

Ocean Freight Market Update - July 2025

July 29, 2025



CastleGate Forwarding



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Overview

Economy & Demand

- The Global Supply Chain Pressure Index in the World fell to 0.00 in June from an upwardly revised 0.30 in May, indicating stabilization in global supply chains.
- The annual inflation rate in the US increased to 2.7% in June, marking its second consecutive monthly acceleration and reaching the highest level since February.
- US consumers showed a surprising burst of optimism in June and July with retail sales rebounding, and consumer sentiment hitting a five-month high.

Operational Outlook

- Global port congestion stood at 8% at the end of last week, as ports across Asia and Europe continue to battle congestion.
- Idle containership capacity remains low at 0.2% as of last week despite 17 new ships being delivered and only 1 ship being recycled in the last 30 days.
- Half of the world's container ship capacity in service today was built in South Korea, but China is quickly closing the gap- with 72% of the future fleet (by vessel count) already on order from Chinese shipyards.

Ocean Freight Rates

- Ocean freight rates are significantly weak, with major indices like the SCFI and WCI showing consecutive declines.
- Ocean carriers are struggling to prop up rates on the transpacific eastbound route; their attempts at General Rate Increases (GRIs) are consistently undermined by falling demand and excess capacity.
- The extension of the US import tariff pause to 1 August has not helped transpacific freight rates that retained their downward trajectory with cargo demand still slipping from the June peak.

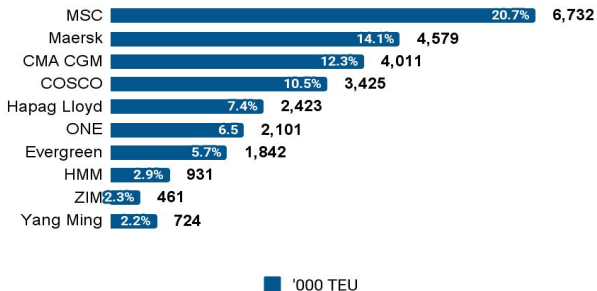
News / Regulations

- US-China trade talks resumed in Stockholm with a looming August 12 deadline, as the US threatens to escalate tariffs on Chinese goods to a staggering 145% if no deal is reached.
- Following recent tariff agreements with Japan and the EU at 15%, President Trump announced on Monday that the global baseline tariff rate is now expected to settle between 15% and 20%.

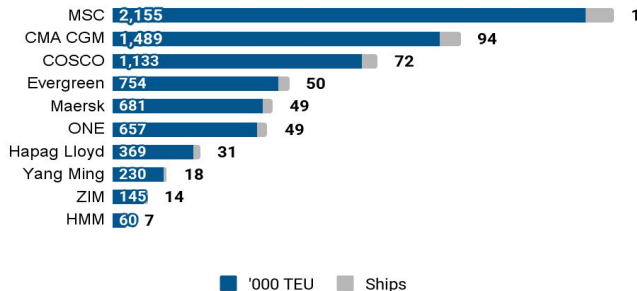


Market Development

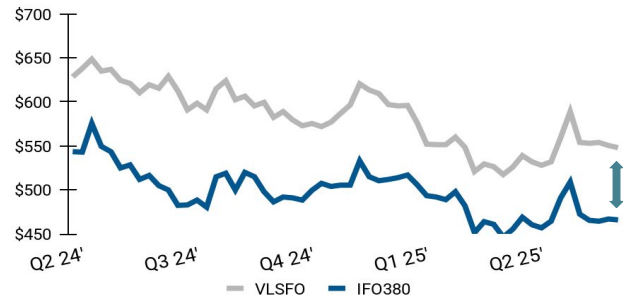
Top Carriers Market Share and Capacity



Orderbook by Top Carriers

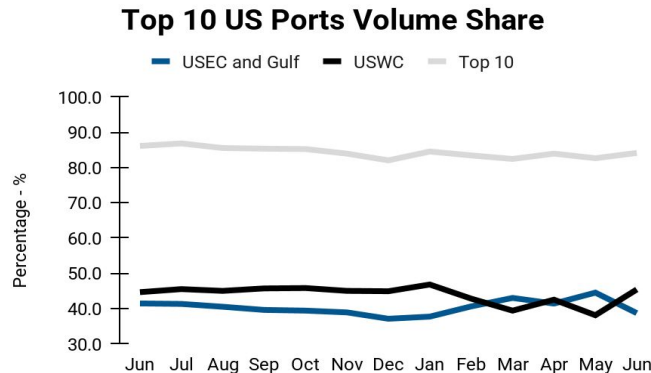
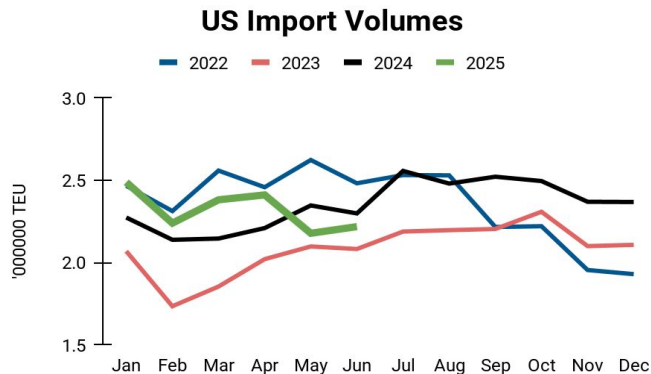


Bunker Prices






- Global containership capacity has risen by 2.43m TEU in the last 12 months, registering a growth of 8.1% YoY.
- 271 new containerships for 2.6m TEU were ordered in the first 7 months of this year, not including undeclared options that would raise the final tally to over 300 ships as carriers' appetite for new tonnage remains unabated.
- The top 10 ocean carriers currently have 512 container ships on order for a total capacity of more than 7.4 million TEU.
- At the close of the 30th week of the year, the global bunker prices continued their overall downward trend, with average scrubber spread decreasing to \$82.

Demand and Capacity



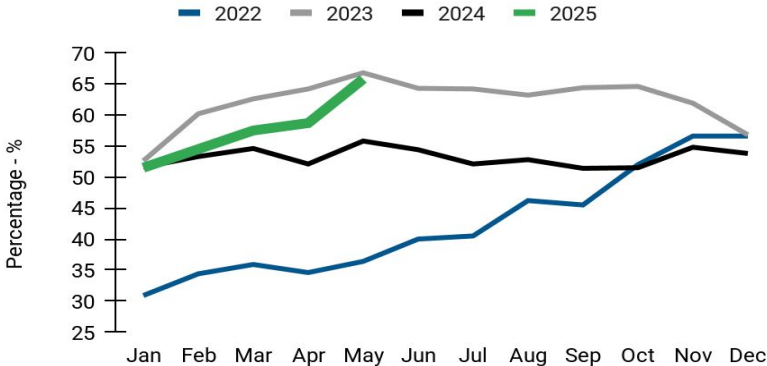
Trade Lane	Status
China to USEC	Demand > Capacity
China to USWC	
SE Asia to USEC	
SE Asia to USWC	

	Demand < Capacity
	Demand = Capacity
	Demand > Capacity

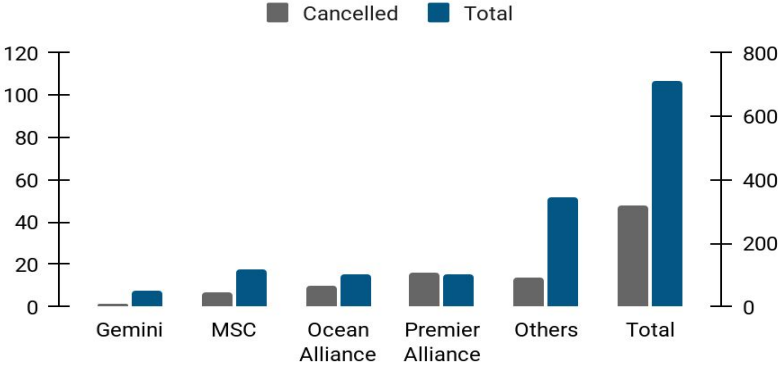
- US container import volumes rebounded modestly in June, up 1.8% from May and narrowing the year-over-year decline to 3.5%.
- The top two commodity codes (HS-2s) imported were consumer-oriented goods such as HS-94 (Furniture, Bedding, etc.) and HS-39(Plastics and Articles Thereof).
- A comparison of the top five ports on each coast revealed the East and Gulf Coast's share of total container import volume in June decreased to 38.7%, while the West Coasts' share increased significantly to 45.4%

Schedule Reliability and Cancelled Sailings

Global Schedule Reliability



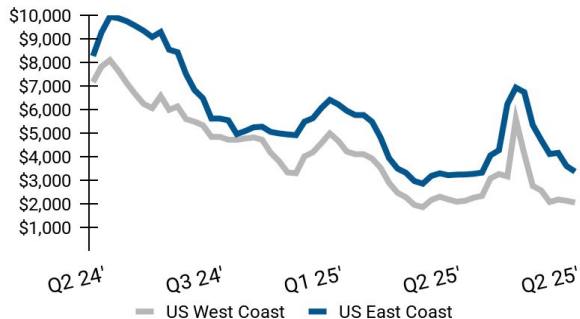
Cancelled vs Actual Sailings WK 31- 35



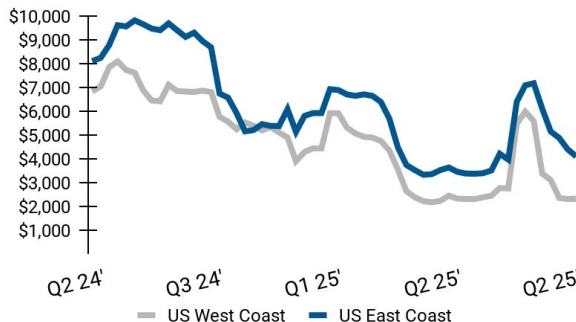
- Global schedule reliability significantly improved in May, jumping 7.4 percentage points MoM to 65.8%, marking its highest level since November 2023.
- Maersk was the most reliable top-13 carrier with schedule reliability of 75.9%, followed by Hapag-Lloyd with 72.5%.
- The cancellation rate of sailings on major East-West routes remained stable at 7% through week 35 2025, with the Transpacific Eastbound trade still disproportionately affected, accounting for 50% (24 sailings) of all cancellations.

Ocean Freight Rates

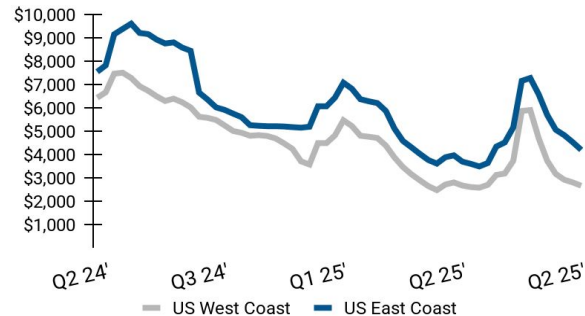
Shanghai Containerized Freight Index



Freightos Baltic Index (FBX)



World Container Index (WCI)



- Overall freight markets remain weak, with the The Shanghai Containerized Freight Index (SCFI) dropping for its 7th consecutive week.
- Far East to US shipping rates remain under pressure, with East Coast rates 58% and West Coast rates 69% lower than last year, according to the Freightos Baltic Index.
- Drewry's World Container Index (WCI) fell 3.3% last week, marking its sixth consecutive weekly decline indicating that the tariff's initial market impact was not sustained.

Source: SCFI- Shanghai Shipping Exchange, FBX- Freightos Terminal, WCI- Drewry

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