



Welcome to the April 2008 newsletter.

At MARCH Logistics, we aim to keep you informed. This newsletter includes general news, details of new services and changes in pricing and surcharges. For further information about any of the articles and how they affect your business, please contact us.

If you have any news or issues you would like discussed or included in future editions, drop us a line - we'd love to hear your thoughts and views.

This e-mail and its contents are intended for the benefit of everyone - if you know of someone that will benefit from these newsletters, please feel free to pass this on.

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### **Summary**

*This month, we have profiled the tug boat "Bream Bay" christened at Marsden Point last month. This section gives you the opportunity to learn a little more about the vessels and service providers that enable your cargo to move from your supplier or to your client. If there is a particular vessel or service provider that you would like profiled in future editions, please drop me a line and we will endeavour to profile accordingly.*

In the General News section, there are three articles with commentary about the December quarter current account deficit figures. All have the general view that the deficit is high but heading in the right direction. There also follows an interesting article about New Zealand's terms of trade.

Next, the Reserve Bank Governor, Alan Bollard recently signaled to a group of Sydney's business leaders that they were comfortable with current interest rate levels and that no rate cuts were visible on the horizon. This gives an indication of what might be happening with exchange rate levels in the near future however there also other factors at play in the global market that are well documented that may impact on foreign currency levels.

No doubt we'll hear a lot more about the Free Trade Agreement between New Zealand and China in the coming of weeks however a recent opinion piece by Fran O'Sullivan is worth a read. The article covers some of the clauses in the agreement and what they mean for New Zealand. Look out for more information in the May newsletter.

Following on in the China theme is a Q&A article about doing business in China by a New Zealander living there and doing business. For those that are trading with or planning to trade with China, this article is worth a read.

Lastly in the General News section is the link to a profile about New Zealand's key involvement in world dairy trade. As New Zealand's largest export earner, this makes for interesting general reading.

I would recommend that importers and exporters from/to all parts of the world read through the shipping notices this month as there is a notice relating to most countries. In general however, the April BAF notices point to a reduction in BAF levels. There is a surcharge coming in to place as of this month for all cargo from/to Melbourne covering dredging of the channel and a reminder that for cargo from North Europe to New Zealand, that the ocean freight rates and BAF currency are changing to EURO dollars.

Read on...

### **This month's profile**

NorthTugz, a joint venture by Ports of Auckland Limited and Northport Limited, christened a new tug, Bream Bay, following her 700-hour voyage from the shipyard in Vietnam to Marsden Point in March. Bream Bay, named after the bay that extends from Bream Head at the Whangarei Harbour entrance to Bream Tail 20 kilometers south, joins another modern tug, Takahiwai, a smaller tug and two lines boats. She will replace the 23-year-old tug Hauraki, which will be sold. The new tug, which achieved a top speed of 12.8 knots and almost 70 tonnes bollard pull during sea trials, is the 13th ASD 2411 series tug by Damen.



### **General News**

- **December quarter current account deficit better than expected.** New Zealand's balance of payments deficit in the December quarter was \$3.09 billion, substantially better than economists' forecasts of \$3.5 billion. [http://www.nzherald.co.nz/section/3/story.cfm?c\\_id=3&objectid=10500455](http://www.nzherald.co.nz/section/3/story.cfm?c_id=3&objectid=10500455)
- **Deficit high but 'heading in the right direction'.** The gap between what New Zealand spent abroad and what it earned narrowed over the last three months of last year, but banks are relying increasingly on short-term borrowing to fund the deficit. [http://www.nzherald.co.nz/section/3/story.cfm?c\\_id=3&objectid=10500567](http://www.nzherald.co.nz/section/3/story.cfm?c_id=3&objectid=10500567)
- **Deficit reduced by oil and dairy income.** The gap between what New Zealand spends overseas and what it earns is shrinking. High world prices for

butter and cheese, and the first flush of oil from the Tui oilfield, gave us a stellar quarter for exports, helping reduce the balance of payments deficit by \$489 million to \$3.09 billion, seasonally adjusted for the December quarter.

[http://www.nzherald.co.nz/section/3/story.cfm?c\\_id=3&objectid=10500902](http://www.nzherald.co.nz/section/3/story.cfm?c_id=3&objectid=10500902)

- **Export buying power highest for 34 years.** The international purchasing power of New Zealand's export dollar has strengthened further, to the most favourable level in 34 years, though economists warn it may be near its peak. [http://www.nzherald.co.nz/category/story.cfm?c\\_id=34&objectid=10497561](http://www.nzherald.co.nz/category/story.cfm?c_id=34&objectid=10497561)
- **Forget interest rate relief – Bollard.** The Reserve Bank is comfortable with interest rates at the current level and signaled no rate cuts on the horizon, as domestic inflation pressures outweigh risks from international market turmoil. [http://www.nzherald.co.nz/section/3/story.cfm?c\\_id=3&objectid=10500874](http://www.nzherald.co.nz/section/3/story.cfm?c_id=3&objectid=10500874)
- **Fran O'Sullivan: Trade clause a coup for NZ.** New Zealand has succeeded in gaining "most favoured nation" status from China in the negotiations for the upcoming bilateral free trade deal. [http://www.nzherald.co.nz/section/3/story.cfm?c\\_id=3&objectid=10498946](http://www.nzherald.co.nz/section/3/story.cfm?c_id=3&objectid=10498946)
- **Q & A: Doing business with China - what you need to know.** *Expatriate New Zealander David Mahon has worked in Beijing for more than two decades. His private equity firm Mahon China Investment Management Limited has been in operation through the time of China's emergence as a true global economic power.* [http://www.nzherald.co.nz/topic/story.cfm?c\\_id=193&objectid=10495808](http://www.nzherald.co.nz/topic/story.cfm?c_id=193&objectid=10495808)
- **Profile highlights New Zealand's key involvement in world dairy trade.** New Zealand accounts for about a third of the entire world trade in dairy products, a recently published profile on MarketNewZealand.com highlights. <http://www.marketnewzealand.com/common/files/NZ%20Dairy%20Industry%20Profile%2007-08.pdf>

## Export News

- Marfret – Introduction of NZ Export Service Charge. Effective mid April, Marfret plan to implement an Export Service charge of NZ\$261/20'GP & NZ\$329/40'GP with a corresponding decrease in pricing of US\$175/20'GP and US\$225/40'GP.

## Australia & Pacific Islands

- Hapag Lloyd from Melbourne. Effective 1 April to 30 June, Melbourne Channel Deepening Surcharge applicable at AU\$31.50/TEU.
- Marfret to Melbourne. Effective 1 April, Destination Terminal Handling charge to increase to AU\$103/20' & AU\$207/40' to include channel deepening surcharge.

## Asia

- MOL for all export cargo via Singapore. Effective 8 April, BAF decrease from to US\$560/20'GP & NZ\$1120/40'GP.
- OOCL to SE Asia. Effective 1 April, BAF decrease from US\$580/20'GP to US\$560/40'GP.
- MOL to North Asia. Effective 21 March, BAF decrease from US\$550/TEU to US\$525/TEU.

## **Europe**

- CMA CGM to Europe. Effective 1 April, BAF set at US\$580/TEU.
- Marfret to Europe. Effective 7 April, BAF reduced to US\$540/20' and US\$1080/40'.

## **North America**

- Hapag Lloyd to North America. Effective 31 March, BAF set at US\$771/TEU.
- CMA CGM to North America. Effective 1 April, BAF set at US\$756/TEU.

## **South America**

- CMA CGM to Caribbean, Central and South America. Effective 15 April, BAF set at US\$514/TEU.

## **Import & Customs News**

### **Australia & Pacific Islands**

- Hapag Lloyd from Melbourne. Effective 1 April to 30 June, Melbourne Channel Deepening Surcharge applicable at AU\$31.50/TEU.
- Marfret from Melbourne. Effective 1 April, Origin Port Service Charge to increase to AU\$70.50/20' & AU\$141/40' to include channel deepening surcharge.
- Swire Shipping from Melbourne. Effective 1 April, Melbourne Channel Deepening Surcharge applicable at AU\$31.50/TEU.
- For LCL cargo, Melbourne Channel Deepening Surcharge set at AU\$2 per w/m.

### **Asia**

- MOL for all import cargo via Singapore. Effective 1 April, BAF decrease from US\$580/TEU to US\$560/TEU.
- OOCL from SE Asia. Effective 1 April, BAF decrease from US\$580/20'GP to US\$560/40'GP.
- MOL from North Asia. Effective 21 March, BAF decrease from US\$550/TEU to US\$525/TEU.

### **Europe**

- Swire shipping from Europe. Effective BOULARIBANK v.224, BAF set at US\$540/TEU. CAF 6.3% on ocean freight.
- Hapag Lloyd from North Continental Ports. Effective 1 April, revised BAF and change of currency to EUR400/TEU.
- Hapag Lloyd from Mediterranean ports. Effective 1 April, BAF set at US\$585/TEU.
- CMA CGM from Europe. Effective 1 April, BAF set at US\$552/TEU.
- Maersk from Mediterranean ports to New Zealand. Effective 1 April, revised BAF and change of currency to EUR347/20' & EUR694/40'.
- Maersk from North Europe ports to New Zealand. Effective 1 April, revised BAF and change of currency to EUR351/20' & EUR702/40'.

- Hapag Lloyd from North Europe ports. Effective 1 May, implementation of Low Sulphur Surcharge of EUR7 per container.

### **North America**

- Hapag Lloyd for cargo via Panama Canal. Effective 1 May, surcharge to increase to US\$125/TEU.

All the best for the coming month,

### **Glen McLuckie**

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