

# OCEAN MARKET UPDATE

## CURRENT STATE

Shipping lines continue to take a cautious and flexible approach to Red Sea and Suez Canal routing as they plan for 2026, balancing the possibility of a gradual return against persistent security, operational, and supply chain risks. While CMA CGM had previously moved more assertively toward Suez transits, its latest advisory confirms the rerouting of three major Asia–Europe and Asia–Mediterranean services around the Cape of Good Hope, citing a “complex and uncertain international context.” At the same time, selective resumptions are beginning to emerge. Maersk has completed two uneventful, independent trial transits and has finalized plans to continue regular Suez sailings on its India/Middle East-US East Coast (MECL) service. Despite easing insurance costs, concerns around crew safety, cargo risk, and potential market disruption continue to drive conservative and hybrid network strategies that prioritize reliability and rate stability over faster transit times, with many Asia–Europe and Asia–Mediterranean loops still operating via the Cape. Capacity is being reintroduced gradually to avoid volatility, as reflected in initiatives such as the Ocean Alliance's “Day 10” East–West network effective April 1, 2026, which maintains Cape routings while keeping Suez options available for rapid activation, underscoring that extended transit times and constrained capacity remain the baseline amid ongoing geopolitical uncertainty.

U.S. containerized imports in December 2025 exceeded 2.2 million TEUs and increased 2% compared with November. At the same time volumes were about 5.9% lower than December 2024 which left total 2025 imports finishing 0.4% below the prior year after strong early momentum faded. The second half slowdown points to demand normalization following early shipment frontloading along with evolving sourcing patterns and ongoing trade and policy uncertainty. Import flows increasingly favored West Coast gateways toward year end while East and Gulf Coast activity was uneven despite generally smoother port operations. Volumes from China continued to contract declining 21.8% year over year and pushing China's share of U.S. imports down to about 31.7% with Southeast Asian origins absorbing some of that shift. Alongside persistent geopolitical risks trade tensions and shipping disruptions these trends indicate a more restrained and uncertain trade environment heading into 2026.

At the start of 2026, container vessel inactivity remains negligible, with no signs of structural idling. As of January 12th, roughly 255,000 TEU across 83 vessels were classified as idle, equal to about 0.8% of global capacity, indicating the fleet is still largely fully employed. The recent uptick in idle tonnage is minimal and largely temporary, driven by short-term scheduling gaps rather than weakening demand. Network capacity continues to be heavily absorbed by ongoing Cape of Good Hope diversions, keeping effective supply tight.

## MARKET FORECAST

Ocean freight conditions in the year ahead are shaping up to be more stable than many shippers might expect, with rates likely easing modestly rather than collapsing despite a large vessel order book and slower global volume growth. Structural constraints such as limited port capacity, carrier capacity management and ongoing congestion mean that supply is not expanding freely even if Red Sea routes reopen. As a result, shipper priorities are shifting away from purely chasing lower rates toward securing consistent and dependable service especially as schedule reliability on Asia to US lanes remains weak. China remains central to these pressures as it still accounts for more than one third of US container imports while facing chronic congestion at major ports like Shanghai and Ningbo driven by strong export growth larger vessel sizes and slower infrastructure expansion. With ports struggling to handle rising container volumes and mega ships global port performance remains below pre pandemic levels reinforcing the view that reliability challenges are systemic and likely to persist into 2026.

Looking ahead global container shipping is expected to remain heavily influenced by geopolitical risk and policy driven uncertainty rather than purely commercial considerations. Security concerns in the Red Sea are likely to continue shaping carrier network decisions keeping Suez Canal transits fragile and reinforcing longer routings around southern Africa when instability flares. Alternative options such as the Northern Sea Route may see gradual experimentation as Arctic access improves but seasonal constraints and operational risk will limit its role to a niche corridor. At the same time political scrutiny of strategic infrastructure such as the Panama Canal and major port assets is likely to persist adding complexity to ownership structures and transit reliability. While ambitious canal and intermodal projects will continue to resurface in policy discussions their high costs and long timelines mean global trade will remain dependent on existing routes requiring shippers and carriers to plan for ongoing volatility rather than expecting a structural shift in vessel routing.

Evergreen Marine will strengthen its Asia–Latin America links by joining the WSA6 service via a slot charter, marking its sixth route connecting the two regions. The slot charter will begin with the 8,533-TEU Kota Manzanillo departing Ensenada on Feb. 21, amid a trade experiencing nearly 50% growth in direct service capacity and falling spot rates.

Ocean Alliance carriers, including Evergreen, CMA CGM, and Cosco, have introduced new port rotations connecting Southeast Asia and the Indian subcontinent to North America starting in April as part of the new Day 10 Product offering. The network will reintroduce Jacksonville, increase calls to Vietnam's Haiphong, and revise other port calls, reflecting the ongoing shift of U.S. importers away from China.

Sources: Alphaliner, Journal of Commerce (JOC), The Loadstar, Freightos Terminal, Sea-Intelligence, Container-News.com, Seatrade Maritime, Descartes, eeSea