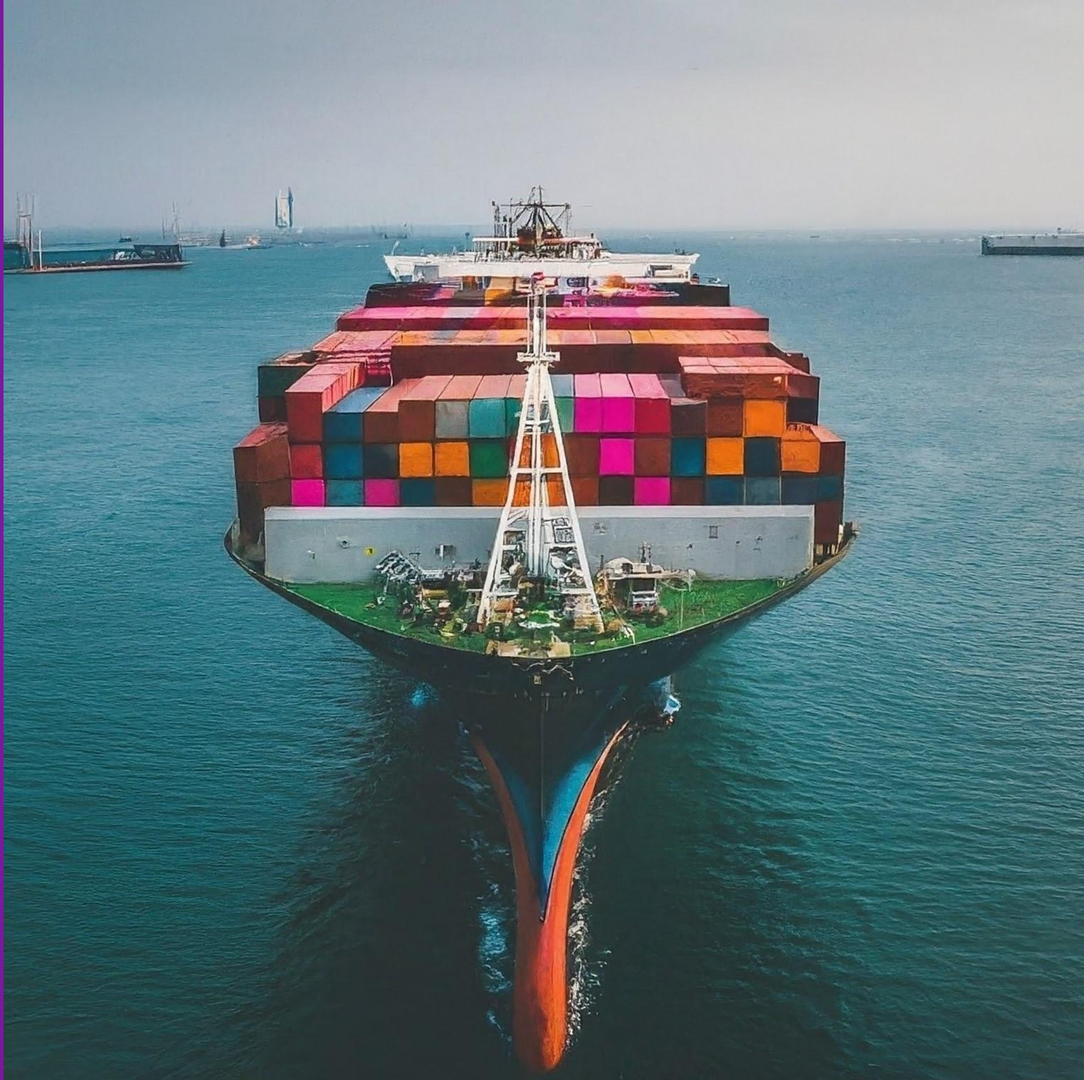
Ocean Freight Market Update - January 2026

February 12, 2025



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Content

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Overview

Economy & Demand

- Global supply chain pressures fell to 0.41 in January 2026, following an upwardly revised 0.54 in the previous month.
- US consumer sentiment rose to 56.4, though still over 20% below last year's level, suggesting modest improvement in spending but continued consumer caution.
- The Fed held rates at 3.5%-3.75% in January after last year's cuts, citing solid growth and elevated inflation, keeping financial conditions stable but still restrictive for demand.

Operational Outlook

- Container lines and tonnage providers continue ordering newbuilds despite market uncertainty, with major contracts from Evergreen, MSC, and regional operators across vessel sizes.
- Container vessel scrapping hit a 20-year low in 2025 with just 8,172 teu recycled, as strong demand and charter rates discouraged owners from demolitions.
- Panama's Supreme Court voided CK Hutchison's Panama Ports concessions as unconstitutional, citing major irregularities and alleged state revenue losses.

Ocean Freight Rates

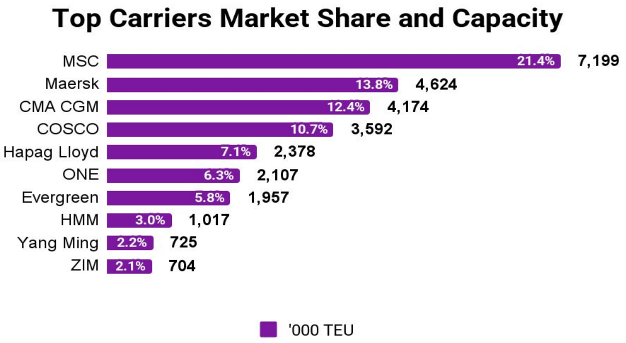
- Ocean freight prices across major inbound lanes are significantly lower than this time last year due partly to fleet growth.
- Freight rates have continued to slip ahead of the Chinese New Year holidays and the carriers' ability to stop the rate slump will continue to be tested in the coming months.
- US importers are confident enough of their market power in the weakening trade that rates could take a back seat to service-related issues in their coming negotiations with ocean carriers.

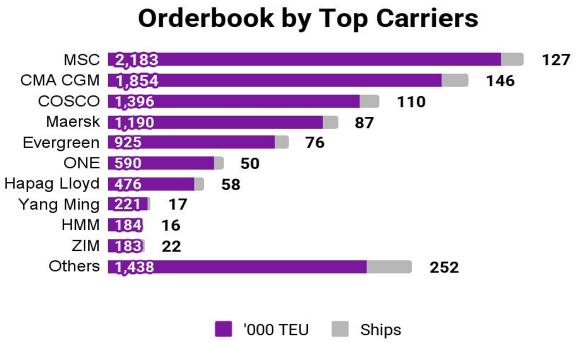
News / Regulations

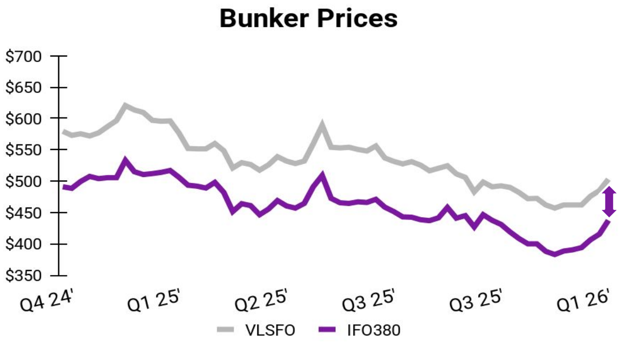
- The EU and India finalized a landmark free trade agreement creating a two-billion-person market, set to double EU goods exports to India by 2032 through sweeping tariff cuts.
- President announced a US-India trade deal lowering tariffs on Indian goods to 18% from about 50% after a call with Prime Minister Modi.
- The US Federal Maritime Commission fined MSC $22.67m for Shipping Act violations related to improper demurrage and detention billing practices.

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

Market Development







- The past month saw the delivery of 18 new ships, contributing an additional 147,934 TEU to global capacity.
- The top 10 ocean carriers collectively have over 700 vessels on order, representing more than 9.2 MTEU of additional capacity.
- Over the past 25 years, container shipping has undergone unprecedented expansion and consolidation, with global fleet capacity surging from 4.5 Mteu to 33.6 Mteu and 84% of capacity now controlled by the top 10 carriers.
- At the close of the week 5 of the year, the global bunker prices continued their overall upward trend, with average scrubber spread sitting at $66, well below breakeven $100.

Source: Alphaliner, Ship&Bunker

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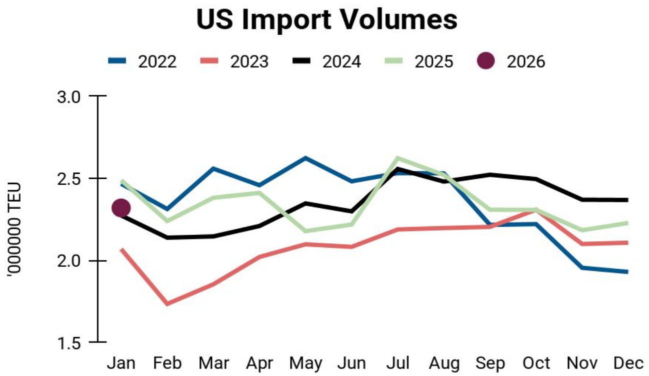
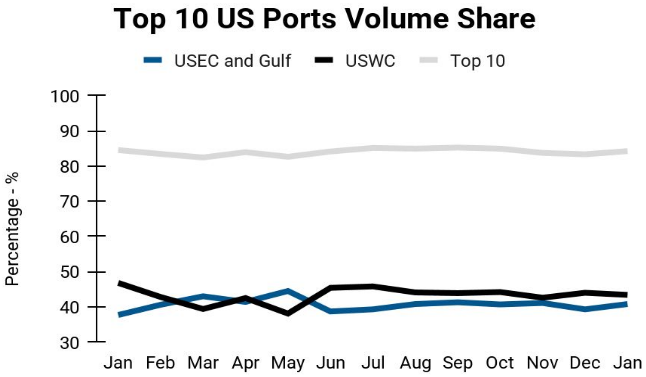
Demand and Capacity





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 import volumes totaled 2.32 million TEUs in January, up 4.1% month-over- month, as volumes rebounded from December's seasonal slowdown.
- After the typical November slowdown, container volumes across the top 10 US ports rose 2.0% month over month in December, with strong gains at Los Angeles and Philadelphia offsetting declines at New York/Newark, Houston, and Tacoma, consistent with normal seasonal patterns.
- In January, East and Gulf Coast ports increased their share of imports to 40.8%, while West Coast ports declined to 43.4%, with the top 10 ports accounting for 84.2% of total imports.
- Capacity to the US remains open as pre Lunar New Year shipments decrease ahead of factory closures.

Source: Descartes, CGF

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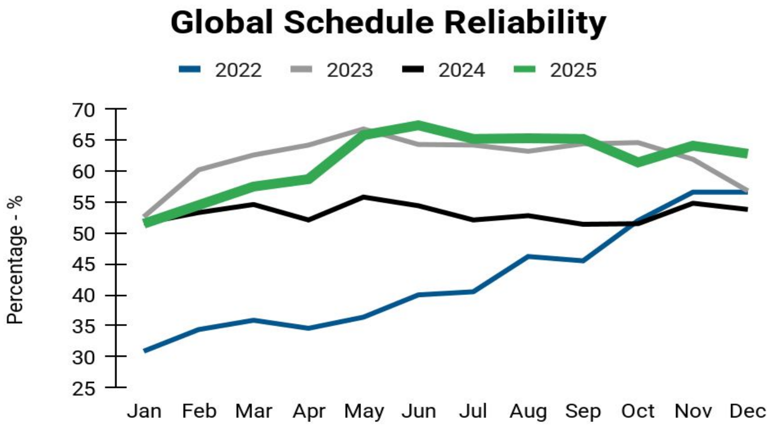
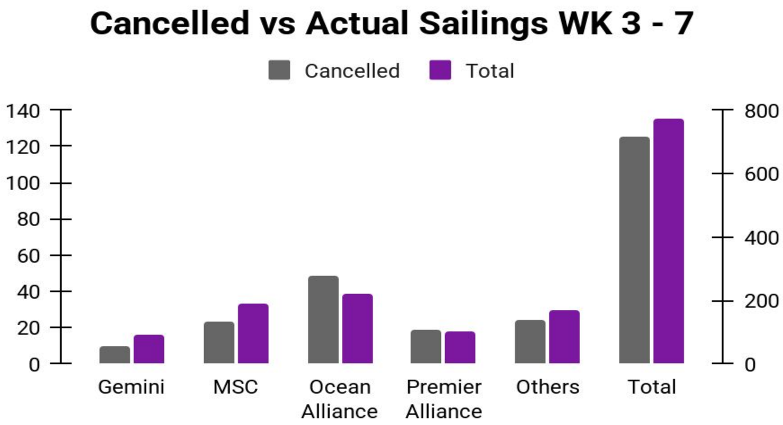
Schedule Reliability and Cancelled Sailings





- Global container schedule reliability dropped by -1.2 percentage points to 62.8% in December, the second-lowest monthly figure since May.
- Maersk was the most reliable top-13 carrier in December 2025 with schedule reliability of 76.7%, followed by Hapag-Lloyd with 75.2%. MSC and HMM were in the 60-70% range, while eight of the remaining nine carriers were in the 50-60% range.
- Ocean carriers have withdrawn 18% of scheduled sailings between weeks 7 and 11, with most cancellations concentrated on the Transpacific eastbound and Asia–Europe/Med trades.

Source: Sea- Intelligence, Drewry

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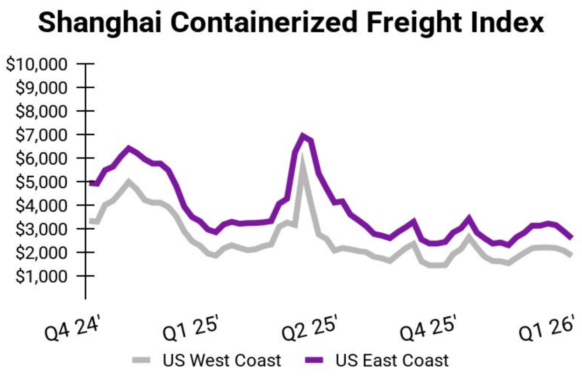
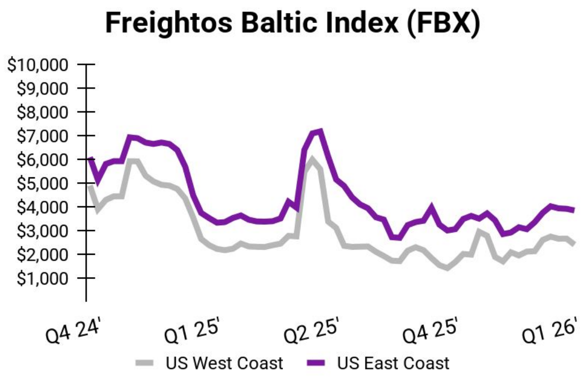
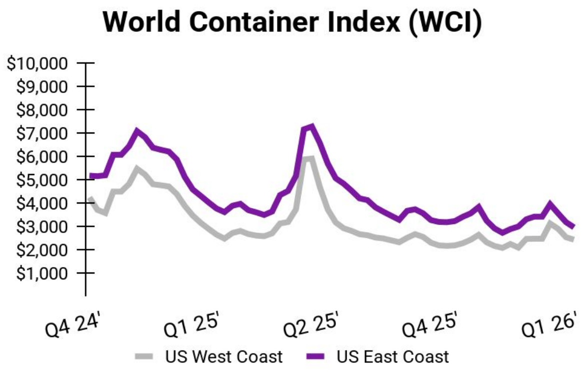
Ocean Freight Rates







- The Shanghai Containerized Freight Index (SCFI) dropped by 9.7% at the end of week 5 with further declines expected ahead of the Chinese New Year as carriers eager to build cargo roll pools start to slash rates more aggressively before the holidays.
- The Drewry World Container Index (WCI) decreased 5% for the third consecutive week, primarily due to a drop in rates on the Transpacific and Asia-Europe trade routes.
- Far East- US shipping rates reduced for the third consecutive week and remain well below 2025 levels- down 43% to the East Coast and 52% to the West Coast year over year, according to the Freightos Baltic Index.

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

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