

# OCEAN MARKET UPDATE



## CURRENT STATE

Uncertainty continues to cloud the reopening of the Strait of Hormuz as the diplomacy behind it shows more signs of strain. While commercial vessels slowly began moving through two designated transit corridors under the US-Iran memorandum of understanding, that progress rests on fragile ground. Indirect technical talks this week yielded only a narrow seven day understanding to keep the strait quiet. Even as broader negotiations, now two weeks into their 60-day window, stay deadlocked over Iran's demand for joint sovereignty and toll rights, a position the US and Gulf allies have rejected.

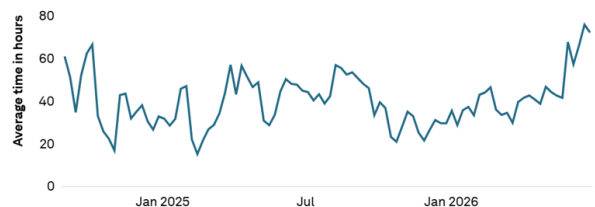
The tension stands in contrast to the optimism of a few weeks ago, when the signing of the memorandum had eased fears of a prolonged shipping shutdown and appeared to signal the strait was moving toward full reopening. That underlying tension was underscored when Iranian state media publicized the grounding of the sanctioned containership Arista to renew warnings that ships must use its designated passage route. Though maritime tracking tools found the vessel had actually been aground since mid-March, raising questions about the incident's framing. On the water, the regional threat level has been lowered to "moderate," and several carriers have safely transited vessels out of the Gulf, but the primary traffic separation scheme remains closed due to mine contamination. Full recovery of energy and commodity exports will likely be delayed further by damaged infrastructure, mine clearance, and elevated insurance requirements, leaving supply chains exposed to continued uncertainty.

For the latest updates on the Middle East disruption, please visit: [Middle East Logistics Operations Update | Crane Worldwide Logistics](#)

## MARKET FORECAST

Port congestion across Asia is on track to worsen over the coming weeks, as bad weather and vessel bunching in China compound delays already pushing global congestion to a four-year high, with nearly 11% of the container fleet, sitting at anchorage as of June 28. Shanghai is currently facing waits of up to five days due to fog closures and concentrated mainline arrivals. This disruption is expected to continue, and as a result, carriers are likely to keep omitting calls or dropping sailings both there and at Ningbo. Similar pressure is expected to persist at Singapore, Jakarta, Surabaya, Busan, and Colombo, driven by high yard utilization, cargo diversions, and seasonal weather effects. Frontloading ahead of new US tariffs has also been adding further strain to trans-Pacific trade. As a result, analysts expect elevated freight rates to hold for at least another month. In the near term, carriers will likely continue relying on rolled cargo, transshipment at alternate ports, and ad hoc sailings to manage the disruption.

Port arrival-to-berth times in Shanghai remain near two-year high  
Shanghai port harbor arrival to berth times, in hours.



Source: Vizion

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Global container freight rates strengthened through late June, with Drewry's World Container Index reaching an 18-month high as carriers continue to successfully implement general rate increases and peak season surcharges amid tight vessel capacity and sustained cargo frontloading.

The trans-Pacific remains the strongest market, with Shanghai-US West Coast and East Coast spot rates climbing sharply on robust importer demand ahead of potential tariff changes and higher bunker fuel costs. Limited blank sailings and low retail inventories have continued to support elevated pricing, reflecting a market where carriers have retained significant pricing power throughout the period.

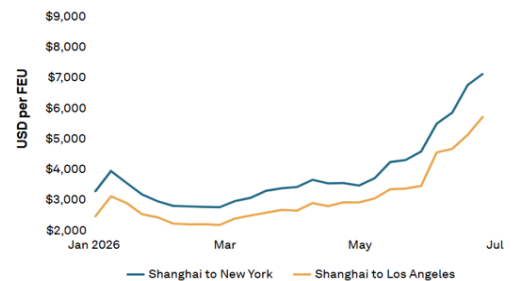
Asia-Europe pricing has also remained firm, underpinned by constrained capacity, cargo frontloading ahead of bunker adjustments, and a series of carrier surcharge announcements.

India export trades have experienced particularly strong momentum, as capacity reductions, blank sailings, and overbooked vessels drove India-North Europe rates up 40-50% month over month and lifted India-US East Coast pricing up over 80% in just 4 weeks. Cargo rollovers have become increasingly common across the trade lane.

Elsewhere, Brazil-US freight rates rose approximately 50% following carrier capacity reductions and tariff-driven frontloading, while West Coast South America-US trades saw more moderate gains supported by stable demand.

Despite the recent US-Iran ceasefire easing immediate concerns, congestion at major Asian and European hubs, ongoing schedule disruptions, and tight vessel availability have continued to underpin strong carrier pricing power and heightened rate volatility across most global trade lanes.

Shanghai to New York and Los Angeles container spot rates (Drewry)



Source: World Container Index assessed by Drewry

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A significant injection of capacity is set to hit the trans-Pacific trade lane over the coming months, as new weekly services and extra-loader vessels come online to ease what has been a tight market. Asia-USWC capacity is expected to climb notably in July, with a further increase planned for August. This influx of capacity is expected to reshape the rate environment going forward. Having just hit fresh 2026 highs, analysts predict that spot rates on the West Coast will soften, with several industry sources suggesting the market may have already peaked and that relief could come as early as after the July 4 holiday. The East Coast, facing structural constraints that limit how much capacity carriers can add, is expected to see rates hold firmer for longer. A pending rate increase set to take effect in mid-July will serve as an important signal of where the market is headed, with its outcome likely to indicate whether the current rate cycle is beginning to unwind and whether a traditional fall peak season will materialize.

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