



SCHENKER

Rail Market Updates For week 27 2022

June 2022 | MMS CN

150 Years
Elevating Lives

01 *Rail Volume*

02 *Equipment*

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Extreme tight space in July

There has been stable increase on monthly basis in terms of volume between China and Europe.

Railway transportation via China-Russia, Mongolia, and Kazakhstan borders

Railway transport via Belarus-Poland border, Russia-Poland border, and Kaliningrad port

The services do not go across Ukraine

- Departure situation : 3-7 days delay in departure in general for WB
- Booking closed : WB for week 29 | EB for week 27

***Capacity supply between China and Europe had been decreased a lot, and with surge of WB volume as of June space is getting tight, delay in departure took place from almost all the train stations.

The space capacity is still extreme tight in July, meanwhile, the China Rail has issued “departure limitation” for those Non-Eurasia trains to relieve the border pressure at Alashankou and Khorgos. It’s the 1st limitation notice in 2022 affect from July-2 to July-9.

Equipment



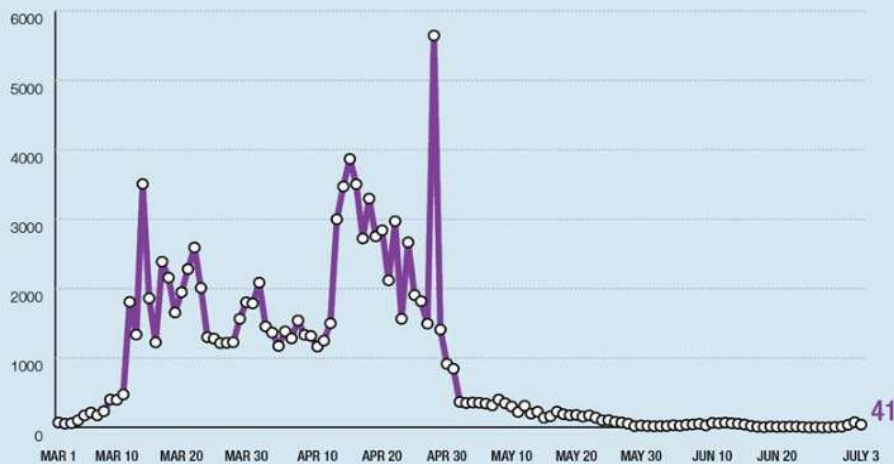
Safe stock and supplement

Current equipment situation by region:

- East China region : Low shortage risk ●
- North China region : Low shortage risk ●
- South China region : Low shortage risk ●

Terminal/depot situation in Europe, such as Duisburg and Hamburg is running as normal, however we do receive reports that number of laden containers in various terminals is increasing.

New local COVID-19 cases on Chinese mainland July 3



Omicron variant spreads in several provinces of China

126 High risk area(last week 1) and 49 Medium risk area(last week 14) in China . 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:

- 1 in Beijing
- 10 in Liaoning
- 1 in Shanghai
- 114 in Jiangsu

***Jiangsu province has reported hundred covid cases since last week. The high-risk area will take measures to control the spread of epidemic. Related logistics activities in/out the city could be impacted by the epidemic situation.

Border Situation



Borders are getting congested

The borders especially at Mala (PL), Brest (BY), Alashankou (CN) and Khorgos (CN), are getting congested with the volume increasing as of June.

Two borders Alashankou (CN) and Khorgos (CN) are impacted by “departure limitation” from Jul-2 to Jul-9 to clean the backlog. Eurasia trains are not in the impact list, but departure delay at original stations could happen.

The border crossing lead-time is estimated 3-7 days longer than normal.

- CN / KZ Border : Alashankou / Khorgos border 5-10 days
- CN / MN Border : Erlian border 10+ days
- CN / RU Border : Manzhouli border 10+ days
- BY / PL Border : Mala / Brest border 3-7 days
- RU / DE Border : Kaliningrad / Rostock border 2-5 days

| | | |
|---|--|--|
| CN / KZ border: >600 containers waiting at Alashankou >600 containers waiting at Khorgos | BY / PL border: >600 containers waiting at Brest | RU / DE border: >300 containers waiting at Kaliningrad |
|---|--|--|

Lead-time



Lead time is getting longer in Q3

GPS trackers installed in containers reported nothing abnormal so far (from Feb 24th to Jul 4th). Eurasia trains are moving regularly crossing Russia, Belarus and Poland.

Current T/T lead-time for Westbound is getting longer due to border congestion and seasonal infrastructure maintenance. To Mala is 20-26 days, to Rostock is 20-26 days, to Duisburg/Hamburg +3-7 days upon border released and terminal capacity. Extreme delay might still happen to some trains because of the dwell time.

The lead-time for Eastbound is regularly 20-30 days.