

Air Freight Market Update January 4 2022

Europe

- Demand considerably calmer this week, and rate levels have decreased to all US destinations.
- There is some uncertainty regarding passenger flight cancellations throughout January, as the Omicron variant continues to cause disruption to travel. Capacity continues to be more scarce than demand, but the more deferred routings where airlines have passenger capacity is driving some stability in the high rates.
- Advice remains in place ex EU, continue to place bookings early for optimal rates and solutions. Consider smaller batches via air freight, as this is where rates and solutions can be best optimized

Americas

- US export demand has slightly softened and capacity is manageable.
- Larger shipments from major outbound gateways can take 2 to 3 days from booking to uplift into the EU, LATAM, or Asia.
- The US has experienced several flight cancellations due to Omicron, and severe weather conditions in some regions of the country
- LAX/ORD/JFK terminals have slightly reduced the inbound backlog cargo, which has a positive effect on the export side.
- Many terminals provide reduced free time for storage, and have kept the earlier close-outs for exports to accommodate throughput times and screening requirements.
- Rates to Latam have decreased but are still at higher than normal levels, while rates into Europe and Asia are stable compared to previous weeks.
- Congestion at the European hubs is improving which is slightly reducing the average dwell time at destination.

Fuente: 2021 Flexport Inc.