



China Sourcing Update

May 2, 2019

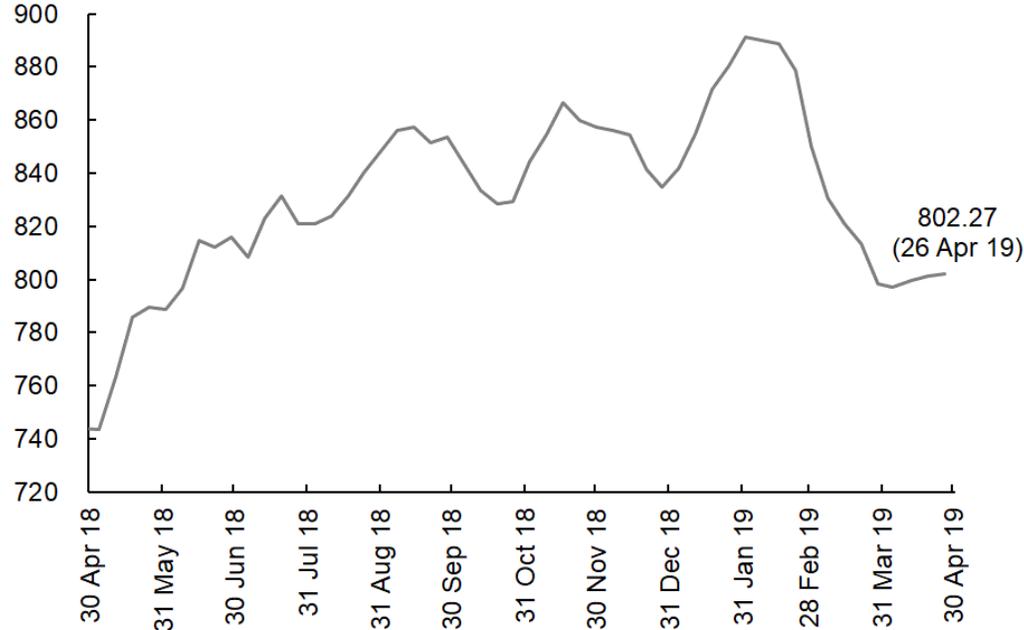
Transportation Cost

China Containerized Freight Index inches up in April

The China Containerized Freight Index (CCFI) rebounded slightly from 798.52 on 29 March to 802.27 on 26 April (see *exhibit 1*). The pick-up in the index in the month was due mainly to a recovery in the market demand for containerized freight services, in particular for American and Persian Gulf / Red Sea routes.

Looking ahead, we expect the China Containerized Freight Index to fluctuate around the current level, given a stable market demand for containerized freight services.

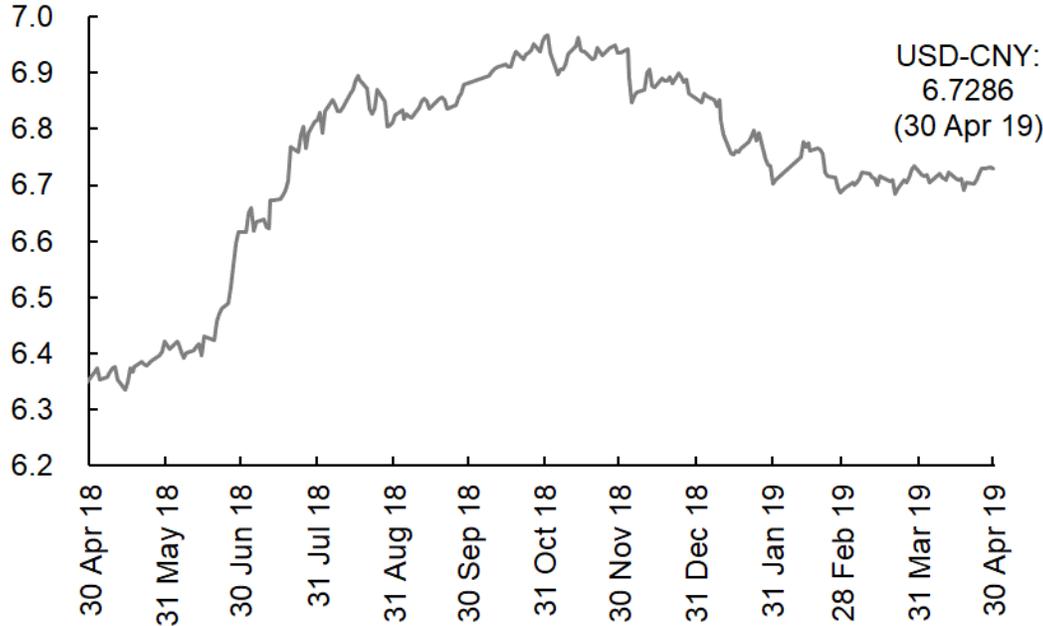
Exhibit 1: China Containerized Freight Index, April 2018 to April 2019



Source: Shanghai Shipping Exchange

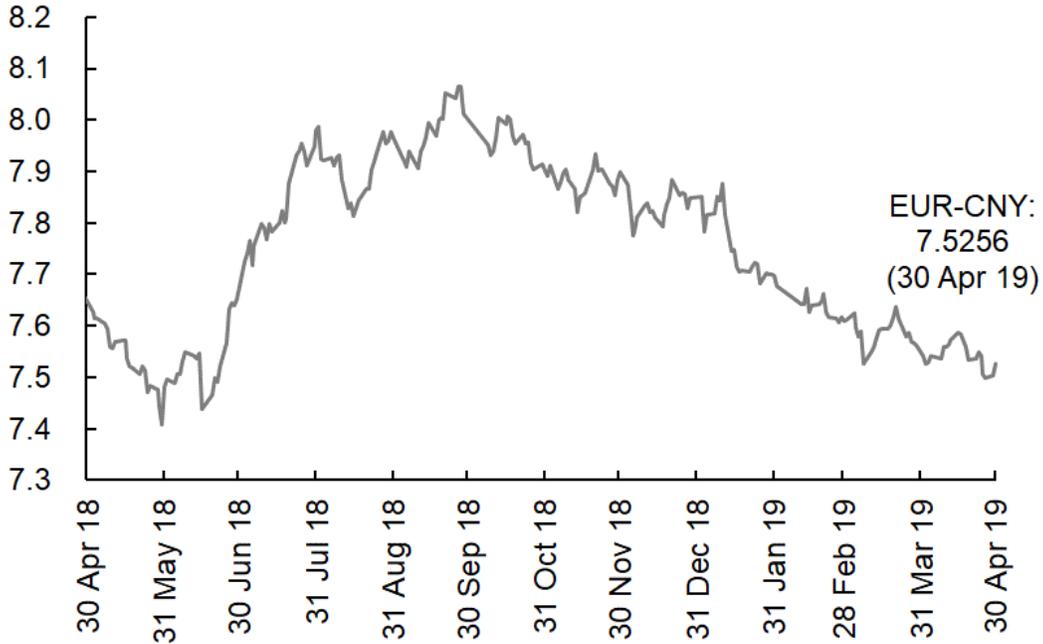
Exchange Rates

Exhibit 2: USD-CNY daily fixing rate, April 2018 to April 2019



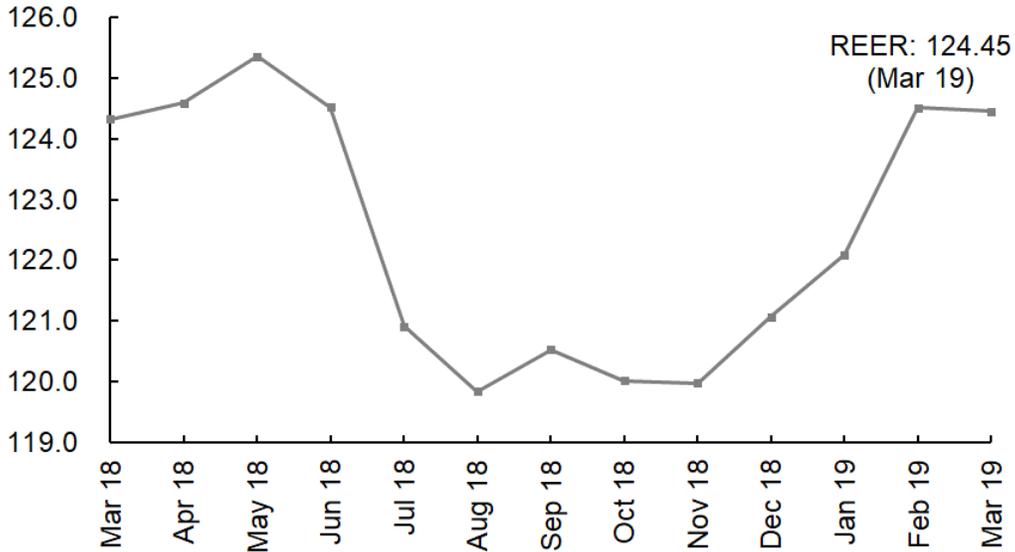
Source: State Administration of Foreign Exchange

Exhibit 3: EUR-CNY daily fixing rate, April 2018 to April 2019



Source: State Administration of Foreign Exchange

Exhibit 4: Real effective exchange rate of the Chinese yuan, March 2018 to March 2019



Source: Bank of International Settlements

FUNG BUSINESS INTELLIGENCE

Fung Business Intelligence collects, analyses and interprets market data on global sourcing, supply chains, distribution, retail and technology.

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