

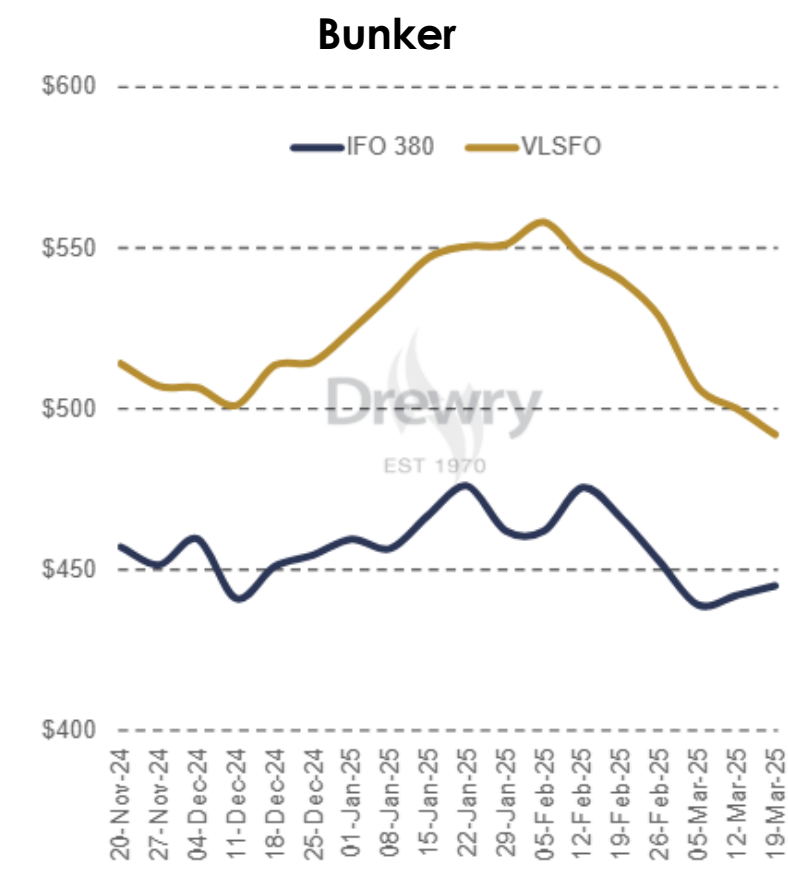
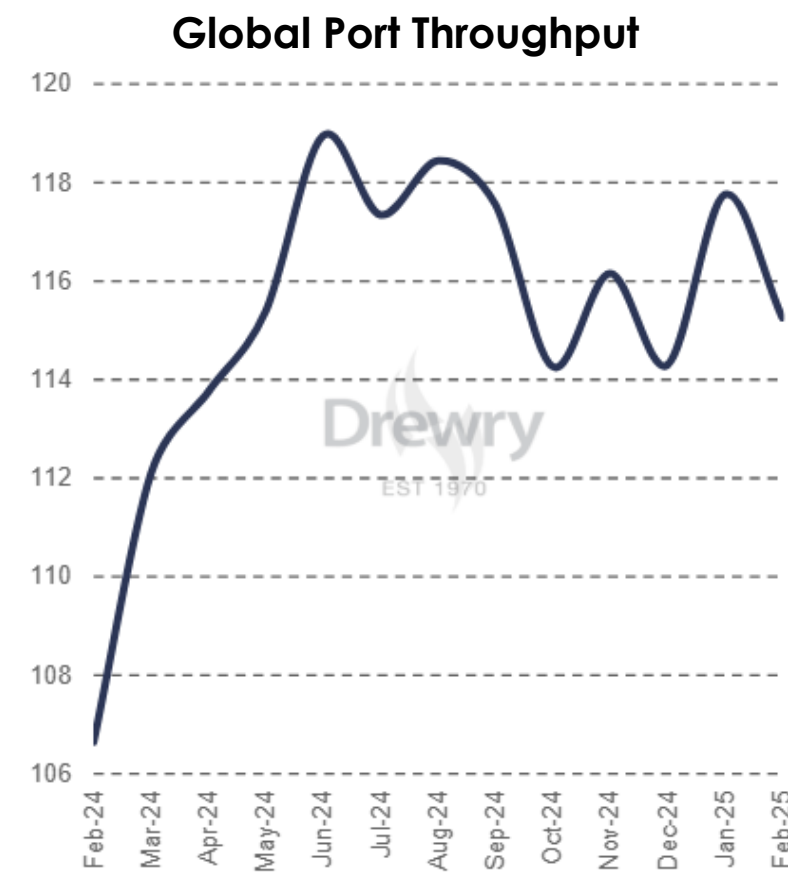
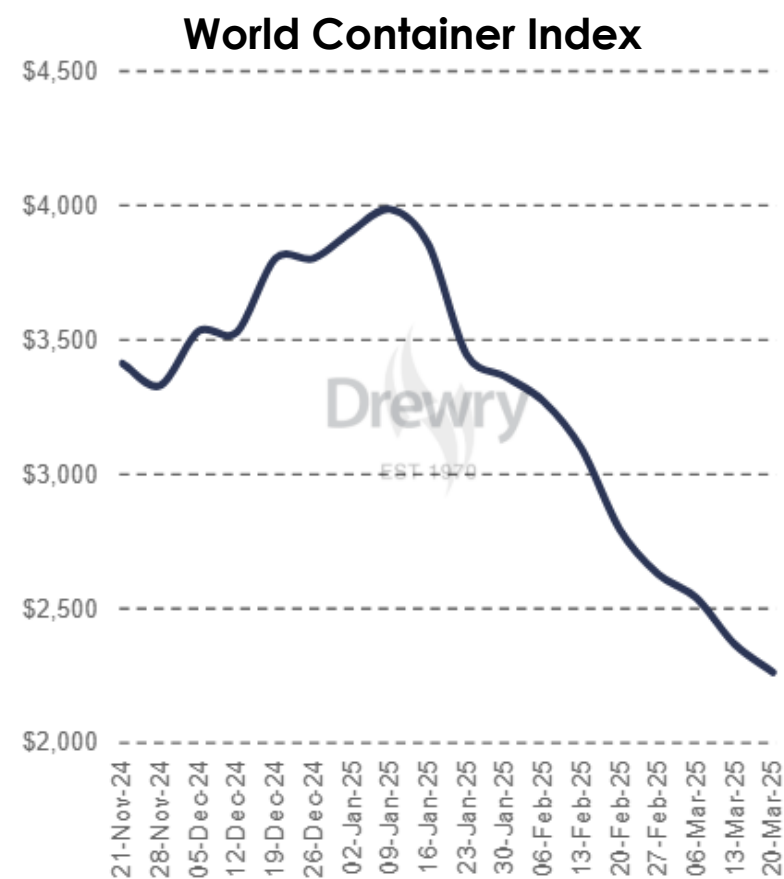


GLOBAL TRANSPORTATION MARKET REPORT

MARCH 2025



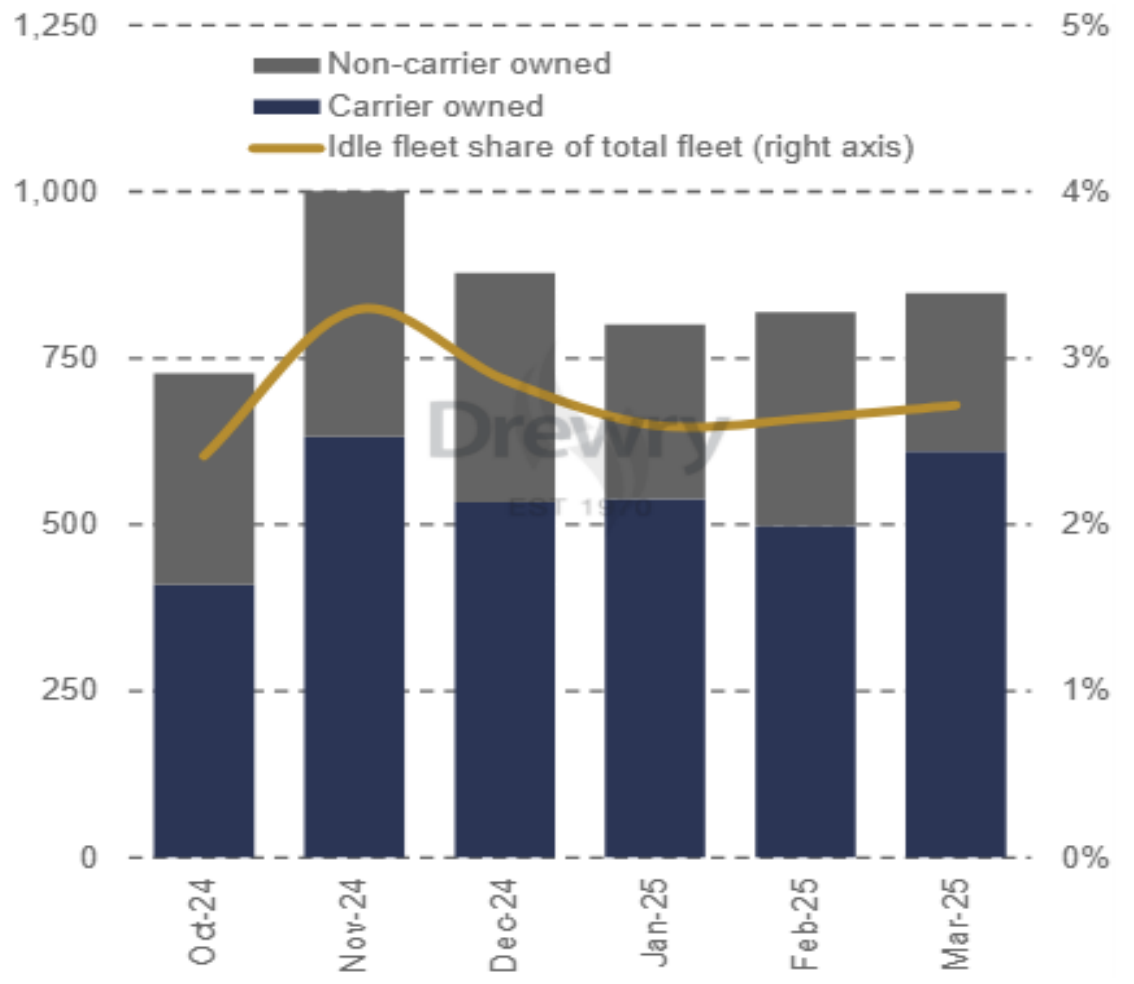
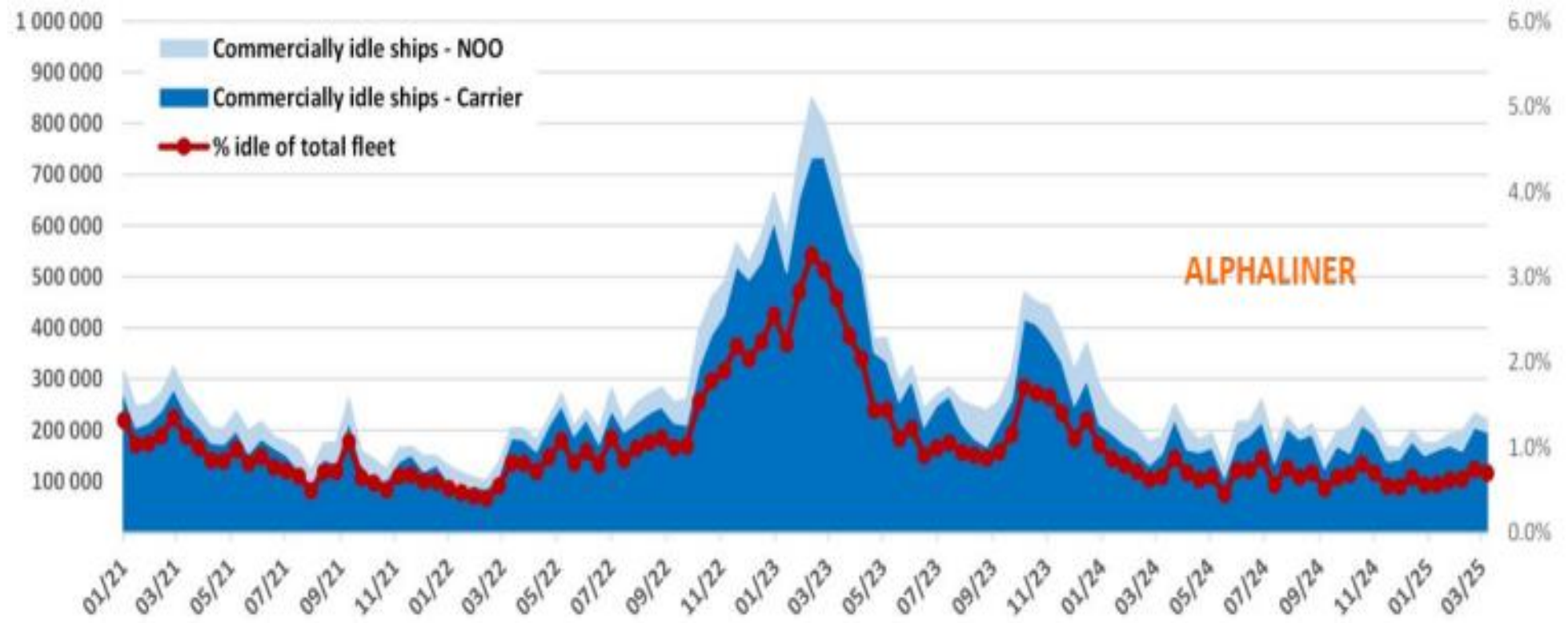
Global Ocean Trends



- Rates have fallen from their peak in February. Analysts expect further decline with demand likely to decrease as capacity expands
- With capacity still rising, analysts predict April's supply will be 31% higher compared to February
- Cancellations and the resulting decline in rates are indicative of the challenges faced by the shipping industry – oversupply and fluctuating demand. Trade lanes are being monitored for potential repercussions as the U.S. government threatens global import tariffs.
- The International Longshoremen's Association's new six-year employment contract for dockworkers on the U.S. East and Gulf Coasts is in effect through Sept. 30, 2030

Capacity and Idle Fleet

- In recent reports, 71 vessels were idle with a combined capacity of 220,279 TEU
- The idle fleet remained at just 0.7% of the total container capacity of the fleet
- Carriers received delivery of 10 vessels in March – three of which were 12,000 TEUs or larger – to MSC, PIL and ONE



Ocean Trade Lanes

- In February, U.S. and Canadian container imports were up about 3% year over year, but down 12% compared to the prior month. In the short term, minimal growth (0-5%) is expected, largely depending on potential tariff policies.
- Carriers have cancelled 47 out of a total of 715 scheduled sailings on the key East-West trade lanes between March 10 and April 13, representing a 6.5% cancellation rate
- Proposed rate hikes have already been postponed, and further increases seem unlikely
- Over the coming weeks, most East-West cancellations will hit the transpacific eastbound lane (~43%), followed by Asia-North Europe and Mediterranean (~30%) and transatlantic westbound lanes (~28%), according to Drewry calculations
- Anticipated resumption of Suez Canal transits by container lines remains on hold as missile attacks continue in the area

	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	

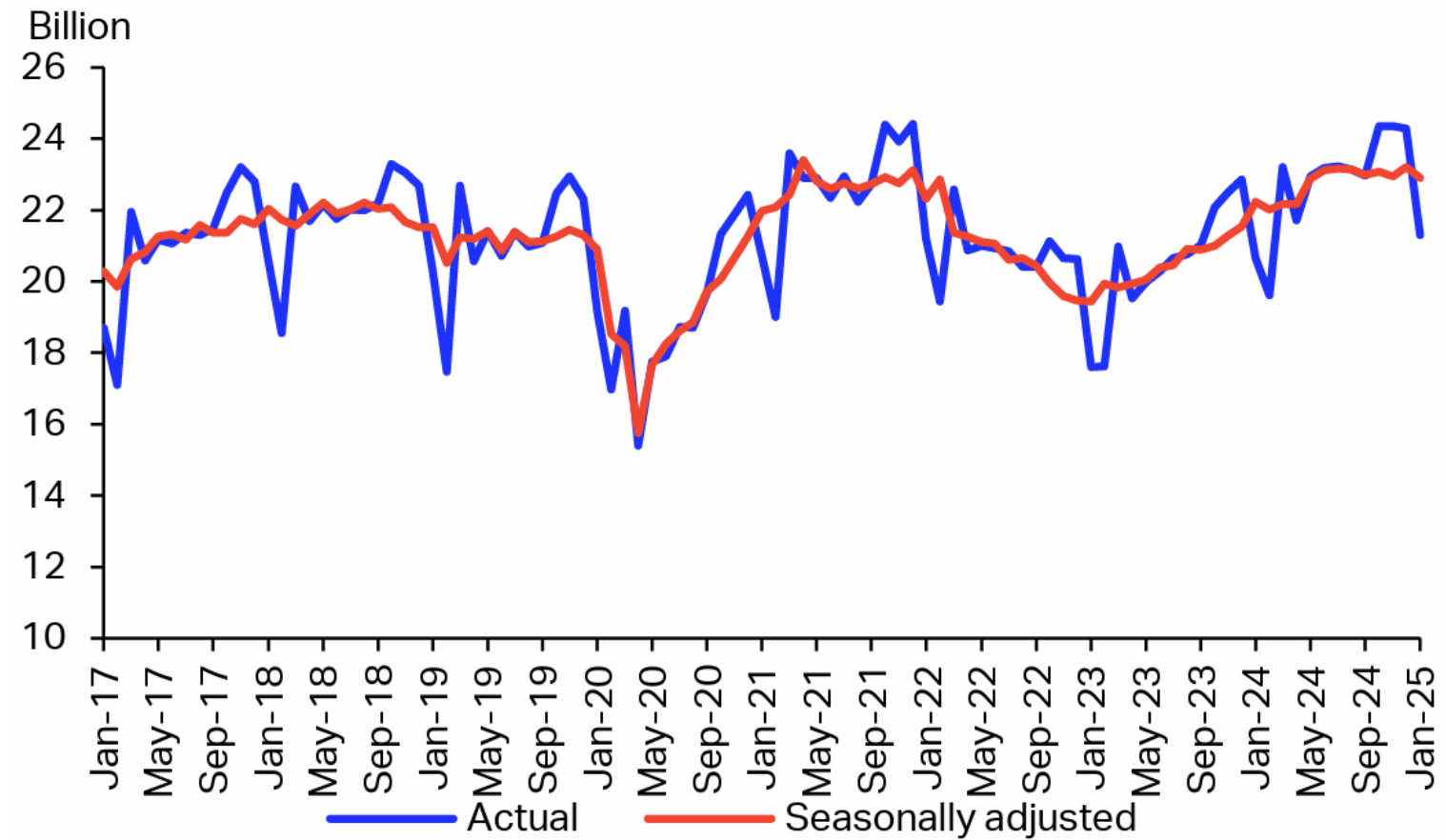
Trade Lane	Status
N Eur to AP	
MED to AP	
US to N Eur	
US to MED	
MED to US	
N Eur to US	
US to ISC	
Med to ISC	

Ocean Carrier Updates

- COSCO and OOCL are preparing the relaunch of the Ocean Alliance's third Far East-Northern Europe loop
- CMA CGM removed Rotterdam from its Far East-Northern Europe loop
- MSC shortened its "Origami" loop between Japan, Korea, China and Southeast Asia
- SITC revised its China-Malaysia-Myanmar-Eastern India-Indonesia "MIM" service
- HMM dropped North China from its China-Philippines loop
- Maersk introduced a shuttle between Malaysian ports Tanjung Pelepas and Kuching
- COSCO upgraded its Far East-Middle East "MEX6" service
- ONE introduced a new Marseille Fos-Algeciras "FSM" shuttle between France and Spain
- CMA CGM will add Marsden Point and Zeebrugge to the rotation between Northern Europe, the U.S. East Coast, Central America and Oceania
- SITC will introduce a new China-Japan-Philippines loop ("CPX4") and revise "CPX7" to add calls at Xiamen and the Port of Iloilo in the Philippines.

Air Freight Overview

- Forwarders are delaying BSA signings and shippers are postponing annual contract negotiations, opting for short-term agreements instead
- Airfreight rates could decrease, along with demand, following changes to e-commerce rules and other politically-motivated measures relating to global trade
- Airlines are assessing freighter strategies for the summer season; considerations include possibly repositioning equipment away from traditional origins like Hong Kong and Shanghai



	World share ¹	January 2025 (% year-on-year)			
		CTK	ACTK	CLF (%-pt)	CLF (level)
TOTAL MARKET	100.0%	3.2%	6.8%	-1.5%	43.9%
Africa	2.0%	-3.4%	5.4%	-3.6%	39.5%
Asia Pacific	34.2%	7.5%	10.9%	-1.4%	43.3%
Europe	21.5%	1.3%	3.5%	-1.2%	53.8%
Latin America	2.9%	11.2%	10.6%	0.2%	33.5%
Middle East	13.6%	-8.4%	-1.2%	-3.2%	40.8%
North America	25.8%	5.3%	7.5%	-0.9%	41.9%
International	87.3%	3.6%	7.3%	-1.7%	47.6%
Africa	2.0%	-3.5%	4.8%	-3.5%	40.9%
Asia Pacific	30.6%	7.4%	12.8%	-2.4%	48.8%
Europe	21.0%	1.4%	3.5%	-1.2%	55.7%
Latin America	2.5%	10.0%	11.1%	-0.4%	37.4%
Middle East	13.6%	-8.3%	-1.2%	-3.2%	41.0%
North America	17.5%	9.4%	9.5%	0.0%	45.9%

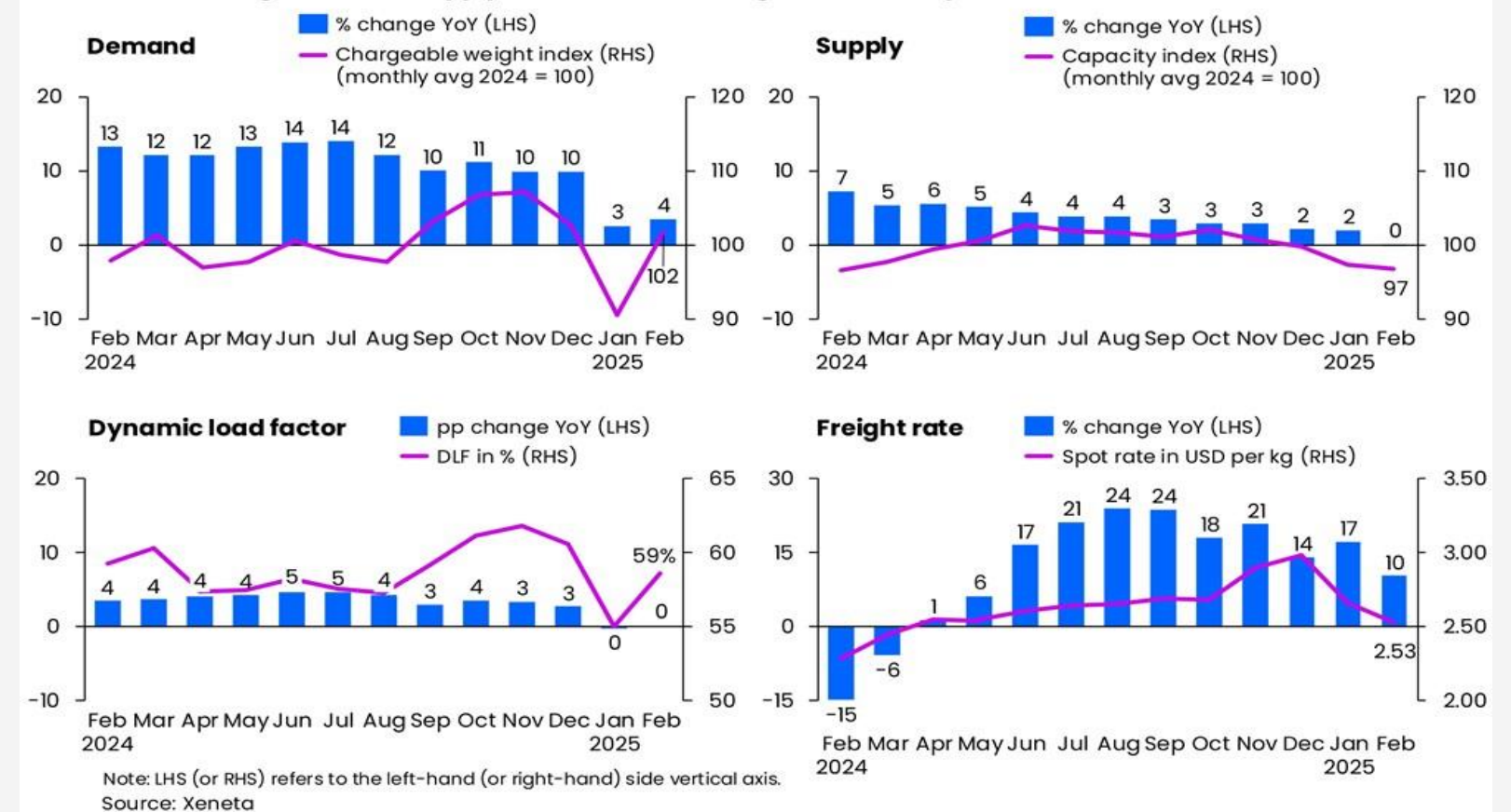
Note 1: % of industry CTK in 2024

Airfreight Demand | Load Factor | Rate Development

- Xeneta is expecting the market to grow 4.6% this year, but changes to e-commerce rules and/or implementation of new tariffs could diminish the anticipated increase
- The overall air cargo market continued to grow in February, but the data also reveals the industry's initial reaction to stricter shipment requirements for U.S. e-commerce imports
- Carriers are currently managing an oversupply of capacity, but they remain wary of potential shortages that could develop rapidly if new tariffs are imposed
- The threat of additional tariffs and other retaliatory measures is leading to some carriers to pre-emptively reposition capacity

Air cargo demand slows to low single-digit amid growing trade uncertainties

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



Air Trade Lanes

- The decrease in Shanghai-US spot rates, following the temporary removal of the de minimis exemption on e-commerce shipments to the U.S. may indicate that regulatory and political maneuvers are starting to affect the air cargo market
- Airlines are considering a shift in capacity away from China to Southeast Asia or the transatlantic trades
- Airfreight rates on major routes out of Hong Kong remained above last year's levels in February, despite tariff concerns
- More shippers are turning to lanes like Vietnam-U.S. to mitigate the impact of tariffs on direct shipments from China
- Available transpacific capacity has increased somewhat due to muted e-commerce demand out of China

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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	

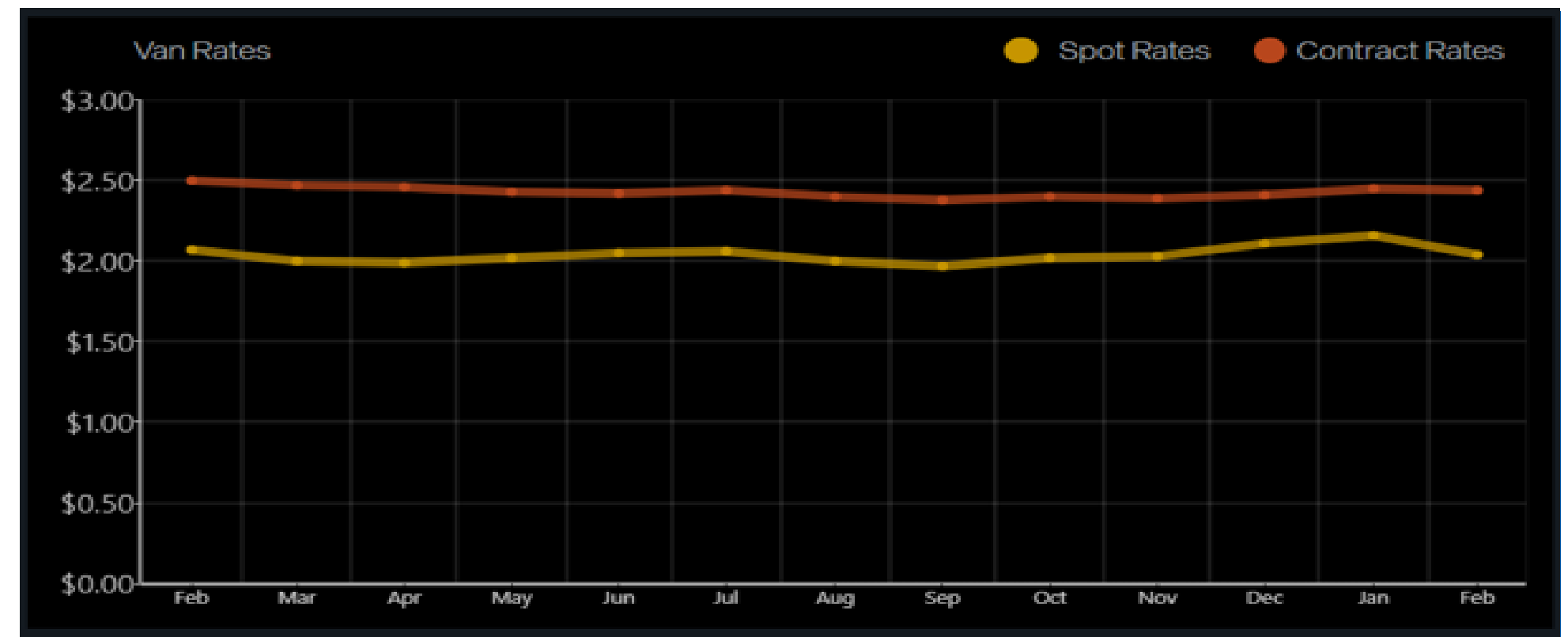
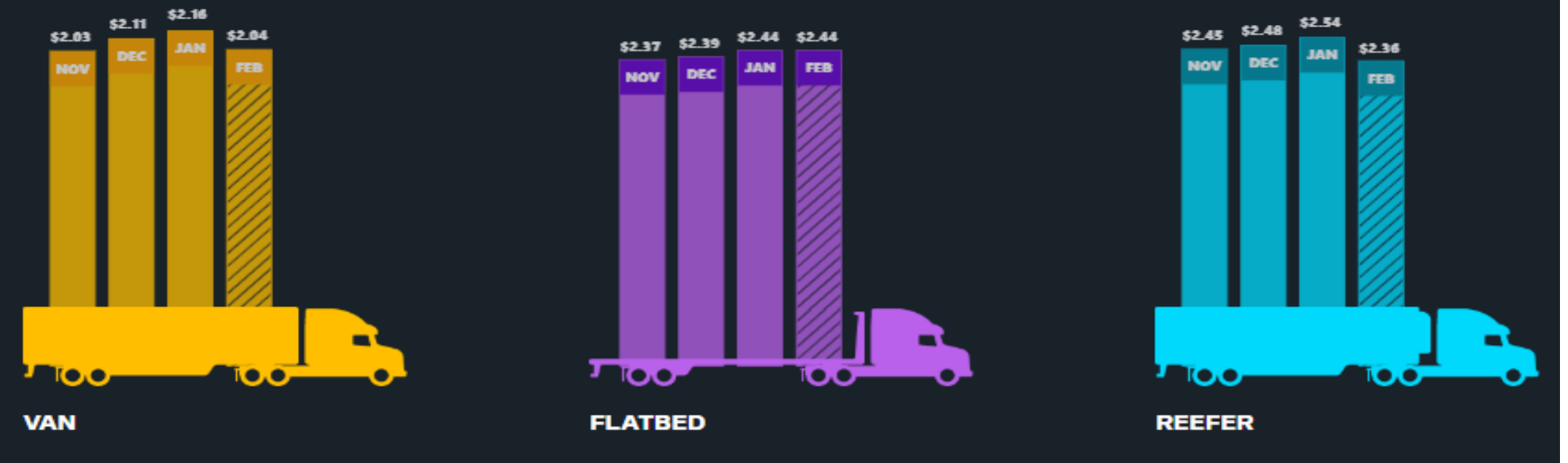
North American Transportation

- Truckload rates are flat and only saw slight adjustments of ~1% downward
- Capacity also remains flat
- Analysts continue to predict that rates will not grow more than 3% this year, with any increase most likely occurring in the second half of 2025
- FTL demand remains subdued, and with additional capacity coming into the market, expect spot rates to decrease further in Q2
- Rates remain stable and likely represent the bottom of the market



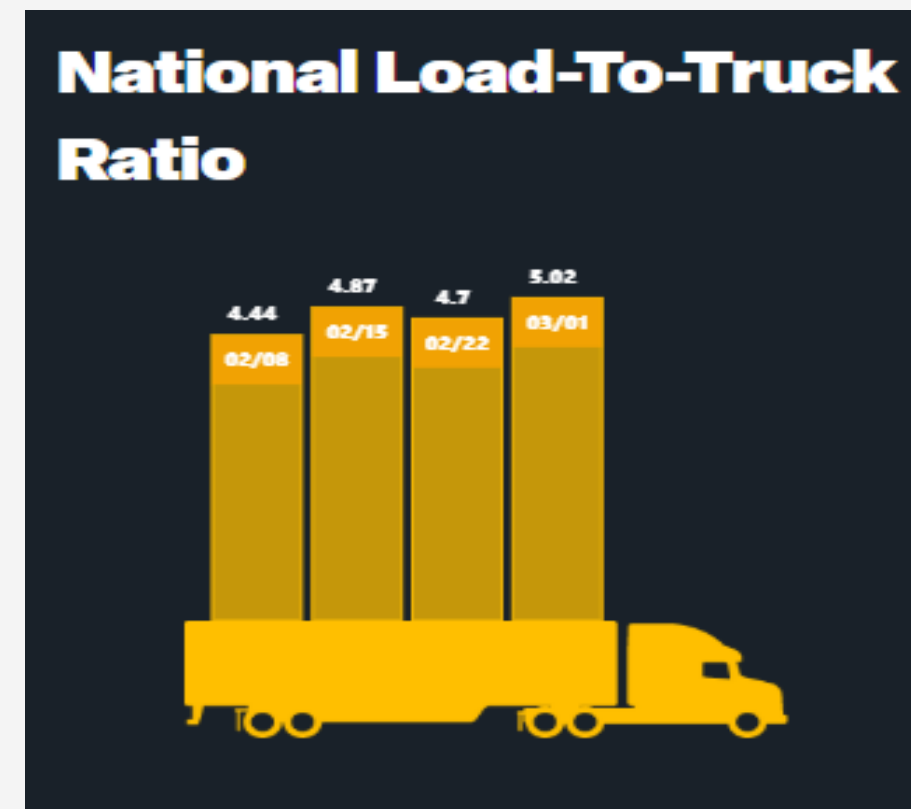
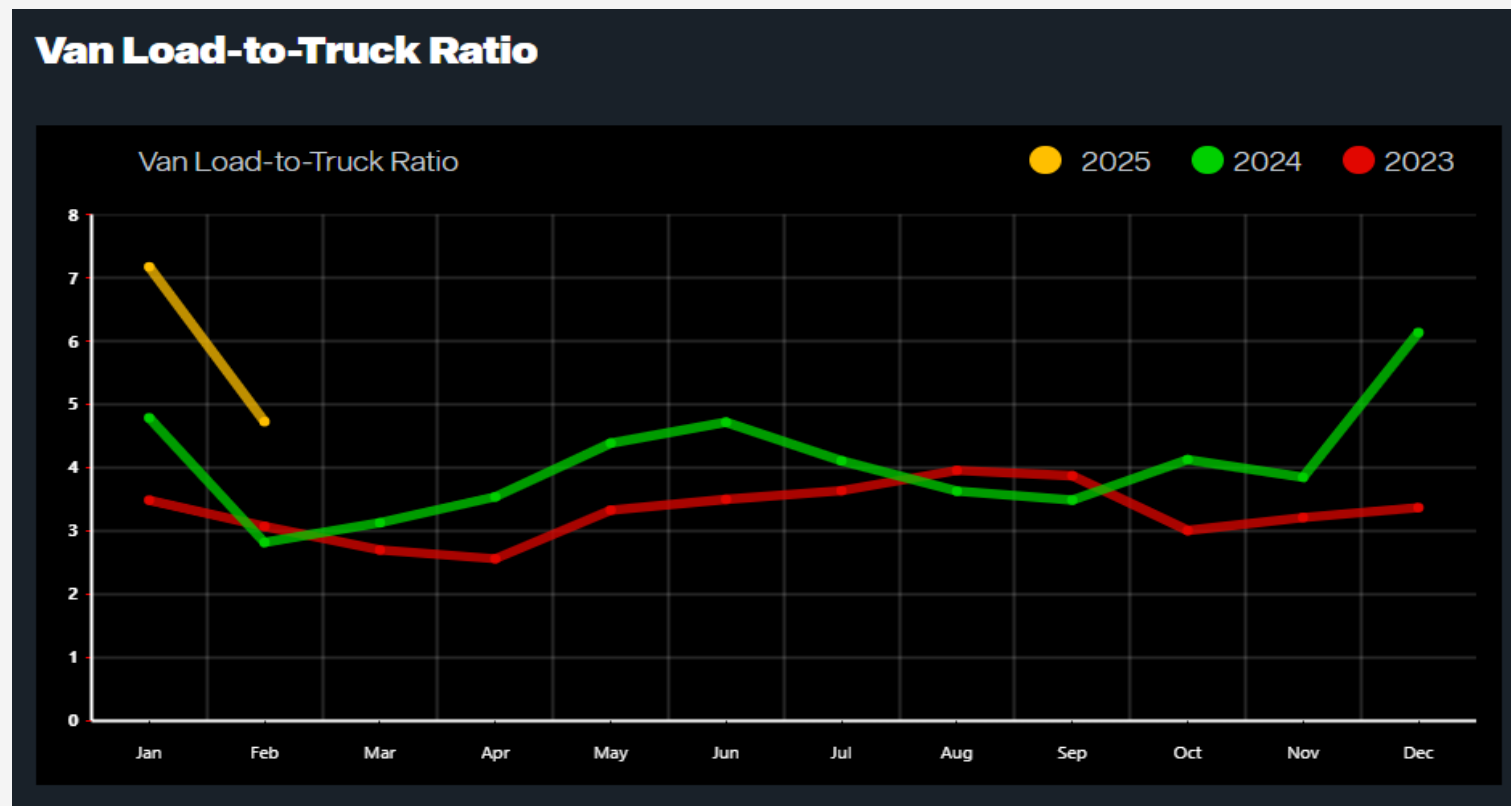
National Spot Rates

Van rates flatten after recent skid



North American Transportation

- Rate increases continue to be nominal and depressed, while the spot market remains opportunistic
- Overall growth in demand is soft for March.



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