# FrachtNEWS

LOGISTICS MARKET REPORT

GLOBAL MARKET | OCEAN FREIGHT

## EL NIÑO FORECAST PROMPTS PANAMA CANAL TO BEGIN CAPACITY ADJUSTMENTS

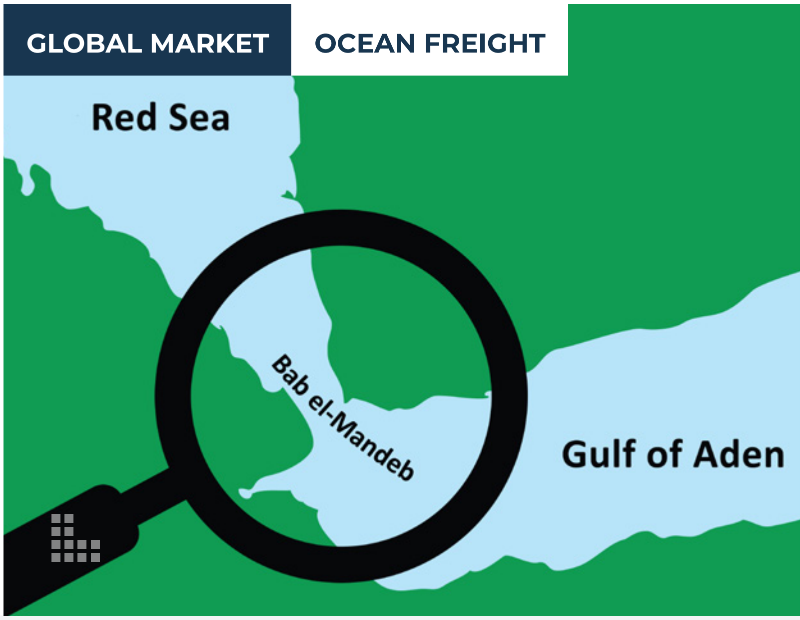
Forecasts indicating an elevated probability of severe El Niño conditions have renewed concerns about rainfall levels and their potential effect on the Panama Canal operations. The Panama Canal Authority (ACP) is considering measures designed to preserve water resources while maintaining reliable vessel movements through the waterway. The concern centers on the canal›s dependence on freshwater reserves, particularly Gatún Lake, which provides water required for lock operations. The ACP has already introduced an initial adjustment by eliminating certain last-minute booking opportunities through the Panamax locks. "ACP has a three-tiered slot booking system: Period 1 slots can be booked up to a year in advance; Period 2 slots open 21 days before transit; while Period 3 slots can be booked just 48-96 hours before transit" (van Marle, 2026). Although the immediate reduction in overall transit capacity is limited, the move provides an early indication of how the authority may manage water resources if conditions become increasingly dry. Heavy rainfall during 2025 and wetter-than-normal conditions during the 2026 dry season helped maintain healthy reservoir storage, giving the canal additional flexibility as weather conditions evolve. Officials emphasized that current actions are precautionary and intended to preserve operational flexibility should weather conditions deteriorate. For ocean carriers and shippers—Asia–U.S. East Coast and Latin American trade lanes where the Panama Canal remains a critical gateway—the developing situation warrants continued attention. Any additional restrictions could influence vessel loading, scheduling, service reliability, and routing decisions. MSC, CMA CGM and Hapag-Lloyd have announced surcharges associated with Panama Canal transits. The ACP has indicated that the timing and extent of further measures will depend on evolving water conditions and operational requirements.

**Source:** van Marle, G. (2026, July 23). *Panama Canal braces for El Niño, announcing first transit restrictions.* The Loadstar. https://theloadstar.com/panama-canal-braces-for-el-nino-announcing-first-transit-restrictions/

# RED SEA SHIPPING RISKS INCREASE FOLLOWING NEW MARITIME THREATS

Recent developments in the Red Sea have prompted the maritime industry to closely evaluate operational risks after Yemen›s Houthi movement announced plans to establish a maritime blockade targeting Saudi Arabia. The announcement places renewed attention on the Bab el-Mandeb Strait, a vital international shipping corridor. Maritime authorities continue implementing measures intended to safeguard commercial navigation through the corridor. Reuters reported that Saudi-led forces "began implementing protection measures for its ships moving through the Bab el-Mandeb Strait," following the announcement (Abdallah et al., 2026). Commercial operators are expected to closely monitor vessel security, routing options, and government advisories while maintaining flexibility in logistics planning as diplomatic engagement continues.

**Source:** Abdallah, N., Abouhassira, E., & Azhari, T. (2026, July 20). *Houthis announce Saudi naval blockade, threatening new front in US-Iran war.* Reuters. https://www.reuters.com/world/middle-east/us-launches-iran-strikes-ninth-day-another-american-confirmed-killed-2026-07-20/




# NEW U.S. TARIFF FRAMEWORK RESHAPES GLOBAL TRADE ENVIRONMENT


The United States has introduced a revised tariff framework affecting imports from approximately 60 trading partners, signaling another significant development in global trade policy. The updated measures establish new baseline duties on a broad range of imported goods while maintaining exemptions for selected commodities and industries considered strategically important. The revised trade policy follows the expiration of a temporary global tariff framework and is intended to reinforce U.S. trade enforcement efforts. "Imposed under Section 301 of the Trade Act of 1974, the new duties allow the administration to maintain a tariff floor on virtually all U.S. imports despite the Supreme Court setback" (Lawder, 2026). Although financial markets showed only modest immediate reaction to the announcement, the broader trade community continues to assess how evolving policies may influence global sourcing decisions, manufacturing strategies, and long-term supply chain resilience.

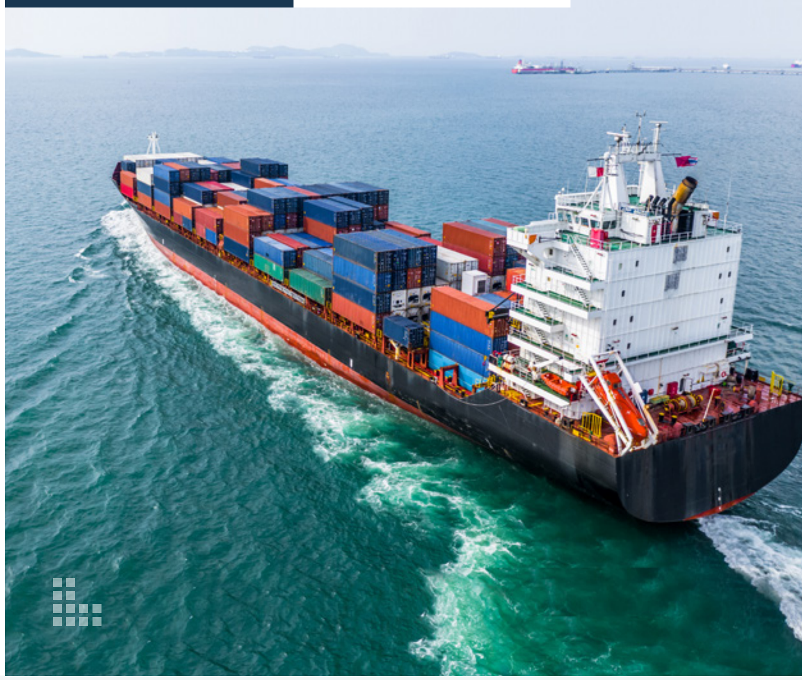
**Source:** Lawder, D. (2026, July 24). *Trump imposes new global tariffs, drawing protests from trading partners.* Reuters. https://www.reuters.com/world/us/trump-imposes-forced-labor-duties-60-trading-partners-as-10-us-tariffs-expire-2026-07-24/

# BLANK SAILINGS REDEFINE AVAILABLE CAPACITY ACROSS MAJOR TRADES

The continued expansion of the global container fleet does not necessarily translate into greater available space for shippers. New analysis from Sea-Intelligence indicates that blank sailings have become an established capacity-management strategy across major trade corridors. The Asia–North America East Coast trade showed the largest structural constraint. Asia–Mediterranean, Asia–North America West Coast and Asia–North Europe services also recorded significant increases in blanked capacity. Sea-Intelligence CEO Alan Murphy advised companies to adapt inventory strategies accordingly, stating, "This requires recalibrating minimum inventory thresholds to absorb the reality of less active space" (Knowler, 2026). The development is particularly relevant as additional vessels enter the global fleet. Rather than allowing all new capacity to remain continuously active, carriers can use blank sailings and network adjustments to better align deployed capacity with cargo demand. This strategy appears positioned to remain an important component of container shipping networks as carriers balance substantial fleet expansion against evolving demand.

**Source:** Knowler, G. (2026, July 20). *Persistent blank sailings now structural across trade lanes: Sea-Intelligence.* Journal of Commerce. https://www.joc.com/article/persistent-blank-sailings-now-structural-across-trade-lanes-sea-intelligence-6255885

**GLOBAL MARKET** **OCEAN FREIGHT**



# MIDDLE EAST CONFLICT RESHAPES 2026 AIR FREIGHT OUTLOOK AS RATES DEFY EARLIER FORECASTS

**GLOBAL MARKET** **AIR FREIGHT**

The Middle East conflict has fundamentally altered the 2026 air freight landscape, with full-year rates now expected to rise significantly rather than fall as originally forecast. The escalation in late February removed 12% of global air cargo capacity overnight, driving a 17% year-on-year rate increase in the first half of 2026. AI-related shipments — particularly semiconductors, which saw record year-on-year growth in April — are emerging as the market's new primary demand driver as e-commerce continues to decline. Xeneta's Niall van de Wouw warned: "There will be another wildcard and, just like the Middle East conflict, it will come at a cost for shippers" (Jeffrey, 2026).

**Source:** Jeffrey, R. (2026, July 17). *Xeneta: rates to climb by up to 15% in 2026 as Middle East conflict weighs in*. Air Cargo News. https://www.aircargonews.net/data/2026/07/xeneta-rates-to-climb-by-up-to-15-in-2026-as-middle-east-conflict-weighs-in/

# AI CARGO SUSTAINS AIR FREIGHT DEMAND AS E-COMMERCE FADES AND EARLY PEAK RISKS LOOM


Booming AI-related shipments are offsetting weakening e-commerce demand in global air cargo, with semiconductor sales surging 106% year-on-year in April and making the transpacific the market's strongest corridor. The EU's removal of the de minimis threshold for low-value imports on 1 July has already impacted Hong Kong export volumes, which fell 12% in the first week of July. Industry analysts warn that renewed Middle East disruption or further ocean-to-air modal shift could bring the traditional peak season forward to September. Xeneta's Niall van de Wouw stated: "I cannot see the e-commerce growth engine being revived... AI-driven freight is booming, particularly on the Transpacific" (Goldstone, 2026).

**Source:** Goldstone, C. (2026, July 17). *AI cargo props air cargo market amid warnings of an early peak*. The Loadstar. https://theloadstar.com/ai-cargo-props-up-air-cargo-market-amid-warnings-of-an-early-peak/

# GLOBAL FREIGHTER CAPACITY BATTLE INTENSIFIES AS AIRLINES SCRAMBLE TO RESHAPE NETWORKS


A convergence of geopolitical shocks, humanitarian demand and structural aircraft shortages is forcing airlines to rapidly reposition freighter capacity across global networks. Atlas Air's chief commercial officer confirmed the carrier would add no aircraft to its fleet this year, noting "a disconnect between demand on the one side and supply on the other" (Lennane, 2026). Saudia Cargo and China Southern Air Cargo have announced fleet expansions, while Atlas Air acquired a 49% stake in Icelandic ACMI operator Air Atlanta to secure additional widebody access. Delays to new passenger aircraft deliveries are further constraining conversion programs, extending the structural freighter capacity shortage well into the decade.

**Source:** Lennane, A. (2026, July 9). *Battle for freighter capacity intensifies as airlines reshape networks.* The Loadstar. https://theloadstar.com/battle-for-freighter-capacity-intensifies-as-airlines-reshape-networks/

# NORTH AMERICAN TRADE AGREEMENT ENTERS NEW NEGOTIATION PHASE WHILE CROSS-BORDER COMMERCE CONTINUES

NORTH AMERICA MARKET | OCEAN FREIGHT

The first scheduled review of the United States-Mexico-Canada Agreement (USMCA) has concluded with the United States declining to extend the agreement in its current form, setting the stage for continued negotiations among the three North American trading partners. USMCA, which replaced the North American Free Trade Agreement (NAFTA) in 2020, contains a unique review mechanism designed to force member countries to periodically evaluate the agreement. While the decision initiates an annual review process, the agreement remains in effect, allowing cross-border commerce to continue uninterrupted as discussions move forward. The trade pact continues to support one of the world›s largest regional trading relationships, with trade between the three countries remaining at historically high levels. This interconnected market plays a vital role in supporting freight transportation, customs operations, warehousing, and supply chain planning across North America.

**Source:** Mahoney, N. (2026, July 1). *USMCA enters uncertain future after U.S. rejects automatic renewal*. FreightWaves. https://www.freightwaves.com/news/usmca-enters-uncertain-future-after-u-s-rejects-automatic-renewal

# NEW IATA AIRWAY BILL FRAMEWORK SPARKS LIABILITY CONCERNS ACROSS AIR CARGO INDUSTRY

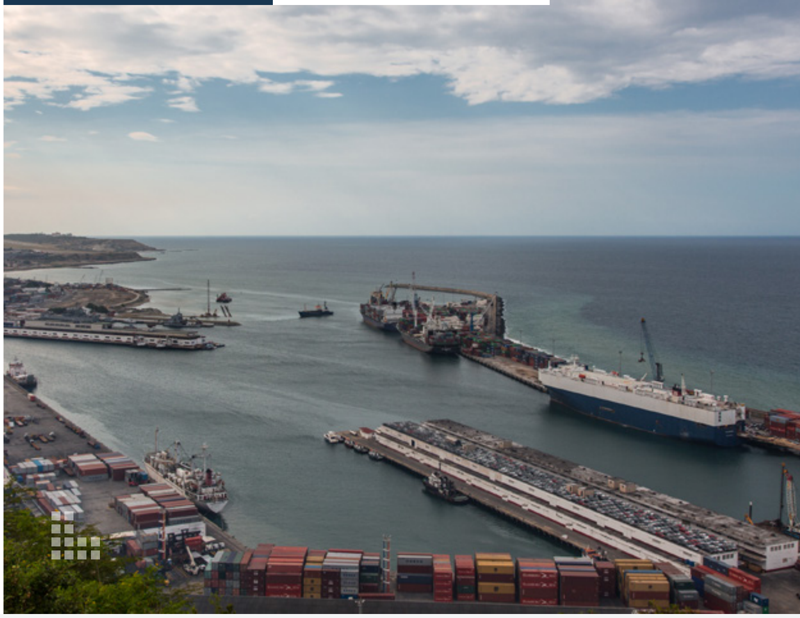

NORTH AMERICA MARKET | AIR FREIGHT

A revised IATA framework for direct airway bills, effective July 1, 2026, is raising significant concerns across the air cargo industry by shifting liability for misdeclared goods, dangerous goods and packaging errors from shippers to freight intermediaries. The Airforwarders Association warned that agents should not be expected to assume responsibility for cargo they neither own, pack nor control, with Executive Director Brandon Fried stating: “Freight forwarders should not be expected to assume liability for cargo they neither own, pack, nor control” (Kulisch, 2026). Implementation is inconsistent across airlines, creating market confusion. Industry associations have urged members to seek written confirmation from each airline on applicable contractual arrangements and to review their insurance coverage immediately.

**Source:** Kulisch, E. (2026, July 8). *New airline cargo contract raises liability risk, logistics providers say*. Freightwaves. https://www.freightwaves.com/news/new-airline-cargo-contract-raises-liability-risk-logistics-providers-say

# AIS DATA HIGHLIGHTS CHANGING PORT ACTIVITY FOLLOWING VENEZUELA'S EARTHQUAKES

LATAM MARKET OCEAN FREIGHT



In the weeks following the June 24 earthquakes in northern Venezuela, vessel tracking data has provided valuable insight into changing port operations as the country balances humanitarian needs with commercial trade. Continuous Automatic Identification System (AIS) monitoring revealed distinct operating conditions at the nation›s two primary ports. According to Weathernews› analysis of AIS data from June 24 through July 2, La Guaira experienced a significant decline in vessel activity, while Puerto Cabello continued handling commercial cargo and absorbed diverted shipments. As the report noted, "Venezuela is operating with one port absorbing diverted cargo, one port repurposed as a humanitarian hub" (Weathernews, 2026). This pattern reflects the different roles each facility has assumed during the response and recovery efforts. The combination of vessel tracking data and industry reporting has helped logistics providers monitor changing operating conditions and make informed routing decisions while official updates remain infrequent.

**Source:** Weathernews. (2026, July 8). *Venezuela's Ports Two Weeks On: What AIS Data Reveals About a Maritime System Under Stress*. Weathernews. https://sea.weathernews.com/resources/202607/146?utm_source=chatgpt.com

# BRAZIL'S CONTAINER TRADE MAINTAINS GROWTH AS LOGISTICS NETWORKS FACE RISING DEMAND

LATAM MARKET OCEAN FREIGHT

Brazil's container market continues to demonstrate steady growth, reflecting strong demand across both export and import sectors. China remained Brazil's largest commercial partner during the reporting period, reinforcing established trade relationships across multiple industries. Growing cargo volumes are placing additional demands on key logistics gateways, particularly the Port of Santos. Recent data indicates higher terminal utilization and extended waiting periods for both inbound and outbound volumes. "The performance of Brazilian foreign trade during the second half of the year will depend largely on the evolution of trade tensions and new tariff policies" (2026). Continued investments in multimodal transportation, logistics parks, and terminal capacity are expected to strengthen supply chain performance while supporting Brazil's expanding role in international commerce.

**Sources:** Malheiros, G. (2026, July 20). *Container Handling Costs Soar as Port of Santos Nears Capacity*. DatamarNews. https://datamarnews.com/noticias/container-handling-costs-soar-as-port-of-santos-nears-capacity/

Comex Latam. (2026, July 3). *Brazil maintains growth in container trade, but anticipates a more challenging semester.* Comex Latam. https://www.comexlatam.com/brasil-mantiene-el-crecimiento-del-comercio-en-contenedores-pero-anticipa-un-semestre-mas-desafiante/

# EAST COAST CAPACITY REMAINS TIGHT AS PEAK SEASON ADVANCES

ASIA MARKET OCEAN FREIGHT

The 2026 trans-Pacific peak season is revealing a growing difference in vessel availability between U.S. coastal gateways. Capacity from Asia to the West Coast has begun to improve as carriers introduce additional space, while East Coast services continue to operate under tighter conditions. A combination of carrier network decisions and Panama Canal restrictions is contributing to the imbalance. "Space remains especially tight and spot rates higher than usual from Asia to the East Coast primarily because carriers have not deployed much extra capacity in the form of extra-loader vessels on that lane" (Szakonyi & Mongelluzzo, 2026). The widening capacity difference between the two coasts highlights the importance of maintaining routing flexibility as the peak shipping season develops.

**Source:** Szakonyi, M., & Mongelluzzo, B. (2026, July 22). *US importers feel peak season capacity pinch to East Coast.* Journal of Commerce. *https://www.joc.com/article/us-importers-feel-peak-season-capacity-pinch-to-east-coast-6257445?utm_source=newsletter&utm_medium=email&utm_campaign=daily%25newswire*

# US, EUROPE SUPPLEMENTAL SAILINGS HELP ADDRESS GROWING DEMAND FROM INDIAN EXPORTERS

ASIA MARKET OCEAN FREIGHT

Ocean carriers are responding to sustained export momentum from India by deploying supplemental sailings and enhancing service capacity on routes serving Europe and the U.S. East Coast. "CMA CGM seems to be moving faster than competitors to seize on the market boom" (Mathew, 2026). Although these initiatives provide additional lift, vessel space remains tight, leading to continued cargo rollovers at India›s largest container gateways. Operational improvements, including the potential restoration of more direct vessel routings, could enhance network efficiency while enabling carriers to transport greater cargo volumes. Industry analysts expect carriers to continue monitoring export demand closely and launch additional sailings where operational resources permit.

**Source:** Mathew, B. (2026, July 17). *Carriers attempt extra-loaders to US, Europe to capitalize on Indian export rush.* Journal of Commerce. *https://www.joc.com/article/carriers-attempt-extra-loaders-to-us-europe-to-capitalize-on-indian-export-rush-6255149*

# LOW RHINE WATER LEVELS CHALLENGE INLAND FREIGHT MOVEMENT ACROSS GERMANY

Persistent low water levels along Germany›s Rhine River are creating operational challenges for inland shipping, reducing vessel capacity and reducing transportation efficiency across one of Europe›s most important freight corridors. Ongoing hot and dry weather has limited the amount of cargo that barges can safely transport, particularly along key sections of the river south of Duisburg and Cologne, including the critical Kaub bottleneck. "Shallow water means vessel operators are imposing surcharges on freight rates to compensate for vessels not sailing fully loaded, increasing costs for cargo owners" (Reuters, 2026). As prolonged dry conditions and elevated temperatures continue, logistics providers are adapting to changing river conditions while closely monitoring weather forecasts for potential relief.

**Source:** Hogan, M. (2026, July 13). *Low water hampers Rhine river shipping in Germany, transport costs rise*. Reuters. https://www.reuters.com/business/environment/low-water-hampers-rhine-river-shipping-germany-transport-costs-rise-2026-07-13/

EUROPE MARKET OCEAN FREIGHT

# NEW TOWAGE PERMIT FRAMEWORK STRENGTHENS ROTTERDAM PORT OPERATIONS


EUROPE MARKET OCEAN FREIGHT

Towage providers operating at the Port of Rotterdam are now subject to a standardized permit system intended to strengthen consistency, safety and coordination across vessel-handling services. Effective July 1, 2026, companies must be authorized to provide port towage services, with the requirements also applying to tug captains employed or contracted by approved operators. Harbour Master René de Vries said the new standards are designed to reinforce cooperation, noting that they "anchor the collaboration between boatmen, pilots and tugs" (McDonald, 2026). Under the requirements, companies must verify that captains have suitable training, operational knowledge, experience and professional skills. Providers are also expected to maintain continuous availability, ensuring vessels can access towage assistance throughout the year and across Rotterdam's port area.

**Source:** McDonald, R. (2026, July 13). *Rotterdam introduces uniform permit rules for port towage providers*. Breakbulk News. https://breakbulk.news/rotterdam-introduces-uniform-permit-rules-for-port-towage-providers/?utm_source=chatgpt.com

# EU DE MINIMIS EXEMPTION ENDS, RESHAPING E-COMMERCE FLOWS AND AIR CARGO DEMAND

The EU's removal of its €150 de minimis exemption on 1 July 2026 marks a structural shift for cross-border e-commerce and air cargo, with all low-value imports now subject to a flat €3 customs duty. The immediate market impact has been significant — Asia Pacific-Europe volumes fell 10% week-on-week and 15% year-on-year in the week of 6-12 July, with Hong Kong volumes down 23% year-on-year after four consecutive weekly declines. China volumes followed a similar pattern, dropping 13% week-on-week. WorldACD confirmed the decline directly reflected "the impact of the removal by the EU of de minimis import tariff exemptions since 1 July" (Jeffrey, 2026). Industry sources suggest platforms were well-prepared, and analysts expect volumes to eventually stabilize at around 75% of prior levels, mirroring the recovery pattern seen after the US removed its own de minimis exemption.

**Sources:** Jeffrey, R. (2026, July 20). *APAC-Europe air cargo volumes drop 15% year on year.* Air Cargo News. https://www.aircargonews.net/data/2026/07/apac-europe-air-cargo-volumes-drop-15-year-on-year/

Whiteman, A. (2026, July 1). *Ready or not, it's the end of de minimis in the EU.* The Loadstar. https://theloadstar.com/ready-or-not-its-the-end-of-de-minimis-in-the-eu/

EUROPE MARKET | AIR FREIGHT

# SOUTH AFRICA'S CAPE SHIPPING CORRIDOR GAINS STRATEGIC IMPORTANCE AMID ROUTE CHANGES

MIDDLE EAST MARKET | AIR FREIGHT

Cathay Cargo and Cargolux have both postponed planned freighter service resumptions to the Middle East following the collapse of the US-Iran ceasefire on 8 July and renewed airstrikes and missile exchanges. Cathay Cargo, which had announced a Riyadh restart for 1 August, confirmed it would "continue to monitor the evolving situation in the Middle East" (Brett, 2026). Cargolux, which has maintained only Muscat operations since March, has similarly placed Dubai World Central resumption plans on hold indefinitely. Despite the renewed hostilities, cargo capacity data shows regional volumes continuing a gradual recovery, with Middle East-Europe capacity up 10% week-on-week.

**Source:** Brett, D. (2026, July 17). *Cathay Cargo the latest to postpone Middle East freighter resumption.* Air Cargo News. https://www.aircargonews.net/freighter-operator/2026/07/cathay-cargo-the-latest-to-postpone-middle-east-freighter-resumption/

Brett, D. (2026, July 15). *Cargolux cancels plans to restart freighter operations to Dubai.* Air Cargo News. https://www.aircargonews.net/freighter-operator/2026/07/cargolux-cancels-plans freighter-operations-to-dubai/