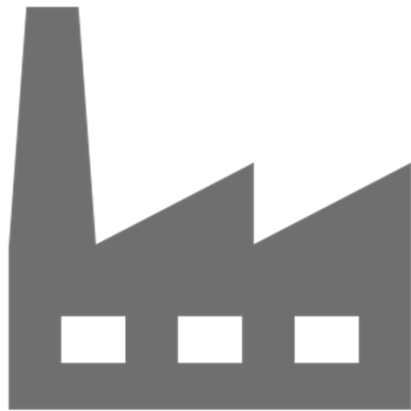


# *A DISRUPTIVE SUPPLY CHAIN ENVIRONMENT*



- *DOES THE “JUST-IN-TIME” MODEL STILL STAND?*

## **5 MAIN FACTORS FOR DISRUPTION**

- **CLIMATE : NATURAL DISASTERS ETC...**
- **POLITICS: CURRENCIES, ANTI DUMPING, GOVERNMENT MEASURES**
- **ECONOMICS: FLUCTUATIONS IN TRANSPORT COSTS, GDP ETC...**
- **CYBER : DIGITAL SECURITY AND MALWARE THREATS**
- **PANDEMIC SITUATIONS TOPPING THE LIST WITH COVID-19**

# PRICE INCREASES ON ALL LEVELS

- LANDSIDE : ROAD AND INTERMODAL TRANSPORT COSTS ARE UP
- SEAFREIGHTS HAVE EXPLODED ON NEARLY ALL TRADE LANES
- AIRFREIGHT FOLLOWS SUIT
- DELAYS EVERYWHERE

AND THERE ARE ALWAYS WINNERS AND LOSERS...

**AND THE WINNERS ARE :**

**ALL MAJOR CONTAINER LINES**

**THANK YOU SHIPPERS WORLDWIDE!**

# JUST ONE EXAMPLE OF ONE OF THE MAJORS, CMA CGM

	Q2 2020 Shipping	Q2 2021 Shipping	<i>Change</i>
Volume carried, in million TEUs	4.78	5.69	19.1%
Revenue, in USD billion	5.28	9.99	89.4%
EBITDA, in USD million	1,006	4,322	329.6%
EBITDA margin	19.1%	43.2%	+24.1 pts

# CMA CGM COMMENTS

- REGARDING THE FINANCIAL RESULTS OF THE GROUP'S CONTAINER SHIPPING SECTOR, REVENUE SAW A YEAR-ON-YEAR SPIKE OF 89.4%, REACHING US\$10 BILLION, DRIVEN BY THE INCREASE IN VOLUMES AND UNIT REVENUE, EBITDA SKYROCKETED BY 329.6% TO US\$4.3 BILLION, WHILE EBITDA MARGIN ACCOUNTED FOR 43.2%, UP 24.1 POINTS IN COMPARISON TO THE SAME PERIOD OF LAST YEAR, SUPPORTED BY AVERAGE REVENUE PER TEU OF US\$1,756.
- IN THE CONTEXT OF ONGOING TENSIONS ON GLOBAL SUPPLY CHAINS, THE CMA CGM GROUP SAID IT IS CONSISTENTLY INVESTING IN INDUSTRIAL ASSETS TO ENHANCE SERVICES, STRENGTHEN ITS TRANSPORTATION OFFERING AS WELL AS SUPPORT DECARBONISATION.
- PARTICULARLY, SINCE THE BEGINNING OF THE YEAR, THE FRENCH SHIPPING GROUP HAS TAKEN DELIVERY OF ONE NEW CHARTERED 15,000TEU VESSEL, 15 SECOND-HAND CONTAINER SHIPS, AS WELL AS EIGHT NEW OWNED VESSELS, INCLUDING THE LAST FIVE OF ITS FLEET OF NINE 23,000TEU SHIPS POWERED BY LIQUEFIED NATURAL GAS (LNG).
- LAST BUT NOT LEAST, CMA CGM HAS ADDED MORE THAN 520,000 CONTAINERS (13%) .

# WHAT DO WE GET IN RETURN?

- HIGHER FREIGHT RATES
- SURCHARGES AT RANDOM  
(SOMEONE WILL HAVE TO COME UP WITH IDEAS HOW TO NAME THEM GOING FORWARD SINCE ALL DENOMINATIONS HAVE BEEN USED...)
- DELAYED SAILINGS
- CHANGED SCHEDULES AFFECTING LOAD/ARRIVAL TIMES
- LAND SIDE COSTS ALSO INCREASING

# IS THERE AN END IN SIGHT?

- DIFFERENCES NOTED ON DIFFERENT TRADE LANES
- EUROPEAN PORTS STRUGGLING ON THE LAND SIDE BUT NO CONGESTION YET
- CONTAINER TERMINALS IN EUROPE AT FULL CAPACITY – NO MARGIN LEFT
- US TRADE LANES AMONG THE HIGHEST AFFECTED
- 77 VESSELS WAITING OUTSIDE LOS ANGELES/LONG BEACH
- UP FROM 44 A MONTH AGO



# FOCUS ON EUROPE

(ROAD TRANSPORT)

- INCREASED VOLUMES
- GDP GROWTH 4% IN 2021
- 4,5% EXPECTED GDP GROWTH IN 2022
- SHORTAGE OF DRIVERS
- SHORTAGE OF STAFF IN VARIOUS SECTORS
- INCREASED/INCREASING ENERGY PRICES
- EU MOBILITY PACKAGE 21.02.2022

# SOLUTIONS IN SIGHT?

- MORE FLEXIBILITY AND MULTI-LEVEL SOURCING
- REGIONAL VERSUS GLOBAL SUPPLY – A COMBINATION OF BOTH? TRY TO SPREAD THE SUPPLY CHAIN FEEDS
- THE SHORTEST LEAD TIME AND THE CHEAPEST SUPPLIER USED TO BE THE CREDO
- IT ENHANCEMENT / DIGITALISATION / CYBER SECURITY
- MANUAL STEERING AND VOLUME FLEXIBILITY



*THE HUMAN DIMENSION IS BACK*

**THANKS TO CRU, RX AND  
GDA FOR HAVING ME**

- BART VAN GILS
- MANAGING PARTNER

- @THEAGENCY\_LOGISTICS
- FOLLOW US ON INSTAGRAM



**THE AGENCY**