



28th December 2016

62 Old Main Road Kloof, 3610; Tel: (0)31 8180320;
www.sctsolutions.co.za

Please see herein interesting industry information that may be relevant and valuable to you. If you would like more information on any comments noted herein please contact us directly and we will gladly expand or investigate further for you – please direct all enquiries to Graeme Impson on graeme.impson@sctsolutions.co.za

GENERAL RATE INCREASE (GRI) – FAR EAST ROUTE – 1ST JANUARY 2017

SCT have been informed by most of the shipping lines on the Far East trade lane that there will be a GRI applicable to all cargo moving 1st January onwards. The quantum of the GRI varies from US\$ 350 to US\$ 500 per TEU – notices of implementation have been received from 23rd December onwards. SCT are very unhappy about this late announcement after most businesses have closed and timed to coincide with the Chinese New Year pressures. Added to our frustration is the fact that most shipping lines are operating this week on skeleton staff so we are battling to get hold of decision makers in many cases. We are fighting these increases very hard with all our preferred suppliers and can confirm that with our primary carrier we have today receive confirmation of a decrease on the announced GRI from US\$ 500 per TEU to US\$ 250 per TEU. We will continue to negotiate over the next few days but it seems a minimum GRI as noted above is to be expected for all sailings from 1 January 2017 and so we advise you of the same. NVOCC carriers have also announced the implementation of this GRI by carriers and are at this point indicating an increase for LCL of US\$ 10 w/m. SCT will keep you updated.

As a reminder, please be aware of the Chinese New Year holiday which is from the 27th January 2017 to the 2nd February 2017. As always, this holiday will seriously effect shipping space in the weeks running up to this holiday period so please keep SCT well informed of any orders not yet received by us so that we can be as proactive as possible.

2017 NEW YEAR WISH FROM ALL AT SCT

We would like to take this opportunity to thank all our valued clients for their support in 2016 which is seriously appreciated. We also wish you and your families a very blessed 2017 – may it bring success, happiness and good health. We assure you of SCT's continued passion towards your logistics and look forward to our ongoing partnership as we strive to make 2017 a year of continued supply chain optimisation for all our clients.

We thank you for your continued support and partnership

Mail: graeme.impson@sctsolutions.co.za

Tel: + 27 (0)31 818 0320

Fax: +27 (0)31 818 0324

Mobile: +27 (0) 71 4140472

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