

# Newsletter April 2017

## Topics

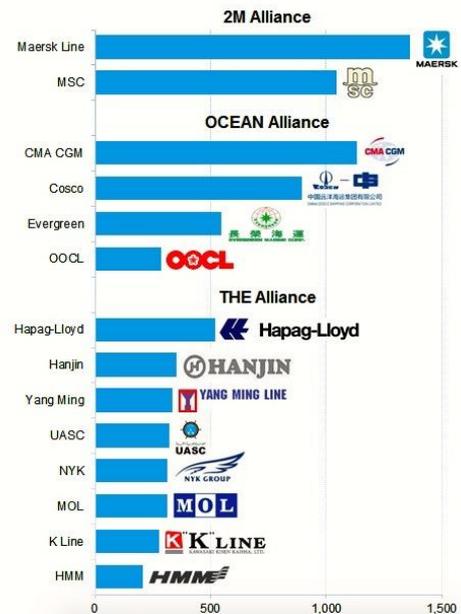
- Important news: Space issues to regions Far East, Middle East, Indian Sub and USA.
- Export to the USA and in need of local distribution?
- LCL Rail service from China to Europe.

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## Space issues on all vessels to regions: Far East, Middle East, Indian Sub and USA

Due to the new [ocean alliances](#), the growing economy and the [bankruptcy of Hanjin](#), space on any vessel going to the Far East, Middle East and Indian Sub is limited and hard to get. This consequently leads to price increases across the line. Some shipping companies don't take any bookings for April, and others push them to following vessels or wait for new rates from headquarters. It seems that the shortage of space is not only applicable on the export containers to Asia but has consequences for export to the USA as well.

Nieuwsblad Transport mentioned that there are already double figure increases from Rotterdam to Shanghai as of half way March.



Intervrucht has noticed difficulty to get space as well. After talking with our partners we have to conclude that it will remain difficult to get (new/on-scheduled) freight on board and that prices across the line will increase. Intervrucht anticipates on this for customers and does many pre-bookings to avoid delay. Further on Intervrucht will inform individual customers of any price increase when applicable.

The situation in ocean shipping also has consequences for the air freight market. Because of the lack of capacity and the insecurity of space many companies divert to air freight to get their cargo delivered. This puts pressure on air freight capacity.

IAG Cargo said: "cargo volumes on the eastbound leg were up by more than 23% year on year". This was during the first two months of this year compared to last year on the Europe to Asia trade lane.

Air Cargo News reports: "If the problems continue, on the longer term, you would see shippers moving more to airfreight, which will eventually lead to a capacity problem in airfreight as well and a price hike. We have seen that in the second half of 2016 with the demise of Hanjin, shippers moving to air leading to capacity issues in air freight from Asia to Europe."

Concluding, east- as well as westbound air freight is affected by the market changes. We expect that airlines will reposition their capacity to these trade lanes which will have consequences on Europe-US traffic as well. We already see that a few airlines are implementing a peak season surcharge (PSS) on busy trade lanes. On the other hand in Q2 many airlines start with their summer schedule so more capacity comes available on the market. Intervrucht knows out of experience that all airlines increase their flight capacity in the summer to process more passengers and therefore more freight. We hope this will take pressure off so shipments can be guaranteed and prices stay stable. But due to the unstable sea freight market predictions are hard to do.



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Intervracht will inform individual customer of any price increase when applicable. If you have any questions in the meantime, contact [ocelexport@intervracht.nl](mailto:ocelexport@intervracht.nl) or [airexport@intervracht.nl](mailto:airexport@intervracht.nl).

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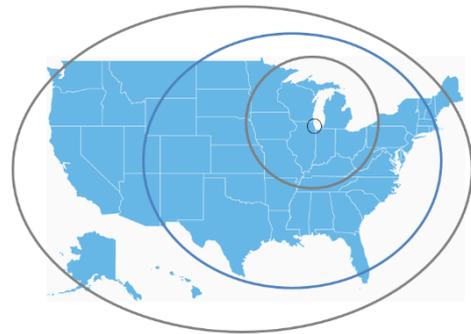
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## Export to the USA and in need of local distribution?

The US is a large market to export to and whether you just start exporting or have been doing this for a while, Intervracht can help you set up and/or optimize your supply chain to the US, and with local distribution.

Intervracht, as a member of the ICOS Group, offers the possibility of quick and efficient export to various (air)ports in the US via our own sea and air transport consolidations. In combination with the possibility of storage and US distribution from several offices in the US, Intervracht can take care of your entire US logistical supply chain.



Contact us at [sales@intervracht.nl](mailto:sales@intervracht.nl) or call +31 (0)88 319 0430 so we can assist you with your US business.

## LCL Rail service from China to Europe and vice versa

Intervracht now offers rail service from several main ports in China to Hamburg, Tilburg and Duisburg for LCL/FCL. With a transit of 17/18 days it is around 15 days faster than sea freight. This rail service is not only for import but for export as well.

Any interest? Send your request to [sales@intervracht.nl](mailto:sales@intervracht.nl) or call +31 (0)88 319 0430 and request a quote for your shipments.



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