



December 13, 2019

RE: Transpacific East-Bound BAF to USA/Canada for Q1 2020

Dear Valued Customer,

We would like to advise the Bunker Adjustment Factor (BAF) levels for the 1st quarter of 2020 (Q1) will come into effect on January 1st, 2020 as listed below.

IMO2020*: Note that the Q1 BAF levels already include the costs resulted from the use of the Low Sulphur Fuel (LSF) as per new regulations from the International Maritime Organization (IMO)*

Scope: Asia, including India Subcontinent to all USA/Canadian destinations

To / Via West Coast Port of Discharge			
Container Size	Q4 2019	Q1 2020	Difference
20' standard container	\$439	\$594	\$155
40' standard container (40' x 8'6")	\$488	\$660	\$172
40' high cube container (40' x 9'6")	\$549	\$743	\$194
45' container	\$618	\$836	\$218

To / Via East Coast Port of Discharge			
Container Size	Q4 2019	Q1 2020	Difference
20' standard container	\$763	\$1,040	\$276
40' standard container (40' x 8'6")	\$848	\$1,155	\$307
40' high cube container (40' x 9'6")	\$954	\$1,299	\$345
45' container	\$1,074	\$1,462	\$389

Please do not hesitate to reach out to your local DB Schenker office if you have any questions or need any further information.

Best Regards,
DB Schenker

***IMO2020 Low Sulphur Fuel Regulation**

The International Maritime Organization (IMO) has introduced new regulations to reduce marine pollution caused by the shipping industry.

Effective January 1st 2020, all vessels will be required to use fuel with only 0.5% sulphur content* that is expected to be at higher costs than the 3.5% sulphur content* permitted under current regulations.

(* Sulphur content is currently 0.1% on Emission Controlled Areas already established in North America and Europe)