



XENETA

Air Freight

State of the Market Webinar

April 2023





Our mission is to drive your business success by leveraging the **world's largest real-time, independent database** of ocean and air freight rates.

Crowdsourced from our customers

300m+

rates used for calculation

160k+

port to port pairs

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10m+

new rates per month

40k+

airport to airport pairs

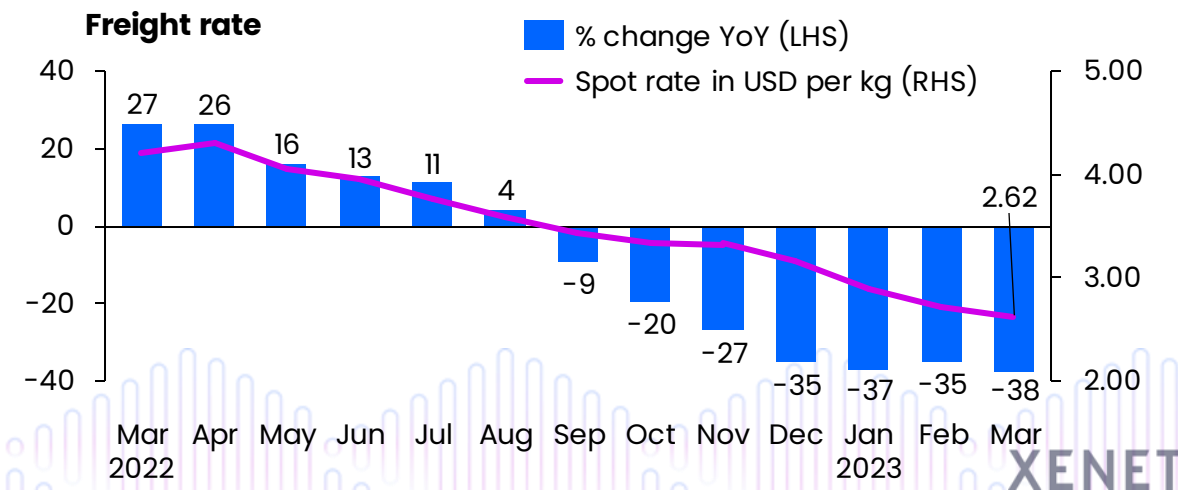
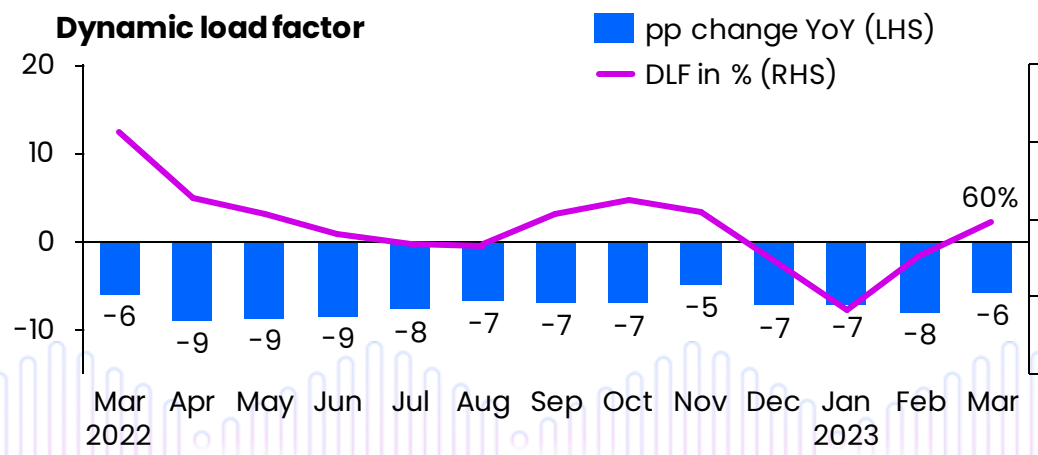
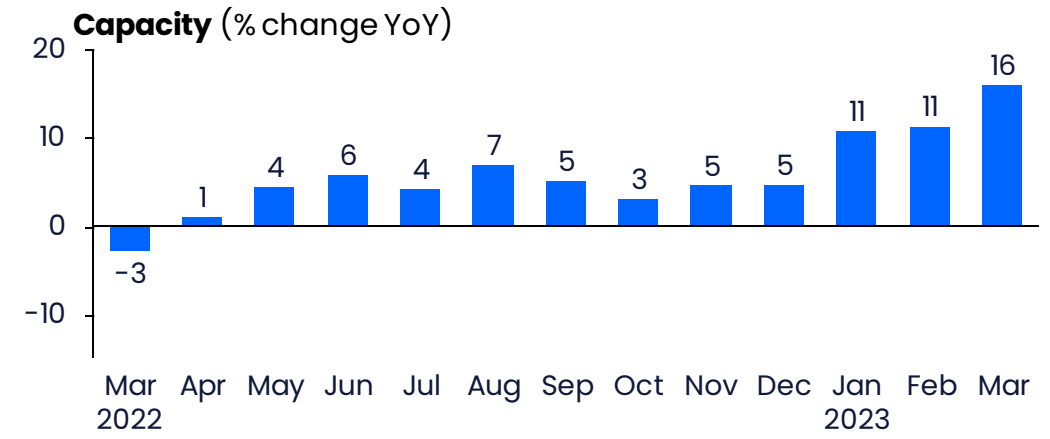
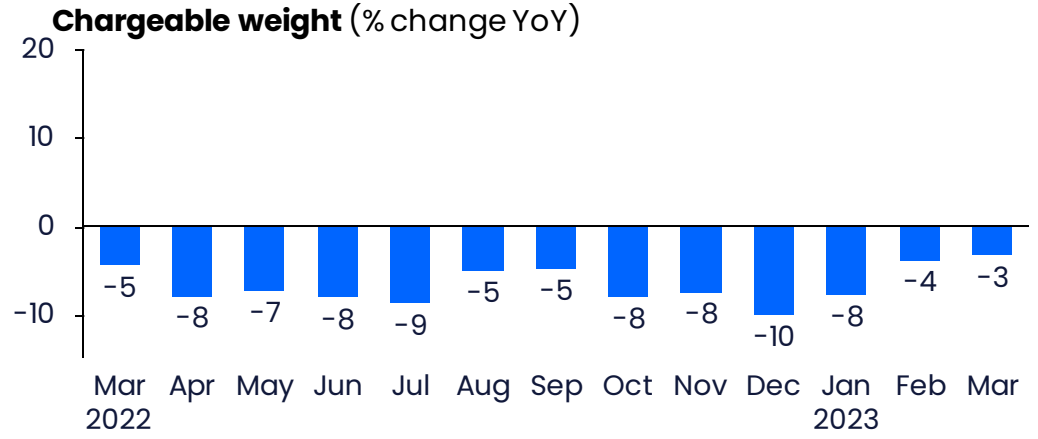
Xeneta has more temperature-controlled BCO rate data than any other air freight rate provider in the market.

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The decline of global air cargo volumes slows in March

Global air cargo volume, capacity, load factor and freight rate developments





Transpacific eastbound load factor increase is the exception to the rule...

March 2023 dynamic load factor for regional flows (Weeks 9-12 of 2023 compared to similar weeks in 2022)

North America		
To	DLF	vs '22
EU	54%	- 13%
ME	54%	- 6.1%
AP	52%	- 22%
LA	61%	+ 3.2%

Europe		
To	DLF	vs '22
AP*	50%	- 12%
ME	66%	- 9.7%
NA	67%	- 15%
LA	59%	- 1.9%

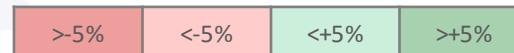
Asia Pacific		
To	DLF	vs '22
EU*	78%	- 8.4%
ME	76%	- 8.7%
NA	89%	+ 1.2%

Latin America		
To	DLF	vs '22
NA	82%	+ 2.0%
EU	48%	- 3.5%

Africa		
To	DLF	vs '22
ME	47%	+ 3.0%
EU*	55%	- 1.4%

Middle East & C. Asia		
To	DLF	vs '22
EU	67%	- 6.9%
AP	40%	- 15%
NA	70%	- 4.4%
AF	55%	- 2.4%

Year-over-year (YoY) percentage points difference:



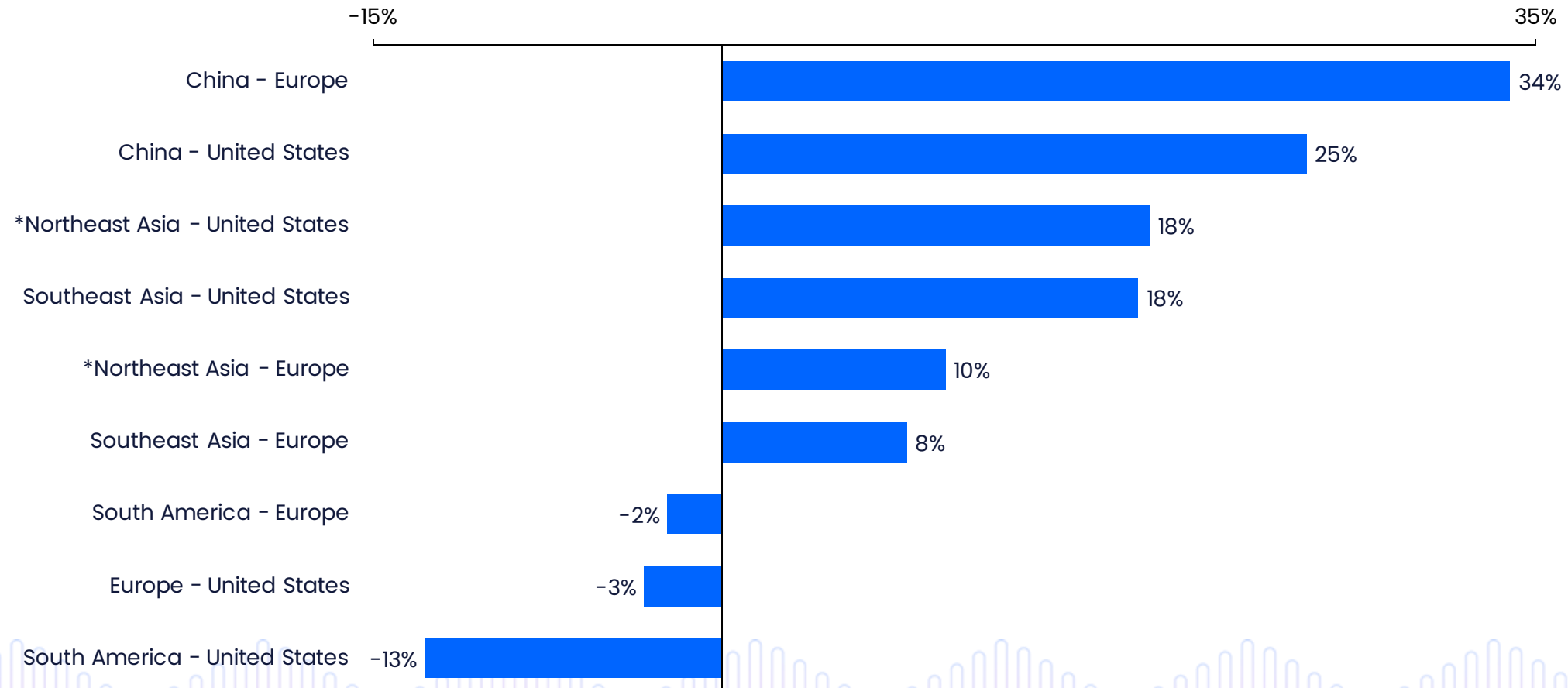
*The dynamic load factor and capacity analyses for these lanes also include the flights between Asia Pacific/Africa and Middle East
Notes: Dynamic load factor (DLF) is in absolute percentage and Year over year growth (YoY) is based on the change in percentage points

Source: Xeneta



Market seeing a mixed picture as cargo volume growths vary from -13% to 34%

March 2023 cargo chargeable weight developments on selected corridors (Month-over-month changes, in %)

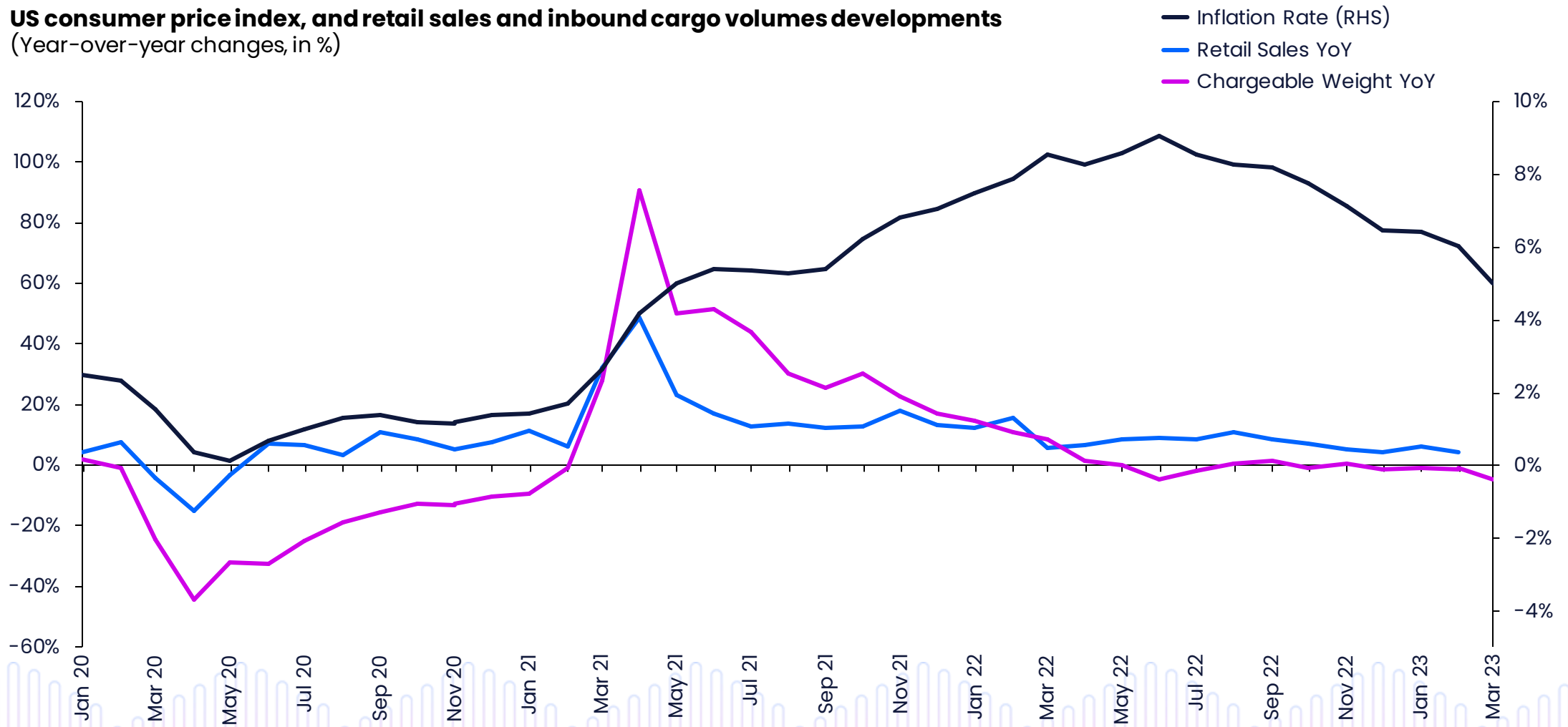


* Northeast Asia refers to Hong Kong, Japan, South Korea, Taiwan, excluding mainland China.



Inbound US cargo volumes declined further YoY as inflation hit

US consumer price index, and retail sales and inbound cargo volumes developments
(Year-over-year changes, in %)



Source: Xeneta, US Census Bureau, US Bureau of Labor Statistics



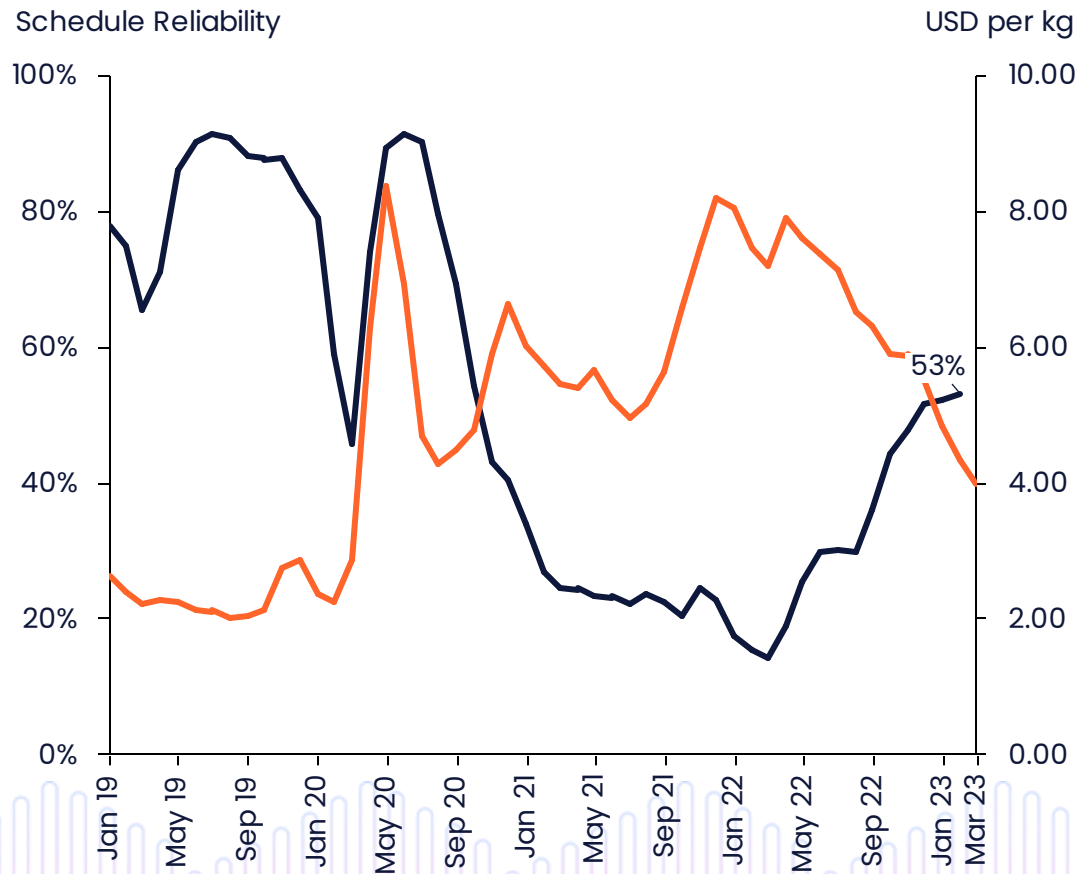


When ocean reliability goes up, air freight rates go down

Northeast Asia to Europe air freight rates and ocean reliability

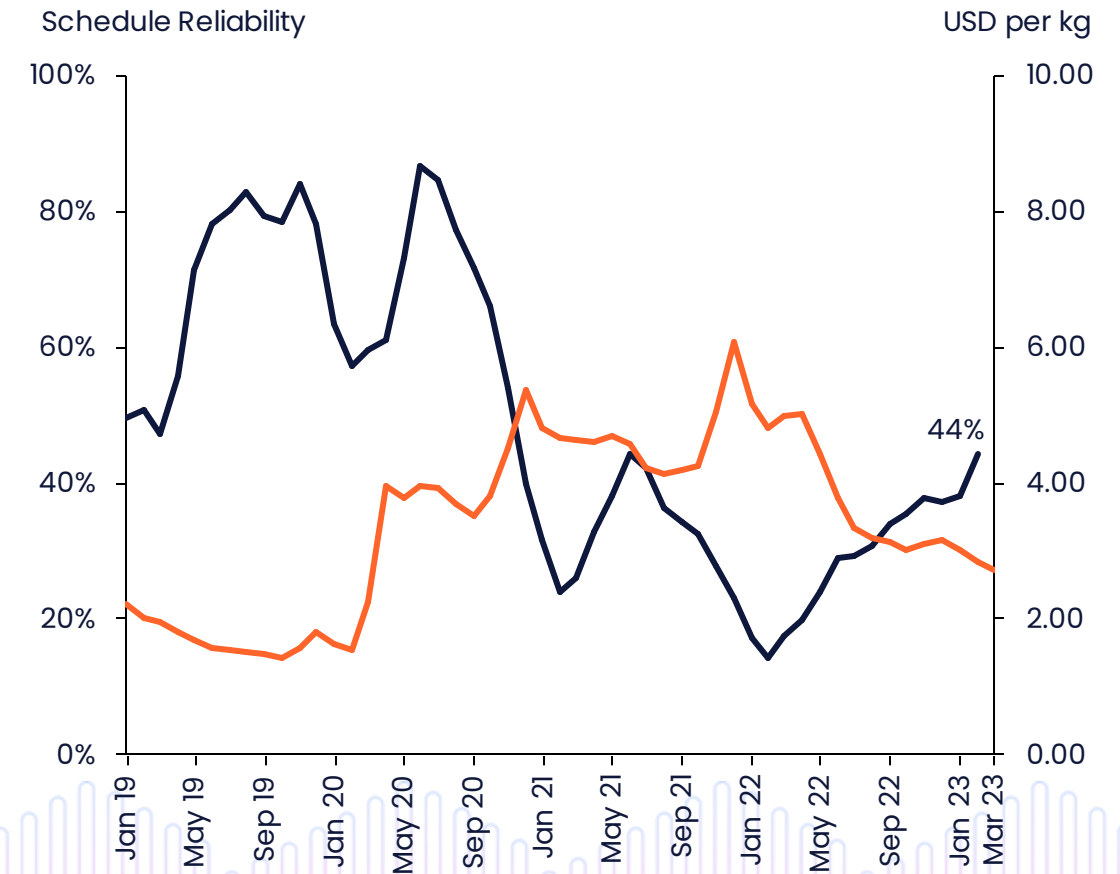
(Reliability in % and rates in USD per kg)

- Air Spot Rate (RHS)
- Ocean Schedule Reliability



Europe to the US air freight rates and ocean reliability

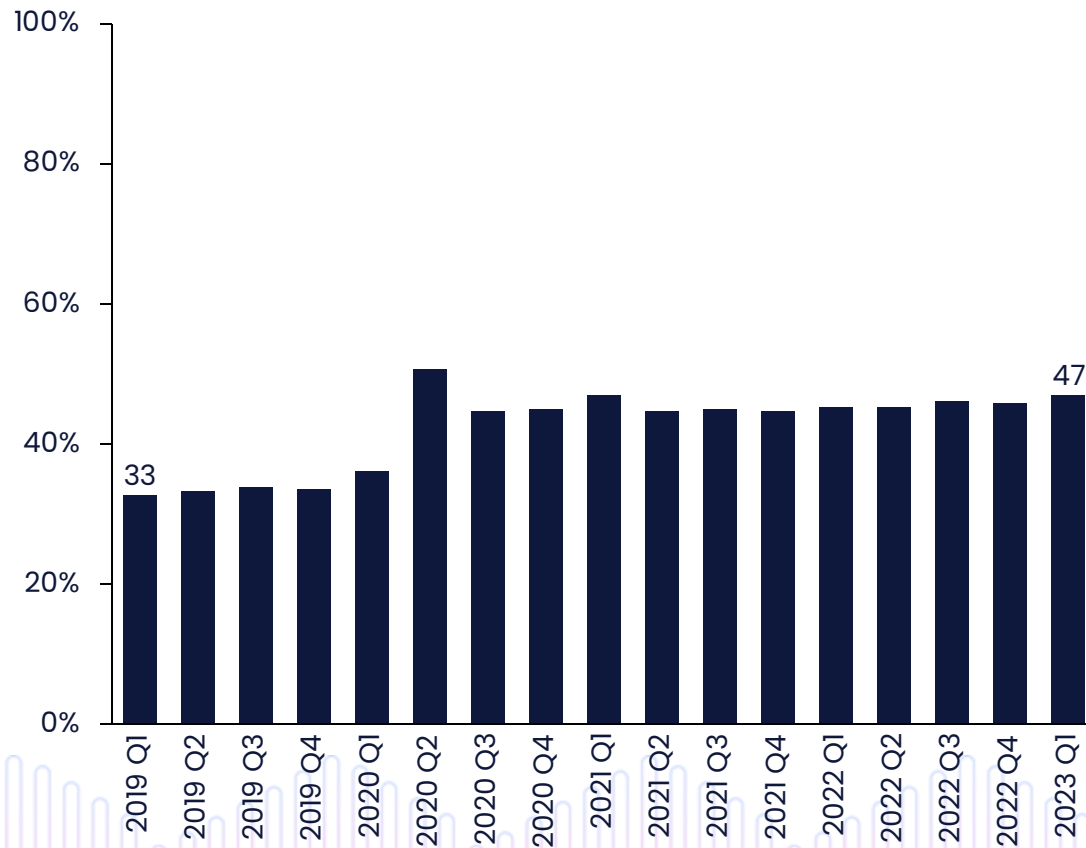
(Reliability in % and rates in USD per kg)





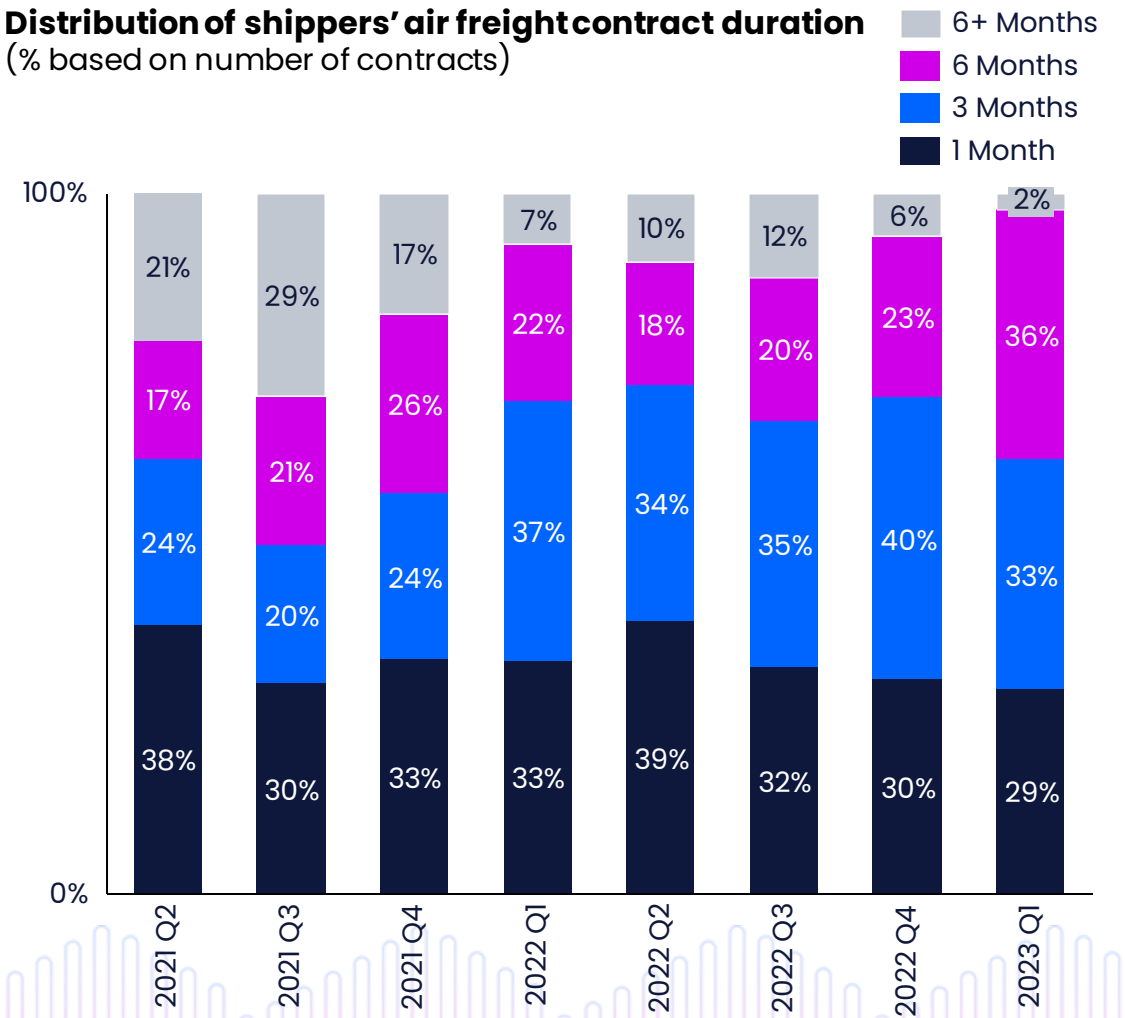
FFs buying shorter-term rates from airlines, while selling longer-term to BCOs

Airlines' share of freight volume in spot market (Rates in spot market valid for up to 1 month)



Source: Xeneta

Distribution of shippers' air freight contract duration (% based on number of contracts)



Notes: 1 Month refers to contracts valid for up to 1 month, 3 Months refer to contracts valid for longer than 1 month and up to 3 months, etc.

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Recent comments from CFO Lululemon: restocking mid-year not that likely...



“I don’t know many retailers, at least that we deal with, which are sitting on huge excess stock. I think the talk of restocking mid-year is a bit of a nonsense, unless disposable income becomes available – which it can’t, and won’t.”

Ms Meghan Frank
CFO Lululemon



Thanks!

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