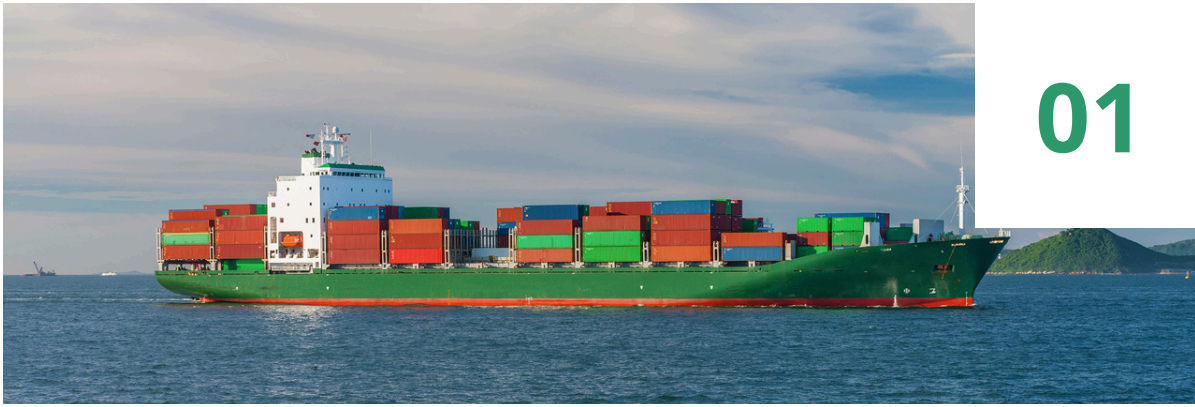


MAY 2026

# MARKET UPDATE



**JMR**  
J.M. RODGERS Co., Inc.



## Market Overview

As of mid-May 2026, the transpacific ocean freight market is experiencing tightened capacity driven by increased blank sailings and ongoing contract negotiations. Despite an overall trend of overcapacity for the year, carriers are successfully pushing for higher short-term rates, with new General Rate Increases (GRIs) effective May 15.

## Key Transpacific Updates – May 15, 2026

- **GRI & Rates:** Carriers have implemented 10–15% blank sailings to support mid-May GRIs, resulting in rising transpacific rates.
- **Capacity Constraints:** Space is tightening, particularly to the U.S. West Coast. While vessel space from major China origins was relatively stable earlier in May, inland origins and North China ports are now under pressure.
- **2026–27 Contract Negotiations:** Carriers are defending higher pricing in new contracts despite a reported 6% decline in average rates during Q1 2026.
- **Forwarder Stocking:** Retail restocking and manufacturing exports are driving early demand, with GRIs and Peak Season Surcharges (PSS) already in effect.
- **Geopolitical Impact:** The conflict with Iran, now in its third month, has kept the Strait of Hormuz closed, tightening fuel supply across Asia and establishing a new price floor for fuel oil. Much of Asia’s bunker fuel originates from Persian Gulf producers and is exported through the Strait of Hormuz, which has remained closed since late February. Analysts at S&P Global warn that an extended closure could push bunker refueling lead times in Asia beyond two weeks. Carriers are already reporting wait times of up to 15 days at Singapore and other regional hubs, significantly increasing operating costs.

## Regional & Operational Notes

- **Vietnam:** Space remains under pressure due to controlled allocations.
- **China:** Fog-related closures at Qingdao and Shanghai have disrupted operations, causing vessel wait times and schedule delays.
- **India:** Services to both U.S. coasts remain stable.
- **Port Congestion:** Congestion at Southeast Asian hubs and vessel displacement continue to impact schedules and departure reliability.

## China – Regulatory Changes (Effective May 1, 2026)

### Hazardous Chemicals Safety Law

- All DG exports must carry electronic traceability codes generated through China’s national platform.
- Customs will not release cargo without valid codes.
- Both shippers and forwarders face penalties for non-compliance.
- The regulation adds 2–3 working days to production-to-shipment timelines.

### New Maritime Code

- Cargo liability provisions apply mandatorily to contracts involving Chinese ports.
- The expanded definition of “actual carrier” makes terminal operators liable for cargo loss or damage.
- Compensation is now based on market price at the delivery location.

## Looking Ahead

The market continues to experience volatility tied to fuel costs, with carriers such as Maersk reporting significant increases in operating expenses that are being passed on to customers. Fog closures and blank sailings are tightening schedules further. Early bookings are strongly recommended. GRIs and PSS have already been announced for late May, with additional upward adjustments expected into June.



# THANK YOU

The information in this report is provided for reference only. While J.M. Rodgers, Co. (JMR) makes reasonable efforts to obtain reliable information, it does not guarantee the accuracy or completeness of the content and does not endorse the views of any third-party sources. JMR assumes no responsibility for errors or omissions and disclaims all liability for any loss or damage arising from reliance on this information. For questions, please contact us directly.

**Rate inquiries:** [jmr-rates@jmroddgers.com](mailto:jmr-rates@jmroddgers.com)

**Export operations inquiries:** [jmr-export@jmroddgers.com](mailto:jmr-export@jmroddgers.com)

**ISF submission and status inquiries:** [jmr-isf@jmroddgers.com](mailto:jmr-isf@jmroddgers.com)

**Import operations inquiries:** [jmr-docs@jmroddgers.com](mailto:jmr-docs@jmroddgers.com)

**Traffic-related issues:** [traffic@jmroddgers.com](mailto:traffic@jmroddgers.com)



[info@jmroddgers.com](mailto:info@jmroddgers.com)



(973) 729-6700



[www.jmroddgers.com](http://www.jmroddgers.com)

