

e-Newsletter from



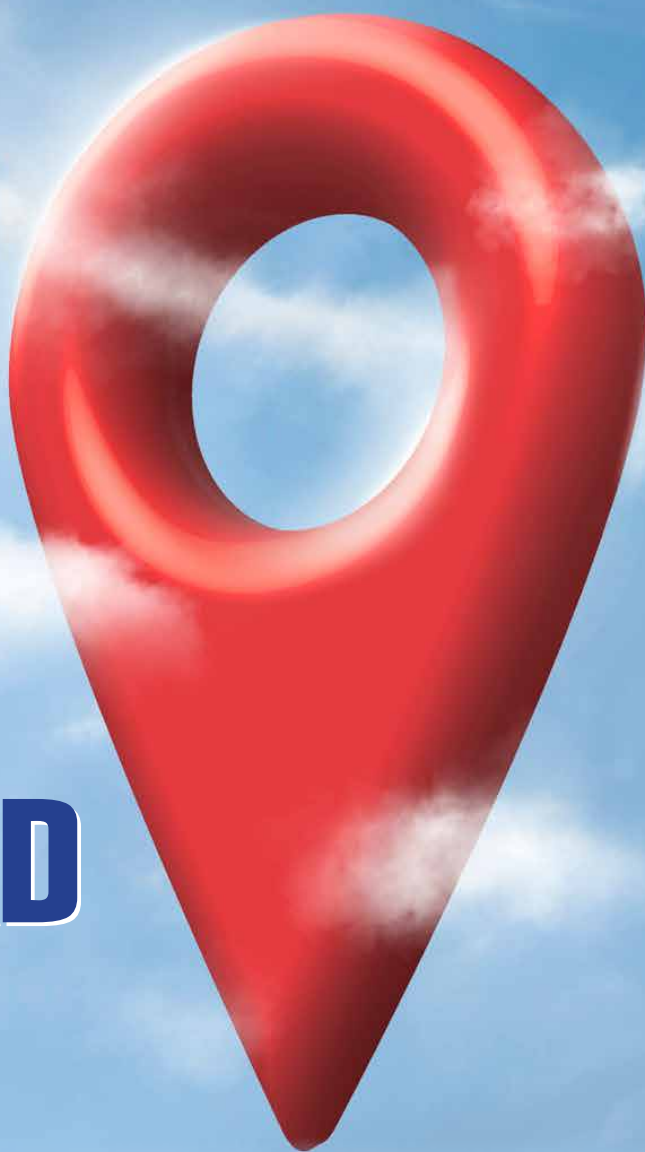
# e-CARGO NEWSLETTER

for Private Circulation

January 2024

Volume-9 · Issue 01 · [www.rightlogistics.com](http://www.rightlogistics.com)

## INDIAN AIR CARGO: TAKING THE LEAD



7

**AirAsia launches  
new routes for India**

**PM Narendra Modi  
dedicates key marine  
projects in Kochi**

9

# INSIDE

## 05 COVER STORY



INDIAN AIR  
CARGO: TAKING  
THE LEAD

## 04 AIR CARGO



AIR CARGO  
DEMAND  
SURGES 10.8%  
IN DECEMBER,

## 06 SNIPPETS



FLYNAS  
LAUNCHES  
NONSTOP  
FLIGHTS TO  
MUMBAI

## 08 AIR CARGO



AIR FREIGHT  
RATES RISE  
AMID RED SEA  
CRISIS

## 09 SHIPPING



HAPAG LLOYD  
HIKES DRY  
CARGO RATES  
FROM CANADA  
TO INDIA AND  
MIDDLE EAST

**Air Freight**  
**Sea Freight**

[www.rightlogistics.com](http://www.rightlogistics.com)



**In close partnership with leading Shipping companies we can offer you a very wide range of services.**

- Door to Door
- Consolidation
- Airport to Airport
- Airport to Door
- Door to Airport
- Direct AWB
- FCL
- LCL
- Buyer's Consolidation



**HAPPY PONGAL**



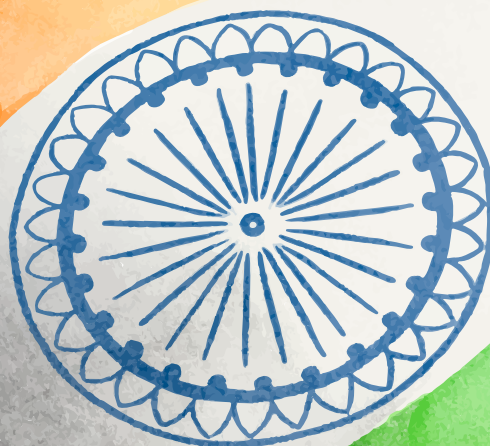
May this auspicious  
occasions brings  
you good health and  
wealth!



*Happy*  
**MAHAR SANKRANTI**



*Happy*  
**REPUBLIC DAY**





# AIR CARGO DEMAND SURGES 10.8% IN DECEMBER, CLOSING 2023 NEAR 2022 LEVELS

The International Air Transport Association (IATA) released data for global air freight markets showing that air cargo demand rebounded in 2023 with a particularly strong fourth quarter performance despite economic uncertainties. Full-year demand reached a level just slightly below 2022 and 2019.

Global full-year demand in 2023, measured in cargo tonne-kilometers (CTKs), was down 1.9% compared to 2022 (-2.2% for international operations). Compared to 2019, it was down 3.6% (-3.8 for international operations).

Capacity in 2023, measured in available cargo tonne-kilometers (ACTKs), was 11.3% above 2022 (+9.6% for international operations). Compared to 2019 (pre-COVID) levels, capacity was up 2.5% (0.0% for international operations).

December 2023 saw an exceptionally strong performance: global demand was 10.8% above 2022 levels (+11.5% for international operations). This was the strongest annual growth performance over the past two years. Global capacity was 13.6% above 2022 levels (+14.1% for international operations).

Some indicators to note include:

- Global cross-border trade recorded growth for the third consecutive month in October, reversing its previous downward trend.
- December inflation in both the United States and the EU as measured by the corresponding Consumer Price Indices (CPI) stayed below 3.5% year-on-year. China's CPI, however, indicated deflation for the third consecutive month, raising concerns of an economic slowdown.

## Air Cargo Market in Detail

DEC. 2023 (%YEAR-ON- YEAR)	WORLD SHARE *1	CTK	ACTK	CLF (%-PT) *2	CLF (LEVEL) *3
Total Market	100%	10.80%	13.60%	-1.20%	45.90%
Africa	2.00%	-1.20%	7.40%	-3.60%	41.00%
Asia Pacific	32.40%	18.50%	31.10%	-5.10%	47.90%
Europe	21.80%	8.60%	7.40%	0.60%	56.20%
Latin America	2.70%	6.40%	3.50%	0.90%	31.60%
Middle East	13.00%	18.30%	17.70%	0.20%	45.50%
North America	28.10%	2.00%	2.40%	-0.20%	40.30%

(\*1) % of industry CTKs in 2022 (\*2) Year-on-year change in load factor (\*3) Load factor level



- Both the manufacturing output and new export order Purchasing Managers Indexes (PMIs) – two leading indicators of global air cargo demand—continued to hover below the 50-mark in December, usual markers for contraction.

“Despite political and economic challenges, 2023 saw air cargo markets regain ground lost in 2022 after the extraordinary COVID peak in 2021. Although full year demand was shy of pre-COVID levels by 3.6%, the significant strengthening in the last quarter is a sign that markets are stabilizing towards more normal demand patterns. That puts the industry on very solid ground for success in 2024. But with continued, and in some cases intensifying, instability in geopolitics and economic forces, little should be taken for granted in the months ahead,” said Willie Walsh, IATA’s Director General.





# INDIAN AIR CARGO: TAKING THE LEAD

With enough effort, the Indian air freight sector may surpass its own high standards and emerge from the competition. However, its capacity to adapt and withstand internal structural difficulties is also a determining factor. January 18, 2024 saw the announcement by the Indian low-cost airline Akasa Air of a definite agreement with Boeing for an additional 150 737 MAX aircraft. 72 Boeing 737 MAX aircraft were ordered by Akasa Air in 2021; in June 2023, an additional 4 737 MAX 8 aircraft were ordered. The airline now has 226 aircraft on order thanks to the new agreement. Currently flying 22 aircraft, Akasa Air will get delivery of 204 more in the future.

"In addition to supporting our rapid domestic expansion, the efficiency and economics of these new aeroplanes position Akasa to launch international routes in the coming months," stated Vinay Dube, founder and CEO of Akasa Air, on the plans.

The Indian airlines are considering moving cargo in addition to the possible earnings from passengers on these recently bought planes. They are committed to having additional cargo planes in order to be flexible in the freight business, as evidenced by the fact that five airlines already hold 15 freighters in total, and more Indian carriers are following suit.

Despite the fact that Indian airlines have a long history of operating

within the country, it's vital to remember that foreign airlines, especially those based in the Middle East, dominate the international cargo market. With the new players and orders, India is indicating that it wants a piece of that market as well.



## Malaysia Airlines plans to expand in India

Malaysia Airlines will soon have a deep codeshare partnership with an Indian carrier as well as further expand its operations to the north east and southern destinations in the country,” according to a top official.

Malaysia Airlines, the national carrier that is part of the Malaysia Aviation Group, operates a total of 69 weekly flights to nine Indian cities.

In an interview with PTI, Captain Izham Ismail, Group Managing Director of Malaysia Aviation Group, said, “India is an important market for us and we want to be part of the success story of India as a country”.



## Vistara Announces Nonstop Mumbai To Paris with Its Latest Long-Haul Boeing 787

Vistara has added another long-haul flight to Europe to its route network – Mumbai to Paris. The full-service Indian carrier continues expanding its overseas presence, and Mumbai has been central to the plan.

Vistara has announced that it will start flying between Mumbai’s Chhatrapati Shivaji Maharaj International Airport (BOM) and Paris Charles de Gaulle Airport (CDG) from March 28.



## SNIPPETS

### flynas Launches Nonstop Flights To Mumbai

Saudi Arabian low-cost carrier flynas has added two new routes to its ever-expanding network. The new flights to Mumbai, India, and Asmara, Eritrea have been launched within days of each other, as flynas looks to further enhance its global presence in 2024.

Flights to Mumbai started on January 15, with two weekly services on Mondays and Wednesdays. The Asmara flight started just two days later, on January 17, and will also operate twice a week on Wednesdays and Sundays.



### Air India to take delivery of 5 more A350s by June

Air India will add five more wide-body A350 aircraft to its fleet by June, and the process of upgrading 40 of its legacy Boeing 787 and 777 planes will begin in July, its chief Campbell Wilson said on Thursday. As Tata Group’s takeover of loss-making Air India completes two years on January 27, Wilson also said that on average, one aircraft will arrive every six days throughout 2024.

There will be an addition of 5 more A350s, which will progressively take to India’s skies between January and June 2024, the Air India CEO and Managing Director said in a message to the staff.

Air India will also induct 17 A320s and 46 B737s.







## CMA CGM and Air France-KLM end their sharing agreement

CMA CGM and Air France-KLM have announced the termination of their existing agreements, originally planned for ten years, less than a year after formalising their commercial partnership. The decision will be effective from March 31, 2024.

The two companies cite challenges in operating their cooperation optimally due to constrained regulatory environments in certain important markets. The collaboration involved a joint venture between EVP Cargo (Air France-KLM) and CMA CGM Air Cargo, managing a fleet of twelve freighters and utilising the cargo hold capacities of over 160 long-haul aircraft. The companies had received regulatory approvals for this collaboration, except for some key markets.



**we DELIVER. WORLDWIDE**

**RIGHT LOGISTICS**  
Get it delivered the right way!

Call us for your Logistics Solutions :  
+91-44-4216 2727, 91-44-4217 5857  
HQ: Chennai Branches: Mumbai, Delhi, Bangalore, Cochin

## AirAsia launches new routes for India



### KL to Ahmedabad

AirAsia announced a brand new connectivity to its expanding network to India, launching a new route from Kuala Lumpur to India's first UNESCO World Heritage City - Ahmedabad.

This new route, set to take flight on 1 May 2024, will add to the airline's rapidly growing connectivity to India, marking AirAsia's eleventh route to the country, and third new route in 2024 alone. This will also serve as AirAsia's first step into the state of Gujarat from Malaysia, further cementing its foothold in South Asia.

### Between KL & Jaipur

AirAsia has announced its first new route of 2024, with the airline saying that it will begin operating flights between Kuala Lumpur International Airport (KUL), Malaysia, and Jaipur Airport (JAI), India. The four weekly flights start on April 21, 2024, lasting until March 19, 2025.

## Air India Express launches Non-Stop Hyderabad To Riyadh

Air India Express expands its Middle East network by adding a new route connecting Hyderabad with Riyadh in Saudi Arabia.

The airline will offer three weekly flights between the two cities, in addition to its soon-to-be-launched service between Hyderabad and Dammam.





## MSC Air Cargo orders 5th B777F



MSC Air Cargo, the cargo airline launched in September 2022 by container shipping giant MSC Mediterranean Shipping Company (MSC), will have its fifth Boeing B777 production freighter in the fleet by the end of Q1 2024. The cargo airline will operate the brand new production freighter under the Italian air operator's licence (AOC) it has got through the acquisition of AlisCargo Airlines. With this MSC Air Cargo will have its second European gateway to be based in Milan.

## Cargo fleet in India will grow from 15 to 80 over 20 years: Boeing

American airplane manufacturer, Boeing is looking keenly at the cargo division as an investment opportunity in India's civil aviation market. The company expects the India cargo fleet to go up to 80 airplanes over the next 20 years as against the 15 freighter aircraft now. Boeing's interest in the growth of India's cargo fleet comes at a time when news reported late on Thursday that Boeing 747-8 cargo plane with Atlas Air made an emergency landing at Miami International Airport following an engine malfunction. This recent incident adds on to Boeing's existing challenges.



## Air freight rates rise amid Red Sea crisis



Global air freight rates have climbed for the first time in seven weeks ahead of Asia's lunar new year and as attacks on Red Sea shipping prompt companies to secure costlier air cargo space.

The Baltic Air Freight Index, which shows general cargo weekly transactional rates across a number of routes, rose 6.4% in the week to Monday, price reporting agency TAC Index said, reversing declines since a mid-December seasonal peak.

Attacks by Yemen's Iran-aligned Houthi group on vessels in the Red Sea, launched to express solidarity with Palestinians in Gaza, have forced shippers to take longer routes that can add weeks to delivery times.

"The increase is in line with expectations that rates may spike following disruption to ocean shipping in the Red Sea, though sources also point out that rates often rise in the run-up to Chinese New Year" TAC Index said

## Your Global Shipping is Easy to Manage

with our comprehensive multimodal logistics services

- Instant Booking
- Super Efficient Movement
- Deep Tracking
- Quality Assurance



Call us for your Logistics Solutions:  
+91-44-4216 2727, 91-44-4217 5857  
HQ: Chennai Branches: Mumbai, Delhi, Bangalore, Cochin

Our Networks







## Hapag Lloyd hikes dry cargo rates from Canada to India and Middle East

Hapag Lloyd has announced a general rate increase (GRI) from Canada West Coast to Middle East and the Indian subcontinent for dry cargo transported in 20TEU and 40 TEU containers, beginning 1 February.

The new reference rate for such cargo originating from Vancouver, Canada to be offloaded at ports in India, Bangladesh, Pakistan, Sri Lanka, UAE, Qatar, Bahrain, Oman, Kuwait, Saudi Arabia, Jordan, and Iraq, will be \$150 per TEU, the company stated.

This GRI will be applicable to all containers gated in full from 1 February 2024, and will be valid until further notice, the shipping company stated.

Hapag-Lloyd also said it will continue to route its vessels around the Cape of Good Hope until further notice due to Houthi attacks on vessels in the Red Sea. The announcement comes soon after the shipping company announced that it was introducing land corridors through Saudi Arabia to mitigate the impact on its business.



## ONE Announces Order for 12 Methanol Dual-Fuel Containerships

OceanNetworkExpressPte.Ltd.(ONE)says it has signed ship building contracts with Jiangnan Shipyard and Yangzijiang Shipbuilding for construction of 12 13,000 TEU methanol dual-fuel container ships. Each shipyard will build six vessels, and are all scheduled to be delivered beginning 2027, a January 17 announcement from ONE said. The shipping giant said methanol-dual fuel vessels play "a key role in reaching ONE's sustainable goals as part of the Green Strategy." The vessels are designed to flex between methanol and conventional diesel bunker fuel.

## PM Narendra Modi dedicates key marine projects in Kochi

Prime Minister Narendra Modi dedicated projects worth Rs 4,000 crore to the nation on Wednesday.



The projects comprise a 310-metre-long dry dock, constructed to international standards, and the International Ship Repair Facility, India's first fully developed pure ship repair ecosystem. Additionally, the dedication includes the IOCL's LPG import terminal.

Prior to the inauguration, Union Minister of Ports, Shipping & Waterways and Ayush, Sarbananda Sonowal, reviewed the preparation of the projects at CSL. Shri Sonowal said, "India is cruising ahead towards becoming Atmanirbhar. Shipping is no different as we are making a concerted effort to increase Indian flagged vessels and do away with our dependence on foreign vessels to least possible level. In doing so, we are providing requisite impetus to the shipping sector including an ambitious Green Tug Transition Programme which is likely to steamroll India's shipping sector prospects to become global leader in the production of Green Ships. We are also working on building Ship Repair Cluster in Kochi to provide a robust ecosystem for India's shipping industry."

## RIGHT LOGISTICS

*Wishing you*



**ABHINAV C K**  
6th January

For feedback / enquiries, please contact :



Email : [pricing@rightlogistics.com](mailto:pricing@rightlogistics.com)

Visit our Website: [www.rightlogistics.com](http://www.rightlogistics.com)

**Disclaimer:**

The news provided, herein, is a service to the cargo and logistics industry and has been compiled from various sources, deemed reliable and accurate, but could not be confirmed. Readers are advised to independently verify and confirm the authenticity, veracity and validity of the news. Right Logistics will neither accept any responsibility or liability for any errors or omissions in the same, nor entertain any claim for losses or damages, whatsoever, caused by reliance upon such information or services.

**Different  
way of Thinking  
Working**



**Thinking & Working  
differently, is taking care of you**

Our multi disciplinary team offers unequivocal expertise in transportation and logistic needs.