IGP Grain Transportation Report

Wheat, Corn, Grain Sorghum, and Soybean Complex

24th January 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

Contents

- **This summary based on reports for the 22nd of Jan. 2026**
- **Outstanding Export Sales (Unshipped Balances) on the 16th of Jan. 2025**
- **Export Shipments in Current Marketing Year**
- **Daily Sales Reported for the 22nd of Jan. 2026**

OCEAN FREIGHT

Baltic Dry Freight Index – Daily = 1762

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

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

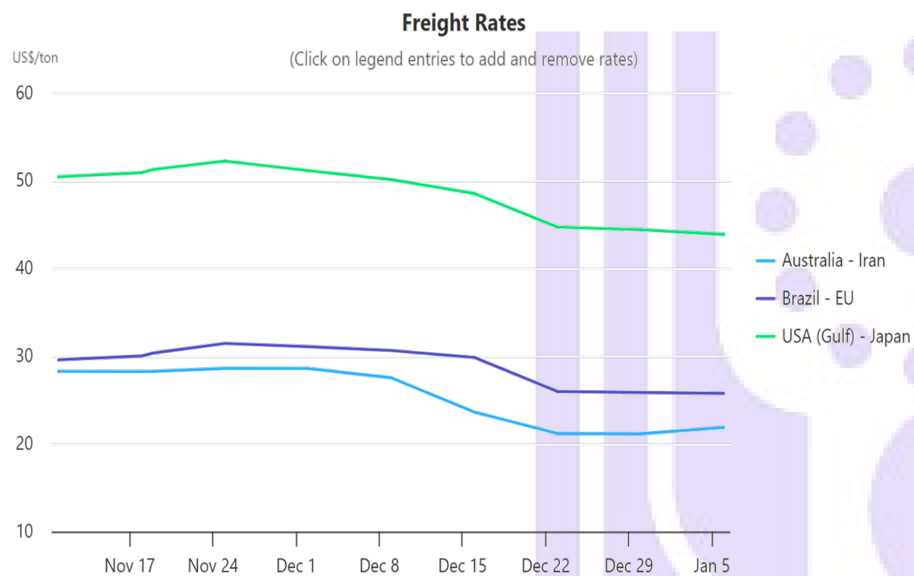
Capesize: The market delivered a strong performance over much of the week, with sentiment and rates firming across both basins before a late-week correction tempered the rally. Early in the week, robust miner participation, healthy cargo volumes and tightening tonnage lists underpinned a steady rise in Pacific rates. C5 steadily climbed into the mid-to-high $8.00s. This momentum was mirrored in the Atlantic, where improving demand from South Brazil and West Africa to China saw C3 rates advance into the low $22.00s, supported by firmer owner resistance. The North Atlantic added further support, as firmer fixtures on transatlantic and fronthaul routes highlighted improving demand amid limited tonnage availability. However, the latter part of the week saw a clear shift in sentiment, led by a sharp correction in the Pacific. Reduced miner presence resulted in C5 rates retreating into the high $7.00s. Despite this, the Atlantic, including the South Brazil and West Africa to China markets, remained relatively resilient, suggesting the correction was driven more by sentiment than underlying fundamentals.

Panamax: This week opened with a noticeably firmer tone across both basins, driven by improving demand and stronger rate ideas. In the Atlantic, transatlantic activity continued to strengthen early in the week, with grain employment maintaining a premium over mineral business and fronthaul enquiry remaining supportive. A clear tightening of prompt tonnage was evident midweek, with several positions covered and remaining owners showing little urgency, helping place upward pressure on rates. By Thursday, the market adopted a steadier, more measured stance as charterers eased off bids, particularly on fronthaul, though sentiment remained stable and transatlantic business held firm. In the Pacific, rates improved throughout despite limited South Pacific mineral demand, supported by Atlantic strength lifting numbers and discouraging ballasting toward EC South America. Period activity stayed active with multiple medium-term fixtures in the high-$17,000s. The P5TC average rose overall from $13,688 to $14,504.

Ultramax/Supramax: Many described a positional week for the sector with regional variations. In the Atlantic, the US Gulf gained traction at the beginning but as it closed some felt a ceiling had been reached. The South Atlantic, despite seeing demand, the number of vessels open was sufficient to keep rates in check. Ultramax size vessels generally fixing around the $15,000 plus $500,000 ballast bonus region for fronthaul business and for transatlantic runs in the low $20,000s. The Asian arena also saw a mixed bag, the North seemed to pick momentum throughout the week with Ultramax sizes fining around $13,000 from North China for NoPac rounds. Further south, a 57,000-dwt fixed delivery Singapore trip via Indonesia redelivery CJK at $7,000. Period activity however picked up, a newbuilding 63,500-dwt open China fixing one year's trading at $16,350, whilst in the Atlantic a 63,300-dwt open West Africa fixed 7/10 months trading redelivery worldwide at $17,100.

Handysize: The Handysize markets posted a gradual improvement over the week, ending on a firmer footing, driven mainly by strength in the Atlantic, while the Pacific continued to lag behind. In the South Atlantic, healthy cargo volumes and tightening tonnage pushed rates higher, highlighted by a 37,000-dwt vessel fixed for delivery Recalada to redelivery West Africa at $22,250. The US Gulf also remained firm, supported by improving demand and a clearing tonnage list, with a 37,000-dwt reported fixed for a trip from SW Pass to Acajutla at $17,500. By contrast, the Continent and Mediterranean stayed largely stable, with limited fresh enquiry keeping rate levels mostly unchanged. A 39,000-dwt vessel open in the East Mediterranean 22–27 January was fixed for a West Africa trip with gypsum at $12,000. In Asia, fixing activity remained limited, although sentiment improved slightly toward the end of the week, with a 40,000-dwt vessel from West Coast Australia to China fixed with grain at $15,500.

	20 Jan	Weekly Change	Annual Change	52 Week Low	52 Week High
Australia - Iran	$24	+1	6 %	$18	$29
Brazil - EU	$27	+2	27 %	$20	$35
USA (Gulf) - Japan	$48	+4	21 %	$38	$56

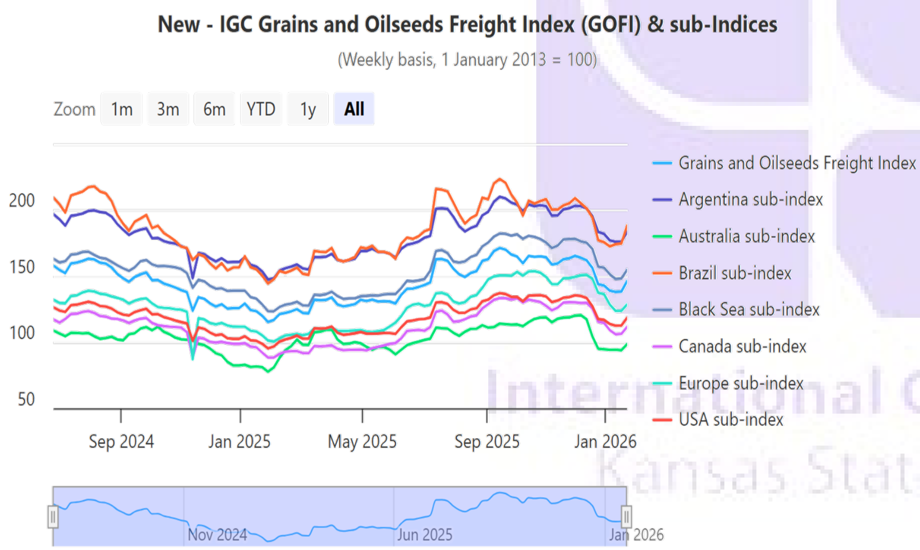


Source: IGC https://www.igc.int/en/markets/marketinfo-freight.aspx

	20 Jan	Weekly Change	Annual Change	52 Week Low	52 Week High
IGC Grains and Oilseeds Freight Index	146	+8	11 %	115	171
Argentina sub-Index	183	+7	-%	147	210
Australia sub-Index	99	+5	16 %	78	120
Brazil sub-Index	188	+14	11 %	144	223
Black Sea sub-Index	155	+7	11 %	123	182
Canada sub-Index	112	+6	10 %	88	133
Europe sub-Index	129	+5	14 %	100	154
USA sub-Index	119	+7	20 %	95	137

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

- **IGC Grains Freight Index – 20th January 2025**



LOGISTICS

- **What are shipping companies' plans for return to Suez Canal?**

20 January 2025 by Reuters — Major shipping companies are devising strategies for a return to the Suez Canal after more than two years of disruptions due to security risks in the Red Sea.

They have been rerouting vessels via longer, costlier routes around Africa since November 2023, following attacks on commercial ships by Yemen's Houthi forces, reportedly in solidarity with Palestinians during warfare in Gaza.

A ceasefire agreement reached in October 2025 led some companies to explore resumption plans, though U.S. President Donald Trump's warnings of possible U.S. action in Iran have renewed some worries since December.

Below are the latest updates:

MAERSK (MAERSKb.CO)

The Danish shipping company said in January it would resume sailings via the Red Sea and Suez Canal for one of its services this month, after two vessels tested the route in December and earlier in January.

Maersk said its weekly service connecting the Middle East and India with the U.S. east coast will be first in the group's staggered return to the Suez route, starting on January 26 with a sailing departing Oman's port of Salalah.

CMA CGM

The world's third-largest container shipping line said on Tuesday it would re-route vessels on three of its services away from the Suez Canal due to global uncertainties, cutting back plans to expand transits.

After a few sailings using naval escorts, CMA CGM had been preparing to expand its use of the route, sending two large container ships through the canal last month while aiming to start regular India-U.S. transits in January.

HAPAG-LLOYD (HLAG.DE)

German shipping company Hapag-Lloyd will not adjust its operations in the Red Sea for now, a spokesperson said in January shortly after Maersk said it would resume sailings there.

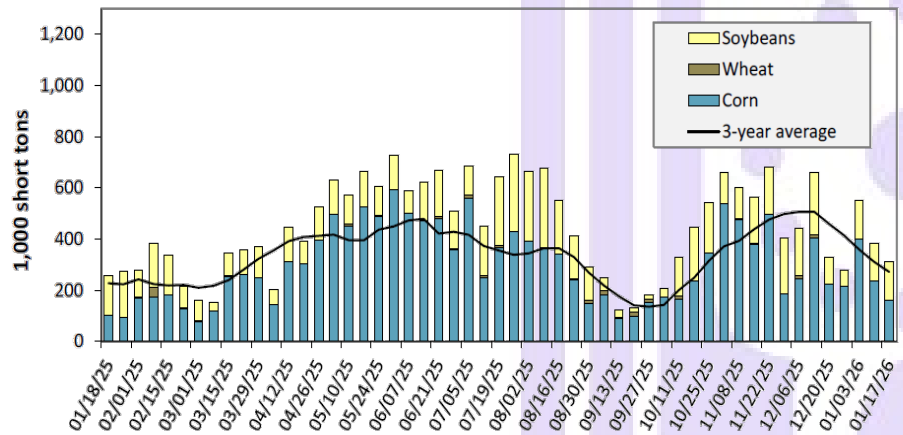
The group's CEO said in December that the return of the shipping industry to the Suez Canal would be gradual and there would be a transition period of 60-90 days to adjust logistics and avoid sudden port congestion.

WALLENIUS WILHELMSEN (WAWI.OL)

The Norwegian car shipping group is still assessing the situation and will not resume sailing until certain conditions are met, a company spokesperson said in December.

Barge Movements

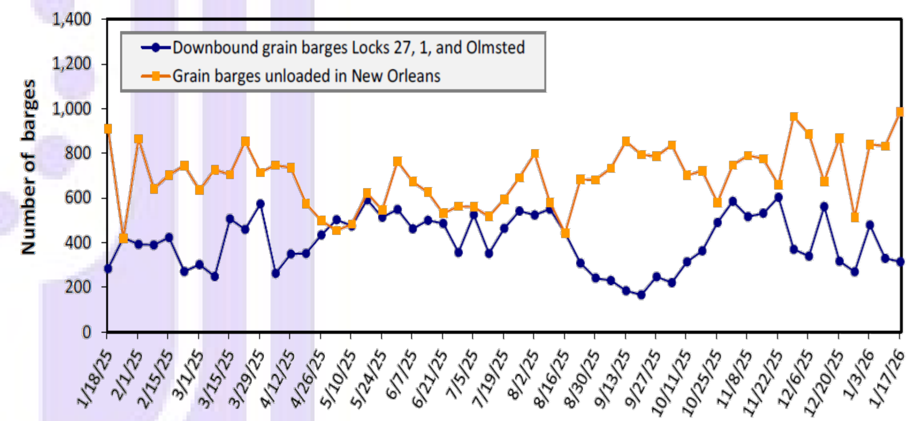
Figure 12. Barge movements on the Mississippi River (Locks 27-Granite City, IL)



Note: The 3-year average is a 4-week moving average.
Source: U.S. Army Corps of Engineers.

For the week ending the 17th of January, barged grain movements totaled 446,867 tons. This was 15 percent less than the previous week and 4 percent more than the same week last year.

Figure 14. Grain barges for export in New Orleans region



Note: Olmsted = Olmsted Locks and Dam.
Source: U.S. Army Corps of Engineers and USDA, Agricultural Marketing Service.

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

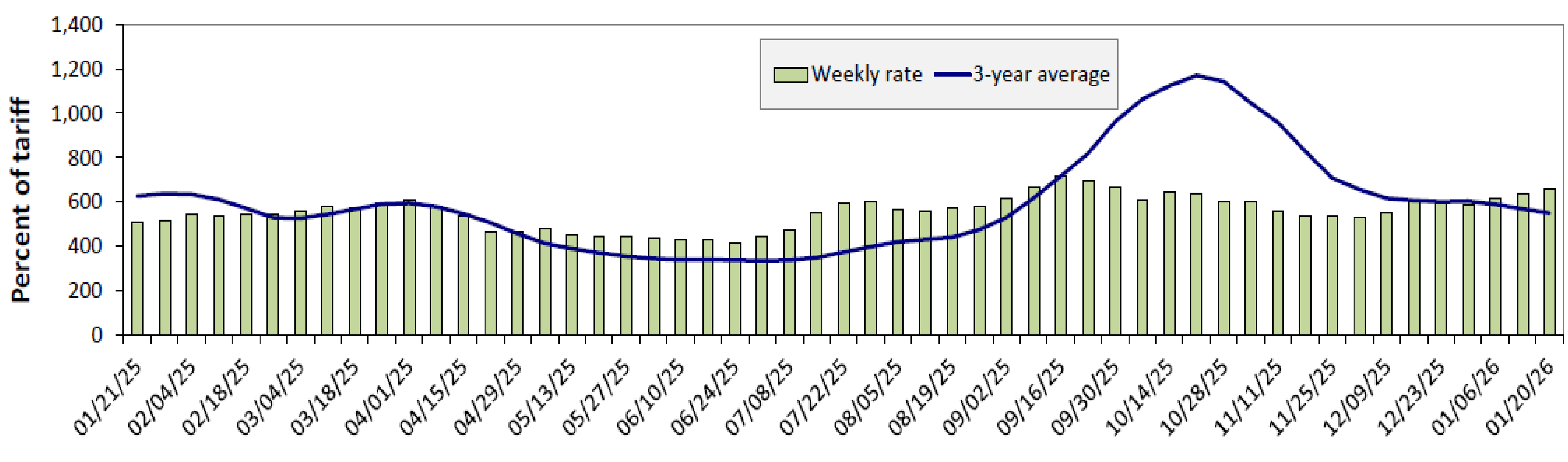
For the week ending 01/17/2026	Corn	Wheat	Soybeans	Other	Total
Mississippi River (Rock Island, IL (L15))	0	0	0	0	0
Mississippi River (Winfield, MO (L25))	13	0	11	0	24
Mississippi River (Alton, IL (L26))	122	0	150	0	272
Mississippi River (Granite City, IL (L27))	159	0	154	0	313
Illinois River (La Grange)	111	0	134	0	245
Ohio River (Olmsted)	68	2	36	2	107
Arkansas River (L1)	0	7	20	0	27
Weekly total - 2026	227	9	209	2	447
Weekly total - 2025	186	9	224	9	428
2026 YTD	227	9	209	2	447
2025 YTD	727	21	826	9	1,583
2026 as % of 2025 YTD	31	42	25	19	28
Last 4 weeks as % of 2025	102	101	68	7	85
Total 2025	20,015	1,259	11,322	166	32,761

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 Service

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	1/20/2026	n/a	650	658	540	561	493
	1/13/2026	n/a	638	640	516	546	464
$/ton	1/20/2026	n/a	34.58	30.53	21.55	26.31	15.48
	1/13/2026	n/a	33.94	29.70	20.59	25.61	14.57
Measure	**Time Period**	**Twin Cities**	**Mid-Mississippi**	**Illinois River**	**St. Louis**	**Ohio River**	**Cairo-Memphis**
Current week % change from the same week	Last year	n/a	n/a	30	46	57	96
	3-year avg.	n/a	n/a	20	29	28	51
Rate	February	n/a	n/a	591	496	527	440
	April	596	560	527	435	450	383

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 17th of January, 314 grain barges moved down river—15 fewer than last week. There were 985 grain barges unloaded in the New Orleans region, 19 percent fewer than last week.

Benchmark Tariff Rate

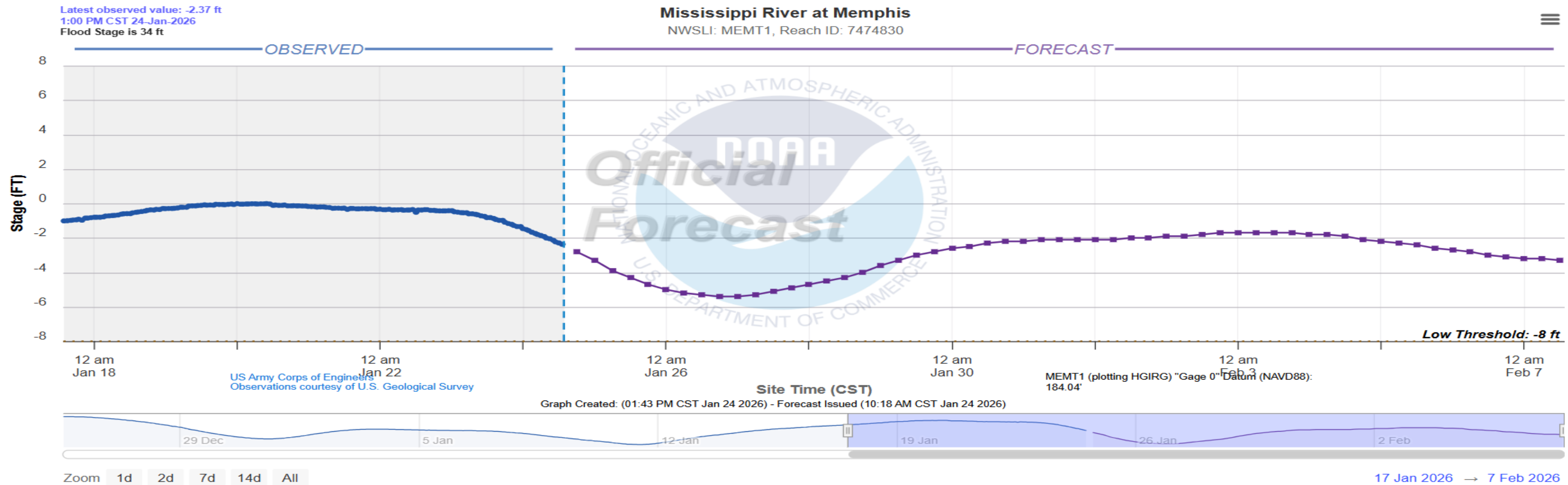
Calculating barge rate per ton:

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

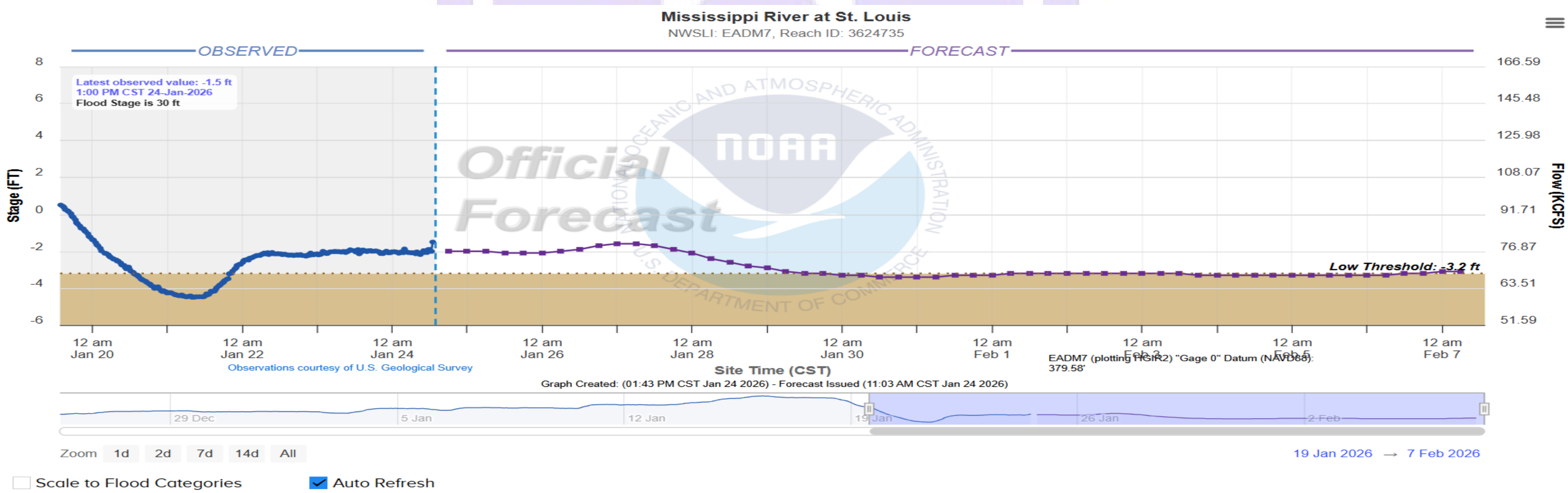
The 1976 benchmark rates per ton are provided in map.

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

➢ Current Critical Water Levels on the Mississippi River



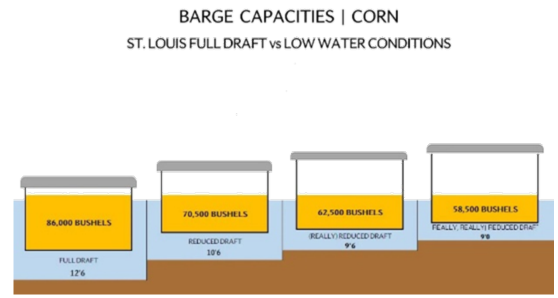
17 January 2025 Source: NOAA – NWPS: https://water.noaa.gov/gauges/memt1



19 January 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	1/21/2026	1/22/2026	
wk 1/18	650/675	650/700	
wk 1/25	625/675	650/700	
Feb	600/650	600/650	UNC
Mar	560/575	575/625	
April	500/525	525/575	
AMJJ	475/525	500/525	

UPPER MISSISSIPPI ST PAUL/SAVAGE	1/21/2026	1/22/2026	
April	550/600	550/600	UNC
AMJJ	525/550	525/550	UNC

MID MISSISSIPPI McGregor	1/21/2026	1/22/2026	
Mar	550/600	550/600	UNC
April	525/575	525/575	UNC
AMJJ	500/525	500/525	UNC

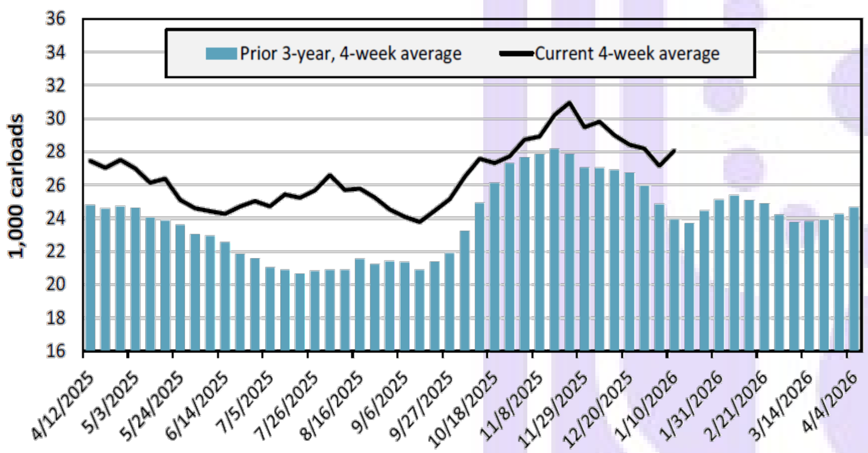
ST LOUIS BARGE FREIGHT 14'	1/21/2026	1/22/2026	
wk 1/18	525/550	525/550	UNC
wk 1/18	525/550	525/550	UNC
wk 1/25	525/550	525/550	UNC
Feb	500/525	500/525	UNC
Mar	475/500	475/500	UNC
April	450/475	450/475	UNC
AMJJ	425/475	425/475	UNC

LOWER OHIO RIVER	1/21/2026	1/22/2026	
wk 1/18	550/575	550/575	UNC
wk 1/25	525/550	525/550	UNC
Feb	500/525	500/525	UNC
Mar	475/500	475/500	UNC
April	450/475	450/475	UNC
AMJJ	400/450	400/450	UNC

MEMPHIS CAIRO	1/21/2026	1/22/2026	
wk 1/18	500/525	500/525	UNC
wk 1/25	475/525	475/525	UNC
Feb	450/475	450/475	UNC
Mar	425/450	425/450	UNC
April	375/400	375/400	UNC
AMJJ	350/375	350/375	UNC

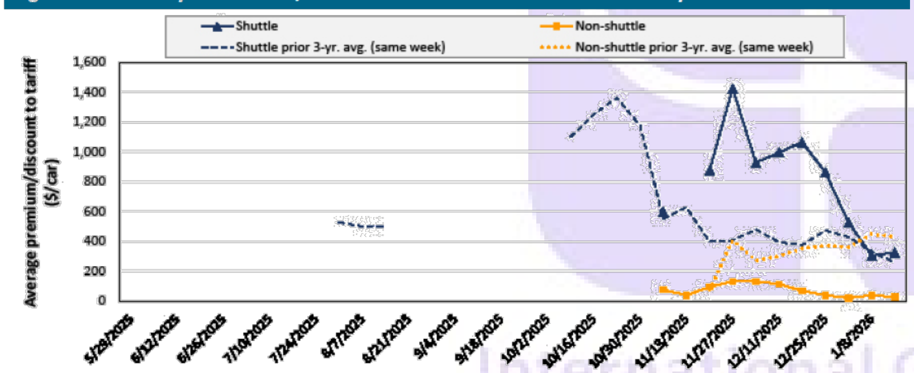
RAIL MOVEMENTS

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 January 2026



Note: Shuttle bids/offers are for shuttle trains—90+ grain cars that travel from a single origin to a single destination. Non-shuttle 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 32,255 grain carloads during the week ending the 10th of January. This was a 22-percent increase from the previous week, 26 percent more than last year, and 31 percent more than the 3-year average.
- Average January shuttle secondary railcar bids/offers (per car) were $325 above tariff for the week ending January 15. This was $21 more than last week and $338 more than this week last year.
- Average non-shuttle secondary railcar bids/offers per car were $25 above tariff. This was $13 less than last week and $225 lower than this week last year.

➢ Current Secondary Rail Car Market

BN SHUTTLE	Bid/Ask/Last	Bid/Ask/Last	
Return Trip	400 / -	400 / -	UNC
L/H January	400 / -	400 / -	UNC
February	900 / 1400	900 / 1300	
February, March	700 / 1100	700 / 1100	UNC
March	500 / -20	500 / -20	UNC
April	350 / -18	350 / -18	UNC
April May	250 / 500	250 / 500	UNC
June July	0 / 200	0 / 200	UNC
April - September	100 / 200	100 / 200	UNC
Oct, Nov, Dec	500 / -	500 / -	UNC

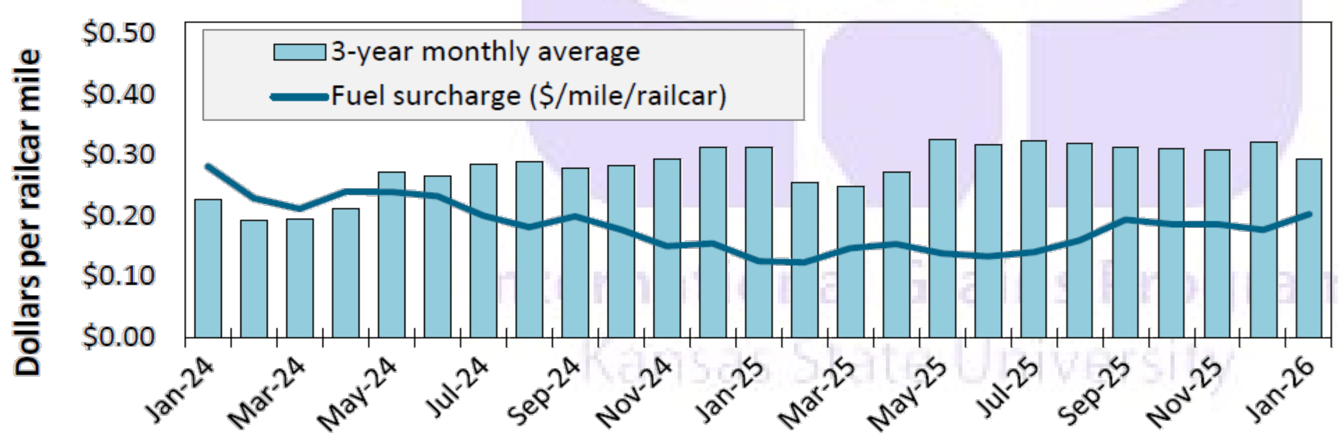
UP SHUTTLE	Bid/Ask/Last	Bid/Ask/Last	
Return Trip	100 / -	100 / -	UNC
L/H January	100 / 400	100 / -	
February	200 / 500	200 / 400	
February (Mex opt, offer is LH)	300 / 600	400 / 600	
March	100 / 350	100 / 350	UNC
April May	- / 100	-150 / 100	

Table 8. Rail tariff rates for U.S. bulk grain shipments to Mexico, January 2026

Commodity	US origin	US border city	US railroad	Train type	US Tariff Rate per car (USD)	US Fuel Surcharge per car (USD)	US Rate Plus Fuel Surcharge per car (USD)	US Tariff Rate + Fuel Surcharge per bushel (USD)	US Tariff Rate + Fuel Surcharge per metric ton (USD)	Percent Y/Y
Corn	Adair, IL	El Paso, TX	BNSF	Shuttle	$4,641	$154	$4,795	$1.20	$47.19	3.1%
	Atchison, KS	Laredo, TX	CPKC	Non-shuttle	$5,080	$553	$5,633	$1.41	$55.44	1.9%
	Council Bluffs, IA	Laredo, TX	CPKC	Non-shuttle	$5,550	$611	$6,161	$1.54	$60.64	1.9%
	Kansas City, MO	Laredo, TX	CPKC	Non-shuttle	$5,005	$528	$5,533	$1.38	$54.46	1.8%
	Marshall, MO	Laredo, TX	CPKC	Non-shuttle	$5,190	$560	$5,750	$1.44	$56.59	1.8%
	Pontiac, IL	Eagle Pass, TX	UP	Shuttle	$4,535	$447	$4,982	$1.25	$49.03	-1.4%
	Sterling, IL	Eagle Pass, TX	UP	Shuttle	$4,655	$464	$5,119	$1.28	$50.38	-1.4%
	Superior, NE	El Paso, TX	BNSF	Shuttle	$4,622	$121	$4,743	$1.19	$46.68	-6.5%
Soybeans	Atchison, KS	Laredo, TX	CPKC	Non-shuttle	$5,080	$553	$5,633	$1.51	$55.44	1.9%
	Brunswick, MO	El Paso, TX	BNSF	Shuttle	$4,325	$131	$4,456	$1.19	$43.86	-17.5%
	Grand Island, NE	Eagle Pass, TX	UP	Shuttle	$4,950	$425	$5,375	$1.44	$52.90	-18.6%
	Hardin, MO	Eagle Pass, TX	BNSF	Shuttle	$4,325	$130	$4,455	$1.19	$43.85	-17.5%
	Kansas City, MO	Laredo, TX	CPKC	Non-shuttle	$5,005	$528	$5,533	$1.48	$54.46	1.8%
	Roelyn, IA	Eagle Pass, TX	UP	Shuttle	$5,035	$446	$5,481	$1.47	$53.94	-18.2%
Wheat	FT Worth, TX	El Paso, TX	BNSF	DET	$3,000	$94	$3,094	$0.83	$30.45	-24.4%
	FT Worth, TX	El Paso, TX	BNSF	Shuttle	$2,800	$94	$2,894	$0.78	$28.48	-20.8%
	Great Bend, KS	Laredo, TX	UP	Shuttle	$4,099	$319	$4,418	$1.18	$43.48	-7.7%
	Kansas City, MO	Laredo, TX	CPKC	Non-shuttle	$5,005	$528	$5,533	$1.48	$54.46	1.8%
	Wichita, KS	Laredo, TX	UP	Shuttle	$4,024	$281	$4,305	$1.15	$42.37	-6.0%

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

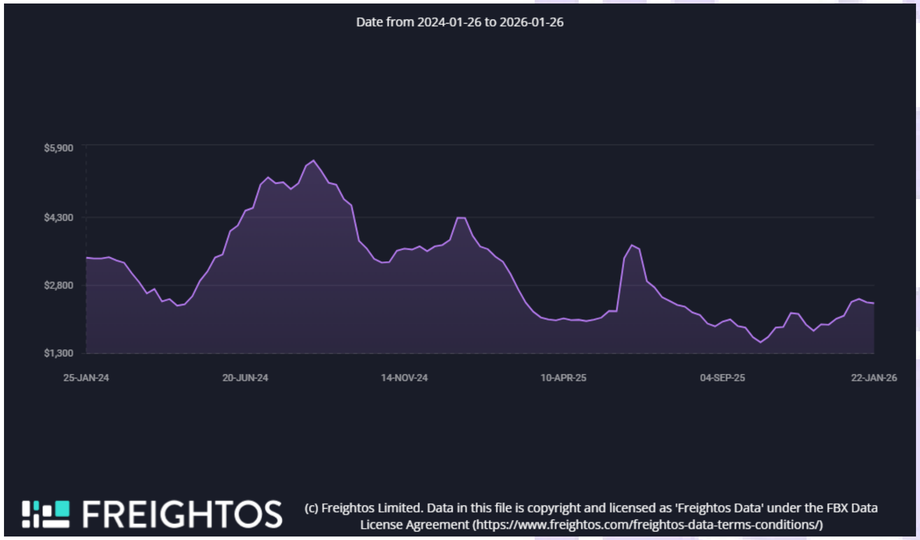


January 2026: $0.20/mile, up 2 cents from last month's surcharge of $0.18/mile; up 7 cents from the January 2025 surcharge of $0.13/mile; and down 9 cents from the January prior 3-year average of $0.29/ mile.

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.

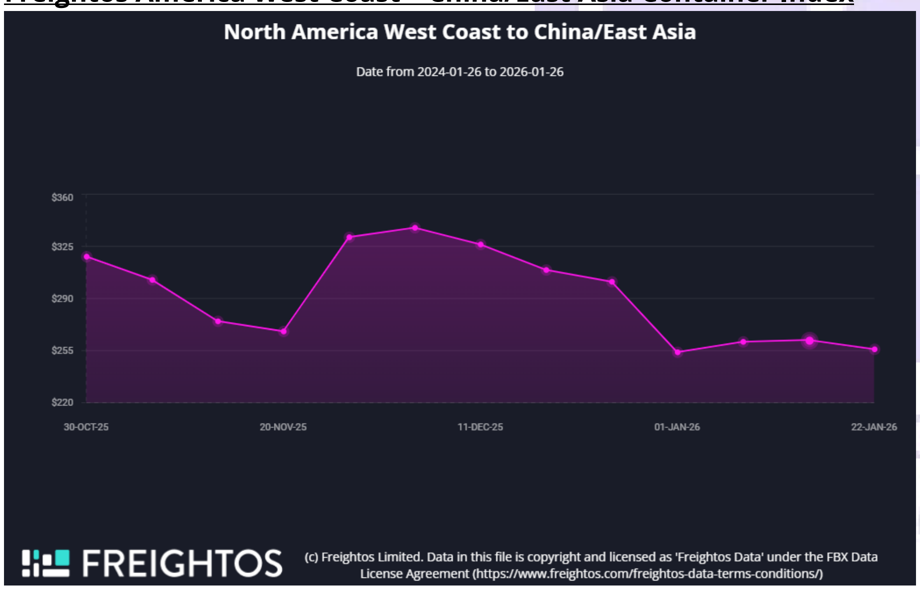
Container Movements

➢ **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: Greenland drama adds new dose of trade uncertainty**

21 January 2025 by AJOT **Key insights:**

- President Trump announced plans for 10% tariffs starting February 1st on Denmark, Norway, Sweden, France, Germany, the UK, the Netherlands and Finland over their Greenland sale opposition, with threats to increase to 25% by June without a deal.
- Unlike previously, EU leaders are prepared to retaliate, with options including implementing suspended tariffs on $100B of US exports, withholding approval for parts of the EU-US trade deal, closing US military bases, or deploying the "bazooka" anti-coercion instrument which includes powers to tariff services, limit intellectual property rights, and control exports.
- With little time before February, transatlantic ocean frontloading isn't viable; Freightos Air Index Europe-N. America rates have risen 2% to $2.21/kg since the announcement, but this bump is an extension of pre-existing trends.
- Trump's scheduled meetings with leaders in Davos suggest the Greenland issue may follow last year's pattern of maximalist threats used as negotiation leverage; additional uncertainty stems from likely IEEPA reliance for these tariffs despite the pending Supreme Court decision on their validity.
- Maersk announced its MECL service will resume Red Sea transits next week, while CMA CGM has reversed course on some of their Red Sea services. These mixed signals suggest a full return some time soon is still not a given, and that we may see a gradual, mixed, approach rather than a more disruptive wholesale return.

- Ocean rates on major east-west lanes eased slightly last week, indicating carriers aren't pushing mid-month GRIs and that pre-LNY demand may have peaked; Asia-Mediterranean prices fell 5% to $4,623/FEU and Europe rates decreased 3% to $2,893/FEU, marking the first reductions since mid-October.
- Transpacific rates – which had been up and down in Q4 – also softened after reaching January highs the previous week, with West Coast prices down 3% to $2,668/FEU and East Coast down 2% to $3,947/FEU; Rates on all these lanes are still likely to remain elevated in the lead up to LNY and then ease, with carriers announcing blanked sailings for the seasonal demand dip.
- Air cargo rates remained stable for Asia-Europe at $3.62/kg from China and about $2.90/kg from South East Asia despite some carriers avoiding Iranian airspace; China-US prices continued cooling, falling 8% to $5.46/kg, while SEA-US rates increased by 3% to $4.18/kg.

Ocean rates - Freightos Baltic Index:

- Asia-US West Coast prices (FBX01 Weekly) decreased 3% to $2,668/FEU.
- Asia-US East Coast prices (FBX03 Weekly) decreased 2% to $3,947/FEU.
- Asia-N. Europe prices (FBX11 Weekly) decreased 3% to $2,893/FEU.
- Asia-Mediterranean prices (FBX13 Weekly) decreased 5% to $4,623/FEU.

Air rates – Freightos Air Index:

- China - N. America weekly prices decreased 8% to $5.46/kg.
- China - N. Europe weekly prices decreased 1% to $3.62/kg.
- N. Europe - N. America weekly prices increased 2% to $2.15/kg.

Analysis:

"President Trump announced on social media over the weekend intent to impose 10% tariffs starting February 1st on Denmark, Norway, Sweden, France, Germany, the UK, the Netherlands and Finland for opposing the sale of Greenland to the US, and that tariffs will increase to 25% in June if there is no deal by then.

The EU accounts for 20% of total US imports by value. Last year Germany – the largest European exporter to the US – the UK and France exported more than $300B in goods to the US through October, with pharmaceuticals, medical supplies and devices, and vehicles and automotive goods accounting for most of it.

While Europe opted not to retaliate for US tariffs last year, this time seems different. EU leaders have scheduled an emergency meeting in Brussels to discuss their options. They could let retaliatory tariffs on $100B of US exports – approved last year but suspended until February 7th – go into effect; withhold pending approval of parts of the EU-US trade deal like reducing tariffs on some US goods to zero; or even close US military bases.

The EU also has an anti-coercion instrument, aka "the bazooka," at its disposal which, among other steps, allows it to tariff services, limit intellectual property rights and access to public contracts, and control exports in response to economic aggression.

With a short runway before February transatlantic ocean frontloading isn't an option. Freightos Air Index Europe - N. America rates have inched up 2% to $2.21/kg since the announcement, but this gain continues a gradual January rate rebound from the $2.00/kg mark at the end of last year.

The president is scheduled to meet with relevant world leaders to discuss the issue in Davos, and Treasury Secretary Scott Bessent is urging calm. Last year provided more than one example of Trump announcing maximalist tariff – including the April 2nd reciprocal tariffs – and other threats, that proved to be mostly leverage for pressurized negotiations and aimed at concessions somewhere short of the initial ask. Another factor adding to the uncertainty is that the White House would likely rely on the International Emergency Economic Powers Act to authorize these tariffs even while a Supreme Court decision on IEEPA-based tariffs' validity looms.

What is certain is that the latest drama increases uncertainty yet again just as the US deescalation with China and announced agreements with several major trading partners toward the end of last year had seemed to firm up the 2026 trade war and tariff landscape.

Maersk announced last week that its MECL – Middle East and India to US East Coast – service will resume Red Sea transits starting next week. Maersk and CMA CGM are the first carriers to revert some full services back through the Suez Canal. But CMA CGM just advised that it will now reroute some of those services around the Cape of Good Hope once again, citing the current "uncertain international context."

These steps forward and back suggest a full Red Sea return some time soon is still not a sure thing, and that the resumption may be quite gradual – and less disruptive than a whole cloth reboot – with carriers implementing a hybrid approach blending Red Sea transits for some sailings with the longer route for others for a while.

Ocean rates on the major east-west lanes eased slightly last week with no signs of a rebound so far this week, suggesting carriers aren't moving forward with planned mid-month GRIs and that pre-Lunar New Year demand may have already reached its peak. Asia - Mediterranean prices fell 5% to $4,623/FEU and are down about $200/FEU from a January high two weeks ago. Rates to Europe decreased 3% to $2,893/FEU, down from about $3,000/FEU to start the month. These dips mark the first rate reductions for these lanes since prices started climbing in mid-October.

Transpacific prices meanwhile, increased but then retreated several times in Q4 though carriers succeeded in holding on to incremental gains that kept rates above mid-October year lows. Prices eased 3% to $2,668/FEU to the West Coast and 2% to $3,947/FEU to the East Coast last week after reaching their January highs the week before. Rates for all these lanes are still likely to stay elevated in the near term as the holiday approaches and then face downward pressure as demand eases post-LNY, with carriers already announcing blanked sailings.

In air cargo, some carriers continue to avoid Iranian air space, resulting in longer Asia - Europe flights, though rates were stable at $3.62/kg out of China and about $2.90/kg from South East Asia. China - US prices continued to ease last week, falling 8% to $5.46/kg though rates out of SEA ticked up by 3% to $4.18/kg."

- **<u>Uncertainty Returns to Red Sea as CMA CGM Reverses Course, Threatening Supply Chain Stability</u>**

20 January 2025 by Mike Schuler, gCaptain — French carrier's U-turn on Suez transits jolts shipper confidence and reopens questions about whether Red Sea stability is real—or just another false dawn.

Just days after shipping giant Maersk announced its first structural return to the Suez Canal in over two years, competitor CMA CGM has abruptly reversed its own Red Sea plans, rerouting three major Asia-Europe services back around the Cape of Good Hope and raising fresh concerns about the predictability of global ocean supply chains.

The French carrier cited "the complex and uncertain international context" in its decision to once again divert its FAL1, FAL3, and MEX services away from the Suez Canal. The move comes despite CMA CGM having been "previously the most pro-active major carrier in returning the Red Sea," according to Xeneta analysts.

The reversal creates a striking contrast with industry bellwether Maersk, which just last week confirmed the permanent return of its Middle East-India-U.S. East Coast (MECL) service through the trans-Suez route. Maersk's decision followed successful trial transits and was viewed as a potential turning point after nearly two years of Red Sea diversions.

The Cost of Unpredictability

For Xeneta's Senior Market Analyst Destine Ozuygur, CMA CGM's about-face highlights a fundamental problem threatening the shipping industry's recovery: unpredictability itself.

"Shippers crave predictability in supply chains," Ozuygur said. "Carriers taking the decision to return to the Red Sea then reversing that decision – even if it is done for important safety reasons – still risks undermining confidence in schedule reliability and eroding trust in partnerships."

The analyst went further, warning that "unpredictability is toxic for supply chains. Shippers want certainty over when containers arrive at port, even if that means longer transit times around Cape of Good Hope."

The impact is measurable. Xeneta data shows that transit times on CMA CGM's FAL1 service—which connects China and Singapore to six European ports—had dropped from 105 days to 98 days when ships began transiting the Suez Canal again. Now those gains will be reversed, potentially catching shippers off guard.

"What if a shipper paid a higher freight rate for the FAL1 or MEX service due to faster transit times through the Suez Canal, only to find shipments are moved back a week?" Ozuygur asked.

Ripple Effects Across Services

The uncertainty may extend beyond the three services CMA CGM has officially rerouted. The carrier's INDAMEX service, connecting India to the U.S., remains scheduled to transit the Suez Canal on both fronthaul and backhaul legs. But shippers are now questioning whether that plan will hold.

Xeneta data shows the INDAMEX transit time from Port Qasim in Karachi to New York fell from 40 days to 36 days after returning to the Suez Canal in January. "There has not been a CMA CGM announcement on the INDAMEX service, but shippers will look at the decision on FAL and MEX services and fear containers will be arriving later than planned," Ozuygur said. "Do shippers plan for a transit time of 40 days or 36 days? What impact does this have on warehousing or detention and demurrage fees?"

"Multiply this uncertainty across all services and carriers and the risk of widespread disruption becomes clear," the analyst warned.

A Crisis Years in the Making

The Red Sea crisis began on November 19, 2023, when Iranian-backed Houthi forces seized the Galaxy Leader off Yemen following the breakout of the Gaza

War. More than 100 merchant vessels were subsequently targeted, with four ships sunk, one seized, and at least eight seafarers killed.

The disruption slashed Red Sea traffic by roughly 60 percent and forced carriers to divert thousands of miles around southern Africa. Before the attacks, the Suez Canal handled about 12 percent of global seaborne trade and routinely processed around 80 containerships weekly.

A Gaza ceasefire in October 2025 and subsequent lull in Houthi attacks had raised hopes for normalized traffic. By the week ending January 11, 26 containerships transited the canal—the highest weekly total in over a month, though still far below historical norms.

CMA CGM had moved aggressively, sending the 23,000-TEU CMA CGM Jacques Saade—the largest vessel to use the canal in two years—through the route in late December. But the carrier has now pulled back, citing ongoing geopolitical uncertainties including unrest in Iran and warnings from U.S. President Donald Trump about possible intervention in the region.

Market Implications

The uncertainty comes at a precarious time for container shipping economics. Diversions around the Cape of Good Hope continue to absorb approximately 2 million TEU of global container shipping capacity, with the crisis having reduced global shipping capacity by an estimated 8 percent.

Average spot rates from Far East to North Europe, Mediterranean and U.S. East Coast—three trades that would ordinarily transit the Red Sea—are all down more than 50 percent since the start of 2025. "Carriers are already heading into loss-making territory and freight rates are expected to fall up to 25 percent globally in 2026, even with no change to the situation in the Red Sea," Xeneta's Peter Sand said in October.

A large-scale return to the Red Sea would flood the market with capacity and drive rates even lower. But the stop-start nature of the current situation may prove worse. "Shippers should be making contingency plans because a large-scale return would cause severe disruption across global ocean supply chains as services transiting Suez Canal are reinstated," Sand warned.

For now, the industry remains split. While Maersk proceeds cautiously with its MECL service, most carriers continue to hedge their bets. In the same week that saw 26 Suez transits, traffic around the Cape of Good Hope surged to 203 voyages—more than double the previous week's total, according maritime consultancy Drewry.

As Drewry analyst Philip Damas noted, "The return to the Suez Canal is one of this year's key swing factors for capacity, freight rates and transit times," with carriers closely watching insurance costs, competitor behavior, and the risk of port congestion.

Whether the Red Sea is truly reopening or merely offering a brief lull remains an open question—one that every transit continues to test in real time.

➢ **Xeneta Weekly Ocean Container Shipping Market Update**

17 January 2025 by Philip Hennessey -- This week's update includes insight from Xeneta Chief Analyst Peter Sand on the announcement by Maersk on its first structural return to the trans-Suez route for the MECL service.

Sand insight on this announcement is below the data highlights.

Peter Sand, Xeneta Chief Analyst

"Maersk has generally been the most risk averse out of the major carriers regarding a return to the Red Sea, so this is a turning point.

"The services announced by Maersk as returning to the Suez Canal are smaller ships operating outside an alliance, but the fact it is Maersk making this move is highly significant.

"Xeneta data has shown Maersk testing the water in recent weeks with ships scheduled to sail around the Cape of Good Hope 'going dark' and instead sailing through the Red Sea. Clearly these sailings were deemed successful and the risk now low enough to announce services through the region on official schedules.

"This does not mean an immediate large-scale return of container shipping to the Red Sea region. Depending on how quickly carriers want to move, it could take three to five months for schedules via Suez Canal to be fully reinstated. We could also see significant disruption and port congestion during that time as services adjust to new routes and transit times.

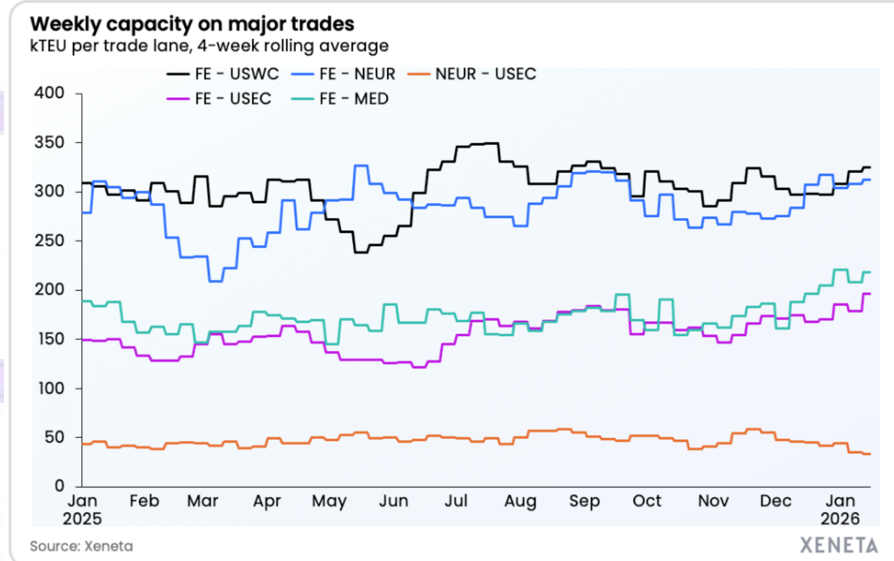
"A large-scale return to shorter sailing distances via Suez Canal would effectively free up 6-8% of global container shipping capacity. The implications of this are clear for both carriers and shippers, with overcapacity placing significant downward pressure on freight rates.

"Average spot rates from Far East are down 43% into US East Coast and 30% into North Europe compared to a year ago, while long term rates are expected to fall back to pre-Red Sea crisis levels in December 2023 even without a largescale return to Red Sea."

Data highlights

- Market average spot rates – 15 January 2025
    - Far East to US West Coast: USD 2 702 per FEU (40ft container)
    - Far East to US East Coast: USD 3 715 per FEU
    - Far East to North Europe: USD 2 862 per FEU
    - Far East to Mediterranean: USD 4 735 per FEU
    - North Europe to US East Coast: USD 1 560 per FEU

- Offered capacity (4-week rolling average) – w/c 12 January 2025
    - Far East to US West Coast: +1.3% from a week ago
    - Far East to US East Coast: +9.9% from a week ago
    - Far East to North Europe: +1.3% from a week ago
    - Far East to Mediterranean: +4.7% from a week ago
    - North Europe to US East Coast: –5.5% from a week ago



Trade view: FAR EAST to US WEST COAST

- **Week-on-week:** Spot rates - basically flat from a week ago, up USD14 (0.5%) to **USD 2 702** on Jan 15. Capacity – modest growth (**+1.3%**) from Jan 8.
- **Month-on-month:** Spot rates - strong uplift since mid-December **+USD 504 (+22.9%)**. Capacity - up significantly from one month ago **(+9.2%)**

Trade view: FAR EAST to US EAST COAST

- **Week-on-week:** Spot rates - increased to **USD 3,715** by Jan 15 (**+1.3%**) from a week ago. Capacity - big weekly jump (**+9.9%**).
- **Month-on-month:** Spot rates - notably higher, **+USD 624 (+20.2%)**. Capacity - largest uptick across all trade lanes from mid-December, **27,955 TEU (+16.6%)**.

Trade view: FAR EAST to NORTH EUROPE

- **Week-on-week:** Spot rates - up to **USD 2 862**, a gentle rise since Jan 8 (**+1.2%**). Capacity - ticked up gently (**+1.3%**).
- **Month-on-month:** Spot rates - uptick was the lowest amongst the main hauls out of Asia, up **+16.6%.** Capacity - by and large unchanged from a month ago, adding just **5,058 TEU (+1.6%)**.

Trade view: FAR EAST to MEDITERRANEAN

- **Week-on-week:** Spot rates - slid to **USD 4,735** by Jan 15 (**-0.6%**). Capacity - growth of **4.7%** for the week proved to exceed that of demand.
- **Month-on-month:** Spot rates - up sizably by **USD 693 (+17.1%)** Capacity - up **+11.2%** tells us demand stays strong. A continuation from 2025.

Trade view: NORTH EUROPE to US EAST COAST

- **Week-on-week:** Spot rates - modest increase of **USD 11** (**+0.7%**), and basically unchanged during January. Capacity - notably dropped (**-1.8%**) from a week ago. Lowest since February 2022.
- **Month-on-month:** Spot rates - slightly up **+USD 28 (+1.8%)**. Capacity – big decrease from mid-December, by as much a **12,188 TEU (-26.9%)**. The latest average spot rate data is provided in the attached weekly rate and chart files for 15 January 2026.

➢ **<u>Drewry World Container Index</u>**

Our detailed assessment for Thursday, 22 January 2025

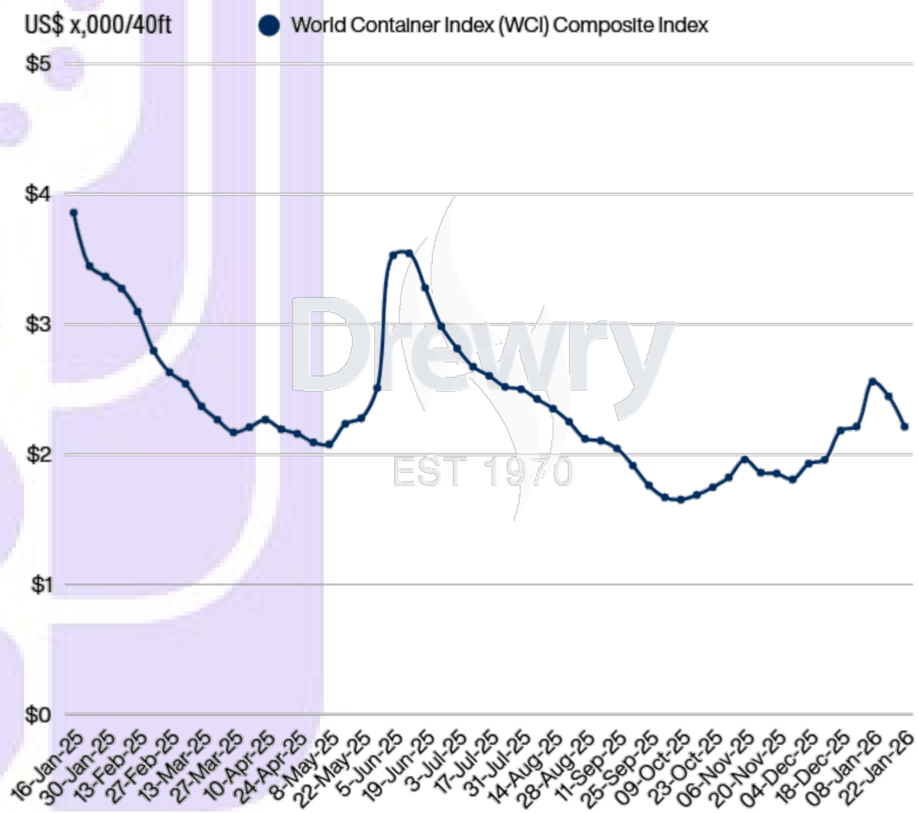
22 January 2025 – Source: <u>https://www.drewry.co.uk/supply-chain-advisors/supply-chain-expertise/world-container-index-assessed-by-drewry.</u>

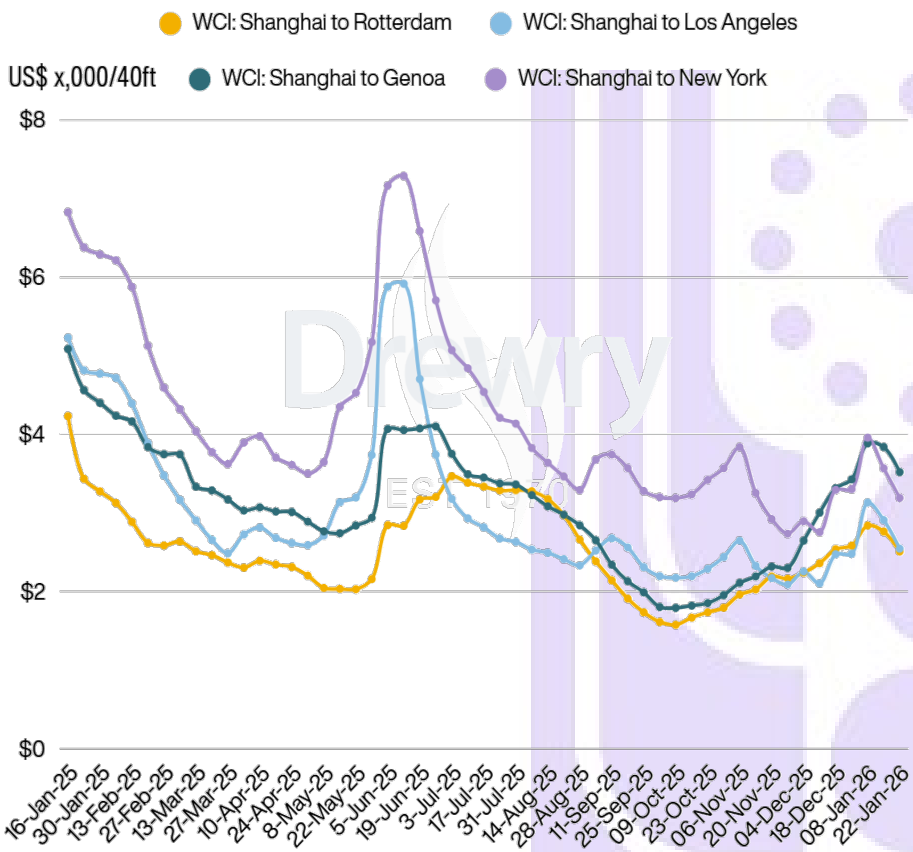
The Drewry World Container Index (WCI) decreased 10% to $2,212 per 40ft container for the second consecutive week, primarily due to a drop in rates on the Transpacific and Asia–Europe trade routes.

Spot rates on Shanghai to New York decreased 11% to $3,191 per 40ft container and those from Shanghai to Los Angeles fell 12% to $2,546 per 40ft container. Carriers increased blank sailings this week to counter softening demand following the end of the Chinese New Year cargo rush. Drewry expects freight rates to decline further in the coming weeks.

Spot rates on key Asia–Europe trade routes continued to decrease for the second consecutive week, with Shanghai–Rotterdam dropping 9% to $2,510 per 40ft container and Shanghai–Genoa falling 8% to $3,520. Amid declining rates, carriers are adopting divergent strategies for the Suez Canal: CMA CGM is switching 3 Asia–Europe services from the Suez route to the Cape of Good Hope route, while Maersk plans to resume its scheduled service from India to the USEC via the canal starting 26 January.

These conflicting operational decisions suggest that effective shipping capacity will be reintroduced to the market gradually rather than all at once. This 'drip-feed' approach allows carriers to carefully assess risk and adjust their future networks, preventing a catastrophic collapse in spot rates.





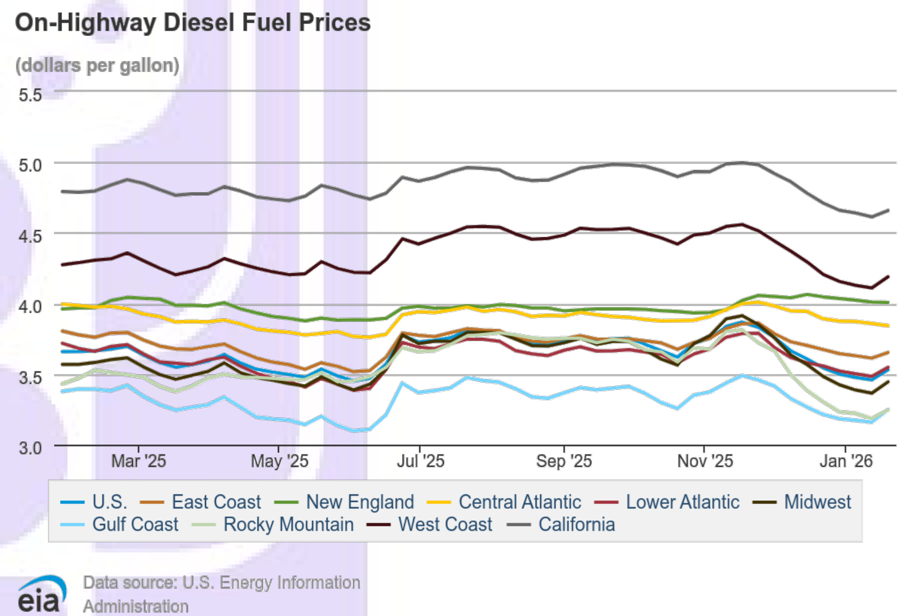
Road Movements & Diesel Fuel Prices

➢ **Diesel Prices Rise After 8-Week Decline**

22 January 2026 by USDA GTR — According to the Energy Information Administration (EIA), for the week ending January 19, the U.S. average diesel fuel price was $3.530 per gallon—up 7.1 cents from the previous week and down 18.5 cents from the same week last year. The rise from the previous week comes after 8 weeks of consecutive price declines. (From the week ending November 17 to the week ending January 12, the U.S. average diesel price dropped 40.9 cents.).

The 7.1-cent rise from a week ago follows a slowdown in oil production in Kazakhstan, a member of the Organization of the Petroleum Exporting Countries (OPEC+) alliance. Kazakhstan has halted production at two major oil fields, Tengiz and Korolev, because of an electrical power issue. The disruption is expected to last another week to 10 days.

According to EIA's January *Short Term Energy Outlook*, oil prices will fall in 2026, as production of global oil exceeds demand, causing oil inventories to rise. EIA projects the Brent crude oil price will average $56 per barrel in 2026, 19 percent less than in 2025. EIA also projects diesel prices to average $3.43 per gallon in 2026, 23 cents lower than the 2025 average price of $3.66 per gallon.



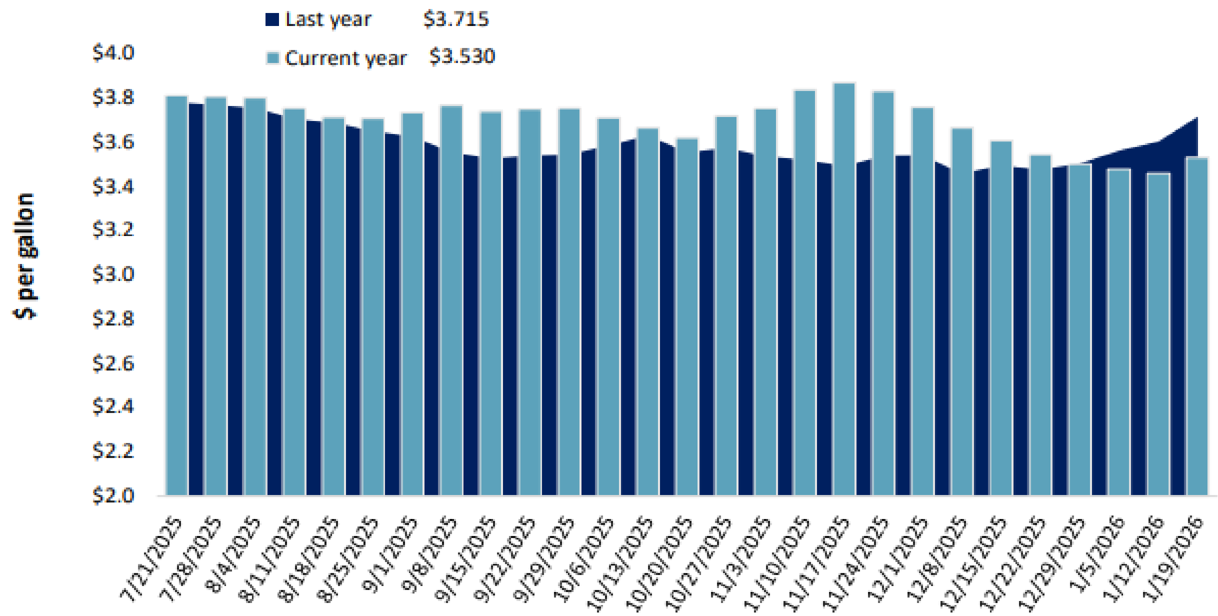
The weekly diesel price provides a proxy for trends in U.S. truck rates as diesel fuel is a significant expense for truck grain movements.

Table 13. Retail on-highway diesel prices, week ending 1/19/2026 (U.S. $/gallon)

Region	Location	Price	Change from	
			Week ago	Year ago
I	East Coast	3.653	0.040	-0.167
	New England	4.007	-0.003	0.063
	Central Atlantic	3.843	-0.015	-0.133
	Lower Atlantic	3.548	0.064	-0.202
II	Midwest	3.445	0.080	-0.203
III	Gulf Coast	3.248	0.088	-0.207
IV	Rocky Mountain	3.246	0.061	-0.239
V	West Coast	4.189	0.079	-0.113
	West Coast less California	3.782	0.108	-0.083
	California	4.658	0.045	-0.149
Total	United States	3.530	0.071	-0.185

Note: Diesel fuel prices include all taxes. Prices represent an average of all types of diesel fuel. On June 13, 2022, the Energy Information Administration implemented a new methodology to estimate weekly on-highway diesel fuel prices.
Source: U.S. Department of Energy, Energy Information Administration.

Figure 16. Weekly diesel fuel prices, U.S. average



For the week ending January 19, the U.S. average diesel fuel price increased 7.1 cents from the previous week to $3.530 per gallon, 18.5 cents below the same week last year.

Note: On June 13, 2022, the Energy Information Administration implemented a new methodology to estimate weekly on-highway diesel fuel prices.
Source: U.S. Department of Energy, Energy Information Administration.