AlixPartners

2026 Container Shipping Outlook:

Steady sailing in choppy seas

There's one thing container shipping operators are sure of: disruption is good for business. And the 2020s have delivered 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.

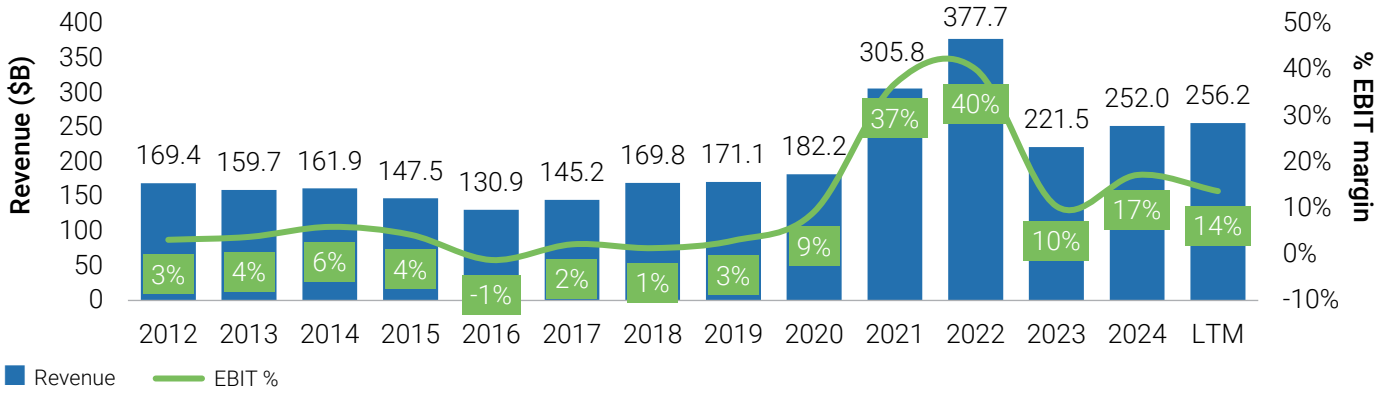
Today the turmoil shows signs of subsiding. The potential reopening of the Red Sea to shipping activity, the vast amounts of new tonnage coming online in the next several years, and the easing of the U.S.-China trade tensions all suggest that rates could be poised for a bruising plunge in 2026.

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.

What, me worry?

The companies in our sample, which consists of every major carrier that publicly reports its financial results, remain in sound condition despite the retreat in revenues from the high of 2022. They posted aggregate 2025 EBIT of $35 billion, down from $43.3 billion the prior year, yielding an earnings margin of 14% versus 17% the year prior (Figure 1). But the financial trends in evidence in the latter half of 2025 could presage deeper trouble ahead.

Figure 1: Ocean carriers' annual revenue and % EBIT margin



Source: CapIQ financial data, AlixPartners analysis

What those trends reveal is the financial impact of falling volumes and ocean freight rates across trade lanes (Figure 2), produced by the **interaction of four key fundamentals:**

01: Normalization of freight rate premiums

Risk aversion and demand shocks in the wake of the 2024 closure of the Red Sea inflated container rates that year. By 2025, market participants had adapted to extended transits around the Cape of Good Hope, and the crisis premium compressed significantly – while carriers' operational costs from the longer routing remained elevated.

03: Persistent cost inflation.

Routing ships around Africa instead of through the Red Sea perpetuates higher bunker and vessel deployment costs. This structural cost elevation, previously masked by 2024's extraordinary rate premiums, now directly impairs profitability.

02: The supply-demand imbalance

Container volumes grew 2-6% year-over-year, but fleet expansion has outpaced demand growth. New vessel deliveries have weakened pricing discipline across trade lanes, creating a structural oversupply that decouples volume gains from yield improvement. We have seen this before, and it appears to be a return, in a minor key, to the carriers' chronic boom-and-bust cycles of years past.

04: Chronic trade uncertainty

U.S.-China trade tensions have disrupted traditional seasonal demand patterns, precluding the peak-season pricing surge that typically occurs in the second half of 2025. In the present environment, restoring margins is a tough ask.

Figure 2: Summary of ocean carriers Q3 financial performance in 2025 vs 2024

Carrier	Metric	Q3 2024 ($b)	Q3 2025 ($b)	Change	Comments
Maersk	Revenue	15.8	14.2	▼ 10%	While Maersk managed to grow volumes by roughly 7%, average revenue by TEU dropped by ~31%. The company is currently pivoting hard toward "integrated logistics" (land-side transport, warehousing) to stabilize earnings, as the ocean shipping division saw a sharp dip in EBIT margins.
	EBIT	3.3	1.3	▼ 61%	
COSCO	Revenue	24.6	23.4	▼ 5%	Revenue dipped only ~5%, but profit collapsed by nearly two-thirds, which suggests costs remained elevated (likely due to maintaining fleet size and service quality) while margins were pressured by market rates.
	Net profit	3.7	1.3	▼ 64%	
Evergreen	Revenue	4.8	3.0	▼ 36%	Significant 36% revenue drop, one of the steepest in the industry. As a major player on the Trans-Pacific and Asia-Europe routes, Evergreen was hit harder than competitors by both falling rates and lower volume growth.
	Net profit	1.9	0.68	▼ 65%	
Hapag-Lloyd	Revenue	5.8	5.5	▼ 5%	Hapag-Lloyd's volume growth helped mitigate revenue erosion better than most carriers on the strength of the Gemini alliance. But market pricing pressure and persistently higher costs of lengthy transits around Africa resulted in an 86% decline in profits.
	Net profit	1.1	0.16	▼ 85%	
	EBITDA	1.7	0.86	▼ 49%	
HMM	Revenue	2.4	1.9	▼ 23%	Profit plunged 83% on a 23% decline in revenues. HMM is highly sensitive to the Trans-Pacific trade, where rates normalized much faster than other regions in 2025.
	Net profit	1.2	0.21	▼ 83%	
ONE (Ocean Network Express)	Revenue	5.9	4.5	▼ 24%	Profit fell 86% in ONE's second fiscal quarter (Jul-Sep 2025). The carrier's index for Asia-to-North America freight rates plummeted to 132 in 2025 from 195 in 2024, offsetting the financial benefit of increased volumes.
	Net profit	2.0	0.29	▼ 86%	
	EBITDA	2.4	0.88	▼ 63%	
OOCL	Revenue	3.1	2.3	▼ 26%	Reported a 26% drop in revenue despite carrying slightly more cargo. Average revenue per container (TEU) plummeted almost 27%, offsetting gains from volume growth.

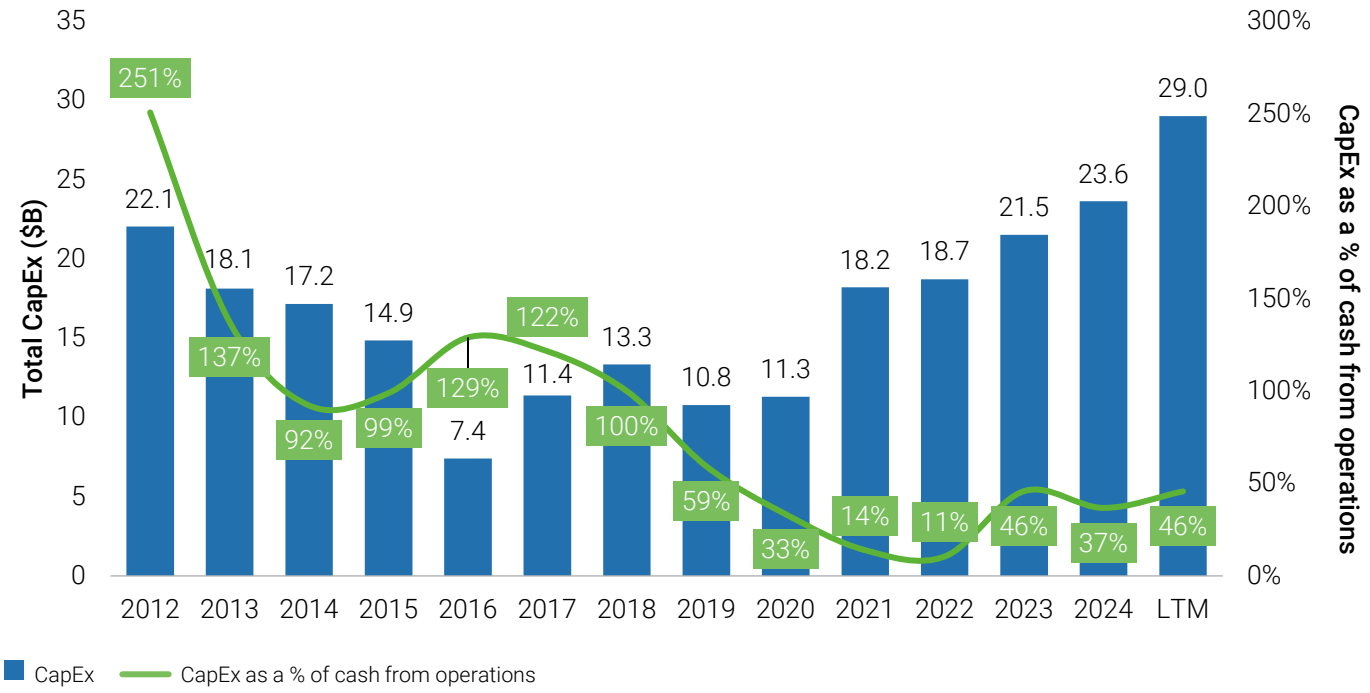
Figure 2: Summary of ocean carriers Q3 financial performance in 2025 vs 2024 cont'd

Carrier	Metric	Q3 2024 ($b)	Q3 2025 ($b)	Change	Comments
Yang Ming	Revenue	1.7	1.4	▼ 22%	Saw a 50% drop in profit. Management cited "weaker freight rates" as the primary driver, despite their efforts to improve operational efficiency.
	Net profit	0.39	0.19	▼ 51%	
CMA CGM	Revenue	15.8	14.0	▼ 11%	A 2% increase in volumes was not enough to counter the rate slide. Revenue fell 11%, wiping out nearly three-quarters of net income. The carrier's EBITDA margin, a key measure of operating efficiency, compressed to 21% from 31%.
	Net profit	2.7	0.75	▼ 72%	
	EBITDA	5.0	3.0	▼ 40%	
Wan Hai	Revenue	1.8	1.2	▼ 36%	As an intra-Asia specialist that has expanded into deep-sea routes, Wan Hai saw its financials hit hard by rapid rate declines. Net profits dropped 86%--a hard lesson in the risks of spot-market exposure.
	Net profit	0.82	0.11	▼ 86%	
ZIM	Revenue	2.8	1.8	▼ 36%	ZIM, like Wan Hai, is more exposed to the spot market than most of its major peers, and saw revenue drop 36% year-over-year. In Q3 2024, high spot rates made ZIM one of the most profitable carriers relative to its size; in 2025, that leverage worked against the carrier, leading to an 89% drop in net income.
	Net profit	1.1	0.12	▼ 89%	
Matson	Revenue	0.96	0.88	▼ 9%	The best performer relative to the group, with "only" a 32% profit drop. The carrier's niche service (premium expedited shipping from China to Long Beach) and strong domestic trades (Hawaii/Alaska) insulated the company from the worst of the global rate collapse in 2025 Q3.
	Net profit	0.20	0.13	▼ 32%	
Subtotal	**Revenue**	**85.4**	**73.9**	**▼ 13%**	
	Bottom line	**18.5**	**5.3**	**▼ 71%**	

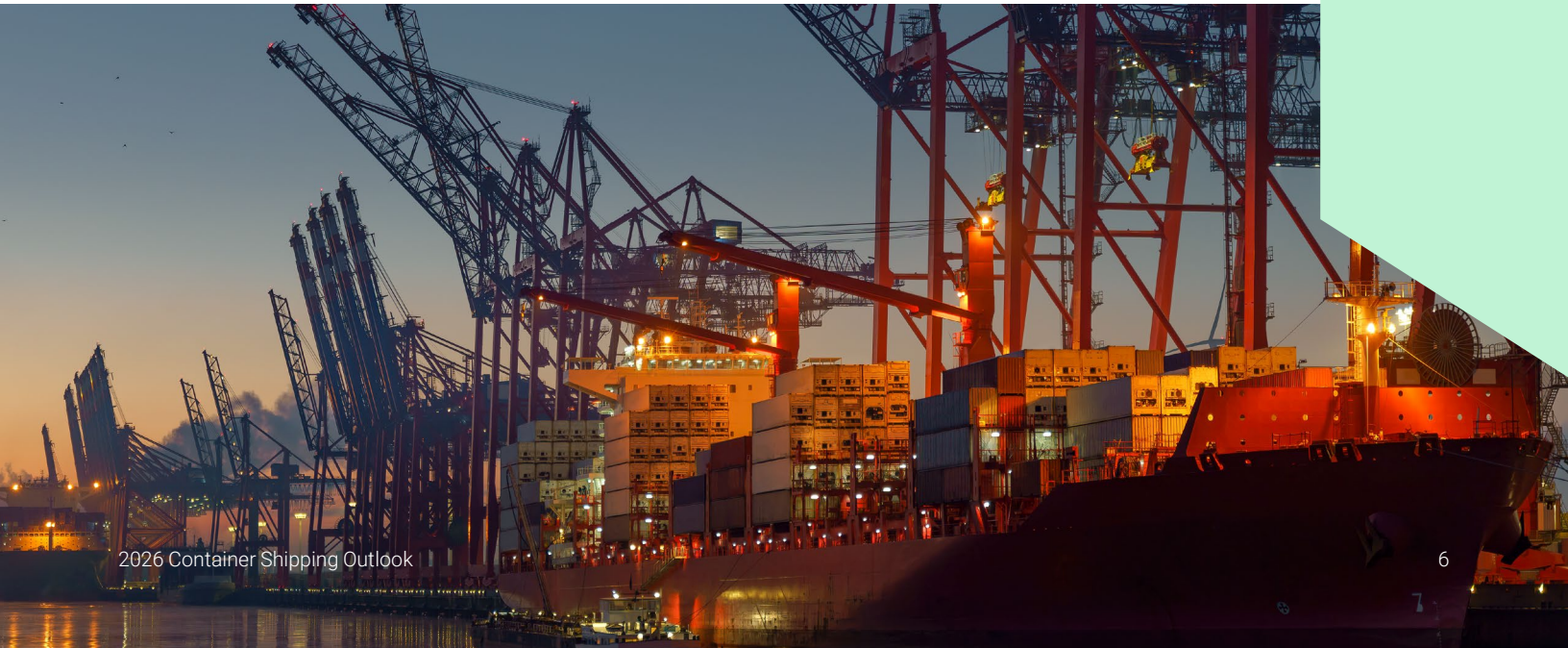
Even as the market cools, companies with strong balance sheets are accelerating capital spending and M&A in logistics-heavy sectors.

The $28 billion in 2025 CapEx outlays reported by the carriers in our sample was one of the largest annual expenditures in history (Figure 3). Cash reserves held stable at around $71 billion, up $1 billion from the end of 2024. Those data points support the view that the carriers' five-year climb to financial health represents a secular transformation of the ocean shipping industry. Our sample's $28 billion in 2025 CapEx amounts to 41% of the companies' total cash flow. That's in line with the industry average of around 37% since 2019, but far below the longer-term trend of 100-250%. The difference: a much larger denominator. There is just a lot more cash flowing through these businesses today than was the case even 10 years ago.

Figure 3: Ocean carriers' annual CapEx and 'CapEx as a % of cash from operations' ratio

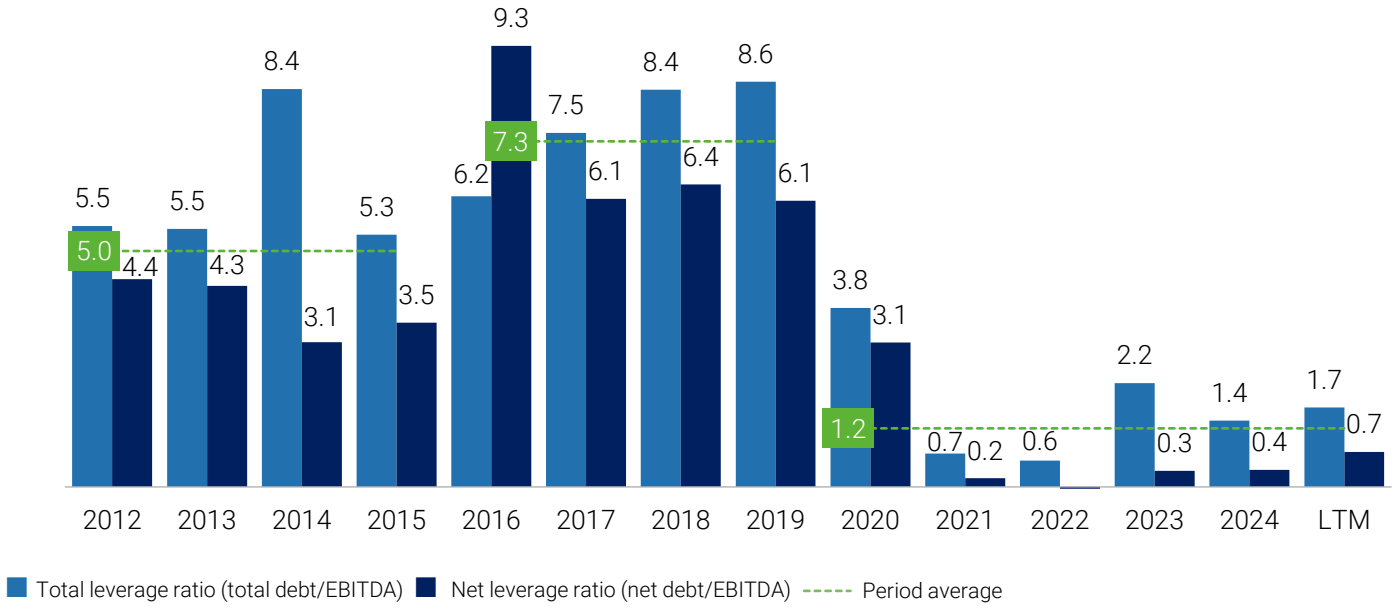


Source: CapIQ financial data, AlixPartners analysis



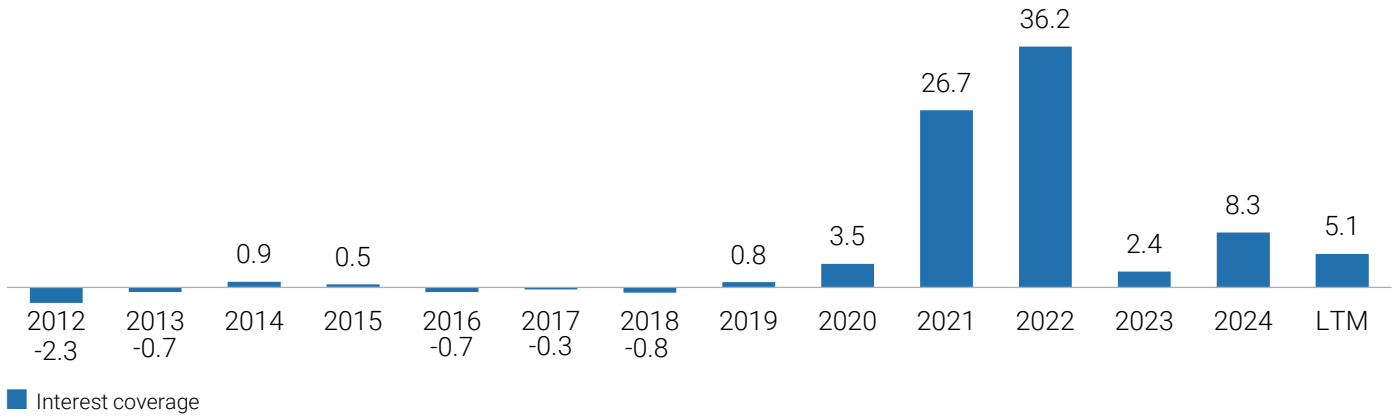
And there is plenty left in the vaults: The carriers' cash balances remain at three times the average from the ten years preceding the pandemic. True, the carriers' aggregate debt reversed the downward trend of the past five years, expanding to $102 billion from $89 billion in 2024. But leverage is still at a low 0.7-1.7x, versus 5-9x historically (Figure 4). Interest coverage, meanwhile, is a healthy 5x – hardly the 36x ratio of 2022, but still well above the skinny ratios that prevailed from 2010 through 2019 (Figure 5).

Figure 4: Ocean carriers' leverage ratio evolution



Source: CapIQ financial data, AlixPartners analysis

Figure 5: Ocean carriers' interest coverage evolution



Source: CapIQ financial data, AlixPartners analysis

Financially, at least, the carriers are prepared for what may be a sharp downturn in 2026. They have shown they can maintain a structural level of revenue generation that dwarfs pre-pandemic benchmarks. But the risk of overspending, whether via CapEx or M&A, is ever-present.

The belt-tightening begins

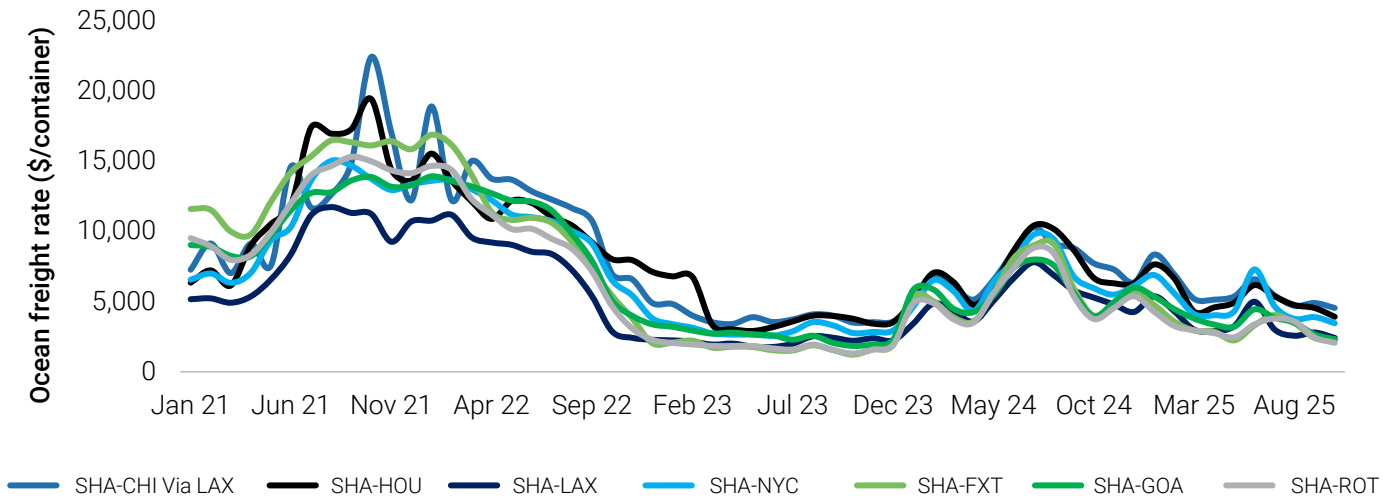
Although public disclosure varies significantly, all the major carriers appear to have put sizable cost-reduction programs in place, beginning in late 2024 and accelerating through 2025. The object of the savings is to protect margins rather than drive a turnaround or restructuring.

Savings initiatives are broad-based across cost categories, with some carriers focusing initially on headcount and SG&A efficiency, while others pursue more general efficiency gains. Hapag-Lloyd and Maersk, which together make up the Gemini Alliance, confirm that the combination is hitting its target of $500 million in annual savings. And industry executives say they're prepared for deeper cuts if the market deteriorates.

Rates in retreat

As of October 2025, rates stood at their lowest levels since late 2023 after falling by about 50% since January 2025. The drop extended a steady downward trend in place since July 2024. Tariff-related front-loading accounts for the brief spike in June 2025 (Figure 6).

Figure 6: Evolution of ocean rates on Asia to North America and Europe trade lanes (40' containers)



Source: Drewry

Major head haul lanes (Asia-Europe, Trans-Pacific Eastbound) showed broadly aligned rate movement. Asia-Europe may be more vulnerable to oversupply due to ongoing deployment of large vessels. Production shifts toward South and Southeast Asia have begun altering equipment flows and may create imbalances further down the line.

The outlook for 2026 is not promising.

The global economic picture remains uncertain, with some analysts expecting a broad economic slowdown, others renewed policy friction, and still others a diabolical combination of the two. The uncertainty does not bode well for demand growth, and trade tensions could increase volatility rather than volumes.

Meanwhile, the Red Sea crisis may be easing. As we discuss in more detail below, a full reopening of the Red Sea and thus the Suez Canal would take considerable time and exertion. Once reopening is complete, added capacity will likely weigh on rates.

Demand holds up – for now

Overall, global trade continued strong against a backdrop of shifting sourcing patterns, with August volume reaching a record monthly total of nearly 17 million TEU, according to Container Trade Statistics (CTS). Drewry's September forecast projects throughput at global ports to grow nearly 5% for the full year.

Growth patterns are markedly uneven. The Middle East and South Asia posted the strongest year-on-year throughput growth of more than 10% per CTS, while the Greater China region benefited from an increase in trade volumes rerouted when the China-U.S. trade dispute heated up. Europe, at 5%, and North America, at 2%, brought up the rear.

Import demand grew across most regions in 2025, led by Sub-Saharan Africa, the South Asia and Middle East region, and South America. The usual leaders, Europe and North America, showed the weakest growth, with demand tailing off in late summer.

Export trends have been more mixed: while six of seven regions saw increases, North American exports declined almost 3%. Europe was nearly flat, following a startling 6% month-on-month drop in August. The strongest export momentum came from the Far East (more than 6% growth). Much of the improvement can be traced to China's intensive cultivation of export markets and the continued move of manufacturing facilities from China to other Asian economies.

The $1 trillion trade surplus that China reported in December 2025 is evidence that the strategy is paying off.

Trade flows into the United States illustrate the ongoing reconfiguration of global sourcing. China's exports to the U.S. have fallen by as much as 25% year-on-year through October, while U.S. imports from Thailand, up 37%, and Indonesia, up 34%, surged in November as companies diversified production footprints and restructured supply chains. Chinese exports to Vietnam and other Southeast Asian countries have risen sharply, as shippers transship goods through third countries to access the U.S. market. At the same time, China's exports to the European Union, Latin America, and Africa continue to grow at a moderate pace.

Those changes in export patterns suggest strongly that tariffs' effects on total trade volumes have been muted. Importers haven't stopped buying; rather, they have shifted their sourcing from, for example, China to other exporters in the region – whose goods may have originated in China. The takeaway: Tariffs have not so much stifled trade as rerouted it, implying that the elimination or reduction of tariffs would likely alter trade flows rather than overall volumes.

All the ships at sea

On the supply side, global ports' TEU handling capacity is expected to increase by approximately 64 million TEU , or 4.8%, in 2025, marking the largest annual infrastructure expansion in absolute terms since the global financial crisis. Demand growth, on the other hand, will lag significantly behind relatively modest supply additions. Global container fleet capacity is expected to increase by 3-4% in 2026, down from 7% growth in 2025; demand growth is projected to range from less than 2-3%.

But the reopening of the Red Sea to container traffic, if it occurs in 2026, could scramble the picture. Under ordinary circumstances, carriers would prefer to move their cargoes through the Suez Canal via the Red Sea – it's shorter, faster and cheaper than moving the same cargo around the Cape of Good Hope.

Under normal circumstances, a typical carrier might pay $700,000 to move a cargo via the Red Sea. The carrier would pay $2 million to ship the same cargo around the Cape of Good Hope, because of higher fuel, crewing, and variable costs.

But what would happen if and when the Red Sea becomes navigable again and traffic returns to, say, 75-90% of historical volume levels?

First of all, it wouldn't happen overnight.

Most analysts believe that several months would have to elapse without hostilities before governments or companies would begin to consider the Red Sea safe for travel. Even after carriers begin to consider an operational shift back to the Red Sea and Suez Canal, vessel war risk insurance premiums would have to fall to make sailing via the Suez Canal financially viable. From an operational perspective, returning shipping networks to their steady state would take months—or longer, if, as expected, some carriers decided to wait and see before committing to a return.

In that scenario, diverted capacity would only gradually return to service, finally increasing available capacity by about 11%. Rate declines on the Asia-Europe and Asia-U.S. East Coast lanes, used by the canal's top customers, would follow. Surcharges would go poof. Fuel consumption and emissions would head south, and so too, possibly, would inflation.

The process could accelerate if one or more carriers make the first move and competitive pressures induce others to follow. At present, though, there is little financial incentive (absent political intervention and pressure) for carriers to shake up the status quo. And in any case, the necessary lead times are long enough to make it likely that, even if the Red Sea reopens in the first half of 2026, next year's peak-season traffic will travel around the Cape of Good Hope, not through the canal.

Congestion in Europe

Still, the reopening of the Red Sea would place exceptional strain on Europe's major import gateways, most notably Rotterdam, Hamburg, and Antwerp. Even before any such reopening, those ports have been wrestling with persistent congestion. During peak periods in mid-2025, some North European ports saw vessel delays ranging from six to ten days, with barge wait times extending to two or three days. The congestion has been severe enough that Maersk removed Rotterdam from its transatlantic rotation in late June 2025, explicitly citing operational constraints at northern European terminals. The situation reflects a broader capacity crunch stemming from Asia-Europe demand growth in 2025 – the highest expansion on this westbound trade since before the global financial crisis.

The congestion could grow even worse. Should the Suez reopen in 2026, vessels arriving earlier than currently scheduled could overwhelm European terminals, snarling supply chains and reviving memories of the disruption that crippled port operations six months after the initial Red Sea crisis in late 2023.

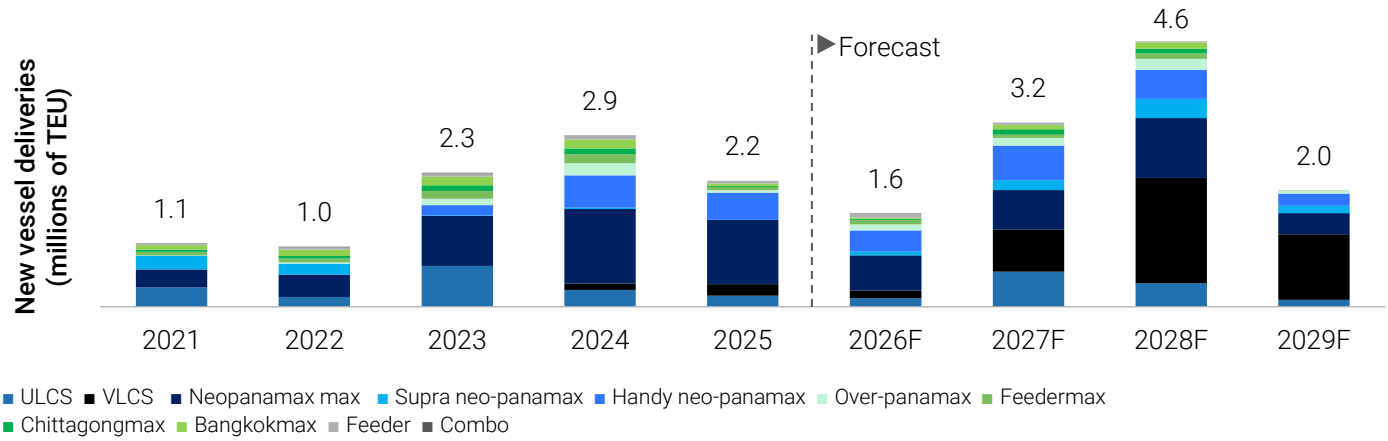
Europe's limited buffer capacity compounds the problem. Yard utilization is already near 90% at major hubs, and dwell times remain elevated above 2019 baselines, affording ports precious little room to absorb sudden surges in arrivals. European logistics networks are thus doubly exposed to what analysts describe as "double disruption" – the immediate chaos of schedule adjustments, followed by longer-term market pressure as freed-up capacity floods the system.

Up next: A surge in capacity

Supply growth is forecast to outpace demand growth in 2026 and increase in the out-years, potentially creating structural overcapacity of as much as two percentage points or more. Bent on preserving rate stability, carriers have dipped into the well-thumbed capacity management playbook: blank sailings, slow steaming, idling, and scrapping. And even after passage via the Red Sea is deemed safe, carriers may continue to route ships around the Cape of Good Hope and thus absorb capacity.

But none of that changes the fundamental capacity equation: an orderbook of historic proportions calling for approximately 11.5 million[1] TEU in newbuilds between 2026 and 2029. That's equal to 35% of the active fleet, with deliveries temporarily declining in 2026 before surging again in the following two years (Figure 7). All else being equal, that additional capacity would tend to hold rates down.

Figure 7: Historical and projected delivery of new container vessels by type, in millions of TEUs of capacity



Source: Linerlytica
1. 2025 full-year figures based on actual data up to November/2025 (1.9M TEU), and projected orders from December/2025 (170k TEU).
Source: Clarksons Research; Shipping Intelligence Network 2025; Mærsk McKinney Møller Center for Zero Carbon Shipping.

The return of reliability

Ocean carrier schedule reliability improved markedly throughout 2025, reaching its highest level since early 2024 (Figure 8). SeaIntelligence data indicates 2025 global schedule reliability averaged between 51% and 67% , for a year-over-year increase of approximately 5-15%, but still lower than 2019 historical results.

Figure 8: Evolution of ocean carriers' schedule reliability by % of voyages arrived on time

Several factors contributed to the improvement, including the restructuring of carrier alliances, investment in vessel fleets, more consistent sailing schedules, and increased use of digital scheduling tools. Carriers have responded to past volatility by prioritizing schedule performance and capacity management, limiting blank sailings, and adjusting service offerings to avoid the Red Sea and other disruption zones. Major carriers like Maersk and Hapag-Lloyd achieved above-average reliability, frequently surpassing the industry norm thanks to the Gemini Alliance's new hub-and-spoke system.

There's no doubt that the Gemini Alliance's schedule reliability is higher than competitors' – consistently 25-40% better, in fact. But that outperformance may be misleading, as it doesn't take transit time into account. Gemini's transit times are typically two to six days longer than those of competitors on major trade lanes, such as Haiphong and Shanghai to the U.S. West Coast. Further performance improvements should follow as non-network partners at Gemini hubs buy into the alliance's reliability drive.

A sea of green?

Until recently, shippers, carriers, shipyards and local and national governmental authorities all have placed sustainability near the top of their agendas. And for good reason: 80%-90% of the world's goods are shipped by ocean freight, and 99% of the ocean-going fleet runs on high-emission fuels.

Pressure on shipowners to prioritize sustainability has come above all from end-consumers, via shippers, demanding carbon-neutral products (Figure 9). Regulatory authorities have added to the pressure to reduce carbon emissions and limit impact to the environment. Most notably, the International Maritime Organization (IMO) has introduced a landmark Net-Zero Framework, establishing the first global carbon pricing mechanism for international shipping. The framework requires all vessels to report annually their Greenhouse Gas Fuel Intensity, with compliance measured against a 2008 baseline.

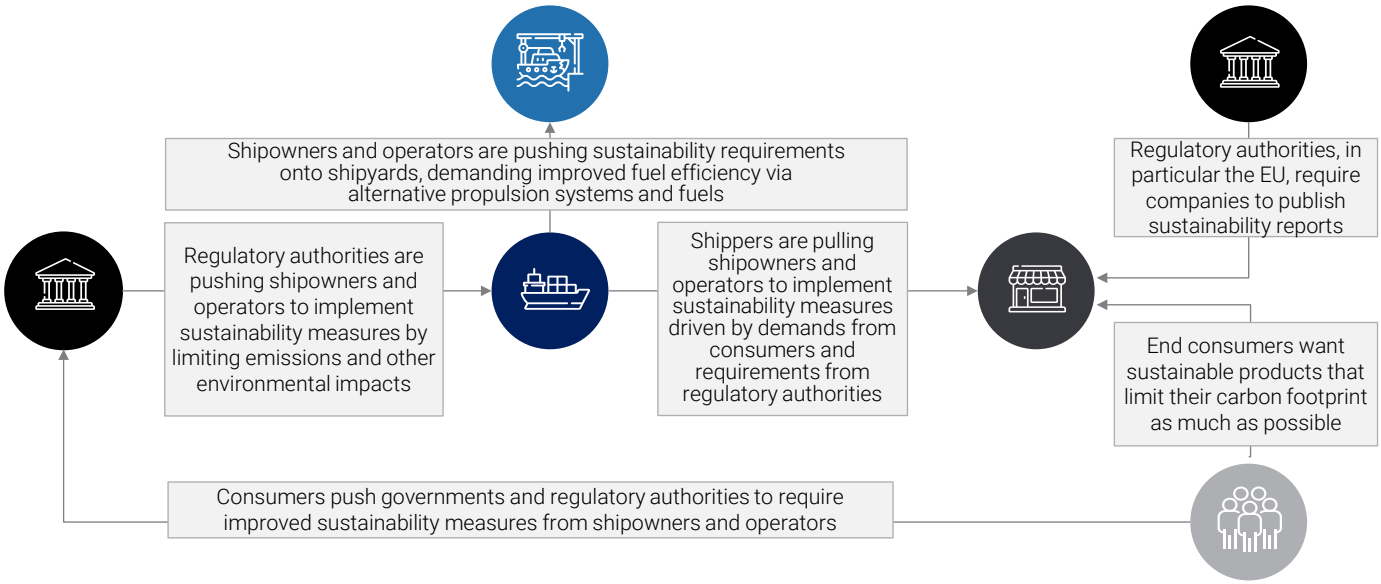
Significant counter-pressure, however, is coming from Washington. The current administration has vocally opposed the IMO's regulatory efforts and used a carrot-and-stick approach to induce smaller nations to resist the organization's attempts to enforce higher standards. Will that resistance outlast the administration? If so, the decarbonization push will likely resume in a few years. But if the effect of the Washington-based opposition to the IMO is to defang the regulator, container shipping companies could in coming years could make the business decision to deemphasize the greening of their fleets and resume purchases of cheaper, less efficient vessels.

The effect could be dramatic. As it stands, the framework calls for ships to achieve progressive GFI reductions of 4% by 2028 and 17% by 2035 for base compliance, and 30% by 2028 and 43% by 2035 for direct compliance. Non-compliance would incur significant penalties, ranging from $100 to $380 per ton of CO2e, while ships outperforming targets could earn and trade surplus units. High-carbon fuels would begin to fall out of compliance in 2028; penalties for continued use would increase in following years, and the cost of non-compliance will mount quickly, rising toward 70% of total fuel cost by 2035.

If the framework holds, by 2028 carriers would need to opt for at least one of three paths to net zero. They could purchase carbon credits to offset emissions, pay carbon penalties for non-compliance, or switch to green fuels to avoid penalties and potentially earn credits. But the viability of the framework is in doubt.

Before Washington launched its deregulatory push, shipowners and operators had responded by ordering more ships capable of using alternative fuels. The impetus to do so came not just from regulators but also from shippers, in particular the Zero Emission Maritime Buyers' Alliance, which consists of more than 40 major ocean shippers, including Amazon, Nike, and IKEA. The consortium has issued two requests for proposals since 2024, the first focusing on liquified biomethane from waste, and the latest, published in January 2025, on e-fuels.

Figure 9: Overview of stakeholder roles and relationships in the 'green ocean' ecosystem

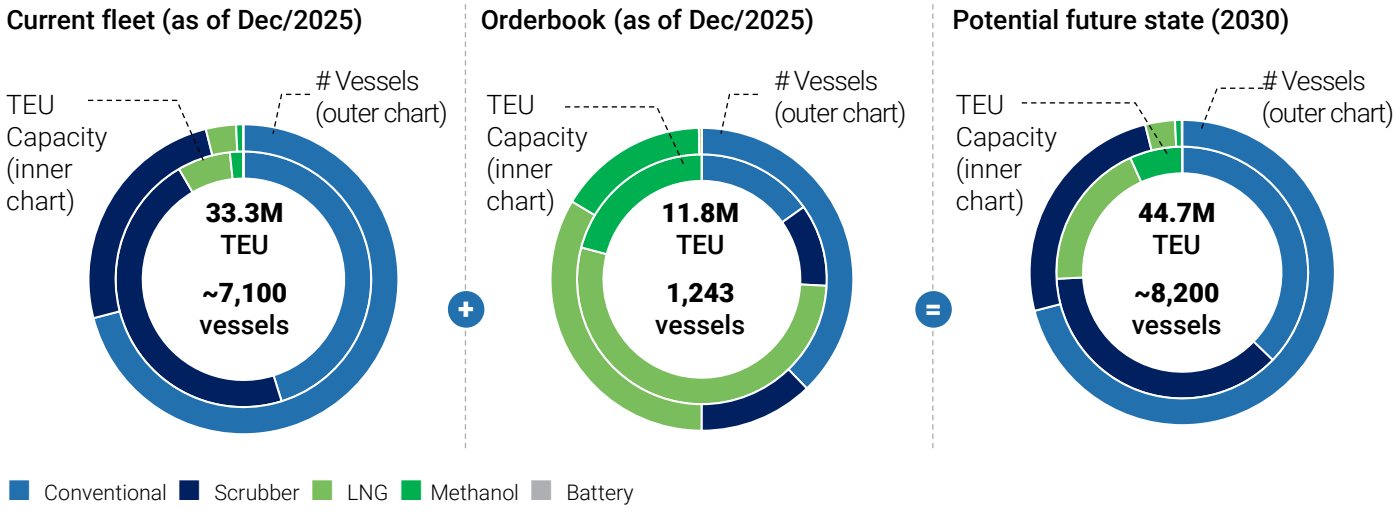


Source: Clarksons Research, Shipping Intelligence Network 2025, Mærsk McKinney Møller Center for Zero Carbon Shipping, AlixPartners
1. 2025 full-year figures based on actual data up to November/2025 (1.9M TEU), and projected orders from December/2025 (170k TEU)

Shipowners and operators have also invested in a variety of technologies to improve fuel efficiency and boost the viability of alternative fuels. They have also pursued measures to ensure ocean and marine biodiversity protection, such as improving ballast water treatment to prevent the spread of invasive species, and reducing underwater noise pollution to protect marine life. But it's an open question whether, in the current environment, those efforts will continue at their current intensity.

Shipyards and builders, meanwhile, face challenges from shipowners and operators to produce ships capable of using alternative propulsion systems and fuels. Such ships account for only 3% of the existing fleet. Orders for LNG and LNG dual-fuel ships led 2024 orders for alternative-fueled ships, with methanol a distant second (Figure 10). Hydrogen fuel cells and battery electric ships can support short-distance routings, but their relatively low energy density makes them unsuitable, at present, for longer oceanic voyages. Nuclear energy has long propelled certain military vessels, but significant regulatory and infrastructure challenges will likely preclude wider applications.

Figure 10: Overview of alternative fuel adoption in ocean shipping, in TEU of equivalent capacity and # vessels



Source: Clarksons Research, Shipping Intelligence Network 2025, Mærsk McKinney Møller Center for Zero Carbon Shipping, AlixPartners.

Nonetheless, though the orderbook reflects an accelerating adoption rate, with alternative fuels powering 74% of the TEU capacity on order (and 50% of the vessel count), the global fleet will likely still take many years to arrive at a structural shift towards cleaner fuel alternatives.

Our research leads us to estimate that, all else being equal, potentially 26% of global capacity (11% of the vessel count) could be powered by alternative fuels by 2030, which illustrates the challenge in meeting the ambitious IMO targets.

Implications for Stakeholders

1 Carriers

The central challenge for carriers in 2026 is shifting from managing disruption-fueled windfalls, to adapting to structural oversupply, which erodes pricing power and demands cost discipline and network efficiency to protect margins. With freight rates reverting toward pre-Suez crisis lows and shippers pressuring liners to transition back to the Suez Canal, carriers must execute aggressively on cost-saving programs while managing capacity through slow-steaming and vessel idling – all while balancing near-term margin pressure against the long-term capital requirements of the IMO's Net-Zero Framework. The carriers' strong balance sheets provide a crucial buffer, but capital discipline will be needed to avoid repeating the value-destructive boom-and-bust cycles of the past.

2 Shippers

The market dynamic has inverted, and negotiating leverage has returned, presenting shippers the opportunity to secure favorable long-term contract rates that reflect the reality of overcapacity. To make the most of their advantage, shippers will need to evaluate trade-offs between lower-cost standard services and premium pricing for reliability offered by new alliance structures. Shippers will be challenged to diversify carrier portfolios and leverage data analytics to optimize routing through an increasingly complex global trade network reshaped by tariffs and near-shoring trends.

3 3PLs and Freight Forwarders

As carriers focus on their core networks amid margin pressure, third-party logistics providers and freight forwarders become more critical for managing increased complexity, providing flexibility and visibility across multiple carriers and trade lanes. Their value proposition is especially appealing to small and medium-sized shippers navigating the volatile spot market; larger shippers rely on them to de-risk supply chains, manage tariff-related customs complexities, and optimize cargo flows across primary and secondary ports.

4 Investors

The era of unprecedented profitability is over, requiring investors to recalibrate expectations toward operational excellence and balance sheet resilience rather than windfall returns. In an environment of falling rates, companies with strong, profitable logistics and terminal divisions are better positioned than pure-play ocean carriers, and market attention will focus on cash flow, debt service coverage, and return on invested capital, rewarding carriers that demonstrate financial prudence and operational efficiency in a structurally oversupplied market.

Conclusion

Today's container shipping industry, after a turbulent decade, is far different from its pre-pandemic incarnation. One crucial difference from prior downturns: today's carriers boast historically elevated cash reserves and conservative leverage, despite cyclical margin compression in 2025. The critical variable for stakeholder returns is not whether global trade demand will materialize, but whether carriers can exercise sufficient capital restraint to prevent a recurrence of the chronic overcapacity that was once the industry's hallmark.

With market fundamentals favoring shippers, vertically integrated operators with significant logistics and terminal assets demonstrate a decisive strategic advantage. True, diversification compresses EBITDA margins, but it also hedges effectively against the rate volatility and volume shocks inherent to shipping cycles. The current supply-demand imbalance offers shippers a tactical opportunity to consolidate volume and renegotiate contracts, yet this dislocation will not persist indefinitely. As capacity constraints resurface, disciplined capital expenditure will grow in importance.

Shippers, investors, and logistics providers would be wise to view the current buyer's market as a temporary positioning phase, not a structural condition. Stakeholders who view 2026 as a repositioning period – rather than an endpoint – will be better prepared to weather the market reset that typically follows pronounced overcapacity.

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About us

For more than forty years, AlixPartners has helped businesses around the world respond quickly and decisively to their most critical challenges—circumstances as diverse as urgent performance improvement, accelerated transformation, complex restructuring and risk mitigation.

These are the moments when everything is on the line—a sudden shift in the market, an unexpected performance decline, a time-sensitive deal, a fork-in-the-road decision. But it's not what we do that makes a difference, it's how we do it.

Tackling situations when time is of the essence is part of our DNA—so we adopt an action-oriented approach at all times. We work in small, highly qualified teams with specific industry and functional expertise, and we operate at pace, moving quickly from analysis to implementation. We stand shoulder to shoulder with our clients until the job is done and only measure our success in terms of the results we deliver.

Our approach enables us to help our clients confront and overcome truly future-defining challenges. We partner with you to make the right decisions and take the right actions. And we are right by your side. When it really matters.