

Updates in this report:

*This information is compiled from a number of sources—including market data from public sources and data from C.H. Robinson—that to the best of our knowledge are accurate and correct. It is always the intent of our company to present accurate information. C.H. Robinson accepts no liability or responsibility for the information published herein.

To deliver our market updates to our global audiences in the timeliest manner possible, we rely on machine translations to translate these updates from English.

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INSIGHTS AT A GLANCE

Rate and capacity trends, the latest on tariffs, and advice on the freight market

Published: Thursday, November 06, 2025 | 08:00 AM CDT

R E P O R T

The logo features the text "C.H. Robinson" in white on a dark blue background, followed by "Edge" in a large, light blue font with a trademark symbol. The background of the entire graphic is a dark blue shape with a diagonal cutout.

Truckload shipping

Truckload spot rates are climbing, raising the outlook for 2026.

[Check out our revised forecasts for both rates and capacity →](#)

LTL shipping

LTL carriers are raising rates by mid-single digits, even as volumes remain soft.

[Find out what's driving LTL rate hikes this season →](#)

Ocean freight

Global schedule reliability is improving, and capacity is slowly being reinstated on eastbound Trans-Pacific routes but still tight for North America exporters shipping westbound and to Europe.

[Read our complete lane-by-lane insights →](#)

Air freight

Airlines are prioritizing high-yield cargo out of Asia, and capacity may tighten on select lanes from North America to Australia, Singapore and South America.

[Get our recommendations for booking lead time →](#)

Intermodal

Volumes are the highest they've been since 2021, and peak season is expected to last longer than usual.

[Get our tips for managing your peak-season spend →](#)

Ports & drayage

U.S. regulatory changes for demurrage and detention fees are creating billing tensions, and vessel wait times have grown to eight days at some European ports.

[Read the full global report →](#)

Canada, Mexico & cross-border

Mexico's fleet has contracted for the first time in a decade, growth in computer and machinery exports makes El Paso an attractive crossing, and importers need to prepare for new customs requirements.

[Explore the latest cross-border insights →](#)

Trade policy & customs

A new U.S.-China trade agreement lowers some tariffs, pauses new port fees, and extends Section 301 exclusions through 2026.

[Go to our full report covering other new trade deals and tariffs →](#)

Government & regulations

States are being scrutinized over English Language Proficiency rules and commercial driver's licenses.

[Read about the impact on trucking supply →](#)

Diesel fuel

Prices at the pump decrease sequentially, but increase year over year.

[See how diesel may impact your budget the rest of the year →](#)

TRUCKLOAD SHIPPING

Truckload rate outlook shifts higher for 2026

Published: Thursday, November 06, 2025 | 08:00 AM CDT



U.S. spot market

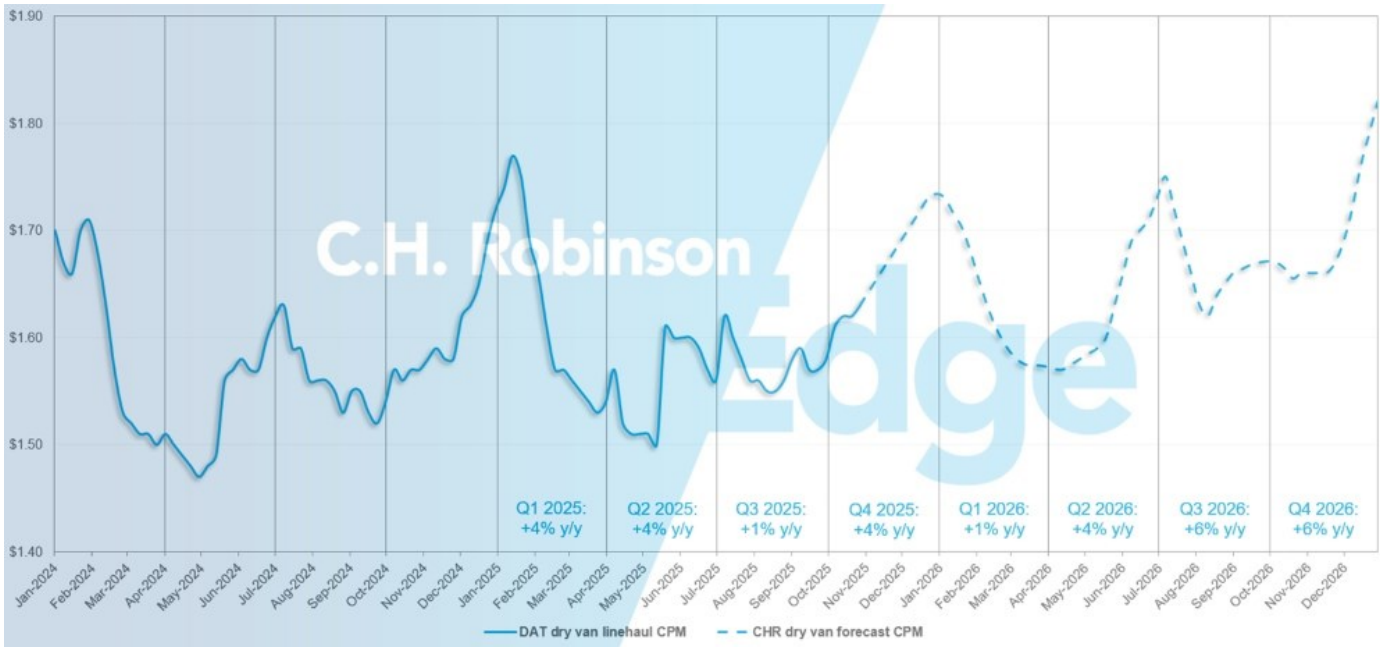
The C.H. Robinson spot rate forecast is shaped by broad market factors. To date, there's little evidence of a catalyst on the horizon that would suggest freight volumes will increase materially next year. We did see a modest increase in industrywide freight volume as Q3 2025 progressed, which we tend to believe was more of a bump driven by consumer buying ahead of retailer price-hikes. The related increase in truckload rates pushed our 2025 forecast upward.

However, we don't rule out further volatility from these dynamics. With cost and regulatory pressures on carriers, we believe rate increases will be sustained and have increased our 2026 forecast as well. We've noted before that truck operating costs continue to run high relative to where we are in the freight cycle. What's new is the heightened enforcement of truck driver eligibility. This is expected to impact truck driver supply as 2026 progresses.

U.S. spot market forecast: Dry van truckload

The C.H. Robinson 2025 dry van cost per mile forecast has increased from +2% to +4% y/y, and the 2026 forecast has increased from +2% to +4% y/y.

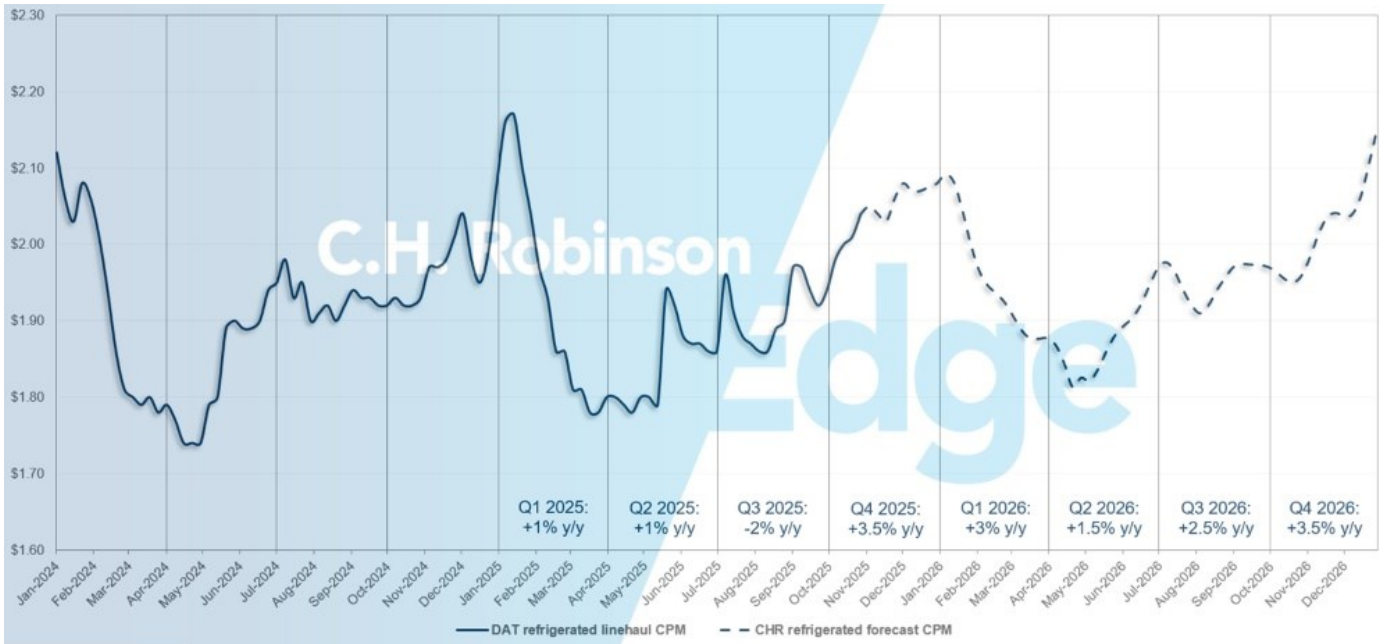
C.H. Robinson spot market dry van truckload forecast



U.S. spot market forecast: Refrigerated truckload

The C.H. Robinson 2025 refrigerated van cost-per-mile forecast has increased from -1% to +1.5 y/y, while the 2026 forecast has increased from +2% to +3% y/y.

C.H. Robinson spot market refrigerated truckload forecast

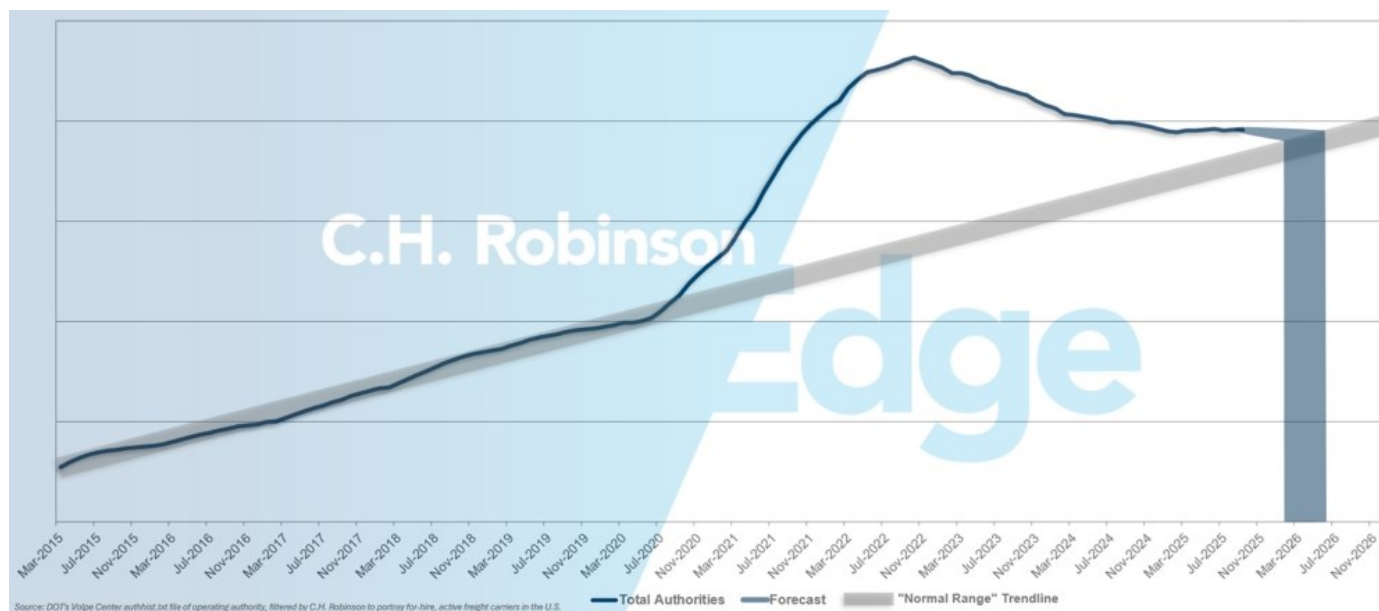


For-hire carrier authorities forecast

New rules for issuing and renewing non-domiciled Commercial Driver's Licenses (CDLs) have been making national headlines since they went into effect in September. As we predicted in the October Edge Report, the impact on truckload supply has not been immediately felt. Over time, the restrictions are expected to have a compounding impact along with other regulatory and enforcement changes for drivers such as English Language Proficiency.

While these regulations are resulting in additional drivers and carriers leaving the market, truckload supply is an ever-revolving door, with drivers and carriers entering and exiting the market for various reasons. The recent pace of carrier attrition hasn't changed much. That means the market remains in a state of oversupply, although nearer to equilibrium. If the current pace of U.S. carrier attrition continues, carrier authority counts would return to historical levels in early 2026, possibly later.

For-hire carrier forecast



Contract truckload environment

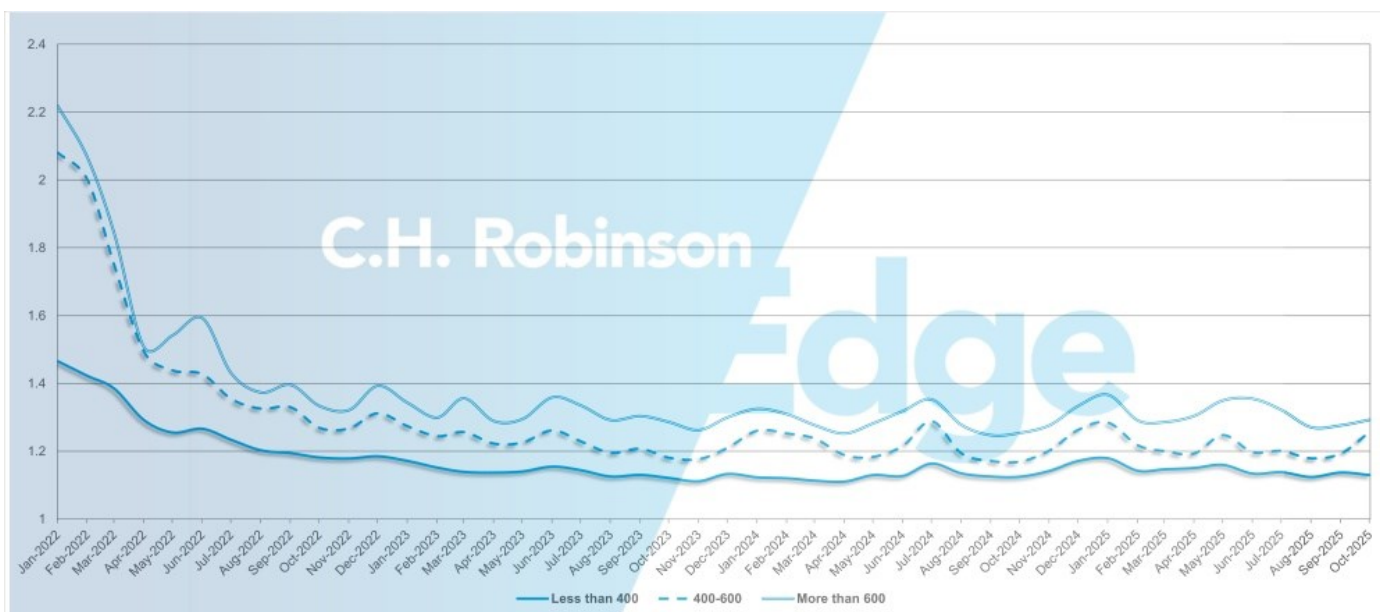
The following insights are derived from C.H. Robinson Managed Solutions™, which serves a large portfolio of customers across diverse industries.

Route guide depth is an indicator of how far a shipper needs to go into their backup strategies when awarded transportation providers reject a tender. 1 would be perfect performance and 2 would be extremely poor. As displayed in the following chart, route guide depth has remained flat at a historically low level for approximately two years.

For the month of October, route guide depth across North America shipments was 1.20, slightly worsening compared to the previous month of 1.19.

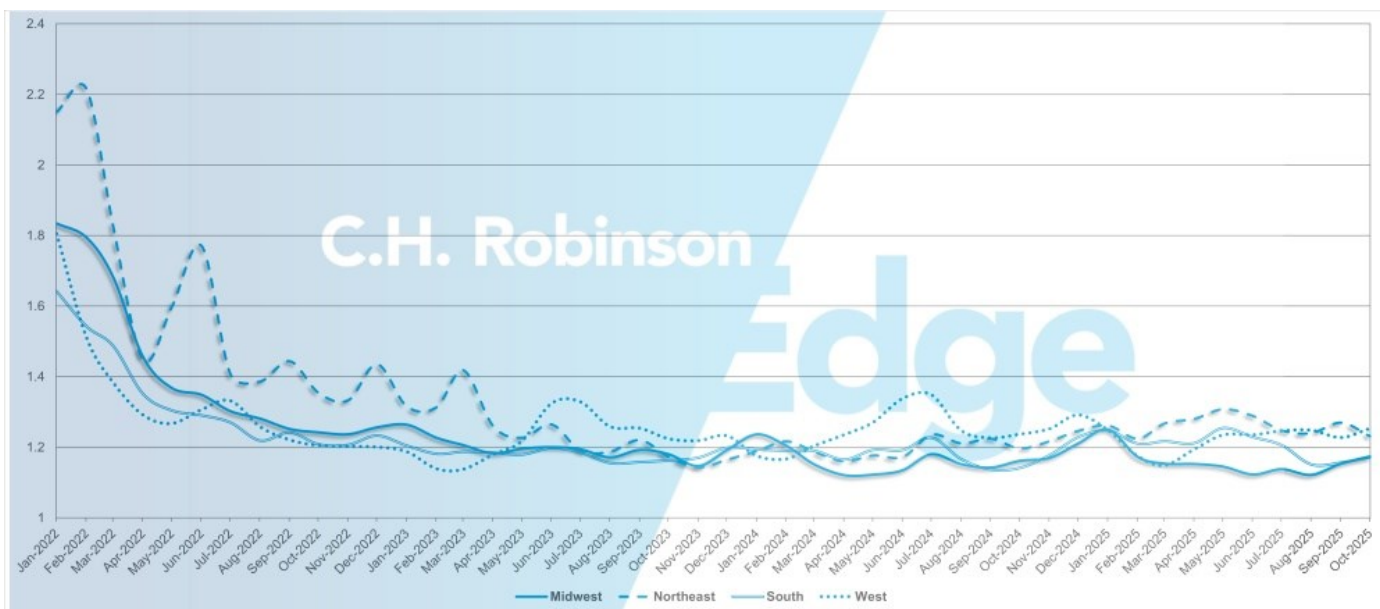
From a mileage perspective, long hauls of more than 600 miles had a route guide depth of 1.29 in October, which is slightly worse compared to the prior month of September 2025, at 1.28, and worse compared to October 2024, which was at 1.25. The trend for shorter hauls of less than 400 miles is similar. Route guide depth for October 2025 on these shorter hauls was 1.13, which is slightly better than the previous month of 1.14 and slightly worse than October 2024 at 1.12.

North America route guide depth metrics: By length of haul



Geographically, the South experienced the smallest change of all regions, worsening by 1.5% from the previous month, while the Northeast experienced the largest change at 3.1%. Route guide depth still remains at low levels between 1.17 and 1.25 for all regions.

U.S. route guide depth metrics: By region



Refrigerated truckload

East Coast United States

The refrigerated market out of the Southeast remains relatively soft, with normal seasonal fluctuations and truck capacity generally available, even for same-day shipments. Produce volumes are gradually increasing out of Florida and southern Georgia, which is typical for this time of year, though still well below the levels seen in spring. Some additional activity is expected in this region through November, but not likely to cause major market disruption.

Out of the Northeast, conditions are tighter than usual for this time of year, particularly for long-haul shipments and freight heading to the West Coast. Spot opportunities have remained elevated, and load-to-truck ratios remain higher than normal. Through the first half of November, strong activity is expected to persist with seasonal produce moving through New Jersey ports and other holiday-related freight entering the market before volumes cool down in the back half of the month and to finish the year.

Central United States

The Upper Midwest continues to experience a slightly elevated market with some pockets of tightness, particularly on lanes heading to the Southeast due to lack of options coming back out of there. Rates are expected to remain at elevated levels to finish the year. Central states such as Arkansas, Kansas, and Missouri still have capacity available, though same-day freight is tightening, leading to higher costs for urgent shipments.

Outbound Texas remains relatively loose, with capacity readily available at competitive rates. Expect conditions to tighten as the holidays approach, especially in South Texas and at border crossings.

West Coast United States

The West Coast market followed historical norms through October as peak produce season wound down and harvests began to change heading into November:

- Strawberries are transitioning from California to Texas.
- Mixed vegetables are moving from Salinas, California, to Yuma, Arizona.
- Outbound Nogales, Arizona is ramping up with melons, which may temporarily tighten truck availability before rates stabilize as capacity adjusts.
- Outbound Washington and Idaho are seeing increased movement of apples and potatoes respectively, a trend expected to continue through the holiday season.

The Pacific Northwest will likely experience capacity tightness and elevated rates through mid-January. In California, expect the typical tightening of capacity during the weeks leading into and out of Thanksgiving, Christmas, and New Year's Day.

Additionally, California is among the states facing tighter rules on issuing or renewing CDLs for non-domiciled drivers. This issue will need to be closely monitored for potential impacts on operations and capacity, but for now capacity remains broadly unimpacted.

Flatbed truckload

Over the past six to eight weeks, flatbed market trends have largely aligned with the five-year average. Rates and capacity tightened slightly through late September before softening in October, which is a typical seasonal pattern as construction activity slows. With limited external pressures, both cost per mile and capacity are expected to remain stable, with mild easing into mid-December before the usual year-end increase.

Continued carrier attrition underscores the imbalance of supply and demand. In late September, Montgomery Transportation, a large Alabama-based carrier operating roughly 450 trucks, ceased operations. The closure caused short-term volatility in the Southeast as displaced drivers transitioned to new fleets. Although most are expected to re-enter the market, localized capacity imbalances may persist in November.

Hurricane season remains a watchpoint, as recent Caribbean storms are a reminder of the potential for weather-related disruptions even outside the traditional peak hurricane window.

Tightened requirements for non-domiciled CDLs may result in minor and spotty impacts to flatbed capacity, but widespread disruption is not expected.

Flatbed loadings are up slightly y/y, though growth remains broadly distributed across sectors. Regional activity has been strongest but most volatile across the Southeast and West Coast. Unlike the dry van market, which often sees Q4 spikes tied to retail and holiday demand, flatbed activity tends to remain steadier through year end, with fewer seasonal disruptions and a more predictable demand curve.

Now is an ideal time for shippers to test markets and maintain close communication with their C.H. Robinson

representatives regarding potential regional shifts. Some volatility is likely when moving freight into and out of northern states as weather becomes a greater factor and certain carriers adjust their routing preferences. Flexibility in shipment timing, equipment type, and rates remains the most effective way to manage seasonal variation.

Shippers should also continue monitoring less predictable influences such as late-season storms, wildfires, and interest rate fluctuations to stay ahead of potential disruptions and maintain service consistency through the remainder of the year.

Voice of the carrier

Observations from a cross-section of the contract carriers in the C.H. Robinson network:

Market

- Market conditions remain steady with only modest fluctuations expected; most carriers don't see any signs of a sharp or sustained rebound. Contractual bid activity is beginning to increase, which is seasonally expected.
- Tariffs leading to decreased volumes and rising operating costs (insurance, equipment, and labor) continue to pressure margins, keeping service performance central to bid negotiations.

Drivers

- Driver turnover remains historically low as fleets tighten onboarding standards and focus on retention. Long-haul carriers, however, face labor competition from other industries looking to hire from the same pool of workers, like the oil and gas sector in certain regions.
- Many drivers are prioritizing improved work-life balance, influencing network planning and route preferences.

Equipment

- Most larger carriers are maintaining regular trade cycles and investing in fleet modernization to ensure reliability and efficiency.
- Some carriers are starting to cautiously plan for a \$20,000 or more cost increase for a new truck if new U.S. emissions standards go into effect beginning with 2027 models and if tariffs on non-U.S.-made trucks and parts continue.

LTL SHIPPING

LTL rate increases emerge in a soft market

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The Less-Than-Truckload (LTL) market continues to operate under soft conditions, with many carriers reporting declines in tonnage, volume, and even revenue. In response, carriers are prioritizing cost control and focusing on moving profitable freight.

Several carriers have announced general rate increases (GRIs) in the mid-single digits. While it may seem counterintuitive to raise rates in a sluggish market, these increases are driven by higher operating costs including labor, insurance, and equipment as well as ongoing investments in their network aimed at improving service quality and competitiveness.

GRIs primarily affect shippers without contractual pricing agreements. Shippers with more transactional freight are advised to review their current LTL agreements and consider locking in contractual rates where possible to mitigate the impact of GRIs and ensure consistent service throughout the year ahead.

OCEAN FREIGHT

Tariff tensions and rate uncertainty define Q4 ocean trade

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Asia

Global trends

For Asia's ocean export markets, rates are strengthening across key trade lanes as carriers carefully manage capacity following Golden Week. The demand rebound after the holiday was stronger than expected, driven by cargo rolling and front-loading before anticipated increases in U.S. tariffs. This momentum supported rate increases announced for November 1.

On the Trans-Pacific lane, carriers have progressively reinstated capacity, while maintaining tight control over available space. Rate increases took effect November 1, with United States West Coast (USWC), intermodal point intermodal (IPI), and reverse intermodal point intermodal (RIPI) rates holding. United States East Coast (USEC) rates show varied implementation as market conditions adjust. The sustainability of these higher rates remains uncertain, as additional vessel capacity is expected in the coming months.

Uncertainty over scheduled and threatened U.S. tariff increases on Chinese goods for November prompted some shippers to move cargo earlier than usual. But export volumes are expected to rise gradually toward the end of November as shippers position inventory for post-holiday retail replenishment.

Regional highlights

Asia to North America

Forecast: Rates are expected to remain elevated. Vessel utilization is projected to stay healthy, while volumes could rise if shippers advance cargo to mitigate potential tariff impacts.

Market dynamics: Following the Golden Week holiday, carriers have gradually reinstated Trans-Pacific capacity while

carefully managing vessel availability to align with current demand and support higher rates. A mid-October rate increase was followed by an additional hike on November 1. USWC, IPI, and RIPI rates are holding at elevated levels, while USEC rates show more varied implementation as the market adjusts.

The durability of these increases is uncertain, as more vessel capacity is expected to enter the market in the coming months, potentially placing downward pressure on rates if demand does not strengthen correspondingly.

Potential future tariff changes are influencing shipper behavior, with some advancing cargo to avoid higher costs. This has created short-term volume spikes, though booking activity may soften afterward. Vessel utilization remains healthy for now, but the balance between expanding capacity and underlying demand will determine rate stability through the remainder of the year.

Asia to Europe

Forecast: Spot rates are expected to rise in early November. Export volumes are likely to pick up gradually toward late November as retailers replenish inventory for the post-holiday period.

Market dynamics: Spot rates increased in late October as carriers managed vessel space to match demand—a practice known as capacity discipline—which helps prevent an oversupply that could depress rates. A new round of rate increases took effect on November 1, though their sustainability remains uncertain with new vessel deliveries scheduled before year end.

Early signs of demand recovery are emerging, driven by shippers restocking inventory ahead of post-holiday retail activity. This gradual increase in export volumes is supporting healthy vessel utilization on Asia-to-Europe routes. However, with capacity expanding and demand improving only moderately, sustaining elevated rates will depend on carriers' continued ability to align supply with cargo demand in the coming weeks.

Key takeaways

Monitor whether the rate increases stick in the coming months, as additional capacity may put downward pressure on rates. Securing space early and considering fixed-rate agreements can help manage exposure to spot market volatility.

Shippers should also account for potential tariff-driven shifts in shipment timing, which could create short-term capacity constraints. Gradual volume recovery is expected toward the end of November as retail activity ramps up, so careful planning of lead times for inventory positioning remains essential.

North America

Global trends

Trade tensions between the United States and China have been affecting North American ocean exports, driving shifts in carrier operations and capacity deployment. In mid-October, China announced retaliatory port fees on U.S.-flagged and partially U.S.-owned vessels calling Chinese ports, mirroring U.S. penalties on Chinese vessels that started October 14. A deal announced in writing on November 1 suspends these port fees for a year starting November 10.

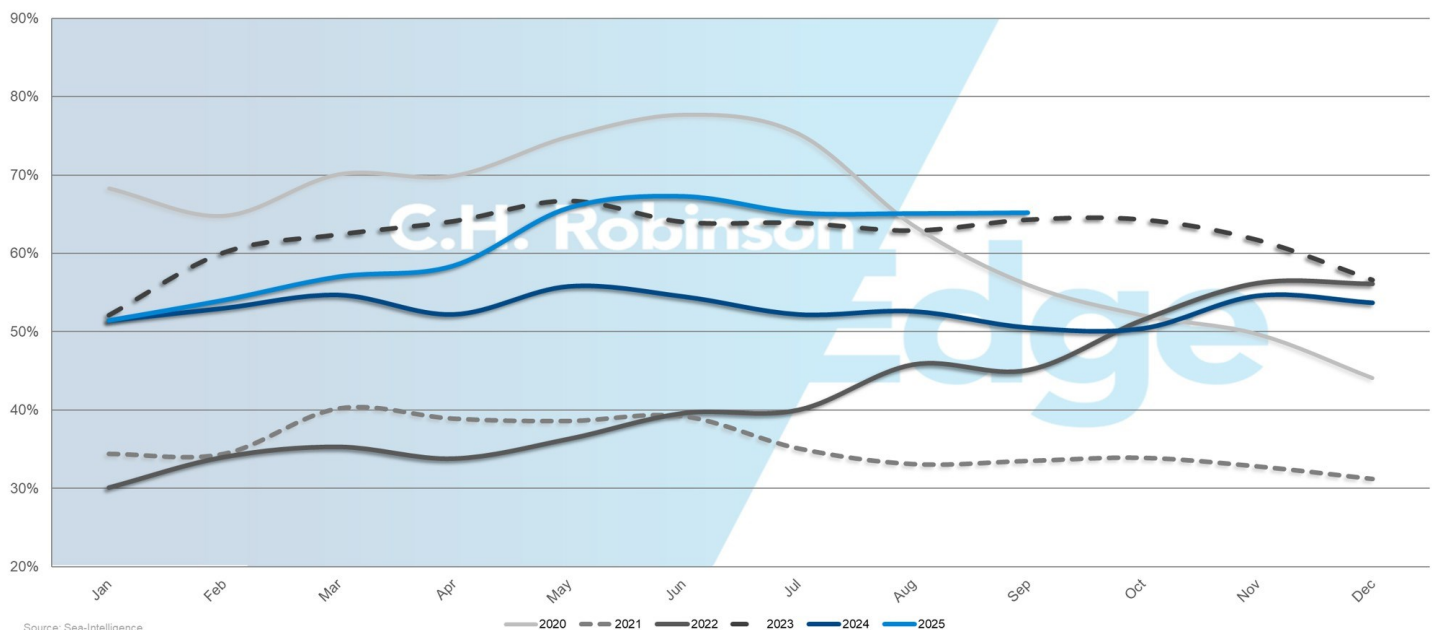
Analysis suggests fees payable by Chinese operators could have reached \$1.15 billion in the first year, compared with \$180

million for American operators. Carriers have been absorbing initial costs while reorganizing fleets to minimize exposure.

U.S. import volumes are forecast to decline 19.7% in November and 20.1% in December, bringing the full year to 24.7 million 20-foot equivalent units (TEUs), down 3.4% from 25.5 million TEUs in 2024. The Canadian ocean import market is also contending with this complex trade environment. Overall demand may remain soft across key lanes and the outlook is for steadily declining import volumes, attributed to front-loading in Q2 and Q3 and a general slowdown in consumer demand.

Despite this decline, consumer spending remains resilient, with Americans expected to spend \$890.49 per person on holiday gifts, food, and decorations—the second highest in 23 years, only 1.3% below last year’s record.

Global schedule reliability



Global schedule reliability improved to 65.2% in September 2025, up 14.7 percentage points year-over-year, though average delays for late arrivals remained at 4.88 days. The modest improvement reflects ongoing efforts by carriers to stabilize schedules despite persistent congestion at key global hubs, with North American trade lanes experiencing similar reliability challenges as carriers balance capacity across multiple regions.

Regional highlights

North America to Asia

Forecast: Capacity is expected to tighten as carriers implement blank sailings in response to softening demand. Space to Southeast Asia will be more constrained than to North Asia.

Market dynamics: Softening demand on the Trans-Pacific eastbound (TPEB) lanes from Asia to North America has led carriers to implement blank sailings. Because vessels operate in round-trip cycles, these eastbound cancellations also reduce westbound capacity available for U.S. exporters shipping to Asia. While the threatened November 1 tariff escalation was averted, trade policy volatility continues to complicate fleet deployment and cost management for carriers.

Congestion at major Asian transshipment hubs such as Singapore and Port Klang is limiting available space, particularly for Southeast Asia. The delays stem from vessel bunching after Golden Week and longer port stays caused by equipment repositioning and increased feeder demand, making Southeast Asia services tighter than North Asia. The combination of lower demand, trade policy shifts, and port bottlenecks is creating a more constrained and unpredictable environment for shippers as year end approaches.

North America to Europe

Forecast: Space is expected to remain very tight. Congestion is likely to persist for the foreseeable future, with the most significant constraints affecting U.S. Gulf Coast (USGC) exports.

Market dynamics: Ongoing congestion at major European ports limits the volume of cargo that can be handled efficiently, reducing effective capacity despite available vessels. Structural challenges—such as port infrastructure, berth availability, and labor actions at Antwerp and Rotterdam—are prolonging turnaround times and slowing transit.

USGC origins are particularly constrained due to insufficient sailings and vessel capacity relative to export demand. These factors collectively maintain tight capacity across key European lanes, underscoring the need for shippers to consider planning bookings well in advance and provide accurate forecasts to secure space through the end of the year.

North America to South Asia, Middle East, Africa

Forecast: Service options are expected to expand in November and into December, with Ocean Network Express (ONE) adding Jebel Ali this month. Rates are likely to remain elevated, with transshipment delays expected to continue. Space availability to India will remain adequate but could be affected by blank sailings. Capacity to Pakistan and Bangladesh will stay tight through year end, with most carriers continuing to serve Pakistan via transshipment.

Market dynamics: More carriers are entering the market, easing earlier capacity constraints and improving routing options and schedule reliability. However, some carrier suspensions and ongoing transshipment hub congestion—including western Mediterranean ports, Jebel Ali, Abu Dhabi, Mundra, and Colombo—are constraining effective capacity and contributing to delays. Rates remain elevated as most carriers continue avoiding the Suez Canal and Red Sea due to security concerns, operating longer alternative routes via the Cape of Good Hope.

Trade imbalances are affecting space allocation: India has more available capacity, but blank sailings are used to manage weak inbound demand following recent tariff changes. Capacity to Pakistan and Bangladesh is constrained because most services rely on transshipment rather than direct calls, with Mediterranean Shipping Company (MSC) currently the only direct U.S. East Coast-to-Pakistan service. These imbalances continue to challenge carriers' schedule reliability and network efficiency.

North America to South America

Forecast: Schedule reliability is expected to remain at around 80% for the remainder of the year. ZIM's relocation of its main transshipment hub from Kingston, Jamaica, to Cartagena, Colombia, will alter transshipment patterns. The low-water surcharge for Manaus has been postponed until November.

Market dynamics: Overall schedule reliability remains solid, despite a slight 1.3% dip from last month. Direct sailings remain more reliable because they make fewer port calls and avoid congested transshipment hubs. In contrast, indirect services that rely on hub connections are experiencing greater delays and schedule disruptions. ZIM's hub shift to Cartagena aims to optimize vessel operations and improve regional cargo connectivity, though it may affect transit times

and routing patterns in the short term.

The low-water surcharge for Manaus, originally expected in October, has been delayed as river levels remain manageable. Carriers continue to operate using specialized barges, but shippers should monitor water levels, as the surcharge could still be applied later in the season.

North America to Oceania

Forecast: Peak season will continue through the end of the year. Space from the USWC will remain moderately tight, while rates from the USEC remain competitive.

Market dynamics: Though the market is in peak season, demand has been lower than usual. USWC origins are experiencing moderately tight space due to blank sailings temporarily reducing available vessel capacity, whereas the USEC maintains full-service schedules, providing more flexibility and easing space constraints.

Brown marmorated stink bug season, which began September 1 based on vessel on-board dates, requires fumigation for susceptible cargo. Currently, no approved fumigators operate in New York, making Philadelphia and Baltimore the preferred alternatives. New Zealand-bound shipments must also be fumigated at origin, adding further operational requirements for shippers.

Canada

Forecast: Import volumes to Canada are expected to steadily decline through November. TPEB rates will likely hold at elevated levels. Trans-Atlantic and Indian subcontinent rates and demand will likely remain stable. Carriers will continue implementing blank sailings to stabilize vessel utilization.

Market dynamics: TPEB rates have climbed since mid-October, reinforced by a GRI implemented on November 1. The rise reflects reduced vessel capacity following China's Golden Week and a modest uptick in demand as shippers advanced cargo ahead of potential U.S. tariff hikes on China. In contrast, Trans-Atlantic and Indian subcontinent markets remain stable in both rates and demand.

Overall import volumes are softer than expected, as much of the earlier demand was frontloaded in the second and third quarters in anticipation of tariff changes. This earlier surge contributed to temporary port congestion, which is still working through the system. To maintain utilization and pricing stability amid softer demand, carriers are deploying blank sailings and closely managing capacity.

Key takeaways

Shippers should monitor potential impacts from the interim trade deal with China announced November 1. For Europe-bound shipments, providing advance volume forecasts is essential to secure space, particularly from USGC origins where capacity is most constrained. In the Middle East, expanded carrier options, including ONE entering in November, offer more routing flexibility, but transshipment delays and elevated rates are likely to continue as carriers avoid the Red Sea and maintain diversions via the Cape of Good Hope.

For Oceania, shippers should leverage capacity from the USEC and ensure compliance with stinkbug fumigation requirements, including mandatory origin fumigation for New Zealand-bound cargo.

For Canadian importers, anticipate steadily declining import volumes through November. Work closely with carriers and

forwarders to navigate blank sailings.

Across all regions, early bookings, accurate forecasts, and proactive scheduling are critical to managing capacity constraints, maintaining reliable transit, and controlling costs through year end.

Europe

Global trends

European ocean markets are contending with a challenging operational landscape marked by ongoing port congestion, intermittent labor disruptions, and contrasting trends between import and export trades. Northern European ports remain heavily congested, though recent labor actions in Belgium and the Netherlands have been resolved or paused.

The Trans-Atlantic westbound (TAWB) trade is under pressure as softening demand and increased vessel capacity shift conditions in favor of shippers. Meanwhile, Asia-Europe import lanes are seeing rate fluctuations as carriers adjust capacity ahead of tender season.

Bunker fuel prices remain unstable, as uncertainty around Russian oil supply and signs of a global surplus continue to push costs lower.

Regional highlights

Europe to Asia

Forecast: Rates are expected to remain at historically low levels through the remainder of the year. Space is widely available across all major carriers, with short lead times for bookings.

Market dynamics: Europe to Asia export rates remain at record lows, presenting favorable opportunities for shippers to move cargo at very competitive rates. Space availability across carriers continues to support flexible scheduling and short booking windows. Weak demand on this backhaul trade is keeping conditions favorable for shippers across both spot and contract markets.

Europe to North America

Forecast: TAWB rates are expected to remain stable at current low levels through the end of the year. Softer demand continues to limit opportunities for rate increases, and space remains widely available across all major carriers. Some carriers may attempt to introduce emergency surcharges tied to recent strike-related costs, but overall market conditions make broad adoption unlikely.

Market dynamics: The TAWB market continues to see historically low rates, driven by reduced demand and ample capacity. Spot rates from Rotterdam to New York are now at their lowest point since pre-pandemic levels (excluding the brief dip in 2023). As of September 2025, year-over-year demand has decreased, with shipment volumes lower than the same period last year. With space open on most carriers and lanes, shippers are benefiting from a favorable booking environment and competitive long-term contract options.

Recent labor actions at Antwerp and Rotterdam have ended or been temporarily paused, though congestion persists,

currently averaging two to four days at Antwerp and two to eight days at Rotterdam. Evergreen and CMA CGM have announced emergency surcharges for November to recover costs tied to these disruptions; but weak market conditions are likely to limit their effectiveness.

Europe to South America

Forecast: Rates are expected to remain stable. Space is available across both South America East Coast and West Coast trades, with sufficient capacity to meet demand.

Market dynamics: Europe to South America market remains steady, supported by balanced supply and demand across key trade lanes. Carriers continue to manage capacity effectively, keeping rates consistent and service levels reliable. These conditions provide shippers with a stable and predictable environment for planning upcoming cargo movements.

Europe to Oceania

Forecast: Rates are expected to remain stable. Space is generally available across carriers with short lead times for bookings.

Market dynamics: The Europe to Oceania trade continues to operate under steady market conditions, with balanced capacity and consistent carrier performance. Booking space remains widely accessible, giving shippers flexibility to plan and book cargo with relatively short lead times.

Key takeaways

For TAWB shipments, take advantage of the current shipper-favorable market with ample space and historically low rates. Build additional buffer time into planning to offset congestion, as vessel wait times at major northern European ports range from two to eight days.

For Asia to Europe imports, expect continued rate volatility as carriers manage capacity discipline heading into tender season. Rate trends will depend on capacity utilization—monitor closely for potential downward adjustments if utilization weakens. Plan inventory positioning ahead of the next demand surge prior to Chinese New Year on February 17, 2026.

Shippers moving cargo from Europe to Asia, Latin America, and Oceania can capitalize on stable pricing and dependable service to optimize export planning.

South Asia, Middle East, Africa (SAMA)

Global trends

South Asia, Middle East, and Africa ocean export markets are undergoing significant trade policy shifts, particularly on lanes from the Indian subcontinent to North America. Indian exporters continue to face challenges from the 50% U.S. tariff, which has sharply slowed year-over-year export growth since its implementation in August. Labor-intensive sectors such as textiles, gems, and jewelry have been most affected.

Relief may be on the horizon, as India and the United States are reportedly nearing a trade agreement that would reduce tariffs on Indian imports from 50% to approximately 15–16%. As part of the discussions, India may also scale back imports

of Russian oil and increase its U.S. quota for non-genetically modified corn above the current 0.5 million tons per year.

Lanes from the Indian subcontinent to Europe remain comparatively stable, with steady demand, available space, and competitive rates. Carriers are offering targeted spot deals on select sailings, helping sustain balance between supply and demand.

Regional highlights

SAMA to North America

Forecast: Capacity is expected to remain available across all major lanes through November, with equipment accessible at key ports and inland container depots.

Market dynamics: Indian exporters continue to be significantly disrupted by the 50% U.S. tariffs, with labor-intensive sectors such as textiles, gems, and jewelry most affected. Textile exports declined nearly 10% year over year in September, following 5% growth in July prior to the tariffs.

From a capacity standpoint, the market remains open, as carriers have deferred planned GRIs and peak season surcharges. This deferral reflects moderate demand, but carriers are prepared to activate increases if booking activity accelerates.

Equipment availability is stable across major ports and inland container depots, though carriers continue to monitor utilization closely and may adjust capacity or pricing in response to demand shifts.

SAMA to Europe

Forecast: Demand is expected to remain steady through the remainder of the year. Service reliability should hold consistent, with space generally available across most services. Rates are likely to stay low, supported by competitive spot offerings from carriers.

Market dynamics: The Indian-subcontinent-to-Europe trade remains stable, with balanced demand and strong service consistency. Unlike the North America lanes, these routes are largely insulated from tariff-related disruptions, supporting predictable cargo flows and reliable scheduling.

Space remains readily available across most services, creating favorable conditions for shippers. Rates continue to stay low as carriers offer selective spot discounts to keep vessel utilization steady, providing exporters with opportunities to secure capacity at competitive levels.

Key takeaways

Indian subcontinent exporters to North America should closely monitor trade negotiations between India and the United States, as potential tariff reductions could significantly alter market conditions. Plan inventory and shipping strategies with flexibility around the possible timing of a trade agreement to manage costs and avoid stock shortages.

For Europe-bound shipments, take advantage of steady demand, open space, and competitive rate levels by securing spot deals on select sailings while market conditions remain favorable.

South America

Global trends

South America's export markets are experiencing significant disruption following the introduction of new U.S. tariff policies. The 50% duties on select Brazilian products are reshaping trade flows, with coffee and sugar increasingly redirected from the United States to Europe. This redirection is tightening space on Europe-bound services, contributing to broader regional imbalances.

Globally, capacity conditions remain uneven. Space to Asia is widely available at competitive rates, while Europe-facing services are increasingly constrained, often requiring bookings several weeks in advance. Carriers are responding by rerouting vessels through third-country transshipment hubs such as Cartagena and Panama to mitigate congestion and maintain schedule reliability across long-haul networks.

On the West Coast, weather disruptions in Chile and cut-and-run port operations are testing schedule integrity. Several carriers have paused bookings for up to four weeks on certain routes to Mexico and North America. Meanwhile, Peru and Chile's peak fruit export season is tightening capacity further, intensifying competition for vessel space through the fourth quarter.

Regional highlights

South America to Asia

Forecast: Capacity is expected to remain open through the remainder of the year. However, Peru and Chile are likely to experience tightening space as the fruit export season advances. Carriers will prioritize 40-foot containers to maximize vessel utilization. GRIs may be attempted in alignment with Trans-Pacific market trends, though implementation success will depend on overall demand conditions.

Market dynamics: Soft demand continues to create a favorable environment for shippers, with flexible booking options across most trade lanes. Carriers are emphasizing 40-foot containers to improve efficiency and vessel loading balance.

Traditional commodity exports are showing mixed performance in early November: paper and wood volumes remain subdued due to weaker global construction and packaging activity, while cotton exports have held steady. Elevated inventory levels in China are prompting some exporters to redirect shipments toward Bangladesh and India, where spinning mills maintain consistent demand.

Key exports from the South America West Coast (SAWC) currently include citric acid, wood products, metal parts, plastics, and foodstuffs. As Peru and Chile move deeper into the peak fruit export season, space demand is expected to tighten sharply, increasing competition for available slots on Asia-bound services.

South America to North America

Forecast: Service patterns are expected to remain disrupted as carriers continue to reroute vessels through Colombia, Mexico, Peru, and Canada. Traditional commodity volumes are likely to stay muted, while transshipment delays via Kingston will continue to affect schedule reliability. Congestion at Manzanillo, Mexico, is impacting loading operations,

whereas Cartagena, Colombia, is emerging as a more reliable alternative for U.S.-bound cargo.

Market dynamics: U.S. tariffs of 50% on Brazilian goods are disrupting established trade flows. Coffee shipments to the United States have declined sharply as exporters redirect volumes to Germany, now the leading buyer of Brazilian coffee, while some U.S. importers are sourcing from Colombia instead. Sugar exports to the United States have dropped by more than 80%, prompting shippers to target alternative markets. Meanwhile, wood and tile exporters are pausing new shipments amid uncertainty over potential U.S. policy changes.

Carriers are rerouting services through third-country transshipment hubs to maintain network coverage and schedule continuity. However, these adjustments come with challenges. Some carriers are struggling to keep schedules on track, resorting to cut-and-run operations—skipping planned port calls to recover time lost from earlier delays.

Adverse weather in Chile has compounded the situation, disrupting loading and berthing windows and further reducing schedule reliability. Peru and Chile are entering their peak fruit export season, driving strong demand and further tightening vessel capacity on North America lanes.

South America to Europe

Forecast: Capacity is expected to remain highly constrained, with bookings often requiring up to four weeks' lead time. Vessels are sailing at full utilization, and strong demand for coffee and tobacco shipments is expected to persist through year end.

Market dynamics: Sustained export demand is being driven by several key factors. Coffee exports have risen sharply, with Germany now serving as the leading destination for Brazilian coffee following the introduction of 50% U.S. tariffs on select goods. Tobacco volumes also remain elevated amid typical fourth quarter peak demand. Together, these trends are maintaining high export activity and keeping pressure on already limited vessel capacity.

Carriers such as Mediterranean Shipping Company (MSC), CMA CGM, and Ocean Network Express (ONE) are prioritizing 40-foot dry containers for lighter cargo, as the ongoing sugar export season continues to absorb much of the available specialized equipment, including 20-foot and bulk containers.

As a result, routing flexibility remains limited. Port congestion at major European gateways is compounding these challenges, prompting carriers to divert shipments from London to alternative ports such as Southampton and Felixstowe.

On the Atlantic coast, operational performance at Cartagena has improved significantly. The introduction of new carrier services is positioning the port as an increasingly reliable gateway for Europe-bound cargo.

Key takeaways

South American exporters should adjust their strategies as trade patterns shift. For Asia-bound cargo, take advantage of open capacity and favorable rates, prioritizing 40-foot containers where possible. For Europe-bound shipments, book at least four weeks in advance, as vessels are operating at full capacity. Consider using alternative UK ports such as Southampton or Felixstowe to improve routing flexibility.

At Brazilian ports, plan for congestion at Santos, Rio de Janeiro, Paranaguá, and Itapoá. Consider alternative gateways such as Imbituba, Suape, Pecém, or Salvador, where utilization remains lower. Monitor equipment availability closely—particularly for 20-foot containers during the sugar season—and adjust booking strategies accordingly.

Peru and Chile exporters should plan well in advance for the fourth quarter fruit export season, as high demand will increase competition for vessel space across all trade lanes.

Coffee and tobacco exporters should secure space early, given elevated seasonal volumes and trade flows toward Germany.

Oceania

Global trends

Export markets are moving through the final quarter of 2025 with healthy demand and steady trade activity—conditions expected to extend into early 2026.

Agricultural export volumes are rising as the pulse crop season begins in Queensland and New South Wales, with southern state harvests to follow in January. Pulses such as lentils, chickpeas, and beans remain key export commodities for the region and a primary driver of seasonal trade growth. Protein exports continue to strengthen, led by robust Australian lamb and mutton volumes, while New Zealand's limited herd numbers constrain its export capacity.

Overall, capacity remains open and manageable across most export services, though some tightness is expected to persist on U.S.-bound lanes until additional capacity becomes available in February 2026.

Regional highlights

Oceania to Asia

Forecast: Rates on North Asia lanes are expected to experience mild downward pressure through the end of the year. Strong lamb and mutton exports to China will continue, supported by sufficient carrier capacity across most services.

Market dynamics: Additional carrier capacity and slightly easing demand on North Asia lanes are driving modest rate softening. China remains the primary destination for Australian lamb and mutton, with Australia accounting for about 54% of global exports. Meanwhile, New Zealand's smaller herd continues to limit its export output, reinforcing steady demand for Australian product.

Oceania to North America

Forecast: Space on services to USEC and USWC is expected to remain limited through the end of the year. Rate levels are likely to hold steady until additional capacity enters the market in February 2026 with the launch of the Eagle service.

Market dynamics: Services to both coasts continue to operate near full capacity, sustaining tight space conditions. The forthcoming Eagle service will introduce weekly sailings, helping to ease these constraints.

Strong demand for Australian lamb and mutton exports—driven by Australia's expanding market share and reduced output from New Zealand—allows carriers to maintain stable rates while focusing on vessel utilization and schedule reliability.

Oceania to Europe

Forecast: Rates and capacity are expected to remain stable through year end, with balanced market conditions and

manageable space extending into early 2026.

Market dynamics: Steady demand on Europe trade lanes is aligning well with available vessel capacity, supporting consistent service levels and predictable schedules. With volumes and fuel costs holding steady, carriers are maintaining current rate levels, creating a reliable environment for shippers to plan and book shipments with confidence.

Oceania to South Asia, Middle East and Africa

Forecast: Export volumes are rising with the start of the pulse crop season in Queensland and New South Wales. Space is sufficient, and rates are expected to remain stable through the harvest period.

Market dynamics: The pulse crop harvest—centered on lentils, chickpeas, and beans—is driving higher export activity to key destinations in the Indian subcontinent and Egypt. This seasonal increase is well anticipated, and vessel capacity remains adequate to support the surge. As a result, shippers can expect stable rates and dependable space availability for planned shipments.

Key takeaways

Oceania exporters can expect stable market conditions through the end of 2025 and into early 2026, supported by consistent demand for agricultural commodities and protein exports.

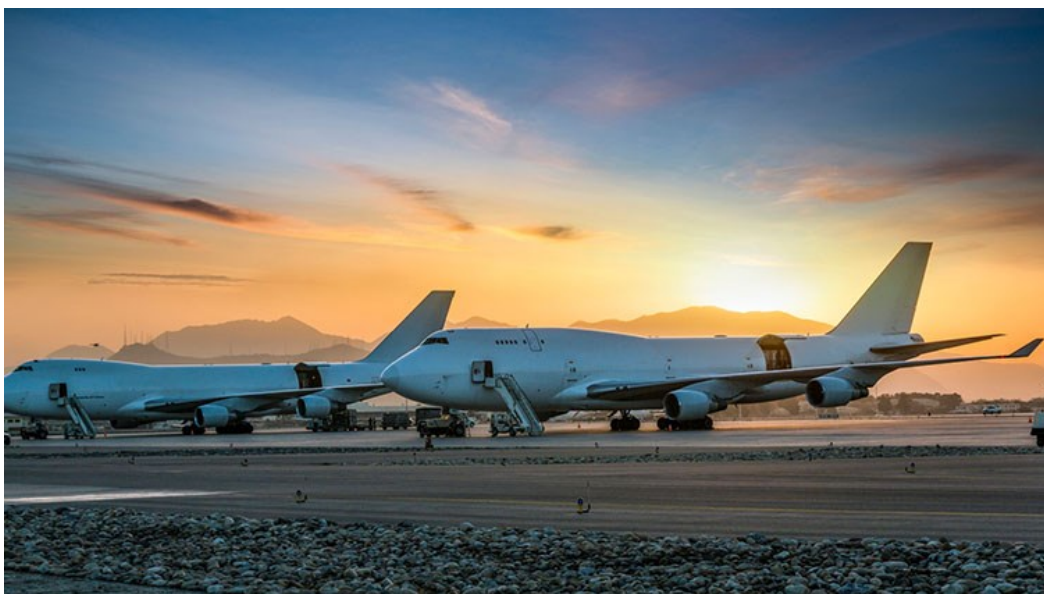
Space to the USEC and USWC will remain tight until the Eagle service launches in February, so securing bookings early is recommended.

Across all lanes, carriers continue to prioritize service reliability and vessel utilization, supporting a predictable environment for planning and execution through year end.

AIR FREIGHT

Peak season pressures tighten air freight capacity globally

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Asia

Global trends

Asia's air freight markets continue to experience strong peak season demand, which is expected to persist through December and extend into early January. In the final weeks of October, shippers front-loaded cargo to the United States ahead of a planned November 10 increase in the reciprocal tariffs on Chinese goods.

While a deal announced in writing November 1 maintains the tariff at 10% for a year, the frontloading may slightly soften U.S.-bound volumes through mid-November. In contrast, demand to Europe and other destinations remains robust and unaffected by tariff-related shifts.

Capacity constraints are tightening across key trade lanes, extending booking lead times—particularly for time-sensitive cargo. Rates have stayed firm following the post-Golden Week surge, as airlines continue to prioritize high-value and urgent shipments, including electronics and ecommerce products. The upcoming Double Eleven (11/11) shopping event is expected to drive another sharp uptick in ecommerce demand during the second half of November.

Specialized commodities such as pharmaceuticals, cryptocurrency hardware, and artificial intelligence equipment continue to dominate available capacity on U.S.-bound services. Airlines are strategically adjusting capacity and flight networks to capture peak season opportunities while maintaining elevated rate levels throughout the month.

With Chinese New Year falling later this year, on February 17, 2026, the traditional demand cycle is expected to last longer than usual, keeping the market active and rates elevated well into the first quarter.

Regional highlights

Asia to North America

Forecast: Airlines are carefully managing capacity and flight schedules to keep rates high during peak season. At the same time, congestion at major airports, particularly in cargo handling areas, is causing longer ground times and limited availability, making it essential for shippers to secure space well in advance.

Market dynamics: Despite a less sharp November peak, structural demand from tech and pharmaceutical sectors is sustaining high load factors. Ecommerce tied to China's 11/11 shopping festival will add a fresh wave of outbound volume, tightening capacity further into late November.

At the same time, congestion at major airports—particularly in cargo handling areas—is causing longer ground times, making it essential for shippers to secure space well in advance.

Asia to Europe

Forecast: Demand is expected to stay strong through December and into early January, keeping rates firm across major Asia-Europe lanes. Capacity remains extremely tight, with first-leg space from key origins already booked several days in advance. Shippers should plan at least four to five days ahead, particularly for larger loads, as rate levels are holding steady given the current market environment.

Market dynamics: Following Golden Week, the market rebounded sharply as capacity tightened and rates climbed. Ecommerce continues to be the main driver of demand, fueled by shopping festivals and the year-end retail push. Fashion and high-tech products—typically smaller, high-frequency, time-sensitive shipments—are dominating available uplift.

Limited first-leg space at Asian origins, coupled with reduced belly hold capacity on passenger flights, is intensifying competition. Airlines are prioritizing higher-value and time-critical cargo to maximize yield, leaving general cargo shippers with fewer options and longer lead times.

Recently heightened U.S.–China tariff tensions had been shifting some urgent U.S.-bound shipments through Europe, further straining available capacity. It's too early to predict how an interim China trade deal announced in writing November 1 may affect this trend. New and expanding trade lanes, particularly those to Northern Europe, are seeing sustained pressure as well.

With Chinese New Year not until February 17, 2026, strong seasonal demand is expected to persist longer than in recent years, keeping the market tight well into the first quarter.

Key takeaways

Shippers moving cargo from Asia to North America should plan capacity needs early to avoid costly delays amid airport congestion and firm rate conditions. Airlines are maintaining tight network control and prioritizing high-yield cargo, making advance booking essential. Expect potential space constraints in the second half of November following the 11/11 ecommerce surge.

Pharmaceutical shippers should consider securing space now to mitigate potential risks from trade tariff uncertainties, while cryptocurrency and AI equipment will continue to dominate capacity on U.S. lanes. Although some traditional peak season volume was front-loaded in late October, specialized cargo demand remains robust.

Shippers moving cargo from Asia to Europe should pre-book at least four to five days in advance, and longer for larger shipments, as space at major Asian origins is already tight. Ongoing ecommerce-driven demand for fashion and

technology goods continues to keep rates firm and space limited. With Chinese New Year falling on February 17, 2026, peak season conditions are expected to extend into early Q1 2026, making early planning through January critical for schedule reliability and cost control.

North America

Global trends

The U.S. air export market remains stable and well balanced as November begins. While overall conditions are steady, capacity may tighten on select lanes—particularly to Australia, Singapore, and South America—as seasonal demand builds into late November and early December.

Compared with other regions, the market continues to show minimal rate volatility and sufficient space availability. However, shippers should monitor key lanes for potential tightening, carrier network adjustments, or operational disruptions.

Regional highlights

North America to Europe

Forecast: The Trans-Atlantic eastbound (TAEB) market is expected to remain balanced through the remainder of the quarter, supported by expanded passenger capacity and steady demand. Rates are likely to hold firm, with any upward pressure limited to urgent or oversized freight. Overall, the market remains competitive across U.S.–Europe corridors.

Market dynamics: Consistent eastbound volumes are being sustained by steady flows of industrial components, pharmaceuticals, and retail replenishment, alongside strong uplift from the automotive and electronics sectors. Increased passenger frequencies are improving available belly space, while balanced two-way trade is enhancing network utilization and operational efficiency.

Potential headwinds include passenger airlines adjusting schedules for yield optimization, which could temporarily reduce cargo capacity on select routes. Additionally, softer U.S. export demand, weaker European consumer confidence, or rising fuel and maintenance costs could introduce moderate volatility through the first quarter.

Key takeaways

U.S. shippers should continue proactive planning through the remainder of the quarter to manage potential longer transit times or upward rate pressure. For anticipated demand surges—particularly on lanes to Australia, Singapore, and South America—coordinate bookings early to secure capacity before any tightening occurs.

For eastbound routes, confirm space commitments for recurring shipments to maintain schedule stability and rate consistency. Book early for specialized or oversized cargo and consider premium or expedited services when timing is critical.

Overall market stability supports a favorable environment for forward planning and cost management.

Europe

Global trends

The Trans-Atlantic air cargo market continues to stabilize following a stronger-than-expected summer, with several factors shaping short-term conditions. Demand remains steady, though slightly lower than earlier in the year, and is expected to hold firm through the remainder of peak season.

Capacity remains uneven: Belly hold capacity on passenger flights continues to recover, while freighter availability is constrained by aircraft retirements and delayed deliveries of new dedicated cargo planes. Rates remain elevated with intermittent volatility as carriers navigate uncertain macroeconomic conditions, resulting in a cautious but generally stable outlook across both eastbound and westbound lanes.

Inbound air cargo from Asia has strengthened post-Golden Week, driven by ecommerce replenishment ahead of major shopping festivals and year-end holidays. This rebound is tightening capacity at key European gateways, particularly at major hubs where parcel and express volumes are competing with general cargo for space.

Regional highlights

Europe to North America

Forecast: Trans-Atlantic westbound (TAWB) demand is expected to remain steady through the remainder of peak season, with minor week-to-week fluctuations. Spot rates may ease slightly from summer highs but will likely stay above historical averages. In the medium term, additional passenger capacity could introduce mild downward pressure on rates.

Market dynamics: Steady westbound demand is being supported by seasonal retail and ecommerce replenishment ahead of the holidays, along with sustained movement of high-value, time-sensitive cargo such as pharmaceuticals, fashion, and electronics. Some modal shift from ocean to air persists as shippers prioritize reliability amid schedule disruptions.

Freighter availability remains tight, limiting capacity and maintaining rate pressure. Delays in new aircraft deliveries and early retirements could exacerbate constraints in the near term. Meanwhile, evolving trade policies, geopolitical developments, and potential economic slowdowns in Europe or the U.S. remain key factors to watch, as they could influence both demand patterns and overall rate stability.

Key takeaways

Companies shipping across the Atlantic should focus on proactive capacity management and cost control. While demand remains seasonally strong, underlying capacity constraints continue to limit flexibility.

For westbound routes, secure space early for time-sensitive cargo and diversify routing options or carriers to maintain flexibility during capacity crunches. Monitor rate trends closely and consider forward-buying on key lanes through year end to mitigate cost risk.

For inbound flows from Asia, anticipate sustained capacity pressure at European gateways through December and early

January, driven by ecommerce demand for fashion and high-tech products.

Across all directions, leverage flexible intermodal or deferred options to balance cost and transit time for non-urgent cargo. Continue monitoring geopolitical and economic developments that could introduce short-term volatility or alter established trade flows.

South Asia, Middle East, Africa (SAMA)

Global trends

Air freight markets here are showing mixed performance. The India–U.S. corridor has been notably affected by recent tariff measures. Following the imposition of 50% duties on most Indian goods in late August, exports from India to the United States fell sharply. Shipments in September 2025 totaled just \$5.5 billion—down 20.3% from August, marking a fourth consecutive monthly decline.

The tariffs have weighed most heavily on key export sectors such as textiles, gems, and jewelry. Beginning October 1, the United States also introduced 100% tariffs on branded and patented pharmaceutical products. However, India's large volume of generic pharmaceutical exports remains exempt and continues to move under normal trade conditions.

In contrast, the India–Europe trade lane continues to perform strongly. Air cargo volumes from India to Europe rose 9% week-over-week in mid-October, pushing total tonnage 11% higher than during the same period last year.

The Indian government is pursuing a bilateral trade pact with the United States and encouraging exporters to diversify into new markets to mitigate ongoing trade disruptions.

Regional highlights

SAMA to North America

Forecast: Demand is expected to remain significantly constrained through the remainder of the quarter as 50% U.S. tariffs on most Indian goods continue to suppress trade flows. Market conditions could improve if bilateral trade negotiations result in partial tariff relief or exemptions for key sectors.

Market dynamics: Indian exports to the United States have declined for four consecutive months, falling 37.5% between May and September—equivalent to more than \$3.3 billion in monthly trade value. The tariffs include a 25% component tied to India's imports of Russian oil, intensifying pressure on several core export sectors. Textiles, gems, and jewelry have been the most severely affected, while electronics and engineering goods have shown relative resilience.

The Indian government continues to pursue trade talks with the U.S. administration but has stated it will not rush to finalize an agreement. In the meantime, exporters are accelerating diversification into alternative markets to offset losses.

SAMA to Europe

Forecast: Demand on India–Europe lanes is expected to remain strong through year end, with volumes continuing to exceed prior year levels. Carriers are adjusting capacity to maintain rate stability, and growth is likely to continue as exporters diversify shipments beyond the United States.

Market dynamics: The India–Europe trade lane has shown robust momentum, with tonnage rising 9% week-over-week in mid-October and total volumes 11% higher than the same period last year. This surge is driven by Indian exporters redirecting cargo from the constrained U.S. market to Europe. Carriers are managing capacity strategically to accommodate elevated demand while maintaining stable rates.

Key takeaways

For Europe-bound shipments, book capacity early to ensure space as carriers adjust to rising volumes redirected from the U.S. market. Shippers should monitor U.S.–India trade negotiations closely, as any progress toward tariff relief could quickly shift demand patterns and restore competitiveness for U.S.-bound cargo.

South America

Global trends

Air freight markets in Central and South America are entering their typical Q4 seasonal surge. Overall demand is up approximately 3% in Q3 compared with the same period last year, driven by North American and European importers.

Southbound shipments are being fueled by strong ecommerce demand, particularly to Colombia and Brazil, as goods are moved closer to end markets ahead of the holidays. Northbound exports are rising with Chile's berry season approaching in early December, alongside other perishables such as asparagus from Peru and flowers from Colombia and Ecuador for Thanksgiving and Christmas.

Booking windows have tightened, averaging five to eight days on most lanes and exceeding two weeks for time-sensitive or high-tech cargo. Spot rates are increasing as capacity becomes constrained during this seasonal surge.

Global supply chain disruptions, including Red Sea shipping challenges, are pushing some cargo to air transport, further tightening capacity. Additionally, U.S. tariffs on Brazilian goods are creating short-term uncertainty, with potential negotiations poised to influence trade flows. Congestion at São Paulo's Guarulhos Airport (GRU) is prompting shipments to shift toward alternative gateways such as Viracopos (VCP) and Recife (REC).

Regional highlights

South America to Asia

Forecast: Peak season demand is expected to remain elevated through December, with booking lead times exceeding two weeks for time-sensitive and high-tech cargo. Rates are likely to stay high for the remainder of the year. Connection delays through European hubs such as Madrid (MAD), Frankfurt (FRA), and Luxembourg (LUX) are anticipated to continue.

Market dynamics: Sustained peak-season demand—driven by Black Friday later this month and Christmas in December—is putting pressure on Asia-bound lanes. Time-sensitive and high-tech cargo is facing particularly tight capacity as carriers prioritize these shipments. Pricing pressure is further intensified by the fruit export peak season in Brazil, which has already prompted carriers to increase rates.

Many Brazil-to-Asia shipments transit through European hubs, where operational delays are currently being reported at

MAD, FRA, and LUX. Under these conditions, shippers may find fixed-rate programs more predictable than spot-market bookings, helping to manage timing and costs more effectively.

South America to North America

Forecast: Demand to the United States and Mexico is expected to remain strong through the end of the year, with booking windows averaging five to eight days. Northbound perishable volumes will rise sharply as Chile's berry season begins in early December, alongside asparagus from Peru and flowers from Colombia and Ecuador for Thanksgiving and Christmas.

Spot rates are likely to continue increasing during peak season. Smaller shipments (under 500 kg) will remain relatively easier to schedule. Market conditions could improve if the United States and Brazil finalize tariff negotiations.

Market dynamics: Peak-season retail replenishment is driving elevated northbound volumes, with temperature controlled capacity particularly in demand for perishable goods. Chilean berries, Peruvian asparagus, and flowers from Colombia and Ecuador are all competing for limited cold-chain space, intensifying capacity constraints.

Recent U.S. tariffs on Brazilian goods have disrupted cargo planning, prompting schedule adjustments and highlighting the importance of agile supply chains. Ongoing congestion at GRU, caused by high cargo volumes and limited handling capacity, is leading carriers to redirect shipments to alternative hubs such as VCP and REC.

Under these conditions, fixed-rate contracts can provide greater predictability and stability than spot-market bookings, helping shippers manage costs and ensure timely delivery despite operational challenges.

South America to Europe

Forecast: General cargo volumes are expected to grow steadily through the quarter, supporting moderate rate increases on key lanes. Demand for perishables will remain strong through year end, with carriers adding extra flights and capacity to maintain service reliability.

Market dynamics: Expanded carrier services are supporting growth, with Lufthansa adding medium-sized aircraft on routes from Rio de Janeiro (GIG) to Munich (MUC), increasing capacity for Europe-bound shipments.

The perishables season for mangoes, grapes, and other fruits is creating high competition for flight slots, requiring careful planning and specialized temperature controlled handling. U.S. tariffs on Brazilian goods are redirecting fruit exports that would normally move to North America toward European markets, amplifying demand further.

New routing options, such as Azul's REC to Porto (OPO) service, provide exporters in Northeast Brazil alternatives while alleviating congestion at GRU. VCP remains the primary gateway for central Brazil, maintaining strong operational performance and helping sustain overall throughput.

South America to South Asia, Middle East, Africa

Forecast: Capacity to Middle Eastern destinations will remain tight through the quarter due to ongoing Red Sea disruptions. Slot availability is limited, and rates are expected to stay elevated through the end of the year.

Market dynamics: Disruptions in the Red Sea are forcing some cargo to shift from ocean to air, increasing pressure on Middle Eastern carriers already handling peak season volumes. With diverted maritime cargo competing alongside traditional air shipments, available flight slots are scarce, driving pricing volatility and reinforcing capacity constraints. These conditions are expected to persist as long as Red Sea disruptions continue, requiring careful planning for space and

scheduling.

Key takeaways

Shippers should plan for sustained fourth quarter activity across Central and South America. Southbound imports driven by ecommerce into Colombia and Brazil are adding pressure alongside traditional export peaks. Consider securing bookings now, particularly for critical cargo on fixed-rate terms, to manage capacity constraints and potential rate volatility through year end.

For northbound perishable exports including Chilean berries (starting early December), Peruvian asparagus, and flowers from Colombia and Ecuador, book now with carriers offering temperature controlled capacity to avoid delays during the holiday season. Smaller shipments under 500 kg to the United States and Mexico remain well-suited for spot market bookings, providing flexibility and competitive pricing.

Consider alternative hubs such as VCP and REC to bypass congestion at GRU. Build secondary routing plans and factor in potential delays when scheduling shipments through GRU to ensure timely delivery.

Advance bookings with South American and European carriers are suggested for perishables and pharmaceuticals. While Azul and Gol continue to expand regional connectivity, near-term capacity improvements are limited.

Oceania

Global trends

Air freight activity in the fourth quarter is generally subdued, with import lanes showing only modest peak season demand. With winter beginning in the Northern Hemisphere, including North America, Europe, and Asia, airlines have added passenger flights to meet the Southern Hemisphere's summer travel demand, particularly to Australia. This seasonal schedule increase has boosted belly cargo capacity on key routes from major origins, including the U.S. West Coast (USWC) and Asia, to Australia's eastern seaboard.

The expanded capacity is also helping accommodate conversion cargo—shipments shifted from ocean to air due to urgency, delays, or ocean service disruptions. Rates and services from major markets remain stable, while export activity is experiencing seasonal strength as the Southwest Pacific stone fruit harvest gets underway, driving higher demand to both Asian and regional destinations. Despite the increased movement, rates remain steady for this time of year.

Dedicated freighter capacity remains limited. While additional belly space helps maintain stable rates, shipments requiring freighter service continue to face tight availability and higher costs.

Key takeaways

Oceania importers can take advantage of ample passenger belly capacity from key origins—including the USWC and Asia—providing stable rates and opportunities to move cargo that might otherwise ship by ocean. Shipments requiring dedicated freighter service should be booked early, as space is limited and rates remain higher than for belly cargo.

Exporters of Southwest Pacific stone fruit should secure capacity early during the seasonal harvest, especially for freighter

shipments of perishables or other sensitive cargo.

Overall, rates are stable for this time of year. Soft market conditions and expanded passenger capacity create a favorable environment for importers, while exporters benefit from predictable rates but must plan ahead to navigate limited freighter availability.

INTERMODAL

Intermodal growth continues amid extended peak season

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Market overview

U.S. intermodal rail shipments rose 1.3% year over year in September, according to the Association of American Railroads (AAR). Total intermodal volume reached 10.57 million units, which is up 3.5% year-to-date—marking the highest activity since 2021. These gains highlight resilient consumer spending and steady import demand, though questions remain about how long this momentum will hold through the holiday season.

Peak season and pricing trends

Peak season is in full swing, led by strong outbound activity from Southern California. Some major carriers implemented early surcharges, ranging from \$300 to \$800 per load, to manage elevated demand and maintain network efficiency. Peak operations are expected to continue through late December, signaling a longer-than-usual season.

Port and import trends

The Port of Los Angeles continues to anchor West Coast intermodal flows, though import volumes are beginning to moderate. September data from the Port Optimizer showed single-digit y/y declines, aligning with the National Retail Federation's forecast for gradual softening through year end. The U.S.–China trade discussions, escalations, truces, and extensions added a layer of uncertainty, prompting importers to adjust shipping timelines and inventory strategies.

Shipper strategy and cost management

Many importers have adjusted schedules, pulling freight forward ahead of expected tariff deadlines or pausing select SKUs. Shippers managing rail allocations should monitor weekly resets, as moving freight earlier in the week can help avoid overages and reduce cost exposure. Maintaining flexibility on ship dates and equipment types remains a key lever for optimizing peak-season spend.

Spot market and pricing outlook

Spot intermodal rates remain closely tied to truckload pricing. Rail carriers do this to remain competitive. As described in our Truckload report, that market is expected to remain fairly soft with mild rate increases in the upcoming year. With the exception of shipments out of California, intermodal pricing is expected to remain stable through early 2026, with modest y/y contract increases of 2–5%, similar to truckload.

Service performance

Despite seasonal volume pressures, intermodal service levels remain consistent with five-year averages. Elevated Southern California activity has not resulted in sustained container or chassis shortages. The network retains adequate capacity, though strategic equipment positioning will be important as railroad carriers manage shifting demand patterns.

PORTS & DRAYAGE

Regulatory shifts and port congestion strain global drayage

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Asia

Global trends

Asian transshipment hubs are facing significant congestion, creating cascading delays and tightening capacity across multiple trade lanes. Colombo remains under strain as India-Pakistan geopolitical tensions disrupt cargo routing. Higher cargo volumes are putting greater pressure on hubs serving Southeast Asia, leading to more congestion than on North Asia services.

Middle Eastern transshipment gateways handling Asia-origin cargo are also heavily congested, with Red Sea diversions continuing to force rerouting and extend transit times.

Regional highlights

Southeast Asia

Forecast: Ongoing transshipment hub congestion is expected to sustain tighter capacity for Southeast Asia routes.

Market dynamics: Heavy congestion at key Asian transshipment hubs is significantly constraining space for Southeast Asia-bound cargo. The region's hub-and-spoke network relies on multiple transshipment connections, and delays at these hubs are reducing effective capacity. This limits how much cargo can actually move on schedule and extends transit times to final Southeast Asian ports.

Key takeaways

For Southeast Asia destinations, expect tighter capacity than North Asia. Plan shipments early and consider alternative routings to minimize potential delays.

North America

Global trends

North American port and drayage operations are experiencing a convergence of regulatory uncertainty, infrastructure constraints, and capacity pressures. Port congestion continues to absorb roughly 7.2% of global capacity, down from 8.2% last month, with the greatest challenges at key U.S. ports and transshipment hubs.

Drayage operations face uncertainty following the D.C. Court of Appeals' partial overturn of the Federal Maritime Commission's February 2024 ruling on demurrage and detention charges. The U.S. government shutdown beginning October 1 has paused regulatory action, leaving the industry without clear guidance. This lack of clarity is fueling billing disputes and contractual confusion, as ocean carriers resume charging motor carriers directly for demurrage and per diem fees.

Driver capacity is under increasing pressure due to stricter enforcement of English Language Proficiency and new Commercial Driver's License (CDL) standards, which have a larger impact on regional dray networks than the national average. The U.S. Department of Transportation has ordered California to stop issuing and renewing CDLs to drivers who don't live there and given the state 30 days to comply.

Other states face the same 30-day deadline to meet federal requirements or risk losing funding. While the market currently has ample drivers, stricter enforcement could significantly reduce drayage capacity over time.

Infrastructure constraints are also affecting operations. Key issues include terminal dredging delays along the U.S. Gulf Coast (USGC) and facility changes, which are limiting throughput and impacting overall schedule reliability.

Regional highlights

U.S. Central

Forecast: Congestion at Norfolk Southern's Sharonville ramp in Cincinnati is expected to worsen this month as the railroad continues redirecting container volumes from nearby terminals. Carriers are likely to maintain or raise surcharges for Sharonville deliveries, and longer wait times are anticipated during peak periods.

Market dynamics: The Sharonville change is part of a broader network realignment aimed at consolidating operations and improving efficiency across Norfolk Southern's Midwest terminals. However, the shift has created operational bottlenecks.

Despite infrastructure improvements—including additional stacked rows and new truck lanes—the largely unpaved facility and staffing shortages are limiting throughput. Local restrictions preventing trucks from queuing on public roads further constrain access during peak periods, slowing turn times and increasing congestion.

Several drayage carriers have implemented flat surcharges for Sharonville deliveries and extra fees for after-hours dispatches. Extended wait times are also increasing detention exposure for shippers. Limited visibility exacerbates the challenge, as Norfolk Southern's tracking metrics only record trucks once containers are being lifted, not while trucks wait outside the terminal.

U.S. Gulf

Forecast: The Port of Houston is expected to remain capacity-constrained, with ongoing booking challenges and strong competition for limited space. USGC exports—especially to Europe—will continue facing tight conditions through the month.

Market dynamics: The imbalance between demand and available service is being driven by unresolved infrastructure limitations, most notably a dredging issue at Mediterranean Shipping Company (MSC)'s Houston terminal. The project remains suspended due to the federal government shutdown, restricting vessel draft depth and limiting berthing efficiency.

As a result, MSC has reduced booking acceptance, adjusted vessel loading plans, and implemented a November general rate increase (GRI) to offset these constraints. These factors are tightening space and reinforcing Houston's position as the most capacity-restricted origin on USGC routes.

U.S. West

Forecast: Driver availability is expected to tighten this month, particularly in Southern California, where ports remain most vulnerable to capacity reductions if federal enforcement efforts intensify. While drayage capacity is currently sufficient, any surge in demand could quickly lead to shortages.

Market dynamics: Intensified enforcement of English Language Proficiency and new CDL standards, with confusion over inconsistent application of rules across states, is prompting some drivers to reconsider routes. States include California, Texas, Tennessee, Wyoming, Arizona, New Mexico, and Washington. Some states even face deadlines to enforce these requirements, with potential penalties if non-compliance persists.

Combined with rising wages, insurance, and equipment costs, these regulations are contributing to small trucking firm closures, further reducing available drivers. While capacity is currently sufficient, the cumulative effect of regulatory enforcement and operational pressures leaves certain ports—especially in Southern California—at risk if freight volumes increase.

Canada

Forecast: Elevated dwell times are expected to continue through year end, especially at West Coast terminals. Railcar shortages will keep limiting the availability of expedited rail services, and low-water service fees in Montreal remain in effect.

Market dynamics: Canadian ports and terminals continue to face elevated congestion, driven by high import volumes and ongoing railcar shortages. West Coast terminals remain the most affected, with dwell times averaging around 10 days at Prince Rupert and Vancouver, six days at Centerm, and four days at Delta.

These delays are limiting availability for expedited rail service, forcing shippers to rely on standard rail service with longer inland transit times. East Coast terminals are performing more efficiently, with Toronto at one-to-two days, Montreal at approximately five days, Saint John at four days, and Halifax improving.

At Montreal, low water levels from an exceptionally dry summer are still impacting vessel operations. Carriers have maintained low-water service fees, and continued low water could further affect vessel draft and loading capacity. An administrative strike at Montreal Gateway Terminals is ongoing, but operations are largely maintained with minor

schedule adjustments.

Mexico

Forecast: Congestion at the Port of Manzanillo is expected to affect loading operations and vessel schedules through the remainder of the year.

Market dynamics: Terminal congestion at Manzanillo is disrupting both South America transshipment flows and local Mexican exports. Elevated cargo volumes, vessel bunching, and infrastructure constraints are limiting operational efficiency and increasing the risk of delays in cargo movement. These bottlenecks are tightening space availability and creating scheduling challenges for shippers.

Key takeaways

Shippers should closely monitor regulatory enforcement developments in California, New Mexico, Washington, and other high-enforcement states including Texas, Tennessee, Wyoming, and Arizona, as stricter implementation could reduce the available driver pool. Capacity may tighten if freight demand increases while driver availability declines, making early drayage planning critical.

At the Sharonville ramp in Cincinnati, allow extra time for pickups and deliveries and expect higher carrier surcharges, including after-hours fees and increased detention charges. For USGC shipments, particularly through Houston, provide advanced volume forecasts and build in additional lead time due to dredging issues affecting terminal operations.

For USWC operations, watch driver enforcement trends that could reduce available capacity. Finally, plan for ongoing congestion at the Port of Manzanillo, Mexico, which continues to affect loading operations and vessel schedules.

For Canadian operations, expect elevated dwell times, particularly at West Coast terminals. Request expedited rail service early, as carriers continue denying requests due to high West Coast dwell times. Factor in Montreal's low-water service fee for cargo from Europe and South America and monitor for potential vessel impacts if water levels don't improve.

Europe

Global trends

Ongoing congestion at European ports has become a structural constraint, signaling deeper capacity limitations rather than short-term operational delays. Port congestion continues to absorb a significant portion of available capacity, with vessel wait times ranging from two to eight days at major northern European gateways.

Recent labor strikes at Antwerp and Rotterdam have compounded delays, and although these strikes have ended or been temporarily suspended, the resulting backlogs continue to impact operations.

Mediterranean ports are also facing ongoing congestion. These challenges are straining network balance globally, as carriers reposition vessels and adjust rotations, affecting schedule reliability on Asia-Europe and Trans-Atlantic services. Carriers are omitting some port calls and rerouting vessels to maintain schedules, adding uncertainty for shippers relying on specific port pairs.

Regional highlights

Northern Europe

Forecast: Port congestion is expected to remain a structural issue through the end of the year, with vessel wait times of two to eight days at major northern European ports. Schedule reliability will continue to be challenged.

Market dynamics: Heavy congestion at northern European gateways—like Antwerp, Rotterdam, Hamburg, and Bremerhaven—has been driven by a combination of labor disruptions, infrastructure strain, and schedule imbalances. Lingered backlogs from earlier vessel bunching, coupled with limited yard space and slower container turnover, are reducing effective capacity and slowing port operations.

Recent labor strikes have further worsened delays, prompting carriers to omit port calls or reroute vessels to maintain schedules. With port productivity still recovering and infrastructure upgrades lagging demand, congestion and capacity restrictions are expected to persist.

Mediterranean

Forecast: Congestion across major ports is projected to continue, with vessels facing delays of three to seven days. Limited berth capacity and vessel scheduling imbalances will keep schedule reliability low for both inbound and transshipment cargo flows.

Market dynamics: Congestion at key Mediterranean hubs such as Piraeus, Genoa, and Valencia has intensified as carriers redirect vessels from northern European ports and consolidate transshipment activity. Limited berth space and extended dwell times for import containers are straining terminal operations, creating downstream ripple effects that disrupt schedules and reduce effective capacity across connected trade lanes.

Key takeaways

For European-bound cargo, anticipate vessel delays of two to eight days at major northern European ports. Prepare for potential port omissions or rerouting by carriers. Provide advanced volume forecasts to secure space and allow for additional transit time.

Mediterranean ports are also experiencing vessel wait times of three to seven days, affecting both direct calls and transshipment connections. This congestion is expected to persist through the end of the year, so plan with longer lead times and flexible routing options.

South Asia, Middle East, Africa

Global trends

Severe congestion at South Asian and Middle Eastern transshipment hubs is disrupting regional connectivity and slowing global cargo flows. Colombo remains under significant pressure as India-Pakistan geopolitical tensions alter routing patterns, while Middle Eastern hubs are overwhelmed by the surge in Asia-originating cargo rerouted around the Red Sea. These combined factors are creating widespread schedule disruptions and capacity imbalances across multiple trade

lanes.

Regional highlights

Indian Subcontinent

Forecast: Transshipment hub congestion is projected to remain elevated through the month, with Colombo under the greatest strain.

Market dynamics: Colombo is experiencing heightened congestion due to a combination of geopolitical and operational factors. India-Pakistan tensions prevent Pakistani cargo from transiting through India, forcing a significant portion to reroute via Colombo.

At the same time, shipments from South Indian ports—including Chennai, Bangalore, and Cochin—also depend on Colombo for transshipment. The resulting concentration of cargo at the hub is straining capacity, reducing available space, and creating unpredictable schedules for Southeast Asia-bound shipments.

Middle East

Forecast: Transshipment hub congestion is expected to persist, with delays of three to seven days at major hubs.

Market dynamics: Middle Eastern transshipment hubs, including Jebel Ali, Abu Dhabi, and Mundra, are facing severe congestion due to ongoing Red Sea disruptions. These disruptions are forcing cargo onto alternative routes that pass through these hubs, concentrating volumes and straining capacity. As a result, delays are cascading across multiple trade lanes, reducing schedule reliability and limiting effective space for shipments.

Key takeaways

For Indian subcontinent cargo, consider booking three to four weeks in advance to navigate erratic schedules. Middle Eastern transshipment hubs will remain severely congested due to Red Sea diversions. Shippers should factor these transshipment delays into planning to ensure timely delivery to final destinations.

South America

Global trends

Port operations across South and Central America are showing varied conditions. In Brazil, major gateways, including Santos, Rio de Janeiro, Paranaguá, and Itapoá, remain highly congested, operating at 80–92% terminal utilization. The ongoing sugar export season is intensifying pressure on equipment, particularly 20-foot containers, limiting operational flexibility and increasing potential delays.

Colombia, Cartagena on the Atlantic coast is demonstrating notable improvements, emerging as a more reliable hub for cargo bound for the U.S., Brazil, and Europe. In contrast, Buenaventura on the Pacific coast continues to face operational challenges, with ongoing civil works and construction projects causing congestion and slowing vessel turn times.

Kingston, Jamaica—a critical Caribbean transshipment hub—is recovering from Hurricane Melissa, a Category 5 storm that

made landfall on October 29 as one of the strongest Atlantic hurricanes on record.

While Kingston's port infrastructure experienced minimal damage and Kingston Wharves Limited resumed operations on October 30, the broader impact includes temporary port closures, cruise ship rerouting, and widespread infrastructure damage across western Jamaica. These disruptions are creating short-term cascading effects across Caribbean and USEC trade lanes, with recovery efforts under way to restore full operational capacity.

Regional highlights

South America East Coast (SAEC)

Forecast: Port congestion will persist through year end, with limited space and 20-foot container shortages during the sugar export season. Cartagena's Atlantic coast operations are improving for origin cargo, though transshipment congestion continues.

Market dynamics: High demand during Brazil's sugar export season is placing pressure on major gateways like Santos, Rio de Janeiro, Paranaguá, and Itapoá, while limited availability of 20-foot containers and busy terminal operations are further constraining capacity.

Meanwhile, Cartagena is becoming a more reliable hub for cargo bound for the U.S., Brazil, and Europe. This shift is partly driven by ZIM relocating its main transshipment hub from Kingston, Jamaica, to Cartagena, which is increasing cargo volumes at the port and contributing to transshipment congestion, reducing schedule reliability for connecting shipments.

South America West Coast (SAWC)

Forecast: Peru, Chile, and Buenaventura, Colombia, will face heightened operational challenges due to adverse weather conditions, civil works, and the fruit export season. Carrier schedule reliability will be impacted by cut-and-run operations.

Market dynamics: Several carriers, including CMA CGM, COSCO, and Maersk, are facing schedule disruptions as they implement cut-and-run operations to recover lost time and contend with adverse weather conditions in Chile.

Operational efficiency at Buenaventura remains low due to ongoing civil works both inside and outside the terminal, causing significant congestion and vessel delays. Some carriers have temporarily paused bookings.

Meanwhile, Peru and Chile are entering their peak fruit export season, driving a surge in demand for container space and intensifying competition for available vessel slots across the region.

Key takeaways

At Brazilian ports, including Santos, Rio de Janeiro, Paranaguá, and Itapoá, expect congestion and plan for additional dwell time. Consider alternative gateways such as Imbituba, Suape, Pecém, Salvador, or Fortaleza, where utilization is lower and operations are more fluid. Monitor equipment availability closely, particularly 20-foot containers during the sugar season, and adjust booking strategies accordingly. For Rio de Janeiro, note the port's focus on supporting exports with special equipment options for dry and project cargo.

In Colombia, consider using Cartagena on the Atlantic coast as a reliable origin for cargo bound for the U.S., Brazil, and Europe, leveraging recent operational improvements and new carrier services. Be aware that transshipment operations at Cartagena remain congested. Avoid Buenaventura on the Pacific coast, when possible, as ongoing civil works continue to

cause operational challenges and delays.

For Peru and Chile, plan well in advance for the Q4 fruit export season, as high demand will tighten vessel capacity.

CANADA, MEXICO & CROSS-BORDER

Mexico trade surges amid policy shifts and tariff pressures

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U.S.–Mexico

Trade Trends

Mexico's trade with the United States continues to show resilience, despite mounting industrial and policy changes. September marked a record-setting month for exports, which grew 13.8% year over year (y/y), the highest in 14 months. This was driven almost entirely by non-automotive manufacturing. At around 40%, Mexican exports have a high level of U.S. content—a benefit in an environment of ubiquitous U.S. tariffs.

The largest export gains were in machinery and special equipment, including computers and technology (76.2%); metallurgical mining products (12.1%); electrical and electronic equipment and devices (9.9%); and scientific equipment (8.9%).

This strength contrasts with the automotive sector, where exports to the United States fell 7.2% y/y. Total auto exports experienced a slight decline of 0.2%.

Laredo remains the busiest port, but El Paso is gaining traction as shippers seek alternatives for machinery and high technology produced in Chihuahua, the top exporting state in Mexico and the leader state in computer equipment exports.

The heavy-duty vehicle industry saw exports plunge nearly 60% in September ahead of the 25% U.S. tariff on medium and heavy-duty trucks that went into effect November 1. About 70% of heavy-duty trucks manufactured in Mexico are shipped to the United States. The industry previously experienced growth, with exports increasing 17.3% y/y in August.

The sudden reversal in September reflects the immediate impact of policy uncertainty. Light vehicle production also declined 6.1% y/y in September, with total vehicle output down 0.3% from the same period in 2024.

Mexico's strategic importance in U.S. trade is expanding largely at the expense of China. Since 2018, Mexico has captured 24% of the U.S. import market share previously held by China. Still, the automotive sector faces headwinds ahead of the 2026 review of the U.S.-Mexico-Canada Free Trade Agreement. Industry leaders warn that stricter rules of origin, particularly regarding Chinese components, could complicate compliance and weaken competitiveness unless adjustments are made during negotiations.

Rates and capacity

While overall cross-border trucking rates remain stable, pressures on specialized capacity and manufacturing inputs require close monitoring. Mexico's cargo truck fleet declined 0.2% year over year, marking the first contraction in more than a decade. More than half of active trucks are over 20 years old, raising long-term concerns about capacity reliability and modernization as 2026 approaches.

Policy updates

Effective December 9, 2025, all importers into Mexico must submit the Electronic Declaration of Value (Manifestación de Valor) through VUCEM before customs clearance. It must include a sworn statement explaining how the shipment's value was determined, along with supporting documents such as invoices, freight and insurance details, contracts, and proof of payment. Importers will need their e.firma to access VUCEM, so early coordination is strongly recommended to avoid clearance delays.

Disruptions

Beyond policy challenges, cross-border shippers are contending with frequent, unpredictable events that disrupt freight flows. A recent example is the nationwide farmers strike in Mexico in late October that blocked major highways across at least 17 Mexican states, including Guanajuato, Jalisco, Michoacán, and the State of Mexico as well as key corridors such as the Macro Libramiento of Guadalajara, Guadalajara-Colima, and Morelia-Guadalajara.

Protests periodically ease when agreements are met, but reprieves have been temporary in nature. This volatile situation has made it difficult for carriers and shippers to plan around, as risks of being stuck on a highway for extended periods of time include running out of fuel and health risks to drivers as well as simply late deliveries.

Even after a blockade concludes, it takes some time for the backlog of freight to be cleared and for capacity to normalize. If protests continue, downstream issues could impact freight into the United States.

These disruptions highlight the fragility of cross-border supply chains and the importance of contingency planning. Even when trade fundamentals are strong, localized protests, weather events, and infrastructure bottlenecks can halt freight movement without warning. Agility and proactive risk management remain essential for maintaining reliable cross-border logistics.

U.S.–Canada

Canada's freight market remains steady overall, but with much attention focused on the United States' new 25% tariffs on heavy-duty trucks and parts that went into effect November 1. The impact will likely be felt more in Mexico, but some Canadian manufacturers could also experience disruptions. One manufacturer, which produces large commercial trucks and operates divisions in Canada, laid off workers at its Ste-Thérèse, Quebec, plant in August and more could follow.

Further cutbacks like this would impact goods and parts shipments flowing inbound as well as product volumes outbound. Regional capacity could be volatile as shippers adjust their freight flows and carriers adjust their assets in response to demand.

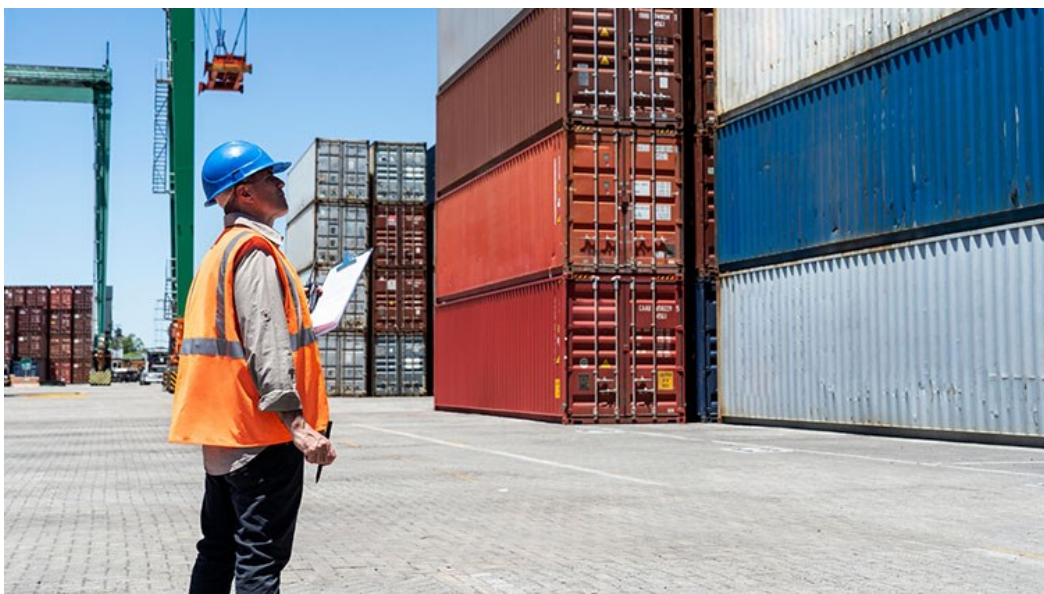
Capacity tightened briefly during the Diwali period, particularly for southbound freight, as many South Asian drivers took time off. With the holiday now over, operations have largely returned to normal. Some imbalance remains, but overall conditions have improved.

As winter approaches, shippers should anticipate similar volatility driven by upcoming holidays and weather-related challenges. Cold conditions can make roads difficult or even impassable, so close attention to road conditions, closures, and tire or chain requirements will be essential for effective route planning and maintaining on-time transit for shippers and carriers.

TRADE POLICY & CUSTOMS

New trade deals reached with China, Malaysia, Thailand, and Vietnam

Published: Thursday, November 06, 2025 | 08:00 AM CDT



United States and China reach new trade deal

An interim U.S. agreement with China announced in writing November 1 provided some relief for importers.

- Sets the U.S. reciprocal tariff at 10% for a year instead of the tariff rising to 34% on November 10
- Decreases the U.S. IEEPA fentanyl tariff from 20% to 10%
- Averts the threat of an additional 100% U.S. tariff that was threatened to go into effect on November 1, 2025
- Suspends U.S. port fees on Chinese vessels that started October 14 and the retaliatory port fees China announced on U.S.-flagged and partially U.S.-owned vessels
- Suspends the export controls China had announced on rare earth elements that are critical for electronics, magnets, and batteries widely used in manufacturing
- Extends certain Section 301 tariff exclusions that were due to expire on November 29, 2025, until November 10, 2026

These measures are scheduled to go into effect November 10. [See the White House fact sheet for more details.](#)

Trade deals announced with three more Asian countries

[Malaysia](#), [Thailand](#), and [Vietnam](#) agreed to eliminate tariffs on most U.S. goods. Imports to the United States from Malaysia and Thailand will face a 19% tariff, and those from Vietnam 20%. In each case, exceptions apply.

Tariffs on Canadian goods could increase

On October 25, the U.S. administration said it would add 10% to tariffs on goods from Canada. It's unclear whether this measure will take effect or which goods will be affected. Most Canadian exports to the United States are exempt from tariffs under the United States-Mexico-Canada Agreement (USMCA). Goods not covered by USMCA have been subject to a 35% tariff since August 2025.

U.S. Supreme Court hears case challenging reciprocal tariffs

On November 5, the U.S. Supreme Court heard oral arguments in the case challenging the president's authority to impose tariffs by declaring a national emergency. The essential question is whether tariff authority rests with Congress or if the International Emergency Economic Powers Act (IEPPA) allows the president to set tariff rates. Multiple lower courts have ruled against the president.

A decision is expected in early to mid-December, although the court will have until the end of its term next July to issue a ruling. If the court rules for the president, reciprocal tariffs and tariffs related to the U.S. administration's efforts to reduce the flow of fentanyl would remain in place. If the court rules the president has exceeded his authority, it raises questions about a potential refund process for tariffs already paid.

A robust or prompt refund process is not guaranteed. A ruling could specify retroactive refunds or only prevent tariffs from being applied to future shipments. If the ruling does address refunds, these could occur in one of two ways: Either U.S. Customs would process the refunds automatically, or customs brokers might need to undertake additional work to secure them.

If tariff authority under IEPPA is struck down, we also expect the administration to continue negotiating trade deals with individual countries and to seek broad-based tariffs under Section 232 and Section 301 authorities. These are well-established tools that have survived previous court challenges and allow tariffs to be imposed on goods from specific countries and on specific commodities regardless of their origin.

Customs brokerage and trade compliance will continue to be critical tools in supply chain competitiveness.

Guidance issued on duty offset for imported auto parts

U.S. Customs and Border Protection published guidance on the import adjustment offset for importers who have been granted one by the Department of Commerce. The import adjustment offset amount may only be used to offset the Section 232 auto parts 25% tariff and up to the amount granted to the importer.

The offset license number from the Department of Commerce should also be provided for the customs entry clearance. Importers may submit post summary corrections to claim the import adjustment offset and request a refund of any Section 232 auto parts duties paid on previous entries.

CBP denies highest number of shipments subject to UFLPA enforcement

Over 5,800 shipments were denied U.S. entry in January through September of this year due to Uyghur Forced Labor Prevention Act (UFLPA) enforcement—a record high compared to the same period from fiscal years 2023 and 2024. Most of the denied shipments were from the automotive and aerospace industries, totaling 5,725 shipments. [Read our Guide to Forced Labor Compliance](#) to understand your responsibilities and prevent potential shipment delays at the border.

Visit our [Trade & Tariff Insights](#) page for the latest news, insights, perspectives, and resources from our customs and trade policy experts.

GOVERNMENT & REGULATIONS

California loses safety funding over driver language rules

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California safety funding withheld over English proficiency rules

The U.S. administration announced it will withhold approximately \$40.7 million in safety funding from California after determining the state is not enforcing federal English Language Proficiency standards for commercial truck drivers.

The Motor Carrier Safety Assistance Program supports roadside inspections, safety audits, and enforcement initiatives. As of October 15, California is no longer eligible for funding.

The action follows a warning that California and other states would risk losing federal funding if they did not adopt and enforce requirements for truck drivers to understand road signs and communicate effectively with law enforcement. California is the only state deemed not in compliance.

The decision underscores growing federal scrutiny of state-level enforcement practices related to commercial driver safety and credentialing.

Impact of new restrictions on commercial driver's licenses

Tighter rules for issuing and renewing non-domiciled commercial driver's licenses, which took effect in September, have yet to create a noticeable impact on truckload supply. But they are expected to compound over time alongside new enforcement measures like English Language Proficiency requirements for truck drivers.

While these regulations are prompting some drivers and carriers to leave the market, overall attrition remains consistent with recent trends, keeping the market oversupplied but gradually moving toward equilibrium. It will be important to watch how these and other regulatory shifts collectively influence the market over time.

For the latest news on U.S. tariffs, [see our Trade Policy & Customs report](#).

DIESEL FUEL

Year over year, diesel prices are up again

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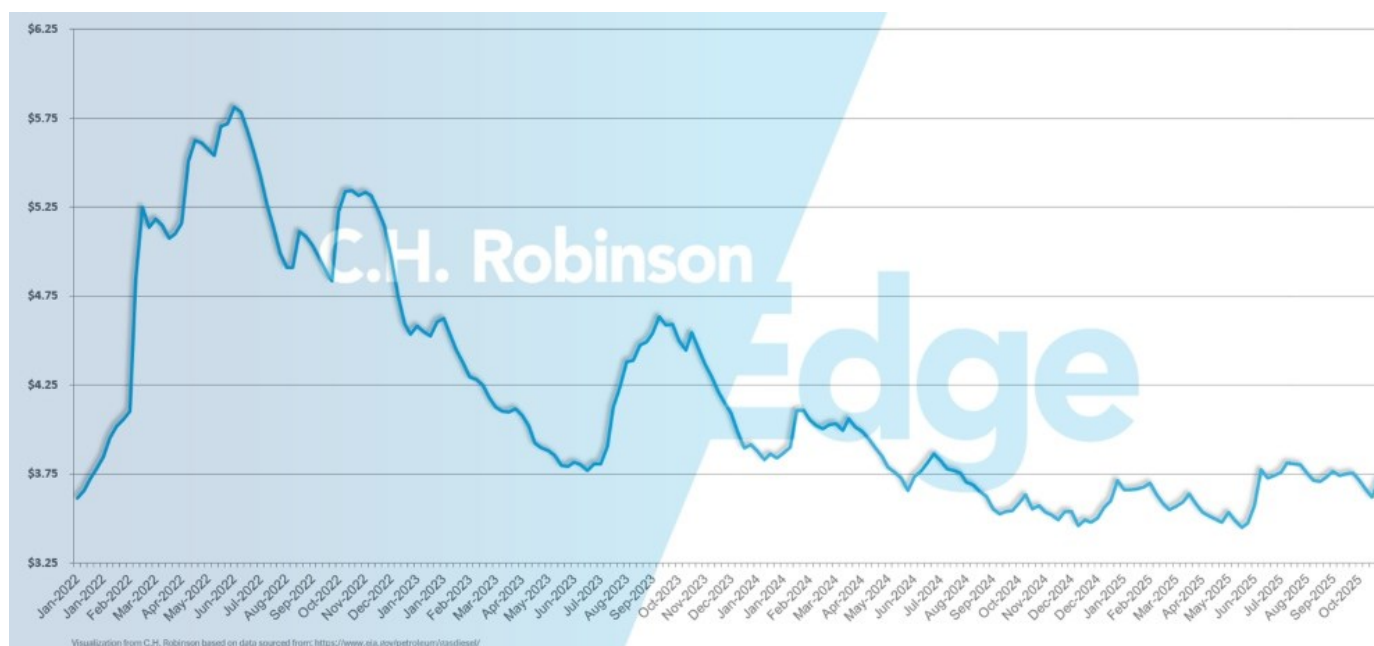


The U.S. average diesel price of \$3.68 per gallon in October was down from \$3.75 in September. Despite the month-over-month decrease, the average price is higher than the October 2024 price of \$3.59. This is the third consecutive year-over-year (y/y) increase after a 29-month streak of y/y decreases.

The fourth quarter of 2024 offers fairly soft comparisons in fuel prices, with the November and December averages having been \$3.52 and \$3.49 respectively. Unless there is a decrease of 4% or more, fuel prices will continue to show y/y gains for the remainder of this year. This is especially pertinent for those managing to a y/y budget, as it creates headwinds in the fourth quarter.

U.S. sanctions on Russia's top oil producers, combined with the Organization of the Petroleum Exporting Countries' (OPEC's) decision on November 2 not to increase output, are tightening global oil supply. U.S. diesel prices increased the last week of October, reversing a downward trend through most of the month, and look to continue to add pressure on pricing moving forward, increasing again the first week of November. Shippers and carriers should keep an eye on this situation as it could have future impacts on diesel pricing.

National U.S. average diesel price per gallon



RETAIL

Expect higher trucking rates and tight air capacity for retail shipments

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Holiday shipments face higher rates for trucking, ocean and air

Through the holiday season, retailers and retail suppliers should expect U.S. trucking rates to steadily climb. The latest C.H. Robinson truckload forecast shows rates peaking roughly where they peaked at the end of 2024. The supply of carriers in the market remains plentiful, with a spate of new regulatory and enforcement actions on drivers not having an immediate impact on capacity.

For less-than-truckload shipments, some carriers have already announced general rate increases (GRIs) that will affect shippers who don't have contractual rates and rely on the spot market. For more, go to our [Truckload Shipping](#) and [LTL Shipping reports](#).

For retailers and retail suppliers needing to bring in replenishment inventory to get through the holidays, ocean carriers have gradually reinstated Trans-Pacific capacity from Asia to the United States and Canada. Still, careful planning of lead times remains essential because carriers are controlling sailing schedules to support higher rates. A mid-October rate increase was followed by an additional hike on November 1. Whether those increases will stick is uncertain.

Ocean imports from Europe face congestion at major ports, which limits the volume of cargo that can be handled efficiently and effectively and reduces capacity despite available vessels. Structural challenges—such as port infrastructure, berth availability, and labor actions at Antwerp and Rotterdam—are also prolonging turnaround times and slowing transit.

These factors collectively tighten capacity across key European lanes, underscoring the need for shippers to consider planning bookings well in advance and provide accurate forecasts to secure space through the end of the year.

Air freight this holiday season may also require extra lead time for booking. Capacity is tightening across key trade lanes, particularly for time-sensitive cargo. Rates have stayed firm as airlines continue to prioritize high-value and urgent

shipments, including electronics and ecommerce products.

For more, go to our [Ocean Shipping](#) and [Air Freight reports](#).

Focus turns to returns, fraud and theft

Retailers are projected to see a staggering \$850 billion in returns in 2025. Nearly 20% of online sales are expected to be returned, with one in 10 returns classified as fraudulent.

80% of shoppers say they read return policies before making online purchases, and 71% say they're less likely to shop with a retailer after a poor experience. At the same time, more than 40% of shoppers feel it is acceptable to "bend the rules" when they return items.

In addition to online return fraud, in-store theft is predicted to grow to over \$53 billion by 2027. Retailers catch only 2% of shoplifters, and only one out of every 100 shoplifting incidents leads to an arrest.

Retailers should evaluate their [reverse logistics strategy](#) now and can potentially offset the growing cost of fraud and shoplifting by pursuing hidden saving opportunities in their supply chain. Retail shippers often focus on optimizing either their bulk shipments or direct-to-consumer parcels, which hampers their ability to find synergies across the full supply chain. [Managed Solutions](#) offers the ability to run scenarios across all shipping modes globally.

Tariff updates

- **Reciprocal tariffs:** On November 5, the U.S. Supreme Court heard oral arguments in the case that will determine whether the president has the authority to impose tariffs by declaring a national emergency. Reciprocal tariffs on imports from most countries were established under the International Emergency Economic Powers Act (IEEPA), as were tariffs imposed on goods from China, Mexico, and Canada with the goal of reducing the flow of fentanyl. If the Supreme Court determines the president does not have this authority, it's uncertain whether refunds will follow. A ruling is expected by early to mid-December.
- **China:** An interim U.S. deal with China announced in writing November 1 provided some relief for retail importers. It included a decrease in the drug-related tariff from 20% to 10%, set the reciprocal tariff at 10% for a full year instead of it rising to 34% on November 10, and averted the threat of an additional 100% tariff. These measures are scheduled to go into effect November 10. [See the White House fact sheet for more details.](#)
- **Canada:** On Oct. 25, the U.S. administration said it would add 10% to tariffs on goods from Canada. It's not clear when this measure will take effect and which goods will be affected. Most Canadian exports to the United States are exempt from tariffs under the United States-Mexico-Canada Agreement (USMCA). Goods not covered by USMCA have been subject to a 35% tariff since August 2025.
- **Furniture and lumber:** New tariffs of 25% on [upholstered furniture](#), [kitchen cabinets](#), and [bathroom vanities](#), and 10% on softwood timber and lumber were implemented in mid-October.
- **New Asia deals:** The United States reached tariff deals with [Malaysia](#), [Thailand](#), and [Vietnam](#). Each country agreed to eliminate tariffs on U.S. goods, with some exceptions. Imports to the United States from Malaysia and Thailand will face a 19% tariff, and those from Vietnam 20%. In each case, exceptions apply.

AUTOMOTIVE

Auto supplier distress rises, rare earth supply from China continues

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U.S. automakers expand domestic manufacturing

Aligning with the U.S. administration's goal to boost domestic manufacturing, automotive companies are announcing investments in new domestic plants and production. Stellantis said it will expand its U.S. manufacturing by 50%, adding jobs, reopening plants, and returning domestic assembly for some models. Over the next four years, it plans to invest \$13 billion in Illinois, Ohio, Michigan, and Indiana.

General Motors announced a \$4 billion investment across plants in New York, Michigan, Kansas, and Tennessee to ramp up production of gas and electric vehicles. These moves underscore the need for flexible logistics strategies and partnerships to navigate tariff shifts and reconfigure global supply chains as needed.

Tariff-related distress hits some suppliers more than others

A study by the financial analytics company RapidRatings found that roughly 20% of automotive suppliers were in financial distress even before tariff hikes started earlier this year. With the tariffs, the average distress rate rose to 23%, but certain

supplier sectors are more impacted than others.

Primary metal manufacturers' distress rates reached 35%. Plastics and rubber products manufacturers' distress rates rose to 39%. Many of these suppliers are major players in automotive production. Bankruptcies among them would result in widespread production impacts.

C.H. Robinson offers [U.S. Customs Analytics](#), [ACE Import Intelligence](#), and a [Sourcing Analysis Tool](#) to help manufacturers understand and mitigate tariff impacts, as well as providing support for automotive companies seeking to lower supply chain expenditures.

Rare earth supply-chain shock warded off—for now

Following trade talks at the APEC Summit, there's cautious optimism that rare earth export restrictions have been averted at least temporarily. China had announced sweeping controls on rare earth elements, requiring licenses for any product containing more than 0.1% Chinese-sourced materials or made using Chinese refining or magnet-making technologies—even if produced abroad.

With China responsible for over 90% of global rare earth processing, the move raised alarms across advanced manufacturing sectors. U.S. Treasury Secretary Scott Bessent called it "China pointing a bazooka at the supply chains and the industrial base of the entire free world."

The automotive industry, already facing supply challenges, relies heavily on rare earth magnets for motors used in steering, braking, and other systems. Europe faces added pressure from a surge in Chinese plug-in hybrids exploiting a tariff loophole—leading to a 17,000% increase in sales. While details are still emerging, a one-year pause announced on the proposed export restrictions offers breathing room for the United States and its allies to diversify supply chains and reduce long-term dependency.

EV charging infrastructure growth has slowed

Despite 4,000 added in Q3, expansion of fast-charging stations for electric vehicles (EVs) in the United States has slowed this year:

- Compared to 2024, installations of new fast-charging ports were down 12% through Q2.
- Larger charging stations are popular. Stations with eight or more stalls account for 27% of all locations, up from 23% in Q2.

Further insights on EV charging trends include:

- Nearly 45% of all new stations in Q3 were deployed by Tesla.
- While all states added at least one new fast-charging station in Q3, the majority were installed in California, Texas, New York, Florida, and Illinois.
- During the summer travel season, fast charger usage increased in 45 states.

EV charging infrastructure subsidies restored

The U.S. administration has restarted funding for EV charging infrastructure. It had paused these funds but was required to continue the program after losing a court case.

Established in 2021, the National Electric Vehicle Infrastructure (NEVI) program aimed to create a nationwide highway network of roughly 500,000 public chargers. The remainder of the \$5 billion originally budgeted can now be allocated. It will focus on gas stations and truck stops—businesses that own the land they're located on—in the interest of accelerating project delivery.

Since every installation and every location is different, EV charging companies need a logistics provider with project management credentials. The C.H. Robinson consulting team has extensive experience managing these small-scale, location-based projects.

Tariff updates

- **Reciprocal tariffs:** On November 5, the U.S. Supreme Court heard oral arguments in the case that will determine whether the president has the authority to impose tariffs by declaring a national emergency. Reciprocal tariffs on imports from most countries were established under the International Emergency Economic Powers Act (IEEPA), as were tariffs imposed on goods from China, Mexico, and Canada with the goal of reducing the flow of fentanyl. If the Supreme Court determines the president does not have this authority, it's uncertain whether refunds will follow. A ruling is expected by early to mid-December.
- **China:** An interim U.S. deal with China announced in writing November 1 provided some relief for automotive importers. It included a decrease in the drug-related tariff from 20% to 10%, set the reciprocal tariff at 10% for a full year instead of it rising to 34% on November 10, and averted the threat of an additional 100% tariff. These measures are scheduled to go into effect on November 10. [See the White House fact sheet for more details.](#)
- **Canada:** On October 25, the U.S. administration said it would add 10% to tariffs on goods from Canada. It's not clear when this measure will take effect and which goods will be affected. Most Canadian exports to the United States are exempt from tariffs under the United States-Mexico-Canada Agreement (USMCA). Goods not covered by USMCA have been subject to a 35% tariff since August 2025.
- **Trucks:** The 25% tariff on medium and heavy-duty trucks and truck parts including engines, transmissions, tires, and chassis [took effect November 1](#). This tariff will also affect trailers.
- **South Korea:** After months of negotiation, the United States agreed to lower tariffs on South Korean automobiles from 25% to 15%, matching the rate for Japanese automobiles. [See the White House fact sheet for more details.](#)
- **New Asia deals:** The United States reached tariff deals with [Malaysia](#), [Thailand](#), and [Vietnam](#). Each country agreed to eliminate tariffs on U.S. goods, with some exceptions. Imports to the United States from Malaysia and Thailand will face a 19% tariff, and those from Vietnam 20%. In each case, exceptions apply.

ENERGY

AI data centers power up amid energy constraints

Published: Thursday, November 06, 2025 | 08:00 AM CDT



AI data centers turn toward on-site power generation

In the race to expand computing capacity for artificial intelligence, data center companies are increasingly building their own on-site power generation rather than waiting for the grid to catch up. This is mainly the case in states with deregulated energy markets, such as Texas and Oklahoma, where data center operators meet few constraints on their ability to add capacity “behind the meter.”

In the face of long lead times on industrial-scale gas turbines, these companies are piecing together solutions with whatever equipment they can find. This can include smaller gas turbines that are usually used for emergency or backup power, as well as solar panels and batteries for storage.

Even though solar has become more expensive due to U.S. tariffs and declining federal subsidies, it’s still seen as a fast and reliable way to get new data centers up and running. If it enables them to add computing capacity rapidly, the AI companies are proving willing to foot the extra cost.

Building a large data center with on-site energy generation and storage can require hundreds of shipments per day. [C.H. Robinson can support these projects](#) with tailored solutions, including logistics planning and real-time visibility.

Data center growth drives renewed interest in nuclear power

Nuclear power is increasingly seen as another viable way to meet the AI sector's growing energy demands. It is stable, predictable, and capable of generating power over 90% of the time. Nuclear energy is also nearly carbon-free, making it well-aligned with corporate sustainability goals.

Nuclear energy accounts for nearly 20% of electricity generation in the United States. Since May of this year, the U.S. administration issued a series of executive orders to reinvigorate the U.S. nuclear industry, with the goal of quadrupling capacity by 2050.

To circumvent decade-long lead times for the construction of new reactors, tech companies such as Google and Meta have ambitions to restart decommissioned nuclear power plants. Another potential avenue toward scaling up nuclear energy lies in small modular reactors, which would be faster to build. However, no commercial versions are operational yet.

If tech companies succeed in restarting decommissioned plants or deploying small modular reactors, it could lead to major infrastructure projects, increasing demand for transport of heavy equipment, reactor components, and construction materials.

Russian oil sanctions

Russia's two biggest oil companies, Rosneft and Lukoil, have been hit with U.S. sanctions with the intent of bringing an end to the war in Ukraine. The companies account for a combined 5% of global oil production. Chinese state oil majors have suspended Russian oil purchases and refiners in India, the largest purchaser of seaborne Russian oil, have dramatically cut imports from Russia.

With OPEC's November 2 decision to not increase output, the sanctions are tightening global oil supply, driving up fuel costs, and creating volatility in energy markets. U.S. diesel prices have increased since the announcement, impacting the freight sector through higher operating costs for carriers. This could lead to rate increases, tighter margins, and reduced capacity—especially in long-haul and international shipping lanes.

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- **South Korea:** As part of its Oct. 29 tariff deal with the United States, South Korea pledged \$350 billion in investments in the American economy. Among the target sectors are LNG and grid infrastructure.
- **New Asia deals:** The United States reached tariff deals with [Malaysia](#), [Thailand](#), and [Vietnam](#). Each country agreed to eliminate tariffs on U.S. goods, with some exceptions. Imports to the U.S. from Malaysia and Thailand will face a 19% tariff, and those from Vietnam 20%. In each case, exceptions apply.

HEALTHCARE

Healthcare logistics surges with temperature-sensitive drugs

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Healthcare 3PL market to double by 2034

The global market for healthcare third-party logistics is projected to reach roughly \$502.6 billion by 2034, doubling from \$246.1 billion in 2024, according to a report from Allied Market Research. With an estimated CAGR of 7.8%, this growth is expected to be driven by temperature-sensitive medications like biologics, vaccines, and other products that require special treatment.

As the market expands, so does the risk. Shippers of specialty medications and other high-value healthcare products should consider the following steps:

- **Enhanced security measures**, including GPS tracking, tamper-evident seals, and vetted carrier networks.
- **Strict temperature control protocols** to maintain standards across modes of transportation and geographies.
- **Compliance consulting** to navigate fast-evolving customs, documentation, and product-handling requirements.

The report notes AI and IoT tracking to enable real-time visibility and control as difference-makers for pharma supply chains. Shippers could benefit from an [Agentic Supply Chain](#) and the [Always-On Logistics Planner](#).

Growing retail distribution for GLP-1 drugs

Retail distribution of popular GLP-1 drugs for diabetes and weight loss is expanding, as many insurers don't cover GLP-1 medications for weight loss alone. Sam's Club and Costco members can now buy these prescription medications at discounted prices, even without insurance. Novo Nordisk, which makes Ozempic and Wegovy, was already partnering with retailers including CVS and Walgreens to broaden access, cutting out-of-pocket costs to about half of the usual \$1,000.

The growth in retail distribution of GLP-1 drugs introduces several logistical and regulatory complexities for pharmaceutical companies. These medications are high-value and temperature-sensitive, requiring strict cold chain management. Deliveries to big box retailers demand precise coordination, as these locations may not be equipped with traditional pharmaceutical receiving protocols.

Companies must also navigate varying state-level pharmacy regulations, ensure secure handling to prevent theft or diversion, and maintain data integrity for prescription tracking and compliance. Partnering with a logistics provider experienced in both pharma and retail distribution is essential to mitigate risk and maintain product integrity.

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