

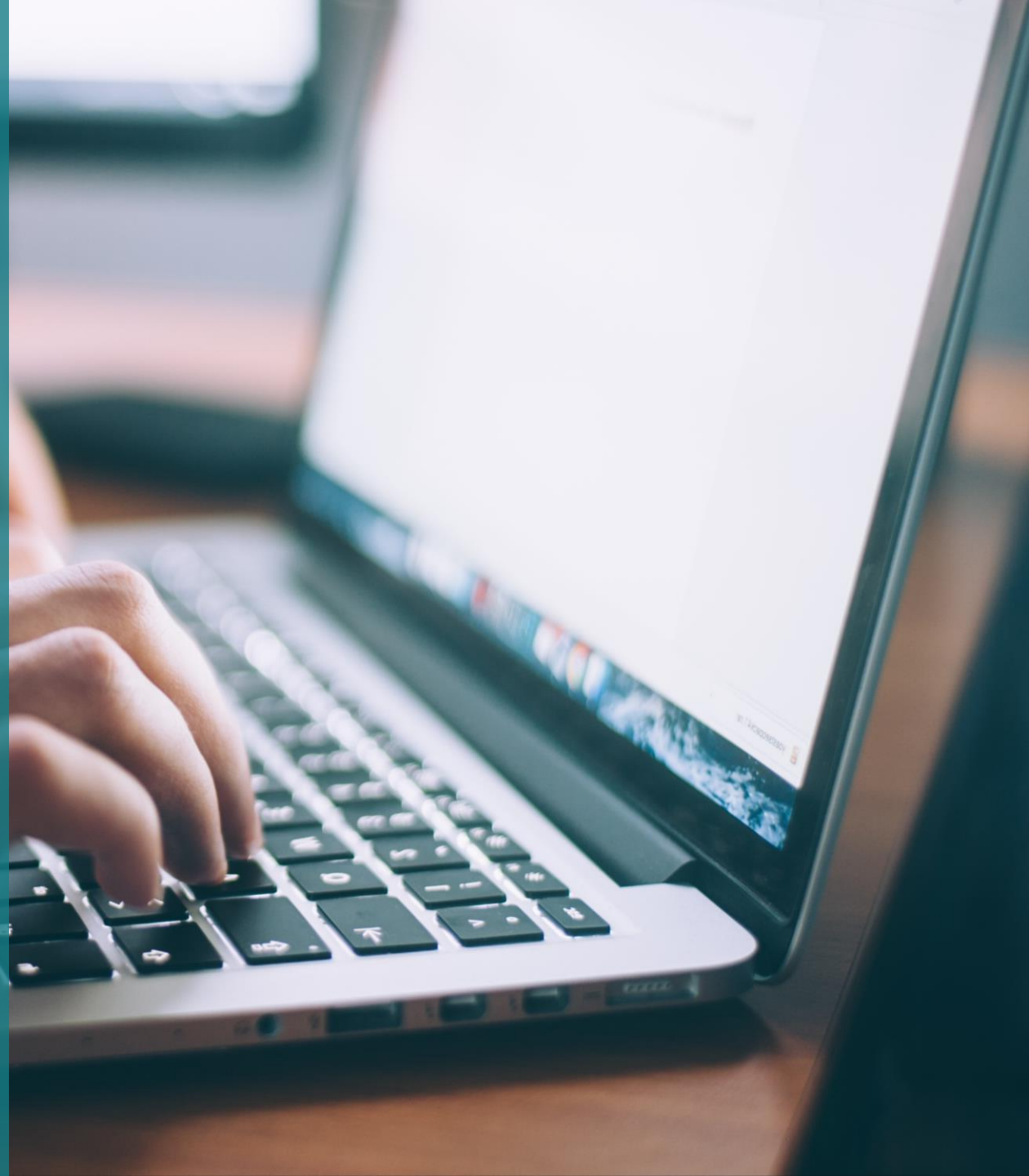


Market Update

Region MEA



January 2025





Developments in the Middle East and Africa

- South African rand has begun the year positively, trading at 18.7625 against the U.S. dollar, marking a 0.6% appreciation from its previous close. This follows a volatile end to 2024, influenced by global economic uncertainties
- Egypt plans to expedite its government IPO acceleration offerings program in 2025 to enhance the private sector's role in the economy and attract more investments
- The UAE plans to expand its Comprehensive Economic Partnership Agreements (CEPA) network in 2025, aiming for a US\$1 trillion target for non-oil trade by 2030
- Saudi Arabia's economy is projected to grow by 3.7% in 2025, driven by robust non-oil growth, stable inflation, and strategic investments in renewable energy, smart cities, healthcare, and finance
- Saudi Arabia and the UAE are set to become significant investors in Africa's mining sector in 2025, aiming to offset Chinese dominance in critical minerals and develop alternative supply sources

Get in touch with your account manager for more information

Air Freight

- The weekly Jet Fuel price average at the end of CW 01 is at \$93.20 per barrel, which represents an increase of 4.2% from the prior week, an increase of 4.3% from the prior month, and a decrease of -5.9% from the prior year
- Etihad Airways plans to double its flights to Africa and has added Paris to its cargo flight network
- Qatar Airways has resumed flights to Abha International Airport, with the first flight successfully landing
- Emirates is adding more flights to and from Colombo and accelerating the use of its Airbus A350 for routes to Kuwait and Bahrain. Additionally, Emirates SkyCargo has introduced a weekly freighter to Copenhagen Airport due to rising demand, following a 20% increase in cargo volumes last year, mainly driven by pharmaceutical shipments

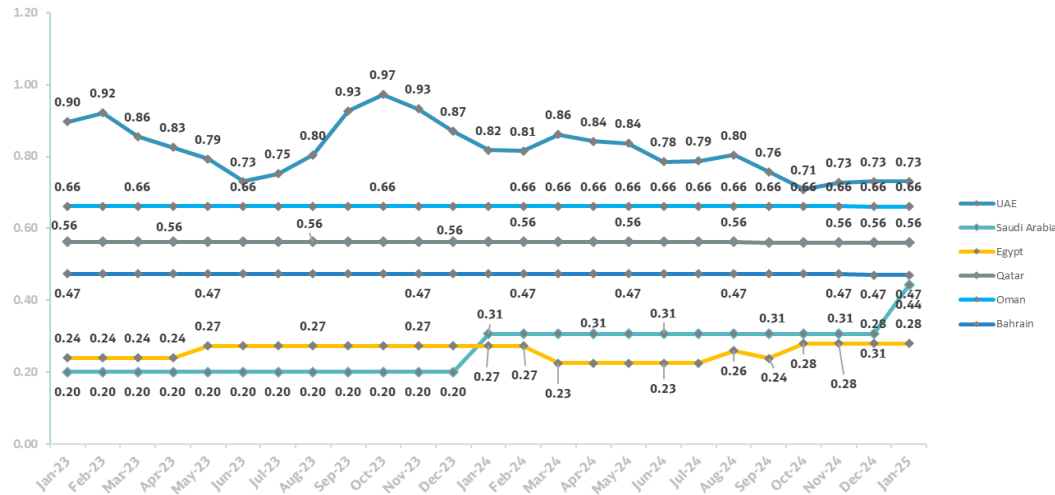
Ocean Freight

- In November 2024, global schedule reliability improved by 4.1 percentage points M/M to 54.8%, the highest point it has been at in 2024. That said, even with that M/M improvement, schedule reliability has largely remained within the 50%-55% range in 2024. On a Y/Y level, schedule reliability in November 2024 was -7.0 percentage points lower. The average delay for LATE vessel arrivals improved, decreasing by -0.43 days M/M to 5.41 days. Despite the improvement, this is the second-highest figure for the month, only surpassed by the pandemic high of 2021. On a Y/Y level, the November 2024 figure was 0.35 days higher
- Schedule reliability on the Middle East-Asia trade lane increased by 4.6 percentage points M/M in October/November 2024 and reached 40.5%. On a Y/Y level, October/November 2024 schedule reliability was -28.0 percentage points lower than at the same point in 2023. The average delay for LATE vessel arrivals decreased M/M by -0.53 days to 6.08 days. On a Y/Y level, the average delay was higher by 2.31 days. The average delay for ALL vessel arrivals decreased by -0.84 days to 2.53 days
- In October/November 2024, schedule reliability on the Middle East-Europe trade lane decreased by -1.1 percentage points M/M to 55.1%. This is the lowest figure recorded for this month. On a Y/Y level, schedule reliability was -17.1 percentage points lower than at the same point in 2023. The average delay for LATE vessel arrivals deteriorated M/M, increasing by 0.13 days M/M to 5.86 days. On a Y/Y level, the average delay was higher by 1.25 days compared to the same point in 2023. The average delay for ALL vessel arrivals increased by 0.22 days M/M, reaching 2.41 days
- **EU ETS Expansion:** Starting January 1, 2025, the EU Emissions Trading System (ETS) will expand to cover 70% of emissions, up from the current 40%. This 75% increase in scope (from 40 to 70 percent), paired with a possible reduction in available ETS allowances on the market, will result in higher ETS surcharges for 2025. EU ETS Surcharge is expected to double the 2024 ETS surcharge
- **New FuelEU Maritime Regulation:** A new regulation focused on the energy efficiency of fuels used by shipping lines, known as FuelEU Maritime, will also take effect on January 1, 2025. It will result in a new surcharge from shipping lines
- **CHINESE NEW YEAR:** The 2025 Spring Festival from January 28th (Lunar New Year's Eve, Tuesday) to February 4th (Lunar New Year's Day, seventh day, Tuesday), there will be a total of 8 days off. *We kindly remind you to anticipate potential disruptions, including blank sailings, capacity constraints, and rate increases. We recommend planning shipments well in advance to mitigate any challenges during this period*

	General	Demand	Capacity
MEA	<ul style="list-style-type: none">- E-commerce and the manufacturing sector are key drivers of market growth across the region, contributing to steady progress	<ul style="list-style-type: none">- Cargo demand increased by 3.6% by the end of 2024, indicating steady regional growth	<ul style="list-style-type: none">- Capacity decreased by 0.6%, highlighting ongoing constraints in the region
UAE	<ul style="list-style-type: none">- Significant investments in infrastructure at key logistical hubs like Dubai are enhancing capacity and operational efficiency	<ul style="list-style-type: none">- Aligned with MEA trends, the UAE also reported a 3.6% increase in cargo demand	<ul style="list-style-type: none">- Capacity mirrored MEA trends, showing a 0.6% decrease
South Africa	<ul style="list-style-type: none">- Infrastructure enhancements in major logistical hubs such as Johannesburg are boosting efficiency and capacity, supporting market growth	<ul style="list-style-type: none">- Demand declined by 0.7%, reflecting slower growth in the African air freight market	<ul style="list-style-type: none">- Capacity increased slightly, recording a 0.4% rise

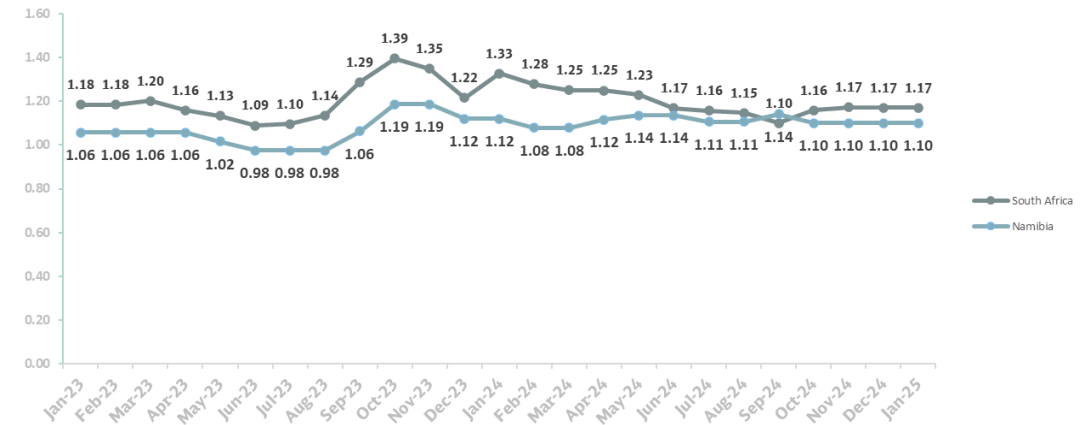


Middle East & North Africa – Diesel Price (in USD)



- The disruption in the Red Sea has driven up the demand for multimodal transportation, leading to increased prices between Dammam and Jeddah. Additionally, backlogs are occurring on the ferry routes between Egypt and Saudi Arabia, as well as between Jordan and Egypt
- In Bahrain, Qatar, and Oman, no change since 2022, going flat
- Egypt's fuel prices spiked in Nov due to the global inflation surge, also the USD currency fluctuation
- No change in price, *Oil-rich Saudi Arabia has increased price again in Jan 2025. The price has increased by about 44%*
- UAE per litre price remains the same as last month

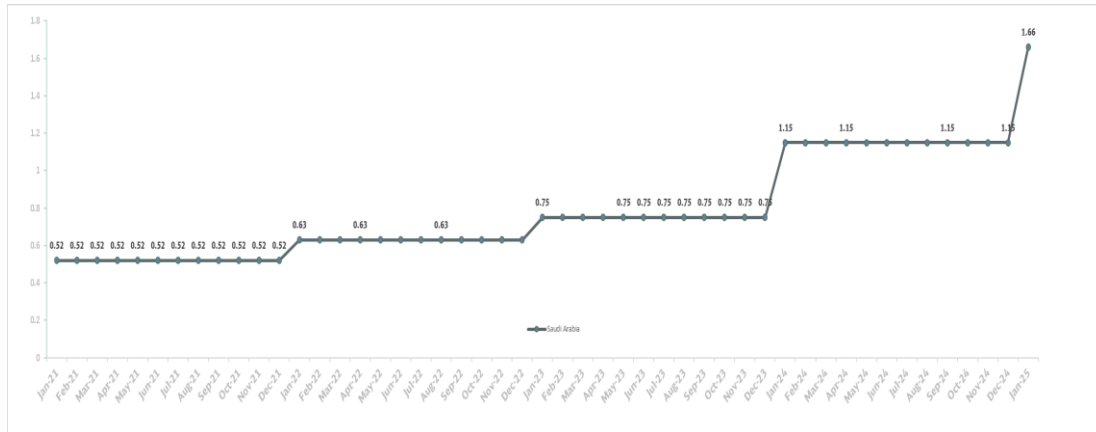
Sub-Saharan – Diesel Price (in USD)



- The fuel price (Diesel 50ppm) for South Africa remains the same as last month
- Fuel index price for Namibia continue to remain stable for the last 3 months



Saudi Arabia – Diesel Price Trend (in Local Cur)



- Vendors pushing for price increases of up to 25%
- The oil-rich country Saudi Arabia increased its price in Jan 2025
- After a year the price increased by about 44%
- With the above increase in price, the truck rates to Saudi will increase with immediate effect

General Update

- Almost all carriers continue to route ships around the Cape of Good Hope
- Only a few small carriers are moving through the Bab el Mandeb Strait servicing East Med / North Africa / Arab Gulf (Transmar, Morning Star, Emirates Shipping Line & Wan Hai)
- War Risk Surcharge still in place for Lebanon
- Emergency Risk Surcharges remain in place for Israel, with many carriers suspending calls to Israel
- As of 01.05.2025, the IMO has introduced a new ECA zone in the Med. Sea. Therefore, the ECA surcharge is to take place in the MED as well, as already applicable in the NWC + Scan Balt.

Equipment/Space

- Carriers are reporting a shortage of 20' export containers, while the supply of 40' containers remains stable
- South Africa's export Grape reefer season runs from late November to April. Reefers take priority on vessels
- Kenya's coffee season is in full swing
- Space is available at all MEA POLs as long as bookings are made 7-10 days before ETD

Schedule

- Overall unstable schedules and Significant TT delays for COGH routing continue
- ZA ports still facing major delays, Durban 4-13 days & CPT 6-8 days
- Striking in MZ affecting port operations, Beira 13 days delay, Nacala 4 days, Maputo 3 days
- Schedule reliability Exports:
ME-APAC – 40.5%, 6.08 d delay
AFR-APAC – 42.7%, 6.34 d delay
ME-EUR – 55.1%, 5.86 d delay
AFR-EUR – 64.1%, 6.19 d delay
- Schedule reliability Imports:
APAC-ME – 43.4%, 6.21 d delay
APAC-AFR – 59.9% 4.45 d delay
EUR-ME – 78.6%, 4.63 d delay
EUR-AFR – 54.8%, 5.53 d delay

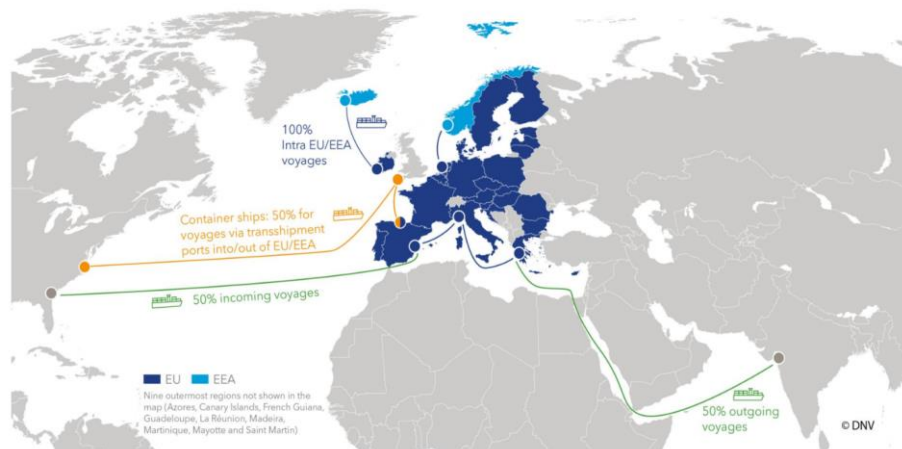
Congestion

- Increased signs of congestion visible around the world, with partly high yard density
- West and North Africa facing high congestion in transshipment ports (Algeria / Tunisia / Cameroon / Gabon / Ghana)
- Sines / Las Palmas / Algeciras (2 weeks) congestion affecting TT
- Arab Gulf ports - Jebel Ali, Abu Dhabi and Dammam are impacted as they are used as hubs with COGH routing
- Singapore and Colombo congestion delays of 1-2 weeks

Rates

- Surcharges/adders are still effective on most export routes, even where we see no Red Sea routings
- US rates are down slightly
- Middle East to Europe are stable overall, with different carriers adjusting rates up/down in different months
- Intra-MEA rates are stable overall, with different carriers adjusting rates up/down in different months
- Despite space constraints ex APAC rates are slightly down
- Europe rates to ME & AFR seen remain stable

EU Emission Trading System update & New FuelEU Maritime Regulation



EU ETS

Economic measure that provides long-term incentives for companies to reduce total emissions, adopt efficiency improvements, and consider operational changes to minimize emissions across all operations.



Fuel EU Maritime

Measure that specifically incentivizes the transition to cleaner **technologies** and promotes the development and adoption of low- and zero-emission fuels in the maritime industry.



- Committed to fighting global warming, the European Union adopted a legislative action plan aiming to reach carbon neutrality by 2050 (Green Deal), with the intermediary objective of cutting 55% of greenhouse gas emissions by 2030 (Fit for 55). The **EU Emission Trading System** is one of the regulations included in that plan. Initially applied to energy-intensive sectors only, the **EU ETS** was extended to shipping from January 1st, 2024, as an incentive to reduce the sector's environmental impact and accelerate the use of low-carbon fuels. This surcharge became applicable to most trades effective January 1st, 2024 (all cargo into Europe, or transshipping Europe)
- Vessels of **5000+ gross tonnage entering/leaving EU ports regardless of the flag**
- The system covers **100%** of emissions that occur **between two EU ports** as well as **50%** of emissions from voyages **starting or ending outside of the EU**. This also applies to ports located less than **300 nautical miles outside the EU**
- Phase-in period: **starting with 40% for verified emissions from 2024, 70% of emissions in 2025 and 100% for 2026**. As of 2026 also methane and nitrous oxide emissions will be included in the scope
- **EU ETS Expansion:** Starting January 1, 2025, the EU Emissions Trading System (ETS) will expand to cover 70% of emissions, up from the current 40%. This 75% increase in scope (from 40 to 70 percent), paired with a possible reduction in available ETS allowances on the market, will result in higher ETS surcharges for 2025. **EU ETS Surcharge is expected to double the 2024 ETS Surcharge**
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Ocean Freight

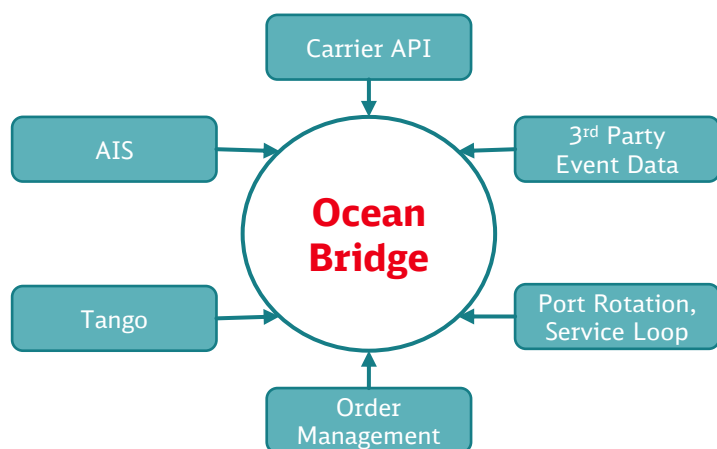


SCHENKER

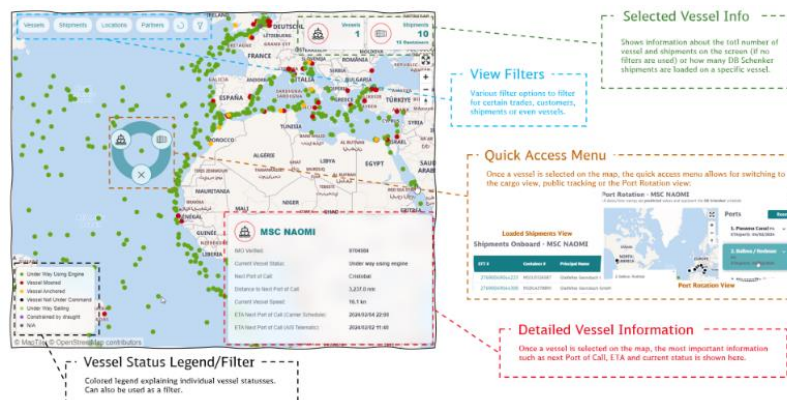
The Ocean Bridge serves as one of the extended visibility modules of the Ocean Data Cloud (ODC), an AI-enabled, cloud-based system designed for the management and analysis of Ocean data



Ocean Bridge visualizes the collected and enhanced data by ODC on a map and allows for a quick and versatile overview of all DB Schenker shipments. From detailed AIS positions to augmented Port Rotation details - enhanced by ODC schedule predictions, Ocean Bridge supports strategic decisions for DB Schenker Ocean staff as well as for our customers

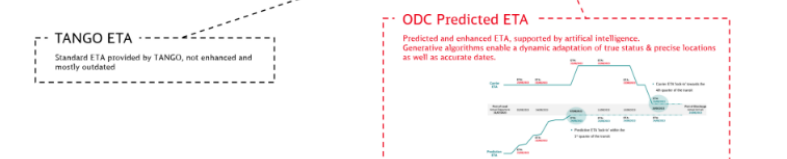


Vessel overview

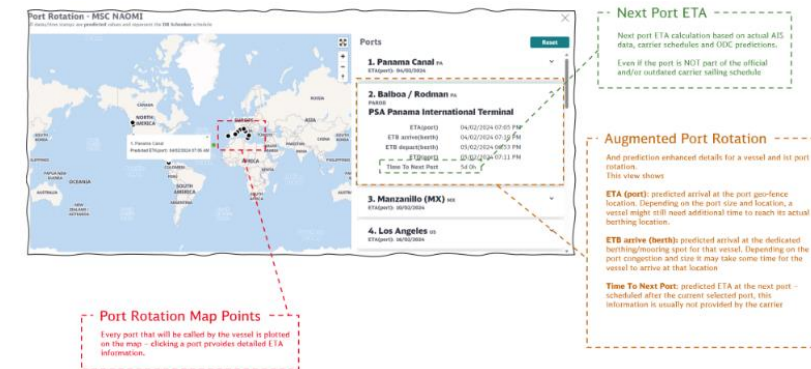


Loaded Shipments

STT #	Container #	Principal Name	Universal Partner	SLAC	POD	POD ETA	POD	POD ETA Predicted	POD ETA Predicted	HBL	HBL
27000040044225	MSCU53503587	Gladfisher Gameshow GmbH	PH Gladfisher	MSCU	DEBRV	2024/02/09 18:00	MAZLO	2024/02/09 18:00	2024/02/09 18:00	DEH0100000000136	MSCU53503587
27000040044300	MSCU53503588	Gladfisher Gameshow GmbH	PH Gladfisher	MSCU	DEBRV	2024/02/09 18:00	MAZLO	2024/02/09 18:00	2024/02/09 18:00	DEH0100000000136	MSCU53503588
27000040044340	MSCU53503589	Gladfisher Gameshow GmbH	PH Gladfisher	MSCU	DEBRV	2024/02/09 18:00	MAZLO	2024/02/09 18:00	2024/02/09 18:00	DEH0100000000136	MSCU53503589
27000040044340	MSCU53503590	Gladfisher Gameshow GmbH	PH Gladfisher	MSCU	DEBRV	2024/02/09 18:00	MAZLO	2024/02/09 18:00	2024/02/09 18:00	DEH0100000000136	MSCU53503590
35000007899963	PCU37903535	Coating Inc	Coating Inc	MSCU	DEBRV	2024/02/09 18:00	MAZLO	2024/02/09 18:00	2024/02/09 18:00	DEH0100000000136	PCU37903535
38000012776133	MSCU53503591	Unicon West Distribution Inc	-	MSCU	DEBRV	2024/02/09 18:00	MAZLO	2024/02/09 18:00	2024/02/09 18:00	DEH0100000000136	MSCU53503591
38000012778488	MSCU53503592	Carters San Giorgio SRL	-	MSCU	DEBRV	2024/02/09 18:00	MAZLO	2024/02/09 18:00	2024/02/09 18:00	DEH0100000000136	MSCU53503592
38000012778825	MSCU53503593	Carters San Giorgio SRL	-	MSCU	DEBRV	2024/02/09 18:00	MAZLO	2024/02/09 18:00	2024/02/09 18:00	DEH0100000000136	MSCU53503593
38000012778825	MSCU53503594	Carters San Giorgio SRL	-	MSCU	DEBRV	2024/02/09 18:00	MAZLO	2024/02/09 18:00	2024/02/09 18:00	DEH0100000000136	MSCU53503594
38000012779080	TEH07617424	Elcom Offshore Italia S.p.A.	-	MSCU	DEBRV	2024/02/09 18:00	MAZLO	2024/02/09 18:00	2024/02/09 18:00	DEH0100000000136	TEH07617424
38000012801903	PPH00275147	Carters San Giorgio SRL	-	MSCU	DEBRV	2024/02/09 18:00	MAZLO	2024/02/09 18:00	2024/02/09 18:00	DEH0100000000136	PPH00275147



Port Rotation



Port congestion map

Port congestion is indicated based on the average vessel waiting time to unload (berth):

- Less than 1 day (short delay)
- Between 1 and 2 days (medium delay)
- More than 2 days (long delay)

To get back to the regular vessel overview screen use the "Show Sailing Monitoring" button:

Show Sailing Monitoring





TRADELANE	SPACE	EQUIPMENT	RATE DEVELOPMENT	BEST CARRIER CHOICE [SPACE&EQUIPMENT]
MEA – EUR	●	●	↗	MSC / Hapag / CMA CGM / ONE / ZIM
MEA – APAC	●	●	→	
MEA – NAM	●	●	↗	MSC / Hapag / CMA CGM
MEA – MEA	●	●	↗	CMA CGM / MSC / OOCL
MEA - LATAM	●	●	→	

Equipment

- Reefer Equipment continues not to be an issue for MEA, considering the structural surplus in the region
- Middle East cluster driven by import volume
- Only 20'Reefer remains a challenge due to limited fleet availability

Vessel Utilization

- Jebel Ali, UAE have seen increased dwell times for larger ships due to the combined effects of rerouting and operational disruptions caused by regional holidays and weather events

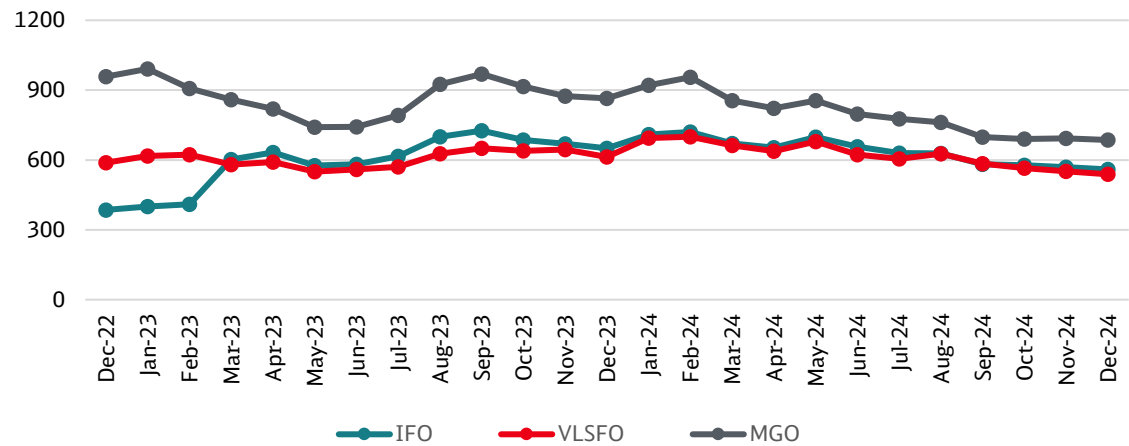
Rate Development

- Freight rates originating from the Middle East have been trending upwards

Ocean Freight

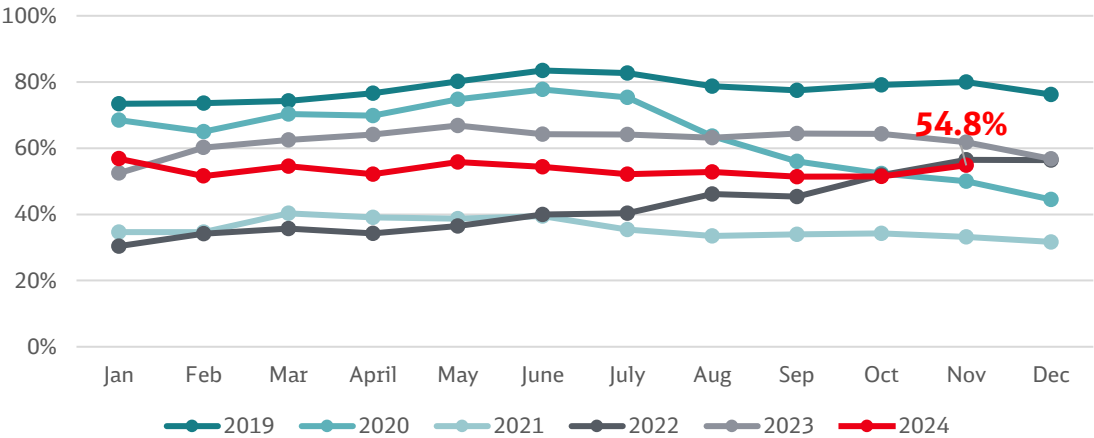


Bunker Development



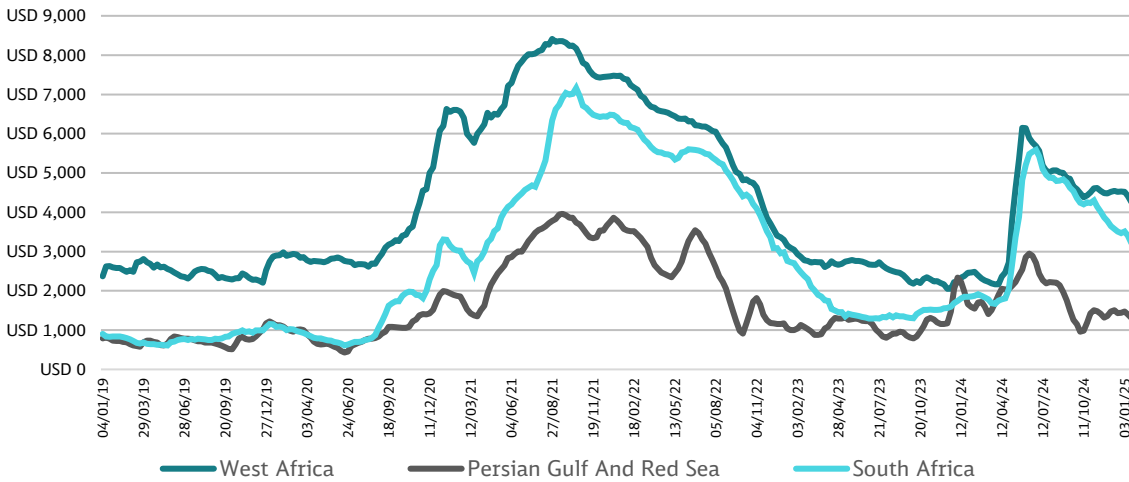
Source: Bunker based on 4 ports for IFO380, VLSFO and MGO. Based on Rotterdam for ULSFO

Global Schedule Reliability



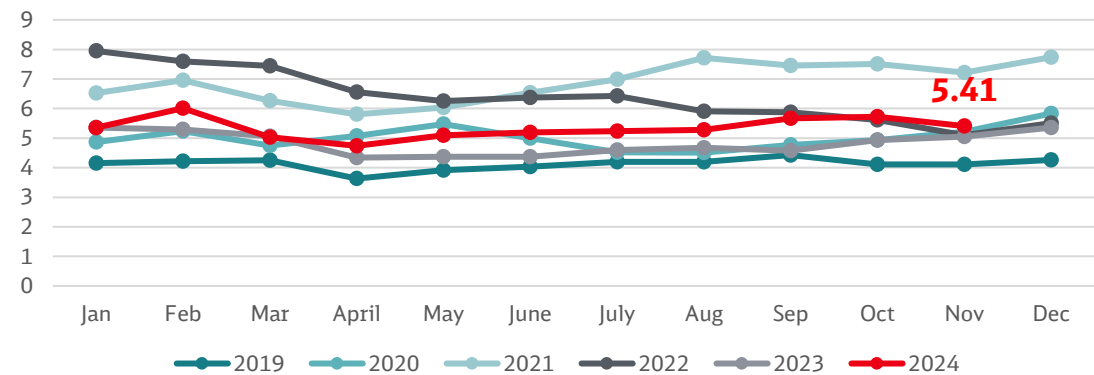
Source: Global Liner Perf

Shanghai Containerized Freight Index (20'DC)



Source: Monthly Shanghai Containerized Freight Index

Global Late Vessel Arrival



Source: Global Liner Perf

Highlights



Meet the DB SCHENKER team at stand M40 at the upcoming Breakbulk Middle East 2025

Engage with our industry experts at Breakbulk Middle East



Visit us at stand M40



DB SCHENKER joined forces with Ford to launch a new Parts Distribution Center in Dubai



We are officially in Tanzania! Bringing logistical solutions right to your doorstep



This Valentine's count on us for safe, reliable, and efficient transportation of your flowers

Upgraded for precision:
Delivering your blooms this Valentine's Season!

#WeMoveMEA



Fresh blooms, timely delivery—export love this Valentine's with us – book your shipments now!



DB SCHENKER is elevating logistics and empowering businesses!



Abbreviations

ACTK	Available Cargo-tonne Kilometers
APAC	Asia-Pacific Region
CTK	Cargo-tonne Kilometers
HC	High cube
COGH	Cape of Good Hope
M-O-M	Month-on-month
NOR	Non-Operating Reefers
PMI	Purchasing Manager's Index
PSS	Peak Season Surcharge
RPK	Revenue Passenger Per Kilometer
SCFI	Shanghai Freight Index
SEA	Southeast Asia
USWC	U.S. West Coast
VLSFO	Very Low-Sulphur Fuel Oil
CAM	Central America
NAM	North America
LATAM	Latin America
SAM	South America
SMB	Small and Mid-size business
ZACPT	Port of Cape Town
ZAPLZ	Port of Port Elizabeth
ZA ZBA	Port of Coega

