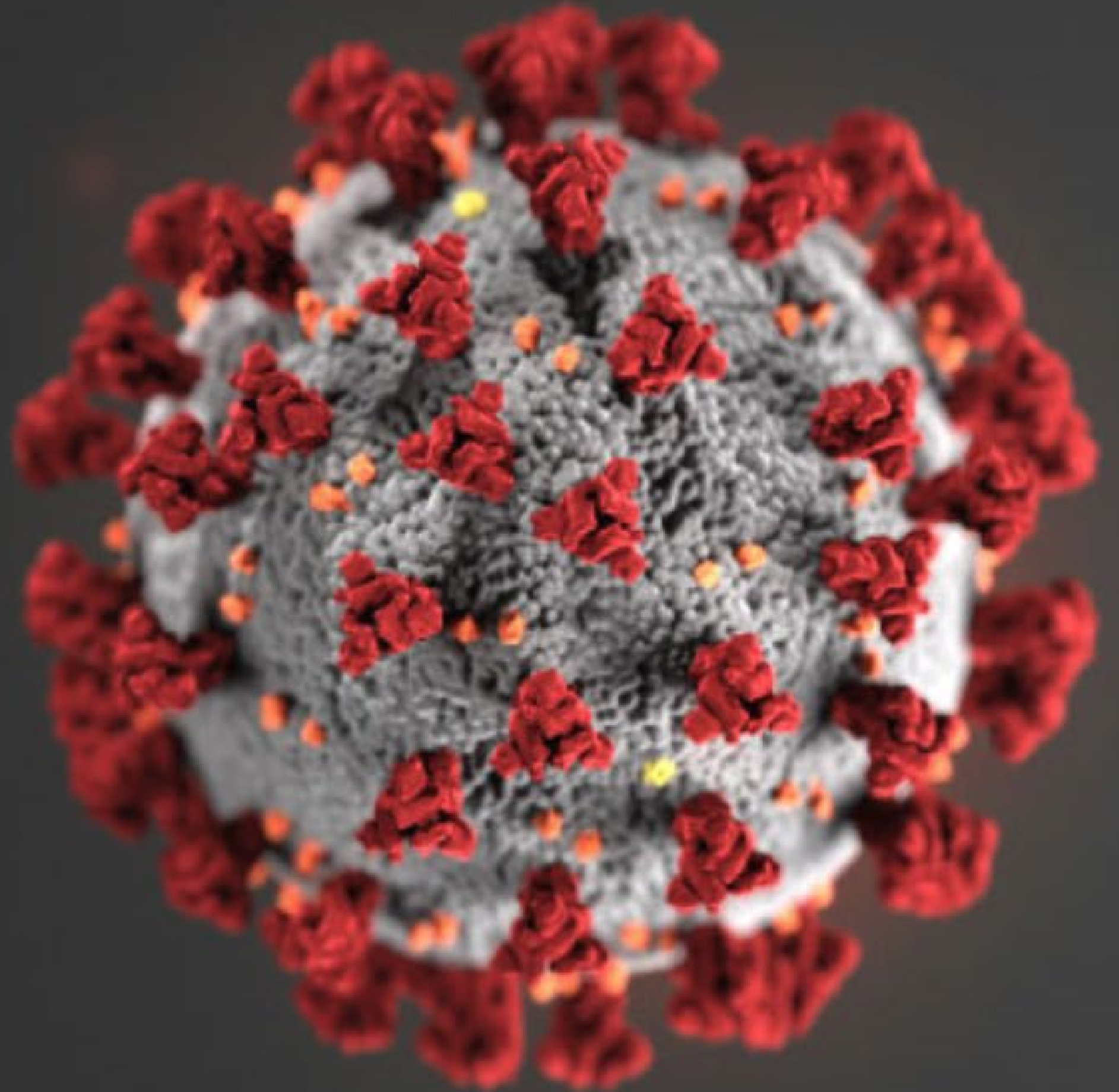




Corona virus – Impact Assessment – Warehousing

April 2020



Impact Assessment : Warehousing

Advisory Insights

- The availability of trucks continues to be the biggest challenge at the moment for major FMCG companies. This causes the a problem in getting rid of the stock on time and affects the overall movement of goods through the supply chain
- There is a severe shortage in man power because most of the people are asked to stay at home in countries like US and other European countries. Due to increase in the total number of positive cases around the world the people also fear contracting this virus from other workers in the work place
- The global chemical production declined by 2.4% in February and is expected to decrease further since the impact of the virus has only increased affecting more countries
- Most of the major chemical plants are running at reduced capacity of around 40-70% owing to the lack of man power and lack of raw material
- Due to the 21 day lockdown in India, some of the states are seeing the fulfillment percentage reduced by around 5-10%
- There is going to be a reduction in shipping rates, as freight volumes decrease, which is a direct result of the Coronavirus

Commodity / Category	Impact Assessment
Warehousing	
Courier Express & Parcel Services	
3PL Services	

Supplier News Alert:

- Flipkart and Amazon have suspended their logistics services for sellers on its platform in India
- FedEx Express International Services customers will see 45-cent surcharges for deliveries to Asia-Pacific countries
- Kuehne + Nagel offices across Europe are operating, serious delays at several European borders is expected with respect to road transport due to increased health and safety measures
- All DHL Global Forwarding Rail services, including FCL and LCL service from China to Europe (Westbound) and Europe to China (Eastbound), continue normal operations





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