



ASIA PACIFIC FREIGHT REPORT

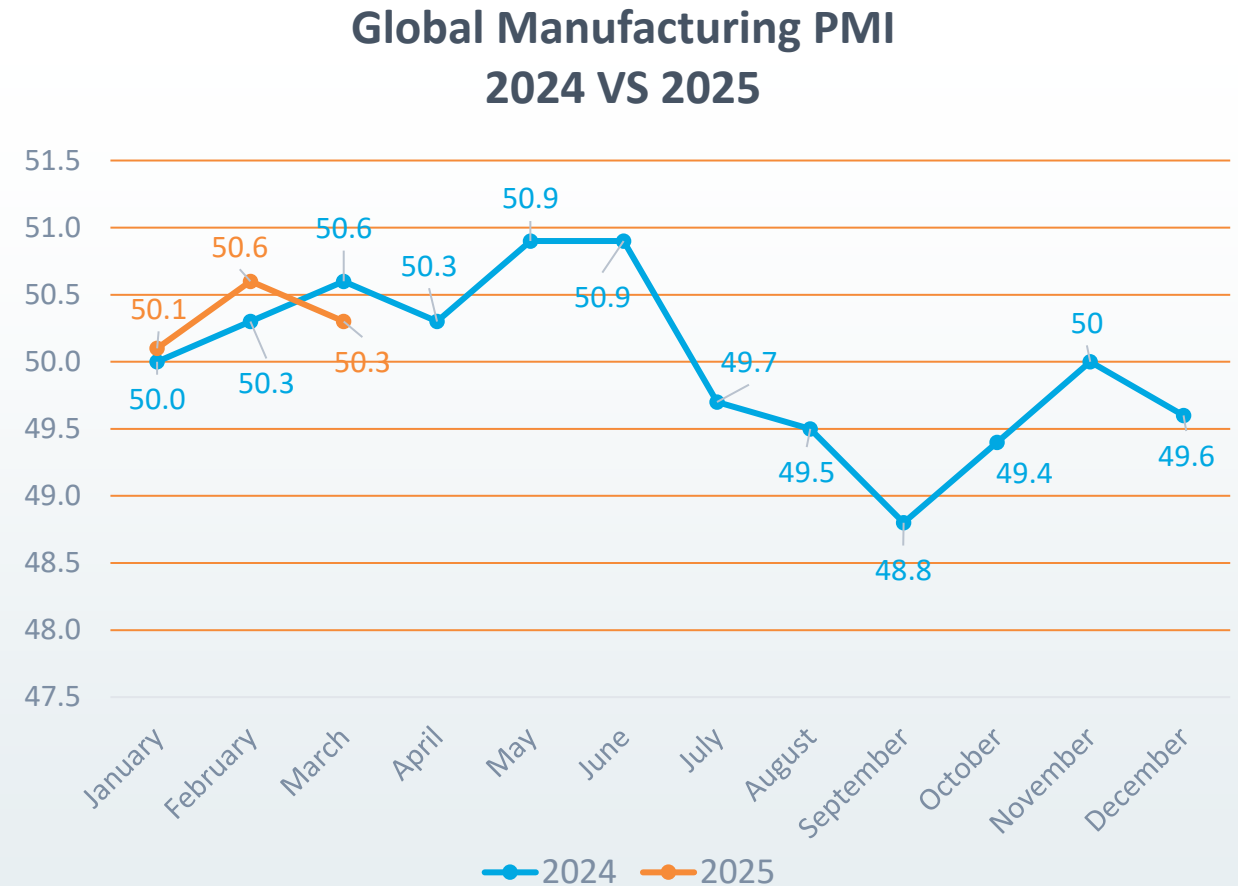
May 2025

DIMERCO

ECONOMIC INDICATORS

MAY

The Global Manufacturing PMI eased from 50.6 in February 2025 to 50.3 in March, reflecting a slower pace of growth in output and new orders, a drop in business optimism, and a stabilization in the trend of new export orders.



Source: S&P Global Manufacturing PMI

ECONOMIC INDICATORS

ASIA PACIFIC MANUFACTURING PMI

| Manufacturing Purchasing Managers Index (PMI) | | | | | | | | | | | | | |
|---|------|------|------|------|------|------|------|------|------|------|------|------|------|
| | 2024 | | | | | | | | | | 2025 | | |
| | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | Jan | Feb | Mar |
| Global | 50.6 | 50.3 | 50.9 | 50.9 | 49.7 | 49.5 | 48.7 | 49.4 | 50.0 | 49.6 | 50.1 | 50.6 | 50.3 |
| USA | 51.9 | 50.0 | 51.3 | 51.6 | 49.6 | 47.9 | 47.3 | 48.5 | 49.7 | 49.6 | 51.2 | 52.7 | 50.2 |
| China | 51.1 | 51.4 | 51.7 | 51.8 | 49.8 | 50.4 | 49.3 | 50.3 | 51.5 | 50.5 | 50.1 | 50.8 | 51.2 |
| Taiwan | 49.3 | 50.2 | 50.9 | 53.2 | 52.9 | 51.5 | 50.8 | 50.2 | 51.5 | 52.7 | 51.1 | 51.5 | 49.8 |
| Hong Kong | 50.9 | 50.6 | 49.2 | 48.2 | 49.5 | 49.4 | 50.0 | 52.2 | 51.2 | 51.1 | 51.0 | 49.0 | 48.3 |
| Japan | 48.2 | 49.6 | 50.4 | 50.0 | 49.1 | 49.8 | 49.7 | 49.2 | 49.0 | 49.6 | 48.7 | 49.0 | 48.4 |
| S. Korea | 49.8 | 49.4 | 51.6 | 52.0 | 51.4 | 51.9 | 48.3 | 48.3 | 50.6 | 49.0 | 50.3 | 49.9 | 49.1 |
| Singapore | 50.7 | 50.5 | 50.6 | 50.4 | 50.7 | 50.9 | 51.0 | 50.8 | 51.0 | 51.1 | 50.9 | 50.7 | 50.6 |
| Vietnam | 49.9 | 50.3 | 50.3 | 54.7 | 54.7 | 52.4 | 47.3 | 51.2 | 50.8 | 49.8 | 48.9 | 49.2 | 50.5 |
| Malaysia | 48.4 | 49.0 | 50.2 | 49.9 | 49.7 | 49.7 | 49.5 | 49.5 | 49.2 | 48.6 | 48.7 | 49.7 | 48.8 |
| Philippines | 50.9 | 52.2 | 51.9 | 51.3 | 51.2 | 51.2 | 53.7 | 52.9 | 53.8 | 54.3 | 52.3 | 51.0 | 49.4 |
| Indonesia | 54.2 | 52.9 | 52.1 | 50.7 | 49.3 | 48.9 | 49.2 | 49.2 | 49.6 | 51.2 | 51.9 | 53.6 | 52.4 |
| Thailand | 49.1 | 48.6 | 50.3 | 51.7 | 52.8 | 52.0 | 50.4 | 50.0 | 50.2 | 51.4 | 49.6 | 50.6 | 49.9 |
| India | 59.1 | 58.8 | 57.5 | 58.3 | 58.1 | 57.5 | 56.5 | 57.5 | 56.5 | 56.4 | 57.7 | 56.3 | 58.1 |
| Australia | 47.3 | 49.6 | 49.7 | 47.2 | 47.5 | 48.5 | 46.7 | 47.3 | 49.4 | 47.8 | 50.2 | 50.4 | 51.2 |

The manufacturing Purchasing Managers' Index™ (PMI™) is a survey-based economic indicator designed to provide a timely insight into changing business conditions in the goods-producing sector.

A PMI reading over 50 indicates growth or expansion of the manufacturing sector of the country as compared to the previous month, while a reading under 50 suggests contraction. A reading at 50 indicates that the number of manufacturers reporting better business is equal to those stating business is worse.

Source: S&P Global PMI

GLOBAL OUTLOOK

MAY

Tariffs Hit Confidence, Retail Stays Resilient

- Global Manufacturing PMI dipped to 50.3 in March, reflecting modest growth and weakening output in key regions like the US and Japan, amid rising tariff and geopolitical concerns.
- US retail sales remained stable, supported by low unemployment and income growth, despite slight dips in consumer confidence due to inflation and trade uncertainty.
- April metrics may reveal an even sharper drop in confidence, as the newly imposed tariffs were more severe than expected—potentially creating gaps that global businesses will need to quickly address.



AIR FREIGHT MARKET

MAY

US-China Freight Capacity Shrinks

- As a result of the ongoing tariff situation between the US and China, along with the recent cancellation of De Minimis, several freighter charters have already been canceled, starting from the end of April through to May 2nd. Further cancellations of freighter charters are expected in the coming weeks.
- Major carriers including CA, CK, and CZ are planning to cancel freighter services between China and the US in the near future, though these cancellations are still pending final confirmation. If these cancellations go through, the already limited capacity from China to the US will be further reduced.

eCommerce Declines as T86 Pauses

Most eCommerce platforms have suspended shipments under T86 from China to the US by the end of April. However, FBA (Fulfilled by Amazon) shipments continue to move as normal. Overall, eCommerce shipment volume has dropped by approximately 50% since mid-April compared to the same period last year.



AIR FREIGHT MARKET

MAY

“

Since around April 20, charter flights from China to the US have been significantly reduced—many were either cancelled or re-routed. A lot of that capacity has shifted to destinations like Nuevo Laredo in Mexico and other parts of Latin America, where demand has actually gone up, especially out of Mexico.

For shipments to the US, a lot of shippers have hit pause. With the uncertainty around new tariffs between the US and China, many are holding back on placing new orders. But what's interesting is that demand out of Southeast Asia and Taiwan has stayed relatively stable. That's likely due to the 90-day tariff exemption granted by the US government, which is giving some breathing room to shippers in those regions.

”



Kathy Liu

VP, Global Sales and Marketing
Dimerco Express Group

OCEAN FREIGHT MARKET

MAY

Sailing Cancellations Push Rates Higher

- Recent data from Drewry's Cancelled Sailings Tracker highlights significant changes in global shipping. As of April 2025, 72 out of 713 scheduled sailings were canceled, resulting in a 10% cancellation rate for key East-West trade lanes. The Transpacific Eastbound route saw the highest cancellations at 56%, followed by Asia-North Europe & Med at 31%, and Transatlantic Westbound at 14%.
- As a result of these cancellations, Drewry's World Container Index increased 3% to \$2,192 per 40ft container, indicating that capacity management strategies are helping to stabilize freight rates.



OCEAN FREIGHT MARKET

MAY

“ *In 2025, we’re definitely seeing global supply chains becoming more fragmented, largely due to ongoing geopolitical shifts. For example, China’s recent move to extend export restrictions on critical minerals adds another layer of complexity to international trade. Along with the new US tariffs, there is a potential drop by 20% in import cargo levels, especially impacting industries like energy transition and electronics, based on a recent report by NRF.*

And now, with the proposed per-port-entry fee on Chinese-built vessels, shipping carriers will likely have to rethink how they deploy their services. The big takeaway here is that businesses need to stay agile—this shifting environment is pushing logistics teams to constantly optimize their operations to stay ahead of the game.

”

Alvin Fuh

Vice President – Ocean Freight
Dimerco Express Group



US TARIFF RECAP

Section 232

Purpose: Protect industries critical to US national security.

On Steel & Aluminum – March 12, 2025

Additional 25% - Keep in mind that the country of origin (COO) of a product isn't always the same as the origin of the aluminum or steel used to make it.

On Automobile & Parts – April 3, 2025

Additional 25% - Tariffs apply to imported passenger vehicles and light trucks, regardless of trade agreements.

Exemptions include vehicles over 25 years old, non-passenger types, and specific parts listed in the Annex.

Products that are subject to Section 232 tariffs are excluded from additional IEEPA or reciprocal tariff duties.

IEEPA Fentanyl

Purpose: Target national security risk tied to illegal immigration and drug trafficking as of March 4, 2025

On Mexico

25% on all imports

On Canada

25% on most imports | 10% on energy products

On China

20% on all imports

Certain items under the USMCA agreement are exempt from the IEEPA Fentanyl duties on Mexico and Canada — specifically, goods that qualify under USMCA rules of origin.

[Learn more about USMCA compliance here.](#)

Reciprocal Tariff

Purpose: Counteract trade imbalances with countries running large surpluses against the US as of Apr 2, 2025.

Base Tariff

10%, with country-specific rates.

Pause 90-day negotiation window starting April 9, except for China.

If your HTS Code is already covered under Section 232, reciprocal tariffs do not apply.

[View the complete Tariff Table here](#)

US TARIFF RECAP

EXECUTIVE ORDER ON RECIPROCAL TARIFF EXEMPTIONS – EFFECTIVE APRIL 5

The Administration has issued a new Executive Order providing a 10% reciprocal tariff exemption on select products for all countries — on products classified under specific tariff codes. Other tariffs remain in effect (Section 301 & IEEPA).

| HTS Code | Details | HTS Code | Details |
|------------|---|------------|---|
| 8471 | Automatic data processing machines and their unit equipment, including computers and their accessories, such as computers, servers, workstations, motherboards, etc. | 8473.30 | Portable automatic data processing machines, weighing not more than 10 kg, consisting of at least a central processing unit, a keyboard and a display |
| 8486 | Machines and apparatus of a kind used solely or principally for the manufacture of semiconductor boules or wafers, semiconductor devices, electronic integrated circuits or flat panel displays; machines and apparatus specified in note 11(C) to this chapter; parts and accessories: | 8541.30.00 | Thyristors, diacs and triacs, other than photosensitive devices / Unmounted chips, dice and wafers / Photosensitive semiconductor devices, including photovoltaic cells whether or not assembled in modules or made up into panels; light-emitting diodes (LED) |
| 8517.13.00 | Smartphones | 8542 | Electronic integrated circuits |
| 8523.51.00 | Solid-state non-volatile storage devices | 8541.49.95 | Other semiconductor devices |
| 8528.52.00 | Capable of directly connecting to and designed for use with an automatic data processing machine of heading 8471 | 8541.10.00 | Diodes, other than photosensitive or light-emitting diodes (LED) |
| 8541.21.00 | With a dissipation rate of less than 1 W / Unmounted chips, dice and wafers / With an operating frequency not less than 100 MHz | 8517.62.00 | Machines for the reception, conversion and transmission or regeneration of voice, images or other data, including switching and routing apparatus |
| 8541.29.00 | Unmounted chips, dice and wafers / With operating frequency not less than 30 MHz | 8524 | Flat panel display modules, whether or not incorporating touch-sensitive screens |
| 8541.49.10 | Other diodes / Unmounted chips, dice and wafers | 8541.90.00 | Parts |
| 8541.49.70 | Transistors / Unmounted chips, dice and wafers | 8541.59.00 | Unmounted chips, dice and wafers |
| 8541.49.80 | Optical coupled isolators | 8541.51.00 | Semiconductor-based transducers |

**As the exemption list does not specify country exclusions, it can be interpreted that China also benefits from this exemption.*

US TARIFF RECAP

EXECUTIVE ORDER ON RECIPROCAL TARIFF EXEMPTIONS – EFFECTIVE APRIL 5

Goods containing 20% or more US-made content (by transaction value) are not subject to the new reciprocal tariffs. In other words, if 20% or more of the transaction value (the amount the importer is paying the supplier) of the product is US made, then the US content is not dutiable at the new reciprocal tariff rate. The non-US content, though, is dutiable at the reciprocal rate. For example:

Total product value: \$100

US-made component: 25% of \$100 = \$25

Non-US component: 75% of \$100 = \$75

In this case, the \$25 US made portion is exempt, while the \$75 portion is subject to the applicable reciprocal tariff.

USTR SECTION 301

ACTION ON CHINA'S MARITIME AND SHIPBUILDING SECTOR DOMINANCE

Phase 1

First 180 Days

No Fees

Phase 1

After 180 Days

Fees will apply to Chinese vessel owners and operators based on net tonnage per US voyage. This includes Chinese-built ships and foreign-built car carriers operated by Chinese firms. Fees will increase gradually over time.

Phase 2

Starting in three years, additional restrictions will apply to transporting liquefied natural gas (LNG) on foreign vessels, with fees increasing over the next 22 years to promote US-built LNG ships.

| Effective Date | Fee Per Net Tonnage | Description |
|------------------|---------------------|------------------------------------|
| April 17, 2025 | \$0 | Initial phase, no fee |
| October 14, 2025 | \$50 | Official fee implementation begins |
| April 17, 2026 | \$80 | Second phase increase |
| April 17, 2027 | \$110 | Third phase increase |
| April 17, 2028 | \$140 | Final phase, maximum fee reached |

For foreign-built car carriers, USTR will also assess a service fee based on Car Equivalent Units (CEUs).

After 180 days, a fee of \$150 per CEU will be applied.

**The deadline to submit a request to appear at the hearing is May 8, 2025.*

WHAT TO WATCH

US Negotiations Ahead of 90-Day Pause

The US has paused its reciprocal tariffs with all nations (except China), temporarily applying a 10% base tariff before the July pause, while negotiations are underway to resolve trade imbalances. A favorable outcome could ease costs and improve trade relations.

Action: Stay informed on negotiations and consult your logistics provider to prepare for any scenario.

China Alters Semicon Tariff Criteria for US

China now determines the origin of semiconductors based on wafer fabrication location, not where they are packaged or tested. US fabless companies can move production away from US fabs to avoid tariffs, while US companies with domestic fabs will face 125% tariffs on chips exported to China, even if they are packaged overseas.

Action: Confirm supply chain for exemption and evaluate tariff risks and consider shifting production.

In Relation to US Tariffs

- **De Minimis Changes:** Exemption for China and Hong Kong ends starting May 2, 2025.
- **Section 232 Investigations:** Many believe the imposition of tariffs on pharmaceuticals and semiconductors is imminent.
- **Tariff Authority Limits:** Bipartisan bills introduced to restrict the President's power to impose tariffs.
- **Manifest Modernization Act:** Proposes public access to air, truck, and rail manifest data.
- **BRICS Tariffs:** New duties of 100–200% on imports from BRICS nations (India, Brazil, Russia, China, and others.)
- **Possible Reduction in China Tariffs:** The US administration is considering easing reciprocal tariffs on Chinese imports.



REGIONAL MARKET HIGHLIGHTS

Explore by region. Click directly to the market that matters most to your business

- [Northeast Asia](#)
- [Southeast Asia, India & Australia](#)
- [North America](#)
- [Europe](#)

FREIGHT MARKET SITUATION TAIWAN MARKET



| Taiwan | TO ASIA | | TO EUR | | TO USEC | | TO USWC | |
|--------|----------|--------|----------|--------|----------|--------|----------|--------|
| | Capacity | Rate | Capacity | Rate | Capacity | Rate | Capacity | Rate |
| Air | Upturn | Stable | Soft | Stable | Soft | Stable | Soft | Stable |
| Ocean | Upturn | Stable | Soft | Stable | Upturn | Stable | Upturn | Stable |

Air Freight

- Cargo volumes between Asian countries and European hub ports have increased. While April is typically not a peak season for this route, Taiwanese and Chinese carriers have added extra flights to accommodate the demand.
- The impact of tariffs has significantly reduced cargo space demand from various regions in China to major US cities. Since many shipments from China transit through Taiwan before reaching the US, this may gradually affect volumes from Taiwan to the US as well.
- As a result, the three major cargo airlines have significantly reduced their flights, and several e-commerce companies have announced plans to halt shipments to the US starting in May.

Key for
available space

SOFT
Supply is more than demand

UPTURN
Market is picking up, but demand of space can still be met by current supply.

TIGHT
Space Gets tight. Pre-arrangement of space is needed.

BACKLOG
Backlog of 1-2 days is found in the market.

SERIOUS
Space demand critical, turnaround of booking found. Consider alternatives

FREIGHT MARKET FORECAST FOR MAY

CHINA MARKET



| Air Freight | TO ASIA | | TO EUR | | TO USEC | | TO USWC | |
|-------------|----------|--------|----------|--------|----------|---------|----------|---------|
| | Capacity | Rate | Capacity | Rate | Capacity | Rate | Capacity | Rate |
| East China | Soft | Stable | Soft | Stable | Soft | Falling | Soft | Falling |
| North China | Soft | Stable | Soft | Stable | Soft | Stable | Soft | Stable |
| South China | Soft | Stable | Soft | Stable | Soft | Stable | Soft | Stable |
| Hong Kong | Upturn | Stable | Soft | Stable | Soft | Falling | Soft | Falling |

| Ocean Freight | TO ASIA | | TO EUR | | TO USEC | | TO USWC | |
|---------------|----------|--------|----------|--------|----------|--------|----------|---------|
| | Capacity | Rate | Capacity | Rate | Capacity | Rate | Capacity | Rate |
| East China | Tight | Rising | Soft | Stable | Soft | Stable | Soft | Falling |
| North China | Upturn | Rising | Soft | Stable | Soft | Stable | Soft | Stable |
| South China | Upturn | Rising | Soft | Stable | Soft | Stable | Soft | Stable |
| Hong Kong | Upturn | Stable | Soft | Stable | Soft | Stable | Soft | Stable |

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NORTH & EAST CHINA



North China

| | |
|--------------|---|
| Air | <ul style="list-style-type: none">• KE has canceled one flight per week from TSN airports due to decreased cargo volume and aircraft maintenance.• OZ reduced flights from 5 per week to 3 per week from TSN airports. |
| Ocean | <ul style="list-style-type: none">• Freights to Asia is rising, especially for Indonesia.• US tariff alterations led to canceled orders and suspended shipments, contributing to oversupply of space.• OA alliance (COSCO EMC CMA OOCL) plans blank sailings to the US and Canada by the end of April to balance supply and demand. |

East China

| | |
|--------------|--|
| Air | <ul style="list-style-type: none">• Most of the shipments to the US are suspended. Some capacity of the US-bound chartered flights has been shifted to Mexico. |
| Ocean | <ul style="list-style-type: none">• Space to Southeast Asia is starting to tighten and the ocean freight is rising.• The US-bound freights are expected to fall due to the volume decrease. |

SOUTH CHINA & HONG KONG



South China

| | |
|--------------|--|
| Air | <ul style="list-style-type: none">• From CAN, starting in April NH canceled Monday freighter flights, reducing the CAN-NRT route from daily service to 6 flights a week.• KE canceled two weekly extra flights from CAN, but still maintain daily service. |
| Ocean | <ul style="list-style-type: none">• Most shipments have been suspended to the US in April.• A large volume of shipments is expected to be shipped out in the end of May due to the US domestic growing demand and possible shortage.• The production line shifts to Southeast Asia that increases demand for exports will lead to higher price volatility. |

Hong Kong

| | |
|------------|---|
| Air | <ul style="list-style-type: none">• The overall space remains stable, with air freight falling down for US-bound shipments.• The demand to Asia rises. |
|------------|---|

CHINA – EUROPE FREIGHT TRAIN

- Since April, adverse weather factors affecting the smooth operation of the railways have gradually dissipated.
- Domestic stations to European hub cities (Malaszewicze, Duisburg, Hamburg) have shown an overall trend of improved timeliness.
- There are dual growth in both orders and inquiries, the demand is recovering.
- For Express routes, some capacity shortages due to higher demand, but the current prices remains stable, fluctuating within the \$200 range.

| Origin | Destination | T/T |
|-------------------------------------|--------------|-------|
| Xi'an Chengdu Zhengzhou | Hamburg | 15-22 |
| Xi'an Wuhan Chongqing (Express) | Małaszewicze | 10-20 |
| Xi'an Chengdu | Milan | 24 |
| Zhengzhou | Liège | 23 |
| Xi'an Chengdu Zhengzhou | Małaszewicze | 12-19 |



FREIGHT MARKET SITUATION

SOUTH KOREA MARKET



| S. Korea | TO ASIA | | TO EUR | | TO USEC | | TO USWC | |
|----------|----------|--------|----------|--------|----------|---------|----------|---------|
| | Capacity | Rate | Capacity | Rate | Capacity | Rate | Capacity | Rate |
| Air | Upturn | Stable | Upturn | Stable | Tight | Rising | Tight | Rising |
| Ocean | Soft | Stable | Soft | Stable | Upturn | Falling | Soft | Falling |

Air Freight

- Flight capacity from ICN has been reduced by 1–2 flights per week due to maintenance issues with KE and OZ, tightening space to Asia, especially SIN.
- Fuel surcharges will slightly decrease from April 16 to May 15 based on market conditions.
- Bookings to the US should be made at least two weeks in advance due to high demand and limited space.

Ocean Freight

- Shipping carriers attempted to implement a General Rate Increase (GRI) in early April to support US ocean freight rates, similar to their efforts in March. However, rates dropped again as booking cancellations rose amid ongoing tariff uncertainty.

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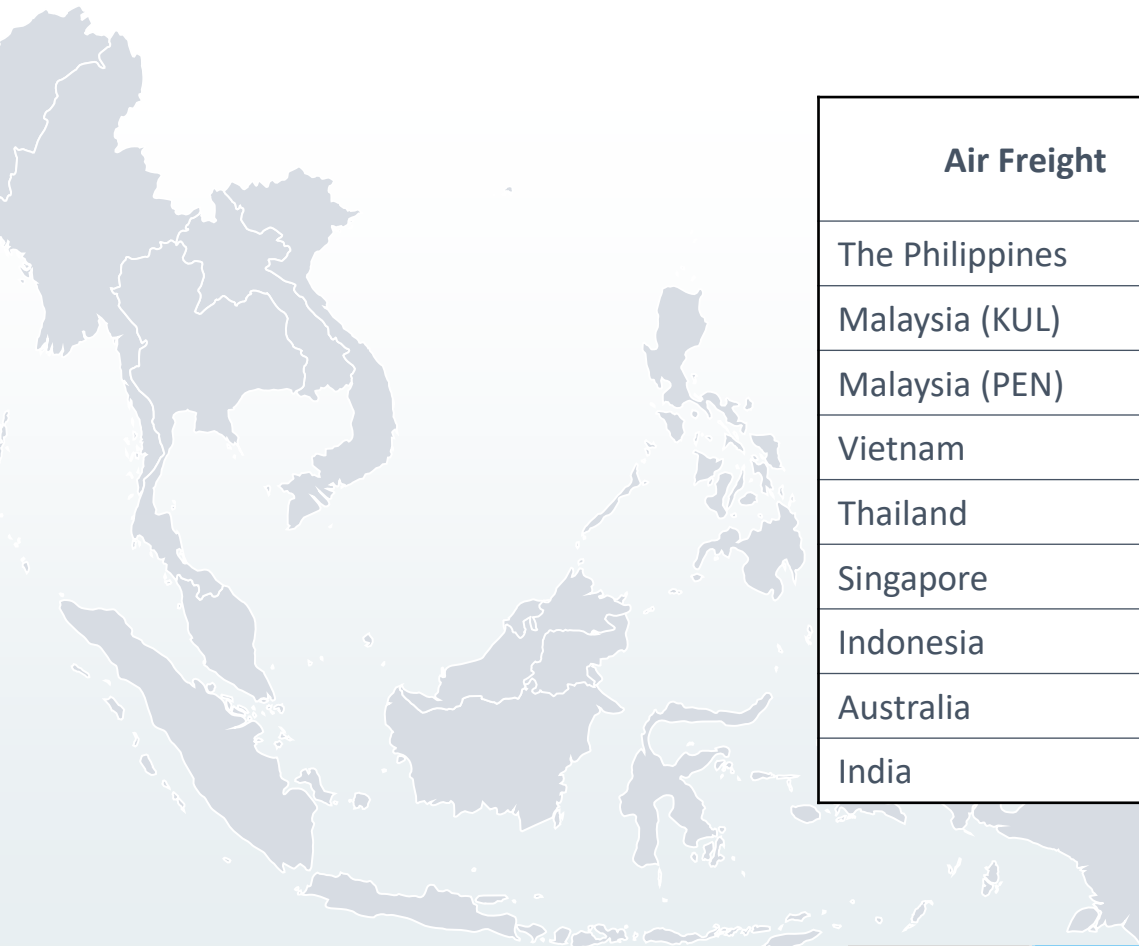
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SOUTHEAST ASIA, INDIA & AUSTRALIA MARKET



| Air Freight | TO ASIA | | TO EUR | | TO USEC | | TO USWC | |
|-----------------|----------|--------|----------|--------|----------|---------|----------|---------|
| | Capacity | Rate | Capacity | Rate | Capacity | Rate | Capacity | Rate |
| The Philippines | Soft | Stable | Upturn | Stable | Tight | Rising | Tight | Rising |
| Malaysia (KUL) | Upturn | Stable | Upturn | Stable | Upturn | Falling | Upturn | Falling |
| Malaysia (PEN) | Upturn | Stable | Tight | Rising | Tight | Rising | Tight | Rising |
| Vietnam | Soft | Stable | Soft | Stable | Upturn | Stable | Upturn | Stable |
| Thailand | Tight | Rising | Tight | Rising | Tight | Rising | Tight | Rising |
| Singapore | Tight | Rising | Tight | Rising | Backlog | Rising | Backlog | Rising |
| Indonesia | Upturn | Stable | Upturn | Stable | Tight | Stable | Tight | Stable |
| Australia | Upturn | Rising | Upturn | Rising | Upturn | Rising | Upturn | Rising |
| India | Soft | Stable | Soft | Stable | Soft | Stable | Soft | Stable |

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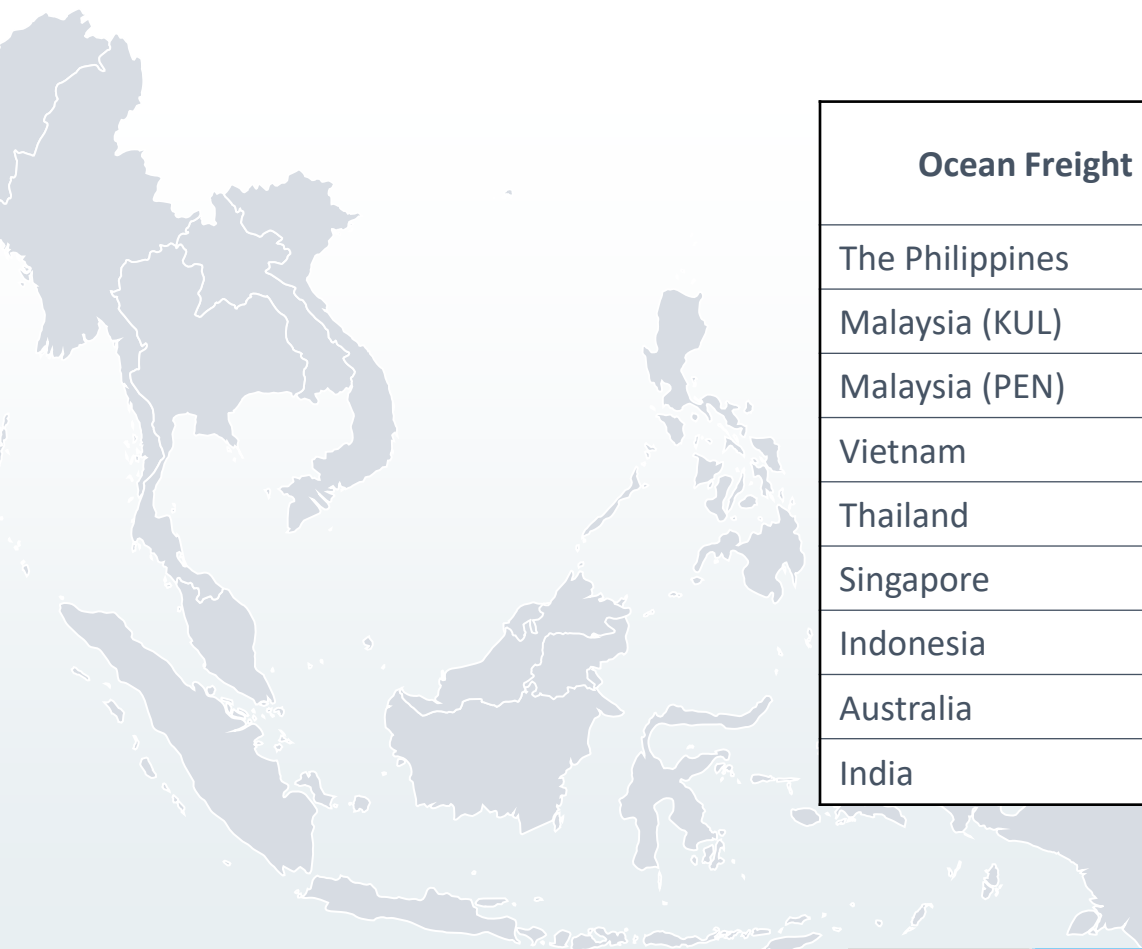
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SOUTHEAST ASIA, INDIA & AUSTRALIA MARKET



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|-----------------|----------|---------|----------|---------|----------|---------|----------|---------|
| | Capacity | Rate | Capacity | Rate | Capacity | Rate | Capacity | Rate |
| The Philippines | Upturn | Stable | Tight | Stable | Upturn | Falling | Upturn | Falling |
| Malaysia (KUL) | Tight | Stable | Soft | Falling | Soft | Falling | Soft | Falling |
| Malaysia (PEN) | Upturn | Stable | Soft | Stable | Soft | Stable | Soft | Stable |
| Vietnam | Upturn | Stable | Soft | Stable | Soft | Stable | Soft | Stable |
| Thailand | Tight | Rising | Upturn | Stable | Tight | Stable | Tight | Stable |
| Singapore | Soft | Stable | Soft | Stable | Soft | Stable | Soft | Stable |
| Indonesia | Upturn | Stable | Upturn | Rising | Upturn | Rising | Upturn | Rising |
| Australia | Soft | Falling | Soft | Falling | Soft | Falling | Soft | Falling |
| India | Soft | Stable | Soft | Stable | Soft | Stable | Soft | Stable |

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FREIGHT MARKET SITUATION SOUTHEAST ASIA



Philippines

Air

- Export demand has increased following the Lenten holiday, with many shippers moving cargo early in preparation for Labor Day on May 1 and the upcoming mid-year elections.
- The temporary 90-day pause on US tariffs is encouraging more exports to the US. As a result, airfreight space may become tight heading into May.

Ocean

- Overall rates are expected to begin declining in May, as more shipments are scheduled for June.
- May is typically one of the hottest months. For temperature-sensitive commodities, the use of insulated containers is strongly recommended to prevent damage.

Indonesia

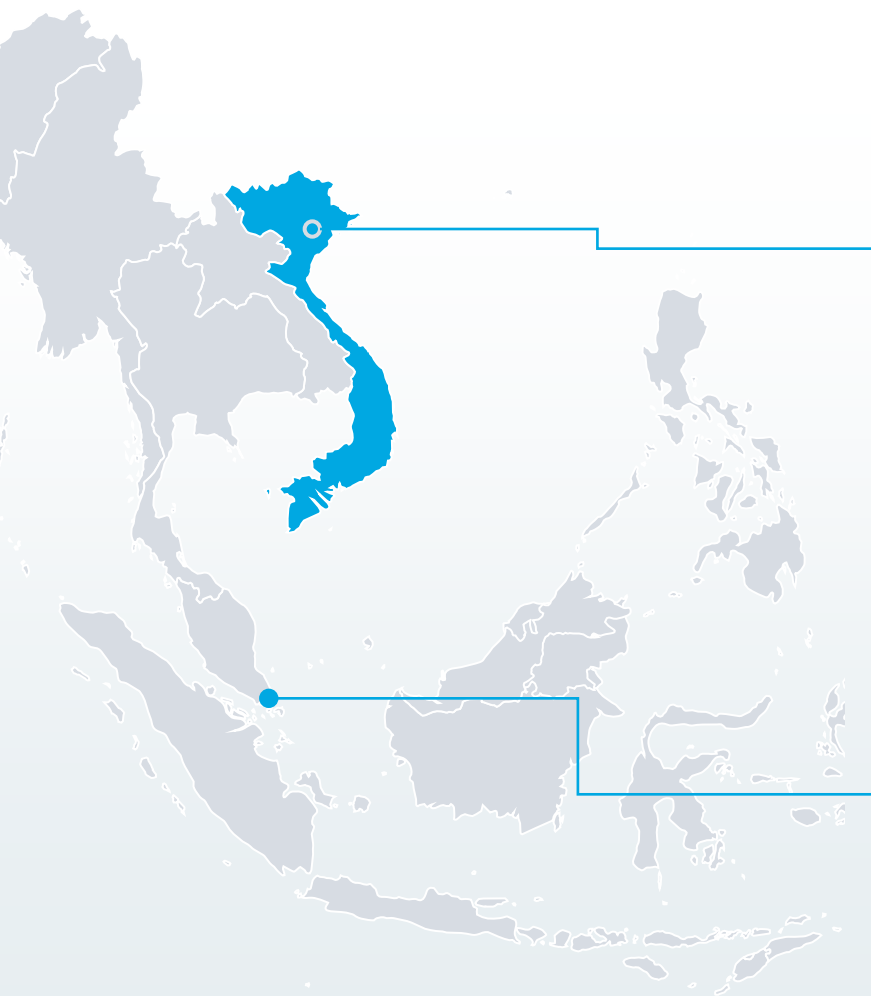
Air

- There is an increase in demand for airfreight to the US after the holidays.
- Rates from airlines must be checked on a case-by-case basis.

Ocean

- Rates to the US and Europe are expected to rise heading into May, although ongoing uncertainty may cause prices to fluctuate.

FREIGHT MARKET SITUATION SOUTHEAST ASIA



Vietnam

Air

- Shippers have been postponing or canceling shipments without a clear timeline for when they will resume.
- Rates have been fluctuating, making it difficult to identify a clear trend.

Ocean

- Demand to US is expected to increase compared to increase before the end of the tariff pause, however, there is still more supply than demand.
- Intra-Asia lane is generally stable, but there is a space constraint to Manila with bookings subject to roll over.
- Due to Vietnam's Liberation Day and Labor Day holidays from April 30 to May 4, container volumes and truck traffic have increased significantly. As a result, congestion at Cat Lai Port is severe and is expected to continue through mid-May, causing vessel delays of approximately 2–3 days compared to the original schedule.

Singapore

Air

- Some shippers are expediting their shipments following the 90-day postponement of US tariffs. As the new deadline approaches, space is anticipated to become increasingly tight.
- Space to Taipei is tight due to a surge in capital equipment shipments. Early bookings are recommended for shipments to both Taipei and Europe.

Ocean

- The over all ocean market in Singapore is stable with available space to all destinations.

FREIGHT MARKET SITUATION SOUTHEAST ASIA



Thailand

Air

- Due to the Songkran festival, space needs to be secured at least 2 weeks in advance even after the festival. The space remains tight with bookings full till next month.
- Holidays in Thailand:
 - Coronation Day – May 5
 - Royal Ploughing Ceremony – May 9
 - Viskha Bucha Day – May 12
- Weather conditions in May can be unpredictable, with extreme heat and occasional rainfall. Exporters are advised to pack goods securely. For temperature-sensitive or refrigerated products, ensure that this is clearly indicated in the shipping documents.

Ocean

- Following the Songkran festival, ocean export space from Thailand is tight across most destinations, particularly to China, the Philippines, and Indonesia, with rates trending upward.
- For shipments to the US, space remains limited, though rates are holding steady.

FREIGHT MARKET SITUATION

AUSTRALIA AND INDIA

Australia

| | |
|-------|---|
| Air | <ul style="list-style-type: none">• A post-Q1 surge in ecommerce exports from China and Southeast Asia has driven rates higher. However, the upcoming increase in capacity may help stabilize rates. It is recommended to book at least a week before departure date. |
| Ocean | <ul style="list-style-type: none">• Container shipping rates from China to Australia and New Zealand dropped by 6.2% in April 2025.• There has been a noticeable increase in ocean import inquiries to Australia. |



India

| | |
|-------------|---|
| Air & Ocean | <ul style="list-style-type: none">• The overall Indian freight market is stable despite the US tariffs.• Some shippers are holding off on US-bound shipments, awaiting clarity after the 90-day tariff pause.• Some Indian exporters of similar goods to those made in China anticipate higher demand as buyers shift sourcing away from China. |
|-------------|---|

FREIGHT MARKET FORECAST FOR MAY

NORTH AMERICA

| Air Freight | TO ASIA | | TO EUR | |
|------------------|----------|---------|----------|--------|
| | Capacity | Rate | Capacity | Rate |
| USWC (LAX) | Tight | Rising | Upturn | Rising |
| USWC (SFO) | Tight | Rising | Upturn | Stable |
| US Central (ORD) | Upturn | Stable | Soft | Stable |
| US Central (DFW) | Tight | Rising | Tight | Rising |
| USEC (NYC) | Soft | Stable | Soft | Stable |
| Canada (VAN) | Soft | Falling | Soft | Stable |
| Canada (TOR) | Upturn | Stable | Soft | Stable |

| Ocean Freight | TO ASIA | | TO EUR | |
|------------------|----------|---------|----------|---------|
| | Capacity | Rate | Capacity | Rate |
| USWC (LAX) | Backlog | Stable | Backlog | Stable |
| USWC (SFO) | Soft | Stable | Soft | Stable |
| US Central (ORD) | Upturn | Stable | Soft | Falling |
| US Central (DFW) | Tight | Rising | Tight | Rising |
| USEC (NYC) | Upturn | Stable | Upturn | Stable |
| Canada (VAN) | Soft | Falling | Soft | Stable |
| Canada (TOR) | Soft | Stable | Soft | Stable |

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|-------------------------|---|--|---|---|---|
| Key for available space | SOFT Supply is more than demand | UPTURN Market is picking up, but demand of space can still be met by current supply. | TIGHT Space Gets tight. Pre-arrangement of space is needed. | BACKLOG Backlog of 1-2 days is found in the market. | SERIOUS Space demand critical, turnaround of booking found. Consider alternatives |
|-------------------------|---|--|---|---|---|

FREIGHT MARKET SITUATION

NORTH AMERICA

Los Angeles (LAX)

| | |
|-----|--|
| Air | Air Import <ul style="list-style-type: none"> Expect delays due to high import volumes, full warehouses, and backlogs. Submit shipping documents early. Share customs broker and receiving site contacts before shipments arrive. Air Export <ul style="list-style-type: none"> High tariffs may force carriers to reroute/canceled flights (e.g., HKG-CGO or HKG-CKG) if payloads are low. Reduced US imports could lower export flight availability, as imports drive carrier profits. More passenger flights will increase demand but reduce available capacity. Polar has exited LAX air freight, returning aircraft to its parent company. DHL's impact and pricing strategy are unclear. Pre-book early to secure space. |
| | Ocean <ul style="list-style-type: none"> Tariff tension may lead to blank sailings from China, impacting space availability. Pre-book early, but note cancellations may still occur. |

Dallas (DFW)

| | |
|-------|--|
| Air | <ul style="list-style-type: none"> Dallas is expected to face tight capacity due to cancelled freighter/charter capacity and major infrastructure projects. Ensure customs documentation accurately reflects product classifications and declared values to avoid penalties. |
| Ocean | <ul style="list-style-type: none"> The 2025 peak season began earlier than usual, driven by tariff concerns and logistical shifts. This has led to increased port congestion, reduced vessel availability, and a redirection of inland freight flows toward DFW. |



FREIGHT MARKET SITUATION

NORTH AMERICA



Vancouver (YVR)

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|--------------|--|
| Air | <ul style="list-style-type: none"> Air China will add two additional flights between Beijing and Vancouver/Toronto in May, which is expected to ease capacity and lower air freight rates. |
| Ocean | <ul style="list-style-type: none"> The Port of Vancouver continues to experience congestion, with a rail car shortage causing delays for inbound shipments to Toronto (YYZ) and Montreal (YUL). |

Chicago (ORD)

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| Ocean | <ul style="list-style-type: none"> Ocean freight rates are on the decline. Rising US tariffs are reshaping trade patterns, with companies anticipating increased imports from low-tariff countries and considering rerouting shipments through Mexico or Canada. |
|--------------|--|

Toronto (YYZ)

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|--------------|---|
| Air | <ul style="list-style-type: none"> Asian importers may opt for Canadian goods to bypass the ongoing CN-US trade tensions. Summer air freight season is approaching, bringing expanded routing options to tropical destinations and additional freighter schedules. |
| Ocean | <ul style="list-style-type: none"> Canada's April election could lead to new trade agreements, depending on the outcome. Blank sailings are expected to persist, particularly on eastbound (EB) routes, with knock-on effects on westbound (WB) services. Shippers are advised to book shipments 2–3 weeks in advance to secure space and minimize delays. |

FREIGHT MARKET FORECAST FOR MAY

MEXICO



| Air Freight | TO ASIA | | TO EUR | | TO USEC | | TO USWC | |
|---|----------|--------|----------|--------|----------|--------|----------|--------|
| | Capacity | Rate | Capacity | Rate | Capacity | Rate | Capacity | Rate |
| Mexico North | Tight | Stable | Upturn | Stable | Soft | Stable | Soft | Stable |
| Mexico Central | Tight | Stable | Upturn | Stable | Soft | Stable | Soft | Stable |
| Mexico South | Tight | Stable | Tight | Stable | Soft | Stable | Soft | Stable |
| Mexico North: MTY/ALT Mexico Central: MEX/NLU/GDL/VER Mexico South: ZLO/LSC/CUN/MID | | | | | | | | |

| Ocean Freight | TO ASIA | | TO EUR | | TO USEC | | TO USWC | |
|---|----------|--------|----------|--------|----------|--------|----------|--------|
| | Capacity | Rate | Capacity | Rate | Capacity | Rate | Capacity | Rate |
| Mexico North | Upturn | Stable | Tight | Rising | Upturn | Stable | Upturn | Stable |
| Mexico Central | Upturn | Stable | Upturn | Rising | Upturn | Stable | Upturn | Stable |
| Mexico South | Tight | Stable | Upturn | Stable | Tight | Stable | Tight | Stable |
| Mexico North: MTY/ALT Mexico Central: MEX/NLU/GDL/VER Mexico South: ZLO/LSC/CUN/MID | | | | | | | | |

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FREIGHT MARKET SITUATION

MEXICO



Air Freight

- Strong growth across Latin America, particularly in Mexico, has driven an increase in cargo.
- The recent reversal of tariffs has triggered a surge in freight orders, as companies rush to ship goods ahead of potential new trade policies. Many are also shifting manufacturing to Mexico to leverage favorable terms under the USMCA.
- With this spike in demand, it's recommended to book flights 2–4 days in advance to secure space.

Ocean Freight

- Long-term shipping rates for 2025 are projected to rise by 30% compared to 2024, as shipping companies implement blank sailings to help stabilize prices.
- In Mexico, the Port of Lázaro Cárdenas is set to receive a \$542 million investment in private funding for expanding container terminals, energy storage, and automotive facilities. These enhancements are designed to increase efficiency and solidify the port's role as a crucial regional logistics hub, with improved rail connections to the US Midwest and Texas.

FREIGHT MARKET FORECAST FOR MAY

EUROPE

| Air Freight | TO ASIA | | TO USEC | | TO USWC | |
|-----------------|----------|--------|----------|--------|----------|--------|
| | Capacity | Rate | Capacity | Rate | Capacity | Rate |
| The Netherlands | Soft | Stable | Soft | Rising | Backlog | Rising |
| Germany | Soft | Stable | Backlog | Rising | Backlog | Rising |
| United Kingdom | Soft | Stable | Soft | Rising | Backlog | Rising |

Air Freight

- Tariffs have slowed industry growth, prompting exporters to adopt a cautious “wait-and-see” approach.
- With policy changes expected from both the US and Europe, air cargo demand growth is forecast to drop to 4–6% in 2025, down from 11.3% in 2024.



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FREIGHT MARKET FORECAST FOR MAY

EUROPE

| Ocean Freight | TO ASIA | | TO USEC | | TO USWC | |
|-----------------|----------|--------|----------|---------|----------|---------|
| | Capacity | Rate | Capacity | Rate | Capacity | Rate |
| The Netherlands | Backlog | Rising | Backlog | Rising | Backlog | Rising |
| Germany | Soft | Stable | Backlog | Rising | Backlog | Rising |
| United Kingdom | Soft | Stable | Backlog | Falling | Backlog | Falling |

Ocean Freight

- Port congestion remains a significant issue in Europe, with over 935,000 TEU of cargo waiting at anchorages as of early April.
- Major ports like Rotterdam and Antwerp are experiencing severe delays and berthing challenges, driven by redirected trade, labor disruptions, and a surge in volumes from front-loading.



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|--------------------------------|---|--|---|---|---|
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