



**SCHENKER**

# Rail Market Updates For week 28 2022

June 2022 | MMS CN

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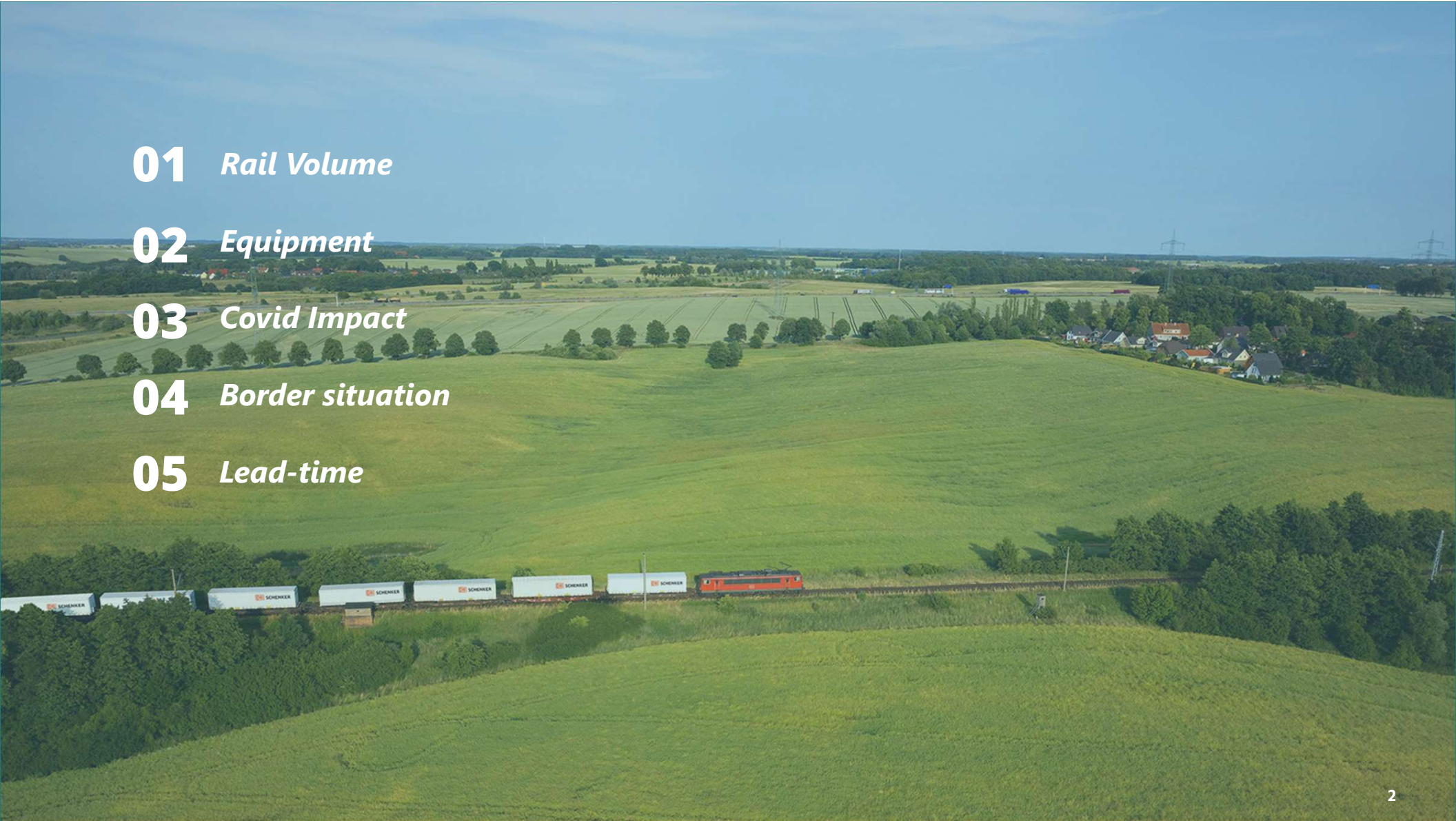
**01** *Rail Volume*

**02** *Equipment*

**03** *Covid Impact*

**04** *Border situation*

**05** *Lead-time*





## 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 30 | EB for week 28

\*\*\*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 extreme tight in July. In order to relieve the border pressure at south corridor, the “departure limitation” for those Non-Eurasia trains is extended till July-20<sup>th</sup>.

# Equipment



## Safe stock and supplement

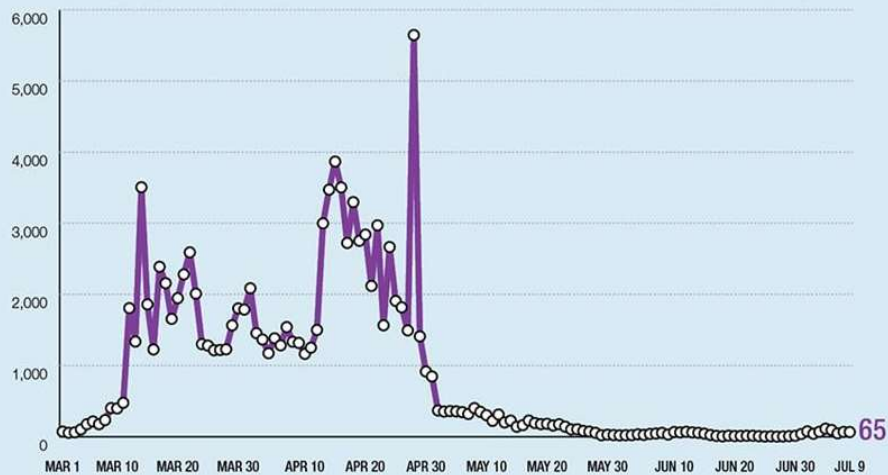
Current equipment situation by region:

- 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 9



### Omicron variant spreads in several provinces of China

294 High risk area(last week 126) and 397 Medium risk area(last week 49) 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:

5 in Beijing | 9 in Tianjin | 6 in Inner Mongolia  
**12 in Shanghai** | 60 Jiangsu | 73 in Anhui  
 50 in Fujian | 6 in Jiangxi | 21 in Shandong  
 5 in Henan | 35 in Guangdong | 1 in Hainan  
 7 in Shanxi | 4 in Gansu

\*\*\*By impacted of epidemics, some provinces like Jiangsu, Zhejiang are now under **“NEW NORMAL”**. With local policies to control the spread of virus.

# Border Situation



**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

## Borders are getting congested

The borders especially at Mala (PL), Brest (BY), Alashankou (CN) and Khorgos (CN), are still heavily congested.

Two borders Alashankou (CN) and Khorgos (CN) are impacted by “departure limitation” from Jul-2 to Jul-20 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. The extreme delay is possible to happen in this case.

- 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

# Lead-time



## Lead time is getting longer in Q3

GPS trackers installed in containers reported nothing abnormal so far (from Feb 24<sup>th</sup> to Jul 11<sup>th</sup>). 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 21-28 days, to Rostock is 21-28 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.