

MARKET UPDATE MAY 2025

FJT LOGISTICS
Your Freight Solutions Partner



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AIR FREIGHT



Air Freight Market Outlook – May 2025

Global Air Cargo Demand

High demand driven by e-commerce and high-tech industries, coupled with challenges such as trade policy shifts and capacity constraints, with U.S. tariff news, led to increase in airfreight as companies sought to bypass impending tariffs

Major volumes in YoY YTD April'25, contributed by Asia Pacific (China, Vietnam, Indonesia and Taiwan). Key trade routes with significant growth YoY YTD April'25, Intra-Asia-Pacific at 13%, Europe-North America at 8% and Asia Pacific-North America at 3%

Global Air Cargo Capacity

YoY May'25, growth for Asia Pacific-Europe, Asia Pacific-Middle East and Africa and Europe-Asia Pacific, significant declines in Intra-Asia Pacific and North America-Asia Pacific capacity.

Demand expected to grow by 4–6% in 2025, outpacing capacity growth, projected at 3–4%. Capacity expansion is constrained by factors such as production delays from aircraft manufacturers, limited availability of freighters, and retirement of older planes.

Looking Ahead

We expect the market demand to remain firm into early Q3, though further policy shifts may impact planning.

OCEAN FREIGHT



Ocean Freight Market Outlook – May 2025

Demand Outlook

Global real GDP growth reduced to 2.2% for 2025, and 2.4% for 2026.

Drewry and Linerlytica have both cut container projections of growth to 1% in 2025.

Even though the 90-day break between US and China, there is a risk of recession in the US according to S&P PMI.

Capacity Outlook

Carriers switched bigger vessels to CHINA US route after announcement of the 90 day break. Capacity is more focused on that TP lane.

Congestion increases at European Ports, Hamburg, Antwerp, Bremerhaven, Algeciras and Valencia impacted.

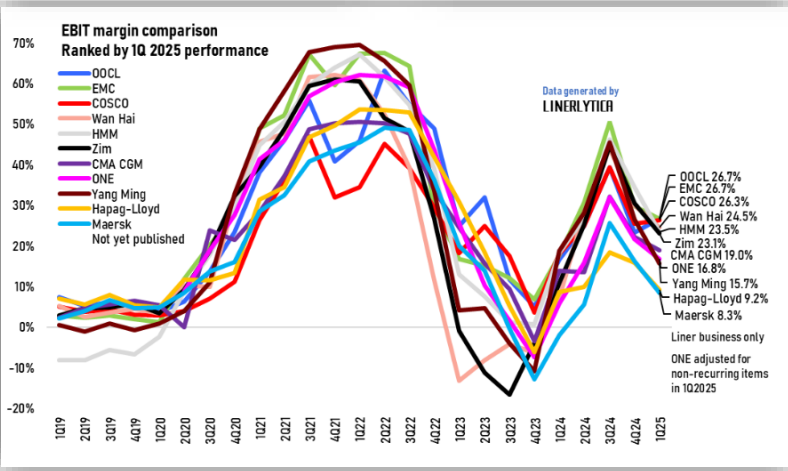
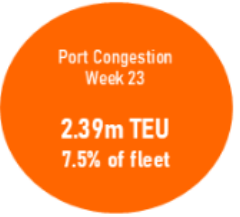
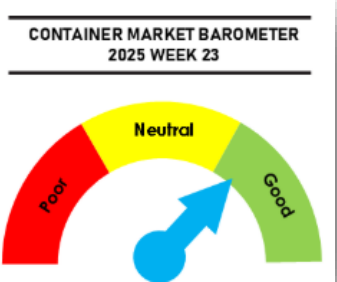
Freight Rates

Rates rises and doubled after announce of Trump/Jinping “truce”, lot of volatility on short term spot rates

Regulations/News

May 1st saw the new Emission Control Area put into place for the Mediterranean Sea requiring vessels to use LSFO with 0.1% sulphur instead of 0.5%.

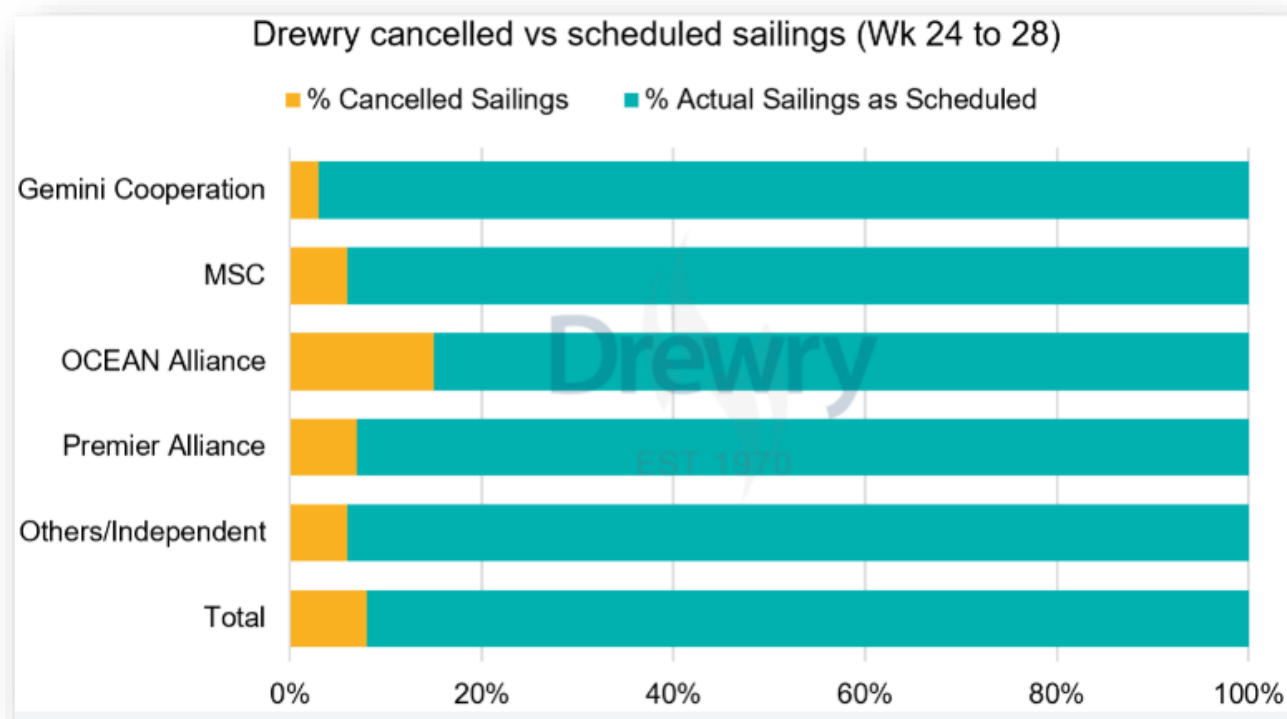
Bunker has been revised to reflect on the increased fuel costs.



- Maersk and Hapag-Lloyd have occupied the lowest positions in carrier EBIT margin rankings for five straight quarters, with their operational results consistently trailing behind major competitors.

The financial performance of these two Gemini Cooperation alliance members continues to be hampered by their substantial dependence on contract freight, limited presence in the Transpacific trade route, and elevated operational expenses.

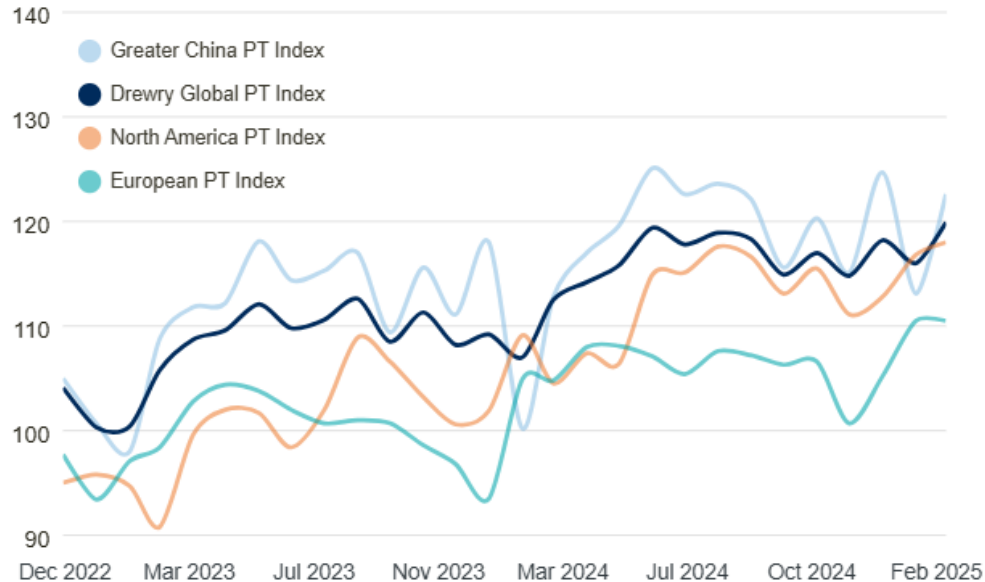
Cancelled Sailings Tracker



- Across the major East-West trades: Transpacific, Transatlantic and Asia-North Europe & Med, **55** cancelled sailings have been announced between week 24 and week 28, out of a total of **709** scheduled sailings, representing **8%** cancellation rate.
- During this period, **47%** of the blank sailings will occur on the Transpacific Eastbound, **29%** on the Asia-North Europe and Med and **24%** on the Transatlantic Westbound trade.

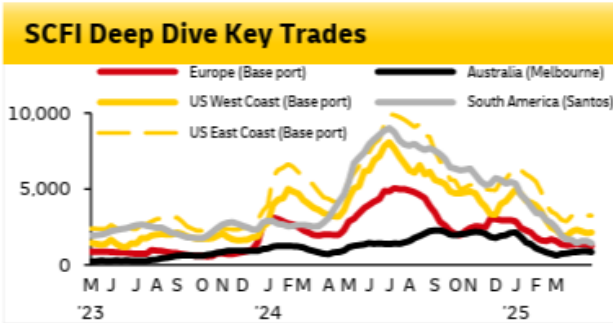
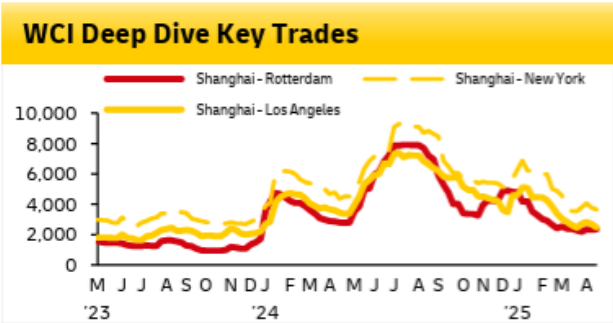
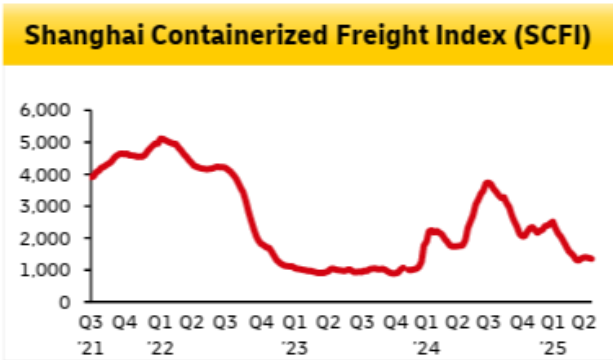
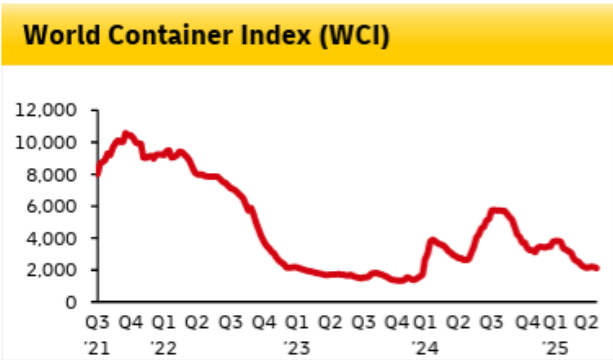
Global Port Throughput Index (PTI)

Drewry Global Container Port Throughput Index (PTI)



- The Global Container Port Throughput Index went up **3.4%** in March compared to February. This was **6.6%** higher than March last year. The 12-month growth rate slightly increased to **6.4%**.
- The Greater China Container Port Throughput Index increased by **8.4%** in March 2025, reaching 122.6 points. Shenzhen rose over **17%** YoY and volumes in Ningbo have been up by more than **10%**. Qingdao, Guangzhou and Shanghai also grew respectively by 7.4%, 7% and 6.1% YoY

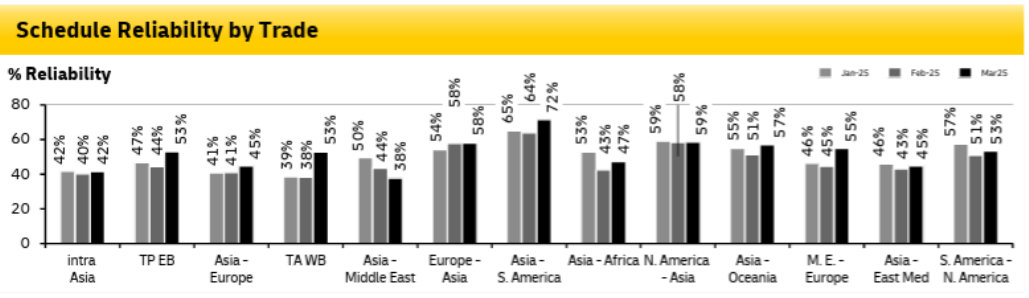
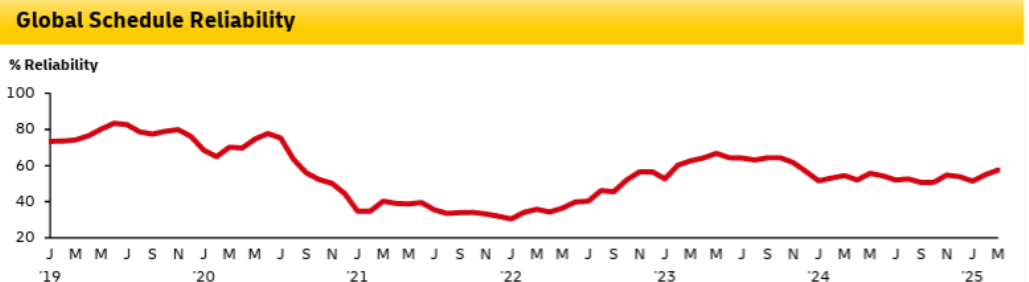
Market Rates



- Container freight rates are stabilizing. Except on Transpacific where forward bookings in China continued to decline.
- Considerable fluctuation in spot rates, reflecting the uncertainty in the trade environment. Long-term rates more stable.
- Worsening port congestion, potential tariff changes and geopolitical tensions can impact rate dynamics at any time.

Note: Surcharges related to e.g., equipment & space availability are not reflected in WCI & SCFI;
Drewry, in USD/40ft container, including BAF & THC both ends, 8 individual routes, excluding intra-Asia routes;
Shanghai Shipping Exchange, in USD/20ft ctnr & USD/40ft ctnr for US routes, including BAF, EBAF, CAF, PSS, WRS, PCS & SCS/SCF/PTF/PCC, excl. THC, 15 routes from Shanghai

Schedule Reliability



- In March, schedule reliability improved by 3.0 ptp MoM to 57.5%, the highest since November 2023. Significant regional improvements were noted in several trades.
- The reliability of the new alliances has started strongly. Gemini's new shuttle network has achieved an impressive 94% reliability rate in February. While MSC achieved 79.6% and the Premier Alliance 60.4%.
- Reliability expected to be impacted by disruptions, blankings etc.

References : intra Asia = Asia – IBPC, TP EB = Asia-NAWC, Asia-Europe = Asia-North Europe, Asia-AML = Asia-WCSA, AMNO-Asia = Transpacific WB, Asia-East Med = Asia-Med



FJT BULLETINS



Port Congestion Update

China to Australia / Global:

Major Chinese ports are experiencing notable congestion:

- Shanghai & Ningbo: Approximately 130 vessels are anchored, awaiting berthing slots.
- Qingdao: Around 20 vessels are at anchor, contributing to delays.
- Hong Kong: Facing heavy congestion with wait times extending up to 4 days.

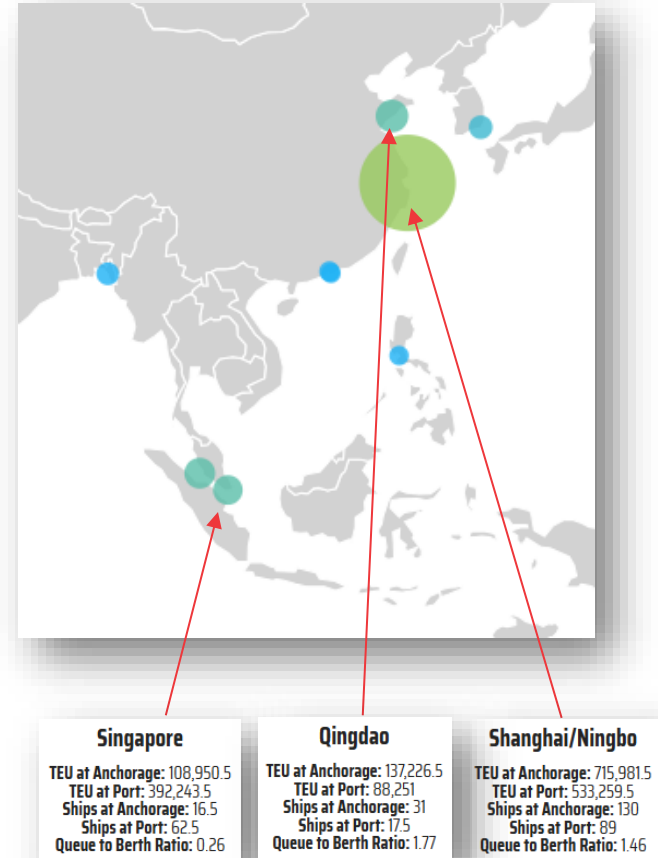
These delays are primarily due to a surge in transpacific shipments as companies expedite imports ahead of impending U.S. tariff increases.

Forecast for June 2025

Looking ahead, congestion is expected to persist or worsen in June:

- Shanghai, Ningbo, Qingdao, and Hong Kong: Continued high congestion levels are anticipated, with potential for increased delays due to sustained high cargo volumes.
- Singapore: As a key transshipment hub, Singapore is experiencing delays of up to 3 days, with transshipment bookings being rolled by up to 2 weeks. This situation may impact cargo flows from China to various global destinations.
- Australian ports are currently operating steadily, with no major systemic congestion reported as of May 2025. However, schedule reliability remains inconsistent, largely influenced by upstream delays from congested Chinese ports.
- The congestion in Chinese ports is contributing to increased freight rates and extended transit times on global shipping routes.

Current APAC Containership Port Congestion



Blank Sailing Update

Several carriers have implemented blank sailings on China–Australia routes to stabilize freight rates amid declining demand.

China to Australia

- The A3S service experienced two blank sailings from Southern China in weeks 18 and 20.
- The JKN and A3C services had blank sailings in week 23.
- The CAT service faced two blank sailings in early May, leading to tighter space availability in Ningbo.
- The NEAX service also saw two blank sailings in the first half of May.

Forecast for June 2025

- **China–Australia:** Expect continued blank sailings as carriers manage capacity amid soft demand.
- **China–U.S.:** Further service suspensions are likely if tariffs remain in place and demand continues to decline.
- **Global Impact:** The reallocation of vessels may cause capacity imbalances on other trade lanes, potentially leading to additional blank sailings.

Equipment Availability Outlook

China – Empty Container Availability (May 2025)

Major Chinese ports are experiencing a surplus of empty containers, leading to operational slowdowns:

- **Shanghai & Ningbo:** Reports indicate a buildup of empty containers at terminals, causing congestion and delays in handling operations.
- **Qingdao & Yantian:** Similar issues are observed, with empty containers accumulating due to reduced export volumes and logistical bottlenecks.

These surpluses are attributed to a combination of factors, including decreased demand for exports and disruptions in global trade patterns.

Australia – Impact on Container Availability

In Australia, the situation is somewhat different:

- **Import Volumes:** A decline in imported container volumes, approximately 6.2% year-on-year in Q1 2025, has been noted, reflecting weaker retail demand and reduced inventory replenishment.
- **Operational Adjustments:** Carriers are adjusting rotations and schedules in response to the changing demand, which may impact the availability and turnaround of containers.

Forecast for June 2025

Looking ahead, the following trends are anticipated:

- **Continued Surplus in China:** The accumulation of empty containers at Chinese ports is expected to persist, potentially exacerbating congestion and operational inefficiencies.
- **Potential Shortages Elsewhere:** As empty containers remain stranded in certain locations, other regions may experience shortages, affecting the balance of global container availability.
- **Carrier Strategies:** Shipping lines may implement measures such as repositioning empty containers and adjusting service frequencies to mitigate imbalances.

Vessel Space and Capacity

China to Australia - Current Situation (May 2025)

- **Space Availability:** Generally sufficient, with some carriers reporting improved availability due to service adjustments.
- **Carrier Adjustments:** For instance, MSC's WALLABY service ceased accepting bookings from New Zealand as of April 25, increasing space availability for shipments to Australia.
- **Port Congestion:** Major Chinese ports like Shanghai and Ningbo are experiencing congestion, with waiting vessels numbering over 100 in early May. This congestion can impact vessel schedules and space availability.

Forecast (June 2025 and Ahead)

- **Potential Delays:** Ongoing port congestion in China may lead to schedule disruptions, affecting vessel space availability.
- **Demand Fluctuations:** Import volumes into Australia have declined in Q1 2025, reflecting weaker retail demand. This may influence carrier capacity decisions.

European Port Operations

Rotterdam and Antwerp terminals are experiencing increased yard density, with delivery and pickup operations particularly impacted in Antwerp

Customer action required: Import containers should be collected promptly after vessel discharge to reduce terminal congestion

Bremerhaven terminal faced an unexpectedly severe labor shortage during Easter, Whit Monday, and Ascension Day holidays that surpassed seasonal planning forecasts

Extended contingency measures have been implemented through the end of May to address the labor shortfall

Rijeka terminal is currently experiencing increased yard density levels

Tangier terminal and other southern European facilities are anticipated to face similar congestion trends in upcoming weeks

Current Europe Containership Port Congestion



Gibraltar (Algeciras/Tangier)

TEU at Anchorage: 49,401.5
TEU at Port: 46,963
Ships at Anchorage: 12
Ships at Port: 6.5
Queue to Berth Ratio: 1.85

Antwerp

TEU at Anchorage: 97,849
TEU at Port: 100,352.5
Ships at Anchorage: 20
Ships at Port: 20.5
Queue to Berth Ratio: 0.98

Piraeus

TEU at Anchorage: 43,153.5
TEU at Port: 58,899
Ships at Anchorage: 12.5
Ships at Port: 13
Queue to Berth Ratio: 0.96



THANK YOU

For more information please contact:
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