

ROHLIG EXPERTS LIG

Röhlig UPDATE
LOGISTICS

Röhlig Australia Market Update

October 2023

Dear Valued Customer,

Welcome to our October issue of Röhlig ANZ Market Update. We will continue to be in contact with you, letting you know what is happening in the world of freight forwarding and logistics. If you have any questions and would like to address them, please send them to rohlig.australia@rohlig.com. We appreciate your suggestions and feedback.

AIR FREIGHT

Oceania

October for Sydney arrivals still around 100 international flights per day which is around 10% down pre-covid.

Now well into Q3, the air-cargo implications mean flights are generally full of cargo and will be now through Christmas. Air-cargo rates now are typically 10-30% higher than 2019, inflation adjusted we are seeing a near return to normal.

If it wasn't for Qantas' terminal disaster, the last month has been relatively quiet in terms of air-cargo news. The Sydney, Brisbane and Melbourne terminals came to a near halt for several days due to an I.T failure which took a month to fully recover from, stranding cargo airside causing enormous damage to products and business.

Read more: [Coffins, rotting fruit stuck in tarmac tangle after Qantas IT meltdown](#)

As of late October, they have now caught up on the backlog and now processing cargo normally.

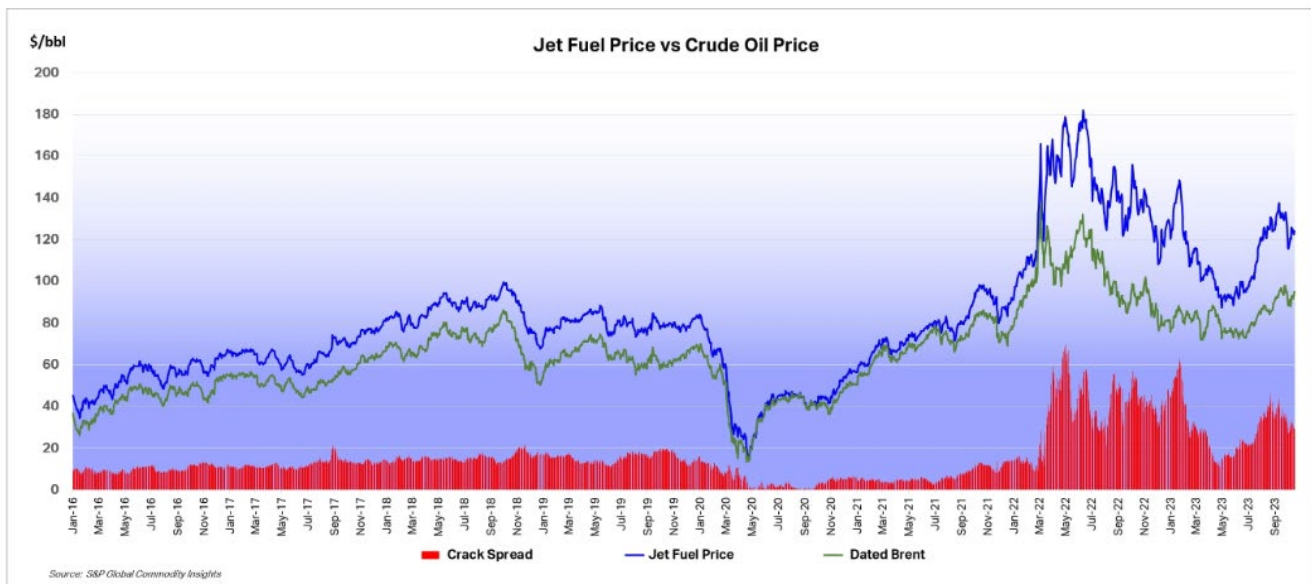
Oil and Jet fuel prices

After a large jump to 95 USD per barrel, we have come back to the top of the year long range at around 84 USD at the time of writing.

The pressure from OPEC is absolutely still on to clear the 100 USD mark, so we'll take the nice reprieve for now. See the chart, Source:

<https://www.tradingview.com/chart/?symbol=TVC%3AUSOIL>





Source: <https://www.iata.org/en/publications/economics/fuel-monitor/>

Australia

The recent Qantas terminal stoppages are over and all systems are go with schedules now set through to 2024. Trans-Tasman and space to the rest of the world are OK, with routes requiring second legs after Australian expecting to tighten up from here until Christmas.

New Zealand

NZ imports will ease a little with the northern winter schedule favouring additional flights into Auckland. This has been wanting for some time, with NZ not being serviced well in 6 months.

Asia

All routes operating ex China/Malaysia/Thailand are running well, with space and short term rates expected to tighten through November and December.

USA

Passenger route competition has helped the USA remain very viable and in a position to still see light some downward pressure even through Q4,

We're operating twice weekly from Chicago (servicing most of the USA) now, and regularly out of LAX airports. Contact us for the best airfreight in the business, email rohlig.australia@rohlig.com or [call our Team](#).

Europe

Our premium and economy options out of Europe continue to operate and will do through Q4. Our on time and fast Emirates freighter services remain solid with little delays. Our slower services certainly take longer however there is savings to be made if you have time on your side.

Rate have been dropping into rising fuel so total costs have not changed greatly unless you have time on your side, then absolutely request a quote on our economy options.

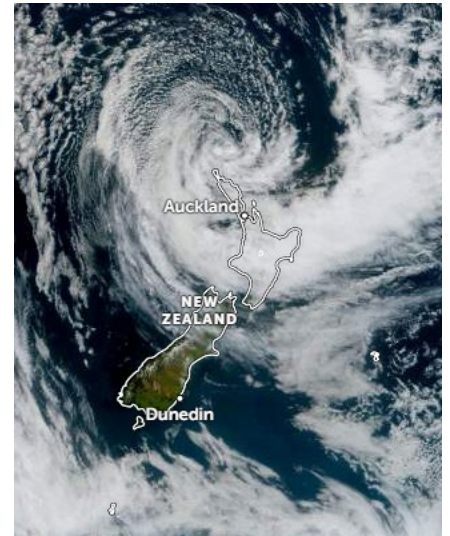
For more information about our Air Freight services, please click [Rohlig Air Freight](#), call your local account manager or [our friendly Team](#).

SEA FREIGHT

Oceania

COSCO has deployed a second vessel this week on their ANE service, with an additional call to Tauranga, New Zealand. This vessel brings in additional capacity to the Trans-Tasman trade with a service rotation ex. Melbourne, Bell Bay, Sydney, Auckland and Tauranga. Furthermore, ANL have introduced a weekly call to Tauranga for both vessels on the route to New Caledonia. This service adjustment will offer increased schedule consistency and improved frequency.

Weather events in New Zealand are once again threatening a disruption to port productivity with operational delays and closures across the North Island. Strong winds and heavy rain are battering the regional and current warnings are in place.



Resource: [Oct 30, 11:00 | 34.9°S 169°E | Zoom Earth](#)

Asia

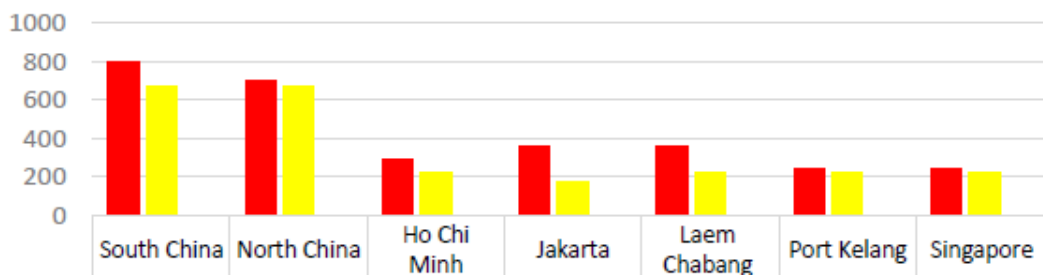
Despite a whirlwind year which saw freight rates ex. Asia plummet, market predictions did lean towards some sort of 'peak season' this year, albeit a shorter season to historical trends. Space out of China and North East Asian ports has been tight since before Golden Week, with most carriers reporting full vessels and roll pools of a couple of weeks minimum.

Freight rates have risen steadily for the last couple of months, with no signs of abating any time soon. GRIs have been announced every two weeks by the shipping lines since 1st August and the next GRI will take effect from 1st November, which looks likely to stick. Factory closures and lack of manpower during China's Golden Week celebrations in early October contributed to the backlog of cargo and increased booking pattern from week 42 onwards. Space is at a premium with multiple blank sailings continuing to thwart capacity in the Asia to Oceania markets and carriers are still seeing Christmas and New Year rush bookings being placed. It is recommended to make advance bookings of 3-4 weeks in advance or as soon as vessels open to avoid disappointment.

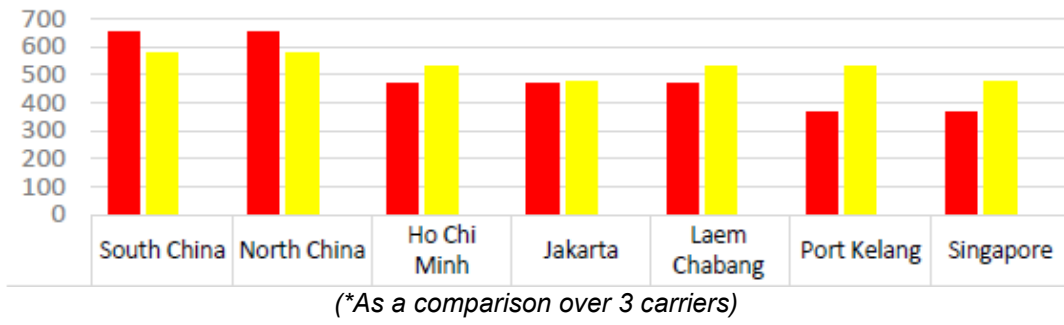
It will be interesting to see what impact the ZIM vessel sharing agreement (VSA) with MSC will have as it effectively removes capacity away from our region, merging two services into one and the dissolution of the TFX service. The situation is not helped by the nearly three weeks of strikes at DP World terminals across the country in Sydney, Melbourne, Brisbane and Fremantle terminals, causing shipping delays until at least 6th November in protest over proposed roster changes, including bans on loading and unloading containers on trucks.

There were some reported issues of space being rejected ex. South East Asia, however, equipment availability remains stable for the time being. There is no change to overall dwell time: dwell time averaging between 5 to 6 days in Malaysia and dwell time averaging between 6 to 9 days in Singapore.

FAK rate ex Far East to Australia base ports 1-14 Nov 2023



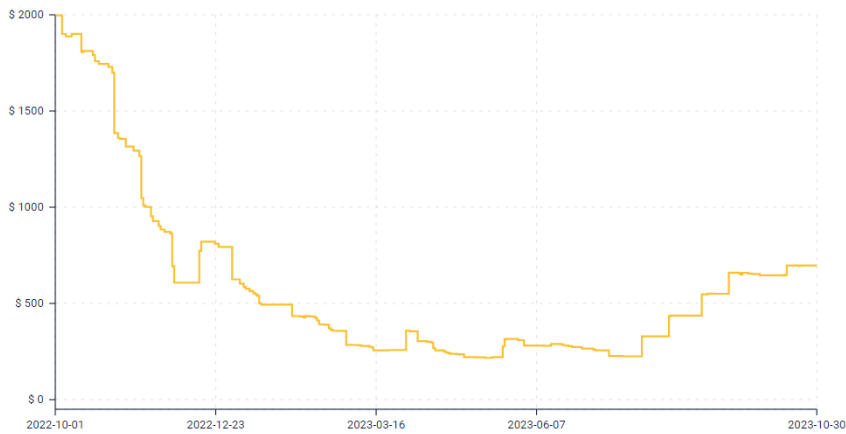
FAK rate ex Far East to New Zealand base ports 1-14 Nov 2023



Shanghai (CNSGH) Sydney (AUSYD)

BENCHMARKS **TRENDS**

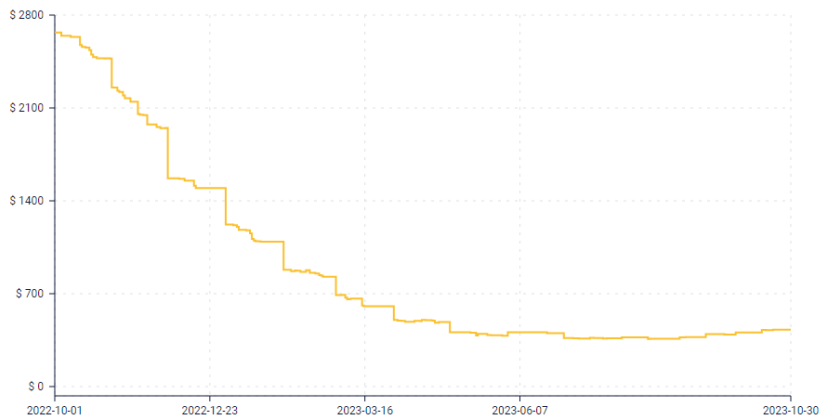
From: 2022-10-01 To: 2023-10-30 20' STANDARD DRY CONTRACTED WITHIN - ALL THC INCLUDED - NONE



South East Asia Main Sydney (AUSYD)

BENCHMARKS **TRENDS**

From: 2022-10-01 To: 2023-10-30 20' STANDARD DRY CONTRACTED WITHIN - ALL THC INCLUDED - NONE



Source: [Trade Lane - Trends](#) | [Xeneta](#)

GLOBAL

World Container Index steady over the past week

The world Container Index has remained stable over the past week at US\$1364.

The composite index has dropped by 60% when compared with the same week last year.

The latest Drewry WCI composite index is now 4% below the average 2019 (pre-pandemic) rates of US\$1420 and is the lowest for three years.

The average composite index for the year to date is US\$1720 per 40-foot container, which is US\$957 lower than the 10-year average rates of US\$2677 (which was inflated by the exceptional 2020-22 Covid period).

Freight rates on Shanghai to Genoa decreased by 3% or US\$43 to US\$1370 per 40-foot container.

Similarly rates on Los Angeles to Shanghai decreased by 2% or US\$20 to US\$811 per FEU.

Likewise, rates on Shanghai to Los Angeles decreased marginally by 1% or US\$17 to US\$1979 per 40-foot box.

Conversely rates on New York to Rotterdam, Rotterdam to Shanghai, Rotterdam to New York and Shanghai to Rotterdam increased by 4%, 3%, 2% and 1% to US\$703, US\$476, US\$1564 and US\$1024 per 40-foot container respectively.

Meanwhile, rates on Shanghai to New York remain stable.

Drewry anticipates east-west spot rates to remain close to current levels, overall, in the upcoming weeks.

The Drewry WCI measures ocean freight rate movements of 40-foot containers in seven significant maritime trade lanes.”

Source: [World Container Index steady over past week - Daily Cargo News \(thedcn.com.au\)](https://www.thedcn.com.au/news/world-container-index-steady-over-past-week)

USA

Port of Los Angeles Reports Increase in September Cargo Volumes

“The Port of Los Angeles has announced a rise in cargo volumes for the month of September, following in the footsteps of its neighboring Port of Long Beach.

The Port of Los Angeles on Monday reported handling 748,440 Twenty-Foot Equivalent Units (TEUs) in September, representing a 5.4% improvement compared to the same period in 2022. Notably, imports saw a significant increase of 14%, while exports experienced a remarkable jump of 55%.

This marks the second consecutive month of year-over-year growth for the Port of Los Angeles.”

[Port of Los Angeles Reports Increase in September Cargo Volumes \(gcaptain.com\)](https://www.gcaptain.com/news/port-of-los-angeles-reports-increase-in-september-cargo-volumes)

Europe

Europe to Australia is a bit flat and capacity ex. Europe remains stable with no change in the last month. There are no space issues at present and transshipment ports in Asia are not experiencing any significant delays.

However, Europe to NZ is strong and CMA are introducing a new option, NEMO direct via SYD to Tauranga and Auckland Metroport, to help ease this market. Transit times will be around 10-15 days shorter than their relay service via Asia. Please reach out to your local Rohlig representative to find out more.

Overall, the European economic situation continues to worsen month on month. Weakness in domestic demand, in particular consumption, shows that high and still increasing consumer prices for most goods and services are taking a heavier toll than expected. This is despite declining energy prices and an exceptionally strong labour market, which has seen record low unemployment rates, continued expansion of employment, and rising wages. Eurozone business activity fell in October as demand had a downturn across the region, suggesting a possible mild recession to come with two back-to-back quarters of negative growth. All indications suggest that there won't be a turnaround anytime soon.

Optimism about the coming 12 months among factory managers waned, with the future output index dropping to 50.3 from 51.6, marking its lowest reading this year.

TRANSPORT

We have had several factors that are affecting our operations throughout Australia :

- **Continued Biosecurity Delays:** We are experiencing ongoing delays in the form of inspections and wash bay requirements which are impacting the efficient movement of goods.
- **Industrial Action at Container Terminals:** Recent industrial actions at container terminals have caused disruptions in the flow of goods, bottlenecks and cargo handling leading to delays in the supply chain. To mitigate some of the pressure on the terminals, vessels are changing their birthing locations. However, this adjustment is introducing additional delays as it requires reconfiguration and rerouting of cargo.
- **Delays at Qantas Cargo Terminal:** Taxi Truck providers are facing extensive delays when delivering and picking up goods at the Qantas cargo Terminal which is affecting the timely transportation of cargo.

RÖHLIG LINEHAUL SERVICE - AUSTRALIA WIDE

Röhlig Linehaul service offers reliable, flexible, and cost-effective solutions for customers' road freight needs. We have a network of experienced and qualified drivers, own fleet, subcontractors and partners who ensure safe and timely delivery of your goods.

Röhlig linehaul can handle various types of cargo, from general to oversized, from palletised to containerised.

- Advanced 3PL/carrier management
- Reduced trucking costs
- Rural deliveries available
- Faster deliveries
- Enhanced delivery experience



- Increased door to door visibility

For special rates, more information on Rohlig linehaul or any other logistics services, please contact zac.petrovski@rohlig.com or send an email to rohlig.australia@rohlig.com.

RÖHLIG COASTAL SERVICE

Did you know about Rohlig Coastal service?

Consider Rohlig Coastal service to reduce your transport costs within Australia. The main benefits are:

- Cost efficiency
- Environmentally friendly
- Consistency
- Transit time (Freight congestion relief)



If you have any questions about coastal shipping, please contact zac.petrovski@rohlig.com or send an email to rohlig.australia@rohlig.com.

Thank you for your ongoing support of Röhlig Australia and New Zealand. We will continue to keep you updated, however should you have any questions relating please do not hesitate to [contact](#) your Röhlig Account Manager or Customer Service Representative.

The Team at Rohlig Australia and New Zealand