July '26

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TL;DR – Key market highlights

- An unexpectedly strong June carried momentum into July before additional capacity helped restore a more balanced market.
- Freight rates have stabilised, with carriers now focused on maintaining pricing rather than pursuing further increases.
- Additional services and vessel capacity are improving network flexibility ahead of the traditional August peak season.
- Attention is now turning to whether August demand will be strong enough to absorb the increased capacity entering the market.

Following an unexpectedly strong June, additional capacity has helped restore balance across the Asia-Australia trade, with attention now turning to whether the traditional August peak season will be strong enough to absorb the increased capacity entering the market.

RATES & CAPACITY

Carriers continue responding to strong demand by introducing additional services, extra loader vessels and new capacity across the Asia-Australia trade. These additions have eased pressure on vessel space during July, allowing shipping lines to clear backlogs and restore a more balanced supply and demand environment.

Following the sharp increases seen throughout June, freight rates have largely stabilised as carriers shift their focus from implementing further increases to maintaining current pricing levels.

CONGESTION & SCHEDULE RELIABILITY

While additional capacity has helped ease pressure on vessel space, operational challenges remain across global shipping networks. Congestion continues to affect several major ports, particularly throughout North Asia, where recent typhoon-related disruptions in China have contributed to vessel delays, longer transit times and ongoing variability across international services.

Encouragingly, carrier schedule reliability has continued to improve, reaching its highest level of 2026. Although market supply and demand have become more balanced, businesses should continue allowing flexibility in their supply chain planning as congestion and operational disruption remain key considerations.

MARKET OUTLOOK

Attention is now shifting towards the traditional August peak season, which is expected to determine whether current freight rates and market stability can be sustained. While carriers remain cautiously optimistic, the significant amount of additional capacity entering the market means future pricing will largely depend on whether demand strengthens over the coming weeks.

Beyond the Australia trade, ongoing geopolitical uncertainty and softer conditions across several major global trade lanes continue to influence carrier strategies. As a result, businesses should expect market conditions to remain dynamic through the second half of the year.

SERVICE & NETWORK UPDATES

Carriers continue investing in additional services to strengthen the Australia trade, with Maersk's new Qilin service and the China Australia Express (A3X) set to launch later this month. Together, these services will introduce significant additional capacity while improving connectivity between China and Australia's east coast.

These network enhancements reflect continued confidence in the Australia market and will provide importers with greater service choice and flexibility. Their longer-term impact will ultimately depend on how well the additional capacity is absorbed during the traditional peak season.

💡 SAL INSIGHT

One thing we're seeing consistently is that customers planning further ahead are putting themselves in a much stronger position. While market conditions continue to change, securing bookings early and keeping shipment forecasts up to date is helping businesses minimise delays and better manage freight costs.