

iXRT

Ocean Market News by Xeneta

April 28, 2026

The Xeneta Ocean iXRT provides an overview of long and short term market movements, the key risks and issues to be aware of and insight on how these may develop in the coming weeks and months.

Topics covered in this iXRT Report include:

- Middle East conflict: eight weeks in — ceasefire, ship seizures, and the weaponization of trade
- Spot rates: a divided market — European trades easing while US-bound trades surge to +51% above pre-conflict levels
- Emergency surcharges: customer pushback intensifies as double-payment risks emerge
- Port congestion & infrastructure: the bottleneck shifts from routing to capacity
- Tender season: how shippers and carriers are navigating Round 3 negotiations
- Protecting margins: operational data, carrier scorecards, and reporting upward with confidence

Middle East Conflict — Eight Weeks In

Eight weeks after the escalation of conflict on 28 February, the crisis has evolved from an acute shock into a structural feature of global supply chains. The Strait of Hormuz remains effectively closed to container shipping. A two-week US-Iran ceasefire announced on 8 April raised hopes of a return to normality, but on 22 April — hours after the ceasefire was extended — Iran's Islamic Revolutionary Guard Corps (IRGC) seized two MSC container ships in the Strait: the MSC Francesca (11,660 TEU) and the Epaminondas (6,690 TEU). The vessels were among six MSC ships that transited the Strait over the weekend with AIS transponders switched off. Four reached safer waters.

This is the weaponization of trade. Both sides recognise the economic pain a bottleneck in the Strait of Hormuz inflicts, and neither has shown willingness to guarantee safe and free passage for commercial shipping. An average of 14 merchant ships per day have transited the Strait over the past four weeks — only 10% of normal traffic. A post-conflict high of 43 transits occurred on Saturday 18 April, including 10 container ships, but numbers dropped again following the seizures. Even an 'open' Strait is not a safe Strait.

Carriers have established alternative routing networks that are now largely operational: land bridges via Jeddah and Khor Fakkan, relay services through Colombo and Tanjung Pelepas, and feeder connections via Indian ports. These workarounds keep essential goods and pharmaceuticals moving, but they are costly, capacity-constrained, and unable to handle the full range of cargo volumes that previously flowed through the Gulf.

Looking more widely, a full-scale return to the Red Sea in 2026 remains unlikely. Even with a permanent ceasefire, Xeneta does not expect carriers to rush back. Houthi threats have resumed, and the broader security environment in the region has not improved. The earliest realistic return to normal Red Sea operations is mid-2027. For practical purposes, the Cape of Good Hope diversions and alternative land bridges into the Middle East are the operating reality for the foreseeable future.

Spot Rates — A Divided Market

The ocean freight market is sending very different signals depending on where you look. On the European trades, spot rates are easing: Far East to North Europe is down 6% over the past month, and Far East to Mediterranean is down 13%. Carriers have reorganised capacity on these corridors, and seasonal second-quarter weakness is adding downward pressure. This should not be mistaken for a structural improvement — the underlying disruption has not changed.

On US-bound trades, rates continue to climb. Far East to US West Coast spot rates are up 51% since the end of February, reaching USD 2,833 per FEU on 17 April. Far East to US East Coast is up 44% to USD 3,894 per FEU. The Transatlantic from North Europe to US East Coast — a trade that does not call at Asian transshipment hubs or Middle East ports — has surged 46% over the past month to USD 2,225 per FEU.

Trade	23 Apr Rate (USD/FEU)	vs 28 Feb	vs 1 month ago
Far East to US West Coast	2,857	+51%	+22%
Far East to US East Coast	3,871	+44%	+19%
Far East to North Europe	2,618	+26%	-6%
Far East to Mediterranean	3,665	+21%	-13%
North Europe to US East Coast	2,225	+47%	+46%
China to Jeddah (land bridge)	4,969	+63%	-11% in Apr

The divergence tells a clear story: on the European trades, carrier workarounds are functioning and seasonal demand weakness provides room for rates to ease. On US-bound trades, congestion at Asian transshipment hubs — resulting from Middle East disruption — is tightening capacity, and carriers are actively managing supply. Four of five major trunkhaul trades saw capacity decline in the week commencing 20 April, with Far East to North Europe down 6.6%. That combination of crisis-driven congestion and deliberate supply management is why rates remain elevated across the board.

Shippers moving cargo to the US via Singapore, Tanjung Pelepas, or Port Klang are paying the price for bottlenecks created thousands of miles away. Market memory plays a role: shippers who experienced the second wave of the 2024 Red Sea crisis, when port congestion in Singapore saw already elevated rates double, are securing capacity at today's rates rather than waiting for conditions to stabilise.

Ceasefire & Ship Seizures — The Weaponization of Trade

The two-week US-Iran ceasefire announced on 8 April was expected to create a window of opportunity rather than a return to normality. Xeneta analysis at the time warned that carriers would take a cautious approach: alternative routings via Khor Fakkan, Sohar, and Jeddah would remain in place while carriers conducted individual test voyages through the Strait. Two weeks is too short to dismantle the emergency logistics infrastructure that carriers have spent eight weeks building.

The ceasefire's limitations became clear on 22 April. Hours after its extension was announced, the IRGC seized the MSC Francesca and Epaminondas. The message is clear: even a ceasefire in the skies does not guarantee safe passage on the water. Control of the Strait of Hormuz raises long-term operational questions — whether it becomes an effective tollbooth, how transits and payments would be managed, and whether some vessels could be denied passage even if willing to pay. This uncertainty is damaging for supply chains.

Emergency Surcharges — The Customer Frontline

Emergency bunker surcharges (EBS) remain the most contentious issue between shippers and carriers. All major carriers are imposing emergency fuel surcharges on top of existing bunker adjustment factor (BAF) mechanisms, creating a potential double-payment scenario.

Customer feedback from Xeneta webinars and roundtables reveals a fragmented picture. In a poll of shippers conducted on 21 April, 43% are accepting 100% of emergency bunker surcharges. Of those not accepting, 71% report they are unable to place bookings without doing so. No two companies are handling surcharges the same way.

ONE and MSC are currently the most rigid carriers, demanding immediate surcharge payment alongside quarterly BAF updates. Hapag-Lloyd has proposed April payment with an unclear Q4 reimbursement formula — an approach some shippers have rejected outright. Evergreen has notably not requested any emergency surcharge. CMA CGM's reconciliation formula remains unclear. The lack of consistency across carriers is compounding the complexity for shippers managing multi-carrier portfolios.

Falling oil prices should put a cap on further increases. Shippers are successfully pushing back: the data shows fuel surcharges trending down over the past year despite repeated carrier attempts to raise them.

Port Congestion & Infrastructure Constraints

The bottleneck has shifted from routing to infrastructure. Port capacity and equipment availability are now the primary constraints, not the availability of alternative routes. Cape of Good Hope diversions have absorbed 2.5 million TEU of capacity into longer transit times, and the displaced volumes are straining ports that were never designed to handle this traffic. Demurrage and detention costs are a major issue at alternative ports not equipped for the sudden volume surge.

Persistent congestion continues at Colombo, Mundra, Nhava Sheva, Tanjung Pelepas, Salalah, Aden, Khor Fakkan, Sohar, Karachi, and Fujairah.

Monitoring congestion and schedules once a week is not enough during a crisis of this nature. Xeneta's port congestion map, updated daily, provides the ratio of vessels waiting to total vessels in port for every major hub.

Tender Season — Navigating Round 3

The conflict has reshaped the 2026/27 contracting cycle. Entering February, shippers were in the driving seat: the weight of the market was heading down, and carriers were competing on price and service. The crisis reversed that dynamic. Carriers are no longer in a rush to close long-term contracts at pre-conflict levels.

Xeneta advisory data from carrier tender bids reveals a consistent pattern: carriers high-ball in Round 1, then reduce progressively through Rounds 2 and 3. On the Far East to US West Coast trade, Round 3 bids from major carriers range from USD 1,623 to USD 1,903 per FEU — all below the current long-term three-month market average of USD 2,137. On Far East to North Europe, Round 3 bids range from USD 1,079 to USD 1,890, against a long-term market of USD 2,061. The market is heading down despite the disruption, and well-informed shippers are holding the line.

However, on the European trades most impacted by the Red Sea closure, several carriers are bidding at or above current market levels in Rounds 1 and 2. The logic is straightforward: with a Red Sea return now pushed to mid-2027, carriers are more confident that a premium for Cape of Good Hope routing should apply. Shippers who use Xeneta's tender benchmarking to identify which carriers are high-balling — and which are offering competitive Round 3 rates — are in a position to call that bluff.

Index-linked contracts continue to prove their value. With an index-linked contract, the rate is all-inclusive and moves with the market — there is no need to negotiate or pay separate emergency surcharges. During periods of upheaval, this removes one of the biggest sources of friction between shippers and carriers.

Protecting Your Margins — What Shippers Are Doing

Through Xeneta's customer webinars and roundtable series in March and April, clear patterns have emerged across the shipper community:

- Pushing back on emergency bunker surcharges. 57% of shippers polled are negotiating EBS down or rejecting them entirely. Those accepting are keeping surcharges as separate line items with 30–60 day time limits and automatic removal triggers. The key principle: do not accept anything baked into the base rate.
- Using carrier scorecards as negotiating leverage. Shippers are benchmarking carrier reliability, transit time, and cancellation rates on a weekly basis — not quarterly — and using this data to hold carriers accountable for service commitments during the crisis.
- Setting rate targets before each tender round. Xeneta advisory data shows every carrier reduces bids through successive rounds. Shippers entering Round 2 or 3 with market data can identify which carriers are high-balling and apply pressure accordingly.
- Finding cargo and planning around it. Shippers are using vessel ETA tracking and port-level service searches to identify routing alternatives for stranded or delayed cargo, rather than waiting for carriers to provide options.
- Building budget scenarios for extended disruption. Pre-crisis transit time and cost assumptions are outdated. Shippers are adding 10-day buffers to transit-time estimates and modelling freight spend under multiple disruption scenarios.
- Reporting upward with confidence. Operations teams are anchoring internal reporting in market data, not just their own experience. When rates on a lane are up 40% industry-wide, that context reframes cost increases as market events rather than execution failures.
- Evaluating index-linked contracts as a way to remove surcharge complexity and maintain cargo flow through volatility. With an indexed contract, there is no EBS dispute — the index is all-inclusive.

Selected customer feedback (anonymised from webinar polls and roundtables)

Surcharge pressure: All major carriers imposing emergency fuel surcharges on top of existing BAF. ONE and MSC most rigid — demanding immediate payment plus quarterly BAF updates, creating double-counting risk.

Shipper response: MuItiple shippers rejecting upfront surcharge payment on principle that they should not function as a financing mechanism for carriers. Others treating EBS as monthly floating charges with cost-methodology justification required.

Booking leverage: 71% of shippers unable to place bookings without accepting EBS. Surcharges becoming a de facto condition of service, not a negotiable line item.

Carrier variation: Evergreen not requesting any emergency surcharge. CMA CGM reconciliation formula unclear. Hapag-Lloyd proposing deferred payment with disputed reimbursement terms.

Bunker Fuel — Costs Stabilising but Surcharges Persist

Bunker fuel at Singapore — the world's leading bunkering hub — remains available, with prices roughly double pre-crisis levels but trending slowly downward after an initial spike of around 200%. Rotterdam prices continue to fluctuate, and ship-to-ship fuel transfers in the Far East are adding cost and complexity. Anecdotal reports suggest some carriers have claimed port omissions due to fuel availability constraints, though this remains unverified.

Falling oil prices should put a cap on further emergency bunker surcharges, but carriers adjust fuel surcharges on a 30–60 day lag. The surcharges announced in March are now flowing through to April and May invoices. Strategic petroleum reserves opened by 32 countries are calming the oil market, but even a permanent ceasefire would take 7–10 days before normal bunkering operations could resume at Gulf ports.

Xeneta Advice for Shippers

- Establish repeatable monitoring routines. Congestion maps, schedule updates, and carrier scorecards should be reviewed daily, not weekly. Consistency beats ad hoc information gathering during a crisis.
- Use carrier scorecards and ocean schedules as negotiating leverage. Reliability, transit time, and cancellation rate data — tracked over time — gives shippers the ability to hold carriers accountable and make data-driven decisions about which services to book.
- Keep all surcharges separate from base rates. Time-limit them to 30–60 days. Require line-item breakdowns and cost-methodology justification. Do not accept anything baked in.
- Set rate targets before every tender round. Xeneta advisory data shows carriers reduce bids through successive rounds. Entering negotiations with benchmark data prevents overpaying.
- Find your cargo and plan around it. Use vessel ETA tracking and port-level service searches to identify routing alternatives. Do not wait for carriers to come back with options — build your own picture.
- Report upward with market context. Anchor freight spend reporting in market data so leadership understands cost increases as market events. Build a simple dashboard for your top five lanes: current rates, transit times, schedule reliability, and congestion status.
- Flag the space risk, not just the price risk. Index-linked contracts give shippers a stronger claim on space because carriers have no incentive to sell it elsewhere. This is a risk distinction worth making explicit to finance and treasury colleagues.
- Consider freight futures to hedge against further rate increases. The tools to manage freight cost volatility now exist at scale: real-time rates, congestion data, carrier performance metrics, and financial instruments.

The latest Xeneta data is provided on Page 2 of this iXRT report.



Selected Indices

Public Indices Report

Disclaimer

Xeneta is the leading freight intelligence platform transforming how global shippers, freight forwarders, and carriers manage their supply chains. Trusted by industry leaders such as Nestlé, Volvo, and Coca-Cola, Xeneta provides the most complete and independent ocean and air freight data available, giving procurement, supply chain, and finance teams the clarity and insight needed to act.

Through award-winning platforms, expert analysis, and reliable data services, Xeneta helps customers reduce freight costs and delays, strengthen supplier relationships, and improve contracting and service levels.

Our solutions simplify daily operations, support effective planning, and build supply chain resilience—delivering the transparency and confidence needed to stay ahead in a changing market.

Unlike supplier-driven data, manual processes, or limited alternative tools, Xeneta delivers:

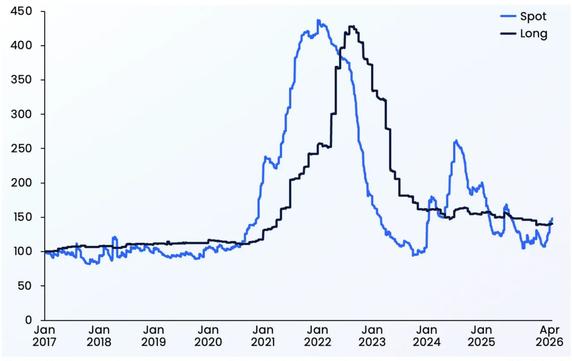
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NOTE: The XSI® public indices reports are based on long-term contracts only.

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Global Average Rates

Index 100 = 2017



Source: Xeneta

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Selected Indices

Xeneta rate indexes – 19 April

Index base January 2017

Spot rates	Xeneta Index	Change from one month ago	Change from one year ago
Global	148.2	20.5%	15.4%
Europe import	139.4	6.9%	16.1%
Europe export	143.5	34.2%	8.2%
Far East import	59.6	5.8%	-13.5%
Far East export	149.6	16.1%	21.1%
North America import	138.3	27.8%	-1.8%
North America export	169.3	2.7%	1.0%

Long term rates	Xeneta Index	Change from one month ago	Change from one year ago
Global	140.7	1.2%	-6.1%
Europe import	169.9	1.8%	-1.9%
Europe export	95.7	1.4%	-12.1%
Far East import	80.8	7.6%	-9.7%
Far East export	165.7	0.3%	-9.6%
North America import	140.4	-1.4%	-5.0%
North America export	119.4	5.8%	7.8%

Ocean – Spot-term rates

Monthly market average, 40' container

XENETA

Origin	Destination	THC	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	MoM Change	YoY Change
China	North Europe	None	2 162	1 847	2 642	3 363	2 969	1 940	1 746	2 214	2 400	2 650	2 162	2 453	2 653	+8%	23%
North Europe	China	OTHC	148	149	202	177	136	123	110	95	95	110	109	126	200	+59%	35%
China	US West Coast	DTHC	2 772	2 819	4 218	2 253	1 881	2 007	1 862	2 246	1 996	2 414	1 898	2 131	2 697	+27%	-3%
US West Coast	China	Both	611	610	612	664	646	660	645	621	597	568	538	561	515	-8%	-16%
US East Coast	North Europe	Both	776	779	789	768	735	726	729	770	781	763	796	826	862	+4%	+11%
North Europe	US East Coast	Both	2 247	2 167	2 211	2 116	2 021	1 871	1 656	1 628	1 623	1 601	1 593	1 602	2 240	+40%	-0%
China	S. America East Coast	None	2 020	2 064	4 816	6 573	3 896	3 383	3 007	2 521	2 102	2 047	1 882	3 056	3 161	+3%	+56%
North Europe	S. America East Coast	OTHC	940	953	962	906	820	833	735	757	714	827	836	848	1 052	+24%	12%

Ocean – Long-term rates, last 3 months

Monthly market average, 40' container

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Origin	Destination	THC	Q1 2025	Q2 2025	Q3 2025	Q4 2025	Q1 2026	QoQ Change	YoY change
China	North Europe	None	2 594	2 020	2 089	2 089	1 865	-11	-28%
North Europe	China	OTHC	149	96	59	108	110	+2%	-26%
China	US West Coast	DTHC	2 951	2 636	2 045	1 958	1 990	+2%	-33%
US West Coast	China	Both	1 002	805	732	847	1 008	+19%	+1%
US East Coast	North Europe	Both	833	783	777	762	904	+19%	+9%
North Europe	US East Coast	Both	1 977	1 773	1 722	1 478	1 371	-7%	-31%
China	S. America East Coast	None	4 011	2 991	2 403	2 918	2 484	-15%	-38%
North Europe	S. America East Coast	OTHC	684	647	619	693	659	-5%	-4%

Ocean – Long-term rates

Monthly market average, 40' reefer

XENETA

Origin	Destination	THC	Q2 2025	Q3 2025	Q4 2025	Q1 2026	Q2 2026	QoQ Change	YoY change
North Europe	China	OTHC	1 474	1 327	1 395	1 272	1 206	-5%	-18%
North Europe	US East Coast	Both	3 613	3 551	3 817	3 280	3 746	14%	4%
North Europe	S. America East Coast	OTHC	1 428	1 368	1 593	1 284	1 395	9%	-2%

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