

## E-Notice – AWOT Ocean/Air Market Situation Update

AUG 18th, 2021

**To our dearest clients:**

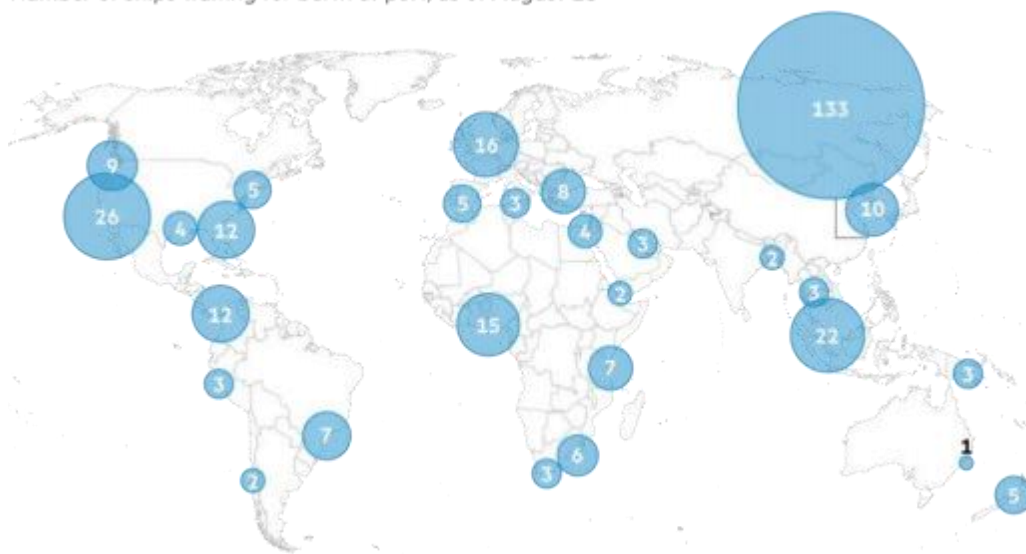
Here is an update on the latest ocean/air market situation notice:

### **Ocean Market Situation:**

- Ningbo port, one of China's major port was closed since last Wednesday due to local staff was tested positive for COVID-19. As of last week, there were 28 container ships at berth and anchored in Ningbo. We expect serious port congestion and may cause ripple effect through China's major ports similar to the port shutdown at Yantian. This indefinite partial shutdown at Ningbo may possibly worsen the strain on global logistics. Ocean carriers have already started to omit calling at the Chinese port near Shanghai. About **350 vessels** are waiting off ports globally.

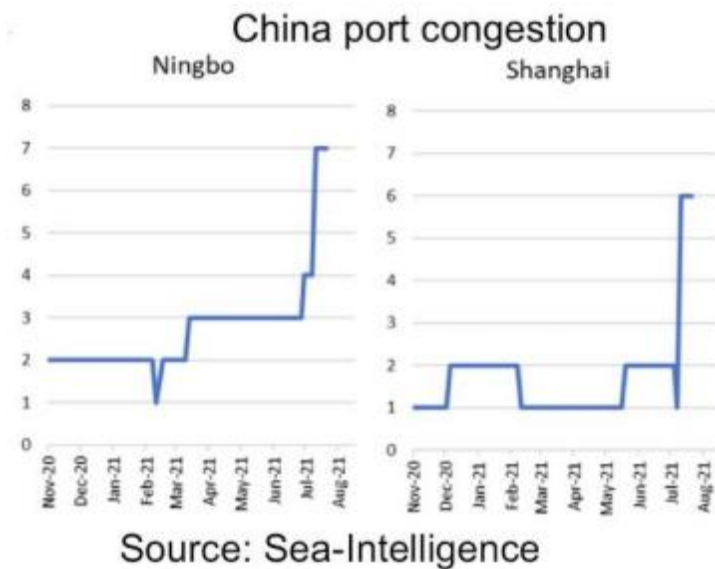
### **Container shipping disruption**

Number of ships waiting for berth at port, as of August 13



Source: Seaexplorer/Kuehne+Nagel  
© FT

- Shanghai and Ningbo port were impacted by a typhoon last month and their productivity slowed down as new anti-Covid measures are being carried out at most Chinese over the past three weeks. Shanghai and Ningbo recently show immense growth on port congestion (see graph below)



- Due to the Covid outbreak, China have recently forced the country to re-introduce restrictions to curb the spread of the virus. Most ports in the country are now requiring a nucleic acid test (NAT) for all crew, with vessels forced to remain at anchor until negative results are confirmed.
- Besides Shanghai port and Ningbo Port, Los Angeles, Long Beach, Oakland, Rotterdam, Antwerp and Vietnam also suffered severe congestion than China's big two ports.
- North America port continue to face congestion and delays due to labor shortages. Long lines at the terminal also effects the pick-up and delivery time from truckers.

Source & Links:

- <https://splash247.com/ningbo-and-shanghai-the-worlds-two-largest-ports-experience-unprecedented-congestion/>
- <https://splash247.com/ningbo-zhoushan-terminal-closed-for-sixth-consecutive-day/>
- <https://www.ft.com/content/e1263950-1173-4832-a011-ada04df1e93c>

### **Air Market Situation:**

- The situation in China had deteriorated following the Nanjing Airport closure this month, with Shanghai, Beijing, Guangzhou, and Tianjin all impacted by strict quarantine measures. Various carriers are already cancelling flights due to strict pandemic regulations in the past two weeks on top of existing capacity shortfalls, this resulted in freight rate increases due to extreme space shortages. Export cargo handling time is also extended two-to-three times longer than normal due to strict Covid regulations. Quarantine rulings vary for ground staff handling aircraft and cargo, from 14 days home quarantine after seven days working at site, to a 7+7+7 roster, whereby they work seven days, quarantine for seven and then rest for seven.

Source & Links: <https://theloadstar.com/pandemic-rules-bring-china-air-cargo-chaos-as-ground-staff-quit-and-rates-soar/>

To manage through this tough time, we strongly suggest providing shipment booking or forecast 1 week to 4 days for air shipment and 2-3 weeks for ocean shipments, this will allow our team to secure flight beforehand and increase the chances to move out the shipment swiftly in a timely manner.

### **The Continuous Stability: AWOT's Specialized Ocean Consolidation Program and Air Charter service:**

We kindly encourage you to consider optimizing container handling through our specialized Ocean consolidation program.

We deliver goods from below major ports:

- East China: Shanghai, Ningbo
- Southern China: Shenzhen
- Northern China: Dalian, Xingang
- Taiwan: Kaohsiung, Keelung

## Air Charter Flight Service

Our charter services will continue to service for year 2021.

AWOT CHARTER FLIGHT-1-1

POL	MON	TUE	WED	THU	FRI	SAT	SUN
CAN (GUANGZHOU)	<ul style="list-style-type: none"> <li>JFK (New York)</li> <li>LAX (Los Angeles)</li> <li>YYZ (Toronto)</li> </ul>	<ul style="list-style-type: none"> <li>JFK (New York)</li> <li>ORD (Chicago)</li> <li>MAD (Madrid)</li> </ul>	<ul style="list-style-type: none"> <li>CDG (Paris)</li> </ul>	<ul style="list-style-type: none"> <li>JFK (New York)</li> <li>YYZ (Toronto)</li> </ul>	<ul style="list-style-type: none"> <li>CDG (Paris)</li> </ul>	<ul style="list-style-type: none"> <li>JFK (New York)</li> <li>MAD (Madrid)</li> </ul>	<ul style="list-style-type: none"> <li>CDG (Paris)</li> </ul>
PVG (SHANGHAI)	<ul style="list-style-type: none"> <li>LAX (Los Angeles)</li> </ul>						<ul style="list-style-type: none"> <li>ORD (Chicago)</li> </ul>
HKG (HONG KONG)		<ul style="list-style-type: none"> <li>JFK (New York)</li> <li>RUH (Riyadh)</li> </ul>	<ul style="list-style-type: none"> <li>LAX (Los Angeles)</li> </ul>				<ul style="list-style-type: none"> <li>ORD (Chicago)</li> </ul>
XIA (XIAN)							<ul style="list-style-type: none"> <li>LAX (Los Angeles)</li> </ul>
SGN (HO CHI MINH)						<ul style="list-style-type: none"> <li>LCK (Ohio)</li> </ul>	

For more information about our consolidation program or AWOT Charter Services, please contact our marketing team. As a global logistics company, we appreciate your business with us and will constantly strive to provide you with the best quality service. We sincerely hope you are staying well and safe!