



SCHENKER

Rail Market Updates For week 30 2022

July 2022 | MMS CN



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Extreme tight space in Aug

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 32 | EB for week 30

***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 continue to be extreme tight in August. The EU strike has heavily impacted the operation at ocean port, so far has no improvement. In the case, partially volumes are switched from ocean to rail, it has further aggravated the imbalance of demand and supply.

Equipment



Safe stock and supplement

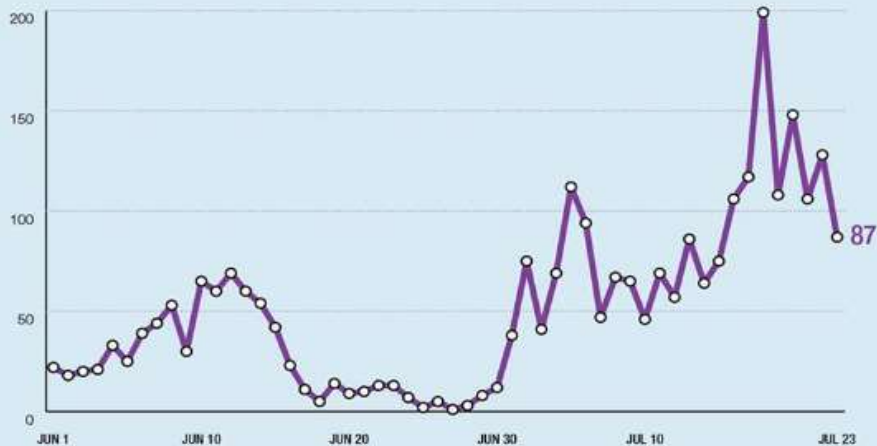
Current equipment situation by region:

- 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 under risk of container shortage recently.

Covid-19 Impact

New local COVID-19 cases on Chinese mainland July 23



Omicron variant spreads in several provinces of China

561 High risk area(last week 401) and 596 Medium risk area(last week 673) 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:

<http://bmfw.www.gov.cn/yafsdjcx/risk.html>

***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:
>400 containers waiting at Alashankou
>400 containers waiting at Khorgos

BY / PL border:
>400 containers waiting at Brest

RU / DE border:
>300 containers waiting at Kaliningrad

Borders are getting congested

There is no NEW CR limitation after Jul-20. But the border crossing lead time at Mala (PL), Brest (BY), Alashankou (CN) and Khorgos (CN), will get a bit longer by the growth volumes in coming weeks. However, it is still much better than the same period in 2021.

The border crossing lead-time is estimated 1-5 days longer than normal. The extreme delay is possible to happen in this case.

- CN / KZ Border : Alashankou / Khorgos border 1-3 days;
- CN / MN Border : Erlian border 5+ days
- CN / RU Border : Manzhouli border 5+ days
- BY / PL Border : Mala / Brest border 1-5 days
- RU / DE Border : Kaliningrad / Rostock border 2-3 days

The departure delay still happened at most original stations for backlog cleaning.

Lead-time



Lead time is getting longer in Q3

GPS trackers installed in containers reported nothing abnormal so far (from Feb 24th to Jul 25th). 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 16-18 days, to Rostock is 20-22 days, to Duisburg/Hamburg +3-7 days upon border release 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.