Ocean freight POV

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Michael Zimmerman, Hemanth Peyyeti, Venky Arun, Sudhanshu Singh, Puneet Khurana , A V Navya Sree, Anubhav Potadey

KEARNEY

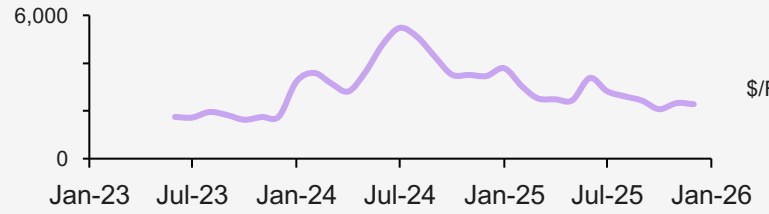
Ocean Freight Value Chain Barometer at the close of Q4 2025

Mega trends driving ocean freight value chain

* - Future trend

⚛ Tracked with a two-month delay

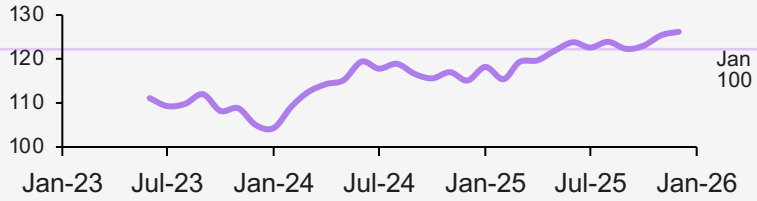
Drewry Global Rate Index



Trend ↗

- Rates increased by 12% in November 2025 and declined by 2% in December 2025 as transpacific demand weakened, with China-origin volumes rerouted in response to evolving US–China tariff measures.
- This decline is expected to reverse as demand builds ahead of Chinese New Year.

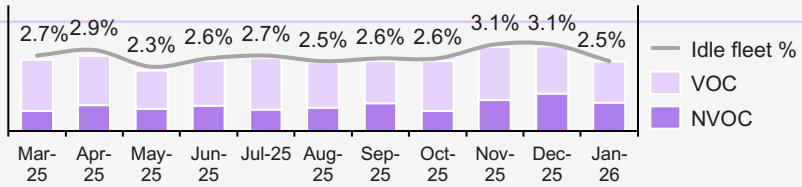
⚛ Port throughput



Trend ↗

- Throughput increased by 1% in November/December due to seasonal demand across key trade routes.

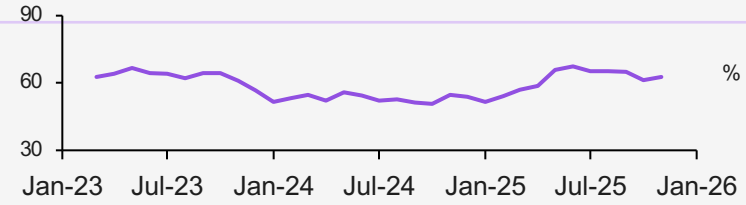
Idle capacity



Trend ↙

- Idle capacity fell by 0.6% due to decrease in blank sailings of both carrier and non-carrier-owned vessels.
- Idle capacity is likely to decrease further in January as season driven demand is expected to rise.

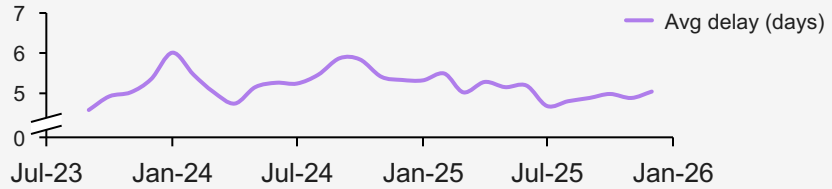
⚛ Schedule reliability



Trend ↗

- Reliability declined by 1.2% in December 2025, reversing period of improvement in prior months.
- Reliability is expected to improve as the rollout of new carrier alliances takes place in the coming months.

⚛ Port congestion



Trend ↗

- Port congestion increased across major ports in November/December due to adverse weather congestion and rising demand ahead of Chinese New Year.
- Congestions are likely to intensify as seasonal demand continues to build.

Implications for shippers

- Rates **increased** in **November** and dipped slightly in **December 2025** as demand steadily builds up to align with historical seasonal demand and are expected to **increase going forward in Q1 2026.**
- With rising capacity and reliability, shippers should benefit from improved terms despite short-term spikes.
- Carrier performance monitoring is crucial given market **volatility,** and reasons for congestion/delays fluctuating.

Kearney's Ocean Freight Hub Support

- **Benchmark your situation and rates** with Kearney's Data Ocean and experience to well up opportunities.
- Undertake the **Ocean Freight excellence assessment.**
- Analyze and improve your bid and carrier management processes.

1. Ocean freight: trends, challenges, and implications
2. Unlock the hidden value: our viewpoint
3. Appendix
   - 3a. Regional ocean freight profile
   - 3b. Ocean freight industry updates
   - 3c. Supplier profiles (VOCC and NVOCC)
   - 3d. Ocean indices
   - 3e. Data sources

Ocean freight: trends, challenges, and implications

1. Market outlook
2. Reefer market overview
3. Demand/supply imbalance
4. Port congestion
5. Rate trends
6. Implications for shippers

Ocean freight: trends, challenges, and implications

1. **Market outlook**
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The Global Ocean Freight Market's is currently favorable but unstable due to oversupply, volatile demand, an unpredictable macroeconomic environment, and churning trade policies

Ocean freight trends and challenges

1. **Shipping lines are actively pursuing pricing discipline through FAK rate increases, peak season surcharges, and capacity management measures such as blank sailings to stabilize rates amid seasonal demand shift.**
2. **CMA CGM has announced a freight all kinds (FAK) rates covering dry cargo moving from the Indian Subcontinent, the Middle East and the Red Sea to Northern Europe, the Mediterranean, and North Africa.**
3. **MSC implemented peak season surcharges (PSS) on cargo bound for Dar es Salaam, reflecting continued focus on managing capacity and revenue.**
4. **Hapag-Lloyd raised ocean tariffs from India and Pakistan to Europe, adjusting for market dynamics and expected seasonal demand.**

[1] Data from latest Drewry report
[2] Tracked with a two-month delay
Sources: Drewry, Container News; Kearney analysis

Supply-side fundamentals

Container shipping lines are adding capacities globally in response to disruptions in the Red sea and ongoing Iran-Israel tensions, alongside challenges posed by port congestions, weather conditions and diversions

Indicators for trends[1]

- **Drewry's Global Freight Rate Index increased by 12% for a 40ft container in November and dipped by 2% in December as steady demand starts to build ahead of Chinese New Year.**
- **East-West Rate Index increased by 1% to reach $2,156 (40-ft box) in December. Transpacific EB rates fell by 3% in December despite carrier imposed GRIs to improve market sentiment.**
- **Asia–Europe Index increased by 13% m/m to $3,049 per 40ft container in December. While spot rates are 46% lower than a year ago, they remain 43% above 2019 levels.**
- **Schedule reliability[2] decreased by 1.2% to reach 62.8% in December 2025, reversing a period of slight improvement as shippers continue to face uncertain delivery time and frequent route changes.**

Ocean freight: trends, challenges, and implications

1. Market outlook
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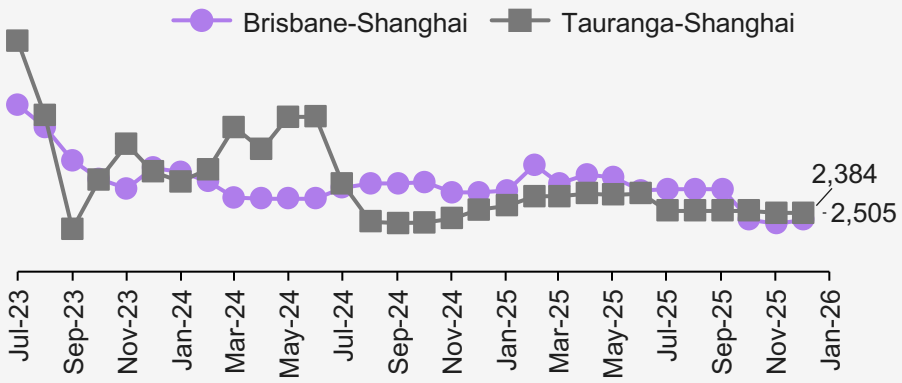
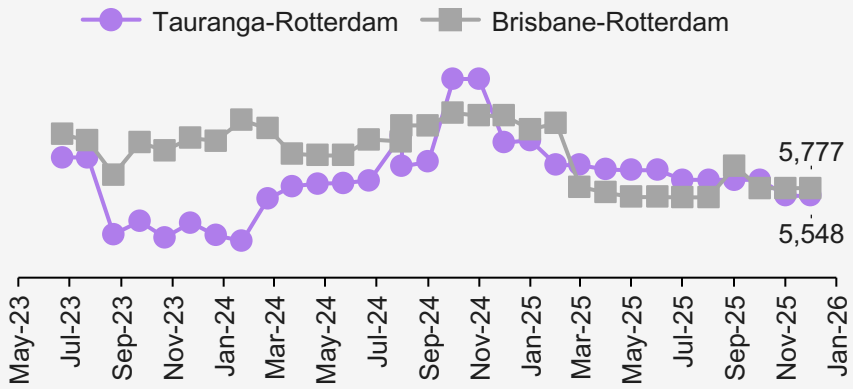
Reefer ocean rates are continuing to fall on routes such as Asia–Europe, with risk of testing multi-month lows, driven by overcapacity and uneven demand

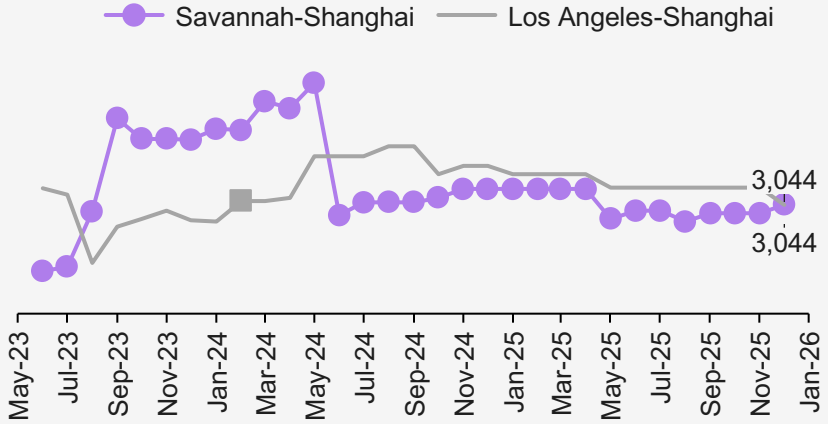
Drewry Intra-Asia Reefer Rates



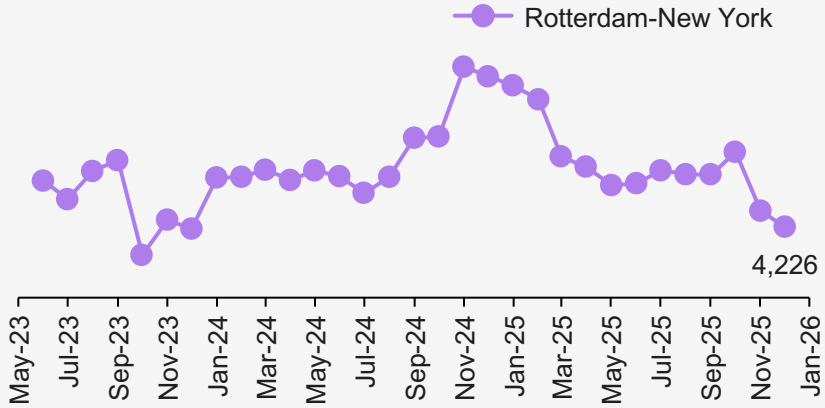
Drewry Asia-Europe Reefer Rates



Drewry Transpacific Westbound Reefer Rates



Drewry Transatlantic Westbound Reefer Rates



Observations

- The global reefer market is operating with **elevated vessel and plug capacity**, which has materially limited carriers' ability to sustain rate increases.
- Spot rates on **Asia–Europe corridors have softened after peaking in mid-2025,** with December 2025 levels already meaningfully below 2024–2025 highs.
- **Lower fuel costs have offset upward pressures** from tariffs, disruptions, and regulatory costs, contributing to rate stabilization and recent softening.
- Although some carriers have restarted limited Suez transits, **a full industry return remains gradual**, and many services continue to divert around the **Cape of Good Hope.**

Sources: Drewry, press articles; Kearney analysis

The demand for reefer containers is resilient and seasonally driven, with strong export-led demand from Latam and Southern Africa, stable import demand into Asia and Europe

Market development on key regional trade lanes for reefers

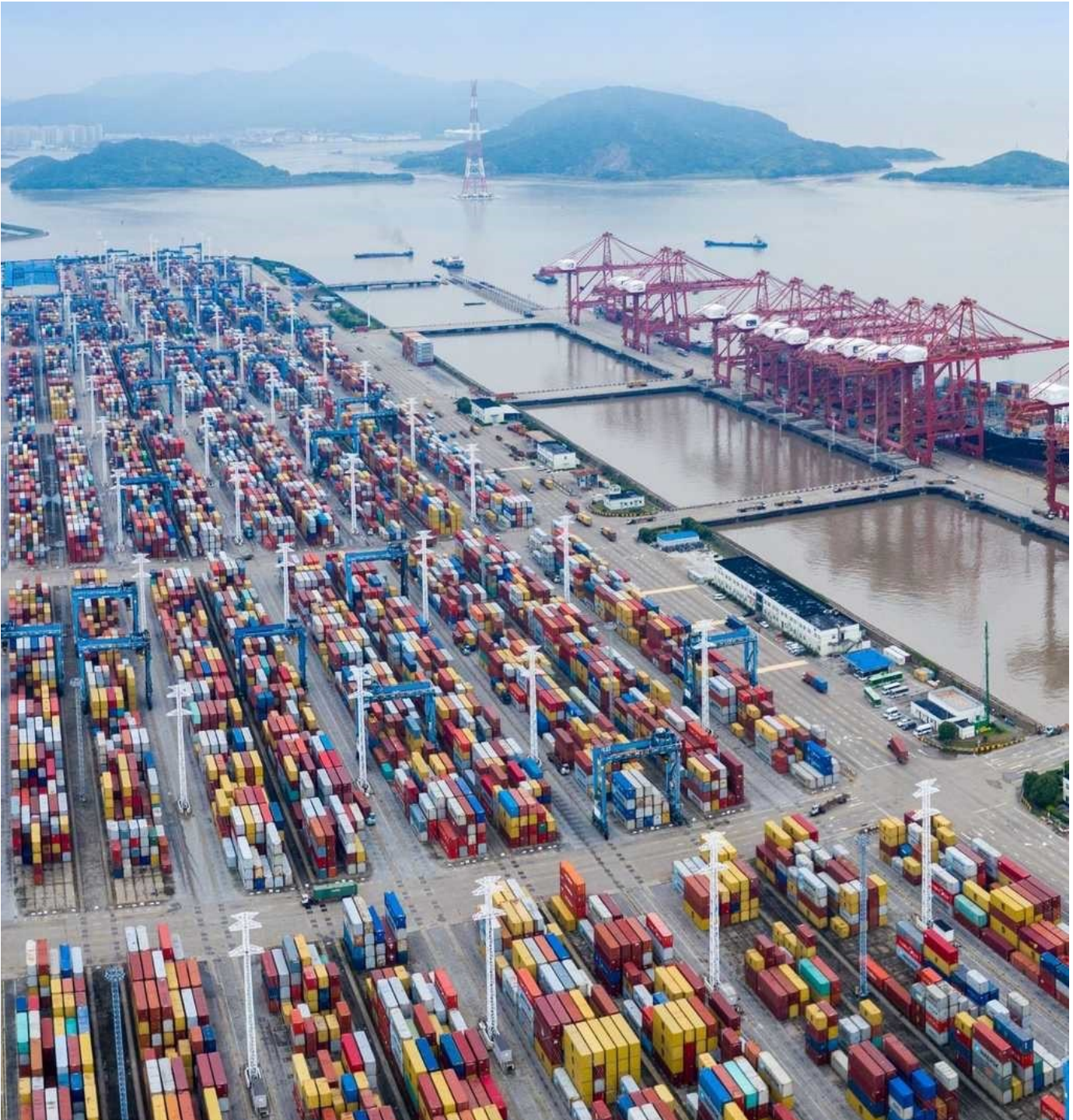
		2025				2026		
		Oct	Nov	Dec	Estimate	Jan	Feb	Mar
Asia	→ Intra	●	●	●		●	●	●
	→ N. America	●	●	●		●	●	●
	→ EURO	●	●	●		●	●	●
Europe	→ N. America	●	●	●		●	●	●
	→ Asia	●	●	●		●	●	●
	→ Middle East	●	●	●		●	●	●
NA	→ LATAM	●	●	●		●	●	●
	→ EURO	●	●	●		●	●	●
LATAM	→ N. America	●	●	●		●	●	●
	→ EURO	●	●	●		●	●	●
	→ Asia	●	●	●		●	●	●
South Africa	→ EURO	●	●	●		●	●	●
East MED	→ EURO	●	●	●		●	●	●

● Demand > capacity (shortage) ● Demand, capacity balanced ● Demand < capacity (oversupply)

Observations

- Asia remains the **largest global importer of reefer cargo**, particularly fruit and proteins, supporting strong inbound flows.
- US import demand remains resilient, though sourcing patterns are shifting due to tariffs (e.g., favoring Argentina over Brazil in some cases).
- Europe's **inbound demand is rising** due to the LATAM perishables season (notably fruit imports). However, **outbound European reefer demand is mixed**, with potential volatility in pork exports linked to animal health issues and regulatory discussions.
- Trade policy remains the key swing factor rather than consumption trends.
- Demand remains **elevated on South–North trades** (LATAM and Southern Africa exports).

Sources: DHL, press articles; Kearney analysis



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Carriers' additional capacity is being used to address the disruptions in the Red Sea, port congestions, adverse weather, and route diversions.

Carrier fleet capacity expansion plan for 2025–2026, January 2025

Carriers	Current (deployed) containers ('000 TEU)	Current (deployed) ships	On order ('000 TEU)	On order ships	Order/deployed
MSC	7,136	971	2,053	114	29%
MAERSK	4,613	728	1,051	80	23%
CMA CGM	4,144	711	1,884	148	46%
COSCO SHIPPING	3,586	550	1,384	106	39%
Hapag-Lloyd	2,385	287	477	58	20%
ONE	2,077	270	598	49	29%
EVERGREEN	1,958	239	834	53	43%
HMM	1,027	97	185	15	18%
YANG MING	716	97	237	18	33%
ZIM	705	117	163	18	23%
TOTAL (Top 10)	**28,347**	**4,067**	**8,866**	**659**	**31%**

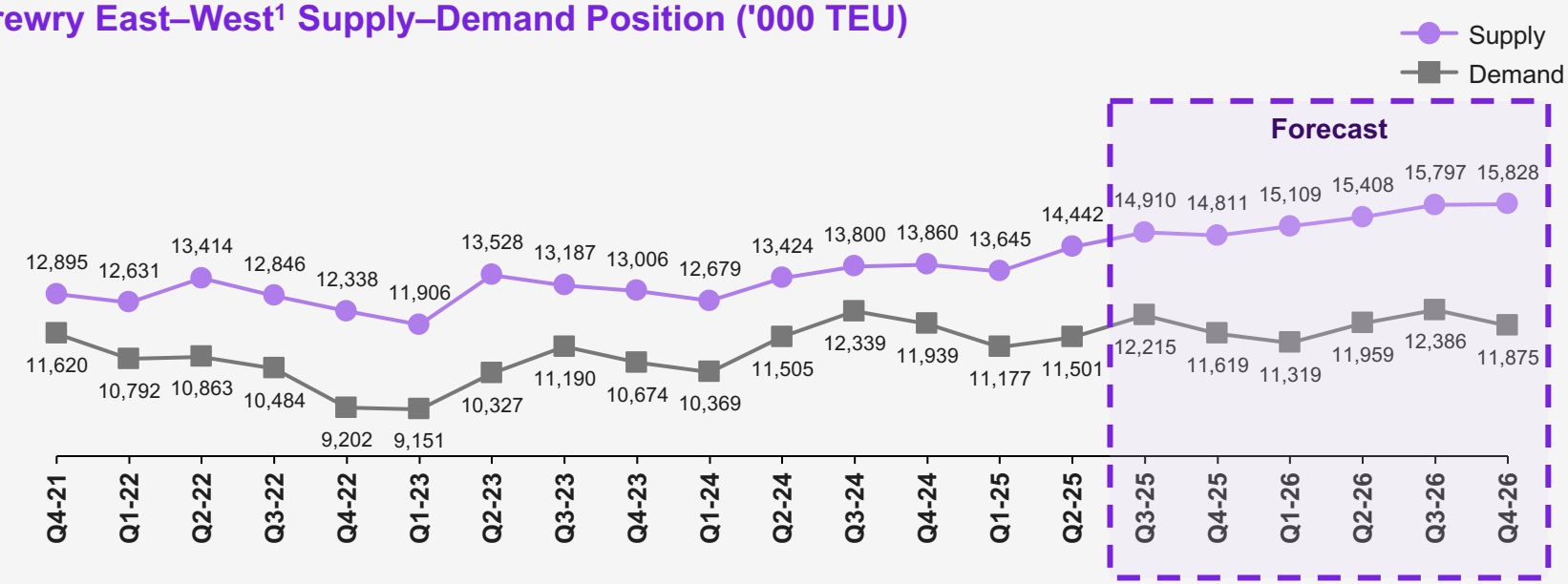
Sources: Alphaliner, DynaLiner; Kearney analysis

Insights

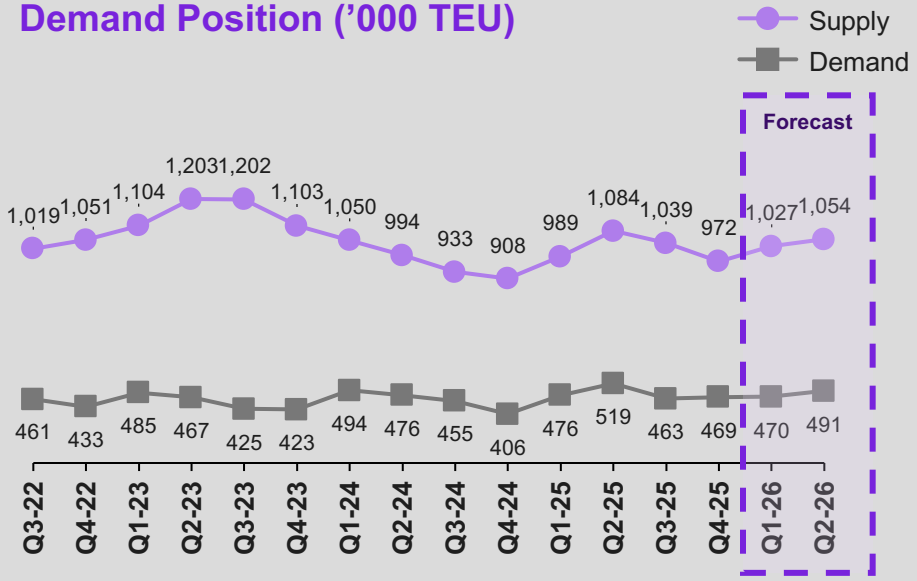
- **MSC now has ~21%** of the overall container fleet market share.
- MSC, CMA CGM, and Evergreen are poised to increase **the capacity growth** among the top 10 carriers by 29%, 46%, and 43% respectively over the next year.
- Reinvestment of pandemic profits into fleet expansion seems to be the primary driver behind the surge in capacity building among ocean carriers in 2024, 2025 and beyond.
- Overall, container fleet capacity is to **increase by 31% over 2025–2026** for the top 10 carriers.

Demand–supply overview: geopolitical factors, including Suez Canal reopening and US–China trade tensions, will continue to shape the container market in 2026

Drewry East–West[1] Supply–Demand Position ('000 TEU)



Drewry Transatlantic Eastbound Supply–Demand Position (’000 TEU)



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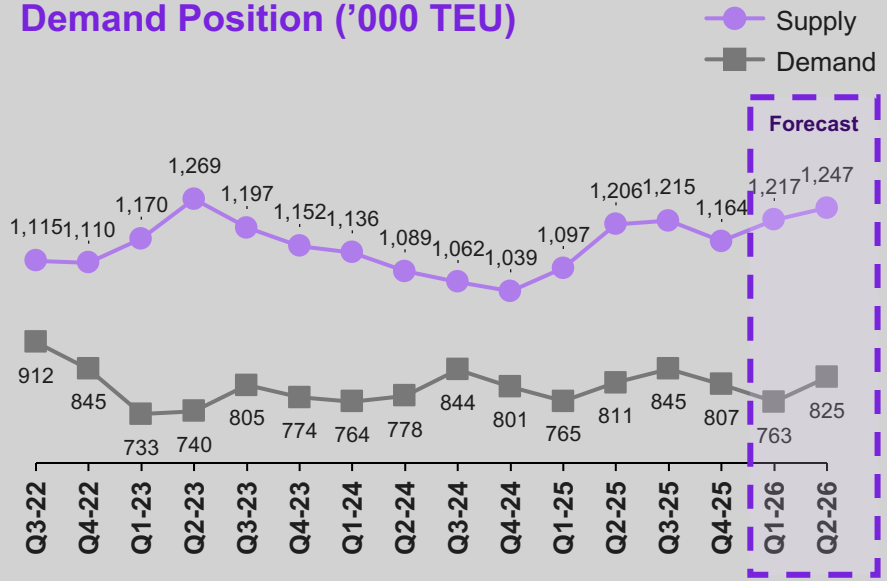

[1] *Supply and demand inputs consists of Transpacific eastbound, Asia-North Europe westbound, Transatlantic westbound and Asia-Mediterranean westbound legs*
Sources: Drewry research; Kearney analysis

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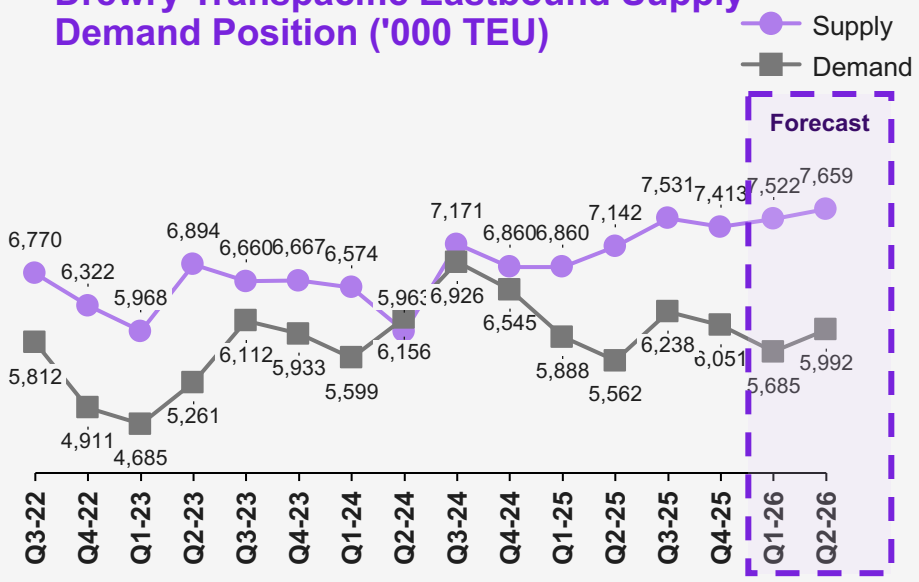

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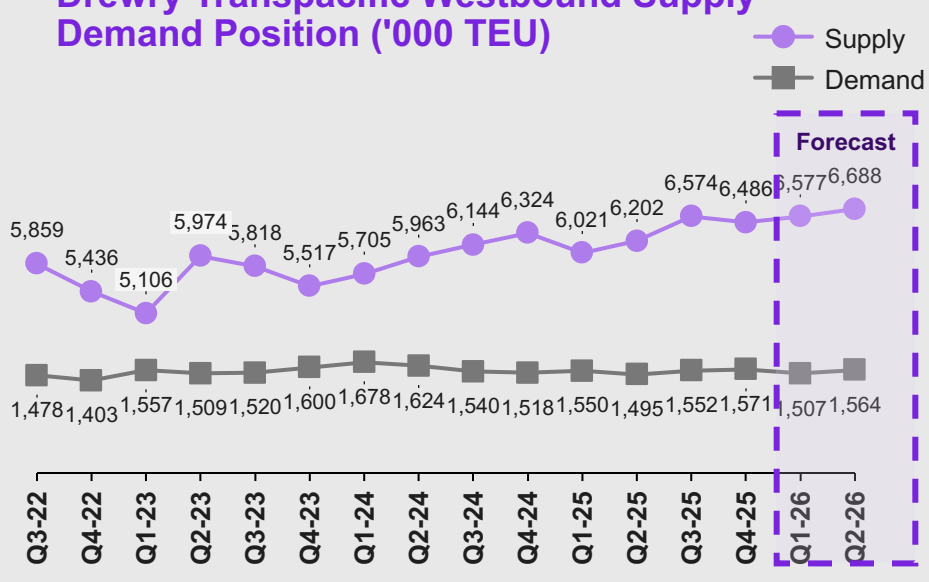
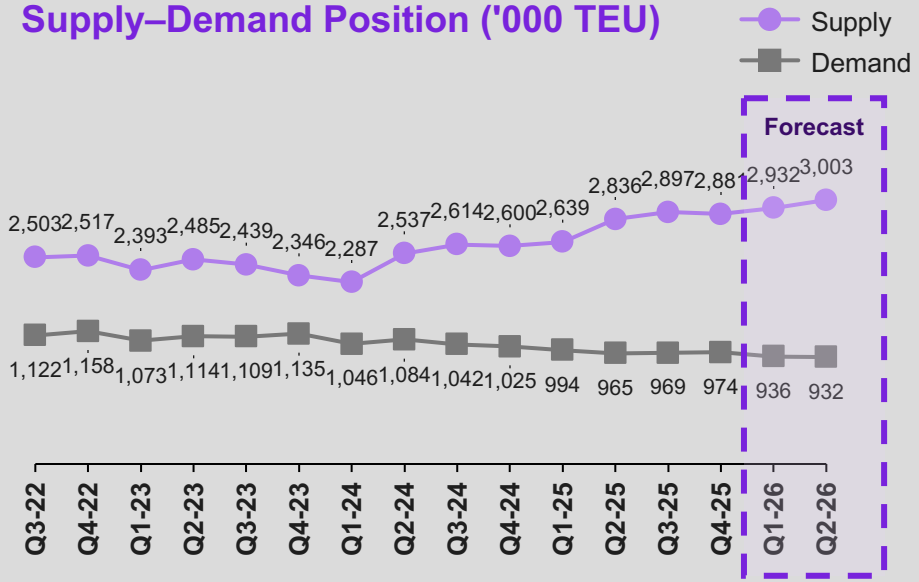
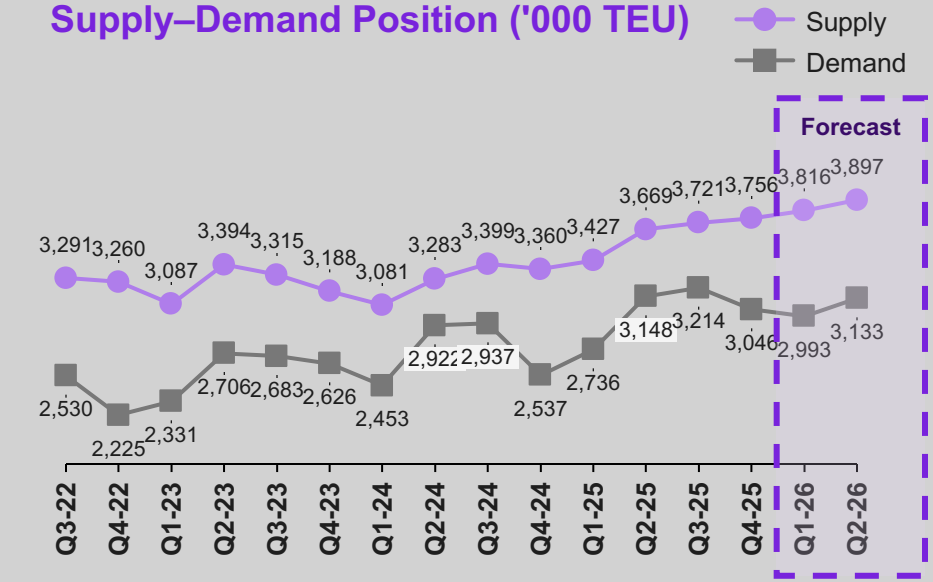


Drewry Asia–North Europe Eastbound Supply–Demand Position ('000 TEU)



Drewry Asia–North Europe Westbound Supply–Demand Position ('000 TEU)



Sources: Drewry research; Kearney analysis

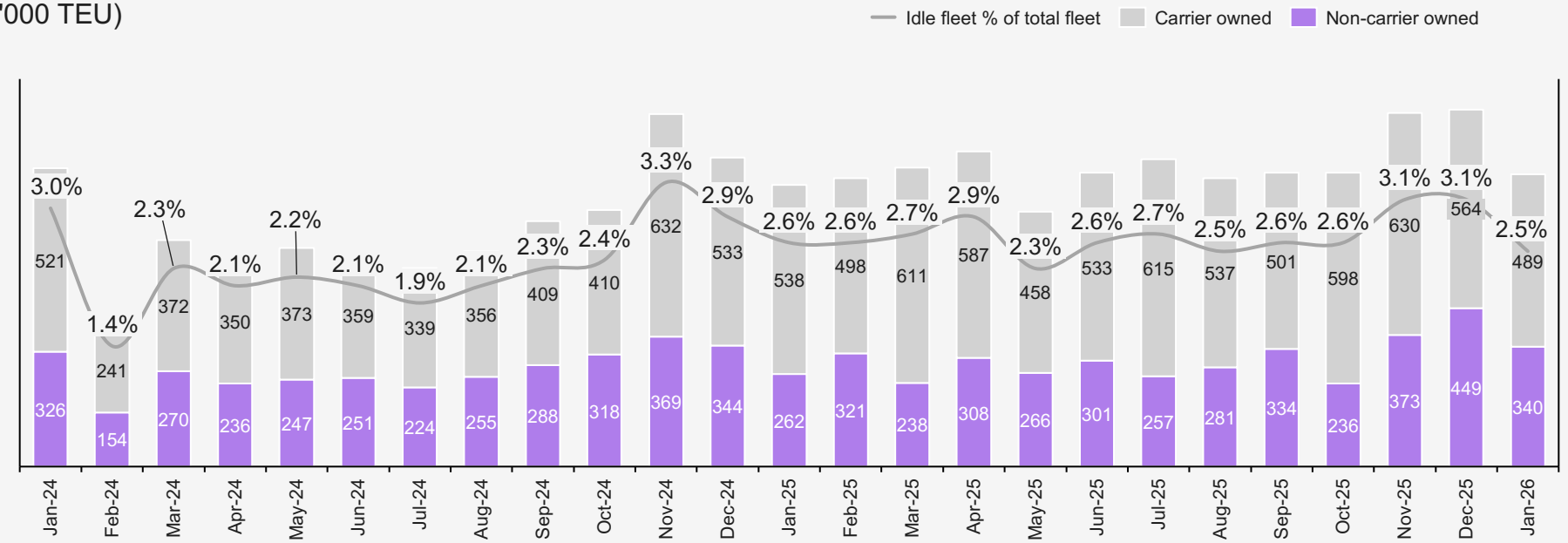
In November–December 2025, global port throughput saw a slight increase and blank sailings declined to address incremental seasonal demand

Insights

- In December 2025, the Global Port Throughput Index is estimated to rise by 1% compared with the previous month, driven by seasonal demand.
- By January 2026, global container idle capacity corrected to 2.5%, as both carrier and non-carrier vessel operators reduced blank sailings in lieu of seasonal demand.

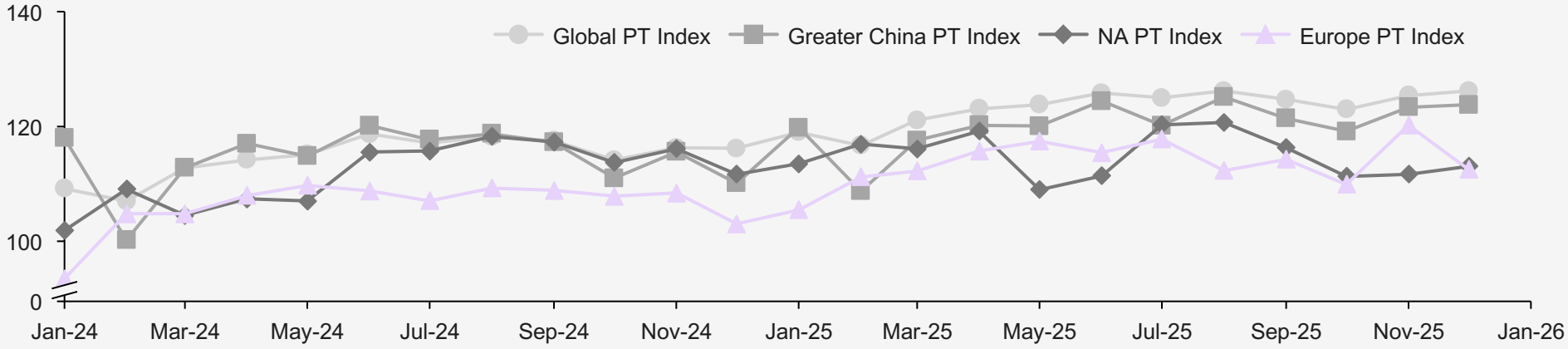
Idle Capacity

('000 TEU)



Global and Regional Port Throughput Indexes*

(Base: January 2019 = 100)

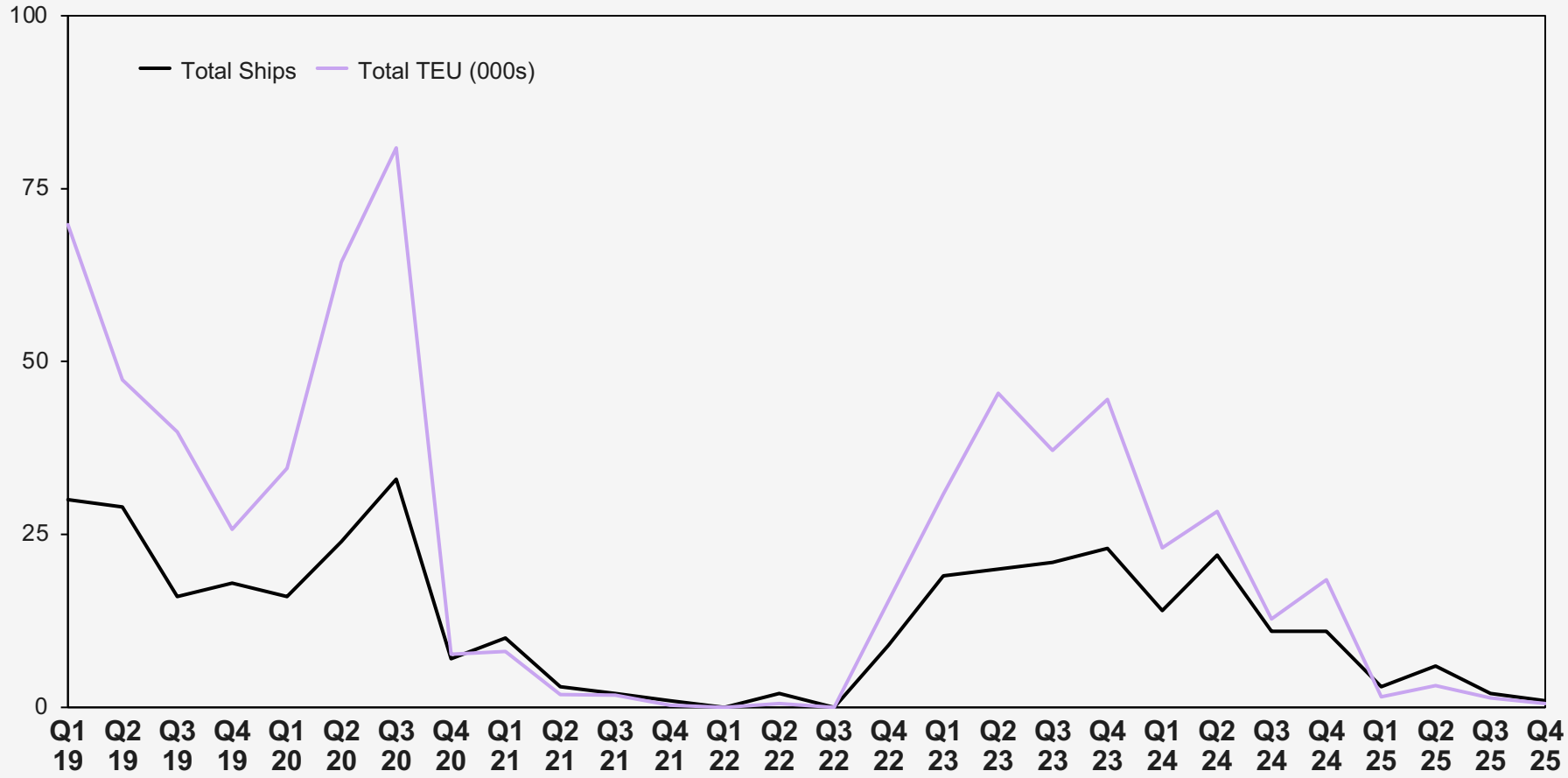


* Monitored with a delay of two months

Sources: Drewry research; Kearney analysis

In 2025, containership scrapping dropped significantly, and a rebound in recycling in 2026 depends on vessels returning via the Suez Canal rather than the Cape of Good Hope

Container Vessels Scrappage: 2019–2025



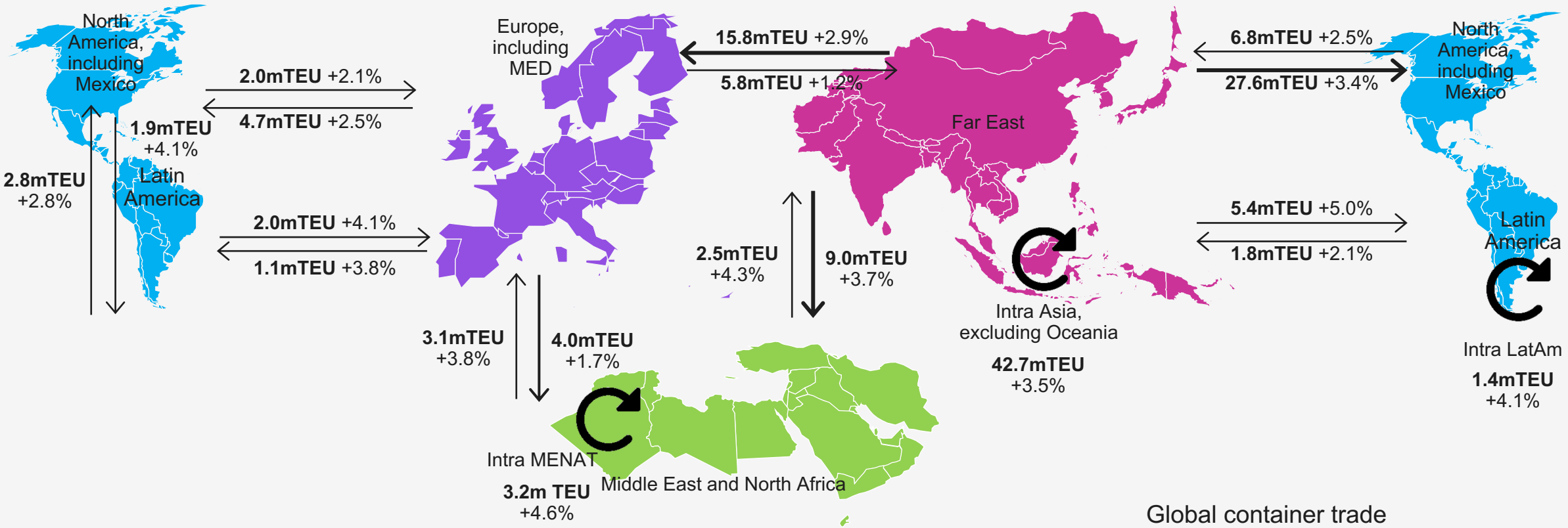
Insights

- In 2025, container ship scrapping hit a 20-year low, with only 11 vessels totaling approximately 6,000 TEU being dismantled.
- Despite concerns over prolonged overcapacity in container shipping, a market adjustment through demolition is anticipated; however, scrapyard capacity has been reduced due to regulatory measures.
- The Hong Kong Convention (HKC), adopted by the IMO in May 2009, came into effect in June last year after 16 years, aiming to ensure safer and more environmentally friendly ship recycling.
- A shift back to the shorter Suez route from Asia may encourage increased vessel recycling activity.

Sources: Clarkson, press articles; Kearney analysis

Ocean freight demand development

Global container trade outlook 2025–2028



Sources: DGF Global Forwarding OFR Market Update; Kearney analysis

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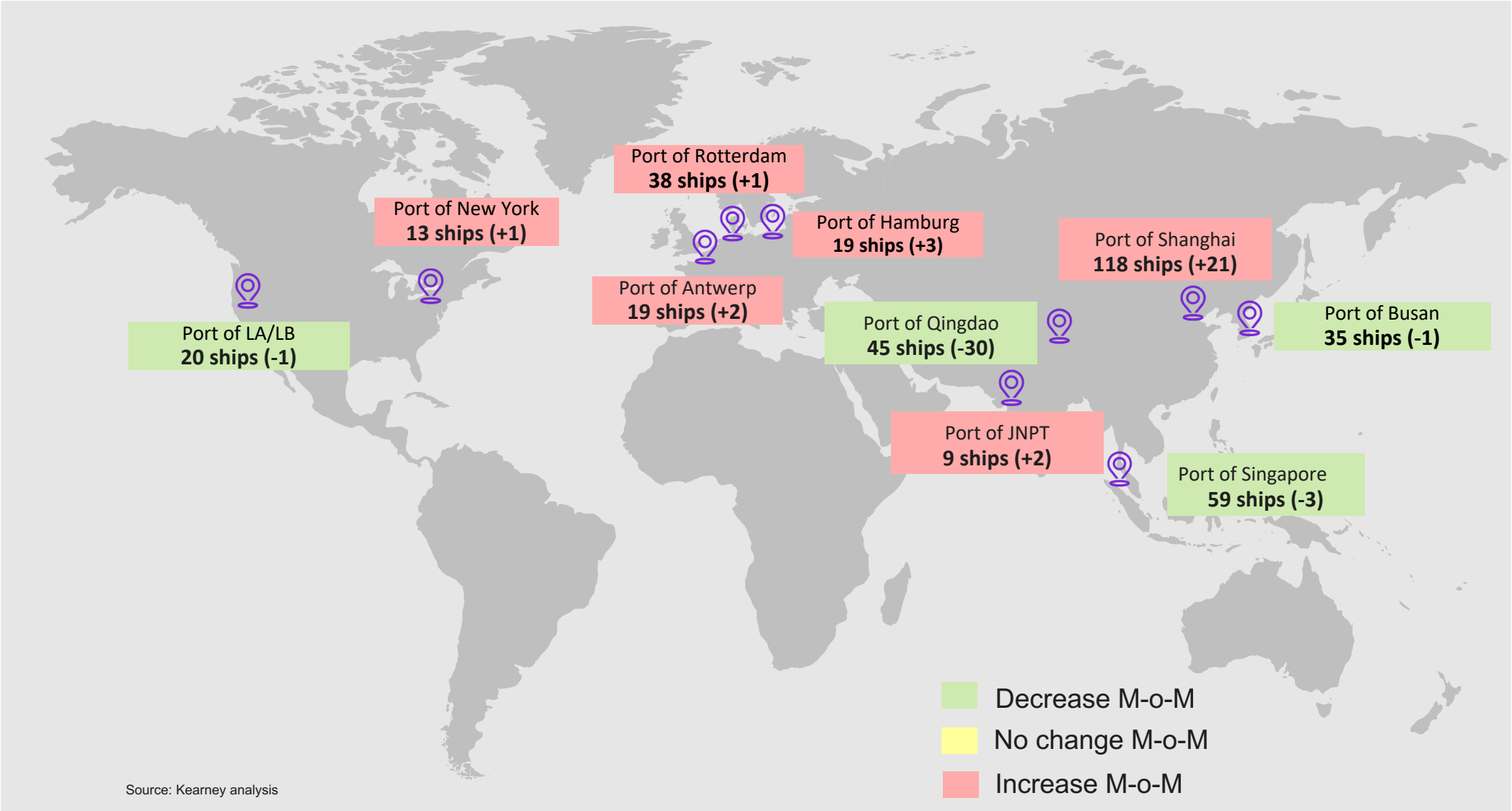
Congestion at major ports in Europe and Asia has increased because of weather issues and a rise in cargo volume ahead of the holidays in China

Monthly average of ships stuck at ports, January 26 (M-o-M %)



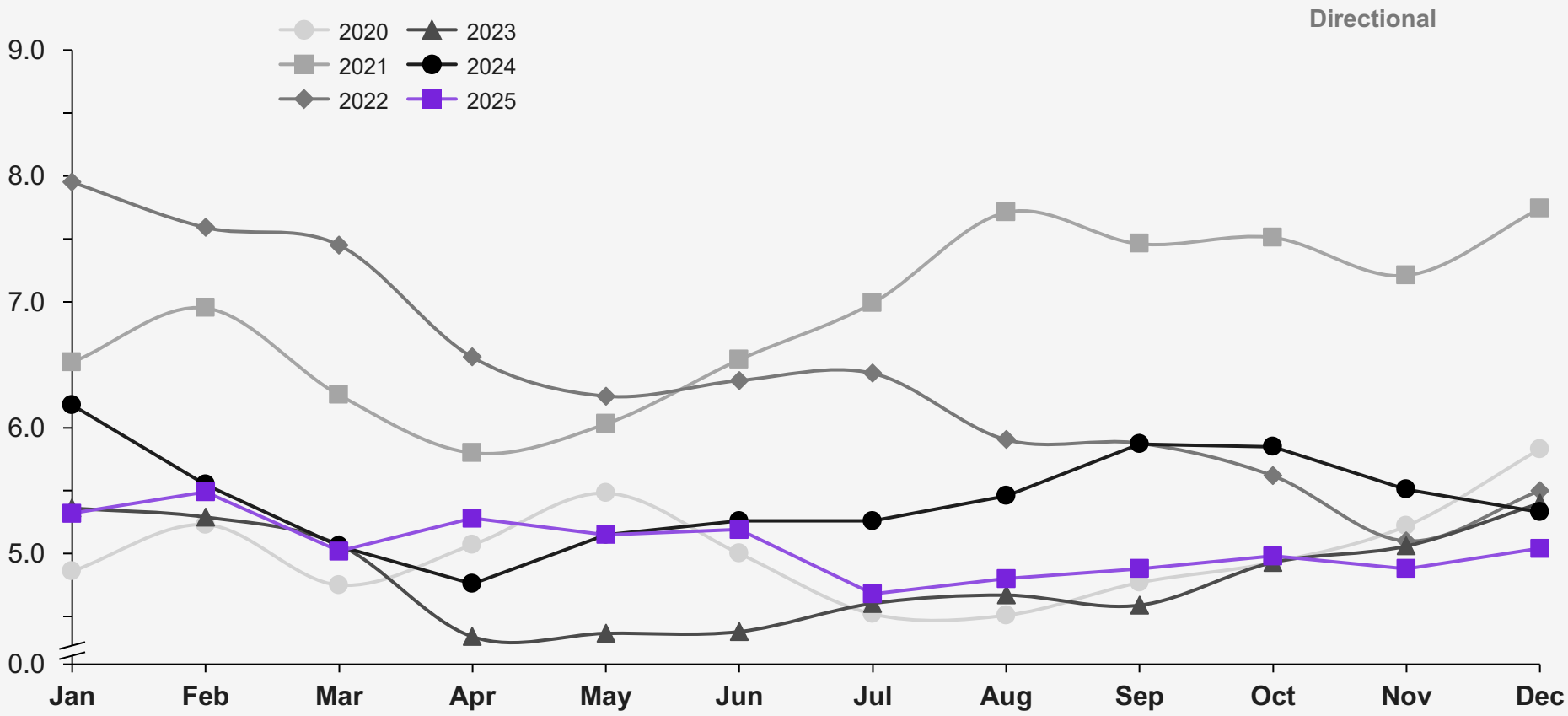
Source: Kearney analysis

Insights

- Port congestion has increased across Europe and in the Asian ports of Shanghai and Singapore.
- European port terminals remain affected by recurring constraints, including congested transport links, strikes, drought, and snowfall.
- Ports across Asia, including Shanghai are experiencing significant congestion due to a pre-holiday cargo rush, adverse weather conditions etc.

Global schedule reliability declined in December 2025, following a period of slight improvement. Maersk remains the most reliable carrier with a 77% reliability rate, while Gemini Corporation leads all alliances in reliability

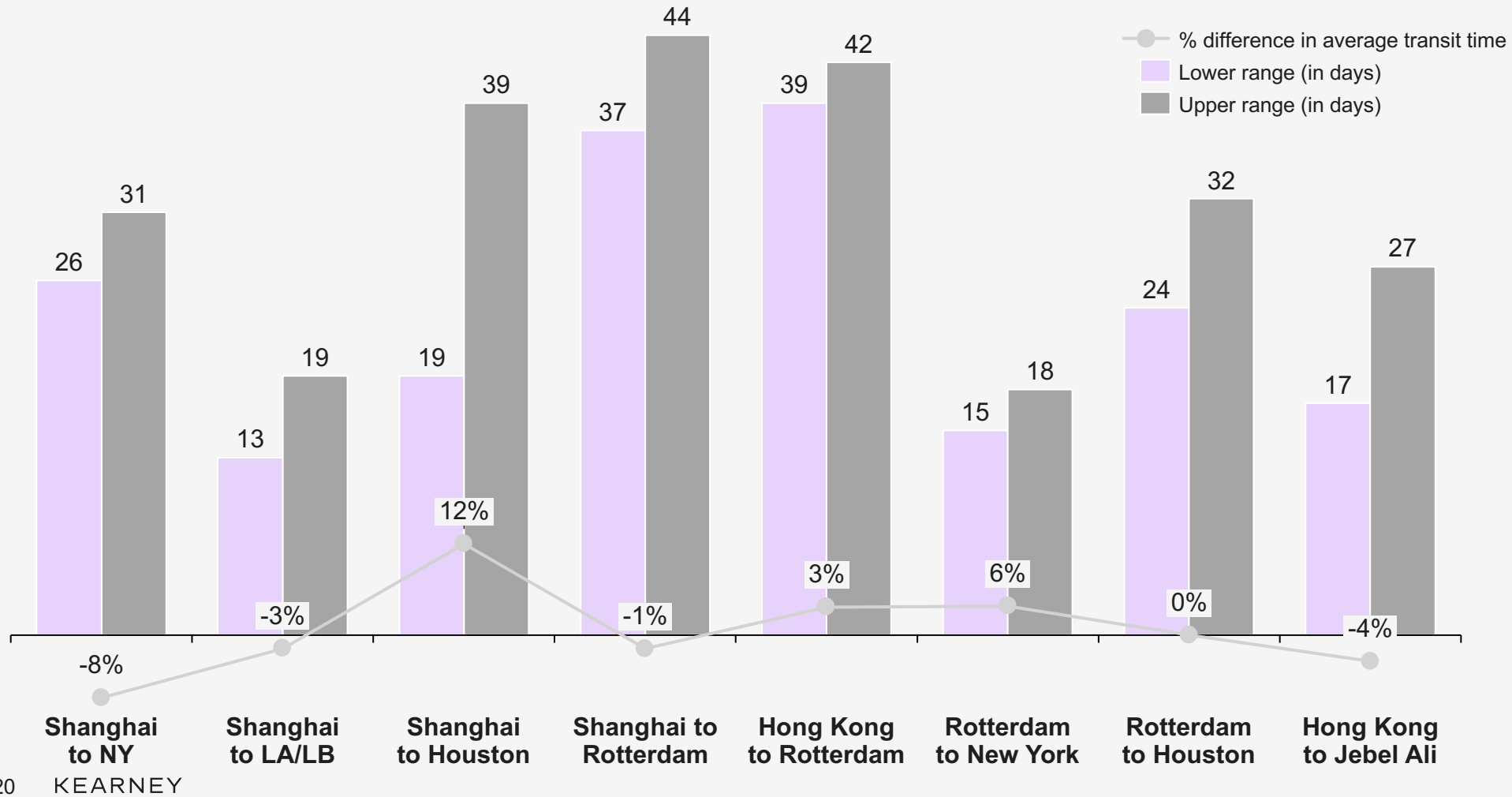
Average delay for late vessels (days)



- Schedule reliability declined by 1.2% M-o-M in December 2025 and reached 62.8%.
- This comes after a recovery in schedule reliability seen in November 2025.
- With 76.7% schedule reliability in Dec 25, **Maersk was the most reliable top-13 carrier** followed by Hapag-Loyd at 75.2%
- In November/December, **Gemini Cooperation** recorded **92.3% schedule reliability** across ALL arrivals, and 90.8% across TRADE arrivals.

Sources: SEA Intelligence Maritime; Kearney analysis

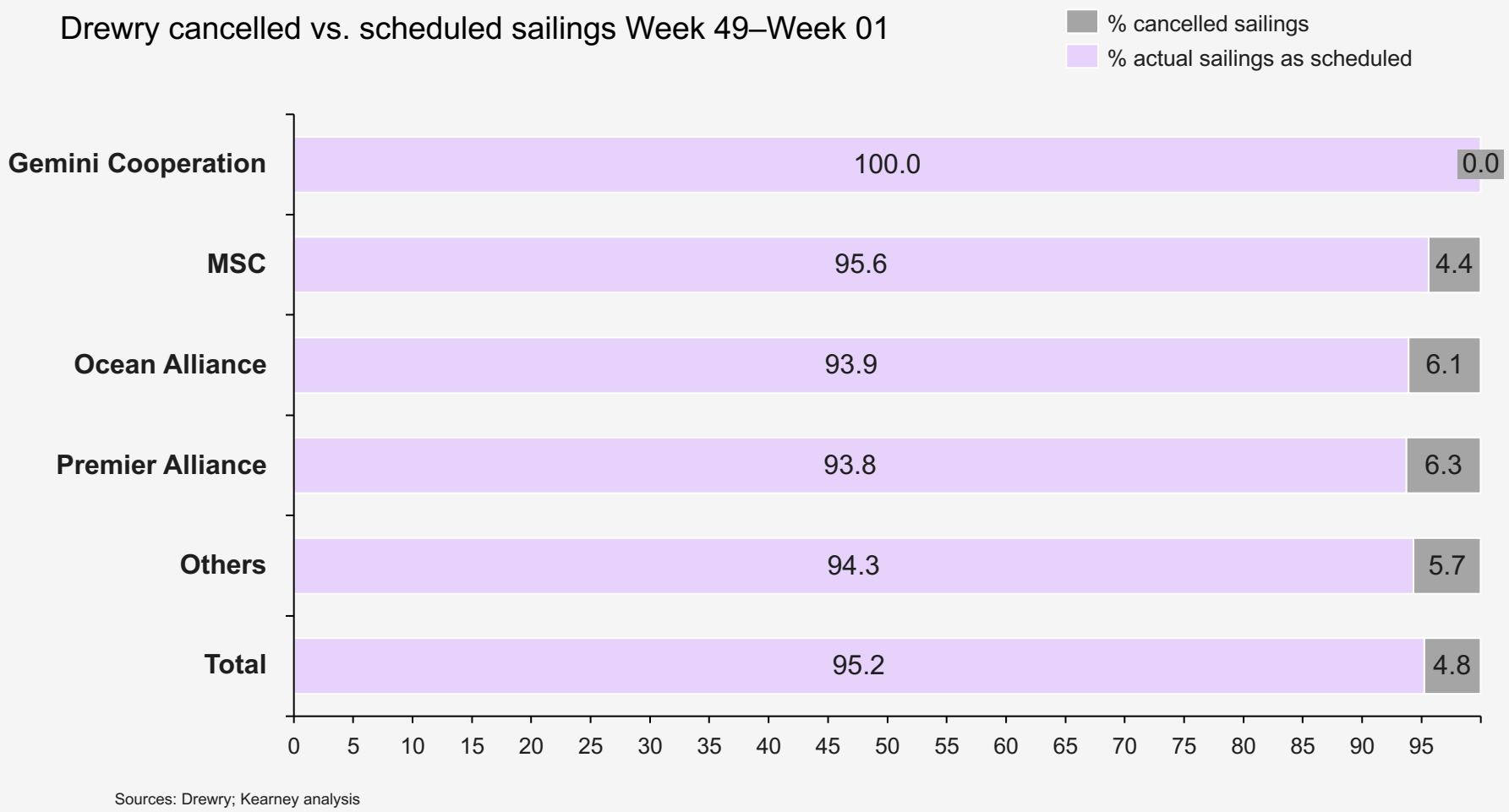
Transit times for shipments from Shanghai have improved due to low demand, where as transit times from Rotterdam to New York increased in December due to port congestions



- Transit times on the **Shanghai to New York lane saw an improvement of 8% m/m** due to lowered congestions following low demand and improved regional weather conditions.
- Transit times on East-Asia to Middle East trade lanes have decreased by 4% due to easing port congestion and optimized vessel routing.
- Transit times on Rotterdam to New York increased by 6% due to increased port congestion and adverse weather conditions.

Sources: ShipmentLink; Kearney analysis

35 sailings cancelled (~5%) across major East–West trade routes



Sources: Drewry; Kearney analysis

- Across the major East–West trade routes (Transpacific, Transatlantic, Asia–North Europe, and Mediterranean), 35 out of 719 scheduled sailings have been cancelled between weeks 1 (January 5–11) and 4 (January 26–31), reflecting a **cancellation rate of ~5%.**
- Drewry forecasts that over the next five weeks, the majority of these cancellations will impact the Transpacific Eastbound route (48%), followed by Asia–North Europe and Mediterranean (25%), and Transatlantic Westbound (27%).
- Although recent tariff changes haven't sparked the same urgency as in past cycles, carriers are still adjusting services to match shifting market conditions.

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Drewry: Trends in spot container rates by major trade route/region can be summarized as "stable to down"

S/N	Select trade corridors	Recent trend	Short-term forecast
1	Transpacific Eastbound	↔	↑
2	Transpacific Westbound	↔	↔
3	Asia–Europe/Med Westbound	↑	↑
4	Asia–Europe/Med Eastbound	↔	↔
5	Intra Asia	↔	↔
6	South China–Dubai	↔	↔
7	Transatlantic Westbound	↔	↔
8	Transatlantic Eastbound	↔	↔
9	South China–Brazil	↓	↔
10	South China–South Africa	↓	↔
11	South China–Australia	↔	↔
12	Turkey–West Med (Now Intra Europe Index)	↔	↔

↑ Rate increase

↔ Stable

↓ Rate decrease

Low container trade lanes

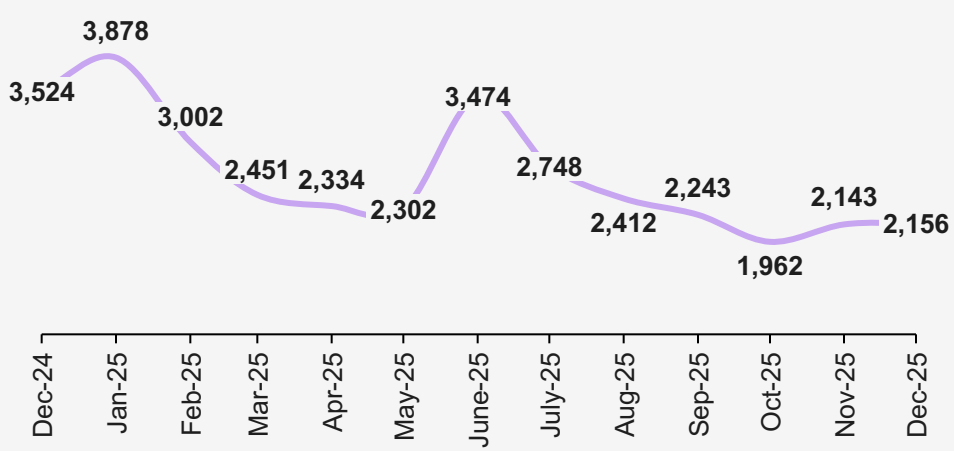
High container trade lanes

Sources: latest Drewry report; Kearney analysis

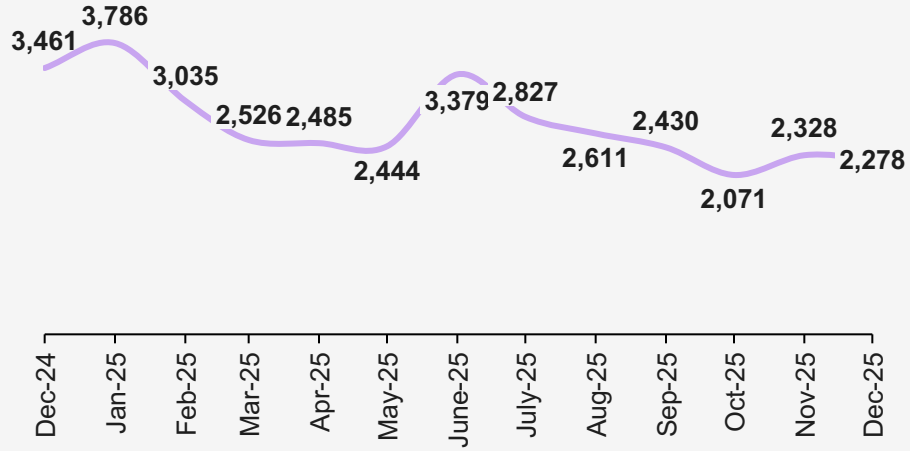
Drewry: Freight rates increased in December amid carrier driven GRI push along with strong seasonal trend ahead of Chinese New Year

World Container Index

East–West composite ($/40ft)



Global Freight Rate index ($/40ft)*



Insights

– **Drewry East–West** Freight Rate Index **increased by 1%** to reach **$2,143 for a 40-ft box in December**. The increase was driven by steady demand increase and higher spot rates due to introduction of GRIs and FAKs by the carriers across key global routes.

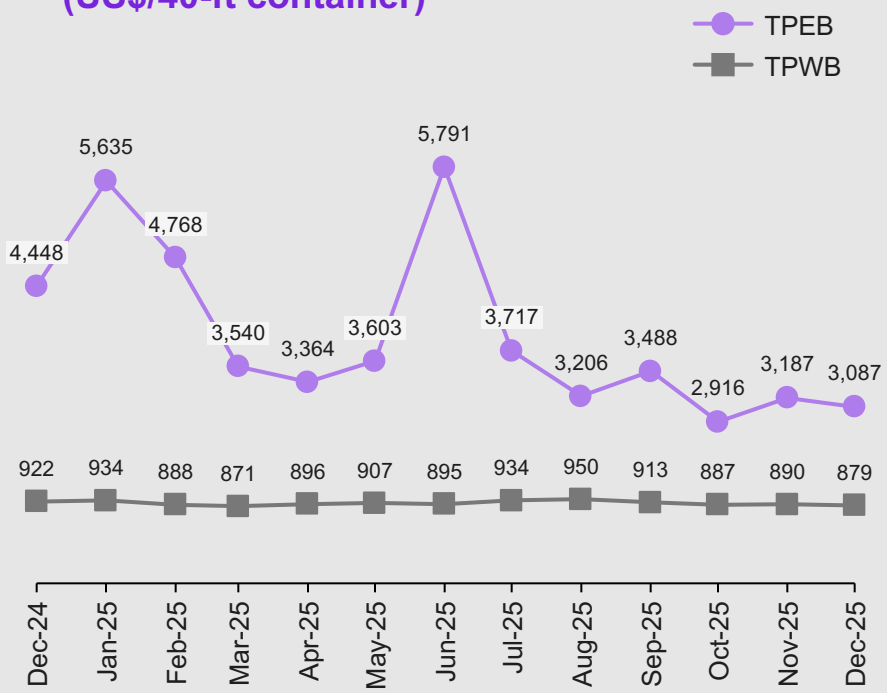
– **Drewry Intra-Asia** Freight Rate Index **declined marginally by 1% in December**, **settling at $893 per 40ft container**. Rates are currently **8% lower YoY and in-line with pre-pandemic levels**. Drewry expects intra-Asia spot rates to increase in January.

– Drewry's **Asia–Europe Index increased 13%** m/m in December to **$3,048 per 40ft container**. Spot rates are down 46% year-on-year and the rates are expected to rise in Jan as demand is expected to increase ahead of Chinese New Year.

*Intra-Asia rates excluded
Sources: Drewry research; Kearney analysis

Drewry: Transpacific Eastbound rates decreased in Dec amid low demand but is expected to increase ahead of Chinese New Year and introduction of GRI's

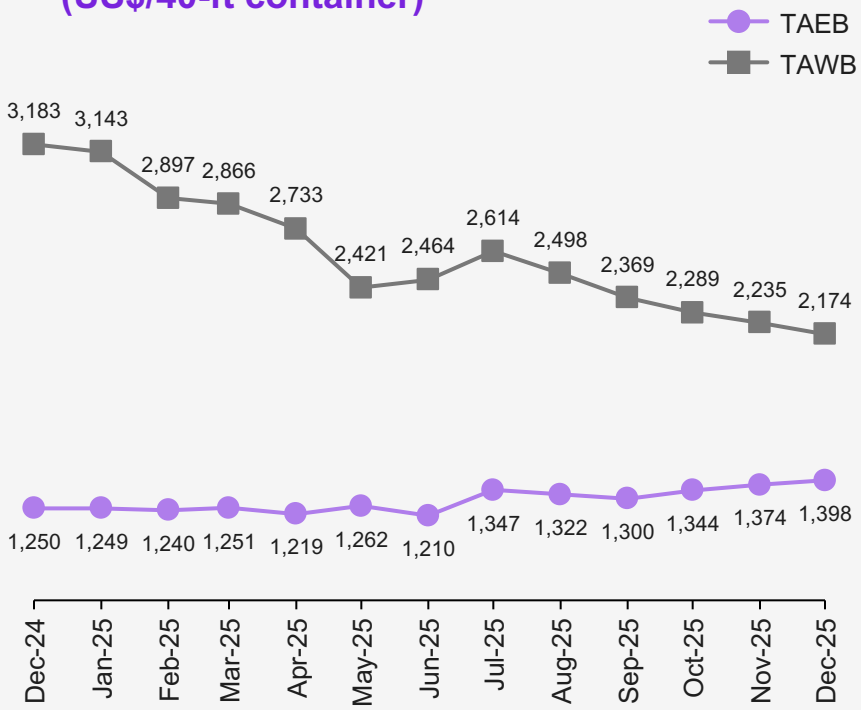
Drewry Transpacific Rate Index (US$/40-ft container)



Highlights

- Drewry's Transpacific Eastbound Index **fell 3% to $3,087 per 40ft container in December** due to weak demand despite carrier-led GRI attempts. It is expected to rebound in Jan due to demand surge ahead of Chinese New Year.
- Drewry's Transpacific Westbound Index **edged down marginally by $1 in Dec to $879 per 40ft container.** Further, it is expected to remain stable in January.
- With improving US–China trade relations and constructive trade discussions, market conditions are expected to strengthen.

Drewry Transatlantic Rate Index (US$/40-ft container)



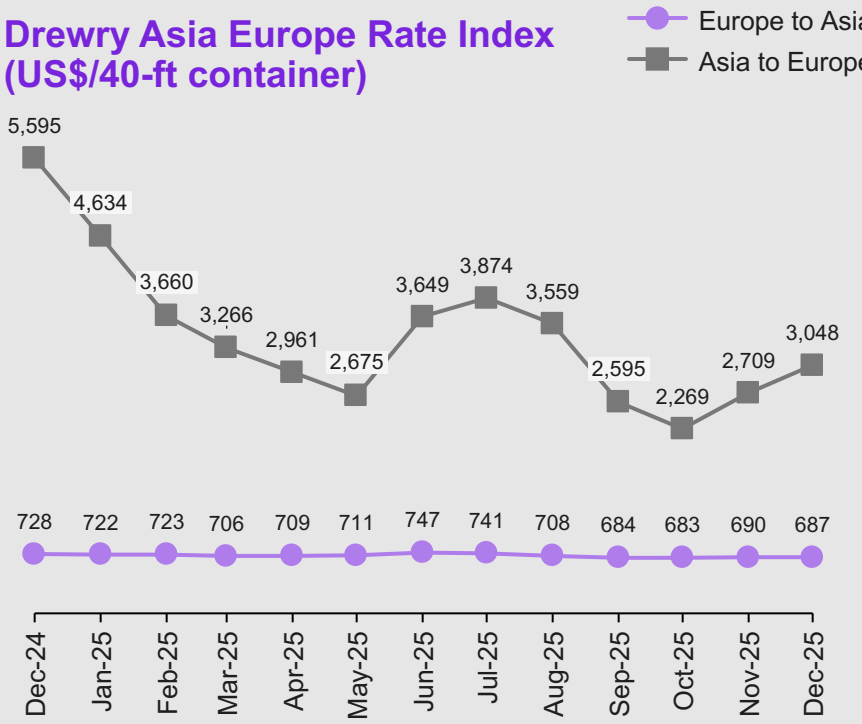
Highlights

- Drewry's TAWB Index **declined 3% MoM** to $2,174 per 40ft container in December due to overcapacity on this route. Spot rates on this route have been lowest since Feb 2024. Drewry expects rates to remain stagnant in Jan as demand remains stable.
- Drewry's TAEB Index **increased 2% MoM** in December to $1,398 per 40ft, though rates remain well above pre-Covid levels, reflecting ongoing trade adjustments. Rates are expected to stay stable in January.

Sources: Drewry research; Kearney analysis

Drewry: Intra-Asia rates remained stable in Dec but is expected to increase in Jan due to peak demand ahead of Chinese New Year

Drewry Asia Europe Rate Index (US$/40-ft container)

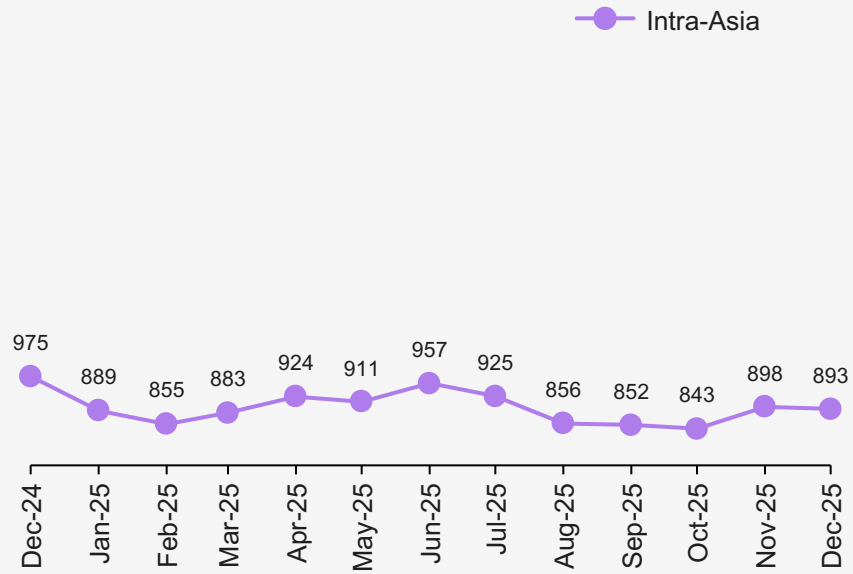


Highlights

- Drewry's Asia-Europe Index **increased 13% m/m to $3,048** per 40ft container in Dec marking second consecutive m/m increase post three consecutive months of decline The increase was attributed to stronger demand ahead of Chinese New Year supported by introduction of higher FAK's by the carriers. We further expect rates to increase in Jan due to rise in demand.

- Drewry's Asia-Europe Eastbound Index decreased to $687 per 40ft container in Dec. Despite being 6% lower YoY and 49% below 2019 levels, **rates are projected to stay stable next month.**

Drewry Intra Asia Rate Index (US$/40-ft container)



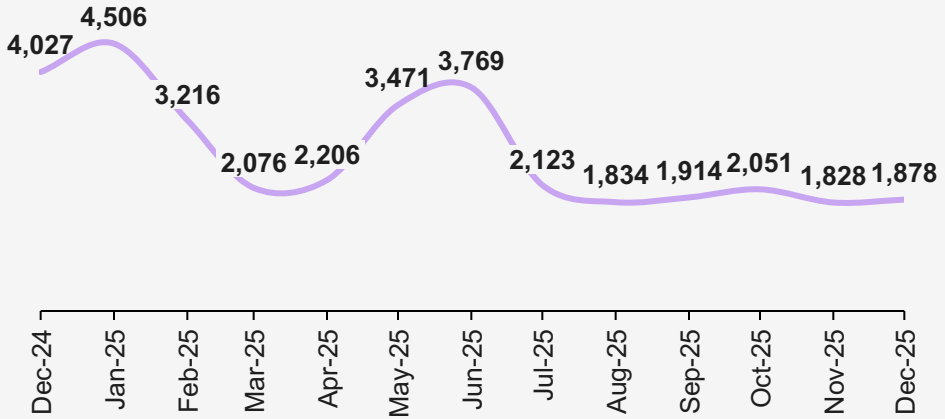
Highlights

- Drewry's Intra-Asia Freight Rate Index **decreased slightly by 1% in Dec to $893 per 40ft container**. Rates are now 8% lower YoY and have normalized to pre-pandemic levels, while a marginal uptick expected in January.
- Intra-Asian cargo volumes have increased due to year end peak season. Volumes are expected to rise from Southeast Asia to China following Chinese new year in February.

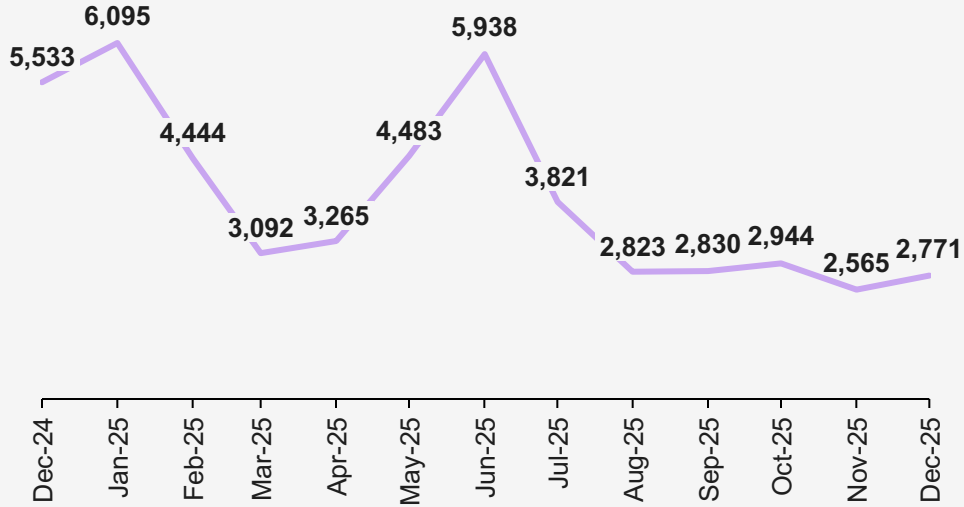
Sources: Drewry research; Kearney analysis

SCFI: Spot rates on major trade routes increased in Dec, driven by steady seasonal demand increase ahead of Chinese New Year

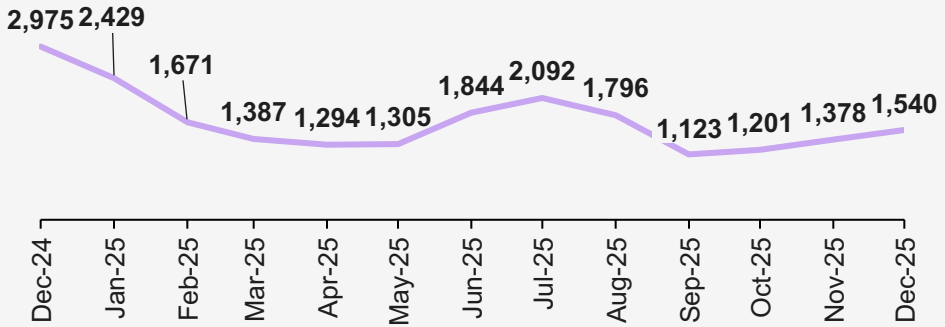
SCFI Shanghai-WC America (base port) Container Freight Rate ($/FEU)



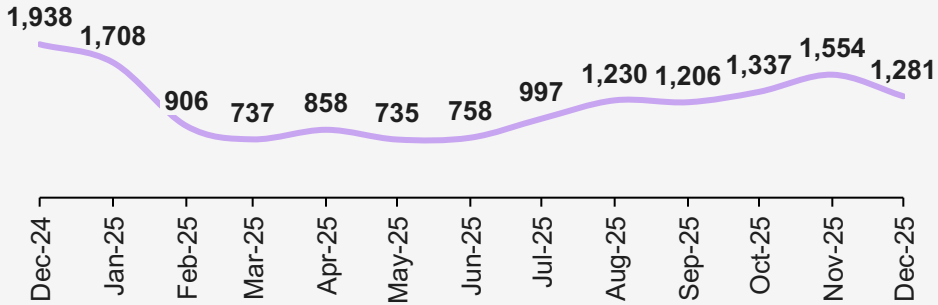
SCFI Shanghai-EC America (base port) Container Freight Rate ($/FEU)



SCFI Shanghai-Europe (base port) Container Freight Rate ($/TEU)



SCFI Shanghai-ANZ (Melbourne) Container Freight Rate ($/TEU)

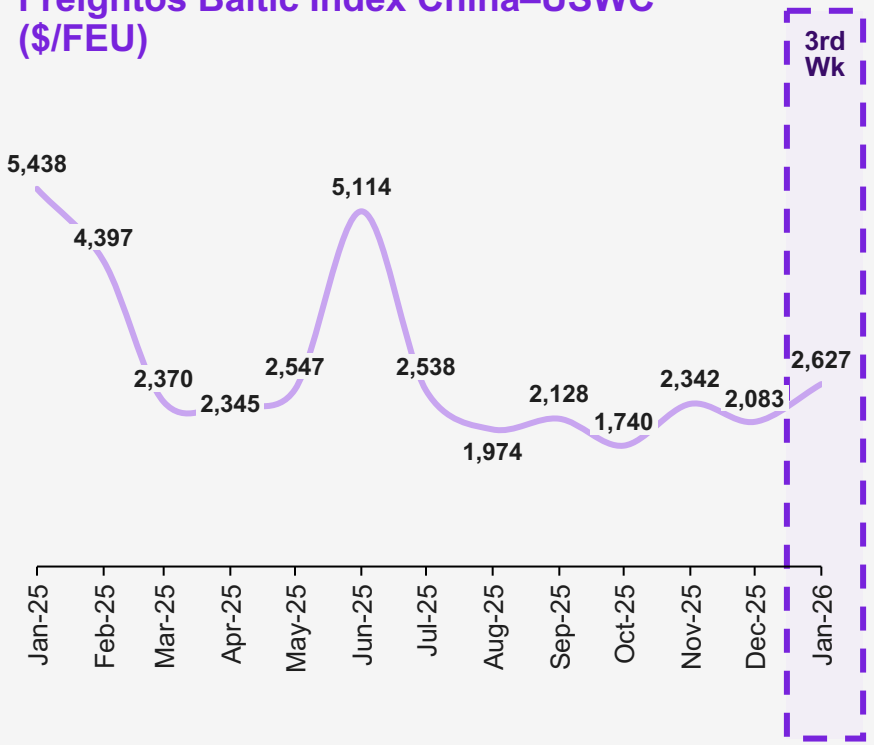


Sources: Shanghai Shipping Exchange, Container News, FreightWaves; Kearney analysis

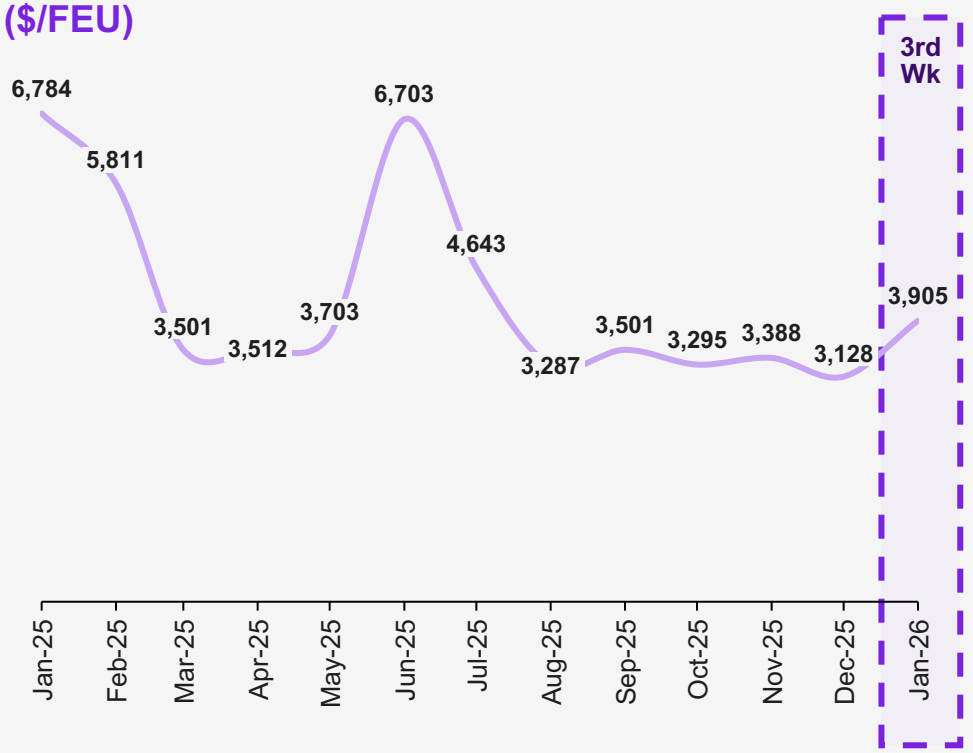
Freightos Baltic Index (FBX): Spot rates on major East-West trade lanes increased by 26% on Asia to USWC, 25% on Asia to USEC lanes and decreased by 13% on Asia to Europe lanes by the third week of January

As of January 2026

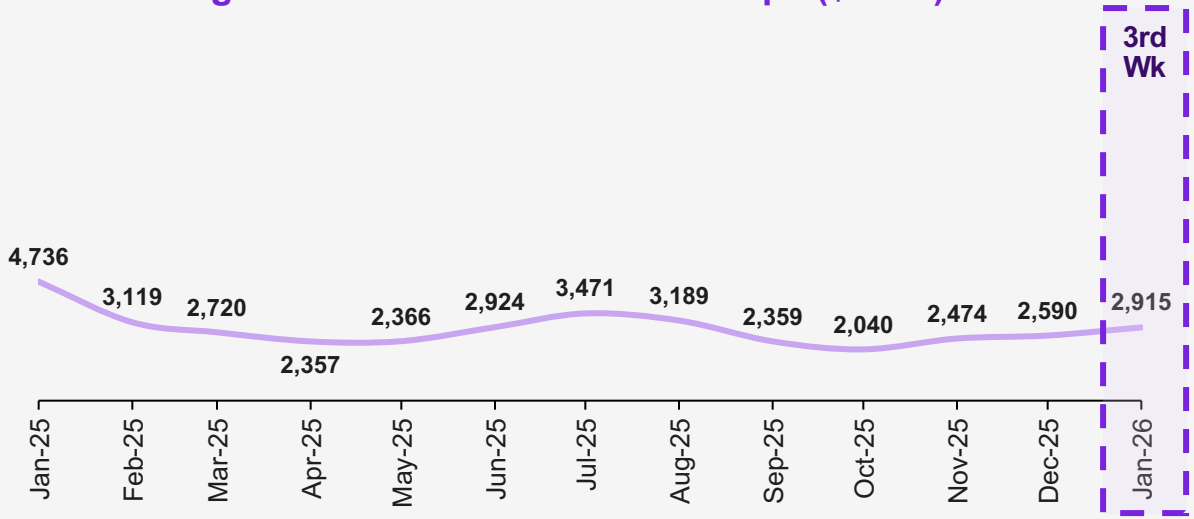
Freightos Baltic Index China–USWC ($/FEU)



Freightos Baltic Index China–USEC ($/FEU)



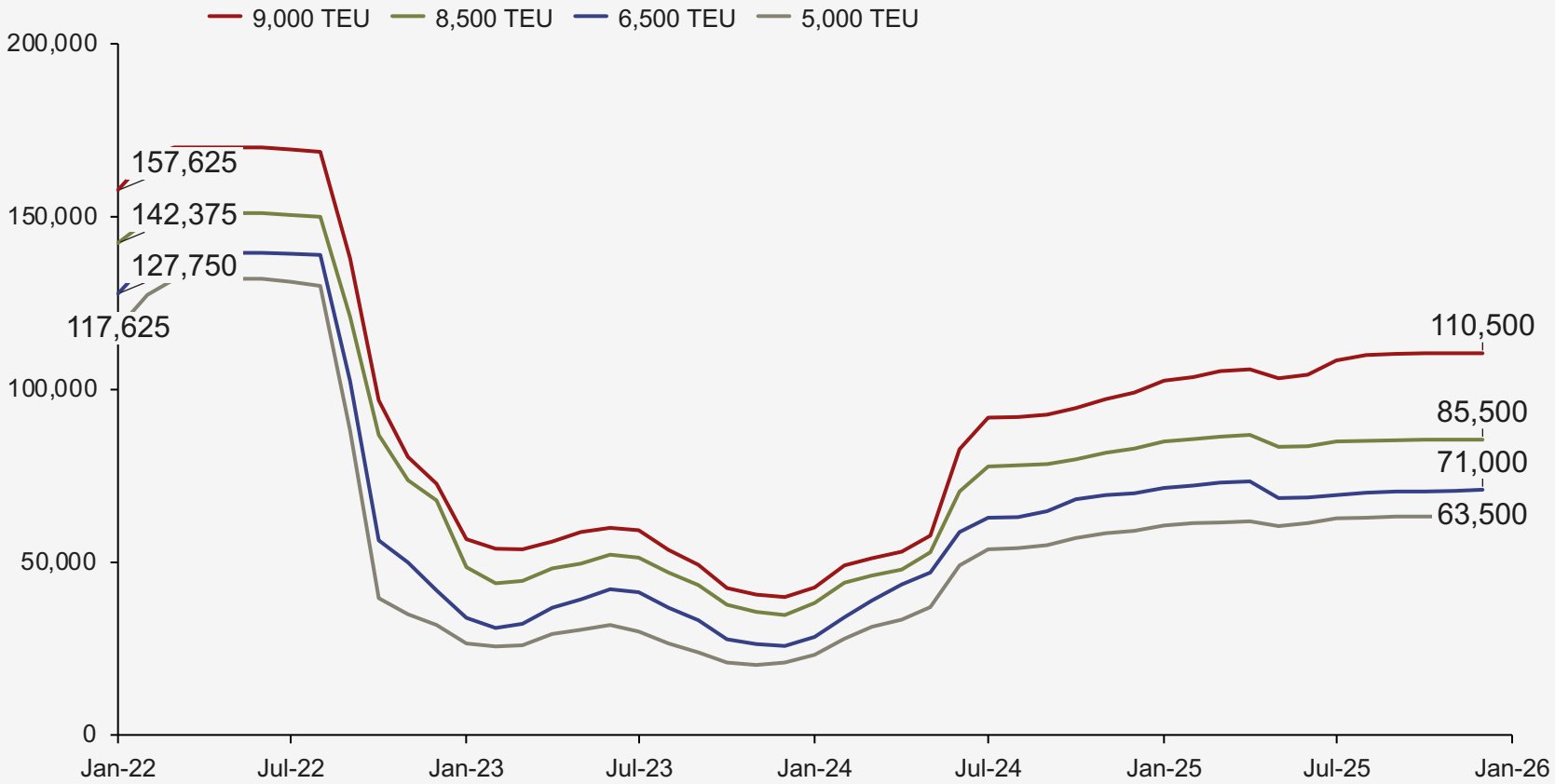
Freightos Baltic Index China - Europe ($/FEU)



Sources: Freightos Baltic Index, Freight Waves, Kearney analysis

The charter market remained resilient in 2025, especially the demand for small-sized vessels, but with uncertain macroeconomic growth and fleet expansion, demand could soften in the near term

Containership six–12 months time charter rates ($/day)



Sources: Clarkson; Kearney analysis

- The containership time charter market has stayed strong in 2025 due to tight supply and steady demand across sizes.
- Larger vessels see firm demand, mostly through extensions and back-to-back deals as operators secure future capacity.
- Smaller sizes have seen steady rate increases, with strong interest, especially in the Far East, from major and smaller carriers.
- Overall sentiment is positive, but factors like a weaker freight market, fleet growth, and economic uncertainties may cause some softening ahead.

Ocean market continues to stabilize as rates bottom out, supported by improved service performance and easing cost pressures, while oversupply caps sustained upside

Overall trends

IMF forecasts **2.8% global economic growth in 2025** and **3.0% in 2026**, with trade growth constrained by geopolitical friction and supply chain realignments

– The ocean freight market remains **structurally oversupplied**, though the pace of incremental capacity growth has slowed materially.

– **Service performance and schedule reliability remain stable**, with carriers sustaining normalized operations across major east–west routes.

– **World Fleet growth has moderated**, increasing from ~114.6k vessels in Aug-25 to ~116.1k by January 2026, signaling fewer new deliveries ahead.

– **Container volumes remain broadly flat**, fluctuating within a narrow 15.8–16.8m TEU range through Q4 2025.

– **Fuel costs have eased**, with VLSFO prices declining from ~$509/t in August 2025 to ~$465/t by December 2025, partially offsetting rate pressure.

Rate trends

The World Container Index (WCI) continued to decline through **October 2025**, reaching a cycle low of **~$1,715** amid persistent oversupply.

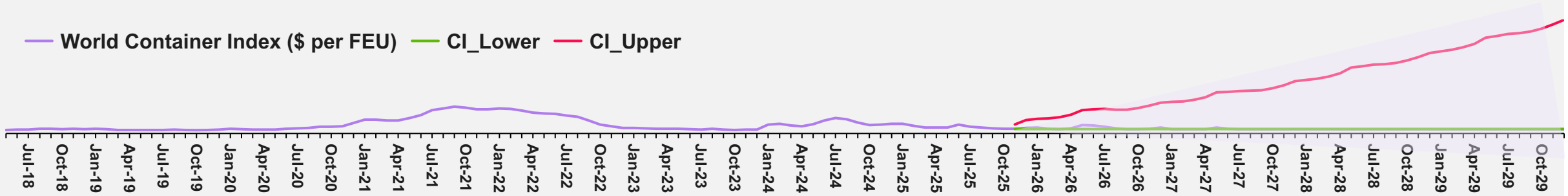
– **Rates have since stabilized**, with WCI recovering to **~$2,070 in December 2025** and **~$2,330 by January 2026**.

– The recent uplift reflects **seasonality, cost relief, and capacity discipline**, rather than a structural demand recovery.

Note: prices are inclusive of bunker/fuel

Refer to the next slide for detailed rationale

Ocean five-year forecast



Forecasts were developed using statistical model (seasonal ARIMA), leveraging historical patterns, seasonality, and key external drivers impacting freight rates

Ocean five-year forecast ($/FEU)

Year End	Forecasted spot rate	CI_Lower	CI_Upper
December-25	2,874.1	1,682.1	5,108.6
December-26	2,244.9	1,682.1	11,762.5
December-27	1,682.1	1,682.1	19,974
December-28	1,682.1	1,682.1	30,793.3
December-29	1,682.1	1,682.1	43,384.8

Methodology

Internal variables	External variables	Source	Role in forecasting	Rationale
World Container Index	Container volume (TEUs)	Bloomberg	Trade demand driver	Higher global TEU volume indicates pressure on shipping networks and ports
	VLSFO price ($/ton)	Clarksons	Operating cost input	Fuel cost is a major expense → directly affects ocean freight pricing
	World fleet (# of ships)	Clarksons	Supply capacity indicator	Increased fleet size puts downward pressure on rates due to excess capacity

Key adjustments

- **Floor constraint applied**
  Forecasts and confidence intervals were **capped at 90% of the latest actual rate** to reflect realistic breakeven thresholds
- **Inflation adjustment (1.5% YoY)**
  A **baseline inflation rate** was applied across the forecast horizon to reflect long-term operating cost growth (fuel, labor, equipment). Monthly compounding was used to align with forecast frequency

Ocean freight: trends, challenges, and implications

1. Market outlook
2. Reefer market overview
3. Demand/supply imbalance
4. Port congestion
5. Rate trends
6. **Implications for shippers**

2025 made waves for shippers despite the overall overcapacity, as tariff volatility and wars juiced carrier rate hikes; the low demand backdrop now weighs heaviest, as rates drop

Short term (H1 2026)

Cost reduction is the base case for shippers

- **Overall conditions favor shippers as high capacity sets the tone through 2027** as freight rates drop bumpily and service (should) improve gradually.
- While port congestions persist and tariffs and warring jolt demand, shippers have upgraded their ability to adapt and react and increase carrier and forwarder optionality.

"Free time" Isn't free

- Despite the penalties being on the wane, shippers must optimize land-side operations **and keep the containers moving**. Slow returns weaken the shipper image.

Medium term (H2 2026)

Capacity discipline ends …

- **Carrier pricing power waned as 2025 bid season wrapped up** as spot rates signaled the overcapacity. NVOCCs picked up great rates as carriers offloaded capacity to them.
- **The global fleet increases** coming online in 2025-27 weighed heavily in 2025 negotiations. Carriers are mostly out of ways to raise rates and the rates are dropping ...

Shippers are in a better place

- Shippers negotiated extra rounds to break through carrier signaling, creating more RFP optionality. Ship capacity is in excess at least through 2027 and there is no apparent demand stimulus in H1 2026, so spot rates should overcome the bumps, and slump.

Long term (2026–2028)

Continued volatility …

- The market will likely experience continued volatility due to tariff tensions, economic fluctuations, and warring. Shippers must be prepared for sudden changes in freight rates and service reliability, adapting their bidding processes and commitments to be more agile.

Shifts in trade patterns

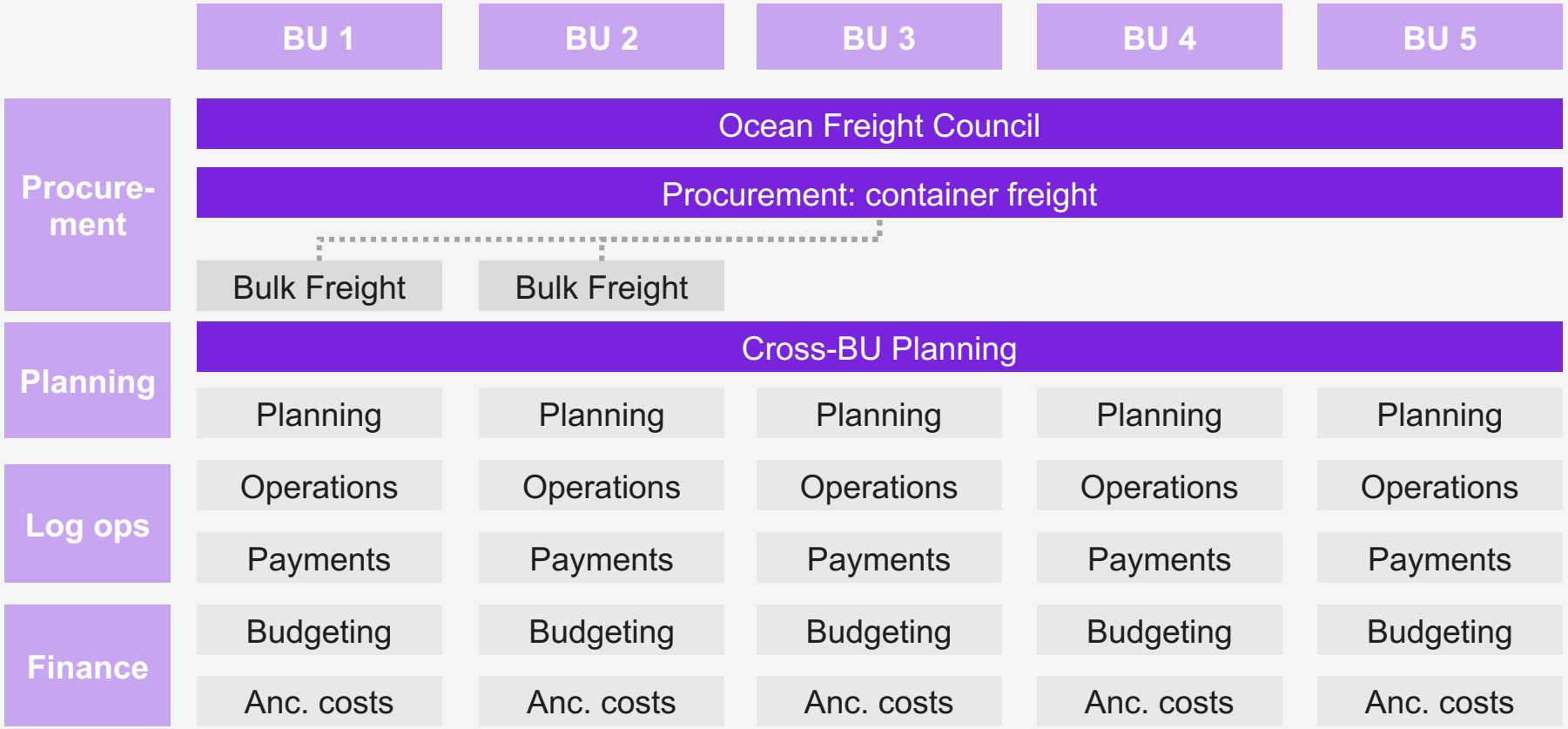
- Changes in global trade dynamics, such as the diversification of manufacturing bases away from China, nearshoring, or the "next" Red Sea Crisis will impact shipping routes and demand. Shippers will need to adapt their logistics strategies to align with these shifts.

Source: Kearney analysis

An ocean freight council with cross-BU participation and cross-BU planning should be set up

Illustrative

Interim setup for cross border logistics



Key considerations

- Defining the right level of centralization across planning, payments and logistics finance
- Establish centralized planning function
- Make better use of market intelligence
- Assess visibility of planning across BUs and low forecast accuracy
- Assess visibility on detention and demurrage costs

Source: Kearney analysis

Enhancements to the operational planning and booking processes are key to prevent value leakage post contracting and improve operations efficiency

Illustrative

1 Monthly capacity planning and spot booking desk

- **Rolling forecast on allocation** to carriers monthly
- **Carrier to confirm capacity**
- Ensure **timely spot booking** via spot booking desk

20th of M-1	origin forecasts allocation for M+1 (firm) and M+2 (indicative)
1st of M	Carrier confirm capacity for M+1 (firm)
7th of M	Carrier confirm capacity for M+2 (indicative)
10th of M	Place booking and spot procurement

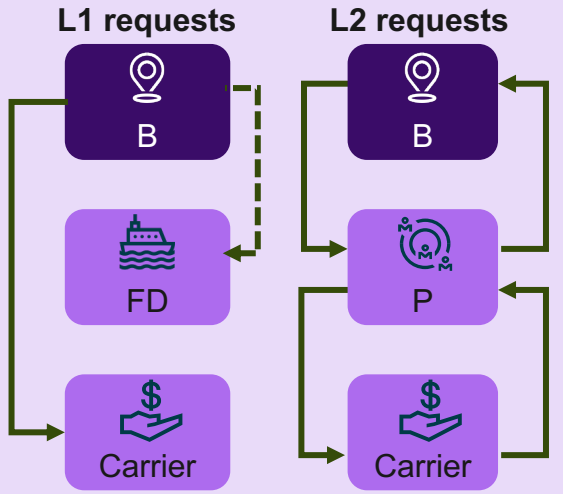
2 Carrier and origin compliance management

- **Track compliance of carrier and business** to **prevent rate invalidation**
- Regular discussion with carriers to ensure performance

15th of month	Business submits monthly booking data
15th of month	Carrier submits monthly shipping data
20th of month	Clarify non-compliance, develop mitigation plan
1st of month	Publish monthly compliance tracking report

3 Issue escalation matrix

- **Delegate spot booking and issues to business (B), freight desk (FD), and procurement (P)** for efficient resolution



Source: Kearney analysis

Unlock the hidden value

1. Market intelligence monitor
2. Ocean freight strategic levers

Thank you

Michael Zimmerman
Partner
michael.zimmerman@kearney.com
+1 212 350 3233
New York

Hemanth Peyyeti
Partner
hemanth.peyyeti@kearney.com
+65 6580 1520
Singapore

Venky Arun
Partner
venky.arun@kearney.com
++1 312 223 6206
Chicago

Sudhanshu Singh
Manager
sudhanshu.singh@kearney.com
+91 22 4097 0700
Mumbai

Puneet Khurana
Global Research Manager
puneet.khurana@kearney.com
+91 124 4814725
Gurugram

Anubhav Potadey
Senior Operations Analyst
anubhav.potadey@kearney.com
+91 22 40970757
Bangalore

A V Navya Sree
Sourcing Associate
av.navyasree@kearney.com
+91 22 40970757
Bangalore

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Appendix

1. Ocean freight supplier market
2. Data sources

Regional ocean freight profile

1. ANZ
2. India
3. Southeast Asia

ANZ ocean freight industry overview and development

- 15 major seaports (12 in Australia and 3 in NZ)
- Regional players – ANL (subsidiary of CMA)

Overview

– Australia's trade growth will decelerate to 3% in 2025, with exports at 2.5% and imports at 3.5%, reflecting domestic economic challenges and sluggish global demand.

– Long-term trade expansion will be projected at 3% annually through to 2034, bolstered by infrastructure investments and shift to renewable commodities; exports will be forecasted to grow at 2.5% annually, while imports will be expected to grow at 3.5% annually.

– Australia's green initiatives like green and hydrogen projects are set to transform the trade sector and strengthen Australia's position in Asia markets.

– New Zealand's total trade to grow by 2.9% in 2025. Imports are expected to rise by 3.0%, driven by energy needs and easing inflationary pressures. Goods exports are projected to increase by 2.8%, fueled by higher commodity exports.

Sources: Fitch Solutions; Kearney analysis

As of January 2026

Ports throughput (2025) for major ports in Australia and New Zealand

Port name	Annual container throughput (TEU)	% Y-o-Y	Annual tonnage throughput ('000)	% Y-o-Y
Melbourne	3,449,331	3%	43,252	1.9%
Sydney	2,992,628	3.5%	31,544	1.7%
Brisbane	1,643,860	3.5%	31,996	2.2%
Tauranga	1,199,297	4.53%	26,668	4.31%
Auckland	938,960	11.12%	4,457	7.02%

Developments

– **Steady growth and green investment at Port of Melbourne (to 2029):** Australia's ports are set for steady growth through 2029, with the Port of Melbourne expecting a 3% annual rise. Growth is backed by global demand and green initiatives, despite mining sector slowdowns.
– **Diverging port outlook to 2034 amid mining decline**: By 2034, the Port of Melbourne aims to reach 4.5mn TEUs, but mining-focused ports may face challenges. In contrast, ports tied to consumer and industrial trade are set to grow with rising domestic demand and global trade links.
– **Gemini cooperation boosts shipping reliability (2025):** In Jan 2025, Hapag-Lloyd and Maersk launched Gemini Cooperation, deploying 340 vessels across seven major routes to raise service reliability to 90% from below 50%.

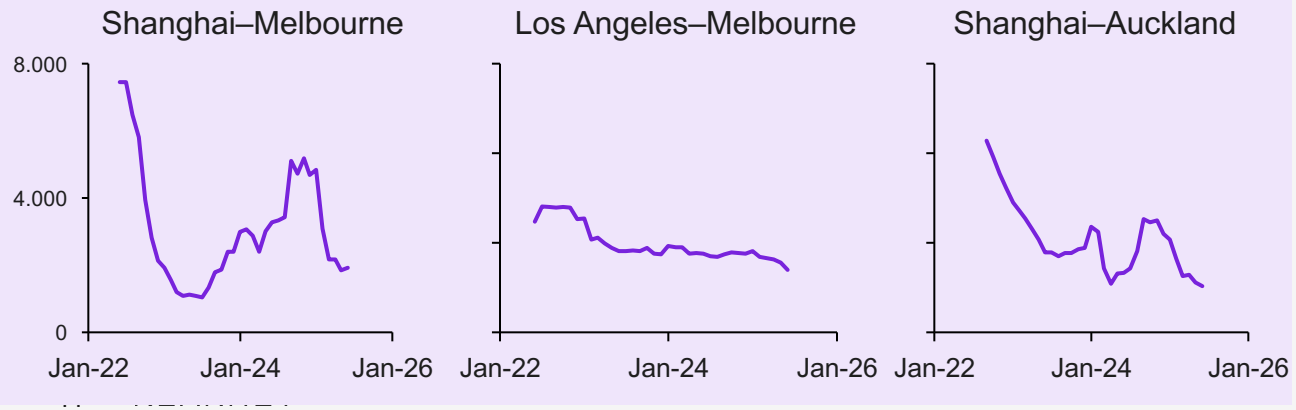
The Oceania rates are showing upward trend with strong demand and uptick in shipping activities on this route

Trends in spot container rates for major routes

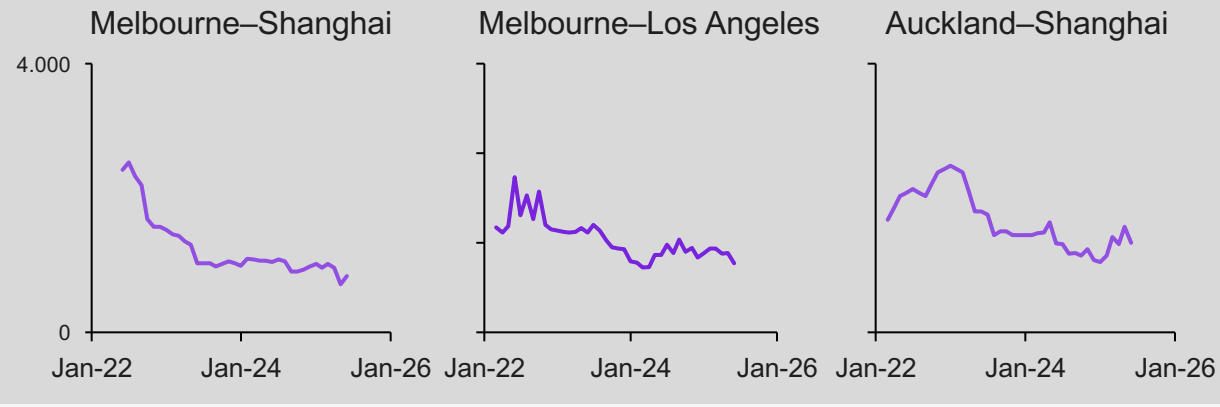
Falling ↔ Stable ↗ Rising

S No	Select trade corridors	Recent trend	Short-term forecast	Trade lane insights
1	Oceania Southbound	↘	↗	Freight rates have been declining since February, as carriers faced challenges filling their vessels despite rerouting ships to high-volume lanes and adjusting services.
2	Oceania Northbound	↗	↗	Spot container rates for Oceania Northbound are rising due to severe congestion at key transshipment hubs, ongoing equipment shortages—especially 40'-high cubes and reduced vessel capacity as carriers prioritize more profitable routes. Blank sailings and peak season preparations further tighten space availability, pushing rates higher amid already strained supply chains.

1. Oceania Southbound



2. Oceania Northbound



Sources: Drewry; Kearney analysis

India ocean freight industry overview and development

13 major seaports

Overview

- **Strong port performance:** India's leading ports, particularly **Mundra and JNPT**, are set to record steady growth through 2025, supported by rising **exports of agriculture, steel, and manufacturing goods** and growing **imports of consumer and industrial products**. Mundra continues to leverage its **operational efficiency and strategic location**, while JNPT benefits from enhanced container handling and new service routes.

- **Private sector leadership:** Privately operated ports such as Mundra are driving **efficiency, reliability, and capacity expansion**, helping India emerge as a **competitive maritime and transshipment hub**. Their success highlights the growing role of private investment in improving port performance.

- **Infrastructure-driven growth:** Ongoing investments in **container handling capacity and multimodal connectivity** are boosting throughput and improving India's logistics competitiveness, aligning with the government's long-term trade facilitation agenda.

As of January 2026

Ports throughput (2025) for major ports in India

Port name	Annual container throughput (TEU)	% Y-o-Y	Annual tonnage throughput ('000)	% Y-o-Y
Kolkata	706,852	6.4%	11,767	4.4%
Vizag	652,437	8.2%	61,972	2.5%
Chennai	286,044	22.5%	40,256	-0.6%
Cochin	828,219	6.2%	29,683	7.2%
JNPT	6,787,632	3.9%	71,712	4.9%
Mundra	8,491,117	9.1%	450,495	7.3%

Developments

- **Major investment in Kandla Port:** Two expansion programs launched in January 2025 under the Make in India, Make for the World initiative to boost west coast capacity and trade competitiveness.
- **Shipbuilding and cargo handling push:** Government committed **INR 2 trillion ($23 billion)** to expand shipbuilding and enhance efficiency, targeting India's rise into the global top 5 shipbuilding nations by 2047.
- **Sagar Mala and Maritime Amrit Kaal Vision 2047:** Integrated plans to **modernize ports**, develop coastal economic zones, and strengthen road–rail connectivity for manufacturing and exports.

Sources: Fitch Solutions; Kearney analysis

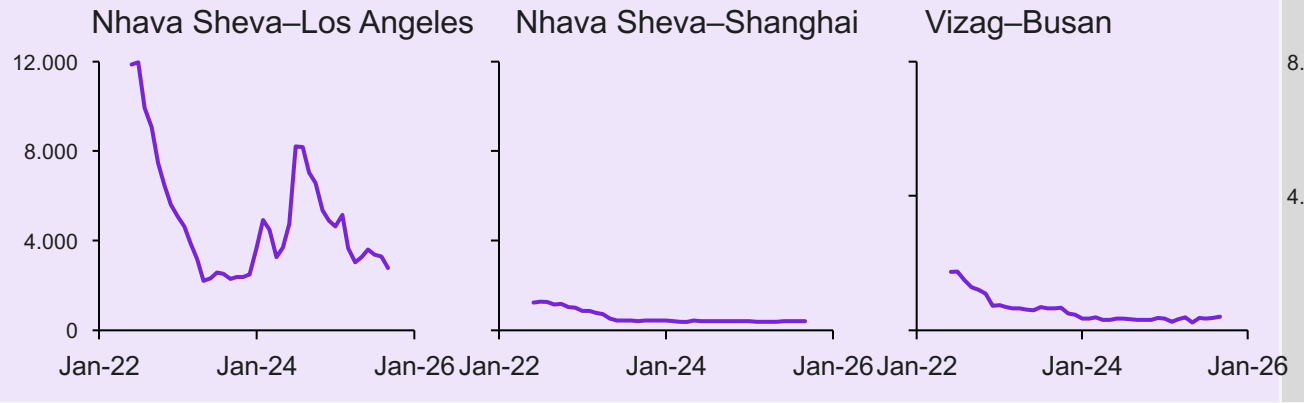
Ocean freight rates for India–US and India–China lanes to fluctuate in 2025; demand swings, Red Sea diversions, and tariff/geopolitical uncertainty offset easing congestion and new capacity

Trends in spot container rates for major routes

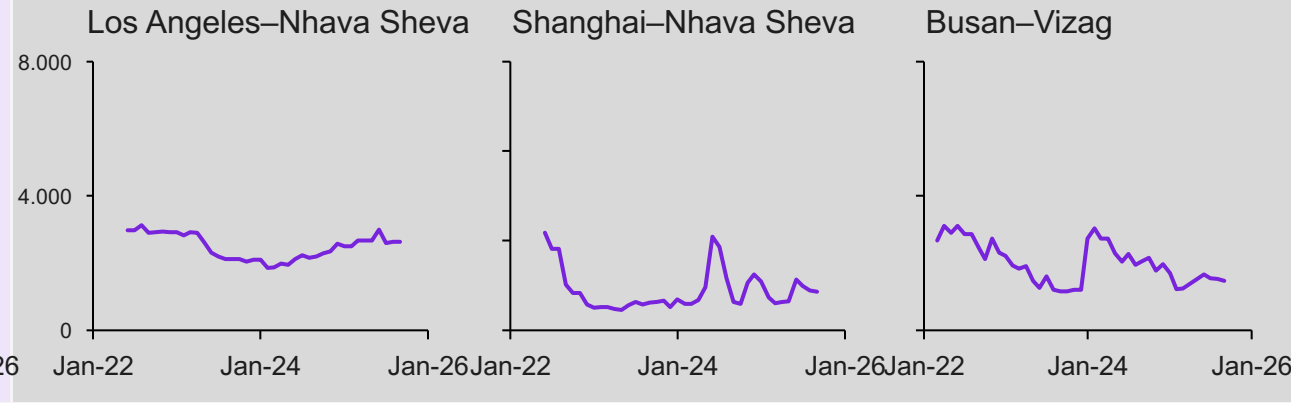
↘ Falling ↔ Stable ↗ Rising

S No	Select trade corridors	Recent trend	Short-term forecast	Trade lane insights
1	India exports	↘	↗	– Ocean freight rates for India–US and India–Europe lanes remain elevated on strong demand for textiles, machinery and pharmaceuticals, but are likely to face slight pressure as global demand softens and new shipping capacity is added in the coming months.
2	India imports	↔	↔	– Rates for India–China and India–Middle East lanes have been volatile (supply chain disruptions; demand swings for electronics, machinery, petroleum). They are expected to stabilize, though geopolitical factors may cause periodic fluctuations.

1. India exports



2. India Imports



Sources: Drewry; Kearney analysis

SE Asia ocean freight industry overview and development

34 major seaports:
11: Indonesia
7: Malaysia
2: Singapore
6: Vietnam
8: Thailand
Regional players: APL (Singapore)

Overview

Singapore: Port activity in 2025 is supported by a rebound in electronics and its role as a leading transshipment hub. Capacity added to handle Red Sea diversions underscores its ability to absorb demand shocks.

Vietnam: Maritime throughput is set to grow, with **Ho Chi Minh City** forecast to rise ~3.8% in tonnage and ~2.9% in containers in 2025, anchored by strong manufacturing and trade.

Malaysia: Ports remain on an expansion path with the **Carey Island** project positioning the country as a stronger transshipment hub over the medium term.

Thailand: Container flows at **Laem Chabang** are expected to post steady 2025 growth, supported by ongoing berth extensions and terminal upgrades.

Ports throughput (2025) for major ports in SE Asia

Port name	Annual container throughput (TEU)	% Y-o-Y	Annual tonnage throughput ('000)	% Y-o-Y
Tanjung Priok (ID)	7,781,976	0.6%	31,701	-0.4%
Penang (MY)	1,446,888	2.1%	32,649	1.2%
Tanjung Pelepas (MY)	12,101,779	2.4%	168,732	2.2%
Singapore (SG)	42,815,458	4.1%	646,012	3.7%
Laem Chabang (TH)	9,928,325	3.9%	107,614	4.1%
Bangkok (TH)	1,287,801	1.4%	19,816	2.1%
Ho Chi Minh (VN)	6,172,851	7.8%	96,393	9.9%

Developments

- **Malaysia port pipeline**: The **Carey Island Port** (construction from 2025) adds large-scale capacity; **Port of Tanjung Pelepas** crossed **12.25mn TEU** in 2024; new container port plans in **Negeri Sembilan** and digital process improvements (Malaysia Maritime Single Window) are in train.
- **Singapore resilience**: PSA reactivated berths and fast-tracked additional **Tuas** capacity to manage Red Sea-related diversions; continued port and logistics investments keep the hub nimble.
- **Thailand upgrades**: **Laem Chabang** Phase 3 and B1/B2 terminal enhancements (PPP, THB12.8bn) aim to lift capacity and efficiency, supporting its role as a regional gateway.

Sources: Fitch Solutions; Kearney analysis

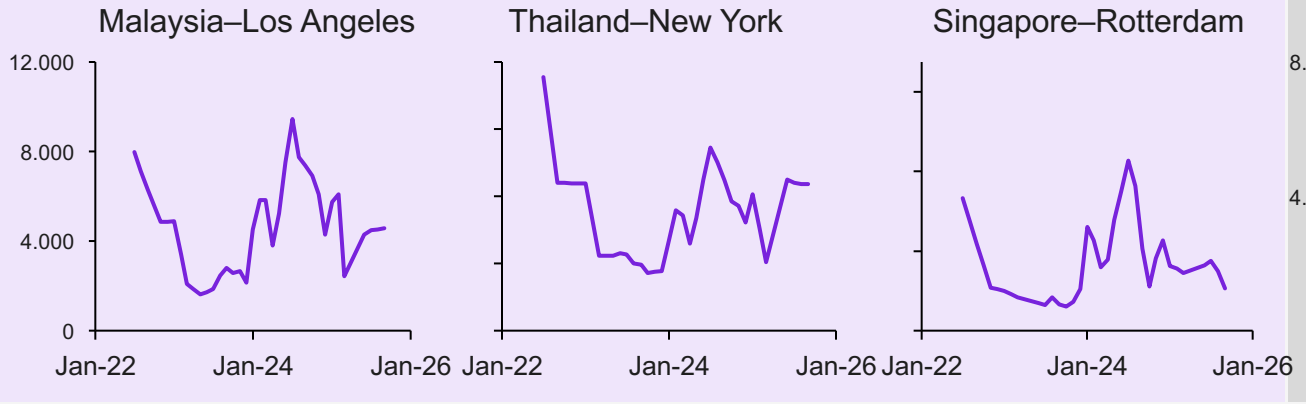
South and SE Asia—US/Europe spot rates expected to stabilize in 2025; front-loaded export surge fades as inventories rebuild and capacity comes online; import lanes stay firm on inputs/fuel demand

Trends in spot container rates for major routes

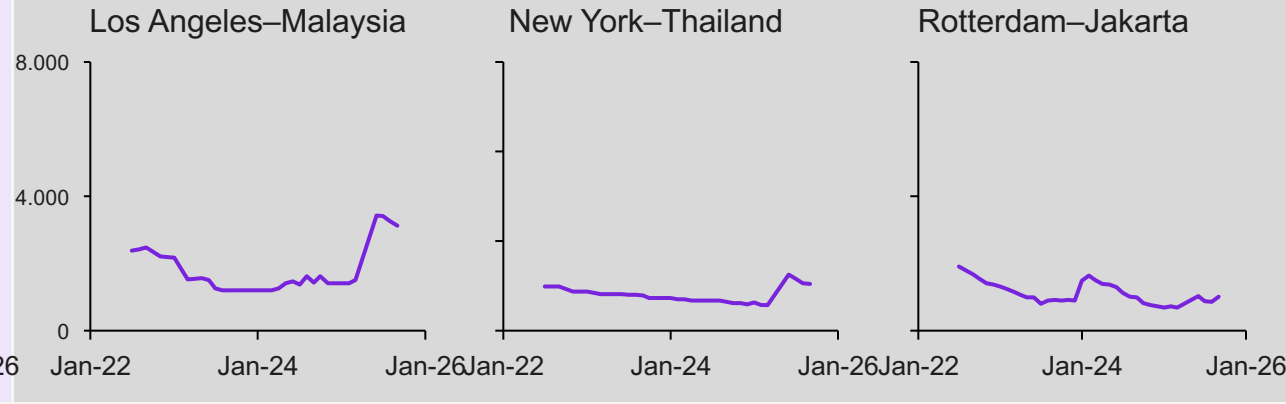
↘ Falling ↔ Stable ↗ Rising

S No	Select trade corridors	Recent trend	Short-term forecast	Trade lane insights
1	South Asia exports	↘	↔	– Export lanes spiked on front-loading ahead of US tariff deadlines, then eased as that surge waned; both Vietnam and Thailand flag a pull-forward of shipments with a softer patch expected after July. Port congestion in Thailand also reflected that pre-tariff rush, which should normalize. Together this points to near-term stability rather than continued rises.
2	South Asia imports	↔	↗	– Import lanes are under firm demand for industrial inputs and fuels (refined & crude petroleum are core Indonesian imports), and operators highlight infrastructure constraints that keep costs sticky; with domestic demand resilient, a slight upward bias is likely.

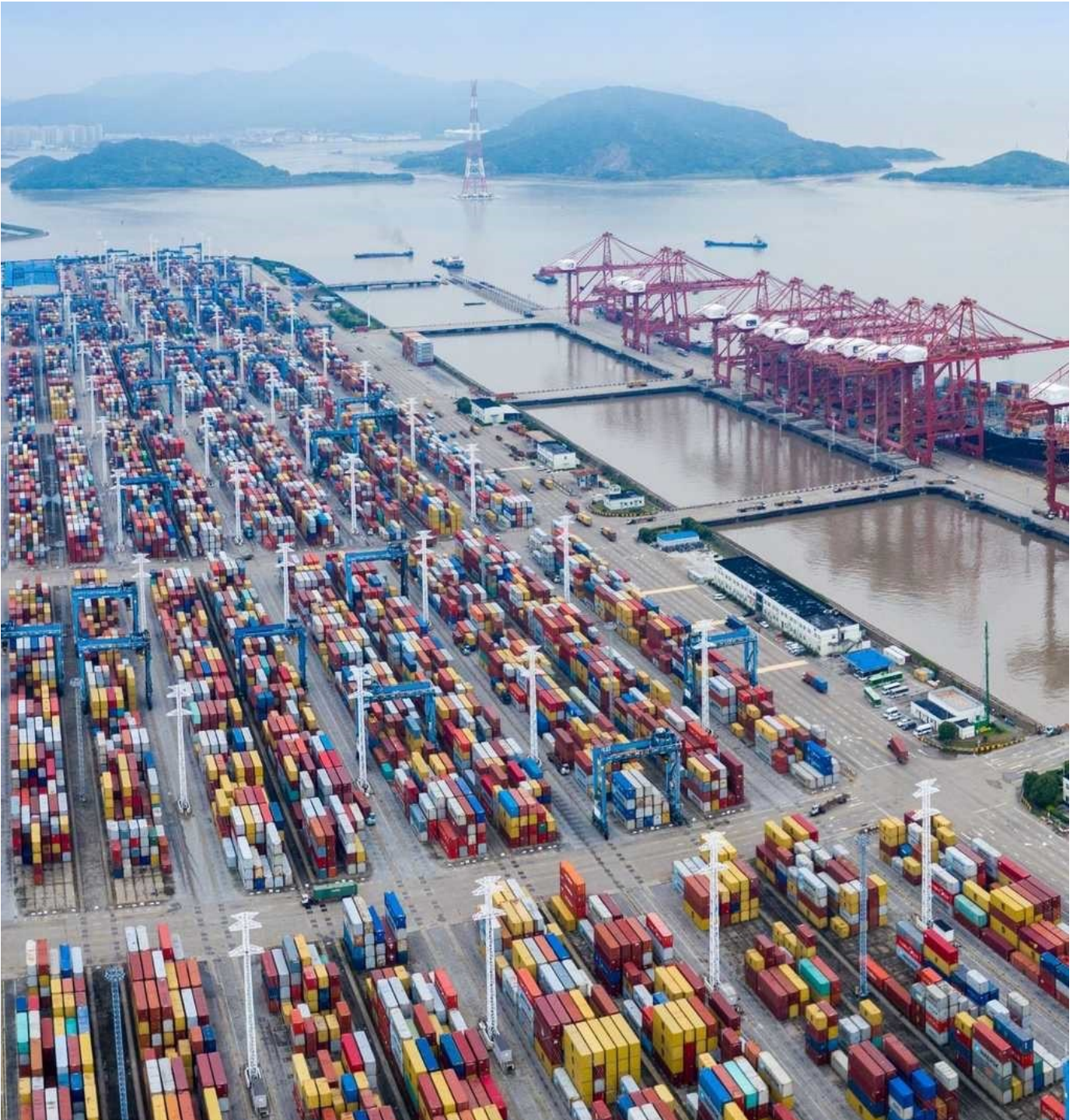
1. South-East Asia Exports



2. South–East Imports



Sources: Drewry; Kearney analysis



Ocean freight industry updates

1. Supplier market
2. Supplier updates

Gemini Corp. continues to hold the top position in the carrier alliance for schedule reliability (>92%), while the Ocean Alliance the leader in market share continues to face reliability issues

Shift in alliances landscape

Major Operating Alliances/Cooperations with 83% Market Share
(% market share, fleet, and operating capacity[3], Jan'26)

Ocean Alliance
(28.9%)

OOCL, COSCO SHIPPING, CMA CGM, EVERGREEN

Fleet size: ~1,501 ships
TEU capacity: 9.7 million TEUs

Gemini Corp.
from Feb 2025)
(20.9%)

MAERSK LINE, Hapag-Lloyd

Fleet size: ~1,013 ships
TEU capacity: 7.0 million TEUs

MSC.[2]
from Feb 2025)
(21.4%)

msc MEDITERRANEAN SHIPPING COMPANY

Fleet size: ~979 ships
TEU capacity: 7.2 million TEUs

Premier Alliance
(11.4%)

YANG MING, ONE, HMM

Fleet size: ~464 ships
TEU capacity: 3.8 million TEUs

Insights

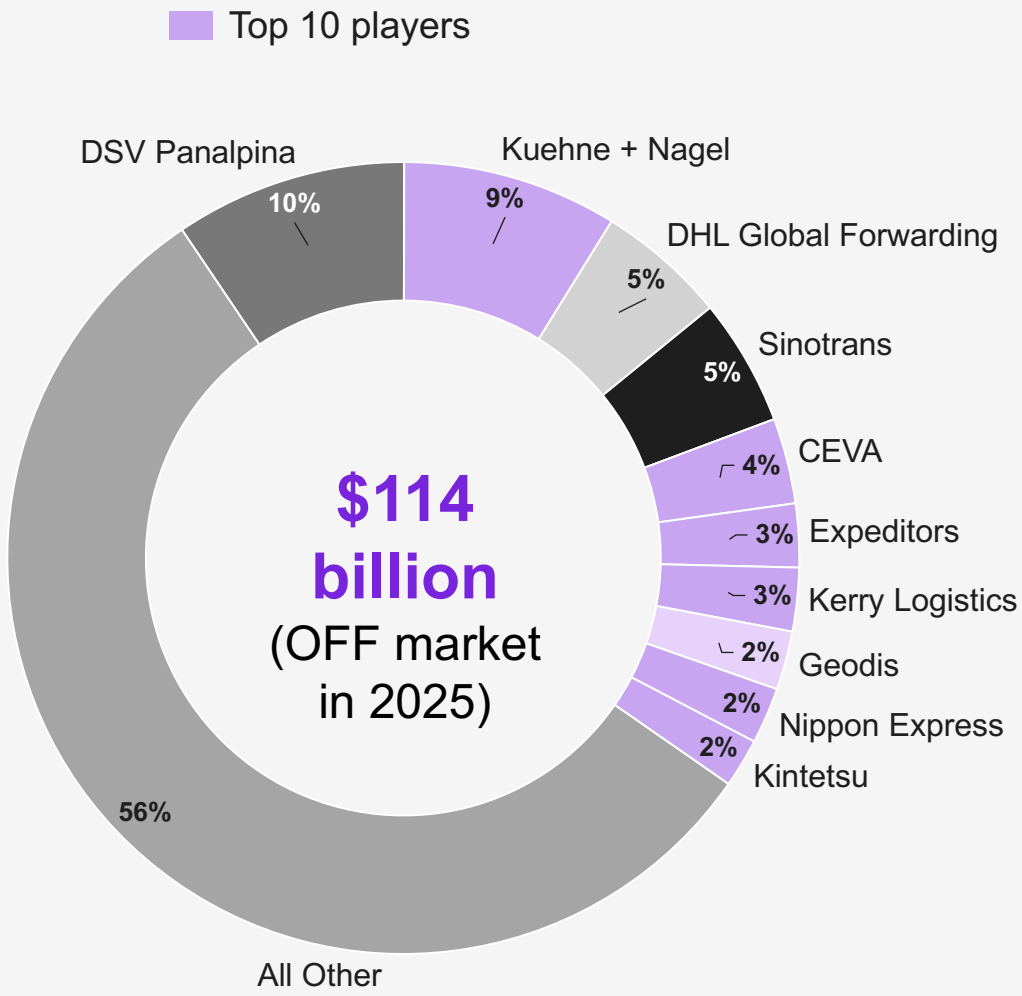
- In November/December 2025, **Gemini achieved 92.3% schedule reliability across all arrivals, and 90.8% across trade arrivals. However, the ocean alliance achieved 58.8% reliability for all and trade arrivals.**
- In comparison, the **MSC achieved 73.5% for all arrivals and 71.9% for trade arrivals, while Premier Alliance recorded 56.9% for all arrivals and 56.6% for trade arrivals.**
- **Maersk led the rankings with 76.7%,** followed closely by Hapag-Lloyd at 75.2%, while next top 6 carriers were in the 60–70% and 50–60% range.
- The schedule reliability and capacity deployed in 2026 will likely depend on how demand shapes up in the new tariff landscape.

[1] COSCO completed acquisition of OOCL in Jul 2018; OOCL however continued to commercially operate under its own brand
[2] Zim and MSC announced a 3-year-long slot sharing agreement on the Transpacific East Coast
[3] Includes owned and chartered fleet
Sources: Alphaliner, Sea-intelligence, Alphaliner; Kearney analysis

The top 10 players run 44% of the market in the ocean forwarding and consolidation/co-loading industry, assuring robust competition

Ocean forwarding market concentration

As of January 2026



Note: OFF is ocean freight forwarding.
Sources: Transport Intelligence, Capital IQ; Kearney analysis

- The top 10 freight forwarders account for 44.0 % of the global ocean freight market, with the remainder going directly to ocean carriers.
- Over the past five years, the major players' market share has declined to divestures.
- The ocean freight forwarding market is becoming more fragmented as new, smaller freight forwarders emerge.

In Q3 2025, carriers experienced broad drops in both revenue and profits, reflecting the difficult market conditions they faced

Top carrier's financial results
Q3 2024–2025 ($ million)

Carrier	Revenue			Net profit		
	Q3 2024	Q3 2025	% change	Q3 2024	Q3 2025	% change
COSCO Shipping	10,480	8,217	(22%)	3,030	1,339.1	(56%)
CMA CGM[1]	13,130	-	-	661	-	-
AP Moller–Maersk	15,762	14,206	(10%)	3,049	1,047	(66%)
ONE[2]	4,211	4,049	(4%)	779	86	(89%)
Hapag Lloyd	5,864	5,478	(7%)	1,065	158	(85%)
Evergreen	4,810	3,179	(34%)	1,949	713	(63%)
HMM	2,704	1,927	(29%)	1,323	216	(84%)
Zim Lines	2,765	1,777	(36%)	1,126	123	(89%)
Yang Ming	2,293	1,380	(40%)	893	200	(78%)
Wan Hai	1,715	1,149	(33%)	580	381	(34%)
Average			-			-

[1] Data for Q2 2025
[2] Data for Q1 2024, Q1 2025
Sources: DHL, Alphaliner, DynaLiner, Capital IQ; Kearney analysis

In Q3 2024–2025, leading NVOCCs experienced financial challenges, with all companies reporting notable drops in both revenue and profit margins

Top NOVCC financial results
Q3 2024–2025 ($ million)

NVOCC	Revenue			Net profit		
	Q3 2024	Q3 2025	% change	Q3 2024	Q3 2025	% change
Kuehne + Nagel	7,679	7,578	(1%)	384	243	(37%)
Sinotrans	4,201	3,434	(18%)	125	103	(18%)
DSV	6,595	11,308	71%	422	322	(24%)
DHL Global Forwarding	5,618	5,364	(5%)	NA	NA	-
Kerry Logistics[1]	1,627	1,743	7%	54	42	(22%)
Expeditors	3,000	2,895	(4%)	230	222	(3%)
Geodis[1]	2,014	2,073	3%	NA	NA	-
Nippon Express	4,539	4,302	(5%)	49	20	(59%)
Average			**-**			**-**

[1] Data for Q2
Sources: Capital IQ; Kearney analysis

Supplier profiles (as of October 2025)

1 MSC is the largest ocean carrier with 21% market share while continuing further capacity growth

MEDITERRANEAN SHIPPING COMPANY

Preliminary

Current capabilities

971
No. of vessels

7,136k TEUs
Size

21%
Fleet share

Planned capacity expansion

114
New vessels (in orderbook)

2,053k TEUs
New containers (in orderbook)

29%
Capacity growth % (compared to existing fleet)

Developments and market updates

Fleet expansion strategy

- **Appetite for expansion:** MSC is planning to expand its container fleet capacity by 29%.
- MSC has also ordered 114 new vessels to ensure smoother operations.

Sustainable logistics

:

- MSC welcomed updated whale protection guidelines and reiterated its commitment to re-routing vessels to minimize collision risks, reflecting the company's dedication to sustainable shipping practices.

Major updates

- **Mega containership order**: MSC has placed orders for six ultra-large container ships (22,000 TEU each) in China, valued at over US $1.3 billion. This is part of its gradual fleet expansion and fleet renewal strategy.
- **Direct South America–Middle East service:** MSC is launching a new service starting October 2025, with Abu Dhabi as a key transshipment hub.
- **Investment in Indian Shipbuilding:** MSC is exploring a greenfield shipyard in India to support its shipbuilding and repair needs.
- **Interest in Iraq's Grand Faw Port:** MSC is one of 11 global firms shortlisted to operate Iraq's strategic Grand Faw port, slated to boost regional trade from 2026 onward.

Sources: Alphaliner,Martime Executive,MSC, Loadstar; Kearney analysis

2 Maersk has officially opened a new 20,000 m² logistics hub in the Panama Pacifico Special Economic Zone

MAERSK

Preliminary

Current capabilities

728
No. of vessels

4,613k TEUs
Size

14%
Fleet share

Planned Capacity Expansion

80
New vessels (in orderbook)

1051k TEUs
New containers (in orderbook)

23%
Capacity growth % (compared to existing fleet)

Developments and market updates

Expansion strategy

- Maersk has officially opened a new **20,000 m² logistics hub** in the Panama Pacifico Special Economic Zone. This facility serves as a strategic distribution center for markets across Latin America, North America, and Asia.
- A.P. Moller–Maersk plans to roll out a **digital container release system** at the German seaports of **Hamburg, Bremerhaven, and Wilhelmshaven**, replacing the current PIN-based process.

Acquisitions

- Maersk has also committed to sourcing **bio-methanol** from China's **LONGi**, supporting its dual-fuel methanol container vessels with clean-cut fuel alternatives.

Major updates

- Maersk has **suspended its TP9 service** from Asia to the U.S. West Coast for the rest of Q4 2025. Originally scheduled for three blanked voyages in October, the service is now fully halted due to network adjustments.
- Maersk received delivery of a **2,080-TEU containership** in September 2025. The vessel incorporates advanced environmental technologies including **energy-saving propellers, friction-reducing hull paint** etc.

Sources: Alphaliner, Maersk, Dregdewire; Kearney analysis

3 CMA CGM, currently the third-largest ocean carrier, has been committed to long-term relationship with customers

Preliminary

Current capabilities

711
No. of vessels

4,144k TEUs
Size

12%
Fleet share

Planned capacity expansion

148
New vessels (in orderbook)

1,884k TEUs
New containers (in orderbook)

46%
Capacity growth % (compared to existing fleet)

Developments and market updates

Strategy

- Launched Maya Service for West Coast of Central America to strengthen regional presence.
- Shortlisted to operate Iraq's Grand Faw Port, decision expected by mid-2025.3. Sustainability
- CMA CGM introduced a new feedering service called IAX1, linking Türkiye and Bulgaria. This service likely aimed to enhance connectivity and provide more efficient transport solutions in the Black Sea region.

Acquisitions

- CMA CGM has announced its acquisition of Freightliner UK Intermodal Logistics, a rail logistics company to expand beyond maritime transport and reduce reliance on the volatile shipping sector. The deal is expected to close in early 2026.

Major updates

- CMA CGM committed to a **$20 billion investment** in US maritime, logistics, and air cargo infrastructure
- Developing a **zero-emission electric barge** in Vietnam with solar-powered infrastructure at Gemalink Terminal.
- CMA CGM announced a revamp of its AMERIGO service connecting the Mediterranean and North America. This likely involved changes to port rotations, schedules, or vessel deployment to improve service reliability and efficiency.

Sources: Alphaliner,,CMA CGM, Reuters; Kearney analysis

4 COSCO has been committed to sustainable shipping and E2E solutions to improve customer services

Preliminary

Current capabilities

550
No. of vessels

3,586k TEUs
Size

11%
Fleet share

Planned capacity expansion

106
New vessels (in orderbook)

1,384k TEUs
New containers (in orderbook)

39%
Capacity growth % (compared to existing fleet)

Developments and market updates

Strategy

– COSCO Shipping Heavy Industry is $421 million to expand its ship repair and offshore engineering operations in South China. Expected to service around 250 vessels annually, the project is part of COSCO's broader strategy to meet global demand for ship repair and conversion. The new facility will include two large dry docks, a floating dock, and seven berths, enabling it to handle VLCCs, large containerships, and offshore units.

Sustainable logistics

:

– COSCO SHIPPING Europe has implemented a new air pollution control system at its Fujian Petrochemical Terminal to reduce emissions from fuel and chemical operations underscoring their commitment to sustainability and cleaner operations.

Major updates

– COSCO's WSA5 service launched in **Buenaventura, Colombia**, marking its maiden East Asia–Latin America cargo route. The service links major South American ports including Chancay (Peru) and offers competitive transit times to China, boosting bilateral trade connectivity.
– The north Chinese port of Shandong is launching a new direct service between China and Southeast Africa in collaboration with COSCO Shipping Specialized Carriers.

Sources: Alphaliner, Drewry, Shipping Herald, Portcalls; Kearney analysis

5 Hapag Lloyd, is currently the fifth-largest ocean carrier in terms of capacity and committed to climate neutrality

Hapag-Lloyd

Preliminary

Current capabilities

287
No. of vessels

2,385k TEUs
Size

7%
Fleet share

Planned capacity expansion

58
New vessels (in orderbook)

477k TEUs
New containers (in orderbook)

20%
Capacity growth % (compared to existing fleet)

Developments and market updates

Strategy

- Hapag-Lloyd and Maersk announced the Gemini Cooperation, set to commence operations on February 1, 2025. This partnership aims to optimize service networks and improve schedule reliability through a hub-and-spoke system, benefiting ports like Bremerhaven and Wilhelmshaven.

Sustainable logistics

- Hapag-Lloyd and DHL Global Forwarding have signed a three-year agreement to reduce Scope 3 greenhouse gas emissions using sustainable marine fuels made from waste and residue. Their first order in July 2025 avoided 25,000 tons of CO_2e.
- Hapag-Lloyd and Shell have signed a multi-year agreement for the supply of liquefied biomethane (Bio-LNG), effective immediately, enabling significant emissions reductions without requiring vessel modifications.

Major updates

- Hapag-Lloyd Cruises launched its first **Weddell Sea expedition** aboard *Hanseatic Spirit* for 2025–2026, including Zodiac landings, visits to Adelie penguin colonies, and retracing historic Shackleton routes.
- **COSCO inaugurated the Chancay megaport in Peru**, a $1.3 billion project intended to establish a new maritime-land corridor between China and LATAM.

Sources: Alphaliner, TradeWinds; Kearney analysis

6 ONE has taken steps to focus on its strategic growth and improving its global shipping services

Preliminary

Current capabilities

270
No. of vessels

2,077k TEUs
Size

6%
Fleet share

Planned capacity expansion

49
New vessels (in orderbook)

598k TEUs
New containers (in orderbook)

29%
Capacity growth % (compared to existing fleet)

Developments and market updates

Fleet expansion strategy

– Expecting a **29% growth** in its capacity in 2024-25 adding 598k TEU capacity and 49 new vessels
- ONE has launched a **new reefer intermodal rail service** connecting Hyderabad to Nhava Sheva, enhancing cold chain logistics in India. This multimodal solution offers efficient transport for temperature-sensitive cargo from inland locations to global destinations.

Shipping operations digitalization

– **Shore Power Collaboration:** Partnered with Ningbo Zhoushan Port Group (December 2024) to explore shore power solutions and shared AMP container usage experience.

Major updates

– **Premier Alliance Transpacific Update**: ONE is updating its Asia–North America services starting October 2025. ONE will suspend PS5 service and revise the existing PS4, PS6, FP2 and EC2 services.
– ONE has set a new record by loading 22,233 TEU on its 24,000 TEU-class mega vessel, **ONE Innovation**—the highest ever on a single containership. this milestone showcases the efficiency and sustainability of ULCVs, helping reduce emissions and improve cargo movement per sailing.

Sources: Alphaliner, TradeWinds; Kearney analysis

7 Evergreen is stepping towards green shipping routes and expanding its fleet by 43%

Preliminary

Current capabilities

239
No. of vessels

1,958k TEUs
Size

6%
Fleet share

Planned capacity expansion

53
New vessels (in orderbook)

834k TEUs
New containers (in orderbook)

43%
Capacity growth % (compared to existing fleet)

Developments and market updates

Fleet expansion strategy

- Evergreen Line, in partnership with Wan Hai Lines and Yang Ming Marine Transport Corp, is launching a new China–Indonesia/Malaysia (CIM) service starting October 31, 2025. The service will use five vessels (1,900–2,200 TEU capacity) and aims to enhance direct connectivity between North China and Indonesia.

Sustainable logistics

- Evergreen launched a **Green Fuel Project** in 2025, using **ISCC-certified biofuels** on Asia–Europe and Americas–Europe routes. All participating fuel usage is verified by ClassNK and PwC under IFRS/CSRD standards. From 2026, the company's new fleet will transition to **methanol fuel** to meet European environmental regulations.

Major updates

- Evergreen continues its commitment to the **Ocean Alliance** with CMA CGM, COSCO, and OOCL. This operational agreement was extended through **2032**, underpinning cooperation on key east–west trade lanes.
- In the Transpacific trade, Evergreen holds an approximate **11% market share**, ranking fifth, behind CMA CGM (13.2%), Maersk (13.1%), and COSCO (12.9%).

Sources: Alphaliner, TradeWinds; Kearney analysis

8 HMM saw a huge growth post covid and is planning to expand its fleet by 20% in 2024–2025

Preliminary

Current capabilities

97
No. of vessels

1,027k TEUs
Size

3%
Fleet share

Planned capacity expansion

15
New vessels (in orderbook)

185k TEUs
New containers (in orderbook)

18%
Capacity growth % (compared to existing fleet)

Developments and market updates

Fleet expansion

- HMM launched a new service connecting India and North Europe. This aimed to provide more direct and efficient transportation options for cargo moving between these regions.
- HMM launched a new service connecting Far East Asia and East Latin America (FL2). This expanded its network coverage in the Latin American market.

Sustainable logistics

- HMM plans to invest approximately $17 billion by 2030, with over 60% allocated to sustainable initiatives aimed at achieving net-zero emissions by 2045. This includes investments in low-carbon ships and green facilities

Major updates

- H1 2025 Report: Revenue rose 9.7% year-on-year to approximately **USD 4.11 billion**, with net profit up 5.7% to around **USD 908 million**. HMM is expanding and diversifying its fleet, including methanol-powered containerships, PCTCs, MPVs, and chemical tankers.
- HMM has announced that it will not apply any surcharge related to the U.S. Trade Representative (USTR) fees targeting Chinese-owned and Chinese-built vessels at U.S. ports effective from October 2025.
- HMM has restructured its services by launching two new offerings: the **Mediterranean Service 2 (MD2)** and the **Korea Middle East – Pacific South (KMP)** service.

Sources: Alphaliner, TradeWinds,Port technology, Loadstar; Kearney analysis

9 Yang Ming is planning for fleet expansion and contribution towards net-zero emissions

YANG MING

Preliminary

Current capabilities

97
No. of vessels

716k TEUs
Size

2%
Fleet share

Planned capacity expansion

18
New vessels (in orderbook)

237k TEUs
New containers (in orderbook)

33%
Capacity growth % (compared to existing fleet)

Developments and market updates

Fleet expansion strategy

- Yang Ming Marine has finalized contracts for six 8,000 TEU-class methanol dual-fuel-ready containerships with Japanese shipbuilders, with deliveries starting in 2028.
- Yang Ming has signed a contract with Hanwha Ocean to build seven 16,000 TEU LNG dual-fuel container vessels, scheduled for delivery between 2028 and 2029.

Services offered

- Yang Ming announced the launch of its new India Ocean Express service, starting February 5, 2025. This service will provide direct connections from West India, Sri Lanka, and Pakistan to North Europe, enhancing their intra-Asian competitiveness.

Major updates

- For the first half of 2025, Yang Ming revenues totaled **$2.64 billion**, with net profit reaching **$274.82 million**.
- Yang Ming joins Evergreen's China–Indonesia/Malaysia (CIM) service launching at the end of October 2025.

Sources: Alphaliner, TradeWinds, Seatrade Maritime, Cyprus, TradeWinds; Kearney analysis

⑩ Zim recorded one of the highest % growth in terms of fleet capacity in 2024–25

Preliminary

Current capabilities

117
No. of vessels

705k TEUs
Size

2%
Fleet share

Planned capacity expansion

18
New vessels (in orderbook)

163k TEUs
New containers (in orderbook)

23%
Capacity growth % (compared to existing fleet)

Developments and market updates

Fleet expansion strategy

– ZIM has added Port Said in Egypt as the final Mediterranean stop on its ZMP (ZIM Mediterranean Premium) service connecting the Mediterranean to the Far East. This updated route will be operated by sixteen vessels, each with a capacity of around 8,000 TEUs.

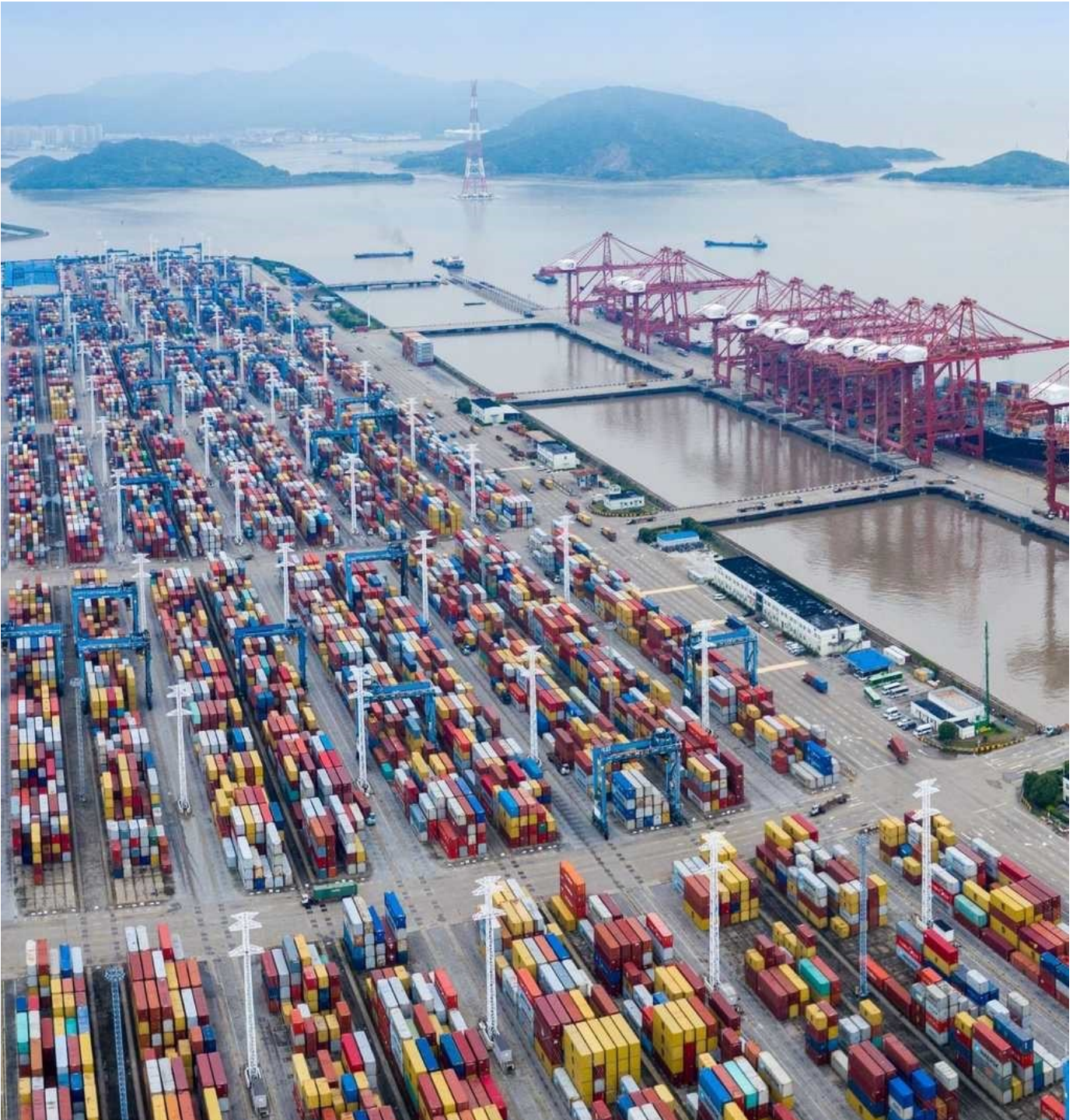
Customer centric approach

– On January 13, 2025, ZIM announced its participation in the "Move to -15" coalition, aimed at reducing cold chain emissions by raising the standard temperature for frozen cargo from -18°C to -15°C. This initiative could potentially prevent 17.7 million metric tons of CO_2 emissions annually.

Major updates

– ZIM reported its Q2 2025 financial results, showing a significant year-over-year decline. Net income dropped to $24 million from $373 million in Q2 2024, revenue decreased 15% to $1.64 billion.
– ZIM has updated its Transatlantic ZCA service by replacing Mersin with Damietta as the first westbound port of call.
– A fire broke out on a ZIM-chartered container ship while en route from China to Los Angeles in September 2025, no casualties reported.

Sources: Alphaliner, TradeWinds; Kearney analysis



Ocean freight indices

For shippers with heavy China to US imports, SCFI is the most reliable index given coverage and recency of data points

Comparison of freight rate indices

+ Pro/positive – Con/negative ◔ Backward-looking or low relevance ◕ Forward-looking or high relevance

Index	Basis	Evaluation	Key considerations	
			Recency	Relevance
Drewry World Container Index (WCI)	– Data for the index is collected from transport intermediaries – freight forwarders / NVOCC's – who report **actual spot rates paid** for moving cargo with major shipping lines	+ Covers a large set of 400+ lanes across all major trade routes + Most recognized index in the industry; most generally accepted as benchmark for past performance – Gives **backward-looking view** based on rates from freight forwarders – Contains **mix of spot and contract rates paid; has lag on current market** and is unlikely to match the spot/contract mix of a given shipper	◔	◑
Shanghai Containerized Freight Index (SCFI)	– Derived from weekly **spot rate estimates** polled from panelists of major sea carriers, freight forwarders, and shippers on **current rates charged / paid**	+ Provides latest rate information (**rates as of today**) thus better for **current / go-forward rate comparisons** + More **reliable index** as it is the most widely used rate index for sourcing **ocean freight from China** – Covers only Shanghai port of export across 15 different shipping routes	◕	◑
China Containerized Freight Index (CCFI)	– Based on the **composite of spot rates and contractual rates** and freight volumes of 12 routes around the world	+ Covers all major China ports – Shenzhen, Shanghai, Xiamen, Qingdao, Nanjing, Ningbo, Tianjin, Fuzhou, Dalian – with global routes – Only 12 routes are covered by this index – Contains **mix of spot and contract rates paid; has lag on current market** and is unlikely to match the spot/contract mix of a given shipper	◔	◕
Freightos Baltic Index (FBX)	– Calculated using **spot rates offered by ocean carriers** to freight forwarders	+ Based on **real-time aggregated and anonymized** data from global carriers, freight forwarders, and shippers that use the WebCargo by Freightos freight rate management platform – Index is a weighted average of only 12 underlying regional routes	◑	◔
Xeneta	– **Calculated using spot rates** submitted by Xeneta's clients (shippers and carriers) on its platform	+ Based on **real-time aggregated and anonymized data** from global carriers, freight forwarders, and shippers that use the Xeneta's platform - Doesn't include all components of rates such as pre-carriage or on-carriage charges	◕	◑
CTS	– **Based on weighted average sea freight rate** at regional and sub-regional level	+ Price indices include all surcharges and ancillary charges - Indices are **weighted average of rates across different regions** and sub-regions	◑	◔

Sources: market indexes; Kearney analysis

Ocean freight indexing: handle with care, but handle now

Current state

- Ocean freight indices give us the trend of rates of different lanes across regions.
- Rates are either spot, contracts or a mixture of spot and contracts depending on the index.
- During the 2022-23 sourcing period, some shippers sought, and a subset agreed to, tying multi-year rate agreements proposed (demanded) by carriers (and forwarders) to indices.
- With ocean contracting pain, index linked contracts seem good. Two points to consider prior to proceeding:
  - Market models suggest a 15-20% reduction in rates in Q2/Q3 2023 and most index linked contracts seen in the market had a floor limit of a 10% correction. An offer from a carrier with a bottomless correction is OK, but not very useful with a high floor.
  - If rates in the contract are high, then an index linked contract will consider the high rate as base leading to non-competitive rates in 2023-24. This can be mitigated by an index linkage in absolute dollars vs. a percentage basis.
- All indexes support that ocean rates are dropping and could be used to monitor conversations with carriers on how declining market rates should translate into savings for shippers.

Drewry

Baltic Exchange

FREIGHTOS

XENETA

CTS
Container Trades Statistics

CCFI

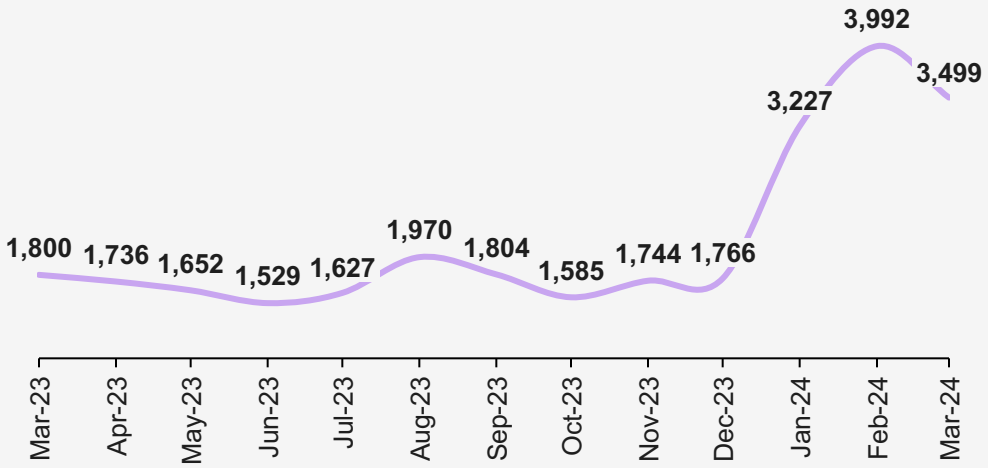
SCFI

Ocean freight market indices

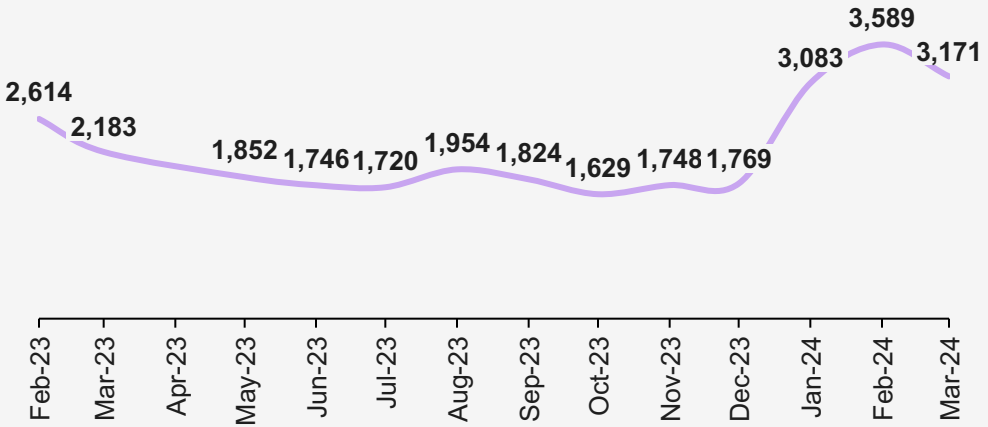
1 **Drewry reports actual spot freight rates at which cargo is moving based on reporting from eight Forwarder/NVOs representing over 33,000,000 TEUs of ocean freight**

Drewry World Container Index

East-West composite ($/40ft)



Global Freight Rate index ($/40ft)



Drewry Index Comments

The Drewry World Container Index reports actual spot container freight rates for major East West trade routes. The Index consists of 8 route-specific indices representing individual shipping routes and a composite index. All indices are reported in USD per 40ft Container.

Market assessments are collected for the following routes:

- Shanghai - Rotterdam
- Rotterdam - Shanghai
- Shanghai - Genoa
- Shanghai - Los Angeles
- Los Angeles - Shanghai
- Shanghai - New York
- New York - Rotterdam
- Rotterdam - New York

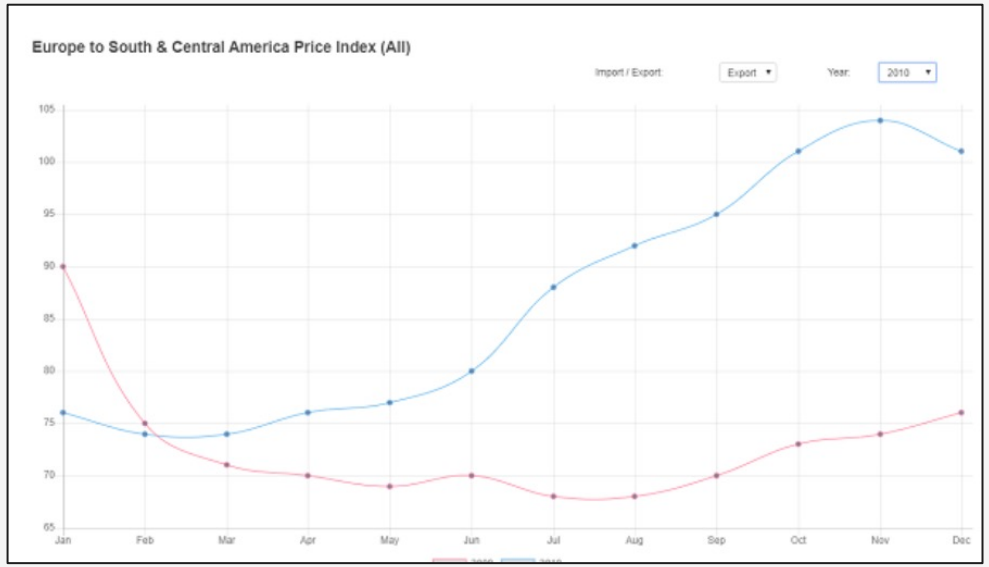
Data for the index is collected from transport intermediaries (Freight Forwarders / NVOCC's) based in Europe, N. America and Asia. These organizations report the freight rates on which they are moving cargo with a number of major shipping lines. Rate validity is not less than 7 calendar days and not more than 1 calendar month from the date the assessment is reported.

Sources: Drewry: Drewry - Logistics Executive Briefing - World Container Index: Correlations and methodology; Kearney analysis

Ocean freight market indices

2 **CTS provides freight rates indices for key trade routes across the globe on a monthly basis**

CTS container freight rates



CTS Data - Monthly
Source: World Liner Data Limited (Bloomberg)
Container Trades Statistics Limited

CTS Container Price Indexes by Lane (Dec. 2008 = 100)

Description	Dec-21	Nov-21	Oct-21	Sep-21	A
CTS Container Price Indexes by Lane (Dec. 2008 = 100)	157	151	145	137	
Asia - Indian Sub Cont. & Middle East	290	271	271	251	
Asia - Sub Saharan Africa	207	218	220	216	
Asia - South & Central America	238	251	243	233	
Asia - Australasia & Oceania	216	202	202	196	
Asia - North America	275	262	265	267	
Asia - Europe	266	264	273	271	
Asia - Asia	218	189	190	196	
Australasia & Oceania - Australasia & Oceania	228	201	195	174	
Australasia & Oceania - South & Central America	185	175	141	116	
Australasia & Oceania - Indian Sub Cont. & Middle East	218	207	168	158	
Australasia & Oceania - Sub Saharan Africa	143	150	111	111	
Australasia & Oceania - Asia	135	130	125	117	
Australasia & Oceania - North America	143	130	117	118	
Australasia & Oceania - Europe	127	123	107	96	
Europe - Sub Saharan Africa	72	72	69	69	
Europe - Asia	114	114	114	118	
Europe - South & Central America	136	132	126	120	
Europe - Indian Sub Cont. & Middle East	122	122	120	118	

CTS container freight rates comments

- CTS publishes monthly aggregated freight price indices for key trade routes across the globe.
- Its indices are based on the weighted average of the sea freight rates including all surcharges and ancillary charges—with the exception of inland haulage (THC to THC).
- Price indices are available at regional and subregional level.

Sources: CTS; Kearney analysis

Ocean freight market indices

3 FBX Global Container Index provides a global view for freight rates prevailing for 40 ft's containers on a weekly and daily basis

Freightos Baltic Index: Global Container Freight Index

Freightos Baltic Index (FBX) Comments

- FBX index is a weighted average of the twelve underlying regional route indexes. The regions are defined by the select ports such as:
  - **China/East Asia**: Ports in Ningbo, Shanghai, Yantian, Hongkong, Singapore and Busan
  - **NA West Coast**: Los Angeles, Long Beach, and Oakland
  - **NA East Coast**: Baltimore, Charleston, Newark, Houston and New York
  - **Europe**: Antwerp, Hamburg and Rotterdam
- It is developed by Freightos in cooperation with the Baltic Exchange, providing market rates for 40' containers (FEUs).
- Index values are calculated by taking the median price for all prices (to ignore the influence of outliers on active lanes) with weighting by carrier.
- Prices used in the index are rolling short term Freight All Kind (FAK) spot tariffs and related surcharges between carriers, freight forwarders and high-volume shippers.
- The index values are published on daily and weekly basis. The weekly freight index is calculated as an average of the five business days from the same week and published each Friday.

Sources: https://fbx.freightos.com/; Kearney analysis

Ocean freight market indices:

4 Xeneta reports rates valid for 32 days or less (spot) from the largest sample of shippers and forwarders

Xeneta Index

Xeneta Index comments

Xeneta is the world largest ocean freight rate benchmarking platform and provides the most exhaustive source of information related to containers pricing with millions of data points allowing it to benchmark more than 75% of yearly containerized global trade.

Freight All Kind (FAK) rates valid for less than 32 days, for a 40’ container. Xeneta covers most of the global trades and works with all the market players from the biggest freight forwarders to smaller shippers making the index more representative of the market than existing alternatives.

Xeneta data and solutions are already trusted by global companies (Nestle, Unilever, Electrolux, LVMH, CEVA and others). Currently 3 of the top 5 ocean carriers, 7 of the top 10 Freight forwarders and hundreds of shippers rely on Xeneta data.

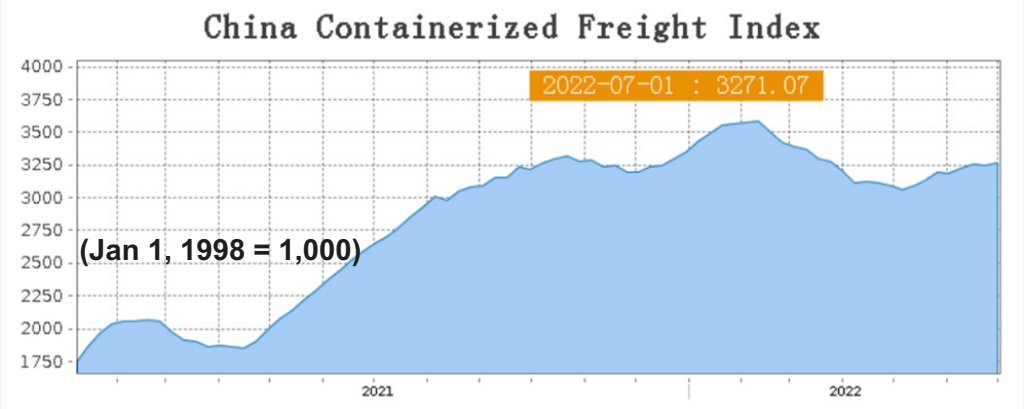
Sources: Xeneta: XSI-C_Methodology.pdf (compassft.com); Kearney analysis

Ocean freight market indices:

5 CCFI China (Export) Containerized Freight Index shows a much broader sample of China export container spot and contracted prices to the world.

Note: Roughly 75% of the global market runs on contracted rates, so while the SCFI is useful, it is not necessarily an accurate reflection of the price being paid by the majority of shippers that have signed long-term contracts with shipping lines.

CCFI China Container Freight Index 2020–2022



CCFI Index comments

CCFI seeks to show the broad container transport market by indexing China's shipping market to the world.

12 trade lanes are used:

- South Korea, Japan, Southeast Asia,
- Australia and New Zealand,
- Mediterranean, Europe,
- East, and West Africa,
- USWC and USEC
- South Africa and South America,
- Persian Gulf/Red Sea services

Ports of departure in China: Dalian, Tianjin, Qingdao, Shanghai, Nanjing, Ningbo, Xiamen, Fuzhou, Shenzhen, Guangzhou

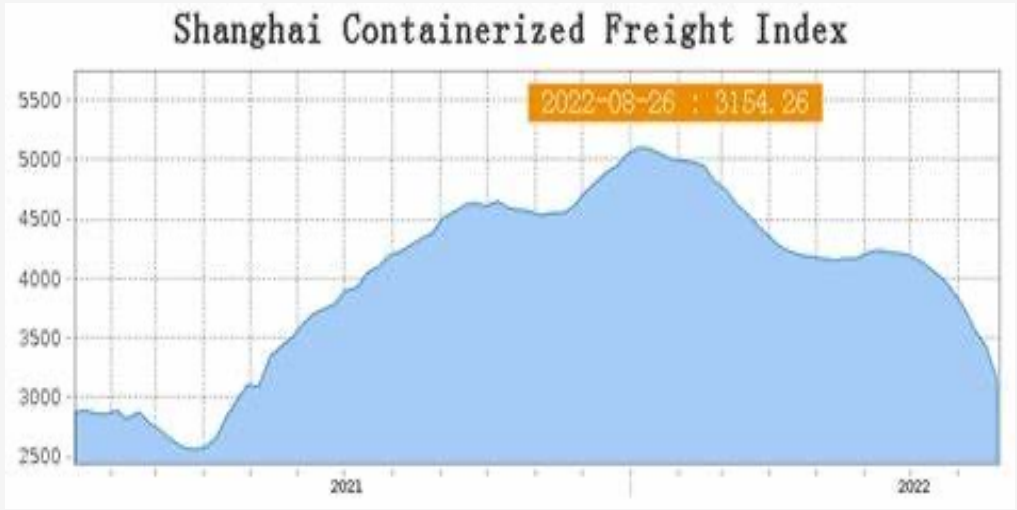
22 domestic and foreign shipping companies establish the freight rate formulation committee: CMA-CGM, COSCO, Hamburg Süd, Hapag-Lloyd, Hyundai MM, Heung-A, Kline, Maersk, MOL, MSC, NYK, OOCL, PIL, RCL, Shanghai Hai Hua Shpng, Shanghai Jin Jiang Shipping, Sinotrans Container Lines, SITC Container Lines, Yang Ming, Evergreen Korea MMT, Wan Hai Lines Ltd., T.S. LINES Ltd, ZIM

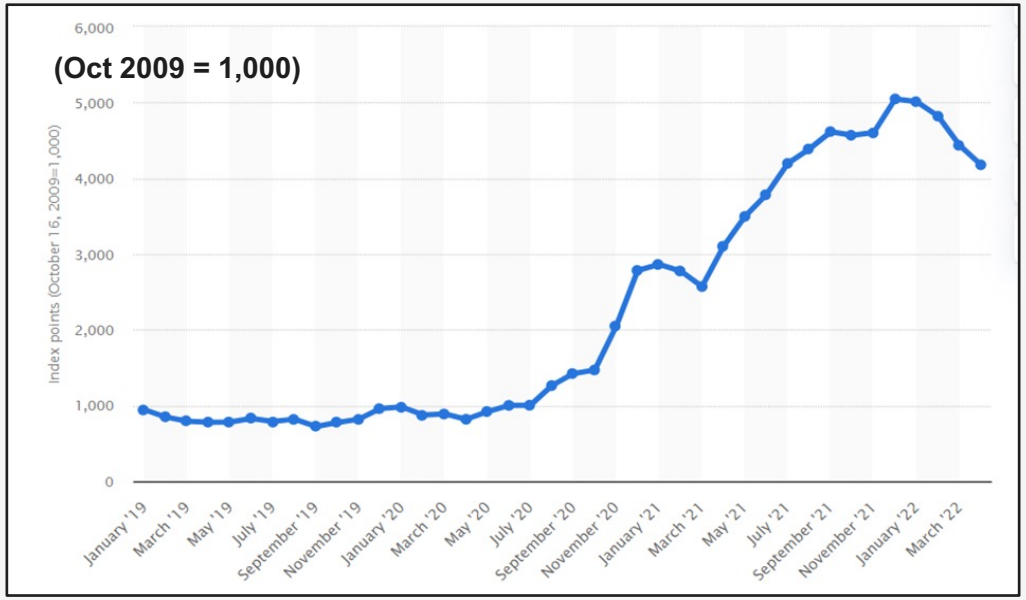
Sources: Shanghai Shipping Exchange (sse.net.cn); Kearney analysis

Ocean freight market indices:

6 SCFI Shanghai Container Freight Index tracks exports only from Shanghai and relies on weekly spot rates.

Shanghai Container Freight Index January 2019–April 2022





Shanghai Index comments

Created by the Chinese government in 2005, the SCFI moves based on the spot rates of the Shanghai export container transport market based on data compiled from 15 different shipping routes, which are major container trade routes export from Shanghai to the following regions:

- Europe, Mediterranean Sea
- US west coast, US east coast
- Persian Gulf
- Australia/New Zealand
- West Africa
- South Africa
- South America
- West Japan, East Japan
- Southeast Asia and Korea

The SCFI is based on spot rates from Shanghai to the ports in the index. It refers to the average final prices (volume weighted average prices) of space book on spot market by common shippers, which are not influenced by peculiarity of shippers' enterprises or container volume.

Sources: Shanghai Containerized Freight Index (container-news.com); Kearney analysis

Data sources (1/2)

Key data sources leveraged	Kearney subscribed	Data points available in the source	Typical uses of data
Kearney State of Logistics	Yes	CSCMP's annual report, market trend and suggestions on next level planning	Annual macro and modal trends; costs and cost structures
Kearney Shipper Compass	Yes	Kearney's logistics perspectives, executive insights for budgeting/forecasting, service expectations, and optimizing	Quarterly macro and modal trends; price points
Drewry report	Yes	World container index, monthly rate trend for key lanes across the globe, regional insights	Ocean freight lane rates
DGF report	No, freely available	Global Ocean Market Update: market development, outlook, carrier financial results, capacity, port updates, etc.	Ocean freight industry deep dives, actionable insight
CNBC State of Freight	No, freely available	Supply chain heat maps to identify bottleneck for China, US, Europe, and Africa	Actionable regional logistics insight informs decisions
Sea Intelligence	No, paid source	Schedule reliability, shipping trends, ports and terminal updates at a global level	Ocean freight industry deep dives, actionable insight
FreightWaves	No, freely available	Market trends, supplier developments, Container shipping news	Modal trends and deep dives, rate information
Freightos	No, freely available	Rate index trend for key lanes across the globe, key market insights	Rates and trends
WSJ	Yes	Reports on ocean freight market	Rich articles on trends at executive level

Data sources (2/2)

Key data sources leveraged	Kearney subscribed (Y/N)	Data points available in the source	Typical uses of data
Upply	Yes	Spot and contract rates as well key insights on ocean freight market	Modal trends and deep dives, rate information
Clarkson	Yes	Freight rates, shipping demand and vessels supply on the different segments: container, dry bulk and tanker	Industry capacity trends, ocean segment trends and deep dives, rate information
Alphaliner	Yes	Ocean carriers' performance and ports related news	Carrier and ports insights
Xeneta, CTS, SCFI, CCFI …	No, paid source	Spot and contract rates as well key insights on ocean freight market	Rate insights at lane and region (see pages 5-13 below)
Transport Intelligence	Yes	Ocean carriers' profiles and market insights on ocean freight market	Carrier and market insights
Lloyd Listing	No, paid source	Market news and intelligence on latest developments in marine sector	Industry insights and trends
Joc.com	Yes	Market news and intelligence on latest developments in marine sector	Articles on topics and trends: operational/exec. level
IANA	Yes	Insights on intermodal industry in NA	Intermodal capacity/trends
Loadstar	No, freely available	Market news and intelligence on latest developments in marine sector	Industry insights and trends