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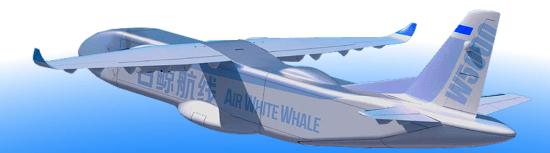
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Delhi taking the lion's share of India's new air cargo capacity

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May the spirit of the festival of lights bring joy, prosperity and love in our lives.

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# MARKE Ex INDIA UPDALE

# OCTOBER 2024

# SEA UPDATE

#### **RATES:**

- India to US West Coast: Increase of 8-10%
- India to Europe: Up by 5-7%
- India to Far East: Stable with slight variations based on specific destinations

#### CAPACITY:

Constrained on major routes, particularly to the US and Europe

#### NOTE:

Booking 2-3 weeks in advance is advised to secure space

# AIR UPDATE

#### **RATES:**

- India to North America: Up by 5-7% due to peak season
- India to Europe: Increase of 3-5%
- India to Middle East: Stable with minor fluctuations

#### CAPACITY:

Tight on major routes, especially to the US and Europe

### NOTE:

Advanced booking of 5-7 days recommended for guaranteed space









# WORLD'S LARGEST CARGO DRONE UNVEILED



In a groundbreaking development, aviation startup Air White Whale has unveiled its W5000, the world's largest-capacity unmanned cargo drone of its kind.

The twin-turboprop aircraft made its public debut at a recent event in Changzhou, in China's Jiangsu province.

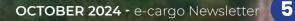
Currently undergoing certification from aviation regulators in China, the car drone's impressive capabilities, including a payload capacity of 5 tonnes and a range of up to 2,600km (nearly five times the distance between New York and Toronto), which could enable the company to revolutionise aviation logistics.

The global average air cargo rate has recently been around \$2.65 per kg, equivalent to approximately \$2,650 per metric tonme, or \$2.65 per tonne-kilometer for shorter to mid-range international routes, according to Stat Times. This rate, however, can vary due to seasonal changes, regional demand fluctuations, and disruptions.

According to IATA, the global air cargo industry registered 20.7 billion cargo tonne-kilometers (CTKs) in July, extending its steady improvement since February.

With its spacious interior cargo space of over 2295 cubic feet, the W5000 is poised to revolutionise the logistics industry by offering efficient and cost-effective transportation solutions.

As the aviation landscape continues to evolve, the W5000 represents a significant step forward towards a future where unmanned aerial vehicles play a pivotal role in global commerce.



MARTE MALL



### e-CARG@ NEWSLETTER

## NINTH STRAIGHT MONTHS OF DOUBLE-DIGIT GROWTH FOR AIR CARGO IN AUGUST

The International Air Transport Association (IATA) released data for August 2024 global air cargo markets showing continued strong annual growth in demand.

Total demand, measured in cargo tonnekilometers (CTKs\*), rose by 11.4% compared to August 2023 levels (12.4% for international operations). This is the ninth consecutive month of double-digit year-on-year growth, with overall levels reaching heights not seen since the record peaks of 2021.

Capacity, measured in available cargo tonne-kilometers (ACTKs), increased by 6.2% compared to August 2023 (8.2% for international operations). This was

largely related to the growth in international belly capacity, which rose 10.9% on the strength of passenger markets. Industry-wide capacity has reached an alltime high.



## NAVI MUMBAI INTERNATIONAL AIRPORT WELCOMES FIRST FLIGHT

The airport will have a capacity to handle 800,000 metric tons of cargo and 90 million passengers per year in its initial phase.

The inaugural landing of the IAF C-295, a large multi-role tactical airlifter,



represents a significant milestone in the Adani Group's development of the greenfield international airport, which started in August 2021, during the pandemic, and is scheduled to be operational in early 2025, says an official release. Navi Mumbai Airport is having stateof-the-art facilities, including a 3,700-meter capable of handling runway large commercial aircraft, modern passenger terminals, and advanced air traffic control systems. The airport will ultimately have a capacity to handle 800,000 tonnes of cargo per year in its initial phase, the release added.

YOUR CARGO IS IN

SAFE HANDS

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## UNITED AIRLINES LAUNCHES DIRECT FLIGHTS FROM NEWARK TO MARRAKECH,

United Airlines has officially launched direct flights from Newark Liberty International Airport (EWR) to Marrakech Menara Airport (RAK), making it the first U.S. carrier to serve the iconic Moroccan



city. This move cements United's growing presence in Africa, adding Marrakech as its fifth African destination and highlighting the airline's commitment to expanding routes and connectivity to the continent.



## DELHI TAKING THE LION'S SHARE OF INDIA'S NEW AIR CARGO CAPACITY

Increased demand for airfreight out of India has seen global capacity from the subcontinent rise 7% this year so farbut it's a tale of two airports, with Delhi taking on the bulk of the extra supply.



As a result, Delhi Airport is becoming congested

Capacity out of the Indian subcontinent to Europe was up 10% last month, year on year, and up 9% year to date, according to Rotate's capacity database. To North America, capacity was up 8% in the year.

But drilling down to individual airports shows that this year so far, capacity out of Delhi to North America was up 10.5%, while Mumbai was up just 2.6%. Last month, capacity out of Mumbai was more than 11% below last year.

To the EU, Delhi capacity went up 9.4%, but just 1.6% in Mumbai in the year so far. Last month, Mumbai's capacity fell nearly 12% over 2023, while Delhi's surged more than 19%.



## PUNE AIRPORT RECORDS 100 METRIC TONS OF CARGO MOVEMENT ON SINGLE DAY

The Pune International Airport, operated by AAI Cargo Logistics and Allied Services (AAICLAS), surpassed 100 metric tons (MT) of cargo movement in a single day on October 24, making it the first non-metro airport in the AAICLAS network to reach this benchmark.

The major commodities handled by PIA in cargo shipping include pharmaceuticals at 10 percent, automotive parts at 20 percent, perishables at 30 percent, followed by e-commerce at 20 percent and general cargo at 20 percent.



### EGYPTAIR CARGO RESUMES FLIGHTS TO THE US AFTER AN EIGHT-YEAR HIATUS

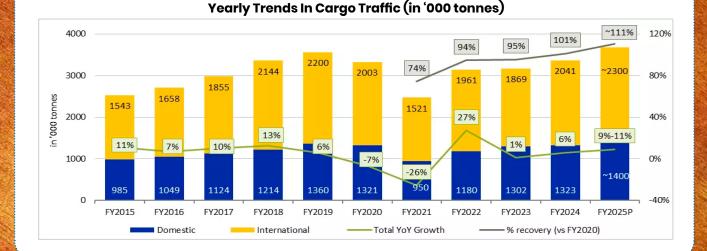
EgyptAir Cargo has resumed flights from Egypt to the United States, marking a significant milestone after a pause that lasted over eight years, as confirmed by Egypt's Ministry of Civil Aviation. The resumption of these cargo flights follows a comprehensive review of security measures and inspections conducted by the US Transportation Security Administration (TSA) at Cairo International Airport, encompassing EgyptAir passenger and cargo flights.

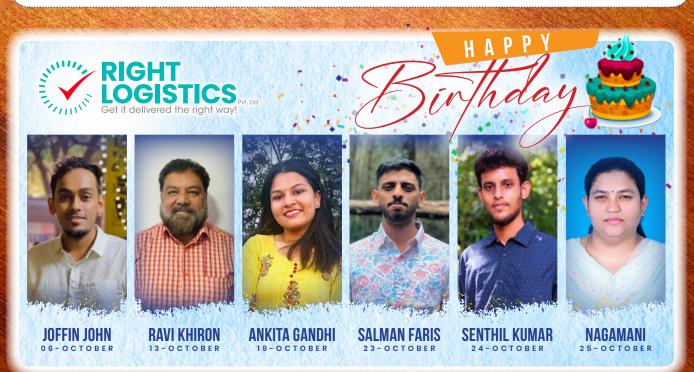


## Indian air cargo volumes to witness new highs in FY2025: ICRA

With an 11–13% increase in international cargo and a four–6% increase in domestic cargo, the overall volume of air cargo is likely to increase by 9–11% YoY to around 3.6–3.7 million metric tons in FY2025. The international cargo volumes have seen a muted YoY rise of one percent in HIFY2024 on the back of the slowdown in the global economy and geopolitical conflicts, according to the latest update from rating agency ICRA. "However, the international cargo volumes have seen a healthy expansion of 18 percent in H2FY2024 amid the Red Sea crisis, which started in October 2023. Consequently, the seaborne cargo traffic was impacted, which in turn benefitted international air cargo traffic."

ICRA's outlook on airport infrastructure is stable, with revenues from ICRA's sample set (Airports Authority of India, Delhi, Hyderabad, Bangalore, and Cochin International airports) likely to grow by around 12–14 percent YoY in FY2025, supported by the sustained improvement in both domestic and international passenger traffic, an increase in tariffs at some of the major airports, and a ramp-up in non-aeronautical revenues.







## **PASSENGER RUSH TO ATTEND FESTIVALS PUTS A STRAIN ON INDIA'S AIR CARGO FLOWS**

Indian air freight forwarders and shippers are reporting a severe strain on airline bellyhold capacity due to festival-linked passenger traffic.

Various Indian Hindu festivals run between September and November, with Diwali-the festival of lights-the biggest celebration, starting on 31 October.

Industry sources complain that the cargo capacity crunch is seriously impacting supply chains, especially time-sensitive or perishable cargo movements.

Ecommerce parcel deliveries, which generally see an uptick during this period, are also facing acute pressures due to airline capacity shortages and delays





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## **AIRLINES BEGIN TO CIRCLE 'CARGO GAME-CHANGING' NAVI MUMBAI AIRPORT**

Adani Group's newest flagship airport project at Navi Mumbai, on the outskirts of the city, seems to have become a strong bet for airlines and related logistics stakeholders looking to capitalise on India's air cargo boom, propelled by manufacturing expansion and e-commerce demand.

Navi Mumbai International Airport (NMIA) is scheduled to begin commercial operations next spring, with March 31 as its official launch date.

NMIA claims some significant "cargo green shoots" from the potential synergies between transport modes, given its proximity to the Nhava Sheva seaport, which accounts for the lion's share of India's export/import containerised trade, and the region's logistics service clusters.

According to industry sources, several domestic and foreign airlines active in the Indian skies are close to signing on to begin schedules out of NMIA, a project designed to de-congest Mumbai Airport and keep pace with the country's burgeoning air traffic demand.

The new airport has been designed with a sophisticated integrated air cargo terminal, featuring some 36,000 square meters of space for domestic and some 25,500 square meters for international cargo. Current estimates are that it will have capacity to handle 800,000 metric tons of cargo in the first phase of operations.





## INDIAN EXPRESS OPERATORS HIKE 2025 PRICES AS DEMAND GROWS

Express parcel service providers are looking to capitalise on strong e-commerce demand out of India, propelled by accelerated economic development and rising middleclass spending on discretionary products.

Major international and domestic parcel integrators have announced significant general rate increases for 2025.

DHL Express will implement a 6.9% rate hike from 1 January for Indian customers. The market leader said the upward price adjustment was necessary to recoup the higher operating costs due to inflationary pressures, currency fluctuations, and security factors.

And domestic players have lined up even higher rate increases for the new year. Blue Dart Express, India's largest freighter airline and part of DHL Group, will push its rate scale up 9% to 12%, depending on product type and shipper profile.

Mumbai-based Allcargo Group advised customers rates at its express distribution arm, Gati, would rise 10.2%, a hike the Shashi Kiran Shetty-led group claimed was the first since it acquired the parcel integrator in 2019.



## SEALEAD'S NEW RED SEA SERVICE CONNECTS MEDITERRANEAN FROM JEBEL ALI

SeaLead has announced the launch of its new direct liner service, the Mediterranean Gulf Express (MGX) to enhance connectivity the Middle between East and the Mediterranean regions by facilitating direct access through the Red Sea. The MGX service will operate on a weekly basis, providing dedicated shipping routes that connect Jebel Ali, Djibouti, Aliaga, and Damietta. Designed to boost regional trade efficiency, this new service will offer direct, reliable access to Mediterranean ports, significantly improving transit times for SeaLead customers. The inaugural vessel will depart on 24 October 2024. Key highlights of the MGX service include a feeder vessel network from Türkiye connecting with Libya, Morocco, Tunisia, Algeria, Senegal, Spain, Greece, Bulgaria, Georgia, Lebanon, and Romania.

## MSC PORT ROTATION CHANGE - USA TO SAEC SERVICE

In order to maintain schedule reliability, MSC will adjust the rotation of its USA to SAEC service. Consequently, Port Everglades will be reintroduced and the port of Navegantes will be replaced by Itajai, from vessel MSC ALMA VII voyage number 443A/448R.

The new rotation will be as follows:

New York – Norfolk – Baltimore – Charleston – Savannah – Port Everglades – Freeport – Cristobal – Santos – Buenos Aires – Montevideo – Rio Grande – Itajai – Paranagua – Santos – Rio de Janeiro – Salvador – Colon/Cristobal – Freeport – New York





## INDIA TAKES RMG MARKET SHARE FROM STRIFE-RIDDEN BANGLADESH

Indian apparel industry stakeholders appear to have tasted some early incremental gains from the turmoil plaguing Bangladesh trade after the recent political upheaval that dethroned the government.

According to the latest data, India's ready-made garment (RMG) exports, by value, in August surged 12% year on year, the highest monthly expansion in the fiscal year that began in April.

According to available data, Chittagong Port has seen fewer export containers in the past two months, a sign that RMG exports were under stress as global importers remained wary of shouldering the risk of unpredictable production schedules and delivery commitments from the political tension.

Bangladesh's main cargo gateway saw containerised exports in September dip to 75,603 teu from 78,146 teu in August. However, import flow ticked up to 117,402 teu from 114,708 teu, as origin points seem to have cleared some input goods order backlogs that had to be suspended earlier, data shows.

Back in India, there is a general view that local exporters—battling a slowdown in demand—must exploit the opportunities from potential trade shifts from Bangladesh, despite the inherent competitive challenges in the absence of duty-free access in major markets.

AEPC and other fellow representative bodies, supported by the government, have been trying to break into new target markets, with some results. Indian RMG exports to Japan, Korea, Australia, Mauritius, and Norway recorded significant gains in fiscal Q1, according to industry data.



India's overall merchandise exports took a hard beating in August, down 9% year on year, after a moderate fall in July, so any additional RMG demand becomes a boost for the country, especially as trade challenges heighten due to the tense West Asia situation.

## UNION HOME MINISTER INAUGURATES CARGO GATE 'MAITRI DWAR' AT INDIA-BANGLADESH BORDER

Union Home Minister Amit Shah has inaugurated the newly constructed passenger termi-



nal building and a cargo gate named 'Maitri Dwar' at the Land Port in Petrapole, on the India-Bangladesh border in West Bengal today. The Petrapole Land Port, situated in Uttar 24 Parganas district, is the largest land port in South Asia and serves as a vital gateway for trade and commerce between the two countries. The 'Maitri Dwar' cargo gate is a joint facility agreed upon by both countries. Mr. Shah laid the foundation stone for this project on May 9 last year.

## BIHAR'S FIRST DRY PORT ICD INAUGURATED AT BIHTA

The Government of Bihar inaugurated the state's first dry port and Inland Container Depot (ICD) at Bihta on October 21, 2024. The state-ofthe-art facility is developed by Pristine Magadh Infrastructure Pvt. Ltd.

It has been designed to facilitate smooth inbound and outbound cargo movement by rail and road, the dry port will enhance the state's trade capacity, promote exports and imports, and attract significant investment in the region.

It is connected by rail to the major gateway ports of Kolkata, Haldia, Visakhapatnam, Nhava Sheva, Mundra, and the major national and international trade routes.

#### For feedback / enquiries, please contact :



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