



TOMAX  
NEWS

Issue 25  
26<sup>th</sup> March 2021

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PLUS:



# MARKET SUMMARY

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- Airline Terminal Charges have been increased by airline terminals (CTOs) as of 1st April 2021. Rates are being increased by as much as 5 cents per chargeable kg. This applies to all air cargo entering Australia.
- A large container ship called the Ever Given is currently stuck sideways in the Suez Canal causing very large backlogs for vessels seeking passage between Europe and Australasia. Heavy delays are expected for cargo in the coming months whilst the backlogs are cleared. There is no timeframe currently as to when the Ever Given may be able to get back underway, as containers may need to be removed to enable the vessel to gain enough buoyancy.
- Airfreight rates from China to Australia are beginning to rise again with changes to airline carrier services affecting the market via reduced carrying capacity and frequency of services.
- Ocean freight rates on the China to Australia trade-lane are beginning to rise again as shipping lines make moves to introduce blank sailings and omit ports in their schedules.
- BAF (Bunker [Fuel] Adjustment Factor) and FCR (Fuel Cost Recovery) levels are set to increase heavily in light of rising crude oil costs which will be further exacerbated by the Ever Wide crisis in the Suez Canal.

# WEEKEND, PUBLIC HOLIDAYS & LONG WEEKEND SURCHARGES

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**T**rucking companies always strive to secure slots on a normal business day. Just like the usual office hours, trucking companies work on Mon to Fri, between 7am-4pm. However, increasingly, trucking companies are being forced to work overtime to enable them to collect containers from the wharf within the allowed wharf free time. As the wharves are operational 24/7, containers are made available to suit the wharf, not importers and their trucking companies.

This results in weekend collection surcharges due to long weekends. With Easter approaching, it is inevitable there will be some vessels in and working, forcing containers to either go into storage, or collected over the weekend or public holidays.

If you have any queries regarding the above please contact one of our friendly Tomax team members on 1300 186 629.

## **CARGO AVAILABLE:**

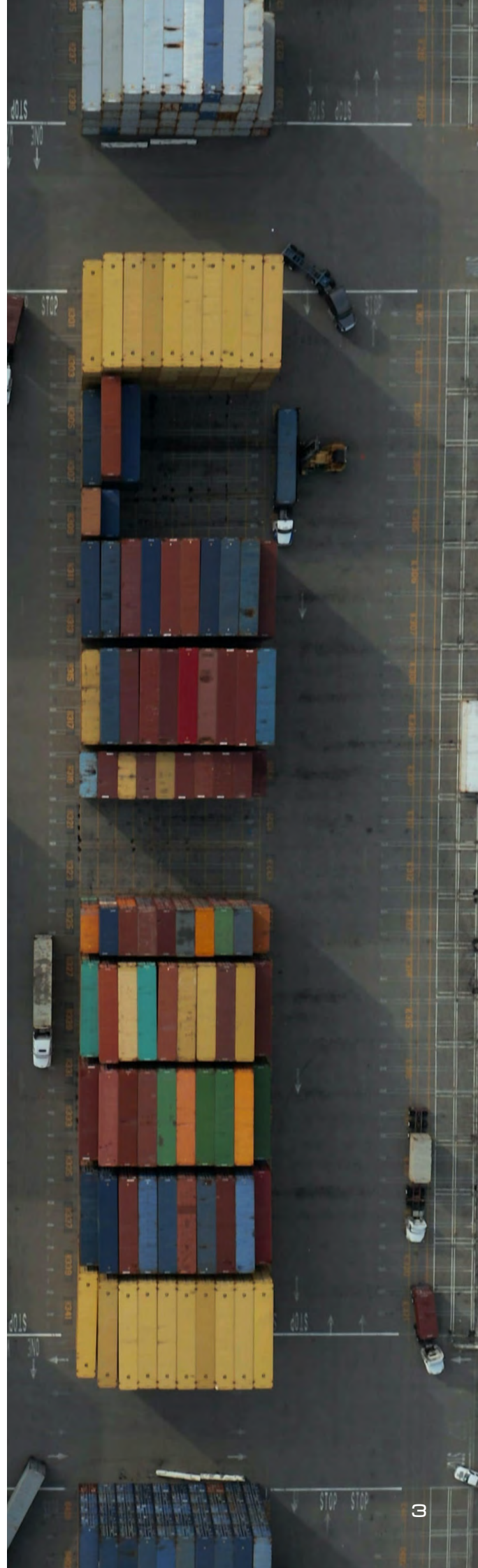
Saturday, Sunday & Monday  
(Monday a public holiday)

All containers will incur a weekend or public holiday trucking surcharge.

## **CARGO AVAILABLE:**

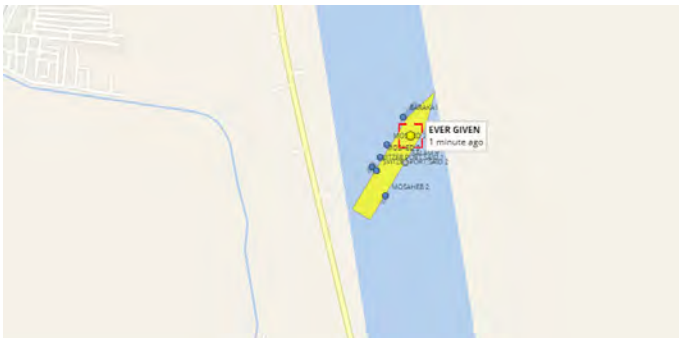
Sunday, Monday & Tuesday  
(Monday a public holiday)

No slots available on Tuesday so will be collected on Saturday, hence a weekend surcharge will be applied.



# MEGASHIP BLOCKS SUEZ CANAL

The Suez Canal is blocked after mega containership, Ever Given, ran aground due to powerful winds on Tuesday evening. The ship's 400 metre length is now blocking one of the world's most vital shipping lanes, impacting more than 100 ships who are now stuck at the end of the canal. The 120-mile canal connects the Red Sea to the Mediterranean and carries roughly 10% of worldwide shipping traffic. Furthermore, the Canal is a key artery for oil flows from the Persian Gulf region to Europe and North America. An estimated 5% of globally traded crude oil and 10% of refined petroleum products passed through the canal before the pandemic.



A statement from GAC said the vessel “suffered a blackout while transiting in a northerly direction”. It was the fifth in the northbound convoy. While none of the vessels ahead of it were affected, there were 15 vessels behind Ever Given, which were stuck at anchorages, according to GAC.

The traffic jam incident adds one more burden to a global shipping industry already suffering from the Coronavirus pandemic which has led to delays, shortages of goods and hiked prices for consumers. Dr. Sal Mercogliano, a

maritime historian based in the US state of North Carolina, says that although incidents such as this are rare, they could have “huge ramifications for global trade”.

“The Suez Canal is the choke point,” said Capt. John Konrad, founder of the shipping news website gCaptain.com. He noted that 90% of the world's goods are transported on the ships. It “could not happen in a worse place,” he said, “and the timing's pretty bad, too.”

At this stage it is uncertain how long the rescue operation might take and when the canal can be cleared. Despite the rescue efforts, “from the looks of it, that ship is super stuck “. Despite the ‘bunch of tugs’ trying to push and pull it, there was no success. There are now fears that the blockage could tie up shipments of crude oil and cause an increase in prices by 4% on international markets.

The Panama-flagged Ever Given has a capacity of 20,000 TEU with a current draught of 15.7 metres. Its length sits at 399.94 metres long (LOA) and width stretches to 59 metres.

The ship is on Evergreen's China-Europe Mediterranean Service (CEM) and was scheduled to transit the Suez Canal on the 23rd March. Its next scheduled port was Rotterdam on 3rd April, followed by Felixstowe on 6th April and Hamburg on 9th. In reference to its schedule, Ever Given's last port of call was Tanjung Pelepas on March 13th, preceded by Yantian on 9th March, and Taipei, Ningbo, Shanghai, Qingdao and Kaohsiung prior to that.

Source: Ackerman, I. (2021). Suez Canal Blocked. Retrieved from The DCN on 25th March, 2021.



# PORT OF HOBART REDEVELOPMENT

Plans to redevelop the Port of Hobart's Macquarie Wharf are underway by TasPorts. The multimillion dollar project (estimated to cost \$150 million) would deem Hobart as "the international gateway to the Southern Ocean", according to TasPorts. Redevelopment will not only spark growth in established trade areas, but support Antarctic exploration and scientific research.

RSV Nuyina, Australian Antarctic Division's new purpose-built vessel, is set to begin operations this year. The new vessel is 65 metres longer than the previous vessel, Aurora Australis, at a total length of 160.3 metres. A higher capacity to accommodate large vessels and cruise ships will be made more achievable via the redevelopment plan.

The project makes a mark in the 2021 Infrastructure Priority List and is part of TasPort's 2018 Port Master Plan. The Macquarie Wharf Redevelopment will also facilitate bulk log exports, container exports, bulk fuel imports and commercial fishing. The tourism sector will also benefit from the redevelopment.

Stephen Casey, TasPort's C.E.O. says, "the Macquarie Wharves were originally built between 1969 and 1975, and whilst routine maintenance and remediation has been undertaken, a significant capital upgrade is now required to enable future growth. The Macquarie Wharf Redevelopment will see the construction of an Antarctic Precinct, which aims to attract further international programs to the Port of Hobart, by enabling growth in the Antarctic science and research sector. It is anticipated the delivery of this initiative

could generate up to \$3.3 million in additional expenditure from Antarctic ships annually and continue to build Tasmania's reputation as the gateway to east Antarctica and the Southern Ocean. The delivery of this initiative will see three multi-user berths constructed at one of the deepest sheltered ports in the southern hemisphere. Our next step is to further engage with industry and to develop a compelling business case, creating value for both our customers and the State of Tasmania."



## Macquarie Wharf's redevelopment proposal includes:

- Constructing a new 150 metre quay line which extends the current quay line to a total of 720 metres at Macquarie Wharf 4, 5 and 6.
- Building associated fender beam and berthing infrastructure.
- Installing new 100 and 200 tonne bollards.
- Installing dedicated shore power.
- Upgrading services.
- Strengthening heavy lift areas.
- Building new passenger terminal facilities.

# LARGE GAINS FROM BOTANY CONTAINER TRADE

Port Botany continues to see a hike in container throughput with goods pouring in from across the globe and the port expelling a large number of empties.

Container trade through Port Botany was up 26% last month, compared to February 2020 and a total of 223,796 TEU crossed the wharves in February 2021, according to the latest figures from NSW Ports.

Exports from Botany totalled 116,569 TEU, marking an increase of approximately 30% on the same month last year. The increase was caused by a surge of empty container exports, with 78,423 TEU of fresh air being shipped out of Port Botany in February. This represents a 52.5% increase on February 2020's empty exports.

This influx of empty exports follows the trade patterns over the past year and comes as no surprise. There has been a massive increase in goods imports in 2020 - a trend which shows no sign of decreasing with NSW Ports reporting 107,227 TEU of imports at Port Botany in February - signifying a 23% increase on the same month last year.

In February, imports of "miscellaneous manufactured articles" rose by 61% (compared

with February 2020) to 23,018 TEU. Machinery increased by 29% to 16,042 TEU; food, beverages and tobacco imports increased 2% to 10,754 TEU; plastic and rubber imports increased by 31% to 10,579 TEU; and steel, iron, aluminium and other metals increased 31.49% to 8,777 TEU.

February 2021, saw 84 containership visits to Port Botany, one of which was in the 10,000-TEU-plus capacity band. The band with the most visits was 5000-6000 TEU with 18, followed by 4000-5000 (15 visits), and 1000-2000 TEU (12 visits).

Assessing the the non-containerised side of the trade at Port Botany in February, we almost see a 24% decrease in total throughput last month compared to February 2020 to 362,319 revenue tonnes. This decrease was namely due to a 27.26% fall in bulk liquids imports to 323,733 revenue tonnes last month.

Source: Ackerman, I. (2021). Botany Container Trade Posts Big Gains in Feb. Retrieved from The DCN on 25th March, 2021.



# STAFF SPOTLIGHT

## MEET MINDY ZHENG

Key Account Manager  
TOMAX LOGISTICS SHANGHAI

### WHAT DO YOU DO AT TOMAX?

I am the Key Account Manager at Tomax Shanghai. My responsibilities include contacting the shipper, arranging bookings and space and other operational matters.

### WHAT ARE YOUR FAVOURITE HOBBIES?

I like to watch movies during my break time.

### WHAT IS YOUR FAVOURITE FOOD?

I am not picky about food. My favourite foods are cake, fish, meat and vegetables!

### WHERE IS YOUR FAVOURITE PLACE TO GO ON HOLIDAY?

I like to go to amusement parks because it is a great place to spend time with family. I am also able to accompany my children.

### WHAT KIND OF MUSIC DO YOU LISTEN TO?

I like to listen to Classical Music!



# FRIDAY FUNNIES

We hope these jokes will lift your mood as we approach the weekend!

Q: Which hand is better to write with?

A: Neither, it's better to write with a pen.

Q: What do you call a rich elf?

A: Welfy.

Q: Why did Humpty Dumpty have a great fall?

A: To make up for his miserable summer.

Q: How do you make an octopus laugh?

A: With ten-tickles.

Q: How do you make an artichoke?

A: You strangle it.

Q: What do sharks say when something cool happens?

A: Jawesome!

Q: What kind of music do mummies listen to?

A: Wrap music.



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