IGP Transportation Report

Wheat, Corn, Grain Sorghum, and Soybean Complex

17th October 2025

by Guy H. Allen – Senior Economist, International Grains Program, Kansas State University *News and information noted below are articles of interest and gathered from numerous sources. This news and information do not reflect the opinions of KSU-IGP but are provided as a matter of interest.*

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IGP Market Information: http://www.dtnigp.com/index.cfm

KSU Agriculture Today Podcast Link: https://agtodayksu.libsyn.com/timeliness-of-corn-and-soybean-plantingworld-grain-supply-and-demand

KSU Ag Manager Link: https://www.agmanager.info/grain-marketing/publications/us-grain-exports-and-trade

USDA Transportation Report: https://www.ams.usda.gov/services/transportation-analysis/gtr

USDA FAS Historical Grain Shipments: https://apps.fas.usda.gov/export-sales/wkHistData.htm, https://apps.fas.usda.gov/export-sales/complete.htm

Grey-highlighted text and images are USDA information that has not been updated due to government shutdown.

Contents

- **This summary based on reports for the 2nd of Oct. 2025**
- **Outstanding Export Sales (Unshipped Balances) on the 26th of Sep. 2025**
- **Export Shipments in Current Marketing Year**
- **Daily Sales Reported for the 25th of Sep. 2025**

OCEAN FREIGHT

Baltic Dry Freight Index – Daily = 2046

Source: https://www.tradingview.com/chart/?symbol=INDEX%3ABDI
The Baltic Dry Index is reported daily by the Baltic Exchange in London. The index provides a benchmark for the price of moving the major raw materials by sea. The index is a composite of three sub-indices that measure different sizes of dry bulk carriers: Capesize, which typically transport iron ore or coal cargoes of about 150,000 tonnes; Panamax, which usually carry coal or grain cargoes of about 60,000 to 70,000 tonnes; and Supramax, with a carrying capacity between 48,000 and 60,000 tonnes.
Not restricted to Baltic Sea countries, the index provides "an assessment of the price of moving the major raw materials by sea. Taking in 23 shipping routes measured on a time-charter basis, for dry bulk carriers carrying a range of commodities including coal, iron ore, grain, and other commodities.
Because dry bulk primarily consists of materials that function as raw material inputs to the production of intermediate or finished goods, the index is also seen as an efficient economic indicator of future economic growth and production.

- **A weekly round-up of tanker and dry bulk market**

17 October 2025 Baltic Exchange - This report is produced by the Baltic Exchange - Source: https://www.balticexchange.com/en/data-services/WeeklyRoundup.html.

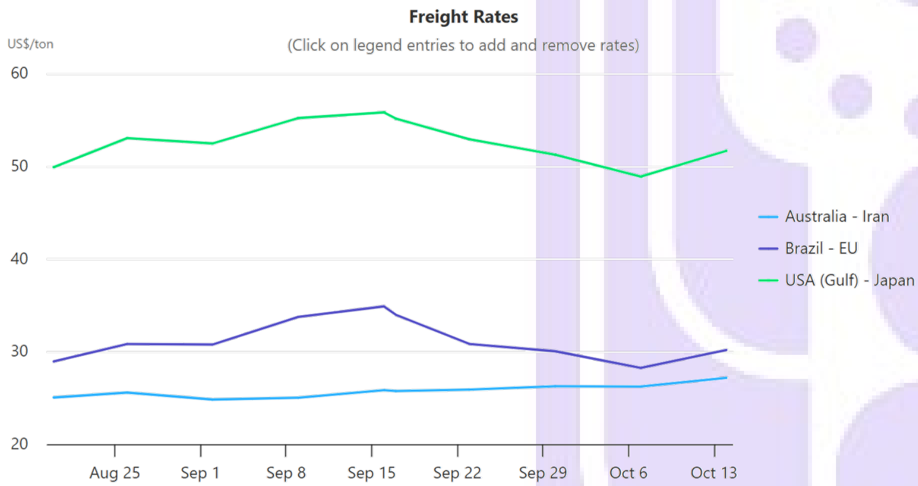
Capesize: The Capesize market experienced a volatile week marked by sharp swings in sentiment and rates following China's announcement of new port fees on U.S. linked vessels. Early gains, driven by speculation over potential inefficiencies, quickly reversed as clarity emerged that Chinese-built tonnage would be exempt, triggering a sharp midweek correction. The Pacific market saw notable fluctuations on C5, with rates ranging from the low $12.00s to low $10.00s. However, sentiment edged firmer toward the end of the week on the back of improved operator demand despite limited miner presence. The South Brazil and West Africa to China markets maintained steady activity, with C3 levels softening to the low $23.00s before firming again to close the week in the mid/upper $24.00s. The North Atlantic remained relatively balanced, supported by consistent demand for both transatlantic and fronthaul voyages. The BCI 5TC opened at $28,132, dipped midweek to $24,185, and recovered to $25,882 by week's end, encapsulating the week's volatility.

Panamax: The USA v China trade/tariff speculation early part curtailed activity with most players holding off trying to work out full implications. During this time physical market fundamentals remained mostly unnerved, despite attempts from a volatile FFA market, physical rates did settle down mid-week and the market appeared steady. Fronthaul demand in the North appeared a little nervous in places with a lack of demand, whilst rates for trans-Atlantic trips settled flat to last done $17,000 achieved on a few occasions for trips via USG/US east coast redelivery Skaw-Gibraltar. EC South America saw a small increase in activity with early November arrivals capturing better numbers, talk of low-mid $15,000's being agreed, albeit on equivalent levels to route P6. Asia witnessed a firmer week with the NoPac market in particular finding support, $16,500 concluded on an 82,000-dwt delivery Japan for a grain NoPac round, whilst LME tonnage were comfortably achieving upper $16,000 levels for trips via Indonesia to China. Period activity was limited but included $16,000 reported on an 82,000-dwt delivery China basis 6/8 months.

Ultramax/Supramax: After the previous week's widespread holidays, it was a slightly more positive affair for the sector. The Atlantic was rather positional overall, stronger numbers were seen from the South Atlantic, a 61,000-dwt fixing an EC South American fronthaul at $16,750 plus $675,000 ballast bonus. Elsewhere, a 57,000-dwt open West Africa fixed a trip to China at $20,500. Better demand was seen from the Mediterranean, a 64,000-dwt fixing in the mid $14,000s from Alexandria to the US Gulf. More fresh enquiry appeared in Asia as the week progressed helping rates to improve. A 63,000-dwt open CJK fixing a NoPac round redelivery Bangladesh at $17,000. From the south, a 61,000-dwt fixed a trip from Kalimantan to Bangladesh at $20,000. Backhaul activity returned, a 61,000-dwt fixed delivery CJK trip to West Africa at $14,500. More activity was registered from the Indian Ocean, a 64,000-dwt fixing delivery Tuticorin trip via South Africa redelivery Singapore-Japan at $16,750.

Handysize: Overall, the market remained steady and relatively balanced throughout the week. In the Continent and Mediterranean, activity was limited but sentiment stayed firm, with some routes showing marginal improvements. For example, a 40,000-dwt was fixed from Montoir to Morocco with grains at $21,000. In the South Atlantic, fundamentals held stable, particularly for larger vessels, with a 38,000-dwt reportedly fixed from Upriver to the West Coast of South America at $30,000. In contrast, the U.S. Gulf continued to strengthen, supported by renewed demand and a tightening tonnage list. A 38,000-dwt was fixed delivery Panama City for a trip to the UK-Continent with pellets at $29,000. In Asia, sentiment remained largely positional, with some signs of tightening tonnage in both the North Pacific and Southeast Asia; however, rates were broadly steady. A 39,000-dwt was reported fixed from Zhenjiang to the Arabian Gulf at $18,000. The period market also drew interest, with a 36,000-dwt open in the Far East end October fixing one year at $13,150, while another 39,000-dwt open Vietnam was fixed for 3/4 months at $15,750.

	14 Oct	Weekly Change	Annual Change	52 Week Low	52 Week High
Australia - Iran	$27	+1	11 %	$18	$27
Brazil - EU	$30	+2	33 %	$20	$35
USA (Gulf) - Japan	$52	+3	9 %	$38	$56

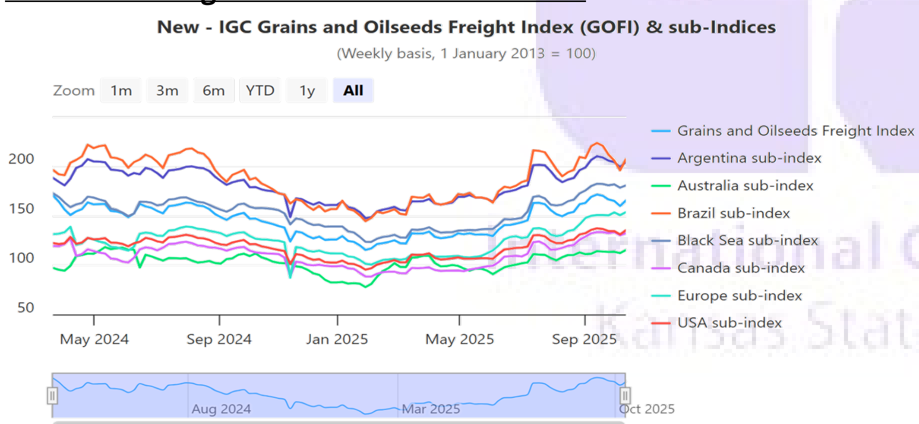


Source: IGC https://www.igc.int/en/markets/marketinfo-freight.aspx

	14 Oct	Weekly Change	Annual Change	52 Week Low	52 Week High
IGC Grains and Oilseeds Freight Index	165	+5	14 %	115	171
Argentina sub-Index	204	+5	-%	147	210
Australia sub-Index	115	+3	6 %	78	115
Brazil sub-Index	207	+11	15 %	144	223
Black Sea sub-Index	180	+2	16 %	123	182
Canada sub-Index	132	+2	14 %	88	133
Europe sub-Index	153	+3	15 %	87	153
USA sub-Index	135	+4	14 %	95	137

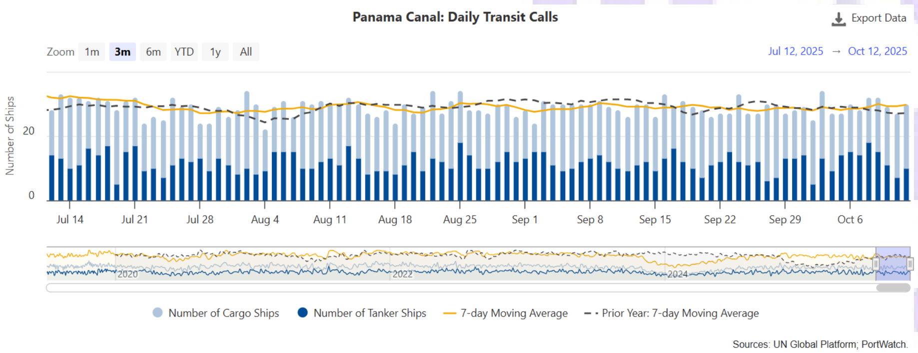
Source: IGC https://www.igc.int/en/markets/marketinfo-freight.aspx

- **IGC Grains Freight Index – 14th October 2025**



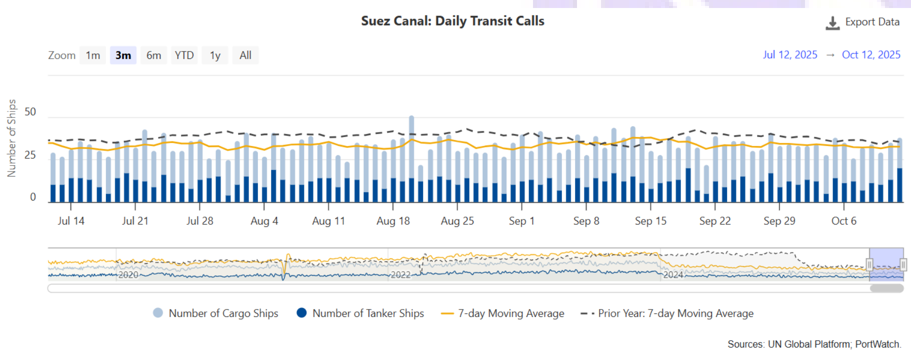
Logistics

- **Panama Canal – Daily Transit Calls**



12 October 2025 Source: IMF PortWatch
https://portwatch.imf.org/pages/76f7d4b0062e46c5bbc862d4c3ce1d4b

- **Suez Canal – Daily Transit Calls**



12 October 2025 Source: IMF PortWatch Source:
https://portwatch.imf.org/pages/c57c79bf612b4372b08a9c6ea9c97ef0

- **Chinese Freighter Halves EU Delivery Time on Maiden Arctic Voyage to UK**

15 October 2025 by Reuters — A Chinese container ship has completed a pioneering journey through the Arctic to a UK port, state-run news agency Xinhua reported, cutting in half the usual transit time for the electric vehicles and solar panels aboard destined for Europe.

The Istanbul Bridge's maiden voyage, originally expected to take 18 days, was delayed by two days due to a storm off the coast of Norway but the ship still reached Europe earlier than the 40 to 50 days it takes freighters going through the Suez Canal or around the Cape of Good Hope.

The new Northern Sea Route, running entirely through Arctic waters and within Russia's exclusive economic zone, can now be navigated by ships due to global warming.

China is exploring speedier maritime links with the European Union - the world's third-largest economy - while in the middle of a costly trade war with the United States, the world's biggest consumer market. The push reflects Beijing's need to diversify its export markets to sustain growth in an economy heavily dependent on selling its manufactured goods overseas.

Exports to Europe rose an annual 14% in September, Chinese customs data shows, while shipments to the U.S. fell 27% over the same period.

Over the past four decades, the Arctic has warmed about four times faster than the global average, resulting in a dramatic reduction in sea ice and creating seasonal windows for commercial shipping.

But weather and sailing conditions along the Arctic passage can be unpredictable.

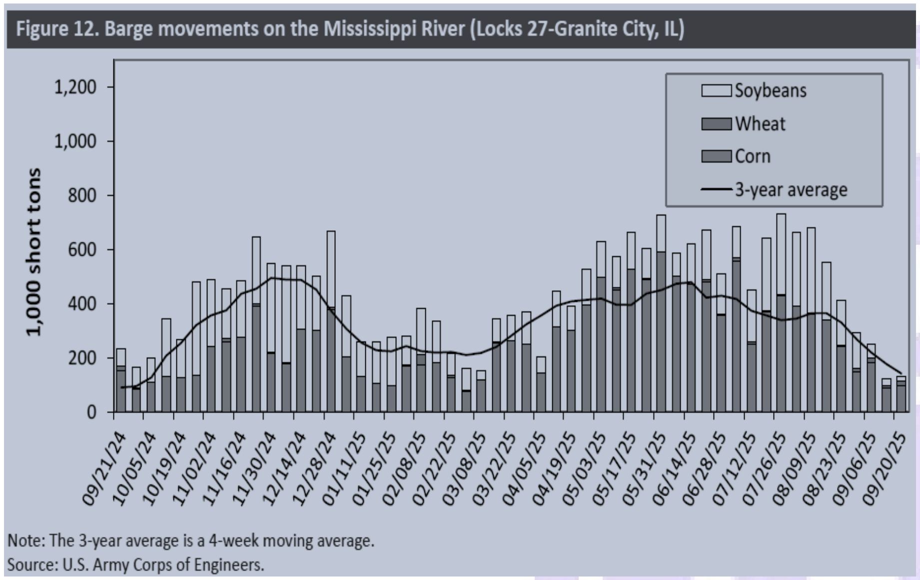
Carrying around 4.000 containers from the Chinese port of Zhoushan, the Istanbul Bridge docked in Felixstowe, Britain's largest container port, on Monday and was scheduled to make stops in Germany, Poland and the Netherlands, Xinhua said.

The ship is operated by Chinese-controlled container line Sea Legend, it said.

The company did not immediately respond to a Reuters request for comment.

In recent years Beijing has deepened maritime cooperation with Russia in Arctic waters, as China seeks an alternative shipping route to reduce its dependence on the Strait of Malacca in Southeast Asia.

BARGE MOVEMENTS



For the week ending the 20th of September, barged grain movements totaled 260,950 tons. This was 4% more than the previous week and 48% less than the same period last year.

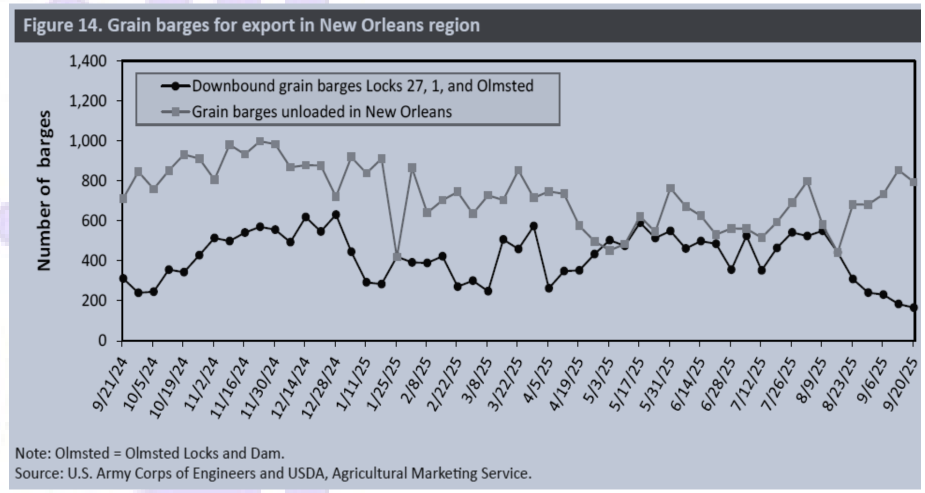


Table 10. Barged grain movements (1,000 tons)

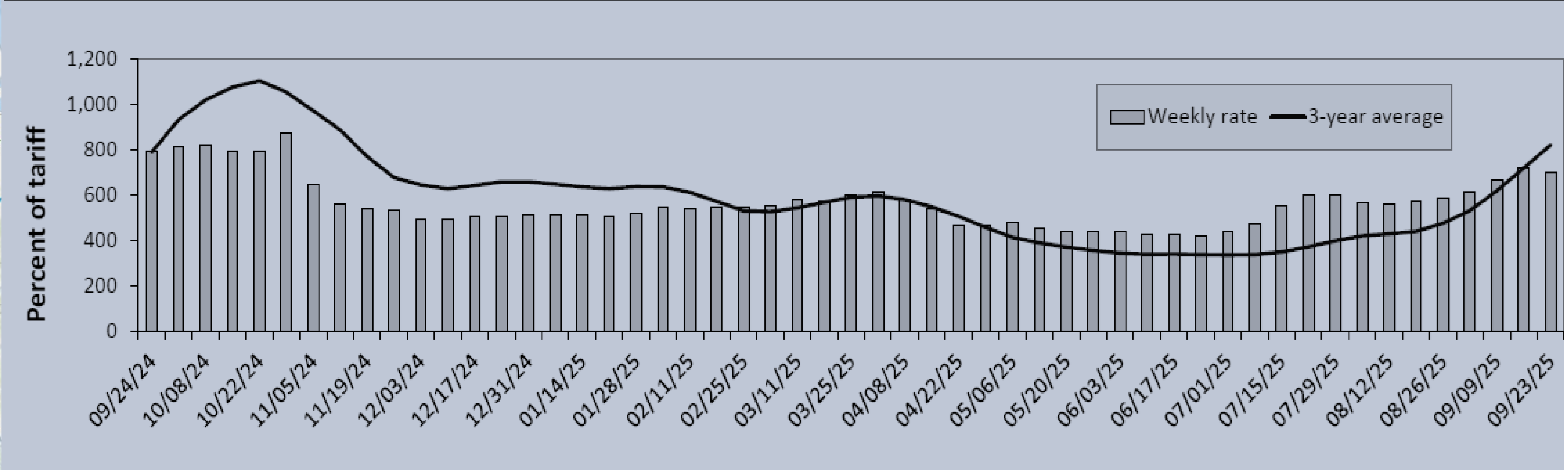
For the week ending 09/20/2025	Corn	Wheat	Soybeans	Other	Total
Mississippi River (Rock Island, IL (L15))	27	2	3	0	32
Mississippi River (Winfield, MO (L25))	89	21	14	5	129
Mississippi River (Alton, IL (L26))	90	18	16	5	128
Mississippi River (Granite City, IL (L27))	97	18	17	5	136
Illinois River (La Grange)	24	0	3	0	27
Ohio River (Olmsted)	48	4	29	5	85
Arkansas River (L1)	17	14	8	0	39
Weekly total - 2025	161	35	54	10	261
Weekly total - 2024	333	35	134	0	502
2025 YTD	14,345	1,051	7,730	144	23,269
2024 YTD	10,848	1,338	7,337	170	19,693
2025 as % of 2024 YTD	132	79	105	85	118
Last 4 weeks as % of 2024	66	107	74	251	72
Total 2024	15,251	1,564	12,598	214	29,626

Note: "Other" refers to oats, barley, sorghum, and rye. Total may not add up due to rounding. YTD = year to date. Weekly total, YTD, and calendar year total include Mississippi River lock 27, Ohio River Olmsted lock, and Arkansas Lock 1. "L" (as in "L15") refers to a lock, locks, or lock and dam facility.
Source: U.S. Army Corps of Engineers.

Figure 11. Benchmark tariff rates

Source: USDA, Agricultural Marketing Servic

Figure 10. Illinois River barge freight rate



Note: Rate = percent of 1976 tariff benchmark index (1976 = 100 percent); 3-year avg. = 4-week moving average of the 3-year average.
Source: USDA, Agricultural Marketing Service.

Table 9. Weekly barge freight rates: southbound only

Measure	Date	Twin Cities	Mid-Mississippi	Illinois River	St. Louis	Ohio River	Cairo-Memphis
Rate	9/23/2025	709	703	697	619	681	622
	9/16/2025	709	714	717	615	675	600
$/ton	9/23/2025	43.89	37.40	32.34	24.70	31.94	19.53
	9/16/2025	43.89	37.98	33.27	24.54	31.66	18.84
Measure	**Time Period**	**Twin Cities**	**Mid-Mississippi**	**Illinois River**	**St. Louis**	**Ohio River**	**Cairo-Memphis**
Current week % change from the same week	Last year	-3	-9	-12	-16	-15	-14
	3-year avg.	-13	-15	-15	-27	-21	-31
Rate	October	778	761	750	696	747	689
	December	0	133	572	465	529	423

Note: Rate = percent of 1976 tariff benchmark index (1976 = 100 percent); 3-year avg. = 4-week moving average of the 3-year avg.; ton = 2,000 pounds; "n/a" = data not available. The per ton rate for Twin Cities assumes a base rate of $6.19 (Minneapolis, MN, to LaCrosse, WI). The per ton rate at Mid-Mississippi assumes a base rate of $5.32 (Savanna, IL, to Keithsburg, IL). The per ton rate on the Illinois River assumes a base rate of $4.64 (Havana, IL, to Hardin, IL). The per ton rate at St. Louis assumes a base rate of $3.99 (Grafton, IL, to Cape Girardeau, MO). The per ton rate on the Ohio River assumes a base rate of $4.69 (Silver Grove, KY, to Madison, IN). The per ton rate at Memphis-Cairo assumes a base rate of $3.14 (West Memphis, AR, to Memphis, TN). For more on base rate values along the various segments of the Mississippi River System, see AgTransport.
Source: USDA, Agricultural Marketing Service.

For the week ending the 20th of September, 166 grain barges moved down river—18 fewer than last week. There were 794 grain barges unloaded in the New Orleans region, 7 percent fewer than last week.

Benchmark Tariff Rate

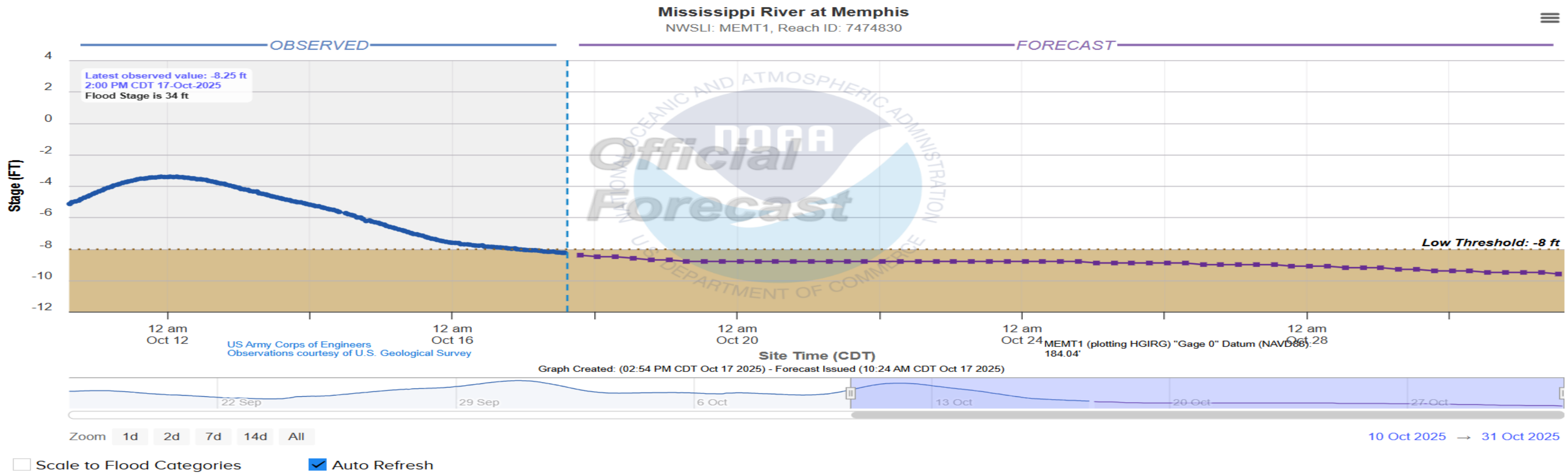
Calculating barge rate per ton:

Select applicable index from market quotes are included in tables on this page.

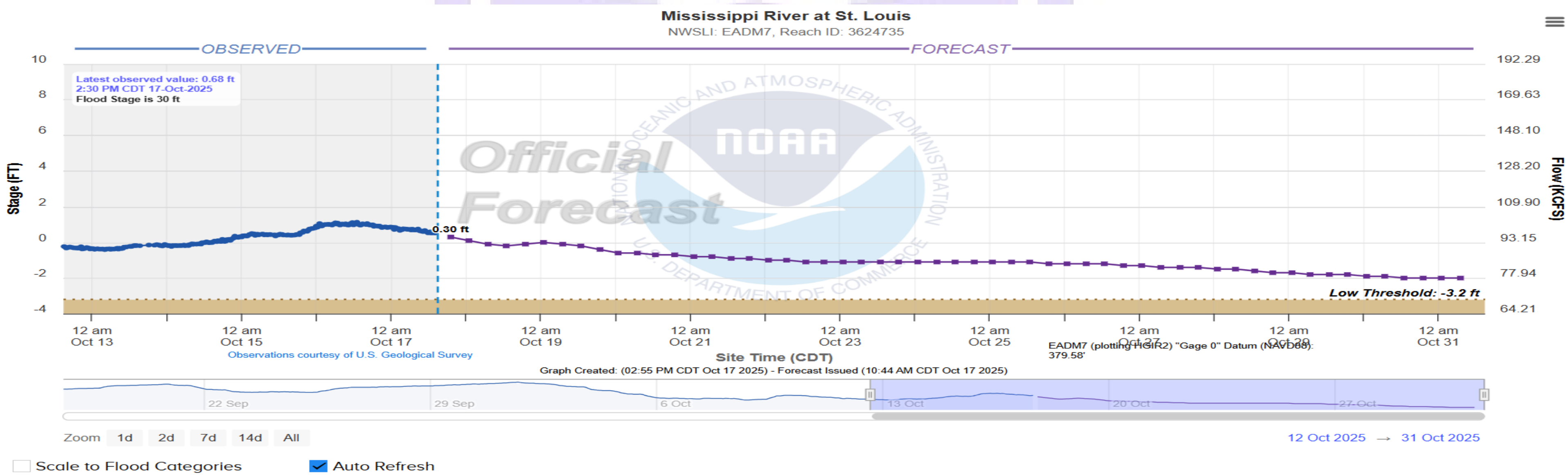
The 1976 benchmark rates per ton are provided in map.

(Rate * 1976 tariff benchmark rate per ton)/100

➢ Current Critical Water Levels on the Mississippi River



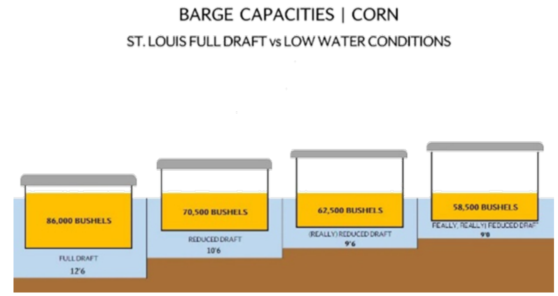
17 October 2025 Source: NOAA – NWPS: https://water.noaa.gov/gauges/memt1



17 October 2025 Source: NOAA – NWPS: Mississippi River at St. Louis ; https://water.noaa.gov/gauges/EADM7

River forecasts for this location take into account past precipitation and the precipitation amounts expected approximately 24 to 48 hours into the future from the forecast issuance time.

For the latest navigation status update from the U.S. Army Corps of Engineers-St. Louis District: https://www.mvs.usace.army.mil/Missions/Navigation/Status-Reports/



Controlling Depths:

- St. Louis-Herculaneum (RM 185-152); Mile 160.6: Meramec, (LWRP -3.2 @ STL); 9-ft at St. Louis gage of -1.5.
- Herculaneum-Grand Tower (RM152-80); Mile 128.5: Establishment (LWRP -0.4 @ Chester); 9-ft at Chester gage of 0.4.
- Grand Tower-Cairo (RM 80-0) Mile 39.0: Commerce (LWRP 5.4 @ Cape Girardeau); 9-ft at Cape Girardeau gage of 6.

Current Barge Freight Rates

IL RIVER FREIGHT	10/15/2025	10/16/2025	
wk 10/12	635/650	635/675	
WK 10/19	625/650	625/650	UNC
WK 10/26	625/650	600/625	
FH NOV	550/600	550/575	
Nov	525/575	525/550	
LH NOV	500/550	500/525	
Dec	500/525	500/525	UNC
Jan	500/525	500/525	UNC
Feb	475/525	475/525	UNC
Mar	450/500	450/500	UNC
April	425/475	425/475	UNC

UPPER MISSISSIPPI

ST PAUL/SAVAGE	10/15/2025	10/16/2025	
wk 10/12	675/725	675/725	UNC
WK 10/19	650/700	650/700	UNC
WK 10/26	625/675	625/675	UNC
FH NOV	625/650	625/650	UNC
Nov	600/625	600/625	UNC
April	475/525	475/525	UNC

MID MISSISSIPPI

McGregor	10/15/2025	10/16/2025	
wk 10/12	625/675	625/675	UNC
WK 10/19	625/675	630/675	
WK 10/26	600/650	600/650	UNC
FH NOV	575/625	575/625	UNC
Nov	550/600	550/600	UNC
LH NOV	525/575	525/575	UNC
Mar	475/525	475/525	UNC
April	450/500	450/500	UNC

ST LOUIS BARGE FREIGHT 14'	10/15/2025	10/16/2025	
wk 10/12	500/525	495/525	
WK 10/19	525/550	525/550	UNC
WK 10/26	525/550	525/550	UNC
FH NOV	475/525	475/525	UNC
Nov	450/500	450/500	UNC
LH NOV	450/475	450/475	UNC
Dec	425/475	400/450	
Jan	400/450	400/425	
Feb	375/425	375/425	UNC
Mar	350/400	350/400	UNC
April	325/375	325/375	UNC

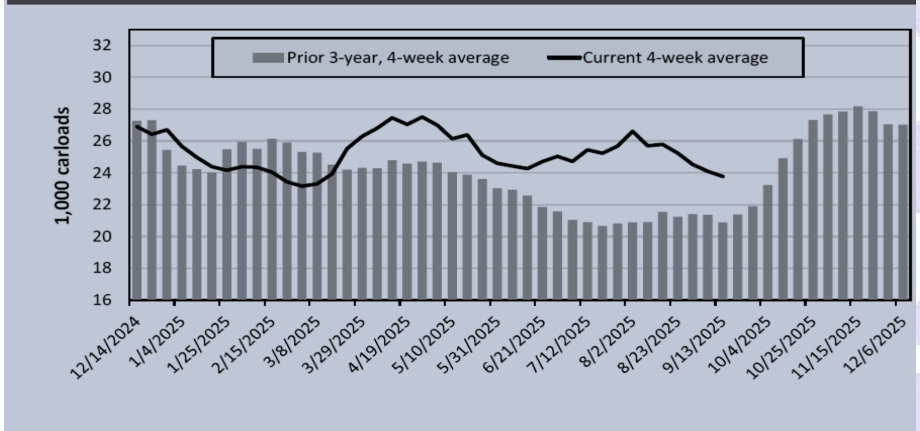
LOWER

OHIO RIVER	10/15/2025	10/16/2025	
wk 10/12	500/525	500/525	UNC
WK 10/19	525/550	525/550	UNC
WK 10/26	525/550	525/550	UNC
FH NOV	475/500	475/500	UNC
Nov	425/475	425/475	UNC
LH NOV	400/450	400/450	UNC
Dec	400/450	400/450	UNC
Jan	450/500	450/500	UNC
Feb	425/475	425/475	UNC
Mar	400/450	400/450	UNC
April	400/450	400/450	UNC

MEMPHIS CAIRO	10/15/2025	10/16/2025	
wk 10/12	435/450	435/450	UNC
WK 10/19	400/450	400/450	UNC
WK 10/26	400/450	400/450	UNC
FH NOV	375/425	375/425	UNC
Nov	375/425	375/425	UNC
LH NOV	350/400	350/400	UNC
Dec	350/400	350/400	UNC
Jan	350/400	350/400	UNC
Feb	325/375	325/375	UNC
Mar	300/350	300/350	UNC
April	300/350	300/350	UNC

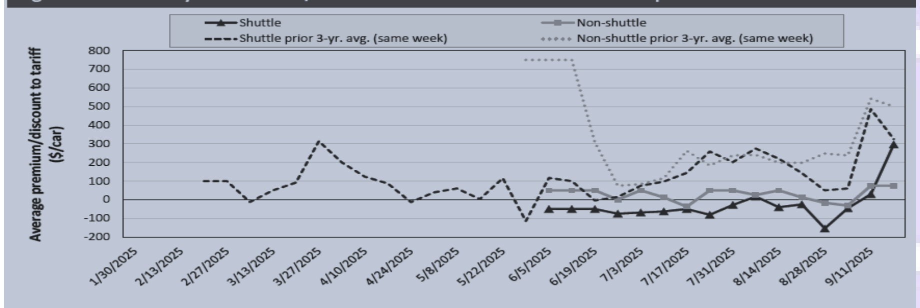
Rail Movements

Figure 3. Total weekly U.S. Class I railroad grain carloads



Source: Surface Transportation Board.

Figure 6. Secondary market bids/offers for railcars to be delivered in September 2025



Note: Shuttle bids/offers are for shuttle trains—90+ grain cars that travel from a single origin to a single destination. Non-shutt
n/a = not available; avg. = average; yr. = year; BNSF = BNSF Railway; UP = Union Pacific Railroad.
Source: USDA, Agricultural Marketing Service analysis of data from Tradewest Brokerage Company and the Malsam Company.

- U.S. Class I railroads originated 24,221 grain carloads during the week ending the 13th of September. This was a 9-percent increase from the previous week, 8 percent more than last year, and 17 percent more than the 3-year average.
- Average September shuttle secondary railcar bids/offers (per car) were $297 above tariff for the week ending the 18th of September. This was $268 more than last week and $28 lower than this week last year.
- Average non-shuttle secondary railcar bids/offers per car were $75 above tariff. This was unchanged from last week, and $425 lower than this week last year.

Current Secondary Rail Car Market

BN SHUTTLE	Bid/Ask/Last	Bid/Ask/Last	
L/H October	600 / -	600 / -	UNC
F/H November	600 / 800	600 / -	
November	400 / 700	500 / 800	
November, December	350 / 600	400 / 650	
December	300 / 500	300 / 500	UNC
JFM 2026	400 / 700	400 / 700	UNC
April May 2026	0 / 200	0 / 200	UNC
June, July 2026	- / 200	- / 200	UNC
Aug, Sept 2026	- / 200	- / 200	UNC

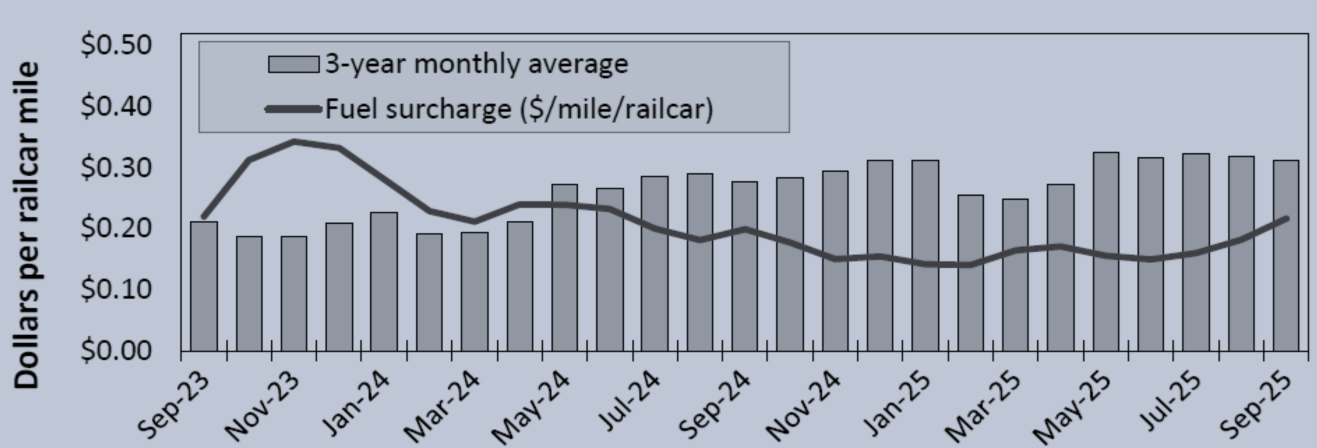
UP SHUTTLE	Bid/Ask/Last	Bid/Ask/Last	
Return Trip	500 / -	500 / -	UNC
L/H October	400 / -	400 / -	UNC
November (Mex. Opt.)	100 / 300	200 / -	
L/H November (Mex. Opt)	- / -	0 / 350	
November	- / -	- / 400	
December	- / 150	- / 150	UNC
Jan, Feb, March 2026	- / 200	- / 200	UNC
April May 2026	- / 100	- / 100	UNC

Table 8. Rail tariff rates for U.S. bulk grain shipments to Mexico, September 2025

Commodity	US origin	US border city	US railroad	Train type	US rate plus fuel surcharge per car (USD)	US tariff rate + fuel surcharge per metric ton (USD)	US tariff rate + fuel surcharge per bushel (USD)	Percent M/M	Percent Y/Y
Corn	Adair, IL	El Paso, TX	BNSF	Shuttle	$4,701	$46.27	$1.18	1.1	5.6
	Atchison, KS	Laredo, TX	CPKC	Non-shuttle	$5,607	$55.18	$1.40	0.9	1.8
	Council Bluffs, IA	Laredo, TX	CPKC	Non-shuttle	$6,133	$60.36	$1.53	0.9	1.6
	Kansas City, MO	Laredo, TX	CPKC	Non-shuttle	$5,508	$54.21	$1.38	0.9	1.8
	Marshall, MO	Laredo, TX	CPKC	Non-shuttle	$5,724	$56.34	$1.43	0.9	1.7
	Pontiac, IL	Eagle Pass, TX	UP	Shuttle	$5,119	$50.38	$1.28	1.0	5.5
	Sterling, IL	Eagle Pass, TX	UP	Shuttle	$5,256	$51.73	$1.31	1.0	5.4
	Superior, NE	El Paso, TX	BNSF	Shuttle	$5,111	$50.30	$1.28	0.8	5.4
Soybeans	Atchison, KS	Laredo, TX	CPKC	Non-shuttle	$5,607	$55.18	$1.50	0.9	1.8
	Brunswick, MO	El Paso, TX	BNSF	Shuttle	$4,445	$43.75	$1.19	-17.7	-19.0
	Grand Island, NE	Eagle Pass, TX	UP	Shuttle	$5,363	$52.78	$1.44	-18.9	-19.7
	Hardin, MO	Eagle Pass, TX	BNSF	Shuttle	$4,444	$43.74	$1.19	-17.7	-19.0
	Kansas City, MO	Laredo, TX	CPKC	Non-shuttle	$5,508	$54.21	$1.48	0.9	1.8
	Roelyn, IA	Eagle Pass, TX	UP	Shuttle	$5,468	$53.82	$1.46	-18.6	-19.4
Wheat	FT Worth, TX	El Paso, TX	BNSF	DET	$3,086	$30.37	$0.83	1.0	-25.7
	FT Worth, TX	El Paso, TX	BNSF	Shuttle	$2,886	$28.40	$0.77	1.1	-22.4
	Great Bend, KS	Laredo, TX	UP	Shuttle	$4,409	$43.39	$1.18	0.8	-9.0
	Kansas City, MO	Laredo, TX	CPKC	Non-shuttle	$5,508	$54.21	$1.48	0.9	1.8
	Wichita, KS	Laredo, TX	UP	Shuttle	$4,297	$42.29	$1.15	0.8	-7.1

Note: After December 2021, U.S. railroads stopped reporting "through rates" from the U.S. origin to the Mexican destination. Thus, the table shows "Rule 11 rates," which cover only the portion of the shipment from a U.S. origin to locations on the U.S.-Mexico border. The Rule 11 rates apply only to shipments that continue into Mexico, and the total cost of the shipment would include a separate rate obtained from a Mexican railroad. The rates apply to jumbo covered hopper ("C114") cars. The "shuttle" train type applies to qualified shipments (typically, 110 cars) that meet railroad efficiency requirements. The "non-shuttle" train type applies to Kansas City Southern (KCS) (now CPKC) shipments and is made up of 75 cars or more (except the Marshall, MO, rate is for a 50-74 car train). BNSF Railway's domestic efficiency trains (DET) are shuttle-length trains (typically 110 cars) that can be split en route for unloading at multiple destinations. Percentage change month to month (M/M) and year to year (Y/Y) are calculated using the tariff rate plus fuel surcharge. For a larger list of to-the-border rates, see AgTransport.
Source: BNSF Railway, Union Pacific Railroad, and CPKC (formerly, Kansas City Southern Railway).

Figure 9. Railroad fuel surcharges, North American weighted average

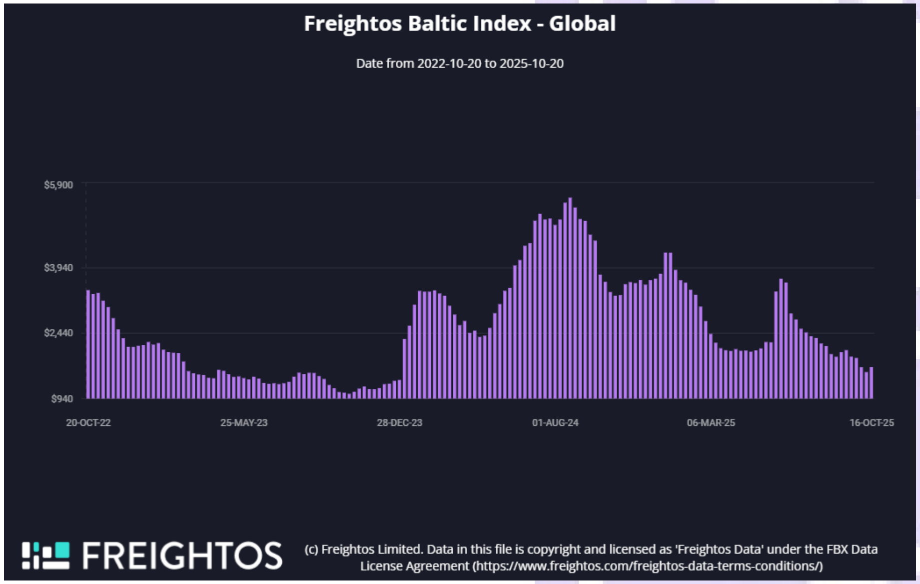


September 2025: $0.22/mile, up 4 cents from last month's surcharge of $0.18/mile; up 2 cents from the September 2024 surcharge of $0.2/mile; and down 9 cents from the September prior 3-year average of $0.31/mile.

Note: Weighted by each Class I railroad's proportion of grain traffic for the prior year.
Source: BNSF Railway, Canadian National Railway, CSX Transportation, Canadian Pacific Railway, Union Pacific Railroad, Kansas City Southern Railway, Norfolk Southern Corporation.

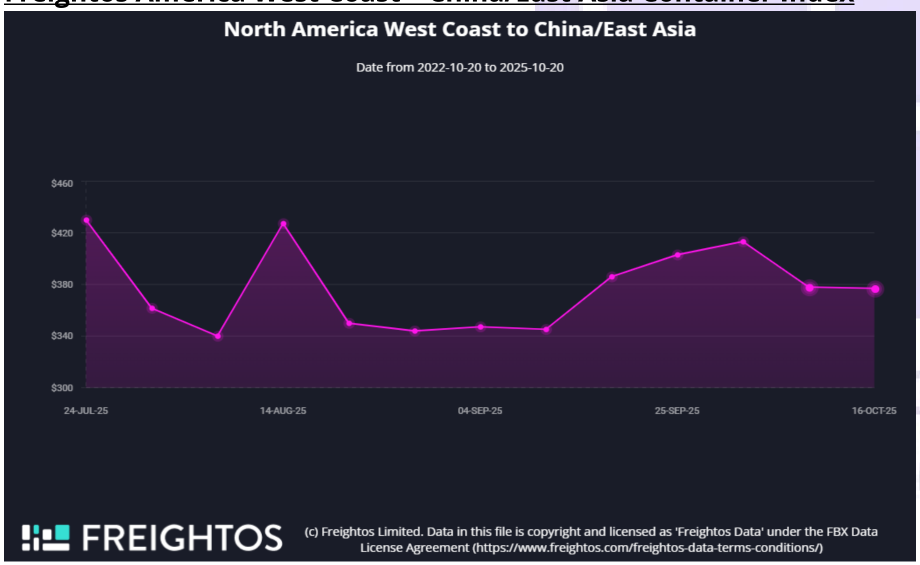
CONTAINER MOVEMENTS

➢ **Freightos Index (FBX): Global Container Freight Index**



Source: https://fbx.freightos.com/

➢ **Freightos America West Coast – China/East Asia Container Index**



Source: https://fbx.freightos.com/

FBX stands for Freightos Baltic Index. It is the leading international Freight Rate Index, in cooperation with the Baltic Exchange, providing market rates for 40' containers (FEUs).

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. 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. 50 to 70 million price points are collected every month. The weekly freight index is calculated as an average of the five business days from the same week and published each Friday.

➢ **Weekly Update: USTR port fees loom as ocean demand slumps**

15 October 2025 by Judah Levine — **Ocean rates - Freightos Baltic Index:**

- Asia-US West Coast prices (FBX01 Weekly) fell 8% to $1,431/FEU.
- Asia-US East Coast prices (FBX03 Weekly) fell 8% to $3,015/FEU.
- Asia-N. Europe prices (FBX11 Weekly) decreased 9% to $1,747/FEU.
- Asia-Mediterranean prices (FBX13 Weekly) fell 4% to $2,131/FEU.

Air rates – Freightos Air Index:

- China - N. America weekly prices increased 19% to $5.33/kg.
- China - N. Europe weekly prices fell 3% to $3.92/kg.
- N. Europe - N. America weekly fell 1% to $1.7/kg.

Key insights:

Reported progress in US-China negotiations last month had some hopeful that the USTR would reduce or cancel its planned port call fees before the October 14th roll out date. Instead, the past week has featured a flurry of trade tension escalations between the world's two largest economies.

In addition to tit for tat fees on US-linked vessels making China port calls starting October 14th, China announced new restrictions on rare earth metal exports with some taking effect immediately and others starting December 1st.

President Trump responded by threatening to cancel his late-month summit with Chinese leader Xi Jinping in S. Korea and to introduce 100% tariffs on all Chinese exports to the US starting November 1st – though the 145% tariff pause that the White House extended back in August will in any case expire on November 10th. The US administration also threatened, among other sanctions, to introduce port call fees or bar entry to vessels flagged in countries that vote for the International Maritime Organization's net zero framework at the IMO's meeting this week.

In terms of immediate impact, as some Chinese carriers have stated that the USTR fees will not impact their schedules or lead to surcharges for customers, and most other carriers have reduced the number of liable vessels making US calls, the fees may be unlikely to impact eastbound transpacific freight rates, operations or capacity much for now. And as Clarkson's Research estimates that China's port fees would impact only about 5% of port calls, and most impacted carriers will likely adjust vessel deployments to minimize exposure, these fees are unlikely to cause much of an impact.

In any event, the biggest driver of freight rates at the moment is growing container vessel capacity.

The first stage of the Israel-Hamas ceasefire has increased anticipation of a container traffic return to the Red Sea which, after some period of schedule disruptions and congestion, would release a significant amount of capacity back into the market. CULines and other carriers are already increasing services through the Suez Canal. Most carriers however, will not resume transiting the Red Sea until after a significant period of demonstrated stability and security.

But in the meantime, ocean rates have already fallen to their lowest levels since just before the start of the Red Sea crisis in late 2023. Transpacific rates dipped another 8% last week to about $1,400/FEU to the West Coast and $3,000/FEU to the East Coast. Current US import volumes estimated to be at their lowest since mid-2023 due to trade war frontloading earlier in the year – and projected to continue declining through December – are contributing, along with supply growth, to the strong downward pressure on transpacific container prices.

But Asia - Europe demand is likely stronger than last year. And despite volume strength and persistent congestion recently worsened by labor disruptions at some key ports, container rates slipped 9% to $1,747/FEU last week and are also back to 2023 levels, pointing to capacity growth as a key driver of current rate behavior.

Carriers will introduce GRIs of about $1,000/FEU for Asia-Europe services in November, with some announcing increases for Asia - N. America as well, in an attempt to push rates up ahead of Asia - Europe contracting season. Significant capacity reductions in October however have so far not succeeded in slowing the rate slide.

For air cargo, President Trump's November 1st China tariff threat may be driving some recent increase in rates, though the government shutdown is also reportedly causing some congestion in the US and this time last year peak season demand had already started to pick up. Freightos Air Index China - US prices increased 19% last week back to mid-September levels of about $5.30/kg, though rates were approaching the $7.00/kg a year ago.

China - Europe prices fell 3% to $3.92/kg, but remain 5% higher than a month ago and about level with last October. The labor disruptions in Belgium impacting ocean freight are also causing air delays, especially to passenger flights, though so far cargo rates remain unaffected.

➢ **Bentzel: Tariffs on Chinese-made port equipment should be reinvested in U.S. maritime**

16 October 2025 by Nick Blenkey — The U.S. has now started charging Section 301 port fees on Chinese built ships (with China imposing tit-for-tat measures in response). While most attention has centered on those fees, the latest proposed modifications to the Section 301 action include imposing tariffs of 100% on certain ship-to-shore cranes and cargo handling equipment. And Carl Bentzel, president of the National Association of Waterfront Employers (NAWE) has ideas on how the funds generated by those tariffs should be spent.

"As we look toward building a more resilient and competitive supply chain, it is vital that revenues collected through tariffs on critical port equipment be reinvested directly into the U.S. maritime industry," Bentzel said at NAWE's 2025 annual meeting. "These investments will help modernize port infrastructure, strengthen domestic manufacturing, and ensure our nation's terminals are prepared to meet the demands of 21st-century commerce."

The 2025 Annual Meeting overlapped with the Office of the United States Trade Representative's (USTR) issuance of a notice of modification and proposed modification of action and a request for comments on maritime-related tariffs. The action represents certain final decisions regarding the issuance of 100% tariffs on ship-to-shore cranes manufactured in China, and the issuance of new, heretofore unannounced expansion of a 150% tariff to a wide range of other Chinese-manufactured cargo handling equipment.

NAWE has worked closely with the USTR throughout this process, testifying twice on the proposed tariffs early in 2025, and has been in continual contact with the White House and other federal agencies charged with implementation of new maritime policies. It says that the U.S. maritime industry stands united in advocating that all maritime related fees, penalties, and tariffs should be reinvested as dedicated funding and investment in the industry as the U.S, seeks to revive its maritime industrial base.

NAWE believes these funds should be administered through a Maritime Security Trust Fund, a concept outlined in President Trump's "Restoring America's Maritime Dominance" Executive Order. NAWE further amplified this initiative by sending a letter to House Transportation and Infrastructure Committee leadership and called for the inclusion of the Maritime Security Trust Fund in the surface transportation reauthorization bill being considered this year.

As dialogue and policy develops around the revitalization of America's maritime industrial base, NAWE has established a Ship-to-Shore Crane and Cargo Handling Equipment Task Force that is developing a legislative proposal to meet the goals outlined by the Administration.

- **US, China Roll Out Tit-for-Tat Port Fees, Threatening More Turmoil at Sea**

14 October 2025 Lisa Baertlein, Liz Lee and Joe Cash, Reuters -- The U.S. and China on Tuesday began charging additional port fees on ocean shipping firms that move everything from holiday toys to crude oil, making the high seas a key front in the trade war between the world's two largest economies.

A return to an all-out trade war appeared imminent last week, after China announced a major expansion of its rare earths export controls and President Donald Trump threatened to raise tariffs on Chinese goods to triple digits.

But after the weekend, both sides sought to reassure traders and investors, highlighting cooperation between their negotiating teams and the possibility they could find a way forward.

China said it had started to collect the special charges on U.S.-owned, operated, built or flagged vessels but clarified that Chinese-built ships would be exempted from the levies.

In details published by state broadcaster CCTV, China spelled out specific provisions on exemptions, which also include empty ships entering Chinese shipyards for repair.

Similar to the U.S. plan, the new China-imposed fees would be collected at the first port of entry on a single voyage or for the first five voyages within a year.

"This tit-for-tat symmetry locks both economies into a spiral of maritime taxation that risks distorting global freight flows," Athens-based Xclusiv Shipbrokers said in a research note.

Early this year, the Trump administration announced plans to levy the fees on China-linked ships to loosen the country's grip on the global maritime industry and bolster U.S. shipbuilding.

An investigation during the former Biden administration concluded that China uses unfair policies and practices to dominate the global maritime, logistics and shipbuilding sectors, clearing the way for those penalties.

China hit back last week, saying it would impose its own port fees on U.S.-linked vessels from the same day the U.S. fees took effect.

"We are in the hectic stage of the disruption where everyone is quietly trying to improvise workarounds, with varying degrees of success," said independent dry bulk shipping analyst Ed Finley-Richardson. He said he has heard reports of U.S. shipowners with non-Chinese vessels trying to sell their cargoes to other countries while en route so the vessels can divert. Reuters was not immediately able to confirm.

Analysts expect China-owned container carrier COSCO (601919.SS), opens new tab to be most affected by the U.S. fees, shouldering nearly half of that segment's expected $3.2 billion cost from those fees in 2026.

Major container lines, including Maersk (MAERSKb.CO), opens new tab, Hapag-Lloyd (HLAG.DE), opens new tab and CMA CGM, slashed their exposure by switching China-linked ships out of their U.S. shipping lanes. Trade officials there reduced fees from initially proposed levels and exempted a broad swath of vessels after heavy pushback from the agriculture, energy and U.S. shipping industries.

USTR did not immediately respond to a request for comment.

China's commerce ministry on Tuesday said, "If the U.S. chooses confrontation, China will see it through to the end; if it chooses dialogue, China's door remains open."

In a related move, Beijing also imposed sanctions on Tuesday against five U.S.-linked subsidiaries of South Korean shipbuilder Hanwha Ocean which it said had "assisted and supported" a U.S. probe into Chinese trade practices.

Hanwha, one of the world's largest shipbuilders, owns Philly Shipyard in the U.S. and has won contracts to repair and overhaul U.S. Navy ships. Its entities also will build a U.S.-flagged LNG carrier.

Hanwha said it is aware of the announcement and is closely monitoring the potential business impact, and that it will continue to provide services to its customers, "including through our investments in the U.S. maritime industry and via Hanwha Philly Shipyard."

Hanwha Ocean's shares (042660.KS), opens new tab sank nearly 6%.

China also launched an investigation into how the U.S. probe affected its shipping and shipbuilding industries.

Shipping Lines Scramble for Workarounds

A Shanghai-based trade consultant said the new fees may not cause significant upheaval.

"What are we going to do? Stop shipping? Trade is already pretty disrupted with the U.S., but companies are finding a way," said the consultant, who requested anonymity because he was not authorised to speak with the media.

The U.S. announced last Friday a carve-out for long-term charterers of China-operated vessels carrying U.S. ethane and LPG, deferring the port fees for them through December 10.

Meanwhile, ship-tracking company Vortexa identified 45 LPG-carrying VLGCs - 11% of the total fleet - that would be subject to China's port fee.

Clarksons Research said in a report that China's new port fees could affect oil tankers accounting for 15% of global capacity. Jefferies analyst Omar Nokta estimated that 13% of crude tankers and 11% of container ships in the global fleet would be affected.

Trade War Expands to Environmental Policy

In a reprisal against China curbing exports of critical minerals, Trump on Friday threatened to slap additional 100% tariffs on goods from China and put new export controls on "any and all critical software" by November 1.

Administration officials hours later warned that countries voting in favor of a plan by the U.N. International Maritime Organization to reduce planet-warming greenhouse gas emissions from ocean shipping this week could face sanctions, port bans, or punitive vessel charges. China has publicly supported the IMO plan.

"The weaponisation of both trade and environmental policy signals that shipping has moved from being a neutral conduit of global commerce to a direct instrument of statecraft," Xclusiv said.

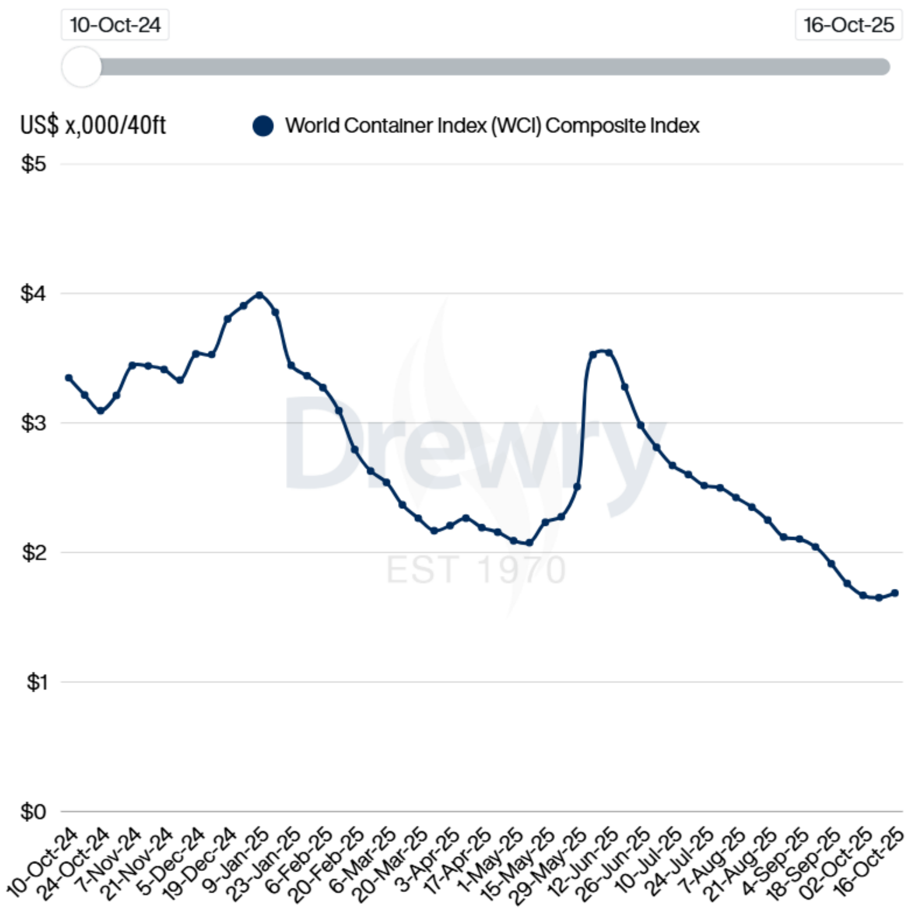
Shares in Shanghai-listed COSCO rose more than 2% in early trading on Tuesday. The company said its board had approved a plan to buy back up to 1.5 billion yuan ($210.3 million) worth of its shares within the next three months to maintain corporate value and safeguard shareholder interests.

The shipping firm did not immediately respond to Reuters' queries about the port fees.

($1 = 7.1337 Chinese yuan)

➢ Drewry World Container Index

Our detailed assessment for Thursday, 16 October 2025



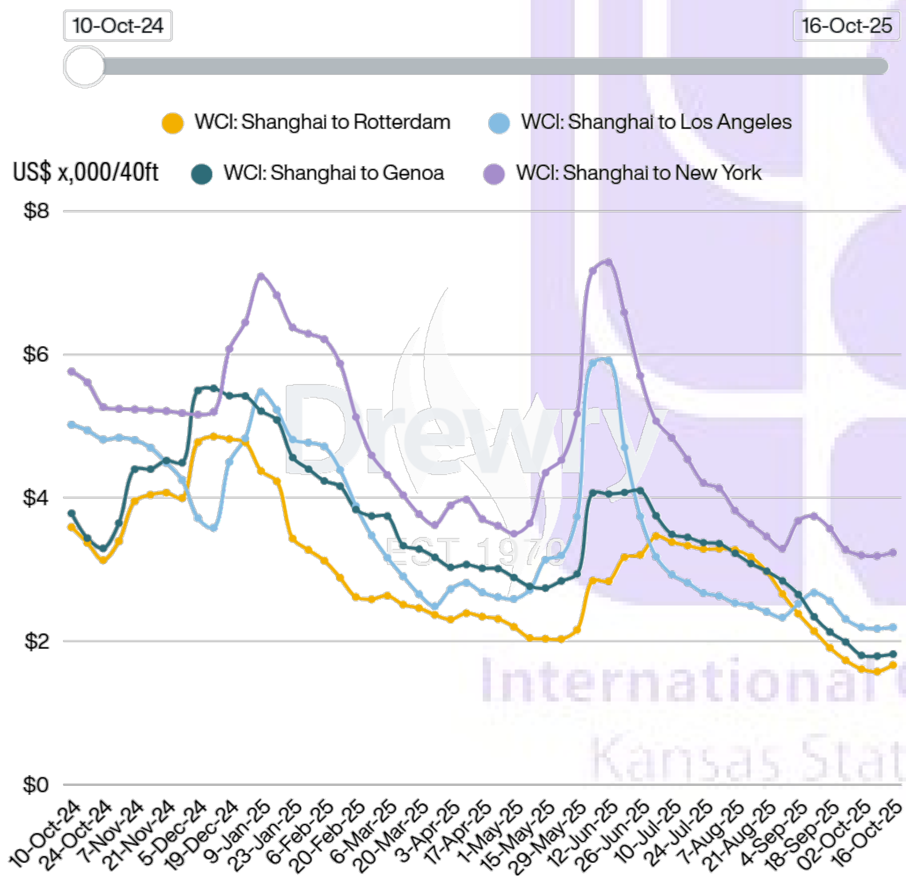
16 October 2025 – Source: https://www.drewry.co.uk/supply-chain-advisors/supply-chain-expertise/world-container-index-assessed-by-drewry.

The Drewry World Container Index (WCI) increased 2% to $1,687 per 40ft container. The index recorded its first increase following 17 consecutive weeks of decline.

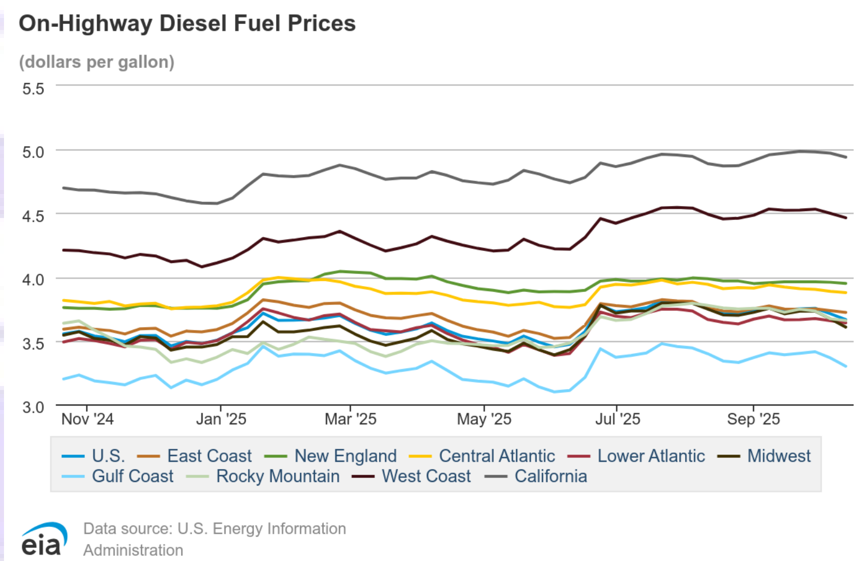
Spot rates from Shanghai to Los Angeles increased 1% to $2,195 per 40ft container and those to New York rose 1%, reaching $3,236. Drewry expects further rate hikes next week, driven by the GRIs that carriers implemented yesterday. However, this momentum is expected to be short-lived, with rates likely to decline soon. Carriers could follow up with new GRI attempts on 1 November and 15 November to counteract this drop, if it happens.

Spot rates on the Asia–Europe route showed modest increases this week: The rate from Shanghai to Rotterdam jumped 6% to $1,669 per 40ft container and from Shanghai to Genoa rose 2% to $1,821. These increases follow an industry-wide effort by carriers that introduced new Freight All Kinds (FAK) rates effective 15 October to stop the market's post-Golden Week rate slump.

Drewry's Container Forecaster expects the supply-demand balance to weaken in the next few quarters, which will cause spot rates to contract.



Road Movements & Diesel Fuel Prices



- **Bearish market: diesel prices see biggest two-week fall in months**

  15 October 2025 by John Kingston, FreightWaves — The benchmark diesel price used for most fuel surcharges has recorded its biggest two-week decline since spring in a market that a leading regular analysis says is facing a significant level of oversupply.

  The Department of Energy/Energy Information Administration average weekly retail diesel price, effective Monday but published a day late on Wednesday due to the Columbus Day holiday, fell 4.6 cents/gallon to $3.665/g. That follows a 4.3 cts/g decline the prior week. That's the biggest two-week drop since a drop of slightly more than 10 cts/g in the final week of March and the first week of April.

  The declines come off the back of the latest slide in the price of ultra low sulfur diesel on the CME commodity exchange. After a brief surge in late September following a set of numerous geopolitical developments, most of which involved Russia, the trend has been steadily down.

  ULSD on the CME settled Monday at $2.1976/g. That's a drop of more than 23 cts/g from a recent high settlement of $2.4289/g, which has occurred as supply/demand models look increasingly bearish and any sort of kick from new sanctions on Russia or other geopolitical factors fades as a market driver.

The reality of the market's current balance came into stark focus Tuesday when the International Energy Agency released its latest monthly report. The IEA does not predict prices. But it does review in depth trends in supply and demand that in its latest iteration can't be seen as anything other than exceptionally bearish.

It laid out step-by-step why the oil market may be headed for further declines.

The reason for the rising imbalance between supply and demand is a low rate of increase in the latter–poised to rise just about 700,000 barrels per day next year, a very low number compared to annual gains that have been running more than a million barrels per day for years–and a jump in supply coming in part from OPEC and its OPEC+ oil exporting brethren all but giving up their role as the swing producers who balance the market by production restraint.

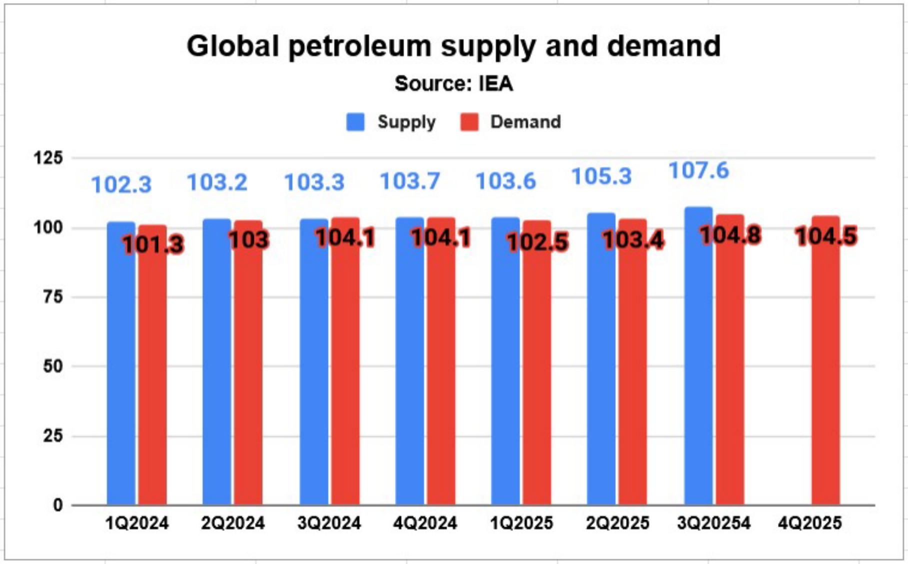
Global oil supply in September, according to the IEA, was up 5.6 million b/d from a year earlier, a gain called "massive."

But the growing imbalance isn't new. Why haven't oil prices fallen further?

What the IEA notes is that Chinese stockpiling of crude has been far heavier than normal. On the supply side, the growth in output has been heavily focused on natural gas liquids (NGLs), such as ethane and propane, which are not the same as crude but are considered petroleum.

Going forward, that combination that has held oil prices relatively steady is not likely to continue, the IEA said.

Supply will be expected to increase as a result of OPEC+ unwinding production cuts that have been in place since 2023, as well as increases coming from other non-OPEC countries like Guyana and the U.S., whose production is at record levels despite industry layoffs and a declining number of rigs drilling for hydrocarbons.



"Higher supply sharply outpaces demand starting September and significant crude volumes have already begun to pile up on water," the agency said in its September report.