



THE WAY FORWARD



MARCH 2024

GEMADEPT NEWS

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WORLD NEWS

OCEAN ALLIANCE EXTENDS PARTNERSHIP TO AT LEAST 2032



The CEO's of CMA CGM Group, COSCO SHIPPING, Evergreen and OOCL on 27 February signed an agreement to extend the operational cooperation of their shipping lines within the OCEAN Alliance for at least another five years. The four carriers started their formal cooperation in April 2017, initially for a period of five years, but in early 2019 agreed to extend the alliance through 2027.

With an additional five years now agreed, CMA CGM, COSCO SHIPPING, Evergreen and OOCL are to remain alliance partners until at least 31 March 2032. It is an annual tradition for the four carriers to meet in the first quarter and present their revised East-West network for the upcoming year.

This was not the case this time around and the signing ceremony at Shanghai was clearly intended to send a message of stability and planning security to clients of all OCEAN members. It underlines that none of the four carriers intends to change its allegiance and trigger an alliance reshuffle.

INDO-PACIFIC SUPPLY CHAIN STABILIZATION AGREEMENT

The agreement to ensure supply chain stability, with the participation of the US, Japan and economies in the Indo-Pacific region, took effect from February 24.

This is considered the first multinational agreement to outline steps to strengthen cooperation when serious supply chain disruptions occur in the region.



The agreement was negotiated by the parties under the Indo-Pacific Economic Cooperation for Prosperity Framework (IPEF) to be implemented in 2022, allowing countries to support each other to ensure essential items in the times when supply chains are disrupted, such as during a pandemic.

Countries participating in the IPEF negotiations will also establish a Supply Chain Crisis Response Network, providing an emergency communication channel and enhancing information exchange, providing a platform to request and request assistance in the response.

IPEF currently includes 14 countries participating in negotiations, accounting for about 40% of global gross domestic product (GDP), including Australia, Brunei, Fiji, India, Indonesia, Japan, Malaysia, New Zealand, Philippines, Singapore, and South Korea. China, Thailand, America and Vietnam. The countries have reached agreements in almost every pillar, except trade.

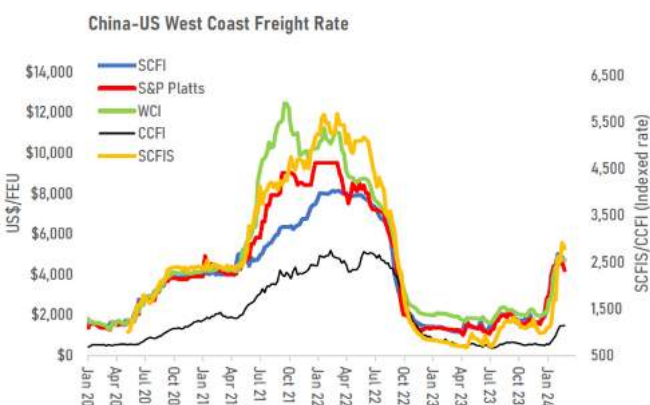
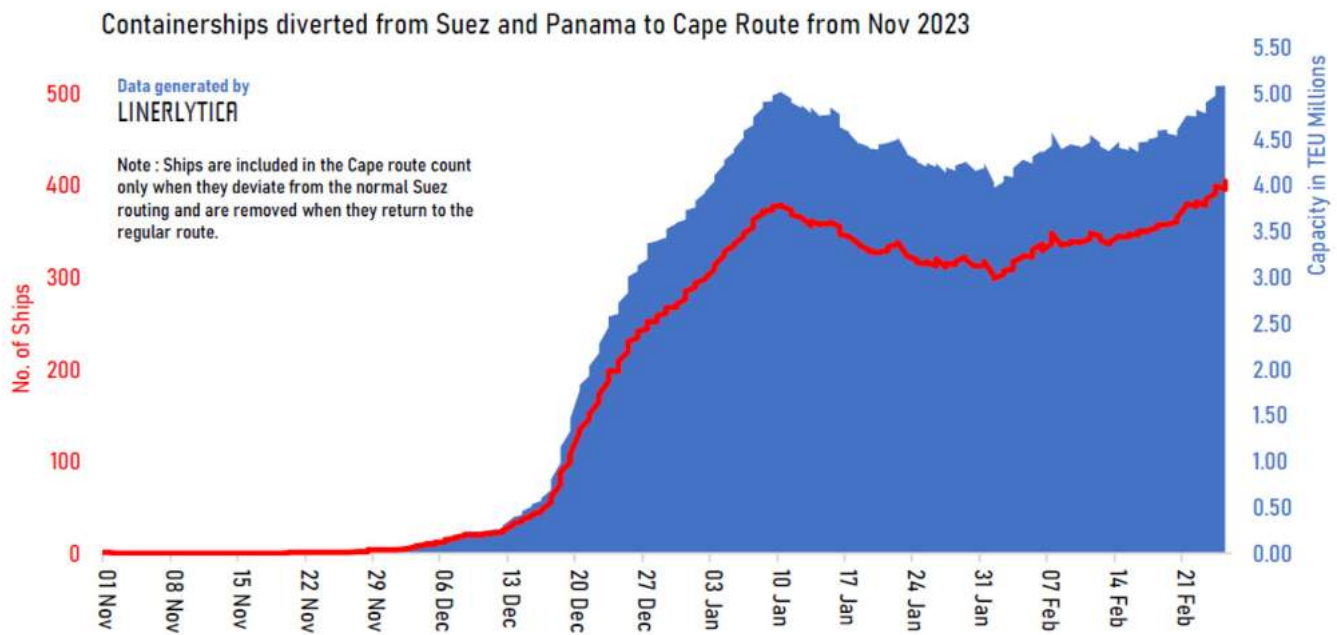
WORLD NEWS

RED SEA CRISIS: FOLLOWING THE FLOW & IMPACT

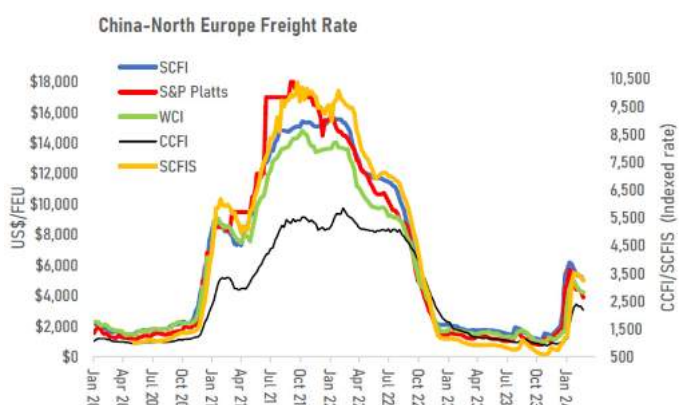
The Red Sea crisis continues to drive the container market as the number of ships diverted to the Cape route hit a fresh high with no signs of abating. The Cape diversions and incremental capacity needed to connect to Red Sea and Med ports already soaking up more than 7% of the global containership fleet. The ship shortage has already driven up charter rates by 30% since the end of December. Capacity on both the Transpacific and Asia-Europe routes expected to remain tight in March.

Number of containerships on Cape route hit record high

The number of containerships diversion has rebounded to a record high of 403 units for 5.14m TEUs as at 25 February 2024. The surge was partly due to CMA CGM's decision to reroute from the Red Sea. Several smaller carriers have also added to the number of ships on the Cape route.



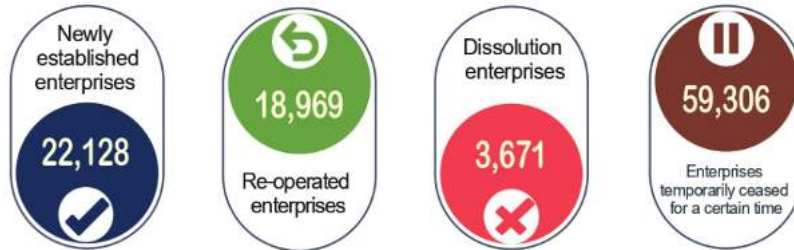
Transpacific rates have seen a minor correction with rates to the West Coast in the \$4,100-\$4,400 per feu. Carriers are still holding on to most their recent rate gains and have been unwilling to cut rates further before the crucial contract rate negotiations for the May contract season.



Spot rates to North Europe continued to drop, with latest spot rates in the \$3,900 to \$4,400 per feu. Vessel utilization remains relatively high despite an increase in capacity available over the last 3 weeks. Forward capacity is expected to remain tight heading into March with carriers' schedules still affected by the diversions.

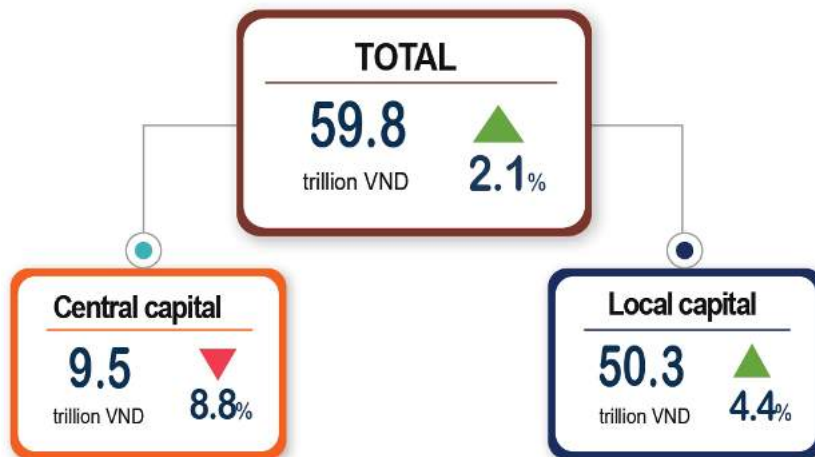
INFOGRAPHIC ECONOMIC SITUATION IN FEBRUARY OF 2024

ENTERPRISE REGISTRATION STATUS FOR FIRST 2 MONTHS OF 2024

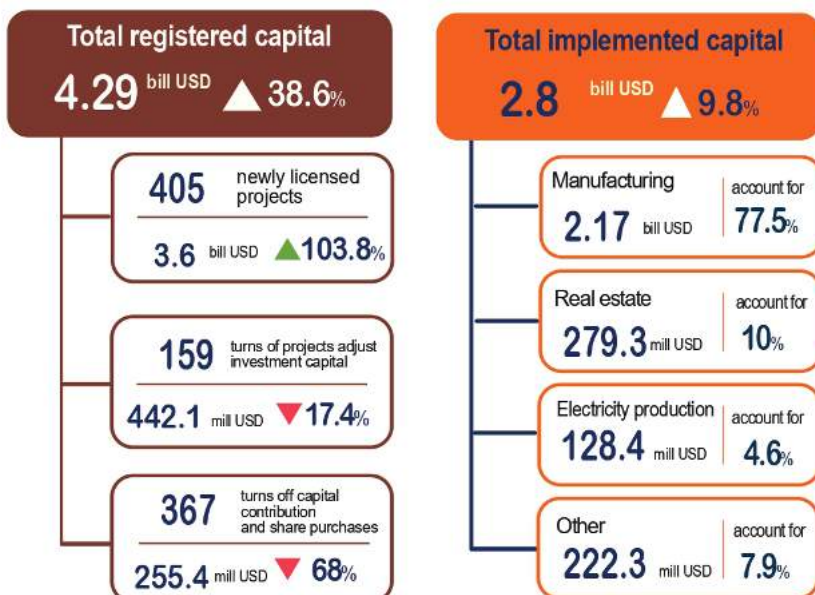


INVESTMENT

Investment capital from the State budget for first 2 months of 2024



Foreign investment (FDI) from 01/01 to 20/02/2024



INFOGRAPHIC ECONOMIC SITUATION IN FEBRUARY OF 2024



IMPORTS AND EXPORTS IN THE FIRST TWO MONTHS OF THE YEAR

EXPORT OF GOODS:

- The value of goods exported in February 2024 is estimated at 24.82 billion USD, representing a decrease of 28.1% compared to the previous month and a 5% decrease compared to the same period last year. Cumulatively for the first two months of 2024, the value of goods exported reached 59.34 billion USD, marking a 19.2% increase compared to the same period last year. In this, the domestic economic sector achieved 16.14 billion USD, a 33.3% increase, accounting for 27.2% of the total export value; while the sector with foreign direct investment (including crude oil) reached 43.2 billion USD, a 14.7% increase, accounting for 72.8%.
- Regarding the structure of export commodity groups in the first two months of 2024, the processed industrial goods group is estimated at 52.45 billion USD, accounting for 88.4%.

IMPORT OF GOODS:

- The value of goods imported in February 2024 is estimated at 23.72 billion USD, representing a decrease of 23.2% compared to the previous month and an increase of 1.8% compared to the same period last year. Cumulatively for the first two months of 2024, the value of goods imported reached 54.62 billion USD, marking an 18% increase compared to the same period last year. In this, the domestic economic sector achieved 19.67 billion USD, a 27.4% increase; while the sector with foreign direct investment reached 34.95 billion USD, a 13.3% increase.
- Regarding the structure of import commodity groups in the first two months of 2024, the raw materials group is estimated at 51.47 billion USD, accounting for 94.2%.
 - Regarding the export and import markets for goods in the first two months of 2024, the United States is Vietnam's largest export market with an estimated value of 17.4 billion USD. China is Vietnam's largest import market with an estimated value of 20.9 billion USD.
 - The trade balance of goods in the first two months of 2024 is estimated to have a surplus of 4.72 billion USD (compared to a surplus of 3.5 billion USD in the same period last year). In this, the domestic economic sector had a surplus of 3.53 billion USD, while the sector with foreign direct investment (including crude oil) had a surplus of 8.25 billion USD.



NEW REGULATION ON MARITIME AND PORT SECURITY

The Ministry of Transport (MoT) has recently issued Circular No.3/2024 - BGTVT amending and supplementing several provisions of Circular No.27/2011 of the Minister of Transport regulating the application of amendments and supplements in 2002 to the International Convention for the Safety of Life at Sea (SOLAS) of 1974 issued with the International Law on Maritime and Port Security.

The new circular stipulates the responsibilities of units and training institutions in developing Maritime Security Plans, training port security officers, maritime security officers, and will come into effect from April 15, 2024.

Details of the Circular:

<https://thuvienphapluat.vn/van-ban/Giao-thong-Van-tai/Thong-tu-03-2024-TT-BGTVT-sua-doi-Thong-tu-27-2011-TT-BGTVT-an-ninh-tau-bien-cang-bien-599502.aspx>



THE PROGRESS OF HA NAM CHANNEL PROJECT



UPDATED OF PICTURES OF DREDGING OPERATIONS ON THE CHANNEL

Officially commenced on January 31, 2024, and construction started on February 17, 2024, the project to upgrade the navigation channel, from the turning basin at the Hai Phong International container terminal to Nam Dinh Vu Port operated by Nam Dinh Vu Port – a member of the Gemadept Corporation, is being urgently carried out day and night to ensure the committed schedule.

Specifically, the project is undergoing the dredging process with 4 suction dredgers for crane placement, 9 suction dredgers for soil discharge, 2 trailing suction hopper dredgers, 2 spray dredgers, and 1 tugboat. The construction process is being carried out by the contractor Chấn Nam, with supervision from the consulting unit CMB, and surveying consultancy from Port Coast to ensure safety and compliance with maritime safety and traffic regulations. It is expected that the project will be completed within 90 days.

The Upgrading the navigation channel project is one of the key projects for Nam Dinh Vu Port in 2024. Upon completion, the upgraded channel will achieve a depth of -8.5m, allowing Nam Dinh Vu Port to accommodate vessels with a cargo capacity of up to 48,000 DWT, with a draft of up to -8.5m. This enhancement provides carriers with advantages in operational efficiency, optimal cargo volume, and ensures reliable scheduling. Consequently, it establishes a strong competitive edge for Nam Dinh Vu Port in the river terminal segment.



THE MAIDEN CALL OF MEGA VESSEL HMM LE HAVRE TO GEMALINK



On February 21, 2024, Gemalink Port successfully received and operated HMM LE HAVRE, with a length of 399.9m, a deadweight of 232,606 DWT, and belonging to the ultra-large container ship category with a capacity of 24,000 TEUs. With a productivity of 176 moves per hour, the HMM Le Havre vessel was quickly released on schedule.

This event marks the first time that an HMM mega vessel container ship has called at Gemalink. This is the largest container shipping company in South Korea, ranking 8th among the top 10 largest shipping companies in the world. The HMM LE HAVRE also is the largest DWT vessel in the fleet of the FE3 service of THE Alliance (Hapag-Lloyd, HMM, Yang Ming and ONE), connecting Asia and North Europe. Furthermore, she is the largest mother vessel in DWT ever calling to Vietnam Port system.



GEMALINK WARMLY WELCOME COSCO GROUP DELEGATION



Continuing a series of important events, in early of March, Gemalink happily welcomed a group of senior leaders from Cosco Group, led by Mr. Zhang Yong - Vice President of the Group along with representatives of Directors and Deputy Directors in charge of regional Cosco offices visited and discussed with representatives of Gemadept and Gemalink Deep Sea Port Board of Directors. The meeting took place in a solemn atmosphere, both parties shared a lot of high-level information, updated common strategic developments and important plans in the future.



GEMADEPT NEWS

GEMADEPT STRENGTHENS CONNECTION WITH INVESTORS AT THE VIETNAM ACCESS DAY 2024

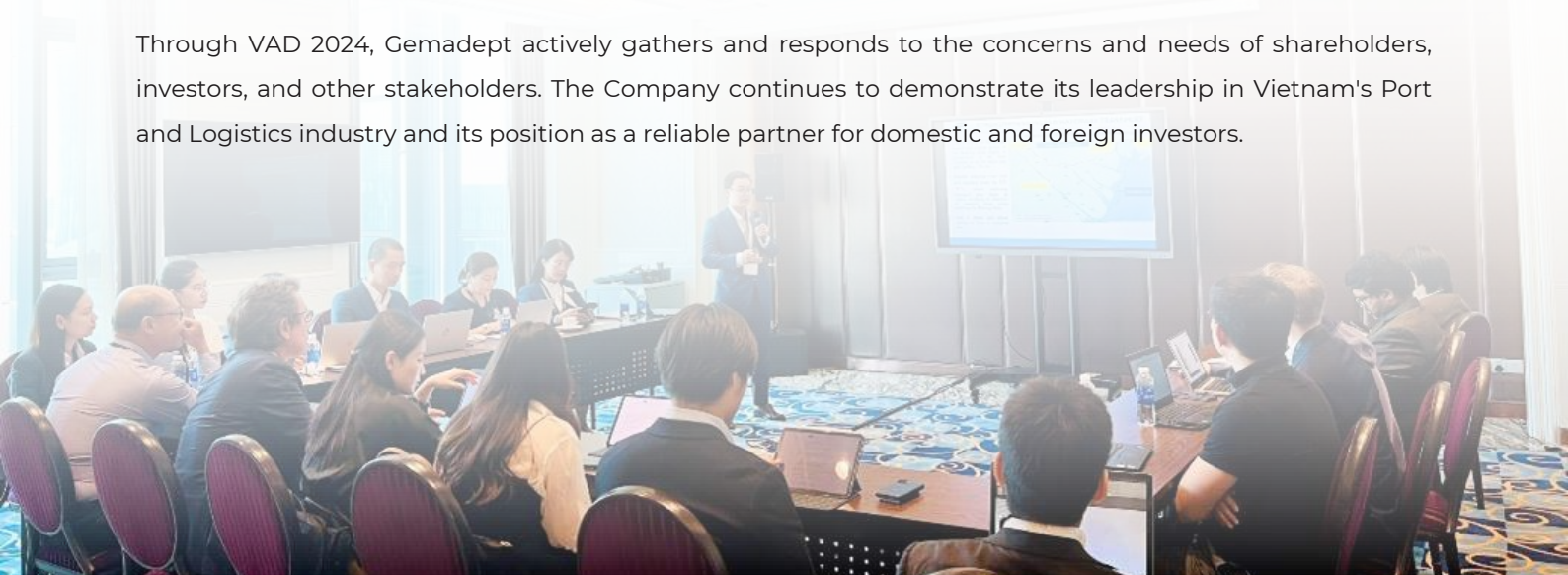


On February 27, 2024, Gemadept Corporation (HoSE: GMD) attended the Vietnam Access Day 2024 (VAD 2024) organized by Vietcap Securities Joint Stock Company (Vietcap).

VAD 2024 is an annual event attracting the participation of hundreds of domestic and international investors, along with leading listed businesses in Vietnam. The event creates a bridge between listed businesses and domestic and foreign investors and financial institutions. This allows the parties to meet and discuss business activities, update the market and industry situation, and seek new cooperation and investment opportunities.

At VAD 2024, Gemadept attracted the attention of many investors with an updated presentation on the business results in 2023 and the development orientation in 2024 and beyond. Gemadept's representatives openly communicated and answered investors' questions, demonstrating information transparency and commitment to accompanying shareholders and investors.

Through VAD 2024, Gemadept actively gathers and responds to the concerns and needs of shareholders, investors, and other stakeholders. The Company continues to demonstrate its leadership in Vietnam's Port and Logistics industry and its position as a reliable partner for domestic and foreign investors.



SPOTLIGHT ON LOGISTICS TRENDS 2024

REVOLUTIONIZING LOGISTICS THROUGH GENERATIVE AI

Generative AI, a branch of Artificial Intelligence (AI), focuses on creating content, solutions, or innovative ideas rather than solely analyzing existing data. It employs advanced machine learning techniques to produce results previously achievable only by humans, blending creativity with specialized knowledge.

The global market scale of Generative AI in the logistics industry reached USD 491.59 million in 2022 and is projected to soar to USD 18,872.57 million by 2032, with a Compound Annual Growth Rate (CAGR) of 44.02% during the forecast period (Precedence Research). Notably, the Asia-Pacific region emerges as the fastest-growing area.

Generative AI optimizes delivery routes, forecasts risks, and enhances resource allocation. Its advanced features facilitate improved real-time communication between customers and logistics service providers, aided by AI-driven chatbots and virtual assistants. Moreover, it tackles labor-intensive tasks such as generating and forecasting in-depth reports, thereby boosting productivity for logistics service enterprises.



INTENSIFYING EFFORTS TO REDUCE CARBON EMISSIONS

In 2024, reducing carbon emissions becomes a focal point in the logistics sector across numerous countries worldwide.

Despite being a significant emitter, the United States remains optimistic about its emission reduction initiatives. Indonesia has seen progress, with 74% of users favoring sustainable brands, urging logistics businesses to cut carbon emissions.

The Middle East is doubling down on technology investments to mitigate emissions. Meanwhile, India faces sustainability challenges, encouraging businesses to invest in technological solutions to combat record-high emissions.



THE RISE OF QUICK COMMERCE

Quick Commerce, an e-commerce model centered on delivering goods within one hour, is rapidly gaining traction globally.

In the United States, this trend is poised for resurgence, with Quick Commerce estimated to generate USD 30.8 billion in revenue by 2024. Key players like Gopuff, Instacart, and Getir are heavily investing in this trend.

While Quick Commerce is still in its infancy in Indonesia, significant growth is anticipated, with projected revenue of USD 3.6 billion by 2027.



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