AlixPartners

SUPPLY CHAIN MARKET UPDATE

North America and Europe

February 2026

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

1

OCEAN FREIGHT RATES COLLAPSED PRE-LUNAR NEW YEAR AS ANTICIPATED DEMAND SURGE FAILED TO MATERIALIZE

- Asia-U.S. spot rates spiked into early January on carrier general rate increases and Lunar New Year positioning, but are now rolling over as expected demand failed to materialize—Shanghai-Los Angeles dropped 8%
- Carriers are reducing capacity to defend utilization with 107 blank sailings globally in February, but structural overcapacity will remain a challenge, with any Red Sea/Suez normalization adding back further capacity

2

WINTER STORMS DROVE TRUCKING RATE SPIKES IN JANUARY, BUT UNDERLYING WEAKNESS PERSISTS AS CAPACITY EXITS ACCELERATE

- Spot trucking rates in the U.S. jumped sharply following winter storms that drove a 40% week-over-week surge in load posts
- Despite temporary tightening in the sport market, contract rates remain mostly stable despite rising operating costs—insurance, wages, equipment—compressing carrier margins and driving ongoing consolidation and capacity exits

3

RAIL INTERMODAL DECLINED FOR FIFTH CONSECUTIVE MONTH, SIGNALING SUSTAINED SOFTNESS IN MARKET DEMAND

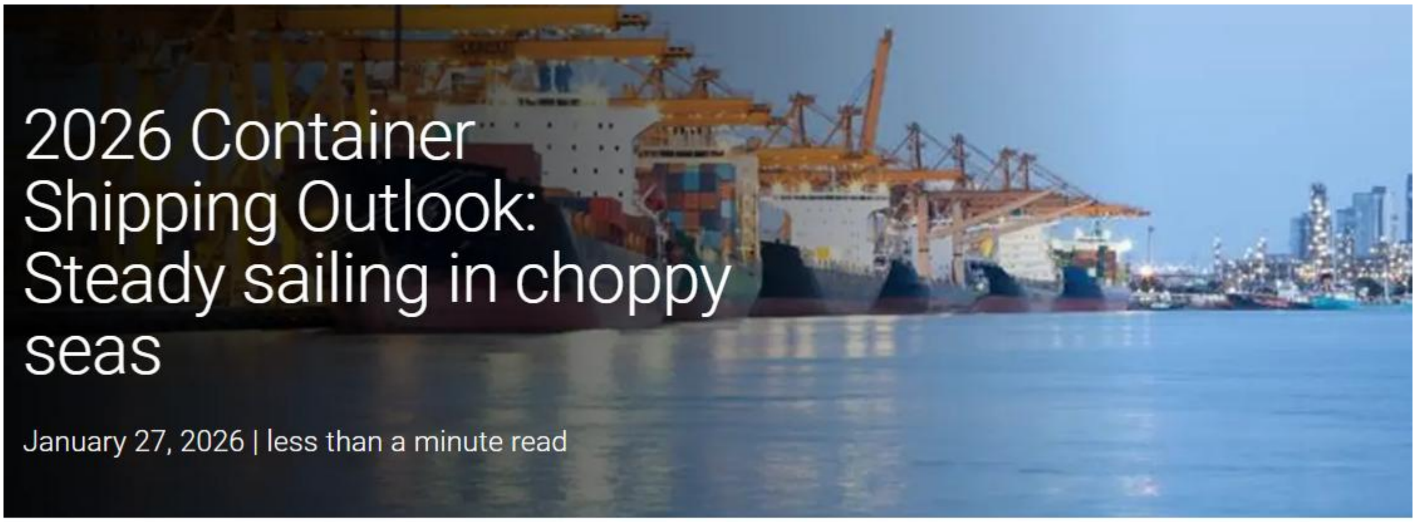
- Rail intermodal (container) volumes fell 3.4% year-over-year in January, marking the fifth consecutive monthly decline and reflecting continued weakness in consumer and manufactured goods demand
- Carloads showed selective strength led by grain (up 8.4%), coal (up 3.1%), and industrial commodities (up 3.4%), partially offsetting broader intermodal declines as the sector awaits the Union Pacific-Norfolk Southern merger filing

Source: Journal of Commerce, DAT, Drewry, Freightwaves, Association of American Railroads, FMCSA, AlixPartners analysis

FEATURED TOPIC

2026 Container Shipping Outlook

ACCESS THIS ARTICLE FOR MORE DETAILS [HERE]



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There's one thing container shipping operators are sure of: disruption is good for business. And the 2020s have given us some truly dire disruptions: a blocked canal, a global pandemic, armed conflicts on land and sea, bitter trade disputes, and we could go on. In the wake of the upheaval has come a volatile business environment, elevated rates, and record earnings.

Today the turmoil shows signs of subsiding. The potential reopening of the Red Sea to shipping activity, the vast amounts of new tonnage coming online in the next several years, and the easing of the U.S.-China trade tensions all suggest that rates could be poised for a bruising plunge in 2026.

The carriers' hard-won profitability and financial stability are in jeopardy. Recognizing the threat, most of the major liners, including the 15 companies in our sample, have embarked on ambitious cost savings programs. And they are readying even more stringent measures should conditions warrant them.

CONTENT SUMMARY

- **Disruption-driven profits are fading:** After years of extreme disruptions (pandemic, canal blockages, Red Sea conflict) that drove elevated freight rates and record earnings, market turbulence is easing, signaling a tougher operating environment ahead for container carriers
- **Rates face downward pressure in 2026:** The potential reopening of the Red Sea, easing U.S.–China trade tensions, and a large wave of new vessel capacity coming online suggest freight rates could decline sharply in 2026
- **Profitability is at risk despite recent strength:** Carriers' financial stability—built during the high-rate years—is now under threat as supply growth outpaces demand and pricing power weakens
- **Cost discipline becomes critical:** Major liners are already implementing ambitious cost-reduction programs and preparing additional measures to protect margins if market conditions deteriorate further

TARIFF MARKET UPDATE

What happened with Supreme Court ruling | Reciprocal and fentanyl tariffs have been struck down by the Supreme Court ruling while section 301 & 232 tariffs are not impacted

TYPES OF TARIFFS

SEC 301 TARIFFS

- Tariffs against China imposed in 2018 as anti-dumping measures
- Mandated by Trade Act of 1974 to counter unfair foreign trade practices
- **Law passed by Congress**

SEC 232 TARIFFS

- Sector-specific tariffs to protect U.S. national security
- Explicitly authorized by Trade Act of 1962; Commerce-led investigation
- **Law passed by Congress**

Not subject to Supreme Court (SCOTUS) ruling

RECIPROCAL TARIFFS

- Universal tariffs levied to balance trade deficit
- Imposed under International Emergency Economic Powers Act (IEEPA)
- **No congressional approval**

IEEPA TARIFFS (FENTANYL)

- Tariffs imposed under IEEPA by citing fentanyl/opioid supply chain as national emergency
- Imposed on China, Canada, and Mexico
- **Not approved by congress**

Struck down by Supreme Court (SCOTUS) ruling

TARIFF MARKET UPDATE

Impact of recent ruling | How does the recent ruling impact tariffs on key categories and country partners

	BEFORE FEB 20 SUPREME COURT RULING		AFTER FEB 20 SUPREME COURT RULING	
AUTOMOTIVE	**25%**	**Sec 232 Tariffs** Not impacted by SCOTUS ruling	**25%**	**Sec 232 Tariffs** Mandated by Trade Act of 1962
STEEL/ALUMINUM	**50%**	**Sec 232 Tariffs** Not impacted by SCOTUS ruling	**50%**	**Sec 232 Tariffs** Mandated by Trade Act of 1962
PHARMACEUTICALS	**200%** (Pending)	Investigation in progress	**200%** (Pending)	Investigation in progress
COPPER	**50%**	**Sec 232 Tariffs** Not impacted by SCOTUS ruling	**50%**	**Sec 232 Tariffs** Mandated by Trade Act of 1962
CHINA	**20%**	**IEEPA + 7.5 to 25% (Sec 301 Tariffs)** IEEPA impacted by SCOTUS ruling	**7.5-25%** (Sec 301 Tariffs)	**New 15% tariff announced under Section 122**
IEEPA TARIFFS (FENTANYL)	**10%**	**Universal IEEPA tariff barring MX, CAN, and Sec 232 categories** IEEPA impacted by SCOTUS ruling	**0%**	**New 15% tariff announced under Section 122**
RECIPROCAL TARIFFS	**25%**	**Country specific tariff** IEEPA impacted by SCOTUS ruling	**0%**	**New 15% tariff announced under Section 122**

Key considerations | Takeaways from the Supreme Cout ruling to keep in mind for U.S. corporations before they plan next steps

TARIFF REFUNDS

Supreme Court ruling **does not clarify** on whether or how the refunds will be provided

IEEPA TARIFFS

STOP

Reciprocal and Fentanyl tariffs are no longer in effect and inbound U.S. shipments will be immediately exempt from these tariffs

TRADE DEALS

Supreme Court **ruling does not clarify on whether trade deals** finalized on the back of voided IEEPA tariffs with foreign nations including China, India, Japan etc. are still in effect

POTENTIAL NEW TARIFFS

President Trump indicated **15% universal tariff under Sec 122** (trade act of 1974), which will be potentially replaced by revised Sec 232 and 301 within 150 days

FREIGHT COSTS

Structural overcapacity and tariff-driven trade shifts define the 2026 freight outlook, with capacity rationalization and sourcing reconfiguration emerging as critical priorities

	OCEAN FREIGHT	AIR FREIGHT	TRUCKING	PARCEL	WAREHOUSING
Recent cost trend	↗	→	→	→	→
Short-term forecast	→	↘	→	→	→

WHAT IS MOST IMPORTANT TO KNOW?

Structural overcapacity will continue to pressure ocean and air freight rates through 2026

- Ocean spot rates face persistent downside as fleet growth outpaces demand, with carriers relying on blank sailings to defend utilization amid weak fundamentals
- Global air freight demand forecasts suggest low single-digit growth for 2026, with weakening e-commerce signals (China exports down 9% YoY for first time since 2022) clouding the horizon
- Any normalization of Red Sea/Suez routings would add effective capacity back into the market, further reinforcing rate pressure

Domestic freight capacity is gradually tightening, but not enough to drive sustained rate recovery

- Trucking capacity continues to exit through carrier bankruptcies and consolidation, but the pace remains insufficient to meaningfully rebalance supply and demand
- Contract rates are flat to declining despite tactical spot rate spikes, as rising operating costs and weak freight demand compress margins
- Rail intermodal remains under pressure with five consecutive months of declines, though selective commodity strength (grain, coal, industrial products) provides partial offset

WHAT ACTIONS CAN WE TAKE?

Strategically review the network and proactively plan with agility in mind

- Shippers should take advantage of this period of available capacity to address strategic initiatives
- Build and strengthen key internal capabilities alongside strategic external carrier and logistics provider relationships to be prepared for the next growth cycle and future uncertainty

Review tariff impacts and corresponding inbound freight plans

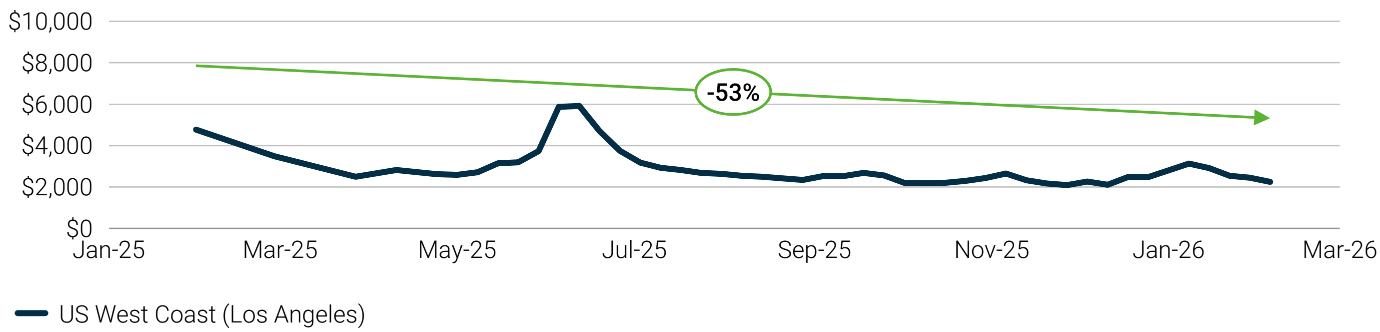
- Evaluate impacts and develop mitigation strategies, both short and mid-term, to optimize for trade policy changes
- AlixPartners Global Trade Optimizer (GTO) can help accelerate these analyses on tariff and inbound freight impacts. We see this being extremely useful in this type of environment

Source: AlixPartners analysis

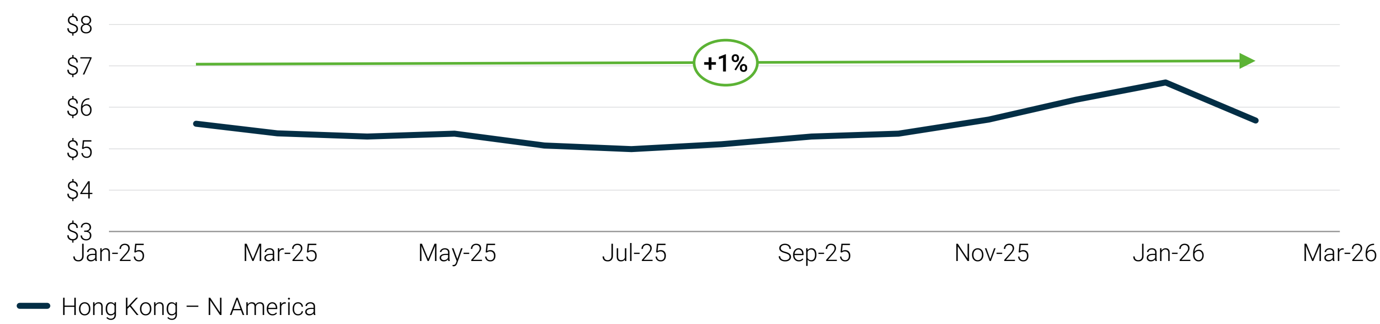
FREIGHT TRENDS

Asia – U.S. West coast spot rates continue to slide since January; Domestic trucking spiked, as winter storms created delays and tightened capacity

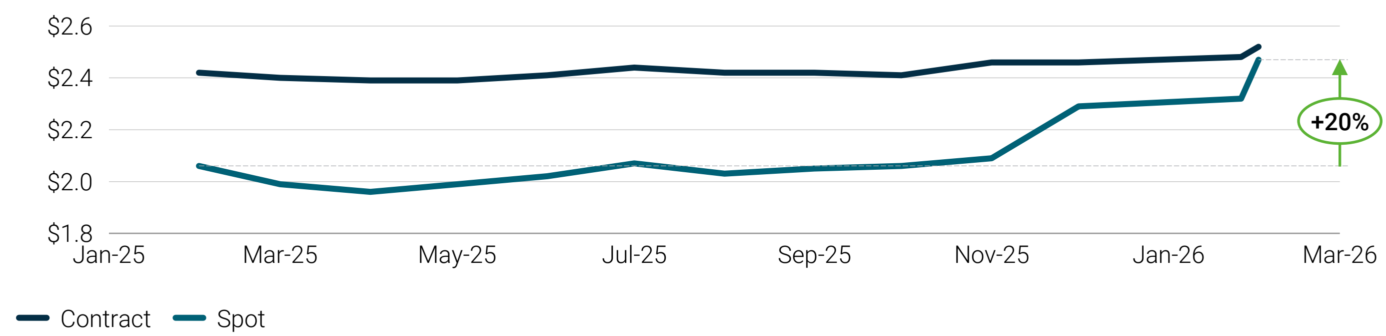
OCEAN FREIGHT – SHANGHAI TO U.S. – ($/40FT)



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



TRUCKING: DRY VAN – ($/MILE)



KEY TRENDS AND FACTS

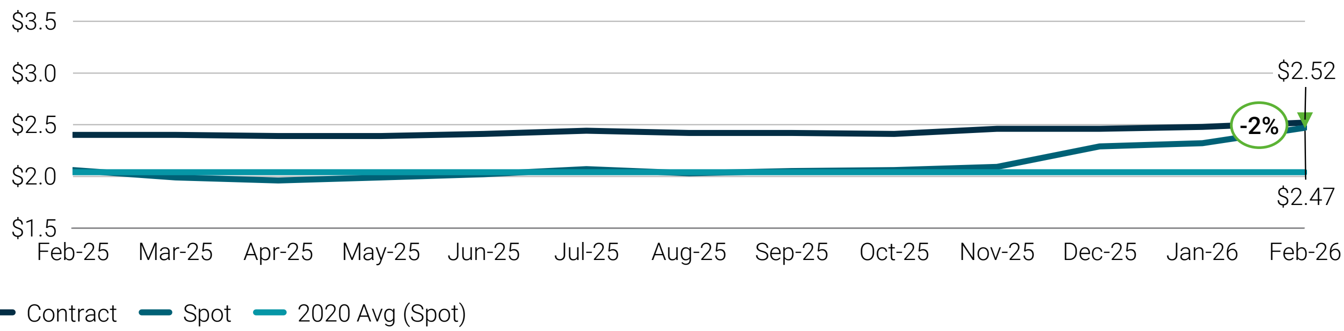
- Ocean spot rates to major U.S. destinations have declined notably, Shanghai to Los Angeles dropping 8% to $2,239 per 40ft container
- Air freight rates remained relatively flat YoY as e-commerce air freight demand originating from China shows year-over-year declines for first time since 2022
- Trucking spot rates continue to increase following the holiday season, as snowstorms across the U.S. caused a surge in load posts and tightened capacity – it remains to be seen how much of this increase will “stick” in the market

Source: DAT, Drewry, TAC database, AlixPartners analysis

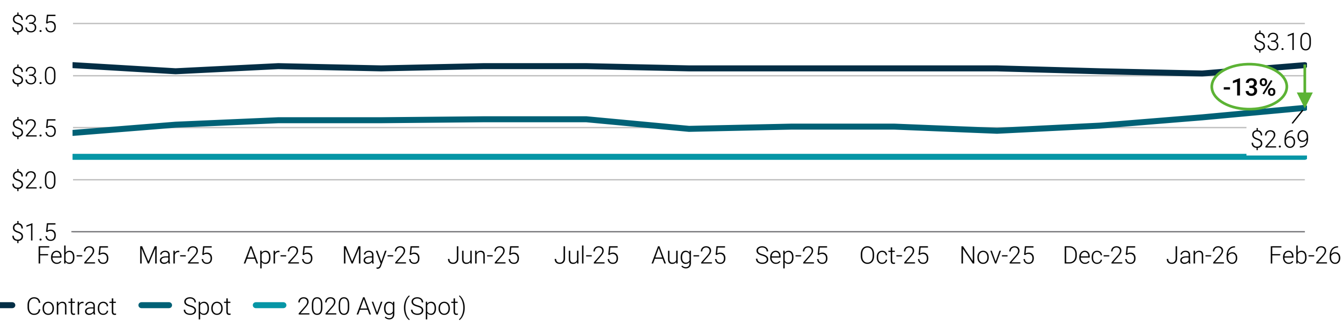
TRUCKING FREIGHT

The uptick in spot rates continued in January as demand spiked post winter storms across the U.S.; contract rates remained relatively flat

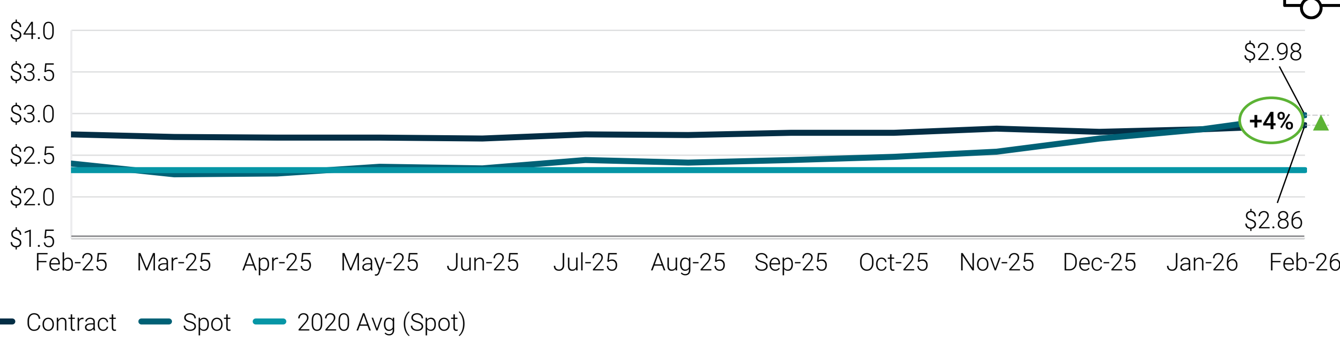
DRY VAN – U.S. DOMESTIC FREIGHT RATES, INCL. FUEL (UNIT:$ PER MILE)



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

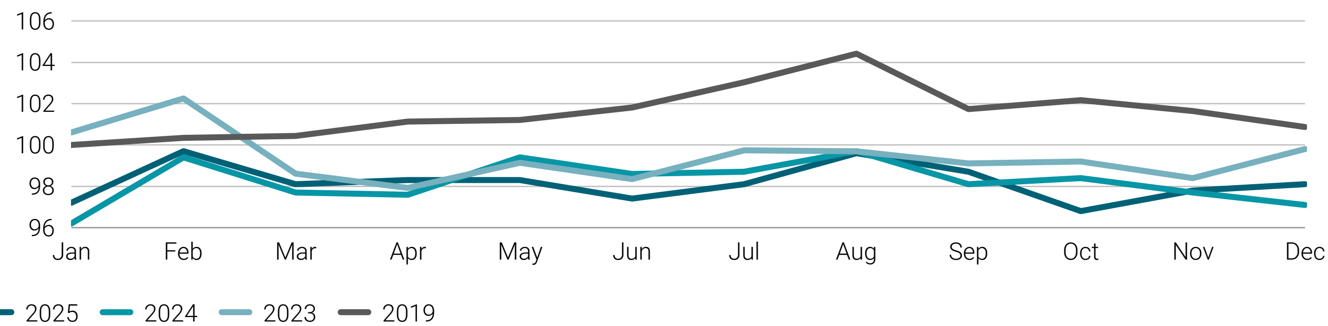
- Gap between contract between and spot rates continues to shrink across all equipment types as spot rates increase significantly and contract rates relatively flat – note, reefer spot rates have not exceeded the contract rates
- Spot rates spiked, particularly for dry vans and reefers, following the snowstorm that drove a week-over-week increase of 40% in spot market load posts (JoC).
- Federal Motor Carrier Safety Administration (FMCSA) suspended hours of service regulations in response to winter storms towards the end of January (Freight Waves).

Source: DAT, Freight Waves, AlixPartners analysis

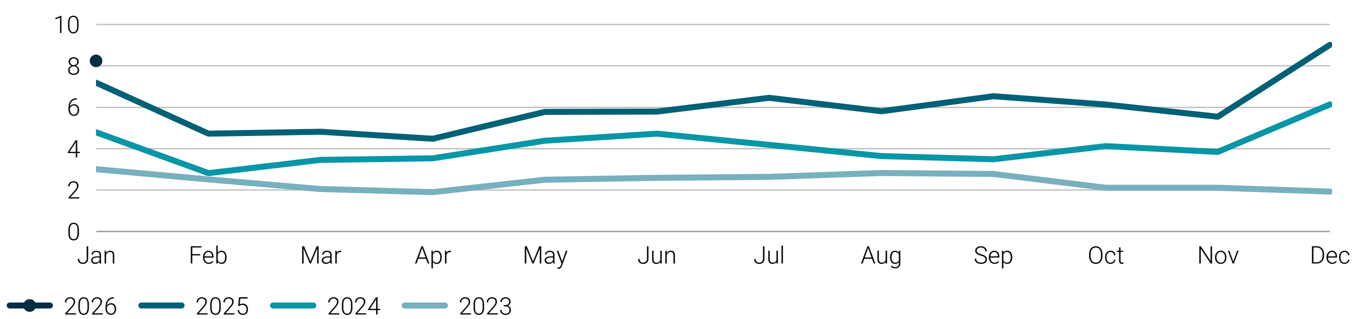
TRUCKING FREIGHT

Truckload market has not yet recovered, but capacity has begun to shrink amidst tighter capacity and regulatory pressures

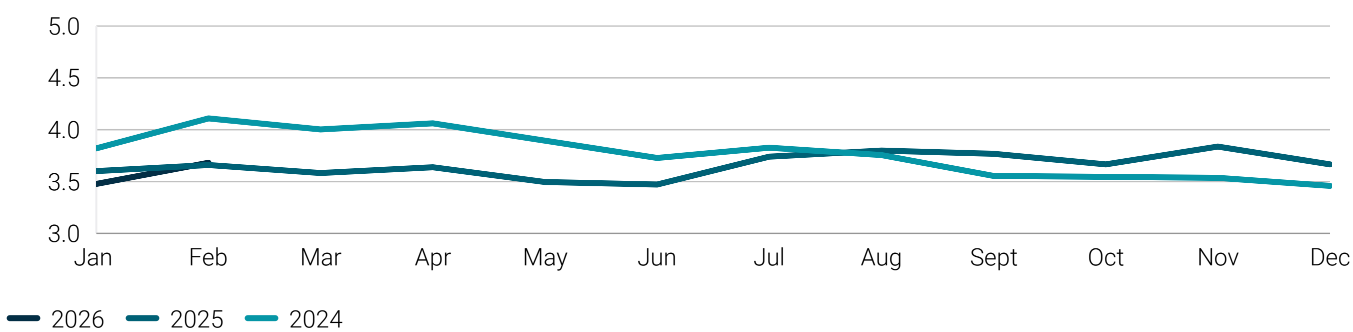
TRUCK DEMAND – TONNAGE, YEAR OVER YEAR, INDEX (100)=JAN 2019



VAN LOAD-TO-TRUCK RATIO – YEAR OVER YEAR



DIESEL – $ PER GALLON



KEY TRENDS AND FACTS

- Commercial truck orders increased in January along with minor improvement in the market (Freight Waves)
- Another carrier – Quickway – has declared bankruptcy after struggling amidst high operational costs and soft demand (Transport Topics).
- DoT has temporarily stopped issuing CDLs to certain non-citizens and non-permanent residents, contributing to reduced capacity and regulatory uncertainty in the truckload market (Freight Waves).

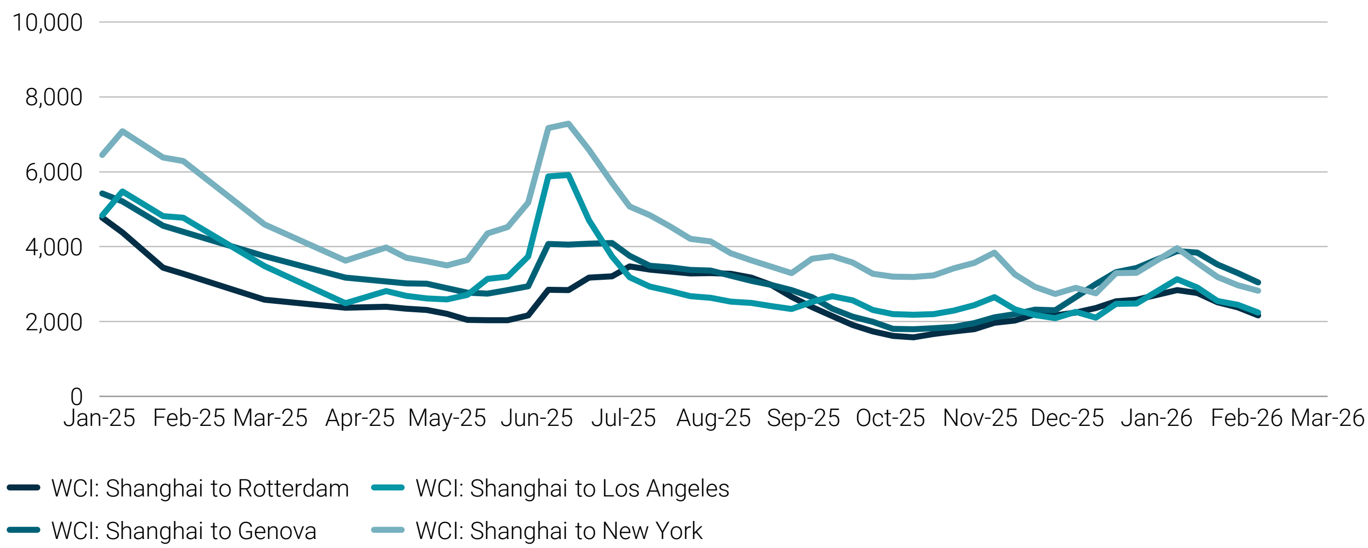
Source: DAT, Freight Waves, FRED, AlixPartners analysis

OCEAN FREIGHT

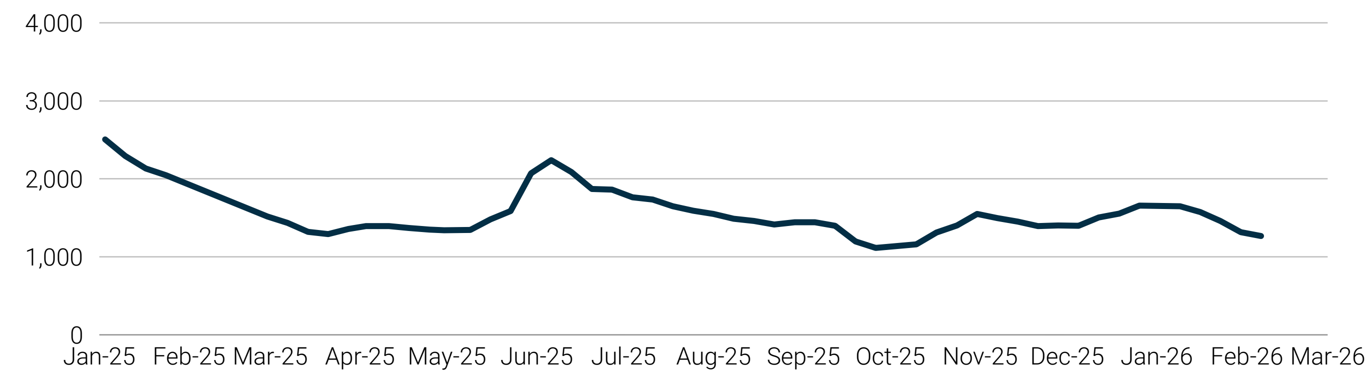
Asia–U.S. spot rates are falling into February as January's bump unwinds on softer demand and ample capacity, despite carriers using blank sailings to limit the slide

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

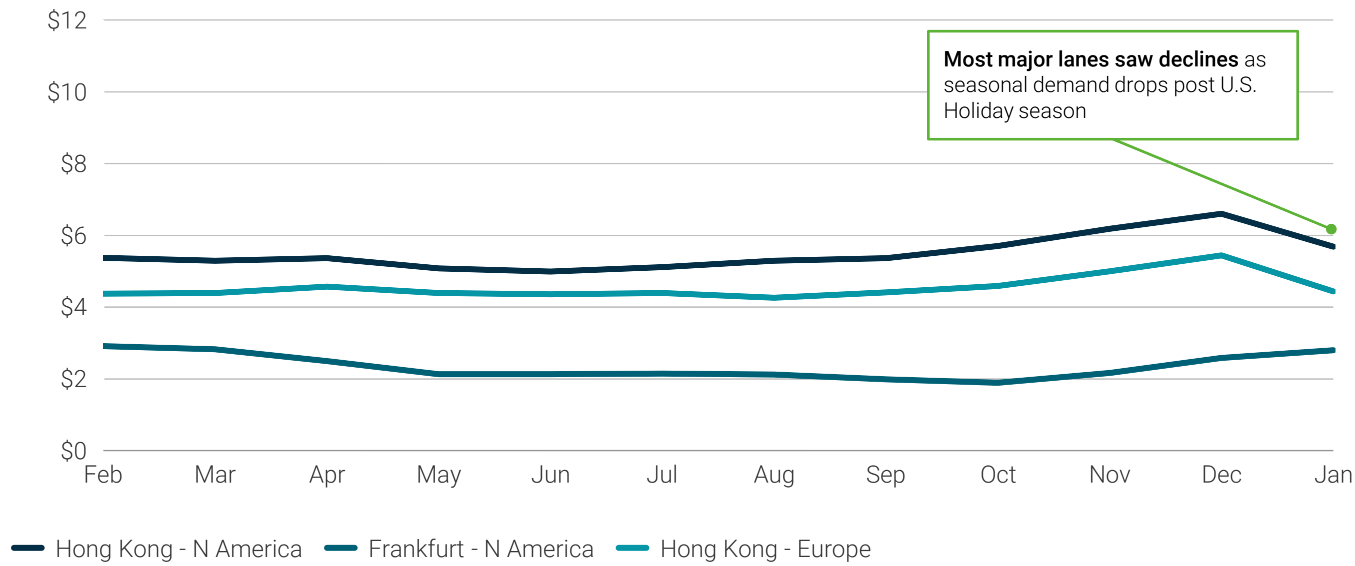
- Asia–U.S. spot rates are trending down into February as the usual pre–Lunar New Year "mini-peak" didn't show up, so January's rate pop is now unwinding amid softer bookings and carriers walking back GRIs (Freightos)
- The rate decline is being reinforced by a capacity–demand mismatch, with carriers expected to increase blank sailings to stabilize the transpacific as export volumes dip around the holiday period (Xeneta)
- Looking beyond Asia, a major reason the global spot market has downside risk is the structural supply story: carriers are openly warning that fleet overcapacity (and any normalization of Red Sea/Suez routings that frees up effective capacity) will keep pressure on rates (Reuters)

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

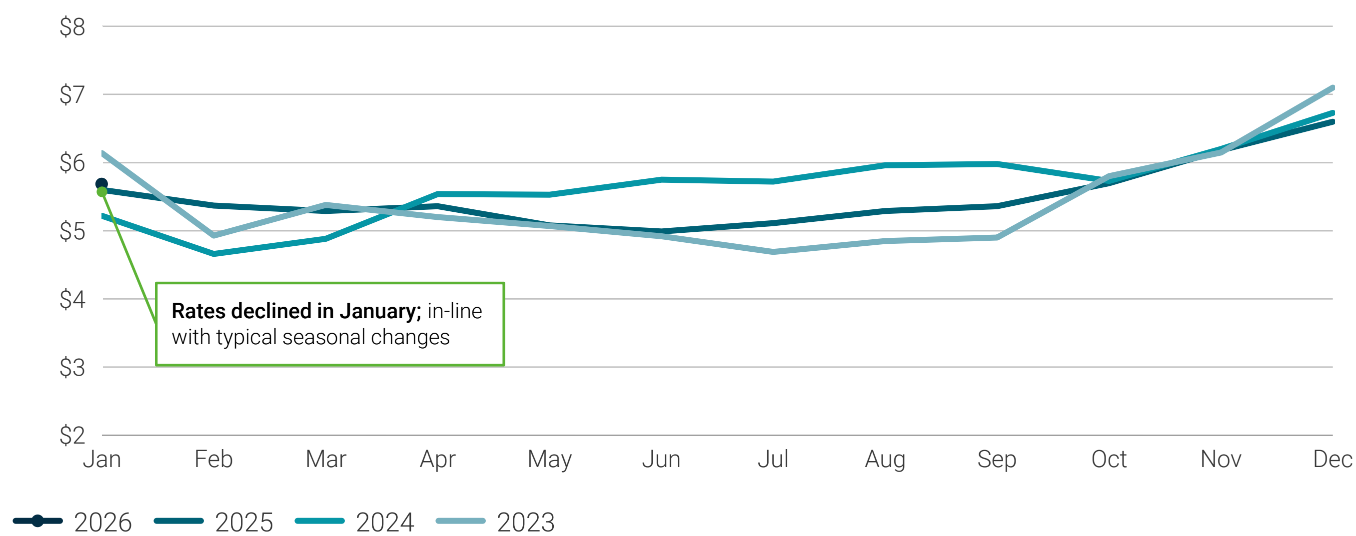
AIR FREIGHT

Global air freight average spot rate decreased moderately to $2.56/kg; down 1% YoY

KEY INTERNATIONAL ROUTES (UNIT:$ PER KG)



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



KEY TRENDS AND FACTS

- Cross boarder e-commerce growth in China declined YoY by 9%; the first decline since 2022 and a potential indicator for the broader air freight market in 2026 (Xeneta)
- EU – U.S. rates continued a rebound, however this is likely due to temporary demand as companies raced to bring in materials before the potential tariff increases, resulted in a week over week jump of 16% in freight volumes and higher prices (Xeneta)
- Air-freight rates are set in local currencies while index rates are quoted in USD per kg which results in index flotations due to both currency changes and market changes; the USD index is currently down 11% YoY

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

RAIL FREIGHT

U.S. rail intermodal volume declined 3.5% in January for the 5th consecutive YoY decline. Carloads rose 4.4% driven by grain, coal and other industrial-related products.

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

Commodity	Change	Commodity	Change
INTERMODAL	-3.5%	COAL	4.7%
PRIMARY FOREST PRODUCTS	-10.8%	MOTOR VEHICLES AND PARTS	-7.5%
PRIMARY METAL PRODUCTS	-2.5%	CHEMICALS	2.4%
GRAIN MILL PRODUCTS	-0.5%	GRAIN	17.0%
PETROLEUM AND PRODUCTS	3.1%	CRUSHED STONE, SAND AND GRAVEL	9.9%

Source: Association of American Railroads

KEY TRENDS AND FACTS

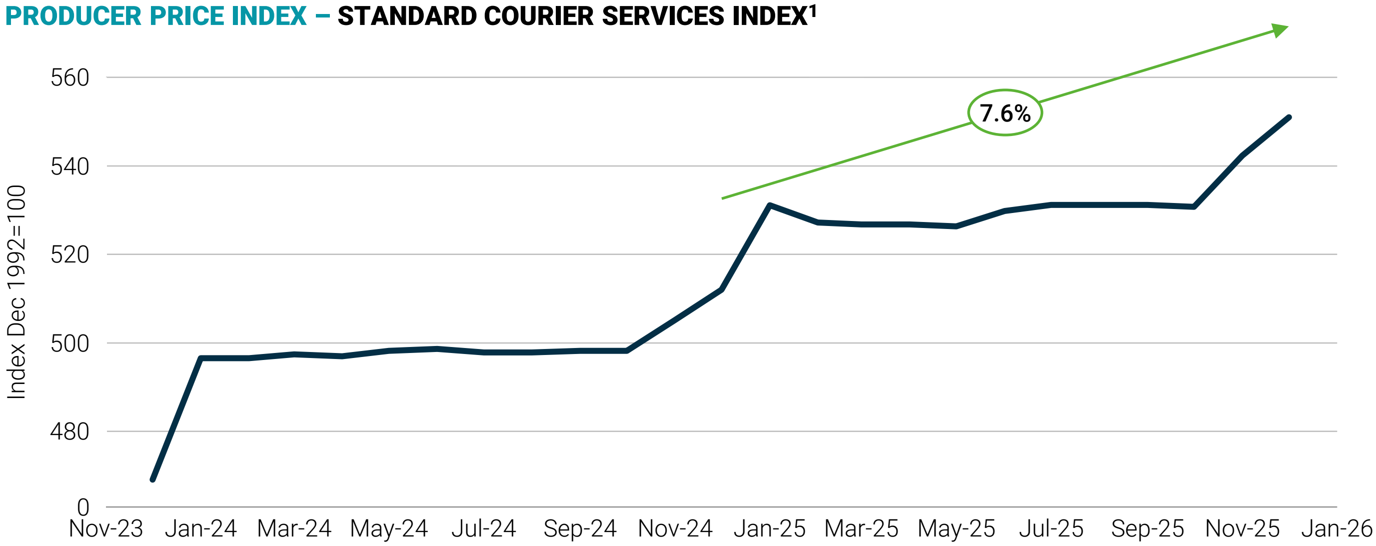
- The Surface Transportation Board (STB) rejected the UP and NS's merger application as they reported it was missing key pieces – full market impact analysis, forward looking projections showing how the combined railroad would compete, and details on the $2.5B breakup fee. UP has announced plans to file revised merger plan by March, but it's expected that the overall merger timeline review to extend.
- Intermodal spot rates haven't kept pace with trucking's spot market surge — but shippers should prepare for intermodal rate increases in 2026. FreightWaves reports domestic intermodal spot rates (excluding fuel) sit at $1.39 per mile, down from $1.48 per mile a year ago, a decline of 5% — basically the same levels of where intermodal spot rates were during the COVID shutdowns in March 2020.

Note: Carloads are traffic classified into 20 major commodity categories. Rail intermodal units are shipping containers and t ruck trailers moved on railcars
Source: AAR, STB, JOC, Reuters

USA PARCEL

UPS reported a strong Q4 2025, beating analysts' estimates, and is forecasting a return to revenue growth in 2026 on their shift to higher-value shipments

PRODUCER PRICE INDEX – STANDARD COURIER SERVICES INDEX[1]



1. Measures the average change over time in the selling prices received by domestic producers for their output. For e.g.: If a 1kg package average parcel selling price in U.S. was $5 in Dec 1992, today it is about 5*530/100=$26.50

UPS FINANCIAL RESULTS Q4 FY2025 (ADJUSTED, NON-GAAP)

METRIC	UPS Q4 FY25	UPS Q4 FY24
Revenue	$24.8B	$25.3B
Operating income	$2.6B	$2.9B
Net income	$1.8B	$1.7B
Adjusted Diluted EPS	$2.38	$2.75
Strategic Focus	Network optimization to enable future growth	

1. Adjustments include pension adjustments, asset impairment charges, and strategy costs
Source: UPS

KEY TRENDS AND FACTS

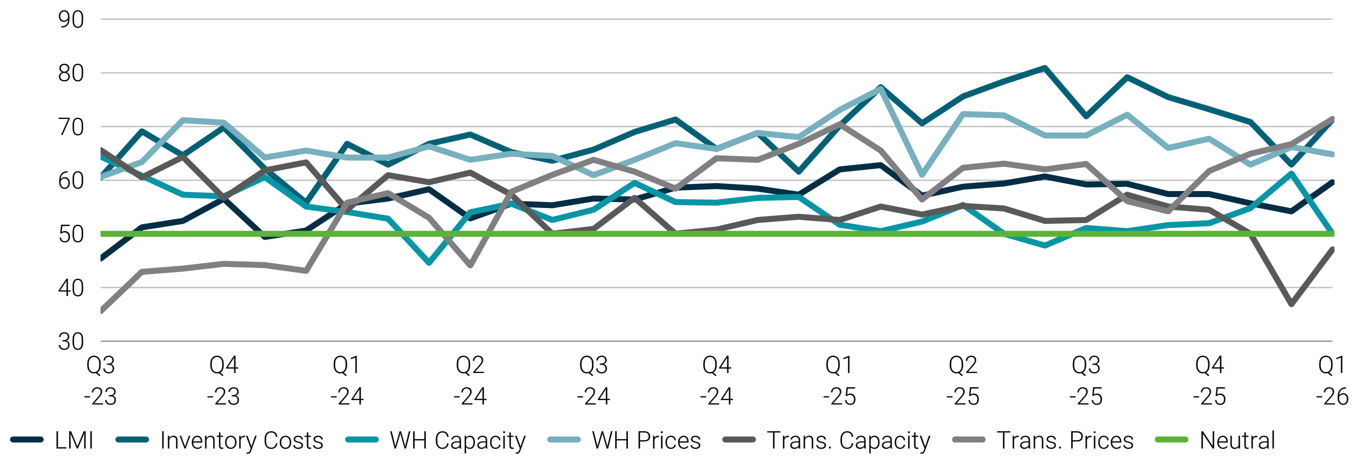
- UPS reported an adjusted profit of $2.38 per share for Q4 2025, above analyst estimates of $2.20
- Revenue of $24.5 billion, above estimates of $24 billion
- As part of the Amazon unwind, UPS will cut an additional 30,000 jobs on top of the 48,000 cut in 2025
- Revenue per piece in the U.S. grew 8.3% YoY
- UPS Digital (including Roadie and Happy Returns) grew revenue 24% YoY
- Targeting an additional $3B in savings in 2026 related to the Amazon unwind

Sources: Breau of Labor Statistics; CNBC; UPS

WAREHOUSING TRENDS

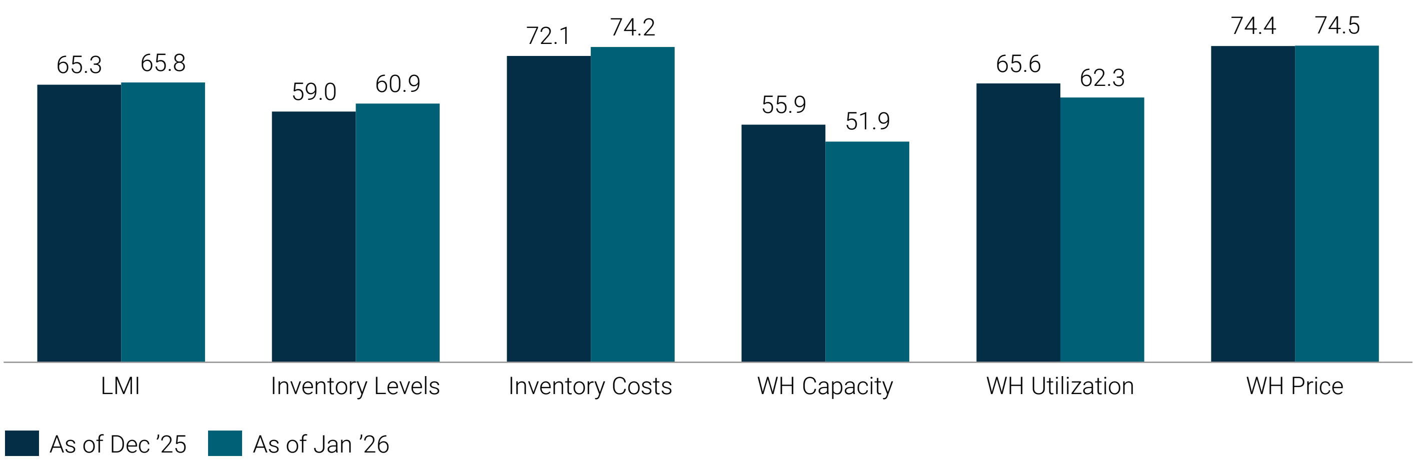
Logistics Manager's Index in January rose to 59.6 (+5.4) from December, with greatest changes in inventory levels and warehousing utilization

FLUCTUATION OF LMI INDICES



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

LMI SURVEY – NEXT 12-MONTH PREDICTION[1]



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

KEY TRENDS AND FACTS

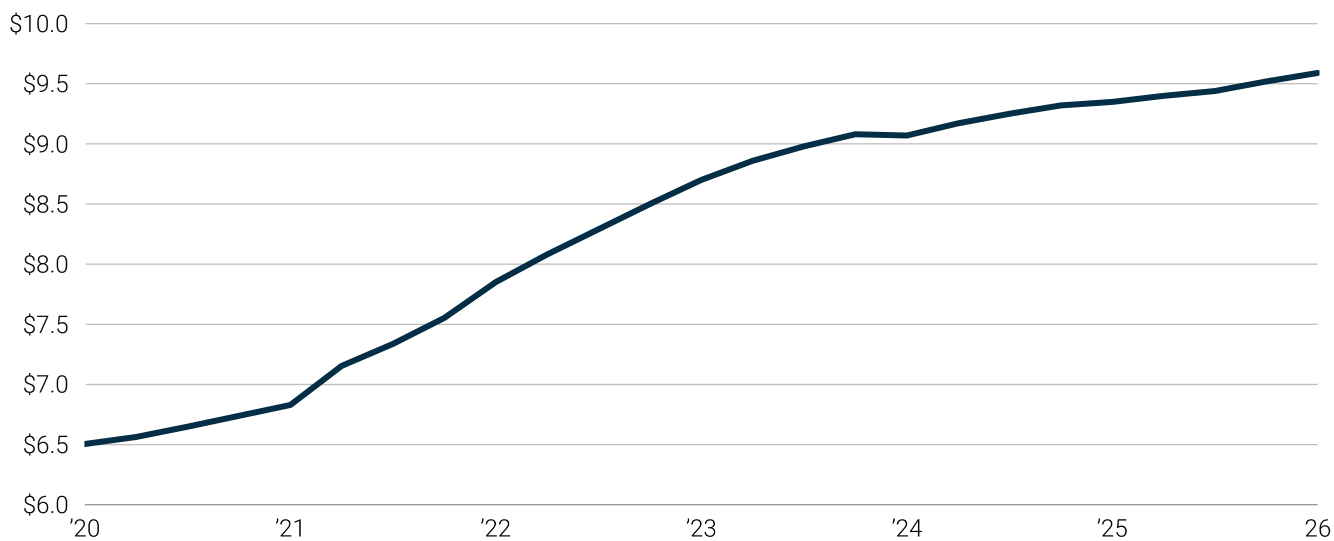
- Overall Logistics Managers' Index January reading came in at 59.6 (+5.4), the fastest rate of expansion since May 2025. The largest shifts were in Inventory Levels (+18.8), Warehousing Utilization (+11.6), and Inventory Costs (+8.4) (LMI)
- Inventory Levels rebounded from historic contraction at 35.1 to mild expansion at 53.9 (+18.8), the lowest January restocking in index history. This drove Warehousing Utilization back into expansion at 54.4 (+11.6) while available Warehousing Capacity dropped to no movement at 50.0 (-11.2) (LMI)
- Transportation Capacity contraction slowed significantly to 47.1 (+10.2) while prices surged 4.8 points to 71.4, the highest reading since April 2022, indicating a continued "carrier market"(LMI)

Source: Logistics Managers' Index, AlixPartners analysis

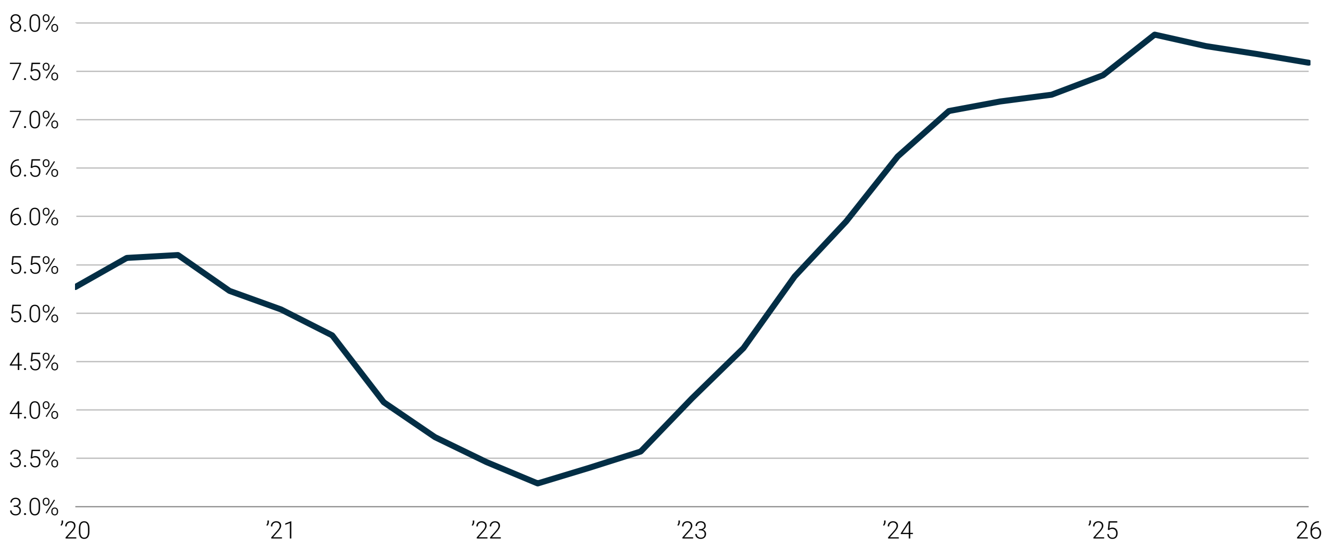
WAREHOUSING TRENDS

Stable vacancy, sustained leasing activity, and moderating new supply signal a healthier, more balanced industrial market

NATIONAL AVERAGE MARKET RENT/SQ FT ($)



NATIONAL AVERAGE VACANCY RATE (%)



KEY TRENDS AND FACTS

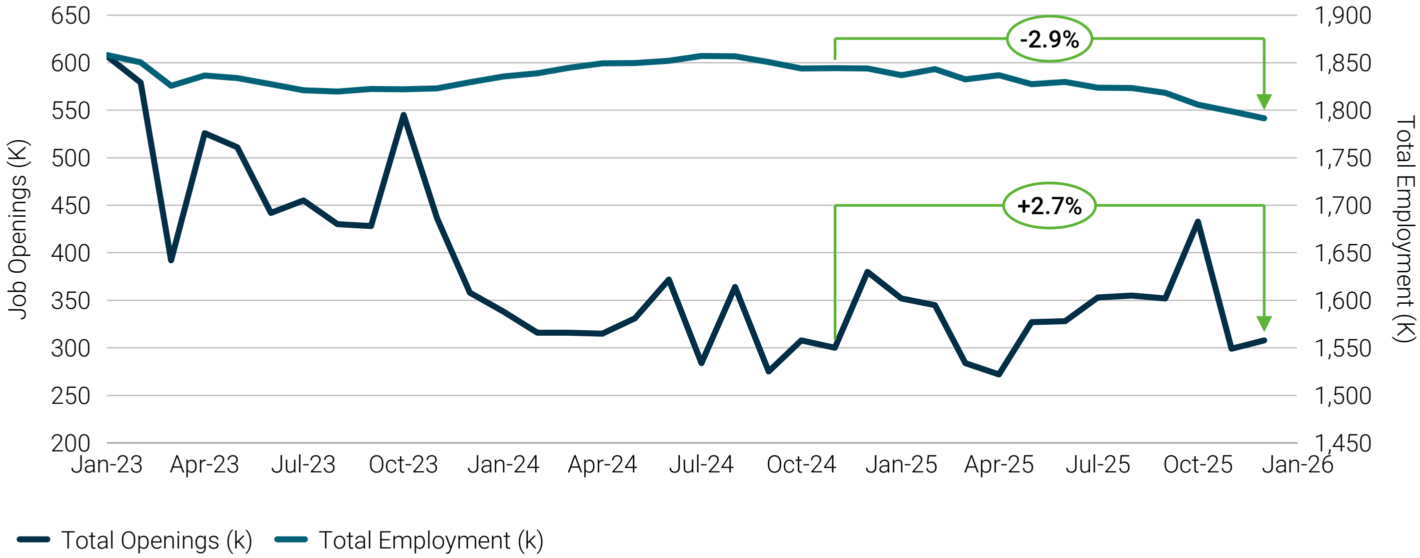
- **Quarterly rents rose** gradually to an estimated $9.59 per square foot in Q1 2026 while **vacancy rates** dropped slightly to ~7.6%
- Developers delivered approximately 281 million square feet in 2025—a 35% drop from 2024 and the lowest annual total since 2017—illustrating the ongoing downward trend into 2026 (Cushman and Wakefield)
- 3PLs Take the Lead in 2025's Top 100 Industrial Leases as More Big Companies Outsource Their Logistics Operations. 3PLs accounted for 44 of the top 100 leases in 2025, up 57% from 28 leases in 2024 (CBRE)

Source: AlixPartners & Mohr Partners, Freight Waves, CNBC, AlixPartners analysis

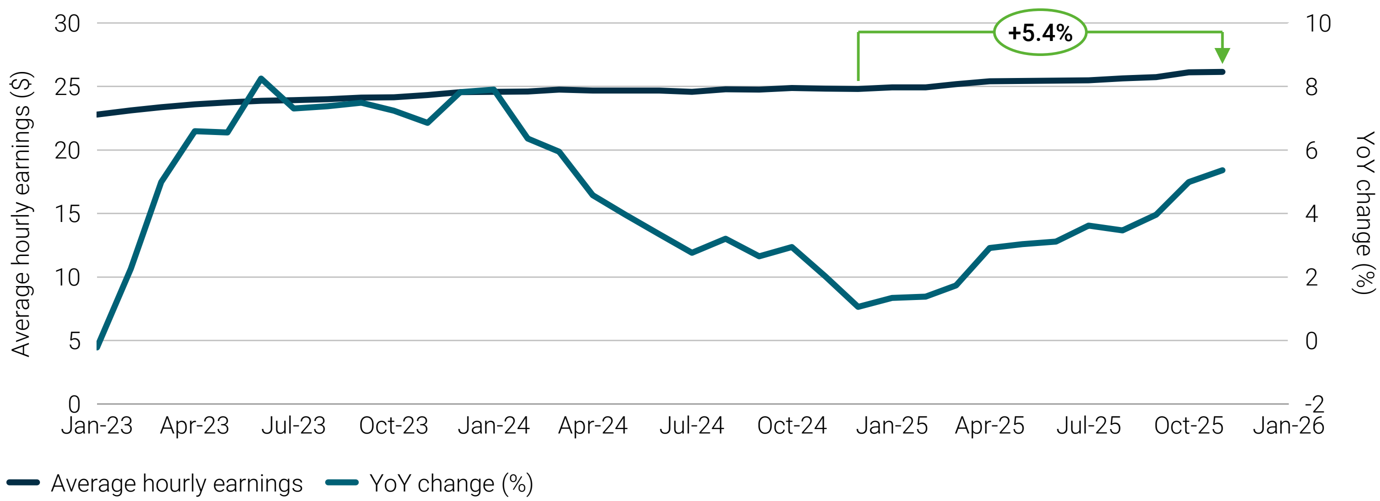
LABOR

Job Openings rose 3.0% MoM in December but fell 18.9% YoY, Total Employment dropped 0.4% MoM, while Average Hourly Earnings rose 5.4% YoY

JOB OPENINGS AND TOTAL EMPLOYMENT[1]



AVERAGE HOURLY EARNINGS[1]



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

- Transportation, warehousing, and utilities saw the sector's highest separations (+110k) and layoffs (+103k) in December, driving employment down 2.8% YoY to 1.79M despite job openings rising 3.0% MoM. JOLTS fell 18.9% YoY to 308k (BLS)
- FedEx deployed Berkshire Grey's Scoop system for automated trailer unloading, a critical bottleneck in warehouse logistics (MMH)
- Locus Robotics, Radial surpass 25-million pick milestone driven by 300 LocusBots (Robotics 24/7)
- Weak freight demand triggers facility closures, job cuts across supply chain (Freightwaves)

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

EUROPEAN MARKET

European freight markets show divergent dynamics: ocean rates declining while road freight contract rates increase, uncoupled from spot rates

OCEAN FREIGHT

Year over year trend – Demand

Year over year trend – Capacity

- In Jan'26, European ocean freight demand appears soft but stable, with ample vessel capacity, generally lower pricing, and only moderate shipment activity, as carriers navigate an oversupplied market, ongoing routing shifts, and lingering congestion factors in parts of Northern Europe compared to the same period last year
- European ocean capacity is up YOY, driven by an expanded global fleet, very low vessel idling, and continued oversupply, resulting in abundant available capacity across key Asia–Europe and intra-European trades

TRUCKING

- Demand signals show signs of recovery, with foreseen EU GDP growth of +1.4%
- Capacity is structurally tight due to driver shortages and elevated cost levels (e.g., tolls)
- Spot and contract rates diverge, with shippers currently still being better off with purchasing their cargo space on the spot market

RAIL

- New intermodal rail services launched between Spain-Portugal and Germany-Slovakia to support nearshoring trends, while severe winter weather disrupted operations
- European rail freight volumes continue structural decline across all performance indicators, with only marginal growth in Sweden, Slovakia, and Portugal

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

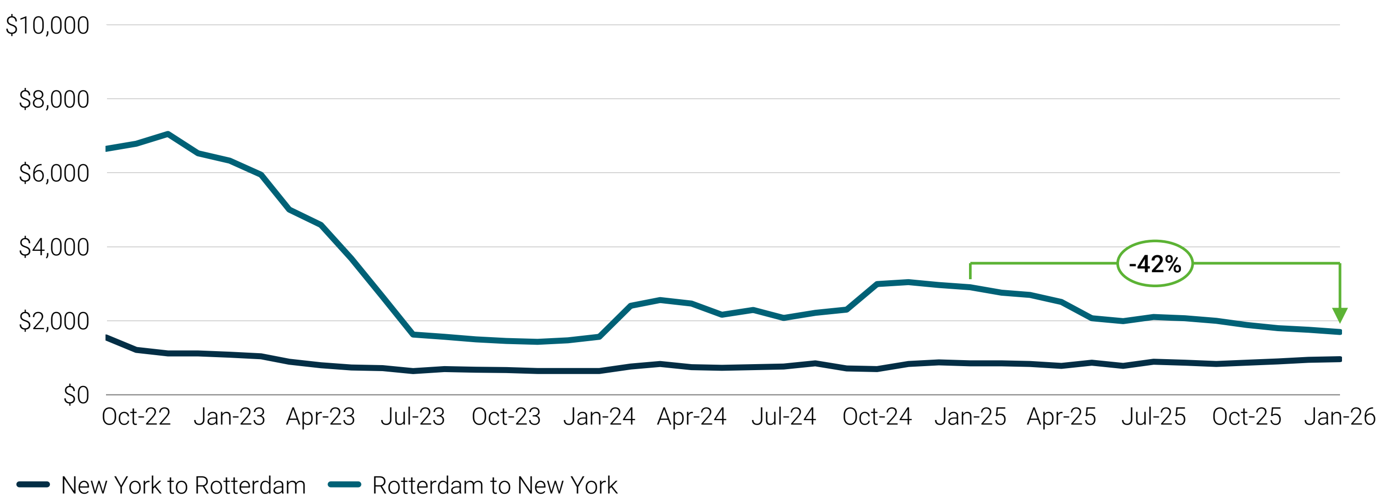
EUROPE OCEAN FREIGHT

Spot rates for Asia–North Europe have fallen by 27% YoY, despite the increase since Nov’25 driven by carriers’ aggressive rate increases and blank sailings

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)



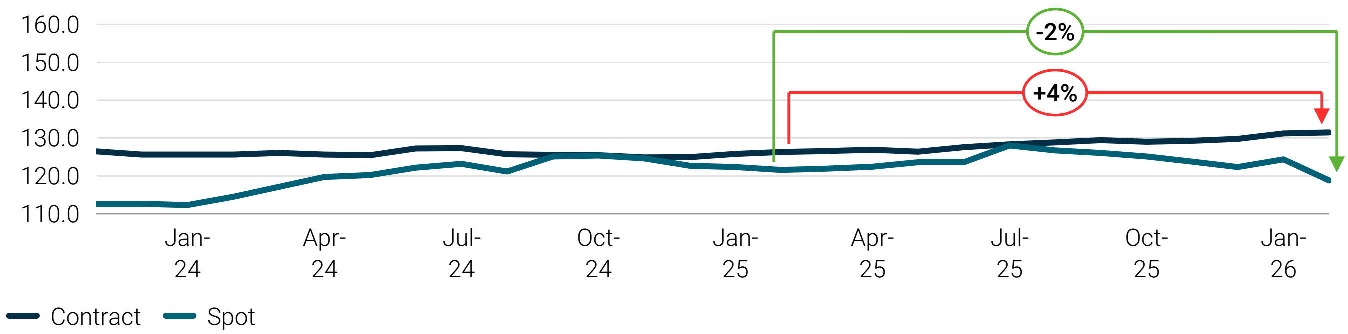
KEY TRENDS AND FACTS

- Asia-to-North Europe Spot Rates increased in Jan’26: Spot rates from Asia to Northern Europe have increased in Jan’26 by 11% in comparison to Dec’25
- In Jan’26 Asia-to-North Europe Spot Rates rose mainly driven by seasonal pre–Lunar New Year demand combined with the delayed implementation of General Rate Increases (GRIs) and continued blank sailings that tightened effective capacity
- Spot rates from Northern Europe to North America in Jan’26 fell by 43% compared to Jan’25, though they are still 9% higher than their lowest point in Jan’24

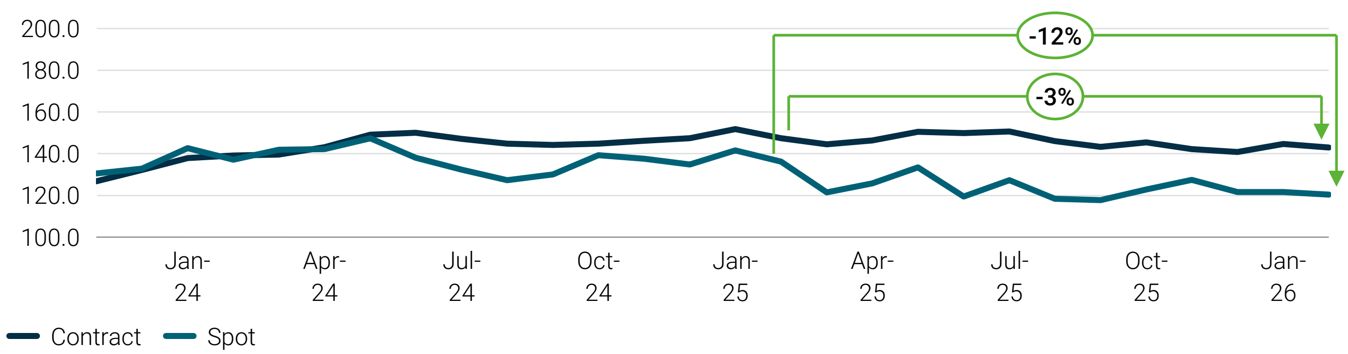
EUROPE ROAD FREIGHT

On the European FTL market, contract rates are rising and diverging from softer spot rates. Higher cost for carriers foresee elevated contract rates going forward

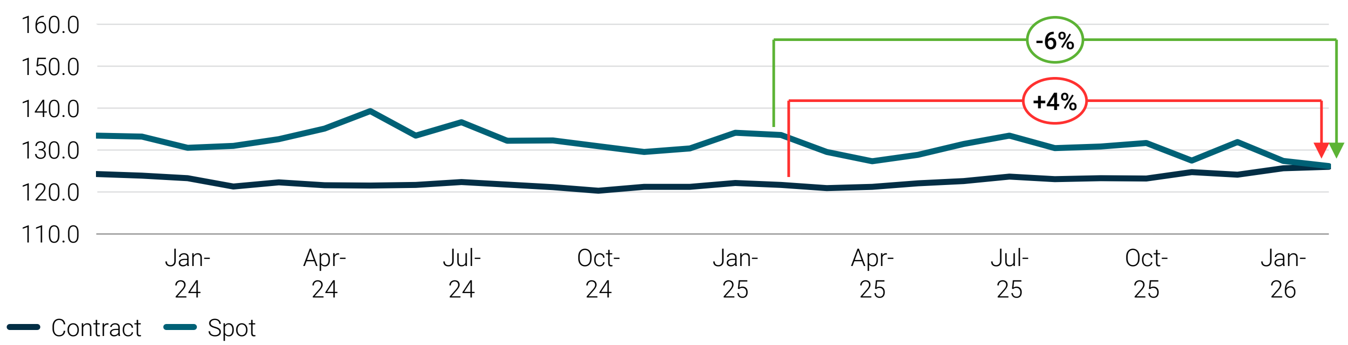
OVERALL EUROPE – EUROPE FTL FREIGHT INDEX, INCL. FUEL (JAN-17 AS 100 BASE) (UPPLY)



DOMESTIC GERMANY[1] – EUROPE FTL FREIGHT INDEX, INCL. FUEL (JAN-17 AS 100 BASE) (UPPLY)



DOMESTIC FRANCE[1] – EUROPE FTL FREIGHT INDEX, INCL. FUEL (JAN-17 AS 100 BASE) (UPPLY)



KEY TRENDS AND FACTS

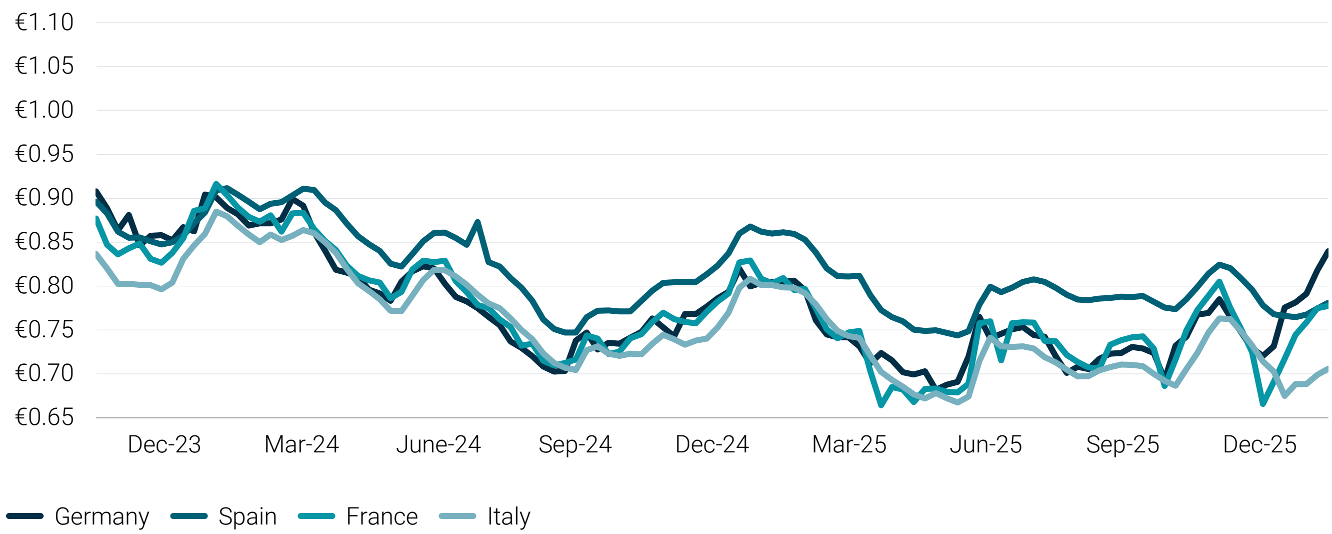
- In Europe, **FTL contract rates** remain **elevated** while **spot rates** saw **considerable declines** during the first weeks of 2026. In France, for a long time the traditionally strong contract rates have been even with spot rates
- In line with our previous report, **rate increases are expected** due to **(1) higher demand** (foreseen 2026 EU GDP growth of +1,4%) while **(2) carriers' cost remain elevated**: with rising driver shortages (latest preliminary results show that Eastern Europe countries have highest share of unfilled positions in 2025), a change of methodology in tolls in both the Netherlands and Poland leads to higher cost for less environmentally friendly trucks – which are currently still used by a considerable number of carriers

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

EUROPE ROAD FREIGHT

Diesel prices inched higher in Jan due to higher crude prices and impact from Russian sanctions

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



EU AVERAGE PRE-TAX DIESEL PRICE (€)

KEY TRENDS AND FACTS

- Pre-tax diesel prices **rose across major European markets** due to a **rebound in crude oil**; Brent rose from $61 per barrel during early Jan to ~$70 by month-end, lifting diesel input costs
- European **diesel margins and futures strengthened** as **sanctions** on products refined from **Russian crude tightened supply** and a cold snap in the U.S. boosted heating and diesel demand, pushing European prices higher

Source: European Commission; Insights Global; Argus Media; AlixPartners Analysis

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)

				COUNTRY WISE CHANGES (2018 VS. LTM NOVEMBER 2025)				
	TOTAL U.S. IMPORTS			CHINA	VIETNAM	INDIA	MEXICO	CANADA
CATEGORIES	2018 ($B)	LTM NOV 2025 ($B)	CHANGE (%)	CHG. %	CHG. %	CHG. %	CHG. %	CHG. %
Apparel & Textiles	$116	$110	(5%) ▼	(50%) ▼	39% ▲	28% ▲	(2%) ▼	(25%) ▼
Automotive & Transportation Parts	$340	$374	10% ▲	(29%) ▼	257% ▲	(11%) ▼	34% ▲	(7%) ▼
Chemicals & Allied Industries	$233	$400	71% ▲	2% ▲	227% ▲	115% ▲	46% ▲	7% ▲
Computer & Electronics	$363	$493	36% ▲	(46%) ▼	405% ▲	1633% ▲	43% ▲	41% ▲
Food & Beverage	$151	$229	51% ▲	(27%) ▼	36% ▲	26% ▲	64% ▲	60% ▲
Footwear, Headgear & Others	$32	$32	1% ▲	(44%) ▼	60% ▲	18% ▲	71% ▲	(9%) ▼
Furniture	$67	$62	(7%) ▼	(62%) ▼	170% ▲	44% ▲	15% ▲	4% ▲
Leather Goods	$15	$14	(5%) ▼	(72%) ▼	49% ▲	38% ▲	24% ▲	13% ▲
Mechanical & Electricals	$379	$628	66% ▲	(57%) ▼	1703% ▲	121% ▲	132% ▲	28% ▲
Metals, Parts and Products	$139	$155	11% ▲	(31%) ▼	129% ▲	99% ▲	23% ▲	5% ▲
Misc. Goods & Manf. Products	$476	$600	26% ▲	(27%) ▼	450% ▲	(24%) ▼	20% ▲	42% ▲
Plastics & Rubber products	$86	$104	21% ▲	(26%) ▼	441% ▲	108% ▲	59% ▲	8% ▲
Special Classification Provision	$85	$116	36% ▲	106% ▲	945% ▲	206% ▲	68% ▲	15% ▲
Temporary Legislation	$18	$29	60% ▲	126% ▲	539% ▲	89% ▲	18% ▲	4% ▲
Wood & Pulp Products	$47	$50	6% ▲	(48%) ▼	369% ▲	161% ▲	58% ▲	(2%) ▼
Total	$2548	$3397	33%	(42%)	274%	89%	54%	21%
	LTM Nov 2025 U.S. Imports ($B)			$316	$191	$103	$531	$387

Key nearshoring trends:

- Over the past seven years (2018 to Last Twelve Months ending Nov 2025), overall imports into the U.S. increased by 33%. However, imports from China decreased by 42% from $543B to $316B
- **Vietnam, India, Mexico and Canada** have been the biggest gainers
  - Vietnam has seen 274% increase to reach $191B; All categories have grown in imports from Vietnam
  - Imports from Mexico increased by 54% to $531B (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 U.S. to $103B
  - Imports from Canada have seen a steady growth across industries except for 'Apparel & Textile', 'Automotive & Transportation Parts', 'Footwear, Headgear & Others' and 'Wood & Pulp Products'. Overall increase of 21% in imports into U.S. to $387B

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

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