



NEWSLINE

Cargosol team values “Commitment”. The satisfaction in living up to the values can only be experienced.

We appreciate our team for their “Consistent Efficiency” and letting the customers have great experience .

Cargosol Newslines brings you the latest developments in the supply chain industry.



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WORLD'S 8TH LARGEST BOX CARRIER - SOUTH KOREA'S - HYUNDAI MERCHANT MARINE

Shipping Lines	Increase/Decrease-Capacity	Reason
HMM	Increased by 42%	9 vessels of a combined capacity of 100,000 TUES returned from former 2M partners and with additional new series of vessel deliveries
Wan Hai	Decreased by 14%	Redelivering of Charter Vessels
PIL	Decreased by 10.2%	Selling off Six 11,923 TEU vessels

Maersk, CMA-CGM, Hapag-Lloyd have decreased by 1.2 %, 1% and 0.2% respectively

Now, HMM's total fleet to nearly 552,000 TEU and pushing Yang Ming to become the world's eighth-largest box carrier.

NEW COVID-19 OUTBREAK IN BEIJING

Temporary ban by Chinese Government on salmon imports from Europe after tracing virus on chopping board. Restaurants and super markets taken salmon off their menus and shelf.



TRADE CHALLENGES

Sector	Port capacity
China	267m teus
South East Asian ports	159m teus

When teu capacity is compared with pro rata to workforce, Vietnam, Thailand and the Philippines are all close to China's 334 teu per 1,000 workers. Singapore and Malaysia have more container port capacity by the same measurement.

SEA FREIGHT

FROM 1ST JULY MAERSK SETS \$500 MISDECLARATION FEE FOR WRONGLY-SIZED OUT-OF-GAUGE CARGO



Globally, cargo dimensions changes from booking to loading leading to operational challenges. On size differences additional misdeclaration fee to be levied to cover administrative cost. Experts say more line will follow suit

IMO USES SEAFARER CELEBRATION DAY



Governments to classify seafarers as key workers

- Facilitate to relieve trapped vessels and crew

CONTAINER SHIP-OWNERS FORTUNE REVERSED

Charter Rates Tumble

- Low Global Demand
- 50% Slumped Rates
- Off hire surplus tonnage
- Decline in extension option
- Up to 30% reductions in capacity for Asia to Europe.



Rates

PPE INDUSTRY: GOVERNMENT MUST INTERVENE-

-To rethink the supply chain strategies.



- China makes 60% of the world's PPE.
- On increase of global demand China focused on domestic requirement.
- When supply normalized
 - Passenger Air flights, freight capacity was crippled
 - Road transport had border issues
 - Ocean freight had long lead time

NEW TRADE CHALLENGES



2M partners Maersk and MSC services Reinstated

- In Europe by September 2020
 - In US mid June 2020
- Reasons of Transatlantic Blankings** COVID -19, reduced the market demand in North America & Europe
 - Suspension Details:-**
 - Maersk & MSC TA4/NEUATL4 transatlantic loop till September 2020.
 - Antwerp-Rotterdam-Bremerhaven-Liverpool-New York-Savannah-Port Everglades-Savannah - (Five vessels -5,300 teu) till July 2020**



AIR FREIGHT



AIRLINES- ECONOMICS & SUSTAINABILITY OF PASSENGER FREIGHTER

Emirates

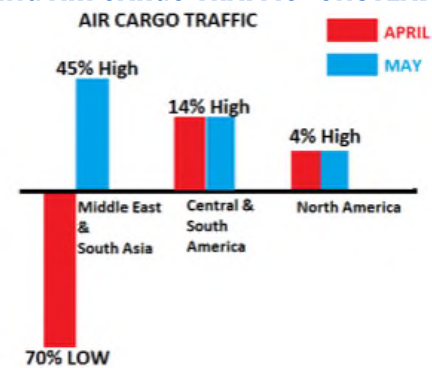
- Oil price - Rising & Air freight Rates - Falling
- Modified - 10 of its passenger 777-300ERs to fly cargo only.
- Cabin capacity - 17 tonnes
- Belly hold- 40-50 tonnes
- Manual appx modification hours- 640 hours
- From Seven carriers - 305 seats removed, with three more to be ready by mid-July'20

BY JULY- NEW PASSENGER FREIGHT OPERATORS MAY LEAVE

- Cathay Pacific and Lufthansa Cargo stated **freighter peak in May and low in June and July.**
- **Increased** passenger flight with **belly capacity,**
- **Declining** air freight rates
- **Slowdown** in air cargo volumes



FLUCTUATING AIR CARGO TRAFFIC- UNSTEADY YIELDS



Monthly, Origin Africa saw yields in US dollars rise 13%,

While Asia and Middle East rose 12%.

Europe and North America saw a fall of 10%.



UNSTEADY YIELD

THREE REASONS FOR DELAY @ US AIRFREIGHT HUBS

- Acute **shortage of handling staff** lead to longer wait period for trucks to collect imported freight.
- In the passenger cabin due to **time consuming,** cumbersome **manual loading & unloading** on and under seats & in to overhead bins with **no cargo doors**
- Export Forwarders face **earlier cut-offs** onto the departing flights Los Angeles, Chicago and Dallas



TRANSPORTATION



Maharashtra invests in logistics sector to promote **multi-modal connectivity.** The government has also signed 12 MoUs worth Rs 16,100 crores with international and local companies to bring economic stability in the state.



India- China - New Trade Hurdles

On 23rd June Indian Logistic Solution providers woke up with yet another high raised hurdle.

Indian customs withheld all Chinese import consignments at all port terminal, airport and all customs freight stations without keeping the industry in loop.

There were various speculations but the market intelligence stated it's primarily for the risk assessment and to ensure national safety and security.

With the ongoing shortage of staff, the further delay in custom clearance threw a double edge sword hurdle which the Logistic Service Providers are still trying to jump over.



Industry Special



The Government has recently revised its **Make in India Policy**

for public procurement, of all services with estimated value of less than Rs 200 crores. Make in India policy will double the number of Indian flag vessels from the present approximately 450 to at least 900 and more over a period

REALTY INVESTORS EXPERTS SAYS...

Institutional investors are looking at Strategic buys & Long term Investments in . assets such as warehousing, logistics and data centers compared to office projects..



RS 50 LAKH COMPENSATION FOR EMPLOYEES AT MAJOR PORTS

Monetary compensation will be extended to direct employees as well as contractual laborers by a grant compensation ex-gratia in the event of loss of life due to COVID-19 to the dependent members or legal heirs of the port employees

WOLPSAYS... The Welspun One Logistics Parks (WOLP) report estimates the warehousing and logistics industry to grow at 35% in 2021 as opposed to the earlier predicted demand of 25%.



Container Corporation of India (CONCOR) has signed an agreement with a Russian Logistics Company to facilitate tea export to the CIS (Commonwealth of Independent States) countries

Summary of Circulars

You can read a summary of various supply chain circulars here

[Sea Import](#)



[Sea Export](#)



[Air freight](#)

[Transport](#)

Food for Thought

What is your opinion? We would love to hear from you.

How can a Logistic Solution Provider reduce the logistic cost?

***Please choose one option to avail Discounted Service handling charges.**

- 1) Employee Layoff
- 2) Reduced Wage
- 3) Office Automation
- 4) Other, Please specify

Write to us at: care@cargosol.com

**Discount Validity till 15th July ' 2020*



Disclaimer

The aforementioned information is news and should be treated thus. In no way do we aim to influence you with guidelines. Cargosol Logistics is in no way responsible for the misuse or misinterpretation of this information.



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