



Dear Ladies & Gentlemen,

October 8, 2026

According to leading German economic research institutes, the **German economy is performing better** than anticipated in the spring. In their autumn forecast, they raised their growth projections for gross domestic product (GDP) to 1.3 percent for this year and to 1.1 percent for 2027. Initially, the consequences of the war involving Iran and sharply rising energy prices had significantly dampened economic activity. In their spring forecast, the institutes had warned of an "energy price shock," though this ultimately proved less severe than initially feared. Tailwinds are coming primarily from trade with European partners and from government spending on infrastructure and defense. However, the upturn rests on a precarious foundation, as high energy prices and structural issues continue to weigh on the economy. Consistent with this more optimistic outlook, business sentiment in Germany improved further in September - marking the fifth consecutive month of gains. The Ifo Business Climate Index rose by 1.1 points to 89.9 points, bringing Germany's key economic barometer to its highest level in over three years.

The **security situation** for maritime shipping in the **Middle East** remains tense. While the attacks by the Yemeni Houthi militia on vessels in the **Red Sea** were initially a consequence of the Gaza war between Israel and Hamas - which began on October 7, 2023 - the war with Iran that broke out on February 28, 2026, has increasingly prompted the Houthi militia (allied with Iran and hostile to Saudi Arabia) in recent weeks to attack Saudi tankers and oil facilities. Through these latest military advances, the Houthi militia now controls the entire Yemeni coastline along the Red Sea, thereby commanding the most important alternative route for Saudi oil exports as well as the shipping lane through the Bab al-Mandab Strait - a route of immense importance to global trade.

Most **container shipping lines operating** between **Europe and Asia** continue to avoid the Red Sea and Suez Canal route, opting instead to sail around the Cape of Good Hope in South Africa. However, as potential attacks by the Houthi militia target tankers calling at Saudi Arabian ports rather than European container ships, these shipping lines are gradually moving to resume services through the Red Sea. Meanwhile, the US and the EU are attempting to safeguard international shipping in the Red Sea against Houthi attacks through multinational naval missions and military protection measures. Switching from the long detour around the Cape of Good Hope back to the Suez Canal significantly reduces transit times for customers on these specific routes. Nevertheless, given the ongoing volatility of the security situation in the Middle East, shipping lines reserve the right to adjust routing at short notice should the situation escalate. It should also be noted that changes made by shipping lines - such as alterations to service routes, transshipments, or the deployment of vessels from alliance partners - may result in subsequent changes to the originally planned routing via the Cape of Good Hope or the Suez Canal/Red Sea.

As the route through the **Red Sea** entails a **residual risk** despite maritime security measures, transport insurance policies generally do not currently offer coverage against war risks. Should you or your customer decide to utilize the faster liner service via the Suez Canal and the Red Sea, please note that we disclaim all liability for damages or claims of any kind arising from the transport of goods through the high-risk area.

The factors influencing the **level of ocean freight rates** in container shipping are diverse and dynamic. Rate levels are determined by an interplay of market mechanisms, operating costs, and external influences.

The **key factors influencing ocean freight** rates are:

- Supply and demand for shipping capacity on the specific trade route
- Container type; dimensions and weight of the cargo
- Fluctuating fuel costs; transport distance
- Transit time and routing between ports
- Direct shipment versus shipment via a transshipment port
- Choice of shipping line
- Conditions at the port of loading or destination
- Type of goods
- Time of shipment
- Current geopolitical situation in a given trade region
- Availability of empty containers (for exports) or options for returning empty containers (for imports) at an inland depot; and
- Mode of transport used for pre- or on-carriage in seaport-hinterland transport (truck, or a combination of truck and rail or truck and inland waterway vessel)

The **ocean freight market** remains dynamic, particularly on key routes between Europe and Asia as well as to and from North America. You can rely on us: the NAVIS team evaluates the options and offers the optimal solution for every shipment in our customers' best interests. In doing so, we take into account key factors such as freight rates, the availability of container equipment and vessel space, sailing frequency, transit times, and schedule reliability.

Along with the Suez Canal, the **Panama Canal** is by far one of the most important artificial waterways for global trade. Approximately 6 percent of international maritime trade is handled via the Panama Canal. Triggered by the El Niño climate phenomenon, water levels in Gatun Lake - created artificially during the canal's construction—and Alajuela Lake have recently dropped by several meters due to persistent dry weather. Passing a ship through the 82-kilometer-long canal and its twelve locks requires around 200 to 250 million liters of water. If rainfall fails to materialize, the reservoirs - and consequently the canal itself - lack the necessary water. The consequences for canal operations are severe, forcing the Panama Canal Authority to limit the number of daily transits. Effective September 3, the number of permitted ship passages was reduced from 36 to 34; from mid-September onwards, only 32 ships are allowed to pass through. To prevent ships from running the ground, freighters are also required to transit with limited cargo loads to reduce their draft. Consequently, for the foreseeable future, delays and increases in the Panama Canal Surcharge are to be expected for sea freight shipments traversing the canal on container vessels.

Cross-border value-creation models in **North America** are losing some of the predictability that underpinned many investment and supply chain decisions in recent years. Put simply, the **North American division of labor** long followed this pattern: raw materials and energy from Canada, industrial manufacturing in Mexico, and sales in the US market. Due to the current US administration's tariff policies, companies must prepare for the fact that the US may - on short notice - exert pressure on even close trading partners through tariffs, rules of origin, and market access restrictions. Consequently, production,

procurement, and distribution operations in North America are increasingly being segmented according to target markets. Companies are now re-evaluating their supply chains, a process that can give rise to both new risks and new opportunities. Further information on the restructuring of supply chains in North America can be found on the Germany Trade & Invest (GTAI) website [here](#).

Once again, we at NAVIS have the pleasure of celebrating several milestone **work anniversaries** in recent weeks: 35 years with NAVIS for Ms. Julia Stork (NAVIS Hamburg); 25 years for Mr. Frank Konrad (NAVIS Bremen); and 10 years for Mr. Wilfried Müller (NAVIS Hamburg) and Mr. Marcel Legrand (NAVIS Hamburg). We thank all of them for their loyalty to NAVIS and their reliable dedication over the years, and we wish them all the best and continued good health.

As of September 15, 2026, the use of **Digitoll – Norway’s** new mandatory digital customs system – will be required for the transport of goods into Norway. It replaces traditional, paper-based, and manual border procedures with a fully electronic requirement to transmit data prior to the goods’ arrival. Through its Norwegian partner company, NAVIS is prepared for the implementation of Digitoll. Please feel free to contact your usual NAVIS representative if you have any questions.

Reducing red tape is one of the business community’s key demands. Yet, in reality, we find that bureaucratic hurdles continue to mount. Year after year, companies are confronted with a host of new laws and regulations from Brussels and Berlin. For instance, office ladders and stepladders must undergo regular inspections to ensure they are in proper condition, carried out by a trained and certified “**competent person for the inspection of ladders and stepladders**.” This serves as a prime example of German thoroughness in the implementation of accident prevention regulations.

Cities around the world are increasingly using **cable cars** for local public transport to address traffic issues or for tourism purposes. Well-known examples include Medellín, La Paz, London, and Ankara. In Germany, cable cars operate in Cologne, Koblenz, and Berlin (IGA), as well as in cities with connections to higher elevations, such as Freiburg and Heidelberg. The world’s largest urban cable car network is *Mi Teleférico* in La Paz, Bolivia, featuring 10 lines and a total length of over 33 km. In Europe, the 4.5 km-long Câble C1 near Paris - scheduled to open in late 2025 - is considered the longest urban cable car. In terms of transport capacity, the largest cable car in a German city is the Koblenz Cable Car; it can transport up to 7,600 passengers per hour. Crossing the Rhine, it connects Koblenz’s Old Town (near the *Deutsches Eck*) with the Ehrenbreitstein Fortress and is regarded as the largest cable car of its kind north of the Alps.

Anyone wishing to travel abroad generally needs a valid **passport**. This applies to citizens in Germany just as it does to travelers in almost every other country in the world. According to the latest [Passport Index](#) from the consultancy firm Henley & Partners, German citizens can currently enter 186 countries with a passport without having to apply for a visa beforehand. However, there are three people worldwide who are exceptions to this rule: King Charles III, as well as Japan’s Emperor Naruhito and Empress Masako, are permitted to travel without a passport. Charles III inherited this privilege following the death of his mother, Queen Elizabeth II, and a Japanese government document states that it would be “highly



inappropriate" for Their Majesties to be treated like ordinary citizens during entry procedures. Instead of a passport, they use an official government document.

Population in Germany in the year 2035

Percentage change in population compared to 2020

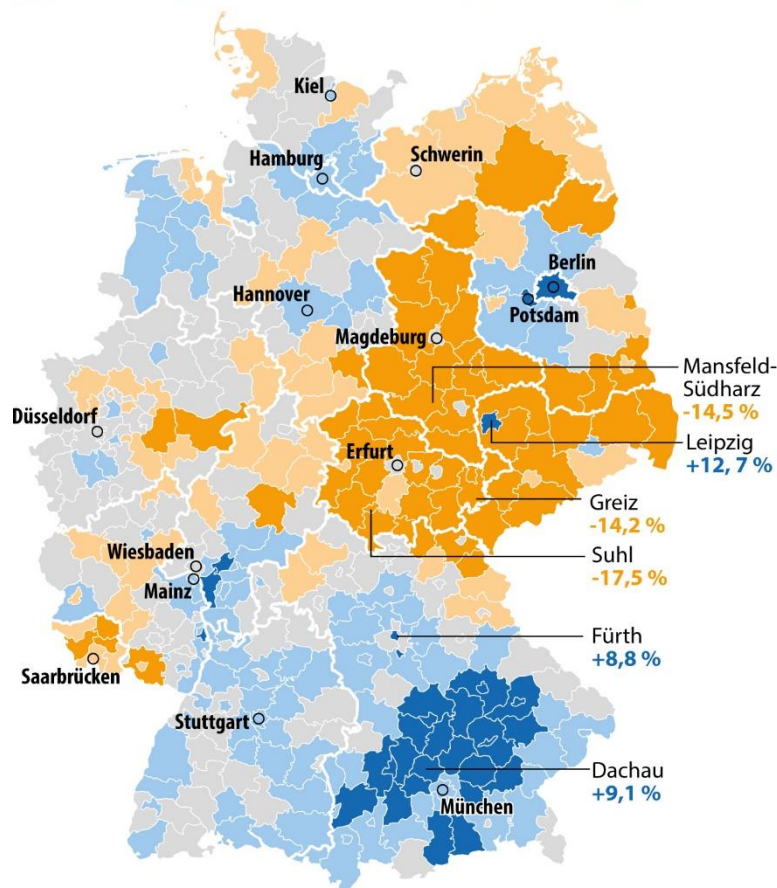
Deutschlands Bevölkerung 2035

Veränderung der Einwohnerzahlen im Vergleich zum Jahr 2020 in Prozent

Prognose

← Rückgang ————— Wachstum →

■ -17,5 bis -5,0 % ■ -4,9 bis -2,0 % ■ -1,9 bis 1,9 % ■ +2,0 bis +4,9 % ■ +5,0 % und mehr



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Quelle: GEWOS Institut für Stadt-, Regional- und Wohnforschung

"It is encounters with people that make life worth living."

Guy de Maupassant (French novelist 1850 - 1893)

Best regards from Hamburg

Yours

NAVIS Schiffahrts- und Speditions-Aktiengesellschaft



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