



Direction

DEAN WORLD CARGO

NEWS UPDATE

SEVERE WEATHER CONDITIONS IMPACTING ON CHINA

You may have heard that China has been encountering extreme weather conditions since mid January, which has brought chaos to inland transportation systems, with the most affected provinces including Shanghai, Jiangsu(Nanjing), Zhejiang(Ningbo) & Guangdong.

The latest report just in from Shanghai is that the weather is the worst they have experienced for over 50 years. Of course from a timing point of view being so close to Chinese New Year it couldn't be worse.

From a practical point of view we estimate that a large amount of scheduled cargo deliveries will arrive late, or perhaps not be able to be delivered to meet existing schedules at all.

Deliveries out of Jiangsu province appear the worst hit, with up to 50% of cargo expected to be unable to make the port on time this week.

Chinese New Year falls on Feb 7, and the last OOCL sailing ex Shanghai is scheduled for Feb 5, closing is Feb 3.

This means that all expected cargo has to be delivered over the next few days.

After Chinese New Year, the next vessel is around Feb 15, however closing is still slated for Feb 3-4, to clear backlogs, and to allow for the holiday season.

Following on, the next week's sailing of approx Feb 22 also falls within the holiday season, however factories are now looking at asking staff back early to meet new deadlines.

As you know most factories are quite a distance from Shanghai, the core consolidation gateway for many of our clients. Over the Chinese New Year there will be the usual lack of trucks, but due to this weather, drivers are also reluctant to go too far outside of Shanghai for pick ups in fear that they may not be able to return. The same will apply to factory-loaded cargo as well.

We will do our best to keep you informed and of course do our best to get your cargo on board.

On a more personal note for the Chinese, the weather is threatening lives and disrupting supplies of food, coal, oil and electricity.

A recent count shows that 17 provinces and regions have suffered blackouts and power grid damage, including Hubei, Hunan, Guizhou and Guangdong.

In the eastern Jiangsu Province, snow virtually closed the airport in Nanjing.

After massive train delays between Beijing and Guangzhou on Saturday, the number of passengers stranded in Hangzhou, capital of the eastern Zhejiang Province, soared to 30,000 yesterday.

We'll be in touch.

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