

Dear Valued Customer,

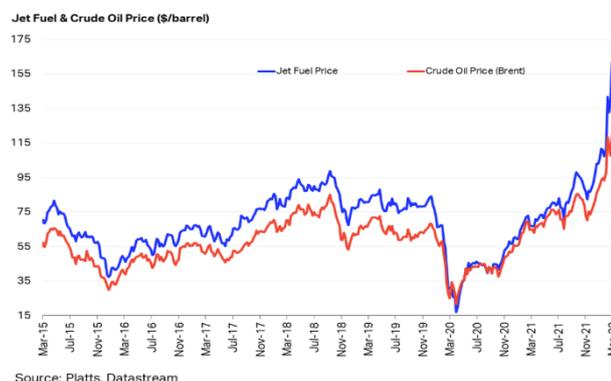
Hope you and your families, along with your staff, are in good health.

The ongoing war between Russia and Ukraine is expected to impact the Air and Ocean freight business with latest update from our global office on [Ukraine Crisis Update | DB Schenker in Europe](#). The relevant update from various products will follow: -

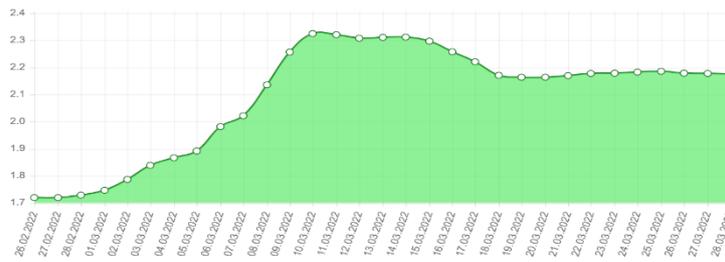
- **Air Freight**

General:

- ✓ Indian regulators allowed the resumption of international passenger flights from 27th March '22 after nearly two years.
- ✓ No major airlines have announced new flights coming into India and passenger flights will only slowly resume as passenger confidence in the travel build up.
- ✓ The imbalance between air cargo demand and supply continues with a shortfall in India's wide-body passenger aircraft restrictions.
- ✓ COVID-19 / Omicron Policies continue to dominate the measures within China & Hong Kong, while some other parts of the world remain moderately impacted with higher cases.
- ✓ Russia-Ukraine crisis continues to put pressure on global trade with restrictions on Russian airspace resulting in the rerouting of flights from EU to APAC, sanctions on Russian carriers, which were major charter operators and an increase in fuel prices.
- ✓ Market demand for exports remained high in March due to financial year-end closing and strong demand driven mainly by Automotive, Healthcare, and eCommerce sectors.
- ✓ Overall air cargo capacity to BOM, BLR and MAA remains critical, specifically from the EU and US.
- ✓ Air India announced the suspension of their flights from Germany to Bangalore from April onwards, which is expected to create a further shortfall in already strained cargo capacity.
- ✓ In the US, labor shortages and severe winter weather caused many abrupt cargo and passenger flight cancellations.
- ✓ Most airlines increased Fuel Surcharges across the globe on all routes due to increasing pressure on Jet Fuel costs.
- ✓ The market rates upsurged post-Russia-Ukraine war and continue to be highly volatile as carriers struggle with revised routing, higher jet fuel costs, crew rotation issues etc.
- ✓ Increase in diesel prices in the EU are putting pressure on the operating costs of the trucking companies, and most agencies have increased prices via fuel surcharges



Price development diesel



Source - Diesel prices Germany - Current price development (benzinpreis-aktuell.de)

- Ocean Freight

India to Europe

- ✓ Rates starts to look down due to the open space on the Europe vessels. This is due to the vessels' bunching together for a couple of weeks on the EPIC services.
- ✓ IPAK/Himalaya service is expected to Blank in Week 13/14, which might bring some space crunch.

India to Transpacific

- ✓ Carriers have announced GRI / PSS for the current month before the contract season.
- ✓ Space remains one of the major concerns in this trade; volumes start to look, but no new addition to the capacity.

India to MEA

- ✓ the main line carriers have reduced ü Red Sea Ports / Gulf ports capacity due to the internal shifting of the vessels to another long-haul trade.
- ✓ Hapag has brought 2 Adhoc vessels due to the heavy demand from the market after the increase in the rates by the NVOCC. However, the service is open Ex Mundra only.
- ✓ Carriers prioritize the Equipment for the Long-Haul trade like Europe / Transpacific.
- ✓ Min waiting period of 2-3 weeks of the advance forecast is essential to get the booking

India to Far East

- ✓ Freight levels are stable as of now.
- ✓ Due to the congestion in Singapore / Colombo, vessel blanking is regular.

China to Far East

- ✓ Freight rates are stable now, demand has not picked up as expected.
- ✓ Market expected to be slow in the coming weeks as well

- Contract Logistics

Operations at our sites in the country are running smoothly, ensuring all COVID Safety protocols, sanitization, and hygiene of areas are regular.

- Land Transportation

Operations are running smoothly for PAN India.

- Bangladesh Overview

- ✓ Bangladesh and Australia are working toward crucial trade partners
- ✓ Romania keen to import workforce from Bangladesh
- ✓ Successful RMG cooperation is a symbol of Korea-Bangladesh ties: Korean envoy

- ✓ Bangladesh imports in the second half of 2021 jump 52.5%

COVID SITUATION:

- ✓ No Covid-19 death was reported for the 4th consecutive day today & 43 new infections in the last 24 hours.
- ✓ The current positivity rate is 0.89 %, while the total positivity rate stands at 14.16%.
- ✓ The total number of Covid-19 deaths in the country now stands at 29,118 and the mortality rate stands at 1.49 %.
- ✓ The mask mandate and other health rules will continue to continue.

Air Freight (Bangladesh):

- ✓ Overall, cargo movement is stable, but the rate will increase due to high demand from APR onwards.
- ✓ Transit time from HUB to US, Canada & EU become longer than previous.
- ✓ FSC increased by \$0.10/KG has been increased due to Russia War
- ✓ Expected transit time to US destination 6-7 days & EU 4-5 Days

Sea Freight (Bangladesh):

- ✓ Congestions of Terminal CYs intensified further.
- ✓ Terminal informed NOT to load more than 80 units of Dhaka ICD bound import and 100 units of REEFERS in a single vessel/voyage to avoid CY/Vessel congestions` and long waiting time for Rail Loads. The vessels suffering slow discharge operation due to which short time for export load and staying at berth for longer period as no space in CYs dedicated for Dhaka ICD rail moves.
- ✓ Terminal ordered to enrich its equipment fleet by purchasing 104 new container handling equipment, including 2 new QGCs and the first lot to arrive in the 1st quarter of 2022.
- ✓ Average berthing delays: 02~04 days

Land Transportation (Bangladesh):

- ✓ Vehicle's rate is increased by around 10% on the Bangladesh side due to the government's increased fuel prices.
- ✓ Overall, it takes +/- 25 days to Importing goods from India to Bangladesh
- ✓ Approx. Five thousand vehicles are in the Petrapole queue. The average daily movement of vehicles from India to Bangladesh is +/- 100.

- **Global update:**

Please refer to the [global COVID updates on the corporate website.](#)

Feel free to contact us at marketing.india@dbschenker.com for any support. Let us maintain social distancing, but we can remain digitally close.

Wishing you a safe & healthy period.

Relevant Contact for the news:

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