

RÖHLIG EXPERTS

Röhlig UPDATE
LOGISTICS

Röhlig Australia News and Market Update

05 July 2024

Dear Valued Customer,

Welcome to Röhlig Australia Monthly 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

As winter is truly upon us and airfares dropping, most passengers are flocking to summer locations escaping the cold. Read more: [Big drop in economy airfares revealed](#)

Increase in passengers flying to Asia/Europe/USA have taken priority, allowing limited space for exports out of Australia.

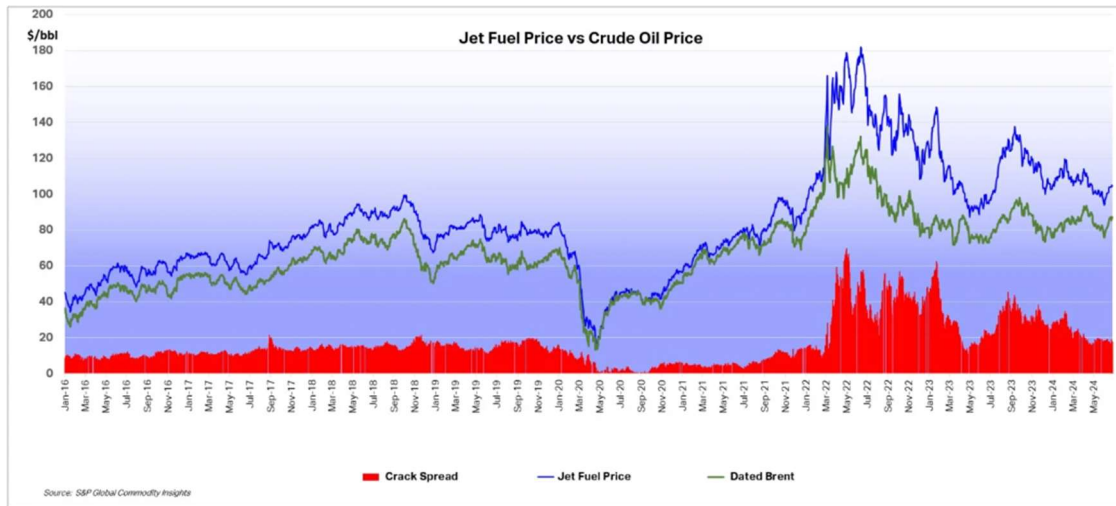
Flights to and from New Zealand remain stable with space available for cargo. Please contact your local account manager for a booking.

Oil and Jet fuel prices

Oil prices have remained suppressed through the month of May, tracking almost entirely in the mid-high 70s per barrel, which has finally seen some fuel relief on freight prices with Jet Fuel trending down in sync. This is despite the best efforts of producers trying to raise the barrel price, and is indicative of a slowing global economy.



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



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

Asia

As suspected, reduced backhaul demand, is boosting rates due to capacity growth from Asia to fulfill the e-commerce demand. Specifically from China, the sea freight container imbalance and blank sailing has put pressure on airfreight volumes with possible 1-2 day delay.

Singapore airport has a current backlog with possible 1-4 day delays and encourage to avoid the area if possible with other routings available. We anticipate SIN port will only get worse as the Sea port is facing backlogs. Read more: [Singapore hit by Global Freight issues.](#)

We are continuing to monitor the situation through Q3.

USA

Two months prior, Qantas had pulled a freighter from their fleet and we are starting to see the affects of this. With US summer holidays in full swing, the passenger aircrafts cannot manage the cargo load with limited freighter capacity. We expect an upward pressure on rates Q3 and Q4.

Europe

As the situation in the middle east has calmed, flights are moving as per their usual route and air cargo has increased. This is expected to get busier over this peak period.

Although we have managed to maintain and increase space where possible, we assume this will become limited later over July/August.

The demand in air freight is also due to the Red Sea situation and surging e-commerce, creating limitations in space, but also a push for more cargo planes. Read more: [Turkish Airlines orders 4 more Boeing 777 Freighters](#)

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

Rates on the Trans-Tasman East bound from Australia to New Zealand and on the Trans-Tasman West bound from New Zealand to Australia continue to be stable as space availability remains open. Despite local economic challenges in NZ, the carriers are reporting full ships from Asia. Shipping lines are continuing to roll cargo and strong demand for imports means space is hard to come by.

Asia

Carriers are continuing to report strong demand from North East Asia to both Australia and New Zealand. Carriers are also continuing to face equipment shortages globally due to varying reasons, as previously mentioned.

As the ships leaving North East Asian ports are mostly booked to capacity, so carriers continue to announce GRRs (General Rate Restoration) every 14 days. Carriers have now incorporated, in their rates the GRR that was announced from 1st July ex. North East Asia to Australia and New Zealand and ex. South East Asia to Australia and New Zealand. GRR's have now also been announced by carriers, from 15th July that will be applicable, ex North East Asia and ex South East Asia at a rate of USD 300/TEU to Australia and New Zealand.

The rates ex North East Asia and South East Asia to Australia and the rates ex North East Asia and South East Asia to New Zealand continue to rise as a result of the implementation of GRR or PSS by carriers. The application of GRR is expected to continue into the future.

Carriers are also reporting vessels ex South East Asia to Australia and New Zealand ports are now being booked to capacity. Congestion is mounting at transshipment hubs and Singapore port continues to be congested.

Please consider these market conditions when planning your shipments and we recommend booking your shipment as far in advance of the ETD as possible.

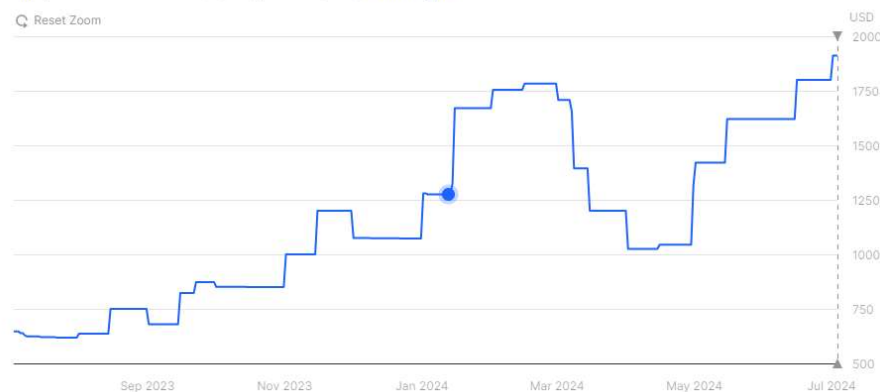
The SCFI (Shanghai Containerized Freight Index) has nearly doubled from where it was in mid-April.

Container Rates (12 months): South East Asia and Shanghai

USD rates for 20ft container

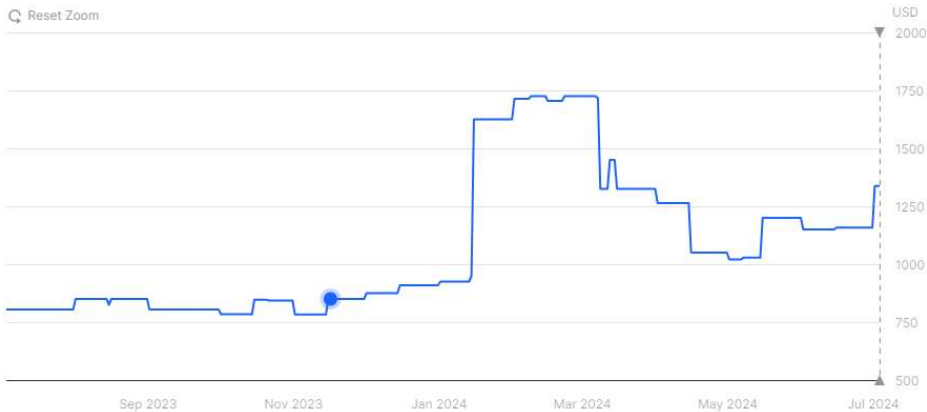
Shanghai to Australia Main Ports

From Shanghai (CNSGH)⁺ to Australia Main⁺ trade lane
Days, Jul 2023 - Jul 2024 (1 year),⁺ USD. (Edited) Restore original



South East Asia to Australia Main Ports

From South East Asia Main* to Australia Main* trade lane
Days, Jul 2023 - Jul 2024 (1 year),* USD.



Singapore Port Logjam Lingers as Container Ships Keep Piling In

“The logjam that’s been plaguing Singapore’s container port is bringing forward this year’s peak season for the shipping sector, spelling trouble for businesses in the city-state.

The bunching up of container vessels outside one of the world’s busiest maritime trade hubs — caused by ships avoiding the Red Sea due to Houthi rebels’ attacks — means there’s more cargoes trapped in ports for longer. That’s pushing freight rates ever higher, with no immediate end to the congestion in sight.

For the manufacturers and exporters needing to get their finished products out of the city-state, that means there may be little choice other than to hold on to their inventories longer than they’d like to.”

Read more : [Singapore Port Logjam Lingers as Container Ships Keep Piling In \(gcaptain.com\)](https://gcaptain.com/news/singapore-port-logjam-lingers-as-container-ships-keep-piling-in)

Europe

It has now been more than 6 months since the unfortunate Red Sea/Suez canal situation erupted and we see no further positive developments. Attacks continue on ships transiting the Red Sea. Increased demand for space ex Europe to Australia and New Zealand, on direct services, is a direct result of congestion at transshipment ports in Asia and the usual onset of the peak season, which has resulted in carriers announcing GRR or Peak Sea Surcharge at a rate of USD 500/TEU ex Europe to Australia and New Zealand. This has already been reflected from 01st July in the rates announced by carriers

French ports face a month of chaos and disruption as workers strike

“A month of chaos and disruption could lie ahead for France’s major ports, including box hubs Le Havre and Marseille-Fos.

Labour unions representing dockers and other port workers look set to carry out their threat to stage several one-day strikes, as well as numerous four-hour work stoppages this month, in protest over pension reform that increased the statutory retirement age in France.” Read More : [French ports face a month of chaos and disruption as workers strike - The Loadstar](https://www.loadstar.com/news/french-ports-face-a-month-of-chaos-and-disruption-as-workers-strike)

Shipping Industry Calls for Action After Tutor Sinking in Red Sea

“The international shipping industry has voiced its outrage and concern following the reported sinking of the M/V Tutor. One crew member is feared lost after military authorities on Tuesday observed debris and oil at the Tutor’s last known location.

This incident is the second sinking of a commercial vessel by the Houthis, an Iranian-backed terrorist group, since their attacks on merchant ships commenced in November.

The Tutor, a Liberian-flagged, Greek-owned bulk carrier, was initially hit in the stern by an unmanned small craft on June 12 in the Southern Red Sea, marking the first successful use of an unmanned surface vessel in Houthi attacks. The ship was later struck by “an unknown airborne projectile.

A day after the Tutor incident, the Houthis also attacked the M/V Verbena with two missiles, causing fires and extensive damage. The Palauan-flagged, Ukrainian-owned, Polish-operated bulk carrier has since been abandoned. One civilian mariner was severely injured and later airlifted for medical treatment.”

Read more : [Shipping Industry Calls for Action After Tutor Sinking in Red Sea \(gcaptain.com\)](https://gcaptain.com/Shipping-Industry-Calls-for-Action-After-Tutor-Sinking-in-Red-Sea)

Americas

The rates ex. Australia and New Zealand to North America continue to rise as a result of ships being booked to capacity. Getting space for a new booking request is difficult. The rates ex North America to Australia and New Zealand are mostly stable.

Panama Canal Boosts Capacity on Eighth Anniversary of Expansion Project

“The Panama Canal is marking the eighth anniversary of its historic expansion program by increasing its draft and daily transits amid an ongoing water crisis.

Effective today, the maximum authorized draft will be raised from 46 to 47 feet (14.33 meters), and is set to increase further to 48 feet (14.063 meters) on July 11th. Also, a new booking slot for the Neopanamax locks will be introduced from August 5th, raising the total daily transits to 35 ships.

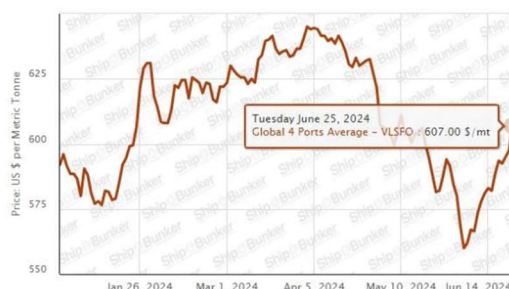
The improvements bring the waterway a step closer to its design capacity of around 36-38 transits per day and a 50-foot maximum draft.”

Read more: [Panama Canal Boosts Capacity on Eighth Anniversary of Expansion Project \(gcaptain.com\)](https://gcaptain.com/Panama-Canal-Boosts-Capacity-on-Eighth-Anniversary-of-Expansion-Project)

Global

Bunker Prices

Global 4 Port Average Index



Source: ShipAndBunker.com, Global 4 Port Average index

As already highlighted in June, the Bunker price is rising. Month-on-month we are seeing an increase of ca. USD 20 / mT.

The bunker prices will continue increasing most likely due to the strong market combined with the supply side control (OPEC, other producers etc.).

Still, no overwhelming growth is expected, but rather normal seasonal development.

Key Trade Outlook

TRADE	CAPACITY	EQUIPMENT	SCHEDULE RELIABILITY	PRICE DEVELOPMENT
FEWB	■	■	■	↑
Asia-OCE	■	■	■	↑
TPEB	■	■	■	↑
TAWB	■	■	■	→
FEEB	■	■	■	→
Intra-Asia	■	■	■	↑

Colour Code:	Space Capacity:	Equipment:	Schedule Reliability:	Price Development:
■	Open	No challenges	>75%	↑ UP
■	Challenging	Medium challenges	>50% to 75%	→ STABLE
■	Very challenging	Major challenges	<50%	↓ DOWN

Global Trade Trends Show Positive Growth in Early 2024

Global trade trends turned positive in Q1 2024, with goods and services trade increasing by 1% and 1.5% respectively, driven by the US, China, and India, according to UN Trade and Development's (UNCTAD) July trade update.

The surge is expected to add approximately \$250 billion to goods trade and \$100 billion to services trade in the first half of 2024 compared to the second half of 2023, UNCTAD's report showed.

Global forecasts for GDP growth remain at around 3% for 2024, with the short-term trade outlook being cautiously optimistic. If positive trends continue, global trade in 2024 could reach almost \$32 trillion, yet it is unlikely to surpass its record level seen in 2022.

Read more: [Global Trade Trends Show Positive Growth in Early 2024 \(gcaptain.com\)](https://www.gcaptain.com/global-trade-trends-show-positive-growth-in-early-2024)

Customs

Reduction in customs duty rates of certain 'nuisance tariffs'

From 1 July 2024, the rates of customs duty for 457 tariff subheadings and headings will be reduced to 'Free'. A broad range of goods including certain types of food, clothing, furniture, and electrical appliances will be eligible for a 'Free' rate of customs duty when entered for home consumption from this date. The customs duty rates for certain menstrual and sanitary products will also be reduced to 'Free' to align with the GST treatment of these goods.

For more information please see [ACN 2024/17](#) or contact your local Customs Broker.

2024-25 prices for biosecurity and imported food regulatory activities.

Biosecurity fee's will increase from 1 July 2024. Some most relevant to our customers include:

- Full Import Declaration (FID) charge (Air) increasing from \$43.00 to \$45.00 per FID
- Full Import Declaration (FID) charge (Sea) increasing from \$63.00 to \$66.00 per FID
- Fee for service – inspection (including virtual inspections), examination, document assessment, analysis, diagnostic activity, clearance of cargo, treatment, audit, supervision, training
 - In office fee during ordinary hours (per 15 mins) increasing from \$37.00 to \$39.00
 - Out office fee during ordinary hours (per 15 mins) increasing from \$62.00 to \$65.00

For more information on Biosecurity fee changes please [CLICK HERE](#)

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For more information please see [ACN 2024/17](#) or contact your local Customs Broker.

TRANSPORT

System maintenance at Patricks Fremantle has had an impact on container collections and deliveries. Perth are currently experiencing delays of up to two weeks for inspections due to quarantine procedures.

Additionally, with the Brown Marmorated Stink Bug (BMSB) season now over, we anticipate faster turnaround times for both LCL and FCL shipments nationally.

Thank you for your ongoing support of Röhlig Australia. 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 Re

The Team at Röhlig Australia and New Zealand