



# The Bottom Line

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## BLANK SAILINGS ANNOUNCED FOR GOLDEN WEEK

### Summary

Ocean carriers are reported to be considering a new round of blank sailings from Asia around China's Golden Week holiday, in the first week of October.

### Background

The Golden Week, in the People's Republic of China (PRC), is the name given to three separate 7-day or 8-day national holidays which were implemented in 2000.

- Chunyun, the Golden Week around the Chinese New Year, begins in January or February.
- "Labor Day (May Day) Golden Week" begins 1 May.
- The "National Day Golden Week" begins around 1 October. If Mid-Autumn Festival is near National Day, the Golden Week may be 8 days long.

These national holidays were first started by the government for the PRC's National Day in 1999 and are primarily intended to help expand the domestic tourism market and improve the national standard of living, as well as allowing people to make long-distance family visits. The Golden Weeks are consequently periods of greatly heightened travel activity.

Blank sailing is a term that basically means no sailing or, perhaps more precisely, canceled sailing. A blank sailing could refer to a sailing skipping one specific port (while still traversing the rest of the scheduled route) or the entire sailing being canceled.

### Current Status

With the pre-golden week rush starting usually three to four weeks before the main event, and with importers speeding up their production processes to ship their products out of China on time, constraints in ocean freight and land transportation increase the chance for cargos to be rolled and for deliveries to be postponed, according to the largest container line in the world, Maersk. The partial shutdown of the major Ningbo's Meishan terminal, so close to the national holiday, has made it

ideal for executing another round of blank sailings. Maersk and MSC, partners in the 2M alliance, have cancelled four scheduled Asia-North Europe loops in weeks 39 and 40, thereby removing some 70,000 teu of capacity from the route. Hapag-Lloyd have removed four sailings from their schedule, including one to the US East Coast. The strategy plans to significantly tighten space on vessels by skipping ports or even entire routes and hence further push the rates higher. Even though blank sailings close to the Golden week are a traditional practice to make up for lower demands during the winter months, this year, the cargo owners expected the liners to maintain the deployment of the entire fleet along transpacific routes after the pandemic, owing to the strong demand and elevated rates of freight transportation.

### Impact

Traditionally, carriers cut capacity around the Golden Week holiday to mitigate the erosion of rates during the slack winter months, ahead of the next demand upswing that precedes the Chinese New Year holiday in February.

Congestion has worsened again in recent days at US west coast ports, leaving some experts to conclude that the disruptions to US and global supply chains caused by the current ocean freight bottlenecks will take at least a further six months to unravel.

### RESOURCES

[Golden Week \(China\)](#) (Wikipedia)

[What is Blank Sailing?](#) (Universal Cargo)

[China's Golden Week to Trigger New Round of Void Sailings](#) (Container News)

[Blank Sailing Plans For 'Golden Week' Would Push Shipping Rates Even Higher](#) (The Loadstar)

[Congestion Worsens at US West Coast Ports](#) (Lloyd's Loading List)

[2M Blank Sailings Resurface and Take Angry Shippers by Surprise](#) (The Loadstar)