

Important Customer Advisory

Middle East Operational Update: Day-3

Day-3: 04 March 2026

Dear Customer,

Structural Market Tightening (Day 3)

Following our earlier advisories, the situation has moved beyond initial disruption. We are now seeing a systemic impact on global capacity, schedules, and costs driven by insurance restrictions and port congestion.

1. Updated Risk Heat Map (Day 3)

Trade Lane	Disruption Risk	Cost Risk	Service Reliability
Asia – Middle East	CRITICAL	CRITICAL	CRITICAL
Asia – Europe / ISC – Europe	High (Rising)	High	High
Transatlantic / Asia – USEC	Elevated	Elevated	Medium
Asia – US West Coast	Moderate	Moderate	Medium

2. Key Market Changes (Last 24 Hours)

- **Effective Capacity Loss:** Cape of Good Hope routings are now widely embedded, tying up vessels in longer rotations and reducing global space.
- **Blank Sailing Risks:** Carriers are considering cancellations on **Asia–Europe** and **Asia–Med** lanes to recover schedule integrity, increasing the probability of rollovers.
- **Insurance Volatility:** War-risk premiums are now being applied at a **port level** (not just country), leading to sudden port omissions and short-notice service changes.
- **Gateway Pressure:** Alternative gateways (**Khorfakkan** and **Jeddah**) are beginning to show early congestion signals, potentially driving up inland trucking costs and dwell times. ECU Worldwide's terms & conditions to be applied at the time of booking.

3. Cost & Commercial Environment

Category	Impact Detail
Enforced Surcharges	Emergency Risk and PSS are being enforced; these may apply to cargo already at sea or gated-in per carrier terms.
Fuel Volatility	Extreme bunker price instability is increasing the likelihood of immediate BAF adjustments.
Rate Validity	Spot rate and RFQ validity windows have shortened significantly; reconfirmation is required closer to loading.
Pass-Through Costs	ECU Worldwide maintains transparency on costs introduced by third parties (carriers, terminals, and insurers).

Strategic Recommendations for Corporate Accounts

To protect continuity over the next 1–2 weeks, we recommend the following actions:

- **2-3 Week Forecasts:** Share priority vs. non-priority cargo lists immediately to secure space early.
- **Gateway Flexibility:** Confirm approval for alternative routings (e.g., via Khorfakkan or Jeddah) to bypass primary disruptions.
- **Early Readiness:** Expect tighter cut-offs; align documentation and cargo readiness earlier than usual.
- **Contingency Requests:** For time-critical shipments, contact your ECU representative for priority loading and inland solution options.

Our Commitment: ECU continues to keep bookings open and support shipments wherever carrier acceptance is available. We remain committed to full transparency regarding service constraints and market-driven costs.

Best Regards,

