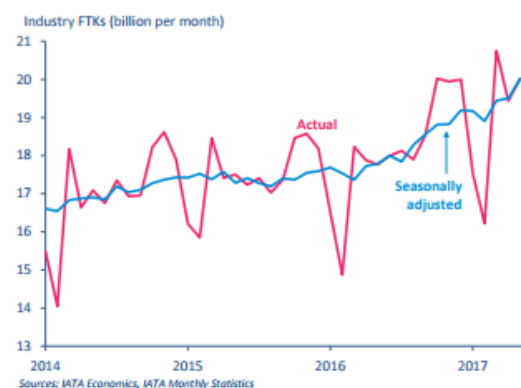
Chart 1 – Contributions to year-on-year growth by airline region of registration



...helped by a strong rise in monthly volumes

After a mixed start to 2017 in SA terms, May saw strong month-on-month growth in FTKs for all the major regions. Volumes are now back in line with the strong upward trend that began in early-2016. (See Chart 2.) This lays the groundwork for very strong year-on-year growth in FTKs in 2017 as a whole.

Chart 2 – FTK levels



Air freight market overview - May 2017

	World share ¹	May 2017 (% 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%	12.7%	5.2%	3.0%	45.2%	10.2%	3.4%	2.8%	44.7%
International	86.7%	14.0%	5.1%	3.9%	49.3%	11.4%	3.5%	3.5%	48.9%

¹% of industry FTKs in 2016

²Year-on-year change in load factor

³Load factor level

The economic and trade backdrop has improved...

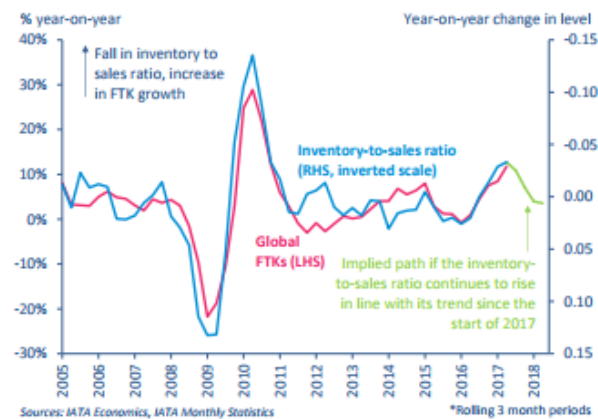
The robust recent performance of air freight has been set against a stronger global economic and trade backdrop. The new export orders component of the global purchasing managers' index (PMI) remains close to a six-year high level, and is indicative of growing export order books for global manufacturers. In fact, at current levels, the measure is consistent with year-on-year FTK growth remaining robust in the region of 8% during Q3 2017. (See Chart 3, overleaf.)

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



More generally, the recent outperformance of air freight relative to wider world trade has also reflected the ability of air cargo to allow firms to restock quickly at the start of pick-ups in the economic cycle. Indeed, the pick-up in annual FTK growth since early-2016 has coincided with a sharp decline in the (US) inventory-to-sales ratio between May and December 2016. (See Chart 4.)

Chart 4 – Air freight growth vs. inventory-to-sales ratio



but have we passed the cyclical growth peak?

That said, recent developments in both of these indicators suggest that the best of the cyclical upturn in air freight may now have passed. Indeed, while the new export orders component of the global manufacturing PMI is still consistent with growing export orders, the measure has fallen slightly since it peaked in February. Unless we see further gains in manufacturing export order books, the measure is consistent with air freight growth moderating towards the end of the year. (Again, see Chart 3.)

Moreover, although the inventory-to-sales ratio remains lower than it was a year ago, it has stopped falling and is currently rising modestly. As shown in Chart 4, this is also consistent with year-on-year FTK growth starting to moderate from its current pace over the second half of 2017. (Again, see Chart 4.)

Freight load factor rises further

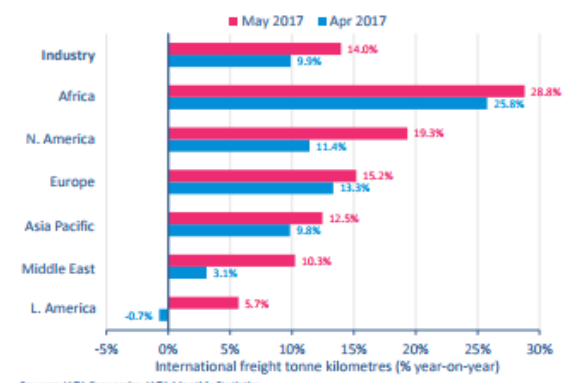
Available freight tonne kilometres (AFTKs) rose by 5.2% year-on-year in May. AFTKs have been trending upwards at a reasonably steady annualized rate in the region of 6.5% over the past year or so.

In the opening months of 2017, the upward trend in demand was broadly matching that of supply. However, the jump in FTKs in May far exceeded that of capacity. All told, the industry-wide load factor has now risen by four percentage points in SA terms since its low-point in early-2016, and is currently at its highest level since July 2014.

International FTK growth outpaces the total again

International FTK growth jumped to 14.0% year-on-year in May, from 9.9% in April. (See Chart 5.) Year on-year growth accelerated from the previous month in all regions, and grew at double-digit paces in all cases except Latin America. With the exception of Africa, all regions saw strong month-on-month gains in SA FTKs.

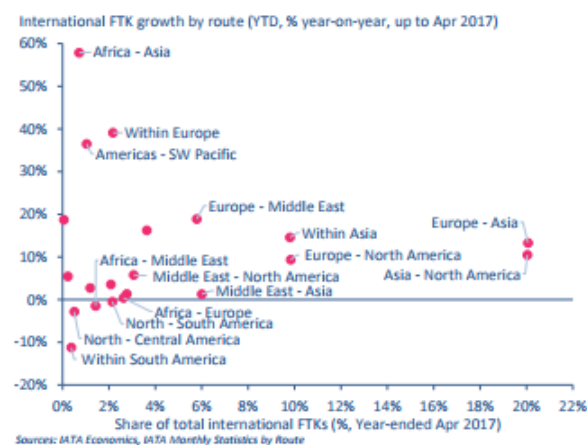
Chart 5 – International FTK growth by airline region of registration



Continued strong growth for both Asia Pacific...

Asia Pacific is the biggest region in terms of international FTKs flown, and air freight is a key part of the business models of many airlines based there. International freight volumes grew by 12.5% year-on year in May, up from 9.8% in April. In SA terms, volumes are now around 3% higher than they reached in the rebound following the GFC. Demand growth so far in 2017 has been strongest on international routes within Asia as well as between Europe and Asia, with year-to-date FTK growth in the region of 13-15% in both cases. (See Chart 6, overleaf.)

Chart 6 – International FTK growth by route (% year-to-date, segment basis)



It is worth noting that business surveys from the region have become more mixed on the health of exporter order books in the region. Conditions remain very strong in Taiwan, for example, but have eased in both Japan and China since the start of the year. This is in keeping with the picture from industry-wide indicators mentioned earlier.

...and European airlines

International freight volumes flown by European airlines grew by 15.2% year-on-year in May, with such airlines also benefiting from strong demand on the Europe-Asia market. By contrast to the situation in Asia, however, there is little sign of an easing in the growth of European exporters' order books, with indicators still close to six-year highs. As we have noted before, this is helped by the ongoing weakness in the euro. FTK volumes on the other key market for the region's carriers – between Europe and North America – have grown by 9.3% in annual terms so far this year-to-date. (Again, see Chart 6.)

Middle East growth recovers into double digits

Year-on-year growth in international FTKs flown by Middle Eastern airlines jumped to 10.3% in May, having dipped to 3.1% in April. The recent volatility in year-on-year growth rates relates more to volatile monthly developments last year. Indeed, volumes are currently trending upwards at solid rate in SA terms, and have increased by 8.5% so far this year to date.

As we have noted before, the performance of the major segment-based routes to and from the Middle East has diverged: FTKs flown to and from Europe have grown by nearly 19% so far this year, but traffic to and from Asia has grown by just over 1% over the same period. (Again, See Chart 6.) However, the pickup in year-on-year growth on the former mainly relates to a surge in volumes seen during the final third of 2016; it is worth noting that this increase has paused over the past four months or so.

Another strong month for North American FTKs

North American airlines posted annual FTK growth of 19.3% year-on-year in May – the fastest pace since August 2010. Having jumped in April, SA FTK volumes rose sharply once again on a monthly basis in May. As we have noted before, the strength of the US dollar is continuing to support US inbound air freight. (Data from the US Census Bureau show that imports by air from China, for example, increased by 14% year-on-year in April.) On the other hand, the strong dollar is also keeping outbound flows under pressure.

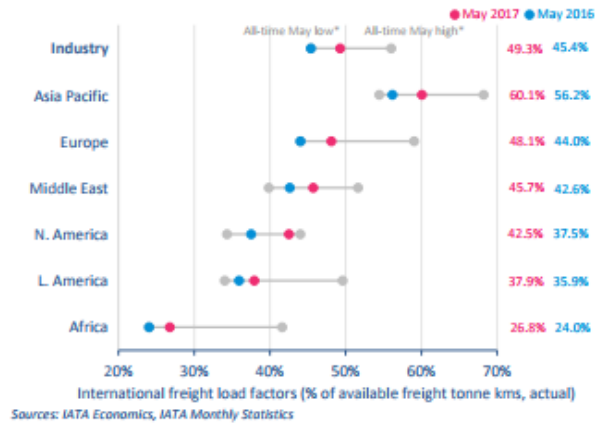
Performance in the smallest regions is diverging

African and Latin American airlines fly a relatively small proportion of global air cargo between them (less than 5% of total international FTKs).

African carriers topped the international growth chart in May for the seventh time in nine months, with volumes up by 28.8% year-on-year in May. That said, in contrast to the other regions, the upward trend in SA FTKs have levelled off in recent months. The market to and from Asia has continued to grow strongly. While still a small route, FTKs have surged by more than 57% so far this year. (Again, see Chart 6.)

The difficult economic and political operating environment has weighed on Latin American freight volumes for some time. Admittedly, international FTKs flown by Latin American airlines rose in year-on-year terms in May at the fastest pace since July 2014. However, this mainly reflected the fact that May was the low-point in SA traffic last year rather than a sustained strong recovery in FTKs. Indeed, while FTKs have risen slightly in SA terms in recent months, they are still some 12% lower than their 2014 peak. The region's airlines have managed to adjust capacity, however, which has at least limited the impact on the region's load factor. (See Chart 7.)

Chart 7 – Freight load factors by region



Air freight market detail - May 2017

	World share ¹	May 2017 (% 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%	12.7%	5.2%	3.0%	45.2%	10.2%	3.4%	2.8%	44.7%
Africa	1.6%	27.6%	14.7%	2.6%	26.2%	24.8%	11.9%	2.6%	24.8%
Asia Pacific	37.4%	11.3%	6.2%	2.5%	54.7%	9.9%	4.2%	2.8%	53.2%
Europe	23.5%	15.0%	5.7%	3.8%	46.5%	13.4%	5.3%	3.4%	47.3%
Latin America	2.8%	6.7%	7.1%	-0.1%	33.7%	-1.4%	-1.2%	-0.1%	32.1%
Middle East	13.9%	10.2%	1.7%	3.5%	45.6%	8.4%	1.4%	2.9%	44.7%
North America	20.7%	13.9%	4.1%	3.1%	36.4%	8.8%	1.5%	2.4%	36.2%
International	86.7%	14.0%	5.1%	3.9%	49.3%	11.4%	3.5%	3.5%	48.9%
Africa	1.6%	28.8%	15.6%	2.7%	26.8%	25.8%	12.6%	2.7%	25.4%
Asia Pacific	33.3%	12.5%	5.2%	3.9%	60.1%	10.9%	3.7%	3.8%	58.5%
Europe	23.0%	15.2%	5.4%	4.1%	48.1%	13.4%	4.6%	3.8%	48.8%
Latin America	2.4%	5.7%	0.1%	2.0%	37.9%	-2.4%	-4.1%	0.7%	37.6%
Middle East	13.9%	10.3%	2.8%	3.1%	45.7%	8.5%	2.4%	2.5%	44.9%
North America	12.6%	19.3%	5.3%	5.0%	42.5%	13.1%	2.2%	4.1%	42.7%

¹% of industry FTKs in 2016 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. Historical statistics are subject to revision.

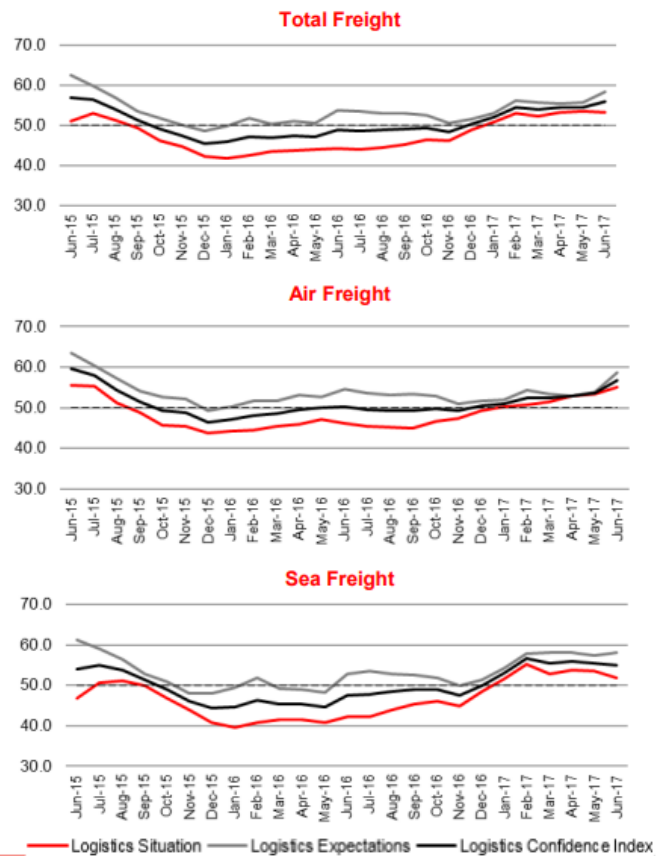
Source: IATA-Air Transport Market Analysis May. 2017 published on:
<http://www.iata.org/whatwedo/Documents/economics/freight-analysis-may-2017.pdf>

STIFEL NICOLAUS – Logistics Confidence Index

Commentary: Overview June 2017

Air freight expectations have taken the Logistics Confidence Index higher in June, but growth has been tempered by results in sea freight. According to World ACD's latest note, growing cross border e-commerce demand is one reason why air freight growth is on the up, though interestingly, it appears not have stimulated large increases in express air cargo. It is suggested that this is because most e-commerce finds the regular speed of air cargo sufficient, and the e-commerce is not just a matter of flying small individual parcels across the world. In addition, increasing consumer demand in general (electronics in particular) may be another factor, driven by higher purchasing power, especially in Asian markets.

The Sea Freight Index demonstrated a far more mixed picture. In this instance, the present conditions declined, offsetting a slight improvement in expectations. Vessel space appears to be in much shorter supply than in previous years, following aggressive capacity reduction strategies from the major carriers. Following the Europe-Asia capacity crunch in April, shippers will inevitably be nervous, though at least port congestion problems in China now appear to have been resolved.



June 2017			
	Present Situation	Expected Situation	Logistics Confidence
Air Freight	55.0	58.7	56.9
Sea Freight	51.8	58.0	54.9
Total Freight	53.4	58.4	55.9

Source: TI

Note: The Present Situation Index illustrates current market volume conditions faced by forwarders, while the Expected Situation Index measures how the situation is expected to develop over the next six months. The Logistics Confidence Index, an average of both the Present and Expected indices, expresses overall confidence in the market.

Air Freight Confidence Index

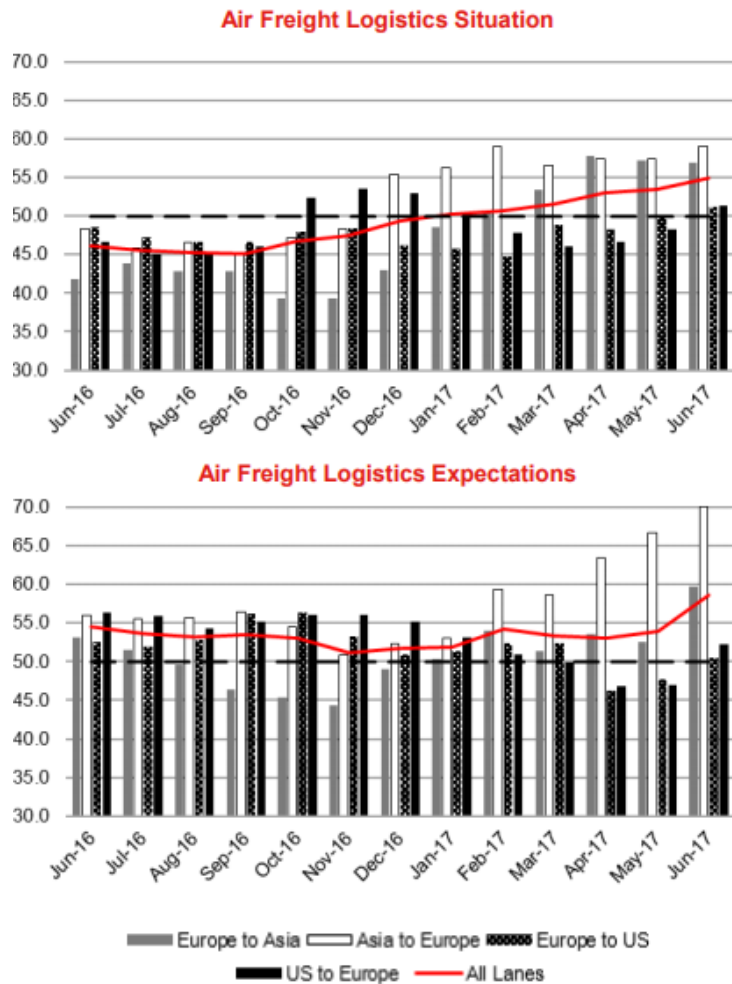
The Air Freight Index registered a month-on-month rise of 3.1 points to 56.9 for June 2017. Whilst this score reflected a year-on-year improvement of 6.5 points, it stood 2.7 points below the June 2015 total.

The Air Freight Logistics Situation Index noted a month-on-month improvement of 1.5 points to 55.0. This growth was mainly led by the US to Europe lane, which rose by 3.1 points to 51.3. Nonetheless, both the Asia to Europe (up 1.6 points to 59.0) and Europe to US (up 1.4 points to 51.1) lanes grew enough to offset the Europe to Asia lane, which declined 0.3 points to 56.9.

The performance of the Air Freight Logistics Expectations Index can perhaps be described as a June boom. Increases across the board were underlined by particularly strong performance on the Europe to Asia lane, which rose 7.3 points to 59.8. The US to Europe lane saw the second-strongest growth, with an improvement of 5.2 points taking it up to 52.2. A gain of 3.4 in the Asia to Europe lane brought that up to 70.1, whilst a 2.7 point rise in the Europe to US lane resulted in a total of 50.4, ensuring all lanes finished above the 50-point mark for the month.

Air Freight - June 2017		
	Present Situation	Expected Situation
Europe to Asia	56.9	59.8
Asia to Europe	59.0	70.1
Europe to US	51.1	50.4
US to Europe	51.3	52.2
Total Air Index	55.0	58.7

Source: Ti



Sea Freight Confidence Index

The combined Sea Freight Logistics Confidence Index recorded an overall score of 55.5, having decreased by 0.5 points against the previous month's score. The result was 11.0 points greater than the score registered in May 2016, and 0.2 points greater than that recorded in April 2015.

Standing at 53.5, the Sea Freight Logistics Situation Index declined by 0.2 points against the previous month. This result occurred after a mixed performance amongst the individual lanes, with two month-on-month increases, and two month-on-month decreases. US to Europe remained the weakest of the four, losing 4.5 points to total 39.7 for May. In contrast, the Europe to US lane almost balanced this movement out with a 4.0 point gain, which took it to 54.7. Meanwhile, Europe to Asia gained 0.2 points to 56.5, whilst Asia to Europe fell 0.2 points to 60.2.

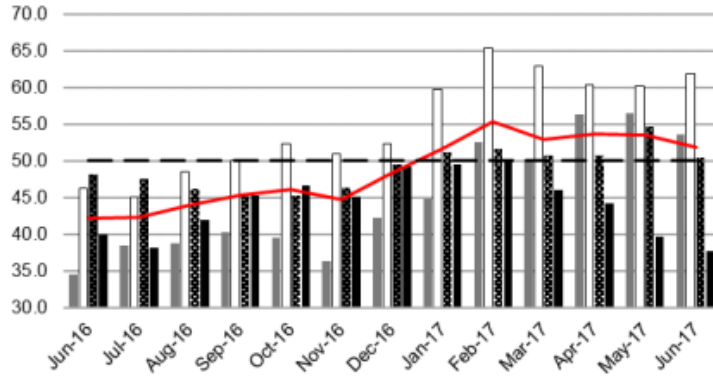
The Sea Freight Logistics Expectations Index totaled 57.4 points, having declined by 0.8 against the April result. This outcome was chiefly derived from a 4.1 point decline in the Europe to Asia lane, which fell to 53.6. The US to Europe lane was the other to record a month-on-month decline, losing 1.4 points to total 53.7 for May. Asia to Europe gained 1.8 points to 67.3, and Europe to US gained 0.7 to 53.8, but these improvements were not enough to offset the aforementioned declines.

Sea Freight - June 2017

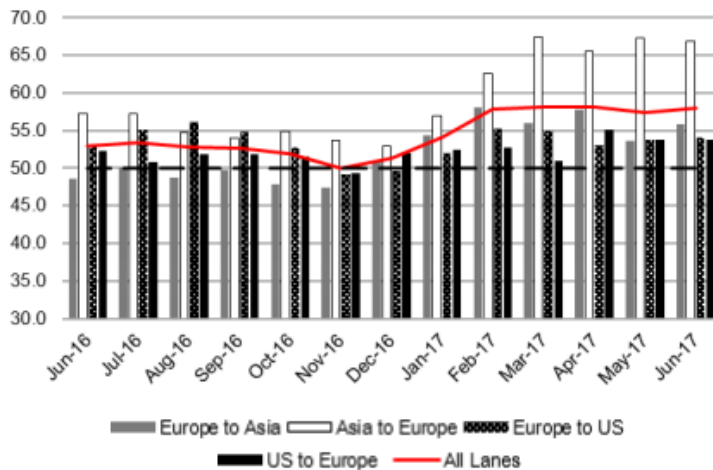
	Present Situation	Expected Situation
Europe to Asia	53.7	55.8
Asia to Europe	61.8	66.8
Europe to US	50.4	54.1
US to Europe	37.8	53.8
Total Sea Index	51.8	58.0

Source: Ti

Sea Freight Logistics Situation



Sea Freight Logistics Expectations



Ti Logistics Confidence Index Methodology

The 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 U.S.
- U.S. 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: www.ti-insight.com/wp-content/uploads/2017/05/Ti-Logistics-Confidence-Index-June-2017.pdf

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