

# ROHLIG EXPERTS

**Röhlig UPDATE**  
LOGISTICS

## Röhlig Australia Market Update

8 May 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](mailto:rohlig.australia@rohlig.com). We appreciate your suggestions and feedback.

### AIR FREIGHT

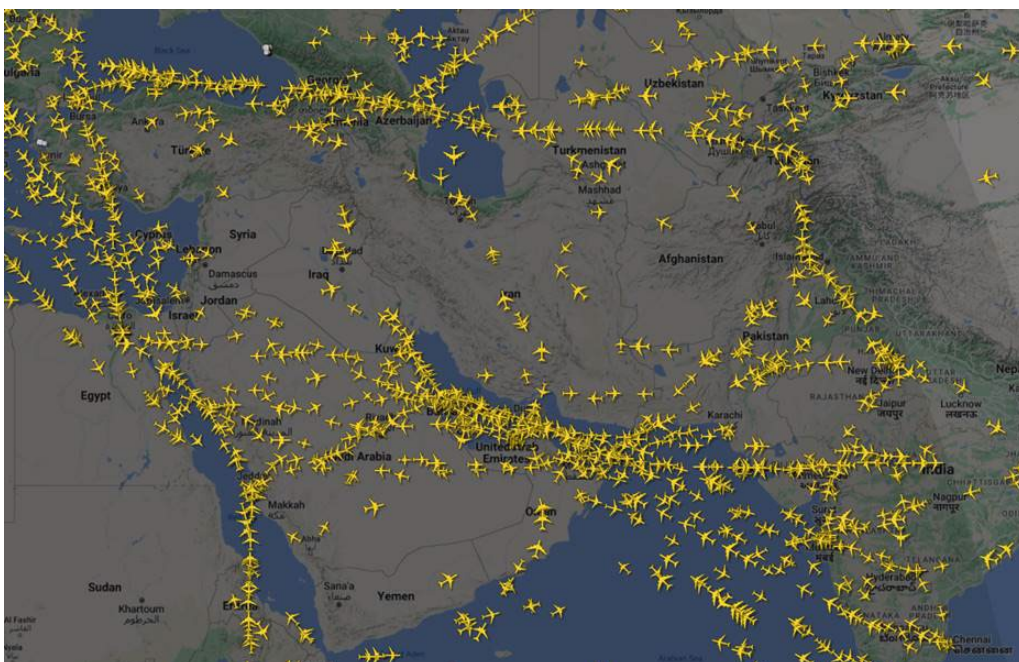
#### Oceania

After a quiet month there has been plenty of action in the air-cargo market.

The attacks between Israel and Iran caused some very fast rerouting of flights, with the closing of airspace causing bulk of flights that would normally route over Iran when travelling east/west now heading around.

Air space is now open, however the bulk of airlines are cautiously taking the long way. We have seen the knock on effect in air cargo from this, with flights taking on more fuel to fly further around, meaning less air cargo capacity. We managed to mitigate most of the problem with this, with the bulk of the challenge with Malaysia and Cathay Pacific place some embargo's.

Read more: [Airlines reroute flights after Israeli attack on Iran](#)



Around the same time, the UAE was hit with the heaviest single day rainfall since they have kept rainfall records (75 years). Dubai – a city known for many things but not known for stellar drainage, flooded heavily, ensuring Emirates airlines had its biggest week of chaos since the global shut downs in 2020. They had 142mm in one day, comparable to some of our big wet weather days back in January.

Read more: [Emirates is dealing with a 30,000 bag backlog as it grovels to customers about its handling of Dubai floods](#)

The Yemen/Red Sea situation discussed in previous sea-freight updates has finally seen a knock on effect in airfreight, in the once thought unlikely area of airfreight out of China.

Along with the recent Labour day holidays in China, the container in-balance and vessel blank sailings have pushed airfreight volumes up and increased rates 50% over the last few weeks. We're working to mitigate those increases by funnelling cargo on days that have less pressure and will continue to monitor the situation.

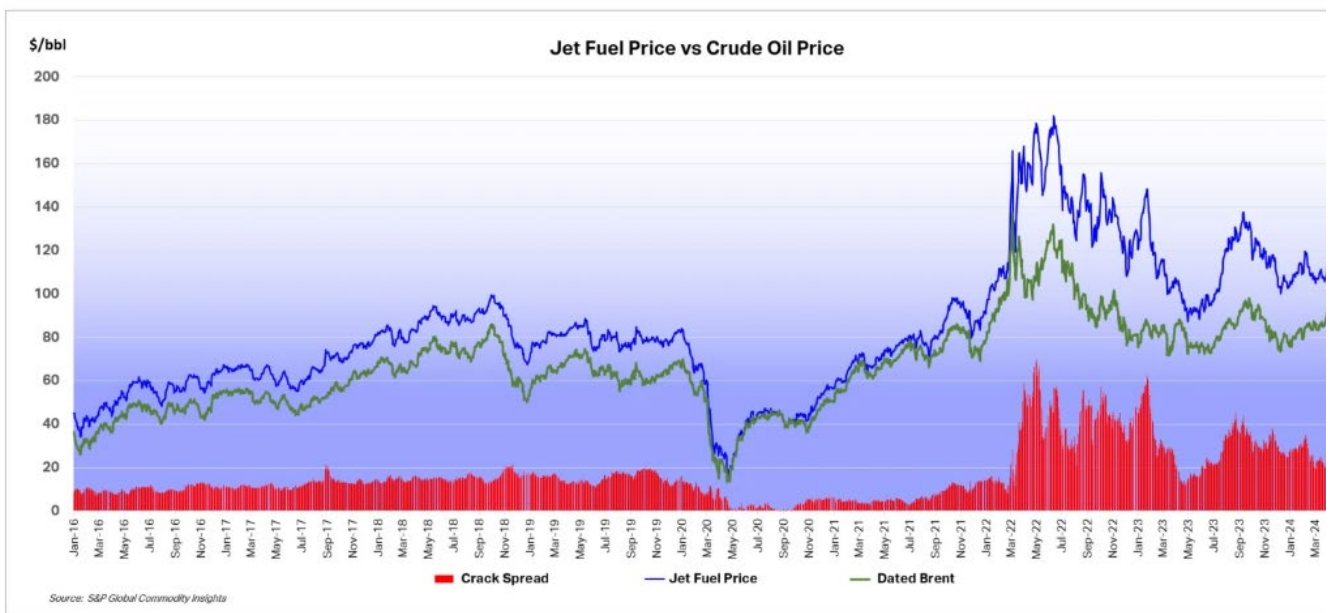
### Oil and Jet fuel prices

After a local high of around 88 USD per barrel (very noticeable at the fuel bowser recently ) we've seen some welcome contraction in oil prices, just in time to curtail any large rises in airline fuel surcharges. We expect an oil trading range between the current 78 USD price and 83 USD for the month ahead, with jet fuel prices maintaining their production premium.



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

## Jet Fuel Price Developments - Longer Term Perspective



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

### Australia

The middle east conflict above has played havoc with cargo from AU to Europe, however has begun to get back to some normality with cargo embargoes lifted. All other sectors operating normally, with space to NZ now manageable from the space lows last month

### New Zealand

Exports from NZ are on a similar path to AU, most routes are OK bar the challenges over the Middle East causing some embargoes. Space into NZ is OK though lacking reasonable freighter options.

### Asia

Bar the challenges out of China, Asian routes continue to run normally with most routes remaining unaffected by the recent sea freight squeeze.

### USA

North America continues its market stability, recent capacity cuts have been managed as there hasn't been any real changes in total volume over the time. We expect this to remain for the next quarter, then become tighter for the remainder of the year.

### Europe

The middle east conflict has caused some disruptions to capacity and reliability as mentioned earlier. For now we are risk mitigating and using additional routes so that this should go unnoticed to importers.

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 continue to be stable on the Trans-Tasman East and West bound legs and space remains open. However, there'll be reduced capacity in the market after end of May when Swire Shipping discontinue their Trans-Tasman service.

Effective from April 30th 2024 Maersk has announced its Trans-Tasman Polaris service is to "blank" a sailing every fourth week for four cycles due to "consistent weather impact" on schedule integrity. There will be alternate solutions being offered during those four weeks of schedule gaps.

Read more: [Polaris Service Schedule Update | Maersk](#)

### Asia

As communicated on the 24<sup>th</sup> of May, the market is continuing to experience significant changes, with carriers reporting full capacity ex. NEA (North East Asia) until end of May and SEA (South East Asia) until mid-May. Severe congestion and rolling of cargo is being felt across NEA and some SEA ports. This is due in part to the longer transit times around the Cape of Good Hope, leading to vessel bunching and cargo buildup in Asian ports. Carriers continue to implement blank sailings to improve their rates, further affecting schedules and space availability.

In addition, equipment shortages are being felt across China mainly but is a global issue. We request for your flexibility to accept alternative equipment types whilst Asia experiences the equipment shortage issues.

Carriers have announced GRRs (General Rate Restoration) for May 1st, at USD300/TEU ex. NEA to AU and another 300/TEU from 15<sup>th</sup> May NEA to AU and USD100/TEU ex. NEA to NZ from 01<sup>st</sup> May and another USD 200/TEU ex NEA to NZ from 15<sup>th</sup> May.

In SEA, carriers are overcommitted on cargo, leading to some rejections and rollings, currently not to the same extent as NEA. While there is no widespread congestion at T/S ports yet, some containers are experiencing longer than standard lead times.

We encourage you to consider these market conditions when planning your shipments and booking your cargo.

Named Account opportunities are still being discussed but most carriers are reluctant to lock in long term Rates, as they now claim to be planned to capacity. Carriers are also expecting Rates to rise and have been implementation continuous Rate increases since mid-April 2024.

Shanghai (CNSGH)

Sydney (AUSYD)

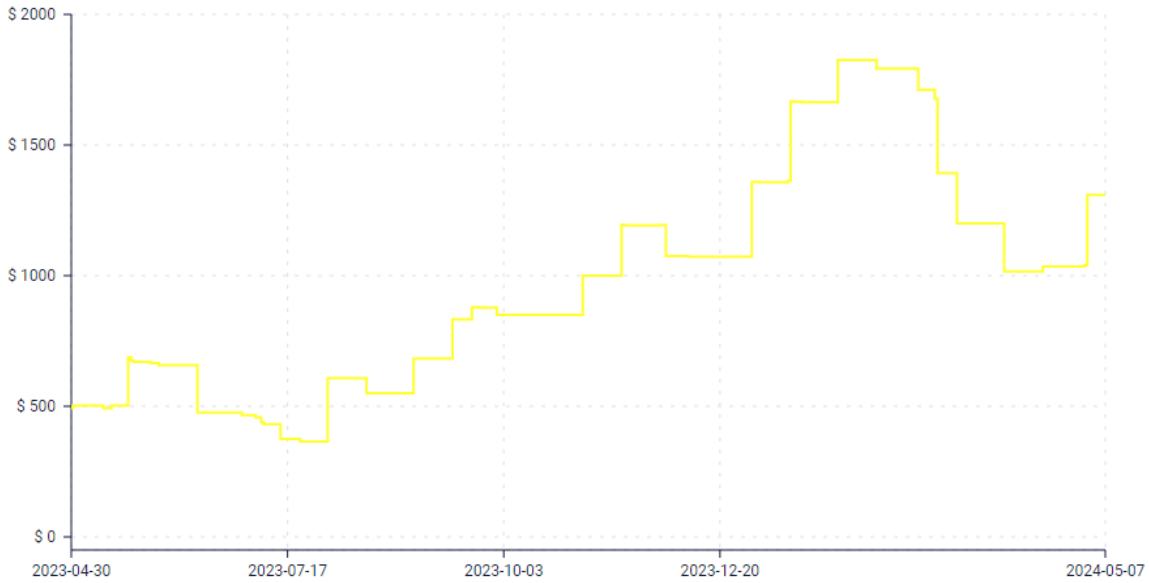
From: 2023-04-30

To: 2024-05-07

20' STANDARD DRY

CONTRACTED WITHIN - ALL

THC INCLUDED - NONE



South East Asia Main

Sydney (AUSYD)

BENCHMARKS

TRENDS

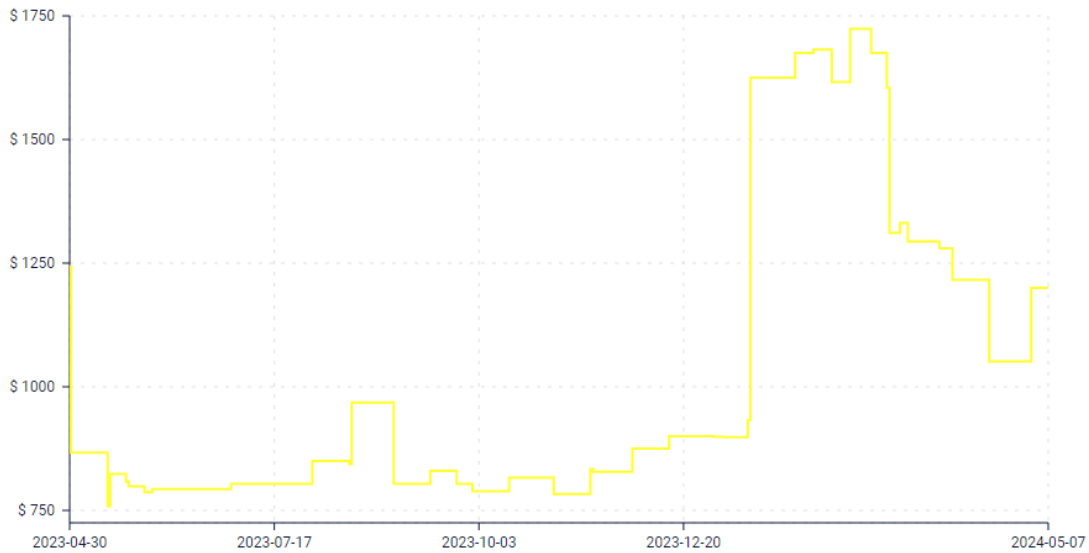
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### Americas

Ex AU to North America and surrounding ports shipping lines have ships mostly booked to capacity and are not accepting bookings. Some lines have capacity currently booked out till September / October 2024

The Port of Los Angeles has shown the eighth consecutive month of year-over-year growth in March 2024. The port handled 743,417 container units in March, a 19% increase over the previous year. For the first quarter ending March 31, local dockworkers moved 2,380,503 TEUs across Los Angeles marine terminals - nearly 30% more than 2023. The quarter was among the port's best first quarter starts, behind only the pandemic import surge in 2021 and 2022.

The Panama Canal could be back at nearly full capacity in time for this year's peak season, if current rainfall forecasts prove to be accurate.

Read more: [Looks like rain: Panama Canal Authority eyes return to normal service - The Loadstar](#)

## Customs and Quarantine

### Conclusion of the 2023-24 Brown marmorated stink bug (BMSB) Risk Season

On 1 May 2024, the 2023-24 BMSB risk season ended.

Goods shipped on board or vessels departing from BMSB identified target risk countries on or after 1 May 2024 will no longer be subject to the BMSB seasonal measures, including Seasonal Pest Inspection (SPI) on arrival.

Target high risk goods manufactured in or shipped from target risk countries that are shipped on board vessels between 1 September 2023 and 30 April 2024, remain subject to BMSB measures on arrival regardless of the arrival date.

The 2024-25 BMSB Season will likely commence on the 1st of September 2024.

For more information [CLICK HERE](#) or [contact your Röhlig Customs Broker](#) Representative.

## TRANSPORT

In continuation of the concerns raised last month, we are still encountering delays in processing from Quarantine.

Despite this ongoing challenge, we are observing signs of improvement and are optimistic that these issues will be fully resolved by the end of the current month.

Additionally, certain terminals have recently implemented price increases that we must regrettably pass on these costs on to our customers.

On a positive note, the rail service is operational again which has alleviated some of the demand for linehaul movements.

**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 Röhlig Australia and New Zealand**