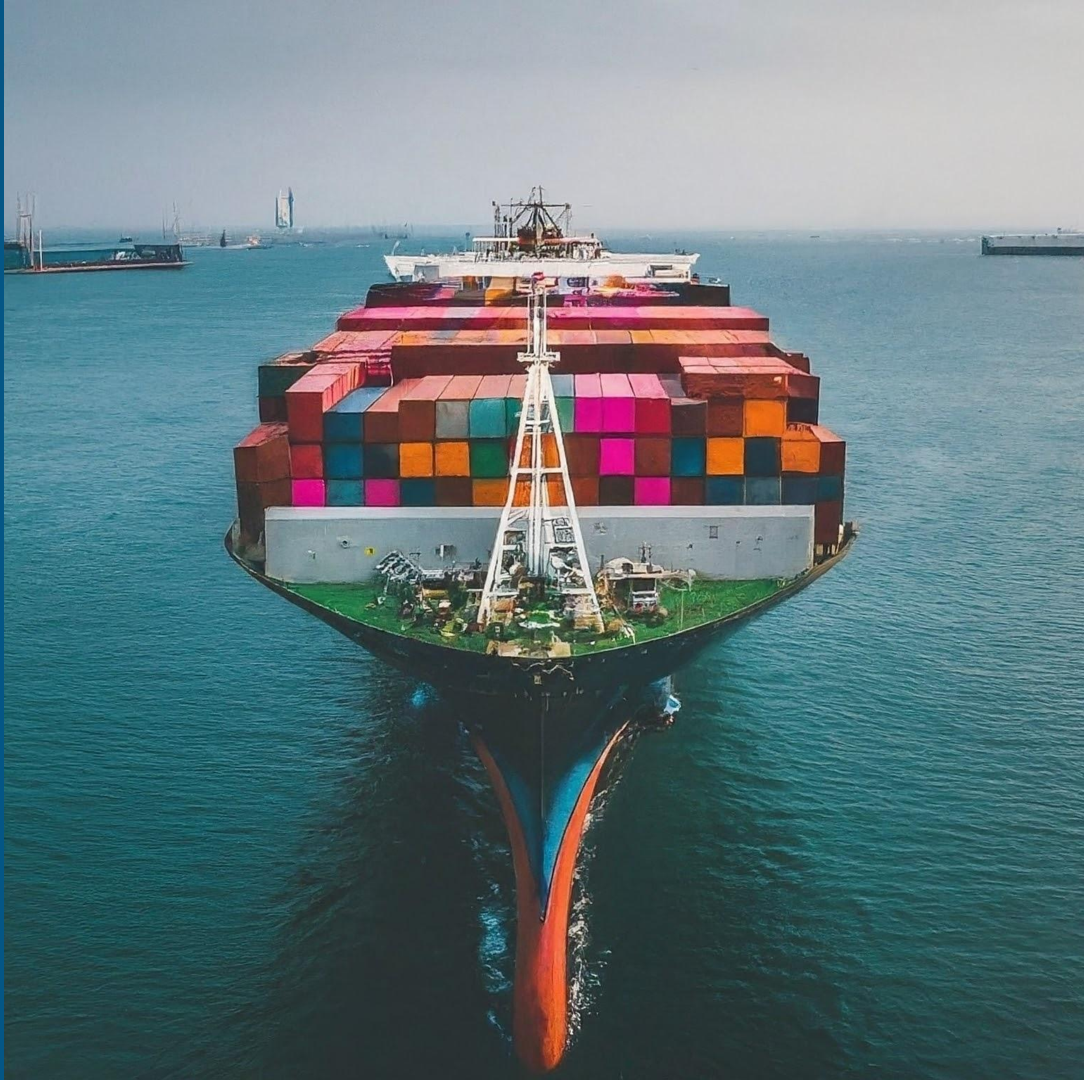
Ocean Freight Market Update - September 2025

September 30, 2025

CastleGate Forwarding



Content

CastleGate Forwarding

Overview

Economy & Demand

- The Global Supply Chain Pressure Index eased to 0.08 in August, reflecting below-average stress compared to its long-term norm and far from the record highs of 2021.
- The US annual inflation rate accelerated to 2.9% in August, the highest since January, after holding at 2.7% in both June and July, in line with market expectations.
- The US economy expanded an annualized 3.8% in Q2 2025, much higher than 3.3% in the second estimate, and marking the strongest performance since Q3 2023.

Operational Outlook

- Global port congestion increased significantly to 9.4% last week, with ports in Asia struggling with congestion after typhoon Ragasa.
- Ocean carriers will prioritize easy efficiency gains, with slow steaming as each knot of reduced speed both cuts emissions and raises tonnage demand.
- Over the past four weeks, carriers have withdrawn 544,000 TEU from Westbound trades, with alliances showing divergent strategies- Premier and Ocean Alliance moving early, while MSC and Gemini acted later but aggressively.

Ocean Freight Rates

- Ocean rates continued to slide despite reports that enough capacity has been removed to reach a supply- demand balance, leading some to suggest that a price war is now contributing to falling rates.
- Typhoon-driven congestion at Far East ports and increased October blank sailings may help carriers stabilize rates as demand softens.
- Ocean freight margins are moving closer to pre-pandemic norms, but Q4 is forecasted to be loss-making for several carriers.

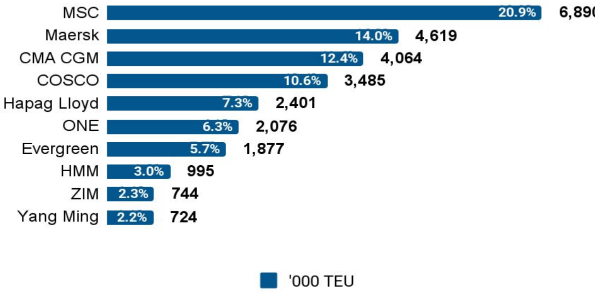
News / Regulations

- With 2 weeks until USTR 301 service fees take effect on October 14, 2025, COSCO and Hede plan to keep their ships on Transpacific routes despite projected six-month fees of $1.02B and $40M, while others will redeploy vessels.
- The ILA is suing the Virginia Port Authority and its CEO, alleging they bypassed the union contract by imposing new rail crane technology and interfering in labor talks.
- US ports are pushing for tax incentives in the next defense bill to support buying domestically made ship-to-shore cranes.

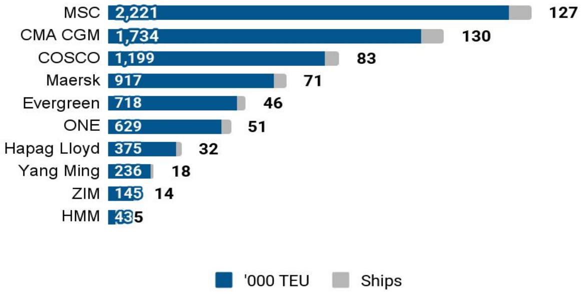
Source: New York Fed, US Bureau of Labor Statistics, IMF, Alphaliner, Linerlytica, CGF

Market Development

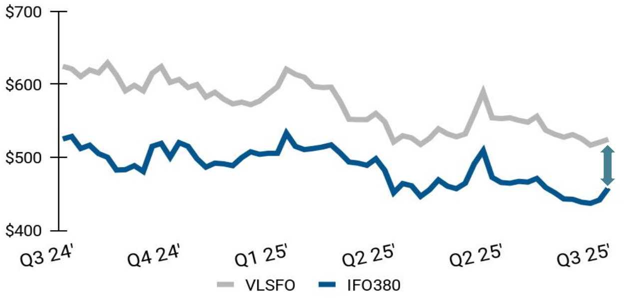
Top Carriers Market Share and Capacity



Orderbook by Top Carriers



Bunker Prices

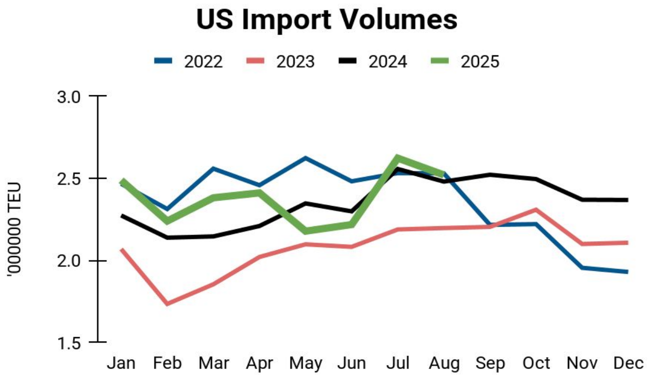


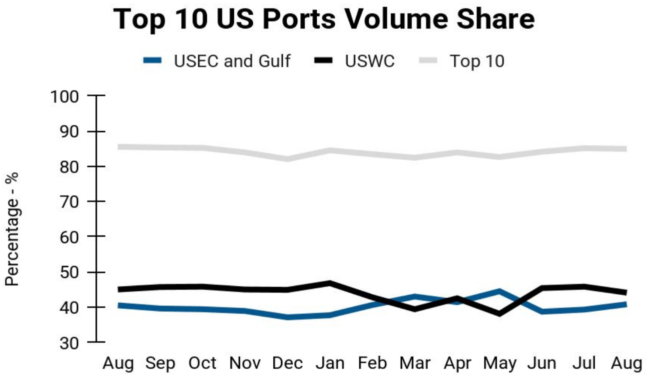
- The number of new containerships ordered in the first 9 months of 2025 has reached 385 units for 3.36m TEU.
- The past month saw the delivery of 23 ships, contributing an additional 167,000 TEU to global capacity.
- The top 10 ocean carriers collectively have 577 vessels on order, representing more than 8.2 million TEU of additional capacity.
- At the close of the 39th week of the year, the global bunker prices continued their overall upward trend, with average scrubber spread standing at $83.

Source: Alphaliner, Linerlytica, Ship&Bunker

CastleGate Forwarding

Demand and Capacity





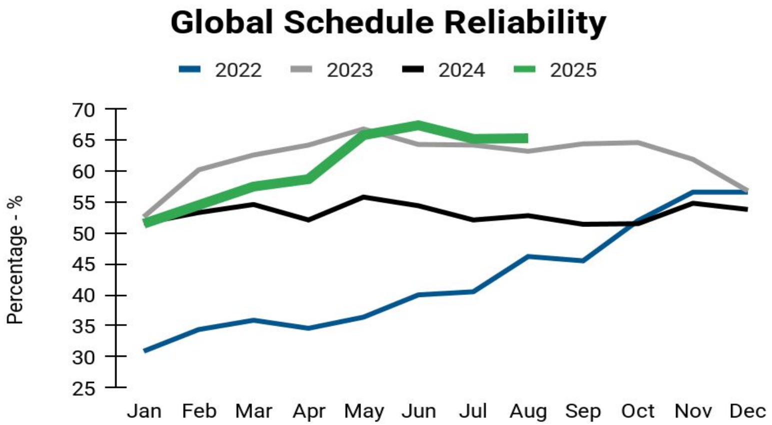
Trade Lane	Status
China to USEC	
China to USWC	
SE Asia to USEC	
SE Asia to USWC	

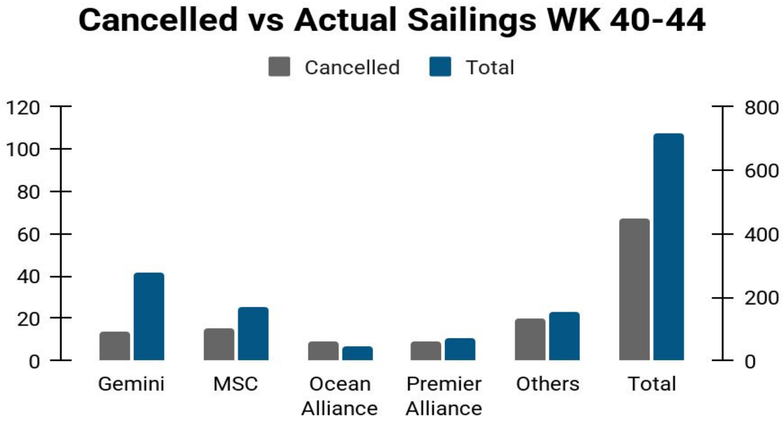
	Demand < Capacity
	Demand = Capacity
	Demand > Capacity

- US container imports hit 2.52M TEUs in August, up year-over-year and 17.6% above 2019, with volumes tracking 3.3% ahead of 2024.
- The top two imported commodity groups were consumer-focused goods: HS-94 (Furniture, Bedding, etc.) and HS-39 (Plastics and Articles Thereof).
- Among the top five ports on each coast, the East and Gulf Coasts accounted for 40.8% of August's total container imports, while the West Coast's share declined marginally to 44.1%.
- Capacity levels are currently sufficient to meet demand as of last week.

Source: Descartes, CGF

Schedule Reliability and Cancelled Sailings

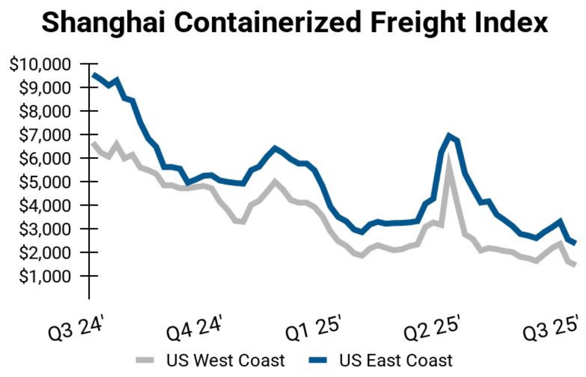


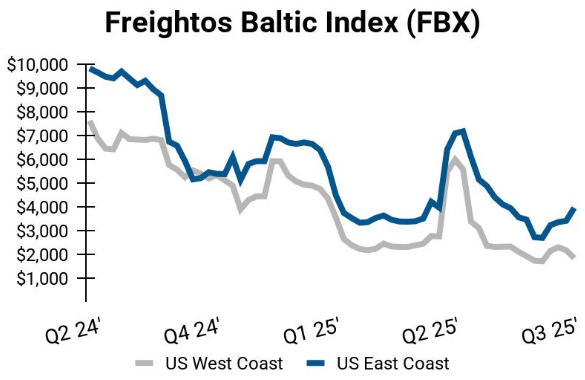


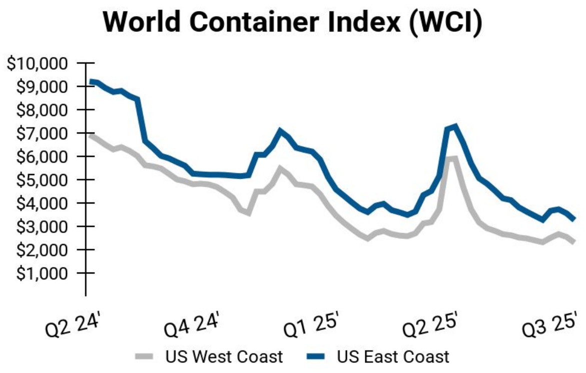
- Global schedule reliability in August inched up 0.1 points to 65.3%, the second-highest August level since 2019.
- Among the top 13 carriers, Maersk led with 76.4% reliability, followed by Hapag-Lloyd at 72.4%. The next 6 carriers were in the 60%-70% range, with the remaining carriers in the 50%-60% range.
- Carriers have now withdrawn 13% of scheduled sailings between weeks 40 and 44. Half of the cancellations are on the Transpacific Eastbound (50%), followed by Asia–Europe/Med (37%) and Transatlantic westbound (13%).

Source: Sea- Intelligence, Drewry

Ocean Freight Rates







- Global container volumes remain resilient, but freight rates have plunged- SCFI fell 20% in two weeks, its steepest drop since 2009, as carriers erased Transpacific gains and reignited a price war ahead of China's Golden Week.
- Far East– US shipping rates fell last week and remain far below 2024 levels- down 54% to the East Coast and 73% to the West Coast, according to the Freightos Baltic Index.
- The Drewry World Container Index (WCI) fell 8% last week, marking the 15th consecutive week of decline with rates on major trade routes trending downwards.

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

THANK YOU!

CGF LinkedIn

CGF Website

How to Contact CGF

- Reach out to your CGF Account Manager if you are already using CGF services
- New customers reach out via Contact Us on our website
- Follow CGF LinkedIn

CastleGate Forwarding