



ASIA PACIFIC FREIGHT REPORT

February 2025

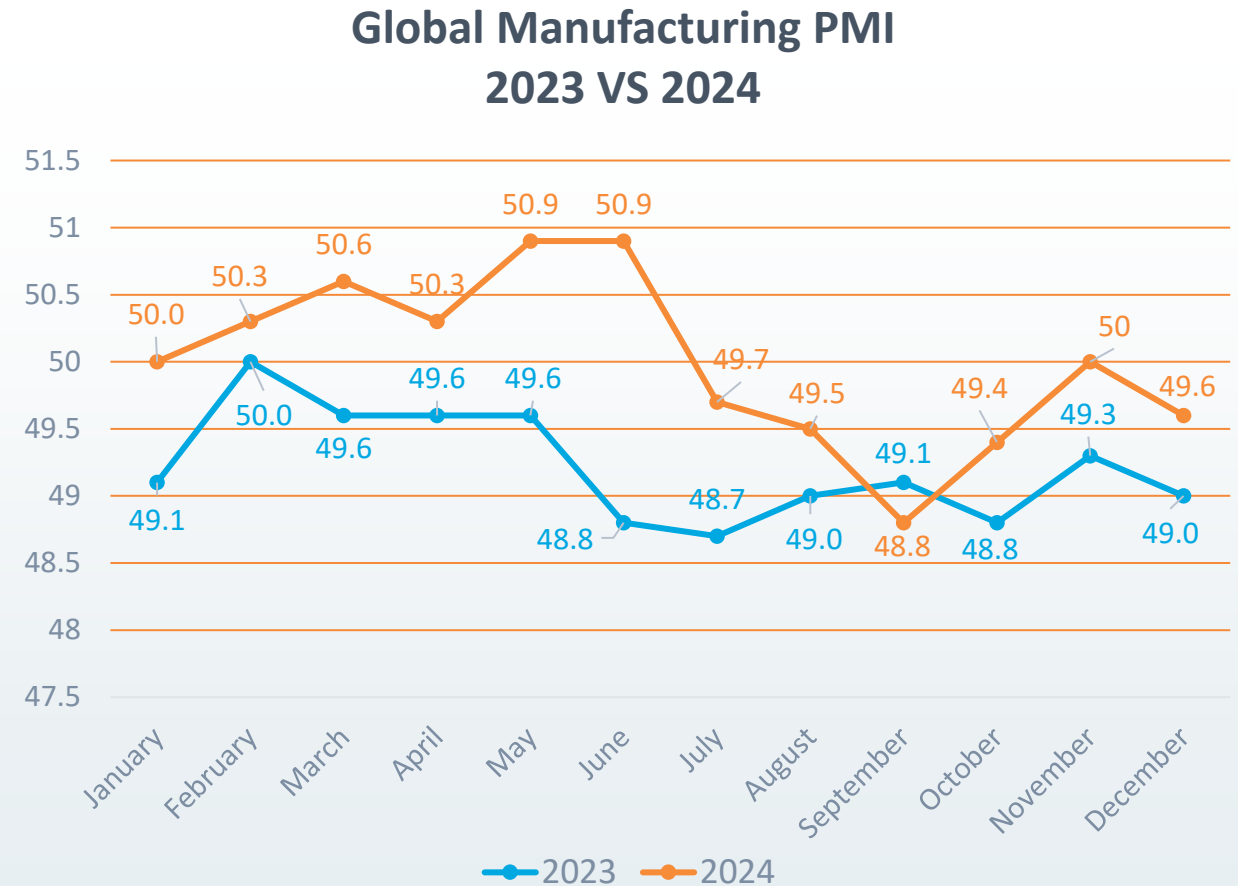


ECONOMIC INDICATORS

FEBRUARY

The Global Manufacturing PMI declined slightly from 50.0 in November to 49.6 in December.

Despite this dip, the overall performance of the global manufacturing PMI in 2024 surpassed that of 2023.



Source: S&P Global PMI

ECONOMIC INDICATORS

ASIA PACIFIC MANUFACTURING PMI

Manufacturing Purchasing Managers Index (PMI)													
	2023	2024											
	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Global	49.0	50.0	50.3	50.6	50.3	50.9	50.9	49.7	49.5	48.7	49.4	50.0	49.6
USA	47.9	50.7	52.2	51.9	50.0	51.3	51.6	49.6	47.9	47.3	48.5	49.7	49.6
China	50.8	50.8	50.9	51.1	51.4	51.7	51.8	49.8	50.4	49.3	50.3	51.5	50.5
Taiwan	47.1	48.8	48.6	49.3	50.2	50.9	53.2	52.9	51.5	50.8	50.2	51.5	52.7
Hong Kong	51.3	49.9	49.7	50.9	50.6	49.2	48.2	49.5	49.4	50.0	52.2	51.2	51.1
Japan	47.9	48.0	47.2	48.2	49.6	50.4	50.0	49.1	49.8	49.7	49.2	49.0	49.6
S. Korea	49.9	51.2	50.7	49.8	49.4	51.6	52.0	51.4	51.9	48.3	48.3	50.6	49.0
Singapore	50.5	50.7	50.6	50.7	50.5	50.6	50.4	50.7	50.9	51.0	50.8	51.0	51.1
Vietnam	48.9	50.3	50.4	49.9	50.3	50.3	54.7	54.7	52.4	47.3	51.2	50.8	49.8
Malaysia	47.9	49.0	49.5	48.4	49.0	50.2	49.9	49.7	49.7	49.5	49.5	49.2	48.6
Philippines	51.5	50.9	51.0	50.9	52.2	51.9	51.3	51.2	51.2	53.7	52.9	53.8	54.3
Indonesia	52.2	52.9	52.7	54.2	52.9	52.1	50.7	49.3	48.9	49.2	49.2	49.6	51.2
Thailand	45.1	46.7	45.3	49.1	48.6	50.3	51.7	52.8	52.0	50.4	50.0	50.2	51.4
India	54.9	56.5	56.9	59.1	58.8	57.5	58.3	58.1	57.5	56.5	57.5	56.5	56.4
Australia	47.6	50.1	47.8	47.3	49.6	49.7	47.2	47.5	48.5	46.7	47.3	49.4	47.8

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

FEBRUARY

Global economic growth in 2024 reached 2.7%, with a 4-month high in December. The S&P Global Composite PMI rose from 52.4 in November to 52.6 in December, marking 14 months of growth.

The Services sector, led by financials, drove the growth, while manufacturing declined. The US led developed economies in growth, and India outperformed other emerging markets. However, optimism for 2025 is fading due to geopolitical tensions and rising protectionism, affecting confidence in Canada, the eurozone, the UK, China, and Brazil.



AIRFREIGHT MARKET

FEBRUARY

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With the change in power in the US administration, many customers rushed shipments from China to the US, causing a surge in activity from late December through early January—usually a slower period. As a result, we might not see the usual peak season before Chinese New Year, especially for TPEB routes.

Intra-Asia markets are still busy, particularly with raw material transfers, and key destinations like Taiwan, Singapore, Vietnam, Indonesia, India, and Thailand are seeing strong demand. E-commerce activity has slowed after the 2024 promotions, and we don't expect much of a boost before Chinese New Year.

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Kathy Liu

VP, Global Sales and Marketing
Dimerco Express Group

OCEAN FREIGHT MARKET

FEBRUARY

Hamas Ceasefire and Impact on the Suez Canal

- The Houthis' pledge to limit attacks to Israel-linked vessels could enhance security in the region, ensuring safer and more efficient shipping across key maritime routes, including the Suez Canal.

New Ocean Alliances for 2025

- The reorganization of ocean alliances in 2025 will significantly influence capacity allocation and shape the dynamics of ocean freight rates.

Over Supply to be felt in 2025

- If the Suez Canal reopens due to the ceasefire, the oversupply expected in 2024 will shift to 2025, as vessels would not need to route via the Cape of Good Hope. This will significantly impact rate dynamics.



OCEAN FREIGHT MARKET

FEBRUARY

Port Strike Risk Averted, Freight Rates Fall

- The risk of US East and Gulf Coast port strikes was avoided when the ILA and USMX reached a tentative deal on January 8, just before the January 15 deadline. The agreement ensures labor peace for six years.
- This likely contributed to an 8.56% drop in the Shanghai Containerized Freight Index (SCFI) on January 10, with TPEB rates for US West and East Coasts falling by 6.3% and 2.94%. Rates for North Europe and Mediterranean Westbound routes also dropped by 14.42% and 7.2%.

Spot Rates Rise as Global Tonnage Hits Record Low

- Spot ocean rates rose 40% YoY, while global idle tonnage dropped to a record low of 0.7%, according to Alphaliner's December 31 report. Cape diversions due to the Red Sea crisis increased capacity needs, especially on the Asia-Europe route, absorbing 1.76 million TEUs of new supply.
- This kept freight rates high and eased overcapacity concerns, with only 0.7% of the global fleet idle and 2.9% of extra capacity used on Transpacific routes. The container shipping market is on track for its third most profitable year.



OCEAN FREIGHT MARKET

FEBRUARY

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The beginning of 2025 saw significant changes in the global supply chain, including a new U.S. administration and a cease-fire in the Middle East. A key question is whether the Suez Canal will recover and if shipping rates will return to pre-war levels. Resuming routes through the Suez could cut transit times by 2 to 3 weeks and add significant capacity, but rates may not drop as quickly as expected.

Carriers are likely to proceed cautiously, testing the route with smaller-sized vessels first to ensure safety. Until now, insurers are still hesitant to support full operations due to uncertainty about the cease-fire's stability. As a result, Suez recovery may be gradual, with changes possibly extending into end of Q1 or even Q2 of 2025. If Cape diversions continue, long-term fixed rates—especially for TPEB contracts due in April—could stay higher than in 2024.

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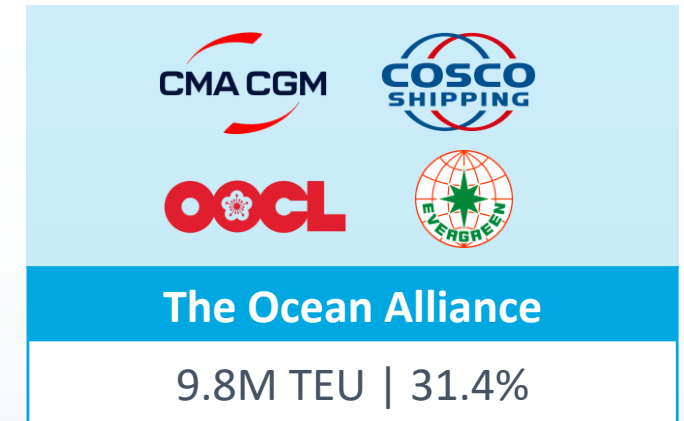
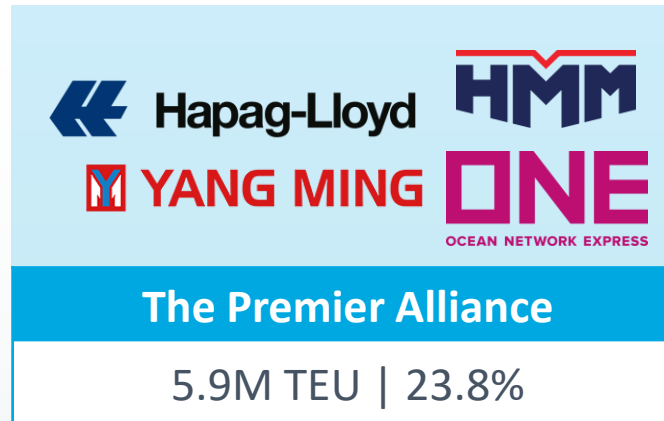
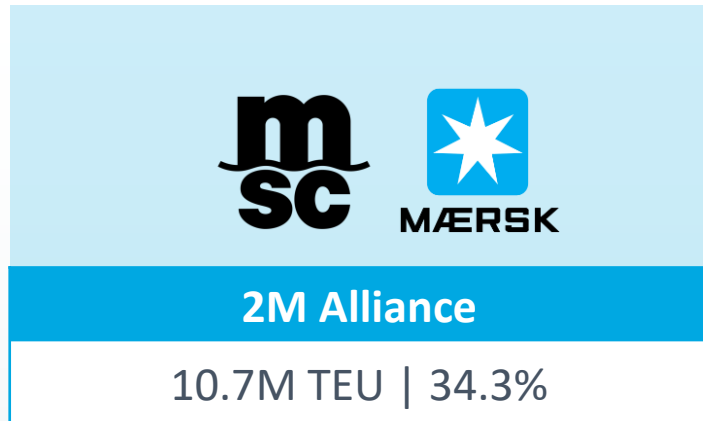


Alvin Fuh

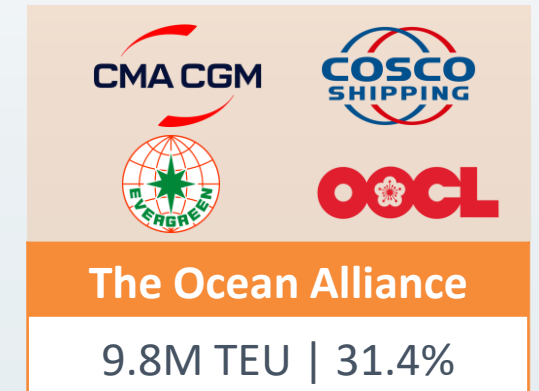
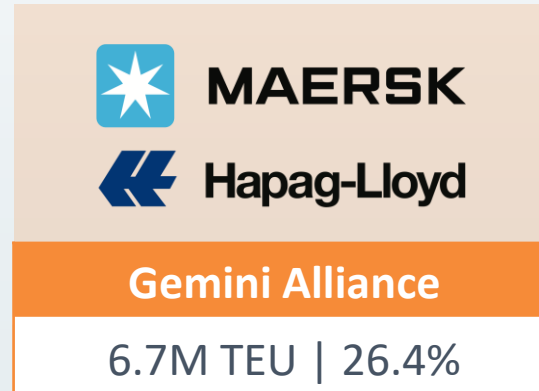
Vice President – Ocean Freight
Dimerco Express Group

OCEAN FREIGHT MARKET

SHIPPING ALLIANCE LANDSCAPE CHANGE EFFECTIVE FEBRUARY 1ST 2025



Before 2025 | From 2025



FREIGHT MARKET SITUATION TAIWAN MARKET



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

Airfreight

- Cargo performance in 2024 has been strong, fueled by sustained e-commerce and high-tech shipments, with this momentum likely to continue into 2025.
- Taipei to the US: Shipment demand is expected to decline after the Chinese New Year.
- Taipei to India: Demand is slowing, but routes to MAA and BOM remain tight. Early booking is advised for urgent shipments.
- Fuel Surcharge - TC I and TC II: TWD 32/kg | TC III: TWD 11/kg

Ocean Freight

- The ocean market demand is expected to slow down after the Chinese New Year, with ocean freight rates remaining negotiable.
- Rates to Europe and major US ports are expected to stay steady or decrease in February 2025. Carriers have announced rate levels through mid-February, and weak booking status is likely to prompt further rate reductions to attract more bookings.

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 FEBRUARY

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	Falling	Soft	Falling	Soft	Falling
North China	Soft	Stable	Soft	Falling	Soft	Falling	Soft	Falling
South China	Soft	Stable	Soft	Falling	Soft	Falling	Soft	Falling
Hong Kong	Upturn	Stable	Upturn	Stable	Upturn	Stable	Upturn	Stable

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

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NORTH & SOUTH CHINA



North China

Air	• Most airlines have reduced freighter flights during CNY; Japan Airlines will cancel flights on Feb 2, 5, 6, and 9, affecting market capacity. • After CNY, factories will gradually resume production, with the market recovering step by step and rates expected to stay stable.
Ocean	• Export order scheduling has slowed in most regions due to the upcoming CNY holiday; factories are expected to resume operations by late February.

East China

Air	• Market prices began recovering in mid-January, with rates expected to rise before CNY and slightly drop afterward. • Potential new US import tariffs may impact market demand from East China
Ocean	• Southeast Asia routes remain stable, with slight declines in freight rates.

NORTH & SOUTH CHINA



South China

Air

- ShunFeng Airlines (O3) launched new freighter flights from SZX to NRT every Saturday in January; starting February, flights will operate Monday to Saturday.
- Most airlines have announced flight cancellations during/after CNY. ANA canceled freighter flights from Feb 1 to 7 and on Feb 9.

Ocean

- Most carriers will schedule sailings during the CNY holidays to maintain cargo balance. Blank sailings are expected in the first week after CNY, with services returning to normal by the second week.
- Currently, ports in Shenzhen and Guangzhou are experiencing port congestion leading to overcrowded container yard. It is recommended to book 2-3 weeks in advance.

Hong Kong

Air

- The Hong Kong export market is expected to shift from tight to an upturn due to the CNY holiday in early February, with fluctuations anticipated in mid-February as Chinese factories resume normal production.

CHINA – EUROPE FREIGHT TRAIN

- Severe weather in Kazakhstan is delaying reloading at Dostyk, but most trains are still on schedule.
- January platform schedules were adjusted based on cargo volume, with stable booking rates.
- Surplus space is available for trains from Chongqing, Zhengzhou, Xi'an, and others in late January.
- Chengdu's space to Tilburg, Netherlands is nearly sold out, and Xi'an to Duisburg express trains are almost full.
- Xi'an has added more southern route trips, expected around January 25 due to high demand.

Origin	Destination	T/T
Xi'an	Duisburg	20
Yiwu	Duisburg	25
Chongqing/Chengdu	Mala	18-19
Chengdu	Milan	24
Zhengzhou	Belgrade	28



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	Soft	Stable	Tight	Rising	Tight	Rising
Ocean	Upturn	Stable	Upturn	Falling	Tight	Stable	Upturn	Falling

Airfreight

- Despite the slow season starting, space to the US remains tight until Lunar New Year, with bookings recommended at least 2 weeks in advance due to high demand and limited space.
- There are no space issues for shipments from ICN to Asia (SIN) following the December reduction in heavy cargo.
- For ICN to SIN, bookings should be made at least 1 week in advance due to high demand and limited space until Lunar New Year.
- The fuel surcharge will decrease slightly from Jan 16 to Feb 15 based on market conditions.

Ocean Freight

- The ocean market is experiencing stable or slightly decreased freight rates due to reduced cargo volume across all lanes.

Key for
available space

SOFT
Supply is more than demand

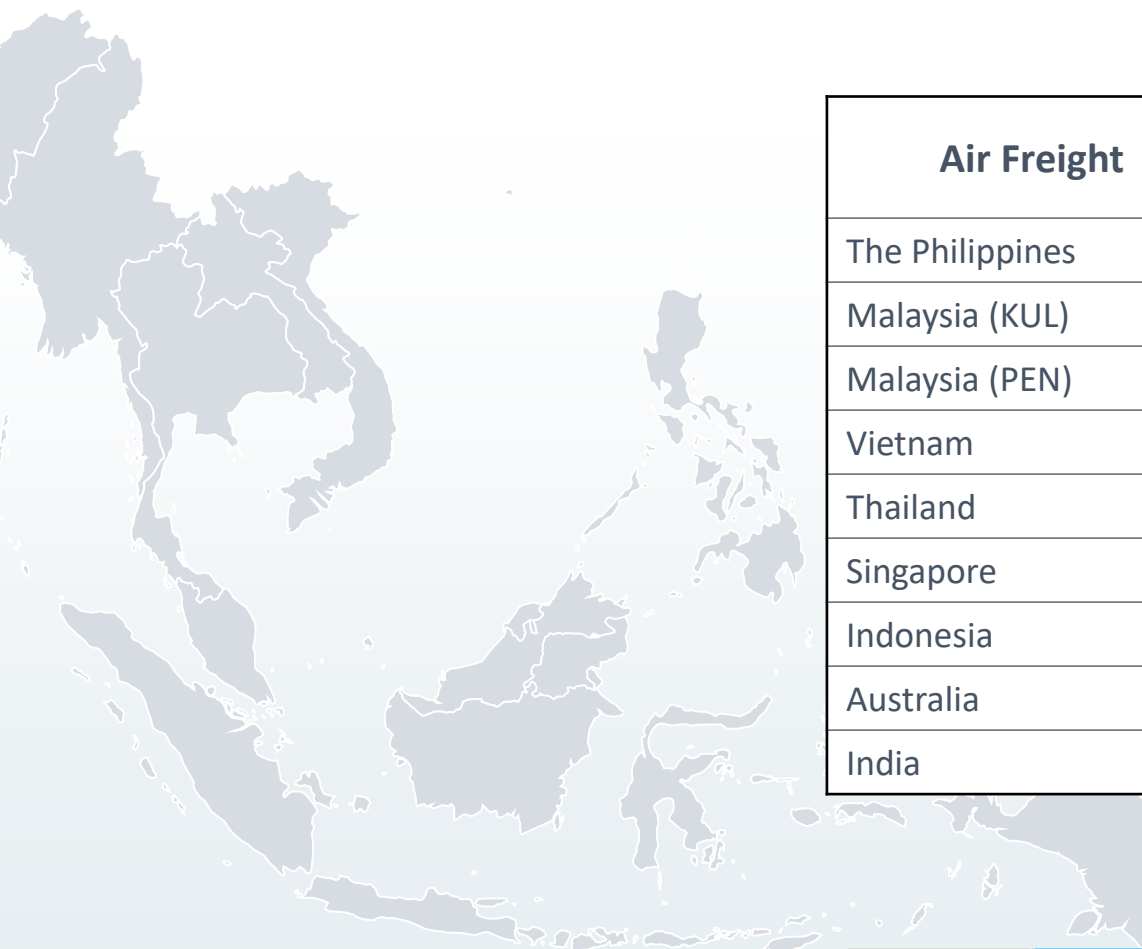
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SOUTHEAST ASIA, INDIA & AUSTRALIA MARKET



Air Freight	TO ASIA		TO EUR		TO USEC		TO USWC	
	Capacity	Rate	Capacity	Rate	Capacity	Rate	Capacity	Rate
The Philippines	Soft	Stable	Tight	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	Upturn	Stable	Upturn	Stable	Upturn	Stable	Upturn	Stable
Thailand	Upturn	Stable	Tight	Rising	Tight	Rising	Tight	Rising
Singapore	Soft	Stable	Tight	Stable	Tight	Stable	Tight	Stable
Indonesia	Soft	Stable	Upturn	Stable	Upturn	Stable	Upturn	Stable
Australia	Soft	Falling	Soft	Falling	Soft	Falling	Soft	Falling
India	Soft	Stable	Upturn	Rising	Upturn	Rising	Upturn	Rising

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SOUTHEAST ASIA, INDIA & AUSTRALIA MARKET



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

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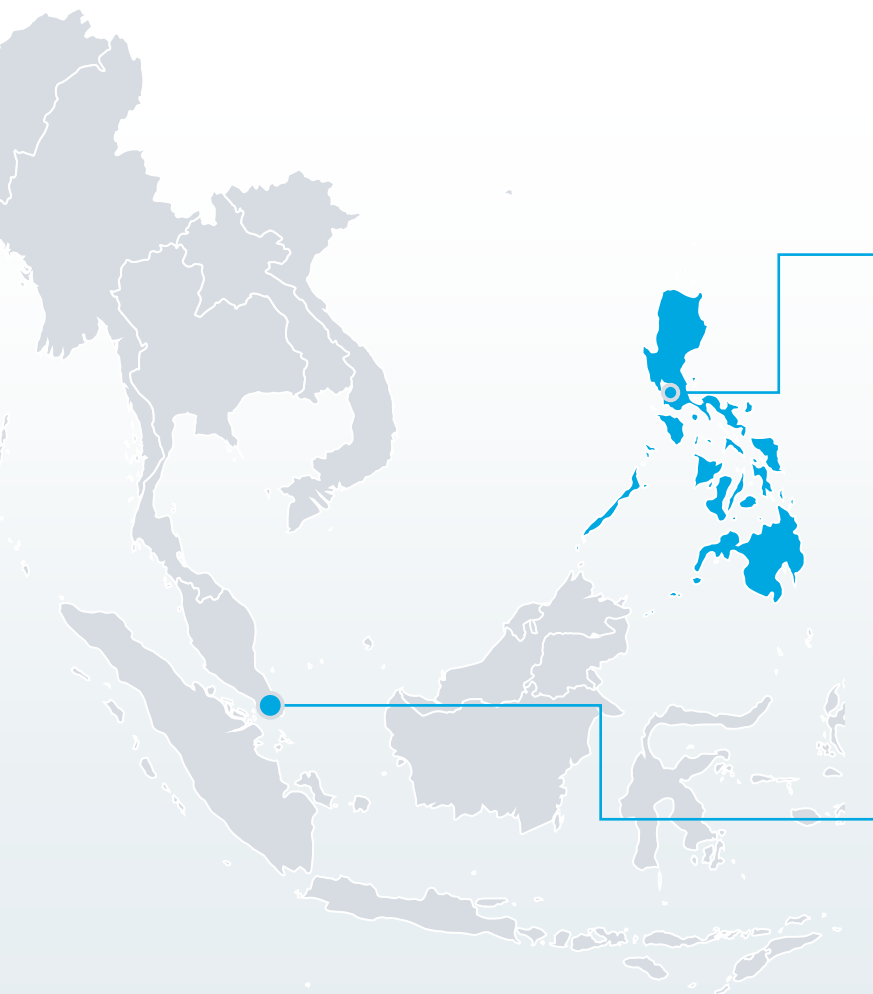
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FREIGHT MARKET SITUATION SOUTHEAST ASIA



Philippines

Air

- Expect tight capacity in Feb due to backlogs from Jan and rising US/EU demand.
- Expect a 10% airline rate hikes and higher fuel surcharges.
- Post-Chinese New Year production may impact freight rates.
- Philippine air freight sees constraints and higher costs in Feb.

Ocean

- Ocean freight space and rates remain stable post-peak season but may vary with market conditions.
- Ports are expected to operate normally throughout the month.

Singapore

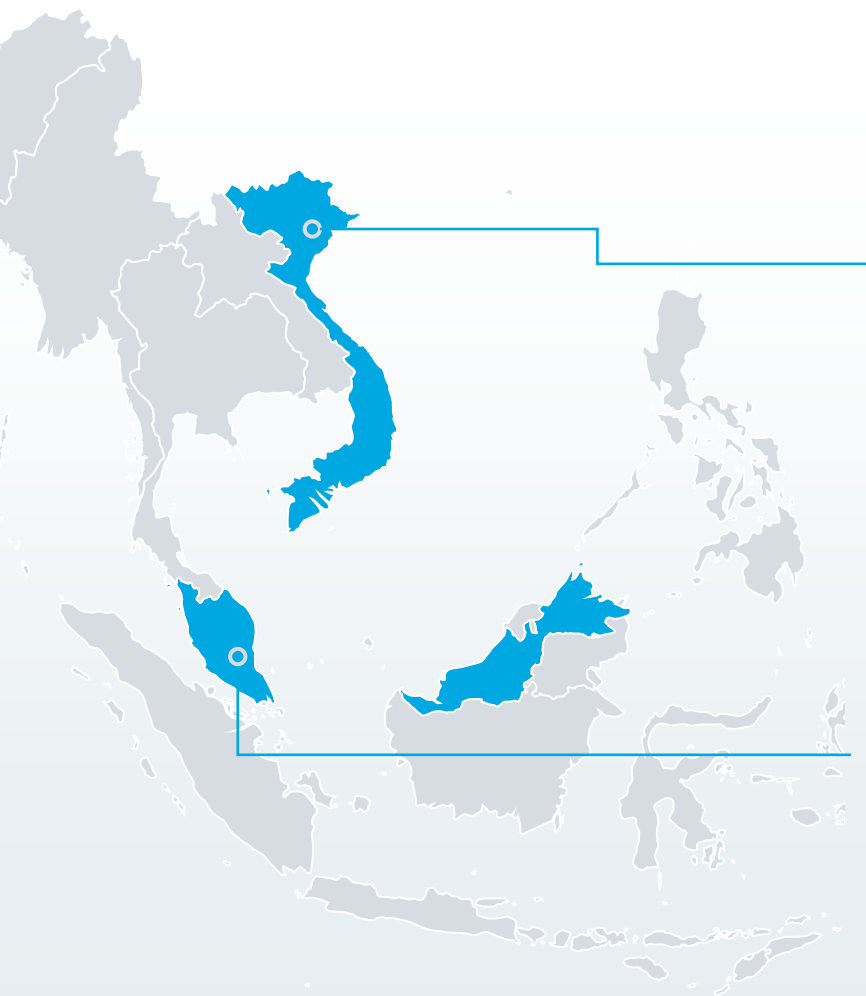
Air

- Demand is expected to outpace supply after the CNY season.
- Flight cancellations and capacity constraints are likely for Intra-Asia routes (China, Taiwan, Hong Kong) during CNY.

Ocean

- Tight space and potential rate increases are anticipated in late Feb for Asia, Europe, and USA lanes.
- Freight bookings and rates are expected to rise as customers clear backlogs after CNY. Book early in the first week of Feb to avoid space and rate challenges later in the month.

FREIGHT MARKET SITUATION SOUTHEAST ASIA



Vietnam

Air

- Feb capacity will be more stable compared to Jan with better connections to transit gateways.
- Shorter transit times and better rates from Vietnam should be available for all lanes.
- Its is recommended to book 2-4 days before ETD.

Ocean

- Rates and capacity are stable in Feb.
- US trade lane - GRI increased from Jan 1; adjustments may occur in Feb due to weak demand.
- Demand to be slow in first week of Feb
- There with be equipment and trucker shortages before Lunar New Year.

Malaysia

Air

- Shipment volume is expected to rise from Penang after CNY holidays.
- Several airlines are switching their aircrafts to narrow-body for flights to and from KUL; freight costs remain unchanged.
- Shippers must confirm receiving dates with consignees due to CNY.
- Thaipusam public holiday on February 11.

Ocean

- Overall space from Penang export is improving, but US rates rising.
- Tight space expected from KUL as Aidilfitri holiday approaches in March.

FREIGHT MARKET SITUATION SOUTHEAST ASIA



Thailand

Air	• Intra-Asia exports: Space and prices remain stable, sufficient to meet demand. • US/CA exports: Demand exceeds space, requiring bookings 4-5 days in advance. Prices remain high. • EU exports: limited space and high prices from BKK . • An additional charge will be applied for document verification on exports.
Ocean	• Rates have fallen by 5-10% for all destinations. • USA export backlogs persist but are improving. Book 2-3 weeks in advance. • Avoid shipping during CNY (Jan 28 - Feb 2) and Makha Bucha Day (Feb 12).

Indonesia

Air	• Rates for USA and Europe may decrease during and after CNY. • Avoid public holidays on CNY (Jan 28 – Feb 2) and Isra Miraj (Jan 27). • Shippers should recheck rates and book when cargo is ready, as rates depend on space availability and may change.
Ocean	• Intra-Asia freight rates and capacity remain stable. • Europe and USA rates have slightly decreased, but space is still available. • It is recommended to book one week before ETD.

FREIGHT MARKET SITUATION

AUSTRALIA AND INDIA

Australia

Air	• Rates may decline post-CNY due to lower demand. • Further rate decreases expected in February before March's pre-Easter demand. • Australia's cyclone season in February may impact northern ports and drive-up rates.
Ocean	• Rates are likely to decline slightly after CNY due to decreased shipping demand following the pre-holiday rush.



India

Ocean	• Carriers have announced a Peak Season Surcharge (PSS) for Europe and the USA, but its implementation will depend on market conditions.
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FREIGHT MARKET FORECAST FOR FEBRUARY

NORTH AMERICA

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

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

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

Trump 2.0 Import Policy and Potential Tariffs

Update

No Executive Orders issued as yet on increased import duties. However, Trump has directed federal agencies to evaluate U.S. trade policy (including USMCA), with recommendations by April 1.

Issues to Watch

- Potential additional 25% tax on goods with Mexico Country of Origin (could begin "as early as Feb 1")*
- Global 10-20% tax on all imported goods
- 10 - 60% tax on goods from China, on top of existing duties.

*Tariffs may target goods, particularly those previously manufactured in the U.S.

Changes in IMMEX, USMCA, and Maquiladora Regulations

- Recent changes to Mexico's IMMEX program for textiles and apparel have raised concerns among companies focused on "assembly only" or "repackaging."
- The Mexican government aims to minimize imports of Chinese goods and limit IMMEX benefits to genuine manufacturing activities within Mexico.
- Business can apply a 6-month postponement to comply with the new rules, and feedback from the trade community will shape government's decisions over the next six months.

FREIGHT MARKET SITUATION

NORTH AMERICA

Vancouver (YVR)

Air	• Rate to Asia is rising and soft demand for eastbound, except space to PEN and SIN remains tight. • Import demand increased due to the possible tariff increases. Suggest to book early.
Ocean	• Capacity to China may become an issue after Lunar New Year due to flight cancellations.

San Francisco (SFO)

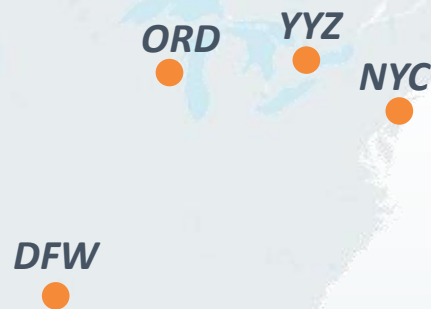
Air	• Shippers are pushing to ship before Chinese New Year, with overflow expected into February.
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Los Angeles (LAX)

Air	• After Lunar New Year, slow returns for Asia may lead to cancellations, impacting LAX outbound. • No major flight impacts in the first few days of Lunar New Year, but cancellations will increase even as factories resume operations. • Suggestion for export: Notify ASAP to secure space, as capacity will be tight after the holidays. First available flights may not be next day departure.
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FREIGHT MARKET SITUATION NORTH AMERICA



Toronto (YYZ)

Ocean

- Eastbound freight is in high demand, space is tight, and blank sailings are impacting westbound space, with potential port disruptions causing delays.

New York (NYC)

Ocean

- Capacity is expected to be tight due to Lunar New Year. No delays at the moment.

Chicago (ORD)

Air

- The Lunar New Year is approaching, with unexpected tonnage to be shipped before and after the holiday.
- It's advised to avoid weekend arrivals and expect low tonnage to and from Asia due to Lunar New Year.

Dallas (DFW)

Air

- Post-Chinese Lunar New Year often sees high shipping demand as shippers release cargo simultaneously, causing tight space, congestion, and delays. To avoid fees and disruptions, plan shipments carefully or postpone arrivals until after the holiday.

FREIGHT MARKET FORECAST FOR FEBRUARY

EUROPE

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

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

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, turndown of booking found. Consider alternatives
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FREIGHT MARKET SITUATION

EUROPE

Air Freight

- European carriers on the China-Europe route are facing pressure from new Chinese entrants lowering Far East rates to capture volumes.

Ocean Freight

- The Ocean Alliance (COSCO Shipping, OOCL, Evergreen Line, CMA CGM) will launch a new shipping network in April to enhance Asia-Europe and trans-Pacific trade. OOCL noted ongoing uncertainty in the Red Sea, offering both around-Africa and Suez Canal options, with Africa diversions remaining until further notice.



FREIGHT MARKET FORECAST FOR FEBRUARY

MEXICO



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

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
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FREIGHT MARKET SITUATION

MEXICO



Air Freight

- Mexico implemented a 19% tax on imported products from January 1, 2025, to combat tax evasion and support local businesses.
- The tax mainly affects countries without trade agreements, like China, impacting platforms such as Shein and Temu, potentially raising consumer prices.
- It may increase production costs for businesses relying on Chinese imports and strain Mexico-China trade relations.

Ocean Freight

- The Port of Manzanillo handled 3.59 million TEUs in 2024 (up 6.1% from 2023), driven by rising imports, exports, and container movement.
- Mexico benefits from near-shoring, with US importers shortening supply chains.
- Chinese and international producers in Mexico have boosted trade.
- Trade between China and Mexico increased by 22% in the first eight months of 2024, following a 33% rise in 2023.

WHAT TO WATCH

Singapore, Malaysia sign Johor-Singapore SEZ deal

Singapore and Malaysia have signed an agreement to establish the Johor-Singapore Special Economic Zone (JS-SEZ), aiming to create 20,000 skilled jobs over the next five years. The zone will focus on sectors such as manufacturing, aerospace, tourism, energy, and healthcare, with a target of attracting 50 projects within this period. This initiative seeks to enhance bilateral economic ties and stimulate investment in the region.

U.S. Dockworkers, Employers Reach Deal, Averting Strike

Dockworkers and employers at U.S. East and Gulf Coast ports have reached a tentative six-year contract agreement, averting a potential strike that could have disrupted major economic gateways. The agreement aims to enhance worker benefits, create jobs, and modernize ports to improve safety and efficiency. While specific details are pending, the deal is expected to include significant wage increases and provisions to protect existing jobs.

Indonesia Joins BRICS as Full Member

Indonesia has officially joined the BRICS bloc as a full member, announced by Brazil's government. This expansion includes Indonesia, the world's fourth most populous nation, alongside existing members Brazil, Russia, India, China, South Africa, Egypt, Ethiopia, Iran and UAE. The move aims to strengthen ties among emerging countries and advance the interests of the Global South. Indonesia's participation was unanimously approved by BRICS member states during the 2023 summit in Johannesburg.

Canada Prepares Tariffs on \$105 Billion of U.S. Products

Canada is ready to impose tariffs on up to C\$150 billion (\$105 billion) of U.S. products if President-elect Trump enforces tariffs on Canadian imports. Prime Minister Trudeau has discussed countermeasures with provincial leaders, focusing on proportional retaliation. Trump's proposed 25% tariff targets Canadian goods to address border security and fentanyl smuggling, but Trudeau vows to protect Canadian interests.



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