March 2022



OUTSIDE THE BOX

Hi All,

Welcome to another market update – it has been an interesting and tough month for importers to say the least. We understand both the financial and transit time pressures currently facing our customers and we aim to assist in providing you with the best options available by working closely with you to minimse costs and ensure that your goods are delivered when expected.

As always, we appreciate your support and understanding.

<u>MUST READ FOR FCL CLIENTS - FCL Detention &</u> Additional Transport Fees

- Empty De-hire and Container Detention
 - Please note that ALL transport companies have 48-72 hours after notification to pick up the empty container from your premises (Monday to Friday), weekends are not included in the 48-72hours but the shipping line will still include them as part of their detention period!!
- If we arrange your FCL transport, you may notice that you have started to receive on some containers an additional invoice relating to additional transport costs such as:
 - Container Detention
 - Truck Waiting Time

- Wharf Sideloader fees
- Covid Surcharge
- Via Yard Fees
- Lift Fees at Transport Depots
- VERY IMPORTANT NOTE Please note that the wharf (stevedores), transport providers and shipping lines are refusing to negotiate any reduction in fees for detention or waiting times while collecting or returning containers from/to the wharf, customs or quarantine holds, delivery to/from customer premises. For these reasons which are beyond our control, all fees and charges related to any of the above mentioned fees will be passed if and once received from the respective providers
 - Most transport companies (LCL included) are now charging waiting time in 15min increments
- David has advised that in his 35+ years in this industry and in talking to industry colleagues with 40+ years' experience, we have never seen the industry this unpredictable and charges at these high levels and with no ability to negotiate with shipping lines, stevedores, transport providers and empty container parks

----- Fuel Surcharge

- As everyone is aware as a result of many factors the cost of fuel has sharply increased in the last month and unfortunately has forced ALL trucking companies to increase their Fuel Surcharges significantly
 - We are passing on the Fuel Surcharge at cost ranging from 22-27% on all movements
 - Fuel surcharges will be floating so we will charge accordingly at the time of billing (each transport company will charge a different Fuel Surcharge)

---- Chinese Shipping Market

- Over the last week both Shenzhen and Shanghai ports have been closed due to both cities being placed into lockdown due to an outbreak of COVID, however there will be a backlog of containers and vessel waiting to be loaded, so expect delays from all main Chinese ports as it will have a flow on effect
- Rates levels have begun to reduce so we are hopeful that these pressure on fuel/diesel prices will not result in an increase in freight rates again, however we will have to monitor and keep you advised
- As always, we encourage you to book as far in advance as possible
- If you require an NOR (non-operation Reefer, a slightly smaller container at a reduced rate) rate, please email Melissa – <u>sales@auscus.com.au</u>

In other news

- <u>Australian depot managers say free box storage time is 'unworkable' The Loadstar</u>
- <u>Congestion surges at Chinese ports amid Shanghai lockdowns and driver curbs The Loadstar</u>

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