# iXRT

Air Market News by Xeneta

**September 2, 2025**

The Xeneta Air iXRT provides an overview of 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:

- Global air cargo volume increases 4% in August
- Tariff deadline extensions ease frontloading
- Asia to Europe trade more seasonal
- Question marks over peak season

**Air cargo has continued to defy gravity**

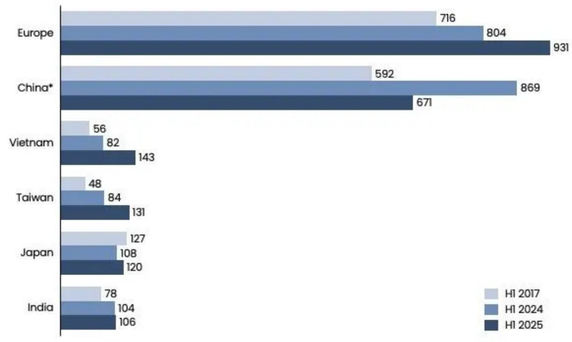
Global air cargo volumes rose 4% in the first three weeks of August compared to a year ago, extending July's surprising rebound.

The explanation lies partly due to frontloading. America's National Retail Federation (NRF) stated imports hit 2.2m TEUs in July and will edge up to 2.3m for full month August. That surge has been reflected in volumes shipped in the skies.

In the first half of 2025, shipments from Vietnam to the US soared 76% compared with a year earlier, while those from Taiwan and Japan jumped 57% and 11% respectively.

### Europe overtakes China as chief air supplier to the US

**Air cargo imports to the US from selected top origin areas**
(In million tons)




Note: China air volume includes low-value and e-commerce volume.
Source: Xeneta analysis of the US Census Bureau

China, once the dominant supplier, saw volumes fall over 20% year-on-year, while shipments from Mexico and Canada slipped modestly. Europe, by contrast, recorded a 16% rise, consolidating its position as America's largest air freight partner, overtaking China. During Trump's first presidency, US imports from Europe was just 10–20% higher than that from China.

**Slipping tariffs deadlines ease frontloading**

The market is cooling, with airline-sell rates out of Asia softening as tariff deadlines slip further into the future.

This stands to reason - as the tariff deadlines keep getting pushed back, frontloading becomes less hectic.

In Vietnam, air cargo rates have been weighed down by a 20% expansion in outbound capacity across Asia, the Middle East and North America. The extra lift has offset brisk demand on Transpacific lanes. Talks between Vietnam and US, first announced in July, continue over the definition of 'transhipments'. Until a trade agreement is finalized, the market may continue drifting sideways.

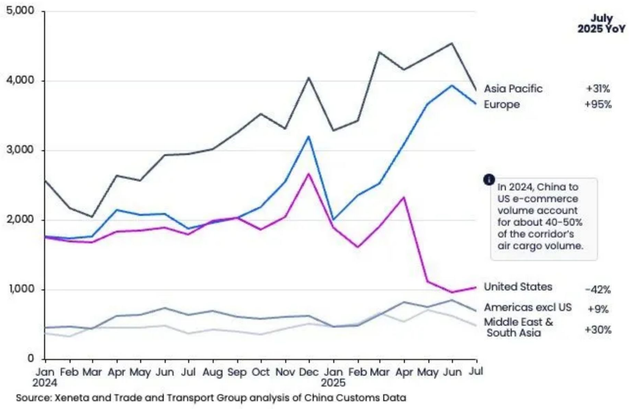
On the China–America route, tariff talks in Washington remain in flux. A fresh 90-day extension of lower tariffs, stretching into November and overlapping with the traditional air cargo peak season, could yet spark another bout of frontloading before the holiday rush. Any early signals of this frontloading could surface first in the ocean container market—where abundant capacity has so far muted any rate upticks.

**Asia to Europe a little more recognizable**

Europe-bound flows from Asia are behaving more seasonally. Demand slackened over the summer, pushing down freight rates, though volumes in early August show tentative signs of stabilizing.

### China cross-border e-commerce sales falter in the US but surge elsewhere

**China low-value and e-commerce export values**
(In million USD)




Source: Xeneta and Trade and Transport Group analysis of China Customs Data

Cross-border e-commerce remains a bright spot, with outbound China sale values nearly doubling year-on-year in July. Continuing disruptions for ocean container shipping in the Red Sea, now heading towards two years since conflict escalated, provide an additional prop on this air corridor trade.

**Will there be a peak season?**

The bigger question is whether there will be an air freight peak season at all. So far, few shippers are scrambling for extra freighter capacity for peak season.

Importers built inventories earlier in the year through frontloading and this has already seen muted traditional Q3 peak season for ocean container shipping. And frontloading further delayed the tariff impacts on consumer inflation as the stockpiles remains in inventory. But the effect may show up in consumer prices from September as inventory flows out of warehouses.

Spending patterns remain uncertain. Despite US core retail sales adjusted for inflation increasing 0.3% in July, the US consumer sentiment weakened in August with softening employment numbers.

The NRF expects America's imports to sink to 1.7–1.8m TEUs a month from September—down 19–21% from last year. Whether consumers keep spending will determine if the air freight market has one more surge left in it.