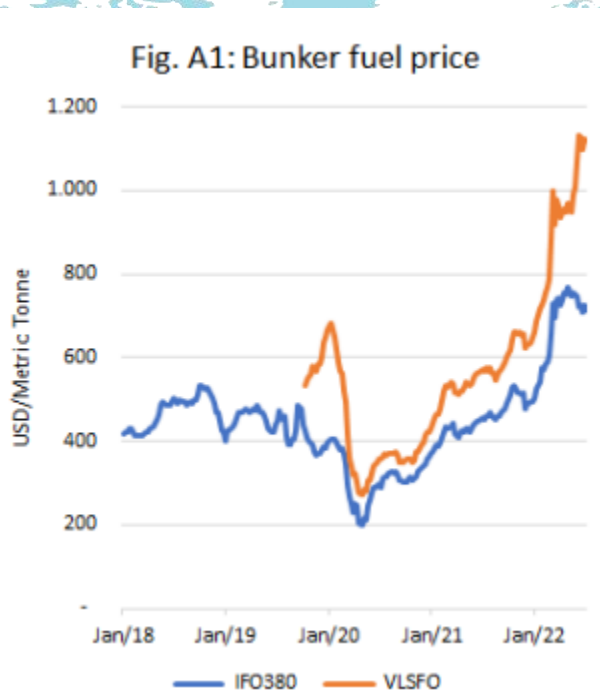


GLOBAL FREIGHTS

- We are seeing rates continuing downwards and without the usual seasonal uptick we would tend to see this time of year.
- There has been a 40% reduction in rollovers, blank sailing and equipment shortage in June, compared to Jan-May.
- Congestion remains ongoing with repeated strikes in European ports exacerbating congestion there.
- Global vessel reliability has improved to 36.4% which is the highest so far in 2022.



NORTH AMERICA

Ports situation

- NY/NJ port is still dealing with extreme congestion. Return of empties is challenging due to capacity issues at terminals, causing dry runs with drayage providers. Waiting time to get cargo out of key terminals takes 4-6 hours. Drivers who could usually do 3 runs a day are down to 1-2 at best.
- LA/LB saw record imports for the month of June. Already halfway through the summer months, the concern of disruptions in port operations are rising as longshore labor discussions are underway.
- Houston continues to see big imports affecting warehouse operators' capacity. Equipment turnaround is taking 10-12 days.

- Toronto CN rail depot has shown slight improvements but is still dealing with congestion, a short free time of 2 days continues to make the pick-up of equipment challenging. This, coupled with warehouse operating at full capacity, is making the situation complex.

Inland transportation

- Large US trucking carriers continue hiring extra drivers to meet with consistent demand for contract freight services as the driver shortage across the U.S. continues to be a challenge.
- While spot freights trended downward through FH 2022, there is a slight increase as shippers shift to contract rates.

EUROPE

Ports situation and inland transportation

- Congestion in main European ports persists and keeps generating extra costs (demurrage/ detention). Some forwarders are refusing all responsibility in this regard; we recommend to carefully select landing location based on the most fair approach. We also recommend dispersing shipments as much as possible from origin to help mitigate bottlenecks at destination.
- Trucks are still very difficult to find in the whole region and, once found, schedules are unreliable and rates stay high (up to 30% of fuel adjustment today being applied to agreed rates). We strongly recommend planning any warehouse loadings, and booking required trucks, at least 10 days ahead, regardless of the location.
- Furthermore, trucks are less and less able to meet discharge appointments at any specific time. As a result, we must remain flexible.

Other

- Shipments to Russia are still being canceled by most shipping lines. We continue to encourage our clients with pending shipments to the area to contact our commercial team and work on an alternative. We can offer to land your cargo into one of our trusted warehouses in Europe and take care of the full coordination up until ex-works delivery. All express services are unable to dispatch samples abroad from Russia.

LATIN AMERICA

BRAZIL

Container availability + vessel space

- We keep seeing some issues with equipment and space availability, but nothing too serious for now.
- Spaces on vessels remain the most difficult for closer ETDs. We recommend that clients keep placing bookings early. Booking requests keep being the best option.
- Dry port customs clearance process is back to a reasonable pace.

COLOMBIA

Container availability + vessel space

- In Buenaventura, we see a lack of vessel space availability for United States and Canada destinations. Availability is seen only for the end of August.
- In Cartagena, we see a lack of vessel space availability for Canada destinations. Availability is seen only for the second half of August.

OTHER

- In Peru, the country is facing a transport strike. We are seeing difficulties in moving containers due to this issue.
- In Honduras, we're seeing an improvement in the availability of spaces and containers.
- In Nicaragua, a lack of containers and space availability continues. Shipping lines are canceling bookings confirmations due to a lack of container availability.
- In Guatemala, container shortages are getting better.

AFRICA

UGANDA, RWANDA and KENYA

Container availability + vessel space

- There is a major drop in container availability and the projection for the coming weeks/months is not looking good.
- Changing schedules and sailing delays keep increasing, resulting in an average of 15 quay days.

Inland transportation

- We continue to see the impact of fuel prices on trucking rates overall.
- In Kigali, trucks are still scarce. In Kampala, the situation is still significantly better.

TANZANIA

Container availability + vessel space:

- Vessel space and container availability are not a problem today, but MSC and WEC Lines Vessel are functioning on unpredictable schedules.

ETHIOPIA

Container availability + vessel space

- We have seen progress with overall container availability, but also significant differences in the performance of one carrier versus another (e.g. a specific carrier may process bookings faster than others, but pose a bigger problem of rollover on the other hand).
- Vessel space issue also improving.

ASIA PACIFIC

VIETNAM

Container availability + vessel space

- Vessel schedules remain unreliable with all shipping lines and for all routes.
- There is less difficulty finding space from Vietnam to Europe and USA but it is still tough with Central American destinations.
- Freight to Intra Asia is on the increase, possibly due to the impact of China reopening.

Others

- After more than 3 months of imposing sea infrastructure fees for all exports/imports, HCM authority is in the process of reducing the fees for August and we are waiting for the official announcement.
- Diesel price for the first time since the beginning of 2022 has dropped roughly 10% in July versus the last record in June. Transportation costs, therefore, can be renegotiated.

Port situation

- Congestion is being seen again at many ports across China due to some local lockdowns and the Chaba typhoon impact early July.

Exports and imports news

- China's exports rose sharply by 17.9% in June compared with last year thanks to the easing of supply chain flows after lockdowns.

OTHERS

- ONE announced that it will implement Weight Discrepancy Surcharge (WDS) of US2,000/container in Asia-Europe trade from July 2022 when exporters declare an incorrect load weight of more than +/- 3 tons at the time of booking compared to the final Bill of lading details.
- Long queue in Australian & New Zealand Quarantine and Inspection Service is resulting in a lead time of 10-15 days from arrival date of vessel to unloading.

SUCAFINA LOGISTICS VOICES

Hear from our Global Logistics team! In “Logistics Voices”, our team members reflect on the major challenges and opportunities we see in our day-to-day.

Today, Alejandra Quintero, our North America Commercial Position Senior Analyst, speaks about her experience in Sucafina and what she has learned from the pre and post-pandemic challenges we’ve faced in terms of global logistics.



“Logistics has become one of the main sectors worldwide. Even after facing lots of challenges due to COVID, it remains one of the biggest job creators and keeps growing every day; this is why people must be constantly learning. We cannot just keep following manuals and be easily replaced by machines. It is very important to go above and beyond. The logistics world needs people who find solutions instead of creating (more) problems.”

“Since logistics operations at Sucafina are global and our logistics teams are spread worldwide, we must utilize better and more efficient communication tools to avoid working in silos and obtain better results.”

“For me, it is also important of having leaders who are empowering their teams, providing them with the correct tools, training and confidence.”