



THE WAY FORWARD

GEMADEPT NEWS

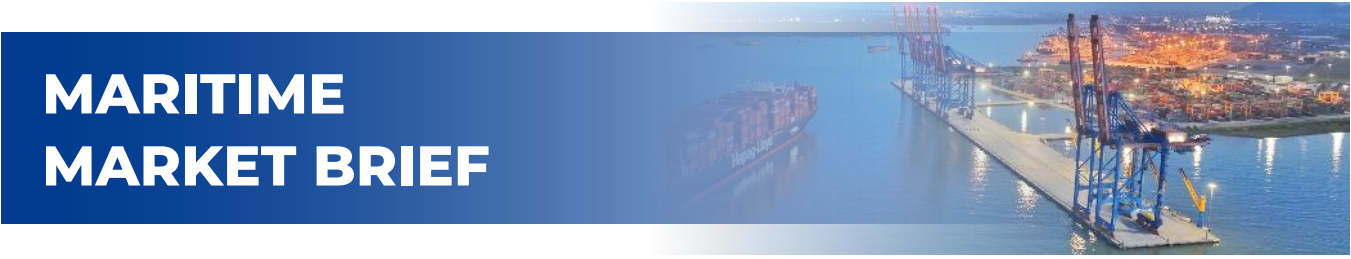
“Docking for Information”

November 2024



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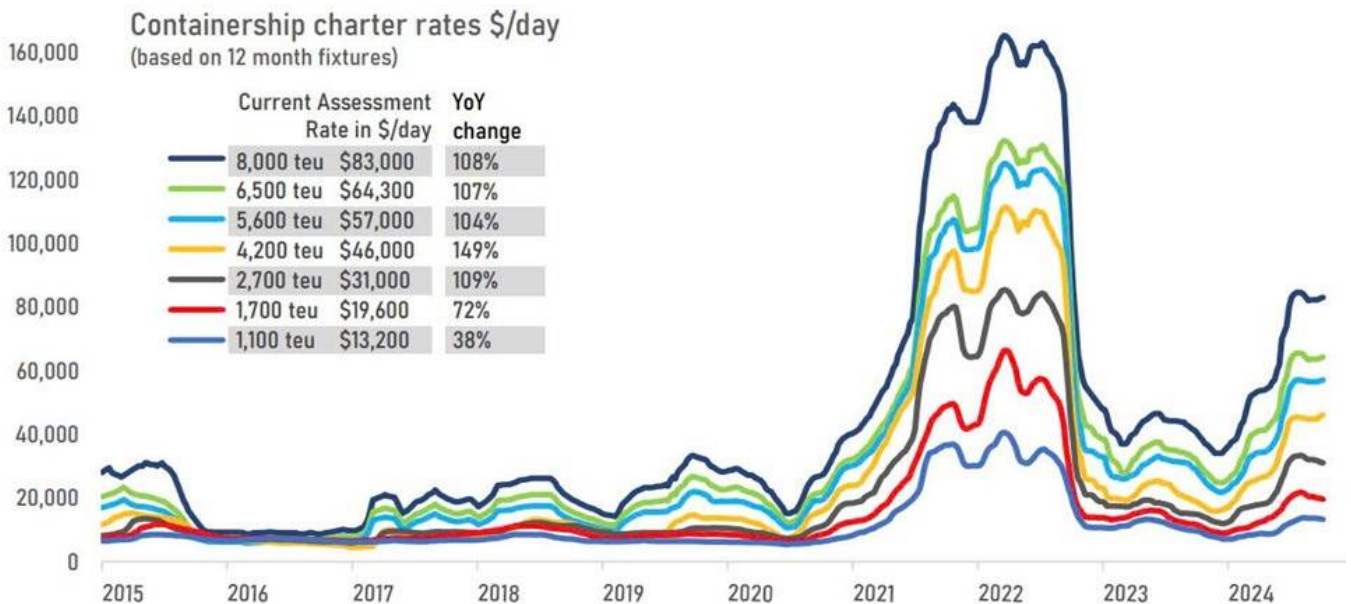
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MARITIME MARKET BRIEF

Carriers have pushed ahead with the 1 November rate hikes with smaller increases than initially planned but they have at least reversed the continuous declines since July that has seen the SCFI and CCFI shed 45% and 37% of their values. Carriers will struggle to retain the rate hikes with cargo demand still weak in the seasonally weak November period in the absence of more capacity cuts. Although capacity utilisation has increased in the last 2 weeks of October, this was due to post Golden Week blanked sailings out of China and front loading ahead of the November rate hikes.

Capacity continues to be affected by port congestion with adverse weather conditions causing delays at Central China ports since the end of October. Congestion in North Asia ports surged due to adverse weather conditions from typhoon Kong-rey creating elevated vessel queues in the Taiwan Straits and Shanghai/Ningbo area.



Congestion in Europe remains elevated especially around Hamburg and UK ports, with the Gibraltar hubs and southern Spanish ports also experiencing berthing delays. The severe floods at Valencia temporarily halted operations at the port on 29 October with no major build up in vessel queues.

At some of ports on the East Coast North America like Savannah, Charleston, New York and Norfolk congestion remains with berthing delays of 1 to 3 days. Canadian port workers at Montreal has started an indefinite strike at terminals operated by Termont from 31 October but other terminals at Bickerdike, Cast, Racine and CanEst still operating as normal with affected ship already being diverted. Dockworkers at Vancouver and Prince Rupert also start a 72 hour strike from 4 November with all container terminals at these 2 ports to be shut. Congestion is expected to build up in November with affected vessels waiting off berth until further notice.

Charter rates are holding steady with gains across all sizes in the past week. For larger sizes above 5,000 teu, availability remains very limited with forward fixtures being done for deliveries stretching into the 2nd half of 2025. The scarcity is spreading to the smaller sizes as well with very high activity in the 1,700-1,800 teu sector with modern bangkokmax tonnage securing rates of \$24,000 and higher while older tonnage with smaller TEU intakes are going for over \$20,000. Rates for smaller feeders of 1,100 teu gained ground on firm demand from both extensions and fresh charter with average fixture lengths also going up. COSCO was the most active charterer in November, accounting for more than a dozen extensions and new fixtures so far this month.



THE IDLE FLEET REACHES ALL-TIME LOW IN JAN-OCT 2024

Proportionally, the Red Sea crisis has had a bigger impact on ship employment than COVID. According to Alphaliner data, on average 0.7% of the global cellular container fleet was commercially idle in January to October. This represents less than in the equivalent same period in both 2021 and 2022 when COVID was at its peak (average 0.9% each year) .

Commercially-idle tonnage as a proportion of the total cellular container fleet reached an all-time low in the first ten months of the year, as the Red Sea crisis forced carriers to call on every available ship to service voyage diversions and meet soaring demand.

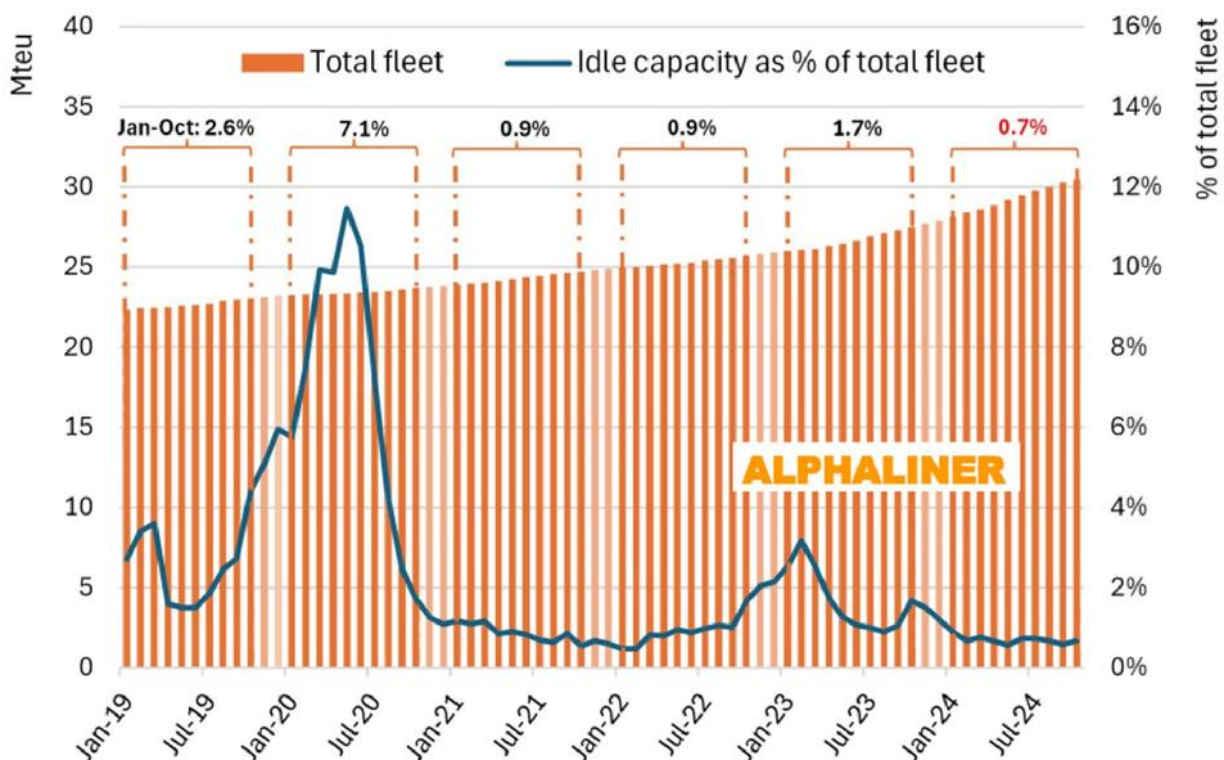
The figure is even more striking given the huge growth in the cellular fleet over the past four years, which has increased from 23.7 Mteu in October 2020 to 30.6 Mteu today, a rise of nearly 30%.


The average figure for the first ten months of the year implies an overwhelming 99.3% of the cellular fleet is either commercially employed or otherwise out of service for non-commercial reasons such as repair, maintenance or conversion.

Within this, larger ships of 12,500+ have shown close to zero idling in 2024.

This segment has primarily catered for the additional tonnage needed to divert mainline services around the Cape of Good Hope, leading to unusually tight supply.

Carriers and ship owners have also delayed non-essential drydocking for their vessels. Capacity tied up in yard in the first ten months of 2024 averaged 3.5%, below both 2021 (3.7%) and 2022 (5.1%).





TRUMP'S ELECTED PRESIDENT AND FORECASTS RELATED TO THE GLOBAL SUPPLY CHAIN

Unlike his first term in 2017-2021, this time, Mr. Trump are going to enter the White House with strong support from the Republican Party, who considered his MAGA as the doctrine of the party. Mr. Trump's position and experience are much different from before, the world context is changing a lot with the conflict in Ukraine, the Middle East, the rise of BRICS...

"The US under Mr. Trump will have differences, for example, higher protectionism, focusing on promoting domestic production, especially strategic technology industries. The US may raise tariffs on imported goods to bring jobs back to US people...", Associate Professor Dr. Vu Minh Khuong, lecturer at the Lee Kuan Yew School of Public Policy (National University of Singapore), said.

During the election campaign, Mr. Trump talked about reducing taxes for domestic businesses from 21% to 15% while sharply increasing import taxes on goods entering the US to 10-20%. Mr. Trump even talked about taxing Chinese goods at a rate of 60%-100%.

In the short term, Lars Jensen - CEO of Vespucci Maritime also said that demand for container imports will skyrocket as US companies race to stockpile goods before the tax, which will put further pressure on freight rates and related logistics services.

According to Moody's, the Asia-Pacific region may witness a reallocation of trade and investment flows away from China, due to tighter US supervision in strategic sectors. This change may have a certain impact on the Chinese economy and reduce regional growth. On the contrary, countries such as India and ASEAN countries may find new opportunities in this changing context.

But it will be months before the details of Mr Trump's trade policies are released, and the rest of the world and the global supply chain mapping for the next four years will depend largely on the final decision on the US tariff regime.

VIET NAM NEWS

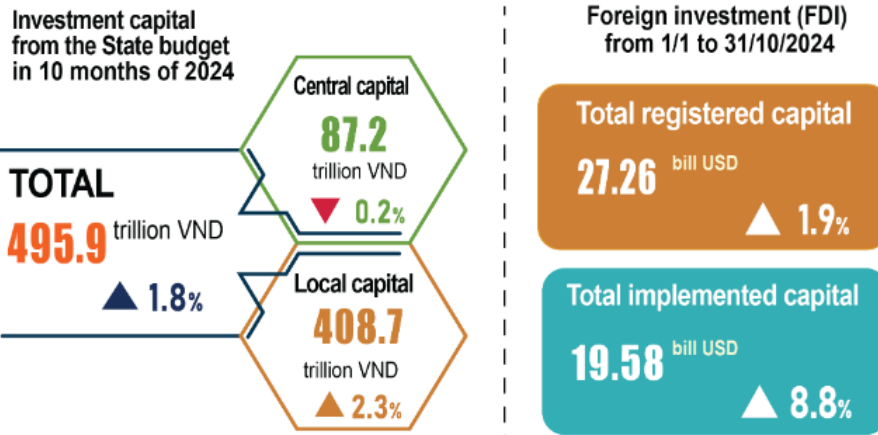
IMPORT – EXPORT FIGURES FOR THE FIRST 10 MONTH OF 2024

INFOGRAPHIC

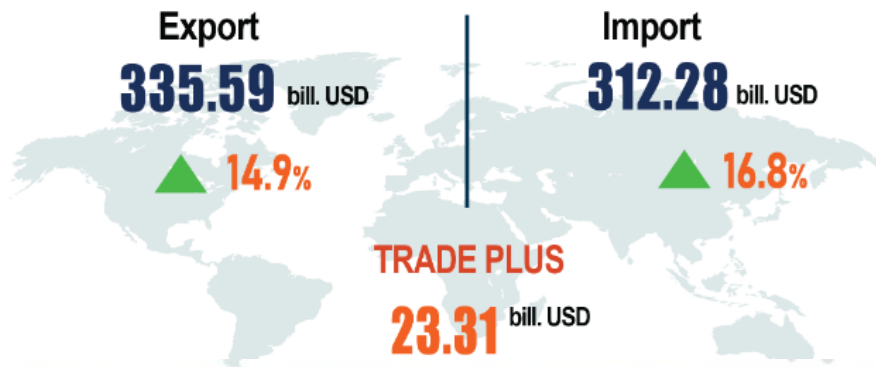
ENTERPRISE REGISTRATION STATUS IN 10 MONTHS OF 2024



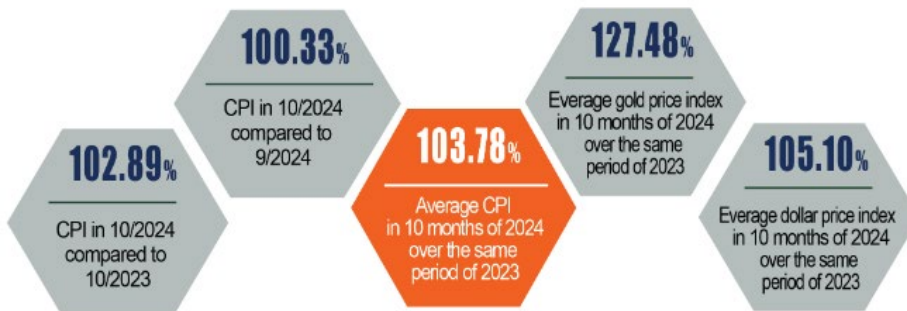
INVESTMENT



EXPORT AND IMPORT OF GOODS IN 10 MONTHS OF 2024



PRICE INDEX



VIET NAM NEWS

FOREIGN DIRECT INVESTMENT (FDI) IN VIETNAM IN 10 MONTHS OF 2024

FOREIGN INVESTMENT:

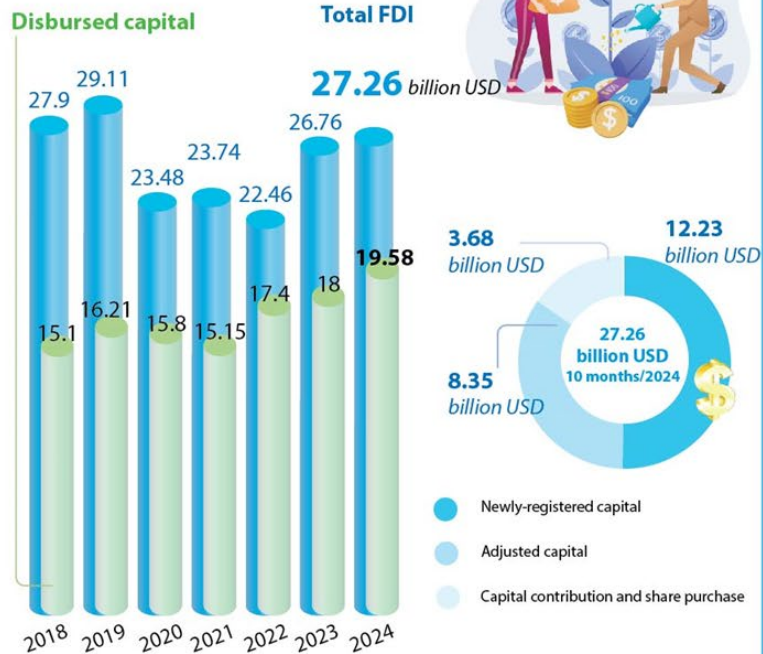
- Total registered capital: Reached 27.26 billion USD, a 1.9% increase compared to the same period in 2023.
- Actualized FDI: Achieved 19.58 billion USD, an 8.8% increase year-on-year.
- New projects: 2,743 new projects were granted investment certificates, an 11.3% increase year-on-year.
- Increased registered capital: Exceeded 7.64 billion USD, a significant 48.1% increase year-on-year.



FIRST 10 MONTHS OF 2024 TOTAL FDI REGISTERED IN VIETNAM REACHES NEARLY 27.26 BILLION USD

Data as of Oct. 31, 2024

10-month FDI over years



INVESTMENT PARTNERS

- Singapore emerged as the largest investor with 4.98 billion USD, accounting for 32.7% of the total registered capital.
- Followed by South Korea with 2.08 billion USD (13.7%), China with 2.07 billion USD (13.6%), and Hong Kong (China) with 1.69 billion USD (11.1%).

IMPORT-EXPORT ACTIVITIES

- FDI sector trade surplus: 42.92 billion USD (Including crude oil)



INVESTMENT BY COUNTRY/TERRITORY



Source: Ministry of Planning and Investment
infographics.vn



"DUAL TRANSFORMATION" TREND IN THE LOGISTICS INDUSTRY

Vietnam's logistics industry is undergoing a profound transformation, driven by two major trends: Digital and Green transformation. Leading enterprises such as Gemadept, ITL, and PPL are pioneering this "dual transformation" model to enhance operational efficiency, minimize environmental impact, and meet the growing demands of the market.

Recent reports have highlighted the significant carbon emissions from road transportation in Vietnam, putting immense pressure on the environment. Gemadept, ITL and PPL has been actively implementing various solutions to green their logistics operations. These include the adoption of electric vehicles, route optimization, investment in renewable energy, and the application of advanced technologies such as IoT, AI, and blockchain.

The digitalization of processes, from warehouse management to cargo tracking, has increased transparency, reduced risks, and enhanced customer experience. Gemalink, a member of the Gemadept Group, has achieved significant milestones in applying technology to port operations, contributing to the development of a smart and efficient port.

However, alongside the benefits, businesses undergoing this dual transformation also face numerous challenges, including a shortage of skilled labor, high investment costs, and an underdeveloped infrastructure.

To accelerate this transformation process and achieve sustainable development goals, businesses require government support in creating a favorable legal environment, providing tax and financial incentives, and investing in infrastructure development.



GEMADEPT NEWS

GEMADEPT SUCCESSFULLY HOSTS THE THIRD ANNUAL GEMADEPT RUN EVENT – PIONEERING STRIDES

On the morning of October 27, the **"Gemadepth Run 2024 – The Way Forward"** took place at the Sala Urban Area in Thu Duc City, Ho Chi Minh City. This marks the third large-scale run organized by Gemadepth Corporation (HOSE: GMD).

This year, the event attracted nearly 4,000 runners of various ages, with enthusiastic participation from leading domestic and international companies across sectors such as services, manufacturing, import-export, seaports, transport and distribution, finance, and media. In addition to corporate teams, independent running enthusiasts joined, with 5KM and 10KM distances available to suit most participants.

4000 RUNNERS



Representatives from sponsors supporting the event

The Gemadepth Run 2024 is not only taking pioneering steps to promote health awareness within the community, but it also carries a meaningful message, **"Pioneering for Future Generations."** This event aims to support children in remote, highland areas who face challenging learning conditions, helping them access knowledge in a safe and healthy educational environment with adequate basic facilities.

Gemadepth Run 2024 continued its partnership with the **Nuôi Em Ecosystem (National Volunteer Center of Vietnam)** and the **Vietnam Children's Protection Fund**. All ticket sales and donations from internal participants and guest sponsors will be directed toward three educational projects: **building a new school at Khau Day, Du Gia Kindergarten in Yen Minh District**; and **equipping two computer rooms at schools severely impacted by Typhoon Yagi** (Khánh Yên Thượng Primary School and Phố Ràng Secondary School No. 2 in Lào Cai Province), with a total funding of **700,000,000 VND**.



A representative from Gemadepth presents charitable project donations



Pioneering strides on the journey to breakthrough at the Gemadepth Run race

GEMADEPT NEWS

GEMADEPT DUNG QUẤT INTERNATIONAL PORT AWARDED PRESTIGIOUS GPAS 2024 ASIAN GREEN PORT AWARD



Malaysia, October 24, 2024. Gemadept Dung Quất International Port, a crucial link in Gemadept's port-logistics service chain, has been honored at the GPAS 2024 Asian Green Port Award.

The Green Port Award System (GPAS) is a green evaluation system based on a set of criteria: Commitment and willingness, Action and implementation, and Efficiency and effectiveness of green initiatives. Gemadept Dung Quất Port has demonstrated a strong commitment to sustainable development through investments in energy-efficient technologies, the application of pollution control measures, effective waste management, and biodiversity conservation.

After evaluating activities over the past three years, the representative of the APEC Port Services Network (APSN) awarded the GPAS 2024 to Gemadept Dung Quat Port. Along with it, 11 other representatives also received the award, including major names on the global maritime map such as Shandong Port Group Yantai Port West Port Area, Nansha Port Phase IV Fully Automated Terminal, Xiamen Ocean Gate Container Terminal, Bangkok Port, Johor Port, and more.

The GPAS 2024 award is a testament to the "greening" efforts of Dung Quat Port in particular and the Gemadept Port - Logistics Ecosystem as a whole in developing the Green Economy model in Vietnam and the region.



NAM DINH VU PORT PROUDLY TO REACH NEW MILESTONE

1
MILLION TEUS

It can be said that October was a vibrant and memorable month for Nam Dinh Vu Port since it began operations, marking the first time the port has recorded a record-breaking throughput volume.

Specifically, in October, the port handled 91 vessel calls with high productivity, achieving a throughput of over 137,000 TEUs. During week 42, Nam Dinh Vu Port surpassed the 1 million TEU milestone for its 2024 plan. These impressive achievements are the result of the tireless efforts of the port's staff to ensure safe and efficient operations, along with the strong support and partnership from shipping lines and direct customers, who always trust in the quality of services and the port's capabilities.

With the goal of continuously enhancing its competitive edge and service quality in the northern region, Nam Dinh Vu Port and Gemadept Corporation have implemented various projects, such as upgrading the Hai Phong maritime channel and digitizing operations through Smart Port and Smart Gate initiatives. These efforts have proven effective, significantly contributing to the company's success in the market.



GEMADEPT NEWS

SMARTPORT INTEGRATES VIETINBANK QR CODE PAYMENT SOLUTION



Since 12th November, 2024, customers using services at Binh Duong Port and Phuoc Long Port when transacting on Smartport can use the additional form of "Payment by QR code - Vietinbank", a payment solution provided by Vietinbank.

The integration of this new payment solution aims to diversify payment gateways in the direction of improving experience, increasing convenience and diversifying options for customers, meeting the increasing demand for cashless payments, while shortening the time to complete procedures.



LOGISTICS SPOTLIGHT

DIGITAL TRANSFORMATION INITIATIVES IN VIETNAM'S LOGISTICS ENTERPRISES

Digital transformation in the logistics sector is the process of applying modern technology to optimize production, supply, and the transportation of goods and services. In Vietnam, digital transformation in logistics is receiving increasing attention, with numerous digital transformation solutions and initiatives being researched and implemented. Below are some prominent digital transformation solutions from enterprises operating in the logistics field in Vietnam:

Viettel Post:

- **IoT Scales:** With the capability to connect and transmit data via Bluetooth, these wireless scales, equipped with sensors and IoT technology, can automatically send and receive measurement data. This enables remote monitoring and control, allowing precise supervision of the weight and quantity of goods received and dispatched at post offices and throughout a parcel's journey. The solution helps reduce compensation costs, minimizes errors, and saves time in parcel delivery to customers. This forms a foundation for improving service quality, attracting new customers, and retaining existing ones.
- **RFID Chip Bags:** These reusable bags, used to contain parcels during internal transportation within VTPost, offer an excellent detection rate of 99.99% in the system, allowing easy identification of all parcels thanks to the unique ID codes on the RFID tags.

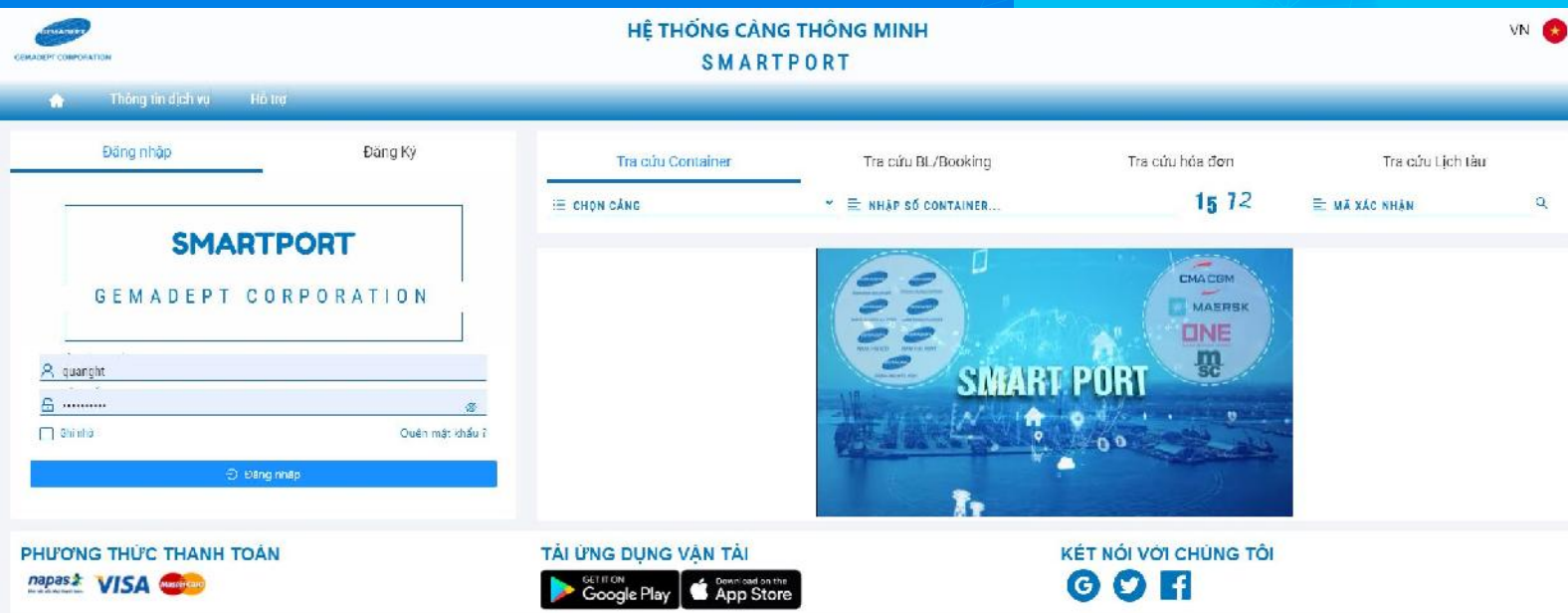
J&T Express Vietnam:

- **Smart E-Logistic:** This comprehensive solution includes an end-to-end process, from goods reception with smart barcodes to automated handling and sorting of goods using advanced warehousing and logistics systems. The system applies filtering and automatic data synchronization to secure customer information and supports multi-method payment at the final delivery stage, optimized with dynamic QR code payments. This streamlines the delivery process and enhances convenience for customers.

Gemalink International Port:

- **SmartPort:** A technology application that helps customers optimize port activities, including online registration for all delivery, lifting, loading, and unloading services; online payment; electronic documents; E-DO; E-Gate; integrated multi-port online data lookup, etc. Additionally, "SmartPort" integrates a mobile app function for transportation vehicles (tractor-trailers, barges) to enhance multi-directional automatic communication.
- **RiverGate:** An optimized technology platform for monitoring and booking barge slots, serving as an effective communication channel between barge operators, river vessels, and the port. It significantly contributes to improving logistics and waterway transport efficiency. RiverGate provides real-time operational data for stakeholders in the supply chain. By offering live data, RiverGate helps shipping lines and stakeholders to plan operations more effectively, efficiently, and fuel-savingly.

With these impressive digital transformation solutions in the logistics industry, it is expected that companies in the sector can learn, share, and expand this model, fostering more comprehensive digital transformation initiatives.





THE WAY FORWARD



GEMALINK INT'L PORT



PHUOC LONG ICD PORT



BINH DUONG PORT



PACIFIC MARINE EQUIPMENT



BINH DUONG TRANSPORT



GEMADEPT CONSTRUCTION



PACIFIC MARINE CO., LTD.



GEMADEPT CENTRAL



GEMADEPT DUNG QUAT



NAM DINH VU PORT



NAM HAI ICD



GEMADEPT ASL CO., LTD



GEMADEPT PORT SERVICES



PACIFIC STEVEDORING



Mekong Logistics



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