September 2, 2026 **NEWS FLASH**

Transpacific Eastbound Market Update

Supply Chain Disruptions Continue

Recent weeks continue to support an ocean freight market that has been strong, affected by disruptions and replicating an actual peak season. As we progress into September, the market continues to experience the following challenges:

- Carrier Void/Blank Sailings
- Vessel Port Omissions
- Vessel Transit Time Delays
- Equipment Shortages
- Reduced Booking Windows
- Reduced Space Allocations
- Cancelled Bookings by Carriers after Confirmation
- Container Rolling
- Origin Port Congestion
- Rate increases (including General Ocean Freight Rate Increases, Peak Season Surcharges, Emergency Fuel Surcharges and the Panama Canal Surcharge)
- Severe weather and storms have significantly disrupted freight operations in North and East China.
- Panama Canal draft restrictions due to severe drought and weather patterns that are reducing water levels in Gatun Lake creating delayed transit.
- Only selective services returning to the Suez Canal, keeping capacity strained with the considerable number of services still moving on the Cape of Good Hope routing.
- Iran conflict and disruption within and around the Strait of Hormuz

With four major typhoons in recent weeks, Typhoon Saudel is the latest in a season that has been described as one of the most intense in recent years and could set records. Whether making actual landfall or reacting to warnings, these storms are prompting port shutdowns and creating congestion and delays. The impact has been severe, particularly at the ports of Shanghai and Ningbo. Both ports have had multiple port closures as a result. It has been cited that berthing delays in both ports are now up to 10 days, increasing overall transit time to the U.S. and leaving ocean carriers to manage congestion, backlogs and even exercise port omissions to keep new vessels on time and avoid more vessel delays on various strings.

As congestion mounts, carrier reliability drops, and a continued uncertainty of volumes in the coming weeks, some ocean carriers are implementing void/blank sailings. With the Golden Week holiday in China starting October 1st, carrier strategies differ and some may be hoping for an opportunity to clean up their backlogs by implementing extra loaders and getting the vessel strings back on track, while some are voiding sailings that could only contribute to more congestion, delays and prolonging the disruption.

Tariff policy appears to have contributed to the volume increase from May through July, leading up to the July 26th expiration of the Section 122 tariffs. Following that surge, volumes have fortunately still been strong as inventories are replenished and seasonal goods continue moving as expected. Many importers have also resumed shipping after tariff volatility sidelined activity in 2025. Another tariff-driven shift may now be emerging, as the United States considers an additional 7.5% tariff on Chinese imports to address concerns over excess manufacturing capacity and China's large trade surplus. Current market activity suggests importers are already responding by front-loading shipments again to avoid higher costs if the tariff takes effect. Timing is increasingly important, as the challenges outlined above are likely to add to both current and future disruptions.

If we are in a traditional peak season, we have just concluded the back-to-school wave of volumes, and it is possible that volumes could remain at solid levels through October. If we review the balance of the calendar year, the following timelines still remain that can drive freight volumes:

- Golden Week (China) – October 1st – October 7th and not unusual to see a spike before and after
- Black Friday (November 27th) and Cyber Monday (November 30th) – key period for E-Commerce sales and where cargo will be strong to support these events.
- Holidays – (Thanksgiving, Christmas, New Year's)

We continue to urge our clients to review their supply chain needs. While we continue to work closely with our core carriers to improve the level of reliability and mitigate the disruptions, we do expect the current market conditions to remain volatile for now and with heightened expectations of delay and disruption. This is certainly a season where JUST IN TIME, ocean freight is considered a very high risk.

Should you need assistance, please do not hesitate to contact your account manager or local handling office to further review.