



GLOBAL TRANSPORTATION MARKET REPORT

May 2026



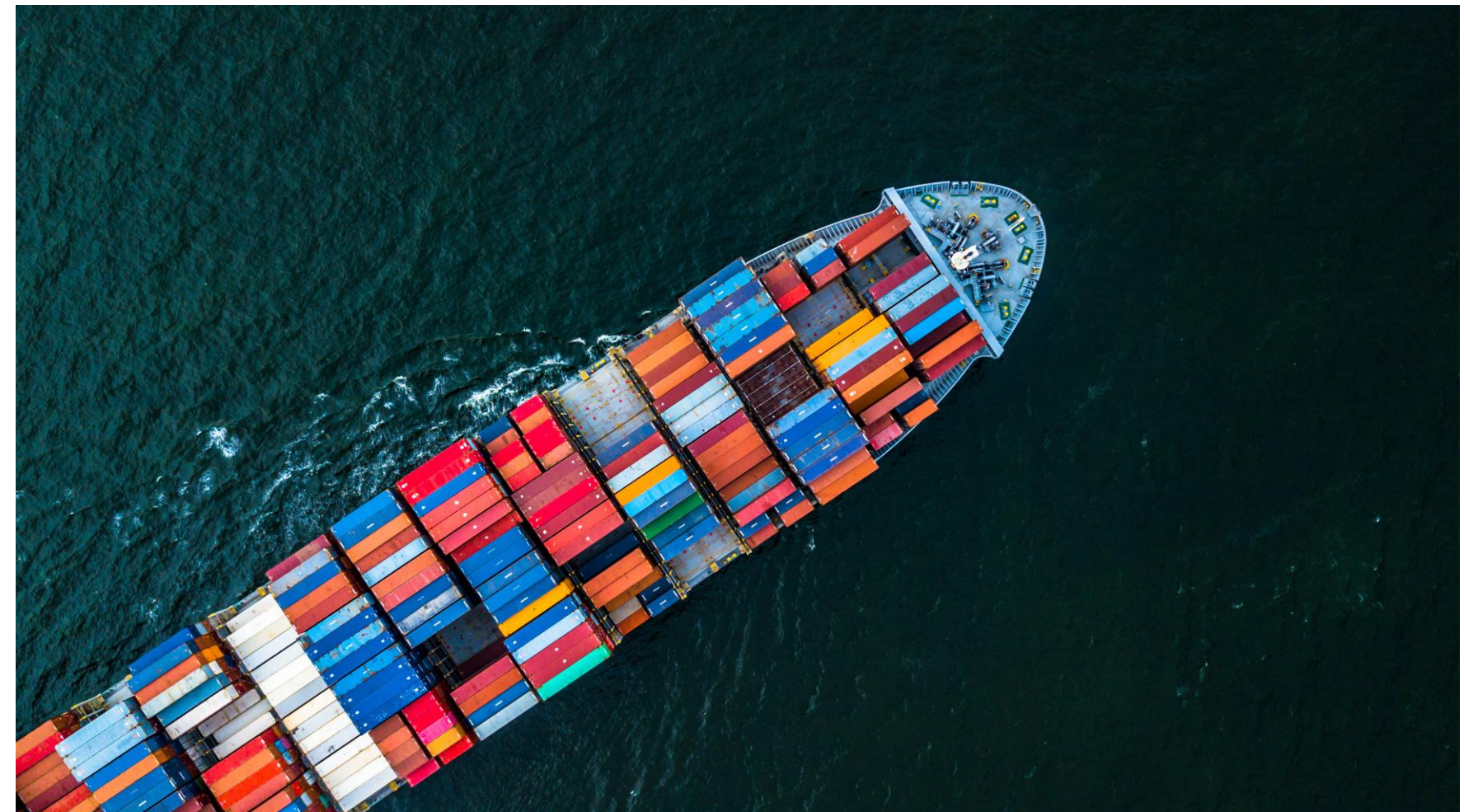
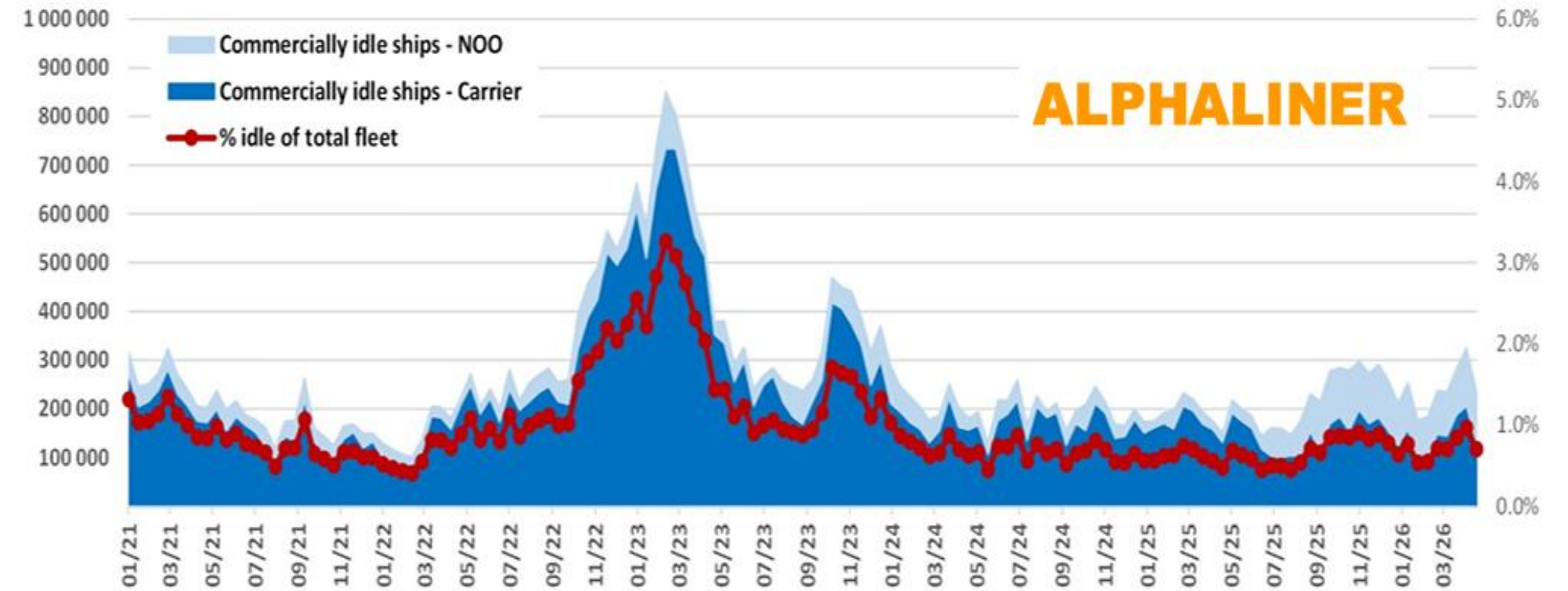
Global Ocean Trends - Market Summary

- **Supply remains artificially tight with approximately 0.7% of the global fleet (~236,000 TEUs) commercially idle:** Additional capacity is removed by disruptions—keeping effective supply constrained.
- **The conflict in the Middle East remains the main market driver:** Rerouting, port changes, and vessel diversions are increasing transit times and absorbing capacity with approximately 310,000 TEUs effectively unavailable due to conflict impacts.
- **Fuel costs and slow steaming are exacerbating diminished capacity:** Record bunker prices have triggered speed reductions (~2–3%), further reducing effective capacity and supporting current rate levels.
- **Rates are stabilizing with slight upward support:** Spot rates have modestly improved year over year but remain well below 2024 peaks, having stabilized after earlier gains.
- **Demand remains weak but stable:** Global volumes remain flat to slightly positive (0–3%), with no strong rebound expected in the first half of 2026.
- **Stable short-term carrier outlook with medium-term downside risk:** Pricing is likely supported in the near term by disruption and cost pressures, but new capacity deliveries (+10%+) and potential Suez Canal normalization could push rates downward in the second half of 2026.



Capacity and Idle Fleet

- Approximately 81 commercial containerhips are idle, totaling 235,705 TEUs, or 0.7% of the global fleet
- More than 300,000 TEUs are classified as “forced inactive” i.e., ships trapped, rerouted or avoiding the Middle East. While not technically considered idle, these 58 vessels are effectively reducing available capacity.
- Nine new deliveries in April and the first half of May, with five 11,000+ TEU vessels received by CMA, MSC and Yang Ming



Ocean Trade Lanes

- **Asia-Europe** is the tightest major lane with Red Sea disruption necessitating longer transits around the Cape of Good Hope which absorbs capacity. While rates are stable in the short term, pricing is likely to slip if Suez Canal transits normalize.
- **Transpacific (Asia-United States)** is a stable to slightly firm market, supported by redeployed capacity and network optimization. Demand remains moderate with no major rate spikes.
- **Asia-Middle East/Gulf** is the most disrupted lane globally with port omissions, rerouting, and limited direct service. Costs are highly volatile and service can be unreliable.
- **Europe-Middle East/India** is defined by a fragmented, unstable network relying on Red Sea alternatives. Continue to expect increased transit times and persistent operational complexity.
- **Asia-Africa (East/West/South)** is benefiting from diverted flows and longer rotations. Capacity has tightened, while congestion and scheduling issues are on the rise.
- **Transatlantic (Europe-North America)** trades are moderately firm but balanced, with some capacity tightening due to global redeployments. Low demand growth limits any upside.
- **Intra-Asia** has been resilient and relatively strong, absorbing displaced cargo and benefiting from regional trade. Lanes are characterized by high vessel utilization and a steady rate environment.

	Available space; quick booking turn time.
	Capacity well utilized; some space available.
	Demand higher than supply; space agreements challenged.

Trade Lane	Status
TPEB to USEC	
TPEB to USWC	
CBP to N Eur	
CBP to MED	
SE Asia to N Eur	
SE Asia to MED	
ISC to US	
N Eur to ISC	

Trade Lane	Status
N Eur to AP	
MED to AP	
US to N Eur	
US to MED	
MED to US	
N Eur to US	
US to ISC	
Med to ISC	

Ocean Carrier Updates

CMA CGM

- Expanded Red Sea transits: Now routing seven mainline services via Bab-el-Mandeb despite risk
- Frequent adjustments to India-Middle East loops with rotations revised to bypass disrupted Gulf ports (added Fujairah, Sohar, etc.)
- Launched/modified regional services with continuous redesign of Africa, India, and Red Sea connectivity

COSCO Shipping/OOCL

- Launched new China-Indonesia and China-East Mediterranean-Red Sea services, including Central China-Indonesia and North Africa connections
- Streamlined South China-Indonesia coverage with removed and replaced loops
- Reduced and adjusted Europe-South America calls (with ONE/OOCL alliance partners); removed select ports to improve reliability

Maersk

- Closed regional Mediterranean-Red Sea shuttle loops (Gemini cooperation)
- Consolidated into direct long-haul Far East-Red Sea service
- Extended Mediterranean-Red Sea-West Africa loop into Middle East, added Salalah connectivity to replace disrupted routing
- Launched new North Europe-Mediterranean-Red “Baltic Sea” service and added additional intra-regional coverage

Mediterranean Shipping Company (MSC)

- Launched new Suez Canal-routed Europe-Red Sea-Middle East service. Connects North Europe, Mediterranean, and Red Sea ports with large 13,000-16,000 TEU vessels
- Added intra-Persian Gulf shuttle, a regional feeder loop linking Saudi Arabia, Bahrain, and Kuwait
- Adjusted Far East-U.S. East Coast network with ZIMPort swaps and vessel resizing to improve schedule reliability

ONE (Ocean Network Express)

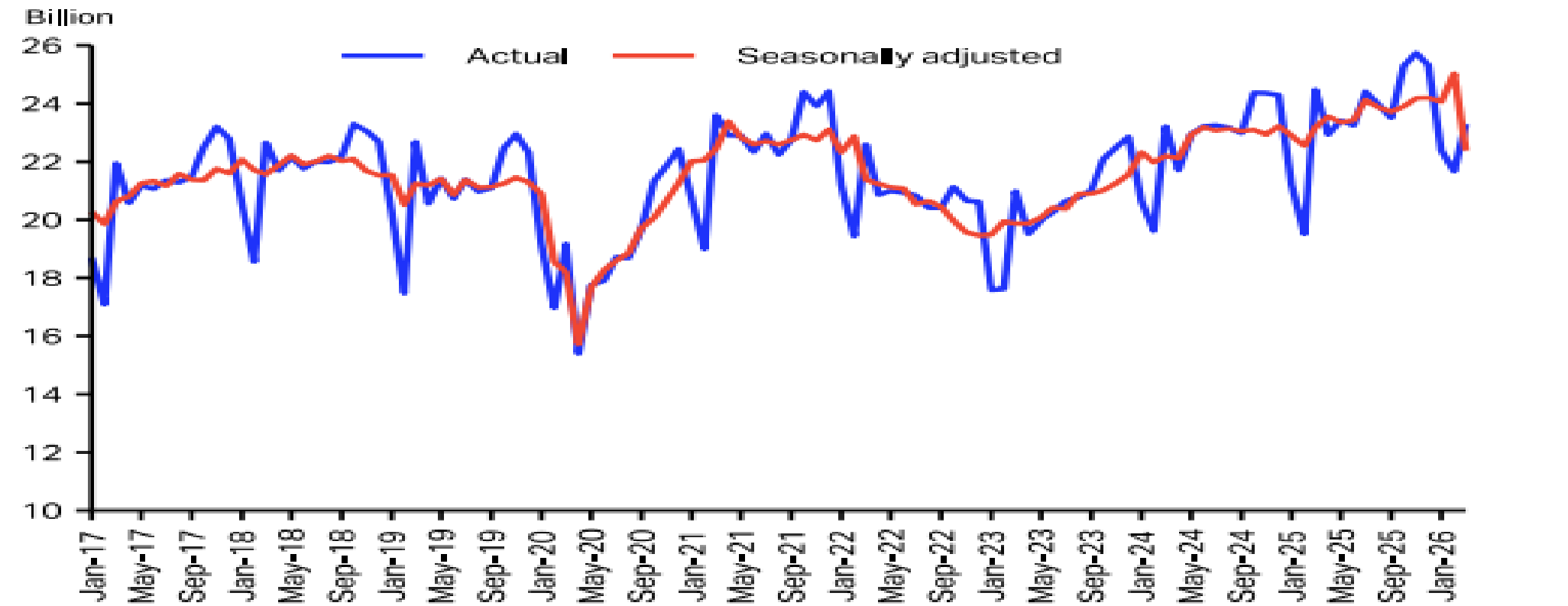
- Closed Egypt-Turkey-Spain loop
- Capacity rationalization in intra-Europe/Mediterranean trades
- Expanded intra-Asia connectivity with additional Thailand-Cambodia-China service links
- Partnership adjustments across multiple services with ongoing collaboration-driven route restructuring

ZIM

- Adjusted Far East-U.S. East Coast services with MSC vessel downsizing and port call changes across loops
- Redeployed larger vessels to alternative U.S. East Coast services
- Focus on optimized capacity deployment

Air Freight Overview

- Despite a ceasefire, average airfreight rates increased in April, reflecting continued disruption from war in the Middle East, including elevated fuel costs and longer flight routings.
- Continued closure of the Strait of Hormuz has driven oil prices above \$100/barrel, increasing jet fuel costs and exerting pressure on global airfreight pricing.
- Capacity is returning, but full network optimization depends on Middle East stabilization, an uncertainty.
- Many shippers are favoring short-term agreements over traditional long-term contracts to preserve flexibility in a volatile environment.



	World share ¹ , %	March 2026 (year-on-year, %)				March 2026 (year-to-date, %)			
		CTK	ACTK	CLF (%-pt)	CLF (level)	CTK	ACTK	CLF (%-pt)	CLF (level)
TOTAL MARKET	100.0	-4.8	-4.7	-0.1	47.9	3.3	1.9	0.6	46.4
Africa	2.1	7.0	-4.6	5.4	49.6	14.3	3.6	4.3	46.3
Asia Pacific	36.0	5.4	5.0	0.2	48.9	8.9	6.2	1.2	46.6
Europe	21.3	2.2	4.2	-1.1	59.9	4.8	5.0	-0.1	57.6
Latin America and Caribbean	2.9	1.8	5.1	-1.3	38.3	-1.0	4.0	-1.8	34.7
Middle East	13.2	-54.3	-52.4	-1.9	45.7	-12.4	-10.8	-0.8	43.1
North America	24.5	-1.2	-1.1	0.0	40.6	1.8	0.2	0.6	41.8
International	88.0	-5.5	-6.8	0.8	54.8	3.6	2.3	0.7	51.6
Africa	2.1	7.0	-4.6	5.5	51.3	14.3	3.5	4.6	48.0
Asia Pacific	32.2	5.5	3.5	1.1	56.2	9.1	6.3	1.4	52.9
Europe	21.0	2.4	4.1	-1.0	62.2	5.0	5.0	0.0	59.9
Latin America and Caribbean	2.5	2.6	4.7	-0.9	44.2	0.5	3.8	-1.3	39.6
Middle East	13.2	-54.2	-53.0	-1.3	46.7	-12.4	-10.9	-0.7	43.6
North America	17.1	-1.5	-0.6	-0.5	49.7	2.9	2.9	0.0	48.9

Note 1: % of industry CTK in 2025

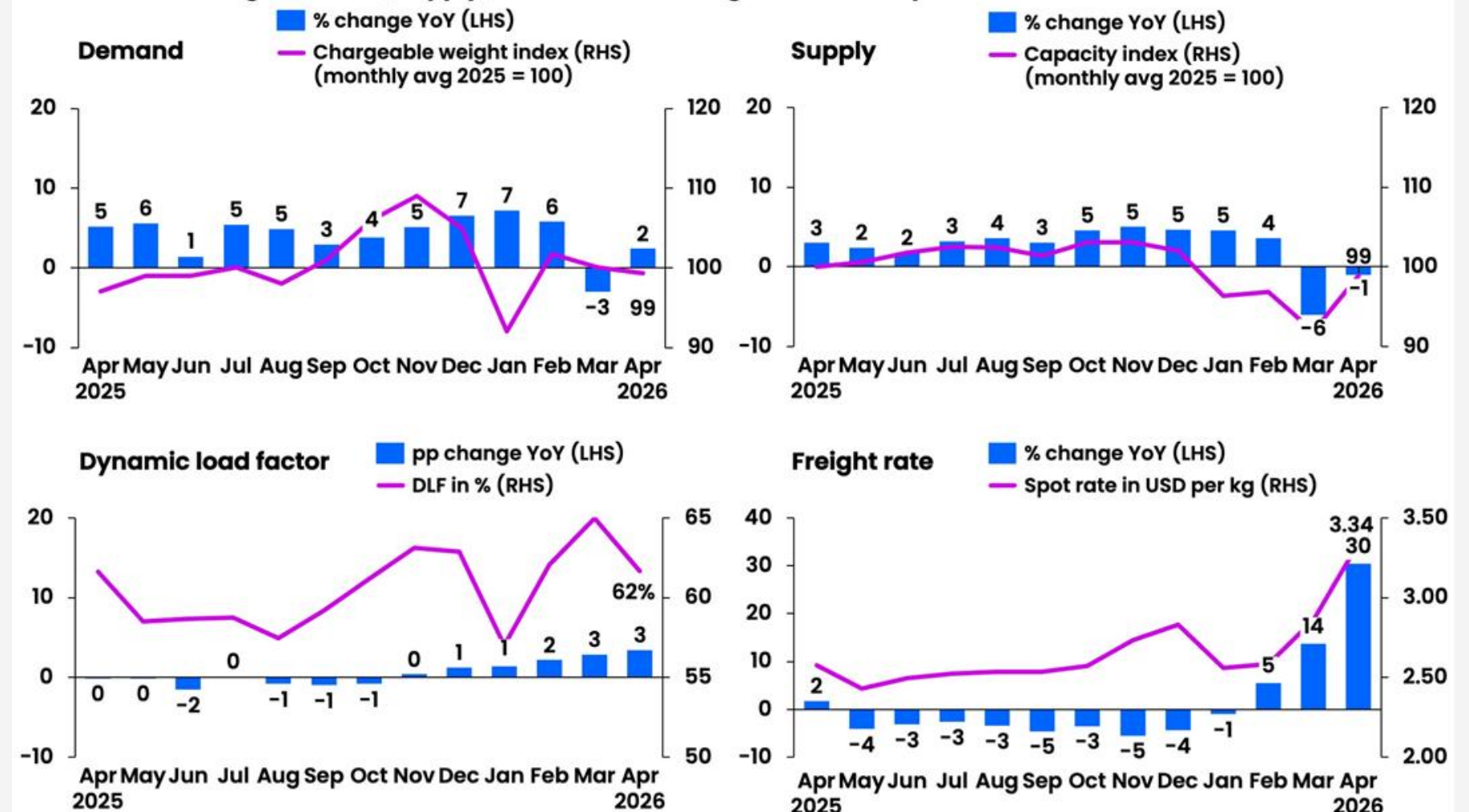
Note 2: the total industry and regional growth rates are based on a constant sample of airlines combining reported data and estimates for missing observations. Airline traffic is allocated according to the region in which the carrier is registered; it should not be considered as regional traffic. Historical statistics are subject to revision.

Airfreight Demand | Load Factor | Rate Development

- Airfreight prices surged ~30% year over year in April, driven by Middle East disruption, fuel costs, longer routings, and capacity pressure. Early signs indicate rates may be stabilizing or even slightly declining on some lanes.
- Rate pressure remains most acute on Middle East-linked lanes, with Europe–Middle East and Asia Pacific–Middle East seeing the sharpest year-over-year increases.
- Capacity is beginning to recover, easing pressure slowly. Demand rose 2% year over year, capacity fell 1%, and load factors increased to 62%, indicating tight—but improving—conditions as lift gradually returns to affected routes.
- Gulf air cargo capacity also continues to recover, reaching approximately 74% of pre-disruption levels as of mid-May. Freighter and widebody passenger capacity are both near 70% recovery, but network efficiency remains below normal.
- Recovery remains highly airport-specific, with Zayed International Airport in Abu Dhabi, United Arab Emirates, and King Khalid International Airport in Riyadh, Saudi Arabia, closer to normal levels while airports in Doha, Qatar, and Dubai, United Arab Emirates, remain below baseline.

Global air cargo rate surged +30% year-on-year in April, highest in over 3 years

Global air cargo demand, supply, load factor and freight rate developments



Note: LHS (or RHS) refers to the left-hand (or right-hand) side vertical axis.
Source: Xeneta

Airfreight Demand | Load Factor | Rate Development

- Although most Gulf carrier aircraft are operational, utilization remains below normal, limiting effective capacity and schedule flexibility.
- Market dynamics are shifting back to supply-demand fundamentals. As capacity returns, pricing is expected to normalize, but rates will decline gradually, not sharply. Fuel costs alone are not driving pricing—availability of lift remains the key factor.
- Shippers are benefiting from early stabilization, but volatility remains. Short term market stabilization is emerging, but uncertainty with respect to Middle East developments and operational recovery means rate visibility and planning both remain constrained.
- Operational impact favors long haul resilience, limiting downside risk. Airlines are likely to protect their long-haul cargo routes, reducing the risk of severe capacity cuts. Some lanes (e.g., South Asia) have already peaked, suggesting gradual easing ahead, though not a return to pre crisis levels in the near term.



Air Trade Lanes

- Fuel costs and airspace disruption continue to drive pricing. Oil prices above \$100/barrel and restricted Middle East airspace have increased operating costs and extended transit times, keeping upward pressure on air freight rates even as markets stabilize.
- The market has entered a “wait-and-see” phase. Shippers, airlines, and forwarders are cautiously adjusting operations, with alternative routings now established and capacity gradually returning. The pace of rate increases has been reduced, but pricing is not yet normalized.
- Capacity is improving but remains structurally constrained. Partial restoration of networks (e.g., major carriers like Emirates returning to approximately 75% capacity) is helping stabilize supply, but Middle East disruptions continue to limit optimal routing and efficiency.
- Direct Asia-Europe lift expanded enough to offset much of the lost Middle East-Europe capacity. However, the additional direct freighter and widebody belly capacity comes at the expense of fuel-impacted load factor reductions.
- Demand remains resilient but increasingly cost-sensitive. Shippers are still using air freight to maintain service levels, but if high fuel costs persist, demand could begin to dampen.
- Expect continued volatility in pricing, routing, and transit times—conditions that favor short-term contracts. Shippers should prioritize reliable lanes and carriers as stability—rather than cost—becomes the primary decision driver.

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	Capacity well utilized; some space available.
	Demand higher than supply; space agreements challenged.

Trade Lane	Status
AP to US	
US to AP	
Europe to AP	
AP to Europe	
Europe to US	
US to Europe	

Trade Lane	Status
US to LATAM	
LATAM to US	
Europe to LATAM	
LATAM to Europe	
India to US	
US to India	

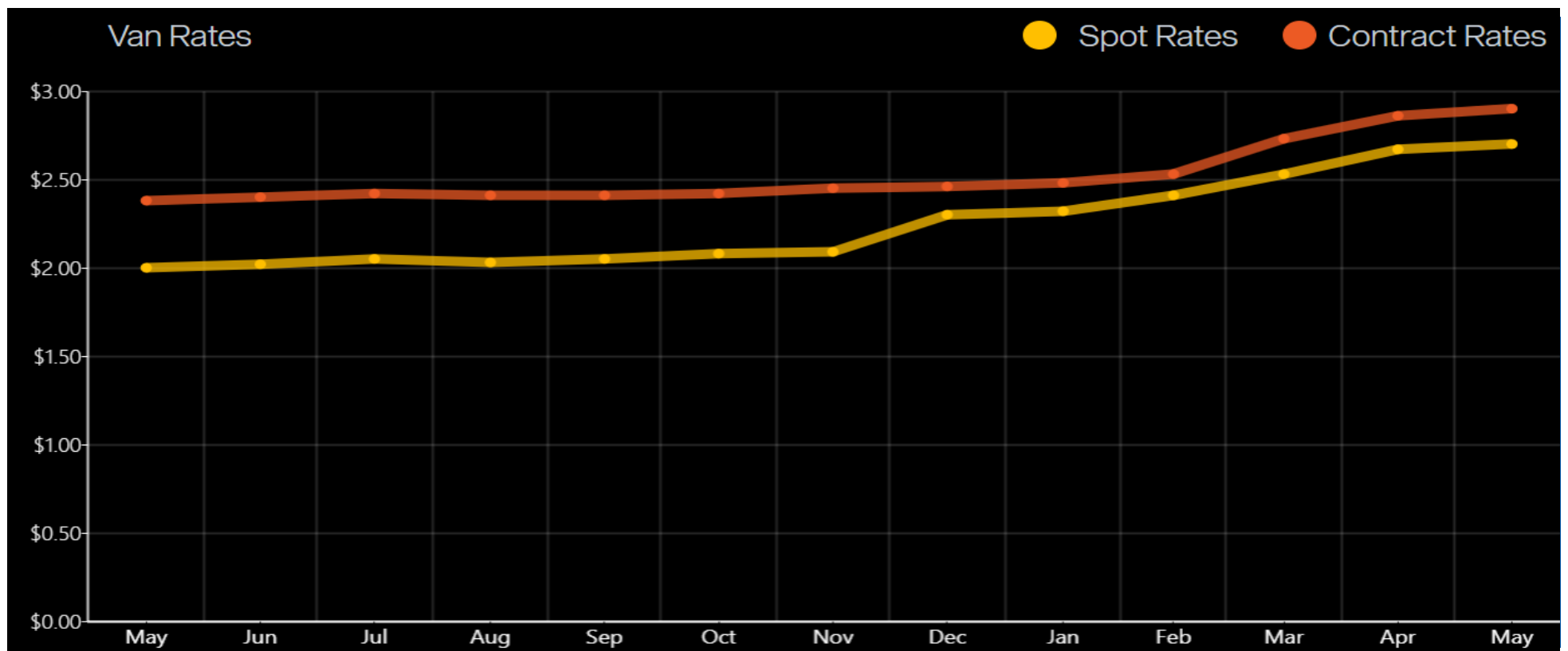
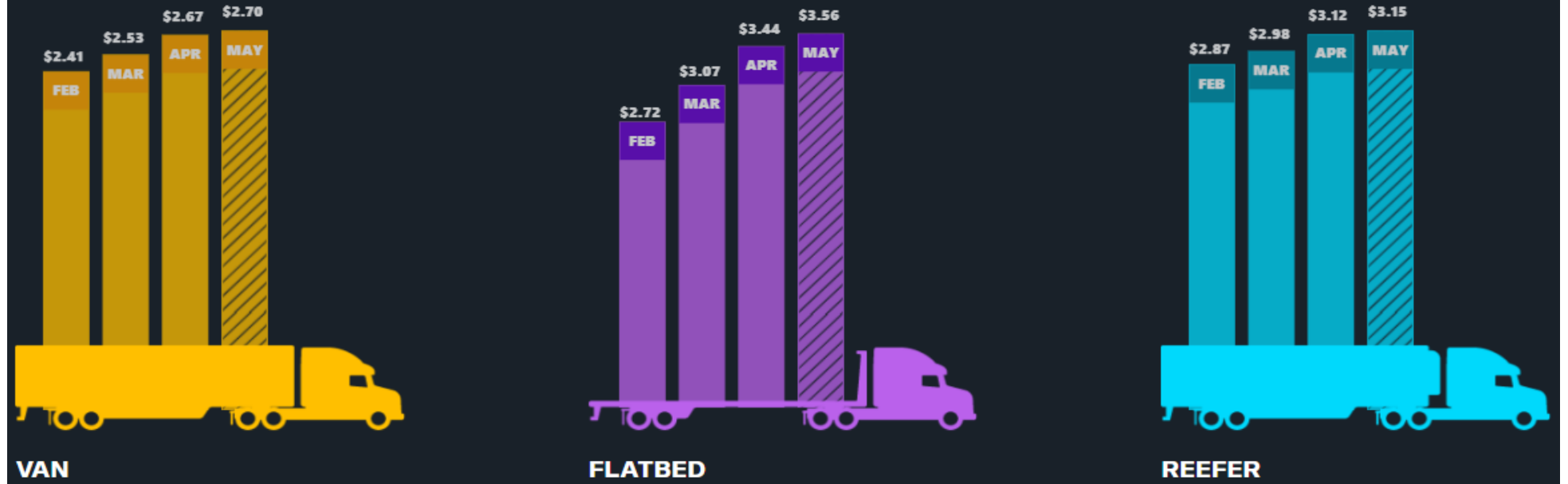
North American Transportation

- Tightening capacity in the U.S. road market is regionalized with the strongest pressure in the Midwest, Southeast, and Texas. West Coast capacity remains relatively accessible, creating lane-by-lane risk rather than nationwide shortages.
- Fuel pricing has surged due to supply risk and war in the Middle East, with U.S. diesel up about 55% year over year, including rapid increases in the last 90 days. This affects fuel surcharge formulas across all transport modes.
- Transportation capacity is down significantly year over year, while prices are sharply increasing.



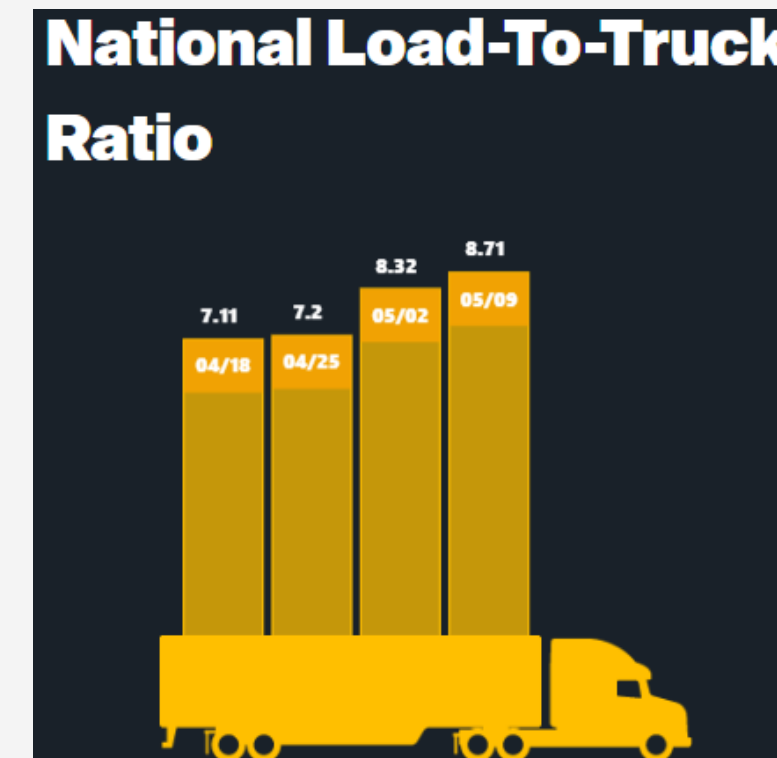
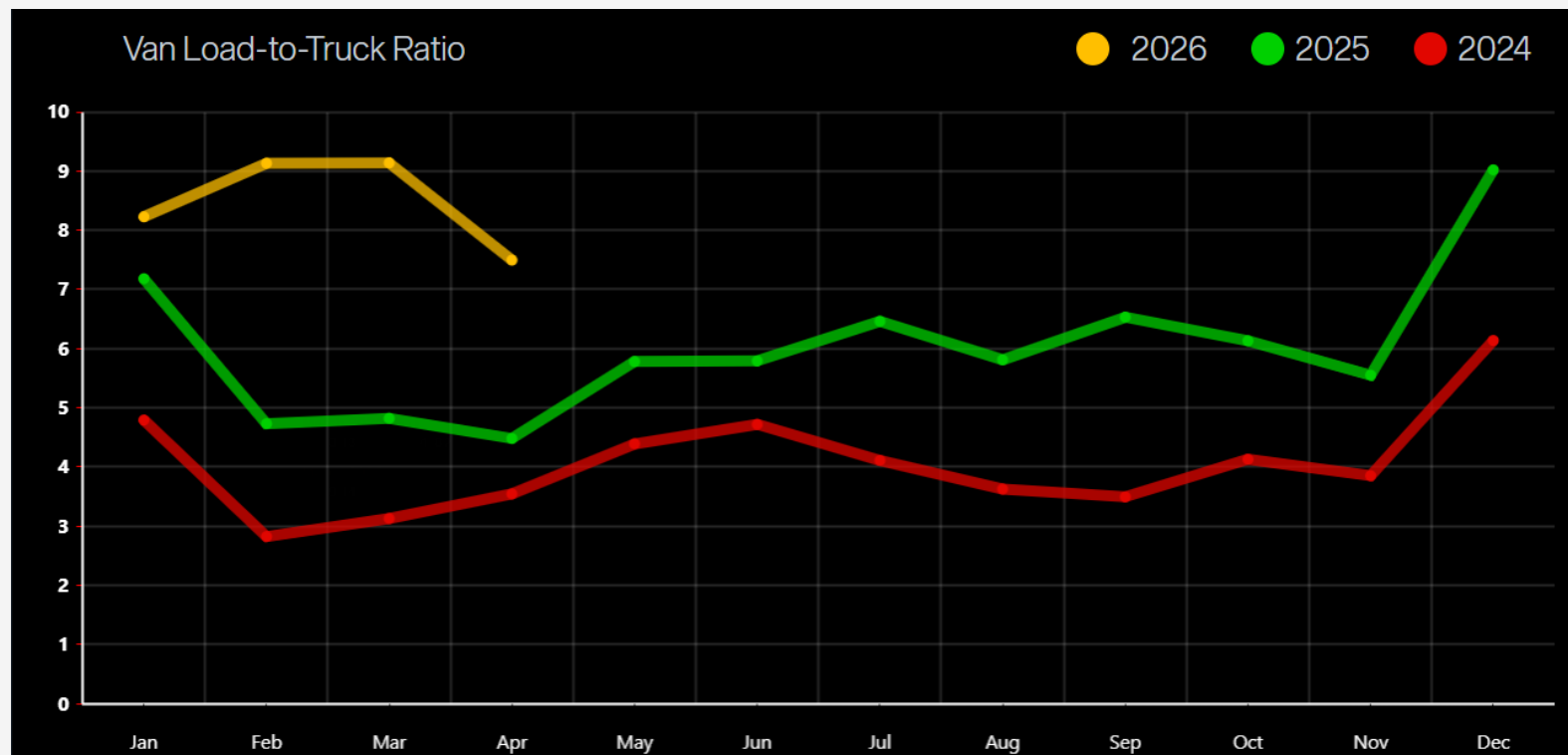
National Spot Rates

Fuel costs put squeeze on carrier margins



North American Transportation

- The U.S. road market is tightening, but impacts vary by region. Spot volatility is concentrated in tighter regions while others remain stable—requiring more dynamic, lane-level management.
- The Midwest, Southeast, and Texas are the tightest regions due to carrier exits, seasonal demand (produce, retail), and cross-border flows driving higher spot rates and routing-guide risk.
- The West Coast remains relatively balanced but improving. Weaker truckload demand (partially from intermodal shifts) has kept capacity more available, though early signs of outbound demand recovery are emerging.
- The Northeast is stable with cost-driven pressure. Capacity is not severely constrained, but rising fuel and operating costs are increasing total transportation spend and volatility.



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