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Rail Volume



Number of train departure is getting down

Currently no new limitation notice issued by CR. The number of train departure is decreased over 25 % in Q4 to compare with Q3. The volume forecast in Q1 2022 might be at the same level as Q4 2021.

- Departure limitation : No new announce in week 51
- Train number trend : Decreased from Q4 2021
- Booking trend : Increased before CNY

Equipment



Equipment shortage is getting ease

The container shortage that recently beset China has gradually eased amid multiple measures taken by government organs and businesses to boost supply and ensure the smooth flow of goods.

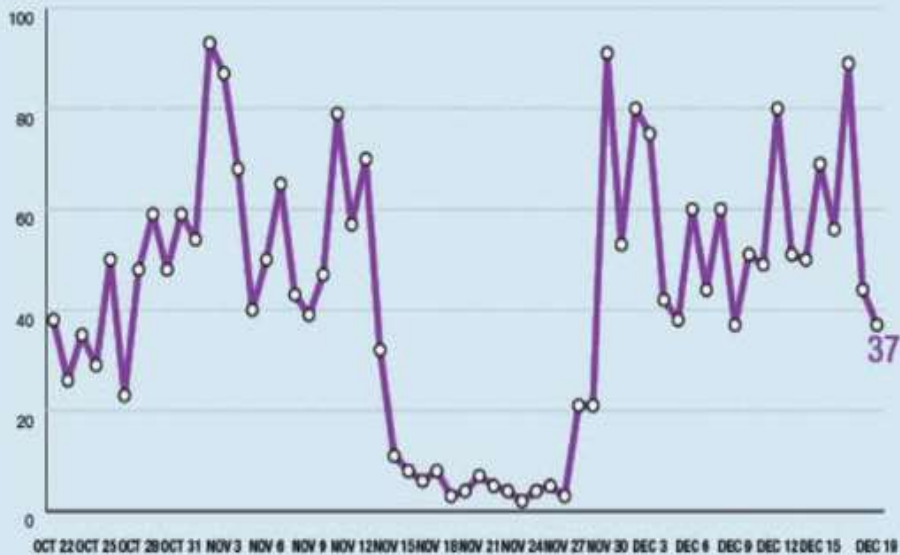
Current resource situation by region:

- East China region : Save stock
- North China region : Save stock
- South China region : Save stock

Covid Impact



New local COVID-19 cases on Chinese mainland December 19



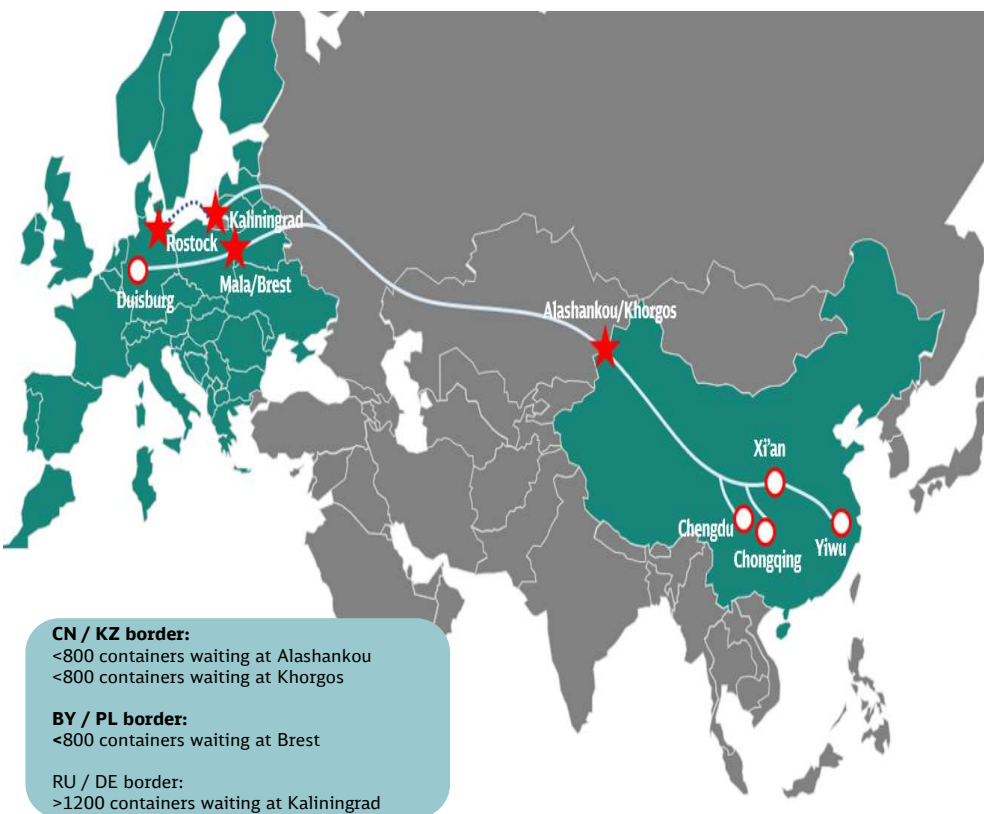
Pandemic reported somewhere but under control

12 High risk area (last week 8) and 58 Medium risk area (last week 44) in Inner Mongolia and Zhejiang. Current local measures by several provinces are taken to control the virus spread. Mandatory 48 Hours Covid test is widely mandatory for driver per pup/delivery government or site request which cause overall limit to the capacity. Site pick up/delivery need to be checked case by case.

High risk Area:

- Inner Mongolia (7)
- Zhejiang (5)

Border Situation



Overall border releasing lead-time is improved

The border crossing efficiency via Alashankou and Khorgos is getting improved by previous departure limitation. However, the north border in China, especial for Manzhouli might be influenced by the pandemic breakout in recent weeks. On Europe side, the actions are taken by rail operators to switch containers from KLG to Baltiysk in order to relieve the congestion situation. Regarding Mala, the border crossing lead time is getting shorter and better than peak season. The overall border situation is getting improved.

- CN / KZ Border : Alashankou / Khorgos border 3-7 days
- BY / PL Border : Mala / Brest border 3-8 days
- RU / DE Border : Kaliningrad / Rostock border 8-15 days

Lead-time



Lead time is getting improved

By result of rail volume decreased and proper measures taken to clean the backlogs, the terminal-terminal lead-time is getting shorter as to some lanes from Nov 2021.

Current T/T lead-time for Westbound to Mala is 18-34 days , to Rostock is 36-48 days, to Duisburg +5-7 days upon border released. Extremely delay might happen to some trains. More and more carriers started to distribute the trains via different borders or destinations. The lead-time for Eastbound is regularly 25-35 days.

Others-Truck/Locomotive Drivers Shortage



Risk For Truck/Locomotive Drivers Shortage

To control the pandemic of Covid in Germany, massive of rail terminals and other facilities in Hamburg, Duisburg, Rostock are requesting the employees as well as truck and locomotive drivers to be vaccinated, recovered or 24H valid tested. To all requested principal, no matter of his/her company's nationality are bound by law to carry evidence of that.

By considering the restriction that leads to the market truck capacity become limited to accommodate the demands. Especially at the coming holiday period, estimated shortage of truck and locomotive drivers will be at the extreme low level. As to other countries, which are still under observation.

As a result, new round of GRI of truck might be levied although the truck tariff in the market have already been increased from Nov.