Key takeaways

CSCMP'S ANNUAL
STATE OF LOGISTICS REPORT®

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Rental | Leasing | Logistics

Macroeconomic outlook

Five structural forces define the macro environment: asymmetrical global growth, tightening financial conditions, geoeconomic realignment, labor and productivity constraints, and energy volatility. Regional growth is uneven, with the United States, India, and Southeast Asia outperforming Europe and GCC economies. The Strait of Hormuz is a defining chokepoint for oil and LNG trade, while changing tariff policy has created a paralysis effect on network reconfiguration. For logistics leaders, performance now depends less on demand recovery or scale than on resilience, pricing discipline, and digital productivity.

State of AI in logistics

Artificial intelligence has crossed a threshold in logistics, moving from evaluation to measurable commercial returns in specific, well-defined applications. AI creates value through four capabilities: interpret, predict, recommend, and execute, with interpret and predict most mature. Physical AI, including warehouse robotics and autonomous vehicles, is producing commercial milestones. Adoption remains uneven, widening the gap between embedded AI workflows and isolated point solutions. The lesson is clear: value comes from selecting specific high-value workflows, redesigning them around AI, and sequencing targeted wins outward.

Air

Air freight delivered record cargo volumes in 2025, with global demand growing 3.4 percent, but corridor-level divergence, not global averages, defined the market. Tariff-driven front-loading produced sharp early-year demand surges, while Asia–Europe surged 10.3 percent and Asia–North America contracted 0.8 percent. Early 2026 showed strong demand acceleration, but rising fuel costs, SAF requirements, constrained Gulf routing, and geopolitical uncertainty create volatility. The market is shifting toward value-dense cargo where speed and reliability outweigh freight cost.

Parcel and last-mile

The US parcel and last-mile sector has undergone a structural reset, not post-pandemic normalization. The removal of de minimis treatment for China-origin parcels collapsed daily volumes by about 85 percent, forcing shifts to domestic fulfillment. Carrier costs have reset, with 5.9 percent general rate increases plus fuel and accessorial surcharges. Demand remains supported by $1.23 trillion in US e-commerce, but has bifurcated into ultra-low-cost regional delivery and premium-speed categories. Platform-controlled routing is shifting advantage from network ownership to intelligence, integration, and greater adaptability.

3PL

The 3PL industry is at a strategic inflection point as shipper demands shift from transactional execution to end-to-end supply chain orchestration. Regulatory complexity, tariff volatility, and evolving cross-border flows are driving shippers to seek partners that coordinate modes, data, and decisions across the network. Leading 3PLs are responding by expanding scale, increasing node density and warehousing footprint, embedding real-time visibility, and deploying AI. Providers positioned to win are evolving toward integrated, 4PL-like orchestrators.

Freight forwarding

Freight forwarding entered 2026 in structural reset, shaped by three converging dynamics. Margin discipline has become the primary focus as pricing pressure from structural overcapacity persists despite stabilizing volumes. Geopolitical disruption has shifted from episodic to continuous, making rerouting, mode shifts, and contingency planning baseline requirements. Most consequentially, value is migrating from traditional brokerage margins toward higher-value services such as customs, compliance, warehousing, and supply chain financing, supported by technology-enabled, integrated solutions at scale.

Water/ports

The ocean freight market remains oversupplied, though disruptions reduce effective capacity. Fleet growth outpaced demand in 2025, and new-build capacity entering in 2026 is deepening the imbalance. Multiple chokepoints, including the Red Sea, Strait of Hormuz, Panama Canal, and Black Sea, have sustained short-term rate support while constraining alternatives. For shippers, the soft market creates a procurement window, but volatility makes contract flexibility and scenario-based procurement more valuable than market timing.

Motor

The US truckload market is exiting one of its longest downturns through a supply-driven reset, not a demand-led rebound. About 89,000 carriers have exited since 2022, tightening capacity and firming pricing even as demand remains mixed. The market now behaves less like a single national market and more like lane-level markets, with pricing, capacity, and service varying by corridor. Leading shippers are moving from annual bids to dynamic procurement, while technology-native challengers push incumbents to accelerate investment.

Rail

Rail enters 2026 in structural change dominated by the proposed Union Pacific–Norfolk Southern merger, which would create the first coast-to-coast single-line railroad in US history if approved. A revised filing for the merger was submitted in April 2026. The rationale centers on truck diversion and faster transit, but competitors and shippers cite concerns about competition, rates, and service. This follows a challenging 2025: Class I revenues were flat, carload volumes grew marginally, and intermodal revenue declined despite volume gains.

Warehousing

The warehouse sector has largely absorbed prior-cycle disruptions and entered a period of recalibration. Labor has stabilized at about 1.8 million to 1.9 million workers, but shortages are concentrated in higher-skilled technical and supervisory roles, while turnover remains above 40 to 50 percent annually. Real estate is normalizing, with vacancy at 7.1 percent and new supply at its lowest since 2017. Inventory has stabilized, shifting from broad stockpiling to targeted buffers. Leaders are deploying technology at network scale.

Sustainability

Sustainability in logistics is moving from aspiration to disciplined execution. Net-zero commitments remain intact, but pathways have narrowed: EV truck adoption has slowed, SAF supply falls short, and alternative marine fuels face cost and supply uncertainty. The dominant shift is from green premium to business case, where initiatives must demonstrate cost reduction, compliance, or revenue protection. Transatlantic divergence has widened, while energy volatility reframes sustainability investments as resilience hedges and physical climate risk becomes critical.

Network trends

The defining shift in logistics network management is from periodic optimization to continuous adaptation. In 2025, trade policy changed on average every 1.5 weeks, making tariff complexity a permanent operating variable. As a result, risk has shifted from “network debt,” the inefficiencies from deferred redesign, to “network drift,” the risk of reactive adjustments. The antidote is cross-functional policy-impact teams, scenario playbooks, and decision-layer automation.

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