



Market Update

25th March 2021

Dear (*ContactSalutation*),

We are pleased to provide the following update from our Mainfreight teams around the world. While global supply chain disruptions and challenges are a continuing theme, the Mainfreight network remains fully operational and our 294 branches are finding solutions for our customers.

New Zealand

Sea Freight

Export

High demand for space during peak season has pushed booking requirements out to 4-6 weeks in advance of departure. With most destinations limited in space, our teams are working with a range of options such as ports of loading, different equipment types, and unconventional routings to reach the final destination.

Freight rates are continuing to increase to all destinations as carriers prioritise higher-revenue reefer bookings.

Pressure remains on the Trans-Tasman market, although the arrival of an alternative service from the middle of April between Auckland, Tauranga, Melbourne and Sydney should offer some respite.

Imports

We continue to see pressure for southbound bookings from many parts of the Northern Hemisphere, and carriers have announced General Rate Increases through March and April as space and equipment issues continue.

In addition, the Mainfreight charter opportunity from Shanghai to Auckland is at near capacity and ready to depart within days. Please contact our team if you would like to book on the limited space available.

Ports

Ports of Auckland reports that delays due to the suspension of berth windows are likely to continue into April and beyond.

This is having a flow-on effect for other NZ ports such as Lyttelton and Napier. Port of Tauranga and Metroport are also being impacted, with congestion leading to delays of up to 21 days for some containers to be moved between the terminals.

Our Tauranga branch is able to unload and cross dock containers in Tauranga to keep shipments moving to final customers.

LCL

We have a number of customers utilising our weekly LCL consolidations, both import and export, on major trade-lanes to ensure consistency of supply. We encourage customers to consider the option of smaller shipments with greater frequency.

Brown Marmorated Stink Bug (BMSB) Season: 01/09/20 - 30/04/21

The BMSB season is coming to an end shortly for New Zealand. Any items that fall within BMSB restrictions arriving into New Zealand after 30 April 2021 do not need to meet BMSB requirements, but still need to be clean and free from contamination (and meet the requirements of relevant Import Health Standards). We recommend customers do not take the risk of shipping during March without treatment.

Air Freight

We are very pleased to confirm that the Government, through the Ministry of Transport, has agreed to extend subsidy support for airfreight services through to October 2021, with the possibility of a further extension to March 2022. This will help bring continuity to airfreight schedules currently operating under the International Airfreight Capacity Scheme (IAFC) of approximately 70 flights per week.

Asia

Shortages of equipment (especially 40'GP & HC) at many Asian origins, including China, India, Thailand, Vietnam, and Indonesia continue to be a challenge. Capacity and equipment pressures remain but with advanced planning by our customers and our teams throughout Asia are finding solutions. Tranship delays remain through major tranship hubs: Singapore 4-6 weeks, Busan 2 weeks, Shanghai/Ningbo 1 week. Our teams recommend direct services where possible.

Australia

Import equipment and space from Australia is stable. Other than a shortage of 20ft equipment in Brisbane, the trade is moving smoothly.

Exports to Australia continue to face space constraints. Our relationships and space allocations are ensuring that cargo moves. We anticipate the additional new service starting in late April will provide some relief. We also have the option of our LCL consolidation programmes to move smaller shipments more often; this is protected scheduled space and provides a viable alternative.

Europe

European countries are seeing challenges at inland depots as empty containers are not being relocated fast enough.

Improvements in cartage in the UK have been realised, however port congestion and export slots are severely strained. We are supporting routings from the UK that avoid major Asian tranship hubs. Our EU team has secured space and will prioritise bookings on this service.

Export routings to Europe are limited at this time, with peak season demand and the Asian tranship congestion causing delays. We can provide options should you require.

USA

Imports from the US West Coast continue to experience delays, with LA Ports experiencing significant congestion; wait-time for vessel exchanges range between 15-22 days. Our teams are experiencing 2-3 week delays to move volume so please factor into your supply chain ordering times.

Mainfreight holds significant southbound space allocation on vessels and our branches will get results if given the appropriate lead times.

Export space to the US, both East and West Coast, is severely constrained with bookings now being accepted from mid-May. We have allocations in place and can provide options. Bookings placed 6-8 weeks in advance are strongly recommended.

Around the 26 countries that make up the Mainfreight world, our Air & Ocean teams are working closely with our local Transport teams, and are finding solutions to either circumvent congestion trouble spots, or mitigate potential issues through earlier planning.

To talk with one of our team, please [contact your local Mainfreight branch.](#)

Kind Regards

The Mainfreight Team



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