

CUSTOMER ADVISORY

Shipment Delays, Congestion, and Rising Freight Rates at
Singapore's Ports | 5 JUNE 2024



Recent developments in the logistics sector have led to [significant shipment delays and congestion at Singapore's ports](#). These delays have more than doubled due to a shortage of ships and containers, alongside severe port congestion. This could translate into higher prices for consumers amid an impending supply chain crisis. The situation has been exacerbated by recent trade policies and increased export activities from China.

Key Information:

- **Shipment Delays:** Ships now take approximately seven days to berth in Singapore, compared to one to two days previously.
- **Port Congestion:** Singapore's port has seen a sharp rise in ship arrivals, receiving around 1,000 ships this month, up from just over 600 in April.
- **Increased Costs:** Container prices have surged dramatically in China over the past two months. Shipping costs for large products have tripled, and container freight rates have also soared across various routes.
- **Freight Rates Impact:** Sharp increases are impacting container freight rates from Shanghai to the east coast of South America and similar increases are observed on routes from Asia to Europe and the U.S., affecting both north-south and intra-Asia routes.

These disruptions, coupled with soaring freight rates and the risk of higher consumer prices, pose significant challenges. Understanding the situation and planning accordingly can help mitigate their impact.

KWE aims to mitigate any disruptions to client supply chains and will continue to monitor the situation as it develops. Customers with concerns, please contact customer support or your sales representative for further assistance.