

# FrachtNEWS

## LOGISTICS MARKET REPORT



GLOBAL MARKET

OCEAN FREIGHT

## GLOBAL MARITIME OPERATIONS ADJUST TO RISING DEMAND, RATE INCREASES, AND CAPACITY CONSTRAINTS

International container transportation conditions across major East-West shipping corridors continued gaining momentum in May as earlier than normal seasonal cargo demand and tighter vessel management strategies supported higher spot market levels. Industry observers noted that vessel operators are modifying network deployment plans and implementing blank sailings to manage vessel utilization as summer cargo volumes begin accelerating. The latest Drewry World Container Index highlighted incessant strengthening across several primary international shipping channels. “The sharpest gains came on the Asia-Europe trade lane, where tightening capacity and rising Freight All Kinds (FAK) rates fueled a surge in spot pricing” (Schuler, 2026). Transpacific services also experienced gradual improvement, although growth remained more moderate. In addition to seasonal shipping patterns, ongoing geopolitical

tensions in the Middle East and operational uncertainty surrounding the Strait of Hormuz continue affecting logistics planning and maritime operations. Analysts indicated that ongoing uncertainty tied to Gulf maritime movement, bunker availability, and emergency fuel-related adjustments are creating additional strain on freight networks already dealing with constrained equipment and vessel space. Many supply chain organizations are expected to prioritize earlier booking strategies, flexible routing options, and stronger collaboration with transportation partners as shipping conditions remain active heading into the latter half of 2026.

**Source:** Schuler, M. (2026, May 21). *Drewry: Container Spot Rates Continue Climb as Early Peak Season Gains Momentum*. gCaptain. <https://gcaptain.com/drewry-container-spot-rates-continue-climb-as-early-peak-season-gains-momentum/>

# NOAA OUTLOOK SIGNALS LESS ACTIVE ATLANTIC HURRICANE SEASON FOR 2026

“Forecasters with NOAA’s National Weather Service are predicting a below-normal hurricane season for the Atlantic basin this year” (NOAA, 2026). While the outlook points toward reduced storm activity, logistics and supply chain professionals are still being encouraged to maintain preparedness plans as weather-related disruptions remain unpredictable across transportation networks, ports, and inland distribution systems. NOAA also highlighted several technology upgrades designed to improve storm forecasting accuracy and emergency response coordination. These include enhanced AI-based forecasting models, expanded use of drones and uncrewed aircraft systems, upgraded satellite data integration, and improved flood inundation mapping tools capable of identifying neighborhoods and transportation corridors vulnerable to flooding. The Atlantic hurricane season officially runs from June 1 through November 30.

**Source:** NOAA National Weather Service Public Affairs team. (2026, May 21). *NOAA predicts below-normal 2026 Atlantic hurricane season.* National Oceanic and Atmospheric Administration. <https://www.noaa.gov/news-release/noaa-predicts-below-normal-2026-atlantic-hurricane-season>

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# PANAMA CANAL STRENGTHENS WATER STRATEGY AHEAD OF POTENTIAL EL NIÑO CONDITIONS



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The Panama Canal Authority is intensifying water conservation and operational planning efforts as forecasters monitor a high likelihood of El Niño conditions developing later in 2026. The Panama Canal Authority stated that, “In light of the potential threat of an El Niño event in the second half of 2026, the Panama Canal began implementing water-saving measures at the locks in late 2025” (Yanelli, 2026). Officials indicated that the initiative is part of a broader national water security strategy intended to support both canal operations and population needs as climate-related weather variability becomes more frequent. The Panama Canal remains a critical gateway connecting Asian manufacturing centers with the U.S. Gulf and East Coast regions, making water management a significant operational priority for global transportation networks.

**Source:** Yanelli, A. (2026, May 19). *Panama Canal plans for water shortages as US NOAA forecasts 98% chance of El Niño.* ICIS (Independent Commodity Intelligence Services). [https://www.icis.com/explore/resources/news/2026/05/06/11204566/carriers-to-cautious-transiting-strait-of-hormuz-amid-on-again-off-again-peace-talks-id=11209064&utm\\_source=copilot.com](https://www.icis.com/explore/resources/news/2026/05/06/11204566/carriers-to-cautious-transiting-strait-of-hormuz-amid-on-again-off-again-peace-talks-id=11209064&utm_source=copilot.com)

# IMO ESTABLISHES GLOBAL FRAMEWORK FOR AUTONOMOUS SHIPPING OPERATIONS

The International Maritime Organization (IMO) has approved the first international safety framework designed specifically for autonomous and remotely operated commercial vessels, marking a major development in the future of maritime transportation. The framework creates a structured pathway for integrating advanced shipping technologies into commercial trade while maintaining international safety and environmental standards. According to the IMO, the MASS Code “represents a major step forward, enabling innovation while ensuring that safety, accountability and the human element remain at the core of maritime operations” (International Maritime Organization, 2026). Ship masters will retain overall responsibility for vessel safety and compliance even when ships are operated remotely through dedicated Remote Operations Centres (ROCs). IMO plans to continue refining the framework through additional working groups and operational review periods.

**Source:** International Maritime Organization. (2026, May 22). *IMO adopts first global Code for autonomous ships*. International Maritime Organization. <https://www.imo.org/en/mediacentre/pressbriefings/pages/imo-adopts-mass-code>.



# AI INFRASTRUCTURE BOOM CREATES NEW SUPPLY CHAIN VULNERABILITIES FOR AIR CARGO



GLOBAL MARKET

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The rapid expansion of AI data centres is generating significant new air cargo demand, with data-centre components now representing roughly 5% of global air freight volume following 39% year-on-year growth. However, Middle East disruptions are simultaneously threatening the helium supply critical to semiconductor manufacturing — Qatar’s Ras Laffan facility alone accounts for roughly a third of global supply. Cargolux CEO Richard Forson warned: “Helium is used intensively in cooling down the data centres. The shortage of jet fuel will be the least of our worries.” Analysts caution that AI infrastructure now rivals e-commerce as a strategic driver of global cargo flows (Lennane, 2026).

**Source:** Lennane, A. (2026, May 19). *Air cargo squeezed between AI boom and helium supply crisis*. The Loadstar. <https://theloadstar.com/air-cargo-squeezed-between-ai-boom-and-helium-supply>

# GLOBAL AIR CARGO RATES BEGIN TO EASE FOLLOWING MONTHS OF CONFLICT-DRIVEN INCREASES

**G**lobal air freight rates have finally started to decline after sustained increases since the onset of the Middle East conflict, though they remain significantly elevated year-on-year. The easing was driven by a drop in jet fuel prices in early May. TAC Index noted the decrease was prompted by falling jet fuel prices, though they remain “still up about 80% year on year.” Rates fell across key outbound hubs including Hong Kong, Shanghai, India and Korea, while Southeast Asian routes from Vietnam and Bangkok continued to climb. Despite the welcome relief, normalisation remains distant with year-on-year comparisons still reflecting significant recent disruption (Jeffrey, 2026).

**Source:** Jeffrey, R. (2026, May 20). *Rates finally start to ease as jet fuel prices fall.* Air Cargo News. <https://www.aircargonews.net/data/2026/05/rates-finally-start-to-ease-as-jet-fuel->



GLOBAL MARKET

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# MULTIPURPOSE SHIPPING SEGMENT HOLDS STEADY DESPITE REGIONAL DISRUPTIONS



GLOBAL MARKET

BREAKBULK

**T**oepfer Transport’s May 2026 multipurpose shipping update points to continued stability within the heavy lift and project cargo sector, even as broader freight markets encounter increasing pressure. Industry analysts noted that operational disruptions in the Arabian Gulf, including tightening bunker availability at major refueling hubs, have not yet translated into significant movement in time charter activity. As Toepfer explained, “This stability is not in line with the development of the freight rates which clearly are under pressure in most trades.” The contrast highlights the difference between broader cargo market softness and the comparatively balanced conditions within the multipurpose vessel sector.

**Source:** Kershaw, D. (2026, May 12). *Toepfer Transport’s monthly multipurpose shipping rate update.* Heavy Lift & Project Forwarding International. <https://www.heavyliftpf.com/shipping/2026/05/12/toepfer-transport-s-monthly-multipurpose-shipping-rate-update/>

# TRANS-PACIFIC CONTAINER MARKET SHOWS SIGNS OF AN EARLY PEAK SHIPPING CYCLE

Container shipping activity on the eastbound trans-Pacific trade lane is showing indications of an earlier-than-expected peak season, as rising spot rates and added seasonal vessel deployments point to stronger short-term cargo demand. “Container lines are blanking less and deploying incrementally more tonnage as peak season nears,” as indicated by eeSea data (Szakonyi, 2026). Capacity management remains a major strategic focus for carriers following a difficult first quarter. Shipping lines have continued to adjust sailing schedules and vessel deployment strategies to avoid oversupply and protect service performance. Industry analysts note that carriers are taking a more disciplined approach to capacity planning than in previous years. Major vessel operators continue balancing demand expectations with concerns surrounding rising operational expenses and uncertain second-half import forecasts.

**Source:** Szakonyi, M. (2026, May 20). *Spot rate surge may signal early peak season on trans-Pacific*. Journal of Commerce. <https://www.joc.com/article/spot-rate-surge-may-signal-early-peak-season-on-trans-pacific-6224734>


**ASIA MARKET**
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# ELECTRIC CONTAINER VESSEL SIGNALS NEW DIRECTION FOR COASTAL SHIPPING


**ASIA MARKET**
**OCEAN FREIGHT**

China’s maritime sector has taken another step toward lower-emission coastal transportation with the delivery of Ning Yuan Dian Kun, described as the world’s largest fully electric intelligent container ship. The vessel was independently designed by Shanghai Merchant Ship Design and Research Institute (SDARI) and equipped with an electric power system developed by Shanghai Marine Equipment Research Institute, both subsidiaries of China State Shipbuilding Corporation. Ma Hongmeng of the Shanghai Merchant Ship Design and Research Institute stated that the vessel demonstrates “the full life-cycle development of zero carbon ships, characterized by pure electric propulsion, autonomous navigation and high operational efficiency” (Wang & Chen, 2026). Designed specifically for the Ningbo-to-Jiaxing coastal trade lane, the vessel can transport more than 740 TEUs and operates entirely on battery-driven technology. The project is intended to serve as a demonstration model for future initiatives.

**Source:** Ying, W., & Ye, C. (2026, April 16). *Largest intelligent container ship sets sail*. China Daily. <https://www.chinadailyasia.com/hk/article/632108>

# CHINA - ECSA TRADE LANE TIGHTENS AS CAPACITY CONTROLS INTENSIFY

The China-to-East Coast South America (ECSA) trade lane is showing signs of increased tightening as shipping lines adjust network strategies and operational controls across key South American markets. According to logistics specialist Michael Ye, the market is transitioning into a more controlled phase led by vessel operators seeking tighter allocation management and improved network efficiency. Ye noted that “the market is being shaped primarily by supply-side discipline from carriers,” highlighting how blank sailings, rolled cargo practices, and selective space allocation are reducing available vessel capacity despite moderate cargo growth (Ye, 2026). Industry participants are increasingly advising shippers to adopt earlier booking timelines, strengthen compliance procedures, and build greater flexibility into supply chain planning for the second half of 2026.

**Source:** Ye, M. (2026, May 25). *Market alert: The China to East Coast South America (ECSA) trade lane is entering a new tightening cycle (W22, 2026)*. LinkedIn. <https://www.linkedin.com/pulse/market-alert-china-east-coast-south-america-ecsa-trade-michael-ye-6dm0c/?trackingId=%2F4gsizl7T%2B%2Bl7PpSABn5lO%3D%3D>



LATAM MARKET

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# CHINA - WCSA SHIPPING NETWORKS ENTER MORE RESTRICTIVE OPERATING ENVIRONMENT



Trade conditions between China and the West Coast of South America (WCSA) are entering a more controlled and operationally sensitive phase as vessel operators adjust allocation strategies while regional disruptions increase across several Latin American markets. Shipping lines are continuing to manage available vessel space through network adjustments, including blank sailings and tighter allocation controls. “Supply chain bottlenecks are moving from the ocean to the ports and inland routes” (Ye, 2026). Several countries in the region are strengthening inspection activity, documentation reviews, and import verification procedures, contributing to a broader shift toward compliance-focused supply chain management. Industry analysts expect operational volatility to remain elevated in the near term as weather disruptions, labor risks, and tighter capacity management continue influencing regional supply chain performance.

**Source:** Ye, M. (2026, May 7). *China - WCSA Trade Lane Alert (WK19, 2026): Rates Going up & Chile Strike Looms*. LinkedIn. <https://www.linkedin.com/pulse/china-wcsa-trade-lane-alert-wk19-2026-rates-going-up-michael-ye-s4tqc/>

LATAM MARKET

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# US CONTAINER MANUFACTURING SCRUTINY ADDS NEW PRESSURE TO GLOBAL LOGISTICS LANDSCAPE

The US Department of Justice (DOJ) has escalated tensions surrounding global supply chain oversight by indicting four major container manufacturing companies and several senior executives on allegations tied to price-fixing and production restrictions within the container shipping sector. The development adds another layer to the ongoing logistics and trade friction between the United States and China, following earlier disputes involving tariffs, port equipment, and maritime infrastructure concerns. The DOJ said the alleged activity “held hostage the world’s supply of ocean shipping containers during the COVID pandemic when our supply chains needed it the most” (Wallis, 2026). The companies named include China International Marine Containers (CIMC), Dong Fang International Containers, CXIC Group Containers Company, and Singamas Container Holdings. Despite the charges, the companies involved have stated that operations remain unaffected.

**Source:** Wallis, K. (2026, May 20). *US move against container makers is latest entry in logistics battle with China*. Journal of Commerce. <https://www.joc.com/article/us-move-against-container-makers-is-latest-entry-in-logistics-battle-with-china-6224758>



NORTH AMERICA MARKET

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# US CARGO CARRIERS URGE GOVERNMENT TO SUSPEND AVIATION FUEL TAX



NORTH AMERICA MARKET

AIR FREIGHT

A coalition of US cargo airlines has formally called on the US administration to temporarily waive federal excise taxes on commercial aviation fuel as the Middle East conflict continues to drive up operating costs. The National Air Carrier Association, whose members include Atlas Air, Kalitta Air and National Airlines among others, warned that rising fuel costs threaten broader economic stability. NACA president George Novak stated: “Increased fuel costs ripple through the broader economy, increasing prices on everything transported by air — from medical supplies and electronic components to flowers, perishables and consumer goods.” The US administration is currently considering a 90-day suspension of the non-aviation fuel tax (Brett, 2026).

**Source:** Brett, D. (2026, May 20). *US cargo airlines call for suspension of jet fuel tax*. Air Cargo News. <https://www.aircargonews.net/freighter-operator/2026/05/us-cargo-airlines-call-for-suspension-of-jet-fuel-tax/>

# AVIATION INDUSTRY PUSHES BACK AGAINST PLANS TO PRIVATISE US AIRPORT SECURITY

The Air forwarders Association has warned against proposals to privatise elements of the Transportation Security Administration, cautioning that reduced federal oversight could reintroduce security vulnerabilities eliminated after the September 11 attacks. Speaking at the CNS Partnership Conference in San Francisco, Executive Director Brandon Fried argued that while public-private partnerships have proven effective in air cargo security through frameworks like the Known Shipper program and Air Cargo Advance Screening, the same model should not be applied to passenger screening without strict federal oversight. Fried stated: “The lessons of September 11 are clear, and the stakes are too high for failure” (STAT Times, 2026).

**Source:** STAT Times. (2026, May 20). *Airforwarders Association opposes TSA privatization plans.* The STAT Trade Times. <https://www.stattimes.com/air-cargo/airforwarders-association-opposes-tsa-privatisation-plans-1359201>



**NORTH AMERICA MARKET**

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# EUROPE’S INLAND WATERWAYS FACE ADDED PRESSURE AS RIVER LEVELS DECLINE



**EUROPE MARKET**

**OCEAN FREIGHT**

Europe’s inland transportation network is facing additional operational strain as falling river levels across the Rhine create new challenges for barge operators already managing congestion tied to increased vessel activity at major seaports. Logistics providers and shippers are continuing to experience extended delays across barge corridors that support cargo movement between inland terminals and gateway ports. Barge operator Contargo stated that “there is a significant shortage of berthing space due to the handling of several deep sea vessels,” while also warning that labor shortages and diversions to alternative terminals are extending vessel turnaround times and disrupting inland operations (Whiteman, 2026). As Europe enters the warmer summer period, supply chain organizations are expected to increase contingency planning efforts, diversify inland transportation strategies, and closely monitor river conditions to minimize potential disruptions to cargo flows moving through Northern Europe’s major logistics hubs.

**Source:** Whiteman, A. (2026, May 26). *Already stretched barge services now threatened by falling river levels.* The Loadstar. <https://theloadstar.com/already-stretched-barge-services-now-threatened-by-falling-river-levels/>

# EUROPEAN FREIGHT GATEWAYS EXPERIENCE RISING OPERATIONAL DELAYS

Congestion across several major Northern European port gateways is creating additional strain on international transportation planning and inland cargo movement. Recent analysis from maritime consultancy Drewry indicates that vessel waiting times have increased significantly at key logistics hubs including Bremerhaven, Antwerp, Hamburg, Rotterdam, and Felixstowe as operational bottlenecks continue affecting regional freight networks. “Cargo ships are still largely avoiding the Red Sea, where Yemen-based Houthis started attacking vessels in late 2023, and sailing around southern Africa to ferry goods on routes that connect Asia, Europe and the US” (Murray, 2026). Analysts believe these longer voyage patterns, combined with congestion and policy uncertainty, will continue placing pressure on transportation planning, schedule reliability, and cargo flow management into the summer months.

**Source:** Murray, B. (2026, May 25). *Europe's Shipping Bottlenecks Expected to Persist Into July*. gCaptain. <https://gCaptain.com/europes-shipping-bottlenecks-expected-to-persist-into-july/>



# CARGOLUX CEO WARNS HORMUZ CRISIS THREATENS FAR MORE THAN AVIATION FUEL SUPPLIES



Cargolux CEO Richard Forson has warned that prolonged Strait of Hormuz disruption could trigger inflation, economic downturn and supply chain failures extending well beyond aviation. The carrier has already suspended services to Amman, Riyadh, Dammam, Bahrain and the UAE, rerouting flights almost overnight. Despite sharply rising fuel costs, Forson noted cargo demand has remained resilient, adding: “The shortage of jet fuel will be the least of our worries, because the global economy is going to go through an extremely difficult time.” He also questioned whether repeated geopolitical shocks had become the new normal for the cargo sector (Lennane, 2026).

**Source:** Lennane, A. (2026, May 13). *'Jet fuel will be the least of our worries': Cargolux CEO on Hormuz crisis*. The Loadstar. <https://theloadstar.com/jet-fuel-will-be-the-least-of-our-worries-cargolux-ceo-on-hormuz-crisis/>

# MIDDLE EAST AVIATION SECTOR COUNTS THE COST OF CONFLICT AS RECOVERY REMAINS FRAGILE

Nine Middle East airports suffered a combined loss of 620,000 tonnes of cargo between end-February and end-April, a 52% year-on-year decline, with total revenue shortfalls estimated between \$900m and \$1bn. Gulf airspace restrictions removed nearly 20% of all east-west connecting capacity from the global aviation network almost instantly. Recovery is expected to follow a gradual “swoosh-shaped” trajectory, with Dubai, Doha and Riyadh leading the rebound. ACI’s Stefano Baronci warned: “We are at a critical juncture, since protracted instability over the summer may have a far more negative impact on the economic sustainability of the airport sector” (Todd, 2026).

**Source:** Todd, S. (2026, May 14). *Conflict has Middle East airports \$1bn.* The Loadstar. <https://theloadstar.com/conflict-has-cost-middle-east-airports-1bn-in-lost-air-cargo/>



MIDDLE EAST MARKET

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# QATAR AIRWAYS CARGO MAINTAINS GLOBAL LEADERSHIP DESPITE MIDDLE EAST DISRUPTION



MIDDLE EAST MARKET

AIR FREIGHT

Qatar Airways Cargo retained its position as the world’s largest international air freight carrier despite volume and revenue declines caused by Middle East airspace closures and shifting trade flows. By year-end, all 30 Boeing 777 freighters were fully deployed, 93% of Doha cargo backlog had been cleared, and 87 daily flights operated uninterrupted. The carrier launched new freighter services to Baghdad, Cairo, Erbil, Tbilisi and Yerevan, and introduced TechLift, a dedicated service for semiconductors and high-tech cargo. Qatar Airways Cargo stated it “responded with agility and adjusted capacity across its network in line with customer requirements and regional growth opportunities” (Brett, 2026).

**Source:** Brett, D. (2026, May 20). *Qatar Cargo maintains market leadership despite volume decline.* Air Cargo News. <https://www.aircargonews.net/business/2026/05/qatar-cargo-maintains-market-leadership-despite-volume-decline/>