



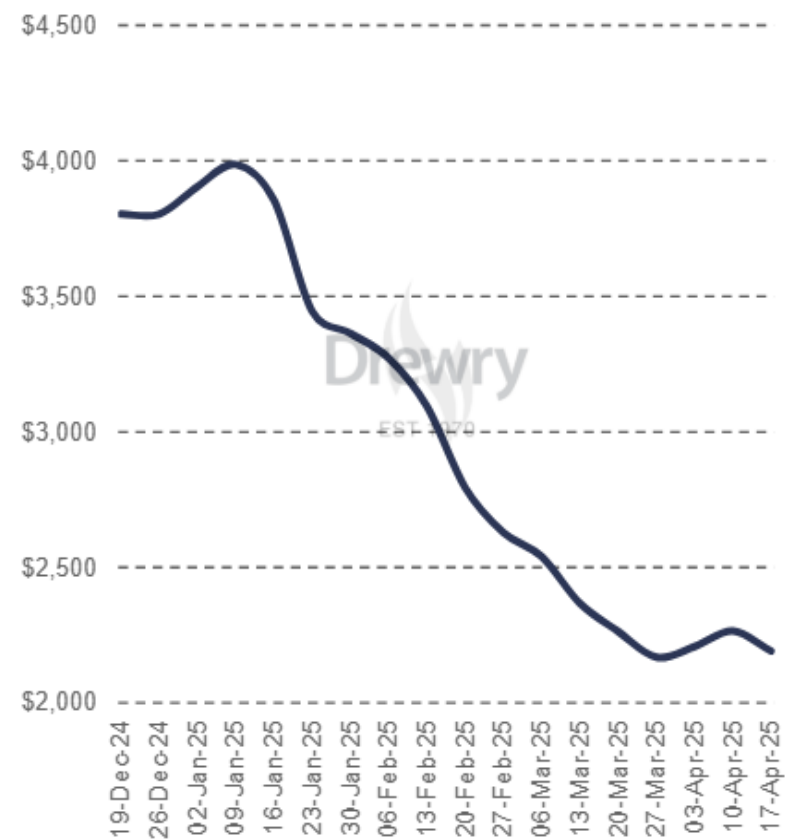
# GLOBAL TRANSPORTATION MARKET REPORT

## APRIL 2025

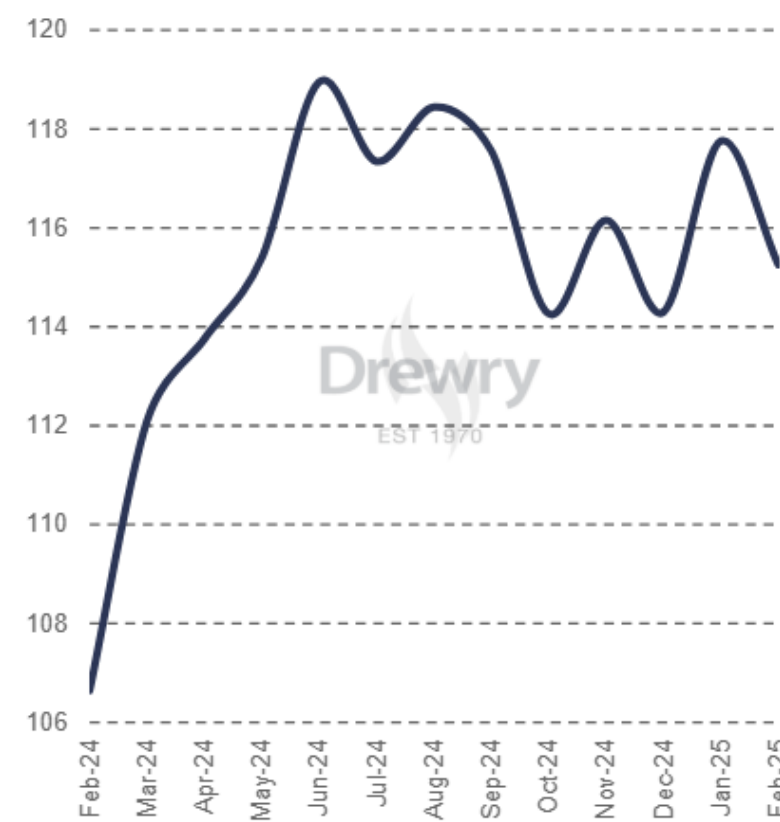


# Global Ocean Trends

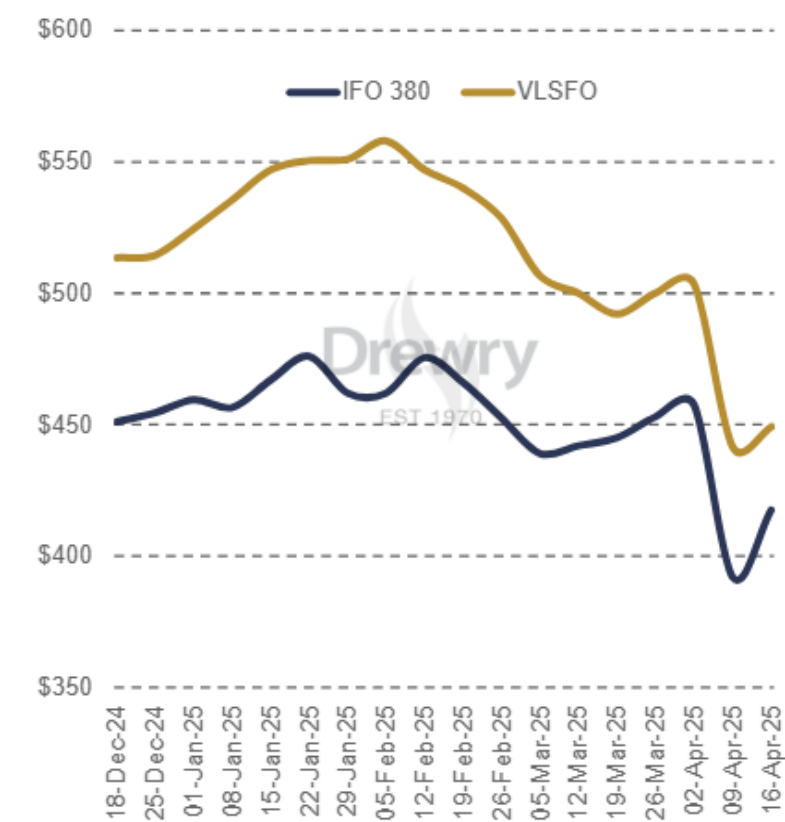
**World Container Index**



**Global Port Throughput**



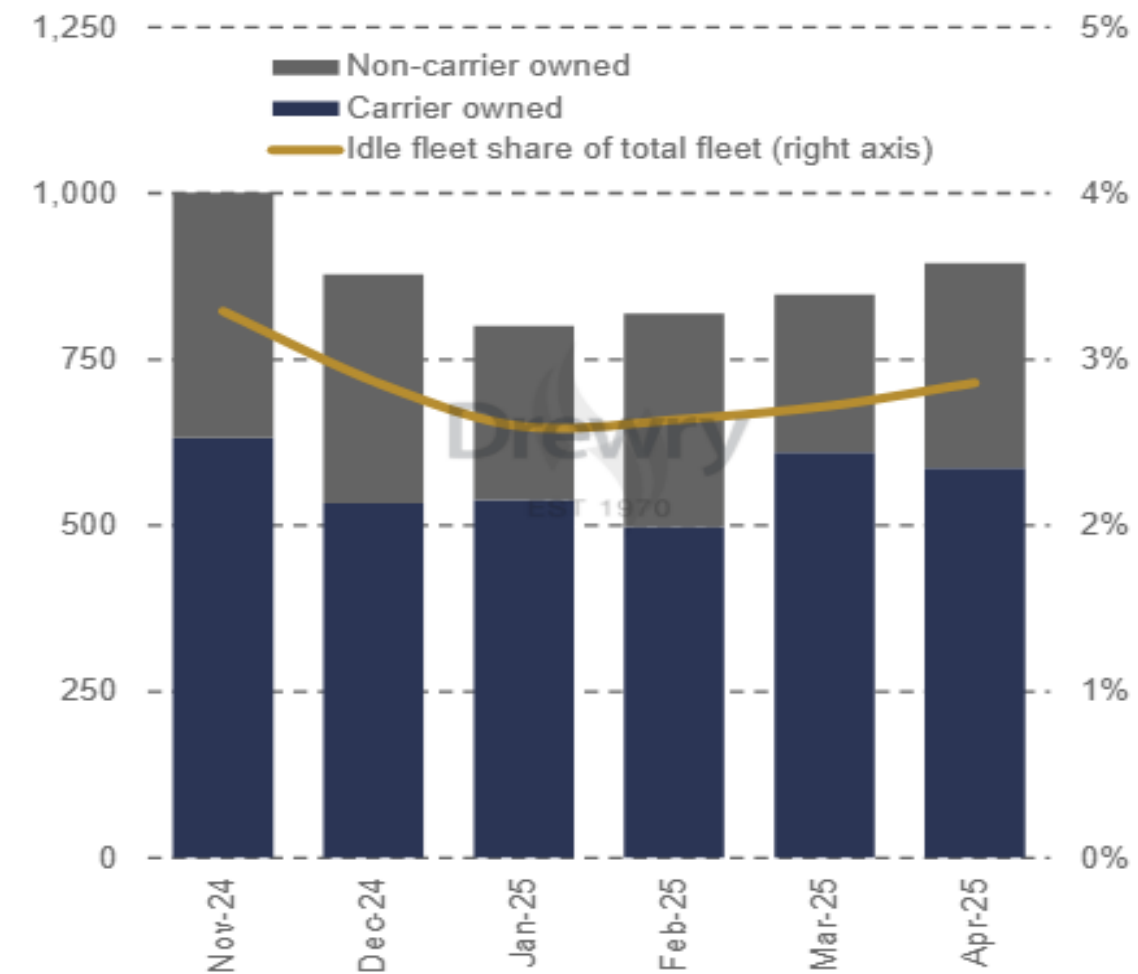
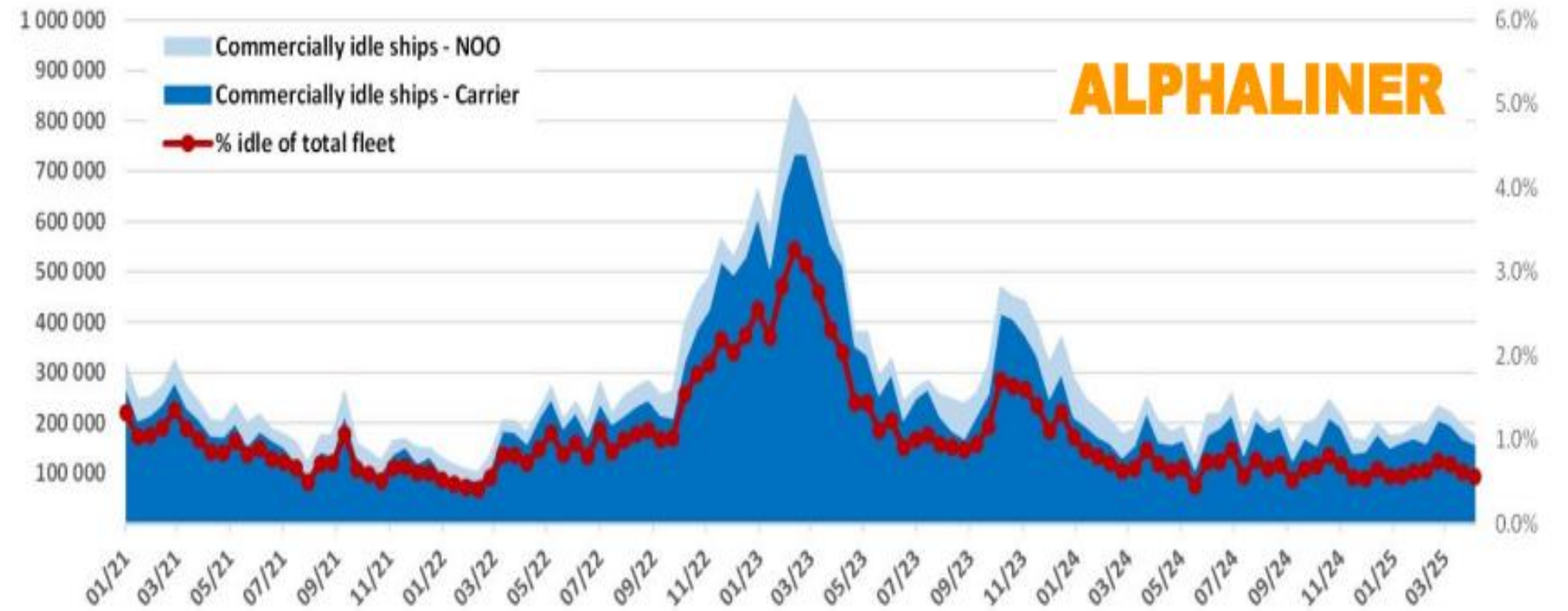
**Bunker**



- Carriers are realigning capacity by shifting vessels to their best-served lanes as demand fluctuates in response to political maneuvers (tariffs, port fees, etc.)
- Major shippers between the U.S. and other countries (especially China) are adopting a “wait and see” approach in response to volatile tariff announcements. Some analysts predict a drop in ocean shipping volume, followed by a surge, similar to the early days of the global pandemic.
- However, oversupply is expected to emerge as a trend in 2025 due to a combination of new ship builds over the next 12 to 18 months plus eventual reopening of the Suez Canal

# Capacity and Idle Fleet

- According to the most recent report, 63 vessels are idle, representing a capacity of 175,529 TEUs
- The idle container ships account for 0.6% of the global fleet's overall container capacity
- In April, shipbuilders delivered eight new vessels, with CMA, Maersk, MSC and OOCL receiving four that are 16,000 TEUs or larger



# Ocean Trade Lanes

- Some major European ports are experiencing vessel congestion, and while doubts have been cast on claims that the current back-up is related to the escalating trade conflict between China and the U.S., such an outcome is in the range of possibilities for the coming months
- In the primary East-West trade lanes (transpacific, transatlantic and Asia-North Europe/Mediterranean), 57 of 718 sailings have been canceled between weeks 15 (April 7-13) and 19 (May 5-11), an 8% cancelation rate
- Over the next five weeks, most cancelations are predicted to occur on transpacific eastbound lanes (53%), followed by transatlantic westbound (25%) and Asia-North Europe/Mediterranean (23%)
- However, the frequency of sailings is expected to improve over the next five weeks, with analysts forecasting nearly 92% of sailings will occur as scheduled
- When it's possible for cargo owners and shippers to be flexible with timing requirements, AIT's ocean experts can broaden the variety of options and solutions to help mitigate increasing uncertainty in the market

	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

## **ONE and Evergreen**

- Added Southampton to the North Europe-U.S. East Coast loop (AT2 / TAE2)
- Port rotation: Le Havre, Antwerp, Bremerhaven, Southampton, Charleston, Savannah, Le Havre

## **MSC**

- Increased presence at Hambantota in Sri Lanka by adding it to several regional loops and two Far East-East Coast South America services (Carioca and New Santana)
- Port rotation for Carioca service: Qingdao, Busan, Ningbo, Shanghai, Shekou, Singapore, Colombo, Rio de Janeiro, Santos, Paranagua, Itajai, Buenos Aires, Rio Grande, Imbituba, Itajai, Navegantes, Santos, Sepetiba, Walvis Bay, Hambantota, Singapore, Qingdao
- Port rotation for New Santana: Yantian, Ningbo, Shanghai, Qingdao, Busan, Cristobal, Caucedo, Pecem, Salvador, Suape, Santos, Hambantota, Singapore, Yantian

## **Premier Alliance (ONE, HMM, Yang Ming)**

- Further suspended the launch of the Far East-West Coast North America PN4 loop
- Enhanced PN3 loop covers Qingdao, Ningbo, Shanghai, Busan, Vancouver, Tacoma, Busan, Qingdao

## **ONE**

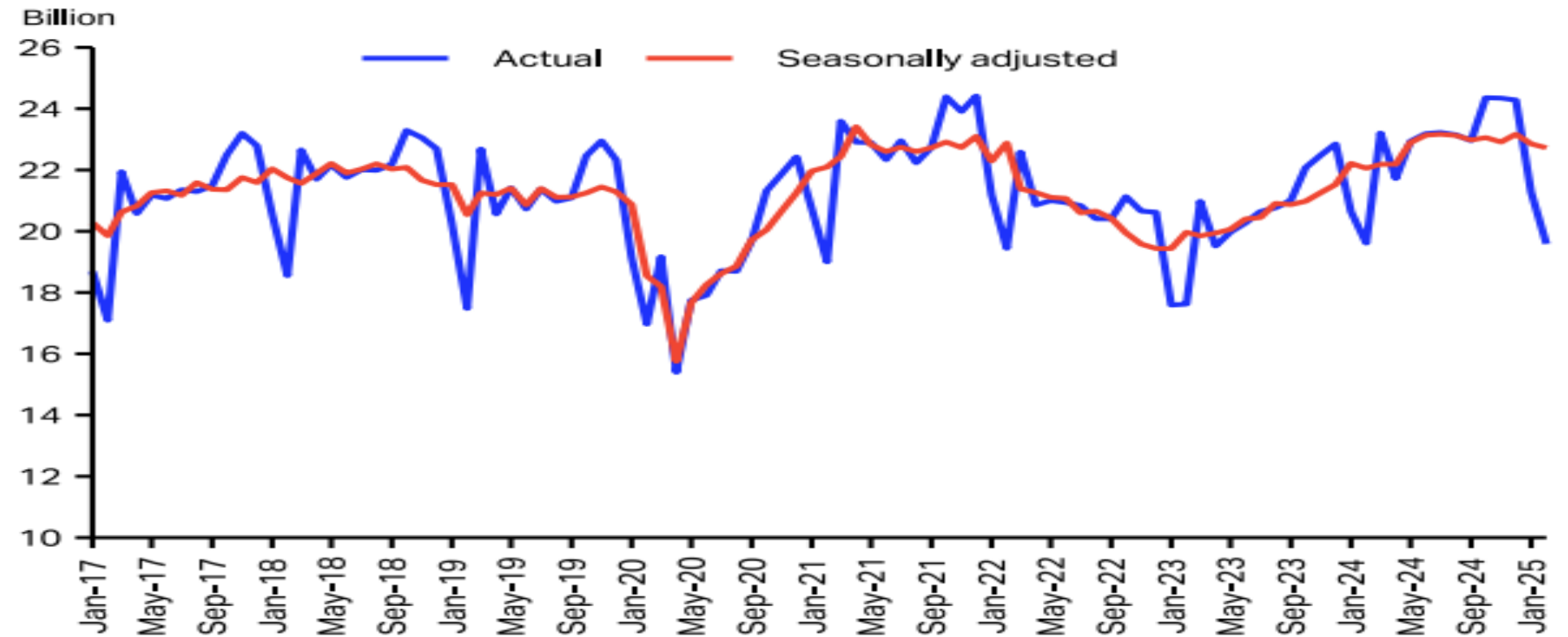
- Extended Egypt-Israel ILX to Turkey
- Revised ILX port rotation: Piraeus, Haifa, Ashdod, Alexandria, Aliaga, Piraeus

## **CMA CGM**

- Launched a new Pakistan-UAE-Oman loop (Pakistan Khalifa Express [PIKEX])
- Port rotation: Jebel Ali, Abu Dhabi (Khalifa port), Sohar, Karachi, Jebel Ali

# Air Freight Overview

- IATA published a positive air cargo forecast, emphasizing that most global trade is unaffected by the emerging tariff conflict, with the U.S. accounting for only 13% of global imports. The group also said tariffs could potentially redirect trade flows and create new markets.
- However, if the U.S. de minimis exemption ends as expected on May 2, e-commerce demand is predicted to drop, leaving a significant glut of capacity in the eastbound transpacific market



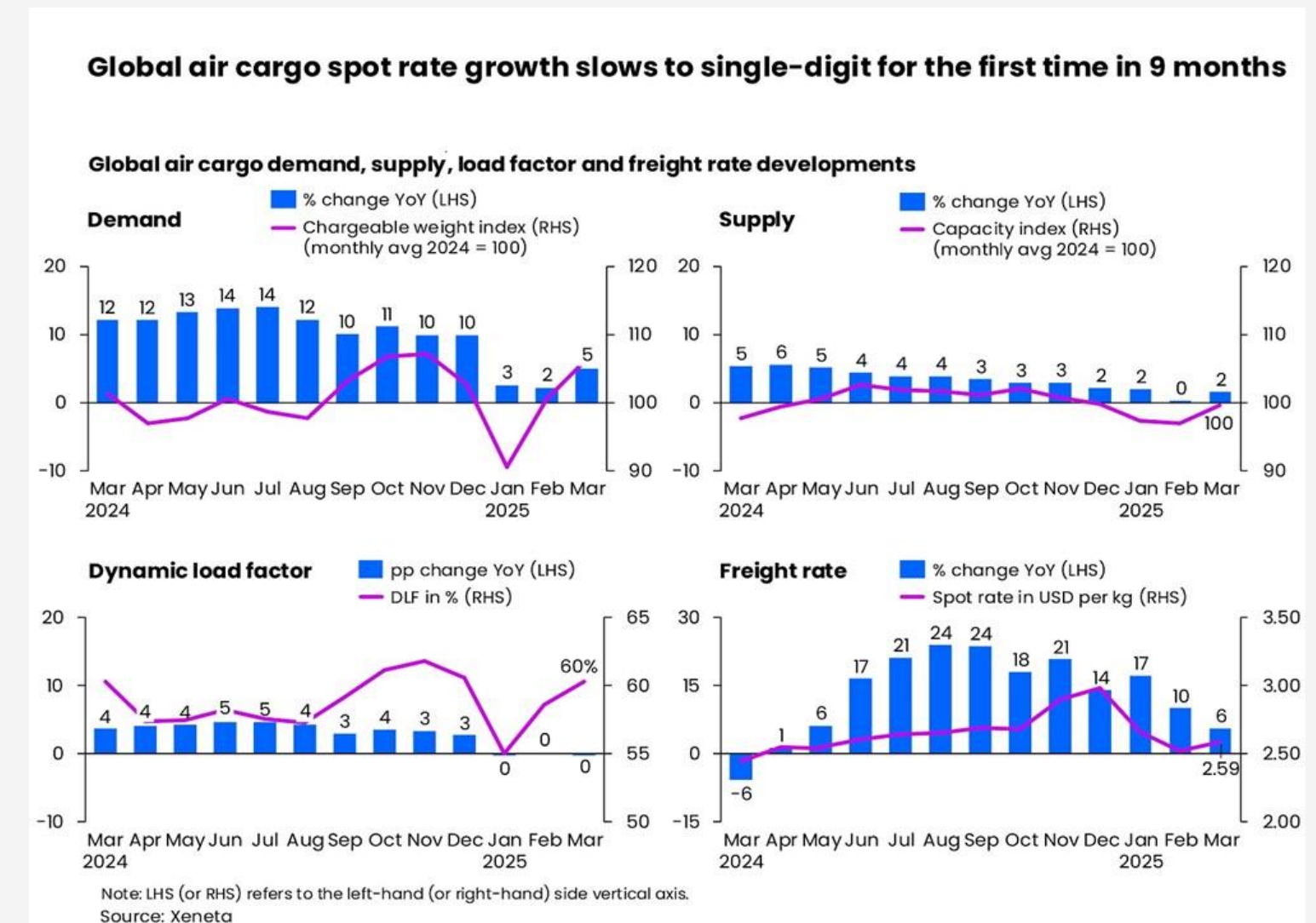
	World share <sup>1</sup>	February 2025 (% year-on-year)				February 2025 (% year-to-date)			
		CTK	ACTK	CLF (%-pt)	CLF (level)	CTK	ACTK	CLF (%-pt)	CLF (level)
<b>TOTAL MARKET</b>	<b>100.0%</b>	<b>-0.1%</b>	<b>-0.4%</b>	<b>0.1%</b>	<b>45.0%</b>	<b>1.5%</b>	<b>2.5%</b>	<b>-0.5%</b>	<b>44.7%</b>
Africa	2.0%	-5.7%	-0.6%	-2.3%	42.3%	-6.2%	0.8%	-3.0%	40.8%
Asia Pacific	34.2%	5.1%	2.7%	1.0%	44.5%	6.2%	6.4%	-0.1%	44.0%
Europe	21.5%	-0.1%	-0.2%	0.1%	58.1%	0.2%	1.9%	-0.9%	55.5%
Latin America	2.9%	6.0%	7.6%	-0.5%	36.5%	8.7%	9.1%	-0.2%	34.9%
Middle East	13.6%	-11.9%	-4.0%	-3.9%	43.4%	-10.0%	-2.6%	-3.5%	42.1%
North America	25.8%	-0.4%	-3.5%	1.2%	39.9%	2.8%	0.0%	1.1%	41.9%
<b>International</b>	<b>87.3%</b>	<b>0.4%</b>	<b>1.1%</b>	<b>-0.3%</b>	<b>50.9%</b>	<b>2.0%</b>	<b>3.7%</b>	<b>-0.8%</b>	<b>49.4%</b>
Africa	2.0%	-5.8%	-1.5%	-2.0%	43.9%	-6.3%	-0.1%	-2.8%	42.3%
Asia Pacific	30.6%	5.5%	5.7%	-0.1%	51.1%	6.4%	8.7%	-1.1%	50.1%
Europe	21.0%	0.0%	-0.4%	0.3%	60.6%	0.3%	1.8%	-0.9%	57.7%
Latin America	2.5%	4.6%	7.8%	-1.3%	40.6%	7.3%	9.6%	-0.8%	38.9%
Middle East	13.6%	-11.9%	-4.1%	-3.9%	43.8%	-10.0%	-2.6%	-3.5%	42.4%
North America	17.5%	3.0%	-1.5%	2.2%	49.6%	7.0%	2.3%	2.2%	48.8%

Note 1: % of industry CTK in 2024

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

- While demand grew in March, the outlook is increasingly uncertain following the most recent tariff and de minimis announcements from the U.S. government – carriers may be compelled to make aggressive cuts in capacity next month
- Capacity increased by 2% year on year and the dynamic load factor remained at the 2024 level (60%)
- E-commerce volume will come under pressure in May when the U.S. restricts foreign exporters' ability to benefit from the de minimis exemption. Airfreight demand from Asia-Pacific to the U.S. may drop by 30% and possibly as much as 50%.
- If commercial operators reduce capacity as expected in response to plummeting demand, 3PLs will likely seek to renegotiate contract pricing for the rest of the year
- Passenger traffic between China and the U.S. is also trending downward, further reducing transpacific belly capacity
- AIT anticipates some shippers will take advantage of falling prices by moving to spot quoting, when possible, rather than relying on their contract rate for transpacific bookings in May



# Air Trade Lanes

- Forthcoming U.S. de minimis changes and the resulting impact on e-commerce from China is expected to greatly alter the transpacific shipping market
- Carriers have cancelled more than a dozen early-May freighter flights from Hong Kong to the U.S. due to the anticipated end of the de minimis exemption on May 2 as well as the long holiday weekend May 1-5 in Hong Kong
- Charter operators are already making service cuts on the Asia-Pacific to U.S. lane. Most charters are under annual contracts; through the end of April, many contract holders are expected to mitigate losses by exercising surrender rights and/or paying cancellation fees for service in May
- Demand for capacity from Southeast Asia to the U.S. is expected to increase as importers seek to reposition supply chains to originate from countries other than China
- Demand in European markets increased by nearly 5% in March. In response, capacity may be reallocated if trade tensions continue

	Available space; quick booking turn time.
	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	



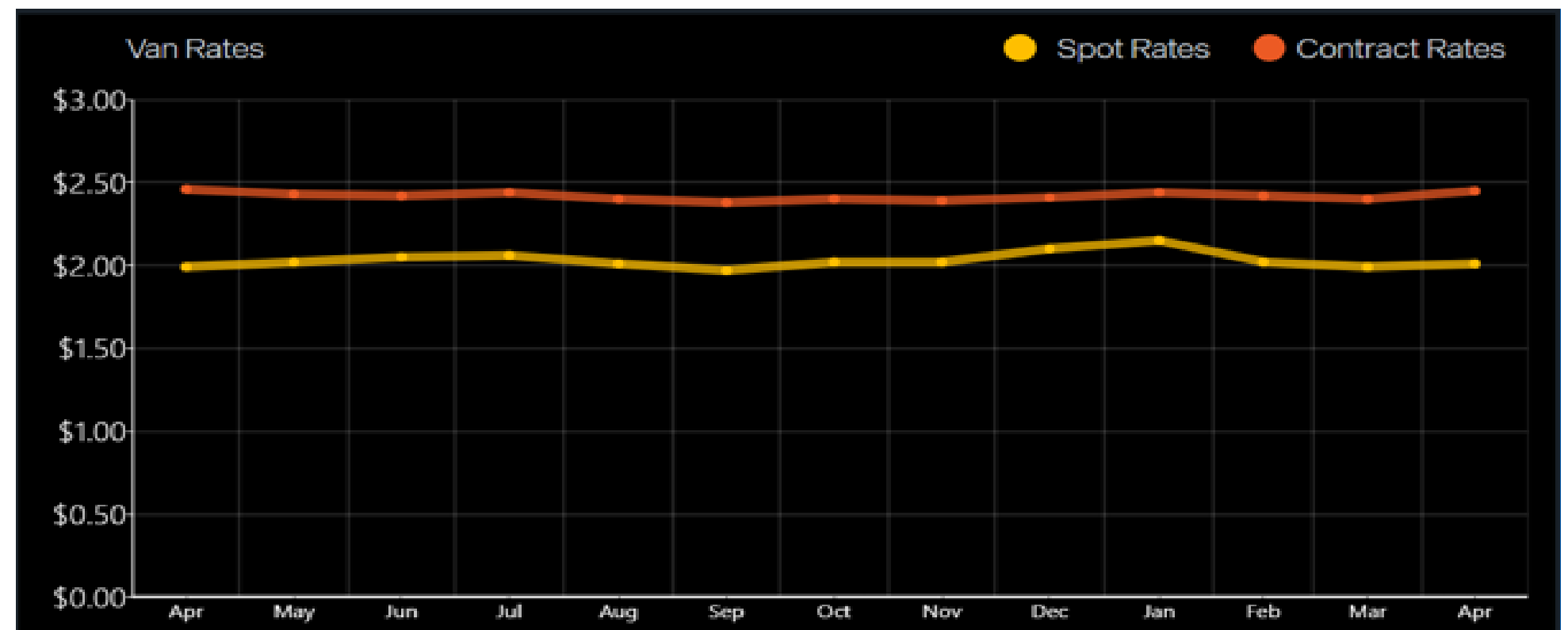
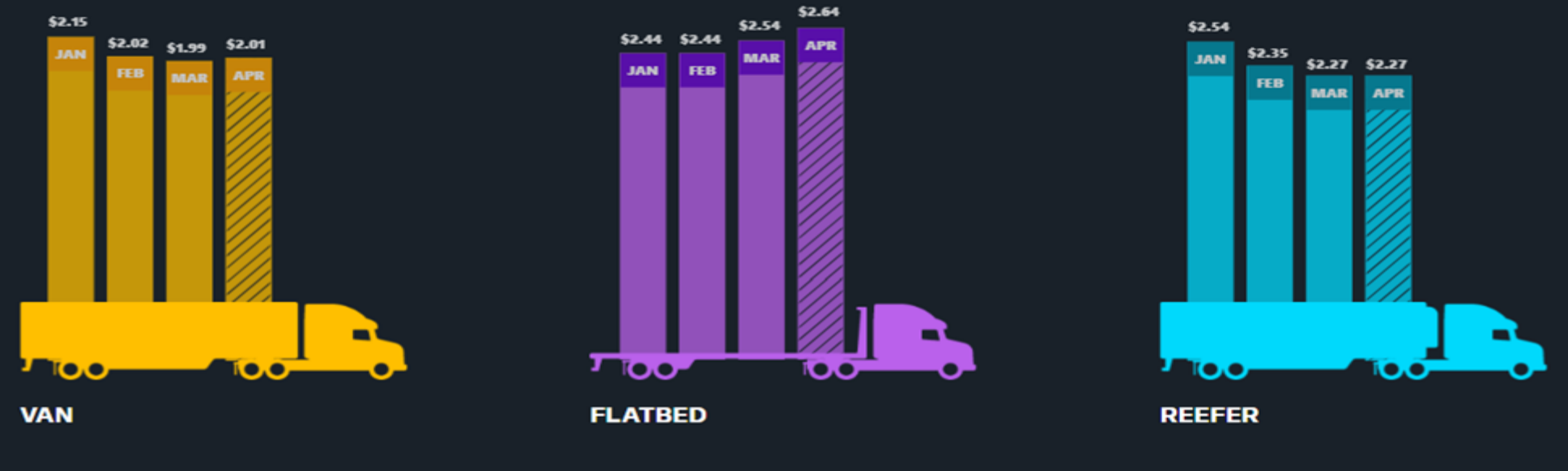
# North American Transportation

- Shipments across all U.S. domestic modes are down approximately 5% for the year
- Shipments are trending reasonably flat month to month, but volumes remain lower overall for 2025
- Rates (excluding FSC) in March were flat and have continued a persistent trend of increasing just 1-2% each year
- As a comparison, rates are 15% lower than the 2022. Pricing is predicted to grow by just 0-3% in 2025.



## National Spot Rates

Truckload capacity tightens at Q1 close



# North American Transportation

- Tariff-related uncertainty in the global marketplace have impacted the pace of restocking, affecting demand for trucking
- The trucking market is also facing challenges with new equipment orders due to tariff-related surcharges, which may affect near-term demand due to material origins and supply chain flows
- Retail orders being pulled forward to avoid tariffs could lead to a temporary uptick in trucking market demand and rates



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