

SUPPLY CHAIN MARKET UPDATE

North America and Europe

April 2026



KEY TRENDS AND CHALLENGES IN U.S. SUPPLY CHAIN MANAGEMENT

1

STRAIT OF HORMUZ DISRUPTION IS PUSHING FUEL AND FREIGHT COSTS SHARPLY HIGHER ACROSS MODES

- Brent and Gulf war-risk premiums have jumped, lifting bunker, diesel and jet fuel costs for carriers globally
- Ocean carriers are layering emergency bunker surcharges on top of spot increases, while project-cargo and bulk movements face widening rate spreads
- Truckload and air markets are seeing fuel surcharges re-priced in real time, often outpacing underlying demand growth

2

TARIFF AND TRADE-POLICY WHIPLASH ARE RESHAPING SOURCING PATTERNS AND MARGIN PROFILES BY SECTOR

- Section 122 is under legal review even as new sector-specific actions (e.g., 100% pharma tariffs on selected imports) create fresh cost shocks
- Country-level moves such as Brazil's capital-goods duty rollback and China's canola duty reset underscore how quickly trade economics can flip
- US import data show a multi-year shift away from China toward Mexico, Vietnam, India and Canada, with Mexico now surpassing China as a US vendor base in value terms

3

TRUCKLOAD MARKETS ARE TIGHTENING STRUCTURALLY EVEN AS OCEAN AND RAIL REMAIN STRUCTURALLY OVERSUPPLIED

- Spot truckload rates are at their strongest levels since early 2022 and are converging with or exceeding contract rates in many lanes
- Capacity exits, regulatory enforcement and diesel spikes are constraining effective truck supply, particularly for small fleets
- Intermodal and ocean still exhibit underlying overcapacity, but blank sailings and disciplined pricing are creating pockets of near-term tightness for shippers

FEATURED TOPIC

How to protect margin and supply amid the Hormuz crisis

[ACCESS THIS ARTICLE FOR MORE DETAILS HERE](#)

How to protect margin and supply amid the Hormuz crisis

April 07, 2026 | 4 minutes read



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What began as a regional military action is now a broader test of global supply chain resilience. The Strait of Hormuz is one of the world's most critical trade chokepoints, but the current disruption shows how quickly a Gulf conflict can expand beyond energy markets. Second-order impacts across manufacturing and supply chains will be wider and more disruptive, hitting inventory strategy, freight costs, network reliability, and commercial performance.

For business leaders, this is no longer just an oil story. It is a cost, service, and working-capital story that is rippling across an ever-widening set of industries. Petrochemical derivatives, including resins and plastics, may face shortages and price spikes, with immediate impacts on packaging in food and beverage, consumer products such as health and beauty, and some medical devices. Longer-term resin supply issues can cascade into automotive parts, construction, and electronics.

Fuel-driven industrial disruption is expected to shorten operating schedules across manufacturing hubs, including four-day workweeks and lower utilization rates. In countries such as Sri Lanka, Vietnam, Bangladesh, India, and Indonesia, this will drive production slowdowns, extend lead times, and increase working capital intensity across the apparel and footwear sectors.

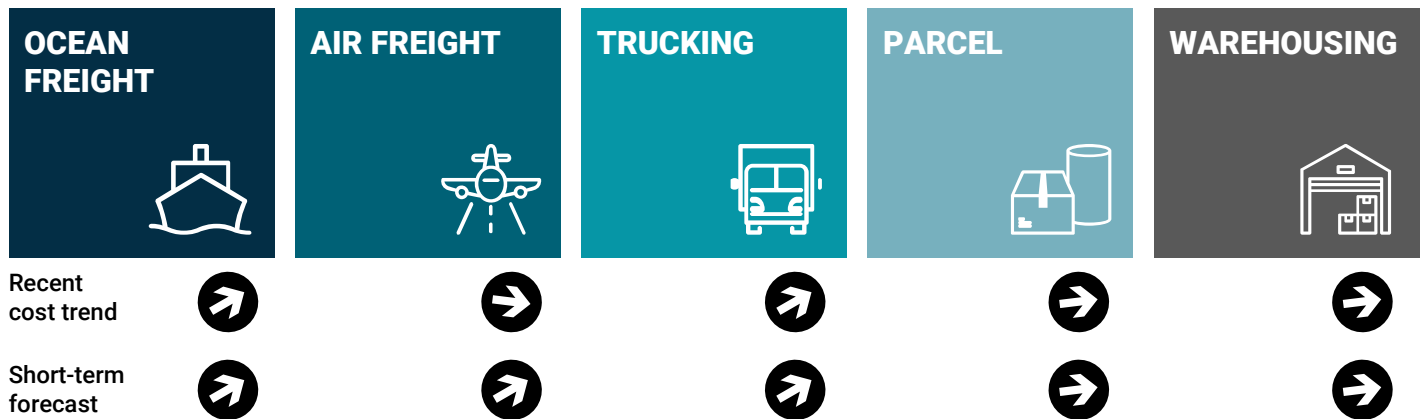
CONTENT SUMMARY



- **The Hormuz disruption is a broad supply-chain and margin crisis, not just an energy issue.** Because the Strait of Hormuz is a critical global chokepoint, the conflict is driving second-order impacts across inventory strategy, freight costs, network reliability, service levels, and working capital for many industries, even those without direct Gulf exposure
- **Impacts are spreading through three main transmission channels: energy, freight, and supply-chain networks.** Rising fuel and feedstock costs, higher freight surcharges and airfreight prices, and widespread rerouting and congestion are collectively making global supply chains more expensive and less reliable

FREIGHT COSTS

Structural overcapacity and geopolitical disruption driving freight cost inflation



WHAT IS MOST IMPORTANT TO KNOW?

- **Middle East disruption is now driving a broader freight and input-cost shock across modes** – Ocean rate gains are being supported by bunker and war-risk surcharges, with Shanghai–Los Angeles up 9% to \$2,910/40ft and Shanghai–New York up 7% to \$3,671/40ft in early April, while air freight capacity through the Middle East is estimated to be down roughly 30%, pushing global average spot rates up to \$2.86/kg (+14% YoY)
- **Trade-policy volatility is widening sector cost exposure and increasing landed-cost uncertainty** – New actions in April include 100% tariffs on patented pharmaceuticals, a court challenge to the 10% Section 122 tariff, additional Section 301 forced-labor probes across 60 countries, and a threatened 50% tariff on countries supplying Iran with weapons; at the same time, energy and petrochemical costs have jumped as Brent rose roughly 40–45% and Gulf war-risk premiums increased about 5x
- **Truckload, parcel, and warehousing costs are rising even without a full demand recovery** – Truck capacity tightened for a fourth straight month, tender rejection rose to 14.83, and fuel is pushing pricing higher; USPS added an 8% temporary parcel surcharge, while the March Logistics Managers Index jumped to 65.7 with transportation prices at 89.4, the highest since March 2022, signaling broad logistics cost inflation despite lean inventories

WHAT ACTIONS CAN WE TAKE?

- Leverage current capacity availability for strategic network optimization – Take advantage of structural oversupply period to execute long-term supply chain initiatives and build internal capabilities before next demand cycle
- Strengthen strategic carrier and logistics partnerships with agility focus – Develop resilient relationships with key logistics partners now to be positioned for future growth cycles and ongoing geopolitical uncertainty

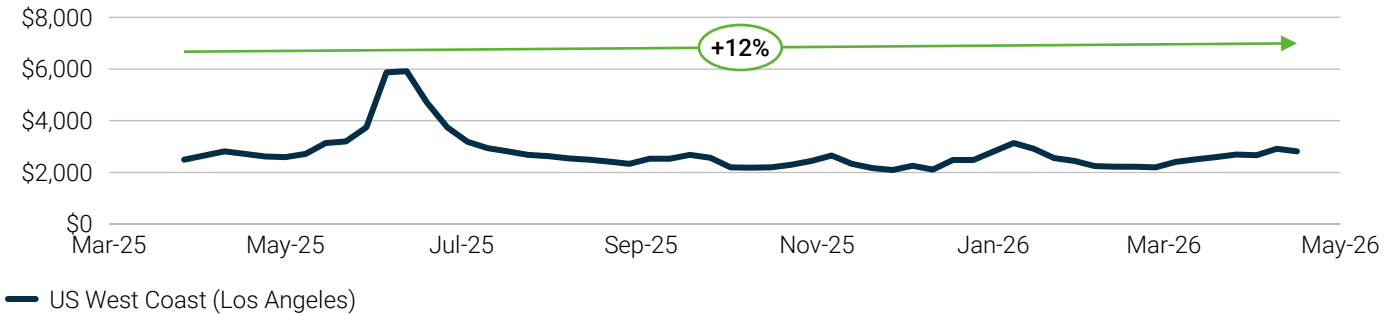
Accelerate tariff impact analysis and freight plan optimization

- Develop comprehensive short- and mid-term mitigation strategies for trade policy volatility
- Use tools like AlixPartners [Global Trade Optimizer \(GTO\)](#) to rapidly assess tariff impacts and optimize sourcing in this dynamic environment

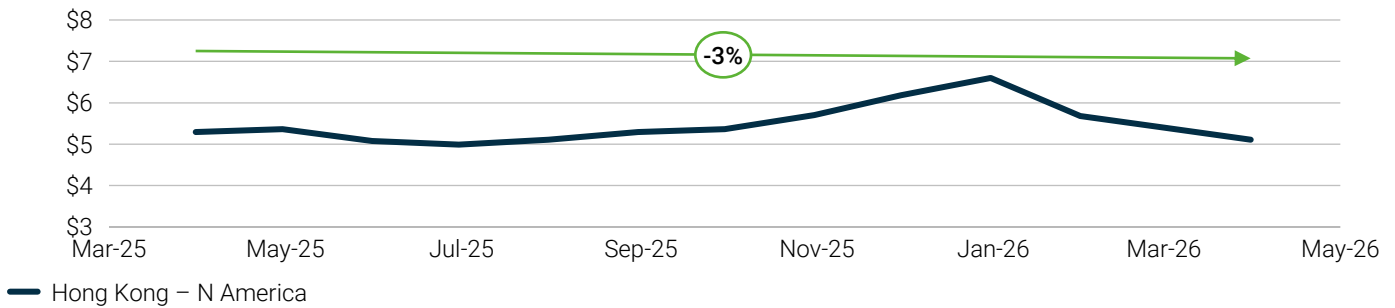
FREIGHT TRENDS

Ocean freight rates into the U.S. are showing a modest recovery in April; air faces persistent overcapacity pressures while trucking experiences structural tightening

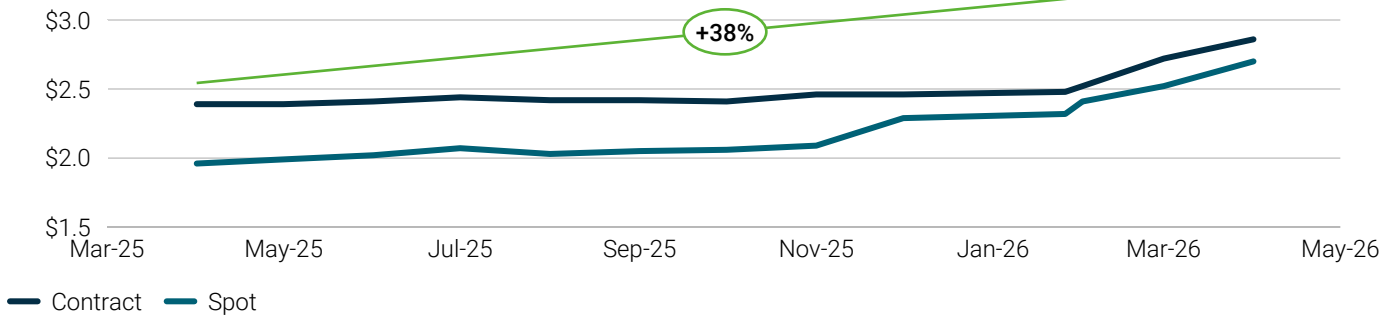
OCEAN FREIGHT – SHANGHAI TO U.S. (\$/40FT)



AIR FREIGHT – HONG KONG TO U.S. (\$/KG)



TRUCKING – DRY VAN (\$/MILE)



KEY TRENDS AND FACTS



Key drivers causing rate changes are:

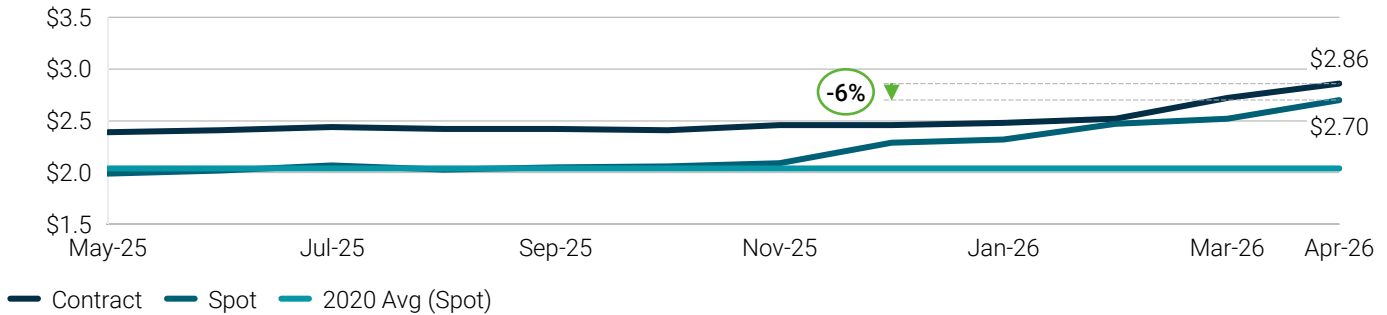
- Ocean freight rates increased over the past 30 days, with Shanghai–Los Angeles up 9% to \$2,910/40ft and Shanghai–New York up 7% to \$3,671/40ft, mainly due to carrier capacity discipline and disruption-driven cost pressure
- Air freight rates declined slightly YoY as disruptions in the Middle East drove a 6% YoY decline in demand
- Structural capacity tightening after a prolonged downturn is reshaping the truckload market, supporting firmer pricing even as demand recovery remains uneven

Source: DAT, Drewry, TAC database, AlixPartners analysis

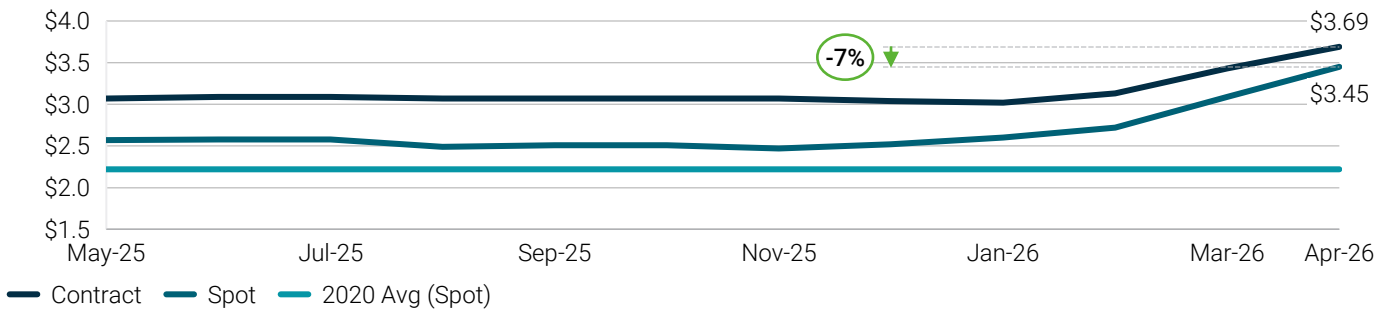
TRUCKING FREIGHT

Truckload pricing remains elevated, driven primarily by fuel costs rather than sustained demand strength

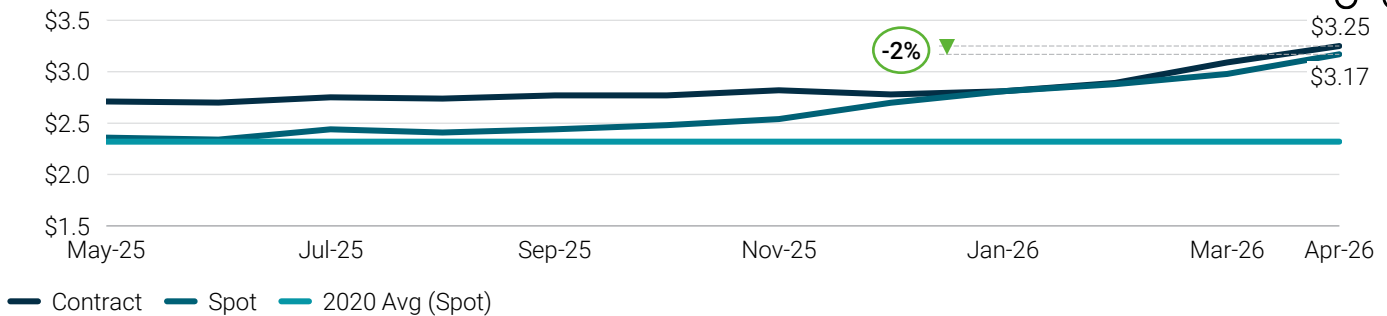
DRY VAN – U.S. DOMESTIC FREIGHT RATES, INCL. FUEL (UNIT:\$ PER MILE)



FLATBED – U.S. DOMESTIC FREIGHT RATES, INCL. FUEL (UNIT:\$ PER MILE)



REEFER – U.S. DOMESTIC FREIGHT RATES, INCL. FUEL (UNIT:\$ PER MILE)



KEY TRENDS AND FACTS



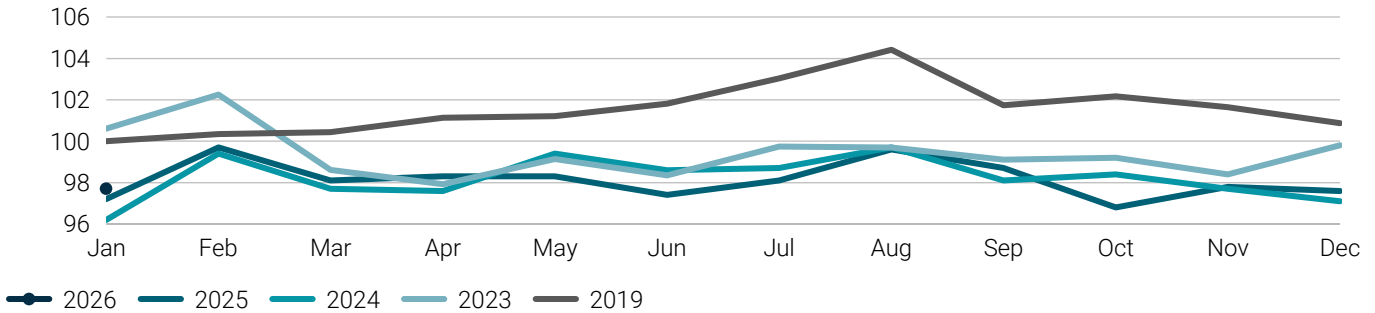
- Truckload pricing continues to rise driven by the spike in fuel prices, with March freight pricing experiencing the fastest growth rate since March 2022 ([Freight Waves](#)).
- Although demand rose towards the end of March, shippers continue to keep inventories lean and operate on just-in-time models ([DAT](#)); van and reefer spot linehaul rates declined 9 centers and 13 cents MoM, indicating demand has not yet strengthened ([DAT](#), [JoC](#)).

Source: DAT, Freight Waves, AlixPartners analysis

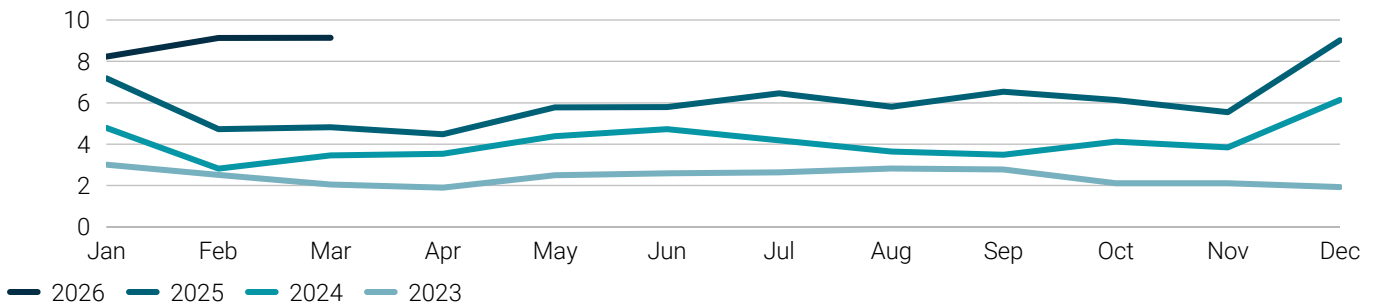
TRUCKING FREIGHT

Truckload capacity continues to be constrained amidst regulatory enforcement and rising fuel pricing

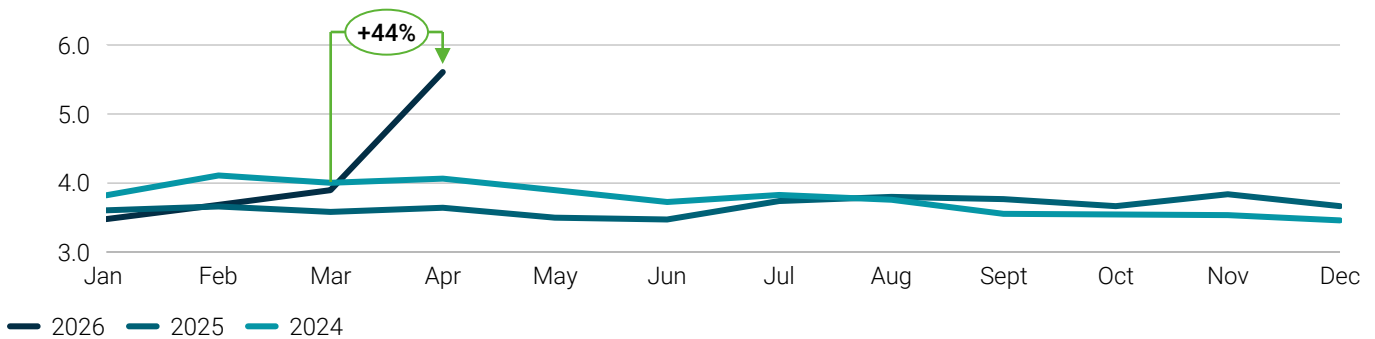
TRUCK DEMAND – TONNAGE, YEAR OVER YEAR, INDEX (100)=JAN 2019



VAN LOAD-TO-TRUCK RATIO – YEAR OVER YEAR



DIESEL – \$ PER GALLON



KEY TRENDS AND FACTS



- Effective truckload capacity tightened for the fourth consecutive month driven largely by the unexpected spike in diesel prices, which is particularly challenging for small fleets, and regulatory enforcement ([Freight Waves](#)); current outbound tender rejection index is up, at a level of 14.83 ([Freight Waves](#)).
- Load-to-truck ratios softened WoW but remain elevated-especially flatbed: Late March/early April load-to-truck ratios declined (Van ~9.0, Reefer ~16.9, Flatbed ~74.3), yet flatbed ratios remain well above historical norms, indicating ongoing capacity tightness in industrial and construction freight despite near-term volatility ([AJOT](#)).

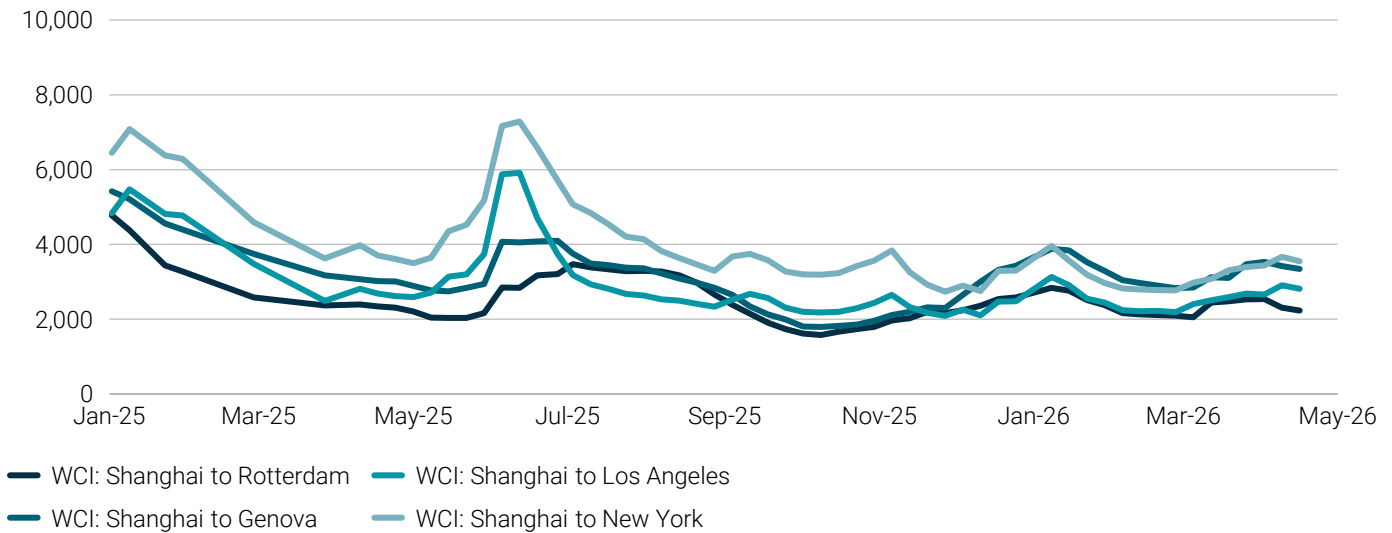
Source: DAT, Freight Waves, FRED, AlixPartners analysis

OCEAN FREIGHT

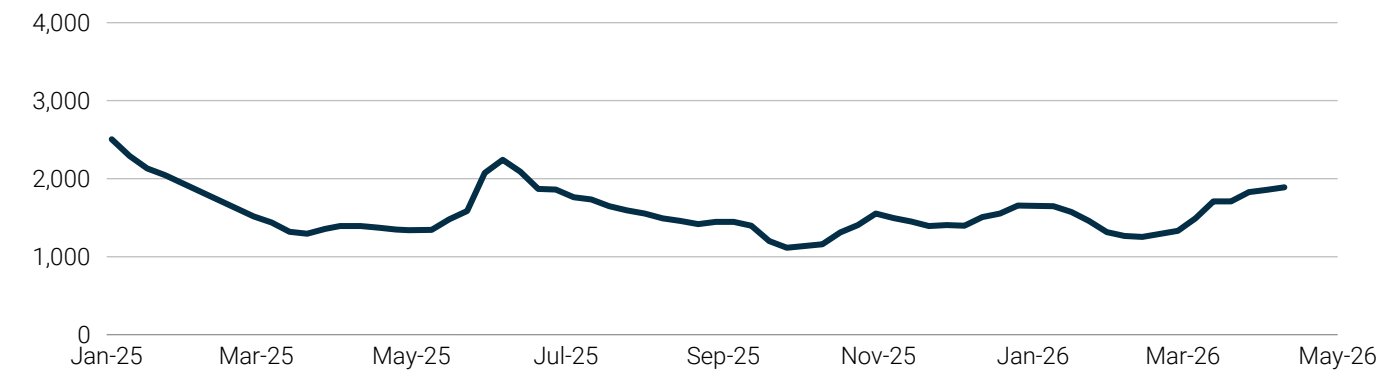
Transpacific rates are recovering modestly, but the move is being driven more by disruption-related costs and carrier pricing than by a broad-based demand rebound

TRANSPACIFIC: CENTRAL CHINA (SHANGHAI) TO U.S. MONTHLY SHIPPING RATE FOR 40FT CONTAINER EVOLUTION (UNIT: \$)

Drewry: Trade Routes from Shanghai (U.S.\$/40ft)



Shanghai Container Freight Index (U.S.\$/40ft)



KEY TRENDS AND FACTS



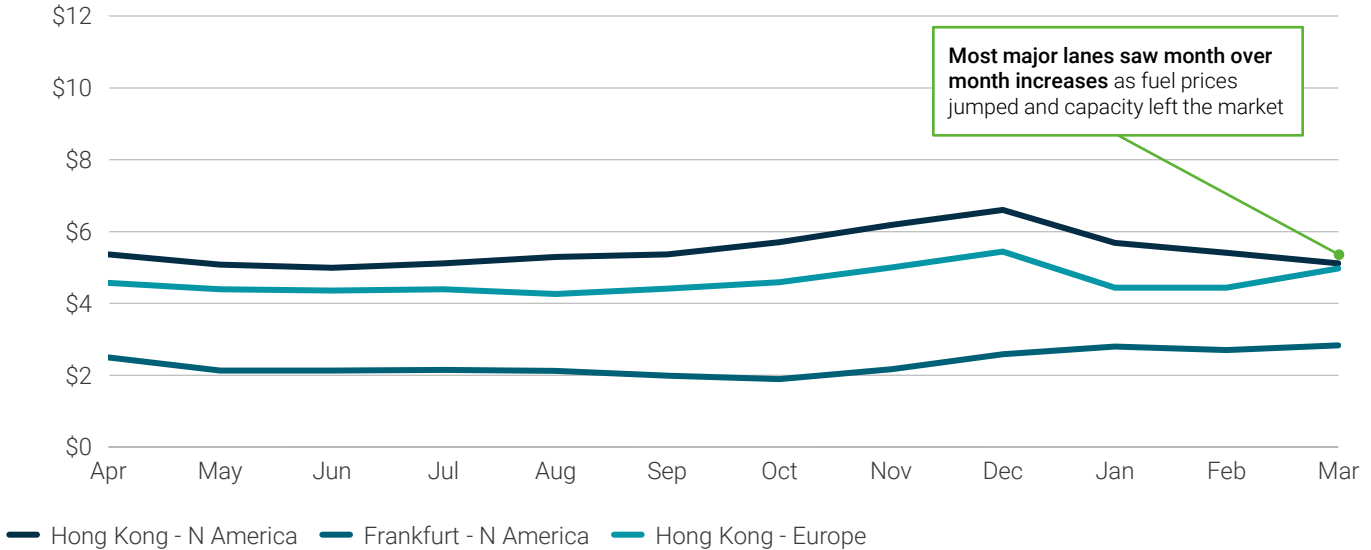
- Rates moved up in early April: Drewry's 9 Apr update showed Shanghai–Los Angeles up 9% to \$2,910/40ft and Shanghai–New York up 7% to \$3,671/40ft, with Drewry expecting further near-term spot-rate increases ([Drewry](#))
- Middle East-related fuel volatility is feeding directly into ocean pricing, and Maersk sought approval for an emergency bunker surcharge of \$200/TEU head haul and \$100/TEU backhaul, reinforcing that recent rate gains are being supported by disruption costs ([SeatradeMaritime](#))
- The rebound is still fragile because demand is not surging: U.S. container imports were down 1.1% year over year in March to 2.35M TEU, suggesting current Transpacific rate firming is happening despite soft import demand and could remain volatile ([Reuters](#))

Source: Drewry Ocean report, Freightos, Xeneta, Reuters, AlixPartners analysis

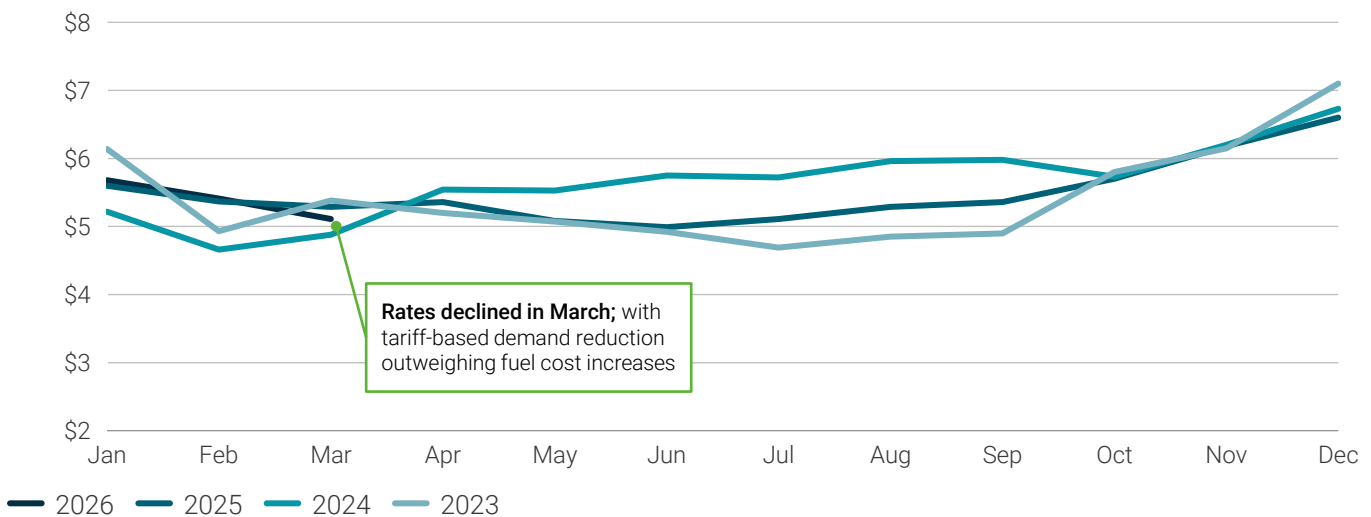
AIR FREIGHT

Global air freight average spot rate increased moderately to \$2.86/kg; up 14% YoY as capacity and fuel prices continue to be impacted by the war in Iran

KEY INTERNATIONAL ROUTES (UNIT:\$ PER KG)



HONG KONG TO NORTH AMERICA HISTORY (UNIT:\$ PER KG)



KEY TRENDS AND FACTS



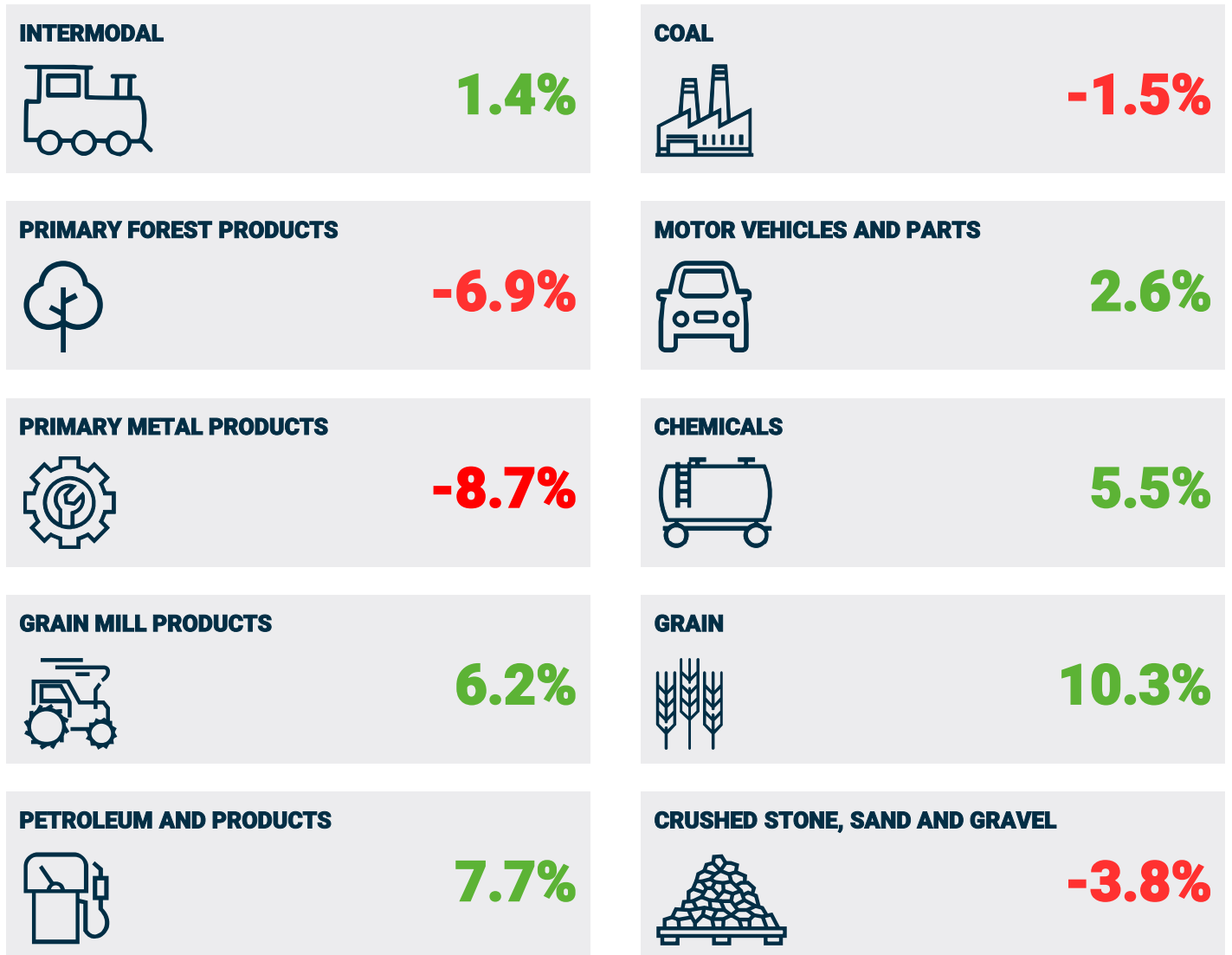
- Rates from EU to US and within the Americas have been largely flat since the start of the Iran conflict as summer travel is increasing passenger belly capacity, offsetting major fuel and capacity issues seen on other lanes ([Xeneta](#))
- New contract durations between shippers and forwarders continue to get shorter as uncertainty continues to dominate the market; 38% of new contracts were for 3-months, up from 14% last year ([Xeneta](#))

Source: Baltic Exchange Air Freight Index - TAC database, Air Cargo News, American Journal of Transportation, AlixPartners analysis

RAIL FREIGHT

U.S. Rail volumes are gaining momentum in early 2026, with carloads up 1.7% and intermodal up 1.4% in March, marking the strongest first-quarter start since 2019

U.S. RAIL VOLUME BY COMMODITY – MARCH '26 VS. MARCH '25



Source: Association of American Railroads

KEY TRENDS AND FACTS



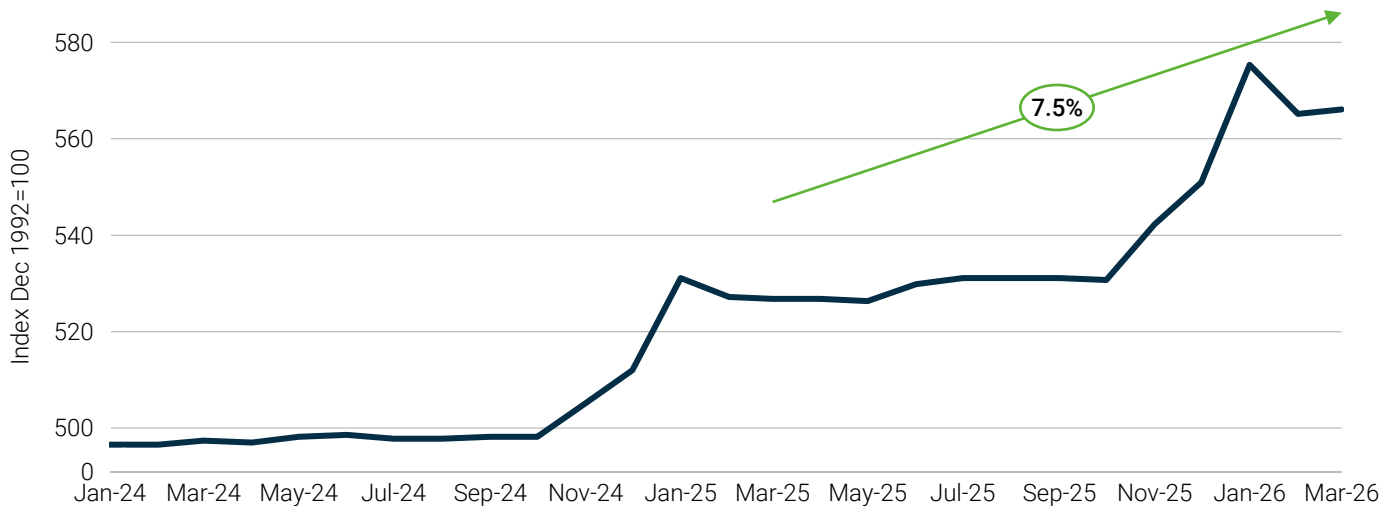
- Union Pacific and Norfolk Southern are now targeting April 30, 2026, to re-file their revised merger application with the Surface Transportation Board, following the agency's rejection of their initial December 2025 filing as incomplete – citing missing full-system competitive impact analyses and forward-looking market share projections – effectively resetting the process and delaying the start of the formal public comment period
- Intermodal is finding a floor rather than breaking it, with volumes up 1.4% YoY in March and posting a second consecutive monthly gain after a prolonged normalization period. While pricing remains soft, the combination of stabilizing consumer demand and improving manufacturing activity is beginning to tighten underlying conditions, setting up for gradual rate firming as capacity rebalances and truck markets strengthen later in 2026

Note: Carloads are traffic classified into 20 major commodity categories. Rail intermodal units are shipping containers and truck trailers moved on railcars
 Source: AAR, STB, Progressive Railroading, Trains, DAT, CH Robinson

USA PARCEL

Ahead of the June 1 separation, FedEx and FedEx Freight have set aggressive growth and profitability targets at their recent Investor Days

PRODUCER PRICE INDEX – STANDARD COURIER SERVICES INDEX¹



1. Measures the average change over time in the selling prices received by domestic producers for their output. For e.g.: If a 1 kg package average parcel selling price in US was \$5 in Dec 1992, today it is about $5 \times 565 / 100 = \$28.25$

FEDEX FINANCIAL RESULTS Q3 FY2026 (ADJUSTED, NON-GAAP)

METRIC	USPS Q1 FY26	USPS Q1 FY25
Revenue	\$24.0B	\$22.2B
Operating Income (Margin)	\$1.62B (6.7%)	\$1.51B (6.8%)
Net Income	\$1.26B	\$1.09B
Diluted EPS	\$5.25	\$4.51
Strategic focus	FedEx Freight Separation on June 1	

Source: [FedEx](#)

KEY TRENDS AND FACTS



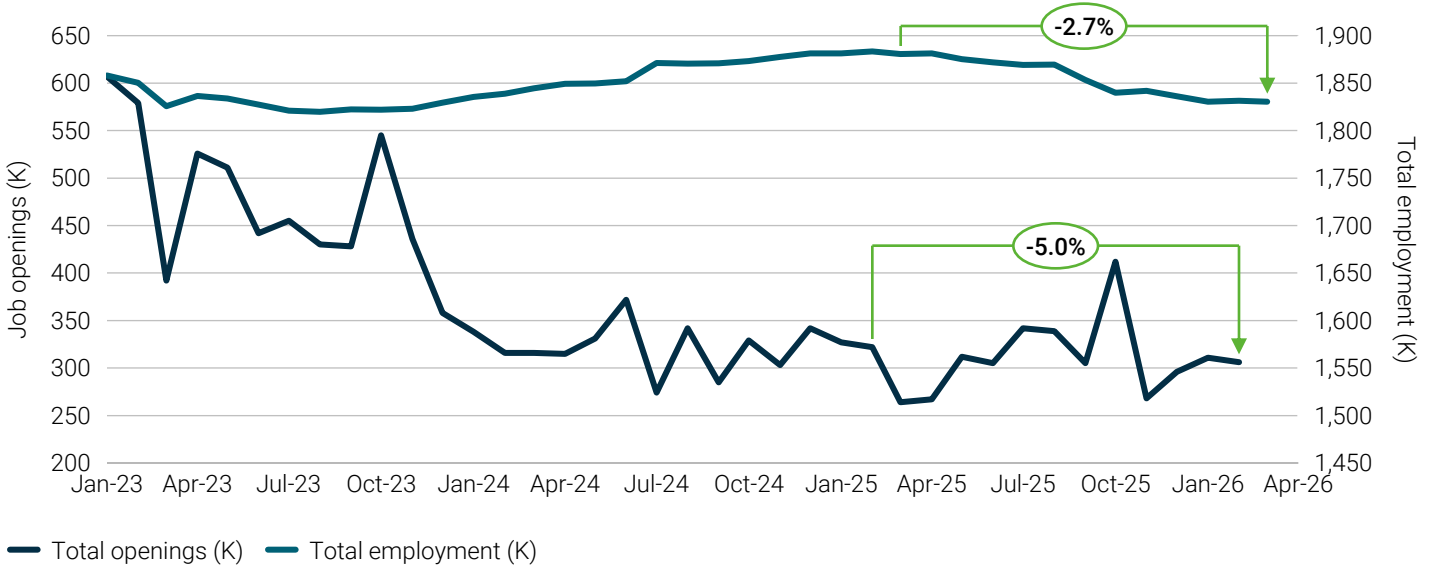
- At its 2026 Investor Day, FedEx outlined four strategic priorities to achieve its long-term financial goals of \$98B in revenue by FY29: Grow in High-Margin Verticals, Build on Data & Technology Advantage, Transform the Network, and Deliver Ongoing Efficiency Gains
- FedEx has reached a tentative agreement with their pilots after five years of negotiations
- FedEx Freight hosted its inaugural Investor Day on April 8, 2026, outlining four strategic priorities for the soon-to-be independent company: Optimizing the Network, Leading Commercial Offering, Advancing Technology Capabilities, and Financial Value Creation
- FedEx Freight also introduced a medium-term financial framework targeting 4–6% revenue CAGR, 10–12% adjusted operating income CAGR, capex at ~5% of revenue, and more than \$1B in annual free cash flow with >90% free cash flow conversion

Source: Bureau of Labor Statistics; [FedEx](#); [Pilot Deal](#); [FedEx Freight Investor Day](#)

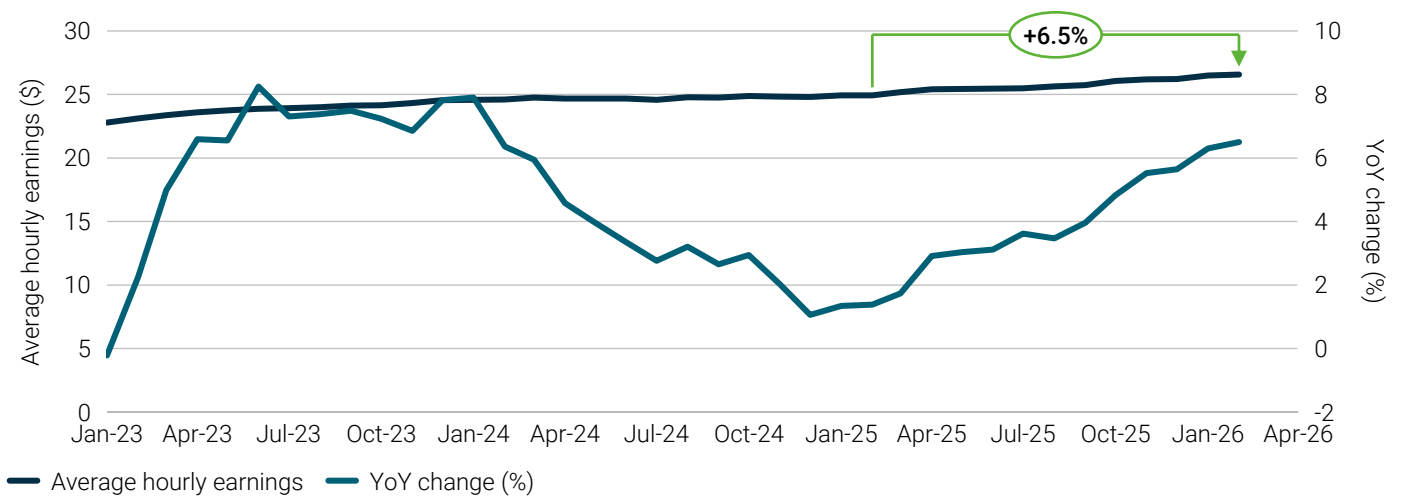
LABOR

Warehousing employment down 50K (-2.7%) YoY as job openings fall by 5% and wage pressure persists with 6.5% increase

JOB OPENINGS AND TOTAL EMPLOYMENT¹



AVERAGE HOURLY EARNINGS¹



1. Job Openings and Labor Turnover Survey used the Transportation, warehousing, and utilities industry group. Total Employment and Earnings used warehousing and storage industry group from the Current Employment Statistics survey. Data is seasonally adjusted

KEY TRENDS AND FACTS



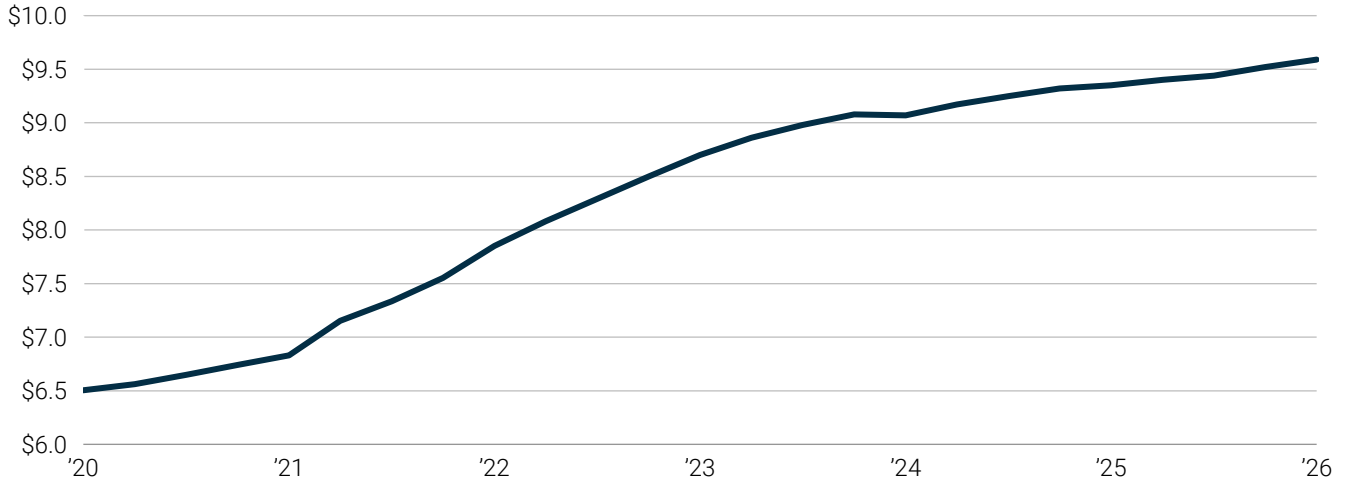
- Warehousing employment fell to 1,831K in March 2026, down 50K (-2.7%) from 1,881K in March 2025 and down 139K from February 2025 peak of 1,970K; sector added 21K jobs in March 2026 but remains below year-ago levels (BLS)
- Average hourly earnings rose 6.5% YoY in March 2026 compared to economy-wide wage growth of 3.5% as labor scarcity keeps wage pressure elevated even as headcount declines (BLS)
- T&W job openings stood at 306K in Feb 2026 – down 5% YoY and less than half the Dec 2021 peak of 649K – reflecting sustained demand softening as operators absorb prior over-hiring and automate into the contraction (BLS)

Source: U.S. Bureau of Labor Statistics seasonally adjusted data, MMH, Freight Waves

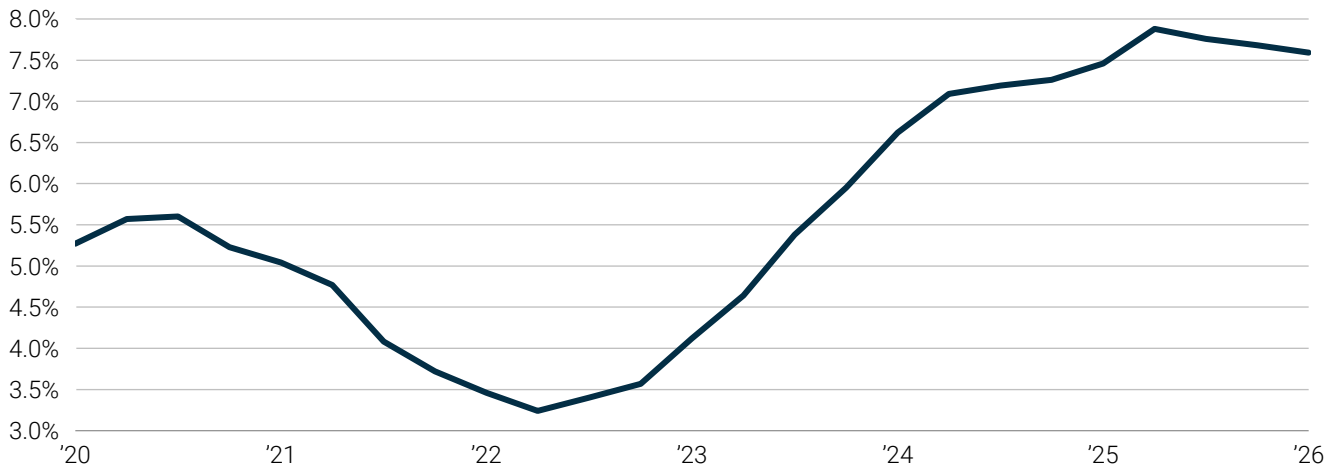
WAREHOUSING TRENDS

Vacancy stabilized and absorption accelerated in Q1 2026 as build-to-suit activity drives industrial market rebalancing

NATIONAL AVERAGE MARKET RENT/SQ FT (\$)



NATIONAL AVERAGE VACANCY RATE (%)



KEY TRENDS AND FACTS



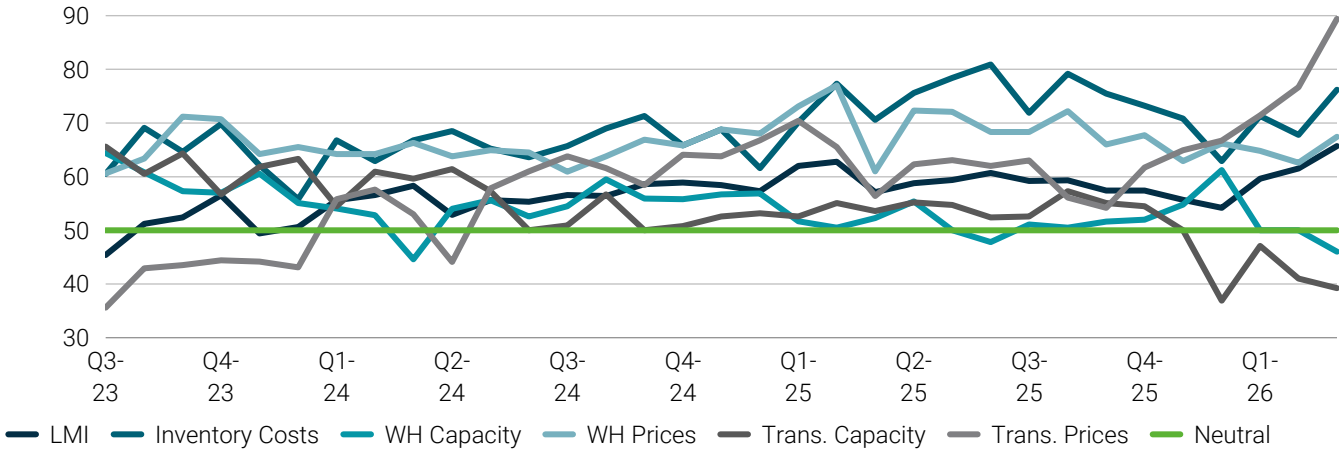
- U.S. industrial rents continued to rise to ~\$9.59/SF in early 2026 despite increasing vacancy, reflecting structural demand from e-commerce, 3PL expansion, and supply chain regionalization ([Mohr Partners](#))
- 3PLs seized 44 of top 100 leases in 2025 (up from 28 in 2024) as retailers cut warehouse footprint 16.7% and outsourced logistics – large deals (500K+ SF) surged 32% in H2 2025 ([CBRE, Cushman & Wakefield](#))
- New completions fell to 54M SF in Q1 2026 (down 27% YoY, lowest since 2017) as 2024's construction slowdown flows through – but pipeline rose to 284M SF as build-to-suit activity accelerated, signaling disciplined development resuming ([Cushman & Wakefield](#))

Source: AlixPartners & Mohr Partners, AlixPartners analysis

WAREHOUSING TRENDS

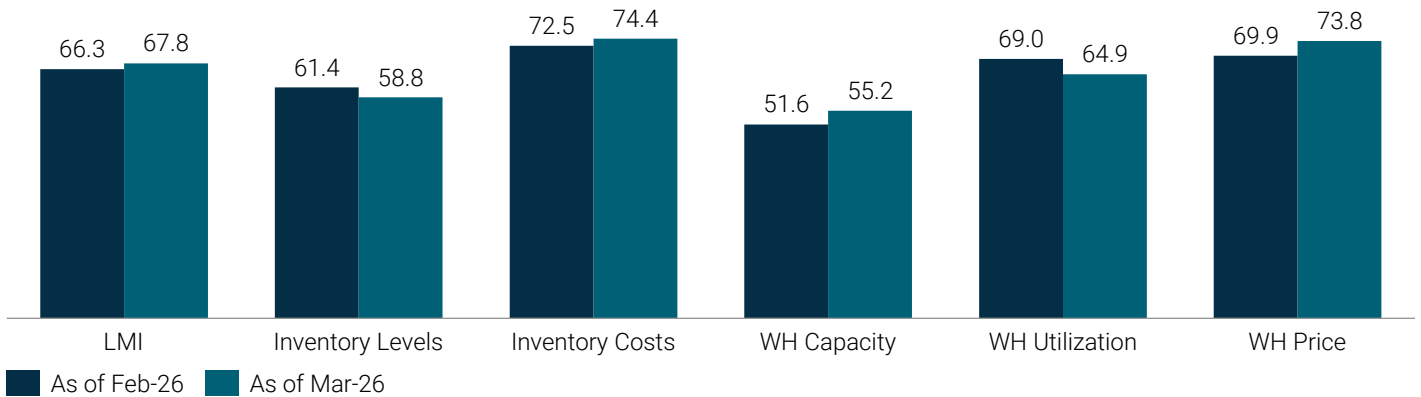
LMI in March surged to 65.7 (+4.2) – fastest expansion since May 2022 – driven by Iran conflict pushing Transportation Prices to 89.4 (highest since March 2022)

FLUCTUATION OF LMI INDICES



Logistics Manager Index (LMI) Legend: +50 = Increasing -50 = Decreasing

LMI SURVEY – NEXT 12-MONTH PREDICTION¹



1. LMI respondents' predictions for movement in LMI metrics 12 months from now

KEY TRENDS AND FACTS

- LMI jumped to 65.7 (+4.2), fastest expansion since May 2022, driven by Transportation Prices surging to 89.4 (+12.7) – as Strait of Hormuz closure removed 20% of global oil supply; diesel hit \$5.40/gallon nationally (\$7.60 in California, highest ever recorded) ([LMI](#))
- Inventory Levels remain lean at 54.8 despite Costs exploding to 76.2 (+8.4) – aggregate logistics costs hit 233.0 (highest since May 2022) with future predictions at 241.2 signaling potential inflation wave; readings above 240 historically precede supply-driven inflation ([LMI](#))
- Transportation Capacity contracted to 39.2 while prices hit 89.4, creating 50.2-point inversion – largest since November 2021 COVID boom – but unlike 2022's bloated inventories (75.7), today's lean stocks (54.8) mean less buffer against surging fuel costs ([LMI](#))

Source: Logistics Managers' Index, AlixPartners analysis

WAREHOUSING TRENDS

Leading companies are deploying AI across warehouse operations

COMPANY DEVELOPMENTS



Maersk deploys AI-powered inventory scanning across 473 warehouses, achieving 100% accuracy in weeks

Purpose: Maersk partnered with Dexory to deploy autonomous scanning robots across UK distribution sites. The system achieved 100% inventory accuracy within weeks of go-live and eliminated 40+ hours per week of manual cycle counting per site. Across its 473-warehouse global network, Maersk is now using AI demand forecasting and robotic inventory management to reduce stock discrepancies and cut fulfillment errors – without adding headcount.



Amazon deploys DeepFleet AI across 1M+ robot fleet

Purpose: Amazon's DeepFleet – a generative AI foundation model built on its Nova architecture – now coordinates over 1 million warehouse robots across global fulfillment centers. Trained on Amazon's proprietary inventory movement data, it improves robot routing efficiency by 10%. Next-generation fulfillment centers run 10x more robots and process orders 25% faster, with robots assisting in 75%+ of all customer orders.



Walmart cuts net delivery cost per order by 40% through AI automation

Purpose: Walmart's multi-agent AI Warehouse Fulfillment Engine (WFE) decouples inventory growth from headcount, generating \$1.5-2.5 billion in annual savings. A \$520 million Symbotic deal in 2026 extends automated replenishment across all 42 U.S. regional DCs. AI-powered store fulfillment drove e-commerce sales past \$150 billion – growing more than 50% year over year.










OTHER DEVELOPMENTS

- Geek+ hits profitability milestone with 31.6% YoY revenue growth. Deployed 72,000+ robots across 950+ customer sites
- Locus Robotics delivers 6-8 month ROI across 250+ sites with 16,000+ robots and 6B+ lifetime picks; RaaS model deploys in 4–6 weeks at minimal CapEx, making automation accessible to mid-market operators
- DHL saves €180M in year one of AI-robotics rollout, achieving 35% productivity gains and 99.7% accuracy across 600+ automated warehouse sites globally
- Ocado's AI robotic arm completes more than 30M picks with 5-minute order fulfillment capability; unveils next-generation OGRP platform at MODEX 2026
- Symbotic signs \$520M deal with Walmart in 2026, bringing total backlog to \$22.4B; new storage system cuts warehouse footprint by 40% with 90% fewer assembly parts and 15+ year contract terms

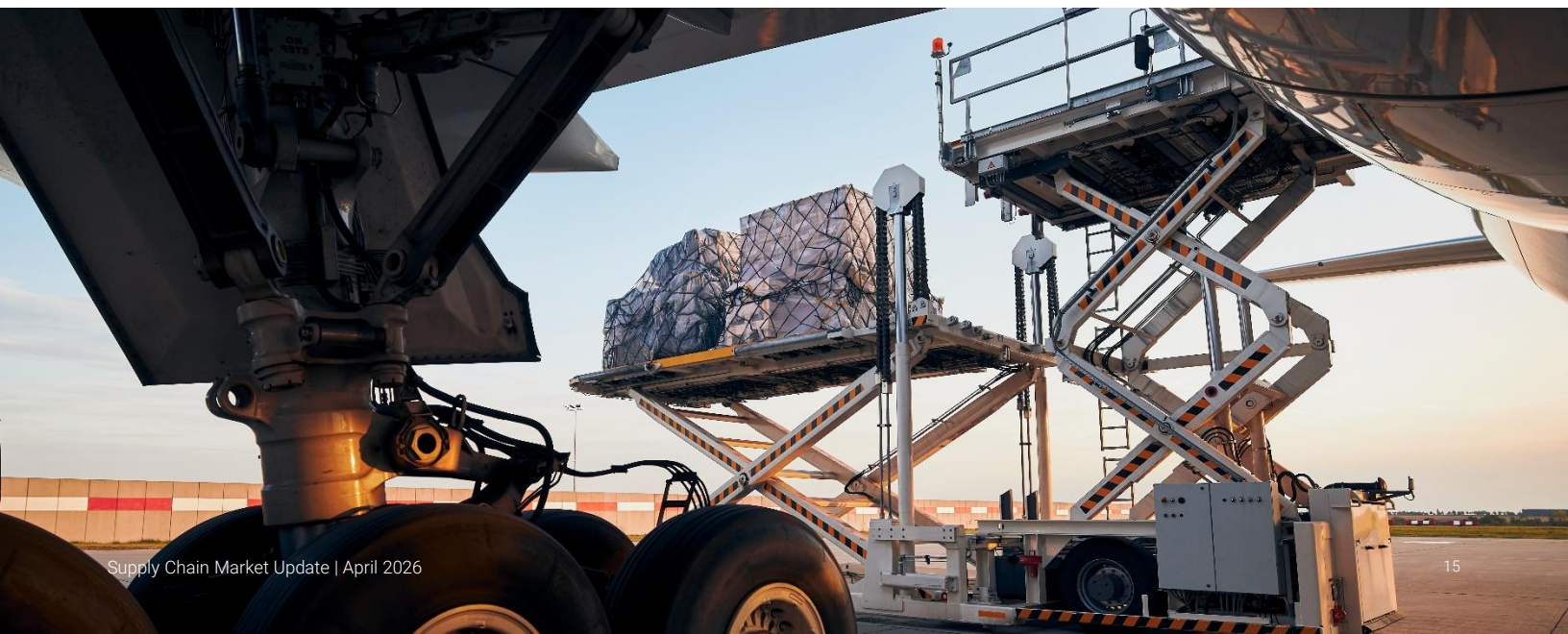
Sources: Dexory/Maersk; Digital Commerce 360; Supply Chain Dive; Geekplus PR Newswire; Dexory; Ocado Group; Symbotic IR; Locus Robotics

DEMAND VS. CAPACITY

European freight markets | Weakening ocean rates, rising road contract costs, and expanding parcel networks

OCEAN FREIGHT	TRUCKING	PARCEL
		
Year over year trend – Demand 		
Year over year trend – Capacity 		
<ul style="list-style-type: none">European ocean freight demand in April 2026 is slightly weaker YoY, with stable but subdued volumes, as soft manufacturing imports and near-shoring continue to offset otherwise steady trade flowsEuropean ocean freight capacity in April 2026 is higher YoY, supported by ongoing fleet growth, low vessel idling, and improved voyage efficiency from selective Suez routings, resulting in ample space across key Europe-bound trades	<ul style="list-style-type: none">European FTL rates surging, spot and contract rates have increased by +13% and +5%, respectivelyFuel cost shock driving rate pressure while EU governments responding with targeted relief (i.e. tax cuts and price caps)	<ul style="list-style-type: none">Major European postal groups are seeing steady parcel growth (low- to mid-single-digit volume and revenue gains at PostNL, La Poste/Geopost, DHL Germany, IDS/Royal Mail, and strong peak-season growth at Poczta Polska), which is helping offset ongoing structural mail decline

Source: DAT; Drewry; TAC database; Freightwaves; DHL; WOWL.io; Maritime News; Eurostat Railway Freight Transport Statistics; RailJournal; [RailFreight.com](https://www.railfreight.com); CER/ERFA; Transportenvironment.org; AlixPartners analysis



EUROPE OCEAN FREIGHT

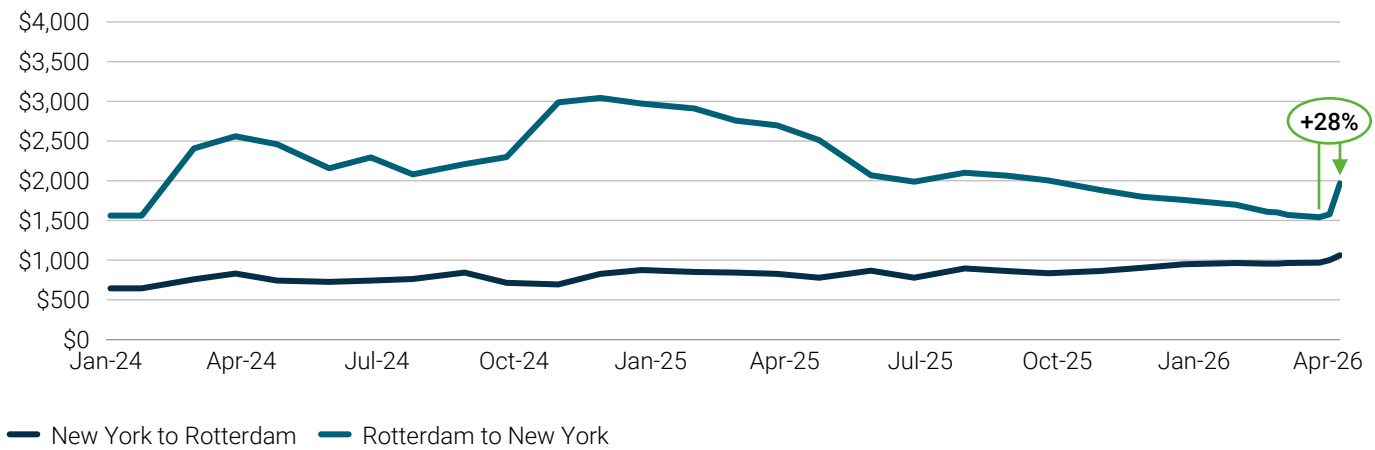
Spot rates for Asia-North Europe have fallen by 4% YOY, despite volatility since October 2025, driven by geopolitical uncertainty around the Suez Canal and structural oversupply

CENTRAL CHINA (SHANGHAI) AND USA (NEW YORK) TO EUROPE MONTHLY SHIPPING RATE FOR 40FT CONTAINER EVOLUTION (UNIT: \$)

Shanghai – Rotterdam (U.S.\$/40ft)



New York – Rotterdam (U.S.\$/40ft)



KEY TRENDS AND FACTS



- Asia-to-North Europe Spot Rates increased in April 2026: Spot rates from Asia to Northern Europe have increased in April 2026 by 10% in comparison to March 2026
- In April 2026, Asia-to-North Europe spot rates have continued to soften, with the Shanghai–Rotterdam rates declining further WoW. The downward pressure reflects persistent structural vessel oversupply, ongoing effective capacity additions from Cape of Good Hope re-routing, and subdued European import demand amid weak Eurozone manufacturing output
- On the Northern Europe–North America lane, spot rates rebounded sharply in April 2026 (increased by +28% WoW, in CW15), but this is carrier-engineered rather than demand-led – trans-Atlantic import demand remains structurally weak, held back by nearshoring trends and muted manufacturing flows

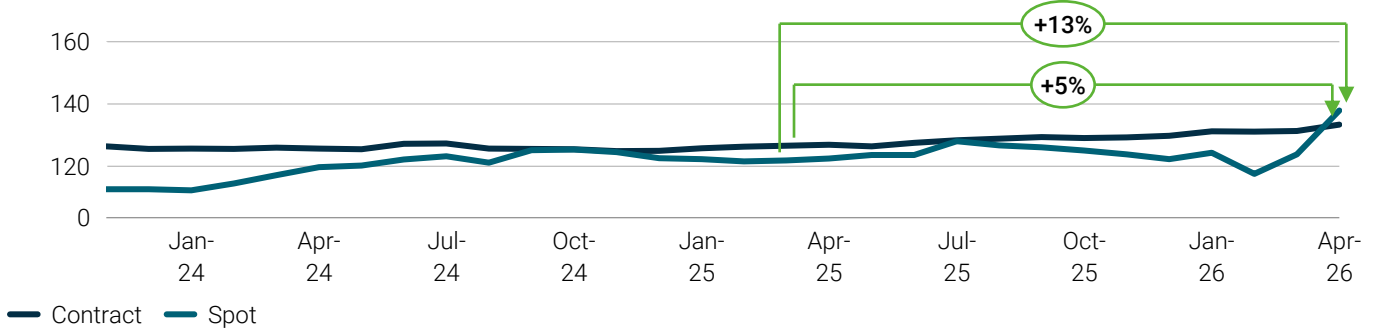
Source: Drewry Ocean report; Logistics Insider; DC Velocity; The Loadstar; Freightos; JOC; AlixPartners analysis, Phaata, Maritime News

EUROPE ROAD FREIGHT

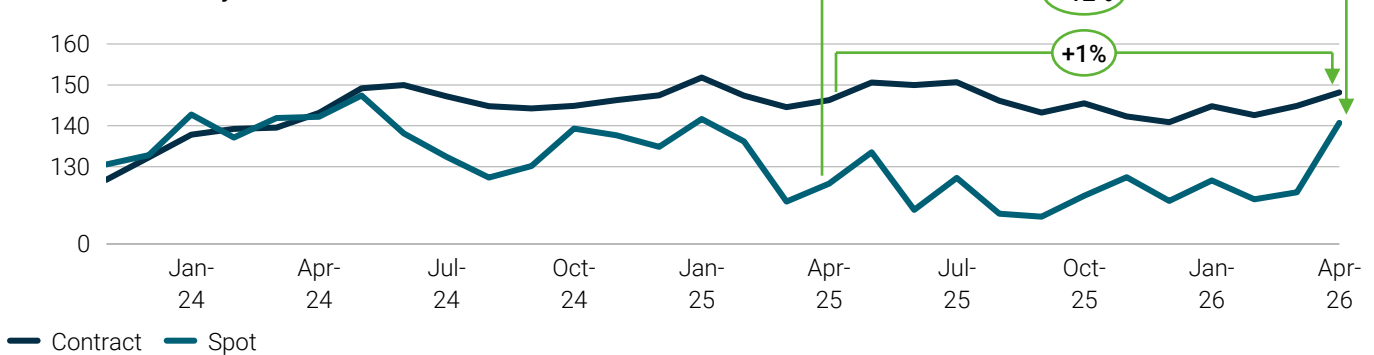
In Europe, YoY FTL spot and contract rates have increased (+13% and +5%, respectively). Several EU countries have implemented measures against current volatile markets

EUROPE FTL FREIGHT INDEX, INCL. FUEL (JAN-17 AS 100 BASE)

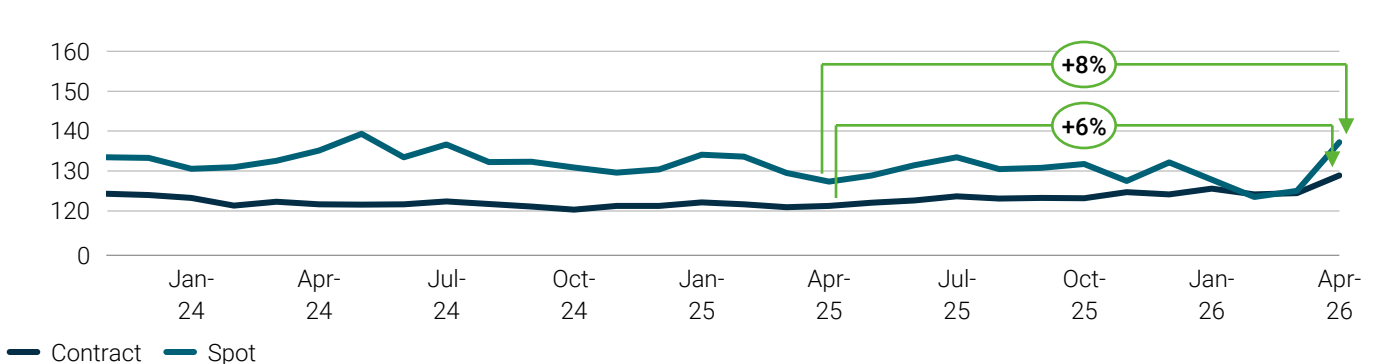
Overall Europe



Domestic Germany¹



Domestic France¹



+/- x% YoY index change

KEY TRENDS AND FACTS



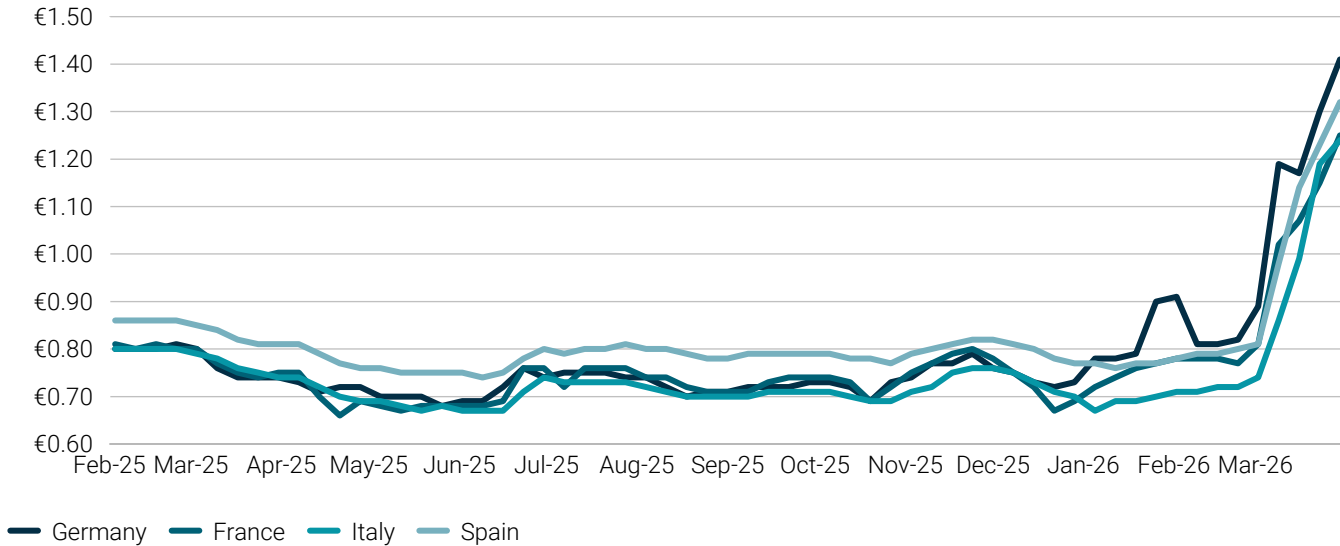
- In Europe, **FTL contract rates** show the expected **spike resulting from increased fuel rates** across the continent. After **spot rates** diverged from contract rates since Q3/25, they have surpassed the same again proving their characteristic of reacting quicker to shocks
- Also in **France**, spot rates overtook the traditionally lower contract rates, returning to the previous pattern
- Several **EU countries** have implemented **measures to reduce the impact of high diesel prices**, foremost either by reducing Diesel taxes (e.g., Germany, Spain, Portugal) or by implementing price caps (e.g., Hungary, Croatia, Slovakia)

1. These corridors were selected as representative examples with high freight volumes. Additional corridors are available. Source: Supply, Ti, IRU, Eurostat, AlixPartners analysis. Historic freight index values can still be subject to change

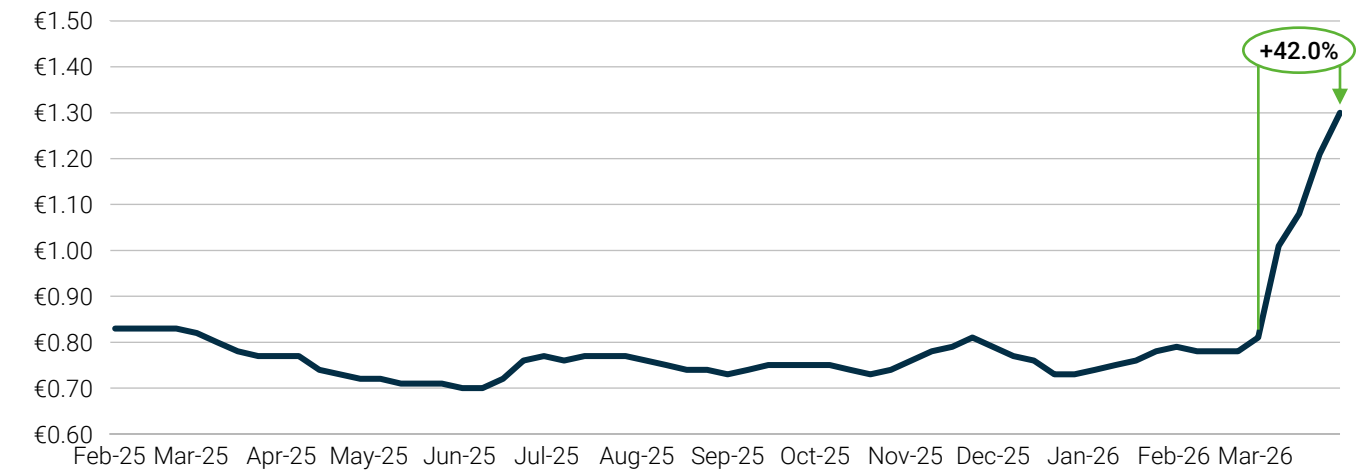
EUROPE ROAD FREIGHT

EU diesel prices rose ~42% M-o-M in Mar driven by ongoing conflict in Iran and blockade of Strait of Hormuz

EUROPEAN PRE-TAX DIESEL PRICE PER LITER BY COUNTRY (€)



EU AVERAGE PRE-TAX DIESEL PRICE (€)



KEY TRENDS AND FACTS



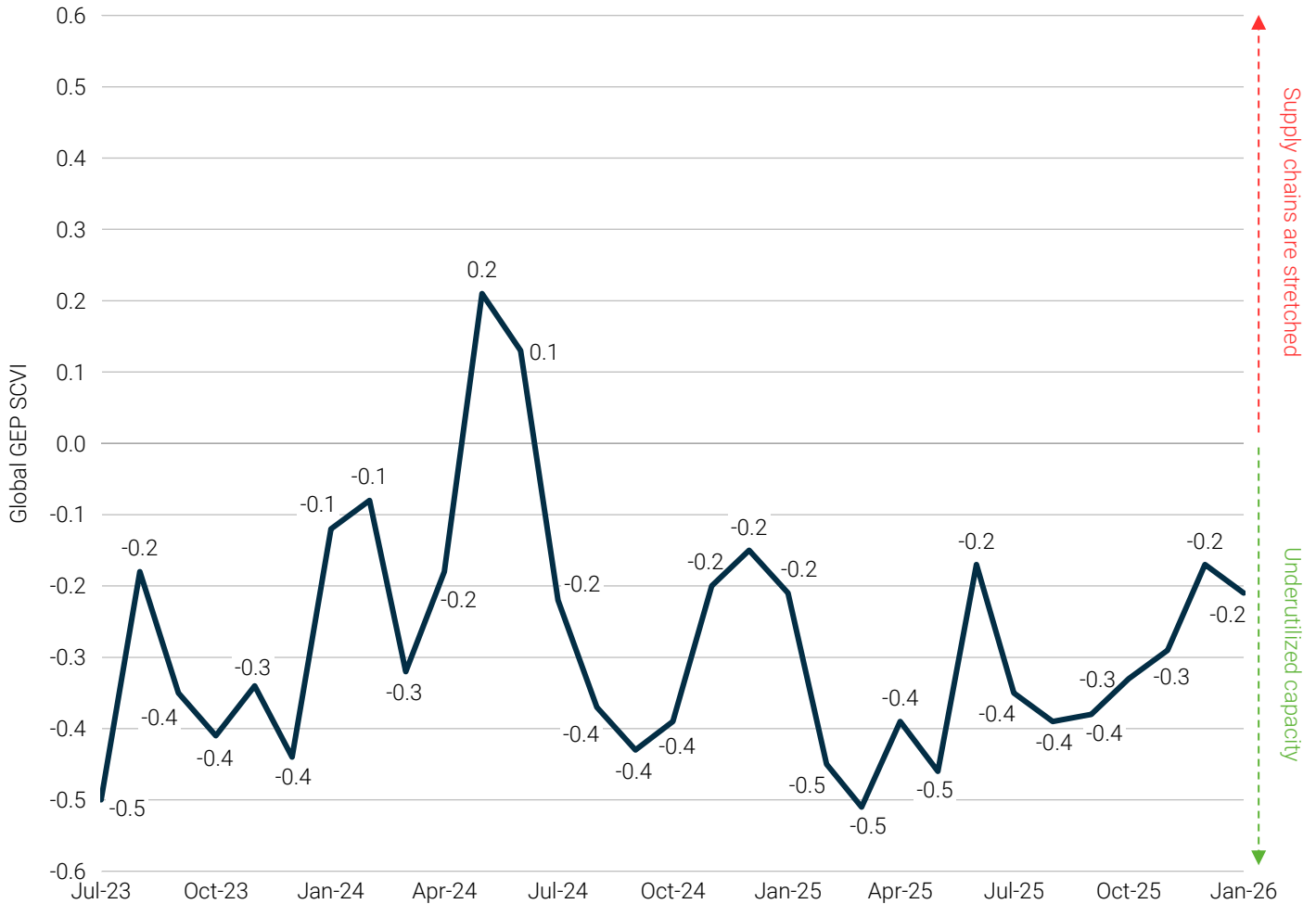
- **Iran conflict triggered a diesel price shock in March**; supply fears centered on the Strait of Hormuz, through which ~20% of global seaborne oil transits, hit EU particularly hard as it is a structural net importer of diesel
- Europe’s reliance on imported refined diesel caused **pump prices to rise faster than crude**, with European diesel futures trading ~\$40/barrel above crude – widest crack spread in over two years
- Nine EU member states, including Germany, France, Italy and the Netherlands, saw retail diesel prices exceed €2/L (post tax)
- Eastern European countries, including Hungary, Croatia and Slovenia, **capped diesel at €1.55/L or below**, while Serbia suspended fuel exports to protect domestic supply

Source: [European Commission](#); [Bloomberg](#); [AlJazeera](#); [Trans.Info](#); [IRU](#); [UKAgroConsult](#); [NPR](#); [AA](#); AlixPartners Analysis

GLOBAL SUPPLY CHAIN VOLATILITY INDEX

Global supply chain volatility index¹ at -0.21 in January 2026; North American and Asian supply chains operating at capacity; European supply chains still slightly underutilized

SUPPLY CHAIN VOLATILITY INDEX (GEP)



1. Global Supply Chain Volatility index last updated 11th of February 2026..

Note on definition: The GEP Global Supply Chain Volatility Index is produced by S&P Global and GEP. The GEP Global Supply Chain Volatility Index is derived from S&P Global's PMI™ surveys, sent to companies in over 40 countries, totalling around 27,000 companies. The headline figure is the GEP Global Supply Chain Volatility Index. This a weighted sum of six sub-indices derived from PMI data, PMI Comments Trackers and PMI Commodity Price & Supply Indicators compiled by S&P Global






KEY TRENDS AND FACTS



- Index at -0.21 – with very differing utilization levels by region:
 - **North America:** Operating at capacity (Index of 0.06)
 - **Asia:** Operating at capacity (Index of 0.12)
 - **Europe:** Still slightly underutilized but improving (Index of -0.53)

IMPORT TRENDS

China had been a go-to hub for U.S. manufacturers, but U.S./China relations and tariffs have been pushing trade towards other countries (Vietnam, India, Mexico, Canada gained most)

CATEGORIES	TOTAL U.S. IMPORTS			COUNTRY WISE CHANGES (2018 VS. LTM JAN 2026)				
	2018 (\$B)	LTM JAN 2026 (\$B)	CHANGE (%)	 CHINA	 VIETNAM	 INDIA	 MEXICO	 CANADA
				CHG. %	CHG. %	CHG. %	CHG. %	CHG. %
Apparel & Textiles	\$116	\$107	(7%) ▼	(56%) ▼	41% ▲	24% ▲	(3%) ▼	(27%) ▼
Automotive & Transportation Parts	\$340	\$363	7% ▲	(34%) ▼	263% ▲	(12%) ▼	30% ▲	(11%) ▼
Chemicals & Allied Industries	\$233	\$375	61% ▲	(10%) ▼	239% ▲	111% ▲	44% ▲	3% ▲
Computer & Electronics	\$363	\$497	37% ▲	(54%) ▼	446% ▲	1834% ▲	45% ▲	38% ▲
Food & Beverage	\$151	\$224	48% ▲	(37%) ▼	36% ▲	18% ▲	58% ▲	58% ▲
Footwear, Headgear & Others	\$32	\$32	(1%) ▼	(50%) ▼	65% ▲	16% ▲	74% ▲	(13%) ▼
Furniture	\$67	\$60	(10%) ▼	(66%) ▼	170% ▲	39% ▲	14% ▲	2% ▲
Leather Goods	\$15	\$14	(7%) ▼	(75%) ▼	51% ▲	35% ▲	26% ▲	10% ▲
Mechanical & Electricals	\$379	\$661	75% ▲	(64%) ▼	1903% ▲	124% ▲	143% ▲	26% ▲
Metals, Parts and Products	\$139	\$152	9% ▲	(38%) ▼	135% ▲	94% ▲	20% ▲	(1%) ▼
Misc. Goods & Manf. Products	\$476	\$546	15% ▲	(35%) ▼	499% ▲	(35%) ▼	20% ▲	35% ▲
Plastics & Rubber Products	\$86	\$102	18% ▲	(33%) ▼	452% ▲	99% ▲	60% ▲	5% ▲
Special Classification Provision	\$85	\$119	40% ▲	117% ▲	999% ▲	250% ▲	75% ▲	16% ▲
Temporary Legislation	\$18	\$31	69% ▲	153% ▲	686% ▲	94% ▲	17% ▲	5% ▲
Wood & Pulp Products	\$47	\$49	3% ▲	(52%) ▼	376% ▲	153% ▲	57% ▲	(6%) ▼
Total	\$2,548	\$3,332	31%	(49%)	299%	89%	55%	17%
	LTM Jan 2026 U.S. imports (\$B)			\$279	\$204	\$104	\$534	\$373

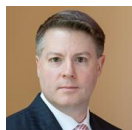
Key nearshoring trends:

- Over the past seven years (2018 to Last Twelve Months ending Jan 2026), overall imports into the US increased by 31%. However, imports from China decreased by 49% from \$543B to \$279B.
- Vietnam, India, Mexico and Canada** have been the biggest gainers.
 - Vietnam has seen 299% increase to reach \$204B; All categories have grown in imports from Vietnam.
 - Imports from Mexico increased by 55% to \$534B (which is now more than China); 'Mechanical & Electricals' have seen biggest increase in Mexico.
 - Imports from India have seen a consistent growth across all industries except 'Automotive & Transportation Parts' and 'Misc. Goods & Manf. Products', overall increase of 89% in imports into US to \$104B.
 - Imports from Canada have seen a steady growth across industries except for 'Apparel & Textile', 'Automotive & Transportation Parts', 'Footwear, Headgear & Others', 'Metals, Parts and Products' and 'Wood & Pulp Products'. Overall increase of 17% in imports into US to \$373B.



Mexico is now the biggest vendor base for U.S.-based corporation; Vietnam and India have seen the fastest growth since 2018

ALIXPARTNERS SUPPLY CHAIN EXPERTS – REACH OUT TO LEARN MORE



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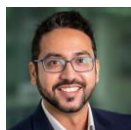
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