

Dear partners!

COVID-19 pandemic is changing global markets and makes enterprises and consumers transform their behavior model. Meeting new challenges logistics companies, as a part of global economy, have to respond promptly and offer new solutions to their partners. After analyzing the circumstances we are ready to share our expert review on the current situation and possible actions to be carried out by companies nowadays.

Problem:

global economic collapse and its malign influence on the transport market

According to the forecast, the second quarter of 2020 will show 4.9-6.5 % economic decline as compared with the fourth quarter of 2019. COVID-19 pandemic has affected all the logistics sectors worldwide (sea line import decrease by 15% in USA during the first half of March, 10-11% cut of container cargo turnover in China and USA in January and February 2020, 7% cargo turnover decrease in main European container terminals in January-March 2020).

Necessary actions to be carried out by a company in the current situation:

Long-term planning of the logistics for the production support
Focus on management of cash resources and current assets.

PJSC TransContainer's recommendations

- Taking into account the impact of COVID-19 and ruble depreciation, export transportation is the key growing traffic. Increase in export transportation volume yields major influence on availability of export freight capacity. We would advise fixing the terms of cooperation between logistics chain members as more in advance as possible.



- Import operations require logistics companies to give a quick response to the market changes in case of railway transportation. E-commerce is one of the growing sectors during the pandemic. The product volume accumulated in China together with manufacturing recovery resulted in higher rates for transportation by sea, air and by road. Due to the rate changes, the railway transportation conditions shall be determined beforehand for a long term which is economically advisable under foreseeable import volume.
- With increasing turnover and confirmed payment discipline in the past, we are ready to make prompt short-term increases in the credit limit.
- Transit transportation: since the railway transport undergoes the least quarantine restrictions, it is the most reliable and sustainable (in terms of delivery time and cost) kind of transportation between China and Europe. At the moment there is a lack of containers at Chinese terminals because of unbalanced arrival of equipment from USA and Europe. Thanks to accumulated rolling stock in China and additional fleet of new containers at depots, PJSC TransContainer is ready to provide its customers with equipment for loading in due time.

We are ready to find the most effective logistics solution for each of your particular issue. You can address:

your personal company's manager,

via e-mail: trcont@trcont.com

via multichannel hotline

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8 800 100 22 20 (in Russia, 24/7, free).

We will respond to all the inquiries in the shortest possible time and certainly find a solution to meet your requirements.

